LAW OFFICES HINKLE, BONDURANT & CHRISTY

HINKLE BUILDING

ROSWELL, NEW MEXICO

September 24, 1965

OF COUNSEL HIRAM M. DOW

Telephone 622-6510 AREA CODE 505 Post Office Box IC

. ac 3317

Oil Conservation Commission Box 2088 Santa Fe, New Mexico

Gentlemen:

CLARENCE E.HINKLE

W F BONDURANT JR

5, B, CHRISTY IV

LEWIS C. COX, JR.

PAUL W. EATON, JR.

CONRAD E. COFFIELD

HAROLD L. HENSLEY, JR. MICHAEL R. WALLER

> We enclose herewith in triplicate application of Jake L. Hamon for approval of the Owl Draw Unit Agreement, Eddy County, New Mexico. It is our understanding that notice has already been given of the hearing which is set for the examiner's hearing on October 6. You will also find enclosed 3 copies of the proposed unit agreement.

> > Yours very truly,

HINKLE, BONDURANT & CHRISTY

By Clarine E. Kinkle

CEH:cs Enc.

cc: Lee D. Vendig cc: A. C. Elliott

CLARENCE E.HINKLE
W. E.BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E.COFFIELD
HAROLD L.HENSLEY, JR.
MICHAEL R.WALLER
STUART D. SHANOR

Law Offices

HINKLE, BONDURANT & CHRISTY

600 HINKLE BUILDING

ROSWELL, NEW MEXICO 88201

March 13, 1967

2011

MIDLAND, TEXAS OFFICE 521 MIDLAND TOWER (915) MU 3-4691

OF COUNSEL: HIRAM M. DOW

TELEPHONE (505) 622-6510 POST OFFICE BOX 10

Oil Conservation Commission Box 2088 Santa Fe, New Mexico

Re: Owl Draw Unit Agreement

Gentlemen:

We enclose herewith Termination of Unit Agreement for the Development and Operation of the Owl Draw Unit Area, Eddy County, with Certificate of Approval of the Director of the United States Geological Survey attached. The termination of the unit was effective as of March 1, 1967. These instruments are filed for the completion of your file.

Yours very truly,

HINKLE BONDURANT & CHRISTY

CEH:cs Enc.

cc: R. G. Keeney

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 6, 1965

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 3307: (Continued from September 22, 1965 Examiner Hearing)
 Application of Arwood Stowe & Company for the creation of a pool, special pool rules, and a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the creation of an oil pool for Mesaverde production in Section 33, Township 18 North, Range 3 West, Sandoval County, New Mexico, and the establishment of special pool rules governing well spacing of less than 40 acres and special well locations; or in the alternative, for the extension of the San Luis-Mesaverde Pool to include portions of said Section 33. Applicant further seeks authority to institute a waterflood project in said Section 33 by the injection of water into the Mesaverde formation through four wells.
- CASE 3310: (Continued from September 22, 1965 Examiner Hearing)
 Application of Cima Capitan, Inc., Ryder-Scott Management Company, and Stallworth Oil and Gas Company for a waterflood project, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to conduct a copperative waterflood project by the injection of water into the Grayburg-San Andres formations through 16 injection wells to be drilled at unorthodox locations in Sections 25 and 36, Township 16 South, Range 30 East, and Sections 30, 31 and 32, Township 16 South, Range 31 East, Square Lake Pool, Eddy County, New Mexico.
- CASE 3313: Application of Tenneco Oil Company for a non-standard location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce its Omler "A" Well No. 2 at a non-standard undesignated Gallup oil well location 1525 feet from the North line and 1650 feet from the East line of Section 35, Township 28 North, Range 10 West, San Juan County, New Mexico.
- CASE 3314: Application of Sinclair Oil & Gas Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Order No. R-2040, which created a non-standard gas proration unit comprising the SW/4 of Section 14 and the SE/4 of Section 15, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, said unit to be dedicated to its Matkins Well No. 1 located in Unit P of said Section 15. Applicant proposes to dedicate said unit to its Matkins Well No. 4 located in Unit K of Section 14 in addition to said Well No. 1.
- CASE 3315: Application of Sun Oil Company for a unit agreement, Catron and Socorro Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the San Augustin Plains Unit Area comprising 404,293 acres, more or less, of Federal, State and Fee lands in Townships 1, 2, 3, 4, and 5 South, Ranges 7, 8, 9, 10, 11, and 12 West, Socorro and Catron Counties, New Mexico.

- 2 - OCTOBER 6, 1965 EXAMINER HEARING

CASE 3316: In the matter of the hearing called by the Oil Conservation Commission on its own motion for the creation of a new oil pool for Yates and Seven Rivers production in Sections 12, 13, and 24, Township 26 South, Range 36 East, and Sections 7, 18, 19, 30, 31, 32, and 33, Township 26 South, Range 37 East, Lea County, New Mexico, said pool to be designated the Scarborough Yates—Seven Rivers Pool. Further, to consider the establishment of a procedure whereby a special allowable would be assigned to said pool which would permit equalized per-acre withdrawal rates from wells on 40-acre spacing in New Mexico to the per-acre withdrawal rates from 20-acre wells located immediately south in the Scarborough Pool, Winkler County, Texas.

Application of Jake L. Hamon for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Owl Draw Unit Area comprising 8,916 acres, more or less, of Federal, State and Fee lands in Township 25 South, Range 27 East, Township 26 South, Range 26 East, Township 26 South, Range 27 East, Eddy County, New Mexico.

CASE 3318: Application of Pan American Petroleum Corporation for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian formation in its Navajo Tribal "U" Well No. 6 located in Unit O of Section 22, Township 26 North, Range 18 West, San Juan County, New Mexico.

CASE 3107 (Reopened):

In the matter of Case No. 3107 being reopened pursuant to the provisions of Order No. R-2779, which order established 80-acre spacing units for the North Bagley-Middle Pennsylvanian Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.