

*Je* CASE 5816: TEXAS OIL & GAS CORP.  
FOR AN UNORTHODOX GAS WELL LOCA-  
TION, EDDY COUNTY, NEW MEXICO

CASE NO.

58/6

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,

ETC.



DIRECTOR  
JOE D. RAMEY

## OIL CONSERVATION COMMISSION

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

LAND COMMISSIONER  
PHIL R. LUCERO  
January 5, 1977



STATE GEOLOGIST  
EMERY C. ARNOLD

Mr. Joel Carson  
Losee & Carson  
Attorneys at Law  
Post Office Box 239  
Artesia, New Mexico 88210

Re: CASE NO. 5816  
ORDER NO. R-5341

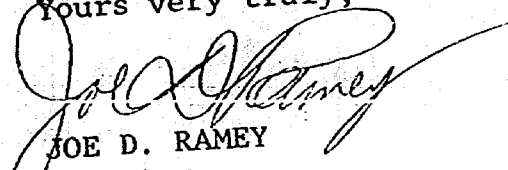
Applicant:

Texas Oil & Gas 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  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x  
Artesia OCC x  
Aztec OCC       

Other

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE NO. 5816  
Order No. R-5341

APPLICATION OF TEXAS OIL & GAS CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 15, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 4th day of January, 1977, 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, Texas Oil & Gas Corporation, seeks approval of an unorthodox gas well location for its Huber Federal Well No. 1 to be drilled 1,087 feet from the North line and 2,280 feet from the East line of Section 27, Township 23 South, Range 22 East, NMPM, to test the Wolfcamp and Pennsylvanian formations, Eddy County, New Mexico.

(3) That the N/2 of said Section 27 is to be dedicated to the well.

(4) That said unorthodox location is necessitated because of topographical conditions.

(5) That no offset operator objected to the proposed unorthodox location.

-2-

Case No. 5816  
Order No. R-5341

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Wolfcamp and Pennsylvanian formations is hereby approved for the Texas Oil & Gas Corporation Huber Federal Well No. 1 to be drilled at a point 1,087 feet from the North line and 2,280 feet from the East line of Section 27, Township 23 South, Range 22 East, NMPM, Eddy County, New Mexico.

(2) That the N/2 of said Section 27 shall be dedicated to the above-described well.

(3) 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



*Phil R. Lucero*

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

*Joe D. Ramsey*

JOE D. RAMSEY, Member & Secretary

S E A L

dr/

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General Court Reporting Service  
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Page 1

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
December 15, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas Oil & Gas Corpora-  
tion for an unorthodox gas well location)  
Eddy County, New Mexico.

CASE  
5816

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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:

Joel M. Carson, Esq.  
LOSEE & CARSON, P.A.  
Attorneys at Law  
300 American Home Bldg.  
Artesia, New Mexico

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I N D E X

Page 2

L. ROYCE GRIFFIN

Page

Direct Examination by Mr. Carson

3

EXHIBIT INDEX

<u>Offered</u>	<u>Admitted</u>
5	8
6	8
6	8
7	8
7	8

- Applicant's Exhibit One, Land Plat
- Applicant's Exhibit Two, Topographic Map
- Applicant's Exhibit Three, Plat
- Applicant's Exhibit Four, Photograph
- Applicant's Exhibit Five, Photograph

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1 MR. STAMETS: We will call next Case 5816.

2 MS. TESCHENDORF: Case 5816, application of Texas  
3 Oil and Gas Corporation for an unorthodox gas well location,  
4 Eddy County, New Mexico.

5 MR. CARSON: Mr. Examiner, my name is Joel Carson,  
6 Losee and Carson, P.A., Artesia, New Mexico and I have one  
7 witness to be sworn.

8 (THEREUPON, the witness was duly sworn.)  
9

10 L. ROYCE GRIFFIN

11 called as a witness, having been first duly sworn, was  
12 examined and testified as follows:  
13

14 DIRECT EXAMINATION

15 BY MR. CARSON:

16 Q Would you state your name, please?

17 A L. Royce Griffin.

18 Q And by whom are you employed, Mr. Griffin?

19 A Texas Oil and Gas Corporation.

20 Q And your office is where?

21 A In Midland, Texas.

22 Q What is your position with Texas Oil and Gas?

23 A I'm a Petroleum Geologist with Texas Oil and Gas.

24 Q Would you explain to the Hearing Examiner a little  
25 bit about your educational background?



1 A I graduated from Brigham Young University in June  
2 of 1969. Thereafter I was employed by Exxon Company until  
3 October of 1975, at which time I was employed by Texas Oil and  
4 Gas.

5 Q Mr. Griffin, your degree is in geology, is it not?

6 A Yes, sir.

7 Q And you worked in that capacity for Exxon?

8 A Yes, sir, I did.

9 Q And your present capacity is one of petroleum  
10 geologist?

11 A Yes, sir.

12 Q And part of your responsibility for Texas Oil and  
13 Gas is the New Mexico project, is that correct?

14 A Yes, sir.

15 Q While with Exxon you have been through their logging  
16 school?

17 A Yes, I have.

18 Q And the reservoir geology school?

19 A Yes.

20 Q And the drilling evaluation school?

21 A Yes.

22 Q And the structural geology school?

23 A Yes.

24 Q Of course, in addition you have what, about seven and  
25 a half years of practical experience in the field?

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Page 5

1 A Yes, sir.

2 MR. CARSON: Are the witness' qualifications  
3 satisfactory?

4 MR. STAMETS: Yes, they are.

5 MR. CARSON: I might say prior to proceeding any  
6 farther, Mr. Stamets, that this application was originally  
7 filed by us without knowledge that what we were seeking was  
8 an unorthodox location based on topographic considerations  
9 rather than geological considerations but because of the time  
10 factor involved and the fact that these people need to start  
11 doing something here we proceeded along those lines anyway  
12 today.

13 Q (Mr. Carson continuing.) So with that in mind,  
14 Mr. Griffin, I will hand you what is marked as Applicant's  
15 Exhibit Number One and ask if you could tell the Commission  
16 what that is?

17 A This is a land plat showing the location of the  
18 proposed Texas Oil and Gas Huber Federal No. 1, a well to be  
19 located one thousand, eighty-seven feet from the north line  
20 and two thousand, two hundred and eighty feet from the east  
21 line of Section 27 and which will dedicate the north half of  
22 said Section 27 to the well.

23 Q And, Mr. Griffin, this is actually on a farmout  
24 from J. M. Huber, is that not correct?

25 A Yes, sir.

1 Q I hand you what has been marked as Applicant's  
2 Exhibit Number Two and ask you if you would explain that?

3 A This is a topographic map showing the location again  
4 of said well.

5 Q I think that map is not all that clear, could you  
6 explain to the Hearing Officer why you need to have a change  
7 in location based on geography?

8 A Yes, I have visited this area and can attest to  
9 the rough topography and the nature of this area with the  
10 deep ravines, hills, et cetera.

11 Q Is it not true that an orthodox location would put  
12 you in a position where a rainstorm would flood your location,  
13 is that not true?

14 A Yes, it is in a low area.

15 Q It possibly could wash you away?

16 A Possibly so.

17 Q And your request, if I understand it, Mr. Griffin,  
18 is to move to the higher location where you avoid that  
19 problem, is that correct?

20 A Yes, sir.

21 Q I hand you what is marked as Applicant's Exhibit  
22 Number Three and ask you to explain what that is?

23 A This is a plat showing again the location of said  
24 well with the lease numbers on it.

25 Q Mr. Griffin, I hand you a photograph that I have

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1 marked with a one on the back. I guess I should mark it with  
2 a four so it would be in order here and ask you if that is  
3 not a Polaroid picture of your proposed location?

4 A. Yes, sir.

5 Q. And I hand you another Polaroid photograph marked with  
6 a five and ask if that's not a view of the moved from location?

7 A. Yes, it is.

8 Q. And the latter photograph exhibits that it is in  
9 the bottom of a ravine, is that correct?

10 A. Yes, in a low.

11 Q. Mr. Griffin, were these exhibits all prepared by you  
12 or under your supervision?

13 A. Yes, sir.

14 Q. And is it your opinion that in the interest of  
15 safety and the protection of correlative rights and the  
16 prevention of waste that the Commission should approve this  
17 unorthodox location?

18 A. Yes, sir.

19 Q. And do you believe that this would prevent the  
20 drilling of unnecessary wells?

21 A. Yes, I do.

22 MR. CARSON: I have no further questions, Mr. Stamets.

23 MR. STAMETS: Mr. Griffin, it would appear to me  
24 that the nonstandard location that you are seeking here is more  
25 toward the interior of the proration unit rather than toward

1 offset operators, is that true?

2 THE WITNESS: Yes, sir.

3 MR. STAMETS: Are there any other questions of the  
4 witness?

5 MR. CARSON: I would like to move introduction of  
6 the exhibits.

7 MR. STAMETS: The exhibits will be admitted.

8 (THEREUPON, Applicant's Exhibits One through  
9 Five were admitted into evidence.)

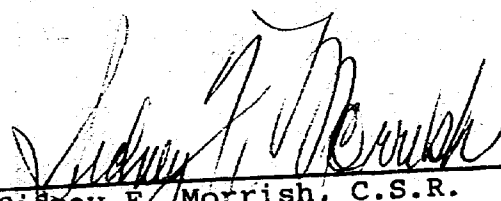
10 MR. STAMETS: Is there anything further in this  
11 case? The case will be taken under advisement.

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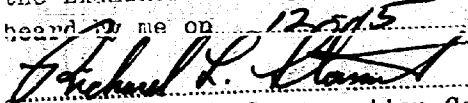
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REPORTER'S CERTIFICATE

1  
2 I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,  
3 do hereby certify that the foregoing and attached Transcript  
4 of Hearing before the New Mexico Oil Conservation Commission  
5 was reported by me, and the same is a true and correct record  
6 of the said proceedings to the best of my knowledge, skill and  
7 ability.

8  
9   
10 Sidney F. Morrish, C.S.R.

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General Court Reporting Service  
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11  
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15 I do hereby certify that the foregoing is  
16 a complete record of the proceedings in  
the Examiner hearing of Case No. 5816  
heard by me on 12-5-75, 1975  
17 , Examiner  
18 New Mexico Oil Conservation Commission  
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**BEFORE EXAMINER STAMPS**

**ON CONSERVATION COMMISSION**

**EXHIBIT NO. 5816**

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

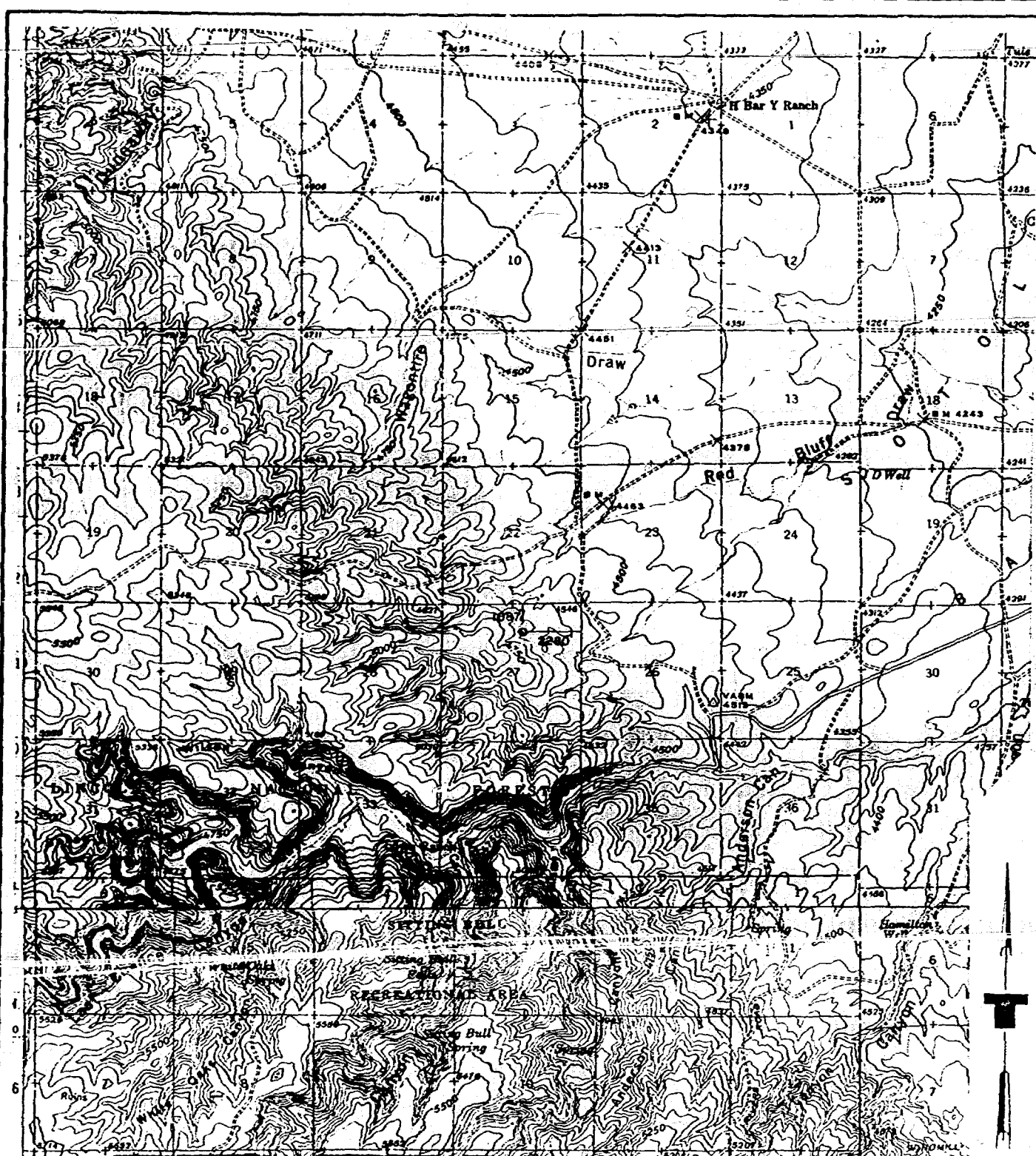
**Hearing Date** \_\_\_\_\_

**RED BLUFF AREA**  
**EDDY COUNTY, NEW MEXICO**  
**Sections 22, 23, 26 and 27**  
**T-23-S, R-22-E**

**TXO-#1 Huber-Federal**

**10/12/76**

**1" = 4000'**



BEFORE EXAMINATION OF  
OIL CONTENT AND VALUE

5816

2

TEXAS OIL & GAS CORP.

MIDLAND, TEXAS



**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form O-192  
Supersedes O-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

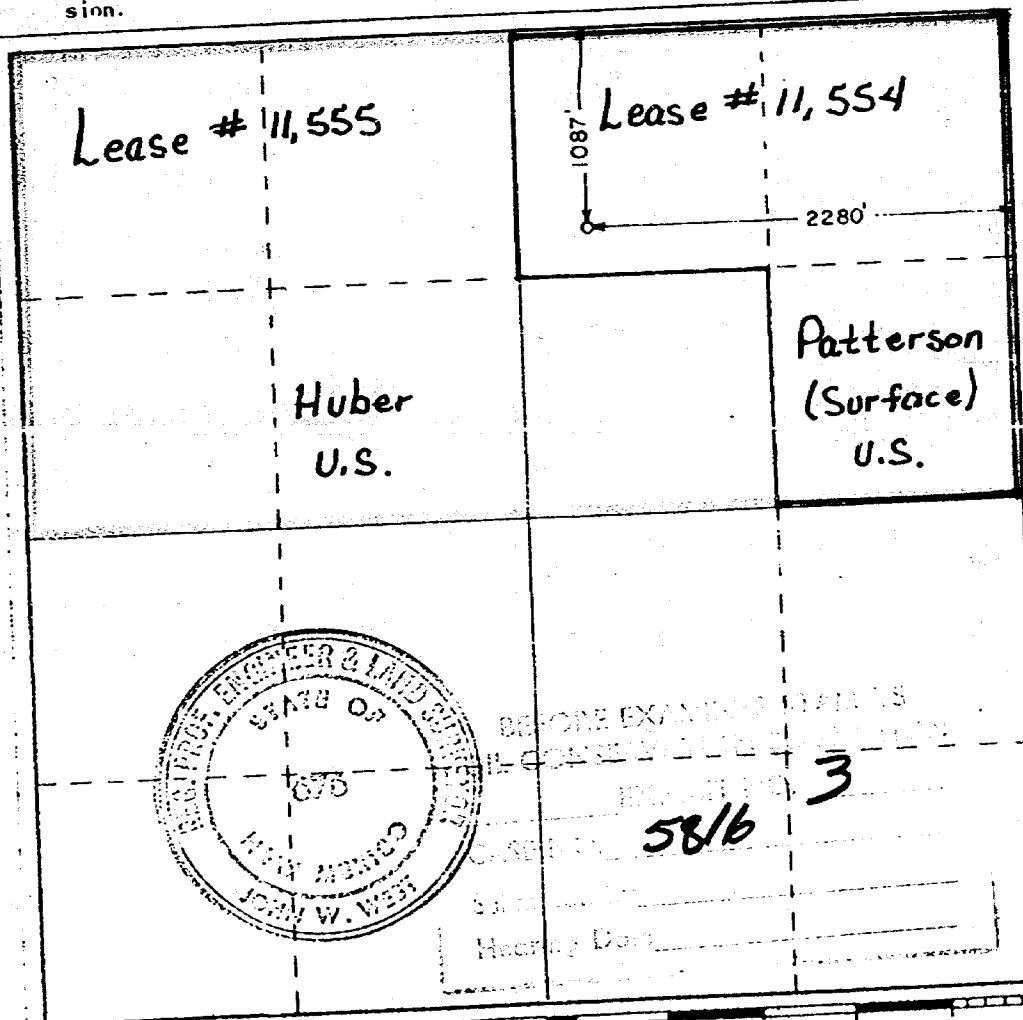
Lessee <b>Texas Oil &amp; Gas Corporation</b>			Lease <b>Huber Federal</b>		Well No. <b>1</b>
Section <b>B</b>	Section <b>27</b>	Township <b>23 South</b>	Range <b>22 East</b>	County <b>Eddy</b>	
Actual Location of Well: <b>1078</b> feet from the <b>North</b> line and <b>2280</b> feet from the <b>East</b> line					
Ground Level Elev. <b>4688.8</b>	Producing Formation <b>Morrow</b>		Pool <b>Wildcat</b>		Dedicated Acreage <b>320</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*[Signature]*  
**J. R. Colter**

**Staff Engineer**

**Texas Oil & Gas Corp.**

**November 3, 1976**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

**October 26, 1976**

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

*[Signature]*  
**676**

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900

A. J. LOSEE  
JOEL M. CARSON  
CHAD DICKERSON

LAW OFFICES  
LOSEE & CARSON, P.A.  
300 AMERICAN HOME BUILDING  
P. O. DRAWER 239  
ARTESIA, NEW MEXICO 88210

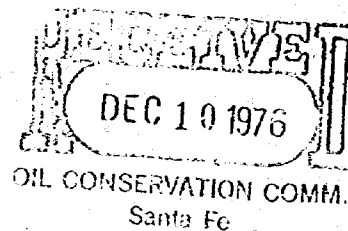
NSL- 819

104 F

Due Dec 30  
AREACODE 305  
746-3508

December 8, 1976

Miss Lynn Teschendorf  
Legal Division  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501



Dear Miss Teschendorf:

Texas Oil & Gas Corp. has heretofore made application to the Commission for permission to drill its Huber Federal No. 1 Well in an unorthodox location 1,087 feet from the North line and 2,280 feet from the East line of Section 27, Township 23 South, Range 22 East, N.M.P.M., Eddy County, New Mexico. This application has been set for hearing under your Docket Number 5816.

It has now come to our attention that topographical considerations, rather than geological considerations, prompt the application for an unorthodox location. Therefore, pursuant to Rule 104, we request administrative approval of said location and in support thereof, we enclose:

1. Well Location and Acreage Dedication Plat Form C-102.
2. Plat showing the ownership of all leases offsetting the proration unit for which the unorthodox location is sought and all wells completed thereon.
3. Topographical map and polaroid photos showing the existent topographical conditions. Picture No. 1 shows the desired location. Picture No. 2 shows the orthodox location.

Miss Lynn Teschendorf  
December 8, 1976  
Page 2

Notice by certified mail has been given to all offset lease  
owners.

Yours truly,

LOSEE & CARSON, P.A.



Joel M. Carson

JMC:bjm  
Enclosures

cc: Mr. Darrell F. Smith

Dockets Nos. 1-77 and 2-77 are tentatively set for hearing on January 5 and 19, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 15, 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 Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for January, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5796: (Continued from November 10, 1976, Examiner Hearing)

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 5815: Application of Mark Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NW/4 SE/4 of Section 1, Township 18 South, Range 26 East, Red Lake-San Andres Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. 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 5816: Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Huber Federal Well No. 1 to be drilled 1,087 feet from the North line and 2280 feet from the East line of Section 27, Township 23 South, Range 22 East, Eddy County, New Mexico, the N/2 of said Section 27 to be dedicated to the well.

CASE 5820: Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 22 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. 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 5817: Application of Read & Stevens, Inc., for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its W. R. State Comm. Well No. 1 to be drilled 660 feet from the South line and 990 feet from the East line of Section 6, Township 21 South, Range 27 East, Burton Flat-Morrow Gas Pool, Eddy County, New Mexico, Lots 9, 10, 15, and 16, and the SE/4 of said Section 6 to be dedicated to the well.

CASE 5818: Application of Union Oil Company of California for the reinstatement of allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks reinstatement of oil allowable for its Tracy Well No. 1 located in Unit C of Section 10, Township 22 South, Range 27 East, Esperanza-Delaware Pool, Eddy County, New Mexico.

CASE 5819: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Scurlock Oil Company to appear and show cause why it should not be found in violation of Rule 801, Commission Rules and Regulations, for purchasing, acquiring, transporting or handling of crude petroleum oil produced in excess of the allowable by Union Oil Company from its California Tracy Lease, Esperanza-Delaware Pool, Eddy County, New Mexico.

CASE 5823: Application of Thornton Hopper for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation through the open-hole interval from 1987 feet to 2000 feet of his Bradley Federal Well No. 6, located in Unit D of Section 11, Township 24 South, Range 26 East, Black River-Delaware Pool, Eddy County, New Mexico.

CASE 5822: Southeastern New Mexico nomenclature case calling for the creation, extension, and contraction of certain pools in Lea and Chaves Counties, New Mexico.

- a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production and designated as the Antelope Ridge-Bone Springs Pool. The discovery well is the Superior Oil Company State "R" Well No. 1 located in Unit N of Section 25, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 25: SW/4

- b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production and designated as the North Teague-Devonian Gas Pool. A geological study found the northeast portion of the North Teague Devonian Pool to be a separate reservoir due to faulting. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 22: SW/4  
Section 27: N/2 and N/2 S/2

- c) CONTRACT the Teague-Devonian Pool by the deletion of the following described area:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM  
Section 22: SW/4  
Section 26: All  
Section 27: N/2 and N/2 S/2

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM  
Section 18: NE/4

- e) EXTEND the Chaveroo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM  
Section 17: SW/4

- f) EXTEND the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM  
Section 20: SW/4

- g) EXTEND the South Leonard-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM  
Section 13: SE/4

- h) EXTEND the East Lusk-Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 15: SW/4

- i) EXTEND the Maljamar-Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM  
Section 14: NE/4

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

TOWNSHIP 10 SOUTH, RANGE 38 EAST, NMPM  
Section 6: W/2

- k) EXTEND the Tom Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM  
Section 2: NE/4

- l) EXTEND the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM  
Section 7: NE/4

CASE 5821: Northwestern New Mexico nomenclature case calling for the creation and extension of certain pools in San Juan, Rio Arriba, McKinley and Sandoval Counties, New Mexico.

a) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Pictured Cliffs production and designated as the Potwin-Pictured Cliffs Gas Pool. The discovery well is the Dugan Production Corporation Mountain Well No. 1 located in Unit J of Section 15, Township 24 North, Range 8 West, NMPM. Said pool would comprise:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM  
Section 14: SW/4  
Section 15: All  
Section 16: E/2

b) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Pictured Cliffs production and designated as the Albino-Pictured Cliffs Gas Pool. The discovery well is the Coastline Petroleum Company, Inc. #3 Schalk Well No. 94 located in Unit M of Section 26, Township 32 North, Range 8 West, NMPM. Said pool would comprise:

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPM  
Section 26: SW/4

c) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Dakota production and designated as the Straight Canyon-Dakota Gas Pool. The discovery well is the Robert C. Anderson Ute Mountain Ute Well No. 1 located in Unit L of Section 14, Township 31 North, Range 16 West, NMPM. Said pool would comprise:

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM  
Section 14: SW/4

d) CREATE a new pool in McKinley County, New Mexico, classified as an oil pool for Dakota production and designated as the Marcelina-Dakota Oil Pool. The discovery well is the Fairfax Exploration Corporation Bullseye Well No. 3 located in Unit N of Section 18, Township 16 North, Range 9 West, NMPM. The top of the perforations is at 1797 feet. Said pool would comprise:

TOWNSHIP 16 NORTH, RANGE 9 WEST, NMPM  
Section 18: S/2 SW/4  
Section 19: N/2 NW/4

TOWNSHIP 16 NORTH, RANGE 10 WEST, NMPM  
Section 24: NE/4 NE/4

e) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production and designated as the Jasis Canyon-Fruitland Gas Pool. The discovery well is the Mesa Petroleum Corporation State Com Well No. 39 located in Unit C of Section 36, Township 29 North, Range 8 West, NMPM. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM  
Section 36: NW/4

f) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production and designated as the Crouch Mesa-Fruitland Gas Pool. The discovery well is the Riggs Oil & Gas Corporation Federal Well No. 1 located in Unit F of Section 4, Township 29 North, Range 12 West, NMPM. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM  
Section 4: NW/4

g) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production and designated as the Sedro Canyon-Fruitland Gas Pool. The discovery well is the Southern Union Production Company Seymour Well No. 9 located in Unit F of Section 23, Township 31 North, Range 9 West, NMPM. Said pool would comprise:

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM  
Section 23: NW/4

h) CREATE a new pool in Sandoval County, New Mexico, classified as a gas pool for Chacra production and designated as the Rusty-Chacra Gas Pool. The discovery well is the Chace Oil Company Rusty Navajo Well No. 1Y located in Unit A of Section 23, Township 22 North, Range 7 West, NMPM. Said pool would comprise:

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM

Section 13: E/2  
Section 23: All  
Section 24: N/2  
Section 26: N/2

i) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Chacra production and designated as the Navajo City-Chacra Gas Pool. The discovery well is the Lively Exploration Company Lively Well No. 77 located in Unit E of Section 35, Township 30 North, Range 8 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM

Section 24: S/2  
Section 25: All  
Section 35: N/2  
Section 36: N/2

j) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Chacra production and designated as the Animas-Chacra Gas Pool. The discovery well is the Mesa Petroleum Corporation Primo Well No. 1A located in Unit D of Section 6, Township 31 North, Range 10 West, NMPM. Said pool would comprise:

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM

Section 6: NW/4

k) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Mississippian production and designated as the Beautiful Mountain-Mississippian Oil Pool. The discovery well is the Petroleum Energy Corporation Navajo Well No. 1-5 located in Unit F of Section 5, Township 26 North, Range 19 West, NMPM. The top of the perforations is at 5960 feet. Said pool would comprise:

TOWNSHIP 26 NORTH, RANGE 19 WEST, NMPM

Section 5: NW/4

l) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Mississippian production and designated as the North Tooto Dome-Mississippian Gas Pool. The discovery well is the Saguaro Oil Company Staver Navajo Well No. 1 located in Unit M of Section 34, Township 27 North, Range 18 West, NMPM. Said pool would comprise:

TOWNSHIP 27 NORTH, RANGE 18 WEST, NMPM

Section 34: S/2

m) CREATE a new pool in McKinley County, New Mexico, classified as an oil pool for Mesaverde production and designated as the Franciscan Lake-Mesaverde Oil Pool. The discovery well is the Basin Fuels Inc. Star Well No. 1 located in Unit M of Section 7, Township 20 North, Range 5 West, NMPM. The top of the perforations is at 1960 feet. Said pool would comprise:

TOWNSHIP 20 NORTH, RANGE 5 WEST, NMPM

Section 7: All  
Section 18: N/2

TOWNSHIP 20 NORTH, RANGE 6 WEST, NMPM

Section 12: E/2

n) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Gallup production and designated as the Albiro-Gallup Gas Pool. The discovery well is the Coastline Petroleum Co., Inc. Schalk 94 Well No. 1 located in Unit A of Section 26, Township 32 North, Range 8 West, NMPM. Said pool would comprise:

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPM

Section 36: NE/4

o) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Knickerbocker Buttes-Gallup Oil Pool. The discovery well is the El Paso Natural Gas Company Schumacher Well No. 13 located in Unit N of Section 17, Township 30 North, Range 10 West, NMPM. The top of the perforations is at 6440 feet. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 17: SW/4

p) CREATE a new pool in Sandoval County, New Mexico, classified as a gas pool for Gallup production and designated as the Rusty-Gallup Gas Pool. The discovery well is the Engineering & Production Services, Inc. Dana State Well No. 1 located in Unit H of Section 16, Township 22 North, Range 7 West, NMPM. Said pool would comprise:

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM  
Section 16: NW/4

q) CREATE a new pool in Sandoval County, New Mexico, classified as an oil pool for Gallup production and designated as the Alamito-Gallup Oil Pool. The discovery well is the BCO, Inc. Federal C Well No. 1 located in Unit P of Section 31, Township 23 North, Range 7 West, NMPM. The top of the perforations is at 4706 feet. Said pool would comprise:

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM  
Section 31: SW/4

r) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Nageezi-Gallup Oil Pool. The discovery well is the BCO, Inc. Federal D Well No. 1 located in Unit G of Section 1, Township 23 North, Range 9 West, NMPM. The top of the perforations is at 5079 feet. Said pool would comprise:

TOWNSHIP 23 NORTH, RANGE 8 WEST, NMPM  
Section 6: S/2  
Section 7: N/2  
Section 8: NW/4 & SE/4

TOWNSHIP 23 NORTH, RANGE 9 WEST, NMPM  
Section 1: W/2

s) CREATE a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup production and designated as the Ojito-Gallup Oil Pool. The discovery well is the Skelly Oil Company C. W. Roberts Well No. 4 located in Unit M of Section 17, Township 25 North, Range 3 West, NMPM. The top of the perforations is at 6960 feet. Said pool would comprise:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM  
Section 17: SW/4

t) CREATE a new pool in Sandoval County, New Mexico, classified as an oil pool for Gallup production and designated as the Media-Gallup Oil Pool. The discovery well is the Petro Lewis Corporation Federal Media Well No. 7 located in Unit G of Section 22, Township 19 North, Range 3 West, NMPM. The top of the perforations is at 2793 feet. Said pool would comprise:

TOWNSHIP 19 NORTH, RANGE 3 WEST, NMPM  
Section 22: SW/4 NE/4

u) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Farmington production and designated as the South Gallegos-Farmington Gas Pool. The discovery well is the Dugan Production Corporation Benjamin Franklin Well No. 1 located in Unit O of Section 2, Township 26 North, Range 12 West, NMPM. Said pool would comprise:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM  
Section 2: S/2  
Section 10: NE/4  
Section 11: NW/4

v) EXTEND the Angels Peak Gallup Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM  
Section 36: All

w) EXTEND the Aztec Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
Section 4: W/2

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM  
Section 33: SW/4

x) EXTEND the Aztec Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM  
Section 19: W/2



y) EXTEND the Ballard Pictured Cliffs Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM  
Section 19: S/2  
Section 20: All  
Section 21: W/2  
Section 27: W/2 & SE/4  
Section 28: All  
Section 29: All  
Section 30: All  
Section 31: N/2  
Section 32: N/2  
Section 33: NW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM  
Section 33: N/2

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM  
Section 33: SW/4

z) EXTEND the Blanco Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM  
Section 2: W/2  
Section 3: E/2  
Section 4: All  
Section 9: All  
Section 16: N/2

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM  
Section 4: All  
Section 5: All

TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPM  
Section 33: All

aa) EXTEND the Blanco Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM  
Section 18: N/2

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM  
Section 3: All  
Section 4: All  
Section 9: All  
Section 10: All  
Section 13: All  
Section 14: E/2

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM  
Section 30: W/2  
Section 31: NW/4

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM  
Section 15: W/2  
Section 18: S/2

TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM  
Section 13: N/2 & SE/4

bb) EXTEND the South Blanco Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM  
Section 9: S/2  
Section 13: S/2  
Section 16: All  
Section 21: N/2

- cc) EXTEND the Bloomfield Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 9: S/2  
Section 10: S/2  
Section 11: S/2  
Section 12: S/2

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 35: NE/4

- dd) EXTEND the Campo Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM

Section 12: NE/4

- ee) EXTEND the Devils Fork Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM

Section 3: SW/4  
Section 9: E/2 NE/4  
Section 10: NW/4

- ff) EXTEND the Devils Fork Mesaverde Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM

Section 7: E/2  
Section 8: S/2  
Section 17: N/2

- gg) EXTEND the Dufers Point Gallup-Dakota Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 7: S/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 12: SE/4

- hh) EXTEND the Escrito Gallup Pool in San Juan and Rio Arriba Counties, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 18: SW/4

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 2: SW/4  
Section 11: NW/4  
Section 10: N/2

TOWNSHIP 25 NORTH, RANGE 9 WEST, NMPM

Section 12: E/2  
Section 13: E/2  
Section 24: E/2

- ii) EXTEND the Gallegos Gallup Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM

Section 17: W/2 & SE/4  
Section 18: S/2

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM

Section 13: S/2  
Section 24: N/2

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Section 26: S/2  
Section 27: E/2

- jj) EXTEND the South Gallegos Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM

Section 7: All

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 8: N/2  
Section 9: N/2

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM con'd

Section 10: N/2  
Section 13: E/2  
Section 24: E/2  
Section 25: E/2

kk) EXTEND the Gobernador Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM

Section 19: S/2  
Section 30: All  
Section 31: NE/4  
Section 32: N/2 & SE/4

TOWNSHIP 29 NORTH, RANGE 5 WEST, NMPM

Section 3: W/2  
Section 10: N/2  
Section 11: W/2  
Section 13: W/2  
Section 14: All

ll) EXTEND the Kutz Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 30: S/2  
Section 31: N/2

mm) EXTEND the Kutz Gallup Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM

Section 5: NW/4  
Section 6: N/2  
Section 32: SW/4

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM

Section 1: N/2

nn) EXTEND the Largo Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM

Section 3: S/2  
Section 4: SE/4  
Section 22: N/2

oo) EXTEND the West Lindrith Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 17: S/2  
Section 18: S/2  
Section 20: W/2 & NE/4

pp) EXTEND the NIPP Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 2: W/2  
Section 3: All  
Section 11: W/2

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 20: NW/4  
Section 21: SE/4  
Section 22: S/2

qq) EXTEND the Otero Chacra Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Section 4: W/2  
Section 5: S/2  
Section 7: All  
Section 8: NW/4  
Section 25: SW/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 12: E/2

rr) EXTEND the Otero Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM  
Section 15: S/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM  
Section 26: S/2

ss) EXTEND the East Puerto Chiquito Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 1 EAST, NMPM  
Section 5: All

tt) EXTEND the Pinon Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM  
Section 22: N/2  
Section 23: N/2  
Section 24: N/2

uu) EXTEND the Rusty Menefee Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM  
Section 13: SW/4  
Section 14: SE/4

vv) EXTEND the Tapacito Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM  
Section 22: W/2

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM  
Section 8: W/2  
Section 17: W/2  
Section 19: NE/4  
Section 20: NW/4

ww) EXTEND the Ute Dome Dakota Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM  
Section 30: SW/4

xx) EXTEND the WAW Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM  
Section 4: NW/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM  
Section 29: NW/4  
Section 30: NE/4  
Section 31: NW/4  
Section 33: All  
Section 34: SW/4 & N/2

Application of Texas Oil & Gas Corp for  
an unorthodox gas well location, Eddy  
County, N.M.

Applicant in the above-styled  
cause seeks approval for the unorthodox  
location of its Huber Federal Well  
No. 1 to be drilled at a point  
1087 feet from the North line and  
2280 feet from the East line of  
Section 27, Township 23 South, Range  
22 East, Eddy County, N.M., the  
N $\frac{1}{2}$  of said Section 27 to be  
dedicated to the well.

A. J. LOSEE  
JOEL M. CARSON  
CHAD DICKERSON

LAW OFFICES  
LOSEE & CARSON, P.A.  
300 AMERICAN HOME BUILDING  
P.O. DRAWER 239  
ARTESIA, NEW MEXICO 88210  
NOV - 9 1976  
IL CONSERVATION COMM.  
Santa Fe

AREA CODE 505  
746-3508

November 8, 1976

Miss Lynn Teschendorf  
New Mexico Oil Conservation Commission  
Legal Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Miss Teschendorf:

Enclosed for filing, please find three copies of an application for Texas Oil & Gas Corp. for an unorthodox gas well location in Eddy County, New Mexico.

We ask that this case be set for hearing before an examiner and that you furnish us with a docket of the hearing.

Yours truly,

LOSEE & CARSON, P.A.

  
Joel M. Carson

JMC:bjm  
Enclosures

cc w/enclosure: Texas Oil & Gas Corp.

RECEIVED  
NOV 9 1957  
OIL CONSERVATION COMMISSION  
SANTA FE

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :  
OF TEXAS OIL & GAS CORP. FOR AN :  
UNORTHODOX GAS WELL LOCATION IN :  
EDDY COUNTY, NEW MEXICO :

CASE NO. 5816

APPLICATION

COMES NOW TEXAS OIL & GAS CORP., by its attorneys,  
and in support hereof, respectfully states:

1. That applicant is operator of a majority of the interest in the Pennsylvanian formation underlying the N/2 of Section 27, Township 23 South, Range 22 East, N.M.P.M., Eddy County, New Mexico.

2. Applicant proposes to drill its Huber Federal No. 1 Well at a location 1,087 feet from the North line and 2,280 feet from the East line of Section 27, and to dedicate the N/2 of said Section 27 to the well.

3. Applicant seeks an exception to the well location requirements of Rule 104 C-II(a) of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.

4. That a standard 320-acre proration unit comprising the N/2 of said Section 27 should be dedicated to the Huber Federal No. 1 Well.

5. That approval of the application will afford applicant the opportunity to produce its just and equitable share of gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Commission enter its order granting applicant permission to drill its Huber Federal No. 1 Well at the above mentioned unorthodox location, and to dedicate the N/2 of Section 27, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

TEXAS OIL & GAS CORP.

By: 

Losee & Carson, P.A.  
P. O. Drawer 239  
Artesia, New Mexico 88210

Attorneys for Applicant



BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :  
OF TEXAS OIL & GAS CORP. FOR AN :  
UNORTHODOX GAS WELL LOCATION IN :  
EDDY COUNTY, NEW MEXICO :

CASE NO. 5816

APPLICATION

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2. Applicant proposes to drill its Huber Federal No. 1 Well at a location 1,087 feet from the North line and 2,280 feet from the East line of Section 27, and to dedicate the N/2 of said Section 27 to the well.
3. Applicant seeks an exception to the well location requirements of Rule 104 C-II(a) of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.
4. That a standard 320-acre proration unit comprising the N/2 of said Section 27 should be dedicated to the Huber Federal No. 1 Well.

5. That approval of the application will afford applicant the opportunity to produce its just and equitable share of gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

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A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

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C. And for such other relief as may be just in the premises.

TEXAS OIL & GAS CORP.

By: 

Losee & Carson, P.A.  
P. O. Drawer 239  
Artesia, New Mexico 88210

Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :  
OF TEXAS OIL & GAS CORP. FOR AN :  
UNORTHODOX GAS WELL LOCATION IN : CASE NO. 5816  
EDDY COUNTY, NEW MEXICO :

APPLICATION

COMES NOW TEXAS OIL & GAS CORP., by its attorneys,  
and in support hereof, respectfully states:

1. That applicant is operator of a majority of the interest in the Pennsylvanian formation underlying the N/2 of Section 27, Township 23 South, Range 22 East, N.M.P.M., Eddy County, New Mexico.
2. Applicant proposes to drill its Huber Federal No. 1 Well at a location 1,087 feet from the North line and 2,280 feet from the East line of Section 27, and to dedicate the N/2 of said Section 27 to the well.
3. Applicant seeks an exception to the well location requirements of Rule 104 C-II(a) of the Oil Conservation Commission to permit the drilling of the well at the above mentioned unorthodox location to a depth sufficient to adequately test the Morrow formation of the Pennsylvanian system.
4. That a standard 320-acre proration unit comprising the N/2 of said Section 27 should be dedicated to the Huber Federal No. 1 Well.

5. That approval of the application will afford applicant the opportunity to produce its just and equitable share of gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Commission enter its order granting applicant permission to drill its Huber Federal No. 1 Well at the above mentioned unorthodox location, and to dedicate the N/2 of Section 27, which is reasonably presumed to be productive of gas from the Morrow formation.

C. And for such other relief as may be just in the premises.

TEXAS OIL & GAS CORP.

By: 

Jose M. Garzon, P.A.  
P. O. Box 239  
Artesia, New Mexico 88210

Attorneys for Applicant

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. 5816

Order No. R- 5341

APPLICATION OF TEXAS OIL & GAS  
FOR AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 15, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of December, 1976, 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, Texas Oil & Gas Corporation, seeks approval of an unorthodox gas well location / 1,087 feet from the North line and 2280 feet from the East line of Section 27, Township 23 South, Range 22 East, NMPM, to test the

Wolfcamp and Pennsylvanian formations, Eddy County, New Mexico.

(3) That the N/2 of said Section 27 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable necessitated because of topographical conditions applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location.

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(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location, <sup>for the Wolfcamp and Pennsylvanian</sup> ~~for the~~ Gil & Gas Corporation Huber Federal Well No. 1 to be drilled ~~formations is hereby approved for the Texas well to be located~~ at a point 1,087 feet from the North line and 2280 feet from the East line of Section 27, Township 23 South, Range 22 East NMPM, ~~Range~~ Eddy County, New Mexico.

(2) That the N/2 of said Section 27 shall be dedicated to the above-described well.

(3) 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.