

CASE 6263: ADOBE OIL & GAS CO.
FOR COMPULSORY POOLING, LEA COUNTY
NEW MEXICO

~~Dismissed~~

Continue to July 6

Dismiss w/o prej.

CASE NO.

6263

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Adobe Oil and Gas
Corporation for compulsory pooling,
Lea County, New Mexico.

CASES
6262
and
6263

BEFORE: Daniel S. Nutter

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:

Jason Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
Santa Fe, New Mexico 87501

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

1 MR. NUTTER: We'll call at this time Cases
2 6262 and 6263.

3 MS. TESCHENDORF: Cases 6262 and 6263 are the
4 applications of Adobe Oil and Gas Corporation for compul-
5 sory pooling, Lea County, New Mexico.

6 MR. KELLAHIN: If the Examiner, please, Jason
7 Kellahin, Kellahin and Fox, Santa Fe, appearing for the
8 applicant.

9 We would ask that these cases be dismissed
10 without prejudice.

11 MR. NUTTER: Cases Numbers 6262 and 6263 will
12 be dismissed without prejudice.

13 (Hearing concluded.)
14
15
16
17
18
19
20
21
22
23
24
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, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the 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.

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

Sally Walton Boyd CSR
Sally Walton Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6222-63, heard by me on 7/6, 1978,
[Signature] Examiner
New Mexico Oil Conservation Commission

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. 6263
Order No. R-5762

APPLICATION OF ADOBE OIL & GAS
CORPORATION FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 6, 1978,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of July, 1978, the Division
Director, 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 without pre-
judice should be granted.

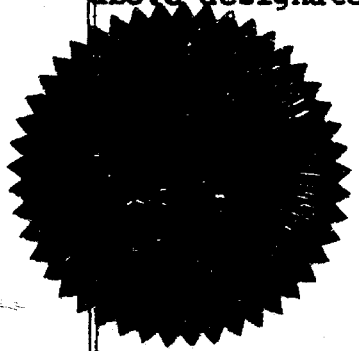
IT IS THEREFORE ORDERED:

That Case No. 6263 is hereby dismissed without prejudice.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L

Id/

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 Adobe Oil & Gas
Corporation for compulsory pooling,
Lea County, New Mexico.

CASE
6263

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

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

1 MR. STAMETS: Call next Case 6263.

2 MS. TESCHENDORF: Case 6263. Application of
3 Adobe Oil and Gas Corporation for compulsory pooling, Lea
4 County, New Mexico.

5 The applicant has requested that this case
6 also be continued to the July 6th Examiner Hearing.

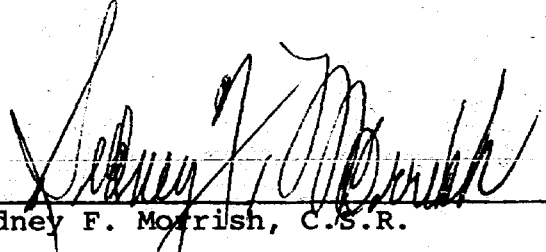
7 MR. STAMETS: Case 6263 will be so continued.

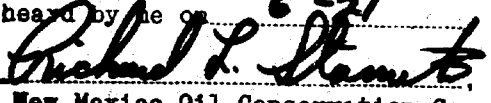
8 (Hearing concluded.)
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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. 6263 heard by me on 5-21 1978
, Examiner
New Mexico Oil Conservation Commission

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

CASE 6263: (Continued from June 21, 1978, Examiner Hearing)

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.

CASE 6264: (Continued from June 21, 1978, Examiner Hearing)

Application of Doyle Hartman for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the W/2 NE/4 of Section 36, Township 24 South, Range 36 East, Lea County, New Mexico, to form a non-standard gas proration unit to be dedicated to a well to be drilled at an unorthodox location 330 feet from the North line and 2310 feet from the East line of said Section 36. 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 6271: Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Queen formation underlying the S/2 SW/4 of Section 20 as a non-standard gas proration unit for a Jalmat gas well, or in the alternative, the SE/4 SW/4 of Section 20 for a Langlie Mattix oil well, all in Township 24 South, Range 37 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 6272: Application of Doyle Hartman for an exception to Rule 15 of Order No. R-1670, as amended, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 15 of Order No. R-1670, as amended, which will allow him to produce his overproduced Etz Well No. 1, located in Unit D of Section 7, Township 25 South, Range 37 East, NMMP, Jalmat Gas Pool, Lea County, New Mexico, at 60% of its allowable until such time as the overproduction has been made up.

CASE 6273: Application of Gulf Oil Corporation for creation of a new gas pool and special rules, including gas prorationing, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Morrow gas pool in Eddy County comprising all, or portions of, Sections 24 and 25, Township 18 South, Range 24 East, and Sections 18 thru 20, 28 thru 30, and 32 and 33, Township 18 South, Range 25 East; applicant further seeks the promulgation of special rules for said pool, including the prorationing of gas production on a straight acreage basis and the prohibition of more than one well to each 320-acre proration unit.

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.

for June 21 hwy

Case 6263

Adobe Oil & Gas Co.

Force pooling

Mississippian form, Austin Field
Lea Co.

SE 1/4 17 14S 36E

NE 1/4 17 14 36E

to be dedicated to wells to be drilled
std locs.

1100 Western United Life Bldg
Midland 79701

915 683-4701

called in by:

Richard J. Lanem

written appl to follow

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

CASE NO. 6263

Order No. R- 5762

APPLICATION OF ADOBE OIL & GAS
CORPORATION FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 6,
19 78, at Santa Fe, New Mexico, before Examiner DSN.

NOW, on this July day of July, 19 78, the Division
Director, 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 ^{without prejudice} should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6263 is hereby dismissed ^{without prejudice}.

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