CASE 4478: Application of REFINERS
PETROLEUM FOR THE CREATION OF NEW
POOL AND SPECIAL RULES THERFOR.

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dearnley-meier reporting service, inc.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico January 6, 1971

IN THE MATTER OF:

EXAMINER HEARING

Application of Refiners Petroleum
Corporation for the creation of a
new oil pool and special rules
therefore, Sandoval County, New
Mexico. Applicant, in the abovestyled cause, seeks the creation of
a new pool for the production of oil
from the Graneros-Dakota formation
for its Cuba-Union Well No. 1, located
in Unit A of Section 25, Township 22
North, Range 3 West, Sandoval County,
New Mexico, and for the promulgation
of special rules therefore, including
a provision for 160-acre spacing units.)

Case No. 4478

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING



SPECIALIZING IN: DEFOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTION 200 SIMMS BLDG. B.D. BDX 1002-8PHONE 248-5501-8-1 BUDDIEROUR. NEW MEXICO 67108 MR. HATCH: This is Case No. 4478, which is an application of Refiners Petroleum Corporation for the creation of a new oil pool and special rules therefore, Sandoval County, New Mexico. The Commission has received a request from the Applicant in this case that this Hearing be continued to the same time which had to do with this same situation.

MR. NUTTER: In Case No. 4478, we will continue this to the Examiner Hearings which are scheduled to be held at 9.30 A.M., March 17th, 1971 at this same place.

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STATE OF NEW MEXICO) SS COUNTY OF SANTA FE

I, RICHARD L. NYE, A Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

ICHARD L. NYE, COURT Reporter

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209 SIMMS BLDG. # D.O. BOX 1092 #PHONE 248-66916 #LBUQUERGUE, NEW MEXICO 87108 First national bank bldg. East-Albuquerque, new Mexico 87108



OIL CONSERVATION COMMISSION

..... STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE

87501

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

STATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR

February 8, 1971

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico Re: Case No. 4455 and 4478 Order No. R-4094 & R-4095 Applicant:

Refiners Petroleum Corp.

Dear Sir:

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

> Very truly yours, A. L. PORTER, Jr. Secretary-Director 🎾

ALP/ir Copy of order also sent to: Hobbs OCC_ × Artesia OCC Aztec OCC 🗶 Other_

BEFORE THE OIL COMBERVATION COMMISSION OF THE STATE OF NEW MEXICO

IL THE MATTER OF THE HEARING CALLED BY THE OIL COMBERVATION COMMISSION OF MEN MEXICO FOR THE PURPOSE OF COMSIDERING:

> CASE No. 4478 Order No. R-4095

APPLICATION OF REFINERS PETROLEUM CORPOSATION FOR THE CREATION OF A MEW OIL POOL AND SPECIAL RULES THERE-FOR, SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 6, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

MOW, on this 8th day of February, 1971, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FIND6:

esr/

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

IT IS THEREFORE ORDERED:

That Case No. 4478 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUES BING, Chairman

AX J ARMAJO, Member

A. L. PORTER, Jr., Member & Secretary

Val c.R. Reese, C.P.G...
Geological Consultant

900 Bank of New Mexico Building
Albuquerque, New Mexico 87101

Office: Phone 243-0665 Home: Phone 255-9749

Mr. Dan Nutter
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Cont to march 17 et hig.

Re: Refiners Petroleum Corp.
Examiner Hearing Jamus 6, 1971
Dockets 4455 and 4.78

Dear Mr. Nutter:

With reference to your Dockets Nos. 4455 and 4478 requested by Refiners Petroleum Corp., we would like to have these cases continued until the March, 1971, Examiner Hearing.

If it is not possible to continue these cases as requested, will you please advise me by return mail.

Sincerely

VAL R. REESE

Consulting Geologist for Refiners Petroleum Corp.

VRR:mb

CC: Mr. Frank Barton, President Refiners Petroleum Corp.

> Mr. Jason W. Kellahin Kellahin and Fox

CASE 4478: Application of Refiners Petroleum Corporation for the creation of a new oil pool and special rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Graneros-Dakota formation for its Cuba-Union Well No. 1 located in Unit A of Section 25, Township 22 North, Range 3 West, Sandoval County, New Mexico, and for the promulgation of special rules therefor, including a provisions for 160-acre spacing units.

CASE 4479:

Application of Eastland Cil Company for the creation of a new pool, assignment of discovery allowable, and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks creation of a new pool for the production of oil from the Grayburg and San Andres formations for its Arco Federal Well No. 1 located in the NW/4 NW/4 of Section 5, Township 18 South, Range 31 East, Eddy County, New Mexico, and for the assignment of an oil discovery allowable to said well. Applicant further seeks the adoption of special pool rules to provide for a limiting gas-cil ratio of 5,000 to one.

CASE 4480:

Application of Coastal States Gas Producing Company for expansion of a unit area, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand the Flying "M" (San Andres) Unit Area, authorized by Order No. R-3220, to include some 879 acres, more or less, of Federal, State and Fee lands in Townships 9 and 10 South, Range 33 East, Flying "M" San Andres Pool, Lea County, New Mexico.

CASE 4481:

Application of Delaware-Apache Corporation for a non-standard proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil proration unit comprising the SW/4 NE/4 and NW/4 SE/4 of Section 20, Township 8 South, Range 38 East, Bluitt-San Andres Associated Pool, Roosevelt County, New Mexico, to be dedicated to a well to be drilled at a standard location in the SW/4 NE/4 of said Section 20.

CASE 4492:

Application of the Petroleum Corporation for the creation of a new pool, special rules therefor, and exceptions to Orders Nos. R-3221 and R-4070, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn oil pool for its Petco State Well No. 1 located in Unit P of Section 26, Township 19 South, Range 29 East, Eddy County, New Mexico, and for the promulgation of special rules therefor, including provisions for 160-acre spacing units and a limiting gas-oil ratio of 4000 cubic feet of gas per barrel of oil. Applicant further seeks exceptions to Orders Nos. R-3221 and R-4070, respectively, to permit the disposal of water produced by said well in an unlined surface pit and to flare gas produced by said well.

CASE 3709: (Reopened)

In the matter of Case 3709 being reopened pursuant to the provisions of Order No. R-3366-A, which order extended 80-acre spacing units for the Akah Nez-Devonian Oil Pool, San Juan County, New Mexico, for a period of two years. All interested persons may appear and show cause why said pool should not be developed on 40-acre spacing units.

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF REFINERS PETROLEUM CORP. FOR ADOPTION OF POOL RULES, SANDOVAL COUNTY, NEW MEXICO

Care 4478

APPLICATION

Comes now Refiners Petroleum Corp., and applies to the Oil Conservation Commission of New Mexico for the adoption of pool rules for an undesignated oil pool, Sandoval County, New Mexico, with provision for 160 acres spacing and proration units, and in support thereof would show the Commission:

- 1. Applicant has drilled its Cuba-Union Well No. 1, located 990 feet from the East line, and 990 feet from the North line of Section 25, Township 22 North, Range 3 West, N.M.P.M., and has drilled its Cuba-Pan Am Well No. 1, located 990 feet from the South line, and 1650 feet from the West line of Section 24, Township 22 North, Range 3 West, N.M.P.M., both in Sandcval County. Both wells have been completed for the production of oil from the Graneros Dakota formation at a depth of approximately 6800 feet. Applicant is presently drilling its Cuba-Union Well No. 2, located 990 feet from the East line, and 990 feet from the North line of Section 26, Township 22 North, Range 3 West, N.M.P.M. It is anticipated that this well will be completed for production from the same formation.
- 2. Evidence presently available indicates that one well will drain and develop not less than 160 acres.
- 3. In order to prevent waste, protect correlative rights, and assure the greatest ultimate recovery of oil from

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Date 42-23-76

the pool, pool rules should be adopted creating 160-acre spacing and proration units for the pool for a temporary period of one year, until additional information can be gathered to show what the spacing ultimately should be.

WHEREFORE Applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order granting the relief prayed for.

> Respectfully submitted, REFINERS PETROLEUM CORP.

KELLAHIN & FOX P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

CASE No. 4478

Order No. R- 4695

APPLICATION OF REFINERS PETROLEUM CORPORATION FOR THE CREATION OF A NEW OIL POOL AND SPECIAL RULES THERE-FOR, SANDOVAL COUNTY, NEW MEXICO.

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ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 6 , 1971 at Santa Fe, New Mexico, before Examiner Daniel S. Nutter

NOW, on this <u>day of February</u>, 1971, the Commission, a quorum being present, 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. 4478 is hereby dismissed.

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