

CASE NO.

7155

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

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

COMMISSION HEARING

IN THE MATTER OF:

Application of Southland Royalty  
Company for compulsory pooling,  
Eddy County, New Mexico.

CASE  
7155

BEFORE: Commissioner Ramey

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:

William F. Carr, Esq.  
CAMPBELL, BYRD, & BLACK P.A.  
Jefferson Place  
Santa Fe, New Mexico 87501

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MR. RAMEY: The hearing will come to order.

We do not have a quorum this morning. We will call the cases.

Call Case 7155.

MR. PADILLA: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico.

MR. CARR: May it please the Commission, Southland Royalty Company will request that this case be dismissed.

MR. RAMEY: Thank you, Mr. Carr. Case Number 7155 will be dismissed.

(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.

SALLY W. BOYD, C.S.R.

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

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ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
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SANTA FE, NEW MEXICO  
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COMMISSION HEARING

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We do not have a quorum this morning.

We will call the cases.

Call Case 7155.

MR. PADILLA: Application of Southland  
Royalty Company for compulsory pooling, Eddy County, New  
Mexico.

MR. CARR: May it please the Commission,  
Southland Royalty Company will request that this case be  
dismissed.

MR. RAMEY: Thank you, Mr. Carr.  
Case Number 7155 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.

SALLY W. BOYD, C.S.R.

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



BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

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

March 19, 1981

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

Re: CASE NO. 7155  
ORDER NO. B 6622

**Applicant:**

Southland Royalty Company

Dear Sir:

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

Yours very truly,

JOE D. RAMEY  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC \_\_\_\_\_ x  
 Artesia OCC \_\_\_\_\_ x  
 Aztec OCC \_\_\_\_\_

other



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 7155  
Order No. R-6622

APPLICATION OF SOUTHLAND ROYALTY  
COMPANY FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 16, 1981,  
at Santa Fe, New Mexico, before the Oil Conservation Commission  
of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 18th day of March, 1981, the Commission, a  
quorum being present, having considered the record 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. 7155 is hereby dismissed.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL  
fd/

Dockets Nos. 12-81 and 13-81 are tentatively set for April 8 and 22, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - MONDAY - MARCH 16, 1981

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

The following cases are continued from the February 18, 1981, Commission Hearing:

CASE 7155: 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 7057: (DE NOVO)

Application of Doyle Hartman 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 the following depths underlying the following 40-acre tracts in Township 24 South, Range 37 East: SE/4 SE/4 of Section 30: 3364 feet; NE/4 SE/4 of Section 30: 3389 feet; and SE/4 SW/4 of Section 20: 3390 feet.

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

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DOCKET: COMMISSION HEARING - WEDNESDAY - MARCH 18, 1981

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

CASE 7198: Application of Amoco Production Company for temporary special rules, Union, Harding, and Quay Counties, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of temporary special area rules for the Bravo Dome carbon dioxide gas area, including provision for 640-acre spacing units, specified well locations, casing and cementing rules, and authority to inject carbon dioxide gas for test purposes only.

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DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 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 7199: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider amendments to its SPECIAL RULES FOR APPLICATIONS FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATIONS as promulgated by Division Order No. R-5878, as amended. The proposed amendments relate to individual well filing requirements for price category determinations for the following categories:

- (1) High cost production enhancement gas under Section 107 of the NGPA;
- (2) Continued stripper qualification resulting from temporary pressure buildups under Section 108 of the NGPA.

- CASE 7200: Application of Estoril Producing Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Belco Fed. Well No. 1 located in Unit O of Section 15, Township 23 South, Range 34 East, to produce gas and gas liquids from the Strawn and Morrow formations, Antelope Ridge Field, thru parallel strings of tubing.
- CASE 7201: Application of Layton Enterprises, Inc. for a unit agreement, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Todd Lower San Andres Unit Area, comprising 3256 acres, more or less, of Federal and State lands in Township 7 South, Ranges 35 and 36 East.
- CASE 7202: Application of Layton Enterprises, Inc. for a waterflood project, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the San Andres formation thru 4 injection wells located in Sections 30, 31 and 32 of its Todd Lower San Andres Unit in Township 7 South, Range 36 East.
- CASE 7203: Application of Southern Union Exploration Co. of Texas for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Susco Bough "C" Unit Area, comprising 2560 acres, more or less, of State lands in Township 10 South, Range 33 East.
- CASE 7204: Application of Bass Enterprises Production Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the interval from 3820 feet to 3915 feet in its Federal Legg Well No. 1 in Unit B of Section 27, Township 22 South, Range 30 East, Quahada Ridge Field.
- CASE 7205: Application of Supron Energy Corporation for a non-standard gas proration unit, San Juan 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 35, Township 31 North, Range 12 West, to be dedicated to a well to be drilled at a standard location thereon.
- CASE 7183: (Continued from March 11, 1981, Examiner Hearing)
- Application of Flag-Redfern Oil Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Osudo St. Com Well No. 2 at an unorthodox location 990 feet from the North and East lines of Section 18, Township 20 South, Range 36 East, North Osudo-Morrow Gas Pool.
- CASE 7206: Application of Mobil Producing Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation through perforations from 12,212 feet to 12,218 feet and the open hole interval from 12,240 feet to 12,555 feet in its Santa Fe Pacific Well No. 3 in Unit M of Section 26, Township 9 South, Range 36 East, Crossroads Field.
- CASE 7207: Application of Mobil Producing Inc. for lease commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the commingling of Vacuum Grayburg-San Andres production from the State J and State II leases in Section 22, Township 17 South, Range 34 East.
- CASE 7208: Application of Gulf Oil Corporation for the amendment of pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the White City-Pennsylvanian Gas Pool Rules to provide for 320-acre spacing rather than 640 acres with well locations specified as being at least 1650 feet from the end boundary and 660 feet from the side boundary of the proration unit.
- CASE 7129: (Continued from February 25, 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: (Continued from February 25, 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 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 7209: Application of Koch Industries, Inc. for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Mesaverde formation underlying portions of Township 32 North, Ranges 8 and 9 West, containing 10,551 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 7181: (Readvertised)

Application of Read & Stevens, Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Hernandez Draw Unit Area, comprising 2,560 acres, more or less, of Federal, State, and Fee lands in Townships 4 and 5 South, Ranges 26 and 27 East.

CASE 7197: (Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order extending certain pools in Chaves County, New Mexico:

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

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM  
Section 1: SE/4 SW/4

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

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM  
Section 19: NE/4

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

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM  
Section 22: W/2 SW/4 and SW/4 NW/4  
Section 27: NW/4 NW/4

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

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM  
Section 34: S/2

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM  
Section 15: N/2  
Section 16: N/2

(r) 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: S/2 NW/4  
Section 30: S/2 NE/4

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

TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM  
Section 30: NW/4 SE/4 and SW/4 NE/4

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

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM  
Section 35: SW/4 SW/4

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

(z) EXTEND the East Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM  
Section 10: SE/4  
Section 11: SW/4

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

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NNPM  
Section 32: W/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NNPM  
Section 12: N/2 NE/4

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NNPM  
Section 6: N/2 N/2

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

COMMISSION HEARING

IN THE MATTER OF:

Application of Southland Royalty  
Company for compulsory pooling,  
Eddy County, New Mexico.

CASE  
7155

BEFORE: Commissioner Ramey  
Commissioner Arnold

TRANSCRIPT OF HEARING

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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:

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MR. RAMEY: The hearing will come to  
order.

We'll call first this morning Case 7155.

MR. PADILLA: Application of Southland  
Royalty Company for compulsory pooling, Eddy County, New  
Mexico.

MR. RAMEY: At the request of the appli-  
cant, this case will be continued to March the 16th at  
this same time, same place.

(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-  
Commission  
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.

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Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7402



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

COMMISSION HEARING

IN THE MATTER OF:

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Company for compulsory pooling,  
Eddy County, New Mexico.

CASE  
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BEFORE: Commissioner Ramey  
Commissioner Arnold

TRANSCRIPT OF HEARING

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For the Oil Conservation  
Division:

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

For the Applicant:

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2 MR. RAMEY: The hearing will come to  
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4 We'll call first this morning Case 7155.

5 MR. PADILLA: Application of Southland  
6 Royalty Company for compulsory pooling Eddy County, New  
7 Mexico.

8 MR. RAMEY: At the request of the appli-  
9 cant, this case will be continued to March the 16th at  
10 this same time, same place.

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12 (Hearing concluded.)  
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CAMPBELL, BYRD & BLACK, P.A.

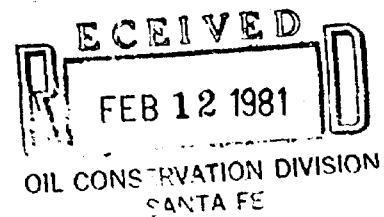
LAWYERS

JACK M. CAMPBELL  
HARL D. BYRD  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
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February 12, 1981

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



Re: Case 7155: Application of Southland  
Royalty Company for Compulsory Pooling,  
Eddy County, New Mexico

Dear Mr. Ramey:

Southland Royalty Company hereby requests that the above-referenced case be continued from the Commission hearing scheduled on February 18, 1981, for approximately 30 days to enable the applicant to further evaluate data being obtained from an offsetting well which will be presented to the Commission at the time of hearing.

Your attention to this request is appreciated.

Very truly yours,

A handwritten signature in cursive script, appearing to read "William F. Carr".

William F. Carr

WFC:lr

cc: Mr. Don Davis

Dockets Nos. 7-81 and 8-81 are tentatively set for February 25 and March 11, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 11, 1981

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 March, 1981, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for March, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

(3) Consideration of purchaser's nominations for the one year period beginning April 1, 1981, for both of the above areas.

CASE 7146: Application of Amoco Production Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Perro Grande Unit Area, comprising 3524 acres, more or less, of State and Federal lands in Townships 25 and 26 South, Range 35 East.

CASE 7135: (Continued and Readvertised)

Application of Celeste C. Grynberg for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the South Cottonwood Draw Unit Area, comprising 3,195 acres, more or less, of State lands in Township 16 South, Range 24 East.

CASE 7147: Application of Yates Petroleum Corporation for an unorthodox gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 1650 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 25 East, the S/2 of said Section 35 to be dedicated to said well and to applicant's "JK" Well No. 2 located in Unit N.

CASE 7140: (Continued from January 28, 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 4063: (Reopened and Readvertised)

In the matter of Case No. 4063 being reopened on the motion of the Oil Conservation Division to consider the abolishment of the special rules and regulations for the Four Mile Draw-Morrow Gas Pool, Eddy County, New Mexico, as promulgated by Order No. R-3698. In the absence of objection said rules will be rescinded.

CASE 7148: 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 7149: 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 7150: 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 7151: Application of C & 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 in the NE/4 and a well to be drilled at a previously approved unorthodox location in the NW/4 of said Section 9. 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 7152: Application of C & 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 7153: Application of C & 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 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 7129: (Continued from January 28, 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 6670: (Continued from January 14, 1981, Examiner Hearing)
- In the matter of Case 6670 being reopened and pursuant to the provisions of Order No. R-6183 which order promulgated temporary special rules and regulations for the Red Hills-Devonian Gas Pool in Lea County, New Mexico, including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.
- CASE 7154: Application of Mobil Producing Texas and New Mexico, Inc. for designation of a tight formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Mesaverde formation underlying portions of Townships 26 and 27 North, Ranges 2 and 3 West, containing 13,920 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 7134: (Continued and Readvertised)
- Application of Read & Stevens, Inc. for an unorthodox gas well location and two non-standard gas proration units, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard proration units in the Buffalo Valley-Pennsylvanian Gas Pool, the first being the NW/4 of Section 13, Township 15 South, Range 27 East, to be dedicated to its Langley "Com" Well No. 1 in Unit C, and the other being the NE/4 of said Section 13 to be dedicated to a well to be drilled at an unorthodox location 1315 feet from the North and East lines of the section.

DOCKET: COMMISSION HEARING - WEDNESDAY - FEBRUARY 18, 1981

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

CASE 7155: 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 7057: (DE NOVO)

Application of Doyle Hartman 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 Langlie Mattix Pool to the following depths underlying the following 40-acre tracts in Township 24 South, Range 37 East: SE/4 SE/4 of Section 30: 3364 feet; NE/4 SE/4 of Section 30: 3389 feet; and SE/4 SW/4 of Section 20: 3390 feet.

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

CASE 7156: Application of Parabo, Inc. for amendment of Order No. R-5516, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5516 which authorized the disposal of produced salt water in unlined surface pits in Section 29, Township 21 South, Range 38 East. Applicant proposes modification of the Commission's requirements for the number, location, and depths of monitor wells, casing and perforating monitor wells, and a change in maximum depths of water permitted in the pits.

CAMPBELL AND BLACK, P.A.

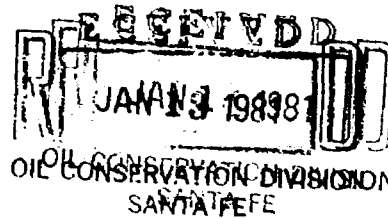
LAWYERS

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) 968-4421

January 13, 1981

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



*Case 7155*

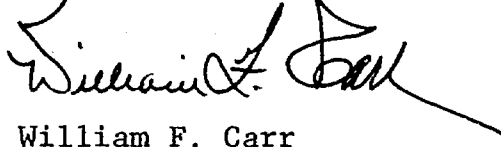
Re: Application of Southland Royalty Company for  
Compulsory Pooling, Eddy County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Southland  
Royalty Company in the above-referenced matter.

The applicant requests that this matter be heard before  
the full Oil Conservation Commission in February 1981.

Very truly yours,

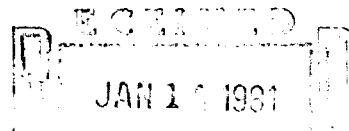
  
William F. Carr

WFC:lr

Enclosures

cc: Mr. Don Davis





BEFORE THE OIL CONSERVATION DIVISION  
OIL CONSERVATION COMMISSION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

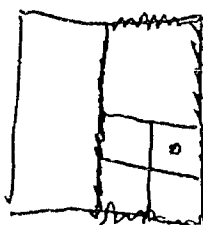
IN THE MATTER OF THE APPLICATION  
OF SOUTHLAND ROYALTY COMPANY  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

Case 7155

APPLICATION

Comes now, SOUTHLAND ROYALTY COMPANY, by and through its undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling all of the minerals interests in the Pennsylvanian formation in and under the E/2 of Section 35, Township 18 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the owner of 56.3% of the working interest in and under the E/2 of said Section 35, and applicant has the right to drill thereon.
2. Applicant proposes to dedicate the above-referenced pooled unit to its Empire Federal 35-A Com. No. 1 Well to be drilled at an orthodox location 1980 feet from the South line and 660 feet from the East line of said Section 35.
3. Applicant has sought and obtained either voluntary agreement for pooling or farm-out from all other working interest owners in the E/2 of said Section 35 except Tenneco Oil Exploration and Production Company, owner of a 12.1% working interest and Flag-Redfern Oil Company,



owner of a 25.3% working interest and Bassett-Birney Oil Corporation, owner of a 6.3% working interest.

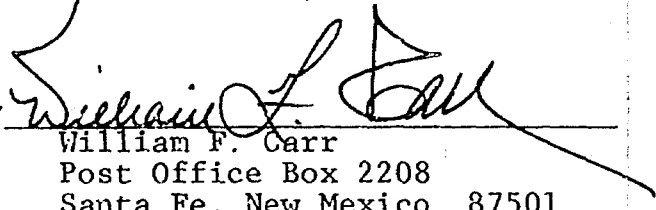
4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interest should be pooled, and applicant should be designated the operator of the well to be drilled.

WHEREFORE, Applicant prays that this application be set for hearing before the Oil Conservation Commission, and that after notice and hearing as required by law, the Commission enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well, and such other and further provisions as may be proper in the premises.

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  
OIL CONSERVATION COMMISSION  
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

JAN 14 1981  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF SOUTHLAND ROYALTY COMPANY  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

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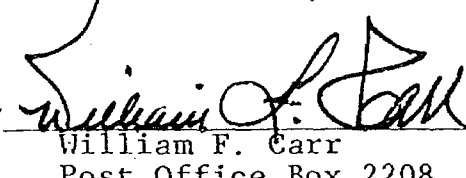
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By

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

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

JAN 14 1981  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF SOUTHLAND ROYALTY COMPANY  
FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO.

Case 7155

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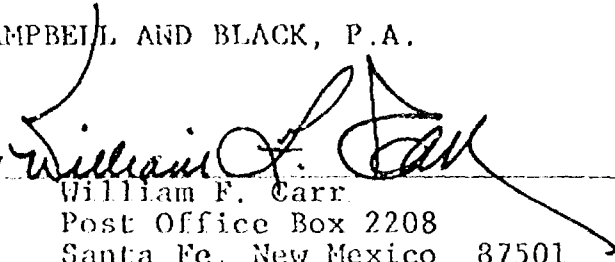
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Respectfully submitted,

CAMPBELL AND BLACK, P.A.

By

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

ROUGH

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

APPLICATION OF SOUTHLAND ROYALTY  
COMPANY FOR COMPULSORY POOLING,  
EDDY COUNTY, NEW MEXICO

CASE NO.

7155

Order No.

R-6622

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 am  
on March 16, 1981, at Santa Fe, New Mexico,  
before the Oil Conservation Commission of New Mexico, hereinafter  
referred to as the "Commission."

NOW, on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, the  
Commission, a quorum being present, having considered the  
~~testimony presented and the exhibits received at said hearing,~~  
and being fully advised in the premises,

FINDS:

*the applicant's request for*  
(1) That ~~due public notice having been given as required~~  
~~dismissal should be granted.~~  
~~by law, the Commission has jurisdiction of this cause and the~~  
~~subject matter thereof.~~

*request for*  
(2) That the applicant, ~~Southland Royalty~~  
~~Company, requested this dismissal should be granted~~

IT IS THEREFOR ORDERED:

(1) That Case No. 7155 is hereby dismissed.

Jurisdiction