

Caso Mo.

1262

Application, Transcript, Small Exhibits, Etc.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE. NEW MEXICO June 13, 1957.

CASES NO. 1261, 1262, 1263, 1264, and 1265

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

BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO June 13, 1957.

IN THE MATTER OF:

CASE NO. 1261: Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SW/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE NO. 1262: Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interest of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SE/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE NO. 1263: Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the NE/4 Section 25, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE NO. 1264: Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-

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GENERAL LAW REPORTERS
ALBUQUERQUE - SANTE FE
3-6691 2-2211

styled cause, seek an order force pooling the interests) of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SE/4) Section 25, Township 22 South, Range 37 East, Lea : County, New Mexico.

CASE NO. 1265: Application of R. Olsen Oil Company for an order force pooling certain acreage in the Justis Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling the interests of all persons having any right, title or interests in the Glorieta formation of the Justis Gas Pool underlying the NE/4 Section 23, Township 25 South, Range 37 East, Lea County, New Mexico.

BEFORE:

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

TRANSCRIPT OF HEARING

MR. PORTER: Mr. Campbell, I believe you are counsel in Cases 1261, 62, 63, 64, and 65. Do you have a statement in connection with those cases?

MR. CAMPBELL: Yes, sir. As to the first four cases, 1261, 62, 63, and 64, I represent Gulf Oil Corporation in those four cases, and I have been requested by Gulf and by Mr. George Reece of Carlsbad, attorney for Western Oil Fields, Incorporated, and Howell Speers of Lovington, attorney for the royalty owners involved in these applications, to request a continuance of those four cases until the July hearing. We hope that in the interim period, the matter will be amicably worked out, and the cases

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will be dismissed, but we would like to have them remain on the docket for the July hearing.

MR. PORTER: Is there objection to the counsel's motion for continuance of cases 1261, 1262, 1263, 1264 to the regular July hearing? The cases will be continued until the July hearing.

MR. CAMPBELL: With regard to 1265, I represent R. Olsen Oil Company, and I would like to request the Commission to continue that case until the July hearing. The reason for that is, that in that particular instance, it's a situation of one out of the very large number of royalty owners cannot be located or sontacted. For that reason, in order to properly maintain his royalties in suspense, this order is being requested. However, the witness for the applicant was called on an emergency trip to the east, and is not available here to testify. I wrote the Commission a letter, and pointed that out, and would like to ask that that case also be continued until the July hearing.

MR. PORTER: Without objection, case 1265 will be continued to the regular July hearing date.

<u>CERTIFICATE</u>

STATE OF NEW MEXICO)

COUNTY OF BERNALILLO)

I, MARIANNA MEIER, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Gil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the day of July, 1957, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Marianna Maier.
Notary Fublic.

My Commission Expires:

April 8, 1960.

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

BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO July 17, 1957.

IN THE MATTER OF:

Case 1261, Case 1262, Case 1263, Case 1264

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES INCORPORATED GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO 14,6601 5,0546

BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO July 17, 1957

IN THE MAITER OF:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SW/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

Case 1261

IN THE MATTER OF:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interest of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SE/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

Case 1262

IN THE MATTER OF:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the NE/4 Section 25, Township 22 South, Range 37 East, Lea County, New Mexico.

Case 1263

IN THE MATTER OF:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SE/4 Section 25, Township 22 South, Range 37 East, Lea County. New Mexico.

Case 1264

BEFORE:

Mr. Murray Morgan Mr. A. L. Porter Governor Edwin L. Mechem

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: With reference to Cases 1261, 1262, 1263, and 1264, I believe Mr. Campbell has a statement.

MR. CAMPBELL: Jack M. Campbell, Roswell, New Mexico. I have appeared before on these cases, and I would like to at this time request that those four cases be continued to the regular August hearing, Statewide hearing of the Commission.

MR. PORTER: Any objections to counsel's motion for continuance of these four cases? The cases will be continued to the regular August hearing and we will take up next Case 1265.

DEARNLEY MEIER & ASSOCIATES INCORPORATED GENERAL LAW REPORTERS ALBUQUERQUE NEW MEXICO 3-6691 5-9546

CERTIFICATE

STATE OF NEW MEXICO) (S)
COUNTY OF BERNALILLO)

I, MARIANNA MEIER, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

witness my Hand and Seal this 3/day of July , 1957, in the City of Albuquerque. County of Bernalillo, State of New Mexico.

Marina Meir

My Commission expires:

April 8, 1960.

DEARNLEY - MEIER & ASSOCIATES INCORPORATED Griefal Law Reporteps ALBUQUERQUE, NEW MEXICO 3-6691 5-9546

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

September 24, 1957

Mr. Jack Campbell Campbell & Russell Ben 721 Roswell, New Mexico

Dear Sir:

We enclose two copies of each of the following Orders of Bismissal: R-1089, R-1050, R-1051 and R-1052 issued September 16, 1957, by the Oil Conservation Commission.

Very truly yours,

A. L. Porter, Jr. Secretary - Director

bp Encls.

12 July 1957. Mr. A. L. Porter, Jr. New Mexico Dil Conservation Commission Sents Pe, New Mexico Dear Peter For your information, I on going to request a tentionness of the Gulf - Western compulsory publish eques to the August 15th hearing. It appears that there cannot be going to be settled, but a little sure time is needed to completely wind up the metter. With kindest regards, I am Yeary their years, Jick K. Sing

Care 1262 leg. June 13 Hz

Hr. A. L. Porter, Jr. New Mexico Oll Conservation Counterly P. O. Box 871 Santa Fe, New Mercies .

Dear Mr. Porter:

You will find enclosed existing and the ing Applications:

- 1. In the Matter of the Application of Soil Octoperation and Western Oil Fields, East, for a Compalatory Endling Order as to Gas in the Blinebry and Tubb Gas Peals Soils Soils Set Section 30, Township 22 South, Range 36 Bost, Last Chaity, New Mexico.
- 2. In the Matter of the Application of this forestation and Western Dil Fisics. Inc. for a 1- many Peopling Order as to Ges in the Blines y and Table
- 3. In the Matter of the Application of Well-Well-Scapelage and Western Oil Pields, Inc. for a Compalage Position Order as to Gas in the Blimshry and Pubb Dies Position and the Blimshry and Pubb Dies Position and the Burney, Bar Burleo.

 25, Township 22 Seath, Rooms 37 East, Lat Street, May Maxico.
- 4. In the Matter of the Application of Mark Mark of the Color of the Mark of the Color of the Co **Section**

Please file there and but the and ing. We seemed that the supplement notice as required by 10

Test Market

JMC: bb Inclosures cc: Mr. Bevid At Gulf Oil Carnel

DOCKET: REGULAR HEARING JUNE 13, 1957

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

ALLOWABLE:

- (1) Consideration of the oil allowable for July 1957.
- (2) Consideration of the allowable production of gas for July, 1957, for the seven prorated pools in Lea County, New Mexico, and consideration of the allowable production of gas from the six prorated pools in San Juan and Rio Arriba Counties, New Mexico for July, 1957; also consideration of purchasers' nominations for the six-month period beginning August 1, 1957, for the six prorated pools in San Juan and Rio Arriba Counties, New Mexico.

NEW CASES

CASE 1261:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SW/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 1262:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants in the above-styled cause, seek an order force pooling the interest of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SE/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 1263:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the NE/4 Section 25, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 1264:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SE/4 Section 25, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 1265:

Application of R. Olsen Oil Company for an order force pooling certain acreage in the Justis Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling the interests of all persons having any right, title or interest in the Glorieta formation of the Justis Gas Pool underlying the NE/4 Section 23, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1266: Southeastern New Mexico nomenclature case calling for an order creating new pools, extending and abolishing existing pools in Lea, Chaves and Eddy Counties, New Mexico.

(a) Creation of a new oil pool for Queen production, designated as the South Corbin-Queen Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 33 EAST Section 27: SW/4 Section 28: SE/4

(b) Creation of a new oil pool for Yates production, designated as the South Maljamar-Yates Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 32 EAST Section 13: NW/4

(c) Extension of the Anderson Ranch-Devonian Pool to include:

TOWNSHIP 16 SOUTH, RANGE 32 EAST Section 2: Lots 7, 8, 9 & 10

(d) Extension of the Caprock-Queen Pool to include:

TOWNSHIP 14 SOUTH, RANGE 31 EAST Section 8: NE/4 NE/4

TOWNSHIP 15 SOUTH, RANGE 31 EAST Section 3: E/2 NW/4 & SW/4 NW/4

(e) Extension of the Cave Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST

| Section 4: W/2 |
| Section 5: N/2, E/2 SE/4 & NW/4 SE/4 |
| Section 8: E/2 NE/4 |
| Section 9: N/2 |

- (f) Abolish the South High Lonesome Pool.
- (g) Extension of the High Lonesome Pool to include:

TOWNSHIP 16 SOUR RANGE 29 EAST Section 17: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 37 EAST SE/4

Section 22:

Section 26: W/2 NW/4 & SE/4

Section 36: E/2 SW/4

(i) Extension of the Jalmat Gas Pool to include:

TOWNSHIP 23 SOUTH, RANGE 36 EAST Section 8: W/2

(j) Extension of the Justis Gas Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST

Section 25: W/2 NE/4 Section 26: Section 36: NE/4

(k) Extension of the Penrose-Skelly Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST Section 31: E/2 NW/4

(1) Extension of the Lusk Pool to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST Section 19: W/2 NE/4

(m) Extension of the Shugart Pool to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST Section 26: S/2 SW/4

Section 27: S/2 SE/4 NE/4 Section 34:

Section 35: N/2

(n) Extension of the Turkey Track pool to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST Section 34: NE/4

(o) Extension of the Young Pool to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST Section 17: S/2 NE/4 Section 20: N/2 SE/4

Extension of the South Carter-San Andres Pool to include:

> TOWNSHIP 18 SOUTH, RANGE 39 EAST Section 5: All

(q) Abolish the Carter-San Andres Pool in Lea County, New Mexico.

CASE 1267: Northwestern New Mexico nomenclature case calling for the extension of existing pools in San Juan and Rio Arriba Counties, New Mexico.

(a) Extension of the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 31 NORTH, RANGE 11 WEST Section 32: E/2 Section 33: NW/4

(b) Extension of the Ballard-Pictured Cliffs Pool to include:

TOWNSHIP 27 NORTH, RANGE 9 WEST Section 32: E/2

(c) Extension of the Flora Vista-Fruitland Pool to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST Section 4: E/2

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

TOWNSHIP 26 NORTH, RANGE 4 WEST All of Sections 17, 20 & 29

TOWNSHIP 30 NORTH, RANGE 12 WEST All of Section 4

(e) Extension of the Otero-Chacra Pool to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST Section 33: N/2

(f) Extension of the Otero-Graneros Pool to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST Section 15: SW/4

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

TOWNSHIP 24 NORTH, RANGE 2 WEST Section 19: All

TOWNSHIP 24 NORTH, RANGE 3 WEST Section 3: W/2
All of Sections 4, 5, 6, 7, 8 & 9
Section 10: W/2
Section 13: S/2
All of Sections 14, 15 & 16
Section 17: N/2
Section 18: N/2
All of Sections 22, 23 & 24

TOWNSHIP 24 NORTH, RANGE 4 WEST

All of Sections 1, 2, 3 & 4 Section 5; E/2

All of Sections 10, 11 & 12

Section 13: N/2

TOWNSHIP 25 NORTH, RANGE 3 WEST All of Sections 30 & 31

S/2 Section 32: Section 33: S/2

TOWNSHIP 25 NORTH, RANGE 4 WEST

Section 21: E/2
All of Sections 22, 23, 25, 26 & 27

Section 28: E/2Section 29: S/2

All of Sections 32, 33, 34, 35 & 36

TOWNSHIP 26 NORTH, RANGE 5 WEST

Section 20: All Section 21: S/2

Section 22: S/2

TOWNSHIP 28 NORTH, RANGE 9 WEST

Section 25: S/2

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

TOWNSHIP 26 NORTH, RANGE 3 WEST

Section 34: W/2

TOWNSHIP 26 NORTH, RANGE 4 WEST

Section 5: AII Section 6: A11 Section 7: N/2Section 11: S/2

TOWNSHIP 27 NORTH, RANGE 4 WEST

Section 31: S/2

TOWNSHIP 27 NORTH, RANGE 5 WEST

Section 36: S/2

(i) Extension of the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 12 WEST

Section 10: NW/4, N/2 SW/4 & SE/4 SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST

Section 29: E/2 NE/4

(j) Extension of the Verde-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 15 WEST Section 5: NW/4

TOWNSPIP 31 NORTH, RANGE 15 WEST

 Section 22:
 S/2

 Section 29:
 S/2

 Section 31:
 SE/4

 Section 32:
 All

CASE 1268:

Application of the Oil Conservation Commission of New Mexico upon its own motion for an order concerning purchaser prorationing by Malco Refineries, Inc. commencing June 1, 1957. Applicant, in the above-styled cause, seeks an order prescribing the manner in which Malco Refineries, Inc. shall prorate its purchases of oil in the State of New Mexico during the period of purchaser proration commencing June 1, 1957. The applicant proposes to require Malco Refineries, Inc., to effect its reduction of oil purchases in substantially the same manner as set forth in Emergency Order No. A-91-(A) dated May 31, 1957.

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF GULF OIL CORPORATION AND WESTERN OIL FIELDS, INC. FOR A COMPULSORY POOLING ORDER AS TO GAS IN THE BLINEBRY AND TUBB GAS POOLS UNDER THE SE/4 SECTION 30, TOWNSHIP 22 SOUTH, RANGE 38 EAST, LEA COUNTY. NEW MEXICO.

No. 1262

CERTIFICATE

COMES NOW Jack M. Campbell, one of the attorneys for Applicants, and certifies to the Oil Conservation Commission of the State of New Mexico that on the 24th day of May, 1957, he mailed a copy of the Application in this case to Allen M. Drinkard, Post Office Box 45, Unice, New Mexico, which is the last known address of Mr. Drinkard.

Jack M. Campbell

FOR CAMPBELL & RUSSELL

One of the attorneys for APPLICANTS.

Card 1:62

Form C-.28
Revised 5 1/57

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.					Date
Cperator	GULF C), c	K P Lea:	se <u>Drivike</u>	44 B
Well No. 1	Unit Le	tter P	Section 3	Township Fee	27 Range 38 E NMFM
County	ree	G. L.	Elevation_	Dedicate	t From Line d Acreage 120 Acres
Name of Pro	ducing Forma	tion		Pool	Blinkid
	Operator the No	-	ner* in the ded	icated acreage ou	tlined on the plat below?
2. If the	answer to qu	estion of	ne is "no," hav	e the interests o	f all the owners been
				or otherwise? Ye	sNo If answer is
	Type of Cons answer to ou			t all the owners	and their respective interests
below:	•				
	Owner			Land Desc	ription
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Section B	wed	in	TORE NO	Comple	ded to
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	!			[above is true and complete
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	l ,			}	(Representative)
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	i I				This is to certify that the
	·			-/	well location shown on the plat in Section B was plotted
	1		NS1-323		from field notes of actual
	ļ		(80.)	Drinkard B"	surveys made by me or under my supervision and that the
			/	Transport of the State of the S	same is true and correct to
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	<u>.</u>		2		Registered Professional
					Engineer and/or Land Surveyor.
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	(See	e instruc	tions for compl	eting this form o	Certificate Non the reverse side)
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INSTRUCTIONS FOR COMPLETION:

- 1. Operator shall furnish and certify to the information called for in Section A.
- 2. Operator shall outline the dedicated acreage for both oil and gas wells on the plat in Section B.
- 3. A registered professional engineer or land surveyor registered in the State of New Mexico or approved by the Commission shall show on the plathe location of the well and certify this information in the space provided.
- 4. All distances shown on the plat must be from the outer boundaries of Section.
- 5. If additional space is needed for listing owners and their respective interests as required in question 3, Section A, please use space below

^{* &}quot;Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1953 Comp.)

DOCKET: REGULAR HEARING JULY 17, 1957

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

ALLOWABLE:

- (1) Consideration of the oil allowable for August, 1957.
- (2) Consideration of the allowable production of gas for August, 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 August, 1957.

CASE 1275:

Application of Shell Oil Company for an exception to Rule 309 of the Commission Rules and Regulations to permit the transportation of oil from the basic lease prior to measurement, and to produce more than eight wells into a central plant, and to commingle production from the participating area of the Carson Unit with production from other wells in the area. Applicant, in the above-styled cause, seeks an order authorizing off-lease measurement of oil produced from the Bisti-Lewer Gallup Oil Pool and an undesignated Lower Gallup Oil Poel in Township 25 North, Range 11 West, and Township 25 North, Range 12 West, San Juan County, New Mexico, by means of an automatic custody transfer system; and to authorize the production of more than eight wells into a central testing and measuring plant and further, to authorize the commingling of non-participating area production with participating area production in the Carson Unit, with royalty payments to be calculated by means of periodic production rate tests.

CASE 1276:

Application of Amerada Petroleum Corporation for an order amending Order No. R-991 insofar as said order pertains to the Bagley-Lower Pennsylvanian Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order amending Order No. R-991 to extend the horizontal limits of the Bagley-Lower Pennsylvanian Gas Pool to include the S/2 Section 34, Township 11 South, Range 33 East, and the NE/4 Section 3, Township 12 South, Range 33 East, Lea County, New Mexico, and to increase the size of the standard drilling unit for said pool from 160 acres to 320 acres and to enter such other rules and regulations for said pool as the Commission may deem necessary.

CASE 1277:

Application of the Oil Conservation Commission at the request of Wilson Oil Company for an order establishing a new oil pool with special pool rules in the Potash-Oil Area, Lea County, New Mexico, in accordance with Section 3, Paragraph III, of Order R-III-A. Applicant, in the above-styled cause, seeks an order creating a new oil pool in the area of Wilson Oil Company's recently completed oil well located in the NE/4 NE/4 Section 21, Township 20 South, Range 34 East, Lea County, New Mexico; and for the promulgation of special pool rules to govern future drilling in said pool in order to afford adequate protection for the potash deposits in the area.

CASE 1278:

In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit Roy T. Short and the Hartford Accident and Indemnity Company and all other interested parties to appear and show cause why the Roy T. Short, at al, Millard Eidson No. B-3 Well located in the SW/4 SE/4 of Section 26, Township 16 South, Range 35 East, in the Shoe Bar Area of Lea County, New Mexico, should not be ordered plugged and abandoned in accordance with the Rules and Regulations of the Oil Conservation Commission of New Mexico.

CASE 1279:

In the matter of the hearing called by the Oil Conservation Commission upon its ewn motion to permit Roy T. Snort, M. N. Hamilton, Apache Basin Oil Company, and Basin Oil Company, and all other interested parties to appear and show cause why the hole located 660 feet from the South and West lines of Section 25, Township 16 South, Range 35 East, Lea County, New Mexico, should not be ordered plugged and abandoled in accordance with the Rules and Regulations of the Oil Conservation Commission of New Mexico.

CASE 1280:

Application of Sunray Mid-Continent Oil Company for an order authorizing a pilot secondary recovery project in the Bisti-Lower Gallup Oil Pool in exception to Rule 701 of the Commission Rules and Regulations. Applicant, in the above-styled cluse, seeks an order authorizing it to drill and operate a well at a point five feet southeast of the northwest corner of Section 6, Township 25 North, Range 12 West, San Juan County, New Mexico, for the injection of liquified petroleum gases and dry gas into the Lower Gallup formation of the Bisti-Lower Gallup Oil Pool for the purpose of secondary recovery of oil from said pool.

CASE 1281:

Application of Skelly Oil Company for approval of an unorthodox oil well location in an undesignated oil pool in Rio Arriba County, New Mexico, in exception to Rule 104 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox oil well location in an undesignated oil pool for its Jicarilla "B" Well No. 2 located 1590 feet from the South line and 990 feet from the East line of Section 31, Township 25 North, Range 5 West, Rio Arriba County, New Mexico. Said well was projected as a gas well in accordance with the Commission gas well location rules but was found to be productive of oil.

CASE 1282:

Southeastern New Mexico Nomenclature case calling for an order creating new pools and extending and deleting certain areas from existing pools in Eddy and Lea Counties, New Mexico.

(a) Create a new eil pool for Grayburg production, designated as the Teague-Grayburg Pool, and described as:

TOWNSHIP 23 SOUTH, RANGE 37 EAST Section 20: SE/4

(b) Create a new oil pool for Pennsylvanian production, designated as the Kemnitz-Pennsylvanian Pool, and described as:

TOWNSHIP 16 SOUTH, RANGE 33 EAST Section 13: SE/4

(c) Extend the Dollarhide-Drinkard Pool to include:

TOWNSHIP 24 SOUTH, RANGE 38 EAST Section 19: NW/4 Section 20: W/2 SW/4

(d) Extend the Drinkard Pool to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST Section 27: E/2 NE/4

(e) Extend the Gladiola Pool to include:

TOWNSHIP 12 SOUTH, RANGE 37 EAST Section 25: N/2 NE/4

TOWNSHIP 12 SOUTH, RANGE 38 EAST Section 17: NW/4 Section 18: N/2 NE/4

(f) Extend the North Gladiola-Devonian Pool to include:

TOWNSHIP 11 SOUTH, RANGE 38 EAST Section 32: SE/4

TOWNSHIP 12 SOUTH, RANGE 38 EAST Section 6: SW/4

Section 7: NW/4 Section 8: NW/4

(g) Extend the West Henshaw-Grayburg Pool to include:

TOWNSHIP 16 SOUTH, RANGE 30 EAST Section 4: SE/4 Section 5: SE/4 Section 8: NE/4

(h) Extend the Langlie-Mattix Pool to include:

TOWNSHIP 23 SOUTH, RANGE 36 EAST Section 4: E/2 SE/4

(i) Extend the Pearl-Queen Pool to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST Section 22: S/2 SE/4

(j) Extend the Townsend-Wolfcamp Pool to include:

TOWNSHIP 16 SOUTH, RANGE 36 EAST Section 6: W/2 SW/4

(k) Extend the Terry-Blinebry Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST Section 3: Let 16 Section 4: Let 1

(1) Delete the following area from the Blinebry Gas Pool:

TOWNSHIP 21 SOUTH, RANGE 37 EAST Section 3: Lot 16 Section 4: Lot 1

CASE 1283: Northwestern New Mexico nomenclature case calling for an order extending existing poels in San Juan and Rio Arriba Counties, New Mexico.

(a) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 28 NORTH, RANGE 9 WEST
All of Sections 9, 10, 11, 12, 13, & 14
Section 15: E/2 & SW/4
Section 24: All

TOWNSHIP 31 NORTH, RANGE 11 WEST Section 34: All

(b) Extend the Oters-Pictured Cliffs Pool to include:

TOWNSHIP 23 NORTH, RANGE 5 WEST Section 9: E/2 Section 16: N/2

TOWNSHIP 24 NORTH, RANGE 5 WEST Section 13: SW/4
Section 14: S/2
Section 21: NE/4
Section 22: N/2 & SE/4
All of Sections 23, 24, & 25
Section 31: S/2

(c) Extend the South Blanco-Pictured Cliffs Pool to include;

TOWNSHIP 24 NORTH, RANGE 4 WEST Section 5: W/2

TOWNSHIP 27 NORTH, RANGE 8 WEST Section 4: All (d) Extend the Blanco-Mesaverde Pool to include:

TOWNSHIP 28 NORTH, RANGE 9 WEST Section 32: All

(e) Extend the Bisti-Lewer Gallup Oil Pool to include:

TOWNSHIP 26 NORTH, RANGE 13 WEST Section 36: NW/4

(f) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 14 WEST Section 18: All

TOWNSHIP 31 NORTH, RANGE 15 WEST Section 13: N/2

CONTINUED CASES

CASE 1221:

Application of the Oil Conservation Commission on its own mation for an order amending Commission Order R-586 insofar as it relates to the Byers-Queen and Tubb Gas Pools. Applicant, in the above-styled cause, seeks an order amending the Special Rules and Regulations for the Tubb Gas Pool to make provision in said rules for the regulation of oil wells completed within the defined limits of said pool; and further to consider the deletion of that portion of Order R-586 relating to the Byers-Queen Gas Pool.

CASE 1261:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SW/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 1262:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants in the above-styled cause, seek an order force pooling the interest of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the SE/4 Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 1263:

Application of Gulf Oil Corporation and Western Oil Fields, Inc., for an order force pooling certain acreage in the Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force pooling the interests of all persons having any right, title or interest in the Blinebry and Tubb formations underlying the NE/4 Section 25, Township 22 South, Range 37 East, Lea County, New Mexico.

Decket No. 21-57

Application of Gulf Oil Corporation and Western Oil Fields,
Inc., for an order force pooling certain acreage in the
Blinebry and Tubb Gas Pools, Lea County, New Mexico. Applicants,
in the above-styled cause, seek an order force pooling the
interests of all persons having any right, title or interest
in the Blinebry and Tubb formations underlying the SE/4
Section 25, Township 22 South, Range 37 East, Lea County, New
Mexico.

CASE 1265:

Application of R. Olsen Oil Company for an order force pooling certain acreage in the Justis Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling the interests of all persons having any right, title or interest in the Glorieta formation of the Justis Gas Pool underlying the NE/4 Section 23, Township 25 South, Range 37 East, Lea County, New Mexico.

SEFORE THE OIL COMBERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE MEARING CALLED BY THE OIL COMMERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1363 Order No. R-1060

APPLICATION OF GULF OIL CORPORATION AND WESTERN OIL FIELDS, INC., FOR AN ORDER FORCE POOLING THE INTERESTS OF ALL PERSONS HAVING ANY RIGHT, TITLE, OR INTEREST IN THE BLIEBERY AND TURN FORMATIONS UNDERLYING THE SE/4 OF SECTION 30, TOWNSHIP 32 SOUTH, RANGE 36 EAST, HEFM, LEA COUNTY, NEW MEXICO.

ONDER OF DISMISSAL

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. en June 13, 1957, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

MOV, on this /6 day of September, 1957, the Commission, a quorum being present, having considered the application and the evidence adduced and being fully advised in the premises,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicants Gulf Oil Corporation and Western Oil Fields, Inc., appeared by their attorney and moved that the subject application be dismissed.

IT IS THEREFORE ORDERED:

That the application of Gulf Oil Corporation and Western Oil Fields, Inc., in Case 1262 be and the same is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEN, Chairman

MINERAY E. MORON, Montes

A. L. PORTER, Jr., Bember & Secretary

1 PREPORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF GULF OIL CORPORATION AND WESTERN OIL FIELDS, INC. FOR A COMPULSORY POOLING ORDER AS TO GAS IN THE BLINEBRY AND TUBB GAS POOLS UNDER THE SE/4 SECTION 30, TOWNSHIP 22 SOUTH, RANGE 38 EAST, LEA COUNTY, NEW MÉXICO.

No. 1267

APPLICATION

Come now Applicants, Gulf Oil Corporation, hereinafter called Gulf, and Western Oil Fields, Inc., hereinafter called Western, and show to the Commission:

- 1. Gulf is the owner and holder of an oil and gas lease dated April 3, 1944, from Allen M. Drinkard covering among other lands the W/2 SE/4 of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico, and is also the owner and holder of an oil and gas lease dated April 3, 1944, from Allen M. Drinkard covering among other lands the SE/4 SE/4 of said Section 30, each of said leases providing for a royalty of 1/8th of 8/8ths on oil and gas.
- 2. Western is the owner and holder of an oil and gas lease dated March 11, 1950, from Allen M. Drinkard and others covering among other lands the NE/4 SE/4 of said Section 30, said lease providing for a royalty of 3/16ths of 8/8ths on oil and gas.
- 3. Allen M. Drinkard is the sole owner of all of the oil and gas royalties provided in said leases.

4. As of July 6, 1956, Gulf and Western in order to protect their correlative rights and comply with Order R-610 and R-586 of the Commission entered into two gas pooling agreements covering the SE/4 of said Section 30. In one agreement Gulf and Western pooled all of their interests in said tract as to gas to be developed and produced from gas wells within the vertical limits of the Blinebry Gas Pool in order to form a pooled proration unit to be known as Drinkard "B" Blinebry Gas Unit No. 1 to be operated by Gulf. In the other agreement Gulf and Western pooled all of

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1 their interest in said tract as to gas to be developed and produced 2 from gas wells within the vertical limits of the Tubb Gas Pool in order to form a pooled proration unit to be known as the Western Oil Fields-A.M. Drinkard "A" Tubb Gas Unit No. 1, to be operated by Western. Each of said agreements provided for the allocation of the dry gas and associated liquid hydrocarbons produced from said gas pools among the present or future owners of leasehold or royalty interests in the proportion that the acreage interest of each bears to the entire acreage in the SE/4 of said Section 30.

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- 5. Allen M. Drinkard has refused to consent to or ratify the pooling agreements.
- 6. On or about September 15, 1956, Gulf recompleted as a gas well in the Blinebry Gas Pool its well known as the Drinkard "B" Well No. 1 located 660 feet from the east line and 660 feet from the 15 | south line of said Section 30 and, because of the refusal of Allen 16 M. Drinkard to consent to the pooling agreements, applied for and obtained from the Commission approval of non-standard gas proration unit comprising Gulf's above described 120 acres in the SE/4 of said Section 30.
- 7. Western is receiving no part of the gas production from either the Blinebry or Tubb Gas Pools which would be allocated to it under the pooling agreements and Western will suffer great economic loss if it is required to drill and complete a well or wells on its 40 acre tract in order to obtain its just and equitable share of the production from the Blinebry and Tubb Gas Pools, the Commission having heretofore established a 160 acre proration unit for each of said pools. One well on the SE/4 of said Section 30 will efficiently drain all of the gas underlying and properly belonging to said tract in each of the Blinebry and Tubb Gas Pools, 29 30 as is found by the Commission in its Orders R-586 and R-610.
 - 8. Under the pooling agreements, Western will pay its fair share of the cost of recompleting Gulf's above described Blinebry

gas well and Gulf will contribute its fair share of the cost to be incurred by Western in recompleting its Western Oil Fields-A. M. Drinkard No. 1 Well in the Tubb Gas Pool, Western's present well being located 660 feet from the east line and 1980 feet from the south line of said Section 30. Gulf and Western must each secure their equitable share of the gas from each of said pools allocated to the SE/4 of said Section 30 in order to prevent drainage by surrounding wells.

9. The royalty interest of Allen M. Drinkard will not be adversely affected by the compulsory pooling of all of his royalties in the respective units provided by the pooling agreements.

10. In order to protect the correlative rights of the Applicants herein and to avoid the drilling of unnecessary wells, it is necessary that the royalty interests under the above described oil and gas leases be pooled by Commission order.

wherefore applicants request that the Commission enter its order pooling all interests underlying the SE/4 of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico, within the vertical limits of the Blinebry Gas Pool and within the vertical limits of the Tubb Gas Pool.

Respectfully submitted,

GULF OIL CORPORATION

By CAMPBELL & BUSSELL

Attorneys Roswell, New Mexico

WESTERN OIL FIELDS, INC.

By REESE, McCORMICK, LUSK & PAINE

Attorneys

Carlsbad, New Mexico

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