

CASE 6874: HNG OIL COMPANY FOR COMPUL-  
SORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO.

6874

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,

ETC.



**May 14, 1980**

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

Mr. William F. Carr  
Campbell and Black  
Attorneys at Law  
Post Office Box 2208  
Santa Fe, New Mexico

Re: CASE NO. 6874  
ORDER NO. R-6342

Applicant:

**HNG Oil 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	<u>x</u>
Artesia OCD	<u>x</u>
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. 6874  
Order No. R-6342

APPLICATION OF HNG OIL COMPANY FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

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,

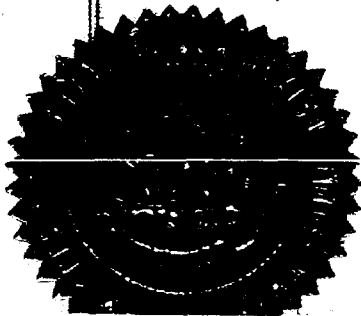
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 6874 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

SEAL  
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:

Application of HNG Oil Company for ) CASE  
compulsory pooling, Lea County, New ) 6874  
Mexico. )

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 6874.

2 MR. PADILLA: Application of HNG Oil Com-  
3 pany for compulsory pooling, Lea County, New Mexico.

4 MR. STAMETS: The applicant in this case  
5 has requested it be dismissed, and it so shall be.

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

El. 1 Box 191-B  
Santa Fe, New Mexico 87501  
Phone (505) 451-7409

## 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 CSR

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, 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. 6874, heard by me on 4-23 1986.

Michael R. [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:

Application of ING Oil Company for  
compulsory pooling, Lea County, New  
Mexico.

CASE  
6874

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 195-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409



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MR. STAMETS: Call next Case 6874.

MR. PADILLA: Application of HNG Oil Com-  
pany for compulsory pooling, Lea County, New Mexico.

MR. STAMETS: The applicant in this case  
has requested it be dismissed, and it so shall be.

(Hearing concluded.)

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

REPORTER'S CERTIFICATE

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.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. \_\_\_\_\_  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

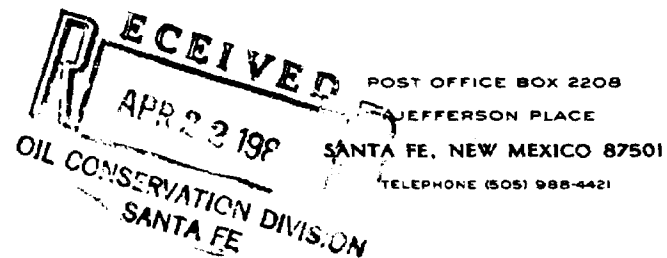
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CAMPBELL AND BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
PAUL R. CALDWELL



April 21, 1980

Mr. Joe Ramey  
Director  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Re: Oil Conservation Division Case 6874:  
Application of HNG Oil Company for  
Compulsory Pooling, Lea County, New  
Mexico

Dear Mr. Ramey:

HNG Oil Company hereby requests that the above-referenced  
case scheduled for hearing on April 23, 1980, be dismissed.

Very truly yours,

*William F. Carr*

William F. Carr

*all*

WFC:lr

cc: Mr. J. Stewart Martin

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 6803: (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 G 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 new 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.

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. Ramon 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. 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.

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 29 NORTH, RANGE 9 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

(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

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 2 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



(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

(aa) EXTEND the West Lindrich 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 21: 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 14: 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

(ff) EXTEND the Star-Mesaverde 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 NW/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 Pogo State 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

(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 I 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

(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 C 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 NRM 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 Aviston-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

(v) EXTEND the Blinbry 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

- (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 18 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 Northwest 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

(tt) 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 33 EAST, NMPM  
Section 12: E/2

TOWNSHIP 19 SOUTH, RANGE 34 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 36 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



(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

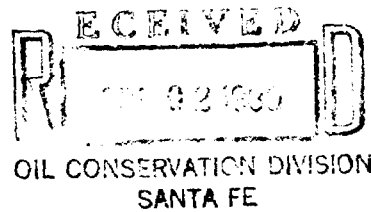
CAMPBELL AND BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
PAUL R. CALDWELL

POST OFFICE BOX 2208  
JEFFERSON PLACE  
SANTA FE, NEW MEXICO 87501  
TELEPHONE (505) 988-4421

April 2, 1980



Mr. Joe D. Ramey  
Division Director  
Oil Conservation Division  
New Mexico Department of Energy & Minerals  
Post Office Box 2088  
Santa Fe, New Mexico 87501

*Case 6874*

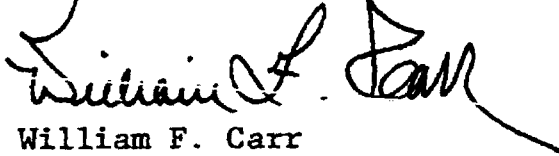
Re: Application of HNG Oil Company for Compulsory  
Pooling, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of HNG Oil Company  
in the above-referenced matter.

The applicant requests that this matter be included on the  
docket for the examiner hearing scheduled to be held on  
April 23, 1980.

Very truly yours,

  
William F. Carr

WFC:lr

Enclosures

cc: Mr. Raymond Parker

BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION  
OF HNG OIL COMPANY FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

Case 6874

APPLICATION

Comes now, HNG OIL COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the mineral interests in the Pennsylvanian formation in and under the E/2 of Section 6, Township 22 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

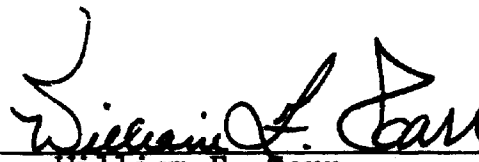
1. Applicant is the owner of 26.2469% of the working interest in and under the E/2 of Section 6, and applicant has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced pooled unit to its San Simon State 6 No. 1 Well to be drilled at an orthodox location 1980 feet from the North line and 660 feet from the East line of said Section 6.
3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other working interest owners in the E/2 of said Section 6 except Texaco Inc., owners of 73.7531% working interest.
4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law the Division enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and such other and further provisions as may be proper in the premises.

Respectfully submitted,  
CAMPBELL AND BLACK, P.A.

By

  
William F. Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87501  
Attorneys for Applicant

RECEIVED  
OCT 10 1978  
OIL CONSERVATION DIVISION  
SANTA FE

BEFORE THE  
OIL CONSERVATION DIVISION  
SANTA FE

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION  
OF HNG OIL COMPANY FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

Case 6874

APPLICATION

Comes now, HNG OIL COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the mineral interests in the Pennsylvanian formation in and under the E/2 of Section 6, Township 22 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the owner of 26.2469% of the working interest in and under the E/2 of Section 6, and applicant has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced pooled unit to its San Simon State 6 No. 1 Well to be drilled at an orthodox location 1980 feet from the North line and 660 feet from the East line of said Section 6.
3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other working interest owners in the E/2 of said Section 6 except Texaco Inc., owners of 73.7531% working interest.
4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law the Division enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and such other and further provisions as may be proper in the premises.

Respectfully submitted,  
CAMPBELL AND BLACK, P.A.

By *William F. Carr*  
William F. Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87501  
Attorneys for Applicant

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION  
OF HNG OIL COMPANY FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

Case 6874

APPLICATION

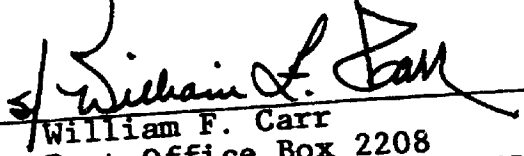
Comes now, HNG OIL COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the mineral interests in the Pennsylvanian formation in and under the E/2 of Section 6, Township 22 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the owner of 26.2469% of the working interest in and under the E/2 of Section 6, and applicant has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced pooled unit to its San Simon State 6 No. 1 Well to be drilled at an orthodox location 1980 feet from the North line and 660 feet from the East line of said Section 6.
3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all other working interest owners in the E/2 of said Section 6 except Texaco Inc., owners of 73.7531% working interest.
4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law the Division enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and such other and further provisions as may be proper in the premises.

Respectfully submitted,  
CAMPBELL AND BLACK, P.A.

By   
William F. Carr  
Post Office Box 2208  
Santa Fe, New Mexico 87501  
Attorneys for Applicant



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. 6874

Order No. R- 6342

APPLICATION OF HNG OIL COMPANY FOR  
COMPULSORY POOLING, LEA COUNTY,  
NEW MEXICO.

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 \_\_\_\_\_ day of \_\_\_\_\_, 19 80, 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. 6874 is hereby dismissed.

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

# Memo

From

FLORENE DAVIDSON  
ADMINISTRATIVE SECRETARY

To

Called in by Bill Carr  
4/1/80

HNG Oil Company

Compulsory Pooling

Pennsylvanian formation

E/2 Section 6, T22S, R35E

Dedicated to San Simon St. 6  
Well No. 1

1980/N + 660/E

OIL CONSERVATION COMMISSION-SANTA FE