

CASE 5533: SOUTHERN UNION PRODUCTION
COMPANY FOR COMPULSORY POOLING, "
CHAVES COUNTY, NEW MEXICO

Co.

now
is
the
only
one

CASE NO.

5533

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

CAMPBELL AND BINGAMAN, P.A.

ATTORNEYS AT LAW

JACK M. CAMPBELL
JEFF BINGAMAN

POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE (505) 988-4486
October 28, 1975

Mr. William F. Carr
General Counsel
Oil Conservation Commission
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: OCC Docket Case 5533

Dear Bill:

You will recall that the captioned case was postponed at the September hearing until the November hearing.

This is to advise you that Southern Union Production Company desires that this case be dismissed at the time it is called up for hearing in November. It may be that this will be refiled but for the time being it should be stricken from the Docket.

Very truly yours,

JACK M. CAMPBELL

JMC/jb
cc: William S. Jameson

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. 5533
Order No. R-5117

APPLICATION OF SOUTHERN UNION
PRODUCTION COMPANY FOR COMPULSORY
POOLING, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 5, 1975,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 17th day of November, 1975, 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. 5533 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 5, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Southern Union Production) CASE
Company for compulsory pooling, Chaves) 5533
County, New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	William F. Carr, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

sid morish reporting service
General Court Reporting Service
825 Calle Meja, No. 121, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 MR. STAMETS: We will call the next Case, 5533.

2 MR. CARR: Case 5533, application of Southern
3 Union Production Company for compulsory pooling, Chaves
4 County, New Mexico.

5 Mr. Examiner, we have received a request from
6 Jack M. Campbell, attorney for Southern Union Production
7 Company, requesting that this Case be dismissed.

8 MR. STAMETS: Case 5533 will be dismissed.
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sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (303) 982-9212

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a court reporter, do hereby
 certify that the foregoing and attached Transcript of Hearing
 before the New Mexico Oil Conservation Commission was reported
 by me, and the same is a true and correct record of the said
 proceedings to the best of my knowledge, skill and ability.

Sidney F. Morrish
 Sidney F. Morrish, Court Reporter

sid morrish reporting service
General Court Reporting Service
 825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
 Phone (505) 982-9212

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 5533,
 held by me on 11-17 19 75.
Richard T. Ham, Examiner
 New Mexico Oil Conservation Commission

Dockets Nos. 29-75 and 30-75 are tentatively set for hearing on November 19 and December 3, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 5, 1975

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 5533: (Continued from September 24, 1975 Examiner Hearing)

Application of Southern Union Production Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Ellenburger formation underlying the N/2 of Section 21, Township 12 South, Range 26 East, Chaves County, New Mexico, to be dedicated to a well to be drilled at an orthodox location in Unit F of said Section 21. 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. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5565: (Continued from October 8, 1975 Examiner Hearing)

Application of Atlantic Richfield Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Vacuum Grayburg-San Andres Pool by injection of water through seven wells on its State "B" and State "C" Leases, six of said wells being converted producers located in Units C, E, I, K, M, and O of Section 32, Township 17 South, Range 34 East, Lea County, New Mexico, and the seventh being a new well drilled at an unorthodox location 250 feet from the South line and 2250 feet from the West line of said Section 32. Applicant further seeks an administrative procedure whereby the project area could be expanded and additional wells at standard and non-standard locations put on injection and production.

CASE 5576: (Continued from October 22, 1975 Examiner Hearing)

Application of George D. Riggs for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Saladar-Yates Pool by the injection of water through his Hughes-Federal No. 4, Malco Well No. 2, and Mayfield Federal No. 4 Wells located, respectively, in Units F, L, and O of Section 33, Township 20 South, Range 28 East, Eddy County, New Mexico.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 24, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Southern Union Production) CASE
Company for compulsory pooling, Chaves) 5533
County, New Mexico.)

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: Thomas Derryberry, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

sid morish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

MR. NUTTER: We will call the next Case, Number 5533.

MR. DERRYBERRY: Case 5533, application of Southern Union Production Company for compulsory pooling, Chaves County, New Mexico.

Mr. Examiner, the Applicant in this Case has requested that the Case be continued until November 5th.

MR. NUTTER: Case Number 5533 will be continued to the Examiner Hearing scheduled to be held at this same place at nine o'clock A.M., November 5, 1975.

The Hearing is adjourned.

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General Court Reporting Service
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Phone (505) 982-9212

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sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87505
Phone (505) 982-9212

I hereby certify that the foregoing is
a true and correct copy of the proceedings in
the hearing of Case No. 5533
heard by me on 9/24 1975
Examiner
Mexican Oil Conservator Commission

CASE 5560: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled at a point 660 feet from the South and West lines, or in the alternative, 1980 feet from the South line and 660 feet from the West line of Section 19, Township 17 South, Range 26 East, Eddy County, New Mexico, to have dedicated the S/2 of said Section 19.

CASE 5561: Application of Yates Petroleum Corporation for amendment of certain provisions of Rule 104 C.II.(a) of the General Rules and Regulations for acreage and well location requirements for gas development wells in Southeastern New Mexico. Applicant, in the above-styled cause, seeks to amend Rules 104 B.I(a) and 104 C.II(a) to include the Wolfcamp formation under the standard 320-acre gas spacing and well location requirements for Southeastern New Mexico, or in the alternative, the applicant seeks special rules for gas wells completed in the Wolfcamp formation in Township 17 South, Ranges 25 and 26 East, Township 18 South, Ranges 24, 25, and 26 East, and Township 19 South, Ranges 23, 24, and 25 East, Eddy County, New Mexico, providing for 320-acre spacing and well location requirements.

CASE 5550: (Continued from September 10, 1975 Examiner Hearing)

Application of Yates Petroleum Corporation for two unorthodox gas well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Achen-Fry Deep Well No. 2 and its Arco EC Well No. 2 to be located, respectively, 660 feet from the South and East lines of Section 13 and 1980 feet from the South line and 660 feet from the East line of Section 36, the latter adjacent to the West Atoka-Morrow Gas Pool, both in Township 17 South, Range 25 East, Eddy County, New Mexico, the S/2 of said Sections 13 and 36 to be dedicated respectively, to said wells.

CASE 5533: (Continued from the August 13, 1975 Examiner Hearing)

Application of Southern Union Production Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Ellenburger formation underlying the N/2 of Section 21, Township 12 South, Range 26 East, Chaves County, New Mexico, to be dedicated to a well to be drilled at an orthodox location in Unit F of said Section 21. 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. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 13, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Southern Union
Production Company for compulsory
pooling, Chaves County, New Mexico.

CASE
5533

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

MR. NUTTER: We will call the next Case, 5533.

MR. DERRYBERRY: Case 5533, application of Southern Union Production Company for compulsory pooling, Chaves County, New Mexico.

Mr. Examiner, we received a request from the Applicant that this Case be continued to the September 24th Examiner Hearing.

MR. NUTTER: Case Number 5533 will be continued to the Examiner Hearing scheduled to be held at this same place at nine o'clock A.M., September 24, 1975.

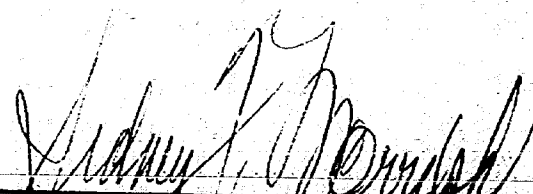
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sid morrish reporting service

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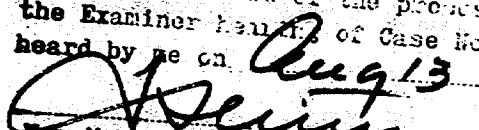
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State of New Mexico)
) ss.
County of Santa Fe)

I, SIDNEY F. MORRISH, a court reporter, do hereby
certify that the foregoing and attached Transcript of Hearing
before the New Mexico Oil Conservation Commission was reported
by me, and the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.


Sidney F. Morrish, Court Reporter

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

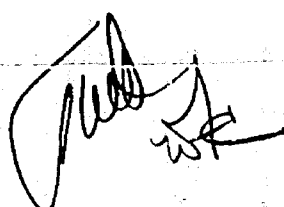
I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner's hands of Case No. 5533
heard by me on Aug 13, 1975.
 Examiner
New Mexico Oil Conservation Commission

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:


CASE NO. 5533

Order No. R- 5117

APPLICATION OF SOUTHERN UNION
PRODUCTION COMPANY FOR COMPULSORY
POOLING, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 5, 1975,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of November, 1975, 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. 5533 is hereby dis missed.

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

CAMPBELL AND BINGAMAN, P.A.

ATTORNEYS AT LAW

JACK M. CAMPBELL
JEFF BINGAMAN

AUG 14 1975
OIL CONSERVATION COMMISSION
SANTA FE

POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE (505) 968-4486

August 12, 1975

Mr. William F. Carr
General Counsel
Oil Conservation Commission
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Case 5533, Application of Southern Union Production Company
for compulsory pooling, Chaves County, New Mexico

Dear Bill:

This will confirm our conversation today in which I requested
you to continue the hearing on the above referenced application
until September 24. This will give us additional time to prepare
our case in support of the application.

Thank you for your cooperation in this matter.

Sincerely,


Jeff Bingaman

JB:tc
cc; William S. Jameson

Dockets Nos. 20-75 and 21-75 are tentatively set for hearing on August 27 and September 10, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 13, 1975

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 Richard L. Stamets, Alternate Examiner:

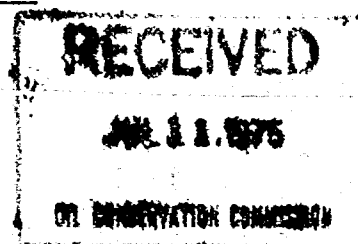
- ALLOWABLE:
- (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for September, 1975;
 - (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for September, 1975.

CASE 5533: Application of Southern Union Production Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Ellenburger formation underlying the N/2 of Section 21, Township 12 South, Range 26 East, Chaves County, New Mexico, to be dedicated to a well to be drilled at an orthodox location in Unit F of said Section 21. 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. Also to be considered will be the designation of the applicant as the operator of the well and a charge for the risk involved in drilling said well.

CASE 5534: Application of Texaco Inc. for three unorthodox oil well locations and an administrative procedure, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox oil well locations of its West Vacuum Unit Well Nos. 51, 52, and 53 to be drilled, respectively, 1310 feet from the South line and 10 feet from the East line of Section 33; 1310 feet from the South and West lines of Section 34; and 1310 feet from the South line and 2630 feet from the West line of Section 34, all in Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico. Applicant further seeks the establishment of an administrative procedure whereby additional wells at unorthodox locations in the West Vacuum Unit could be approved without notice and hearing.

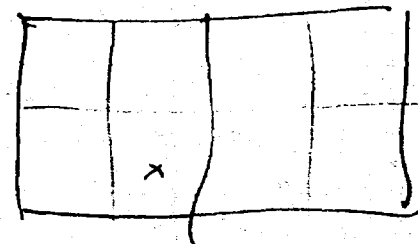
CASE 5535: Application of Coquina Oil Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow gas well located 660 feet from the North and East lines of Section 5, Township 19 South, Range 27 East, Eddy County, New Mexico, the N/2 of said Section 5 to be dedicated to the well.

BEFORE THE NEW MEXICO
OIL CONSERVATION COMMISSION



IN THE MATTER OF THE APPLICATION
OF SOUTHERN UNION PRODUCTION COM-
PANY FOR AN ORDER (1) POOLING
CERTAIN LANDS AND INTEREST IN THE
N. 1/2 OF SECTION 21, TWP. 12
SOUTH, RANGE 26 EAST, N.M.P.M. IN
THE ELLENBERGER FORMATION: AND
(2) AUTHORIZING THE COMPLETION OF
A WELL IN THE ELLENBERGER FORMA-
TION IN SAID POOLS, IN THE S.E.
1/4 OF THE N.W. 1/4 OF SECTION 21
TWP. 12 SOUTH, RANGE 26 EAST,
N.M.P.M., CHAVES COUNTY, NEW MEXICO

CASE NO.

APPLICATION

For its application Southern Union Production Company, by its attorneys Campbell and Bingaman, P.A., 121 East Palace Avenue, Santa Fe, New Mexico, states:

1. Applicant is a corporation authorized to conduct business in New Mexico.
2. Applicant is the owner of 87.5% of the working interest in the Ellenberger formation, in and under the N. 1/2 Sec. 21, Twp. 12 South, R. 26 E., N.M.P.M. in Chaves County, New Mexico, and applicant has the right to drill thereon.
3. Certain other owners of interests in said land have refused to pool their interests for the purposes of developing said lands as separate spacing or proration units.
4. Applicant proposes to drill its well in the S.E. 1/4 of the N.W. 1/4 of said Sec. 21 and complete it in the Ellenberger formation and to produce gas from an estimated subsurface depth of 6,200 feet.
5. Said pooling of interests and well completion will avoid the drilling of unnecessary wells, will protect correlative rights

and prevent waste as provided in Section 66-3-14(c) N.M.S.A. 1953.

WHEREFORE, Applicant requests the Commission to set this matter down for hearing, to publish notice as provided by law and, after hearing, to issue its order:

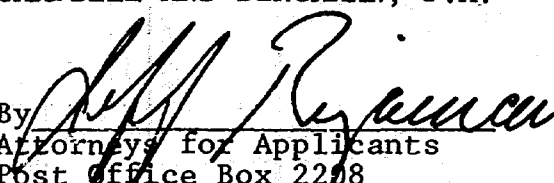
1. Pooling all interests in the Ellenberger formation underlying the N. 1/2 of Sec. 21, Twp. 12 S., R. 26 E., N.M.P.M., Chaves County, New Mexico;
2. Allocating production from said unit to the appropriate owners;
3. Providing for reasonable pro-rata reimbursement to Applicant from any nonconsenting working interest owners of the costs of developing and operating said well, out of that owner's share of production, including 200% of the nonconsenting owner or owners pro-rata share of the cost of drilling and completing the well, and authorizing applicant to charge nonconsenting owners \$150.00 per month as expenses for supervision and indirect overhead costs;
4. Authorizing the drilling and completion of its well in the S.E. 1/4 of N.W. 1/4 of Sec. 21 in accordance with 112-A of the Commission's Rules and Regulations, and to produce said well from the Ellenberger formation;
5. Establishing the N. 1/2 of said Sec. 21 as a proration unit in the Ellenberger formation;
6. Containing such other provisions as to the Commission seem proper.

DOCKET MAILED

Date 8/4/75

Respectfully submitted,

CAMPBELL AND BINGAMAN, P.A.

By 
Attorneys for Applicants
Post Office Box 2208
Santa Fe, New Mexico 87501