

CASE 7109: ALPHA TWENTY-ONE PRODUCTION *Inc.*
COMPANY FOR APPROVAL OF INFILL DRILLING,
LEA COUNTY, NEW MEXICO

Case No.

7109

Application

Transcripts

Small Exhibits

ETC



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

January 16, 1981

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

Re: CASE NO. 7109
ORDER NO. R-6549

Applicant:

~~Alpha Twenty One Production Company~~

Dear Sir:

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. 7109
Order No. R-6549

APPLICATION OF ALPHA TWENTY-ONE
PRODUCTION COMPANY FOR APPROVAL
OF INFILL DRILLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 10,
1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of January, 1981, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

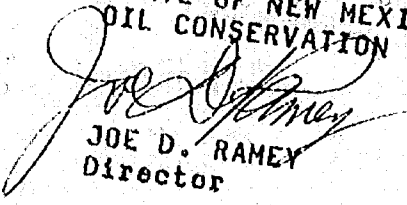
That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 7109 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L
fd/

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Alpha Twenty-One Pro-
duction Company for approval of infill
drilling, Lea County, New Mexico.

CASE
7109

and

Application of Alpha Twenty-One Pro-
duction Company for approval of infill
drilling, Lea County, New Mexico.

CASE
7110

and

Application of Alpha Twenty-One Pro-
duction Company for approval of infill
drilling, Lea County, New Mexico.

CASE
7111

and

Application of Alpha Twenty-One Pro-
duction Company for approval of infill
drilling, Lea County, New Mexico.

CASE
7112

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

1 MR. STAMETS: I would like to call Case
2 7109, 7110, 7111, and Case 7112.
3

4 MR. PADILLA: Application of Alpha
5 Twenty-One Production Company for approval of infill drilling,
6 Lea County, New Mexico.

7 MR. STAMETS: In each of these cases
8 the Applicant requested that they be dismissed and they shall
9 be.
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11 (Hearing concluded.)
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SALLY W. BOYD, C.R.N.

RE: TINA L. H.
DURING THE YEAR 1964
WHICH (1964) IS THE YEAR

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THE FOLLOWING INFORMATION IS BEING FURNISHED TO YOU FOR YOUR INFORMATION
THE INFORMATION IS BEING FURNISHED TO YOU FOR YOUR INFORMATION
THE INFORMATION IS BEING FURNISHED TO YOU FOR YOUR INFORMATION
THE INFORMATION IS BEING FURNISHED TO YOU FOR YOUR INFORMATION

Sally W. Boyd, C.R.N.

FOR THE YEAR 1964
TINA L. H.
DURING THE YEAR 1964
WHICH (1964) IS THE YEAR

Docket No. 40-80

Dockets Nos. 42-80 and 43-80 are tentatively set for December 30, 1980 and January 14, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 10, 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 January, 1981, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7095: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Bill G. Isler, United States Fidelity and Guaranty Company, and all other interested parties to appear and show cause why the Spears State Well No. 2 in Unit B of Section 28, Township 11 South, Range 27 East, Chaves County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7096: Application of Read & Stevens, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Baum Unit Area, comprising 637 acres, more or less, of State lands in Township 13 South, Ranges 32 and 33 East.
- CASE 7097: Application of Mesa Petroleum Co. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Jackson Unit Area, comprising 2,560 acres, more or less, of State lands in Township 24 South, Range 33 East.
- CASE 7098: Application of The Wiser Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its McQuatters Well No. 4 located in Unit G of Section 11, Township 21 South, Range 36 East, to produce oil from the Oil Center-Glorieta and Hardy-Drinkard Pools through parallel strings of tubing.
- CASE 7077: (Continued from November 25, 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: (Continued from November 25, 1980, Examiner Hearing)
- 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 Blinberry formation through its Gulf Bunin Well No. 2 located in Unit C of Section 13, Township 21 South, Range 37 East.
- CASE 7099: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Duncan Unit Area, comprising 7,679 acres, more or less, of State, Federal, and fee lands in Townships 13 and 14 South, Range 35 East.
- CASE 7100: 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 7101: Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Basin-Dakota production in the wellbore of its Tribal "C" Well No. 4-E in Unit H of Section 6, Township 26 North, Range 3 West.
- CASE 7102: Application of Consolidated Oil & Gas, Inc. for approval of infill drilling and an exception to Rule 9(E) of Order No. R-1670-T, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its Jacquez Well No. 2 to be located in Unit K of Section 2, Township 31 North, Range 13 West, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the two existing wells on the unit. Applicant further seeks an exception to Rule 9(E) of Division Order No. R-1670-T to permit calculating the proration unit's allowable on the basis of three Mesaverde wells on the unit.

- CASE 7103: 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 7104: Application of Conoco Inc. for the amendment of Orders Nos. R-4633 and WFX-462, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Orders Nos. R-4633 and WFX-462, which authorized the injection of water into applicant's Maljamar Mitchell Waterflood Project in Section 5, Township 17 South, Range 32 East. The amendments sought would include carbon dioxide in the injection authorization for said project.
- CASE 7105: Application of C and E Operators, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde formation underlying the N/2 of Section 9, Township 30 North, Range 11 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 7106: Application of C and E Operators, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde formation underlying the S/2 of Section 8, Township 30 North, Range 11 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 7107: Application of C and E Operators, Inc. for compulsory pooling and a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde formation underlying a 158.54-acre non-standard gas proration unit comprising the SW/4 of Section 9, Township 30 North, Range 11 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 7090: (Continued from November 25, 1980, Examiner Hearing)
- 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 6668: (Continued from November 25, 1980, Examiner Hearing)
- 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: (Continued from November 25, 1980, Examiner Hearing)
- 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 7056: (Continued and Readvertised)
- Application of Getty Oil Company for the extension of vertical limits of the Jalmat Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Langlie-Mattix Pool and the downward extension of the vertical limits of the Jalmat Pool to a depth of 3740 feet, subsurface, under the NW/4 SW/4 of Section 3, Township 24 South, Range 36 East.

- CASE 7108: Application of HNG Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 32, Township 21 South, Range 35 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 7109: Application of Alpha Twenty-One Production Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the El Paso Tom Federal Well No. 1 located 330 feet from the North and West lines of Section 33, Township 25 South, Range 37 East, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Langlie-Mattix Pool which cannot be so drained by the existing well(s).
- CASE 7110: Application of Alpha Twenty-One Production Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the El Paso Tom Federal Well No. 3 located 1650 feet from the North and West lines of Section 33, Township 25 South, Range 37 East, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Langlie-Mattix Pool which cannot be so drained by the existing well(s).
- CASE 7111: Application of Alpha Twenty-One Production Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the El Paso Tom Federal Well No. 2 located 1650 feet from the North line and 330 feet from the West line of Section 33, Township 25 South, Range 37 East, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Langlie-Mattix Pool which cannot be so drained by the existing well(s).
- CASE 7112: Application of Alpha Twenty-One Production Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Harrison Federal Well No. 3 located 1980 feet from the North line and 660 feet from the West line of Section 27, Township 25 South, Range 37 East, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Jalmat Gas Pool which cannot be so drained by the existing well(s).
- CASE 7086: (Continued from November 12, 1980, Examiner Hearing)
Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Pictured Cliffs formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 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.
- CASE 7087: (Continued from November 12, 1980, Examiner Hearing)
Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Fruitland formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 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.
- CASE 7046: (Continued and Readvertised)
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 thru 4, 9 thru 14, and 23 and 24, Township 24 North, Range 4 West.

DOCKET: COMMISSION HEARING - THURSDAY - DECEMBER 11, 1980
OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

Docket No. 41-80

CASE 7025: (DE NOVO)

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 W/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.

Upon application of Southland Royalty Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7008: (DE NOVO)

Application of Coronado Exploration Corp. for eight compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying eight 40-acre proration units, being the NE/4 NE/4 of Section 4 and the NW/4 NE/4 of Section 5, both in Township 12 South, Range 28 East, and the NW/4 SE/4 of Section 6, the NE/4 NW/4 of Section 23, the NE/4 SE/4 of Section 28, the SE/4 SE/4 of Section 29, the NE/4 NW/4 of Section 32, and the SE/4 NW/4 of Section 33, all in Township 11 South, Range 28 East, each 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 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.

Upon application of Tenneco Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6965: (DE NOVO)

Application of Supron Energy Corporation for a non-standard gas proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard Mesaverde and Dakota gas proration unit comprising the SE/4 of Section 8, Township 25 North, Range 3 West, to be dedicated to a well to be drilled at a standard location thereon.

Upon application of Curtis J. Little and Beartooth Oil and Gas Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6896: (DE NOVO)

Application of John E. Schalk for a non-standard gas proration unit and an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard Blanco Mesaverde gas proration unit comprising the NE/4 of Section 8, Township 25 North, Range 3 West, to be dedicated to his Gulf Well No. 2 to be drilled at an unorthodox location 1925 feet from the North line and 790 feet from the East line of said Section 8.

Upon application of Curtis J. Little and Beartooth Oil and Gas Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6996: (Continued from November 25, 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.

CAMPBELL AND BLACK, P.A.
LAWYERS

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

POST OFFICE BOX 2208

JEFFERSON PLACE

SANTA FE, NEW MEXICO 87501

TELEPHONE 505/988-4441

November 26, 1980

NOV 26 1980

OIL CONSERVATION DIVISION
SANTA FE

Mr. Joe D. Ramey
Division Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 7109

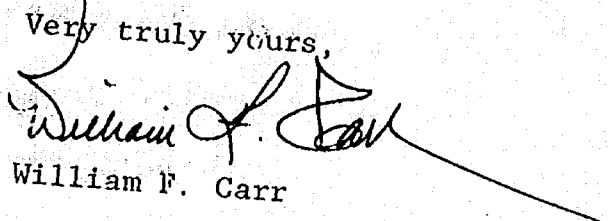
Re: Application of Alpha Twenty-One Production
Company for Infill Drilling, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Alpha Twenty-One Production Company in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on December 10, 1980.

Very truly yours,


William F. Carr

WFC:lr

Enclosures

cc: Mr. Tommy Phipps
Mr. Bill Aycock

NOV 23 1980

BEFORE THE
OIL CONSERVATION DIVISION
SANTA FE

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF ALPHA TWENTY-ONE PRODUCTION
COMPANY FOR INFILL DRILLING,
LEA COUNTY, NEW MEXICO.

Case 7109

APPLICATION

Comes now ALPHA TWENTY-ONE PRODUCTION COMPANY, by and through its undersigned attorneys and hereby makes application for an order for wellhead price ceiling category determination pursuant to the Special Rules of the Division and Part 271.305(b) of the Federal Energy Regulatory Commission's Regulations Implementing the Natural Gas Policy Act of 1978 and in support thereof would show the Division:

1. Applicant is the operator of the El Paso Tom Federal Well No. 1 located 330 feet from the North line and 330 feet from the West line of Section 33, Township 25 South, Range 37 East, Lea County, New Mexico, which is completed in and producing natural gas from the Langlie-Mattix Pool, Seven Rivers-Queen Formation.
2. Said El Paso Tom Federal Well No. 1 is the second well drilled to and completed in the Langlie-Mattix Pool on the 40 acre spacing and proration unit, being the NW/4 NW/4 of said Section 33, which was previously dedicated to the Texas Pacific Oil Co. Gregory "A" No. 3 Well located in Unit D of said Section 33.
3. Applicant seeks a determination pursuant to FERC Rules, Part 271.305 that said El Paso Tom Federal Well No. 1 is

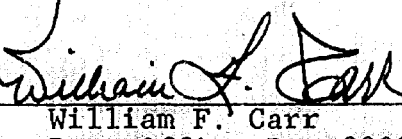
necessary to effectively and efficiently drain that portion of the Langlie-Mattix Pool covered by the existing 40 acre proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit and will offer evidence in support of that determination.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order making the wellhead price ceiling category determination as requested.

Respectfully submitted,

CAMPBELL AND BLACK, P.A.

By


William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

BEFORE THE

NOV 26 1980

OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS
SANTA FE

IN THE MATTER OF THE APPLICATION
OF ALPHA TWENTY-ONE PRODUCTION
COMPANY FOR INFILL DRILLING,
LEA COUNTY, NEW MEXICO.

Case 7109

APPLICATION

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1. Applicant is the operator of the El Paso Tom Federal Well No. 1 located 330 feet from the North line and 330 feet from the West line of Section 33, Township 25 South, Range 37 East, Lea County, New Mexico, which is completed in and producing natural gas from the Langlie-Mattix Pool, Seven Rivers-Queen Formation.
2. Said El Paso Tom Federal Well No. 1 is the second well drilled to and completed in the Langlie-Mattix Pool on the 40 acre spacing and proration unit, being the NW/4 NW/4 of said Section 33, which was previously dedicated to the Texas Pacific Oil Co. Gregory "A" No. 3 Well located in Unit D of said Section 33.
3. Applicant seeks a determination pursuant to FERC Rules, Part 271.305 that said El Paso Tom Federal Well No. 1 is

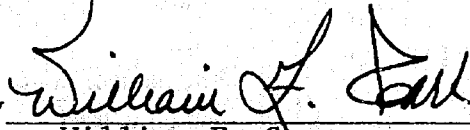
necessary to effectively and efficiently drain that portion of the Langlie-Mattix Pool covered by the existing 40 acre proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit and will offer evidence in support of that determination.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order making the wellhead price ceiling category determination as requested.

Respectfully submitted,

CAMPBELL AND BLACK, P.A.

By



William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

BEFORE THE

NOV 23 1980

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF ALPHA TWENTY-ONE PRODUCTION
COMPANY FOR INFILL DRILLING,
LEA COUNTY, NEW MEXICO.

Case 7109

APPLICATION

Comes now ALPHA TWENTY-ONE PRODUCTION COMPANY, by and through its undersigned attorneys and hereby makes application for an order for wellhead price ceiling category determination pursuant to the Special Rules of the Division and Part 271.305(b) of the Federal Energy Regulatory Commission's Regulations Implementing the Natural Gas Policy Act of 1978 and in support thereof would show the Division:


1. Applicant is the operator of the El Paso Tom Federal Well No. 1 located 330 feet from the North line and 330 feet from the West line of Section 33, Township 25 South, Range 37 East, Lea County, New Mexico, which is completed in and producing natural gas from the Langlie-Mattix Pool, Seven Rivers-Queen Formation.
2. Said El Paso Tom Federal Well No. 1 is the second well drilled to and completed in the Langlie-Mattix Pool on the 40 acre spacing and proration unit, being the NW/4 NW/4 of said Section 33, which was previously dedicated to the Texas Pacific Oil Co. Gregory "A" No. 3 Well located in Unit D of said Section 33.
3. Applicant seeks a determination pursuant to FERC Rules, Part 271.305 that said El Paso Tom Federal Well No. 1 is

necessary to effectively and efficiently drain that portion of the Langlie-Mattix Pool covered by the existing 40 acre proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit and will offer evidence in support of that determination.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order making the wellhead price ceiling category determination as requested.

Respectfully submitted,
CAMPBELL AND BLACK, P.A.

By



William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

Case 7109

Application of Alpha Twenty-One Production Company for infill findings, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the El Paso Tom Federal Well No. 1 located 330 feet from the North and West lines of Section 33, Township 25 South, Range 37 East, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Langlie-Mattix Pool, Seven Rivers-Queen Formation which cannot be so drained by the existing well(s).

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. 7109

Order No. R- 6549

APPLICATION OF ALPHA TWENTY-ONE
PRODUCTION COMPANY FOR APPROVAL
OF INFILL DRILLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 10,
19 80, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this _____ day of December, 1980, the Division
Director, having considered the record and the recommendations of
the Examiner, and being fully advised in the premises,

FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 7109 is hereby dismissed.

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