

CASE 4613: Application of SCOGGINS  
PETROLEUM CORP. FOR CREATION OF  
NEW GAS POOL AND SPECIAL RULES.

Cost to-

11-17

Revised

Case Number  
4613

Application

Transcripts

Small Exhibits

E T C.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
November 17, 1971

IN THE MATTER OF:

Application of Scoggins)  
Petroleum Corporation )  
for creation of a new )  
gas pool and special )  
rules, Eddy County, )  
New Mexico )

Case No. 4613

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

CASE 4613:

MR. HATCH: Case 4613: Application of Scoggins  
Petroleum Corporation for creation of a new gas pool and  
special rules, Eddy County, New Mexico.

The applicant has requested the case be dismissed.

HEARING EXAMINER: Case 4613 will be dismissed as  
requested by the applicant.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS  
209 SIMMS BLDG., P.O. BOX 1082, PHONE 243-6891, ALBUQUERQUE, NEW MEXICO 87103  
FIRST NATIONAL BANK BLDG., EAST ALBUQUERQUE, NEW MEXICO 87106

1 STATE OF NEW MEXICO )  
2 COUNTY OF BERNALILLO )

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

*Richard Sturges*  
CERTIFIED SHORTHAND REPORTER

22 I do hereby certify that the foregoing is  
23 a complete record of the proceedings in  
24 the Examiner hearing of Case No. 413  
25 heard by me on *10/19/71* 1971  
*[Signature]* Examiner  
New Mexico Oil Conservation Commission

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date OCTOBER 27, 1971 TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
<i>Jack M. McCallum</i>	<i>Marathon Oil Co</i>	<i>Houston, Tex</i>
<i>Wayne Myer</i>	<i>Marathon Oil Co</i>	<i>Midland, Tex</i>
<i>Bill C. Cotner</i>	<i>Meadow Properties</i>	<i>Midland, Tex</i>
<i>Jason Kellah</i>	<i>Kellah &amp; Fox</i>	<i>Santa Fe</i>
<i>Richard S. Harrison</i>	<i>Montgomery et al</i>	<i>Santa Fe</i>
<i>JAMES L. RUPH</i>	<i>CITIES SERVICE Oil Co.</i>	<i>MIDLAND, TEXAS</i>
<i>A.W. HANLEY</i>	<i>MARATHON OIL Co.</i>	<i>" "</i>
<i>Nina L. Duthaine</i>	<i>F.W. Byron &amp; Co.</i>	<i>Santa Fe</i>







1 MR. UTZ: The hearing will come to order please. We  
2 have two continued cases. We will call those first.

3 Case 4613.

4 MR. HATCH: Case 4613. Application of Scoggins  
5 Petroleum Corporation for creation of a new gas pool and special  
6 rules, Eddy County, New Mexico.

7 If the Examiner please, the applicant has requested  
8 the case be continued to the hearing November 17th.

9 MR. UTZ: Case 4613 will be continued to the November  
10 17 Examiner hearing.

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

4 I, LINDA MALONE, 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;  
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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*Linda Malone*  
Court Reporter

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the hearing before the New Mexico Oil Conservation  
Commission on the 12th day of 1977.  
*[Signature]*  
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. ARMIJO  
MEMBER**

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

November 19, 1971

Mr. Jason W. Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico 87501

Re: Case No. 4613  
Order No. R-4223  
Applicant:  
Scoggins Petroleum Corp.

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 x

**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. 4613  
Order No. R-4223

APPLICATION OF SCOGGINS PETROLEUM  
CORPORATION FOR CREATION OF A NEW  
GAS POOL AND SPECIAL RULES, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 17,  
1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 19th day of November, 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. 4613 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
*Bruce King*  
BRUCE KING, Chairman

*Alex J. Armijo*  
ALEX J. ARMILJO, Member

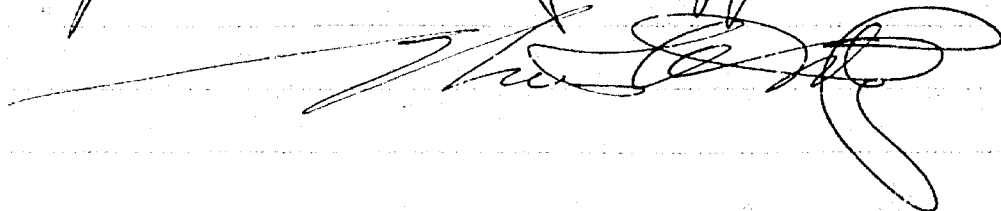
*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

Case 4613  
Held 11-17-71  
Rec. 11-17-71

Dismiss Scoogers request  
as requested by applicant.

A stylized handwritten signature, possibly reading "The [illegible]", written in dark ink.

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54½ EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

RECEIVED

NOV 16 1971

OIL CONSERVATION COMM. CODE 505  
SANTA FE

TELEPHONE 982-4315

November 15, 1971

*[Handwritten signature]*

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

Dear Mr. Hatch:

Confirming our telephone conversation today, this is to request that Case No. 4613, application of Scoggins Petroleum Corporation for creation of a new gas pool and adoption of pool rules, Eddy County, New Mexico, be dismissed.

Yours very truly,

*Jason W. Kellahin*  
Jason W. Kellahin

JWK:abs

cc: Mr. Vincent Shryack

Docket No. 25-71

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 17, 1971

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1971, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico, and also presentation of purchaser's nominations for said pools for the six-month period beginning January 1, 1972.

(2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for December, 1971.

CASE 4624: Application of Gulf Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the consolidation of two non-standard gas proration units into one 320-acre non-standard unit comprising the S/2 N/2 and N/2 S/2 of Section 29, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its A. B. Reeves Wells No. 1 and 2 located, respectively, in Units L and E of said Section 29. Applicant further seeks authority to produce the allowable assigned to said unit from either of said wells in any proportion.

CASE 4625: Application of Texaco Inc. for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Paduca-Morrow and Paduca-Wolfcamp Gas Pools in the wellbore of its Cotton Draw Unit Well No. 65 located in Unit G of Section 2, Township 25 South, Range 31 East, Eddy County, New Mexico.

CASE 4627: Application of Anadarko Production Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Langlie-Mattix Penrose Sand Unit Waterflood Project by the addition of four injection wells at non-standard locations in Township 22 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, as follows:

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(Case 4627 continued)

Well No. 8-5	10 feet from the North line and 10 feet from the West line of Section 21;
Well No. 1-2	1310 feet from the South and West lines of Section 14;
Well No. 40-1	1650 feet from the South line and 1310 feet from the West line of Section 23;
Well No. 2-2	990 feet from the North line and 1310 feet from the West line of Section 23;

CASE 4609: (Continued from the October 13, 1971 Examiner Hearing)  
Application of Jack L. McClellan for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sulimar-Queen Unit Area comprising 1520 acres, more or less, of Federal lands in Sections 13, 23, 24, 25, and 26 of Township 15 South, Range 29 East, and Sections 18 and 19 of Township 15 South, Range 30 East, Chaves County, New Mexico.

CASE 4539: (Continued from the October 13, 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.

CASE 4593: (Continued from the October 13, 1971, Examiner Hearing)  
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 4613: Continued from the October 27, 1971, Examiner Hearing Application of Scoggins Petroleum Corporation for creation of a new gas pool and special rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Morrow gas pool for its State BI Well No. 1 located in Unit F of Section 33, Township 18 South, Range 25 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing units.

CASE 4626: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea and Roosevelt Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico classified as an oil pool for Drinkard production and designated as the Garrett Drinkard Pool.

The discovery well is the Green & Michaelson Producing Company, Burson Well No. 1 located in Unit C of Section 28, Township 16 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 38 EAST, NMPM  
SECTION 28: NW/4

(b) Extend the Justin Tubb/Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
SECTION 12: SE/4

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

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM  
SECTION 18: S/2

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

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
SECTION 15: NE/4 and N/2 SE/4  
SECTION 27: NW/4  
SECTION 28: NE/4

-4-

Examiner Hearing - November 17, 1971

(Case 4626 Continued)

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

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM  
SECTION 35: SW/4

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
844 EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

RECEIVED  
SEP 24 1971

OIL CONSERVATION COMMISSION  
SANTA FE

TELEPHONE 982-4315  
AREA CODE 505

September 23, 1971

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

Gentlemen:

Enclosed, in triplicate, is the application of Scoggins Petroleum Corporation for the adoption of pool rules for an undesignated Morrow gas pool, Eddy County, New Mexico.

It will be appreciated if this application can be set for the Commission Hearing October 27, 1971.

Very truly yours,

*Jason W. Kellahin*  
Jason W. Kellahin

JWK/sr  
Encl. as stated

DOCKET MAILED

Date 11-4-71

DOCKET MAILED

Date 10-14-71

RECEIVED

SEP 24 1971

Oil Conservation Commission

BEFORE THE  
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF SCOGGINS PETROLEUM CORPORATION  
FOR ADOPTION OF POOL RULES, UN-  
DESIGNATED MORROW GAS POOL, EDDY  
COUNTY, NEW MEXICO

(Case 4613)

A P P L I C A T I O N

Comes now Scoggins Petroleum Corporation and applies to the Oil Conservation Commission of New Mexico for the creation of a new pool for the production of gas from the Morrow section of the Pennsylvanian formation, and for the adoption of pool rules, including a provision for 640-acre spacing and proration units, and in support thereof would show the Commission:

1. The applicant has drilled its Scoggins Petroleum Company State BI Well No. 1, located 1980 feet from the North line, and 1980 feet from the West line of Section 33, Township 18 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.
2. The above well was completed as a discovery well in the Lower Pennsylvanian Morrow formation, for the production of gas from the Morrow. Perforations in the discovery well are 8802 to 8810 feet, 8818 to 8824 feet, and 8828 to 8848 feet.
3. On the evidence presently available, applicant believes that one well will efficiently and economically drain and develop not less than 640 acres. Because of the well costs and other factors, one well on 640 acres is the most efficient and economic method of developing the pool and to prevent the waste occasioned by the drilling of unnecessary wells pool rules should be adopted, including a provision for 640-acre spacing and proration units, for a temporary period of one year, to

permit the gathering of additional information on the pool.

WHEREFORE applicant prays that this application be set 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 creating a new pool and adopting pool rules as prayed for.

Respectfully submitted,

SCOGGINS PETROLEUM CORPORATION

By Jason W. Kellahin  
Jason W. Kellahin

ATTORNEY FOR APPLICANT

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

DRAFT

GMH/dr

(2)

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:

GMH

*[Signature]*

CASE No. 4613

Order No. R- 4223

APPLICATION OF SCOGGINS PETROLEUM  
CORPORATION FOR CREATION OF A NEW  
~~NEW~~ GAS POOL AND SPECIAL RULES,  
EDDY COUNTY, NEW MEXICO.

*[Signature]*  
11-18-71

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 17, 1971,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this \_\_\_\_\_ day of November, 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. 4613 is hereby dismissed.

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