

Case 2300

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SUITE 152 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO
TELEPHONE DAVIS 5-0203

May 8, 1961

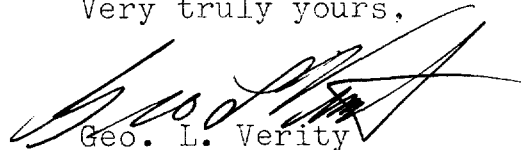
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

re: My file 1320-L
Applications of Southwest
Production Company for non-
standard gas proration units.

Enclosed herewith are the original and two copies of
application for non-standard gas proration unit in
the Basin-Dakota Gas Pool of San Juan County. This
application may be heard before the Trial Examiner.

Very truly yours,


Geo. L. Verity

GLV:mts
Enc.

Dakota
Mailed
5/26/61
Q

MAIN OFFICE OCC
1991 MAY 11 AM 8:30

Get
names
of owners
of tract
1#2

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF -

THE APPLICATION OF SOUTHWEST PRODUCTION)
COMPANY, a co-partnership, consisting of)
JOHN H. HILL and JOSEPH P. DRISCOLL, FOR)
A NON-STANDARD GAS PRORATION UNIT IN THE)
BASIN-DAKOTA GAS POOL OF SAN JUAN COUNTY,)
NEW MEXICO, CONSISTING of the Northeast)
Quarter of the Northeast Quarter (NE $\frac{1}{4}$ NE $\frac{1}{4}$))
of Section 27, AND ALL OF THE East Half)
(E $\frac{1}{2}$) of Section 22, T-30-N, R-12-W, N.M.P.M.,)
San Juan County, New Mexico, EXCEPTING)
the following two described tracts of)
land:)

Case No. 2300

TRACT No. 1:

All that portion of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section)
22, T-30-N, R-12-W, N.M.P.M. described as)
follows:)

BEGINNING at the Southeast corner of the)
SE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 22, running)
THENCE Westerly about 486 feet to the East)
border of the Halford Ditch;)
THENCE Northeasterly along said ditch border)
about 168 feet;)
THENCE East to Section line between Section)
22 and 23 of said township and range;)
THENCE South to point of beginning and con-)
taining about 2 acres;)

AND all that portion of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of)
Section 22, T-30-N, R-12-W, N.M.P.M.)
described as follows:)

BEGINNING at the Northeast corner of the)
NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 22,)
THENCE South with the East line of said)
Section 22, 373 feet, more or less, to the)
North line of D&RGW R.R. right-of-way;)
THENCE Southwesterly with the North line)
of said right-of-way 782 feet;)
THENCE North 1°51' West 600 feet, more or)
less, to the North side of the Halford)
Ditch;)
THENCE Northeast along said ditch to the)
middle of the Sand Arroyo;)
THENCE Northwest with the center of said)
Sand Arroyo to the point where it inter-)
sects the North line of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of)
said Section 22;)
THENCE 89°7' East with the North line of)

the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 22, 577 feet,)
more or less, to the point of beginning,)

Containing 13 acres, more or less.)

TRACT No. 2:)

All that portion of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section)
22, T-30-N, R-12-W, N.M.P.M., described)
as follows:)

BEGINNING at a stone set by the County)
Surveyor in 1904 for the center of the NE $\frac{1}{4}$)
of said Sec. 22 and running)
THENCE North 21°30' West 1392 feet;)
THENCE West along the North section line)
to the Northwest corner of the NW $\frac{1}{4}$ NE $\frac{1}{4}$;)
THENCE South with the West line of the)
NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 22 South 567 feet;)
THENCE South 45°34' East 1100 feet or to)
the South line of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 22,)
THENCE East with the South line of the)
NW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 22, 480 feet to the)
point of beginning,)

Containing 26 acres, more or less.)

A P P L I C A T I O N

Comes now the applicant, SOUTHWEST PRODUCTION COMPANY,
a co-partnership consisting of John H. Hill and Joseph P.
Driscoll, and alleges and states:

1. That the applicant is the owner of oil and gas leases
covering all of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of the above described Section 27
and all of the E $\frac{1}{2}$ of the above described Section 22 except for
Tract No. 1 above described, containing 13 acres, more or less,
and Tract No. 2 above described, containing 26 acres, more or
less.

2. That all of the above described lands lie within the
Basin-Dakota Gas Pool of San Juan County, New Mexico, and the
captioned lands are all underlain by the Dakota formation and
are reasonably expected to produce gas therefrom.

3. That applicant desires to drill a well at a standard

location in the E $\frac{1}{2}$ of the above described Section 22 and complete the same as a commercial producer in the Dakota formation.

— what name ?

4. That applicant has endeavored to obtain an agreement from the owners of Tracts Nos. 1 and 2 described in the caption hereof to join in the drilling of the Dakota well which it desires to drill as above provided, but that the owners of said lands have refused to join in said well on any reasonable basis. Such owners consistently refuse to make any reasonable agreement concerning the drilling and development of the property; that applicant is entitled to drill a well on a non-standard unit consisting of the captioned lands, excluding Tracts 1 and 2, whose owners will not join therein, and be accorded an acreage allowable factor based on the total acreage thereof, which is 321 acres; or, in the alternative, applicant is entitled to drill a well on a non-standard unit consisting of the E $\frac{1}{2}$ of Section 22, excluding Tracts 1 and 2, and be granted an Order creating such non-standard Unit and be accorded an acreage allowable factor of 281 acres.

5. That it is necessary that applicant be granted the order herein requested in order to prevent waste and protect correlative rights.

6. That the following named individuals, whose addresses appear opposite their names are all of the interested parties in this application so far as known to the applicant, to-wit:

Dwight L. Millett and wife, Gladys L. Millett
Flora Vista, New Mexico

Julian Coffey, a single man
Flora Vista, New Mexico


Pan American Petroleum Company
Petroleum Center Building
Farmington, New Mexico

*Rechecked
Mailed
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WHEREFORE, applicant prays that this matter be set down for hearing before either Trial Examiner or the Commission; that due notice thereof be given in accordance with the laws of the State of New Mexico and the rules of this Commission, and that upon hearing thereof, from the evidence to be adduced, this Commission enter its Order establishing a non-standard proration unit for the production of gas from the Basin-Dakota Gas Pool for all of the lands described in the caption hereof and according an acreage allowable factor of 321 acres, or in the alternative, that they enter an Order establishing a non-standard gas proration unit for the production of gas from said pool consisting of the $E\frac{1}{2}$ of the above described Section 22, excepting Tracts 1 and 2 above, and according such non-standard unit an acreage allowable factor of 281 acres, and making such further Orders as the parties may be entitled to receive regarding the subject hereof.

SOUTHWEST PRODUCTION COMPANY,
a co-partnership, consisting
of John H. Hill and Joseph P.
Driscoll,

By


Geo. L. Verity

Its Attorney

152 Petroleum Center Building
Farmington, New Mexico