CASE 7017: BASS ENTERPRISES PRODUCTION ~ CO. COMPANY FOR POOL CREATION, EDDY COUNTY, NEW MEXICO

A Comment

# CASE NO.

7017

APPlication,
Transcripts,
Small Exhibits,

ETC.



# ARRY KEHOE

## 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

September 12, 1980

Mr. Conrad E. Coffield Hinkle, Cox, Eaton, Coffield & Hensley
Attorneys at Law
Post Office Box 3580
Midland, Texas 79702

Re: CASE NO. ORDER NO. R 6474

Applicant:

Bass Enterprises Production Company

Dear Sir:

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

Ypurs very truly, JOE D. RAMEY Director

JDR/fd Copy of order also sent to: Hobbs OCD Artesia OCD\_x Aztec OCD\_\_\_ Other

## STATE OF NEW MEXICO ENERGY AND MINERAL'S DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 7017 Order No. R-6474

APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY FOR POOL CREATION, EDDY COUNTY, NEW MEXICO.

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 3, 1980, at Santa Fe, New Mexico, before Examiner Danial 5. Nutter.

NOW, on this 11th day of September, 1980, 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. 7017 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION

JOE D. RAMEY

Director

SEAL fd/ Mexico.

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MR. NUTTER: Call next Case Number 7017.

MR. PADILLA: Application of Bass Enterprises Production Company for pool creation, Eddy County, New

MR. NUTTER: Applicant in this case has requested dismissal.

Case Number 7017 will be dismissed.

(Hearing concluded.)

SALLY W. BOYD, C.

#### CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sassy W. Boyd C.S. R.

I do hereby certify that the foregoing is a complete servere of the proceedings in the examiner hearing of Case No. 2012, heard by the on 1986. Oll Conservation Division ... Examiner

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
3 September 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises )
Production Company for pool creation,)
Eddy County, New Mexico.

CASE **7017** 

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 37501

For the Applicant:

\* **Y** 

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#### CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

> I do heroby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2017, heard by me on 9/3 19.80. 🚅, Examiner

Oil Conservation Division

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#### LAW OFFICES

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August 27, 1980

Mr. Dan Nutter Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

> Re: Bass Enterprises Production Company - Case No. 7017

Dear Dan:

This will confirm my telephone conversation with you today requesting a dismissal of the above referenced case. I trust that this letter of confirmation is all that you will require in order to properly note your records to show the dismissal of this particular case. However, if anything further is needed, please let me know.

Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Conrad E. Coffield

CEC:rh

xc: Mr. Jim Pullig

xc: Mr. Steve Rowland

xc: Mr. Bob Cunningham

Docket No. 27-80

Dockets Nos. 29-80 and 30-80 are tentatively let for September 17 and October 1, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 3, 1980

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:

- Application of Tenneco Oil Company for compulsory pooling, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Pennsylvanian formations underlying the S/2 of Section 36, 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7016: Application of Harvey E. Yates Company for compulsory pooling, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Mississippian formations underlying the E/2 of Section 18, Township 15 South, Range 27 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7006: (Continued from August 20, 1980, Examiner Hearing)

Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the Northwest Gladiola Unit Area, comprising 1,280 acres, more or less, of State and fee lands in Townships 11 and 12 South, Range 37 East.

CASE 7007: (Continued from August 20, 1980, Examiner Hearing)

Application of Harvey E. Yates Company for downhole commingling, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the downhole commingling of Horrow and

Atoka production in the wellbore of its North Travis 12 Deep Well No. 1 located in Unit O of Section
12, Township 18 South, Range 28 East.

- CASE 7017:
  Application of Bass Enterprises Production Company for pool creation, Eddy County, New Mexico.
  Applicant, in the above-styled cause, seeks the creation of a new Bone Spring gas pool for its Big Eddy Unit Well No. 60 located in Unit J of Section 20, Township 21 South, Range 28 East, with classification of wells with a GOR of 20,000 or more as gas wells.
- CASE 7018: Application of Shell Oil Company for an exception to Division Rule No. 202(B), San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a one year extension to the exception to Rule 202(B) previously approved by Order No. R-5655 for certain of its Carson Unit wells in the Bisti Pool. Applicant further requests an administrative procedure for any future extensions.
- CASE 7019: 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 W/2 of Section 30, Township 23 South, Range 25 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 6991: (Continued from August 6, 1980, Examiner Hearing)

Application of Amoco Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in a 100 foot perforated interval between 4400 feet and 4800 feet in its South Hobbs Unit Well No. 103 in Unit B of Section 15, Township 19 South, Range 38 East, Hobbs Grayburg-San Andres Pool.

CASE 7000: (Continued from August 20, 1980, Examiner Hearing)

Application of Cavalcade Oil Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its McClay Well No. 11 2385 feet from the South line and 1834 feet from the West line of Section 33, Township 18 South, Range 30 East, the NE/4 SW/4 of said Section 33 to be dedicated to the well.

O O C

Page 2 of 2 Examiner Hearing - Wednesday - September 3, 1980

Docket No. 27-80

CASE 7020: Application of Mesa Petroleum Co. for pool creation, special pool rules and an oil discovery allowable, Rio Arriba and San Juan Counties, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Gallup oil pool for its South Blanco Federal Well No. 1-6 located in Unit A of Section 6, Township 23 North, Range 7 West, and special rules therefor, including a provision for 80-acre spacing units. Applicant further seeks a discovery allowable for the aforesaid well.

CASE 6822: (Reopened and Readvertised)

In the matter of Case 6822 being reopened pursuant to the provisions of Order No. R-6293 which order created the West Double X-Wolfcamp Gas Pool as a retrograde gas condensate pool and set special production limitations therein. Operator(s) may appear and present evidence to establish the true nature of the reservoir and proper rates of withdrawal therefrom.

CASE 6996: (Continued from August 20, 1980, Examiner Hearing)

Application of John E. Schalk for compulsory pooling, Rio Arriba County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Blanco

Mesaverde Pool underlying the NE/4 of Section 8, Township 25 North, Range 3 West, 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, designation of applicant as operator of the well, and a charge

for risk involved in drilling said well.

Docket No. 28-80

#### DOCKET: COMMISSION HEARING - THURSDAY - SEPTEMBER 4, 1980

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

CASE 6889: (DE NOVO)

Application of Belco Petroleum Corporation for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill a well, the surface location of which is 1980 feet from the North line and 920 feet from the West line of Section 36, Township 22 South, Range 30 East, in such a manner as to bottom it at an unorthodox location within 100 feet of a point 1320 feet from the North line and 2640 feet from the West line of said Section 36 in the Morrow formation, the N/2 of said Section 36 to be dedicated to the well.

Upon application of Duval Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

Evidence and testimony or arguments in this hearing shall be limited to the issue of whether Duval Corporation has standing to object to the application of Belco Petroleum Corporation.

Big Eddy Chinh # 60 J-20-21-28 Eddy Co. creace new gas poul with classification of gas as 20,000 se more Base Enterpries Prod Co. Canrad Cappield 3:45 pm 8/11/80 for Sept 3

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

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ON, COFFIELD, MARTIN

August 12, 1980

Mr. Dan Nutter Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

ECEIVED AUG 1 5 1980 OIL CONSERVATION DIVISION SANTA FE

Case 7017

Bass Enterprises Production Co. Application for Pool Creation and Special Pool Rules, Eddy County, New Mexico

Dear Dan:

Per our recent telephone conversation, transmitted herewith you will find triplicate executed copies of an Application for Bass Enterprises Production Co. for pool creation in connection with its Big Eddy Unit No. 60 Well in Eddy County, New Mexico, with special pool rules therefor including classification of gas

My client would very much appreciate having this matter set on the docket for the September 3, 1980 hearing.

I trust that the enclosed copies of the Application are all that is needed for this to be set for the September 3 hearing. However, if anything further is needed in this connection, please

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Conrad E. Coffield

CEC:rh Enclosure

xc: Mr. J. E. Pullig Bass Enterprises Production Co.
Post Office Box 2760
Midland, Texas 79702
xc: Mr. R. M. Cunningham

Bass Enterprises Production Co.
Post Office Box 2760
Midland, Texas 79702

MIGIANG, Texas /9/02

XC: Mr. Steve Rowland

Bass Enterprises Production Co.

Post Office Box 2760

Midland, Texas 79702

BEFORE THE OIL CONSERVATION DIVISION OF

THE DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR POOL CREATION AND SPECIAL POOL RULES, EDDY COUNTY, NEW MEXICO

ECEIVED AUG 1 5 1980 OIL CONSERVATION DIVISION SANTA FE

APPLICATION

Case 7017

Bass Enterprises Production Co., by its undersigned attorneys, hereby makes application for pool creation and special pool rules in connection with certain Eddy County, New Mexico

- 1. Applicant seeks the creation of a new Bone Springs Gas lands as follows: Pool for its Big Eddy Unit No. 60 Well located in Unit "J" Section 20, Township 21 South, Range 28 East, N.M.P.M., Eddy County, New Mexico and special pool rules therefor to include the classification of gas wells at a 20,000 to 1 gas-oil ratio.
  - 2. Said proposed new Bone Springs Gas Pool was discovered by the Big Eddy Unit No. 60 Well located in Unit "J" Section 20, Township 21 South, Range 28 East, N.M.P.M., Eddy County, New Mexico, which well was recently put on line through a sweetening unit, with gas now being sold to Natural Gas Pipeline of America.
    - 3. Matters urged by the Applicant herein are in the interest of conservation, prevention of waste and protection of correla-
    - 4. Applicant requests this matter to be heard at the tive rights. September 3, 1980 Examiner's hearing.

HINKLE, COX, EATON, COFFIELD & HENSLEY

Post Office Box 3580 Midland, Texas 79702

Attorneys for Bass Enterprises production Co.

BEFORE THE OIL CONSERVATION DIVISION OF ECEIVED THE DEPARTMENT OF ENERGY AND MINERALS AUG 1 5 1980 STATE OF NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR POOL CREATION AND SPECIAL POOL RULES, EDDY COUNTY, NEW MEXICO

Cuse 7017

SANTA FE

#### APPLICATION

Bass Enterprises Production Co., by its undersigned attorneys, hereby makes application for pool creation and special pool rules in connection with certain Eddy County, New Mexico lands as follows:

- 1. Applicant seeks the creation of a new Bone Springs Gas Pool for its Big Eddy Unit No. 60 Well located in Unit "J" Section 20, Township 21 South, Range 28 East, N.M.P.M., Eddy County, New Mexico and special pool rules therefor to include the classification of gas wells at a 20,000 to 1 gas-oil ratio.
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- 3. Matters urged by the Applicant herein are in the interest of conservation, prevention of waste and protection of correlative rights.
- 4. Applicant requests this matter to be heard at the September 3, 1980 Examiner's hearing.

HINKLE, COX, EATON, COFFLELD & HENGLEY

By:

Conrad E. Coffield Post Office Box 3580 Midland, Texas 79702

Attorneys for Bass Enterprises

Production Co.

BEFORE THE OIL CONSERVATION DIVISION OF

THE DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO

ECEIVED AUG 1 5 1980 OIL CONSERVATION DIVISION SANTA FE

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR POOL CREATION AND SPECIAL POOL RULES, EDDY COUNTY, NEW MEXICO

Case 7017

#### APPLICATION

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- 1. Applicant seeks the creation of a new Bone Springs Gas Pool for its Big Eddy Unit No. 60 Well located in Unit "J" Section 20, Township 21 South, Range 28 East, N.M.P.M., Eddy County, New Mexico and special pool rules therefor to include the classification of gas wells at a 20,000 to 1 gas-oil ratio.
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- 4. Applicant requests this matter to be heard at the September 3, 1980 Examiner's hearing.

HINKLE, COX, EATON, COFFIELD & HENSLEY

Conrad E. Coffield Post Office Box 3580 Midland, Texas 79702

Attorneys for Bass Enterprises

Production Co.

DRAFT

## 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:

ı	
	CASE NO. 7017
	Order No. R- (64)4
	APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY FOR POOL CREATION, EDDY COUNTY, NEW MEXICO.
	ORDER OF THE DIVISION
	BY THE DIVISION:
	This cause came on for hearing at 9 a.m. on September 3
	1980 , at Santa Fe, New Mexico, before Examiner Daniel S. Nutte
	NOW, on thisday of September , 1980 , 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. 7017 is hereby dismissed.
	DONE at Santa Fe, New Mexico, on the day and year hereinabov
	designated.