

Case No.

7274

Application

Transcripts

Small Exhibits

ETC

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
29 July 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises  
Production Company for directional  
drilling, Eddy County, New Mexico.

CASE  
7274

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

MR. STAMETS: We'll call next Case 7274.

MR. PADILLA: Application of Bass Enterprises Production Company for directional drilling, Eddy County, New Mexico.

MR. STAMETS: Any appearances in this case?

At the request of the applicant Case 7274 will be dismissed.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

*Sally W. Boyd CSR*

SALLY W. BOYD, C.S.R.

Rt. 1 Box 191-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 7274  
heard by me on 7-29 1981  
*Richard L. Starnes*, Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

29 July 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises  
Production Company for directional  
drilling, Eddy County, New Mexico.

CASE  
7274

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

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For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:



MR. STAMETS: We'll call next Case 7274.

MR. PADILLA: Application of Bass Enterprises Production Company for directional drilling, Eddy County, New Mexico.

MR. STAMETS: Any appearances in this case?

At the request of the applicant Case 7274 will be dismissed.

(Hearing concluded.)

C E R T I F I C A T E

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the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. \_\_\_\_\_,  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.  
Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

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POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(806) 827-2434

August 7, 1981

**Mr. Conrad E. Coffield  
Hinkle, Cox, Eaton, Coffield  
& Mensley  
Attorneys at Law  
Post Office Box 3580  
Midland, Texas 79702**

Re: CASE NO. 7274  
ORDER NO. R-6749

**Applicant:**

Bass Enterprises Production Company

Dear Sir:

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

Yours very truly,

**JOE D. RAMEY**  
**Director**

**JDR/ed**

**Copy of order also sent to:**

Hobbs OCD	<u>          </u>	<u>          </u>	x
Artesia OCD	<u>          </u>	<u>          </u>	x
Aztec OCD	<u>          </u>	<u>          </u>	

**Other**



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

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

CASE NO. 7274  
Order No. R-6749

APPLICATION OF BASS ENTERPRISES  
PRODUCTION COMPANY FOR DIRECTIONAL  
DRILLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 29, 1981,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of August, 1981, the Division  
Director, having considered the record and the recommendations  
of the Examiner, and being fully advised in the premises,

FINDS:

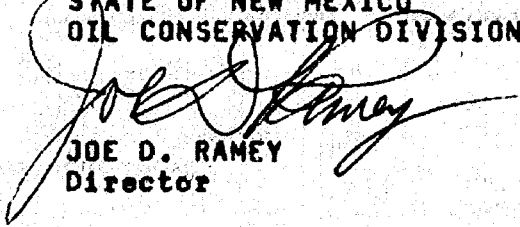
That the applicant's request for dismissal should be  
granted.

IT IS THEREFORE ORDERED:

That Case No. 7274 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

  
SEAL  
rd/

**CASE 7315:** Application of Rhema Oil Processing 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 NW/4 of Section 30, Township 18 South, Range 38 East.

**CASE 7324:** (Continued from June 17, 1981, Examiner Hearing)

Application of Bass Enterprises Production Company for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its James Ranch Unit Well No. 13 from an unorthodox surface location 660 feet from the South line and 1340 feet from the East line of Section 36, Township 22 South, Range 30 East, in such a manner as to bottom said well in the Morrow formation at a standard location at least 660 feet from the South line and 1980 feet from the West line of Section 31, Township 22 South, Range 31 East, the 3/2 of said Section 31 to be dedicated to the well.

**CASE 7303:** (Continued from July 15, 1981, Examiner Hearing)

Application of Florida Hydrocarbons Company for surface commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the surface commingling of Morrow, Strawn, Atoka, and Wolfcamp gas produced from five wells located in Unit F of Section 10, Units C and O of Section 15, and Units A and I of Section 22, all in Township 23 South, Range 34 East, Antelope Ridge Field, after separately metering the gas produced from each well and each zone. Lease liquids would be separated out at the wellhead and the gas processed in a plant, allocating plant production back to each well on the basis of meter readings. Applicant further seeks a procedure whereby additional wells could be similarly commingled in said system.

**CASE 7316:** Application of Blackwood & Nichols Company, Ltd. for amendment of Order No. R-6636, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6636 which authorized directional drilling for its Northeast Blanco Unit Well No. 32-A in Section 7, Township 30 North, Range 7 West, to provide for an amended bottom hole location 2213 feet from the South line and 815 feet from the East line of said Section 7.

**CASE 7317:** Application of Four Corners Gas Producers Association for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying Townships 30 and 31 North, Ranges 2 thru 7 West, containing 270,260 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

**CASE 7318:** Application of Phillips Petroleum Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Wolfcamp formation in the interval from 7332 feet to 7341 feet in its Peterson "H" Well No. 1 in Unit M of Section 29, Township 5 South, Range 33 East, South Peterson Field.

Dockets Nos. 25-81 and 26-81 are tentatively set for August 12 and 26, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

**DOCKET: COMMISSION HEARING - MONDAY - JULY 20, 1981**

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

**CASE 6892: (DE NOVO)**

Application of Merriam & Bayless for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the South Blanco-Pictured Cliffs Pool underlying the SW/4 of Section 27, Township 24 North, Range 2 West, to be dedicated to a well to be drilled at a standard location thereon. 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 will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Upon application of Merriam & Bayless, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Docket No. 24-81

**DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 29, 1981**

9 A.M. - OIL CONSERVATION DIVISION 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:

- CASE 7309:** Application of Gulf Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the South Shugart Deep Unit Area, comprising 3,806 acres, more or less, of State and Federal lands in Townships 18 and 19 South, Range 31 East.
- CASE 7310:** Application of Amoco Production Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the El Alto Grande Unit Area, comprising 2,560 acres, more or less, of Federal lands in Township 22 South, Ranges 33 and 34 East.
- CASE 7311:** Application of Amoco Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Big Sinks Federal Exploratory Unit Area, comprising 3,520 acres, more or less, of State and Federal lands in Townships 25 and 26 South, Range 31 East.
- CASE 7280:** (Continued from July 15, 1981, Examiner Hearing)
- Application of Northwest Pipeline Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Rosa Unit Well No. 77 located in Unit L of Section 33, Township 31 North, Range 5 West, to produce gas from the Mesaverde formation and commingled Gallup and Dakota production through separate strings of tubing.
- CASE 7312:** Application of Phillips Petroleum Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Morrow production in the wellbore of its Malaga A Well No. 2 located in Unit D of Section 2, Township 24 South, Range 28 East, Malaga Field.
- CASE 7313:** Application of Phillips Petroleum Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Morrow production in the wellbore of its Drag A Well No. 1 located in Unit C of Section 18, Township 23 South, Range 27 East, South Carlsbad Field.
- CASE 7314:** Application of Elliott Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup, Dakota, and Mesaverde production in the wellbore of its ORA Well No. 1 located in Unit E of Section 21, Township 25 North, Range 3 West.

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
17 June 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises  
Production Company for directional  
drilling, Eddy County, New Mexico.

CASE  
7274

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

1  
2 MR. NUTTER: We'll call next Case Number  
3 7274.

4 MR. PADILLA: Application of Bass  
5 Enterprises Production Company for directional drilling,  
6 Eddy County, New Mexico.

7 MR. NUTTER: Applicant in this case  
8 has requested continuance.

9 Case Number 7274 will be continued to  
10 the Examiner Hearing scheduled to be held at this same place  
11 at 9:00 o'clock a. m. July 29th, 1981.

12  
13 (Hearing concluded.)  
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## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

Ni. 1 Box 193-B

Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 72-74 heard by me on 4/17 1981.

[Signature], Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
17 June 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Dass Enterprises  
Production Company for directional  
drilling, Eddy County, New Mexico.

CASE  
7274

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

MR. NUTTER: We'll call next Case Number

7274.

MR. PADILLA: Application of Bass Enterprises Production Company for directional drilling, Eddy County, New Mexico.

MR. NUTTER: Applicant in this case has requested continuance.

Case Number 7274 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a. m. July 29th, 1981.

(Hearing concluded.)

MR. NUTTER: We'll call next Case Number  
7274.

MR. PADILLA: Application of Bass  
Enterprises Production Company for directional drilling,  
Eddy County, New Mexico.

MR. NUTTER: Applicant in this case  
has requested continuance.

Case Number 7274 will be continued to  
the Examiner Hearing scheduled to be held at this same place  
at 9:00 o'clock a. m. July 29th, 1981.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 7270  
heard by me on 6/17 1981.

[Signature], Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409



LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

1000 FIRST NATIONAL BANK TOWER

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MIDLAND, TEXAS 79702

(915) 683-4891

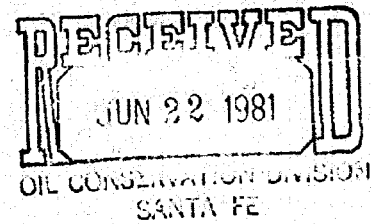
ROSWELL, NEW MEXICO OFFICE  
600 HINKLE BUILDING  
(505) 622-6510

AMARILLO, TEXAS OFFICE  
1701 AMERICAN NATIONAL BANK BUILDING  
(806) 372-5560

\*NOT LICENSED IN  
TEXAS

W. E. BONDURANT, JR.  
(1914-1973)  
OF COUNSEL  
CLARENCE E. HINKLE\*  
ROBERT A. STONE  
LEWIS C. COX, JR.\*  
PAUL W. EATON, JR.  
CONRAD E. COFFIELD  
HAROLD L. HENSLEY, JR.\*  
STUART D. SHANCR\*  
C. D. MARTIN  
PAUL J. KELLY, JR.\*  
JAMES H. BOZARTH  
DOUGLAS L. LUNSFORD\*  
PAUL M. BOHANNON  
ERNEST R. FINNEY, JR.  
J. DOUGLAS FOSTER  
K. DOUGLAS PERRIN\*  
C. RAY ALLEN  
T. CALDER EZZELL, JR.\*  
WILLIAM B. BURFORD  
JOHN S. NELSON\*  
RICHARD E. OLSON\*  
ANDERSON CARTER, II  
STEVEN D. ARNOLD  
JEFFREY L. BOWMAN  
JOHN C. HARRISON\*

June 18, 1981



Mr. Dan Nutter  
Chief Engineer  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Re: Oil Conservation Commission  
Case No. 7274

Dear Dan:

On behalf of our client, Bass Enterprises Production Company, we ask that you please dismiss the above referenced case, being an application for directional drilling in Eddy County. This is the case for which we requested a continuance to the July 29, 1981 docket.

We may need to refile an application for directional drilling on the well involved in this case at a later date. However, if that occurs, the relief sought will probably be somewhat different from that requested in the pending application. Accordingly, dismissal of this case will be a better approach than a further continuance.

Thank you.

Very truly yours,

HINKLE, COX, EATON,  
COFFIELD & HENSLEY

  
Conrad E. Coffield

CEC:rh

Mr. Dan Nutter

-2-

June 18, 1981

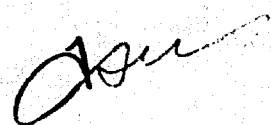
xc: Mr. Steve Rowland  
xc: Mr. Jack Gevecker  
xc: Mr. Jens Hansen

W. E. BONDURANT, JR.  
(1914-1973)  
OF COUNSEL  
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RICHARD E. OLSON\*  
ANDERSON CARTER, II  
STEVEN D. ARNOLD  
JEFFREY L. BOWMAN  
JOHN C. HARRISON\*

LAW OFFICES  
HINKLE, COX, EATON, COFFIELD & HENSLEY  
1000 FIRST NATIONAL BANK TOWER  
POST OFFICE BOX 3580  
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RECEIVED  
JUN 16 1981  
OIL CONSERVATION DIVISION  
SANTA FE  
ROSWELL, NEW MEXICO OFFICE  
600 HINKLE BUILDING  
(505) 622-6510  
AMARILLO, TEXAS OFFICE  
1701 AMERICAN NATIONAL BANK BUILDING  
(806) 372-5569  
\*NOT LICENSED IN  
TEXAS

June 12, 1981



Mr. Dan Nutter  
Chief Engineer  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Re: Bass Enterprises Production  
Company Case No. 7274 for  
directional drilling its James  
Ranch Unit Well No. 13 from an  
unorthodox location in Eddy  
County, New Mexico

Dear Dan:

This will confirm our telephone conversation of June 11,  
1981, wherein I requested a continuance of the above referenced  
case and that it be continued to the July 29, 1981 docket.

If you have any problems in connection with this request for  
a continuance, please call.

Thank you.

Very truly yours,

HINKLE, COX, EATON,  
COFFIELD & HENSLEY



Conrad E. Coffield

CEC:rh  
xc: Mr. Steve Rowland  
xc: Mr. Jack Geveker  
xc: Mr. Jens Hanson

Dockets Nos. 20-81 and 21-81 are tentatively set for July 2 and 15, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 17, 1981

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for July, 1981, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for July, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7273: Application of Blanks Energy Corporation for an unorthodox oil well location and possible directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 330 feet from the South line and 900 feet from the East line of Section 16, Township 18 South, Range 35 East, South Vacuum-Devonian Pool, the S/2 SE/4 of said Section 16 to be dedicated to the well. If commercial production is not obtained at said location, applicant proposes to come back up the hole and directionally drill in a westerly direction and bottom the well in the Devonian formation at a standard location in the SW/4 SE/4 of said Section 16.

CASE 7274: Application of Bass Enterprises Production Company for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its James Ranch Unit Well No. 13 from an unorthodox surface location 660 feet from the South line and 1340 feet from the East line of Section 36, Township 22 South, Range 30 East, in such a manner as to bottom said well in the Morrow formation at a standard location at least 660 feet from the South line and 1980 feet from the West line of Section 31, Township 22 South, Range 31 East, the S/2 of said Section 31 to be dedicated to the well.

CASE 7275: Application of S. P. Yates for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the N/2 of Section 21, Township 19 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7263: (Continued from June 3, 1981, Examiner Hearing)

Application of Yates Petroleum Corporation for amendment of Order No. R-5527, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-5527, which approved an unorthodox Morrow location, to permit the recompletion of its Blevins "IX" Well No. 1 in Unit D of Section 35, Township 17 South, Range 26 East, as an unorthodox gas well location in all Wolfcamp and Pennsylvanian formations.

CASE 7276: Application of Mobil Producing Texas & New Mexico Inc. for the extension of the vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to the following depths underlying the following 40-acre tracts in Township 25 South, Range 37 East: NE/4 SE/4 of Section 4: 3327 feet; NE/4 SW/4 of Section 3: 3215 feet; and NE/4 NW/4 of Section 15: 3206 feet.

CASE 7277: Application of Holly Energy, Inc. for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Beeson Well No. 2 to be drilled 1100 feet from the North line and 2300 feet from the West line of Section 29, Township 17 South, Range 30 East, Grayburg-Jackson Pool, the NE/4 NW/4 of said Section 29 to be dedicated to the well.

CASE 7278: Application of Pollution Control, Inc. 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 E/2 NW/4 of Section 18, Township 20 South, Range 33 East.



- CASE 7279:** Application of BCO, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and Lybrook-Gallup production in the wellbores of the following wells located in Township 23 North, Range 7 West: Dunn Well No. 3 located in Unit I of Section 3 and State H Wells Nos. 3 and 4, located in Units M and D, respectively, of Section 2.
- CASE 7280:** Application of Northwest Pipeline Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Rosa Unit Well No. 77 located in Unit L of Section 33, Township 31 North, Range 5 West, to produce gas from the Mesaverde formation and commingled Gallup and Dakota production through separate strings of tubing.
- CASE 7281:** Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of undesignated Gallup and Basin-Dakota production in the wellbore of its Windfall Well No. 10 located in Unit F of Section 31, Township 26 North, Range 11 West.
- CASE 7282:** Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wildhorse-Gallup and Basin-Dakota production in the wellbore of his Apache Well No. 3-E located in Unit H of Section 19, Township 26 North, Range 3 West.
- CASE 7254:** (Continued from May 20, 1981, Examiner Hearing)
- Application of Mesa Petroleum Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde formation underlying the W/2 of Section 15, Township 30 North, Range 11 West, to be dedicated to a well to be drilled at a standard location thereon. 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7270:** (Continued from June 3, 1981, Examiner Hearing)
- Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 21, Township 19 South, Range 27 East, to be dedicated to its Pecos River Federal 21-A Com Well No. 1 drilled at a standard location thereon. 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7250:** (Continued from June 3, 1981, Examiner Hearing)
- Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.



W. E. BONDURANT, JR.  
(1914-1973)

OF COUNSEL  
CLARENCE E. HINKLE\*  
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RECEIVED  
MAY 18 1981  
OIL CONSERVATION DIVISION  
SANTA FE  
600 HINKLE BUILDING  
(505) 622-6510  
AMARILLO, TEXAS OFFICE  
1701 AMERICAN NATIONAL BANK BUILDING  
(806) 372-5569  
\*NOT LICENSED IN TEXAS

May 13, 1981

Case 7274

Mr. Dan Nutter  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Re: Bass Enterprises Production  
Company Application for  
June 17, 1981 Docket

Dear Dan:

I am transmitting herewith, executed in triplicate, an Application by Bass Enterprises Production Company for directional drilling of its James Ranch Unit No. 13 in Eddy County, New Mexico

If anything in addition to this application needs to be furnished, please advise.

As we have previously discussed, we would appreciate having this case set on the June 17, 1981 docket.

Very truly yours,

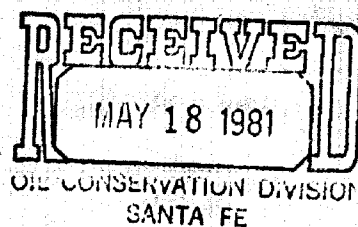
HINKLE, COX, EATON,  
COFFIELD & HENSLEY

  
Conrad E. Coffield

CEC:rh  
Enclosures

xc: Mr. J. E. Pullig  
xc: Mr. Steve Rowland

BEFORE THE OIL CONSERVATION DIVISION  
DEPARTMENT OF ENERGY AND MINERALS  
STATE OF NEW MEXICO



APPLICATION BY BASS ENTERPRISES )  
PRODUCTION COMPANY FOR )  
DIRECTIONAL DRILLING, EDDY )  
COUNTY, NEW MEXICO )

Case 7274

APPLICATION FOR HEARING

COMES NOW the undersigned as attorneys on behalf of Bass Enterprises Production Company and files this written Application for Hearing to be set on the docket for June 17, 1981. In connection therewith, the undersigned, on behalf of Bass Enterprises Production Company, submits the following data:

1. Applicant seeks approval for the directional drilling of its James Ranch Unit No. 13 Well, the surface location of which would be 1,340 feet from the East line and 660 feet from the South line of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and a bottomhole location of 1,980 feet from the West line and 660 feet from the South line of Section 31, Township 22 South, Range 31 East, N.M.P.M, Eddy County, New Mexico; said bottomhole location will be under the WIPP Area of Eddy County, New Mexico.

2. Approval of the directional drilling will be in the interest of conservation, prevention of waste and protection of correlative rights.

5. Applicant respectfully requests that this application be set on the June 17, 1981 Docket.

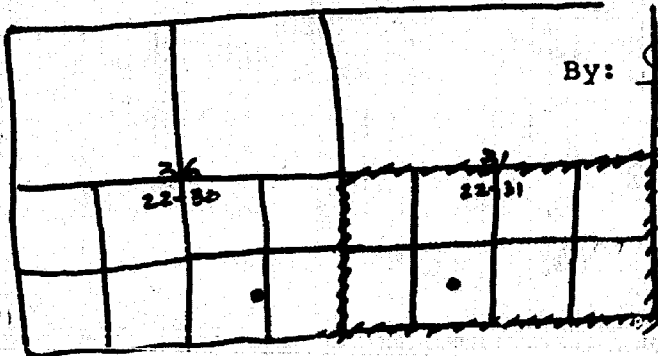
Dated this 13th day of May, 1981.

Respectfully submitted,

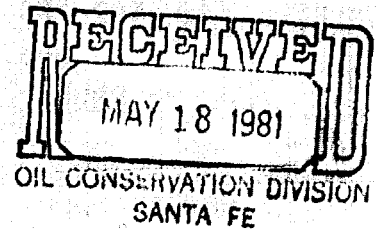
HINKLE, COX, EATON,  
COFFIELD & HENSLEY

By:

Conrad E. Coffield  
Attorney for Bass Enterprises  
Production Company



BEFORE THE OIL CONSERVATION DIVISION  
DEPARTMENT OF ENERGY AND MINERALS  
STATE OF NEW MEXICO



APPLICATION BY BASS ENTERPRISES )  
PRODUCTION COMPANY FOR )  
DIRECTIONAL DRILLING, EDDY )  
COUNTY, NEW MEXICO )

Case 7274

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Dated this 13th day of May, 1981.

Respectfully submitted,

HINKLE, COX, EATON,  
COFFIELD & HENSLEY

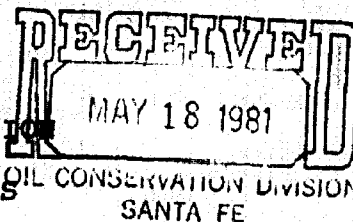
By:

  
Conrad E. Coffield  
Attorney for Bass Enterprises  
Production Company

BEFORE THE OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO



APPLICATION BY BASS ENTERPRISES )  
PRODUCTION COMPANY FOR )  
DIRECTIONAL DRILLING, EDDY )  
COUNTY, NEW MEXICO )

Case 7274

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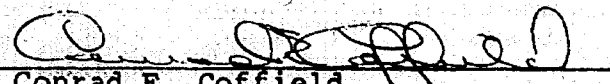
5. Applicant respectfully requests that this application be set on the June 17, 1981 Docket.

Dated this 13th day of May, 1981.

Respectfully submitted,

HINKLE, COX, EATON,  
COFFIELD & HENSLEY

By:

  
Conrad E. Coffield  
Attorney for Bass Enterprises  
Production Company



DRAFT

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

dr/

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

CASE NO. 7274

Order No. R- 6749

*3/4*  
APPLICATION OF BASS ENTERPRISES  
PRODUCTION COMPANY FOR DIRECTIONAL  
DRILLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

*Roll*  
This cause came on for hearing at 9 a.m. on July 29,  
19 81, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this        day of August, 19 81, the Division  
Director, 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. 7274 is hereby dismissed.

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