
CASE NO.

6388

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

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

EXAMINER HEARING

IN THE MATTER OF:

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

CASE
6388

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

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1010 Park Plaza, Suite 100
Santa Fe, New Mexico 87501

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MR. NUTTER: Call Case 6388.

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MS. TESCHENDORF: Case 6388. Application of
Amoco Production Company for compulsory pooling, Eddy County,
New Mexico.

The applicant has requested that this case
be dismissed.

MR. NUTTER: Case 6388 will be dismissed.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza, El Paso (915) 411-4462
El Paso, Texas 79901

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

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiners hearing of Case No. 6388 heard by me on 11/21 1978.

[Signature], Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2000 Plaza Milena (SOS) 471-4405
Buckle Up, New Mexico 87001



ZACK FRANKLIN
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

January 2, 1979

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
8008 827-5434

Mr. J. R. Barnett
Regional Engineering Manager
Amoco Production Company
Post Office Box 3092
Houston, Texas 77001

Re: CASE NO. 6388
ORDER NO. R-5884

Applicant:

Amoco Production Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC	x
Artesia OCC	x
Artec OCC	

Other

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. 6388
ORDER NO. R-5884

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 November 21,
1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of December, 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. 6388 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. RAMEY,
Director


SEAL

jt



J. R. Barnett
Regional Engineering
Manager

November 16, 1978

File: TBM-1235-986.51

Re: Case No. 6388
Compulsory Pooling
E/2 Section 20, T-23-S, R-29-E
Eddy Co., New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Gentlemen:

Amoco Production Company respectfully requests Case No. 6388, set for hearing on November 21, 1978, be dismissed. Case No. 6388 was Amoco's request for compulsory pooling the Pennsylvania formation of the E/2 Section 20, T-23-S, R-29-E, Eddy County, New Mexico.

Very truly yours,

J. R. Barnett
J. R. Barnett

JCA/ym

Amoco Production Company

Houston Region
500 Jefferson Building
Post Office Box 309
Houston, Texas 77001

NOV 21 1978

Santa Fe

- CASE 6380:** Application of Harvey E. Yates Company, Inc., for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Travis Deep Well No. 3 located in Unit B of Section 13, Township 18 South, Range 28 East, to produce oil from the Travis-Upper Pennsylvanian Pool and gas from the Morrow formation, Eddy County, New Mexico, through parallel strings of tubing.
- CASE 6381:** Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of East Cottonwood Creek-Wolfcamp and Atoka production within the wellbore of its Lizzie Howard "HK" Well No. 1 located in Unit K of Section 13, Township 16 South, Range 25 East, Eddy County, New Mexico.
- CASE 6382:** Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Permo-Penn and Little Box Canyon-Atoka production within the wellbore of its Federal "HQ" Well No. 1 located in Unit K of Section 5, Township 21 South, Range 22 East, Eddy County, New Mexico.
- CASE 6383:** Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Eagle Creek Permo-Penn and the West Atoka-Morrow production within the wellbore of its Powell "DG" Com. Well No. 1 located in Unit O of Section 35, Township 17 South, Range 25 East, Eddy County, New Mexico.
- CASE 6384:** Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Permo-Penn and Atoka production within the wellbore of its Federal "AB" Com. Well No. 5 located in Unit L of Section 21, Township 18 South, Range 25 East, Eddy County, New Mexico.
- CASE 6385:** Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Box Canyon Permo-Penn and Box Canyon-Strawn production within the wellbore of its Huber I-A Federal Well No. 2 located in Unit P of Section 15, Township 21 South, Range 21 East, Eddy County, New Mexico.
- CASE 6386:** 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 Ellenburger, Devonian, and McKee formations underlying the N/2 of Section 21, Township 22 South, Range 36 East, Lea County, New Mexico, to be dedicated to its Langley Greer Com Well No. 1 located 1650 feet from the North line and 1980 feet from the West line of said Section 21. 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 6387:** Application of R B Petroleum Company for pool reclassification, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the North Tocito Dome-Pennsylvanian Pool as an associated pool and the promulgation of special pool rules therefor. In the alternative, applicant seeks the abolishment of the North Tocito Dome-Pennsylvanian Pool and the inclusion of the abolished lands in the Tocito Dome Pennsylvanian "D" Associated Pool.
- CASE 6388:** 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 E/2 of Section 20, Township 23 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 6389:** Application of Durham, Inc., for pool contraction and extension, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of the N/2 of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, or in the alternative, all of said Section 8, and the extension of the Cemetery-Morrow Gas Pool to include the aforesaid N/2 or all of said Section 8.
- CASE 6390:** Application of C & E Operators for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down thru the Pictured Cliffs formation underlying the SW/4 of Section 10, Township 30 North, Range 11 West, San Juan 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.

Docket No. 37-78

Dockets Nos. 39-78 and 40-78 are tentatively set for hearing on December 7 and 20, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - NOVEMBER 14, 1978

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases are continued from the November 7, 1978, Commission Hearing.

CASE 6146: (DE NOVO) (Continued and Readvertised)

Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tapacito-Gallup and Basin-Dakota production within the wellbore of his Jicarilla Well No. 5 located in Unit D of Section 29, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

Upon application of Jerome P. McHugh this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6266: (DE NOVO)

Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Upper Pennsylvanian test well to be located 660 feet from the North and East lines or, in the alternative, 990 feet from the North and East lines of Section 23, Township 22 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico, all of said Section 23 to be dedicated to the well.

Upon application of Harvey E. Yates Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6377: Application of Durham, Inc., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Section 8, Township 21 South, Range 24 East, Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled 1650 feet from the North and East lines of said Section 8. 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 6378: In the matter of the hearing called by the Oil Conservation Division on the motion of Shell Oil Company to permit Corinne Grace and all other interested parties to appear and show cause why Division Order No. R-3713, which pooled all of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, should not be declared null and void, if said pooling order has not already automatically expired due to non-production.

CASE 6379: Application of Shell Oil Company for pool contraction and pool extension, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of the N/2 of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, or in the alternative, all of said Section 8, and the extension of the Cemetery-Morrow Gas Pool to include the aforesaid N/2 or all of said Section 8.

Docket No. 38-78

DOCKET: EXAMINER HEARING - TUESDAY - NOVEMBER 21, 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. Mutter, Examiner, or Richard L. Stamets, Alternate Examiner:

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

- CASE 6380: Application of Harvey E. Yates Company, Inc., for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Travis Deep Well No. 3 located in Unit B of Section 13, Township 18 South, Range 28 East, to produce oil from the Travis-Upper Pennsylvanian Pool and gas from the Morrow formation, Eddy County, New Mexico, through parallel strings of tubing.
- CASE 6381: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of East Cottonwood Creek-Wolfcamp and Atoka production within the wellbore of its Lizzie Howard "HK" Well No. 1 located in Unit K of Section 13, Township 16 South, Range 25 East, Eddy County, New Mexico.
- CASE 6382: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Permo-Penn and Little Box Canyon-Atoka production within the wellbore of its Federal "HQ" Well No. 1 located in Unit K of Section 5, Township 21 South, Range 22 East, Eddy County, New Mexico.
- CASE 6383: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Eagle Creek Permo-Penn and the West Atoka-Morrow production within the wellbore of its Powell "DG" Com. Well No. 1 located in Unit O of Section 35, Township 17 South, Range 25 East, Eddy County, New Mexico.
- CASE 6384: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Permo-Penn and Atoka production within the wellbore of its Federal "AB" Com. Well No. 5 located in Unit L of Section 21, Township 18 South, Range 25 East, Eddy County, New Mexico.
- CASE 6385: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Box Canyon Permo-Penn and Box Canyon-Strawn production within the wellbore of its Huber I-A Federal Well No. 2 located in Unit P of Section 15, Township 21 South, Range 21 East, Eddy County, New Mexico.
- CASE 6386: 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 Ellenburger, Devonian, and McKee formations underlying the N/2 of Section 21, Township 22 South, Range 36 East, Lea County, New Mexico, to be dedicated to its Langley Greer Com Well No. 1 located 1650 feet from the North line and 1980 feet from the West line of said Section 21. 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 6387: Application of R B Petroleum Company for pool reclassification, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the North Tooto Dome-Pennsylvanian Pool as an associated pool and the promulgation of special pool rules therefor. In the alternative, applicant seeks the abolishment of the North Tooto Dome-Pennsylvanian Pool and the inclusion of the abolished lands in the Tooto Dome Pennsylvanian "D" Associated Pool.
- CASE 6388: 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 E/2 of Section 20, Township 23 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 6389: Application of Durham, Inc., for pool contraction and extension, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Indian Easin-Morrow Gas Pool by the deletion therefrom of the N/2 of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, or in the alternative, all of said Section 8, and the extension of the Cemetery-Morrow Gas Pool to include the aforesaid N/2 or all of said Section 8.
- CASE 6390: Application of C & E Operators for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down thru the Pictured Cliffs formation underlying the SW/4 of Section 10, Township 30 North, Range 11 West, San Juan 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 6391: Application of Acoma Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry, Wantz-Abo, and Drinkard production within the wellbore of its Sarkeys Well No. 1 located in Unit A of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 6364: (Continued from October 25, 1978, Examiner Hearing)

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.



J. R. Barnett
Regional Engineering
Manager

October 31, 1978

NOV -6 1978

Santa Fe

Amoco Production Company

Houston Region
600 Jefferson Building
Post Office Box 3092
Houston, Texas 77001

File: TBM-986.51NM-1195

Case 6388

Re: Application for Hearing
Compulsory Pooling
E/2 Section 20, T-23-S, R-29-E
Eddy County, New Mexico

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

Attention: Mr. Joe D. Ramey

Gentlemen:

Confirming telephone request of October 30, 1978 to Mr. Daniel S. Nutter, Amoco Production Company requests a hearing for compulsory pooling of all mineral interests in the Pennsylvanian Formation underlying the E/2 Section 20, T-23-S, R-29-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 November 21, 1978. A map of the area and a list of all leasehold interest in the E/2 of Section 20, T-23-S, R-29-E is attached. Please direct any questions to Mr. Jim Allen (713 652-5497).

Yours very truly,


JCA:sam

LEASEHOLD INTEREST
Township 23 South, Range 29 East
Section 20: E/2

<u>OWNERS</u>	<u>DESCRIPTION</u>	<u>ACRES</u>	<u>INTEREST</u>
Amoco Production Company P. O. Box 3092 Houston, Texas 77001	N/2NE/4,E/2SE/4	160	50%
Getty Oil Company P. O. Box 1231 Midland, Texas 79701	S/2NE/4,NW/4SE/4	120	37.5%
Exxon Company, USA P. O. Box 1600 Midland, Texas 79701	SW/4SE/4	40	12.5%

Memo

From
D. S. NUTTER
CHIEF ENGINEER

To Application of
Amoco Production Co for
compulsory pooling, Eddy
Co., 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 20,
Township 23 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

Memo

From
D. S. NUTTER
CHIEF ENGINEER

To

Amoco

Compulsory pooling

Pennsylvania

E/2 20-23S-29E Eddy

Standard Oil Co

Amoco

Getty

Exxon

Jim Wood ?

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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. 6388

Order No. R- 5884

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 November 21,
19 78, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.
NOW, on this December 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. 6388 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY,
Director

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CASE 6389: DURHAM, INC. FOR POOL CON-
TRACTION AND EXTENSION, EDDY COUNTY,
NEW MEXICO