

4583

Application
Transcripts.

Small Exhibits

ETC.

DOCKET NO. 18-71

DOCKET: REGULAR HEARING - WEDNESDAY - AUGUST 18, 1971

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for September and October, 1971;
- (2) Consideration of the allowable production of gas for September, 1971 from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for September, 1971.

CASE 4437: (De Novo) This case will be continued to the October 13, 1971 Regular Hearing)

Application of Pennzoil United, Inc., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn formation underlying the W/2 of Section 6, Township 23 South, Range 27 East, South Carlsbad-Strawn Gas Pool, Eddy County, New Mexico, said acreage to be dedicated to the Morris R. Antweil Joell Well No. 1 located 660 feet from the North line and 1980 feet from the West line of said Section 6. Also to be considered will be the cost of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

Upon application of Pennzoil United, Inc., this case will be heard De Novo under the provisions of Rule 1220.

THE FOLLOWING CASES WILL BE HEARD BEFORE ELVIS A. UTZ, EXAMINER, OR DANIEL S. NUTTER, ALTERNATE EXAMINER, IN THE OIL CONSERVATION COMMISSION CONFERENCE ROOM ON THE SECOND FLOOR OF THE LAND OFFICE BUILDING AT 10 O'CLOCK A.M.

CASE 4539: (Continued from the July 28, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

| | | |
|---------------------|------------|--------|
| Atlantic State AC-1 | Well No. 1 | Unit N |
| Atlantic State AC-2 | Well No. 2 | Unit M |
| Atlantic State AC-2 | Well No. 3 | Unit O |
| Atlantic State AC-3 | Well No. 4 | Unit L |
| Atlantic State AC-3 | Well No. 5 | Unit J |
| Atlantic State AC-4 | Well No. 6 | Unit P |
| Atlantic State AC-4 | Well No. 7 | Unit I |

CASE 4582: Application of Continental Oil Company for an unorthodox oil well location and amendment of Order No. R-2940, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its SEMU Permian Well No. 91 as a producing oil well at an unorthodox location 2620 feet from the North line and 1300 feet from the West line of Section 19, Township 20 South, Range 38 East, as an infill well in the Southeast Monument Unit Area, Skaggs-Grayburg Pool, Lea County, New Mexico. Applicant further seeks the amendment of Order No. R-2940 to permit the adoption of a procedure whereby additional wells at unorthodox locations in said project may be approved administratively.

CASE 4583: Application of V. F. Vasicek and J. M. Fullinwider, doing business as V-F Petroleum, for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 15, Township 16 South, Range 35 East, Lea County, New Mexico, said acreage to be dedicated to a well to be re-entered and recompleted in the Pennsylvanian formation and located 1980 feet from the South and East lines of said Section 15. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4581: Southeastern New Mexico nomenclature case calling for an order for the extension of certain pools in Lea, Chaves and Roosevelt Counties, New Mexico.

(a) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
SECTION 4: SE/4

- (b) Extend the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 30 EAST, NMPM
SECTION 36: NW/4

- (c) Extend the Double L-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
SECTION 18: NW/4

- (d) Extend the Lusk-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
SECTION 32: NE/4

- (e) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 22: NW/4

- (f) Extend the Todd-Wolfcamp Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
SECTION 21: SE/4
SECTION 22: SW/4, W/2 SE/4, and SE/4 SE/4

- (g) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
SECTION 12: NE/4
SECTION 22: SE/4

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
SECTION 19: NW/4
SECTION 30: NW/4

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 15, 1971

EXAMINER HEARING

-----)
IN THE MATTER OF:)

Application of V. F. Vasicek and)
J. M. Fullinwider, doing business)
as V-F Petroleum for compulsory)
pooling, Lea County, New Mexico.)
-----)

Case No. 4583

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: Case No. 4583.

MR. HATCH: Case No. 4583. Application of
V. F. Vasicek and J. M. Fullinwider doing business as
V-F Petroleum for compulsory pooling, Lea County,
New Mexico.

The Commission has received a request from the
Applicant that the case be dismissed.

MR. NUTTER: Case No. 4583 will be dismissed
and the Hearing is adjourned.

STATE OF NEW MEXICO)
) SS.
 COUNTY OF SANTA FE)

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Richard L. Nye
 COURT REPORTER

My commission expires March 25, 1975.

I do hereby certify that the foregoing is a complete record of the proceedings in the Executive hearing of Case No. 4583 heard by me on 9/15 1971.
Notary Examiner
 New Mexico Oil Conservation Commission

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
August 18, 1971

EXAMINER HEARING

IN THE MATTER OF

Application of V. F. Vasicek and J. M.
Fullinwider, doing business as V-F
Petroleum, for compulsory pooling, Lea
County, New Mexico.

Case No. 4583

BEFORE: ELVIS A. UTZ, EXAMINER

TRANSCRIPT OF HEARING

1 MR HATCH: Case 4583 is the application of V. F.
2 Vasicek and James Fullinwider, doing business as V-F
3 Petroleum. The Commission has received a request from
4 the applicant in this case that it be continued to
5 September 15, 1971.

6 MR. UTZ: Case 4583 will be continued to September
7 15.

8 We will take next the nomenclature case so that Mr.
9 Ramey can get on his way back to Hobbs if he so desires.

10 Case 4581.
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dearnley-meier reporting service, inc.

PAGE 3

1 STATE OF NEW MEXICO)
2)
3 COUNTY OF BERNALILLO)

4 I, MARCIA HUGHES, Court Reporter, do hereby certify that
5 the foregoing and attached Transcript of Hearing before the
6 New Mexico Oil Conservation Commission was reported by me; and
7 that the same is a true and correct record of the said
8 proceedings, to the best of my knowledge, skill and ability.
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Marcia J. Hughes
Court Reporter

I do hereby certify that the foregoing is
a true and correct record of the proceedings in
the case of *4583*
no. *18* of the *1977*
Marcia J. Hughes
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

**GOVERNOR
BRUCE KING
CHAIRMAN**

**LAND COMMISSIONER
ALEX J. ARMJO
MEMBER**

**STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR**

October 5, 1971

Mr. Jason W. Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: Case No. 4583
Order No. R-4196
Applicant:

V. F. Vasicek & J. M. Fullinwider

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

Other

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. 4583
Order No. R-4196

APPLICATION OF V. F. VASICEK
AND J. M. FULLINWIDER, DOING
BUSINESS AS V-F PETROLEUM, FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 15, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 5th day of October, 1971, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

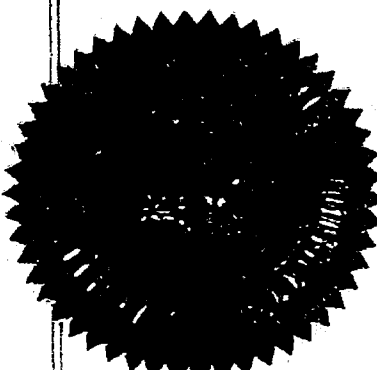
That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 4583 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman

ALEX J. ARMijo, Member

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

dr/

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54½ EAST SAN FRANCISCO STREET
POST OFFICE BOX 1789
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

August 17, 1971

Mr. George Hatch
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Dear George:

This is to request that the August 18 hearing in Case No. 4583, application of V.F. Vasicek and J.M. Fullinwider, doing business as V-F Petroleum, be continued to the next available examiner hearing, which I understand will be on September 15. It is likely that this case will be dismissed, as all but one of the non-consenting owners has signed the pooling agreement, and we are advised this owner will also sign.

Very truly yours,

Jason W. Kellahin
Jason W. Kellahin

JWK/sb

Case 4583
JWK
RECEIVED
AUG 17 1971
OIL CONSERVATION COMM.

DOCKET MARKED

Date 9-3-71

Docket No. 20-71

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 15, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE
LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or A. L. Porter, Jr., Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1971, from fifteen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, for October, 1971.

CASE 4222 (Reopened): In the matter of Case 4222 being reopened pursuant to the provisions of Order No. R-3850-A, which order continued 80-acre spacing units for the West Sawyer-San Andres Pool, Lea County, New Mexico, for an additional one-year period. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units and present evidence as to whether or not said pool is in fact an associated reservoir.

CASE 4588: Application of V. H. Westbrook for a pressure maintenance project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of water into the Delaware formation through his Guy A. Reed Well No. 2 located in Unit L of Section 24, Township 24 South, Range 28 East, Malaga-Delaware Pool, Eddy County, New Mexico.

CASE 4589: Application of Anadarko Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Burnham Grayburg San Andres Unit Area comprising 480 acres, more or less, of state lands in Section 2, Township 17 South, Range 30 East, Square Lake Field, Eddy County, New Mexico.

CASE 4590: Application of Wolfson Oil Company, MKA Oil Properties, John H. Hendrix, and Bruce A. Wilbanks for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 506 of the Commission Rules and Regulations, a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in the Drinkard Pool, Lea County, New Mexico.

CASE 4591: Application of American Quasar Petroleum Company of New Mexico for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill an exploratory gas well at an unorthodox location 660 feet from the South and East lines of Section 21, Township 25 South, Range 33 East, Lea County, New Mexico, to test the Devonian, Pennsylvanian, and Wolfcamp formations within one mile of the Red Hills Field.

Examiner Hearing
September 15, 1971

Docket No. 20-71

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- CASE 4592: Application of Gulf Oil Corporation for amendment of order permitting commingling of production, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4079, which order authorized the applicant to commingle production from the Hobbs (Grayburg-San Andres) and Hobbs-Blinbry Pools on its W. D. Grimes NCT-B Lease and to commingle production from said lease with the Hobbs (Grayburg-San Andres) Pool on its W. D. Grimes NCT-A lease, located in Sections 32 and 33, Township 18 South, Range 38 East, Lea County, New Mexico. Applicant seeks to allocate production to each lease and pool on the basis of bi-monthly tests rather than monthly tests.
- CASE 4593: Application of Continental Oil Company for an exception to Order No. R-3221, as amended, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose of water produced by wells located on its W. R. Means lease comprising the S/2 and NW/4 of Section 28, and E/2 and E/2 W/2 of Section 29, Township 14 South, Range 30 East, Vest Ranch-Queen Pool, Chaves County, New Mexico, in unlined surface pits.
- CASE 4594: Application of Continental Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its second well on a proration unit at an unorthodox location 660 feet from the South line and 2540 feet from the East line of Section 19, Township 26 South, Range 37 East, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico.
- CASE 4595: Application of Continental Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from undesignated Gallup and Dakota oil pools in the wellbores of two wells to be drilled in Section 27, Township 25 North, Range 4 West, West Lindrith Field, Rio Arriba County, New Mexico. Applicant further seeks the establishment of a procedure whereby similar approval may be granted administratively for other wells to be drilled in said area.
- CASE 4597: Application of Morris R. Antweil for lease commingling and off-lease storage, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle condensate produced from his Little Jewel Well No. 1 and Allen Well No. 1 located in Units F and J, respectively,

Examiner Hearing
September 15, 1971

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Docket No. 20-71

(Case 4597 continued)

of Section 31, Township 22 South, Range 27 East, and from his Joell Well No. 1 located in Unit C of Section 6, Township 23 South, Range 27 East, South Carlsbad-Strawn Gas Pool, Eddy County, New Mexico, after separation and measurement of the liquids from each well.

CASE 4583: (Continued from the August 18, 1971, Examiner Hearing) Application of V. F. Vasicek and J. M. Fullinwider, doing business as V-F Petroleum for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 15, Township 16 South, Range 35 East, Lea County, New Mexico, said acreage to be dedicated to a well to be re-entered and recompleted in the Pennsylvanian formation and located 1980 feet from the South and East lines of said Section 15. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4596: Southeastern New Mexico nomenclature case calling for an order for the creation, extension and abolishment of certain pools in Lea, Eddy, and Chaves County, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production and designated as the South Hackberry-Strawn Pool. The discovery well is the Perry R. Bass Big Eddy Unit No. 33 located in Unit P of Section 4, Township 20 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM
SECTION 4: SE/4 SE/4

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Maroon Cliffs-Morrow Gas Pool. The discovery well is the Perry R. Bass Big Eddy Unit No. 7 located in Unit O of Section 19, Township 20 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM
SECTION 19: S/2

Examiner Hearing
September 15, 1971
-4-

Docket No. 20-71

(c) Create a new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the McDonald-Pennsylvanian Pool. The discovery well is the J. M. Huber Corporation Griffin No. 1 located in Unit A of Section 4, Township 14 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM
SECTION 4: NE/4

(d) Abolish the Northwest Vacuum-Abo Pool in Lea County, New Mexico, described as:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
SECTION 2: SW/4
SECTION 3: NE/4 SE/4

(e) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
SECTION 2: SW/4
SECTION 3: SE/4

(f) Extend the Blinebry Oil Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: NE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 8: NW/4

(g) Extend the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH RANGE 26 EAST, NMPM
SECTION 25: S/2

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
SECTION 30: S/2
SECTION 31: W/2

(h) Extend the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

Examiner Hearing
September 15, 1971
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Docket No. 20-71

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
SECTION 30: S/2

- (i) Extend the Double L-Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
SECTION 25: NW/4 SE/4

- (j) Extend the Eagle Creek-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
SECTION 22: W/2

- (k) Extend the Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 9: NE/4

- (l) Extend the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 9: W/2, NE/4 and N/2 SE/4

- (m) Extend the Grayburg Jackson Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
SECTION 18: S/2 NW/4

- (n) Extend the Langlie-Mattix Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 20: NW/4 and NW/4 SW/4

- (o) Extend the Power Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 1: NE/4 NE/4

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
SECTION 6: SW/4 NW/4

Examiner Hearing
September 15, 1971
-6-

Docket No. 20-71

(Case 4596 continued)

(p) Extend the East Shoebar-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

SECTION 29: SW/4

SECTION 30: SE/4

(q) Extend the North Vacuum-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

SECTION 12: S/2

SECTION 14: S/2

SECTION 23: N/2

(r) Extend the North Vacuum-Lower Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

SECTION 4: NW/4

(s) Extend the Northwest Vacuum-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

SECTION 5: SE/4

(t) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM

SECTION 2: S/2 and NW/4

SECTION 3: NE/4

SECTION 7: S/2

SECTION 10: E/2

SECTION 11: N/2

DOCKET NO. 18-71

DOCKET: REGULAR HEARING - WEDNESDAY - AUGUST 18, 1971

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for September and October, 1971;
- (2) Consideration of the allowable production of gas for September, 1971 from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for September, 1971.

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Upon application of Pennzoil United, Inc., this case will be heard De Novo under the provisions of Rule 1220.

THE FOLLOWING CASES WILL BE HEARD BEFORE ELVIS A. UTZ, EXAMINER, OR DANIEL S. NUTTER, ALTERNATE EXAMINER, IN THE OIL CONSERVATION COMMISSION CONFERENCE ROOM ON THE SECOND FLOOR OF THE LAND OFFICE BUILDING AT 10 O'CLOCK A.M.

CASE 4539: (Continued from the July 28, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

| | | |
|---------------------|------------|--------|
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| Atlantic State AC-2 | Well No. 2 | Unit M |
| Atlantic State AC-2 | Well No. 3 | Unit O |
| Atlantic State AC-3 | Well No. 4 | Unit L |
| Atlantic State AC-3 | Well No. 5 | Unit J |
| Atlantic State AC-4 | Well No. 6 | Unit P |
| Atlantic State AC-4 | Well No. 7 | Unit I |

CASE 4582: Application of Continental Oil Company for an unorthodox oil well location and amendment of Order No. R-2940, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its SEMU Permian Well No. 91 as a producing oil well at an unorthodox location 2620 feet from the North line and 1300 feet from the West line of Section 19, Township 20 South, Range 38 East, as an infill well in the Southeast Monument Unit Area, Skaggs-Grayburg Pool, Lea County, New Mexico. Applicant further seeks the amendment of Order No. R-2940 to permit the adoption of a procedure whereby additional wells at unorthodox locations in said project may be approved administratively.

CASE 4583: Application of V. F. Vasicek and J. M. Fullinwider, doing business as V-F Petroleum, for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 15, Township 16 South, Range 35 East, Lea County, New Mexico, said acreage to be dedicated to a well to be re-entered and recompleted in the Pennsylvanian formation and located 1980 feet from the South and East lines of said Section 15. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4581: Southeastern New Mexico nomenclature case calling for an order for the extension of certain pools in Lea, Chaves and Roosevelt Counties, New Mexico.

(a) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
SECTION 4: SE/4

- (b) Extend the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 30 EAST, NMPM
SECTION 36: NW/4

- (c) Extend the Double L-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
SECTION 18: NW/4

- (d) Extend the Lusk-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
SECTION 32: NE/4

- (e) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 22: NW/4

- (f) Extend the Todd-Wolfcamp Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
SECTION 21: SE/4
SECTION 22: SW/4, W/2 SE/4, and SE/4 SE/4

- (g) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
SECTION 12: NE/4
SECTION 22: SE/4

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
SECTION 19: NW/4
SECTION 30: NW/4

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BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF V. F. VASICEK AND J. M.
FULLINWIDER, d/b/a V-F PETROLEUM,
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO

Case 4583

A P P L I C A T I O N

Comes now V. F. Vasicek and J. M. Fullinwider, doing business as V-F Petroleum and as provided by Section 65-3-14, New Mexico Statutes 1953, as amended, apply to the Oil Conservation Commission of New Mexico for an order pooling all of the mineral interests in and under the E/2 of Section 15, Township 16 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the owner of the right to drill, and proposes to enter and re-complete a well, designated as the V-F Petroleum Danglade unit Well No. 1, located 1980 feet from the South, and 1980 feet from the East line of Section 15, Township 16 South, Range 35 East.

2. Applicant proposes to complete the above well in the Atoka-Pennsylvanian formation at a depth of approximately 11,410 feet to 11,430 feet.

3. The nearest production from the Pennsylvanian formation is more than one mile distant. As required by the provisions of Commission Rule 104 applicant proposes to dedicate the E/2 of Section 15 to the well.

4. All owners of working interests in and under the tract have pooled their interests insofar as the Pennsylvanian formation is concerned. All royalty and overriding royalties have been pooled except as follows:

(a) The land-owners' royalty interest underlying

DOCKET MAILED

Date 8-5-71

the W/2 SE/4, Section 15, Township 16 South, Range 35 East, is owned as follows:

2/3 June D. Speight, P. O. Drawer 1687, Lovington, New Mexico, under terms of a lease dated August 15, 1946, from F. J. Danglade to Repollo Oil Company, recorded in Book 59, page 270, or the records of Lea County, New Mexico

DOCKET MAILED

Date 8-5-71

1/3 Viola B. Catchings, 710 East North 11th Street, Abilene, Texas, under terms of a lease dated August 15, 1946 from John W. Catchings and wife to Repollo Oil Company, recorded in Book 59, page 274 of the records of Lea County, New Mexico.

5. Applicant has been unable to obtain voluntary agreement for the pooling of the above unpooled interests, and in order to avoid the drilling of unnecessary wells, to protect correlative rights, and to prevent waste, the Commission should pool all interests in the spacing or proration unit as a unit.

WHEREFORE applicant prays that the Commission set this matter for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order pooling all interests underlying the E/2 of Section 15, Township 16 South, Range 35 East, N.M.P.M., Lea County, New Mexico, and for such other and further orders as may be proper in the premises.

Respectfully submitted,

V. F. VASICEK and J. M. FULLINWIDER
d/b/a V-F PETROLEUM

By

Jason W. Kellahin
KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

GMH/dr

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:

*Application of V. F. Vasicek
and J. M. Fullinwider, doing
business as V-F Petroleum for
Compulsory Pooling, Lea
County, New Mexico.*

CASE No. 4583

Order No. R- 4196

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 15, 1971,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this October day of September, 1971, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 4583 is hereby dismissed.

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

CASE 4584: Application of TENNECO
OIL CO. FOR GAS INJECTION,
MCKINLEY COUNTY, NEW MEXICO.