CASE 4741: Application of RGBERTS; KOCH & CARTWRIGHT FOR COMPULSORY POOLING, EDDY COUNTY, N. MEX.

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Case Number

Application
Trascripts

Small Exhibits

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BEFORE THE	
NEW MEXICO OIL CONSERVATION COMMISSION	
CONFERENCE HALL, STATE LAND OFFICE BUILDING	3
SANTA FE, NEW MEXICO	
June 27, 1972	

EXAMINER HEARING

IN THE MATTER OF:

Application of Robert, Koch & Cartwright for compulsory pooling Eddy County, New Mexico.

CASE NO. 4741

BEFORE: Elvis A. Utz Examiner

TRANSCRIPT OF HEARING

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMI	IER	HEARING		· · · · · · · · · · · · · · · · · · ·
SANTA	FE		new	MEXICO

Hearing Date JUNE 28, 1972 TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
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E. R. Manning	alfaso natural G	ins El Paso
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P.T.M. Grath	U.S. 89	Farmington
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NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER	HEARING		~
SANTA	FE	_, new	MEXICO

TIME: 9 A.M JUNE 28, 1972 Hearing Date Mobil Oil Cop. WB Simmon, dr 000 6. R. Kenduide Aztec Delles Prentice Watts SF - Justy. XI Daldami Du Byran all. monall, Spelis) Elperly Q.C. Kennedy Luce Curocu, Farmington arlerio 16000 arteria Yaker Petriloun Corp Eddie halford Jack n'm Can fate te Kellahi & Fry Jason Kellahi DALLAS Sun och Edw. Stive Hallace & Supton Dallas Sun Dil Cities Somes Oil Go MIDLAND

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MMS BLDG.-P.O. BOX 1092-PHONE 245-8691-ALBUQUERQUE, NEW MEXICO 67103-:16 First national bank bldg. East-Albuquerque, new mexicc 87108 MR. UTZ: The Hearing will come to order, please. We have one dismissal and two continuances and we will call those cases first and get them off the docket. In those cases that will be left, we have no requests for any changes in the order of the docket, so the docket will remain the same.

Case 4741.

MR. HATCH: Case 4741: Application of Robert, Koch & Cartwright for compulsory pooling, Eddy County, New Mexico. The Applicants request that this case be dismissed.

MR. UTZ: Case 4741 will be dismissed.

STATE OF NEW MEXICO SS COUNTY OF BERNALILLO

I, RICHARD E. McCORMICK, a Certified Shorthand Reporter, in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

CERTIFIED SHORTHAND REPORTER

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Other_

OIL CONSERVATION COMMISSION

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

July 10, 1972

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico	Re:	Order No. Applicant:	,
Dear Sir:			
Enclosed herewith are two of Commission order recently	_		
	A. L. P	ORTER, Jr.	
ALP/ir			
Copy of order also sent to:			
Hobbs OCC X Artesia OCC X			
Aztec OCC			

Midwest Oil Corporation, 1500 Wilco Bldg. - Midland, Texas

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 4741 Order No. R-4334

APPLICATION OF ROBERT, KOCH & CARTWRIGHT FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 28, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 7th day of July, 1972, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 4741 is hereby dismissed.

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

STATE OF NEW MEXICO OIL COMMISSION

BRUCE KING, Chairman

ALEX J. ARMXJO, Member

A. L. PORTER, Jr., Member & Secretary

SEAL

dr/

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 28, 1972

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 4735:

(Continued and readvertised from the June 7th examiner hearing)
Application of El Paso Natural Gas Company for capacity production, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rules 14 (A), 15 (A), and 15 (B), of the General Rules and Regulations for the prorated gas pools of Northwest New Mexico, to produce six wells located in Sections 29, 30, 31, and 32 of Township 32 North, Range 9 West and Section 36, Township 32 North, Range 10 West, Blanco-Mesaverde Pool, San Juan County, New Mexico, at full capacity for approximately one year from February 1, 1972.

Applicant further seeks authority to offset any overproduction accrued to the above-described six wells during the one-year period by underproduction attributable to any underproduced wells or marginal wells located within the participating area of the San Juan 32-9 Unit.

CASE 4739:

Application of Texas Pacific Oil Company for rededication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dedicate the 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 of Section 1, Township 23 South, Range 36 East, Lea County, New Mexico, simultaneously to its Emery King "NW" Wells Nos. 1 and 4 located, respectively, in Units E and F of said Section 1 and to produce the allowable for the unit from either well in any proportion.

CASE 4740.

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle gas and condensate production from the Flora Vista-Gallup and Basin-Dakota Pools in the wellbores of its L. C. Kelly Wells Nos. 3 and 5 located, respectively, in Unit F of Section 4 and Unit I of Section 3. Township 30 North, Range 12 West, San Juan County, New Mexico.

CASE 4741:

Application of Robert, Koch & Cartwright for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 16, Township 19 South, Range 25 East, Eddy County, New Mexico.

Examiner Hearing - June 28, 1972

(Case 4741 continued)

Said acreage to be dedicated to a well to be drilled 1980 feet from the North line and 660 feet from the West line of said Section 16. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

- CASE 4728: (Continued from the June 7, 1972, Examiner Hearing)

 Application of Texaco Inc. for special pool rules, Lea County,
 New Mexico. Applicant, in the above-styled cause, seeks the
 promulgation of special pool rules for the East Weir-Tubb
 Pool, Lea County, New Mexico, including provisions for 80-acre
 proration units and a limiting gas-oil ratio limitation of
 4000 cubic feet of gas per barrel of oil.
- CASE 4742: Application of Tenneco Oil Company for dual completions, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its Well No. 12 located in Unit B of Section 13, Township 17 North, Range 9 West, McKinley County, New Mexico, in such a manner as to inject gas into Lone Pine-Dakota "D" Oil Pool through tubing and produce gas from the "A" zone of the Dakota formation through the casing-tubing annulus. Applicant also seeks authority to complete its Well No. 13 located in Unit F of said Section 13 in such a manner as to produce oil from the Lone Pine-Dakota "D" Oil Pool through tubing and gas from the "A" zone of the Dakota formation through the casing-tubing annulus.
- CASE 4743: Application of Tenneco Oil Company for pool contraction, redefinition of a pool and special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to contract the horizontal limits of the Basin-Dakota Pool by deleting therefrom all of Section 17 and 20, Township 21 North, Range 8 West, San Juan County, New Mexico. Applicant further seeks to redefine the Snake Eyes-Dakota "D" Oil Pool as a gas pool with horizontal limits comprising the above-described Sections 17 and 20. Applicant further seeks the promulgation of special pool rules for the redefined pool including a provision for 320-acre spacing.
- CASE 4744: 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 Morrow formation underlying the E/2 of Section 8, Township 19 South, Range 25 East, Eddy County, New Mexico. Said acreage to be dedicated to applicant's Johnston "BE" Well No. 1 located 330 feet from the North and East lines of said Section 8. Also to be considered will be the costs

(Case 4744 continued)

of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

- Application of Yates Petroleum Corporation for pool re-CAGE 4745: definition and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the redefinition of the Penasco Draw San Andres-Yeso Pool, Eddy County, New Mexico, as an associated oil and gas pool. Applicant further seeks the promulgation of special rules for said associated pool, including provisions defining a gas well as one producing with a gas-liquid ratio of 10,000 or more cubic feet of gas per barrel of oil, a gas-liquid ratio limitation for oil wells of 3,000 cubic feet of gas per barrel of oil, and 320-acre spacing units for gas wells. Applicant further geeks authority to commingle on the surface gas production from various wells prior to metering and to report said gas production on a lease basis. Applicant further seeks authority to commingle on the surface all casinghead gas prior to metering and to allocate said casinghead gas to the various wells on the basis of gas-oil ratio tests.
- CASE 4746: Application of Mobil Oil Corporation for an unorthodox well location and amendment of Order No. R-2914, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing well at an unorthodox location 1450 feet from the North line and 70 feet from the West line of Section 19, Township 18 South, Range 34 East, in the E-K Queen Water-flood Project Area authorized by Order No. R-2914. Applicant further seeks a procedure whereby additional production and injection wells at orthodox and unorthodox locations may be approved administratively.
- CASE 4747:

 Application of Union Texas Petroleum, a Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests below the base of the Devonian formation underlying the N/2 of Section 33, Township 25 South, Range 37 East, Crosby Field, Lea County, New Mexico. Said acreage to be dedicated to its well to be located 1650 feet from the North line and 2310 feet from the East line of said Section 33. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

- Application of Pubco Petroleum Corporation for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Humble City-Strawn Pool, Lea County, New Mexico, including provisions for 160-acre proration units and wells to be located within 150 feet of the center of any quarter-quarter section.
- Application of Harding Oil Company for a discovery all wable and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Humble City-Strawn Pool, Lea County. New Mexico, including a provision for 80-acre proration units and for the assignment of an oil discovery allowable to its E. D. Shipp Well No. 1 located in Unit K of Section 11, Township 17 South, Range 37 East.
- CASE 4750: Application of Cities Service Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing well in its Southeast Maljamar Grayburg-San Andres Unit Waterflood Project Area at an unorthodox location 1155 feet from the South line and 1385 feet from the East line of Section 29, Township 17 South, Range 33 East, Maljamar Pool, Lea County, New Mexico. Applicant further seeks a procedure whereby additional injection and production wells within the project area at unorthodox locations may be approved administratively.
- CASE 4751: Application of Sun Oil Company for pool extension, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the horizontal limits of the Lusk-Morrow Gas Pool, Lea County, New Mexico to include all of Sections 15 and 16 of Township 19-South, Range 32 East.
- CASE 4752: Application of Claude C. Kennedy for permission to flare casinghead gas, McKinley, County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-4070, to flare casinghead gas produced by his BSK Edna Well No. 1 located in Unit F of Section 8, Township 17 North, Range 8 West, Lone Pine Dakota "D" Pool, McKinley County, New Mexico.

KELLAHIN AND FOX ATTORNEYS AT LAW 54'2 EAST SAN FRANCISCO STREET POST OFFICE BOX 1769 SANTA FE, NEW MEXICO 87501

OIL CONSERVATION COMM.

Sonta Fo

TELEPHONE 982-4315

AREA CODE 505

May 30, 1972

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New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

Gentlemen:

ROBERT E. FOX

Enclosed is the application of Roberts, Koch and Cartwright for compulsory pooling, Eddy County, New Mexico.

It is requested that this application be set for hearing at the June 28th examiner hearing.

Yours very truly,

Jason W. Kellahin

JWK:brs Enclosure

DOCKER MARRIED

Date 6-13-72

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF ROBERTS, KOCH AND CARTWRIGHT FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

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APPLICATION

Come now Roberts, Koch and Cartwright, and apply to the Oil Conservation Commission of New Mexico for an order pooling the W/2 of Section 16, Township 19 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Commission:

- 1. Applicant is the owner of the right to drill and develop that portion of the W/2 of Section 16, described as the SW/4, and the S/2 NW/4 of Section 16, Township 19 South, Range 25 East, under the provisions of a New Mexico State Lease. The balance of the acreage in the W/2 of the section is held by Midwest Oil Corporation.
- 2. Applicant proposes to drill a well to be located 1980 feet from the west line and 660 feet from the North line of Section 16, to a depth of 9300 feet, or sufficient to test the Morrow formation. A standard unit for Morrow production is 320 acres.
- 3. Applicant has sought to obtain voluntary agreement for the drilling of the proposed well, or to obtain pooling of the acreage involved, without success.
- 4. In order to protect the rights of applicant, and give it an opportunity to produce its just and equitable share of the oil or gas or both underlying its acreage, an order pooling the above-described acreage is necessary.

WHEREFORE Applicant prays that the Commission set this

application for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order pooling the W/2 of Section 16, Township 19 South, Range 25 East, N.M.P.M., insofar as the Morrow formation is concerned, together with provision for recovery of the costs of drilling, completing and equipping the well, a charge for the risk involved in drilling the well, a provision for the allocation of the actual operating costs, and establishment of charges for supervision of the well.

Respectfully submitted,
ROBERTS, KOCH & CARTWRIGHT

By Jason W. Kellahi

P. O. Box 1769

Santa Fe, New Mexico 87501

DRAFT

GMH/dr ()

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

And

CASE No. 4741

Order No. R-43-

APPLICATION OF ROBERT, KOCH & CARTWRIGHT FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on $\frac{\text{June 28}}{\text{June 28}}$, $19^{\frac{72}{2}}$, at Santa Fe, New Mexico, before Examiner Elvis A. Utz

NOW, on this <u>day of July</u>, 192, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 4741 is hereby dismissed.

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

CASE 4742: Application of TENNECO FOR DUAL COMPLETIONS, MCKINLEY COUNTY, NEW MEXICO.