

Case No.

1482

Application, Transcript,
Small Exhibits, Etc.

CASE 1492: Aztec Oil & Gas Co. application
for unorthodox gas well location for its
Culpepper-Martin #2 Well, 30-32N-12W.

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico
July 24, 1958

EXAMINER HEARING

TRANSCRIPT OF HEARING

Case 1482

DEARNLEY, MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico
July 24, 1958

EXAMINER HEARING

IN THE MATTER OF: :
: :
: :

Application of Aztec Oil and Gas Company for an :
unorthodox gas well location. Applicant, in the :
above-styled cause, seeks an order authorizing :
an unorthodox gas well location in the Blanco : Case
Mesaverde Gas Pool for its Culpepper-Martin No. : 1482
2 Well, 990 feet from the South and East lines :
of Section 30, Township 32 North, Range 12 West, :
San Juan County, New Mexico. :

BEFORE: Mr. Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The next case on the docket is Case 1482.

MR. PAYNE: Case 1482. Application of Aztec Oil and Gas
Company for an unorthodox gas well location.

MR. MANKIN: I will be the only witness.

(Witness sworn.)

WARREN MANKIN

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

DIRECT EXAMINATION

By MR. PAYNE:

Q Would you please state your name and position?

A Warren Mankin, Chief Engineer, Aztec Oil and Gas Company,

Dallas, Texas.

Q Have you previously testified before this Commission as an expert witness?

A Yes, I have.

MR. PAYNE: Mr. Examiner, are the witness's qualifications acceptable?

MR. UTZ: Yes, they are.

A Aztec Oil and Gas is today applying for an exception to Rule 104-D, and also exception from Order R-110, for a well location in the Blanco Mesaverde Gas Pool, for the well in a Southeast Quarter of the section rather than in the Northeast or Southwest Quarter of a section. This particular well is the Aztec Oil and Gas Company's Culpepper-Martin Well No. 2. It is a fee lease.

This particular well was drilled in 1950, which is prior to the Order R-110 being instituted. Order R-110 being instituted in November, 1951.

I would like to present as Aztec's Exhibit No. 1, the original intention to drill on this well, which was Form C-101 to be marked as Exhibit No. 1. This Form C-101 indicates that the well was to be drilled in its present location 990 feet from the East line and 990 feet from the South line of Section 30, Township 32 North, Range 12 West, San Juan County, New Mexico.

It was to be drilled to the Blanco Mesaverde Gas Pool. At that time it was indicated as a wildcat which, however, later being the La Plata Area. The application to drill was dated April 10,

4
1950, and approved by Al Greer for the Oil Commission on April 14, 1950. The well was spudded on April 20, 1950, and completed as a small Mesaverde gas well May 30, 1950, and then was deepened in July of 1951 to the Dakota.

This particular well was the only well in the Dakota Pool and was designated as the West Blanco Dakota Gas Pool and depleted in that pool, being the only well ever drilled in that particular pool.

Also I would like to present as Exhibit 2 the surveyor's plat of that particular location, the surveyor being Mr. Miller, back in January 12, 1950, showing that particular location. In 1956 this well was plugged back to the Mesaverde Formation upon the depletion of the Dakota Formation, and that particular well was plugged back on, recompleted September 27, 1956 in the Blanco Mesaverde Gas Pool in its present non-standard location.

Initially the East half of Section 30 was dedicated to this well; since that time I have submitted new plats dedicating the South half of the section so that it will become a standard unit for two wells in this section. We have since drilled our Culpepper-Martin No. 9 in the Northwest Quarter of the section, which was a, the subject of a prior hearing on April 8, 1958. It was occasioned by this non-standard location.

I would like to present as Exhibit 3, Form C-128, which is the new acreage dedication plat for the South half of Section 30

for this well which supercedes the plat dated March 4, 1954 dedicating the East half of the Section, it is indicated as 316 acres, which becomes a standard unit.

I would like to present as Exhibit 4 a plat showing all the gas wells and Mesaverde proration units in the vicinity of the Culpepper-Martin No. 2. I have shown on this particular plat the unit surrounding this Culpepper-Martin No. 2, being the South half of Section 30 in solid yellow, and have shown the other Aztec acreage outlined in yellow which surrounds this particular unit. I have also shown with a yellow crosshash the boundaries as presently delineated by the Oil Conservation Commission for the Blanco Mesaverde Gas Pool being everything, approximately three-fourths of the area shown on this particular plat as being in the Blanco Mesaverde Pool extending to the East and to the Colorado line.

As is shown, there is wells all around this particular well that have been drilled since this well was drilled as a wildcat well initially in 1950. This well has been on production in the Blanco Mesaverde Gas Pool continuously since September, 1956, and has been producing either to the gathering system of Southern Union Gas Company or in 1958 to the Southern Union Gathering Company, and presently it is carried as such on the Commission's schedule for the San Juan Basin, having a deliverability of 580 at the present time.

At this time we request that this non-standard location of the

well that was drilled prior to any rules for this particular pool and has been producing both initially from the Mesaverde and later from the Dakota Formation and recompleted in the Mesaverde Formation in 1956, be granted as a non-standard location.

MR. UTZ: Do you want to submit your exhibits?

MR. MANKIN: I would ask that Exhibits 1 through 4 be submitted in evidence in this case.

MR. UTZ: Without objection they will be received. Any questions of the witness?

MR. COOLEY: Yes.

MR. UTZ: Mr. Cooley.

CROSS EXAMINATION

By MR. COOLEY:

Q Will the approval of the unorthodox location here requested result in any additional unorthodox locations in the Blanco Mesaverde Pool? It wouldn't have a rippling effect?

A No, sir. As I mentioned before, on April 9, 1958 in Case 1416, we requested an unorthodox location for Culpepper No. 9; since that time the well has been drilled. That is the only rippling effect that was occasioned by this application, and that has since been taken care of, it was completed and is on stream at the present time.

Q You think it would be feasible in Section 29 to the East to develop on standard locations?

A Yes. Of course, we would like to get away from the particular No. 2 Well according to the rules, to keep from any undue drainage. Incidentally, in Case 1416, Anderson-Prichard, who is the owner of the acreage in Section 31, had given their approval for the non-standard location of the No. 9 well which would be farther away from their region. They approved such a location, certainly they would be in favor of the No. 2 if they didn't object to the No. 9. Of course, they had the same situation which has never been authorized. Their Culpepper-Martin No. 1 in the Southeast being, wells being drilled prior to Order R-110.

MR. COOLEY: Thank you, Mr. Mankin. That's all.

By MR. UTZ:

Q Mr. Mankin, if this is not approved, what would be the effect on Aztec, the disposition of this well?

A Well, it would be a great economic loss to plug the well and put it in another quarter section, either the Northeast or the Southwest quarter section and another well has already been drilled, the No. 9, which would further aggravate the situation.

Q Do you have any other producing formation that are known in this well?

A There is some Pictured Cliff, possible Pictured Cliff production, but it's a very small quantity. It is practically water-bearing in this particular area and has not been developed. The only thing is what little Dakota might be there, but it wasn't

considered, Commercial when plugged back; practically no Pictured Cliff, it's water bearing.

Q Do you know who owns the West half of Section 31?

A That is Anderson-Prichard. By that I have shown they have the East half as a non-standard, whereas they also have the West half as well. It was originally drilled by Ralph Johnson and later taken over by Anderson-Prichard.

Q This would almost force them to ask for a non-standard location in the Northwest quarter of Section 31, would it not?

A Possibly would, yes.

MR. UTZ: Are there any other questions of the witness? If not, the witness may be excused. We will take the case under advisement and take up next 1484.

(Witness excused.)

C E R T I F I C A T E

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 28th day of July, 1958.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:
June 19, 1959.

I do hereby certify that the foregoing is a correct transcript of the proceedings in the case of *State vs. [illegible]* heard by the Hon. *Justice [illegible]* July 29, 1958.
[Signature] Examiner
New Mexico Oil Conservation Commission

I do hereby certify that the foregoing is a correct transcript of the proceedings in the case of *[illegible]* heard by the Hon. *[illegible]* July 29, 1958.
[Signature] Examiner
New Mexico Oil Conservation Commission

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 7, 1958

Mr. Warren Mankin
Aztec Oil & Gas Company
920 Mercantile Securities Bldg.
Dallas 1, Texas

Dear Mr. Mankin:

We enclose two copies of Order R-1228 issued August 6, 1958, by the Oil Conservation Commission in Case 1482, which was heard on July 24th at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

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Y

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. 1482
Order No. R-1228

APPLICATION OF AZTEC OIL & GAS
COMPANY FOR AN UNORTHODOX GAS
WELL LOCATION IN THE BLANCO
MESAVARDE POOL IN SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 24, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 6th day of August, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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, Aztec Oil & Gas Company, is the owner and operator of the Culpepper-Martin Well No. 2, which was drilled to and completed in the Dakota formation at a point 990 feet from the South line and 990 feet from the East line of Section 30, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant has plugged back said Culpepper-Martin Well No. 2 to the Mesaverde formation in the Blanco Mesaverde Pool.
- (4) That under the terms of Order No. R-110, as amended by Order No. R-397, the location of said Culpepper-Martin Well No. 2 is unorthodox for a gas well in the Blanco Mesaverde Pool.
- (5) That applicant requests approval of the unorthodox gas well location for its said Culpepper-Martin Well No. 2.
- (6) That approval of the subject application will not cause waste nor impair correlative rights.
- (7) That denial of the subject application would cause the applicant to suffer extreme hardship and undue economic loss.

-2-
Case No. 1482
Order No. R-1228

(8) That the application should be approved.

IT IS THEREFORE ORDERED:


That the unorthodox gas well location of Aztec Oil and Gas Company's Culpepper-Martin Well No. 2 in the Blanco Mesaverde Pool at a point 990 feet from the South line and 990 feet from the East line of Section 30, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico, be and the same is hereby approved.

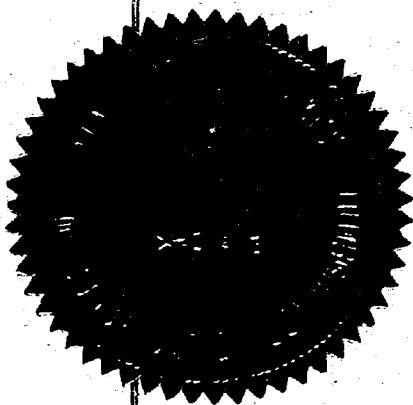
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


A. L. PORTER, Jr., Member & Secretary



ir/

Case 11482

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

June 20, 1958

AIR MAIL

Mr. A. L. Porter, Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application of Aztec Oil &
Gas Company requesting an Ex-
aminer's Hearing for an Exception
to Statewide Rule 104(d)(2) and
Section 1(c) of Order No. R-110,
as Amended by Order No. R-397,
for Approval of a Non-Standard
Drilling Location in the Blanco
Mesaverde Gas Pool, San Juan
County, New Mexico.

Dear Sir:

Pursuant to Section 13 of Order No. R-110, Aztec Oil & Gas Company, hereinafter called "Applicant", hereby submits in triplicate its application for an exception to the well location regulations set forth in Statewide Rule 104(d)(2) and Section 1(c) of Order No. R-110, as amended by Order No. R-397, and requests approval of a non-standard drilling location in the SE $\frac{1}{4}$ of Section 30, Township 32 North, Range 12 West, N.M.P.M., San Juan County, New Mexico.

In support of this application, Applicant respectfully states and shows the following:

1.

The subject well is known as Applicant's Culpepper-Martin #2 well which is located 990 feet from the South line and 990 feet from the East line of Section 30, Township 32 North, Range 12 West, N.M.P.M., San Juan County, New Mexico.

Mr. A. L. Porter
Santa Fe, New Mexico

Page 2
June 20, 1958

2.

This non-standard location in the $SE\frac{1}{4}$ rather than in the prescribed Northeast or Southwest quarter sections is requested because Applicant's Culpepper-Martin #2 well was completed on October 22, 1951, as a discovery well and the only well in the West Blanco Dakota Pool. Because this well was depleted in the West Blanco Dakota Pool, the Culpepper-Martin #2 well was then re-completed on September 27, 1956, in the Blanco Mesaverde Gas Pool at its present non-standard location.

3.

It is the intention of Applicant to dedicate the $S\frac{1}{2}$ of said Section 30 as the proration unit for the subject well.

4.

Attached hereto as Exhibit "A" is a copy of Form C-128 which indicates the location of the subject well and the acreage dedicated to such well.

5.

The $N\frac{1}{2}$ of said Section 30 has been dedicated to Applicant's Culpepper-Martin #9 well which was drilled on a non-standard drilling location in the $NW\frac{1}{4}$ of said section pursuant to Order No. R-1153 promulgated by the Oil Conservation Commission on April 11, 1958.

6.

So far as is known to Applicant, the following Operators own mineral rights on the acreage offsetting this well:

- (a) Anderson-Prichard Oil Corporation (Sec. 31, T-32-N, R-12-W)
- (b) Southern Union Gas Company (Secs. 25 & 36, T-32-N, R-13-W)

Mr. A. L. Porter
Santa Fe, New Mexico

Page 3
June 20, 1958

A copy of this application has been sent to each of the above parties to notify them of this application for a non-standard drilling location.

Pursuant to Statewide Rule 1203, Applicant respectfully requests that a hearing be set before an Examiner as soon as possible at Santa Fe, New Mexico, to consider this request for approval of the non-standard location hereinabove set forth.

Yours very truly,

AZTEC OIL & GAS COMPANY

By Quilman B. Davis
Quilman B. Davis
General Attorney

STATE OF TEXAS)
COUNTY OF DALLAS)

Quilman B. Davis, being first duly sworn, hereby states that he is the Attorney of Aztec Oil & Gas Company, the applicant in the foregoing application, that he has executed said application on behalf of Aztec Oil & Gas Company; that he has read said application and to the best of his knowledge, information and belief all statements of fact contained herein are true and correct.

APPROVED	
Leral	<u>YLD</u>
Land	
Acct.	
Eng.	
Geol.	

Quilman B. Davis
Quilman B. Davis

Sworn to and subscribed before me the undersigned authority this 20th day of June, 1958.

My Commission Expires:
June 1, 1959

Charlynn Bell
Notary Public in and for
Dallas County, Texas

NEW MEXICO OIL CONSERVATION COMMISSION

EXHIBIT "A"

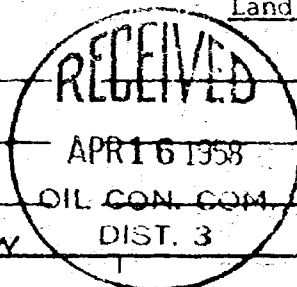
~~XXXXXXXXXXXX~~ Acreage Dedication Plat

Section A.

Date April 14, 1958

Operator Astec Oil & Gas Company Lease Culpepper-Martin
Well No. 2 Unit Letter P Section 30 Township 32N Range 12W BLM
Located 990 Feet From South Line, 990 Feet From East Line
County San Juan G. L. Elevation 2846.4 Dedicated Acreage 316.0 Acres
Name of Producing Formation Mesaverde Pool Blanco Mesaverde

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No _____
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:
ac: Southern Union Gathering Company, Dallas, Tex.
Astec Oil & Gas Company, Farmington, N.M.
Owner _____ Land Description _____

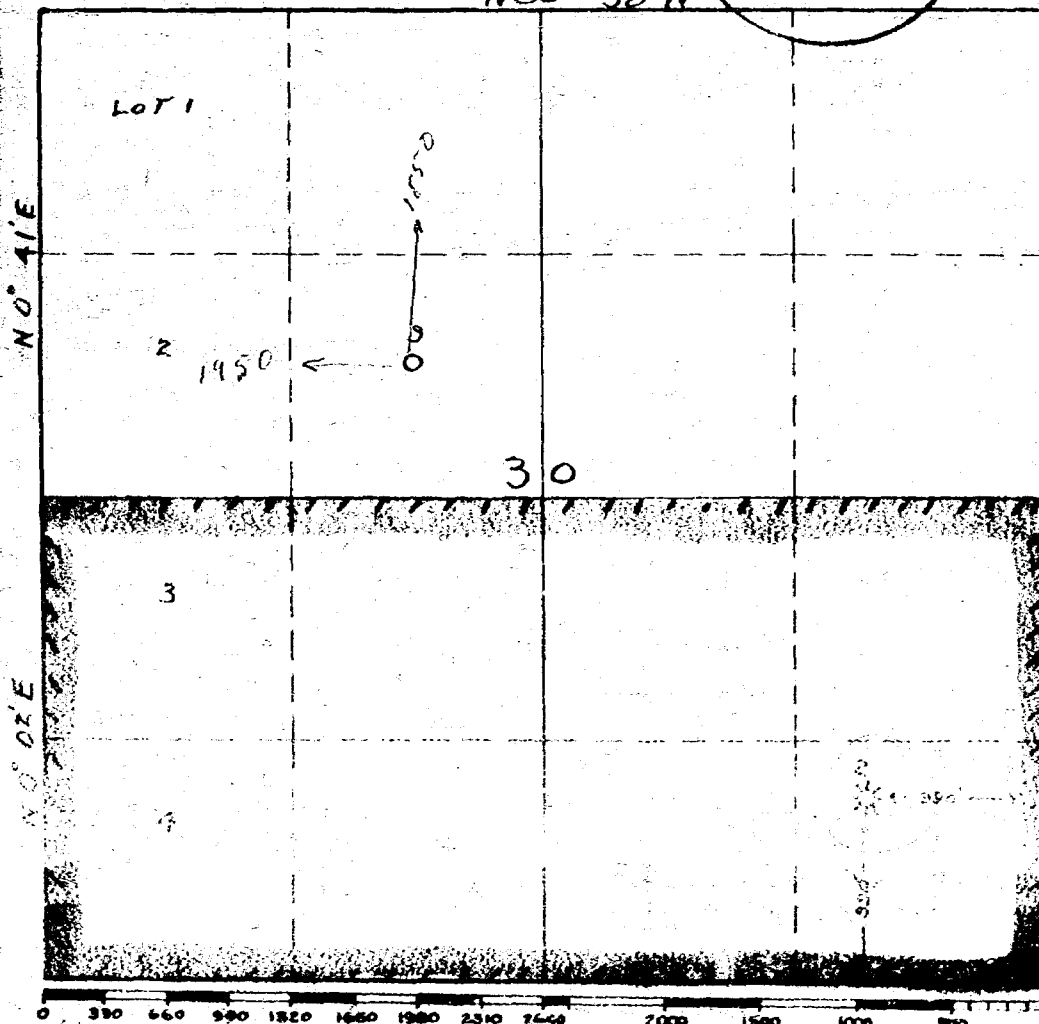


Section B

N86° 58' W

OIL CON. COM.
DIST. 3

Supercedes plat of March 4, 1954
dedicating E/2 or 320 acres.



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Astec Oil & Gas Company
(Operator)

W. H. Martin
(Representative)

920 Mercantile Securities Bldg.
Address Dallas, Texas

This is to certify that the well location shown on the plat in Section B 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.

W. H. Miller
Registered Professional
Engineer and/or Land Surveyor.

Certificate No. _____

ILLEGIBLE

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 7-25-58

CASE 1482

Hearing Date 7-29-58

My recommendations for an order in the above numbered cases are as follows:

1. That the application be granted as requested for NGL in exception to R-110. The culpepper - Martin #2 located 990/SE 1/4 line of sec. 30 - 32N-12W in the NGL.
2. The well was drilled prior to the effective date of R-110.
3. The well was also drilled to the Dakota formation and produced from the Dakota for several years.
4. As a Dakota well it was not subject to R-110 and was a legal location, however since they wish to plug back & produce from the Blanco - Mesaverde it is a NGL in the SE 1/4 rather than SW 1/4.
5. It would be a severe economic loss if the applicant were not permitted to P.B. the well.

Charles A. Murphy
Staff Member

DOCKET: EXAMINER HEARING JULY 24, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

The following cases will be heard before Elvis A. Utz, Examiner:

CASES 1195 & 1433: Application of Graridge Corporation for an order amending Order No. R-972. Applicant, in the above-styled cause, seeks an order amending Order No. R-972 to approve a development pattern for the entire water flood project operated by the applicant in the Caprock-Queen Pool, Chaves and Lea Counties, New Mexico, and to permit administrative approval for the conversion of water injection wells in said project, which is within the limits of the North Caprock Queen Unit No. One authorized by Commission Order No. R-1145.

CASE 1482: Application of Aztec Oil and Gas Company for an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox gas well location in the Blanco Mesaverde Gas Pool for its Culpepper-Martin No. 2 Well, 990 feet from the South and East lines of Section 30, Township 32 North, Range 12 West, San Juan County, New Mexico.

CASE 1483: Application of Atlantic Refining Company for a non-standard oil proration unit. Applicant, in the above-styled cause, seeks an order establishing a 53.98-acre non-standard oil proration unit in the Horseshoe Gallup Pool consisting of the SE/4 SE/4 of Section 32, and that portion of the SW/4 SW/4 of Section 33 which lies within the Navajo Reservation (14.53 acres), all in Township 31 North, Range 16 West, San Juan County, New Mexico.

CASE 1484: Application of Gulf Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool consisting of the NE/4 SE/4, NE/4 NE/4, and the S/2 NE/4 of Section 31, Township 22 South, Range 38 East, Lea County, New Mexico, said unit to be dedicated to its Scarborough Estate Well No. 2, 1880 feet from the North line and 660 feet from the East line of said Section 31.

CASE 1485: Application of Gulf Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the NE/4 SE/4, NE/4 NE/4, and the S/2 NE/4 of Section 31, Township 22 South, Range 38 East, Lea County, New Mexico, said unit to be dedicated to its Scarborough Estate No. 3 Well, 1980 feet from the South line and 660 feet from the East line of said Section 31.

CASE 1486: Application of Gulf Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of Lots 13 and 14 and the SW/4 of Section 2, and the N/2 NW/4 of Section 11, all in Township 21 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to its J. F. Janda "D" Well No. 1, 1980 feet from the South line and 660 feet from the West line of said Section 2.

CASE 1487: Application of Ohio Oil Company for two non-standard gas proration units in the Tubb Gas Pool and two non-standard gas proration units in the Blinebry Gas Pool. Applicant, in the above-styled cause, seeks an order establishing 160-acre non-standard gas proration units in both the Blinebry Gas Pool and the Tubb Gas Pool, each consisting of the S/2 NE/4, NW/4 SE/4, and the NE/4 SW/4 of Section 24, Township 22 South, Range 37 East, Lea County, New Mexico, said units to be dedicated to its dually completed J. L. Muncy Well No. 2 in the NE/4 SW/4 of said Section 24. Applicant further seeks the establishment of 160-acre non-standard gas proration units in both the Blinebry Gas Pool and Tubb Gas Pool, each consisting of the E/2 SE/4, SW/4 SE/4, and the SE/4 SW/4 of said Section 24, said units to be dedicated to its J. L. Muncy Well No. 3 in the SE/4 SW/4 of said Section 24 and Well No. 1 in the SE/4 SE/4 of said Section 24 respectively.

CASE 1488: Application of Western Natural Gas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Wimberly No. 5 Well, 990 feet from the North line and 2310 feet from the West line of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Ellenburger Pool and oil from an undesignated Montoya pool through parallel strings of tubing.

CONTINUED CASE

This case will be heard before Daniel S. Nutter, Examiner:

CASE 1478: In the matter of the application of R. Olsen Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard gas proration unit in the Tubb Gas Pool consisting of the N/2 NW/4, SW/4 NW/4, and NW/4 SW/4 of Section 25, Township 22 South, Range 37 East, Lea County, New Mexico.

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Case 1482

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

June 25, 1958

AIR MAIL

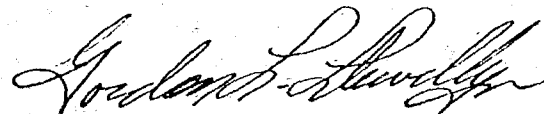
Mr. A. L. Porter, Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application for Non-Standard
Drilling Location, Culpepper-
Martin No. 2 Well, Aztec's
NM-75

Dear Sir:

Enclosed herewith in triplicate is Aztec's application requesting an examiner's hearing for an exception to Statewide Rule 104(d)(2) and Section 1(c) of Order No. R-110, as amended by Order No. R-397, for approval of a non-standard drilling location in the Blanco Mesaverde gas pool, San Juan County, New Mexico.

Very truly yours,



Gordon L. Llewellyn, Attorney

GLL:ML
Encs.

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. 1416
Order No. R-1153

APPLICATION OF AZTEC OIL & GAS COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION IN
THE BLANCO MESAVERDE POOL IN SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 9, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 11th day of April, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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, Aztec Oil & Gas Company, is the owner and operator of a certain oil and gas lease in Section 30, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico.

(3) That the above-described area is within the horizontal limits of the Blanco Mesaverde Pool.

(4) That Section 1 (c) of the Special Rules and Regulations for the Blanco Mesaverde Pool as set forth in Order No. R-110, and as amended by Order No. R-397, provides that a well drilled to the Blanco Mesaverde Pool "shall be located 990 feet from the outer boundary of either the northeast or southwest quarter of the section, subject to variation of 200 feet for topographic conditions."

-2-

Case No. 1416
Order No. R-1153

(5) That the applicant proposes to drill its Culpepper-Martin Well No. 9 to the Blanco Mesaverde Pool at a point 1850 feet from the North line and 1950 feet from the West line, in the NW/4 of Section 30, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico, in exception to the well spacing provision set forth above.

(6) That the unorthodox location for the proposed Culpepper-Martin Well No. 9 is necessitated by prior unorthodox development in the SE/4 of said Section 30 and by topographical obstructions in the area.

(7) That approval of the subject application will not cause waste nor impair correlative rights.

(8) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Aztec Oil & Gas Company, be and the same is hereby authorized to drill its proposed Culpepper-Martin Well No. 9 to the Blanco Mesaverde Pool at a point 1850 feet from the North line and 1950 feet from the West line of Section 30, Township 32 North, Range 12 West, NMPM, San Juan County, New Mexico.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

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BEFORE EXAMINER UTZ

Form C-101 OIL CONSERVATION COMMISSION

Aztec EXHIBIT NO. 1 Santa Fe, New Mexico

CASE NO. 1482 NOTICE OF INTENTION TO DRILL

Notice must be given to the Oil Conservation Commission or its proper agent and approval obtained before drilling begins. If changes in the proposed plan are considered advisable, a copy of this notice showing such changes will be returned to the sender. Submit this notice in triplicate. One copy will be returned following approval. See additional instructions in Rules and Regulations of the Commission.

Dallas, Texas

April 10, 1950

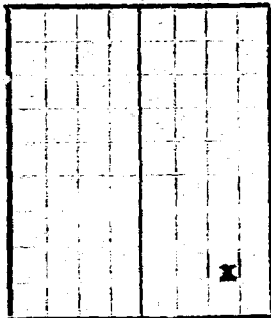
OIL CONSERVATION COMMISSION,
Santa Fe, New Mexico,

Gentlemen:

You are hereby notified that it is our intention to commence the drilling of a well to be known as

~~Southern Union Gas Company~~ Culpepper-Martin Well No. 2 in San Juan

of Sec. 30, T. 32N, R. 12W, N. M., P. M., Wildcat Field, San Juan County.



AREA 640 ACRES

LOCATE WELL CORRECTLY

The well is 990 feet (N.) (8) of the South line and 990 feet (8) (W.) of the East line of Section 30, T-32N, R-12W

(Give location from section or other legal subdivision lines. Cross out wrong directions.)

If state land the oil and gas lease is No. _____ Assignment No. _____

If patented land the owner is Willie Martin & C. C. Culpepper

Address Permington, New Mexico

If government land the permittee is _____

Address _____

The lessee is _____

Address _____

We propose to drill well with drilling equipment as follows: Rotary to top of

~~Point Lookout formation and drill in with cable tools~~

The status of a bond for this well in conformance with Rule 39 of the General Rules and Regulations of the Commission is as follows: _____

We propose to use the following strings of casing and to land or cement them as indicated:

Size of Hole	Size of Casing	Weight Per Foot	New or Second Hand	Depth	Landed or Cemented	Books Cement
13"	10-3/4" O.D.	40#	New	100	Cemented	100
9"	7" O.D.	24#	New	4650	Cemented	100

If changes in the above plan become advisable we will notify you before cementing or landing casing. We estimate that the first productive oil or gas sand should occur at a depth of about 4700 feet.

Additional information:

It is planned to shoot with approximately 300 quarts of nitro glycerine at about 4700-5000 feet.

Approved April 14th, 1950
except as follows:

Sincerely yours,

~~Southern Union Gas Company~~
Company or Operator

By E. H. Newman

Position Engineer

Send communications regarding well to

Name Southern Union Gas Company

Address 1204 East Building
Dallas, Texas

OIL CONSERVATION COMMISSION,

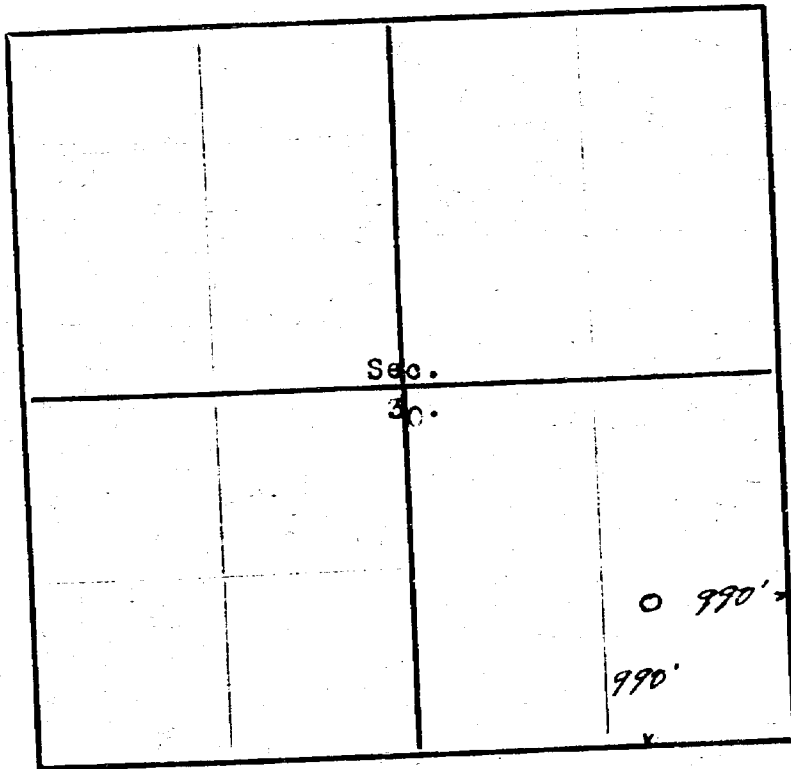
By Al Yuen

Title Oil and Gas Inspector Dist. #3

ILLEGIBLE

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
Utter EXHIBIT NO. 2
 CASE NO. 1482

Company Southern Union Production Co.
 Lease Culpeper Martin Well No. 2
 Sec. 30. T. 32. N. R. 13. W., N.M.P.M.
 Location 990' West & 990' North of SE Cor. Sec. 30.
Being in NW SE₄ SE₄ section 30-32N-12W.
 San Juan County New Mexico



Scale—4 inches equals 1 mile.

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Seal: *H. H. Miller*
 Registered Professional
 Engineer and Land Surveyor.
 Farmington, New Mexico

Attest Ex #2
Cert #1482

Surveyed January 12, 1954

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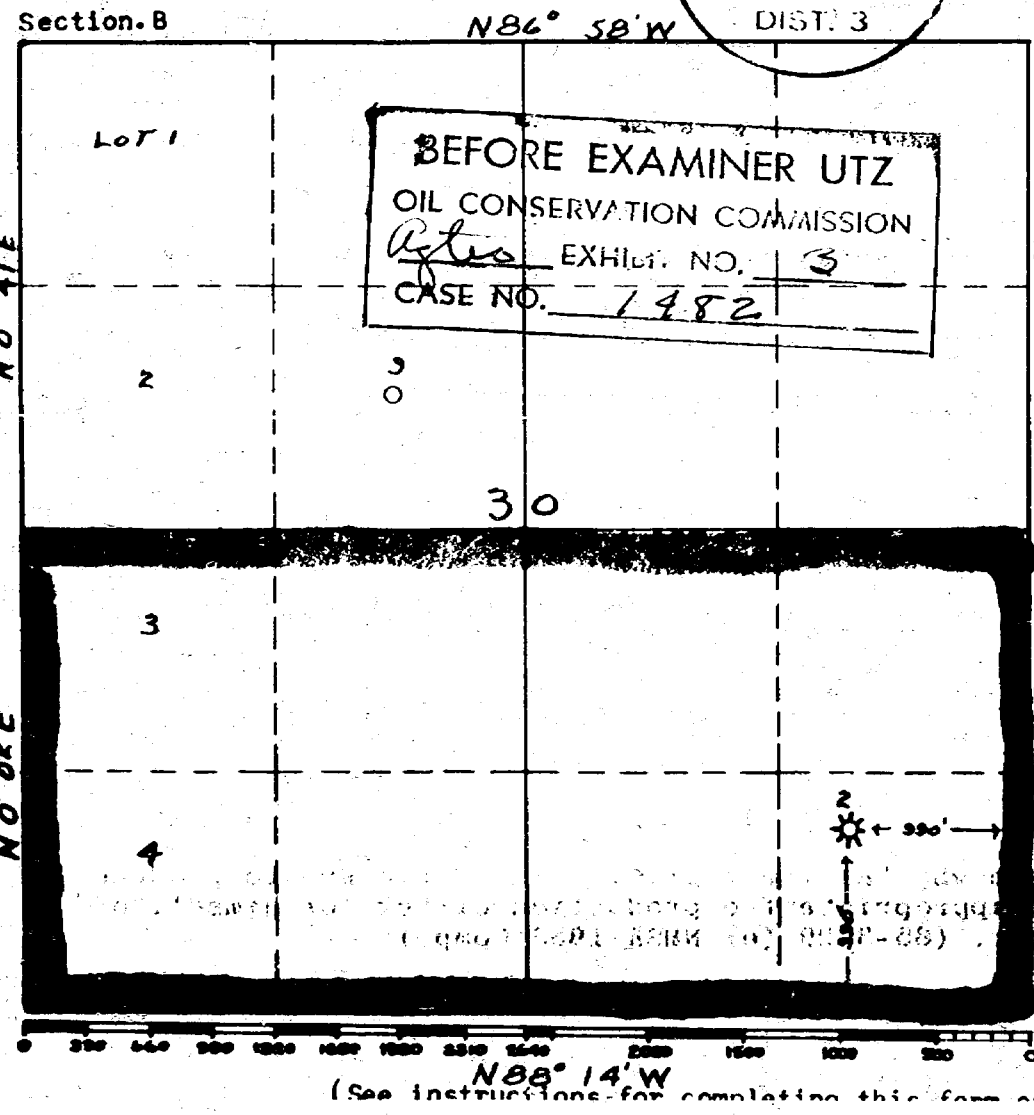
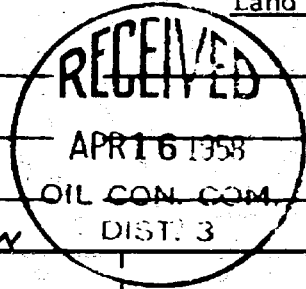
Form C-128
Revised 5/1/57
Artec Ex #3
East #1182

NEW MEXICO OIL CONSERVATION COMMISSION
~~XXXXXXXXXXXX~~ Acreage Dedication Plat

Section A. Date April 14, 1958

Operator Astec Oil & Gas Company Lease Calpepper-Martin
Well No. 2 Unit Letter P Section 30 Township 32N Range 12W NMFM
located 990 Feet From South Line, 990 Feet From East Line
County San Juan G. L. Elevation 5845.4 Dedicated Acreage 316.0 Acres
Name of Producing Formation Mesaverte Pool Blanco Mesaverte

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No _____.
 2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes," Type of Consolidation _____
 3. If the answer to question two is "no," list all the owners and their respective interests below:
cc: Southern Union Gathering Company, Dallas, Tex.
Astec Oil & Gas Company, Farmington, N.M.
- Owner _____ Land Description _____



Supersedes plat of March 4, 1954 dedicating 1/2 or 320 acres.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Astec Oil & Gas Company
(Operator)

W. J. Martin
(Representative)

980 Mercantile Securities Bldg.
Address Dallas, Texas

This is to certify that the well location shown on the plat in Section B 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.

Date Surveyed January 22, 1958

W. J. Martin
Registered Professional Engineer and/or Land Surveyor.

Certificate No. _____

ILLEGIBLE

CASE NO. 1482

IN VICINITY OF AZTEC'S CULPEPPER-MARTIN 2

Case #1482

