

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

MAILED
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CASE NO. 3993
Order No. 3644

APPLICATION OF COASTAL STATES GAS PRODUCING COMPANY
FOR THE CREATION OF A NEW OIL POOL
AND FOR SPECIAL POOL RULES,
LEA COUNTY, NEW MEXICO

APPLICATION FOR DE NOVO HEARING BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION

COMES NOW MAX COLL II and respectfully states:

1. That the application in the above-entitled cause came on for hearing before Examiner Elvis A. Utz on the 11th day of December 1968. Thereafter, on the 31st day of December 1968, the Honorable Commission issued its order No. R-3644, all as more fully appears from the official file and record of said proceeding.

2. That the applicant herein is adversely affected by the terms and conditions of said order and desires to have the matter heard de novo before the Honorable Commission.

3. That the above order affects the West one-half, Section 29, Township 13 South, Range 33 East, NMPM, in which the applicant has a property interest.

4. That a list of the names and addresses of all interested parties known to the applicant is as follows:

Coastal States Gas Producing Company
Midland, Texas

Robert Hannagan
J. P. White Building
Roswell, New Mexico

Yvona Stevens
P.O. Box 789
Roswell, New Mexico

DOCKET MAILED

Date _____

DOCKET MAILED

Date 2-10-69

5. That the spacing permitted under the existing order of the commission, and the production from existing wells will drain the oil and gas underlying lands in which the petitioner has an interest.

WHEREFORE, pursuant to Section 65-3-11.1 of the 1953 N.M.S.A., Max Coll II requests that the application of Coastal States Gas Producing Company for the creation of a new oil pool in Lea County, New Mexico, and for special pool rules be heard de novo before the New Mexico Oil Conservation Commission.



MAX COLL II
P. O. Box 1818
Roswell, New Mexico 88201

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF COASTAL STATES GAS)
PRODUCING COMPANY FOR CREATION OF)
A NEW PENNSYLVANIAN OIL POOL TO BE)
DESIGNATED AS THE NORTH BAUM UPPER)
PENNSYLVANIAN POOL COMPRISING THE)
E $\frac{1}{2}$ SECTION 19, NW $\frac{1}{4}$ AND S $\frac{1}{2}$ SECTION)
20, SW $\frac{1}{4}$ SECTION 21, TOWNSHIP 13)
SOUTH, RANGE 33 EAST, LEA COUNTY,)
NEW MEXICO AND FOR THE PROMULGATION)
OF TEMPORARY SPECIAL FIELD RULES FOR)
SAID POOL, INCLUDING A PROVISION FOR)
160 ACRE SPACING AND PRORATION UNITS)
AND THE ASSIGNMENT OF 80 ACRE ALLOWABLES.)
_____)

No. 3993

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Coastal States Gas Producing Company, acting by and through the undersigned attorneys, and hereby makes application for creation of a new Pennsylvanian oil pool to be designated as the North Baum Upper Pennsylvanian Pool comprising the E $\frac{1}{2}$ Section 19, NW $\frac{1}{4}$, S $\frac{1}{2}$ Section 20, SW $\frac{1}{4}$ Section 21, Township 13 South, Range 33 East, Lea County, New Mexico and for the promulgation of temporary special field rules for said pool, including provision for 160 acre spacing and proration units and the assignment of 80 acre allowables, and in support thereof respectfully shows:

1. That applicant is the owner of certain oil and gas leasehold interests embracing lands in Section 20, Township 13 South, Range 33 East, Lea County, New Mexico and that applicant and others have heretofore completed wells capable of producing oil and gas in paying quantities from the Baum-Pennsylvanian formation. Applicant also has wells producing from the same zone in the Baum Upper Pennsylvanian field located in Sections 31 and 32, Township 13 South, Range 33 East and Sections 5, 6, 7 and 8, Township 14 South, Range

33 East. It was originally thought that these two areas would be connected but the drilling of additional wells by applicant and others between these two areas has indicated that they are separate pools or fields.

2. The area sought to be designated as the North Baum Upper Pennsylvanian Pool overlaps the designated area included in the Lazy J Penn Pool to the extent of the SE $\frac{1}{4}$ Section 20 and SW $\frac{1}{4}$ Section 21, Township 13 South, Range 33 East. The completion of wells on said lands has indicated that this acreage is not within the Lazy J Penn Pool and should be re-designated as constituting a part of the North Baum Upper Pennsylvanian Pool. That there is attached hereto, made a part hereof and for purposes of identification marked Exhibit "A", a plat showing the proposed North Baum Upper Pennsylvanian Pool, the Baum Upper Pennsylvanian Pool and the Lazy J. Penn Pool; also the wells which have been drilled which are producing from the Baum Pennsylvanian formation and the ownership of the leasehold interests in said areas.

3. All of the wells which have heretofore been completed in the proposed North Baum Upper Pennsylvanian Pool, with the exception of two wells, have been drilled upon a 160 acre spacing pattern and it is believed that one well will effectively and efficiently drain more than 160 acres and that due to the experience which has been had in connection with the Baum Upper Pennsylvanian pool, it is doubtful whether it would be economical to further develop the proposed new area by the drilling of wells on well spacing units of less than 160 acres. That 160 acre spacing will prevent the drilling of unnecessary wells.

4. That it is in the interest of conservation and the prevention of waste to designate the area described above as the North Baum Upper Pennsylvanian Pool and to promulgate temporary special field rules in connection therewith providing for 160 acre spacing and proration units and the assignment of 80 acre allowables, said rules to provide for exceptions in the cases of the two wells which have already been completed on 80 acre spacing units.

That this matter be set down for the examiner's hearing to be held on December 11, 1968.

COASTAL STATES GAS PRODUCING COMPANY

By 

Member of the Firm of
HINKLE, BONDURANT & CHRISTY
Box 10
Roswell, New Mexico 88201
Attorneys for Applicant

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF COASTAL STATES GAS)
PRODUCING COMPANY TO AMEND THE)
TEMPORARY SPECIAL POOL RULES ADOPTED)
FOR THE NORTH BAUM-UPPER PENNSYLVANIAN)
POOL SO AS TO PROVIDE FOR 160 ACRE)
SPACING UNITS AND 160 ACRE ALLOWABLES)
INSTEAD OF 80 ACRE ALLOWABLES AND TO)
MAKE SUCH RULES PERMANENT)
_____)

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Comes Coastal States Gas Producing Company, acting by and through the undersigned attorneys, and hereby makes application to amend the temporary special pool rules adopted for the North Baum-Upper Pennsylvanian Pool so as to provide for 160 acre spacing units and 160 acre allowables instead of 80 acre allowables and to make such rules permanent, and in support thereof respectfully shows:

1. That on December 11, 1968 at an examiner's hearing held by the Commission pursuant to the application of applicant, temporary special pool rules were adopted for the North Baum-Upper Pennsylvanian Pool as provided by Order No. R-3644 issued by the Commission on December 31, 1968 providing for 160 acre spacing units and the assignment of a 160 acre proportional factor of 4.77 for allowable purposes. Said order also provided that the case would be reopened at an examiner's hearing in January 1970, at which time the operators in the subject pool would be required to appear and show cause why the North Baum-Upper Pennsylvanian Pool should not be developed on less than 160 acre spacing units and to show cause why the proportional factor of 4.77 assigned to such pool should or should not be retained.

2. Since the original hearing, additional wells have been drilled in the North Baum-Upper Pennsylvanian Pool and most of the


wells are capable of producing, without being detrimental to the producing formation, an allowable equal to an allowable which would normally be assigned to 160 acre spacing units. Applicant desires that the special pool rules heretofore adopted be amended to increase the allowable from that normally assigned to 80 acre spacing units to that normally assigned for 160 acre spacing units.

3. Applicant believes that due to the production history and additional information which has been obtained since the original hearing adopting the temporary special pool rules, one well will effectively and efficiently drain more than 160 acres and that in order to prevent the economic loss caused by the drilling of unnecessary wells and to avoid the augmentation of risk arising from the drilling of an excessive number of wells and to prevent reduced recovery which might result from the drilling of too few wells and to otherwise prevent waste and protect correlative rights, said temporary special pool rules should be amended as above set forth and made permanent.

4. Applicant requests that this matter be set down for hearing at the same time as Case No. 3993 pursuant to Order R-3644 is set down for hearing by the Commission.

Respectfully submitted,

COASTAL STATES GAS PRODUCING COMPANY

By 
Member of the Firm of
HINKLE, BONDURANT & CHRISTY
Box 10
Roswell, New Mexico
Attorneys for Applicant