

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF -)

THE APPLICATION OF SOUTHWEST PRODUCTION)
COMPANY, a co-partnership consisting of)
JOHN H. HILL and JOSEPH P. DRISCOLL,)
FOR AN ORDER ENLARGING THE FLORA VISTA-)
MESA VERDE GAS POOL TO INCLUDE ALL OF)
Sections 22, 23, 26 and 27, Township)
30 North, Range 12 West, N.M.P.M., SAN)
JUAN COUNTY, NEW MEXICO, and FOR AN)
ORDER PROVIDING FOR 320 ACRE GAS PRO-)
RATION UNITS IN SAID POOL.)

Case No. 2445

A P P L I C A T I O N

Verity & Cooley
Comes now the applicant, Southwest Production Company, a co-partnership consisting of John H. Hill and Joseph P. Driscoll, and states:

1. That applicant is the owner of the following described gas wells which have been drilled and completed as commercial wells in the Flora Vista-Mesa Verde formation at the locations indicated, to-wit:

Irene Brown No. 1 well, located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 22, Township 30 North, Range 12 West;

Hewlett No. 1 well, located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23, Township 30 North, Range 12 West;

Carl Hudson No. 1 well, located in the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 26, Township 30 North, Range 12 West;

Paul Palmer No. 1 well, located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 26, Township 30 North, Range 12 West.

Applicants further allege that in addition to the above described wells the following described wells have been drilled and completed in the Flora Vista-Mesa Verde formation:

J. Glen Turner-Osborn No. 1-22 well, located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 22, Township 30 North, Range 12 West;

Monsanto Chemical Company-Northwest Production Company Unit No. 1 well, located in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 23, Township 30 North, Range 12 West.

Applicant further alleges that Pan American Petroleum Corporation is, at this time, drilling:

Stedje No. 1 well, located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 27, Township 30 North, Range 12 West,

and are advised that such well is to be completed as a Flora Vista-Mesa Verde well.

2. That the New Mexico Oil Conservation Commission recently has entered an Order designating the following described land as being included within the Flora Vista-Mesa Verde pool, to-wit:

The South Half (S $\frac{1}{2}$) of Section 22
The South Half (S $\frac{1}{2}$) of Section 23
The West Half (W $\frac{1}{2}$) of Section 26
The Northeast Quarter (NE $\frac{1}{4}$) of Section 27

All in Township 30 North, Range 12 West

3. That the Mesa Verde formation is found in the Flora Vista-Mesa Verde pool between the depths of 3300 and 3500 feet, and that it costs the approximate sum of \$60,000.00 to drill and complete a well in such formation.

4. That one well drilled into the above described Flora Vista-Mesa Verde formation will adequately, efficiently and economically drain an area of 320 acres, and this Commission should enter an Order providing for 320 acre gas proration units for said pool. That said Order should provide that each governmental 640 acre section may be divided into two gas proration units consisting of either the North Half (N $\frac{1}{2}$) and the South Half (S $\frac{1}{2}$), or in the alternative, the East Half (E $\frac{1}{2}$) and the West Half (W $\frac{1}{2}$) of such sections as the owners of the working interest may desire.

5. That drilling more than one well to each 320 acres in

the above described pool will cause waste, and that granting an Order providing for 320 acre gas proration units in said pool will prevent waste and protect the correlative rights of the parties in interest in said pool.

6. That all of Sections 22, 23, 26 and 27 are underlain with the Flora Vista-Mesa Verde sand formation and that all of said four sections should be included in the Flora Vista-Mesa Verde pool.

7. That the names and addresses of those parties known to be interested in the subject matter of this application so far as known to applicant are set out in Exhibit "A" attached hereto and made a part hereof.

WHEREFORE, applicant prays that this Application be set down for hearing, that due notice thereof be given in accord with the Rules of this Commission and the Laws of the State of New Mexico; that upon hearing such application and from the evidence to be adduced, the Commission enter an Order enlarging the Flora Vista-Mesa Verde gas pool to include all of Sections 22, 23, 26 and 27, all in Township 30 North, Range 12 West, and granting 320 acre gas proration units for said Flora Vista-Mesa Verde pool; and providing that each governmental 640 acre section shall be divided into two gas proration units consisting of either the North Half ($N\frac{1}{2}$) and the South Half ($S\frac{1}{2}$), or in the alternative, the East Half ($E\frac{1}{2}$) and the West Half ($W\frac{1}{2}$) of the section, and further promulgating such rules and regulations with regard to drilling for and the production of gas from said well as may be necessary to prevent waste and protect the correlative rights of the parties.

SOUTHWEST PRODUCTION COMPANY
a co-partnership consisting of John
H. Hill and Joseph P. Driscoll,

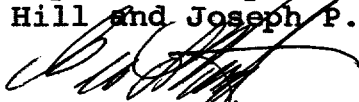
By 
Geo. L. Verity
Verity, Burr & Cooley
Its Attorney

EXHIBIT "A"

J. Glen Turner

19th Floor
Mercantile Dallas Building
Dallas, Texas

Monsanto Chemical Company

1310 Denver Club Building
Denver 2, Colorado

Pan American Petroleum
Corporation

Petroleum Center Building
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