

CASE 2455: Application of HONDO
Oil & Gas for unorthodox oil well
location in Empire Abo Pool.

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ation, Transcript,

all Exhibits, Etc.

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

December 21, 1961

Mr. S. H. Cavin
Hondo Oil & Gas Company
Box 1000
Roswell, New Mexico

Re: Case No. 2455
Order No. R-2142
Applicant:
HONDO OIL & GAS COMPANY

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC x

Aztec OCC

OTHER

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 2455
Order No. R-2142

APPLICATION OF HONDO OIL & GAS
COMPANY FOR AN UNORTHODOX OIL
WELL LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 11, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 21st day of December, 1961, the Commission, a quorum being present, having considered the application and the recommendations of the Examiner, Elvis A. Utz, 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, Hondo Oil & Gas Company, has requested Case No. 2455 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2455 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


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

SEE/

Hondo Oil & Gas Company

Box ~~660~~ 1000
Roswell, New Mexico

December 1, 1961

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

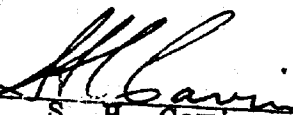
Re: Application for Permission to Drill
a Well at an Unorthodox Location 660'
from the East line and 2590' from the
North line of Sec. 25, T-17S, R-28E,
N.M.P.M., Eddy County, New Mexico, for
completion in the Abo Reef formation,
Empire Abo Pool.

Gentlemen:

Hondo Oil & Gas Company, Operator for Hondo Oil & Gas
Company, a corporation, Western Development Company of
Delaware, a corporation, and Yates Brothers, a partnership,
together doing business as Hondo-Western-Yates, hereby re-
quests that its application dated November 21, 1961 and
captioned as above, which was advertised as Case No. 2455
and set for hearing on December 11, 1961, be dismissed.

Yours very truly,

HONDO OIL & GAS COMPANY

By 
S. H. Cavin

cc: Western Development Company
Yates Brothers

ATWOOD & MALONE
LAWYERS

JEFF O. ATWOOD (1883-1960)
ROSS L. MALONE
CHARLES F. MALONE
RUSSELL D. MANN
PAUL A. COOTER
BOB F. TURNER

P. O. DRAWER 700
TELEPHONE MAIN 2-6221
ROSWELL PETROLEUM BUILDING
ROSWELL, NEW MEXICO

December 6, 1961

New Mexico Oil Conservation Commission
State Land Office Building
Post Office Box 871
Santa Fe, New Mexico

Re: Docket of December 11, 1961
Case No. 2455.

Gentlemen:

As local counsel for Pan American Petroleum Corporation, we
enclose herewith our Entry of Appearance as local counsel with
G. C. Condra and Guy Buell, of the Texas Bar, in the matter
referred to above relating to the Empire Abo Pool.

Very truly yours,


for ATWOOD & MALONE

RLM:ps
encl.

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF HONDO OIL & GAS COMPANY FOR)
AN UNORTHODOX OIL WELL LOCATION)
IN THE EMPIRE ABO POOL 660 FEET) No. 2 4 5 5
FROM THE EAST LINE AND 2590 FEET)
FROM THE NORTH LINE OF SECTION 25,)
TOWNSHIP 17 SOUTH, RANGE 28 EAST,)
EDDY COUNTY, NEW MEXICO.)

ENTRY OF APPEARANCE

The undersigned, Atwood & Malone of Roswell, New Mexico,
a firm of attorneys all of whose members are duly licensed to practice law in the State of New Mexico, hereby enters its appearance as local counsel with G. C. Condra and Guy Bacon, of the Texas Bar, or either of them, appearing for Pan American Petroleum Corporation in said cause.

DATED at Roswell, New Mexico this 6th day of December,
1961,

ATWOOD & MALONE

By *James L. Malone*
Post Office Drawer 700
Roswell, New Mexico

Case 2455

Hondo Oil & Gas Company

Box ~~666~~ 1000
Roswell, New Mexico

November 21, 1961

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Re: Application for Permission to Drill
a Well at an Unorthodox Location 660'
from the East line and 2590' from the
North line of Sec. 25, T-17S, R-28E,
N.M.P.M., Eddy County, New Mexico, for
completion in the Abo Reef formation,
Empire Abo pool.

Gentlemen:

Hondo Oil & Gas Company, Operator for Hondo Oil & Gas Company, a corporation, Western Development Company of Delaware, a corporation, and Yates Brothers, a partnership, together doing business as Hondo-Western Yates, hereby makes application for permission to drill a test well at an unorthodox location 660' from the East line and 2590 feet from the North line of Section 25, Township 17, South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

In support of this application, Hondo Oil & Gas Company states the following:

1. Hondo-Western-Yates is the owner and Hondo Oil & Gas Company is the operator of all producing rights below 500 feet below the top of the San Andres formation on Hondo-Western-Yates State 647 lease insofar as the same covers all of Sections 25 and 26, the North three-fourths of Section 36, and the East three-fourths of N $\frac{1}{2}$ and the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 35, Township 17 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.
2. There is no diversity of royalty ownership underlying the above described premises, all being dedicated to the common schools.

*Docket
marked
12-1-61*

3. In order to justify drilling on the spacing unit in question it is necessary to complete the well in the portion of the spacing unit most likely to be suitable for normal completion procedures.
4. Hondo-Western-Yates is the owner and Hondo Oil & Gas Company is the operator of all producing rights below 500 feet below the top of the San Andres formation on Hondo-Western-Yates State 647 lease insofar as the same covers spacing units offsetting unit on which the proposed well is to be drilled.
5. The granting of applicant's request in this case is in the interest of conservation, will protect correlative rights and will not create any danger of waste.

It is hereby respectfully requested that this matter be set for hearing at any early date.

Yours very truly,

HONDO-WESTERN-YATES
BY HONDO OIL & GAS COMPANY, OPERATOR

By 
S. H. Cavin, Resident Attorney

DOCKET: EXAMINER HEARING - MONDAY - DECEMBER 11, 1961

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner:

CASE 2447: (Continued)

Application of Humble Oil & Refining Company for approval of a pressure maintenance project in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project in the Cha Cha-Gallup Oil Pool by the injection of water into certain wells located on the Navajo Indian Reservation in Sections 13 through 29 and 33 through 36, Township 29 North, Range 14 West, San Juan, New Mexico. Applicant further seeks the promulgation of special rules and regulations governing said project.

CASE 2429: (Continued)

Application of Standard Oil Company of Texas for approval of the Jurnegan Point Unit Agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Jurnegan Point Unit Agreement embracing 10,240.84 acres, more or less, of State and fee lands in Township 24 South, Ranges 24 and 25 East, Eddy County, New Mexico.

CASE 2450:

Application of Texaco Inc. for an exception to Rule 309-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 309-A to permit the Abo production from its State "AB" Lease, located in Section 6, Township 18 South, Range 35 East, Lea County, New Mexico, to be transported prior to measurement on said lease to applicant's State "R" (NCT-1) Lease, located in said Section 6.

CASE 2462:

Application of Texaco Inc. for three triple completions, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion of its V. M. Henderson Well Nos. 7, 8 and 9, located in Units F, E, and G, respectively, Section 30, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from each well from the Penrose-Skelly, Paddock, and Drinkard Pools through parallel strings of 2 3/8-inch tubing cemented in common well bores.

- CASE 2451: Application of The Ohio Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Lea Unit Well No. 6, located in Unit J of Section 11, Township 20 South, Range 34 East, Lea County, New Mexico, as a dual completion (conventional) adjacent to the Lea-Pennsylvanian Gas and Lea-Devonian Pools, with the production of gas from the Pennsylvanian formation and the production of oil from the Devonian formation through parallel strings of 2 3/8-inch tubing.
- CASE 2452: Application of Southwest Production Company for an order pooling all mineral interests in the Basin-Dakota Gas Pool in the W/2 of Section 7, Township 30 North, Range 11 West, San Juan County, New Mexico. Interested parties include Maleta Y. Brimhall, Phoenix, Arizona, and Barbara Brimhall Burnham, Aztec, New Mexico.
- CASE 2453: Application of Southwest Production Company for an order pooling all mineral interests in the Basin-Dakota Gas Pool in the E/2 of Section 7, Township 30 North, Range 11 West, San Juan County, New Mexico. Interested parties include Harold Marion Brimhall and his wife, Maleta Y. Brimhall, both of Phoenix, Arizona.
- CASE 2454: Application of Socony Mobil Oil Company, Inc., for an exception to Rule 303 (a), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 303 (a) to permit the commingling of the production from the Denton-Devonian and the Denton-Wolfcamp Pools on its T. D. Pope lease, comprising the S/2 of Section 26 and the W/2 of Section 36, Township 14 South, Range 37 East, Lea County, New Mexico. Applicant proposes to meter the production from one pool only and to allocate production to the other pool according to the subtraction method; the API gravity of the crude from one of the pools is greater than 45°.
- CASE 2455: Application of Hondo Oil & Gas Company for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the Empire Abo Pool 660 feet from the East line and 2590 feet from the North line of Section 25, Township 17 South, Range 28 East, Eddy County, New Mexico.

CASE 2131: (Reopened)

In the matter of the application of Robinson Brothers Oil Producers for the establishment of 320-acre gas proration units in the TV-Pennsylvanian Gas Pool, Chaves County, New Mexico. Case 2131 will be reopened pursuant to Order No. R-1839 to permit the applicant and other interested parties to appear and show cause why the TV-Pennsylvanian Gas Pool should not be developed on 160-acre proration units.

CASE 2456:

Application of Great Western Drilling Company for a unit agreement and for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Malmar Unit Agreement, covering 1,360 acres, more or less, in Township 17 South, Ranges 32 and 33 East, Lea County, New Mexico. Applicant further seeks authority to institute a waterflood project in the Maljamar (Grayburg-San Andres) Pool by the injection of water into the Grayburg-San Andres formation initially through six wells located in Sections 7 and 18, Township 17 South, Range 33 East, and in Sections 12 and 13, Township 17 South, Range 32 East, Lea County, New Mexico, said project to be governed by the provisions of Rule 701.

CASE 2457:

Application of Murphy H. Baxter for a waterflood project in the Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a waterflood project in the Maljamar (Grayburg-San Andres) Pool in Section 13, Township 17 South, Range 32 East and Sections 17 and 18, Township 17 South, Range 33 East, Lea County, New Mexico, with the injection of water initially to be through four wells located in Section 18, Township 17 South, Range 33 East; said project is to be governed by Rule 701.

CASE 2458:

Application of Zapata Petroleum Corporation for a waterflood project in the Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a waterflood project in the Maljamar (Grayburg-San Andres) Pool in Sections 17 and 20, Township 17 South, Range 33 East, Lea County, New Mexico, with the injection of water initially to be through three wells located in said Sections 17 and 20; said project is to be governed by Rule 701.

iqg/

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
December 11, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Hondo Oil & Gas Company
for an unorthodox oil well location,
Eddy County, New Mexico. Applicant,
in the above-styled cause, seeks ap-
proval of an unorthodox oil well
location in the Empire Abo Pool 660
feet from the East line and 2590 feet
from the North line of Section 25,
Township 17 South, Range 28 East,
Eddy County, New Mexico.

CASE NO.
2455

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order. The first
case on the docket will be 2455.

MR. WHITFIELD: Mr. Examiner, I have a letter from
Hondo Oil & Gas Company requesting that this case be dismissed.

MR. UTZ: In view of the Applicant's request, 2455 will
be dismissed.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691



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 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 12th day of December, 1961.

Ada Dearnley
COURT REPORTER-NOTARY PUBLIC

My commission expires:
June 19, 1963

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2455, heard by me on *December 11*, 1961.

James A. [Signature] Examiner
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

