



Case No.

1236

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Application, Transcript,  
Small Exhibits, Etc.

OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

May 14, 1957

Mr. Jason Kellakin  
P.O. Box 537  
Santa Fe, New Mexico

Dear Sir:

On behalf of your client, Continental Oil Company, we enclose two copies of Order R-994 and Order R-995 issued May 10, 1957, by the Oil Conservation Commission in Cases 1236 and 1237, respectively, which were heard on April 17th.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

by  
Encls.

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**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. 1296  
Order No. E-694**

**APPLICATION OF CONTINENTAL OIL  
COMPANY FOR A 100-ACRE NON-  
STANDARD GAS PRODUCTION UNIT IN  
THE ELINCHRY GAS POOL, LEA COUNTY,  
NEW MEXICO, IN RECEPTION TO RULE  
5 (a) OF THE GENERAL RULES AND  
REGULATIONS OF THE ELINCHRY GAS  
POOL.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on April 17, 1937, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this 10<sup>th</sup> day of May, 1937, the Commission, a quorum being present, having considered the application, the testimony and the evidence adduced, and being fully advised in the premises,

**FINDS:**

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the applicant is co-owner and operator of the W. C. Black "2-3" Well No. 2, located 1500 feet from the South line and 1500 feet from the East line of said Section 3.

(3) That Continental Oil Company is co-owner and operator of Lot 15, N/2 SE/4, and SE/4 SE/4 of Section 3, Township 21 South, Range 27 East, NMPN, Lea County, New Mexico.

(4) That the applicant proposes to dedicate Lot 15, N/2 SE/4, and SE/4 SE/4 of said Section 3 to its aforementioned W. C. Black "2-3" Well No. 2.

(5) That approval of the applicant's proposed non-standard gas production unit in the Elinchry Gas Pool will not cause waste nor impair correlative rights.

**IT IS THEREFORE ORDERED:**

(1) That the application of Continental Oil Company for a 100-acre non-standard gas production unit in the Elinchry Gas Pool

-2-  
Case No. 1236  
Order No. 2-604

consisting of lot 18, N/2 NE/4 and SE/4 NE/4 of Section 3, Township 21 South, Range 37 East, NMPN, Lea County, New Mexico, be and the same is hereby approved, and that the applicant's W. C. Hunt "E-3" Well No. 3, located 1500 feet from the South line and 1500 feet from the East line of said Section 3, be and the same is hereby designated as the unit well.

(2) That the applicant's aforementioned W. C. Hunt "E-3" Well No. 3, continue to be granted a 100-acre allotment provided an amended Form O-128 is filed with the Commission showing the change in acreage dedicated to the well.

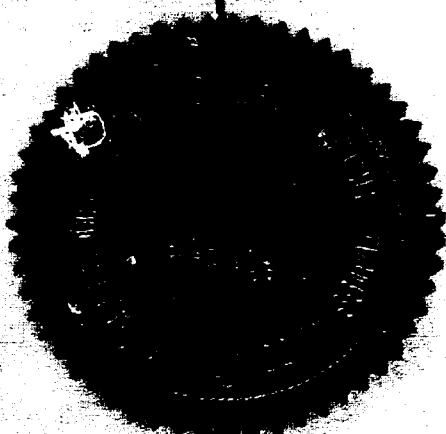
Done at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. Neche*  
EDWIN L. NECHE, Chairman

*M. E. Morgan*  
MURRAY E. MORGAN, Member

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



BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 17, 1957

IN THE MATTER OF:

Case No. 1236

TRANSCRIPT OF HEARING

DEARNLEY - MEIER & ASSOCIATES  
INCORPORATED  
GENERAL LAW REPORTERS  
ALBUQUERQUE - SANTA FE  
2-2221 2-2211

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 17, 1957

IN THE MATTER OF:

Application of Continental Oil Company for  
a non-standard gas proration unit in the  
Blinebry Gas Pool, Lea County, New Mexico,  
in exception to Rule 5 (A) of the Special  
Rules and Regulations for said pool. Ap-  
plicant, in the above-styled cause, seeks  
an order establishing a 160-acre non-standard  
gas proration unit in the Blinebry Gas Pool  
consisting of Lot 15, N/2 SE/4 and SE/4  
Se/4 of Section 3, Township 21 South, Range  
37 East, Lea County, New Mexico; said unit  
to be dedicated to Applicant's W. C. Hawk  
"B-3" Well No. 3 located 1980 feet from the  
South and East lines of said Section 3.

Case No.  
1236

BEFORE:

Honorable E. L. Mechem  
Mr. A. L. Porter  
Mr. Murray Morgan

TRANSCRIPT OF HEARING

MR. PORTER: The Commission will consider next Case 1236.

MR. COOLEY: Case 1236. Application of Continental Oil  
Company for a non-standard gas proration unit in the Blinebry Gas  
Pool, Lea County, New Mexico, in exception to Rule 5 (A) of the  
Special Rules and Regulations for said pool.

MR. KELLAHAN: If the Commission please, I am Jason  
Kellahan appearing for the applicant in this case. We have one  
witness, Mr. R. C. Lannen, who will also testify in the next case

DEARNLEY - MEIER & ASSOCIATES  
INCORPORATED  
GENERAL LAW REPORTERS  
ALBUQUERQUE - SANTA FE  
3-6091 2-2211

case too.

MR. COOLEY: Let the record show that the witness has been sworn for Case 1236 and Case 1237.

(Witness sworn.)

R. C. LANNEN

called as a witness, being first duly sworn, testified as follows:

DIRECT EXAMINATION

BY: MR. KELLAHINE:

Q Would you state your name, please.

A Richard C. Lannen.

Q And by whom are you employed, Mr. Lannen?

A Continental Oil Company.

Q And what is your position with Continental Oil Company?

A District engineer.

Q Have you previously testified before this Commission as an expert engineer and had your qualifications accepted by the Commission?

A Yes.

MR. KELLAHINE: Are the witness' qualifications acceptable?

MR. PORTER: They are.

Q Mr. Lannen, are you familiar with the application in Case 1236?

A I am.

Q Will you please state what the general purpose of this application is?

A Continental Oil Company requests exception to Rule 5 (A) of the Special Rules and Regulations for the Blinbry Gas Pool



contained in Order No. R-610 in the establishment of a non-standard gas proration unit of 160-acres consisting of lots 15, 17, 18, and 24, of Section 3, Township 21 South, Range 37 East, New Mexico Prime Meridian, Lea County, New Mexico, to be allocated to its Hawk "B-3" Well No. 3.

Q Have you had occasion to study the area and the well under consideration in this case? A I have.

Q You are therefore familiar with the well and the area?

A I am.

Q Now, referring to what has been marked as Exhibit No. 1, will you explain this exhibit?

A Exhibit No. 1 is an ownership and location plat showing the Continental Oil Company's Hawk B-3 Lease. The lease is located in Section 3, Township 21 South, Range 37 East, Lea County, New Mexico. The Hawk "B-3" Lease is a non-contiguous lease, and consists of Lots 1, 2, 3, 4, 7, 8, 12, 15, 16, and the North Half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 3.

Q This case is concerned only with that portion of the lease containing Lots 15, 16, and the North Half of the Southeast Quarter and the Southeast Quarter of the Southeast Quarter of Section 3, is that correct? A Yes, sir, it is.

Q And where is the Hawk "B-3" No. 3 well located?

A The Hawk "B-3" No. 3 well is located 1980 feet from the South, and 1980 feet from the East line of Section 3.

Q Is Continental Oil Company the co-owner of this acreage?

A Yes, Continental Oil Company is the co-owner and operator of the Hawk "B-3" Lease and royalty interests are the same for the entire lease.

Q Now, referring again to Exhibit No. 1, will you please explain the various colors used on this plat?

A Well, shown encircled in red is the Continental Hawk "B-3" Well No. 3. The well is located 1980 feet from the south line and 1980 feet from the East line of Section 3. The well was dual completed October 2, 1955, in the Blinebry Formation for gas. The well produces oil from the Drinkard Formation. The Commission issued Order No. DC-223, August 18, 1955, approving the dual completion of this well. Commission NSP Order No. 202, dated November 15, 1955, assigned a 160-acre allowable in the Blinebry Gas Pool. The Commission authorized production to commence on January 20, 1956.

Outlined in yellow is the 160-acre unit presently assigned to the Hawk "B-3" No. 3 well by NSP Order No. 202. NSP 202 is still in effect and the acreage outlined in yellow is presently dedicated to the well.

Outlined in red is the 160-acre non-standard gas proration unit which Continental proposed to assign to the Hawk "B-3" No. 3 well. The request for this unit is the cause for this hearing.

Outlined in green are Blinebry Pool gas proration units which offset the Continental Hawk "B-3" No. 3 Lease. The Blinebry Pool

gas wells which produce for these respective gas proration units are encircled in green.

Also shown is the Hawk "B-3" No. 1 well located in Lot 16 presently in the Drinkard Pool. It is Continental's intention to plug back the No. 1 well to the Blinebry Formation and recomplete the well as a Terry Blinebry or Blinebry Pool oil well.

Q In that event, Mr. Lannen, unless this application is approved, you will have a dual dedication of acreage, is that correct?

A Yes, sir.

Q Now, the 40-acre tract on which the No. 1 well is located is presently included in the 160-acre unit assigned to the No. 3 well, is that correct?

A That is correct. Lot 16 was assigned to the No. 3 gas well by NSP Order No. 202.

Q The cause for this hearing is to re-allocate a 160-acre non-standard gas proration unit to the No. 3 Blinebry Pool gas well so as to exclude Lot 16, is that correct?

A That is correct.

Q Is the re-allocation of the gas proration unit to the No. 3 well in the interests of the prevention of waste and the protection of correlative rights?

A Yes, sir, it is. The Southeast Quarter of the Southeast Quarter of Section 3, Township 21 South, Range 37 East is, at the present time, not assigned to Blinebry Formation production. Re-allocation of the acreage assigned the No. 3 well will enable

Continental to meet offset obligations and will permit the Southeast Quarter of the Southeast Quarter to be allocated to gas production.

Q Is there another Blinebry Pool gas well to which this acreage could be assigned?

A There is not. All surrounding Blinebry Pool gas wells are presently assigned 160-acre units.

Q And that is a standard unit for this pool, is that right?

A Yes.

Q Would you explain the exhibit which as been marked Exhibit No. 2?

A Exhibit No. 2 is a radioactivity log of the Hawk "B-3" No. 3 well.

Marked in red are the top of the Glorieta, the Blinebry Marker, the Tubb Marker and the top of the Drinkard Formation.

Shown in green are the upper and lower Blinebry Pool limits as defined by the Commission with respect to the Blinebry Marker.

Also, shown are the perforated intervals in both the Blinebry and Drinkard Formations.

Positive separation between the Drinkard and Blinebry Formations is with a Baker Model D Production Packer which is set at 6590 feet. The Drinkard produces through tubing. The Blinebry produces through the tubing casing annulus.

Q Referring to what has been marked as Exhibit No. 3, will you please explain that exhibit?

A Exhibit No. 3 is a structure plat contoured on top of the

Continental to meet offset obligations and will permit the Southeast Quarter of the Southeast Quarter to be allocated to gas production.

Q Is there another Blinebry Pool gas well to which this acreage could be assigned?

A There is not. All surrounding Blinebry Pool gas wells are presently assigned 160-acre units.

Q And that is a standard unit for this pool, is that right?

A Yes.

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Also, shown are the perforated intervals in both the Blinebry and Drinkard Formations.

Positive separation between the Drinkard and Blinebry Formations is with a Baker Model D Production Packer which is set at 6590 feet. The Drinkard produces through tubing. The Blinebry produces through the tubing casing annulus.

Q Referring to what has been marked as Exhibit No. 3, will you please explain that exhibit?

A Exhibit No. 3 is a structure plan contoured on top of the

Blinebry Marker on 25 foot intervals. Encircled in red is the Hawk "B-3" No. 3 Blinebry Pool gas well.

Q Can it reasonably be presumed that the acreage to be assigned the No. 3 well is gas productive?

A It can. As shown by the Blinebry structure in the area, the acreage proposed for assignment to the No. 3 well is structurally comparable to acreage presently assigned to Blinebry gas production.

Q Is the Hawk "B-3" No. 3 well capable of producing for a 160-acre gas proration unit?

A It is. As shown by the March 1957 Gas Proration Schedule, the well was 21,966 MCF gas overproduced.

Q Is the establishment of a 160-acre non-standard proration unit for assignment to well No. 3 the most practical and economic method of allocating said acreage for Blinebry Gas Pool gas production?

A Yes, it is.

Q Does the proposed unit exceed 2640 feet in length?

A Yes, it is 3960 feet in length, and for this reason the unit must be considered a non-standard unit.

Q Does the non-standard proration unit consist of quarter-quarter sections and/or lots, with a common side between any two adjacent quarter-quarter sections and/or lots? A It does.

Q Does the non-standard proration unit lie wholly within a single governmental quarter section?

A No. This also requires that the unit be a non-standard proration unit.

MR. KELLAHER: We offer in evidence Exhibits 1, 2, and 3 inclusive.

MR. PORTER: Without objection, Exhibits 1, 2, and 3 will be admitted. Do you have anything you care to add, Mr. Kellaher?

MR. KELLAHER: That is all our testimony, sir.

MR. PORTER: Does any one have any questions of Mr. Lannen?

MR. UTZ: I have some.

MR. PORTER: Mr. Utz.

CROSS EXAMINATION

BY: MR. UTZ:

Q Mr. Lannen, if you plug back the Hawk 3 No. 1 well, do you have to complete it? A No.

Q You only filed notice of intention to do that?

A Yes, sir.

MR. UTZ: That is all.

MR. PORTER: Mr. Mankin.

BY: MR. MANKIN:

Q Following in the same line of questioning that Mr. Utz just presented, I was under the impression that the Hawk "B-3" well No. 1 was a Tubb oil well.

A Well, there always has appeared to be quite a bit of confusion on this Hawk "B-3" Lease. The lease contains Blinbry, Tubb, Harper, Emerson, and Drinkard pool production, five pools on

one lease. When the nomenclature was established for the pools on the lease, the wells were numbered one, two, three, four, and five, and the suffix behind the number would indicate the pool it was in, so actually, the Hawk "B-3" No. 1 is in the Tubb, or is the Hawk "B-3" No. 1-T the one you are speaking of?

Q Well, I am speaking of the 1-T.

A Yes, sir.

Q Not the one in question, which you said is presently a Drinkard Well, and would be plugged back to the Blinebry.

A Yes, sir.

Q So there are two wells?

A There are actually four in that section.

Q I mean, as far as the Tubb, the Drinkard, and the Blinebry?

A Yes.

Q What would be your recommendation after this well is plugged back, this well No. 1, from the Drinkard to the Blinebry? Should it be in the Blinebry or Terry Blinebry Oil Pool? Presently, the area is the Blinebry Oil Pool, is it not?

A I recommend that it be deleted from the Blinebry Pool and added to the Terry Blinebry Pool.

Q You feel that the characteristics you might find there would be similar to the Terry Blinebry rather than the Blinebry Oil Pool?

A Yes, sir.

MR. MANKIN: That is all.



MR. UTZ: I have one more question.

BY: MR. UTZ:

Q When you plug back your Hawk "B-3" No. 1, and should you not get an oil well but a gas well, what would be your alternative then?

A Well, that's -- right now that seems to be a far-fetched alternative. We thoroughly anticipate oil without any doubt. If it was classified as a gas well, we would subsequently have to allocate sufficient acreage to produce it.

Q Where would you get that acreage?

A Well, we would have two gas wells in the one area that the hundred and sixty acres is allocated to, the No. 3 well. It would have to be 120 to one and 80 to another. We would have to have two standard units. We would have to make application for another MSP, two, in fact.

MR. UTZ: That's all.

A But that's a distant alternative that we are not considering at all.

MR. UTZ: Do you think that you will be able to make an oil well out of it?

A Yes.

MR. PORTER: Mr. Cooley.

BY: MR. COOLEY:

Q Mr. Lamm, I am sure you testified to this while we were discussing other matters, but I would like to get it clarified for the record once again. The proposed unit is all part of the Hawk

"B-3" Lease?

A Yes.

Q And it is owned entirely by Continental Oil Company?

A It is operated by Continental. It is part of the New Mexico Federal Unit.

Q Part of New Mexico Federal Unit?

A It is operated by Continental and owned twenty-five percent by Continental.

Q You mentioned there were five pools there. I guess the Paddock Pool didn't reach quite that far?

A No, not the Paddock.

MR. COOLEY: That is all.

MR. PORTER: Any other questions of the witness? Anyone have anything further to offer in this case? If not, we will take the case under advisement and proceed to case 1237.

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STATE OF NEW MEXICO  
COUNTY OF BERNALILLO

ss

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings was reported by me in Steno-type at the time and place hereinbefore set forth; that same was thereafter transcribed into typewritten transcript by me, and that same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the 2nd day of May, 1956,  
in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*J. A. Trujillo*  
NOTARY PUBLIC

My Commission expires:

October 5, 1960

DEARNLEY - MEIER & ASSOCIATES  
INCORPORATED  
GENERAL LAW REPORTERS  
ALBUQUERQUE - SANTA FE  
3-6691 2-2211

The May 16th regular hearing will be held in Hobbs. The specific address at which the hearing will be held will be shown on the docket that will be mailed around May 1st.

Room reservations may be made through Mr. Harry Nunan, Manager, Hobbs Chamber of Commerce, Box 1136, Hobbs, New Mexico. Requests should be sent to Mr. Nunan as soon as possible.

DOCKET: REGULAR HEARING APRIL 17, 1957

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe

- ALLOWABLE:**
- (1) Consideration of the oil allowable for May, 1957.
  - (2) Consideration of the allowable production of gas for May, 1957 from the seven prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from the six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for May 1957.

NEW CASES

- CASE 1233:** Application of Lillie K. Yates for approval of an oil well drilling location in the potash area of Eddy County, New Mexico, as defined by Commission Order R-111-A. Applicant, in the above-styled cause, seeks authority to drill an oil well in the center of the NW/4 SE/4 Section 4, Township 19 South, Range 30 East, Eddy County, New Mexico. Said location is in the potash area as defined by Order R-111-A and Southwest Potash Corporation has objected to the drilling of said well. The parties to this case have waived the provisions for arbitration set out in Order R-111-A and the matter is hereby set for hearing.
- CASE 1234:** Application of Carper Drilling Company, Inc. for approval of an oil well drilling location in the potash area of Eddy County, New Mexico, as defined by Commission Order R-111-A. Applicant, in the above-styled cause, seeks authority to drill an oil well in the center of the SE/4 SW/4 Section 4, Township 19 South, Range 30 East, Eddy County, New Mexico. Said location is in the potash area as defined by Order R-111-A and Southwest Potash Corporation has objected to the drilling of said well. The parties to this case have waived the provisions for arbitration set out in Order R-111-A and the matter is hereby set for hearing.
- CASE 1235:** Application of Continental Oil Company for permission to produce 35 wells in the Skaggs Pool, Lea County, New Mexico, into a common tank battery in exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the production of 35 oil wells, located in Sections 13, 14, 24 and 25 of Township 20 South, Range 37 East, and in Sections 19 and 30, Township 20 South, Range 38 East, Skaggs Pool, Lea County, New Mexico, into a common tank battery located in Section 19, Township 20 South, Range 38 East. All of said wells are in the Southeast Monument Unit. Applicant proposes to install three test stations to permit individual testing of said wells.

- CASE 1236:** Application of Continental Oil Company for a non-standard gas proration unit in the Blinebry Gas Pool, Lea County, New Mexico, in exception to Rule 5 (A) of the Special Rules and Regulations for said pool. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of Lot 15, N/2 SE/4 and SE/4 SE/4 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico; said unit to be dedicated to applicant's W. C. Hawk "B-3" Well No. 3 located 1980 feet from the South and East lines of said Section 3.
- CASE 1237:** Application of Continental Oil Company for approval of a non-standard gas proration unit in the Jalmat Gas Pool, Lea County, New Mexico, in exception to Rule 5 (A) of the Special Rules and Regulations for said pool. Applicant, in the above-styled cause, seeks an order authorizing a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the S/2 Section 8, Township 23 South, Range 36 East, Lea County, New Mexico; said unit to be dedicated to applicant's Danciger "A-8" Well No. 2 located 660 feet from the South and East lines of said Section 8.
- CASE 1238:** Southeastern New Mexico nomenclature case calling for the creation or abolishment of certain pools and the extension of the horizontal and vertical limits of certain existing pools in Lea, Chaves and Eddy Counties, New Mexico.
- (a) Creation of a new oil pool for Pennsylvanian production, designated as the East Anderson Ranch-Pennsylvanian Pool, and described as:
- Township 16 South, Range 33 East  
Section 3: Lots 7, 8, 9 & 10
- (b) Creation of a new oil pool for Drinkard production, designated as the Arrowhead-Drinkard Pool, and described as:
- Township 21 South, Range 36 East  
Section 36: SW/4
- (c) Creation of a new gas pool for Pennsylvanian production, designated as the Red Lake-Pennsylvanian Gas Pool, and described as:
- Township 18 South, Range 27 East  
Section 5: All
- (d) Extension of the Caprock-Queen Pool to include:
- Township 12 South, Range 32 East  
Section 21: SW/4
- Township 14 South, Range 31 East  
Section 17: NW/4

- (e) Extension of the Corbin Pool to include:

Township 18 South, Range 33 East  
Section 3: W/2 NW/4

- (f) Extension of the Crosby-Devonian Gas Pool to include:

Township 25 South, Range 37 East  
Section 32: NE/4

- (g) Extension of the Empire-Wolfcamp Pool to include:

Township 17 South, Range 28 East  
Section 29: W/2

- (h) Extension of the Eumont Gas Pool to include:

Township 19 South, Range 37 East  
Section 15: SW/4  
Section 22: E/2 SW/4  
Section 27: NE/4

- (i) Extension of the North Gladiola-Devenian Pool to include:

Township 12 South, Range 38 East  
Section 6: SE/4  
Section 7: NE/4

- (j) Extension of the West Henshaw-Grayburg Pool to include:

Township 16 South, Range 30 East  
Section 4: SW/4  
Section 8: SE/4  
Section 9: W/2  
Section 17: N/2 NW/4

- (k) Extension of the Jalmat Gas Pool to include:

Township 22 South, Range 35 East  
Section 23: SE/4

- (l) Extension of the Langlie-Mattix Pool to include:

Township 26 South, Range 38 East  
Section 6: NW/4

- (m) Extension of the Lea Pool to include:

Township 20 South, Range 34 East  
Section 15: SE/4

- (n) Extension of the North Shoe-Bar Devonian Pool to include:

Township 16 South, Range 35 East  
Section 15: S/2 NE/4



- (o) Abolish the Shugart-Grayburg Pool in Eddy County, New Mexico.
- (p) Redefine the vertical limits of the Shugart pool in Eddy County, New Mexico, to include the Yates, Seven Rivers, Queen and Grayburg formations.

- (q) Extension of the Square Lake pool to include:

Township 16 South, Range 29 East  
Section 36: W/2 NE/4

- (r) Extension of the Warren-McKee Pool to include:

Township 20 South, Range 38 East  
Section 20: S/2 NW/4

- (s) Extension of the Young Pool to include:

Township 18 South, Range 32 East  
Section 16: SW/4 & S/2 NW/4

CASE 1239:

Northwestern New Mexico nomenclature case calling for the creation of new pools and the extension of existing pools in Sandoval, San Juan and Rio Arriba Counties, New Mexico.

- (a) Creation of a new oil pool for Point Lookout production, designated as the Otero-Point Lookout Oil Pool, and described as:

Township 23 North, Range 4 West  
Section 32: NE/4

- (b) Creation of a new gas pool for Chacra production, designated as the Otero-Chacra Pool, and described as:

Township 25 North, Range 5 West  
Section 16: S/2  
All of Sections 17 & 21  
Section 22: W/2 & SE/4  
Section 23: SW/4  
All of Sections 26, 27 & 28

- (c) Creation of a new oil pool for Paradox production, designated as the Four Corners-Paradox Oil Pool, and described as:

Township 32 North, Range 20 West  
Section 29: SW/4 & S/2 NW/4  
Section 30: E/2 SE/4 & SE/4 NE/4

- (d) Extension of the Blanco Mesaverde Pool to include:

Township 31 North, Range 5 West  
All of Sections 19, 20, 29, 30 & 32



- (e) Extension of the Ballard-Pictured Cliffs pool to include:

Township 25 North, Range 7 West  
All of Sections 16, 17 & 18  
Section 19: N/2

Township 25 North, Range 8 West  
Section 24: NW/4

- (f) Extension of the Canyon Largo-Pictured Cliffs Pool to include:

Township 24 North, Range 6 West  
Section 2: NW/4  
Section 3: N/2

Township 25 North, Range 6 West  
Section 33: S/2  
Section 34: S/2

Township 26 North, Range 7 West  
Section 29: N/2

- (g) Extension of the Gavilan-Pictured Cliffs Pool to include:

Township 25 North, Range 1 West  
Section 30: NW/4

Township 25 North, Range 2 West  
Section 11: N/2  
Section 22: NW/4  
Section 23: SE/4  
Section 25: N/2  
Section 26: E/2

- (h) Extension of the Otero-Pictured Cliffs Pool to include:

Township 24 North, Range 6 West  
Section 10: S/2  
Section 14: NW/4  
Section 15: N/2  
Section 16: All

- (i) Extension of the Otero-Sanastee Oil Pool to include:

Township 22 North, Range 4 West  
Section 5: NW/4 & S/2  
Section 6: N/2  
Section 8: NE/4

OK to  
approve - with  
4/24/57

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 4-29-57

CASE 1236

Hearing Date 4/23/57 Regular Mtg.

My recommendation for an order in the above numbered cases are as follows:

1. That the application be granted as requested for a non-std location unit consisting of the ~~the~~ Lot 15; N/2 of SE/4 and the SE/4 SE/4 sec. 3 - 215-37E. 160 Acres more or less.
2. To be dedicated to the Cont - Hawk B - ~~3~~ <sup>4</sup> <sub>3</sub> located 1980 ft. S+E line of sec. 3 - 215-37E.
3. Lot 16 is out of the previous unit.

allow to be same - no change in  
arrange.

David H. [Signature]  
Staff Member

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE  
STATE OF NEW MEXICO

RECEIVED BY 1:17

IN THE MATTER OF THE APPLICATION OF  
CONTINENTAL OIL COMPANY FOR AN  
EXCEPTION TO RULE 5 (A) OF THE  
SPECIAL RULES AND REGULATIONS FOR  
THE BLINEBRY GAS POOL CONTAINED IN  
ORDER NO. B-610 IN THE ESTABLISH-  
MENT OF A NON-STANDARD GAS PRORATION  
UNIT OF 160 ACRES CONSISTING OF LOT  
15, N/2 SE/4 AND SE/4 SE/4 OF SECTION  
3-T21S-R37E, NMPM, LEA COUNTY, NEW  
MEXICO, TO BE ALLOCATED TO ITS HAWK  
B-3 WELL NO. 3.

will  
correct  
NFO-202

**A P P L I C A T I O N**

Comes now applicant, Continental Oil Company, and petitions the Commission for an order approving the establishment of a 160-acre non-standard gas proration unit consisting of Lot 15, N/2 SE/4 and SE/4 SE/4 of Section 3-T21S-R37E, NMPM, Blinebry Gas Pool, Lea County, New Mexico, to be allocated to its W. C. Hawk B-3 well No. 3 located 1980 feet from the South line and 1980 feet from the East line of Section 3 and in support thereof would show the following:

1. That the applicant is co-owner and operator of the Hawk B-3 Lease containing, in addition to other lands, lots 15 and 16, N/2 SE/4 and SE/4 SE/4 of Section 3, T21S, R37E, NMPM, Lea County, New Mexico.
2. The applicant in October, 1955, dual completed the Hawk B-3 well No. 3 at a location 1980 feet from the South line and 1980 feet from the East line of the said Section 3 in the Drinkard formation for oil and in the Blinebry formation for gas.
3. The well was completed October 2, 1955 for a calculated open flow potential of 6,650 MCF gas per day from the Blinebry formation.
4. The Commission entered Order No. MSP-202, dated November 15, 1955, granting the Hawk B-3 well No. 3 a 160-acre gas proration unit in the Blinebry Gas Pool consisting of Lots 15 and 16 and N/2 SE/4 of the said Section 3.

5. Applicant proposes to plug back and recomplete the Hawk B -3 Drinkard well No. 1 located in Lot 16 of the said Section 3 as a Terry-Blinebry Pool oil well and delete Lot 16 from the gas proration unit presently assigned to well No. 3 under the provisions of Order No. MSP-202.
6. That the SE/4 SE/4 of said Section 3 is not allocated to any gas well, that it may be reasonably presumed to be productive of gas from the Blinebry Gas Pool and that it should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.
7. That the most practical and economic method of allocating said acreage for Blinebry Gas Pool gas production is to establish a 160-acre non-standard gas proration unit for assignment to the Hawk B-3 well No. 3 as proposed herein.

Wherefore applicant requests that this application be set for hearing before the Commission's duly appointed examiner in Hobbs, New Mexico; that appropriate notice thereof be given; and that upon hearing an order be entered granting applicant an exception to Rule 5 (a) of the Special Rules and Regulations for the Blinebry Gas Pool contained in Order R-610 for the non-standard gas proration unit described above.

Respectfully submitted,

CONTINENTAL OIL COMPANY



R. L. ADAMS  
Division Superintendent  
of Production  
New Mexico Division

RIA-BC



Case 1236

File 117

# CONTINENTAL OIL COMPANY

NEW MEXICO  
HOUSTON, TEXAS

March 21, 1937

H. L. Adams  
General Superintendent  
of Operations  
New Mexico Division

New Mexico Oil Conservation Commission  
Box 471  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Re: Continental Oil Company's  
Application for Approval  
of Standard Gas Pressure  
Regulator for its Gas  
Pipes No. 2, Joint Gas  
Pipe, and Gas Pipe, well,  
Blossom, Garfield, Los County,  
New Mexico

Sir:

We forward herewith applications in triplicate for  
approval of the new standard gas pressure units mentioned above.  
We would appreciate your setting these two matters for hearing  
by a committee in Santa Fe, New Mexico, at the earliest convenient  
date.

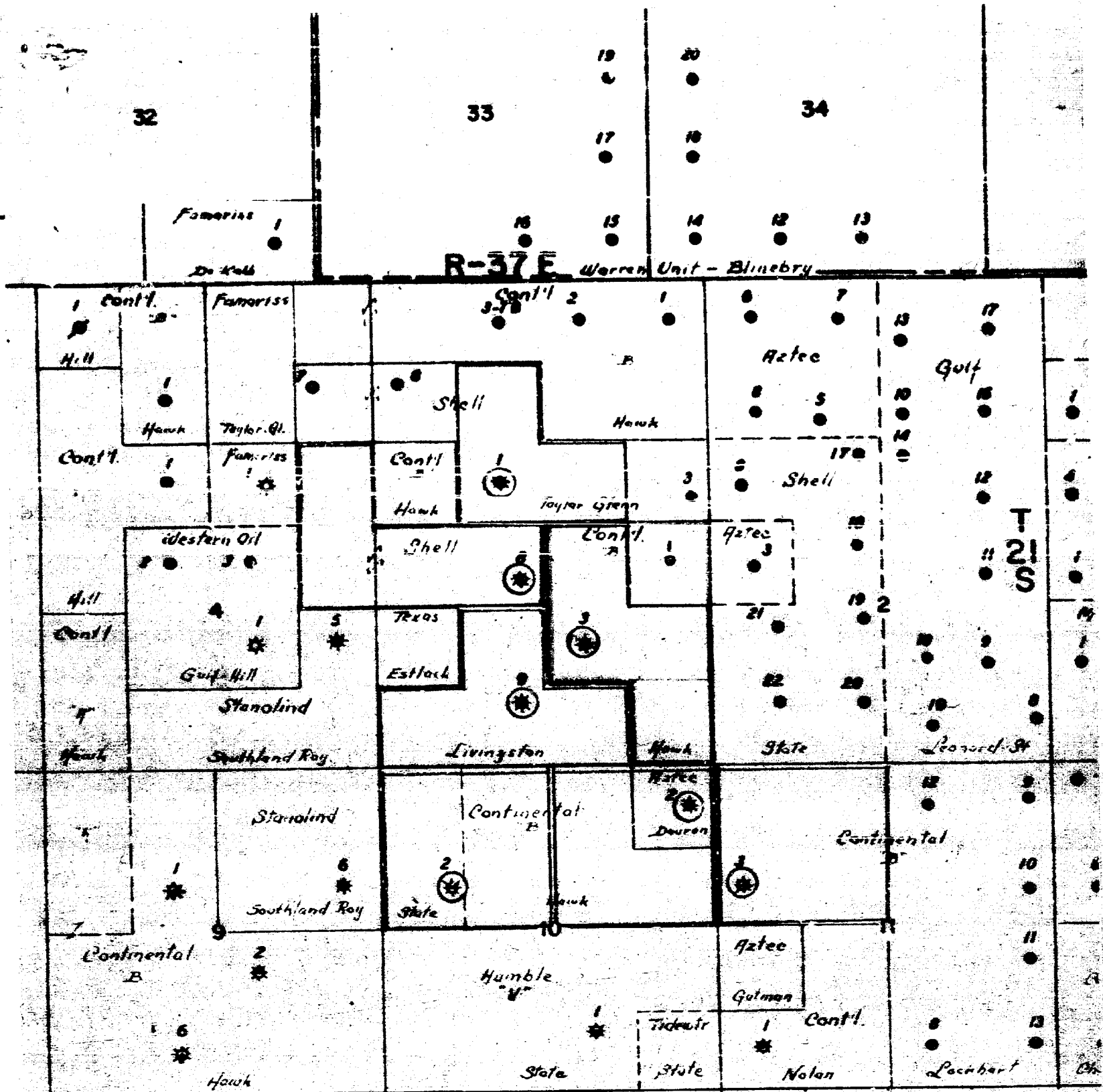
Yours very truly,

*Docket sent to Adams  
4-5-37 BP*

Very truly,  
H. L. Adams

H. L. Adams, General Superintendent  
of Operations  
New Mexico Division



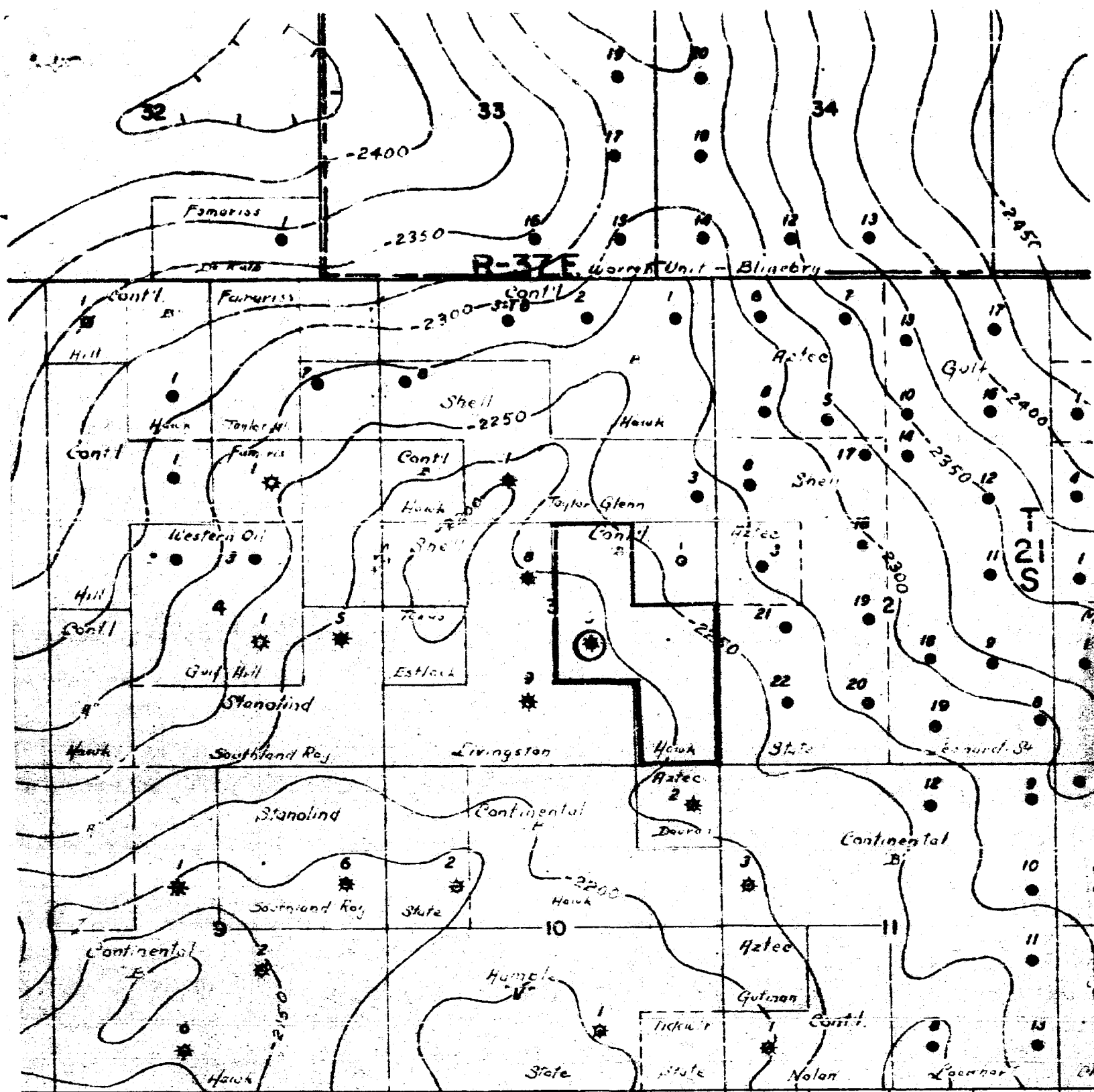


OWNERSHIP AND LOCATION PLAT  
T-21S, R-37E, LEA COUNTY, NEW MEXICO  
Scale: 1" = 2000'

- Legend**
- Continental-East B-3 No. 3 Blinbry Gas Well
  - Present Blinbry Gas Unit
  - Proposed Blinbry Gas Unit
  - Offset Blinbry Gas Well
  - Offset Blinbry Gas Unit

Continental Oil Company  
Bureau District Office  
March 6, 1957

Case No. 1236  
Exhibit No. 1



STRUCTURE PLAT  
T-21S, R-37E, LEA COUNTY, NEW MEXICO  
CONTOURED ON TOP OF BLINBRY MARKER  
CONTOUR INTERVAL: 25' Scale: 1" = 2000'

**Legend**

- Bank B-3 No. 3 Well
- Terry-Blinbry Pool Well
- ★ Blinbry Gas Pool Well
- Proposed Terry-Blinbry Pool Well.

Bunice District Office  
March 5, 1957

Case No. 1236  
Exhibit No. 3