

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

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

CASE NO. 10908

APPLICATION OF SNYDER OIL CORPORATION  
FOR DOWNHOLE COMMINGLING, SAN JUAN  
COUNTY, NEW MEXICO.

**PRE-HEARING STATEMENT**

This prehearing statement is submitted by Snyder Oil Corporation as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

ATTORNEY

Snyder Oil Corporation

Tommy Roberts

P.O. Box 2038

P.O. Box 1020

Farmington, New Mexico 87499

Farmington, New Mexico 87499

Attn: Wayne Converse

505/325-1801

505/632-8056

\_\_\_\_\_

OPPOSITION OR OTHER PARTY

ATTORNEY

Not Known

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STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with the application and the reasons therefore.)

Applicant seeks an order of the Oil Conservation Division approving the downhole commingling of production from the Wildcat Gallup Oil Pool and the Basin Dakota Gas Pool in the wellbore of its Con Hale #2E Well located in the SW/4SW/4 (Unit M) of Section 15, Township 26 North, Range 8 West, N.M.P.M., San Juan County, New Mexico.

The Con Hale #2E Well is currently dually completed in the Gallup and Dakota formations. However, the Gallup formation can no longer be economically produced independently of the Dakota formation and, consequently, downhole commingling is necessary to permit the continued production from the Gallup formation.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

NOT APPLICABLE

PROPOSED EVIDENCE

APPLICANT

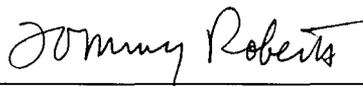
WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
Joe Wilbanks - Petroleum Engineer	30 Minutes	-- Acreage and Ownership Plat -- Wellbore Schematic -- Gas Analysis -- Bottomhole Pressure Tests -- Computation of Value of Commingled Production -- Economic Analysis -- Production Decline Curves -- 24-hour Productivity Tests -- Allocation Formula -- Affidavit re: notice

OPPOSITION

WITNESSES (Name and expertise)	EST. TIME	EXHIBITS
NOT APPLICABLE		

PROCEDURAL MATTERS  
(Please identify any procedural matters which  
need to be resolved prior to the hearing)

NONE

  
\_\_\_\_\_  
TOMMY ROBERTS, Attorney for  
Snyder Oil Corporation

DATED: February 10, 1994

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 1097  
Order No. R-854

THE APPLICATION OF HUMBLE OIL  
AND REFINING COMPANY FOR AN ORDER  
GRANTING APPROVAL OF AN EXCEPTION  
PURSUANT TO RULE 5 (a) OF THE SPECIAL  
RULES AND REGULATIONS FOR THE EUMONT  
GAS POOL AS SET FORTH IN ORDER R-520  
IN ESTABLISHMENT OF A NON-STANDARD  
GAS PRORATION UNIT OF 320 CONTIGUOUS  
ACRES CONSISTING OF S/2 SECTION 29,  
TOWNSHIP 21 SOUTH, RANGE 36 EAST,  
NMPM, LEA COUNTY, NEW MEXICO, AND  
FOR THE POOLING OF INTERESTS THEREIN  
AS TO THE GAS RIGHTS WITHIN THE VERTI-  
CAL LIMITS OF THE EUMONT GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on July 11, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", in accordance with Rule 1214 of the Commission's Statewide Rules and Regulations.

NOW, on this 10th day of August, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to the provisions of Rule 5 (a) of the Special Rules and Regulations of the Eumont Gas Pool as set forth in Order No. R-520, the Commission has power and authority to permit the formation of a gas

proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, Humble Oil and Refining Company is the owner of state oil and gas leases in Lea County, New Mexico, a portion of which consists of other than a legal section and described as follows, to wit:

Township 21 South, Range 36 East, NMPM  
S/2 of Section 29

containing 320 acres, more or less.

(4) That applicant, Humble Oil and Refining Company, has a producing well on the aforesaid acreage previously known as State "B" No. 7 and now known as the Eumont Gas Unit No. 2 Well No. 1, located 1980 feet from the South line and 660 feet from the East line of said Section 29.

(5) That applicant has in good faith unsuccessfully attempted to voluntarily pool all royalty interests in aforesaid acreage.

(6) That denial by the Commission to pool the properties so requested in the application would deprive or tend to deprive the owner of such tract of the opportunity to recover its just and equitable share of the crude petroleum or natural gas or both in the pool.

(7) That creation of a proration unit consisting of the aforesaid acreage and the pooling of all interests therein will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of the Humble Oil and Refining Company for approval of a non-standard gas proration unit in the Eumont Gas Pool consisting of the following described acreage, Lea County, New Mexico:

Township 21 South, Range 36 East, NMPM  
S/2 of Section 29

be and the same is hereby approved, and a proration unit consisting of the aforesaid acreage is hereby created.

(2) That applicant's well, Eumont Gas Unit No. 2 Well No. 1, located in the NE/4 SE/4 of said Section 29, shall be granted an allowable in the proportion that the above described 320-acre unit bears to the standard proration unit for the Eumont Gas Pool.

3-

Order No. R-854

(3) That the following described properties are hereby pooled to constitute a 320-acre drilling and proration unit for the gas and associated hydrocarbons within the vertical limits of the Eumont Gas Pool:

Township 21 South, Range 36 East, NMPM  
S/2 of Section 29

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

S/John F. Simms, Chairman

S/E. S. Walker, Member

S/A. L. Porter, Jr., Member & Secretary

S E A L