

CASE 5206: Appli. of CONTINENTAL OIL COMPANY FOR DOWNHOLE COMMINGLING, LEA COUNTY, N. MEX. 06

CASE No.

5206

Application,
Transcripts,
Small Exhibits

ETC.

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date MAY 22, 1974TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
NEIL BECK	EL PASO NATURAL GAS	EL PASO, TX.
H.L. Bohlen, Kendrick	El Paso Natural Gas Co.	El Paso, TX.
AR Kendrick	OCC	Cytec.
S.D. Talley	Penroc Oil Corp.	Midland, TX.
Jack A. Dutton	Tenneco Oil Co.	DENVER
Fred. E. Kastner	Tenneco Oil Co.	Denver
VICTOR T. LYNN	Continental Oil Co.	HOBBS
Melton C. Smith	Depeo Inc.	Odessa, Tex.
P.J. Seight	Depeo, Inc.	Midland, Tex.
Jason Kellahie	Kellahie Fox	Santa Fe
Ken Bateman	White Kellahie & Associates	San Jose.
S. L. Motta	Chas Service Oil Co.	MIDLAND
George E. Davis	" " " "	"
E H Balch	Champion Petr Co	FT. WORTH
E. C. Amund	OCC	Cytec
M. R. Martin	Champion Petr. Co.	Midland
CRAIG HINRICHS	TEXACO INC	HOBBS

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

May 22, 1974

EXAMINER HEARING

-----)
IN THE MATTER OF:)

Application of Continental Oil)
Company for downhole comingling,)
Lea County, New Mexico.)
-----)

Case No. 5206

BEFORE: Richard L. Stamets, Examiner

For New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
Santa Fe, New Mexico

MR. STAMETS: The Hearing will please come to Order. We will call first, Case 5206.

MR. CARR: Case 5206. Application of Continental Cil Company for downhole comingling, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, we would like to dismiss that case.

MR. STAMETS: Case 5206 will be dismissed.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

[Signature]
COURT REPORTER

I hereby certify that the foregoing is
the record of the proceedings in
the hearing of Case No. 5206
on 5-22 1974
Richard L. Stamm, Examiner
New Mexico Oil Conservation Commission

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

April 25, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Continental Oil)
Company for downhole comingling,)
Lea County, New Mexico.)

CASE NO.
5206

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

MR. NUTTER: Case 5206.

MR. CARR: Case 5206, Application of Continental Oil Company for downhole comingling, Lea County, New Mexico.

Mr. Examiner, we have received a request that this case be continued to May 22.

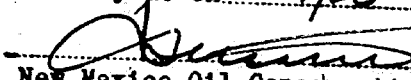
MR. NUTTER: Case 5206 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 a.m., May 22nd, 1974.

STATE OF NEW MEXICO)
COUNTY OF SANTA FE) SS.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5206, heard by me on 4/25, 1974.


Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date APRIL 25, 1974TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
Sumner G. Buell	Montgomery, et al	Santa Fe
Richard S. Brooks	Whitaker & Brooks	Midland, Texas
Victor T. Lyon	Comoco	Hobbs
L. C. White	Amoco Prod. Co.	Santa Fe
John D. Anderson	" " "	Houston
Kes Gaizutis	" " "	Houston
Don P. Phipps	Black River Corp	Midland
Ronnie Sawyers	Black River Corp	Midland
Joe V. Peacock	Phillips Petr. Co.	Odessa
Jim Henry	Henry Enger for David Fackon	Midland
Maxwell Uebler	Henry Enger for David Fackon	Midland
Ed. J. Holl	Phillips Petr. Co.	Odessa
Paul Eater	Monsanto	Midland
Eugene V. Pinder	Humble, Bandmont et al	Roswell
Frank L. Schatz	Midwest Oil Corp.	Midland
R. C. Beveridge	Midwest Oil Corp.	Midland
	Western Reserves Oil Co.	Midland

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date

APRIL 25, 1974

TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
John Seeray	Mobil Oil Corp.	Midland
Dan Stearns	Morris R. Antweil	Santa Fe
R. M. Williams	Morris R. Antweil	Hobbs
CRAIG FOLSON	Folsom et al	Dallas
Tom Kellahan	Kellahan & Fox	Santa Fe
John M. Morris	Petro Plus Corp.	Santa Fe
John Somers	Petro Plus Corp.	Santa Fe
R. Enfield	R. Enfield	Santa Fe
Ken Subkowich	Indices	Houston
Reilly Fluellen	"	"
Fred Van Natta	"	"
Jason Kellahan	Kellahan & Fox	Santa Fe
Ken McPhee	Moranco	Holbro N.M.
G. L. Heinsch	Pecos Irrigation	Carlsbad

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 10, 1974

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Application of Continental)
Oil Company for Downhole)
Commingling, Lea County,)
New Mexico)

Case No. 5206

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

No appearance.

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I N D E X

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Request for Continuance

3

Ruling of Examiner

3

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TEL. (505) 982-0386

Page.....3.....

MR. STAMETS: We have received a request that this case be continued until April the twenty-fifth. It will be so continued.

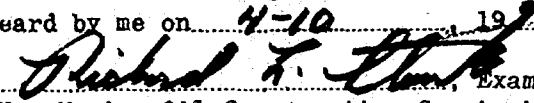
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225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

STATE OF NEW MEXICO)
)ss.
 COUNTY OF SANTA FE)

I, SIDNEY F. MORRISH, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.



 SIDNEY F. MORRISH, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5206, heard by me on 4-10, 1974.

 _____, Examiner
 New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
 STATE-WIDE DEPOSITION NOTARIES
 225 JOHNSON STREET
 SANTA FE, NEW MEXICO 87501
 TEL. (505) 962-0386



OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

May 28, 1974

Mr. L. P. Thompson
Continental Oil Company
Post Office Box 460
Hobbs, New Mexico 88240

Re: CASE NO. 5206
ORDER NO. R-4790
Applicant:
Continental Oil Co.

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

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. 5206
Order No. R-4790

APPLICATION OF CONTINENTAL OIL
COMPANY FOR DOWNHOLE COMMINGLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 22, 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 record and the
recommendations of the Examiner, and being fully advised in the
premises,

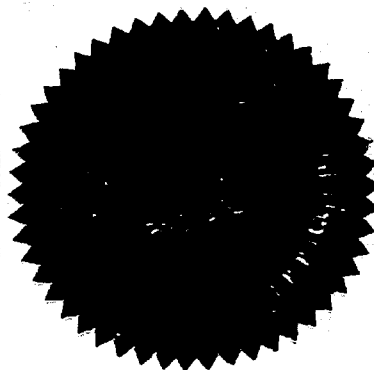
FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 5206 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

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

ALEX S. ARMIJO, Member

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

S E A L

jr/

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 10, 1974

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for May, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for May, 1974.

CASE 5201: Application of Mobil Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 33, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to form a standard 320-acre proration unit to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5202: Application of El Paso Natural Gas Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Sand Dunes-Morrow Gas Pool in Township 23 South, Range 31 East, Eddy County, New Mexico, including a provision for 640-acre spacing.

CASE 5203: Application of Jake L. Hamon for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the perforated interval from 13,230 feet to 13,320 feet in his Getty State L-736 Well No. 1 located in Unit D of Section 32, Township 16 South, Range 36 East, East Shoe Bar-Devonian Pool, Lea County, New Mexico.

CASE 4790: (Reopened)

In the matter of Case No. 4790 being reopened pursuant to the provisions of Order No. R-4370, which order established temporary rules for the Dublin-Ellenburger Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

- CASE 5204: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Government T Well No. 1 located in Unit C of Section 14, Township 20 South, Range 28 East, Russell Field, Eddy County, New Mexico, in such a manner as to produce gas from the Wolfcamp and Morrow formations through the casing-tubing annulus and tubing, respectively.
- CASE 5205: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Paslay "A" Com Well No. 1 located in Unit K of Section 8, Township 22 South, Range 27 East, Eddy County, New Mexico, to produce gas from undesignated Strawn and Morrow gas pools through the casing-tubing annulus and tubing, respectively.
- CASE 5211: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 8, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to its Paslay Well No. 1, located in Unit K of said Section 8. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5212: Application of Cities Service Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Citgo Empire-Abo Unit Area comprising 361 acres, more or less, of Federal and State lands in Townships 17 and 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico.
- CASE 5213: Application of Cities Service Oil Company for a pressure maintenance project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on its Citgo Empire-Abo Unit, Empire-Abo Pool, Eddy County, New Mexico, by the injection of gas into the Abo formation through a well to be drilled at an unorthodox location 990 feet from the South line and 2635 feet from the East line of Section 35, Township 17 South, Range 27 East. Applicant further seeks the establishment of special rules for said pressure maintenance project including a provision for the operation of the project under a net GOR rule and the establishment of a gas injection credit "bank" against which injection credit could be drawn in order to maintain full allowables during such times as injection plant shut-downs, etc.

- CASE 5206: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle West Warren-Blinbry and East Skaggs-Drinkard production in the wellbore of its SEMU Burger Well No. 21 located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.
- CASE 5207: Application of Craig Folsom for a non-standard proration unit and compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying a non-standard oil proration unit comprising the SW/4 NE/4 SE/4, NW/4 SE/4 SE/4, NE/4 SW/4 SE/4, and the SE/4 NW/4 SE/4 of Section 12, Township 13 South, Range 31 East, Caprock-Queen Pool, Chaves County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1340 feet from the South line and 1300 feet from the East line of said Section 12, said location having been previously been approved by Order No. R-4750. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5208: Application of S. P. Yates for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-3221, as amended, authority to dispose of produced salt water in an unlined surface pit on its Federal LC 065598 lease in the SW/4 SW/4 of Section 4, and the NE/4 of Section 5, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.
- CASE 5209: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Estacado Unit Area comprising 1280 acres, more or less, of State and fee lands in Township 14 South, Range 35 East, Lea County, New Mexico.
- CASE 5210: In the matter of the application of the Oil Conservation Commission on its own motion for the contraction of the House-Tubb Gas Pool by the deletion of all of Section 12, Township 20 South, Range 38 East, Lea County, New Mexico, and the creation of the East House-Tubb Oil Pool comprising all of the NW/4 of said Section 12.
- CASE 5214: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Robb Spring Unit Area comprising 6402 acres, more or less, of State, Federal, and fee lands in Townships 23 and 24 South, Range 25 East, Eddy County, New Mexico.
- CASE 5215: Application of Morris R. Antwell for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order

Examiner Hearing - Wednesday - April 10, 1974

Docket No. 9-74

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(Case 5215 continued from Page 3)

pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 17, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Docket No. 14-74

Dockets Nos. 15-74 and 16-74 are tentatively set for hearing on June 5 and June 19. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 22, 1974

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

← CASE 5206: (Continued from the April 25, 1974, Examiner Hearing)

Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle West Warren-Blinebry and East Skaggs-Drinkard production in the wellbore of its SEMU Burger Well No. 21 located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.

CASE 5240: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Burwinkle and Scanlon and Husky Energy, Inc. and The Employers' Fire Insurance Company and all other interested parties to appear and show cause why the following wells located in Section 28, Township 20 North, Range 9 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Ohwell Wells Nos. 1, 2, 3, 5, 8, and 39 in Unit C; Ohwell Wells Nos. 9, 10, 11, 12, and 13 in Unit A; and Jaco State Well No. 104 in Unit G.

CASE 5241: Application of Depco, Inc. for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-1670-H, approval for the unorthodox location of a well to be drilled 1325 feet from the North and East lines of Section 3, Township 15 South, Range 27 East, Buffalo-Pennsylvanian Gas Pool, Chaves County, New Mexico.

CASE 5242: Application of Penroc Oil Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Allied-Com Well No. 1 located in Unit B of Section 27, Township 20 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Wolfcamp gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

CASE 5243: Application of Continental Oil Company for special gas-oil ratio, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil for the Weir-Drinkard Oil Pool, Lea County, New Mexico.

- CASE 5248: Application of Cities Service Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Tracy "A" Com Well No. 1 located in Unit C of Section 33, Township 21 South, Range 27 East, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.
- CASE 5244: Application of El Paso Natural Gas Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the tubingless dual completion of its Hubbell Well No. 14 located in Unit G of Section 18, Township 29 North, Range 10 West, San Juan County, New Mexico, in such a manner as to produce Aztec-Fruitland and undesignated Chacra gas through parallel strings of 2 7/8-inch casing cemented in a common wellbore.
- CASE 5245: Application of Texaco Inc. for a tubingless quadruple completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the quadruple completion of its C. H. Weir "A" Well No. 8 located in Unit F of Section 12, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce Skaggs-Glorieta, East Weir-Blinebry, East Weir-Tubb, and Skaggs-Drinkard production through three parallel strings of 2 7/8-inch casing cemented in a common wellbore with the East Weir-Blinebry and the Skaggs-Drinkard production commingled and produced through a single string of casing.
- CASE 5246: Application of Tenneco Oil Company for pressure maintenance expansion and dual completions, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its South Hospah Lower Sand Pressure Maintenance Project, South Hospah Field, McKinley County, New Mexico, by the dual completion of its Hospah Well No. 41 located five feet from the North line and 1650 feet from the East line and its Hospah Well No. 56, located 1100 feet from the North line and 1275 feet from the East line, both in Section 12, Township 17 North, Range 9 West, to permit injection of water into the Lower Sand as well as the Upper Sand as presently authorized.
- CASE 5247: Application of Champlin Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Pecos Federal Well No. 1 located in Unit C of Section 1, Township 22 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce undesignated Strawn gas through the tubing and undesignated Morrow gas through the annulus by means of a cross-over assembly.

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 25, 1974

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5206: (Continued from the April 10, 1974, Examiner Hearing)

Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle West Warren-Blinbry and East Skaggs-Drinkard production in the wellbore of its SEMU Burger Well No. 21 located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico.

CASE 5209: (Continued from the April 10, 1974, Examiner Hearing)

Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Estacado Unit Area comprising 1280 acres, more or less, of State and fee lands in Township 14 South, Range 35 East, Lea County, New Mexico.

CASE 5219: Application of Midwest Oil Corporation for pool creation, discovery allowable, and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Wolfcamp production for its South Empire Deep Unit Well No. 4 located in Unit G of Section 32, Township 17 South, Range 29 East, Eddy County, New Mexico, and for the promulgation of special pool rules therefor, including a provision for 80-acre spacing. Applicant further seeks the assignment of approximately 42,245 barrels of oil discovery allowable to the aforesaid well.

CASE 5220: Application of Atlantic Richfield Company for an unorthodox gas well location and non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its McDonald State WN Well No. 24 located 1780 feet from the North line and 660 feet from the West line of Section 25, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to a 320-acre non-standard gas proration unit comprising the N/2 of said Section 25.

CASE 5221: Application of Black River Corporation for an unorthodox gas well location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its BR 4 Federal Well No. 3 located 1986 feet from the North line and 330 feet from the East line of Section 4, Township 26 South, Range 24 East, undesignated Delaware gas pool, Eddy County, New Mexico,

(Case 5221 continued from Page 1)

said well having been projected as an oil well at a standard location for Delaware oil wells. Applicant further seeks approval of a 201.34-acre non-standard gas proration unit for said well comprising the NE/4 of said Section 4.

CASE 5222: Application of Amoco Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pavo Mesa Unit Area comprising 2,560 acres, more or less, of State and Federal lands in Township 16 South, Range 28 East, Eddy County, New Mexico.

CASE 5223: Application of Continental Oil Company for a 320-acre non-standard gas proration unit, simultaneous dedication of acreage, and reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the N/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Jack B-17 Wells Nos. 3 and 4 located 990 feet from the North and East lines and 990 feet from the North line and 1980 feet from the West line, respectively, of said Section 17. Applicant further seeks the reinstatement of the underproduction which was cancelled November 1, 1973, when the aforesaid proration unit was reclassified to marginal status.

CASE 5224: Application of Phillips Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its James "E" Well No. 1 located in Unit C of Section 11, Township 22 South, Range 30 East, Cabin Lake Field, Eddy County, New Mexico, in such a manner as to produce gas from the Strawn and Morrow formations through parallel strings of tubing.

CASE 5225: Application of Fluid Power Pump Company, Petro Lewis Corporation, and Partnership Properties Company for compulsory pooling, Sandoval County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests in the Media-Entrada Oil Pool underlying the NW/4 of Section 22, Township 19 North, Range 3 West, Sandoval County, New Mexico, to be dedicated to the Fluid Power Pump Company Well No. 5 located in Unit C of said Section 22.

CASE 5226: Application of Inexco Oil Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Morrow gas pool for its Fasken El Paso Federal Well No. 1 located in the SW/4 NW/4 of Section 3, Township 21 South, Range 26 East, Eddy County, New Mexico, and the promulgation of special pool rules therefor, including a provision for 640-acre spacing units for Sections 7 through 12, Township 21 South, Range 26 East, and the adoption of 480-acre non-standard spacing units comprising either the N/2 or S/2 of Sections 1 through 6, Township 21 South, Range 26 East, and Section 7, Township 21 South, Range 27 East.

CASE 5227: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying Lots 9 through 16 of Section 4, Township 21 South, Range 26 East, Eddy County, New Mexico, to form a standard 320-acre gas proration unit to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5228: Application of David Fasken for the creation of two pools and a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Strawn gas pool and a Morrow gas pool for his El Paso 3 Federal Well No. 1 located 2724 feet from the North line and 2870 feet from the East line of Section 3, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks approval for the dual completion of said well to produce gas from the Strawn and Morrow formations through parallel strings of tubing.

CASE 5207: (Continued from the April 10, 1974, Examiner Hearing)

Application of Craig Folsom for a non-standard proration unit and compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying a non-standard oil proration unit comprising the SW/4 NE/4 SE/4, NW/4 SE/4 SE/4, NE/4 SW/4 SE/4, and the SE/4 NW/4 SE/4 of Section 12, Township 13 South, Range 31 East, Caprock-Queen Pool, Chaves County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 1340 feet from the South line and 1300 feet from the East line of said Section 12, said location having been previously been approved by Order No. R-4750. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

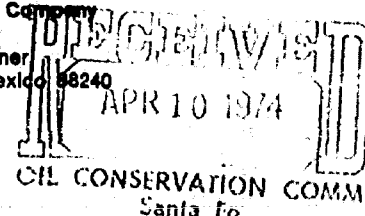
CASE 5208: (Continued from the April 10, 1974, Examiner Hearing)

Application of S. P. Yates for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-3221, as amended, authority to dispose of produced salt water in an unlined surface pit on its Federal LC 065598 lease in the SW/4 SW/4 of Section 4, and the NE/4 of Section 5, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.



L. P. Thompson
Division Manager
Production Department
Hobbs Division
Western Hemisphere Petroleum Division

Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141



April 8, 1974

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

Attention Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Case No. 5206 - April 10, 1974 - Examiner Docket

We still lack some information which we consider to be essential for our presentation in the subject case. Consequently it is respectfully requested that this matter be continued to the April 25 docket.

Yours very truly,

VTL:SW
CC:
RLA, WER, JWK

DOCKET MAILED

Date 5-9-74
For 5/22

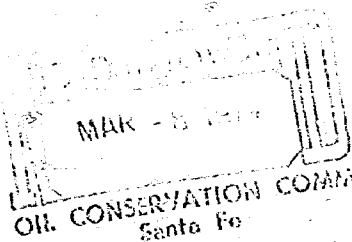
DOCKET MAILED

Date 4-11-74



Production Department
Hobbs Division

Western Hemisphere Petroleum Division
Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141



April 10th
Case 5206

March 5, 1974

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

Attention Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Application for Downhole Commingling - SEMU Burger No. 21 - 0-19-20-38

Attached are three copies of our application for authority to downhole commingle Drinkard and Blinebry oil production from the subject well. Please set this matter for hearing on your earliest Examiner Docket.

Yours very truly,

VTL:reh
Enc
CC:
RLA: WER: JWK

DOCKET MAILED

Date 3-29-74

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF CONTINENTAL OIL COMPANY FOR
AUTHORITY TO COMMINGLE IN THE
WELLBORE PRODUCTION FROM THE
WEST WARREN BLINEBRY AND EAST
SKAGGS DRINKARD POOLS IN ITS
SEMU BURGER WELL NO. 21 LOCATED
IN UNIT 0, SECTION 19, T-20S,
R-38E, LEA COUNTY, NEW MEXICO

OIL CONSERVATION COM.
Santa Fe

Case 5206

A P P L I C A T I O N

Applicant, Continental Oil Company, hereby requests authority to commingle in the wellbore oil production from the West Warren Blinebry and East Skaggs Drinkard pools in its SEMU Burger Well No. 21 located in Unit 0, Section 19, T-20S, R-38E, Lea County, New Mexico and in support thereof would show:

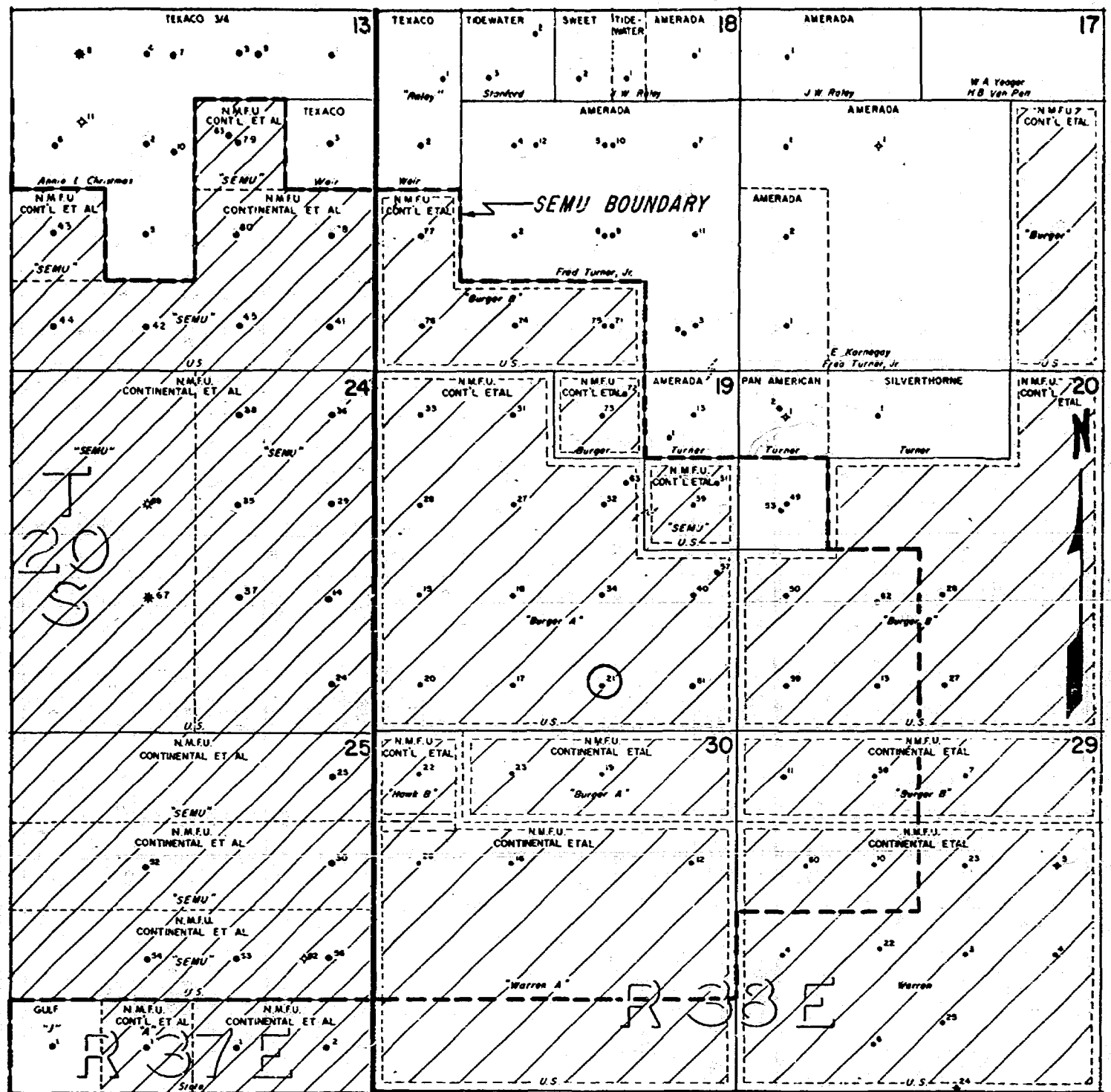
1. Applicant is the operator and co-owner of the Southeast Monument Unit in Township 20 South, Ranges 37 and 38 East, Lea County, New Mexico.
2. Applicant drilled its SEMU No. 21 at a location 660' FSL and 1980' FEL of Section 19, T-20S, R-38E, Lea County, New Mexico and completed it June 26, 1950, as a Grayburg well in the Skaggs Pool.
3. In 1969, said well No. 21 was deepened and completed as an oil well in the West Warren Blinebry Pool and the East Skaggs Drinkard Gas Pool as a dual completion authorized by Order No. R-3900.
4. Said well No. 21 was recently stimulated in the Drinkard formation with the result that the Drinkard now produces approximately 35 barrels of oil per day with a gas-oil ratio of approximately 3,000 cubic feet per barrel.
5. Commingling the production of both zones will prolong the producing life of the well, increase the ultimate recovery of oil and will conserve tubular goods without impairing the correlative rights of any party.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing before the Commission's duly appointed examiner and upon hearing an order be entered authorizing the commingling in the wellbore of the production from SEMU Burger Well No. 21 as described above.

Respectfully submitted,

CONTINENTAL OIL COMPANY

L. P. Thompson
L. P. Thompson
Division Manager



○ SEMU NO. 21

CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
HOBBS DIVISION

LOCATION PLAT
SEM U EASTERN AREA
LEA COUNTY, NEW MEXICO
SCALE: 1" 2000'

Case 5206

DRAFT

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. 5206

Order No. R- 4790

APPLICATION OF CONTINENTAL OIL COMPANY
FOR DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 22, 1974,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of May, 1974, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 5206 is hereby dismissed.

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