

CASE NO.

6339

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

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. 6339
Order No. R-5846

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 25,
1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of November, 1978, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

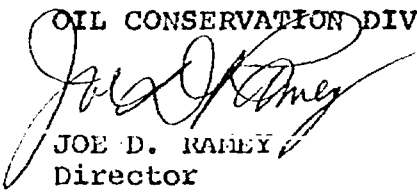
That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 6339 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMSEY
Director

dr/

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Amoco Production Company
for compulsory pooling, Eddy County,
New Mexico.

CASE
6339

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 Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Guy Buell, Esq.
AMOCO PRODUCTION COMPANY
P.O. Box 3092
Houston, Texas 77001

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (906) 471-2493
Santa Fe, New Mexico 87501

1 MR. NUTTER: Call Case 6339.

2 MS. TESCHENDORF: Case 6339, Application of
3 Amoco Production Company for compulsory pooling, Eddy
4 County, New Mexico.

5 MR. BUELL: May it please the Examiner, my name
6 is Guy Buell. I'm representing Amoco Production Company.
7 It's been nip and tuck, Mr. Examiner, but I am pleased
8 to report that finally all interests in this unit are
9 committed. I say nip and tuck because of the last interest
10 that was uncommitted. We got the instrument back, the
11 instrument was acknowledged but it hadn't been signed.
12 We returned it to the party, it was then signed, acknow-
13 ledged, and returned to us but the Notary acknowledged her
14 own signature and not that of the signed party.

15 But as the old saying goes, the third time was
16 a charm. We finally got the instrument back signed and
17 properly acknowledged. All interests are committed and
18 I move to dismiss that case.

19 MR. NUTTER: Are you satisfied that the Notary
20 was the Notary that certified the signature?

21 MR. BUELL: Yes, sir I -- I am convinced now that
22 everything is legal and proper.

23 MR. NUTTER: And you wish to dismiss Case Number
24 6339?

25 MR. BUELL: Yes, sir.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2010 Plaza Illinois (905) 471-2452
Santa Fe, New Mexico 87501

MR. NUTTER: The case will be dismissed.

(Hearing concluded)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3029 Plaza Blanca (601) 471-2442
San Antonio, New Mexico 87501

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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 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 W. Boyd
 Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 2020 Plaza Blanca (695) 471-2462
 Santa Fe, New Mexico 87601

I do hereby certify that the foregoing is
 a complete and correct transcript of the
 the Examination of Class No. 6339
 held on 10/25 1978.
[Signature], Examiner
 Oil Conservation Division

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Amoco Production) CASE
Company for compulsory pooling,) 6339
Eddy 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 Bldg.
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (666) 471-2462
Santa Fe, New Mexico 87501

1 MR. STAMETS: Call next Case 6339, being the
2 matter of the application of Amoco Production Company for
3 compulsory pooling, Eddy County, New Mexico.

4 The applicant has requested that this case
5 be continued until the October 25th hearing and the case
6 will be so continued.

7 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (505) 471-2462
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 W. Boyd C.S.R.
 Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 3010 Plaza Blanca (991) 471-2482
 Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 6339,
 heard by me on 10-11 1978.
Orlando R. [Signature], Examiner
 Oil Conservation Division

Dockets Nos. 35-78 and 36-78 are tentatively set for hearing on November 8 and 21, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 25, 1978

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 6290: (Continued from September 13, 1978, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit R. A. Crane, Jr., Great American Insurance Co., 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 Division-approved plugging program.

CASE 6339: (Continued from October 11, 1978, Examiner Hearing)

Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 22, Township 23 South, Range 28 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6355: Application of Amoco Production Company for two unorthodox well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox locations of its South Mattix Unit Well No. 32 located 1535 feet from the North line and 330 feet from the East line and its South Mattix Unit Well No. 34 located 1650 feet from the North line and 2310 feet from the West line, both in Section 22, Township 24 South, Range 37 East, Fowler-Upper Yeso Pool, Lea County, New Mexico, the S/2 NE/4 and the E/2 NW/4 of Section 22 to be dedicated, respectively, to the wells.

CASE 6356: Application of Amoco Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation through the perforated interval from 8391 feet to 9100 feet in its State "E" Tract 18 Well No. 21 located in Unit B of Section 2, Township 17 South, Range 36 East, Lovington-Abo Pool, Lea County, New Mexico.

CASE 6357: Application of Enserch Exploration, Inc., for pool creation and special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new oil pool in the Pennsylvanian formation for its Lambirth Well No. 4 located in Unit 0 of Section 31, Township 5 South, Range 33 East, Roosevelt County, New Mexico, and for promulgation of special pool rules, including provision for 80-acre spacing and special well location requirements.

CASE 6358: Application of Jake L. Hamon 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 12,997 feet to 13,036 feet in his State K-33 Well No. 2 located in Unit M of Section 30, Township 16 South, Range 36 East, East Shoe Bar-Devonian Pool, Lea County, New Mexico.

CASE 6359: Application of Getty Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production in the wellbore of its Jicarilla "C" Well No. 27 located in Unit E of Section 33, Township 25 North, Range 5 West. Applicant further seeks provision for administrative approval for downhole commingling of the Gallup and Dakota formations in others of its wells on its Jicarilla "B" and Jicarilla "C" leases in Sections 5 and 6, Township 24 North, Range 5 West, and Sections 21, 22, 27, 28 and 31 thru 34, Township 25 North, Range 5 West, all in Rio Arriba County, New Mexico.

CASE 6368: Application of Getty Oil Company for the amendment of Order No. R-5388, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5388 to provide an administrative procedure to permit the downhole commingling of Pictured Cliffs and Chacra production in wells on its Jicarilla "B" and "C" leases in Sections 21, 22, 27, 28, and 31 thru 34, Township 25 North, Range 5 West, and Sections 5 and 6, Township 24 North, Range 5 West, all in Rio Arriba County, New Mexico.

CASE 6360: 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 228-acre non-standard gas proration unit comprising the SW/4 and S/2 SE/4 of Section 18, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's Lockhart A-18 Wells Nos. 3 and 4, located in Units K and M, respectively, of said Section 18.

- CASE 6361: Application of Continental Oil Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Buffalo-Pennsylvanian Gas Pool, Lea County, New Mexico, to provide for 320-acre spacing rather than 160 acres. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Wolfcamp and Pennsylvanian gas pools rather than the present 160-acre spacing.
- CASE 6362: Application of Continental Oil Company for an unorthodox gas well location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 294.9-acre non-standard gas proration unit comprising the S/2 of partial Section 19, Township 17 South, Range 29 East, Eddy County, New Mexico, to be dedicated to a well to be drilled 660 feet from the South line and 3300 feet from the East line of said Section 19 to test the Morrow formation.
- CASE 6363: Application of Phoenix Resources Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North and West lines of Section 16, Township 19 South, Range 21 East, Eddy County, New Mexico, to be drilled to the Mississippian formation, the W/2 of said Section 16 to be dedicated to the well.
- CASE 6364: Application of Adobe Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Ellenburger formation underlying the NW/4 SE/4 of Section 23, Township 20 South, Range 38 East, Lea County, New Mexico, to be dedicated to a proposed oil well to be drilled at a standard location thereon. Applicant seeks the pooling of the SE/4 of said Section 23 in the event said drilling results in a gas well. 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 6365: Application of Michael P. Grace II for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 25, Township 21 South, Range 26 East, Burton Flat Field, 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 6366: Application of Phillips Petroleum Company for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of a pressure maintenance project, all mineral interests in the East Vacuum Grayburg-San Andres Unit encompassing 7,025 acres, more or less, underlying all or portions of the following lands in Lea County, New Mexico: Section 24, Township 17 South, Range 34 East; Sections 18 thru 29 and 31 thru 35, Township 17 South, Range 35 East; and Sections 4 and 5, Township 18 South, Range 35 East.
- The unitized interval would be the Grayburg-San Andres Formation between the depths of 4,050 feet and 5,050 feet in Exxon's NM State "K" Well No. 19, located in Unit P of Section 28, Township 17 South, Range 35 East.
- 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.
- CASE 6367: Application of Phillips Petroleum Corporation for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on its East Vacuum Grayburg-San Andres Unit, Lea County, New Mexico, by the injection of water into the Grayburg-San Andres formation; and the establishment of an administrative procedure for approval of injection and producing wells at unorthodox locations.



OCT 11 1978

Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

October 9, 1978

File: TBM-986.51NM-960

Re: Case No. 6339
Compulsory Pooling
S/2 Section 22, T-23-S, R-28-E
Eddy County, New Mexico


New Mexico Department of Energy and Minerals (3)
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. R. L. Stamets

Gentlemen:

Amoco Production Company respectfully requests Case No. 6339 be continued to the Examiner Hearing of October 25, 1978. This is Amoco's request for an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 22, T-23-S, R-28-E, Eddy County, New Mexico.

Yours very truly,


J. R. BARNETT
Regional Engineering Manager

JCA:sam





October 9, 1978

Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

File: TBM-986.51NM-960

Re: Case No. 6339
Compulsory Pooling
S/2 Section 22, T-23-S, R-28-E
Eddy County, New Mexico

New Mexico Department of Energy and Minerals (3)
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. R. L. Stamets

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Yours very truly,

J. R. BARNETT
Regional Engineering Manager

JCA:sam



OCT 11 1978

Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

October 9, 1978

File: TBM-986.51NM-960

Re: Case No. 6339
Compulsory Pooling
S/2 Section 22, T-23-S, R-28-E
Eddy County, New Mexico


New Mexico Department of Energy and Minerals (3)
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. R. L. Stamets

Gentlemen:

Amoco Production Company respectfully requests Case No. 6339 be continued to the Examiner Hearing of October 25, 1978. This is Amoco's request for an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 22, T-23-S, R-28-E, Eddy County, New Mexico.

Yours very truly,


J. R. BARNETT
Regional Engineering Manager

JCA:sam

Dockets Nos. 34-78 and 35-78 are tentatively set for hearing on October 25 and November 8, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 11, 1978

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 6338: Application of Charles C. Loveless for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the South line and 1980 feet from the East line of Section 23, Township 17 South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, the E/2 of said Section 23 to be dedicated to the well.

CASE 6040: (Reopened and Readvertised)

In the matter of Case 6040 being reopened pursuant to the provisions of Order No. R-5552 which order created the North Teague-Devonian Pool, Lea County, New Mexico, with a special gas-oil ratio limitation of 4000 to 1. All interested parties may appear and show cause why the limiting gas-oil ratio for said pool should not revert to 2000 to 1.

CASE 6339: Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 22, Township 23 South, Range 28 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6321: (Continued and Readvertised)

Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Shugart State Com. Well No. 1 to be drilled 714 feet from the South line and 2062 feet from the West line of Section 16, Township 18 South, Range 31 East, Eddy County, New Mexico, the W/2 of said Section 16 to be dedicated to the well.

CASE 6320: (Continued and Readvertised)

Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Coquina Federal Com Well No. 1 to be drilled 710 feet from the North line and 2330 feet from the West line of Section 32, Township 18 South, Range 27 East, Eddy County, New Mexico, the W/2 of said Section 32 to be dedicated to the well.

CASE 6340: Application of Supron Energy Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Stream production in the wellbore of its Shelby Federal Well No. 1 located in the NE/4 of Section 13, Township 22 South, Range 24 East, Eddy County, New Mexico.

CASE 6341: Application of Supron Energy Corporation for dual completions and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Jicarilla A Well No. 8 located in the NW/4 of Section 23; its Jicarilla E Well No. 7 located in the SE/4 of Section 15; and its Jicarilla E Well No. 8 located in the NW/4 of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Mesaverde formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbores of said wells.

CASE 6342: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla J Well No. 10 located in the SE/4 of Section 26, Township 26 North, Range 5 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Tootie and Dakota production in the wellbore of said well.

CASE 6343: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbore of said well.

- CASE 6344: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla F Well No. 1 located in the SW/4 of Section 27, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Mesaverde and Dakota production in the wellbore of said well.
- CASE 6345: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production in the wellbore of its Jicarilla H Well No. 7 located in the SW/4 of Section 19, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.
- CASE 6346: Application of Supron Energy Corporation 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 Jicarilla K Well No. 14 located in the SE/4 of Section 11, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 6347: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Dakota production in the wellbore of its Jicarilla K Well No. 17 located in the SW/4 of Section 12, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 6348: Application of Supron Energy Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbore of its Starr Well No. 3 located in the NE/4 of Section 5, Township 26 North, Range 8 West, San Juan County, New Mexico.
- CASE 6349: Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of B.S. Mesa-Gallup and Basin-Dakota production in the wellbore of its Hoyt Well No. 1-5 located in Unit H of Section 5, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.
- CASE 6350: Application of Petro-Lewis Corporation for an unorthodox well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location in the Mesaverde formation for its Florance Well No. 7 located 2028 feet from the North line and 1040 feet from the West line of Section 4, Township 25 North, Range 3 West, Tapacito Field, Rio Arriba County, New Mexico, the NW/4 of said Section 4 to be dedicated to the well.
- CASE 6351: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 16, Township 19 South, Range 29 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6352: Application of Southland Royalty Company for three dual completions, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Decker Well No. 2A located in Unit I of Section 26, Township 32 North, Range 12 West, and its Grenier "A" Well No. 1A in Unit C of Section 26, Township 30 North, Range 10 West, to produce gas from the Blanco-Pictured Cliffs and the Blanco Mesaverde pools and its Patterson "B" Com Well No. 1R in Unit C of Section 2, Township 31 North, Range 12 West, to produce gas from the Aztec-Pictured Cliffs and Blanco Mesaverde pools, all in San Juan County, New Mexico, with separation of the zones in each of the above wells to be achieved by means of a polished bore receptacle and mandrel.
- CASE 6353: Application of Union Texas Petroleum for two unorthodox well locations, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Milnesand Unit Well No. 241 to be drilled 2630 feet from the North line and 100 feet from the East line of Section 24, Township 8 South, Range 34 East, and its Milnesand Unit Well No. 1901 to be drilled 1310 feet from the North and West lines of Section 19, Township 8 South, Range 35 East, Milnesand San Andres Pool, Roosevelt County, New Mexico.
- CASE 6354: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:
- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Bone Springs production and designated as the Ross Draw-Bone Springs Gas Pool. The discovery well is D. B. Baxter Ross Draw Unit Well No. 5 located in Unit K of Section 27, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 27: SW/4

- (b) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Atoka production and designated as the South Sand Ranch-Atoka Gas Pool. The discovery well is Depco, Inc. Beall Federal Well No. 1 located in Unit G of Section 17, Township 11 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 30 EAST, NMPM
Section 17: E/2

- (c) EXTEND the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 25: All
Section 36: N/2

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 1: E/2

- (d) EXTEND the Bluit-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 16: N/2
Section 17: NE/4

- (e) EXTEND the Buckeye-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2

- (f) EXTEND the East Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 5: E/2

- (g) EXTEND the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 9: NW/4 SE/4
Section 10: W/2 SW/4
Section 21: NE/4 NW/4

- (h) EXTEND the vertical limits of the Comanche Stateline-Yates Pool in Lea County, New Mexico, to include the Tansill formation and redesignate said Comanche Stateline-Yates Pool as the Comanche Stateline Tansill-Yates Pool.

- (i) EXTEND the Corbin-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 35: NW/4

- (j) EXTEND the Crooked Creek-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 16: N/2

- (k) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 25: S/2

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 30: N/2

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 13: N/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 7: S/2
Section 18: All

- (l) EXTEND the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 6: S/2

- (m) EXTEND the Gladiola-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM
Section 5: NW/4

- (n) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 31: W/2 E/2
Section 32: NE/4 NE/4

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 5: W/2 NW/4

- (o) EXTEND the Hume-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 5: S/2
Section 8: E/2

- (p) EXTEND the Indian Flats-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2 SW/4

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 2: N/2 NW/4

- (q) EXTEND the South Kemnitz-Upper Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 33: SW/4

- (r) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 33: E/2

- (s) EXTEND the East Lusk-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 16: NE/4

- (t) EXTEND the Many Gates-Morrow Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
Section 31: All

- (u) EXTEND the North Mescalero-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 11: NW/4

- (v) EXTEND the Millman-Stream Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 18: All

- (w) EXTEND the Monument-Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 21: NE/4

- (x) EXTEND the South Peterson-Fusselman Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 31: E/2

- (y) EXTEND the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 16: S/2

- (z) EXTEND the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 19: E/2
Section 20: W/2

- (aa) EXTEND the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 23: E/2 SE/4 and NW/4 SE/4

- (bb) EXTEND the Sand Ranch-Atoka Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM
Section 23: N/2

- (cc) EXTEND the North Shugart-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 21: W/2

- (dd) EXTEND the North Shugart-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 21: W/2

- (ee) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 30: NE/4
Section 31: SE/4
Section 32: NW/4

- (ff) EXTEND the Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 6: NW/4

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: SW/4

- (gg) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 25: W/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 29: N/2
Section 31: S/2

- (hh) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM
Section 25: S/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
Section 1: SW/4 NE/4, NW/4 SE/4, SW/4 NW/4 and NW/4 SW/4

- (ii) EXTEND the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 19: NW/4

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 18, 1978

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for November, 1978, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for November, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

J. M. Brown
Division Engineering
Manager

SEP 25 1978

September 21, 1978

File: TBM-986.51NM-5159

Re: Application for Hearing
Compulsory Pooling
S/2 Section 22, T-23-S, R-28-E
Eddy County, New Mexico

New Mexico Department of Energy and Minerals (3)
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

Confirming telephone request of September 15, 1978 to Mr. Richard L. Stamets, Amoco Production Company requests a hearing for compulsory pooling of all mineral interests in the Pennsylvanian Formation underlying the S/2 Section 22, T-23-S, R-28-E, Eddy County, New Mexico, to be dedicated to a well to be drilled thereon at an orthodox location. Also to be considered will be the cost of drilling and completing said well, the allocation of cost thereof as well as actual operating cost, charges for supervision and a charge for risk involved in drilling said well. Amoco will ask to be designated operator of the well.

Please place this item on the Examiner's Hearing Docket of October 11, 1978. A map of the area and a list of all leasehold interest in the S/2 of Section 22, T-23-S, R-28-E is attached. Please direct any questions to Mr. J. C. Allen (713 652-5497).

Yours very truly,

JCA:sam
Attachments

Leasehold Interest in the
S/2 of Section 22, T23S, R28E

	<u>Interest</u>	<u>Description</u>
1. Cerro Gas Limited Suite 640 Continental National Bank Bldg. 333 S. Bannock Englewood, Colo. 80110	11/12	SE/4 NE/4 SE/4, NE/4 SE/4 SE/4
2. William B. Blakemore, II Box 4605 Midland, Texas 79701	1/12	SE/4 NE/4 SE/4, NE/4 SE/4 SE/4
3. Ronnie Ward and J. H. Isabell 727 Midland Tower Building Midland, Texas 79701	1/2	NE/4 NE/4 SE/4
4. L. T. May P. O. Box 95 Carlsbad, New Mexico 88330	1/2	NE/4 NE/4 SE/4
5. R. F. Fort & Draper Brantley P. O. Box 2044 Midland, Texas 79701	Full	SE/4 SE/4 SE/4 Less South 198'
6. R. G. Barton 300 West Taylor Hobbs, New Mexico 88240	Full	SW/4 SE/4 SE/4
7. Amoco Production Company P. O. Box 3092 Houston, Texas 77001	Full	W/2 SW/4
8. Amoco Production Company P. O. Box 3092 Houston, Texas 77001	Full	E/2 SW/4, W/2 SE/4, W/2 NE/4 SE/4, NW/4 SE/4 SE/4, and South 198' SE/4 SE/4 SE/4



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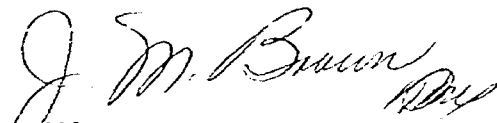
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J. M. Brown
Division Engineering
Manager

September 21, 1978

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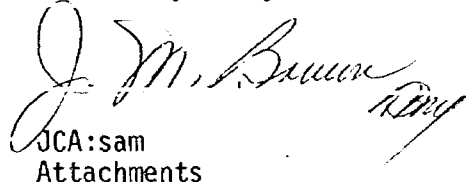
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Legal Ad

9-15-78 Jim Allen Truro
Houston

Compulsory Pooling Pennsylvania
for S12 22-235-28E

Eddy Co NM. Std well location.
Regular provisions of adv.

RLS

DRAFT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

dr/

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

CASE NO. 6339

Order No. R- 5846

APPLICATION OF AMOCO PRODUCTION COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on ²⁵October ~~27~~,
19 78, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of November, 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 should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6339 is hereby dismissed.

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