

Dismissed

CASE 7526: JACK J. GATHEBERG FOR COMPUT-
BORN POOLING, CHAVES COUNTY, NEW MEXICO

CASE NO.

7526

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7526
Order No. R-6990

APPLICATION OF JACK J. GRYNBERG
FOR COMPULSORY POOLING, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 12, 1982,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of May, 1982, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

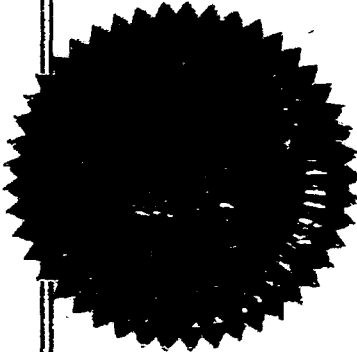
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 7526 is hereby dismissed.

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
28 April 1982

EXAMINER HEARING

IN THE MATTER OF:

Applications of Jack J. Grynberg for
compulsory pooling, Chaves County,
New Mexico.

CASES
7525 thru 7534

7525

7526

7527

7528

7529

7530

7531

7532

7533

7534

TRANSCRIPT IN
CA 7525

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

JACK GRYNBERG AND ASSOCIATES

PETROLEUM, GEOLOGICAL, GEOPHYSICAL AND MINING ENGINEERS

1620 17th STREET • SUITE 1850 • DENVER, COLORADO 80265 • PHONE 303 - 572-1455

**TELEX: 46-4487 ENERGY DVR
TELECOPIER: 303-823-5224**

May 11, 1982

MAY 13 1982

Santa Fe

Ms. Florene Davidson
State of New Mexico
Energy and Minerals Department
Post Office Box 2088
Santa Fe, NM 87501



Dear Ms. Davidson:

Pursuant to our telephone conversation today, we are requesting that compulsory pooling cases 7525, 7526, 7527, 7530 and 7531 be withdrawn and that compulsory pooling cases 7528, 7529, 7532, 7533 and 7534 be continued. I understand that they will tentatively be placed on the July 7 docket.

The other working interest parties involved are aware of these developments. Thank you very much for your consideration in this matter.

Sincerely,



Deborah Hill
Senior Landman

DH/ggd

Dockets Nos. 14-82 and 15-82 are tentatively set for May 26 and June 9, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 12, 1982

9 A.M. - OIL CONSERVATION DIVISION 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:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for June, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for June, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7540: (Continued and Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Pauly-Anderson-Fritchard, William H. Pauly, and all other interested parties to appear and show cause why the Maloy Well No. 1, located in Unit P, Section 16, Township 29 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7538: (Continued and Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Francis L. Harvey and all other interested parties to appear and show cause why the Pinkstaff Estate Well No. 2, located in Unit A, Section 29, Township 29 North, Range 10 West, San Juan County, should not be re-entered and plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7566: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Flag-Redfern Oil Co., Principal, National Surety Corporation, and all other interested parties to appear and show cause why four wells, being the Julander No. 1 located in Unit L, Section 34; Julander No. 2 located in Unit I, Section 33; Hargis No. 1 located in Unit G, Section 33; and Hargis No. 2 located in Unit J, Section 33, all in Township 30 North, Range 12 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7560: (Continued from April 28, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Charles H. Heisen, Fidelity and Deposit Company of Maryland, Surety, and all other interested parties to appear and show cause why the Crownpoint Well No. 1, located in Unit F, Section 18, Township 18 North, Range 13 West, McKinley County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7542: (Continued from April 14, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Benson-Montin-Greer Drilling Corporation, Hartford Accident and Indemnity Company, and all other interested parties to appear and show cause why the following wells: Dustin No. 1, located in Unit K, Section 6, and the Gallegos Canyon Unit No. 2, located in Unit K, Section 35, both in Township 29 North, Range 12 West, and the Segal No. 1, located in Unit K, Section 10, and the Price No. 1, located in Unit N, Section 15, both in Township 31 North, Range 13 West, San Juan County, should not be plugged and abandoned in accordance with Division-approved plugging programs.

CASE 7567: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Richardson Unit Area, comprising 1,283.35 acres, more or less, of State and Fee lands in Townships 13 and 14 South, Range 36 East.

CASE 7565: (Continued from April 28, 1982, Examiner Hearing)

Application of Delta Drilling Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Mescalero Unit Area, comprising 719.77 acres, more or less, of State, Fee and Federal lands in Townships 9 and 10 South, Range 32 East.

CASE 7568: Application of Petroleum Corp. of Delaware for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Superior Federal Well No. 6 located in Unit N of Section 6, Township 20 South, Range 29 East, East Burton Flat Field, to produce oil from the Strawn formation through tubing and gas from the Morrow formation through the casing-tubing annulus by means of a cross-over assembly.

Examiner Hearing - WEDNESDAY - MAY 13, 1982

CASE 7569: Application of Petroleum Corp. of Delaware for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Morrow production in the wellbores of its Parkway West Unit Well No. 3, located in Unit K of Section 29, and Well No. 10, located in Unit G of Section 27, both in Township 19 South, Range 29 East.

CASE 7570: Application of J. Cleo Thompson for three unorthodox oil well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for three unorthodox well locations, being 660 feet from the North line and 1330 feet from the West line, 660 feet from the North line and 2630 feet from the East line, and 660 feet from the North line and 1310 feet from the East line, all in Section 2, Township 17 South, Range 30 East, Square Lake Pool.

CASE 7516: (Continued from March 31, 1982, Examiner Hearing)

Application of Benson-Montin-Greer for a unit agreement, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Canada Ojitos Unit Area, comprising 12,361 acres, more or less, of Jicarilla Apache Indian lands in Township 27 North, Range 1 West.

CASE 7571: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Abo formation underlying the SE/4 of Section 9, the SW/4 of Section 10, the NW/4 of Section 15, all in Township 6 South, Range 26 East, each to form a standard 160-acre spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.

CASE 7551: (Continued from April 14, 1982, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Mississippian formations underlying the E/2 of Section 21, Township 11 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7572: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Ballard GSA Waterflood Project by drilling and converting ten wells located in Unit N of Section 5, Units N and P of Section 6, Units F, H, J, and P of Section 7, Units F and N of Section 8, and Unit P of Section 17, all in Township 18 South, Range 29 East, Loco Hills Pool.

CASE 7573: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its West Square Lake Waterflood Project by the conversion to water injection of five wells located in Units J and N of Section 9, D and H of Section 10, and J of Section 3, all in Township 17 South, Range 30 East.

CASE 7574: Application of Sun Exploration and Production Company for two non-standard gas proration units and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard Jalmat gas proration units comprising the NW/4 of Section 21, for its Boren & Greer Com Well No. 2 in Unit C and the NE/4 of Section 20, for its Boren & Greer Com Well No. 3, to be drilled at an unorthodox location 660 feet from the North line and 940 feet from the East line of said Section 20, all in Township 22 South, Range 36 East. Applicant further seeks rescission of Order No. R-5688.

CASE 7575: Application of Eagle Oil & Gas Co. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for a Wolfcamp-Penn test well to be drilled 1500 feet from the South line and 660 feet from the East line of Section 2, Township 17 South, Range 27 East, the S/2 of said Section 2 to be dedicated to the well.

CASES 7576 and 7577: Application of Apollo Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in each of the following cases, seeks an order pooling all mineral interests from the surface through the base of the San Andres formation underlying the lands specified in each case, each to form a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7576: NE/4 SW/4 Section 6, Township 19 South, Range 38 East

CASE 7577: SE/4 SW/4 Section 6, Township 19 South, Range 38 East

- CASE 7578: Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Seven Rivers formation underlying the SE/4 of Section 31, Township 19 South, Range 39 East, to form a standard 160-acre gas proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7579: Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Seven Rivers formation underlying the N/2 NW/4 of Section 5, Township 20 South, Range 39 East, to form a non-standard 80-acre gas proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7580: Application of MGF Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Seven Rivers formation underlying the SW/4 of Section 31, Township 19 South, Range 39 East, to form a standard 160-acre gas proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7581: Application of Estoril Producing Corp. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the South line and 990 feet from the East line of Section 10, Township 23 South, Range 34 East, Antelope Ridge-Morrow Gas Pool, the S/2 of said Section 10 to be dedicated to the well.
- CASES 7582 thru 7585: Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:
- CASE 7582: NW/4 Section 13, Township 6 South, Range 24 East
 - CASE 7583: NE/4 Section 13, Township 6 South, Range 24 East
 - CASE 7584: SW/4 Section 13, Township 6 South, Range 24 East
 - CASE 7585: NW/4 Section 24, Township 6 South, Range 24 East
- CASES 7525 thru 7534: (Continued from April 28, 1982, Examiner Hearing)
- Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following 10 cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:
- CASE 7525: SW/4 Section 3, Township 5 South, Range 24 East
 - CASE 7526: NW/4 Section 3, Township 5 South, Range 24 East
 - CASE 7527: SE/4 Section 3, Township 5 South, Range 24 East
 - CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East
 - CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East
 - CASE 7530: NW/4 Section 11, Township 6 South, Range 24 East
 - CASE 7531: SW/4 Section 11, Township 6 South, Range 24 East
 - CASE 7532: SE/4 Section 27, Township 6 South, Range 24 East
 - CASE 7533: SW/4 Section 27, Township 6 South, Range 24 East
 - CASE 7534: NW/4 Section 34, Township 6 South, Range 24 East

CASE 7515: (Continued from April 14, 1982, Examiner Hearing)

Application of Four Corners Gas Producers Association for designation of a tight formation, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying all or portions of Townships 26 and 27 North, Ranges 12 and 13 West, Township 28 North, Range 13 West, Township 29 North, Ranges 13 through 15 West, and Township 30 North, Ranges 14 and 15 West, containing 164,120 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.

CASE 7586: Application of Standard Resources Corp. for designation of a tight formation, Chaves and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Abo formation underlying all or portions of Township 15 South, Ranges 23 through 25 East, Township 19 South, Range 20 East, and Township 20 South, Range 20 East, all in Chaves County; in Eddy County: Township 16 South, Ranges 23 through 26 East, Township 17 South, Ranges 21, 23, 24, and 25 East, and Township 18 South, Ranges 21, 23, 24 and 25 East, Township 19 South, Ranges 21, 23, and 24 East, and Township 20 South, Ranges 21, 23, and 24 East, containing 460,800 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.

CASE 7587: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending vertical and horizontal limits of certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

- (a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Draper Mill-Wolfcamp Gas Pool. The discovery well is the H&G Oil Company Vaca Draw 16 State Well No. 1 located in Unit E of Section 16, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 16: W/2

- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Jabalina-Morrow Gas Pool. The discovery well is the Amco Production Company Perro Grande Unit Well No. 1 located in Unit J of Section 6, Township 26 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM
Section 6: E/2

- (c) ABOLISH the Diamond Mound-Morrow Gas Pool in Chaves and Eddy Counties, New Mexico, as heretofore classified, defined, and described as:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 35: All

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 31: E/2

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 3: Lots 1 through 16
Section 4: Lots 1 through 16
Section 5: Lots 1 through 16
Section 6: Lots 1, 2, 7, 8, 9, 10, 15, 16, and S/2

- (d) EXTEND the vertical limits of the Diamond Mound-Atoka Gas Pool in Chaves and Eddy Counties, New Mexico, to include the Morrow formation, and redesignate said pool to Diamond Mound-Atoka-Morrow Gas Pool, and extend the horizontal limits of said pool to include acreage from abolished Diamond Mound-Morrow Gas Pool and one additional well as follows:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 35: All

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 31: E/2

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 9: S/2

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 3: Lots 1 through 16
Section 4: Lots 1 through 16
Section 5: Lots 1 through 16
Section 6: Lots 1, 2, 7, 8, 9, 10, 15, 16, and S/2

- (e) EXTEND the Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 35: E/2
Section 36: W/2

- (f) EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 1: All
Section 12: W/2

- (g) EXTEND the South Culebra Bluff-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 10: All
Section 11: W/2
Section 14: W/2
Section 15: W/2
Section 34: W/2

- (h) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 17: W/2

- (i) EXTEND the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
Section 28: All

- (j) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 10: W/2

- (k) EXTEND the East LaRica-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 36: S/2

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 31: S/2

- (l) EXTEND the Little Box Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM
Section 18: E/2

- (m) EXTEND the Malaga-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 11: E/2

- (n) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 16: W/2

- (o) EXTEND the East Millman-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 7: NE/4

- (p) EXTEND the Millman Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPN
Section 8: S/2

- (q) EXTEND the West Madine-Blinsbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPN
Section 5: SW/4

- (r) EXTEND the West Osado-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPN
Section 11: S/2
Section 12: S/2

- (s) EXTEND the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPN

Section 24: S/2
Section 25: All
Section 26: E/2
Section 35: W/2 and NE/4
Section 36: W/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPN

Section 19: SW/4
Section 30: W/2
Section 31: NW/4

TOWNSHIP 5 SOUTH, RANGE 24 EAST, NMPN

Section 2: NW/4
Section 7: All
Section 8: All
Section 9: W/2 and SW/4
Section 16: W/2
Section 17 thru 20: All
Section 21: W/2
Section 28: W/2
Section 29: All
Section 30: All
Section 31: W/2
Section 32: W/2
Section 33: NW/4

TOWNSHIP 5 SOUTH, RANGE 25 EAST, NMPN

Section 1 thru 5: All
Section 6: E/2
Section 7: SW/4 and E/2
Section 8 thru 12: All
Section 14 thru 22: All
Section 23: W/2
Section 27: W/2
Section 28 thru 30: All
Section 31: NE/4
Section 32: W/2
Section 33: All
Section 34: All

TOWNSHIP 6 SOUTH, RANGE 24 EAST, NMPN

Section 2: All
Section 11 thru 14: All
Section 22 thru 28: All
Section 34: E/2
Section 35: All
Section 36: All

Examiner Hearing - WEDNESDAY - MAY 12, 1982

TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM

Section 4 thru 6: All
Section 7 thru 8: All
Section 9: N/2
Section 17 thru 20: All
Section 29 thru 32: All

TOWNSHIP 7 SOUTH, RANGE 24 EAST, NMPM

Section 1: All
Section 2: All
Section 3: E/2
Section 9 thru 15: All
Section 22 thru 27: All
Section 34 thru 36: All

TOWNSHIP 7 SOUTH, RANGE 25 EAST, NMPM

Section 6: W/2
Section 7: S/2
Section 13: SW/4
Section 14: S/2
Section 15: S/2
Section 18 and 19: All
Section 20: S/2
Section 22 thru 27: All
Section 29 thru 32: All
Section 34 thru 36: All

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM

Section 5: All
Section 5: All
Section 7 thru 10: All
Section 11: W/2
Section 15 thru 17: All
Section 18: W/2
Section 19 thru 22: All
Section 28 thru 32: All

TOWNSHIP 8 SOUTH, RANGE 24 EAST, NMPM

Section 1 through 3: All
Section 10: E/2
Section 11: All
Section 12: All

TOWNSHIP 8 SOUTH, RANGE 25 EAST, NMPM

Section 1 through 12: All
Section 13 through 16: N/2

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM

Section 6: W/2

- (t) EXTEND the West Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM

Section 23: SE/4
Section 24: S/2 and NE/4
Section 25 through 27: All
Section 28: E/2

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM

Section 3 through 5: All
Section 6: N/2
Section 8 through 10: N/2
Section 17: W/2
Section 18: SE/4
Section 19: All
Section 20: W/2
Section 29: W/2
Section 30: All
Section 31: All
Section 32: W/2

TOWNSHIP 9 SOUTH, RANGE 23 EAST, NMPM

Section 3: W/2
Section 4: All
Section 5: All
Section 6: E/2
Section 8: All

- (u) EXTEND the East Red Lake-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM

Section 25: E/2 NE/4 and NE/4 SE/4

- (v) EXTEND the Sand Ranch-Morrow Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM

Section 26: All

- (w) EXTEND the Sawyer-San Andres Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 38 EAST, NMPM

Section 4: SW/4

- (x) EXTEND the Tom-Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM

Section 7: All

- (y) EXTEND the Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 2: W/2
Section 7: N/2

- (z) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM

Section 18: N/2 SE/4 and SE/4 SE/4

- (aa) EXTEND the South Vacuum-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM

Section 16: SE/4

DOCKET: COMMISSION HEARING - MONDAY - MAY 17, 1982

Docket No. 14-82

OIL CONSERVATION COMMISSION - 9 A.M.
ROOM 205 - STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO.

CASE 7522: (DE NOVO)

Application of Santa Fe Exploration Co. for an unorthodox gas well location, Eddy County, New Mexico Applicant, in the above-styled cause, seeks approval of an unorthodox location 660 feet from the North and West lines of Section 14, Township 20 South, Range 25 East, Permian-Penn, Strawn, Atoka and Morrow formations, the N/2 of said Section 14 to be dedicated to the well.

Upon application of Chama Petroleum Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7476: (DE NOVO)

Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation, underlying two 160-acre gas spacing units, being the NE/4 and SE/4, respectively, of Section 12, Township 5 South, Range 24 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Upon application of Mesa Petroleum Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7513: (DE NOVO)

Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the SE/4 of Section 12, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Upon application of Mesa Petroleum Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Dockets Nos. 13-82 and 14-82 are tentatively set for May 12 and May 26, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - THURSDAY - APRIL 22, 1982

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7509: (Continued and Readvertised)

Application of Supron Energy Corporation for a non-standard proration unit or compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit for the Dakota and Mesaverde formations comprising the SW/4 of Section 2, Township 31 North, Range 8 West, or in the alternative, an order pooling all mineral interests from the surface down through the Dakota formation underlying the S/2 of said Section 2, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7535: (Continued and Readvertised)

Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SW/4 of Section 17, Township 6 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7553: (Continued from April 14, 1982, Examiner Hearing)

Application of Fred Pool Drilling Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Abo formation underlying the SW/4 of Section 17, Township 6 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Docket No. 12-82

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 28, 1982

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

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

CASE 7560: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Charles H. Heisen, Fidelity and Deposit Company of Maryland, Surety, and all other interested parties to appear and show cause why the Crownpoint Well No. 1, located in Unit F, Section 18, Township 18 North, Range 13 West, McKinley County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7469: (Continued from March 31, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit H. H. Bailey & Associates, Commercial Union Insurance Company, and all other interested parties to appear and show cause why the following wells on the H. M. Bailey Lease, Township 21 South, Range 1 West, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program: In Section 10: Nos. 9 in Unit A, 9, 11, 12, and 13 in Unit B, 10 and 14 in Unit C; and No. 15 in Unit C of Section 9.

EXAMINER HEARING - WEDNESDAY - APRIL 28, 1982

CASE 7458: (Continued from March 3, 1982, Examiner Hearing)

Application of Marks & Garner Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of salt water into the Bough C formation in the perforated interval from 9596 feet to 9616 feet in its Betenbough Well No. 2, located in Unit M of Section 12, Township 9 South, Range 35 East.

CASE 7561: Application of Franks Petroleum, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North line and 1980 feet from the West line of Section 9, Township 21 South, Range 32 East, Hat Mesa-Morrow Gas Pool, the W/2 of said Section 9 to be dedicated to the well.CASE 7565: Application of Delta Drilling Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Mescalero Unit Area, comprising 719.77 acres, more or less, of State, Fee and Federal lands in Townships 9 and 10 South, Range 32 East.CASE 7544: (Continued and Readvertised)

Application of Dinero Operating Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow-Ellenberger well to be drilled 660 feet from the North and East lines of Section 20, Township 22 South, Range 28 East, the N/2 of said Section 20 to be dedicated to the well.

CASE 7562: Application of Northwest Exploration Company for pool creation and special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Gallup-Dakota oil pool for its Gavilan Well No. 1 located in Unit A of Section 26, Township 25 North, Range 2 West, with special rules therefor, including provisions for 160-acre spacing.CASE 7519: (Continued from March 31, 1982, Examiner Hearing)

Application of S & J Oil Company for special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Seven Lakes-Menafee Oil Pool to provide for well to be located not nearer than 25 feet to the quarter-quarter section line nor nearer than 165 feet to lands owned by an offset operator.

CASE 7563: Application of Marathon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all Permian formations underlying the NE/4 NE/4 of Section 26, Township 16 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.CASE 7457: (Continued from March 16, 1982, Examiner Hearing)

Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.

CASE 7564: Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Abo formation underlying the NW/4 of Section 30, Township 6 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.CASE 7445: (Continued from March 16, 1982, Examiner Hearing - This Case will be continued to May 26, 1982)

Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the San Andres formation for its Fulton Collier Well No. 1 in Unit G of Section 1, Township 18 South, Range 28 East.

CASES 7524 THRU 7534: (Continued from March 31, 1982, Examiner Hearing)

Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following 11 cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7524: SE/4 Section 2, Township 5 South, Range 24 East

CASE 7525: SW/4 Section 3, Township 5 South, Range 24 East

CASE 7526: NW/4 Section 3, Township 5 South, Range 24 East

CASE 7527: SE/4 Section 3, Township 5 South, Range 24 East

CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East

CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East

CASE 7530: NW/4 Section 11, Township 6 South, Range 24 East

CASE 7531: SW/4 Section 11, Township 6 South, Range 24 East

CASE 7532: SE/4 Section 27, Township 6 South, Range 24 East

CASE 7533: SW/4 Section 27, Township 6 South, Range 24 East

CASE 7534: NW/4 Section 34, Township 6 South, Range 24 East

Michael John Harvey, Jr.

1020 15TH STREET
DENVER, CO 80202
(303) 571-1601

P.O. Box 12705
DALLAS, TEXAS 75225
(214) 363-7380

1221 WEST COAST HIGHWAY
NEWPORT BEACH, CA 92663
(714) 645-5000

March 24, 1982

Oil Conservation Division
State of New Mexico
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Dan Nutter

Dear Mr. Nutter:

Pursuant to ~~our~~ telephone conversation of Friday, March 19, 1982, I would like to request that the hearing on Cases #7526, #7527, #7528, set down for hearing on March 31, 1982, be postponed to a hearing date which will allow me to get counsel analyze the issues at stake in the hearing and discuss with the parties bringing the action alternative methods of handling the situation.

In my discussion with you, you indicated that there would be a possibility for alternative hearing dates. I would like to propose a hearing date of April 26, 1982. This would allow me time to prepare documentation on the above referenced cases. As you know you don't go out and drill a well without some extensive geology and you don't develop an area without being prudent in your analysis of ways to develop. I don't want to be guilty of being a non-prudent operator because it doesn't make economic sense. So we have to look at the geology - - then we need to look very carefully at what the proposed AFE and Operating Agreement by Mr. Grynberg would be. It may not be acceptable at all.

I have not seen a proposed AFE or Operating Agreement and it is my understanding that he has to furnish me with this.

As you know, He has a 25% interest in the SE $\frac{1}{2}$, Section 3 of 5 South 25 (Case #7527); A 25% interest in the NW $\frac{1}{4}$ of Section 3 (Case #7526); and a one/half interest in the NW $\frac{1}{4}$ of Section 4 (Case #7528).

I am discussing this with another party, the identity of which is known to you, the possibility of operating the properties referenced to in the cases as outlined above.

Rec'd Mar 25, 82
file
I talked to Mr. Harvey yesterday. He advised him that Grynberg was requesting continuance of these 3 cases, along with others to Apr 28. Also that Grynberg would send copies of his request to continue to all parties.
JK

Page 2
Oil Conservation Division-NM
March 24, 1982

We are, I would say close to an agreement as to the acreage referenced to; but, here again, I need some additional time since I did not realize that Mr. Grynberg was going to press for a forced pooling at this time.

I would appreciate hearing from you as soon as possible on this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "M. J. Harvey, Jr.", with a long horizontal flourish extending to the right.

M. J. Harvey, Jr.

MJH:jh

JACK BRYNBERG AND ASSOCIATES

PETROLEUM, GEOLOGICAL, GEOPHYSICAL AND MINING ENGINEERS

1050 17th STREET • SUITE 1850 • DENVER, COLORADO 80202 • PHONE 353 - 0251

MAR 29 1982

OIL CONSERVATION DIVISION
SANTA FE

TELEX: 46-4487 ENERGY DVM
TELECOMER: 303-623-6224

March 24, 1982

Mr. Daniel S. Nutter
Chief Engineer
Oil Conservation Division
State of New Mexico
Energy and Minerals Department
Post Office Box 2088
Santa Fe, New Mexico 87501

70cc



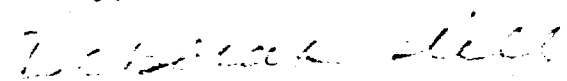
RE: Cases 7524, 7525, 7526, 7527, 7528,
7529, 7530, 7531 & 7534

Dear Mr. Nutter:

This letter confirms our telephone conversation today in which I requested continuances for the above-mentioned cases which are on the March 31st docket. I understand that these cases will be rescheduled for April 28th.

I am also notifying by letter all of the other working interest owners involved of these continuances. Thank you for your cooperation in this matter.

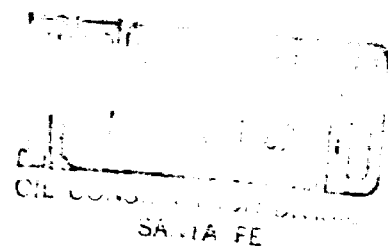
Sincerely,



Deborah Hill
Petroleum Landman

DH/ggd

BEFORE THE
OIL CONSERVATION DIVISION
ENERGY & MINERALS DEPARTMENT



STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION *
OF JACK J. GRYNBERG FOR DECLARATION *
OF A COMPULSORY POOLING, TOWNSHIP 5 *
SOUTH - RANGE 24 EAST, SECTION 3 : *
NW/4, CHAVES COUNTY, NEW MEXICO *

CASE NO. 7526

A P P L I C A T I O N

The applicant, JACK J. GRYNBERG, d/b/a JACK GRYNBERG
AND ASSOCIATES, by its attorneys Jones, Gallegos, Snead & Wertheim,
P.A., hereby requests an order forming a drilling unit covering
160 acres of land in Chaves County, New Mexico, and in support
of its application states:

1. Pursuant to the Oil and Gas Act (Sec, 70-2-17 ,
et seq., N.M.S.A. 1978) the applicant desires to obtain an order
of the Division declaring a drilling unit covering those certain
lands upon which the specified mineral ownership is held, described
as follows:

TOWNSHIP 5 SOUTH, RANGE 24 EAST, N.M.P.M.

Section 3 : NW/4 160 Acres

(see Exhibit "A")

2. There presently exists a producing gas well in
Township 5 South - Range 24 East, Section 2: NE/4 (Yates); the
potentially producing reservoirs have been reasonably defined by
that development and development on surrounding acreage.

3. This application seeks pooling of all of the
subject acreage from the surface down through and including the
Abo formation.

4. The applicant is the holder of State of New Mexico
lease LG-564 covering 40 acres of the proposed unit and being
within said Section 3 as follows: SW/4 NW/4. Applicant asks
designation as operator of the unit and if he is designated as
operator of the unit, he will operate under a unit agreement

1 and plan of operation customary and usual in the Permian Basin of
2 New Mexico, or as otherwise ordered by the Division.

3 5. A map of the proposed drilling unit is attached
4 hereto and marked Exhibit "A" and also illustrates those portions
5 of the unit under lease to the applicant. Additionally, a schedule,
6 Exhibit "B", is attached and sets out the various working interest
7 owners in the unit and their proportionate shares therein.

8 6. The applicant believes that his method of operating,
9 especially with respect to completion of the well sought to be
10 drilled, is superior to that employed by M.J. Harvey, Jr. and,
11 accordingly, believes that he would be the more prudent operator
12 of this unit. The applicant also alleges that he is in a position
13 to drill and complete the proposed well for a substantially lower
14 cost than M.J. Harvey, Jr. These factors will lead to greater
15 ultimate recovery, the prevention of waste and the protection of
16 correlative rights.

17 7. If the unit is declared as sought by this application,
18 the applicant will locate the well in a standard location in the NW/4
19 of Section 3 and will pool all formations through and including the
20 Abo, with the probable producing horizon being the Abo.

21 WHEREFORE the applicant requests the Division set this
22 matter down for a hearing before an examiner at the earliest
23 possible date, give notice as required by law and after hearing
24 enter its Order a) compulsory pooling the unit, as described, b)
25 assigning a risk factor for the proposed well, c) providing
26 for overhead to be charged during drilling and producing operations,
27 d) declaring the applicant to be the Operator of said unit, and,
28 e) granting such further relief as is deemed proper.

30 JACK J. GRYNBERG

31 JONES, GALLEGOS, SNEAD & WERTHEIM, P.A.
32 Attorneys for Applicant

BY J. E. Gallegos
J.E. GALLEGOS
P.O. Box 2228
Santa Fe, New Mexico 87501
(505) 982-2691

EXHIBIT "A"

Township 5S, Range 24E, County CHAVES, State NM,

☐ Proposed Drilling Unit

 Jack J. Grynberg Acreage

[illegible]

EXHIBIT "B"

RE: TOWNSHIP 5 SOUTH - RANGE 24 EAST
Section 3: NW/4

WORKING INTEREST OWNER

INTEREST

JACK J. GRYNBERG

25.000 %

M.J. HARVEY, JR.

75.000 %

CASES

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

[Handwritten signature]
IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

[Handwritten signature]
APPLICATION OF JACK J. GRYNBERG
FOR COMPULSORY POOLING, CHAVES
COUNTY, NEW MEXICO.

CASE NO. 7526
Order No. R-6990
[Handwritten signature]
775

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 12, 1982,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of May, 1982, the Division
Director, 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. 7526 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY,
Director

S E A L

