

CASE 5840: DOME PETROLEUM CORP. *ration*
FOR POOL CREATION AND DISCOVERY
ALLOWABLE, MCKINLEY COUNTY, N. M.

CASE NO.

5840

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 19, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Dome Petroleum Corpora-) CASE
tion for pool creation and assignment) 5840
of a discovery allowable, McKinley)
County, New Mexico.)

BEFORE: Richard L. Stamets

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

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

1 MR. STAMETS: We will call next Case 5840.

2 MS. TESCHENDORF: Case 5840, application of Dome
3 Petroleum Corporation for pool creation and assignment of a
4 discovery allowable, McKinley County, New Mexico.

5 The applicant in this case has also requested that
6 it be continued to the February 2nd Examiner Hearing.

7 MR. STAMETS: Case 5840 will be continued to
8 February 2nd.


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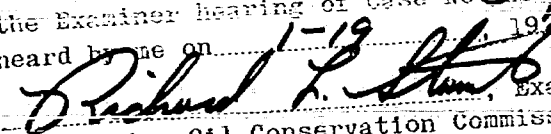
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REPORTER'S CERTIFICATE

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.

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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. 5840,
heard by me on 1-19, 1977.
, Examiner
New Mexico Oil Conservation Commission

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 2, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Dome Petroleum Corpora-
tion for pool creation and assignment
of a discovery allowable, McKinley
County, New Mexico.

CASE
5840
(Cont'd.)

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

For the Applicant: William Booker Kelly, Esq.
WHITE, KOCH, KELLY & MCCARTHY
Attorneys at Law
220 Otero Street
Santa Fe, New Mexico

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I N D E X

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Page

WILLIAM BABYAK

Direct Examination by Mr. Kelly

3

Cross Examination by Mr. Nutter

8

EXHIBIT INDEX

Offered

Admitted

Dome's Exhibit One, Plat

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Dome's Exhibit Two, Log

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Dome's Exhibit Three, Structure Map

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Dome's Exhibit Four, Form C-109

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Phone (505) 982-9212

1 MR. NUTTER: We will call Case Number 5840.

2 MS. TESCHENDORF: Case 5840, application of Dome
3 Petroleum Corporation for a pool creation and assignment of
4 a discovery allowable, McKinley County, New Mexico.

5 MR. KELLY: Booker Kelly of White, Koch, Kelly and
6 McCarthy on behalf of the applicant. I have one witness, Mr.
7 Examiner, who needs to be sworn.

8 (THEREUPON, the witness was duly sworn.)

9
10 WILLIAM BABYAK

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

13
14 DIRECT EXAMINATION

15 BY MR. KELLY:

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

18 A Yes, my name is William Babyak, I'm employed by
19 Dome Petroleum Corporation in Denver.

20 MR. NUTTER: Would you spell your name, please?

21 A B-a-b-y-a-k.

22 MR. NUTTER: Thank you.

23 A Yes, sir. As District Engineer.

24 Q (Mr. Kelly continuing.) And have you previously
25 qualified as an expert witness in the field of petroleum

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1 engineering before this Commission?

2 A. Yes, sir, I have.

3 Q. Referring to the plat which has been marked Exhibit
 4 One, would you state briefly what Dome seeks by this
 5 application?

6 A. Basically what we seek are two things, one, we would
 7 like to have the pool which we have discovered in the Entrada
 8 formation designated the Papers Wash-Entrada Field and, two,
 9 we would like a new full discovery allowable assigned to this
 10 well of five barrels per foot of depth on the top of the
 11 perforations or approximately twenty-five thousand barrels of
 12 oil.

13 Q. All right, now, does Exhibit One show all other wells
 14 within the general area?

15 A. Yes, it does.

16 Q. All right, going back to Exhibit One, let's locate
 17 the well and then explain what you've shown on there?

18 A. Okay, Exhibit One is a township plat of Township 19
 19 North, Range 5 West, McKinley County, New Mexico. The well
 20 in question, the alleged Dome discovery well, is in Section 15
 21 annotated by the red dot.

22 Other things shown on the map are all of the various
 23 lease ownerships in the entire township, plus all of the wells
 24 drilled in the township, plus their status.

25 Q. All right, now, how far away would be a similar

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1 completion, a similar zone?

2 A. The nearest completion in a similar zone is to the
3 north and slightly east at Ojo Encino, approximately five
4 miles north due east.

5 Q. I assume you would feel you have sufficient horizontal
6 separation there?

7 A. Yes, I've got a structure map which will definitely
8 point that out.

9 Q. All right, what is the current status of your
10 discovery well?

11 A. The current status of the discovery well is it's
12 producing about two hundred and thirty barrels of oil per day
13 and about thirty barrels of water.

14 Q. Now, let's turn to your log, Exhibit Number Two.

15 A. Basically what we have shown here, this is a dual
16 induction laterolog run on the open hole portion of the
17 Federal 15 No. 1. What I would like to point out with it is
18 that down at fifty-one hundred and sixty feet, approximately,
19 is the top of the Entrada formation. It's colored in red,
20 along with the perforations.

21 I would like to show it is the nearest vertical
22 formation to a produced within the township which is not
23 actively producing is at about twenty-nine hundred and thirty
24 feet at the base of the Mancos. We have about twenty-two
25 hundred feet approximately of vertical segregation between the

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1 top of the Entrada and the base of the Mancos.

2 MR. NUTTER: Where would that be where that basal
 3 Mancos is producing?

4 A. It's twenty-nine hundred and thirty feet.

5 MR. NUTTER: No, I mean laterally?

6 A. Oh, it produces up here to the northeast in Section
 7 8 and 17.

8 MR. NUTTER: Northwest.

9 A. Northwest, I'm sorry.

10 MR. NUTTER: That's that little field that is marked
 11 up here then?

12 A. Yes.

13 MR. NUTTER: I see.

14 A. And it is not actively producing and to the best of
 15 my knowledge the field that produces here to the southeast,
 16 approximately two miles, also is produced from that same
 17 zone.

18 Q. (Mr. Kelly continuing.) As I understand it, none of
 19 the wells, except for your wells shown on Exhibit One, are
 20 presently producing?

21 A. To the best of my knowledge that's correct.

22 Q. All right, let's turn to Exhibit Number Three, your
 23 seismic information.

24 A. Yes, Exhibit Three is a structure map on top of the
 25 Entrada formation. There are two things I would like to point

1 out. Up here we have Section 15 which is colored in red, the
2 lower portion, and you see it is about five miles south of the
3 Ojo Encino Field to the north. There is sufficient areal
4 extent between the two, plus a little bit of structural relief
5 on both that we believe that they are horizontally separated.

6 Q All right, now, you have filed with the Commission
7 your C-109 and also marked that as an exhibit, is that
8 correct?

9 A Yes.

10 Q And what is your suggestion for a designation for
11 this pool?

12 A We would like to have this pool designated as the
13 Papers Wash-Entrada field.

14 Q And you're not asking for any special rules except
15 for your five barrel a foot allowable?

16 A That is correct.

17 Q In your opinion will the granting of this application
18 allow you to produce hydrocarbons and thereby preventing
19 waste?

20 A Yes.

21 Q And do you feel that the granting of this applica-
22 tion would have any effect on correlative rights?

23 A No.

24 Q Were Exhibits One through Four prepared by you or
25 under your supervision?

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1 A. Yes, they were.

2 MR. KELLY: I would move Dome's Exhibits One through
3 Four into evidence at this time.

4 MR. NUTTER: Applicant's Exhibits One through Four
5 will be admitted into evidence.

6 (THEREUPON, Dome's Exhibits One through
7 Four were admitted into evidence.)

8 MR. KELLY: We have no further direct testimony,
9 Mr. Examiner.

10
11 CROSS EXAMINATION

12 BY MR. NUTTER:

13 Q Mr. Babyak, I notice the field here that we are
14 talking about appears to be situated on a little anticline.
15 Was this anticline discovered by this seismic work or is there
16 surface evidence of it also?

17 A. The seismic work here is fairly definitive.

18 Q You have a lot of little domes or little anticlines
19 all over the place out here?

20 A. We hope.

21 MR. NUTTER: Are there any further questions of
22 Mr. Babyak? He may be excused.

23 (THEREUPON, the witness was excused.)

24 MR. NUTTER: Do you have anything further, Mr. Kelly?

25 MR. KELLY: Nothing.

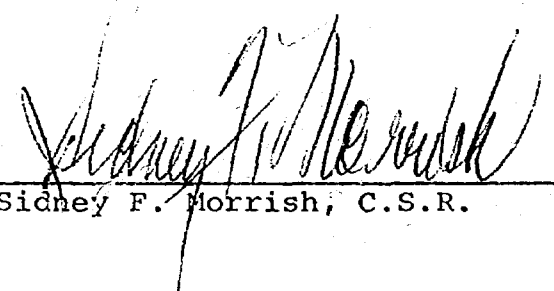
1 MR. NUTTER: Does anyone have anything they wish to
2 offer in Case 5840? We will take the case under advisement.

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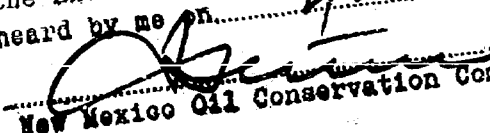
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REPORTER'S CERTIFICATE

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.

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5-840
heard by me on 4/2, 1977.
 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. 5840
Order No. R-5401

NOMENCLATURE

APPLICATION OF DOME PETROLEUM CORPORATION
FOR POOL CREATION AND ASSIGNMENT OF A
DISCOVERY ALLOWABLE, MCKINLEY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 2, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of March, 1977, 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, Dome Petroleum Corporation, is the
owner of the Federal 15 Well No. 1, located in Unit F of Section
15, Township 19 North, Range 5 West, NMPM, McKinley County,
New Mexico.

(3) That said well was completed as an oil well capable of
producing from the Entrada formation on November 1, 1976, through
perforations from 5160 feet to 5169 feet.

(4) That the applicant seeks the creation of a new pool for
Entrada production for said well, and the assignment of an oil
discovery allowable in the amount of 25,800 barrels of oil to
said well.

(5) That said well has in fact made discovery of a new oil
pool, and is entitled to the assignment of such discovery allowable.

-2-

Case No. 5840
Order No. R-5401

(6) That a new pool in McKinley County, New Mexico, should be created and defined, classified as an oil pool for Entrada production, and designated as the Papers Wash-Entrada Oil Pool, comprising the following-described lands:

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM
Section 15: NW/4

(7) That the discovery well for said pool, the Dome Petroleum Corporation Federal 15 Well No. 1, located in Unit F of said Section 15 should be assigned an oil discovery allowable in the amount of 25,800 barrels to be produced in addition to the well's regularly assigned allowable during the next 730 days.

IT IS THEREFORE ORDERED:

(1) That a new pool in McKinley County, New Mexico, classified as an oil pool for Entrada production, is hereby created and designated as the Papers Wash-Entrada Oil Pool, consisting of the following described area:

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM
Section 15: NW/4

(2) That the discovery well for said pool, the Dome Petroleum Corporation Federal 15 Well No. 1, located in Unit F of said Section 15, is hereby assigned an oil discovery allowable in the amount of 25,800 barrels, to be produced in addition to said well's regularly assigned allowable, at the rate of approximately 35 barrels per day during the next 730 days.

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

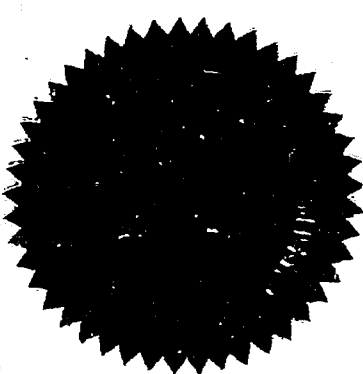
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

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/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF DOME PETROLEUM CORPORATION
FOR THE CREATION OF A NEW OIL
POOL AND FOR THE AWARD OF A DIS-
COVERY ALLOWABLE.

Case No. 5840

APPLICATION

COMES NOW THE Applicant, DOME PETROLEUM CORP., and respectfully makes application to the Oil Conservation Commission for the creation of a new pool to be designated "Papers Wash" and for the award of a discovery allowable to its Federal No. 15-1 located in Unit F in Section 15, Township 19 North, Range 5 West, McKinley County, New Mexico and as cause therefor respectfully shows the Commission as follows:

1. As is indicated on the attached Form C-109, the Applicant completed its Federal 15-1 on October 31, 1976 in the Entrada Formation with perforations between 5160 feet to 5169 feet which, upon information and belief, is oil production from a new pool. Attached hereto and marked Exhibit "A" is completed Form No. C-109.

2. The location of all offset wells and lease ownership within the two mile radius of the Federal 15-1 as shown on the Papers Wash Entrada Location and Acreage Map attached hereto as Exhibit "B".


3. Attached hereto as Exhibit "C" is an Electrical Log of the Federal 15-1.

WHEREFORE, the Applicant prays for the Commission's Order designating the new pool discovery as the "Papers Wash" and further applying discovery allowable of five barrels per foot of depth to the top of the perforations to its Federal 15-1.

DOME PETROLEUM CORP.

By: WHITE, KOCH, KELLY & MCCARTHY

By:


Its Attorneys
P. O. Box 787
Santa Fe, New Mexico 87501
(505) 982-4374

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF DOME PETROLEUM CORPORATION
FOR THE CREATION OF A NEW OIL
POOL AND FOR THE AWARD OF A DIS-
COVERY ALLOWABLE.

Case No. 5840

APPLICATION

COMES NOW THE Applicant, DOME PETROLEUM CORP., and respectfully makes application to the Oil Conservation Commission for the creation of a new pool to be designated "Papers Wash" and for the award of a discovery allowable to its Federal No. 15-1 located in Unit F in Section 15, Township 19 North, Range 5 West, McKinley County, New Mexico and as cause therefor respectfully shows the Commission as follows:

1. As is indicated on the attached Form C-109, the Applicant completed its Federal 15-1 on October 31, 1976 in the Entrada Formation with perforations between 5160 feet to 5169 feet which, upon information and belief, is oil production from a new pool. Attached hereto and marked Exhibit "A" is completed Form No. C-109.

2. The location of all offset wells and lease ownership within the two mile radius of the Federal 15-1 as shown on the Papers Wash Entrada Location and Acreage Map attached hereto as Exhibit "B".

3. Attached hereto as Exhibit "C" is an Electrical Log of the Federal 15-1.

WHEREFORE, the Applicant prays for the Commission's Order designating the new pool discovery as the "Papers Wash" and further applying discovery allowable of five barrels per foot of depth to the top of the perforations to its Federal 15-1.

DOME PETROLEUM CORP.

By: WHITE, KOCH, KELLY & MCCARTHY

By: Kenneth S. Sutton
Its Attorneys
P. O. Box 787
Santa Fe, New Mexico 87501
(505) 982-4374

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF DOME PETROLEUM CORPORATION
FOR THE CREATION OF A NEW OIL
POOL AND FOR THE AWARD OF A DIS-
COVERY ALLOWABLE.

Case No. 5840

APPLICATION

COMES NOW THE Applicant, DOME PETROLEUM CORP., and respect-
fully makes application to the Oil Conservation Commission for
the creation of a new pool to be designated "Papers Wash" and for
the award of a discovery allowable to its Federal No. 15-1 located
in Unit F in Section 15, Township 19 North, Range 5 West, McKinley
County, New Mexico and as cause therefor respectfully shows the
Commission as follows:

1. As is indicated on the attached Form C-109, the
Applicant completed its Federal 15-1 on October 31, 1976 in the
Entrada Formation with perforations between 5160 feet to 5169
feet which, upon information and belief, is oil production from a
new pool. Attached hereto and marked Exhibit "A" is completed
Form No. C-109.

2. The location of all offset wells and lease owner-
ship within the two mile radius of the Federal 15-1 as shown on
the Papers Wash Entrada Location and Acreage Map attached hereto
as Exhibit "B".

3. Attached hereto as Exhibit "C" is an Electrical Log
of the Federal 15-1.

WHEREFORE, the Applicant prays for the Commission's Order
designating the new pool discovery as the "Papers Wash" and
further applying discovery allowable of five barrels per foot of
depth to the top of the perforations to its Federal 15-1.

DOME PETROLEUM CORP.

By: WHITE, KOCH, KELLY & MCCARTHY

By:

Kenneth S. Sutton
Its Attorneys

P. O. Box 787
Santa Fe, New Mexico 87501
(505) 982-4374

5160
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25800



OIL CONSERVATION COMMISSION

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



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
March 16, 1977

STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Booker Kelly
White, Koch, Kelly & McCarthy
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico 87501

Re: CASE NO. 2840
ORDER NO. R-5401

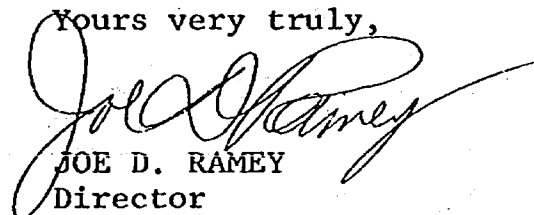
Applicant:

Dome Petroleum Corporation

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 _____

DRAFT

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. 5840

Order No. R- 5401

• NOMENCLATURE

APPLICATION OF DOME
PETROLEUM CORPORATION
FOR POOL CREATION AND
ASSIGNMENT OF A DISCOVERY
ALLOWABLE, MCKINLEY COUNTY,
NEW MEXICO ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 2,
19 77, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter,

NOW, on this March day of 1977, 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, Dome Petroleum Corpor-
ation, is the owner of the Federal Well No. 1, located
in Unit F of Section 15, Township 19 North, Range
5 West, NMPM, McKinley County, New Mexico.

(3) That said well was completed as an
oil well capable of producing from the Entrada
formation on November 1, 1976, through perforations
from 5160 feet to 5169 feet

(4) That the applicant seeks the creation ~~and~~
of a new pool for Entrada production for said
well, and the assignment of an oil discovery
allowable in the amount of 25,800 barrels of
oil to said well.

(5) That said well has in fact made discovery
of a new oil pool, and is entitled to the
assignment of such discovery allowance.

(6) That a new pool in ^{McKinley County, New Mexico,} ~~should~~ be created and
defined, classified as an oil pool for Entrada pro-
duction, and designated as the Papers Wash-Entrada
Oil Pool, comprising the following-described lands:

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM

Section 15: NW/4

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(7) That the discovery well for said pool, the Dome Petroleum Corporation Federal 15 Well No. 1, located in Unit F of said Section 15 should be assigned an oil discovery allowance in the amount of ^{25,800}28,500 barrels to be produced in addition to the well's regularly assigned allowance during the next 730 days.

IT IS THEREFORE ORDERED:

(1) That a new pool in McKinley County, New Mexico classified as an oil pool for Entrada production, is hereby created and designated as the Papers Wash - Entrada Oil Pool, consisting of the following described area:

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM
Section 15 NW 1/4

(2) That the discovery well for said pool, the Dome Petroleum Corporation Federal 15 Well No. 1, located in Unit F of said Section 15, is hereby assigned an oil discovery allowance in the amount of ^{25,800}28,500 barrels, to be produced in addition to said well's regularly assigned allowance, at the rate of approximately ^{39.35}39 barrels per day during the next 730 days.

(3) That jurisdiction of this cause etc
DONE at

Dockets Nos. 6-77 and 7-77 are tentatively set for hearing on February 16 and March 9, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 2, 1977

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

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

CASE 5820: (Continued & Readvertised)

Application of Texas Oil & Gas Corporation for compulsory pooling, 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 W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. 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 5834: (Continued & Readvertised)

Application of Sun Oil Company for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its Dessie Sawyer Well No. 2, the surface location of which is 2310 feet from the South and West lines of Section 27, Township 9 South, Range 36 East, Crossroads Siluro-Devonian Pool, Lea County, New Mexico, and to directionally drill said well in such a manner as to bottom it in the Siluro-Devonian formation within 50 feet of a point 2310 feet from the South line and 2540 feet from the West line of said Section 27.

CASE 5835: (Continued & Readvertised)

Application of Palmer Oil Company for non-standard proration units and unorthodox locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following non-standard proration units in Township 31 North, Range 7 West, San Juan County, New Mexico: a 310.48-acre Basin-Dakota unit comprising Lots 5, 6, 7, and 8 and the E/2 SW/4 and SE/4 of Section 2; the following Blanco Mesaverde and Basin-Dakota Units: 323.39 acres comprising Lots 5, 6, 7, and 8 and N/2 SW/4 of Section 3 and Lot 5 and the E/2 SE/4 and SW/4 SE/4 of Section 4; 320 acres comprising the E/2 SW/4 and S/2 SE/4 of Section 3 and NW/4 of Section 10; and 320 acres comprising the W/2 SW/4 of Section 2, N/2 SE/4 of Section 3, and NE/4 of Section 10; the following Fruitland and Pictured Cliffs Units: 150.48 acres comprising Lots 5, 6, 7, and 8 and the E/2 SW/4 of Section 2; 175.76 acres comprising Lots 5, 6, 7, and 8 and W/2 SW/4 of Section 3; 160 acres comprising the W/2 SW/4 of Section 2 and N/2 SE/4 of Section 3; 160 acres comprising the E/2 SW/4 and S/2 SE/4 of Section 3; and 147.63 acres comprising Lot 5 and the SW/4 SE/4 and E/2 SE/4 of Section 4.

Applicant proposes to dedicate the above lands to various wells to be drilled at orthodox and unorthodox locations as follows: Section 2: 2200 feet from South and 800 feet from East lines, and 800 feet from South and 1675 feet from West lines; Section 3: 800 feet from North and West lines, 800 feet from South and 1850 feet from West lines, and 1400 feet from South and 1110 feet from East lines; Section 4: 800 feet from South and East lines; Section 10: 1800 feet from North and 850 feet from West lines, and 1525 feet from North and 1850 feet from East lines.

CASE 5840: (Continued from January 19, 1977, Examiner Hearing)

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 25,800 barrels of oil discovery allowable to the discovery well, being applicant's Federal 15 Well No. 1 located in Unit F of Section 15, Township 19 North, Range 5 West, McKinley County, New Mexico.

CASE 5843: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the creation of a new pool for the production of gas from the Dakota and Morrison formations, said pool to be designated the Wagon Mound Dakota-Morrison Gas Pool and located in Township 21 North, Range 21 East, Mora County, New Mexico.

CASE 5844: Application of Skelly Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs and Chacra production in the wellbores of the Jicarilla "C" Wells Nos. 9 and 17 located in Units K and D, Section 28; Nos. 11 and 19 in Units L and I, Section 27; Nos. 12 and 13, Units C and B, Section 33; No. 10 in Unit M, Section 22; and No. 15 in Unit G, Section 34, all in Township 25 North, Range 5 West, Rio Arriba County, New Mexico, and to provide for administrative approval of the commingling downhole of additional wells in Sections 5 and 6, Township 24 North, Range 5 West, and Sections 21 and 34, Township 25 North, Range 5 West.

**NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION FOR DISCOVERY ALLOWABLE AND CREATION OF A NEW POOL**

Form C-109
Adopted 9-1-66

NOTE: This form is to be filled and attachments made in accordance with the provisions of Rule 509.
If discovery is claimed for more than one zone, separate forms must be filed for each.

Operator DOME PETROLEUM CORP.		Address 1600 Broadway, Suite 1500 Denver, CO 80202	
Lease Name Federal 15		Well No. 1	County McKinley
Well Location Unit Letter F ; 2210 Feet from The North Line and 1650 Feet From the West Line of Section 15 , Township 19N , Range 5W , NMPM			
Suggested Pool Names (List in order of preference) 1. Papers Wash 2. Little Blue Mesa 3. McKinley			
Name of Producing Formation Entrada		Perforations 5160-5169' w/2 SPF	
Date of Filing Form C-104 Nov. 16, 1976		Date Well was Spudded 9-28-76	
Was "Affidavit of Discovery" Previously Filed For This Well in this Pool? No		If Yes, Give Date of Filing 10-31-76	
Total Depth 5390'	Plugged Back Depth 5214'	Depth Casing Shoe 5242'	Tubing Depth 3002'
Elevation (Gr., DF, RKB, RT, etc.) 6600' KB			
Oil Well Potential (Test to be taken only after all load oil has been recovered) 360 Bbls, Oil Per Day Based On 360 Bbls In 24 Hours; 0 Bbls Water Per Day Based On 0 Bbls In 24 Hours; Gas Production During Test: TSTM MCF; Gas-Oil Ratio: TSTM Method Of Producing: Pump Chk. Size Open			

NEAREST PRODUCTION TO THIS DISCOVERY (Includes past and present oil or gas producing areas and zones whether this discovery is based on horizontal or vertical separation):

Pool Name Paperthin	Name of Producing Formation Lower Mancos	Top of Pay 2892'	Bottom of Pay 2960'	Currently Producing? No
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Pool 2 miles SSE		Vertical Distance from Subject Discovery Zone to Producing Interval this Pool 2160' (est. Entrada not reached)		

NEAREST COMPARABLE PRODUCTION (Includes past and present oil or gas production from this pay or formation only):

Pool Name Ojo Encino	Top of Pay 5877'	Bottom of Pay 5904'	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Comparable Pool 5 miles north			

Is "County Deep" Discovery Allowable Requested for Subject Discovery Well? NO	If Yes, Give Name, Location, and Depth of Next Deepest Oil Production in this County
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Is the Subject Well Multiple Completion? NO	Is Discovery Allowable Requested for other Zone(s)?	If Yes, Name all Such Formations
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LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

NAME	ADDRESS
Dome Petroleum Corp.	1600 Broadway, Suite 1500, Denver, CO. 80202
Trend Exploration Ltd.	600 Capitol Life Center, Denver, CO 80203
Filon Exploration Corp.	1700 Broadway, Suite 6616, Denver, CO 80202
Kirby Exploration Company	P.O.Box 1745, Houston, TX 77001
Aquitaine Oil Corp.	Suite 1900, Transco Tower, 2700 South Post Oak Rd., Houston TX 77027
Natural Gas Pipeline Co. of America	P.O. Box 283, Houston, TX 77001
Citico Service Oil Company	P.O. Box 1919, Midland, TX 79701
Billie Robinson	P.O. Box 1281, Santa Fe, N.M. 87501

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Commission of such intent in writing within ten days after receiving a copy of this application.

Remarks:	BEFORE EXAMINED BY	
	O. C. COM. NO. 4	DATE 12/21/76

CERTIFICATION

I hereby certify that all rules and regulations of the New Mexico Oil Conservation Commission have been complied with, with respect to the subject well, and that it is my opinion that a bona fide discovery of a hitherto unknown common source of oil supply has been made in said well. I further certify that the discovery allowable for the subject well, if authorized, will be produced from the subject zone in this well only. Further, that the information given herein and attached hereto is true and complete to the best of my knowledge and belief.

Signature *William E. DeB...*
Position *Director*
Date *12/21/76*
3

- CASE 5836: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit James W. Strawn, American Employers Insurance Company, and all other interested parties to appear and show cause why the Horton Well No. 1 located in Unit A of Section 32, Township 11 North, Range 7 East, Santa Fe County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5810: Continued from November 23, 1976, Examiner Hearing
Application of Yates Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Stonewall "EP" Com Well No. 1, located in Unit F of Section 30, Township 20 South, Range 28 East, Eddy County, New Mexico, to produce gas from the North Burton Flat-Wolfcamp Gas Pool and an undesignated Morrow gas pool.
- CASE 5837: Application of TransOcean Oil, Inc., for a unit agreement, Catron County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Omega Unit Area comprising 35,196 acres, more or less, of State, Federal, and fee lands in Townships 2, 3, and 4 North, Range 14 West, Catron County, New Mexico.
- CASE 5838: Application of TransOcean Oil, Inc. for a unit agreement, Catron County, New Mexico. Applicant, in the above-styled cause, seeks approval of the French Unit Area comprising 34,542 acres, more or less, of State, Federal, and fee lands in Townships 1 and 2 North, Ranges 16, 17, and 18 West, Catron County, New Mexico.
- CASE 5839: Application of TransOcean Oil, Inc. for a unit agreement, Catron County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Remuda Unit Area comprising 34,504 acres, more or less, of State, Federal, and fee lands in Townships 2 and 3 North, Ranges 9 and 10 West, Catron County, New Mexico.
- CASE 5840: 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 25,800 barrels of oil discovery allowable to the discovery well, being applicant's Federal 15 Well No. 1 located in Unit F of Section 15, Township 19 North, Range 5 West, McKinley County, New Mexico.
- CASE 5048: (Reopened)
In the matter of Case 5048 being reopened pursuant to the provisions of Order No. R-4637-A, which order extended the temporary special pool rules for the South Dagger Draw-Upper Pennsylvanian Associated Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said temporary special pool rules should not be rescinded.
- CASE 5599: (Reopened)
In the matter of Case 5599 being reopened pursuant to the provisions of Order No. R-5142 which order established temporary special pool rules for the Twin Lakes-Devonian Pool, Chaves County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units and why the limiting gas-oil ratio should not revert to 2,000 to 1.
- CASE 5841: Application of Bettis, Boyle & Stovall for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian formation underlying the E/2 NE/4 of Section 34, Township 12 South, Range 37 East, Southwest Gladiola-Devonian Pool, Lea County, New Mexico, to be dedicated to the Lowe Well No. 1 located in Unit A of said Section 34. Also to be considered will be the cost of recompleting 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 recompletion of said well.
- CASE 5842: Application of Hanagan Petroleum Corporation for an exception to the provisions of Order No. R-1670, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 15(B) of the Southeast Gas Proration Rules contained in Order No. R-1670, as amended, to permit its Catclaw Draw Unit Well No. 9, located in Unit F of Section 35, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to make up its overproduction at a rate less than complete shut-in.

Exhibit A

NOTE: This form is to be filled and attachments made in accordance with the provisions of Rule 509.
If discovery is claimed for more than one zone, separate forms must be filled for each.

LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Commission of such intent in writing within ten days after receiving a copy of this application.

CERTIFICATION

William E. Babcock District Engineer 12/21/76
Signature Position Date