

**FILE 4911: Application of LOWE  
STAR INDUSTRIES FOR COMPULSORY  
POOLING, RIO ARriba COUNTY.**

Cont, Mar. 28.

*Dismiss*

4913

Application  
Transcripts.

Small Exhibits

ETC.

dearnley, meier & mc cormick

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
March 28, 1973  
  
EXAMINER HEARING

IN THE MATTER OF:

Application of Lone Star Industries,  
Inc. for compulsory pooling, Rio  
Arriba County, New Mexico

Case No. 4913

BEFORE: Daniel S. Nutter  
Examiner

TRANSCRIPT OF HEARING

1 MR. NUTTER: The Hearing will come to order. The first case  
2 is Case 4913, Application of Lone Star Industries, Inc. for compulsory  
3 pooling, Rio Arriba County, New Mexico.

4 At the request of the Applicant, Case 4913 will be dismissed.

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

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

9 Richard E. McCormick  
10 Certified Shorthand Reporter

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I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 4913  
heard by me on 3/28, 1973.  
David S. Miller Examiner  
New Mexico Oil Conservation Commission

dearnley, meier &amp; mc cormick

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
CONFERENCE ROOM, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
February 28, 1973

## EXAMINER HEARING

IN THE MATTER OF:

Application of Lone Star Industries, Inc. for ) Case No. 4913  
compulsory pooling, Rio Arriba County, New )  
Mexico. )

BEFORE: Elvis A. Utz  
Examiner

TRANSCRIPT OF HEARING

1 MR. UTZ: The hearing will come to order, please.

2 We will call for continuances or dismissals first.

3 MR. KELLAHIN: If the Examiner please, we would  
4 like to continue Case 4913 on behalf of Lone Star  
5 Industries, Inc.

6 MR. UTZ: Do you have any date in mind?

7 MR. KELLAHIN: About 30 days.

8 MR. UTZ: Okay. We will continue 4913 to an  
9 Examiner Hearing the later part of next month.

10 \* \* \* \* \*

11 STATE OF NEW MEXICO )  
12 ) ss  
13 COUNTY OF BERNALILLO )

14 I, JANET RUSSELL, a Notary Public, in and for the County  
15 of Bernalillo, State of New Mexico do hereby certify that the  
16 foregoing and attached Transcript of Hearing before the New  
17 Mexico Oil Conservation Commission was reported by me; and  
18 that the same is a true and correct record of the said  
19 proceedings to the best of my knowledge, skill and ability.

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My Commission Expires:  
November 24, 1976

*Janet Russell*  
NOTARY PUBLIC

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 4913  
heard by me on Jul 28, 1973.  
*[Signature]*, Examiner.  
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

April 19, 1973

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

Re: Case No. 4913

Order No. R-4503

Applicant:

LONE STAR INDUSTRIES, INC.

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 x

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. 4913  
Order No. R-4503

APPLICATION OF LONE STAR  
INDUSTRIES, INC. FOR COMPULSORY  
POOLING, RIO ARriba COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 28, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of April, 1973, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

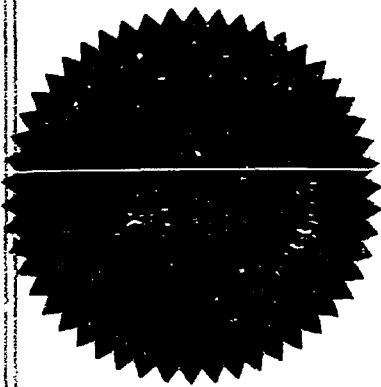
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 4913 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. ARMILLO, Member

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

S E A L

dr/

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 28, 1973

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:

CASE 4913: (Continued from the February 28, 1973 Examiner Hearing)

*dismissed*  
Application of Lone Star Industries, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 12, Township 30 North, Range 5 West, to be dedicated to a well to be drilled at a standard location to the Basin-Dakota Pool.

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 4919: Application of Mobil Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the W/2 SW/4 and SE/4 SW/4 of Section 28, and the NW/4 and SW/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, adjacent to the Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its E. O. Carson Well No. 4 located in Unit N of said Section 28.

CASE 4920: Application of Mobil Oil Corporation for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle marginal production from the Blinebry, Tubb, Drinkard, Paddock, and Wantz-Abo Oil Pools in the well-bore of its Stephens Estate Well No. 1 located in Unit L of Section 24, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 4921: Application of Sun Oil Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4267 feet to 4416 feet in its New Mexico A-3 State Well No. 5 located in Unit D of Section 33, Township 7 South, Range 33 East, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.

CASE 4922: Application of Pennzoil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing well at an unorthodox location 1330 feet from the North and West lines of Section 20, Township 17 South, Range 33 East, Maljamar Pool, Lea County, New Mexico. Applicant further seeks the adoption of a procedure for administrative approval of additional producing and injection wells at unorthodox locations in its Western State Waterflood Project in Sections 17 and 20, Township 17 South, Range 33 East.

(Case 4912 continued from page 1)

also seeks an administrative procedure for approval of additional injection wells at orthodox and unorthodox locations without notice and hearing. Applicant further seeks the deletion of the NW/4 of the aforesaid Section 7 from the Artesia Pool and the concurrent extension of the Loco Hills Pool to include said lands.

CASE 4913: Application of Lone Star Industries, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 12, Township 30 North, Range 5 West, to be dedicated to a well to be drilled at a standard location to the Basin-Dakota Pool.

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 4901: (Continued and Readvertised)

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 Union Mead Com Well No. 2 located in Unit N of Section 4, Township 22 South, Range 27 East, Eddy County, New Mexico, to produce gas from undesignated Wolfcamp and Morrow gas pools through the tubing and the casing-tubing annulus, respectively, by means of a crossover assembly.

CASE 4914: Southeastern New Mexico nomenclature case calling for an order for the creation and extension 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 Morrow production and designated as the Burton Flat-Morrow Gas Pool. The discovery well is the Monsanto Company Burton Flat Deep Unit No. 1 located in Unit O of Section 3, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

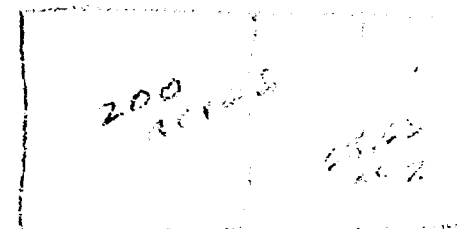
TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 3: Lots 9 through 16

(b) Create a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Lea-San Andres Pool. The discovery well is the Superior Oil Company Government "E" No. 2 located in Unit A of Section 25, Township 19 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM  
Section 25: NE/4

BEFORE THE  
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF LONE STAR INDUSTRIES, INC.,  
FOR AN ORDER POOLING ALL MINERAL  
INTERESTS IN THE N/2 SECTION 12,  
TOWNSHIP 30 NORTH, RANGE 5 WEST,  
N.M.P.M.



A P P L I C A T I O N

COMES NOW LONE STAR INDUSTRIES, INC., and applies to the Oil Conservation Commission of New Mexico for an order pooling all mineral interests to form a drilling and proration unit for production from the Dakota formation, Rio Arriba County, New Mexico, and in support thereof would show the Commission:

1. Applicant holds the right to drill and develop the NW/4, and the NW/4 NE/4 of Section 12, Township 30 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico, containing 200 acres, more or less.
2. Applicant is informed and believes that El Paso Natural Gas Company is the owner of the right to drill and develop Lots 1, 2, and the SW/4 NE/4 of said Section 12, containing 68.63 acres, more or less.
3. The two tracts comprise the N/2 of Section 12, Township 30 North, Range 5 West, containing 268.63 acres, due to a variation in the governmental survey of said section.
4. Applicant proposes to drill a well to the Dakota formation on said unit, and has been unable to effect pooling of all of the N/2 of said Section 12, and the owners have been unable to agree to pool their interests.

DOCKET MAILED

Date 3-15-73

DOCKET MAILED

Date 3/16/73

5. In order to protect correlative rights, and to enable applicant to obtain its just and equitable share of the gas underlying the above tract, said tract should be pooled by order to the Commission to form a drilling and proration unit of 268.63 acres, said variation in acreage being due to a variation in the governmental survey of said section.

WHEREFORE applicant prays that this matter be set for hearing before the Commission or one of the Commission's duly appointed examiners, and that after notice and hearing as required by law, the Commission enter its order pooling all of the following described lands:

TOWNSHIP 30 NORTH, RANGE 5 WEST, N. M. P. M.

Section 12 - Lots 1, 2, W/2 NE/4, NW/4

together with a provision for applicant to recover his costs of drilling and equipping said well out of production, together with a risk factor for the risk involved in drilling such well, a provision for recovering costs of operation of such well out of production, and a provision for recovering charges for supervision of said well, together with such other and further relief as may be proper in the premises

Respectfully submitted,

LONE STAR INDUSTRIES, INC.

BY Jason W. Kellah  
KELLAHAN & FOX  
P. O. Box 1769  
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

APPLICATION OF LONE STAR  
INDUSTRIES, INC. FOR COMPULSORY  
POOLING, RIO ARriba COUNTY,  
NEW MEXICO.

CASE No. 4913

Order No. R-4503

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 28, 1973,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of \_\_\_\_\_, 1973, 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. 4913 is hereby dismissed.

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