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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF )  
GULF OIL CORPORATION AND WESTERN )  
OIL FIELDS, INC. FOR A COMPULSORY )  
POOLING ORDER AS TO GAS IN THE )  
BLINEBRY AND TUBB GAS POOLS UNDER )  
THE SW/4 SECTION 30, TOWNSHIP 22 )  
SOUTH, RANGE 38 EAST, LEA COUNTY, )  
NEW MEXICO. )

No. 1261

A P P L I C A T I O N

Come now Applicants, Gulf Oil Corporation, hereinafter called Gulf, and Western Oil Fields, Inc., hereinafter called Western, and show to the Commission:

1. Gulf is the owner and holder of an oil and gas lease dated April 3, 1944, from Allen M. Drinkard covering among other lands the E/2 of the SW/4 and the SW/4 of the SW/4 of Section 30, Township 22 South Range 38 East, N.M.P.M., Lea County, New Mexico, said lease providing for a royalty of 1/8th of 8/8ths on oil and gas.

2. Western is the owner and holder of an oil and gas lease dated March 11, 1950, from Allen M. Drinkard and others covering among other lands the NW/4 of the SW/4 of said Section 30, said lease providing for a royalty of 3/16ths of 8/8ths on oil and gas.

3. Allen M. Drinkard is the sole owner of all of the oil and gas royalties provided in said leases.

4. Prior to March 1, 1955, Gulf and Western in order to protect their correlative rights and comply with Orders R-610 and R-586 of the Commission entered into an informal agreement for the pooling of all of their interests in the SW/4 of said Section 30 as to gas to be developed and produced from gas wells within the vertical limits of the Blinebry and Tubb gas pools. Said informal agreement was formalized by a written agreement executed as of July 6, 1956, between Gulf and Western by which said parties pooled all of their interests in said tract as to gas to be developed and produced from gas wells within the vertical limits of the Blinebry Gas Pool, said

1 unit to be known as Western Oil Fields A.M. Drinkard "B" Blinebry  
2 Gas Unit No. 2 and by which said parties pooled all of their in-  
3 terests in said tract as to gas to be developed and produced from  
4 gas wells within the vertical limits of the Tubb Gas Pool, said  
5 unit to be known as Western Oil Fields A.M. Drinkard "B" Tubb Gas  
6 Unit No. 2. In said agreement Western is designated as the operator.  
7 Said agreement provides for the allocation of the dry gas and asso-  
8 ciated liquid hydrocarbons produced from said gas pools among the  
9 present or future owners of leasehold or royalty interest in the  
10 proportion that the acreage interest of each bears to the entire  
11 acreage in the SW/4 of said Section 30.

12 5. Allen M. Drinkard has refused to consent to or ratify the  
13 pooling agreement.

14 6. Prior to March 1, 1955, Western completed a Tubb gas well  
15 660 feet from the West line and 1980 feet from the south line of  
16 the SW/4 of said Section 30 and as of March 1, 1955, Western on the  
17 basis of the informal pooling agreement applied for and was assigned  
18 by the Commission a 160-acre unit allowable from its said Tubb Gas  
19 well and said allowable is still in effect. The total working  
20 interest production from said well has at all times since March 1,  
21 1955, been allocated 3/4ths to Gulf and 1/4th to Western under their  
22 pooling agreement but Gulf's share of the production has been held  
23 in suspense because of the refusal of the sole royalty owner Allen  
24 M. Drinkard to consent to the pooling agreement.

25 7. Allen M. Drinkard claims that he is entitled to receive  
26 3/16ths of all gas and associated liquid hydrocarbons produced from  
27 Western's said Tubb gas well although 3/4ths of the total production  
28 from said well is allocated to Gulf by reason of its ownership of  
29 3/4ths of the total acreage in the said Tubb Gas Pool unit, and  
30 under Gulf's said lease Allen M. Drinkard is entitled to receive  
31 only 1/8th of Gulf's share of said production.

32 8. No well has been completed upon the SW/4 of said Section 30

1 in the Blinebry Gas Pool but under the pooling agreement Western will  
2 either dually complete its Tubb gas well above described or drill  
3 and complete another well in the Tubb gas zone and Gulf will con-  
4 tribute its fair share to the cost of said well.

5 9. Western and Gulf will each suffer great economic loss in  
6 the drilling of unnecessary wells on their respective tracts in the  
7 SW/4 of said Section 30 unless all of the royalty interests under  
8 said tract are pooled. One well on said tract in each of the Bline-  
9 bry and Tubb Gas Pools will efficiently drain all of the gas under-  
10 lying and properly belonging to said tract from said pools, as is  
11 found by the Commission in its said Orders R-586 and R-610.

12 10. The royalty interest of Allen M. Drinkard will not be ad-  
13 versely affected by the compulsory pooling of all of his royalties  
14 in the respective units provided by the pooling agreements.

15 11. In order to protect the correlative rights of the Appli-  
16 cants herein and to avoid the drilling of unnecessary wells, it is  
17 necessary that the royalty interests under the above described oil  
18 and gas leases be pooled by Commission order.

19 WHEREFORE APPLICANTS REQUEST that the Commission enter its  
20 order pooling all interests underlying the SW/4 of Section 30,  
21 Township 22 South, Range 38 East, Lea County, New Mexico, within  
22 the vertical limits of the Blinebry Gas Pool and within the vertical  
23 limits of the Tubb Gas Pool.

24 Respectfully submitted,

25 GULF OIL CORPORATION

26 By CAMPBELL & RUSSELL

27 By Jack M. Campbell  
28 Attorneys  
Roswell, New Mexico

29 WESTERN OIL FIELDS, INC.

30 By REESE, McCORMICK, LUSK & PAINE

31 By Geo. L. Reese  
32 Attorneys  
Carlsbad, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION

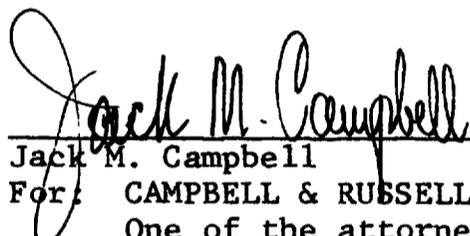
OF THE STATE OF NEW MEXICO

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No. 1261

CERTIFICATE

COMES NOW Jack M. Campbell, one of the attorneys for Applicants, and certifies to the Oil Conservation Commission of the State of New Mexico that on the 24th day of May, 1957, he mailed a copy of the Application in this case to Allen M. Drinkard, Post Office Box 45, Unice, New Mexico, which is the last known address of Mr. Drinkard.

  
\_\_\_\_\_  
Jack M. Campbell  
For: CAMPBELL & RUSSELL  
One of the attorneys for Applicants.

NEW MEXICO OIL CONSERVATION COMMISSION  
Well Location and Acreage Dedication Plat

Case 1261

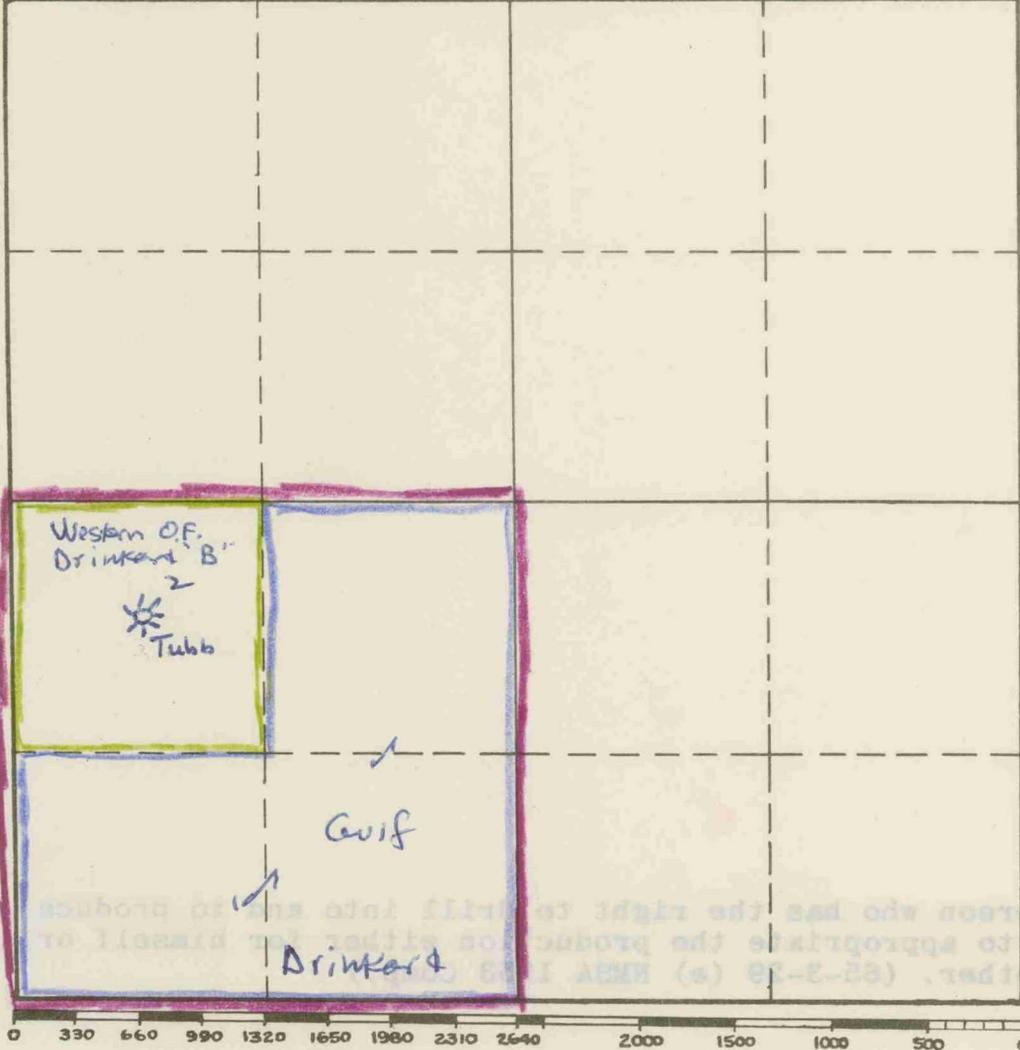
Section A. Date \_\_\_\_\_

Operator Western Oil Fields, Inc Lease Drinkard B  
Well No. 2 Unit Letter L Section 30 Township 22 S Range 38 E NMPM  
Located 1980 Feet From South Line, 660 Feet From West Line  
County Lea G. L. Elevation \_\_\_\_\_ Dedicated Acreage 160 Acres  
Name of Producing Formation \_\_\_\_\_ Pool Tubb & Blinbery

1. Is the Operator the only owner\* in the dedicated acreage outlined on the plat below?  
Yes \_\_\_\_\_ No \_\_\_\_\_.
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes \_\_\_\_\_ No \_\_\_\_\_. If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description
	<u>DESIRE FORCE Pool of SW1/4 or 160 Ac for Blinbery &amp; Tubb</u>
	<u>160 Ac Now Dedicated in Tubb</u>

Section B Well in BLINBERY Pool Not Completed Yet



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

\_\_\_\_\_  
(Operator)

\_\_\_\_\_  
(Representative)

\_\_\_\_\_  
Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed \_\_\_\_\_

\_\_\_\_\_  
Registered Professional Engineer and/or Land Surveyor.

Certificate No. \_\_\_\_\_  
the reverse side)

(See instructions for completing this form on

NEW MEXICO OIL CONSERVATION COMMISSION  
INSTRUCTIONS FOR COMPLETION:

1. Operator shall furnish and certify to the information called for in Section A.
2. Operator shall outline the dedicated acreage for both oil and gas wells on the plat in Section B.
3. A registered professional engineer or land surveyor registered in the State of New Mexico or approved by the Commission shall show on the plat the location of the well and certify this information in the space provided.
4. All distances shown on the plat must be from the outer boundaries of Section.
5. If additional space is needed for listing owners and their respective interests as required in question 3, Section A, please use space below

Section B Well in B-1 Survey


Well in B-1 Survey  
Dedicated Acreage  
\*  
Gas

\* "Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1953 Comp.)