

CASE No.

4966

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Application,  
Transcripts,  
Small Exhibits

ETC.

dearnley, meier & associates

200 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6601, ALBUQUERQUE, NEW MEXICO 87103  
1210 FIRST NATIONAL BANK BLDG., EAST ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
CONFERENCE ROOM, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
June 27, 1973  
EXAMINER HEARING

IN THE MATTER OF:

Application of Read & Stevens, Inc.  
for compulsory pooling, Chaves County,  
New Mexico.

Case No. 4966

BEFORE: ELVIS A. UTZ,  
Examiner.

TRANSCRIPT OF HEARING

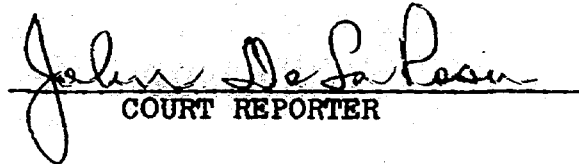
1 MR. UTZ: Call next Case 4966.

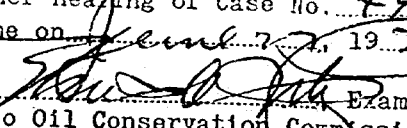
2 MR. CARR: 4966, Application of Read & Stevens, Inc.  
3 for compulsory pooling, Chaves County, New Mexico.

4 MR. UTZ: We have received a letter from Donald  
5 G. Stevens, requesting that this case be dismissed and  
6 it will be dismissed gladly.

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10 STATE OF NEW MEXICO )  
11 COUNTY OF BERNALILLO ) SS.

12 I, JOHN DE LA ROSA, a Court Reporter, in and for the  
13 County of Bernalillo, State of New Mexico, do hereby certify  
14 that the foregoing and attached Transcript of Hearing before  
15 the New Mexico Oil Conservation Commission was reported by me;  
16 and that the same is a true and correct record of the said  
17 proceedings to the best of my knowledge, skill and ability.

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20 COURT REPORTER

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22 I do hereby certify that the foregoing is  
23 a complete record of the proceedings in  
the Examiner hearing of Case No. 4966  
24 heard by me on June 27, 1973  
25  Examiner  
New Mexico Oil Conservation Commission

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
June 6, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Read &  
Stevens, Inc. for compulsory  
pooling, Chaves County, New  
Mexico.

Case No. 4966

BEFORE RICHARD L. STAMETS  
EXAMINER

TRANSCRIPT OF HEARING

1 MR. STAMETS: Call next Case 4966, application of  
2 Read & Stevens, Inc. for compulsory pooling, Chaves  
3 County, New Mexico.

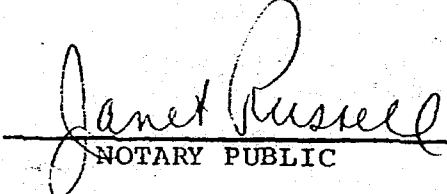
4 The applicant has requested that this case be  
5 continued to the June 27 Examiner Hearing, and it will  
6 be so continued.

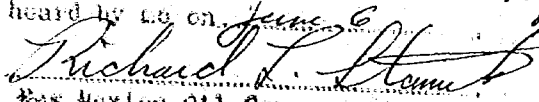
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1 STATE OF NEW MEXICO )  
 2 ) ss  
 3 COUNTY OF BERNALILLO )

4 I, JANET RUSSELL, a Notary Public, in and for the  
 5 County of Bernalillo, State of New Mexico do hereby certify  
 6 that the foregoing and attached Transcript of Hearing before  
 7 the New Mexico Oil Conservation Commission was reported by  
 8 me; and that the same is a true and correct record of the  
 9 said proceedings to the best of my knowledge, skill and  
 10 ability.

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 12 NOTARY PUBLIC

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 20 I do hereby certify that the foregoing is  
 21 a complete record of the  
 22 the said hearing of 4966  
 23 heard by me on June 6, 73  
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 25 New Mexico Oil Conservation Commission

dearnley, meier & mc cormick

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87106

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
May 23, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Read & Stevens, Inc.  
for compulsory pooling, Chaves County,  
New Mexico.

Case No. 4966

BEFORE: Elvis A. Utz  
Examiner

TRANSCRIPT OF HEARING

dearnley, meier & mc cormick

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1210 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1 MR. UTZ: Case 4966.  
2 MR. CARR: Case 4966: Application of Read & Stevens,  
3 Inc. for compulsory pooling, Chaves County, New Mexico.  
4 MR. UTZ: The Applicant has requested that this case  
5 be continued to the June 6 hearing, and the case will be  
6 continued to the Examiner Hearing on June 6.

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dearnley, meier & mc cormick

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1 STATE OF NEW MEXICO )  
2 ) ss.  
3 COUNTY OF BERNALILLO )

4 I, RICHARD E. McCORMICK, a Certified Shorthand Reporter,  
5 do hereby certify that the foregoing and attached Transcript  
6 of Hearing before the New Mexico Oil Conservation Commission  
7 was reported by me; and that the same is a true and correct  
8 record of the said proceedings, to the best of my knowledge,  
9 skill and ability.

*Richard E. McCormick*

CERTIFIED SHORTHAND REPORTER

22 I do hereby certify that the foregoing is  
23 a true and correct record of the proceedings in  
24 the 1st floor hearing of Case No. 4966  
25 heard by me on May 22, 1973.  
Examiner  
New Mexico Oil Conservation Commission

dearnley, meier & mc cormick

209 SIMMS BLDG. P.O. BOX 1092 PHONE 243-8691 ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
May 9, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Read & Stevens, Inc.  
for compulsory pooling, Chaves  
County, New Mexico.

Case No. 4966

BEFORE: Daniel S. Nutter  
Examiner

TRANSCRIPT OF HEARING

1 MR. NUTTER: We will call Case No. 4966.

2 MR. CARR: Case 4966, Application of Read & Stevens,  
3 Inc. for compulsory pooling, Chaves County, New Mexico.

4 MR. NUTTER: We have received a request from the  
5 Applicant in this case that it be continued to May 23, 1973.  
6 Case No. 4966 will be continued to the Examiner Hearing  
7 scheduled to be held at 9:00 A.M. May 23, 1973, at this same  
8 place.

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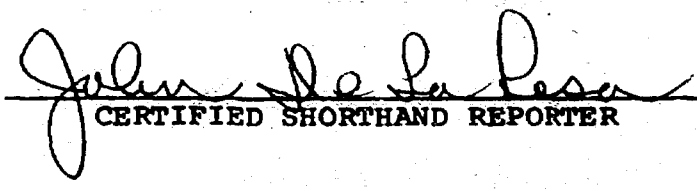
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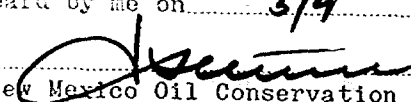
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1 STATE OF NEW MEXICO )  
2 ) ss.  
3 COUNTY OF BERNALILLO )

4 I, JOHN DE LA ROSA, a Certified Shorthand Reporter, do  
5 hereby certify that the foregoing and attached Transcript of  
6 Hearing before the New Mexico Oil Conservation Commission was  
7 reported by me; and that the same is a true and correct record  
8 of the said proceedings, to the best of my knowledge, skill and  
9 ability.

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12 CERTIFIED SHORTHAND REPORTER

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I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 4966  
heard by me on 5/9, 1973.  
, Examiner  
New Mexico Oil Conservation Commission



## 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

July 16, 1973

Mr. Donald G. Stevens  
Attorney at Law  
Post Office Box 1797  
Santa Fe, New Mexico

Re: Case No. 4966  
Order No. R-4586  
Applicant:  
Read & Stevens

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 xxx  
Artesia OCC x  
Aztec OCC

Other Mrs. Corinne Grace

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. 4966  
Order No. R-4586

APPLICATION OF READ & STEVENS,  
INC. FOR COMPULSORY POOLING,  
CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 27, 1973,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 13th day of July, 1973, 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. 4966 is hereby dismissed.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
  
I. R. TRUJILLO, Chairman

  
ALEX J. ARMIJO, Member

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

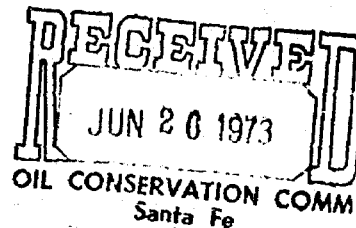
S E A L

dr/

DONALD G. STEVENS · ATTORNEY AT LAW

P. O. Box 1797  
101 W. MARCY  
SANTA FE, NEW MEXICO 87501

AREA CODE 505  
962-0663



June 25, 1973

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, N. M. 87501

Attention: Ida Rodriguez

Re: Case #4966

Gentlemen:

The applicant in N.M.O.C.C. Case 4966, Read and  
Stevens, Inc., hereby respectfully requests that  
said case be dismissed.

Yours very truly,

  
Donald G. Stevens

DGS:dmc

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 27, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 4983: (Continued from the June 6, 1973, Examiner Hearing)

Application of Gulf Oil Corporation for simultaneous well dedication and non-standard locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of two wells to a standard 640-acre gas proration unit comprising all of Section 35, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, said wells being the W. A. Ramsay (NCT-A) Wells Nos. 20 and 7 at non-standard locations in the center of Units E and N, respectively, of said Section 35.

CASE 4966: (Continued from the June 6, 1973, Examiner Hearing)

Application of Read & Stevens, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 36, Township 12 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled to the Queen formation in Unit B of said Section 36, in the Southeast Chaves Queen Gas Area. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a 200 percent charge for risk involved in drilling said well.

CASE 5008: Application of Hondo Drilling Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from 5034 feet to 5038 feet, or in the alternative, from 5128 feet to 5134 feet in its Gulf "NW" State Well No. 2 located in Lot 6 of Section 6, Township 24 South, Range 33 East, Triple "X" Delaware Pool, Lea County, New Mexico.

CASE 5009: Application of Wendell C. Welch for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SE/4 of Section 35, Township 17 South, Range 27 East, Eddy County, New Mexico.



- CASE 5010: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Pennsylvanian formation underlying the N/2 of Section 18, Township 18 South, Range 26 East adjacent to the West Atoka Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled 1650 feet from the North line and 660 feet from the West line of said Section 18, the unorthodox location of which was previously approved by Commission Order No. R-4508. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and up to 200 percent charge for risk involved in drilling said well.
- CASE 5011: Application of El Paso Natural Gas Company for extension of Order No. R-4342, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the provisions of Order No. R-4342, which order authorized the applicant to produce certain non-marginal wells in the San Juan 32-9 Unit Area, Blanco Mesaverde Pool, San Juan County, New Mexico, at full capacity while conducting tests, making up said overproduction by underproducing other non-marginal wells within the participating area.
- CASE 5012: Application of Gandy Construction for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SE/4 of Section 11, or the SW/4 of Section 12, Township 10 South, Range 35 East, Lea County, New Mexico.
- CASE 5013: Application of Phillips Petroleum Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formation through its Lea Wells Nos. 4 and 6 located in Units I and O, respectively, of Section 29, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.
- Applicant further seeks an administrative procedure for the drilling of additional injection and producing wells at orthodox and unorthodox locations without further notice and hearing.
- CASE 5014: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the W/2 of Section 26, Township 25 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location for said unit.

(Case 5014 continued from page 2)

Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and up to 200 percent charge for risk involved in drilling said well.

CASE 5015: Application of Michael P. Grace II and Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests down to and including the Morrow formation underlying the S/2 of Section 16, Township 24 South, Range 26 East, adjacent to the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and up to 200 percent charge for risk involved in drilling said well.

CASE 4988: (Continued and Readvertised)

Application of Texaco Inc. for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Blinbry, Tubb, and Drinkard Oil Pools in the wellbore of its A. H. Blinbry Well No. 28 located in Unit A of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 5016: Application of Atlantic Richfield Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Seven Rivers-Queen Unit Area comprising 2262 acres, more or less, of State and Fee lands in Townships 22 and 23 South, Range 36 East, Lea County, New Mexico.

CASE 5017: Application of Atlantic Richfield Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Seven Rivers-Queen Unit Area by the injection of water into the Seven Rivers and Queen formations through 28 wells located in Sections 27, 34, and 35, Township 22 South, Range 36 East, and Sections 2 and 3, Township 23 South, Range 36 East, Lea County, New Mexico.

CASE 5018: Southeastern nomenclature case calling for an order for the creation, extension and contraction of certain pools, and the assignment of an oil discovery allowable, 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 Humble City-Wolfcamp Pool. The discovery well is the Pubco Petroleum Corporation

(Case 5018 continued from page 3)

Shipp No. 4 located in Unit L of Section 11, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM  
Section 11: SW/4

Also the assignment of an oil discovery allowable of approximately 47,970 barrels of oil to the aforesaid Shipp Well No. 4.

(b) Create a new pool in Lea County, New Mexico, classified as an oil pool for Queen production and designated as the Shinnery-Queen Pool. The discovery well is the Burleson & Huff Cinco de Mayo Federal No. 1 located in Unit C of Section 24, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM  
Section 24: NW/4

(c) Contract the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
Section 34: S/2 NE/4

(d) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
Section 34: S/2 NE/4

(e) Contract the South Prairie-Cisco Pool in Roosevelt County, New Mexico, by the deletion of the following described area:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM  
Section 28: NW/4

(f) Extend the East Brunson-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 13: NW/4

(g) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM  
Section 1: NE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 6: N/2

(h) Extend the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM  
Section 7: NE/4

(i) Extend the Justis Tubb-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 12: NW/4

DONALD G. STEVENS · ATTORNEY AT LAW

P. O. Box 1797  
101 W. MARTY  
SANTA FE, NEW MEXICO 87501  
AREA CODE 505  
982-8583

June 5, 1973

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

Attention: Ida Rodriguez

Re: Case #4966

Gentlemen:

The applicant in N.M.O.C.C. Case 4966,  
Read and Stevens, Inc., hereby respectfully  
requests that said case be continued until  
the next regularly scheduled hearing.

Yours very truly,

*Donald G. Stevens*  
Donald G. Stevens *dmc*

DGS:dmc

cc: Mrs. Corrine Grace

*June 27<sup>th</sup>*

DOCKET MAILED

Date *6/12/73*

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 6, 1973

9 A.M. - OIL CONSERVATION COMMISSION 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for July, 1973, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico for July, 1973.

CASE 4982: Application of Brunson and McKnight for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Ojo Chiso Unit Area comprising 5,120 acres, more or less, of Federal and State lands in Township 22 South, Range 34 East, Lea County, New Mexico.

CASE 4983: Application of Gulf Oil Corporation for simultaneous well dedication and non-standard locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of two wells to a standard 640-acre gas proration unit comprising all of Section 35, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, said wells being the W. A. Ramsay (NCT-A) Wells Nos. 20 and 7 at non-standard locations in the center of Units E and N, respectively, of said Section 35.

CASE 4749: (Reopened)

In the matter of Case No. 4749 being reopened pursuant to the provisions of Order No. R-4338, which order established special rules and regulations for the Humble City-Strawn Pool, Lea County, New Mexico, including a provision for 80-acre proration units. All interested parties may appear and show cause why said pool should be developed on other than 40-acre units.

CASE 4984: Application of Monsanto Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Miller Federal Well No. 1 located in Unit G of Section 3, Township 21 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce gas from undesignated Atoka gas pool and from the Burton Flat-Morrow Gas Pool through the casing-tubing annulus, and tubing, respectively.

CASE 4967: (Continued and readvertised from the May 9, 1973 Examiner Hearing)

Application of John M. Etcheverry for dissolution of a standard proration unit and the creation of two non-standard proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks

(Case 4967 continued from page 1)

the dissolution of the standard 160-acre proration unit comprising the SW/4 of Section 29, Township 14 South, Range 34 East, West Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, dedicated to the Mark Production Company Etcheverry Well No. 1 located in Unit L of said Section 29, and the creation of two non-standard 80-acre proration units, one comprising the N/2 and the other the S/2 of the SW/4 of said Section 29; the first unit would be dedicated to the aforesaid Etcheverry Well No. 1 and the second unit would be dedicated to a well proposed to be drilled in Unit M of said Section 29.

CASE 4985: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pipeline Deep Unit Area comprising 3,862 acres, more or less, of federal lands in Township 19 South, Range 34 East, Lea County, New Mexico.

CASE 4986: Application of Dalport Oil Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Queen formation underlying the E/2 of Section 17, Township 12 South, Range 31 East, Chaves County, New Mexico, to be dedicated to a well to be drilled in Unit G of said Section 17. Also to be considered will be the cost of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, the establishment of charges for supervision of said well, and the designation of applicant as operator.

CASE 4987: Application of Texaco Inc. for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Blinebry, Tubb, and Drinkard Oil Pools in the wellbore of its A. H. Blinebry Well No. 20 located in Unit E of Section 20, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 4988: Application of Texaco Inc. for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Tubb and Drinkard Oil Pools in the wellbore of its A. H. Blinebry Well No. 28 located in Unit A of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 4989: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the amendment of the general rules governing prorated gas pools in Northwest and Southeast New Mexico as promulgated by Order No. R-1670, as amended. Rule 15 of the aforesaid general rules would be amended to provide that if a well is

Examiner Hearing - Wednesday - June 6, 1973

Docket No. 15-73

-3-

(Case 4989 continued from page 2)

overproduced in an amount exceeding six times its average monthly allowable for the preceding twelve months (or, in the case of a newly connected well or a well in a newly prorated pool, six times its average monthly allowable for the months available), it shall be shut in during that month and each succeeding month until it is overproduced in an amount less than six times its average monthly allowable, as determined above.

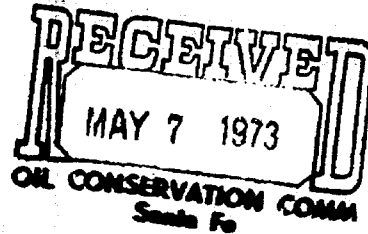
Rule 15 would be further amended to permit the Secretary-Director of the Commission to grant a pool-wide moratorium of up to three months on the shutting in of gas wells during periods of high demand emergency if a significant number of the wells in the pool are subject to being shut in.

CASE 4966: (Continued from the May 23, 1973 Examiner Hearing)

Application of Read & Stevens, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 36, Township 12 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled to the Queen formation in Unit B of said Section 36, in the Southeast Chaves Queen Gas Area. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a 200 percent charge for risk involved in drilling said well.

DONALD G. STEVENS · ATTORNEY AT LAW

P. O. Box 1797  
101 W. MAROY  
SANTA FE, NEW MEXICO 87501  
AREA CODE 505  
982-8583



May 7, 1973

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

Attention: Ida Rodriguez

Re: Case #4966

Gentlemen:

The applicant in N.M.O.C.C. Case 4966, Read and Stevens, Inc., hereby respectfully requests that said case be continued until the May 23, 1973 hearing, because of a conflict in schedules of Applicant's principal witness, Mr. Charles B. Read.

Yours very truly,

  
Donald G. Stevens

DGS:dmc

DOCKET MAILED  
Date 5-25-73  
for 7/6/73



DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 23, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

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The following cases will be heard before Elvis A. Utz, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4683: (Reopened) (Continued from the April 11, 1973 Examiner Hearing)

In the matter of Case 4683 being reopened pursuant to the provisions of Order No. R-4286, which order established special rules and regulations for the West Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, including a provision for 160-acre proration units. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre units.

CASE 4946: (Continued from the May 9, 1973 Examiner Hearing)

Application of Union Texas Petroleum for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Crosby-Fusselman Pool, Lea County, New Mexico, including a provision for classification of oil wells and gas wells, 320-acre spacing for all wells, and a limiting gas-oil ratio of 5000 to one.

CASE 4966: (Continued from the May 9, 1973 Examiner Hearing)

Application of Read & Stevens, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 36, Township 12 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled to the Queen formation in Unit B of said Section 36, in the Southeast Chaves Queen Gas Area. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a 200 percent charge for risk involved in drilling said well.

CASE 4969: Application of Amoco Production Company for a special depth bracket allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of a special depth bracket allowable of 764 barrels of oil per day for the Tocito Dome Pennsylvanian "D" Oil Pool, San Juan County, New Mexico, to replace the current regular depth bracket allowable for said pool of 382 barrels per day.

CASE 4970: Application of Robert G. Cox for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter his Federal "EA" Well No. 1, a crooked hole the surface location of which is 330 feet from the North and West lines of

(Case 4970 continued from page 1)

Section 12, Township 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico, to set a whipstock at a depth of 4,200 feet and to drill in such a manner as to return the hole to the vertical, and to bottom said well at a depth of 6,200 feet approximately beneath the surface location.

- CASE 4971: Application of Tesoro Petroleum Corporation for a secondary recovery project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a secondary recovery project by injection of water and/or gas into the Hospah sand in its Santa Fe RR "A" Well No. 84 to be located five feet from the South line and 2,950 feet from the East line of Section 1, Township 17 North, Range 9 West, South Hospah-Lower Sand Oil Pool, McKinley County, New Mexico.
- CASE 4972: Application of Skelly Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Forty-Niner Ridge Unit Area comprising 7,679 acres, more or less, of State, Federal, and Fee lands in Township 23 South, Range 30 East, Eddy County, New Mexico.
- CASE 4973: Application of Clayton W. Williams, Jr. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Badger Unit Area comprising 10,158 acres, more or less, of State and Federal lands in Township 22 South, Range 31 East, Eddy County, New Mexico.
- CASE 4974: Application of Atlantic Richfield Company for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of a non-standard 160-acre unit comprising the W/2 NE/4 and E/2 NW/4 of Section 12, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Cooper Wells Nos. 1, 2, and 3 located in Units G, F, and B, respectively, of said Section 12.
- CASE 4975: Application of Atlantic Richfield Company for a non-standard proration unit, simultaneous dedication, and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a non-standard 320-acre gas proration unit comprising the NW/4, N/2 SW/4, and W/2 NE/4 of Section 11, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its W. P. Byrd Wells Nos. 5, a non-standard location 1650 feet from the North line and 330 feet from the West line, and No. 7, located 990 feet from the North line and 1980 feet from the West line of said Section 11.

CASE 4951: (Continued from the April 25, 1973 Examiner Hearing)

Application of Atlantic Richfield Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 15, Township 21 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled by the applicant at a standard location to test the Morrow formation. 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 is the designation of applicant as operator and the risk involved in drilling said well.

CASE 4976: Application of The Petroleum Corporation for a dual completion, creation of two gas pools and special rules therefor, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Parkway West Unit Well No. 1 located in Unit C of Section 28, Township 19 South, Range 29 East, Eddy County, New Mexico, to produce gas and associated liquid hydrocarbons from the Sprawn and Atoka formations through parallel strings of tubing. Applicant further seeks the designation of a Sprawn pool and an Atoka pool for said well and the promulgation of special pool rules for each, including classification of oil wells and gas wells and special gas-oil ratio limitations.

CASE 4977: Application of Michael P. Grace II for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 12, Township 22 South, Range 26 East, South Carlsbad Gas Field, Eddy County, New Mexico, to be dedicated to a well to be drilled to the Morrow formation at an unorthodox location 1440 feet from the North line and 1880 feet from the East line of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as operator of the well, and the establishment of a 200 percent risk factor for the well.

CASE 4978: Application of Adobe Oil Company for a dual completion and non-standard gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Smith Federal Well No. 2 in such a manner as to produce gas from an undesignated Atoka gas pool and from the Rock Tank-Upper Morrow gas pool through parallel strings of tubing. Applicant further seeks approval for the non-standard location of said well for the Atoka formation at a point 660 feet from the South line and 330 feet from the East line of Section 11, Township 23 South, Range 24 East, Rock Tank Gas Field, Eddy County, New Mexico, said location having previously been approved for the Upper Morrow formation by Order No. R-4456.

CASE 4979: Application of Michael P. Grace II for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to set a whip-stock in his Airport Grace Well No. 1, the surface location of which is 1980 feet from the South line and 2164 feet from the West line of Section 36, Township 22 South, Range 26 East, South Carlsbad Gas Field, Eddy County, New Mexico, and to directionally drill said well in such a manner as to bottom the well in the Morrow formation at a point approximately 500 feet Northeast of the surface location.

CASE 4980: Application of Pubco Petroleum Corporation for pool creation, an oil discovery allowable, and surface commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Humble City-Wolfcamp Pool and the assignment of approximately 47,970 barrels of oil discovery allowable to the discovery well for said pool, applicant's Shipp Well No. 4 located in Unit L of Section 11, Township 17 South, Range 37 East, Lea County, New Mexico. Applicant further seeks authority to commingle production from said pool with production from the Humble City-Strawn Pool underlying applicant's Shipp lease after separately metering the Wolfcamp production.

CASE 4981: Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Eddy, Lea, and Chaves Counties, New Mexico:

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Cisco production and designated as the West Atoka-Cisco Gas Pool. The discovery well is the Coquina Oil Corporation Five Mile No. 1 located in Unit H of Section 14, Township 18 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 14: E/2

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Cabin Lake-Morrow Gas Pool. The discovery well is the Phillips Petroleum Company James A Com No. 1 located in Unit O of Section 2, Township 22 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM  
Section 2: S/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the West Sand Dunes-Morrow Gas Pool. The discovery well is the El Paso Natural Gas Company Mobil Federal No. 1 located in Unit J of Section 29, Township 23 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 29: E/2

(d) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the North Shoe Bar-Wolfcamp Pool. The discovery well is the Pubco Petroleum Corporation Skelly State No. 1 located in Unit I of Section 14, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 14: SE/4

(e) Extend the West Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 18: S/2

(f) Extend the Blinebry Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM  
Section 1: NE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 6: N/2

(g) Extend the East Brunson-McKee Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 24: SW/4

(h) Extend the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM  
Section 11: E/2

(i) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 2: Lots 1 through 8  
Section 3: Lots 1 through 8

(j) Extend the East Caprock-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM  
Section 10: SE/4

(k) Extend the Catclaw Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM  
Section 30: All

(l) Extend the Cedar Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM  
Section 10: All

(m) Extend the Double L-Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM  
Section 35: All

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM  
Section 5: NE/4

(n) Extend the East EK-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM  
Section 21: S/2 SE/4

(o) Extend the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM  
Section 5: Lots 1, 2, 7, 8, 9, 10,  
15 and 16

(p) Extend the Grayburg-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 28: N/2

(q) Extend the Justis-Montoya Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 13: SE/4

(r) Extend the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 23: SW/4 SE/4

Examiner Hearing - Wednesday - May 23, 1973  
-7-

Docket No. 14-73

(s) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM

Section 22: SE/4

Section 23: E/2 SW/4

(t) Extend the West Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 29: NW/4

(u) Extend the Twin Lakes-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM

Section 1: SE/4 NW/4 and NE/4 SW/4

CASE 4943: (Continued from the May 9, 1973 Examiner Hearing)

Application of M. W. Staples for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce oil from his Vanderverter Well No. 2 located 1310 feet from the North line and 1330 feet from the East line of Section 20, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Said well was drilled as an injection well at said location pursuant to authority granted by Order No. R-3341.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 9, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1973, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for June, 1973.

CASE 4943: (Continued from the April 11, 1973 Examiner Hearing)

Application of M. W. Staples for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce oil from his Vanderventer Well No. 2 located 1310 feet from the North line and 1330 feet from the East line of Section 20, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Said well was drilled as an injection well at said location pursuant to authority granted by Order No. R-3341.

CASE 4928: (Continued from the April 11, 1973, Examiner Hearing)

Application of Union Oil Company of California for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to the Atlantic Richfield Oil Company Pure-Federal Well No. 11 located in Unit K of said Section 11. Applicant further seeks a provision for the payment of proper costs to be borne by applicant for such well and the related well equipment, a provision for allocation of actual operating costs, and the establishment of charges for supervision of such well and the designation of an operator thereof; and for such other relief as proper. Also to be considered will be the risk involved in drilling the subject well.

CASE 4932: (Continued from the April 11, 1973, Examiner Hearing)

Application of Atlantic Richfield Company for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 340.94-acre non-standard gas proration unit comprising the W/2 of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to its Pure Federal Well No. 1 located in Unit K of said Section 11.



- CASE 4959: Application of Tamarack Petroleum Company, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Bronco Wolfcamp Unit Area, comprising 762 acres, more or less, of fee lands in Section 35, Township 12 South, and Section 2, Township 13 South, both Range 38 East, Lea County, New Mexico.
- CASE 4960: Application of Tamarack Petroleum Company, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Wolfcamp formation through three wells in its Bronco Wolfcamp Unit Area, Bronco-Wolfcamp Pool, Lea County, New Mexico.
- CASE 4961: Application of Amoco Production Company for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Blinebry and Drinkard Oil Pools and the Tubb Gas Pool in the well-bore in its Southland Royalty "A" Well No. 4 located in Unit X of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 4962: Application of Amoco Production Company for special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Peterson-Pennsylvanian Pool, Roosevelt County, New Mexico, including a provision for classification of oil wells and gas wells, 160-acre spacing for oil wells, 320-acre spacing for gas wells, and a limiting gas-oil ratio of 4,000 to one.
- CASE 4963: Application of Texaco Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Benson Queen Unit Area comprising 1800 acres, more or less, of Federal and State lands in Township 18 South, Range 30 East, Eddy County, New Mexico.
- CASE 4964: Application of Texaco Inc. for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its North Benson Queen Area, North Benson-Queen Pool, Eddy County, New Mexico, by the injection of water into the Queen formation through 20 wells in said unit area.
- CASE 4965: Application of Read & Stevens, Inc. for a dual completion, contraction of vertical limits, creation of a new pool and special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Buffalo Valley-Pennsylvanian Pool, Chaves County, New Mexico, to exclude the producing interval from 8548 feet to 8578 feet as found in its Langley Com Well No. 1 located in Unit C of Section 13, Township 15 South, Range 27 East, and to redesignate said pool as the Buffalo Valley Lower-Pennsylvanian Gas Pool, and for the creation of a new pool for the

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 9, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1973, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for June, 1973.

CASE 4943: (Continued from the April 11, 1973 Examiner Hearing)

Application of M. W. Staples for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce oil from his Vanderventer Well No. 2 located 1310 feet from the North line and 1330 feet from the East line of Section 20, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Said well was drilled as an injection well at said location pursuant to authority granted by Order No. R-3341.

CASE 4928: (Continued from the April 11, 1973, Examiner Hearing)

Application of Union Oil Company of California for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to the Atlantic Richfield Oil Company Pure-Federal Well No. 11 located in Unit K of said Section 11. Applicant further seeks a provision for the payment of proper costs to be borne by applicant for such well and the related well equipment, a provision for allocation of actual operating costs, and the establishment of charges for supervision of such well and the designation of an operator thereof; and for such other relief as proper. Also to be considered will be the risk involved in drilling the subject well.

CASE 4932: (Continued from the April 11, 1973, Examiner Hearing)

Application of Atlantic Richfield Company for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 340.94-acre non-standard gas proration unit comprising the W/2 of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to its Pure Federal Well No. 1 located in Unit K of said Section 11.

(Case 4965 continued from page 2)

above-described producing interval to be designated Buffalo Valley Upper-Pennsylvanian Gas Pool. Applicant also seeks the adoption of special rules for said proposed new pool similar to the pool rules for the presently existing pool; applicant further seeks approval for the dual completion of the above-described well to produce from both of the aforesaid two pools.

CASE 4966: Application of Read & Stevens, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 36, Township 12 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled to the Queen formation in Unit B of said Section 36, in the Southeast Chaves Queen Gas Area. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a 200 percent charge for risk involved in drilling said well.

CASE 4967: Application of John M. Etcheverry for dissolution of a standard proration unit and the creation of two non-standard proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the dissolution of the standard 160-acre proration unit comprising the SW/4 of Section 29, Township 14 South, Range 34 East, West Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, dedicated to the Mark Production Company Etcheverry Well No. 1 located in Unit L of said Section 29, and the creation of two non-standard 80-acre proration units, one comprising the N/2 and the other the S/2 of the SW/4 of said Section 29; the first unit would be dedicated to the aforesaid Etcheverry Well No. 1 and the second unit would be dedicated to a well proposed to be drilled in Unit P of said Section 29.

CASE 4968: Application of Benjamin K. Horton for the amendment of Order No. R-1814, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-1814 to provide for the dissolution of the 344.28-acre non-standard unit approved by paragraph 4 of said order which unit comprises all of partial Section 11 plus Lot 4 and the SW/4 SW/4 of partial Section 12, Township 28 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico. Applicant proposes the creation of a 275.36-acre non-standard unit comprising all of the aforesaid partial Section 11 only to be dedicated to his Federal Well No. 2 located 1190 feet from the South line and 2210 feet from the East line of said Section 11.

CASE 4946: (Continued and Readvertised)

Application of Union Texas Petroleum for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks

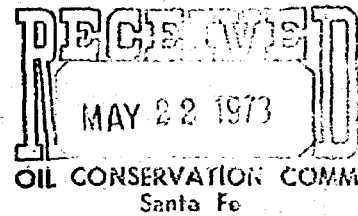
**William J. LeMay • Consulting Geologist**

Telephone AC 505 982-3211  
Post Office Box 2244  
214 Old Santa Fe Trail  
Santa Fe, New Mexico 87501

May 22, 1973

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

Attention: Mr. Dan Nutter



Dear Mr. Nutter,

Read and Stevens Inc. requests that Case No. 4966 be continued to the examiner hearing on June 6, 1973.

Very truly yours

*William J. LeMay*  
William J. LeMay  
Agent for Read & Stevens Inc.

cc: Read & Stevens Inc.

DOCKET MAILED  
Date 5-25-73

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 9, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1973, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for June, 1973.

CASE 4943: (Continued from the April 11, 1973 Examiner Hearing)

Application of M. W. Staples for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce oil from his Vanderventer Well No. 2 located 1310 feet from the North line and 1330 feet from the East line of Section 20, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Said well was drilled as an injection well at said location pursuant to authority granted by Order No. R-3341.

CASE 4928: (Continued from the April 11, 1973, Examiner Hearing)

Application of Union Oil Company of California for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to the Atlantic Richfield Oil Company Pure-Federal Well No. 11 located in Unit K of said Section 11. Applicant further seeks a provision for the payment of proper costs to be borne by applicant for such well and the related well equipment, a provision for allocation of actual operating costs, and the establishment of charges for supervision of such well and the designation of an operator thereof; and for such other relief as proper. Also to be considered will be the risk involved in drilling the subject well.

CASE 4932: (Continued from the April 11, 1973, Examiner Hearing)

Application of Atlantic Richfield Company for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 340.94-acre non-standard gas proration unit comprising the W/2 of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to its Pure Federal Well No. 1 located in Unit K of said Section 11.

- CASE 4959: Application of Tamarack Petroleum Company, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Bronco Wolfcamp Unit Area, comprising 762 acres, more or less, of fee lands in Section 35, Township 12 South, and Section 2, Township 13 South, both Range 38 East, Lea County, New Mexico.
- CASE 4960: Application of Tamarack Petroleum Company, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Wolfcamp formation through three wells in its Bronco Wolfcamp Unit Area, Bronco-Wolfcamp Pool, Lea County, New Mexico.
- CASE 4961: Application of Amoco Production Company for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Blinebry and Drinkard Oil Pools and the Tubb Gas Pool in the well-bore in its Southland Royalty "A" Well No. 4 located in Unit X of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 4962: Application of Amoco Production Company for special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Peterson-Pennsylvanian Pool, Roosevelt County, New Mexico, including a provision for classification of oil wells and gas wells, 160-acre spacing for oil wells, 320-acre spacing for gas wells, and a limiting gas-oil ratio of 4,000 to one.
- CASE 4963: Application of Texaco Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Benson Queen Unit Area comprising 1800 acres, more or less, of Federal and State lands in Township 18 South, Range 30 East, Eddy County, New Mexico.
- CASE 4964: Application of Texaco Inc. for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its North Benson Queen Area, North Benson-Queen Pool, Eddy County, New Mexico, by the injection of water into the Queen formation through 20 wells in said unit area.
- CASE 4965: Application of Read & Stevens, Inc. for a dual completion, contraction of vertical limits, creation of a new pool and special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Buffalo Valley-Pennsylvanian Pool, Chaves County, New Mexico, to exclude the producing interval from 8548 feet to 8578 feet as found in its Langley Com Well No. 1 located in Unit C of Section 13, Township 15 South, Range 27 East, and to redesignate said pool as the Buffalo Valley Lower-Pennsylvanian Gas Pool, and for the creation of a new pool for the

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 9, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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CASE 4928: (Continued from the April 11, 1973, Examiner Hearing)

Application of Union Oil Company of California for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to the Atlantic Richfield Oil Company Pure-Federal Well No. 11 located in Unit K of said Section 11. Applicant further seeks a provision for the payment of proper costs to be borne by applicant for such well and the related well equipment, a provision for allocation of actual operating costs, and the establishment of charges for supervision of such well and the designation of an operator thereof, and for such other relief as proper. Also to be considered will be the risk involved in drilling the subject well.

CASE 4932: (Continued from the April 11, 1973, Examiner Hearing)

Application of Atlantic Richfield Company for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 340.94-acre non-standard gas proration unit comprising the W/2 of Section 11, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to its Pure Federal Well No. 1 located in Unit K of said Section 11.

(Case 4965 continued from page 2)

above-described producing interval to be designated Buffalo Valley Upper-Pennsylvanian Gas Pool. Applicant also seeks the adoption of special rules for said proposed new pool similar to the pool rules for the presently existing pool; applicant further seeks approval for the dual completion of the above-described well to produce from both of the aforesaid two pools.

*Count 16  
may  
23rd  
Stevens is supposed  
to write us re -  
questioning continuance and notify the Graces,*

CASE 4966: Application of Read & Stevens, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 36, Township 12 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled to the Queen formation in Unit B of said Section 36, in the Southeast Chaves Queen Gas Area. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a 200 percent charge for risk involved in drilling said well.

CASE 4967: Application of John M. Etcheverry for dissolution of a standard proration unit and the creation of two non-standard proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the dissolution of the standard 160-acre proration unit comprising the SW/4 of Section 29, Township 14 South, Range 34 East, West Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, dedicated to the Mark Production Company Etcheverry Well No. 1 located in Unit L of said Section 29, and the creation of two non-standard 80-acre proration units, one comprising the N/2 and the other the S/2 of the SW/4 of said Section 29; the first unit would be dedicated to the aforesaid Etcheverry Well No. 1 and the second unit would be dedicated to a well proposed to be drilled in Unit P of said Section 29.

CASE 4968: Application of Benjamin K. Horton for the amendment of Order No. R-1814, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-1814 to provide for the dissolution of the 344.28-acre non-standard unit approved by paragraph 4 of said order which unit comprises all of partial Section 11 plus Lot 4 and the SW/4 SW/4 of partial Section 12, Township 28 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico. Applicant proposes the creation of a 275.36-acre non-standard unit comprising all of the aforesaid partial Section 11 only to be dedicated to his Federal Well No. 2 located 1190 feet from the South line and 2210 feet from the East line of said Section 11.

CASE 4946: (Continued and Readvertised)

Application of Union Texas Petroleum for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks



BEFORE THE OIL AND GAS COMMISSION OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
READ & STEVENS, INC. FOR FORCED POOLING  
OF N/2 SECTION 36, TOWNSHIP 12 SOUTH,  
RANGE 30 EAST, IN CHAVES COUNTY, NEW MEXICO :

No. 4966

APPLICATION

COMES NOW the Applicant, READ & STEVENS, INC., a corporation  
duly qualified to do business in the State of New Mexico, whose  
address is P. O. Box 2126, Roswell, New Mexico, 88201, and states:

1. Applicant hereby applies for an order for forced  
pooling of all the interest of the oil and gas owners located in and  
under the following lands in Chaves County, New Mexico:

N/2 Section 36, Township 12 South,  
Range 30 East, Containing 320 acres,  
more or less.

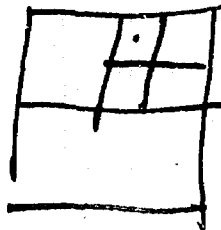
2. This application is filed pursuant to Section  
65-3-14, NMSA 1953, as amended, and also pursuant to all applicable  
rules and regulations of the Commission.

3. The name or general description of the common source  
of supply which will be affected by the order sought, is the Queen  
formation, believed to be of Permian Age.

4. The location of the well proposed to be drilled by  
the Applicant, who will be the operator of said well, is:

660' from the North, 1980' from the  
East lines of said Section.

5. The Area is designated by the New Mexico Oil Conservation  
Commission as the Southeast Chaves Queen Gas Areas set out in Commission  
Order R-4435.



DOCKET MAILED

Date

5-11-73

FOR 5-23-73

DOCKET MAILED

Date

4-26-73

DONALD G. STEVENS - ATTORNEY AT LAW

P. O. Box 1797, 101 W. MARCY

SANTA FE, NEW MEXICO 87501

(608) 962-6663

6. Applicant is the owner of valid oil and gas leases covering N/2 NW/4, SW/4 NW/4, NW/4 NE/4, and SE/4 NE/4 in said Section 36. DOCKET MAILED  
Corrine Grace, whose address is: P. O. Box 1418, Carlsbad, New Mexico, is the owner of a valid oil and gas lease covering SE/4 NW/4, SW/4 NE/4, and NE/4 NE/4 in said Section 36. Date 4-26-73

7. The lands under lease to Applicant amount to 200 acres. The lands not under lease to Applicant amount to 120 acres.

8. Applicant is experienced in the oil and gas business and has the equipment, capital and personnel with which to drill a well to the projected zones and to act as operator thereof.

9. Applicant has made bona fide efforts to lease, farmout, or join the leased lands owned by Corrine Grace in said half section as described above, but has been unable to do so.

10. All of said half section should be pooled to protect correlative rights, prevent waste and avoid the drilling of unnecessary wells.

11. The risk and expense of drilling said well to the projected depth of approximately 2,500 feet is great and if the said Corrine Grace, owner of the other leased land in said half section does not choose to buy her share of the cost of drilling said well, Applicant should be allowed a reasonable charge for the supervision and a charge for the risk involved of 200% of the actual cost, in addition to recovery of the actual cost of drilling and completing said well.

12. Applicant desires a hearing before the Oil Conservation Commission.

WHEREFORE, APPLICANT PRAYS:

1. That the Commission set this matter down for hearing before it.
2. That notice be given as required by law.
3. That upon hearing, an order be issued pursuant to

DONALD G. STEVENS - ATTORNEY AT LAW  
P. O. Box 1797, 101 W. MARCY  
SANTA FE, NEW MEXICO 87501  
(505) 962-6583

Section 65-3-14, NMSA 1953, as amended, for forced pooling of all oil and gas interests in said half section with Applicant designated as operator and with the allowances mentioned in paragraph 11 above.

DONALD G. STEVENS

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P. O. Box 1797  
Santa Fe, New Mexico 87501

Attorney for Applicant

DONALD G. STEVENS - ATTORNEY AT LAW

P. O. Box 1797, 101 W. MARCY

SANTA FE, NEW MEXICO 87501

(505) 982-0563

DRAFT

dr/

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. 4966

APPLICATION OF READ & STEVENS, INC.  
FOR COMPULSORY POOLING, CHAVES  
COUNTY, NEW MEXICO.

Order No. R- 4586

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 27, 1973,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this        day of June, 1973, 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. 4966 is hereby dismissed

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

DRAFT

dr/

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:

APPLICATION OF READ & STEVENS, INC.  
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DONE at Santa Fe, New Mexico, on the day and year hereinabove  
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