Case Number

Application

Trascripts

Small Exhibits

ETC.

מתחווות שותותו ותלחונווו מחונותה, וווחי

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Roswell, New Mexico

October 13, 1971 Examiner Hearing

IN THE MATTER OF:

Application of Jack L.)
McClellan for a)
waterflood project, Chaves)
County, New Mexico.)

Case No. 4610

BEFORE: DANIEL S. NUTTER, EXAMINER

TRANSCRIPT OF HEARING



MR. NUTTER: We will call next Case No. 4610. MR. HATCH: Case 4610. Application of Jack L. McClellan for a waterflood project, Chaves County, New Mexico. MR. KELLAHIN: If the Examiner please, Jason Kellahin, Kellahin and Fox appearing for the applicant. We have the same witness, Mr. Johnson. Let the record show that he has been sworn and qualified in this case. MR. NUTTER: The witness is qualified and still under oath. 10 JOE JOHNSON 11 having been previously duly sworn, according to law, upon his 12 oath testified as follows: 13 DIRECT EXAMINATION 14 BY MR. KELLAHIN: 15 Mr. Johnson, are you familiar with the application of 16 Jack L. McClellan in Case 4610? 17 Yes, I am. 18 What is proposed by the applicants in this case? 19 We propose waterflood permit or permit to begin waterflood 30 work in the Sulimar field. 21 (Whereupon, Applicant's Exhibits 1 through 18 were 22 marked for identification.) 23 Mr. Johnson, in connection with the preparation for the 24 waterflood project, did you do any work for Mr. McClellan?

1	A	Yes. We analyzed the prospect of waterflood and prepared
2		a report concerning the flood ability of the interval.
3	Q	And it is on the base of this report that this waterflood
4		project was initiated; is that correct?
5	A -	This is correct.
6	Q	Now, referring to what has been marked as the Applicant's
7		Exhibit No. 1, would you identify it?
8	A	This is a location map indicating the location in the
9		Sulimar field located approximately 50 miles southeast of
10		Roswell, Chaves County.
11	Q	And Exhibit No. 2, would you identify that exhibit, please
12	A	Exhibit No. 2 are the well records indicating the
13		completion date, elevation, total depth of the casing
14		information, top of the Queen, sub-sea data, net effective
15		pay, completion interval, producing zone, treatment,
16		initial potential on each of the wells in the Sulimar
17		field.
18	Q	It also shows the present status of the wells in some
19	l	instances; is that correct?
20	A	Yes.
21	Q	Other than those that are shown as shut-in or dry holed
22		are they presently producing?
23	A	Yes.
24	· Q	Now, referring to what has been marked as Exhibit No. 3
25		would you identify that exhibit?

1	A	These are the most recent well tests obtained on the
2	· an	wells in the Sulimar field. It also indicates on the righ
3	<u></u>	hand side the status of the wells at the present time.
4		You will note that in the Pubco and City Service that
5		we did not have exact well tests. These are estimated
6		tests.
7	Q.	Now, does the 80-acre production indicate that the Sulimar
8		has reached an advanced stage of completion?
9	A	Yes, sir. We are estimating at this time that we
10		probably are in the range of about ninety percent complete
11	,	primary reserves.
12	Q	And it is suitable at this point for secondary recovery?
13	A	Yes, sir.
14	Q	It is at the stripper stage?
15	A	Yes, sir.
16	Q	Is there anything else you want to add in connection with
17		that exhibit?
18	A	No, sir.
19	Q	Now, Exhibit No. 4, would you identify that exhibit?
20	A	This is the map indicating the it is a geologic
21	<u>:</u>	structure map contoured on top of the Queen sand in the
22		Sulimar field.
23	Q	It also indicates the gas-oil and water-oil context based
24		on completion information and has the water-oil content or
25		the determining factor; is that correct?

1	A	Yes, sir, along the along the east side, and we have
2		the sand pinch-out line along the north side. We also
3		have the same pinch-out position along the west side with
4		the small gas cap located along the west side.
5	Q	And to the south what is it?
6	A	To the south we have combination of the same pinch-out as
7	•	well as the water.
8	Q	That is reflected by the dry holes which are on the south
9		and east sides?
10	A	Yes, sir.
11	Q	Also to the north? Now, referring to what has been marked
12		as Exhibit No. 5 would you identify that exhibit?
13	A	This is an isopach map contoured on the estimated net
14	*	effective oil pay, thickness in the Sulimar field. This
15,		also indicates the pinch-out position that we are
16		previously referring to.
17	Q	And this substantially encloses the area that you propose
18		to flood, does it not?
19	A	Yes, sir, it does.
20	Q	Is it relatively close producing zone in there?
21	A	To the best of our knowledge it is closed.
22	Q ·	And it would be suitable then for effective control of the
23		flood?
24	A	Yes, sir.
25	Q	Now, referring to Exhibit No. 6 would you identify that

20

21

22

23

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		· · · · · · · · · · · · · · · · · · ·
1		exhibit?
2	A	Exhibit 6 is the oil production history in each of the
3		leases and in the Sulimar field from the beginning of
4	•	production through July 1971.
5		It indicates that the total recovery to date from
6	,	the field has been 516,812 barrels.
7	Q	Do you have any estimate on what could be anticipated
8		secondary recovery?
9	A	We are estimating similar production.
10	Q	Same production?
11	A	Approximately the same, roughly 5 to 600,000 barrels.
12	_	And in that oil? Would it not otherwise be unconsend

d be anticipated from 600,000 barrels. Would it not otherwise be recovered if 13 you did not institute a waterflood project? Yes, sir. 14 15 Now, referring to Exhibit No. 7 would you identify that 16 exhibit, please? Exhibit 7 is a reservoir performance curve. This is the 17 total field and indicates the primary performance up 18 through July 1971. 19

> It is anticipated that this decline which is being shown now would continue down to an economic limit and would reach a primary economic limit probably in about a two to three year point through the installation of the flood which we anticipate to be in the immediate future.

We assume we will have a decline in production as

25

1	-	shown on the extension followed by eleven and then an
2		increase in production with the performance of the flood
3		shown on the dashed line.
4	Q	And then that reflects the ultimate secondary recovery to
5		which you have just testified?
6	A	Yes, sir.
7	Q	Now, we come to a series of exhibits, Nos. 8 through 15
8		inclusive. Would you discuss those as a group, please?
9	A	These are reservoir performance curves of each of the
10	:	leases involved in the Sulimar-Queen field indicating the
11		primary production to date, the declined trend now being
12		indicated or estimated of the future decline that would be
13	s.	indicated on the property without a flood, and the primary
14	٠.	economic limit which would be reached.
15		All of these are virtually the same type of curve and
16		marked with oil production barrels per month on the left
17		side as opposed to time.
18	Q	And this does not reflect any effect of the waterflood
19		project in your estimation?
20	A	No.
21	Q	Now, is it shown on your Exhibit No. 7?
22	A	This is correct.
23	Q	Is there any particular one you wish to point out any
24		information on, Mr. Johnson?

They are all about the same

1	Q	They are all about the same?
2	A	Yes.
3	Q	Now, does this include all of the leases which would be
4		affected by your proposed waterflood project?
5	A	Yes, it does.
6	Q	And it shows the performance to date?
7	A	Yes, sir.
8	Q	On all of those individual lease bases?
9	A	Yes, sir.
10	Q	Now, referring to what has been marked as Exhibit No. 16
11	-	would you identify that exhibit?
12	A	Exhibit 16 is a plat of the waterflood area or the Sulimar
13		field, also has been marked as the proposed well to be
14		converted to injection status in triangle symbol, the outer
15		edge limit reservoir is also shown on the plat.
16		It basically indicates the wells that we anticipate
17		converting to injection status with this flood.
18	Q	And have you found it necessary to change your flood
19		pattern from that originally proposed on a plat which was
20		filed with the Oil Commission in connection with this case?
21	A	Yes. We have changed it recently.
22	Q	And in your opinion will a waterflood injection pattern as
23		proposed here be an effective waterflood project?
-24	A .	Yes, sir, it will.
25	10	And would you control it by raising injection in the variou

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wells rather than by necessarily the location of the
       injection wells?
       Yes, sir. It would have to be controlled in order to center
       on producing wells.
       And that would be done by the injection rate?
       Yes, sir.
       Now, would you refer please to Exhibit No. 17?
       This is the legal description of each of the leases along
       with the lease name and lease number.
10
       And does that cover include all of the area then that would
11
       be affected by the waterflood project?
12
        Yes, sir.
13
        Now, referring to Exhibit No. 18 would you identify that
14
        exhibit?
15
        This exhibit is the proposed injection wells that were
16
        shown on the previous map exhibit. It also gives their
17
        unit position, section, township and range.
18
             MR. NUTTER: 16 is the map, 17 is this list of leases,
19
   then this would be 18?
20
             THE WITNESS: Yes, sir.
21
             MR. KELLAHIN: This is the last exhibit.
22
             MR. NUTTER: Okay.
23 Q
        (Mr. Kellahin continuing) And that gives the unit location
24
        of each of the proposed injection wells?
25
        Yes, sir, it does.
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Now, Mr. Johnson, this originally was projected as a unit
       area with a waterflood project, was it not?
       Yes, sir, it was.
       And it caused some problems in connection with the unit
5
       agreement. What action have you determined to take at this
б
        time?
       We will go to a cooperative type project.
8
       And do all of the working interest owners agree that this
9
       can be done in this phase?
10
       Yes, sir.
11
       Have you received approval from the United States Geological
12
       Survey?
13
       Yes, sir.
       And they agree to a proposed waterflood project?
15
       Yes, sir.
16
       On a cooperative base?
17
        Yes.
18
       Were Exhibits 1 through 18 prepared by you or under your
19
        supervision?
20
        Yes, sir, they were.
             MR. KELLAHIN: At this time I will move the
22 introduction of Exhibits 1 through 18.
23
             MR. NUTTER: Applicant's Exhibits 1 through 18 will be
24 admitted in evidence.
        (Mr. Kellahin continuing) Do you have anything further to
25 Q
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add, Mr. Johnson?

A No, sir, I do not.

MR. KELLAHIN: That completes our presentation.

CROSS-EXAMINATION

BY MR. NUTTER:

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Mr. Johnson, since you have had to abandon the unit consent here at least for the time being and proposed to launch this waterflood project on a cooperative base, it would appear that all of the injection wells on your Exhibit No. 16 belong to Mr. McClellan with the exception of one City Service injection well on the far south end of the pool; is this correct?

A Yes, sir, this is correct.

So in effect, what you are doing here today is acting as agent for City Service requesting authority for them to operate a waterflood project?

MR. KELLAHIN: If the Examiner please, I think we will work out a designation of operato: arrangement of some kind where it will all be operated under one control. At least this is what we anticipate pending unitization.

THE WITNESS: Yes, sir.

- Q So you are seeking authority today for City Service under a water injection well on their federal lease?
- 24 A That's right.
- 25 Q And then of course Mr. McClellan is asking for water

25

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injection on various of his leases in the Pubco lease in
        the north half of the northeast quarter of Section 26 which
 3
        I believe is all of the acreage that they have in the area.
        Yes, sir.
5
             MR. KELLAHIN: That's correct.
6
        That is productive?
  0
        Yes, sir.
8
        That doesn't have an injection well on it?
  Q
9
        No, sir. Here again we anticipate making an agreement with
10
        City Service and Pubco along with the McClellan group so
11
        that the cooperative type flood can be conducted.
12
        Well, until such time as the acreage has been unitized or
13
        until such time as some sort of cooperative arrangements
14
        have been made and evidence thereof submitted to the
        Commission, each one of these leases would have to stand
        on its own as far as allowable is concerned and not --
17
        Yes, sir, of course.
             MR. KELLAHIN: If the Examiner please, I believe there
18
  is no lease without a producing well.
             MR. NUTTER: Right.
20
        (Mr. Nutter continuing) Now, Mr. Johnson, you didn't go
        into the rates of injection and the source of water and such
22
        as that.
23
        The source of water will be coming from Double Eagle.
24
```

will be purchasing this water. Rate of injection

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anticipated to be in the order of 2400 to 3000 barrels of water per day.

Injection rates will be as I said earlier -- will be set in accordance with flood proposition and rates for each individual well set there in accordance with this. Well, apparently if you are going to inject 2400 to 3000 barrels of water per day you have got seven injection wells, so it will be in the neighborhood of 300 to 400 barrels per day?

- Yes, sir, this is correct.
- Do you have any idea yet as to pressures that would be required?
- 13 I would anticipate about 1000 barrels.

order of 400,000 barrels.

- 14 How many barrels of water do you expect is going to be 15 required for fill-ups before you start getting a response?
- 16 We anticipate response in about a six-month period in the 17
- 18 400,000?
- 19 Yes, sir.
- 20 Now, your total cumulative primary production from the 21 pool to date was somewhere in the neighborhood of 500?
- 22 517.
- 23 And 17,000 barrels? Have you made a calculation as to what 24 you can anticipate on secondary recovery?
- 25 A Yes, sir. We gave that a minute ago.

1	Q	I missed it.
2	A	It would be in the order of around 600,000 barrels.
3	Q	600,000?
4	À	Yes, sir.
5	Q	Now, the mechanism is going to be utilized here for the
6		construction of the injection wells, Mr. Johnson?
7	A	Injections wells will be running tubing, setting packer
8		approximately fifty feet above the producing interval.
g	Q	A little slower, please. Packer fifty feet above the
10		producing interval?
11	À	Yes, sir. Loading the back side of the hole it is not
12		anticipated initially to use plastic tubing, plastic-coated
13	į	tubing. We anticipate control of the corrosion rate so
14		that this will not be necessary.
15	Q	And how will that be achieved?
16	A	Through chemical injection.
17	Q	I see. Control corrosion by treatment of the water then?
18	A	Yes, sir, also control of scale hopefully.
19	Q .	Now, when you mentioned that you would load the back of
20		the hole you mean the annulus between the tubing and casing
21	A	Yes, sir.
22	Q	With inert fluid?
23	A	Yes, sir.
24	Q	And can you equip those well heads with a pressure gauge
25		on that annulus?

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Yes, sir.
        So it would detect leakage?
        Yes, sir.
             MR. NUTTER: Are there any further questions of Mr.
   Johnson? He may be excused.
6
                                                    (Witness excused)
             MR. NUTTER: Do you have anything further, Mr.
8
   Kellahin?
9
             MR. KELLAHIN: Not in this case, sir.
10
             MR. NUTTER: Does anyone have anything they wish to
11
   offer in Case No. 4610? If no one has anything further in
12
   Case No. 4610 we will take that case under advisement.
13
14
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INDEX WITNESS PAGE JOE JOHNSON Direct Examination by Mr. Kellahin Cross-Examination by Mr. Nutter 11 10 11 $\underline{\mathbf{E}} \ \underline{\mathbf{X}} \ \underline{\mathbf{H}} \ \underline{\mathbf{I}} \ \underline{\mathbf{B}} \ \underline{\mathbf{I}} \ \underline{\mathbf{T}} \ \underline{\mathbf{S}}$ 12 MARKED PAGE 13 Applicant's Exhibits 1 through 18 2 14 15 OFFERED IN EVIDENCE PAGE 16 Applicant's Exhibits 1 through 18 10 17 18 19 20 21 22 23 24

1	STATE OF NEW MEXICO)
2	COUNTY OF BERNALILLO)
3	I, LINDA MALONE, Court Reporter, do hereby certify that
4	the foregoing and attached Transcript of Hearing before the
5	New Mexico Oil Conservation Commission was reported by me;
6	that the same is a true and correct record of the said
7	proceedings, to the best of my knowledge, skill and ability.
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11	Inda Mulone
12	Court Reporter
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23	heard by 80 on 10/3 10.71.
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OIL CONSERVATION COMMISSION

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

October 22, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY – DIRECTOR

	Re:	Case No	4610
Mr. Jason Kellahin Kellahin & Fox		Order No.	R-4214
Attorneys at Law	•	Applicant:	
Post Office Box 1769 Santa Fe, New Mexico		Jack L. Mcc	Clellan
banca rey hew Mexico	• • •		

Dear Sir:

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

Very truly yours,

A. L. PORTER, Jr.

Secretary-Director

ALP/ir			
Copy of order also sent to:			
Hobbs OCC × Artesia OCC ×			
Aztec OCC	•	•	
State Engineer x			4. F
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. 4610 Order No. R-4214

APPLICATION OF JACK L. McCLELLAN FOR A WATERFLOOD PROJECT, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 13, 1971, at Roswell, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>21st</u> day of October, 1971, 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 the applicant, Jack L. McClellan, seeks authority to institute two waterflood projects in the Sulimar-Queen Pool, by the injection of water into the Queen formation through 7 injection wells in Sections 13, 24, and 26, Town-ship 15 South, Range 29 East and Section 18 of Township 15 South, Range 30 East, NMPM, Chaves County, New Mexico.
- (3) That the wells in the project areas are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood projects should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE NO. 4610 Order No. R-4214

(5) That the subject application should be approved and the projects should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Jack L. McClellan, is hereby authorized to institute two waterflood projects in the Sulimar-Queen Pool, by the injection of water into the Queen formation through the following-described wells in Eddy County, New Mexico:

McClellan Lisa Sulimar Waterflood Project

Well Name		Well No.	<u>Unit</u>	Sec.	Twn	Rge
McClellan Lisa I	Ped. A	9	M	13	158	29E
McClellan Lisa	Fed. A	2	F	24	158	29B
McClellan Lisa	Fed. A	6	L	24	158	298
McClellan Lisa I	Ped. C	4	J	24	158	29E
McClellan Lisa I	Ped. A	5	N	24	15S	29E
McClellan Lisa 1	Fed. B	2	M	18	158	30E

Cities Snyder Sulimar Waterflood Project

Well Name	Well No.	Unit	Sec.	Twn	Rge
Cities Service		-			
Snyder Federal	2	G	26	158	29E

- (2) That the subject waterflood projects shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (3) That monthly progress reports of the waterflood projects herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-CASE NO. 4610 Order No. R-4214

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

SEAL



OIL CONSERVATION COMMISSION

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

November 3, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

Dear Mr. Kellahin:

Reference is made to Commission Order No. R-4214, recently entered in Case No. 4610, approving the McClellan Lisa Sulimar and Cities Synder Sulimar Waterflood Projects.

Injection into each of the seven authorized water injection wells shall be through tubing which shall be set in a packer located approximately 50 feet above the producing interval. The casing-tubing annulus shall be loaded with an inert fluid and shall be equipped with a pressure gauge at the surface. Injection water if other than fresh shall be continuously chemically treated to control corrosion.

As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which the McClellan Lisa project will be eligible to receive under the provisions of Rule 701-E-3 is 630 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less, while the maximum for the Cities Snyder Project is 84 barrels per day. The combined projects upon unitization, and with the inclusion of the Carthel, Smernoff, and Pubco Leases, would have a total allowable, under a 42 barrel or less normal allowable, of 882 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

November 3, 1971

any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSN/ir

cc: Oil Conservation Commission Hobbs and Artesia, New Mexico

Mr. D. E. Gray, State Engineer Office Santa Fe, New Mexico

U. S. Geological Survey Drawer U Artesia, New Mexico



UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

P. O. Drawer U Artesia, New Mexico 88210

October 12, 1971

Mr. Jack L. McClellan Post Office Box 848 Roswell, New Mexico 88201

Dear Mr. McClellan

Your letter of September 23, 1971 requests approval to operate a waterflood project of the Queen formation in T. 15 S., R. 29 and 30 E., N.M.P.M., Chaves County, New Mexico on the following Federal oil and gas leases:

Las Cruces 069280-A

Las Cruces 069280-B

Las Cruces 069280-C

New Mexico 0558684

New Mexico 0556543

New Mexico 0458356

New Mexico 0493370-A
Insofar as it covers the SiNE; sec. 26, T. 15 S., R. 29 E.

New Mexico 0518428
Insofar as it covers the N2NWk sec. 25, T. 15 S., R. 29 B.

The flood pattern would be non-symmetrical with injection well equity across lease lines determined by agreement. It is proposed to convert the following wells to water injection:

Well Number And Lease	Location
2-Lisa Fed. "A"	SE-NW 24-158-29E
5-Lisa Fed. "A"	SE-SW 24-15S-29E
6-Lisa Fed. "A"	NW-SW 24-15S-29E
8-Lisa Fed. "A"	SE-SW 13-158-29E
4-Lisa Fed. "B"	SE-SE 13-15S-29E
3-Lisa Fed. "C"	SE-NE 24-15S-29E
4-Lisa Fed. "C"	NW-SE 24-158-29E
2-Carthel Fed.	SE-SE 23-158-29E
1-Larue Fed.	NW-NW 25-158-29B
2-Snyder Fed.	SW-NE 26-158-29E
▼	

These wells would be converted as the initial injection wells indicated a response, and it is also proposed to drill as water injection the following wells:

Well Number And Lease 10-Lisa Fed. "A" 11-Lisa Fed. "A" Location SW-SW 13-15S-29E NW-NW 24-15S-29E

The plan for operating the waterflood project as proposed in the application is satisfactory to this office, and hereby approved subject to approval by the New Mexico Oil Conservation Commission and the following:

- This project will be operated in compliance with the New Mexico Oil Conservation Commission regulations governing waterflood operations.
- 2. Duplicate copies of a monthly progress report, N.M.O.C.C. form C-120 acceptable, are to be submitted to this office showing the volume of water injected and average pressures for the injection wells and production for the producing wells in the project area.
- 3. This approval does not preclude the necessity for further approval when the project is expanded to include other wells and leases or the necessity to submit the usual notices and reports on wells involved. When this project is expanded to involve other operators and interests, the correlative rights of all concerned should be considered.

Sincerely yours,

(One Sed.) James A. Knaup

James A. Knauf District Engineer

N.M.O.C.C., Santa Fe / Roswell Accounts N. M. O. C. C. CORY

SUITE 814
PETROLEUM BUILDING

JACK L. MCCLELLAN

GEOLOGIST AND DIL PRODUCER
P. O. BOX 848

ROSWELL, NEW MEXICO 88201

-505 622-3200 OFFICE 505 622-4076 HDME

SEPTEMBER 23, 1971

RECEIVED

SEP 24 1971

U. S. GEOLDSHOUL SURVEY

MET SILK, HEN MEXICO

U. S. G. S. Drawer U Artesia, New Mexico 88210

GENTLEMEN:

This letter is to request permission to commence water-flooding operations on a lease basis involving the leases described on Exhibit "A" attached hereto.

It is the plan to commence injecting water into the producing wells described on Exhibit "B" attached hereto that will be converted to water injection wells on approximately November 1, 1971.

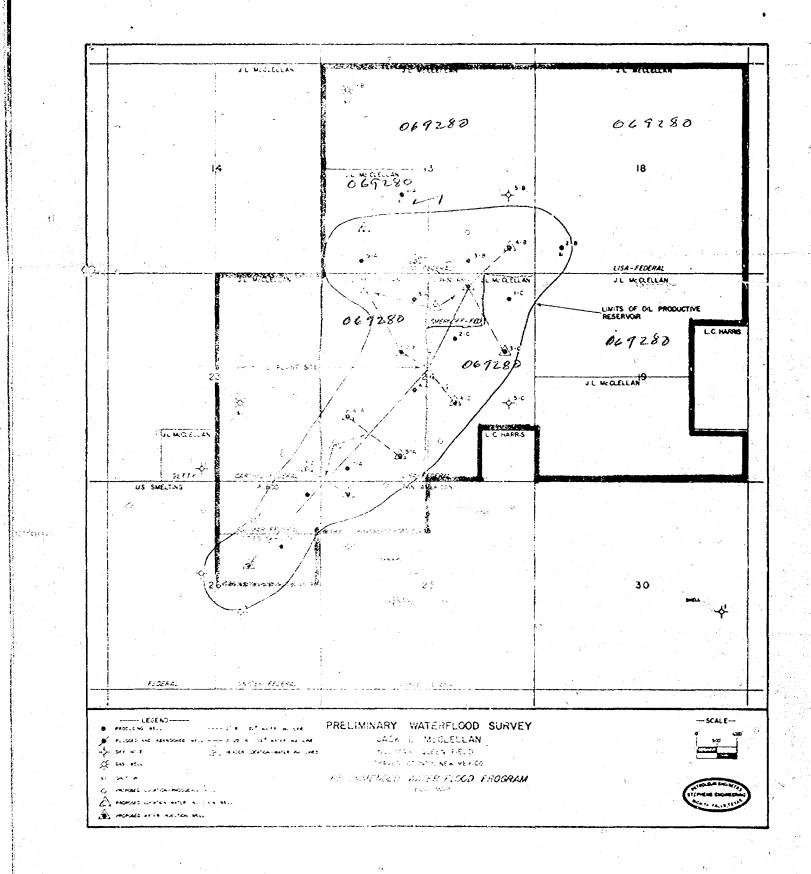
IT IS PLANNED TO CONVERT THE PRODUCING WELLS AS DEPICTED ON EXHIBIT "B", INTO WATER INJECTION WELLS AND INTRODUCE WATER INTO THESE WELLS IN A PATTERN AS DEPICTED ON THE ACCOMPANYING PLAT. ALL OF THESE CONVERSIONS WILL NOT BE MADE IN THE SAME PERIOD OF TIME, BUT WILL BE DONE IN STAGES AS THE WATERFLOOD PROGRESSES.

VERY TRULY YOURS,

McCLELLAN

1 d. Me Cleber

JLMc: LT ENCL'S.



U. S. G. S. SEPTEMBER 23, 1971

21 HBIT "B"

	WIN'S (OLD WELL CONVERSIONS)				
	Value	UNIT	SEC.	TWP.	RNG.
ဏ	JACK L. MCCLELLAN LISA FED. 8-A	, N	13	158	29E
(2)	JACK L. MCCLELLAN LISA FED. 4-B	Р	13	15S	29E
(6)	JACK L. McCLELLAN Lisa Fed. 2-A	F	24	158	29E
(4)	JACK L. McCLELLAN LISA FED. 3-C	н	24	158	29E
(5)	UACK L. MCCLELLAN LISA FED. 6-A	· L	24	158	29E
(6)	JACK L. McCLELLAN LISA FED. 4-C	J.	24	158	29E
m	JACK L. MCCLELLAN LISA FED. 5-A	N	24	15S	29E
(8)	JACK L. McClellan Carthel Fed. 2	P	23	158	29E
(9)	JACK L. McCLELLAN LARUE FED. 1	. D	25	158	29E
(26)	CITIES SERVICE SNYDER FED. 2	G	26	15S	29E
(n)	And L. McClellan Lisa Fed. 2-A	F	24	158	29E
		· · · · · · · · · · · · · · · · · · ·	• • • •		. «
	TO BE DRILLED				
(1)	Jack L. McClellan Lisa-Fed. 10-A	M	13	15S	29 E
(2)	Just L. McClellan Lisa-Fed. 11-A	. a	24	158	29E

OCT 121971

U. 8. MOLOGICAL SUSPEN
ACTIONAL SERVER

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more Consumo

DOCKET: REGULAR HEARING - WEDNESDAY - OCTOBER 13, 1971
OIL CONSERVATION COMMISSION - 9 A.M. - ROSWELL INN, 1815 NORTH MAIN,
ROSWELL, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for November and December, 1971;
 - (2) Consideration of the allowable production of gas for November, 1971, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for November, 1971.

CASE 4575: (De Novo)

Application of Anadarko Production Company for the amendment of the special pool rules for an existing pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules and regulations governing the South Eunice-San Andres Pool to provide for the classification of oil and gas wells, spacing and well location requirements, and an allocation formula for withdrawals by oil and gas wells.

Upon application of Anadarko Production Company, this case will be heard <u>De Novo</u> under the provisions of Rule 1220.

CASE 4557: (De Novo)

Application of Continental Oil Company for transfer of allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to transfer allowable across boundaries of the participating area and the leases outside said area, but within the Maljamar Co-operative Area, MCA Unit Area, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.

Upon application of Continental Oil Company, this case will be heard De Novo under the provisions of Rule 1220.

THE FOLLOWING CASES WILL BE HEARD BEFORE DANIEL S. NUTTER, EXAMINER, OR ELVIS A. UTZ, ALTERNATE EXAMINER, ALSO AT THE ROSWELL INN:

CASE 4605: Application of Elk Oil Company for special pool rules and a non-standard gas proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Round Tank-Queen Pool,

Regular Hearing - October 13, 1971

Docket No. 22-71

(Case 4605 continued)

including provisions for the classification of oil and gas wells, spacing and well location requirements for oil and gas wells, and a limiting gas-oil ratio of 6,000 to 1. Applicant further seeks approval of a 120-acre non-standard gas proration unit comprising the W/2 SW/4 and SE/4 SW/4 of Section 30, Township 15 South, Range 29 East, Chaves County, New Mexico, to be dedicated to its JW Well No. 2 located in Unit L of said Section 30.

CASE 4606:

Application of Black River Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its Cities-Federal Well No. 2 located 2310 feet from the South and East lines of Section 34, Township 25 South, Range 24 East, undesignated Morrow gas pool, Eddy County, New Mexico, with the E/2 of said Section 34 to be dedicated to the well.

CASE 4448: (Reopened)

In the matter of Case 4448 being reopened pursuant to the provisions of Order No. R-4060, which order established 160-acre spacing units and an 80-acre proportional factor of 4.00 for the West Mescalero-Pennsylvanian Pool, Lea County, New Mexico, for a period of one year. All interested persons may appear and show cause why said pool should not be developed on less than 160-acre spacing units and why the 80-acre proportional factor of 4.00 assigned to the pool should or should not be retained.

CASE 4607:

Application of Penroc Oil Corporation for a waterflood expansion and amendment of Order No. R-3494, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to expand its Phillips Artesia Waterflood Project, Artesia Pool, by an additional injection well to be located 2645 feet from the South line and 1325 feet from the East line of Section 27, Township 17 South, Range 28 East, Eddy County, New Mexico. Applicant further seeks the amendment of Order No. R-3494 to permit administrative approval for additional

Regular Hearing - October 13, 1971

(Case 4607 continued)

injection wells in said project without a showing of well response.

- CASE 4608: Application of Jack L. McClellan for the creation of a new pool and special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Siluro-Devonian formation for his Bar-J Federal Well No. 1 located in Unit E of Section 15, Township 6 South, Range 27 East, Chaves County, New Mexico, and the assignment of approximately 32,300 barrels of discovery allowable to said well. Applicant further seeks the promulgation of special rules for said pool including a provision for 80-acre spacing and proration units.
- CASE 4609: Application of Jack L. McClellan for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sulimar-Queen Unit Area comprising 1520 acres, more or less, of Federal lands in Sections 13, 23, 24, 25, and 26 of Township 15 South, Range 29 East and Sections 18 and 19 of Township 15 South, Range 30 East, Chaves County, New Mexico.
- CASE 4610: Application of Jack L. McClellan for a waterflood project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Sulimar-Queen Pool by the injection of water through various wells located in Sections 13, 23, 24, 25, and 26 of Township 15 South, Range 29 East and Sections 18 and 19 of Township 15 South, Range 30 East, Chaves County, New Mexico.
- CASE 4611: Southeastern New Mexico nomenclature case calling for an order for the extension of certain pools in Lea, Chaves and Roosevelt Counties, New Mexico.
 - (a) Extend the Allison-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM SECTION 3: N/2 SE/4

Regular Hearing - October 13, 1971 -4-

(Case 4611 continued)

(b) Extend the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM SECTION 16: S/2

(c) Extend the Vest Ranch-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM SECTION 28: SE/4

(d) Extend the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM SECTION 12: NE/4

CASE 4539: (Continued from the September 1, 1971 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and and abandoned in accordance with a Commission-approved plugging program.

CASE 4593: (Continued from the September 15, 1971 Examiner Hearing)
Application of Continental Oil Company for an exception
to Order No. R-3221, as amended, Chaves County, New
Mexico. Applicant, in the above-styled cause, seeks an
exception to Order No. R-3221, as amended, to dispose
of water produced by wells located on its W. R. Means
lease comprising the S/2 and NW/4 of Section 28, and E/2
and E/2 W/2 of Section 29, Township 14 South, Range 30
East, Vest Ranch-Queen Pool, Chaves County, New Mexico,
in unlined surface pits.

JASON W. KELLAHIN ROBERT E. FOX

KELLAHIN AND FOX ATTORNEYS AT LAW

54% EAST SAN FRANCISCO STREET E CEIVED
POST OFFICE BOX 1769 RECEIVED SANTA FE, NEW MEXICO 87501

OCT - 6 1971 AREA CODE 505

Lib - Core 4610

October 4, 1971

OIL CONSERVATION COMM.

Oil Conservation Commission of New Mexico P.O. Box 2088 Santa Fe, New Mexico 87501

Application of Jack L. McClellan for a waterflood Project, Sulimar-Queen Pool, Chaves County, New Mexico

Gentlemen:

In connection with the above application, the water injection well locations were not available at the time the application was filed, nor were the volumes of water to be injected.

Enclosed is copy of a plat showing the project area, location of proposed injection wells and other pertinent information, and a tabulation of information on the proposed water injection wells.

The operator proposes to inject approximately 3,000 barrels of water per day, with a total injection volume throughout the life of the project, an estimated eleven years, of 9.736.000 barrels. Water will be purchased from Double Eagle Corporation, with produced water to be reinjected in later stages of the waterflood project.

If any further information is required prior to the hearing on this case, please let me know.

Yours very truly,

Jason W. Kellahin

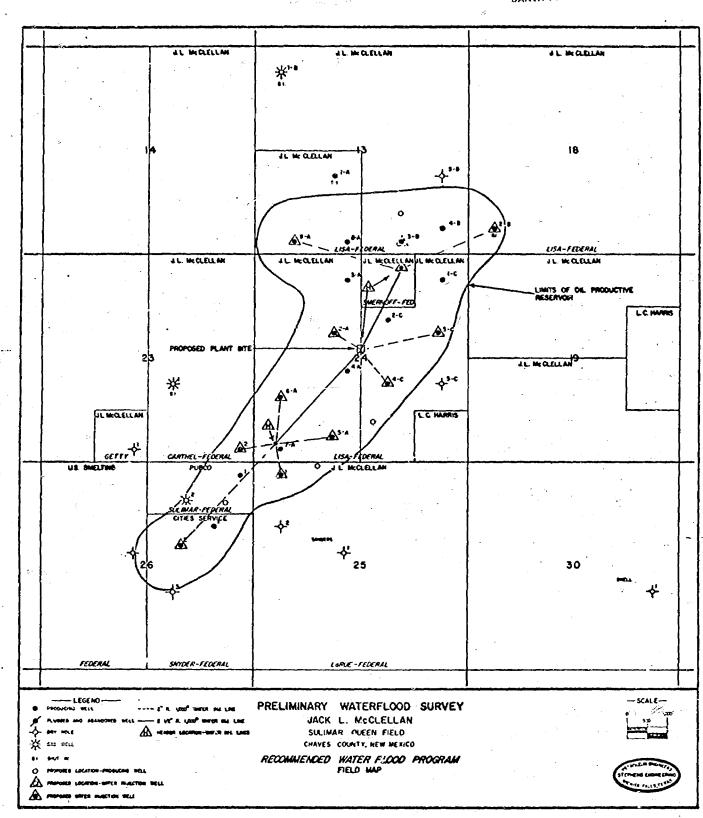
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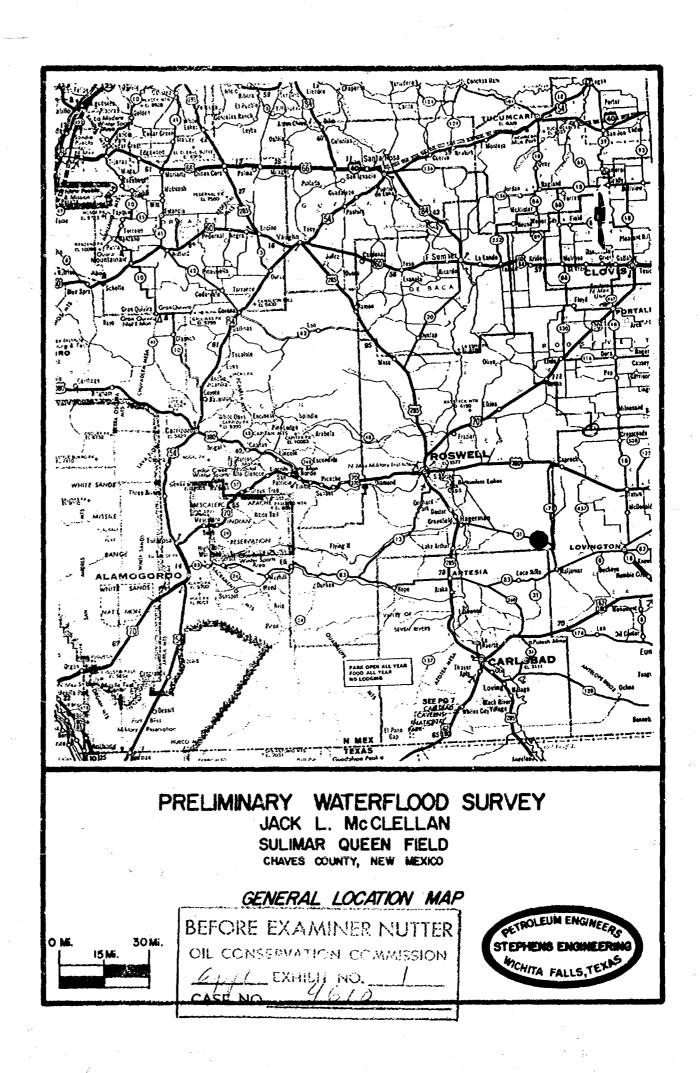
Encl. as stated

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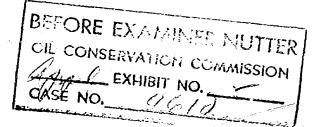




PRELIMINARY WATER FLOOD SURVE JACK L. MCCLELLAN SULIMAR QUEEN FIELD CHAVES COUNTY, NEW MEXICO

WELL RECORDS

													*			
Operator Lease	Well No.	Compl. Date	Elev. Feet	Total Depth Feet	Producing Casing Size & Seat	Top of Qu Subsur Ft.	een Sand Subsea Ft.	Eff	. Net ective Feet Oil	v <i>€</i> t	Completion Interval Feet	Producing Zone Name	Initial Treatment	Init Poter BOPD		Remarks
Jack L, McClellan Lisa-Federal "A"	1 2 3 4 5	6-13-68 4-5-69 5-22-69 7-2-69 7-26-69	3946 3953 3960 3936 3929	3510 2008 2025 2012 2020	4 1/2 @3504 5 1/2 @2005 5 1/2 @2020 5 1/2 @2012 5 1/2 @2016	1975 1968 1980 1975 1972	+1971 +1985 +1980 +1961 +1957	0	12 13 14 16	0 0 0	3290-3482 1972-1979 1980-1992 1975-1988 1976-1988	San Andres Queen & Queen Queen Queen	6000 A, 60,000# 200 A, 13,000# 200 A, 30,000# 200 A, 30,000# 200 A, 30,000#	30 72 100 120 70	150 0 120• 80• 60•	Shut-in
•	6 7 8 9	8-27-69 10-5-69 1-17-70 5-15-70	3953 3924 3955 3940	2003 1999 2025 1995	5 1/2 @2003 5 1/2 @1999 5 1/2 @2016 5 1/2 @1992	1963 1956 1984 1956	+1990 +1968 +1971 +1984	5 0 0	18 16 13 14	0 0	2004-2006 1967-1975 1960-1967 1984-1996 1958-1969	Queen Queen Queen	200 A, 25,000# 250 A, 18,000# 250 A, 25,000# 30,000#	65 100 90 146	0	ep.
Lisa-Pederal "B"	1	4-5-66	3934	3537	5 1/2 @2060	1957	+1991	16	0	0	1959-1974	Queen	750 A, 20,000#	0	0	Gas Well 2,000 MCF/Day Seperate Field
	2 3 5	8-10-69 11-1-68 12-3-68 6-8-69	3970 3969 3969 3973	3487 2045 2056 2115	7 @2055 5 1/2 @2045 5 1/2 @2053	2028 2016 2019 2028	+1942 +1953 +1950 +1945	0 0 0	2 13 14 0	4 0 3 0	2027-2030 2015-2032 2018-2034	dneeu dneeu dneeu	200 A, 9,000# 30,000# 30,000#	100 40 0	75 0 0 0	O Dry Hole
Lisa-Federal "C"	1 2 3 4 5	6-24-68 2-19-69 3-10-69 5-2-69 11-11-69	3955	2067 2040 2056 2038 2013	9 @2063 5 1/2 @2035 5 1/2 @2056 5 1/2 @2038	2028 1986 2013 1989 208	+1945 +1966 +1942 +1947 +1927	0 0 0	18 13 6 7 0	2 0 6 2 5	2031-2039 1988-2002 2014-2026 1989-2002	Queen Queen Queen	500 A, 30,000# 30,000# 200 A, 30,000# 200 A, 30,000#	100 120 128 112 0	0 0 0 96* 0	Water 2008-2013. P & A
Carthel-Federal	`. 1	11-18-69	3949	1975	9 5/8 @2888	1920	+2029	8	0	0	1919-1936	Queen	30,000€	0	0	Well was orig. deeper test.
	. 2	12-18-69	39140	1994	5 1/2 @1992	1953	+1987	2	7	0	1954-1964	Queen	200 A, 30,000#	843	0	Pesently shut-in.
Getty-Federal	1	•	3920	1915	· -	1899	+2021	14	- 0	0	-	Queen	-	O	0	Gas Well
Pan American Petr. Corp Smernoff-Federal	• 1 _.	9-30-68	3958	2348	¥ 1/2 @ 2048	2001	+1957	г. О	13	o	2003-2012	Queen	4200 A, 25,000#	138	171•	
LaRue-Pederai	1 2	9-14-69 10-23-69		1996 2014	4 1/2 @1996	1956 2014	+1963 +1895	0	12)+	1958-1970	Queen -	500 Å, 31,000€	72 -	284+	Dry Hole - Vater
Pubco Petr. Corp. Sulizar-Yederal	1 2	11-4-69 1-2-70		2006 1986	4 1/2 @2006 4 1/2 @1980	1962 1939	+1977 +1556	o 7	9	0	1962-1968 1946-1952	Queen Queen	36,000# 40,600#	477 30	0	Gas Weli
Cities Service Oil Co. Enyder-Federal	1 2 3	4-5-70 6-8-70 7-16-70	3915	2005 1976 1995	5 1/2 @2004 NA NA	1972 1954 1960	+1963 +1962 +1938	0	8 8 0	0 0 14	1973-1982 1954-1963	Queen Queen Queen	500 A, 20,000# 500 A, 10,000#	228 75	58 • 0	Dry Hole - Water
•		*Load V	ater													





JACK L. McCLELLAN SULIMAR QUEEN FIELD CHAVES COUNTY, NEW MEXICO

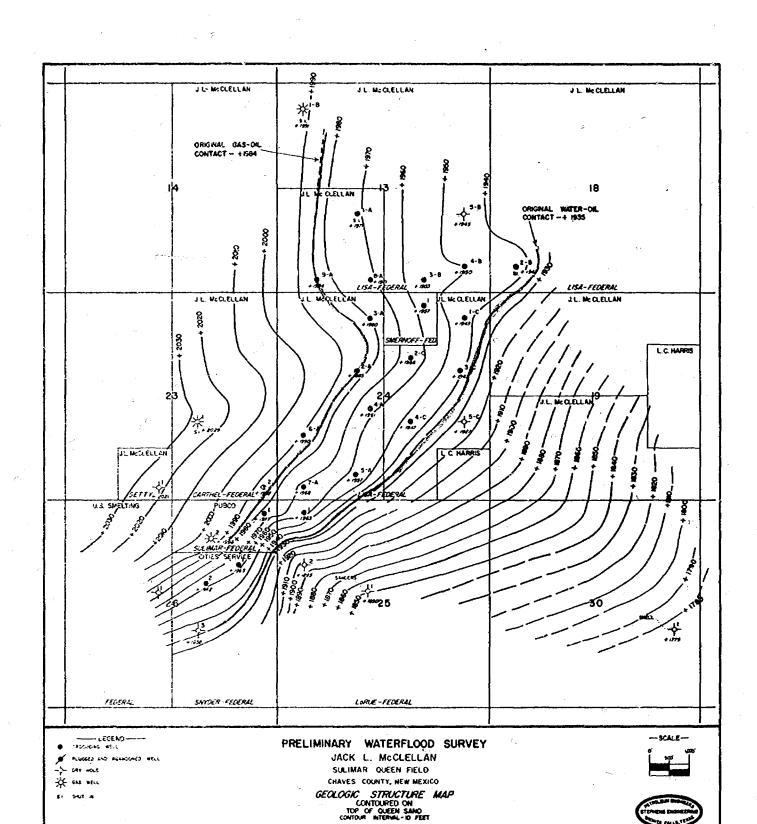
WELL TEST SUMMARY July, 1971

Operator Lease		Well No.	Daily	Production Water	Remarks
Jack L. McClella Lisa "A"	<u>an</u> Sub-Total	123456789	8 8 20 14 8 3 18 9	, o o o o o o o o o o o	Shut-in
Lisa "B"	Sub-Total	1 2 3 4	- 12 23 35	0000	Shut-in Gas Shut-in
Lisa "C"	Sub-Total	1 2 3 4	11 25 41 <u>28</u> 105	5 7 10 <u>20</u> 42	•
Carthel		2	O	0	Shut-in
Smernoff		1	7	1	t ex
LaRue		1	8	140	
Pubco Petroleum Sulimar	Corp.	1	8 <u>1</u> 9	0 <u>0</u> 0	Estimated Estimated
Cities Service Snyder	Sub-Total	1 2	12 <u>21</u> 33	4 8	Estimated Estimated
	Field Total	:	281	190 - I	Vivialist by

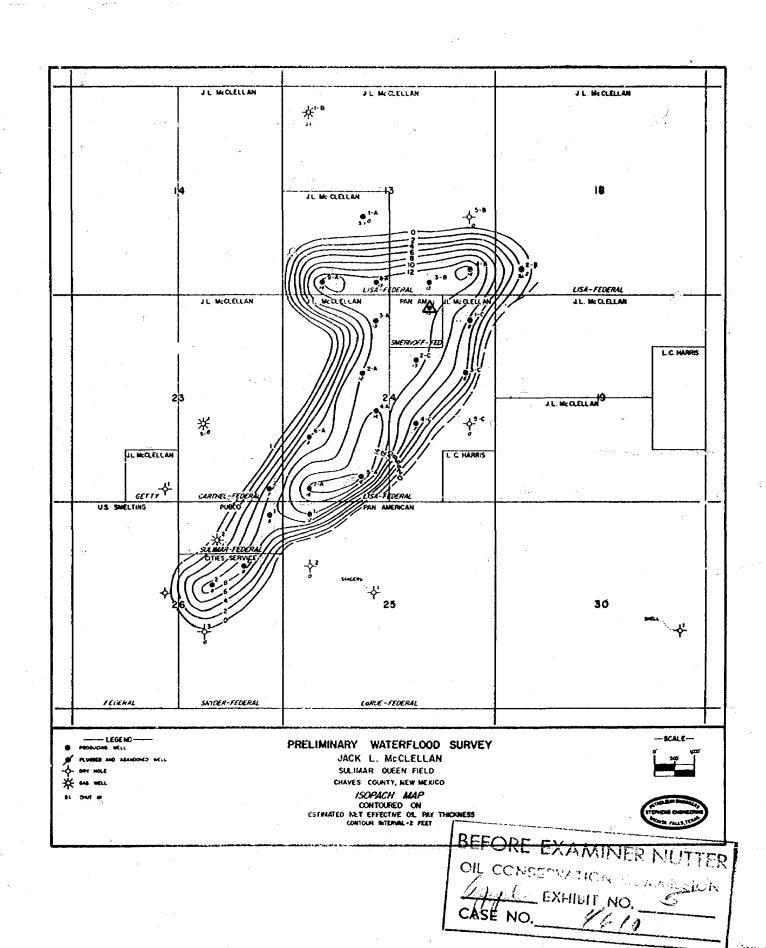


BEFORE EYAMINET NUTER
OIL CONSERVATE IS A MALISTON

CASE NO. 46/1



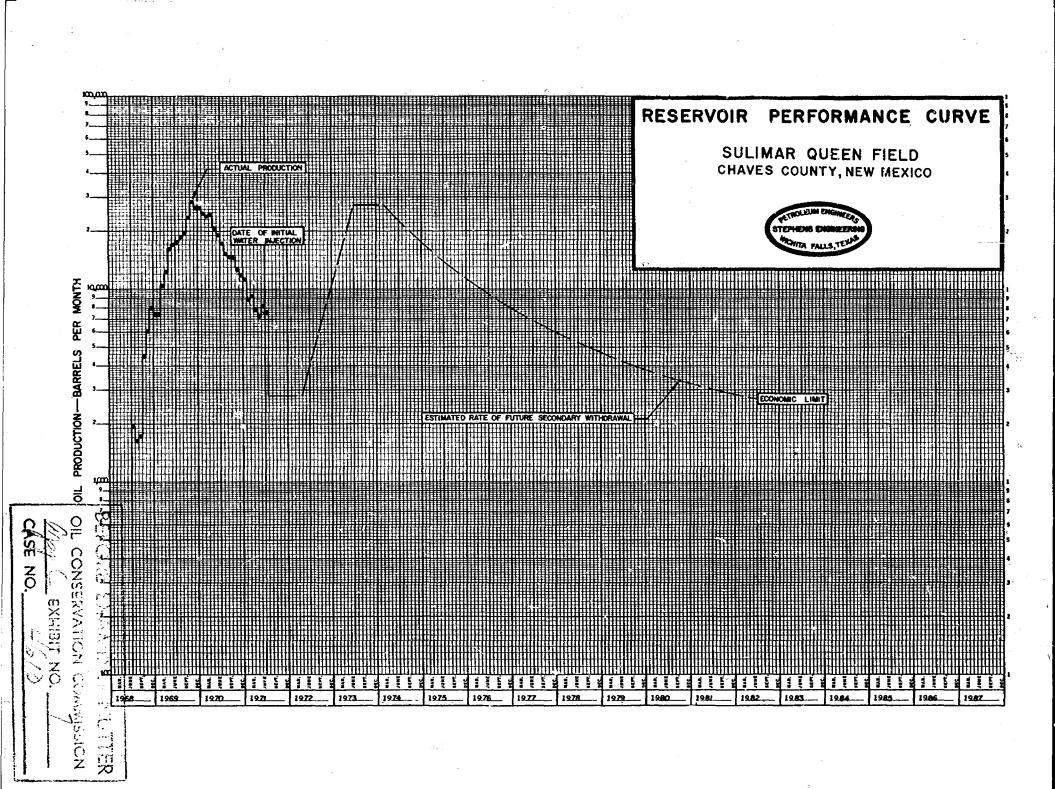
OIL CONSERVATION OF AMESSION EXHIBIT NO.

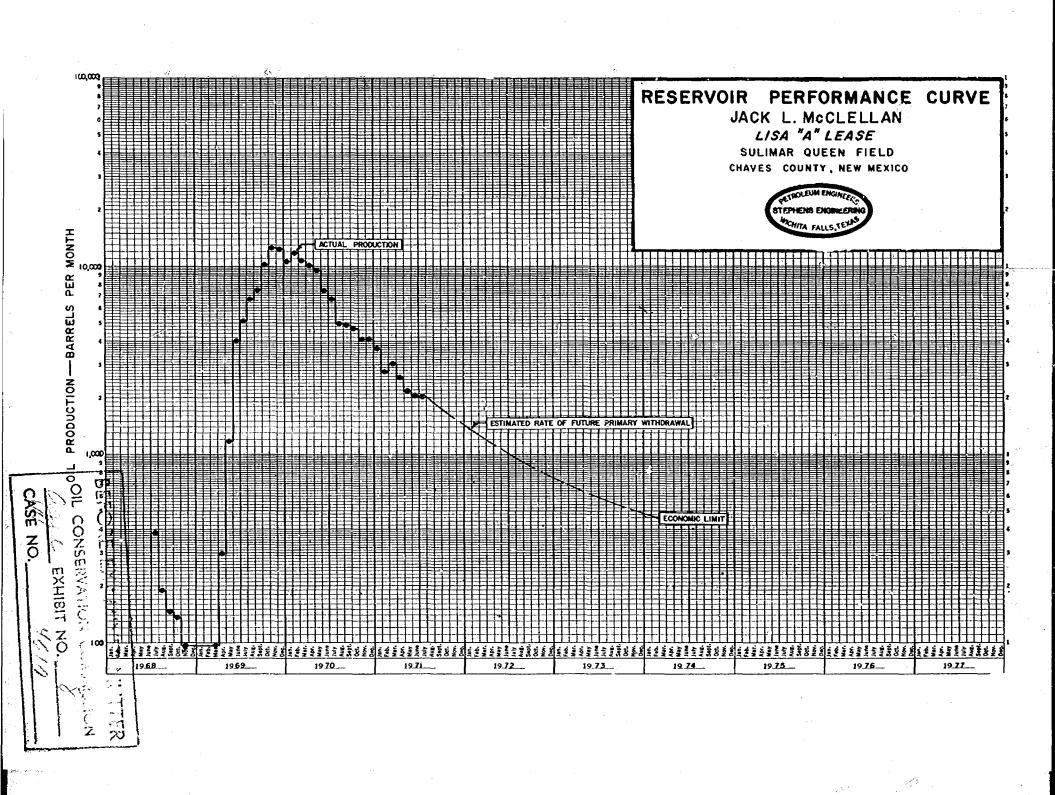


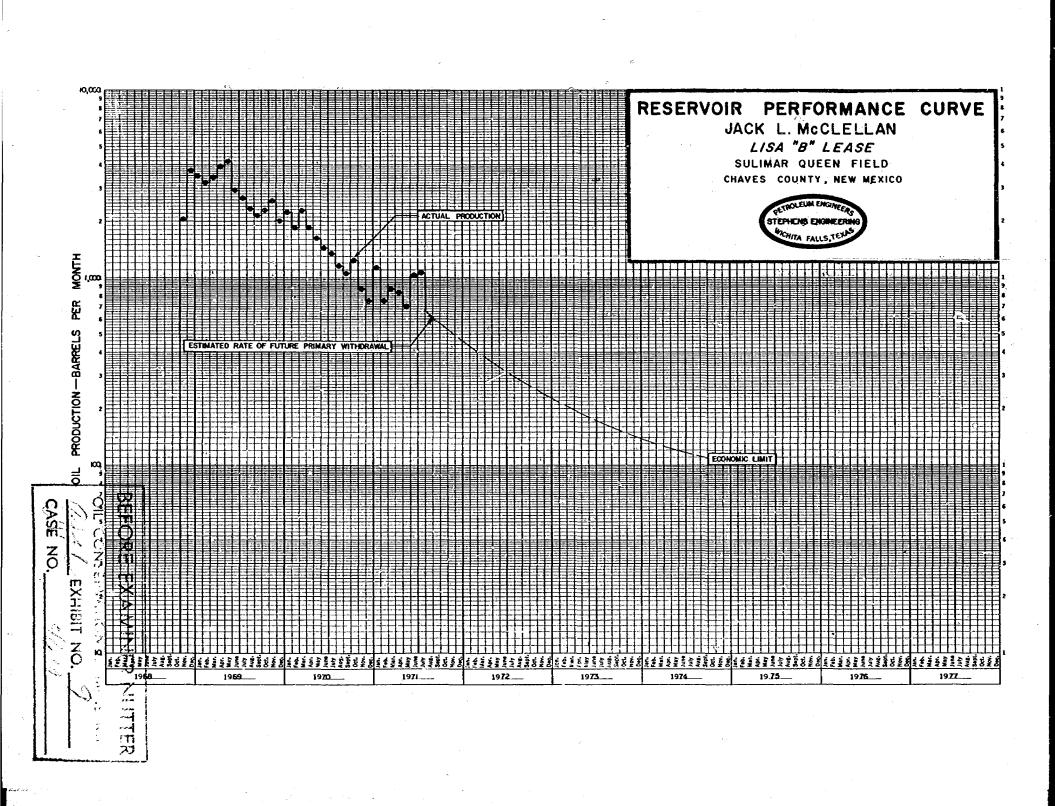
PRELIMINARY WATER FLOOD SURVEY JACK L. MCCLELLAN SULIMAR QUERN FIELD CHAVES COUNTY, NEW MEXICO OIL PRODUCTION HISTORY

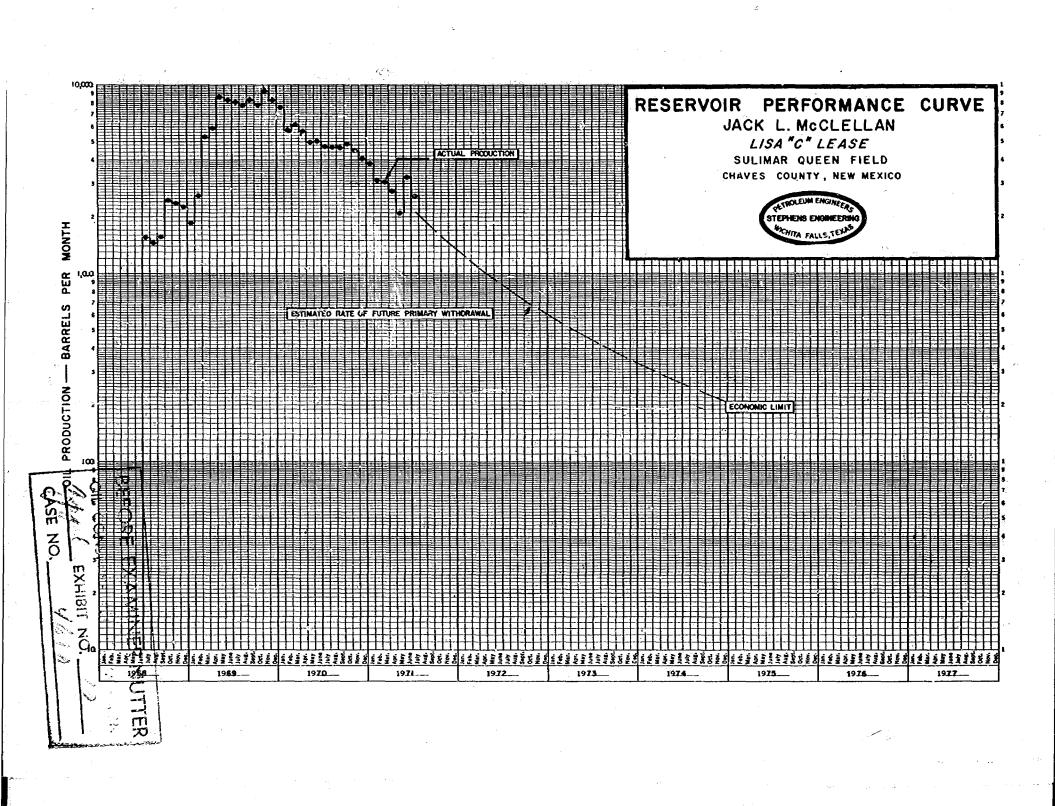
Operator Lease Year Ko.	Cities Service Oil Co. Snyder-Federal Monthly Oil Production Bbls.	Jack L. McClellan Carthel-Federal Monthly Oil Production Bbls.	Jack L. McClellan Lisa "A"- Federal Monthly Cil Production Bbls.	Jack L. McClellan Iisa "B"- Federal Monthly Oil Production Bbls.	Jack L. McClellan Lisa "C"- Federal Konthly Oil Production Bbls.	Jack L. KcClellan LaRue-Federal Konthly Oil Production Bbls.	Jack L. McClellan Smernoff-Federal Monthly Oil Production Bbls.	Pubco Petr, Corp, Sulimar-Federal Monthly Oil Production Bbls,	Field Total
1968 Jul Aug Sep Oct Nov			384 188 149 138	2,02 ¹ + 3,720	1,541 1,434 1,560 2,445 2,303 2,273		1,870 1,780 1,990		1,925 1,622 1,709 4,453 6,107 7,983
Year Sub Total	FORE EXAM	MFR NI IT	859	5,744	11,556		5,640		23,799
Pel OIL Hair Adr Hay	CONSERVATIO	N COMMISSION	ON 300 1,188 4,003 5,151 6,743 7,446 10,238 10,238 12,615 12,070	3,490 3,219 3,919 4,200 2,955 2,651 2,346 2,162 2,299 2,576 2,002	1,842 2,583 5,329 5,387 8,728 8,728 8,745 7,945 7,864 8,122 7,863 9,344,	1,071 1,392 622 770	1,932 1,472 1,850 1,844 1,890 1,946 1,960 1,860 1,867 1,483 1,194	1,763 2,103	7,264 7,274 10,585 12,050 16,076 17,093 17,707 18,843 20,668 23,275 28,114 26,731
Year Sub-Total		580	59,754	35,225	82,114	3,855	20,286	3,866	205,680
1970 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec	2,304 2,473 3,518 3,020 3,119 2,748 2,628 2,270 1,910	971 849 427 258 114 0 0 0	10,920 11,979 10,958 9,915 9,353 7,353 6,732 5,075 4,904 4,675 4,151 4,096	2,201 1,848 2,298 1,802 1,612 1,420 1,345 1,170 1,051 1,231 869 749	7,571 5,735 6,733 5,689 4,902 4,750 4,676 4,645 4,915 4,413 4,005	1,072 1,369 1,305 1,074 665 151 144 192 115 135 299	1,455 1,056 1,025 8,1 619 619 491 529 401 328 354 313	3,033 1,977 1,868 1,831 1,499 880 831 761 642 666 420 447	27,223 24,813 23,954 23,704 21,248 19,151 17,313 15,522 14,506 14,518 12,776 11,996
Year Sul-Total	23,990	2,624	90,314	17,596	62,387	6,987	8,021	14,795	226,714
1971 Jan Feb Mar Apr May Jun Jul	1,684 1,235 1,435 1,106 1,177 1,085 997	0 0 0 0 0	3,722 2,773 3,014 2,537 2,316 2,126 2,067	1,123 748 871 832 700 1,062 1,086	3,861 3,092 3,040 2,738 2,106 3,243 2,583	357 232 98 0 323 262 247	191 442 439 365 422 210 248	434 400 359 350 349 253 279	11,372 8,922 9,256 7,928 7,393 8,241 7,507
Year Sub-Total	3,719	0	13,555	6,422	20,663	1,519	2,317	2,424	60,619
Lease Total	32,709	3.204	169,482	64,987	176,720	12,361	36,264	21,085	516,812

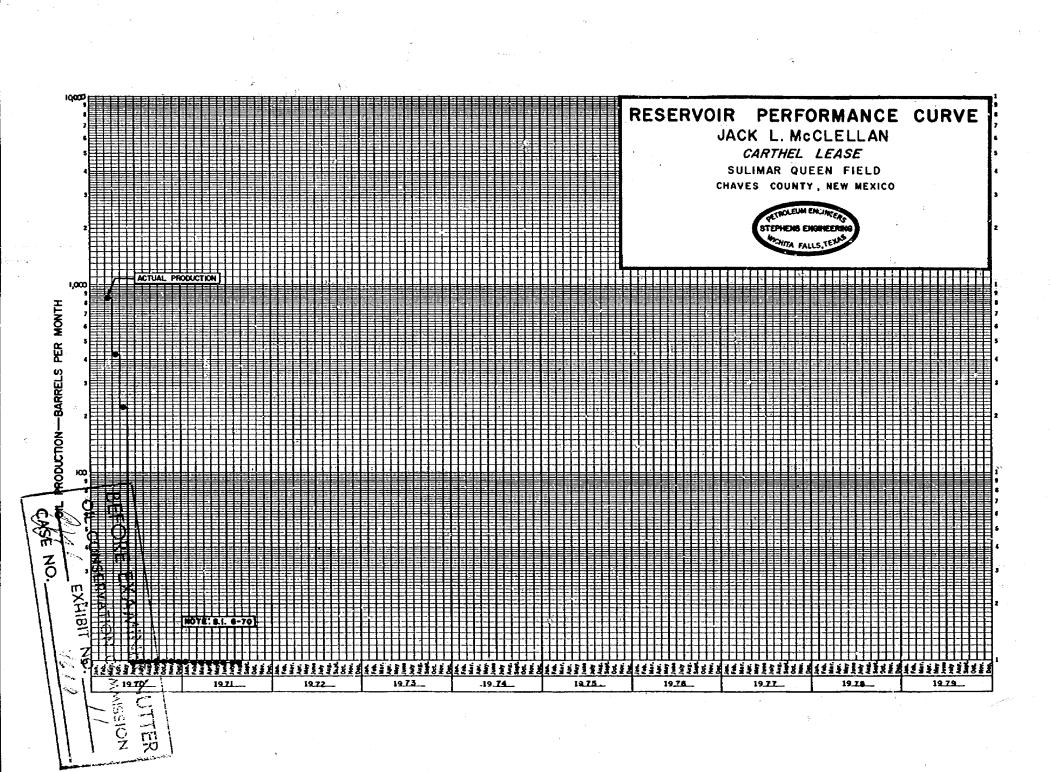


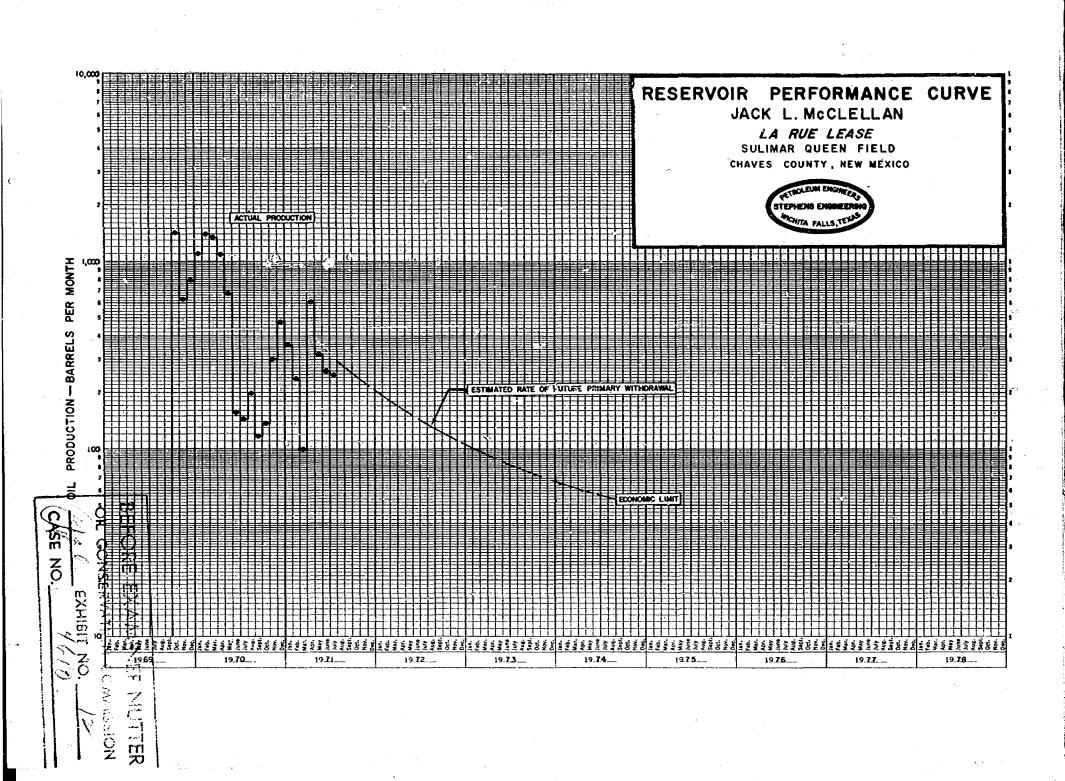


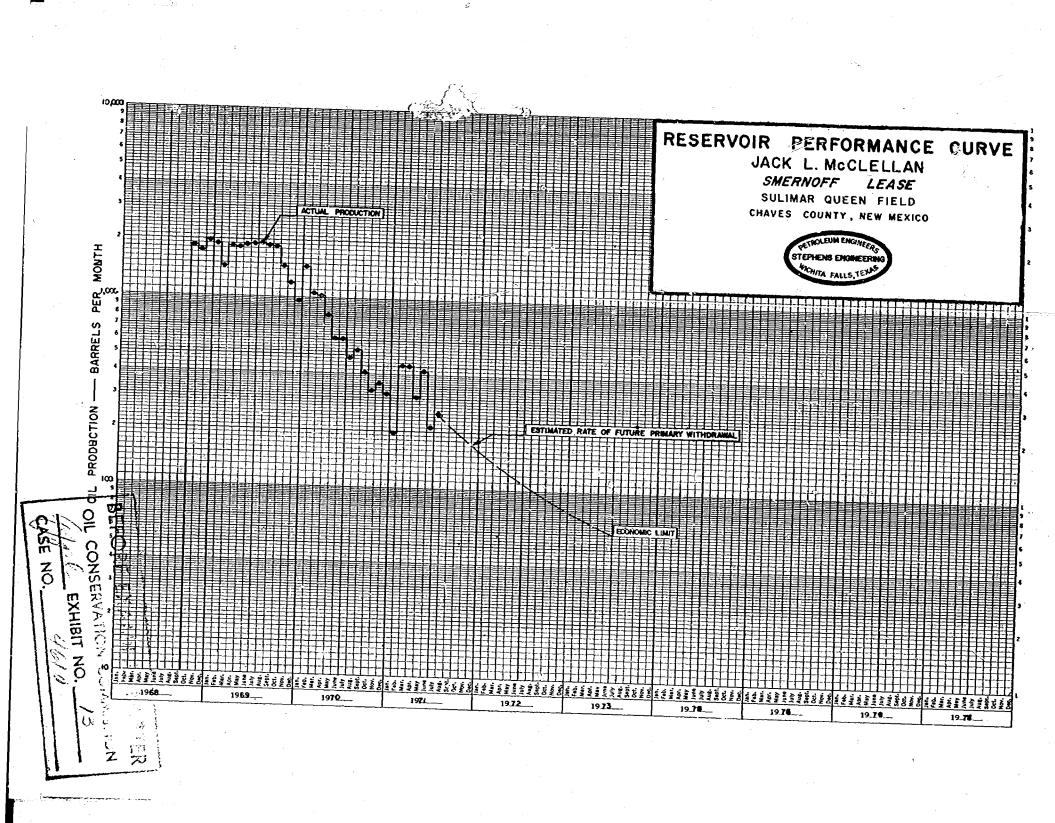


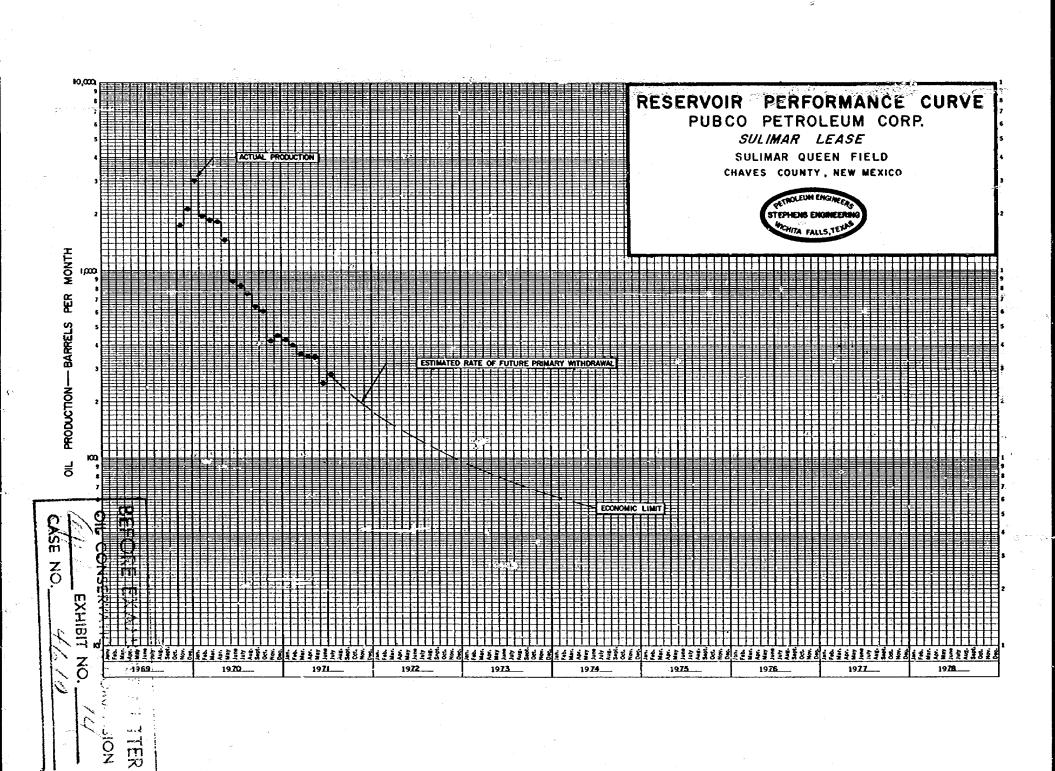


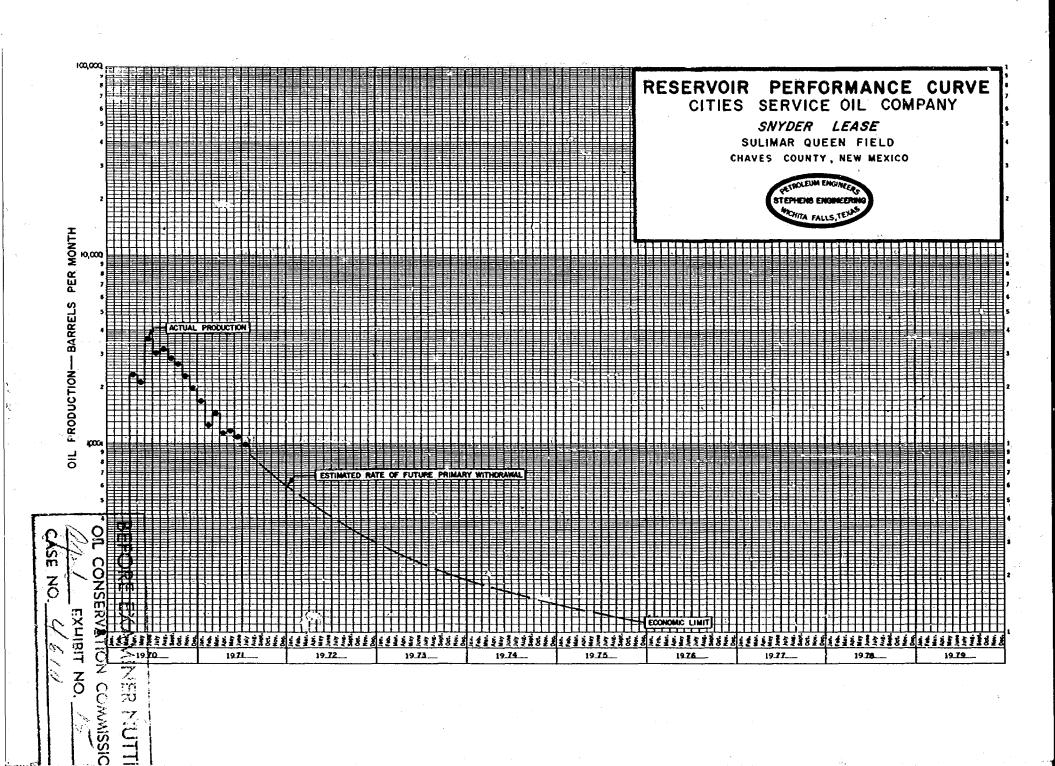


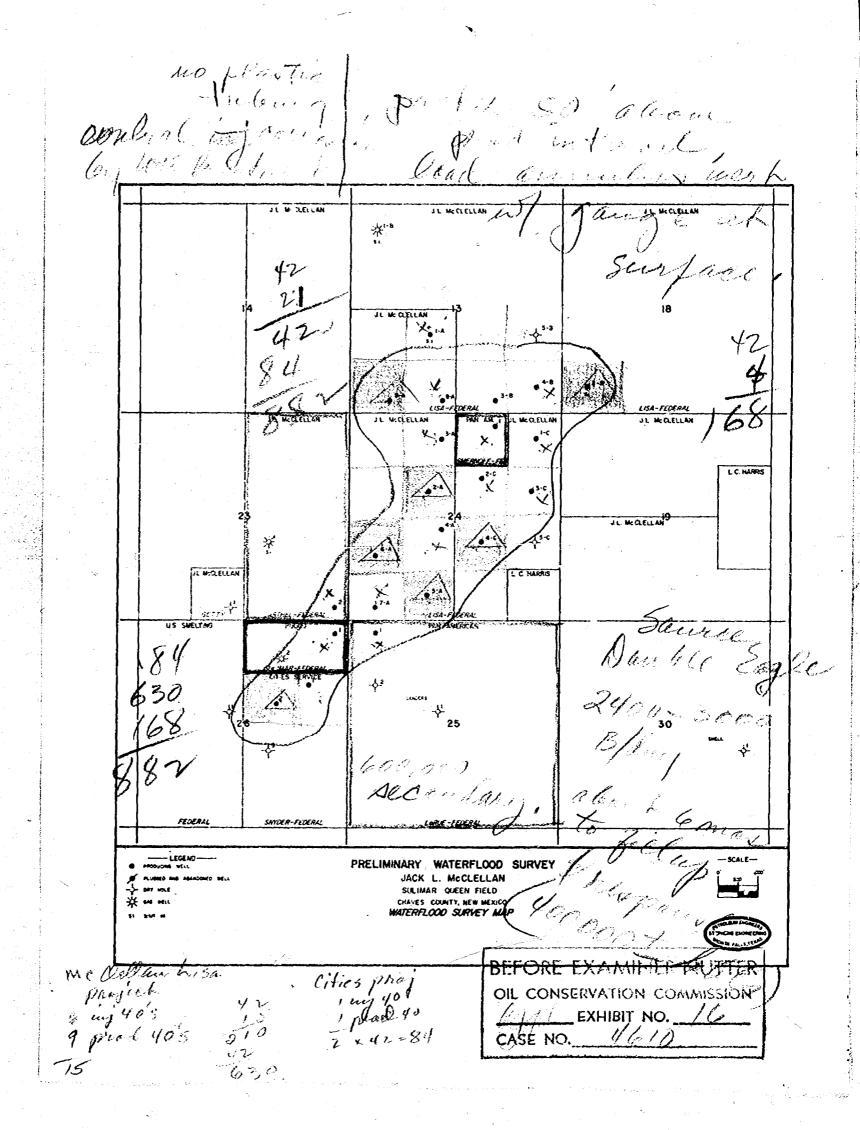












LISA "A" FEDERAL NM-069280-A

LISA "B" FEDERAL NM-069280-B

LISA "C" FEDERAL S

CARTHEL FEDERAL
NM-0556543

SMERNOFF FEDERAL
NM-0558684

LARUE FEDERAL
NM-0518428

SULIMAR FEDERAL
NM-0458356

SNYDER FEDERAL
NM-0493370

TOWNSHIP 15 SOUTH, RANGE 29 EAST SEC. 13: SWIT SEC. 24: WZ RANGE 30 FAST

TOWNSHIP 15 SOUTH, RANGE 30 EAST
SEC. 19: LOTS 3 & 4, E2SW4,
W2SE4, SE4SE4

Township 15 South, Range 29 East

Sec. 13: N2, SE4

Township 15 South, Range 30 East

Sec. 18: All

Sec. 19: Lots 1 & 2, E2NW4,

SW4NE4, N2NE4

Township 15 South, Range 29 East Sec. 24: STNET, NETNET, NZSET, SWISET

Township 15 South, Range 29 East Sec. 23: Ez

Township 15 South, Range 29 East Sec. 24: NWLNEL

Township 15 South, Range 29 East Sec. 25: N2NW4

Township 15 South, Range 29 East
Sec. 26: NINEL

Township 15 South, Range 29 East Sec. 26: N2SE4

WELL	UNIT	SEC.	TWP.	RNG.	
JACK L. McCLELLAN LISA FED. 9-A	M	13	158	29E	
JACK L, McCLELLAN LISA FED. 2-B	M	18	158	30E	
JACK L. McCLELLAN LISA FED. 2-A	F	24	15S	29E	1
JACK L. McCLELLAN LISA FED. 6-A	L .	24	158	29E	
JACK L. McClellan Lisa Fed. 4-C /	J	24	158	29E	
JACK L. MCCLELLAN LISA FED. 5-A	N	24	15S	. 29E	all and a second second
CITIES SERVICE SNYDER FED. 2	G * `	26	158	295	

BEFORE EXAMINER NUTTER
OIL CONCERVATION COMMISSION

2/4/2/ EXHILIT NO. /8

CASE NO. /6/0

RECEIVED SEP 1 4 1971

OIL CONSTRUCTION COMM.

BEFORE THE OIL CONSERVATION COMMISSION

OF NEW MEXICO

IN THE MATTER OF THE-APPLICATION OF JACK L. MCLELLAN FOR APPROVAL OF A WATERFLOOD PROJECT, CHAVES COUNTY, NEW MEXICO

Can 4610

APPLICATION

Comes now Jack L. McClellan and applies to the Oil Conservation Commission of New Mexico for approval of a waterflood project in the Sulimar-Queen Oil Pool, Chaves County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the operator of wells located in the Sulimar-Queen Oil Pool, including wells in the following described acreage:

Township 15 South, Range 29 East, N.M.P.M.

Section 13 - SW/4, SE/4 Section 23 - E/2 SE/4

Section 24 - All

Section 25 - N/2 NW/4, SW/4 NW/4, Section 26 - NE/4, N/2 SE/4

Township 15 South, Range 30 East, N.M.P.M.

Section 18 - W/2 SW/4 Section 19 - NW/4 NW/4

- Wells in the area have reached an advanced stage of depletion, and the injection of water will result in the recovery of oil that would not otherwise be recovered.
- 3. Applicant will submit a list of proposed injection wells and their location prior to the hearing on this application.
- Injection will be into the Queen formation of the Sulimar-Queen Pool.

WHEREFORE applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law the Commission enter its order approving the waterflood project as applied for.

Respectfully submitted,

JACK L. McCLELLAN

KEILAHIN & FOX P.O. Box 1769

Santa Fe, New Mexico 87501

Attorneys for Applicant

ROUGH DRAFT FOR WATERFLOOD LETTERS

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769

Santa Fe, New Mexico Dear Sir: W. McCommission Order No. R-4214 , entered in Case No. , approving the McClellan Lisa Sulimar and Cities Synder Sulimar Water flood Projects.

Water Injection wells shall and shall be continuency chemical with an exercise the property of the with an exercise the property of the with an exert fluid and shall be against water with a prosper of the property o As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which the project will be eligible to receive under the provisions of Rule 701-E-3 is 630 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less, while the may mum Please report any error in this calculated maximum allowable immediately both to the Santa Fe office of the Commission and the appropriate district proration office. In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc. Your cooperation in keeping the Commission so informed as to the status

of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

OCC: Hobbs X Artesia_x Aztec

USGS

4565 WTER

for The Cities Smyter Project is 84 barrels per Lang. The combined of projects upon mutication, and with the simple of the Carthel, Americaff, and Prebas Leaves, would have a tokal allowable, under a 42 hand or less norm

GMH/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:

KM

Order No. R- 4214

APPLICATION OF JACK L. McCLELLAN

FOR A WATERFLOOD PROJECT, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

NOW, on this day of October, 1971, 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.
- seeks authority to institute waterflood projects in the sulimar Queen Sulimar Queen Pool,

 by the injection of water into the Sulimar formation

 through injection wells in Sections 13, 24, 3, and

 Township 15 Notes, South, Range 29 Notet, East, and Sections 18 and of Township 15 South, Range 30 East, NMPM

 Chaves County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood projects should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5) That the subject application should be approved and the projects should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

	by the	injection	Unit Ar	0	r-Queen	format	ool,	
	throug	h the follo	wing-described	wells in Tow	nehip 15	South	uth Rang	20 -
	N orvely,	YXXXXXX Ran	ge 29	WYSS, East/	MPM,	TP		24.
ELL	County	, New Mexic	o: ç			•		t Language sample
Ma	Nolle	Lin Sell	nes Waltyle	and Prope	£	e de la companya de l La companya de la companya de	<u> </u>	and the state of t
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	Will	- name		well no.	Unit	Letin	Temelif	Roya
		1	a Federal A	9.	M	13	155	2,98
and the second of the second of			Federal A		F	24	155	29 E
	mel	lella kisa :	Televal A	6	4	24	155	29E
	mec	lellan hia 7	reducal C		J	24	155	29E
	me	bellen him	elul A	5 -	N	24/	15-5	29E
	mc	lellan ties	Falul B	2/	M	18/	/5 ⁻ S	30 E
Ci	ties de	rykr belen	m walufle	rad Proj	ist			
	<u>.</u>	ell ma	ne ie Anylu Ee	well	760. W	mit S	the Tree	4 8-
	Δ.	tion land	is develor to	4.0	2/	c / 2	6 /15	5 2.6

tions.

(4) 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.

CASE 4611:

SOUTHEASTERN NEW MEXICO NOMENCLATURE