

CASE 3281: Application of SAMUEL
G. DUNN for a two-well proration
unit and unorthodox location.

*Continue
Aug 11th*

Deerfield

CASE NO.
3281

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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213 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO

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 Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 5th day of August, 1965.

Ida Searles
NOTARY PUBLIC

My Commission Expires:

June 19, 1967.

I do hereby certify that the foregoing is
a correct record of the proceedings in
the Executive Hearing of Case No. 3281,
heard on 7/28, 1965.

New Mexico Oil Conservation Commission

dearnley-meier reporting service, inc.

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MR. NUTTER: We will call next Case 3281.

MR. DURRETT: Application of Samuel G. Dunn for a two-well proration unit and an unorthodox location, Rio Arriba County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin, Kellahin and Fox, Santa Fe, appearing for the applicant. We would request that this case be continued to the August 11th hearing of the Commission.

MR. NUTTER: Case 3281 will be continued to 9:00 o'clock A.M., August 11, 1965, at this same place.

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 28, 1965

EXAMINER HEARING

IN THE MATTER OF:

Application of Samuel G. Dunn for a
two-well proration unit and an
unorthodox location, Rio Arriba County,
New Mexico.

Case No. 3281

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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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 Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 25th day of August, 1965.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires

June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3281, heard by me on 8-11, 1965.

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

dearnley-meier reporting service, inc.

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MR. UTZ: Case 3281.

MR. DURRETT: Application of Samuel G. Dunn for a two-well proration unit and an unorthodox location, Rio Arriba County, New Mexico.

MR. KELLAHIN: Jason Kellahin, representing the applicant. I would like to move that this case be dismissed.

MR. UTZ: Did I understand you to say dismissed or continued?

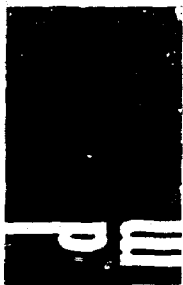
MR. KELLAHIN: Dismissed.

MR. UTZ: Case 3281 will be dismissed. We'll take a ten-minute coffee break.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1092 • PHOENIX 243-4491 • ALBUQUERQUE, NEW MEXICO



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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 11, 1965

EXAMINER HEARING

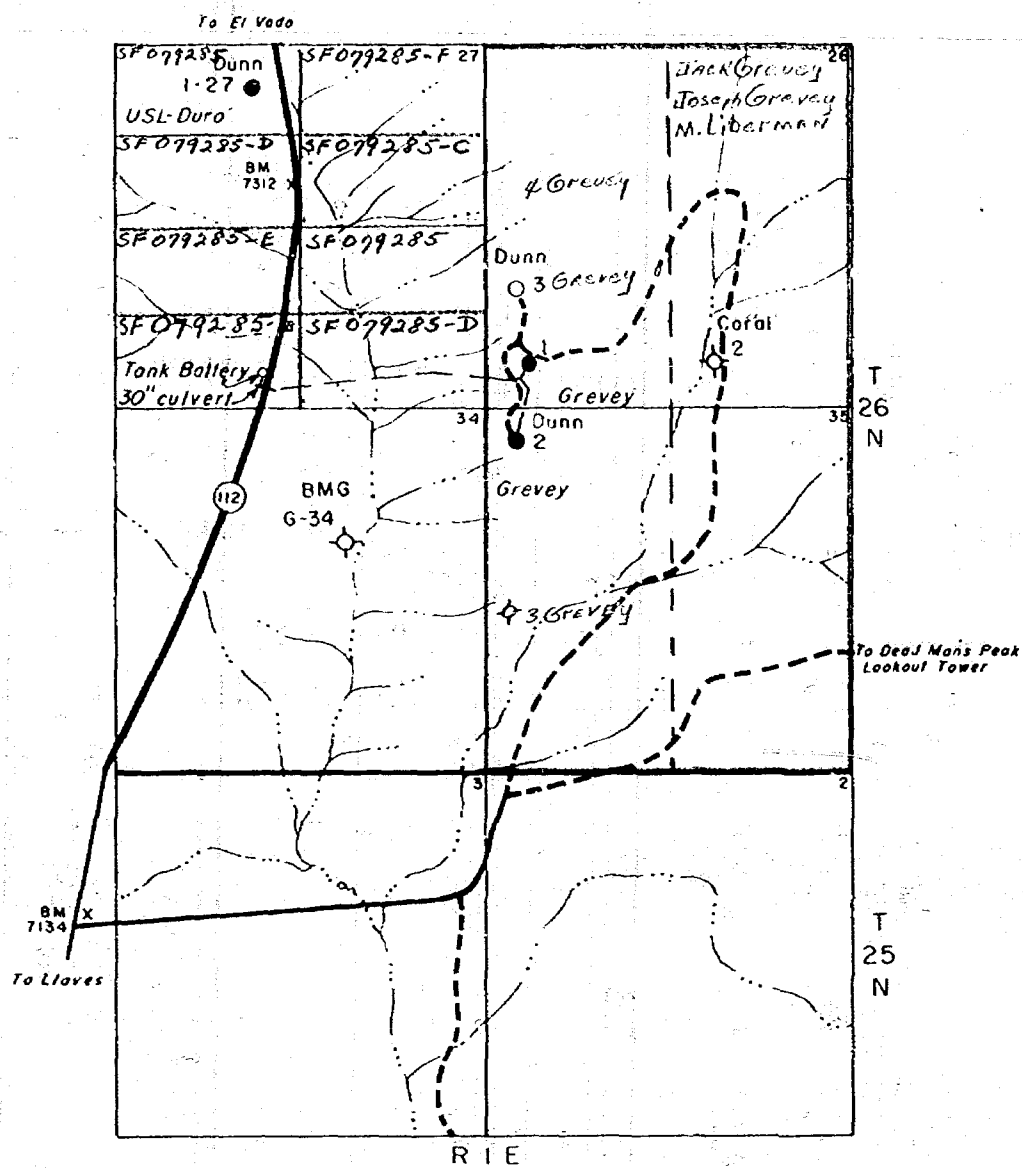
IN THE MATTER OF:

Application of Samuel G. Dunn for a
two-well proration unit and an
unorthodox location, Rio Arriba County,
New Mexico.

Case No. 3281

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING



PLAT SHOWING GREVEY LEASE STORAGE

T26N R1E

RIO ARRIBA COUNTY, NEW MEXICO

August 28, 1964

Dr. Sam G. Dunn

prepared by

Vol R. Reese and Assoc., Inc.

Scale: 2" = 1 mile

Case 3281

4. That the location of the No. 3 Grevey well is necessitated primarily by topographic reasons.

5. Applicant proposes to produce the unit allowable from either one or both of the wells located on said unit, in any amounts, or in the alternative, to dedicate the S/2 of the SW/4 of Section 26 to the No. 1 Grevey well, and the N/2 of the SW/4 of the No. 3 Grevey well, as the Commission shall determine.

6. Attached hereto and made a part of this application is a plat showing the acreage involved, location of the No. 1 and No. 3 Grevey wells, and offsetting wells. Operating rights under the E/2 of Section 26 are owned by Jack Grevey and Joseph Grevey, P. O. Box 1364, Albuquerque, and Maurice Liberman, P. O. Box 1364, Albuquerque; offsetting owners in Section 27, to the best of applicant's information and belief, are Petro Atlas Corporation, and Texota Oil. Applicant is the operator of the 1-27 Gran well in the N/2 NW/4 of Section 27.

Applicant submits that approval of this application is in the interests of conservation and the prevention of waste.

WHEREFORE, applicant prays that this application be set for hearing before the Commission's duly appointed examiner, and that after notice and hearing as provided by law, the Commission issue its order granting the relief prayed for.

Respectfully submitted,

DR. SAMUEL G. DUNN
c/o Val R. Reese & Associates
2820 Central Avenue, S. E.
Albuquerque, New Mexico

By

Jason W. Kellah
KELLAHIN & FOX

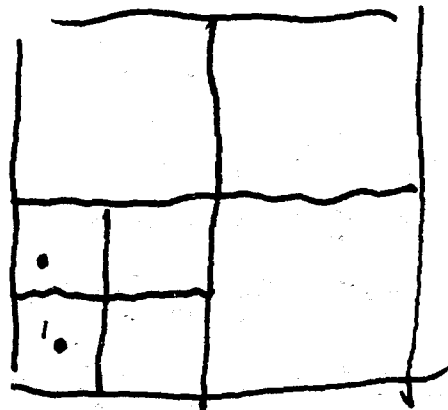
P. O. Box 1769
Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

BEFORE THE
OIL CONSERVATION COMMISSION
OF NEW MEXICO

Case 3281

APPLICATION OF SAMUEL G. DUNN
FOR APPROVAL OF THE DRILLING
OF TWO WELLS ON A 160-ACRE
TRACT IN THE PUERTO CHIQUITO-
GALLUP OIL POOL, OR IN THE
ALTERNATIVE FOR APPROVAL OF
TWO NON-STANDARD 80-ACRE PRO-
RATION UNITS, AND FOR APPROVAL
OF AN UNORTHODOX WELL LOCATION,
RIO ARRIBA COUNTY, NEW MEXICO.



A P P L I C A T I O N

Comes now Dr. Samuel G. Dunn and applies to the Oil Conservation Commission of New Mexico for approval of the drilling of two wells on a 160-acre drilling and proration unit in the Puerto Chiquito-Gallup Oil Pool, or in the alternative, the approval of two non-standard drilling and proration units, as an exception to the provisions of Order No. R-2565, and for approval of an unorthodox well location in the Puerto Chiquito-Gallup Oil Pool, and in support thereof would show:

1. Applicant is the owner of operating rights under the W/2 of Section 26, Township 26 North, Range 1 East, N.M.P.M., Rio Arriba County, New Mexico.
2. Applicant has heretofore drilled his No. 1 Grevey well at a location 660 feet from the South line and 660 feet from the West line of Section 26.
3. Applicant proposes to drill his No. 3 Grevey well at a location 1720 feet from the South line and 460 feet from the West line of said Section 26.

DOCKET MAILED

Date 7-30-65

DOCKET MAILING

Date 7-15-65
[Signature]

August 11, 1965 Examiner Hearing

Pool and the Osudo-Lower Bone Spring Pool, Lea County, New Mexico, for a period of one year. The subject pools have apparently been depleted and these cases will be dismissed in the absence of evidence requiring other action.

CASE 3073: (Reopened and continued from the July 28, 1965 Examiner Hearing)

In the matter of Case No. 3073 being reopened pursuant to the provisions of Order No. R-2758, which order, as amended by Orders Nos. R-2758-A and R-2758-B, established 160-acre oil well spacing and 320-acre gas well spacing for the Tocito Dome Pennsylvanian "D" Oil Pool, San Juan County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre oil well spacing and 160-acre gas well spacing, or such other spacing as may seem proper.

CASE 3292: Application of Texaco Inc. for the creation of a new pool or in the alternative for a non-standard location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Bough "B" formation in Section 14, Township 12 South, Range 34 East, Ranger Lake Field, Lea County, New Mexico. Applicant, in the alternative, seeks authority to drill its State DA Well No. 1 at an unorthodox location within 150 feet of the center of Unit K, Section 14, Township 12 South, Range 34 East, Ranger Lake Pennsylvanian Pool, Lea County, New Mexico.

(Note: The above case, at the request of the applicant, will be dismissed.)

CASE 3281 (continued from the July 28, 1965 Examiner Hearing):

Application of Samuel G. Dunn for a two-well proration unit and an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill and produce the second well on the 160-acre oil proration unit comprising the SW/4 of Section 26, Township 26 North, Range 1 East, Puerto Chiquito-Gallup Oil Pool, Rio Arriba County, New Mexico, the 160-acre allowable to be produced from either well in any proportion. Said second well would be drilled at an unorthodox location 1720 feet from the South line and 460 feet from the West line of said Section 26. (The SW/4 of Section 26 is currently dedicated to a well in Unit M of said section.) In the alternative, applicant seeks the creation of two non-standard 80-acre proration units comprising the N/2 SW/4 and S/2 SW/4 of said Section 26 to be dedicated to the proposed well and the existing well, respectively.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 11, 1965

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

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

CASE 3283: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the adoption of a new "Manual of Back-Pressure Testing of Gas Wells" in the State of New Mexico, said manual being an adaptation of the test manual recently adopted by the Interstate Oil Compact Commission. Modification of several existing gas well test forms and adoption of several new forms will also be considered.

A copy of the proposed testing manual, complete with tables, charts, and specimens of the various forms, is available for inspection in the Santa Fe, Hobbs, Aztec, and Artesia offices of the Commission.

CASE 3284: Application of Foster Morrell for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Willow Draw Unit Area comprising 3840 acres, more or less, of State and Federal lands in Township 20 South, Range 26 East, Eddy County, New Mexico.

CASE 3285: Application of Richfield Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Avalon Unit Area comprising 11,154 acres, more or less, of Federal, State and Fee lands in Township 21 South, Ranges 25 and 26 East, Eddy County, New Mexico.

CASE 3286: Application of Skelly Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Skelly Penrose "B" Unit, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Queen formation through 33 injection wells in Sections 31 and 32, Township 22 South, Range 37 East, and Sections 4, 5, 6, 7, 8 and 9, Township 23 South, Range 37 East.

CASE 3287: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Langlie-Mattix Pool by the injection of water into the Queen formation through two wells in Section 21, Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 3288: Application of Tenneco Oil Company for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to recomplete by means of directional drilling the following wells:

TOWNSHIP 29 NORTH, RANGE 9 WEST
Florance No. 22, Unit H, Section 12

TOWNSHIP 30 NORTH, RANGE 9 WEST
Florance No. 2, Unit A, Section 20
Florance No. 3, Unit M, Section 22
Florance No. 4, Unit L, Section 10

August 11, 1965 Examiner Hearing

TOWNSHIP 30 NORTH, RANGE 9 WEST - Cont'd

Florance No. 6, Unit M, Section 23
Florance No. 13, Unit B, Section 18
Florance No. 20, Unit B, Section 24
Prichard No. 1, Unit M, Section 1
Riddle No. 1, Unit B, Section 21
Riddle No. 2, Unit N, Section 17
State No. 1, Unit M, Section 32
State No. 2, Unit M, Section 16
Florance No. 8, Unit N, Section 14
Florance No. 16-X, Unit A, Section 6

TOWNSHIP 30 NORTH, RANGE 8 WEST

Florance No. 39, Unit B, Section 35
Florance No. 45, Unit G, Section 22
Florance No. 29, Unit K, Section 25
Florance No. 37, Unit H, Section 6
Florance No. 40, Unit G, Section 21
Moore No. 1, Unit N, Section 8

All of the above wells are presently completed in the Blanco-Mesa-verde Pool. Applicant proposes to set a whipstock above the Mesa-verde producing interval and to directionally drill recompleting said wells in the Mesaverde formation, and in some instances, to further drill to the Dakota producing interval thereby permitting dual completion of the wells to produce gas from the Blanco-Mesa-verde and Basin-Dakota Gas Pools. Applicant further proposes to conduct appropriate deviation tests to ensure that none of the wells is completed nearer than 200 feet to the outer boundaries of its proration unit.

CASE 3289: Application of Kewanee Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Atoka-Grayburg Unit Area comprising 560 acres, more or less, of fee land in Sections 13 and 14, Township 18 South, Range 26 East, Eddy County, New Mexico.

CASE 3290: Application of Kewanee Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Atoka-Grayburg Pool, Eddy County, New Mexico, by the injection of water into the Grayburg formation through two injection wells in Section 13, Township 18 South, Range 26 East.

CASE 3291: Application of Kewanee Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Atoka-San Andres Pool, Eddy County, New Mexico, by the injection of water into the San Andres formation through one injection well in Section 13, Township 18 South, Range 26 East.

CASE 3092 and CASE 3093 (Reopened):

In the matter of Case No. 3092 and Case 3093 being reopened pursuant to the provisions of Orders Nos. R-2756 and R-2757, which orders established 80-acre spacing units for the Osudo-Upper Bone Spring

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. 3281
Order No. R-2949

APPLICATION OF SAMUEL G. DUNN FOR A
TWO-WELL PROBATION UNIT AND AN UNORTHO-
DOX LOCATION, RIO ARRIBA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 11, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Uta.

NOW, on this 16th day of August, 1965, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

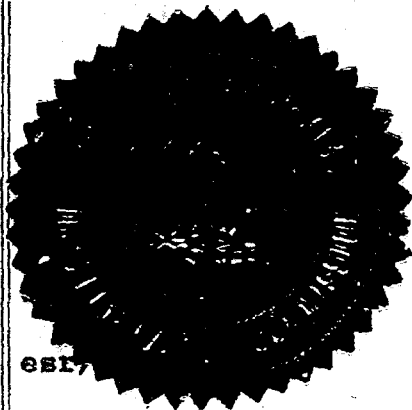
FINDS:

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

IT IS THEREFORE ORDERED:

- (1) That Case No. 3281 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Glynton B. Hays
GLYNTON B. HAYS, Member

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

State of New Mexico
Oil Conservation Commission



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

August 16, 1965

3112
3282
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3281

Re: Case No. _____
Order No. W-2824-A,
Applicant: W-2947 & W-2949

Continental & Samuel Dunn

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

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

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC x

OTHER _____