

CASE NO.

6546

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6546
Order No. R-6020

APPLICATION OF BLACK RIVER CORPORATION
FOR COMPULSORY POOLING AND NON-STANDARD
GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 23, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 12th day of June, 1979, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

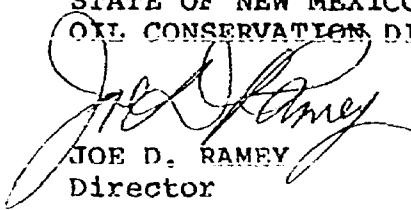
That the applicant's request for dismissal should be
granted.


IT IS THEREFORE ORDERED:

That Case No. 6546 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E R I.
fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
23 May 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Black River Corporation
for compulsory pooling and non-standard
gas proration unit, Lea County, New Mexico.

CASE
6546

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

1 MR. STAMETS: Call next case number 6546.

2 MR. PADILLA: Application of Black River
3 Corporation for compulsory pooling and non-standard
4 gas proration unit, Lea County, New Mexico.

5 MR. STAMETS: The Division has received com-
6 munication on this case requesting it be dismissed, and
7 it will be.

8 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (666) 471-2462
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
 CERTIFY that the foregoing and attached Transcript of
 Hearing before the Oil Conservation Division was reported
 by me; that said transcript is a full, true, and correct
 record of the hearing, prepared by me to the best of my
 ability, knowledge, and skill, from my notes taken at the
 time of the hearing.

Sally W. Boyd CSR
 Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 6546
 heard by me on 5-23 1979.
Richard L. Plant, Examiner
 Oil Conservation Division

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 3030 Plaza Blanca (S95) 471-2462
 Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
23 May 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Black River Corporation
for compulsory pooling and non-standard
gas proration unit, Lea County, New Mexico.

CASE
6546

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2010 Plaza Blanca (608) 471-2462
Santa Fe, New Mexico 87501

1 MR. STAMETS: Call next case number 6546.

2 MR. PADILLA: Application of Black River
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CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (S.E.) 471-2462
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
 CERTIFY that the foregoing and attached Transcript of
 Hearing before the Oil Conservation Division was reported
 by me; that said transcript is a full, true, and correct
 record of the hearing, prepared by me to the best of my
 ability, knowledge, and skill, from my notes taken at the
 time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 15,
 heard by me on .

 , Examiner
 Oil Conservation Division

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 3030 Plaza Blanca (S.E.) 471-2462
 Santa Fe, New Mexico 87501

Dockets Nos. 23-79 and 24-79 are tentatively set for hearing on June 13 and 27, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 23, 1979

9 A.M. - OIL CONSERVATION DIVISION 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 6545: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Corinne Grace, Travelers Indemnity Company, and all other interested parties to appear and show cause why the Kukiah Baby Well No. 1 located in Unit G of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6422: (Continued from February 28, 1979, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Helton Engineering & Geological Services, Inc., Travelers Indemnity Company, and all other interested parties to appear and show cause why the Brent Well No. 1 located in Unit M of Section 29 and the Brent Well No. 3 located in Unit G of Section 19, both in Township 13 North, Range 6 East, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6546: Application of Black River Corporation for compulsory pooling and non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the SW/4 of Section 32, Township 23 South, Range 37 East, to form a 160-acre non-standard gas proration unit 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 6536: (Continued from May 9, 1979, Examiner Hearing)

Application of Black River Corporation for two non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two 80-acre non-standard gas proration units in the Jalmat Gas Pool as follows: the N/2 SE/4 of Section 22, Township 23 South, Range 36 East, to be dedicated to applicant's well to be drilled in Unit J of said Section 22; and the S/2 SE/4 of said Section 22 to be dedicated to El Paso Natural Gas Company's Shell State Well No. 3 located in Unit P.

CASE 6535: (Continued from May 9, 1979, Examiner Hearing)

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.

CASE 6547: Application of American Petrofina Company of Texas for the creation of a waterflood buffer zone, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a waterflood buffer zone comprising the NE/4 SE/4 of Section 26, Township 17 South, Range 32 East, Maljamar Grayburg-San Andres Pool, to enable applicant to produce its Johns B Well No. 4 located thereon at an unrestricted rate.

CASE 6548: Application of John F. Staver for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Dakota formation through the open hole interval from 1408 feet to 1412 feet in his Table Mesa Well No. 22 located in Unit N and from 1394 feet to 1400 feet in his Table Mesa Well No. 23 located in Unit O, both in Section 34, Township 28 North, Range 17 West, Table Mesa-Dakota Oil Pool.

CASE 6549: Application of Gulf Oil Corporation for pool creation, discovery allowable, and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new Bone Springs oil pool for its Lea "YH" State Well No. 1 located in Unit O of Section 25, Township 18 South, Range 34 East. Applicant also seeks a discovery allowable and promulgation of special pool rules, including a provision for 80-acre spacing.

CASE 6550: Application of Yates Petroleum Corporation for an unorthodox gas well location and compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Mississippian formations underlying the S/2 of Section 12, Township 19 South, Range 24 East, to be dedicated to its Allison Federal "CQ" Well No. 2 to be drilled at an unorthodox location 1980 feet from the South line and 660 feet from the West line of said Section 12. 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 6492: (Continued from May 9, 1979, Examiner Hearing)

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 San Andres formation underlying the NE/4 NW/4 of Section 13, Township 17 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 6551: Application of Bass Enterprises Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox Lower Morrow gas well location 1980 feet from the North line and 660 feet from the East line of Section 1, Township 19 South, Range 28 East, the N/2 of said Section 1 to be dedicated to the well.

CASE 6528: (Continued from April 25, 1979, Examiner Hearing)

Application of Bass Enterprises Production Co. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox Morrow test well location to be drilled 660 feet from the North and West lines of Section 10, Township 21 South, Range 32 East, Lea County, New Mexico, the W/2 of said Section 10 to be dedicated to the well.

CASE 6552: Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 3, Township 24 South, Range 28 East, 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 6553: Application of The Atlantic Richfield Company for approval of infill drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Division waived existing well-spacing requirements and found that the drilling of additional wells was necessary to effectively and efficiently drain those portions of the proration units in the Empire Abo Unit located in Townships 17 and 18 South, Ranges 27, 28 and 29 East, which could not be so drained by the existing wells.

CASE 6554: Application of The Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all royalty interests in the Devonian, McKee, and Ellenburger formations underlying the E/2 of Section 20, Township 22 South, Range 36 East, Langlie Field, to be dedicated to a well to be drilled at a standard location thereon.

CASE 6555: Application of Jake L. Hamon for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox location 660 feet from the North line and 560 feet from the East line of Section 30, Township 20 South, Range 36 East, North Osudo-Morrow Gas Pool, all of said Section 30 to be dedicated to the well.

CASE 6556: Application of Curtis Little for the amendment of Order No. R-5962, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5962 to provide for the unorthodox location of a well to be drilled 1000 feet from the South line and 50 feet from the East line of Section 11, Township 28 North, Range 12 West, Basin-Dakota Pool, and for the extension of the date to commence drilling.

CASE 6435: (Continued from February 28, 1979, Examiner Hearing)

Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its W. A. Weir "B" Well No. 3 located in Unit B of Section 26, Township 19 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.

CASE 6559: Application of Roy L. McKay for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for his Norton Solid State Unit Area, comprising 1,480 acres, more or less, of State lands in Township 15 South, Range 34 East.

CASE 6487: (Continued from February 28, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Edmont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6471: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Freeman Well No. 1-A to be located in Unit C of Section 11, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6472: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Jenny Well No. 1-A to be located in Unit P of Section 13, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6473: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its McIntyre Well No. 1-A to be located in Unit K of Section 11, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6474: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Williams Well No. 1-A to be located in Unit C of Section 24, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6475: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Montoya Well No. 1-A to be located in Unit I of Section 35, Township 32 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

DOCKET: COMMISSION HEARING -- TUESDAY -- MAY 29, 1979

OIL CONSERVATION COMMISSION -- 9 A.M. -- ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6557: Application of Getty Oil Company for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new Morrow gas pool for its State 35 Well No. 1 located in Unit K of Section 35, Township 21 South, Range 34 East, and its Getty Two State Well No. 1 located in Unit F of Section 2, Township 22 South, Range 34 East, and for promulgation of special pool rules, including provision for 640-acre gas well spacing.

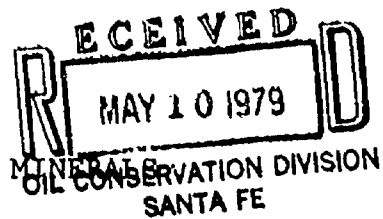
CASE 6497: (DE NOVO)

Application of Llano, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be located 1650 feet from the South line and 660 feet from the East line of Section 34, Township 21 South, Range 34 East, Grama Ridge-Morrow Gas Pool, the E/2 of said Section 34 to be dedicated to the well.

Upon application of Getty Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6558: Application of Llano, Inc. for a non-standard gas proration unit, 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 of Section 34, Township 21 South, Range 34 East, to be dedicated to its Llano 34 State Com Well No. 1 located in Unit I of said Section 34.

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERAL RESOURCES



IN THE MATTER OF THE APPLICATION
OF BLACK RIVER CORPORATION FOR
COMPULSORY POOLING AND NON-STANDARD
GAS PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

CASE NO. 6546

APPLICATION

Comes now BLACK RIVER CORPORATION, by their undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, as amended, hereby makes application for an order pooling all of the mineral interests in and under the SW/4 of Section 32, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the owner of 50% of the working interest in and under the SW/4 of said Section 34, has the right to drill thereon, and proposes the establishment of a 160-acre non-standard gas proration unit to be comprised of said acreage.

2. Applicant proposes to dedicate the above-referenced 160-acre non-standard gas proration unit to a well to be drilled to the Jalmat formation, Yates-Seven Rivers Gas Pool at a point 1650' from the south line and 660' from the west line of said Section 32.

3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farm-out from certain other owners of mineral interest in the SW/4 of said Section 32.

4. Granting the application will avoid the drilling of unnecessary wells, will protect correlative rights and prevent waste.

5. In order to permit applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated as the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division or the Division's duly appointed examiner, and that after notice and hearing as required by law the Division enter its order (1) approving the non-standard gas proration unit and (2) pooling the SW/4 of Section 32, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, together with provisions for applicant to recover its costs of drilling, equipping and completing the well, its cost of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and such other and further provisions as may be proper in the premises.

Respectfully submitted,

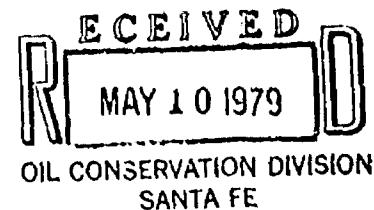
CAMPBELL AND BLACK, P.A.

By


William F. Carr

Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS



IN THE MATTER OF THE APPLICATION
OF BLACK RIVER CORPORATION FOR
COMPULSORY POOLING AND NON-STANDARD
GAS PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

CASE NO. 6546

APPLICATION

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1. Applicant is the owner of 50% of the working interest in and under the SW/4 of said Section 34, has the right to drill thereon, and proposes the establishment of a 160-acre non-standard gas proration unit to be comprised of said acreage.

2. Applicant proposes to dedicate the above-referenced 160-acre non-standard gas proration unit to a well to be drilled to the Jalmat formation, Yates-Seven Rivers Gas Pool at a point 1650' from the south line and 660' from the west line of said Section 32.

3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farm-out from certain other owners of mineral interest in the SW/4 of said Section 32.

4. Granting the application will avoid the drilling of unnecessary wells, will protect correlative rights and prevent waste.

5. In order to permit applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated as the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division or the Division's duly appointed examiner, and that after notice and hearing as required by law the Division enter its order (1) approving the non-standard gas proration unit and (2) pooling the SW/4 of Section 32, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, together with provisions for applicant to recover its costs of drilling, equipping and completing the well, its cost of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL AND BLACK, P.A.

By 

William F. Carr

Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION
SANTA FE

RECEIVED
MAY 10 1979

IN THE MATTER OF THE APPLICATION
OF BLACK RIVER CORPORATION FOR
COMPULSORY POOLING AND NON-STANDARD
GAS PRORATION UNIT,
LEA COUNTY, NEW MEXICO.

CASE NO. 6546

APPLICATION

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1. Applicant is the owner of 50% of the working interest in and under the SW/4 of said Section 34, has the right to drill thereon, and proposes the establishment of a 160-acre non-standard gas proration unit to be comprised of said acreage.
2. Applicant proposes to dedicate the above-referenced 160-acre non-standard gas proration unit to a well to be drilled to the Jalmat formation, Yates-Seven Rivers Gas Pool at a point 1650' from the south line and 660' from the west line of said Section 32.
3. Applicant has sought and been unable to obtain either voluntary agreement for pooling or farm-out from certain other owners of mineral interest in the SW/4 of said Section 32.
4. Granting the application will avoid the drilling of unnecessary wells, will protect correlative rights and prevent waste.

5. In order to permit applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated as the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division or the Division's duly appointed examiner, and that after notice and hearing as required by law the Division enter its order (1) approving the non-standard gas proration unit and (2) pooling the SW/4 of Section 32, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, together with provisions for applicant to recover its costs of drilling, equipping and completing the well, its cost of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL AND BLACK, P.A.

By 

William F. Carr

Post Office Box 2208

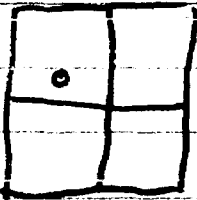
Santa Fe, New Mexico 87501

Attorneys for Applicant

Black River Corp.

comp pooling & non std gas proration
unit, Lea Co 24 m

Applicant in the above titled cause, seeks
an order pooling all mineral interests in
the Jalmi Gas Pool underlying the SW 1/4 of
Section 32, Township 23 South, Range 37 East,
to form a 160-acre non-standard gas
proration unit to be dedicated to a well
to be drilled at a standard location thereon.
Also to be considered etc.



Bill Carr 4:43 pm 5-3-79

Written application to follow.

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

dr/

= IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6546

Order No. R- 6020

APPLICATION OF BLACK RIVER CORPORATION
FOR COMPULSORY POOLING AND NON-STANDARD
GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

JDR

ORDER OF THE DIVISION

Sam

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 23,
19 79, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this _____ day of _____, 19 79, the Division
Director, 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 Case No. 6546 is hereby dismissed.

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

SP
By