

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 10, 1962

EXAMINER HEARING

IN THE MATTER OF:)

)
Application of Pan American Petroleum)
Corporation for an exception to Order)
No. R-660, Caprock-Queen Pool, Chaves)
County, New Mexico. Applicant, in the)
above-styled cause, seeks an exception)
to the Special Rules and Regulations of)
the Caprock-Queen Pool, Order No. R-660,)
for the assignment of a gas allowable)
equivalent to the total reservoir)
voidage of a top allowable oil well pro-)
ducing at the limiting GOR of 2000: 1)
for its State "AK" Well No. 1 located)
in Unit N, Section 19, Township 15)
South, Range 31 East, Chaves County,)
New Mexico.)

Case 2548

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 2548.

MR. MORRIS: Application of Pan American Petroleum Corporation for an exception to Order No. R-660, Caprock-Queen Pool, Chaves County, New Mexico.

MR. BUELL: May it please the Examiner, Pan American is going to request that this hearing be continued to the first



Examiner Hearing in July. In that connection, I would like to point this out for the record, that this well is offset by acreage in the South Caprock-Queen Unit, which is operated by the Union Oil Company of California. At the time that unit was formed approximately, I believe, a year and a half ago, we made every effort at that time to get that well into the unit.

However, at that time this well was not producing due to two limitations, one, the field rule for which we're asking an exception at this time, and secondly, the fact that there was no market available.

Naturally we did not have a very strong bargaining position with the unit, and the well was not too attractive for the unit. However, since we have developed a market, and since we have scheduled this hearing for an exception to the pool rules such that we can produce this well and protect our correlative rights, we have been requested by Union, the unit operator, to continue this case in order that we may again negotiate in an attempt to bring this well into the unit. That's the reason that we're asking for this continuance at this time.

MR. NUTTER: Case No. 2548 will be continued to the first Examiner Hearing in the month of July, 1962.

MR. BUELL: Thank you.

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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. 2548
Order No. R-2275

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR AN EXCEPTION TO ORDER
NO. R-660, CAPROCK-QUEEN POOL, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 10, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 10th day of July, 1962, the Commission, a quorum being present, having considered the application and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That inasmuch as the applicant, Pan American Petroleum Corporation, has requested that Case No. 2548 be continued indefinitely, it should be dismissed and redocketed at a later date upon further application.

IT IS THEREFORE ORDERED:

That Case No. 2548 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

EDWIN L. MECHEM, Chairman

E. S. Walker

E. S. WALKER, Member

A. L. Porter, Jr.

A. L. PORTER, JR., Member & Secretary

ear/