

Case Number

4493

Application
Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 13, 1971

EXAMINER HEARING

IN THE MATTER OF:

Application of Belco Petroleum Corporation
for compulsory pooling, Lea County, New
Mexico.

Case No.
4493

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We will now call Case 4493.

MR. HATCH: Case 4493. Application of Belco Petroleum Corporation for compulsory pooling, Lea County, New Mexico.

The Commission has received a request from the applicant that this case be dismissed.

MR. NUTTER: Case No. 4493 will be dismissed, and this hearing is adjourned.

I, ETHEL S. ROMERO, Secretary, Oil Conservation Commission,
do hereby certify that the foregoing and attached Transcript of
Hearing before the New Mexico Oil Conservation Commission was
reported by me; and that the same is a true and correct record
of said proceedings to the best of my knowledge, skill and
ability.

Benjamin A. Romero

Ethel S. Romero

I do hereby certify that the foregoing is a true and correct record of the testimony given at the hearing of Case No. 4419, and is true to the best of my knowledge and belief.

Witness my hand and seal this 13th day of June, 1921.

[Signature]
Secretary

New Mexico Oil Conservation Commission

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. 4493
Order No. R-4091

APPLICATION OF BELCO PETROLEUM
CORPORATION FOR COMPULSORY POOL-
ING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 13, 1971,
at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 15th day of January, 1971, the Commission, a
quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

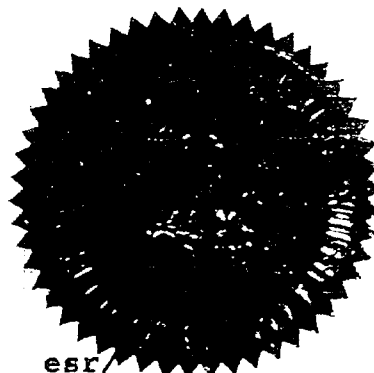
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 4493 is hereby dismissed.

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



esr/

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Bruce King
BRUCE KING, Chairman

Alex J. Armijo
ALEX J. ARMILLO, Member

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

LAW OFFICES OF
HUNKER, FEDRIC & HUGHES

210 HINKLE BUILDING

POST OFFICE BOX 1837

ROSWELL, NEW MEXICO 88201

GEORGE H. HUNKER, JR.
DON M. FEDRIC
W. R. HUGHES, JR.
RONALD M. HIGGINBOTHAM

TELEPHONE 622-2700
AREA CODE 505

January 11, 1971

Mr. A. L. Porter
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Force-Pooling Application of
Belco Petroleum Corporation
T9S, R34E
Sec. 11. ~~NE1~~
Case No. 4493
Docket No. 2-71

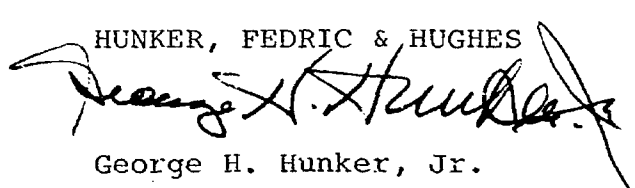
Dear Mr. Porter:

The above described matter was set for hearing on January 13, 1971 and it has been learned that Tenneco Oil Company and Belco Petroleum Corporation have entered into an agreement for the pooling of the Tenneco tract, and as a consequence, it will not be necessary for the force-pooling case to be heard. It is respectfully requested that the case be dismissed.

We appreciate very much the cooperation that we have had from your office in getting the matter set down for an early hearing.

Sincerely yours,

HUNKER, FEDRIC & HUGHES


George H. Hunker, Jr.

GHH:cd

cc: Mr. James D. Harper, III
Belco Petroleum Corporation
P. O. Box 19234
Houston, Texas 77024

CASE 4493: Application of Belco Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bough "C" zone of the Pennsylvanian formation underlying the NE/4 of Section 11, Township 9 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico. Said acreage to be dedicated to a well to be drilled at a standard location in the NW/4 NE/4 of said Section 11. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well. In the alternative, applicant seeks approval for a 120-acre non-standard oil proration unit comprising the N/2 NE/4 and SE/4 NE/4 of said Section 11 to be dedicated to the above-described well.

BELCO PETROLEUM
CORPORATION

P. O. BOX 19234
8707 KATY FREEWAY
HOUSTON, TEXAS 77024

HOUSTON DIVISION

TELEPHONE: (713) 464-9471
CABLE: BELPETEX

December 23, 1970

file - Case 4493

Tenneco Oil Company
P. O. Box 1031
Midland, Texas 79701

Gentlemen:

Please consider this letter as a formal request from Belco Petroleum Corporation for a farmout of the oil, gas and casinghead gas rights under the following described leasehold to-wit:

Area: Vada Penn Pool
Lea County, New Mexico

Acreage: Township 9 South, Range 34 East
N.M.P.M. Section 11, NE/4
160 acres

Tenneco Oil Company to Retain:

- (1) 17.5% of 8/8 overriding royalty including all previously reserved or created overriding royalty interests, reduced proportionately according to their 25% leasehold interest.
- (2) All rights below Bough C zone of the Pennsylvanian formation or 100' below the total depth drilled, whichever is the greater depth.

Belco Agrees as Follows:

- (1) To drill or cause to be drilled a well to thoroughly test the Bough C zone of the Pennsylvanian formation mentioned above to an approximate depth 9800'.
- (2) Location of initial well: NW/4 of NE/4 of Section 11.
- (3) Commencement date: Within 40 days after final execution of the farmout agreement but in no event no later than January 27, 1971, as per farmout agreement with other parties.
- (4) Assignment of acreage: Within 30 days after commercial production has been established.

December 23, 1970

- (5) Continuous development: 160 acres being the oil proration unit established for the Vada Penn, Bough C oil pool.
- (6) Well Density Per: Field Rules
- (7) Depth to be assigned: 100' below total depth drilled or 9800' whichever is the lesser depth.

Should Tenneco Oil Company be unable to farmout on the above basis, it is requested that they join as a non-operator with their 1/4 leasehold interest.

If no response is received by January 8, 1971, it will be assumed that Tenneco Oil Company does not wish to farmout or join in operations.

Yours very truly,

BELCO PETROLEUM CORPORATION

By


James D. Harper, Jr.

JDH:cp

cc: New Mexico Oil Conservation Commission
Mr. George Hunker

LAW OFFICES
GEORGE H. HUNKER, JR.
418 HINKLE BUILDING
ROSWELL, NEW MEXICO

505 622-3405

POST OFFICE BOX 2086

December 24, 1970

Mr. A. L. Porter
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87501

Re: Force-pooling Application of
Belco Petroleum Corporation
T9S, R34E
Sec. 11: NE¼

Dear Mr. Porter:

In connection with the above matter, I hand you here-
with, in duplicate, Belco Petroleum Corporation's Application
for an Order force-pooling the above described tract. I ask
that the Application be filed and that the matter be set down
for hearing on a hearing which I understand you have scheduled
for January 13, 1971.

I am mailing a copy of the Application to Tenneco Oil
Company in Midland, Texas.

Sincerely yours,

George H. Hunker, Jr.
George H. Hunker, Jr.

GHH:cd
Encl.

cc: Belco Petroleum Corporation
cc: Tenneco Oil Company

DOCKET MAILED

Date 12-30-70

RECEIVED
OIL CONSERVATION COMMISSION
NEW MEXICO
AUG 28 1953

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF BELCO PETROLEUM CORPORATION
FOR AN ORDER FORCE-POOLING LAND
IN SECTION 11, TOWNSHIP 9 SOUTH,
RANGE 34 EAST, N.M.P.M., LEA
COUNTY, NEW MEXICO

CASE NO. 4413

A P P L I C A T I O N

Comes now BELCO PETROLEUM CORPORATION, P. O. Box 19234, Houston, Texas 77024, and applies to the Oil Conservation Commission for an order force-pooling all mineral interests in and under the NE $\frac{1}{4}$ of Section 11, Township 9 South, Range 34 East, N.M.P.M., Lea County, New Mexico, as to the Bough "C" Zone of the Pennsylvanian formation underlying said lands, or in the alternative, for an order creating a non-standard 120 acre oil proration unit consisting of the N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, Township 9 South, Range 34 East, as hereinafter shown, and in support thereof would show the Commission:

1. Applicant is the owner of a right to drill and produce oil or gas or both from the N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, Township 9 South, Range 34 East.

2. That the lands to be pooled are within the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, for which Pool Rules were established in Case No. 3513, Order No. R-3179-A and B, reference to which is hereby made for all purposes. That said Order establishes a standard unit as containing 160 acres, more or less, substantially in the form of a square for wells to be completed in the Vada-Pennsylvanian Pool or in the Bough "C" Zone of the Pennsylvanian formation within one mile thereof.

3. That there is a separately owned interest in the oil and gas minerals embraced within the NE $\frac{1}{4}$ of Section 11, Township 9 South, Range 34 East, consisting of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 11, and the owner or owners thereof have not agreed to pool their interests for the drilling of a well to any common source of supply underlying said tract; to the best of applicant's information and belief, Tenneco Oil Company is a working interest owner in said lands. That the applicant proposes to drill a test well to a depth sufficient to test the Bough "C" Zone of the Pennsylvanian formation, which said well applicant proposes to drill within 150 feet of the center of the governmental quarter-quarter section described as the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, Township 9 South, Range 34 East, N.M.P.M.

4. To the best of applicant's information and belief, the NE $\frac{1}{4}$ of Section 11, Township 9 South, Range 34 East is underlain by a producing horizon described as the Bough "C" Zone of the Pennsylvanian formation. That an owner drilling in this area may reasonably expect to encounter oil production from the Bough "C" Zone of the Pennsylvanian formation and would therefore need to force-pool the NE $\frac{1}{4}$ of Section 11 to dedicate said acreage to such well.

5. There is attached hereto and made a part of this Application, a Plat showing the acreage involved, together with offsetting ownership to the best of applicant's knowledge and belief.

6. Applicant prays that suitable provision be made for charges for supervision, and that an order entered include a charge for the risk involved in the drilling of a well on said unit, to be recovered from any non-consenting working interest owner's prorata share of the cost of drilling and com-

pleting said well.

7. The approval of this Application is in the interests of conservation, and will result in the protection of the correlative rights of applicant and other owners, including working interest owners and royalty owners affected by this Application.

WHEREFORE, applicant prays that this Application be set for hearing before the Commission, or the Commission's duly appointed Examiner, and after notice and hearing as provided by law, the Commission enter its order force-pooling the above described tract as prayed for.

Respectfully submitted,

BELCO PETROLEUM CORPORATION

By 

George H. Hunker, Jr.
Hunker, Fredric & Hughes
P. O. Box 1837
Roswell, New Mexico 88201

Attorneys for Applicant

R3.4E

[illegible]

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 4493

Order No. R- 4091

APPLICATION OF BELCO PETROLEUM
CORPORATION FOR COMPULSORY POOL-
ING, LEA COUNTY, NEW MEXICO.

[Signature]
ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 13, 1971,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of January, 1971, the Commission,
a quorum being present, having considered the record and the recom-
mendations 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. 4493 is hereby dismissed.

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

Geo Hunkers

BELOD Petrol Co. p.
EC. 19234
Hankers Tex

Acamp pool

acc mud int

Prong Creek Dam farm

NE 1/4 11-9-34 L

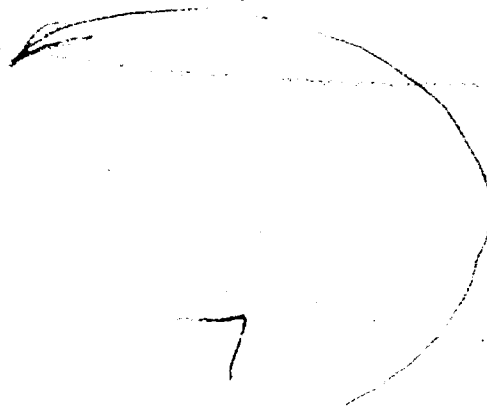
Vada Dam 150' water
1060 loc within
NW 1/4 NE

alternated

NS 120 oil

N 1/2 NE & 31 NE 11-9-34

cost of well, dig of sup, ap. 10.00
allo. f



CASE 4494: Appli. of SOUTHERN UN.
& SO. GATHERING FOR SUSPENSION
OF PROVISIONS OF RULES 14(A),
15(A), and 15(B).