



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

June 28, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Bridge Oil (U.S.A.), Inc.
12377 Merit Drive
Suite 1600
Dallas, TX 75251

Attention: Dora McGough, Regulatory Analyst

*RE: Roy Anderson Well No. 1, 990' FNL - 2310' FEL
(Unit B), 12-T16S-R36E, Undesignated Northeast
Lovington Pennsylvanian Pool, Lea County, New
Mexico.*

Dear Ms. McGough:

The NMOCD received your application for an unorthodox oil well location for the subject well on Thursday, June 28, 1990. I regret to inform you however that I cannot process this application administratively. The Special Rules and Regulations for the Northeast Lovington-Pennsylvanian Pool, as promulgated by Division Order No. R-3816, as amended, do not contain provisions allowing administrative review of unorthodox well locations based on geology.

The matter will therefore require a hearing before an examiner. To expedite this matter I have docketed your application for the next available hearing scheduled for July 25, 1990. Please provide adequate notice to all applicable interested parties as required by Division General Rule 1207.2.

Should you have any questions concerning this matter, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Hobbs

REGISTRATION DIVISION
RECEIVED
'90 JUL 16 AM 8 49

CHEVRON U.S.A. INC.
Eunice Gas Unit

Application For An Unorthodox
Gas Well Location
and
Sumultaneous Dedication of Acreage
Eumont (Pro Gas) Pool
1980' FSL and 560' FWL
Section 19, T21S, R37E
Lea County, New Mexico

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, waive any objection to Chevron U.S.A. Inc.'s application for NMOCD approval of an Unorthodox Gas Well Location in the Eumont (Pro Gas) Pool. This well is located 1980' FSL and 560' FWL, Section 19, T-21-S, R-37-E, NMPM, Lea County, New Mexico. We understand that this 320 proration unit will be simultaneously dedicated to the Eunice Com Wells No. 1 and 2 located in unit letters K and L, respectively, of Section 19.

Company: PENROC OIL CORPORATION
Representative: M. Y. (Merch) Merchant
Signature: *M. Y. Merchant*
Title: PRESIDENT
Date: 7.12.90

07.00.1500
RECEIVED
DIVISION
'30 JUL 16 AM 8 49

CHEVRON U.S.A. INC.
Eunice Gas Unit

Application For An Unorthodox
Gas Well Location
and
Sumultaneous Dedication of Acreage
Eumont (Pro Gas) Pool
1980' FSL and 560' FWL
Section 19, T21S, R37E
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Company: PENROC OIL CORPORATION
Representative: M. Y. (Merch) Merchant
Signature: *M. Y. Merchant*
Title: PRESIDENT
Date: July 12, 1950

OIL COMPLETION DIVISION
RECEIVED

'90 JUL 16 AM 8 49

CHEVRON U.S.A. INC.
Eunice Gas Unit

Application For An Unorthodox
Gas Well Location
and
Sumultaneous Dedication of Acreage
Eumont (Pro Gas) Pool
1980' FSL and 560' FWL
Section 19, T21S, R37E
Lea County, New Mexico

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Company: PENROC OIL CORPORATION
Representative: M. Y. (Merch) Merchant
Signature: *M. Y. Merchant*
Title: PRESIDENT
Date: 7.12.90

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 10028

IN THE MATTER OF THE APPLICATION OF
BRIDGE OIL COMPANY, L.P., FOR AN
UNORTHODOX OIL WELL LOCATION, LEA
COUNTY, NEW MEXICO

PREHEARING STATEMENT

This prehearing statement is submitted by David R. Vandiver of Fisk & Vandiver, attorneys for Bridge Oil Company, L.P., as required by the Oil Conservation Division.

APPEARANCES BY PARTIES

APPLICANT

Bridge Oil Company, L.P.
12377 Merit Drive, Suite 1600
Dallas, Texas 75251
(214) 788-3300
Attention: Richard M. Rollow

ATTORNEY

David R. Vandiver
Fisk & Vandiver
Seventh & Mahone, Suite E
Artesia, New Mexico 88210
(505) 746-9841

OPPOSITION OR OTHER PARTY

ATTORNEY

STATEMENT OF CASE

APPLICANT

(Please make a concise statement of what is being sought with this application and the reasons therefor.)

Bridge Oil Company, L.P., seeks permission to drill its Roy Anderson No. 1 Well at a point 990 feet from the north line and 2,310 feet from the east line of Section 12, Township 16 South, Range 36 East, N.M.P.M., Lea County, New Mexico, to a depth sufficient to test the Strawn formation, and to dedicate N/2 NE/4 Section 12 to such well. Said lands are within one mile of the existing boundary of the Northeast Lovington-Pennsylvanian Pool, and the proposed well location is unorthodox under the Special Rules and Regulations for said pool. The proposed location for the well is the best location in the spacing unit for a Strawn oil well.

OPPOSITION OR OTHER PARTY

(Please make a concise statement of the basis for opposing this application or otherwise state the position of the party filing this statement.)

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u> (Name and expertise)	<u>EST. TIME</u>	<u>EXHIBITS</u>
Richard M. Rollow Landman	20 minutes	1. Plat 2. Affidavits of Mailing
Lawrence J. Seright Geologist	20 minutes	1. Regional location plat 2. Geologic discussion 3. Seismic structure map on the Strawn 4. Segment of seismic record section 5. Strawn "type log"

OPPOSITION

<u>WITNESSES</u> (Name and expertise)	<u>EST. TIME</u>	<u>EXHIBITS</u>
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PROCEDURAL MATTERS

(Please identify any procedural matters which
need to be resolved prior to the hearing)

NONE

BRIDGE OIL COMPANY, L.P.

By: 
David R. Vandiver

FISK & VANDIVER
Seventh and Mahone, Suite E
Artesia, New Mexico 88210
(505) 746-9841

Attorneys for Applicant



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Case No. 10028

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

August 7, 1990

Julia Hillen
1000 Greenfield
Ft. Collins, CO 880524

Dear Ms. Hillen:

Per our telephone conversation on Friday, August 3, 1990, I have attached two maps. The first showing Sections 1 and 12 of Township 16 South, Range 36 East. The blue hatch marks indicate the SE/4 of Section 1 and the pink outline shows the N/2 NE/4 of Section 12. The second map is a blow-up of the first, again the pink outline is the N/2 NE/4 of Section 12. This being a standard 80-acre oil spacing unit for Northeast Lovington Pennsylvanian Pool. A spacing unit denotes the acreage in which all mineral interests will share in the well underlying same. The two blue dots show standard locations for this unit in this pool. The red dot is Bridge's proposed unorthodox location for their well in this unit. As you can see, they are moving away from your holdings in the SE/4 of Section 1.

Interestingly enough, our records show that the N/2 SE/4 of Section 1 (shown in yellow on the second map) is presently dedicated to a producing Northeast Pennsylvanian well operated by Estoril Producing Corp. known as the Anderson "1" Well No. 1 located 2300 feet from the South line and 1100 feet from the East line (Unit Q) of Section 1.

Hopefully this information will be of some help to you. Please call if you should have any questions.

Sincerely,

Michael E. Stogner
Petroleum Engineer

MES/ag

