

CASE 5783: PALMER OIL & GAS CO.
FOR AN UNORTHODOX GAS WELL LOCA-
TION AND NON-STANDARD PRORATION
UNIT, RIO ARriba COUNTY. NM

CASE 110.

5783

Application,

Transcripts,

Small Exhibits

ETC.

sid morrison reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone: (505) 982-9212

Page 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 13, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Palmer Oil and Gas
Company for an unorthodox gas well
location and a non-standard proration
unit, Rio Arriba County, New Mexico.

CASE
5783

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:

Lynn Teschendorf
Law Clerk for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

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

I N D E X

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CURTIS K. LITTLE

Direct Examination by Mr. Kellahin

3

Cross Examination by Mr. Stamets

9

EXHIBIT INDEX

Offered Admitted

Applicant's Exhibit One, Plat

5

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Applicant's Exhibit Two, Production Figures

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Applicant's Exhibit Three, Production Figs.

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Applicant's Exhibit Four, Production Figs.

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1 MR. STAMETS: We will call next Case 5783.

2 MS. TESCHENDORF: Case 5783, application of Palmer
3 Oil and Gas Company for an unorthodox gas well location and a
4 non-standard proration unit, Rio Arriba County, New Mexico.

5 MR. KELLAHIN: If the Examiner please, Jason Kellahin,
6 Kellahin and Fox, Santa Fe, appearing for the applicant and we
7 have one witness to be sworn.

8 (THEREUPON, the witness was duly sworn.)

9 MR. KELLAHIN: If the Examiner please, this case
10 involves a situation created by the irregularity of the
11 governmental survey and involves our Sections 6 and 7 in
12 Township 26 North, Range 2 West, Section 6 containing a
13 a hundred and sixty-five, point, three four acres and Section
14 7 containing a hundred and seventy, point, three two acres.

15
16 CURTIS J. LITTLE
17 called as a witness, having been first duly sworn, was
18 examined and testified as follows:

19
20 DIRECT EXAMINATION

21 BY MR. KELLAHIN:

22 Q Would you state your name, please?

23 A Curtis J. Little.

24 Q What business are you engaged in, Mr. Little?

25 A A consulting petroleum geologist.

1 Q In connection with your work as a consulting
2 petroleum geologist have you ever appeared before the Oil
3 Conservation Commission and made your qualifications a matter
4 of record?

5 A I have.

6 Q Are you employed by Palmer Oil and Gas Company in the
7 case now before this Commission?

8 A That is correct.

9 MR. KELLAHIN: Are the witness' qualifications
10 acceptable?

11 MR. STAMETS: They are.

12 Q (Mr. Kellahin continuing.) Mr. Little, are you
13 familiar with the application of Palmer Oil and Gas Company
14 in Case 5783?

15 A Yes, I am.

16 Q What is proposed by the applicant in this case?

17 A To form a spacing unit which includes all of 6 and
18 7 of Township 26 North, Range 2 West, Rio Arriba County,
19 New Mexico.

20 Q And you heard me state the acreage in those two
21 sections, is that the correct figure?

22 A Yes, it is.

23 Q Now, you also propose, do you not, an unorthodox well
24 location?

25 A That is correct. A location eighteen, fifty from

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1 the south line and seven hundred feet from the west line of
2 Section 7, 26, 2.

3 Q Now, referring to what has been marked as the
4 Applicant's Exhibit Number One, would you identify that
5 exhibit, please?

6 A Yes, in the red outline is the proposed communitized
7 two sections, the offset owners, Mobil in green, Palmer's
8 leasehold in yellow, open Jicarilla unleased lands in blue to
9 the north of the well.

10 Q And this also does show the well locations, does it
11 not?

12 A It does.

13 Q And the unit outlined in red?

14 A Yes, sir.

15 Q Now, referring to what has been marked as the
16 Applicant's Exhibit Number Two, would you identify that
17 exhibit, please?

18 A This is all tests drilled into the Mesa Verde
19 formation. Each well is labeled by operator and well number,
20 showing the cumulative, all-time cumulative gas production,
21 in millions of cubic feet and oil in barrels.

22 Q Now, there is a red line down through the center of
23 the exhibit and another shorter red line at the bottom, what's
24 the significance of that?

25 A That is a topographic feature known as Tapacito Ridge

1 which is an igneous dike of very late in geologic time and we
2 are really not sure what effect it has on the production but
3 it does exist.

4 Q Would it appear to have some effect in the southern
5 portion of the pool, at least, the higher production, say, to
6 the east than to the west?

7 A Possibly it could.

8 Q Do you have anything else to add in connection with
9 this exhibit?

10 A No, sir.

11 Q Now, referring to what has been marked as Exhibit
12 Number Three, would you identify that exhibit?

13 A Exhibit Number Three is the 1975 gas and oil
14 production, again gas in millions of cubic feet and oil in
15 barrels, for all wells produced in 1975.

16 Q Otherwise the exhibit is the same as Number Two, is
17 that correct?

18 A That is correct.

19 Q Just the difference in the production figures?

20 A Yes, sir.

21 Q Now, Exhibit Number Four, would you identify that
22 exhibit?

23 A This is August, 1976 production of all wells produced
24 from the Mesa Verde formation. There are five Mesa Verde
25 infield wells with red checks to illustrate the new infield

1 drilling versus the original, old, three-twenty spacing
2 production.

3 Q What is the significance of the infield drilling
4 wells? Does that show that there are unproduced reserves,
5 does that indicate that?

6 A It certainly does, compared to the older wells,
7 it's significant.

8 Q Now, in connection with the application of Palmer,
9 is it possible for Palmer to form anything that would more
10 nearly resemble a standard proration unit?

11 A No, sir.

12 Q Now, as to the well location, what is the reason
13 for that location?

14 A The location was put as nearly in the center of the
15 section, south half of the section, with some ninety feet
16 short of a regular Mesa Verde location, being seven hundred
17 feet rather than the seven, ninety.

18 Q It wouldn't be possible to get a seven, ninety
19 location, would it?

20 A No, sir, it would not.

21 Q Because of the shape of the section?

22 A Yes, sir.

23 Q Now, there appears to be a dry hole in the north
24 half of Section 7, do you have any comments on that?

25 A That well was drilled, the No. 1 Ruckhouse was drilled

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1 in 1957 by Mobil. In our view the test was inconclusive. We
2 think the area warrants another test.

3 Q Did the information available to you indicate that
4 that area was actually productive of gas from the Mesa Verde?

5 A Yes, we think it is.

6 Q And possibly liquid hydrocarbons?

7 A Yes, sir.

8 Q In your opinion, will a well drilled as you propose,
9 as nearly as possible drain and develop the unit to be
10 dedicated to it?

11 A Yes, sir.

12 Q Considering the shape of the section?

13 A Yes, sir.

14 Q And do you have an alternative location that would
15 better drain the area?

16 A No, sir.

17 Q Were Exhibits One through Four prepared by you or
18 under your supervision?

19 A They were.

20 MR. KELLAHIN: At this time I would like to offer
21 Exhibits One through Four inclusive.

22 MR. STAMETS: Exhibits One through Four will be
23 admitted.

24 (THEREUPON, Applicant's Exhibits One through
25 Four were admitted into evidence.)

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1 MR. KELLAHIN: In connection with this case, Mr.
2 Examiner, I would call the Examiner's attention to Case
3 Number 1331, Order Number R-1088 in which Magnolia Petroleum
4 Company, now Mobil, had an almost identical situation and it
5 was approved by this Commission. I have a copy of the order
6 here if you would like it.

7 MR. STAMETS: Would that be the well which is
8 immediately south of here marked the Mobil No. 1 Featherstone?

9 MR. KELLAHIN: I believe that's correct, yes, sir.

10 MR. STAMETS: Just an observation here on Exhibit
11 Number Four, it would appear that the only difference between
12 the two is that the Mobil Well is somewhat more centrally
13 located in the long three, thirty or three, twenty, whatever
14 it is, than the well in this application.

15 MR. KELLAHIN: That completes our presentation.
16

17 CROSS EXAMINATION

18 BY MR. STAMETS:

19 Q Mr. Little, was there a test of this Ruckhouse Well?

20 A Yes, sir.

21 Q What did that test reveal?

22 A We have obtained from Mobil a copy of their well
23 history. They ran a five-and-a-half-inch liner to six, double
24 three with a hundred sacks and then their notation, "The well
25 blew out with gas, approximately two hundred barrels of oil,

1 while attempting to reach bottom with a liner. Oil coming
2 in hole from Point Lookout section." They perforated, fraced,
3 reperforated, squeezed, fraced, report a good show of gas.

4 As I say, this well was in 1957 and they gave up on
5 trying to complete it. They had a lot of mechanical problems.

6 Q The record you have there indicates there is gas
7 in the Mesa Verde in this well but it was not commercial at
8 the time?

9 A Yes. We feel like it was a problem in completion.

10 Q Now, you discussed the proposed well location
11 draining this non-standard unit, actually will it drain gas
12 from the far northern limit of the unit or will that gas be
13 drained by offset wells?

14 A In my opinion there probably should be another well
15 on the unit in the south half of 6 to completely drain the
16 unit.

17 Q Under the present rules that would be a possibility?

18 A Yes, sir.

19 Q I presume since you mention that that you all are
20 thinking about that?

21 A Yes, sir.

22 Q One more question. If your application here today
23 should be denied as far as the location is concerned, would
24 this unit be drained at all?

25 A Yes, I think that probably it will be.

1 Q By the offset wells?

2 A By the offset wells, yes.

3 Q So in order for you to protect the rights of the
4 interest owners in here you need to drill this well?

5 A Yes, sir.

6 MR. STAMETS: Are there other questions of this
7 witness.

8 MR. KENDRICK: Yes.

9 MR. STAMETS: Mr. Kendrick.

10 MR. KENDRICK: Either the witness or Mr. Kellahin.
11 You called a hearing to ask exception for the Mesa Verde pool
12 rule which requires the first well or the first well in the
13 tract to be drilled in the northeast or southwest quarter of
14 the section?

15 MR. KELLAHIN: I would say in that case, the
16 advertising specifying the well location would accomplish the
17 same thing without saying northeast or southwest.

18 MR. KENDRICK: Do you recommend that an exception
19 to that rule, whatever it may be in Rule 1670, be included
20 in your order?

21 MR. KELLAHIN: We certainly do because we are asking
22 for a specific location and we ask approval of that location.

23 MR. KENDRICK: I believe that's all.

24 MR. STAMETS: Any other questions? The witness
25 may be excused.

(THEREUPON, the witness was excused.)

MR. STAMETS: Anything further in this case?

MR. KELLAHIN: That's all, thank you, sir.

MR. STAMETS: We will take the case under advisement.

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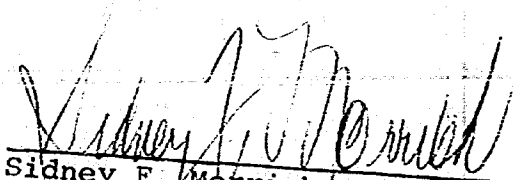
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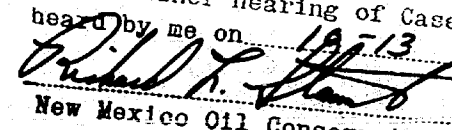
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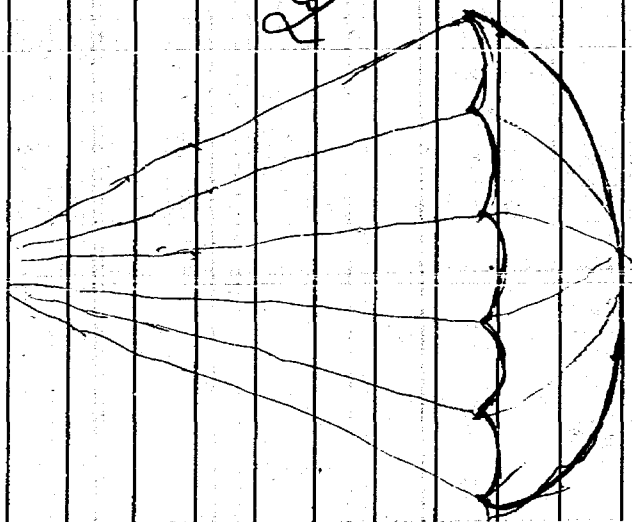
REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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, C.S.R.

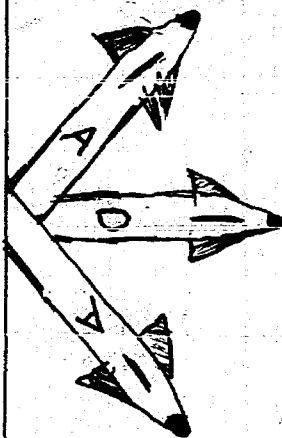
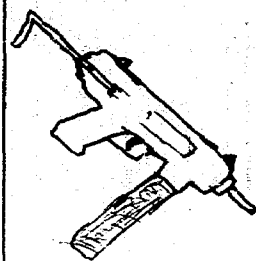
I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5783
heard by me on 10-13-1976.

Examiner
New Mexico Oil Conservation Commission

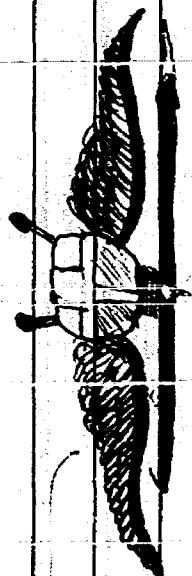
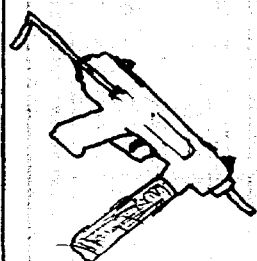
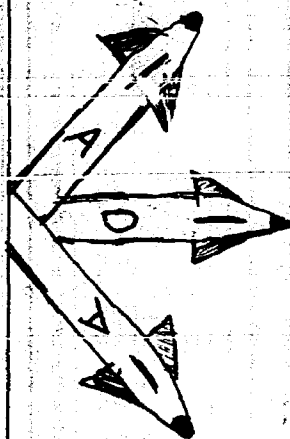
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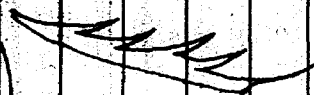
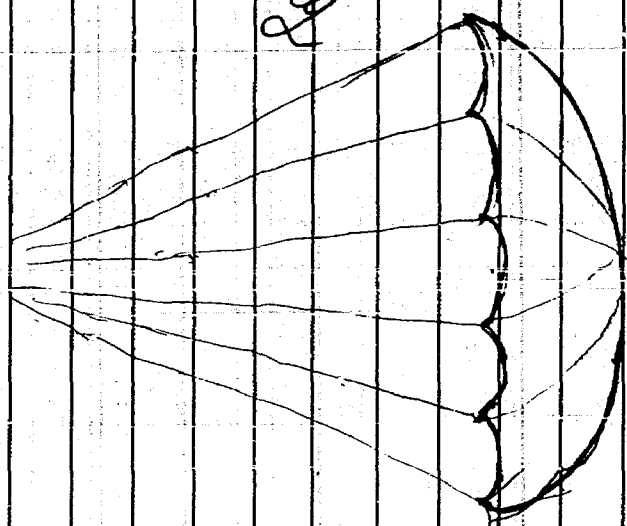
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OIL CONSERVATION COMMISSION

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

87301



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST
EMERY C. ARNOLD

Re: CASE NO. 5783
ORDER NO. R-5302

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

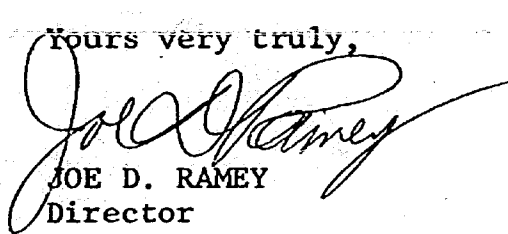
Applicant:

Palmer Oil and Gas Company

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC x

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. 5783
Order No. R-5302

APPLICATION OF PALMER OIL AND GAS
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION AND A NON-STANDARD PRORATION
UNIT, RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 13, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 27th day of October, 1976, 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, Palmer Oil and Gas Company, seeks approval for a 335.66-acre non-standard proration unit, comprising all of Sections 6 and 7, Township 26 North, Range 2 West, NMPM, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico.

(3) That the applicant further seeks to dedicate said non-standard proration unit to a well to be drilled at an unorthodox location for said pool at a point 1850 feet from the South line and 700 feet from the West line of said Section 7.

(4) That said Sections 6 and 7 are partial sections resulting from variations in public land surveys.

(5) That the non-standard proration unit is necessary to permit development of said partial Sections 6 and 7.

-2-

Case No. 5783
Order No. R-5302

(6) That the requested unorthodox location is necessary both as a result of the variation in the land survey and to avoid a non-commercial well drilled in the North half of said Section 7.

(7) 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 the applicant, Palmer Oil and Gas Company, is hereby granted approval of a 335.66-acre non-standard gas proration unit consisting of all of partial Sections 6 and 7, Township 26 North, Range 2 West, NMPM, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico.

(2) That said non-standard gas proration unit shall be dedicated to applicant's well to be drilled at an unorthodox location 1850 feet from the South line and 700 feet from the West line of said Section 7.

(3) That for allowable purposes said non-standard gas proration unit shall be assigned an acreage factor of 1.05.

(4) 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

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

dr/

Dockets Nos. 29-76 and 30-76 are tentatively set for hearing on October 27 and November 10, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 13, 1976

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 November, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for November, 1976, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5773: (Continued from September 29, 1976, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Millman Unit Area comprising 2,017 acres, more or less, of State lands in Township 19 South, Range 28 East, Eddy County, New Mexico.

CASE 5783: Application of Palmer Oil and Gas Company for an unorthodox gas well location and a non-standard proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 335.66-acre non-standard proration unit, comprising all of Sections 6 and 7, Township 26 North, Range 2 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1850 feet from the South line and 700 feet from the West line of said Section 7.

CASE 5784: Application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 320-acre Jalmat gas proration unit comprising the NW/4, SW/4 NE/4, E/2 NE/4, NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its John P. Combest Wells Nos. 1, 2, 3, and 4 located at unorthodox locations in Units H, G, A, and E, respectively, of said Section 35.

CASE 5785: Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen formation underlying the NE/4 NE/4, NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4 of Section 19, Township 24 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to form four 40-acre proration units to be dedicated to four oil wells to be drilled at standard locations on said tracts. Also to be considered will be the cost of drilling and completing said wells 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 applicant as operator of the wells and a charge for risk involved in drilling said wells.

CASE 5786: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its New Mexico "BZ" State Lease, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Seven Rivers-Queen formation through seven injection wells located in Unit L of Section 15 and Units B, D, F, H, J, and P of Section 16, Township 23 South, Range 37 East.

CASE 5787: Application of Boyd Operating Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into the Grayburg-San Andres formation through its Robinson Well No. 8 located in Unit N of Section 25 and its Brinson Wells Nos. 2 and 3 located, respectively, in Units A and G of Section 36, Township 16 South, Range 31 East, Eddy County, New Mexico. Applicant further seeks an administrative procedure for expansion of the project by approval of additional injection and production wells at orthodox and unorthodox locations.

CASE 5574: (Reopened)

In the matter of Case 5574, being reopened pursuant to the provisions of Order No. R-5118 which order established a temporary special depth bracket allowable of 750 barrels of oil per day for the Eagle Mesa-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should not be rescinded.

CASE 5780: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Northwest Production Corporation, Federal Insurance Company, and all other interested parties to appear and show cause why the Blanco 30-12 Well No. 1, located in Unit A of Section 4, Township 30 North, Range 12 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5781: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Petroleum Development Corporation, American Employers Insurance Company, and all other interested parties to appear and show cause why the San Luis Federal Well No. 1, located in Unit J of Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5782: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit U. S. Frigidice, Inc., Fireman's Fund Indemnity Company, and all other interested parties to appear and show cause why the U. S. Frigidice Well No. 1, Clyde Berlier (Kayser), located in Unit A of Section 14, Township 19 North, Range 21 East, Mora County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5788: Southeastern New Mexico nomenclature case calling for the creation, contraction, extension and abolishment of certain pools in Lea, Eddy, and Roosevelt Counties, New Mexico:

a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Angell Ranch-Morrow Gas Pool. The discovery well is the Penroc Oil Corporation Wright Federal Well No. 1 located in Unit O of Section 6, Township 20 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 6: All

b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the West Burton Flat-Strawn Gas Pool. The discovery well is the David Fasken El Paso Federal Well No. 3 located in Unit H of Section 1, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 1: Lots 1 through 8

c) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Canyon production and designated as the North Chaveroo-Canyon Gas Pool. The discovery well is the Union Oil Company of California Roberts Well No. 1, located in Unit D of Section 9, Township 7 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 33 EAST, NMPM
Section 9: W/2

d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Foster Ranch-Morrow Gas Pool. The discovery well is the Mark Production Company Foster Well No. 1 located in Unit J of Section 21, Township 20 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 21: E/2

e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Nash Draw Cherry-Canyon Pool. The discovery well is the Mesa Petroleum Company Nash Unit Well No. 4 located in Unit A of Section 13, Township 23 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM
Section 13: NE/4

f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Strawn production and designated as the Ojo Chiso-Strawn Gas Pool. The discovery well is the American Quasar Petroleum Company of New Mexico 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

g) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Cisco production and designated as the North Vacuum-Cisco Gas Pool. The discovery well is the Marathon Oil

q) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, 13PM
Section 30: SE/4

r) EXTEND the Dayton-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, 13PM
Section 26: SW/4

s) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, 13PM
Section 27: NE/4 and N/2 NW/4

t) EXTEND the Hoag Tank-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, 13PM
Section 23: All

u) EXTEND the Middle Lynch Yates -Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, 13PM
Section 28: N/2 N/2

v) EXTEND the Maljamar-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, 13PM
Section 32: W/2

w) EXTEND the Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, 13PM
Section 20: SW/4

x) EXTEND the Red Lake Queen -Grayburg - San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, 13PM
Section 13: SE/4 SE/4
Section 24: NE/4

y) EXTEND the Sawyer-San Andres Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, 13PM
Section 13: SW/4

z) EXTEND the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, 13PM
Section 26: NW/4
Section 27: NE/4

aa) EXTEND the Vacuum-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, 13PM
Section 2: SW/4
Section 3: SE/4

Company State Section 7 Com Well No. 1, located in Unit G of Section 7, Township 17 South, Range 35 East, NMJM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMJM
Section 7: E/2

h) CONTRACT the vertical limits of the Kemnitz-Pennsylvanian Pool in Lea County, New Mexico, to the Cisco formation only, redesignating said pool the Kemnitz-Cisco Pool and redefining said pool to comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMJM
Section 13: N/2 and SE/4

i) CONTRACT the vertical limits of the Sombbrero-Pennsylvanian Gas Pool in Lea County, New Mexico, to the Atoka formation only, redesignating said pool the Sombbrero-Atoka Gas Pool and redefining said pool to comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMJM
Section 12: W/2
Section 13: W/2 and SE/4

j) ABOLISH the East Shugart-Queen Pool in Lea County, New Mexico, described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMJM
Section 6: NE/4

k) ABOLISH the Watkins-Seven Rivers Pool in Eddy and Lea Counties, New Mexico, described as:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMJM
Section 36: E/2

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMJM
Section 31: All

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMJM
Section 6: N/2

l) EXTEND the vertical limits of the Watkins-Grayburg Pool in Lea County, New Mexico, to include the Yates, Seven Rivers, and Queen formations, redesignating said pool the Watkins Yates-Seven Rivers-Queen-Grayburg Pool and redefining said pool to comprise:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMJM
Section 31: NW/4 and S/2

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMJM
Section 6: N/2

m) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMJM
Section 18: SE/4

n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMJM
Section 1: S/2

o) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMJM
Section 10: W/2
Section 15: W/2
Section 16: E/2

p) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMJM
Section 20: E/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMJM
Section 3: W/2

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. 5783
Order No. R-5302

APPLICATION OF PALMER OIL AND GAS
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION AND A NON-STANDARD PRORATION
UNIT, RIO ARriba COUNTY, NEW MEXICO.


ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 13, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 27th day of October, 1976, 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, Palmer Oil and Gas Company, seeks approval for a 335.66-acre non-standard proration unit, comprising all of Sections 6 and 7, Township 26 North, Range 2 West, NMPM, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico.
 - (3) That the applicant further seeks to dedicate said non-standard proration unit to a well to be drilled at an unorthodox location for said pool at a point 1850 feet from the South line and 700 feet from the West line of said Section 7.
 - (4) That said Sections 6 and 7 are partial sections resulting from variations in public land surveys.
 - (5) That the non-standard proration unit is necessary to permit development of said partial Sections 6 and 7.
- 

-2-

Case No. 5783
Order No. R-5302

(6) That the requested unorthodox location is necessary both as a result of the variation in the land survey and to avoid a non-commercial well drilled in the North half of said Section 7.

(7) 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 the applicant, Palmer Oil and Gas Company, is hereby granted approval of a 335.66-acre non-standard gas proration unit consisting of all of partial Sections 6 and 7, Township 26 North, Range 2 West, NMPM, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico.

(2) That said non-standard gas proration unit shall be dedicated to applicant's well to be drilled at an unorthodox location 1850 feet from the South line and 700 feet from the West line of said Section 7.

(3) That for allowable purposes said non-standard gas proration unit shall be assigned an acreage factor of 1.05.

(4) 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

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

dr/

CASE 5780: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Northwest Production Corporation, Federal Insurance Company, and all other interested parties to appear and show cause why the Blanco 30-12 Well No. 1, located in Unit A of Section 4, Township 30 North, Range 12 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

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TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 6: All

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Section 9: W/2

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Section 21: E/2

e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Nash Draw Cherry-Canyon Pool. The discovery well is the Mesa Petroleum Company Nash Unit Well No. 4, located in Unit A of Section 13, Township 23 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM
Section 13: NE/4

f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Strawn production and designated as the Ojo Chiso-Strawn Gas Pool. The discovery well is the American Quasar Petroleum Company of New Mexico 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

g) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Cisco production and designated as the North Vacuum-Cisco Gas Pool. The discovery well is the Marathon Oil

Docket No. 27-76

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STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

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CASE 5574: (Reopened)

In the matter of Case 5574, being reopened pursuant to the provisions of Order No. R-5118 which order established a temporary special depth bracket allowable of 750 barrels of oil per day for the Eagle Mesa-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should not be rescinded.

- q) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 30: SE/4

- r) EXTEND the Dayton-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: SW/4

- s) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 27: NE/4 and N/2 NW/4

- t) EXTEND the Hoag Tank-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 23: All

- u) EXTEND the Middle Lynch Yates -Seven Rivers Pool in Lea County, New Mexico, to include therein:

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

- v) EXTEND the Maljamar-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 32: W/2

- w) EXTEND the Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 20: SW/4

- x) EXTEND the Red Lake Queen - Grayburg - San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 13: SE/4 SE/4
Section 24: NE/4

- y) EXTEND the Sawyer-San Andres Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
Section 13: SW/4

- z) EXTEND the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 26: NW/4
Section 27: NE/4

- aa) EXTEND the Vacuum-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 2: SW/4
Section 3: SE/4

Company State Section 7 Com Well No. 1, located in Unit G of Section 7, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 7: E/2

h) CONTRACT the vertical limits of the Kemnitz-Pennsylvanian Pool in Lea County, New Mexico, to the Cisco formation only, redesignating said pool the Kemnitz-Cisco Pool and redefining said pool to comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 13: N/2 and SE/4

i) CONTRACT the vertical limits of the Sombbrero-Pennsylvanian Gas Pool in Lea County, New Mexico, to the Atoka formation only, redesignating said pool the Sombbrero-Atoka Gas Pool and redefining said pool to comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 12: W/2
Section 13: W/2 and SE/4

j) ABOLISH the East Shugart-Queen Pool in Lea County, New Mexico, described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 6: NE/4

k) ABOLISH the Watkins-Seven Rivers Pool in Eddy and Lea Counties, New Mexico, described as:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 36: E/2

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 31: All

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 6: N/2

l) EXTEND the vertical limits of the Watkins-Grayburg Pool in Lea County, New Mexico, to include the Yates, Seven Rivers, and Queen formations, redesignating said pool the Watkins Yates-Seven Rivers-Queen-Grayburg Pool and redefining said pool to comprise:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 31: NW/4 and S/2

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 6: N/2

m) EXTEND the Blincbry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 18: SE/4

n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 1: S/2

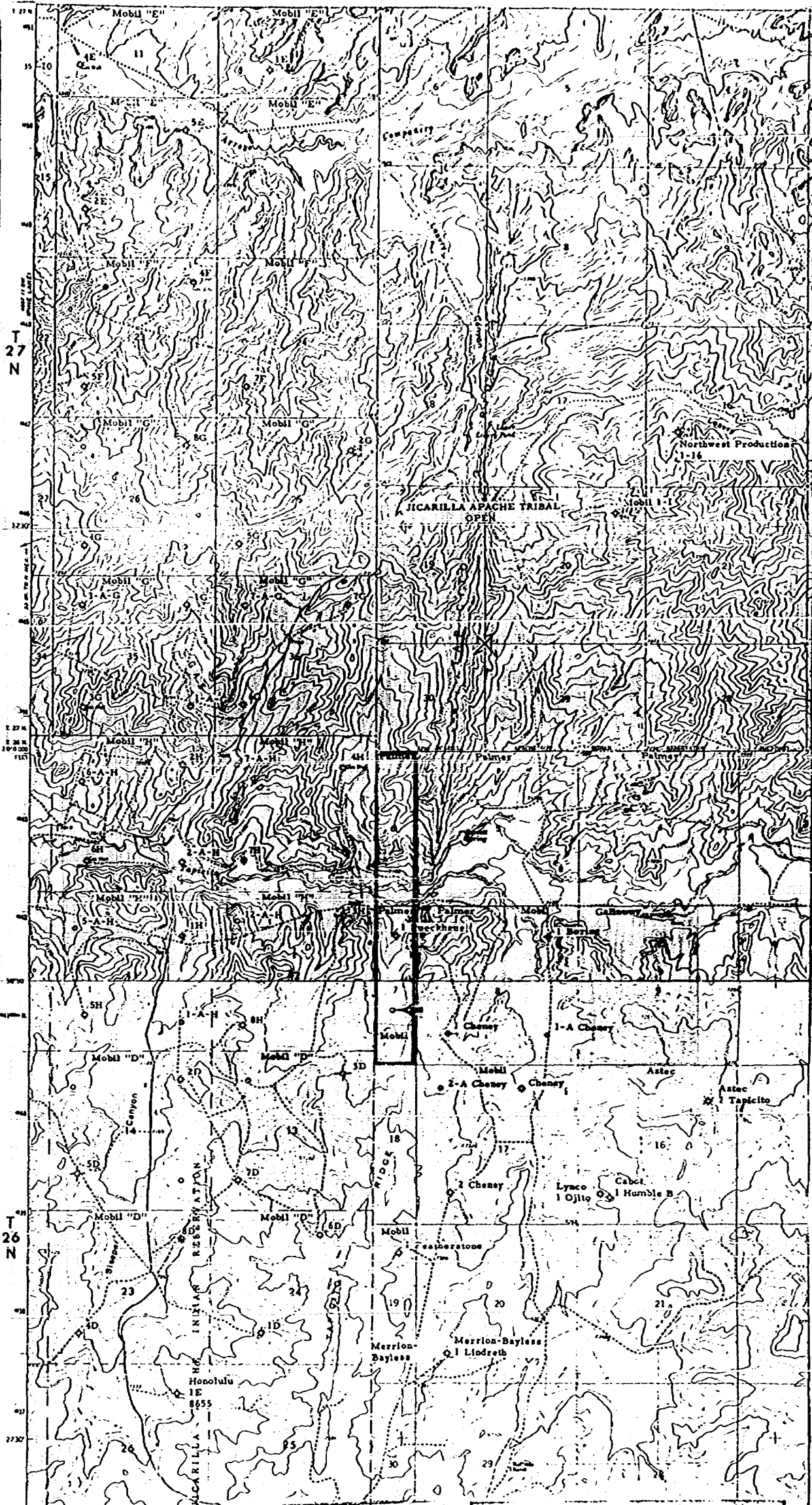
c) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 10: W/2
Section 15: W/2
Section 16: E/2

p) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 20: E/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 3: W/2



BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

Palmer EXHIBIT NO. 1
CASE NO. 5783

Submitted by Curtis Z. Latta
Hearing Date Oct 13, 1976

PALMER OIL AND GAS COMPANY

CASE 5783

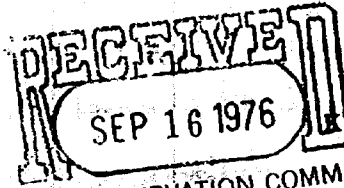
RIO ARriba COUNTY, NEW MEXICO

EXHIBIT NO. _____

Legend

- ◊ Mesavada Gas Well
- ◊ Mesavada Dry Hole
- ◊ Depleted Mesavada Gas Well
- Location

Case 5783



KELLAHIN AND FOX
ATTORNEYS AT LAW
800 DON GASPAR AVENUE
POST OFFICE BOX 1789

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

OIL CONSERVATION COMM.
Santa Fe SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

September 15, 1976

Mr. Joe Ramey, Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Enclosed please find the original and two copies
of the application of Palmer Oil & Gas Company for
approval of an unorthodox well location and non-standard
unit, Rio Arriba County, New Mexico. We would appreciate
this being set for the October 13th hearing.

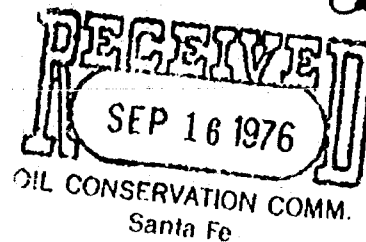
Yours very truly,

Jason Kellahin
Jason W. Kellahin

CC: Mr. Les Campbell

JWK:kjf

Enclosure



BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF PALMER OIL & GAS COMPANY FOR
APPROVAL OF AN UNORTHODOX WELL
LOCATION AND NON-STANDARD UNIT,
RIO ARriba COUNTY, NEW MEXICO

A P P L I C A T I O N

Comes now Palmer Oil & Gas Company and applies to the Oil Conservation Commission of New Mexico for approval of an unorthodox well location and a non-standard drilling and proration unit, Rio Arriba County, New Mexico, and in support thereof would show the Commission:

1. Applicant proposes to drill a well, to be located in Lot 3, Section 7, Township 26 North, Range 2 West, N.M.P.M., said well to be located 1850 feet from the South line, and 700 feet from the West line of Section 7.

2. Applicant proposes to dedicate to the proposed well, all of Sections 6 and 7, Township 26 North, Range 2 West, containing 335.66 acres, according to the government survey thereof, Section 6 containing 165.34 acres, and Section 7 containing 170.32 acres.

3. The unorthodox well location is necessary because of the existence of the off-size sections, and the presence of an unsuccessful well in Section 7.

4. Because of the nature of the sections involved, it is not possible for applicant to form an orthodox unit, nor to make a standard well location.

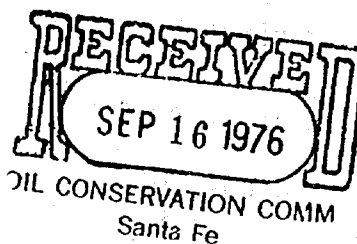
5. Approval of this application will enable applicant to recover its just and equitable share of the oil, gas, and liquid hydrocarbons underlying its lands. Correlative rights of other interest owners in the area will not be impaired, and the approval will prevent waste.

WHEREFORE applicant prays that this application be set for hearing before the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission approve applicant's application as applied for.

Respectfully submitted,
PALMER OIL & GAS COMPANY

By Jason Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT



BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF PALMER OIL & GAS COMPANY FOR
APPROVAL OF AN UNORTHODOX WELL
LOCATION AND NON-STANDARD UNIT,
RIO ARriba COUNTY, NEW MEXICO

A P P L I C A T I O N

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4. Because of the nature of the sections involved, it is not possible for applicant to form an orthodox unit, nor to make a standard well location.

Case 5783

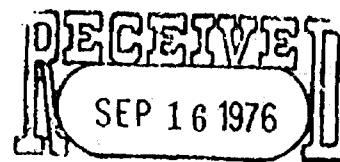
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Respectfully submitted,
PALMER OIL & GAS COMPANY

By Jason Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT



Case
5183

OIL CONSERVATION COMM
Santa Fe

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF PALMER OIL & GAS COMPANY FOR
APPROVAL OF AN UNORTHODOX WELL
LOCATION AND NON-STANDARD UNIT,
RIO ARriba COUNTY, NEW MEXICO

A P P L I C A T I O N

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1. Applicant proposes to drill a well, to be located in Lot 3, Section 7, Township 26 North, Range 2 West, N.M.P.M., said well to be located 1850 feet from the South line, and 700 feet from the West line of Section 7.

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WHEREFORE applicant prays that this application be set for hearing before the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission approve applicant's application as applied for.

Respectfully submitted,
PALMER OIL & GAS COMPANY

By Jason Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501
ATTORNEYS FOR APPLICANT

DRAFT

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. 5783

Order No. R- 5302

APPLICATION OF PALMER OIL AND GAS COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION AND
A NON-STANDARD PRORATION UNIT, RIO
ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 13,
19 76, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of October, 19 76, 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, Palmer Oil and Gas Company, seeks
approval for a 335.66-acre non-standard proration unit, comprising
all of Sections 6 and 7, Township 26 North, Range 2 West, NMPM,
Blanco-Mesaverde Pool, Rio Arriba County, New Mexico.

(3) That the applicant further seeks to dedicate said non-standard proration unit to a well to be drilled at an unorthodox location for said pool at a point 1850 feet from the South line and 700 feet from the West line of said Section 7.

(4) That said Sections 6 and 7 are partial sections resulting from variations in public land surveys.

(5) That the non-standard proration^{unit} is necessary to permit development of said partial Sections 6 and 7.

(6) That the requested unorthodox location is necessary both ~~as a result~~ ^{because} of the variation in the land survey and to avoid a non-commercial well drilled in the North half of said Section 7.

(7) 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 the applicant, Palmer Oil and Gas Company, is hereby granted approval of a 335.66-acre non-standard gas proration unit consisting of all of partial Sections 6 and 7, Township 26 North, Range 2 West, NMPM, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico.

(2) That said non-standard gas proration unit shall be dedicated to applicant's well to be drilled at an unorthodox location ~~at a point~~ 1850 feet from the ^{South} ~~North~~ line and 700 feet from the West line of said Section 7.

(3) That for allowable purposes said non-standard gas proration unit shall be assigned an acreage factor of 1.05.

-3-

Case No. 5783

Order No. R-

(4) 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.

END OF ROLL

135 #A

ROLL NUMBER

DOCUMENT TYPE

D.M. Oil Conservation Div

DATE OF FILMING

9/9/85

CAMERA OPERATOR

Edward Thomas Casale

ENDING DOCUMENT

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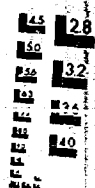
1.1



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1.4



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2.2



2.5

MICROCOPY RESOLUTION TEST CHART
NATIONAL BUREAU OF STANDARDS
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STATEMENT OF DOCUMENT CERTIFICATION

All microphotographic images of documents following this certificate are of authorized documents in the possession of this Agency. These documents are routinely microfilmed as a necessary operation in the generation of an inviolate document file.

R. David Ortiz
SUPERVISOR

STATE OF NEW MEXICO)
) SS.
COUNTY OF VALENCIA)

Sworn and Subscribed to me, A Notary Public,

This 1st day of December, 19 83

Stephen Aragon
NOTARY PUBLIC

MY COMMISSION EXPIRES: 10-2-84

CERTIFICATE OF AUTHENTICITY

THIS IS TO CERTIFY that the microphotographs appearing on this Roll of Film are accurate and complete reproductions of the records of the, N.M. Oil Conservation Div. as delivered in the regular course of business for Micro Filming.

David Thomas Carlier
CAMERA OPERATOR

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All microphotographic images of documents following this certificate are of authorized documents in the possession of this Agency. These documents are routinely microfilmed as a necessary operation in the generation of an inviolate document file.

R. David Ortiz
SUPERVISOR

STATE OF NEW MEXICO)
) SS.
COUNTY OF VALENCIA)

Sworn and Subscribed to me, A Notary Public,

This 1st day of December, 19 93

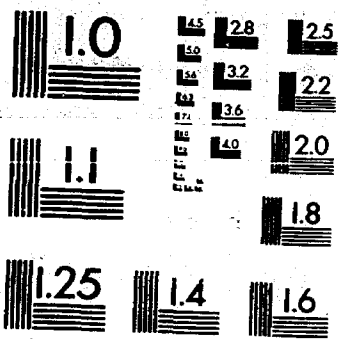
[Signature]
NOTARY PUBLIC

MY COMMISSION EXPIRES: 10-2-86

CERTIFICATE OF AUTHENTICITY

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CAMERA OPERATOR



MICROCOPY RESOLUTION TEST CHART
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STANDARD REFERENCE MATERIAL 1010a
(ANSI and ISO TEST CHART No. 2)

START OF ROLL

135 B
ROLL NUMBER

DOCUMENT TYPE

N.M. Oil Conservation Div

DATE OF FILMING

8/9/85

CAMERA OPERATOR

Edward Thomas Cavalieri

BEGINNING DOCUMENT

File - 5784