

Case No.

1348

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Application, Transcript,  
Small Exhibits, Etc.

CASE 1348: Cities Service Oil Co. applicator  
for 2 NS gas proration units, Tubb Gas Pool &  
Blinebry Gas Pool (State "P" #1 Well)

DOCKET: EXAMINER HEARING NOVEMBER 20, 1957

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

The following cases will be heard before Elvis A. Utz, Examiner:

- CASE 1340: Application of the Ohio Oil Company for an order authorizing an oil-oil dual completion in the Monument-Blinebry Pool and Monument-Paddock Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Bertha Barber Well No. 9 located 1980 feet from the North line and 560 feet from the West line of Section 5, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner that oil may be produced through parallel strings of tubing from the Monument-Blinebry Pool and Monument-Paddock Pool, Lea County, New Mexico.
- CASE 1341: Application of R. Olsen for an order authorizing an oil-oil dual completion in the Tubb Gas Pool and Blinebry Oil Pool in Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Sarkeys Well No. 2, located 660 feet from the North line and 660 feet from the West line of Section 25, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner that oil may be produced through parallel strings of tubing from the Tubb Gas Pool and Blinebry Oil Pool, Lea County, New Mexico.
- CASE 1342: Application of Shell Oil Company for permission to install centralized automatic production facilities and lease custody transfer system on certain of its leases in the Pearl-Queen Pool area, Lea County, New Mexico, and for permission to produce more than eight wells into common storage and to transport oil from the leases prior to measurement. Applicant, in the above-styled cause, seeks an order authorizing it to install automatic production facilities and lease custody transfer system on twenty-three of its leases in the Pearl-Queen Pool area located in Sections 21, 22, 23, 25, 26, 27, 28, 34, 35, and 36, all in Township 19 South, Range 35 East, and Section 2, Township 20 South, Range 35 East, Lea County, New Mexico, and further authorizing the production of more than eight wells into common storage and permitting the transportation of oil from said leases prior to measurement.
- CASE 1343: Application of Humble Oil and Refining Company for an order authorizing two producing wells on a 640-acre gas proration unit in the Eumont Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing two Eumont gas wells on its Eumont Gas Unit No. 1 which comprises Section 4, Township 20 South, Range 37 East, Lea County, New Mexico, said unit is presently dedicated to the applicant's Eumont Gas Unit #1, Well No. 1, located 2310 feet from the South line and 1980 feet from the East line of said Section 4. The proposed additional well is the applicant's Eumont

Gas Unit #1, Well No. 2, located 2180 feet from the South line and 660 feet from the West line of said Section 4. Applicant proposes to limit the production from the No. 2 Well to no more than 50% of the unit allowable.

CASE 1344:

Application of Pan American Petroleum Corporation for a non-standard gas proration unit and an unorthodox gas well location in the Blanco Mesaverde Gas Pool in San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a 331-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the S/2 S/2 N/2 and S/2 of Section 18, Township 29 North, Range 9 West, San Juan County, New Mexico, and for an unorthodox gas well location for said unit well at a point 1820 feet from the South line and 1850 feet from the East line of said Section 18.

CASE 1345:

Application of Pan American Petroleum Corporation for a non-standard gas proration unit and an unorthodox gas well location in the Blanco Mesaverde Gas Pool in San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a 409-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the N/2 and N/2 S/2 of Section 19, Township 29 North, Range 9 West, San Juan County, New Mexico, and for an unorthodox gas well location for said unit well at a point 1750 feet from the North line and 1750 feet from the East line of said Section 19.

CASE 1346:

Application of Pan American Petroleum Corporation for a non-standard gas proration unit and an unorthodox gas well location in the Blanco Mesaverde Gas Pool in San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a 408-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the S/2 S/2 of Section 19, and the N/2 of Section 30, Township 29 North, Range 9 West, San Juan County, New Mexico, and for an unorthodox gas well location for said unit well at a point 990 feet from the North line and 1650 feet from the East line of said Section 30.

CASE 1347:

Application of Pan American Petroleum Corporation for approval of a non-standard gas proration unit in the Tubb Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a non-standard gas proration unit in the Tubb Gas Pool consisting of the W/2 W/2 of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, said unit to be dedicated to the applicant's State "S" No. 3 Well located 1980 feet from the North line and 660 feet from the West line of said Section 32.

CASE 1348:

Application of Cities Service Oil Company for approval of two non-standard gas proration units in the Tubb Gas Pool and the Blinebry Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard gas

proration unit in the Tubb Gas Pool and Blinebry Gas Pool consisting of the E/2 W/2 of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, said units to be dedicated to the applicant's dually completed State "P" No. 1 Well located 1980 feet from the North line and 1980 feet from the West line of said Section 32.

CASE 1349:

Application of Continental Oil Company for an order approving a 320-acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 of Section 15, Township 21 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's State D-15 No. 8 Well located 660 feet from the South line and 660 feet from the East line of said Section 15.

CASE 1350:

Application of John J. Eisner for a non-standard gas proration unit in the Empire-Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a non-standard gas proration unit in the Empire-Pennsylvanian Gas Pool consisting of the S/2 SE/4 of Section 20, and the N/2 NE/4 of Section 29, Township 17 South, Range 28 East, Eddy County, New Mexico, said unit to be dedicated to applicant's well to be drilled at a point 330 feet from the North line and 990 feet from the East line of said Section 29.

CASE 1351:

Application of Amerada Petroleum Corporation for approval of a 240-acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing a 240-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the SE/4 of Section 34, and the N/2 SW/4 of Section 35, all in Township 20 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's L. W. White No. 1 Well located 660 feet from the South line and 660 feet from the East line of said Section 34.

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
November 20, 1957

IN THE MATTER OF  
CASE NO. 1348

TRANSCRIPT OF PROCEEDINGS

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

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
November 20, 1957

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IN THE MATTER OF: )

)  
)  
) Application of Cities Service Oil  
) Company for approval of two non-  
) standard gas proration units in  
) the Tubb Gas Pool and the Blinbry  
) Gas Pool, Lea County, New Mexico.  
) Applicant, in the above-styled  
) cause seeks an order establishing  
) a 160-acre non-standard gas pro-  
) ration unit in the Tubb Gas Pool  
) and Blinbry Gas Pool consisting  
) of the E/2 W/2 of Section 32, Town-  
) ship 22 South, Range 38 East, Lea  
) County, New Mexico, said units to  
) be dedicated to the applicant's  
) dually completed State "P" No. 1  
) Well located 1980 feet from the  
) North line and 1980 feet from the  
) West line of said Section 32.  
)  
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CASE NO.  
1348

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Next case on the docket will be Case 1348.

MR. COOLEY: Application of Cities Service Oil Company for approval of two non-standard gas proration units in the Tubb Gas Pool and the Blinbry Gas Pool, Lea County, New Mexico.

MR. WILLIAMS: I am Emmett Williams, appearing on behalf of the Applicant in this case, Cities Service Oil Company. We have one witness in this case, Mr. E. F. Motter.

(Witness sworn)

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

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E. F. MOTTER

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

DIRECT EXAMINATION

BY MR. WILLIAMS:

Q Will you state your name, please?

A E. F. Motter.

Q By whom are you employed and in what capacity?

A Cities Service Oil Company, District Petroleum Engineer.

Q Where are you located? A Hobbs, New Mexico.

Q Have you ever previously testified before this Examiner?

A No, I have never testified before Mr. Utz. I have testified previously several times before the Commission. If he would like, I would be glad to state my qualifications.

MR. UTZ: The witness' qualifications are acceptable.

Q (Mr. Williams) All right, Mr. Motter, in your present position, are you familiar with the property which is the subject of this application?

A Yes, it is under my supervision.

Q Are you familiar with the application filed in this matter?

A Yes, I am.

Q All right. Please explain to the Examiner the nature of the application and the necessity for filing?

A This application is filed for the purpose of assigning 160 acre non-standard proration units to the Cities Service State "P"



4  
No. 1 Well.

Both units underlie the same acreage which will be composed of the E/2 of the W/2 of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico. According to Rule 5-A of Commission Order R-586 concerning the Tubbs Gas Pool and Rule 5-A concerning Commission Order R-610 concerning the Blinbry Gas Pool, the gas unit should consist of between 158 and 162 contiguous surface acres substantially in the form of a square. We have Exhibits 1 and 2 which show that this proposed unit does not confirm with those orders.

MR. UTZ: You wish these Exhibits 1 and 2 to be identified --

MR. WILLIAMS: Yes, sir.

MR. UTZ: -- as Exhibits 1 and 2?

MR. WILLIAMS: Yes, sir, we do.

Q The units you have described do not meet all the requirements, then, Mr. Motter?

A No, they don't, and under the orders that I have told about previously. Further, Rule 5-D gives the Commission authority to grant non-standard proration units without hearings. However, as Mr. Currens stated previously, these units are 5280 feet in length which still makes this hearing necessary.

Q Exhibits No. 1 and 2 indicate that Cities Service is not the lessee under all the proposed unit. Will you please explain this to the Commission?

A Yes. Cities Service is the owner of minerals of only 40

acres of the proposed 160 acre non-standard proration unit. This 40-acre tract is composed of the Southeast Quarter of the Northeast Quarter of section 32. The remainder of the acreage is held by mineral lease and production of Pan American Petroleum Corporation. A communitization agreement has been signed between Cities Service, and Pan American Petroleum Corporation, and as stated in the previous case, this communitization agreement, it is my understanding, will be approved by the Land Commissioner pending the outcome of this hearing.

Q Will you give us the description again of that 40-acre tract you mentioned?

A Yes. That is the Southeast Quarter of the Northwest Quarter of Section 32. That was the 40-acre tract.

Q That is correct. Does the subject well comply with other rules and regulations of the Oil Conservation Commission?

A Yes. We received Commission Order DC-413 allowing for dual completion of our State "P" No. 1 as gas dual in both of the Tubbs and Blinebry zones. To the best of my knowledge, we have complied with all other rules.

Q Is the E/2 of the E/2 of Section 32, Township 22 South, Range 38 East, located with the vertical and horizontal limits of the Tubbs and Blinebry Gas Pools?

A Yes, it certainly is. If you will refer, of course, again to Exhibit 1 and 2, in Exhibit 1, we have a solid red line that outlines the limits of the Blinebry Pool as set out by the Commission,

and on Exhibit 2, we have this orange line which outlines the limits of the Tubbs Pool as set out by the Commission.

Q Are both the Tubbs and Blinebry zones and State "P" No. 1 completed within the vertical limits of those zones as set out by the Commission's Order?

A Yes they are, and we have Exhibit No. 3, which is Gamma Ray-Neutron Log.

MR. WILLIAMS: I offer this as Exhibit No. 3, Mr. Examiner.

MR. UTZ: It will be identified as such.

A We have the limits of both the Blinebry and Tubbs marked on this log, and those limits, the vertical limits were marked as defined by Commissions Order R-264, which was later amended by Order R-407 in the Tubbs and Blinebry. Defined by Order R-264 and amended by R-264A and further amended by R-464.

Q Now, we have Exhibits Nos. 4, 5, and 6.

MR. WILLIAMS: We offer those Exhibits also as evidence in this case, Mr. Examiner, 4, 5 and 6.

MR. UTZ: They will be identified as such.

Q Mr. Motter, will you please explain the significance of these three exhibits, now?

A Exhibit 4 is a contour map on the Blinebry formation, and our field geologist prepared these with a little assistance from myself.

Exhibit 5 is a contour map on the Tubbs formation, and Exhibit 6, of course, is a cross section of both the Tubbs and Blinebry zones

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running down through this proposed unit, which shows the cross section of both the Blinebry and Tubbs with the markers, and also the upper and lower limits of both pays shown in this exhibit. This contour runs due north and south through this proposed unit, except from Stanolind's "T" No. 1 it angles over toward the west, toward this Lyon Wyle Well down here in the Southwest Quarter of the Northwest Quarter of Section 5.

Now, referring again to Exhibit No. 4, I feel that this contour shows that the proposed unit is reasonably presumed to be productive of gas throughout. This Gulf Well that is located in the Southwest Quarter of the Northeast Quarter of Section 32 is a Blinebry Well, as is shown on Exhibit No. 1, and that unit is comprised of the Northeast Quarter of Section 32, and if that well is, or if that particular unit is gas productive, then we feel rather certain that as far as the Blinebry formation goes, that it is probably productive of gas in the main portion of our unit also. I think that possibly in the previous cases, plenty of testimony was given to show that the Tubb is undoubtedly all presumed to be productive, but on behalf of our application, we have Exhibit No. 5 and it's contoured on a little bit closer intervals than what Pan America contoured theirs, but we believe it can be entirely productive of gas.

Q Have you had any tests on the two zones in the State "p" No. 1?

A Yes, we asked Permian Basin Pipeline Company a short time ago if they would test this well for us, and I have copies of those

tests, I do not have enough to introduce as evidence, but here are some, if the Commission wants to see them.

In brief, on October 31, 1957, Permian Basin tested the Tubbs formation at 2,378,000 cubic feet per day with a prover back pressure test of 551.8 pounds. On November 4th, 1957, the same company tested the Blinbry formation at 1,605,000 cubic feet per day with a prover back pressure of 739 pounds. This is pretty conclusive that both zones will produce far more than the prorated allowable at line pressures of 500 pounds.

Q Have all the operators within 1980 feet of the subject well and offset operators been notified of this application?

A Yes, they were sent copies of the application by registered mail.

Q Do you know of any objections that have been filed?

A No, none of them returned to Cities Service.

Q Were Exhibits 1 through 6 prepared by you or under your supervision?

A Yes, 1 through 3 were, and, as I stated previously, our geologist prepared 4, 5, and 6, and I worked with him on those exhibits.

MR. WILLIAMS: That is all the questions we have of the witness, Mr. Examiner.

MR. COOLEY: Would you formally offer your exhibits in evidence?

MR. WILLIAMS: I request that Exhibits 1 through 6 be offered as evidence in this case.

MR. UTZ: Is there objection to the introduction of Cities Service Exhibits 1 through 6? If not, they will be so accepted.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Motter, the Stanolind State "S" No. 1, is that a north offset?

A Yes.

Q Dedicated to the E/2 of the W/2? What zone is that completed in?

A That is a Drinkard, I believe, Drinkard Oil Well.

Q And the south offset?

A South offset also is a Drinkard, I believe.

MR. UTZ: Are there any other questions of Mr. Motter?  
Mr. Cooley?

BY MR. COOLEY:

Q Mr. Motter, the communitization agreement on the proposed unit has been signed by all of the working interest owners?

A Yes, that is correct.

Q I believe that you stated that the Land Office has signed the approval of this communitization agreement?

A Pending the outcome of this hearing, yes.

Q Is Cities Service designated as the operator of the unit well?

A Yes. We will operate the "P" No. 1, and the unit to the west will be operated by Stanolind.

MR. COOLEY: That's all the questions I have. Thank you.

MR. UTZ: Are there any other questions?

If there are no other questions, the witness may be excused.  
Are there any statements in this case?

MR. BUELL: I am Guy Buell for Pan American Petroleum Corporation. Certainly Pan American urges the Commission approve this application, and approve Pan American's application in Case 1347, the companion case. Both have acreage in the West Half of Section 32 which will be assigned to a unit.

MR. UTZ: Are there any further statements? If not, the case will be taken under advisement.

C E R T I F I C A T E

STATE OF NEW MEXICO )  
 : ss  
 COUNTY OF BERNALILLO )

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 Hearing before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me and/or under my personal supervision; the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the 28th day of December, 1957, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*J. A. Trujillo*  
 Notary Public

My Commission Expires:

October 5, 1960.

I do hereby certify that the foregoing is  
 a copy of the proceedings in  
 the case of *1348*  
*Nov. 29, 1957*  
*Glenn A. Mc*, Examiner  
 New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 29, 1957

Mr. Emmett Williams  
Cities Service Oil Company  
P.O. Box 868  
Roswell, New Mexico

Dear Sir:

We enclose a copy of Order R-1095 issued November 27, 1957,  
by the Oil Conservation Commission in Case 1348, which was heard  
on November 20th at Santa Fe.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

bp  
Encl.

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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 THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 1348  
Order No. R-1095

APPLICATION OF CITIES SERVICE OIL  
COMPANY FOR APPROVAL OF A NON-  
STANDARD GAS PRORATION UNIT IN THE  
TUBB GAS POOL AND A NON-STANDARD  
GAS PRORATION UNIT IN THE BLINEBRY  
GAS POOL, IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 20, 1957, at Santa Fe, New Mexico, before Elvis A. Utz, 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 27<sup>th</sup> day of November, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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 Cities Service Oil Company is the owner of an oil and gas lease covering the SE/4 NW/4 of Section 32, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, and that Pan American Petroleum Corporation is the owner and operator of oil and gas leases covering the NE/4 NW/4 and the E/2 SW/4 of said Section 32.

(3) That Cities Service Oil Company is the owner and operator of the State "P" No. 1 Well, located 1980 feet from the North line and 1980 feet from the West line of said Section 32, which well is dually completed in the Tubb Gas Pool and the Blinebry Gas Pool.

(4) That Cities Service Oil Company and Pan American Petroleum Corporation have agreed to communitize the above-described leases and that it is proposed that the E/2 W/2 of said Section 32

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Case No. 1348  
Order No. R-1095

be established as a non-standard gas proration unit in both the Tubb Gas Pool and Blinebry Gas Pool, said units to be dedicated to the dually completed Cities Service Oil Company State "P" No. 1 Well, hereinabove described.

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

(6) That the subject application should be approved subject to proof of formal communitization of the proposed units.

IT IS THEREFORE ORDERED:

(1) That a non-standard gas proration unit in the Tubb Gas Pool and a non-standard gas proration unit in the Blinebry Gas Pool, both consisting of the E/2 W/2 of Section 32, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, be and the same are hereby established, said units to be dedicated to the Cities Service Oil Company State "P" No. 1 Well, located 1980 feet from the North line and 1980 feet from the West line of said Section 32.

(2) That the said State "P" No. 1 Well be assigned an allowable in the Tubb Gas Pool in the proportion that the above-described acreage bears to the acreage in a standard gas proration unit for the Tubb Gas Pool, subject to the provisions of Rule 12 of the Special Rules and Regulations for the Tubb Gas Pool, as set forth in Order R-586, and subject further, to receipt by the Commission of proof of formal communitization of the above-described unit in the Tubb Gas Pool.

(3) That the said State "P" No. 1 Well be assigned an allowable in the Blinebry Gas Pool in the proportion that the acreage in the above-described unit bears to the acreage in a standard gas proration unit for the Blinebry Gas Pool, subject to the provisions of Rule 16 of the Special Rules and Regulations for the Blinebry Gas Pool, as set forth in Order R-610, and subject further, to receipt by the Commission of proof of formal communitization of the above-described unit in the Blinebry Gas Pool.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. Mechem*  
EDWIN L. MECHEM, Chairman

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

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



ir/

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 11-21-57

CASE 1348

Hearing Date 11-20-57

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

That the application be granted as requested  
subject to proof of committigation and the  
filing of C-110, C-109, C-128. allowable to be effective  
in accordance with the proration rules for  
the Tubb Gas Pool and the Blinby Gas Pool.

  
Staff Member



# CITIES SERVICE OIL COMPANY

BOX 97

HOBBS, NEW MEXICO

October 22, 1957

*copy to Mr. Porter*

Oil Conservation Commission  
State of New Mexico  
Box 871  
Santa Fe, New Mexico

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

*Rockit Mailed  
11-6-57 BP*

Re: Tubbs and Blinebry Gas Pools, Lea  
County, New Mexico -- Non-Standard  
Gas Proration Unit

Gentlemen:

It is respectfully requested that the Oil Conservation Commission schedule an examiner hearing at an early date in Santa Fe, New Mexico, to consider our application for two non-standard gas proration units. Both units will comprise the E/2 of the W/2 of Section 32, T-22-S, R-38-E, Lea County, New Mexico. One unit will be assigned to the Tubbs Gas Pool and a second unit will be assigned to the Blinebry Gas Pool. In support of this application, Cities Service Oil Company wishes to state the following facts:

1. Cities Service Oil Company's State "P" No. 1 is located 1980' FNL and 1980' ~~FNL~~ <sup>FNL</sup> of Section 32-22S-38E, Lea County, New Mexico, and was dually completed as a Tubbs Gas Well and a Blinebry Gas Well on April 20, 1957.
2. An exception to Rule 5A, Order 586, and Rule 5A, Order 610, is necessary in order to assign the State "P" No. 1 two 160 acre non-standard gas proration units for a Tubbs Gas Unit and a Blinebry Gas Unit; these non-standard gas proration units consist of contiguous quarter/quarter section within a single governmental section and the area may be reasonably presumed to be productive of gas for both the Tubbs and Blinebry formations.
3. Cities Service Oil Company and Pan American Petroleum Corporation have entered into negotiations for a communization agreement of the E/2 of the W/2 of Section 32-22S-38E, Lea County, New Mexico.

*11-10-57 Ref. to Copy  
Application  
11-5-57 BP*

In view of the foregoing, a hearing is therefore requested for consideration of exception to Rule 5A of Oil Conservation Commission Order R-586 concerning the Tubbs Gas Pool and Rule 5A, Oil Conservation Commission Order R-610, as concerning the Blinebry Gas Pool, permitting assignment of 160 acre gas units to the State "P" No. 1.

Oil Conservation Commission

-2-

October 22, 1957

A plat marked Exhibit "A" is attached hereto which indicates the location of the proposed unit, subject wells and offset operators. A copy of this application has been sent by registered mail to each operator named on the attached list.

Please disregard the earlier application dated October 15, 1957, which requested administrative approval for the same units.

Very truly yours,

CITIES SERVICE OIL COMPANY




E. F. Motter  
District Engineer

EFM/gb  
Attachs.

STATE OF NEW MEXICO §  
COUNTY OF LEA §

Before me, the undersigned authority, on this day personally appeared E. F. Motter, known to me to be the duly authorized agent of this company who upon his oath says that the foregoing is true and correct to the best of his knowledge.

SUBSCRIBED AND SWORN to before me this 22 day of October, 1957.

  
Notary Public  
Lea County, New Mexico

My commission expires Feb. 8, 1958

MAILING LIST

Gulf Oil Corporation  
P. O. Box 2167  
Hobbs, New Mexico

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Texas Company  
P. O. Box 458  
Hobbs, New Mexico

Western Natural Gas Company  
823 Midland Tower  
Midland, Texas

Anderson-Pritchard Oil Corp.  
1000 Liberty Bank Bldg.  
Oklahoma City, Oklahoma

Pan American Petroleum Company  
P. O. Box 68  
Hobbs, New Mexico

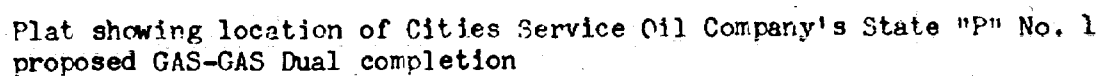


EXHIBIT "A"



*New application received 11-24-57 requesting  
advising.*

CITIES SERVICE OIL COMPANY  
Box 97  
Hobbs, New Mexico

MAIN OFFICE OCC

October 15, 1957

1957 OCT 25 11 11 AM  
Oil Conservation Commission  
State of New Mexico  
Santa Fe, New Mexico

Re: Application for 160 acre non-standard gas  
proration units, Tubbs and Blinbry Gas  
Pools, comprising the E/2 of the W/2 of  
Sec. 32-22S-38E, Lea County, New Mexico

Gentlemen:

Cities Service Oil Company hereby makes application for approval of two non-standard gas proration units. Both units comprising the E/2 of the W/2 of Section 32-22S-38E, Lea County, New Mexico, with one unit to be assigned to the Tubbs Gas Pool and the other unit to the Blinbry Gas Pool. Cities Service Oil Company in support thereof states the following facts:

1. That Cities Service Oil Company's State "P" No. 1 is located 1980' FNL and 1980' FEL of Section 32-22S-38E, Lea County, New Mexico, and was dually completed as a Tubbs Gas Well and a Blinbry Gas Well on April 20, 1957.
2. An exception to Rule 5 (a) Order 520 is requested in order to assign the State "P" No. 1 a 160 acre non-standard gas proration unit. This non-standard gas proration unit consists of contiguous quarter/quarter sections within a single governmental section and the entire area may reasonably be presumed to be productive of gas.
3. That Cities Service Oil Company and Pan American Petroleum Corporation have entered into negotiations for a communitization agreement of the E/2 of the W/2 of Section 32-22S-38E, Lea County, New Mexico.
4. The attached plat indicates the acreage to be assigned to this well and the offset ownership.
5. All operators owning interests in Section 32 and within 1980' of the State "P" No. 1 have been furnished copies of this request by registered mail.

In view of the existence of the above facts herein stated and compliance with the provisions of Rule 5 (a) of the Oil Conservation Commission's Order No. R-520, Cities Service requests the Commission approve the above described non-standard gas proration units.

Very truly yours,

CITIES SERVICE OIL COMPANY

*E. F. Motter*

E. F. Motter  
District Engineer

EFM/gb  
Attach.

STATE OF NEW MEXICO  
COUNTY OF LEA

Before me, the undersigned authority, on this day personally appeared E. F. Motter, known to me to be the dually authorized agent of this company who upon his oath says that the foregoing is true and correct to the best of his knowledge.

SUBSCRIBED AND SWORN to before me this 15th day of October, 1957.

*Fred Lawson*  
Notary Public  
Lea County, New Mexico

My commission expires Feb. 8, 1958

Mailing List to accompany Application for Non-Standard Gas Proration Unit  
of State "P" #1, Sec. 32-T228-R38E, Lea County, New Mexico.

Gulf Oil Corporation  
P. O. Box 2167  
Hobbs, New Mexico

Texas Company  
P. O. Box 458  
Hobbs, New Mexico

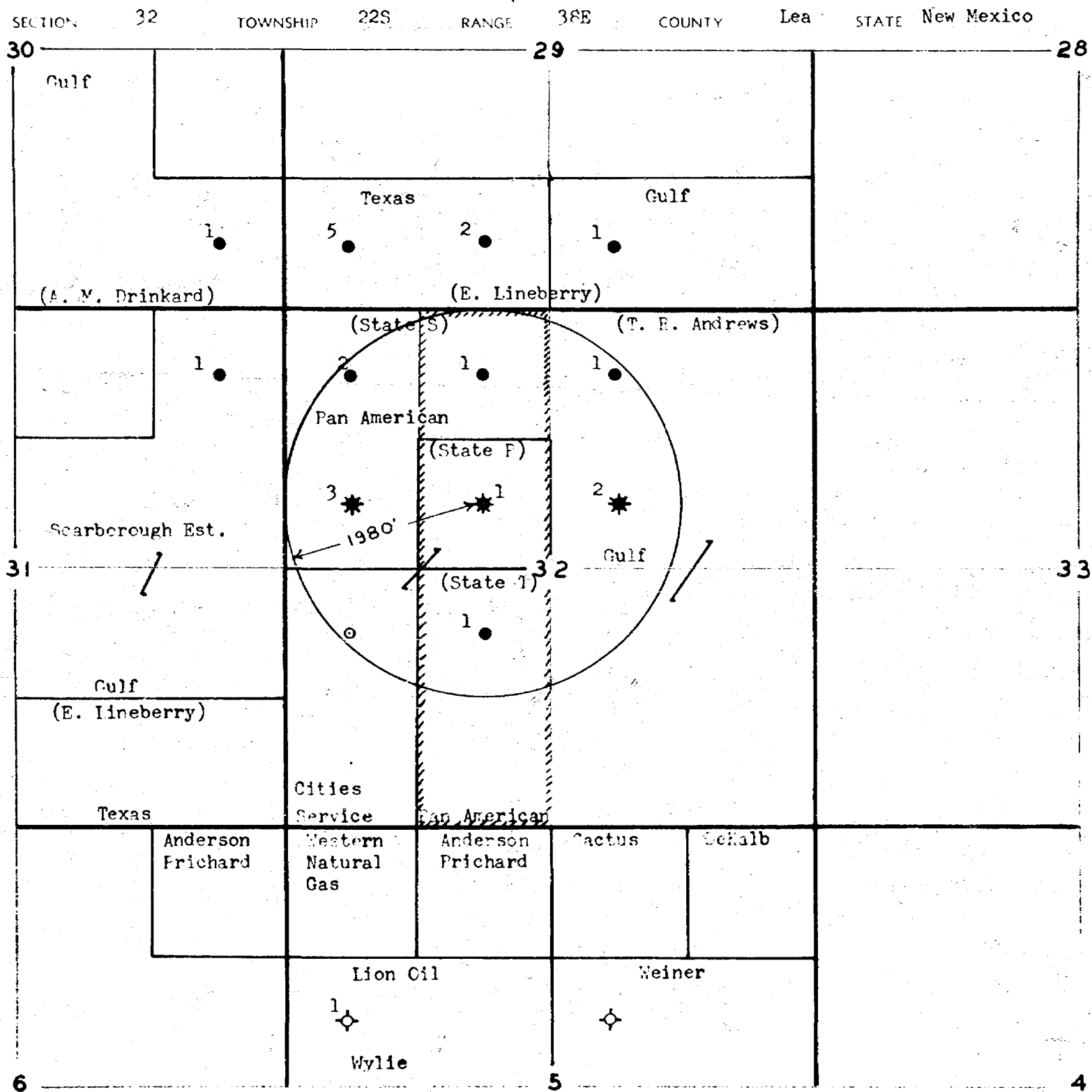
Anderson-Pritchard Oil Corp.  
1000 Liberty Bank Building  
Oklahoma City, Oklahoma

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Western Natural Gas Company  
823 Midland Tower  
Midland, Texas

Pan American Company  
P. O. Box 68  
Hobbs, New Mexico

SCALE 8 IN. = 1 MI. 1 ONE-SECTION PLAT



Plat showing location of Cities Service Oil Company's State "P" No. 1  
proposed GAS-GAS Dual completion

EXHIBIT "A"