

CASE 5974: MADDOX ENERGY CORPORATION
FOR COMPULSORY POOLING, EDDY COUNTY, *on*
NEW MEXICO

*Cont 4
3
Aug*

Dismissed

Case Number

5974

Application

Transcripts.

Small Exhibits

ETC.

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Maddox Energy Corporation) CASE
for compulsory pooling, Eddy County,) 5974
New Mexico.)

BEFORE: Daniel S. Nutter, 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. NUTTER: We will call next Case Number 5974.

2 MS. TESCHENDORF: Case 5974, application of Maddox
3 Energy Corporation for compulsory pooling, Eddy County,
4 New Mexico.

5 This will be continued to the August 3rd Examiner
6 Hearing.

7 MR. NUTTER: Case Number 5974 will be continued to
8 the Examiner Hearing scheduled to be held at this same place
9 at nine o'clock A.M., August 3rd, 1977.

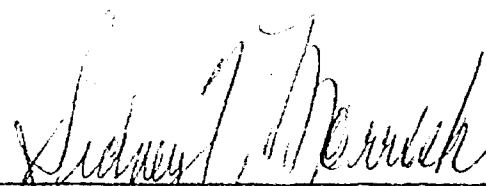
sid morrish reporting service

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

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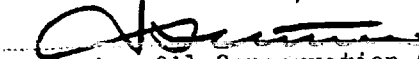
REPORTER'S CERTIFICATE

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 Draviner hearing of Case No. 5974
heard by me on 7/6, 1977.

 , Examiner
New Mexico Oil Conservation Commission

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 3, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Maddox Energy
Corporation for compulsory pooling,
Eddy County, New Mexico.

CASE
5974

BEFORE: Daniel S. Nutter , 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. NUTTER: The hearing will come to order, please.
2 The first case we will take this morning is Case Number
3 5974,

4 MS. TESCHENDORF: Case 5974, Application of Maddox
5 Energy Corporation for compulsory pooling, Eddy County, New
6 Mexico.

7 The applicant has requested that we dismiss the
8 case.

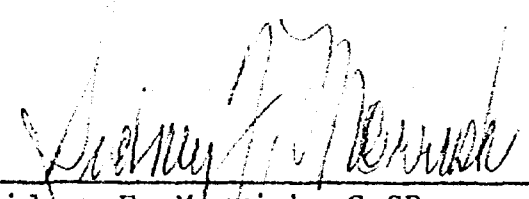
9 MR. NUTTER: Case Number 5974 will be dismissed
10 at the request of the applicant.

sid morrish reporting service
General Court Reporting Service
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Phone (505) 982-9212

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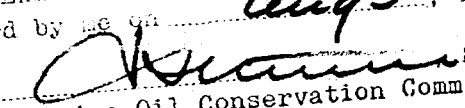
REPORTER'S CERTIFICATE

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 and correct report of the proceedings in
the Examination of Case No. 5974.
heard by me on Aug 3, 1977.
 Examiner
New Mexico Oil Conservation Commission

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. 5974
Order No. R-5507

APPLICATION OF MADDOX ENERGY
CORPORATION 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 August 3, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of August, 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:

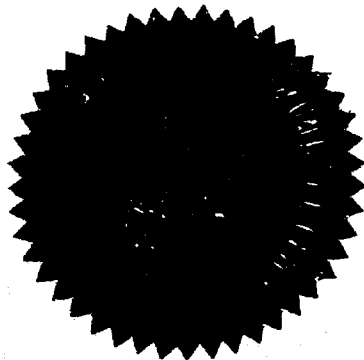
That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 5974 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
EMERY C. ARNOLD, Member

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

S E A L

jr/

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

LAW OFFICES
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ROSWELL, NEW MEXICO 88201

AUG - 2 1977
W. E. BONDURANT, JR. (914-1973)

TELEPHONE (505) 822-6510

MR. ISBELL LICENSED
IN TEXAS ONLY

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4891

August 1, 1977

Mr. Daniel S. Nutter
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

File
Re: Case No. 5974
Maddox Energy Corporation

Dear Mr. Nutter:

Maddox Energy Corporation desires to withdraw its application
for compulsory pooling which was assigned Case No. 5974. ?

Very truly yours,

Paul W. Eaton, Jr.
Paul W. Eaton, Jr.

PWE:sb

cc: Maddox Energy Corporation
Mr. Ralph D. Johnson

Dockets Nos. 26-77 and 27-77 are tentatively set for hearing on August 17 and 31, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 3, 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. Stawets, Alternate Examiner:

CASE 4962: (Reopened) (Continued from July 6, 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 5974: (Continued from July 6, 1977 Examiner Hearing)

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 5931: (Continued from July 6, 1977 Examiner Hearing)

Application of W. A. Moncrief, Jr., for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of an oil pool for Upper-Pennsylvanian production for his State Well No. 1 located in Unit E of Section 26, Township 16 South, Range 33 East, Lea County, New Mexico, and the promulgation of special rules therefor, including a provision for 80-acre spacing.

CASE 6001: Application of Mesa Petroleum Co. for an exception to Order No. R-5459, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Order No. R-5459 to exclude its Primo Well No. 1-A located in Unit D of Section 6, Township 31 North, Range 10 West, San Juan County, New Mexico, from the vertical limits of the Blanco-Mesaverde Pool as defined by said order.

CASE 6002: Application of New Mexico Salt Water Disposal Company, 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 Bough formation in its Read & Stevens Skelly State Well No. 1 located in Unit H of Section 10, Township 10 South, Range 33 East, Lea County, New Mexico.

CASE 6003: Application of Aztec Oil & Gas 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 Arizona Jicarilla B Well No. 8 to be located in the NW/4 of Section 9, Township 26 North, Range 5 West, Blanco Mesaverde Pool, Rio Arriba County, New Mexico, this being the first Mesaverde well on its proration unit, the W/2 of said Section 9.

CASE 6004: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba 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 San Juan 28-7 Unit Well No. 76 located in Unit A of Section 22, Township 28 North, Range 7 West, Rio Arriba County, New Mexico.

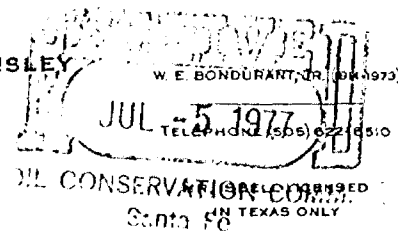
CASE 6005: Application of J. M. Huber Corporation for a non-standard unit or compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, proposes to drill its Parr Well No. 1 to the Delaware formation at a point 990 feet from the South and East lines of Section 15, Township 23 South, Range 26 East, Eddy County, New Mexico, and for said well, seeks approval for a 39-acre non-standard oil proration unit comprising all of the SE/4 SE/4 of said Section, except that tract of land owned by Mr. Monk Lofton and described as being one acre, more or less, lying immediately North of the South line of said Section 15 and immediately East of the Eastern boundary of the right of way of U. S. Highways Nos. 62 and 180; in the alternative, applicant seeks an order pooling all mineral interests in the Delaware formation underlying the SE/4 SE/4 of said Section 15 to form a standard 40-acre unit to be dedicated to the aforesaid well. If said well is classified as a gas well, applicant seeks approval for a 159-acre non-standard gas

CLARENCE E. HINKLE
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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
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J. DOUGLAS FOSTER

LAW OFFICES
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July 1, 1977

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
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Mr. Daniel S. Nutter
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

*Cont
to* Re: Case No. 5974
Maddox Energy Corporation

Dear Mr. Nutter:

This letter will confirm my request that the July 6th hearing on the application of Maddox Energy Corporation for compulsory pooling be vacated and that hearing on the application be continued to July 20, 1977 if that date is available, or to August 3rd.

Yours very truly,

Paul W. Eaton, Jr.
Paul W. Eaton, Jr.

[Signature]
PWE:sb

cc: Mr. Ralph D. Johnson

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. Nutter, Examiner, or Richard L. Stanets, 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 5967: (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.

CLARENCE E. HINKLE
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
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JAMES H. BOZARTH
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June 6, 1977

W. E. BONDURANT, JR. (914-1973)

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MR. ISBELL LICENSED
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(915) 683-4661

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

Re: Maddox Energy Corporation

Gentlemen:

We enclose the application of Maddox Energy Corporation
for compulsory pooling, Eddy County, New Mexico.

Yours very truly,

Paul W. Eaton, Jr.
Paul W. Eaton, Jr.

PWE:sb

cc: Mr. Ralph D. Johnson

JUN 7 1977

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF MADDOX)
ENERGY CORPORATION FOR)
COMPULSORY POOLING, EDDY)
COUNTY, NEW MEXICO)

Maddox Energy Corporation, by its undersigned attorneys, hereby makes application for an order pooling all mineral interests in the Pennsylvanian Formation underlying the East half of Section 9, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico, and in support thereof which show:

1. Applicant has the right to drill an oil or gas well upon the SE $\frac{1}{4}$ of Section 9, Township 18 South, Range 26 East, N.M.P.M. by virtue of a farmout agreement from Reading & Bates Oil and Gas Company, the owner of the oil and gas lease covering said SE $\frac{1}{4}$ Section 9. Texas Oil & Gas Corporation is the owner of an oil and gas lease covering the NE $\frac{1}{4}$ Section 9, Township 18 South, Range 26 East, N.M.P.M.
2. Applicant proposes to drill a well 1,650 feet from the East line and 990 feet from the South line of said Section 9 to test the Pennsylvanian Formation and seeks to dedicate the East half of said Section 9 to the well. The location is a standard location within the special rules of the Atoka Penn field which lies within one mile. Applicant has requested Texas Oil & Gas Corporation to join in the drilling of the well or to farmout its acreage, but it has so far refused to do so.
3. The pooling of all mineral interests in the Pennsylvanian Formation in the East half of said Section 9 will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.

4. Applicant requests that the Oil Conservation Commission consider the cost of drilling and completing the well, the proper allocation of said costs as well as actual operating costs, charges for supervision and charges for the risk involved in drilling the well. Applicant also requests that it be designated as operator of the well.
5. Applicant requests that this matter be heard at the first examiner's hearing in July, 1977.

HINKLE, COX, EATON, COFFIELD & HENSLEY

BY: Paul W. Eaton Jr.

Attorneys for Maddox Energy Corporation
P.O. Box 10
Roswell, New Mexico 88201

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5974

Order No. R- 5507

APPLICATION OF MADDOX ENERGY
CORPORATION FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

[Signature]
L1
ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 3, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of August, 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. 5974 is hereby dismissed.

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