

M CASE 5949: MESA PETROLEUM COMPANY FOR *any*
COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO

Dismissed

Case Number

5949

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
8 June 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Mesa Petroleum Company
for compulsory pooling, Eddy County,
New Mexico.

CASE
5949

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

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

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

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MR. NUTTER: Call Case Number 5949.

MS. TESCHENDORF: Case 5949. Application of Mesa Petroleum Company for compulsory pooling, Eddy County, New Mexico.

MR. NUTTER: The Applicant in this case has requested that the Commission dismiss it.

Cas 5949 is dismissed.

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

REPORTER'S CERTIFICATE

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I, SALLY WALTON BOYD, 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.

Sally Walton Boyd
Sally Walton Boyd, 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 and correct transcript of the proceedings in
the Examiner's office, New Mexico Oil Conservation Commission,
heard by me on 6-8, 1959.
[Signature], Examiner
New Mexico Oil Conservation Commission
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 15, 1977

STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: CASE NO. 5949
ORDER NO. R-5468

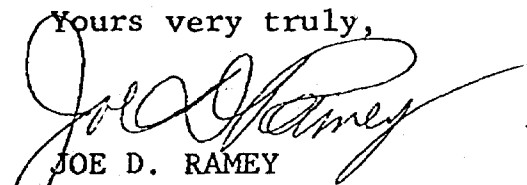
Applicant:

Mesa Petroleum 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 _____

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. 5949
Order No. R-5468

APPLICATION OF MESA PETROLEUM
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 8, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th 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,

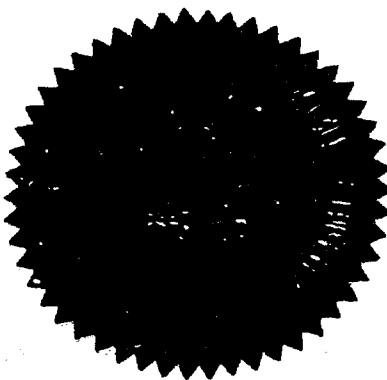
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 5949 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

S E A L

jr/

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

600 HINKLE BUILDING

POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

W. E. BONDURANT, JR. (904-1973)

TELEPHONE (505) 622-6510

MR. ISBELL LICENSED
IN TEXAS ONLY

MIDLAND, TEXAS OFFICE:
521 MIDLAND TOWER
(915) 683-4601

CLARENCE E. HINKLE
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

JAMES H. BOZARTH
JAMES H. ISBELL
DOUGLAS L. LUNSFORD
PAUL M. BOHANNON

June 2, 1977



Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

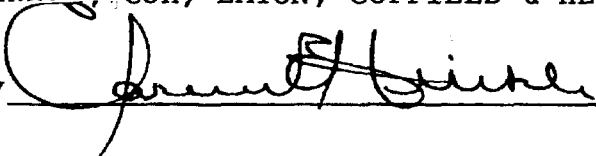
We have heretofore filed on behalf of Mesa Petroleum Co. an application for compulsory pooling of all mineral interests in the Pennsylvanian formation underlying Section 34, Township 24 South, Range 26 East, Eddy County. This case has been set as Case No. 5949 on the examiner's docket for June 8.

We have received a letter from Mesa stating that the owners of the leasehold interests which had not been committed to the drilling of the well prior to the filing of the application have now executed a farmout agreement in favor of Mesa and Mesa now has control of the entire section or proration unit. Because of this situation, Mesa desires to dismiss the above mentioned application and you may consider this as a motion for such dismissal.

Yours sincerely,

HINKLE, COX, EATON, COFFIELD & HENSLEY

By



CEH:cs

cc: Mesa Petroleum Co.

Dockets Nos. 21-77 and 22-77 are tentatively set for hearing on June 22 and July 6, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 8, 1977

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. Mutter, Examiner, or Richard L. Stenets, Alternate Examiner:

CASE 5942: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rule 1115 of the Commission Rules and Regulations to provide for the reporting of salt water disposal, secondary recovery, and other injection well volumes and pressures on Commission Form C-115, Operator's Monthly Report. Further to be considered will be the amendment of Form C-115 and the deletion of Rule 1120.

(Please see two potential configurations of Form C-115 enclosed)

CASE 5943: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider adoption of the following:

1. Rule 407, requiring notice to the Commission by the operator of the disconnection of any gas wells from intrastate transportation facilities.
2. Rule 1130, setting forth the requirements of the notice of disconnection.
3. Form C-130, NOTICE OF DISCONNECTION, requiring notice of the reason(s) for disconnection.

CASE 5920: (Continued from May 11, 1977 Examiner Hearing)

Application of New Mexico Salt Water Disposal Co., Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation through the perforated interval from approximately 13,000 feet to 13,500 feet in its Sinclair State Lea Well No. 1, located in Unit M of Section 1, Township 11 South, Range 34 East, Sand Springs-Devonian Pool, Lea County, New Mexico.

CASE 5944: Application of Read & Stevens, Inc., for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Hissom-State Com Well No. 1 located in Unit M of Section 23, Township 21 South, Range 27 East, Burton Flats-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 23 to be dedicated to the well.

CASE 5945: Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Blanco-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its Blanco Well No. 15 located in Unit K of Section 36, Township 28 North, Range 8 West, San Juan County, New Mexico.

CASE 5946: Application of Amoco Production Company for a dual completion and a non-standard proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Swearingen "C" Well No. 1 located in Unit H of Section 18, Township 5 South, Range 33 East, Roosevelt County, New Mexico, to produce gas from the Pennsylvanian and oil from the Fusselman formations. Applicant also seeks approval for a 160-acre non-standard Pennsylvanian gas proration unit comprising the SW/4 of said Section 18.

CASE 5947: Application of Texaco Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Central Vacuum Unit Area comprising 3046 acres, more or less, of State and fee lands in Sections 25, 30, 31 and 36, Township 17 South, Range 35 East, and Sections 5, 7, and 12, Township 18 South, Range 35 East, Lea County, New Mexico.

CASE 5948: Application of Texaco Inc., for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Central Vacuum Unit Area by the injection of water into the Grayburg-San Andres formation through 54 wells, Vacuum Pool, Lea County, New Mexico.

CASE 5949: Application of Mesa Petroleum Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying Section 34, Township 24 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.

CLARENCE E. HINKLE
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.

JAMES H. BOZARTH
JAMES H. ISBELL
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PAUL M. BOHANNON

LAW OFFICES
HINKLE, COX, EATON, COFFIELD & HENSLEY

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May 26, 1977

MAY 26 1977
W. E. B. DURANT, JR. (04-1073)

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621 MIDLAND TOWER
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Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

We enclose herewith in triplicate application of Mesa Petroleum Co. for compulsory pooling of Section 34, Township 24 South, Range 26 East. I have previously talked with Lynn Teschendorf and understand that this matter will appear on the examiner's docket for the first hearing in June on the 8th.

Yours very truly,

HINKLE, COX, EATON, COFFIELD & HENSLEY

By Clarence E. Hinkle
CH

CEH:CS
Enc.
cc: Mesa Petroleum Co.

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF MESA PETROLEUM CO. FOR
COMPULSORY POOLING EDDY COUNTY, NEW
MEXICO. APPLICANT SEEKS AN ORDER
POOLING ALL MINERAL INTERESTS IN THE
PENNSYLVANIAN FORMATION UNDERLYING
SECTION 34, TOWNSHIP 24 SOUTH, RANGE
26 EAST, N.M.P.M. TO BE DEDICATED TO
THE MESA PETROLEUM CO. STRONG FEDERAL
COM. #1 WELL TO BE LOCATED 1650 FEET
FROM THE SOUTH AND EAST LINES OF SAID
SECTION 34 (SAID LOCATION BEING A
STANDARD LOCATION) PROJECTED TO THE
WHITE CITY-PENNSYLVANIAN GAS POOL.
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,
CHARGES FOR SUPERVISION AND THE DESIG-
NATION OF APPLICANT AS OPERATOR AND A
CHARGE FOR THE RISK INVOLVED IN THE
DRILLING OF THE SAME.

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Mesa Petroleum Co., acting by and through the undersigned attorneys, and hereby makes application for compulsory pooling of all mineral interests in the Pennsylvanian formation underlying Section 34, Township 24 South, Range 26 East, N.M.P.M. to be dedicated to the Mesa Petroleum Co. Strong Federal Com. #1 well to be located 1650 feet from the south and east lines of said Section 34 (said location being a standard location) projected to the White City-Pennsylvanian Gas Pool. 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, charges for supervision and the designation of applicant as operator and a charge for the risk involved in the drilling of the same, and in support thereof respectfully shows:

1. There is attached hereto, made a part hereof and for purposes of identification marked Exhibit "A", a plat showing the proposed spacing and proration unit, together with the location of the proposed well in Section 34. Said plat also shows the ownership of all leasehold

interests within an area of 2 miles from the proposed drilling unit, together with all wells which have been drilled in the area. The proposed well will be projected to test the zone delineated by the Commission as the White City-Pennsylvanian Gas Pool.

2. Section 34, Township 24 South, Range 26 East, comes within the limits of the White City-Pennsylvanian Gas Pool for which special rules and regulations were adopted by the Commission under Order R-2429A and made permanent under Order R-2429B. The proposed well, designated as the Mesa Strong Federal Com. #1, will be located 1650 feet from the south and east lines of said Section 34, which is a standard location under the special rules and regulations adopted for the pool.

3. The special rules and regulations for the White City-Pennsylvanian Gas Pool provide for 640 acre spacing and applicant seeks compulsory pooling to form a standard spacing and proration unit under said rules as provided by Section 65-3-14 N.M.S.A. and in connection therewith to include all mineral interests underlying said Section 34 within the Pennsylvanian formation. Applicant seeks the proper allocation of the cost of drilling and completing said well, as well as the cost of operating the same and charges for supervision. Also to be considered is a charge for the risk involved in drilling the well and approval of applicant as operator.

4. Applicant has made a diligent effort to obtain agreements from all interested owners to the drilling of said well and has been successful in obtaining the consent of all except the owners of the mineral interests in the 80 acres embraced in the N $\frac{1}{2}$ SE $\frac{1}{4}$ said Section 34.

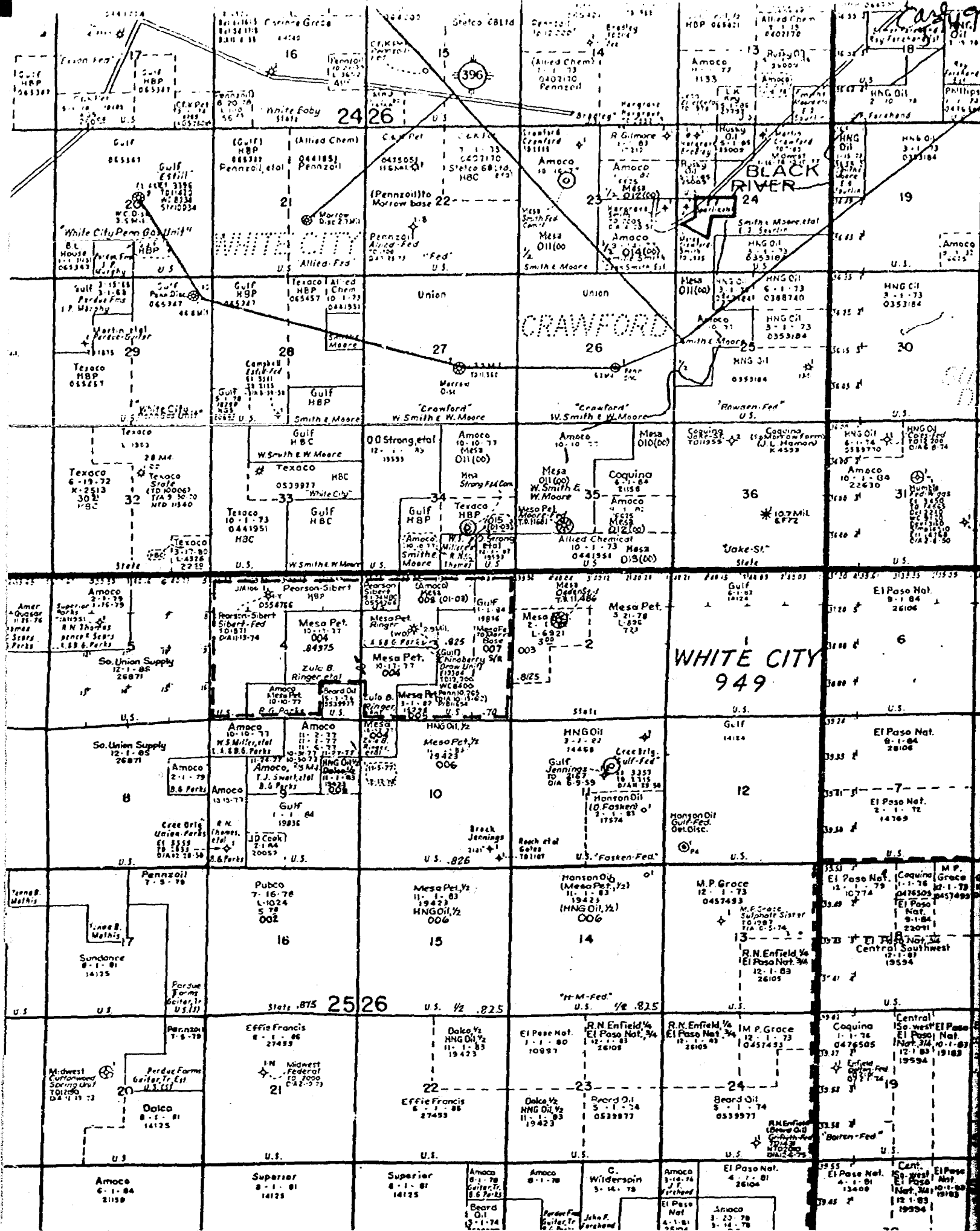
5. Applicant requests that this matter be included on the first examiner's docket in June, 1977.

Respectfully submitted,

MESA PETROLEUM CO.

By 

HINKLE, COX, EATON, COFFIELD & HENSLEY
P.O. Box 10
Roswell, New Mexico 88201
Attorneys for Applicant



Application of Mesa Petroleum Company
for compulsory pooling, Eddy County,
New Mexico.

Applicant in the above-styled cause
seeks an order pooling all mineral interests
in the Pennsylvanian formation underlying
~~the~~ Section 34, T 24 S, R 26 E,
Eddy County, N.M., to be dedicated to
a well to be drilled at a standard
location thereon. Also to be considered -
etc.

in
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. 5949

Order No. R- 5468

all *LS* *JS*
APPLICATION OF MESA PETROLEUM COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 8, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of June, 1977, 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. 5949 is hereby dismissed.

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