CASE 4747: Application of UNION TEXAS FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Coul 426 cont to Oct. 17th

# Case Number 4647

Application
Trascripts

Small Exhibits

ETC.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO

October 17, 1972

EXAMINER HEARING

IN THE MATTER OF:

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Application of Union Texas Petroleum, A Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico.

Case No. 4747

BEFORE: Richard L. Stamets,

Examiner.

TRANSCRIPT OF HEARING

# dearnley, meier & mc cormick

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MR. STAMETS: We will call next Case 4747. MR. HATCH: Case 4747: Application of Union Texas Petroleum, A Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico.

The Commission has received a request from the Applicant that the case be dismissed.

MR. STAMETS: Case 4747 will be dismissed.

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STATE OF NEW MEXICO ) 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.

> Buland E.M. Camick CERTIFIED SHORTHAND REPORTER

I do hercey certify that the foregoing is

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

CONFERENCE HALL, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO September 13, 1972 EXAMINER HEARING IN THE MATTER OF: Application of Union Texas Petroleum, a Division of Allied Chemical CASE NO. 4747 Corporation for compulsory pooling, Lea County, New Mexico. 10 BEFORE: Daniel S. Nutter 12 Examiner TRANSCRIPT OF HEARING

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MR. NUTTER: Case 4747.

MR. HATCH: 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 33 South, Range 37 East, Crosby Field, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle, of Hinkle, Bondurant, Cox & Eaton, appearing on behalf of Union Texas. We'd like to have this case continued until the Examiner's Hearing of October 17th.

MR. NUTTER: Case Number 4747 will be continued to 9:00 o'clock A.M., October 17, 1972.

We will now call the next case, Case Number 4819.

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STATE OF NEW MEXICO SS COUNTY OF BERNALILLO

I, JOHN DE LA ROSA, a Court 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.

of Case No.

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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION CONFERENCE HALL, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO June 27, 1972 EXAMINER HEARING IN THE MATTER OF: Application of Union Texas Petroleum, ) Case No. 4747 a Division of Allied Chemical Corporation 8 for compulsory pooling, Lea County, New Mexico. 10 11 12 13 14 15

TRANSCRIPT OF HEARING

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MR. UTZ: Case Number 4747.

MR. HATCH: The Application of Untion Texas Petroleum, a Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle of Hinkle, Bondurant & Christy, appearing on behalf of Union Texas Petroleum. We would like to have this Case continued to the Examiner Hearing of July 26, 1972. This is a forced pooling application and the parties are in agreement and just lack the working out of the operating agreement with Amoco which I'm sure will be completed by that time and then the case will probably be dismissed.

MR. UTZ: Case 4747 will be continued to July 26, 1972.

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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New Herico 011 Concervation Commission



#### OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2068 - SANTA FE 87501

October 30, 1972

GOVERNOR **BRUCE KING** CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

Re	: Case No. 4747	_
Mr. Clarence Hinkle Hinkle, Bondurant, Cox & Eaton Attorneys at Law Post Office Box 10	Order No. R-4428 Applicant:	
		Roswell, New Mexico 88201

Dear Sir:

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

> Very truly yours, A. L. PORTER, Jr. Secretary-Director

ALP/ir	
Copy of order also sent t	:0:
Hobbs OCC X Artesia OCC	
Aztec OCC	
Other	

# 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. 4747 Order No. R-4428

APPLICATION OF UNION TEXAS PETROLEUM, A DIVISION OF ALLIED CHEMICAL CORPORA-TION FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 27th day of October, 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. 4747 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

AMEX J ARMIJO Membe

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

SEAL

dr/

LAW OFFICES

HINKLE, BONDURANT, COX & EATON

TELEPHONE (505) 622-6510

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EAYON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. O. MARTIN
PAUL J. KELLY, JR.
J. M. LITTLE

600 Hinkle Building

POST OFFICE BOX 10

ROSWELL, NEW MEXICO 66201

October 13, 1972

MIDLAND, TEXAS OFFICE 521 MIDLAND TOWER (915) 683-4691

Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501

Re: Case No. 4747

Examiner's docket October 17

Gentlemen:

We represent Union Texas Petroleum, Division Allied Chemical Corporation. We have just been advised that they desire to dismiss their application for compulsory pooling of mineral interests below the base of the Devonian formation under the N½ Section 33, Township 25 South, Range 37 East, Crosby Field, Lea County. Please consider this as a motion to dismiss the case without prejudice. It is our understanding that a satisfactory agreement has been made between Union Texas and Amoco.

Yours sincerely,

HINKLE BONDURANT, COX & EATON

CEH: cs

cc: Faul W. Ferguson

#### DOCKET: EXAMINER HEARING - TUESDAY - OCTOBER 17, 1972

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

The following cases will be heard before Richard L. Stamets, Examiner, or Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1972, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico.
  - (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico for November, 1972.

#### CASE 4747: (Continued from the September 13, 1972, Examiner Hearing)

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.

CASE 4842: Application of Dalport Oil Corporation for amendment of pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules governing the Double L-Queen Associated Pool, Chaves County, New Mexico, to change the size of a standard gas well proration unit from 160 acres to 320 acres with the provision that said 320-acre units not be permitted to produce more gas than is presently permitted under 160-acre spacing.

CASE 4843: Application of Dalport Oil Corporation for designation of a special gas area and special rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Southeast Chaves Queen Gas Area comprising all of Townships 12 and 13 South, Ranges 30 and 31 East, Township 14 South, Ranges 29, 30 and 31 East, and Township 15 South, Ranges 29 and 30 East.

Applicant further seeks the promulgation of special rules for said area including a provision for 320-acre spacing for gas wells, location of gas wells in conformance with the Southeast New Mexico 320-acre gas well location rules, and classification

#### Case 4843 continued from Page 1

of wells as gas wells at a gas-liquid ratio of 30,000 or more. Oil wells in said area would be governed by the statewide rules.

- CASE 4844: Application of Western 0:11 Producers, Inc. for a non-standard gas spacing unit and unorthodox well location, Lea County, New Mexico. Applicant, in the abc. Liyled cause, seeks approval for a non-standard spacing unit in the Osudo-Morrow Gas Pool comprising the W/2 SE/4 of Section 6, and the NE/4 of Section 7, Township 21 South, Range 35 East, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 330 feet from the South line and 1980 feet from the East line of said Section 6.
- CASE 4845: Application of Western Oil Producers, Inc. for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Osudo-Morrow Gas Pool underlying Lots 11, 12, 13 and 14 and the SW/4 of Section 5, Township 21 South, Range 35 East, Lea County, New Mexico, to form a non-standard spacing unit to be dedicated to a well to be drilled 3300 feet from the South line and 660 feet from the West line of said Section 5.

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 4846: Application of Universal Resources Corporation for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the N/2 of Section 16, Township 32 North, Range 12 West, Blanco Mesaverde Pool, San Juan County, New Mexico, to be dedicated to a well to be located at a standard location. 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 the supervision of said well.
- CASE 4847: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the S/2 of Section 28, Township 21 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, said acreage to be dedicated to applicant's Cawley "A" Well No. 1 to be drilled to the Morrow formation at a location 1980 feet from the South and West lines of said Section 28.

Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of

#### Case 4847 continued from Page 2

actual operating costs, and the establishment of charges for supervision of said well.

#### CASE 4720: (Reopened)

In the matter of the application of Rotary Oil & Gas Company for an unorthodox location and non-standard proration unit, Lea County, New Mexico, being reopened on the motion of Rotary Oil & Gas Company. Applicant, in the above-styled cause, seeks amendment of Order No. R-4318 which order established a non-standard proration unit in the Osudo-Devonian Gas Pool comprising the NE/4 of Section 32 and the NW/4 of Section 33, Township 20 South, Range 36 East, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North line and 1980 feet from the East line of said Section 32. Applicant seeks removal of the ratable take and acreage factor assigned to the subject well by said Order No. R-4318.

CASE 4848: Southeastern New Mexico nomenclature case calling for an order for the creation, contraction and extension of certain pools in Lea County, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as a gas pool for San Andres production and designated as the Hare-San Andres Gas Pool. The discovery well is Shell Oil Company, Turner No. 16 located in Unit M of Section 22, Township 21 South, Range 37 East, NMPM. Said pool described as:

# TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 22: SW/4

(b) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Hightower-Wolfcamp Pool. The discovery well is Blackrock Oil Company, State CY No. 1 located in Unit M of Section 30, Township 12 South, Range 34 East, NMPM. Said pool described as:

# TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM Section 30: SW/4

(c) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Sombrero-Atoka Gas Pool. The discovery well is Thunderbird Oil Corporation, Bell "15" State No. 1 located in Unit L of Section 15, Township 16 South, Range 33 East, NMPM. Said pool described as:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 15: W/2

#### Case 4848 continued from page 3

(d) Contract the Arrowhead-Grayburg Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIF 22 SOUTH, RANGE 37 EAST, NMPM

Section 19: All Section 20: W/2

(e) Contract the Eumont Gas Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 20: W/2 NW/4 and NW/4 SW/4

(f) Extend the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico, to include the Grayburg formation. Also, extend said Langlie Mattix Pool to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 20: W/2 NW/4 and NW/4 SW/4

(g) Contract the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM Section 34: NW/4

(h) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM Section 34: NW/4

(i) Extend the Blinebry Oil Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM Section 25: SW/4

(j) Extend the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 8: E/2

(k) Extend the Fowler-Upper Paddock Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 15: NW/4

Section 22: S/2 and NW/4

(1) Extend the North Lynch Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM Section 19: NE/4

(m) Extend the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 27: S/2

(n) Extend the North Skaggs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 8: N/2 NW/4

(o) Extend the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM Section 16: W/2

(p) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM Section 1: SE/4

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM Section 29: NW/4

(q) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM Section 7: NW/4

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# BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF UNION TEXAS PETROLEUM FOR AN ORDER POOLING MINERAL INTERESTS, CROSBY FIELD, LEA COUNTY, NEW MEXICO.

Case No. 4747

#### ENTRY OF APPEARANCE

The undersigned Atwood, Malone, Mann & Cooter of Roswell, New Mexico, hereby enter their appearance herein for Amoco Production Company, with Guy Buell, Esquire, of Houston, Texas.

ATWOOD, MALONE, MANN & COOTER

BY

Attorneys for Amoco Production

Company

P. O. Drawer 700

Roswell, New Mexico 88201

DOCKET MAILED

Dote 10-5-72

#### ATWOOD, MALONE, MANN & COOTER LAWYERS

JEFF D. ATWOOD [jag3-18-0] OIL COHSERVATION COMM Santa Fe

CHARLES F. MALONE RUSSELL D. MANN PAUL A. COOTER BOB F. TURNER ROBERT A. JOHNSON JOHN W. BASSETT ROBERT E. SABIN RUFUS E. THOMPSON

P. O. DRAWER 700 SECURITY NATIONAL BANK BUILDING ROSWELL, NEW MEXICO 88201 [505] 622-6221

July 24, 1972

Mr. A. L. Porter, Jr. Oil Conservation Commission State Land Office Santa Fe, New Mexico

RE: Case Nos. 4747

4774, 4770

Dear Mr. Porter:

Please file our Entries of Appearance in the three cases mentioned above, for July 26, 1972.

With regards,

Very truly yours,

Charles J. Malon

Charles F. Malone

CFM:sah Encl.

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cc: Guy Beull, Esquire

DOCKRY HARRY

Dale 8-31-72

#### DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 13, 1972

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1972, from seventeen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico;
  - (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1972.
- CASE 4808: Application of Skelly Oil Company for a waterflood expansion and dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to expand its Grayburg-Jackson Skelly Unit Water-flood Project, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East. Said Well No. 114 to be completed as a dual completion in such a manner as to permit the production of oil from the Fren-Sevens Rivers Pool and the injection of water into the Grayburg-Jackson Pool.
- CASE 4809: Application of Saturn Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Antebellum Unit Area comprising 3,840 acres, more or less, of State and Federal lands in Township 23 South, Range 34 East, Lea County, New Mexico.
- CASE 4810: In the matter of the application of the Oil Conservation Commission on its own motion to consider the revision of the special rules for the Devils Fork Gallup Associated Pool and the Escrito Gallup Associated Pool, Rio Arriba and San Juan Counties, New Mexico, promulgated by Orders Nos. R-1670-B and R-1793-A, respectively, to permit taking of gas-oil ratio and bottom-hole pressure tests on an annual basis rather than quarterly and semi-annually, as is now required.

#### CASE 4747: (Continued from the July 26, 1972, Examiner Hearing)

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.

Examiner Hearing - Wednesday - September 13, 1972 -2-

#### CASE 4577: (Reopened)

In the matter of Case 4577 being reopened pursuant to the provisions of Order No. R-4181, which order established special rules and regulations for the Parkway-Wolfcamp Pool, Eddy County, New Mexico, including a provision for 160-acre spacing units. All interested persons may appear and show cause why said pool should not be developed on 40-acre or 80-acre spacing units.

- CASF 4811: Application of Atlantic Richfield Company for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard gas proration unit comprising the N/2 SE/4 and NE/4 SW/4 of Section 36, Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico, to be dedicated to its State 367 Well No. 3 located in Unit K of said Section 36.
- CASE 4812: Application of Midwest Oil Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 104, authority to drill a wildcat gas well to test the Morrow formation at an unorthodox location 1320 feet from the South and East lines of Section 1, Township 18 South, Range 28 East, Eddy County, New Mexico, with the S/2 of said Section 1 to be dedicated to the well.
- CASE 4813: Application of Inexco 0il Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sitting Bull Unit Area comprising 6,665 acres, more or less, of Federal lands in Sections 28, 29, 31, 32, and 33 of Township 23 South, Range 22 East, and Sections 4 through 9 of Township 24 South, Range 22 East, Eddy County, New Mexico.
- CASE 4814: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Four Forks Unit Area comprising 3,133 acres, more or less, of Federal and Fee lands in Sections 3, 10, 11, 14 and 15 of Township 22 South, Range 25 East, Eddy County, New Mexico.
- CASE 4815: Application of Inexco Oil Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks the promulgation of special rules therefor, including a provision for 640-acre spacing units.
- CASE 4816: Application of Penroc Oil Corporation for a special gas-oil ratio limitation increase, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of the special rules and regulations for the Hobbs-Drinkard Pool promulgated by Order No. R-3811, as amended,

(Case 4816 continued from Page 2)

to establish a limiting gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of oil in said pool.

- CASE 4817: Application of Phillips Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Drag "B" Well No. 1 located in Unit K of Section 18, Township 23 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce gas from the South Carlsbad-Morrow Gas Pool through tubing and an undesignated Canyon gas pool through the casing-tubing annulus.
- CASE 4818: Application of Tipperary Land and Exploration Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the North Bagley-Pennsylvanian Pool by the injection of water into the Strawn and possibly other formations by the injection of water through its Bess Well No. 1 located 660 feet from the North line and 1980 feet from the East line of Section 20, Township 11 South, Range 33 East, Lea County, New Mexico.
- CASE 4819: Application of D. L. Hannifin for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and under the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South and East lines of said Section 24. 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 4820: Application of Anadarko Production Company for the creation of an associated pool, special rules therefor, downhole and surface commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new associated pool for the production of oil and gas from the Yates and Seven Rivers formations for its Loco Hills Federal "B" Wells Nos. 1 and 8 located, respectively, in Units P and K of Section 9, Township 17 South, Range 30 East, Eddy County, New Mexico, and the promulgation of special rules therefor including provisions for the classification of oil and gas wells, oil and gas well spacing, and an unlimited gas-oil ratio.

Applicant further seeks authority to commingle in the well-bore of said Well No. 1 the Yates-Seven Rivers production from the newly created pool and the Grayburg-Jackson Pool and to commingle on the surface the Yates-Seven Rivers production from said Well No. 8 with production from the Grayburg-Jackson Pool.

CASE 4821: Application of Getty Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception

(Case 4827 continued from Page 4)

authority to drill a gas well at an off-pattern unorthodox location 990 feet from the North and East lines of Section 11, Township 15 South, Range 27 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, with the E/2 of said Section 11 to be dedicated to the well.

CASE 4828: Application of Inexco Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the dual completion of its McMinn State Well No. 1 located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico, in such a manner as to produce gas from the Strawn formation and the Morrow formation adjacent to the Catclaw Draw-Morrow Gas Pool.

(Case 4821 continued from Page 3)

to Rule 303 of the Commission Rules and Regulations, authority to commingle production from the North Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum-Pennsylvanian Pools in the wellbore of its State "BA" Well No. 8 located in Unit B of Section 36, Township 17 South, Range 34 East, Lea County, New Mexico.

- CASE 4822: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its State "BA" Well No. 9 located 660 feet from the North line and 2310 feet from the East line of Section 36, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.
- CASE 4823: Application of Getty 011 Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its A. B. Coctes "C" Well Nc. 28 located 1820 feet from the North and West lines of Section 24, Township 25 South, Range 37 East, Justis Blinebry Pool, Lea County, New Mexico. Said well being located nearer than 660 feet to another well capable of producing from the same pool.
- CASE 4824: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its H. D. McKinley Well No. 11 located 760 feet from the North line and 550 feet from the East line of Section 30, Township 18 South, Range 38 East, Hobbs Grayburg-San Andres Pool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.
- CASE 4825: Application of Hanagan Petroleum Corporation for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Catclaw Draw Unit Well No. 3 located in Unit D of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Strawn gas pool through tubing and from the Catclaw Draw-Morrow Gas Pool through the casing-tubing annulus.
- CASE 4826: Application of Hanagan Petroleum Corporation for pool creation, special pool rules, and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 920 feet from the North and West lines of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing units. Applicant further seeks approval of an unorthodox location for the above-described well.
- CASE 4827: Application of Robert N. Enfield for an unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks

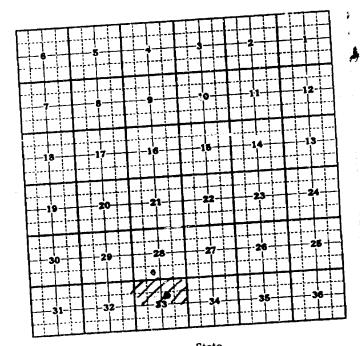
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#### DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 26, 1972

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for August, 1972, from fifteen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico.
  - (2) Consideration of the allowable production of gas from nine proruted pools in San Juan, Rio Arriba, and Sandoval Counties, for August, 1972.
- CASE 4777: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider preliminary purchaser nominations and other evidence of market demand for the proration period beginning September 1, 1972, and ending December 31, 1973, for the South Carlebad-Morrow and South Carlebad-Strawn Gas Pools, Eddy County, New Mexico.
- CASE 4776: In the matter of the hearing called by the Oil Conservation Commission on its own motion for the amendment of the special Rules and Regulations governing the following pools:

Bluitt-San Andres Associated Pool Todd-Lower San Andres Pool, both in Roosevelt County;

Double L-Queen Associated Pool Round Tank-Queen Pool Twin Lakes-San Andres Pool, all in Chaves County;

Mesa Queen Pool in Lea and Eddy Counties; North Paduca-Delaware Pool, in Lea County;

Angels Peak-Gallup Pool Gallegos-Gallup Pool Tocito Dome-Pennsylvanian "D" Pool, in San Juan County;

Escrito-Gallup Pool in Rio Arriba and San Juan Counties;

Tapacito-Gallup Associated Pool Devils Fork-Gallup Pool Largo-Gallup Pool, all in Rio Arriba County

to permit the establishment of one-year proration periods for each of said pools.

#### CASE 4753: (Continued and Readvertised)

Application of Roger C. Hanks for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks

Examiner Hearing - Wednesday, July 26, 1972 -2-

(Case 4753 continued from page 1)

approval of an 80-acre non-standard oil proration unit in the East Shoe Bar-Devonian Pool comprising the NW/4 SW/4 and the SW/4 NW/4 of Section 29, Township 16 South, Range 36 East, Lea County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South line and 660 feet from the West line of said Section 29.

- CASE 4769: Application of Gulf Oil Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the dual completion (conventional) of its J. R. Holt (NCT-A) Well No. 4 to be located 1980 feet from the South line and 2080 feet from the East line of Section 16, Township 24 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Fowler-Upper Yeso and Fowler-Devonian Pools through parallel strings of tubing.
- CASE 4770: Application of Amoco Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates and Seven Rivers formations in the open-hole interval from 3484 feet to 3514 feet in its Gorman Federal Well No. 1 located in Unit C of Section 35, Township 19 South, Range 33 East, East Gem Yates-Seven Rivers Pool, Lea County, New Mexico.
- CASE 4774: Application of Amoco Production Company for a pressure maintenance project expansion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Cato Baskett Pressure Maintenance Project, Cato-San Andres Pool, Chaves County, New Mexico, by the conversion to water injection of four additional wells located in Township 8 South, Range 30 East, as follows:

Baskett "D" Well No. 3 - Unit O - Section 11
Baskett "B" Well No. 2 - Unit C - Section 11
Wasley Well No. 1 - Unit C - Section 14
Wasley Well No. 3 - Unit A - Section 14

Applicant further seeks a procedure whereby additional injection wells and expansion of the project area may be approved without the necessity of notice and hearing.

CASE 4775: Application of Continental Oil Company for amendment of special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of the special rules and regulations governing the lambby Pool, Lea County, New Mexico, to provide for annual bottom-hote pressure, gas-oil ratio, and gas-liquid tests in the pool. Applicant further seeks the designation of oil areas and gas areas in the pool with allowables within each area equalized on a per-acribasis and total withdrawals from the gas area to be volumetrically equivalent to the total withdrawals from the oil area.

(Case 4775 continued)

Applicant further seeks to extend the vertical limits of the Blinebry Pool down to the top of the Tubb Pool.

Also to be considered by the Commission on its own motion will be amendment of the special rules and regulations to require that intermediate— or low-pressure gas be charged against a well's allowable; elimination of the requirement to conduct bottom-hole pressure, gas—oil ratio, and gas—liquid tests; and to require that all gas production be reported on Form C-111.

- CASE 4778: Application of David Fasken for a dual completion and amendment of Order No. R-4297, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Order No. R-4297, to permit the dual completion (conventional) of his Arco "9" Morrison Well No. 1 located in Unit B of Section 9, Township 19 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Cisco gas pool through the casing-tubing annulus and gas from the Boyd-Morrow Gas Pool through tubing.
- CASE 4779: Application of Merrion & Bayless for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the SE/4 of Section 35, Township 30 North, Range 12 West, within one mile of Flora Vista-Mesaverde Pool, San Juan County, New Mexico, to be dedicated to its Carnahan Well No. 1 located in Unit P of said Section 35.
- CASE 4739: (Continued from the June 28, 1972, Examiner Hearing)

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 4783: Application of Texas Pacific Oil Company, Inc., for three non-standard proration units and rededication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of the following-described non-standard gas proration units in Township 23 South, Range 36 East, Jalmat Cas Pool, Lea County, New Mexico:
  - 1. A 480-acre unit comprising the NE/4 NW/4, and SW/4 of Section 11, to be dedicated to its State "A" A/1 Wells Nos. 16, 29, and 34;

(Case 4783 continued)

- 2. A 240-acre unit comprising the NW/4 of Section 14 and the N/2 NE/4 of Section 15, to be dedicated to its State "A" A/1 Well No. 28:
- 3. A 320-acre unit comprising the N/2 of Section 23 to be dedicated to its State "A"  $\Lambda/1$  Wells Nos. 26 and 27.

GASE 4747: (Continued from the June 28, 1972, Examiner Hearing)

Application of Union Texas Fetioleum, 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 feat 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.

CASE 4773: Application of Union Texas Petroleum, a Division of Allied Chanical Corporation, a pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in the Cato-San Andres Pool by the injection of water into the San Andres formation through its Baskett Well No. 1 located in Unit K of Section 11, Township 8 Scutt, Range 30 East, Chaves County, New Mexico.

Applicant further seeks a procedure whereby additional injection wells and expansion of the project area may be approved without the necessity of notice and hearing.

- CASE 4780: Application of Atlantic Richfield Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Robinson-Jackson Unit Area comprising 1160 acres, more or less, of Federal lands in Sections 27, 34, and 35, Township 17 South, Range 29 East, Craytorg-Jackson Pool, Eddy County, New Mexico.
- CASE 4781: Application of Atlantic Richfield Company for amendment of a waterflood order and dual completions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3185, as amended by Order No. R-3185-A, to permit the dual completion of its Turner "A" SP Wells Nos. 15 and 35 located in Section 19 and its Turner "B" SP Wells Nos. 41 and 78 located in Section 20, Township 17 South, Range 31 East, Grayburg-Jackson P.ol, Eddy County, New Mexico, in such a manner as to permit selective injection of water into the Grayburg and San Andres zones.
- CASE 4782: Application of Atlantic Richfield Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks

(Case 4782 continued from page 4)

authority to institute a waterflood project in the Robinson-Jackson Unit Area, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water through thirteen wells located in Sections 27, 34, and 35 of Township 17 South, Range 29 East, Eddy County, New Mexico.

- CASE 4771: Application of Black River Corporation for a non-standard gas unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 402.22-acre, more or less, non-standard gas unit adjacent to the Washington Ranch-Morrow Gas Pool, comprising the W/2 of Section 4, Township 26 South, Range 24 East, Eddy County, New Mexico, to be dedicated to a well to be located in the approximate center of Lot 5 (SE/4 NW/4) of said Section 4.
- CASE 4772: Application of Black River Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all leasehold, mineral, and royalty interests underlying the W/2 of Section 4, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising a 402.22-acre, more or less, non-standard gas unit. Said acreage to be dedicated to a well to be located in the approximate center of Lot 5 (SE/4 NW/4) of said Section 4.

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 4784: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea, Roosevelt and Chaves Counties, New Mexico.
  - (a) Create a new pool in Lea County, New Mexico, classified as a gas pool for Fusselman production and designated as the Crosby-Fusselman Gas Pool. The discovery well is Union Texas Petroleum Corporation Crosby Deep No. 1 located in Unit N of Section 28, Township 25 Scuth: Range 37 East, NMPM. Said pool described as:

### TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM SECTION 28: S/2

(b) Create a new pool in Lea County, New Mexico, classified as a gas pool for San Andres production and designated as the North Eunice-San Andres Gas Pool. The discovery well is Sohio Petroleum Company, Alves "A" No. 2 located in Unit M of Section 8, Township 21 South, Range 37 East, NMPM.

# TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM SECTION 8: SW/4

(c) Create a new pool in Roosevelt County, New Mexico, classified

#### (Case 4784 continued)

as a gas pool for Cisco production and designated as the Tanneyhill-Pennsylvanian Gas Pool. The discovery well is Ted Weiner, Harris "14" No. 1 located in Unit B of Section 14, Township 6 South, Range 33 East, NMPM. Said pool would comprise

# TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM SECTION 14: N/2

(d) Extend the Blinebry Gas Pool in Lea County, New Mexico, to include therein:

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TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
SECTION 32: SE/4
SECTION 33: S/2 and NE/4
SECTION 34: S/2 and NW/4 SECTION 35: S/2
SECTION 36: W/2
TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 24:
              £/2
SECTION 25: E/2
SECTION 36: W/2 and NE/4
TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM SECTION 1: Lots 4, 5, 9, 10, 11, 12,
             13, 14, 15, 16 and S/2
SECTION 2:
             A11
SECTION 3: Lots 1, 2, 3, 4, 5, 6, 7,
             8, 9, and 16
SECTION 4: Lots 1, 3, 4, 5, 6, 8, 11,
             12, 13, 14 and 15
SECTION 8: NE/4
SECTION 11: E/2 and NW/4
SECTION 12: All
SECTION 13: All
SECTION 14: E/2
SECTION 19: W/2
SECTION 24: All
SECTION 25: NE/4
SECTION 30: S/2
SECTION 31: NE/4
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 5: N/2
SECTION 8: N/2
SECTION 26: NE/4 NE/4 and NE/4 SE/4
SECTION 35: NE/4
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SECTION 36: NW/4 and SE/4

Examiner Hearing - Wednesday - July 26, 1972

(Case 4784 continued)

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM SECTION 6: W/2 and SE/4 SECTION 20: W/2 and SE/4

SECTION 29: All

TOWNSHIP 23 SOUTH, RANGE 38 EAST, NMPM SECTION 5: NW/4

(e) Extend the Blinebry Oil Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

SECTION 18: SE/4

SECTION 31: NW/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

SECTION 16: N/2 and SE/4

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM

SECTION 33: NW/4

(f) Extend the Dollarhide-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM

SECTION 31: NW/4

(g) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

SECTION 18: SE/4

(h) Extend the South Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

SECTION 10: NE/4

(i) Extend the Justis-Tubb Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM

SECTION 13: NE/4

(j) Extend the Many Gates-Abo Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM

SECTION 32: NW/4

Examiner Hearing - Wednesday - July 26, 1972 -8-

(Case 4784 continued)

(k) Extend the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, MAPM SECTION 17: E/2

(1) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM SECTION 20: SW/4

(m) Extend the North Vacuum-Morrow (LL Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM SECTION 13: N/2

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM SECTION 18: W/2

(n) Extend the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM SECTION 35: SE/4

#### BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF UNION TEXAS PETROLEUM DIVISION, ALLIED CHEMICAL CORPORATION FOR AN ORDER FORCE POOLING ALL MINERAL, ROYALTY AND LEASEHOLD INTERESTS IN THE Ny SECTION 33, TOWNSHIP 25 SOUTH, RANGE 37 EAST, N.M.P.M. BELOW THE BASE OF THE DEVONIAN FORMATION PURSUANT TO SECTION 65-3-14 NEW MEXICO STATUTES 1953 ANNOTATED FOR THE PURPOSE OF DRILLING A FUSSELMAN DEVELOPMENT AND ELLENBURGER EXPLORATORY WELL TO BE LOCATED 1650 FEET FROM THE NORTH LINE AND 2310 FEET FROM THE EAST LINE OF ALL OF THE N⅓ SECTION SAID SECTION. 33 WHICH IS A STANDARD SPACING AND PRORATION UNIT WILL BE DEDICATED TO SAID WELL.



Care 4747

Cil Conservation Commission Box 2088 Santa Fe, New Mexico 88201

Comes Union Texas Petroleum Division, Allied Chemical Corporation for an order force pooling all mineral, royalty and leasehold interests in the N½ Section 33, Township 25 South, Range 37 East, N.M.P.M. below the base of the Devonian formation pursuant to Section 65-3-14 New Mexico Statutes 1953 Annotated for the purpose of drilling a Fusselman development and Ellenburger exploratory well to be located 1650 feet from the north line and 2310 feet from the east line of said section. All of the N½ Section 33 which is a standard spacing and proration unit will be dedicated to said well, and in support thereof respectfully shows:

- 1. Applicant has recently made a gas discovery in the Fusselman formation in a well drilled in the SE\s\W\s\ Section 28, Township 25 South, Range 37 East, Lea County, which well is in an undesignated pool.
- 2. Applicant proposes to drill a well to be located 1650 feet from the north line and 2310 feet from the east line of Section 33, Township 25 South, Range 37 East which will be a development well as to the Fusselman formation and an exploratory well as to the Ellenburger formation.

LAW OFFICES

#### HINKLE, BONDURANT, COX ₺ EATON

TELEPHONE (606) 622-6610

CLARENCE E.HINKLE W. E.BONDURANT.JR. LEWIS C. COX,JR. PAUL W. EATON, JR. CONRAD E.COFFIELD HAROLD L. HENSLEY, JR. STUART D. SHAKOR C. D. MARTIN J. M. LITTLE

600 HINKLE BUILDING

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MIDLAND, TEXAS OFFICE 521 MIDLAND TOWER (915) 663-4691

June 9 CONSERVATION COMM. Santa Fe

Oil Conservation Commission Box 2088 Santa Fe, New Mexico

Care 4747

Gentlemen:

We enclose herewith in triplicate application of Union Texas Petroleum Division, Allied Chemical Corporation for force pooling of the N's Section 33, Township 25 South, Range 37 East.

We have previously talked with Dan Nutter and arranged for this matter to be heard at the examiner's hearing to be held on June 28.

Yours very truly,

BONDURANT, COX & EATON

CFH: cs Enc.

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3. Applicant is the owner of 2/3 of all oil and gas rights under the NE% Section 33 and Gulf Oil Corporation is the owner of an undivided 1/3 interest therein.

All oil rights under the NW% Section 33 are owned as follows:

17/36 Union Texas Petroleum Amoco Production Company Texas Pacific Oil Company

The gas rights under the S\n\% and N\%\n\% Section 33 are owned as follows:

> Union Texas Petroleum El Paso Natural Gas Company

All of the gas rights under the NE%NW% Section 33 are owned by Amoco Production Company.

4. The N'z Section 33 constitutes a regular spacing and proration unit for the proposed well, but applicant has been unable to agree with AMoco Production Company to communitize or pool its interests below the base of the Devonian formation for the purpose of drilling said well.

- 5. Applicant desires that all mineral, royalty and leasehold interests below the base of the Devonian formation be pooled in accordance with the provisions of Section 65-3-14 New Mexico Statutes 1953 Annotated and that the pooling order make definite provision as to any owner or owners who elect not to pay such owner's proportionate share in advance for the pro rata reimbursement solely out of production to applicant or the parties advancing the cost of development and operation, including a reasonable charge for supervision and a reasonable charge for the risk involved in the drilling of such well.
- 6. There is filed herewith and for purposes of identification marked Exhibit "A' a plat showing the location of the proposed well, the outlines of said N'z Section 33 to be dedicated to the well, as well as the ownership of the acreage together with all wells which have been drilled within a radius of 2 miles and the depths from which they are producing.
- 7. Applicant requests that this matter be set down for hearing at the examiner's hearing to be held on June 28, 1972.

Respectfully submitted,

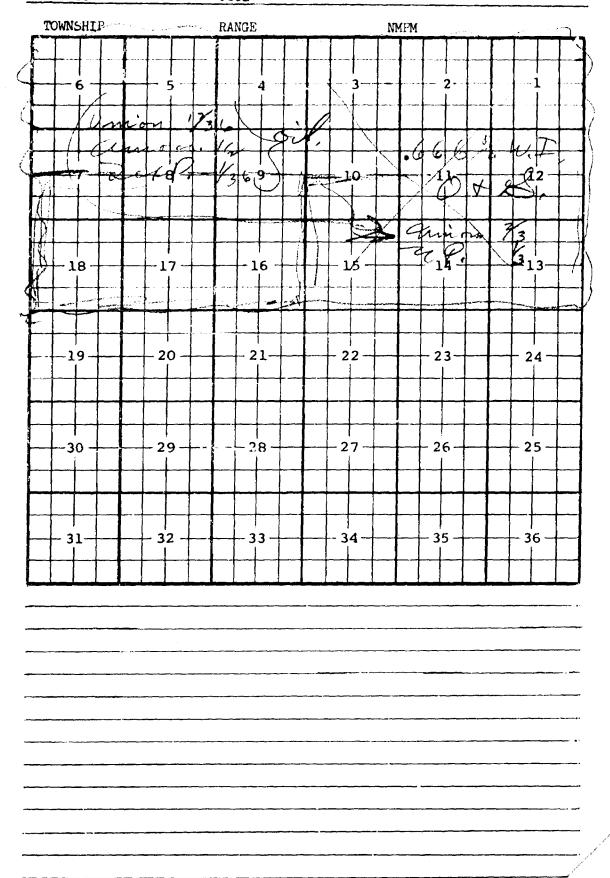
UNION TEXAS PETROLEUM DIVISION, LLED CHEMICAL CORPORATION

HINKLE, BONDURANT COX & EATON

Attorneys for Applicant

Box 10

Roswell, New Mexico



#### 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:

CASE No. 4747

Order No. R-4438

APPLICATION OF UNION TEXAS PETROLEUM, A DIVISION OF ALLIED CHEMICAL CORPORA-TION FOR COMPULSORY POOLING, LEA COUNTY,

NEW MEXICO.

ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this <u>day of October</u>, 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. 4747 is hereby dismissed.

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

Diversed Chemical Comp force poling all interes to N/2 33-25-37 Lea Fusselman sevelopment wret Evenburger exploratory wrec 1650, FNC 2310, FFL & Sec 33.