

CASE 4203: Application of WESTERN  
Oil Products, Inc. for license to  
operate unit & equipment with LCC

CASE No.

4844

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Application,

Transcripts,

Small Exhibits

ETC.

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

October 17, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Western Oil  
Producers, Inc. for a non-standard  
gas spacing unit and unorthodox  
well location, Lea County, New  
Mexico.

Case No. 4844

BEFORE: Richard L. Stamets,  
Examiner.

TRANSCRIPT OF HEARING

dearnley, meier & mc cormick

200 SIMMS BLDG. P.O. BOX 1092 PHONE 243-6691 ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87106

dearnley, meier & mc cormick

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-0691, ALBUQUERQUE, NEW MEXICO 87103  
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

MR. STAMETS: Case 4844.

MR. HATCH: Case 4844: Application of Western Oil Producers, Inc. for a non-standard gas spacing unit and unorthodox well location, Lea County, New Mexico.

MR. LOSEE: A. J. Losee, of Losee and Carson, Artesia, appearing on behalf of the Applicant. The Applicant moves to dismiss Case 4844.

MR. STAMETS: Case 4844 will be dismissed.

deanley, meier & mc cormick

200 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6601, 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  
4 I, RICHARD E. McCORMICK, a Certified Shorthand  
5 Reporter, in and for the County of Bernalillo, State of New  
6 Mexico, do hereby certify that the foregoing and attached  
7 Transcript of Hearing before the New Mexico Oil Conservation  
8 Commission was reported by me; and that the same is a true  
9 and correct record of the said proceedings to the best of  
10 my knowledge, skill and ability.

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13 CERTIFIED SHORTHAND REPORTER  
14  
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**OIL CONSERVATION COMMISSION**

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

**October 30, 1972**

**GOVERNOR  
BRUCE KING  
CHAIRMAN**

**LAND COMMISSIONER  
ALEX J. ARMJO  
MEMBER**

**STATE GEOLOGIST  
A. L. PORTER, JR.**

**SECRETARY - DIRECTOR**

Mr. A. J. Losee  
Attorney at Law  
Post Office Box 239  
Artesia, New Mexico 88210

Re: Case No. 4844  
Order No. R-4425  
Applicant:  
Western Oil Producers

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. 4844  
Order No. R-4425

APPLICATION OF WESTERN OIL  
PRODUCERS, INC. FOR A NON-  
STANDARD GAS SPACING UNIT AND  
UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1972,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 27th day of October, 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. 4844 is hereby dismissed.

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



S E A L

dr/

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Bruce King*  
BRUCE KING, Chairman

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

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

DOCKET: EXAMINER HEARING - TUESDAY - OCTOBER 17, 1972

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 Elvia A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1972, from seventeen 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 November, 1972.

CASE 4747: (Continued from the September 13, 1972, Examiner Hearing)

Application of Union Texas Petroleum, A Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests below the base of the Devonian formation underlying the N/2 of Section 33, Township 25 South, Range 37 East, Crosby Field, Lea County, New Mexico. Said acreage to be dedicated to its well to be located 1650 feet from the North line and 2310 feet from the East line of said Section 33. 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 4842: Application of Dalport Oil Corporation for amendment of pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules governing the Double L-Queen Associated Pool, Chaves County, New Mexico, to change the size of a standard gas well proration unit from 160 acres to 320 acres with the provision that said 320-acre units not be permitted to produce more gas than is presently permitted under 160-acre spacing.

CASE 4843: Application of Dalport Oil Corporation for designation of a special gas area and special rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Southeast Chaves Queen Gas Area comprising all of Townships 12 and 13 South, Ranges 30 and 31 East, Township 14 South, Ranges 29, 30 and 31 East, and Township 15 South, Ranges 29 and 30 East.

Applicant further seeks the promulgation of special rules for said area including a provision for 320-acre spacing for gas wells, location of gas wells in conformance with the Southeast New Mexico 320-acre gas well location rules, and classification



Case 4843 continued from Page 1

of wells as gas wells at a gas-liquid ratio of 30,000 or more. Oil wells in said area would be governed by the statewide rules.

CASE 4844: Application of Western Oil Producers, Inc. for a non-standard gas spacing unit and unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a non-standard spacing unit in the Osudo-Morrow Gas Pool comprising the W/2 SE/4 of Section 6, and the NE/4 of Section 7, Township 21 South, Range 35 East, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 330 feet from the South line and 1980 feet from the East line of said Section 6.

CASE 4845: Application of Western Oil Producers, Inc. for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Osudo-Morrow Gas Pool underlying Lots 11, 12, 13 and 14 and the SW/4 of Section 5, Township 21 South, Range 35 East, Lea County, New Mexico, to form a non-standard spacing unit to be dedicated to a well to be drilled 3300 feet from the South line and 660 feet from the West line of said Section 5.

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 4846: Application of Universal Resources Corporation for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the N/2 of Section 16, Township 32 North, Range 12 West, Blanco Mesaverde Pool, San Juan County, New Mexico, to be dedicated to a well to be located at a standard location. 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 the supervision of said well.

CASE 4847: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the S/2 of Section 28, Township 21 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, said acreage to be dedicated to applicant's Cawley "A" Well No. 1 to be drilled to the Morrow formation at a location 1980 feet from the South and West lines of said Section 28.

Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of

Case 4847 continued from Page 2

actual operating costs, and the establishment of charges for supervision of said well.

CASE 4720: (Reopened)

In the matter of the application of Rotary Oil & Gas Company for an unorthodox location and non-standard proration unit, Lea County, New Mexico, being reopened on the motion of Rotary Oil & Gas Company. Applicant, in the above-styled cause, seeks amendment of Order No. R-4318 which order established a non-standard proration unit in the Osudo-Devonian Gas Pool comprising the NE/4 of Section 32 and the NW/4 of Section 33, Township 20 South, Range 36 East, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North line and 1980 feet from the East line of said Section 32. Applicant seeks removal of the ratable take and acreage factor assigned to the subject well by said Order No. R-4318.

CASE 4848: Southeastern New Mexico nomenclature case calling for an order for the creation, contraction and extension of certain pools in Lea County, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as a gas pool for San Andres production and designated as the Hare-San Andres Gas Pool. The discovery well is Shell Oil Company, Turner No. 16 located in Unit M of Section 22, Township 21 South, Range 37 East, NMPM. Said pool described as:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM  
Section 22: SW/4

(b) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Hightower-Wolfcamp Pool. The discovery well is Blackrock Oil Company, State CY No. 1 located in Unit M of Section 30, Township 12 South, Range 34 East, NMPM. Said pool described as:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM  
Section 30: SW/4

(c) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Sombrero-Atoka Gas Pool. The discovery well is Thunderbird Oil Corporation, Bell "15" State No. 1 located in Unit L of Section 15, Township 16 South, Range 33 East, NMPM. Said pool described as:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM  
Section 15: W/2

Case 4848 continued from page 3

(d) Contract the Arrowhead-Grayburg Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM  
Section 19: All  
Section 20: W/2

(e) 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 20: W/2 NW/4 and NW/4 SW/4

(f) Extend the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico, to include the Grayburg formation. Also, extend said Langlie Mattix Pool to include therein:

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

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

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
Section 34: NW/4

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

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM  
Section 34: NW/4

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 25: SW/4

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM  
Section 8: E/2

(k) Extend the Fowler-Upper Paddock Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 15: NW/4  
Section 22: S/2 and NW/4

(l) Extend the North Lynch Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM  
Section 19: NE/4

(m) Extend the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM  
Section 27: S/2

(n) Extend the North Skaggs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM  
Section 8: N/2 NW/4

(o) Extend the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 16: W/2

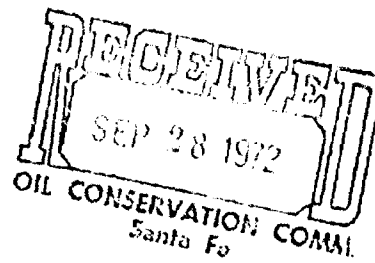
(p) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
Section 1: SE/4

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM  
Section 29: NW/4

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM  
Section 7: NW/4



BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

*SM*

IN THE MATTER OF THE APPLICATION OF )  
WESTERN OIL PRODUCERS, INC. FOR A )  
NON-STANDARD GAS SPACING UNIT, OSUDO )  
MORROW GAS POOL, LEA COUNTY, NEW )  
MEXICO )

Case No. 4844

APPLICATION

COMES WESTERN OIL PRODUCERS, INC., by its attorneys,  
and in support hereof, respectfully states:

1. That applicant is the operator of the Morrow  
formation underlying the following lands in Lea County, New  
Mexico:

Township 21 South, Range 35 East, N.M.P.M.

Section 6: W/2 SE/4  
Section 7: NE/4

containing 240 acres, more or less,  
and proposes to drill its No. 1 well to the Morrow formation at  
a location 1,980 feet from the East line and 330 feet from the  
South line of said Section 6, and to dedicate the above described  
240 acres for said well.

2. Applicant seeks an exception to Rule 104 of the  
Oil Conservation Commission of New Mexico (the "Commission")  
to permit the drilling of the proposed well to test the Morrow  
formation and to dedicate the above described 240 acres as a  
non-standard gas spacing unit for the well.

3. The unorthodox shape of the proposed non-standard  
gas spacing unit is due to the configuration of the leases held  
by applicant.

4. The non-standard gas spacing unit comprising the above described lands can be efficiently and economically drained by a well located 1,980 feet from the East line and 330 feet from the South line of Section 6.

5. The approval of this application will afford applicant the opportunity to produce its just and equitable share of gas in the Osudo Morrow gas pool and will prevent waste and protect correlative rights.

6. The offset operators, who may or may not be interested in this application, and their addresses if known to applicant, are as follows:

Gulf Oil Corporation  
Gulf Building  
Midland, Texas 79701

320 Minerals Limited  
Address unknown

Shell Oil Company  
P. O. Box 1509  
Midland, Texas 79701

Cities Service Oil Company  
800 Vaughn Building  
Midland, Texas 79701

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing, the Commission enter its order granting to applicant authority to drill the proposed well to the Morrow formation at a location 1,980 feet from the East line and 330 feet from the South line of Section 6, and establishing the W/2 SE/4 Section 6 and NE/4 Section 7, Township 21 South, Range 35 East, N.M.P.M. as a non-standard gas spacing unit for said well.

C. And for such other relief as may be just in the premises.

WESTERN OIL PRODUCERS, INC.

By: 

A. J. Losee for  
Losee & Carson  
P. O. Drawer 239  
Artesia, New Mexico 88210

Attorneys for Applicant

DRAFT

GMH/dr

*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:

CASE No. 4844

APPLICATION OF WESTERN OIL  
PRODUCERS, INC. FOR A NON-  
STANDARD GAS SPACING UNIT AND  
UNORTHODOX WELL LOCATION, LEA  
COUNTY, NEW MEXICO.

Order No. R- 4425

*dr*

*dr*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1972,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this \_\_\_\_\_ day of October, 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. 4844 is hereby dismissed.

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



Weston Oil Producers, Inc. —  
non - old pro unit

240 acres — W/2 SE/4 Sec 6  
NE/4 of Sec 7  
T 21 - 35 E

Osuda - Marrow Gas Pool - Lea

Marrow

1980 FEL 330 FSL  
of Sec 6

