CASE 6951: BASS ENTERPRISES PRODUCTION COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

DISMISS

# CASE NO.

6951

APPlication,
Transcripts,
Small Exhibits,

ETC.



# STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

**OIL CONSERVATION DIVISION** 

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

July 23, 1980

•	, Re:
Mr. Harold L. Hensle	y, Jr.
Hinkle, Cox, Eaton,	Coffield
& Hensley	4
Attorneys at Law	
Post Office Box 10	
Roswell, New Mexico	88201

6951 CASE NO. ORDER NO. R-6402

Applicant:

Bass Enterprises 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 OCD Artesia OCD 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. 6951 Order No. R-6402

APPLICATION OF BASS ENTERPRISES 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 June 25, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 22nd day of July, 1980, 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. 6951 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

SEAL fd/

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 25 June 1980

### EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises Pro-Duction Company for compulsory pooling, Eddy County, New Mexico.

CASE 6951

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501

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MR. STAMETS: Call next Case 6951.

MR. PADILLA: Application of Bass Enter-

prises Production Company for compulsory pooling, Eddy County,

New Mexico.

MR. STAMETS: At the request of the

applicant this case will be dismissed.

(Hearing concluded.)

### CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sucry W. Boyd CSR

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B

Santa Fe, New Mexico 87501

Phone (505) 455-7409

 a complete record of the proceedings in the Examiner hearing of Case 10. 695/, hears by me on 6,25 19,80.

Richard N. Slemos, Examin

Oll Conservation Division

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSURVATION DIVISION STATE LAND OFFICE BLDG. SANTA FE, HEW MEXICO 25 June 1980

EXAMINER HEARING -

IN THE MATTER OF:

Application of Bass Enterprises Pro-Duction Company for compulsory pooling, Eddy County, New Mexico.

CASE 6951

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501

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MR. STAMETS: At the request of the applicant this case will be dismissed.

(Hearing concluded.)

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CERTIFICATE

, New Mexico 8750 ne (505) 455-7409

THE RESIDENCE OF THE PROPERTY OF THE PROPERTY

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

I do hereby contine that the foregoing is
a complete report of the proceedings in
the Examiner hearing of Case 140.

heard by me on

Oll Conservation Division

14.2

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

600 HINKLE BUILDING

POST OFFICE BOX ID ROSWELL, NEW MEXICO 88201

(505) 622-6510)

E. BONDURANT, JR. (1914-1973) IIDLAND, TEXAS OFFICE IRST NATIONAL BANK TOWER (915) 683-4691

MARILLO, TEXAS OFFICE RICAN NATIONAL BANK BUILDING (808) 372-5589

TEXAS ONLY

June 18, 1989 (1, 19

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

Attention: Florene Davidson

Re: Case 6950 and 6951

Dear Florene:

This will confirm my verbal notification to your office that the applicant Bass Enterprises Production Company requests that case 6950 be continued from the June 25, 1980 Examiner Hearing Docket to the July 9 Examiner Hearing Docket.

In addition, this will confirm our verbal notification to your office that case 6951 should be dismissed.

Thank you for your usual cooperation in these matters.

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Harold L. Hensley, Jr.

HLH: jb xc: Jens Hansen

- Application of Benson-Montin-Greer Brilling Corporation for a pressure maintenance project, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of gas, air, LPG, water, or chemicals into the Mancos formation thru 7 wells on its East Puerto Chiquito-Mancos Unit Area.
- CASE 6945: Application of ARCO Oil and Gas Company for salt water disposal, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formation in the interval from 3550 feet to 4000 feet in its Fletcher Well No. 4 in Unit J of Section 27, Township 20 South, Range 34 East, Lynch Field.
- CASE 6946: Application of Knox Industries, Inc. 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 recompleted in the Morrow formation at a point 1980 feet from the North line and 660 feet from the East line of Section 1, Township 19 South, Range 34 East, the N/2 of said Section 1 to be dedicated to the well.
- CASE 6947: Application of Knox Industries, Inc. for pool contraction and creation and an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order deleting certain lands from the La Rica-Morrow Gas Pool and creating a new gas pool from said lands together with a determination that applicant's Ni State Well No. 1 located in Unit F of Section 2, Township 19 South, Range 34 East, has discovered a new onshore reservoir pursuant to Section 102 of the NGPA.
- CASE 6948: Application of Maralo, Inc. for dual completions and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) and simultaneous dedication in the Jalmat Fil of four wells in its Jalmat Yates Unit to produce oil from, and later on to inject water into its Yates formation waterflood, and to produce oil from the Seven Rivers formation from two of the wells, the Nos. 19 and 20 located in Units C and D and to produce gas from the Seven Rivers from the other two wells, the Nos. 25 and 31 located in Units F and K, all in Section 18, Township 25 South, Range 37 East.
- CASE 6949: Application of Grace Petroleum Corporation for four compulsory poolings, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Escrito-Gallup Pool underlying four 80-acre provation units, being the E/2 NE/4, the S/2 NW/4, and the W/2 NW/4 of Section 28, and the W/2 SE/4 of Section 29, all in Township 24 North, Range 7 West, 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, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.
- CASE 6950: Application of Bass Enterprises Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the North line and 1980 feet from the East line of Section 4, Township 25 South, Range 31 East, the E/2 of said Section 4 to be dedicated to the well.
- Application of Bass Enterprises Production 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 21, Township 22 South, Range 30 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 6952: Application of Exxon Corporation for a non-standard gas proration unit, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks approval of a 378.11-acre non-standard gas proration unit comprising Lots 1 and 2 and the N/2 NE/4 of Section 31, and Lots 1, 2, 3, 4, and the N/2 N/2 of Section 32, all in Township 26 South, Range 26 East, Morrow formation, to be dedicated to its Milepost Federal Com 2 Well No. 1 located in Unit A of said Section 31.
- CASE 6925: (Readvertised)

Application of Caribou Four Corners, Inc. for two exceptions to Rule 306, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 306 of the Division Rules and Regulations to permit the permanent flaring of gas from its Kirtland Wells Nos. 1 and 2, located in Units A and B, respectively, of Section 13, Township 29 North, Range 15 West.

LAW OFFICES

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600 HINKLE BUILDING

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ROSWELL, NEW MEXICO 88201

(505) 622-6510

ROBERT A. STONE: W. E. BONDURANT, JR. (1914-1973)

W. E. BONDURANT, JR. (1914-1973)

MIDLAND, TEXAS OFFICE

HOOD FIRST NATHORN TOWER

HOUSE NATHORN TOWER

H

AMARILLO, TEXAS OFFICE 1701 AMERICAN NATIONAL BANK BUILDING (806) 372-8569

\* LICENSED IN

May 27, 1980

Pare 6951

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

### Gentlemen:

We enclose herewith in triplicate, Application of Bass Enterprises Production Co. for a Compulsory Pooling of the Morrow formation underlying the Ex Section 21, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. It is our understanding that the matter will be set down for the examiner's hearing on June 25.

Please call me collect if you have any questions concerning this Application. Thank you for your assistance in this matter.

Yours very truly,

HINKLE, ÇOX, EATON, COFFIELD & HENSLEY

Harold L. Hensley, Jr

HLH:er Encs.

cc: Bass Enterprises Production Co.
3100 Fort Worth National Bank Building
Fort Worth, Texas 76102
Attention: Mr. Jens Hansen

MAY 2 8 1980

OIL CONS RVATION DIVISION
SANTA FE

### BEFORE THE OIL CONSERVATION DIVISION

### OF THE ENERGY AND MINERALS DEPARTMENT STATE OF NEW MEXICO

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. )

NO. 6951

Bass Enterprises Production Co., by its undersigned attorneys, hereby makes application for an Order pooling all oil and gas interests in the Morrow formation underlying the E2 Section 21, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. In support of its application, Applicant would show:

- 1. Applicant is the owner of an oil and gas leasehold interest in the above described land.
- 2. Applicant proposes to drill a well 1980' FNL and 1980' FEL of said Section 21 to a depth sufficient to test the Morrow formation and seeks to dedicate the E2 of said Section 21 to the well. Applicant has requested Continental Oil Company (Continental), the owner of the other oil and gas leasehold interests, to join in the drilling of the well, but as of this time Continental has not elected to join. The address for Continental is Box 9159, Midland, Texas 79701.
- The pooling of all oil and gas interests in the Morrow formation underlying the above described land will avoid the drilling of unnecessary wells, prevent waste and protect correlative rights.
- 4. Applicant requests that the Oil Conservation Division consider the cost of drilling and completing the well, the proper allocation of said costs, as well as actual operating costs, charges for supervision and charges for the risk involved in drilling the well. Applicant also requests that it be designated as Operator of the well.
- 5. Applicant requests that this matter be heard at the June 25, 1980 Examiner's hearing.

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HINKLE, COX, EATON, COFFIELD & HENSLEY

P. O. Box 10

Roswell, New Mexico 88201 (505)622-6510

Attorneys for Bass Enterprises

Production Co.

## BEFORE THE OIL CONSERVATION DIVISION OF THE ENERGY AND MINERALS DEPARTMENT STATE OF NEW MEXICO

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. )

No. 6951

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- 5. Applicant requests that this matter be heard at the June 25, 1980 Examiner's hearing.

HINKLE, COX, EATON, COFFIELD & HENSLEY

P. O. Box 10 Roswell, New Mexico 88201

(505) 622-6510

Attorneys for Bass Enterprises

Production Co.

BEFORE THE OIL CONSERVATION DIVISION OF THE ENERGY AND MINERALS DEPARTMENT CONSTRUCTION DIVISION

SANTA FE

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. )

No. 6951

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HINKLE, COX, EATON, COFFIELD & HENSLEY

P. O. Box 10

Roswell, New Mexico 88201

(505)622-6510

Attorneys for Bass Enterprises

Production Co.

### DRAFT

### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

dr/

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

CASE NO.	6951
Order No.	R- 6402

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

ORDER OF THE DIVISION

### BY THE DIVISION:

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

IT IS THEREFORE ORDERED:

That Case No. 6951 rereby dismissed.

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