

OIL CONSERVATION DIVISION
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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 10523

APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR THREE UNORTHODOX OIL
WELL LOCATIONS, LEA COUNTY,
NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by Phillips
Petroleum Company as required by the Oil Conservation
Division.

APPEARANCE OF PARTIES

APPLICANT

Phillips Petroleum Company
4001 Penbrook, Suite 401
Odessa, Texas 79762-5972
(915) 368-1272

ATTORNEY

W. Thomas Kellahin
KELLAHIN, KELLAHIN & AUBREY
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

OPPOSITION OR OTHER PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

Applicant, in the above-styled cause, seeks approval for three unorthodox oil well locations each to be drilled within a fifty foot radius of the following described sites all within Section 4, Township 15 South, Range 32 East, Tulk-Wolfcamp Pool, which is located approximately 24 miles south of Caprock, New Mexico:

- 1150' FSL & 1450' FEL (Unit O), the 40 acres comprising the SW/4 SE/4 is to be dedicated to said well;

- 2600' FNL & 660' FEL (Unit H), the 40 acres comprising the SE/4 NE/4 is to be dedicated to said well;
and,

- 1300' FSL & 660' FWL (Unit M), the 40 acres comprising either the NW/4 SW/4 or SW/4 SW/4, whichever is appropriate, is to be dedicated to said well.

OPPOSITION OR OTHER PARTY

Not applicable.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Scott Balke, geologist	10-15 min.	7 Exhib. 2 Cross Sect.

OPPOSITION

WITNESSES	EST. TIME	EXHIBITS
SEE OPPOSITION FILING		

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN, KELLAHIN & AUBREY

By:

W. Thomas Kellahin / Jay

W. Thomas Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

*Jay
Lambert*

Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762

Request to be placed on the August 6, 1992 Examiners Docket.

Phillips Petroleum Company respectfully requests to be placed on the August 6, 1992 Examiners Docket to request unorthodox location approval for the Chem State Well Nos. 8, 9, and 10 in the Tulk (Wolfcamp) and Tulk (Pennsylvanian) Fields.

Well No. 8 is to be located within a fifty foot radius of 1050' FSL & 1450' FEL of Section 4, T-15-S, R-32-E, Lea County, NM.

Well No. 9 is to be located within a fifty foot radius of 2500' FNL & 660' FEL of Section 4, T-15-S, R-32-E, Lea County, NM.

Well No. 10 is to be located with a fifty foot radius of 660' FWL & 1300' FSL of Section 4, T-15-S, R-32-E, Lea County, NM.

Unorthodox locations are being requested due to geological faulting within the area which will offset the drainage area of each well.

Offset leasees are Yates Petroleum Co., Phillips Petroleum Company and unleased land owned by the NM State Land Office.

REGPRO:JMAPL:chem

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW
EL PATIO BUILDING

117 NORTH GUADALUPE
POST OFFICE BOX 2265

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OIL CONSERVATION DIVISION

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TELEPHONE (505) 982-4285
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W THOMAS KELLAHIN*
KAREN AUBREY†

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

†ALSO ADMITTED IN ARIZONA

JASON KELLAHIN (RETIRED 1991)

July 28, 1992

Mr. William J. LeMay
Oil Conservation Division
310 Old Santa Fe Trail
Room 219
Santa Fe, New Mexico 87501

VIA FACSIMILE
(505) 827-5741

Re: Second Amended Application
of Phillips Petroleum Company
for Three Unorthodox Oil Well
Location, Tulk-Wolfcamp Pool,
Lea County, New Mexico
NMOCD Case 10523

Dear Mr. LeMay:

On behalf of Phillips Petroleum Company we have filed the referenced application which is now scheduled for hearing on August 6, 1992.

Today I was informed that the locations for the Chem State #8 and the Chem State #9 wells had to be moved because of existing pipelines and power lines.

While the revised locations move towards acreage controlled by Phillips Petroleum Company, each is now more unorthodox than described in the August 6, 1992 docket. It appears that the Division may require that this case be re-advertised.

If so, we would request the opportunity to present the case on August 6, 1992, but to have it continued and re-advertised for the August 20, 1992 docket with the following corrected locations:

(1) Chem State #8 formerly at 1050 feet FSL & 1450 feet FEL (Unit 0) now to be located 1150 feet FSL and 1450 feet FEL;

(2) Chem State #9 formerly at 2500 feet FNL & 660 feet FEL, now to be located 2600 feet FNL and 660 feet FEL

Mr. William J. LeMay
July 28, 1992
Page Two

(3) Chem State #10 location is unchanged.

In the absence of objection, we would request the application be approved after the August 20, 1992 hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written in a cursive style.

W. Thomas Kellahin

WTK/jcl

xc: Elizabeth Harris, Esq. (via facsimile)
Phillips Petroleum Company
By Certified Mail - Return Receipt
To All Parties Entitled to Notification
Listed in Application

ltrt728.038



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

November 10, 1992

KELLAHIN, KELLAHIN & AUBREY
Attorneys at Law
P. O. Drawer 2265
Santa Fe, New Mexico 87504

RE: CASE NO. 10523
ORDER NO. R-9756

Dear Sir:

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Florene Davidson".

Florene Davidson
OC Staff Specialist

FD/sl

cc: BLM - Carlsbad

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR



POST OFFICE BOX 2088
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SANTA FE, NEW MEXICO 87504
(505) 827-5800

November 19, 1992

KELLAHIN, KELLAHIN & AUBREY
Attorneys at Law
P. O. Drawer 2265
Santa Fe, New Mexico 87504

RE: CASE NO. 10523
ORDER NO. R-9756

Dear Sir:

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

Sincerely,

Sally E. Leichtle
Sally E. Leichtle
Administrative Secretary

cc: BLM - Carlsbad