

CASE 3104: Application of SUNSET
INTERNATIONAL for directional
drilling, Chaves County.

Geological Survey

Humble State Well No 1

surf. 1980' FSL
660' FWL

take off at 3570'

dir drill

within 150' of center of
SW 1/4 SW 1/4

Tobac Penn.

16-8 S-33 E

CASE NO.

3104

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

DRAFT

JMD/esr

Sept. 9, 1964

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. 3104

Order No. R- 2770

APPLICATION OF SUNSET INTERNATIONAL
PETROLEUM CORPORATION FOR DIRECTIONAL
DRILLING, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
September 9, 1964, at Santa Fe, New Mexico, before Examiner
Daniel S. Nutter.

NOW, on this _____ day of September, 1964, the Commission,
a quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 3104 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

1000 3/10/64

SUNSET INTERNATIONAL PETROLEUM CORPORATION
1205 PETROLEUM LIFE BUILDING
MIDLAND, TEXAS

MAIN OFFICE 000

1964 AUG 25 PM 1:25

AUGUST 18, 1964

RE: REQUEST FOR HEARING
APPLICATION TO DIRECTIONAL DRILL
HUMBLE STATE NO. 1
SECTION 16, 8S, 33E
CHAVES COUNTY, NEW MEXICO

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO

GENTLEMEN:

WE WOULD LIKE TO REQUEST A HEARING TO CONSIDER OUR APPLICATION
TO DIRECTIONAL DRILL TO IMPROVE OUR STRUCTURAL POSITION IN THE
SUBJECT WELL. IF POSSIBLE, WE WOULD LIKE TO HAVE THE HEARING
SEPTEMBER 9, 1964. THANK YOU.

YOURS VERY TRULY,

Robert W. Arrendiell

ROBERT W. ARRENDIELL
PRODUCTION MANAGER
WEST TEXAS DIVISION

RWA:MD

CC: MR. HAL SVOBODA
BEVERLY HILLS, CALIF.

DOCKET MAILED

Date 8/28/64

*Case 3104
Sept 9th
Et. Leasing*

AUG 21 1964

August 28, 1964

Sunset International Petroleum Corporation
1205 Petroleum Life Building
Midland, Texas

Att: R. N. Webster,
Division Geologist

In RE: Progress Report
Humble State No. 1
Section 16, 8-3-33-E
Chaves County, New Mexico

Dear Sir:

With regard to your letter of August 21, 1964, we have been considering the legality of directional drilling from the location of the above referred to well.

In my opinion, this would not be permitted on Lease E-8249 for these reasons: Paragraph 16 in the statutory lease contract authorizes the completion of a well in the extended term of a lease where a lessee is engaging in bona fide drilling or re-working at the time of the expiration date. This was not intended to be an extension of the lease contract, but an extension in order to provide time to complete the well being drilled. Further, from your report, you have drilled and completed a dry hole, and this would mean that the lease has automatically terminated.

The lease has been stipulated to the 1957 form; however, this gives you no additional rights since production has not been established upon this lease.

Sunset International Petroleum Corporation
August 28, 1964
Page -2-

We note that you have made application for a hearing with the New Mexico Oil Conservation Commission, and that case number 3104 has been set for September 9, 1964.

Very truly yours,

E. S. JOHNNY WALKER,
Commissioner of Public Lands

By



TED BILBERRY, Director,
Oil & Gas Department

ESJW/TB/kcl

w/cc to:

Humble Oil & Refining Company
New Mexico Oil Conservation Commission

CASE 3104:

Application of Sunset International Petroleum Corporation for directional drilling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to whipstock and directionally drill the Humble State Well No. 1, the surface location of which is 1980 feet from the South line and 660 feet from the West line of Section 16, Township 8 South, Range 33 East, Chaves County, New Mexico, in such a manner as to bottom said well in the Tobac-Pennsylvanian Pool at a point within 150 feet of the center of the SW/4 SW/4 of said Section 16.

ir/

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 9, 1964

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- CASE 3099: Application of Leonard Nichols for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the West Maljamar Unit Area comprising 440 acres more or less, of Federal and fee lands in Sections 4 and 9, Township 17 South, Range 32 East, Lea County, New Mexico.
- CASE 3100: Application of Leonard Nichols for a waterflood extension, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the extension of the waterflood project which he operates in Sections 2, 3, 10, and 11, Township 17 South, Range 32 East, Maljamar Pool, Lea County, New Mexico, by the addition of 6 water injection wells in Sections 4 and 9, same township. The original flood was authorized as the Boller-Nichols Waterflood Project, Roberts Pool, by Order No. R-1538.
- CASE 3101: Application of John L. Cox for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to whipstock and directionally drill the Texas Pacific South Crossroads Unit Well No. 1, the surface location of which is 1980 feet from the South and West lines of Section 10, Township 10 South, Range 36 East, Lea County, New Mexico, in such a manner as to bottom said well in the South Crossroads Devonian Pool at a point 2310 feet from the South line and 1980 feet from the West line of said Section 10.
- CASE 3102: Application of Sunset International Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Mal-Gra Unit Area comprising 600 acres, more or less, of State land in Township 17 South, Range 33 East, Lea County, New Mexico.
- CASE 3103: Application of Sunset International Petroleum Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Maljamar Pool in its Mal-Gra Unit Area by the injection of water into the Grayburg formation through 8 wells in Sections 20 and 21, Township 17 South, Range 33 East, Lea County, New Mexico.

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. 3104
Order No. R-2770

APPLICATION OF SUNSET INTERNATIONAL
PETROLEUM CORPORATION FOR DIRECTIONAL
DRILLING, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 9, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of September, 1964, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

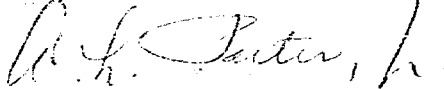
That Case No. 3104 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

esr/

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 9, 1964

EXAMINER HEARING

IN THE MATTER OF:

Application of Sunset International
Petroleum Corporation for directional
drilling, Chaves County, New Mexico.

Case No. 3104

BEFORE:

MR. DANIEL S. NUTTER, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We will now call Case 3104.

MR. DURRETT: Application of Sunset International
Petroleum Corporation for directional drilling, Chaves County,
New Mexico.

MR. MORRIS: If the Examiner please, the Applicant
requests that Case 3104 be dismissed.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

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PHONE 325-1182

SANTA FE, N. M.
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1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

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MR. NUTTER: Case 3104 will be dismissed.

The Hearing is adjourned.

* * *

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, CHARLES WALKER, 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; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 7 day of October, 1964.

Charles Floyd Walker
NOTARY PUBLIC

My Commission Expires:

March 25, 1968.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3104, heard by me on 9/9, 1964.

[Signature]
Examiner
New Mexico Oil Conservation Commission