# CASE NO.

6343

APPlication,
Transcripts,
Small Exhibits,

ETC.

# STATE OF NEW MEXICO ENERGY AND MINIERALS DEPARTMENT

**OIL CONSERVATION DIVISION** 

NICK FRANKLIN BECRETARY

Mr. William S. Jameson General Counsel

Other

November 29, 1978

CASE NO.

ORDER NO.

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 927-2434

6343

R-5859

Supron Energy Corporation 10300 North Central Expresswa Dallas, Texas 75231	ay %pplicant:		
•	Supron Energy Corporation		
Dear Sir:	en de la companya de		
Enclosed herewith are two of Division order recently ent	copies of the above-referenced tered in the subject case.		
JOE D. RAMEY Director			
	•		
JDR/fd			
Copy of order also sent to:			
Hobbs OCC X Artesia OCC X Aztec OCC X	•		

### 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. 6343 Order No. R-5859

APPLICATION OF SUPRON ENERGY CORPORATION FOR A DUAL COMPLETION AND DOWNHOLE COMMINGLING, RIO ARRIBA COUNTY, NEW MEXICO.

### ORDER OF THE DIVISION

### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of November, 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 THEORPOOR OPDERED:

That Case No. 6343 is nereby dismissed.

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

STATE OF NEW MEXICO
OLL CONSERVATION DIVISION

JOE D. RAMEY,

Director

dr.

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### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

dr/

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

CASE NO.	6343	 	·
Order No	•		

APPLICATION OF SUPRON ENERGY CORPORATION FOR A DUAL COMPLETION AND DOWNHOLE COMMINGLING, RIO ARRIBA COUNTY, NEW MEXICO.

### ORDER OF THE DIVISION

BY THE DIVISION:	720 8				
This cause came on for hearing at 9 a.m. on _	Qetober Il				
19 78 , at Santa Fe, New Mexico, before Examiner					
NOW, on this day of databer,	19 <u>78</u> , the				
Division Director, having considered the testimony, the record,					
and the recommendations of the Examiner, and being fully auvised					
in the premises,					

### FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Supron Energy Corporation, seeks approval for the dual completion of its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the

Olynia Olynia Pictured Cliffs formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbore of said well.

- (3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (4) That approval of the subject application will prevent waste and protect correlative rights.

### IT IS THEREFORE ORDERED:

(1) That the applicant, Supron Energy Corporation, is hereby authorized to dually complete its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbore of said well.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVII	DED FURTHER	, that the	applicant shall take
	<del> </del>		tests upon completion and
annually	thereafter	during the	e Annual
	Test Per	riod for th	ne
Pool			

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

CASE 6342: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba Cour. New Mexico. Applicant, in the above-fityled cause, seeks approval for the dual completion of its Jicrilla J Well No. 10 located in the SE/4 of Section 26, Township 26 North, Range 5 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Tocito and Dakota production in the wellbore of said well.

CASE 6343: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbore of said well.

CASE 6344: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla F Well No. 1 located in the SW/4 of Section 27, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Messaverde and Dakota production in the wellbore of said well.

CASE 6345: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production in the wellbore of its Jicarilla H Well No. 7 located in the SW/4 of Section 19, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

CASE 6347: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Dakota production in the wellbore of its Jicarilla K Well No. 17 located in the SW/4 of Section 12, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 6376: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new poel in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the Mescalero Sands-Pennsylvanian Gas Pool. The discovery well is Petroleum Development Corporation Estelle Federal Well No. 1 located in Unit E of Section 34, Township 12 South, Range 30 East, NMPA. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 30 EAST, NMPM Section 34: W/2

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Yates production and designated as the Sioux-Yates Pool. The discovery well is Tishman Federal Well No. 1 located in Unit N of Section 5, Township 26 South, Range 36 East, NAPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM Section 31: NE/4
Section 32: W/2

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM Section 5: W/2

(c) EXTEND the Avalon-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 31: N/2
Section 32: N/2
Section 33: All

(d) EXTEND the Blinebry 011 and Cas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 16: SE/4

(e) EXTEND the vertical limits of the Box-Canyon Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include the Canyon and Wolfcamp formations and redesignate said pool as the Box Canyon-Permo Pennsylvanian Gas Pool and extend the horizontal limits of said pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM

Section 13: All Section 23: S/2 Section 26: E/2 Section 35: E/2

Section 36: W/2

TOWNSHIP 22 SOUTH, RANGE 21 EAST, NMPM Section 1: N/2

(f) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM Section 28: 5/2 Section 33: E/2

(g) EXTEND the East Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM Section 27: S/2

(h) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM Section 28: N/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 10: N/2 Section 21: S/2

(i) EXTEND the Comanche Stateline Tansill-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM

Section 33: NW/4

(j) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NOPM

Section 29: W/2

(k) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NAFTM Section 22: SW/4 and W/2 SE/4

(1) EXTEND the Forehand Ranch-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NNPM Section 15: NW/4 SE/4

(m) EXTEND the Fowler-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM Section 16: SE/4

(n) EXTEND the Jenkins-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM

Section 28: S/2

(o) EXTEND the Kemnitz-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NHPM Section 16: W/2

(p) EXTEND the Fast Lusk-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 10: N/2 and SW/4

Section 15: NW/4

(q) EXTEND the West Malaga-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM Section 9: N/2

(r) EXTEND the Revelation-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM Section 3: W/2

(a) EXTEND the Rock Tank-Upper Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM Section 1: All

(t) EXTEND the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM Section 25: N/2

(u) EXTEND the Southwest Sulphate-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMFM Section 14: NE/4 NE/4

(v) EXTEND the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 3: NE/4

(w) EXTEND the Watkins Yates-Seven Rivers-Queen-Grayburg Pool in Lea County, New Mexico, to include therein:

> TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 6: SW/4

(x) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM Section 8: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM Section 4: All

(y) EXTEND the Wilson-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM Section 14: S/2

(2) EXTEND the Winchester-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM Section 24: S/2

(as) EXTEND the Winchester-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMFH

Section 26: E/2 and SW/4

Dockets Nos. 37-78 and 38-78 are tentatively set for hearing on November 21 and December 6, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

### DOCKET: COMMISSION HEARING - TUESDAY - NOVEMBER 7, 1978

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205 STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

### CASE 6146: (DE NOVO) (Continued and Readvertised)

Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tapacito-Gailup and Basin-Dakota production within the wellbore of his Jicarilla Well No. 5 located in Unit D of Section 29, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

Upon application of Jerome P. McHugh this case will be heard De Novo pursuant to the provisions of Rule 1220.

### CASE 6266: (DE NOVO)

Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Upper Pennsylvanian test well to be located 660 feet from the North and East lines or, in the alternative, 990 feet from the North and East lines of Section 23, Township 22 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico, all of said Section 23 to be dedicated to the well.

Upon application of Harvey E. Yates Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

- CASE 6377: Application of Durham, Inc., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Section 8, Township 21 South, Range 24 East, Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled 1650 feet from the North and East lines of said Section 8. 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 6378: In the matter of the hearing called by the Oil Conservation Division on the motion of Shell Oil Company to permit Corinne Grace and all other interested parties to appear and show cause why Division Order No. R-3713, which pooled all of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, should not be declared null and void, if said pooling order has not already automatically expired due to non-production.
- CASE 6379: Application of Shell Oil Company for pool contraction and pool extension, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of the N/2 of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, or in the alternative, all of said Section 8, and the extension of the Cemetery-Morrow Gas Pool to include the aforesaid N/2 or all of said Section 8.

Docket No. 36-78

### DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 8, 1978

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

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

Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedication,

Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its DR Well No. 3 to be drilled 660 feet from the North and East lines of Section 16, Township
19 South, Range 32 East, Lea County, New Mexico, to be simultaneously dedicated with its Well No. 1
located in Unit E to the present 320-acre unit comprising the N/2 of said Section 16.

- CASE 6370: Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedica.

  Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Gilluly B Fed. Well No. 22 to be drilled 2310 feet from the North line and 1980 feet from the West line of Section 33, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated with the current unit Wells No. 3 and 15 located in Units N and N, respectively, to the present 360-acre non-standard provation unit in Section 33.
- CASE 6371: Application of Doyle Hartman for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Phillips-Woolworth Well No. 1 located 2310 feet from the North line and 1980 feet from the East line of Section 26, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.
- Application of Belco Petroleum Corporation for an unorthodox well location, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1495 feet from the North line and 330 feet from the West line of Section 6, Township 23 South, Range 31 East, Los Mendanos Atoka Pool, Eddy County, New Mexico, the W/2 of said Section 6 to be dedicated to the well.
- CASE 6373: Application of Beard Oil Company for a dual completion, surface commingling, pool creation, and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the gas-gas dual completion of its Hanlad Well No. 1 located in Unit E of Section 17, Township 17 South, Range 24 East, Eddy County, New Mexico, to produce gas from the Atoka formation through tubing and the Abo formation through the casing-tubing annulus, and to commingle the production at the surface. Applicant further seeks the creation of a new Abo gas pool and the adoption of special pool rules therefor, including a provision for 320-acre spacing and provation units for a temporary period of one year.
- CASE 6374: Application of Mesa Petroleum Company for a special oil allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a temporary increase in the oil allowable for its West Knowles Well No. 5 located in Unit H of Section 34, Township 16 South, Range 37 East, West Knowles-Drinkard Pool, Lea County, New Mexico, from 310 barrels to 500 barrels for the 90-day period extending from October 1, 1978 to December 31, 1978.
- CASE 6375: Application of Harper Oil Company for do nhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Wantz-Abo, Drinkard, and Blinebry production within the wellbore of its S. J. Sarkeys Well No. 2 located in Unit H of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 6352: (Continued and Readvertised)

Application of Southland Royalty Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Grenier "A" Well Mo. 1A located in Unit C of Section 26, Township 30 North, Range 10 West, to produce gas from the Blanco-Pictured Cliffs and Blanco Mesaverde Pools, San Juan County, New Mexico, with separation of the zones to be achieved by means of a polished bore receptacle and mandrel.

CASE 6346: (Continued and Readvertised)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in the wellbore of its Jicarilla K Well No. 14 located in the SE/4 of Section 11, Township 25 North, Range 5 West, Rio Arriba County, New Mexico:

CASE 6348: (Continued and Readvertised)

Application of Supron Energy Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbore of its Start Well No. 3 located in the NE/4 of Section 5, Township 26 North, Range 8 West, San Juan County, New Mexico.

CASE 6341: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for dual completions and downhole commingling, Ric Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Jicarilla A Well No. 8 located in the NW/4 of Section 23; its Jicarilla E Well No. 7 located in the SE/4 of Section 15; and its Jicarilla E Well No. 8 located in the NW/4 of Section 15, all in Township 26 North, Range 4 West, Kio Arriba County, New Mexico, to produce gas from the Mesaverde formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbores of said wells.

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Dockets Nos. 34-78 and 35-78 are tentatively set for hearing on October 25 and November 8, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

### DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 11, 1978

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

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

CASE 6338: Application of Charles C. Loveless for an unorthodox well location, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the South line and 1980 feet from the East line of Section 23, Township 17

South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, the E/2 of said Section 23 to be dedicated to the well.

CASE 6040: (Reopened and Readvertised)

In the matter of Case 6040 being reopened pursuant to the provisions of Order No. R-5552 which order created the North Teague-Devonian Pool, Lea County, New Mexico, with a special gas-oil ratio limitation of 4000 to 1. All interested parties may appear and show cause why the limiting gas-oil ratio for said pool should not revert to 2000 to 1.

CASE 6339: Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 22, Township 23 South, Range 28 East, Eddy 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 6321: (Continued and Readvertised)

Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Shugart State Com. Well No. 1 to be drilled 714 feet from the South line and 2062 feet from the West line of Section 16. Township 18 South, Range 31 East, Eddy County, New Mexico, the W/2 of said Section 16 to be dedicated to the well.

CASE 6320: (Continued and Readvertised)

Application of Texas 011 & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, sacks approval for the unorthodox location of its Coquina Federal Com Well No. 1 to be drilled 710 feet from the North line and 2330 feet from the West line of Section 32, Township 18 South, Range 27 East. Eddy County, New Mexico, the W/2 of said Section 32 to be dedicated to the well.

CASE 6340: Application of Supron Energy Corporation for downhole commingling, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Straum production in the wellbore of its Shelby Federal Well No. 1 located in the NE/4 of Section 13, Township 22 South, Range 24 East, Eddy County, New Mexico.

CASE 6341: Application of Supron Energy Corporation for dual completions and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Jicarilla A Well No. 8 located in the NW/4 of Section 23; its Jicarilla E Well No. 7 located in the SE/4 of Section 15; and its Jicarilla E Well No. 8 located in the NW/4 of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Mesaverde formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellboxes of said wells.

CASE 6342: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla J Well No. 10 located in the SE/4 of Section 26, Township 26 North, Range 5 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Tocato and Dakota production in the wellbore of said well.

CASE 6343: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Callup and Dakota production in the wellbore of said well.

- CASE 6344: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla F Well No. 1 located in the SW/4 of Section 27, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Mesaverde and Dakota production in the wellbore of said well.
- CASE 6345: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production in the wellbore of its Jicarilla H Well No. 7 located in the SW/4 of Section 19, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.
- CASE 6346: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico.

  Applicant, in the above-styled cause; seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in the wellbore of its Jicarilla K Well No. 14 located in the SE/4 of Section 11, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 6347: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Dakota production in the wellbore of its Jicarilla K Well No. 17 located in the SW/4 of Section 12, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 63:48: Application of Supron Energy Corporation for downhole commingling, San Juan County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbore of its Starr Well No. 3 located in the NE/4 of Section 5, Township 26 North, Range 8 West, San Juan County, New Mexico.
- Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of B.S. Mesa
  Gallup and Basin-Dakota production in the wellbore of its Hoyt Well No. 1-5 located in Unit H of Section 5, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.
- Application of Petro-Lewis Corporation for an unorthodox well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location in the Mesaverde formation for its Florance Well No. 7 located 2028 feet from the North line and 1040 feet from the West line of Section 4, Township 25 North, Range 3 West, Tapacito Field, Rio Arriba County, New Mexico, the NW/4 of said Section 4 to be dedicated to the well.
- CASE 6351: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico.

  Applicant, in the above styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 16, Township 19 South, Range 29 East, Eddy 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 6352: Application of Southland Royalty Company for three dual completions, San Juan County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the dual completion of its Decker Well No.

  2A located in Unit I of Section 26, Township 32 North, Range 12 West, and its Grenier "A" Well No.

  1A in Unit C of Section 26, Township 30 North, Range 10 West, to produce gas from the BlancoPictured Cliffs and the Blanco Mesaverde pools and its Patterson "B" Com Well No. IR in Unit C of
  Section 2, Township 31 North, Range 12 West, to produce gas from the Aztec-Pictured Cliffs and Blanco
  Nesaverde pools, all in San Juan County, New Mexico, with separation of the zones in each of the
  above wells to be achieved by means of a polished bore receptacle and mandrel.
- CASE 6353: Application of Union Texas Petroleum for two unorthodox well locations, Receivelt County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Milnesand Unit Well No. 241 to be drilled 2630 feet from the North line and 100 feet from the East line of Section 24, Township 8 South, Range 34 East, and its Milnesand Unit Well No. 1901 to be drilled 1310 feet from the North and West lines of Section 19, Township 8 South, Range 35 East, Milnesand San Andres Pool, Roosevelt County, New Mexico.
- CASE 6354: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:
  - (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Bone Springs production and designated as the Ross Draw-Bone Springs Gas Pool. The discovery well is D. B. Baxter Ross Draw Unit Well No. 5 located in Unit K of Section 27, Township 26 South, Range 30 East, NNPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM Section 27: SW/4

(b) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Atoka production and designated as the South Sand Ranch-Atoka Gas Pcol. The discovery well is Depco, Inc. Beall Federal Well No. 1 located in Unit G of Section 17, Township 11 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 30 EAST, NMPM Section 17: E/2

(c) EXTEND the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM Section 25: All Section 36: N/2

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 1: E/2

(d) EXTEND the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM Section 16: N/2 Section 17: NE/4

(e) EXTEND the Buckeye-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NNPM Section 3: W/2

(f) EXTEND the East Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM Section 5: E/2

(g) EXTEND the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 9: NW/4 SE/4
Section 10: W/2 SW/4
Section 21: NE/4 NW/4

- (h) EXTEND the vertical limits of the Comanche Stateline-Yates Pool in Lea County. New Mexico, to include the Tansill formation and redesignate said Comanche Stateline-Yates Pool as the Comanche Stateline Tansill-Yates Pool.
- (i) EXTEND the Corbin-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM Section 35: NW/4

(j) EXTEND the Crooked Creek-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM Section 16: N/2

(k) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOUNSHIP 17 SOUTH, RANGE 28 EAST, NATH Section 25: S/2

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM Section 30: N/2

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM Section 13: N/2

TOWNSHIP 18 SOUTH, RANGE 29 FAST, NMPM Section 7: S/2 Section 18: All

(1) EXTEND the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 20 EAST, NMPM Section 6: S/2

(m) EXTEND the Gladiola-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM Section 5: NW/4

(n) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM Section 31: W/2 E/2 Section 32: NE/4 NE/4

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM Section 5: W/2 NW/4

(o) EXTEND the Hume-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM Section 5: S/2 Section 8: E/2

(p) EXTEND the Indian Flats-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM Section 35: S/2 SW/4

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM Section 2: N/2 NW/4

(q) EXTEND the South Kemnitz-Upper Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM Section 33: SW/4

(r) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NHPM Section 33: E/2

(s) EXTEND the East Lusk-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 16: NE/4

(t) EXTEND the Many Gates-Morrow Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM Section 31: All

(u) EXTEND the North Mescalero-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM Section 11: MM/4

(v) EXTEND the Millman-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM Section 18: All

(w) EXTEND the Monument-Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM Section 21: NE/4

(x) EXTEND the South Peterson-Fusselman Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANCE 33 EAST, NMPM Section 31: E/2

(y) EXTEND the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM Section 16: S/2

(z) EXTEND the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 FAST, NMPM Section 19: E/2
Section 20: W/2

(aa) EXTEND the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM Section 23: E/2 SE/4 and NW/4 SE/4

(bb) EXTEND the Sand Ranch-Atoka Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM Section 23: N/2

(cc) EXTEND the North Shugart-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM Section 21: W/2

(dd) EXTEND the North Shugart-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM Section 21: W/2

(ee) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM Section 30: NE/4
Section 31: SE/4
Section 32: NW/4

(ff) EXTEND the Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 6: NW/4

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM Section 31: SW/4

(gg) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM Section 25: W/2

Section 25. W/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM Section 29: N/2 Section 31: S/2

(hh) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM Section 25: S/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NNPM Section 1: SW/4 NE/4, NE/4 SE/4, SW/4 NW/4 and NW/4 SW/4

(ii) EXTEND the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM Section 19: NW/4

Page 6 of 6
Examiner Hearing - Wednesday - October 18, 1978

### DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 18, 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1978, from fifteen prorated pools in Lea, Eddy, and Chaves Countles, New Mexico.
  - (2) Consideration of the allowable production of gas for November, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

In the Matter of an Application by Supron Energy Corporation for an order authorizing downhole commingling of production from the Gallup and Dakota formations in its Jicarilla H-8 well located in the SE/4, Section 19,
Township 26 N., R. 4. W., Rio Arriba
County, New Mexico; and further authorizing dual completion of said well in the Pictured Cliffs formation and production from said formation through a separate string of tubing.

Case No. 6343

RECEIVED SEP 2 1 1978

APPLICATION

Oil Conservation Commission

COMES NOW Applica & Supron Energy Corporation, by its attorneys and states:

- 1. It is the operator of the Jicarilla H-8 well located in the SE/4, Section 11, Township 26 N., R. 4 W., Rio Arriba County, New Mexico.
- 2. Said well is presently separately completed in the Gallup and Dakota formations and is not completed in the Pictured Cliffs formation.
- 3. Applicant desires to downhill commingle production from the Gallup and Dakota formations and to dually complete said well in the Pictured Cliffs formation and produce the Pictured Cliffs through a separate string of tubing.

WHEREFORE, Applicant requests the Oil Conservation Division to issue its order authorizing the procedures set out in paragraph 3, above.

Respectfully submitted,

CAMPBELL, BINGAMAN AND BLACK, P.A.

Jack M. Campbell i

Attorneys for Applicant Post Office Box 2208

Santa Fe, New Mexico 87501

### DRAFT

dr/

# ETATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

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

6343

CASE NO.

6343

Order No. R- 5859

APPLICATION OF SUPRON ENERGY CORPORATION FOR A DUAL COMPLETION AND DOWNHOLE COMMINGLING, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8

19 78, at Santa Fe, New Mexico, before Examiner Richard L. Stamete

NOW, on this \_\_\_\_\_ day of \_\_\_ November \_, 19 78 , 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. 6343 is hereby dismissed.

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