

CASE 5537: COTTON PETROLEUM CORP. FOR
COMPULSORY POOLING, EDDY COUNTY, NEW
MEXICO.

CASE NO.

5537

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

August 19, 1975

Mr. Tom Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico 87501

Re: CASE NO. 5537
ORDER NO. R-5080

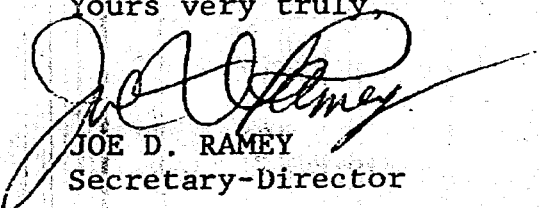
Applicant:

Cotton Petroleum Corporation

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Secretary-Director

JDR/fd

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC

Other The Superior Oil Company

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. 5537
Order No. R-5080

APPLICATION OF COTTON PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 13, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of August, 1975, the Commission,
a quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in
the premises,

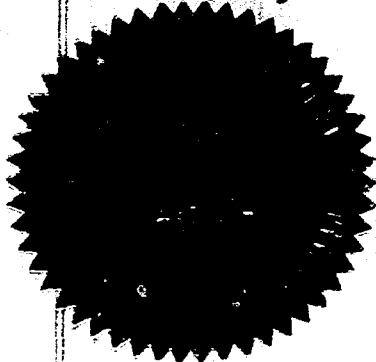
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 5537 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

jr/

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5537

Order No. R- 5080

APPLICATION OF COTTON PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 13, 195,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of August, 195, the Commission,
a quorum being present, having considered the record and the recom-
mendations 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. 5537 is hereby dismissed.

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

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 13, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Cotton Petroleum
Corporation for compulsory pooling,
Eddy County, New Mexico.

CASE
5537

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Thomas W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

MR. NUTTER: We will call next Case, Number 5537.

MR. DERRYBERRY: Case 5537, application of Cotton Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.

MR. KELLAHIN: If the Examiner please, Tom Kellahin, Kellahin and Fox, appearing on behalf of Cotton Petroleum Corporation.

Cotton seeks to dismiss this application.

MR. NUTTER: At the request of the Applicant in Case Number 5537 it will be dismissed.

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 981-9212

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General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501

sid morrish reporting service

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2 State of New Mexico)
3 County of Santa Fe) ss.

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5 I, SIDNEY F. MORRISH, a court reporter, do hereby
6 certify that the foregoing and attached Transcript of Hearing
7 before the New Mexico Oil Conservation Commission was reported
8 by me, and the same is a true and correct record of the said
9 proceedings to the best of my knowledge, skill and ability.

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Sidney F. Morrish
Sidney F. Morrish, Court Reporter

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner Hearing of Case No. 5537
heard by me on Aug 13, 1975.
[Signature] Examiner
New Mexico Oil Conservation Commission

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 981-9212

825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 981-9212
sid morrish reporting service

CASE 5536: Application of Petroleum Development Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its McKay-West Federal Well No. 1 located in Unit F of Section 34, Township 18 South, Range 32 East, Lea County, New Mexico, to produce oil from the Bone Spring formation and gas from the Morrow formation through parallel strings of tubing.

CASE 5537: Application of Cotton Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 10, Township 21 South, Range 25 East, adjacent to the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location in Unit I of said Section 10. 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. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5538: Application of Phillips Petroleum Company for a dual completion and salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Luther-A Well No. 1, located in Unit N of Section 18, Township 8 South, Range 32 East, to produce oil from the Lonesome-San Andres Pool and to dispose of produced water into the Glorieta formation in the open-hole interval from 4584 feet to 4720 feet through parallel strings of tubing.

CASE 5152: (Reopened & Readvertised)

In the matter of Case No. 5152 being reopened pursuant to the provisions of Order No. R-4713, as amended by Order No. R-4713-A, which order established a special depth bracket allowable for the Media-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should remain in effect.

CASE 5262: (Reopened & Readvertised)

In the matter of Case No. 5262 being reopened pursuant to the provisions of Order No. R-4822-A, which order promulgated special pool rules for the Southwest Media-Entrada Oil Pool, Sandoval County, New Mexico, including a provision for 160-acre proration units. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

KELLAHIN AND FOX
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

July 23, 1975

Case 5537
JUL 24 1975
NEW MEXICO
OIL CONSERVATION COMM.
Santa Fe
TELEPHONE 982-4315
AREA CODE 505

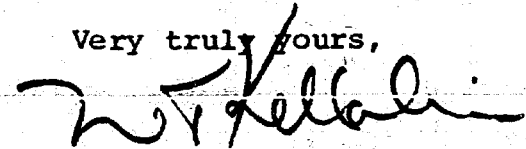
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Cotton Petroleum Corporation

Gentlemen:

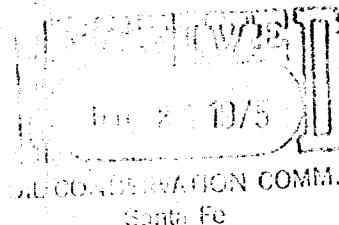
Please accept our enclosed application on behalf
of Cotton Petroleum Corporation for forced pooling
Eddy County, New Mexico to be set for hearing on August
13, 1975.

Very truly yours,


W. Thomas Kellahin

WTK:kjf

Enclosure



BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF COTTON PETROLEUM CORPORATION,
FOR COMPULSORY POOLING, EDDY
COUNTY, NEW MEXICO

A P P L I C A T I O N

COMES NOW, COTTON PETROLEUM CORPORATION, as provided by Section 65-31-4, New Mexico Statutes, 1953, as amended, and applies to the Oil Conservation Commission of New Mexico for an order pooling all the mineral interest in and under the E/2 of Section 10, Township 21 South, Range 25 East, Catclaw Draw-Morrow Pool, Eddy County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the owner of the right to drill and develop the following described acreage: E/2 of Section 10, T21S, R25E, N.M.P.M., Eddy County, New Mexico.
2. Applicant has obtained voluntary agreement for pooling from all but the persons named below, whose address and interest owned according to the applicant's information and belief are as follows:

The Superior Oil Company
P. O. Box 1900
Midland, Texas 79701

3. As required by the provisions of Commission Rule 104, applicant proposes to dedicate the E/2 of Section 10 to a well to be drilled at a standard location, 1980 feet from the South line and 660 feet from the East line of said section.

4. Applicant proposes to drill said well, to test the Morrow formation.

5. Applicant requests that it be designated the operator of the pooled units requested above.

6. Applicant has been unable to obtain voluntary agreement for the pooling of the unpooled interest indicated in paragraph 2 above, and in order to avoid the drilling of unnecessary wells, to protect correlative rights, and to prevent waste, the Commission should pool all interest in the spacing or proration unit as a unit.

WHEREFORE, applicant respectfully requests that the Commission set this matter for hearing before the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order pooling all interest underlying the E/2 of Section 10, T21S, R25E, N.M.P.M., Eddy County, New Mexico, and designating applicant operator of the pooled unit, together with provisions for applicant to recover its costs out of production including a risk factor to be determined by the Commission and with provisions for the payment of operating costs and costs of supervision out of production to be allocated among the owners as their interest may appear and for further orders as may be proper in the premises.

Respectfully submitted,

COTTON PETROLEUM CORPORATION

BY

W. T. Kellahin

KELLAHIN & FOX

P. O. Box 1769

Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

DOCKET MAILED

Date 8/4/75

Tom Kellahin 2:15 pm 7-22
written appl will follow

Case 5537

Application of Cotton Petroleum
Corp. for Compulsory Pooling,
Eddy County, New Mexico.

Applicant, in the above-styled cause,
seeks an order pooling all mineral
interests in the Pennsylvanian formation
underlying the E/2 of Section 10, Township
21 South, Range 25 East, adjacent to
the Oklahoma Drain-Process Gas Pool, Eddy
County, New Mexico, to be dedicated to
a well to be drilled ^{at an orthogonal location} in ~~the~~ ^{the} Section 10. 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 ~~the~~ charges for supervision. Also
to be considered will be the designation
of the applicant as the operator of the
well and a charge for the risk in-
volved in drilling said well.