

CASE 6257: BENCHMARK OIL COMPANY
FOR AN UNORTHODOX OIL WELL LOCA-
TION, LEA COUNTY, NEW MEXICO

CASE NO.

6257

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

BENCHMARK OIL CO., LTD.

POST OFFICE BOX 790

NORMAN, OKLAHOMA 73070

JUL 24 1978

July 21, 1978

State Of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, N. M.

6257

Attention: Mr. Joe D. Ramey

Re: New Mexico Oil Conservation
Commission Order No. R-5758
Unorthodox Location for Wright
No. 1, 1980' FSL and 660' FEL
Sec. 30, T-9S, R-33-E, Lea
County, New Mexico

Dear Mr. Ramey:

The above referenced well was spudded July 6, 1978 and upon reaching a depth of 1532' extreme shale sloughing was encountered. It was our decision to plug the well at this depth and drill a twin well 100' to the South.

It is respectfully requested that the above referenced Order be Administratively amended to cover the location at 1880' FSL and 660' FEL of Sec. 30, T-9-S, R-33-E, Lea County, New Mexico.

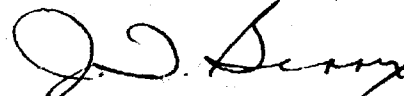
By copy of this letter the following offset operators will have been notified of this request:

Coastal States Gas Producing Co., Box 235, Midland, Texas 79702
Southern Union Exploration Co., Suite 1800, First International
Building, Dallas, Texas 75270
E. L. Latham, Jr. & Roy G. Barton, Jr., Box 1392, Hobbs, N. M.
Saxon Oil Company, Box 2948, Midland, Texas 79702

Your early attention to this matter will be greatly appreciated in that we have a commitment from a drilling contractor to start the operation, if approved, in early August.

Yours very truly,

Benchmark Oil Co. Ltd.



J. T. Berry
Operations Manager

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

July 25, 1978

Benchmark Oil Co., Ltd.
P. O. Box 790
Norman, Oklahoma 73070

Attention: Mr. J. T. Berry

Re: Case No. 6257,
Order No. R-5758

Dear Mr. Berry:

By your letter of July 21, 1978, Benchmark Oil Co., Ltd. requested authority to amend the non-standard location granted by the subject Order in the Flying M-San Andres Pool, Lea County, New Mexico. It is my understanding that the well is to be located 1880 feet from the South line and 660 feet from the East line of Section 30, Township 9 South, Range 33 East, rather than at 1980 and 666 feet from those lines respectively. It is further my understanding that this change in location results from having lost the original hole being drilled at the location granted by Order No. R-5758.

As the amended location is less unorthodox than the approved location and considering the necessity for moving away from the lost hole, the forementioned amended location is hereby approved.

Yours very truly,

JOE D. RAMEY
Director

JDR/RLS/fd

C
O
P
Y

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
21 June 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Benchmark Oil Com-) CASE
pany, Ltd., for an unorthodox oil) 6257
well location, Lea County, New)
Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87501

For the Applicant:

Conrad E. Coffield, Esq.
HINKLE, COX, COFFIELD, EATON &
HENSLEY
Hinkle Building
Roswell, New Mexico

SALLY WALTON BOYD

CERTIFIED SHORTHAND REPORTER

730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

I N D E X

ROY K. VALLA

Direct Examination by Mr. Coffield 3

E X H I B I T S

Applicant Exhibit One, Plat 9

Applicant Exhibit Two, Documents 9

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Santa Fe, New Mexico 87501

1 MR. STAMETS: We'll call next case 6257.

2 MS. TESCHENDORF: Case 6257. Application of
3 Benchmark Oil Company, Limited, for an unorthodox oil
4 well location, Lea County, New Mexico.

5 MR. COFFIELD: Conrad Coffield, with the law
6 firm of Hinkle, Cox, Eaton, Coffield and Hensley, of Mid-
7 land, appearing on behalf of Benchmark Oil Company, and
8 I have one witness.

9 (Witness sworn.)

10
11 ROY K. VALLA

12 being called as a witness and having been duly sworn upon
13 his oath, testified as follows, to-wit:

14
15 DIRECT EXAMINATION

16 BY MR. COFFIELD:

17 Q Please state your name, address, and occupa-
18 tion.

19 A My name is Roy K. Valla. I am -- live in
20 Odessa, Texas. My occupation is petroleum engineer.

21 Q What is, Mr. Valla, what is your relationship
22 to the Applicant, Benchmark Oil Company?

23 A I'm serving as agent for Benchmark Oil Com-
24 pany.

25 Q Are you familiar with the application of

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730 Bishop's Lodge Road - Phone (505) 988-3404
Santa Fe, New Mexico 87501

1 Benchmark Oil Company in this case?

2 A. Yes, I am.

3 Q. Are you familiar with the property of the pro-
4 posed well location is involved?

5 A. Yes, I am.

6 Q. Have you previously testified before the Oil
7 Conservation Division as a petroleum engineer?

8 A. Yes, I have.

9 Q. And were your qualifications a matter of re-
10 cord and were they accepted by the Oil Conservation Com-
11 mission?

12 A. Yes, they were.

13 Q. Would you please explain what Benchmark Oil
14 Company seeks by its application?

15 A. Benchmark Oil Company, Limited, seeks approval
16 for the unorthodox location of its Wright Well No. 1 to
17 be located 1980 feet from the south line and 660 feet
18 from the east line of Section 30, Township 9 South, Range
19 33 East, Flying M-San Andres Pool, Lea County, New Mexico.

20 The east half of the southeast quarter to be
21 dedicated to this well.

22 Q. Mr. Valla, what's the general basis that
23 Benchmark's relying upon in its belief that the proposed
24 location is superior to the standard location?

25 A. There was a dry hole drilled in the southeast

1 of the southeast quarter of this, which is on the south
2 part of this 80-acre tract several years ago. It has
3 very little, if any, net pay in the San Andres formation
4 and in order to establish production on this tract, a well
5 will be needed to be drilled in the north part of this
6 80-acre tract.

7 Q Briefly, it's on geological --

8 A That is correct.

9 Q Would you please refer to what's been marked
10 as Exhibit One and state what this reflects?

11 A Exhibit One is a plat of the area containing
12 most of the Flying M-San Andres Field, and shows the tract
13 which is colored yellow in this case.

14 The proposed well has a small arrow outlining
15 the well location.

16 Q And it shows the surrounding producing wells
17 in the area?

18 A Yes, it shows the surrounding producing wells
19 and ownership of these wells.

20 Q In your opinion are those surrounding wells
21 draining this 80-acre tract we're looking at here?

22 A It's very possible, yes.

23 Q Is Benchmark Oil Company the leasehold owner
24 and the proposed operator of this 80-acre tract on which
25 the Wright Well No. 1 is to be located?

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CERTIFIED SHORTHAND REPORTER
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Santa Fe, New Mexico 87501

1 A. Yes, Benchmark is.

2 Q. Please tell the Examiner who the owners are
3 of the offsetting tracts.

4 A. The operator to the east, the southeast, the
5 south and the southwest, is Coastal States.

6 The owner of the offset tract to the west is
7 Saxon Oil Company.

8 The owner to the north, offsetting to the
9 north, is E. L. Latham, Junior, and Roy G. Barton, Junior.

10 The owner, lease owner to the northwest is
11 Southern Union Exploration Company.

12 Q. Please refer to what I've marked as Exhibit
13 Two and note pages one through eight, inclusive, and
14 would you explain to the Examiner what those represent?

15 A. Pages five through eight are waivers of ob-
16 jection for this non-standard drilling location from 100
17 percent of the offset operators.

18 Q. Now, page five reveals the waiver of Coastal
19 States?

20 A. Yes, page five is the waiver from Coastal
21 States Gas Producing Company.

22 Page six is a waiver from Southern Union Ex-
23 ploration Company.

24 Page seven is the waiver from E. L. Latham,
25 Junior, and Roy G. Barton, Junior.

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1 And page eight is a waiver from Saxon Oil
2 Company.

3 Q All right, please refer to page four of this
4 same exhibit. What does this represent?

5 A Page four is the Form C-102, which is the
6 well location and acreage dedication plat that depicts
7 the well, actual well location and the acreage dedicated
8 to this well.

9 Q Relative to the section lines?

10 A Yes, relative to the section lines.

11 Q Okay. Where would the standard location well
12 be located on this 80-acre tract?

13 A The standard location would be 660 from the
14 south and 660 from the east lines.

15 Q And is that where the dry hole was previously
16 drilled?

17 A Yes, that is correct.

18 Q All right, please refer to page nine now of
19 this same Exhibit Two and explain to the Examiner what
20 this part of Exhibit Two is.

21 A Page nine is a structural as well as an isopach
22 of the net pay map of the Flying M Field. The solid
23 lines are the structural contours. The dashed lines are
24 the isopach lines of the net pay in this area.

25 This depicts the proposed well location a

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CERTIFIED SHORTHAND REPORTER

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Santa Fe, New Mexico 87501

1 thicker net pay than the previously drilled dry hole to
2 the south.

3 Q Referring to this page nine in Exhibit Two,
4 describe to the Examiner the problems that in your opinion
5 would arise if you drill or attempt to go back into the
6 80-acre tract with the Wright No. 1 Well at a standard
7 location and explain the advantages that you feel would
8 ensue if you were permitted the non-standard location
9 sought.

10 A Well, I feel that the risk would be simply
11 too high to re-enter or drill a twin to the presently
12 drilled -- previously drilled dry hole. In order to pro-
13 tect the leasehold and also mineral owners' rights, for
14 this tract, it will be required to -- that a well be
15 drilled in the north part or the proposed location.

16 Q All right, then Mr. Valla, is there any
17 standard location on the property which belongs to Bench-
18 mark, which could be drilled in order that they could
19 obtain production of minerals in place?

20 A No, not on this 80-acre tract.

21 Q Then would denial of this application effective-
22 ly prevent Benchmark from recovery of the oil and gas in
23 place in this tract?

24 A Yes, it would.

25 Q Mr. Valla, have these exhibits been prepared

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CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 888-3404
Santa Fe, New Mexico 87501

1 by you or under your supervision?

2 A. They have.

3 Q. And in your opinion will the approval of this
4 application by Benchmark prevent the drilling of unnec-
5 essary wells and otherwise prevent waste, protect correla-
6 tive rights?

7 A. It certainly will.

8 MR. COFFIELD: Mr. Examiner, I move the ad-
9 mission of these exhibits.

10 MR. STAMETS: These exhibits will be admitted.

11 MR. COFFIELD: And I have no further questions
12 of this witness.

13 MR. STAMETS: Are there any questions of the
14 witness? He may be excused.

15 Do you have anything further in this case?

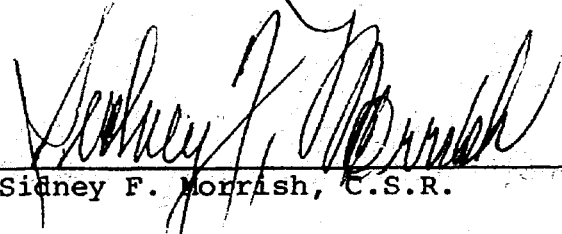
16 The case is taken under advisement.

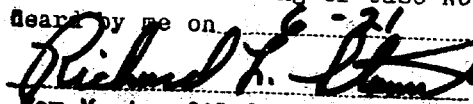
17 (Hearing concluded.)
18
19
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21
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25

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
730 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill from my notes taken at the time of the hearing.


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. 6262 heard by me on 6-21-78.

Richard L. Blum, Examiner
New Mexico Oil Conservation Commission

SALLY WALTON BOYD

CERTIFIED SHORTHAND REPORTER

730 Bishop's Lodge Road • Phone (505) 968-3404
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6257
Order No. R-5758

APPLICATION OF BENCHMARK OIL COMPANY,
LTD. FOR AN UNORTHODOX OIL WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 21, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of June, 1978, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Benchmark Oil Company, Ltd., seeks approval of an unorthodox oil well location for its Wright Well No. 1 to be drilled at a point 1980 feet from the South line and 660 feet from the East line of Section 30, Township 9 South, Range 33 East, NMPM, to test the San Andres formation, Flying M-San Andres Pool, Lea County, New Mexico.

(3) That the E/2 SE/4 of said Section 30 is to be dedicated to the well.

(4) That a well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location.

-2-

Case No. 6257
Order No. R-5758

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location is hereby approved for the Benchmark Oil Company, Ltd. Wright Well No. 1 to be drilled at a point 1980 feet from the South line and 660 feet from the East line of Section 30, Township 9 South, Range 33 East, NMPM, Flying M-San Andres Pool, Lea County, New Mexico.

(2) That the E/2 SE/4 of said Section 30 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



Joe D. Ramey
JOE D. RAMEY,
Director

dr/

CASE 6257: Application of Benchmark Oil Company, Ltd., for an unorthodox oil well location, Lea Co., New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Wright Well No. 1 to be located 1980' from the South line and 660' from the East line of Section 30, Township 9 South, Range 33 East, Flying M-San Andres Pool, Lea County, New Mexico, the E/2 SE/4 to be dedicated to the well.

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 2

CASE NO. 6257

Submitted by Benchmark Oil Co

Hearing Date 6/21/78

BENCHMARK OIL CO., LTD.

POST OFFICE BOX 790

NORMAN, OKLAHOMA 73070

June 2, 1978

NEW MEXICO OIL CONSERVATION COMMISSION
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Richard L. Stanets

Re: Request for Hearing

Gentlemen:

This is a request for a hearing for approval of a non-standard drilling location in the Flying "M" (San Andres) Field to be drilled at the following location:

Wright Well #1 located 1980' FSL and 660' FEL
of Section 30, T-9-S, R-33-E, Lea County,
New Mexico.

The attached plat more clearly indicates the proposed location. Please schedule this hearing at your earliest possible convenience.

Yours truly,

Roy K. Valla
Roy K. Valla

RKV/dw
Attachments

bcc: Roy K. Valla

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U.S.G.S.	
NO OFFICE	
OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Past Agreement Date
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Term or Lease Date Wright
2. Name of Operator Benchmark Oil Company, Ltd.		9. Well No. 1
3. Address of Operator Suite 202, 410 West Ohio Midland, Texas 79701		10. Field and Pool, or Wellbore Flying "M"
4. Location of Well UNIT LETTER I LOCATED 1980 FEET FROM THE South LINE AND 660 FEET FROM THE East LINE OF SEC. 30 TWP. 9-S RGE. 33-E NMPM		11. County Lea
18. Proposed Depth 4500'		19A. Formation San Andres
20. Rotary or C.T. Rotary		21. Elevations (Show whether D.P., R.T., etc.) G. L. 4375'
21A. Kind & Status Plug. Bond Single Well-Active		21B. Drilling Contractor M.S.W. Drilling Corp.
22. Approx. Date Work will start June 20, 1978		

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	20#	400'	200	Circulated
7 7/8"	4 1/2"	10.5#	4500'	1450	Circulated

Double ram type 3000# W.P. - 6000# test blowout preventor to be utilized.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Roy K. Valla Title Agent Date 5-29-78
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

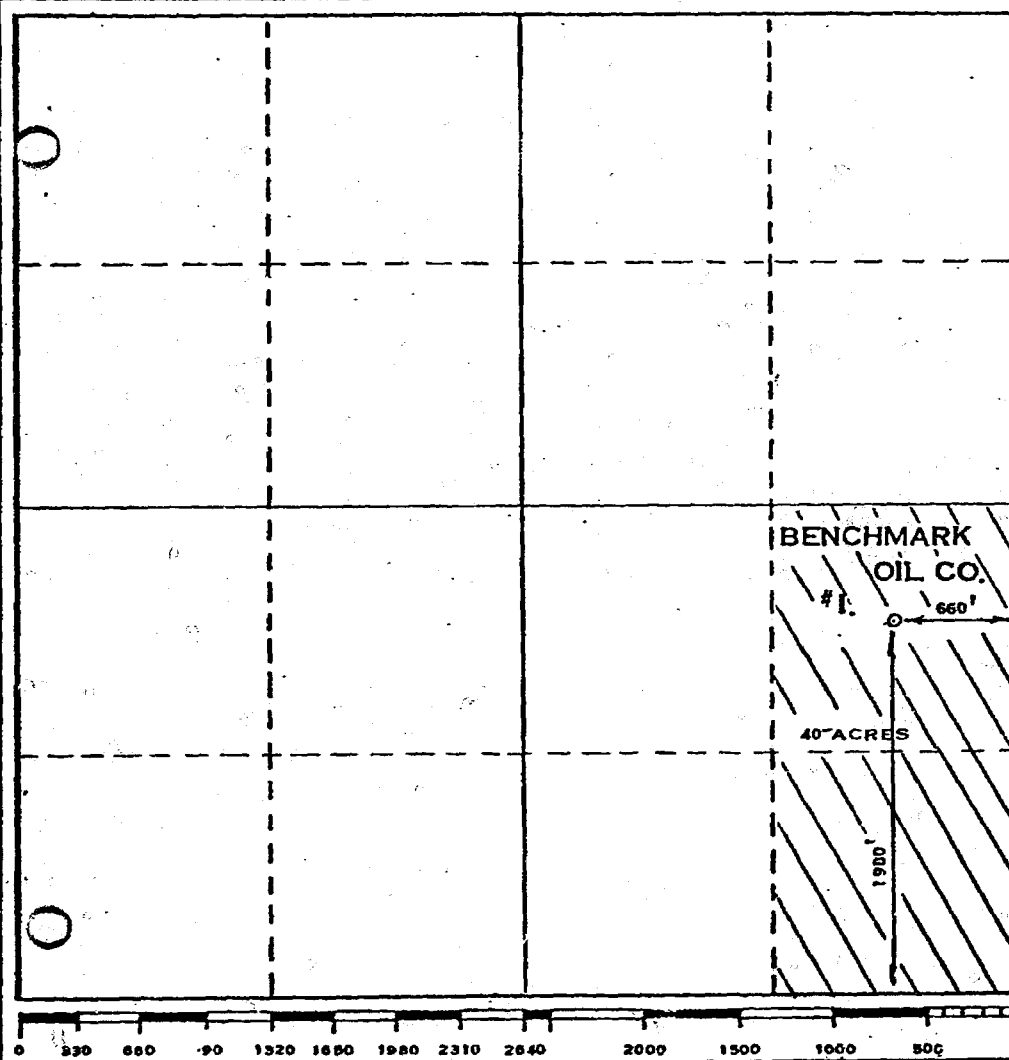
Operator BENCHMARK OIL CO.		Lease WRIGHT		Well No. 1
Unit Letter 11	Section 30	Township - 9-S	Range -33-E	County LEA
Actual Footage Location of Well: 1980 feet from the SOUTH line and 660 feet from the EAST line				
Ground Level Elev. 4375	Producing Formation SAN ANDRES	Pool FLYING "M" (SAN ANDRES)	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Roy K. Vella
Position Agent

Company Benchmark Oil Co.

Date 5-29-78

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed MAY 24, 1978
Registered Professional Engineer and/or Land Surveyor
Max A. Schenck
MAX A. SCHENCK
Certificate No. 1510

5

BENCHMARK OIL CO., LTD.

POST OFFICE BOX 790

NORMAN, OKLAHOMA 73070

June 5, 1978

COASTAL STATES GAS PRODUCING CO.
P.O. Box 235
Midland, Texas 79702

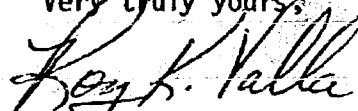
Attn: Mr. H. E. Clark
District Production Manager

Re: Waiver of Objection -
Non-Standard Drilling Location
Wright Well #1
1980' FSL, 660' FEL
Section 30, T-9-S, R-30-E
Lea County, New Mexico
Flying "M" (San Andres) Field

Gentlemen:

Benchmark Oil Co., Ltd. requests your approval of a non-standard drilling location for the subject well. Please indicate your approval in the space provided below.

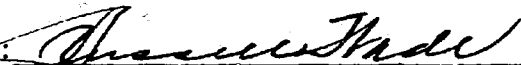
Very truly yours,


Roy K. Valla

RKV/dw

I hereby waive any objection to the subject location.

COASTAL STATES GAS PRODUCING CO.

BY: 
Russell Wade

DATE: 6-12-78

JUN - 8 1978

BENCHMARK OIL CO., LTD.

POST OFFICE BOX 790

NORMAN, OKLAHOMA 73070

June 5, 1978

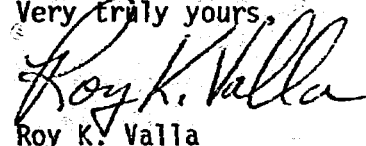
SOUTHERN UNION EXPLORATION CO.
Suite 1800
First International Building
Dallas, Texas 75270
Attn: Mr. Roy Sharrock

Re: Waiver of Objection -
Non-Standard Drilling Location
Wright Well #1
1980' FSL, 660' FEL ³³
Section 30, T-9-S, R-30-E
Lea County, New Mexico
Flying "M" (San Andres) Field

Gentlemen:

Benchmark Oil Co., Ltd. requests your approval of a non-standard drilling location for the subject well. Please indicate your approval in the space provided below.

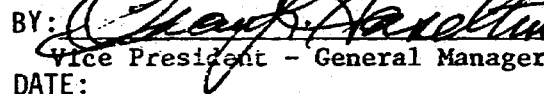
Very truly yours,


Roy K. Valla

RKV/dw

I hereby waive any objection to the subject location.

SOUTHERN UNION EXPLORATION CO.

BY: 
Vice President - General Manager
DATE: _____

OK
6/8/78
Cau
OK/8/78

BENCHMARK OIL CO., LTD.

POST OFFICE BOX 790

NORMAN, OKLAHOMA 73070

June 5, 1978

E.L. Latham, Jr. & Roy G. Barton, Jr.
P.O. Box 1392
Hobbs, New Mexico 88240

Re: Waiver of Objection -
Non-Standard Drilling Location
Wright Well #1
1980' FSL, 660' FEL
Section 30, T-9-S, R-30-E
Lea County, New Mexico
Flying "M" (San Andres) Field

Gentlemen:

Benchmark Oil Co., Ltd. requests your approval of a non-standard drilling location for the subject well. Please indicate your approval in the space provided below.

Very truly yours,

Roy K. Valla
Roy K. Valla

RKV/dw

I hereby waive any objection to the subject location.

E.L. LATHAM, JR. & ROY G. BARTON, JR.

BY: *E.L. Latham, Jr.*DATE: 6/6/78

BENCHMARK OIL CO., LTD.

POST OFFICE BOX 790

NORMAN, OKLAHOMA 73070

June 5, 1978

SAXON OIL COMPANY
P.O. Box 2948
Midland, Texas 79702

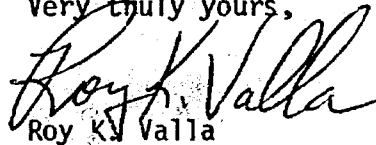
Attn: Mr. Robert Beals
Production Superintendent

Re: Waiver of Objection -
Non-Standard Drilling Location
Wright Well #1
1980' FSL, 660' FEL
Section 30, T-9-S, R-30-E
Lea County, New Mexico
Flying "M" (San Andres) Field

Gentlemen:

Benchmark Oil Co., Ltd. requests your approval of a non-standard drilling location for the subject well. Please indicate your approval in the space provided below.

Very truly yours,


Roy K. Valla

RKV/dw

I hereby waive any objection to the subject location.

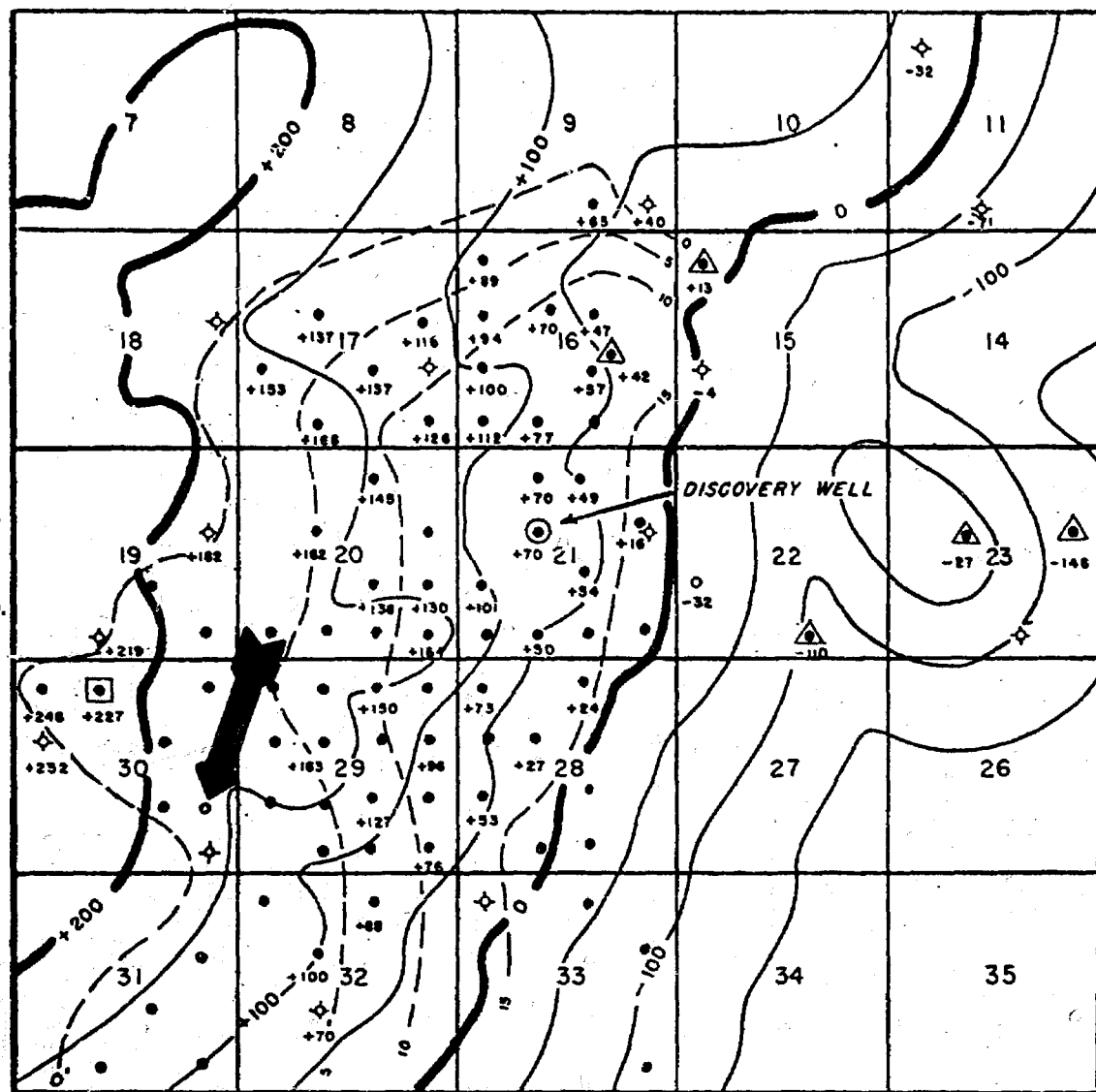
SAXON OIL COMPANY

BY: 

DATE: 6-20-78

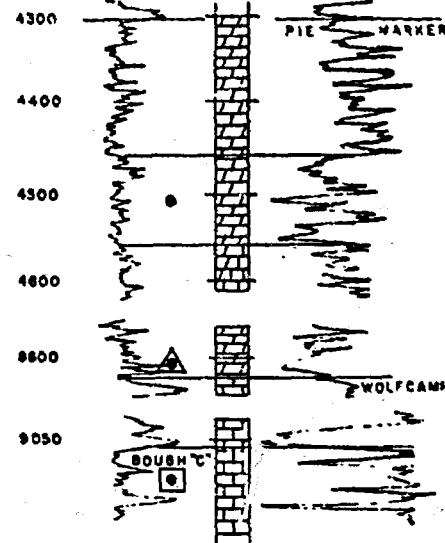
R. 33 E.

T. 9 S.



TYPE LOG

AVERAGE ELEVATION 4360
SCALE 1" = 200'



LEGEND

- SAN ANDRES PRODUCER
- ▲ 480 PRODUCER
- ◻ BOUSH "C" PRODUCER
- - - ISOPACH OF NET PAY

FLYING M FIELD
LEA COUNTY NEW MEXICO
STRUCTURAL CONTOURS ON
PIE MARKER

SCALE IN MILES

SYMPOSIUM COMMITTEE

NOV. 1966

CASE 6256: Application of Texaco Inc. for amendment of Commission Order No. R-5530, non-standard locations, and an administrative procedure, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend paragraph (14) on Page 7 of Commission Order No. R-5530 by removing or amending the allowable restriction therein subject to lease line agreements.

Applicant also seeks approval of nine injection wells at non-standard locations not closer than 10 feet to the Central Vacuum Unit boundary in the following units: Unit B of Section 12, Township 18 South, Range 34 East; Units D, E, L, and M of Section 6, Township 18 South, Range 35 East; Unit M of Section 31, Township 17 South, Range 35 East; and Units N, O, and P of Section 36, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

Applicant further seeks an administrative procedure for approval of additional producing and injection wells at orthodox and unorthodox locations.

CASE 6257: Application of Benchmark Oil Company, Ltd., for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Wright Well No. 1 to be located 1980 feet from the South line and 660 feet from the East line of Section 30, Township 9 South, Range 33 East, Flying M-San Andres Pool, Lea County, New Mexico, the E/2 SE/4 to be dedicated to the well.

CASE 6258: Application of Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian, McKee, and Ellenburger formations underlying the S/2 of Section 21, Township 22 South, Range 36 East, 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 5911: (Reopened and Readvertised)

In the matter of Case 5911 being reopened pursuant to the provisions of Order No. R-5353-B which order established temporary special pool rules for the Chacon-Dakota Associated Pool, Rio Arriba and Sandoval Counties, New Mexico. All interested parties may appear and show cause why said pool should not be reclassified as an oil pool to be governed by statewide rules.

CASE 6259: Application of V-F Petroleum, 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 11,085 feet to 11,102 feet in its State 14 Well No. 1 located in Unit L of Section 14, Township 9 South, Range 32 East, SRR-Devonian Pool, Lea County, New Mexico.

CASE 6260: Application of Continental Oil Company for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 480-acre non-standard gas proration unit comprising the N/2 and SE/4 of Section 2, Township 22 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's State J-2 Wells Nos. 7, 9 and 12 located in Units J, G and D, respectively, of said Section 2.

CASE 6261: Application of Continental Oil Company for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the W/2 of Section 20, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's State C-20 Wells Nos. 5 and 6, located in Units M and C, respectively, of said Section 20.

CASE 6262: Application of Adobe Oil & Gas Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian formation underlying the SE/4 of Section 17, Township 14 South, Range 36 East, Austin Field, 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 6263: Application of Adobe Oil & Gas Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian formation underlying the NE/4 of Section 17, Township 14 South, Range 36 East, Austin Field, 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.

BENCHMARK OIL CO., LTD.

POST OFFICE BOX 790

NORMAN, OKLAHOMA 73070

June 2, 1978

Case 6257

NEW MEXICO OIL CONSERVATION COMMISSION
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Richard L. Stanets

Re: Request for Hearing

Gentlemen:

This is a request for a hearing for approval of a non-standard drilling location in the Flying "M" (San Andres) Field to be drilled at the following location:

Wright Well #1 located 1980' FSL and 660' FEL
of Section 30, T-9-S, R-33-E, Lea County,
New Mexico.

The attached plat more clearly indicates the proposed location. Please schedule this hearing at your earliest possible convenience.

Yours truly,

Roy K. Valla
Roy K. Valla

RKV/dw
Attachments

Case 6257

Phone in application Roy Volla
915 337-5407

Benchmark Oil Co

NSL Wright No1 1980's 660E

Sec 30-T95-R33 E, Flying M-Sun

Andres Pool, E/2 SE/4 dedication

RLS
6-2-78

DRAFT

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6257

ORDER NO. R- 5758

APPLICATION OF BENCHMARK OIL COMPANY, LTD.

FOR AN UNORTHODOX OIL WELL LOCATION,

LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 21,
19 78, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this day of June, 1978, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

(1) That due public notice having been given as required by
law, the Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Benchmark Oil Company, Ltd.
~~for~~ its Wright Well No. 1 to be drilled at a point
seeks approval of an unorthodox oil well location 1980
feet from the South line and 660 feet from the
East line of Section 30, Township 9 South
Range 33 East, NMPM, to test the San Andres
formation, Flying M-San Andres Pool, Lea
County, New Mexico.

(3) That the E/2 SE/4 of said Section 30 is to be
dedicated to the well.

(4) That a well at said unorthodox location will better
enable applicant to produce the oil underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox
location.

-2-

Case No. _____

Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location for the ~~the~~ Benchmark Oil Company, Ltd. ~~Wright Well No. 1~~ **to be drilled** formation is hereby approved for ~~to be located~~ at a point 1980 feet from the South line and 660 feet from the East line of Section 30, Township 9 South, Range 33 East NMPM, Flying M-San Andres Pool, Lea County, New Mexico.

(2) That the E/2 SE/4 of said Section 30 shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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