

CASE NO.

7051

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.



ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

March 10, 1931

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

Re: CASE NO. 7051
ORDER NO. R-6616

Mr. T. Calder Ezzell, Jr.
Hinkle, Cox, Eaton, Coffield
& Hensley
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Applicant:

Petro Lewis Corporation

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. 7051
Order No. R-6616

APPLICATION OF PETRO LEWIS
CORPORATION FOR DOWNHOLE COMINGLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 25, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of March, 1981, 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. 7051 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY,
Director

dr/

CAMPBELL & HEDRICK
P. O. BOX 401 220 MID-AMERICA BLDG.
MIDLAND, TEXAS 79701

February 25, 1981

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

RECEIVED
MAR 02 1981
OIL CONSERVATION DIVISION
SANTA FE
File Case no
Re: DOCKETT # 7051

Attention: Mr. Dan Nutter

Dear Sir:

This will confirm conservation on February 23, 1981 during which Campbell & Hedrick advised you that we were withdrawing our objection to Petro Lewis Warlick well application to downhole commingle Blinbry-Drinkard oil, your Docket # 7051.

Sincerely,

O.F. Hedrick, Jr.
O.F. Hedrick, Jr.
Partner

OFH/dn

CAMPBELL & HEDRICK

P. O. BOX 401 220 MID-AMERICA BLDG.
MIDLAND, TEXAS 79701

September 15, 1980

Petro Lewis Corporation
P.O. Box 937
Levelland, Texas 79336

Re: Warlick & Warlick "A"
Warlick (B)

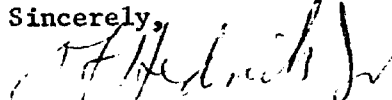
Attention: Michael G. Handren

Dear Sir:

Our records reflect that while Amerada was operating the above leases that application for 120 acre non-standard gas proration unit in the Blinebry Zone, consisting of the S/2 NE/4 and NW/4 SE/4 of Section 19, T21S, R37E, Lea County, New Mexico was obtained from the Oil Conservation Commission thru Compulsory Pooling. Order No. R-2637 summarizes the findings and the order.

Inasmuch as ownership of the Blinebry Zones is now different from ownership of the Drinkard Zone, Campbell & Hedrick object to the downhole commingling of production as Petro Lewis proposes.

Sincerely,


O.F. Hedrick, Jr.
Partner

OFH/dn

cc: New Mexico Oil Conservation Commission

PETRO LEWIS CORPORATION

Oil and Gas Producers

RECEIVED
SEP 19 1980
P.O. Box 337
Sundown Highway
Farm to Market Road 300
Midland, Texas 79336
806/894-8589
OIL CONSERVATION DIVISION
SANTA FE

September 10, 1980

Peery, J.W., Estate
P.O. Box 401
Midland, Texas 79701

Gentlemen:

Subject: Request for Down-hole Commingling Permit
Rule 303-C

Attached for your review is a commingling request for the L.G. Warlick "B" #2. Your waiver of objection to this request is respectfully solicited. Please indicate your decision in the space below and return one copy to the undersigned and one copy to the New Mexico Oil Conservation Commission in the enclosed envelopes, and retain one copy for your files.

Thank you for your cooperation.

Sincerely,

Michael G. Handren

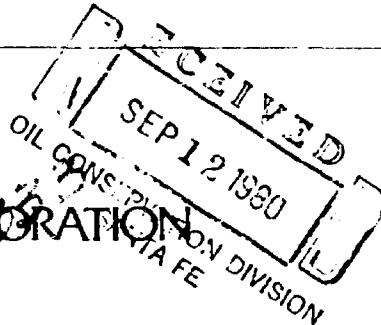
Michael G. Handren
Staff Operations Engineer

MGH/ap

- I. L.G. Warlick "B" #2 - I do (☒) do not () object to commingling request for this well.

Signed *J. W. Peery*
Date *9/17/1980*
Company *J W Peery*

PETRO LEWIS CORPORATION
Oil and Gas Producers



P.O. Drawer 937
Levelland, Texas 79336

September 10, 1980

Divison Director
New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico 87501

Dear Sir:

Petro-Lewis Coporation requests administrative approval for downhole commingling in its L.G. Warlick "B" well number 2 located in Unit G of Section 19, T21S, R37E, Lea County, New Mexico. We desire to downhole commingle the oil produced from Blinebry perforations at 5638-5890 and Drinkard perforations at 6622-6665.

As shown on the attached wellbore schematic the two zones are now separated by a retrievable bridge plug at 5939'. If granted approval of this application we will remove the bridge plug and produce both zones by rod pumping through a single string of tubing.

The Drinkard zone was temporarily abandoned when we recompleted in the Blinebry zone, but we now wish to produce both zones. Due to the restricted size of the 2-7/8" casing the only way to do this is by commingling downhole.

We have notified offset operators of this application and hereby request your approval.

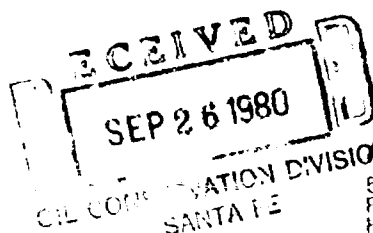
Sincerely,

Michael G. Handren

Michael G. Handren
Staff Operations Engineer

MGH/ap
Attachments

*objection
sent for hrg.
Case 7051
objection withdrawn
2/25/81
dismiss case
70 7051 and
proceed
This applica-
tion adminis-
tratively
closed
8/17/81*



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

September 23, 1980

File: JCA-986.51NM-3178

Re: Request for Downhole Commingling Permit
L. G. Warlick Well No. 2
Lea County, New Mexico

Case 7051

Division Director
New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, NM 97501

Gentlemen:

Petro-Lewis Corporation has filed a request for downhole commingling for their L. G. Warlick Well No. 2 located 1980' FNL, 1980' FEL, Section 19, T-21-S, R-37-E, Lea County, New Mexico. They propose to downhole commingle the oil produced from Blinbry perforations at 5638-5890 and Drinkard perforations at 6622-6665.

As an offset operator, Amoco Production Company has no objection to this request.

Yours very truly,

R. E. Ogden
mlc

R. E. Ogden
Regional Engineering Manager

MLC/meg
51/X

cc: Petro-Lewis Corporation
P. O. Box 937
Levelland, Texas 79336

RECEIVED
SEP 21 1980
PETRO LEWIS CORPORATION
OIL AND GAS PRODUCERS
SANTA FE DIVISION

P.O. Box 937
Sundown Highway
Farm to Market Road 300
Levelland, Texas 79336
806/894-8589

September 10, 1980

Sun Oil Company
P.O. Box 1861
Midland, Texas 79701

Gentlemen:

Subject: Request for Down-hole Commingling Permit
Rule 303-C

Attached for your review is a commingling request for the L.G. Warlick "B" #2. Your waiver of objection to this request is respectfully solicited. Please indicate your decision in the space below and return one copy to the undersigned and one copy to the New Mexico Oil Conservation Commission in the enclosed envelopes, and retain one copy for your files.

Thank you for your cooperation.

Sincerely,

Michael G. Handren

Michael G. Handren
Staff Operations Engineer

MGH/ap

I. L.G. Warlick "B" #2 - I do () do not (X) object to commingling request for this well.

Signed

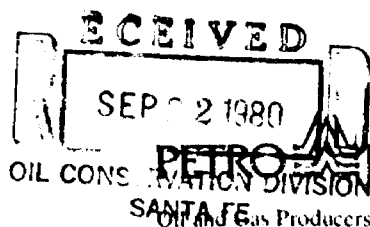
Date

Company

J. Harris

September 18, 1980

Sun Oil Company



P.O. Box 937
Sundown Highway
Farm to Market Road 300
Levelland, Texas 79336
806/894-8589

September 10, 1980

Texas Pacific Oil Company, Inc.
P.O. Box 4067
Midland, Texas 79701

Gentlemen:

Subject: Request for Down-hole Commingling Permit
Rule 303-C

Attached for your review is a commingling request for the L.G. Warlick "B" #2. Your waiver of objection to this request is respectfully solicited. Please indicate your decision in the space below and return one copy to the undersigned and one copy to the New Mexico Oil Conservation Commission in the enclosed envelopes, and retain one copy for your files.

Thank you for your cooperation.

Sincerely,

Michael G. Handren

Michael G. Handren
Staff Operations Engineer

MGH/ap

I. L.G. Warlick "B" #2 - I do () do not (✓) object to commingling request for this well.

Signed

R. J. Womack by CCH
R. J. Womack - Regional Manager

Date

9/15/80

Company Sun Texas Company

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
25 February 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro Lewis Corpora-
tion for downhole commingling, Lea
County, New Mexico.

CASE
7051

BEFORE: Daniel S. Nutter

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. NUTTER: Call next Case Number 7051.

MR. PADILLA: Application of Petro Lewis Corporation for downhole commingling, Lea County, New Mexico.

MR. NUTTER: Applicant in this case has requested dismissal, so Case Number 7051 will be dismissed.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY 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.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the final hearing of Case No. 2057, heard by me on 2/25 1981.
[Signature], Examiner
 Oil Conservation Division

SALLY W. BOYD, C.S.R.

Kt. 1 Box 193-B
 Santa Fe, New Mexico 87501
 Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
25 February 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro Lewis Corpora-
tion for downhole commingling, Lea
County, New Mexico.

CASE
7051

BEFORE: Daniel S. Nutter

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. NUTTER: Call next Case Number 7051.

MR. PADILLA: Application of Petro Lewis Corporation for downhole commingling, Lea County, New Mexico.

MR. NUTTER: Applicant in this case has requested dismissal, so Case Number 7051 will be dismissed.

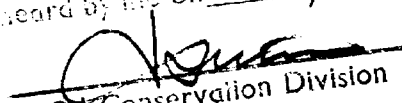
(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

SALLY W. BOYD, C.S.R.

Kt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiners hearing of Case No. 7051
heard by me on 7/25 1981.
, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
28 January 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro-Lewis Corpor-
ation for downhole commingling,
Lea County, New Mexico.

CASE
7051

BEFORE: Daniel S. Nutter

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. NUTTER: We'll call next Case 7051.

MR. PADILLA: Application of Petro-Lewis Corporation for downhole commingling, Lea County, New Mexico.

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

Case Number 7051 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a.m. February 25th, 1981.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY 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.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 705
heard by me on 1/28 1951.

[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
28 January 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro-Lewis Corpor-
ation for downhole commingling,
Lea County, New Mexico.

CASE
7051

BEFORE: Daniel S. Nutter

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. NUTTER: We'll call next Case 7051.

MR. PADILLA: Application of Petro-Lewis Corporation for downhole commingling, Lea County, New Mexico.

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

Case Number 7051 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a.m. February 25th, 1981.

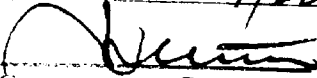
(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7051
heard by me on 1/28 1981.
 Examiner
Oil Conservation Division

Memo

From

FLORENE DAVIDSON
ADMINISTRATIVE SECRETARY

To

Feb. 25 hearing
Case 7051

Campbell & Hedrick
withdraw their objection
to downhole commingling

Mr. Eggzell with Hinkle
Law Firm called and
asked that the case be
dismissed.

AS

OIL CONSERVATION COMMISSION-SANTA FE

Dockets Nos. 8-81 and 9-81 are tentatively set for March 11 and 25, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 25, 1981

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

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

- CASE 7157: Application of Carl A. Schellinger for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Campbell Station Unit Area, comprising 3,841 acres, more or less, of State lands in Townships 8 and 9 South, Range 27 East.
- CASE 7158: Application of Grynberg & Associates for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Silman Lake Unit Area, comprising 13,743 acres, more or less, of State and fee lands in Townships 9 and 10 South, Ranges 26 and 27 East.
- CASE 7159: Application of Consolidated Oil & Gas, Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Greenhorn and Dakota production in the wellbore of its Navajo Well No. 2-E located in Unit C of Section 11, Township 25 North, Range 10 West.
- CASE 7160: Application of Harlan Drilling Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2370 feet from the North line and 1528 feet from the West line of Section 31, Township 29 North, Range 11 West, Fulcher Kutz-Pictured Cliffs Pool, the NW/4 of said Section 31 to be dedicated to the well.
- CASE 7148: (Continued from February 11, 1981, Examiner Hearing)
- Application of Twin Montana Oil Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre Vada-Pennsylvanian oil proration unit comprising the S/2 NE/4 of Section 3, Township 9 South, Range 35 East, to be dedicated to its Webb Federal Well No. 1 located in Unit G of said Section 3.
- CASE 7051: (Continued from January 28, 1981, Examiner Hearing)
- Application of Petro Lewis Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry and Drinkard production in the wellbore of its L. G. Warlick "B" Well No. 2 located in Unit G of Section 19, Township 21 South, Range 37 East.
- CASE 7140: (Continued from February 11, 1981, Examiner Hearing)
- Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 26, Township 21 South, Range 26 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North line and 1650 feet from the East line of said Section 26. 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 7149: (Continued from February 11, 1981, Examiner Hearing)
- Application of John H. Hendrix Corporation for the extension of the vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to a depth of 3362 feet, subsurface, underlying Unit O of Section 19, Township 23 South, Range 37 East.
- CASE 7161: Application of John Yuronka for four compulsory poolings, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Langlie Mattix Pool underlying the four 40-acre proration units comprising the SW/4 of Section 31, Township 22 South, Range 37 East, to be dedicated to wells to be drilled at standard locations thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

- CASE 7162: Application of McCulloch Oil & Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the McKee formation underlying the E/2 of Section 25, Township 20 South, Range 38 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 7163: Application of ARCO Oil and Gas Company for the extension of the vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalnat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool by 165 feet underlying the NE/4 SE/4 of Section 35, Township 23 South, Range 36 East.
- CASE 7164: Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and Ellenburger formations, Custer Field, underlying the N/2 of Section 6, Township 25 South, Range 37 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 7165: Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Langley- Ellenburger Pool underlying the N/2 of Section 33, Township 22 South, Range 36 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 7166: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Chosa Draw Unit Area, comprising 2,560 acres, more or less, of Federal and State lands in Townships 25 and 26 South, Range 25 East.
- CASE 7167: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Made Well Anticline Unit Area, comprising 39,238 acres, more or less, of State, Federal, and fee lands in Townships 12, 13, and 14 South, Ranges 21 and 22 East.
- CASE 7168: Application of Cavalcade Oil Corporation for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine into an unlined surface pit located in Unit K or L of Section 33, Township 18 South, Range 30 East.
- CASE 7129: (Continued from February 11, 1981, Examiner Hearing)
- Application of Koch Exploration Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the N/2 of Section 28, Township 28 North, Range 8 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.
- CASE 7169: Application of Koch Exploration Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the S/2 of Section 22, Township 28 North, Range 8 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.
- CASE 7170: Application of Threshold Development Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Aroka and Morrow formations for its Conoco 10A State Well No. 1Y in Unit F of Section 10, Township 19 South, Range 29 East.

- CASE 7171: Application of Zia Energy Inc. for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard proration unit in the Durant Gas Pool comprising the SW/4 SE/4 of Section 27, and the N/2 NE/4 of Section 34, Township 20 South, Range 36 East, to be dedicated to its Elliott "A" State Well No. 1 located 660 feet from the South line and 1980 feet from the East line of said Section 27.
- CASE 7172: Application of Caulkins Oil Company for two unorthodox gas well locations, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of the following two wells on its Breech A Lease to be recompleted in the Chacra, Mesaverde, and Dakota formations: No. 157 located 1980 feet from the North line and 660 feet from the West line of Section 10 and No. 629 located 660 feet from the North line and 760 feet from the West line of Section 9, both in Township 26 North, Range 6 West.
- CASE 7173: Application of V-F Petroleum Inc. for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 330 feet from the North line and 1150 feet from the East line of Section 5, Township 16 South, Range 38 East, South Denton-Devonian Pool, the NE/4 NE/4 of said Section 5 to be dedicated to the well.
- CASE 7174: Application of Jake L. Hamon for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the South and West lines of Section 36, Township 23 South, Range 26 East, South Carlsbad-Morrow Gas Pool, the S/2 of said Section 36 to be dedicated to the well.
- CASE 7175: Application of Conoco Inc. for compulsory pooling and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Ellebarger formations underlying the S/2 of Section 19, Township 25 South, Range 37 East, to be dedicated to a well to be drilled at a standard location and dually completed in the Devonian and Ellebarger formations. 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.

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

600 HINKLE BUILDING

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*LICENSED IN
TEXAS ONLY

January 22, 1981

Division Director
New Mexico Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

Dear Sirs:

Please accept this letter as written confirmation of my telephone request of even date, wherein I requested continuance of the hearing on Petro-Lewis Corporation application for down-hole commingling in its LG Warlick "B" well number 2 located in unit G of Section 19, Township 21 South, Range 37 East, Lea County, New Mexico. I have requested that the hearing be rescheduled for February 25, 1981, and was advised by your office that this is acceptable. There has been one party, Campbell and Hendrick, a Midland, Texas Partnership, who has opposed this application, and I have personally advised them of the continuance of this hearing.

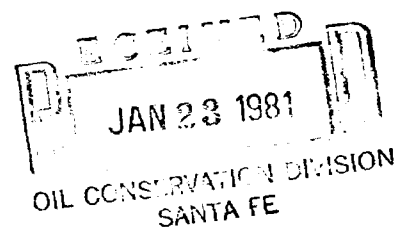
Should you require anything else please do not hesitate to contact the undersigned. Thank you in advance for your cooperation, I remain

Very truly yours,

T. Calder Ezzell, Jr.
T. Calder Ezzell, Jr.

TCE:db

cc: Mike Handren
Petro-Lewis Corp.
P.O. Drawer 937
Leveland, Texas 79336



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

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro Lewis Corpor-
ation for downhole commingling, Lea
County, New Mexico.

CASE
7051

BEFORE: Daniel S. Nutter

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

1
2 MR. NUTTER: The hearing will come to
3 order, please.

4 First we'll call these cases we're going
5 to dispose of promptly this morning. Case Number 7051.

6 MR. PADILLA: Application of Petro
7 Lewis Corporation for downhole commingling, Lea County, New
8 Mexico.
9

10 MR. NUTTER: Applicant has requested
11 continuance in this case.

12 Case Number 7051 will be continued to
13 the Examiner Hearing scheduled to be held at this same place
14 at 9:00 o'clock a. m. January 28th, 1981.
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16 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY 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.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7051, heard by me on 12/30 1980.

[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
30 December 1930

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro Lewis Corpor-
ation for downhole commingling, Lea
County, New Mexico.

CASE
7051

BEFORE: Daniel S. Nutter

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

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16 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7061,
heard by me on 12/30 1980.

[Signature], Examiner
Oil Conservation Division

Dockets Nos. 5-81 and 6-81 are tentatively set for February 11 and 25, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 28, 1981

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

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

- CASE 7135: Application of Celeste C. Cryenberg for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Cottonwood Draw Unit Area, comprising 2555 acres, more or less, of State lands in Township 16 South, Range 24 East.
- CASE 7119: (Continued from January 14, 1981, Examiner Hearing)
- Application of Shell Oil Company for a unit agreement, Bernalillo and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the West Mesa Unit Area, comprising 26,722 acres, more or less, of State, Federal, and fee lands in Townships 10, 11, and 12 North, Ranges 1 and 2 East.
- CASE 7136: Application of Hanson Oil Corporation for amendment of R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the elimination of the NE/4 of Section 26, Township 18 South, Range 30 East, from the Potash-Oil Area as defined by Order No. R-111-A as amended. In the alternative, applicant seeks an exception to the casing and cementing rules of R-111-A for its wells to be drilled within the NE/4 of said Section 26.
- CASE 7137: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Blanco Mesaverde production in the wellbores of its wells located in: Sections 1 thru 5, and 7, 8, 21, 22, 24, and 25 in Township 26 North, Range 6 West; Sections 13, 14, 23, 24, and 26 in Township 26 North, Range 7 West; and Sections 33 thru 35 in Township 27 North, Range 6 West.
- CASE 7138: Application of Wiser Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a special gas-oil ratio limitation of 6000 to one, retroactive to May 1, 1980, for the Hardy-Drinkard Pool.
- CASE 7051: (Continued from December 30, 1980, Examiner Hearing)
- Application of Petro Lewis Corporation 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 L. G. Karlick "B" Well No. 2 located in Unit G of Section 19, Township 21 South, Range 37 East.
- CASE 7139: Application of Yates Petroleum Corporation for amendment of Division Order No. R-6367, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6367 to designate Yates Petroleum Corporation as the operator of the two proration units pooled by said order, replacing McClellan Oil Corporation as operator.
- CASE 7140: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 26, Township 21 South, Range 26 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North line and 1650 feet from the East line of said Section 26. 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 7100: (Continued from January 14, 1981, 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 Atoka and Morrow production in the wellbore of its Travis 24 State Com Well No. 1 in Unit H of Section 24, Township 18 South, Range 28 East.
- CASE 7141: Application of P & O Oil Field Service for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NW/4 of Section 25, Township 25 South, Range 36 East.

- CASE 7142:** Application of Getty Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Otero-Gallup and Basin-Dakota production in the wellbores of its Farming "E" Wells No. 1 in Unit 1 and No. 3 in Unit E of Section 2, Township 24 North, Range 6 West.
- CASE 7143:** Application of Morris R. Antweil for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South and West lines of Section 28, Township 18 South, Range 25 East, the W/2 of said Section 28 to be dedicated to the well.
- CASE 7144:** Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NW/4 SE/4 and in the Wolfcamp thru Mississippian formations underlying the S/2 of Section 10, Township 13 South, Range 38 East, to be dedicated to an existing well located in the NW/4 SE/4 of said Section 10. 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 7129:** (Continued from January 14, 1981, Examiner Hearing)
Application of Koch Exploration Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the N/2 of Section 28, Township 28 North, Range 8 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.
- CASE 6940:** (Continued from January 14, 1981, Examiner Hearing)
Application of Adobe Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Wolfcamp formation underlying the NW/4 SE/4 for oil and the SE/4 for gas, Section 23, Township 20 South, Range 38 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 7145:** In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting vertical limits, and extending horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:
- (a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the North Berry-Morrow Gas Pool. The discovery well is Getty Oil Company Getty 6 State Com Well No. 1 located in Unit K of Section 6, Township 21 South, Range 34 East, NMPM. Said pool would comprise:
- TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 6: Lots 9, 10, 11, 12, 13,
14, 15, and 16
- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Santa Rosa production and designated as the Cooper-Santa Rosa Gas Pool. The discovery well is O. H. Berry J. L. Isbell Well No. 5Y located in Unit A of Section 15, Township 24 South, Range 36 East, NMPM. Said pool would comprise:
- TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 15: NE/4
- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production and designated as the South Corbin-Bone Springs Pool. The discovery well is Southland Royalty Company Federal 21 Com Well No. 1 located in Unit L of Section 21, Township 18 South, Range 33 East, NMPM. Said pool would comprise:
- TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 21: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the West Lynch-Morrow Gas Pool. The discovery well is The Superior Oil Company West Lynch Deep Unit Well No. 1 located in Unit O of Section 28, Township 20 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
Section 28: S/2

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Blinebry production and designated as the West Nadine-Blinebry Pool. The discovery well is Tamarack Petroleum Company, Inc. Speight Well No. 1 located in Unit D of Section 9, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: NW/4

(f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka-Morrow production and designated as the Nonombre Atoka-Morrow Gas Pool. The discovery well is Amoco Production Company State FO Well No. 3 located in Unit F of Section 32, Township 13 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM
Section 32: W/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Southwest Quahada Ridge-Atoka Gas Pool. The discovery well is Perry R. Bass Big Eddy Unit Well No. 71 located in Unit F of Section 7, Township 22 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 29 EAST, NMPM
Section 7: N/2

(h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Abo production and designated as the Skaggs-Abo Gas Pool. The discovery well is Conoco, Inc. Britt B Well No. 27 located in Unit G of Section 15, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 15: NE/4

(i) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Granite Wash production and designated as the Tanneyhill-Granite Wash Pool. The discovery well is Energy Reserves Group, Inc. Bledsoe Well No. 1 located in Unit H of Section 11, Township 6 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 11: NE/4

(j) CONTRACT the vertical limits of the Nonombre-Pennsylvanian Pool in Lea County, New Mexico, to the Cisco, Canyon, and Strawn formations only and redesignate said Nonombre-Pennsylvanian Pool to Nonombre-Upper Pennsylvanian Pool. (All wells in said pool are producing from the Upper Penn formation and a gas well has been completed in the Atoka-Morrow formations for which a new Atoka-Morrow gas pool is being created.)

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 14: W/2

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 14: All

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

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 9: All
Section 10: W/2

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

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: SW/4 SW/4
Section 27: S/2 S/2

- (o) EXTEND the Avalon-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 36: N/2 SE/4

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 35: N/2

- (q) EXTEND the East Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 8: N/2
Section 9: W/2

- (r) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 25: E/2

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 1: Lots 9, 10, 11, 12, 13,
14, 15, and 16

- (s) EXTEND the Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 9: S/2

- (t) EXTEND the Comanche Stateline Tansill-Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 21: E/2

- (u) EXTEND the Crooked Creek-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

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

- (v) EXTEND the South Culebra Bluff-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 13: W/2

- (w) EXTEND the Dollarhide Tubb-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
Section 18: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 24: S/2

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 14: E/2

(y) EXTEND the Esperanza-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 10: S/2 NE/4

(z) EXTEND the Eunice Monument Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 27: SW/4

(aa) EXTEND the East Grama Ridge-Lower Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 2: NW/4
Section 3: NE/4

(bb) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 1: E/2

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 6: All

(cc) EXTEND the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 13: N/2

(dd) EXTEND the Hoag Tank-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 27: All

(ee) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 13: SE/4
Section 24: NE/4

(ff) EXTEND the North Lusk-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 5: E/2

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 3: W/2

(hh) EXTEND the West Malaga-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 9: N/2

(ii) EXTEND the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 24: NE/4

(jj) EXTEND the Maljamar-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 28: W/2

(kk) EXTEND the East Millman Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 24: NW/4 NE/4

- (ll) EXTEND the Nadine Drinkard-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 27: NE/4

- (mm) EXTEND the North Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM
Section 31: E/2
Section 32: All

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 16: All

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 24: N/2 SE/4

- (oo) EXTEND the South Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 2: Lots 1 and 2

- (pp) EXTEND the North Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 1: E/2

- (qq) EXTEND the Runyan Ranch-Abo Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 8: S/2
Section 9: SW/4

- (rr) EXTEND the Sioux Tansill-Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 17: E/2

- (ss) EXTEND the Skaggs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: W/2
Section 16: NW/4
Section 17: N/2

- (tt) EXTEND the Teas-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 11: N/2

- (uu) EXTEND the Tomahawk-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 25: SW/4

- (vv) EXTEND the Travis-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 14: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 10: W/2

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

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 10: All

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 20: E/2
Section 33: S/2
Section 34: S/2

(zz) EXTEND the Turkey Track Seven Rivers-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 27: E/2 NW/4

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro Lewis Corpora-
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County, New Mexico.

CASE
7051

BEFORE: Daniel S. Nutter

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. NUTTER: We will call next Case Number 7051.

MR. PADILLA: Application of Petro Lewis Corporation for downhole commingling, Lea County, New Mexico.

Mr. Examiner, the applicant has requested that this case be continued to December 30th.

MR. NUTTER: Case Number 7051 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a. m. December 30, 1980.

(Hearing concluded.)

C E R T I F I C A T E

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.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing transcript is a true and correct copy of the original transcript as filed in the file of the above captioned case.

11/25 7051
80.

[Signature] Examiner
Oil Conservation Division

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

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For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

1
2 MR. NUTTER: We will call next Case Num-
3 ber 7051.

4 MR. PADILLA: Application of Petro Lewis
5 Corporation for downhole commingling, Lea County, New Mexico.

6 Mr. Examiner, the applicant has requested
7 that this case be continued to December 30th.
8

9 MR. NUTTER: Case Number 7051 will be
10 continued to the Examiner Hearing scheduled to be held at this
11 same place at 9:00 o'clock a. m. December 30, 1980.
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13 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing is
a true and correct copy of the transcript
of the hearing held on 11/25/75 at 7051,
81,
Examiner

Dockets Nos. 1-81 and 2-81 are tentatively set for January 14 and 28, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - TUESDAY - DECEMBER 30, 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:

- CASE 7113: Application of Fred Pool, Jr. for a dual completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of his Grynberg Com Fed. Well No. 1 located in Unit J of Section 13, Township 6 South, Range 24 East, to produce gas from the Abo and Pennsylvanian formations.
- CASE 7051: (Continued from November 25, 1980, Examiner Hearing)
Application of Petro Lewis Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry and Drinkard production in the wellbore of its L. G. Warlick "B" Well No. 2 located in Unit G of Section 19, Township 21 South, Range 37 East.
- CASE 6940: (Continued from November 25, 1980, Examiner Hearing)
Application of Adobe Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Wolfcamp formation underlying the NW/4 SE/4 for oil and the SE/4 for gas, Section 23, Township 20 South, Range 38 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 7103: (Continued from December 10, 1980, Examiner Hearing)
Application of E. L. Latham, Jr. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Pennsylvanian formations underlying the N/2 of Section 7, Township 22 South, Range 26 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 7114: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Rio Penasco "JX" Well No. 2, a Morrow test to be drilled 660 feet from the South and East lines of Section 35, Township 18 South, Range 25 East, the S/2 of said Section 35 to be dedicated to the well.
- CASE 7115: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South and East lines of Section 14, Township 17 South, Range 26 East, the S/2 of said Section 14 to be dedicated to the well.
- CASE 7116: Application of Southland Royalty Company for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying portions of Townships 31 and 32 North, Ranges 10, 11, 12, and 13 West, containing 93,860 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

Dockets Nos. 40-80 and 41-80 are tentatively set for December 10 and 30, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - NOVEMBER 18, 1980

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

CASE 7088: Application of Southern Union Exploration Co. for reconsideration of Division Order No. R-6175, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks (a) that Order No. R-6175 be set aside, or (b) to except the E/2 of Section 32, Township 25 South, Range 24 East, Eddy County, New Mexico, from the terms of said order, or (c) clarify said order with respect to the E/2 of Section 32, Township 25 South, Range 24 East.

DOCKET: COMMISSION HEARING - MONDAY - NOVEMBER 24, 1980

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

CASE 7075: (Continued and Readvertised)

Application of Benson-Montin-Greer Drilling Corporation for the amendment of pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the Special Rules and Regulations for the West Puerto Chiquito-Manco Oil Pool as promulgated by Order No. R-2565-B and amended by Order No. R-6469, to require that wells completed or recompleted on standard units in said pool be located in the west half of the section at least 1650 feet from the outer boundary of the spacing and proration unit, and that the drilling of wells be controlled so as to allow no more than a 330-foot horizontal deviation from the surface location. Further, that the location of wells on certain specified non-standard proration units approved by Order No. R-6469 should be no closer than 660 feet to the outer boundary of the non-standard unit nor closer than 330 feet to a quarter section line or 10 feet to a quarter-quarter section line. Said specified non-standard units are the two 640-acre units in Township 24 North, Range 1 West; the two 480-acre units in Township 24 North, Range 1 East; the four 640-acre units in Township 26 North, Range 1 West; the 640-acre unit in Township 26 North, Range 1 East; and the two 640-acre units, the three 600-acre units, and the 400-acre unit, all in Township 27 North, Range 1 West. Applicant further seeks an administrative procedure whereby unorthodox locations could be approved upon receipt of written waivers from all offsetting operators being "crowded" by the unorthodox location.

DOCKET: EXAMINER HEARING - TUESDAY - NOVEMBER 25, 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:

CASE 7055: (Continued from October 29, 1980, Examiner Hearing)

Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Eaves-Lea Unit Area, comprising 2209 acres, more or less, of State and Federal lands in Township 21 South, Ranges 32 and 33 East.

CASE 7077: (Continued from November 12, 1980, Examiner Hearing)

Application of Threshold Development Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Conoco "10" State Com Well No. 1 located in Unit I of Section 10, Township 19 South, Range 29 East, Turkey Track Field, to produce oil from the Wolfcamp formation and gas from the Atoka formation through parallel strings of tubing.

- CASE 7089:** Application of Summit Energy, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Blinebry formation through its Gulf Bunin Well No. 2 located in Unit C of Section 13, Township 21 South, Range 37 East.
- CASE 7090:** Application of Dorchester Exploration, Inc. for directional drilling and an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the old Union Hill Well No. 1, the surface location of which is 2310 feet from the North and West lines of Section 27, Township 12 South, Range 28 East, and to directionally drill in an indeterminate direction from a kick-off point at 7300 feet, bottoming said well at an approximate depth of 8100 feet in the Mississippian formation less than 330 feet away from the surface location. The W/2 of said Section 27 would be dedicated to the well.
- CASE 7091:** Application of Layton Enterprises, Inc. for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil proration unit comprising the N/2 NW/4 of Section 14, Township 9 South, Range 34 East, Vada-Pennsylvanian Pool, to be dedicated to an old well to be re-entered 660 feet from the North line and 1830 feet from the West line of said Section 14.
- CASE 7051:** (Continued from October 15, 1980, Examiner Hearing)
- Application of Petro Lewis Corporation 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 L. G. Warlick "B" Well No. 2 located in Unit G of Section 19, Township 21 South, Range 37 East.
- CASE 6940:** (Continued from October 1, 1980, Examiner Hearing)
- Application of Adobe Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Wolfcamp formation underlying the NW/4 SE/4 for oil and the SE/4 for gas, Section 23, Township 20 South, Range 38 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 6996:** (Continued from October 1, 1980, Examiner Hearing) (To be continued to December 10, 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.
- CASE 6668:** (Continued and Readvertised)
- In the matter of Case 6668 being reopened pursuant to the provisions of Order No. R-6139 which order promulgated temporary special rules and regulations for the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, including a provision for 80-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 40-acre spacing units.
- CASE 7092:** Application of Delta Drilling Company for pool extension, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the South Culebra Bluff-Bone Spring Pool to include all of Sections 2, 11, 13, 14, 23, and 24, Township 23 South, Range 28 East.
- CASE 7093:** Application of Mesa Petroleum Company and Yates Petroleum Corporation for designation of a tight formation, Torrance, Guadalupe, DeBaca, Lincoln, and Chaves Counties, New Mexico. Pursuant to Section 107 of the Natural Gas Policy Act of 1978 and 18 CFR Section 271.701-705, applicants, in the above-styled cause, seek the designation as a tight formation of the Abo formation underlying the following described lands in the above-named counties:
all of Townships 1 North thru 4 North, Ranges 14 East thru 27 East; all of Townships 5 North thru 7 North, Ranges 14 East thru 26 East; all of Townships 1 South thru 5 South, Ranges 14 East thru 27 East; all of Township 6 South, Ranges 14 thru 28 East; N/2 only of Township 7 South, Ranges 14 East thru 17 East; all of Townships 7 South and 8 South, Ranges 18 East thru 28 East; all of Townships 9 South and 10 South, Ranges 18 East thru 27 East; all of Township 11 South, Ranges 18 East thru 25 East; all of Township 12 South, Ranges 18 East thru 24 East; all of Township 13 South, Ranges 18 East thru 23 East; and all of Township 14 South, Ranges 18 East thru 22 East; also all of Township 9 1/2 South, Range 24 East.

CASE 7094: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning a discovery allowable, contracting, and extending certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Yates production and designated as the Northeast Lusk-Yates Pool. Further, to assign approximately 14,790 barrels of discovery allowable to the discovery well, Sun Oil Company Jennings B Federal Well No. 1 located in Unit K of Section 15, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 15: SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Yates production and designated as the North Querecho Plains-Yates Gas Pool. The discovery well is Lewis B. Burleson, Inc. Berry Federal Well No. 1 located in Unit E of Section 35, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Triple X-Atoka Gas Pool. The discovery well is Getty Oil Company HNG 4F State Well No. 1 located in Unit F of Section 4, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 4: W/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Tulk-Devonian Pool. The discovery well is Santa Fe Energy Company State NM3 Well No. 1 located in Unit P of Section 3, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 3: SE/4

(e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Vaca Draw-Morrow Gas Pool. The discovery well is HNG Oil Company Bell Lake 11 Federal Well No. 1 located in Unit B of Section 11, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 11: N/2

(f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Young-Bone Spring Pool. The discovery well is Harvey E. Yates Company Young Deep Unit Well No. 1 located in Unit D of Section 10, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 10: NW/4

(g) CONTRACT the Anderson Ranch-Wolfcamp Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 3: Lots 9, 10, 15, and 16

(h) CONTRACT the Querecho Plains-Yates Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

(i) CONTRACT the South Red Lake-Seven Rivers Pool in Eddy County, New Mexico, by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 15: W/2 SW/4
Section 22: NW/4

- (j) EXTEND the Airstrip-Lower Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 23: SE/4

- (k) EXTEND the North Anderson Ranch-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 11, 12, 13, and 14
Section 3: Lots 9, 10, 15, and 16

- (l) EXTEND the Antelope Ridge-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 24: SW/4
Section 25: NW/4

- (m) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: SW/4
Section 29: NW/4

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

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

- (o) EXTEND the Bell Lake-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 29: N/2
Section 30: E/2
Section 31: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 22: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 8: NW/4

- (q) EXTEND the Bull's Eye-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM
Section 6: E/2 SW/4
Section 7: E/2 NW/4

- (r) EXTEND the Denton-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 37 EAST, NMPM
Section 22: SE/4

- (s) EXTEND the Diamond Mound-Morrow Gas Pool in Chaves and Eddy Counties, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 35: S/2

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 31: E/2

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 3: Lots 1, 2, 3, 4, 5, 6, 7,
8, 9, 10, 11, 12, 13, 14,
15, and 16
Section 4: Lots 1, 2, 7, 8, 9, 10,
15, and 16

(t) EXTEND the Dublin Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 28: All
Section 29: N/2

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

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM
Section 36: E/2

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 18: All

(w) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 22: NW/4

(x) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 2: SE/4

(y) EXTEND the Hardy-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 1: S/2

(z) EXTEND the Hardy-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 1: S/2

(aa) EXTEND the Learax-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 21: S/2 NW/4

(bb) EXTEND the Loco Hills Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 2: SW/4 SW/4
Section 3: All
Section 4: E/2
Section 11: NW/4 NW/4

(cc) EXTEND the South Loco Hills Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 31: NE/4 NE/4

(dd) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 29: NW/4

(ee) EXTEND the Penasco Draw Permo-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 25: S/2
Section 36: All

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 1: N/2

(ff) EXTEND the Saunders Permian-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 28: NW/4

(gg) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 4: SW/4
Section 5: SE/4

(hh) EXTEND the Tom-Tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 29: SE/4

(ii) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM
Section 19: W/2 NE/4 and NW/4 SE/4
Section 31: E/2

(jj) EXTEND the Vacuum-Abo Reef Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 9: SW/4

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro Lewis Cor-
poration for downhole commingling,
Lea County, New Mexico.

CASE
7051

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: We'll call Case 7051.

2 MR. PADILLA: Application of Petro Lewis
3 Corporation for downhole Commingling, Lea County, New Mexico.

4 MR. STAMETS: At the request of the ap-
5 plicant, this case will be continued till the October 25th --
6 I'm sorry, November 25th Examiner Hearing.

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8 (Hearing concluded.)
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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I hereby certify that the foregoing is
a true and correct copy of the transcript
of the hearing held on 10-15-80.
Richard D. Lamb Examiner
Oil Conservation Division

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Petro Lewis Cor-
poration for downhole commingling,
Lea County, New Mexico.

CASE
7051

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 to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

MR. STAMETS: We'll call Case 7051.

MR. PADILLA: Application of Petro Lewis Corporation for downhole Commingling, Lea County, New Mexico.

MR. STAMETS: At the request of the applicant, this case will be continued till the October 25th -- I'm sorry, November 25th Examiner Hearing.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a true and correct copy of the transcript
of the hearing held on _____
before _____

_____, Examiner
Oil Conservation Division

Dockets Nos. 34-80 and 35-80 are tentatively set for October 29 and November 12, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 15, 1980

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

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

- ALLOWABLE:** (1) Consideration of the allowable production of gas for November, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for November, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7044:** Application of Harvey E. Yates Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Travis Penn Unit Area, comprising 400 acres, more or less, of State and Federal lands in Township 18 South, Range 28 East.
- CASE 7045:** Application of Texas Oil & Gas Corp. for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Upper Morrow production in the wellbore of its Superior Federal Com. Well No. 1 located in Unit G of Section 8, Township 20 South, Range 29 East.
- CASE 7046:** Application of Cotton Petroleum Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Pictured Cliffs production in the wellbores of wells in the South Blanco-Pictured Cliffs Pool located in Sections 1, 2, 3, 4, 9, 10, 11, 13, 23, and 24, Township 24 North, Range 4 West.
- CASE 7047:** Application of Nucorp Energy Inc. for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a special gas-oil ratio limitation of 10,000 to one, retro-active to April 18, 1980, for the East Caprock-Pennsylvanian Pool.
- CASE 7033:** (Continued from October 1, 1980, Examiner Hearing)
- Application of Adams Exploration Inc. for three non-standard proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of three 80-acre non-standard proration units in the Vada-Pennsylvanian Pool, comprising the following acreage: SE/4 NE/4 and NE/4 SE/4 of Section 12, N/2 NE/4 of Section 12, and S/2 SE/4 of Section 2, all in Township 9 South, Range 34 East.
- CASE 7048:** Application of Public Lands Exploration, Inc. for a pilot steam enhanced oil recovery project, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot steam enhanced oil recovery project in the Santa Rosa formation by re-entering 2 wells and drilling 3 wells, all located in Unit A of Section 15, Township 11 North, Range 25 East.
- CASE 7036:** (Continued from October 1, 1980, Examiner Hearing)
- Application of J. Gregory Merrion for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SE/4 of Section 34, Township 25 North, Range 6 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.
- CASE 7049:** Application of J. Gregory Merrion for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SW/4 of Section 35, Township 25 North, Range 6 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.
- CASE 7050:** Application of Maddox Energy Corporation 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 N/2 of Section 23, Township 24 South, Range 28 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 7051: Application of Petro Lewis Corporation 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 L. G. Warlick "B" Well No. 2 located in Unit C of Section 19, Township 21 South, Range 37 East.

CASE 7052: Application of Gulf Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 36, Township 18 South, Range 31 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 7024: (Continued from September 17, 1980, Examiner Hearing)

Application of Southland Royalty 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 E/2 of Section 35, 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 7038: (Continued from October 1, 1980, Examiner Hearing)

Application of Natura Energy Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NE/4 of Section 6, Township 19 South, Range 39 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 7053: Application of Amax Chemical Corporation for the amendment of Order No. R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-111-A to extend the boundaries of the Potash-Oil Area to include the SE/4 NE/4 and NE/4 SE/4 of Section 24, Township 19 South, Range 29 East, and the S/2 NW/4 of Section 19, Township 19 South, Range 30 East.

CASE 7054: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending the vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the East Bitter Lakes-Abo Gas Pool. The discovery well is Boyd Operating Company Blakemore Federal Well No. 1 located in Unit D of Section 20, Township 9 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 20: NW/4

(b) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the East Bitter Lakes-Wolfcamp Gas Pool. The discovery well is Boyd Operating Company Blakemore Federal Well No. 1 located in Unit D of Section 20, Township 9 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 20: W/2

(c) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Fusselman production and designated as the South Elkins-Fusselman Pool. The discovery well is Enserch Exploration, Inc. J. G. O'Brien Well No. 1 located in Unit E of Section 31, Township 7 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4

(d) ABOLISH the Cary-San Andres Pool in Lea County, New Mexico, described as:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 17: NW/4

- (e) EXTEND the Anderson Ranch-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 3: Lots 9, 10, 15 and 16

- (f) EXTEND the Angell Ranch Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 13: S/2

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

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

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 13: N/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 1: W/2
Section 14: N/2

- (i) EXTEND the Brown Queen-Grayburg Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM
Section 25: SE/4 SW/4 and S/2 SE/4

- (j) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM
Section 25: N/2

- (k) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 17: S/2
Section 20: N/2

- (l) EXTEND the vertical limits of the Comanche Stateline Tansill-Yates Pool in Lea County, New Mexico, to include the Seven Rivers formation and redesignate said pool as the Comanche Stateline Tansill-Yates-Seven Rivers Pool, and extend the horizontal limits of said pool to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 27: W/2 NW/4

- (m) EXTEND the Indian Flats-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 2: S/2 NE/4

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

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 32: NW/4

- (o) EXTEND the L E Ranch-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 29: N/2 NW/4
Section 30: N/2 NE/4

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 15: N/2

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 8: All

- (r) EXTEND the West Osado-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 14: W/2
Section 23: All

- (s) EXTEND the Penasco Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 6: W/2

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 1: W/2 NW/4 and NW/4 SW/4
Section 13: NW/4 NW/4
Section 14: NE/4 NE/4

- (u) EXTEND the South Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 2: Lots 1 and 2

- (v) EXTEND the Rabbit Flats-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 30: SE/4 SE/4

- (w) EXTEND the Railroad Mountain-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 11: W/2 SW/4
Section 14: NW/4 NW/4

- (x) EXTEND the Richard Knob Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM
Section 36: E/2

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

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 2: S/2 S/2

- (z) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

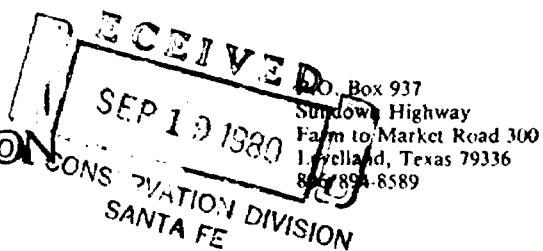
TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 26: SE/4 SE/4
Section 35: E/2 NE/4 and NE/4 SE/4

- (aa) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 3: SE/4

PETRO LEWIS CORPORATION

Oil and Gas Producers



September 10, 1980

Cambell and Hedrick
P.O. Box 401
Midland, Texas 79701

Gentlemen:

Subject: Request for Down-hole Commingling Permit
Rule 303-C

Attached for your review is a commingling request for the L.G. Warlick "B" #2. Your waiver of objection to this request is respectfully solicited. Please indicate your decision in the space below and return one copy to the undersigned and one copy to the New Mexico Oil Conservation Commission in the enclosed envelopes, and retain one copy for your files.

Thank you for your cooperation.

Sincerely,

Michael G. Handren

Michael G. Handren
Staff Operations Engineer

MGH/ap

- I. L.G. Warlick "B" #2 - I do (☒) do not (☐) object to commingling request for this well.

Signed

C. F. Hedrick

Date

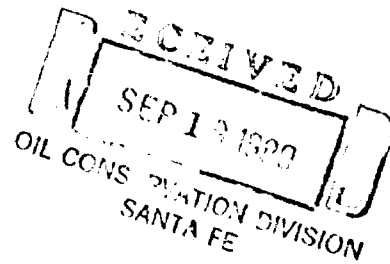
9/17/80

Company

Cambell & Hedrick

CAMPBELL & HEDRICK
P. O. BOX 401 220 MID-AMERICA BLDG.
MIDLAND, TEXAS 79701

September 15, 1980



Petro Lewis Corporation
P.O. Box 937
Levelland, Texas 79336

Re: Warlick & Warlick "A"
Warlick (B)

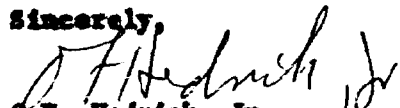
Attention: Michael G. Handren

Dear Sir:

Our records reflect that while Amerada was operating the above leases that application for 120 acre non-standard gas proration unit in the Blinebry Zone, consisting of the S/2 NE/4 and NW/4 SE/4 of Section 19, T21S, R37E, Lea County, New Mexico was obtained from the Oil Conservation Commission thru Compulsory Pooling. Order No. R-2637 summarizes the findings and the order.

Inasmuch as ownership of the Blinebry Zones is now different from ownership of the Drinkard Zone, Campbell & Hedrick object to the downhole commingling of production as Petro Lewis proposes.

Sincerely,


O.F. Hedrick, Jr.
Partner

OFH/dm

cc: New Mexico Oil Conservation Commission

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. 7051

Order No. R- 6616

APPLICATION OF PETRO LEWIS CORPORATION
FOR DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 25,
19 81, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of _____, 19 81, 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. 7051 is hereby dismissed.

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