

Case Number

5903

Application

Transcripts

Small Exhibits

ETC.

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Maddox Energy Corporation) CASE
for an unorthodox location, Eddy County,) 5903
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 5903.

2 MS. TESCHENDORF: Case 5903, application of Maddox
3 Energy Corporation for an unorthodox location, Eddy County,
4 New Mexico.


5 The applicant in this case has also requested that
6 we dismiss it.

7 MR. STAMETS: Case 5903 will be dismissed.
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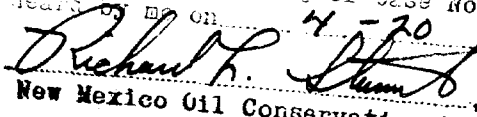
sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

REPORTER'S CERTIFICATE

1
2 I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
3 do hereby certify that the foregoing and attached Transcript
4 of Hearing before the New Mexico Oil Conservation Commission
5 was reported by me, and the same is a true and correct record
6 of the said proceedings to the best of my knowledge, skill and
7 ability.

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10 
11 Sidney F. Morrish, C.S.R.

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

12
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16
17 do hereby certify that the foregoing is
18 a true record of the proceedings in
19 Case No. 5903
20 heard by me on 4-20 1977.
21 , Examiner
22 New Mexico Oil Conservation Commission
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25



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



STATE GEOLOGIST
EMERY C. ARNOLD

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
April 27, 1977

Maddox Energy Corporation
702 Vantage Tower
2525 Stemmons Expressway
Dallas, Texas 75207

Re: CASE NO. 5903
ORDER NO. R-5425

Applicant:

Maddox Energy Corporation

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC	<u>X</u>
Artesia OCC	<u>X</u>
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. 5903
Order No. R-5425

APPLICATION OF MADDOX ENERGY
CORPORATION FOR AN UNORTHODOX
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 20, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of April, 1977, the Commission,
a quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in
the premises,

FINDS:

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

IT IS THEREFORE ORDERED:

That at the applicant's request Case No. 5903 is hereby
dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

jr/

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, Fumont 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 C 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 5905: (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 Mesaverde and Dakota formations underlying the W/2 SE/4 and the E/2 SW/4 of Section 3, and the NW/4 of Section 10, and all mineral interests in the Pictured Cliffs and Fruitland formations underlying the NW/4 of Section 10, all in Township 31 North, Range 7 West, San Juan County, New Mexico, to be dedicated to a well to be drilled 1800 feet from the North line and 850 feet from the West line of said Section 10. 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 5906: (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 Mesaverde and Dakota formations underlying the W/2 SW/4 of Section 2, the E/2 SE/4 of Section 3, and the NE/4 of Section 10, all in Township 31 North, Range 7 West, San Juan County, New Mexico, to be dedicated to a well to be drilled 1525 feet from the North line and 1850 feet from the East line of said Section 10. 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 5907: Application of Dome Petroleum Corporation for a special depth bracket allowable, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special depth bracket allowable of 750 barrels of oil per day for the Papers Wash-Entrada Oil Pool, McKinley County, New Mexico.

CASE 5908: Application of Dome Petroleum Corporation for a special depth bracket allowable, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special depth bracket allowable of 750 barrels of oil per day for the Ojo Encino-Entrada Oil Pool, McKinley County, New Mexico.

CASE 5909: Application of Dome Petroleum Corporation for pool creation and special depth bracket allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Snake Eyes-Entrada Oil Pool in Section 20, Township 21 North, Range 6 West, San Juan County, New Mexico, and the establishment of a special depth bracket allowable of 750 barrels of oil per day for said pool.

CASE 5910: 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 5898: (Continued from April 6, 1977, Examiner Hearing)

Application of Chace Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Ballard-Pictured Cliffs and South Lindrith Gallup-Dakota production in the wellbore of its Jicarilla 70 Well No. 3 located in Unit C of Section 33, Township 24 North, Range 4 West, Rio Arriba County, New Mexico. In the alternative, applicant seeks authority to commingle said production at the surface without prior measurement and waiver of the gas-oil ratio test requirement.

CASE 5911: Application of Odessa Natural Gas Company for special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the adoption of special pool rules for the Chacon-Dakota Oil Pool, Rio Arriba County, New Mexico, to provide for 160-acre spacing for oil wells and for reclassification of wells from oil to gas and the removal of such gas wells to the Basin-Dakota Pool.

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.

Application of Muddat
Energy Corp for an
unorthodox 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 2310 feet from
the South line and 1650 feet from
the West line of Section 9, Township
18 South, Range 26 East, Atoka -
Pennsylvania Gas Pool, Eddy
County, New Mexico.

Ralph Johnson

Midland (915) 6836489

Called Mr. Johnson 10:10 am
April 8 re. filing written
application. He said they
were going to drill at
a standard location and
want to dismiss application.

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

dr/

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

CASE NO. 5903

Order No. R- 5425

Self
Application of Maddox Energy
CORPORATION FOR AN UNORTHODOX LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 20, 19 77,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of April, 19 77, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

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

IT IS THEREFORE ORDERED:

at the applicant's request
That/Case No. 5903 is hereby dismissed.

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

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.

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