

CASE 5799: GULF OIL CORP. FOR AN UNOR-  
THODOX GAS WELL LOCATION & A NON-  
STANDARD PRORATION UNIT, LEA COUNTY,  
NEW MEXICO

CASE NO.

5799

---

APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
November 10, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Gulf Oil Corporation for  
an unorthodox gas well location and a  
non-standard proration unit, Lea County,  
New Mexico.

CASE  
5799

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, Esq.  
Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant:

Jeffrey G. Shrader, Esq.  
Legal Counsel for Gulf Oil Corp.  
Midland, Texas

James E. Sperling, Esq.  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK  
Attorneys at Law  
Public Service Building  
Albuquerque, New Mexico

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

**sid morrish reporting service**

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

Page 2

I N D E X

Page

CHARLES F. KALTEYER

Direct Examination by Mr. Shrader

3

EXHIBIT INDEX

Offered

Admitted

Gulf's Exhibit One, Plat

4

8

Gulf's Exhibit Two, Schematic Diagram

6

8

**sid morrish reporting service**

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

Page 3

1 MR. STAMETS: We will call next Case 5799.

2 MS. TESCHENDORF: Case 5799, application of Gulf Oil  
3 Corporation for an unorthodox gas well location and a non-  
4 standard proration unit, Lea County, New Mexico.

5 MR. STAMETS: Call for appearances in this case.

6 MR. SHRADER: Mr. Examiner, my name is Jeff Shrader  
7 and I represent Gulf Oil Corporation in Midland. I have one  
8 witness to be sworn.

9 MR. STAMETS: Will you stand and be sworn, please?

10 (THEREUPON, the witness was duly sworn.)

11 MR. SHRADER: I hope you received an entry of  
12 appearance by letter from Mr. James Sperling of Albuquerque.  
13 Mr. Sperling is our New Mexico counsel and I would ask that  
14 the record indicate that he has entered an appearance by letter  
15 in this case.

16 MR. STAMETS: The Commission does have this record.

17  
18 CHARLES F. KALTEYER

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

21  
22 DIRECT EXAMINATION

23 BY MR. SHRADER:

24 Q Would you state your name, by whom you are employed  
25 and in what capacity?

**sid morrish reporting service**

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

Page 4

1 A My name is Charles F. Kalteyer, K-a-l-t-e-y-e-r.  
2 I'm employed by Gulf Oil Corporation in Midland and I'm  
3 classified as District Proration Engineer.

4 Q Have you ever testified before the New Mexico Oil  
5 Conservation Commission and stated your qualifications as a  
6 petroleum engineer?

7 A Yes, sir, I have.

8 MR. SHRADER: Mr. Examiner, is the witness qualified?

9 MR. STAMETS: Yes.

10 Q (Mr. Shrader continuing.) What is Gulf seeking  
11 in this application?

12 A Gulf is seeking authority to substitute its J. N.  
13 Carson (NCT-A) Well No. 9 for Well No. 6 at an unorthodox loca-  
14 tion eighteen hundred and seventy-four feet from the south  
15 line and two thousand and eighty-six feet from the west line  
16 of Unit K, Section 28, Township 21 South, Range 37 East on a  
17 one hundred and sixty acre non-standard proration unit  
18 comprising the northeast quarter of the southwest quarter and  
19 the west half of the southeast quarter of Section 28 and the  
20 northwest quarter of the northeast quarter of Section 33, also  
21 Township 21 South, Range 37 East in the Tubb Gas Pool, Lea  
22 County, New Mexico.

23 Q Do you have an exhibit which shows the J. N Carson  
24 (NCT-A) lease, if so, please explain what is shown on it?

25 A Yes, sir, our Exhibit One is a plat which shows

**sid morrish reporting service**

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

Page 5

1 the Gulf J. N. Carson (NCT-A) one hundred and sixty acre lease  
2 outlined in red. You will also note that the Tubb gas  
3 completions in the area are circled in yellow and our No. 9  
4 well which is the subject of this hearing is circled in green.

5 Q Has this non-standard proration unit previously been  
6 approved and was the well to which it was dedicated also  
7 unorthodox for the Tubb gas pool?

8 A Yes, sir, under Order R-1253, dated September 29,  
9 1958, the Commission approved the dedication of this non-standard  
10 proration unit for our Well No. 6 which is at an unorthodox  
11 location two thousand and eighty-six feet from the south  
12 line and two thousand and eighty-six feet from the east line  
13 of Section 28, Township 21 South, Range 37 East in Unit J.

14 Q What is the current status of Gulf's J. N. Carson  
15 (NCT-A) Well No. 6?

16 A Up until July of this year Well No. 6 was a dual in  
17 the Tubb and Drinkard. It is now a single producer in the  
18 Central Drinkard Waterflood as Unit Well No. 114.

19 Q Why was the Tubb completion abandoned in Well No. 6?

20 A It was abandoned to eliminate the inherent pumping  
21 problems in the gassy Drinkard zone from under a packer when  
22 equipped as a dual. This worked to make the -- well, a  
23 single completion was successful in that it increased production  
24 from twelve barrels of oil and three barrels of water per  
25 day to thirty-four barrels of oil and seventy-eight barrels

**sid morrison reporting service**

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

1 of water from the Drinkard Waterflood project.

2 Q What is the history of Gulf's J. N. Carson (NCT-A)  
3 Well No. 9?

4 A No. 9 was completed in March of 1949 to open hole  
5 intervals seventy-eight, eighty-four to eighty thousand,  
6 seventy-three in the Brunson Ellenburger Pool and produced  
7 from this horizon until temporarily abandoned in March of  
8 1961. In August of that year it was re-completed in the  
9 Blinebry Gas Pool in the interval fifty-eight, thirty-four  
10 to thirty-six. On September 21st of this year, perforations  
11 were added to the Blinebry zone from fifty-five, oh, nine to  
12 fifty-seven, thirty-six and the well dualled with the Tubb  
13 zone through perforations fifty-nine, eighty-four to sixty-  
14 two, thirty-four. The Tubb zone tested nine hundred and  
15 twenty-six MCF a day.

16 Q Do you have an exhibit depicting the present  
17 downhole condition of Well No. 9?

18 A Yes, sir, Exhibit Number Two is a schematic  
19 diagram of the wellbore of No. 9 as a dual gas well in the  
20 Blinebry Oil and Gas Pool and the Tubb Gas Pool.

21 Q Are there other wells in the vicinity of Gulf's J. N.  
22 Carson (NCT-A) Well No. 9 which are also at locations less  
23 than six hundred and sixty feet from the lease lines in the  
24 Tubb Pool?

25 A Yes, sir, Mobil's E. Carson No. 19 which is an



1 immediate western offset to our No. 9 is only five hundred  
2 and sixty feet from our lease line.

3 Marathon's W. H. Turner No. 3 which is an immediate  
4 western offset to Mobil's E. Carson 19 is only three hundred  
5 and thirty feet from Mobil's lease line.

6 And other locations in the area are Amoco's W. H.  
7 Turner, No. 3 in Unit P of Section 29, plus Mobil's E. O.  
8 Carson No. 9 in Unit E of Section 33 and their J. N. Carson  
9 No. 2 in Unit H of Section 33 also.

10 Q Is this application in the interest of the prevention  
11 of waste and the protection of correlative rights?

12 A Yes, sir, it is.

13 Q Will you again summarize what Gulf is requesting in  
14 this application?

15 A We are seeking approval for the substitution of  
16 our J. N. Carson (NCT-A) Well No. 9 at an unorthodox gas well  
17 location for its Well No. 6 and the non-standard one hundred  
18 and sixty proration unit previously approved for Well No. 6,  
19 comprising the northeast quarter of the southwest quarter and  
20 the west half of the southeast quarter of Section 28 and the  
21 northwest quarter of the northeast quarter of Section 33, all  
22 in Township 21 South, Range 37 East, Tubb Gas Pool, Lea County,  
23 New Mexico.

24 Q Were Exhibits Number One and Number Two prepared by  
25 you or under your supervision?

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

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

1 A. Yes, sir, they were.

2 MR. SHRADER: Mr. Examiner, I have no further  
3 questions and at this time I would move that Exhibits Number  
4 One and Number Two be entered into evidence.

5 MR. STAMETS: Gulf's Exhibits One and Two will be  
6 admitted into evidence in this case.

7 (THEREUPON, Gulf's Exhibits One and Two were  
8 admitted into evidence.)

9 MR. STAMETS: Mr. Kalteyer, approval of this applica-  
10 tion won't result in any higher allowable for this unorthodox  
11 unit, will it?

12 MR. KALTEYER: No, sir.

13 MR. STAMETS: Are there any questions of the witness?  
14 He may be excused.

15 (THEREUPON, the witness was excused.)

16 MR. STAMETS: Is there anything further in this  
17 case? We will take the case under advisement.

18

19

20

21

22

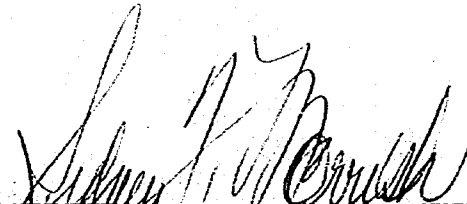
23

24

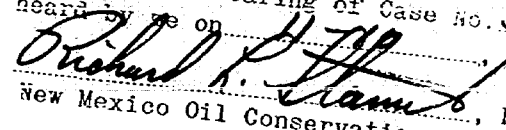
25

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.

**sid morrish reporting service**  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
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. 5788  
heard by me on 4-7-76  
  
Richard R. Stamm, Examiner  
New Mexico Oil Conservation Commission



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. 5799  
Order No. R-1253-B

APPLICATION OF GULF OIL CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION AND  
A NON-STANDARD PRORATION UNIT, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 10, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of November, 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, Gulf Oil Corporation, seeks authority to dedicate a previously approved non-standard 160-acre Tubb gas proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, NMPM, to its J. N. Carson NCT "A" Well No. 9 located at an unorthodox location 1874 feet from the South line and 2086 feet from the West line of said Section 28, Tubb Gas Pool, Lea County, New Mexico.

(3) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

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

(5) 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. 5799

Order No. R-1253-B

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location is hereby approved for applicant's J. N. Carson NCT "A" Well No. 9 to be located at a point 1874 feet from the South line and 2086 feet from the West line of Section 28, Township 21 South, Range 37 East, NMPM, Tubb Gas Pool, Lea County, New Mexico.

(2) That effective December 1, 1976, Order (2) of Commission Order No. R-1253 entered September 29, 1958, is hereby amended to read in its entirety as follows:

"(2) That a 160-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the NE/4 SW/4 and the W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to applicant's J. N. Carson NCT "A" Well No. 9, located 1874 feet from the South line and 2086 feet from the West line of said Section 28."

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman



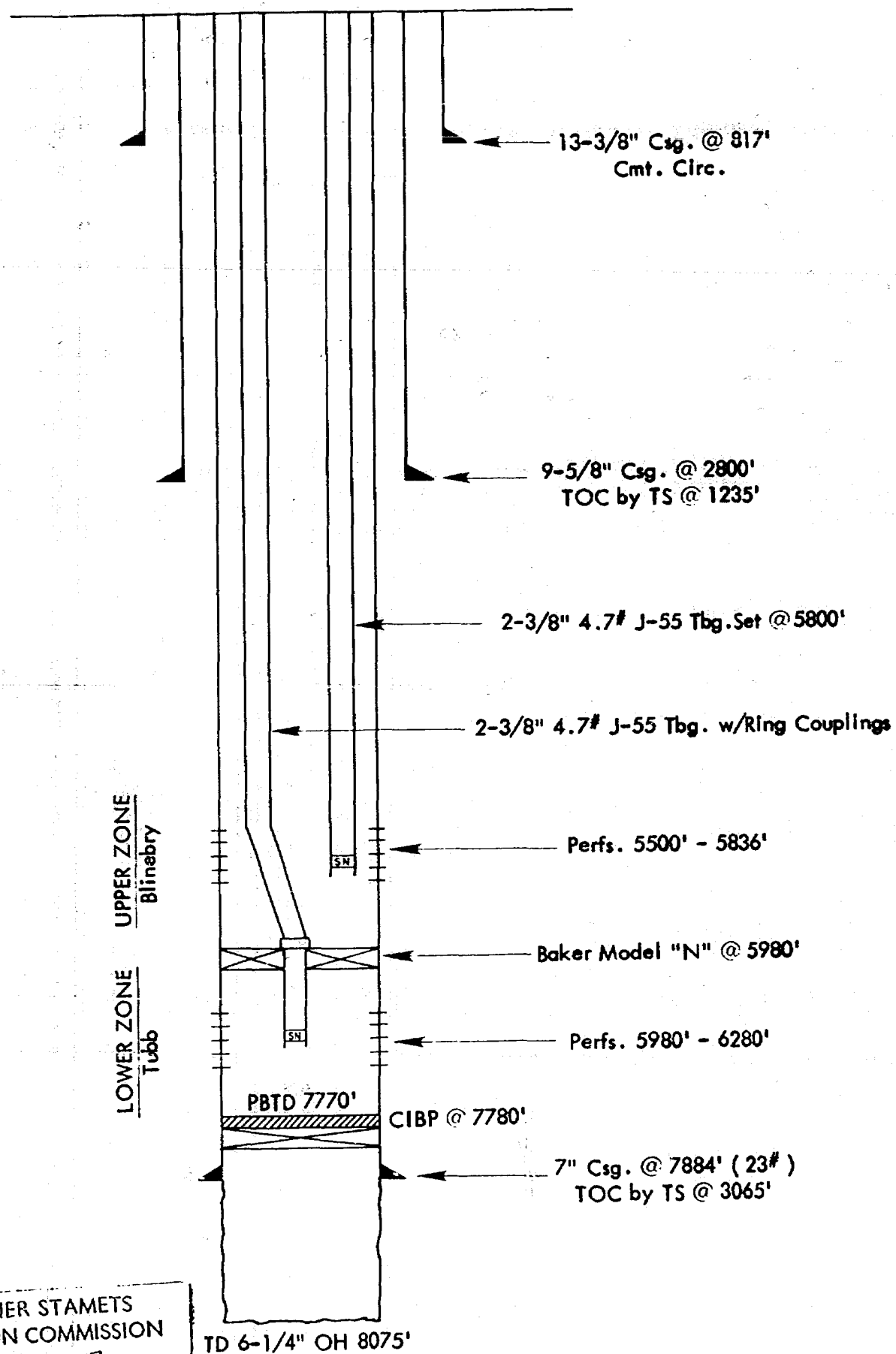
EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

jr/

SCHEMATIC DIAGRAM  
DUAL COMPLETION  
GULF OIL CORPORATION  
J.N. CARSON ( NCT-A ) WELL NO. 9  
UNIT K, 1874' FSL and 2086' FWL, SEC. 28, T-21-S, R-37-E  
LEA COUNTY, NEW MEXICO



BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

GULF'S EXHIBIT NO. 2

CASE NO. 5799

Submitted by KALTEYER

Hearing Date 11-10-76

Exhibit 2

Case No. 5799

Date 11-10-76

Docket No. 31-76

Dockets Nos. 32-76 and 33-76 are tentatively set for hearing on November 23 and December 15, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 10, 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. Mutter, Alternate Examiner:

**ALLOWABLE:** (1) Consideration of the allowable production of gas for December, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.

(2) Consideration of the allowable production of gas for December, 1976, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

**CASE 5796:** In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Hixon Development Company, National Surety Corporation, and all other interested parties to appear and show cause why the Central Bisti Unit Wells Nos. 41, 46, 47, 49 and 50 located in Units D, I, K, M, and O, respectively, of Section 16, Township 25 North, Range 12 West, Bisti-Lower Gallup Pool, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

**CASE 5798:** Application of Exxon Corporation for a unit agreement, Sierra and Dona Ana Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the Prisor Unit Area comprising 24,910 acres, more or less, of State, Federal, and fee lands in Townships 16 and 17 South, Ranges 1 East and 1 West, Sierra and Dona Ana Counties, New Mexico.

**CASE 5799:** Application of Gulf Oil Corporation for an unorthodox gas well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, Township 21 South, Range 37 East, Tubb Gas Pool, Lea County, New Mexico, to be dedicated to applicant's J. N. Carson Well No. 9 located at an unorthodox location 1874 feet from the South line and 2086 feet from the West line of said Section 28.

**CASE 5809:** Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Drinkard, Tubb, and Blinberry production in the wellbore of its Manda "B" Well No. 1, located in Unit C of Section 28, Township 22 South, Range 37 East, Lea County, New Mexico.

**CASE 5800:** Application of Yates Petroleum Corporation for salt water disposal well, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Morrow formation through the perforated interval from 8983 feet to 9129 feet in its Bob Gushwa Well No. 1 located in Unit J of Section 21, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico.

**CASE 5801:** Application of Atlantic Richfield Company for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 275-acre non-standard gas proration unit comprising the W/2 E/2, W/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, Dumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's State 176 Wells Nos. 3 and 6 located, at unorthodox locations in Units J and G, respectively, of said Section 19.

**CASE 5802:** Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle South Blanco-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its San Juan 28-7 Unit Well No. 75 located in Unit L of Section 15, Township 28 North, Range 7 West, Rio Arriba County, New Mexico.

**CASE 5803:** Application of El PamCo., Inc., for downhole commingling and simultaneous dedication, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Fruitland and Pictured Cliffs gas production in the wellbore of its Valdez "A" Well No. 1, located in Unit P of Section 24, Township 29 North, Range 11 West, San Juan County, New Mexico. Applicant further seeks approval for the simultaneous dedication of the SE/4 of said Section 24 to said well and its Valdez Well No. 1 located in Unit I of said Section 24.

**CASE 5804:** Application of Stevens Oil Company for a dual completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its O'Brien "C" Well No. 2 located in Unit D of Section 1, Township 9 South, Range 28 East, Chaves County, New Mexico, to produce oil from the San Andres and Devonian formations through parallel strings of tubing.



- CASE 5805:** Application of Morris R. Antweil for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Morrow formations underlying the N/2 of Section 3, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location in Unit G of said Section 3. 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 applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5806:** Application of Anadarko Production Company for two unorthodox well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Artesia State Unit Well No. 9-5 to be drilled 1270 feet from the North line and 50 feet from the East line of Section 23 and its Artesia State Unit Well No. 2-3 to be drilled 50 feet from the South line and 1270 feet from the West line of Section 13, both in Township 18 South, Range 27 East, Artesia Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.
- CASE 5797:** Application of C&K Petroleum, Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Dallas Ranch Unit Area comprising 5746 acres, more or less, of State, Federal, and fee lands in Township 9 South, Range 26 East, Chaves County, New Mexico.
- CASE 5807:** Application of C&K Petroleum, Inc., for compulsory pooling and a non-standard unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 13, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to form a non-standard 336.6-acre unit to be dedicated to a well located 1680 feet from the North line and 1980 feet from the East line of said Section 13. 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 applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5808:** Application of C&K Petroleum, Inc., for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down to and including the Pennsylvanian formation underlying the SE/4 SE/4, NE/4 SE/4, NW/4 SE/4, and SW/4 SE/4 of Section 21, Township 16 South, Range 37 East, Lea County, New Mexico, to form four 40-acre oil proration units, the first to be dedicated to a well to be drilled at a point 660 feet from the South and East line of said Section 21 to test the Strawn formation and each of the others to a well subsequently drilled thereon. 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 5785:** (Continued from October 27, 1976 Examiner Hearing)
- 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 5790:** Application of Dome Petroleum Corporation for pool creation and assignment of a discovery allowable, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Entrada production and the assignment of approximately 58,770 barrels of oil discovery allowable to the discovery well, being the Federal 21 Well No. 1 located in Unit K of Section 21, Township 20 North, Range 5 West, McKinley County, New Mexico.
- CASE 5776:** (Continued from October 27, 1976, Examiner Hearing)
- Application of Continental Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its James Ranch Unit Well No. 8 to be drilled at a point 1930 feet from the North line and 660 feet from the West line of Section 31, Township 22 South, Range 31 East, Los Medanos-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 31 to be dedicated to the well.

Case 5799

## Gulf Energy and Minerals Company - U. S.

C. D. Borland  
AREA PRODUCTION MANAGER

PRODUCTION DEPARTMENT

HOBBS AREA

September 16, 1976

P. O. Box 670

Hobbs, New Mexico 88240

SEP 20 1976  
CONSERVATION COMM.  
Santa Fe

Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Dear Sir:

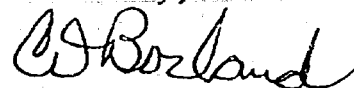
Your administrative approval is requested for a 160 acre non-standard proration unit in the Tubb Gas Pool, comprising the NE/4 SW/4 and W/2 SE/4, section 28 and the NW/4 NE/4, section 33, all in 21-S, 37-E, Lea County, to be dedicated to our J. N. Carson (NCT-A) well No. 9, located 1874' FSL and 2086' FWL, section 28, 21-S, 37-E.

In support of this application the following facts are submitted:

1. This acreage was originally dedicated to well No. 6, located 2086' FSL and 2086' FEL, section 28, 21-S, 37-E, under R-1253. This well was recently abandoned in the Tubb zone and well No. 9 was dualled in the Tubb Gas zone with existing Blinebry Oil and Gas, necessitating this request.
2. There are no other wells producing from the Tubb zone in this proposed non-standard gas proration unit.
3. The attached plat shows well No. 9 and the proposed 160 acre non-standard unit outlined in red.
4. All offset operators have been furnished a copy of this application.

Your early consideration will be appreciated.

Yours truly,



C. D. BORLAND

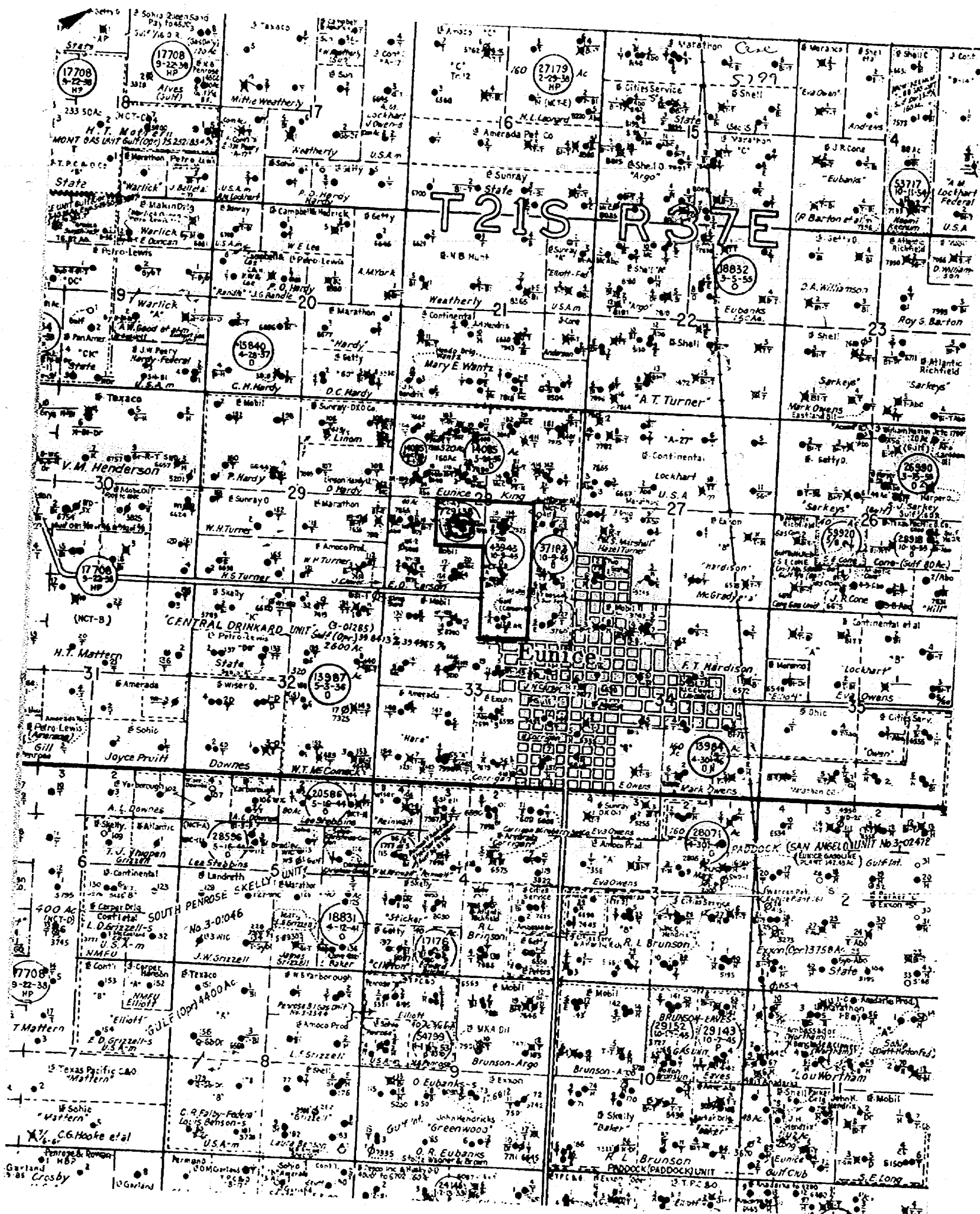
lwd:

Att'd.

cc: NMOCC, Hobbs  
Offset Operators  
CFK, Midland  
File



A DIVISION OF GULF OIL CORPORATION



Case 5799

## Gulf Energy and Minerals Company - U. S.

PRODUCTION DEPARTMENT  
HOBBS AREA

C. D. Borland  
AREA PRODUCTION MANAGER

September 16, 1976

P. O. Box 670  
Hobbs, New Mexico 88240

Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Dear Sir:

Your administrative approval is requested for a 160 acre non-standard proration unit in the Tubb Gas Pool, comprising the NE/4 SW/4 and W/2 SE/4, section 28 and the NW/4 NE/4, section 33, all in 21-S, 37-E, Lea County, to be dedicated to our J. N. Carson (NCT-A) well No. 9, located 1874' FSL and 2086' FWL, section 28, 21-S, 37-E.

In support of this application the following facts are submitted:

1. This acreage was originally dedicated to well No. 6, located 2086' FSL and 2086' FWL, section 28, 21-S, 37-E, under R-1253. This well was recently abandoned in the Tubb zone and well No. 9 was dualled in the Tubb Gas zone with existing Blinbry Oil and Gas, necessitating this request.
2. There are no other wells producing from the Tubb zone in this proposed non-standard gas proration unit.
3. The attached plat shows well No. 9 and the proposed 160 acre non-standard unit outlined in red.
4. All offset operators have been furnished a copy of this application.

Your early consideration will be appreciated.

Yours truly,



C. D. BORLAND

lwd:

Att'd.

cc: NMOCC, Hobbs  
Offset Operators  
CFK, Midland  
File



A DIVISION OF GULF OIL CORPORATION



Case 5799

# Gulf Energy and Minerals Company - U. S.

PRODUCTION DEPARTMENT  
HOBBS AREA

C. D. Borland  
AREA PRODUCTION MANAGER

September 16, 1976

P. O. Box 670  
Hobbs, New Mexico 88240

Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Dear Sir:

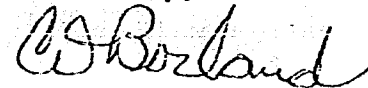
Your administrative approval is requested for a 160 acre non-standard proration unit in the Tubb Gas Pool, comprising the NE/4 SW/4 and W/2 SE/4, section 28 and the NW/4 NE/4, section 33, all in 21-S, 37-E, Lea County, to be dedicated to our J. N. Carson (NCT-A) well No. 9, located 1874' FSL and 2086' FWL, section 28, 21-S, 37-E.

In support of this application the following facts are submitted:

1. This acreage was originally dedicated to well No. 6, located 2086' FSL and 2086' FEL, section 28, 21-S, 37-E, under R-1253. This well was recently abandoned in the Tubb zone and well No. 9 was dualled in the Tubb Gas zone with existing Blinebry Oil and Gas, necessitating this request.
2. There are no other wells producing from the Tubb zone in this proposed non-standard gas proration unit.
3. The attached plat shows well No. 9 and the proposed 160 acre non-standard unit outlined in red.
4. All offset operators have been furnished a copy of this application.

Your early consideration will be appreciated.

Yours truly,



C. D. BORLAND

lwd:

Att'd.

cc: NMOCC, Hobbs  
Offset Operators  
CFK, Midland  
File



A DIVISION OF GULF OIL CORPORATION





Gulf Energy and Minerals Company

PRODUCTION DEPARTMENT  
HOBBS AREA

September 16, 1976

C. D. Borland  
AREA PRODUCTION MANAGER

Case 5799  
U.S. 8 1976  
NEW MEXICO  
OIL CONSERVATION COMM.  
Santa Fe  
P. O. Box 670  
Hobbs, New Mexico 88240

Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Dear Sir:

*Set for hearing*  
*non-standard proration unit*  
*and well # 9 is at @ NSL for the*  
*proration unit.*

Your administrative approval is requested for a 160 acre non-standard proration unit in the Tubb Gas Pool, comprising the NE/4 SW/4 and W/2 SE/4, section 28 and the NW/4 NE/4, section 33, all in 21-S, 37-E, Lea County, to be dedicated to our J. N. Carson (NCT-A) well No. 9, located 1874' FSL and 2086' FWL, section 28, 21-S, 37-E.

In support of this application the following facts are submitted:

1. This acreage was originally dedicated to well No. 6, located 2086' FSL and 2086' FEL, section 28, 21-S, 37-E, under R-1253. This well was recently abandoned in the Tubb zone and well No. 9 was dualled in the Tubb Gas zone with existing Blinberry Oil and Gas, necessitating this request.
2. There are no other wells producing from the Tubb zone in this proposed non-standard gas proration unit.
3. The attached plat shows well No. 9 and the proposed 160 acre non-standard unit outlined in red.
4. All offset operators have been furnished a copy of this application.

Your early consideration will be appreciated.

Yours truly,

*C. D. Borland*  
C. D. BORLAND

lwd:

Att'd.

cc: NMOCC, Hobbs  
Offset Operators  
CFK, Midland  
File



A DIVISION OF GULF OIL CORPORATION





Case 5799

OIL CONSERVATION COMMISSION  
Hobbs DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

RECEIVED  
SEP 30 1976  
OIL CONSERVATION COMM.  
SANTA FE

DATE Sept. 28, 1976

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
NSP X

Gentlemen:

I have examined the application dated \_\_\_\_\_  
for the Gulf Oil Corp. J. N. Carson (NCT-A) #9-K 28-21-37  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

Jerry Septer

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. 5799

Order No. R-1253-B

APPLICATION OF GULF OIL CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION AND  
A NON-STANDARD PRORATION UNIT, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 10, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of November, 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, Gulf Oil Corporation, seeks approval

authority to dedicate a previously approved  
non-standard 160-acre Tubbs gas proration unit  
comprising

the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of  
Section 33, all in Township 21 South, Range 37 East, NMPM, to  
its J. N. Carson Well No. 9 located at an unorthodox location  
1874 feet from the South line and 2086 feet from the West line of said  
Section 28, Township-21-South, Range-37-East, NMPM, to test the  
formation, Tubbs Gas Pool, Lea County, New Mexico,

(3) That the ~~\_\_\_\_\_~~ of said Section 28 is to be dedicated to the well.

(3) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

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

(5) 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~~ <sup>(NET-A)</sup> ~~formation~~ is hereby approved for applicant's J. N. Carson Well No. 9 to be located at a point 1874 feet from the South line and 2086 feet from the West line of Section 28, Township 21 South, Range 37 East, NMPM, Tubb Gas Pool, Lea County, New Mexico.

*(2) That effective December 1, 1976, Order (2) of Commission Order No R-1253 entered September 29, 1958, is hereby amended to read in its entirety as follows*

" (2) That a 160-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the NE/4 SW/4 and the W/2 SE/4 of ~~said~~ Section 28 and the NW/4 NE/4 of ~~said~~ Section 33,

*all in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.*

~~said~~ is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson <sup>NET</sup> "A" Well No. 9 located ~~1874~~ feet from the South line and 2086 feet from the ~~West~~ line of said Section 28. "

(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.