

176 CASE 5928: AMOCO PRODUCTION COMPANY
FOR COMPULSORY POOLING, SAN JUAN
COUNTY, NEW MEXICO 7

Case Number

5928

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 25, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Amoco Production Company) CASE
for compulsory pooling, San Juan County,) 5928
New Mexico.)

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	Lynn Teschendorf, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 MR. STAMETS: We will call next Case 5928.

2 MS. TESCHENDORF: Case 5928, application of Amoco
3 Production Company for compulsory pooling, San Juan County,
4 New Mexico.

5 The applicant has requested that we dismiss this
6 case also.

7 MR. STAMETS: Case 5928 will be dismissed.
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aid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9112

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.

Sidney F. Morrish

Sidney F. Morrish, C.S.R.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5924
heard by me on 6-25, 19 77.
Richard R. Stewart

Richard R. Stewart, Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER

PHIL R. LUCERO

June 9, 1977



STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Gordon D. Ryarr
Attorney
Amoco Production Company
Security Life Building
Denver, Colorado 80202

Re: CASE NO. 5928
ORDER NO. R-5442

Applicant:

Amoco Production Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC X

Other _____

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. 5928
Order No. R-5442

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of June, 1977, 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. 5928 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

dr/



Amoco Production Company

Security Life Building
Denver, Colorado 80202
303-820-4040

Gordon D. Ryan
Attorney

May 17, 1977

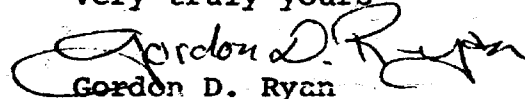
Re: Application of Amoco to
Pool 4 Units in the Blanco-
Pictured Cliffs Pool. San
Juan County, New Mexico

Lynn Teschendorf, Attorney
Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Ms. Teschendorf:

Confirming our telephone conversation this date,
would you please dismiss the above referenced cause when
it comes on for hearing on May 25, 1977?

Very truly yours


Gordon D. Ryan

GDR:bel
cc: Vinton D. Pierce

Dockets Nos. 18-77 and 21-77 are tentatively set for hearing on June 8 and June 22, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 25, 1977

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 5925: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the NW/4 of Section 5, Township 31 North, Range 10 West, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5926: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SE/4 of Section 6, Township 31 North, Range 10 West, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5927: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the NW/4 of Section 4, Township 31 North, Range 10 West, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5928: Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the NE/4 of Section 6, Township 31 North, Range 10 West, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5929: Application of Dome Petroleum Corporation for assignment of a discovery allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of approximately 28,020 barrels of oil discovery allowable to its Santa Fe and Pacific Railroad Well No. 20-1 located in Unit G of Section 20, Township 21 North, Range 8 West, San Juan County, New Mexico, being the discovery well for the Snake Eyes-Entrada Pool in said Section 20.
- CASE 5930: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the E/2 of Section 10, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5931: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 29, Township 18 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION)
OF AMOCO PRODUCTION COMPANY FOR)
AN ORDER FIXING THE EQUITIES AND)
POOLING THE OUTSTANDING INTERESTS)
IN FOUR UNITS IN THE BLANCO-)
PICTURED CLIFFS POOL IN SECTIONS)
4, 5, AND 6, T31N, R10W, SAN JUAN)
COUNTY, NEW MEXICO)

CASE NO. 5928

A P P L I C A T I O N

COMES NOW Applicant, Amoco Production Company, and alleges as follows:

1. PARTIES:

Applicant is Amoco Production Company, Security Life Building, Denver, Colorado 80202. The party to be pooled is Crown Central Petroleum Corp., Suite 1002, Wilco Bldg., Midland, Texas 79701

2. ALLEGATION OF FACTS:

By Order R-13 dated March 15, 1950, this Commission created the Blanco-Pictured Cliffs Gas Pool in Rio Arriba and San Juan Counties, New Mexico, and last extended by Order R-5129 dated January 1, 1976. In accordance with said orders the following 160-acre gas spacing units in T31N, R10W have been created:

Sammons Gas Com G	NE/4 of Section 6
McEwen Gas Com B	NW/4 of Section 5
Sammons Gas Com H	SE/4 of Section 6
Usselman Gas Com C	NW/4 of Section 4

Amoco proposes to drill a well on each of the above described units to test the Blanco-Pictured Cliffs common source of supply. The estimated cost of each of said wells will be \$82,500 for a producing well or \$42,240 should such well be a dry hole.

Amoco has reached a voluntary agreement for the drilling of each of said wells with all parties except Crown Central Petroleum Corp.

3. LEGAL AUTHORITY:

New Mexico Conservation Act, Sec. 65-3-14.

4. RELIEF SOUGHT:

Applicant requests that this matter be set for hearing, that notice be given as required by law, and that upon hearing, this Commission issue an order which includes the following provisions:

(a) That all outstanding interests be pooled in the Blanco-Pictured Cliffs Gas Pool underlying the following four - 160-acre gas spacing units in T31N, R10W, San Juan County, New Mexico:

Sammons Gas Com G	NE/4 of Section 6
McEwen Gas Com B	NW/4 of Section 5
Sammons Gas Com H	SE/4 of Section 6
Usselman Gas Com C	NW/4 of Section 4

(b) That Amoco Production Company be named as operator of each of said units.

(c) That the estimated cost of the producing well be fixed at \$82,500 and that the dry hole cost be fixed at \$42,240, and, further, that the combined fixed rates while drilling, completing and producing be fixed.

(d) That the risk factor for the nonconsenting owners' penalty be fixed at a rate not to exceed 200%.

DATED this 22nd day of April, 1977.

AMOCO PRODUCTION COMPANY

By Gordon D. Ryan
Gordon D. Ryan, Its Attorney
Security Life Building
Denver, Colo. 80202
Telephone: 303/8204681

VERIFICATION AND AFFIDAVIT

STATE OF COLORADO)
) SS
COUNTY OF DENVER)

GORDON D. RYAN, of lawful age and being first duly sworn upon oath, deposes and says: That he is an Attorney for AMOCO PRODUCTION COMPANY, Denver, Colorado; that he has read the within and foregoing Application; and that the statements and contents thereof are true to the best of his knowledge and belief; and that a copy thereof was sent by certified mail from Applicant's Denver, Colorado office on April 22, 1977 to the only party being pooled at the address shown herein, to-wit:

Central Petroleum Corp.,
Suite 1002 - Wilco Bldg.
Midland, Texas 79701.

Gordon D. Ryan
Gordon D. Ryan

Subscribed and sworn to before me this 22nd day of April, 1977.

Blanche E. Ludington
Blanche E. Ludington

My Commission expires
May 17, 1980



Amoco Production Company

Security Life Building
Denver, Colorado 80202
303-820-4040

Gordon D. Ryan
Attorney

April 22, 1977

APR 25 1977
CLERK OF DISTRICT COURT
SANTA FE, N.M.

Mr. Joe D. Ramey, Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: IN THE MATTER OF THE APPLICATION OF
AMOCO PRODUCTION COMPANY FOR AN ORDER
FIXING THE EQUITIES AND POOLING THE
OUTSTANDING INTERESTS IN FOUR UNITS
IN THE BLANCO-PICTURED CLIFFS POOL IN
SECTIONS 4, 5, AND 6, T31N, R10W, SAN
JUAN COUNTY, NEW MEXICO

Dear Mr. Ramey:

I am enclosing herewith three copies of the Application
of Amoco Production Company in the captioned matter.

Yours very truly

Gordon D. Ryan
Gordon D. Ryan

bel
enclosure
cc: Mr. Bart Giles

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

dr/

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

CASE NO. 5928

Order No. R- 5442

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR COMPULSORY POOLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of _____, 19 77, the Commission,
a quorum being present, having considered the record and the recom-
mendations 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. 5928 is hereby dismissed.

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