

CASE 522: R & C DRILLING COMPANY FOR
AN OIL/GAS WELL LOCATION, SAN
JUAN COUNTY, NEW MEXICO

Cont to May 21

CASE NO.

6859

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JUNE 13, 1980

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

Mr. Ewell N. Walsh, President
Walsh Engineering & Production
Corp.
P. O. Box 254
Farmington, New Mexico 87401

Re: CASE NO. 6859
ORDER NO. R-6356

Applicant:

R & G Drilling Company

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 X

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. 6859
Order No. R-6356

APPLICATION OF R & G DRILLING
COMPANY FOR AN UNORTHODOX GAS
WELL LOCATION, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 21, 1980,
at Santa Fe, New Mexico, before Examiner Richard L. Starnes.

NOW, on this 5th day of June, 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. 6859 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
Director

SEAL
24/

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

EXAMINER HEARING

IN THE MATTER OF:

Application of RAG Drilling Company
for an unorthodox gas well location
San Juan County, New Mexico.

CASE
6859

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.

101. 1 Box 190-B
Santa Fe, New Mexico 87501
Phone (505) 433-7419

1 MR. STAMETS: Call next Case 6859.

2 MR. PADILLA: Application of R&G Drilling
3 Company for an unorthodox gas well location, San Juan County,
4 New Mexico.

5 MR. STAMETS: Applicant in this case has
6 requested that the case be dismissed, and it shall be.

7
8 (Hearing concluded.)
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CALLY W. BOYD, C.S.R.

Rt. 1 Box 193-R
Santa Fe, New Mexico 87501
Phone (505) 455-7109

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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 C.S.R.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 195-B
Santa Fe, New Mexico (87501)
Phone (303) 435-7419

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6953
heard by me on 5-21 1980

Richard L. Thum, Examiner
Oil Conservation Division

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

EXAMINER HEARING

IN THE MATTER OF:

Application of R&G Drilling Company
for an unorthodox gas well location,
San Juan County, New Mexico.

CASE
6859

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.

EL 1 Box 193-B

Santa Fe, New Mexico 87501

Phone (505) 455-7409

1 MR. STAMETS: Call next Case 6359.

2 MR. PADILLA: Application of R&G Drilling
3 Company for an unorthodox gas well location, San Juan County,
4 New Mexico.

5 MR. STAMETS: Applicant in this case has
6 requested that the case be dismissed, and it shall be.

7
8 (Hearing concluded.)
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SALLY W. BOYD, C.S.R.

12-1 Box 150-8
Santa Fe, New Mexico 87501
Ph (505) 455-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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, C.S.R.

Rt. 1 Box 195-B
Santa Fe, New Mexico 87501
Phone (505) 435-7409

I do hereby certify that the foregoing is
a complete and true transcript of the proceedings in
the case of the hearing of _____
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

Walsh

ENGINEERING & PRODUCTION CORP.

RECEIVED
MAY 21 1980
OIL CONSERVATION DIVISION
SANTA FE

EWELL N. WALSH, P.E.
President

PETROLEUM ENGINEERING
RESERVOIR STUDIES
EVALUATIONS
GEOLOGICAL STUDIES
LEASE MANAGEMENT
CONTRACT PUMPING
DRILLING SUPERVISION
WORKOVER SUPERVISION

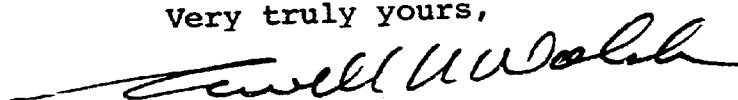
May 19, 1980

Mr. Joe D. Ramey
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: Case #6859
Hearing May 21, 1980

Please remove the above-referred-to case from
the Docket. A new application will be made at a
later date.

Very truly yours,



EWELL N. WALSH, P.E.
President, Walsh Engineering
& Production Corp.

ENW:cc

Docket No. 14-80

Dockets Nos. 16-80 and 17-80 are tentatively set for June 4 and 25, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - MAY 20, 1980

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

CASE 6715: (DE NOVO)

Application of Texaco Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Local Fed. Well No. 1 to be drilled 1600 feet from the North line and 660 feet from the West line of Section 5, Township 21 South, Range 32 East, South Salt Lake-Morrow Gas Pool, the N/2 of said Section 5 to be dedicated to the well.

Upon application of Texaco Inc. and Bass Enterprises Production Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

Docket No. 15-80

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 21, 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:

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

CASE 6891: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Midwest Refining Company and all other interested parties to appear and show cause why the State Well No. 1 located in Unit A of Section 16, Township 33 South, Range 14 West, Hidalgo County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6859: (Continued from April 9, 1980, Examiner Hearing)

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 6886: (Continued from May 7, 1980, Examiner Hearing)

Application of Aminoil USA, Inc. for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 10, Township 24 South, Range 28 East, to be dedicated to a well to be drilled at an unorthodox location 2080 feet from the South line and 1773 feet from the East line of said Section 10. 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 6884: (Continued from May 7, 1980, Examiner Hearing)

Application of Supron Energy Corporation for compulsory pooling and a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde and Dakota formations underlying the N/2 of Section 4, Township 30 North, Range 11 West, to be dedicated to a proposed dual completion 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 6892:** Application of Merrion & Bayless for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the South Blanco-Pictured Cliffs Pool underlying the SW/4 of Section 27, Township 24 North, Range 2 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 6878:** (Readvertised)
Application of Stevens Oil Company for a non-standard gas proration unit and unorthodox location, 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 at an unorthodox location 1650 feet from the South line and 23'0 feet from the West line of said Section 25.
- CASE 6893:** Application of Stevens Oil Company to amend Order No. R-5353, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks a revision of the special rules for the Twin Lakes-San Andres Associated Pool as promulgated by Order No. R-5353 to provide that each well, oil or gas, shall be located no nearer than 330 feet to any quarter-quarter section line, except that any well drilled in a known gas productive area shall be located within 150 feet of the center of the quarter-quarter section.
- CASE 6894:** Application of Sun Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jennings-Federal "B" Well No. 1, a Yates test to be drilled 2440 feet from the South line and 2250 feet from the West line of Section 15, Township 19 South, Range 32 East, Lusk Field, the NE/4 SW/4 to be dedicated to the well.
- CASE 6895:** Application of Sun Gas Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks findings that the drilling of its J. A. Akens Well No. 10 located in Unit N of Section 3, Township 21 South, Range 36 East, was necessary to effectively and efficiently drain that portion of an existing proration unit which could not be drained by the existing well.
- CASE 6896:** Application of John E. Schalk for a non-standard gas proration unit and an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard Blanco Mesaverde gas proration unit comprising the NE/4 of Section 8, Township 25 North, Range 3 West, to be dedicated to his Gulf Well No. 2 to be drilled at an unorthodox location 1925 feet from the North line and 790 feet from the East line of said Section 8.
- CASE 6897:** Application of McClellan Oil Corporation for two compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 1200 feet below the surface to the base of the Abo formation underlying the SW/4 and the SE/4 of Section 30, Township 6 South, Range 26 East, each to be dedicated to a proposed gas 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 6898:** Application of Conoco Inc. 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 Meyer B-28 Well No. 4 to be drilled 560 feet from the North line and 1980 feet from the West line of Section 26, Township 20 South, Range 37 East, Eumont Gas Pool, to be simultaneously dedicated with its Meyer B-28 Well No. 1 in Unit G to the NE/4 and E/2 NW/4 of said Section 28.
- CASE 6899:** Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South and East lines of Section 9, Township 17 South, Range 26 East, the E/2 of said Section 9 to be dedicated to the well.
- CASE 6900:** Application of Yates Petroleum Corporation for a non-standard oil proration unit, unorthodox well location, and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard oil proration unit comprising the N/2 SE/4 of Section 22, Township 16 South, Range 33 East, Kennitz Field, to be dedicated to its Sombrero "S" State Well No. 1 at an unorthodox location 1650 feet from the South and East lines of said Section 22. Applicant also seeks approval for the downhole commingling of Wolfcamp and Cisco production in the wellbore of said well.

- CASE 6901:** Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Mississippian formations underlying the E/2 of Section 19, Township 14 South, Range 36 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 6902:** Application of Harvey E. Yates Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Young Deep Unit Well No. 1 located in Unit D of Section 10, Township 18 South, Range 32 East, to produce gas from the Morrow formation and oil from the Bone Springs formation thru parallel strings of tubing.
- CASE 6903:** Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian-Mississippian test well to be drilled 660 feet from the South line and 990 feet from the East line of Section 33, Township 13 South, Range 36 East, the S/2 of said Section 33 to be dedicated to the well.
- CASE 6904:** Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the McDonald Unit Area, comprising 1,440 acres, more or less, of fee lands in Townships 13 and 14 South, Range 36 East.
- CASE 6905:** Application of Harvey E. Yates Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Buffalo Lake Unit Area, comprising 2,560 acres, more or less, of Federal, State, and fee lands in Township 15 South, Range 27 East.

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:

Application of R & G Drilling Com-
pany for an unorthodox gas well
location, San Juan County, New
Mexico.

CASE
6859

BEFORE: Daniel S. Nutter

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.

Box 100-B
Santa Fe, New Mexico 87501
Phone (505) 435-7400

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MR. NUTTER: We'll call next Case 6859.

MR. PADILLA: Application of R & G Drilling
Company for an unorthodox gas well location, San Juan
County, New Mexico.

Mr. Examiner, the applicant in this case
has requested that the case be continued to the May 21st,
1980.

MR. NUTTER: Case Number 6859 will be
continued to the Examiner Hearing scheduled to be held at
this same place at 9:00 o'clock a. m. May 21, 1980.

(Hearing concluded.)

SALLY W. BOYD, C.S.R.

El. 1, Box 370-H
Santa Fe, N.M. 87501
Phone (505) 455-7400

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, C. S. R., DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing prepared by me to the best of my ability.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.

Box 1205-B

Section 16, New Mexico 87501

Phone: (505) 435-7409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6259 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

EXAMINER HEARING

IN THE MATTER OF:

Application of R & G Drilling Com-
pany for an unorthodox gas well
location, San Juan County, New
Mexico.

CASE
6859

BEFORE: Daniel S. Nutter

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. SOYD, C.S.R.

St. Paul 191-8

Santa Fe, New Mexico 87501

Phone (505) 431-7400

1 MR. NUTTER: We'll call next Case 6859.

2 MR. PADILLA: Application of R & G Drilling
3 Company for an unorthodox gas well location, San Juan
4 County, New Mexico.

5 Mr. Examiner, the applicant in this case
6 has requested that the case be continued to the May 21st,
7 1980.

8 MR. NUTTER: Case Number 6859 will be
9 continued to the Examiner Hearing scheduled to be held at
10 this same place at 9:00 o'clock a. m. May 21, 1980.

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12 (Hearing concluded.)
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WILLIAM W. HODG, C.E.R.

Mr. J. Lee 100-3

1000 Pk. New Mexico 87101

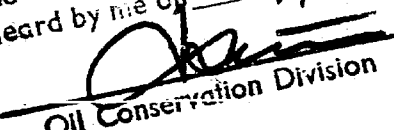
Phone (505) 457-7409

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, C. S. R., DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing prepared by me to the best of my ability.

SALLY W. BOYD, C.S.R.

Ex. 1 Box 194-B
Santa Fe, New Mexico 87501
Phone (505) 455-7400

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 487, heard by me on 4/9 1980.

Oil Conservation Division, Examiner

Walsh

ENGINEERING & PRODUCTION CORP.

RECEIVED
APR 11 1980
OIL CONSERVATION DIVISION
SANTA FE

EWELL N. WALSH, P.E.
President

PETROLEUM ENGINEERING
RESERVOIR STUDIES
EVALUATIONS
GEOLOGICAL STUDIES
LEASE MANAGEMENT
CONTRACT PUMPING
DRILLING SUPERVISION
WORKOVER SUPERVISION

April 8, 1980

Mr. Joe D. Ramey,
Secretary-Director
NM Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

RE: Docket 9-80
Examiner Hearing
April 9, 1980
Case NO. 6859

Dear Mr. Ramey:

On behalf of R & G Drilling Company it is requested that the above-referred-to case be continued until the hearing on May 21, 1980.

Thank you for your cooperation in this matter.

Very truly yours,



Ewell N. Walsh, P.E.
President

ENW:blk

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. Grien, M. 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 Hill 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 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 L. 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 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 NCPA 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.

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. Stewarts, 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

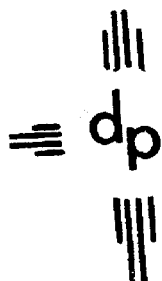
DOCKET: COMMISSION HEARING - WEDNESDAY - APRIL 16, 1980

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 0 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.



dugan production corp.

3-7-81

March 4, 1980

Joe D. Ramey
Division Director
Oil Conservation Division
State of New Mexico
P.O. Box 2770
Santa Fe, New Mexico

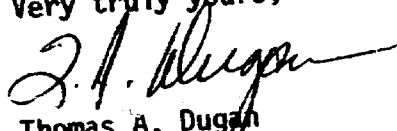
Case 6859

Re: Application for Administrative
Approval of Unorthodox Location
R & G Drilling Company
Unit G, Section 28, T-28-N, R-11-W
San Juan County, New Mexico
Lease No. SF 078863

Dear Mr. Ramey:

This is to advise that Flag Redfern Oil Company has no objection
to the drilling of the above referenced unorthodox location (1890'
FNL, 1830' FEL).

Very truly yours,


Thomas A. Dugan
Agent

TAD:eb

cc: R & G Drilling Company
Walsh Engineering & Production Corp.
P.O. Box 254
Farmington, New Mexico 87401

OIL CONSERVATION COMMISSION
After DISTRICT

Case 6859

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE March 4, 1980

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL x _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated February 29, 1980
for the K. B. Drilling Co. Xanex #73 G-28-28N-11W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Docket for hearing. Standard locations are available
in drill tract.

Yours very truly,

Frank S. Chang

RECEIVED
MAR 6 1980
OIL CONSERVATION COMMISSION
SANTA FE

Walsh

ENGINEERING & PRODUCTION CORP.

EWELL N. WALSH, P.E.
President

February 29, 1980

PETROLEUM ENGINEERING
RESERVOIR STUDIES
EVALUATIONS
GEOLOGICAL STUDIES
LEASE MANAGEMENT
CONTRACT PUMPING
DRILLING SUPERVISION
WORKOVER SUPERVISION

Mr. J. D. Ramey, Secretary-Director
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2086
Santa Fe, NM 87501

RE: Unorthodox Location
Rule 104, C... (b) and
Rule 104, F
R & G Drilling Company
1890'FNL, 1830'FEL,
Unit G, Sec. 28-T28N-R11W
Kuts Fruitland Pool
San Juan County, NM
Lease No. SF-078963

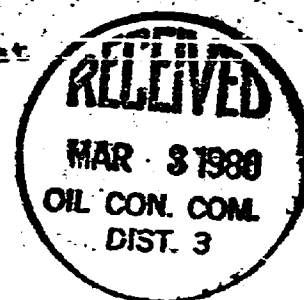
Dear Mr. Ramey:
OIL CON. DIVISION
SANTA FE

This is a request on behalf of the above-referred-to operator for approval for the unorthodox location. It is proposed to drill the unorthodox location due to the following:

1. Topography - An orthodox location would be 1850'FNL and 1850'FEL. Such a location would be located on the side of a steep canyon. This would cause the location to be very expensive. The location is now located on top of a ridge.

Attached you will find a copy of the following:

1. Plat indicating the ownership of leases offsetting the proration unit, NE/4, Sec. 28-T28N-R11W.
2. Well Location and Acreage Dedication Plat
3. Topography map indicating the proposed position of the location on the ridge.



EXECUTIVE BLDG.-413 W. MAIN

P.O. BOX 254

(505) 327-4592

FARMINGTON, NEW MEXICO 87401

Page 2
Mr. J. D. Raney, Sec.-Dir.
State of NM
Oil Conservation Division
RE: R & G Drilling Company
February 29, 1980

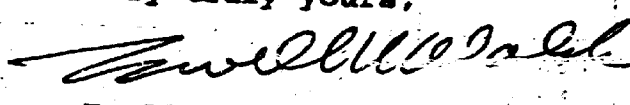
R & G Drilling Company has the lease, with drilling rights from surface to base of Pictured Cliffs covering:
Sec. 28: All
Sec. 27: All
Sec. 22: SE/4

Flag-Redfern Oil Company has the drilling rights in the S/2, Section 21.

A copy of the is being sent to Flag-Redfern as required in Rule 104, F.

Your consideration and cooperation in this matter is greatly appreciated.

Very truly yours,


Ewall N. Walsh, P.E.
President

ENW:blk
cc: OCD, Aztec, NM, w/attach
USGS, Farmington, NM, w/attach
Flag-Redfern Oil Company
c/o Dugan Production Corp
Farmington, NM, w/attach
File

SOUTHLAND ROYALTY

RECEIVED
MAR 03 1980
OIL CON. DIVISION
SANTA FE



Walsh ENGINEERING & PRODUCTION CORP.

Walsh

ENGINEERING & PRODUCTION CORP.

PETROLEUM ENGINEERING
RESERVOIR STUDIES
EVALUATIONS
GEOLOGICAL STUDIES
LEASE MANAGEMENT
CONTRACT PUMPING
DRILLING SUPERVISION
WORKOVER SUPERVISION

February 29, 1980

EWELL N. WALSH, P.E.
President

Mr. J. D. Ramey, Secretary-Director
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

RE: Unorthodox Location
Rule 104, C., (b) and
Rule 104, F
R & G Drilling Company
1890'FNL, 1830'FEL.
Unit G, Sec. 28-T28N-R11W
Kutz Fruitland Pool
San Juan County, NM
Lease No. SF-078863

Dear Mr. Ramey:

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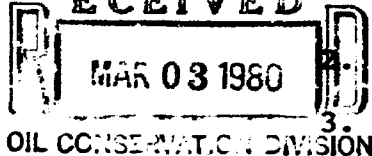
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Attached you will find a copy of the following:

1. Plat indicating the ownership of leases offsetting the proration unit, NE/4, Sec. 28-T28N-R11W.

Well Location and Acreage Dedication Plat

3. Topography map indicating the proposed position of the location on the ridge.



Page 2

Mr. J. D. Ramey, Sec.-Dir.
State of NM
Oil Conservation Division
RE: R & G Drilling Company
February 29, 1980

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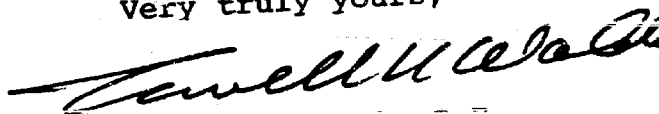
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Sec. 27: All
Sec. 22: SE/4

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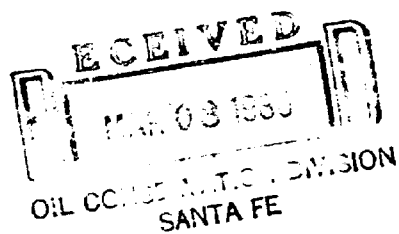
Very truly yours,



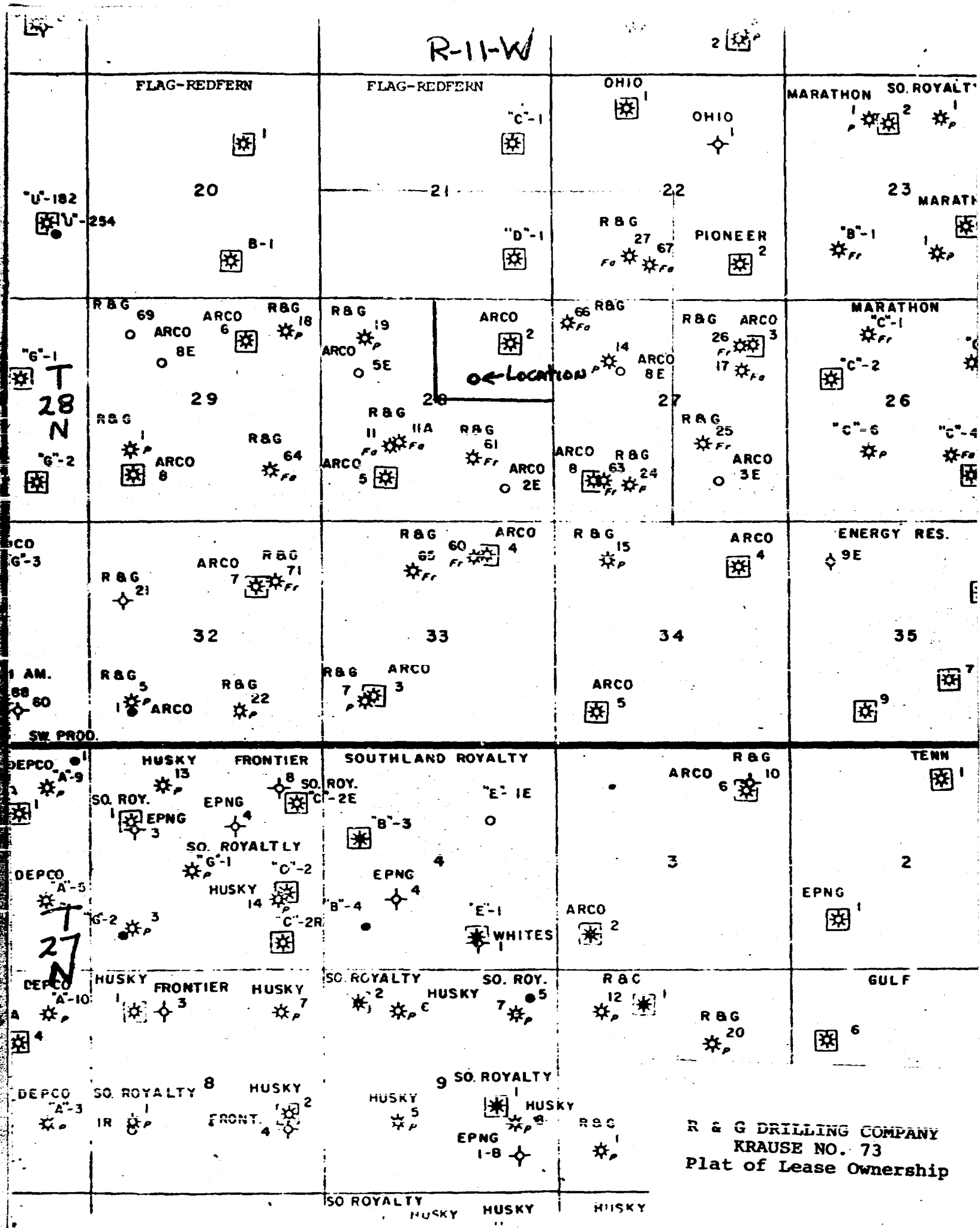
Ewell N. Walsh, P.E.
President

ENW:blk

cc: OCD, Aztec, NM, w/attach
USGS, Farmington, NM, w/attach
Flag-Redfern Oil Company
c/o Dugan Production Corp
Farmington, NM, w/attach
File



Walsh ENGINEERING & PRODUCTION CORP.



STATE OF NEW MEXICO
BUREAU OF MINERAL INVESTIGATION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form P-102
Revised 10-1-77

All distances must be from the center line of the section

Operator R & G DRILLING COMPANY			Lease KRAUSE		Well No. 73
Unit Letter G	Section 28	Township 28N	Range 11W	County San Juan	
Actual Footage Location of Well: 1890 feet from the North line and 1830 feet from the East line Ground Level Elev. 5796 Producing Formation Fruitland Pool Kutz Fruitland Dedicated Acreage 160 Acres					

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

FOR: **R & G DRILLING COMPANY**
ORIGINAL SIGNED BY

Name **EWELL N. WALSH**

Ewell N. Walsh, P.E.

Position
President

Company
Walsh Engr. & Prod. Corp.

Date
2/29/80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

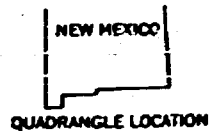
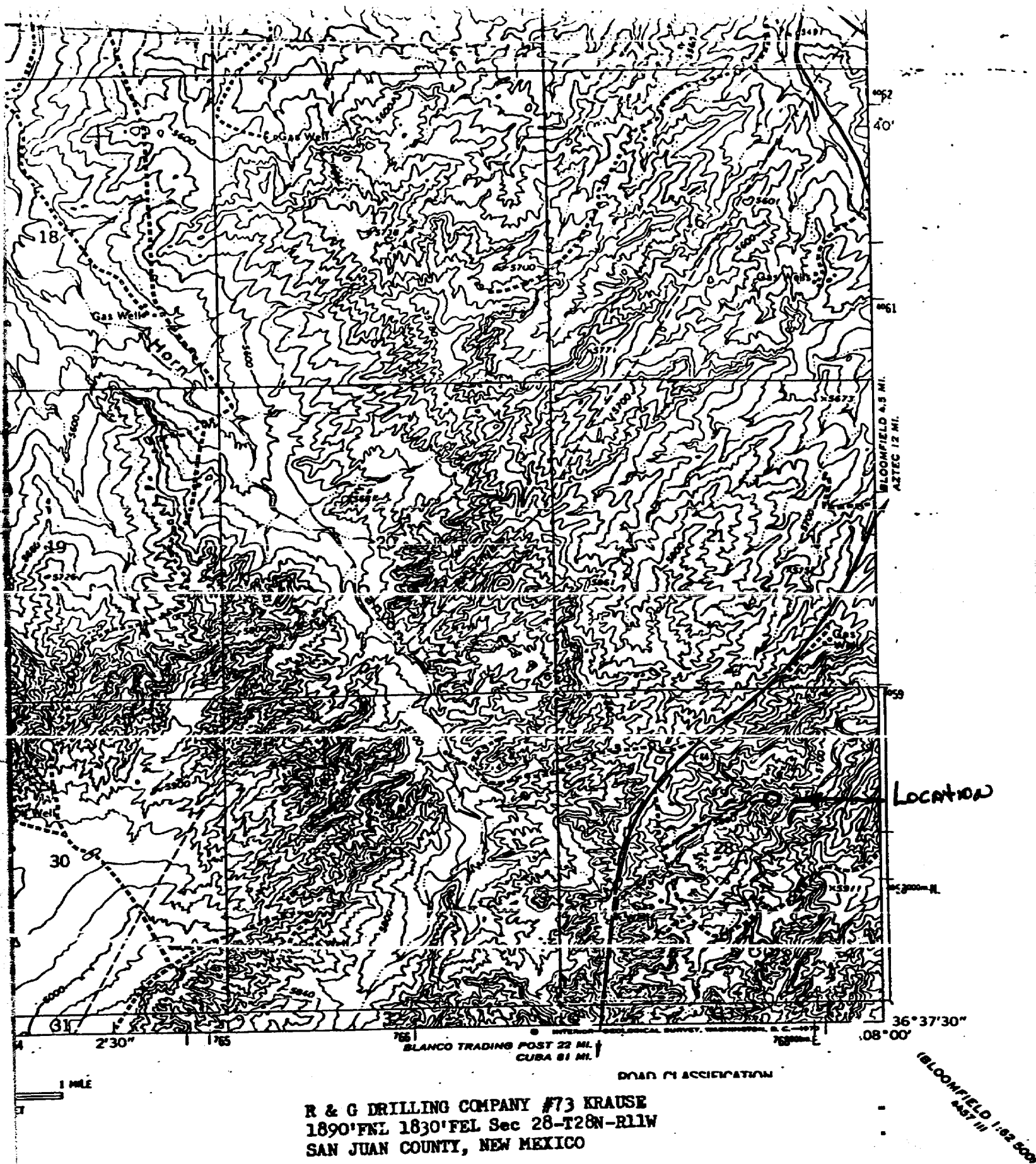
January 10, 1980

Registered Professional Engineer and/or Land Surveyor

Fred B. Walsh

Certificate No. **3950**

NEW MEXICO



HORN CANYON, N. MEX.
N3637.5-W10800/7.5

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

dr/

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

CASE NO. 6859

Order No. R- 6356

APPLICATION OF R & G DRILLING
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 21,
19 80, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this 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. 6859 is hereby dismissed.

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