

CASE NO.

6604

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
25 July 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Cities Service Company) CASE
for rescission of Division Order No.) 6604
R-5921, Eddy County, New Mexico.)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant: W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1030 Plaza Blanca (N.E.) 471-2462
Santa Fe, New Mexico 87501

1 MR. NUTTER: We now call Case 6604.

2 MR. PADILLA: Application of Cities Service
3 Company for rescission of Division Order No. R-5921, Eddy
4 County, New Mexico.

5 MR. KELLAHIN: If the Examiner please,
6 I'm Tom Kellahin of Santa Fe, New Mexico, appearing on
7 behalf of the applicant, Cities Service Oil Company.

8 Mr. Nutter, we have obtained written con-
9 sent in either farmouts or agreements with all working
10 interest parties on the acreage involved, and would like
11 Division Order No. R-5921 rescinded.

12 MR. NUTTER: Commission Order Number --
13 Division Order Number R-5921 will be rescinded, and we'll
14 take the case under advisement.

15
16 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
5020 Plaza Blanca, S.E. 471-2402
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.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6604, heard by me on 7/25 1979.
[Signature], Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1020 Plaza Blanca (SOS) 471-2402
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
25 July 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Cities Service Company)
for rescission of Division Order No.)
R-5921, Eddy County, New Mexico.)

CASE
6604

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1028 Plaza Blanca (S.E.) 411-2442
Santa Fe, New Mexico 87501

MR. NUTTER: We now call Case 6604.

MR. PADILLA: Application of Cities Service Company for rescission of Division Order No. R-5921, Eddy County, New Mexico.

MR. KELLAHIN: If the Examiner please, I'm Tom Kellahin of Santa Fe, New Mexico, appearing on behalf of the applicant, Cities Service Oil Company.

Mr. Nutter, we have obtained written consent in either farmouts or agreements with all working interest parties on the acreage involved, and would like Division Order No. R-5921 rescinded.

MR. NUTTER: Commission Order Number -- Division Order Number R-5921 will be rescinded, and we'll take the case under advisement.

(Hearing concluded.)


SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (606) 471-2403
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.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3000 Plaza Blanca (SOS) 471-2422
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. 6604, heard by me on 7/25 1979.

Oil Conservation Division, Examiner



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

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

August 17, 1979

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 6604
ORDER NO. R-5921-A

Applicant:

Cities Service 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 OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

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. 6604
Order No. R-5921-A

APPLICATION OF CITIES SERVICE COMPANY
FOR RESCISSION OF DIVISION ORDER
NO. R-5921, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 25, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of August, 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 Division Order No. R-5921 provided for the
compulsory pooling of all of the mineral interests in the
Pennsylvanian formation underlying the S/2 of Section 8, Town-
ship 23 South, Range 28 East, Eddy County, New Mexico.

(3) That all mineral interests in the Pennsylvanian
formation underlying said lands have been voluntarily consoli-
dated, and said Order No. R-5921 is therefore unnecessary.

(4) That the applicants seeks the rescission of said Order
No. R-5921.

(5) That such rescission will not cause waste nor impair
correlative rights and should be approved.

-2-

Case No. 6604

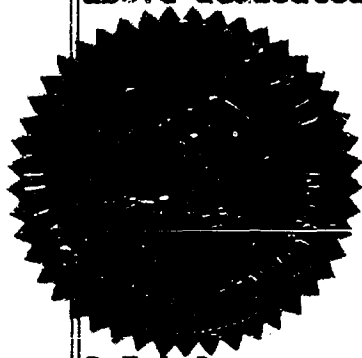
Order No. R-5921-A

IT IS THEREFORE ORDERED:

(1) That Division Order No. R-5921 is hereby rescinded.

(2) 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 dedicated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fa/

Dockets Nos. 29-79 and 31-79 are tentatively set for hearing on August 8 and 22, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - JULY 24, 1979

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

- CASE 6596: Application of Harvey E. Yates Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Upper Pennsylvanian gas pool to be designated as the Southeast Indian Basin-Upper Pennsylvanian Gas Pool for its Southeast Indian Basin Well No. 1 located in Unit A of Section 23, Township 22 South, Range 23 East, and special pool rules therefor including 320-acre gas well spacing.
- CASE 6597: 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 its Southeast Indian Basin Well No. 2, an Upper Pennsylvanian well to be drilled 660 feet from the North and West lines of Section 24, Township 22 South, Range 23 East, with the N/2 or all of said Section 24 to be dedicated to the well, depending on the outcome of Case No. 6596.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 25, 1979

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 6545: (Continued from June 27, 1979, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Corinne Grace, Travelers Indemnity Company, and all other interested parties to appear and show cause why the Kuklah Baby Well No. 1 located in Unit C of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6598: Application of Gulf Oil Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Otero-Gallup and Basin-Dakota production in the wellbores of its Apache Federal Wells No. 8 located in Unit C of Section 8 and No. 9 located in Unit D of Section 17, both in Township 24 North, Range 5 West.

CASE 6599: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fusselman and Montoya production, North Justis Field, in the wellbore of its W. A. Ramsay Well No. 4 located in Unit M of Section 36, Township 24 South, Range 37 East.

CASE 6600: Application of Mesa Petroleum Company 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 the E/2 of Section 10, Township 16 South, Range 27 East, 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 6601: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Mississippian formations underlying the E/2 of Section 8, Township 14 South, Range 36 East, 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 6602: Application of Tenneco Oil Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal 33 C No. 2 Well 1010 feet from the North line and 1710 feet from the West line of Section 33, Township 17 South, Range 29 East, South Empire-Wolfcamp Pool, the E/2 NW/4 of said Section 33 to be dedicated to the well.

CASE 6603: (This case will be continued to the August 8 hearing.)

Application of Conoco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Penrose Skelly and Elmont production in the wellbore of its Hawk B-1 Well No. 12 located in Unit O of Section 8, Township 21 South, Range 37 East.

✓ CASE 6604: Application of Cities Service Company for rescission of Division Order No. R-5921, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of Order No. R-5921 which order provided for the compulsory pooling of all of the mineral interests in the Pennsylvanian formation underlying the S/2 of Section 8, Township 23 South, Range 28 East.

CASE 6605: Application of Estoril Producing Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 15, Township 20 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North and West lines of said Section 15. 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 6564: (Continued and Readvertised)

Application of Herndon Oil & Gas Co. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its O. A. Woody Well No. 1 to be drilled 2310 feet from the North line and 330 feet from the West line of Section 35, Township 16 South, Range 38 East, Knowles-Devonian Pool.

CASE 6606: Application of Getty Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Yates formation in the open-hole interval from 3810 feet to 4169 feet in its State "AA" Well No. 1 located in Unit I of Section 35, Township 21 South, Range 34 East.

CASE 6607: Application of Getty Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Getty 36 State Well No. 1 located in Unit F of Section 36, Township 21 South, Range 34 East, to produce oil from the Wolfcamp formation and gas from the Morrow formation through parallel strings of tubing.

CASE 6608: Application of Getty Oil Company for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Getty 36 State Well No. 1 located in Unit F of Section 36, Township 21 South, Range 34 East, and special rules therefor, including 160-acre oil well spacing.

CASE 6609: Application of Napeco Inc. for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn oil pool for its Benson Deep Unit Well No. 1 located in Unit O of Section 33, Township 18 South, Range 30 East, and special rules therefor, including 160-acre spacing and standard well locations.

CASE 6610: Application of Koch Industries, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Rustler formation through the perforated interval from 1190 feet to 1210 feet in its Willis "A" Well No. 7 located in Unit E of Section 35, Township 26 South, Range 37 East, Rhodes Field.

CASE 6611: Application of Cabot Corp. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the disposal of produced salt water in the Devonian formation through the perforated interval from 12,156 feet to 12,574 feet in its Reed Well No. 1 located in Unit H of Section 35, Township 13 South, Range 37 East, King Field.

CASE 6487: (Continued from May 23, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Elmont 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.

CASE 6471: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Freeman Well No. 1-A to be located in Unit C of Section 11, Township 31 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.

CASE 6472: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Jenny Well No. 1-A to be located in Unit P of Section 13, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba 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.

CASE 6473: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its McIntyre Well No. 1-A to be located in Unit K of Section 11, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba 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.

CASE 6474: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Williams Well No. 1-A to be located in Unit C of Section 24, Township 31 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.

CASE 6475: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Montoya Well No. 1-A to be located in Unit I of Section 35, Township 32 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.

CASE 6535: (Continued from June 13, 1979, Examiner Hearing)

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.

CASE 6579: (Continued from June 27, 1979, Examiner Hearing)

Application of R. N. Hillin for an unorthodox well location and approval of infill drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of a Morrow gas well at an unorthodox location 800 feet from the South line and 2000 feet from the East line of Section 34, Township 19 South, Range 28 East, is necessary to effectively and efficiently drain that portion of the E/2 of said Section 34 which cannot be so drained by the existing well.

CASE 6580: (Continued from June 27, 1979, Examiner Hearing) (This case will be continued to the August 22 hearing.)

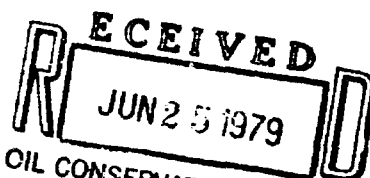
Application of Continental Oil Company for a carbon dioxide injection project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a pilot carbon dioxide injection project in the Grayburg-San Andres formation in Units H and I of Section 20, Township 17 South, Range 32 East, Maljamar Pool, for tertiary recovery purposes.

CASE 6270: (Continued from July 11, 1979, Examiner Hearing)

In the matter of Case 6270 being reopened pursuant to the provisions of Order No. R-5771 which order created the South Peterson-Fusselman Pool, Roosevelt County, New Mexico, and provided for 80-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 6590: (Continued from July 11, 1979, Examiner Hearing)

Application of Grace Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Lots 9, 10, 15, and 16 and the SE/4 of Section 6, Township 21 South, Range 32 East, to be dedicated to a well to be drilled at an unorthodox location 4650 feet from the South line and 660 feet from the East line of said Section 6. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs 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.



CITIES SERVICE COMPANY
ENERGY RESOURCES GROUP

SANTA FE

Box 1919
Midland, Texas 79702
(915) 684-7131

June 22, 1979

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

Case 6604

Re: Compulsory Pooling
Eddy County, New Mexico
Case No. 6433
Order No. 5921

Gentlemen:

On January 31, 1979, a hearing was held before Examiner R. L. Stamets (Case No. 6433) wherein Cities Service requested compulsory pooling of all mineral interests in the Pennsylvanian formation underlying S/2 Section 8, T-23-S, R-28-E, NMPM, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location. On February 20, 1979, the Oil Conservation Division issued Order R-5921 pooling the mineral interests of the Pennsylvanian formation under subject acreage. Cities Service has been diligently working to obtain leases from potential Working Interest Owners. We now have acquired leases from all Working Interest Owners except Pecos Irrigation Company, who is participating in the well - Villa A No. 1.

We have complied with all provisions of Order R-5921 by furnishing the Division and each Working Interest Owner an itemized schedule of well costs. The Villa A No. 1 has been drilled and cased. It will be completed as soon as a completion unit of sufficient size is available.

We respectfully request that Cities Service be released from that portion of Order R-5921 which requires Cities Service to provide the Division and each Working Interest Owner with actual well costs since it no longer has merit and will require considerable extra work.

Very truly yours,

E. F. Motter
Engineering Manager
Southwest Region
E & P Division

EFM:mfg

cc: Kellahin & Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501
Attn: Mr. W. Thomas Kellahin

RECEIVED

JUN 26 1979

Oil Conservation

BEFORE THE
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. 6433
ORDER NO. R-5921

APPLICATION OF CITIES SERVICE
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

Case 6604

APPLICATION FOR RESCISSION OF ORDER

Comes now Cities Service Company and applies to the Oil Conservation Division, New Mexico Energy and Minerals Department, for an order rescinding Order No. R-5921, entered on the 20th day of February, 1979, compulsory pooling all of the mineral interests in the Pennsylvanian formation underlying the S/2 of Section 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, and in support thereof states:

1. Subsequent to the issuance of Order No. R-5921, and prior to the final completion of the well to be drilled on the subject unit, Cities Service Company, as operator, has obtained lease on unleased tracts of land in the unit and has obtained the voluntary participation of other interest owners whose interests had not previously been dedicated to the well.

2. In the event the subject order continues in effect, it will require burdensome and needless reports to the Division, adding to its administrative load without accomplishing any meaningful purpose.

3. The purposes for which Order No. R-5821 was issued have been fully accomplished without resort to the provisions of the order, and on a voluntary basis.

WHEREFORE Applicant Cities Service Company asks that Order No. R-5921 be rescinded.

Respectfully submitted,
CITIES SERVICE COMPANY

By *Jason Kellahin*
Kellahin & Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

RECEIVED

JUN 20 1979

Oil Conservation

BEFORE THE
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. 6433
ORDER NO. R-5921

APPLICATION OF CITIES SERVICE
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

Case 6604

APPLICATION FOR RESCISSION OF ORDER

Comes now Cities Service Company and applies to the Oil Conservation Division, New Mexico Energy and Minerals Department, for an order rescinding Order No. R-5921, entered on the 20th day of February, 1979, compulsory pooling all of the mineral interests in the Pennsylvanian formation underlying the S/2 of Section 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, and in support thereof states:

1. Subsequent to the issuance of Order No. R-5921, and prior to the final completion of the well to be drilled on the subject unit, Cities Service Company, as operator, has obtained lease on unleased tracts of land in the unit and has obtained the voluntary participation of other interest owners whose interests had not previously been dedicated to the well.

2. In the event the subject order continues in effect, it will require burdensome and needless reports to the Division, adding to its administrative load without accomplishing any meaningful purpose.

3. The purposes for which Order No. R-5821 was issued have been fully accomplished without resort to the provisions of the order, and on a voluntary basis.

WHEREFORE Applicant Cities Service Company asks that Order No. R-5921 be rescinded.

Respectfully submitted,
CITIES SERVICE COMPANY

By *Jason Kellahin*
Kellahin & Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

RECEIVED

JUN 29 1979

Oil Conservation

BEFORE THE
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. 6433
ORDER NO. R-5921

APPLICATION OF CITIES SERVICE
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO

Case 6604

APPLICATION FOR RESCISSION OF ORDER

Comes now Cities Service Company and applies to the Oil Conservation Division, New Mexico Energy and Minerals Department, for an order rescinding Order No. R-5921, entered on the 20th day of February, 1979, compulsory pooling all of the mineral interests in the Pennsylvanian formation underlying the S/2 of Section 8, Township 23 South, Range 28 East, NMPM, Eddy County, New Mexico, and in support thereof states:

1. Subsequent to the issuance of Order No. R-5921, and prior to the final completion of the well to be drilled on the subject unit, Cities Service Company, as operator, has obtained lease on unleased tracts of land in the unit and has obtained the voluntary participation of other interest owners whose interests had not previously been dedicated to the well.

2. In the event the subject order continues in effect, it will require burdensome and needless reports to the Division, adding to its administrative load without accomplishing any meaningful purpose.

3. The purposes for which Order No. R-5821 was issued have been fully accomplished without resort to the provisions of the order, and on a voluntary basis.

WHEREFORE Applicant Cities Service Company asks that Order No. R-5921 be rescinded.

Respectfully submitted,
CITIES SERVICE COMPANY

By Joson Kellahin
Kellahin & Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

ROUGH

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. 6604

Order No. R-5921-A

APPLICATION OF CITIES SERVICE COMPANY
FOR RESCISSION OF DIVISION ORDER
NO. R-5921, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 25,
19 79, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of _____, 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, Cities Service Company, seeks the~~
^{Division}
~~rescission of~~ Order No. R-5921 ~~which order~~ provided for the
compulsory pooling of all of the mineral interests in the Pennsyl-
vanian formation underlying the S/2 of Section 8, Township 23 South,
Range 28 East, Eddy County, New Mexico.

(3) That

(3) That all mineral interests in the Pennsylvanian formation underlying said lands have been voluntarily consolidated, and said Order No. R-5921 is ~~of no further~~ therefore unnecessary.

(4) That the applicant needs the rescission of said Order No. R-5921.

(5) That such rescission will not cause waste nor impair correlative rights and should be approved.

IT IS THEREFORE ORDERED.

(1) That Division Order No. R-5921 is hereby rescinded.

(2) Jurisdiction

DONE at