

Case No.

809

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Application, Transcript,  
Small Exhibits, Etc.

CASE 809: Makin Drilling Co. application for  
unorthodox location for Warlick-Blinebry #1  
Well & 160-acre NS gas proration unit, Bline-  
bry Gas Pool.

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION

## TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL = Day Letter  
NL = Night Letter  
LT = International Letter Telegram

The filing time shown in the date list on this message is in STANDARD TIME of origin. Time of receipt is STANDARD TIME of destination.

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OIL CONSERVATION COMMISSION

MABREE HALL SANTA FE NMEX

ATTN W B MACEY IN RE CASE 809 REQUEST IS HERE MADE  
FOR A CONTINUANCE OF CASE 809 TO THE MARCH 16TH HEARING  
DATE

NEAL AND GIRAND

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 6, 1956

C

O

P

Y

Mr. John Quinn  
Easley, Quinn & Stout  
Box 2587  
Hobbs, New Mexico

Dear Sir:

In behalf of your client, Makin Drilling Company, we enclose two copies of Order R-870 issued August 30, 1956, by the Oil Conservation Commission in Case 809, which was heard on July 19th.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

brp  
Encls.

BEFORE THE  
**Oil Conservation Commission**

SANTA FE, NEW MEXICO

July 18, 1956

IN THE MATTER OF:

CASE NO. 809 (Readvertisement)

TRANSCRIPT OF PROCEEDINGS

DEARNLEY-MEIER AND ASSOCIATES

COURT REPORTERS

605 SIMMS BUILDING

TELEPHONE 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE  
Oil Conservation Commission  
SANTA FE, NEW MEXICO

July 18, 1956

IN THE MATTER OF:

CASE NO. 809 (Readvertisement)

TRANSCRIPT OF PROCEEDINGS

DEARNLEY-MEIER AND ASSOCIATES  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 3-6691  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 19, 1956

IN THE MATTER OF:

(Readvertisement) Application of Makin Drilling Company for approval of an unorthodox location and establishment of a 160 acre non-standard gas proration unit in the Blinbry Gas Pool in exception to Rules 2 and 5 (a) of the Special Rules and Regulations of the Blinbry Gas Pool as set forth in Order R-610.

Case  
809

BEFORE:

Honorable John F. Simms, Jr.  
Mr. E. S. (Johnny) Walker  
Mr. A. L. Porter, Jr.

TRANSCRIPT OF HEARING

MR. ADAMS: I am John Adams, representing Makin Drilling Company of Hobbs, New Mexico. I have a statement to make about this case.

MR. PORTER: You may proceed, Mr. Adams.

MR. ADAMS: Thank you. I have handed you a plat which has been removed from the Commission's files. It was an exhibit in Case No. 982 and it involved similar acreage, exactly the same acreage for a shallower well for the Eumont Pool. Using this, it seems there is no change whatsoever in the ownership for this application. For a brief history of what has happened in this situation, in 1950 Kutz and Jackson built or located 990 feet from the north line and 330 feet from the east line of Section 19, Township 21 South, Range 37 East. This well was plugged and abandoned

DEARNLEY-MEIER AND ASSOCIATES  
STENOGRAPHIC REPORTERS  
ALBUQUERQUE, NEW MEXICO  
TELEPHONE 3-6691

and then in 1954 Makin Drilling Company acquired this lease, along with other leases, for the purpose of getting 160 acres on which to re-enter this well for a gas well in the Blinebry formation. This well was re-entered and a gas well completed in the Blinebry section in December of 1954. Now at that time we, according to the rules and regulations, asked that a hearing be held in front of the Oil Conservation Commission in Santa Fe for the reasons that we are today requesting it. Also at that time Mr. Macey, who was with the Commission at the time, suggested that for two reasons he would suggest that a continuance be made in this case. The first reason was that since it was rather a complicated acreage situation and we did not have at that time all the overriding royalty owners and leaseholders communitized, it was his opinion that we should do that well, we would be granted a temporary allowable. The second reason was at that time that this acreage was not in the Blinebry Gas Pool, so that until those two conditions were met, Mr. Macey, in a letter dated January 13, 1955, to the El Paso Natural Gas Company made reference to this particular well and directed El Paso Natural Gas Company to take a hundred and sixty acre allowable, the same as it did from a hundred and sixty acre Blinebry gas pool well. Subsequent to this, temporary allowable Makin Drilling Company has circulated communitization agreements and has an executed agreement in its files from almost fifty interested parties including working interests, overriding royalty interests and royalty interests. We feel that since the temporary allowable was granted in 1955 and has been producing since that time, that the Commission should grant us a regular allowable based on its rules and regulations as set forth for the Blinebry gas pool. All applicable forms have been sent out

and filed with the Commission, which includes the gas well plat and the affidavit of communitization, and of course, we do have here an assignment of allowable dated February 21, 1955, signed by S. J. Stanley, which acknowledges the issuance of the letter from Mr. Macey.

MR. PORTER: Is that all you have, Mr. Adams?

MR. ADAMS: That is all I have.

J O H N   W.   A D A M S,

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. GURLEY:

Q Is it my understanding that the well has already been drilled, and you are asking approval of the Warlick-Blinebry Well No. 1, is that correct?

A That is correct. When Makin Drilling Company acquired ownership of the acreage in question, the well had already been drilled four years previously, and we re-entered the well.

Q You were assigned a temporary allowable, is that correct, by Mr. Macey?

A That is correct.

Q And you are asking for approval of the unit and a permanent allowable assignment?

A That is correct. We felt that this well had been producing under a temporary allowable and that according to existing rules and regulations of the Commission, we were on a temporary basis and should clear the matter up to the satisfaction of everyone.



4

Q Is it your testimony at this time, then, that you have a communitization agreement in the making of all the property owners herein?

A The agreement is completed.

Q According to your application it was not so stated.

A There's only one overriding royalty owner who has not signed.

Q Have all the working interests signed?

A Yes, and all the royalties, one overriding royalty has not. However, he has been accepting the checks, the payment checks, and so we consider that our problem has been solved by his accepting the money, however, I am not an attorney.

Q Have you an executed affidavit to the effect that the communitization agreement has been signed?

A Yes, we have, and it was filed with the Commission dated the 26th of May, 1956.

BY MR. MANKIN:

Q What is the nearest Blinebry gas production to the well in question in this case?

A I believe the nearest producing Blinebry well is over a mile from this location. There has been a well tested and I believe completed in the Blinebry gas section in Section 20, but it's not connected to a transmission line, it is not producing.

Q Are you speaking of the Amerada No. 1-A which is not on the proration schedule?

A That is correct. I believe that Amerada has never made application for placing it on the schedule. It is not producing.

Q Then, actually, there had been very little Blinebry gas

production in the area of the well in question?

A That is correct; there has been a very small amount of gas withdrawn in that area.

Q There are no wells to the west?

A No wells to the west.

Q None to the north?

A There are some to the northeast.

Q And one to the southeast?

A Yes.

Q Most of the Blinebry gas production is predominately to the east?

A That is correct.

Q What is the potential of the well?

A At the present time the well is a marginal well and will not make the assigned top allowable.

Q Do you have recent tests on that.

A Not recent tests, except the production tests.

BY MR. GURLEY:

Q Mr. Adams, in your application signed by Mr. John King of the firm of Easley, King & South, there were several erros which do not conform with the testimony you have given here today. Would you at this time wish to move the application be amended to conform with the testimony you have offered?

A I wish to do that. I intended to make the statement. I notice the name of the well is misspelled and the number of the rule is not correct, which you did correct in your docket however.

Q That's right. Do you wish to make that motion at this time?

A Yes, I would make the motion that the letter dated May 22, 1956 addressed to the New Mexico Oil Conservation Commission regarding this hearing and signed by John King of the firm of Easley, Quinn & Stout, be amended to conform with this testimony.

MR. WALKER: Any objection to that motion? If not, the motion will so show in the record.

MR. PORTER: Does anyone else have a question? Is there anything further in this case? If not, the case is taken under advisement and the hearing is adjourned.

\*\*\*\*\*

STATE OF NEW MEXICO    }  
COUNTY OF SANTA FE    } ss.

I, Dorothy B. Myers, a Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico, was reported by me in shorthand and reduced to typewritten matter by me, or under my supervision, and that the same is a true and complete record of said proceedings, to the best of my knowledge, skill and ability;

WITNESS my hand and seal this 16<sup>th</sup> day of August, 1956.

*Dorothy B. Myers*  
COURT REPORTER

A Yes, I would make the motion that the letter dated May 22, 1956 addressed to the New Mexico Oil Conservation Commission regarding this hearing and signed by John King of the firm of Rasley, Quinn & Stout, be amended to conform with this testimony.

MR. WALKER: Any objection to that motion? If not, the motion will so show in the record.

MR. PORTER: Does anyone else have a question? Is there anything further in this case? If not, the case is taken under advisement and the hearing is adjourned.

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COUNTY OF SANTA FE    ) ss.

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WITNESS my hand and seal this 16<sup>th</sup> day of August, 1956.

Dorothy B. Myers  
COURT REPORTER



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 13, 1955

El Paso Natural Gas Company  
Jal, New Mexico

Attention: Mr. J. W. Baulch

Gentlemen: RE: Makin Drilling Company Warlick No. 1,  
NE/4 NE/4 19-21S-37E, Hinebry Gas Pool

Reference is made to the above-captioned well. According to information available to this office, the well is completed in the Hinebry formation as a gas producer. The well is presently located outside the defined limits of the Hinebry Gas Pool.

Pending the extension of the Hinebry Gas Pool to include this acreage, I believe it would be advisable for the well to be produced upon the basis of the same allowable that a well in the Hinebry Gas Pool on 160 acres would receive.

If you differ with our interpretation of the allowable to be assigned, I would appreciate your contacting me as soon as possible.

Yours very truly,

WBM:mr

W. B. Macey, Secretary-Director

cc: Mr. A. L. Porter, Jr.  
Oil Conservation Commission  
Hobbs

Mr. W. D. Girard, Jr.  
Box 1326  
Hobbs

GENERAL OFFICES  
120 BROADWAY NEW YORK

**AMERADA PETROLEUM CORPORATION**

BEACON BUILDING  
P. O. BOX 2040  
TULSA 2, OKLA.

December 21, 1954

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Attention: Mr. W. B. Macey

Gentlemen:

The Makin Drilling Company, owners of oil and gas leases covering the S/2 of the SE/4 of Section 18 and the N/2 of the NE/4 of Section 19, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, have filed Application with the Oil Conservation Commission of the State of New Mexico for the establishing of a non-standard gas proration unit comprised of the 160 acres above described.

This is to advise that the well is located 990 feet from the North line and 330 feet from the East line of Section 19, Township 21 South, Range 37 East, Lea County, New Mexico. The well bore is the old Coats and Jackson Warlick No. 1, now designated as Makin Drilling Company Warlick No. 1.

The undersigned company, operator of oil and gas leases on lands adjacent to the proposed non-standard proration unit of the Makin Drilling Company, does hereby consent to the creation of such non-standard proration unit.

Yours very truly,

AMERADA PETROLEUM CORPORATION

RSC:mt

cc: Neal & Girand  
Neal Building  
Hobbs, New Mexico

By

*R. S. Christie*  
R. S. Christie

RECEIVED  
OCT 21 1954  
OFFICE 000

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
January 13, 1955

IN THE MATTER OF:

CASE NO. 809 - Regular Hearing

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO



BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 13, 1955

IN THE MATTER OF:

Application of Makin Drilling Company for  
approval of a non-standard gas proration  
unit (adjacent to the Blinbry Gas Pool)  
consisting of S/2 SE/4 of Section 18 and  
N/2 NE/4 of Section 19, in Township 21  
South, Range 37 East, Lea County, New  
Mexico.

Case No. 809

BEFORE:

Honorable John Simms, Jr.  
Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 809.

MR. GIRAND: W. D. Girand, representing Makin Drilling  
Company. We would like to continue Case 809 until the February  
hearing.

MR. MACEY: Is there objection to continuation of Case 809  
until the February hearing? If not we will continue the case  
until February the 16th.

STATE OF NEW MEXICO )  
: SS.  
COUNTY OF BERNALILLO )

I, ADA DEARNLEY, Court Reporter, do hereby certify that the  
foregoing and attached transcript of proceedings before the New  
Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a  
true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal  
this 17th day of January, 1955.

My Commission Expires:  
June 19, 1955

*Ada Dearnley*  
Notary Public, Court Reporter

ADA DEARNLEY & ASSOCIATES  
STENOGRAPHIC REPORTERS  
ALBUQUERQUE, NEW MEXICO  
TELEPHONE 3-6691



BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 809

TRANSCRIPT OF PROCEEDINGS

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
February 17, 1955

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IN THE MATTER OF: )  
)  
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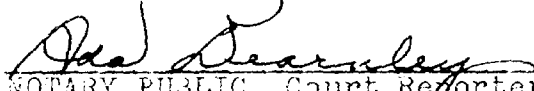
Case 809: (Readvertised) Application )  
of Makin Drilling Company for approval )  
of a non-standard gas proration unit )  
for production of gas from the Queen )  
and Blinbry gas zones, to be operated )  
under applicable pool rules and to con- )  
sist of the following acreage: S/2 )  
SE/4 Section 18 and N/2 NE/4 of Section )  
19, in Township 21 South, Range 37 East. )  
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MR. MACEY: Next case on the docket is Case 809. I have a telegram from Neal and Girand addressed to me. "In regard to Case 809, request is hereby made for continuance of 809 to March 16 hearing date." I might say for the record that the Ohio Oil Company, who are also interested in this case, likewise requested continuance. Is there objection to the continuation of Case 809? If not, the case will be continued to the March 16 hearing.

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

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 21st day of February, 1955.

  
NOTARY PUBLIC, Court Reporter

My Commission Expires:  
June 19, 1955.

ADA DEARNLEY & ASSOCIATES  
STENOTYPE REPORTERS  
ALBUQUERQUE, NEW MEXICO  
TELEPHONE 3-6691



BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 809

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
Santa Fe, New Mexico

March 16, 1955

IN THE MATTER OF:

Application of Makin Drilling Company for  
approval of a non-standard gas proration  
unit for production of gas from the Queen  
Blincy gas zones, to be operated under  
applicable pool rules and to consist of  
the following acreage: S/2 SE/4 of Section  
18 and N/2 NE/4 of Section 19, in Town-  
ship 21 South, Range 37 East.

Case No. 809  
(Continued.)

Before: Honorable John F. Simms, E. S. (Johnny) Walker, and  
William B. Macey.

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 890.  
I have a telegram from Neil and Girand, Attorneys, Hobbs, New  
Mexico. Telegram reads, "Please continue Case 809 until the April  
hearing date. Amended application will be required".  
Without objection we will continue the case until April.

C E R T I F I C A T E

I, ADA DEARNLEY, Court Reporter, do hereby certify that the  
foregoing and attached transcript of proceedings in the matter of  
Case No. 809 was taken by me on March 16, 1955, that the same is  
a true and correct record to the best of my knowledge, skill and  
ability.

*Ada Dearnley*  
Reporter

ADA DEARNLEY & ASSOCIATES  
STENOGRAPHIC REPORTERS  
ALBUQUERQUE, NEW MEXICO  
TELEPHONE 3-6591





OIL CONSERVATION COMMISSION

P. O. BOX 271

SANTA FE, NEW MEXICO

June 1, 1956

C  
O  
P  
Y

Easley, Quinn & Stout  
P. O. Box 2587  
Hobbs, New Mexico

Gentlemen:

Reference is made to your application for hearing on behalf of Makin Drilling Company for a non-standard gas proration unit to be assigned Makin Drilling Company's Warlich-Blinsbry No. 2 in the Blinsbry gas pool, Lea County, New Mexico in which you requested it to be heard at the regular June hearing.

The docket was already loaded for the June hearing and it will be necessary for this case to be heard at the regular July 18th hearing.

Very truly yours,

A. L. PORTER, JR.  
Acting Secretary-Director

ALP:nc

CLASS OF SERVICE  
This is a fast message  
unless its deferred char-  
acter is indicated by the  
proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS  
DL = Day Letter  
NL = Night Letter  
LT = International  
Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

LA120

1935 MAR 14 PM 1:42

L-HBA105 PD=HOBBS NMEX 14 136PMM=

OIL CONSERVATION COMM=

MABREE HALL SANTA FE NMEX=

ATTENTION: MR. BILL MACEY PLEASE CONTINUE CASE NO. 809  
TO THE APRIL HEARING DATE. AMENDED APPLICATION WILL BE  
REQUIRED=

NEAL & GIRAND ATTORNEYS AT LAW HOBBS NEW MEXICO=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

BEFORE THE  
Oil Conservation Commission  
SANTA FE, NEW MEXICO  
April 20, 1955

IN THE MATTER OF:

CASE NO. 809 - Regular Hearing

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO

*Page 2 of 5 (A)*  
*1-600*

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 20, 1955

-----  
IN THE MATTER OF: )  
 )  
 )

(Readvertised) Application of Makin Drill- )  
ing Company for approval of a non-standard )  
gas proration unit adjacent to the Blinbry )  
Gas Pool: S/2 SE/4 Section 18 and N/2 NE/4 )  
Section 19, Township 21 South, Range 37 )  
East; and for approval of an unorthodox )  
location for a proposed well to be assigned )  
to said unit, 990' FNL and 330' FNL of said )  
Section 19. )  
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Case No. 809

BEFORE:

Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: I have a letter in Case 809 from W. D. Girand,  
addressed to the Commission. "Makin Drilling Company requests that  
Case 809 be removed from the docket of the Commission until further  
notice from the applicant. An agreement to unitize the land is  
now being circulated among the owners of interests therein.

Until an agreement is signed by all parties, we prefer to  
pass the case. Signed W. D. Girand, for Makin Drilling Company."

Without objection we will remove Case 809 from the docket,  
pending notice from Makin Drilling Company.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss.

I, ADA DEARNLEY, Court Reporter, do hereby  
certify that the foregoing and attached transcript of proceedings  
before the New Mexico Oil Conservation Commission at Santa Fe,  
New Mexico, is a true and correct record to the best of my  
knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial  
seal this 28th day of April, 1955.

Ada Dearnley  
Notary Public, Court Reporter

My Commission Expires:

June 19, 1955



April 18, 1955

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

ATTENTION: Mr. Macey

Gentlemen:

RE: Case 809

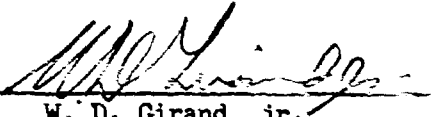
The Makin Drilling Company requests that Case No. 809 be removed from the docket of the Commission until further notice from the applicant.

An agreement to unitize the lands included in the application is now being circulated among the owners of interests therein. Until the agreement has been signed by all parties, we prefer to pass the case.

Respectfully requested,

MAKIN DRILLING COMPANY

By:

  
W. D. Girand, jr.  
Attorney

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 809  
Order No. R-870

THE APPLICATION OF MAKIN  
DRILLING COMPANY FOR AN ORDER  
GRANTING AN EXCEPTION TO RULES  
2 AND 5 (a) OF THE SPECIAL RULES  
AND REGULATIONS FOR THE BLINEBRY  
GAS POOL AS SET FORTH IN ORDER  
R-610 IN THE APPROVAL OF AN UN-  
ORTHODOX LOCATION FOR ITS WARLICK-  
BLINEBRY NO. 1 WELL AND THE  
ESTABLISHMENT OF A NON-STANDARD  
GAS PRORATION UNIT OF 160 CONTIGUOUS  
ACRES IN THE BLINEBRY GAS POOL AND  
CONSISTING OF THE N/2 NE/4 OF SECTION  
19, AND S/2 SE/4 OF SECTION 18, TOWN-  
SHIP 21 SOUTH, RANGE 37 EAST, NMPM,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 13, 1955, February 16, 1955, March 16, 1955, April 20, 1955 and on July 19, 1956, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 30<sup>th</sup> day of August, 1956, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of the hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That subject well was located 990 feet from the North line and 330 feet from the East line of Section 19, Township 21 South, Range 37 East, drilled and abandoned in 1950. After acquiring the lease on which subject well is located, applicant re-entered and completed the well in the Blinebry Gas Pool in December of 1954.

(3) That location of the well constitutes an unorthodox location under Rule 2 of the Special Rules and Regulations for the Blinebry Gas Pool as set forth in Order R-610.



Order No. R-870

(4) That a communitization agreement of all the working interest owners has been executed communitizing the N/2 NE/4 Section 19 and S/2 SE/4 Section 18, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That it is impractical to pool applicant's interests with other adjoining acreage in the Blinebry Gas Pool.

(6) That there were no objections entered to the granting of this application.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blinebry Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

**IT IS THEREFORE ORDERED:**

1. That the application of Makin Drilling Company for an order granting approval of an unorthodox well location for its Warlick-Blinebry No. 1 Well located 990 feet from the North line and 330 feet from the East line of Section 19, Township 21 South, Range 37 East, be and the same is hereby approved.

2. That the application of Makin Drilling Company for approval of a non-standard proration unit consisting of the following described acreage in the Blinebry Gas Pool, Lea County, New Mexico.

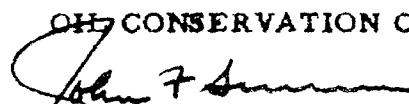
Township 21 South, Range 37 East, NMPM  
Section 19: N/2 NE/4  
Section 18: S/2 SE/4

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(3) That applicant's well, Warlick-Blinebry No. 1, located in the Blinebry Gas Pool, shall be granted an allowable in the proportion that the above described 160-acre unit bears to the standard proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
John F. Simms, Chairman

  
E. S. Walker, Member

  
A. L. Porter, Jr., Member & Secretary





Case 809

MAIN OFFICE OGC

LAW OFFICES OF  
EASLEY, QUINN & STOUT

1956 MAY 23 PM 1:14

106 EAST TAYLOR  
P. O. BOX 2587

HOBBS, NEW MEXICO

TELEPHONE  
3-4155

MACK EASLEY  
JOHN QUINN  
LOWELL STOUT

May 22, 1956

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Re: Application (for a non-standard gas  
proration unit to be assigned Makin  
Drilling Company's Warlick-Blinebry  
No. 12 in the Blinebry gas pool, Lea  
County, New Mexico)

Gentlemen:

610  
Makin Drilling Company wishes to make this application for  
an order under Rule R-520 which will establish a non-standard gas  
proration unit of 160 acres to be assigned to subject well. Makin  
Drilling Company requests that this matter be heard at the hearing  
of the Oil Conservation Commission on June 14, 1956.

In this connection Makin Drilling Company wishes to state:

1. Makin Drilling Company is the operator of Makin Drilling  
Company's Warlick-Blinebry No. 12 well which is located  
in the NE/4 of the NE/4 of Section 19, Township 21  
South, Range 37 East, Lea County, New Mexico. Said  
well was completed December, 1954.
2. The non-standard proration unit Makin Drilling Company  
wishes to have assigned to subject well consists of  
160 acres which is the N/2 of the NE/4 of Section 19,  
and the S/2 of the SE/4 of Section 18, all in Township  
18 South, Range 37 East, Lea County, New Mexico. Subject  
well is located 990 feet from the North and 330 feet from  
the East corner of Section 19, Township 21 South, Range  
37 East.
3. The length or width of the proposed unit does not exceed  
5280 feet. Makin Drilling Company has all working  
interest owners and overriding interest owners agreed  
upon signing of a communitization agreement upon approval  
by the Oil Conservation Commission of the non-standard  
proration unit with the exception of one overriding  
royalty interest owner, he being one Mr. Coates who  
owns a 1/64 overriding royalty interest.

New Mexico Oil Conservation Commission  
May 22, 1956  
Page 2

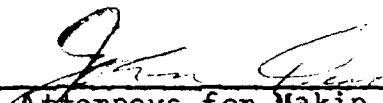
4. The depth of the above described well which has been created is 6700 feet, and is produced from the Blinebry Gas Zone. All the acreage within the proposed unit may reasonably be presumed productive of gas.
5. Makin Drilling Company believes that the granting of this Application is in the interest of conservation and the protection of correlative rights.
6. The Ownership map in this matter is the same as that previously filed and approved in case No. 982. (R-742) for comment

Makin Drilling Company therefore requests that a proper hearing be called for the purpose of hearing and granting this application.

Very truly yours,

EASLEY, QUINN & STOUT

By

  
Attorneys for Makin Drilling  
Company

JQ:d

cc: Gulf Oil Company  
Roswell, New Mexico

R. Olsen Oil Company  
Apco Tower  
Oklahoma City, Oklahoma

Amerada Oil Company  
Midland, Texas

Sunray-Midcontinent  
Roswell, New Mexico

Dixilan Drilling Company  
P.O.Box 3427  
Odessa, Texas

G. MELVIN NEAL  
W. D. GIRAND, JR.  
J. W. NEAL

NEAL & GIRAND

LAWYERS  
NEAL BUILDING  
HOBBS, NEW MEXICO

March 22, 1955. 8:30

TELEPHONES:  
3-8171 3-8172  
P. O. BOX 1826

*Redd*

Oil Conservation Commission,  
Santa Fe, New Mexico.

Attention: Mr. W. M. Macey.

Gentlemen:

We enclose herewith, in triplicate, amended Application of the Makin Drilling Company for the creation of a non-standard gas unit in the Blinebry Gas Pool and for approval of an unorthodox well location in said unit.

We would like very much for this Application to be heard at the April hearing date.

With best personal regards, we are

Very truly yours,

NEAL & GIRAND,

BY: *W. D. Girand, Jr.*

G/bc

Encls.

cc: Makin Drilling Company,  
301 West Broadway Street,  
Hobbs, New Mexico. (w/copy)

Ohio Oil Company,  
Box 3128,  
Houston, Texas (w/copy)  
Attention: Mr. W. Hume Everett.

BEFORE THE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO.

AMENDED APPLICATION

IN THE MATTER OF THE APPLICATION OF  
MAKIN DRILLING COMPANY, A NEW MEXICO  
CORPORATION, FOR THE CREATION OF AN  
UNORTHODOX GAS PRORATION UNIT COMPRISED  
OF THE SOUTH HALF ( $S\frac{1}{2}$ ) OF THE SOUTHEAST  
QUARTER ( $SE\frac{1}{4}$ ) OF SECTION EIGHTEEN (18),  
AND THE NORTH ONE-HALF ( $N\frac{1}{2}$ ) OF THE  
NORTHEAST QUARTER ( $NE\frac{1}{4}$ ) OF SECTION  
NINETEEN (19), TOWNSHIP 21 SOUTH, RANGE  
37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO,  
LOCATED IN THE BLINEBRY GAS POOL, AND FOR  
AN EXCEPTION TO PARAGRAPH D OF RULE NO.  
104 APPROVING THE WELL LOCATION ASSIGNED  
TO THE ABOVE UNIT LOCATED 990 FEET FROM  
THE NORTH LINE AND 330 FEET FROM THE  
EAST LINE OF SECTION NINETEEN (19),  
TOWNSHIP 21 SOUTH, RANGE 37 EAST, N.M.P.  
M., LEA COUNTY, NEW MEXICO.

NO. 809

COMES NOW Makin Drilling Company, a New Mexico  
corporation, with principal place of business in Hobbs, Lea  
County, New Mexico, and files this its Amended Application  
for the establishing of a non-standard gas proration unit  
located in the Blinebry Gas Pool comprised of the South Half  
( $S\frac{1}{2}$ ) of the  $SE\frac{1}{4}$  of Section 18, and the North Half ( $N\frac{1}{2}$ ) of  
the  $NE\frac{1}{4}$  of Section 19, Township 21 South, Range 37 East,  
N.M.P.M., Lea County, New Mexico, and for an exception to  
Paragraph D of Rule No. 104, and in support thereof would  
respectfully show:

1. That the well to which said acreage is assigned  
is located 990 feet from the North line and 330 feet from the  
East line of Section 19, Township 21 South, Range 37 East,  
N.M.P.M., Lea County, New Mexico.

2. That the acreage assigned to said well is all  
contiguous quarter-quarter sections.

That it is the opinion of the applicant that all of  
the acreage assigned to the well under this Amended Application  
is capable of producing gas.

3. That it is not economically feasible to drill more than one well on the lands allocated to the proposed unit and the well located on the unit is capable of draining the area allocated thereto.

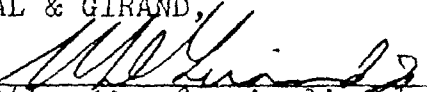
4. That the applicant has notified by registered mail all operators owning interest in quarter sections, in which the non-standard gas proration unit is situated, of applicant's intention to form such unit.

5. That the well was completed in the old well bore known as the Coats and Jackson Warlick No. 1 which was completed as a failure at the time of drilling and in this connection, applicant would show that the working interest under the  $S\frac{1}{2}$  of the  $SE\frac{1}{4}$  of Section 18, and the  $N\frac{1}{2}$  of the  $NE\frac{1}{4}$  of Section 19, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, was procured from the respective owners upon the representation that the applicant would re-enter the old well bore of the Coats and Jackson Warlick No. 1 and would deepen said well so as to test the Tubbs formation. That after completing this obligation, applicant was able to plug back and complete the well as a gas well in the Blinebry Zone.

WHEREFORE, applicant prays that the Application be set for hearing and upon hearing, the Commission form a non-standard unit comprised of the  $S\frac{1}{2}$  of the  $SE\frac{1}{4}$  of Section 18, and the  $N\frac{1}{2}$  of the  $NE\frac{1}{4}$  of Section 19, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, with the non-standard well location of 330 feet from the East line and 990 feet from the North line of Section 19, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

NEAL & GIRAND,

BY

  
Attorneys for Applicant,  
(Hobbs, New Mexico).