

CASE NO.

6333

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6333
Order No. R-5825

APPLICATION OF MADDOX ENERGY
CORPORATION FOR COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 27,
1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of October, 1978, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6333 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



Joe D. Ramey
JOE D. RAMEY
Director

dr/

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
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OF COUNSEL
CLARENCE HINKLE
SEP 28 1978

W. E. BONDURANT, JR. (194-1073)

ROSWELL, NEW MEXICO OFFICE
600 HINKLE BUILDING
(505) 822-8510

ONLY ATTYS. COFFIELD, MARTIN,
BOZARTH, BOHANNON, FOSTER, ALLEN & ALLEN
LICENSED IN TEXAS

September 25, 1978

Mr. Dan Nutter
Chief Engineer
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of Maddox Energy
Corporation for Compulsory
Pooling -- OCD Case No. 6333

Dear Dan:

In confirmation of our telephone conference of September 25, 1978, with regard to the captioned matter, this is to advise you that we wish to withdraw this Application in full and request that you vacate the setting on your docket for September 27, 1978.

Since filing the same, my client has been able to either obtain leases or make arrangements for these parties to participate in said well.

If you need any other information from me, please advise.

Sincerely yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


C. D. Martin

CDM:rf

xc: Maddox Energy Corporation
702 Vantage Tower
2525 Stemmons Freeway
Dallas, Texas 75207

Dockets Nos. 31-78 and 33-78 are tentatively set for hearing on October 11 and October 25, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 27, 1978

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 6329: Application of David Fasken for unorthodox gas well locations and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of the following three wells located in Township 21 South, Range 24 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico:

Ross Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 4, Lots 9 through 16 of said section to be dedicated to the well; Ross Federal Com. Well No. 3 to be drilled 6040 feet from the South line and 460 feet from the West line of Section 4, to be dedicated to a 284.6-acre non-standard proration unit comprising Lots 1 through 8 of said section; and Shell Federal Com. Well No. 2 to be drilled 3300 feet from the South line and 660 feet from the West line of Section 5, Lots 9 through 16 of said section to be dedicated to the well.

CASE 6330: Application of Petroleum Corporation of Texas for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the NE/4 of section 32, Township 24 North, Range 3 West, Chacon-Dakota Associated Pool, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6331: Application of American Petrofina Company of Texas for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 990 feet from the South line and 990 feet from the East line of Section 29, Township 32 North, Range 9 West, Blanco-Mesaverde Pool, San Juan County, New Mexico, the E/2 of said Section 29 to be dedicated to the well.

CASE 6332: Application of Reading & Bates Oil and Gas Company for an unorthodox gas well location and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of a well to be drilled 330 feet from the North line and 1650 feet from the West line of Section 5, Township 23 South, Range 36 East, Lea County, New Mexico, to produce gas from the Jalmat Yates formation and oil from the Langlie Mattix Seven Rivers formation.

CASE 6333: Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the E/2 of Section 27, Township 23 South, Range 28 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. In the alternative, applicant seeks an order pooling only the NE/4 of said section for the production of gas from formations above the Wolfcamp. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6334: Application of Grace Petroleum Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its New Mexico Federal "G" Well No. 1 to be drilled 4650 feet from the South line and 660 feet from the East line of Section 6, Township 21 South, Range 32 East, Lea County, New Mexico, Lots 9, 10, 15, and 16 and the SE/4 of said Section 6 to be dedicated to the well.

CASE 6335: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat gas and Langlie Mattix oil production within the wellbore of its Jack B-30 Well No. 2 located in Unit B of Section 30, Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 6336: Application of Burleson & Huff for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the E/2 SE/4 of Section 11 and the W/2 SW/4 of Section 12, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to a well at a standard location in Unit P of said Section 11.

CASE 6337: Application of Mark D. Wilson to limit application of pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to limit the application of the McMillan-Morrow Gas Pool present rules to the horizontal limits of said pool only, Eddy County, New Mexico.

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

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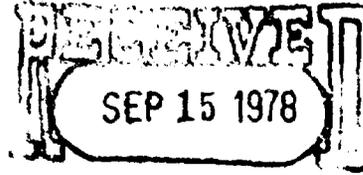
(805) 622-6510

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JACQUELINE W. ALLEN
T. CALDER EZZELL, JR.

September 13, 1978



IL CONSERVATION COMM.
Santa Fe

Mr. Dan Nutter
Chief Engineer
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Dan:

Transmitted herewith you will find triplicate executed copies of an Application for Maddox Energy Corporation for compulsory pooling of mineral interests in the E $\frac{1}{2}$ of Section 27, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

It is my understanding that the docket setting for September 27 is still available for this matter, and accordingly, we request that it be heard on that date.

I trust that the enclosed copies of the Application are all that is needed in order for this to be set for the September 27 hearing. However, if anything is needed in addition, please let me know.

Sincerely yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

Bud
C. D. Martin

CDM:rf
Enclosures

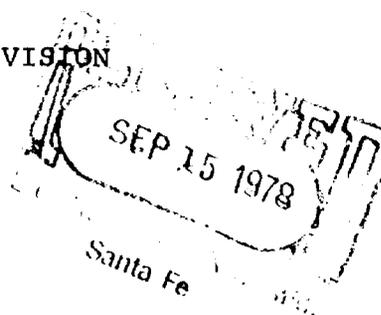
xc: Maddox Energy Corporation
702 Vantage Tower
2525 Stemmons Freeway
Dallas, Texas 75207

*Bud Martin
Called 9/26 -
is writing
letter requesting
re-mineral
Don*

BEFORE THE OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

APPLICATION OF MADDOX ENERGY)
CORPORATION FOR COMPULSORY)
POOLING, EDDY COUNTY, NEW)
MEXICO)



Maddox Energy Corporation, by its undersigned attorneys, hereby makes application for an Order pooling all mineral interests (including fee mineral interests, leasehold interests and royalty interests) in the following:

- (a) In the Wolfcamp and Pennsylvanian formations for the production of gas and associated liquid hydrocarbons underlying the E $\frac{1}{2}$ of Section 27, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico; or in the alternative,
- (b) In all formations above the Wolfcamp formation for the production of gas and associated liquid hydrocarbons underlying the NE $\frac{1}{4}$ of Section 27, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico.

and in support thereof would show:

1. Applicant is the owner of the oil and gas leasehold interests in the E $\frac{1}{2}$ of Section 27, Township 23 South, Range 28 East, N.M.P.M. Rachel Martinez, et al are the owners of other mineral interests in the E $\frac{1}{2}$ of Section 27, Township 23 South, Range 28 East, N.M.P.M.

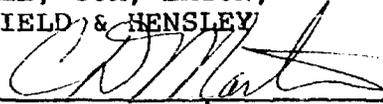
2. Applicant is in the process of drilling a well 1980' from the North line and 990' from the East line of Section 27 to a depth sufficient to test the Pennsylvanian Age formation and seeks to dedicate the E $\frac{1}{2}$ of said Section 27 to the well; and in the alternative, in the event that production of gas is obtained above the Wolfcamp formation seeks to dedicate

the NE $\frac{1}{4}$ of said Section 27 to the well. Applicant has requested owners of mineral interests to agree to pool or combine their respective interests under the well but they have so far refused to do so.

3. The pooling of all interests in the Pennsylvanian formation in the E $\frac{1}{4}$ of said Section 27 and alternatively in the event that gas production is obtained in formations above the Wolfcamp formation, the pooling of all interests in the NE $\frac{1}{4}$ of said Section 27 will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

4. Applicant requests that this matter be heard at the September 27, 1978 examiner's hearing

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By: 

C. D. Martin
Post Office Box 3580
Midland, Texas 79702
Attorneys for Maddox
Energy Corporation

LAW OFFICES

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ONLY ATTYS. COFFIELD, MARTIN,
BOZARTH, BOHANNON, FOSTER, ALLEN & ALLEN
LICENSED IN TEXAS

SEP 5 1978

August 31, 1978

13cc

Mr. D. S. Nutter
Chief Engineer
New Mexico Oil Conservation
Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Maddox Energy Corporation
Force Pooling Matters

Dear Dan:

This letter will confirm our telephone conversation of August 31, 1978 relating to the captioned matter.

You have placed on the docket for September 27, 1978 two cases involving force pooling of the E $\frac{1}{2}$ of Section 27, Township 23 South, Range 28 East, N.M.P.M., Eddy County, New Mexico for the Pennsylvanian Age formations as well as the NE $\frac{1}{4}$ in the event that Delaware gas was found.

I advised you that I would be out of the office until September 11, but that at such time I would prepare appropriate applications and file the same with your office.

I appreciate your aid in connection with this matter.

Sincerely yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


C. D. Martin

CDM:rf

xc: Maddox Energy Corporation

Dan Nutter

CD Martin

Bud Martin Hinkle Burn

Force Pooling 320



Madrox Energy Corp

Et 27-23-28 300y

for wellcamp & Perm

std loc.

or NE/4 27 for shallow gas

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

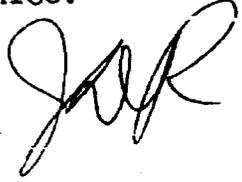
dr/

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6333

Order No. R- 5825

APPLICATION OF MADDOX ENERGY CORPORATION
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.



ORDER OF THE DIVISION



BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 27,
19 78, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of _____, 1978, the Division
Director, having considered the record and the recommendations of
the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6333 is hereby dismissed.

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

DR
DR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
27 September 1978

EXAMINER HEARING

IN THE MATTER OF:)
)

Application of Maddox Energy Corpor-)
ation for compulsory pooling, Eddy)
County, New Mexico.)

CASE
6333

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

MR. NUTTER: Call Case Number 6333.

MS. TESCHENDORF: Case 6333. Application of Maddox Energy Corporation for compulsory pooling, Eddy County, New Mexico.

The applicant in the case has requested that it be dismissed.

MR. NUTTER: Case Number 6333 will be dismissed.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd CSR
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6323 heard by me on 9/27 1978.

[Signature] Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
27 September 1978

EXAMINER HEARING

IN THE MATTER OF:)
)
Application of Maddox Energy Corpor-)
ation for compulsory pooling, Eddy)
County, New Mexico.)

CASE
6333

BEFORE: Daniel S. Mutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

MR. NUTTER: Call Case Number 6333.

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Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete and true record of the proceedings in the Final hearing of Case No. 6333 heard by me on 9/27 19 78.

[Signature], Examiner
Oil Conservation Division