

CASE NO.

6551

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

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 Bass Enterprises
Production Company for an un-
orthodox gas well location, Eddy
County, New Mexico.

CASE
6551

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 Building
Santa Fe, New Mexico 87501

For the Applicant:

Conrad Coffield, Esq.
HINKLE, COX, EATON, COFFIELD,
& HENSLEY
Midland, Texas

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I N D E X

FRANK KEEFER

Direct Examination by Mr. Coffield 3

E X H I B I T S

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MR. STAMETS: Call next Case 6551.

MR. PADILLA: Application of Bass Enterprises Production Company for an unorthodox gas well location, Eddy County, New Mexico.

MR. COFFIELD: Mr. Examiner, I'm Conrad Coffield with the Hinkle Law Firm of Midland, Texas, appearing on behalf of the applicant, and I have one witness to be sworn.

(Witness sworn.)

FRANK KEEFER
being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. COFFIELD:

Q. Would you please state your name, address, occupation, and employer?

A. My name is Frank Keefer. I live in Arlington, Texas. I am a geologist employed by Bass Enterprises Production Company in Ft. Worth, Texas.

Q. Mr. Keefer, have you previously testified before the Oil Conservation Division?

A. No, I have not.

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1 Q Would you please briefly state your edu-
2 cational background and experience as a geologist?

3 A I have a Bachelor of Science degree in
4 geology from the Missouri School of Mines and approximately
5 forty hours towards a Master's degree in geology from the
6 Missouri School of Mines and University of Colorado.

7 I've been employed as an exploration
8 geologist for eight years; four and a half years with
9 Cities Service Oil Company in Midland, Texas.

10 When I left Cities Service Oil Company I
11 was a project geologist in charge of exploration in south-
12 east New Mexico.

13 I worked for J. M. Huber Corporation for
14 one and one-half years as an exploration geologist in West
15 Texas and southeast New Mexico, and for the last two years
16 I have been a geologist for Bass Enterprises Production
17 Company. At this present time I am in charge of Bass' ex-
18 ploration in West Texas and southeast New Mexico.

19 Q Mr. Keefer, are you familiar with the
20 application of Bass Enterprises in this particular case?

21 A Yes, I am.

22 Q And are you familiar with the property
23 and the proposed well involved?

24 A Yes, I am.

25 MR. COFFIELD: Mr. Examiner, is the wit-

1 ness considered qualified?

2 MR. STAMETS: He is.

3 Q (Mr. Coffield continuing.) Mr. Keefer,
4 would you please state what does the Bass Enterprises Pro-
5 duction Company seek by this application?

6 A We seek an approval for an unorthodox gas
7 well location for the Bass No. 1 Merchant State Well. This
8 is a gas well to be drilled 1980 feet from the north line
9 and 660 from the east line of Section 1, Township 19 South,
10 Range 28 East, New Mexico Prime Meridian, in Eddy County.
11 The north half of Section 1 is to be dedicated to this well.

12 Q What general basis that Bass seeks this
13 unorthodox well location?

14 A We feel that the unorthodox location is
15 more desireable based upon our geologic interpretations,
16 such that we will save the drilling of an unnecessary well
17 and more efficiently drain the primary objective of this
18 well.

19 Q Mr. Keefer, please refer to what's been
20 marked as Exhibit One and explain to the Examiner what this
21 represents.

22 A This is a current land plat of the area
23 in regards to this unorthodox location. Bass acreage is
24 colored in yellow and the Section 1 of Township 19 South,
25 Range 28 East is outlined in red. The location of the Bass

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1 No. 1 Merchant State Well is indicated by a wellspot and
2 also by a red arrow.

3 All the wells that I am aware of that
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5 the current leaseholders of all offsetting acreage is shown
6 on this map.

7 These offsetting leaseholders are Northern
8 Natural Gas, Amoco Production Company, Hondo Drilling,
9 Texas Pacific Oil Company, again Northern Natural Gas on
10 the north, and Yates Petroleum on the southwest corner, and
11 Cities Service Production Company south of this acreage.

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13 boty the leasehold owner as well as the operator of this
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16 I have received from a majority of the
17 offsetting leasehold owners waivers regarding the location
18 of this well. All of them except that from Yates Petroleum
19 Company, and they have advised us that they would not sign
20 a waiver; however, they would not oppose our unorthodox
21 location.

22 Q Have these been submitted, or have they
23 been marked As Exhibit Two, Mr. Keefer?

24 A Yes, they have.

25 Q Before we go any further, it might be well

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1 to explain to the Examiner the problem we have with respect
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3 A Yes, sir. The original name which we
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5 There is an original well drilled on this location, a
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8 The designation No. 2 for our well was
9 found unacceptable by the State, and so we have changed it
10 to go along with their request, which was the No. 1 Merchant
11 State.

12 Q And, Mr. Keefer, as a consequence, the
13 exhibits which we will have here sometimes make reference
14 to the Merchant State No. 1 in one case and in another to
15 the State Merchant No. 2, is that correct?

16 A Yes.

17 Q But it's all the same well?

18 A Yes, sir.

19 Q Please go into what has been marked as
20 Exhibit Three.

21 A All right. Exhibit Three is the C-101
22 which was submitted on this well. Again, in this case
23 you'll notice that it's indicated as the No. 2 State Mer-
24 chant, which is being changed, sir.

25 Q Okay, in connection with that particular

1 exhibit, Mr. Keefer, then the standard location would be --

2 A. A standard location for this proration
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19 platforms located along these noses.

20 You'll note to the north that there is
21 a considerable amount of gas production from the Turkey
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23 Q Anything further on that exhibit?

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5 this North Turkey Track area. My contour interval is five
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7 The wells which have been shown in green
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9 Isopached, and which we feel is the primary objective of
10 our drilling the No. 1 Merchant State.

11 Now, for a matter of simplicity and
12 demonstration, I have made from this Isopach map an overlay,
13 which goes over the structure map, to indicate the relevance
14 of drilling an unorthodox well location.

15 Essentially when we overlay the Isopach
16 of this sand on this structure map we see that there is a
17 relationship established between the present structure and
18 the thinning of this sand. The sand tends to thin along
19 the structural noses and on these structural platforms.
20 This is demonstrated in the North Turkey Track area and I
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7 here. The wells to the west, or excuse me, to the east,
8 do have sand, as well as wells which are to the north.
9 Therefore we feel that removing ourselves from these wells,
10 the Redfern No. 1 Marathon State, will afford us a better
11 opportunity of encountering not only a thicker sand but a
12 sand of better reservoir quality. The deleterious affect
13 of the thinning of the sand is that of both a loss in
14 permeability due to the sand fining itself and the inclusion
15 of shale within the sand. I think this is shown on a later
16 exhibit, on the cross section.

17 Q This acrylic overlay is an exact repro-
18 duction (inaudible)

19 A Yes, it is.

20 Q Okay, Mr. Keefer, would you next refer,
21 please, to what has been marked Exhibit Six and explain
22 that to the Examiner?

23 A Exhibit Six is cross section A-A' which
24 has been shown on the structure map and also a plat is in-
25 cluded on the cross section as well.

1 Now, that which was mapped as sand is the
2 unit which is shown over on the righthand margin, indicated
3 as Isopach interval, and this is the Morrow Sand which has
4 been Isopached.

5 Now, you will note that in the Amoco No. 1
6 ER Well, there is a great quantity of sand in the lower
7 Morrow section. As we move to the east in the Amoco No. 1
8 EC Well there is a loss in sand. If you will refer back to
9 the structure map you will see that this well is again
10 located along a structural nose.

11 I feel the same situation exists as we
12 move towards our proposed location onto another structural
13 nose, we will necessarily need to be on the flank of this
14 structure in order to have reasonably good reservoir quality.

15 As you can see --

16 Q Anything else on this exhibit?

17 A Just point out that the Amoco EC Well,
18 which is indicated as Well No. 4, is productive from this
19 sand. It was not perforated in the Amoco No. 1 ER Sand,
20 however there was a drill stem test taken which indicated
21 it covered the top two feet of sand. There is no indication
22 of any gas recovery but a very large recovery of mud.

23 Q Mr. Keefer, is it your opinion that if
24 the application is granted in this particular case, that
25 it will be possible to drill two wells in this -- in this

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1 section, two commercial wells?

2 A. Yes, sir, I do. By -- by making both a
3 north and south proration unit I feel that the likelihood
4 of encountering sand on the east flank of our -- of the
5 section involved, Section 1, is greater than if we were to
6 have east/west proration units, such that we would only be
7 able to drill one productive well.

8 And in this same manner, drilling a 1980
9 location from the east line will further remove us from
10 the thick sand, as evidenced in the Amoco ER Well, and
11 would decrease our chances of making a commercial completion.

12 Q. Mr. Keefer, were these Exhibits One
13 through Six either prepared by you or under your supervision?

14 A. Yes, they were.

15 Q. And in your opinion will the approval of
16 the Bass Enterprises Production Company application prevent
17 the drilling of unnecessary wells and protect correlative
18 rights and otherwise prevent waste?

19 A. Yes, I do.

20 MR. COFFIELD: I move the admission of
21 the exhibits.

22 MR. STAMETS: The exhibits will be admitted.
23 Any questions of the witness? He may be excused.

24 Anything further in this case?

25 The case will be taken under advisement.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. 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 the 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 report of the proceedings in the Examiner hearing of Case No. 6554 heard by me on 5-23-72, 12-72.
Richard L. Starn, Examiner
Oil Conservation Division

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I N D E X

FRANK KEEFER

Direct Examination by Mr. Coffield 3

E X H I B I T S

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Applicant Exhibit Two, Waivers 6

Applicant Exhibit Three, C-101 7

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(Witness sworn.)

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being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. COFFIELD:

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Q Mr. Keefer, have you previously testified before the Oil Conservation Division?

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1 Q Would you please briefly state your edu-
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19 Q Mr. Keefer, are you familiar with the
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ness considered qualified?

MR. STAMETS: He is.

Q (Mr. Coffield continuing.) Mr. Keefer, would you please state what does the Bass Enterprises Production Company seek by this application?

A We seek an approval for an unorthodox gas well location for the Bass No. 1 Merchant State Well. This is a gas well to be drilled 1980 feet from the north line and 660 from the east line of Section 1, Township 19 South, Range 28 East, New Mexico Prime Meridian, in Eddy County. The north half of Section 1 is to be dedicated to this well.

Q What general basis that Bass seeks this unorthodox well location?

A We feel that the unorthodox location is more desirable based upon our geologic interpretations, such that we will save the drilling of an unnecessary well and more efficiently drain the primary objective of this well.

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A This is a current land plat of the area in regards to this unorthodox location. Bass acreage is colored in yellow and the Section 1 of Township 19 South, Range 28 East is outlined in red. The location of the Bass

1 No. 1 Merchant State Well is indicated by a wellspot and
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1 to explain to the Examiner the problem we have with respect
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3 A Yes, sir. The original name which we
4 proposed for this well was the Bass No. 2 State Merchant.
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3020 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

1 section, two commercial wells?

2 A Yes, sir, I do. By -- by making both a
3 north and south proration unit I feel that the likelihood
4 of encountering sand on the east flank of our --- of the
5 section involved, Section 1, is greater than if we were to
6 have east/west proration units, such that we would only be
7 able to drill one productive well.

8 And in this same manner, drilling a 1980
9 location from the east line will further remove us from
10 the thick sand, as evidenced in the Amoco ER Well, and
11 would decrease our chances of making a commercial completion.

12 Q Mr. Keefer, were these Exhibits One
13 through Six either prepared by you or under your supervision?

14 A Yes, they were.

15 Q And in your opinion will the approval of
16 the Bass Enterprises Production Company application prevent
17 the drilling of unnecessary wells and protect correlative
18 rights and otherwise prevent waste?

19 A Yes, I do.

20 MR. COFFIELD: I move the admission of
21 the exhibits.

22 MR. STAMETS: The exhibits will be admitted.
23 Any questions of the witness? He may be excused.

24 Anything further in this case?

25 The case will be taken under advisement.

(Hearing concluded.)

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

REPORTER'S CERTIFICATE

I, SALLY W. 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 the 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. _____
 heard by me on _____ 19____.

_____, Examiner
 Oil Conservation Division

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

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. 6551
Order No. R-6022

APPLICATION OF BASS ENTERPRISES PRODUCTION
COMPANY FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY 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 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 Division has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, Bass Enterprises Production
Company, seeks approval of an unorthodox 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, NMPM, to test
the Morrow formation, Eddy County, New Mexico.
- (3) That the N/2 of said Section 1 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 un-
orthodox 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

-2-

Case No. 6551
Order No. R-6022

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 Morrow formation is hereby approved for a well to be located at a point 1980 feet from the North line and 660 feet from the East line of Section 1, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) That the N/2 of said Section 1 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 Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L

fd/



Amoco Production Company

Houston Region
500 Jefferson Building
Post Office Box 3092
Houston, Texas 77001

J. R. Barnett
Regional Engineering
Manager

May 17, 1979

File: TBM-986.51NM-3279

Re: Request for Approval of
Unorthodox Location
Bass Enterprises Production Co.
Bass No. 2 State-Merchant
Turkey Tract North (Morrow)
Eddy County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Bass Enterprises Production Company, operator for P. R. Bass, has made application for an exception to Rule 2, Request for Approval of Unorthodox Location, to drill the Bass No. 2 State-Merchant located 1980' FNL and 660' FEL of Section 1, T-19-S, R-28-E, NMPM, Eddy County, New Mexico and to dedicate the N/2 of Section 1 to the well.

As an offset operator, Amoco Production Company has no objections to this drilling location and hereby waive notice and hearing.

Yours very truly,

J. R. Barnett
MLC

MLC:sam

cc: Bass Enterprises Production Company
P. O. Box 2760
Midland, TX 79702

RECEIVED	AMOCO PRODUCTION COMPANY
CLERK	2
6551	
Bass Enterprises	
Hearing Date	5-23-79

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

This is to advise that the undersigned has been given due notice that Bass Enterprises Production Company has made application for an exception to Rule 2 of the Special Rules and Regulations for the Turkey Track North Morrow Gas Pool.

We hereby waive any objection to the granting of this application for the above well which will be located:

Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 16th day of May, 1979.

COMPANY:

Pennycuik Company

BY:

Michael L. McGallough
District Landman

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

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Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 21 day of MAY, 1979.

COMPANY: CITIES SERVICE COMPANY

BY:  **MANAGER PRODUCTION
SOUTHWEST REGION**

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

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Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 21st day of May, 1979.

COMPANY: HONDO DRILLING COMPANY

BY: 

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

This is to advise that the undersigned has been given due notice that Bass Enterprises Production Company has made application for an exception to Rule 2 of the Special Rules and Regulations for the Turkey Track North Morrow Gas Pool.

We hereby waive any objection to the granting of this application for the above well which will be located:

Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 21st day of May, 1979.

COMPANY: Northern Natural Gas Co.

BY: J. S. McDonald

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

This is to advise that the undersigned has been given due notice that Bass Enterprises Production Company has made application for an exception to Rule 2 of the Special Rules and Regulations for the Turkey Track North Morrow Gas Pool.

We hereby waive any objection to the granting of this application for the above well which will be located:

Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 15th day of May, 1979.

COMPANY:

Texas Pacific Oil Co. Inc

BY:

R. Womack Jr

INTER-OFFICE COMMUNICATION

DATE May 22, 1979

TO: Files

FOR: MR.

FROM: MR. D. L. Davis

RE: Bass #2 State Merchant
File: 400-WF

David Davis discussed Bass #2 State Merchant waiver with Yates Petroleum on 5-21-79. They advised that they would not sign the waiver; however, they will not oppose the unorthodox location.

DLD:gp

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-51

All distances must be from the outer boundaries of the Section

Operator Bass Enterprises Production Co.			Lessee State Merchant		Well No. 21
Unit Letter H	Section 1	Township 19S	Range 28E	County Eddy	
Actual Footage Location of Well:					
1980 feet from the North line and 660 feet from the East line					
Ground Level Elev. Not available	Producing Formation Morrow	Pool Turkey Track North	Dedicated Acreage: 320 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

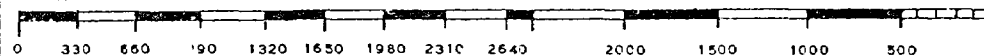
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name **S. H. Rowland**
Position **Division Engineer**
Company **Bass Enterprises Prod'n Co.**
Date **May 10, 1979**

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 _____
Registered Professional Engineer and/or Land Surveyor _____

Certificate No. _____





J. R. Barnett
Regional Engineering
Manager

May 17, 1979

File: TBM-986.51NM-3279

Re: Request for Approval of
Unorthodox Location
Bass Enterprises Production Co.
Bass No. 2 State-Merchant
Turkey Tract North (Morrow)
Eddy County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Bass Enterprises Production Company, operator for P. R. Bass, has made application for an exception to Rule 2, Request for Approval of Unorthodox Location, to drill the Bass No. 2 State-Merchant located 1980' FNL and 660' FEL of Section 1, T-19-S, R-28-E, NMPM, Eddy County, New Mexico and to dedicate the N/2 of Section 1 to the well.

As an offset operator, Amoco Production Company has no objections to this drilling location and hereby waive notice and hearing.

Yours very truly,

J. R. Barnett
mic

MLC:sam

cc: Bass Enterprises Production Company
P. O. Box 2760
Midland, TX 79702

RECORDED BY	STAMETS
CLASSIFIED BY	STAMETS
FILE NO.	2
DATE	6531
BY	Bass Enterprises
File No.	5-23-79

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

This is to advise that the undersigned has been given due notice that Bass Enterprises Production Company has made application for an exception to Rule 2 of the Special Rules and Regulations for the Turkey Track North Morrow Gas Pool.

We hereby waive any objection to the granting of this application for the above well which will be located:

Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 16TH day of May, 1979.

COMPANY:

Pennycuik Company

BY:

Michael L. McCullough
District Landman

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

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Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 21 day of MAY, 1979.

COMPANY: CITIES SERVICE COMPANY

BY:  **MANAGER PRODUCTION
SOUTHWEST REGION**

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

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Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 21st day of May, 1979.

COMPANY: HONDO DRILLING COMPANY

BY: 

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

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Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 21st day of May, 1979.

COMPANY: Northern Natural Gas Co.

BY: J. S. McDonald

W A I V E R

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

ATTENTION: MR. JOE D. RAMEY

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We hereby waive any objection to the granting of this application for the above well which will be located:

Bass #2 State Merchant to be located 1980' FNL & 660' FEL of Sec 1,
Township 19 South, Range 28 East, NMPD, Eddy County, New Mexico.

Executed this 15th day of May, 1979.

COMPANY:

Texas Pacific Oil Co. Inc

BY:

R J Womack Jr

INTER-OFFICE COMMUNICATION

DATE May 22, 1979

TO: Files

FOR: MR.

FROM: MR. D. L. Davis

RE: Bass #2 State Merchant
File: 400-WF

David Davis discussed Bass #2 State Merchant waiver with Yates Petroleum on 5-21-79. They advised that they would not sign the waiver; however, they will not oppose the unorthodox location.

DLD:gp

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-75

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

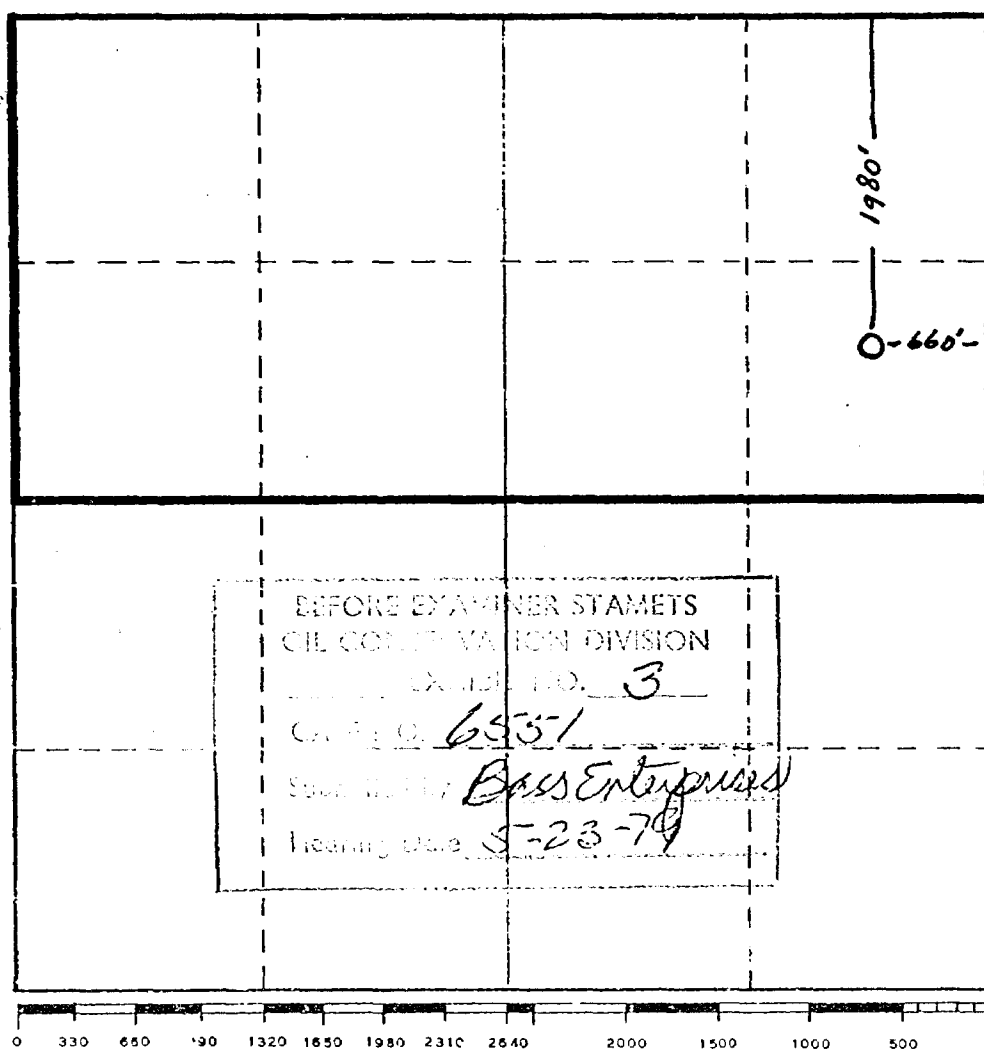
Operator Bass Enterprises Production Co.			Lease State Marchant		Well No. 2
Unit Letter H	Section 1	Township 19S	Range 28E	County Eddy	
Actual Footage Location of Well:					
1980 feet from the North line and 660 feet from the East line					
Ground Level Elev. Not available	Producing Formation Morrow	Pool Turkey Track North		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

Name
S. H. Rowland
Position
Division Engineer
Company
Bass Enterprises Prod'n Co.
Date
May 10, 1979

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

Registered Professional Engineer and/or Land Surveyor

Certificate No.

Docket 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. Stanets, 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 Kuklah 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 oil 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 1,466 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,umont 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.

LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.
JAMES H. BOZARTH

DOUGLAS L. LUNSFORD
PAUL H. BOHANNON
J. DOUGLAS FOSTER
K. DOUGLAS PERRIN
C. RAY ALLEN
JACQUELINE W. ALLEN
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD
JOHN S. NELSON
RICHARD E. OLSON

LAW OFFICES
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1000 FIRST NATIONAL BANK TOWER
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MIDLAND, TEXAS 79702
(915) 683-4691

RECEIVED
MAY - 3 1979
OIL CONSERVATION DIVISION
SANTA FE
W. E. BONDURANT, JR., ATTORNEY
ROSWELL, NEW MEXICO OFFICE
600 HINKLE BUILDING
(505) 622-8510

ONLY ATTYS. COFFIELD, MARTIN, BOZARTH,
BOHANNON, FOSTER, ALLEN, ALLEN & BURFORD
LICENSED IN TEXAS

April 30, 1979

Mr. Dan Nutter
Chief Engineer
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Dan:

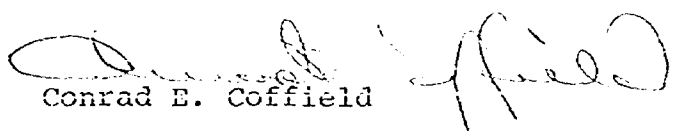
Transmitted herewith you will find triplicate executed copies of an Application for Bass Enterprises Production Company for an unorthodox well location in Section 1, Township 19 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

It is my understanding that the docket setting for May 23 is still available for this matter, and accordingly, we request that it be heard on that date.

I trust that the enclosed copies of the Application are all that is needed in order for this to be set for the May 23 hearing. However, if anything is needed in addition, please let me know.

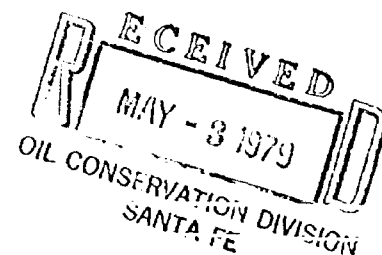
Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


Conrad E. Coffield

CEC:rf
Enclosures

xc: Mr. Jens Hansen
3100 Fort Worth National Bank
Fort Worth, Texas 76102



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

APPLICATION OF BASS ENTERPRISES
PRODUCTION COMPANY FOR AN
UNORTHODOX WELL LOCATION,
EDDY COUNTY, NEW MEXICO

)
)
)
)

Case 6551

APPLICATION

Bass Enterprises Production Company hereby makes
application for approval of an unorthodox gas well location
and states:

1. Applicant seeks approval of an unorthodox gas well
location for its Bass No. 2 State Merchant Well to be
drilled at a point 1980 feet from the North line and 660
feet from the East line of Section 1, Township 19 South,
Range 28 East, N.M.P.M., Eddy County, New Mexico, to test
the Lower Morrow formation at a proposed depth of approxi-
mately 11,500 feet.


2. That the N½ of Section 1 is to be dedicated to
the well.

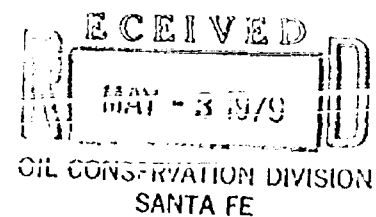
3. Approval of the unorthodox location will be in the
interest of conservation, prevention of waste and protection
of correlative rights.

4. Applicant requests that this matter be heard at
the May 23, 1979 Examiner's hearing.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By:


Conrad E. Coffield
Post Office Box 3580
Midland, Texas 79702
Attorneys for Bass Enterprises
Production Company



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

APPLICATION OF BASS ENTERPRISES)
PRODUCTION COMPANY FOR AN)
UNORTHODOX WELL LOCATION,)
EDDY COUNTY, NEW MEXICO)

Case 6551

APPLICATION

Bass Enterprises Production Company hereby makes
application for approval of an unorthodox gas well location
and states:

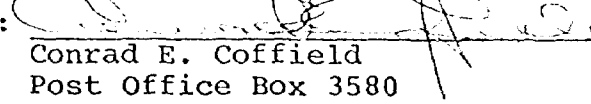
1. Applicant seeks approval of an unorthodox gas well
location for its Bass No. 2 State Merchant Well to be
drilled at a point 1980 feet from the North line and 660
feet from the East line of Section 1, Township 19 South,
Range 28 East, N.M.P.M., Eddy County, New Mexico, to test
the Lower Morrow formation at a proposed depth of approxi-
mately 11,500 feet.

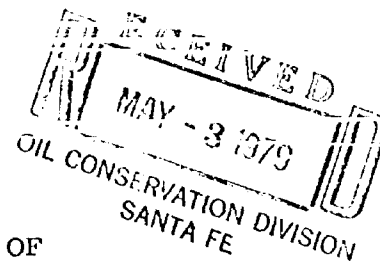
2. That the N $\frac{1}{2}$ of Section 1 is to be dedicated to
the well.

3. Approval of the unorthodox location will be in the
interest of conservation, prevention of waste and protection
of correlative rights.

4. Applicant requests that this matter be heard at
the May 23, 1979 Examiner's hearing.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By: 
Conrad E. Coffield
Post Office Box 3580
Midland, Texas 79702
Attorneys for Bass Enterprises
Production Company



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

APPLICATION OF BASS ENTERPRISES
PRODUCTION COMPANY FOR AN
UNORTHODOX WELL LOCATION,
EDDY COUNTY, NEW MEXICO

Case 6551

APPLICATION

Bass Enterprises Production Company hereby makes
application for approval of an unorthodox gas well location
and states:

1. Applicant seeks approval of an unorthodox gas well
location for its Bass No. 2 State Merchant Well to be
drilled at a point 1980 feet from the North line and 660
feet from the East line of Section 1, Township 19 South,
Range 28 East, N.M.P.M., Eddy County, New Mexico, to test
the Lower Morrow formation at a proposed depth of approxi-
mately 11,500 feet.

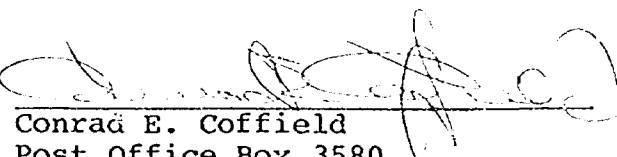
2. That the N $\frac{1}{2}$ of Section 1 is to be dedicated to
the well.

3. Approval of the unorthodox location will be in the
interest of conservation, prevention of waste and protection
of correlative rights.

4. Applicant requests that this matter be heard at
the May 23, 1979 Examiner's hearing.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By:


Conrad E. Coffield
Post Office Box 3580
Midland, Texas 79702
Attorneys for Bass Enterprises
Production Company

Bass Enterprises Production Co.
Unorthodox Gas Well Proc

Bass Merch State #2

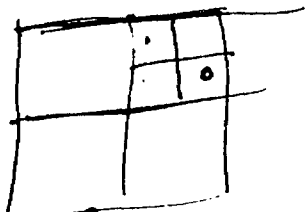
1980' FNL 660' FEL

Sec 1 - T19S - R28E Eddy

Lower Morrow 11,500

N/2 Sec 1

Conrad Caffield 1:30 pm 4/30



DRAFT

dr/

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:

JLR

CASE NO. 6551

ORDER NO. R- 6022

APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY

FOR AN UNORTHODOX GAS WELL LOCATION,

EDDY COUNTY, NEW MEXICO.

du
ORDER OF THE DIVISION

EP
GR
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 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 Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Bass Enterprises Production Company,
seeks approval of an unorthodox 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, NMPM, to test the ~~1980~~ Morrow
formation, _____ Pool, Eddy
County, New Mexico.

(3) That the N/2 of said Section 1 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 Lower Morrow formation is hereby approved for a well to be located at a point 1980 feet from the North line and 660 feet from the East line of Section 1, Township 19 South, Range 28 East NMPM, _____, _____, Eddy County, New Mexico.

(2) That the N/2 of said Section 1 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 Division may deem necessary.

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