

CASE
RECORD
FILE

622

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

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.

C

n

N.C.

Tract 622: Ketco Oil & Gas Co. northdiox
unit of 40 acres in 10-213-37E in the
Henry Gas Pool

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

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.

C
n

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. 622
Order No. R-415

THE MATTER OF THE APPLICATION OF
AZTEC OIL AND GAS COMPANY FOR AN
EXCEPTION TO RULE 7 (A) OF ORDER NO.
R-372-A TO PERMIT ESTABLISHMENT OF
AN UNORTHODOX GAS PRORATION UNIT
OF 40 ACRES IN THE BLINEBRY GAS POOL
COMPRISING THE NE/4 NE/4 OF SECTION 10,
TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION FOR DISMISSAL

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 17th day of March, 1954, the Commission, a quorum being present, having considered the applicant's motion for dismissal as presented in the hearing of that date,

FINDS: That said motion is well taken, and

IT IS THEREFORE ORDERED:

That Case No. 622 be, and the same hereby is dismissed.

DONE at Santa Fe, New Mexico, on 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

R. R. Spurrier

R. R. SPURRIER, Member & Secretary

S E A L

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

March 23, 1954

Astec Oil & Gas Company
Burt Building
Dallas, Texas

Attention: Mr. Quilman Davis, Attorney

Gentlemen:

We attach signed copy of Order R-415 issued by the Commission
in dismissal of Case 622 upon your company's request for such
a conclusion.

Very truly yours,

W. B. Macey,
Chief Engineer

WBM:mr

C
O
P
Y

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

IN THE MATTER OF:

Aztec Oil & Gas Company's application for)
approval of unorthodox gas proration unit:) Case No. 622.
40 acres, NE/4 NE/4 10-21S-37E, Blinebry Gas)
Pool.)

MR. DAVIS: If the Commission please, may I ask a question?

In the event we are unable to communitize to form an orthodox unit with Continental, will we automatically receive a one-fourth allowable since we only have forty acres there?

MR. SPURRIER: The answer is yes.

MR. DAVIS: Under those circumstances Aztec will not introduce any testimony at this time due to the fact that after filing the application we have a letter from Continental Oil Company expressing a desire to attempt to communitize and pool the remainder of the northeast quarter of Section 10, Township 21 South, Range 37 E with the forty acres in the northeast quarter of the northeast quarter owned by Aztec to form an orthodox gas proration unit. This is in the Blinebry Pool and the Aztec-Dauron well, which is located on the 40 acre tract, is a duly completed well. Under those circumstances we will just accept our one-fourth allowable and attempt to get a unit worked out with Continental, and as soon as possible, in order that we will have a retroactive full allowable to the first production.

MR. WHITE: You want the case dismissed or continued then?

MR. DAVIS: In view of the fact our application asks for only a forty acre unorthodox unit we would have to come back anyway and ask for a full 160 acre proration unit and would get it automatically if we are able to communitize. As I understand it that if we are successful in doing that during this proration period then we get

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-8645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

the full 160 acre allowable from the well commencing January 1st.

MR. NACY: That is what the rule says.

MR. DAVIS: That is my understanding, we ask that the case be dismissed under the circumstances.

MR. SPURRIER: Is there any objection? We will dismiss Case 622, and move on to Case 623. Do you want to combine 624?

MR. DAVIS: Fine, 623 and 624.

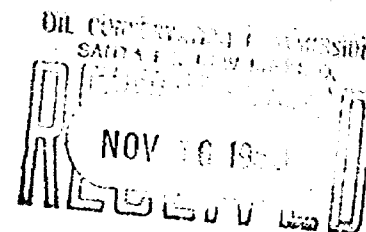
STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in the dismissal of Case No. 622 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 26th day of December, 1953.


COURT REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9643 AND 5-9546
ALBUQUERQUE, NEW MEXICO



BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
AZTEC OIL & GAS COMPANY FOR APPROVAL
OF AN UNORTHODOX GAS PRORATION UNIT
IN THE BLINEBRY POOL, LEA COUNTY,
NEW MEXICO

CASE NO. 622

APPLICATION

The undersigned Applicant, Aztec Oil & Gas Company, respectfully petitions the Commission for the issuance of an order approving an unorthodox gas proration unit in the Blinebry Gas Pool comprising the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 10, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, as depicted on the plat attached hereto as Exhibit "A", and containing 40 acres, more or less.

In support of this application, Applicant alleges and states:

1. That Applicant is a corporation organized under the laws of the State of Delaware and is qualified to transact business in the State of New Mexico. Its principal place of business is located at 1104 Burt Building, Dallas, Texas, and it also maintains an office at Hobbs and Farmington, New Mexico.
2. That Applicant is the present owner and holder of an oil and gas lease executed by Frank W. Dauron and his wife, as Lessors, covering and embracing the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of Section 10, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
3. That Applicant has heretofore obtained authorization from the Commission to dually complete its Dauron No. 2 Well for the purpose of producing gas from the Blinebry formation.
4. That the Dauron No. 2 Well is located 660' South of the North line, and 525' West of the East line of Section 10, Township 21 South, Range 37 East, N.M.P.M., and the gas production from such well is being taken by Southern Union Gas Company into its Lea County gathering system.
5. That Applicant has not been able as yet to effectively pool the above lease so as to form an orthodox gas proration unit.

6. It is Applicant's belief that approval of the proposed unorthodox gas proration unit will not seriously affect or jeopardize future drilling in the area.

Therefore, Applicant respectfully requests that this matter be set down for hearing before the Commission; that notice thereof be given as required by law and the regulations of the Commission; and that upon final hearing the Commission enter its order approving the unorthodox gas proration unit as requested by Applicant in this application.

Respectfully submitted,

AZTEC OIL & GAS COMPANY

By Q. B. Davis
Its Attorney

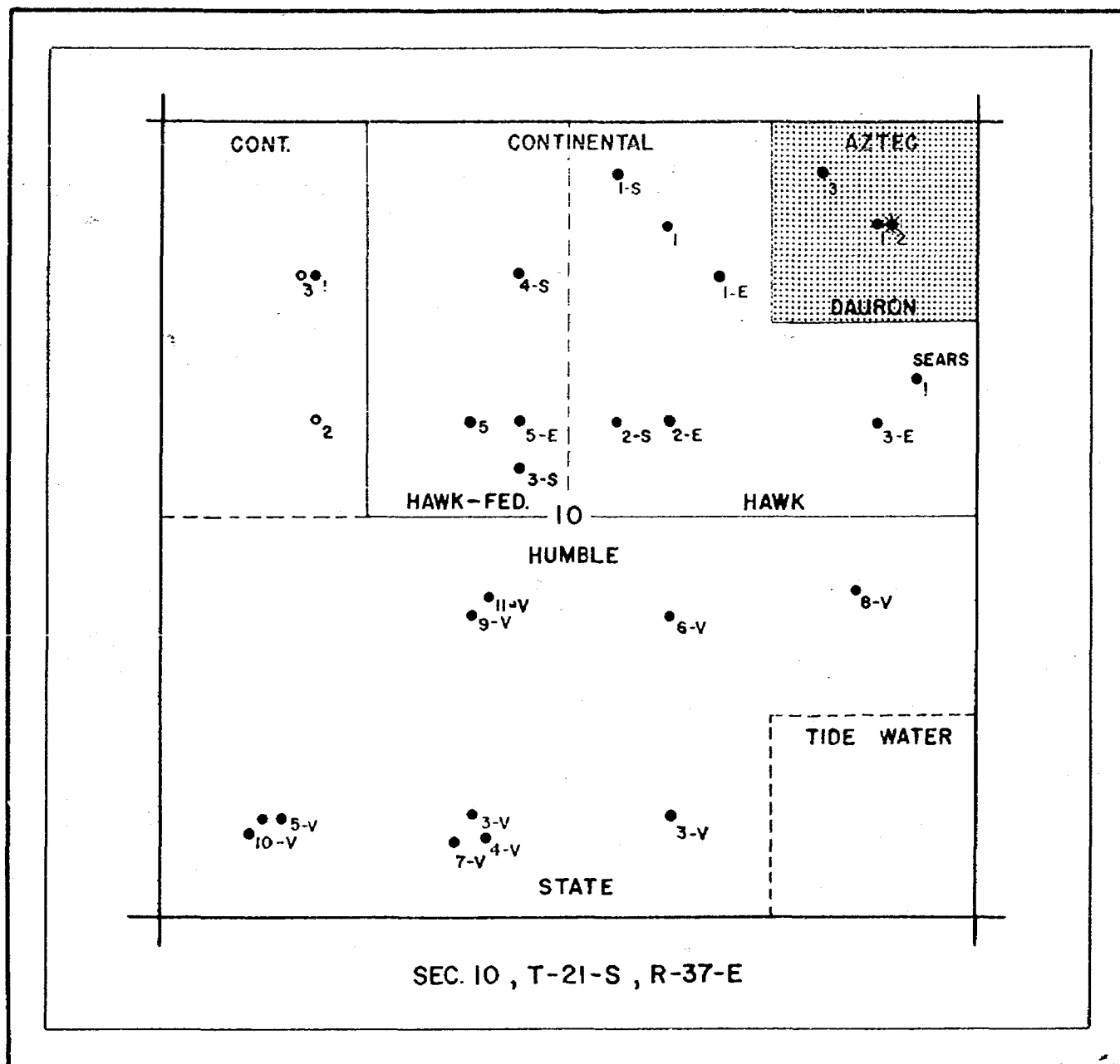
STATE OF TEXAS)
) SS
COUNTY OF DALLAS)

Subscribed and sworn to before me by Quilman B. Davis, Attorney of Aztec Oil & Gas Company, the above named Applicant, this 10th day of November, 1953.

Naomi D. Langran
Notary Public in and for
Dallas County, Texas

My Commission Expires:

June 1, 1955



Aztec Oil & Gas Company

Exhibit "A"

December 9, 1953

DIRECTIVE

TO: All Operators - Gas Pools - Southeast New Mexico

FROM: R. R. Spurrier, Secretary and Director

In connection with Orders R-368-A through R-376-A, inclusive, and Rules 3 and 4 of each order, the Commission has determined that the requirement of these rules pertaining to unorthodox well locations will be waived in the case of dual completions for which application to the Commission has been made and approval obtained by Commission Order.

In submitting plats under Rule 12 of each Order you will list the Order Number approving each dual completion on the plats if the well location is unorthodox and the waiver therefore necessary.