

CASE NO.

6502

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

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. 6502
Order No. R-5999

APPLICATION OF STEVENS OIL COMPANY
FOR COMPULSORY POOLING, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 25, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of May, 1979, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

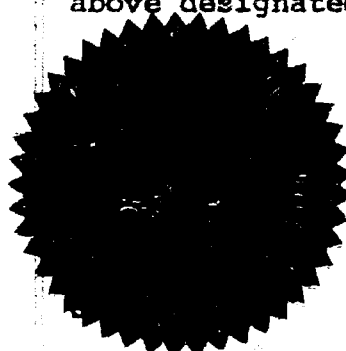
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 6502 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
JOE D. RAMEY
Director

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 March 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Stevens Oil Company
for compulsory pooling, Chaves County,
New Mexico.

CASE
6502

BEFORE: Richard L. Stamets

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 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

MR. STAMETS: We'll call first Case 6502.

MS. TESCHENDORF: Case 6502. Application
of Stevens Oil Company for compulsory pooling, Chaves County,
New Mexico.

The applicant in this case has requested it
be continued to the April 11th Examiner Hearing.

MR. STAMETS: The case will be so continued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2010 Plaza Blanca (602) 471-2402
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 W. Boyd
 Sally W. Boyd, C.S.R.

BEFORE EXAMINER STAMETS
 OIL CONSERVATION DIVISION
 EXHIBIT NO. _____

CASE NO. _____

Submitted by _____

Hearing Date _____

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 6502,
 heard by me on 3/28 1979.

Richard A. Stamps, Examiner
 Oil Conservation Division

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 3030 Plaza Blanca (S.O.I.) 471-2462
 Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 March 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Stevens Oil Company) CASE
for compulsory pooling, Chaves County,) 6502
New Mexico.)

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 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
809 Plaza Blanca (H-06) 471-2462
Santa Fe, New Mexico 87501

MR. STAMETS: We'll call first Case 6502.

MS. TESCHENDORF: Case 6502. Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico.

The applicant in this case has requested it be continued to the April 11th Examiner Hearing.

MR. STAMETS: The case will be so continued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2442
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 W. Boyd, C.S.R.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. _____
CASE NO. _____
Submitted by _____
Hearing Date _____

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____ 19____

_____, Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2030 Plaza Blanca (608) 471-2462
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
11 April 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Stevens Oil Company for
compulsory pooling, Chaves County, New
Mexico.

CASE
6502

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 Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (S.E.) 471-2462
Santa Fe, New Mexico 87501

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MR. NUTTER: Call next Case Number 6502.

MS. TESCHENDORF: Case 6502. Application of
Stevens Oil Company for compulsory pooling, Chaves County,
New Mexico.

The applicant in this case has requested
it be continued to the April 25th Examiner Hearing.

MR. NUTTER: Case Number 6502 will be con-
tinued to the Examiner Hearing scheduled to be held at this
same place at 9:00 o'clock a. m. April 25th, 1979.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (505) 471-2462
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 W. Boyd
Sally W. 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. 6502 heard by me on 4/11 1979.

[Signature], Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
11 April 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Stevens Oil Company for) CASE
compulsory pooling, Chaves County, New) 6502
Mexico.)

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 Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (005) 471-2462
Santa Fe, New Mexico 87501

MR. NUTTER: Call next Case Number 6502.

MS. TESCHENDORF: Case 6502. Application of
Stevens Oil Company for compulsory pooling, Chaves County,
New Mexico.

The applicant in this case has requested
it be continued to the April 25th Examiner Hearing.

MR. NUTTER: Case Number 6502 will be con-
tinued to the Examiner Hearing scheduled to be held at this
same place at 9:00 o'clock a. m. April 25th, 1979.

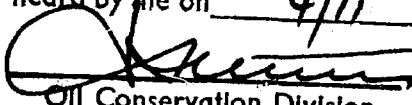
(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (601) 471-3463
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 W. 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. 6502
heard by me on 4/11 1979.
 Examiner
Oil Conservation Division

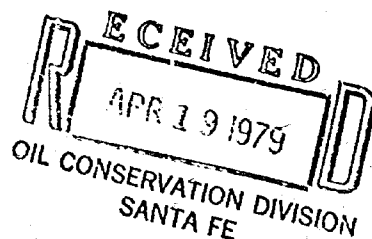
SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (065) 471-2462
Santa Fe, New Mexico 87501

DONALD G. STEVENS - ATTORNEY AT LAW

P. O. Box 2203
919 SECURITY NATL. BLDG.
ROSWELL, NEW MEXICO 88201

AREA CODE 505
622-7273

April 18, 1979



New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Ms. Lynn Teschendorf

Gentlemen:

Please withdraw the application of Stevens Oil
Company for compulsory pooling, Case No. 6502, sched-
uled for April 25, 1979.

I appreciate your many kindnesses concerning
this matter.

Yours very truly,

A handwritten signature in cursive script, appearing to read "Donald G. Stevens".

Donald G. Stevens

DGS/rpt

CASE 6492: (Continued from March 28, 1979, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NW/4 of Section 13, Township 17 South, Range 25 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 6502: (Continued from April 11, 1979, Examiner Hearing)

Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, Chaves 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 6500: (Continued and Readvertised)

Application of Gulf Oil Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Division waived existing well-spacing requirements and found that the drilling of additional wells was necessary to effectively and efficiently drain those portions of the proration units in the Central Brinkard Unit located in Sections 28, 29, 30, 31, 32 and 33, Township 21 South, Range 37 East, Lea County, New Mexico, which could not be so drained by the existing wells.

CASE 6501: (Continued and Readvertised)

Application of Delta Drilling Company for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the Williamson State Unit Well No. 1, the surface location of which is 660 feet from the North and West lines of Section 30, Township 16 South, Range 33 East, Lea County, New Mexico, and directionally drill said well in such a manner as to bottom it in the Morrow formation within 100 feet of a point 1980 feet from the North and East lines of said Section 30, the N/2 of the section to be dedicated to the well.

Docket No. 17-79

DOCKET: COMMISSION HEARING - MONDAY - APRIL 30, 1979

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6533: Application of El Paso Natural Gas Company for the amendment of Orders Nos. R-1670 and R-1670-C, Basin-Dakota Pool, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Orders Nos. R-1670 and R-1670-C, Basin-Dakota Pool, San Juan and Rio Arriba Counties, New Mexico, to permit the optional drilling and production of a second well on proration units in said pool, to establish well location requirements, and to provide that the deliverabilities of both wells on the unit would be additive for allowable purposes.

Dockets Nos. 18-79 and 20-79 are tentatively set for hearing on May 9 and 23, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 25, 1979

9 A.M. - OIL CONSERVATION DIVISION 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:

- CASE 6525: In the matter of the hearing called by the Oil Conservation Division on its own motion to amend the Special Rules for the Tubb Gas Pool in Lea County, New Mexico, to provide for the classification of wells as oil wells and gas wells on the basis of gas-oil ratios rather than on the basis of liquid gravity as at present.
- CASE 6526: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider a procedure for the adoption of findings, when applicable and pursuant to the Federal Natural Gas Policy Act, that another well is necessary to effectively and efficiently drain that portion of its proration unit which cannot be so drained by any existing well, and that existing well spacing requirements are waived. The proposed procedure would provide a system whereby such findings could be issued administratively without the necessity for public hearing.
- CASE 6527: Application of Tenneco Oil Company for two non-standard oil proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 80-acre non-standard oil proration units, the first comprising the N/2 NW/4, the other the N/2 NE/4, of Section 12, Township 9 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, said units to be dedicated to applicant's Ward Insall Wells Nos. 1 and 2, respectively, located in Units D and A of said Section 12.
- CASE 6528: Application of Bass Enterprises Production Co. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox Morrow test well location to be drilled 660 feet from the North and West lines of Section 10, Township 21 South, Range 32 East, Lea County, New Mexico, the W/2 of said Section 10 to be dedicated to the well.
- CASE 6529: Application of Amoco 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 S/2 of Section 22, Township 23 South, Range 28 East, Eddy County, New Mexico, to be dedicated to its Brantley Gas Com. Well No. 1 located in Unit K of said Section 22. 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 6530: Application of Amoco Production Company for unorthodox gas well locations, temporary injection of produced gas, and to vent gas, Union and Harding Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations in the Tubb formation of its State FI Well No. 3, located 1315 feet from the South line and 1980 feet from the East line of Section 36, Township 20 North, Range 34 East, Union County, and its Heimann Well No. 5, located 660 feet from the South line and 1315 feet from the West line of Section 3, Township 19 North, Range 33 East, Harding County. Applicant further seeks authority to conduct pressure interference tests, including authority to vent gas produced from the State FI Well No. 1 for a period not to exceed 45 days and to inject produced gas into its Heimann Well No. 4 located in Unit K of Section 34, Township 20 North, Range 33 East, for a period not to exceed six months.
- CASE 6531: Application of Getty Oil Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate its Baker B Well No. 6 at an unorthodox location 510 feet from the South and West lines of Section 10, Township 22 South, Range 37 East, Lea County, New Mexico, and its Baker B Well No. 15 located in Unit L of said Section 10, the current unit well, to the existing proration unit.
- CASE 6532: Application of Northwest Production Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tapacito-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its Jicarilla 117E Well No. 5 located in Unit M of Section 28, Township 26 North, Range 3 West, Rio Arriba County, New Mexico.
- CASE 6072: (Continued from March 28, 1979, Examiner Hearing)
- In the matter of Case 6072 being reopened pursuant to the provisions of Order No. R-5643 which order created the Travis-Upper Pennsylvanian Pool, Eddy County, New Mexico, with provisions for 80-acre spacing. All interested parties may appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

Dockets Nos. 16-79 and 17-79 are tentatively set for hearing on April 25 and May 9, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 11, 1979

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:

- CASE 6517: Application of Nanagan Petroleum Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Avalon-Wolfcamp Gas Pool, Eddy 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 Wolfcamp gas pools rather than the present 160-acre spacing.
- CASE 6518: Application of McClellan Oil Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal Well No. 2, located 2310 feet from the North and East lines of Section 11, Township 14 South, Range 28 East, Sams Ranch-Grayburg Gas Pool, Chaves County, New Mexico, the NE/4 of said Section 11 to be dedicated to the well.
- CASE 6519: Application of Inxco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Bison Wallow Unit Area, comprising 7,040 acres, more or less, of Federal and State lands in Townships 25 and 26 South, Range 29 East, Eddy County, New Mexico.
- CASE 6520: Application of Belco Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Strawn and Morrow production in the wellbore of its Union Mead Com Well No. 1 located in Unit H of Section 8, Township 22 South, Range 27 East, Carlsbad Field, Eddy County, New Mexico.
- CASE 6521: Application of Adobe Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its East Tatum State Unit Area, comprising 2,560 acres, more or less, of State lands in Township 12 South, Range 36 East, Lea County, New Mexico.
- CASE 6522: Application of Petroleum Corporation of Texas for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Pictured Cliffs production in the wellbore of its Hanley Well No. 2-A located in Unit F of Section 18, Township 29 North, Range 10 West, San Juan County, New Mexico.
- CASE 6523: Application of Lonnie J. Buck for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Yates formation underlying each of the following 40-acre tracts in Section 25, Township 25 South, Range 36 East, Lea County, New Mexico: NW/4 SW/4 to be dedicated to the Brown Well No. 6 located in Unit L and SW/4 SW/4 to be dedicated to the Brown Well No. 7 located in Unit M. Also to be considered will be the cost of recompleting said wells 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 wells and a charge for risk involved in recompleting said wells.
- CASE 6502: (Continued from March 28, 1979, Examiner Hearing)
- Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, Chaves 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 6524: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending the vertical and horizontal limits of certain pools in Eddy and Lea Counties, New Mexico:
- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the Cave-Seven Rivers Pool. The discovery well is Kincaid and Watson Drilling Company Humble 8 Well No. 7 located in Unit D of Section 8, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 8: NW/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Malaga-Atoka Gas Pool. The discovery well is Aminoil USA, Inc. CNB Com Well No. 1 located in Unit L of Section 11, Township 24 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 11: W/2

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Morton-Morrow Gas Pool. The discovery well is Southern Union Exploration Company Lea "L" State Well No. 1 located in Unit G of Section 14, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 14: E/2

(d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Glorieta production and designated as the Oil Center-Glorieta Gas Pool. The discovery well is Amoco Production Company State "C" Tr. 11 Well No. 7 located in Unit W of Section 2, Township 21 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: SE/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Cisco production and designated as the North Turkey Track-Cisco Gas Pool. The discovery well is Hondo Drilling Company Alscott Well No. 1 located in Unit G of Section 31, Township 18 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 31: N/2

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Winchester-Atoka Gas Pool. The discovery well is Cities Service Company Government S Well No. 1 located in Unit H of Section 3, Township 20 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 33: S/2
Section 34: S/2

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 3: E/2

(g) EXTEND the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 3: S/2
Section 10: E/2

(h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 26: N/2

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

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 8: All
Section 9: S/2
Section 16: N/2

(j) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 29: SE/4

(k) EXTEND the Box Canyon Permo-Penn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM
Section 14: W/2
Section 15: S/2

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 12: E/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 7: W/2

- (m) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 3: E/2

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 3: W/2
Section 4: S/2
Section 5: S/2

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 26: E/2

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 10: S/2
Section 11: W/2

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

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 36: S/2

- (r) EXTEND the North Cemetery-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 36: N/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 28: All
Section 31: N/2
Section 32: N/2

- (s) EXTEND the Cerca-Lower Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 4: NW/4

- (t) EXTEND the Dayton-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 35: W/2 SE/4

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 2: W/2 NE/4 and NW/4 SE/4

- (u) EXTEND the Dickinson-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 26: SW/4

- (v) EXTEND the Eagle Creek Permo-Penn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 21: W/2
Section 28: All

- (w) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 21: N/2

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 8: E/2
Section 9: W/2

- (y) EXTEND the Golden Lane-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
Section 31: W/2

- (z) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 32: W/2 SW/4 and SW/4 NW/4

- (aa) EXTEND the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 29: SW/4 and W/2 SE/4
Section 32: N/2 NW/4 and NW/4 NE/4

- (bb) EXTEND the Shugart-Yates-SR-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 23: S/2 NE/4 and SE/4
Section 24: S/2 and S/2 N/2

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 2: N/2 SW/4

- (cc) ABOLISH the Turkey Track-Seven Rivers Pool in Eddy County, New Mexico, which comprises:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 2: SW/4
Section 3: S/2
Section 9: SE/4
Section 10: All
Section 11: NW/4
Section 15: N/2
Section 16: NE/4

- (dd) EXTEND the vertical limits of the Turkey Track Queen-Grayburg Pool in Townships 18 and 19 South, Range 29 East, NMPM, Eddy County, New Mexico, to include the Seven Rivers formation and redesignate said pool the Turkey Track Seven Rivers-Queen-Grayburg Pool. Further, to extend said pool to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 16: W/2 NE/4 and SE/4 NE/4

- (ee) EXTEND the Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 15: W/2
Section 16: All

- (ff) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 35: All
Section 36: All

- (gg) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 29: SE/4

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

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 1: All
Section 10: All

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 25: All
Section 29: S/2
Section 32: N/2
Section 36: W/2

Docket No. 15-79

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 18, 1979

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 May, 1979, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for May, 1979, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

Texas Oil & Gas Corp.
900 Wilco Building
Midland, Texas 79701
Attn: Doyle J. Snow

Columbia Gas Development
Corp.
P.O. Box 1350
Houston, Texas 77001
Attn: Phillip J. Tibiletti

Address

Warrant No. _____

Date of Delivery or Service	DESCRIPTION	AMOUNT		ENCUMBRANCE REVERSAL SECTION:
		Dollars	Cents	
				A. <input type="checkbox"/> Reverse total previous encumbrance of total balance remaining after previous partial encumbrance reversal(s)
				B. <input type="checkbox"/> Reverse amount of this voucher only (Explain in space below) _____ _____ _____ _____ _____ _____ _____

Payee
Sign Here

I certify that the above bill is correct and just and that payment therefor has not been received.

Payee _____

Signature of Payee must be in ink or indelible pencil

Per _____

Title _____

I, or We, certify that the above articles were received in good condition after due inspection thereof, or the services rendered as stated; that they were necessary and proper and that the amounts claimed are just and reasonable and that no part thereof has been paid.

APPROVED: _____

Agency _____

Title _____

Title _____

Dockets Nos. 14-79 and 15-79 are tentatively set for hearing on April 11 and 18, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 28, 1979

9 A.M. - OIL CONSERVATION DIVISION 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:

- CASE 6500: Application of Gulf Oil Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Division waived existing well-spacing requirements and found that the drilling of additional wells was necessary to effectively and efficiently drain those portions of the proration units in the Central Drinkard Unit located in Sections 28, 29, 32 and 33, Township 21 South, Range 37 East, Lea County, New Mexico, which could not be so drained by the existing wells.
- CASE 6501: Application of Delta Drilling Company for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the Williamson State Unit Well No. 1, the surface location of which is 660 feet from the North and West lines of Section 30, Township 16 South, Range 33 East, Lea County, New Mexico, and directionally drill said well in such a manner as to bottom it in the Morrow formation within 100 feet of a point 1980 feet from the North and West lines of said Section 30, the N/2 of the section to be dedicated to the well.
- CASE 6502: Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, Chaves 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 6503: Application of Sundance Oil Company for salt water disposal, Roosevelt 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 4207 feet to 4228 feet in its Cone Federal Well No. 8 located in Unit P of Section 31, Township 7 South, Range 32 East, Tomahawk-San Andres Pool, Roosevelt County, New Mexico.
- CASE 6504: Application of Phoenix Resources Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Buckhorn Canyon Unit Area No. 2, comprising 23,009 acres, more or less, of Federal and State lands in Township 19 South, Ranges 19 and 20 East, Chaves County, New Mexico.
- CASE 6505: Application of Doyle Hartman for vertical pool limit redefinition, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order extending the vertical limits of the Langlie Matix Pool in Lea County, New Mexico, to include the lowermost 200 feet of the Seven Rivers formation and the concomitant contraction of the vertical limits of the Jalmat Gas Pool underlying the following described lands in Township 23 South, Range 36 East: Section 35: SW/4, S/2 SE/4, and NW/4 SE/4; Section 36: W/2 SW/4; and in Township 24 South, Range 36 East: Section 1: NW/4, S/2 NE/4, and NW/4 NE/4; Section 2: W/2.
- CASE 6506: Application of Bedford, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Ram Well No. 1-A located in Unit C of Section 8, Township 26 North, Range 12 West, WAW-Fruitland Pictured Cliffs Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6507: Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its Hanlad State Well No. 1 located in Unit K of Section 2, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.
- CASE 6508: Application of Harvey E. Yates Company for an unorthodox well location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 62.75-acre non-standard gas proration unit comprising Lots 1 and 2 of Section 19, Township 18 South, Range 29 East, Eddy County, New Mexico, to be dedicated to its Depco Federal Well No. 1 to be located 330 feet from the North line and 660 feet from the West line of said Section 19.

CASE 6509: Application of Harvey E. Yates Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new gas pool in the Yates formation for its Depco Federal Well No. 1 located in Unit D of Section 19, Township 18 South, Range 29 East, Eddy County, New Mexico, and for promulgation of special pool rules, including provision for 80-acre gas well spacing.

CASE 6480: (Continued from February 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its State 22 Well No. 1 located in Unit P of Section 22, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.

CASE 6482: (Continued from February 28, 1979, Examiner Hearing)

Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its Mobil 27 State Well No. 1 located in Unit A of Section 27, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.

CASE 6072: (Continued from March 14, 1979, Examiner Hearing)

In the matter of Case 6072 being reopened pursuant to the provisions of Order No. R-5643 which order created the Travis-Upper Pennsylvanian Pool, Eddy County, New Mexico, with provisions for 80-acre spacing. All interested parties may appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

CASE 6492: (Continued from March 14, 1979, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NW/4 of Section 13, Township 17 South, Range 25 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 6510: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location for the Wolfcamp through Mississippian formations of its Rio Pecos Federal "KO" Well No. 1, to be located 660 feet from the North line and 1300 feet from the East line of Section 28, Township 18 South, Range 27 East, Eddy County, New Mexico, the E/2 of said Section 28 to be dedicated to the well.

CASE 6511: Application of Yates Petroleum Corporation for a dual completion and downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Tom Brown "CO" Com. Well No. 1 located in Unit C of Section 22, Township 17 South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, to produce gas from the Lower Morrow formation through tubing and to commingle and produce the Strawn and Upper Morrow zones in the annulus of said well.

CASE 6512: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Hilliard "BF" Federal Well No. 2, to be located 330 feet from the North line and 2310 feet from the West line of Section 14, Township 21 South, Range 22 East, to test the Wolfcamp through Mississippian formations, Eddy County, New Mexico, the W/2 of said Section 14 to be dedicated to the well.

CASE 6513: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Morrow production in the wellbore of its Stebbins CQ Fed. Well No. 1 located in Unit B of Section 20, Township 20 South, Range 29 East, East Burton Flats Field, Eddy County, New Mexico.

CASE 6514: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of North Burton Flats-Atoka and East Burton Flats-Morrow production in the wellbore of its Williamson BC Fed. Well No. 4 located in Unit K of Section 7, Township 20 South, Range 29 East, Eddy County, New Mexico.

CASE 6515: Application of Southland Royalty Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 31, Township 31 North, Range 11 West, San Juan County, New Mexico, to be dedicated to its Grenier Well No. 23 drilled at a location 1190 feet from the South and West lines of said Section 31. 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 6516: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Maduro Unit Area, comprising 2,560 acres, more or less, of Federal and State lands in Township 19 South, Range 33 East, Lea County, New Mexico.

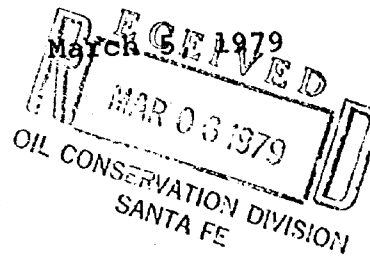
CASE 6452: (Continued and Readvertised)

Application of Burleson & Huff for a non-standard gas proration unit and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the SW/4 of Section 25, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico. Applicant further seeks a finding that the recompletion of its Harrison Well No. 2 located in Unit N or in the alternative, the drilling of its Harrison Well No. 4 in Unit L, of Section 25 is necessary to effectively and efficiently drain that portion of the previously approved 160-acre proration unit which cannot be drained by the old unit well.

DONALD G. STEVENS · ATTORNEY AT LAW

P. O. BOX 2203
919 SECURITY NATL BLDG
ROSWELL, NEW MEXICO 88201

AREA CODE 505
622-7273



New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

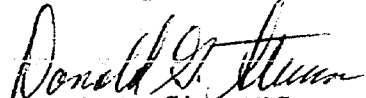
Attention: Ms. Lynn Teschendorf

Gentlemen:

Please set down the enclosed application for hearing
on your March 28, 1979, docket.

Since this is a force pooling application I would
appreciate your forwarding copies hereof to Texas Oil &
Gas Corp. and Columbia Gas Development Corp. in accordance
with your normal practice. I have myself this date sent
them copies of the application, however.

Yours very truly,


Donald G. Stevens

DGS/rpt

Enclosures

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO



IN THE MATTER OF THE APPLICATION
OF STEVENS OIL COMPANY FOR COM-
PULSORY POOLING OF ITS WELL TO
BE DRILLED IN SW/4 SW/4 SECTION
30, TOWNSHIP 8 SOUTH, RANGE 29
EAST, CHAVES COUNTY, NEW MEXICO

Case 6502

A P P L I C A T I O N

COMES NOW Stevens Oil Company, as provided by Section 65-3-14, New Mexico Statutes, 1953, as amended, applies to the Oil Conservation Commission of New Mexico for an order pooling all the mineral interests in and under the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, N.M.P.M., Chaves County, New Mexico, from the surface to the base of the San Andres formation, and in support thereof Applicant would show:

1. Applicant is the owner of a portion of the rights to drill and develop the following described acreage: SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, N.M.P.M., Chaves County, New Mexico.
2. Applicant owns or has the right to earn lease rights to 62.5% of the working interest and Texas Oil and Gas Corp. and Columbia Gas Development Corp. each own 18.75% of the working interest under the subject proration unit. Texas Oil and Gas Corp. and Columbia Gas Development Corp. have so far refused to pool their ownership with Applicant for the purpose of drilling a well to the Slaughter zone on and under the subject proration unit.
3. Applicant requests that it be designated operator of the pooled unit, SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, Chaves County, New Mexico.
4. For reasons stated in Paragraph 2 above, Applicant has been unable to obtain agreement for the pooling of unpooled interests indicated in said Paragraph 2 and in order to protect correlative rights, and to prevent waste, the Commission should pool all interests in the spacing or proration unit as a unit.


5. The risk and expense of drilling and completing the well is great and if said above described owners in the above proration unit do not choose to pay their share of the cost of drilling and completion, Applicant should be allowed a reasonable charge for the supervision and a charge for the risk involved in addition to recovery of the actual cost of drilling and completing the well.

WHEREFORE, Applicant respectfully requests that the Commission set this matter for hearing before the Commission's duly appointed examiner and that after notice and hearing as required by law the Commission enter its order pooling all interests from the surface to the base of the San Andres formation underlying the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, N.M.P.M., Chaves County, New Mexico, and designating Applicant operator of the pooled unit, together with provision for Applicant to recover his costs out of production including a risk factor to be determined by the Commission and with provisions for the payment of operating costs and costs of supervision out of production to be allocated among the owners as their interests may be determined and for further orders as may be proper in the premises.

Respectfully submitted,

STEVENS OIL COMPANY

By

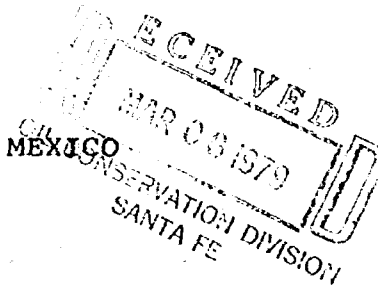

DONALD G. STEVENS

P. O. Box 2203

Roswell, New Mexico 88201

ATTORNEY FOR APPLICANT

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO



IN THE MATTER OF THE APPLICATION
OF STEVENS OIL COMPANY FOR COM-
PULSORY POOLING OF ITS WELL TO
BE DRILLED IN SW/4 SW/4 SECTION
30, TOWNSHIP 8 SOUTH, RANGE 29
EAST, CHAVES COUNTY, NEW MEXICO

Case 6502

A P P L I C A T I O N

COMES NOW Stevens Oil Company, as provided by Section 65-3-14, New Mexico Statutes, 1953, as amended, applies to the Oil Conservation Commission of New Mexico for an order pooling all the mineral interests in and under the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, N.M.P.M., Chaves County, New Mexico, from the surface to the base of the San Andres formation, and in support thereof Applicant would show:

1. Applicant is the owner of a portion of the rights to drill and develop the following described acreage: SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, N.M.P.M., Chaves County, New Mexico.
2. Applicant owns or has the right to earn lease rights to 62.5% of the working interest and Texas Oil and Gas Corp. and Columbia Gas Development Corp. each own 18.75% of the working interest under the subject proration unit. Texas Oil and Gas Corp. and Columbia Gas Development Corp. have so far refused to pool their ownership with Applicant for the purpose of drilling a well to the Slaughter zone on and under the subject proration unit.
3. Applicant requests that it be designated operator of the pooled unit, SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, Chaves County, New Mexico.
4. For reasons stated in Paragraph 2 above, Applicant has been unable to obtain agreement for the pooling of unpooled interests indicated in said Paragraph 2 and in order to protect correlative rights, and to prevent waste, the Commission should pool all interests in the spacing or proration unit as a unit.

5. The risk and expense of drilling and completing the well is great and if said above described owners in the above proration unit do not choose to pay their share of the cost of drilling and completion, Applicant should be allowed a reasonable charge for the supervision and a charge for the risk involved in addition to recovery of the actual cost of drilling and completing the well.

WHEREFORE, Applicant respectfully requests that the Commission set this matter for hearing before the Commission's duly appointed examiner and that after notice and hearing as required by law the Commission enter its order pooling all interests from the surface to the base of the San Andres formation underlying the SW/4 SW/4 of Section 30, Township 8 South, Range 29 East, N.M.P.M., Chaves County, New Mexico, and designating Applicant operator of the pooled unit, together with provision for Applicant to recover his costs out of production including a risk factor to be determined by the Commission and with provisions for the payment of operating costs and costs of supervision out of production to be allocated among the owners as their interests may be determined and for further orders as may be proper in the premises.

Respectfully submitted,

STEVENS OIL COMPANY

By


DONALD G. STEVENS

P. O. Box 2203

Roswell, New Mexico 88201

ATTORNEY FOR APPLICANT

DRAFT

dr/

[Handwritten signature]

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. 6502

Order No. R- 5999

APPLICATION OF STEVENS OIL COMPANY
FOR COMPULSORY POOLING, CHAVES
COUNTY, NEW MEXICO.

[Handwritten signature]

ORDER OF THE DIVISION

[Handwritten signature]
[Handwritten signature]

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 25
19 79, at Santa Fe, New Mexico, before Examiner Richard L. Stamez

NOW, on this May day of May, 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. 6502 is hereby dismissed.

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