

CASE 5888: DALPORT OIL CORPORATION FOR
AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO

Continued to April 20

Continued to May 25

Case Number

5888

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 25, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Dalport Oil Corporation) CASE
for an unorthodox gas well location,) 5888
Lea County, New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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

For the Applicant: Sim B. Christy, IV, Esq.
JENNINGS, CHRISTY & COPPLE
Attorneys at Law
P. O. Box 1180
Roswell, New Mexico

sid morrish reporting service

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

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

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1 MR. STAMETS: At this time we will call Case 5888.

2 MS. TESCHENDORF: Case 5888, application of
3 Dalport Oil Corporation for an unorthodox gas well location,
4 Lea County, New Mexico.

5 MR. CHRISTY: Sim Christy, Jennings, Christy and
6 Copple, Roswell, New Mexico, for the applicant. We have one
7 witness, Mr. Examiner.

8 (THEREUPON, the witness was duly sworn.)

9
10 LEON LAMPERT

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

13
14 DIRECT EXAMINATION

15 BY MR. CHRISTY:

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

18 A Leon Lampert, 600 Building, Corpus Christi, Dalport
19 Oil Corporation, Dallas.

20 Q Have you previously testified before this regulatory
21 body and had your qualifications as a petroleum geologist
22 accepted?

23 A Yes, sir.

24 Q Are you familiar with what is sought in Case 5932?

25 A Yes, sir.

1 Q And would you please briefly explain to the Examiner
2 what is sought and why?

3 A Dalport has owned the southeast quarter of Section 25
4 which is shown on your exhibit, and for a number of years we
5 have had a well, the No. 1 A. L Christmas, producing in the
6 Jalmat zones. Due to mechanical difficulty the well was plugged
7 approximately a year ago, making some small amount of Yates
8 gas.

9 We wish to move into the southwest quarter of the
10 southeast quarter on a three thirty from the south line and
11 twenty-three ten from the east line and go onto this location
12 and drill a new hole for the Yates.

13 Q Now, referring to Exhibit One is that a plat map of
14 the area involved?

15 A Yes, sir, it just shows the location of our hundred
16 and sixty, our new proposed location No. 3 and the operators
17 that surround and the well.

18 Q Let me ask you about Exhibit Two. What is the purpose
19 of that exhibit and what does it depict?

20 A It is a structural map on top of the Upper Yates
21 porosity and showing our new location. In blue it shows the
22 up-dip pinchout line of this upper porosity. There are
23 several zones of porosity in the Yates and this upper zone
24 seems to be the one that has not completely depleted and it
25 shows in red the other wells producing out of the Yates in the

1 surrounding area and it shows our No. 1 abandoned well.

2 Q That's the one in the center of the southwest-
3 southeast of 25?

4 A That's right, it's nineteen eighty from the east and
5 six sixty from the south, a standard location, it's the one
6 that was abandoned. And in addition, of course, the map
7 shows the structural configuration on top of this upper zone.
8 The proposed well will be slightly low to our No. 1 Well but
9 as the next exhibit shows there will be more porosity.

10 Q And let's take the next exhibit which I believe is
11 Three, an isopach map of this area?

12 A That is strictly an isopach of the Upper Yates
13 producing porosity. Our No. 1 Well since it was not logged
14 has an estimated porosity from the driller's time log. The
15 other points around this lease are taken from sonic or gamma
16 neutron logs. You can see there that the porosity pinches
17 out just northeast of our No. 1 Well that is abandoned and
18 the porosity increases in thickness to the southwest to our
19 location. Our location would have somewhat more porosity
20 than our No. 1 Well that was abandoned. South of us the
21 Western Natural No. 6 contains sixty-seven feet and just
22 due west of our No. 3 there is a No. 4 Well that shows forty-
23 two feet so we would have somewhere between forty to fifty
24 feet of porosity, hopefully.

25 Q Would this still be rather marginal?

1 A. It would be marginal because the area is semi-
2 depleted. Our well was just barely making gas when it was
3 abandoned. Other wells in the area are making gas and we are
4 hopeful that that forty there is not depleted, it could be, it
5 could be almost depleted and we are taking a risk in drilling
6 the well.

7 Q What about production and let me refer you to
8 Exhibit Four?

9 A Exhibit Four simply shows the production from all
10 the Yates zones, all of the Jalmat zones, by wells in the
11 area. Our No. 1 Well that was abandoned made two point five
12 two billion and south of us, that Western Natural No. 6 which
13 is now Arco produced four point one billion and it is producing
14 a hundred billion a year right now. The 1976 production shows
15 there as a hundred thousand nine hundred and seventy-eight
16 MCF which is a little less than ten million a month.

17 Due west of us, well, northwest of us, there is a
18 McCasselin 1-B in the southwest quarter of 25 that has a
19 cumulative of five point one seven billion and it in 1976
20 produced eighty-five million, it produced eighty-five million
21 feet of gas which is six or seven million a month.

22 So to the south of us it's producing less than ten
23 million a month and to the northwest of us it is producing
24 somewhere around six million a month and we are sort of in
25 between. Hopefully we think we will make ten or twelve

1 million a month at the outset and it will probably drop to
2 five million a month if we make a fair well.

3 Q Would an orthodox location be economically feasible?

4 A There is no way that an orthodox well would be
5 drilled and be feasible. We would not contemplate drilling
6 any other location at all.

7 Q So in order to recover the gas underneath your
8 location, underneath your lease, an unorthodox location would
9 be necessary or the gas would be lost?

10 A Right. If we don't drill it then there will be no
11 more activity on that hundred and sixty. It is held by
12 production elsewhere but there will be no production on that
13 hundred and sixty.

14 Q And the result would be waste?

15 A Waste, yes, sir.

16 Q Were Exhibits One through Four prepared by you or
17 under your direct supervision?

18 A Yes, sir.

19 MR. CHRISTY: That's all from the applicant.

20

21

CROSS EXAMINATION

22 BY MR. STAMETS:

23 Q Mr. Lampert, that hundred and sixty acre proration
24 unit would be non-standard for the Jalmat Gas Pool, I believe.
25 Was this unit approved by a previous Commission order?

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1 A The original No. 1 Well?

2 Q Yes.

3 A Mr. Stamets, I assume so. It was drilled before I
4 went to work for Dalport. I think it was drilled in either
5 '52 or '53 and I don't know the history of that location but
6 I would assume it was approved by the Commission at that time.

7 (THEREUPON, a discussion was held
8 off the record.)

9 Q (Mr. Stamets continuing.) What kind of mechanical
10 problems did you have with Well No. 1?

11 A It was an open-hole completion like most of those
12 other wells and we never could clean it out. We had casing at
13 about thirty-one hundred and every time we would run in there
14 with tubing the hole would cave. We cleaned it out one time
15 and then we put some acid on it and the hole just caved in on
16 us and we tried on several occasions and we just couldn't
17 do anything with it so we just had to abandon it.

18 MR. STAMETS: Any other questions of the witness?

19 He may be excused.

20 (THEREUPON, the witness was excused.)

21 MR. CHRISTY: We would offer in evidence Exhibits
22 One through Four and that's all the applicant has.

23 MR. STAMETS: I would point out for the record that
24 it will be necessary to make a determination of the approval
25 of the non-standard unit, being the southeast quarter of

1 Section 25 before an order can be issued in this case.

2 MR. CHRISTY: We will endeavor to find it and submit
3 it to the Examiner.

4 MR. STAMETS: Thank you. We will take the case
5 under advisement.

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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
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. 5888
heard by me on 5-25, 19 77.
Richard K. Starn, Examiner
New Mexico Oil Conservation Commission

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. 5888
Order No. R-5437

APPLICATION OF DALPORT OIL CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of June, 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, Dalport Oil Corporation, seeks
approval of an unorthodox gas well location for its A. L.
Christmas Well No. 3 to be drilled 330 feet from the South
line and 2310 feet from the East line of Section 25, Township
22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County,
New Mexico.

(3) That the SE/4 of said Section 25 is to be dedicated
to the well.

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

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

(6) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable
share of the gas in the subject pool, will prevent the economic
loss caused by the drilling of unnecessary wells, avoid the
augmentation of risk arising from the drilling of an excessive
number of wells, and will otherwise prevent waste and protect
correlative rights.

-2-

Case No. 5888
Order No. R-5437

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location is hereby approved for applicant's A. L. Christmas Well No. 3 to be drilled at a point 330 feet from the South line and 2310 feet from the East line of Section 25, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That the SE/4 of said Section 25 shall be dedicated to the above-described well.

(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

PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 20, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Dalport Oil Corporation) CASE
for an unorthodox gas well location,) 5888
Lea County, New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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

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

1 MR. STAMETS: The hearing will please come to
2 order. At this time we will call Case 5888.

3 MS. TESCHENDORF: Case 5888, application of Dalport
4 Oil Corporation for an unorthodox gas well location, Lea County
5 New Mexico.

6 The applicant in the case has requested that the
7 case be continued to the May 25th Examiner Hearing.


8 MR. STAMETS: Case 5888 will be continued until
9 May 25th.

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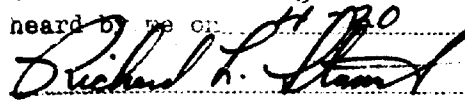
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REPORTER'S CERTIFICATE

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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. 5888,
heard by me on 4-17-77, 1977.
, Examiner
New Mexico Oil Conservation Commission

15

14

13

EXHIBIT # 1

36E

LEASE OWNERSHIP

JALMAT GAS FIELD

22S - 36E

22

23

24

22S

(Marathon)

Arco

Box 1610, Midland

•24

•27

•31

•24-WN

•21

•33

27

26

25

(Shell)

•2 McGrath

•3

•5

*1-B

W. Natur.
#8D. McCosland
Box 206, Eunice, NM

Dalport

•2-B

•4

*1 LOCATION

"Christmas-B"

A. L. Christmas

(Marathon)

ARCO

(W. Natur.)

•18

*5

•12

*6

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
EXHIBIT NO. 1

CASE NO.

5932

Submitted by

Hearing Date

5/25/77

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35

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all ..

•16

State - McDonald

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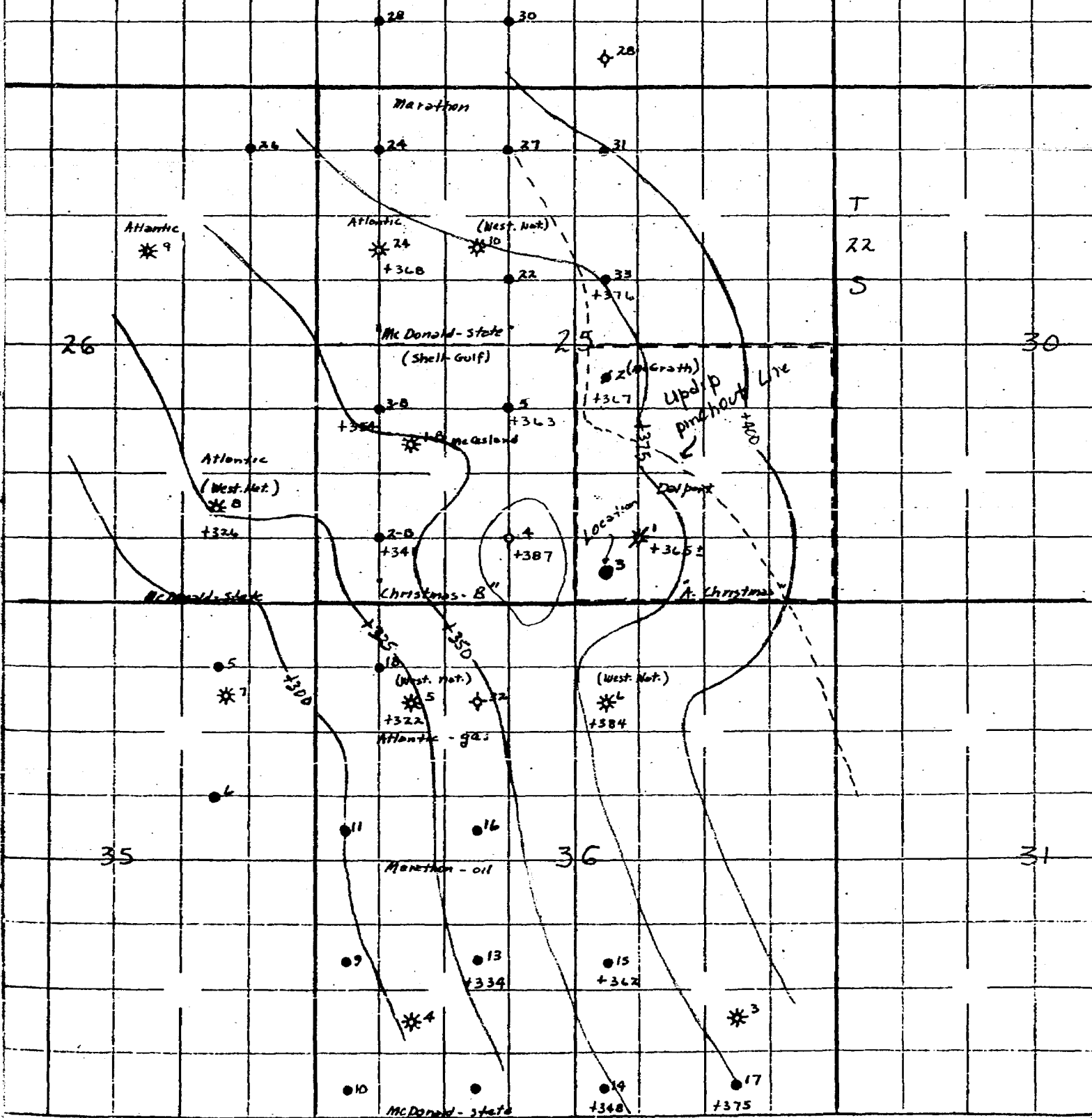
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•15

37 E

LEGEND  Yates Gas Well

Hearing Date



COUNTY

STATE

36 E

37 E

JATMAT GAS AREA

ISOPACH MAP Yates Under Porosity

D. I. 10'

SCALE 1" = 1 mile

LEGEND * Yates Gas Well

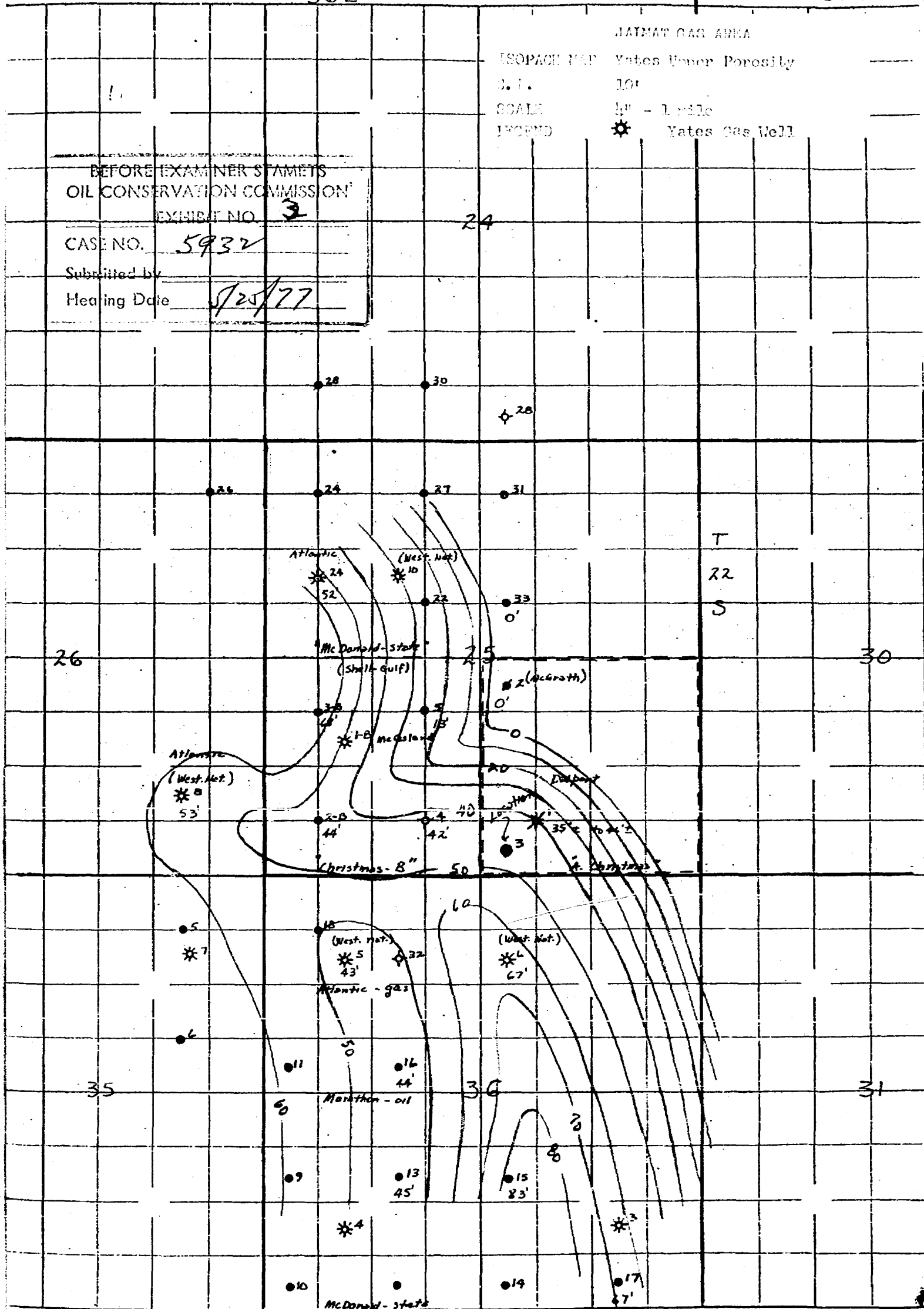
BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 3

CASE NO. 5932

Submitted by

Hearing Date 1/25/77



COUNTY

36 E

ACCUMULATIVE PRODUCTION to 1-1-77
(Billion cu. ft. gas)

37 E

1976 PRODUCTION - MCF

BEFORE EXAMINER STATES
OIL CONSERVATION COMMISSION

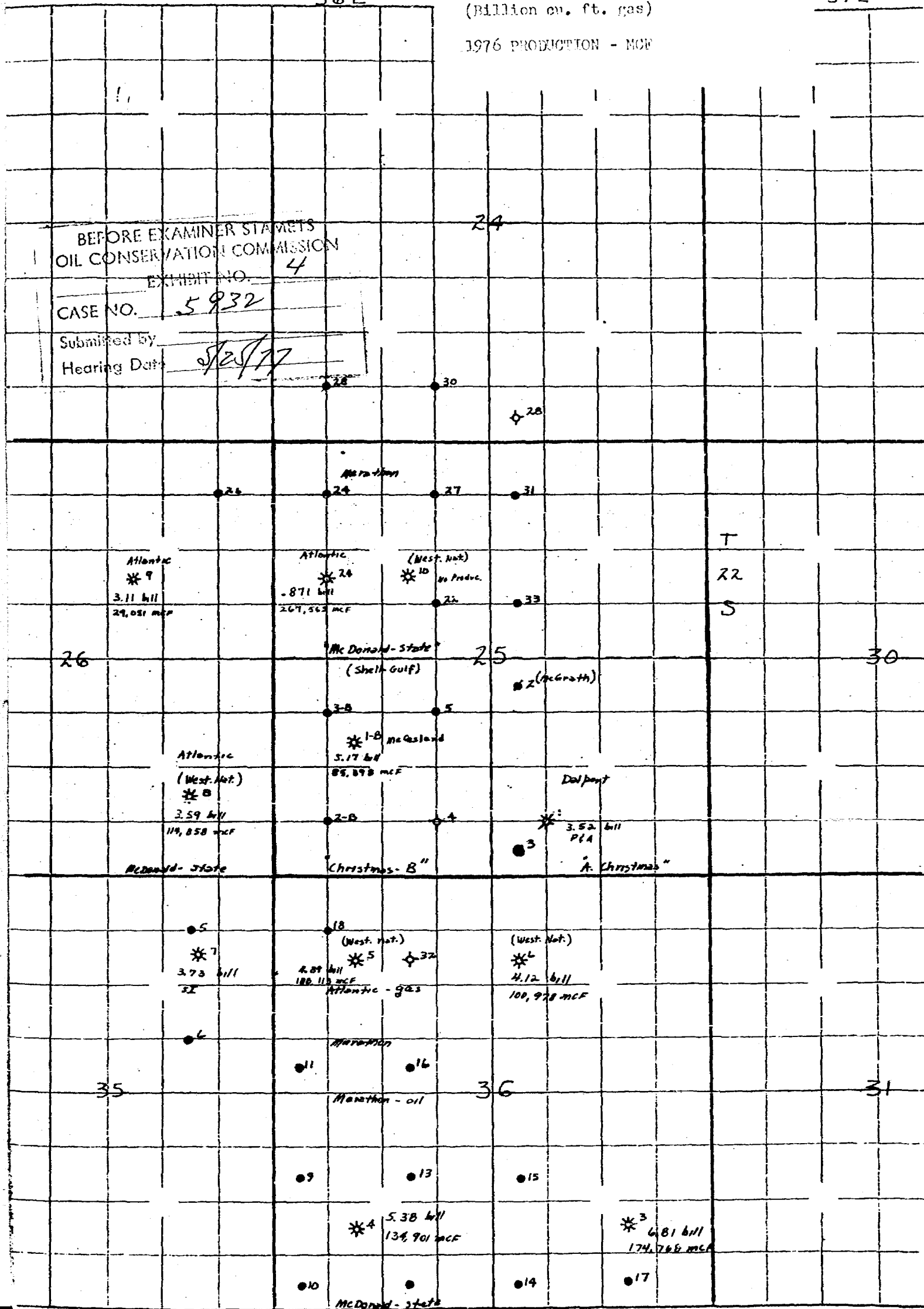
EXHIBIT NO. 4

CASE NO. 5932

Submitted by

Hearing Date

5/25/77



Dockets Nos. 18-77 and 21-77 are tentatively set for hearing on June 8 and June 22, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 25, 1977

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

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

- CASE 5925: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the NW/4 of Section 5, Township 31 North, Range 10 West, San Juan 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 5926: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SE/4 of Section 6, Township 31 North, Range 10 West, San Juan 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 5927: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the NW/4 of Section 4, Township 31 North, Range 10 West, San Juan 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 5928: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the NE/4 of Section 6, Township 31 North, Range 10 West, San Juan 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 5929: Application of Dome Petroleum Corporation for assignment of a discovery allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of approximately 28,020 barrels of oil discovery allowable to its Santa Fe and Pacific Railroad Well No. 20-1 located in Unit G of Section 20, Township 21 North, Range 8 West, San Juan County, New Mexico, being the discovery well for the Snake Eyes-Entrada Pool in said Section 20.
- CASE 5930: Application of Morris R. Antweil 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 E/2 of Section 10, 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 5931: Application of Morris R. Antweil 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 N/2 of Section 29, Township 18 South, Range 25 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 5932: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 19, Township 20 South, Range 25 East, Eddy County, New Mexico, to be dedicated to it's Moore "FQ" Well No. 1 located in Unit F of said Section 19. 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 5933: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 15, Township 17 South, Range 26 East, Eddy County, New Mexico, to be dedicated to it's Hunter "FL" Well No. 1 located in Unit F of said Section 15. 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 5934: Application of HNG Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its El Paso Federal 29 Well No. 1 to be located 2427 feet from the North line and 904 feet from the West line of Section 29, Township 24 South, Range 27 East, Eddy County, New Mexico, the W/2 of said Section 29 to be dedicated to the well.
- CASE 5935: Application of Union Texas Petroleum for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the E/2 W/2 and W/2 E/2 of Section 7, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's Britt Well Nos. 3 and 12 located at unorthodox locations in Units G and C of said Section 7, respectively.
- CASE 5936: Application of El Paso Natural Gas Company for a dual completion and an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its San Juan 27-4 Unit Well No. 109 to be located at an unorthodox location 990 feet from the South line and 1840 feet from the East line of Section 23, Township 27 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Tapacito-Pictured Cliffs and Blanco-Mesaverde Pools.
- CASE 5937: Application of Sun Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Lusk-Morrow, East Lusk-Wolfeamp and East Lusk-Bone Springs production in the wellbore of its Shearn Federal Well No. 1, located in Unit L of Section 15, Township 19 South, Range 32 East, Lea County, New Mexico.
- CASE 5938: Application of V-F Petroleum, Inc., for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Landreth State Well No. 1 to be drilled 330 feet from the South line and 1100 feet from the West line of Section 15, Township 10 South, Range 36 East, South Crossroads-Devonian Pool, Lea County, New Mexico, the S/2 SW/4 of said Section 15 to be dedicated to the well.
- CASE 5939: Application of C&K Petroleum, Inc., for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 7, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to it's Carlsbad Well No. 7 to be located at an unorthodox location 760 feet from the South line and 690 feet from the West line of said Section 7. 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 5940: Application of C&K Petroleum, Inc., for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 6, Township 19 South, Range 32 East, Lea County, New Mexico, to be dedicated to it's Federal Well No. 6 to be located at an unorthodox location 600 feet from the South line and 2012 feet from the West line of said Section 6. 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 5888: (Continued from April 20, 1977 Examiner Hearing)

Application of Dalport Oil Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its A. L. Christmas Well No. 3 to be drilled 330 feet from the South line and 2310 feet from the East line of Section 25, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

CASE 5910: (Continued from April 20, 1977 Examiner Hearing)

Application of Yates Petroleum Corporation for gas pool creations and downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of three Pennsylvanian gas pools in Townships 17 and 18 South, Ranges 24, 25, and 26 East, Eddy County, New Mexico, including the Richard Knob- and East Eagle Creek-Lower Penn Gas Pools with provisions in each for commingling Strawn, Atoka, and Morrow production in the wellbores of wells drilled therein, and the Eagle Creek Permo-Penn Gas Pool with provision for commingling Wolfcamp, Cisco, Canyon, and Strawn production in the wellbores of wells drilled therein.

CASE 5915: (Continued from May 11, 1977 Examiner Hearing)

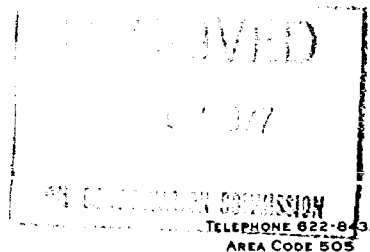
Application of C. W. Trainer for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of his Boyd Well No. 1, the surface location of which would be 830 feet from the South line and 2130 feet from the West line of Section 13, Township 20 South, Range 32 East, Lea County, New Mexico. Applicant proposes to vertically drill said well to a depth of from 5100 feet to 7900 feet and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East. The N/2 of said Section 24 would be dedicated to the well.

CASE 5917: (Continued from May 11, 1977 Examiner Hearing)

Application of Hanagan Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Round Mountain Well No. 1, to be located 2310 feet from the North line and 660 feet from the East line of Section 34, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, all of said Section 34 to be dedicated to the well.

JAMES T. JENNINGS
SIM B. CHRISTY IV
BRIAN W. COPPLE

LAW OFFICES OF
JENNINGS, CHRISTY & COPPLE
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201



May 16, 1977

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Richard L. Stamets, Examiner

Re: Dalport Application for
Unorthodox Well Location
NMOCC Case 5888

Dear Mr. Stamets:

The captioned case has been set before you for Examiner hearing in Santa Fe on May 25, 1977 at 9:00 A.M. It is the 17th case on the docket, and I would appreciate your advice as to whether or not Dalport and its attorneys may be excused from the hearing until approximately 1:30 P.M. This would be helpful in travel arrangements.

Respectfully,

JENNINGS, CHRISTY & COPPLE

By

[Signature]
S. B. Christy IV

SBC:pv

cc: Mr. Leon M. Lampert

*Call Sam
He is to call
Tuesday the 24th
by 8:00*

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 23, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Dalport Oil Corporation) CASE
for an unorthodox gas well location,) 5888
Lea County, New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	Lynn Teschendorf, Esq.
Conservation Commission:	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 5888.

2 MS. TESCHENDORF: Case 5888, application of Dalport
3 Oil Corporation for an unorthodox gas well location, Lea County,
4 New Mexico.

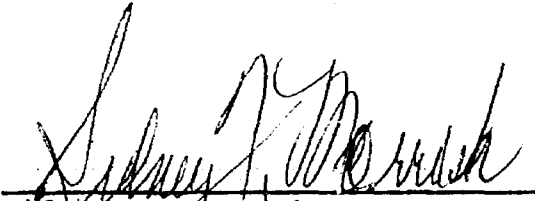
5 The applicant in this case requests that the Commission
6 continue the case to the April 20th Examiner Hearing.

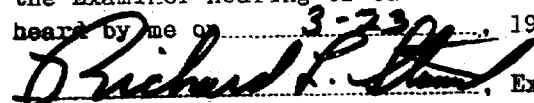
7 MR. STAMETS: Case 5888 will be so continued.
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old morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, San Juan, P.R., New Mexico 87501
Phone (505) 912-9212

REPORTER'S CERTIFICATE

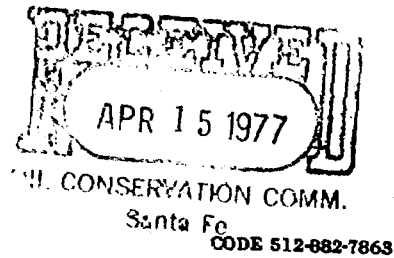
I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5888
heard by me on 3-23, 1977
, Examiner
New Mexico Oil Conservation Commission

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

DALPORT OIL CORPORATION
1134 THE 600 BUILDING
CORPUS CHRISTI, TEXAS 78401



April 12, 1977

NMOCC
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Unorthodox Well Location
OCC Case 5988

Dear Sirs:

The above case is scheduled for Examiner Hearing on April 20, 1977. Please continue this case and place it on your May 18, 1977 docket.

Thank you for your kind attention to this matter.

Very truly yours,

Leon M. Lampert
Leon M. Lampert

LML:chw

cc: Mr. Sim Christy IV
P. O. Box 1180
Roswell, New Mexico 88201

622-8432

*11
25-14*

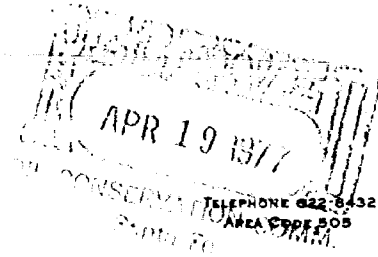
*Sim Christy
wants continuance
to May 25th*

4/18/77

JAMES T. JENNINGS
SIR B. CHRISTY II
BRIAN W. COPPLE

LAW OFFICES OF
JENNINGS, CHRISTY & COPPLE
1012 SECURITY NATIONAL BANK BUILDING
P. O. BOX 1180
ROSWELL, NEW MEXICO 88201

April 18, 1977



New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Diane Richardson

Re: Case 5888

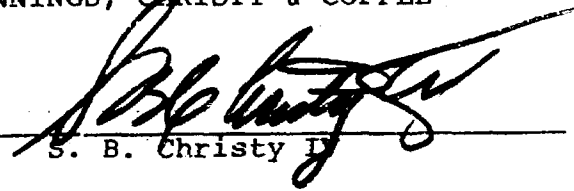
Gentlemen:

This will confirm our telephone conversation of this date wherein we requested that the captioned case be continued until the May 25 hearing.

Respectfully,

JENNINGS, CHRISTY & COPPLE

By


S. B. Christy II

SBC:pv

cc: Dalport Oil Corporation (Corpus Christi)
cc: Dalport Oil Corporation (Dallas)

Case 5888
DALPORT OIL CORPORATION
1134 THE 600 BUILDING
CORPUS CHRISTI, TEXAS 78401

February 24, 1977

CODE 512-882-7863

ARCO
P. O. Box 1610
Midland, Texas 79701

Re: Unorthodox location, #3 A. L.
Christmas, 2310' FE & 330' FSL,
Sec. 25, 22S-36E, Lea County,
New Mexico

Gentlemen:

Dalport is planning to drill the above well in the Jalmat Gas Field on a 160 acre gas unit. If you have no objection to the location, please sign the following waiver and send to NMOCC, P. O. Box 2088, Santa Fe, New Mexico 87501.

Thank you for your kind attention to this matter.

Very truly yours,

Leon M. Lampert
Leon M. Lampert

NMOCC
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

We have no objection to the above unorthodox location.

Very truly yours,

ARCO

By *J. J. Tweed*

Dockets Nos. 15-77 and 16-77 are tentatively set for hearing on May 11 and May 25, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 20, 1977

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for May, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for May, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5872: (Reopened)

In the matter of Case 5872 being reopened pursuant to the provisions of Order No. R-5373 which order suspended Rules 15(A) and 15(B) of the General Rules for Prorated Gas Pools as promulgated by Order No. R-1670, as amended, to permit overproduced wells to continue to produce gas during the present severe weather conditions without danger of being shut in for overproduction. All interested parties may appear and show cause why said suspension should not be rescinded. Also to be considered will be the matter of final disposition of overproduction accrued during the period of suspension of Rules 15(A) and 15(B), and what, if any, special consideration should be given to underproduction accrued to gas wells during the period of suspension of said rules.

CASE 5888: (Continued from March 23, 1977, Examiner Hearing)

Application of Dalport Oil Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its A. L. Christmas Well No. 3 to be drilled 330 feet from the South line and 2310 feet from the East line of Section 25, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

CASE 5901: Application of Gulf Oil Corporation for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 400-acre non-standard gas proration unit comprising the SE/4 of Section 8, and the E/2 NW/4 and NE/4 of Section 17, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's Theodore Anderson Wells Nos. 1 and 4, located at unorthodox locations in Unit O of said Section 8 and Unit B of said Section 17, respectively.

CASE 5902: Application of Amoco Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Apple Draw Unit Area comprising 3840 acres, more or less, of Federal, State, and Fee lands in Township 25 South, Range 27 East, Eddy County, New Mexico.

CASE 5903: Application of Maddox Energy Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a gas well to be drilled at a point 2310 feet from the South line and 1650 feet from the West line of Section 9, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico.

CASE 5639: (Reopened)

In the matter of Case 5639 being reopened pursuant to the provisions of Order No. R-5173, which order established temporary special pool rules for the South Maljamar-Strawn Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 5904: (This Case will be continued to the May 11, 1977, Examiner Hearing)

Application of Palmer Oil & Gas Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Fruitland and Pictured Cliffs formations underlying the NE/4 and/or SE/4 of Section 20, Township 32 North, Range 6 West, San Juan County, New Mexico, and in the Mesaverde and Dakota formations underlying the E/2 of said Section 20, the above-described lands 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 5629: (Reopened)

In the matter of Case 5629 being reopened pursuant to the provisions of Order No. R-5192, which order established temporary special pool rules for the Chacon-Dakota Oil Pool, Rio Arriba and Sandoval Counties, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 5889: (Continued & Readvertised)

Application of Saturn Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Abo formation underlying the NE/4 SE/4 of Section 11, Township 23 South, Range 37 East, Lea County, New Mexico, to be dedicated to its Lineberry Well No. 1 located in Unit I of said Section; and underlying the NW/4 SE/4 of said Section 11 to be dedicated to its Lineberry Well No. 2 located in Unit J of said Section. In the event re-entry into either well is unsuccessful, applicant proposes to drill a replacement well at a standard location on its tracts. Also to be considered will be the costs of recompletion or drilling and completing said wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in recompletion or drilling of said wells.

DALPORT OIL CORPORATION
1134 THE 600 BUILDING
CORPUS CHRISTI, TEXAS 78401

MAR 21 1977

March 14, 1977

CODE 512-882-7863

NMOCC
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Case #5882 5888
Unorthodox Location
A. L. Christmas #3
Jalmat Gas Pool

Dear Sirs:

The above case is scheduled to be heard on Docket 9-77,
March 23, 1977. Please continue said case and place it
on your April 20, 1977 docket.

Very truly yours,

LML:chw


Leon M. Lampert

cc: Mr. Sim Christy, IV
P. O. Box 1180
Roswell, New Mexico 88201

Dockets Nos. 11-77 and 12-77 are tentatively set for hearing on April 6 and April 20, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 23, 1977

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

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

- CASE 5882: Application of Amoco Production Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of a special gas-oil ratio limit of 6000 cubic feet of gas per barrel of oil for the South Empire Wolfcamp Pool, Eddy County, New Mexico.
- CASE 5883: Application of Am-Bett Oil Company, Inc. for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purposes of treating and reclaiming sediment oil at a site in the SE/4 NW/4 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 5884: Application of BCO, Inc., for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Greenhorn, Graneros, and Dakota production in the wellbore of its Dunn Well No. 1 located in Unit M of Section 10, Township 23 North, Range 7 West, Rio Arriba County, New Mexico.
- CASE 5885: Application of Continental Oil Company for amendment of Order No. R-5315, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5315 to permit the dedication of a previously approved 320-acre proration unit comprising the W/2 of Section 31, Township 22 South, Range 31 East, Los Medanos Field, Eddy County, New Mexico, to a well to be drilled at a standard location in Unit E of said Section 31, rather than in Unit L as previously approved.
- CASE 5886: Application of Continental Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled at a point 1980 feet from the North line and 660 feet from the West line of Section 31, Township 22 South, Range 31 East, Los Medanos Field, Eddy County, New Mexico, the N/2 of said Section 31 to be dedicated to the well.
- CASE 5887: Application of Gas Company of New Mexico for suspension of Rules 14(a) and 15(a) of the gas proration rules, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks suspension for a period of one year from April 1, 1977, of those provisions of Rules 14(a) and 15(a) of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, that provide for the cancellation of underproduction and the shutting-in of overproduced wells, as applied to the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico.
- CASE 5888: Application of Dalport Oil Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its A. L. Christmas Well No. 3 to be drilled 330 feet from the South line and 2310 feet from the East line of Section 25, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.
- CASE 5889: Application of Saturn Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Blinberry formation underlying the NE/4 SE/4 of Section 11, Township 23 South, Range 37 East, Lea County, New Mexico, to be dedicated to its Lineberry Well No. 1 located in Unit I of said Section; and underlying the NW/4 SE/4 of said Section 11 to be dedicated to its Lineberry Well No. 2 located in Unit J of said Section. In the event re-entry into either well is unsuccessful, applicant proposes to drill a replacement well at a standard location on its tracts. Also to be considered will be the costs of recompletion or drilling and completing said wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in recompletion or drilling of said wells.
- CASE 5890: Application of James C. Whitten for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the re-entry of a well at an unorthodox location 1980 feet from the South line and 660 feet from the East line of Section 14, Township 20 South, Range 34 East, Lea Devonian Pool, Lea County, New Mexico. If said re-entry is unsuccessful, applicant proposes to drill a new well at an unorthodox location 2030 feet from the South line and 660 feet from the East line of said Section 14.

CASE 5891: Application of Sam H. Snoddy for directional drilling and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of two 13,500 foot Morrow test wells from a single drilling site in the extreme Northwest five acres of the NW/4 SE/4 of Section 25, Township 20 South, Range 32 East, Potash-Oil Area, Lea County, New Mexico. Applicant proposes to vertically drill each of said wells to a depth of approximately 3000 feet and to then directionally drill one well in a Northeasterly direction bottoming said well in the approximate center of the NE/4 of said Section 25, and to then directionally drill the other well in a Southwesterly direction, bottoming said well in the approximate center of the SW/4 of said Section 25. Applicant would dedicate the N/2 to the first of the aforesaid wells, and would dedicate a non-standard 160-acre unit comprising the SW/4 of said Section 25 to the second.

CASE 5820: (Continued from March 9, 1977, Examiner Hearing)

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 5892: Southeastern New Mexico nomenclature case calling for the creation and extension of certain pools in Eddy and Lea Counties, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the East Burton Flat-Atoka Gas Pool. The discovery well is the J. C. Williamson & D. W. Underwood et al Williamson Federal Well No. 1 located in Unit J of Section 9, Township 20 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 9: E/2

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the North Eidson-Morrow Gas Pool. The discovery well is the Sabine Production Company North Eidson Fee Well No. 1 located in Unit M of Section 34, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 34: W/2

(c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Forehand Ranch Delaware Pool. The discovery well is the Husky Oil Company of Delaware Forehand Well No. 2 located in Unit K of Section 15, Township 23 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 15: SW/4

(d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Grayburg-Strawn Gas Pool. The discovery well is the Amoco Production Company Empire South Deep Unit Gas Com Well No. 8 located in Unit L of Section 33, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 33: S/2

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Indian Flats-Morrow Gas Pool. The discovery well is the Perry R. Bass Big Eddy Unit Well No. 41 located in Unit J of Section 35, Township 21 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 35: E/2

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the South Maroon Cliffs-Morrow Gas Pool. The discovery well is the Perry R. Bass Big Eddy Unit Well No. 44 located in Unit H of Section 16, Township 21 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 30 EAST, NMPM
Section 16: E/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Quahada Ridge-Atoka Gas Pool. The discovery well is the Perry R. Bass Big Eddy Unit Well No. 40 located in Unit G of Section 22, Township 21 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 22: N/2

(h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the East Red Tank-Morrow Gas Pool. The discovery well is the Gulf Oil Corporation Covington "A" Federal Well No. 1 located in Unit C of Section 25, Township 22 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 25: N/2

(i) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the South Rock Tank-Morrow Gas Pool. The discovery well is the Amoco Production Company South Rock Tank Well No. 1 located in Unit H of Section 2, Township 24 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 2: N/2

(j) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Trinity-Wolfcamp Pool. The discovery well is the Wainoso, Inc. Hodge et al Well No. 1 located in Unit P of Section 28, Township 12 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM
Section 28: SE/4

(k) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 30: NE/4

(l) EXTEND the South Bell Lake-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 31: S/2
Section 32: W/2

(m) EXTEND the South Bell Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 36: NE/4

(n) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 21: SW/4
Section 28: NW/4

(o) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 36: S/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 28: S/2
Section 31: S/2
Section 32: S/2
Section 33: All
Section 34: N/2
Section 35: N/2

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 1: All

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 6: Lots 1, 2, 7, 8, 9, 10, 15 & 16

(p) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 13: SE/4

(q) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 5: S/2

(r) EXTEND the Indian Draw-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 7: S/2 SW/4
Section 18: N/2 NE/4

(s) EXTEND the South Loco Hills-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 29: All

(t) EXTEND the Red Lake Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 22: S/2 NE/4
Section 23: S/2 SE/4 and SW/4 NW/4

(u) EXTEND the North Teague-Devonian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 22: SE/4

(v) EXTEND the North Vacuum-Alto Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 2: NW/4

(w) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 21: S/2

(x) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 15: All
Section 28: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 2: All

Docket No. 10-77

Dockets Nos. 11-77 and 12-77 are tentatively set for hearing on April 6 and April 20, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING WEDNESDAY MARCH 23, 1977

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

CASE 5893: Application of the Oil Conservation Commission on its own motion for a redefinition of the vertical limits of the Blanco-Mesaverde Pool, Rio Arriba and San Juan Counties, New Mexico, to include the interval from the Huerfanito bentonite marker to a point 500 feet below the top of the Point Lookout sandstone, except that South and West of a Northwest-Southeast line generally running from the Northwest corner of Township 31 North, Range 13 West, to the Southwest corner of Township 24 North, Range 1 East, the vertical limits would include only the interval from a point 750 feet below the Huerfanito bentonite marker to 500 feet below the top of the Point Lookout sandstone.

CASE 5821: (DE NOVO)

Application of Blackwood & Nichols Co., Ltd., for a hearing de novo, San Juan County, New Mexico. Upon petition of applicant in the above-styled cause and pursuant to the provisions of Rule 1220, Paragraphs (i) and (j) of Case No. 5821 will be heard de novo for the purpose of considering the nullification of Paragraphs (i) and (j) of Order No. R-5339 which created and defined the Navajo City-Chacra Pool in Township 30 North, Range 8 West, and the Animas-Chacra Pool in Township 31 North, Range 10 West, both in San Juan County, New Mexico.

Case
SPPJ

DALPORT OIL CORPORATION
1134 THE 600 BUILDING
CORPUS CHRISTI, TEXAS 78401

February 24, 1977

CODE 512-682-7868

Mr. D. McCasland
P. O. Box 206
Eunice, New Mexico

Re: Unorthodox location, #3 A. L.
Christmas, 2310' FE & 330' FSL,
Sec. 25, 22S-36E, Lea County,
New Mexico

Dear Sir:

Dalport is planning to drill the above well in the Jalmat Gas Field on a 160 acre gas unit. If you have no objection to the location, please sign the following waiver and send to NMOCC, P. O. Box 2088, Santa Fe, New Mexico 87501.

Thank you for your kind attention to this matter.

Very truly yours,


Leon M. Lampert

NMOCC
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

We have no objection to the above unorthodox location.

Very truly yours,


D. McCasland

Case 5888

DALPORT OIL CORPORATION
1134 THE 600 BUILDING
CORPUS CHRISTI, TEXAS 78401

February 24, 1977

CODE 512-682-7863

Set for hearing

NMOCC
P. O. Box 2088
Santa Fe, New Mexico 87521

Re: Request for Unorthodox Location,
Jalmat Gas Field, Lea County,
New Mexico

Dear Sir:

Dalport is planning to drill the #3 A. L. Christmas, 2310' FEL, 330' FSL, Sec. 25, 22S-36E, on a 160 acre gas unit comprising the SE 1/4 of Sec. 25. This well will replace our #1 A. L. Christmas, 660' FS & 1980' FEL, Sec. 25, which has been abandoned.

In accordance with Rule 104-F, we respectfully request administrative approval of this location.

Enclosed are three copies of C-102 and area plat, as well as certified mail receipts showing notification of offsetting operators, Arco and D. McCasland.

Very truly yours,

Leon M. Lampert
Leon M. Lampert

cc: Mr. D. McCasland
P. O. Box 206
Eunice, New Mexico

ARCO
P. O. Box 1610
Midland, Texas 79701

Exxon Company, U.S.A.
1700 W. Broadway
Andrews, Texas

MAR - 2 1977

No. 222581

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO Mr. D. McCasland		POSTMARK OR DATE 2-24-77
STREET AND NO. P. O. Box 206		
P.O., STATE AND ZIP CODE Eunice, New Mexico		
OPTIONAL SERVICES FOR ADDITIONAL FEES		
RETURN	1. Shows to whom and date delivered	15¢
RECEIPT	With delivery to addressee only	65¢
SERVICES	2. Shows to whom, date and where delivered ..	35¢
	With delivery to addressee only	85¢
DELIVER TO ADDRESSEE ONLY		50¢
SPECIAL DELIVERY (extra fee required)		

PS Form 3800 NO INSURANCE COVERAGE PROVIDED— (See other side)
 Apr. 1971 NOT FOR INTERNATIONAL MAIL * GPO : 1972 O - 480-743

No. 222579

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO Exxon Company, U.S.A.		POSTMARK OR DATE 2-24-77
STREET AND NO. 1700 W. Broadway		
P.O., STATE AND ZIP CODE Andrews, Texas		
OPTIONAL SERVICES FOR ADDITIONAL FEES		
RETURN	1. Shows to whom and date delivered	15¢
RECEIPT	With delivery to addressee only	65¢
SERVICES	2. Shows to whom, date and where delivered ..	35¢
	With delivery to addressee only	85¢
DELIVER TO ADDRESSEE ONLY		50¢
SPECIAL DELIVERY (extra fee required)		

PS Form 3800 NO INSURANCE COVERAGE PROVIDED— (See other side)
 Apr. 1971 NOT FOR INTERNATIONAL MAIL * GPO : 1972 O - 480-743

No. 222580

RECEIPT FOR CERTIFIED MAIL—30¢ (plus postage)

SENT TO ARCO		POSTMARK OR DATE 2-24-77
STREET AND NO. P. O. Box 1610		
P.O., STATE AND ZIP CODE Midland, Texas 79701		
OPTIONAL SERVICES FOR ADDITIONAL FEES		
RETURN	1. Shows to whom and date delivered	15¢
RECEIPT	With delivery to addressee only	65¢
SERVICES	2. Shows to whom, date and where delivered ..	35¢
	With delivery to addressee only	85¢
DELIVER TO ADDRESSEE ONLY		50¢
SPECIAL DELIVERY (extra fee required)		

PS Form 3800 NO INSURANCE COVERAGE PROVIDED— (See other side)
 Apr. 1971 NOT FOR INTERNATIONAL MAIL * GPO : 1972 O - 480-743

15

14

36E

13

(Line 5000)

LEASE OWNERSHIP
JALPAT GAS FIELD
22S - 36E

22

23

24

22S

(Marathon)

Arco

Box 1610, Midland

•24

•27

•31

•24-WN

•21

•33

26

(Shell)

25

•2 McGrath

•3

•5

*1-B

W. natural

•8

D. McCasland
Box 206, Eunice, NM

•2-B

•4

"Christmas-B"

* LOCATION

•3

A. Christmas

(Marathon)

Arco

(W. natural)

•18

*5

•32

*6

34

35

36

•11

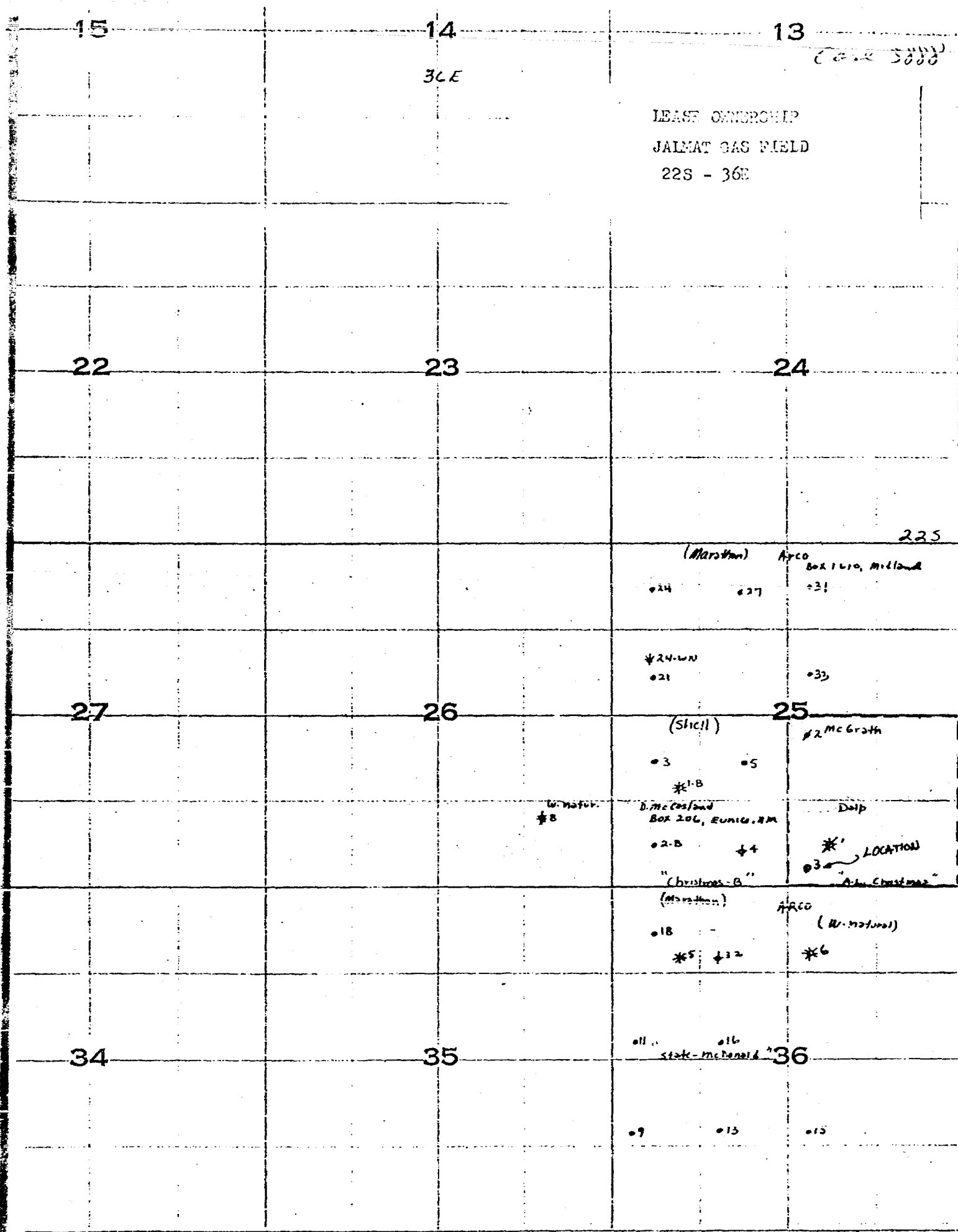
state-McDonald

•16

•9

•13

•15



15

14

13

36E

225

LEASE OWNERSHIP
JALMAT GAS FIELD
22S - 36E

22

23

24

225

(Marathon)

Arco

Box 1410, Midland

24

27

31

24-WN

21

33

27

26

25

(Shell)

2 McGrath

3

5

*1-B

w. natural
#8

D. McCasland
Box 206, Eunice, NM

Delp

2-B

4

* LOCATION
3

"Christmas-B"

Arco Christmas

(Marathon)

Arco

(w. natural)

18

*5

12

*6

34

35

36

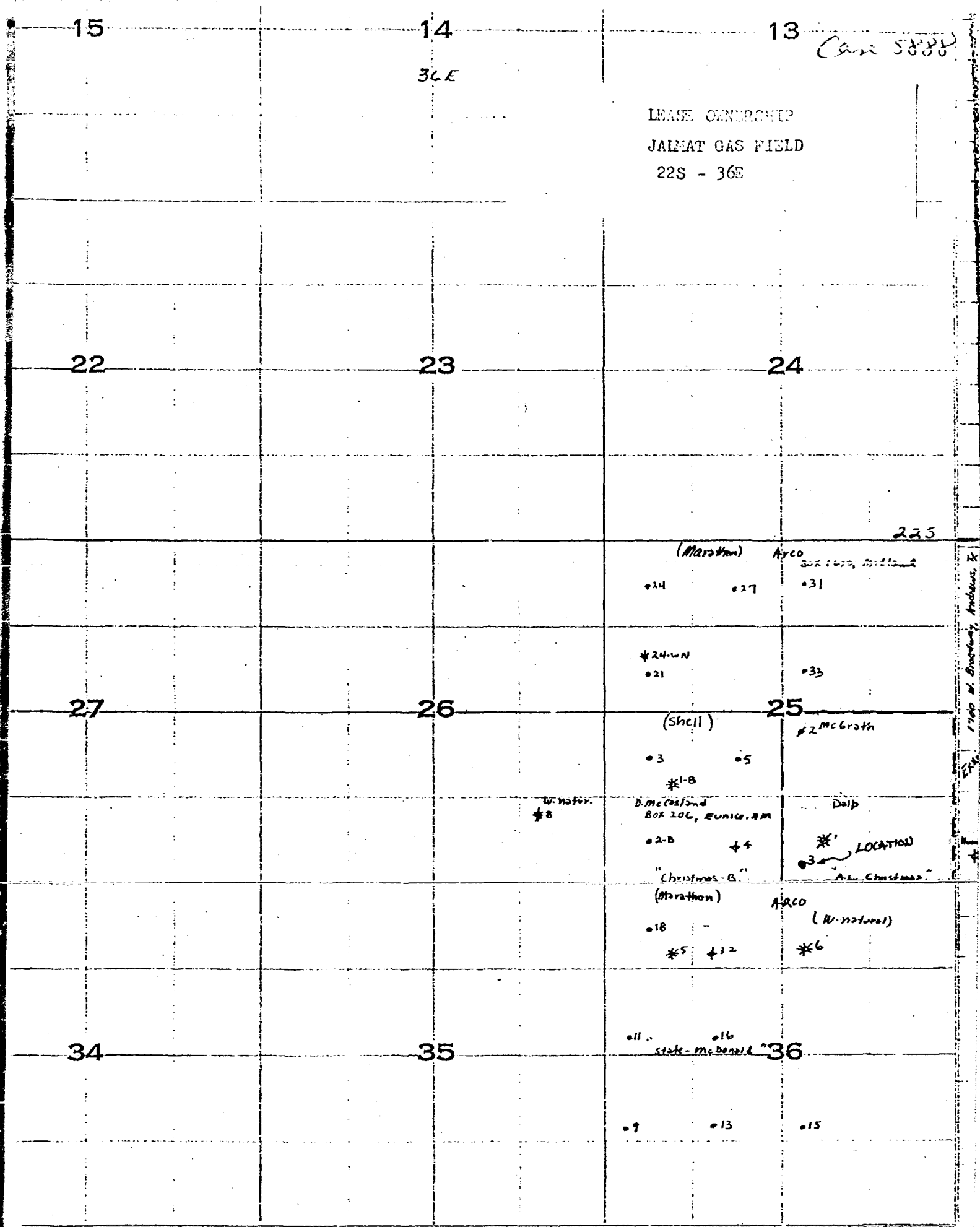
all state-mcdonald

9

13

15

1700 W. Broadway, Andrews, TX
E. 100
J. 100



Case 5888

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Superseded C-12R
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator DALPORT OIL CORPORATION			Lease A. L. Christmas		Well No. 3
Unit Letter 0	Section 25	Township 22 South	Range 36 East	County Lea	
Actual Footage Location of Well:					
330	feet from the	south	line and	2310	feet from the
Ground Level Elev. 3423.6		Producing Formation Yates		Pool Jalnet Gas	Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Leon M. Lampert
Name
Leon M. Lampert

Position
Geologist

Company
Dalport Oil Corp.

Date
2-1-77

John W. West
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Jan. 27, 1977

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **676**

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Case 5888

Form 1-1962
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Owner DALPORT OIL CORPORATION			Lease A. L. Christmas		Well No. 3
Tract Letter 0	Section 25	Township 22 South	Range 36 East	County Lea	
Actual Well Location of Well:					
330 feet from the south line and		2310 feet from the east line			
Ground Level Elev. 3423.6	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage: 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Leon M. Lampert

Name
Leon M. Lampert

Position
Geologist

Company
Dalport Oil Corp.

Date
2-1-77

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Jan. 27, 1977

Registered Professional Engineer and Land Surveyor

John W. West

Certificate No. **676**

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Case 5888

Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

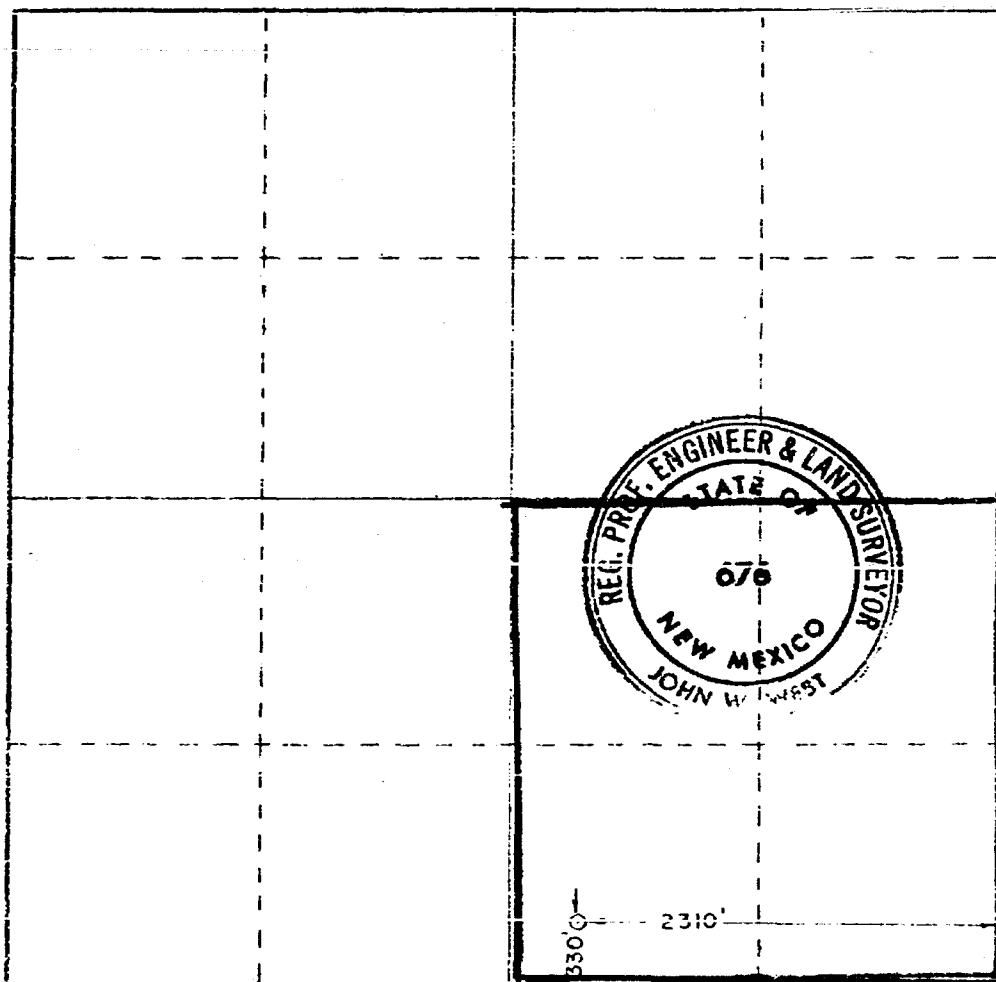
Operator DALPORT OIL CORPORATION			Lessee A. L. Christmas		Well No. 3
Unit Letter 0	Section 25	Township 22 South	Range 36 East	County Lea	
Actual Wellbore Location of Well: 330 feet from the South line and 2310 feet from the East line					
Ground Level Elev. 3423.6	Producing Formation Yates		Pool Jalmat Gas	Dedicated Acreage 160	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Leon M. Lampert

Name

Leon M. Lampert

Position

Geologist

Company

Dalport Oil Corp.

Date

2-1-77

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

John W. West

Date Surveyed

Jan. 27, 1977

Registered Professional Engineer
and State Land Surveyor

Certificate No.

676

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900 0

5888

MAR 14 1977

DALPORT OIL CORPORATION

1154 THE GOC BUILDING
CORPUS CHRISTI, TEXAS 78401

February 24, 1977

CODE 512-882-7863

Exxon Company, U.S.A.
1700 W. Broadway
Andrews, Texas

Re: Unorthodox location, #3 A. L.
Christmas, 2310' FE & 330' FSL,
Sec. 25, 22S-36E, Lea County,
New Mexico

Gentlemen:

Dalport is planning to drill the above well in the Jalmat Gas Field on a 160 acre gas unit. If you have no objection to the location, please sign the following waiver and send to NMOCC, P. O. Box 2088, Santa Fe, New Mexico 87501.

Thank you for your kind attention to this matter.

Very truly yours,

Leon M. Lampert
Leon M. Lampert

NMOCC
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

We have no objection to the above unorthodox location.

Very truly yours,

EXXON CORPORATION

By *[Signature]*

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5888

Order No. R-5437

APPLICATION OF DALPORT OIL CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 19 77,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ 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, Dalport Oil Corporation, seeks
approval of an unorthodox gas well location/ for its A. L. Christmas Well No. 3 to be drilled
330 feet from the South
line and 2310 feet from the East line of Section 25, Township
22 South, Range 36 East, NMPM, ~~to test the~~
formation, Jalpat Gas Pool,
Lea County, New Mexico.

(3) That the SE 1/4 of said Section 25 is to be dedicated to the
well.

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

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

-2-

Case No. _____

Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location ~~for the~~ _____
applicant's A. L. Christmas Well No. 3 to be drilled
~~formation~~ is hereby approved for a well ~~to be located~~ at a point 330
feet from the South line and 2310 feet from the East
line of Section 25, Township 22 South, Range 36 East
NMPM, Jalmat Gas Pool, Lea County,
New Mexico.

(2) That the SE/4 of said Section 25 shall be dedicated to
the above-described well.

(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.