

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

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AUG 29 1990

IN THE MATTER OF THE APPLICATION
OF MESA OPERATING LIMITED PARTNERSHIP
FOR COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

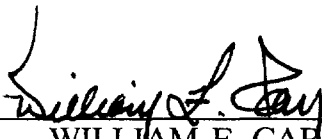
CASE NO. 10077

ENTRY OF APPEARANCE

COMES NOW CAMPBELL & BLACK, P.A., and hereby enters its appearance in
the above referenced case on behalf of Amoco Production Company.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 
WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO
PRODUCTION COMPANY

MILLER, STRATVERT, TORGERSON & SCHLENKER, P.A. DIVISION
LAW OFFICES

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1990
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ALAN C. TORGERSON
KENDALL O. SCHLENKER
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GREGORY W. CHASE
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KENNETH R. BRANDT (1946 - 1981)

August 9, 1990

PLEASE REPLY TO SANTA FE

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
Post Office Box 2008
Santa Fe, New Mexico 87504

10077

RE: Application of Mesa Operating Limited Partnership for
Compulsory Pooling, San Juan County, New Mexico, (FC
State Com #32)

Dear Mr. LeMay:

Enclosed is the Application of Mesa Operating Limited
Partnership for Compulsory Pooling for a Fruitland well to be
drilled at a standard location in the S/2 of Section 32 T-29 N, R-
9 W, NMPM, San Juan County, New Mexico.

On behalf of the Applicant, Mesa Operating Limited
Partnership, we ask that this matter be set for examiner hearing
on September 5, 1990.

Very truly yours,

MILLER, STRATVERT, TORGERSON
& SCHLENKER, P.A.

By: J. Scott Hall
J. Scott Hall

JSH/rom
cc: Hank Wood,
Mesa Limited Partnership

BEFORE THE
OIL CONSERVATION DIVISION
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT

IN THE MATTER OF THE APPLICATION OF
MESA OPERATING LIMITED PARTNERSHIP
FOR COMPULSORY POOLING, SAN JUAN
COUNTY, NEW MEXICO.

CASE NO. 10077

APPLICATION

MESA OPERATING LIMITED PARTNERSHIP by its undersigned attorneys, Miller, Stratvert, Torgerson & Schlenker, P.A., hereby makes application pursuant to section 70-2-17, N.M.S.A. (1978) for an order pooling all of the mineral interests in the Fruitland coal formation for development on 320-acre spacing in and under the S/2 of Section 32, Township 29 North, Range 9 West, N.M.P.M., San Juan County, New Mexico, and in support thereof would show the Division:

1. Applicant owns approximately 12.50% of the working interest in and under the S/2 of Section 32, and Applicant has the right to drill thereon.

2. Applicant proposes to dedicate the above-referenced pooled unit to its FC State Com #32 well to be located at a standard location in the S/2 of said Section 32.

3. Applicant has been unable to obtain voluntary agreement for pooling or farmout from all other interest owners in the S/2 of said Section 32.

4. Said pooling of interests will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled, and Applicant should be designated the operator of the well to be drilled.

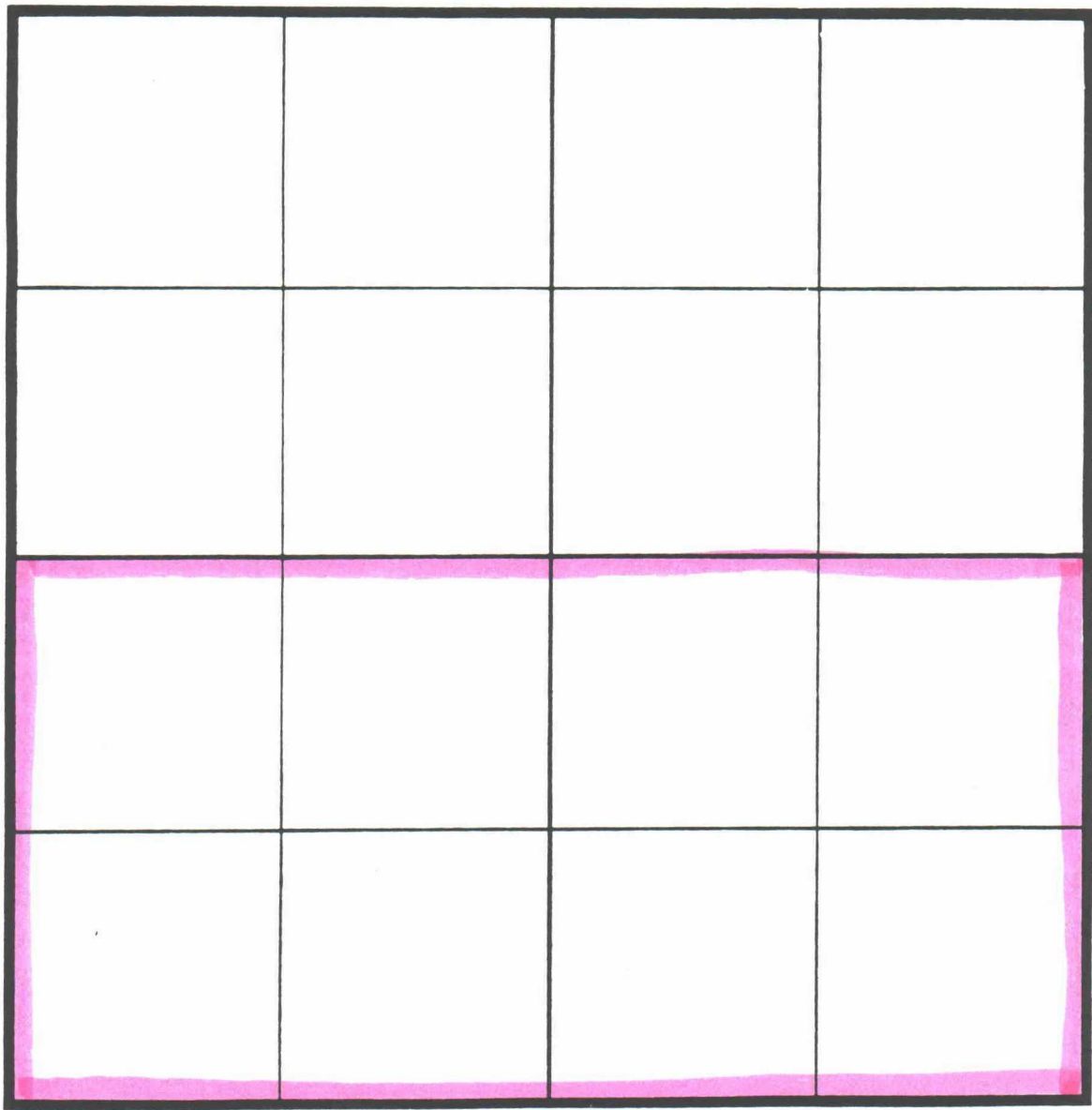
WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division on September 5, 1990, and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges, and imposing a risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and making such other and further provisions as may be proper in the premises.

MILLER, STRATVERT, TORGERSON
& SCHLENKER, P.A.

By J. Scott Hall
J. Scott Hall
Suite 303
125 Lincoln Avenue
Santa Fe, New Mexico 87501
Telephone: (505) 989-9614

ATTORNEYS FOR MESA OPERATING
LIMITED PARTNERSHIP

Sec. 32 Township No. 29 North of Range No. 9 West



2.75 miles south-southeast of Blanco, TX

Standard
640 acre
Section

CASE 10068: Application of Pacific Enterprises Oil Company (USA) to limit the rules governing the Anderson-Pennsylvanian Gas Pool to its present horizontal boundary, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to limit the Rules and Regulations governing the Anderson-Pennsylvanian Gas Pool to its present horizontal boundary comprising the S/2 of Section 7, the W/2 of Section 18, and the NW/4 of Section 19, all in Township 17 South, Range 30 East. Said pool was established in 1956 at which time statewide spacing for wells to this depth was 160 acres; these provisions are still applicable for the pool at this time. Further, the applicant requests that all wells drilled to the Pennsylvanian formation within one mile of the above-described area be exempt from the provisions of General Rule 104.A and be governed by the current Statewide Rules. Said pool is located approximately 2 miles west-northwest of Loco Hills, New Mexico.

CASE 10069: Application of Pacific Enterprises Oil Company (USA) to limit the rules governing the Fren-Pennsylvanian Gas Pool to its present horizontal boundary, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to limit the Rules and Regulations governing the Fren-Pennsylvanian Gas Pool to its present horizontal boundary comprising the SW/4 of Section 15, the E/2 of Section 21, and the NW/4 of Section 22, all in Township 17 South, Range 31 East. Said pool was established in 1956 at which time statewide spacing for wells to this depth was 160 acres; these provisions are still applicable for the pool at this time. Further, the applicant requests that all wells drilled to the Pennsylvanian formation within one mile of the above-described area be exempt from the provisions of General Rule 104.A and be governed by the current Statewide Rules. Said pool is located approximately 7 miles east of Loco Hills, New Mexico.

CASE 10036: (Continued from August 8, 1990, Examiner Hearing.) (This case will be continued to September 19, 1990, Examiner Hearing.)

Application of Texaco, Inc. for amendment of Division Order No. R-8170, as amended, to establish a minimum gas allowable for the Eumont Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend the "General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool" as promulgated by Division Order No. R-8170, as amended, to provide for a minimum natural gas allowable for the Eumont Gas Pool for a three-year period of time equal to 600 m.c.f. of gas per day for an Acreage Factor of 1.00 or 2400 m.c.f. of gas per day for a standard Eumont 640-acre gas spacing and proration unit.

CASE 10033: (Reopened and Readvertised)

Application of Nearburg Producing Company for amendment of Division Order No. R-9168, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9168, which order authorized the compulsory pooling of all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the E/2 NW/4 of Section 17, Township 16 South, Range 37 East, thereby forming a standard 80-acre oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location in the NE/4 NW/4 (Unit C) of said Section 17, by pooling all mineral interests in the N/2 NW/4 of said Section 17 instead of the E/2 NW/4 as originally proposed. Applicant further seeks to extend the date in which the operator must commence drilling said well from July 1, 1990 to July 18, 1990. Applicant also requests that all other provisions of said Order No. R-9168 remain in full force and effect. Said unit is located approximately 1.25 miles south of Mile Marker No. 4.5 on old State Highway No. 83. IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 10031: (Readvertised)

Application of Nearburg Producing Company for a non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil spacing and proration unit comprising the W/2 NE/4 of Section 31, Township 19 South, Range 25 East, Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Said unit is located approximately 9 miles west by south of Lakewood, New Mexico.

CASE 10032: (Readvertised)

Application of Nearburg Producing Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 4 of the Special Rules and Regulations for the North Osudo-Morrow Gas Pool authorizing an unorthodox gas well location 990 feet from the North line and 1980 feet from the East line (Unit B) of Section 6, Township 20 South, Range 36 East, all of said Section 6 to be dedicated to said well forming a standard 637.18-acre gas spacing and proration unit for said pool. This area is located approximately 7.5 miles west by south of Monument, New Mexico.

CASE 10050: (Continued from August 22, 1990, Examiner Hearing.)

Application of Blackwood & Nichols Co., Ltd. for directional drilling and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization to directionally drill from a surface location 1830 feet from the South line and 830 feet from the East line (Unit I) of Section 12, Township 30 North, Range 8 West, to a proposed bottomhole location in the Basin-Fruitland Coal Gas Pool within 100 feet of a target point 1376 feet from the South line and 840 feet from the West line (Unit K) of Section 7, Township 30 North, Range 7 West. Said well is to be dedicated to a non-standard gas spacing and proration unit comprising 298.90 acres, more or less, described as follows: Lots 6, 7, 8, 9, 12, 13, 14, and 15 and that portion of Tract No. 40 lying west of the projected north/south line which is common to both Lots 15 and 16 of said Section 7, (W/2 equivalent) as shown on the official U.S. Public Land Survey dated July 19, 1915, and Lots 7 and 8 and the E/2 NW/4 of Section 18 (NW/4 equivalent), Township 30 North, Range 7 West. Said unit is located approximately 1.5 miles north of the Navajo Reservoir Dam.

CASE 10070: Application of Amoco Production Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 342.54-acre non-standard gas spacing and proration unit comprising Lots 1, 2, 8 and 9 and the E/2 W/2 of Section 19 and Lots 2 and 6 and the E/2 NW/4 of Section 30, Township 30 North, Range 8 West, Basin-Fruitland Coal Gas Pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 19. Said unit is located approximately 7.5 miles southwest by west of Blanco, New Mexico.

CASE 10071: Application of Amoco Production Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 347.60-acre non-standard gas spacing and proration unit comprising Lots 1 through 4 and the E/2 W/2 of Section 19 and Lots 1 and 2 and the E/2 NW/4 of Section 30, Township 29 North, Range 8 West, Basin-Fruitland Coal Gas Pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 19. Said unit is located approximately 6.25 miles east by south of Blanco, New Mexico.

CASE 10072: Application of Amoco Production Company for a non-standard gas proration unit and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox coal gas well location for its proposed Barrett Gas Com "A" Well No. 1 to be drilled 1810 feet from the South line and 925 feet from the West line (Unit K) of Section 19, Township 31 North, Range 9 West, Basin-Fruitland Coal Gas Pool, to be dedicated to a 309.09-acre non-standard gas spacing and proration unit comprising Lots 7, 8, 9, 10, 15, 16, 17, and 18 (W/2 equivalent) of Section 19 and Lots 6 through 9 (NW/4 equivalent) of Section 30, of Township 31 North, Range 9 West. Said unit is located approximately 6 miles southeast by south of Cedar Hill, New Mexico.

CASE 10073: Application of Amoco Production Company for a non-standard gas proration unit, an unorthodox coal gas well location, and directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 326.00-acre non-standard gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool comprising Lots 3 and 4 and the E/2 SW/4 of Section 30 and Lots 1 through 4 and the E/2 W/2 of Section 31, Township 31 North, Range 8 West, to be dedicated to its Dawson Gas Com Well No. 1 to be drilled at an unorthodox coal gas well location 1210 feet from the South line and 660 feet from the West line (Unit M) of said Section 31. ALTERNATELY, the applicant seeks to directionally drill said well from the above-described surface location to a standard bottomhole coal gas well location within the SW/4 equivalent of said Section 31. Said unit is located approximately seven miles northwest by west of the Navajo Reservoir Dam.

CASE 10074: Application of Amoco Production Company for a non-standard gas proration unit, unorthodox coal gas well location, and directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 299.10-acre non-standard gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool comprising Lots 14 through 17 (SW/4 equivalent) of Section 30 and Lots 7 through 10 and Lots 15 through 18 (W/2 equivalent) of Section 31, Township 31 North, Range 9 West, to be dedicated to its Riddle Gas Com "C" Well No. 1 to be drilled at an unorthodox coal gas well location 2120 feet from the South line and 890 feet from the West line (Unit K) of said Section 30. ALTERNATELY, the applicant seeks to directionally drill said well from the above-described surface location to a standard bottomhole coal gas well location within the SW/4 equivalent of said Section 30. Said unit is located approximately 6 miles southeast by south of Cedar Hill, New Mexico.

CASE 10048: (Continued from August 22, 1990, Examiner Hearing.)

Application of Great Western Drilling Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 327.80-acre gas spacing and proration unit for the Basin Fruitland Coal (Gas) Pool comprising Lots 3 and 4, and the S/2 SW/4 (SW/4 equivalent) of Irregular Section 8 and the W/2 W/2 of Section 17, Township 32 North, Range 11 West (which is bounded to the north by the New Mexico/Colorado stateline at Mile Corner No. 274), to be dedicated to its J. E. Decker Well No. 11 located at a standard coal gas well location 910 feet from the South line and 955 feet from the West line (Unit M) of said Section 8.

CASE 10075: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1 and 2, the S/2 NW/4 and the SW/4 (W/2 equivalent) of Section 2, Township 27 North, Range 8 West, forming a standard 321.36-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 34 to be drilled at a standard coal gas well location in the SW/4 of said Section 2. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is approximately 4 miles east of Huerfano Park.

CASE 10076: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 16, Township 29 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 27 to be drilled at a standard coal gas well location in the SW/4 of said Section 16. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is approximately 6.5 miles southwest by south of the Navajo Reservoir Dam.

CASE 10077: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the S/2 of Section 32, Township 29 North, Range 9 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 32 to be drilled at a standard coal gas well location in the SW/4 of said Section 32. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is approximately 2.75 miles south-southeast of Blanco, New Mexico.