

CASE 6411: AMOCO PRODUCTION COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
WEST MEXICO

Aubrey

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CASE NO.

6411

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

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

EXAMINER HEARING

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)
)
IN THE MATTER OF:)

) Application of Amoco Production Company)
) for compulsory pooling, Eddy County,)
) New Mexico.)
----->

CASE
6411

BEFORE:

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 Bldg.
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2021 First Avenue, Bldg. (R06) 471-4462
Santa Fe, New Mexico 87501

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MR. NUTTER: Call Case No. 6411.

MS. TESCHENDORF: Case 6411: Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. The Applicant in this case has requested that it be dismissed.

MR. NUTTER: Case No. 6411 will be dismissed.

(Hearing concluded.)

SALLI WALTON BOYD
CERTIFIED REPORTER AND INTERPRETER
2018 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

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REPORTER'S CERTIFICATE

I, STEFANIE XANTHULL, 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.

SILLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Espana (505) 471-4462
Santa Fe, New Mexico 87501

Stefanie Xanthull
Stefanie Xanthull, C.S.R.

I do hereby certify that the foregoing is a complete report of the proceedings in the Examiner hearing of Case No. 644 heard by me on 12/20 1978
[Signature] Examiner
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

JERRY APODACA
 GOVERNOR

NICK FRANKLIN
 SECRETARY

January 17, 1979

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

Mr. J. R. Barnett
 Regional Engineering Manager
 Amoco Production Company
 Post Office Box 3092
 Houston, Texas 77001

Re: CASE NO. 6411
 ORDER NO. R-5908

Applicant:
Amoco Production Company

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
 JOE D. RAMEY
 Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
 Artesia OCC x
 Aztec OCC

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. 6411
Order No. R-5908

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 20,
1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of January, 1979, the Division
Director, 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. 6411 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L

rd/

Called in by Jim Pease
11/28/78

Amoco Production Company

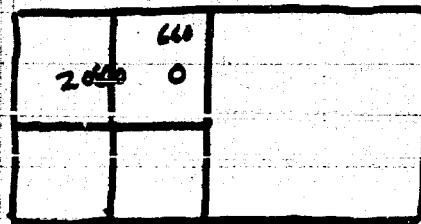
Compulsory Pooling

Eddy County

Pennsylvanian formation

N/2 Section 20, T23S, R29E

660/W + 2080/W





DEC 18 1978

Amoco Production Company

Houston Region
500 Jefferson Building
Post Office Box 3092
Houston, Texas 77001

J. R. Barnett
Regional Engineering
Manager

Santa Fe

December 13, 1978

File: TBM-986.51NM-1646

Re: Case No. 6411
Compulsory Pooling
N/2 Sec 20, T-23-S, R-29-E
Eddy Co, New Mexico

*Case 6411
Dismissed*

Oil Conservation Division
Energy and Minerals Department
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Amoco Production Company respectfully requests Case No. 6411, set for hearing on the December 20, 1978 Docket, be dismissed. Case No. 6411 was Amoco's request for compulsory pooling of all mineral interests in the Pennsylvanian Formation underlying the N/2 of Section 20, T-23-S, R-29-E, Eddy County, New Mexico.

Yours very truly

J. R. Barnett

JCA/vi

Dockets Nos. 1-79 and 2-79 are tentatively set for hearing on January 3 and 17, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 20, 1978

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for January, 1979, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1979, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 6406: In the matter of the hearing called by the Oil Conservation Division on its own motion at the request of Enserch Exploration, Inc., to consider the assignment of 39,040 barrels of oil discovery allowable to the Enserch Lambirth Well No. 1 located in Unit K of Section 31, Township 5 South, Range 33 East, South Petersen-Fusselman Pool, Roosevelt County, New Mexico.
- CASE 6407: Application of T. H. McElvain Oil & Gas Properties for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox oil well location of its Miller B Well No. 6 located 1460 feet from the North line and 2285 feet from the East line of Section 12, Township 24 North, Range 7 West, undesignated Dakota oil pool, Rio Arriba County, New Mexico.
- CASE 6408: Application of BTA Oil Producers for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its 7811 JV-P Rojo Well No. 1, to be located 660 feet from the North and West lines of Section 27, Township 25 South, Range 33 East, Lea County, New Mexico, the W/2 of said Section 27 to be dedicated to the well.
- CASE 6409: Application of Atlantic Richfield Company for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill four wells on its Empire Abo Unit Area, Empire-Abo Pool, Eddy County, New Mexico, as follows: In Township 17 South, Range 28 East: Well No. D-361, Surface location 136 feet from the South line and 800 feet from the East line of Section 27, bottom-hole location 300 feet from the North line and 500 feet from the East line of Section 34; Well No. E-392, Surface location 959 feet from the North line and 2400 feet from the East line, bottom-hole location 600 feet from the North line and 2500 feet from the East line, Section 35. In Township 18 South, Range 27 East: Well No. K-131, Surface location 1500 feet from the South line and 600 feet from the West line, bottom-hole location 1600 feet from the South line and 250 feet from the West line, Section 2; Well No. L-133, Surface location 800 feet from the South line and 950 feet from the West line, bottom-hole location 1250 feet from the South line and 700 feet from the West line, Section 2. All of the above wells would be bottomed at unorthodox locations within 150 feet of the described bottom-hole locations.
- CASE 6410: Application of Carl A. Schellinger for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a proposed Pennsylvanian test to be drilled 660 feet from the South line and 1650 feet from the West line of Section 1, Township 22 South, Range 24 East, McKittrick Hills Field, Eddy County, New Mexico, the S/2 of said Section 1 to be dedicated to the well.
- CASE 6411: Application of Assoc Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 20, Township 23 South, Range 29 East, Eddy 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 6412: Application of Ralph Mix for compulsory pooling and an unorthodox location, or in the alternative, an amendment to pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 27, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location in the SW/4 of said section. 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 Hondo Drilling Company as operator of the well and a charge for risk involved in drilling said well.
- As an alternative to the above unorthodox location, applicant seeks an order amending the Special Pool Rules for the Atoka-Pennsylvanian Gas Pool so that well location requirements therein would conform to statewide Rule 104(c).

CASE 6390: (Continued from November 21, 1978, Examiner Hearing)

Application of C & E Operators for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down thru the Pictured Cliffs formation underlying the SW/4 of Section 10, Township 30 North, Range 11 West, San Juan 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 6401: (Continued from December 7, 1978, Examiner Hearing)

Application of Southland Royalty Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Mesaverde production within the wellbore of its Jicarilla 101 Well No. 1 located in Unit A of Section 1, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

CASE 6402: (Continued from December 7, 1978, Examiner Hearing)

Application of Southland Royalty Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production within the wellbore of its Jicarilla 101 Well No. 2 located in Unit M of Section 12, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

CASE 6403: (Continued from December 7, 1978, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin Dakota and Blanco Mesaverde production within the wellbore of its O'Shea Well No. 1 located in Unit K of Section 3, Township 31 North, Range 13 West, San Juan County, New Mexico.



Amoco Production Company

Houston Region
500 Jefferson Building
Post Office Box 3092
Houston, Texas 77001

J. R. Barnett
Regional Engineering
Manager

Case 6411

December 5, 1978

File: TBM-986.51NM-1622

Re: Application for Hearing
Compulsory Pooling
N/2 Section 20, T-23-S, R-29-E
Eddy County, New Mexico

Oil Conservation Division (3)
Energy and Minerals Department
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Confirming telephone request of November 28, 1978, Amoco Production Company requests a hearing for compulsory pooling of all mineral interests in the Pennsylvanian Formation underlying the N/2 of Section 20, T-23-S, R-29-E, Eddy County, New Mexico to be dedicated to a well to be drilled 660' FNL and 2080' FWL of said section. Also to be considered will be the cost of drilling and completing said well, the allocation of cost thereof as well as actual operating cost, charges for supervision and a charge for risk involved in drilling said well. Amoco will ask to be designated operator of the well.

Amoco owns 50% working interest in the proposed drilling unit and the other 50% is owned by Getty Oil Company, P. O. Box 1231, Midland, Texas 79701. A map of the area is attached. Please direct any questions to Mr. Jim Allen (713-652-5497).

Yours very truly,

J. R. Barnett

JEP:sam
Attachment

DRAFT

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

CASE NO. 6411

Order No. R- 5908

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.



ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 20
1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter

NOW, on this _____ day of _____, 19____, the Division
Director, 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. 6411 is hereby dismissed.

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