

CASE No.
4983

Application,
Transcripts,
Small Exhibits

ETC.

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 Gulf Oil
Corporation for simultaneous
well dedication and non-
standard locations, Lea County,
New Mexico.

Case No. 4983

BEFORE: Richard L. Stamets
Examiner

TRANSCRIPT OF HEARING

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 7108

1 MR. STAMETS: Call first Case 4983 being application
2 of Gulf Oil Corporation for simultaneous well dedication
3 and non-standard locations, Lea County, New Mexico.

4 The Commission has received a request from the
5 Applicant that this case be continued until the June 27th
6 Examiner Hearing, and it will be so continued.

7 * * * * *

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.

11
12 Janet Russell
13 NOTARY PUBLIC
14
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16
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19

20 I do hereby certify that the foregoing is
21 a complete record of the proceedings in
22 the Examiner hearing of Case No. 4983
23 heard by me on June 6, 1973
24 Richard L. Hunt, Examiner
25 New Mexico Oil Conservation Commission

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 Gulf Oil Corporation)
for simultaneous well dedication)
and non-standard locations,)
Lea County, New Mexico.)

Case No. 4983

BEFORE: ELVIS A. UTZ,
Examiner.

TRANSCRIPT OF HEARING

1 MR. UTZ: The next case on the docket will be 4983.

2 MR. CARR: Case 4983, Application of Gulf Oil
3 Corporation for simultaneous well dedication and non-standard
4 locations, Lea County, New Mexico.

5 MR. UTZ: Are there other appearances in this case?

6 (No response.)

7 MR. UTZ: You may make an appearance.

8 MR. McALLEN: Mr. Examiner, my name is Dan McAllen,
9 I'm an attorney for Gulf Oil appearing before the
10 Commission with J. E. Sperling of Albuquerque, New Mexico.
11 I would like to introduce Gulf's witness, Mr. Charles E.
12 Kalteyer, who is District Proration Engineer.

13 * * * * *

14 CHARLES E. KALTEYER,
15 was called as a witness, and after being duly sworn,
16 testified as follows:

17 DIRECT EXAMINATION

18 BY MR. McALLEN:

19 Q Will you state your name, please?

20 A Charles E. Kalteyer.

21 Q Mr. Kalteyer, by whom are you employed?

22 A I'm employed by Gulf Oil Company U.S., and located in
23 Midland.

24 Q In what capacity are you employed?

25 A At present, my classification is District Proration Engineer.

1 Q Mr. Kalteyer, have you previously appeared before the
2 New Mexico Oil Conservation Commission?

3 A Yes, sir, I have.

4 Q Will you state to the Examiner what Gulf is seeking in
5 this application?

6 A Gulf is seeking approval of a non-standard location for
7 its W.A. Ramsay (NCT-A) Well No. 7 in Unit N, of Section
8 35, Township 21, Range 36; and the simultaneous dedication
9 for 640-acre standard proration unit in the Eumont-Queen
10 Gas Pool to Well No. 7, and presently producing W.A.
11 Ramsay (NCT-A) Well No. 20, also at a non-standard
12 location in Unit E, of Section 35, Lea County, New Mexico.
13 We further request approval to produce the unit allowable
14 in any proportion from these wells.

15 Q Mr. Kalteyer, do you have an exhibit which shows the
16 W.A. Ramsay (NCT-A) lease?

17 A Yes, sir, if you will refer to Exhibit 1, it's a plat
18 showing the 1920-acre Ramsay lease, State of New Mexico
19 lease, outlined in red. Outlined in green is the 640
20 acres currently dedicated to No. 20, which encompasses
21 the entire Section 35. You will note that the Eumont-
22 Queen gas completions are circled in red and the proposed
23 completion of Well No. 7 is circled in yellow. You will
24 also note that circled in green are two Jalmat Yates
25 gas completions. You will note that while Eumont-Queen

1 Gas Pool extends across the Yates, Seven Rivers, and
2 Queen formations, there are no duplicate assignments of
3 acreage between 22 pools. You will also notice that Wells
4 Nos. 14 in Section 34 and 17 and 46 in Section 27 on the
5 same Ramsay lease are completed in the Eumont-Queen Gas
6 Pool. Well No. 20 in Section 35 is a non-standard
7 location in Unit E, located 1980 feet from the north line
8 and 660 feet from the west line of Section 35. No. 7 is
9 located in Unit N, 660 feet from the south line, 1980 feet
10 from the west line of Section 35, and is to be a
11 non-standard location for the Eumont-Queen Gas Pool.

12 Continental Oil Company's State J-2 lease immediately
13 to the south in Section 2 of Township 32, Range 26, is
14 the only property besides Gulf with acreage falling within
15 the 1900-foot distance from our Ramsay No. 7.

16 Q Mr. Kalteyer, is there any precedence in the immediate
17 area of Section 35 for establishing a second well on a
18 640-acre proration unit?

19 A Yes, sir, in Section 26 immediately to the north, Exxon
20 Oil Company operates Wells Nos. 2 and 6 at non-standard
21 locations with simultaneous 640-acre dedication and with
22 production to be in any proportion between the wells.
23 This dedication was approved under Case No. 4066, and
24 Order No. R-3700 effective April 1, 1969. And, for their
25 Wells Nos. 2 and 4, under Case 4601, Order No. R-3700-A,

1 Well No. 6 of Section 26 was exchanged for Well No. 4
2 effective October 1, 1971. In Section 27 northwest
3 of Section 35, the Commission on March 31 of this year,
4 Case No. 4917, Order No. 4496, granted Gulf authority
5 to produce the Ramsay No. 17 and 46, with simultaneous
6 dedication of 640-acre standard gas proration unit.
7 Well No. 17 is located at a standard location in Unit J
8 and is presently on production; Well No. 46 has been
9 recompleted in the Eumont-Queen Gas Pool after abandonment
10 of the Eumont oil completion, and is awaiting pipeline
11 connection. It is also to be noted that seven of the
12 eight sections that surround Section 35 contain more than
13 one gas completion in the Eumont-Queen Gas Pool or the
14 Jalmat Yates Pool.

15 Q Will you tell the examiner what the history of the
16 W.A. Ramsay (NCT-A) Well No. 20 is, please?

17 A Well No. 20 was originally completed in August of '56
18 and is an oil well in the Eumont Oil Pool. In December
19 of '56, it was completed as a dual in the Eumont-Queen
20 Gas and the Eumont Oil. It was a non-standard location
21 in the Eumont-Queen Gas Pool and a regular location in
22 the Eumont-Queen Seven Rivers Oil Pool.

23 The Eumont oil completion was closed in August 26, 1971,
24 after it became uneconomical to produce. The Eumont-Queen
25 Gas Completion is currently classified as non-marginal.

1 However, as of May 1, 1973, the well was 183,488 MCF
2 under-produced. This is equivalent to approximately
3 thirty percent of the total allowable assigned to a
4 non-marginal well on a 640-acre unit in the Eumont-Queen
5 Pool for the year 1972.

6 The production of No. 20 is declined to approximately
7 1400 MCF a day, whereas the allowable for a non-marginal
8 640-acre unit in 1973 has been in the range of 1900 to
9 2800 MCF. In 1972, this range was from 1740 to 2250 MCF
10 a day.

11 Q Mr. Kalteyer, what is the present status of Well No. 7?

12 A No. 7 was completed in 1940, a standard location in the
13 Arrowhead Oil Pool. This was closed in in September of
14 1965, after becoming uneconomical to produce, and we
15 propose to abandon the Arrowhead Oil Zone and recomplete
16 in the Eumont Gas by setting a Bridge plug at approximately
17 3750, cap with cement, selectively perforate, acidize, and
18 fracture treat with gelled saltwater and place the well
19 on production.

20 Q In your opinion, is Gulf's opinion necessary for the
21 protection of relative rights?

22 A Yes, sir, we believe that the approval of this application
23 will afford us the opportunity to produce our just and
24 equitable share of gas in the Eumont-Queen Pool and will
25 prevent the economical loss caused by the drilling of

1 unnecessary wells, and otherwise prevent waste and
2 protect relative rights.

3 Q Have you prepared an exhibit showing the production data
4 of the Eumont-Queen Gas Pool in Lea County, New Mexico?

5 A Yes.

6 Q Is that Exhibit No. 2?

7 A Right.

8 Q Will you state to the Examiner what Exhibit No. 2 shows,
9 please?

10 A Exhibit No. 2 is listed as Table One, and you will see
11 that we've listed production for 1972 over on the right
12 hand side of this Table, and the first quarter of '73,
13 plus cumulative production to April of '73 for each of
14 the eight sections immediately surrounding the part of
15 Section 35, as well as for Section 35. You will note in
16 the ninth column entitled "Status of Well Number" that
17 Well No. 20 is currently classified as a non-marginal
18 gas producer. Wells in six of the eight surrounding
19 sections are classified as non-marginal.

20 Production in 1972 from wells in three of the eight
21 surrounding sections exceeded the production of Gulf's
22 Ramsay No. 20 and you will note that cumulative production
23 from Sections 25, 27, and 36, of Township 21, and Sections
24 1 and 2, of Township 22, exceed that of Well No. 20.

25 Q Will you once again summarize for the Examiner exactly

1 what Gulf is requesting in this application?

2 A Gulf is seeking approval for a non-standard location
3 in the Eumont-Queen for its Ramsay No. 7 in Unit N of
4 Section 35, authority for simultaneous dedication of a
5 standard 640-acre gas proration unit in the Eumont-Queen
6 Gas Pool to said Well No. 7, and the currently producing
7 Well No. 20 at a non-standard location in Unit E of
8 Section 35, Township 21, Lea County, New Mexico. We
9 further request approval to produce the unit allowable
10 in any proportion from these two wells, and to make up
11 all gas under accrued to Well No. 20.

12 MR. McALLEN: Mr. Examiner, that concludes the
13 direct testimony of Mr. Kalteyer and I would like to offer
14 into the record Exhibits 1 and 2.

15 MR. UTZ: Without objections, Exhibits 1 and 2
16 will be entered into the record of this case.

17 CROSS-EXAMINATION

18 BY MR. UTZ:

19 Q Mr. Kalteyer, No. 20 has previously been approved as a
20 non-standard location?

21 A Yes, sir.

22 MR. UTZ: Are there other questions of the witness?
23 (No response.)

24 MR. UTZ: The witness may be excused. Are there
25 statements in the case?

(No response.)

MR. UTZ: The case will be taken under advisement.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS.

I, JOHN DE LA ROSA, a Court Reporter, in and for the County of Bernalillo, State of New Mexico, 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 the said proceedings to the best of my knowledge, skill and ability.

John De La Rosa
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 4983 heard by me on June 27, 1977.
John De La Rosa
Examiner
New Mexico Oil Conservation Commission

I N D E XWITNESS,CHARLES E. KALTEYERPage

Direct Examination by Mr. McAllen

3

Cross-Examination by Mr. Utz

8

E X H I B I T SApplicant'sOfferedAdmitted

Exhibit 1

Plat

4

8

Exhibit 2

Production Data

8

8



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. James E. Sperling
Modrall, Sperling, Roehl, Harris
& Sisk
Attorneys at Law
Post Office Box 2168
Albuquerque, New Mexico 87103

Re: Case No. 4983
Order No. R-4590
Applicant:
GULF OIL CORPORATION

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/ix

Copy of order also sent to:

Hobbs OCC XX

Artesia OCC

Aztec OCC

Other

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. 4983
Order No. R-4590

APPLICATION OF GULF OIL CORPORATION
FOR SIMULTANEOUS WELL DEDICATION
AND NON-STANDARD LOCATIONS, LEA
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 testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Gulf Oil Corporation, is the owner and operator of the W. A. Ramsay (NCT-A) Well No. 20 in Unit E of Section 35 and the W. A. Ramsay (NCT-A) Well No. 7 in Unit N of Section 35, both in Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks approval for the simultaneous dedication of the above two described wells to a standard 640-acre gas proration unit comprising all of Section 35, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(4) That the applicant seeks approval of a non-standard location for its W. A. Ramsay (NCT-A) Well No. 7 in Unit N, located 660 feet from the South line and 1980 feet from the West line of said Section 35.

(5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion and to make up the gas underage accrued on the said W. A. Ramsay (NCT-A) No. 20.

-2-

Case No. 4983
Order No. R-4590

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized the simultaneous dedication of its W. A. Ramsay (NCT-A) Well No. 20 in Unit E, located at a non-standard location in Unit E of Section 35, Township 21 South, Range 36 East, NMPM, and its W. A. Ramsay (NCT-A) Well No. 7 in Unit N, located at a non-standard location in Unit N of said Section 35 to a standard 640-acre gas proration unit comprising all of said Section 35.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 640 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion; and that the status of said consolidated unit shall be the combined status, as of August 1, 1973, of the two wells being consolidated.


(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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. ARMILLO, Member


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

SEAL

dr/

4983

Recd 6-27-73

Rec. 6-27-73

Grant full permission to
add their W.A. Ramsey (NCT-A)
#7, 660/S, 1950/W lines of sec 35
21.5-38 E. To an established 640
unit (sec. 35) now dedicated to
their W.A. Ramsey (NCT-A) #20
unit E Rec. 35.

✓ Also Grant an NSL for the
#7.

Sheldon

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 Blinebry, 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 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

J. R. MODRALL
JAMES E. SPERLING
JOSEPH E. ROEHL
GEORGE T. HARRIS, JR.
DANIEL A. SISK
LELAND S. SEDBERRY, JR.
ALLEN C. DEWEY, JR.
FRANK H. ALLEN, JR.
JAMES P. SAUNDERS, JR.
JAMES A. PARKER
JOHN R. COONEY
KENNETH L. HARRIGAN
PETER J. ADAMS
DALE W. EK
DENNIS J. FALK
ARTHUR O. MELENDES
BRUCE D. BLACK
CHARLES J. NOYA

LAW OFFICES OF
MODRALL, SPERLING, ROEHL, HARRIS & SISK
PUBLIC SERVICE BUILDING
P. O. BOX 2168
ALBUQUERQUE, NEW MEXICO 87103

JOHN F. SIMMS (885-1954)
AUGUSTUS T. SEYMOUR
(907-1985)

TELEPHONE 243-4511
AREA CODE 505

June 20, 1973

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

Re: Case No. 4983 - Gulf Oil Corporation

Dear Mr. Porter:

Enclosed, please find Entry of Appearance on behalf of the Applicant, Gulf Oil Corporation, in the above-captioned application, which has been docketed as Case No. 4983 and is scheduled for hearing before the Commission on June 27, 1973.

Very truly yours,

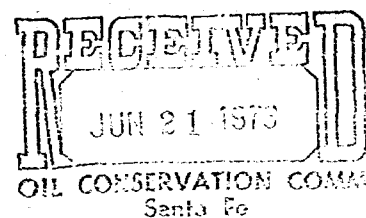
James E. Sperling
James E. Sperling

/jv

Enclosure

cc: Mr. Daniel W. McAllen, w/encl.
Gulf Oil Corporation
P. O. Drawer 1150
Midland, Texas 79701

Mr. Don D. Dent, w/o encl.



BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF GULF OIL CORPORATION FOR
SIMULTANEOUS WELL DEDICATION AND
NON-STANDARD LOCATIONS, SECTION
35, TOWNSHIP 21 SOUTH, RANGE 36
EAST, LEA COUNTY, NEW MEXICO.

Case No. 4983

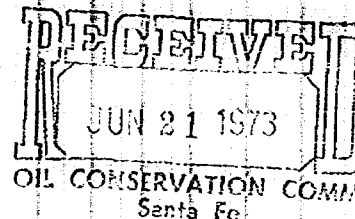
ENTRY OF APPEARANCE

The undersigned, Modrall, Sperling, Roehl, Harris & Sisk,
of Albuquerque, New Mexico, hereby enter their appearance here-
in for the Applicant, Gulf Oil Corporation, with Daniel W.
McAllen, Esquire, of Midland, Texas.

MODRALL SPERLING ROEHL HARRIS & SISK

By:

James E. Sperling
Attorneys for Gulf Oil Corporation
P. O. Box 2168
Albuquerque, New Mexico 87103



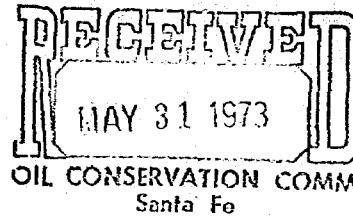
Gulf Oil Company - U.S.

EXPLORATION AND PRODUCTION DEPARTMENT
MIDLAND DISTRICT

W. B. Hopkins
DISTRICT MANAGER
J. A. Hord
DISTRICT EXPLORATION
MANAGER
J. L. Pike
DISTRICT PRODUCTION
MANAGER
M. B. Moseley
DISTRICT SERVICES MANAGER

P. O. Drawer 1150
Midland, Texas 79701

May 30, 1973



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

Attention: Mr. A. L. Porter, Jr.

Re: Docket No. 15-73
Reference Case No. 4983

Gentlemen:

Gulf's application for simultaneous well dedication and non-standard locations for its W. A. Ramsay (NCT-A) Wells No. 7 and 20 on a standard 640-acre gas proration unit comprising of all of Section 35, T-21S, R-36E, Eumont (Queen) Gas Pool, Lea County, has been set for Examiner's Hearing for 9:00 A. M. June 6, 1973.

Due to scheduling conflicts, it is respectfully requested that this case be reset on your docket for June 20, 1973. Your attention to this matter will be greatly appreciated.

Yours very truly,

J. L. Pike
J. L. PIKE

CFK:jmc

June 27th



A DIVISION OF GULF OIL CORPORATION

DOCKET MAILED

Date 6-12-73

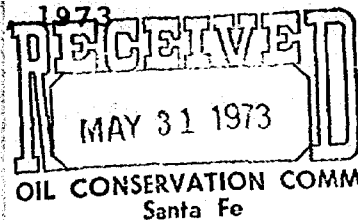
J. R. MODRALL
JAMES E. SPERLING
JOSEPH E. ROEHL
GEORGE T. HARRIS, JR.
DANIEL A. SISK
LELAND S. SEGBERRY, JR.
ALLEN C. DEWEY, JR.
FRANK H. ALLEN, JR.
JAMES P. SAUNDERS, JR.
JAMES A. PARKER
JOHN R. COONEY
KENNETH L. HARRIGAN
PETER J. ADAMS
DALE W. EK
DENNIS J. FALK
ARTHUR D. MELENDES
BRUCE D. BLACK
CHARLES J. NOYA

LAW OFFICES OF
MODRALL, SPERLING, ROEHL, HARRIS & SISK
PUBLIC SERVICE BUILDING
P. O. BOX 2168
ALBUQUERQUE, NEW MEXICO 87103

JOHN F. SIMMS (885-1954)
AUGUSTUS T. SEYMOUR
(907-1955)

TELEPHONE 243-4511
AREA CODE 505

May 29 1973



Case 4983

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

Re: Application of Gulf Oil Corporation for
Simultaneous Well Dedication and Non-
Standard Locations, Lea County, New
Mexico

Dear Mr. Porter:

Enclosed, please find Entry of Appearance on behalf
of the Applicant, Gulf Oil Corporation, in the above-
captioned application, which has been docketed for
hearing before the Commission on June 6, 1973.

Very truly yours,

James E. Sperling
James E. Sperling

/jv

Enclosure

cc: Mr. Don D. Dent, w/encl.
Gulf Oil Company
P. O. Drawer 1150
Midland, Texas 79701

DOCKET MAILED

Date *6/12/73*

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF GULF OIL CORPORATION FOR
SIMULTANEOUS WELL DEDICATION AND
NON-STANDARD LOCATIONS, SECTION
35, TOWNSHIP 21 SOUTH, RANGE 36
EAST, LEA COUNTY, NEW MEXICO.

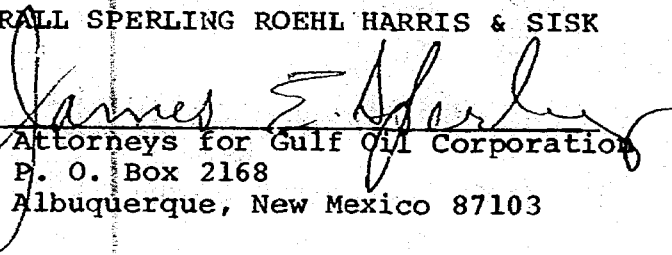
Case No. 4983

ENTRY OF APPEARANCE

The undersigned, Modrall, Sperling, Roehl, Harris & Sisk,
of Albuquerque, New Mexico, hereby enter their appearance herein
for the Applicant, Gulf Oil Corporation, with Don D. Dent, Esquire,
of Midland, Texas.

MODRALL SPERLING ROEHL HARRIS & SISK

By:


Attorneys for Gulf Oil Corporation
P. O. Box 2168
Albuquerque, New Mexico 87103

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-

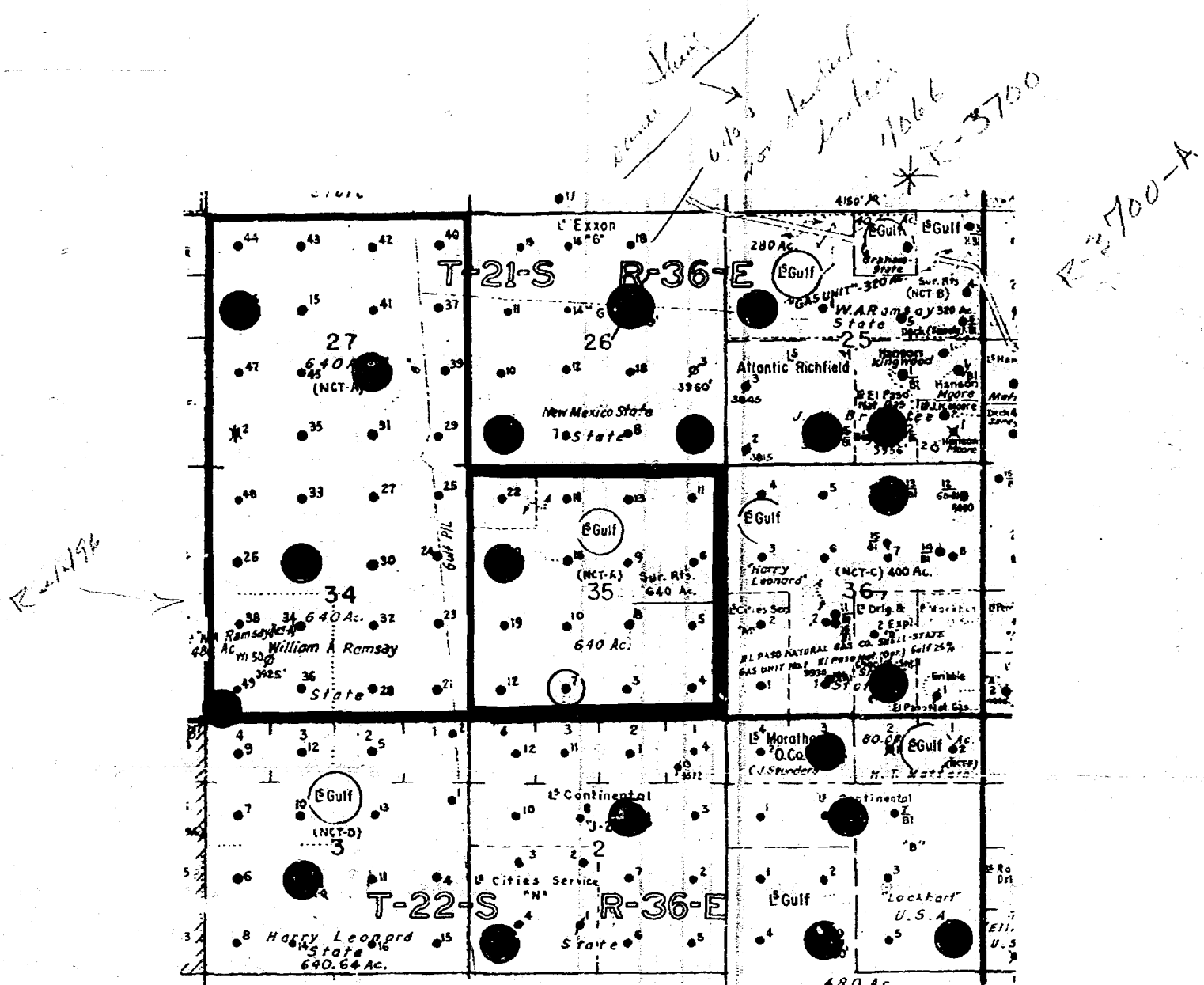
(Case 4989, continued from page 2)

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.



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

EXHIBIT NO. 1

CASE NO. 4983

Submitted by Gulf Oil

Hearing Date 6-27-73

GULF OIL CORPORATION
W.A. RAMSAY (NCT-A) LEASE
Lea County, New Mexico
Scale: 1" 3000'






-  Lease Outline
-  Pertinent Unit Outline
-  Eumont Queen (Gas) Completion
-  Jalmat Gas Completion
-  Proposed Nonstandard Location

Exhibit No. 1
Case No. 4983
June 27, 1973

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

EXHIBIT NO. 2

CASE NO. 4983

Submitted by Gulf Oil

Hearing Date 6-27-73

TABLE 1
PRODUCTION DATA
EUMONT QUEEN (GAS) POOL*
LEA COUNTY, NEW MEXICO

Gulf
Case
June

Section	Operator	Lease	Well No.	Unit	Sec.	Tnshp.	Rng.	Status	Acreage Factor	Production	
										1972	1st Qtr. 1973
25	Atlantic Richfield	J. M. Brownlee	4	N	25	21S	36E	N	1.0	83,222	29,132
	El Paso Natural Gas	Brownlee	1	O	25	21S	36E	M	1.0	114,015	34,718
	Gulf Oil Corporation	W. A. Ramsay (NCT-B) Com.	2	E	25	21S	36E	N	2.0 4.0	270,097 467,334	60,050 123,900
26	Exxon Oil Co. - U.S.	New Mexico G State	2	P	26	21S	36E	Unit	0	206,367	48,183
		New Mexico G State	4	G	26	21S	36E	--	0	- 0 -	- 0 -
		New Mexico G State	6	M	26	21S	36E	Unit WM	0 4.0	77,604 283,971	17,645 65,828
27	Gulf Oil Corporation	W. A. Ramsay (NCT-A)	17	J	27	21S	36E	Unit	0	468,363	96,354
		W. A. Ramsay (NCT-A)	46	E	27	21S	36E	Unit WM	0 4.0	- 0 - 468,363	- 0 - 96,354
34	Gulf Oil Corporation	W. A. Ramsay (NCT-A)	14	F	34	21S	36E	N	3.0	474,746	166,490
		W. A. Ramsay (NCT-A) Com.	1	M	34	21S	36E	N	3.0** 6.0	696,878 1,171,624	273,182 439,672
35	Gulf Oil Corporation	W. A. Ramsay (NCT-A)	20	E	35	21S	36E	N	4.0	610,734	129,008
36	El Paso Natural Gas	Shell State Com. D	12	O	36	21S	36E	N	2.0	322,808	66,824
	Gulf Oil Corporation	Harry Leonard (NCT-C)	9	B	36	21S	36E	M	2.0 4.0	140,382 463,190	54,165 120,989

* Eumont Queen (Gas) Pool (Yates, Seven Rivers and Queen Formations)

** Jalmat Yates (Gas) Pool. (Tansill, Yates and Seven Rivers Formations)

RE EXAMINER UTZ
SERVATION COMMISSION

EXHIBIT NO. 2

4983

Gulf Oil

6-27-73

TABLE 1
PRODUCTION DATA
EUMONT QUEEN (GAS) POOL*
LEA COUNTY, NEW MEXICO

Gulf Oil Corporation
Case No. 4983
June 27, 1973

6-27-73

	Lease	Well No.	Unit	Sec.	Tnshp.	Rng.	Status	Acreage Factor	Production (MCF)		
									1972	1st Qtr. 1973	Accumulative to 4-1-73
Chfield	J. M. Brownlee	4	N	25	21S	36E	N	1.0	83,222	29,132	2,311,307
tural Gas	Brownlee	1	O	25	21S	36E	M	1.0	114,015	34,718	1,523,147
orporation	W. A. Ramsay (NCT-B) Com.	2	E	25	21S	36E	N	2.0 4.0	270,097 467,334	60,050 123,900	5,263,364 9,097,818
Co. - U.S.	New Mexico G State	2	P	26	21S	36E	Unit	0	206,367	48,183	3,113,121
	New Mexico G State	4	G	26	21S	36E	--	0	- 0 -	- 0 -	1,715,243
	New Mexico G State	6	M	26	21S	36E	Unit	0	77,604	17,645	314,465
							WM	4.0	283,971	65,828	5,142,829
orporation	W. A. Ramsay (NCT-A)	17	J	27	21S	36E	Unit	0	468,363	96,354	6,521,408
	W. A. Ramsay (NCT-A)	46	E	27	21S	36E	Unit WM	0 4.0	- 0 - 468,363	- 0 - 96,354	- 0 - 6,521,408
orporation	W. A. Ramsay (NCT-A)	14	F	34	21S	36E	N	3.0	474,746	166,490	6,211,695
	W. A. Ramsay (NCT-A) Com.	1	M	34	21S	36E	N	3.0** 6.0	696,878 1,171,624	273,182 439,672	44,465,609 50,677,304
orporation	W. A. Ramsay (NCT-A)	20	E	35	21S	36E	N	4.0	610,734	129,008	6,116,223
tural Gas	Shell State Com. D	12	O	36	21S	36E	N	2.0	322,808	66,824	3,388,616
orporation	Harry Leonard (NCT-C)	9	B	36	21S	36E	M	2.0 4.0	140,382 463,190	54,165 120,989	2,986,659 6,375,275

s) Pool (Yates, Seven Rivers and Queen Formations)
s) Pool (Tansill, Yates and Seven Rivers Formations)

Gulf Oil
Case No.
June 27,

TABLE 1 (Contd.)
PRODUCTION DATA
EUMONT QUEEN (GAS) POOL*
LEA COUNTY, NEW MEXICO

Section	Operator	Lease	Well No.	Unit	Sec.	Tnshp.	Rng.	Status	Factor	Production (M)	
										1972	1st. Qtr. 1973
1	Continental Oil Co.	Lockhart B 1	4	G	1	22S	36E	Unit	0.0	147,350	30,798
		Lockhart B 1	6	P	1	22S	36E	Unit	0.0	154,066	30,507
	Gulf Oil Corporation	H. T. Mattern (NCT-E)	10	N	1	22S	36E	WM	2.0		
								WM	3.0***	178,322	38,958
	Marathon Oil Company	C. J. Saunders	1	C	1	22S	36E	N	0.5	68,736	18,639
									5.5	548,474	118,902
2	Cities Service Oil Co.	State N	5	M	2	22S	36E	N	1.0	180,237	109,125
	Continental Oil Co.	State J-2	9	G	2	22S	36E	M	3.0	214,781	48,902
									4.0	395,018	158,027
3	Gulf Oil Corporation	Harry Leonard (NCT-D)	3	K	3	22S	36E	N	3.0**	822,002	279,664

- * Eumont Queen (Gas) Pool (Yates, Seven Rivers and Queen Formations)
 ** Jalmat Yates (Gas) Pool (Tansill, Yates and Seven Rivers Formations)
 *** Unit Allowable w/Well No. 1 Unit B, Sec. 12, T-22S, R-36E

TABLE 1 (Contd.)
PRODUCTION DATA
EUMONT QUEEN (GAS) POOL*
LEA COUNTY, NEW MEXICO

Gulf Oil Corporation
Case No. 4983
June 27, 1973

	Lease	Well No.	Unit	Sec.	Tnshp.	Rng.	Status	Factor	Production (MCF)		
									1972	1st. Qtr. 1973	Accumulative to 4-1-73
Oil Co.	Lockhart B 1	4	G	1	22S	36E	Unit	0.0	147,350	30,798	2,149,933
	Lockhart B 1	6	P	1	22S	36E	Unit	0.0	154,066	30,507	1,681,368
Corporation	H. T. Mattern (NCT-E)	10	N	1	22S	36E	WM	2.0			
							WM	3.0***	178,322	38,958	3,723,797
Company	C. J. Saunders	1	C	1	22S	36E	N	0.5	68,736	18,639	810,529
								5.5	548,474	118,902	8,365,627
Ice Oil Co.	State N	5	M	2	22S	36E	N	1.0	180,237	109,125	1,693,758
Oil Co.	State J-2	9	G	2	22S	36E	M	3.0	214,781	48,902	3,912,048
								4.0	395,018	158,027	5,605,806
Corporation	Harry Leonard (NCT-D)	3	K	3	22S	36E	N	3.0**	822,002	279,664	15,822,208

s) Pool (Yates, Seven Rivers and Queen Formations)
s) Pool (Tansill, Yates and Seven Rivers Formations)
/Well No. 1 Unit B, Sec. 12, T-22S, R-36E

Gulf Oil Company - U.S.

EXPLORATION AND PRODUCTION DEPARTMENT
MIDLAND DISTRICT

RECEIVED
MAY 15 1973
OIL CONSERVATION COMM
Santa Fe
P. O. Drawer 1150
Midland, Texas 79701

W. B. Hopkins
DISTRICT MANAGER
J. A. Hord
DISTRICT EXPLORATION
MANAGER
J. L. Pike
DISTRICT PRODUCTION
MANAGER
M. B. Moseley
DISTRICT SERVICES MANAGER

May 14, 1973

Case 4983

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

It is respectfully requested that a hearing be scheduled for the purpose of considering Gulf Oil Corporation's application for non-standard location and simultaneous dedication for a 640-acre standard gas proration unit in the Eumont (Queen) Gas Pool for the following wells:

W. A. Ramsay (NCT-A) No. 20 at a previously approved non-standard location in Unit E, Sec. 35-21S-36E and the W. A. Ramsay (NCT-A) No. 7 at a non-standard location in Unit N, Sec. 35-21S-36E, Lea County, New Mexico.

Gulf also seeks to produce the allowable from both wells in any proportion and make up gas underage accrued on the W. A. Ramsay (NCT-A) No. 20.

Yours very truly,

J. L. Pike
J. L. PIKE

DOCKET NO. 1150

Date 5-25-73

CFK:jmc

need footage description of wells
W. A. Ramsay (NCT-A) No. 20 - 1980 FNL + 660 FWL
W. A. Ramsay (NCT-A) No. 7 - 660' from the S. line
and 1980 ft from
the west line



A DIVISION OF GULF OIL CORPORATION

(3) That the applicant seeks approval for the simultaneous dedication of the above two described wells to a standard 640-acre gas proration unit comprising all of Section 35, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(4) That the applicant ~~further~~ seeks approval of ^a non-standard locations for its W. A. Ramsay (NCT-A) Well No. 20 in Unit E, located ~~1980 feet from the South line~~ ^{660 feet from the South line} and ~~660 feet from the West line~~ ^{1980 feet from the West line} of said Section 35, and its W. A. Ramsay (NCT-A) Well No. 7 in Unit N, located ~~660 feet from the South line~~ ^{1980 feet from the South line} and ~~1980 feet from the West line~~ ^{660 feet from the West line} of said Section 35.

(5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion and to make up the gas underage accrued on the said W.A. Ramsay (NCT-A) No. 20.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized the simultaneous dedication of its W. A. Ramsay (NCT-A) Well No. 20 in Unit E, located at a non-standard location in Unit E of said Section 35 and its W. A. Ramsay (NCT-A) Well No. 7 in Unit N, located at a non-standard location in Unit N

of said Section 35 to a standard 640-acre gas proration unit comprising all of said Section 35.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 640 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion; and that the status of said consolidated unit shall be the combined status, as of August 1, 1973, of the two wells being consolidated.

dedication of the above two described wells to a standard 640-acre gas proration unit comprising all of Section 35, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(4) That the applicant ~~further~~^a seeks approval of a non-standard location for its W. A. Ramsay (NCT-A) Well No. 20 in Unit B, located ~~1980, 5 Feet~~^{from the South line} and ~~660, 5 Feet~~^{from the West line} of said Section 35, and its W. A. Ramsay (NCT-A) Well No. 7 in Unit N, located ~~660, 5 Feet~~^{from the South line} and ~~1980 feet~~^{from the West line} of said Section 35.

(5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion and to make up the gas underage accrued on the said W. A. Ramsay (NCT-A) No. 20.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized the simultaneous dedication of its W. A. Ramsay (NCT-A) Well No. 20 in Unit E, located at a non-standard location in Unit E of said Section 35, and its W. A. Ramsay (NCT-A) Well No. 7 in Unit N, located at a non-standard location in Unit N of said Section 35 to a standard 640-acre gas proration unit comprising all of said Section 35.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 640 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion; and that the status of said consolidated unit shall be the combined status, as of August 1, 1973, of the two wells being consolidated.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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:

CASE NO. 4983

APPLICATION OF GULF OIL CORPORATION
FOR SIMULTANEOUS WELL DEDICATION
AND NON-STANDARD LOCATIONS, LEA
COUNTY, NEW MEXICO.

Order No. R-4590

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 _____, 1973, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Gulf Oil Corporation, is the owner
and operator of the W. A. Ramsay (NCT-A) Well No. 20 in Unit
E of Section 35 and the W. A. Ramsay (NCT-A) Well No. 7 in Unit N
of Section 35, both in Township 21 South, Range 36 East, NMPM,
Eumont Gas Pool, Lea County, New Mexico.