

CASE 6426: C. W. TRAINER FOR AN UN-
ORTHODOX GAS WELL LOCATION, LEA COUNTY,
NEW MEXICO

CASE NO.

6426

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico
31 January 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of C. W. Trainer for an
unorthodox gas well location, Lea
County, New Mexico.

CASE
6426

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

For the Applicant:

George H. Hunker, Esq.
HUNKER, FEDRIC, P. A.
Suite 210 Hinkle Bldg.
P. O. Box 1837
Roswell, New Mexico 88201

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Bldg. (806) 471-2483
Santa Fe, New Mexico 87501

I N D E X

MARVIN GROSS

Direct Examination by Mr. Hunker

3

E X H I B I T S

Applicant Exhibit One, Plat

10

Applicant Exhibit Two, Cross Section

10

Applicant Exhibit Three, Plat

10

SALLY WALTON BOYD
CERTIFIED SHOTFALL REPORTER
3030 Plaza Blanca (606) 471-2462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (665) 471-2483
Santa Fe, New Mexico 87501

1 MR. STAMETS: We'll call next Case 6426.
2 MS. TESCHENDORF: Case 6426. Application of
3 C. W. Trainer for an unorthodox gas well location, Lea
4 County, New Mexico.

5 MR. HUNKER: Mr. Examiner, I'm George H.
6 Hunker, Junior, of the firm of Hunker, Fedric, P. A., Ros-
7 well, New Mexico, and we represent Marvin Gross and C. W.
8 Trainer in connection with Case 6426. I have one witness
9 and three exhibits.

10 MR. STAMETS: Any other appearances in this
11 case?

12 I'd like to have all of those that are going
13 to be witnesses in this case stand and be sworn.

14 (Witness sworn.)

15
16 MARVIN GROSS
17 being called as a witness and having been duly sworn upon
18 his oath, testified as follows, to-wit:

19
20 DIRECT EXAMINATION

21 BY MR. HUNKER:

22 Q For the record will you identify yourself,
23 Mr. Gross?

24 A I'm Marvin Gross, and I'm an independent
25 geologist from Roswell, New Mexico.

1 Q Have you ever testified before the Oil Con-
2 servation Division?

3 A Yes, I have.

4 Q Have your qualifications as a geologist been
5 acceptable to the Commission?

6 A Yes, sir, they have.

7 MR. HUNKER: Will his qualifications be ac-
8 cepted, Mr. Examiner?

9 MR. STAMETS: They are.

10 Q (Mr. Hunker continuing.) Are you familiar
11 with Case Number 6426?

12 A Yes, sir.

13 Q What is the purpose of this case?

14 A To enable C. W. Trainer to drill a Morrow
15 test at an unorthodox location, 660 from the north and west
16 of Section 24, to avoid the potash in place, commercial
17 potash deposits.

18 MR. HUNKER: If the Examiner please, I'd
19 like the Division to take administrative notice of the fact
20 that C. W. Trainer filed a notice of intention to drill a
21 test well at a location 990 feet north and 990 feet from
22 the west line of Section 24, Township 20 South, Range 32
23 East, and that as a result of sending this notice to the
24 adjoining potash lease owners objections were filed and an
25 arbitration was held in Roswell, New Mexico on January the

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3028 Plaza Blanca (665) 471-2462
Santa Fe, New Mexico 87501

1 10th, 1979, at which time some of the differences were
2 resolved and agreements were reached with regard to the
3 filing of a notice of intention to drill at the new loca-
4 tion 660 feet north, from the north line, and 660 feet from
5 the west line of Section 24, Township 20 South, Range 32
6 East.

7 In connection with the second notice of in-
8 tention to drill, your files will reflect that copies have
9 been sent to the adjoining potash lease owners, who will
10 be identified in the testimony later on.

11 Q (Mr. Hunker continuing.) Mr. Gross, are
12 you Mr. Trainer's partner in connection with this Salt Lake
13 Morrow prospect?

14 A Yes, sir, I am.

15 Q I'll hand you what's been marked Applicant's
16 Exhibit One and ask you to tell the Examiner what this plat
17 depicts.

18 A This is a plat prepared by USGS, which
19 shows the noncommercial potash enclaves within this parti-
20 cular area, which covers twelve sections. Sixteen, pardon
21 me. And I would like for you to take particular notice
22 that our location, our 660 location, in the northwest
23 quarter of 24, falls within one of these noncommercial
24 enclaves.

25 Q Was this exhibit presented by the USGS to

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
202 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

1 the arbitration hearing which I referred to earlier?

2 A. Yes, sir, it was.

3 Q. Did the mining supervisor and the United
4 States Geological Survey concur in this 660-foot location?

5 A. Yes, sir, they did.

6 Q. Was there also concurrence from Kerr McGee
7 and from Mississippi Chemical?

8 A. Yes, sir, this was their pick, their location.

9 Q. At this time I hand you what's been marked
10 Exhibit Number Two and ask you to identify that exhibit and
11 tell the Examiner what it shows.

12 A. This is a cross section prepared by me going
13 from A to A-prime, from left to right, beginning at the
14 Phillips No. 1 Plata Deep Unit, 1980 from the south and
15 west of Section 15, Township 20 South, Range 32 East,
16 running to the Flag-Redfern Hanson State, located 660 from
17 the south, 1980 from the west of Section 13, 20, 32. This,
18 then, to the Cleary Petroleum Fairmont No. 1 Federal,
19 which is a deviated hole with the bottom location 1456.68
20 from the north, 1354.9 from the east, of 25, Section 25, 20,
21 32, and finishing in the Belco Corporation Bass No. 1 Feder-
22 al, 1980 from the north and west of 30, 20, 33.

23 The Belco well was drilled in December of
24 '72. If you will note the pressures on the drill stem test
25 in this well, the bottom hole pressure was 6509. The Cleary

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3010 Plaza Blanca (606) 471-2462
Santa Fe, New Mexico 87501

1 Well was drilled --

2 MR. STAMETS: Where is that bottom hole
3 pressure shown on the exhibit?

4 A. On the righthand side in the first DST there.
5 I didn't outline that; I should have. It's about right
6 there in the middle there.

7 MR. STAMETS: Okay, I see it.

8 A. Final shut-in pressure is what it is.

9 The Cleary well was drilled in January of
10 '78, five or six years later, and the bottom hole pressure
11 on it in the same correlative sands was 3720 pounds, which
12 is 2843 pounds lower than the Belco Well.

13 Q. What does this indicate to you?

14 A. This indicates that we are suffering extreme
15 drainage on our lease and that we need to drill a well as
16 soon as possible.

17 Q. Geologically, Mr. Gross, will the unorthodox
18 location enable you to better produce the gas that under-
19 lies the standard proration unit?

20 A. No, sir, geologically a person would rather --
21 or I would rather drill further south, closer to the Phil-
22 mont Well; however, the difference in cost of drilling a
23 deviated hole and a straight hole is so great that we can
24 afford to take the unorthodox location, move a little bit
25 further away from production, and drill our undeviated hole.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3900 Plaza Blanca (SOS) 471-4462
Santa Fe, New Mexico 87501

1 Q The well you propose to drill is within 660
2 feet of the north line of Section 24 and is roughly 900
3 feet from the Flag-Redfern well. Has Flag-Redfern, the
4 operator of that well, interposed any objection to your
5 drilling this unorthodox location?

6 A No, sir, they have not.

7 Q Have you received a letter from -- well, has
8 a letter been addressed to the Commission from Flag-Redfern
9 with regard to this?

10 A Yes. We have a letter with us stating that
11 they do not object to our unorthodox location.

12 Q Turning now to Exhibit Number Three, Mr.
13 Gross, I'll ask you to identify that exhibit.

14 A This is the plat of the Kerr McGee Mines
15 with the various potash lease owners depicted on it, with
16 the blue being Noranda leases, the brown being Mississippi
17 Chemical, yellow being Kerr McGee, and the hatchured orange
18 being Kerr McGee's lease applications.

19 The red line running from northeast to
20 southwest is Kerr McGee's -- well, let me word it right,
21 line of commercial deposits. To the northwest of that line
22 the potash deposits, they feel, are not commercially mineable.
23 To the southeast, they are.

24 Our location falls north of this line.
25 You'll notice the 990 location, which is black, circled

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2010 Plaza, Kansas (913) 471-4465
Seattle, Wa. New Mexico 87501

1 in black, overlapped this line and got into their commercial
2 potash area. By moving the location 660, which is depicted
3 by the purple line, it more or less coincides with their
4 commercial cutoff, thereby we won't be destroying any
5 mineable potash by moving this location to the 660 location,
6 and this was their idea.

7 MR. STAMETS: Mr. Gross, I presume the circles
8 around these locations represent the radius of collapse and
9 fracture that would result from secondary mining operations.

10 A Yes, sir, they call this the draw angle and
11 the radius is equivalent to the depth of the ore, which is
12 2300 feet at this particular location.

13 Q Was this map presented to the arbitration
14 hearing by Kerr McGee at the time of the arbitration was
15 held in Roswell?

16 A Yes, sir, it was.

17 Q Have you changed the exhibit at all?

18 A None except putting the red "X" on there for
19 our location and the purple circle.

20 Q In your professional opinion, Mr. Gross,
21 will the granting of the C. W. Trainer application to drill
22 this unorthodox location be in the interest of conservation,
23 especially on the conservation of potash?

24 A Yes, sir, it will.

25 Q Will correlative rights of oil and gas in-

SALLY WALTON-BOYD
CERTIFIED REPORTING AND RESEARCH
3030 Plaza, Suite 503, Dallas, Texas 75241
Phone: (214) 411-4461
Fax: (214) 411-4462

1 terest owners be adversely affected by the drilling and
2 completing of a Morrow test well at this location?

3 A. No, sir, in my opinion it will not.

4 MR. HUNKER: Mr. Examiner, I'd like to
5 present at this time the letter addressed to the Commission,
6 signed by Mr. Greaves, vice president of Flag-Redfern,
7 waiving any objection to the location, and I'd like to
8 offer in evidence Exhibits One, Two, and Three.

9 MR. STAMETS: The exhibits will be admitted.
10 Are there any questions of the witness?

11 He may be excused. Anything further in this
12 case?

13 MR. HUNKER: No, sir.

14 MR. STAMETS: The case will be taken under
15 advisement.

16 MR. HUNKER: Thank you very much.

17 MR. STAMETS: The record should also reflect
18 that the Division has received a letter from Kerr McGee
19 indicating that they have no objection to this application.

20 (Hearing concluded.)
21
22
23
24
25

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (951) 471-2463
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 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.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2018 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is a complete and correct transcript of the proceedings in the hearing of Case No. 6426 heard by me on 1-21-71 1971.
Richard L. Hunt, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico
31 January 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of C. W. Trainer for an) CASE
unorthodox gas well location, Lea) 6426
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

For the Applicant:

George H. Hunker, Esq.
HUNKER, FEDRIC, P. A.
Suite 210 Hinkle Bldg.
P. O. Box 1837
Roswell, New Mexico 88201

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3019 Plaza Blanca (888) 471-8482
Santa Fe, New Mexico 87501

INDEX

MARVIN GROSS

Direct Examination by Mr. Hunker 3

EXHIBITS

Applicant Exhibit One, Plat	10
Applicant Exhibit Two, Cross Section	10
Applicant Exhibit Three, Plat	10

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

1 MR. STAMETS: We'll call next Case 6426.

2 MS. TESCHENDORF: Case 6426. Application of
3 C. W. Trainer for an unorthodox gas well location, Lea
4 County, New Mexico.

5 MR. HUNKER: Mr. Examiner, I'm George H.
6 Hunker, Junior, of the firm of Hunker, Fedric, P. A., Ros-
7 well, New Mexico, and we represent Marvin Gross and C. W.
8 Trainer in connection with Case 6426. I have one witness
9 and three exhibits.

10 MR. STAMETS: Any other appearances in this
11 case?

12 I'd like to have all of those that are going
13 to be witnesses in this case stand and be sworn.

14 (Witness sworn.)

15
16 MARVIN GROSS

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

19
20 DIRECT EXAMINATION

21 BY MR. HUNKER:

22 Q For the record will you identify yourself,
23 Mr. Gross?

24 A I'm Marvin Gross, and I'm an independent
25 geologist from Roswell, New Mexico.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3026 Plaza Blanca (N.E.) 471-2492
Santa Fe, New Mexico 87501

1 Q Have you ever testified before the Oil Con-
2 servation Division?

3 A Yes, I have.

4 Q Have your qualifications as a geologist been
5 acceptable to the Commission?

6 A Yes, sir, they have.

7 MR. HUNKER: Will his qualifications be ac-
8 cepted, Mr. Examiner?

9 MR. STAMETS: They are.

10 Q (Mr. Hunker continuing.) Are you familiar
11 with Case Number 6426?

12 A Yes, sir.

13 Q What is the purpose of this case?

14 A To enable C. W. Trainer to drill a Morrow
15 test at an unorthodox location, 660 from the north and west
16 of Section 24, to avoid the potash in place, commercial
17 potash deposits.

18 MR. HUNKER: If the Examiner please, I'd
19 like the Division to take administrative notice of the fact
20 that C. W. Trainer filed a notice of intention to drill a
21 test well at a location 990 feet north and 990 feet from
22 the west line of Section 24, Township 20 South, Range 32
23 East, and that as a result of sending this notice to the
24 adjoining potash lease owners objections were filed and an
25 arbitration was held in Roswell, New Mexico on January the

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-4463
Santa Fe, New Mexico 87501

1 10th, 1979, at which time some of the differences were
2 resolved and agreements were reached with regard to the
3 filing of a notice of intention to drill at the new loca-
4 tion 660 feet north, from the north line, and 660 feet from
5 the west line of Section 24, Township 20 South, Range 32
6 East.

7 In connection with the second notice of in-
8 tention to drill, your files will reflect that copies have
9 been sent to the adjoining potash lease owners, who will
10 be identified in the testimony later on.

11 Q (Mr. Hunker continuing.) Mr. Gross, are
12 you Mr. Trainer's partner in connection with this Salt Lake
13 Morrow prospect?

14 A Yes, sir, I am.

15 Q I'll hand you what's been marked Applicant's
16 Exhibit One and ask you to tell the Examiner what this plat
17 depicts.

18 A This is a plat prepared by USGS, which
19 shows the noncommercial potash enclaves within this parti-
20 cular area, which covers twelve sections. Sixteen, pardon
21 me. And I would like for you to take particular notice
22 that our location, our 660 location, in the northwest
23 quarter of 24, falls within one of these noncommercial
24 enclaves.

25 Q Was this exhibit presented by the USGS to

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2010 Plaza Blanca (SAS) 471-2402
Santa Fe, New Mexico 87501

1 the arbitration hearing which I referred to earlier?

2 A Yes, sir, it was.

3 Q Did the mining supervisor and the United
4 States Geological Survey concur in this 660-foot location?

5 A Yes, sir, they did.

6 Q Was there also concurrence from Kerr McGee
7 and from Mississippi Chemical?

8 A Yes, sir, this was their pick, their location.

9 Q At this time I hand you what's been marked
10 Exhibit Number Two and ask you to identify that exhibit and
11 tell the Examiner what it shows.

12 A This is a cross section prepared by me going
13 from A to A-prime, from left to right, beginning at the
14 Phillips No. 1 Plata Deep Unit, 1980 from the south and
15 west of Section 15, Township 20 South, Range 32 East,
16 running to the Flag-Redfern Hanson State, located 660 from
17 the south, 1980 from the west of Section 13, 20, 32. This,
18 then, to the Cleary Petroleum Fairmont No. 1 Federal,
19 which is a deviated hole with the bottom location 1456.68
20 from the north, 1354.9 from the east, of 25, Section 25, 20,
21 32, and finishing in the Belco Corporation Bass No. 1 Feder-
22 al, 1980 from the north and west of 30, 20, 33.

23 The Belco well was drilled in December of
24 '72. If you will note the pressures on the drill stem test
25 in this well, the bottom hole pressure was 6509. The Cleary

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3018 Plaza Blanca (SWS) 471-4401
Dallas, Texas, New Mexico 75201

1 Well was drilled --

2 MR. STAMETS: Where is that bottom hole
3 pressure shown on the exhibit?

4 A On the righthand side in the first DST there.
5 I didn't outline that; I should have. It's about right
6 there in the middle there.

7 MR. STAMETS: Okay, I see it.

8 A Final shut-in pressure is what it is.

9 The Cleary well was drilled in January of
10 '78, five or six years later, and the bottom hole pressure
11 on it in the same correlative sands was 3720 pounds, which
12 is 2843 pounds lower than the Belco Well.

13 Q What does this indicate to you?

14 A This indicates that we are suffering extreme
15 drainage on our lease and that we need to drill a well as
16 soon as possible.

17 Q Geologically, Mr. Gross, will the unorthodox
18 location enable you to better produce the gas that under-
19 lies the standard proration unit?

20 A No, sir, geologically a person would rather --
21 or I would rather drill further south, closer to the Phil-
22 mont Well; however, the difference in cost of drilling a
23 deviated hole and a straight hole is so great that we can
24 afford to take the unorthodox location, move a little bit
25 further away from production, and drill our undeviated hole.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (303) 471-2403
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (505) 471-4462
Santa Fe, New Mexico 87501

Q The well you propose to drill is within 660 feet of the north line of Section 24 and is roughly 900 feet from the Flag-Redfern well. Has Flag-Redfern, the operator of that well, interposed any objection to your drilling this unorthodox location?

A No, sir, they have not.

Q Have you received a letter from -- well, has a letter been addressed to the Commission from Flag-Redfern with regard to this?

A Yes. We have a letter with us stating that they do not object to our unorthodox location.

Q Turning now to Exhibit Number Three, Mr. Gross, I'll ask you to identify that exhibit.

A This is the plat of the Kerr McGee Mines with the various potash lease owners depicted on it, with the blue being Noranda leases, the brown being Mississippi Chemical, yellow being Kerr McGee, and the hatchured orange being Kerr McGee's lease applications.

The red line running from northeast to southwest is Kerr McGee's -- well, let me word it right, line of commercial deposits. To the northwest of that line the potash deposits, they feel, are not commercially mineable. To the southeast, they are.

Our location falls north of this line. You'll notice the 990 location, which is black, circled

1 in black, overlapped this line and got into their commercial
2 potash area. By moving the location 660, which is depicted
3 by the purple line, it more or less coincides with their
4 commercial cutoff, thereby we won't be destroying any
5 mineable potash by moving this location to the 660 location,
6 and this was their idea.

7 MR. STAMETS: Mr. Gross, I presume the circles
8 around these locations represent the radius of collapse and
9 fracture that would result from secondary mining operations.

10 A Yes, sir, they call this the draw angle and
11 the radius is equivalent to the depth of the ore, which is
12 2300 feet at this particular location.

13 Q Was this map presented to the arbitration
14 hearing by Kerr McGee at the time of the arbitration was
15 held in Roswell?

16 A Yes, sir, it was.

17 Q Have you changed the exhibit at all?

18 A None except putting the red "X" on there for
19 our location and the purple circle.

20 Q In your professional opinion, Mr. Gross,
21 will the granting of the C. W. Trainer application to drill
22 this unorthodox location be in the interest of conservation,
23 especially on the conservation of potash?

24 A Yes, sir, it will.

25 Q Will correlative rights of oil and gas in-

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2610 Plaza Blanca (S.S.) 471-3462
Santa Fe, New Mexico 87501

1 terest owners be adversely affected by the drilling and
2 completing of a Morrow test well at this location?

3 A No, sir, in my opinion it will not.

4 MR. HUNKER: Mr. Examiner, I'd like to
5 present at this time the letter addressed to the Commission,
6 signed by Mr. Greaves, vice president of Flag-Redfern,
7 waiving any objection to the location, and I'd like to
8 offer in evidence Exhibits One, Two, and Three.

9 MR. STAMETS: The exhibits will be admitted.
10 Are there any questions of the witness?

11 He may be excused. Anything further in this
12 case?

13 MR. HUNKER: No, sir.

14 MR. STAMETS: The case will be taken under
15 advisement.

16 MR. HUNKER: Thank you very much.

17 MR. STAMETS: The record should also reflect
18 that the Division has received a letter from Kerr McGee
19 indicating that they have no objection to this application.

20 (Hearing concluded.)
21
22
23
24
25

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

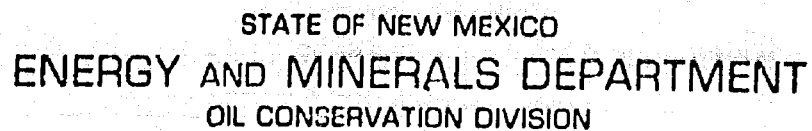
REPORTER'S CERTIFICATE

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 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.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's hearing of Case No. 6426, heard by me on 15 30 19 27, Examiner Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2462
San Antonio, New Mexico 87501



NICK FRANKLIN
SECRETARY

February 21, 1979

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. George Hunker
Hunker - Fedric
Attorneys at Law
Post Office Box 1837
Roswell, New Mexico 88201

Re: CASE NO. 6426
ORDER NO. R-5919

Applicant:

C. W. Trainer

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
Aztec 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. 6426
Order No. R-5919

APPLICATION OF C. W. TRAINER FOR AN
UNORTHODOX GAS WELL LOCATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 31, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of February, 1979, 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, C. W. Trainer, seeks approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the West line of Section 24, Township 20 South, Range 32 East, NMPM, to test the Morrow formation, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico.
- (3) That the N/2 of said Section 24 is to be dedicated to the well.
- (4) That said unorthodox location is necessary to avoid the undue waste of potash resources which would result from the drilling of the well at a standard location.
- (5) That no offset operator nor any potash operator objected to the proposed unorthodox location.

-2-

Case No. 6426
Order No. R-5919

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas 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, will prevent the waste of potash, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 660 feet from the North line and 660 feet from the West line of Section 24, Township 20 South, Range 32 East, NMPM, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico.

(2) That the N/2 of said Section 24 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

fd/



Flag-Redfern Oil Company

1200 WALL TOWERS WEST • MIDLAND, TEXAS 79701 • PHONE (915) 683-5184

Mailing address:
P. O. Box 23
Midland, Texas 79702

File:

January 23, 1979

New Mexico Oil Conservation Commission
Oil & Minerals Division
P.O. Box 2088
Sante Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Gentlemen:

Flag-Redfern Oil Company waives objection and hearing to Mr. C. W. Trainer's request for the unorthodox location in the South Salt Lake (Morrow) Pool. The proposed location is as follows:

660' from the North and West lines of Section 24,
T-20-S, R-32-E, South Lake (Morrow) Pool, Lea
County, New Mexico.

Yours truly,

FLAG-REDFERN OIL COMPANY

Byron H. Greaves
Vice President



Flag-Redfern Oil Company

1200 WALL TOWERS WEST • MIDLAND, TEXAS 79701 • PHONE (915) 683-5184

Mailing address:
P. O. Box 23
Midland, Texas 79702

File:

January 23, 1979

Case 6426

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

Attention: Mr. Joe Ramey

Gentlemen:

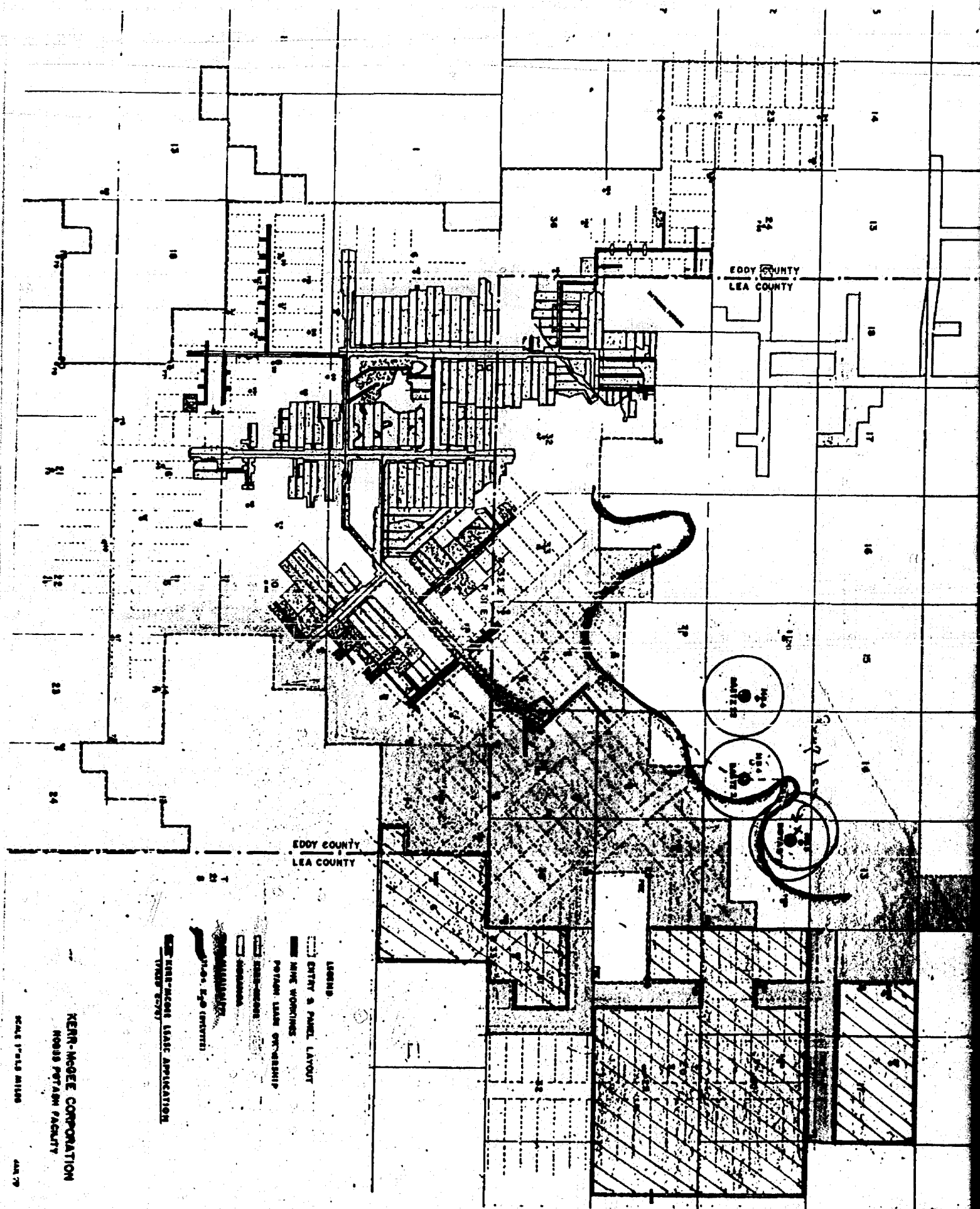
Flag-Redfern Oil Company waives objection and hearing to Mr. C. W. Trainer's request for the unorthodox location in the South Salt Lake (Morrow) Pool. The proposed location is as follows:

660' from the North and West lines of Section 24,
T-20-S, R-32-E, South Lake (Morrow) Pool, Lea
County, New Mexico.

Yours truly, B

FLAG-REDFERN OIL COMPANY

Byron H. Greaves
Vice President



WILLIAM A. SLOAN
JACKSON G. AKIN
JOHN D. ROBB
CHARLES B. LARRABEE
JAMES C. RITCHIE
JOHN P. EASTHAM
WILLIAM C. SCHAAH
WILLIAM C. BRIGGS
RAY H. RODEY
ROBERT D. TAICHERT
ROBERT W. ST. JOHN
JOSEPH J. MULLINS
DUANE C. GILKEY
MARK K. ADAMS
ROBERT G. MCCORKLE
PETER G. PRIMA
BRUCE HALL

JOHN P. SALAZAR
WILLIAM S. DIXON
JOHN P. BURTON
REX D. THROCKMORTON
JONATHAN W. HEWES
GENE C. WALTON
RICHARD C. WINZNER
W. ROBERT LASATER, JR.
KENNETH R. BRANDT
VICTOR R. MARSHALL
CARL H. ESBECK
RICHARD K. BARLOW
MARK C. MEIERING
PAUL D. BARBER
JOE L. MCCLAUGHERTY
JAMES S. STARZYNSKI
CATHERINE T. GOLOBERG

RODEY, DICKASON, SLOAN, AKIN & ROBB, P. A.

COUNSELLORS AND ATTORNEYS AT LAW

20 FIFTH PLAZA, SUITE 700
P.O. BOX 1888
ALBUQUERQUE, NEW MEXICO 87103

JAN 18 1979
OIL CONSERVATION DIVISION
Santa Fe

OF COUNSEL
DON L. DICKASON

PEARCE C. RODEY
1889-1958

TELEPHONE 765-5900
AREA CODE 505

Mr. Joe D. Ramey, Director
Oil Conservation Division
Energy and Minerals Dept.
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: C. W. Trainer Boyd A #1, located in Unit D, Sec. 24,
T-20-S, R-32-E, NMPM, Lea County, New Mexico

Dear Mr. Ramey:

We have received and reviewed Mr. Trainer's Application for the approval of an unorthodox gas well location 660 feet from the North line and 660 feet from the West line of Section 24, Township 20 South, Range 32 East, NMPM and on behalf of Kerr-McGee Corporation advise you that we have no objection to the approval of the unorthodox location.

Yours very truly,

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

Mark K. Adams

By:

Mark K. Adams

MKA:ks

cc: George H. Hunker, Jr., Esq.
Mississippi Chemical Corp., Attn. Mr. J. R. Walls
B. J. Zimmerman, Esq. - Kerr-McGee
Mr. R. H. Lane - Kerr-McGee

Page 6426
RLH

Dockets Nos. 5-79 and 6-79 are tentatively set for hearing on February 14 and 28, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 31, 1979

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 6422: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Helton Engineering & Geological Services, Inc., Travelers Indemnity Company, and all other interested parties to appear and show cause why the Brent Well No. 1 located in Unit M of Section 20 and the Brent Well No. 3 located in Unit C of Section 19, both in Township 13 North, Range 6 East, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6415: (Continued from January 17, 1979, Examiner Hearing)
Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Devonian formations underlying the W/2 of Section 20, Township 14 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 6419: (Continued from January 17, 1979, Examiner Hearing)
Application of Yates Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Lanning JC Well No. 1 located in Unit B of Section 7, Township 18 South, Range 26 East, Eagle Creek Field, Eddy County, New Mexico, to produce gas from the Strawn formation through the casing-tubing annulus and from the Morrow formation through tubing.
- CASE 6423: Application of Yates Petroleum Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jackson AT Well No. 9 located 650 feet from the South and West lines of Section 13, Township 17 South, Range 25 East, Eddy County, New Mexico, to test the Wolfcamp, Pennsylvanian, and Mississippian formations, the S/2 of said Section 13 to be dedicated to the well.
- CASE 6424: Application of Yates Petroleum Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Superior Fed. KJ Well No. 1 located 990 feet from the North and West lines of Section 7, Township 20 South, Range 29 East, Eddy County, New Mexico, to test the Wolfcamp and Pennsylvanian formations, the N/2 of said Section 7 to be dedicated to the well.
- CASE 6425: Application of T. B. Knox Estate for exception to Order No. R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing/cementing rules for the Oil-Potash Area as promulgated by Order No. R-111-A to permit its Lucia Brookes Well No. 2 located in Unit K of Section 14, Township 18 South, Range 30 East, Eddy County, New Mexico, to be completed in the following manner: set surface casing and circulate cement; eliminate salt protection string; and do not circulate cement on production casing.
- CASE 6426: Application of C. W. Trainer for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be located 660 feet from the North and West lines of Section 24, Township 20 South, Range 32 East, South Salt Lake-Morrow Pool, Lea County, New Mexico, the N/2 of said Section 24 to be dedicated to the well.
- CASE 6427: Application of Caribou Four Corners, Inc., for an unorthodox well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Caribou/Kirtland Well No. 1 to be located 1214 feet from the North line and 650 feet from the East line of Section 13, Township 29 North, Range 15 West, Cha Cha-Gallup Pool, San Juan County, New Mexico, the E/2 NE/4 to be dedicated to the well.
- CASE 6428: Application of Mobil Oil Corporation for the amendment of Order No. R-5801, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5801 to delete the requirements for lined tubing in injection wells in the North Vacuum Abo East Pressure Maintenance Project, Lea County, New Mexico.

- CASE 6429: Application of Zia Energy, Inc., for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its Elliott State Well No. 2 to be located in Unit B of Section 34, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.
- CASE 6430: Application of Phoenix Resources Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Buckhorn Canyon Unit Area comprising 23,009 acres, more or less, of Federal and state lands in Township 19 South, Ranges 19 and 20 East, Chaves County, New Mexico.
- CASE 6431: Application of HNG Oil 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 35, 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 6432: Application of John Yurorka for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Langlie Mattix Pool underlying the NE/4 NW/4 and the SE/4 NW/4 of Section 29, Township 24 South, Range 37 East, Lea County, New Mexico, to form two 40-acre units, each 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 wells 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 wells and a charge for risk involved in drilling said wells.
- CASE 6433: Application of Cities Service Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formations underlying the S/2 of Section 8, 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 6434: Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its State "O" Well No. 5 to be located in Unit H of Section 30, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.
- CASE 6435: Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its W. A. Weir "B" Well No. 3 located in Unit B of Section 26, Township 19 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.
- CASE 6436: Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its State "U" Gas Com Well No. 2 to be located in Unit C of Section 32, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.
- CASE 6437: Application of Curtis Little for approval of infill drilling and a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of a well to be located 1085 feet from the South line and 285 feet from the West line of Section 12, Township 28 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well. Applicant further seeks rescission of Order No. R-4556 and approval of a 344.36-acre non-standard gas proration unit comprising all of Section 11, and Lot 4 and the SW/4 SW/4 of Section 12 for said well.
- CASE 6438: Application of Caulkins Oil Company for dual completions and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Breech Well No. 812 located in Unit N of Section 18, Township 26 North, Range 6 West, and its Breech Well No. 224-A located in Unit B of Section 13, Township 26 North, Range 7 West, Rio Arriba County, New Mexico, to produce gas from the Dakota formation through a separate string of tubing and to commingle Chacra and Mesaverde production in the wellbores of said wells.

- CASE 6439: Application of Caulkins Oil Company for downhole commingling, Rio Arriba 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 Breech A Well No. 229 located in Unit D of Section 17, Township 26 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 6440: Application of Caulkins Oil Company 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 Breech F Well No. 8 located in Unit A of Section 34, Township 27 North, Range 6 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 6441: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Mesaverde production in the wellbore of its Breech F Well No. 12 located in Unit A of Section 35, Township 27 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 6442: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs, Chacra and Mesaverde production in the wellbore of its Breech E Well No. 109 located in Unit M of Section 3, Township 26 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 6443: Application of Caulkins Oil Company for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Breech B Well No. 220-R located in Unit B of Section 14, Township 26 North, Range 7 West, to produce gas from the Dakota formation through a separate string of tubing and to commingle Pictured Cliffs, Chacra and Mesaverde production in the wellbore of said well.
- CASE 6444: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs, Mesaverde, Chacra and Greenhorn production in the wellbore of its Breech Well No. 224 located in Unit A of Section 13, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

JAN 17 1979

LAW OFFICES OF

HUNKER-FEDRIC, P.A.

210 HINKLE BUILDING

POST OFFICE BOX 1837

ROSWELL, NEW MEXICO 88201

TELEPHONE 622-2700
AREA CODE 505

GEORGE H. HUNKER, JR.
DON M. FEDRIC

ROBERT I. WALOMAN

Santa Fe

January 15, 1979

Mr. Joe D. Ramey, Director
Oil Conservation Division
Energy & Minerals Department
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: C.W. Trainer Boyd A #1,
located in Unit D, Sec. 24,
T-20-S, R-32-E, NMPM,
Lea County, New Mexico

Dear Mr. Ramey:

We hand you herewith in triplicate, Application of C.W. Trainer for an Unorthodox Gas Well Location to be located 660 feet from the North line and 660 feet from the West line of Section 24, Township 20 South, Range 32 East. This was one of the wells that was the subject matter of the arbitration on January 10, 1979, here in Roswell. We would appreciate it if you would set this matter down for hearing before an examiner at an early date.

Respectfully submitted,

HUNKER - FEDRIC, P.A.

George H. Hunker, Jr.

George H. Hunker, Jr.

GHH:dd
Enc.

- xc: Mr. C.W. Trainer, 9205 Hwy. 71 West, Austin, Texas 78736, w/enc.
- xc: Kerr-McGee Chemical Corp., c/o Mark K. Adams,
P.O. Box 1888, Albuquerque, New Mexico, 87109, w/enc.
- xc: Mississippi Chemical Corp., Attn. Mr. J.R. Walls,
1102 West Ural, Carlsbad, New Mexico 88220, w/enc.

BEFORE THE OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

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

CASE NO. 6426
Order No.

APPLICATION OF C.W. TRAINER
FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY,
NEW MEXICO.

A P P L I C A T I O N

COMES NOW C.W. Trainer, by and through his Attorneys,
Hunker-Fedric, P.A., P.O. Box 1837, Roswell, New Mexico 88201,
and makes application for approval of an unorthodox gas well
location 660 feet from the North line and 660 feet from the West
line of Section 24, Township 20 South, Range 32 East, NMPM, to
test the Morrow formation, Lea County, New Mexico, and in support
of said application, states:

1. That the Applicant, C.W. Trainer, has the right to drill
and proposes to drill a gas well for a standard proration unit at
an unorthodox location 660 feet from the North line and 660 feet
from the West line of Section 24, Township 20 South, Range 32 East,
NMPM, Salt Lake South-Morrow Pool.

2. That the N $\frac{1}{2}$ of said Section 24 is to be dedicated to the
well.

3. That a well at said unorthodox location will prevent
waste of potash, protect correlative rights, and assure maximum
conservation of the oil, gas and potash resources of New Mexico,
and will permit the economic recovery of oil, gas and potash
minerals underlying said lands.

4. That there are interest owners in the proposed proration
unit, all of whom have agreed to communitize their interests in the
well spacing unit.

5. That although the location lies within the potash area as defined within New Mexico Oil Conservation Division Order 111-A, through arbitration it has been agreed that no potash objection would be interposed to the location applied for herein. That Kerr-McGee Chemical Corporation and Mississippi Chemical Corporation are interested parties.

WHEREFORE, it is requested that this matter be set for hearing before an Examiner at an early date and that the Division approve the unorthodox location herein applied for.

Respectfully submitted,

HUNKER - FEDRIC, P.A.

By George H. Hunker, Jr.

P.O. Box 1837
Roswell, New Mexico 88201
Telephone (505) 622-2700

Attorneys for Applicant,
C.W. Trainer
8201 Espanola
Austin, Texas 78749

BEFORE THE OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

JAN 17 1979

Santa Fe

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

CASE NO. 6426
Order No.

APPLICATION OF C.W. TRAINER
FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY,
NEW MEXICO.

A P P L I C A T I O N

COMES NOW C.W. Trainer, by and through his Attorneys,
Hunker-Fedric, P.A., P.O. Box 1837, Roswell, New Mexico 88201,
and makes application for approval of an unorthodox gas well
location 660 feet from the North line and 660 feet from the West
line of Section 24, Township 20 South, Range 32 East, NMPM, to
test the Morrow formation, Lea County, New Mexico, and in support
of said application, states:

1. That the Applicant, C.W. Trainer, has the right to drill
and proposes to drill a gas well for a standard proration unit at
an unorthodox location 660 feet from the North line and 660 feet
from the West line of Section 24, Township 20 South, Range 32 East,
NMPM, Salt Lake South-Morrow Pool.

2. That the $N\frac{1}{2}$ of said Section 24 is to be dedicated to the
well.

3. That a well at said unorthodox location will prevent
waste of potash, protect correlative rights, and assure maximum
conservation of the oil, gas and potash resources of New Mexico,
and will permit the economic recovery of oil, gas and potash
minerals underlying said lands.

4. That there are interest owners in the proposed proration
unit, all of whom have agreed to communitize their interests in the
well spacing unit.

5. That although the location lies within the potash area as defined within New Mexico Oil Conservation Division Order 111-A, through arbitration it has been agreed that no potash objection would be interposed to the location applied for herein. That Kerr-McGee Chemical Corporation and Mississippi Chemical Corporation are interested parties.

WHEREFORE, it is requested that this matter be set for hearing before an Examiner at an early date and that the Division approve the unorthodox location herein applied for.

Respectfully submitted,

HUNKER - FEDRIC, P.A.

By George H. Hunker, Jr.
George H. Hunker, Jr.
P.O. Box 1837
Roswell, New Mexico 88201
Telephone (505) 622-2700

Attorneys for Applicant,
C.W. Trainer
8201 Espanola
Austin, Texas 78749

BEFORE THE OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

JAN 17 1969

Santa Fe

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

CASE NO. 6426
Order No.

APPLICATION OF C.W. TRAINER
FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY,
NEW MEXICO.

A P P L I C A T I O N

COMES NOW C.W. Trainer, by and through his Attorneys,
Hunker-Fedric, P.A., P.O. Box 1837, Roswell, New Mexico 88201,
and makes application for approval of an unorthodox gas well
location 660 feet from the North line and 660 feet from the West
line of Section 24, Township 20 South, Range 32 East, NMPM, to
test the Morrow formation, Lea County, New Mexico, and in support
of said application, states:

1. That the Applicant, C.W. Trainer, has the right to drill
and proposes to drill a gas well for a standard proration unit at
an unorthodox location 660 feet from the North line and 660 feet
from the West line of Section 24, Township 20 South, Range 32 East,
NMPM, Salt Lake South-Morrow Pool.
2. That the N $\frac{1}{2}$ of said Section 24 is to be dedicated to the
well.
3. That a well at said unorthodox location will prevent
waste of potash, protect correlative rights, and assure maximum
conservation of the oil, gas and potash resources of New Mexico,
and will permit the economic recovery of oil, gas and potash
minerals underlying said lands.
4. That there are interest owners in the proposed proration
unit, all of whom have agreed to communitize their interests in the
well spacing unit.

5. That although the location lies within the potash area as defined within New Mexico Oil Conservation Division Order 111-A, through arbitration it has been agreed that no potash objection would be interposed to the location applied for herein. That Kerr-McGee Chemical Corporation and Mississippi Chemical Corporation are interested parties.

WHEREFORE, it is requested that this matter be set for hearing before an Examiner at an early date and that the Division approve the unorthodox location herein applied for.

Respectfully submitted,

HUNKER - FEDRIC, P.A.

By George H. Hunker, Jr.
George H. Hunker, Jr.
P.O. Box 1837
Roswell, New Mexico 88201
Telephone (505) 622-2700

Attorneys for Applicant,
C.W. Trainer
8201 Espanola
Austin, Texas 78749

1/10/74

C. W. Trainer ^{gas well} un location
Salt Lake South-Monow
660 - N + W - 24-205-32 E -
Dedication N2-24-20-32 to well -
GWH -

George Hunter

Case 6426

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. 6426

ORDER NO. R- 5919

APPLICATION OF C. W. TRAINER

FOR AN UNORTHODOX GAS WELL LOCATION,

LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 31,
19 79, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this day of February, 1979, 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, C. W. Trainer,
seeks approval of an unorthodox gas well location 660
feet from the North line and 660 feet from the
West line of Section 24, Township 20 South
Range 32 East, NMPM, to test the Morrow
formation South Salt Lake-Morrow gas Pool, Lea
County, New Mexico.

(3) That the N/2 of said Section 24 is to be
dedicated to the well.

(4) That ~~a well at said unorthodox location will better~~
~~avoid the undue waste of potash resources which would result from the drilling~~
~~enable applicant to produce the gas underlying the proration unit.~~
~~of the well at a standard location.~~

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

nor any potash operator

-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 gas 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, ^{will prevent the waste of potash,} and ~~will~~ otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for a well to be located at a point 660 feet from the North line and 660 feet from the West line of Section 24, Township 20 South, Range 32 East NMPM, ^{South} Salt Lake-Morrow ^{Gas} Pool, Lea County, New Mexico.

(2) That the N/2 of said Section 24 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.