

CASE 3460: Application of PENROC
OIL CORP. for an unorthodox gas
well location, Eddy County.

CASE No.
3460

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

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. 3460
Order No. R-3123

APPLICATION OF PENROC OIL CORPORATION
FOR AN UNORTHODOX GAS WELL LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1966,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 30th day of September, 1966, the Commission, a
quorum being present, having considered the record and the recom-
mendations 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. 3460 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

Guyton B. Hays
GUYTON B. HAYS, Member

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

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

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

P. O. BOX 2088
SANTA FE

September 30, 1966

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: Case No. ~~3460 & 3465~~
Order No. ~~R-3123 & R-3125~~
Applicant:

~~PENROC OIL CORP.~~

Amerada Petroleum Corp.

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 R-3123

Aztec OCC _____

OTHER _____

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 28, 1966

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 3459: Application of Pennzoil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formation through eight wells located in Sections 28 and 33, Township 17 South, Range 33 East, Maljamar Pool, Lea County, New Mexico.
- CASE 3460: Application of Penroc Oil Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill and complete a well at an unorthodox location 1,500 feet from the South and East lines of Section 19, Township 21 South, Range 24 East, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, upon completion of said well in the Upper Pennsylvanian formation, proposes to abandon its Indian Federal Well No. 1, located in Unit G of said Section 19, insofar as the Upper Pennsylvanian formation only is concerned.
- CASE 3461: Application of Cities Service Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Southeast Maljamar Grayburg-San Andres Unit Area comprising 1,080 acres, more or less, of State and Federal lands in Sections 29, 30 and 32, Township 17 South, Range 33 East, Lea County, New Mexico.
- CASE 3462: Application of Cities Service 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 Southeast Maljamar Grayburg-San Andres Unit by the injection of water into the Grayburg-San Andres formation through eleven wells located in Sections 29, 30 and 32, Township 17 South, Range 33 East, Lea County, New Mexico.
- CASE 3463: Application of Continental Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Reed-Sanderson Unit Area comprising 1041 acres, more or less, of Federal and fee lands in Township 20 South, Range 36 East, Lea County, New Mexico.

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Docket No. 24-66

Examiner Hearing - September 28, 1966

- CASE 3464: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Queen formation through 13 wells located in Sections 3, 4, 9, and 10, Township 20 South, Range 36 East, Eumont Pool, Lea County, New Mexico.
- CASE 3465: Application of Amerada Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jenkins-Cisco Pool underlying the SW/4 of Section 19, Township 9 South, Range 35 East, Lea County, New Mexico.
- CASE 3466: Application of Skelly Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Lovington Paddock Unit Area comprising 3325 acres, more or less, of Federal, fee and State lands in Townships 16 and 17 South, Ranges 36 and 37 East, Lea County, New Mexico.
- CASE 3467: 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 Lovington Paddock Unit by the injection of water into the Lovington Glorieta (Paddock) formation through 22 wells located in said unit area, Lovington Paddock Pool, Lea County, New Mexico.
- CASE 3468: Application of Tenneco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Grayburg-Jackson West Cooperative Unit Area comprising 2,000 acres, more or less, of State and fee lands in Township 17 South, Range 29 East, Eddy County, New Mexico.
- CASE 3469: Application of Gulf Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Springs Unit Area comprising 5,139 acres, more or less, of Federal and fee lands in Township 20 South, Range 26 East, and Township 21 South, Range 25 East, Eddy County, New Mexico.
- CASE 3470: Application of Gulf Oil Corporation for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6000 cubic feet of gas per barrel of oil in the Justis Blinbry Pool, Lea County, New Mexico.

ir/

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54 1/2 EAST SAN FRANCISCO STREET
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

September 14, 1966

Oil Conservation Commission
Box 2083
Santa Fe, New Mexico

Re: Application of Penroc Oil Corporation for an
unorthodox well located in Indian Basin
Pennsylvanian pool

Attention: A. L. Porter

Gentlemen:

This is to request that the above application presently
set for hearing on September 28, 1966, be dismissed.

Yours very truly,

Jason W. Kellahin
Jason W. Kellahin

jwk;peg
cc O. Terrell Couch
cc James Durett

RECEIVED
SEP 1 1966

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case 3460

IN THE MATTER OF THE APPLICATION
OF PENROC OIL CORPORATION FOR AN
UNORTHODOX GAS WELL LOCATION,
INDIAN BASIN-UPPER PENNSYLVANIAN
GAS POOL, EDDY COUNTY, NEW MEXICO

A P P L I C A T I O N

Comes now Penroc Oil Corporation and applies to the
Oil Conservation Commission of New Mexico for approval of an
unorthodox well location in the Indian Basin- Upper
Pennsylvanian Gas Pool, Eddy County, New Mexico, and in
support thereof would show the Commission:

1. Applicant proposes to drill a well to be located
1,500 feet from the South line and 1,500 feet from the East
line of Section 19, Township 21 South, Range 24 East, N.M.P.M.
as a Cisco Canyon gas well in the Indian Basin-Upper
Pennsylvanian Gas Pool.

2. Upon completion of said well, applicant will aban-
don its Indian Federal No. 1 well, located 1,980 feet from
the North line and 1,980 feet from the East line of said
Section 19, insofar as production from the Cisco Canyon For-
mation of the Indian Basin-Upper Pennsylvanian gas pool is
concerned, producing said well from the Morrow formation only.

3. That approval of this application will prevent
waste, and the correlative rights of owners and offset owners
will be protected.

WHEREFORE, applicant prays that this application be
set for hearing before the Commission's duly appointed examiner,

and that after notice and hearing as required by law, the Commission enter its order approving the unorthodox well location as applied for.

Respectfully submitted,

PENROC OIL CORPORATION

By: Jasen W. Kellahin
Kellahin & Fox
Post Office Box 1769
Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

dearnley-meier reporting service, inc.

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

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 28, 1966

EXAMINER HEARING

IN THE MATTER OF:

Application of Penroc Oil Corporation
for an unorthodox gas well location,
Eddy County, New Mexico.

Case No. 3460

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

dearnley-meier 1970-1982 937403.103.

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

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MR. UTZ: The hearing will come to order, please.
We have two cases which I understand are to be dismissed.
I will call those first; 3460.

MR. HATCH: Application of Penroc Oil Corporation
for an unorthodox gas well location, Eddy County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason
Kellahin appearing for the applicant. We ask that this case
be dismissed.

MR. UTZ: Without objection, Case 3460 will be
dismissed.

dearnley-meier reporting service, inc.

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

1120 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO
1203 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO

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 10th day of October, 1966.

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. 3460
heard by me on 1/28, 1966.
Asst. Examiner, Examiner
New Mexico Oil Conservation Commission