

Case No.

1245

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

April 23, 1957

IN THE MATTER OF
CASE NO. 1245

TRANSCRIPT OF PROCEEDINGS

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

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 23, 1957

IN THE MATTER OF:

Application of Geror Oil Corporation
for an order granting an exception to
Rule 309 (a) of the New Mexico Oil
Conservation Commission Rules and Reg-
ulations. Applicant, in the above-
styled cause, seeks an order authoriz-
ing the movement of oil before being
measured from its State B-8318 lease
in the SW/4 NW/4 of Section 23, from
its State B-8605 lease in the NW/4 SW/4
of Section 22, and from its State B-
10418 lease in the SE/4 SW/4 of Section
22 to a central tank battery on its
B-10418 lease in the NE/4 SE/4 Section
22, all in Township 13 South, Range 31
East, Chaves County, New Mexico, and
the commingling of the oil produced from
the Caprock-Tusen Pool underlying said
separate leases in common tankage at the
central battery.

CASE NO.
1245

BEFORE:

Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: Take up case No. 1245.

MR. COOLKY: Case 1245. Application of Geror Oil Corporation
for an order granting an exception to Rule 309 (a) of the New
Mexico Oil Conservation Commission Rules and Regulations.

EDWARD E. KIRBY

called as a witness, having been first duly sworn, testified as

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

follows:

DIRECT EXAMINATION

BY MR. COOLEY:

Q Would you state your name and occupation, please?

A Edward E. Kinney, Petroleum Consultant, Artesia, New Mexico.

Q Mr. Kinney, have you been retained as Petroleum Consultant in this case on behalf of Gorer Oil Corporation?

A I have.

Q Are you authorized to represent them in this case?

A Yes, sir, I am authorized by a letter written to Mr. Mutter by the Gorer Oil Corporation. Do you want the date? On April 18th, 1957.

Q Mr. Kinney, have you previously been qualified as an expert witness in petroleum consulting before the New Mexico Oil Conservation Commission?

A I have previously testified before this Commission.

Q As an expert?

A As a witness, before becoming a consultant, and since.

MR. COOLEY: Does the Honorable accept the qualifications of the witness?

A I will give any other data that you care for.

MR. MUTTER: The witness' qualifications are acceptable.

Q (By Mr. Cooley) You may proceed.

A I submit first, Exhibit No. 1, in this case, a map of the subject leases covering only that portion of the Gorer Oil

Corporation leases involved in this case.

The Geyer Oil Corporation Wells No. 4 to 7 in the Caprock Pool of Chaves County, New Mexico, were all drilled in the Spring of 1955; Wells 4, 5, and 6 were spudded between January 22 and February 15, 1955.

Well No. 4 is located in the center of the Southwest Quarter of the Northeast Quarter, Section 23, Township 13 South, Range 31 East, on State Lease E-8418.

Well No. 5 is located in the center of the Northeast Quarter of the Southeast Quarter, Section 22, Township 13 South, Range 31 East, on State lease E-10418, which 40-acre is a diagonal off-set to the No. 4 Well location.

Well No. 6 is located in the center of Southeast Quarter of the Southwest Quarter, Section 22, Township 13 South, Range 31 East, on State Lease E-10418.

Wells, 4, 5 and 6 are on the same lease.

The oil from this pool was trucked to the pipeline during the pool's early life, consequently, the best location for the tank battery was the nearest site to the highway, and central to the wells producing into the battery. The tank battery for these wells was located near the center of the Northeast Quarter of the Southeast Quarter, Section 22 State Lease E-10418, which location is one eighth mile west of New Mexico Highway No. 172.

The tank battery consists of two 500 barrel tanks, two separators, one heater treater, disposal pit, and necessary piping.

The wells are all interconnected by three inch flow lines at the separator.

A tank battery for this Caprock rim and Queen Wells requires two storage tanks, a separator, a heater treater and burning pit as a minimum. Such an installation will cost at least \$5,000.00 in place.

Well No. 7, located in the Southeast Quarter -- the Northwest Quarter of the Southwest Quarter, Section 22, Township 13 South, Range 31 East, on State Lease E-8685, was completed June 23rd, 1955. This well, proved to be on the West edge of the Caprock Pool and was indicated to be a marginal one at best. It is now a shutin well by Order of the Oil Conservation Commission, due to high gas-oil ratios.

The well is located below the Caprock Rim and is accessible by a road running south approximately two miles, thence up on to the Caprock. The production from this No. 7 well was piped to the tank battery located at the No. 5 well, to reduce the cost of trucking over a very poor oil field road, and to save the additional cost of a tank battery installation, which is very burdensome against a 40-acre marginal well.

The production from the well was piped to the tank battery at the No. 5 well to help reduce the development cost of the 40-acre tract and to prevent the possibility of another marginal well being burdened. Also, the oil was run to the central location to facilitate the operation of the four, 40-acre tracts as one unit.

Through an oversight at the time of drilling the wells, no one realized that the base leases were different on the acreage under Wells No. 4 and No. 7, from the lease under wells No. 5 and No. 6. The leases were all from the State of New Mexico, and the beneficiary is the Common School Fund. There was no authority or attempt to abrogate the rules and regulations of either the Oil Conservation Commission or State Land Office when the common tank battery was installed. The problem was entirely one of economics; the trucking of the oil was expensive; the pool was new and known to be spotty, and every effort was made to keep the cost down to the point where the wells would be commercially successful.

I would like to submit at this time, Exhibit No. 2, in this case. This is a letter from the Commissioner of Public Lands in the State of New Mexico, signed by Mrs. Linnie Cook, Supervisor of the Royalty Division, granting the Gorer Oil Corporation permission to commingle in a common tank battery, oil purchased from State Unit B Well 4 in Section 23, Township 13 South, Range 31 East; Well 5, Section 22, Township 13 South, Range 31 East; Well 6, Section 22, Township 13 South, Range 31 East, and Well 7, Section 22, Township 13 South, Range 31 East, Caprock-Queen Pool Chaves County, New Mexico, State Leases B-6310, B-10410, and B-8605. Everything be assigned to the above description.

Royalty interest on these leases have a common beneficiary, that being to the Common School Fund. In conclusion, excuse me - at this time I request the Commission accept these two Exhibits.

MR. HUTHER: Without objection, Gorer Oil Corporation Exhibits 1 and 2 in Case 1245 will be received.

A In conclusion, I repeat, the common tank battery was used-- and is now needed for economic reasons to reduce the trucking cost of the oil sold originally, and to reduce, at the present, the capital investment on Wells 4 and 7, the latter being a marginal well, and to facilitate the operation of the four, 40-acre tracts as one unit. Ample facilities are available in the nature of two separators at the tank battery, which to make tests of any well separately.

Therefore, on behalf of the Gorer Oil Corporation, I respectfully request that the Oil Conservation Commission grant an exception to Rule 109 (a) and permit commingling of oil from Leases B-8318, B-8405 and B-10418 in a common tank battery before measurement for sale.

MR. HUTHER: Anyone have any questions of the witness? Mr. Hankin.

CROSS EXAMINATION

BY MR. HANKIN:

Q Mr. Kinney, three of these four wells are top allowable wells, are they not?

A As far as I know. However, the actual sale of oil for February from Well No. 4 was only 658 barrels, or 23 1/2 barrels per day average.

Q Is it true, Mr. Kinney, that there are other state leases

of other questions regarding these tracks, which these lines have to cross, is that correct?

A Yes, sir.

Q And provisions have been made for these line to cross other people's lanes?

A So far as I know, sir.

MR. MURPHY: That's all.

MR. BUTLER: Anyone else have any questions of the witness? If not, the witness may be excused. Does anyone have anything further in case No. 1245? If not, we will take the case under advisement.

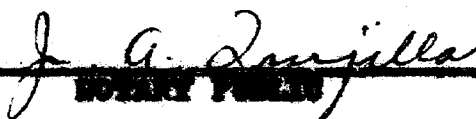
9

C E R T I F I C A T E

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, J. A. TRUVILLO, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing was reported by me in Stenotype at the time and place hereinafore 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 9th day of May, 1957,
in the City of Albuquerque, County of Bernalillo, State of New Mexico.

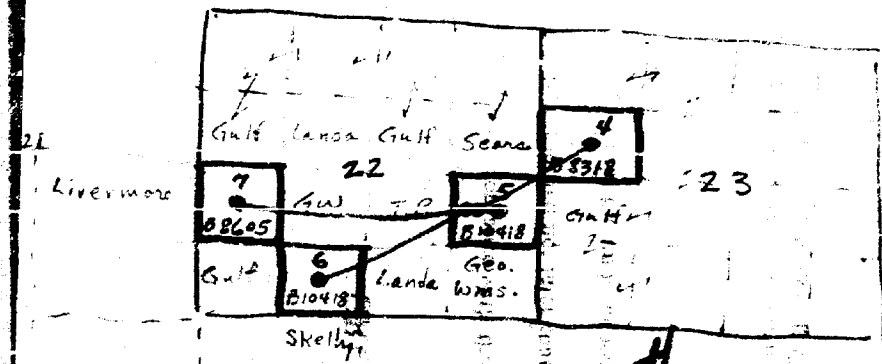

NOTARY PUBLIC

My Commission Expires:
October 5, 1960.

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

Leaving 9

yes - less contagious
more fold
309 ex c
ex. Hs @ SF
4/24/67



All wells presently
 producing into
 common tank battery
 in Unit I, 22-13-31

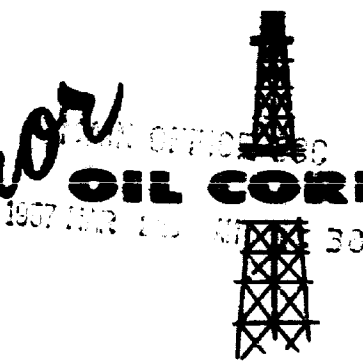
DEPT. OF AGRICULTURE
 BUREAU OF RECLAMATION
 DIVISION OF WATER RESOURCES
 SACRAMENTO, CALIF.

Geror Oil Corporation
Main 4-3485
Tucson Ariz.

Mr. A. E. Butterfield Secy
or Mr. R. E. Geror Pres.

told ~~Mr. Geror~~ ^{by ph.}
4/2/57. Advised him a
hearing would be nec. +
that we were advertising it
for SF on the 25rd. ~~the hearing~~
he would send in a letter
re: meeting the hearing the
into next week + was
into a rep. at the
hearing.
D.J.

Geror



Hearing 7

Case 1245
OFFICERS
R. E. GEROR, PRESIDENT
A. E. BUTTERFIELD, SECRETARY

OFFICES
1846 EAST BROADWAY
TUCSON, ARIZONA
TELEPHONE MAIN 4-3485

UNDERWOOD BUILDING
LOVINGTON, NEW MEXICO

March 21, 1957

*Docket sent to
R. E. Geror
4-8-57 BP*

Oil Conservation Commission
Santa Fe, New Mexico

Gentlemen:

Inasmuch as all of the following leases have a common beneficiary institution, permission is hereby requested to have a common tank battery to serve our State Unit B, Well No. 4, S23, T13S, R31E, Lease No. B-8318; Wells No's. 5 and 6, S22, T13S, R31E, Lease No. B-10418; and Well No. 7, S22, T13S, R31E, Lease No. B-8605, Caprock Queen Pool, Chaves County, New Mexico.

Yours very truly,

GEROR OIL CORPORATION

By *A. E. Butterfield*
Secretary

AEB:jem

cc: Mrs. Linnie Crook, Supervisor,
Oil & Gas Royalty Division
State Land Office
Santa Fe, New Mexico

Case 1245

January 17, 1957

C
O
P
Y

Zaror Oil Corporation
1848 East Broadway
Tucson, Arizona

Gentlemen:

Permission is hereby granted to commingle in a common tank battery, oil purchased from State Unit B, well 4 in Section 23, T-13S, R-31E, well 5, Section 22, T-13S, R-31E, well 6, Section 22, T-13S, R-31E and well 7, Section 22, T-13S, R-31E, Caprock-Queen Pool, Graham County, New Mexico. State Leases, B-8318, B-10418 and B-8605 having been assigned to the above description.

Royalty on these leases have a common beneficiary that being to Common Schools.

Very truly yours,

MURRAY E. MORGAN
COMMISSIONER OF PUBLIC LANDS
BY:

Mrs. Linnie Creek, Supervisor
Royalty Division

LC:mb

cc: Oil Conservation Commission

Case 1245

MAIN OFFICE OCC

1957 JAN 15 AM 8:16

January 14, 1957

Oil & Gas Royalty Division
State Land Office
Santa Fe, New Mexico

Attention: Mrs. Linnie Crook, Supervisor

Dear Mrs. Crook:

Inasmuch as all of the following leases have a common beneficiary institution, permission is hereby requested to have a common tank battery to serve our State Unit B, Wells 4, 5, 6 and 7, of Leases Numbered B-8318, B-10418 and B-8805.

Yours very truly,

GENOR OIL CORPORATION

By A. E. Butterfield
Secretary *gmr.*

AEB:jcm

cc: Oil Conservation Commission
Santa Fe, New Mexico

1245
note
1742

State of New Mexico

OFFICE OF THE

Commissioner of Public Lands



Santa Fe

MURRAY E. MORGAN
COMMISSIONER

January 17, 1957

Geror Oil Corporation
1848 East Broadway
Tucson, Arizona

Gentlemen:

Permission is hereby granted to commingle in a common tank battery, oil purchased from State Unit B, well 4 in Section 23, T-13S, R-31E, well 5, Section 22, T-13S, R-31E, well 6, Section 22, T-13S, R-31E and well 7, Section 22, T-13S, R-31E, Caprock-Queen Pool, Chaves County, New Mexico. State Leases, B-8318, B-10418 and B-8605 having been assigned to the above description.

Royalty on these leases have a common beneficiary that being to Common Schools.

Very truly yours,

MURRAY E. MORGAN
COMMISSIONER OF PUBLIC LANDS
BY:

Mrs. Linnie Crook

Mrs. Linnie Crook, Supervisor
Royalty Division

LC:mb

cc: Oil Conservation Commission

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Geror EXHIBIT No. *2*
CASE *1245*

Geror

TELEPHONE 000

APR 10 11 21:25



OIL CORPORATION OIL PRODUCTION AND DEVELOPMENT

Case 1245

OFFICES
R. E. GEROR, PRESIDENT
A. E. BUTTERFIELD, SECRETARY

OFFICES
1846 EAST BROADWAY
TUCSON, ARIZONA
TELEPHONE MAIN 4-3495

UNDERWOOD BUILDING
LOVINGTON, NEW MEXICO

April 10, 1957

Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. D. S. Nutter

Re: Leases B-8605, B-10418 and B-8318

Dear Sir:

Confirming our verbal request by telephone, we respectfully request a hearing on the above leases for approval of a common tank battery. It is our understanding that the hearing will be held on April 23rd in Santa Fe.

We wish to advise that Mr. Edward E. Kinney will be present at the hearing to represent our company.

Very truly yours,

R. E. Geror
R. E. Geror
President

REG:jem

cc: Mr. Edward E. Kinney
Carper Building
Artesia, New Mexico

AIR MAIL - SPECIAL DELIVERY

*see work done
2-5000 lbs trucks
2-2000 lbs trucks
1-1000 lbs truck
1-500 lbs truck
3-100 lbs trucks
5000 lb see
7 camp June 55
w edge of pool
now SI by order of CC
below rim - now runs 52 miles
see common sch. fund
beneficiary.*

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 31, 1957

C
O
P
Y

**Mr. Edward L. Kinney
Carper Building
Artesia, New Mexico**

Dear Sir:

**We enclose two copies of Order R-1007 issued May 29, 1957,
by the Oil Conservation Commission in Case 1245, which was heard
on April 23rd at Santa Fe.**

Very truly yours,

**A. L. Porter, Jr.
Secretary - Director**

**bp
Encls.**

**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

**CASE NO. 1245
Order No. R-1007**

**APPLICATION OF GERAR OIL CORPORATION
FOR AN ORDER AUTHORIZING THE MOVEMENT
OF OIL FROM THREE STATE LEASES PRIOR
TO MEASUREMENT AND FOR PERMISSION TO
COMBINE THE OIL PRODUCED FROM SAID
LEASES FROM THE CAPRECK-QUEEN POOL,
CHAVES COUNTY, NEW MEXICO, IN COMMON
TANKAGE AT A CENTRAL BATTERY.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 23, 1937, at Santa Fe, New Mexico, before Daniel S. Rutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

Now, on this 29th day of May, 1937, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Rutter, 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 cause and the subject matter thereof.

(2) That the applicant is the owner of the following State of New Mexico Oil and Gas Leases:

B-8318 covering the SW/4 NW/4 of Section 23
B-8885 covering the NW/4 SW/4 of Section 22
B-10418 covering the SE/4 SW/4 and the NE/4
SE/4 of Section 22

all in Township 13 South, Range 31 East, NMPM, Chaves County, New Mexico.

(3) That the applicant has completed a producing oil well in the Caprock-Queen Pool on each of the above-described quarter-quarter sections, said wells being known as Gerar Oil Corporation State Wells No. 4, 5, 6, and 7.

(4) That the applicant proposes to produce all of the above-described wells into a common tank battery on its B-10418 lease in the NE/4 SE/4 of said Section 22.

-2-
Case No. 1245
Order No. B-1997

(5) That approval of subject application will not cause waste nor impair correlative rights.

(6) That the applicant should be required to install adequate testing facilities in order that periodic production tests can be obtained for all of the above-described wells.

(7) That the Commissioner of Public Lands for the State of New Mexico has granted permission to produce the above-described wells in the manner proposed by the applicant.

IT IS THEREFORE ORDERED:

That the applicant, Garco Oil Corporation, be and the same is hereby authorized to produce the following described wells into a common tank battery located in the NE/4 SE/4 of Section 22, Township 13 South, Range 31 East, NMPL, Chaves County, New Mexico:

Garco Oil Corporation State Well No. 4 - located in the SW/4 NW/4 of Section 22,

Garco Oil Corporation State Well No. 5 - located in the NE/4 SE/4 of Section 22,

Garco Oil Corporation State Well No. 6 - located in the SE/4 SW/4 of Section 22, and

Garco Oil Corporation State Well No. 7 - located in the NW/4 SW/4 of Section 22,

all in Township 13 South, Range 31 East, NMPL, Chaves County, New Mexico. Provided however, that the applicant shall install adequate testing facilities in order that periodic production tests can be obtained for all of the above-described wells.

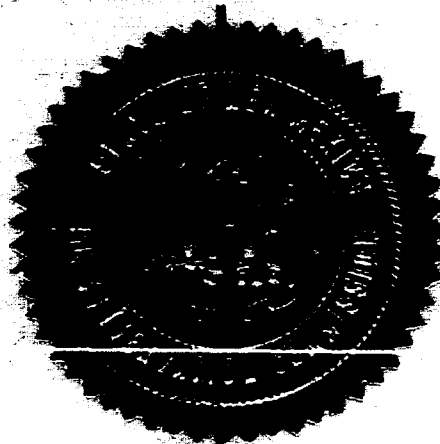
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Hughes
EDWIN L. HUGHES, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 5/3/57

CASE 1245

Hearing Date 9am 4/23/57 DSN@SF

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

Enter an order granting the applicant authority to move oil from its State B 8605 lse in the NW/4 SW/4 of Sec 22, its B 10418 lse in the SE/4 SW/4 of Sec 22 and its B 8318 lse in the SW/4 NW/4 Sec 23, ^{prior to measuring,} to a tank battery in the NE/4 ~~SE/4~~ SE/4 of Sec 22, and to there commingle the production of ^{paid} leases ~~with~~ ~~the~~ each with the other and with the production of lse B 10418 in the NE/4 SE/4 of Sec 22.

Include a finding that the commingling of these various leases is in the interest of economy and will not cause waste nor damage correlative rights. Also ~~an~~ order that adequate testing facilities for all wells shall be provided.

James H. Hines
Staff Member
Examiner

DSN-

please
put this on
this as a comment.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date

9/24/57

CASE

1245

Hearing Date

9/23/57

before DSN
@ SF @ 9 AM

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

OK to approve commingly
from three separate non-contiguous
leases

also NMSLD approved
and is common Beneficiary

Waverly D. Martin
Staff Member

DOCKET: EXAMINER HEARING APRIL 23, 1957

Oil Conservation Commission 9:00 a.m. Mabry Hall, State Capitol, Santa Fe

The following cases will be heard before Daniel S. Nutter, Examiner

- CASE 1240: Application of Leslie Frank Hale, dba Hale Production Company, for approval of an unorthodox oil well location in Section 22, Township 21 South, Range 34 East, Lea County, New Mexico, in exception to Rule 104 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the unorthodox location of its Sanders State Well No. 1, at a point 2,386 feet from the South line and 670 feet from the West line of Section 22, Township 21 South, Range 34 East, Lea County, New Mexico; said location is within one mile of the boundary of the West Wilson Pool.
- CASE 1241: Application of Gulf Oil Corporation for approval of a 234-acre non-standard gas proration unit in the Eumont 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 234-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 SW/4 Section 6 and the NW/4 Section 7, Township 22 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's H. T. Mattern "D" Well No. 6 located 660 feet from the South line and 1980 feet from the West line of said Section 6.
- CASE 1242: Application of Gulf Oil Corporation for permission to effect a gas-oil dual completion for its Alice Paddock No. 3 Well in the Blinbry Oil Pool and Tubb Gas Pool, Lea County, New Mexico, in accordance with Rule 112-A of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Alice Paddock No. 3 Well in the Blinbry Oil Pool and Tubb Gas Pool located 660 feet from the South line and 660 feet from the East line of Section 1, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce said well by means of parallel strings of tubing.
- CASE 1243: Application of Rowan Oil Company for approval of a 160-acre non-standard gas proration unit in the Eumont 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 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 S/2 Section 7, Township 22 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Rowan Oil Company and Neville G. Penrose, Inc. H. T. Mattern No. 1 Well located 1650 feet from the South line and 330 feet from the West line of said Section 7.

CASE 1244: Application of Amerada Petroleum Corporation for an order authorizing an oil-oil dual completion in the Penrose-Skelly Pool and the Paddock Pool in Lea County, New Mexico, in compliance with Rule 112-A of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, proposes to dually complete, by means of parallel tubing strings, its Baker Well No. 2, located in SE/4 SE/4 of Section 10, Township 22 South, Range 37 East, Lea County, New Mexico, to produce oil from both the Penrose-Skelly and the Paddock Pools.

CASE 1245: Application of Geror Oil Corporation for an order granting an exception to Rule 309 (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the movement of oil before being measured from its State B-8318 lease in the SW/4 NW/4 of Section 23, from its State B-8605 lease in the NW/4 SW/4 of Section 22, and from its State B-10418 lease in the SE/4 SW/4 of Section 22 to a central tank battery on its B-10418 lease in the NE/4 SE/4 Section 22, all in Township 13 South, Range 31 East, Chaves County, New Mexico, and the commingling of the oil produced from the Caprock-Queen Pool underlying said separate leases in common tankage at the central battery.

CASE 1246: Application of Claud E. Aikman for a 160-acre non-standard drilling and proration unit or, in the alternative, for a 120-acre non-standard drilling and proration unit, in the Fulcher Kutz-Pictured Cliffs Gas Pool in exception to Rules 2, 3, and 6 (A) of the Special Rules and Regulations for said pool as set forth in Order R-565-C. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard drilling and gas proration unit in the Fulcher Kutz-Pictured Cliffs Pool comprising the N/2 NE/4, SE/4 NE/4, and NE/4 SE/4 of Section 24, Township 29 North, Range 12 West, San Juan County, New Mexico, or in the alternative, a 120-acre non-standard drilling and gas proration unit comprising the N/2 NE/4 and SE/4 NE/4 of said Section 24; the acreage in either non-standard unit is to be dedicated to a well to be drilled 990 feet from the North and East lines of said Section 24.

CASE 1247: Application of Dan American Petroleum Corporation for an order authorizing the drilling of a salt water disposal well in the Hobbs Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the drilling of a salt water disposal well at a point 1650 feet from the North line and 840 feet from the West line of Section 15, Township 19 South, Range 38 East, Hobbs Pool, Lea County, New Mexico. Applicant proposes to inject salt water in the lower San Andres formation, below the oil-water contact of the Hobbs Pool.

CASE 1248:

Application of Moran Oil Producing and Drilling Corporation for an order authorizing an unorthodox location and 80-acre non-standard gas proration unit in the Tubb Gas Pool, Lea County, New Mexico, for its Lineberry No. 1 Well and further, authorizing a gas-oil dual completion for said well in the Tubb Gas Pool and Drinkard Oil Pool. Applicant, in the above-styled cause, seeks an order authorizing the unorthodox location of its Lineberry No. 1 Well at a point 2240 feet from the North line and 1980 feet from the East line of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico. Applicant proposes to effect a gas-oil dual completion for said well in the Tubb Gas Pool and Drinkard Oil Pool. Applicant further proposes to establish an 80-acre non-standard gas proration unit for the Tubb Gas Pool to be dedicated to said well; said unit consists of the S/2 NE/4 of said Section 29.

ir/