

CASE 3722: Application of BTA OIL
PRODUCERS for COMPULSORY POOLING, _____
LEA COUNTY, NEW MEXICO.

Case No.

3722

Application, Transcript,
Small Exhibits, Etc.

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

P. O. BOX 2088
SANTA FE

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

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

Re: Case No. 3722
Order No. R-3382
Applicant: BTA Oil Producers

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.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

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. 3722
Order No. R-3382

APPLICATION OF BTA OIL PRODUCERS
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 14, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 15th day of February, 1968, the Commission, a quorum being present, having considered the record, and being fully advised in the premises,

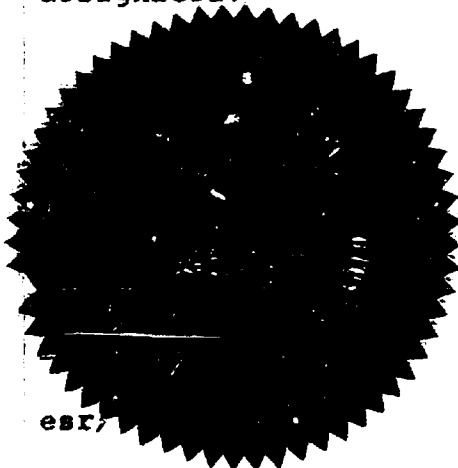
FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 3722 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARSO, Chairman

GUYTON B. HAYS, Member

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

esr/

DOCKET: REGULAR HEARING - WEDNESDAY - FEBRUARY 14, 1968

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

- Allowable: (1) Consideration of the oil allowable for March, 1968;
- (2) Consideration of the allowable production of gas for March, 1968, from thirteen prorated pools in Lea, Eddy, and Roosevelt Counties, New Mexico; consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for March, 1968.

CASE 3722: Application of BTA Oil Producers for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests underlying the SW/4 SE/4 of Section 10, Township 9 South, Range 34 East, Lea County, New Mexico, from the surface of the ground to a depth of 9850 feet or the base of the Bough C zone of the Pennsylvanian formation.

CASE 3723: Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico:

- (a) Create a new pool in Lea County, New Mexico, classified as an oil pool and designated as the North Paduca Delaware Pool. The discovery well for said pool is the Texaco Inc. Cotton Draw Unit Well No. 69 in Unit K of Section 34, Township 24 South, Range 32 East. Said pool should comprise the following described acreage:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 34: SW/4

- (b) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Morrow production and designated as the Poker Lake-Morrow Gas Pool. The discovery well for said pool is Pan American Petroleum Corporation's Poker Lake Unit No. 36 located in Unit P of Section 28, Township 24 South, Range 31 East. Said pool should comprise the following described acreage:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 28: S/2

- (c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Scanlon-Strawn Pool. The discovery well is J. M. Huber Corporation's Yates Federal Well No. 1 located in Unit P of Section 32, Township 20 South, Range 29 East. Said pool should comprise the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 32: S/2

- (d) Extend the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 8: SW/4
Section 20: SE/4

(e) Extend the North Bagley-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM

Section 9: SW/4
Section 14: N/2 SW/4
Section 20: NE/4
Section 21: NW/4

(f) Extend the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM

Section 4: SW/4
Section 21: All
Section 29: NE/4

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM

Section 4: NW/4

(g) Extend the Inbe-Permo-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM

Section 24: S/2 SW/4

(h) Extend the Pecos-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM

Section 28: E/2 SW/4 and SE/4 NW/4

(i) Extend the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 5: SE/4 NW/4 and SW/4 NE/4

(j) Extend the Twin Lakes-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM

Section 35: S/2 SE/4

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54½ EAST SAN FRANCISCO STREET
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

February 8, 1968

[Handwritten signature]

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Re: BTA Oil Producers - Application for forced
pooling, Case No. 3722

Gentlemen:

It is requested that the above case, presently
set for hearing on February 14, be dismissed,
the individual owners involved having reached
a voluntary agreement.

Your cooperation in setting this application
before the Commission as we requested, is appre-
ciated.

Yours very truly,

[Handwritten signature: Jason W. Kellahin]
JASON W. KELLAHIN

jwk;peg

cc R. L. Halvorsen
cc Don O. Bomar Oil properties

MAIN OFFICE

'68 FEB 12 AM 8 07

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54 1/2 EAST SAN FRANCISCO STREET
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

January 23, 1968

Reg.
Check 3122

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Re: BTA Oil Producers

68 JAN 24 AM 8 39

Gentlemen:

Enclosed please find original and two copies of application of BTA Oil Producers for an order force pooling all interests in the SE 1/4, Sec. 10, Township 9 South, Range 34 East, Lea County, from the surface to 9850 feet or the base of the Bough C Zone.

It is requested that this application be set for hearing either at the Commission's regular hearing on February 14, or at the earliest examiner hearing.

Yours very truly,

Jason W. Kellahin DOCKET MAILED

JASON W. KELLAHIN

Date 2-5-68

jwk;peg

R

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF BTA OIL PRODUCERS FOR AN ORDER
FORCE-POOLING ALL INTERESTS IN THE
SE $\frac{1}{4}$, SEC. 10, TOWNSHIP 9 SOUTH,
RANGE 34 EAST, LEA COUNTY, FROM THE
SURFACE TO 9850 FEET OR THE BASE OF
THE BOUGH C ZONE

Page 3722

68 JAN 24 AM 8 39

A P P L I C A T I O N

Comes now BTA OIL PRODUCERS, a sole proprietorship owned by Carlton Beal, and applies to the Oil Conservation Commission of New Mexico for an order force pooling all mineral interests in and under the SE $\frac{1}{4}$ of Section 10, Township 9 South, Range 34 East, N.M.P.M., Lea County, New Mexico, from the surface of the ground to a depth of 9850 feet, or the base of the Bough C Zone of Pennsylvanian age, and in support thereof would show the Commission:

1. Applicant is the owner of the right to drill on the above-described tract, which would constitute a standard proration unit under the provisions of the pool rules for the Vada-Pennsylvanian Pool, from the surface to the base of the Bough C Zone, or a depth of 9850 feet.

2. Applicant proposes to drill a well, to be located 660 feet from the South line, and 1980 feet from the East line of Section 10-9S-34E to a depth sufficient to test the Bough C Zone.

3. Applicant is informed and believes that Don O. Bomar Oil Properties, Wilkenson-Foster Building, Midland, Texas, is the owner of a one-fourth working interest in and

Beal

under said unit.

4. The owners of the interests in and under the unit have not agreed to pool their interests, and efforts on the part of applicant to obtain a pooling agreement have been unsuccessful.

5. In order to avoid the drilling of unnecessary wells and to protect correlative right and prevent waste, the mineral interests in and under said unit should be pooled.

6. In drilling a well as proposed by applicant, applicant will incur certain risks in drilling said well, and will incur costs of development, operation, and supervision which costs should be reimbursed.

WHEREFORE, applicant prays that this application be set for hearing before the Commission on February 14, 1968, or before the Commission's duly appointed examiner as soon as may be done, and that after notice and hearing as required by law, the Commission enter its order force pooling all mineral interests in and under the SE $\frac{1}{4}$ of Section 10, Township 9 South, Range 34 East, N.M.P.M., Lea County, New Mexico, from the surface of the ground to a depth of 9850 feet, or to the base of the Bough C Zone.

Applicant further prays that said order make provision for recovery of out of production from any non-consenting working interest owners proportionate share of expenditures necessary for the development of said tract, together with reasonable charge for supervision of the proposed well, actual expenditures for operating the well together with a

charge for the risk involved in the drilling of such well,
all as provided by law.

Respectfully submitted,

BTA OIL PRODUCERS

BY: Jason W. Kellahin
Kellahin & Fox
Post Office Box 1769
Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COURT CONVENTIONS

1120 SIJAS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 14, 1968
REGULAR HEARING

IN THE MATTER OF:

Application of BTA Oil Producers
for compulsory pooling Lea County,
New Mexico.

Case 3722

BEFORE: A.L. "Pete" Porter, Secretary-Director
Guyton B. Hayes, Land Commissioner
David F. Cargo, Governor

TRANSCRIPT OF HEARING

MR. PORTER: What did we have in Case 3722?

MR. HATCH: Compulsory pooling.

MR. PORTER: Oh, yes, we dismissed the case. Do you have a statement or an announcement concerning Case 3722?

MR. HATCH: Case 3722. Application of BTA Oil Producers for compulsory pooling, Lea County, New Mexico

The Commission has received a letter from Jason Kellahin representing the Applicant in this case, requesting that the case be dismissed, as the individual owners involved have reached a voluntary agreement.

MR. PORTER: Are there any objections to dismissal of Case 3722? If not, the case is dismissed and the hearing is adjourned.

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, KAY EMBREE, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 22nd day of February, 1968.

Kay Embree
 NOTARY PUBLIC

My Commission Expires:

November 19, 1968

I do hereby certify that the foregoing is a complete record of the proceedings of the Bernalillo hearing of Case No. _____ heard by me on _____ 19____.

 New Mexico Oil Conservation Commission