

CASE 5235: Application of ATLANTIC
RICHFIELD FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

*Voluntary
Assignment*

CASE No.

5235

Application,
Transcripts,
Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 8, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield
Company for compulsory pooling,
Eddy County, New Mexico.

Case No.
5235

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

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

For the Applicant:

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

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

MR. STAMETS: Call the next case, Case 5235.

MR. DERRYBERRY: Case 5235. Application of Atlantic Richfield Company for compulsory pooling, Eddy County, New Mexico.

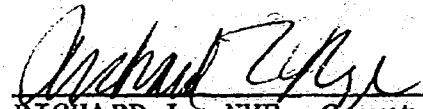
MR. HINKLE: Mr. Examiner, Clarence Hinkle, Hinkle, Bondurant, Cox & Eaton, appearing on behalf of Atlantic Richfield.

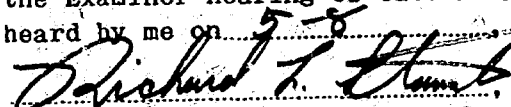
Up until this morning all of the parties involved in this Case had agreed to unitization except one. During the coffee break I had a phone call advising that that one has agreed to the communitization, so I'm happy to move to dismiss this Case.

MR. STAMETS: The Examiner is happy to accept your dismissal of this Case.

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

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, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5235 heard by me on 5-8, 1974.
, Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMISTEAD
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

May 21, 1974

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

Re: CASE NO. 5235
ORDER NO. R-4789
Applicant:
Atlantic Richfield Co.

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
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. 5235
Order No. R-4789

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

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

FINDS:

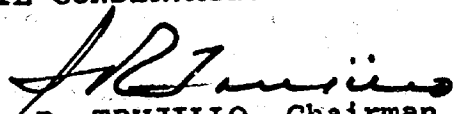
That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 5235 is hereby dismissed.

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

SEAL

jr/

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 8, 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:

CASE 4790: (Reopened) (Continued from April 10, 1974, Examiner Hearing)

In the matter of Case No. 4790 being reopened pursuant to the provisions of Order No. R-4370, which order established temporary rules for the Dublin-Ellenburger Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 5220: (Continued from the April 25, 1974, Examiner Hearing)

Application of Atlantic Richfield Company for an unorthodox gas well location and non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its McDonald State WN Well No. 24 located 1780 feet from the North line and 660 feet from the West line of Section 25, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to a 320-acre non-standard gas proration unit comprising the N/2 of said Section 25.

CASE 5229: Application of Texas International Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Lowe-Federal Well No. 1 located in Unit H of Section 31, Township 20 South, Range 30 East, Golden Lane Field, Eddy County, New Mexico, in such a manner as to produce Strawn and Morrow gas through parallel strings of tubing.

CASE 5230: Application of Gulf Oil Corporation for the amendment of Order No. R-4079, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4079 which authorized the commingling of Hobbs Grayburg-San Andres and Hobbs-Blinebry production from its W. D. Grimes "A" and "B" leases in Sections 32 and 33, Township 18 South, Range 38 East, Lea County, New Mexico, to include in said commingling authority Bowers-Seven Rivers production.

CASE 5231: Application of Mesa Petroleum Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Nash Unit Area comprising 5,124 acres, more or less, of State, Federal and fee lands in Township 23 South, Ranges 29 and 30 East, Eddy County, New Mexico.

CASE 5232: Application of Texas Pacific Oil Company, Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Phantom Draw Unit Area comprising 8,465 acres, more or less, of Federal, State and fee lands in Township 26 South, Range 31 East, Eddy County, New Mexico.

- CASE 5233: Application of Burleson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Queen formation underlying the SW/4 of Section 29, Township 25 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to be dedicated to its Jenkins Well No. 3 located 760 feet from the South line and 1980 feet from the West line of said Section 29. Also to be considered will be the cost of recompleting and equipping 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 recompleting and equipping said well.
- CASE 5234: Application of Atlantic Richfield for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the S/2 of Section 14, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its McDonald WN State Wells Nos. 1 and 27 located in Units L and O, respectively, of said Section 14.
- CASE 5235: Application of Atlantic Richfield 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 N/2 of Section 9, Township 21 South, Range 26 East, Eddy County, New Mexico, to form a standard 320-acre unit to be dedicated to a well to be drilled at a standard location for said unit, and pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of said Section 9 to form a standard 320-acre unit to be dedicated to a well to be drilled at a standard location for said unit, if it is determined that said Section 9 should be developed on 320-acre spacing. Applicant further seeks a provision in said order that would pool all mineral interests in the Pennsylvanian formation underlying all of said Section 9 to form a standard 640-acre unit to be dedicated to a well to be drilled at a standard location for said unit if it is determined that said Section 9 should be developed on 640-acre spacing. Also to be considered will be the cost of drilling and completing said well, or wells, 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, or wells, and a charge for risk involved in drilling said well, or wells.
- CASE 5236: Application of Atlantic Richfield Company for five unorthodox oil well locations and an administrative procedure, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of five oil wells in the Horseshoe-Gallup Oil Pool in Township 31 North, Range 16 West, San Juan County, New Mexico, to be drilled at the following points:

Examiner Hearing - Wednesday - May 8, 1974

Dockets Nos. 12-74 and 13-74
-7-

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

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

CASE 5208: (Continued from the April 25, 1974, Examiner Hearing)

Application of S. P. Yates for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-3221, as amended, authority to dispose of produced salt water in an unlined surface pit on its Federal LC 065598 lease in the SW/4 SW/4 of Section 4, and the NE/4 of Section 5, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.

Docket No. 13-74

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 15, 1974

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

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

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

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 11: N/2

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

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 26: NE/4

(i) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 6: SE/4

(j) Extend the Fowler-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 10: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 31: All
Section 32: All

(l) Extend the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 12: NW/4

(m) 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

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

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 7: E/2
Section 8: SW/4

- (o) Extend the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 26: NW/4 SE/4

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

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 1: NE/4

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 13: NE/4

- (r) Extend the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 26: NE/4

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

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM
Section 12: N/2

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

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 17: All

- (u) Extend the Wilson-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 13: E/2

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

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

(Case 5236 continued from Page 1)

1975 feet from the North line and 890 feet from the West line of Section 28; 150 feet from the North line and 1375 feet from the East line of Section 33; 2580 feet from the South line and 295 feet from the West line of Section 35; 2605 feet from the North line and 2580 feet from the East line of Section 32; and 2540 feet from the South line and 2570 feet from the East line of Section 30.

Applicant further seeks an administrative procedure for the approval without notice and hearing of additional unorthodox locations for infill wells to be drilled within the Atlantic Horseshoe-Gallup Unit Area.

CASE 5237: Application of General American Oil Company of Texas for sixteen unorthodox oil well locations and an administrative procedure, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of sixteen oil wells in the Grayburg-Jackson Pool, Eddy County, New Mexico, to be drilled at the following points: 1295 feet from the South line and 1345 feet from the East line of Section 13; 1345 feet from the North line and 25 feet from the East line, 1295 feet from the North line and 2615 feet from the East line, 1295 feet from the North and East lines, 1295 feet from the South line and 2615 feet from the West line, 1345 feet from the South line and 25 feet from the East line, and 2615 feet from the South line and 1345 feet from the East line of Section 23; 1345 feet from the North and West lines, 2615 feet from the South line and 25 feet from the West line, 2615 feet from the South line and 1295 feet from the West line, 2615 feet from the South and West lines, 1345 feet from the South line and 2615 feet from the East line, and 1295 feet from the South line and 1345 feet from the West line of Section 24; and 25 feet from the North line and 2615 feet from the East line of Section 26, all in Township 17 South, Range 29 East, and 1295 feet from the North line and 2665 feet from the East line and 25 feet from the North line and 2615 feet from the East line of Section 30, Township 17 South, Range 30 East.

Applicant further seeks the adoption of an administrative procedure whereby additional infill wells at unorthodox locations could be drilled on its leases in this area without notice and hearing.

CASE 5238: Application of Yates Petroleum Corporation for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the indicated perforated interval of the following wells in Township 17 South, Range 25 East, Eagle Creek-San Andres Pool, Eddy County, New Mexico: from 1286 feet to 1456 feet in its Federal BZ Well No. 6 located in Unit N of Section 21; from 1270 feet to 1440 feet in its Ingram Jackson BV Well No. 2 located in Unit D of Section 26; and from 1295 feet to 1372 feet in its Gissler AV Well No. 1 located in Unit C of Section 23. Applicant further seeks an administrative procedure for approval of additional salt water disposal into the San Andres formation in the subject pool without notice and hearing.

CASE 5239: Southeastern nomenclature case calling for the creation and extension of certain pools in Lea and Eddy Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Ojo Chiso-Morrow Gas Pool. The discovery well is the Brunson & McKnight, Inc. Ojo Chiso Unit Well No. 1 located in Unit E of Section 23, Township 22 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 23: W/2

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Washington Ranch-Delaware Gas Pool. The discovery well is the Black River Corporation BR 4 Federal Well No. 3 located in Unit H of Section 4, Township 26 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM
Section 4: NE/4

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All
Section 2: E/2
Section 12: All

(d) Extend the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 12: W/2

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 27: S/2
Section 35: W/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 7: All
Section 11: All

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

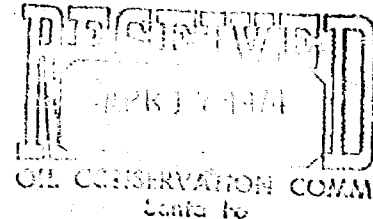
TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 35: W/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 11: All

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. APPLICANT SEEKS AN ORDER POOLING ALL MINERAL INTERESTS IN FORMATIONS OF PENNSYLVANIAN AGE (INCLUDING CISCO CANYON, STRAWN AND MORROW) UNDERLYING THE N $\frac{1}{2}$ SECTION 9, TOWNSHIP 21 SOUTH, RANGE 26 EAST, N.M.P.M. TO BE DEDICATED TO A WELL TO BE DRILLED BY APPLICANT AT A STANDARD LOCATION. APPLICANT ALSO SEEKS AN ORDER POOLING ALL MINERAL INTERESTS IN FORMATIONS OF PENNSYLVANIAN AGE (INCLUDING CISCO CANYON, STRAWN AND MORROW) UNDERLYING THE S $\frac{1}{2}$ SECTION 9, TOWNSHIP 21 SOUTH, RANGE 26 EAST, N.M.P.M. TO BE DEDICATED TO A WELL TO BE DRILLED BY APPLICANT AT A STANDARD LOCATION. IN THE EVENT ALL OF SECTION 9 IS DETERMINED TO BE WITHIN THE LIMITS OF THE CATCLAW DRAW MORROW POOL, APPLICANT DESIRES TO POOL ALL MINERALS INTERESTS IN FORMATIONS OF PENNSYLVANIAN AGE UNDERLYING THE ENTIRE SECTION. ALSO TO BE CONSIDERED WILL BE THE COST OF DRILLING AND COMPLETING SAID WELL OR WELLS, THE ALLOCATION OF SUCH COSTS, AS WELL AS OPERATING COSTS, CHARGES FOR SUPERVISION, TOGETHER WITH A CHARGE FOR THE RISK INVOLVED IN DRILLING SAID WELL OR WELLS, AND THE DESIGNATION OF APPLICANT AS OPERATOR.



Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and through the undersigned attorneys, and hereby makes application for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in formations of Pennsylvanian age (including Cisco Canyon, Strawn and Morrow) underlying the N $\frac{1}{2}$ Section 9, Township 21 South, Range 26 East, N.M.P.M. to be dedicated to a well to be drilled by applicant at a standard location. Applicant also seeks an order pooling all mineral interests in formations of Pennsylvanian age (including Cisco Canyon, Strawn and Morrow) underlying the S $\frac{1}{2}$ of Section 9, Township 21 South, Range 26 East, N.M.P.M. to be dedicated

to a well to be drilled by applicant at a standard location. In the event all of Section 9 is determined to be within the limits of the Catclaw Draw Morrow Pool, applicant desires to pool all mineral interests in formations of Pennsylvanian age underlying the entire section. Also to be considered will be the cost of drilling and completing said well or wells, the allocation of such costs, as well as operating costs, charges for supervision, together with a charge for the risk involved in drilling said well or wells, and the designation of applicant as operator, and in support thereof respectfully shows:

1. There may be some question at the time of the filing of this application as to whether Section 9, Township 21 South, Range 26 East is within the limits of the Catclaw Draw Morrow Pool, the special rules for which provide for 640 acre spacing. In the event it should be determined that all of Section 9 is not within the limits of said pool by the time this matter is heard, applicant desires that this be considered as separate applications for the force pooling of the N $\frac{1}{2}$ and S $\frac{1}{2}$ of said section, respectively, as to the Pennsylvanian formation.

2. That the N $\frac{1}{2}$ Section 9 is embraced in 4 oil and gas leases which are owned as follows:

W $\frac{1}{2}$ NE $\frac{1}{4}$	Atlantic Richfield Company
NE $\frac{1}{4}$ NE $\frac{1}{4}$	Inexco Oil Company
SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$,	
SW $\frac{1}{4}$ NW $\frac{1}{4}$	The Wiser Oil Company
NW $\frac{1}{4}$ NW $\frac{1}{4}$	Cities Service Oil Company

The S $\frac{1}{2}$ Section 9 is embraced in 4 oil and gas leases which are owned as follows:

NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$,	
NW $\frac{1}{4}$ SW $\frac{1}{4}$	The Wiser Oil Company
SE $\frac{1}{4}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$	Atlantic Richfield Company (2 leases)
NE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$	Cities Service Oil Company

Applicant has contacted all of the interested parties with a view to entering into a communitization agreement for the drilling of a test well at a standard location on Section 9 in the event it should be determined that all of said section is within the limits of the Catclaw Draw Morrow Pool, projected to test all of the producing formations of Pennsylvanian age (including Cisco Canyon, Strawn and Morrow), but so far applicant has been unable to enter into an agreement with said parties for such purpose.

3. One of the oil and gas leases embracing acreage in both the N $\frac{1}{2}$ and S $\frac{1}{2}$ of Section 9 will expire of its own limitations unless drilling operations are commenced prior to June 1, 1974 and it is therefore necessary that a well be commenced within said time on a pooled unit.

4. Applicant believes that all of Section 9 is productive of gas in the Pennsylvanian formation and that the pooling of the leasehold interests as requested herein will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

5. Applicant requests that this matter be included on the examiner's docket for May 8, 1974.

Respectfully submitted,

ATLANTIC RICHFIELD COMPANY

BY 

HINKLE, BONDURANT, COX & EATON
Box 10
Roswell, New Mexico
Attorneys for Applicant

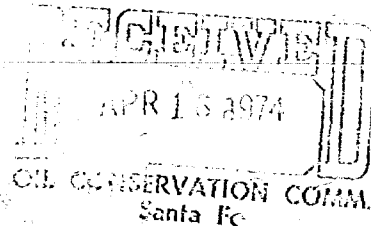
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. KENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

LAW OFFICES
HINKLE, BONDURANT, COX & EATON
600 HINKLE BUILDING
POST OFFICE BOX 10
ROSWELL, NEW MEXICO 88201

TELEPHONE (505) 622-6510

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

April 15, 1974



Case 5235

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

We enclose in triplicate application of Atlantic Richfield Company for compulsory pooling of the Pennsylvanian formation underlying Section 9, Township 21 South, Range 26 East.

We would like to have this application placed on the docket for the examiner's hearing to be held on May 8.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

By *Clarence E. Hinkle*

CEH:cs
Enc.
cc: Jim Walker

DOCKET MAILED

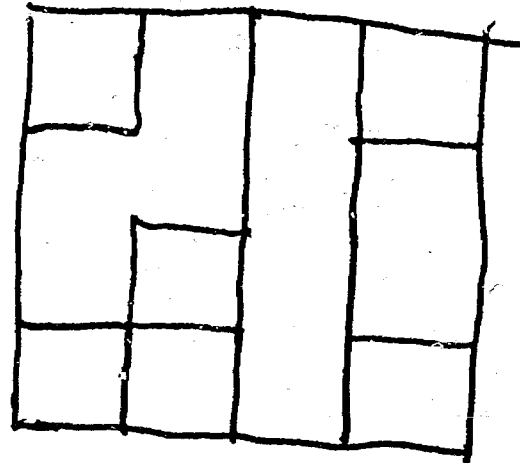
Date 4-25-74

(See list)

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. APPLICANT SEEKS AN ORDER POOLING ALL MINERAL INTERESTS IN FORMATIONS OF PENNSYLVANIAN AGE (INCLUDING CISCO CANYON, STRAWN AND MORROW) UNDERLYING SECTION 9, TOWNSHIP 21 SOUTH, RANGE 26 EAST, N.M.P.M. TO BE DEDICATED TO A WELL TO BE DRILLED BY APPLICANT AT A STANDARD LOCATION. ALSO TO BE CONSIDERED WILL BE THE COST OF DRILLING AND COMPLETING SAID WELL, THE ALLOCATION OF SUCH COSTS, AS WELL AS OPERATING COSTS, CHARGES FOR SUPERVISION, TOGETHER WITH A CHARGE FOR THE RISK INVOLVED IN DRILLING SAID WELL AND THE DESIGNATION OF APPLICANT AS OPERATOR.



Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and through the undersigned attorneys, and hereby makes application for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in formations of Pennsylvanian age (including Cisco Canyon, Strawn and Morrow) underlying Section 9, Township 21 South, Range 26 East, N.M.P.M. to be dedicated to a well to be drilled by applicant at a standard location. Also to be considered will be the cost of drilling and completing said well, the allocation of such costs, as well as operating costs, charges for supervision, together with a charge for the risk involved in drilling said well and the designation of applicant as operator, and in support thereof respectfully shows:

1. That Section 9, Township 21 South, Range 26 East is located within the Catclaw Draw Pool and 640 acre spacing is provided for under the rules of said pool.

2. That said Section 9 is embraced in five separate oil and gas leases which are owned by applicant and several other parties.

DOCKET MAILED

Date 4-25-74

GWS

in the following proportions:

Wiser Oil Company	280 acres	43.75%
Atlantic Richfield Company	200 acres	31.25%
Cities Service Oil Company	120 acres	18.75%
Inexco Oil Company	40 acres	6.25%
		<u>100.00%</u>

Applicant has contacted all of the interested parties with a view to entering into a communitization agreement for the drilling of a test well at a standard location on said Section 9, projected to test all of the producing formations of Pennsylvanian age (including Cisco Canyon, Strawn and Morrow) but so far applicant has been unable to enter into an agreement with said parties for such purpose.

3. One of the oil and gas leases involved will expire of its own limitations unless drilling operations are commenced prior to June 1, 1974 and it is therefore necessary that said well be commenced within said time.

4. Applicant believes that all of Section 9 is productive of gas in the Pennsylvanian formation and that the pooling of the leasehold interests covering said section will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights. Applicant seeks compulsory pooling to form a standard spacing and proration unit as provided by the special pool rules for the Catclaw Draw Pool and in connection therewith to consider the cost of drilling and completing said well, the proper allocation of the cost thereof, as well as the cost of operating said well and charges for supervision. Also to be considered is the charge for the risk involved in drilling the well and the approval of applicant as operator.

5. Applicant requests that this matter be included on the examiner's docket for May 8, 1974.

Respectfully submitted,

ATLANTIC RICHFIELD COMPANY

By

[Signature]
HINKLE, BONDURANT, COX & EATON
Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

DOCKET MAILED

Date

4-25-74

Box 4906 - middle
106 mid-American
Bldg. - Roswell

110 Debb's Town E. - Middle, Tex

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

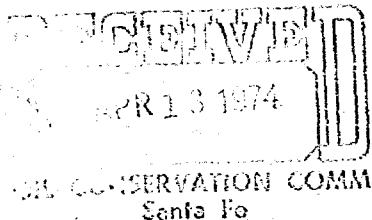
800 HINKLE BUILDING
POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

April 15, 1974

TELEPHONE (505) 622-6610

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4601



Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

We enclose in triplicate application of
The Petroleum Corporation for approval of an
unorthodox well location in Section 4, Township
20 South, Range 29 East and dedication of the W $\frac{1}{2}$
of said section to the well.

We would like to have this appear on the
examiner's docket for May 8.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

BY

A handwritten signature in dark ink, appearing to read "Clarence E. Hinkle", written over a horizontal line.

CEH:cs

Enc.

cc: Larry Shannon

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF THE PETROLEUM CORPORATION
FOR APPROVAL OF AN UNORTHODOX WELL LOCA-
TION, EDDY COUNTY, NEW MEXICO. APPLICANT
SEEKS APPROVAL OF AN UNORTHODOX WELL
LOCATION FOR ITS SUPERIOR FEDERAL WELL
NO. 3 TO BE LOCATED 660 FEET FROM THE
SOUTH LINE AND 660 FEET FROM THE WEST
LINE OF SECTION 4, TOWNSHIP 20 SOUTH,
RANGE 29 EAST, N.M.P.M. SAID WELL WILL
BE DRILLED TO TEST THE MORROW FORMATION
AND IT IS PROPOSED TO DEDICATE THE $W\frac{1}{2}$
OF SAID SECTION 4 TO THE WELL.

Case 5-235

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes The Petroleum Corporation, acting by and through the undersigned attorneys, and hereby makes application for approval of an unorthodox well location, Eddy County, New Mexico. Applicant seeks approval of an unorthodox well location for its Superior Federal Well No. 3 to be located 660 feet from the south line and 660 feet from the west line of Section 4, Township 20 South, Range 29 East, N.M.P.M. Said well will be drilled to test the Morrow formation and it is proposed to dedicate the $W\frac{1}{2}$ of said Section 4 to the well, and in support thereof respectfully shows:

1. That applicant proposes to commence its Superior Federal Well No. 3 660 feet from the south line and 660 feet from the west line of Section 4, Township 20 South, Range 29 East, N.M.P.M. and to drill said well to a depth sufficient to test the Morrow formation at a depth of approximately 11,800 feet and to dedicate the $W\frac{1}{2}$ of said section to the well in the event it proves productive of gas in paying quantities.

2. The unorthodox location is desired to locate the well at a more advantageous position so as to obtain the benefit of the thickening of the Morrow zone and to place the well at a position which applicant believes will be better located structurally and will lessen the chance of drilling a dry hole or a marginal well.

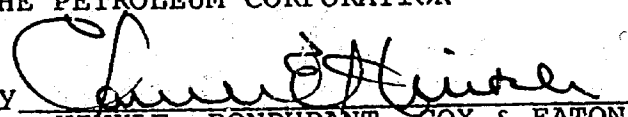
3. Applicant believes that the approval of the unorthodox location will be in the interest of conservation, the prevention of waste and will tend to protect correlative rights.

4. Applicant requests that this matter be included on the examiner's docket for May 8, 1974.

Respectfully submitted,

THE PETROLEUM CORPORATION

BY


HINKLE, BONDURANT, COX & EATON
Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

DRAFT

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. 5235

Order No. R- 4789

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of May, 1974, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 5235 is hereby dismissed.

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