

CASE 5535: COQUINA OIL CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO

120

CASE NO.

5535

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

P. O. BOX 2088 - SANTA FE

87501

Re: CASE NO. 5535
ORDER NO. R-5082

Applicant:

Coquina Oil Corporation

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

Yours very truly

JOE D. RAMEY
Secretary-Director

Copy of order also sent to:

Hobbs OCC	<u>X</u>
Artesia OCC	<u>X</u>
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. 5535
Order No. R-5082

APPLICATION OF COQUINA OIL CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 13, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of September, 1975, 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, Coquina Oil Corporation, seeks approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the East line of Section 5, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico, for its Gulf Federal Well No. 1, completed in the Morrow formation.
- (3) That said well was originally projected as a Devonian oil well at a standard location for such.
- (4) That the N/2 of said Section 5 is to be dedicated to the well.
- (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 gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

-2-

Case No. 5535
Order No. R-5082

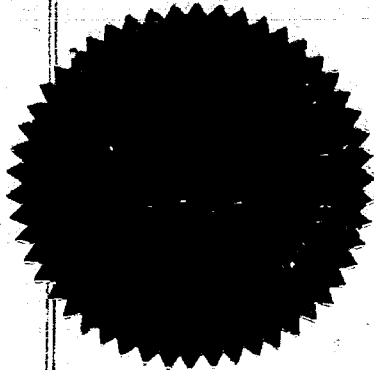
IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for the Coquina Oil Corporation Gulf Federal Well No. 1, located at a point 660 feet from the North line and 660 feet from the East line of Section 5, Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico.

(2) That the N/2 of said Section 5 shall be dedicated to the above-described 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.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

jr/

dr/

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. 5535

Order No. R- 5082

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approval of an unorthodox gas well location 660 feet from the North
line and 660 feet from the East line of Section 5, Township
19 South, Range 27 East, NMPM, *Eddy County, New Mexico, for its Gulf Federal*
Well No. 1, completed in the Morrow formation.
Morrow formation, Pool,
Eddy County, New Mexico.

(4) That the N/2 of said Section 5 is to be dedicated to the
well.

said well was originally projected as a Devonian
(3) That ~~a well at said unorthodox location will better enable~~
oil well at a standard location for such.
~~applicant to produce the gas underlying the proration unit.~~

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

-2-

Case No. _____
Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow
~~the Coquina Oil Corporation Gulf Federal Well No. 1,~~
formation is hereby approved for ^A ~~a well to be~~ located at a point 660
feet from the North line and 660 feet from the East
line of Section 5, Township 19 South, Range 27 East
NMPM, _____ Pool, Eddy County,
New Mexico.

(2) That the N/2 of said Section 5 shall be dedicated to the above-described 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.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 13, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Coquina Oil Corporation
for an unorthodox gas well location,
Eddy County, New Mexico

CASE
5535

BEFORE: Daniel S. Nutter, 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 Building
Santa Fe, New Mexico.

For the Applicant:

Thomas W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 987-9212

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I N D E X

Page

JAMES L. HARBEN

Direct Examination by Mr. Kellahin

3

Cross Examination by Mr. Nutter

8

EXHIBIT INDEX

Page

Offered

Admitted

Exhibit Number Ones, USGS Map

4

8

Exhibit Number Two, Land Map

5

8

Exhibit Number Three, Letter

6

8

Exhibit Number Four, Letter

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Exhibit Number Five, Letter

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Exhibit Number Six, Letter

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Exhibit Number Seven, Map

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Exhibit Number Eight, Map

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Exhibit Number Nine, Map

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Exhibit Number Ten, Map

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Phone (505) 985-9217

1 MR. NUTTER: The Hearing will come to order, please.
2 The first case this morning will be Case Number 5535, Applica-
3 tion of Coquina Oil Corporation for an unorthodox gas well
4 location, Eddy County, New Mexico.

5 Appearances, please.

6 MR. KELLAHIN: I'm Tom Kellahin of Kellahin and Fox,
7 appearing on behalf of the Applicant and I have one witness to
8 be sworn.

9 (THEREUPON, the witness was duly sworn.)

10 JAMES L. HARBEN

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

13 DIRECT EXAMINATION

14 BY MR. KELLAHIN:

15 Q Would you please state your name, by whom you are
16 employed and in what capacity?

17 A James L. Harben, employed by Coquina Oil Company
18 as Exploration Manager for West Texas and New Mexico.

19 MR. NUTTER: How do you spell your last name, please?

20 THE WITNESS: H-a-r-b-e-n.

21 MR. NUTTER: Thank you.

22 Q (Mr. Kellahin continuing.) Mr. Harben have you
23 made a study of and are you familiar with the facts surrounding
24 this particular application?
25

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 825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
 Phone (505) 981-9212

1 A. Yes, I am.

2 Q. And have you previously testified before the Oil
 3 Conservation Commission or one of its Hearing Examiners and
 4 had your qualifications accepted and made a matter of record?

5 A. Yes.

6 MR. KELLAHIN: If the Examiner please, are the
 7 witness's qualifications acceptable?

8 MR. NUTTER: Yes, they are.

9 Q. (Mr. Kellahin continuing.) Mr. Harben, would you
 10 please refer to what has been marked as Applicant's Exhibit
 11 Number One and identify it and state briefly what Coquina is
 12 seeking?

13 A. Well, this is a USGS topographic map and it shows
 14 the location of our Number One Gulf Federal to be six sixty
 15 from the north and east of Section 5.

16 Q. This is an unorthodox location, is it not?

17 A. Yes, sir.

18 Q. Where would a standard location place you?

19 A. It would place us nineteen eighty from the east line
 20 and six sixty from the north line.

21 Q. What physical structures are on the surface that
 22 would preclude you from drilling at that orthodox location?

23 A. The location there would fall right on the Kaiser
 24 Channel in the Lake McMillan area, and that would be the
 25 surface physical obstruction to the location.

1 Q This surface property is under the administration
2 and jurisdiction and administered by what Federal agency?

3 A By the USGS.

4 Q Have you been in communication with the Bureau of
5 Land Reclamations?

6 A Yes, we have and have discussed the location with
7 them.

8 Q What restrictions does the Bureau of Land Reclamations
9 place upon drilling in this area?

10 A Drilling is prohibited within one-half mile of any
11 dam, dike or other major structure in this area.

12 Q All right. Have you submitted at request to the
13 USGS for approval of the unorthodox location six sixty from
14 the north and east lines of Section 5?

15 A Yes, we have.

16 Q And has that location been approved by them?

17 A Yes, it was approved by the USGS.

18 Q Please refer to what has been marked as Exhibit
19 Number Two and identify it?

20 A That is a land map of the subject section there,
21 the north half of Section 5 where our well is located in
22 nineteen, twenty-seven.

23 Q What is the proration unit to be dedicated to the
24 well?

25 A The north half of Section 5, three hundred and

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1 twenty acres.

2 Q Who are the offset owners surrounding that acreage?

3 A Gulf offsets to the east and to the south, Hanagan
4 and Suburban Propane offset to the northeast and we have
5 acreage along with Gulf to the north, plus Read and Stevens
6 over on the west side of that northerly section.

7 Q Please refer to what has been marked as Exhibit
8 Three and identify it?

9 A That is our letter from Gulf Oil waiving there
10 objections to the locations there?

11 MR. KELLAHIN: If the Examiner please, I have given
12 you an unmarked set, the set I have is marked as exhibits
13 and I will submit them to you.

14 MR. NUTTER: Fine.

15 Q (Mr. Kellahin continuing.) Please refer to what
16 has been marked as Exhibit Four and identify it?

17 A That is a letter from Suburban Propane Gas
18 Corporation which is another letter waiving any objections to
19 the unorthodox location.

20 Q Please refer to what has been marked as Exhibit
21 Number Five and identify it?

22 A That is our letter waiving any objections to the
23 unorthodox location from Hanagan Petroleum.

24 Q Please refer to Exhibit Number Six and identify it?

25 A That is another waiver of any objection to the

1 unorthodox location from Read and Stevens.

2 Q Please refer to Exhibit Number Seven and identify it?

3 A That is a regional map which sets out the subject
4 acreage in the north half of Section 5 and it shows in red
5 the Morrow gas production in this area and the blue wells are
6 those that are dry holes in the Morrow section.

7 Q Please refer to Exhibit Eight. What information
8 is contained on this exhibit?

9 A This is a map prepared on top of the Penn limestone
10 that occurs in this area which indicated the possibility of a
11 Pennsylvanian high at the subject location.

12 Q Do you anticipate to test the Pennsylvanian formation
13 after completion of the well?

14 A No, we do not. We drill stem tested as we drilled
15 the well and it was nonproductive.

16 Q Please refer to Exhibit Nine and identify it?

17 A That is a map prepared on top of the Morrow clastics
18 zone which appeared to indicate the continuance of a possible
19 structural feature in this area.

20 Q Okay, what is the current status of the well?

21 A The well is presently shut in. It has been hooked
22 up to a pipeline connection and ready to go on stream upon
23 approval of this unorthodox location.

24 Q What will be the producing formation?

25 A It will be the Morrow sandstone.

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1 Q Please refer to Exhibit Number Ten?

2 A That was the map prepared on top of the Devonian
3 using estimated points showing the possibility of the con-
4 tinuance of the shallow structural feature through the Devonian.

5 Q In your opinion, Mr. Harben, will a well drilled at
6 the particular unorthodox location be the best location from
7 which to economically and efficiently drain the proposed unit?

8 A Yes, I think so.

9 Q In your opinion will the approval of this application
10 be in the best interests of conservation, the prevention of
11 waste and the protection of correlative rights?

12 A Yes, sir.

13 Q Were Exhibits One through Ten either compiled by you
14 directly or the result of correspondence from you and the
15 offset operators?

16 A By me and the offset operators in regard to the
17 letters.

18 MR. KELLAHIN: We move the introduction of Exhibits
19 One through Ten.

20 MR. NUTTER: Coquina's Exhibits One through Ten
21 will be admitted into evidence.

22 MR. KELLAHIN: That concludes our direct examination.

23

24

CROSS EXAMINATION

25 BY MR. NUTTER:

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1 Q Mr. Harben, the well was originally projected as a
2 Devonian test, is this correct?

3 A Yes.

4 Q Were you anticipating a production of oil or gas
5 from the Devonian?

6 A Oil.

7 Q And so the acreage dedication was forty acres at
8 that time, is that right?

9 A Yes, sir.

10 Q And the location did conform to the Devonian oil well
11 location?

12 A Yes.

13 Q And instead you got a Morrow gas well?

14 A Right, we got our Chester point and it was running
15 structurally low to the well to the northwest of us, the Read
16 and Stevens Number One Scoggins and we had been a little high
17 on the Pennsylvanian and when we came in a little low on the
18 Chester that pretty well wiped the possibility of a Devonian
19 structure, so we quit the well and ran pipe into the top of
20 the Chester.

21 Q Are there any Devonian wells in the neighborhood?

22 A No, sir, there are none.

23 Q But there are other Pennsylvanian gas wells?

24 A Yes, sir.

25 MR. NUTTER: Does anyone have any further questions

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1 of Mr. Harben? He may be excused.

2 Do you have anything further, Mr. Kellahin?

3 MR. KELLAHIN: No, sir.

4 MR. NUTTER: Does anyone have anything they wish to
5 offer in Case 5535?

6 We will take the Case under advisement.

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Phone (505) 981-9212

16 I do hereby certify that the foregoing is
17 a complete record of the proceedings in
18 the Examiner hearing of Case No.
19 heard by me on....., 19.....

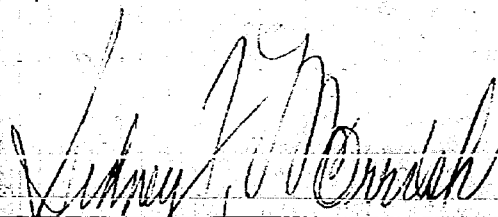
....., Examiner
New Mexico Oil Conservation Commission

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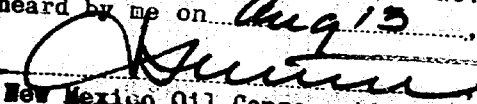
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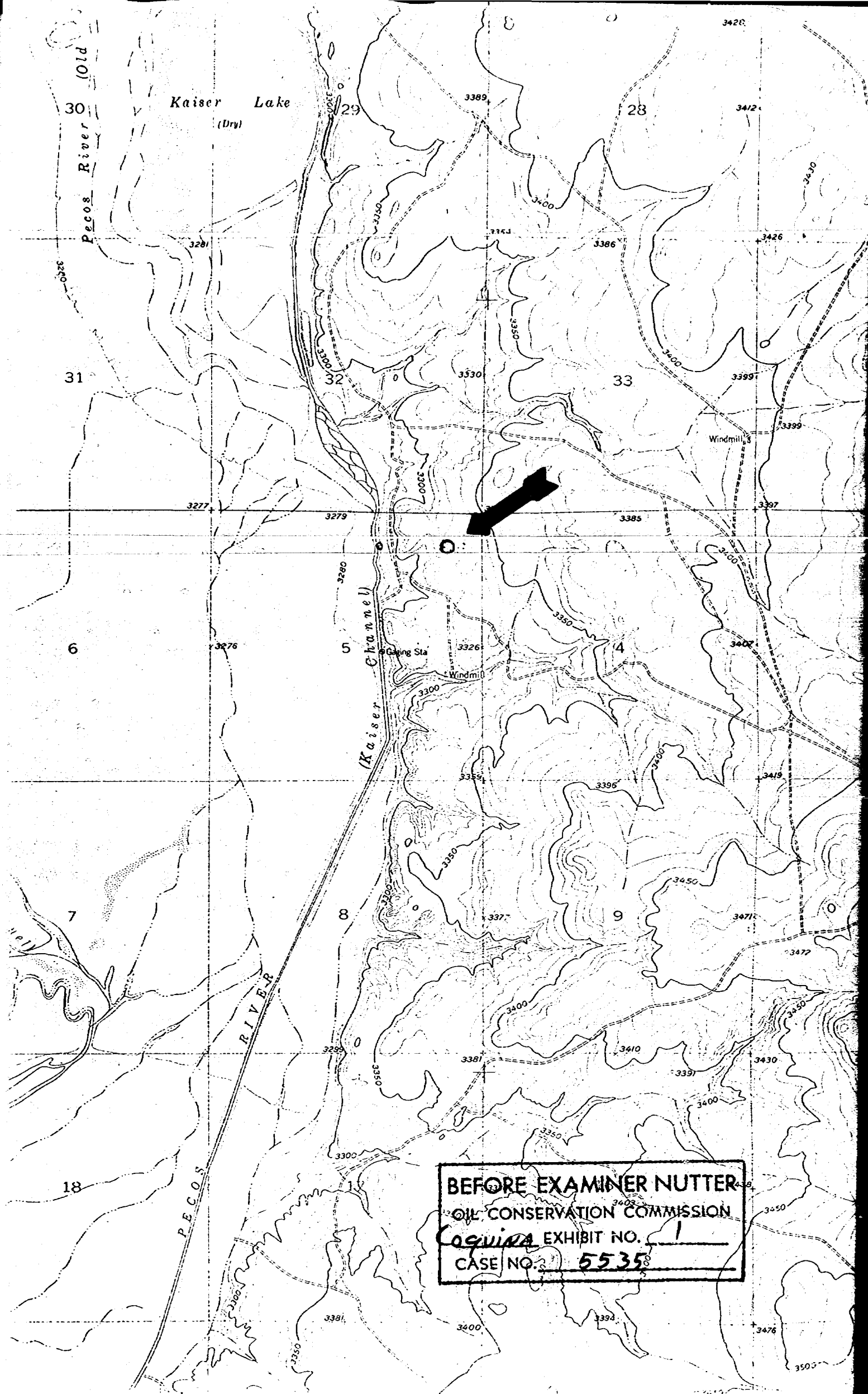
State of New Mexico)
) ss.
County of Santa Fe)

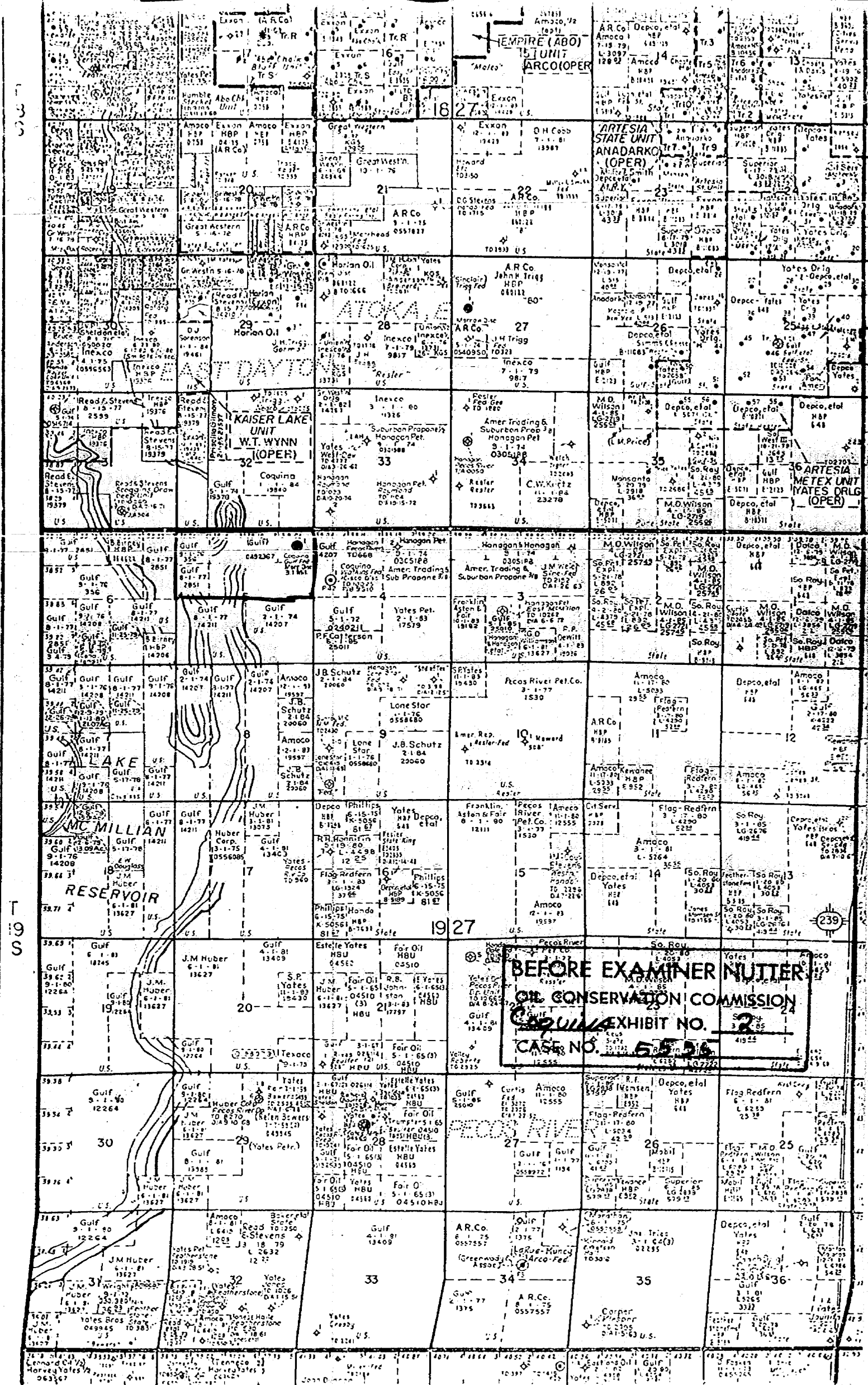
I, SIDNEY F. MORRISH, a court reporter, do hereby
certify that the foregoing and attached Transcript of Hearing
before the New Mexico Oil Conservation Commission was reported
by me, and the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.


Sidney F. Morrish, Court Reporter

sid morrish reporting service
General Court Reporting Service
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Phone (505) 982-9212

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5535
heard by me on Aug 13, 1975.

Examiner
New Mexico Oil Conservation Commission





BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2
CASE NO. 5534

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S

Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT
MIDLAND DISTRICT

B. L. Choate
DISTRICT PRODUCTION MANAGER
R. F. Ward, Jr.
DISTRICT OPERATIONS MANAGER
C. E. Fields
DISTRICT SERVICES MANAGER
A. J. Evans, Jr.
DISTRICT ENVIRONMENTAL & SAFETY MANAGER
J. C. Howard
DISTRICT EMPLOYEE RELATIONS MANAGER

11 August 1975

P. O. Drawer 1150
Midland, Texas 79701

Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Coquina Oil Corporation's No. 1
Gulf Federal Well, Eddy County,
New Mexico

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Coquina Oil Corporation is making application for approval for an unorthodox location for the subject well.

We have no objection to the granting of this exception to the above well which is located:

660' from North Line and 660' from
East Line, Section 5, T-19S, R-27E,
Eddy County, New Mexico

Executed this 11th day of August, 1975.

Yours very truly,

GULF OIL CORPORATION

BY W. C. Palmer
W. C. PALMER - DISTRICT ENGINEER

CFK: jm



A DIVISION OF GULF OIL CORPORATION

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
COQUINA EXHIBIT NO. 3
CASE NO. 5535



COQUINA OIL CORPORATION

Building of the Southwest Midland, Texas 79701 Telephone (915) 683-4661

July 30, 1975

Suburban Propane Gas Corporation
Post Office Box 17689
2120 Alamo National Building
SAN ANTONIO, TX 78217

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

Coquina EXHIBIT NO. 4

CASE NO. 5535

Re: Coquina No. 1 Gulf Federal
640' PNL, 640' PFL, Section 5,
T19S, R27E, Eddy County, NM

Continued

The captioned well is the subject of Case No. 5535, Unorthodox Location, to be heard before the Oil Conservation Commission at 9:00 a.m., August 13, 1975. This location must be approved before an allowable will be assigned to this well.

The following is a brief review of the well which will up-date you on this matter.

Seismic mapping indicated the possible presence of a Pennsylvanian-Devonian structural feature in this area. It was my recommendation that the well be filed at the above described location as an 11,000' Devonian wildcat. The primary intention was to test the Morrow sand and the structural position of the Chester formation and should the Chester present a favorable attitude, the well would be taken down to the Devonian.

During drilling operations a productive Morrow sand was tested and, the Chester was found to be structurally low negating plans to drill to the Devonian. The well was logged at a total depth of 9900 feet at which depth 5 1/2 inch casing was run. Plug back depth is 9910 feet and the Morrow sands were perforated at 9618 - 9630 feet. This zone was potential for 3,125 MCFGPD on February 22, 1974. The closest Morrow production is two and one-fourth miles to the northeast in the Sinclair No. 1 Trigg Federal.

It is with this background information in mind that the Coquina Oil Corporation respectfully requests that the Suburban Propane Gas Corporation waive objections



COQUINA OIL CORPORATION

Building of the Southwest Midland, Texas 79701 Telephone (915) 683-4661

Suburban Propane Gas Corporation
San Antonio, Texas 78217

July 30, 1975
Page 2

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Y

to this unorthodox location. If this meets with your approval, please sign in the space below and return one copy of this letter to our office.

Very truly yours,

COQUINA OIL CORPORATION

Jim L. Harben

Jim L. Harben

JH:dk

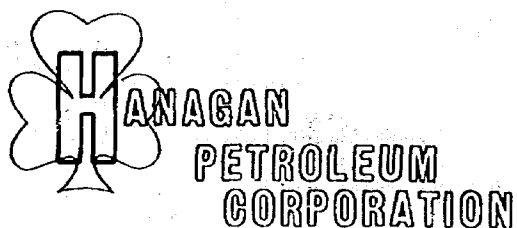
cc Mr. Clem Roberts
Suburban Propane Gas Corporation
Post Office Box 5443
MIDLAND, TX 79701

Suburban Propane Gas Corporation hereby waives any objection to the Coquina Oil Corporation No. 1 Golf Federal being at an unorthodox location as described above.

Accepted and agreed to by the Suburban Propane Gas Corporation this 2 day of August, 1975.

SUBURBAN PROPANE GAS CORPORATION

BY: *R. J. McCoy*



PHONE 505 - 623-5083
J. P. WHITE BUILDING
POST OFFICE BOX 1737
ROSWELL, NEW MEXICO

July 31, 1975

Coquina Oil Corporation
Attn: Mr. Jim Harben
P. O. Drawer 2960
Midland, Texas 79701

Re: Coquina Oil Corporation
No. 1 Gulf Federal
660' FNL & 660' FEL
Section 5, T-19-S, R-27-E
Eddy County, New Mexico

Dear Mr. Harben:

Hanagan Petroleum Corporation has no objection to the Coquina Oil Corporation No. 1 Gulf Federal being located at an unorthodox location as described above.

Very truly yours,

HANAGAN PETROLEUM CORPORATION


Robert G. Hanagan

RGH:ab

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
COQUINA EXHIBIT NO. 5
CASE NO. 5535

July 30, 1975

Coquina Oil Corporation
ATTN MR. JIM HARBEN
Post Office Drawer 2960
MIDLAND, TEXAS 79701

Re: Coquina Oil Corporation
No. 1 Gulf Federal
660' FNL 660' FEL of
Section 5, T19S, R27E
Eddy County, NM
R & S 328

Dear Mr. Read:

Read & Stevens, Inc. hereby waives any objection to the Coquina Oil Corporation No. 1 Gulf Federal being located at an unorthodox location as described above.

READ & STEVENS, INC.

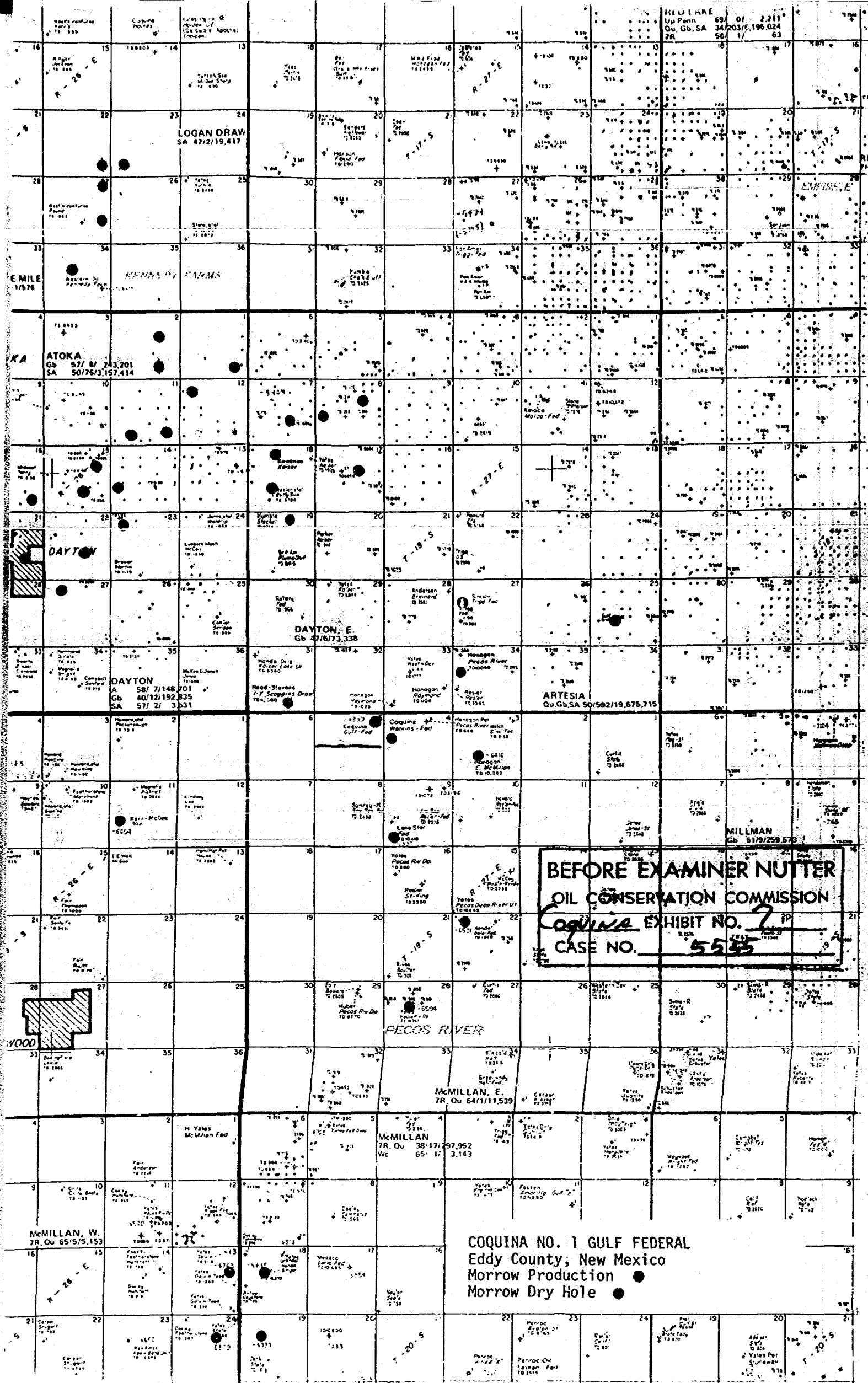
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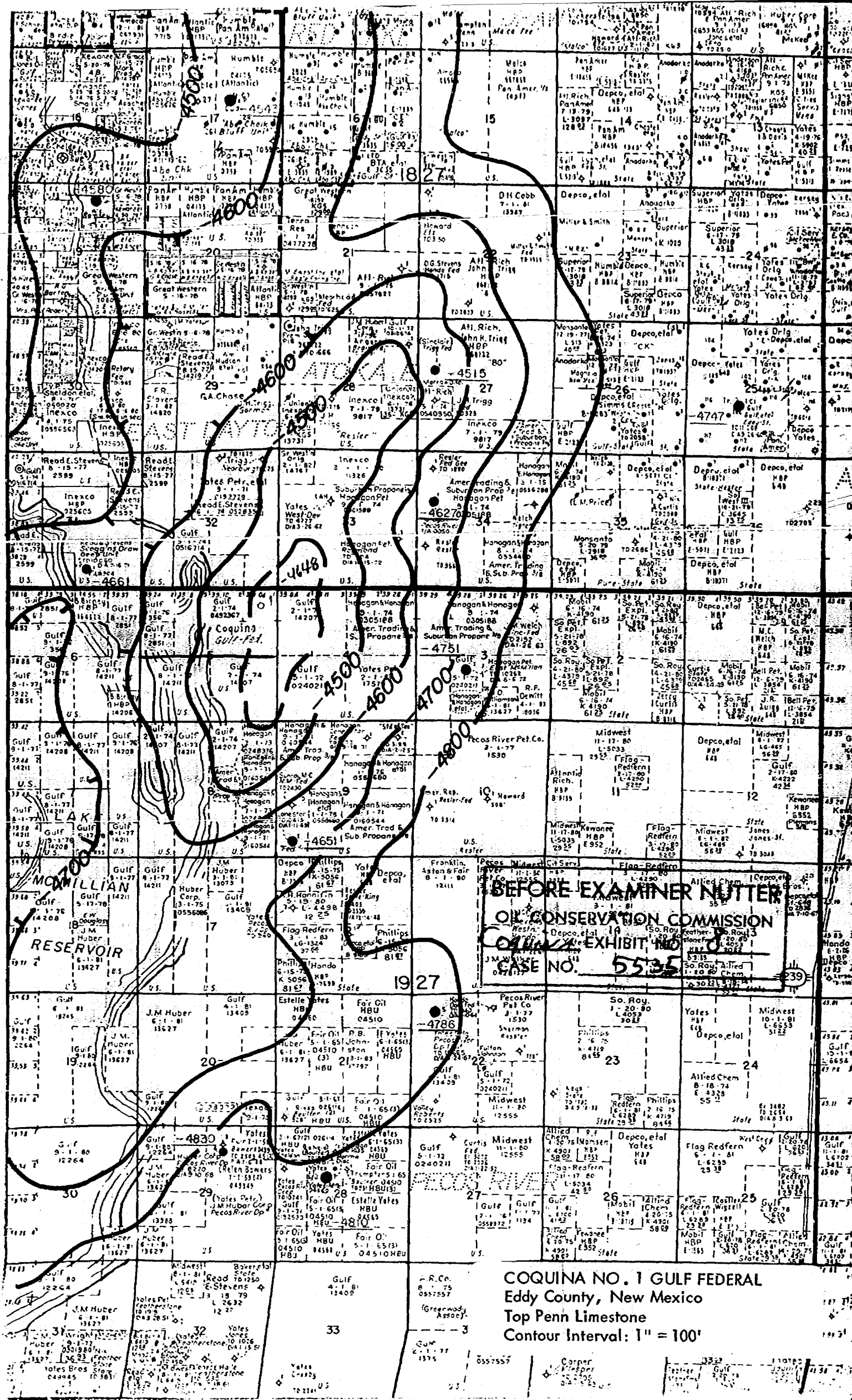
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[Signature]
8-1-75

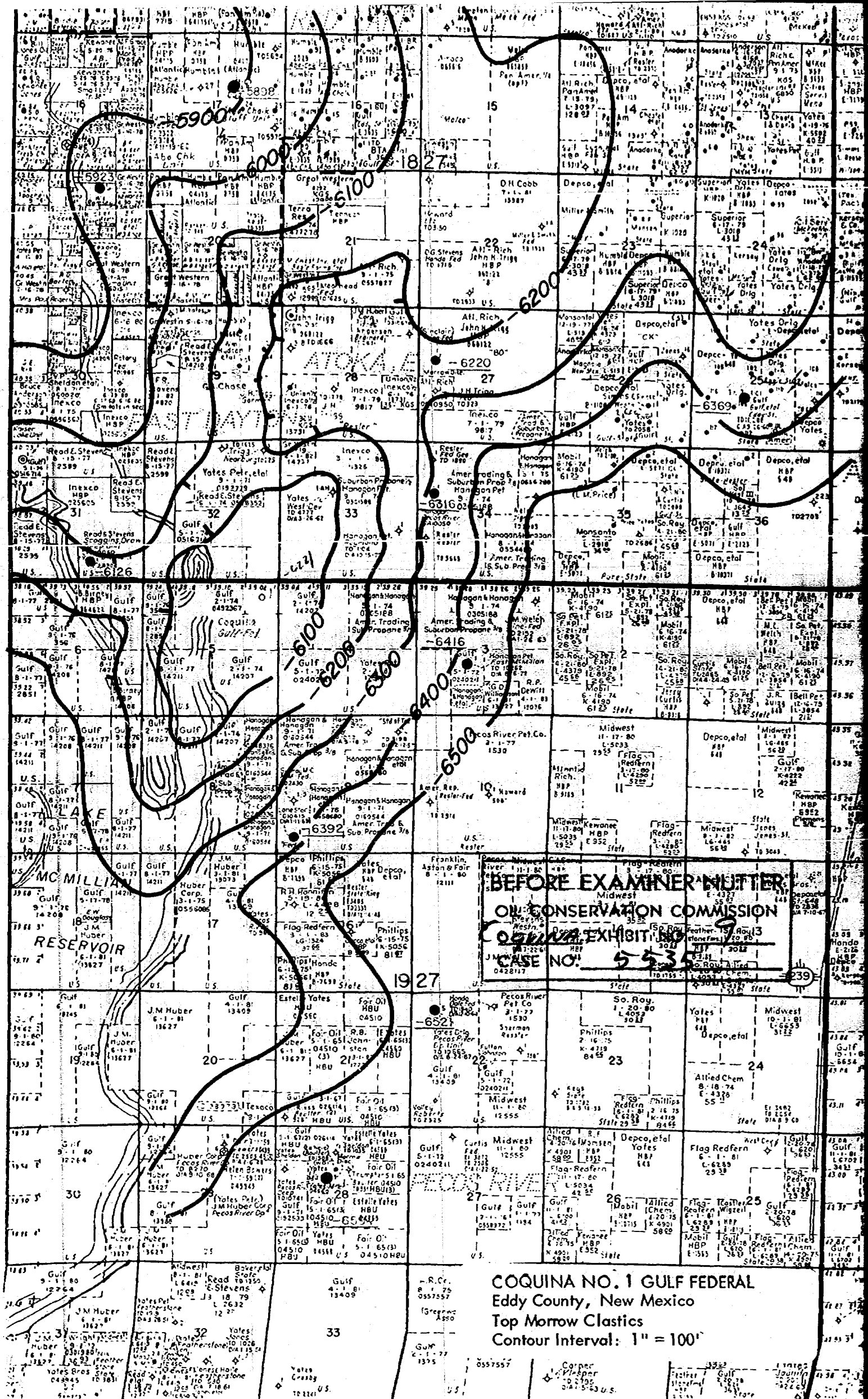
BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
COQUINA EXHIBIT NO. 6
CASE NO. 5535

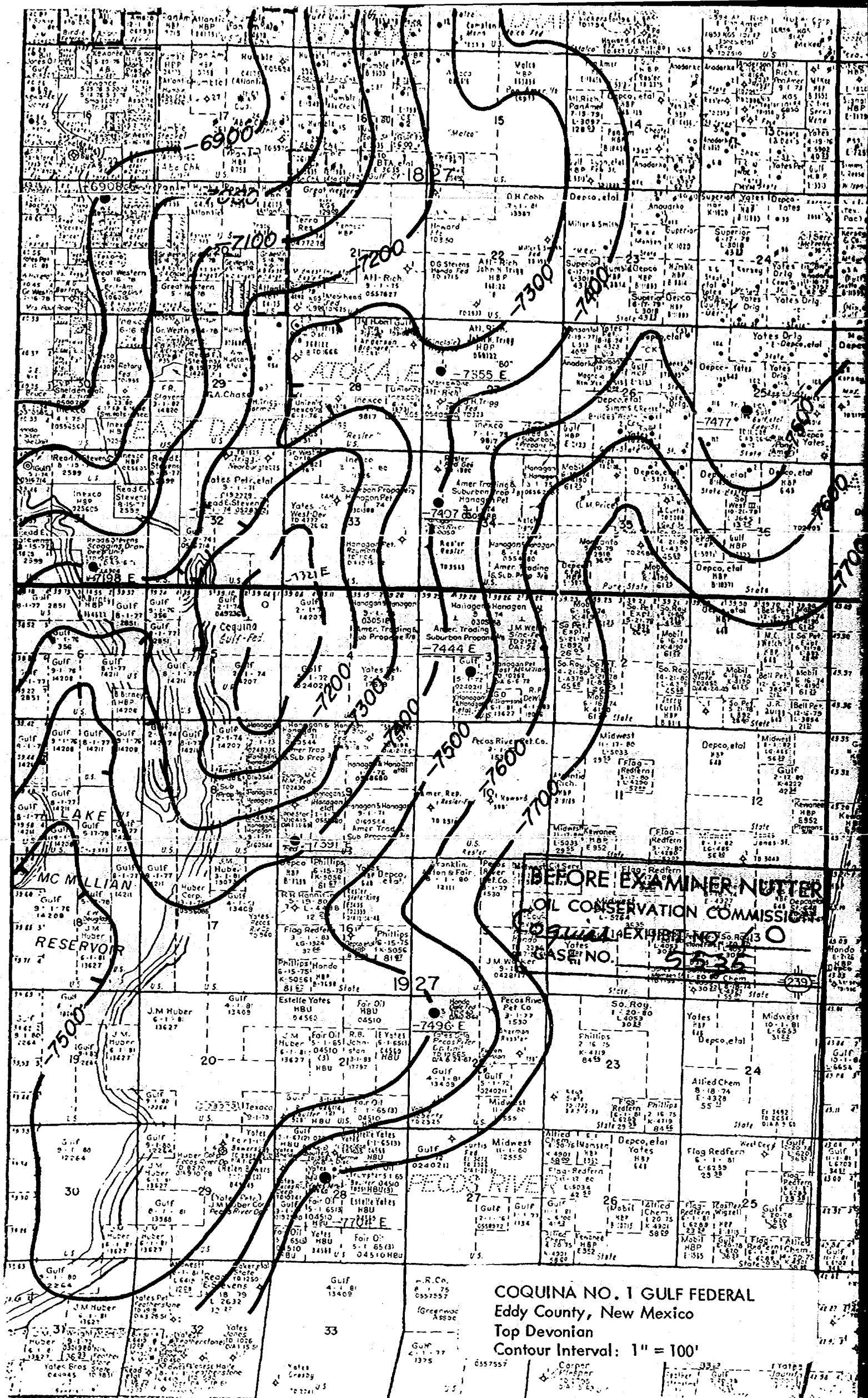
DW 8-4-75





COQUINA NO. 1 GULF FEDERAL
Eddy County, New Mexico
Top Penn Limestone
Contour Interval: 1" = 100'





COQUINA NO. 1 GULF FEDERAL
Eddy County, New Mexico
Top Devonian
Contour Interval: 1" = 100'

Dockets Nos. 20-75 and 21-75 are tentatively set for hearing on August 27 and September 10, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 13, 1975

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. Nutrer, 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 September, 1975;
 - (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for September, 1975.

CASE 5533: Application of Southern Union Production Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Ellenburger formation underlying the N/2 of Section 21, Township 12 South, Range 26 East, Chaves County, New Mexico, to be dedicated to a well to be drilled at an orthodox location in Unit F of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5534: Application of Texaco Inc. for three unorthodox oil well locations and an administrative procedure, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox oil well locations of its West Vacuum Unit Well Nos. 51, 52, and 53 to be drilled, respectively, 1310 feet from the South line and 10 feet from the East line of Section 33; 1310 feet from the South and West lines of Section 34; and 1310 feet from the South line and 2630 feet from the West line of Section 34, all in Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico. Applicant further seeks the establishment of an administrative procedure whereby additional wells at unorthodox locations in the West Vacuum Unit could be approved without notice and hearing.

CASE 5535: Application of Coquina Oil Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow gas well located 660 feet from the North and East lines of Section 5, Township 19 South, Range 27 East, Eddy County, New Mexico, the N/2 of said Section 5 to be dedicated to the well.

Case 5535



COQUINA OIL CORPORATION

Building of the Southwest Midland, Texas 79701 Telephone (915) 683-4661

July 9, 1975

*max. acreage allowed for
660-660 location - 160*

RE: Coquina Oil Corporation
Gulf Federal, Well No. 1
Unit A, Sec. 5, T-19-S, R-27-E
Eddy County, New Mexico
Federal Lease No. NM 0492367

State of New Mexico
Oil Conservation Commission
State Land Office Building
Post Office Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

The above referenced well was drilled in late 1973. It was originally intended to be a Devonian test, however, at a total depth of 9,980 feet it was determined that, due to structural position, continued drilling to test the Devonian formation was not justified. At that point, casing was run and the well was completed in the Morrow formation for a Calculated Absolute Open Flow of 3,125 MCFPD.

Since the well is located 660' from the North and East lines of the Section, it is considered to be a non-standard gas unit. Since completion of the well, the north one-half of Section 5 has been consolidated by communitization, on file.

It is respectfully requested that administrative approval be granted to this non-standard gas unit as mentioned in Rule 104, C, II, (b).

Should additional information be required on the above subject, please advise.

Yours very truly,

COQUINA OIL CORPORATION

J. T. Berry
J. T. Berry

JTB/jc

cc: Oil Conservation Commission
Artesia, New Mexico

DOCKET MAILED

Date 8/4/75

*N/2 (320 acres) dedicated to
this well. Well was projected
to but not completed in
Dev. is not a recompletion
of a previously completed well.
Set for
hearing.*