CASE 1642: Delhi-Taylor Oil Corp. application to amend Orders R-60, R-1169 & R-1170 to change the dedicated acreage in 3 NS gas proration units.

Casa Ma

1642

Application, Transcript,
5 mall Exhibits, Etc.

DOCKET: EXAMINER HEARING APRIL 22, 1959

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

The following cases will be heard before DANIEL S. NUTTER, Examiner:

CASE 728:

Application of Hamilton Dome Oil Company, Ltd., for an exception to Order R-586-E. Applicant, in the above-styled cause, seeks an order excepting its Westates Carlson Federal "A" Well No. I located in the NW/4 SE/4 of Section 25, Town-ship 25 South, Range 37 East, Lea County, New Mexico, from the requirement in Order R-586-E that wells not within the defined vertical limits of the Justis Gas Pool, as established in said order, be plugged back so as to be open only within the said vertical limits.

CASE 1641: Application of W. R. Weaver for the promulgation of special rules and regulations governing the Angels Peak-Gallup Oil Pool. Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations governing the drilling, spacing, and production of oil and gas wells in the Angels Peak-Gallup Oil Pool in San Juan County, New Mexico.

CASE 1642: Application of Delhi-Taylor Oil Corporation for an amendment to Orders R-60, R-1169, and R-1170. Applicant, in the above-styled cause, seeks an order amending Orders R-60, R-1169, and R-1170 to change the dedicated acreage in three non-standard gas proration units in Sections 30 and 31, Township 29 North, Range 8 West, San Juan County, New Mexico, based on a resurvey; two of said units are in the Aztec-Pictured Cliffs Pool and one is in the Blanco Mesaverde Pool.

CASE 1643: Application of El Paso Natural Gas Company for an unorthodox oil well location. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox oil well location in the Angels Peak-Gallup Oil Pool for its Huerfano Unit Well No. 107 located 1460 feet from the North line and 1180 feet from the West line of Section 35, Township 27 North, Range 10 West, San Juan County, New Mexico.

CASE 1644: Application of J. E. Bedingfield for an exception to Rule 104
(c) of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an exception to Rule 104 (c) so that he may re-enter a well located 1980 feet from the South and East lines of Section 32, Township 17 South, Range 28 East, Eddy County, New Mexico, said well being located closer than 660 feet to a producing well.

CASE 1645: Application of Sinclair Oil & Gas Company for permission to commingle the production from three separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Monument-McKee Gas Pool, the Eunice-Monument Pool, and the Monument-Blinebry Pool on its J. R. Phillips "A" Lease consisting of the SW/4 of Section 31, Township 19 South, Range 37 East, Lea County, New Mexico.

- CASE 1646: Application of Amerada Petroleum Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Ida Wimberley Well No. 9 located 1650 feet from the North line and 990 feet from the West line of Section 25, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinebry formation adjacent to the Justis-Blinebry Oil Pool and the production of oil from the Justis-Drinkard Pool through parallel strings of 2-3/8 inch tubing.
- CASE 1647: Application of Olsen Oils, Inc., for a non-standard gas proration unit and an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order establishing an 80-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the W/2 NW/4 of Section 28, Township 26 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's Gregory "B" Well No. 1 located 2310 feet from the North line and 990 feet from the West line of said Section 28. Applicant further seeks approval for the unorthodox location of said gas well.
- CASE 1648: Application of W. R. Weaver for permission to commingle the production from two separate pools. Applicant, in the abovestyled cause, seeks an order authorizing it to commingle the production from the Angels Peak-Dakota Gas Pool and the Angels Peak-Gallup Oil Pool on its McAdams Lease comprising Section 34, Township 27 North, Range 10 West, San Juan County, New Mexico.
- CASE 1649: Application of Amerada Petroleum Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its L. W. Ward Well No. 2 located 1983 feet from the South line and 520 feet from the East line of Section 11, Township 13 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Mississippian pool and the production of oil from the Bronco-Devonian Pool through parallel strings of 2-1/16 inch tubing.
- CASE 1650: Application of Pan American Petroleum Corporation for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Martin Ranch Unit Agreement embracing approximately 35,193 acres of federal, state, and patented acreage in Townships 3 and 4 South, Ranges 22 and 23 East, Chaves and DeBaca Counties, New Mexico.

DELHI-TAYLOR OIL CORPORATION (1)

CORRIGAN TOWER

DALLAS 1, TEXAS

March 23, 1959

(119) (lans 1692

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

Acreage held by Delhi-Taylor under Federal Lease No. SF 078487-A in Sec. 31, T 29N, R 8W, NMPM, was resurveyed and the Cadastral Survey accepted April 18, 1958. The acreage was increased from 546.00 acres to 581.09 acres in this section. A photostatic copy of the Decision rendered by the United States Department of the Interior officially increasing the acreage in the lease is enclosed.

Case #258, Order #R-60 approved a non-standard drilling unit, this unit being the W/2 of Sec. 31 and the SW/4 of Sec. 30, T 29N, R 8W, NMPM. By virtue of the resurvey the drilling unit acreage was increased from 340.00 acres to 375.09 acres. This increase was due to a change in the acreage included within the drilling unit in Section 31 only. The resurvey did not change acreage in Section 30.

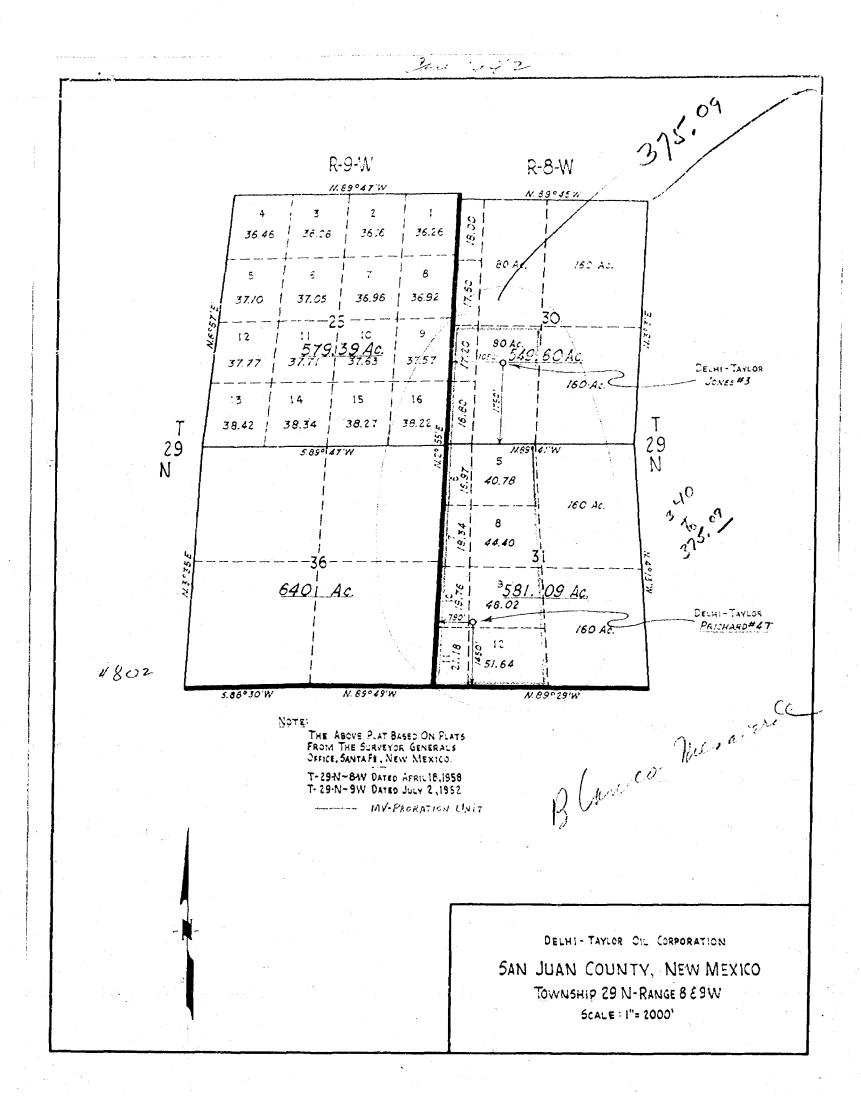
Our Prichard #4, which is a Mesaverde-Pictured Cliff dual completion, is located in the SW/4 of Sec. 31 and our Jones #3 Pictured Cliff well is located in the SW/4 of Sec. 30. As is shown on the enclosed plats, the proration unit for the Prichard #4-T Mesaverde well now comprises 375.09 acres rather than 340.00 acres, the Prichard #4-C Pictured Cliff well, 203.34 acres rather than 169.42 acres and the Jones #3 Pictured Cliff well 171.75 acres, rather than 170.58 acres.

Since the non-standard proration units have previously been approved by the Commission, it is respectfully requested that the acreage now comprising these proration units be changed to reflect the acreage now assignable to them by virtue of the resurvey.

TC:mhm Encl.

Tyson Cleary May 1 Southern Union Gas Co. El Paso Natural Gas Co. New Mexico Oil Conservation Commission Aztec, New Mexico

51



6-1 6 16 R-9-1/ R-8-W 1. 14 2 36.45 18.00 36.28 35/6 36.26 80 Ac. 150 Ac. 37.10 10,71,75 36.92 36.96 12 1050 549 37.77 37.57 60Ac DELHI-TAYLOR 160 Ac. 2 13 14 JONES#3 16 T 29 38.42 38.34 38.27 38.22 171.75 29 N 5.890 4 N 5 40.78 160 Ac. 44.40 3 44 40 6401 AC ³581. 48.02 09 Ac. 48.02 51.64 DECHI-TAYLOR 1603.30 160 AE PRICHASD#4C 1834 12 51.64 1976 2118 5.88°30'W N. 89º 49'W N. 89° 29'W 20334 THE ABOVE PLAT BASED ON PLATS
FROM THE SURVEYOR GENERAL'S
OFFICE, SANTA FE. NEW MEXICO. T-29-N-8W DATED APRIL 18,1958 T- 29-N-9W DATED JULY 2,1952 - PC-PRORATION UNITS DELHI - TAYLOR CIL CORPORATION SAN JUAN COUNTY, NEW MEXICO TOWNSHIP 29 N-RANGE 8 89W SCALE : 1"= 2000"

OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

CASE NO. 1642

Date 4/29/59

My recommendations for an order in the above numbered case(s) are

Enter an order approving
The amendment of Orders
R-60, R-1169, and R-1170
as requested by applicant.

Ourselment is occasioned by
a dependent Re-Survey.

Staff Member

SOVERNOR

SHOUGRAUS ANDL

State of New Mexico

Bil Conservation Commission

LAND GOMMISSIONER HURRAY E. MORGAN MEMBER



STATE GEOLOGIST

A, L. PORTER, JR.
SECRETARY DIRECTOR

1000 BIO BRAZOS BOAD

Anarkijas Rijiijo, 19690 not on Ourt.

El Paso Natural Gas Company
Box 997
Farmington, New Mexico
Attn:

Gentlement

This letter will serve as your authority to produce the following well(s) on the dates indicated in order to obtain 1959 annual deliverability test.

It is understood that upon completion of the tests the well(s) will again be shut in and remain so until released by the Commission.

Nell Two little Northwood	Location
A20-30 Deservito	W 10-10-0
UN OD W SH YD-Y	888 AD-30-8
HA 433-17 3. 30-5	88 27-30-5

Production Authorized

7-1-59 to 7-27-59 7-1-59 to 7-27-59 7-3-59 to 7-30-59

Yours very truly

Shery I Arnela Shery I Arnela Buparn son Both

ent the Rolls parameters and services

ine George Poppin Mile Farmington Selle

Art. Alvie Pts 600, Santa At. St.A.





UNITED STATES Jakes

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

8F 078487-A 011 and gas 4.101

Land Office P. 0. Box 1251 Santa Fe, New Mexico

JELES - LAYEON CHE GUNP.

DECISION

September 26, 1958

Oil and Gas

Robert F. Thompson

Bescription and Acreage of Land in Lease Revised

Oil and gas lease SF 078487-A dated 8/1/48 is held of record by Robert F. Thompson, 1314 Wood Street, Thomas Bldg., Ballas, Texas. The lease covers all, Sec. 31, T. 29 H., R. 8 W, MMM.

By Rependent Resurvey accepted 4/18/58, a portion of oil and gas lease SF 078487-8 is affected. Accordingly, the land in the lease is redescribed as follows:

T. 29 H., R. 8 W., Mark Sec. 31: Lots 5,6,7,8,9,10,11,12,22 containing 581.09 acres.

Since the account of the subject lease is maintained by the Oil and Gas Supervisor, Geological Survey, Roswell, New Mexico, rental adjustments effective with the lease year beginning 8/1/58 will be made by that office.

For the Lund Office Manager

Howard M. Grotherg

Cheif, Minerals Adjudication Unit

cc: GG(3)Farmington | Belhi-Taylor Oil Corp. acreage control

CASE NO. 1642

SCI STORY OF THE STATE OF THE S

H

R 8 W K 59°50'E 9626 36.40 20 ac 160 60 8 37 05 37.10 3696 30 25 549.60 ac 597.39 ac. TétritTi glan Orl Corp. Jaces #3 3763 37.77 160 se Т T :3 38.42 5 89° 47'W 29 29 -Ν 80 20 teo as 31 36 546.0 ac. 640.0 80. 79.00 good 697. 9

N 83° 43'H'

Note. The above Plat based on class from the Surveyor General's office Santa Fo , Now Mexico.
T-29N~ R8W dated Acril 19 1881
T-29N~ R9W dated July 2 , 1952

16000

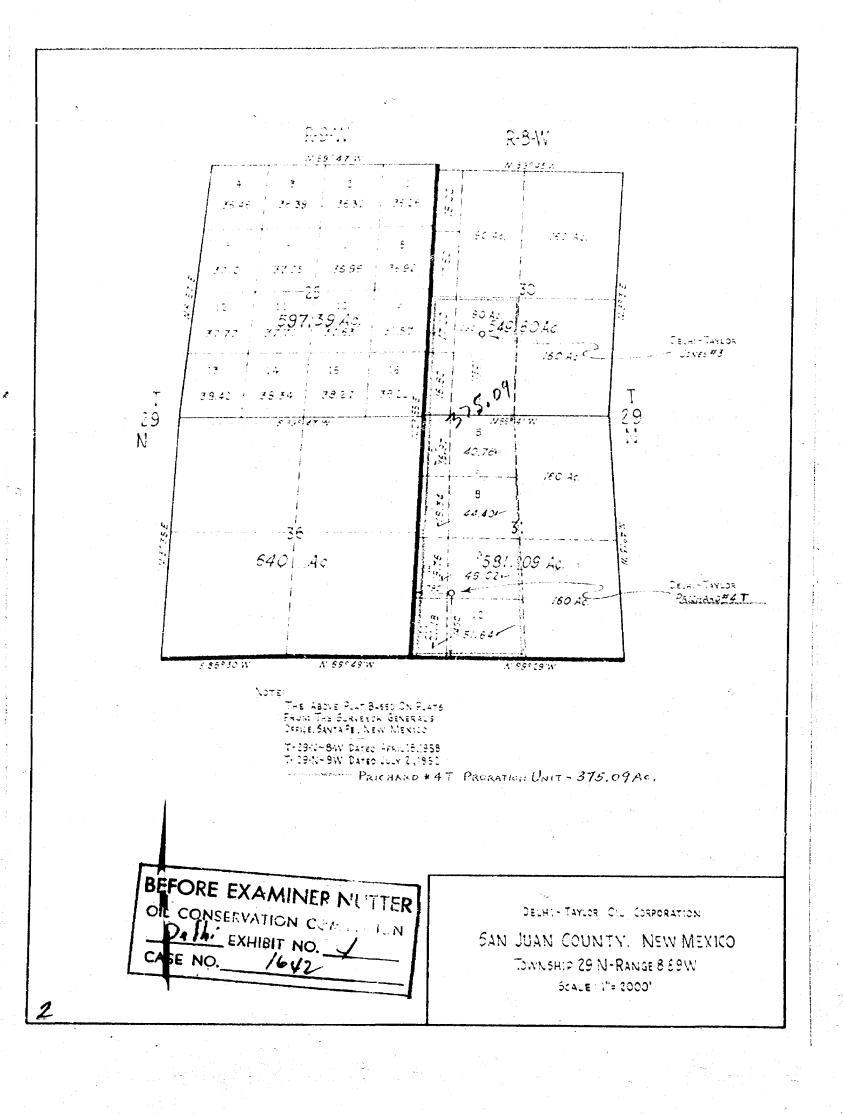
PRITCHARD #4T PROKATION UNIT - 340.0 AC (BEFORE RESERVEY)

BEFORE EXAMINER NUTTER OIL CONSERVATION CC MMISSION EXHIBIT NO. 3

5 38° 30 W

DELHI - TAYLOR OIL CORPORATION SAN JUAN COUNTY, NEW MEXICO TOWNSHIP 29 NORTH , RANGES 8 4 9 WEST SECTIONS 30, 31 & 25, 36

SCALE: 1": 2000'



9 8 W 1890454 N 59 50'E ? 36/3 3626 £0sc 160 30 i 37 05 8 36 92 37*10* 3696 25 549.60 ac 597.39 ac. ان2 دو4/ء Т Ecas T :3 38.42 29 29 1 89 40'E N N

640.0 80

N 89° 49'W

Note The above Flat based on sists from the Surveyor General's office Santa Fo, New Mexico.
7:29N-R8W osted Ar-1:0 1881
7:29N-R8W osted July 2:1952
PRICHARD # 4 C. PRORMITON UNIT - 169.42 AC.
(BEFORE RESURVEY)

546.0 ac.

160 20

43 Delhe Taylor Oil tara

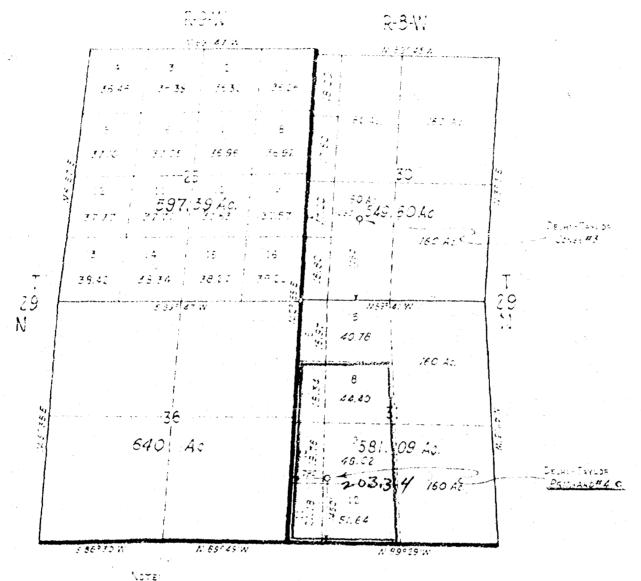
8000

BEFORE EXAMINITION TTER
OIL CONSERVATION C. SON
PARA EXHIBIT NO. S
CASE NO. 692

5 38 30 W

DELHI - TAYLOR OIL CORPORATION
SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 29 NORTH, RANGES 3 \$ 9 WEST
SECTIONS 30, 31 \$ 25,36
SCALE: 1": 2000"

.



Note:
The Above PLAT Busso On PLATS
FROM THE SURVEYOR GENERALS
OFFICE, SANTA PL. New Mexico

T-19-W-8-W DATES APRILIE.1958
T-19-W-9W DATES JOLY 2,1952
PRICHARD # 4C PRODUCTON UNIT - 203.34 Ac.



DEUH! - TAYLOR CIL CORPORATION SAN JUAN COUNTY. NEW MEXICO TOWNSHIP 29 N-RANGE 8 89W SCALE : 1"= 2000"

9 8 W N 89 30'E 3535 80 ac 160 60 8 36 92 59739 ac 5 9.60 ac 12 3777 3763 1 3 - OH SCOP T 160 60 13 38,42 15 3827 T 29 1'89°40'E 29 N Ald as N 36 31 640.0 ac. 546.0 ac. ExalDelhi - Taylor On Carp

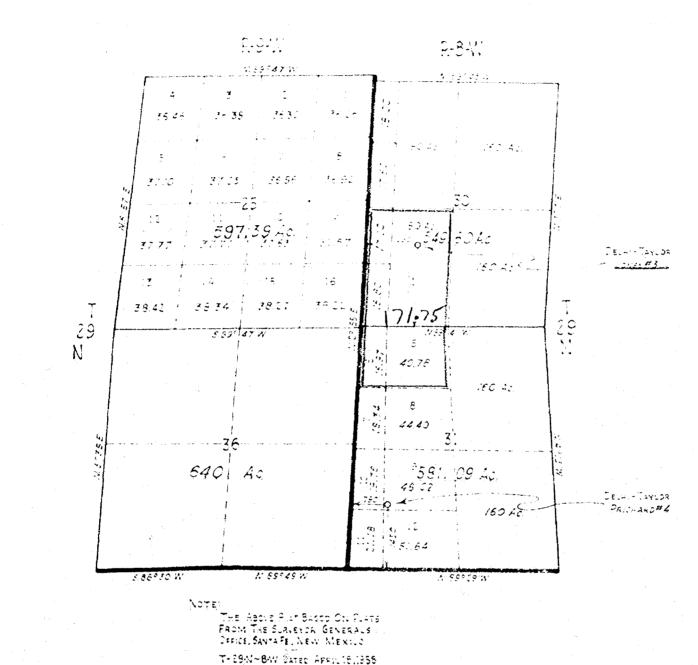
Note: The above Flat osses in class from the Surveyor General's office danta Fe, New Mexico.
7-29.V - R8W dated Acri 19 1881
7-29.V - R9W dated July 2, 1952
Jones #3 Proration Unit - (70.58 Ac.,
(Before Resurvey)

BEFORE EXAMINED TER
C. C. C. C. C. F. D. C.
Reini EXHIBIT NO
CASE NO. 1642

S 88° 30 %

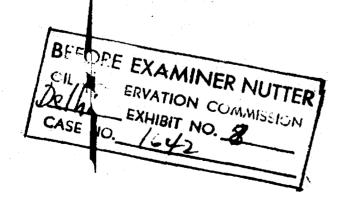
1' 89° 49'W

DELHI - TAYLOR OIL CORPORATION
SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 29 NORTH, RANGES 8 4 9 WEST
SECTIONS 30, 31 \$ 25, 36
SCALE: 1": 2000'



THESIN-BAY SATED APPOLISHES THE 1970 DATED JOUR 2 (1952

Jones #3 Propation Unit - 171.75 Ac.



DELHI - TAYLOR' CIL CORPORATION SAN JUAN COUNTY. NEW MEXICO TOWNSHIP 29 N-RANGE 8 89W SCALE : 1"= 2000"

SEFORE THE
OIL CONSERVATION COEFFISSION
SANTA FE, HEW MEXICO

IN THE MATTER OF: CASE 1642

TRANSCRIPT OF HEARING

APRIL 22, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

BEFORE THE CLE OCCERVATION COMMESSION SAMMA FR, THE MEXICO APRIL 22, 1959

IN THE EATTER OF:

CASE 1642 Application of Delhi-Taylor Oil Corpora: tion for an amendment to Orders R-60, : R-1169, and R-1170. Applicant, in the above-styled cause, seeks an order amend: ing Orders R-60, R-1169, and R-1170 to : change the dedicated acreage in three non: standard gas proration units in Sections: 30 and 31, Township 29 North, Range 8 : West, San Juan County, New Mexico, base6: on a resurvey; two of said units are in: the Aztec-Pictured Cliffs Pool and one is: in the Blanco Mesaverde Pool.

BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF PROCEEDINGS

MR. MUTTER: We will take up next Case 1642.

MR. PAYNE: Case 1642. Application of Delhi-Taylor Oil Corporation for an amendment to Orders R-60, R-1169, and R-1170.

MR. VERITY: Mr. Nutter, by way of an opening statement in this case, I would like to state that Sections 30 and 31
of 29 North, 8 West in San Juan County were resurveyed in a recent
Cadastral survey, and Section 31 was increased in acreage from
546 acres to 581.09 acres. This increase was made without any

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ALBUQUERQUE, NEW MEXICO
Phone Chopel 3-6691

change in the extensor hand lines of providen units that are here involved. It was merely a determination of the fact that there was greater acreage in these three units, which I'll name to you later, than I thought.

MR. NUTTER: The boundaries remain the same?

MR. VERITY: The boundaries remain the same, but the realization that there is more acreage there than what was previously known has been established by the Cadastral Survey of the Federal Government. Therefore, Delhi-Taylor wants to amend Order No. R-60, which has to do with the establishment of a non-standard proration unit for its Pritchard h "T" proration unit. That's a Mesaverde unit, and it has been increased in acreage, and I'll give you charts and evidence to delineate all of this information. It has been increased in acreage from 3h0 acres to 375.09 acres. The Pictured Cliffs Pritchard h "C" proration unit of Delhi-Taylor, which was established in Order No. R-1160, has been increased from 160.h2 acres to 203.3h acres. And Delhi-Taylor Jones 3 proration unit Pictured Cliffs, established by Order No. 1170, has been increased from 170.58 acres to 170.75 acres.

Delhi-Taylor, of course, would like these orders amended so that they can have an acreage factor comparable to the true acreage that is actually dedicated to the well.

With that, I would like to call Mr. Cleary as a witness.

(Witness sworn)

TYSOM CLEARY,

called as a witness, having been first duly sworn on oath, tostified as follows:

DIRECT EXAMINATION

BY MR. VERITY:

- Q Will you state your name, please, Mr. Cleary?
- A Tyson Cleary.

MR. NUTTER: How do you spelt your name?

- A G-l-e-a-r-y.
- Q What is your occupation?
- A Petroleum engineer.
- Q Are you a graduate engineer in petroleum engineering?
- A Yes. I graduated from the University of Oklahoma in 1948.
- Q And have you been practicing your profession since that time?
 - A Yes.

MR. VERITY: We submit, Your Honor, that the witnessis qualified to testify as an expert.

(Thereupon, Delhi-Taylor's Exhibits I through 8 were marked for identification.)

- Q Mr. Cleary, I hand you what the Reporter has marked Exhibit 1 and also Exhibit 2. Will you tell us what those are, please, referring first to the 1?
 - A Exhibit 1 is a copy of a letter which Delhi-Taylor re-

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ceived from the Desamment of Takesice Success of Caul Management, indicating their decision to increase acreage in Township 20 North. Hange 3 West, San Juan County, few hexier by visite of acceptance of this Cadastral Survey.

Copy of it. It is a decision of the department showing the increase of acreage to 561, acres?

- A Right.
- Q And Exhibit 2?

A This is a copy of the Cadastral Resurvey of Township
29 North, Range 8 West.

Q Does it also indicate the increase in acreage of Section 31?

- A Yes, it does.
- Q I hand you Exhibit 3, --

MR. VERITY: We offer Exhibits 1 and 2 in evidence, Your Honor.

(Thereupon, Delhi-Taylor's Exhibits 1 and 2 were offered in evidence.)

- Q Will you tell us what Exhibit 3 is?
- A Exhibit 3 is a plat which I prepared showing the Pritchard 4 "T" provation unit as it existed prior to the resurvey.
 - Q And how many acres were in the unit at that time?
 - A It indicated 300.0 acres.
 - Q And referring now to your next Exhibit, which is 1,

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that is a plat indicating the acreage within the Peitchard h "T" proposition unit after resurvey, which is 375.09 acres.

Referring now to your next manibio, which is 5, this plat indicates acreage of the Pritchard h "O" prior to resurvey, which was 169.42 acres.

And Exhibit 6?

A That is the acreage contained in Pritchard h "C" proration unit after resurvey, which is 203.3h acres.

- Q Referring now to Exhibit 7, explain that if you will, please.
- Q This outlines the Jone's No. 3 proration unit prior to resurvey, which is 170.58 acres.
 - Q And Exhibit 8?

A This is the Jone's 3 proration unit after resurvey, which is 170.75 acres.

MR. VERITY: We offer Exhibits 3 through S in evidence, Your Honor.

MR. MUTTER: Without objection, Delhi-Taylor's Exhibits 1 through 3 will be entered in evidence.

(Thereupon, Delhi-Taylor's Exhibits 1 through 3 were offered in evidence.)

MR. VERITY: That's all we have.

MR. NUTTER: Any questions of the witness? Mr. Payne.

CROSS ELAMINATION

BY MR. PAYNE:

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Q Mr. Cleary, do you presume that the latest survey taken is the correct one?

" = 6. s

it, and I'm sure that they have people thoroughly qualified and well acquainted with the situation to know that it is correct, and have accepted it so that I feel that it is correct also.

Imen, your company would have no objection to reducing the dedicated acreage in these units if a subsequent survey shows that there is actually less acreage?

A That is correct.

Q Now, is it your opinion that rededication should be prospective only -- in other words, from the date that the Order is entered changing the dedicated acreage?

A Yes.

MR. PAYNE: Thank you. That's all.

QUESTIONS BY MR. MUTTER:

Q Mr. Cleary, has the government raised the rent on the property?

A I'm sure our Land Department people would answer that question. I don't have the answer myself.

MR. VERITY: I don't think there is any question,
Your Honor, but what the lease is fully amended, and certainly we
accept the amendment, so it would apply to all parts of the lease.

MR. WUTTER: So you believe that Delhi-Taylor is paying rent on 581.09 acres at the present time?

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Phone Chapel 3-6691

age that we have here. I don't know what the total or these would be. Your Henor, but they would have to pay rent in compliance with the amended acreage dedications that we have, that we are here as ing for.

Q (By Mr. Mutter) How, in resurveying this. Mr.Cleary, and determining that the Delhi-Taylor acreage here has 381 acres. was any of that acreage taken out of any --

A No.

Q -- offsetting lease?

A No. None. They all remained the same.

MR. VERITY: If your Honor please, actually, we actually don't change anything here. The truth of the matter is that our application really, in effect, asks for a correction of a previous Order that was in error because all of the acreage that is there now was there at the time these previous Orders were made. The only thing about it is it had not been accurately surveyed, and the true acreage was not known.

Q However, in entering the Order amending these previous Orders, is it agreeable with Delhi-Taylor that it be understood that the amendments are effective as of the dates that the Order is entered, --

A Right.

Q -- and there wouldn't be any retroactive to this Order; there would be no underage due these wells because

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of their smaller promition units that have been assigned over a number of years?

A . Wat's understood.

MR. MTTER: Is there snything further in Case 1642? Mr. Utz.

QUESTIONS BY MR. UTZ:

Q Mr. Cleary am I correct in understanding that the section lines and boundary lines remain the same as they were?

It is merely a reevaluation of the amount of acreage that was in those boundaries?

A There had to be .-- The acreage was there, but there had to be some change on the survey plan itself to reflect additional acreage.

Q Your lease lines have changed?

A The acreage included in the leases surrounding our lease remain the same.

MR. PAYME: And also the external boundaries remain the same, do they not?

A Well, yes.

MR. VERITY: In other words, Your Honor, there is no moving of the land line with relation to adjacent properties.

They haven't said. "Now, you've got so much of the neighbor's land lease acreage." That has not taken place, so that this Cadastral Survey did not move the boundary line of these leases.

MR. UTZ: They are in exactly the same place, the

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Phone CHapel 3-6691

same barrier and everything else. is that correct?

MR. VERITY: On the land they are the same.

MR. UTZ: So that all the time you setually had the amount of acreage you are now claiming?

MR. VERITY: That's right, that's correct.

MR. UTZ: And you have actually reclevated the amount of acreage in the old boundaries?

MR. VERITY: The Cadastral Survey of the United States
Government has reelevatedit, and we desire this Commission to take
cognizance of that correction.

MR. UTZ: That's all I have.

MR. NUTTER: Is there anything further of this witness? If not, he may be excused.

Does anyone have anything further they wish to offer in Case 1642? Take the case under advisement and take 1643.

MR. VERITY: If you please, Your Honor, I wonder if we could withdraw Exhibits 1 and 2. That will still leave you the plats that show these changes, but will give us the Cadastral Survey and the decision of the Government.

MR. PAYNE: That will be satisfactory, Mr. Verity, if you can make Exhibits 1 and 2 available to us in the event that we subsequently need them.

MR. VERITY: They will be available to you at any time, if you will let us know, and if you think you need them now you can keep them now, and we will get them later.

DEARNLEY - MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone CHopel 3-6691 MR. PAYNE: You can withdraw them now, that's all right.

MR. MUTTER: Mr. Verity, Exhibit 1 is the letter from the Bureau of Land Hanagement, is that correct?

The VERITY: It was described as that. It is actually the decision of the Land Management to change the amount of acreage in the lease on Section 31.

MR. MUTTER: Mr. Verity, I happen to have a copy of that letter. I'd rather keep the Exhibit and give you the copy.

MR. VERITY: That's fine. And 2 was merely the resurvey of the Township.

MR. NUTTER: I think the Commission has a copy of that too.

MR. UTZ: That plat is available through the Bureau of Land Management here in Santa Fe, is that correct?

MR. VERITY: Correct. That's right.

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Phone Chapul 3-6691

STATE OF MEN MEXICO)

COUCTY OF BERNALILLO)

I, J. A. Frujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the fore-going and attached Pranscript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITHESS my Hand and sual this the 21 - day of Cyril, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jane Public Public

My Commission Expires:

October 5, 1960

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Care to 1947, heard by me on the foregoing is a second of the proceedings in the Examiner heard by me on the foregoing is a second of the proceedings in the Examiner heard by me on the foregoing is a second of the proceedings in the Examiner heard by me on the foregoing is a second of the proceedings in the Examiner heard by me on the foregoing is a second of the proceedings in the Examiner heart heard by me on the foregoing is a complete record of the proceedings in the Examiner heart hea

DEARNLEY - MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone Chapel 3-6691

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

May 7, 1959

Mr. George Verity 211 E. Broadway Farmington, New Mexico

Dear Mr. Verity:

On behalf of your client, Delhi-Taylor Oil Corporation, we enclose two copies of Order No. R-1390 issued May 7, 1959, by the Oil Conservation Commission in Case No. 1642, which was heard on April 22, 1959 at Santa Fe before an examiner.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ir/

Enclosures

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. 1642 Order No. R-1390

APPLICATION OF DELHI-TAYLOR OIL CORPORATION FOR AN AMENDMENT OF ORDER NOS. R-60, R-1169, AND R-1170 TO CHANGE THE DEDICATED ACREAGE IN ONE NON-STANDARD GAS PRORATION UNIT IN THE BLANCO MESAVERDE POOL AND IN TWO NON-STANDARD GAS PRORATION UNITS IN THE AZTEC-PICTURED CLIFFS POOL, 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 22, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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 by Commission Order No. R-60, the applicant, Delhi-Taylor Oil Corporation, was granted a 340-acre non-standard gas proration unit in the Blanco Mesaverde Pool consisting of the SW/4 of Section 30 and the W/2 of Section 31, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico, said unit being dedicated to the Delhi-Taylor Prichard Well No. 4-T, located 1450 feet from the South line and 790 feet from the West line of said Section 31.
- (3) That a recent Cadastral Survey, accepted April 18, 1958, shows the acreage in said non-standard gas provation unit to be 375.09 acres rather than 340 acres.
- (4) That by Commission Order No. R-1169, the applicant was granted a 169.42 acre non-standard gas provation unit in the Aztec-

-2-Case No. 1642 Order No. R-1390

Pictured Cliffs Fool consisting of the SW/4 and the S/2 NW/4 of said Section 31, said unit being dedicated to the Delhi-Taylor Prichard Well No. 4-C, located 1450 feet from the South line and 790 feet from the West line of said Section 31.

- (5) That a recent Cadastral Survey, accepted April 18, 1958, shows the acreage in said non-standard gas proration unit to be 203.34 acres rather than 169.42 acres.
- (6) That by Commission Order No. R-1170, the applicant was granted a 170.58 acre non-standard gas provation unit in the Aztec-Pictured Cliffs Pool consisting of the SW/4 of said Section 30 and the N/2 NW/4 of said Section 31, said unit being dedicated to the Delhi-Taylor Jones Well No. 3, located 1750 feet from the South line and 1090 feet from the West line of said Section 30.
- (7) That a recent Cadestral Survey, accepted April 18, 1958, shows the acreage in said non-standard gas provation unit to be 171.75 acres rather than 170.58 acres.
- (8) That the applicant proposes that Order Nos. R-60, R-1169, and R-1170 be amended to change the dedicated acreage in said non-standard gas proration units to conform with the acreage shown by the Cadastral Survey accepted April 18, 1958.
- (9) That amendment of the subject orders as requested by the applicant will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

- (1) That Order No. R-60 be and the same is hereby amended to reflect that applicant's non-standard gas proration unit in the Blanco Mesaverde Pool consisting of the SW/4 of Section 30 and the W/2 of Section 31, Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico, and dedicated to the Delhi-Taylor Prichard Well No. 4-T, located 1450 feet from the South line and 790 feet from the West line of said Section 31, contains 375.09 acres.
- (2) That Order No. R-1169 be and the same is hereby amended to reflect that applicant's non-standard gas proration unit in the Aztec-Pictured Cliffs Pool consisting of the SW/4 and the S/2 NW/4 of said Section 31 and dedicated to the Delhi-Taylor Prichard Well No. 4-C, located 1450 feet from the South line and 790 feet from the West line of said Section 31, contains 203.34 acres.
- (3) That Order No. R-1170 be and the same is hereby amended to reflect that applicant's non-standard gas proration unit in the Aztec-Pictured Cliffs Pool consisting of the SW/4 of said Section 30 and the N/2 NW/4 of said Section 31 and dedicated to the Delhi-Taylor Jones Well No. 3, located 1750 feet from the South line and

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1090 feet from the West line of said Section 30, contains 171.75 acres.

(4) That the effective date of this order changing the acreage dedicated to the above-described wells shall be May 1, 1959.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E, MORGAN, Member

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

