

NWU - 194
Am 2/10/57

cc - oec
1/18/57
OFFICE OGC

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

and E. M. ...
Operator
APPLICATION

Amends
NWU-144

Comes now BMNS Company and applies to the commission for administrative approval of a non-standard proration unit consisting of the W/2 of the NW/4 of Section 29, Township 30 North, Range 12 West, N. M. P. M., San Juan County, New Mexico, Fulcher-Kutz Pictured Cliffs Gas Pool, under the provisions of Order No. R-565, and amendments thereto, said acreage to be dedicated to applicant's Copp Well No. 1 located in SW/4 of the NW/4 of said Section 29, and in support thereof would show:

Officer
① SB OK
② Aztec OK
③ Dmsby OK

80 acres

1. That the proposed non-standard proration unit consists of less than 160 acres.
2. The proposed non-standard proration unit consists of contiguous quarter sections and lies wholly within a single governmental section.
3. The entire non-standard proration unit may reasonably be presumed to be productive of gas.
4. Said Copp Well No. 1 was drilled and completed in September, 1946, prior to the adoption of said Order No. R-565 prorating gas in Fulcher-Kutz Pictured Cliffs Gas Pool.
5. Attached hereto and made a part hereof is a plat showing the proposed non-standard gas proration unit well location and offset operators, and operator hereby certifies that said offset operators were notified

DANSBY
&
GRER

SOUTHERN
UNION

BMNS

AZTEC

~~BMNS~~
open

VS Co.

1180'
30'

AZTEC

open

me only

BMNS

BMNS

BMNS

BMNS Co.

AZTEC

BMNS Co.

EL PASO

Proposed Unit

Lucian M. Mecham, Jr.

COUNTRY CLUB ACRES
NORTH STAR ROUTE NO. 3
FARMINGTON, NEW MEXICO

MAIN OFFICE OCC

September 18th 1956

1956 SEP 19 PM 1:07

Mr. A.L.Porter
Box 871
Santa Fe, New Mexico

Dear Sir:

The BMNS Company is holder of leases covering the oil rights on more than eight hundred (800) a cres of land located in Sections 20, 29, 30, 31 and 32 Township 30N, Range 12W, all of which land is in one connected and contiguous body.

Prior to June 1948 the BMNS Company drilled five (5) wells in the Fulcher-Kutz Picture Cliff Gas Pool located as follows:

- 1- NE $\frac{1}{4}$, SE $\frac{1}{4}$, Section 30, Township 30N, Range 12W - *Brown #1*
- 2- SW $\frac{1}{4}$, (SE $\frac{1}{4}$)^{swly} " 30, (29) " " *Biom #2*
- 3- SW $\frac{1}{4}$, NW $\frac{1}{4}$ " 29, " " - *Copp #1*
- 4- NE $\frac{1}{4}$, SW $\frac{1}{4}$ " 29, " " - *Wager #1*
- 5- SW $\frac{1}{4}$, SE $\frac{1}{4}$ " 29, " " - *Wyer #2*

All of these wells were completed prior to June 1948 at which time 160 drilling units were established for gas wells in the Fulcher-Kutz pool. These wells were therefore legally drilled on 40 acre drilling blocks which was the spacing in effect at that time. In March 1955 proration was instituted in the Fulcher-Kutz pool. At this time the BMNS Company filed plats dedicating 40 acres to each of these wells under the impression that the wells would be given a full acreage factor as they were drilled prior to the time the 160 acre spacing was instituted. BMNS Company therefore requests that the Commission give each of these wells a full acreage factor and full allowable.

The Commission may dedicate all the leased lands located in the above mentioned Sections and forming one united and contiguous body to these wells which would give a full 160 acres to each well if they so desire. In the event that the Commission does not feel to grant a full acreage factor and full allowable to each of these wells the BMNS Company requests that the Commission set an examiner hearing at the earliest date possible either in Aztec or Farmington to consider the establishment of non standard proration units for the above five (5) wells in exception to Rule R565C, Rule 6.

Sincerely,

Lucian M. Mecham Jr.
BMNS Comp any

by Lucian M. Mecham Jr.

E.D.Brown
L.M.Mecham Jr.
F.P.Nielson
L.G.Stearns

Lucian M. Meham, Jr.

COUNTRY CLUB ACRES
NORTH STAR ROUTE NO. 3
FARMINGTON, NEW MEXICO

September 18th 1956

Mr. A.L. Porter
Box 871
Santa Fe, New Mexico

Dear Sir:

The BMNS Company is holder of leases covering the oil rights on more than eight hundred (800) acres of land located in Sections 20, 29, 30, 31 and 32 Township 30N, Range 12E, all of which land is in one connected and contiguous body.

Prior to June 1948 the BMNS Company drilled five (5) wells in the Fulcher-Kutz Picture Cliff Gas Pool located as follows:

- | | | | | |
|----|---------------------------------------|-------------|---------------|-----------|
| 1- | NE $\frac{1}{4}$, SE $\frac{1}{4}$, | Section 30, | Township 30N, | Range 12E |
| 2- | SW $\frac{1}{4}$, SE $\frac{1}{4}$, | " 30, | " | " |
| 3- | SW $\frac{1}{4}$, NW $\frac{1}{4}$, | " 29, | " | " |
| 4- | NE $\frac{1}{4}$, SW $\frac{1}{4}$, | " 29, | " | " |
| 5- | SW $\frac{1}{4}$, SE $\frac{1}{4}$, | " 29, | " | " |

All of these wells were completed prior to June 1948 at which time 160 drilling units were established for gas wells in the Fulcher-Kutz pool. These wells were therefore legally drilled on 40 acre drilling blocks which was the spacing in effect at that time. In March 1955 proration was instituted in the Fulcher-Kutz pool. At this time the BMNS Company filed plats dedicating 40 acres to each of these wells under the impression that the wells would be given a full acreage factor as they were drilled prior to the time the 160 acre spacing was instituted. BMNS Company therefore requests that the Commission give each of these wells a full acreage factor and full allowable.

The Commission may dedicate all the leased lands located in the above mentioned Sections and forming one united and contiguous body to these wells which would give a full 160 acres to each well if they so desire. In the event that the Commission does not feel to grant a full acreage factor and full allowable to each of these wells the BMNS Company requests that the Commission set an examiner hearing at the earliest date possible either in Aztec or Farmington to consider the establishment of non standard proration units for the above five (5) wells in exception to Rule R565C, Rule 6.

Sincerely,

BMNS Company
by Lucian M. Meham Jr.

E.D. Brown
L.M. Meham Jr.
F.P. Nielson
L.G. Stearns

Lucian M. Meckam, Jr.

COUNTRY CLUB ACRES
NORTH STAR ROUTE NO. 2
FARMINGTON, NEW MEXICO

September 18th 1956

Mr. A.L. Porter
Box 871
Santa Fe, New Mexico

Dear Sir:

The BMNS Company is holder of leases covering the oil rights on more than eight hundred (800) acres of land located in Sections 20, 29, 30, 31 and 32 Township 30N, Range 12E, all of which land is in one connected and contiguous body.

Prior to June 1948 the BMNS Company drilled five (5) wells in the Fulcher-Kutz Picture Cliff Gas Pool located as follows:

1-	NE $\frac{1}{4}$, SE $\frac{1}{4}$,	Section 30,	Township 30N,	Range 12E
2-	SW $\frac{1}{4}$, SE $\frac{1}{4}$,	" 30,	"	"
3-	SW $\frac{1}{4}$, NW $\frac{1}{4}$,	" 29,	"	"
4-	NE $\frac{1}{4}$, SW $\frac{1}{4}$,	" 29,	"	"
5-	SW $\frac{1}{4}$, SE $\frac{1}{4}$,	" 29,	"	"

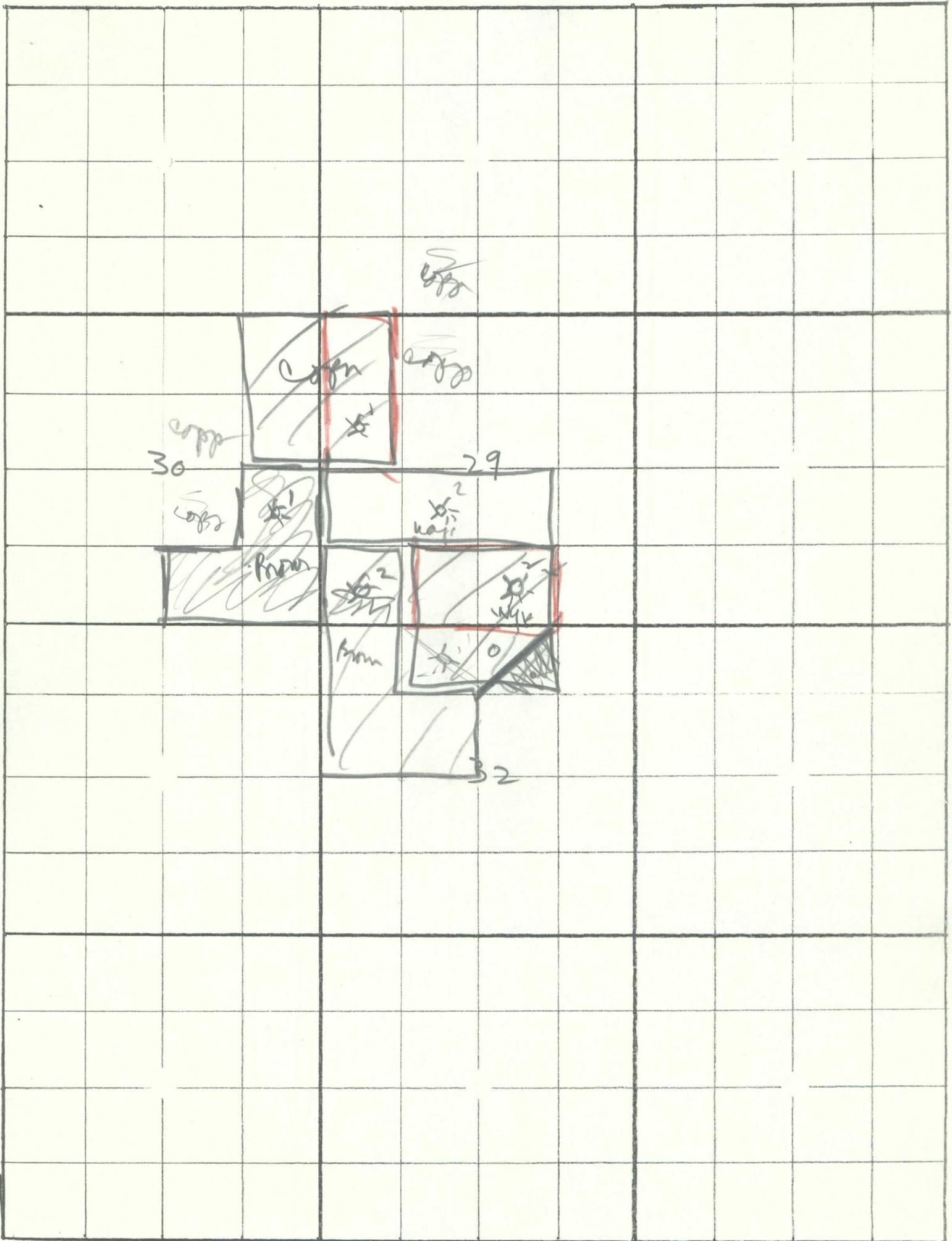
All of these wells were completed prior to June 1948 at which time 160 drilling units were established for gas wells in the Fulcher-Kutz pool. These wells were therefore legally drilled on 40 acre drilling blocks which was the spacing in effect at that time. In March 1955 proration was instituted in the Fulcher-Kutz pool. At this time the BMNS Company filed plats dedicating 40 acres to each of these wells under the impression that the wells would be given a full acreage factor as they were drilled prior to the time the 160 acre spacing was instituted. BMNS Company therefore requests that the Commission give each of these wells a full acreage factor and full allowable.

The Commission may dedicate all the leased lands located in the above mentioned Sections and forming one united and contiguous body to these wells which would give a full 160 acres to each well if they so desire. In the event that the Commission does not feel to grant a full acreage factor and full allowable to each of these wells the BMNS Company requests that the Commission set an examiner hearing at the earliest date possible either in Aztec or Farmington to consider the establishment of non standard proration units for the above five (5) wells in exception to Rule R560C, Rule 6.

Sincerely,

BMNS Company
by Lucian M. Meckam Jr.

E.D. Brown
L.M. Meckam Jr.
F.P. Nielsen
L.G. Stearns



MAIN OFFICE OCC
SOUTHERN UNION GAS COMPANY

LEGAL DEPARTMENT
1957 JAN 17 AM 8:23
WILLIS L. LEA, JR.
GENERAL ATTORNEY

BURT BUILDING
DALLAS 1, TEXAS

A. S. GRENIER
MILLARD F. CARR
JACK HERTZ
WM. S. JAMESON
JAS. R. WETHERBEE

January 14, 1957

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Re: BMNS Company-
Copp No. 1 Well,
San Juan County,
New Mexico

Gentlemen:

We are in receipt of a copy of the application of the BMNS Company, dated January 9, 1957, requesting the approval by your Commission of a non-standard proration unit for the abovementioned well, consisting of the $W\frac{1}{2}$ of the $NW\frac{1}{4}$ of Section 29, Township 30 North, Range 12 West, N.M.P.M.

This is to advise you that Southern Union Gas Company has no objection to approval of the non-standard proration unit so requested.

Very truly yours,



ASG:FG

cc: Mr. Jason W. Kellahin
P. O. Box 597
Santa Fe, New Mexico

BEST AVAILABLE COPY

JASON W. KELLAHIN

ATTORNEY AT LAW

1000 EAST SAN FRANCISCO STREET

PORT ORFORD, OREGON

DALTA 10, PORT ORFORD

PHONE 3-0000

January 31, 1957

Mr. A. L. Porter, Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

I am enclosing a waiver granted by El Paso
and Gas Company to BMS Company, Company's applica-
tions for approval of non-standard gas production
unit for their Hyper Well No. 2 and the Copp Well
No. 1, which are now pending administrative approval
before the commission.

In connection with this application, El Paso
Natural Gas Company likewise granted a waiver, which,
I believe, was forwarded directly to the commission.
El Paso Natural Gas Company states that certain acre-
age shown on the plats filed by BMS Company is not
held by them. This information was taken from the
commission records, and I am at a loss to suggest any
other means of determining the lease ownership.

Southern Union Gas Company has likewise furnished
the commission with a waiver; however, since Danaby and
Orser have apparently not done so, it will probably be
necessary to wait the full thirty days before granting
administrative approval for the Copp Well No. 1, unless
the commission feels it necessary to await the thirty days
period because of question as to lease ownership in case
El Paso. The application for administrative approval of
Hyper Well No. 2 could be granted immediately. It is my
impression that the acreage referred to by El Paso which
to Southern Union Gas Company at this time, and El Paso
company has granted a waiver.

Yours very truly,

Jason W. Kellahin

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BUILDING

DALLAS 1, TEXAS

QUILMAN B. DAVIS
SECRETARY AND GENERAL ATTORNEY

January 13, 1957

New Mexico Oil Conservation Commission
P. O. Box 471
Santa Fe, New Mexico

Attention: Mr. A. L. Porter,
Secretary-Director

Gentlemen:

Mr. Jason W. Kollahin has furnished us copies of
EMGS Company's applications to the Commission on
January 9, 1957 requesting approval of non-standard
gas proration units for applicant's Wypor Well No. 2,
consisting of the S $\frac{1}{2}$ SE $\frac{1}{4}$ and the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 29,
Township 30 North, Range 12 West, N.M.P.M., and the
Copp Well No. 1, consisting of the W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 19,
Township 30 North, Range 12 West, N.M.P.M.

Aztec Oil & Gas Company does not have any objection
to the approval by the Commission of applicant's proposed
non-standard gas proration units in accordance with its
applications.

Yours very truly,

AZTEC OIL & GAS COMPANY

By _____

Quilman B. Davis,
General Counsel

QBD:HL

El Paso Natural Gas Company

MAIN OFFICE OCC

El Paso, Texas

1957 JAN 22 PM 1:15

January 21, 1957

Mr. Jason W. Kellahin
Attorney at Law
P. O. Box 597
Santa Fe, New Mexico

Dear Sir:

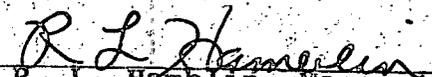
We are in receipt of your applications to the New Mexico Oil Conservation Commission on behalf of B M N S Company for administrative approval of non-standard proration units for their Copp #1 well (W/2 NW/4 Section 29 - 30N - 12W), and their Wyper #2 well (SW/4 SE/4 and SE/4 SW/4 Section 29 - 30N - 12W).

We note that in both of your ownership plats attached to these applications you show El Paso as being the operator of the SE/4 NE/4 of Section 32-30N-12W. We do not know where you obtained this information, but it is incorrect. We do not have any lease covering this 40-acre tract. We have no objection to the formation of these two non-standard proration units.

Yours very truly,

EL PASO NATURAL GAS COMPANY

By


R. L. Hamblin, Manager
Lease Department

RLH:ms

cc: Oil Conservation Commission
State of New Mexico
cc: John A. Woodward

COPY