

Case No.

616

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF CON-
SIDERING:

CASE NO. 616
Order No. R-

THE APPLICATION OF *Texas Pacific*
Coal and Oil Company
FOR AN ORDER GRANTING APPROVAL *pursuant*
OF AN EXCEPTION TO RULE 7(a) OF
ORDER NO. R-~~368A~~ IN ESTABLISHMENT
OF AN UNORTHODOX GAS PRORATION
UNIT OF 480 CONTIGUOUS ACRES
CONSISTING OF *the NW 1/4 and*
S 1/2 of Section 5 - Township 22
South Range 36 East, NMPM,
Lea County, New Mexico
in which is now delineated
as the Johnstons Gas Pool.

December 17, 1953 and
was successively continued
to August 18, 1954

BY THE COMMISSION: *↑*

↓ ORDER OF THE COMMISSION

This cause came on for hearing at 9 o'clock a. m., on
at Santa Fe, New Mexico, before the Oil Conservation Commission, herein-
after referred to as the "Commission".

NOW, on this day of , 1954, the Commission, a
quorum being present, having considered the records and testimony adduced, and
being fully advised in the premises;

FINDS:

(1) That due notice of the time and place of hearing and the purpose
thereof having been given as required by law, the Commission has jurisdiction of this
case and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R- 368A,
the Commission has power and authority to permit the formation of a gas proration
unit consisting of other than a legal quarter section after notice and hearing by the
Commission.

(3) That applicant, *Texas Pacific Coal and Oil Company*,
is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of
other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM.

NW 1/4 and S 1/2 of
Section 5

containing *480* acres, more or less.

Order No. R- _____

(4) That applicant, *Texas Pacific Coal and Oil Company* has a producing well on the aforesaid lease known as *State A, Acct 2, No. 41* located *660* from the *South* line and *860'* from the *west* line of Section *5*, Township *22* South, Range *36* East.

(5) That the aforesaid well was completed and in production prior to January 1, 1954, the effective date of Order No. R-*368A*, and is located within the limits of the pool heretofore delineated and designated as the *Jalmar* Gas Pool.

(6) That it is ~~impossible~~ ^{*impractical*} to pool applicant's said lease with adjoining acreage in ~~the~~ *Section 5*

and that the owners of adjoining acreage in said ~~quarter sections~~ ^{*section*} have not objected to the formation of the proposed proration unit of *480* acres, but have expressly ~~consented thereto~~

(7) That unless a proration unit consisting of applicant's aforesaid, *rs* acreage is permitted, applicant will be deprived of the opportunity to recover ~~his~~ just and equitable share of the natural gas in the *Jalmar* Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, will protect correlative rights, and is necessary ~~to prevent confiscation of applicant's property.~~

IT IS THEREFORE ORDERED:

(1) That the application of *Texas Pacific Coal & Oil Company*, for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP *22* SOUTH, RANGE *36* EAST, NMPM.

NW 1/4 and S 1/2 of
Section 5

be and The same

is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created, and approved.

Order No. R- _____

(2) That applicant's well, *State A, Arch. 2, no. 41*, located in the *SW/4 SW/4* of Section *5*, Township *22* South, Range *36* East, NMPM, shall be granted an allowable from January 1, 1954 in the proportion that the above described *480* acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

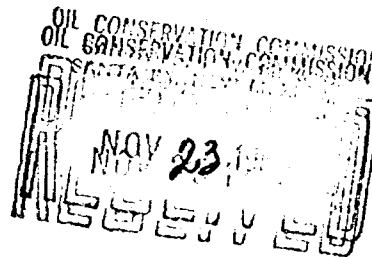
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

W B Macey
~~F. J. SEURBER~~, Secretary and Member

(S E A L)



BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

APPLICATION OF TEXAS PACIFIC
COAL & OIL COMPANY FOR AN
UNORTHODOX GAS PRORATION UNIT
CONSISTING OF NW $\frac{1}{4}$ AND S $\frac{1}{2}$ OF
SECTION 5, TOWNSHIP 22 SOUTH,
RANGE 36 EAST, N.M.P.M. LEA COUNTY,
NEW MEXICO.

Case No. 616

COMES NOW Texas Pacific Coal & Oil Company, Applicant,
and states to the Commission:

1. It is the owner of oil and gas leases covering the NW $\frac{1}{4}$ and S $\frac{1}{2}$ of Section 5, Township 22 South, Range 36 East, Lea County, New Mexico.
2. There is a producing gas well situated in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of said Section 5 in said township and range.
3. All of the NW $\frac{1}{4}$ and S $\frac{1}{2}$ of Section 5, said township and range is productive of gas.
4. Applicant has complied with Rule 12 of Order No. R-368-A of this Commission.
5. The creation of a 480 acre gas proration unit consisting of the NW $\frac{1}{4}$ and S $\frac{1}{2}$ of Section 5, Township 22 South, Range 36 East is necessary to protect the correlative rights of Applicant and to avoid the drilling of unnecessary wells.
6. A plat showing the location of the proposed proration unit and the gas well located thereon is attached hereto as Exhibit "A".

WHEREFORE Applicant respectfully prays for an order of this Commission as follows:

1. Creating a gas proration unit consisting of the NW $\frac{1}{4}$ and S $\frac{1}{2}$ of Section 5, Township 22 South, Range 36 East.

2. Granting to said unit a 160 acre proration unit
allowable multiplied by three.

TEXAS PACIFIC COAL & OIL COMPANY

By

Jack M. Campbell
Jack M. Campbell, its attorney

CORRECTED FILING

NEW MEXICO
OIL CONSERVATION COMMISSION

Gas Well Plat

Date November 13, 1953

Texas Pacific Coal & Oil Co. N. M. State "A" a/o-2 41
Operator Lease Well No.

Name of Producing Formation Yates Pool Jaleo

No. Acres Dedicated to the Well 480

SECTION 5 TOWNSHIP 22-S RANGE 36-E

| | | | |
|------|--|------|------|
| • 35 | | | |
| | | | |
| • 2 | | • 34 | • 28 |
| * 41 | | • 33 | • 27 |

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

EXHIBIT "A"

Name J. E. Monte
Position Production Foreman
Representing Texas Pacific Coal & Oil Co.
Address Box 1688, Hobbs, New Mexico

(over)

INSTRUCTIONS

1. Is this gas well a dual completion? Yes _____ No x
2. If the answer to Question 1 is Yes, are there any other dually completed wells within the dedicated acreage? Yes _____ No _____

A separate plat must be filed for each gas well, outlining the area dedicated to such well and showing the location of all other wells (oil and gas) within the outlined area.

Mail in duplicate to the district office for the district in which the well is located.

U
P
Y

Dec 17 1953 Hearing - CROSS FILE: RE CASES 613 - 626, incl.

In File Case 613, note Shell Oil Company statement which was to be applied
to Cases 613 - 626, incl.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 616
Order No. R-529

THE APPLICATION OF TEXAS PACIFIC
COAL AND OIL COMPANY FOR AN ORDER
GRANTING APPROVAL OF AN EXCEPTION
PURSUANT TO RULE 7 (a) OF ORDER NO.
R-368-A IN ESTABLISHMENT OF AN
UNORTHODOX GAS PRORATION UNIT OF 480
CONTIGUOUS ACRES CONSISTING OF THE
NW/4 AND S/2 OF SECTION 5, TOWNSHIP 22
SOUTH, RANGE 36 EAST, NMPM, LEA COUNTY,
NEW MEXICO IN WHAT IS NOW DELINEATED AS
THE JALMAT GAS POOL UNDER THE PROVISIONS
OF ORDER R-520.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on December 17, 1953 and was successively continued to August 18, 1954, at which time it came on for final hearing at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 4th day of October, 1954, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises;

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R-368-A, and Order R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) That applicant, Texas Pacific Coal and Oil Company, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 22 South, RANGE 36 East, NMPM
NW/4 and S/2 of Section 5

containing 480 acres, more or less.

Order No. R-529

(4) That applicant, Texas Pacific Coal and Oil Company has a producing well on the aforesaid lease known as State A, a/c-2, No. 41, located 600 feet from the South line and 660 feet from the West line of Section 5, Township 22 South, Range 36 East.

(5) That the aforesaid well was completed and in production prior to January 1, 1954, the effective date of Order No. R-368-A, and is located within the limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in Section 5 and that the owners of adjoining acreage in said section have not objected to the formation of the proposed proration unit of 480 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Jalmat Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Texas Pacific Coal and Oil Company for approval of an unorthodox proration unit consisting of the following described acreage

TOWNSHIP 22 South, RANGE 36 East, NMPM
NW/4 and S/2 of Section 5

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, State A, a/c-2, No. 41, located in the SW/4 SW/4 of Section 5, Township 22 South, Range 36 East, NMPM, shall be granted an allowable from January 1, 1954 in the proportion that the above described 480 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

W. B. Macey
W. B. MACEY, Secretary and Member

S E A L

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Regular Hearing

CASE NO. 616, 617 & 618 (Cont'd.)

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 15, 1954

IN THE MATTER OF:

These cases involve Texas Pacific Coal and Oil Company's request for approval of unorthodox gas proration units in the Jalco Gas Pool, and have been successively continued since December 17, 1953.

Cases 616,
617 & 618
Continued

BEFORE:

Mr. E. S. (Johnny) Walker
Mr. R. R. Spurrier

TRANSCRIPT OF HEARING

MR. SPURRIER: We will move on to Cases 616, 617, 618. Mr. Campbell?

MR. CAMPBELL: If the Commission please. Jack Campbell, on behalf of Texas Pacific Coal and Oil Company. I would like to request that the cases be continued until the regular hearing of the Commission.

MR. SPURRIER: Is there objection? Without objection it will be continued to the regular hearing which I believe is on the 18th.

STATE OF NEW MEXICO)
 : ss.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby
certify that the foregoing and attached transcript of proceedings
before the New Mexico Oil Conservation Commission at Santa Fe,
New Mexico, is a true and correct record to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial
seal this 17th day of July, 1954.

Ada Dearnley
Notary Public, Court Reporter

My Commission Expires:

June 19, 1955

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

TRANSCRIPT OF PROCEEDINGS
CASES NO. 616, 617, and 618
(Consolidated and Continued)

January 20, 1954
Regular Hearing

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

January 20, 1954

In the Matter of:

Texas Pacific Coal & Oil Company's application for approval of unorthodox gas production unit: 480 acres, NW/4 and S/2 of 5-22S-36E (Jalco Gas Pool), and for a triple allowable for said unit.

Texas Pacific Coal & Oil Company's application for approval of unorthodox gas production unit of 160 acres in S/2 NE/4 Section 20 and S/2 NW/4 Section 21 in Township 23 South, Range 36 East; for extension of Jalco Pool to include S/2 NE/4 20-23S-36E; and for approval of present location of applicant's N. M. State 'A' a/c-1 Wells No. 3 and No. 6 in SWNW and SENW, respectively, of 21-23S-36E.

Cases No. 616
617 and 618

(Consolidated
and
Continued)

Texas Pacific Coal & Oil Company's application for approval of unorthodox gas production unit of 160 acres in N/2 NE/4 Section 20 and N/2 NW/4 Section 21 in Township 23 South, Range 36 East; for extension of Jalco Gas Pool to include N/2 NE/4 20-23S-36E; and for approval of present location of applicant's N. M. State 'A' a/c-1 Well No. 4, NENW 21-23S-36E.

(Notice of Publication read by Mr. Graham).

MR. SPURRIER: The meeting will come to order, please.

The next case on the docket is Case 616.

MR. CAMPBELL: If the Commission please, on the Texas Pacific Coal and Oil Company, I would like to request that Case 616, 617 and 618 be carried forward on the docket until the February Hearing. As the Commission knows, and as I stated last month, there is pending a

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9846
ALBUQUERQUE, NEW MEXICO

rehearing in the Jalco Gas Pool and it is the position of Texas Pacific Coal and Oil Company that as a matter of law the Jalco Gas Pool proration order is now suspended. We want to ask the permission to continue these cases until a determination is made at least on the rehearing.

MR. SPURDLER: Is there objection to counsel's motion? If not the cases will be continued until the regular February hearing. The next case on the docket is Case No. 627.

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Cases No. 616, 617 and 618, continued and consolidated, before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on January 20, 1954, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 25th day of January, 1954.

Ada Dearnley
REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9346
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Transcript of Proceedings

Cases No. 616
617
618

Regular Hearing
February 17, 1954

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
at
Santa Fe, New Mexico
February 17, 1954
Afternoon Session

In the Matter of:

Texas Pacific Coal & Oil Company's application for approval of unorthodox gas proration unit; 480 acres, NW/4 and S/2 of 5-22S-36E, Jalco Gas Pool, and for a triple allowable for said unit.

Texas Pacific Coal & Oil Company's application for approval of unorthodox gas proration unit of 160 acres in S/2 NE/4 Section 20 and S/2 NW/4 Section 21 in Township 23 S, Range 36 E; for extension of Jalco Pool to include S/2 NE/4 20-23S-36E; and for approval of present location of applicant's N. M. State 'A' a/c-1 Wells No. 3 and No. 6 in SW NW and SE NW, respectively of 21-23S-36E.

Texas Pacific Coal & Oil Company's application for approval of unorthodox gas proration unit of 160 acres in N/2 NE/3 Section 20 and N/2 NW/4 Section 21 in Township 23 South, Range 36 East; for extension of Jalco Gas Pool to include N/2 NE/4 20-23S-36E; and for approval of present location of applicant's N. M. State 'A' a/c-1 well No. 4, NE NW 21-23S-36E.

Case No.s

616

617

&

618

(Consolidated)

(Notice of Publication read by Mr. Graham).

MR. SPURRIER: The next cases are Consolidated 616, 617, 618.

MR. CAMPBELL: If the Commission pleases, Jack M. Campbell, Roswell, New Mexico. I represent Texas Pacific Coal and Oil Company in the filing of these three applications. I would like to request that they be continued on the docket pending the order on rehearing in the Jalco Pool case.

MR. SPURRIER: Is there objections to Mr. Campbell's motion?

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Mr. Campbell, would it be satisfactory to set continuation on that to the definite date of the March hearing which is the 17th of March?

MR. CAMPBELL: It depends on what the Commission has in mind with reference to the, to Jalco Gas Pool. The reason they have not been dismissed and refiled is that it would avoid the necessity of the new public hearing. If the Commission wants to postpone them indefinitely until an order has been reissued on the rehearing in the Jalco Gas Pool.

MR. SPURRIER: We can continue them until March 17, conditioned on the issuance of another order.

STATE OF NEW MEXICO }
COUNTY OF BERNALILLO }

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Cases No. 616, 617 and 618 (Continued) before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on February 17, 1954, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 20th day of February, 1954.

Ada Dearnley
COURT REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

* * * * *

TRANSCRIPT OF PROCEEDINGS
CASE NO. 616, 617, 618
Regular Hearing

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 15, 1954

IN THE MATTER OF:

These three cases involve the Texas Pacific)
Coal and Oil Company's request for approval of) Cases No. 616,
unorthodox gas proration units in the Jalco Gas) 617 & 618
Pool and have been successively continued since) Continued.
December 17, 1953.)

BEFORE:

Honorable Edwin L. Mechem, Chairman
Mr. E. S. (Johnny) Walker, Member,
Mr. R. R. Spurrier, Secretary & Director

TRANSCRIPT OF HEARING

MR. CAMPBELL: I would like to renew our request that those
be continued until such time as orders are issued in Case 582, or
new orders issued in connection with the Jalco Gas Pool.

MR. SPURRIER: Any objection to Mr. Campbell's motion? If
not we will continue these three cases until the May 19th hearing.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

STATE OF NEW MEXICO)
: ss.
COUNTY OF BERNALILLO)

I, Ada Stanley, Court Reporter, do hereby
certify that the foregoing and attached transcript of proceedings
before the New Mexico Oil Conservation Commission at Santa Fe,
New Mexico, is a true and correct record to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial
seal this 19th day of April, 1954.

Ada Stanley
Notary Public, Court Reporter

My Commission Expires:

June 17, 1955

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

* * * * *

TRANSCRIPT OF PROCEEDINGS

CASE NO. 616,617,618

Regular Hearing

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico
May 19, 1954

IN THE MATTER OF:

These three cases involve Texas Pacific Coal and
Oil Company's request for approval of unorthodox
gas proration units in the Jalco Gas Pool, and have
been successively continued since December 17, 1953.

Cases No's.

616

617

618

BEFORE THE FULL COMMISSION

TRANSCRIPT OF PROCEEDINGS

MR. CAMPBELL: On behalf of Texas Pacific Coal and Oil
Company, I would like to move for a continuance of those three
cases pending an order of the Commission in the Case 582 and 673
involving the pool in which these unorthodox gas proration units
are sought.

MR. SPURRIER: Is there objection to counsel's motion? If
not, we will continue those three cases to June 16th. The next
case on the docket is Case 661.

STATE OF NEW MEXICO)
: ss.
COUNTY OF BERNALILLO)

I, Ala Dearnley Court Reporter, do hereby
certify that the foregoing and attached transcript of proceedings
before the New Mexico Oil Conservation Commission at Santa Fe,
New Mexico, is a true and correct record to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial
seal this 26th day of May, 1954.

Ala Dearnley
Notary Public, Court Reporter

My Commission Expires:

June 19, 1955

MAIN OFFICE OCC

1954 MAR 20 AM 10:01

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

* * * * *

TRANSCRIPT OF PROCEEDINGS

CASE NO. 616, 617 & 618

Regular Hearing

March 17, 1954

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
at
Santa Fe, New Mexico
March 17, 1954

In the Matter of:

Texas Pacific Coal & Oil Company's application
for approval of unorthodox gas proration unit;
480 acres, NW/4 and S/2 of 5-22S-36E, Jalco Gas
Pool, and for a triple allowable for said unit.

Texas Pacific Coal & Oil Company's application
for approval of unorthodox gas proration unit
of 160 acres in S/2 NE/4 Section 20 and S/2 NW/4
Section 21 in Township 23 S, Range 36 E; for
extension of Jalco Pool to include S/2 NE/4
20-23S-36E; and for approval of present location
of applicant's N. M. State 'A' a/c-1 Wells No. 3
and No. 6 in SW NW and SE NW, respectively of
21-23S-36E.

Case No's.

616

617

&

618

(Consolidated)

Texas Pacific Coal & Oil Company's application
for approval of unorthodox gas proration unit
of 160 acres in N/2 NE/3 Section 20 and N/2 NW/4
Section 21 in Township 23 South, Range 36 East;
for extension of Jalco Gas Pool to include N/2
NE/4 20-23S-36E; and for approval of present
location of applicant's N. M. State 'A' a/c-1
well No. 4, NE NW 21-23S-36E.

MR. SPURRIER: The next cases on the docket are 616, 617,
and 618 which have been successively continued since December 17th.

MR. CAMPBELL: If the Commission please, Jack Campbell,
Roswell, New Mexico. I am appearing on behalf of Texas Pacific
Coal & Oil Company. The fact that the issuance of an order in
Case 582 has been deferred, and for the purpose of avoiding the
necessity of re-publishing these three cases, I would like to again
request that they be carried forward on the docket until such time
as an order is entered in 582 involving the Jalco Gas Pool.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9845 AND 5-9846
ALBUQUERQUE, NEW MEXICO

MR. SPURRIER: Is there objection to Mr. Campbell's motion? Without objection, we will continue the cases as requested.

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C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Cases No. 616, 617 and 618 (Continued) before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on March 17, 1954, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 18th day of March, 1954.

Ada Dearnley
COURT REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico
* * * * *

TRANSCRIPT OF PROCEEDINGS
CASE NO. 616, 617, 618
Regular Hearing

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 16, 1954

IN THE MATTER OF:

These cases involve Texas Pacific Coal and Oil
Company's request for approval of unorthodox
gas proration units in the Jalco Gas Pool, and
have been successively continued since
December 17, 1953.

Case Nos.
616
617
618
Cont'd.

BEFORE:

Honorable Edwin L. Mechem
Mr. E. S. (Johnny) Walker
Mr. R. R. Spurrier

TRANSCRIPT OF HEARING

MR. SPURRIER: The meeting will come to order, please,
The next case on the docket is the combined case 616, 17 and 18.
Mr. Campbell?

MR. CAMPBELL: Jack Campbell, Roswell, New Mexico. As the
Commission knows, these three cases have been successively continued
awaiting orders in Cases 582 and 673. Those orders have not yet
been issued. I would like to request that these cases be carried
forward on the docket until such time as orders in Cases 582 and
673 are forthcoming. I assume that the Commission has in mind
orders in those cases in time to make any adjustments which may be
necessary, by virtue of those orders, back to the first six months
proration period.

MR. SPURRIER: Without objection we will continue them,

Mr. Campbell, to the definite date of July 15th, hoping by that time the order will be out in Case 673. Incidentally, for those of you who are interested, the Commission set the allowable on the 40 barrel unit basis figure, which would result in a figure of 228,185 barrels, if my figures are correct.

C E R T I F I C A T E

I, ADA DEARNLEY, do hereby certify that the above and foregoing transcript of proceedings held before the Oil Conservation Commission at Mabry Hall, Santa Fe, New Mexico on Wednesday, June 16, 1954 is a true and correct record to the best of my knowledge, skill and ability.

Dated at Albuquerque, New Mexico, this 17th day of June, 1954.


Notary Public

My Commission Expires:
June 19, 1955

MAIN OFFICE CDC

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BEFORE THE

Oil Conservation Commission

SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 616

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES

COURT REPORTERS

ROOMS 105, 106, 107 EL CORTEZ BUILDING

TELEPHONE 7-9546

ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 18, 1954
Afternoon Session - 1:30 P. M.

IN THE MATTER OF:

Texas Pacific Coal and Oil Company's appli-
cation for approval of unorthodox gas pro-
ration unit; 480 acres, NW/4 and S/2 of
5-223-36E, Jalco Gas Pool, and for a triple
allowable for said unit.

Case No. 616
(Cont'd.)

BEFORE:

Honorable Edwin L. Mechem
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The meeting will come to order. The next Case
on the Docket is Case 616. Mr. Campbell?

MR. CAMPBELL: I have a witness here to be sworn.

(Witness sworn.)

MR. CAMPBELL: If the Commission please, this case was
filed a number of months ago under Order 368-A in Jalco Gas Pool.
The recent order of the Commission has combined the Jalco and Lang-
mat Pools and I would like the record to show that the proposed
non-standard gas proration unit is situated in the Jalmat Gas Pool.
Under the new order we could have proceeded under the waiver pro-
visions, but since the application had been filed and advertised,
we decided to go ahead and put on the evidence in connection with
this proposed unit.

JOHN YURONKA,

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

DIRECT EXAMINATION

By MR. CAMPBELL:

Q Will you state your name, please?

A John Yuronka.

Q By whom are you employed?

A Texas Pacific Coal and Oil Company.

Q In what capacity?

A District Engineer, New Mexico District.

Q Have you testified before this Commission on previous occasions?

A Yes, sir, I have.

MR. CAMPBELL: I would like to make reference to the provision occasion on which this witness has been qualified as an expert, and ask the Commission to accept his qualifications as an expert witness.

MR. MACEY: His qualifications are acceptable.

Q In connection with your employment by the Texas Pacific Coal and Oil Company, are you acquainted with the application of that company for a non-standard gas proration unit, consisting of the northwest quarter and the south half of Section 5, Township 22 South, Range 36 East?

A Yes, I am.

MR. CAMPBELL: I call the Commission's attention to the fact that the application in each of these three cases has attached to it a plat showing the form of the proposed unit and the wells,

gas and oil wells situated on it.

Q Mr. Yuronka, let me ask you, this is a State lease, is it not?

A Yes, sir.

Q Does one State lease cover all of the proposed 480 acre non-standard proration unit?

A Yes, it does.

Q Where is the gas well that you proposed to use in the case, the non-standard unit, okayed by the Commission?

A In the southwest quarter of the southwest quarter.

Q Of Section 5?

A Yes, sir.

(Marked Texas Pacific Coal and Oil Company exhibit No. 1, for identification.)

Q I hand you what has been marked Texas Pacific Coal and Oil Company Exhibit No. 1, and ask you to state what that is.

A This exhibit is an east-west cross section. Perhaps I had better put it up here. Exhibit Number 1 is an east-west cross section in which the subject well is indicated and it shows the producing interval and the drill-stem tests that were taken on the well, from the Tansil dolomite, down to the depth of 3644.

Q Does that reflect that the well that you are seeking to use as the gas well in this unit is completed entirely in the now defined limits of the Jalmat Gas Pool?

A Yes, sir, we have a -- as you can see it was T. D. was in the Seven Rivers and it was acidized and fraced and there was sufficient quantity of gas, we thought, for commercial value, so we

set a packer at this depth here, at 3,335, and we perforated the Tansil-dolomite in the upper portion of the Yates.

Q What potential information can you give us on that well?

A Well, that well potential is 28,000 M. C. F. per day.

Q In your opinion, if this non-standard unit is approved and a 480 acre proration unit allowable granted to this well, is it capable of making such an allowable without waste?

A Yes, sir, it is.

Q What has been the cumulative production from that gas well?

A Well, since the well was completed in October of 1952 the well has produced 703,505 MCF through July 1, 1954.

Q Mr. Yuronka, in your opinion is it necessary, in order to enable the Texas Pacific Coal and Oil Company to recover its fair share of the gas in this area, without the drilling of unnecessary wells, that this proposed non-standard proration unit be approved?

A Yes, sir.

MR. CAMPBELL: That is all.

MR. MACEY: Any questions of the witness?

MR. CAMPBELL: There is one other question I wanted to ask.

By MR. CAMPBELL:

Q There are oil wells drilled in the northwest quarter and the southeast quarter of that section, are there not?

A Yes, sir.

Q Do your company records reflect from drillstem tests taken on the oil wells that there was ^{gas} present in the gas pool zone when those oil wells were drilled in those other two quarter sections?

A Yes, sir.

MR. CAMPBELL: That is all.

MR. MACEY: Any question of the witness? Mr. Yuronka, are there any wells located on the proposed 480 acre non-standard unit which are completed within the defined producing zone of the Jalmat Gas Pool?

A Yes, No. 35. It is an oil well.

MR. MACEY: Is it an oil well?

A Yes.

MR. MACEY: Do you know whether it is producing any gas from the producing zone, an appreciable amount of gas?

A I don't know the exact figures of gas produced from that well per month. It has, if I remember correctly, GORS in the vicinity of, oh, approximately 15 quarts of oil.

MR. MACEY: Anyone else? If not the witness may be excused.

(Witness excused.)

MR. MACEY: Is there objection to the introduction of the Exhibit in Case 616? If not it will be received.

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 20th day of August, 1954.


Notary Public, Court Reporter

My Commission Expires:
June 19, 1955

ADA DEARNLEY & ASSOCIATES
STENOTYPE REPORTERS
ROOM 105-106-107 EL CORTEZ BLDG.
PHONES 7-9845 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
at
Santa Fe, New Mexico
December 17, 1953

-----)
)
In the Matter of:)
)

)
) Texas Pacific Coal & Oil Company's application)
) for approval of unorthodox gas proration unit;)
) 480 acres, NW/4 and S/2 of 5-22S-36E, Jalco Gas)
) Pool, and for a triple allowable for said unit.)
)

)
) Texas Pacific Coal & Oil Company's application)
) for approval of unorthodox gas proration unit)
) of 160 acres in S/2 NE/4 Section 20 and S/2 NW/4)
) Section 21 in Township 23 S, Range 36 E; for)
) extension of Jalco Pool to include S/2 NE/4)
) 20-23S-36E; and for approval of present location)
) of applicant's N. M. State 'A' a/c-1 Wells No. 3)
) and No. 6 in SW NW and SE NW, respectively of)
) 21-23S-36E.)
)

Case No.s

616

617

&

618

(Consolidated)

)
) Texas Pacific Coal & Oil Company's application)
) for approval of unorthodox gas proration unit)
) of 160 acres in N/2 NE/3 Section 20 and N/2 NW/4)
) Section 21 in Township 23 South, Range 36 East;)
) for extension of Jalco Gas Pool to include N/2)
) NE/4 20-23S-36E; and for approval of present)
) location of applicant's N. M. State 'A' a/c-1)
) well No. 4, NE NW 21-23S-36E.)
)
-----)

(Notice of Publication read by Mr. Graham).

MR. CAMPBELL: Jack M. Campbell, Roswell, New Mexico. I would like to make a statement and ask that it be included in the record in each of these three cases, 616, 617 and 618. As the Commission knows, there is pending a re-hearing in the Jalco Gas Pool proration order R-358, and R-358-A. The applicant in that case is Texas Pacific Coal & Oil Company. The applicant in these three cases, 617, - - 616, 617 and 618 is also Texas Pacific Coal &

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ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Oil Company, and I am appearing for them in these three cases, although I am not appearing for them in Case 582. The applicant, Texas Pacific Coal & Oil Company, in compliance with Commission's directive, dated October 30, 1953, filed forms C-104 and C-110 for its wells in the Jalco Gas Pool. That was prior to the issuance of the Commission's order, and under compulsion of the Commission's directive. The application in these three cases, 16, 17 and 18 were filed prior to the request for re-hearing or the granting of the re-hearing in Case No. 528, involving the Jalco Gas Pool and were filed under compulsion of an order of the Commission then in effect. I am advised by the attorneys for Texas Pacific Coal & Oil Company, in Case 582, that they have taken the position and have filed a motion to the effect that gas proration order R-368-A is stayed and suspended pending the order of re-hearing. In other words, that the granting of the motion for the re-hearing by this Commission has the effect of suspending Rule R-358 until an order of re-hearing is issued.

MR. SPURRIER: 368?

MR. CAMPBELL: 368. If Order R-358 is sustained on re-hearing in subsequent appeal the Commission will be requested to consider these cases and make any allowable order retroactive to the first day of the proration period in accordance with the present rule. For these reasons I would like to request that the three cases be passed and continued on the docket until a future hearing.

MR. SPURRIER: Is there any objection to Mr. Campbell's motion?

MR. FOSTER: I understand that his motion is that he wants to make this order of proration of gas in the Jalco Pool retroactive

to the old date in the event he is unsuccessful from making the proration from going into effect in that pool?

MR. CAMPBELL: I may answer you, Judge Foster, if the order is sustained on re-hearing and any other subsequent judicial proceeding, I simply want to have the right to proceed under the order in the event it is sustained at a future date. That is the only comment I made there.

MR. FOSTER: I wanted to ask you about the retroactive allowable.

MR. CAMPBELL: If the Commission's order, as it is sustained, if we are entitled to it under the order and the order is sustained we are going to seek it, we are going to ask for it, because - -

MR. FOSTER: (Interrupting) You can just record our objections to that.

MR. CAMPBELL: The order as it stands now anybody who seeks an unorthodox proration unit after they have made an effort to communitize and that is subsequent to the date the proration goes into effect, the order, as I read it, authorizes the allowable to be granted to anyone retroactively to the first day of the proration period, provided they are granted an exemption to the normal proration unit. That is all I am asking.

MR. KELLEHIN: If the Commission/representing Continental Oil Company. . . . We have no objection to the motion for continuance, we do join with Phillips in objecting to a retroactive allowable in the event these cases are heard later.

MR. SPURRIER: Anyone else? The Commission will continue these cases 616, 617, 618, to the regular January hearing, which

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is January 20th, I believe.

MR. SPURRIER: Mr. Campbell, can you advise the Commission how we can put Texas Pacific on the proration schedule in the meantime?

MR. CAMPBELL: I presume on the basis of filing 104-110 we will be placed on schedule the same as anybody else on the acreage we have in each quarter section. In other words, if the Commission takes the position that the order is in effect, of course we will file the necessary forms I suppose we will get to produce our wells. We think it is suspended, but the Commission does not agree with us.

MR. SPURRIER: We will take a recess until 1:30.

(Recess)

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Cases No. 616, 617 and 618 (Continued) before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on December 17, 1953, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 30th day of December, 1953.


COURT REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9843 AND 5-9546
ALBUQUERQUE, NEW MEXICO

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

October 11, 1954

Mr. Jack Campbell, Attorney
224 J. P. White Building
ROSWELL, NEW MEXICO

Dear Sir:

On behalf of your client, Texas Pacific Coal and Oil
Company, we attach copy of Order R-529 issued in Case
616 under date of October 4, 1954.

Very truly yours,

OIL CONSERVATION COMMISSION

By

WBM:nr

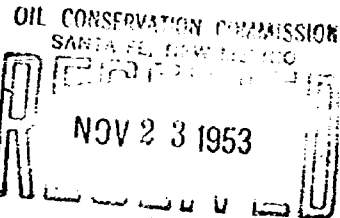
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ATWOOD, MALONE & CAMPBELL
LAWYERS

JEFF D. ATWOOD
ROSS L. MALONE
JACK M. CAMPBELL
CHARLES F. MALONE

ROSWELL PETROLEUM BUILDING
ROSWELL, NEW MEXICO

November 21, 1953



Mr. R. R. Spurrier, Director
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Spurrier:

Enclosed please find three Applications of Texas Pacific Coal & Oil Company for an Unorthodox Gas Proration Unit in the Jalco Gas Pool. I would appreciate it if you would process these for hearing at the regular December hearing of the Oil Conservation Commission.

With kindest personal regards, I am

Very truly yours,

Jack M. Campbell
for ATWOOD, MALONE & CAMPBELL

JMC:hl
Encl.