

Case No.

1529

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Application, Transcript,  
Small Exhibits, Etc.

LEASE 1622: Kelsey & Co., Association of  
Chattanooga and Green Springs, Tenn.  
Free Pools from 2 wells on 1622-1623-1624-1625-1626-1627-1628-1629-1630-1631-1632-1633-1634-1635-1636-1637-1638-1639-1640-1641-1642-1643-1644-1645-1646-1647-1648-1649-1650-1651-1652-1653-1654-1655-1656-1657-1658-1659-1660-1661-1662-1663-1664-1665-1666-1667-1668-1669-1670-1671-1672-1673-1674-1675-1676-1677-1678-1679-1680-1681-1682-1683-1684-1685-1686-1687-1688-1689-1690-1691-1692-1693-1694-1695-1696-1697-1698-1699-1700-1701-1702-1703-1704-1705-1706-1707-1708-1709-1710-1711-1712-1713-1714-1715-1716-1717-1718-1719-1720-1721-1722-1723-1724-1725-1726-1727-1728-1729-1730-1731-1732-1733-1734-1735-1736-1737-1738-1739-1740-1741-1742-1743-1744-1745-1746-1747-1748-1749-1750-1751-1752-1753-1754-1755-1756-1757-1758-1759-1760-1761-1762-1763-1764-1765-1766-1767-1768-1769-1770-1771-1772-1773-1774-1775-1776-1777-1778-1779-1780-1781-1782-1783-1784-1785-1786-1787-1788-1789-1790-1791-1792-1793-1794-1795-1796-1797-1798-1799-1800-1801-1802-1803-1804-1805-1806-1807-1808-1809-1810-1811-1812-1813-1814-1815-1816-1817-1818-1819-1820-1821-1822-1823-1824-1825-1826-1827-1828-1829-1830-1831-1832-1833-1834-1835-1836-1837-1838-1839-1840-1841-1842-1843-1844-1845-1846-1847-1848-1849-1850-1851-1852-1853-1854-1855-1856-1857-1858-1859-1860-1861-1862-1863-1864-1865-1866-1867-1868-1869-1870-1871-1872-1873-1874-1875-1876-1877-1878-1879-1880-1881-1882-1883-1884-1885-1886-1887-1888-1889-1890-1891-1892-1893-1894-1895-1896-1897-1898-1899-1900-1901-1902-1903-1904-1905-1906-1907-1908-1909-1910-1911-1912-1913-1914-1915-1916-1917-1918-1919-1920-1921-1922-1923-1924-1925-1926-1927-1928-1929-1930-1931-1932-1933-1934-1935-1936-1937-1938-1939-1940-1941-1942-1943-1944-1945-1946-1947-1948-1949-1950-1951-1952-1953-1954-1955-1956-1957-1958-1959-1960-1961-1962-1963-1964-1965-1966-1967-1968-1969-1970-1971-1972-1973-1974-1975-1976-1977-1978-1979-1980-1981-1982-1983-1984-1985-1986-1987-1988-1989-1990-1991-1992-1993-1994-1995-1996-1997-1998-1999-2000-2001-2002-2003-2004-2005-2006-2007-2008-2009-2010-2011-2012-2013-2014-2015-2016-2017-2018-2019-2020-2021-2022-2023-2024-2025-2026-2027-2028-2029-2030-2031-2032-2033-2034-2035-2036-2037-2038-2039-2040-2041-2042-2043-2044-2045-2046-2047-2048-2049-2050-2051-2052-2053-2054-2055-2056-2057-2058-2059-2060-2061-2062-2063-2064-2065-2066-2067-2068-2069-2070-2071-2072-2073-2074-2075-2076-2077-2078-2079-2080-2081-2082-2083-2084-2085-2086-2087-2088-2089-2090-2091-2092-2093-2094-2095-2096-2097-2098-2099-2100-2101-2102-2103-2104-2105-2106-2107-2108-2109-2110-2111-2112-2113-2114-2115-2116-2117-2118-2119-2120-2121-2122-2123-2124-2125-2126-2127-2128-2129-2130-2131-2132-2133-2134-2135-2136-2137-2138-2139-2140-2141-2142-2143-2144-2145-2146-2147-2148-2149-2150-2151-2152-2153-2154-2155-2156-2157-2158-2159-2160-2161-2162-2163-2164-2165-2166-2167-2168-2169-2170-2171-2172-2173-2174-2175-2176-2177-2178-2179-2180-2181-2182-2183-2184-2185-2186-2187-2188-2189-2190-2191-2192-2193-2194-2195-2196-2197-2198-2199-2200-2201-2202-2203-2204-2205-2206-2207-2208-2209-2210-2211-2212-2213-2214-2215-2216-2217-2218-2219-2220-2221-2222-2223-2224-2225-2226-2227-2228-2229-2230-2231-2232-2233-2234-2235-2236-2237-2238-2239-2240-2241-2242-2243-2244-2245-2246-2247-2248-2249-2250-2251-2252-2253-2254-2255-2256-2257-2258-2259-2260-2261-2262-2263-2264-2265-2266-2267-2268-2269-2270-2271-2272-2273-2274-2275-2276-2277-2278-2279-2280-2281-2282-2283-2284-2285-2286-2287-2288-2289-2290-2291-2292-2293-2294-2295-2296-2297-2298-2299-2300-2301-2302-2303-2304-2305-2306-2307-2308-2309-2310-2311-2312-2313-2314-2315-2316-2317-2318-2319-2320-2321-2322-2323-2324-2325-2326-2327-2328-2329-2330-2331-2332-2333-2334-2335-2336-2337-2338-2339-2340-2341-2342-2343-2344-2345-2346-2347-2348-2349-2350-2351-2352-2353-2354-2355-2356-2357-2358-2359-2360-2361-2362-2363-2364-2365-2366-2367-2368-2369-2370-2371-2372-2373-2374-2375-2376-2377-2378-2379-2380-2381-2382-2383-2384-2385-2386-2387-2388-2389-2390-2391-2392-2393-2394-2395-2396-2397-2398-2399-2400-2401-2402-2403-2404-2405-2406-2407-2408-2409-2410-2411-2412-2413-2414-2415-2416-2417-2418-2419-2420-2421-2422-2423-2424-2425-2426-2427-2428-2429-2430-2431-2432-2

**OIL CONSERVATION COMMISSION**

**P. O. BOX 871**

**SANTA FE, NEW MEXICO**

November 11, 1958

C  
O  
P  
Y

Mr. Harold Kersey  
Kersey & Company  
P.O. Box 305  
Artesia, New Mexico

Dear Mr. Kersey:

We enclose two copies of Order R-1276 issued November 5, 1958, by the Oil Conservation Commission in Case 1529, which was heard on October 22nd at Santa Fe before an examiner.

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 NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:**

**CASE NO. 1529  
Order No. E-1276**

**APPLICATION OF KERSEY & COMPANY  
FOR PERMISSION TO COMMINGLE THE  
PRODUCTION FROM TWO SEPARATE  
POOLS IN EDDY COUNTY, NEW MEXICO.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on October 23, 1968, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 5<sup>th</sup> day of November, 1968, 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 the applicant, Kersey & Company, is the owner and operator of the Macy No. 1 Well and the Macy No. 2 Well, both of which are located in the SE/4 SW/4 of Section 16, Township 17 South, Range 31 East, NEPM, Eddy County, New Mexico.

(3) That the said Macy No. 1 Well is producing approximately 3 BOPD from the Grayburg-Jackson Pool and that the said Macy No. 2 Well is producing approximately 6 BOPD from the Fren Pool.

(4) That the applicant proposes to commingle the production from said wells in a common tank battery.

(5) That the applicant should test said wells monthly in order to determine the production from each.

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Case No. 1529  
Order No. E-1276

(6) That the cost of installing an additional tank battery or a metering separator would be so greatly disproportionate to the revenue produced by said wells as to work an undue financial hardship on the applicant.

(7) That denial of the subject application would cause premature abandonment and resulting waste.

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

IT IS THEREFORE ORDERED:

That the applicant, Kersey & Company, be and the same is hereby authorized to commingle the production from the Grayburg-Jackson Pool and the Fren Pool from its Macy Wells No. 1 and 2, both of which are located in the SE/4 SW/4 of Section 16, Township 17 South, Range 31 East, NMPM, Eddy County, New Mexico.

PROVIDED HOWEVER, That the applicant shall take monthly tests in order to determine the production from each of said wells, and the results of such tests shall be made available to the Commission upon request.

PROVIDED FURTHER, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or appropriate in the light of any subsequent change in conditions.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



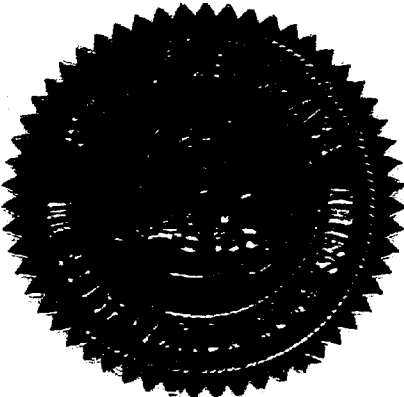
EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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



15/

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1529

TRANSCRIPT OF HEARING

October 22, 1958  
DEARNLEY - MEIER & ASSOCIATES  
GENERAL LAW REPORTERS  
ALBUQUERQUE NEW MEXICO  
Phone CHapel 3-6691

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

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IN THE MATTER OF: :  
: :  
: :

Application of Kersey & Company for permission to :  
commingle production from two separate oil pools. :  
Applicant, in the above-styled cause, seeks an :  
order authorizing it to commingle the production :Case 1529  
from the Grayburg-Jackson Pool and the Fren Pool :  
from two wells located on the SE/4 SW/4 of Section:  
16, Township 17 South, Range 31 East, Eddy County,:  
New Mexico. Applicant does not propose to meter :  
the production from each pool. :  
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Mabry Hall  
Santa Fe, New Mexico

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The next case on the docket will be Case 1529.

MR. PAYNE: Case 1529, "Application of Kersey & Company  
for permission to commingle production from two separate oil  
pools."

MR. KERSEY: My name is Harold Kersey, Kersey & Company.  
(Witness sworn in).

HAROLD KERSEY

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

DIRECT EXAMINATION

BY MR. PAYNE:

Q Will you please state your name and position?

A Harold Kersey, owner of Kersey & Company.

Q Mr. Kersey, have you previously testified before the New Mexico Oil Conservation Commission?

A Yes, I have.

Q Your qualifications were accepted?

A Yes.

MR. PAYNE: Mr. Examiner, are the witness' qualifications acceptable?

MR. UTZ: Yes, he's previously qualified.

Q (By Mr. Payne) Proceed, please.

A We have this lease that has two wells, one producing from the Seven Rivers and one producing from the Grayburg-Jackson. The Grayburg-Jackson well is an old well that is about depleted and at the present time it is down to approximately three barrels per day.

The tank battery has deteriorated and it will either be necessary to put a new tank battery or commingle with the Seven Rivers production, and to put in a metering separator would cost approximately the same as a tank battery and neither would be justified on account of the stage of depletion of the well. And for economic reasons, we think it would be better to commingle the oil rather than to plug the well or purchase additional tank batteries.

That pretty well sums it up.



MR. UTZ: Are there any questions of the witness?

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Kersey, in the event that this application was denied, do you feel that it would lead to premature abandonment?

A Yes, I do, because it's like I say, it's producing on its last stages now and eventually we will abandon it and this will prolong the life of the well and there will be oil recovered that might not be recovered otherwise.

MR. PAYNE: Thank you.

MR. UTZ: Any other questions of the witness?

MR. FISCHER: Yes, sir.

MR. UTZ: Mr. Fischer?

CROSS EXAMINATION

BY MR. FISCHER:

Q You do not propose to meter the production from each pool?

A Well, we can test the production, but we cannot put in metering separators because of the economics.

Q You will gauge the production?

A We will gauge the production.

Q You are not putting in any special type meters?

A That is right.

Q Could you give us the average or estimated production?

A We have checked it over a six months period and the

production from this well is about three and five tenths barrels and the Seven Rivers Well is about five and nine tenths barrels. That's for 1958.

Q Are both of them --

A The Seven Rivers Well flows and the Grayburg-Jackson is a pumper.

Q Is there any water production?

A No water production from either zone.

MR. FISCHER: No more questions, Mr. Utz.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Kersey, I missed the production you gave for your Kersey Number 296 from the Seven Rivers?

A About five and nine tenths barrels for 1958. That's the average.

Q You say that you intend to gauge the production from each of these two pools. How would you do that?

A We could shut down the flowing well periodically, however you might desire, and gauge the production from the pumping well.

Q But the actual production would be determined in proportion to the production tests on each well?

A That is right, on the production tests on each well because we could shut down either well and get a gauge on the tank for whichever well we were testing.

CROSS EXAMINATION

BY MR. PAYNE:

Q Would you have any objection to an order which so provided?

A No, I would have no objection to that order. I would be happy to do it.

CROSS EXAMINATION

BY MR. FISCHER:

Q Did you say on this battery that you propose to use, did you give the number of separators you have?

A Well, the flowing well has a separator but the pumping well does not have a separator.

Q The flowing well is the one that would have to be destroyed --

A That is right.

Q Do you have the approximate average gravities of the two --

A Both are approximately the same, thirty-six gravity.

Q And how many days' storage will you have in the proposed battery?

A We will have fifty days, which is plenty of storage.

Q You don't feel that in this particular case--you won't have to fill up your tanks to get your oil, will you?

A No, we won't.

Q What type batteries will you have?

A Two 250's, five hundred barrels.

MR. FISCHER: That is all.

CROSS EXAMINATION

BY MR. UTZ:

Q Further in relation to the tanks, I missed the number. What size tanks would you use?

A Well, it's Texas-New Mexico and they require minimum tanks of about 250 barrels. We couldn't hardly replace with less.

Q What would the cost of new tanks be?

A About twelve hundred dollars.

Q What would the cost of a metering separator be?

A Just about the same. It takes a separator or a displacement meter and it's approximately between eleven and twelve hundred dollars.

Q At three barrels of oil a day, it would take quite a while to get your cost out?

A It certainly would, with the cost of operation out of it.

MR. UTZ: Are there other questions of the witness?

(No response).

MR. UTZ: If not, the witness may be excused.

A Thank you.

(Witness excused).

MR. UTZ: Are there any other statements to be made in this case?

(No response).

MR. UTZ: If there are none, the case will be taken under advisement.

STATE OF NEW MEXICO )  
 : SS  
 COUNTY OF BERNALILLO )

I, JERRY MARTINEZ, 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 that the same is a true and correct record, to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 23rd day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*Jerry Martinez*  
 Notary Public

My Commission Expires:  
 January 24, 1962

I do hereby certify that the foregoing is  
 a true and correct copy of the original as  
 the same appears in the records of the  
 State of New Mexico, Book 1528,  
 Page 22, dated 10-23-1958.  
*[Signature]*  
 Secretary  
 New Mexico Oil Conservation Commission

Case 1529  
Exon Hearing

KERSEY & COMPANY  
OIL PRODUCTION  
MAIN OFFICE  
P. O. BOX 305—DIAL SH 6-3671—210 BOOKER BLDG.

ARTESIA, NEW MEXICO  
1958 SEP 15 AM 8:38

September 10, 1958

Grayburg-Jackson } Queen  
Pool } Grayburg  
San Andres

Free Pool } Seven Rivers

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

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

We are producing two wells from different horizons on a 40 acre tract, namely, the SE/4 SW/4 of Section 16, T.17S, R.31E, Eddy County, New Mexico.

Our Macy #1 is producing from the Grayburg-Jackson Pool zone of the San Andres, and our Macy #2 is producing from the Seven Rivers (Free Pool.)

We have been producing these wells into separate tank batteries. The tank battery for the Macy #1 has got to the point when it can no longer be used due to corrosion and deterioration. This well only makes a few barrels/day. To prevent economic waste which would be occasioned by purchasing a new tank battery for this well we would like an exception to rule 303 so that we can commingle the oil on this tract.

We would like to have you schedule a hearing on this subject at your convenience and we will appreciate your consideration in the matter.

Yours very truly,

KERSEY & COMPANY, TRUSTEE

Harold Kersey  
Harold Kersey

HK:cg

Note: 9/15/58

Called Kersey this date and confirmed fact that he does not intend to ~~super~~ meter production from the separate pools.  
wpi

Docket mailed  
10-20-58  
B.P.

DOCKET: EXAMINER HEARING OCTOBER 22, 1958

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

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

- CASE 962: Application of Humble Oil & Refining Company for the amendment of a unit agreement. Applicant, in the above-styled cause, seeks an order amending the South Four Lakes Unit Agreement approved by Order R-710 to enlarge the unit area to include the N/2 SW/4 of Section 1, Township 12 South, Range 34 East, Lea County, New Mexico.
- CASE 1527: Application of Tennessee Gas Transmission Company for permission to commingle the oil produced from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced from its State A. A. Kennitz "B" Well No. 5, located in the SW/4 NW/4 of Section 25, Township 16 South, Range 33 East, Lea County, New Mexico, from the Kennitz-Wolfcamp Pool and an undesignated Pennsylvanian (Cisco) pool. Applicant proposes to separately meter the production from each zone prior to commingling.
- CASE 1528: Application of Tennessee Gas Transmission Company to commingle the production from two separate oil pools from three of its state leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced from the Kennitz-Wolfcamp and Kennitz-Cisco Pools from the wells on its State "B", State "C" and State "D" Leases located in Sections 21 and 28, Township 16 South, Range 34 East, Lea County, New Mexico.
- CASE 1529: Application of Kersey & Company for permission to commingle production from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Grayburg-Jackson Pool and the Fren Pool from two wells located on the SE/4 SW/4 of Section 16, Township 17 South, Range 31 East, Eddy County, New Mexico. Applicant does not propose to meter the production from each pool.
- CASE 1530: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its E-M-E SWD Well No. A-32 to be located 1320 feet from the North and East lines of Section 32, Township 21 South, Range 36 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water into the San Andres formation in the interval from 4250 feet to 4600 feet.



- CASE 1531: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through Amerada Petroleum Corporation's Adkins Well No. 2, located 990 feet from the South line and 330 feet from the West line of Section 5, Township 20 South, Range 37 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water into the San Andres formation in the interval from 4490 feet to 4950 feet.
- CASE 1532: Application of Sunray Mid-Continent Oil Company for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Hobbs "G" Well No. 1, located 1980 feet from the North and West lines of Section 36, Township 9 South, Range 33 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water through the well bore into the Pennsylvanian formation in the interval from 9834 feet to 9865 feet.
- CASE 1533: Application of El Paso Natural Gas Products Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Frontier No. 1-B Well, located 890 feet from the South line and 890 feet from the East line of Section 9, Township 27 North, Range 11 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of tubing.
- CASE 1534: Application of Zapata Petroleum Corporation for permission to commingle production from nine non-contiguous state leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from nine separate state leases in the Vacuum Pool, all in Townships 17 and 18 South, Range 35 East, Lea County, New Mexico.
- CASE 1535: Application of Carper Drilling Company for permission to commingle the oil produced from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from three wells completed in the Corbin Pool and one well completed in the Maljamar Pool, all on its Wyatt lease in Sections 33 and 34, Township 17 South, Range 33 East, and Section 5, Township 18 South, Range 33 East, Lea County, New Mexico, and to ascertain the production from each well by means of periodic tests.
- CASE 1536: Application of Shell Oil Company for permission to commingle the oil produced from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from four separate state leases in Sections 8 and 9, Township 16 South, Range 34 East, Hume-Queen Pool, Lea County, New Mexico.

**CASE 1537:** Application of Pure Oil Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its South Vacuum Unit No. 2-35 Well, located 1980 feet from the South line and 680 feet from the East line of Section 35, Township 18 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the South Vacuum-Devonian Pool and gas from an undesignated McKee gas pool through parallel strings of tubing.

**CASE 1538:** Application of Aztec Oil & Gas Company for the assignment of minimum allowables to certain gas wells in the Fulcher Kutz-Pictured Cliffs Gas Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order assigning minimum allowables to the following described gas wells in the Fulcher Kutz-Pictured Cliffs Gas Pool in order to prevent premature abandonment of said wells:

Coxsena No. 3 and No. 4 Wells, both in Section 20, Township 29 North, Range 11 West;  
Hart No. 1 Well, Section 11, Township 29 North, Range 12 West;  
Holder No. 1 Well, Section 29, Township 30 North, Range 12 West;  
Cornell No. 3 and No. 4 Wells, both in Section 12, Township 29 North, Range 12 West;

all in San Juan County, New Mexico.

**CASE 1539:** Application of T. J. Sivley for an exception to the casing requirements for the potash-oil area in Eddy and Lea Counties, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing an exception to the casing requirements for the potash-oil area as set forth in Order R-111-A for its Federal-Silver No. 1, an exploratory well to be located 1980 feet from the South and East lines of Section 28, Township 20 South, Range 34 East, Lea County, New Mexico. Applicant proposes to drill with cable tools to the Yates formation. The casing program of applicant is as follows:

13-3/8" Casing in top of red bed at approximately 70 feet.

10-3/4" Casing as cave string to about 700 feet.

8-5/8" Casing, this being the water shutoff string to approximately 1250', but in any event below water.

5-1/2" Casing to be set at a point selected by operator above pay zone expected to be encountered at 3625', but in no event to exceed a depth greater than 600 feet below the base of salt.

That the applicant should be permitted to pull all casing except the 5-1/2" production string in the event that commercial oil or gas is found.

CASE 1540: Application of E. P. Campbell for an exception to Rule 505 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting an exception to Rule 505 of the Commission Rules and Regulations and assigning an allowable proportional factor of 1.33 for the oil pool in the Abo formation discovered by applicant's Cockerham No. 1 Well, NE/4 NE/4 Section 34, Township 18 South, Range 26 East, Eddy County, New Mexico, even though the depth of the casing shoe is 4205 feet. The top of the Abo pay is at approximately 5280 feet in the above-described well.

CONTINUED CASE

CASE 1516: Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 SW/4 and the SW/4 SW/4 of Section 4, Township 25 South, Range 37 East, said unit to be dedicated to the applicant's Wells Federal No. 3 Well located 1980 feet from the South and West lines of said Section 4. Applicant further seeks the establishment of a 200-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the SE/4 SW/4 of Section 4 and the NW/4 of Section 9, Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Wells Federal No. 11 Well located 430 feet from the South line and 2317 feet from the West line of said Section 4. Applicant further seeks approval of the unorthodox gas well location of the said Wells Federal No. 11 Well.