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170.32  
335.66

MAIN OFFICE 036

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NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Case # 1227

IN THE MATTER OF THE APPLICATION OF  
JOHN J. EISNER FOR APPROVAL OF UNORTHODOX  
LOCATION FOR DRILLING OF A PICTURED CLIFFS  
GAS WELL 990' FROM NORTH LINE AND 682' FROM  
WEST LINE OF LOT 1, SECTION 6, TOWNSHIP 26-  
NORTH, RANGE 2-WEST, N.M.P.M., AND FOR APPROVAL  
OF COMMUNITIZATION AGREEMENT IN CONNECTION  
THEREWITH COVERING LOTS 1, 2, 3, and 4 OF SAID  
SECTION 6, ALSO, THE APPROVAL OF AN UNORTHODOX  
LOCATION AND DUAL COMPLETION OF A WELL TO BE  
LOCATED 990' FROM THE NORTH LINE AND 700' FROM  
THE WEST LINE OF LOT 1, SECTION 7, TOWNSHIP 26-  
NORTH, RANGE 2-WEST, N.M.P.M., AS A GAS WELL IN  
THE PICTURED CLIFFS AND MESAVERDE FORMATIONS, AND  
FOR APPROVAL OF COMMUNITIZATION AGREEMENT IN  
CONNECTION THEREWITH COVERING LOTS 1, 2, 3, and 4  
OF SAID SECTION 7 AS TO GAS PRODUCED FROM THE  
PICTURED CLIFFS FORMATION AND COVERING LOTS 1, 2,  
3, and 4 OF SAID SECTION 6 AND LOTS 1, 2, 3, and 4  
OF SAID SECTION 7 AS TO GAS PRODUCTION FROM THE  
MESAVERDE FORMATION: SAID LAND BEING SITUATED IN  
RIO ARRIBA COUNTY, NEW MEXICO.

(NON STD  
KNIT)

(NON  
MAY)

Comes the undersigned, John J. Eisner, of Abilene, Texas,  
through his attorneys, Hervey, Dow & Hinkle, of Roswell, New Mexico,  
and hereby makes application for approval of the following:

1. An unorthodox location for a well to be drilled  
and completed as a gas well in the Pictured Cliffs formation  
to be located 990' from the North line and 682' from the  
West line of Lot 1, Section 6, Township 26-North, Range 2-  
West, and for approval of a Communitization Agreement in  
connection therewith covering dry gas and associated liquid  
hydrocarbon substances which may be produced from said well  
embracing Lots 1, 2, 3, and 4 of said Section 6.

2. An unorthodox location for a well to be drilled  
and dually completed in both the Pictured Cliffs and Mesa-  
verde formations located 990' from the North line and  
700' from the West line of Lot 1, Section 7, Township 26-  
North, Range 2-West, N.M.P.M., and for approval of a  
Communitization Agreement in connection therewith covering  
all dry gas and associated liquid hydrocarbon substances  
which may be produced from said well from the Pictured Cliffs  
formation embracing Lots 1, 2, 3, and 4 of said Section 7,  
and covering all dry gas and associated liquid hydrocarbon  
substances which may be produced from said well from the  
Mesaverde formation embracing all of Lots 1, 2, 3, and 4 of  
said Section 6 and all of Lots 1, 2, 3, and 4 of said  
Section 7;

and in support thereof respectfully shows:

1. That Lots 1, 2 and 3 of Section 6, Township 26-North, Range 2-West are lands of the United States embraced in a certain oil and gas lease owned by E. A. Hanson of Roswell, New Mexico; that Lot 4 of said Section 6, and Lots 1, 2 and 3 of said Section 7 are fee lands under lease to applicant, and that Lot 4 of said Section 7 are lands of the United States under lease to the Magnolia Petroleum Company.

2. That Sections 6 and 7 in Township 26-North, Range 2-West are irregular sections of the Public Lands Survey and consist only of the lots hereinabove described, which said lots contain the following number of acres:

Section 6, Township 26-North, Range 2-West

Lot 1	-	39.88	acres
Lot 2	-	41.53	acres
Lot 3	-	41.82	acres
Lot 4	-	<u>42.11</u>	acres
TOTAL	-	165.34	acres

Section 7, Township 26-North, Range 2-West

Lot 1	-	42.34	acres
Lot 2	-	42.50	acres
Lot 3	-	42.66	acres
Lot 4	-	<u>42.82</u>	acres
TOTAL		170.32	acres

3. That there are attached hereto, made a part hereof, and for purposes of identification marked Exhibits "A" and "B", respectively, Form C-128 of the New Mexico Oil Conservation Commission showing the location of the proposed wells, said locations being surveyed by Ernest V. Echohawk, registered land surveyor.

4. That there is attached hereto, made a part hereof, and for purposes of identification marked Exhibit "C", a plat of a portion of Rio Arriba County, New Mexico, on a <sup>scale</sup> scale of three inches to one mile showing the location of the lands involved in this application and the gas wells which have been completed in both the Pictured Cliffs and Mesaverde formations, and also the character of the lands and ownership

of the oil and gas leases surrounding the lands covered by this application. Said Exhibit "C" also shows the southeast boundary of the Blanco Mesaverde Gas Pool as originally constituted and applicant is informed that the boundaries of said pool have been extended by subsequent orders of the New Mexico Oil Conservation Commission to include all lands contiguous on the west to the lands covered by this application; that said Exhibit "C" also shows that the wells proposed to be drilled are both within one mile of the Blanco Mesaverde Gas Pool as defined by the New Mexico Oil Conservation Commission.

5. That E. A. Hanson and the Magnolia Petroleum Company ? have agreed with applicant to communitize their respective leasehold interests so that Lots 1, 2, 3 and 4 of Section 6, Township 26-North, Range 2-West would be pooled so as to constitute a spacing unit consisting of 165.34 acres for the purpose of allocation on an acreage basis of the dry gas and associated liquid hydrocarbon substances which may be produced from the well to be located on Lot 1 of said Section 6.

That said parties have also agreed to communitize their respective leasehold interests so that Lots 1, 2, 3 and 4 of said Section 7 containing 170.32 acres will constitute a spacing unit for the purpose of allocation on an acreage basis of all dry gas and associated liquid hydrocarbon substances which may be produced from the Pictured Cliffs formation found in the well to be located on Lot 1 of said Section 7, and also, said parties have agreed to communitize their respective leasehold interests so that Lots 1, 2, 3, and 4 of said Section 6 and Lots 1, 2, 3 and 4 of said Section 7 consisting of 335.66 acres will constitute a spacing unit for the purpose of allocation on an acreage basis of all the dry gas and associated liquid hydrocarbon substances which may be produced from the Mesaverde formation found in the well to be located on Lot 1 of said Section 7.

6. That, as will more particularly appear by the plat attached hereto as Exhibit "C", the Magnolia Petroleum Company is the owner of the oil and gas leases embracing all of the lands contiguous to the lands covered by this application to the ~~east~~<sup>west</sup>. That to the best of applicant's knowledge and belief, Section 31 of Township 27-North, Range 2-West adjoining Lot 1 of said Section 6 on the north are Indian lands not under oil and gas lease; that the oil and gas lease covering the lands contiguous to Lots 1 and 2 of said Section 6 on the east are owned by E. A. Hanson; that the oil and gas lease covering the lands contiguous to Lots 3 and 4 of said Section 6 on the east are owned by the Gulf Oil Corporation; that the lands contiguous on the east to Lots 1 and 2 of said Section 7 are owned by applicant, and the oil and gas leases covering the lands contiguous on the east and south to Lots 3 and 4 of said Section 7 are owned by the Magnolia Petroleum Company.

7. That the well to be located on Lot 1 of said Section 7 will be drilled and dually completed for the production of gas and associated liquid hydrocarbon substances in both the Pictured Cliffs and Mesaverde formations if found to be productive in paying quantities in accordance with the rules and regulations and requirements of the New Mexico Oil Conservation Commission.

8. That a copy of this application is being mailed to the Gulf Oil Corporation, the owner of the oil and gas lease hereinabove described, and being the only oil and gas lease owner having an oil and gas lease embracing lands contiguous to the lands covered by this application other than the parties to the proposed Communitization Agreements.

Respectfully submitted,

JOHN J. EISNER

BY:   
Clarence E. Hinkle, member of the  
firm of Hervey, Dow & Hinkle,  
Roswell, New Mexico  
Attorneys for Applicant

EXHIBIT "A"

NEW MEXICO  
OIL CONSERVATION COMMISSION

Form C-128

Well Location and/or Gas Proration Plat

Date \_\_\_\_\_

Operator John J. Eisner Lease Hanson-Federal

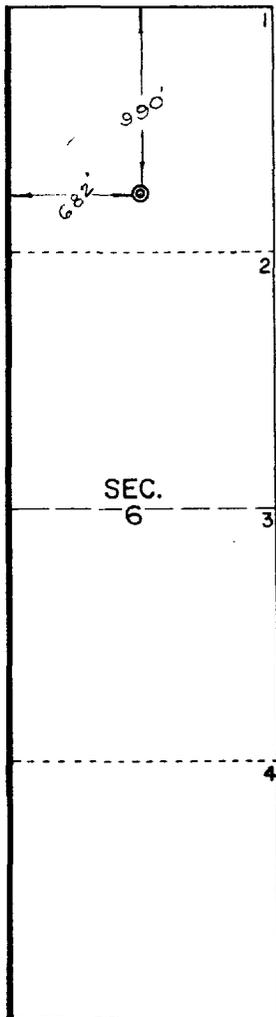
Well No. 1 Section 6 Township 26 North Range 2 West NMPM

Located 990 Feet From North Line, 682 Feet From West Line,

Rio Arriba County, New Mexico. G. L. Elevation \_\_\_\_\_

Name of Producing Formation \_\_\_\_\_ Pool \_\_\_\_\_ Dedicated Acreage \_\_\_\_\_

(Note: All distances must be from outer boundaries of Section)



Fractional Section

Lot	Area
Lot 1	39.88 Acres
Lot 2	41.53 " "
Lot 3	41.82 " "
Lot 4	42.11 " "

165.34

170.32

2 35.66



NOTE

This section of form is to be used for gas wells only.

SCALE: 1"=1000'

1. Is this Well a Dual Comp. ? Yes\_\_\_ No\_\_\_
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage?  
Yes\_\_\_\_\_ No\_\_\_\_\_

Name \_\_\_\_\_  
 Position \_\_\_\_\_  
 Representing \_\_\_\_\_  
 Address \_\_\_\_\_

Date Surveyed February 23, 1957

Ernest V. Echohawk

Ernest V. Echohawk  
Reg. Land Surveyor, N. Mex., Reg. No. 1545

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

EXHIBIT "B"

NEW MEXICO

OIL CONSERVATION COMMISSION

Form C-128

Well Location and/or Gas Proration Plat

Operator John J. Eisner Lease Melvin D. Reichhaus Date \_\_\_\_\_

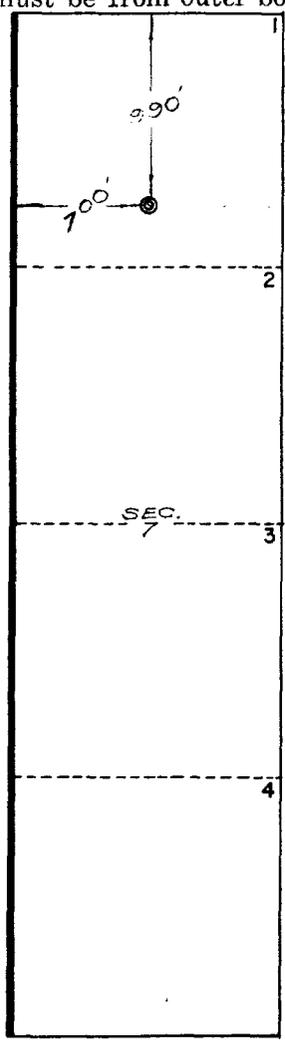
Well No. 1 Section 7 Township 26 North Range 2 West NMPM

Located 990 Feet From North Line, 700 Feet From West Line,

Rio Arriba County, New Mexico. G. L. Elevation 7117, UNGRADED

Name of Producing Formation \_\_\_\_\_ Pool \_\_\_\_\_ Dedicated Acreage \_\_\_\_\_

(Note: All distances must be from outer boundaries of Section)



Fractional Section

- Lot Areas -

1.	42.34	Acres
2.	42.50	" "
3.	42.66	" "
4.	42.82	" "

*Handwritten:* #6932  
170.32

NOTE

This section of form is to be used for gas wells only.

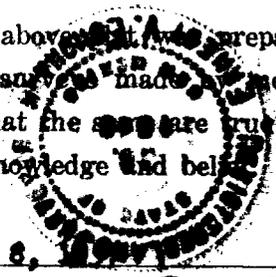


SCALE: 1"=1000'

1. Is this Well a Dual Comp. ? Yes \_\_\_ No \_\_\_.
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage?  
Yes \_\_\_ No \_\_\_.

Name \_\_\_\_\_  
 Position \_\_\_\_\_  
 Representing \_\_\_\_\_  
 Address \_\_\_\_\_

This is to certify that the above plat was prepared from field notes of actual survey made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.



Date Surveyed February 8, 1997  
*Ernest V. Echohawk*  
 Ernest V. Echohawk  
 Reg. Land Surveyor, N. Mex., Reg. No. 1545