CASE 7417: NORTHWEST PIPELINE CONJORA-TION FOR 13 NOM-STANDARD GAS PRORATION 2. UNITS, SAN JUAN COUNTY, NEW MEXICO DOCKET MAILED

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# CASE NO.

7417

APPlication,
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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.

Thosey les Boyd COR

Richard & Flam

Oll Conservation Division

S.R.

MALLY W. BOYD, C.:
Rt. 1 Box 193-B
Sents Fe, New Mexico 8750

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# CRUCE KING GOVERNOR LARRY KEHOE

# STATE OF NEW MEXICO

# CNERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

December 1, 1981

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

Mr. William F. Carr Campbell, Byrd & Black Attorneys at Law Post Office Box 2208 Santa Fe, New Mexico	Re: CASE NO. 7417 ORDER NO. R-6845  Applicant:  Northwest Pipeline Corpor
Dear Sir:	
Enclosed herewith are two o	copies of the above-referenced tered in the subject case.
Pours very truly,  JOE D. RAMEY  Director	
JDR/fđ	
Copy of order also sent to:	
Hobbs OCD X Artesia OCD X Aztec OCD X	
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. 7417 Order No. R-6845

APPLICATION OF NORTHWEST PIPELINE CORPORATION FOR 13 NON-STANDARD GAS PRORATION UNITS, SAN JUAN COUNTY, NEW MEXICO.

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 19, 1981, at Santa Fe, New Mexico, before Examiner Richard I. Stamets.

NOW, on this lst day of December, 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. 7417 is hereby dismissed.

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

STATE OF NEW MEXICO QLL CONSERVATION DIVISION

JOE D. RAMEY,

Director

# CAMPBELL, BYRD & BLACK, P.A.

JACK M. CAMPBELL
HAHL D. BYND
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
WILLIAM G. WARDLE

NOV 0 4 1981

JEFFERSON PLACE

OIL CONSERVATION DIVISION POST OFFICE BUX 2208

SANTA FE

SANTA FE, NEW MEXICO 87501 TELEPHONE: (505) 988-4421 TELEGOPIER: (505) 983-6043

November 3, 1981

Mr. Joe D. Ramey Division Director Oil Conservation Division New Mexico Department of Energy & Minerals Post Office Box 2088 Santa Fe, New Mexico 87501

Re: Case 7417: Application of Northwest Pipeline Corporation for a Non-Standard Provation Units, San Juan County, New Mexico

Dear Mr. Ramey:

Northwest Pipeline Corporation hereby requests that the abovereferenced case scheduled for hearing on November 19, 1981, be dismissed.

Your attention to this request is appreciated.

Very truly yours,

William F. Carr

WFC:1r

cc: Mr. Larry Waggoner

Dockets Nos. 38-81 and 39-81 are tentatively set for December 2, and December 15, 1981. Application for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 19, 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1981, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for December, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7410: Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the Bast line and one to be drilled 2455 feet from the North line and 1944 fest from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.
- CASE 7356: (Continued from October 23, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, 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 7411: Application of Viking Petroleum, Inc., for an unorthodox gas well location, Chaves 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 North and East lines of Section 12, Township 11 South, Range 27 East, the NE/4 of said Section 12 to be dedicated to the well. (This case will be dismissed).
- CASE 7412: Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Yates, Queen, San Andres and Delaware formations in the open hole interval from 4375 feet to 7452 feet in its Lea "ZD" State Well No. 1 located in Unit M of Section 30, Township 13 South, Rango 35 East, Air-Strip Field.
- Application of Gulf Oil Corporation for Directional Drilling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to directionally drill its Arnott Ramsey Well No. 12, the surface location of which is 500 feet from the South line and 1400 feet from the East line of Section 32, Township 25 South, Range 37 East, to a bottomhole location within 150 feet of a point 500 feet from the South line and 800 feet from the East line of Section 32, Township 25 South, Range 37 East, Langlie Mattix Pool, the SE/4 SE/4 of said Section 32 to be dedicated to the well.
- CASE 7414: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Wantz-Granite Wash production in the wellbore of its Hugh Well No. 10, located in Unit C of Section 14, Township 22 South, Range 37 East.

- CASE 7415: Application of Gulf Oil Corporation for downingle commingling, Lea County, New Hexico.

  Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Tubb and Drinkard production in the wellbore of its T. R. Andrews Well No. 3, located in Unit J of Section 32, Township 22 South, Range 38 East.
- CASE 7379: (Continued from October 21, 1981, Examiner Hearing)

Application of JEN Resources, Inc., for vertical pool extension and special GOR limit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the vertical extension of the Cave-Grayburg Pool to include the San Andres Formation, and the establishment of a special gas-oil ratio limit for said pool to 6000 to one or, in the alternative, the abolishment of the gas-oil ratio limit in said pool, all to be effective October 1, 1981

CASE 7407: (Continued from November 4, 1981, Examiner Hearing)

Application of Mesa Fetroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the NE/4 of Section 23, Township 5 South, Range 24 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 7416: Application of El Paso Natural Gas Company for pool creation and redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to contract the horizontal limits of the Jalmat Gas Pool by deleting therefrom all lands in Township 26 South, Range 37 East. Applicant also proposes to contract the horizontal limits of the Rhodes Yates - Seven Rivers Oil Pool by deleting therefrom all of the gas productive lands in the North end thereof and to create the Rhodes Yates-Seven Rivers Gas Pool comprising all such deleted lands. Applicant further proposes the deletion of certain oil productive lands from said Rhodes oil pool and the extension of the Scarborough Pool to include said lands. Applicant further proposes to contract the horizontal boundaries of the Rhodes Gas Storage Unit to delete certain lands and wells not participating in the Rhodes Gas Storage Project and to withdraw without restrictionall gas remaining in the newly created Rhodes Gas Fool.

CASE 7417; (This case will be dismissed.)

Application of Northwest Pipeline Corporation for 13 non-standard gas provation units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4,5,6,7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.

- CASE 7418: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Drinkard Pool including a special gas-oil ratio of 6,000 to one.
- CASE 7419: Application of Morris R. Antwell for special pool rules, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West

  Nadine-Blinebry pool including a special gas-oil ratio of 4,000 to one.
- Application of Southland Royalty Company for two unorthodox oil well locations, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of two previously drilled wells, the first being 760 feet from the South line and 660 feet from the East line of Section 5 the other being 660 feet from the North and West lines of Section 9, both in Township 19 South, Range 35 East, both to be plugged back to the Scharb-Bone Springs Pool, the S/2 SE/4 of Section 5 and the N/2 NW/4 of Section 9, respectively, to be dedicated to the wells.
- Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. 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.

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- CASE 7422: Application of Conoco, Inc. for dual completion and an unorthodox location, Lea County, New Maxico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Southeast Monument Unit Well No. 121, to produce oil from the Skaggs Grayburg and an undesignated Paddock pool through parallel strings of tubing. Applicant further seeks approval of the unorthodox location of said well 1310 feet from the North line and 1330 feet from the West line of Section 19, Township 20 South, Range 32 East, the NE/4 NW/4 of said Section 19 to be dedicated to the well.
- CASE 7423: Application of Conoco, Inc., for a waterflood project, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinebry oil and gas pool by the injection of water into the Blinebry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.
- CASE 7424: Application of Rice Engineering and Operating, Inc., for salt water disposal, Lea County, New Mexico.
  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the
  Lower San Andres formation in the perforated interval from 4300 feet to 4852 feet in its EuniceNonument Eumont SWD "G" Well No. 8, located in Unit G of Section 8, Township 20 South, Range 37 East.
- CASE 7425: Application of S. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 36, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 554 feet from the South and West lines of said Section 26, provided that in the event the subject well encounters production in the Casey-Strawn Pool and/or the West Knowles-Drinkard Pool, the lands pooled would be the W/2 SW/4 of said Section 25. 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 7426: Application of Phillips Petroleum Company for Amendment of Division Order No. R-5897 and certification of a tertiary recovery project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-5897, to include the injection of carbon dioxide in the previously authorized pressure maintenance project in the East Vacuum Grayburg-San Andres Unit, for conversion of existing injectors to water/carbor dioxide injection, and for certification to the Secretary of the IRS that the East Vacuum Grayburg-San Andres Unit Project is a qualified tertiary oil recovery project.
- CASE 7427: Application of Belco Petroleum Corporation for a special allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an adjustment to the manner in which allowables are calculated for wells in the South Carlsbad-Morrow Gas Pool in order to grant relief to the over-produced status of its Douglas Com. Well No. 1 located in Unit H of Section 7, Township 22 South, Range 27 East, said well being subject to shut-in being more than six times its allowable over-produced. In the alternative, applicant seeks to make up the over-production at a rate less than complete shut-in by curtailing production from the well to 80 percent of its top allowable until it is back in balance.
- CASE 7428: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating; and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.
  - (a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, MMPM. Said pool would comprise:

## TOWNSHIP 23 SOUTH, RANGE 34 EAST, NAPM Section 10: N/2 and N/2 SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is the Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NHPM Section 14: SE/4

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(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grama Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NRPM. Said pool would comprise:

#### TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM Section 4: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C. F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

#### TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM Section 23: SM/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bono Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com. Well No. 1 located in Unit B of Section 5, Township 19 South, Range 32 East, NAPM, Said Coll Hould comprise:

#### TOWNSHIP 19 SOUTH, RANGE 32 EAST, NNPM Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Suid pool would comprise:

#### TOWNSHIP 19 SOUTH, RANGE 27 EAST, NHPH Section 21: S/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

#### TOWNSHIP 20 SOUTH, RANGE 26 EAST, NHPM Section 32: E/2 Section 33: All

(h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

#### TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM Section 11: All Section 15: N/2

(i) EXTERIO the Baldridge Canvon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

## TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM Section 14: N/2

(j) EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

## TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM Section 28: N/2 SE/4

(k) EXTEND the Bluitt-Wolfcamp Gas Pool in Rooseveit County, New Mexico, to include therein:

## TOWNSHIP 8 SOUTH RANGE 37 EAST, NMPM Section 10: SE/4

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

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPH Section 4: All

Examiner Hearing - Thursday - November 14, 1981

(m) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM Section 13: SE/4 SW/4

(n) EXTEND the Burton Plat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 35: W/2

(0) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM Section 27: N/2

TOWNSHIP 18 SOUTH. RANGE 25 EAST. NNPN Section 1: All

(p) EXTEND the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM Section 8: 5/2

(q) EXTEND the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein;

TOWNSHIE 17 SOUTH, RANGE 26 EAST, NMPM Section 34: N/2 Section 35: N/2

(r) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NAPM Section 8: S/2 S/2

(s) EXTEND the West Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM Section 35: N/2

(t) EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM Section 29: W/2

(u) EXTEND the reterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMFM Section 29: NE/4

(v) EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM Section 4: S/2

(w) EXTEND the Saunders-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM Section 32: NE/4

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Examiner Hearing - Thursday - November 14, 1981

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(x) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therain:

TOWNSHIP 19 SOUTH; RANGE 35 EAST, NMPH Section 8: NE/4

(y) EXTEND the East Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMFM Section 10: 58/4

(z) EXTEND the Teague-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM Section 27: NM/4

(aa) EXTEND the Tom-Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM Section 28: SE/4

(bb) EXTEND the North Turkey Track-Morroy Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NAPM Section 21: All

(cc) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 9: NE/4

# CAMPBELL, BYRD & BLACK, P.A.

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
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TELEPHONE: (505) 988-4421
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October 29, 1981

Mr. Joe D. Ramey
Division Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 74/17

Re:

Application of Northwest Pipeline Corporation for 13 Non-Standard Proration Units, San Juan County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Northwest Pipeline Corporation in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on November 19, 1981.

Very truly yours,

William F. Carr

WFC: 1r

Enclosures

cc: Mr. Larry Waggoner

#### BEFORE THE

#### OIL CONSERVATION DIVISION

#### NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF NORTHWEST PIPELINE CORPORATION FOR 13 NONSTANDARD PRORATION UNITS SAN JUAN COUNTY, NEW MEXICO

Case 74/7

#### APPLICATION

Comes now NORTHWEST PIPELINE CORPORATION, by and through its undersigned attorneys, and hereby applies to the New Mexico Oil Conservation Division for approval of 13 nonstandard gas proration units, San Juan County, New Mexico, and in support of its application states:

- 1. Applicant is the operator of certain tracts located in Sections 4, 5, 6, 7 and 18 of Township 31 North, Range 7 West, NMPM, San Juan County, New Mexico, which, due to variations in the legal subdivisions of the U.S. Public Land Surveys do not contain 640 acres.
- 2. Said acreage has been developed in the Blanco Mesaverde Gas Pool on nonstandard proration units as approved by Oil Conservation Commission Order No. R-1066 which was entered by the Commission on October 9, 1957 in Case No. 1307.
- 3. Applicant proposes the establishment of 13 nonstandard gas proration units in the Pictured Cliffs formation, the descriptions of which are more fully set out on Exhibits A and B attached hereto and incorporated herein by reference, to be dedicated to Pictured Cliffs Wells to be drilled at standard locations on the referenced nonstandard proration units.
- 4. Applicant plans to develop the area in the Pictured

Cliffs Formation and approval of the 13 nonstandard proration units in one hearing will avoid additional hearings before the Oil Conservation Division.

5. Granting the application and drilling of the proposed wells will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE application respectfully requests that this matter be set for hearing before one of the Division's duly appointed examiners on November 19, 1981 and, that after notice and hearing is required by law, the Division enter its order approving the application.

> Respectfully submitted, CAMPBELL, BYRD & BLACK, P.A.

llam F Post Office Box 2208 Santa Fe, New Mexico 87501 (505) 988-4421

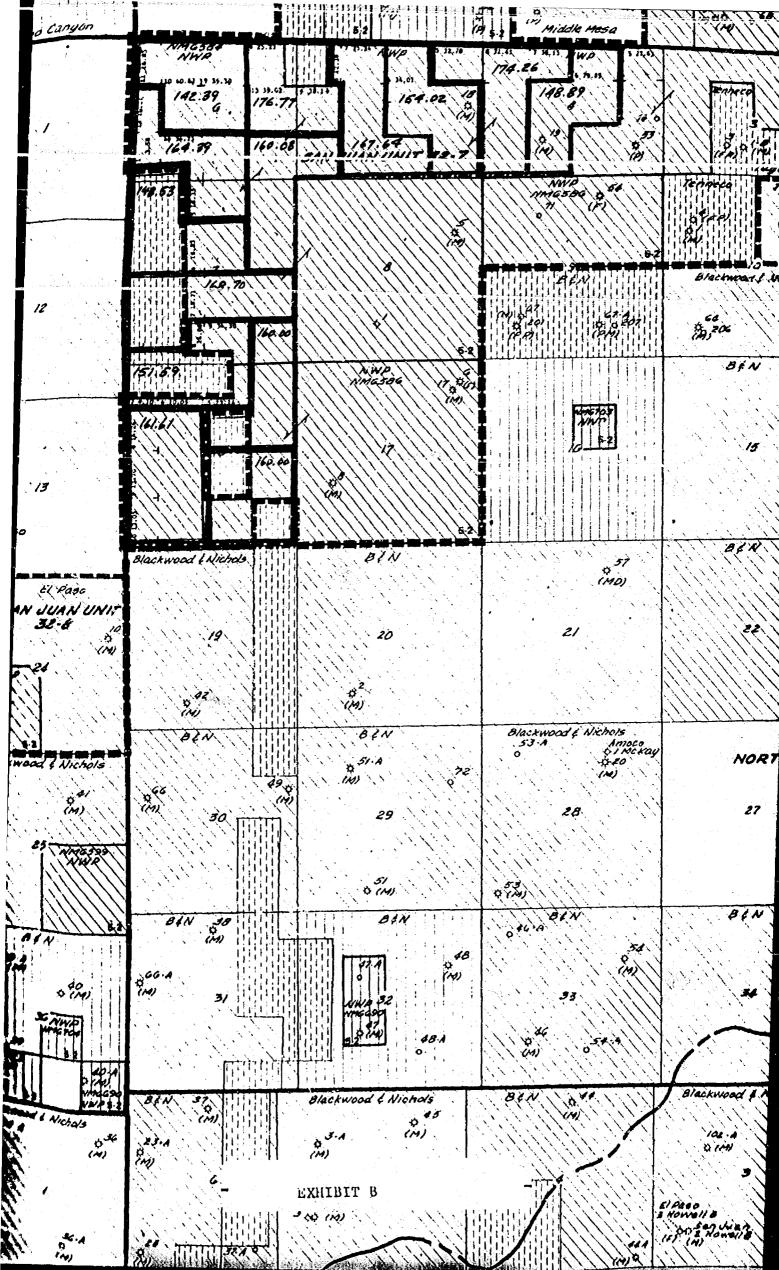
Attorneys for Applicant

## EXHIBIT A

Application of Northwest Pipeline Corporation for non-standard prorations units,
San Juan County, New Mexico

# TOWNSHIP 31 NORTH, RANGE 7 WEST, NMPM

1.	Section	4:	NW/4 SE/4, E/2 SW/4 and Lot 6	(148.89	acres)
2.	Section Section		W/2 SW/4 and Lots 7, 8 Lot 5	(174.26	acres)
3.	Section	5:	N/2 SE/4, SE/4 SE/4 and Lot 6	(154.02	acres)
4 .	Section	5:	E/2 SW/4, SW/4 SE/4 and Lots 7, 8	(167.64	acres)
5.	Section Section		SW/4 NW/4 and Lot 9 Lots 8, 13	(176.77	acres)
6.	Section	6:	NW/4 SE/4, NE/4 SW/4 and Lots 9, 10, 11	(142.39	acres)
7.	Section Section		SW/4 SE/4 and Lots 12, 13, 14 Lot 5	(164.39	acres)
з.	Section Section Section	6:	SW/4 SW/4 SE/4 SE/4 E/2 NE/4	(160.08	acres)
э.	Section	7:	W/2 NW/4, SW/4 SE/4 and Lot 6	(148.53	acres)
10.	Section	7:	N/2 SE/4, NW/4 SW/4, N/2 SW/4 SW/4, N/2 S/2 SW/4 SW/4 and Lot 7	(168.70	acres)
1.	Section Section		S/2 S/2 SW/4 SW/4, S/2 SW/4 SW/4 SE/4, SW/4 SE/4 SW/4 SE/4 N/2 NW/4, E/2 NW/4 NE/4 and Lots 5, 6, 7	(151.59	acres)
2.	Section Section	7: 18:	SE/4 SE/4 E/2 NE/4, SW/4 NE/4	(160.00	
3.	Section	18:	SE/4 NW/4, E/2 SW/4 and Lots 8, 9, 10	(161.61	acres)



Car paration of horthwest Papeline Car paration for 13 nonstandard gas provation units, San Juan County, how mexico.

Applicant, in the arms object Came, webs approved for 13 umstandard gas paration unit company for 13 umstandard gas paration unit company fine size from 142.39 acres to 176,77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 WEST. Standard land providing 31 mouth, Range 7 west and such sides in the sucrey lines of Township 31 mouth, Range 7 west and a verlap providing 31 mouth, Range 7 west and averlap provided moustandard approved mesoverse provation units previously approved husaverse provation units previously approved by Order 20, R-1066.

Cara Desore Orders

#### 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. 7417 Order No. R-6845

APPLICATION OF NORTHWEST PIPILINE CORPORATION FOR 13 NON-STANDARD GAS PRORATION UNITS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 19, 1981, at Santa Fe, New Mexico, before Examiner Richard I. Stamets.

NOW, on this day of November, 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. 7417 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY, Director

SEAL