

CASE 6686: MESA PETROLEUM COMPANY FOR  
AN EXCEPTION TO ORDER NO. R-111-A, EDDY  
COUNTY, NEW MEXICO



CASE NO.

6686

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.





STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

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

October 18, 1979

Mr. Michael Campbell  
Campbell and Black  
Attorneys at Law  
Post Office Box 2208  
Santa Fe, New Mexico

Re: CASE NO. 6686  
ORDER NO. R-6149

Applicant:

Mesa Petroleum 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  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	x
Artesia OCD	x
Aztec OCD	

**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. 6686  
Order No. R-6149

APPLICATION OF MESA PETROLEUM COMPANY  
FOR AN EXCEPTION TO ORDER NO. R-111-A,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 2, 1979,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 18th day of October, 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. 6686 is hereby dismissed.

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



SEAL  
fd/

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Joe D. Ramey*  
JOE D. RAMEY  
Director



November 6, 1979

Mr. Tommy Phipps  
Executive Vice President  
Alpha Twenty One Production Company  
2100 First National Bank Building  
Midland, Texas 79701

Dear Tommy:

Enclosed is a copy of a statement which needs to be signed by you and returned for filing with the Oil Conservation Division to complete the application for wellhead price ceiling category determination for the El Paso State No. 1-J Well.

My reading of Joe Ramey's comment of October 10 indicates that this statement is all that is required to enable the commission to process the application.

I look forward to seeing you next week.

Very truly yours,

William F. Carr

WFC:lr

Enclosure





## ALPHA TWENTY-ONE PRODUCTION COMPANY

2100 FIRST NATIONAL BANK BUILDING  
MIDLAND, TEXAS 79701

915/683-5384

October 16, 1979

Mr. William F. Carr  
Campbell and Black  
P. O. Box 2208  
Santa Fe, New Mexico 87501

Re: NGPA Filings  
El Paso State No. 1

Dear Bill:

Enclosed are copies of the Federal and State filings on the captioned well, along with correspondence from Mr. Ramey. It is obvious that I need help, so I would appreciate it if your firm would also handle the filings on our future wells.

I should have the current well, which is the El Paso Plant No. 1, Sec. 32, T23S, R37E, completed this week. Please let me know what you need from me on it.

I'm looking forward to seeing you soon.

Very truly yours,

Tommy Phipps  
Executive Vice President

TP:rm

Enclosures



# BLACK RIVER CORPORATION

2100 FIRST NATIONAL BANK BUILDING  
MIDLAND, TEXAS 79701

918 683-3384

October 2, 1979

Mr. Kenneth F. Plumb, Secretary  
Federal Energy Regulatory Commission  
825 North Capitol Street, N.E.  
Washington, D. C. 20426

Re: Section 103  
National Gas Policy Act of 1978  
Section 273.202 of  
Subchapter H - Regulation of  
Natural Gas Sales under the  
Natural Gas Policy Act of 1978  
Black River Corporation

Dear Mr. Plumb:

Pursuant to Section 273.202 and 273.203 of Subchapter H - Regulation of Natural Gas Sales under the Natural Gas Policy Act of 1978, Black River Corporation, as Operator, herewith files this Statement Under Oath evidencing its election to commence collecting the applicable price provided for therein, or its proportionate part thereof, for natural gas reserves sold from the El Paso State No. 1 well (API. No. 30-025-26346) located in Lea County, New Mexico.

This information is being filed at the request of the New Mexico Oil Conservation Commission as an addition to the original filing.

1. Black River Corporation herein swears that the El Paso State No. 1 well was spudded after February 19, 1977.
2. Black River Corporation herein swears that the proration unit for the El Paso State No. 1 well is the N/2 SE/4 (80 acres) Section 22, T23S, R36E, Lea County, New Mexico as evidenced by Oil Conservation Division Case No. 6536,



Mr. Kenneth F. Plumb, Secretary  
Federal Energy Regulatory Commission  
October 2, 1979  
Page 2

Order No. R-6019, a copy of which is herewith attached.

All allegations and facts contained herein are true and correct  
to the best of my knowledge, information and belief.

Respectfully submitted,

BLACK RIVER CORPORATION

ATTEST:

\_\_\_\_\_  
Tommy Phipps, Executive Vice President



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. 6536  
Order No. R-6019

APPLICATION OF BLACK RIVER CORP.  
FOR TWO NON-STANDARD GAS PRORATION  
UNITS, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 23, 1979,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of June, 1979, 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, Black River Corp., seeks approval  
of two 80-acre non-standard gas proration units comprising the  
N/2 SE/4 of Section 22, Township 23 South, Range 36 East, NMPM,  
to be dedicated to its well to be drilled in Unit J of said  
Section 22 and the S/2 SE/4 of said Section 22 to be dedicated  
to El Paso Natural Gas Company's Shell State Well No. 3 located  
in Unit P.

(3) That for each of the above non-standard proration units,  
the entire unit may reasonably be presumed productive of gas from  
the Jalmat Gas Pool and that the entire unit can be efficiently  
and economically drained and developed by the unit well.

(4) That El Paso Natural Gas Company has granted the appli-  
cant a farmout on the N/2 SE/4 of said Section 22 and concurs  
in the application for the non-standard proration units.



(5) That approval of the subject application will afford both the applicant and El Paso Natural Gas Company the opportunity to produce their just and equitable share of the gas in the Jalmat Gas 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 two 80-acre non-standard gas proration units in the Jalmat Gas Pool comprising the N/2 SE/4 and the S/2 SE/4 of Section 22, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, are hereby established and dedicated, respectively, to the Black River Corporation well to be drilled in Unit J of said Section 22, and to El Paso Natural Gas Company's Shell State Well No. 3 located in Unit P of said Section 22.

(2) 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

S E A L

fd/





STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

August 24, 1979

JERRY AMODACA

WRITER

DICK STARKER  
SECRETARY

POST OFFICE BOX 2019  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
EACH 027-2434

Black River Corporation  
2100 First National Bank Building  
Midland, Texas 79701

Re: Wellhead price ceiling  
determination, NGPA of  
1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the section(s) of the Natural Gas Policy Act of 1978 indicated below. If your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION El Paso State No. 1-J, 22-23S-36E

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED August 20, 1979

APPLICATION INCOMPLETE No statement that well spudded on or after 2/19/77, production unit statement etc

Sincerely,

DATE: 9/19/79

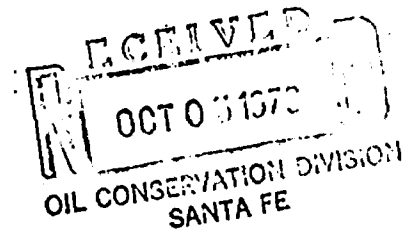


# BLACK RIVER CORPORATION

2100 FIRST NATIONAL BANK BUILDING  
MIDLAND, TEXAS 79701

915 683-5384

October 2, 1979



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

Re: Natural Gas Policy Act of 1978  
Application for Jurisdictional  
Determination Section 103 - New  
Onshore Production Well  
Black River Corporation  
API. No. 30-025-26346  
Lea County, New Mexico

Gentlemen:

Black River Corporation, as operator of the El Paso State No. 1 well located in Section 22, T23S, R36E, Lea County, New Mexico, which well is completed in the Jalmat Gas Pool, herewith submits this additional information as a part of the application previously submitted for Jurisdictional Determination that natural gas purchased from the El Paso State No. 1 well qualifies as a new onshore production well pursuant to Section 103 of the Natural Gas Policy Act of 1978.

1. Black River Corporation herein swears that the El Paso State No. 1 well was spudded after February 19, 1977.
2. Black River Corporation herein swears that the proration unit for the El Paso State No. 1 well is the N/2 SE/4 (80 acres) Section 22, T23S, R36E, Lea County, New Mexico as evidenced by Oil Conservation Division Case No. 6536, Order No. R-6019, a copy of which is herewith attached.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Tommy Phipps".

Tommy Phipps  
Executive Vice President

TP:rm

Enclosures



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. 6536  
Order No. R-6019

APPLICATION OF BLACK RIVER CORP.  
FOR TWO NON-STANDARD GAS PRORATION  
UNITS, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 23, 1979,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of June, 1979, 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, Black River Corp., seeks approval  
of two 80-acre non-standard gas proration units comprising the  
N/2 SE/4 of Section 22, Township 23 South, Range 36 East, NMPM,  
to be dedicated to its well to be drilled in Unit J of said  
Section 22 and the S/2 SE/4 of said Section 22 to be dedicated  
to El Paso Natural Gas Company's Shell State Well No. 3 located  
in Unit P.

(3) That for each of the above non-standard proration units,  
the entire unit may reasonably be presumed productive of gas from  
the Jalmat Gas Pool and that the entire unit can be efficiently  
and economically drained and developed by the unit well.

(4) That El Paso Natural Gas Company has granted the appli-  
cant a farmout on the N/2 SE/4 of said Section 22 and concurs  
in the application for the non-standard proration units.



(5) That approval of the subject application will afford both the applicant and El Paso Natural Gas Company the opportunity to produce their just and equitable share of the gas in the Jalmat Gas 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 two 80-acre non-standard gas proration units in the Jalmat Gas Pool comprising the N/2 SE/4 and the S/2 SE/4 of Section 22, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, are hereby established and dedicated, respectively, to the Black River Corporation well to be drilled in Unit J of said Section 22, and to El Paso Natural Gas Company's Shell State Well No. 3 located in Unit P of said Section 22.

(2) 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

S E A L

fd/





STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

August 24, 1979

JERRY AMODACA  
DIRECTOR

DICK FRANKLIN  
MANAGER

POST OFFICE BOX 2009  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2404

Black River Corporation  
2100 First National Bank Building  
Midland, Texas 79701

Re: Wellhead price ceiling  
determination, NGPA of  
1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the section(s) of the Natural Gas Policy Act of 1978 indicated below. If your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION El Paso State No. 1-J, 22-23S-36E

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED August 20, 1979

APPLICATION INCOMPLETE No statement that well spudded on or after 2/19/77, production unit statement etc

Sincerely,

DATE: 9/19/79





JERRY AMODACA

COMMISSIONER

BOB STRAINLINE  
SECRETARY

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

August 24, 1979

POST OFFICE BOX 2049  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
CASA 027-2404

Black River Corporation  
2100 First National Bank Building  
Midland, Texas 79701

Re: Wellhead price ceiling  
determination, NGPA of  
1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the section(s) of the Natural Gas Policy Act of 1978 indicated below. If your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION El Paso State No. 1-J, 22-23S-36E

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED August 20, 1979

APPLICATION INCOMPLETE

*No statement that well spudded on or  
after 2/19/77, production unit statement  
etc*

Sincerely,

DATE: 9/19/79



# BLACK RIVER CORPORATION

2100 FIRST NATIONAL BANK BUILDING  
MIDLAND, TEXAS 79701

915 683-5304

August 13, 1979

DOCKET NO. \_\_\_\_\_

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

Re: Natural Gas Policy Act of 1978  
Application for Jurisdictional  
Determination Section 103 - New  
Onshore Production Well  
Black River Corporation  
API. No. 30-025-26346  
Lea County, New Mexico

Gentlemen:

Black River Corporation, as Operator of the El Paso State No. 1 well located in Section 22, 23S-36E, Lea County, New Mexico, which well is completed in the Jalmat Gas Pool, herewith submits this Application for Jurisdictional Determination that natural gas produced from the El Paso State No. 1 well qualifies as a New Onshore Production Well pursuant to Section 103 of the Natural Gas Policy Act of 1978, by reason that natural gas produced from the well is produced from a new onshore production well as supported by the submittal herewith of the following information, which Black River Corporation herein swears as reasonably available:

1. New Mexico Oil Conservation Commission Form C-101, Application For Permit To Drill, Deepen or Plug Back dated June 4, 1979.
2. New Mexico Oil Conservation Commission Form C-105, Well Completion or Recompletion Report and Log dated August 10, 1979.
3. Directional Drilling Survey dated June 21, 1979.



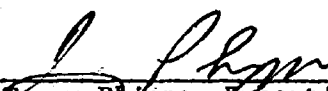
4. New Mexico Oil Conservation Commission Form C-102,

Well Location and Acreage Dedication Plat dated May 31, 1979.

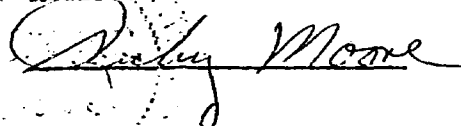
Also enclosed herewith are copies of New Mexico Oil Conservation Commission Form C-132 and Federal Energy Regulatory Commission Form No. 121 along with a Certificate of Service certifying that a copy of the New Mexico Oil Conservation Commission C-132 and Federal Energy Regulatory Commission Form No. 121, giving notice of the application pertaining to the El Paso State No. 1 well has been served upon the other working interest owners, and other parties to the Gas Purchase Contract.

Very truly yours,

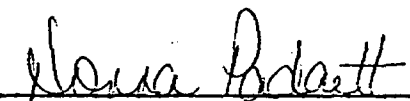
BLACK RIVER CORPORATION

  
Tommy Phipps, Executive Vice President

ATTEST:



SUBSCRIBED AND SWORN TO before me this 14<sup>th</sup> day of August, 1979.

  
Notary Public in and for  
Midland County, Texas

MY COMMISSION EXPIRES:  
DONNA PADGETT-Notary Public  
In and for Midland County, Texas  
My Commission Expires June 27, 1981



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LAND OFFICE	
OPERATOR	

# NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101  
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. B-1167-16	

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name El Paso State	
2. Name of Operator Black River Corporation		9. Well No. 1	
3. Address of Operator 2100 First National Bank Building, Midland, Texas 79701		10. Field and Pool, or Wildcat Jalmat	
4. Location of Well UNIT LETTER J LOCATED 1880 FEET FROM THE South LINE AND 1650' FEET FROM THE East LINE OF SEC. 22 TWP. 23S RGE. 36E NMP14		12. County Lea	
19. Proposed Depth 3600'		19A. Formation Yates-Seven Rivers	
20. Rotary or C.T. Rotary		21. Elevations (Show whether D.F., R.I., etc.) 3392.5 Ground Level	
21A. Kind & Status Plug. Bond State Wide		21B. Drilling Contractor Capitan	
22. Approx. Date Work will start 6-7-79			

## PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/2"	8-5/8"	28	325'	200	Circulate to Surface
7-7/8"	5 1/2"	17	3,600'	600	Circulate to Surface

The proposed well will be drilled to a total depth of 3600 feet and will be completed as a Jalmat (Yates-Seven Rivers) producer. From the base of the surface pipe through the running of the production casing, the subject well will be equipped with a 3000-PSI Double Ram Bop System.

Note: Any anticipated gas production from the subject well has been previously dedicated to El Paso Natural Gas Company.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Tommy Phipps Title Executive Vice President Date 6-4-79  
(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR DISTRICT 1 DATE JUN 6 1979  
CONDITIONS OF APPROVAL, IF ANY:



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U.S.G.S.	
LAND OFFICE	
OPERATOR	

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WELL COMPLETION OR RECOMPLETION REPORT AND LOG**

Form C-105  
Revised 10-68

1. Well Type of Lease	State <input checked="" type="checkbox"/> New Mexico <input type="checkbox"/>
2. Well No.	R-1167-16
3. Name of Lease Owner	El Paso State
4. Well No.	1
5. Plot and Prod. or Well No.	Jalmat
6. County	Lea

10. TYPE OF WELL	OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>
11. TYPE OF COMPLETION	NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. REPAIR <input type="checkbox"/> OTHER <input type="checkbox"/>
12. Name of Operator	Black River Corporation
13. Address of Operator	2100 First National Bank Building, Midland, Texas 79701
14. Location of Well	UNIT LETTER <u>J</u> LOCATED <u>1880</u> FEET FROM THE <u>South</u> LINE AND <u>1650</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>22</u> TWP. <u>23S</u> RGE. <u>36E</u>

15. Date Started	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (D.F., RKB, RT, GR, etc.)	19. Elev. Casinghead
6-9-79	6-16-79	7-26-79	3392.5 Ground Level	
20. Total Depth	21. Plug Back T.D.	22. If Multiple Complet., How Many	23. Intervals Drilled By	24. Cable Tools
3610	3577		3610	
25. Producing Interval(s), of this completion - Top, Bottom, Name				26. Was Directional Survey Made
3045-3538 Yates-Seven Rivers				Yes
27. Type Electric and Other Logs Run				28. Was Well Cored
CDL-Neutron-GR Guard Forxo GRN-CCL				No

29. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB.. FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8"	24	383	12 1/4"	200 Sx Class C	
5 1/2"	15.5	3610	7 7/8"	400 Sx Econolite 350 Sx Poz Mix	

29. LINER RECORD				30. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET
					2 3/8"	3528
						Packer Set

31. Perforation Record (Interval, size and number)	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
3045, 3051, 3060, 3077, 3084, 3088, 3093, 3115, 3122, 3225, 3241, 3298, 3430, 3450, 3480, 3510, 3531, 3538	
	DEPTH INTERVAL
	3045-3538
	3045-3538
	60,000 Gals Water, 127,000 Lbs. Sand

33. PRODUCTION							
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)	
8-1-79		Flowing				Producing	
Date of Test	Hours Tested	Choke Size	Prod'n. Per Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
7-27-79	6 Hrs.	1/2		None	25	None	N/A
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)	
16 Lbs.	100		None	100	None	N/A	

34. Disposition of Gas (Sold, used for fuel, vented, etc.)	Test Witnessed By
Vented	T. Phipps

35. List of Attachments
36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.
SIGNED <u>Tommy Phipps</u> TITLE <u>Executive Vice President</u> DATE <u>August 10, 1979</u>



From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	280	280	Surface Sand & Caliche				
280	1200	920	Red Bed, Sand, Shale				
1200	3045	1845	Salt and Anhydrite				
3045	3610	565	Sandstone, Shale, Dolomite				



WELL NAME & NUMBER El Paso State #1

LOCATION Lea County, New Mexico  
(Give Unit, Section, Township and Range)

OPERATOR Black River Corp., 21st Floor-First National Bank Bldg., Midland, Texas 79701

DRILLING CONTRACTOR Kenai Drilling of Texas, Inc., dba Capitan Drilling, P.O. Box 6725, Odessa, Texas 79762

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1/2 382</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>3/4 880</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>3/4 1,185</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>1-1/4 1,946</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>1-1/2 2,428</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>2 2,922</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>2-1/4 3,500</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>2 3,610</u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Kenai Drilling of Texas, Inc.  
Drilling Contractor dba Capitan Drilling

By RA Smith  
R. A. Smith, Drilling Engineer

Subscribed and sworn to before me this 21st day of June 19 79

William C. Smith  
Notary Public William C. Smith

My Commission Expires 3-31-81

Ector County Texas



NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

BLACK RIVER CORP.			EL PASO STATE			Well No. 1				
Section J	Section 22	Township 23 SOUTH	Range 36 EAST	County LEA						
Acreage Dedication of Well:										
1880			SOUTH			1650			EAST	
Ground Level Elev. 3392.5		Producing Formation Yates-Seven Rivers		Rock Jalmat		Estimated Acreage 80 Acres				

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

**CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

*Olson Flynn*  
Executive Vice Pres.  
BLACK RIVER CORP.  
6-4-79

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief

Date Surveyed  
**MAY 31ST, 1979**

Registered Professional Engineer and or Land Surveyor  
*Ronald J. Eidson*  
Certificate No. John W West 676  
Ronald J. Eidson 3239



CERTIFICATION OF NOTICE OF APPLICATION

TO ALL OTHER PARTIES

TO THE JOINT OPERATING AGREEMENT

I, TOMMY PHIPPS, Executive Vice President of BLACK RIVER CORPORATION, as required by Provisions of Subpart B, Part 274.201 (C) of the Commission's Regulations under the Natural Gas Policy Act, certify that notice of application for determination as concerns the El Paso State No. 1 well has been given to all other parties to the Joint Operating Agreement. Attached hereto as Exhibit "A" and made a part hereof is a list of all parties to the Joint Operating Agreement. Each party has received copies of Form C-132 and FERC. No. 121.

BLACK RIVER CORPORATION

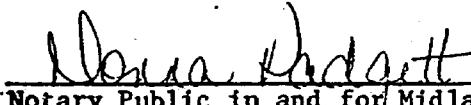
  
Tommy Phipps, Executive Vice President

THE STATE OF TEXAS

COUNTY OF MIDLAND

Before me, a Notary Public, on this day personally appeared TOMMY PHIPPS of Black River Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 14<sup>th</sup> day of August, A. D. 1979.

  
Notary Public in and for Midland County, Texas

My Commission Expires:  
DONNA PADGETT-Notary Public  
In and for Midland County, Texas  
My Commission Expires June 27, 1981



EXHIBIT "A"

William B. Blakemore II  
2100 First National Bank Building  
Midland, Texas 79701

Betsy Anne Dwyer  
2100 First National Bank Building  
Midland, Texas 79701

D. L. Hannifin  
Box 182  
Roswell, New Mexico 88201

Robert H. Hannifin  
Box 218  
Midland, Texas 79702

Doyle Hartman  
508 C & K Petroleum Building  
Midland, Texas 79701

Jack G. LeBus  
2100 First National Bank Building  
Midland, Texas 79701

Curtis L. Neeley  
2100 First National Bank Building  
Midland, Texas 79701

Tommy Phipps  
2100 First National Bank Building  
Midland, Texas 79701

Ronald Sowders  
2100 First National Bank Building  
Midland, Texas 79701

Sunshine Energy  
3604 Balcones Drive  
Austin, Texas 78731

Edwin J. White, Jr.  
2100 First National Bank Building  
Midland, Texas 79701

J. A. Davidson  
P. O. Box 494  
Midland, Texas 79702



NEW MEXICO OIL CONSERVATION DIVISION  
P. O. Box 2088, Santa Fe, New Mexico 87501

APPLICATION FOR WELLHEAD  
PRICE CEILING CATEGORY DETERMINATION

1. FOR DIVISION USE ONLY

DATE OF: APPLICATION \_\_\_\_\_  
DETERMINATION \_\_\_\_\_  
CONTESTED \_\_\_\_\_  
PARTICIPANTS \_\_\_\_\_

2. Name of Operator

Black River Corporation

3. Address of Operator

2100 First National Bank Building, Midland, Texas 79701

4. Location of Well

UNIT LETTER J 1880 FEET FROM THE South LINE AND 1650 FEET FROM  
THE East LINE, SECTION 22 TOWNSHIP 23S RANGE 36E NMPM.

13. Name and Address of Transporter(s)

El Paso Natural Gas Company, P. O. Box 1492, El Paso, Tex. 79978

Kind of Lease
State, Federal or Fee State
5. Unit Oil & Gas Lease No.
B-1167-16
6. Unit Agreement Name
7. Term of Lease Name
El Paso State
8. Well No.
1
9. Field and Pool, or Willcat
Jalmat

12. County  
Lea

WELL CATEGORY INFORMATION

Check appropriate box for category sought and information submitted.

- ☒ 1. Category(ies) Sought (By NGPA Section No.) 103
2. All Applications must contain:
- ☒ a. C-101 APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK
- ☒ b. C-105 WELL COMPLETION OR RECOMPLETION REPORT AND LOG
- ☒ c. DIRECTIONAL DRILLING SURVEY, IF REQUIRED UNDER RULE 111
- ☒ d. AFFIDAVITS OF MAILING OR DELIVERY
- ☐ 3. NEW NATURAL GAS UNDER SEC. 102(c)(1)(B) (using 2.5 Mile or 1000 Foot Deeper Test)
- ☐ a. Location Plat
- ☐ 4. NEW NATURAL GAS UNDER SEC. 102(c)(1)(C) (new onshore reservoir)
- ☐ a. C-122 Multipoint and one point back pressure test
- ☒ 5. NEW ONSHORE PRODUCTION WELL
- ☒ a. C-102 WELL LOCATION AND ACREAGE DEDICATION PLAT
- ☐ b. No. of order authorizing infill program \_\_\_\_\_
- ☐ 6. STRIPPER GAS
- ☐ a. C-116 GAS-OIL RATIO TEST
- ☐ b. PRODUCTION CURVE FOR 12-MONTH PERIOD PRECEDING DECEMBER 1, 1978.
- ☐ c. PRODUCTION CURVE FOR THE 90-DAY PERIOD ON WHICH THE APPLICATION IS BASED

I HEREBY CERTIFY THAT THE INFORMATION CONTAINED HEREIN IS TRUE AND COMPLETE TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

NAME: Tommy Phipps

SIGNED: [Signature]

TITLE: Executive Vice President

DATE: August 10, 1979

APPROVED: \_\_\_\_\_, EXAMINER



U.S. DEPARTMENT OF ENERGY  
Federal Energy Regulatory Commission  
Washington, D.C. 20426

**APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL  
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)**  
(Sections 102, 103, 107 and 108)

**PLEASE READ BEFORE COMPLETING THIS FORM:**

General Instructions:

Complete this form if you are applying for price classification under sections 102, 103, 107 or 108 of the NGPA. A separate application is required for each well. If any reservoir qualifies for a category which differs from the category applicable to the producing well, separate applications must be made for the producing well and the reservoir. Complete each appropriate item on the reverse side of this page. The code numbers used in items 4.0 and 6.0 can be obtained from the Buyer/Seller Code Book. If there is more than one purchaser or contract, identify the additional information in the space below. Enter any additional remarks in the space below.

Submit the completed application to the appropriate Jurisdictional Agency as listed in title 18 of the CFR, part 270.103. If there are any questions, call (202) 275-4539.

Specific Instructions for Item 2.0, Type of Determination:

<u>Section of NGPA</u>	<u>Category Code</u>	<u>Description</u>
102	1	New OCS Lease
102	2	New onshore well (2.5 mile test)
102	3	New onshore well (1,000 feet deeper test)
102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103	—	New onshore production well
107	—	High cost natural gas
108	—	Stripper well

Other Purchasers/Contracts:

<u>Contract Date</u> (Mo. Day Yr.)	<u>Purchaser</u>	<u>Buyer Code</u>
8-6-79	El Paso Natural Gas Company	005708
_____	_____	_____
_____	_____	_____

Remarks:



1.0 API well number: (If not available, leave blank. 14 digits.)	<u>30-025-26346</u>								
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	<u>103</u> Section of NGPA		<u>                    </u> Category Code						
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	<u>3538</u> feet								
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	<u>Black River Corporation</u> Name <u>2100 First National Bank Building</u> Street <u>Midland</u> City		<u>Texas</u> State	<u>79701</u> Zip Code  <u>001774</u> Seller Code					
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	<u>Jalmat</u> Field Name <u>Lea</u> County								
(b) For OCS wells:	<u>                                    </u> Area Name  Date of Lease: <u>          </u> Mo. <u>          </u> Day <u>          </u> Yr.  <u>                                    </u> Block Number  <u>                                    </u> OCS Lease Number								
(c) Name and identification number of this well: (35 letters and digits maximum.)	<u>El Paso State No. 1</u>								
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)	<u>                                    </u>								
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	<u>El Paso Natural Gas Company</u> Name		<u>005708</u> Buyer Code						
(b) Date of the contract:	<u>10 18 10 16 17 19</u> Mo. Day Yr.								
(c) Estimated annual production:	<u>91</u> MMcf.								
	(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices [Indicate (+) or (-).]	(d) Total of (a), (b) and (c)					
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	<u>2 0 6 8</u>	<u>0 1 2 0</u>	<u>0 3 7 2</u>	<u>2 5 6 0</u>					
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	<u>2 0 6 8</u>	<u>0 1 2 0</u>	<u>0 3 7 2</u>	<u>2 5 6 0</u>					
9.0 Person responsible for this application:	<table border="1"> <tr> <td>Agency Use Only</td> <td rowspan="3"> <u>Tommy Phipps</u> Name <u>[Signature]</u> Signature <u>August 10, 1979</u> Date Application is Completed </td> <td rowspan="3"> <u>Exec. Vice President</u> Title <u>915-683-5384</u> Phone Number </td> </tr> <tr> <td>Date Received by Juris. Agency</td> </tr> <tr> <td>Date Received by FERC</td> </tr> </table>				Agency Use Only	<u>Tommy Phipps</u> Name <u>[Signature]</u> Signature <u>August 10, 1979</u> Date Application is Completed	<u>Exec. Vice President</u> Title <u>915-683-5384</u> Phone Number	Date Received by Juris. Agency	Date Received by FERC
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U.S. DEPARTMENT OF ENERGY  
Federal Energy Regulatory Commission  
Washington, D.C. 20426

APPLICATION FOR DETERMINATION OF THE MAXIMUM LAWFUL  
PRICE UNDER THE NATURAL GAS POLICY ACT (NGPA)  
(Sections 102, 103, 107 and 108)

PLEASE READ BEFORE COMPLETING THIS FORM:

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102	4	New onshore reservoir
102	5	New reservoir on old OCS Lease
103	—	New onshore production well
107	—	High cost natural gas
108	—	Stripper well

Other Purchasers/Contracts:

Contract Date (Mo. Day Yr.)	Purchaser	Buyer Code
8-6-79	El Paso Natural Gas Company	005708

Remarks:



1.0 API well number: (If not available, leave blank. 14 digits.)	<u>30-025-26346</u>								
2.0 Type of determination being sought: (Use the codes found on the front of this form.)	<u>103</u> Section of NGPA		Category Code						
3.0 Depth of the deepest completion location: (Only needed if sections 103 or 107 in 2.0 above.)	<u>3538</u> feet								
4.0 Name, address and code number of applicant: (35 letters per line maximum. If code number not available, leave blank.)	<u>Black River Corporation</u> Name <u>2100 First National Bank Building</u> Street <u>Midland</u> <u>Texas</u> <u>79701</u> City State Zip Code		<u>001774</u> Seller Code						
5.0 Location of this well: [Complete (a) or (b).] (a) For onshore wells (35 letters maximum for field name.)	<u>Jalmat</u> Field Name <u>Lea</u> <u>N.M.</u> County State								
(b) For OCS wells:	Area Name Block Number Date of Lease: Mo. Day Yr. OCS Lease Number								
(c) Name and identification number of this well: (35 letters and digits maximum.)	<u>El Paso State No. 1</u>								
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)									
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	<u>El Paso Natural Gas Company</u> Name		<u>005708</u> Buyer Code						
(b) Date of the contract:	<u>10 18 10 16 17 19</u> Mo. Day Yr.								
(c) Estimated annual production:	<u>91</u> MMcf.								
	(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices (Indicate + or -)	(d) Total of (a), (b) and (c)					
7.0 Contract price: (As of filing date. Complete to 3 decimal places.)	<u>2.068</u>	<u>0.120</u>	<u>0.372</u>	<u>2.560</u>					
8.0 Maximum lawful rate: (As of filing date. Complete to 3 decimal places.)	<u>2.068</u>	<u>0.120</u>	<u>0.372</u>	<u>2.560</u>					
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Date Received by Juris. Agency									
Date Received by FERC									



**BLACK RIVER CORPORATION**

2100 FIRST NATIONAL BANK BUILDING  
MIDLAND, TEXAS 79701

August 13, 1979

*Copies*  
RECEIVED  
AUG 21 3 25 PM '79  
FEDERAL ENERGY  
REGULATORY  
COMMISSION

Mr. Kenneth F. Plumb, Secretary  
Federal Energy Regulatory Commission  
825 North Capitol Street, N.E.  
Washington, D. C. 20426

Re: Section 103  
National Gas Policy Act of 1978  
Section 273.202 of  
Subchapter H - Regulation of  
Natural Gas Sales under the  
Natural Gas Policy Act of 1978  
Black River Corporation

Dear Mr. Plumb:

Pursuant to Section 273.202 and 273.203 of Subchapter H - Regulation of Natural Gas Sales under the Natural Gas Policy Act of 1978, Black River Corporation, as Operator, herewith files this Statement Under Oath evidencing its election to commerce collecting the applicable price provided for therein, or its proportionate part thereof, for natural gas reserves sold from the El Paso State No. 1 well (API. No. 30-025-26346) located in Lea County, New Mexico.

Black River Corporation believes in good faith that natural gas produced from the El Paso State No. 1 well qualifies as gas produced from a New Onshore Production Well pursuant to Section 103 of the Natural Gas Policy Act of 1978 and is eligible for the maximum lawful price provided for therein.

Black River Corporation hereby certifies that collections under Section 273.202 of Subchapter H - Regulation of Natural Gas Sales under the Natural Gas Policy Act of 1978 will be placed in escrow or secured by a surety bond or a release will be acquired from the purchaser to the extent required by Section 273.302(c) of such Subchapter.



Natural gas produced from the El Paso State No. 1 well is sold to El Paso Natural Gas Company pursuant to the terms of a Gas Purchase Contract dated August 6, 1979.

Black River Corporation is concurrently herewith transmitting its Application for Jurisdictional Determination concerning natural gas attendant to the El Paso State No. 1 well to the New Mexico Oil Conservation Commission by certified mail.

Black River Corporation herein agrees to comply with the refund provisions of Section 273.302(c) of Part 273 of the Commission's Regulations under the Natural Gas Act insofar as they are applicable to any Collections made by or for Black River under such regulations.

Enclosed herewith is a duplicate of FERC Form No. 121 submitted to the New Mexico Oil Conservation Commission with Black River Corporation's Application for Jurisdictional Determination pertaining to the El Paso State No. 1 well. Also, attached hereto is a Certificate of Service To and a list of the working interest owners of the El Paso State No. 1 well for whom payment is also to be made for gas sold hereunder.

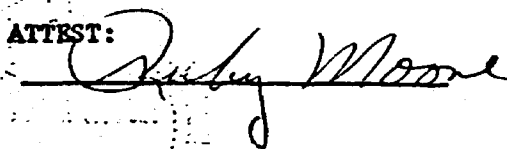
Additionally attached hereto is a Certificate of Service certifying that a copy of this Statement Under Oath has been served on El Paso Natural Gas Company.

All allegations and facts contained herein are true and correct to the best of my knowledge, information and belief.

Respectfully submitted,

BLACK RIVER CORPORATION

ATTEST:

  
Ruby Moore

  
Tommy Phipps, Executive Vice President



SUBSCRIBED AND SWORN TO before me this 14<sup>th</sup> day of August, 1979.

Donna Padgett  
Notary Public in and for  
Midland County, Texas

MY COMMISSION EXPIRES:  
DONNA PADGETT-Notary Public  
in and for Midland County, Texas  
My Commission Expires June 27, 1981



U.S. DEPARTMENT OF ENERGY  
Federal Energy Regulatory Commission  
Washington, D.C. 20426

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Remarks:



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(b) For OCS wells:	Area Name Block Number Date of Lease: Mo. Day Yr. OCS Lease Number							
(c) Name and identification number of this well: (35 letters and digits maximum.)	<u>E1 Paso State No. 1</u>							
(d) If code 4 or 5 in 2.0 above, name of the reservoir: (35 letters maximum.)								
6.0 (a) Name and code number of the purchaser: (35 letters and digits maximum. If code number not available, leave blank.)	<u>El Paso Natural Gas Company</u> <u>005708</u> Name Buyer Code							
(b) Date of the contract:	<u>10 18 10 16 17 19</u> Mo. Day Yr.							
(c) Estimated annual production:	<u>91</u> MMcf.							
	(a) Base Price (\$/MMBTU)	(b) Tax	(c) All Other Prices (Indicate (+) or (-).)	(d) Total of (a), (b) and (c)				
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TO ALL OTHER PARTIES

TO THE JOINT OPERATING AGREEMENT

I, TOMMY PHIPPS, Executive Vice President of BLACK RIVER CORPORATION, as required by Provisions of Subpart B, Part 274.201 (C) of the Commission's Regulations under the Natural Gas Policy Act, certify that notice of application for determination as concerns the El Paso State No. 1 well has been given to all other parties to the Joint Operating Agreement. Attached hereto as Exhibit "A" and made a part hereof is a list of all parties to the Joint Operating Agreement. Each party has received copies of Form C-132 and FERC. No. 121.

BLACK RIVER CORPORATION

Tommy Phipps  
Tommy Phipps, Executive Vice President

THE STATE OF TEXAS

COUNTY OF MIDLAND

Before me, a Notary Public, on this day personally appeared TOMMY PHIPPS of Black River Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office this 14<sup>th</sup> day of August, A. D. 1979.

Carroll E. Addy  
Notary Public in and for Midland  
County, Texas

My Commission Expires:

May 1, 1980

CARROLL E. ADDY - Notary Public  
In and For Midland County, Texas  
My Commission Expires May 1, 1980



EXHIBIT "A"

William B. Blakemore II  
2100 First National Bank Building  
Midland, Texas 79701

Betsy Anne Dwyer  
2100 First National Bank Building  
Midland, Texas 79701

D. L. Hannifin  
Box 182  
Roswell, New Mexico 88201

Robert H. Hannifin  
Box 218  
Midland, Texas 79702

Doyle Hartman  
508 C & K Petroleum Building  
Midland, Texas 79701

Jack G. LeBus  
2100 First National Bank Building  
Midland, Texas 79701

Curtis L. Neeley  
2100 First National Bank Building  
Midland, Texas 79701

Tommy Phipps  
2100 First National Bank Building  
Midland, Texas 79701

Ronald Sowders  
2100 First National Bank Building  
Midland, Texas 79701

Sunshine Energy  
3604 Balcones Drive  
Austin, Texas 78731

Edwin J. White, Jr.  
2100 First National Bank Building  
Midland, Texas 79701

J. A. Davidson  
P. O. Box 494  
Midland, Texas 79702

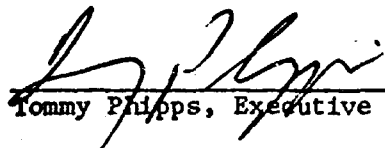


CERTIFICATE OF SERVICE

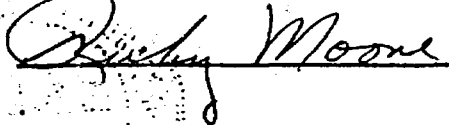
I hereby certify that a copy of the foregoing Statement Under Oath and attachments thereto have been served upon the following Gas Purchaser in compliance with Section 273.202(d) (1) (iii) of Subchapter H of the Federal Energy Regulatory Commission's Regulation of Natural Gas Sales under the Natural Gas Policy Act of 1978:

El Paso Natural Gas Company  
P. O. Box 1492  
El Paso, Texas 79978

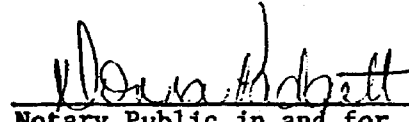
BLACK RIVER CORPORATION

  
Tommy Phipps, Executive Vice President

ATTEST:

  
Shirley Moore

SUBSCRIBED AND SWORN TO before me this 14<sup>th</sup> day of August, 1979.

  
Notary Public in and for  
Midland County, Texas

MY COMMISSION EXPIRES:

DONNA PADGETT-Notary Public  
In and for Midland County, Texas  
My Commission Expires June 27, 1981



915 683-5384

**BLACK RIVER CORPORATION**

2100 FIRST NATIONAL BANK BUILDING  
MIDLAND, TEXAS 79701

August 13, 1979

Mr. Kenneth F. Plumb, Secretary  
Federal Energy Regulatory Commission  
825 North Capitol Street, N.E.  
Washington, D. C. 20426

Re: Section 103  
Natural Gas Policy Act of 1978  
Section 273.202 of Subchapter H -  
Regulation of Natural Gas Sales  
Under the Natural Gas Policy Act  
of 1978  
Black River Corporation

Dear Mr. Plumb:

Please find attached hereto for filing with the Federal Energy Regulatory Commission one original plus six copies of Black River Corporation's Statement Under Oath in compliance with Section 273.202 of Subchapter H - Regulation of Natural Gas Sales under the Natural Gas Policy Act of 1978 applicable to the El Paso State No. 1 well located in Lea County, New Mexico.

Please place your file mark on the extra copy attached hereto, indicating your receipt hereof and return such copy to the undersigned.

Should you have any questions concerning this filing, please direct such questions to the undersigned.

Very truly yours,

Tommy Phipps  
Executive Vice President

TP:rm

Attachments



CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Statement Under Oath and attachments thereto have been served upon the following Gas Purchaser in compliance with Section 273.202(d) (1) (iii ) of Subchapter H of the Federal Energy Regulatory Commission's Regulation of Natural Gas Sales under the Natural Gas Policy Act of 1978:

El Paso Natural Gas Company  
P. O. Box 1492  
El Paso, Texas 79978

BLACK RIVER CORPORATION

Tommy Phipps, Executive Vice President

ATTEST:

\_\_\_\_\_

SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of August, 1979.

Notary Public in and for  
Midland County, Texas

MY COMMISSION EXPIRES:

\_\_\_\_\_



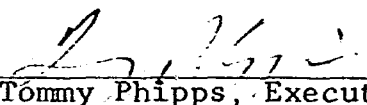
AFFIDAVIT

STATE OF NEW MEXICO    )  
                              ) ss.  
COUNTY OF SANTA FE    )

I, Tommy Phipps, hereby certify that the surface drilling of the El Paso State No. 1-J Well located in Section 22, Township 23 South, Range 36 East, Lea County, New Mexico, the well for which this determination is sought, was begun on or after February 19, 1977; that the well satisfies any applicable federal or state well spacing requirements; and that the well is not within a proration unit which (a) was in existence at the time the surface drilling of the well began, (b) which was applicable to the reservoir from which natural gas is produced and (c) which applied to any other well which either produced natural gas in commercial quantities or the surface drilling of which was begun before February 19, 1977, and was thereafter capable of producing natural gas in commercial quantities.

That on the basis of the results of my search and examination of all pertinent data, I conclude that to the best of my information, knowledge and belief, the natural gas for which this determination is sought is produced from a new, on shore production well.

That I have no knowledge of any other information not described in the application which is inconsistent with this conclusion.

  
Tommy Phipps, Executive Vice  
President  
Alpha Twenty-One Production Company  
and Black River Corporation



SUBSCRIBED AND SWORN TO before me this 13<sup>th</sup> day of November, 1979.

My Commission Expires:  
\_\_\_\_\_

Notary Public



OFFICIAL SEAL

Mary Sue Laurel  
MARY SUE LAUREL

NOTARY PUBLIC - STATE OF NEW MEXICO

My Commission Expires 6/1/83



R. H. Blackman  
Attorney at Law  
Consultant

Ideal Basic Industries  
Potash Company of America Division

P. O. Box 31  
Carlsbad, New Mexico 88220  
505 887 2844

RECEIVED  
SEP 27 1979  
OIL CONSERVATION DIVISION  
SANTA FE

**IDEAL**

September 25, 1979

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

Attention: Mr. Joseph Ramey  
Secretary-Director

Gentlemen:

Enclosed are three copies of protest re: Case No. 6686.

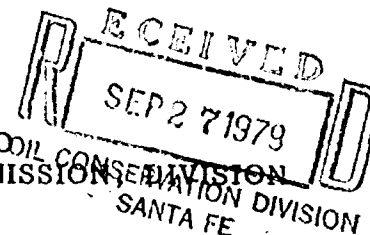
Very truly yours,



RHB /jm  
enc.



STATE OF NEW MEXICO  
BEFORE THE OIL CONSERVATION COMMISSION



IN THE MATTER OF THE  
APPLICATION FOR AN  
EXCEPTION TO ORDER  
R-111-A BY MESA PETROLEUM  
COMPANY

DOCKET NO. 38-79

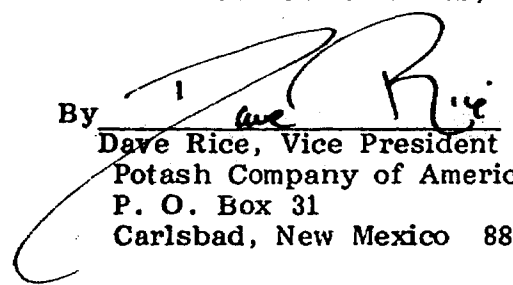
CASE NO. 6686

PROTEST OF IDEAL BASIC INDUSTRIES, INC.

Ideal Basic Industries, Inc. hereby protests the application of Mesa Petroleum Company for an exception to the casing-cement rules in Order No. R-111-A in Section 6, T. 20S., R. 31E., and since it is considered obvious that neither party will accept an Examiner's decision, requests that said application be set for hearing before the full Commission and the notice of hearing before the examiner for October 2, 1979 be vacated.

Respectfully submitted,

IDEAL BASIC INDUSTRIES, INC.

By    
Dave Rice, Vice President  
Potash Company of America Division  
P. O. Box 31  
Carlsbad, New Mexico 88220

c: NMOCC-Santa Fe (3)  
NMOCC-Artesia (3)  
Mesa Petroleum Company  
Vaughn Building, Suite 1000  
Midland, Texas 79701  
U.S.G.S., Roswell (2)  
U.S.G.S., Carlsbad (2)  
U.S.G.S., Artesia (2)



STATE OF NEW MEXICO  
BEFORE THE OIL CONSERVATION COMMISSION, DIVISION

IN THE MATTER OF THE  
APPLICATION FOR AN  
EXCEPTION TO ORDER  
R-111-A BY MESA PETROLEUM  
COMPANY

DOCKET NO. 38-79

CASE NO. 6686

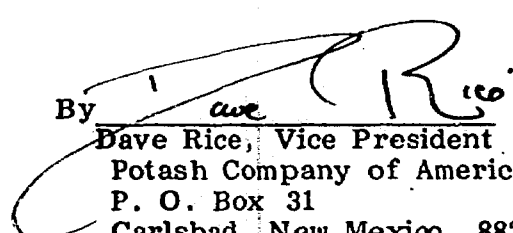
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Dave Rice, Vice President  
Potash Company of America Division  
P. O. Box 31  
Carlsbad, New Mexico 88220

c: NMOCC-Santa Fe (3)  
NMOCC-Artesia (3)  
Mesa Petroleum Company  
Vaughn Building, Suite 1000  
Midland, Texas 79701  
U.S.G.S., Roswell (2)  
U.S.G.S., Carlsbad (2)  
U.S.G.S., Artesia (2)



STATE OF NEW MEXICO  
BEFORE THE OIL CONSERVATION COMMISSION, DIVISION

IN THE MATTER OF THE  
APPLICATION FOR AN  
EXCEPTION TO ORDER  
R-111-A BY MESA PETROLEUM  
COMPANY

DOCKET NO. 38-79

CASE NO. . 6686

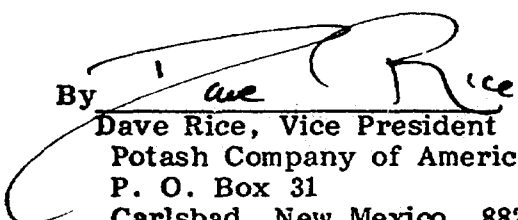
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IDEAL BASIC INDUSTRIES, INC.

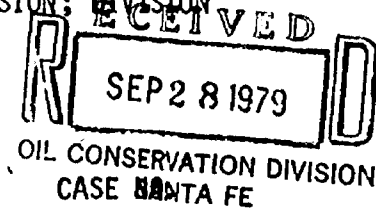
By

  
Dave Rice, Vice President  
Potash Company of America Division  
P. O. Box 31  
Carlsbad, New Mexico 88220

c: NMOCC-Santa Fe (3)  
NMOCC-Artesia (3)  
Mesa Petroleum Company  
Vaughn Building, Suite 1000  
Midland, Texas 79701  
U.S.G.S., Roswell (2)  
U.S.G.S., Carlsbad (2)  
U.S.G.S., Artesia (2)



STATE OF NEW MEXICO  
BEFORE THE OIL CONSERVATION COMMISSION; DIVISION



IN THE MATTER OF THE NOTICE  
OF INTENTION TO DRILL 3 WELLS  
IN SECTION 6, T. 20S., R. 31 E.,  
EDDY COUNTY, NEW MEXICO FILED  
BY MESA PETROLEUM COMPANY

OBJECTION OF DUVAL CORPORATION

Duval Corporation, whose address is P.O. Box 511, Carlsbad, New Mexico, hereby objects to the drilling of 3 wells to be located 1650' FNL and 1850' FWL (#2); 1850' FNL and 900' FWL (#3) and 730' FNL and 900' FWL (#4) of Section 6, T. 20S., R. 31E., Eddy County, New Mexico and hereby states:

1. The land described above is within the oil-potash area as set forth in Order No. R-111A, as amended, by the New Mexico Oil Conservation Commission.
2. Duval Corporation is lessee of a U. S. Government potash lease covering said land.
3. Drilling of a test well at the location specified or any other location to which the well can be moved without further notification will result in waste of potash deposits of substantial value.
4. The Notice of Intention to Drill is deficient in that the casing program does not comply with the requirements of Order R-111, as amended.

Date: September 24, 1979

Respectfully submitted,  
DUVAL CORPORATION

By J. W. Magraw  
J. W. Magraw  
Resident Manager  
Duval Corporation  
P.O. Box 511  
Carlsbad, New Mexico 88220

c: NMOCC - Santa Fe (3)  
NMOCC - Artesia (3)  
Mesa Petroleum Company  
Vaughn Bldg. Midland, Tx. 79701  
Mr. N. O. Frederick, U.S.G.S.  
Roswell (2)  
Mr. John Burleson, U.S.G.S.,  
Carlsbad (2)  
D. Rice - PCA  
J. R. Walls - MCC



STATE OF NEW MEXICO  
BEFORE THE OIL CONSERVATION COMMISSION; DIVISION

IN THE MATTER OF THE NOTICE  
OF INTENTION TO DRILL 3 WELLS  
IN SECTION 6, T. 20S., R. 31 E.,  
EDDY COUNTY, NEW MEXICO FILED  
BY MESA PETROLEUM COMPANY

CASE NO.

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Date: September 24, 1979

Respectfully submitted,

DUVAL CORPORATION

By   
J. W. Magraw

c: NMOCC - Santa Fe (3)  
NMOCC - Artesia (3)  
Mesa Petroleum Company  
Vaughn Bldg. Midland, Tx. 79701  
Mr. N. O. Frederick, U.S.G.S.  
Roswell (2)  
Mr. John Burleson, U.S.G.S.,  
Carlsbad (2)  
D. Rice - PCA  
J. R. Walls - MCC

Resident Manager  
Duval Corporation  
P.O. Box 511  
Carlsbad, New Mexico 88220



STATE OF NEW MEXICO  
BEFORE THE OIL CONSERVATION COMMISSION; DIVISION

IN THE MATTER OF THE NOTICE  
OF INTENTION TO DRILL 3 WELLS  
IN SECTION 6, T. 20S., R. 31 E.,  
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CASE NO.

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Date: September 24, 1979

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J. W. Magraw  
Resident Manager  
Duval Corporation  
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Carlsbad, New Mexico 88220

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Mesa Petroleum Company  
Vaugn Bldg. Midland, Tx. 79701  
Mr. N. O. Frederick, U.S.G.S.  
Roswell (2)  
Mr. John Burleson, U.S.G.S.,  
Carlsbad (2)  
D. Rice - PCA  
J. R. Walls - MCC



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
Oil Conservation Division  
State Land Office Bldg.  
Santa Fe, New Mexico  
2 October 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Mesa Petroleum Com- ) CASE  
pany for an exception to Order No. ) 6686  
R-111A, Eddy County, New Mexico. )

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel for the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87503

SALLY WALTON BOYD  
CERTIFIED SHORTHAND REPORTER  
3030 Plaza Blanca (SSE) 471-3462  
Santa Fe, New Mexico 87501



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MR. STAMETS: Call next Case 6686.

MR. PADILLA: Application of Mesa Petroleum Company for an exception to Order No. R-111A, Eddy County, New Mexico.

MR. STAMETS: This case will be dismissed upon the motion of the applicant.

(Hearing concluded.)

SALLY WALTON BOYD  
CERTIFIED SHORTHAND REPORTER  
3020 Plaza Elbea (SOS) 471-4402  
Santa Fe, New Mexico 87501



## REPORTER'S CERTIFICATE

I, SALLY W. 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 said hearing, prepared by me to the best of my  
ability from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.  
Sally W. Boyd, C.S.R.

SALLY WALTON BOYD  
CERTIFIED SHORTHAND REPORTER  
3030 Plaza Blanca (606) 471-2462  
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. 6686  
heard by me on 10-7-79.  
Richard P. [Signature], Examiner  
Oil Conservation Division



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
Oil Conservation Division  
State Land Office Bldg.  
Santa Fe, New Mexico  
2 October 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Mesa Petroleum Com- ) CASE  
pany for an exception to Order No. ) 6686  
R-111A, Eddy County, New Mexico. )

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel for the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87503

SALLY WALTON BOYD  
CERTIFIED SHORTHAND REPORTER  
3010 Plaza Blanca (SOS) 471-2442  
Santa Fe, New Mexico 87501



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MR. STAMETS: This case will be dismissed upon the motion of the applicant.

(Hearing concluded.)

SALLY WALTON BOYD  
CERTIFIED SHORTHAND REPORTER  
3020 Plaza Blanca (SSE) 471-2462  
Santa Fe, New Mexico 87501



## REPORTER'S CERTIFICATE

I, SALLY W. 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 said hearing, prepared by me to the best of my  
ability 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 correct and true transcript of the proceedings in  
the examination hearing of Case No. \_\_\_\_\_,  
heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

SALLY WALTON BOYD  
CERTIFIED SHORTHAND REPORTER  
2026 Plaza Blanca (SOS) 471-2452  
Santa Fe, New Mexico 87501



CASE 6682: (This case will be dismissed.)

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 Wolfcamp-Mississippian formations underlying the N/2 of Section 28, Township 18 South, Range 29 East, 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 6683: Application of Read & Stevens, Inc. for an unorthodox well location and non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Devonian test well to be located 330 feet from the North line and 100 feet from the West line of Section 6, Township 11 South, Range 37 East, Lots 5 and 6 of said Section 6 to be dedicated to the well as a non-standard 49.33-acre proration unit.

CASE 6684: Application of CO<sub>2</sub>-In-Action, Inc. for creation of a new carbon dioxide gas pool and special pool rules, Harding County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the North Bueyeros-Santa Rosa CO<sub>2</sub> Gas Pool and the promulgation of special pool rules therefor, including a provision for 40-acre spacing and proration units. Said pool would comprise all or parts of Sections 1 thru 4, Township 20 North, Range 30 East, and Sections 8, 9, 10, 15, 16, 17, 20, 21, 22, 27, 28, 32, 33 and 34, Township 21 North, Range 30 East.

CASE 6685: Application of ARCO Oil and Gas Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry and Drinkard production in the wellbore of its J. R. Cone A Well No. 2 located in Unit L of Section 26, Township 21 South, Range 37 East.

CASE 6686: Application of Mesa Petroleum Company for an exception to Order No. R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing-cementing rules of Order No. R-111-A to permit a well to be drilled in Unit F of Section 6, Township 20 South, Range 31 East, without a salt protection string and to circulate cement on the production string. Applicant also seeks the same exception for a possible future well in Unit E of said Section 6.

\*\*\*\*\*

Docket No. 39-79

DOCKET: COMMISSION HEARING - WEDNESDAY - OCTOBER 3, 1979

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

CASE 6652: (Continued from September 19, 1979, Examiner Hearing)

Application of Shell Oil Company for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of a pressure maintenance project, all mineral interests in the North Hobbs Grayburg-San Andres Unit encompassing 10,650 acres, more or less, underlying all or portions of the following lands in Lea County, New Mexico: Sections 13, 14, 23, 24, 25, 26, and 36, Township 18 South, Range 37 East; Sections 17 through 21 and 27 through 34, Township 18 South, Range 38 East.

The unitized interval would be the Grayburg-San Andres Formation between the depths of 3,698 feet and 4,500 feet in Shell's State A Well No. 7, located in Unit H of Section 32, Township 18 South, Range 38 East.

Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.



CAMPBELL AND BLACK, P.A.

LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
PAUL R. CALOWELL

POST OFFICE BOX 2208  
JEFFERSON PLACE  
SANTA FE, NEW MEXICO 87501  
TELEPHONE (505) 968-4421

September 21, 1979

Mr. Joe Ramey  
Oil Conservation Commission  
State Land Office Building  
Santa Fe, New Mexico 87503

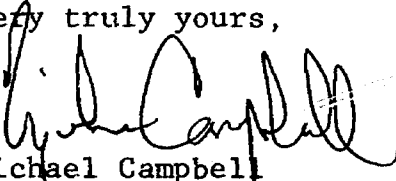
Re: Application of Mesa Petroleum Company for an  
Exception to Order No. R-111-A.

Dear Mr. Ramey:

Enclosed please find the Application of Mesa Petroleum  
Company for an Exception to Order No. R-111-A.

I would appreciate your setting this matter for hearing  
at the next available date.

Very truly yours,



Michael Campbell

MC;ama  
enclosure  
cc: D. Dale Gillette



BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN RE: APPLICATION OF MESA )  
PETROLEUM CO. FOR AN EXCEPTION )  
TO ORDER NO. R-111-A )

CASE NO.

6686  
**RECEIVED**  
SEP 21 1979

Oil Conservation

APPLICATION

COMES NOW MESA PETROLEUM CO. (hereinafter referred to as "Applicant") by and through its attorneys, and hereby makes application for an order granting an exception to certain requirements of Order No. R-111-A, Case No. 278 (hereinafter referred to as the "Potash Order") issued the 13th day of October, 1955, by the Oil Conservation Commission of New Mexico (hereinafter referred to as the "Commission"), and in support thereof, would show the following:

1. Applicant is the owner of 47.20% working interest in oil and gas leases covering an area including the SW/4 SW/4, Section 31, Township 19 South, Range 31 East; the NW/4 NW/4, the SW/4 NW/4 and the SE/4 NW/4 of Section 6, Township 20 South, Range 31 East of Eddy County, New Mexico, encompassing 160 acres, more or less, as shown in greater detail on Mesa Petroleum Co. Exhibit No. 1 attached hereto and incorporated herein.
2. Applicant proposes to drill a development well within the said tracts which well would be located 1650 feet from the North line and 1850 feet from the West line of Section 6, Township 20 South, Range 31 East, Eddy County, New Mexico.



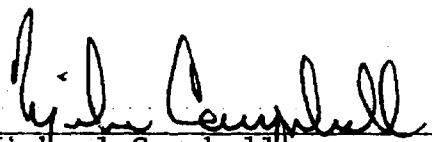
3. Applicant requests an exception from the requirements of Section IV, subparagraphs 3(a) and 3(b)(1) of the Potash Order as those provisions would affect the drilling of the above-mentioned well. Applicant proposes instead to drill and set surface casing in the "Red Bed" Section of the basal Rustler formation, estimated at 500 feet (as required under Section IV, subparagraph 2(a) of the Potash Order), thereafter to drill to a total depth of approximately 2300 feet where completion casing will be set and cemented with sufficient volume to cover all pay and salt zones, and tie cement back into surface casing. Attached hereto and incorporated herein is Mesa Petroleum Co. Exhibit No. 2 which further describes the casing program.
4. Applicant believes that the proposed well is outside the area of proven potash deposits, and that therefore no good and valid reason exists to set a "salt protection" casing string as provided by the Potash Order. Further, Applicant would show that to set "salt protection" casing would increase the cost of drilling the well by approximately \$45,000.
5. By granting the requested exception, the Commission's stated objective of preventing waste, protecting correlative rights and permitting the economic recovery of oil and gas from the potash minerals area will be promoted, and at the same time assuring the conservation of New Mexico's potash deposits.

WHEREFORE, the Applicant prays that this Application be set for hearing before the Division's duly appointed examiner,



and that after notice and hearing as required by law, the Division enter its order granting an exception to the Potash Order as requested by Applicant in this Application, and for such other and further relief as may be proper.

Respectfully submitted,  
CAMPBELL AND BLACK, P.A.

By   
Michael Campbell  
Post Office Box 2208  
Santa Fe, New Mexico 87501

D. D. Dent  
D. Dale Gillette  
Mesa Petroleum Co.  
Post Office Box 2009  
Amarillo, Texas 79189

Attorneys for Mesa Petroleum Co.







Memorandum  
From O. L. L. L.  
1972



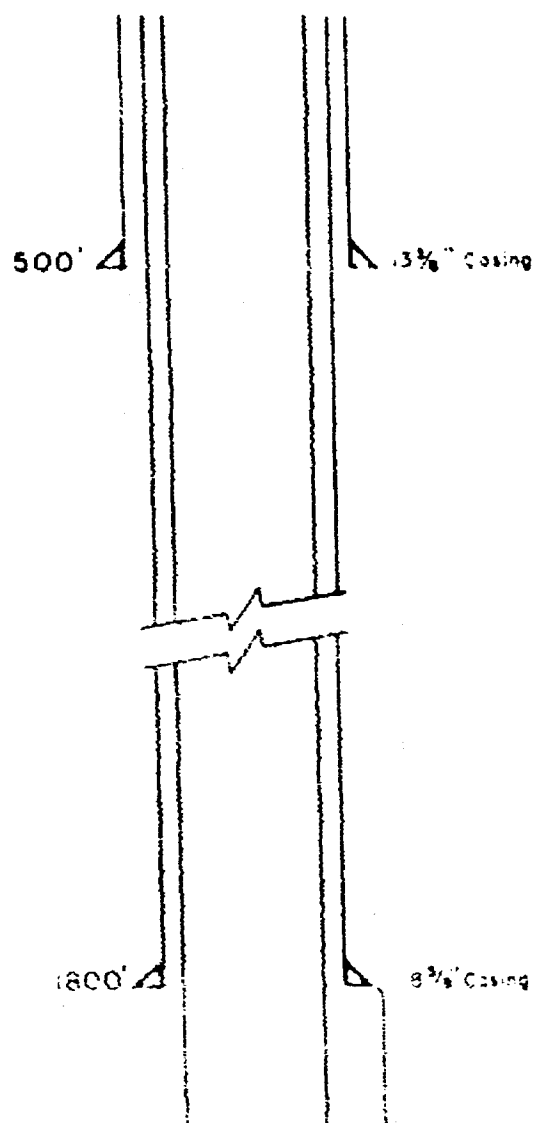
MESA  
PETROLEUM CO.  
PERMANENT DIVISION



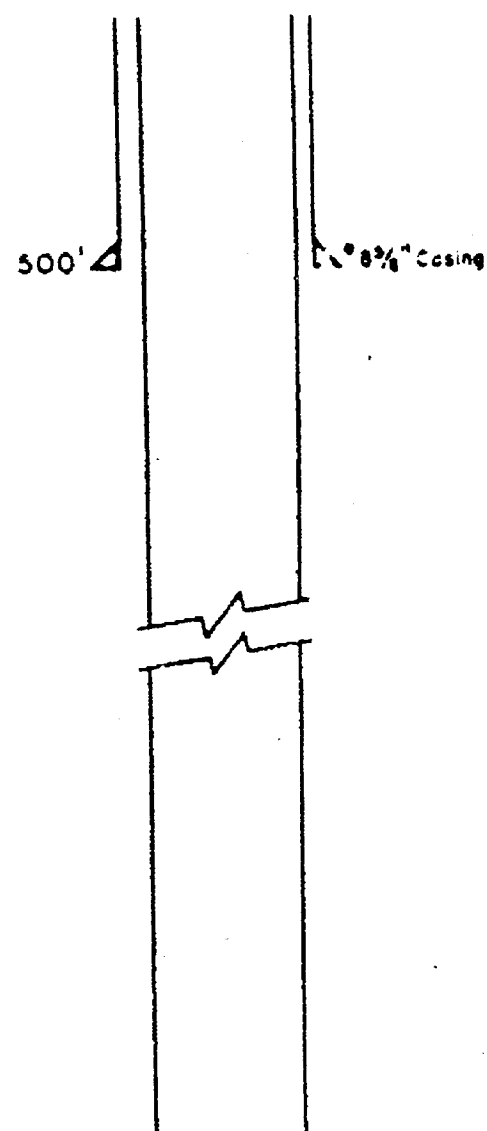
EXHIBIT NO. 2

R-III-A EXCEPTION  
CASING PROGRAM

R-III-A CASING



PROPOSED CASING





BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN RE: APPLICATION OF MESA )  
PETROLEUM CO. FOR AN EXCEPTION )  
TO ORDER NO. R-111-A )

CASE NO. 6686

RECEIVED

SEP 21 1979

APPLICATION

Oil Conservation

COMES NOW MESA PETROLEUM CO. (hereinafter referred to as "Applicant") by and through its attorneys, and hereby makes application for an order granting an exception to certain requirements of Order No. R-111-A, Case No. 278 (hereinafter referred to as the "Potash Order") issued the 13th day of October, 1955, by the Oil Conservation Commission of New Mexico (hereinafter referred to as the "Commission"), and in support thereof, would show the following:

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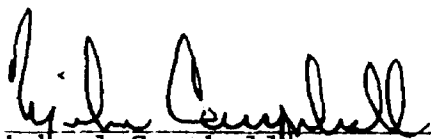
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5. By granting the requested exception, the Commission's stated objective of preventing waste, protecting correlative rights and permitting the economic recovery of oil and gas from the potash minerals area will be promoted, and at the same time assuring the conservation of New Mexico's potash deposits.

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Santa Fe, New Mexico 87501

D. D. Dent  
D. Dale Gillette  
Mesa Petroleum Co.  
Post Office Box 2009  
Amarillo, Texas 79189

Attorneys for Mesa Petroleum Co.







Memorandum  
From D. Gullett  
10/2



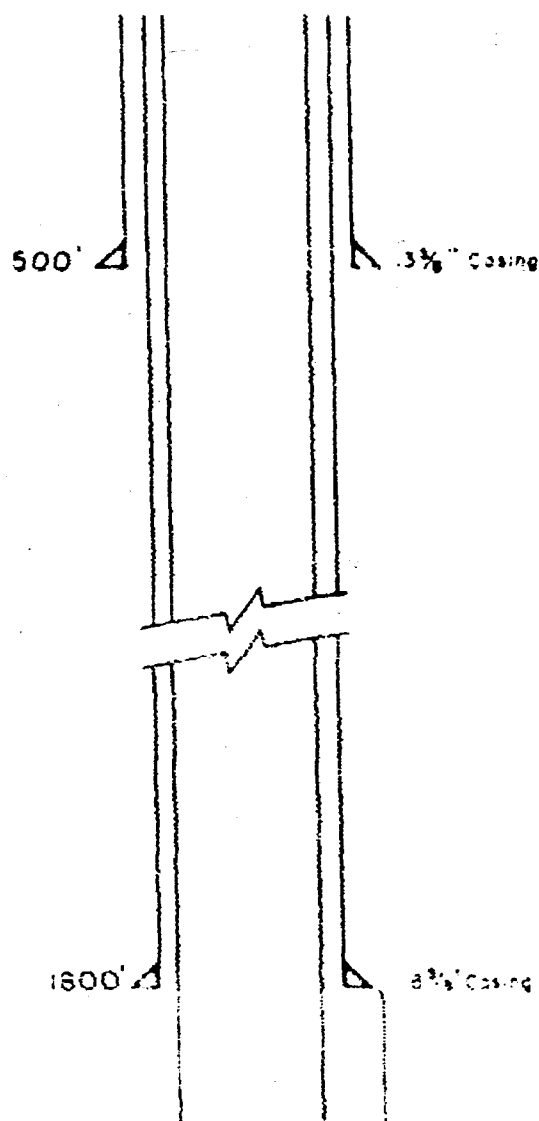
**MESA**  
PETROLEUM CO.  
PERMIAN BASIN DIVISION



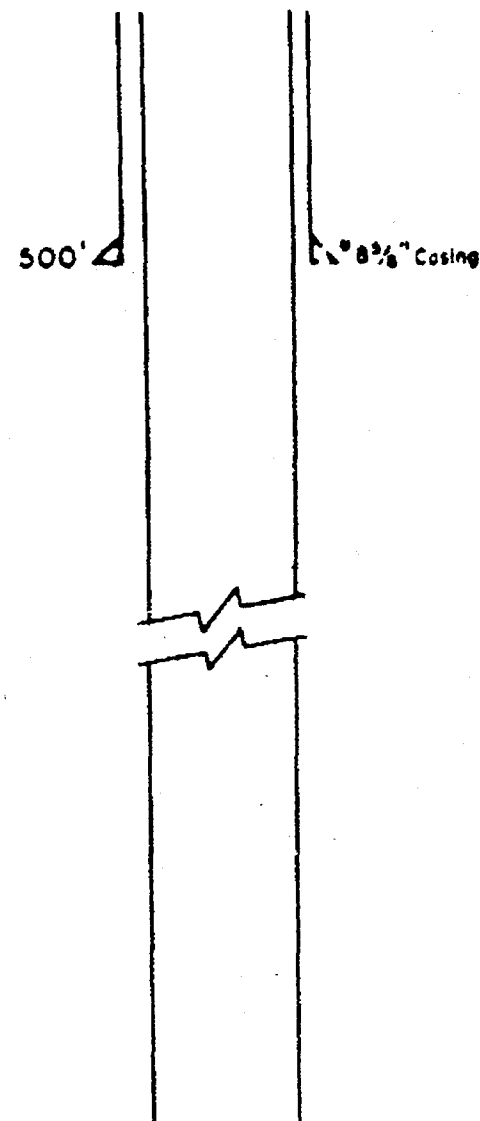
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R-III-A EXCEPTION  
CASING PROGRAM

R-III-A CASING



PROPOSED CASING





BEFORE THE  
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NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN RE: APPLICATION OF MESA )  
PETROLEUM CO. FOR AN EXCEPTION )  
TO ORDER NO. R-111-A )

CASE NO. 6686

RECEIVED  
SEP 21 1979

APPLICATION

Oil Conservation

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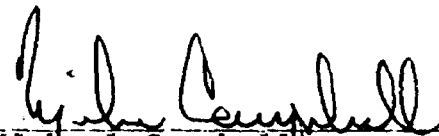


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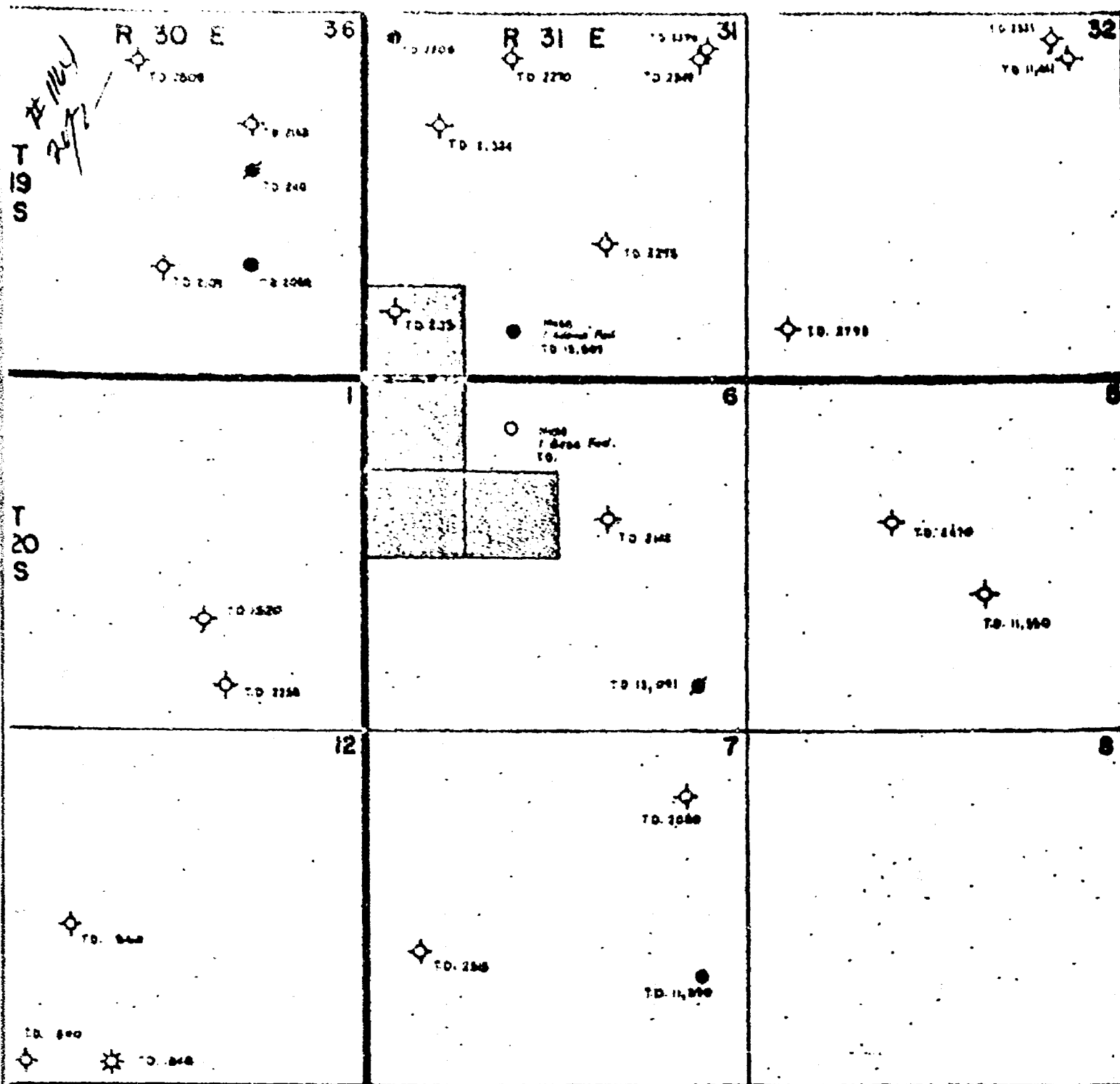


Michael Campbell  
Post Office Box 2208  
Santa Fe, New Mexico 87501

D. D. Dent  
D. Dale Gillette  
Mesa Petroleum Co.  
Post Office Box 2009  
Amarillo, Texas 79189

Attorneys for Mesa Petroleum Co.





MESA PETROLEUM CO.

EXHIBIT NO. 1

Plat Map



Memorandum 1164  
From D. Gullett  
10/2



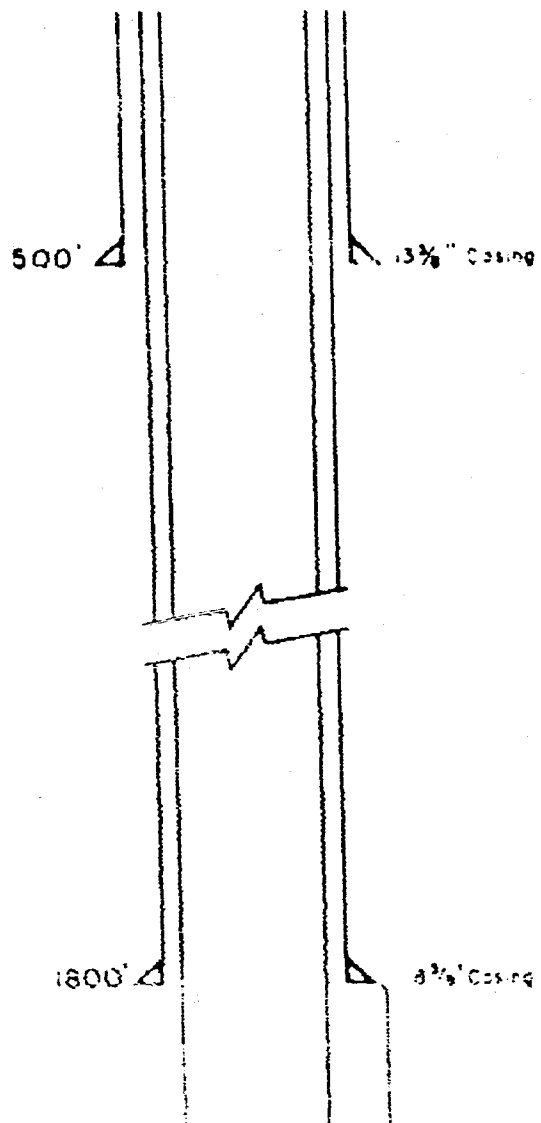
MESA  
PETROLEUM CO.  
PERMANENT DIVISION



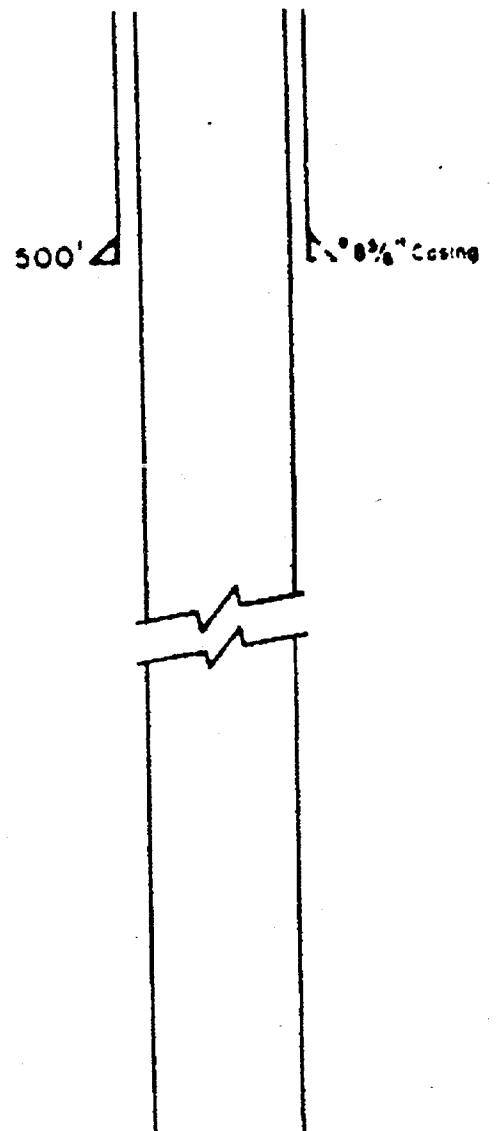
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R-III-A EXCEPTION  
CASING PROGRAM

R-III-A CASING



PROPOSED CASING





BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN RE: APPLICATION OF MESA )  
PETROLEUM CO. FOR AN EXCEPTION )  
TO ORDER NO. R-111-A )

CASE NO. 6686

RECEIVED

SEP 21 1979

APPLICATION

Oil Conservation

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and that after notice and hearing as required by law, the Division enter its order granting an exception to the Potash Order as requested by Applicant in this Application, and for such other and further relief as may be proper.

Respectfully submitted,

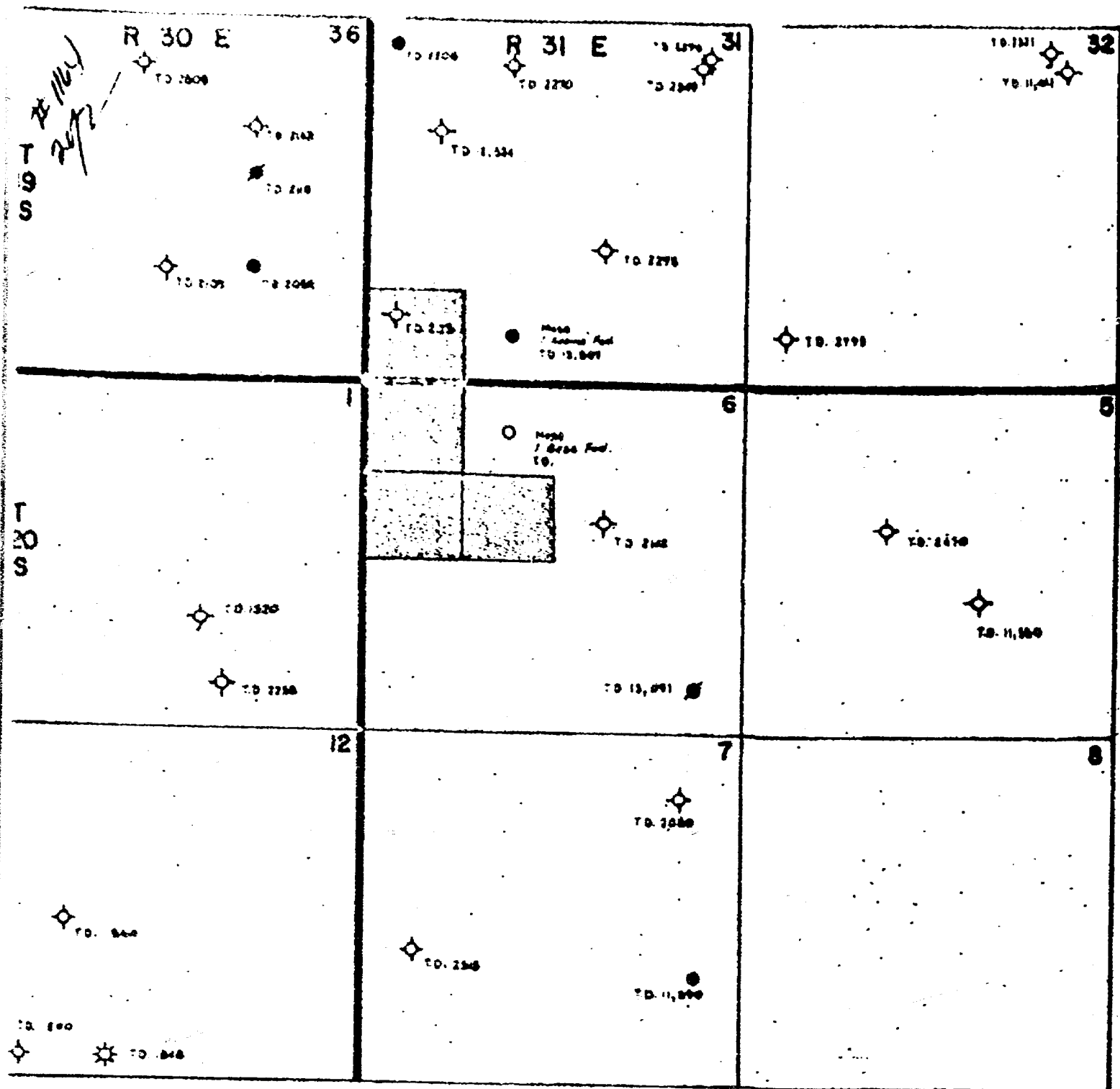
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Mesa Petroleum Co.  
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Amarillo, Texas 79189

Attorneys for Mesa Petroleum Co.





MESA PETROLEUM CO.

EXHIBIT NO. 1

Plat Map



Memorandum  
From D. Gullett  
10/2

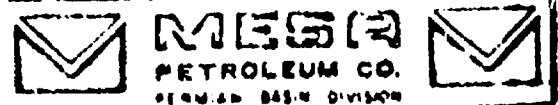
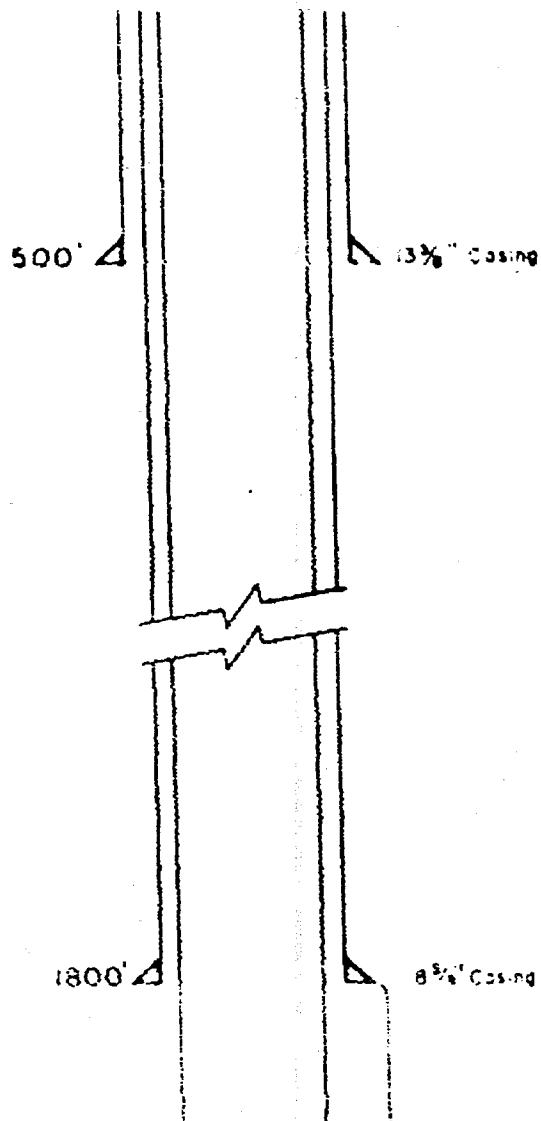


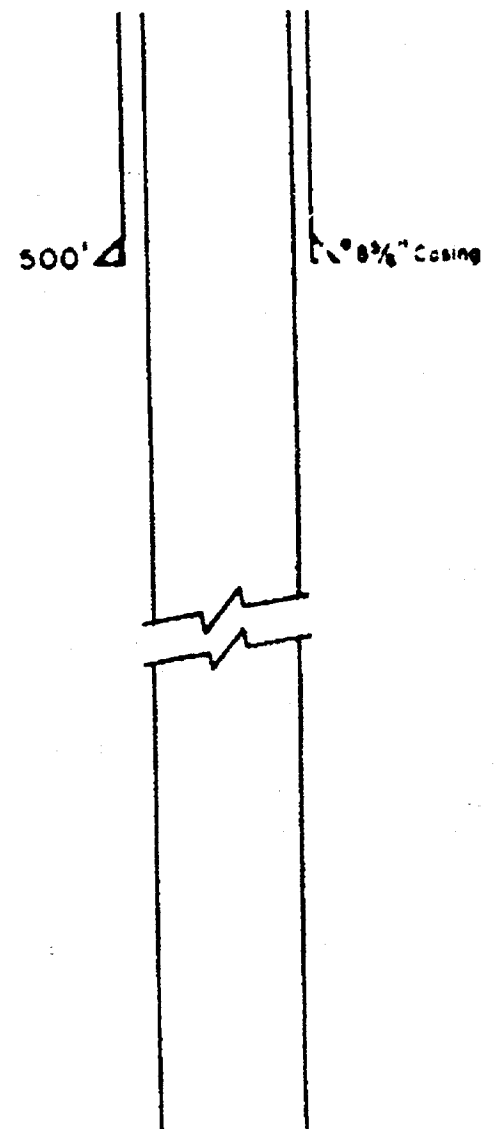
EXHIBIT NO. 2

R-III-A EXCEPTION  
CASING PROGRAM

R-III-A CASING



PROPOSED CASING





DRAFT

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

dr/

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

CASE NO. 6686

Order No. R- 6149

APPLICATION OF MESA PETROLEUM COMPANY  
FOR AN EXCEPTION TO ORDER NO. R-111-A,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 2,  
19 79, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this        day of October, 19 79, 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. 6686 is hereby dismissed.

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



Mr. M. H. S.  
Mesa Pet

RHS  
9-12-09

Application of Mesa  
Petroleum Company for exception  
To Order R. 111-A. Applicant  
seek an exception to the salt  
protection string casing requirements of  
said order (See 4 para 3 (a) and (b)(i))  
with the ~~NE 1/4~~ <sup>W 1/2 NW 1/4, SE 1/4 NW 1/4 and S 1/2 NE 1/4</sup> of Section 6 - T20S-R  
R 31E and the SW 1/4 SW 1/4 of Sec 31-T19S

R 31E. Applicant proposes to drill  
its Bass Fed Well No 2 1650 FNL  
1850 W @ Sec 6. within the exception  
area without salt string to Yates  
fm at 2100 and to circulate cement  
on the production string.

