

CASE 6287: JACK A. COLE FOR AN UNORTHO-
DOX GAS WELL LOCATION, SANDOVAL COUNTY,
NEW MEXICO

CASE NO.

6287

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
16 August 1978

EXAMINER HEARING

IN THE MATTER OF:)
)
)
Application of Jack A. Cole for an)
unorthodox gas well location, Sandoval) CASE
County, New Mexico.) 6287
)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation	Lynn Teschendorf, Esq.
Division:	Legal Counsel for the Division
	State Land Office Bldg.
	Santa Fe, New Mexico 87501
For the Applicant:	Jack A. Cole, pro se

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road - Phone (505) 988-3404
Santa Fe, New Mexico 87501

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1 MR. STAMETS: Call next Case 6287.

2 MS. TESCHENDORF: Case 6287. Application of
3 Jack A. Cole for an unorthodox gas well location, Sandoval
4 County, New Mexico.

5 MR. STAMETS: Call for appearances in this case.

6 MR. COLE: Mr. Examiner, my name is Jack Cole.
7 I'm not exactly sure of the procedure of this, but in --

8 MR. STAMETS: Perhaps we should have Mr. Cole
9 sworn before he goes on. Would you like to stand, sir, and
10 be sworn?

11 MR. COLE: All right.

12 (Witness sworn.)

13 MR. STAMETS: We'll go off the record a second.
14 STATEMENTS BY MR. JACK A. COLE

15 MR. STAMETS: You may proceed, Mr. Cole.

16 MR. COLE: All right. In October of 1976 I
17 staked a location, which is known as my Apache Flats No. 11,
18 1450 from the south and 1450 from the east of Section 28,
19 Township 23 North, Range 4 West, Sandoval County, New
20 Mexico.

21 I subsequently drilled a well and it has been
22 connected into El Paso's pipeline for approximately
23 eighteen or nineteen months at this point.

24 The Jicarilla Apache Tribe brought it to my
25 attention that the -- they did not think the well was

SALLY WIALTON BOYD

CERTIFIED SHORTHAND REPORTER

730 Bishop's Lodge Road • Phone (505) 988-3403
Santa Fe, New Mexico 87501

Page 3

1 located 1450 and 1450 out of the south and east. Also, the
2 USGS brought that to my attention and I agreed that possibly
3 the best way out of this was to go to re-survey it, which
4 I did.

5 And we found the location to be 1712 from the
6 south and 1223 from the east, which threw it into another
7 quarter quarter.

8 How this happened I have no idea. The only
9 thing we can think of in going back through everything with
10 all the dirt contractors and everybody else involved, was
11 that the -- there were a lot of cattle in that area and
12 perhaps one of them picked up a stake and when the dirt
13 contractor went down there he built it wherever the stake
14 was sitting, and other than that, I have to --- as I under-
15 stand it, I have to seek approval now from the Commission
16 for a nonstandard location, and that's what I'm doing.

17 MR. STAMETS: Mr. Cole, do you suppose it would
18 be better to say due to some sort of error, indeterminate
19 error, than a cow moved the stake?

20 MR. COLE: Yes, sir, we can say anything you'd
21 like.

22 MR. STAMETS: But obviously it was your intention
23 to drill a well at a standard location and ---

24 MR. COLE: Yes, sir.

25 MR. STAMETS: --- just simply some sort of an error

1 that you can't determine?

2 MR. COLE: Yes, sir, I have no idea how the
3 stake got moved.

4 MR. STAMETS: Okay. Any other questions of
5 the witness? He may be excused.

6 Anything further in this case? Take the case
7 under advisement.

8 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-2404
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally Walton Boyd CSR
Sally Walton Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6287, heard by me on 8-16, 1978.
Richard L. Stamm, Examiner
New Mexico Oil Conservation Commission

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501



NICK FRANKLIN
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

August 25, 1978

Re: CASE NO. 6287
ORDER NO. R-5784

Mr. Jack A. Cole
Petroleum Geologist
P. O. Box 191
Farmington, New Mexico 87401 Applicant:

Jack A. Cole

Dear Sir:

Dear Sir:

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

~~Yours very truly,~~

JOE D. RAMEY
Director

JDR/ed

Copy of order also sent to:

Hobbs OCC	<u>x</u>
Artesia OCC	<u>x</u>
Aztec OCC	<u>x</u>

other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6287
Order No. R-5784

APPLICATION OF JACK A. COLE
FOR AN UNORTHODOX GAS WELL LOCATION,
SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 16, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of August, 1978, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Jack A. Cole, seeks approval of an unorthodox gas well location for his Apache Flats Well No. 11 drilled at a point 1712 feet from the South line and 1223 feet from the East line of Section 28, Township 23 North, Range 4 West, NMPM, Ballard-Pictured Cliffs Pool, Sandoval County, New Mexico.
- (3) That the SE/4 of said Section 28 is to be dedicated to the well.
- (4) That said unorthodox location resulted from a surveying error.
- (5) That no offset operator objected to the proposed unorthodox location.

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Case No. 6287
Order No. R-5784

(6) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Pictured Cliffs formation is hereby approved for the Jack A. Cola Apache Flats Well No. 11 drilled at a point 1712 feet from the South line and 1223 feet from the East line of Section 28, Township 23 North, Range 4 West, NMPM, Ballard-Pictured Cliffs Pool, Sandoval County, New Mexico.

(2) That the SE/4 of said Section 28 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
2 August 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Jack A. Cole for an
unorthodox gas well location, Sandoval
County, New Mexico.

CASE 6287

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87501

1 MR. NUTTER: We'll call now Case Number 6287.

2 MS. TESCHENDORF: Case 6287. Application of
3 Jack A. Cole for an unorthodox gas well location, Sandoval
4 County, New Mexico.

5 MR. NUTTER: Are there any appearances on be-
6 half of Jack A. Cole? Case Number 6287?

7 We'll continue the case to the Examiner Hearing
8 scheduled to be held at this same place at 9:00 o'clock
9 a.m., August the 16th, 1978.

10 (Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
 CERTIFY that the foregoing and attached Transcript of
 Hearing before the Oil Conservation Division was reported
 by me; that said transcript is a full, true, and correct
 record of the hearing, prepared by me to the best of my
 ability, knowledge and skill from my notes taken at the
 time of the hearing.

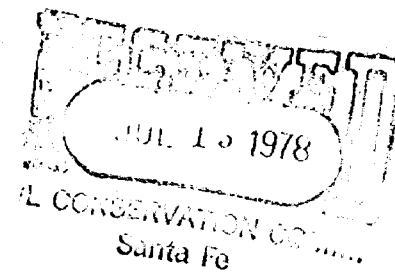
Sally Walton Boyd CSR
 Sally Walton Boyd, C.S.R.

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 730 Bishop's Lodge Road • Phone (505) 983-3404
 Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 6287
 heard by me on Aug 19 78
[Signature], Examiner
 New Mexico Oil Conservation Commission

JACK A. COLE
PETROLEUM GEOLOGIST
P.O. BOX 191
FARMINGTON, NEW MEXICO 87401
(505) 325-1415

July 10, 1978



Case 6287

State of New Mexico
Energy and Minerals Department
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Request for
Hearing

Gentlemen:

I hereby make formal request for the approval of a non-standard location in the Ballard Pictured Cliffs pool. This location is 1712 feet from the South and 1223 feet from the East, Section 28 T-23N-R4W, Sandoval County, New Mexico, and is known as the Jack A. Cole Apache Flats #11, producing from the Pictured Cliffs formation.

Very truly yours,

Jack A. Cole

JAC:njs

cc: U. S. G. S.-Durango Office
Oil Conservation Commission-Aztec

CASE 6287: (Continued from August 2, 1978, Examiner Hearing)

Application of Jack A. Cole for an unorthodox gas well location, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Apache Flats Well No. 11, located 1712 feet from the South line and 1223 feet from the East line of Section 28, Township 23 North, Range 4 West, Ballard-Pictured Cliffs Pool, Sandoval County, New Mexico.

CASE 6295: Application of Yates Petroleum Corporation for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Austin-Mississippian Gas Pool, Lea County, New Mexico, to provide for 320-acre spacing rather than 160 acres. In the absence of objection, this pool will be placed on the standard 320-acre spacing for deep gas pools.

In the alternative, the applicant seeks to limit the 160-acre spacing rules of said Austin-Mississippian Gas Pool to the present horizontal limits of the pool.

CASE 6296: Application of Texaco Inc. for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its A. H. Blinebry Fed. (NCT-4) Well No. 3 located 700 feet from the South line and 2100 feet from the East line of Section 31, Township 22 South, Range 38 East, Tubb Gas Pool, Lea County, New Mexico, the S/2 S/2 of said Section 31 to be simultaneously dedicated to the aforesaid well and to applicant's A. H. Blinebry Fed. (NCT-4) Well No. 1 located in Unit P of said Section 31.CASE 6297: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting, and extending certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Indian Flats-Atoka Gas Pool. The discovery well is Perry R. Bass Big Eddy Unit Well No. 41 located in Unit J of Section 35, Township 21 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 35: E/2

(b) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the South Lonesome-San Andres Pool. The discovery well is Flag-Redfern Oil Company Wilson Well No. 1 located in Unit A of Section 31, Township 8 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 31: NE/4

(c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Morrow production and designated as the Many Gates-Morrow Gas Pool. The discovery well is Amoco Production Company State DQ Well No. 1 located in Unit C of Section 32, Township 9 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
Section 32: N/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Millman-Wolfcamp Gas Pool. The discovery well is 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

(e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the South Shoe Bar-Morrow Gas Pool. The discovery well is HNG Oil Company Shoe Bar Ranch "3" Well No. 1 located in Unit C of Section 3, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 3: N/2

(f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Wilson-Strawn Pool. The discovery well is Dorchester Exploration, Inc. Wilson State Com Well No. 1 located in Unit I of Section 13, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 13: SE/4

CASE 6286: Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Blanco Mesaverde and Basin-Dakota gas production in the wellbore of its EPNG "B" Well No. 1 located in Unit O of Section 28, Township 32 North, Range 6 West, San Juan County, New Mexico.

CASE 6287: Application of Jack A. Cole for an unorthodox gas well location, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Apache Flats Well No. 11, located 1712 feet from the South line and 1223 feet from the East line of Section 28, Township 23 North, Range 4 West, Ballard-Pictured Cliffs Pool, Sandoval County, New Mexico.

CASE 6288: Application of Dorchester Exploration, Inc., for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new oil pool in the Strawn formation for its Wilson State Com Well No. 1 located in Unit I of Section 13, Township 21 South, Range 34 East, Lea County, New Mexico, and for promulgation of special pool rules, including provision for 160-acre spacing;

in the alternative, applicant seeks approval of 80-acre spacing for said pool.

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

dr/

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6287

ORDER NO. R- 5784

APPLICATION OF JACK A. COLE
FOR AN UNORTHODOX GAS WELL LOCATION,
SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 16,
19 78, at Santa Fe, New Mexico, before Examiner Richard L. Stamets
NOW, on this day of August, 1978, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

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

(2) That the applicant, Jack A. Cole
for his Apache Flats Well No. 11 located drilled at a point
seeks approval of an unorthodox gas well location/ 1712
feet from the South line and 1223 feet from the
East line of Section 28, Township 23 North
Range 4 West, NMPM, ~~to test the~~ Pictured Cliffs
~~formation,~~ Ballard-Pictured Cliffs Pool, Sandoval
County, New Mexico.

(3) That the SE/4 of said Section 28 is to be
dedicated to the well.

(4) That ~~a well at said unorthodox location will better~~
~~enable applicant to produce the gas underlying the proration unit.~~
resulted from
a surveying error.

(5) That no offset operator objected to the proposed unorthodox
location.

-2-

Case No. _____
Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce ^{his} ~~its~~ just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Pictured Cliffs the Jack A. Cole Apache Flats Well No. 11, ~~located~~ ^{drilled} formation is hereby approved for ~~a well to be located~~ at a point 1712 feet from the South line and 1223 feet from the East line of Section 28, Township 23 North, Range 4 West NMPM, Ballard-Pictured Cliffs Pool, Sandoval County, New Mexico.

(2) That the SE/4 of said Section 28 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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