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2344

Application, Transcript,  
and Exhibits, Etc.

CASE 2344 Application of OHIO OIL  
CO. for an order force-pooling a  
317-acre gas proration unit.

GOVERNOR  
EDWIN L. MECHEM  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission



LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

P. O. BOX 871  
SANTA FE

July 26, 1961

Mr. Kirk Newman  
Atwood & Malone  
Box 867  
Roswell, New Mexico

Re: CASE NO. 2344  
ORDER NO. R-2036  
APPLICANT:  
The Ohio Oil Company

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

ir/

Carbon copy of order also sent to:

Hobbs OCC   X    
Artesia OCC   X    
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. 2344  
Order No. R-2036

APPLICATION OF THE OHIO OIL COMPANY  
FOR AN ORDER POOLING A 317-ACRE GAS  
PRODUCTION UNIT, EDDY COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 19, 1961, at Santa Fe, New Mexico, before Elvis A. Uts, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 26th day of July, 1961, the Commission, a quorum being present, having considered the application and the recommendations of the Examiner, Elvis A. Uts, and being fully advised in the premises,

FINDS:

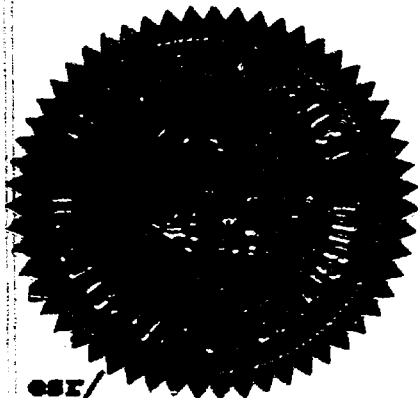
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, The Ohio Oil Company, has requested that Case No. 2344 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2344 is hereby dismissed.

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. Mechem*  
EDWIN L. MECHEM, Chairman

*E. S. Walker*  
E. S. WALKER, Member

*A. L. Porter, Jr.*  
A. L. PORTER, JR., Member & Secretary

Case 2344

Heard 7-19-61

Rec. 7-19-61

Dismiss Case as requested by  
the applicant.

Thos A. McF.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 19, 1961

9 A.M. - Oil Conservation Commission Conference Room  
State Land Office Building, Santa Fe, New Mexico

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

CONTINUED CASE

CASE 2298: Application of Chambers & Kennedy for a gas-oil dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Monument State Well No. 1, located in Unit J, Section 34, Township 19 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Eumont Gas Pool and the production of oil from the Eunice-Monument Pool through the 5½-inch by 2½-inch casing-tubing annulus and through 2½-inch tubing respectively.

NEW CASES

CASE 2538: Application of Continental Oil Company for two non-standard oil proration units and for an exception to Rule 309 (a), Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of two non-standard oil proration units in the Empire Abo Pool, consisting of the following-described acreage in Section 30, Township 17 South, Range 29 East, Eddy County, New Mexico:

(1) Lots 1 and 2 comprising 55.65 acres.

(2) Lots 3 and 4 comprising 56.61 acres.

Applicant further proposes to commingle the Empire-Abo Pool production from the portions of its State S and State P leases located in said Section 30 and to allocate production on the basis of periodic well tests.

CASE 2339: Application of J. Gregory Merrion & Associates, for a gas-oil dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Edna Well No. 2, located in Unit O, Section 7, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, as a

gas-oil dual completion with production of Pictured Cliffs gas through 2 7/8 inch casing and production of Gallup oil through 2 3/8 inch tubing installed within a string of 4 1/2 inch casing, with the casing strings cemented in a common well bore.

CASE 2340:

Application of Pan American Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Red Lake-Pennsylvanian Gas Pool for its Malco "M" Well No. 1, located 2310 feet from the North line and 1650 feet from the East line of Section 4, Township 18 South, Range 27 East, Eddy County, New Mexico.

CASE 2341:

Application of Pan American Petroleum Corporation for an exception to Rule 303 (a) and 309 (a), Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to commingle the production from the Hobbs, Bowers, and Hobbs-Drinkard Pools from a number of leases in Sections 3, 4, 5, 9, and 10, in Township 19 South, Range 38 East, and Sections 33 and 34 in Township 18 South, Range 38 East, Lea County, New Mexico, after separately metering the production from each lease and from each pool prior to commingling.

CASE 2342:

Application of Western Natural Gas Company for a non-standard gas proration unit and for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the SW/4 of Section 14 and the SE/4 of Section 15, all in Township 23 South, Range 36 East, Lea County, New Mexico. Said unit is to be dedicated to the Matkins Well No. 1 at an unorthodox location 660 feet from the South and East lines of said Section 15.

CASE 2343:

Application of Southwest Production Company for an order force pooling a 300-acre non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling all mineral interests in a 300-acre gas proration unit in the Basin-Dakota Gas Pool, consisting of the E/2 of Section 7, Township 30 North, Range 11 West, excepting the S/2 SW/4 SE/4 thereof, San Juan County, New Mexico. Interested parties include John J. (Juan J) Moya and Helen Moya.

CASE 2344:

Application of The Ohio Oil Company for an order force-pooling a 317-acre gas proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in a 317-acre gas proration unit comprising the S/2 of Section 30, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico.

Page 2344

**ATWOOD & MALONE**  
LAWYERS

JEFF D. ATWOOD (1883-1960)  
ROSS L. MALONE  
CHARLES F. MALONE  
E. KIRK NEWMAN  
RUSSELL D. MANN  
PAUL A. COOTER  
BOB F. TURNER

TELEPHONE MAIN 2-6221  
ROSWELL PETROLEUM BUILDING  
ROSWELL, NEW MEXICO

July 5, 1961

State of New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Gentlemen:

Enclosed herewith, Application in triplicate for The Ohio  
Oil Company, requesting a hearing to Force Pool a gas proration  
unit in the Atoka-Pennsylvanian gas pool in Eddy County, New Mexico.

Yours very truly,

ATWOOD & MALONE

By

*E. Kirk Newman*

EKN:bl  
Enclosures

*Worked  
mailed  
7-7-61 JZ*



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

APPLICATION OF THE OHIO OIL COM- )  
PANY FOR AN ORDER FORCE POOLING )  
ALL MINERAL INTERESTS IN A 317 ACRE )  
GAS PRORATION UNIT IN THE ATOKA- )  
PENNSYLVANIAN GAS POOL, BEING THE )  
S/2 OF SECTION 30, TOWNSHIP 18, SOUTH, )  
RANGE 26 EAST, N. M. P. M. EDDY COUNTY, )  
NEW MEXICO. )

NO. 2344

APPLICATION

COMES NOW, The Ohio Oil Company, and makes its Application for an Order Force Pooling all mineral interests in the S/2 of Section 30, Township 18, South, Range 26 East, N. M. P. M. Eddy County, New Mexico, to form a Standard Gas Proration Unit in the Atoka-Pennsylvanian Gas Pool, and in support of its Application respectfully state as follows:

1. The Ohio Oil Company is the owner of the Lessees working interest under Oil and Gas Leases covering the entire mineral interest in and under the SW/4, the E/2 of the SE/4 and the SW/4 of the SE/4 of Section 30 above. Gulf Oil Corporation is the owner of the Lessees working interest under Oil and Gas Leases covering the entire mineral interest in the NW/4 of the SE/4 of Section 30 above.

2. By Operating Agreement between The Ohio Oil Company and Gulf Oil Corporation, The Ohio Oil Company will drill an Atoka-Pennsylvanian Gas Test to be located in the NW/4 of the SE/4 of Section 30 above, and will be the operator of the proposed gas unit.

3. The entire S/2 of Section 34 lies within the limits of the Atoka-Pennsylvanian Gas Pool, and the entire tract should be

productive of gas from the Atoka-Pennsylvanian formation.

4. The formation of the standard 320 acre unit will prevent the drilling of an unnecessary well in order to protect the correlative rights of the royalty owners under the various portions of the unit and the granting of this Application will permit royalty to be received by all mineral owners under the proposed unit, and afford each the opportunity to receive their just and equitable share of royalty on production from the standard proration unit.

5. The leases covering the SE/4 of Section 30 above, contain pooling provisions and the owners thereof have agreed to pool the working interests on the SE/4 of Section 30, with the working interests on the SW/4 of Section 30 above.

6. All owners of the minerals under the SW/4 of Section 30 have been afforded the opportunity to join in a Unitization Agreement. Some of the mineral owners have executed the agreement, unitizing the entire S/2 of Section 30, but to date not all of the mineral owners have joined in the execution thereof.

WHEREFORE, applicant respectfully requests that this Application be set for hearing before a trial examiner, and that an Order be entered in accordance with Article 65-3-14(c), of the New Mexico Statutes, 1953, Force Pooling the mineral interests in the proposed gas proration unit.

Respectively submitted,

ATWOOD & MALONE

By E. K. Newman  
Attorneys for Applicant  
The Ohio Oil Company  
Post Office Drawer 700

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
JULY 19, 1961

EXAMINER HEARING

IN THE MATTER OF:  
CASE 2344

TRANSCRIPT OF HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CN 3-6691



BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 19, 1961

## EXAMINER HEARING

## IN THE MATTER OF:

Application of The Ohio Oil Company for  
an order force-pooling a 317-acre gas  
proration unit, Eddy County, New Mexico.  
Applicant, in the above-styled cause,  
seeks an order force-pooling all mineral  
interests in a 317-acre gas proration  
unit comprising the S/2 of Section 30,  
Township 18 South, Range 26 East, Atoka-  
Pennsylvanian Gas Pool, Eddy County,  
New Mexico.

Case  
2344

## BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 2344.

MR. MORRIS: Application of The Ohio Oil Company for  
an order force-pooling a 317-acre gas proration unit, Eddy County,  
New Mexico.

MR. NEWMAN: Kirk Newman of Roswell, New Mexico, re-  
presenting the Applicant. Since this application was filed with  
the Commission, all of the mineral and royalty owners in the  
Unit Area have assigned a Unit Agreement; and we request that the  
application be dismissed.

EXAMINER UTZ: Are there objections to the Counsel's

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



that this case be dismissed? If there are no objections, the case will be dismissed.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, MICHAEL P. HALL, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 19th day of July, 1961.

*Michael P. Hall*  
Notary Public-Court Reporter

My Commission expires:  
June 20, 1965.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2344, heard by me on July 19, 1961.

*John A. [Signature]*, Examiner  
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



Docket for Aug. 8, 1962

Hearing Mailed - 7/25/62

OK to the  
Continue  
Aug. 29<sup>th</sup>

APR 29, 1962