



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

**GOVERNOR
BRUCE KING
CHAIRMAN**

**LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER**

**STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR**

August 23, 1972

DOCKET MAILED

Date 10-1-68 Re: Case No. 4790

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Order No. R-4370

Applicant:

The Petroleum Corporation

NO. 212

Date

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

Other _____



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

I. R. TRUJILLO

CHAIRMAN

LAND COMMISSIONER

ALEX J. ARMIJO

MEMBER

STATE GEOLOGIST

A. L. PORTER, JR.

SECRETARY - DIRECTOR

May 28, 1974

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: CASE NO. 4790
ORDER NO. R-4370-A
Applicant:
THE PETROLEUM CORP.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC _____
 Artesia OCC _____
 Aztec OCC _____

Other _____

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:

CASE NO. 4790
Order No. R-4370

NOMENCLATURE

APPLICATION OF THE PETROLEUM
CORPORATION FOR SPECIAL POOL
RULES AND A NON-STANDARD PRO-
RATION UNIT, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 22nd day of August, 1972, the Commission,
a quorum being present, 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 Commission has jurisdiction of this cause and the sub-
ject matter thereof.
- (2) That the applicant, The Petroleum Corporation, seeks
the promulgation of special rules and regulations for the Dublin-
Ellenburger Gas Pool, Lea County, New Mexico, including a provi-
sion for 640-acre spacing units.
- (3) That the applicant further seeks approval for a 480-acre
non-standard gas proration unit comprising the S/2, S/2 NE/4
and E/2 NW/4 of Section 12, Township 26 South, Range 37 East,
to be dedicated to its Tenneco Federal Well No. 1 located in
Unit N of said Section 12.
- (4) That the applicant has established that one well in
the Dublin-Ellenburger Gas Pool can efficiently and economically
drain and develop 640 acres.
- (5) That the entire non-standard gas proration unit re-
quested by the applicant may reasonably be presumed to be
productive of gas from the Dublin-Ellenburger Gas Pool and can
be efficiently and economically drained and developed by the
aforesaid well.

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Case No. 4790
Order No. R-4370

(6) That the application for the above-described non-standard proration unit should be approved.

(7) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, temporary special rules and regulations providing for 640-acre spacing units should be promulgated for the Dublin-Ellenburger Gas Pool.

(8) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(9) That special rules and regulations should be established for a temporary period to expire one year from the date that a pipeline connection is first obtained for a well in the pool; that during this temporary period all operators in the subject pool should gather all available information relative to drainage and recoverable reserves.

(10) That this case should be reopened at an examiner hearing one year from the date that a pipeline connection is first obtained for a well in the Dublin-Ellenburger Gas Pool, at which time the operators in the subject pool should appear and show cause why the Dublin-Ellenburger Gas Pool should not be developed on 320-acre spacing units.

(11) That the first operator to obtain a pipeline connection for a well in the Dublin-Ellenburger Gas Pool should notify the Commission in writing of such fact, and that the Commission should thereupon issue a supplemental order designating an exact date for reopening this case.

IT IS THEREFORE ORDERED:

(1) That the Dublin Ellenburger Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 12: N/2

(2) That temporary Special Rules and Regulations for the Dublin-Ellenburger Gas Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
DUBLIN-ELLENBURGER GAS POOL

RULE 1. Each well completed or recompleted in the Dublin-Ellebenburger Gas Pool or in the Ellebenburger formation within one mile thereof, and not nearer to or within the limits of another designated Ellebenburger gas pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 640 acres, more or less, consisting of a governmental section.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit and the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the United States Public Land Surveys, or the following facts exist and the following provisions are complied with:

- (a) The non-standard unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.
- (b) The non-standard unit lies wholly within a governmental section and contains less acreage than a standard unit.
- (c) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which the non-standard unit is situated and which acreage is not included in said non-standard unit.
- (d) In lieu of paragraph (c) of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if no such operator has entered an objection to the formation of such non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located no nearer than 1650 feet to the outer boundary of the section and no nearer than 330 feet to any governmental quarter-quarter section line.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an

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Case No. 4790

Order No. R-4370

application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proration unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proration unit or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Dublin-Ellenburger Gas Pool or in the Ellenburger formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before September 1, 1972.

(2) That a 480-acre non-standard gas proration unit in the Dublin-Ellenburger Gas Pool comprising the S/2, S/2 NE/4 and E/2 NW/4 of Section 12, Township 26 South, Range 37 East, Eddy County, New Mexico, is hereby established and dedicated to The Petroleum Corporation's Tenneco Federal Well No. 1, located in Unit N of said Section 12.

(3) That this case shall be reopened at an examiner hearing one year from the date that a pipeline connection is first obtained for a well in the Dublin-Ellenburger Gas Pool, at which time the operators in the subject pool may appear and show cause why the Dublin-Ellenburger Gas Pool should not be developed on 320-acre spacing units.

(4) That the first operator to obtain a pipeline connection for a well in the Dublin-Ellenburger Gas Pool shall notify the Commission in writing of such fact, and that the Commission will thereupon issue a supplemental order designating an exact date for reopening this case.

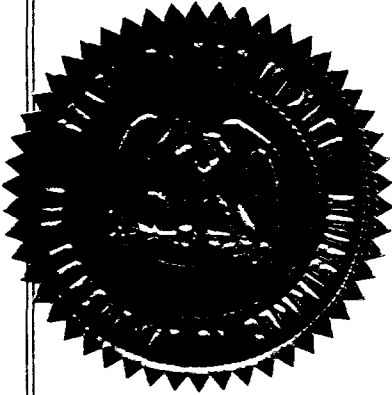
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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Case No. 4790

Order No. R-4370

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Bruce King
BRUCE KING, Chairman

Alex J. Armijo
ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

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:

CASE NO. 4790
Order No. R-4370-A

IN THE MATTER OF CASE NO. 4790
BEING REOPENED PURSUANT TO THE
PROVISIONS OF ORDER NO. R-4370,
WHICH ORDER ESTABLISHED SPECIAL
RULES AND REGULATIONS FOR THE
DUBLIN-ELLENBURGER GAS POOL, LEA
COUNTY, NEW MEXICO, INCLUDING A
PROVISION FOR 640-ACRE PRORATION UNITS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 28th day of May, 1974, the Commission, a
quorum being present, 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 Commission has jurisdiction of this cause and the
subject matter thereof.
- (2) That by Order No. R-4370, dated August 22, 1972,
temporary special rules and regulations were promulgated for
the Dublin-Ellenburger Gas Pool, Lea County, New Mexico,
establishing temporary 640-acre spacing units.
- (3) That pursuant to the provisions of Order No. R-4370,
this case was reopened to allow operators in the subject pool
to appear and show cause why the Dublin-Ellenburger Gas Pool
should not be developed on 320-acre spacing units.
- (4) That the evidence establishes that one well in the
Dublin-Ellenburger Gas Pool can efficiently and economically
drain and develop 640 acres.
- (5) That the Special Rules and Regulations promulgated
by Order No. R-4370 have afforded and will afford to the owner
of each property in the pool the opportunity to produce his
just and equitable share of the gas in the pool.

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Case No. 4790

Order No. R-4370-A

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-4370 should be made permanent.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations promulgated by Order No. R-4370 are hereby made permanent.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. Trujillo
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/