

CASE 5168: Application of SILVER-
MONUMENT MINERALS FOR UNORTHODOX
OIL WELL LOCATION, ROOSEVELT CO.

CASE No.

5168

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 13, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Silver Monument
Minerals, Inc., for an unorthodox
oil well location, Roosevelt County,
New Mexico.

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)
) Case No. 5168
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)
)

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conser-
vation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the Com-
mission
State Land Office Bldg.
Santa Fe, New Mexico

For the Applicant:

Clarence Hinkle, Esq.
HINKLE, BONDURANT, COX &
EATON
Hinkle Building
Roswell, New Mexico

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I N D E X

A. C. HOLDER

Page

Direct Examination by Mr. Hinkle

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Cross Examination by Mr. Stamets

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E X H I B I T S

Applicant's Exhibits 1 and 2

Marked Admitted

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THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 962-0386

MR. STAMETS: Call Case 5168.

MR. DERRYBERRY: Case 5168. Application of Silver Monument Minerals, Inc. for an unorthodox oil well location, Roosevelt County, New Mexico.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox and Eaton, appearing on behalf of Silver Monument Minerals. We have one witness, Mr. Holder and I would like to have him sworn.

(Witness sworn.)

A. C. HOLDER

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HINKLE:

Q State your name and your residence.

A My name is A. C. Holder and I live at 203 West Avenue H in Lovington, New Mexico.

Q Are you president of the Silver Monument Minerals, Inc., the Applicant in this case?

A I am.

Q I might state this that Mr. Holder is not a geologist or a petroleum engineer, but he's just simply testifying as the president of the Monument Minerals.

HOLDER-DIRECT

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A Could I just add to that?

Q Yes, go ahead.

A I had a consulting geologist to testify, but he has a consulting job in Europe. He says they're paying him more than I do.

MR. HINKLE: He's not qualifying in that way.

BY MR. HINKLE:

Q What is Silver Monument Minerals seeking to accomplish by this Application?

A We're seeking to accomplish an additional production of oil at the present time. Our thinking is that these surrounding wells, they are triple wells at the present time, that they haven't drained the entire area as well as they could have and we propose this unorthodox location for testing that purpose.

Now, in arriving at this conclusion, we have very excellent history of operations over across the State line over into Texas where the drilling is low 10-acre spacings in an old field and getting excellent results.

Q Have you prepared or has there been prepared under your direction two Exhibits to introduce in this case?

A Yes.

Q Referring to Exhibit 1 and explain what this is and

HOLDER-DIRECT

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what it shows.

A This is the map? Exhibit 1 is a map of the area in 732 that Silver Monument Minerals operates. It is outlined by the red and black line.

Q Silver Monument owns all the lease holdings interests within the red outline?

A That's correct.

Q Does this show ownership of all the acreage in the area and surrounding acreage owned by Silver Monument?

A That's true.

Q Does it also show the location of all producing wells?

A That's right, it does.

Q What proration are these wells producing?

A San Andres.

Q At approximately what depth?

A About 4350 to 4450.

Q This also shows the location of the proposed infill or Five Spot Well in the southwest quarter, Section 25?

A Yes, sir.

Q That would be located in the approximate center of the southwest quarter?

A Yes, sir.

HOLDER-DIRECT

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Q Now, refer to Exhibit 2 and explain what that is?

A Exhibit 2 is a tabulation of production of all the wells outlined in the Silver Monument area on the map and it shows that they are all stripper wells and the purpose of that was to show that there could be no damage to either existing wells or adjacent areas.

Q Does Silver Monument own all of the offset acreage to this proposed location?

A Yes, sir.

Q In the event this well does not turn out to be an economic producer, do you have any intention of using it in the future as a waterflood or injection well?

A Yes, sir, I do. I intend to come back to the Commission and ask for it to be established as a water injection well. I can obtain some water about six miles south that would be compatible with the water in the San Andres for treatment and that would probably give us a real good study of the area.

Q Then, in that event of waterflood project, you would also drill additional infill wells for injection wells?

A After considerable experimentation on it, yes.

Q Do you have anything further you would like to add?

A Not at all.

HOLDER-DIRECT
CROSS

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Q In your opinion, would the approval of this Application be in the interest of conservation and prevention of waste and protection of correlative rights?

A Yes, I think it very definitely would.

Q You've had no objection from anyone to this location?

A None at all.

MR. HINKLE: That's all.

I would like to offer Exhibits 1 and 2.

MR. STAMETS: They will be admitted into evidence.

(Whereupon, Applicant's Exhibits

Nos. 1 and 2 are admitted in evidence.)

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Holder, does the entire southwest quarter of Section 25 under discussion here have the same ownership and working interest royalty?

A No, sir, the entire southwest quarter of 25 does have a common ownership, yes.

Q That's the only set 40 acres which we really are concerned with in this case?

A That's true.

HOLDER-CROSS

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Q You would like to drill a well close to the center of the quarter section five or 10 feet off the line for location perhaps to be acceptable?

A Right.

Q It's just an experimental project to try and recover additional oil?

A Essentially, yes.

MR. STAMETS: Are there any other questions of this witness?

You may be excused.

Any thing further in this case? We will take the case under advisement.

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Richard L. Nye
RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5768, heard by me on Feb. 13, 1977.

Richard L. Stambaugh, Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

February 22, 1974

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

**Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201**

Re: CASE NO. 5168 and 5130
ORDER NO. R-4733 and R-4658-A
Applicant:
Silver Monument and Mesa Pet.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x
 Artesia OCC x (R-4733)
 Aztec OCC

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5168
Order No. R-4733

APPLICATION OF SILVER MONUMENT
MINERALS, INC., FOR AN UNORTHODOX
OIL WELL LOCATION, ROOSEVELT
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 13, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of February, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Silver Monument Minerals, Inc., seeks approval for an unorthodox oil well location for the San Andres formation for a well to be drilled 1315 feet from the South line and 1315 feet from the West line of Section 25, Township 7 South, Range 32 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.
- (3) That the SW/4 SW/4 of Section 25 is to be dedicated to the well.
- (4) That said unorthodox location is proposed to determine whether infill drilling in the subject pool may recover oil which would otherwise not be recovered.
- (5) That no offset operator objected to the proposed unorthodox location.
- (6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Chaveroo-San Andres pool and will otherwise prevent waste and protect correlative rights.

-2-

Case No. 5168
Order No. R-4733

IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location for the San Andres formation is hereby approved for a well to be drilled by applicant at a point 1315 feet from the South line and 1315 feet from the West line of Section 25, Township 7 South, Range 32 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.

(2) That the SW/4 SW/4 of said Section 25 shall be dedicated to the well.


(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 13, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for March, 1974, from fourteen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for March, 1974.

CASE 5130: (Continued from the January 3, 1974, Examiner Hearing)

Application of Mesa Petroleum Company for the amendment of Order No. R-4658, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4658, which order promulgated special pool rules for the North Shoe Bar-Strawn Pool, Lea County, New Mexico. Applicant seeks the amendment of said rules to provide for a special gas-oil ratio limitation of 4000 to one.

CASE 5165: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Western States Equipment Company, The Travelers Indemnity Company and all other interested parties to appear and show cause why the Hutcherson Com Well No. 1 located in Unit C of Section 27, Township 9 South, Range 34 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5166: Application of Skelly Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its South Salt Lake Unit Well No. 1 at a point 660 feet from the North and West lines of Section 21, Township 21 South, Range 32 East, Lea County, New Mexico. Applicant further seeks establishment of an administrative procedure for the approval of additional unorthodox locations in said South Salt Lake Unit Area without hearing.

CASE 5167: Application of Fluid Power Pump Company and Petro-Lewis Corporation for compulsory pooling, Sandoval County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests underlying two non-standard proration units in Township 19 North, Range 3 West, Media-Entrada Oil Pool, Sandoval County, New Mexico, described as follows:

Unit No. 1, the S/2 SW/4 of Section 14 and N/2 NW/4 of Section 23, dedicated to applicants' Media Well No. 1 located in Unit M of said Section 14; and

(Case 5167 continued from Page 1)

Unit No. 2, the S/2 SE/4 of Section 15 and N/2 NE/4 of Section 22, to be dedicated to applicants' Media Well No. 2 located in Unit P of said Section 15.

CASE 5168: Application of Silver Monument Minerals, Inc. for an unorthodox oil well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its proposed Humble-Tucker Well No. 5 at an unorthodox location 1315 feet from the South and West lines of Section 25, Township 7 South, Range 32 East, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.

CASE 5169: Application of Atlantic Richfield Company for an unorthodox oil well location and the amendment of Order No. R-3011, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1200 feet from the South line and 1250 feet from the West line of Section 24, Township 17 South, Range 32 East, Johns Waterflood Project, Maljamar Pool, Lea County, New Mexico. Applicant further seeks the amendment of Order No. R-3011 which authorized said project to provide for administrative approval of additional infill locations in said project.

CASE 5173: Application of Mobil Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 3, Township 23 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to its Maude Rickman Com Well No. 1 located in Unit L of said Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5170: Application of Monsanto Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 16, Township 19 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location in the NE/4 of said Section 16. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5171: Application of Coquina Oil Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests of Pennsylvanian age and older underlying the N/2 of Section 16, Township 19 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well proposed to be drilled at an unorthodox location 990 feet from the North and East lines of said Section 16. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5140: (Continued from the January 16, 1974, Examiner Hearing)

Application of Pierce & Dehlinger for compulsory pooling, Vada-Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Vada-Pennsylvanian Pool underlying the NW/4 of Section 24, Township 9 South, Range 33 East, Lea County, New Mexico, to be dedicated to the King Resources Sheridan Well No. 1-A located in Unit C of said Section 24. Also to be considered is designation of the applicant as operator of the NW/4 of said Section 24 and the well located thereon, provision for allocation of actual operating costs and charges for supervision, and allocation of costs for reworking said well including a 200% charge attributable to any non-consenting working interest owner's pro rata share of said workover costs, for the risk involved in said workover.

CASE 4956: (Reopened) (Continued from the January 16, 1974, Examiner Hearing)

Application of Pierce & Dehlinger for a determination of well costs, Lea County, New Mexico. Applicant, as operator of the Sheridan Well No. 1 located in Unit M of Section 13, Township 9 South, Range 33 East, Lea County, New Mexico, to which well is dedicated the SW/4 of said section 13, all mineral interests in the Vada-Pennsylvanian Pool thereunder having been pooled by Commission Order No. R-4560, seeks the determination of reasonable well costs attributable to applicant and to King Resources, including, but not limited to, the costs of reworking and placing said Sheridan Well No. 1 back on production and attorneys fees in connection therewith. Applicant further seeks an order assessing, as a charge for the risk involved in the reworking of the well, 120% of the pro rata share of the reasonable well costs attributable to the working interest of King Resources.

CASE 5124: (Continued from the January 16, 1974, Examiner Hearing)

Application of Belco Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests

(Case 5124 continued from Page 3)

underlying the S/2 of Section 30, Township 20 South, Range 33 East, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 1300 feet from the East line of said Section 30. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5172: Southeastern New Mexico nomenclature case calling for the creation, abolishment, contraction and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Avalon-Upper Pennsylvanian Gas Pool. The discovery well is Atlantic Richfield Company, State BO Com No. 1 located in Unit G of Section 15, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 15: N/2

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Rocky Arroyo-Atoka Gas Pool. The discovery well is the El Paso Natural Gas Company Patterson No. 1 located in Unit H of Section 30, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 30: E/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Canyon production and designated as the Rocky Arroyo-Canyon Gas Pool. The discovery well is the El Paso Natural Gas Company Rocky Arroyo C No. 1 located in Unit F of Section 8, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 8: W/2

(d) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Winchester-Strawn Gas Pool. The discovery well is the Hillin Production Company JCW State Com No. 1 located in Unit C of Section 2, Township 20 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 2: N/2

(e) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Indian Draw-Delaware Pool, and to consider the assignment of 16,300 barrels of oil discovery allowable to the discovery well, the Amoco Production Company Old Indian Draw Unit Well No. 1, located in Unit J of Section 18, Township 22 South, Range 28 East, Eddy County, New Mexico. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 18: SE/4

(f) Abolish the East Weir-Tubb Pool in Lea County, New Mexico, described as:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: E/2 and S/2 SW/4
Section 13: N/2

(g) Extend the Monument-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 11: E/2 SE/4
Section 12: E/2 and SW/4
Section 13: N/2

(h) Contract the Wantz-Abo Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 1: SE/4 SW/4
Section 12: NW/4 NE/4

(i) Contract the Winchester-Wolfcamp Pool in Eddy County, New Mexico, by the deletion of the following described area:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2 SE/4

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 2: W/2 NE/4

(j) Extend the West Atoka-Cisco Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 11: S/2

(k) Extend the West Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 18: N/2

(l) Extend the Cabin Lake-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 30 EAST, NMPM
Section 35: W/2

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 2: N/2

(m) Extend the Catclaw Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 20: All

(n) Extend the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 30 EAST, NMPM
Section 25: SW/4
Section 26: SE/4

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
Section 29: All

(o) Extend the Burton Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 33: E/2
Section 34: N/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 4: Lots 1, 2, 7, 8, 9, 10, 15 and 16

(p) Extend the Burton Flats-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 34: S/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 3: Lots 1 through 16

(q) Extend the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 31: S/2

(r) Extend the Fren Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 15: W/2 SW/4

(s) Extend the Grayburg-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 28: S/2

(t) Extend the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 5: Lots 3, 4, 5, 6, 11, 12,
13 and 14

(u) Extend the Logan Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 27: All

(v) Extend the North Morton-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 25: S/2
Section 36: NE/4

(w) Extend the Penasco Draw San Andres-Yesc Pool in Eddy County, New Mexico, to include therein.

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 30: N/2

(x) Extend the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 17: E/2

(y) Extend the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM

Section 7: S/2

Section 8: W/2

(z) Extend the Rocky Arroyo-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM

Section 33: S/2

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM

Section 4: N/2

Section 5: All

Section 8: W/2

(aa) Extend the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM

Section 32: S/2

Section 33: W/2

(bb) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM

Section 23: NW/4

(cc) Extend the Scharb-Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM

Section 2: S/2

(dd) Extend the North Shoebar-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 13: NE/4

(ee) Extend the Square Lake Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM

Section 9: NE/4

(ff) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 1: NW/4
Section 15: N/2 SW/4

(gg) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 2: SW/4

(hh) Extend the Washington Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 24 EAST, NMPM
Section 28: S/2

(ii) Extend the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 30: All

(jj) Extend the Winchester-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 34: W/2

T-7-S R-32-E ROOSEVELT Co

<p>5.4.77 5.1.77 4.26.77 J.V. Cone, et al 1/2 Dillard Nickels</p>	<p>5.4.77 5.1.77 4.26.77 Catherine F. Roin, et al</p>		<p>202 State Audelia DeLuna 7.1.80 1966</p>	<p>57.50 21 5.05 State J.J. Grynberg 6.1.73 0392502</p>
<p>15 Amoco 4.1.74 0533777 A.D. Bell 5.10.71 J.H. Nichols, et al</p>	<p>Amoco 4.1.74 0533777 U.S. Dillard Nickels</p>	<p>4 Floyd Vincent, et al</p>	<p>13 U.S.</p>	<p>37.58 31 Western States 12.9.70 37.64 8 Finus Tucker et al</p>
<p>D.L. Hannifin 6.23.76 6.26.76 Amoco 8.1.73 0421196 U.S. 0533777</p>	<p>Shell 0533777 Shell Brukenfeld Fed. TIA 4680</p>	<p>Western States 0533777 U.S. STD 4700</p>	<p>Southwestern Nat. 034546 TD 4700</p>	<p>37.71 11 Taylor (Champlin 04. (Pruitt)) Todhunte</p>
<p>22 Superior) Jenkins- Dhaenens Andrews Nuckols, et al E. Andrews 1/2</p>	<p>2 Jenkins- Dhaenens Shell-Fed. U.S. F.K. Odle 7.24.73 Superior 4.11.73</p>	<p>(Taylor Pruitt) 4 III 2 3 "Atl. Tucker" Atl. Rich. III 2 3 "Tucker" (Taylor Pruitt) III 2 3 Finus Tucker, et al Atl. Tucker"</p>	<p>Seco Prod. 3-A 0392502 Kavanau Real Est. U.S.</p>	<p>37.85 31 Geror, Inc Ltd. 1962. 04470 5 U.S.</p>
<p>F.K. Odle 7.24.73 Superior 4.11.73 Finus Tucker, et al</p>	<p>F.K. Odle 7.24.73 Superior 4.11.73 Finus Tucker, et al</p>	<p>Kavanau Real Est. 5-WI Pruitt 0533777 "Humble-Fed" 4 3 U.S. (Taylor Pruitt) (Humble) 2 Kavanau Real Est.</p>	<p>(Taylor Pruitt) 07 09 0533777 Kavanau Real Est. Humble-Fed U.S. (Taylor Pruitt) 03 02 02 Humble-Tucker Kavanau Real Est. Tucker-Hall"</p>	<p>37.80 21 FLR Oil 0467935 37.72 31 FLR Oil 3 4 37.64 71 2 "St." W.E. Archer</p>
<p>27 Cone 1-82 019 F.M. Tucker(S) R.G. Barton</p>	<p>Humble D.P. Jones 1/2 D. Hefflefinger</p>	<p>26 (Taylor Pruitt) (Humble) 2 Kavanau Real Est. HSG State Game Com.</p>	<p>(Taylor Pruitt) 05 07 K-3995 Kavanau Real Est.</p>	<p>37.53 11 Cayma 3 4 E-101 37.56 21 2 Stat Coquina 2-A 061191 K-3933 37.46 41 7.L. Ingram 1-A et al Chavero E-10130</p>
<p>34 Superior 9.13.72 Johnsen, F. Tucker R.G. Barton F.A. Johnson 1/2 Minnie Ber- strom 1/2</p>	<p>D.P. Jones 1/2 D. Hefflefinger FLR Oil 103677812 P65 (Shell 35 Fed") 105097 P/34695</p>	<p>FLR Oil (cShell) "Partin" Midwest Cerk Pet. (Shell) 02 Shell-Cone Partin (J.D. McLean) Arens Pet. 20 P210 "Partin" Gordon Cone et al</p>	<p>(Taylor Pruitt) 05 07 K-3995 Kavanau Real Est. Taylor Pruitt) 04 06-1017 KMS Taylor Pruitt) 06 K-3995 Kavanau Real Est. CWS State</p>	<p>37.53 11 Cayma 3 4 E-101 37.56 21 2 Stat Coquina 2-A 061191 K-3933 37.46 41 7.L. Ingram 1-A et al Chavero E-10130</p>
<p>35 Humble 3.8.72 A.R. Co. 10.27.72 2.12.73 Jannie Terrill</p>	<p>Arno Dalby W.P. Flott 1/2 W.A. Yeager 1/2</p>	<p>36 (Taylor Pruitt) 01 K-3995 Kavanau Real Est. CWS State</p>	<p>(Taylor Pruitt) 01 K-3995 Kavanau Real Est. CWS State</p>	<p>37.48 11 SA Disc. 045 37.53 51 Champl 6 K-2775 37.59 61 Champlin HBP 06520.1 (Signal) Adobe 37.65 71</p>
<p>3 Shell 4.7.74 Wannicodem et al A.M. McMillan</p>	<p>Shell M.F. Lawless K-3189 I-A K-3189</p>	<p>Read E. Stevens K-3189</p>	<p>Champlin HBP K-3189 Adobe K-3189 Champlin HBP K-3189 Adobe K-3189</p>	<p>37.48 11 SA Disc. 045 37.53 51 Champl 6 K-2775 37.59 61 Champlin HBP 06520.1 (Signal) Adobe 37.65 71</p>
<p>Pennzoil 11.20.72 12.8.72 3.25.73</p>	<p>BEFORE EXAMINER STAMETS OIL CONSERVATION COMMISSION EXHIBIT 198 CASE NO. 5168 Submitted by Hearing Date</p>			

SILVER MONUMENT MINERALS, INC.
Chaveroo Field
Roosevelt County, New Mexico

	WELL NO.	ACCUMULATED PRODUCTION THRU 1972	1973 PRODUCTION	TOTAL ACCUMULATED PRODUCTION	AVERAGE DAILY PRODUCTION
Humble Federal	1	28,172	2,570	30,742	7.04
	2	26,186	2,559	28,745	7.01
	3	18,322	---	18,322	--
	4	13,343	727	14,070	1.99
	6	20,495	2,510	23,005	6.88
	7	30,117	2,349	32,466	6.44
	8	28,440	2,567	31,007	7.03
Atlantic Tucker	1	41,153	1,129	42,282	3.09
	2	44,889	1,187	46,076	3.25
	3	46,954	1,046	48,000	2.87
	4	54,063	1,117	55,180	3.06
Humble Tucker	1	43,417	2,293	45,710	6.28
	2	38,549	2,295	40,844	6.29
	3	30,439	2,384	32,823	6.53
	4	22,312	3,009	25,321	8.24
Tucker Hall	1	17,698	1,848	19,546	5.06
	2	21,987	2,200	24,187	6.03
	3	23,696	2,011	25,707	5.51
	4	8,874	2,263	11,137	6.20
	5	14,619	1,706	16,325	4.67
Tucker	1	32,398	553	32,951	1.52
	2	28,138	1,135	29,273	3.11
	3	26,596	1,147	27,743	3.14
Anderson State	1	23,147	2,102	25,249	5.76
	2	20,213	2,101	22,314	5.76
	3	25,785	1,661	27,446	4.55
	4	19,389	1,675	21,064	4.59
	5	24,378	1,705	26,083	4.67
	6	22,490	1,735	24,225	4.75
	7	19,250	1,676	20,926	4.59
	8	19,428	1,591	21,019	4.36
	9	18,536	2,089	20,625	5.72
CWS	1	48,119	3,434	51,553	9.41
	2	41,458	3,779	45,237	10.35
KMS	1	22,537	2,218	24,755	6.08
	2	23,008	2,071	25,079	5.67
	3	22,039	2,041	24,080	5.59
	4	25,056	1,911	26,967	5.24
	5	23,664	1,581	25,245	4.33
HSG	1	23,697	1,106	24,803	3.03
	2	27,569	2,078	29,647	5.69
	3	6,189	775	6,964	2.12
	4	12,561	1,841	14,402	5.04
TOTAL		1,129,370	79,775	1,209,145	218.54

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 2

CASE NO. 5168

Submitted by Silver Monument

Hearing Date 2-13-74

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING

POST OFFICE BOX 10

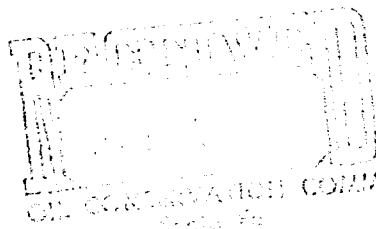
ROSWELL, NEW MEXICO 88201

January 15, 1974

TELEPHONE (505) 622-8510

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4691

Case 5768



Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

We enclose herewith in triplicate application of Silver Monument Minerals, Inc. for an unorthodox oil well location in Section 25, Township 7 South, Range 32 East. We would appreciate it if this matter could be placed on the examiner's docket for the first hearing in February.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

By Clarence E. Hinkle
CH

CEH:cs
Enc.

DOCKET MAILED

Date 1-31-74

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

Case 5-168

APPLICATION OF SILVER MONUMENT
MINERALS, INC. FOR AN UNORTHODOX
WELL LOCATION, ROOSEVELT COUNTY,
NEW MEXICO. APPLICANT SEEKS
APPROVAL OF AN UNORTHODOX OIL WELL
LOCATION FOR ITS SILVER MONUMENT
MINERALS, INC. NO. 5 HUMBLE-TUCKER
WELL TO BE LOCATED IN THE CENTER OF
THE SW $\frac{1}{4}$ SECTION 25, TOWNSHIP 7 SOUTH,
RANGE 32 EAST, N.M.P.M. IN THE
CHAVEROO-SAN ANDRES POOL.

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Silver Monument Minerals, Inc., acting by and through the undersigned attorneys, and hereby makes applciation for an unorthodox well location, Roosevelt County, New Mexico. Applicant seeks approval of an unorthodox oil well location for its Silver Monument Minerals, Inc. No. 5 Humble-Tucker well to be located in the center of the SW $\frac{1}{4}$ Section 25, Township 7 South, Range 32 East, N.M.P.M. in the Chaveroo-San Andres Pool, and in support thereof respectfully shows:

1. Applicant is the owner and operator of Wells Nos. 1, 2, 3 and 4 located in the approximate center of the SE $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 25, Township 7 South, Range 32 East, N.M.P.M. which are producing from the Chaveroo-San Andres Pool. Applicant proposes to drill a 5 spot well in the center of the SW $\frac{1}{4}$ said Section 25 to be used initially for production purposes and later said well will probably be used for secondary recovery purposes in connection with the otherwells drilled in said area. Applicant is the owner of all offset wells to the SW $\frac{1}{4}$ Section 25. There is attached hereto, made a part hereof and for purposes of identification marked Exhibit "A", a plat showing the location of the proposed well and the owership of the acreage surrounding the same, as well as locations of the wells producing from the Chaveroo-San Andres Pool.

2. It is believed that the approval of said unorthodox location will be in the interest of conservation, the prevention of waste and will protect correlative rights.

3. Applicant requests that this matter be set down for the first examiner's hearing in February, 1974.

SILVER MONUMENT MINERALS, INC.

By Clarence E. Hinkle
HINKLE, BONDURANT, COX & EATON, IS
Attorneys for Applicant

1/2 J.V.Cone, et al 1/2 Dillard Nuckels	5.4.77 5.1.77 4.26.77 Catherine F. Rain, et al	5.4.77 5.1.77 4.26.77 Amoco 4.1.74 0533777	202 State Audelia DeLuna 7.1.80 1966	37.50 215.63 J.J. Grynberg 6.1.73 0392502
15 Amoco 4.1.74 0533777 A.D. Bell 5.10.71 J.H. Nichols, et al	14 Amoco 4.1.74 0533777 U.S. Dillard Nuckels Floyd Vincent, et al		13 Western States 0533777 U.S. TD 4700	37.58 31 Western Stat 12.9.70 37.64 2 Finus Tucker et al
75 D.L. Hännirfin 6.23.76 6.26.76 Amoco 8.1.73 0421196 U.S. 0533777	Shell 0533777 Shell Brukenfeld Fed. T/A 4680 Jenkins-Dhaenens Shell-Fed.	23 Kavanau Real Est. (Taylor Pruitt) 4.11.72 3 "Att. Tucker" Atl.-Rich. 1112 "Tucker" (Taylor Pruitt) 1112 Finus Tucker, et al "Att. Tucker"	24 Seco Prod. 3-A 0392502 Kavanau Real Est. 1-A U.S.	37.71 11 37.77 21 (Pruitt) Tod hu. 37.83 31 Geror. Ltd. 18 37.89 71 04 5
22 (Superior) Jenkins-Dhaenens Andrews ard Nuckels, et al Selma E. Andrews 1/2	U.S. F.K. Odle 7.24.73 Superior 4.11.73 Finus Tucker, et al	26 (Taylor Pruitt) (Humble) 2 Kavanau Real Est. Humble D.P. Jones 1/2 Hefflefinger "HSG" State Game Com.	25 (Taylor Pruitt) (Humble-Tucker) Kavanau Real Est. "Tucker-Hall" Finus Tucker, et al	37.88 11 37.86 51 FLR Oil 0467935 37.72 31 FLR Oil 3 37.64 71 2 "St." W.E. Archer
F.K. Odle 7.24.73 Superior 4.11.73 Finus Tucker, et al	F.K. Odle 7.24.73 Superior 4.11.73 Finus Tucker, et al	Kavanau Real Est. 5-Wi Pruitt 0533777 "Humble-Fed" 4 3 U.S.	(Taylor Pruitt) 0533777 Kavanau Real Est. "Humble-Fed" U.S.	37.88 11 37.86 51 FLR Oil 0467935 37.72 31 FLR Oil 3 37.64 71 2 "St." W.E. Archer
27 G.M. Cone 3.1.82 15019 F.M. Tucker(S) R.G. Barton	Humble D.P. Jones 1/2 Hefflefinger	(Taylor Pruitt) (Humble) 2 Kavanau Real Est. Humble D.P. Jones 1/2 Hefflefinger "HSG" State Game Com.	25 (Taylor Pruitt) (Humble-Tucker) Kavanau Real Est. "Tucker-Hall" Finus Tucker, et al	37.88 11 37.86 51 FLR Oil 0467935 37.72 31 FLR Oil 3 37.64 71 2 "St." W.E. Archer
Voyd alland n, et al R.G. Barton F.A. Johnson 1/2 Minnie Bergstrom 1/2 A.R. Co. 10.27.72 2.12.73 Jonnie Terrill	Superior 9.13.72 Johnson, F. Tucker FLR Oil 10367781 P85 "Shell 35 Fed" U.S. Arno Dalby W.P. Platt 1/2 W.A. Yeager 1/2	FLR Oil 1 Shell "Partin" Midwest Oak Pet. (Shell) Shell-Cone-Partin (J.D. McLean) Arens Per. 2 P210 "Partin" Gordon Cone, et al	(Taylor Pruitt) K-3995 Kavanau Real Est. (Taylor Pruitt) K-3995 Kavanau Real Est. "CWS" And-St State	37.58 71 3 4 37.54 71 2 37.46 41 Coquina 2-A K3933 37.46 41 L. Ingram 1-A etal 1-0 Chaverad 1-0130 St.
33.55 2139.94 F. Shell 4.7.74 Hannie Odum, et al A.M. McMillan Pennzoil 11.20.72 12.8.72 3.25.73	33.56 4139.87 Shell M.F. Lawless K-3189 Champlin 2 Shell-St. TD 4933 Champlin	33.82 4139.87 IMWJ Read & Stevens K-3189 Champlin HBP K-3349 6 Champlin	33.92 2139.97 Champlin (Signal) et al 06528-1 Signal-St Adobe K3349 B-8638 Chaves Levick Champlin HBP 06528-1 (Signal) Adobe Humble	37.46 2139.97 3 SA Disc. P45 37.53 5 Cham K-21 37.53 6 Champlin HBP 8-8638 37.65 7

DRAFT

TWD/jr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5168

Order No. R-4733

APPLICATION OF SILVER MONUMENT
MINERALS, INC., FOR AN UNORTHODOX
OIL WELL LOCATION, ROOSEVELT
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 13, 1974,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of February, 1974, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Silver Monument Minerals, Inc., seeks
approval for an unorthodox oil well location for the San Andres
formation for a well to be drilled 1315 feet from the South line
and 1315 feet from the West line of Section 25, Township 7 South,
Range 32 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County,
New Mexico.

-2-

CASE NO. 5168
Order No. R-

(3) The the SW/4 SW/4 of Section 25 is to be dedicated to the well.

(4) That said unorthodox location is proposed to determine whether infill drilling in the subject pool may recover oil which would otherwise not be recovered.

(5) That no offset operator objected to the proposed unorthodox location.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Chaveroo-San Andres pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location for the San Andres formation is hereby approved for a well to be drilled by applicant at a point 1315 feet from the South line and 1315 feet from the West line of Section 25, Township 7 South, Range 32 East, NMPM, Chaveroo-San Andres pool, Roosevelt County, New Mexico.

(2) That the SW/4 SW/4 of ^{said} Section 25 shall be dedicated to the well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.