

Case #

7523

Applications,
Transcripts,
Small Exhibits
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
31 March 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Robert N. Enfield
for compulsory pooling and an un-
orthodox gas well location, Eddy
County, New Mexico.

CASE
7523

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. NUTTER: Call next Case Number 7523.

MR. PEARCE: Case 7523 is the application of Robert N. Enfield for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico.

MR. NUTTER: Applicant has requested that this case be dismissed.

Case Number 7523 is hereby dismissed.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 195-B
Salem, Pa. 15146-0195
Phone (412) 435-7009

I do hereby certify that the foregoing is
a correct and true transcript of the proceedings in
the above-captioned hearing of Case No. **7523**
heard on 2/31/82

[Signature] Examiner
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

PORT OFFICE BOX 8080
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
606 827-3434

April 15, 1982

Mr. Owen Lopez
Montgomery and Andrews
Attorneys at Law
Post Office Box 2307
Santa Fe, New Mexico

Re: CASE NO. 7523
ORDER NO. R-6944

Applicant:

Robert N. Enfield

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other

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. 7523
Order No. R-6944

APPLICATION OF ~~ROBERT N.~~ ENFIELD
FOR COMPULSORY POOLING AND 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 March 31, 1982,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of April, 1982, the Division
Director, 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. 7523 is hereby dismissed.

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

Dockets Nos. 10-82 and 11-82 are tentatively set for April 14 and April 28, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 31, 1982
9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Butter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 7469: (Continued from March 3, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit H. M. Bailey & Associates, Commercial Union Insurance Company, and all other interested parties to appeal and show cause why the following wells on the H. M. Bailey Lease, Township 21 South, Range 1 West, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program: In Section 10: Nos. 9 in Unit A, 9, 11, 12, and 13 in Unit B, 10 and 14 in Unit C; and No. 15 in Unit C of Section 9.

CASE 7497: (Continued and Readvertised)

Application of Parabo, Inc. for an oil treatment plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at its salt water disposal site in the SW/4 of Section 29, Township 21 South, Range 38 East.

CASE 7516: Application of Benson-Montin-Greer for a unit agreement, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Canada Ojitos Unit Area, comprising 12,361 acres, more or less, of Jicarilla Apache Indian lands in Township 27 North, Range 1 West.

CASE 7517: Application of Anadarko Production Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 1450 feet from the South line and 1400 feet from the West line of Section 15, Township 22 South, Range 37 East, Penrose Skelly Pool, the NE/4 SW/4 of said Section 15 to be dedicated to the well.

CASE 7518: Application of Consolidated Oil & Gas Inc., for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation in the perforated interval from 8688 feet to 8856 feet in its Midway State Well No. 1, located in Section 8, Township 17 South, Range 37 East, Midway-Abo Pool.

CASE 7519: Application of S & J Oil Company for special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Seven Lakes-Menafee Oil Pool to provide for wells to be located not nearer than 25 feet to the quarter-quarter section line nor nearer than 165 feet to lands owned by an offset operator.

CASE 7510: (Continued from March 16, 1982, Examiner Hearing)

Application of Union Oil Company of California for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Penn formations underlying the W/2 of Section 10, Township 22 South, Range 32 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7511: (Continued from March 16, 1982, Examiner Hearing)

Application of Buffton Oil & Gas Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Devonian formations underlying the W/2 of Section 35, Township 16 South, Range 35 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7520: Application of Lewis B. Burleson Inc. for compulsory pooling and a non-standard proration and spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Pool underlying a 160-acre non-standard proration unit comprising the NW/4 of Section 15, Township 24 South, Range 36 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, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7521: Application of William B. Barnhill for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 660 feet from the South and West lines of Section 35, Township 19 South, Range 25 East, Perno-Penn, Strawn, Atoka and Morrow formations, the S/2 of said Section 35 to be dedicated to the well.

CASE 7522: Application of Santa Fe Exploration Co. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 660 feet from the North and West lines of Section 14, Township 20 South, Range 25 East, Perno-Penn, Strawn, Atoka and Morrow formations, the N/2 of said Section 14 to be dedicated to the well.

CASE 7523: Application of Robert W. Enfield for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Penn formations underlying the E/2 of Section 18, Township 19 South, Range 27 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North and East lines of said Section 18. 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, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7524 THRU 7535: Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following 12 cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7524: SE/4 Section 2, Township 5 South, Range 24 East

CASE 7525: SW/4 Section 3, Township 5 South, Range 24 East

CASE 7526: NW/4 Section 3, Township 5 South, Range 24 East

CASE 7527: SZ/4 Section 3, Township 5 South, Range 24 East

CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East

CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East

CASE 7530: NW/4 Section 11, Township 6 South, Range 24 East

CASE 7531: SW/4 Section 11, Township 6 South, Range 24 East

CASE 7532: SE/4 Section 27, Township 6 South, Range 24 East

CASE 7533: SW/4 Section 27, Township 6 South, Range 24 East

CASE 7534: NW/4 Section 34, Township 6 South, Range 24 East

CASE 7535: SW/4 Section 17, Township 6 South, Range 25 East

CASE 7515: (Continued and Readvertised)

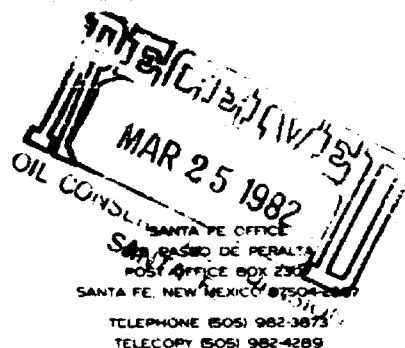
Application of Four Corners Gas Producers Association for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying all or portions of Townships 26 and 27 North, Ranges 12 and 13 West, Township 28 North, Range 13 West, Township 29 North, Ranges 13 through 15 West, and Township 30 North, Ranges 14 and 15 West, containing 164,120 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.

J. O. SETH (1883-1963)
FRANK ANDREWS (1914-1981)

A. K. MONTGOMERY
SETH D. MONTGOMERY
FRANK ANDREWS III
OWEN M. LOPEZ
VICTOR R. ORTEGA
JOHN E. CONWAY
JEFFREY R. BRANNEN
JOHN B. POUND
GARY R. KILPATRICK
THOMAS W. OLSON
WALTER J. MELENDRES
BRUCE L. HERR
MICHAEL W. BRENNAN
ROBERT P. WORCESTER
JOHN B. DRAPER
NANCY M. ANDERSON
RUDOLPH B. SACKS, JR.
JANET MCL. MCKAY
EDWARD F. MITCHELL III
CARRIE L. PARKER
RANDALL GLOVER
MAUREEN A. SANDERS

MONTGOMERY & ANDREWS
PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW

March 24, 1982



ALBUQUERQUE OFFICE
SUITE 946
FIRST INTERSTATE BANK BUILDING
4TH AND GOLD AVENUE, S.W.
POST OFFICE BOX 1396
ALBUQUERQUE, NEW MEXICO 87103-1396
TELEPHONE (505) 242-9677

REPLY TO SANTA FE OFFICE

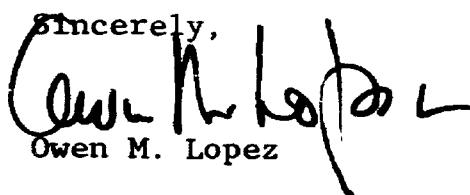
Oil Conservation Division
State Land Office
Santa Fe, New Mexico 87503

Re: OCD Case 7523

Dear Sir:

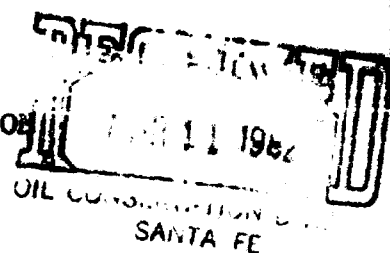
This is to inform you of our intent to withdraw the application of Robert N. Enfield for compulsory pooling and an unorthodox gas well location in Eddy County, New Mexico. We request that Case 7523 scheduled to be heard Wednesday, March 31, 1982 be dismissed.

Sincerely,


Owen M. Lopez

OML:dlb
cc: Robert N. Enfield
File #7151-82-1

BEFORE THE OIL CONSERVATION DIVISION
STATE OF NEW MEXICO



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

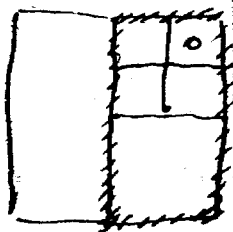
CASE NO. 7523

APPLICATION OF ROBERT N. ENFIELD
FOR COMPULSORY POOLING OF ALL
FORMATIONS UNDERLYING THE EAST 1/2
OF SECTION 18, TOWNSHIP 19 SOUTH,
RANGE 27 EAST, N.M.P.M., EDDY COUNTY,
NEW MEXICO AND FOR AN UNORTHODOX GAS
WELL LOCATION IN THE AFORESAID
PRORATION UNIT, EDDY COUNTY, NEW
MEXICO.

APPLICATION

Comes now the applicant, Robert N. Enfield, by his attorneys
Montgomery and Andrews, P.A. and respectfully states:

1. The applicant is the owner of an oil and gas lease
underlying the east 1/2 of the east 1/2 of Section 18, Township
^{South} 19 North, Range 27 East, N.M.P.M., Eddy County, New Mexico.
2. Applicant proposes to drill the well No. 1 Federal 18
at an unorthodox location located 660 feet from the North line
and 660 feet from the East line of Section 18, Township 19 South,
Range 27 East, Eddy County, New Mexico.
3. Applicant is informed and believes that Yates Petroleum
Corporation is the owner of an oil and gas lease underlying the
west 1/2 of the east 1/2 of Section 18, Township 19 South, Range
27 East, N.M.P.M., Eddy County, New Mexico.
4. Applicant has attempted to reach a voluntary communiza-
tion agreement with the Yates Petroleum Corporation, but has been
unable to reach an agreement.
5. Applicant, therefore, requests an Order of the Commission
effecting the compulsory pooling of all formations underlying the
east 1/2 of Section 18, Township 19 South, Range 27 East, Eddy
County New Mexico.
6. Applicant further requests that applicant be designated



the operator of said proration unit and that he be entitled to recover actual costs and charges for supervision.

7. Applicant further requests that a risk factor of at least 200 percent be assessed against Yates Petroleum Corporation to fairly compensate applicant for the risk of drilling the proposed gas well.

8. As stated above, applicant proposes to drill the well No. 1 Federal 18 at an unorthodox location located 660 feet from the North line and 660 feet from the East line of Section 18, Township 19 South, Range 27 East, Eddy County, New Mexico which would deviate from a regular location that would be 1980 feet from the North line and 660 feet from the East line of said Section 18.

9. In support of its application, applicant states that a well drilling at an orthodox location in the aforesaid proration unit would block one of the flood plain drainages of the Pecos River, and that the proposed unorthodox location would be farther from the Kaiser Channel of the Pecos River and from Lake McMillan.

10. The ground elevation at the proposed unorthodox location is higher than at the standard location so that the chance of the well being inundated during a flood would be less at the unorthodox location.

11. Therefore, for valid topographic considerations, applicant is entitled to an unorthodox well location.

12. ~~Therefore,~~ applicant respectfully requests the Division to set this matter for hearing so that an order may be entered pooling all mineral interests underlying the east 1/2 of Section 18, Township 19 South, Range 27 East, Eddy County, New Mexico and so that an order may also be entered approving applicant's proposed unorthodox location lying 660 feet from the North line and 660 feet from the East line of Section 18, Township 19 South, Range 27 East, Eddy County, New Mexico.

Respectfully submitted,

MONTGOMERY AND ANDREWS, P.A.

By Charles N. Enfield
Post Office Box 2307
Santa Fe, New Mexico 87504-2307

Attorneys for Applicant
Robert N. Enfield

ORDERS

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:

JAR

CASE NO. 7523
Order No. R-6944

APPLICATION OF ROBERT N. ENFIELD
FOR COMPULSORY POOLING AND AN UNORTHODOX
GAS WELL LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

Joy m.s.

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 31, 1982,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of April, 1982, the Division
Director, 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. 7523 is hereby dismissed.

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