

CASE 6850: PLUGGING CASE - OCD
JACK F. GRIMM, N. B. HUNT, GEORGE R.
BROWN, AM-ARCTIC, LTD., TRAVELERS IN-
DEMNITY CO., DONA ANA COUNTY, N. MEX.

CONTINUE TO

APRIL 23

CASE NO.

6850

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

Memo

From

W. A. GRESSETT
Supervisor

To *Ernie*

What do you think about this

Bill

NEW MEXICO OIL CONSERVATION COMMISSION - ARTESIA, NEW MEXICO

GRIMM OIL COMPANY

P. O. BOX 35 - 309 FIRST NATIONAL BANK BUILDING
ABILENE, TEXAS 79604

OFFICE 677-6663
677-6881

JACK F. GRIMM

March 17, 1980

RECEIVED

MAR 19 1980

O. C. D.
ARTESIA, OFFICE

6850

W. A. Gressett
Supervisor, District II
P. O. Drawer DD
Artesia, New Mexico 88210

Re: Jack F. Grimm, N. B. Hunt,
George R. Brown and AmArctic
Ltd. #1 Mobil-32 D-32-25-1
Dona Ana County, New Mexico

Dear Mr. Gressett:

In reference to your letter of March 14, 1980, regarding the above
referenced well, please be advised that we are no longer the operator
of said well.

The present operator is Highland Resources, Inc. (George R. Brown)
Address: 800 San Jacinto Building, Houston, Texas 77001. Please
direct any future correspondence to them.

Sincerely,

June Mitchell
June Mitchell

jm/



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

May 14, 1980

Mr. Jack F. Grimm
Grimm Oil Company
P. O. Box 35
Abilene, Texas 79604

Re: CASE NO. 6850
ORDER NO. R-6335

Applicant:

(Jack F. Grimm, N. B. Hunt,
OCD (George R. Brown and Arctic
Ltd.)

Dear Sir:

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD _____ X
Artesia OCD _____ X
Aztec OCD _____

Other

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. 6850
Order No. R-6335

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION
DIVISION ON ITS OWN MOTION TO PERMIT JACK F. GRIMM, N. B.
HUNT, GEORGE R. BROWN, AM-ARCTIC, LTD., THE TRAVELERS INDEM-
NITY COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND
SHOW CAUSE WHY THE MOBIL 32 WELL NO. 1 LOCATED IN UNIT D OF
SECTION 32, TOWNSHIP 25 SOUTH, RANGE 1 EAST, DONA ANA COUNTY,
SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A
DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 23, 1980,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of May, 1980, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

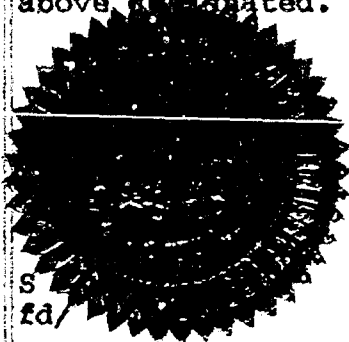
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 6850 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

S
fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
23 April 1980

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conserva-
tion Division on its own motion to
permit Jack F. Grimm, and others, to
appear and show cause why the Mobil 32
Well No. 1 should not be plugged and
abandoned.

CASE
6850

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: Call next Case 6850. In
2 the matter of the hearing called by the Oil Conservation
3 Division on its own motion to permit Jack F. Grimm, and
4 others, to appear and show cause why the Mobil 32 State Well
5 No. 1 should not be plugged and abandoned.

6 MR. PADILLA: Mr. Examiner, Ernest L.
7 Padilla on behalf of the Oil Conservation Division, and we
8 request that this case be dismissed at this time.

9 MR. STAMETS: The case will be dismissed.

10
11 (Hearing concluded.)
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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 435-7499

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing 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.

Sally W. Boyd CSE

SALLY W. BOYD, C.S.R.

Rt. 1 Box 192-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6859 heard by me on 4-23 1980.

Richard D. [Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
23 April 1980

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conserva-
tion Division on its own motion to
permit Jack F. Grimm, and others, to
appear and show cause why the Mobil 32
Well No. 1 should not be plugged and
abandoned.

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6850

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

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For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

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I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing 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.

**Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409**

I do hereby certify that the foregoing is
a correct copy of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____ 19____.

_____, Examiner

Oil Conservation Division

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, and 3 on the reverse.
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- Enclose article "Return Receipt Requested" adjacent to number.

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OIL CONSERVATION DIVISION

(Name of Sender)

POST OFFICE BOX 2088

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SANTA FE, NEW MEXICO 87501

(City, State, and ZIP Code)

PS Form 3811, Apr. 1977

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Add your address in the "RETURN TO" space on reverse.

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☒ Show to whom and date delivered. _____
☐ Show to whom, date, and address of delivery. _____
☐ **RESTRICTED DELIVERY**
Show to whom and date delivered. _____
☐ **RESTRICTED DELIVERY**
Show to whom, date, and address of delivery. \$ _____
(CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**
The Travelers Indemnity Co.
First National Bank Building
Dallas, Texas 75202

3. **ARTICLE DESCRIPTION:**

| REGISTERED NO. | CERTIFIED NO. | INSURED NO. |
|----------------|---------------|-------------|
| | 896455 | |

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4. **DATE OF DELIVERY** **POSTMARK**

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RECEIVED UNKNOWN

☆ GPO : 1977 O-234-337

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 24, 1980

CERTIFIED - RETURN
RECEIPT REQUESTED

Jack F. Grimm, N. B. Hunt,
George R. Brown, Am-Arctic, Ltd.
P. O. Box 35
Abilene, Texas 79604

✓ The Travelers Indemnity Co.
First National Bank Building
Dallas, Texas 75202

Re: Mobil 32 Well No. 1,
located in Unit D of
Section 32, Township 25
South, Range 1 East,
Dona Ana County
Plugging Bond

Gentlemen:

Enclosed is a copy of the Notice of Publication of the
Examiner Hearing to be held on Wednesday, April 9, 1980, at
9 o'clock a.m. in the Oil Conservation Division Conference
Room, State Land Office Building, Santa Fe, New Mexico.
Case 6850 concerns the above captioned subject matter.

Very truly yours,

ERNEST L. PADILLA
General Counsel

ELP/fd
enc.

C
O
P
Y

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE - NEW MEXICO

The State of New Mexico by its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of said Division promulgated thereunder of the following public hearing to be held at 9 o'clock a.m. on APRIL 9, 1980, at the Oil Conservation Division Conference Room, State Land Office Building, Santa Fe, New Mexico, before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner, both duly appointed for said hearing as provided by law.

STATE OF NEW MEXICO TO:

All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

✓ CASE 6850:

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Jack F. Grimm, N. B. Hunt, George R. Brown, Am-Arctic, Ltd., The Travelers Indemnity Company, and all other interested parties to appear and show cause why the Mobil 32 Well No. 1 located in Unit D of Section 32, Township 25 South, Range 1 East, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6851:

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider amendments to its SPECIAL RULES FOR APPLICATIONS FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATIONS as promulgated by Division Order No. R-5878 and amended by R-5878-A. The proposed amendments would make said SPECIAL RULES conform to FERC Order No. 65 which promulgated final regulations implementing filing requirements of the Natural Gas Policy Act of 1978.

CASE 6852:

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider special rules and procedures for the designation of "tight formations" or "tight sands" as outlined in the FERC interim rules and regulations issued February 20, 1980, relating to Section 107(b) of the Natural Gas Policy Act of 1978.

CASE 6853:

Application of Caribou Four Corners, Inc.
for compulsory pooling, San Juan County,
New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cha Cha-Gallup Pool underlying the N/2 NE/4 of Section 18, Township 29 North, Range 14 West, 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 6854:

Application of Jack A. Cole for an unorthodox
gas well location, Rio Arriba County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Apache Hills Well No. 6, 1326 feet from the North line and 1843 feet from the West line of Section 17, Township 23 North, Range 3 West, Ballard-Pictured Cliffs Pool, the NW/4 of said Section 17 to be dedicated to the well.

CASE 6855:

Application of Dome Petroleum Corporation
for an unorthodox well location, McKinley
County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Santa Fe 3 Well No. 1 to be drilled 1220 feet from the North line and 900 feet from the West line of Section 3, Township 21 North, Range 10 West.

CASE 6856:

Application of Texaco Inc. for downhole
commingling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blaine, Tubb-Drinkard, and Fusselman production in the wellbore of its C. C. Fristoe "B" Federal NCT-2 Well No. 6 located in Unit H of Section 34, Township 24 South, Range 37 East, Justis Field.

CASE 6857:

Application of Holly Energy, Inc. for an
unorthodox gas well location, Eddy County,
New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State 14 Well No. 1, a Morrow test to be drilled 660 feet from the South line and 990 feet from the East line of Section 14, Township 18 South, Range 28 East, the S/2 of said Section 14 to be dedicated to the well.

CASE 6858:

Application of H. L. Brown, Jr. for gas
well commingling, Roosevelt County, New Mexico.

Applicant, in the above-styled cause, seeks authority to commingle Bluit-Wolfcamp gas and condensate production from ten federal wells located as follows: Units K and P of Section 33 and L of 34, Township 7 South, Range 37 East; Units D and I of Section 3, C and J of 4, I of 5, C of 9 and G of 10; and one fee well in D of 10, all in Township 8 South, Range 37 East. Applicant would separate and meter the gas and condensate production from each well, then recombine the well's stream and commingle all wells into a small gasoline plant. Allocation of gas and condensate to each well would be on the basis of wellhead meter readings and allocation of gasoline plant production would be on the basis of gas production and BTU content at each well.

CASE 6859:

Application of R & G Drilling Company 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 1890 feet from the North line and 1830 feet from the East line of Section 28, Township 28 North, Range 11 West, Kutz-Fruitland Pool, the NE/4 of said Section 28 to be dedicated to the well.

CASE 6860:

Application of Flag-Redfern Oil Company for an exception to Order No. R-3221, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine into an unlined surface pit located in Unit P of Section 3, Township 19 South, Range 31 East.

CASE 6861:

Application of Zia Energy, Inc. for pool creation, special pool rules, and an NGPA determination, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks the creation of a new San Andres oil pool for its State "C" Well No. 1 located in Unit F of Section 17, Township 22 South, Range 37 East, and special rules therefor, including a provision for a limiting gas-oil ratio of 10,000 to 1. Applicant further seeks a new onshore reservoir determination for said State "C" Well No. 1.

CASE 6862:

Application of ARCO Oil and Gas Company for an unorthodox oil well location, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State 157 "D" Well No. 11 drilled 2123 feet from the South line and 1644 feet from the West line of Section 12, Township 22 South, Range 36 East, Drinkard Pool, the NW/4 SE/4 of said Section 12 to be dedicated to the well.

CASE 6863:

Application of Bass Enterprises Production Co. for a dual completion, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Big Eddy Unit Well No. 72 located in Unit R of Section 3, Township 21 South, Range 28 East, to produce undesignated Atoka and Morrow gas thru parallel strings of tubing.

CASE 6864:

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 Smith Ranch Well No. 11, to be drilled 1980 feet from the
North line and 660 feet from the West line of Section 11, Township 20 South,
Range 33 East, Teas-Penn Gas Pool, the N/2 of said Section 11 to be dedicated
to the well.

CASE 6846: (Amended)

In the matter of Case No. 6846 being amended to reflect that the location
for the unorthodox location of the well on the second unit is 330 feet from
the North line and 2310 feet from the East line of Section 13, Township 21
South, Range 36 East, Lea County.

CASE 6865:

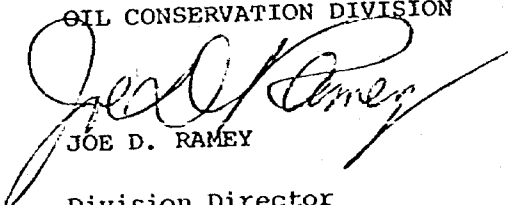
Application of Getty Oil Company to reopen
Case No. 6608, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks to reopen Case No. 6608 for
consideration of the establishment of maximum efficient rates of withdrawal
from the Grama Ridge-Wolfcamp Gas Pool.

GIVEN Under the Seal of the New Mexico Oil Conservation Commission at
Santa Fe, New Mexico, on this 21st day of March, 1980.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION


JOE D. RAMEY

Division Director

S E A L

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
9 April 1980

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conser-
vation Division on its own motion to
permit Jack F. Grimm, N. B. Hunt,
George R. Brown, Am-Arctic, Ltd.,
The Traverlers Indemnity Company,
and all other interested parties to
appear and show cause why the Mobil
32 Well No. 1, located in Unit D
of Section 32, Township 25 South,
Range 1 East, Dona Ana County,
should not be plugged and abandoned
in accordance with a Division-approved
plugging program.

CASE
6850

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

| | |
|--------------------------|-------------------------------|
| For the Oil Conservation | Ernest L. Padilla, Esq. |
| Division: | Legal Counsel to the Division |
| | State Land Office Bldg. |
| | Santa Fe, New Mexico 87501 |

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. NUTTER: The hearing will come to

2 order, please.

3 The first case this morning will be Case
4 Number 6850, which is in the matter of the hearing called
5 by the Oil Conservation Division on its own motion to per-
6 mit Jack Grimm, N. B. Hunt, George Brown, Am-Arctic, Ltd.,
7 The Travelers Indemnity Company, and all other interested
8 parties to appear and show cause why a certain well in
9 Section 32, 25 South, 1 East, Dona Ana County, New Mexico,
10 should not be plugged and abandoned in accordance with
11 a Division-approved plugging program.

12 Call for appearances in that case.

13 MR. PADILLA: Mr. Examiner, Ernest L.

14 Padilla on behalf of the Oil Conservation Division.

15 We request that this hearing, or this
16 case be continued to the April 23rd hearing date, at which
17 time the Division will consider dismissing the case provided
18 that it receives certain information from the operators of
19 the well.

20 MR. NUTTER: Case Number 6850 will be
21 continued to the Examiner Hearing scheduled to be held at
22 this same place at 9:00 o'clock a. m. April 23rd, 1980.

23
24 (Hearing concluded.)
25

SALLY W. BOYD, C.S.R.

21, 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 435-7409

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing 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.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6850
heard by me on 4/9 1980.

[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
9 April 1980

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| | State Land Office Bldg. |
| | Santa Fe, New Mexico 87501 |

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Page 2

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that the said transcript is a full, true, and correct record
of the hearing, prepared by me to the best of my ability.

SALLY W. BOYD, C.S.R.
Rt. 1 Box 119-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6850
heard by me on 4/9 1980.

 Examiner
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

April 3, 1980

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. Jack F. Grimm
Grimm Oil Company
P. O. Box 35
Abilene, Texas 79604

Re: Jack F. Grimm, N. B. Hunt,
George R. Brown and AmArctic
Ltd. Mobil 32 #1 D-32-25-1
Dona Ana County, New Mexico
Case No. 6850

Dear Mr. Grimm:

We have considered the request in your April 1, 1980, letter to Mr. Gressett and are of the opinion that we should at least temporarily continue our plugging case from the April 9 hearing date to our next hearing date of April 23, 1980.

Provided the Division's requests for information concerning the well, together with satisfactory bonding are satisfied between now and April 23, we will then be in a position to dismiss the case for a suitable amount of time (possibly one year) in light of the geothermal interest in the well.

Accordingly, we will temporarily continue the case until April 23.

Very truly yours,

ERNEST L. PADILLA
General Counsel

ELP/dr

cc: Bill Gressett
Highland Resources

State of New Mexico



ALEX J. ARMIJO
COMMISSIONER



Commissioner of Public Lands

April 3, 1980

P. O. BOX 1148
SANTA FE, NEW MEXICO 87501

New Mexico Oil Conservation Division
Santa Fe, New Mexico 87501

Re: Case No. 6850, Examiner Hearing
April 9, 1980

Attn: Examiner

Gentlemen:

In connection with the subject plugging case, this is to advise that Jack F. Grimm no longer has any interest in State Oil and Gas Lease No. L-939-1 which expired on June 18, 1978, on which the Mobil 32 Well No. 1 was located.

Very truly yours,

Alex J. Armijo
Commissioner of Public Lands

Ray D. Graham
By: Ray D. Graham, Director
Oil and Gas Division
A/C 505-827-2748

AJA:RDG:cw

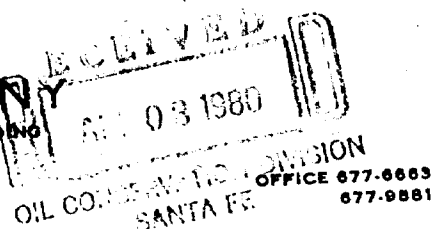
Case 6850

GRIMM OIL COMPANY

P. O. BOX 35 - 309 FIRST NATIONAL BANK BUILDING
ABILENE, TEXAS 79604

JACK F. GRIMM

April 1, 1980



Case 6850

W. A. Gressett
Supervisor, District II
Energy and Minerals Department
P. O. Drawer DD
Artesia, New Mexico 88210

Re: Jack F. Grimm, N. B. Hunt,
George R. Brown and Arctic
Ltd. Mobil 32 #1-D-32-25-1
Dona Ana County, New Mexico

Dear Mr. Gressett,

Enclosed please find copies of all electric and radio active logs
that were run in the above captioned hole.

I am sending these Certified Mail as this is the second time the
logs have been sent. The ones sent earlier were apparently lost in
the mail.

Due to the high temperatures in the hole, we were not ever able to
get a complete suite of logs and the only log we have from 20,500' is
the radio active log that went to 21,371'. We have no logs below
that depth because we lost the test tool in the hole and had to
abandon the bottom 400' of the hole and therefore it was never logged.

I have talked with Mr. Isaac Norman in George R. Brown's office
(Highland Resources) today regarding delaying plugging the well since
there is a possibility that the hole could be used to test the geo-
thermal zones from 14,400' - 15,000' as well as the possibility of
deepening the well from its present depth of approximately 20,750'.
An additional 1,500' of drilling would evaluate the deeper beds
including the El Paso formation.

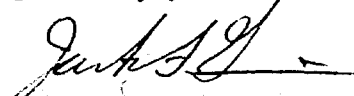
George R. Brown (Highland Resources) presently own the oil and gas lease
where this well is located and I own the geothermal lease. I would
like to keep the well in its present status for another twelve months.
I have maintained the plugging bond on the well per your regulations
and have since we abandoned the well in 1973 when your office issued
us a temporary abandonment order.

Page Two
April 1, 1980

We put a cement plug in the base of the intermediate string as required by your office so the well is sitting there temporarily abandoned.

Please consider our request to keep the hole in its present status for the time requested because it would probably take \$3.5 million to drill a well to the same depth at today's prices.

Sincerely yours,



JACK F. GRIMM

JFG:jm

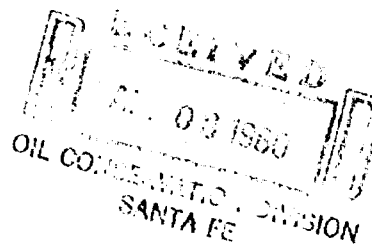
cc: Isaac W. Norman
George R. Brown
800 San Jacinto Building
Houston, Texas 77002

Highland Resources

Mr. Ernest Padilla
P. O. Box 2088
Santa Fe, New Mexico 87501

OIL & GAS DIVISION

GEORGE R. BROWN
SAN JACINTO BUILDING
HOUSTON, TEXAS 77002



April 1, 1980

Case 6850

Mr. W. A. Gressett
Supervisor, District II
Energy and Mineral Department
P. O. Drawer DD
Artesia, New Mexico 88210

RE: Jack F. Grimm, N.E. Hunt
George R. Brown, and
A M Arctic, Ltd., Mobil 32
#1-D-32-25S-1E
Dona Ana County, New Mexico

Dear Mr. Gressett:

I am in receipt of your letter of March 28th enclosing forms for Change of Operator and Bonding. Since our telephone conversation of last week, I have been in touch with Mr. Grimm and it is his desire to maintain the #1 Mobil 32 hole in its present status and remain as operator.

Mr. Grimm will furnish you 2 sets of the open hole logs as he has extra copies.

Thank you for your cooperation in this matter.

Very truly yours,

GEORGE R. BROWN

A handwritten signature in cursive script that reads 'Isaac W. Norman'.

Isaac W. Norman
Oil & Gas Division Manager

IWN/pb

CC: Mr. Jack Grimm
Grimm Oil Company
P. O. Box 35
Abilene, Texas 79604

Mr. Ernest Padilla
P. O. Box 2088
Sante Fe, NM 87501

SENDER: Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

The following service is requested (check one).
☒ Show to whom and date delivered.
☐ Show to whom, date, and address of delivery.
☐ RESTRICTED DELIVERY
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery. \$
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
 Jack F. Grimm, N. B. Hunt, George
 R. Brown, Am-Arctic, Ltd.
 P. O. Box 35 Abilene, Tex. 79604

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
 896446

(Always obtain signature of addressee or agent)
 I have received the article described above.
 SIGNATURE ☒ Addressee ☐ Authorized agent
June P. Hill

4. DATE OF DELIVERY POSTMARK
 MAR 26 1980

5. ADDRESS (Complete only if requested)
 M.O. #4

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS
 W. W. WICKER

☆ GPO: 1977-O-234-337

No. 896446
 RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED—
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

| | | |
|-----------------------------|---|----------------------|
| SENT TO | | Jack F. Grimm et al |
| STREET AND NO. | | |
| P. O. Box 35 | | |
| P.O., STATE AND ZIP CODE | | Abilene, Texas 79604 |
| POSTAGE | | \$ |
| CONSULT POSTMASTER FOR FEES | CERTIFIED FEE | ¢ |
| | SPECIAL DELIVERY | ¢ |
| | RESTRICTED DELIVERY | ¢ |
| | OPTIONAL SERVICES | |
| | RETURN RECEIPT SERVICE | |
| | SHOW TO WHOM AND DATE DELIVERED | ¢ |
| | SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY | ¢ |
| | SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY | ¢ |
| | SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY | ¢ |
| TOTAL POSTAGE AND FEES | | \$ |
| POSTMARK OR DATE | | |



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

March 28, 1980

P.O. DRAWER 00
ARTESIA, NEW MEXICO 88210
(505) 748-4881

748-2183

Highland Resources, Inc.
800 San Jacinto Building
Houston, Texas 77002

Attn: Mr. I. W. Norman

Re: Jack F. Grimm, N. B. Hunt,
George R. Brown, and
A M Arctic, Ltd., Mobil 32
#1-D-32-25S-1E
Dona Ana County, New Mexico

Gentlemen:

Enclosed please find Division Form C-103 to be used for a change in ownership on the subject well.

Further, this office has no record of a bond for Highland Resources, Inc. Your bond must be submitted to our Santa Fe Office for approval prior to approving the change in ownership. (One-well and blanket bond forms are enclosed.)

If you have any questions concerning this matter, feel free to contact me.

Sincerely,

W. A. Gressett
Supervisor, District II

WAG:ar

Encls.

Xc: Mr. Ernest Padilla ✓

P. O. Box 2088
Santa Fe, NM 87501

No. 896455

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

| | | | |
|-----------------------------|------------------------|--|----|
| SENT TO | | The Travelers Indemn. | |
| STREET AND NO. | | First Natl. Bk. Bldg. | |
| P.O., STATE AND ZIP CODE | | Dallas, Texas 75202 | |
| POSTAGE | | \$ | |
| CONSULT POSTMASTER FOR FEES | OPTIONAL SERVICES | CERTIFIED FEE | \$ |
| | | SPECIAL DELIVERY | \$ |
| | | RESTRICTED DELIVERY | \$ |
| | RETURN RECEIPT SERVICE | SHOW TO WHOM AND DATE DELIVERED | \$ |
| | | SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY | \$ |
| | | SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY | \$ |
| TOTAL POSTAGE AND FEES | | \$ | |
| POSTMARK OR DATE | | | |

PS Form 3500, Apr. 1976

CASE 6853: (Continued from April 9, 1980, Examiner Hearing)

Application of Caribou Four Corners, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cha Cha-Gallup Pool underlying the N/2 NE/4 of Section 18, Township 29 North, Range 14 West, 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 6875: Application of Maurice L. Brown Co. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SE/4 NW/4 of Section 4, Township 9 South, Range 34 East, 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 6876: Application of Maurice L. Brown Co. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Vada-Pennsylvanian Pool underlying the SW/4 of Section 5, Township 9 South, Range 34 East, 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 6467: (Reopened and Readvertised)

In the matter of Case 6467 being reopened pursuant to the provisions of Order No. R-5958 which order created the Grama Ridge-Bone Spring Pool in Lea County with temporary special rules therefor providing for 160-acre spacing. All interested parties may appear and show cause why the Grama Ridge-Bone Spring Pool should not be developed on 40-acre spacing units.

CASE 6877: Application of Florida Exploration Company for compulsory pooling and unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Ellenburger formations underlying the N/2 of Section 11, Township 25 South, Range 35 East, to be dedicated to a well to be drilled at an unorthodox location 1200 feet from the North and West lines of said Section 11. 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 6878: Application of Stevens Oil Company for a non-standard gas proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the N/2 SW/4 and S/2 NW/4 of Section 25, Township 8 South, Range 28 East, Twin Lakes-San Andres Associated Pool, to be dedicated to its O'Brien "F" Well No. 4 located in Unit K of said Section 25.

CASE 6879: Application of Jake L. Hamon for a tubingless completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce his Amerada Federal Well No. 2 located in Unit F of Section 17, Township 20 South, Range 36 East, North Osado-Morrow Gas Pool, thru 4 1/2-inch drill pipe cemented in the hole.

CASE 6861: (Continued from April 9, 1980, Examiner Hearing)

Application of Zia Energy, Inc. for pool creation, special pool rules, and an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new San Andres oil pool for its State "C" Well No. 1 located in Unit F of Section 17, Township 22 South, Range 37 East, and special rules therefor, including a provision for a limiting gas-oil ratio of 10,000 to 1. Applicant further seeks a new onshore reservoir determination for said State "C" Well No. 1.

CASE 6837: (Continued from April 9, 1980, Examiner Hearing)

Application of Curtis Little 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 W/2 of Section 7, Township 25 North, Range 3 West, 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.

Dockets Nos. 13-80 and 14-80 are tentatively set for May 7 and 21, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 23, 1980

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 6801: (Continued from February 13, 1980, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit EPROC Associates, Hartford Accident and Indemnity Company, and all other interested parties to appear and show cause why its Monsanto State H Well No. 1 located in Unit E of Section 2, Township 30 North, Range 16 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6866: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Hare and McCoy and all other interested parties to appear and show cause why the H. L. Hare Well No. 2 located in Unit B of Section 23, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6867: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit all interested parties to appear and show cause why the following abandoned wells drilled by unknown party or parties and located in Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program: a well in the SW/4 of Section 24, a well in the SE/4 of Section 22, and a well in the SE/4 of Section 28.

CASE 6850: (Continued from April 9, 1980, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Jack F. Grimm, N. B. Hunt, George R. Brown, Am-Arctic, Ltd., The Travelers Indemnity Company, and all other interested parties to appear and show cause why the Mobil 32 Well No. 1 located in Unit D of Section 32, Township 25 South, Range 1 East, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6870: Application of Bass Enterprises Production Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Bass State 36 Well No. 1 located in Unit E of Section 36, Township 15 South, Range 34 East, to produce oil from the Townsend-Wolfcamp Pool and gas from an undesignated Morrow pool thru the tubing and casing-tubing annulus, respectively, by means of a cross-over assembly.

CASE 6871: Application of Bass Enterprises Production Company to amend Order No. R-5693, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Order No. R-5693 to remove the restriction as to the time limit in which salt water may be disposed into Big Eddy Unit Well No. 56 located in Unit C of Section 35, Township 21 South, Range 28 East.

CASE 6872: Application of Amoco Production Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its State "HQ" Well No. 1 located in Unit P of Section 26, Township 18 South, Range 34 East, Airstrip Field, to produce Bone Springs and Wolfcamp oil thru parallel strings of tubing.

CASE 6873: 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 its Travis Deep Well No. 5, a Morrow test to be drilled 660 feet from the South line and 1650 feet from the East line of Section 12, Township 18 South, Range 28 East, the S/2 of said Section 12 to be dedicated to the well.

CASE 6874: Application of HNG Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 6, Township 22 South, Range 35 East, 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.

(i) EXTEND the Blanco-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
Section 1: SW/4
Section 2: SE/4

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Section 10: SW/4
Section 16: NW/4

(j) EXTEND the Blanco Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM
Section 3: N/2
Section 5: N/2
Section 6: All
Section 7: All
Section 8: W/2

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM
Section 4: All

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM
Section 17: E/2

(k) EXTEND the Blanco-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM
Section 10: NE/4 and S/2

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
Section 20: NE/4

TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM
Section 19: All
Section 29: NW/4
Section 30: N/2

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Section 10: SW/4
Section 24: E/2

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 8: NW/4

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM
Section 7: NE/4
Section 19: NW/4

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM
Section 24: E/2 and SW/4

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
Section 15: SW/4
Section 18: NE/4
Section 21: NE/4
Section 22: NE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 1: N/2

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM
Section 33: S/2

CASE 6487: (Continued from February 13, 1980, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6868: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order contracting and extending certain pools in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico:

(a) CONTRACT the Bisti-Farmington Pool in San Juan County, New Mexico, by deleting:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPH
Section 20: W/2

(b) CONTRACT the Blanco-Pictured Cliffs Pool in San Juan and Rio Arriba Counties, New Mexico, by deleting:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPH
Section 35: NW/4

(c) EXTEND the Albino-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPH
Section 24: W/2
Section 25: W/2
Section 26: SE/4
Section 36: W/2

(d) EXTEND the Aztec-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPH
Section 17: S/2

(e) EXTEND the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPH
Section 34: NW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPH
Section 6: SE/4

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPH
Section 7: SW/4
Section 17: S/2

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPH
Section 23: NE/4

(f) EXTEND the Ballard-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPH
Section 15: NW/4

(g) EXTEND the Bisti-Farmington Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPH
Section 29: S/2
Section 30: SE/4 and W/2

(h) EXTEND the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPH
Section 22: NW/4

- (r) EXTEND the Chosa Mesa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 3 WEST, NMPM

Section 19: S/2

Section 30: N/2

TOWNSHIP 28 NORTH, RANGE 4 WEST, NMPM

Section 9: E/2

Section 10: All

Section 16: E/2

Section 21: NE/4

- (s) EXTEND the Escrito-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 21: SW/4

- (t) EXTEND the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 25: SE/4

Section 36: NE/4 and S/2

- (u) EXTEND the Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 5 WEST, NMPM

Section 4: N/2 and SE/4

Section 5: N/2

Section 6: N/2

Section 15: S/2

Section 23: NW/4 and SE/4

Section 25: NW/4

TOWNSHIP 29 NORTH, RANGE 6 WEST, NMPM

Section 1: NE/4

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM

Section 31: SW/4

- (v) EXTEND the Harper Hill Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM

Section 27: SE/4

Section 34: NE/4

Section 35: SW/4

- (w) EXTEND the Harris Mesa-Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 11: S/2

Section 12: SW/4

Section 13: N/2

Section 14: NE/4

- (x) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 24: S/2

- (y) EXTEND the Largo-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM

Section 28: SE/4

- (z) EXTEND the South Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 21: SW/4

Section 27: N/2

TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM

Section 10: E/2
Section 11: All
Section 13: SW/4
Section 14: All
Section 24: NW/4
Section 25: N/2
Section 26: NE/4
Section 35: E/2 and SW/4

- (l) EXTEND the South Blanco-Pictured Cliffs Pool in Rio Arriba, San Juan, and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPM

Section 19: E/2
Section 30: NE/4

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM

Section 26: NE/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 36: NW/4

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM

Section 12: SE/4

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Section 34: NE/4

- (m) EXTEND the East Blanco-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM

Section 4: W/2

TOWNSHIP 31 NORTH, RANGE 4 WEST, NMPM

Section 33: SW/4

- (n) EXTEND the Bloomfield-Farmington Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 25: SE/4

- (o) EXTEND the Campo-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM

Section 12: SE/4

Section 13: NE/4

- (p) EXTEND the Cha Cha-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 18: N/2 SW/4 and NW/4 SE/4

TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM

Section 13: NE/4 and N/2 SE/4

- (q) EXTEND the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 25: NW/4

Section 26: NE/4

Section 34: SW/4

Section 35: NE/4

Section 36: NW/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 20: E/2

Section 34: NW/4

(ff) EXTEND the Star-Mesa Verde Oil Pool in McKinley County, New Mexico, to include therein:

TOWNSHIP 19 NORTH, RANGE 6 WEST, NMPM
Section 16: N/2 NE/4

(gg) EXTEND the Ute Dome-Dakota Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM
Section 25: W/2

(hh) EXTEND the WAW Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 19: S/2 and SW/4
Section 30: NW/4
Section 31: NE/4
Section 36: NW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM
Section 2: S/2
Section 3: S/2
Section 9: NE/4
Section 10: N/2
Section 11: All
Section 12: W/2
Section 13: NW/4
Section 14: N/2
Section 24: E/2

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM
Section 7: W/2 and SE/4
Section 17: W/2 and SE/4
Section 20: E/2
Section 21: W/2
Section 28: All

CASE 6869: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting and extending the vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the East Anderson Ranch-Wolfcamp Pool. The discovery well is Holly Energy, Inc. Pogo State Well No. 1 located in Unit H of Section 19, Township 16 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 19: NE/4

(b) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Bull's Eye-San Andres Pool. The discovery well is Ralph Nix Union Happy Well No. 1 located in Unit O of Section 1, Township 8 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 1: SE/4 and S/2 NE/4
Section 12: NE/4

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM
Section 6: W/2 SW/4
Section 7: W/2 NW/4

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres Production and designated as the Cary-San Andres Pool. The discovery well is Zia Energy, Inc. State C Well No. 1 located in Unit F of Section 17, Township 22 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 17: NW/4

(aa) EXTEND the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM
Section 17: NW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 3: SW/4
Section 5: S/2
Section 6: S/2
Section 7: N/2 and SW/4
Section 8: N/2
Section 11: SW/4
Section 14: NE/4
Section 24: SW/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
Section 23: NW/4
Section 30: SW/4
Section 31: SE/4

(bb) EXTEND the South Los Pinos Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 7 WEST, NMPM
Section 1: W/2
Section 10: SE/4
Section 11: N/2

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM
Section 26: SE/4
Section 34: SE/4

(cc) EXTEND the Otero-Chacra Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
Section 23: N/2
Section 25: N/2 and SE/4

(dd) EXTEND the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM
Section 2: N/2 NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 22: NE/4
Section 23: NW/4
Section 34: W/2 SW/4 and SE/4
Section 35: SW/4 SW/4

(ee) EXTEND the Rusty-Chacra Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 6 WEST, NMPM
Section 18: SW/4
Section 19: All
Section 20: SW/4
Section 28: NW/4
Section 29: N/2
Section 30: NE/4

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM
Section 10: S/2
Section 11: SW/4
Section 14: W/2
Section 15: SE/4
Section 20: NE/4

(l) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sand Point-Morrow Gas Pool. The discovery well is Perry R. Bass Big Eddy Unit Well No. 72 located in Unit R of Section 3, Township 21 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 3: S/2

(m) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Mississippian production and designated as the Sand Ranch-Mississippian Gas Pool. The discovery well is MGF Oil Corporation Bikar Federal Well No. 1 located in Unit G of Section 14, Township 10 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM
Section 14: N/2

(n) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the North Tom Tom-San Andres Pool. The discovery well is NKM Petroleum Corporation Mooney Well No. 1 located in Unit A of Section 17, Township 7 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 17: NE/4

(o) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production and designated as the Tonto-Bone Springs Pool. The discovery well is Amoco Production Company Nellis A Federal Well No. 1 located in Unit E of Section 8, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 8: NW/4

(p) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Mississippian production and designated as the Townsend-Mississippian Gas Pool. The discovery well is Allen K. Trobaugh Eidson Com Well No. 1 located in Unit G of Section 28, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 28: NE/4

(q) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Fusselman production and designated as the Wantz-Fusselman Pool. The discovery well is N. B. Hunt Mittie Weatherly Well No. 8 located in Unit G of Section 21, Township 21 South, Range 37 East, NMPM. Said pool would comprise:

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

(r) EXTEND the Airstrip-Lower Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 25: NW/4

(s) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 28: NW/4

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

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 5: S/2

(u) EXTEND the Bar U-Pennsylvanian Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM
Section 31: N/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Grayburg production and designated as the Diamond Mound-Grayburg Gas Pool. The discovery well is Mesa Petroleum Company Sink Federal Well No. 1 located in Unit 1 of Section 9, Township 16 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 9: SE/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Diamond Mound-Morrow Gas Pool. The discovery well is Mesa Petroleum Company Derrick Federal Com Well No. 1 located in Unit K of Section 5, Township 16 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 5: Lots 3, 4, 5, 6, 11, 12,
13, and 14

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Abo production and designated as the Gopher-Abo Gas Pool. The discovery well is Mesa Petroleum Company Catclaw State Well No. 1 located in Unit G of Section 31, Township 17 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM
Section 31: NE/4

(g) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Upper Pennsylvanian production and designated as the Grayburg-Upper Pennsylvanian Pool. The discovery well is Depco, Inc. Conoco State Well No. 1 located in Unit K of Section 15, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 15: SW/4

(h) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production and designated as the Hardy-Drinkard Pool. The discovery well is Amoco Production Company State C Tr. 11 Well No. 11 located in Unit X of Section 2, Township 21 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: SE/4
Section 11: NE/4

(i) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Logan Draw-Atoka Gas Pool. The discovery well is Mesa Petroleum Company Maralo Federal Com Well No. 1 located in Unit L of Section 22, Township 17 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 22: W/2

(j) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production and designated as the Rabbit Flats-Queen Pool. The discovery well is Rapid Company, Inc. Copelan State Well No. 1 located in Unit C of Section 31, Township 10 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 31: NE/4 NW/4 and N/2 NE/4

(k) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Ross Draw-Wolfcamp Gas Pool. The discovery well is Florida Gas Exploration Company Ross Draw Unit Well No. 7 located in Unit J of Section 26, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 26: S/2
Section 27: All

- (ii) EXTEND the Grama Ridge-Wolfcamp Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 36: N/2 and SE/4

- (jj) EXTEND the Hobbs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 34: W/2

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 3: NW/4

- (kk) EXTEND the Jalmat Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 28: S/2 NW/4

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 25: S/2

TOWNSHIP 25 SOUTH, RANGE 38 EAST, NMPM
Section 30: SW/4

- (mm) EXTEND the Langley-Devonian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 17: S/2
Section 28: N/2

- (nn) EXTEND the Langley-Ellenburger Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 17: S/2

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 21: N/2 N/2

- (pp) EXTEND the Logan Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 20: All
Section 21: S/2
Section 28: E/2
Section 33: E/2

- (qq) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 18: NE/4

- (rr) EXTEND the Parkway-Strawn Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

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

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 21: S/2
Section 22: All

- (v) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

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

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 11: All

- (x) EXTEND the East Caprock-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
Section 14: SW/4
Section 23: W/2

- (y) CONTRACT the horizontal limits of the Cato-San Andres Pool in Chaves County, New Mexico, by the deletion of the following described area:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 5: NW/4

- and EXTEND the horizontal limits of said pool to include therein:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM
Section 4: SE/4

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 34: NW/4

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

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 21: NW/4

- (bb) EXTEND the South Culebra Bluff-Bone Springs Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 22: NE/4
Section 23: NW/4

- (cc) EXTEND the Custer-Devonian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 25: W/2

- (dd) EXTEND the Double L-Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 1: W/2, SW/4 NE/4 and W/2 SE/4

- (ee) EXTEND the Eagle Creek Permo-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 3: All

- (ff) EXTEND the South Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 10: SE/4

- (gg) EXTEND the East Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 26: S/2

- (hh) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 1: W/2

(eee) EXTEND the White Ranch-Mississippian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 29 EAST, NMPM
Section 34: E/2

(fff) EXTEND the Wilson-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 12: SE/4
Section 13: NE/4

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

TOWNSHIP 5 SOUTH, RANGE 32 EAST, NMPM
Section 25: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 13 EAST, NMPM
Section 12: E/2

TOWNSHIP 19 SOUTH, RANGE 14 EAST, NMPM
Section 7: W/2

(vv) 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: SW/4
Section 36: NW/4

(ww) EXTEND the Scoggin Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 3: E/2
Section 10: E/2

(xx) EXTEND the Shugart Yates-Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 35: N/2 NE/4

(yy) EXTEND the vertical limits of the Sioux-Yates Pool in Lea County, New Mexico, to include the Tansill formation and redesignate said pool as the Sioux Tansill-Yates Pool, and extend the horizontal limits of said pool to include therein:

TOWNSHIP 26 SOUTH, RANGE 16 EAST, NMPM
Section 16: N/2 and SE/4

(zz) EXTEND the Tom-Tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 25: NW/4
Section 26: SE/4
Section 28: SW/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 5: NW/4 and N/2 SW/4

(aaa) EXTEND the West Tonto-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 18: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 11: All
Section 14: E/2

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 27: S/2

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

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

- CASE 6843: (Continued from March 26, 1980, Examiner Hearing)
Application of Yates Petroleum Corporation for two compulsory poolings, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Yeso formation underlying two 40-acre proration units, the first being the SE/4 SE/4 and the second being the SW/4 SE/4 of Section 6, Township 19 South, Range 25 East, Penasco Draw Field, each unit 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 wells 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 wells and a charge for risk involved in drilling said wells.
- CASE 6858: Application of H. L. Brown, Jr. for gas well commingling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Bluit-Wolfcamp gas and condensate production from ten federal wells located as follows: Units K and P of Section 33 and L of 34, Township 7 South, Range 37 East; Units D and L of Section 3, C and J of 4, I of 5, C of 9 and C of 10; and one fee well in D of 10, all in Township 8 South, Range 37 East. Applicant would separate and meter the gas and condensate production from each well, then recombine the well's stream and commingle all wells into a small gasoline plant. Allocation of gas and condensate to each well would be on the basis of wellhead meter readings and allocation of gasoline plant production would be on the basis of gas production and BTU content at each well.
- CASE 6859: Application of R & G Drilling Company 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 1890 feet from the North line and 1830 feet from the East line of Section 28, Township 28 North, Range 11 West, Kutz-Fruitland Pool, the NE/4 of said Section 28 to be dedicated to the well.
- CASE 6860: Application of Flag-Redfern Oil Company for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine into an unlined surface pit located in Unit P of Section 3, Township 19 South, Range 31 East.
- CASE 6861: Application of Zia Energy, Inc. for pool creation, special pool rules, and an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new San Andres oil pool for its State "C" Well No. 1 located in Unit F of Section 17, Township 22 South, Range 37 East, and special rules therefor, including a provision for a limiting gas-oil ratio of 10,000 to 1. Applicant further seeks a new onshore reservoir determination for said State "C" Well No. 1.
- CASE 6837: (Continued from March 26, 1980, Examiner Hearing)
Application of Curtis Little 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 W/2 of Section 7, Township 25 North, Range 3 West, 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 6862: Application of ARCO Oil and Gas Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State 157 "D" Well No. 11 drilled 2123 feet from the South line and 1644 feet from the East line of Section 12, Township 22 South, Range 36 East, Drinkard Pool, the NW/4 SE/4 of said Section 12 to be dedicated to the well.
- CASE 6863: Application of Bass Enterprises Production Co. for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Big Eddy Unit Well No. 72 located in Unit R of Section 3, Township 21 South, Range 28 East, to produce undesignated Atoka and Morrow gas thru parallel strings of tubing.
- CASE 6864: 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 Smith Ranch Well No. 11, to be drilled 1980 feet from the North line and 660 feet from the West line of Section 11, Township 20 South, Range 33 East, Teas-Penn Gas Pool, the N/2 of said Section 11 to be dedicated to the well.

Docket No. 9-80

Dockets Nos. 12-80 and 13-80 are tentatively set for April 23 and May 7, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 9, 1980

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 6850: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Jack F. Grimm, N. B. Hunt, George R. Brown, Am-Arctic, Ltd., The Travelers Indemnity Company, and all other interested parties to appear and show cause why the Mobil 32 Well No. 1 located in Unit D of Section 32, Township 25 South, Range 1 East, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6851: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider amendments to its SPECIAL RULES FOR APPLICATIONS FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATIONS as promulgated by Division Order No. R-5878 and amended by R-5878-A. The proposed amendments would make said SPECIAL RULES conform to FERC Order No. 65 which promulgated final regulations implementing filing requirements of the Natural Gas Policy Act of 1978.

CASE 6852: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider special rules and procedures for the designation of "tight formations" or "tight sands" as outlined in the FERC interim rules and regulations issued February 20, 1980, relating to Section 107(b) of the Natural Gas Policy Act of 1978.

CASE 6853: Application of Caribou Four Corners, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cha Cha-Gallup Pool underlying the N/2 NE/4 of Section 18, Township 29 North, Range 14 West, 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 6854: Application of Jack A. Cole for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Apache Hills Well No. 6, 1326 feet from the North line and 1843 feet from the West line of Section 17, Township 23 North, Range 3 West, Ballard-Pictured Cliffs Pool, the NW/4 of said Section 17 to be dedicated to the well.

CASE 6841: (Continued from March 26, 1980, Examiner Hearing)

Application of CIG Exploration, Inc. for two non-standard gas proration units, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of two non-standard gas proration units in Township 16 South, Range 28 East, the first being 219.6 acres comprising Lots 1 thru 8 of Section 1 and the second being 219.92 acres comprising Lots 1 thru 8 of Section 2, for the Wolfcamp, Pennsylvanian, and Mississippian formations, each unit to be dedicated to a well to be drilled at a standard location thereon.

CASE 6855: Application of Dome Petroleum Corporation for an unorthodox well location, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Santa Fe 3 Well No. 1 to be drilled 1220 feet from the North line and 900 feet from the West line of Section 3, Township 21 North, Range 10 West.

CASE 6856: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry, Tubb-Drinkard, and Fusselman production in the wellbore of its C. C. Fristoe "B" Federal NCT-2 Well No. 6 located in Unit H of Section 34, Township 24 South, Range 37 East, Justis Field.

CASE 6857: Application of Holly Energy, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State 14 Well No. 1, a Morrow test to be drilled 660 feet from the South line and 990 feet from the East line of Section 14, Township 18 South, Range 28 East, the S/2 of said Section 14 to be dedicated to the well.

CASE 6846: (Amended)

In the matter of Case No. 6846 being amended to reflect that the location for the unorthodox location of the well on the second unit is 330 feet from the North line and 2310 feet from the East line of Section 13, Township 21 South, Range 36 East, Lea County.

CASE 6846: (Continued from March 26, 1980, Examiner Hearing)

Application of Doyle Hartman for two compulsory poolings, two non-standard gas proration units, and two unorthodox well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying two 80-acre non-standard gas proration units, the first being the S/2 NE/4 of Section 13, Township 21 South, Range 36 East, to be dedicated to a well to be drilled at an unorthodox location 1650 feet from the North line and 2310 feet from the East line of said Section 13, and the second being the N/2 NE/4 of said Section 13 to be dedicated to a well to be drilled at an unorthodox location 330 feet from the North line and 2310 feet from the East line of said Section 13. Also to be considered will be the cost of drilling and completing said wells 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 wells and a charge for risk involved in drilling said wells.

CASE 6865: Application of Getty Oil Company to reopen Case No. 6608, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to reopen Case No. 6608 for consideration of the establishment of maximum efficient rates of withdrawal from the Grama Ridge-Wolfcamp Gas Pool.

Docket No. 10-80

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 16, 1980

8:45 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:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for May, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for May, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

Docket No. 11-80

DOCKET: COMMISSION HEARING - WEDNESDAY - APRIL 16, 1980

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

CASE 6609: (DE NOVO) (Continued from March 11, 1980, Commission Hearing)

Application of Napeco Inc. for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn oil pool for its Benson Deep Unit Well No. 1 located in Unit O of Section 33, Township 18 South, Range 30 East, and special rules therefor, including 160-acre spacing and standard well locations.

Upon application of Yates Petroleum Corporation and Napeco Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220. Applicants allege this is not an "oil" pool but is a "volatile" oil pool.

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

March 24, 1980

CERTIFIED - RETURN
RECEIPT REQUESTED

C
O
P
Y

Jack F. Grimm, N. B. Hunt,
George R. Brown, Am-Arctic, Ltd.
P. O. Box 35
Abilene, Texas 79604

The Travelers Indemnity Co.
First National Bank Building
Dallas, Texas 75202

Re: Mobil 32 Well No. 1,
located in Unit D of
Section 32, Township 25
South, Range 1 East,
Dona Ana County
Plugging Bond

Gentlemen:

Enclosed is a copy of the Notice of Publication of the
Examiner Hearing to be held on Wednesday, April 9, 1980, at
9 o'clock a.m. in the Oil Conservation Division Conference
Room, State Land Office Building, Santa Fe, New Mexico.
Case 6850 concerns the above captioned subject matter.

Very truly yours,

ERNEST L. PADILLA
General Counsel

ELP/fd
enc.



BRUCE KING
GOVERNOR
LARRY KENOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

March 14, 1980

P.O. DRAWER DD
ARTESIA, NEW MEXICO 88210
(505) 746-4881
748-2183

Mr. Jack F. Grimm
Post Office Box 35
Abilene, Texas 79604

*Set this for
hearing please
EJP*

Re: Jack F. Grimm, N.B. Hunt,
George R. Brown and
A M Artic Ltd.
Mobil 32 #1-D-32-25-1
Dona Ana County, NM

Dear Mr. Grimm:

To date this office has not received a reply to our letter of October 19, 1979, concerning the subject well (copy attached).

Therefore, I am referring this matter to our attorney and requesting that he set this matter for a hearing to permit all interested parties to appear and show cause why the well should not be plugged and abandoned in accordance with a Division approved plugging program.

Sincerely,

W.A. Gressett

W. A. Gressett
Supervisor, District II

WAG:ar
Encls.

Xc: Mr. Ernest Padilla
P. O. Box 2088
Santa Fe, NM 87501



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
ARTESIA DISTRICT OFFICE

October 19, 1979

P.O. DRAWER 00
ARTESIA, NEW MEXICO 88210
(505) 748-4861

Jack F. Grimm
Box 35
Abilene, TX 79604

Re: Jack F. Grimm, N.B. Hunt,
George R. Brown and
A M Artic Ltd.
Mobil 32 #1-D; 32-25S-1E
Dona Ana County, NM

Dear Mr. Grimm:

According to our records the subject well was drilled to a total depth of 20,767' and temporarily abandoned in August, 1973.

To date no further progress reports have been received. Therefore, we are hereby requesting that drilling be resumed or the well be plugged and abandoned.

Please submit Form C-103 outlining your plans for the well and one copy of each log run.

If you have any questions concerning this matter please feel free to contact me.

Sincerely yours,

W. A. Gressett

W. A. Gressett
Supervisor, District II

WAG:jw

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:

JGR
CASE NO. 6850

Order No. R- 6335

SP
RL
IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION DIVISION
ON ITS OWN MOTION TO PERMIT JACK F. GRIMM, N. B. HUNT, GEORGE R.
BROWN, AM-ARCTIC, LTD., THE TRAVELERS INDEMNITY COMPANY, AND ALL
OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE MOBIL
32 WELL NO. 1 LOCATED IN UNIT D OF SECTION 32, TOWNSHIP 25 SOUTH,
RANGE 1 EAST, DONA ANA COUNTY, SHOULD NOT BE PLUGGED AND ABANDONED
IN ACCORDANCE WITH ORDER OF THE DIVISION A DIVISION-APPROVED
PLUGGING PROGRAM.

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 23,
1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this _____ day of _____, 1980, 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. 6850 is hereby dismissed.

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

Don