

Case Number
4657

Application

Transcripts

Small Exhibits

ETC.

4657

TRANSCRIPT
FOR CASE NO, 4657
MAY BE FOUND
IN CASE FILE
No 4677

4657

TRANSCRIPT
FOR CASE NO. 4657
MAY BE FOUND
IN CASE FILE
No 4677

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6891 • ALBUQUERQUE, NEW MEXICO 87103
FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

PAGE 2

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
February 16, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Chaparral Service,
Inc. for an oil treating plant,
Lea County, New Mexico.

Case No. 4657

BEFORE: Elvis Utz
Examiner

TRANSCRIPT OF HEARING

dearnley-meier reporting services, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
209 SIMMS BLDG. P.O. BOX 1092 PHONE 243-6691 ALBUQUERQUE, NEW MEXICO 87103
FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

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MR. UTZ: Case 4657.

MR. HATCH: Application of the Chaparral Service, Inc., for an oil treating plant, Lea County, New Mexico.

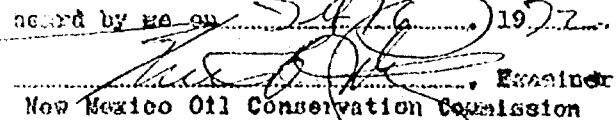
The applicant in this Case has requested the Case be continued to March 15th.

MR. UTZ: Case 4657 will be continued to the Hearing on March 15th.

1 STATE OF NEW MEXICO)
2) 38
3 COUNTY OF BERNALILLO)

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

11 
12 CERTIFIED SHORTHAND REPORTER

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22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the hearing of Case No. 4657,
25 heard by me on 5/4/52, 1952.

Examiner
New Mexico Oil Conservation Commission

OIL CONSERVATION COMMISSION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

April 24, 1972

Daniels Insurance Incorporated
P. O. Box 1258
Hobbs, New Mexico 88240

Attention: Pat Cargile

Re: Chaparral Service, Inc.
Treating Plant Bond

Gentlemen:

The above-referenced bond was not required by this office as the case was dismissed, copy of which is attached.

The bond was not recorded as an official filing in this office, therefore, as far as we are concerned it is as if no bond had been issued.

We trust this will suffice as a requirement to terminate the bond.

Yours very truly,

WALDO E. ALARID
Finance Officer

WEA/dr

C
O
P
Y



OIL CONSERVATION COMMISSION

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

March 15, 1972

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. Larry N. Smith
Bachicha & Corlett
Attorneys at Law
Post Office Box 277
Santa Fe, New Mexico

Re: Case No. 4657
Order No. R-4271
Applicant:
Chaparral Service

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.
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. 4657
Order No. R-4271

APPLICATION OF CHAPARRAL SERVICE, INC.,
FOR AN OIL TREATING PLANT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 a.m. on February 16, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz and was continued to 9 a.m. on March 15, 1972.

NOW, on this 15th day of March, 1972, 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. 4657 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
BRUCE KING, Chairman

Alex J. Armistead
ALEX J. ARMISTEAD, Member

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

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 6, 1972

C
O
P
Y

Mr. Larry N. Smith
Bachicha & Corlett
Attorneys at Law
P. O. Box 277
Santa Fe, New Mexico 87501

Re: Case No. 4657
Application of Chaparral Service, Inc.,
for an Oil Treating Plant

Dear Mr. Smith:

In regards to your letter of February 29, 1972, I want to advise you that the Performance Bond was given to Mr. James G. Allison of 1950 Osage Lane, Santa Fe, New Mexico, a brother-in-law of Paul D. Prather. The bond was given to Mr. Allison for return to Mr. Prather for some corrections to be made before the hearing. As the above-described case is to be dismissed, the Commission does not require the posting of any bond by your client.

A copy of the order dismissing the case will be sent to you in a few days.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr

FRANK BACHICHA, JR.
JERE C. CORLETT

BACHICHA & CORLETT
ATTORNEYS AT LAW
233 JOHNSON STREET
P.O. BOX 277
SANTA FE, NEW MEXICO 87501

AREA CODE 505
TELEPHONE 982-5551

Larry N. Smith

February 29, 1972

George Hatch, Esquire
New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico 87501

Re: Case No. 4657 - Application of
Chaparral Service, Inc., for an
Oil Treating Plant

Dear George:

This letter is to confirm our telephone conversation by which I informed you that Chaparral Service, Inc., has decided to withdraw its application for an oil treating plant in Lea County, New Mexico.

Would you return the Performance Bond to me along with a letter certifying to the fact that Chaparral Service did withdraw its application for an oil treating plant? Of course, if there is some other method necessary for releasing the Performance Bond, please so advise me. I would like to get the entire premium for the Performance Bond back for Chaparral Service and I suspect I will need some sort of letter from you before the bonding company would do that.

Sincerely,

Larry N. Smith
LARRY N. SMITH

LNS:bmc

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 15, 1972

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 Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas
for April, 1972, from fifteen prorated pools in
Lea, Eddy, Roosevelt and Chaves Counties, New
Mexico.
- (2) Consideration of the allowable production of gas
from nine prorated pools in San Juan, Rio Arriba,
and Sandoval Counties, New Mexico, for April 1972.

CASE 4675: Southeastern New Mexico nomenclature case calling for an
order for the creation, extension, and contraction of
certain pools in Lea, Eddy and Roosevelt Counties, New
Mexico.

- (a) Create a new pool in Eddy County, New Mexico,
classified as a gas pool for Atoka production and desig-
nated as the Eagle Creek-Atoka Gas Pool. The discovery
well is the Yates Petroleum Corporation Artesia Airport
CF No. 1 located in Unit M of Section 11, Township 17
South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
SECTION 11: W/2

- (b) Create a new pool in Eddy County, New Mexico,
classified as a gas pool for Morrow production and desig-
nated as the Golden Lane-Morrow Gas Pool. The discovery
well is the V. H. Westbrook Cowden Federal No. 1 located
in Unit K of Section 4, Township 21 South, Range 29 East,
NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
SECTION 4: Lots 9 through 16

- (c) Create a new pool in Lea County, New Mexico,
classified as an oil pool for Glorieta production and
designated as the Hare-Glorieta Pool. The discovery
well is the Shell Oil Company Chesher No. 1 located in
Unit K of Section 12, Township 21 South, Range 37 East,
NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 12: SW/4

(Case 4675 continued)

(d) Create a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production and designated as the Osudo-Devonian Gas Pool. The discovery well is the Western Oil Producers, Inc. State "M" No. 1 located in Unit E of Section 32, Township 20 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
SECTION 32: W/2

(e) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Washington Ranch-Morrow Gas Pool. The discovery well is the Black River Corporation Cities Federal No. 1 located in Unit F of Section 34, Township 25 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 24 EAST, NMPM
SECTION 34: All

(f) Contract the Eumont Gas Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 17: SE/4 SW/4
SECTION 20: E/2 NW/4

(g) Contract the Langlie-Mattix Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 20: W/2 NW/4 and NW/4 SW/4

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 17: SE/4 SW/4

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
SECTION 10: SW/4

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

(j continued)

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
SECTION 2: N/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
SECTION 6: W/2

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
SECTION 6: S/2

(l) Extend the South Corbin-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
SECTION 25: E/2

(m) Extend the Lea-Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
SECTION 25: SE/4

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

(n) Extend the South Prairie-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
SECTION 21: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
SECTION 1: SW/4
SECTION 10: SW/4
SECTION 27: SW/4
TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
SECTION 7: NW/4

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 7: NE/4

CASE 4676: Application of Amoco Production Company for a non-standard location, Lea County, New Mexico. Applicant in the above-styled cause, seeks approval to recomplete its State "AZ" Well No. 4 at an off-pattern unorthodox oil well location 990 feet from the North and East lines of Section 34, Township 12 South, Range 34 East, Ranger Lake-Bough Pool, Lea County, New Mexico.

CASE 4680: Application of Midwest Oil Corporation for an unorthodox well location and amendment of Order No. R-4254, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for a well to be drilled 1980 feet from the South line and 1900 feet from the West line of Section 6, Township 18 South, Range 29 East, undesignated Morrow Gas Pool, Eddy County, New Mexico, with the non-standard 299-acre proration unit comprising the S/2 of said Section 6 established by Order No. R-4254 to be dedicated to the well.

CASE 4657: (Continued from the February 16, 1972 Examiner Hearing; Will be dismissed)

Application of Chaparral Service, Inc. for an oil treating plant, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to install and operate a heat-treatment type oil treating plant in the SE/4 of Section 34, Township 21 South, Range 37 East, Lea County, New Mexico, for the reclamation of sediment oil.

CASE 4677: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Charles B. Read and all other interested persons to appear and show cause why the Charles B. Read Sinclair State Well No. 1, a salt

(Case 4677 continued)

water disposal well, located in Unit S of Section 2, Township 21 South, Range 33 East, Lynch Pool, Lea County, New Mexico, should not be equipped and operated as required by Commission Order No. R-3797.

CASE 4678: Application of HNG Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Elliott Federal "31" Well No. 1 located in Unit A of Section 31, Township 24 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Dollarhide Fusselman and Dollarhide Ellenburger Pools through parallel strings of tubing.

CASE 4679: Application of Burk Royalty Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formations in the perforated interval from 3705 feet to 3714 feet in its Neal Well No. 3 located in the NW/4 NE/4 NE/4 of Section 35, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 4681: Application of Anadarko Production Company for a waterflood expansion and for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its Langlie-Mattix Penrose Sand Waterflood Project, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Penrose Sand through seven directionally drilled wells which would be drilled in lieu of and/or in addition to those wells authorized by Commission Order No. R-4225. Surface locations of the seven proposed wells, all in Township 22 South, Range 37 East, would be: Well No. 1-2, 1220 feet from the South and West lines of Section 14; Well No. 8-5, 290 feet from the North and West lines of Section 21; Well No. 7-4, 55 feet from the North line and 2630 feet from the East line of Section 21; Well No. 6-2, 55 feet from the North line and 90 feet from the East line of Section 21; Well No. 5 A-3, 55 feet from the North line and 2550 feet from the West line of Section 22; Well No. 2-2, 980 feet from the North line and 1250 feet from the West line of Section 23; and Well No. 40-1, 1610 feet from the South line and 1220 feet from the West line of Section 23. Each of the above wells would be

FRANK BACHICHA, JR.
JERE C. CORLETT

Larry N. Smith

BACHICHA & CORLETT
ATTORNEYS AT LAW
233 JOHNSON STREET
P.O. BOX 277
SANTA FE, NEW MEXICO 87501

AREA CODE 505
TELEPHONE 982-5551

February 15, 1972

George Hatch, Esquire
Attorney at Law
New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

RECEIVED

OIL CONSERVATION COM.

file case 4657

Re: Case No. 4657 - Application of
Chaparral Service, Inc., for an
Oil Treating Plant

Dear George:

This letter is to confirm our telephone conversation of this date, during which I informed you that Mr. Paul Prather of Chaparral Service, Inc., has been admitted to the hospital with a rather serious illness and will be unable to attend the hearing on the above application which was set for 10:00 o'clock A.M. on February 16, 1972. By our telephone conversation and this letter, I am requesting that the hearing on that application be continued.

Chaparral Service, Inc., wished for a March 1st hearing; but from my conversation with you I understand that it is not possible. Therefore, we request a hearing on March 15, 1972, on the above styled application.

Thank you for your courtesy in this matter.

Sincerely,

Larry N. Smith
LARRY N. SMITH

LNS:bmc

cc: Mr. Paul Prather, President
Chaparral Service, Inc.

Mr. James Allison

DOCKETED
Date 3/3/72

Chaparral Service, Inc.



☆ Phone 394-2811 ☆ 1300 Main Street ☆ Eunice, New Mexico 88231 ☆

RECEIVED
JAN 17 1972

OIL CONSERVATION COMM.
SANTA FE

December 27, 1971

Case 4657

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

Reference: Hearing for Treater Plant

Chaparral Service, Inc. of Eunice, New Mexico, has made application for a \$10,000.00 Performance Bond. Chaparral Service, Inc. would like to request a hearing for a Treater Plant in the Eunice, N. M. Area.

I remain,

Paul D. Prather

Paul D. Prather, President

PDP/ct

type heat-treatment

location SE/4 Sec 34 T R

sediment oil

*Get place that
Jim Allison works*

~~398~~

982-4630 (business)

Investors Insurance Co.

DOCKET MAILED

DOCKET MAILED

Date

3/3/72

Date *2-3-72*

Chaparral Service, Inc.



☆ Phone 394-2811 ☆ 1300 Main Street ☆ Eunice, New Mexico 88231 ☆

RECEIVED

JAN 17 1972

OIL CONSERVATION COMM.
SANTA FE

December 27, 1971

Case 4657

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

Reference: Hearing for Treater Plant

Chaparral Service, Inc. of Eunice, New Mexico, has made application for a \$10,000.00 Performance Bond. Chaparral Service, Inc. would like to request a hearing for a Treater Plant in the Eunice, N. M. Area.

I remain,

Paul D. Prather

Paul D. Prather, President

PDP/ct

type heat-treatment

location SE/4 Sec 34 T R

sediment oil

*Get place that
Jim Allison works*

398

982-4630 (business)

Investors Insurance Co.

DOCKET MARKED

DOCKET MAILED

Date

3/3/72

Date *2-3-72*

DOCKET: REGULAR HEARING - WEDNESDAY - FEBRUARY 16, 1972

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

- ALLOWABLE: (1) Consideration of the oil allowable for March and April, 1972;
- (2) Consideration of the allowable production of gas for March, 1972, 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 March, 1972.

CASE 4557: (De Novo) (Continued from December 15, 1971; Will be continued to April 19, 1972.)
Application of Continental Oil Company for transfer of allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to transfer allowable across boundaries of the participating area and the leases outside said area, but within the Maljamar Co-operative Area, MCA Unit Area, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

Upon application of Continental Oil Company, 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 4657: Application of Chaparral Service, Inc. for an oil treating plant, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to install and operate a heat-treatment type oil treating plant in the SE/4 of Section 34, Township 21 South, Range 37 East, Lea County, New Mexico, for the reclamation of sediment oil.

CASE 4658: Application of Green & Michaelson Producing Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to

(Case 4658 continued)

and including the Drinkard formation underlying the NE/4 of Section 28, Township 16 South, Range 38 East, Garrett-Drinkard Pool, Lea County, New Mexico, to form four standard oil proration units to be dedicated to four wells to be drilled at standard locations. Also to be considered will be the costs of drilling said wells. Charges for the risks involved, provisions for the allocation of actual operating costs, and the establishment of charges for supervision of said wells.

CASE 4659: (This case will be dismissed; application to be processed administratively)
Application of Continental Oil Company for dual completions, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of certain AXI Apache wells located as follows in Township 25 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to produce gas from the Otero-Chacra Pool and oil from an undesignated Mesaverde oil pool through parallel strings of tubing:

No. 18 - Unit A - Section 8
No. 19 - Unit D - Section 6
No. 20 - Unit C - Section 5
No. 21 - Unit I - Section 5
No. 22 - Unit L - Section 6
No. 23 - Unit D - Section 8

CASE 4660: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Texaco Inc. to appear and show cause why it should not take immediate action to repair its Cotton Draw Unit Well No. 65, a dual completion, located in Unit G of Section 2, Township 25 South, Range 31 East, Eddy County, New Mexico, in such a manner as to prevent communication between the Paduca-Morrow and Paduca-Wolfcamp Gas Pools.

CASE 4661: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle & Scanlon or Burscan Oil Company to appear and show cause why pits located at its Santa Fe Railroad Wells Nos. 1, 2, and 3 in Unit N of Section 21, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be filled and

(Case 4658 continued)

and including the Drinkard formation underlying the NE/4 of Section 28, Township 16 South, Range 38 East, Garrett-Drinkard Pool, Lea County, New Mexico, to form four standard oil proration units to be dedicated to four wells to be drilled at standard locations. Also to be considered will be the costs of drilling said wells. Charges for the risks involved, provisions for the allocation of actual operating costs, and the establishment of charges for supervision of said wells.

CASE 4659: (This case will be dismissed; application to be processed administratively)
Application of Continental Oil Company for dual completions, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of certain AXI Apache wells located as follows in Township 25 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to produce gas from the Otero-Chacra Pool and oil from an undesignated Mesaverde oil pool through parallel strings of tubing:

No. 18 - Unit A - Section 8
No. 19 - Unit D - Section 6
No. 20 - Unit C - Section 5
No. 21 - Unit I - Section 5
No. 22 - Unit L - Section 6
No. 23 - Unit D - Section 8

CASE 4660: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Texaco Inc. to appear and show cause why it should not take immediate action to repair its Cotton Draw Unit Well No. 65, a dual completion, located in Unit G of Section 2, Township 25 South, Range 31 East, Eddy County, New Mexico, in such a manner as to prevent communication between the Paduca-Morrow and Paduca-Wolfcamp Gas Pools.

CASE 4661: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle & Scanlon or Burscan Oil Company to appear and show cause why pits located at its Santa Fe Railroad Wells Nos. 1, 2, and 3 in Unit N of Section 21, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be filled and

(Case 4661 continued)

levelled in accordance with Commission Rules and Regulations.

CASE 4662: Application of Amoco Production Company for an exception to Order No. R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules set forth in Order No. R-111-A to permit its Bate Federal Well No. 2 located in Unit L of Section 26, Township 19 South, Range 33 East, Lea County, New Mexico, to be drilled in such a manner as to eliminate running a salt protection string provided the production string is cemented to the surface.

CASE 4663: Application of Amoco Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its Malco "A" Federal Well No. 3 located 1650 feet from the North line and 1653 feet from the West line of Section 11, Township 18 South, Range 27 East, undesignated Pennsylvanian-Morrow Pool, Eddy County, New Mexico, with the W/2 of said Section 11 to be dedicated to the well.

CASE 4664: Application of Tenneco Oil Company for a unit agreement, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Lone Pine Dakota "D" Unit Area comprising 2598 acres, more or less, of federal, fee and Indian lands in Township 17 North, Ranges 8 and 9 West, Lone Pine Dakota "D" Pool, McKinley County, New Mexico.

CASE 4665: Application of Tenneco Oil Company for a pressure maintenance project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project in the Lone Pine Dakota "D" Pool by the injection of gas and water into the Dakota "D" zone through five wells located in Sections 12 and 13 of Township 17 North, Range 9 West and Sections 7 and 19 of Township 17 North, Range 8 West, McKinley County, New Mexico. Applicant further seeks the designation of a project area and promulgation of rules for the project including a procedure whereby additional injection wells may be approved administratively.

CASE 4666: Southeast nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as La Rica-Wolfcamp Pool. The discovery well is the Union Oil Company of California Pipeline "A" Federal No. 1 located in Unit G of Section 8, Township 19 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
SECTION 8: NE/4

(b) Extend the Dollarhide-Fusselman Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
SECTION 30: SE/4

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

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
SECTION 24: NW/4 SW/4

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 31: E/2

(e) Extend the Haystack-Cisco Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM
SECTION 16: S/2

(f) Extend the Indian Basin-Upper ~~Indian~~ Sylvania Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM
SECTION 22: All

(Case 4666 continued)

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

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 24: NE/4 NW/4

(h) Extend the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 26: E/2

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 26: NW/4 SE/4 and NE/4 SW/4

(j) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 31: NE/4
SECTION 32: All

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
SECTION 5: NE/4

(k) Extend the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 11: E/2
SECTION 12: SW/4

CASE 4667: Northwest New Mexico nomenclature case calling for an order for the creation and extension of certain pools in San Juan, Rio Arriba, McKinley and Sandoval Counties, New Mexico,

(a) Create a new pool in San Juan County, New Mexico, classified as an oil pool for Pennsylvanian Buena production, be and the same is hereby created and designated as the Buena Suerte-Pennsylvanian Oil Pool. The discovery well

Case 4667 continued - (a)

is the Tenneco Oil Company Pah Well No. 1, located in Unit L of Section 3, Township 25 North, Range 11 West, NMPM. Said pool would comprise:

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM
SECTION 3: SW/4

(b) Create a new pool in Sandoval County, New Mexico, classified as an oil pool for Dakota production, be and the same is hereby created and designated as the Five Lakes-Dakota Oil Pool. The discovery well is the Refiners Petroleum Corporation Cuba Union Well No. 1, located in Unit A of Section 25, Township 22 North, Range 3 West, NMPM. Said pool would comprise:

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM
SECTION 24: SE/4 SW/4
SECTION 25: N/2
SECTION 26: NE/4 NE/4

(c) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production, be and the same is hereby created and designated as the South Gallegos-Fruitland Pool. The discovery well is the Skelly Oil Company Navajo G Well No. 1, located in Unit K of Section 12, Township 26 North, Range 12 West, NMPM. Said pool would comprise:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
SECTION 11: S/2 and NW/4
SECTION 12: All

(d) Create a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup-Dakota production, be and the same is hereby created and designated as the West Lindrith Gallup-Dakota Oil Pool. Said pool would comprise:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
SECTION 15: SE/4
SECTION 21: SE/4
SECTION 22: All
SECTION 27: All
SECTION 28: All
SECTION 32: SE/4
SECTION 33: All
SECTION 34: All

(e) Create a new pool in Sandoval County, New Mexico, classified as an oil pool for Mesaverde production, be and the same is hereby created and designated as the Parlay-Mesaverde Oil Pool. The discovery well is the Tesoro Petroleum Corporation Parlay Well No. 1, located in Unit H of Section 29, Township 22 North, Range 3 West, NMPM. Said pool would comprise:

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM
SECTION 29: N/2

(f) Create a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production, be and the same is hereby created and designated as the Rattlesnake-Gallup Oil Pool. The discovery well is the Navajo Well No. 23, located in Unit G of Section 2, Township 29 North, Range 19 West, NMPM. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 19 WEST, NMPM
SECTION 2: NE/4

(g) Create a new pool in San Juan County, New Mexico, classified as an oil pool for Dakota production, be and the same is hereby created and designated as the Snake Eyes-Dakota Oil Pool. The discovery well is the Davis Oil Co., Snake Eyes Well No. 1, located in Unit C of Section 20, Township 21 North, Range 8 West, NMPM. Said pool would comprise:

TOWNSHIP 21 NORTH, RANGE 8 WEST, NMPM
SECTION 17: SW/4 SE/4
SECTION 20: N/2 and SW/4

(h) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Pennsylvanian production, be and the same is hereby created and designated as the North Tocito Dome-Pennsylvanian Pool. The discovery well is the Campbell, Kiel & Rothwell Navajo Tocito Well No. 1, located in Unit G of Section 9, Township 26 North, Range 18 West, NMPM. Said pool would comprise:

TOWNSHIP 26 NORTH, RANGE 18 WEST, NMPM
SECTION 9: E/2
SECTION 10: SW/4

(i) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Pictured Cliffs production, be and the same is hereby created and designated as the Waw-Pictured Cliffs Pool. The discovery well is the Dugan Production Corp., Waw Well No. 1, located in Unit L of Section 32, Township 27 North, Range 13 West, NMPM. Said pool would comprise:

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM
SECTION 32: SW/4

(j) Extend the Angels Peak-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM
SECTION 17: E/2

(k) Extend the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
SECTION 31: SW/4

(l) Extend the Ballard-Pictured Cliffs Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 2 WEST, NMPM
SECTION 6: SW/4

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM
SECTION 2: NE/4

TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM
SECTION 24: SE/4

(m) Extend the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
SECTION 13: All
SECTION 24: W/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
SECTION 3: All
SECTION 10: All

(n) Extend the Blanco-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
SECTION 1: W/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
SECTION 25: NW/4

(o) Extend the South Blanco-Pictured Cliffs Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM
SECTION 16: SW/4
SECTION 17: SE/4
SECTION 20: N/2
SECTION 21: All
SECTION 28: NW/4

(p) Extend the BS Mesa-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
SECTION 3: N/2
SECTION 9: NE/4
SECTION 10: NW/4

(q) Extend the Choza Mesa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM
SECTION 30: S/2

(r) Extend the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, to include therein:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
SECTION 6: NE/4

(s) Extend the Gallegos-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM
SECTION 24: S/2

(t) Extend the Hogback-Dakota Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 16 WEST, NMPM
SECTION 7: SW/4 SW/4
SECTION 18: NW/4 NW/4

(u) Extend the Kutz-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
SECTION 24: NW/4
SECTION 25: N/2

(v) Extend the Lone Pine-Dakota "D" Oil Pool in McKinley County, New Mexico, to include therein:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
SECTION 7: S/2
SECTION 8: E/2 NW/4, N/2 SW/4 & SE/4 SW/4
SECTION 17: NE/4 NW/4
SECTION 18: E/2 SE/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM
SECTION 12: E/2 SE/4
SECTION 13: NE/4 NW/4
SECTION 24: E/2 NW/4

(w) Extend the Lybrook-Gallup Oil Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM
SECTION 7: SW/4 & SE/4 NW/4
SECTION 18: W/2
SECTION 19: All
SECTION 20: SW/4
SECTION 30: W/2
SECTION 31: NW/4 NW/4

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM
SECTION 3: SW/4
SECTION 4: E/2 SE/4
SECTION 5: All
SECTION 13: All
SECTION 14: SE/4 & E/2 NE/4

(w) continued

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM
SECTION 22: NE/4 & NE/4 SE/4
SECTION 23: N/2
SECTION 24: NW/4 & NW/4 SW/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM
SECTION 29: SW/4
SECTION 32: W/2

(x) Extend the Otero-Chacra Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
SECTION 31: NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
SECTION 3: W/2
SECTION 10: N/2
SECTION 11: NW/4
SECTION 35: N/2
SECTION 36: N/2

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
SECTION 1: All
SECTION 3: N/2
SECTION 6: NE/4

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
SECTION 34: W/2

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM
SECTION 18: SW/4
SECTION 19: W/2 & SE/4
SECTION 20: SW/4
SECTION 26: SW/4
SECTION 28: All
SECTION 29: W/2
SECTION 30: All
SECTION 31: N/2

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
SECTION 12: W/2
SECTION 13: N/2 & SE/4

(y) Extend the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM
SECTION 3: W/2
SECTION 4: All
SECTION 5: SE/4, S/2 NE/4 & NE/4 NE/4
SECTION 9: N/2 & E/2 SW/4
SECTION 10: NW/4 & SW/4 NE/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
SECTION 33: SE/4

(z) Extend the Pinon-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM
SECTION 13: SW/4
SECTION 14: SE/4

(aa) Extend the Slick Rock-Dakota Oil Pool in San Juan County, to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM
SECTION 31: W/2 SW/4 & SW/4 NW/4

TOWNSHIP 30 NORTH, RANGE 17 WEST, NMPM
SECTION 36: NE/4 NE/4

(bb) Extend the Wild Horse-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
SECTION 19: SW/4

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
SECTION 12: SW/4
SECTION 13: NW/4
SECTION 24: NW/4

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

GMH
IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

ALP
CASE No. 4657

JSN
Order No. R- 4271

APPLICATION OF CHAPARRAL SERVICE, INC.,
FOR AN OIL TREATING PLANT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

Elvis A. Utz
This cause came on for hearing at ¹⁰ ~~9~~ a.m. on February 16, 1972,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter and was
Continued to 9 a.m. on March 15, 1972

NOW, on this _____ day of March, 1972, 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. 4657 is hereby dismissed.

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