

CASE 5319: Application of ALAN  
RALSTON dba APOLLO OIL CO. FOR  
COMPULSORY POOLING, LEA COUNTY.

CASE No.

5319

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
September 18, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Alan Ralston,  
d/b/a Apollo Oil Company, for  
compulsory pooling, Lea County,  
New Mexico.

Case No. 5319

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	William Carr, Esq.
Conservation Commission:	Legal Counsel for the
	Commission
	State Land Office Building
	Santa Fe, New Mexico

For the Applicant:	Donald G. Stevens, Esq.
	234 Old Santa Fe Trail
	Santa Fe, New Mexico

I N D E X

PAGE

ALAN RALSTON

Direct Examination by Mr. Stevens	3
Cross Examination by Mr. Stamets	12
Cross Examination by Mr. Carr	14
Cross Examination by Mr. Stamets	15

E X H I B I T S

Applicant's Exhibits Nos. 1 through 5	11
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RALSTON-DIRECT

CASE 5319

Page.....3.....

MR. STAMETS: Case 5319.

MR. CARR: Case 5319. Application of Alan Ralston d/b/a Apollo Oil Company, for compulsory pooling, Lea County, New Mexico.

MR. STAMETS: We call for appearances in this case.

MR. STEVENS: Mr. Examiner, I am Don Stevens, Attorney in Santa Fe, representing the Applicant in this case. We have one witness to be sworn.

MR. STAMETS: Are there any other appearances? The witness will stand and be sworn, please.

(Witness sworn.)

ALAN RALSTON

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. STEVENS:

Q Would you state your name, your residence and your occupation, please?

A Alan Ralston, Hobbs, New Mexico. I am owner of Apollo Oil Company, and owner of Maypole Packer Company, which is a packing company, in Hobbs, New Mexico.

Q Have you previously testified before this

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RALSTON-DIRECT

Page.....4

Commission?

A No, sir, I haven't.

Q Would you briefly outline your work background for the Commission?

A I have been associated with the oil field for the past 16 years in different facets, drilling, refining, production, owner for the past five years of a packer company which deals in the downhole treating and stimulation work.

Q In these capacities, have you had considerable experience with producing and working with oil and gas wells?

A Yes, sir.

MR. STEVENS: Are the witness' qualifications acceptable, Mr. Examiner?

MR. STAMETS: Mr. Ralston is testifying as the owner in this case?

MR. STEVENS: Yes.

MR. STAMETS: Yes, they are.

BY MR. STEVENS:

Q Could you rather briefly summarize what you seek in this case, Mr. Ralston?

A Well, Apollo Oil Company desires a lease favorable to the operator to start up and attempt production in the

RALSTON-DIRECT

Page. 5

northwest northwest quarter of Section 25, 25, 36.

Q Is that the northwest quarter?

A Yes, sir, as opposed to the northwest of the northwest?

Q Of the northwest quarter?

A Yes, sir.

Q And in that connection, do you seek to compulsory pool those owners who have previously not joined you in the working over of these wells or lease to you?

A Yes, I do.

Q I refer you to what has been marked as Applicant's Exhibit No. 1. Would you explain it for the Commission, please?

A It is an outline of the northwest quarter showing the wells in question and the locations of said wells with the No. 1 Well being a gas well in the southeast corner, being the last productive well in that quarter in 1971.

Q How about the four oil wells? When were they last produced?

A They were shut down. The No. 3 was the last oil well produced. It was produced in 1969. No. 4 and 5 were shut down in '68 -- 2, 4 and 5 were shut down in '68.

Q The red outline on the map, does that outline the acreage in question?

A It does.

Q And the surrounding acreage, wells and lease owners are shown on this plat, are they not?

A They are.

Q I notice a dry hole on that northwest quarter. Do you have any information on that?

A No, sir, I don't.

Q Referring to what has been marked as Applicant's Exhibit No. 2, would you go through it for the Commission, please?

A No. 2 is a well completion record. It is of the initial completions when these wells were drilled, and it gives some pertinent information as to what they did at that time and the treatments on these wells.

Q These cover all five wells that are the subject of this Application, is that correct?

A Yes, sir.

Q Summarily, what is your opinion on how the production looked when they completed it?

A Well, it was kind of a flash production. They had good production in a water-bearing zone there and the



RALSTON-DIRECT

Page..... 7

water taken over quite a bit.

Q In your opinion, why were these wells abandoned?

A Initially, they were abandoned because of truck transportation cost to dispose of the water.

Q Would you anticipate that these costs will still be current when you start operating if this Application is approved?

A This cost will be still there and greatly appreciated because of the increased trucking cost.

Q Roughly how much water do these wells make with the oil -- very roughly?

A About 10 to 1 ratio.

Q Referring to what has been marked as Exhibit No. 3, would you explain that for the Commission?

A No. 3 is the cost estimate on what it will take to put these wells on production.

Q I notice your costs vary on that exhibit. What are the reasons for the different variations?

A Well, some of the equipment is in place and some of it is in bad repair and some of it is completely gone, and it will take pump jacks on two wells, and rods and tubing on one well, rods on one well, and then your corrosion factor on the tubing and pumps and rod strings,

RALSTON-DIRECT

CASE 5319

Page.....8.....

and this is merely an estimate on this.

Q In other words, if this Application is approved, you would propose to bill on the actual cost and not on this estimate?

A That is true.

Q I refer you to what has been marked as Exhibit No. 4. Would you explain that, please?

A No. 4 is a letter we have written to Atlantic Richfield, and Superior Oil, Dr. Hess, Mr. Curtis Darling, Attorney for Mrs. Grace Johnson, and Mrs. Ruth Hensley, and simply making an attempt to obtain an oil and gas lease on 3/16th royalty.

Q What were the results of these requests?

A Negative.

Q Or these offers, that is?

A Negative. We have had some correspondence, but we haven't been able to obtain a lease, and the purpose of this hearing is to get a lease before the other leases expire.

Q In other words, if this Application should be refused, do you have leases that would expire unless the wells are out on production?

A I have leases that will expire in 45 days.

Q I don't note here that you offered any money with these leases. You offered only royalty. Could you explain that?

A Being that these are water-bearing zones, we have no way of telling what is going to be produced, and the cost of disposing of the water -- there is no way of knowing what the lease is worth until it has been tested.

Q In your opinion, is the offer of just the royalty a reasonable offer?

A In my opinion, that is a very reasonable offer.

Q Did you actually have a letter in this exhibit from all of the unleased owners listed in the Application?

A All but one. There is one missing that I can mail to the Commission as soon as I reach home. It is from Frank Anthony, Estate of Florence M. Anthony.

Q Have they indicated they might join you or lease to you?

A They have indicated they will lease to us, but their Estate is in probate and they cannot make any move right now.

Q Referring you to what has been marked as Applicant's Exhibit No. 5, would you go over it for the Commission, please?

RALSTON-DIRECT

Page..... 10

A No. 5 shows what is leased and what remains to be leased. Starting on the 3rd page is the outstanding leases not covered by a mineral lease.

Q Are there any differences between this exhibit and those interests as shown in the Application for this case?

A I think in the Anthony Estate there is -- it shows 25 2/100 and it is 1 2/100 here.

Q Your Application states you have approximately 115.45 acres out of the 160 acres in the northwest quarter. Have any leases been taken since this Application?

A No.

Q Then those figures would still be correct?

A Yes.

Q Mr. Ralston, could you give me a rough estimate of the risk involved here. You are entitled by law to recover your risk from non-joining lease owners. What is your risk in completing these wells?

A I would say the risk would be 10 to 15 percent in completing these wells and putting them on production.

Q How about your risk of actually making a viable money-making operation out of this?

A I think it is about a 10-15 deal.

RALSTON-DIRECT

Page 11

Q Is that because of the high water costs?

A The high water levels and the disposal wells in the area disposing back in the same zones.

Q With these views in mind, what would you recommend to the Commission that you be allowed to charge as a penalty for non-joinder by the non-operators?

A 20 percent or something.

Q Do you feel very firm about that figure?

A Well, yes, I think 20 percent would be fair.

Q In your opinion, would the granting of this Application tend to protect correlative rights and prevent waste?

A Yes, I do.

MR. STEVENS: At this time we would like to offer into evidence Exhibits 1 through 5, Mr. Examiner.

MR. STAMETS: Without objection, these exhibits will be admitted into evidence.

(Whereupon, Applicant's Exhibits, Nos. 1 through 5 were marked for identification, and were received into evidence.)

MR. STEVENS: We have no further questions on direct.

CROSS EXAMINATION

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RALSTON-CROSS

Page.....12.....

BY MR. STAMETS:

Q Mr. Ralston, what prompts you to go back into these apparently uneconomic wells at this time?

A Well, I already have bought the equipment, and there is a chance that there might be some oil there and it might be productive, and there is a chance it may not.

Q If the well should prove not to be productive, what would you do?

A I would send a form into the Oil Commission to plug and abandon the location.

Q I see. So, if you test the well and there is nothing commercial there, you would plug the well at that time?

A Right.

Q Do you propose to do these wells one at a time or try and do them all at one time?

A One at a time, and as quickly as possible to get a complete test on the complete lease.

Q How long a delay would you anticipate between the completion of the first well and the commencement of work on the next well?

A Not over 24 hours.

Q Assuming you didn't have any major problem?

RALSTON-CROSS

CASE 5310

Page 13

A Right.

Q Would 30 days be sufficient time to allow for the conclusion of the work on one well and the initiation of work on the next well in the Order?

A That would be fine.

Q You asked for a risk factor of 20 percent, and you have not mentioned any combined fixed rates on operation overhead. Do you have any --

A (Interrupting) I have no figures on that until I find out what kind of corrosion problems I am going to have and what type tubing I have in the hole, what type of rod strings.

Q What you are talking about, of course, would be charges on the well, which, of course, could be charged off against production. What I am referring to would be your administrative overhead, your office help. Do you have an overhead charge that can be charged to these wells?

A Yes, but I couldn't put a figure on it right now. I can send a copy of what it will be.

MR. STEVENS: Mr. Examiner, I might interrupt here. I think the Applicant would be satisfied with the usual Commission figures that they have given to wells of this type in the past.

(Whereupon, a discussion was held off the record.)

BY MR. STAMETS:

Q Mr. Ralston, do you have kind of a general figure that you feel would cover your overhead costs on these wells?

A Around \$80 a month.

Q If you can, confirm that with a letter subsequent to the Hearing.

A I can.

MR. STAMETS: Mr. Carr?

CROSS EXAMINATION

BY MR. CARR:

Q Mr. Ralston, are you aware that the Commission issued an Order in 1973 requiring that the boundaries of these wells be plugged and abandoned?

A Yes, sir.

Q And it is your intention that the Order in this case supercede that to the extent of their common wells involved, is that correct?

A That's true.

MR. CARR: That's all.

CROSS EXAMINATION



RALSTON-CROSS

BY MR. STAMETS:

Q Mr. Ralston, would you have any objection to the Order in this case requiring that the wells be immediately plugged and abandoned if commercial production is not obtained?

A No, sir, I would have no objection.

Q Mr. Ralston, in a similar case to this, the Commission issued an Order which essentially gave the operation 90 days in which to commence operations on the first well and approximately 120 days in which to complete operations on the first well, another period of time in which to commence work on the second well, and another 120 days to complete work on the second well, and so on to conclusion. Is this the type of order that you are seeking?

A I can go along with a lot less time than that, but that is similar.

MR. STAMETS: Are there any other questions of this witness? He may be excused.

(Witness dismissed.)

MR. STAMETS: Is there anything further in this case? We will take the case under advisement.

STATE OF NEW MEXICO )  
COUNTY OF SANTA FE ) SS.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

*Richard L. Nye*  
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5319, heard by me on 9-18, 1974.  
*Richard L. Nye* Examiner  
New Mexico Oil Conservation Commission



## OIL CONSERVATION COMMISSION

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

October 9, 1974

L. R. TRUJILLO  
CHAIRMAN  
LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER  
STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. Don Stevens  
Attorney at Law  
Post Office Box 1797  
Santa Fe, New Mexico

Re: CASE NO. 5319  
ORDER NO. R-4862

Applicant:

Alan Ralston dba Apollo Oil Co.

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.*

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x  
Artesia OCC             
Aztec OCC           

Other            And parties listed on application

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. 5319  
Order No. R-4862

APPLICATION OF ALAN RALSTON dba  
APOLLO OIL COMPANY 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 September 18, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of October, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Alan Ralston dba Apollo Oil Company, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the NW/4 of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, to form a 160-acre non-standard gas proration unit to be dedicated to applicant's Brown Well No. 1 located 1980 feet from the North line and 2310 feet from the West line of said Section 25.

(3) Applicant further seeks the pooling of all mineral interests in the Jalmat Oil Pool underlying the following 40-acre oil proration units in said Section 25: the NW/4 NW/4 to be dedicated to applicant's Brown Well No. 2 located 330 feet from the North line and 825 feet from the West line; the NE/4 NW/4 to be dedicated to applicant's Brown Well No. 3, located 365 feet from the North line and 1650 feet from the West line; the SE/4 NW/4 to be dedicated to applicant's Brown Well No. 4, located 1690 feet from the North line and 1870 feet from the West line; and the SW/4 NW/4 to be dedicated to applicant's Brown Well No. 5, located 1650 feet from the North line and 990 feet from the West line.

(4) That said Brown Wells Nos. 1 through 5 are currently completed in the Jalmat Gas Pool and Jalmat Oil Pool as set out under Findings (1) and (2) above but must be worked over before the wells can be returned to production.

(5) That the applicant has the right to work over and proposes to work over said Brown Wells Nos. 1 through 5.

(6) That there are interest owners in the proposed proration units who have not agreed to pool their interests.

(7) That to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the gas and oil in said pools, the subject application should be approved by pooling all mineral interests, whatever they may be, within said units.

(8) That the applicant should be designated the operator of the subject wells and units.

(9) That any non-consenting working interest owner should be afforded the opportunity to pay his share of estimated workover costs to the operator in lieu of paying his share of reasonable workover costs out of production.

(10) That any non-consenting working interest owner that does not pay his share of estimated workover costs should have withheld from production his share of the reasonable workover costs plus an additional 20 percent thereof as a reasonable charge for the risk involved in the recompletion of the well.

(11) That any non-consenting interest owner should be afforded the opportunity to object to the actual workover costs but that actual workover costs should be adopted as the reasonable workover costs in the absence of such objection.

(12) That following determination of reasonable workover costs, any non-consenting working interest owner that has paid his share of estimated costs should pay to the operator any amount that reasonable workover costs exceed estimated workover costs and should receive from the operator any amount that paid estimated workover costs exceed reasonable workover costs.

(13) That for each well, \$85.00 per month should be fixed as a reasonable charge for supervision (combined fixed rates); that the operator should be authorized to withhold from production the proportionate share of such supervision charge attributable to each non-consenting working interest, and in addition thereto, the operator should be authorized to withhold from production the proportionate share of actual expenditures required for operating each well, not in excess of what are reasonable, attributable to each non-consenting working interest.

(14) That all proceeds from production from the subject wells which are not disbursed for any reason should be placed in escrow to be paid to the true owner thereof upon demand and proof of ownership.

CASE NO. 5319  
Order No. R-4862

(15) That upon the failure of the operator of said pooled units to commence workover operations on or before January 1, 1975, the order pooling said units should become null and void and of no effect whatsoever.

(16) That all of the wells involved in the subject case were previously subjects in Case No. 4999 and were ordered to be plugged and abandoned by Commission Order No. R-4574.

(17) That any of said Brown Wells Nos. 1 through 5 which cannot be successfully worked over and returned to production should be plugged and abandoned in accordance with a Commission-approved plugging program.

IT IS THEREFORE ORDERED:

(1) That all mineral interest, whatever they may be, in the Jalmat Gas Pool underlying the NW/4 of Section 25, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, are hereby pooled to form a standard 160-acre gas spacing and proration unit to be dedicated to applicant's Brown Well No. 1, located in Unit F of said Section 25 and that all mineral interests, whatever they may be in the Jalmat Pool underlying the NW/4 ~~NW/4~~, NE/4 NW/4, SE/4 NW/4, and SW/4 NW/4 of said Section 25 are hereby pooled to form four separate 40-acre oil spacing and proration units to be dedicated to applicant's Brown Wells Nos. 2, 3, 4, and 5, located in Units D, C, F, and E, respectively, of said Section 25.

PROVIDED HOWEVER, that the operator of said units shall commence workover operations on the first of said wells on or before January 1, 1975, and shall thereafter continue the workover of said wells with due diligence to test the Jalmat Gas Pool or Jalmat Pool, as set out above, allowing not more than 30 days to elapse between the completion of one well and the commencement of the next.

PROVIDED FURTHER, that in the event said operator does not commence workover operations on the first of said wells on or before the first day of January, 1975, Order (1) of this order shall be null and void and of no effect whatsoever.

PROVIDED FURTHER, that in the event said operator allows more than 30 days to elapse after the completion of any of the subject wells without initiation of workover operations on any of the remaining wells, Order (1) of this order shall be null and void and of no effect whatsoever as to those wells or units.

PROVIDED FURTHER, that should any one or more of said wells not be worked over and returned to production or plugged and abandoned within 60 days after commencement of workover operations, said operator shall appear before the Commission and show cause why Order (1) of this order should not be rescinded.

(2) That Alan Ralston dba Apollo Oil Company is hereby designated the operator of the subject wells and units.

(3) That after the effective date of this order and within 30 days prior to commencing workover operations on each of said wells, the operator shall furnish the Commission and each known working interest owner in the affected unit an itemized schedule of estimated workover costs.

(4) That within 20 days from the date the schedule of estimated workover costs is furnished to him, any non-consenting working interest owner shall have the right to pay his share of estimated workover costs to the operator in lieu of paying his share of reasonable workover costs out of production, and that any such owner who pays his share of estimated workover costs as provided above shall remain liable for operating costs but shall not be liable for risk charges.

(5) That the operator shall furnish the Commission and each known working interest owner an itemized schedule of actual workover costs within 90 days following completion of workover operations on each of said wells; that if no objection to the actual workover costs is received by the Commission and the Commission has not objected within 45 days following receipt of said schedule, the actual workover costs shall be the reasonable workover costs; provided however, that if there is an objection to actual workover costs within said 45-day period the Commission will determine reasonable workover costs after public notice and hearing.

(6) That within 60 days following determination of reasonable workover costs, any non-consenting working interest owner that has paid his share of estimated costs in advance as provided above shall pay to the operator his pro rata share of the amount that reasonable workover costs exceed estimated workover costs and shall receive from the operator his pro rata share of the amount that estimated workover costs exceed reasonable workover costs.

(7) That for each well and unit the operator is hereby authorized to withhold the following costs and charges from production:

- (A) The pro rata share of reasonable workover costs attributable to each non-consenting working interest owner who has not paid his share of estimated workover costs within 20 days from the date the schedule of estimated workover costs is furnished to him.
- (B) As a charge for the risk involved in the workover of the well, 20 percent of the pro rata share of reasonable workover costs attributable to each non-consenting working

CASE NO. 5319  
Order No. R-4862

interest owner who has not paid his share of estimated workover costs within 20 days from the date the schedule of estimated well costs is furnished to him.

(8) That for each well and unit the operator shall distribute said costs and charges withheld from production to the parties who advanced the well costs.

(9) That for each well and unit \$85.00 per month is hereby fixed as a reasonable charge for supervision (combined fixed rates); that the operator is hereby authorized to withhold from production the proportionate share of such supervision charge attributable to each non-consenting working interest, and in addition thereto, the operator is hereby authorized to withhold from production the proportionate share of actual expenditures required for operating such well, not in excess of what are reasonable, attributable to each non-consenting working interest.

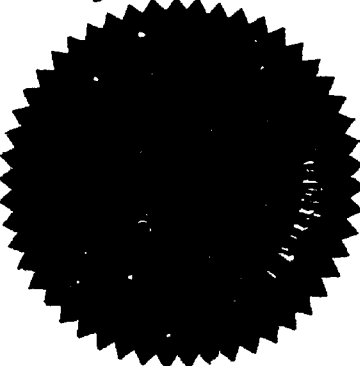
(10) That for each well and unit any unsevered mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for the purpose of allocating costs and charges under the terms of this order.

(11) That any workover costs or charges which are to be paid out of production shall be withheld only from the working interests share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(12) That all proceeds from production from any of the subject wells which are not disbursed for any reason shall be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership; that the operator shall notify the Commission of the name and address of said escrow agent within 90 days from the date of this order.

(13) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*[Signature]*  
I. R. TRUJILLO, Chairman

ALEX J. ARMILLO, Member

*[Signature]*  
A. L. PORTER, Jr., Member & Secretary

S E A L  
jr/



Dockets Nos. 29-74 and 30-74 are tentatively set for hearing on October 2 and October 16, 1974. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 18, 1974

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 Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for October, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1974;

CASE 5288: (Continued from the August 7, 1974, Examiner Hearing)

Application of Merrion & Bayless for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of hydrocarbon production from the top of the Gallup formation at 5434 feet to the base of the Dakota formation at 6570 feet in its Keeling Federal Well No. 1 located in Unit B of Section 20, Township 25 North, Range 8 West, Dufers Point-Dakota Pool, San Juan County, New Mexico.

CASE 5313: Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of its Ludwick Well No. 11 located in Unit B of Section 9, Township 30 North, Range 10 West, San Juan County, New Mexico.

CASE 5292: (Continued from the August 7, 1974, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B, Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico;

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

- CASE 5316: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Benson-Montin-Greer Drilling Corporation and Hartford Accident and Indemnity Company and all other interested parties to appear and show cause why the Segal Well No. 1 located in Unit K of Section 10, Township 31 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5317: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit R & G Drilling Company, Inc., and all other interested parties to appear and show cause why the Marron Well No. 42 in Unit M of Section 22, Township 27 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5318: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit William C. Russell and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Marron Well No. 46 located in Unit K of Section 23, Township 27 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5326: Application of William C. Russell for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of his Hammond Well No. 1, the surface location of which is 1800 feet from the North line and 1650 feet from the East line of Section 26, Township 27 North, Range 8 West, Largo-Chacra Pool, San Juan County, New Mexico.
- CASE 5328: Application of R & G Drilling Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blanco-Mesaverde and Basin-Dakota gas production in the wellbore of its Hammond Well No. 47, located in Unit K of Section 35, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 5312: Application of SEC Corporation for two non-standard carbon dioxide gas units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for two non-standard gas units in the South Bueyeros Carbon Dioxide Field, Harding County, New Mexico, the first comprising the W/2 NE/4, SE/4 NE/4, and NE/4 SE/4 of Section 32, Township 19 North, Range 30 East, to be dedicated to a well to be drilled in the approximate center of the SW/4 NE/4 of said Section 32; the second non-standard unit would comprise the SW/4 NE/4, N/2 SE/4 and SE/4 SE/4 of Section 5, Township 18 North, Range 30 East, and would be dedicated to a well in the approximate center of the NW/4 SE/4 of said Section 5.

CASE 5314: Application of Gulf Oil Corporation for simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of its W. A. Ramsay Wells Nos. 6, 7, and 20 located in Units H, N, and E, respectively, of Section 35, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to a standard 640-acre gas proration unit comprising all of said Section 35. Each of the aforesaid wells is at a non-standard location for a 640-acre unit in said pool.

CASE 5315: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry, Tubb-Drinkard, and Fusselman production in the wellbore of its G. L. Erwin "B" Federal Well No. 4 located in Unit O of Section 35, Township 24 South, Range 37 East, Justis Field, Lea County, New Mexico.

CASE 5319: Application of Alan Ralston dba Apollo Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the NW/4 of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, to form a 160-acre non-standard gas proration unit to be dedicated to applicant's Brown Well No. 1 located 1980 feet from the North line and 2310 feet from the West line of said Section 25. Applicant further seeks the pooling of all mineral interests in the Jalmat Pool underlying the following 40-acre oil proration units in said Section 25: the NW/4 NW/4 to be dedicated to Brown Well No. 2 located 330 feet from the North line and 825 feet from the West line; the NE/4 NW/4 to be dedicated to Brown Well No. 3 located 365 feet from the North line and 1650 feet from the West line; the SE/4 NW/4 to be dedicated to Brown Well No. 4 located 1690 feet from the North line and 1870 feet from the West line; and the SW/4 NW/4 to be dedicated to Brown Well No. 5 located 1650 feet from the North line and 990 feet from the West line. Also to be considered will be the cost of reworking said wells and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the wells and a charge for risk involved in reworking said wells.

CASE 5320: Application of Lively Exploration Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 341.33-acre non-standard gas proration unit comprising Lots 9, 10, 11, and 12 of Section 7, and Lots 1, 2, 3, and 4 and the E/2 W/2 of Section 18, Township 29 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit.

- CASE 5321: Application of Northern Minerals, Inc. for pool creation and special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Miguel Creek-Hospah Oil Pool in Township 16 North, Range 6 West, McKinley County, New Mexico, and for the promulgation of special pool rules therefor, including the elimination of the requirement for surface casing and authority to inject water through casing. Applicant is currently conducting waterflood operations in said pool pursuant to authority granted by Order No. R-4649 and seeks administrative provision for the drilling of additional injection and production wells at orthodox and unorthodox locations.
- CASE 5322: Application of Phillips Petroleum Company for an exception to Rule 104-C-I, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Rule 104-C-I to permit the production of its Santa Fe Wells Nos. 41 and 86, both of which are located in Unit C of Section 26, Township 17 South, Range 35 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, said wells being located closer than the required 330 feet apart.
- CASE 5323: 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 of Pennsylvanian age, or older, underlying the E/2 of Section 32, Township 21 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5324: 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 of Pennsylvanian age, or older, underlying the E/2 of Section 18, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to applicant's Tracy "B" Well No. 1, the surface location of which is 2045 feet from the South line and 479 feet from the East line of said Section 18. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5325: Application of Cities Service Oil Company for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Tracy "B" Well No. 1, the surface location of which is 2045 feet from the South line and 479 feet from the East line of Section 13, Township 22 South, Range 27 East, South

Examiner Hearing - Wednesday - September 18, 1974

Docket No. 27-74

-5-

(Case 5325 continued from Page 4)

Carlsbad Field, Eddy County, New Mexico, in such a manner as to bottom said well in the Morrow formation at an orthodox location within 165 feet of a point 2145 feet from the North line and 825 feet from the East line of said Section 18. Applicant further seeks approval for the unorthodox location of said well in the Strawn formation, in the event production is therein encountered, within a 100-foot radius of a point 2600 feet from the North line and 675 feet from the East line of said Section 18. The E/2 of said Section 18 would be dedicated to the well for both formations.

CASE 5327: Application of Cities Service Oil Company for an unorthodox location and gas injection, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire-Abo Unit Well No. 111 to be drilled at a point 990 feet from the South line and 1880 feet from the West line of Section 35, Township 17 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico. This well is to be used as a gas injection well and, in exception to the provisions of Order No. R-4808, is located 1140 feet from the outer boundary of the Citgo Empire-Abo Unit Boundary, rather than the required 1650 feet from the outer boundary.

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

Form C-104  
Revised 7/1/57

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well  
Recompletion

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when new oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Hobbs, N.M.  
(Place)

Oct. 14, 1960  
(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

Standard Production Co.

Brown

Well No. 1, in SE 1/4 NW 1/4,

(Company or Operator)

(Lease)

E

Sec. 25

T. 25N

R. 30E

NMPM,

Jalnet Gas

Pool

Unit Letter

Recompleted

121

County Date Spudded

Date Drilling Completed

6/27/60

Please indicate location:

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

Elevation 3035

Total Depth 3205

FBTD 3150

Top Oil/Gas Pay 3002

Name of Prod. Form. Yates

PRODUCING INTERVAL -

Perforations 3002 - 3010

Open Hole

Depth Casing Shoe 3105

Depth Tubing 3070

OIL WELL TEST -

Natural Prod. Test: \_\_\_\_\_ bbls. oil, \_\_\_\_\_ bbls. water in \_\_\_\_\_ hrs, \_\_\_\_\_ min. Choke Size \_\_\_\_\_

Test After Acid or Fracture Treatment (after recovery of volume of oil equal to volume of load oil used): \_\_\_\_\_ bbls. oil, \_\_\_\_\_ bbls. water in \_\_\_\_\_ hrs, \_\_\_\_\_ min. Choke Size \_\_\_\_\_

GAS WELL TEST -

Natural Prod. Test: \_\_\_\_\_ MCF/day; Hours flowed \_\_\_\_\_ Choke Size \_\_\_\_\_

Method of Testing (pitot, back pressure, etc.): \_\_\_\_\_

Test After Acid or Fracture Treatment: \_\_\_\_\_ MCF/day; Hours flowed 24

Choke Size 2 1/2" Method of Testing: A.P.C. Calc. A.P. 2600 HOP

Acid or Fracture Treatment (Give amounts of materials used, such as acid, water, oil, and sand): \_\_\_\_\_

Casing \_\_\_\_\_ Tubing \_\_\_\_\_ Date first run \_\_\_\_\_

Press. \_\_\_\_\_ oil run to tanks \_\_\_\_\_

Oil Transporter \_\_\_\_\_ Date Gas Used \_\_\_\_\_

Gas Transporter \_\_\_\_\_

Remarks:

I hereby certify that the information given above is true and complete to the best of my knowledge.

Approved \_\_\_\_\_ 19 \_\_\_\_\_

OIL CONSERVATION COMMISSION

By \_\_\_\_\_

Title \_\_\_\_\_

By \_\_\_\_\_  
(Signature)

Title \_\_\_\_\_  
Send Communications regarding well to:

Name \_\_\_\_\_

Address \_\_\_\_\_

BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	2
CASE NO.	5319
Submitted by _____	
H. Grinn (Company or Operator)	

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

(Form C-104)  
Revised 7/1/57

REQUEST FOR (OIL) - (GAS) ALLOWABLE

HOBBS OFFICE OF NEW WELL RECOMPLETION

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was filed. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when new oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Hobbs, New Mexico January 12, 1960

(Place)

(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

STANDARD PRODUCTION CO. Brown Well No. 2 in 1/4 1/4

(Company or Operator)

(Lease)

D Sec 35 T 25 R 26 NMPM, Garfield Pool

100

County Date Spudded 12/22/59

Date Drilling Completed 12/25/59

Please indicate location:

D	G	B	A
E	F	G	H
L	K	J	I
M	N	O	P

Elevation 3800' Total Depth 5221' PBTO

Top Oil/Gas Pay 3840' Name of Prod. Form Yates

PRODUCING INTERVAL -

Perforations 5221-5212; 5212-50; w/ 8PF

Open Hole Depth Casing Shoe Tubing

OIL WELL TEST -

Natural Prod. Test: bbls. oil, bbls. water in hrs. min. Size Choke

Test After Acid or Fracture Treatment (after recovery of volume of oil equal to volume of load oil used): 0 bbls. oil, 2 bbls. water in 24 hrs. min. Size Choke

GAS WELL TEST -

0.15

Natural Prod. Test: MCF/Day; Hours flowed Choke Size

Method of Testing (pilot, back pressure, etc.):

Test After Acid or Fracture Treatment: MCF/Day; Hours flowed

Choke Size Method of Testing:

Acid or Fracture Treatment (Give amounts of materials used, such as acid, water, oil, and sand):

Casing 5-5/8" 360' 350'

5-1/2" 3821' 375'

Oil 0 3800'

Gas Transfer

Remarks:

I hereby certify that the information given above is true and complete to the best of my knowledge.

Approved: 19 (Company or Operator)

OIL CONSERVATION COMMISSION

By: (Signature)

Title: Agent for the Commission

Send Communications regarding well to:

Name: c/o 021 Hobbs, N. M.

Address:

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

Form C-104  
Revised 7/1/57

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well  
Recompletion

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when new oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Hobbs, New Mexico June 23, 1960

(Place)

(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

STANDARD PRODUCTION COMPANY Brown, Well No. A-1 #3, in NE 1/4 NW 1/4,  
(Company or Operator) (Lease)

G, Sec. 25, T. 25, R. 36, NMPM, Joliet Pool  
Unit Letter

Lea

County Date Spudded 5/2/60

Date Drilling Completed 5/8/60

Please indicate location:

Elevation 3034 KB

Total Depth 3248' FBTD

Top Oil/Gas Pay 2970'

Name of Prod. Form. Yates

PRODUCING INTERVAL -

Perforations 3200-3225'; 3166-36'

Open Hole

Depth Casing Shoe Depth Tubing

OIL WELL TEST -

Natural Prod. Test: bbls. oil, bbls. water in hrs, min. Choke Size

Test After Acid or Fracture Treatment (after recovery of volume of oil equal to volume of load oil used): 75 bbls. oil, 6 bbls. water in 24 hrs, min. Choke Size 1/4"

GAS WELL TEST -

365' Fr N & 1650' Fr U

Natural Prod. Test: MCF/day; Hours flowed Choke Size

Tubing, Casing and Cementing Record

Method of Testing (nitro, back pressure, etc.):

Size	Feet	Size
7-5/8"	522'	200 st
5-1/2"	3247'	100 st
2" O 3225'		50 st

Test After Acid or Fracture Treatment: MCF/day; Hours flowed

Choke Size Method of Testing:

Acid or Fracture Treatment (Give amounts of materials used, such as acid, water, oil, and

fluids: 3500 gals. acid

Casing Tubing Date first row

Process: OIL Process: 3224 oil run to tanks 6/1/60

Oil Transporter: McHard

Gas Transporter: Hays

Remarks:

I hereby certify that the information given above is true and complete to the best of my knowledge.

Approved: 19 STANDARD PRODUCTION COMPANY  
(Company or Operator)

OIL CONSERVATION COMMISSION

By: (Signature)  
Agent

By: Title

Title

Send Communications regarding well to:

L. F. Brown- P. O. Box 5005 Lubbock, Texas  
Name

Address



NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

(Form C-104)  
Revised 7/1/57

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well  
Recompletion

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Hobbs, New Mexico August 18, 1960

(Place)

(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

STANDARD PRODUCTION COMPANY

District

Well No. 1, in 1/4 1/4 1/4

(Company or Operator)

(Lease)

F

Sec 25

T 35

R 35

NMPM,

Jalisco

Pool

Tract Letter

Lea

County Date Spudded 2/6/60

Date Drilling Completed 8/12/60

Please indicate location:

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

1000' fr N & 1570' fr S

Tubing, Casing and Cementing Record

Size	Feet	Size
8-5/8"	557'	2 3/4" cas
7-7/8"	2245'	2 1/2" cas
7-7/8"	0 1/2" 1519'	

Elevation 3210 Total Depth 3217 BTD

Top Oil/Gas Pay 2295 Name of Prod. Form. System

PRODUCING INTERVAL -

Perforations 2295-2306 w/a 5022

Open Hole Depth Casing Shoe Depth Tubing

OIL WELL TEST -

Natural Prod. Test: bbls. oil, bbls. water in min. Size

Test After Acid or Fracture Treatment (after recovery of volume of oil equal to volume of

load oil used): 0 bbls. oil, 20 bbls. water in min. Size 15/64"

GAS WELL TEST -

Natural Prod. Test: MCF/Day; Hours flowed Choke Size

Method of Testing (pilot, back pressure, etc.):

Test After Acid or Fracture Treatment: MCF/Day; Hours flowed

Choke Size Method of Testing:

Acid or Fracture Treatment (Give amounts of materials used, such as acid, water, oil, and

sand): 250 gal 30% formation acid

Casing cement: 1000 lbs. cement, 1000 gal water, 1000 gal oil

Pressure: 1000 psi, 1000 psi, 1000 psi

Oil Transporter: 1000 gal, 1000 gal, 1000 gal

Gas Transporter: 1000 gal, 1000 gal, 1000 gal

Remarks: Well is in good condition and is producing oil and gas.

I hereby certify that the information given above is true and complete to the best of my knowledge.

Approved: 1960 Standard Production Company (Company or Operator)

OIL CONSERVATION COMMISSION

By: [Signature] Title: [Signature]

Send Communications regarding well to:

Name: [Name] Address: [Address]

Address: [Address]

NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

(Form C-104)  
Revised 7/1/57

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well  
Recompletion

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during the calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when new oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Hobbs, New Mexico January 25, 1960  
(Place) (Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

Morris R. Antzoll, Neel, Well No. 1, in SW 1/4, NE 1/4, E 1/2, Sec. 25, T25S, R. 30E, NMPM, Jaimat Pool

County: Lea Date Spudded: 9/16/59 Date Drilling Completed: 9/27/59

Elevation: 3366 Total Depth: 3239 HOLE: 3286

Top Oil/Gas Pay: 3184 Name of Prod. Form: Yates

PRODUCING INTERVAL: 3184-3188 3267-3269

Perforations: 3190-3205 3278-3280

Open Hole: Depth: 3280 Depth: 3200

OIL WELL TEST -

Natural Prod. Test: 6 bbls. oil, 39 bbls. water in 24 hrs. Choke Size: Pump

Test After Acid or Fracture Treatment (after recovery of volume of oil equal to volume of load oil used): 80 bbls. oil, 400 bbls. water in 24 hrs. Choke Size: Pump

GAS WELL TEST -

Natural Prod. Test: MCF/day; Hours flowed: Choke Size:

Tubing, Casing and Cementing Record

Size	Feet	SAY
8-5/8"	536	250
5-1/2"	3280	250
2-7/8"	3260	

Method of Testing (pitot, back pressure, etc.):

Test After Acid or Fracture Treatment: MCF/day; Hours flowed:

Choke Size: Method of Testing:

Acid or Fracture Treatment (Give amounts of materials used, such as acid, water, oil, and sand): 2600 gal. acid, 4.825 gal. water, 12,500 gal. oil & 1/2" sand

Casing: 8-5/8" 536' 250' 1/16/60 per gal.

Operator: Fernandez-Morales Pipeline Co.

Test Report Filed:

Remarks: Well had been tested as pump-jack prior to completion. Request allowable be effective as of January 16, 1960.

I hereby certify that the information given above is true and complete to the best of my knowledge.

Approved: 1960

OIL CONSERVATION COMMISSION

By: Title: Agent  
Send Communications regarding well to

Name: Morris R. Antzoll

Address: P.O. Box 1100, Hobbs, New Mexico

# COST TO BRING LEASE TO PRODUCTION

## WELL #1

3200' of rods @ 103.25/100'	\$ 3,304.00
1 - D-80 pumping unit	3,500.00
1 - 1 1/4 x 12 pump	1,000.00
Labor and equipment to install rods and pump	300.00
Labor and equipment to install pumping unit	500.00
Labor, equipment and material to install electric power	1,000.00
	<hr/>
	\$ 9,604.00

## WELL #2

Pull rods, test tubing, replace pump and put on production	
Pull rods and pump	\$ 500.00
Test tubing	200.00
Replace pump 1 1/4 x 12	1,000.00
Replace rods - 5 rods @ 25.81 each	129.05
Replace 10 joints tubing - 310' @ 2.75/ft.	852.50
	<hr/>
	\$ 2,681.55

## WELL #3

Pull rods, test tubing, replace pump and put on production	
Pull rods and pump	\$ 500.00
Test tubing	200.00
Replace pump 1 1/4 x 12	1,000.00
Replace rods - 5 rods @ 25.81 each	129.05
Replace 10 joints tubing - 310' @ 2.75/ft.	852.50
	<hr/>
	\$ 2,681.55

## WELL #4

Pull rods, test tubing, replace pump and put on production	
Pull rods and pump	\$ 500.00
Test tubing	200.00
Replace pump 1 1/4 x 12	1,000.00
Replace rods - 5 rods @ 25.81 each	129.05
Replace 10 joints tubing - 310' @ 2.75/ft.	852.50
	<hr/>

## WELL #5

	\$ 2,681.55
3200' 2 3/8" tubing @ 2.75 per ft.	\$ 8,800.00
3200' 5/8" rods @ 25.81 each	3,303.88
Labor & equipment to install rods & tubing	1,500.00
Well head equipment (valves, spool, flanges tubing head stuffing box polish rod)	800.00
Logging & perforate production same	450.00
Acid treatment on same	750.00
1-D-80 pumping unit	3,500.00
Material & labor to install pumping unit	750.00
Electric tie in & control panel	350.00
Rod pump 1 1/4" x 12'	1,000.00
	<hr/>
	\$21,203.88

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
EXHIBIT NO. <u>8</u>
C. NO. <u>1121</u>
by <u>                    </u>
Date <u>                    </u>

BATTERY #1 AT WELL #2

Flow line from Wells #1, #2, #3 and #4 - 3200' @ 0.98/ft.	\$ 3,136.00
Repair tanks - three 300 bbl. tanks @ \$350. each	1,050.00
Labor and material to prepare for truck transporter, plus circulating pump for treating	1,000.00
Repair heater treater - 4 x 20 National	
Repair bottom and fire tube	350.00
Material and labor to repair valves and controls	500.00
	<hr/>
	\$ 6,036.00

BATTERY #2 AT WELL #3

Clean tank and inspect three tanks	
2 - 250 barrel and 1 High - 500 barrel tanks	\$ 500.00
Purchase and install 4 x 20 heater treater	
Heater cost	3,000.00
Labor and material to install	1,000.00
	<hr/>
	\$ 4,500.00

GENERAL LEASE EXPENSE TO CONFORM WITH OIL COMMISSION

Dirt work to level old pits at wells plugged and abandoned	\$ 5,000.00
Locate surface pipe and install dry hole markers on	
Well #5	4,500.00
Repair roads for oil transporter	3,000.00
	<hr/>
	\$12,500.00

TOTAL EXPENSE TO PUT LEASE ON PRODUCTION

\$61,888.53

**Keywords:** child sexual abuse; disclosure; self-blame; social support

1997, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 26

Act: Arson Laws & Arson Act. 1. Lease  
27, Dec. 25, 1964, 1964  
1st County, No. 1. Arson

Gentlemen:

We now have signed leases covering 75% of the interest. On this basis we believe we are now justified in asking the Oil Conservation Commission for a force-pooling order. Considering the location of the lease on the extreme west edge of the Joliet Pool, the prior productive history and the fact that all the wells have been ordered plugged, such an order would be in the interest of conservation and the protection of correlative rights.

Wages, 1900-1901

CONFIDENTIAL - SECURITY INFORMATION

62. *Chrysomelidae* (1000)

**Abstract**

00/201

cc: Agatha CIP Guey  
B. O. P. 177  
P.O. Box 100-100

Atlantic City, N.J. 08402-1000

Dr. J. C. Ball

11. *How do you feel about the way the company is run?*

**MAIL SERVICE(S) INDICATED BY CHECKED BLOCK(S)**  
*(Mark "X" in each checked block below)*

London, 21st July 1992

[illegible]

EXHIBIT NO. 534  
CASE NO. 534

Submitted by \_\_\_\_\_

Hearing Date \_\_\_\_\_

1. O. H. K. 7123, 110439, 110440, 110441, 110442

[illegible]

[illegible]

Vol. 174, Sec. 25, 115, 136  
Ira County, New Mexico

On May 15th and again on May 31st I discussed the subject lease with you. It was explained that every effort was being made to re-establish the original lease which expired by default. In both instances you advised that your attorney would contact me. It has not done so.

We now have signed leases from 75% of the interest owners. On this basis we are now justified in asking the OIL Conservation Commission for a force-pooling order to be directed against the remainder interest owners.

Yours very truly,

OTIS ENGINEERING AND ARCHITECTS, INC.

(2005) on the follow

441

cc: Apollo 11, Computer  
D. 1. 10. 1972  
1972, 1. 10. 1972

Dr. Herbert Gold  
101 East 11th Ave., 11th Fl.  
New York, N.Y. 10003

[illegible]

1. *Chlorophyll a* (Chl *a*) and *Chlorophyll b* (Chl *b*) were determined using the method of Lichtenthaler and Whistler (1987). The total chlorophyll content was determined using the method of Lichtenthaler and Whistler (1987).

**THE**      **NEW**

Mr. J. H. ... 1951, 1961  
and County, Minn. ...  
Mrs. Grace Johnson  
Mrs. Ruth ...

*John A. Smith*



CURTIS DARLING  
BRUCE MACLIN  
DAVID B. DAY  
THOMAS C. FALLGATTER

DARLING AND MACLIN  
ATTORNEYS AT LAW  
SUITE 100, 1000 N. GARDEN A  
POST OFFICE BOX 2410  
BAKERSFIELD, CALIFORNIA 93303

TELEPHONE  
AREA CODE 805  
325-6000

August 20, 1974

Oil Reports and Gas Services, Inc.  
P. O. Box 753  
Hobbs, New Mexico 88240

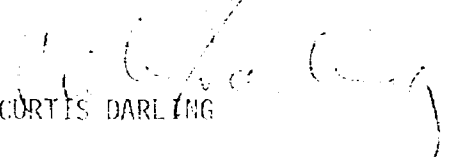
Re: NW/4 Sec. 25, T25S, R.36E  
Lea County, New Mexico  
MRS. GRACE JOHNSON and MRS. RUTH HENSLEY

Gentlemen:

Enclosed is the lease you forwarded to us which has been signed by Mrs. Johnson and Mrs. Hensley.

There will be no probate proceedings in New Mexico. An application for waiver of administration and application for consent to transfer property is being filed by our New Mexico Attorney, James A. Parker, of Nordall, Sperling, Roehl, Harris & Rish, P. O. Box 2168, Albuquerque, New Mexico 87103.

Yours very truly,

  
CURTIS DARLING

dm  
enc.

*Oil Reports and Gas Services, Inc.*

P. O. BOX 763 HOBBS, NEW MEXICO 88240

August 16, 1974

Mr. R. W. Harless  
Mobil Oil Corporation  
Three Greenway Plaza, Suite 800  
Houston, Texas 77046

Re: Apollo Oil Company  
Brown Lease  
Los County, New Mexico

Dear Mr. Harless:

In response to your telephone request, I enclose copies of the following instruments:

1. A special masters deed covering the sale at public auction to Nancy Brown.
2. A deed whereby the lease was sold by Nancy Brown to Nava Dean Savoyack.
3. A deed from Nava Dean Savoyack to Apollo Oil Company.

If you should require additional information please let us know.

Very truly,

OIL REPORTS AND GAS SERVICES, INC.

\_\_\_\_\_  
WILLIAM D. HOLLEY

DR/15

## Mobil Oil Corporation

P.O. BOX 820  
ROSWELL, NEW MEXICO 88201

August 22, 1974

Alan Ralston dba Apollo Company  
Post Office Box 1672  
Hobbs, New Mexico 88240

Re: 525 CENTRAL BASIN PLATFORM  
32-103-16 JAL FARMOUT  
LEA COUNTY, NEW MEXICO  
NM-100, NAOMI F. HUMPHREYS  
74-H-76-E&P

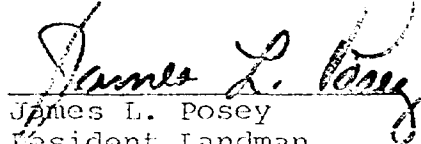
Dear Mr. Ralston:

Enclosed are original and two copies of Letter Agreement which provides terms and conditions under which you may earn an Oil and Gas Lease covering Mobil's interest to a depth of 3406' covering the  $N\frac{1}{2}NE\frac{1}{4}NW\frac{1}{4}$ ,  $W\frac{1}{2}NW\frac{1}{4}$ ,  $SE\frac{1}{4}NW\frac{1}{4}$  of Section 25, T25S, R36E.

If this Agreement is acceptable please sign in the space provided on Page 3 of the Letter Agreement within the time limit specified and return two copies to this office for our handling.

Very truly yours,

MOBIL OIL CORPORATION

  
James L. Posey  
Resident Landman

JLP:pjt

*Oil Reports and Gas Services, Inc.*

P. O. BOX 763 HOBBS, NEW MEXICO 88240

September 4, 1974

Mr. James L. Posey  
Mobil Oil Corporation  
P. O. Box 820  
Roswell, New Mexico 88201

Re: 140 acres out of NW/4  
Sec. 25, T29S, R36E  
Lea County, New Mexico

Dear Mr. Posey:

Enclosed are signed copies of the letter agreement. We have made some additional stipulations which we believe are self explanatory.

We sincerely hope that the wells can be returned to production and will not have to be plugged as ordered. Thank you for your assistance in making this determination possible.

Yours very truly,

OIL REPORTS & GAS SERVICES, INC.

\_\_\_\_\_  
DONNA KOLLER

(Mrs.) Donna Koller

DH/ra

cc: Apollo Oil Company  
P. O. Box 1572  
Hobbs, New Mexico 88240



Box 1012  
Cypress, Texas 77011

6.25% of 2/20

• 2.00% of 1/1/2011 to 1/1/2012

P.O. Box 1012  
Cypress, Texas 77011

50% of 2/1/20

• 2.00% of 1/1/2011 to 1/1/2012

P.O. Box 1012  
Cypress, Texas 77011

40% of 2/1/20

• 2.00% of 1/1/2011 to 1/1/2012

1.00% of 2/1/20 to 1/1/2012

40% of 2/1/20

• 2.00% of 1/1/2011 to 1/1/2012

1.00% of 2/1/20 to 1/1/2012

40% of 2/1/20

• 2.00% of 1/1/2011 to 1/1/2012

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1.00% of 2/1/20 to 1/1/2012

40% of 2/1/20

• 2.00% of 1/1/2011 to 1/1/2012

P.O. Box 1012  
Cypress, Texas 77011

1/20

• 2.00% of 1/1/2011 to 1/1/2012

P.O. Box 1012  
Cypress, Texas 77011

2/20

• 2.00% of 1/1/2011 to 1/1/2012

231 W. Alabama, Suite 103  
Houston, Texas 77006

2 Greenway Plaza East  
Houston, Texas 77046

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P. O. Box 1521  
Houston, Texas 77001

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Alton Galston dba Apollo Oil Company

NW/4 Section 25, T25S, R36E, Lea County, New Mexico

Leases have been executed by the following interest owners:

Interest Owner	Address	S/2 NW/4, NW/4 NW/4, N/2 NE/4 NW/4		Fraction	Decimal	S/2 NE/4 NW/4	
		Fraction	Decimal			Fraction	Decimal
Cities Service Oil Co.	P. O. Box 300 Tulsa, Okla. 74102	1/4	.2500000				
Cities Service Oil Co.	"	6/200	.0300000	1/10	.1000000		
General Crude Oil Co.	P. O. Box 2252 Houston, Texas 77001	1/10	.1000000				
Iris Goldston	4140 Southwest Freeway Houston, Texas 77027	3/200	.0150000	1/2 of 1/10	.0500000		
Iris Goldston, Trustee & Houston Citizens Bank & Trust Co., Trustee for Patti Lynn Goldston Mayfield	4140 Southwest Freeway Houston, Texas 77027	1/2 of 3/200	.0075000	1/4 of 1/10	.0250000		
Martha Watkins Harris	326 East Main Street Henderson, Texas 75652	13/96 of 9/200	.0060938	13/96 of 15%	.0203125		
Ruth Hensley	P. O. Box 2411 Bakersfield, Calif. 93303	10% of 9/100	.0090000	10% of 3/10	.0300000		
Nancy Zoe Goldston Herpin	4140 Southwest Freeway Houston, Texas 77027	1/2 of 3/200	.0075000	1/4 of 1/10	.0250000		
Jal Public Library Fund	P. O. Box 178 Jal, New Mexico 88252	75% of 5/12 of 9/200	.0140625	75% of 5/12 of 15%	.0468750		
Grace Johnson	P. O. Box 2411 Bakersfield, Calif. 93303	10% of 9/100	.0090000	10% of 3/10	.0300000		
F. D. Jones Estate	Texas Commerce Bank Houston, Texas 77000	8% of 9/100	.0072000	8% of 3/10	.0240000		
Mrs. Clyde W. Miller	222 South Justin Dallas, Texas 75211	1/12 of 9/200	.0037500				

8% of 3/10	.0240000
BEFORE EXAMINATION OF RECORDS	
OIL COMPANY COMMISSION	
1/12 of 15%	.0125000
Submitted by _____	
Recording Date _____	



<b>Bedman Foundation</b>	Box 2018 Tyler, Texas 75701	6.15% of 2/200	.0006210	6.25% of 1/3 of 1/10	.0020833
Rose Rudman	P. O. Box 2018 Tyler, Texas 75701	50% of 2/200	.0050000	50% of 1/2 of 1/10	.0166667
Rose Rudman, Trustee	P. O. Box 2018 Tyler, Texas 75701	38.827% of 2/200	.0038827	38.827% of 1/3 of 1/10	.0129423
Sabine Royalty Corp.	1200 Mercantile Bank Bldg. Dallas, Texas 75201	6/200	.0300000	1/10	.1000000
Alvorne Sater	10 NW Third Street Brennerville, Indiana 47708	4.923% of 2/200	.0004923	4.923% of 1/3 of 1/10	.0016410
Spencer Trust	505 S. Orange Grove Blvd. Pasadena, Calif. 91105	1/3 of 1/4	.0833333		
Loyd Wayne Vickery	142 Whitworth Ponca City, Okla. 74601	1/6 of 1/4	.0416667		
Ward Hollin Vickery	8 Norfolk Drive Wichita, Kansas 67208	1/6 of 1/4	.0416667		
W. Dean Vickery	75 Mission Road Wichita, Kansas 67207	1/3 of 1/4	.0833333		
Myrtis Dean Watkins	322 East Main Street Henderson, Texas 75652	13/96 of 9/200	.0060937	13/96 of 15%	.0203125
Elizabeth Woolworth	403 West Avenue D San Angelo, Texas 76901	1/3 of 9/200	.0150000	1/3 of 15%	.0500000
<b>TOTAL LEASED ACREAGE</b>			<u>.770200</u>		<u>.3673333</u>
<b>Mineral Interest Not Leased:</b>					
Frank Anthony, Exco. of	P. O. Box 1512 Monahans, Texas 79756	1/200	.0050000	16 2/3% of 1/10	.0166667
Florence M. Anthony Estate					
Atlantic Richfield Co.	P. O. Box 1610 Midland, Texas 79701	3/50	.0600000	2/10	.2000000

*- differs from app*

Dr. Stanley Hess, Exec. of W. A. Pruitt Estate	331 W. Alabama, Suite 105 Houston, Texas 77066	10% of 9/100	.00300000	10% of 3/10	.03000000
Mobil Oil Company	3 Greenway Plaza East Houston, Texas 77046	1/10	.10000000		
The Superior Oil Co.	P. O. Box 1521 Houston, Texas 77001	62% of 9/100	.05300000	62% of 3/10	.18600000
TOTAL UNLEASED ACREAGE			<u>.22980000</u>		<u>.4326667</u>
TOTAL INTEREST			1.00000000		1.00000000

BEFORE THE OIL AND GAS COMMISSION OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :  
ALAN RALSTON d/b/a APOLLO OIL CO. :  
FOR FORCED POOLING OF NW/4 SECTION 25, :  
TOWNSHIP 25 SOUTH, RANGE 36 EAST, :  
IN LEA COUNTY, NEW MEXICO :

No. Case 5319

APPLICATION

COMES NOW the Applicant, ALAN RALSTON d/b/a APOLLO OIL CO.  
whose address is P.O. Box 1672, Hobbs, New Mexico, 88240, and  
states:

1. Applicant hereby applies for an order for forced  
pooling of all the interest of gas and condensate owners located  
in and under the following lands in Lea County, New Mexico:

Township 25 South, Range 36 East, Lea County, New Mexico:  
Section 25: NW/4, containing 160 acres

2. Applicant further applies for an order for forced  
pooling of all the interest of the owners of oil and casinghead  
gas located in and under each of the following lands in Lea  
County, New Mexico:

Township 25 South, Range 36 East, Lea County, New Mexico:  
Section 25: NW/4 NW/4 containing 40 acres  
Section 25: NE/4 NW/4 " " "  
Section 25: SE/4 NW/4 " " "  
Section 25: SW/4 NW/4

3. This application is filed pursuant to Section  
65-3-14, NMSA 1953, as amended, and also pursuant to all  
applicable rules and regulations of the Commission.

4. The name or general description of the common source  
of supply which will be affected by the order sought, is the  
Yates and Seven Rivers formations, believed to be of Permian Age.

DONALD G. STEVENS - ATTORNEY AT LAW  
P. O. Box 1767, 101 W. MARCY  
SANTA FE, NEW MEXICO 87501  
(505) 942-9063

DOCKET MAILED

Date 9-6-74

5. The locations of the wells in Section 25 proposed to be re-worked by the Applicant, who will be the operator of said wells are:

Jalmat Gas Well Brown #1	1980 FNL	2310 FWL NW/4
Jalmat Oil Well Brown #2	330 FNL	825 FWL NW/4 NW/4
Jalmat Oil Well Brown #3	365 FNL	1650 FWL NE/4 NW/4
Jalmat Oil Well Brown #4	1690 FNL	1870 FWL SE/4 NW/4
Jalmat Oil Well Brown #5	1650 FNL	990 FWL SW/4 NW/4

6. The Area is designated for gas by the New Mexico Oil Conservation Commission as the Jalmat Yates Pool, and for oil as the Jalmat Yates - Seven Rivers Pool.

7. Applicant is the owner of valid oil and gas leases covering said NW/4 of Section 25, covering approximately 115.45 acres out of 160 acres; being 30.088 acres in the NW/4 NW/4, 25.19 acres in the NE/4 NW/4, 30.088 acres in the SE/4 NW/4, and 30.088 acres in the SW/4 NW/4.

8. The following parties own the following unleased interests in and under the NW/4 of said Section 25:

<u>Owner</u>	<u>Address</u>	<u>Interest Outstanding:</u>	
		<u>NW/4 NW/4,</u> <u>N/2 NE/4 NW/4,</u> <u>SE/4 NW/4,</u> <u>SW/4 NW/4</u>	<u>S/2 NE/4 NW/4</u>
Mobil Oil Co.	3 Greenway Plaza E. Houston, Texas 77046	1/10	
Atlantic-Richfield Co.	Box 1610 Midland, Texas 79701	3/50	2/10
The Superior Oil Co.	Box 1521 Houston, Texas 77001	.62 of 9/100	.62 of 3/10
Mrs. Grace Johnson c/o Curtis Darling, Darling & Maclain	Box 2411 Bakersfield, Cal. 93303	.10 of 9/100	.10 of 3/10
Mrs. Ruth Hensley c/o Curtis Darling, Darling & Maclain	Box 2411 Bakersfield, Cal. 93303	.10 of 9/100	.10 of 3/10
Dr. Stanley Hess, Executor of W. A. Pruitt Estate	3331 W. Alabama Suite 103 Houston, Texas 77066	.10 of 9/100	.10 of 3/10
Frank Anthony, Exec. of Estate of Florence M. Anthony	Box 1512 Monahans, Texas 79756	.25 of 1/200	.25 of .06667 of 1/10

DONALD G. STEVENS - ATTORNEY AT LAW  
 P. O. Box 1797, 101 W. MARCY  
 SANTA FE, NEW MEXICO 87501  
 (505) 982-8383

DOCKET MAILED  
 9-6-74

9. Applicant is experienced in the oil and gas business and has the equipment, capital and personnel with which to rework the wells and to act as operator thereof.

10. Applicant has made bona fide efforts to lease, farmout, or join the leased lands owned by said above described owners in said quarter section, but has been unable to do so.

11. All of said quarter section should be pooled as to gas and each quarter quarter section should be pooled as to oil to protect correlative rights and prevent waste.

12. The risk and expense of reworking said wells is great and if the said owners of the other interests in said quarter section do not choose to pay their share of the cost of reworking said wells, Applicant should be allowed a reasonable charge for the supervision and a charge for the risk involved in addition to recovery of the actual cost of reworking said wells.

13. Applicant desires a hearing before the Oil Conservation Commission.

WHEREFORE, APPLICANT PRAYS:

1. That the Commission set this matter down for hearing before it.
2. That notice be given as required by law.
3. That upon hearing, an order be issued pursuant to Section 65-3-14, NMSA 1953, as amended, for forced pooling of all gas interests in said quarter section and all oil interests in each quarter quarter section with Applicant designated as operator and with the allowances mentioned in paragraph 12 above.

DONALD G. STEVENS



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DRAFT

jr/RLS

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. 5319

Order No. R-4862

APPLICATION OF ALAN RALSTON dba  
APOLLO OIL COMPANY 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 September 18, 1974  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this        day of October, 1974, the Commission,  
a quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, and being fully advised  
in the premises,

FINDS:

(1) That due public notice having been given as required by  
law, the Commission has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Alan Ralston dba Apollo Oil Company,  
seeks an order pooling all mineral interests in the Jalmat Gas  
Pool underlying the NW/4 of Section 25, Township 25 South, Range  
36 East, Lea County, New Mexico, to form a 160-acre non-standard  
gas proration unit to be dedicated to applicant's Brown Well No. 1  
located 1980 feet from the North line and 2310 feet from the West  
line of said Section 25.

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CASE NO. 5319  
2 Order No. R-

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4 (3) Applicant further seeks the pooling of all mineral  
5 interests in the Jalmat Pool underlying the following 40-acre  
6 oil proration units in said Section 25: the NW/4 NW/4 to be  
7 dedicated to applicant's Brown Well No. 2 located 330 feet from the  
8 North line and 825 feet from the West line; the NE/4 NW/4 to be  
9 dedicated to applicant's Brown Well No. 3 located 365 feet from  
10 the North line and 1650 feet from the West line; the SE/4 NW/4 to  
11 be dedicated to applicant's Brown Well No. 4 located 1690 feet  
12 from the North line and 1870 feet from the West line; and the SW/4  
13 NW/4 to be dedicated to applicant's Brown Well No. 5 located 1650  
14 feet from the North line and 990 feet from the West line.

15 (4) That said Brown Wells Nos. 1 through 5 are currently  
16 completed in the Jalmat Gas Pool and Jalmat Oil Pool as set out  
17 under Findings (1) and (2) above but must be worked over before  
18 the wells can be returned to production.  
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3-

Case No. 5319  
Order No. R-

space  
workover  
oil  
(5) That the applicant has the right to ~~drill~~ and proposes to ~~drill a well~~ workover said Brown Wells Nos. 1 through 5.

(6) That there are interest owners in the proposed proration unit, who have not agreed to pool their interests.

(7) That to avoid the drilling of unnecessary wells, to protect correlative rights, and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense his just and fair share of the gas ~~and~~ in said pools, the subject application should be approved by pooling all mineral interests, whatever they may be, within said units.

(8) That the applicant should be designated the operator of the subject well, and units.

(9) That any non-consenting working interest owner should be afforded the opportunity to pay his share of estimated ~~well~~ workover costs to the operator in lieu of paying his share of reasonable ~~well~~ workover costs out of production.

(10) That any non-consenting working interest owner that does not pay his share of estimated ~~well~~ workover costs should have withheld from production his share of the reasonable ~~well~~ workover costs plus an additional 20 per cent thereof as a reasonable charge for the risk involved in the ~~drilling~~ completion of the well.

(11) That any non-consenting interest owner should be afforded the opportunity to object to the actual ~~well~~ workover costs but that actual ~~well~~ workover costs should be adopted as the reasonable ~~well~~ workover costs in the absence of such objection.

(12) That following determination of reasonable ~~well~~ workover costs, any non-consenting working interest owner that has paid his share of estimated costs should pay to the operator any amount that reasonable ~~well~~ workover costs exceed estimated ~~well~~ workover costs and should receive from the operator any amount that paid estimated ~~well~~ workover costs exceed reasonable ~~well~~ workover costs.



1 -4-

2 CASE NO. 5319

3 Order No. R-

4 (13) That for each well, \$85.00 per month should be fixed as  
5 a reasonable charge for supervision (combined fixed rates); that  
6 the operator should be authorized to withhold from production the  
7 proportionate share of such supervision charge attributable to  
8 each non-consenting working interest, and in addition thereto,  
9 the operator should be authorized to withhold from production  
10 the proportionate share of actual expenditures required for  
11 operating each ~~subject~~ well, not in excess of what are reasonable,  
12 attributable to each non-consenting working interest.

13 (14) That all proceeds from production from the subject wells  
14 which are not disbursed for any reason should be placed in escrow  
15 to be paid to the true owner thereof upon demand and proof of  
16 ownership.

17 (15) That upon the failure of the operator of said pooled  
18 units to commence workover operations on or before January 1, 1975,  
19 the order pooling said units should become null and void and of no  
20 effect whatsoever.

21 (16) That ~~each~~<sup>a//</sup> of the wells involved in the subject case  
22 were previously subjects in Case No. 4999 and were ordered to be  
23 plugged and abandoned by Commission Order No. R-4574.

24 (17) That any of said Brown Wells Nos. 1 through 5 which  
25 cannot be successfully worked over and returned to production  
26 should be plugged and abandoned in accordance with a Commission-  
27 approved plugging program.

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1           IT IS THEREFORE ORDERED:

2           (1) That all mineral interest, whatever they may be, in the  
3 Jalmat Gas Pool underlying the NW/4 of Section 25, Township 25  
4 South, Range 36 East, NMPM, Lea County, New Mexico, are hereby  
5 pooled to form a standard **160**-acre gas spacing and proration unit  
6 to be dedicated to applicant's Brown Well No. 1, located in Unit F  
7 of said Section 25 and that all mineral interests, whatever they  
8 may be in the Jalmat Pool underlying the NW/4 NW/4, NE/4 NW/4,  
9 SE/4 NW/4, and SW/4 NW/4 of said Section 25 are hereby pooled to  
10 form four separate 40-acre oil spacing and proration units to be  
11 dedicated to applicant's Brown Wells No. 2, 3, 4, and 5, located in  
12 Units D, C, F and E, respectively, of said Section 25.

13           PROVIDED HOWEVER, that the operator of said units shall  
14 commence workover operations on the first of said wells on or  
15 before January 1, 1975, and shall thereafter continue the workover  
16 of said wells with due diligence to test the Jalmat Gas Pool or  
17 Jalmat Pool, as set out above, allowing not more than 30 days to  
18 elapse between the completion of one well and the commencement of  
19 the next.

20           PROVIDED FURTHER, that in the event said operator does not  
21 commence workover operations on the first of said wells on or  
22 before the first day of January, 1975, Order (1) of this order  
23 shall be null and void and of no effect whatsoever.

24           PROVIDED FURTHER, that in the event said operator allows more  
25 than 30 days to elapse after the completion of any of the subject  
26 wells without initiation of workover operations on any of the  
27 remaining wells, Order (1) of this order shall be null and void  
28 and of no effect whatsoever as to those wells or units.

29           PROVIDED FURTHER, that should any one or more of said wells  
30 not be worked over and returned to production or plugged and  
31 abandoned within 60 days after commencement of workover operations,

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Case No.  
Order No. R-

~~PROVIDED FURTHER, that should said well not be drilled to completion, or abandonment, within 120 days after commencement thereof,~~ said operator shall appear before the Commission and show cause why Order (1) of this order should not be rescinded.

(2) That Allen R. 156, dba Apollo O. I. Company is hereby designated the operator of the subject wells and units.

(3) That after the effective date of this order and <sup>within</sup> at least 30 days prior to commencing <sup>workover operations</sup> ~~said well~~, the operator shall furnish the Commission and each known working interest owner in the <sup>affected</sup> ~~subject~~ unit an itemized schedule of estimated <sup>workover</sup> well costs.

(4) That within 20 days from the date the schedule of <sup>workover</sup> estimated well costs is furnished to him, any non-consenting working interest owner shall have the right to pay his share of estimated <sup>workover</sup> well costs to the operator in lieu of paying his share of reasonable <sup>workover</sup> well costs out of production, and that any such owner who pays his share of estimated <sup>workover</sup> well costs as provided above shall remain liable for operating costs but shall not be liable for risk charges.

(5) That the operator shall furnish the Commission and each known working interest owner an itemized schedule of actual <sup>workover</sup> well costs within 90 days following completion of <sup>workover operations</sup> ~~the~~ well; that if no objection to the actual <sup>workover</sup> well costs is received by the Commission and the Commission has not objected within 45 days following receipt of said schedule, the actual <sup>workover</sup> well costs shall be the reasonable <sup>workover</sup> well costs; provided however, that if there is an objection to actual <sup>workover</sup> well costs within said 45-day period the Commission will determine reasonable <sup>workover</sup> well costs after public notice and hearing.

(6) That within 60 days following determination of reasonable <sup>workover</sup> well costs, any non-consenting working interest owner that has paid his share of estimated costs in advance as provided

Case No.  
Order No. R-

above shall pay to the operator his pro rata share of the amount that reasonable ~~well~~ <sup>workover</sup> costs exceed estimated ~~well~~ <sup>workover</sup> costs and shall receive from the operator his pro rata share of the amount that estimated ~~well~~ <sup>workover</sup> costs exceed reasonable ~~well~~ <sup>workover</sup> costs.

<sup>for each well and unit</sup>  
(7) That ~~the~~ operator is hereby authorized to withhold the following costs and charges from production:

- (A) The pro rata share of reasonable ~~well~~ <sup>workover</sup> costs attributable to each non-consenting working interest owner who has not paid his share of estimated ~~well~~ <sup>workover</sup> costs within 20 days from the date the schedule of estimated ~~well~~ <sup>workover</sup> costs is furnished to him.
- (B) As a charge for the risk involved in the ~~drilling~~ <sup>workover</sup> of the well, 20 percent of the pro rata share of reasonable ~~well~~ <sup>workover</sup> costs attributable to each non-consenting working interest owner who has not paid his share of estimated ~~well~~ <sup>workover</sup> costs within 20 days from the date the schedule of estimated well costs is furnished to him.

<sup>for each well and unit</sup>  
(8) That ~~the~~ operator shall distribute said costs and charges withheld from production to the parties who advanced the well costs.

<sup>for each well and unit</sup>  
(9) That \$ 85.00 per month is hereby fixed as a reasonable charge for supervision (combined fixed rates); that the operator is hereby authorized to withhold from production the proportionate share of such supervision charge attributable to each non-consenting working interest, and in addition thereto, the operator is hereby authorized to withhold from production the proportionate share of actual expenditures required for operating such well, not in excess of what are reasonable, attributable to each non-consenting working interest.

Case No.

Order No. R-

*for each well and unit*  
(10) That any unsevered mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for the purpose of allocating costs and charges under the terms of this order.

*workover*  
(11) That any ~~well~~ costs or charges which are to be paid out of production shall be withheld only from the working interests share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

*any of*  
(12) That all proceeds from production from <sup>any of</sup> the subject well, which are not disbursed for any reason shall be placed in escrow in Lea County, New Mexico, to be paid to the true owner thereof upon demand and proof of ownership; that the operator shall notify the Commission of the name and address of said escrow agent within 90 days from the date of this order.

(13) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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