

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

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W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

August 13, 1990

Mr. William J. LeMay
Oil Conservation Division
P.O. Box 2208
Santa Fe, New Mexico 87504

RECEIVED
AUG 14 1990
OIL CONSERVATION DIVISION
10069

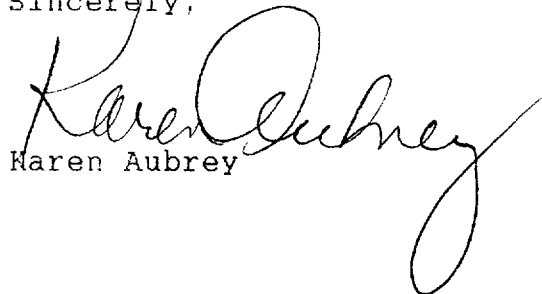
Re: Application to Limit the Application of Order R-928,
and for the Establishment of Statewide Gas Spacing, Eddy
County, New Mexico, Pacific Enterprises Oil Company (USA)

Dear Mr. LeMay:

Enclosed please find the original and one copy of an
Application by Pacific Enterprises Oil Company (USA) to
limit the application of Order R-928 and to establish
statewide gas spacing, Eddy County, New Mexico. Please set
this Application for hearing on the examiner docket on
August 22, 1990.

In accordance with N.M.O.C. Rule 1207 (4), we are
sending all operators of wells and unleased mineral owners
within one mile listed in this Application a copy of this
letter and a copy of the enclosed Application, by certified
mail, in order to notify them that they have the opportunity
to appear in support of or in opposition to the enclosed
Application.

Sincerely,


Karen Aubrey

KA/tlc
Enclosure

xc: Craig Clark
Pacific Enterprises Oil Company (USA)

All Parties listed in Paragraph 7
of Application

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

RECEIVED

AUG 1 1990

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF PACIFIC ENTERPRISES OIL COMPANY
(USA) TO LIMIT THE APPLICATION OF
NEW MEXICO OIL CONSERVATION DIVISION
ORDER NO. R-928, AND TO ESTABLISH
STATEWIDE GAS WELL SPACING, EDDY
COUNTY, NEW MEXICO.

CASE NO. 10069

A P P L I C A T I O N

COMES NOW PACIFIC ENTERPRISES OIL COMPANY (USA), by and through its attorneys, KELLAHIN, KELLAHIN & AUBREY, in accordance with statutes of the State of New Mexico, and the Rules of the New Mexico Oil Conservation Division, and applies to the New Mexico Oil Conservation Division for an order limiting the application of Order R-928 to the SW/4 Section 15; the E/2 Section 21; and the NW/4 of Section 22, T17S. R31E, N.M.P.M., and to establish statewide spacing (320 acres) within one mile of the geographical limits of the Fren-Pennsylvanian Gas Pool, including, but not limited to Section 16, T17S, R31E, N.M.P.M. In support of this Application, Applicant would show:

1. Applicant has the right to drill and develop the E/2 of Section 16, T17S, R31E, Eddy County, New Mexico. Said location is within one mile of, but located outside, the geographical boundaries of the Fren-Pennsylvanian Pool.

2. In the event that the Application is granted, Applicant will propose a well at a standard location, 1980 FNL and 1980 FEL of said section, to a depth of approximately 12,100 feet.

3. The Fren-Pennsylvanian Pool was established in 1956 by Order No. R-928 at a time when statewide spacing for wells of this depth was 160 acres.

4. Since 1964, statewide spacing for wells of this depth has been 320 acres.

5. If the Fren-Pennsylvanian Gas Pool were established today, it would be spaced on 320 acres.

6. Applicant will show that wells completed at the 12,100 foot interval in Section 16, T17S, R31E, Eddy County New Mexico will drain in excess of 160 acres and should, therefore, be governed by the Statewide Rules rather than the rules for the Fren-Pennsylvanian Pool.

7. Notice of this application to limit the application of Order R-928 and to establish statewide spacing and of applicant's request that this matter be set for hearing on September 5, 1990 has been given in accordance with N.M.O.C.D. Rule 1207(4) as follows:

Exxon Company U.S.A.
Post Office Box 1600
Midland, Texas 79702

Texaco, Inc
P.O. Box 2100
Denver, Colorado 80202
Attn: Mr. Dave Sleeper

8. In order to obtain its just and equitable share of the hydrocarbons underlying the above tract(s), Applicant needs an order pooling the mineral interests involved in order to protect Applicant's correlative rights and prevent waste.

WHEREFORE, Applicant prays that this Application be set for hearing before the Division's duly appointed examiner on September 5, 1990, and that after notice and hearing as required by law, the Division enter its order limiting the application of Order R-928 as requested and establishing statewide gas spacing in Section 16, T71S, R31E, N.M.P.M., and for such other and further relief as may be proper.

Respectfully submitted:

KELLAHIN, KELLAHIN & AUBREY

By: 

Karen Aubrey
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

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W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

RECEIVED

September 11, 1990

SEP 11 1990

Mr. William J. LeMay
Oil Conservation Division
P.O. Box 2208
Santa Fe, New Mexico 87504

OIL CONSERVATION DIVISION

Case 10069


Re: Amended Application to Limit the Application of Order R-928, or in the alternative for the Establishment of Statewide Gas Spacing for the Fren-Pennsylvanian Pool, Eddy County, New Mexico, Pacific Enterprises Oil Company (USA)

Dear Mr. LeMay:

Enclosed please find the original and one copy of an Amended Application by Pacific Enterprises Oil Company (USA) to limit the application of Order R-928 or to establish statewide gas spacing for the Fren-Pennsylvanian Pool, Eddy County, New Mexico. This case was heard at the hearing held on September 5, 1990 and continued to October 3, 1990 to advertise the alternative relief sought. In the absence of objection, we would request on October 3rd that the case be taken under advisement and decided based upon the record received on September 5th.

In accordance with N.M.O.C. Rule 1207 (4), we are sending all operators of wells within one mile listed in this Application a copy of this letter and a copy of the enclosed Application, by certified mail, in order to notify them that they have the opportunity to appear in support of or in opposition to the enclosed Application.

Sincerely,



W. Thomas Kellahin

WTK/tic
Enclosure

Mr. William J. LeMay

Mr. William J. LeMay
September 11, 1990
Page 2

xc: Craig Clark
Pacific Enterprises Oil Company (USA)

All Parties listed in Paragraph 7
of Application

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

RECEIVED

SFP 11 1990

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF PACIFIC ENTERPRISES OIL COMPANY
(USA) TO LIMIT THE APPLICATION OF
NEW MEXICO OIL CONSERVATION DIVISION
ORDER NO. R-928, OR IN THE ALTERNATIVE
TO ESTABLISH STATEWIDE GAS WELL SPACING
FOR THE FREN-PENNSYLVANIAN GAS POOL,
EDDY COUNTY, NEW MEXICO.

CASE NO. /0069

FIRST AMENDED
APPLICATION

COMES NOW PACIFIC ENTERPRISES OIL COMPANY (USA), by and through its attorneys, KELLAHIN, KELLAHIN & AUBREY, in accordance with statutes of the State of New Mexico, and the Rules of the New Mexico Oil Conservation Division, and applies to the New Mexico Oil Conservation Division for an order limiting the application of Order R-928 to the SW/4 Section 15; the E/2 Section 21; and the NW/4 of Section 22, T17S, R31E, N.M.P.M., and to establish statewide spacing (320 acres) within one mile of the geographical limits of the Fren-Pennsylvanian Gas Pool, including, but not limited to Section 16, T17S, R31E, N.M.P.M., or in the alternative

establish statewide gas well spacing for the Fren-Pennsylvanian Gas Pool. In support of this Application, Applicant would show:

1. Applicant has the right to drill and develop the E/2 of Section 16, T17S, R31E, Eddy County, New Mexico. Said location is within one mile of, but located outside the geographical boundaries of the Fren-Pennsylvanian Pool.

2. In the event that the Application is granted, Applicant will propose a well at a standard location, 1980 FNL and 1980 FEL of said section, to a depth of approximately 12,100 feet.

3. The Fren-Pennsylvanian Pool was established in 1956 by Order No. R-928 at a time when statewide spacing for wells of this depth was 160 acres.

4. Since 1964, statewide spacing for wells of this depth has been 320 acres.

5. If the Fren-Pennsylvanian Gas Pool were established today, it would be spaced on 320 acres.

6. Applicant will show that wells completed at the 12,100 foot interval in Section 16, T17S, R31E, Eddy County New Mexico will drain in excess of 160 acres and should, therefore, be governed by the Statewide Rules rather than the rules for the Fren-Pennsylvanian Pool.

7. Notice of this application to limit the application of Order R-928, or in the alternative to establish statewide spacing for the Fren-Pennsylvanian Pool and of applicant's request that this matter be set for hearing on September 5, 1990 has been given in accordance with N.M.O.C.D. Rule 1207(4) as follows:

Exxon Company U.S.A.
Post Office Box 1600
Midland, Texas 79702

Texaco, Inc
P.O. Box 2100
Denver, Colorado 80202
Attn: Mr. Dave Sleeper

8. In order to obtain its just and equitable share of the hydrocarbons underlying the above tract(s), Applicant needs an order pooling the mineral interests involved in order to protect Applicant's correlative rights and prevent waste.

WHEREFORE, Applicant prays that this Application be set for hearing before the Division's duly appointed examiner on October 3, 1990, and that after notice and hearing as required by law, the Division enter its order as requested and for such other and further relief as may be proper.

Respectfully submitted:

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285