

CASE 5967: BELCO PET. CORP. FOR COMPUL-
ORY POOLING, LEA COUNTY, NEW MEXICO *on*

*Continued to
August 31*

Case Number

5967

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
31 August 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Belco Petroleum Corpor-
ation for compulsory pooling, Lea County,
New Mexico.

CASE
5967

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

For the Applicant: W. Thomas Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
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. NUTTER: Call Case Number 5967.

2 MS. TESCHENDORF: Case 5967. Application of Belco
3 Petroleum Corporation for compulsory pooling, Lea County,
4 New Mexico.

5 MR. KELLAHIN: If the Examiner please, I'm Tom
6 Kellahin, of Kellahin and Fox, appearing on behalf of the
7 Applicant.

8 We move that that case be dismissed.

9 MR. NUTTER: Case Number 5967 will be dismissed.

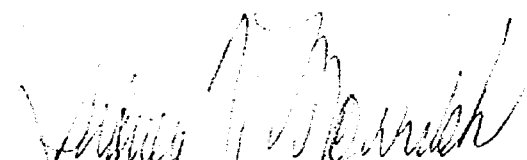
10 (Hearing concluded.)
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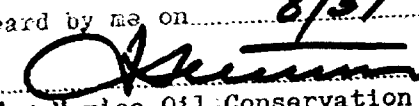
sid morrish reporting service

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

REPORTER'S CERTIFICATE

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, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5967
heard by me on 8/31, 1977.
, Examiner
New Mexico Oil Conservation Commission

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

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 6, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Belco Petroleum Corpora-)
tion for compulsory pooling, Lea County,))
New Mexico.)

CASE
5967
(Cont'd)

BEFORE: Daniel S. Nutter, Examiner

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 morriss reporting service

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

1 MR. NUTTER: We will call next Case Number 5967.

2 MS. TESCHENDORF: Case 5967, application of Belco
3 Petroleum Corporation for compulsory pooling, Lea County,
4 New Mexico.

5 This case will be continued to the August 31st
6 Examiner Hearing.

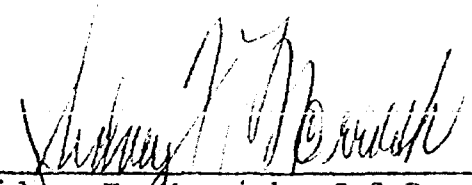
7 MR. NUTTER: Case 5967 will be continued to the
8 Examiner Hearing scheduled to be held at this same place at
9 nine o'clock A.M., August 31, 1977.

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

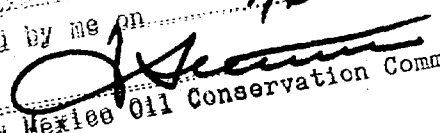
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REPORTER'S CERTIFICATE

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, 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. 5967
heard by me on 7/6, 1977.

New Mexico Oil Conservation Commission Examiner

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 22, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Belco Petroleum Corpora-) CASE
tion for compulsory pooling, Lea County,) 5967
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 Conservation Commission: Lynn Terchendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant: W. Thomas Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
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 5967.

2 MS. TESCHENDORF: Case 5967, application of Belco
3 Petroleum Corporation for compulsory pooling, Lea County,
4 New Mexico.

5 MR. KELLAHIN: I'm Tom Kellahin of Kellahin and Fox
6 appearing on behalf of Belco Petroleum Corporation. We would
7 like to continue this case until the next examiner hearing on
8 July 6.


9 MR. STAMETS: Case 5967 will be continued.
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sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
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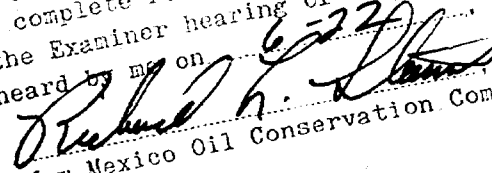
REPORTER'S CERTIFICATE

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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, 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. 5963
heard by me on 6-22-77, 1977
 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
September 7, 1977

STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 5967
ORDER NO. R-5522

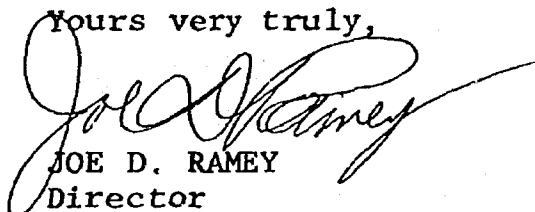
Applicant:

Belco Petroleum Corporation

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 Charles Malone, Antone Peterson

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. 5967
Order No. R-5522

APPLICATION OF BELCO PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 31, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of September, 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. 5967 is hereby dismissed.

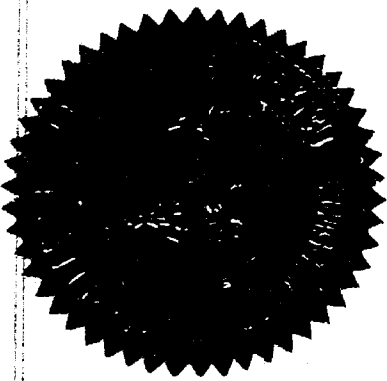
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary


S E A L

jr/

Dockets Nos. 24-77 and 25-77 are tentatively set for hearing on July 20 and August 3, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 6, 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. Rutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4962: (Reopened) (Continued from June 22, 1977, Examiner Hearing)

In the matter of Case 4962 being reopened pursuant to the provisions of Order No. R-4538 which order established temporary special pool rules for the Peterson-Pennsylvanian Associated Pool, Roosevelt County, New Mexico. All interested parties may appear and show cause why said temporary special pool rules should not be rescinded.

CASE 5957: (Continued from June 22, 1977, Examiner Hearing)

Application of Belco Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 8 and in the other Pennsylvanian formations underlying the E/2 of said Section 8, Township 24 South, Range 35 East, Cinta Roja-Morrow Gas Pool, Lea 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 5971: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit John J. Moya, Fidelity & Casualty Company of New York, and all other interested parties to appear and show cause why the following wells in Township 30 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Hubbard Well No. 1 located in Unit M of Section 4; Goode Well No. 1 located in Unit P of Section 18.

CASE 5972: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Lynn & McCoy and all other interested parties to appear and show cause why the Bishop Well No. 1 located 115 feet from the South line and 200 feet from the West line of Section 15, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5973: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit G & B Oil Company, American Employers Insurance Company, and all other interested parties to appear and show cause why the Donella Well No. 1 located in Unit P of Section 3, Township 29 North, Range 15 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5974: Application of Maddox Energy Corporation 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 E/2 of Section 9, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, 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 5975: Application of Bettis, Boyle, & Stovall for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers-Queen formation through the perforated and open-hole interval from 2,975 feet to 3,285 feet in its Annie L. Christmas Well No. 1 located in Unit E of Section 20, Township 25 South, Range 37 East, Jalmat Pool, Lea County, New Mexico.

CASE 5976: Application of Coquina Oil Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Burton-Pennsylvanian Gas Pool, Eddy County, New Mexico, including a provision for 320-acre proration units. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Pennsylvanian gas pools, rather than the present 160-acre spacing.



June 20, 1977

Re: EA-48,720
Cinta Roja Area
Lea County, New Mexico

Belco Petroleum Corporation
10000 Katy Freeway
Houston, Texas

Attention: Mr. Lee Neiring

Gentlemen:

This letter will confirm and substantiate Amoco's offer to farmout to Belco Petroleum Corporation all of Amoco's rights from the surface to the base of the Morrow formation under the S/2 and SE/4 of NE/4 of Section 8, T-24-S, R-35-E, subject to Belco's drilling and completing as a commercial producer a 14,200' Morrow test at a location in the SE/4 of Section 8 with Amoco retaining a proportionate 1/16 x 8/8 O.R.I., in addition to all currently existing interests burdening the leasehold interest, and an option to convert said O.R.I. to a proportionate 50% W.I. at payout, with the Morrow spacing unit to cover all of Section 8.

It is also understood that if this farmout is accepted by Belco, Belco's application for force pooling docketed with the New Mexico Oil Conservation Commission as No. 5967 scheduled for hearing on June 22 will be withdrawn.

Yours very truly,

"Original signed
Joe W. Durkee"

JOE W. DURKEE

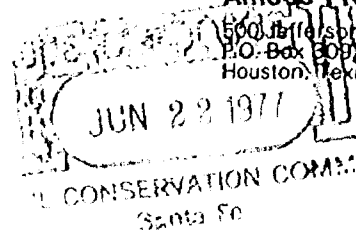
ALP/ah

cc: Belco Petroleum Corporation
204 West Texas
Midland, Texas 79701
Attn: Mary Ward, Landman

Mr. E. J. Wentworth
Superior Oil Company
P. O. Box 1900
Midland, Texas 79701

Amoco Production Company

500 Jefferson Building
P.O. Box 2088
Houston, Texas 77001



Case 5967
RFL

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

- CASE 5967: Application of Belco Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 8 and in the other Pennsylvanian formations underlying the E/2 of said Section 8, Township 24 South, Range 35 East, Cinta Roja-Morrow Gas Pool, Lea 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 5968: Application of Sun Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Drinkard and Tubb production in the wellbore of its Elliott A Well No. 2 located in Unit H of Section 21, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 5969: Application of Getty Oil Company for an exception to Rule 104(C), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104(C) to permit its Mexico "L" Wells Nos. 3 and 24, located in Unit B of Section 5, Township 25 South, Range 38 East, Dollarhide-Fusselman Field, Lea County, New Mexico, to be located closer than 320 feet to each other.
- CASE 5953: (Continued from June 8, 1977, Examiner Hearing)
Application of Rice Engineering & Operating, Inc., for amendment of Order No. R-5384, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5384 to extend the injection interval in its Hobbs Salt Water Disposal Well No. 16 located in Unit P of Section 16, Township 19 South, Range 38 East, Lea County, New Mexico, to include the total open-hole section from 4176 feet to 10,008 feet.
- CASE 5954: (Continued from June 8, 1977, Examiner Hearing)
Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in the wellbore of its Breech Well No. 368 located in Unit I of Section 23, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.
- CASE 5956: (Continued from June 8, 1977, Examiner Hearing)
Application of Continental Oil Company for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the E/2 NE/4, NW/4 NE/4, and NE/4 SE/4 of Section 27, Township 20 South, Range 38 East, Warren-Tubb Gas Pool, Lea County, New Mexico, to be dedicated to its Warren Unit Well No. 42 located in Unit I of said Section 27.
- CASE 5970: Application of Texaco Inc., for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of pressure maintenance, all mineral interests in the Grayburg-San Andres formation underlying the following-described lands, Vacuum-Grayburg-San Andres Pool, Lea County, New Mexico:

TOWNSHIP 17 SOUTH, RANGE 34 EAST
Section 25: SE/4 NE/4 and S/2
Section 36: All

TOWNSHIP 17 SOUTH, RANGE 35 EAST
Section 30: All
Section 31: N/2, SW/4, and SW/4 SE/4

TOWNSHIP 18 SOUTH, RANGE 34 EAST
Section 12: N/2 NE/4

TOWNSHIP 18 SOUTH, RANGE 35 EAST
Section 6: All
Section 7: NW/4 and NW/4 NE/4

Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

Books Nos. 24-77 and 28-77 are tentatively set for hearing on September 14 and 15, 1977. Application for hearing must be filed no later than 22 days in advance of hearing to a:

1. *Environ. Sci. Technol.* 1998, 32, 1044-1047.

1. I.G. Lohmeyer, *Math. Ann.* **267** (1984), no. 1, 101–110.

The following cases will be heard before Daniel S. Butler, Examiner, or Richard L. Pierce, Attorney Examiner:

(b)(6), (b)(7)(C): In the matter of the hearing called by the GAO Construction Commission on its own motion to permit Lane Hill Group, Inc. (Lane Hill) to present its proposed insurance coverage, and all other interested parties to appear and testify orally on the record before the GAO Construction Commission on July 19 of October 20, at approximately 11 South, Suite 20 West, Chicago, Illinois, and did not be present and appeared in accordance with a GAO Construction Commission order.

CASE 617: Application of R. L. Patton, Jr. and Pat C. Barton, Jr., for lease drilling pooling, Los County, New Mexico. Applicant, in the above-stated cause, seeks an order pooling all mineral interests underlying the 1/2 NE 1/4 of Section 50, Township 9 South, Range 32 East, T19N R32E A-50, Andres foot, Los County, New Mexico, to be dedicated as a well to be drilled at a standard location therein. 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 6018: Application of Walter Dingen for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Dakota formation through the open-hole interval from 687 feet to 706 feet in his North Hogback 1 Well No. 24 located in Unit 6 of Section 1, Township 29 North, Range 17 West, and from 691 feet to 702 in his North Hogback 6 Well No. 3 in Unit 1 of Section 6, Township 29 North, Range 16 West, Slickrock-Bakete Pool, San Juan County, New Mexico.

CASE 6019: Application of Gulf Oil Corporation for a dual completion, Elly County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Littlefield "ML" Federal Ogr. Well No. 1 located in Unit 1 of Section 26, Township 12 South, Range 21 East, Elly County, New Mexico, to produce gas from undesignated Agha and Morrow gas pools.

CASE 6020: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled case, seeks approval for the unorthodox location of its Blevins "1-4" Well No. 1 to be drilled 660 feet from the North and West lines of Section 35, Township 17 South, Range 26 East, Eddy County, New Mexico, to test the Morrow Formation, the N/2 of said Section 35 to be dedicated to the well.

CASE (33): Application of Yates Petroleum Corporation for salt water disposal, Chavez County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from 962 feet to 1249 feet in its Federal NS Well No. 1 located in Unit A of Section 31, Township 6 South, Range 26 East, Linda-San Andres Pool, Chavez County, New Mexico.

CASE 6022: Application of Continental Oil Company for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Canon 29-4 Well No. 8 to be drilled 2265 feet from the South line and 1635 feet from the West line of Section 20, Township 29 North, Range 4 West, Gobernador-Pictured Cliffs Pool, Rio Arriba County, New Mexico, the SW¼ of said Section to be dedicated to the well.

CASE 6023: Application of Inezco Oil Company for downhole commingling and a tubing exception, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the downhole commingling of Upper Penn and Strawn production in the wellbore of its Federal 10 State Con Well No. 1 located in Unit 1 of Section 10, Township 21 South, Range 26 East, Avalon Gas Field, Eddy County, New Mexico. Applicant further seeks an exception to Commission Rule 197(d) to permit setting tubing 370 feet above the uppermost perforation in said well.

CASE 5967: (Continued from July 6, 1977, Examiner Hearing)

Application of Helco Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 8 and in the other Pennsylvanian formations underlying the E/2 of said Section 8, Township 24 South, Range 35 East, Santa Rosa-Morrow Gas Pool, Lea 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 OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF BELCO PETROLEUM CORPORATION)
FOR COMPULSORY POOLING, CINTA)
ROJA MORROW GAS POOL, LEA COUNTY,)
NEW MEXICO.)

No. 5967

ENTRY OF APPEARANCE

The undersigned hereby enter their appearance herein
with Antone Peterson of Houston, Texas, on behalf of Amoco
Production Company.

ATWOOD, MALONE, MANN & COOTER, P.A.

BY 
P. O. Drawer 700
Roswell, New Mexico 88201

Attorneys for Amoco Production
Company

Cane 5967

KELLAHIN AND FOX
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

TELEPHONE 982-4315
AREA CODE 505

May 31, 1977

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

Dear Mr. Ramey:

Enclosed is the application of Belco Petroleum Corporation for compulsory pooling, Lea County, New Mexico.

It is requested that this application be set for hearing on June 22, 1977.

Yours very truly,



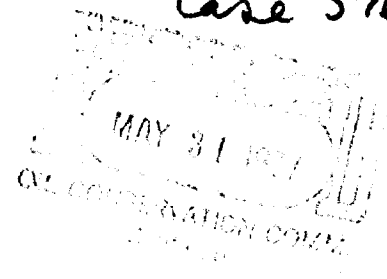
Jason W. Kellahin

CC: Mr. Lee Nering

JWK:kfm

Enclosure

Case 5967



BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF BELCO PETROLEUM CORPORATION
FOR COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO

A P P L I C A T I O N

Comes now Belco Petroleum Corporation and applies to the Oil Conservation Commission of New Mexico for an order pooling all mineral interests, whatever they may be, underlying Section 8, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico for Morrow production, Cinta Roja Morrow Pool, and the E/2 of Section 8 for other Pennsylvanian production, and in support thereof would show the Commission:

1. Applicant is the owner of the right to drill and develop lands within Section 8, Township 24 South, Range 35 East and produce from the Morrow Formation, and other Pennsylvanian formations underlying the entire section as to Morrow gas, and from the E/2 of the section as to production from other formations of Pennsylvanian age, and proposes to drill a Morrow test in Unit J, 1980 feet from the South and East lines of Section 8.
2. Under the provisions of New Mexico Oil Conservation Commission Order No. R-3161, wells drilled in the Cinta Roga-Morrow Gas Pool must be drilled on a spacing and proration unit of not less than 640 acres. Under state-wide rules, wells drilled to the Pennsylvanian formations must be drilled on not less than 320 acre units.
3. Applicant has been unable to obtain the agreement of

all interest owners underlying the tracts of land involved.

4. To permit applicant to produce its fair share of the hydrocarbons underlying Section 8, Township 24 South, Range 35 East, the mineral interests underlying all of Section 8 should be pooled as to the Morrow formation, and the E/2 of Section 8 should be pooled as to other formations of Pennsylvanian age.

5. The non-consenting interest owners, to the best of applicant's information and belief are as follows:

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

The Superior Oil Company
P. O. Box 1900
Midland, Texas 79701

WHEREFORE Applicant prays that this matter be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law the Commission enter its order pooling all of the mineral interests as to the two respective zones, Section 8 as to the Morrow formation, and the E/2 of Section 8 as to formations of Pennsylvanian age, together with a provision designating applicant as operator of the well to be drilled, and with a provision for applicant to recover its costs of drilling, completing and equipping the well, out of production, to recover its costs of supervision of the well during drilling and as a producing well, its costs of operation, and a risk factor of 200% for the risk of drilling, completing and equipping the well, and for such other and further provisions as may be proper.

Respectfully submitted,

BELCO PETROLEUM CORPORATION

By Jose Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DRAFT

dr/

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. 5967

Order No. R- 5532

APPLICATION OF BELCO PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 31, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of September, 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. 5967 is hereby dismissed.

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