Case Number Coolb Application

Application Transcripts.

Small Exhibits

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BEFORE THE

NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico 31 August, 1977

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Commission on its own motion to permit Land Oil Company, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Garner Well No. 1 located in Unit D of Section 23, Township 14 South, Range 25 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

6016

CASE

BEFORE: Daniel S. Nutter.

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil Conservation Commission:

Lynn Teschendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
25 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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sid morrish reporting service

General Court Reporting Service
25 Calle Mejis, No. 122, Sants Fe, New Mexico 87501
Phone (505) 982-9212

MR. NUTTER: The hearing will come to order, please. The first case this morning will be Case Number 6016.

MS. TESCHENDORF: Case 6016. In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Land Oil Company, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Garner Well No. 1 located in Unit D of Section 23, Township 14 South, Range 25 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

The Commission requests that the Examiner continue this case to the September 14th hearing.

MR. NUTTER: Case Number 6016 will be continued to the Examiner Hearing which will be held at this same place at 9:00 o'clock a.m., September 14th, 1977.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Sidney F. Morrish, C.S.R

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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DEFORE THE

NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico September 14, 1977

IN THE MATTER OF:

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Hearing called by the Oil Conservation Commission to permit Land Oil Company, American Employers' Insurance Company and all other interested parties to show) cause why the Garner Well No. 1 should) not be plugged and abandoned.

CASE 6016

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil Conservation Commission: Lynn Teschendorf, Esq. Legal Counsel for the Commission State Land Office Building Santa Fe, New Mexico

MR. STAMETS: We will call the next case, Number 6016.

MS. TESCHENDORF: Case 6016, in the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Land Oil Company, American Employers'

Insurance Company, and all other interested parties to appear and show cause why the Garner Well No. 1 located in Unit D of Section 23, Township 14 South, Range 25 East, Chaves

County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved pluggin program.

On behalf of the Commission I request that this case be dismissed.

MR. STAMETS: Case 6016 will be dismissed.

sid morrish reporting service

General Court Reporting Service

825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501

Phone (505) 982-9212

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing in a complete record of the proceedings in the Examiner hearing of Case No. Leave the Examiner hearing of Case No. Examiner New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE

87501

DIRECTOR LAND COMMISSIONER

JOE D. RAMEY PHIL R. LUCERO

September 27, 1977



STATE GEOLOGIST EMERY C. ARNOLD

· · · · · · · · · · · · · · · · · · ·	
ReLand Oil Company, Inc. F. O. Box 1201 Lovington, New Mexico 88260	ORDER NO. R-5535
	OCC (Land Oil Company, Inc.)
Dear Sir:	
	copies of the above-referenced entered in the subject case.
Yours very truly, JOE D. RAMEY Director	
JDR/fd	
Copy of order also sent to	
Hobbs OCC x	
Artesia OCC * Aztec OCC	

Other American Employers' Insurance Co.

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. 6016 Order No. R-5535

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT LAND OIL COMPANY, AMERICAN EMPLOYERS' INSURANCE COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE GARNER WELL NO. 1 LOCATED IN UNIT D OF SECTION 23, TOWNSHIP 14 SOUTH, RANGE 25 EAST, CHAVES COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 14, 1977, at Santa Fe, New Mexico, before Examiner Richard I. Stamets.

NOW, on this 27th day of September, 1977, 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:

That Case No. 6016 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. MAMEY, Mamber & Secretary

Dockets Nos. 30-77 and 31-77 are tentatively set for hearing on September 28 and October 12, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 14, 1977

9 A.M. - OIL CONSERVATION COMMISSION 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 October, 1977, from fifteen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for October, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6016: (Continued from August 31, 1977 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Land Oil Company, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Garner Well No. 1 located in Unit D of Section 23, Township 14 South, Range 25 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5981: (Continued from July 6, 1977 Examiner Hearing)

Application of W. A. Moncrief, Jr., for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of an oil pool for Upper Pennsylvanian production for his State Well No. 1 located in Unit E of Section 26, Township 16 South, Range 33 East, Lea County, New Mexico, and the promulgation of special rules therefor, including a provision for 80-acre spacing.

CASE 5983: (Continued from July 20, 1977 Examiner Hearing)

Application of Yates Petroleum Corporation for the amendment of Order No. R-5445, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5445 to provide for a 200 percent risk factor for drilling the unit well rather than 20 percent. Said order pooled the N/2 of Section 19, Township 20 South, Range 25 East, Eddy County, New Mexico.

- Application of Read & Stevens, Inc., for two unorthodox gas well locations, Chaves County, New CASE 6024: Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its R & J Federal Well No. 1 located in the center of Unit A of Section 20, Township 12 South, Range 31 East, and its Jackson Well No. 1, located in the center of Unit I of Section 25, Township 12 South, Range 30 East, Southeast Chaves-Queen Gas Area, Chaves County, New Mexico, the E/2 of said Section 20 and the S/2 of said Section 25, respectively, to be dedicated to the wells.
- Application of Roger C. Hanks for a special gas-oil ratio limitation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special gas-oil ratio limitation of 4000 cubic feet of gas per barrel of oil for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico, retroactive to August 22, 1977.
- Application of William C. Rabe and Alice P. Rabe for a non-standard gas proration unit, San Juan CASE 6026: County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.
- Application of Great Lakes Chemical Corporation for a non-standard gas proration unit, San Juan CASE 6027: County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the SE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.
- Application of Union Cil Company of California for a unit agreement, Lea County, New Mexico. CASE 6028: Applicant, in the above-styled cause, seeks approval for its Luzon Unit Area comprising 5117 acres, more or less, of Federal and fee lands in Township 24 South, Ranges 35 and 36 East, Lea County, New Mexico.
- Application of Phillips Petroleum Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tubb, Drinkard, East Brunson-McKee, and East Brunson-Ellenburger production in the wellbore of its Sims Well No. 6 located in Unit M of Section 24, Township 22 South, Range 37 East, Lea County, New Mexico.

- CASE 6030: Application of Burleson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SE/4 SE/4 of Section 4, Township 25 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to be dedicated to its re-entered Smith Well No. 1 located in Unit P of said Section 4, or in the alternative, to a well to be drilled at a standard location thereon. Also to be considered will be the cost of re-entering and recompleting or of drilling and completing the unit well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in recompleting or drilling said well.
- CASE 6032: Application of Burleson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SW/4 SW/4 of Section 21, Township 25 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to be dedicated to its re-entered Lanehart Well No. 1-Y located in Unit M of said Section 21, or, in the alternative, to a well to be drilled at a standard location thereon. Also to be considered will be the cost of re-entering and recompleting or of drilling and completing the unit well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in recompleting or drilling said well.
- CASE 6031: Application of Rex Alcorn for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the E/2 SW/4 of Section 35, Township 16 South, Range 37 East, West Knowles-Drinkard Pcol, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the South line and 1980 feet from the West line of said Section 35. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6033: Application of Basin Fuels, Inc., for salt water disposal, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Mesaverde formation through the perforated interval from 1948 feet to 2755 feet in its Slick Well No. 1 located in Unit O of Section 7, Township 20 North, Range 5 West, Franciscan Lake-Mesaverde Pool, McKinley County, New Mexico.
- CASE 6034: Application of Flag-Redfern Oil Company for salt water disposal, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the perforated interval from 4941 feet to 5022 feet in its Bilbrey "51" Well No. 1 located in Unit A of Section 23, Township 9 South, Range 37 East, Sawyer-San Andres Pool, Lea County, New Mexico.
- CASE 6035: Application of Southern Union Supply Co., for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the N/2 NE/4 of Section 30, Township 9 South, Renge 33 East, Flying M-San Andres Pool, Lea County, New Mexico, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6017: (Continued from August 31, 1977 Examiner Hearing)

Application of E. L. Latham, Jr. and Roy G. Barton, Jr., for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the E/2 NE/4 of Section 30, Township 9 South, Range 33 East, Flying M-San Andres Pool, Lea County, New Mexico, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6036: Application of E. L. Latham, Jr., and Roy G. Barton, Jr., for compulsory pooling of a standard or a non-standard oil proration unit and an unorthodox location, or in the alternative, 40-acre spacing, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests in the Flying M-San Andres Pool underlying the E/2 NE/4 of Section 30, Township 9 South, Range 33 East, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location for said pool within 200 feet of the center of the NE/4 NE/4 of said Section 30, or an order pooling only the NE/4 NE/4 of Section 30 to form a non-standard 40-acre unit to be dedicated to the aforesaid well. In the alternative, applicants seek the amendment of the Flying M-San Andres Pool Rules to provide for 40-acre spacing, and seek an order pooling the aforesaid NE/4 NE/4 of Section 30 as a standard unit for said 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 the proposed well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicants as operator of the well and a charge for risk involved in drilling said well.

CASE 6037: In the matter of the hearing called by the 0il Conservation Commission upon its own motion for the creation and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Combs-Delaware Gas Pool. The discovery well is the Penroc Oil Corporation Combs Federal Well No. 1 located in Unit P of Section 15, Township 20 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NAME Section 15: SE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the East Lake-Morrow Gas Pool. The discovery well is the Coquina Oil Corporation Gulf Federal Well No. 1 located in Unit A of Section 5, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NAPM Section 5: N/2

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Cisco production and designated as the Hume-Cisco Pool. The discovery well is Vaquero Independent Producers, Inc. Jackrabbit Draw Com Well No. 1 located in Unit L of Section 15, Township 16 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 13: SW/4

(d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the West Malaga-Morrow Cas Pool. The discovery well is the HNG Oil Company Ogden 8 Com Well No. 1 located in Unit H of Section 8, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NAPM Section 8: E/2

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Millman-Atoka Gas Pool. The discovery well is the Depco, Inc. DHY State B Well No. 1 located in Unit L of Section 11, Township 19 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM Section 11: W/2

(f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Pearsall-Abo Pool. The discovery well is the Harvey E. Yates Company, Inc. South Maljamar Deep Well No. 1 located in Unit O of Section 30, Township 17 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM Section 30: SE/4

(g) CREATE a new pool in Eddý County, New Mexico, classified as an oil pool for Bone Springs production and designated as the Penlon-Bone Springs Pool. The discovery well is the Penroc oil Corporation Allied B Well No. 1 located in Unit K of Section 27, Township 20 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 27: SW/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Penlon-Delaware Gas Pool. The discovery well is the Penroc Cil Corporation Allied Com Well No. 2 located in Unit B of Section 27, Township 20 South, Range 27 East, NMFM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 27: NE/4

(1) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Rock Lake-Morrow Gas Pool. The discovery well is the Union Oil Company of California Northern Natural State Well No. 1 located in Unit O of Section 28, Township 22 South, Range 35 East, NATM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RAINGE 35 EAST, NAPM Section 28: \$/2

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NAPM Section 22: \$/2
Section 27: All
Section 34: N/2

(k) EXTEND the North Burton-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM Section 32: SW/4

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 24: All Section 25: E/2 Section 36: All TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM Section 16: All

Section 16: All
Section 18: All
Section 19: All
Section 20: S/2
Section 21: All
Section 29: All
Section 30: All
Section 31: All
Section 32: All
Section 33: W/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NAPM

Section 4: Lots 3, 4, 5, 6, 11, 12, 13, & 14

Section 5: All
Section 8: S/2
Section 17: All
Section 20: All
Section 29: W/2
Section 30: All
Section 31: N/2
Section 32: W/2

(m) EXTEND the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMFM Section 35: S/2

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

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM Section 13: N/2

(o) EXTEND the Cato-Sen Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM Section 1: NE/4

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM Section 8: NE/4

(p) EXTEND the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NAPM Section 19: SE/4

(q) EXTEND the Indian Draw-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NAPM Section 7: SE/4 and N/2 SW/4 Section 18: W/2 SW/4

(r) EXTEND the South Leonard-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NAFM Section 11: SW/4

(s) EXTEND the East Lusk-Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 16: SE/4

(t) EXTEND the West Tonto-Pennsylvanian Gas Pool in Los County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 7: S/2 and NE/4

(u) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM Sastion 9: All Section 19: All

Docket No. 29-77

DOCKET: COMMISSION HEARING - TUESDAY - SEPTEMBER 20, 1977

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

CASE 5961: (REHEARING)

Application of D. L. Hannifin for amendment of Order No. R-4432, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4432 to remove the present operator of the pooled proration unit comprising the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico, and to designate applicant as operator of said unit.

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

August 22, 1977

CERTIFIED - RETURN RECEIPT REQUESTED

Land Oil Company, Inc. P. O. Box 1201 Lovington, New Mexico 88260

Caprock Agency, Inc. P. O. Box 635 Lovington, New Mexico 88260

> Re: Garner Well No. 1, located in Unit D of Section 23, Township 14 South, Range 25 East, Chaves County

Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, August 31, 1977, at 9 o'clock a.m. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case 6016 concerns the above captioned subject matter.

Very truly yours,

LYNN TESCHENDORF General Counsel

LT/fd

Drakets Kos. 28-77 and 30-77 are tentalizely out for besting on Esptember 14 and 18, 1977. Applications for bearing must be tited at least we again an advance of menting care.

DAYES: IXVIIIES HEARING - MANIFORMY - ARIBS 31, 1977

9 A.M. - Oth composers the confidence of confidence is the Change False of Fig. For Standard Mark False has the Con-

The foliching cases will be heard before Earlel S. Lutter, Exactner, or Michael L. Standta, Attendate hearings;

O.O. 636: In the nation of the herming called by the 011 Conservation Constants on its own notion to persit hand 011 0 spary, American imployers! Incommed Congrey, and all other interested parties to appear and show hereo very the German Well No. 1 located in Unit D of Section 23, Tosmanip 14 South. Range 25 heat, Chaves 6 may, New Mexicon, should not be plugged and abundaned in accordance with a Commission-myreved panguing program.

CACE 6017: Application of E. L. Lather, Jr. and Reg G. Berton, dr., for compulsory pooling, Lea County, New Mexico. Applicant, in the above attled cauca, seeks an order pooling all mineral interests underlying the F/2 NF/A of Section 30, Fewachip 9 South, Range 33 Bast, Flying M-San Amires Pool, Lea County, New Mexico, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Application of Walter Duncan for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Dakota CASE COLE: formation through the open-hole interval from 687 feet to 706 feet in his North Hogback 1 Well No. 24 located in Unit 6 of Section 1. Township 29 North, Range 17 West, and from 691 feet to 702 in his North Hogback 6 Well No. 3 in Unit L of Section 6, Township 29 North, Range 16 West, Slickrock Dakota Pool, San Juan County, New Mexico.

Application of Gulf Oil Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled econe, cooks approved for the dual completion (conventional) of its Littlefield "EM" Federal Com. Well No. I located in Unit J of Section 20, Township 18 South, Range 31 Frot, Eddy County, New Mexico, to produce gos from underlynated Atoka and Morrow gas posis.

Application of Yater Petroleum Corporation for an unorthodox gas well location, Eddy County, CASE 6020: New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Flevins "I-K" Well No. 1 to be drilled 600 feet from the North and West Times of Section 35, Township 17 South, Range 26 East, Eddy County, New Mexico, to test the Morrow formation, the 11/2 of said Section 35 to be dedicated to the well.

Application of Yates Petrolema Componetion for pull water disposal, Chayes County, New Mexico. : ISSO ERAD Applicant, in the above-ctyled cause, necks authority to dispose of produced salt vater into the San Andres formation in the interval from 962 feet to 1240 feet in its Federal BJ Well No. 1 located in Unit A of Feetion 31, Township 6 South, Range 26 East, Linda-San Andres Peol, Chaves County, New Mexico.

Application of Continental Cil Company for an unor hadex gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approved for the unorthodex location of its Conoco 29-4 Well No. 8 to be drilled 2265 feet from the South line and 1635 feet from the West line of Section 20. Township 29 North, Range 4 West, Gobernsdor-Pictured Cliffs Pool, CASE 6003: Rio Arriva County, New Mexico, the SW/A of said Section to be dedicated to the well.

Application of Inexec Cil Company for described consingling and a tubing exception, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the devahole commingling of Upper Penn and Strawn production in the wellbore of its Federal 10 State Com Well No. 1 CASE CORS: located in Unit L of Section 10, Township 21 South, Range 26 East, Avelon Gas Field, Eddy County, New Mexico: Applicant further seeks an exception to Commission Rule 107(d) to permit setting tubing 370 feet above the uppermost perforation in said well.

CASE 5957: (Continued from July 6, 1977, Exeminer Hearing)

Application of Delec Petroleus Corporation for compulsory pooling, Los County, New Mexico. Applicant, in the above-atyled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 8 and in the other Pennsylvanian formations underlying the E/2 of said Section 8, Texaship 24 South, Range 35 Fast, Cinta Reja-Morrow Gas Pool, Les County, New Mexico, to be dedicated to a well to be drillied at a stundard location thereon. Also to be considered will be the east of drillies and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said voll.

CACH 60/7: (Constant) from August 17, 1977. Frantis a section)

Application of whit No may red Wiscout C. park Mar a sees, the first proportion unit, shorter count designation and exactly the fee thems, see them y. We are try. Applicate, in the above the frame, reske on a seed than a Coto or innersor and proposition and see principals of the last proposition in the principals of the last proposition in the principals of the last proposition for the last proposition of the last proposition in the last proposition of the Cotton of the last proposition of the Cotton of the last proposition of the last proposition of the Cotton of the last proposition of the Cotton of the Cotton of the last proposition of the Cotton of

CASE Gards (Continued f. .. Larget 17, 1907, Frankers mountain)

Application of Therma Cam inc. In recognition, sooling and an uncerticator foretica, for Jean County, New Yorks. Applicant, in the stock-styled ended, makes an order profile, who should intermed in the backets for a tion unleave to the WAR of Pearlier 13. Terminip 10 Herma, but to 12 Wers, Fastin-Pearlie Pearl, Dur Jean County, New Marian, to be desired to a voil to be to delicate at an uncertainty Realist Feet, Dur Jean for the Count line and PACO feet from the West Pine of Laboration 13. They to be excited will be the count of delicing and completing make well as a function of the count increase, we well as estual optimizing cours and charges for supervision. Also to be considered will be the designation of applicant as operator of the coll and a charge for rick involved in drilling sold well.

CASE (Oll: (Continued from August 17, 1977, Examiner Herring)

Application of Tenneco (II) Company for Describe coordinating, his Araba County, New Mexico. Applicant, in the above-righed cause, suchs approval for the Commande constanting of Biomed Meanwords and Brain Islant production in the wellbored of Isa Flearitte "A" well as. I in built to Section 18. "B" Well No. 8 is Unit B of Cretter 15, "C" Wells No. 4, 5, 6, 7, and 8, located, respectively, in thits F and I of Section 24, F of Feation 18, and V and E of Certion 13, all in Tourship 26 North, Renge 5 West, his Araba County, New Mexico.

Memo

Case 6016

Drom

LÝNN TESCHENDORF

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Larner Hele no. 1

Unit D Sec 23, T145, K25E Chave County

OIL CONSERVATION COMMISSION-SANTA FE

dr/

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

n

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

CASE NO.	6016	
Order No	. R- 5535	

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO PERMIT LAND OIL COMPANY, AMERICAN EMPLOYERS' INSURANCE COMPANY, AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE GARNER WELL NO. 1 LOCATED IN UNIT D OF SECTION 23, TOWNSHIP 14 SOUTH, RANGE 25 EAST, CHAVES COUNTY, NEW MEXICO, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A COMMISSION-APPROVED PLUGGING PROGRAM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Jour

This cause came on for hearing at 9 a.m. on September 14, 1977 at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this day of <u>September</u>, 1977, 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:

That Case No. 6016 is hereby dismissed.

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

Roll

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Case 6016

