

BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
SANTA FE, NEW MEXICO

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION OF  
NEW MEXICO FOR THE PURPOSE OF CON-  
SIDERING:

CASE NO. 270  
ORDER NO. R-75

THE APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR AN ORDER ESTABLISHING 80-  
ACRE PRORATION UNITS AND PROVIDING FOR  
ALLOWABLES FOR THE WOLFCAMP COMMON  
SOURCE OF SUPPLY DISCOVERED IN ATLANTIC  
REFINING COMPANY'S BETTIE C. DICKINSON  
WELL NO. 1-B NW/4 SW/4 Section 12, Twp. 15, S  
R. 37E, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 10 o'clock A. M. on the 22nd day of May, 1951, at Santa Fe, New Mexico, pursuant to notice before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," and the Commission having heard the testimony adduced at said hearing and being fully advised in the premises,

FINDS:

1. That due public notice having been given pursuant to law, and the rules and regulations of the Commission, this Commission has jurisdiction both of the subject matter and of the parties interested.

2. That the probable productive limits of the Wolfcamp common source of supply as discovered in Atlantic Refining Company's Bettie C. Dickinson Well No. 1-B, located in NW/4 SW/4 Section 12, Twp. 15 S, Rge. 37 E, NMPM, and further corroborated by production from three other wells, are:

Twp. 14 S, R. 37 E. NMPM:

All Sections 34, 35 and 36

Twp. 15 S, R. 37 E, NMPM:

All Sections 1, 2, 3, 10, 11, 12

13, 14, 15; and N/2 Sec. 22,

N/2 Section 23, N/2 Section 24

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*Denon*  
3. That the Denton-(Wolfcamp) pool be extended to include the above-described area for Wolfcamp production from 8500' to 9500'.

4. That from limited exploration of the Wolfcamp formation, it appears that a considerable pay zone is characteristic, and that despite any shortage of tubular goods, the prospects for substantial production are excellent.

5. That for orderly development, the prevention of waste and protection of correlative rights the area should be developed upon the standard 40-acre spacing pattern.

IT IS THEREFORE ORDERED:

(1) That the Denton-Wolfcamp pool in Lea County, New Mexico, be, and it hereby is extended to include the area described as:

Twp. 14 S. R. 37E, NMPM:

All Sections 34, 35, 36

Twp. 15 S. R. 37E, NMPM:

All Sections 1, 2, 3, 10, 11,  
12, 13, 14 and 15; and N/2  
Sec. 22, N/2 Sec. 23, and  
N/2 Sec. 24

(2) That that part of Phillips Petroleum Company's application relating to 80-acre spacing and proration units be, and the same hereby is denied.

DONE at Santa Fe, New Mexico, this 5th day of June, 1951.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

SEAL

BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
SANTA FE, NEW MEXICO

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION OF  
NEW MEXICO FOR THE PURPOSE OF CON-  
SIDERING:

CASE NO. 270  
ORDER NO. R-75

THE APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR AN ORDER ESTABLISHING 80  
ACRE PRORATION UNITS AND PROVIDING FOR  
ALLOWABLES FOR THE WOLFCAMP COMMON  
SOURCE OF SUPPLY DISCOVERED IN ATLANTIC  
REFINING COMPANY'S BETTIE C. DICKINSON  
WELL NO. 1-B NW/4 SW/4 SECTION 12, TWP.  
15, S R. 37E, NMPM, LEA COUNTY, NEW  
MEXICO.

MOTION FOR RE-HEARING OF ORDER NO. R-75 HANDED DOWN  
BY THE COMMISSION JUNE 5, 1951, DENYING THE APPLICA-  
TION OF PHILLIPS PETROLEUM COMPANY FOR AN ORDER  
ESTABLISHING 80 ACRE SPACING OF THE WOLFCAMP COMMON  
SOURCE OF SUPPLY DISCOVERED IN ATLANTIC REFINING  
COMPANY'S BETTIE C. DICKINSON WELL NO. 1-B.

Now comes the Phillips Petroleum Company and moves the  
Commission, and by means of motion for re-hearing, petitions  
the Commission to re-open this proceeding for the purpose of  
reconsidering the order so entered by the Commission on June 5,  
1951, and to permit petitioner to offer additional evidence and  
argument in support of this motion, and for grounds thereof shows  
the Commission:-

1. In its application dated March 22, 1951, petitioner  
requested that Sections 34, 35 and 36, Township 14, South of  
Range 37 East, and Sections 1, 2, 3, 10, 11, 12, 13, 14 and 15,  
and the north halves of Sections 22, 23 and 24, all in Township  
15, South of Range 37 East, Lea County, New Mexico, be determined  
to be within the common source of supply for the Denton Wolfcamp  
field; that by its order of June 5, 1951, the Commission defined  
the limits of the Wolfcamp common source of supply as discovered  
in the Atlantic Refining Company's Bettie C. Dickinson well;

2. It appears from the evidence offered in this proceeding that the Denton Wolfcamp pool overlies the Denton Siluro-Devonian pool at least to a large extent so far as present explorations disclose; that drilling to the Denton Siluro-Devonian pool necessarily requires drilling through the Denton Wolfcamp pool, and that the Commission did not at the time of the hearing, and does not now have sufficient information to justify Finding of Fact No. 4 made by the Commission;

3. In denying the application of the petitioner for 80 acre spacing, the Commission, in its order of June 5, 1951, erred in that:-

(a) The owners of property within the pool are required to drill more wells than are reasonably necessary to secure their proportionate part of the production from the pool;

(b) The drilling of wells on the basis of 40 acre spacing tends to create fire and other hazards conducive to waste;

(c) 40 acre spacing in the Denton pool unnecessarily increases production cost of oil and gas to the operator;

(d) 40 acre spacing unnecessarily increases the cost of oil and gas products to the ultimate consumer;

(e) It directly violates the directives issued by the Petroleum Administration for Defense (PAD), in that it requires the unnecessary use and waste of steel during the present national emergency;

(f) It renders impossible the utilization of 80 acre spacing in the event subsequent development of the pool should determine and prove that 80 acre spacing should be applied rather than 40 acre spacing; and

(g) It unnecessarily discourages development of the oil and gas resources of the State of New Mexico by requiring unnecessary use of steel and by requiring costly drilling of unnecessary wells.

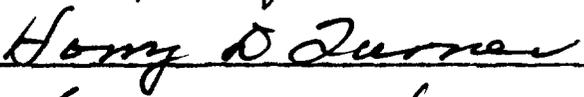
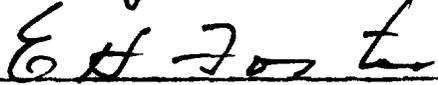
4. The order of the Commission of June 5, 1951, by fixing well spacing at 40 acres tends to discourage deep drilling and the exploration for and development of deep reservoirs and reserves and the more rapid defining of the limits of a pool, all of which efforts are now being encouraged by the Petroleum Administration for Defense.

5. By the Commission's said order it has acted against the best interests of the royalty owners, including the State of New Mexico as a royalty owner, and the people of the State of New Mexico, in that it has disregarded the fact that there are better methods of securing greater ultimate recovery of oil and gas than simply by drilling more wells.

In submitting this petition and motion for re-hearing, and during the pendency of this motion for a re-hearing and until final determination by the Commission of Petitioner's application for 80 acre spacing, it is requested that the Commission, by an appropriate order or directive, restrict the location of wells to the northwest quarter and southeast quarter of each quarter section in the field.

Respectfully submitted,

  
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Santa Fe, N. M.

  
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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 270  
ORDER No. R-102

THE APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR AN ORDER ESTABLISHING 80-ACRE  
PRORATION UNITS AND PROVIDING FOR ALLOWABLES  
FOR THE WOLFCAMP COMMON SOURCE OF SUPPLY  
DISCOVERED IN ATLANTIC REFINING COMPANY'S  
BETTIE C. DICKINSON WELL NO. 1-B, NW/4 SW/4  
SECTION 12, T. 15 S, R. 37 E, N. M. P. M., LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION  
ON REHEARING

BY THE COMMISSION:

This cause came on for hearing upon the petition of Phillips Petroleum Company on May 22, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," and for rehearing on July 24, 1951, and August 7, 1951.

NOW, on this 15<sup>th</sup> day of October, 1951, the Commission, a quorum being present, having fully considered the record and the testimony adduced and the exhibits received at said hearing and rehearings, and being fully advised in the premises,

FINDS, (1) That due public notice having been given in accordance with law, the Commission has jurisdiction of this cause, the persons and subject matter thereof.

(2) That after due public notice and hearing on May 22, 1951, the Commission entered its orders numbered R-75 and R-75-A denying petitioner's application for 80-acre spacing.

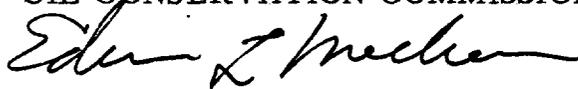
(3) That upon motion duly filed, the Commission granted a rehearing by its Order No. R-75-B for the purpose of taking additional testimony and hearing oral argument, and that such rehearing was held on July 24, 1951, and August 7, 1951.

(4) That no evidence was presented at such rehearings sufficient to justify an order granting petitioner's application.

IT IS THEREFORE ORDERED: That Phillips Petroleum Company's application for 80-acre spacing in the Denton-Wolfcamp pool, Lea County, New Mexico, be, and the same hereby is denied, and the Commission's order No. R-75, as amended and corrected by Order No. R-75-A, be, and the same hereby is affirmed.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

  
R. R. SPURRIER, Secretary

BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
SANTA FE, NEW MEXICO

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

CASE NO. 270  
ORDER NO. R-75-B

THE APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR AN ORDER ESTABLISHING 80-  
ACRE PRORATION UNITS AND PROVIDING FOR  
ALLOWABLES FOR THE WOLFCAMP COMMON  
SOURCE OF SUPPLY DISCOVERED IN ATLANTIC  
REFINING COMPANY'S BETTIE C. DICKINSON  
WELL NO. 1-B NW/4 SW/4 SECTION 12, Twp. 15, S  
R. 37 E, NMPM LEA COUNTY, NEW MEXICO

ORDER OF COMMISSION FOR REHEARING

This cause having come on for hearing upon the petition and motion of the Phillips Petroleum Company filed June 25, 1951, for a rehearing of Order No. R-75 heretofore rendered by this Commission June 5, 1951, wherein this Commission denied the application of the Phillips Petroleum Company for an order establishing 80 acre spacing of the Wolfcamp common source of supply discovered in Atlantic Refining Company's Bettie C. Dickinson Well 1-B, and the Commission having considered said motion and application.

IT IS HEREBY ORDERED that the above entitled matter be reopened and that a rehearing in said cause be held July 25, 1951, at 10 o'clock A. M. at Santa Fe, New Mexico, at which time and place all interested parties may appear.

DONE this 29th day of June, 1951.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION  
*Edwin L. Mechem*  
EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member  
*R. R. Spurrer*  
R. R. SPURRER, Secretary

BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
SANTA FE, NEW MEXICO

IN THE MATTER OF THE HEARING CALLED  
BY THE OIL CONSERVATION COMMISSION OF  
NEW MEXICO FOR THE PURPOSE OF CONSIDER-  
ING:

CASE NO. 270  
ORDER NO. R-75

THE APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR AN ORDER ESTABLISHING 80-  
ACRE PRORATION UNITS AND PROVIDING FOR  
ALLOWABLES FOR THE WOLFCAMP COMMON  
SOURCE OF SUPPLY DISCOVERED IN ATLANTIC  
REFINING COMPANY'S BETTIE C. DICKINSON  
WELL NO. 1-B NW/4 SW/4 SECTION 12, Twp. 15, S  
R. 37 E, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 10 o'clock A. M. on the 22nd day of May, 1951, at Santa Fe, New Mexico, pursuant to notice before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", and the Commission having heard the testimony adduced at said hearing and being fully advised in the premises,

FINDS:

1. That due public notice having been given pursuant to law, and the rules and regulations of the Commission, this Commission has jurisdiction both of the subject matter and of the parties interested.
2. That the probable productive limits of the Wolfcamp common source of supply as discovered in Atlantic Refining Company's Bettie C. Dickinson Well No. 1-B, located in NW/4 SW/4 Section 12, Twp. 15 S, Range 37 E, NMPM, and further corroborated by production from three other wells, are:

Twp. 14 S, R. 37 E, NMPM:

All Sections 34, 35 and 36

Twp. 15 S. R. 37 E. NMPM:

All Sections 1, 2, 3, 10, 11,  
12, 13, 14, 15; and N/2 Sec. 22  
N/2 Section 23, N/2 Section 24

3. That the Denton-Wolfcamp pool be extended to include the above-described area for Wolfcamp production from 8500' to 9500'.

4. That from limited exploration of the Wolfcamp formation, it appears that a considerable pay zone is characteristic, and that despite any shortage of tubular goods, the prospects for substantial production are excellent.

Case No. 270  
Order No. R. 75

5. That for orderly development, the prevention of waste and protection of correlative rights the area should be developed upon the standard 40-acre spacing pattern.

IT IS THEREFORE ORDERED:

(1) That the Denton-Wolfcamp pool in Lea County, New Mexico, be, and it hereby is extended to include the area described as:

Twp. 14 S. R. 37 E, NMPM:

All Sections 34, 35, 36

Twp. 15 S. R. 37 E, NMPM:

All Sections 1, 2, 3, 10, 11,  
12, 13, 14 and 15; and N/2  
Sec. 22, N/2 Sec. 23, and  
N/2 Section 24

(2) That that part of Phillips Petroleum Company's application relating to 80-acre spacing and proration units be, and the same hereby is denied.

DONE at Santa Fe, New Mexico, this 5th day of June, 1951.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member



R. R. SPURRIER, SECRETARY

SEAL

BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
SANTA FE - NEW MEXICO

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

CASE NO. 270  
ORDER NO. R-75-A

THE MATTER OF THE APPLICATION OF PHILLIPS  
PETROLEUM COMPANY FOR THE ESTABLISHMENT OF  
PROBATION UNITS AND PROVIDING FOR THE WOLFCAMP  
COMMON SOURCE OF SUPPLY DISCOVERED IN ATLANTIC  
REFINING CO.'S BETTIE C. DICKINSON WELL NO. 1-B,  
NW/4 SW/4 SEC. 12, TWP. 15 S, RGE. 37 E, NMPM, LEA  
COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER OF THE COMMISSION

It appearing to the the Commission that the order heretofore entered in  
the above-titled cause is not a correct memorial of the judgment as  
rendered and announced by this Commission, in that Finding No. 2 of said  
order as rendered and announced defined the Denton-Wolfcamp pool as com-  
prising:

Twp. 14 S. R. 37 E. NMPM

All Sections 34, 35 and 36

Twp. 15 S. R. 37 E. NMPM

All Sections 1, 2, 3, 10, 11, 12,  
13, 14, 15; and N/2 Sec. 22,  
N/2 Sec. 23, N/2 Sec. 24

WHEREAS, through inadvertence and a clerical error said Denton-Wolfcamp pool  
was defined as comprising:

Twp. 14 S. R. 37 E. NMPM

All Sections 34, 35 and 36

Twp. 15 S. R. 37 E. NMPM

All Sections 1, 2, 3, 10, 11, 12,  
13, 14, 15; and N/2 Sec. 22,  
N/2 Sec. 23, N/2 Sec. 24

THEREFORE, IT IS HEREBY ORDERED that the order heretofore entered by this  
Commission in the above entitled cause on June 5, 1951, be and the same  
hereby is corrected to conform to the actual judgment and order announced  
and rendered by the Commission by modifying Finding No. 2 to read as follows:

Twp. 15 S. R. 37 E. NMPM

All of Sections 11, 12, 13 and 14

and said order in all other respects is hereby ratified and confirmed, and

IT IS FURTHER ORDERED that this order correcting the record of said order be entered nunc pro tunc as of the 5th day of June, 1951, that being the date when said order was originally made and entered.

DONE this 29th day of June, 1951.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



Edwin L. Mechem, Chairman

Guy Shepard, Member



R. R. Spurrier, Secretary

SEAL