

Case Number

4796

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

November 21, 1972

DE NOVO HEARING

IN THE MATTER OF:

Application of Michael P. Grace II
and Corinne Grace for capacity
allowable, Eddy County, New Mexico.

Case No. 4796

BEFORE: State Geologist, A. L. Porter, Jr.,
Secretary-Director

Land Commissioner, Alex Armijo,
Member

TRANSCRIPT OF HEARING

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

1 MR. PORTER: The hearing will come to order,
2 please. At this time, we are going to call Case 4796, and
3 the Commission recognizes Mr. Cooley, counsel for the
4 Applicant.

5 MR. COOLEY: May it please the Commission, William
6 J. Cooley, appearing on behalf of the Applicant. We at this
7 time move the Commission to continue that case to a date
8 in the future and recommend to the Commission that that
9 date be February 7th, 1973.

10 MR. PORTER: Is there any objection to the motion
11 of counsel for a continuance to February 7th, 1973?

12 (No response)

13 MR. PORTER: Case 4796 will be continued to
14 February 7th, 1973.
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dearnley, meier & mc cormick

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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

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

10 *Richard E. McCormick*
 11 CERTIFIED SHORTHAND REPORTER
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dearnley, meier & mc cormick

209 SIMMS BLDG. P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
 1216 F 1ST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87106

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

Case No. 4796

OIL CONSERVATION COMMISSION HEARING

IN THE MATTER OF:

Application of Michael P. Grace II
and Corinne Grace for capacity
allowable, Eddy County, New Mexico.

BEFORE: NEW MEXICO OIL CONSERVATION COMMISSION

State Geologist, A. L. Porter, Jr.,
Secretary-Director.

Land Commissioner, Alex Armijo,
Member.

TRANSCRIPT OF HEARING

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BAY K BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

1 MR. PORTER: We have one more case to call,
2 Case 4796.

3 MR. HATCH: Case 4796: Application of Michael
4 P. Grace II and Corinne Grace for capacity allowable, Eddy
5 County, New Mexico.

6 MR. COOLEY: William J. Cooley of Burr and Cooley,
7 Farmington, appearing on behalf of the Applicant. We, at
8 this time, move this case be continued until the next
9 scheduled meeting of the Oil Commission, which I understand
10 is September 13th.

11 MR. PORTER: Mr. Cooley, that no longer is a
12 regularly scheduled meeting date for the Commission.

13 MR. COOLEY: Any date that is acceptable to the
14 full Commission will be acceptable to us.

15 MR. PORTER: I believe we will continue the case
16 until the scheduled hearing for the middle of October, which
17 ordinarily would be an allowable hearing. Mr. Armijo and
18 I have commitments out of state on September 12th, and it
19 might be difficult for us to get back and hear this case on
20 the 13th. So Case 4796 will be continued until October 18th.

21 This hearing is adjourned.

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dearnley, meier & mc cormick

209 SIMMS BLDG. P.O. BOX 1092 PHONE 243-6691 ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

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

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

Richard E. McCormick
CERTIFIED SHORTHAND REPORTER

(Case 4902 continued from page 1)

New Mexico, in such a manner as to produce gas from the Strawn and Morrow formations, Los Medanos Field Area, through parallel strings of tubing.

Docket No. 4-73

DOCKET: REGULAR HEARING - WEDNESDAY - FEBRUARY 7, 1973

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

CASE 4796: (Continued from the November 21, 1972 Regular Hearing)

Application of Michael P. Grace II and Corinne Grace for capacity allowable, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an exception to the General Rules and Regulations governing the prorated gas pools of Southeast New Mexico, promulgated by Order No. R-1670, as amended, to produce their City of Carlsbad "COM" Well No. 1, located in Unit 0 of Section 25, Township 22 South, Range 26 East, South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico, at full capacity.

(THIS CASE WILL BE CONTINUED TO AN INDEFINITE DATE AND WILL BE READVERTISED BEFORE BEING HEARD.)

CASE 4869: (De Novo)

Application of Claude C. Kennedy for the amendment of Order No. R-4263, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4263 to prohibit the transfer of allowable to any well located closer than 1320 feet from the outer boundary of the Lone Pine Dakota "D" Unit Area, Lone Pine-Dakota "D" Pool, McKinley County, New Mexico. Upon application of Claude C. Kennedy, this case will be heard de novo under the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 31, 1973

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 4897: Application of Coastal States Gas Producing Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Gonzales Federal 31 Well No. 1 located 660 feet from the South line and 760 feet from the East line of Section 31, Township 9 South, Range 33 East, Flying "M"-San Andres Pool, Lea County, New Mexico, said well being located nearer than 330 feet to another well capable of producing from the same pool.
- CASE 4898: Application of Eastern Petroleum Company for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Dakota formation in the open-hole interval from 1385 feet to 1446 feet in its Navajo Well No. 21 in Unit C of Section 3, Township 27 North, Range 17 West, Table Mesa-Dakota Pool, San Juan County, New Mexico.
- CASE 4899: Application of Skelly Oil Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Morrow gas pool for its well located in Unit P of Section 9, Township 24 South, Range 29 East, Eddy County, New Mexico. Applicant further seeks the promulgation of temporary special rules therefor, including a provision for 640-acre spacing units.
- CASE 4900: Application of Skelly Oil Company for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Fusselman gas pool for its well located in Unit H of Section 20, Township 25 South, Range 36 East, Lea County, New Mexico. Applicant further seeks the promulgation of temporary special rules therefor, including a provision for 640-acre spacing units.
- CASE 4901: Application of Belco Petroleum Corporation for two dual completions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Union Mead Well No. 1 located in Unit H of Section 8, and its Union Mead Com Well No. 2 located in Unit N of Section 4, both in Township 22 South, Range 27 East, Eddy County, New Mexico, to produce gas from undesignated Strawn and Morrow gas pools through the casing-tubing annulus and through tubing, respectively.
- CASE 4902: Application of Belco Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its James Ranch Unit Well No. 3 located in Unit J of Section 1, Township 23 South, Range 30 East, Eddy County,

(Case 4765 (De Novo) continued from page 1)

Applicants, in the above-styled cause, seek an order pooling all mineral interests underlying the W/2 of Section 3, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising, approximately, a 407.20-acre non-standard proration unit. Said acreage to be dedicated to a well located 1980 feet from the North line and 1980 feet from the West line of said Section 3.

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.

Upon application of Rutter and Wilbanks Corporation this case will be heard De Novo under the provisions of Rule 1220.

CASE 4796: (Continued from the August 16, 1972 Regular Hearing)

Application of Michael P. Grace II and Corinne Grace for capacity allowable, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an exception to the General Rules and Regulations governing the prorated gas pools of Southeast New Mexico, promulgated by Order No. R-1670, as amended, to produce their City of Carlsbad "COM" Well No. 1, located in Unit O of Section 25, Township 22 South, Range 26 East, South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico, at full capacity.

DOCKET: REGULAR HEARING - WEDNESDAY - OCTOBER 18, 1972

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

CASE 4763: (De Novo)

Application of Black River Corporation for compulsory pooling and non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 3, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising, approximately, a 409.22-acre non-standard proration unit. Said acreage to be dedicated to its Cities "3" Federal Well No. 2 located 2212 feet from the North line and 1998 feet from the East line of said Section 3.

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.

Upon application of Rutter and Wilbanks Corporation this case will be heard De Novo under the provisions of Rule 1220.

CASE 4764: (De Novo)

Application of Black River Corporation for compulsory pooling, and non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 3, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising, approximately, a 407.20-acre non-standard proration unit. Said acreage to be dedicated to its Cities "3" Federal Well No. 1 located 1980 feet from the North line and 1980 feet from the West line of said Section 3.

Also to be considered will be 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.

Upon application of Rutter and Wilbanks Corporation this case will be heard De Novo under the provisions of Rule 1220.

CASE 4765: (De Novo)

Application of Michael P. Grace and Corinne Grace for compulsory pooling and non-standard proration unit, Eddy County, New Mexico.

MIDWEST OIL CORPORATION

1500 WILCO BUILDING
MIDLAND, TEXAS 79701

October 20, 1972

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

RE: Case #4769

Gentlemen:

With regard to Case #4769, scheduled on Commission docket for November 15, 1972, in which Michael P. Grace and Corrine Grace request capacity allowable for their well in Unit O, Section 25, T-22-S, R-26-E, South Carlsbad Morrow Gas Pool, please be advised that Midwest Oil Corporation objects to the granting of a capacity allowable for this well unless that capacity allowable is less than the maximum allowable granted other Morrow wells in the field. We believe that the individual sands of the Morrow reservoir extend a wide lateral distance in the field. The requested capacity allowable, in our opinion, could permit the operator to drain an area larger than the proration unit on which the well is located. Unless all wells in the same reservoir were granted a comparable allowable, such a production rate could permit one operator to severely damage correlative rights of other operators in the pool.

Very truly yours,

MIDWEST OIL CORPORATION

F. L. Schatz
F. L. Schatz
District Exploration Manager

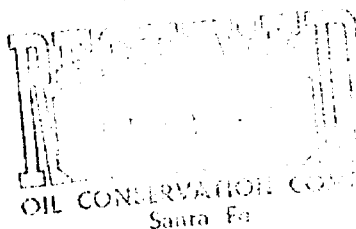
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DOCKET #4769

Date _____

11/10/72

BURR & COOLEY
ATTORNEYS AND COUNSELORS AT LAW
SUITE 152 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO
87401



TELEPHONE 325-1702
AREA CODE 505

JOEL E. BURR, JR.
WM. J. COOLEY

October 11, 1972

Am

Mr. A. L. Porter
OIL CONSERVATION COMMISSION OF NEW MEXICO
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Case No. 4796

Dear Mr. Porter:

This letter will confirm my telephone request of this morning that the Commission continue case no. 4796, being the Application of Michael P. Grace II and Corinne Grace for a capacity allowable for their City of Carlsbad "COM" well no. 1 located in Unit O of Section 25, Township 22 South, Range 26 East, South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico.

It is my understanding from our telephone conversation that the above referred case will be continued until the next regular hearing of the Commission, which is tentatively scheduled for November 15, 1972.

Please advise at your earliest convenience as to whether the foregoing request for continuance has been granted.

Very truly yours,

BURR & COOLEY

By

William J. Cooley
William J. Cooley

WJC:jjh

DOCKET MARKED

Date

11-10-72



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

TO: ALL INTERESTED PARTIES

FROM: A. L. PORTER, Jr., SECRETARY-DIRECTOR

Due to prior commitments by members of the Commission, we will be unable to have a quorum present for the hearing which has been scheduled for November 15, 1972. Cases 4763, 4764, and 4765, all pertaining to Section 3, Township 26 South, Range 24 East, Eddy County, New Mexico, and scheduled for Hearing De Novo at the request of Rutter and Wilbanks, and Case 4796, pertaining to capacity allowable for the Grace City of Carlsbad No. 1, will therefore be continued to 9:00 o'clock a.m., November 21, 1972, in the Land Office Conference Room.

Cases 4766, 4771, and 4772, all pertaining to the W/2 of Section 4, Township 26 South, Range 24 East, will also be advertised for Hearing De Novo on that same date at the request of Michael P. and Corinne Grace.

October 24, 1972

DOCKET: REGULAR HEARING - TUESDAY - NOVEMBER 21, 1972

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

CASE 4763: (De Novo) (Continued from the October 18, 1972 Regular Hearing)

Application of Black River Corporation for compulsory pooling and non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 3, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising, approximately, a 409.22-acre non-standard proration unit. Said acreage to be dedicated to its Cities "3" Federal Well No. 2 located 2212 feet from the North line and 1998 feet from the East line of said Section 3.

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.

Upon application of Rutter and Wilbanks Corporation this case will be heard De Novo under the provisions of Rule 1220.

CASE 4764: (De Novo) (Continued from the October 18, 1972, Regular Hearing)

Application of Black River Corporation for compulsory pooling, and non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 3, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising, approximately, a 407.20-acre non-standard proration unit. Said acreage to be dedicated to its Cities "3" Federal Well No. 1 located 1980 feet from the North line and 1980 feet from the West line of said Section 3.

Also to be considered will be 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.

Upon application of Rutter and Wilbanks Corporation this case will be heard De Novo under the provisions of Rule 1220.

CASE 4765: (De Novo) (Continued from the October 18, 1972 Regular Hearing)

Application of Michael P. Grace and Corinne Grace for compulsory pooling and non-standard proration unit, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all

(Case 4765 continued from page 1)

mineral interests underlying the W/2 of Section 3, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising, approximately, a 407.20-acre non-standard proration unit. Said acreage to be dedicated to a well located 1980 feet from the North line and 1980 feet from the West line of said Section 3.

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.

Upon application of Rutter and Wilbanks Corporation this case will be heard De Novo under the provisions of Rule 1220.

CASE 4771: (De Novo)

Application of Black River Corporation for a non-standard gas unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 402.22-acre, more or less, non-standard gas unit adjacent to the Washington Ranch-Morrow Gas Pool, comprising the W/2 of Section 4, Township 26 South, Range 24 East, Eddy County, New Mexico, to be dedicated to a well to be located at an unorthodox location 1985 feet from the North line and 2087 feet from the West line of said Section 4.

Upon application of Michael P. Grace II and Corinne Grace this case will be heard De Novo under the provisions of Rule 1220.

CASE 4772: (De Novo)

Application of Black River Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all leasehold, mineral, and royalty interests underlying the W/2 of Section 4, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising a 402.22-acre, more or less, non-standard gas unit. Said acreage to be dedicated to a well to be located at an unorthodox location 1985 feet from the North line and 2087 feet from the West line of said Section 4.

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.

Upon application of Michael P. Grace II and Corinne Grace this case will be heard De Novo under the provisions of Rule 1220.

CASE 4766: (De Novo)

Application of Michael P. Grace and Corinne Grace for compulsory pooling and a non-standard unit, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests underlying the W/2 of Section 4, Township 26 South, Range 24 East, adjacent to the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, comprising approximately a 402-acre non-standard proration unit. Said acreage to be dedicated to a well to be drilled 1980 feet from the North line and 1930 feet from the West line of said Section 4. Also to be considered will be the costs of drilling said well, a charge for the risk involved, and a provision for the allocation of charges for supervision of said well.

Upon application of Michael P. Grace II and Corinne Grace this case will be heard De Novo under the provisions of Rule 1220.

CASE 4796: (Continued from the August 16, 1972 Regular Hearing and October 18, 1972 Regular Hearing)

Application of Michael P. Grace II and Corinne Grace for capacity allowable, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an exception to the General Rules and Regulations governing the prorated gas pools of Southeast New Mexico, promulgated by Order No. R-1670, as amended, to produce their City of Carlsbad "COM" Well No. 1, located in Unit 0 of Section 25, Township 22 South, Range 26 East, South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico, at full capacity.

CASE 4733: (De Novo)

Application of David Fasken for pool contraction and creation of a new gas pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the horizontal limits of the Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, by the deletion therefrom of all of Sections 4 and 5, Township 21 South, Range 24 East. Applicant further seeks the creation of a new gas pool with horizontal limits comprising all of said Sections 4 and 5 for the production of gas from the Morrow formation.

Upon application of David Fasken, this case will be heard De Novo under the provisions of Rule 1220.

CASE 4865: Application of David Fasken for special allowables, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the general rules and regulations governing the prorated gas pools of Southeast New Mexico, promulgated by Order No. R-1670, as amended, to produce his Ross Federal Well No. 1 located 1970 feet from the South and West lines of Section 4 and his Shell Federal Well No. 1 located 1980 feet from the South and West lines of Section 5, both

Regular Hearing - Tuesday - November 21, 1972

Docket No. 27-72

-4-

(Case 4865 continued from page 3)

in Township 21 South, Range 24 East, Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, at the capacity of the wells to produce, or in the alternative, to permit the production of the wells at a rate in excess of the allowable sufficient to offset the alleged decline in pressure due to production from wells to the south.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF

MICHAEL P. GRACE II and
CORINNE GRACE

FOR AN ORDER EXEMPTING A CERTAIN
WELL FROM PRORATIONING IN THE
SOUTH CARLSBAD-MORROW GAS POOL,
EDDY COUNTY, NEW MEXICO.

Dr
Case 4796

APPLICATION

COME NOW the Applicants, Michael P. Grace II and Corinne Grace,
by and through their attorneys, BURR & COOLEY, 152 Petroleum Center
Building, Farmington, New Mexico, and respectfully make application
to the Commission for an order exempting from prorationing their City
of Carlsbad No. 1 well located in the S/2 of Section 25, Township 22
South, Range 26 East, N.M.P.M., South Carlsbad-Morrow Gas Pool,
Eddy County, New Mexico.

In support of the foregoing Application, Applicants would show
the Commission that by reason of the amount of salt water produced
from the above referred well, any substantial curtailment of production
therefrom will cause it to cease flowing, with probable watering out
and complete loss of productivity, thereby causing underground waste,
as well as impairment of the correlative rights of Applicants.

WHEREFORE, Applicants pray that the Commission set the foregoing
Application down to be heard at its next regularly scheduled examiner
hearing.

BURR & COOLEY
152 Petroleum Center Building
Farmington, New Mexico 87401

By *William J. Cooley*
William J. Cooley
Attorneys for Applicants

7-27-72
10-5-72
8-3-72
for Oct 18th hrg.

1962-4727: Application of MICHAEL
A. GIBSON for a REAL
ESTATE LICENSE, HENRY COUNTY, N. M.