

CASE 1377: Hearing called by OCC to consider establishment of minimum allowables for gas wells in San Juan, Rio Arriba, Sandoval & McKinley Counties, N.M.

Case No.

1377

Application, Transcript,
Small Exhibits, Etc.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 31, 1958

C
O
P
Y

Mr. George L. Verity
211 E. Broadway
Farmington, New Mexico

Dear Mr. Verity:

On behalf of your client, Benson-Montin-Greer, we enclose two copies of Order R-1142, Order of Dismissal, issued March 25, 1958, by the Oil Conservation Commission in Case 1377.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1377
Order No. R-1142

APPLICATION OF THE OIL CONSERVATION
COMMISSION ON ITS OWN MOTION TO
CONSIDER THE ESTABLISHMENT OF MINIMUM
ALLOWABLES FOR GAS WELLS IN SAN JUAN,
RIO ARRIBA, SANDOVAL, AND MCKINLEY
COUNTIES, NEW MEXICO.

ORDER OF DISMISSAL

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
February 13, 1958, and at 9 o'clock a.m. on March 13, 1958, at
Santa Fe, New Mexico, before the Oil Conservation Commission of
New Mexico, hereinafter referred to as the "Commission."

NOW, on this 25th day of March, 1958, the Commission, a
quorum being present, having considered the application, 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 all interested parties in the subject case
appeared by their attorneys.
- (3) That a motion was made that the subject case be
dismissed.
- (4) That no objections were made to said motion.

IT IS THEREFORE ORDERED:

That Case No. 1377 be and the same is hereby dismissed.

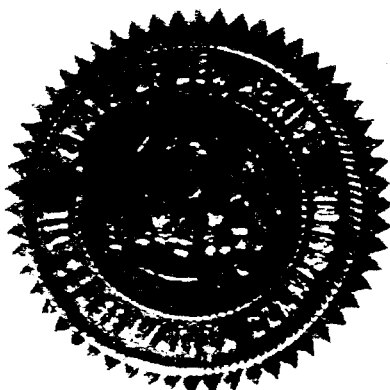
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
Edwin L. Mechem, Chairman

Murray E. Morgan
Murray E. Morgan, Member

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



BEFORE THE
OF OBSERVATION COMMISSION
Santa Fe, New Mexico
March 13, 1938

IN THE MATTER OF: Case No. 1377

TRANSCRIPT OF PROCEEDINGS

DEARNLEY, MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

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STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 11, 1961

IN THE MATTER OF:

The hearing called by the Oil Conservation
Commission of New Mexico on its own motion to
consider the establishment of minimum allowables
for gas wells in San Juan, Rio Arriba, Sandoval,
and McKinley Counties, New Mexico.

Case 1377

BEFORE:

Mr. A. L. Porter, Jr.
Mr. Murray Morgan
Governor Edwin L. Mechem

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: Before we resume the matters before the
Commission today, I'm sure that you all have read or learned in
some manner of the death of Congressman John J. Dempsey, a
Representative from New Mexico for a number of years and former
Governor of this State; and therefore a former member of this
Commission. Congressman Dempsey had a fairly long career in
public service in this State, and I think it only fitting that
we pay our respects at this time as we bow our heads in a moment
of silence.

The Commission will resume the order of business, and we
have a request to call next Case 1377.

MR. GOLEY: Case 1377: In the matter of the hearing

called by the Conservation Committee of New Mexico on its own motion to consider the establishment of minimum allowances for gas wells in San Juan, Sandoval, Bernalillo, and McKinley Counties, New Mexico.

MR. VERITY: George Verity in behalf of Benson, Montie & Greer and some other producers in that area. I think that matter was set down, at least partially, at the instance of my clients. At this time in their behalf and insofar as they are concerned, I should like to move that it be dismissed. We have had some extensive conferences with other producers in the area and also with some takers of gas that are involved in it. We all believe that it can best be approached and that the needed relief can be obtained without it being disadvantageous to anyone, if it is approached on an individual well basis; and for that reason we would like this application, or this hearing dismissed and we plan within the next few days to file an application which will take the matter up and the problem up from an individual well basis standpoint.

MR. PORTER: Is there a comment on counsel's motion?

MR. BUELL: Guy Buell for Pan American Petroleum Corporation. We would like to concur in the request for dismissal.

MR. COOLEY: Case 1377 was called at the instance of certain companies whom Mr. Verity represents, and in the absence of any objection from those operators, I have no objection to dismissing this case.

MR. CHAIRMAN: If the Commission please, while we feel that

the Commission and its staff will be eventually faced with the minimum allowable for gas wells. In Rosblum, New Mexico, we don't have any particular objection to it being dismissed at this time, but eventually you'll be faced with this problem.

MR. FORSTER: Any other comments on the motion? The Commission will dismiss Case 1377.

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C E R T I F I C A T E

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 24th day of March, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley
NOTARY PUBLIC

My commission expires:
June 19, 1959.

DEARNLEY, MILLER & ASSOCIATES
INCORPORATED
GENERAL LAW OFFICES
ALBUQUERQUE, NEW MEXICO
3-6891 5-0546

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 13, 1958

IN THE MATTER OF: Case 1377

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

IN THE MATTER OF:

The hearing called by the Oil Conservation Commission of New Mexico on its own motion to consider the establishment of minimum allowables for gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

Case 1377

BEFORE:

Mr. A. L. Porter, Jr.
Mr. Murray Morgan
Governor Edwin L. Mechem

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: The meeting will come to order, please. The Commission has decided on a 35-barrel normal unit allowable for the Southeast for the month of March. The Northwest allowable will be computed on the basis of the figures given by Mr. Nutter.

At this time we will take up Case 1377.

MR. COOLEY: Case 1377: In the matter of the hearing called by the Oil Conservation Commission of New Mexico on its own motion to consider the establishment of minimum allowables for gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

MR. VERITY: G. L. Verity for Benson-Montin-Greer and Robert Maddox. We are here today and ready to present some evidence in favor of the minimum allowable in accord with the hearing, but

we have conferred with several other companies and producers and takers of gas up there, and they seem to be a little bit in a quandary as to exactly what the hearing is about. For that reason, we felt it might be advisable to continue the matter for thirty days because we believe that we could possibly work it all out without any controversy.

For that reason, I would like to move that the matter be continued for thirty days.

MR. PORTER: Is there objection to counsel's motion?

MR. HOWELL: Ben Howell, representing El Paso Natural Gas Company. We would like to concur in that, but I think also in order that we may study the matter and find out the facts, I believe it would be in order for Mr. Verity to make a statement of the ills which are sought to be cured. In other words, I don't know how to compound medicine for an undisclosed ailment. We would like to have a statement generally of the troubles that this proposed order seeks to cure.

MR. VERITY: We have no objection to doing that. Of course, this matter was taken up on the Commission's own motion. I don't know what the Commission had in mind with regard to it. Insofar as my clients are concerned, we find in the area up there that there are many wells that much of which are probably on the fringe of the pools, that cannot operate and continue to produce at the current allowable that was given to them under the present formulas.

We believe that if that continues without relief in the

nature of some kind of minimum allowable, that it is going to create a premature abandonment of many wells in the area, or at least some wells that are in the area. You have complex acreage factors up there, and that makes a very small allowable for some of those wells. It also affects the situation with regard to what areas are and are not going to be drilled. If you have a minimum allowable well, that many areas can be drilled that cannot otherwise be drilled because of the fact if a producer in projecting exploration and in projecting further development wells can know that if he gets a marginal well, he will still have a minimum production that will give him a seven to eight year payout, even though it is not a good well, we believe there will be a lot of exploration and a lot of production wells that would not otherwise be.

Therefore, we think that it will generally promote conservation and greater recovery of gas in those four counties. We would also like to add this one fact because I think it would possibly put a lot of minds at ease that are in a quandary about it. We have run a study on three pools in the Pictured Cliffs which account for 82 percent of the production in those four counties from the Pictured Cliff formation, and we find that if a minimum allowable of as great as 150,000 barrels a day were allowed by this Commission, that it would only amount to a reallocation of one and four-tenths percent of the gas being produced from those three pools. So we think that whereas in the overall

picture it is almost an inconsequential figure, it is still of considerable consequence to the individuals who have marginal wells and to those who might be wanting to drill a well that could turn out to be marginal.

MR. PORTER: Mr. Buell.

MR. BUELL: Guy Buell with Pan American Petroleum Corporation. We would like to concur in the request for continuance.

MR. PORTER: Mr. Howell, has your question been answered satisfactorily?

MR. HOWELL: I think so. If that is the point upon which testimony is to be introduced if we are unable to reach agreements with the various interested parties, why then we'll be prepared to put on testimony as to that point that was mentioned.

MR. COOLEY: As a further explanation of the Commission's thinking in this matter, in advertising this case, we have been informed over the period of the last two or three months that there are certain wells in Northwest New Mexico which either as a result of low acreage dedication or as a result of extremely low deliverabilities receive an allowable when calculated under the formula which is so low that it is uneconomical to operate the wells; that they are in fact not being operated. This appearing to be causing some waste and some loss of gas production in the State of New Mexico, considered the assignment of minimum allowables in accordance with the statutes of dictate in Chapter 65.

MR. SELINGER: I might also add that it may be necessary

to go take another look into the allocation formula which uses deliverability as a part of the formula.

MR. HINKLE: Humble concurs with that.

MR. SELINGER: It might be that El Paso would be prepared on the whole thing.

MR. PORTER: Are there any other comments on counsel's motion?

MR. HOWELL: I want to say right now that I do not regard the reopening of that formula as being within the call of the hearing.

MR. PORTER: The case will be continued until the March regular hearing.

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C E R T I F I C A T E

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 6th day of March, 1958,
in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley

NOTARY PUBLIC

My commission expires:

June 19, 1959.

DEARNLEY, MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

DOCKET: REGULAR HEARING MARCH 13, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

- ALLOWABLE: (1) Consideration of the oil allowable for April, 1958.
- (2) Consideration of the allowable production of gas for April, 1958, for six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for March, 1958.

NEW CASES

CASE 1308: (Rehearing)

In the matter of the rehearing requested by Shell Oil Company for reconsideration by the Commission of certain portions of Case 1308 - application of Sunray Mid-Continent Oil Company for the temporary establishment of a uniform 80-acre well spacing and Special Rules and Regulations in the Bisti-Lower Gallup Oil Pool.

CASE 1390:

In the matter of the case called by the Oil Conservation Commission upon its own motion to permit the operators in the South Blanco-Tocito Oil Pool to appear and show cause why the provisions of Rule 506 of the Commission Rules and Regulations should not be imposed in the South Blanco-Tocito Oil Pool.

CASE 1391:

Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension of existing pools in Lea and Eddy Counties, New Mexico.

- (a) Create a new gas pool for Pennsylvanian production, designated as the Crawford-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 26: SE/4

- (b) Create a new gas pool for Pennsylvanian production, designated as the Harkey-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 34: NW/4

- (c) Create a new oil pool for Fusselman production, designated as the Justis-Fusselman Pool, and described as:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 24: NW/4

- (d) Create a new oil pool for Glorieta production, designated as the South Paddock Pool, and described as:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 32: SE/4

- (e) Create a new oil pool for San Andres production, designated as the South Sawyer-San Andres Pool, and described as:

TOWNSHIP 9 SOUTH, RANGE 38 EAST, NMPM
Section 33: Lots 3 & 4 and W/2 SW/4

- (f) Create a new oil pool for Devonian production, designated as the South Vacuum-Devonian Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 35: NE/4

- (g) Delete portions of the Atoka-Grayburg Pool, described as:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 7: SW/4

- (h) Extend the Red Lake Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 1: NE/4 SE/4

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 7: SW/4

- (i) Delete a portion of the South Eunice Pool, described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 31: NE/4

- (j) Extend the Anderson Ranch-Devonian Pool, to include:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 1 & 2

- (k) Extend the Atoka Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 12: W/2 SE/4, SE/4 NW/4, & SW/4 NE/4

- (l) Extend the Eumont Gas Pool to include:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 32: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 8: NW/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 20: SW/4

- (m) Extend the Jalmat Gas Pool to include:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 14: SW/4

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4 & W/2 NE/4

- (n) Extend the Justis-Ellenburger Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 24: SE/4

- (o) Extend the Maljamar Pool to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 28: E/2

- (p) Extend the Pearl-Queen Pool to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 21: SE/4 SE/4
Section 22: S/2 SW/4

- (q) Extend the Penrose-Skelly Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 31: SW/4

- (r) Extend the Townsend-Wolfcamp Pool to include:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 6: Lots 9, 10, 11, 14, 15, & 16

- (s) Extend the Turkey Track Pool to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 33: E/2 NE/4

- (t) Delete a portion of the Arrowhead Pool described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 36: NE/4 NE/4

CASE 1392: Northwestern New Mexico nomenclature case calling for an order for the creation of a new pool and the extension of existing pools in San Juan and Rio Arriba Counties, New Mexico.

- (a) Create a new gas pool for Fruitland production, designated as the Kutz-Fruitland Pool, and described as:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
All of Sections 23, 26 & 27

- (b) Extend the Kutz-Farmington Pool to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 22: SW/4

- (c) Extend the Aztec-Fruitland Pool to include:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 25: NW/4

- (d) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
Section 35: W/2

- (e) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM
All of Sections 30, 32 & 33
Section 34: W/2

- (f) Extend the Gavilan-Pictured Cliffs Pool to include:

TOWNSHIP 25 NORTH, RANGE 1 WEST, NMPM
Section 30: S/2

- (g) Extend the Tapacito-Pictured Cliffs Pool to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 1: E/2

- (h) Extend the Blanco Mesaverde Pool to include:

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 30: All

- (i) Extend the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM
Section 28: S/2

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM
Section 15: SW/4
Section 24: N/2

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM
Section 21: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 32: SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM
Section 20: N/2

(j) Extend the Horseshoe-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM
Section 3: E/2 SW/4

(k) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM
Section 5: NE/4

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM
Section 17: NW/4

CONTINUED CASES

CASE 1053: Application of the Oil Conservation Commission upon its own motion, at the request of the State Engineer, for an order prescribing rules and regulations to govern the disposal of salt water in areas of Lea County, New Mexico. The Commission desires to formulate rules and procedures which will result in the efficient disposal of salt water and which will eliminate the practice of surface disposal of large volumes of oil field brines in order to prevent the contamination of the fresh-water bearing horizons in Lea County, New Mexico.

CASE 1377. In the matter of the hearing called by the Oil Conservation Commission of New Mexico on its own motion to consider the establishment of minimum allowables for gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

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DOCKET REGULAR HEARING FEBRUARY 13, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

- ALLOWABLE: (1) Consideration of the oil allowable for March, 1958.
- (2) Consideration of the allowable production of gas for March, 1958, for six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for March, 1958.

NEW CASES

CASE 977: In the matter of the hearing order to be held by Paragraph 7 of Order No. R-794-B to permit Southern Union Gas Company and all other interested parties to appear and show cause why the Special Pool Rules for the Tapacito-Pictured Cliffs Gas Pool, as set forth in Order No. R-794, should be continued in effect beyond April 1, 1958.

CASE 1376: Application of The Texas Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Little Lucky Lake Unit Agreement embracing 11,715 acres, more or less, of Federal and State Lands in Township 15 South, Range 29 East; Township 15 South, Range 30 East, and Township 16 South, Range 30 East, in Chaves and Eddy Counties, New Mexico.

CASE 1377: In the matter of the hearing called by the Oil Conservation Commission of New Mexico on its own motion to consider the establishment of minimum allowables for gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

CASE 1378: Application of El Paso Natural Gas Company for an order amending Order No. R-333-C & D. Applicant, in the above-styled cause, seeks an order revising, amending or deleting certain portions of Order No. R-333-C & D to extend the testing period and revise the test scheduling procedure applicable to gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

CASE 1379: Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension of existing pools in Lea, Eddy and Chaves Counties, New Mexico.

(a) Create a new gas pool for Mississippian production, designated as the Austin-Mississippian Gas Pool, and described as:

Township 14 South, Range 36 East
Section 17 SW/4

- (b) Create a new oil pool for Abo production, designated as the Empire-Abo Pool, and described as:

Township 18 South, Range 27 East
Section 11: NW/4

- (c) Create a new gas pool for Pennsylvanian production, designated as the Grayburg-Atoka Gas Pool, and described as:

Township 17 South, Range 29 East
Section 22: NW/4

- (d) Create a new oil pool for Drinkard production, designated as the Justis-Drinkard Pool, and described as:

Township 25 South, Range 37 East
Section 24: NE/4

- (e) Create a new oil pool for Devonian production, designated as the Sand Springs-Devonian Pool, and described as:

Township 11 South, Range 34 East
Section 1: SW/4

- (f) Create a new oil pool for Delaware production, designated as the Welch-Delaware Pool, and described as:

Township 26 South, Range 27 East
Section 21: NW/4

- (g) Delete portions of the Arrowhead Pool described as:

Township 21 South, Range 36 East
Section 24: All
Section 25: E/2
Section 26: NE/4 NE/4

- (h) Extend the Penrose Skelly Pool to include:

Township 21 South, Range 36 East
Section 24: SE/4
Section 25: SE/4 SE/4

Township 21 South, Range 37 East
Section 19: SW/4
Section 30: SW/4 SW/4

- (i) Abolish the Anderson Pool described as:

Township 17 South, Range 29 East
Section 1: S/2
All of Sections 2, 3, 10, 11, & 12
Section 13: N/2
Section 14: N/2
Section 15: NE/4

Township 17 South, Range 30 East
Section 6: SW/4
Section 7: N/2

- (j) Extend the Square Lake Pool to include:

Township 16 South, Range 29 East
Section 36: S/2 S/2

Township 16 South, Range 30 East
Section 31: S/2
Section 32: SW/4

Township 17 South, Range 29 East
All of Sections 1, 2, 3, 10, 11, & 12
Section 13: N/2
Section 14: N/2
Section 15: NE/4

Township 17 South, Range 30 East
Section 5: W/2
Section 6: All
Section 7: N/2

- (k) Extend the Caprock-Queen Pool to include:

Township 14 South, Range 31 East
Section 17: W/2 SW/4

- (l) Extend the Crosby-Devonian Gas Pool to include:

Township 25 South, Range 37 East
Section 20: SE/4

- (m) Extend the Dos Hermanos-Yates-Seven Rivers Pool to include:

Township 20 South, Range 30 East
Section 28: S/2 SE/4

- (n) Extend the South Eunice Pool to include:

Township 21 South, Range 36 East
Section 34: SW/4

- (o) Extend the Four Lakes-Devonian Pool to include:

Township 11 South, Range 34 East
Section 35: SE/4

- (p) Extend the West Lusk Pool to include:

Township 19 South, Range 31 East
Section 23: NW/4

- (q) Extend the Reeves-Pennsylvanian Pool to include:

Township 18 South, Range 35 East
Section 14: SE/4
Section 23: N/2

- (r) Extend the Townsend-Wolfcamp Pool to include:

Township 16 South, Range 36 East
Lots 9, 10, 11, 14, 15, 16

- (s) Extend the Tubb Gas Pool to include:

Township 21 South, Range 37 East
Section 14: SE/4

CASE 1380: Northwestern New Mexico nomenclature case calling for an order for the extension of existing pools in San Juan and Rio Arriba Counties, New Mexico.

- (a) Extend the Aztec-Pictured Cliffs Pool to include:

Township 29 North, Range 10 West
Section 29: S/2

- (b) Extend the East Blanco-Pictured Cliffs Pool to include:

Township 30 North, Range 4 West
Section 10: SW/4
Section 15: NW/4

- (c) Extend the Ballard-Pictured Cliffs Pool to include:

Township 26 North, Range 8 West
Section 14: SW/4

- (d) Extend the Tapacito-Pictured Cliffs Pool to include:

Township 26 North, Range 3 West
All of Sections 8 & 17

- (e) Extend the South Blanco-Pictured Cliffs Pool to include:

Township 25 North, Range 3 West
Section 18: W/2
Section 19: NW/4

Township 25 North, Range 4 West
Section 13: S/2
Section 24: N/2

Township 26 North, Range 5 West
All of Sections 17 & 18

Township 27 North, Range 7 West
All of Sections 9 & 10

Township 28 North, Range 8 West
All of Sections 30, 32 & 33
Section 34: W/2

- (f) Extend the Bisti-Lower Gallup Oil Pool to include:

Township 25 North, Range 11 West
Section 7: SW/4

Township 25 North, Range 12 West
Section 11: S/2
Section 12: All

- (g) Extend the Verde-Gallup Oil Pool to include:

Township 31 North, Range 15 West
Section 23: SE/4
Section 24: S/2
Section 25: NE/4

CONTINUED CASE

CASE 1369: In the matter of the hearing upon the motion of the Oil Conservation Commission of New Mexico at the request of The Atlantic Refining Company to amend Rule 107 of the Commission Rules and Regulations pertaining to casing, tubing, and cementing requirements.

ir/

NEW MEXICO
OIL CONSERVATION COMMISSION
P. O. Box 871
Santa Fe, New Mexico

Date January 22, 1958

Mr. Robert L. Maddox
P.O. Box 182
Aztec, New Mexico

Gentlemen:

Your application for a hearing to consider minimum allowables for
gas wells in Northwestern New Mexico

dated January 12, 1958 has been received, and has been tentatively
scheduled for hearing before the Commission on
February 13, 1958

A copy of the docket will be forwarded to you as soon as the matter is
advertised.

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.,
Secretary-Director

ga

Dec 17 1958
1-27-58

Robert L. Maddox

OPERATOR

NATURAL GAS

P. O. BOX 182

AZTEC, NEW MEXICO

DIAL FE 4-6385

January 12th, 1958

Mr. W.J. Cooley, Attorney.
New Mexico Oil Conservation Commission.
Santa Fe, New Mexico.

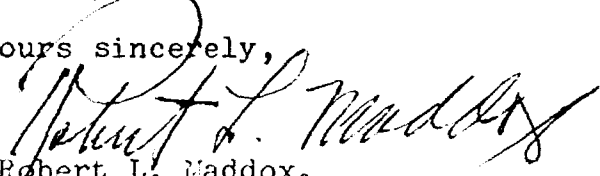
Dear Mr. Cooley:-

In regard to our recent conversation in reference to present proration schedules assigned to wells in the Fulcher-Kutz Pool, San Juan County, New Mexico. I have contacted Mr. Leo G. Stearns of the B.M.N.S. CO. and he joins me in the request that the New Mexico Oil Conservation Commission on their own motion set a date for a hearing, in order that we as well as other operators in this pool, may have the opportunity to present our grievances relative to production methods, proration schedule, and acreage allocation factor at present assigned to these wells.

Under present rules and regulations these wells are not being produced on a feasible economical basis and unless some readjustment can be secured it will lead to an earlier abandonment of the wells than will be made if properly produced and operated.

We will appreciate an early date for this hearing, and when we receive notice of the time will arrange to attend and give testimony.

Yours sincerely,


Robert L. Maddox.
411 Bunker Ave.
Aztec, New Mexico.

cc.
L.G. Stearns.