And the same of th CASE 5785: DOYLE HARTMAN FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

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5785

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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico November 10, 1976 EXAMINER HEARING IN THE MATTER OF: Application of Doyle Hartman for compulsory pooling, Lea County, CASE New Mexico. 5785 8 BEFORE: Richard L. Stamets, Examiner 10 11 TRANSCRIPT OF HEARING 12 APPEARANCES For the New Mexico Oil Lynn Teschendorf, Esq. Conservation Commission: Legal Counsel for the Commission State Land Office Building Santa Fe, New Mexico For the Applicant: Jason W. Kellahin, Esq. KELLAHIN & FOX 17 Attorneys at Law 500 Don Gaspar 18 Santa Fe, New Mexico 19 2C 21 22 23 24 25

sid morrish reporting service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87
Phone (503):982-9212

MR. STAMETS: We will call at this time Case 5785. MS. TESCHENDORF: Case 5785, application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. MR. KELLAHIN: If the Examiner please, Jason Kellahin Kellahin and Fox, we would ask that this application be dismissed, an agreement having been reached. MR. STAMETS: Case 5785 will be dismissed.

sid morral reporting service
General Court Reporting Service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa-Fe, Now Mexico 87501
825 Calle Mejia, Phone (505) 982-9212

## REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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.

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I so nereby certify that the foregoing is a compare report of the proceedings in the Examiner hearing of Case No. 5783 neard by me on 1975

New Mexico Oil Conservation Commission

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DIRECTOR JOE D. RAMEY

Other

# OIL CONSERVATION COMMISSION

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

LAND COMMISSIONER
PHIL R. LUCERO
December 6, 1976



STATE GEOLOGIST EMERY C. ARNOLD

Mr. Jason Kellahin Kellahin & Fox	Re: CASE NO. 5785 ORDER NO. R-5321					
Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico		Applicar	it:			
		Do	Doyle Hartman			
Dear Sir:						
Enclosed herewith are Commission order rece	two con	oies of t	he above the subj	-referenced ect case.		
Yours very truly,		in the second se				
JOE D. RAMEY Director			• * *			
			· .	A Line		
JDR/fd	• •					
Copy of order also sen	t to:		•			
Hobbs OCC x Artesia OCC x Aztec OCC						

## 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. 5785 Order No. R-5321

APPLICATION OF DOYLE HARTMAN 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 November 10, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of November, 1976, 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. 5785 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD Member

DOE D. RAMEY, Member & Secretary

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## BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico October 27, 1976 en jeritar karan biran dari di

### EXAMINER HEARING

## IN THE MATTER OF:

Application of Doyle Hartman for ) CASE compulsory pooling, Lea County, ) New Mexico.

5785 (Cont'd.

BEFORE: Daniel S. Nutter, Examiner

### APPEARANCES

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

For the Applicant:

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

## REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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.

Sidney F Morrish, C.S.R.

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) 982-9212

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico October 13, 1976 EXAMINER HEARING IN THE MATTER OF: Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. BEFORE: Richard L. Stamets, Examiner 10 11 TRANSCRIPT OF HEARING 12 APPEARANCES 13 For the New Mexico Oil Lynn Teschendorf 14 Conservation Commission: Law Clerk for the Commission State Land Office Building 15 Santa Fe, New Mexico 16 17 18 19 20 21 22 23 24 25

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Phone (505) 982-9212

CASE

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MR. STAMETS: We will call next Case 5785.

MS. TESCHENDORF: Case 5785, application of Doyle Hartman for compulsory pooling, Lea County, New Mexico.

Mr. Examiner, the applicant in this case has requested that it be continued until October 27th.

MR. STAMETS: Case 5785 will be continued until the October 27th Examiner Hearing.

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## REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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.

Sidney F. Morrish,

I do hereby certify that the foregoing to description of the proceedings in the Examiner hearing of Case No. 5785 Mexico 011 Conservation Commission . Examiner

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe. Nort Me; 100 87501
Phone (505) 982-9212

- CASE 5805: Application of Morris R. Antwell for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Morrow formations underlying the N/2 of Section 3, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location in Unit G of said Section 3. 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 applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5806: Application of Anadarko Production Company for two unorthodox well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Artesia State Unit Well No. 9-5 to be drilled 1270 feet from the North line and 50 feet from the East line of Section 23 and its Artesia State Unit Well No. 2-3 to be drilled 50 feet from the South line and 1270 feet from the West line of Section 13, both in Township 18 South, Range 27 East, Artesia Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.
- CASE 5797: Application of C&K Petroleum, Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Dallas Ranch Unit Area comprising 5746 acres, more or less, of State, Federal, and fee lands in Township 9 South, Range 26 East, Chaves County, New Mexico.
- CASE 5807: Application of C&K Petroleum, Inc., for compulsory pooling and a non-standard unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcemp and Pennsylvanian formations underlying the N/2 of Section 13, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to form a non-standard 336.6-acre unit to be dedicated to a well located 1680 feet from the North line and 1980 feet from the East line of said Section 13. 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 applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5808: Application of CAK Petroleum, Inc., for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down to and including the Pennsylvanian formation underlying the SE/4 SE/4, NE/4 SE/4, NW/4 SP/4, and SW/4 SE/4 of Section 21, Township 16 South, Range 37 East, Lea County, New Mexico, to form four 40-acre oil proration units, the first to be dedicated to a well to be drilled at a point 660 feet from the South and East line of said Section 21 to test the Strawn formation and each of the others to a well subsequently drilled thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.
- CASE 5785: (Continued from October 27, 1976 Examiner Hearing)

CASE 5776: (Continued from October 27, 1976, Examiner Hearing)

- Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen formation underlying the NE/4 NE/4, NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4 of Section 19, Township 24 South, Range 37 rast, Langlie-Mattix Fool, Lea County, New Mexico, to form four 40-acre proration units to be dedicated to four oil wells to be drilled at standard locations on said tracts. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.
- CASE 5790: Application of Dome Petroleum Corporation for pool creation and assignment of a discovery allowable, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Entrada production and the assignment of approximately 53,770 barrels of oil discovery allowable to the discovery well, being the Federal 21 Well No. 1 located in Unit K of Section 21, Township 20 North, Range 5 West, McKinley County, New Mexico.
- Application of Continental Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its James Ranch Unit Well No. 8 to be drilled at a point 1980 feet from the North line and 660 feet from the West line of Section 31, Township 22 South, Range 31 Fast, Los Medanos-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 31 to be dedicated to the well.

Docket No. 31-76

Dockets Nos. 32-76 and 33-76 are tentatively set for hearing on November 23 and December 15, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

## DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 10, 1976

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 Paniel S. Mutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Courties, New Mexico.
  - (2) Consideration of the allowable production of gas for December, 1976, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Hixon Development Company, National Surety Corporation, and all other interested parties to appear and show cause why the Central Bisti Unit Wells Nos. 41, 46, 47, 49 and 50 located in Units D, I, K, M, and O, respectively, of Section 16, Township 25 North, Range 12 West, Bisti-Lower Gallup Pool, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5798: Application of Exxon Corporation for a unit agreement, Sierra and Dona Ana Counties, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the Prisor Unit Area comprising 24,910 acres, more or less, of State, Federal, and fee lands in Townships 16 and 17 South, Ranges 1 Fast and 1 West, Sierra and Dona Ana Counties, New Mexico.
- Application of Gulf Oil Corporation for an unorthodox gas well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, Township 21 South, Range 37 East, Tubb Gas Pool, Lea County, New Mexico, to be dedicated to applicant's J. N. Carson Well No. 9 located at an unorthodox location 1874 feet from the South line and 2086 feet from the West line of said Section 28.
- CASE 5809: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Drinkard, Tubb, and Blinebry production in the wellbore of its Manda "B" Well No. 1, located in Unit C of Section 28, Township 22 South, Range 37 East, Lea County, New Mexico.
- CASE 5800: Application of Yates Petroleum Corporation for salt water disposal well, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Morrow formation through the perforated interval from 8983 feet to 9129 feet in its Bob Gushwa Well No. 1 located in Unit J of Section 21, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico.
- CASE 5801: Application of Atlantic Richfield Company for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 275-acre non-standard gas proration unit comprising the W/2 F/2, N/2 NW/4, and SF/4 NW/4 of Section 19, Tornship 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's State 176 Wells Mos. 3 and 6 located, at unorthodox locations in Units J and C, respectively, of said Section 19.
- Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to commingle South Blanco-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its San Juan 28-7 Unit Well No. 75 located in Unit L of Section 15, Township 28 North, Range 7 West, Rio Arriba County, New Mexico.
- CASE 5803: Application of El PamCo., Inc., for downhole commingling and simultaneous dedication, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Fruitland and Pictured Cliffs gas production in the wellbore of its Valdez "A" Well No. 1, located in Unit P of Section 24, Township 29 North, Range 11 West, San Juan County, New Mexico. Applicant further seeks approval for the simultaneous dedication of the SE/4 of said Section 24 to said well and its Valdez Well No. 1 located in Unit I of said Section 24.
- CASE 5804: Application of Stevens Oil Company for a dual completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its O'Brien "C" Well No. 2 located in Unit D of Section 1, Tornship 9 South, Range 28 Fast, Chaves County, New Mexico, to produce oil from the San Andres and Devonian formations through parallel strings of tubing.

Dockets Nos. 31-76 and 32-76 are tentatively set for hearing on November 10 and November 23, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 27, 1976

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

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

CASE 5768: (Continued from September 29, 1976, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Service Drilling Company, The Travelers Indemnity Company, and all other interested parties to appear and show cause why the Gonzales-Pittman Well No. 1, located in Unit M of Section 24, Township 21 North, Range 21 East, Mora County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5785: (Continued from October 13, 1976, Examiner Hearing)

Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen formation underlying the NE/4 NE/4, NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4 of Section 19, Township 24 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to form four 40-acre proration units to be dedicated to four oil wells to be drilled at standard locations on said tracts. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.

CASE 5574: (Reopened) (Continued from October 13, 1976, Examiner Hearing)

In the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which order established a temporary special depth bracket allowable of 750 barrels of oil per day for the Eagle Mesa-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should not be rescinded.

- Application of Amoco Production Company for salt water disposal well, Roosevelt County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Fusselman formation through the perforated interval from 8313 feet to 8538 feet in its Swearingen "C" Well No. 2 located in Unit M of Section 18, Township 5 South, Range 33 East, Petersen-Fusselman Pool, Roosevelt County, New Mexico.
- CASE 5790: Application of Dome Petroleum Corporation for pool creation and assignment of a discovery allowable, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Entrada production and the assignment of approximately 58,770 barrels of oil discovery allowable to the discovery well, being the Federal 21 Well No. 1 located in Unit K of Section 21, Township 20 North, Range 5 West, McKinley County, New Mexico.
- Application of Texaco Inc. for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard Eumont gas proration unit comprising the E/2 SE/4, SW/4 SE/4, and SE/4 SW/4 of Section 23; the W/2 NW/4 of Section 25; and the E/2 NE/4 of Section 26, all in Township 19 South, Range 36 East, Lea County, New Mexico, to be simultaneously dedicated to applicant's William Weir Wells Nos. 1 and 2 at unorthodox locations in Unit E of said Section 25 and Unit N of said Section 23, respectively.
- CASE 5792: Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to commingle Angels Peak-Gallup and Basin-Dakota production in the wellbore of its McAdams Well No. 3 located in Unit H of Section 34,

  Township 27 North, Range 10 West, San Juan County, New Mexico.
- CASE 5793: Application of Dugan Production Corporation for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Sherman Edward Well No. 2A, to be drilled at a point 2500 feet-from the North line and 510 feet from the West line of Section 3, Township 29 North, Range 5 West, Blanco Mesaverde Gas Pool, Rio Arriba County, New Mexico, the N/2 of said Section 3 to be dedicated to the well.

#### CASE 5776: (Continued & Readvertised)

Application of Continental Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its James Ranch Unit Well No. 8 to be drilled at a point 1980 feet from the North line and 660 feet from the West line of Section 31, Township 22 South, Range 31 East, Los Medanos-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 31 to be dedicated to the well.

CASE 5794: Application of Continental Oil Company 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 W/2 of Section 31. Township 22 South, Range 31 East, Los Medanos Field, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location in Unit L of said Section 31. Also to be considered will be the cos' 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 applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5795: Application of Continental Oil Company for an exception to the provisions of Order No. R-1670, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 21(A) of the General Rules and Regulations for the provided gas pools of Northwestern New Mexico contained in Order No. R-1670, to permit the reporting of Basin Dakota production from wells on its Northeast Haynes Lease in Township 24 North, Range 5 West, Rio Arriba County, New Mexico, without the necessity of separately measuring the production from each well.

#### CASE 5777: (Continued & Readvertised)

Application of Gifford & Mitchell and M. B. Wisenbaker for pool creation, pool rules, and a non-standard gas spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Pennsylvanian production for its Horse Back Well No. 1 located 1000 feet from the South line and 1980 feet from the East line of Section 33, Township 26 South, Range 36 East, Lea County, New Mexico, the promulgation of pool rules therefor, including a provision for 640-acre spacing and approval for a 589.52-acre non-standard gas spacing unit comprising all of partial Sections 33 and 34 of the aforesaid township.

Docket No. 30-76

Dockets Nos. 31-76 and 32-76 are tentatively set for hearing on November 10 and November 23, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: COMMISSION HEARING - THURSDAY - NOVEMBER 4, 1976

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

CASE 5743: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit

John W. Adams, Executor of Estates of R. W. and June Adams; and Ruth McCahey, Fred McGahey and

David McGahey dba Adams & McGahey, American Employers' Insurance Company, and all other interested

parties to appear and show cause why the following wells located in Township 21 North, Range 30

East, Marding County, New Mexico, should not be plugged and abandoned in accordance with a

Commission-approved plugging program:

Gonzales Well No. 2, located in Unit P of Section 9; Adams & McGahey Well No. 1, located in Unit B of Section 16; and Gonzales "A" Well No. 1, located in Unit H of Section 32.

Upon application of John W. Adams, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Docket No. 27-76

Dockets Nos. 29-76 and 30-76 are tentatively set for hearing on October 27 and November 10, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

## DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 13, 1976

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

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 for November, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for November, 1976, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

#### CASE 5773: (Continued from September 29, 1976, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico.
Applicant, in the above-styled cause, seeks approval for the North Millman Unit Area comprising 2,017 acres, more or less, of State lands in Township 19 South, Range 28 East, Eddy County, New Mexico.

- CASE 5783: Application of Palmer Oil and Cas Company for an unorthodox gas well location and a non-standard provation unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 335.66-acre non-standard provation unit, comprising all of Sections 6 and 7, Township 26 North, Range 2 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1850 feet from the South line and 700 feet from the West line of said Section 7.
- CASE 5784: Application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 320-acre Jalmat gas proration unit comprising the NW/4, SW/4 NE/4, E/2 NE/4, NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its John P. Combest Wells Nos. 1, 2, 3, and 4 located at unorthodox locations in Units H, G, A, and E, respectively, of said Section 35.
- CASE 5785: Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen formation underlying the NE/4 NE/4, NN/4 NE/4, SW/4 NE/4, and SE/4 NE/4 of Section 19, Town-ship 24 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to form four 40-acre profation units to be dedicated to four oil wells to be drilled at standard locations on said tracts. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.
- CASE 5786: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its New Mexico "BZ" State Lease, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Seven Rivers-Queen formation through seven injection wells located in Unit L of Section 15 and Units B, D, F, H, J, and P of Section 16, Township 23 South, Range 37 East.
- CASE 5787: Application of Boyd Operating Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into the Grayburg-San Andres formation through its Robinson Well No. 8 located in Unit N of Section 25 and its Brinson Wells Nos. 2 and 3 located, respectively, in Units A and G of Section 36, Township 16 South, Range 31 East, Eddy County, New Mexico. Applicant further seeks an administrative procedure for expansion of the project by approval of additional injection and production wells at orthodox and unorthodox locations.

### CASE 5574: (Reopened)

In the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which order established a temporary special depth bracket allowable of 750 barrels of oil per day for the Eagle Mesa-Entrada Oil Pool, Sandoval County, New Mexico. All interacted parties may appear and show cause why said special depth bracket allowable should not be rescinded.

Examiner Hearing - Wednesday - October 13, 1976

Docket No. 27-76

GASE 5780: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Northwest Production Corporation, Federal Insurance Company, and all other interested parties to appear and show cause why the Blanco 30-12 Well No. 1, located in Unit A of Section 4, Township 30 North, Range 12 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5781: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Petroleum Development Corporation, American Employers Insurance Company, and all other interested parties to appear and show cause why the San Luis Federal Well No. 1, located in Unit J of Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5782: In the matter of the hearing called by the Cil Conservation Commission on its own motion to permit U. S. Frigidice, Inc., Fireman's Fund Indemnity Company, and all other interested parties to appear and show cause why the U. S. Frigidice Well No. 1, Clyde Berlier (Kayser), located in Unit A of Section 14, Township 19 North, Rarge 21 East, Mora County, New Mexico, should not be plugged and abendoned in accordance with a Commission-approved plugging program.

CASE 5788: Southeastern New Mexico nomenclature case calling for the creation, contraction, extension and abolishment of certain pools in Lea, Eddy, and Roosevelt Counties, New Mexico:

a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Angell Ranch-Morrow Cas Pool. The discovery well is the Penroc Oil Corporation Wright Federal Well No. 1 located in Unit O of Section 6, Township 20 South, Range 28 East, NATM. Said pool would comprise:

## TOWNSHIP 20 SOUTH, RANGE 28 EAST, NAMES Section 6: All

b) CREATE a new pool in Eddy County, Hew Mexico, classified as a gas pool for Strawn production and designated as the West Burton Flat-Strawn Gas Pool. The discovery well is the David Fasken El Paso Federal Well No. 3 located in Unit H of Section 1, Township 21 South, Range 26 Past; NMPM. Said pool would comprise:

## TOWNSHIP 21 SOUTH, PANCE 26 EAST, METH Section 1: Lots 1 through 8

c) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Canyon production and designated as the North Chaveroo-Canyon Gas Pool. The discovery well is the Union Oil Company of California Roberts Well No. 1, located in Unit D of Section 9, Township 7 South, Range 33 East, NMPM. Said pool would comprise:

## TOWNSHIP 7 SOUTH, RANGE 33 EAST, MAPM Section 9: W/2

d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Foster Ranch-Morrow Gas Pool. The discovery well is the Mark Production Company Foster Well No. 1 located in Unit J of Section 21, Township 20 South, Range 24 East, NUPM. Said pool would comprise:

## TOWNSHIP 20 SOUTH, RANGE 24 EAST, 184PM Section 21: E/2

e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Mash Draw Cherry-Canyon Pool. The discovery well is the Mesa Petroleum Company Nash Unit Well No. 4 located in Unit A of Section 13, Township 23 South, Range 29 East, MAPM. Said pool would comprise:

#### TOWNSHIP 23 SOUTH, RANGE 29 FAST, 184PM Section 13: NE/4

f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Strawn production and designated as the Ojo Chiso-Strawn Gas Pool. The discovery well is the American Quasar Potroleum Company of New Mexico Ojo Chiso Unit Well No. 1, located in Unit E of Section 23, Township 22 South, Range 34 East, NAFM. Said pool would comprise:

## TOWNSHIP 22 SOUTH, RANGE 34 EAST, HAPM Section 23: W/2

g) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Cisco production and designated as the North Vacuum-Cisco Gas Pool. The discovery well is the Marathon Oil

Company State Section 7 Com Well No. 1, located in Unit G of Section 7, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NAPM Section 7: E/2

h) CONTRACT the vertical limits of the Kemnitz-Pennsylvanian Pool in Lea County, New Mexico, to the Cisco formation only, redesignating said pool the Kemnitz-Cisco Pool and redefining said pool to comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NAPM Section 13: N/2 and SE/4

1) CONTRACT the vertical limits of the Sombrero-Pennsylvanian Gas Fool in Lea County, New Mexico, to the Atoka formation only, redesignating said pool the Sombrero-Atoka Gas Pool and redefining said pool to comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 12: W/2
Section 13: W/2 and SE/4

j) ABOLISH the East Shugart-Queen Pool in Lea County, New Mexico, described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NUFTM Section 6: NE/4

k) ABOLISH the Watkins-Seven Rivers Pool in Eddy and Lea Counties, New Mexico, described as:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMFM Section 36: E/2

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NAPM Section 31: All

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NAPPM Section 6: N/2

1) EXTEND the vertical limits of the Watkins-Grayburg Pool in Lea County, New Mexico, to include the Yates, Seven Rivers, and Queen formations, redesignating said pool the Watkins Yates-Seven Rivers-Queen-Grayburg Pool and redefining said pool to comprise:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NAPM Section 31: NW/4 and S/2

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NAPPM Section 6: N/2

m) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 FAST, NAPM Section 18: SE/4

n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SCIPH ANGE 26 EAST, NOPM Section 1: 5/2

o) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NAPM Section 10: W/2
Section 15: W/2
Section 16: E/2

p) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, MARM Section 20: E/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, HEAPM Section 3: W/2 Examiner Hearing - Wednesday - October 13, 1976

Docket No. 27-76

a) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include

TOWNSHIP 19 SOUTH, RANGE 25 FAST, NAPM Section 30: SE/4

r) EXTEND the Dayton-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NAPM Section 26: SW/4

s) EXTEND the East Empire Yates-Seven Rivere Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, MMPM Section 27: NE/4 and N/2 NW/4

t) EXTEND the Hoag Tank-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NAPM Section 23: All

u) EXTEND the Middle Lynch Yates -Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, PANCE 32 EAST, MOPA! Section 28: N/2 N/2

v) EXTEND the Maljamar-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NUPM Section 32: W/2

w) EXTEND the Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NAPM Section 20: SW/4

x) EXTEND the Red Lake Queen - Grayburg - San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM Section 13: SE/4 SE/4 Section 24: NE/4

y) EXTEND the Sawyer-San Andres Cas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NEAPAN Section 13: SW/4

z) EXTEND the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NAPM Section 25: NW/4
Section 27: NE/4

aa) EXTEND the Vacuum-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SCUTH, RANGE 34 EAST, NEPM Section 2: SW/4 Section 3: SE/4 KBLLAHIN AND FOX ATTORNEYS AT LAW 800 DON GASPAR AVENUE POST OFFICE BOX 1769 SANTA FE, NEW MEXICO 87501

Jäson W. Kellahin Robert E. Fox W. Thomas Kellahin

September 27, 1976



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

Case 5785

Re: Doyle Hartman

Dear Bill:

Please find enclosed on behalf of Doyle Hartman, the written application for compulsory pooling to be heard by the Commission on October 13, 1976.

Very truly yours,

W. Thomas Kellahin

CC: Doyle Hartman

WTK:kjf

**Enclosure** 



#### BEFORE THE

## OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

## APPLICATION

COMES NOW, DOYLE HARTMAN, as provided by Section 65-13-4, New Mexico Statutes Annotated, 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 NE/4 of Section 19, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico in Seven Rivers and Queen formations of the Langlie Mattix pool, and in support thereof would show the Commission:

- 1. Applicant is the owner of the right to drill and develop the following described acreage: NE/4 of Section 19, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
- 2. Applicant has obtained voluntary agreement for pooling from all but the persons named below, whose addresses, and the interest owned according to applicant's information and belief are as set forth as follows:

Marie Emile Blaine Mrs. Adele I. Sowell Adele Dee Saint McDowell 4242 Loma Alta, Apt. 904 Dallas, Texas 75219

1/32 mineral interest

Atlantic Richfield P. O. Box 1610 Midland, Texas 79701

3. As required by the provision of Commission Rule 104, applicant proposes to dedicate the NE/4 of Section 19, T24S,

R37E, N.M.P.M., Lea County, New Mexico to four forty acre proration units for the drilling of four oil wells at standard locations within said section.

- 4. Applicant requests that it be designated operator of the pooled units requested above.
- 5. Applicant has been unable to obtain voluntary agreement from 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 interests in the said unit.
- 6. Applicant further requests for a provision for a period of 120 days from the date of the order in which to commence the first subject well with the drilling of each subsequent well to be commenced within 120 days of the completion of the preceding well until all four wells have been drilled.

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 interests underlying the NE/4 of Section 19, Township 24 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and designating applicant as operator of the pooled unit, together with provisions for applicant to recover its costs of drilling and completing the well, a reasonable charge for supervision, a risk factor in the amount of 200%, all to be recovered out

of production, and for such other and further provisions as may be proper in the premises.

Respectfully submitted,

DOYLE HARTMAN

KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Applicants



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of production, and for such other and further provisions as may be proper in the premises.

Respectfully submitted,

DOYLE HARTMAN

KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Applicants



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of production, and for such other and further provisions as may be proper in the premises.

Respectfully submitted, DOYLE HARTMAN

By W. THOMAS KELLAHIN KELLAHIN & FOX P. O. Box 1769 Santa Fe, New Mexico 87501 Attorneys for Applicants

## DRAFT

## BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

dr/

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

CASE NO.

Order No. R- 5321

APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

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This cause came on for hearing at 9 a.m. on November 10, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

, 1976, the Commission, \_\_day of November a quorum being present, having considered the record and the recom-NOW, on this\_\_\_\_ mendations of the Examiner, and being fully advised in the premises,

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

## IT IS THEREFORE ORDERED:

5785 is hereby dismissed. That Case No. \_

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

Compulsory pooling
operator Doyle Hawtman
NE/4 Sec 19 T-24.5
R-37-E

to drie 4 oil wells at standard locations
Vanglie Mathix Pool