CASE NO.

5528

APPIICATION,
Transcripts,
Small Exhibits,

ETC.

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. 5528 Order No. R-5072

APPLICATION OF RESERVE OIL AND GAS COMPANY FOR WATERFLOOD EXPANSION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 16, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of July, 1975, 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 subject application has been processed administratively and Case No. 5528 should be dismissed.

IT IS THEREPORE ORDERED:

That Case No. 5528 is hereby dismissed.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Member

JOE D. RAMEN, Member & Secretary

Luces

SEAL

dr/

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P.O. BOX 2088 - SANTA FE 87501 July 23, 1975

CASE NO. 5528 Re: ORDER NO. R-5072 Mr. Erd M. Johnson Reserve Oil and Gas Company First Savings Building Midland, Texas 79701 Applicant: Reserve Oil and Gas Company Dear Sir: Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case. Yours very truly JOE D. RAMEY Secretary-Director JDR/fd Copy of order also sent to: Hobbs OCC Artesia OCC Aztec OCC Other Bettis, Boyle & Stovall, Graham, Texas; Continental Oil Company, Hobbs, New Mexico; Maralo, Inc., Midland, Texas

| | 1 |
|------|---------|
| Page | <u></u> |

"你写过的意义。"的哲學所以的學學特別問題

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico July 16, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Reserve Oil and Gas Company for waterflood expansion, Lea County, New Mexico.

Case No. 5528

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil Conservation Commission:

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

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

MR. NUTTER: Call Case 5528.

MR. CARR: Case 5528. Application of Reserve Oil and Gas Company for waterflood expansion, Lea County, New Mexico.

MR. NUTTER: Case No. 5528 will be dismissed inasmuch as this Application has been handled administratively.

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 8750!
TEL. (505) 982-0386

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

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.

RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing a complete record of the proceedings in the Examiner hearing of Case No. 5528 heard by me on 1975.

Wew Mexico Oil Conservation Commission

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

Memo

Trom

R. L. STAMETS Technical Support Chief

Jerry Lusee called
7-11-75 and asked
if This could be
approved administratively.
Checked out OK.

to be approved by WFX.

[] 15 miss

Oil Conservation Commission - Santa Fe, New Mexico

Case 5528

RESERVE OIL AND GAS COMPANY

FIRST SAVINGS BUILDING, MIDLAND, TEXAS 79701 TELEPHONE: 915/682-4341

June 10, 1975

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

Attention Mr. Joe D. Ramey

Rc. Application of Reserve Oil and Gas Company to Expand South Langlie Jal Unit Waterflood Project

Gentlemen:

New Mexico Oil Conservation Commission Order No. R-4022A, dated October 14, 1970, authorized Reserve Oil and Gas Company to initiate a waterflood project in the South Langlie Jal Unit, Jalmat Oil Pool, by the injection of water into the Seven Rivers and Queen formations through ten injection wells. The injection of water into the ten authorized wells was commenced April 16, 1971. On January 12, 1972, New Mexico Oil Conservation Commission Order R-4240 authorized the expansion of the waterflood project to include South Langlie Jal Unit Well No. 23 as a water injection well. Water injection into this well commenced February 4, 1972. As of May 1, 1974, a total of 7, 202, 336 barrels of water has been injected into the eleven injection wells.

Reserve requests authorization to convert the following wells to water injection wells:

| Well No. | Unit <u>Letter</u> | Location |
|-------------|-----------------------|--|
| SLJU No. 24 | 0 | 1650' FEL & 660' FSL, Sec. 18, T-25-S, R-37-E, Lea County, New Mexico |
| SLJU No. 26 | M | 330' FWL & 330' FSL, Sec. 17, T-25-S, R-37-E, Lea County, New Mexico |

New Mexico Oil Conservation Commission Page 2 June 10, 1975

In support of this application, the following exhibits are attached:

| Exhibit A | Map of South | |
|-----------|--------------|--|
| | | |

| Exhibit B | Diagrammatic Sketch of Typical Well Log and | ĺ |
|-----------|---|---|
| | Vertical Limits, South Langlie Jal Unit | |

Exhibit H Production History of Proposed Injection Wells

Exhibit I Production and Injection History of South Langlie Jal Unit

The conversion of South Langlie Jal Unit Wells No. 24 and 26 to injection wells will result in an improvement of the injection pattern of the waterflood project which should result in a more thorough and efficient sweep of the oil by the waterflood. Exhibit A indicates the location of the existing and proposed injection wells in the area.

It is proposed to inject approximately 350 barrels of water per day into the Seven Rivers and Queen formations of each of the proposed injection wells as indicated on Exhibit B. Injection will be down 2 3/8" internally coated tubing below a tension type packer set approximately 50 feet above the perforated interval or casing seat as indicated on Exhibits C and D. The tubing-casing annulus will contain fresh water inhibited for corrosion protection. The water for injection will be purchased from the Skelly water system. This water is saline and classified as non-potable. In addition to the water purchased from Skelly, the produced water from the Unit will also be injected.

New Mexico Oil Conservation Commission Page 3 June 10, 1975

As indicated on Exhibit G, South Langlie Jal Unit Wells 20 and 22 (which offset the proposed injection wells) have experienced a substantial response to the water injection project. South Langlie Jal Unit Wells 25 and 27, which also offset the proposed injection wells, have not yet experienced a response to the water injection project.

A copy of this application has been sent to the offset operators listed below via certified mail.

Your consideration of this application will be greatly appreciated.

Very truly yours,

RESERVE OIL AND GAS COMPANY

Erd M. Johnson

ck

Attachments

cc: Bettis, Boyle & Stovall P. O. Box 1168 Graham, Texas 76046

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Maralo, Inc. P. O. Box 832 Midland, Texas 79701 DOCKET MAILED

Date 7/7/75

R 37 E J.B. Hill J.H. Hill Dotcort.et al A 372 À'3 0 4 A⁷⁷ A² A' 2 3 A. 85 25 S A's (8) Mařalo Inc. 0 6 9 0 £93 "Moggie Hose" Bettis 2 E.T.Johns Cont'l Oil Continental Oil "в" Bettis EXHIBIT A UNIT BOUNDARY - LANGLIE-JAL (UNION TEXAS PETR.) UNIT BOUNDARY - SO. LANGLIE-JAL (R.O.G.) 0 TRACT NUMBER RESERVE OIL & GAS CO.

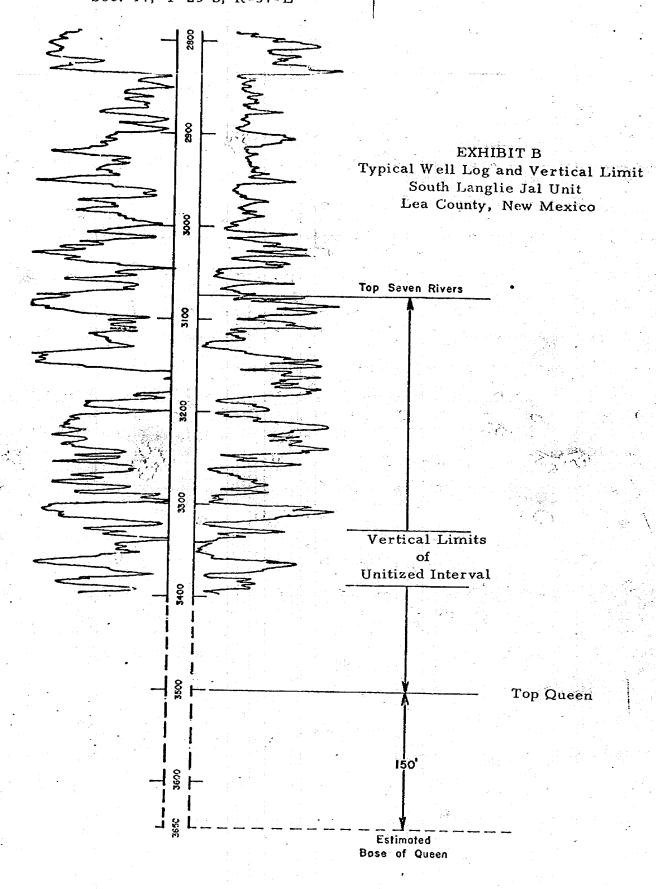
â INJECTION WELL

SOUTH LANGLIE - JAL UNIT JALMAT (OIL) FIELD LEA COUNTY, NEW MEXICO

PEVISED OF OATE OATE OBVEO PESERVE OIL B 515 COMPANY

Proposed Injection Well

RESERVE OIL AND GAS COMPANY South Langlie Jal Unit No. 18 Sec. 17, T-25-S, R-37-E



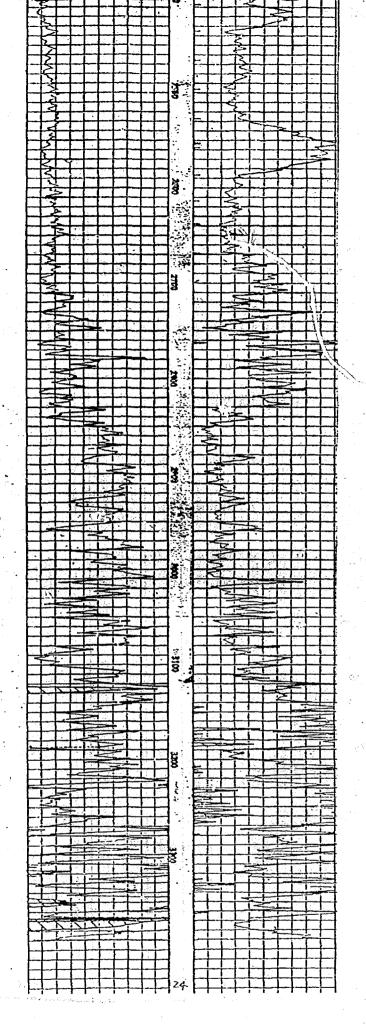


EXHIBIT C Log of South Langlie Jal Unit Well No. 24

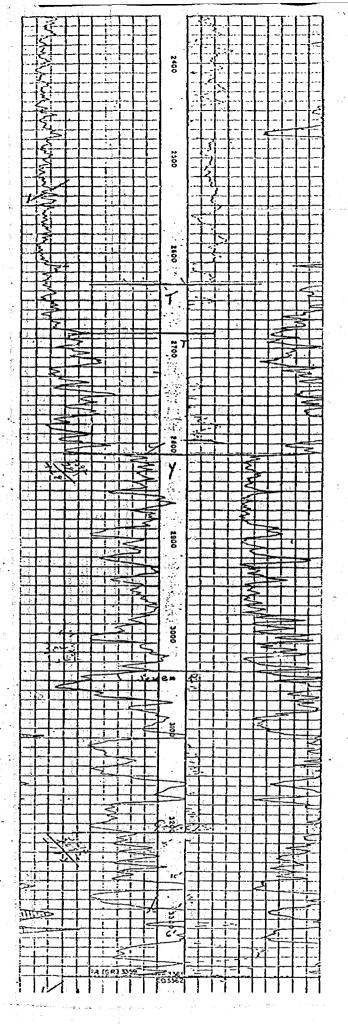


EXHIBIT D
Log of South Langlie Jal Unit
Well No. 26

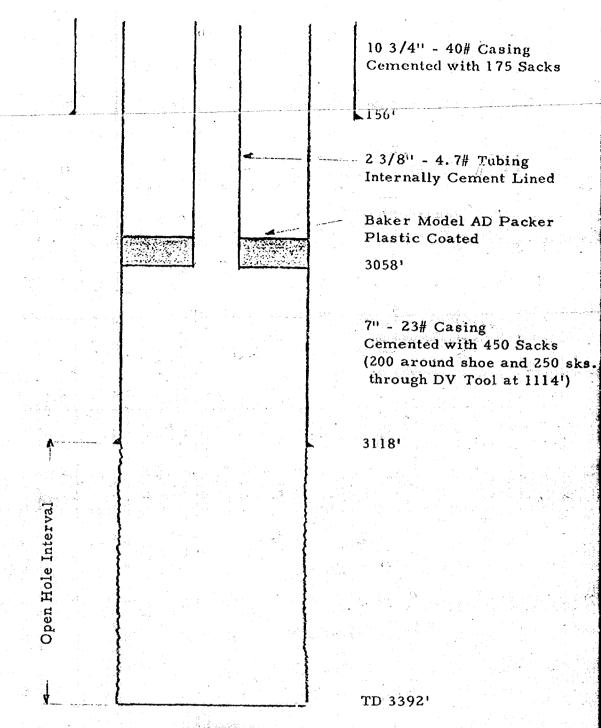


EXHIBIT E
Schematic Diagram
Reserve Oil and Gas Company
South Langlie Jal Unit No. 24
Jalmat Oil Pool
Lea County, New Mexico

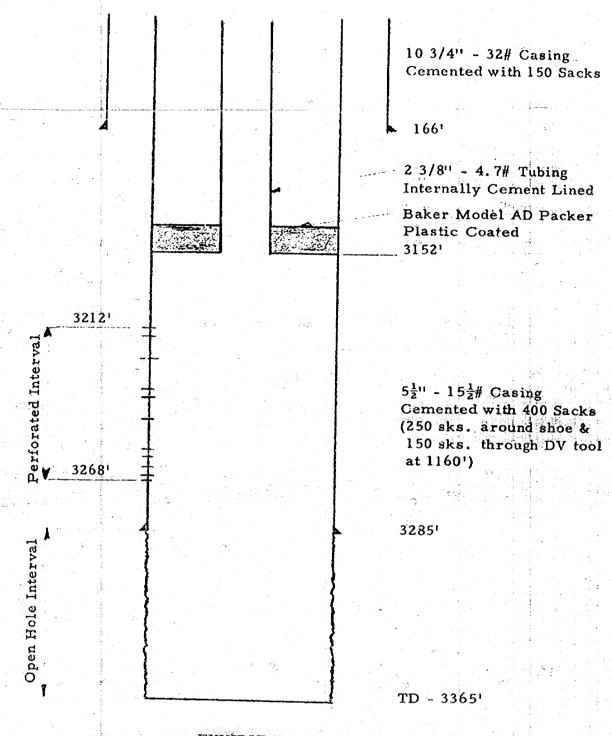


EXHIBIT F
Schematic Diagram
Reserve Oil and Gas Company
South Langlie Jal Unit No. 26
Jalmat Oil Pool
Lea County, New Mexico

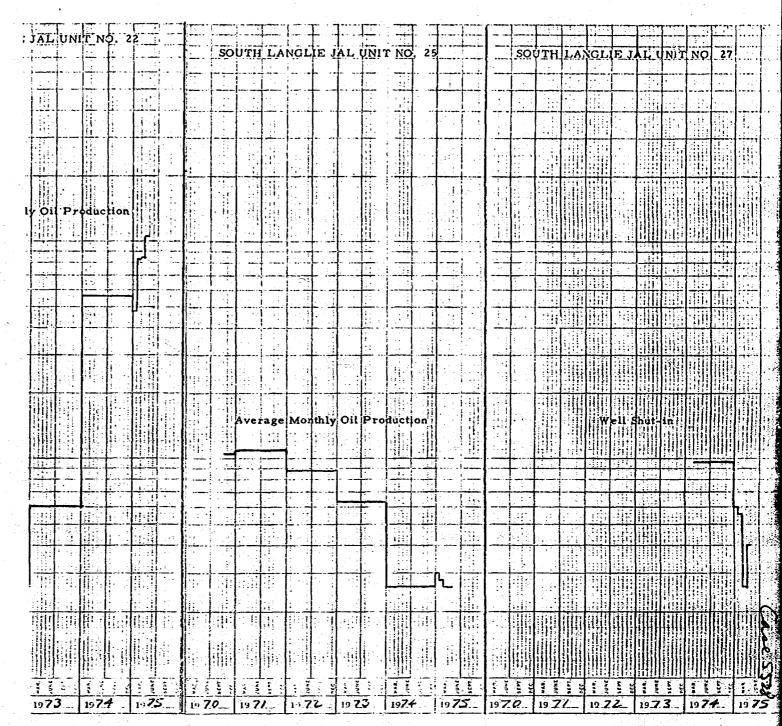
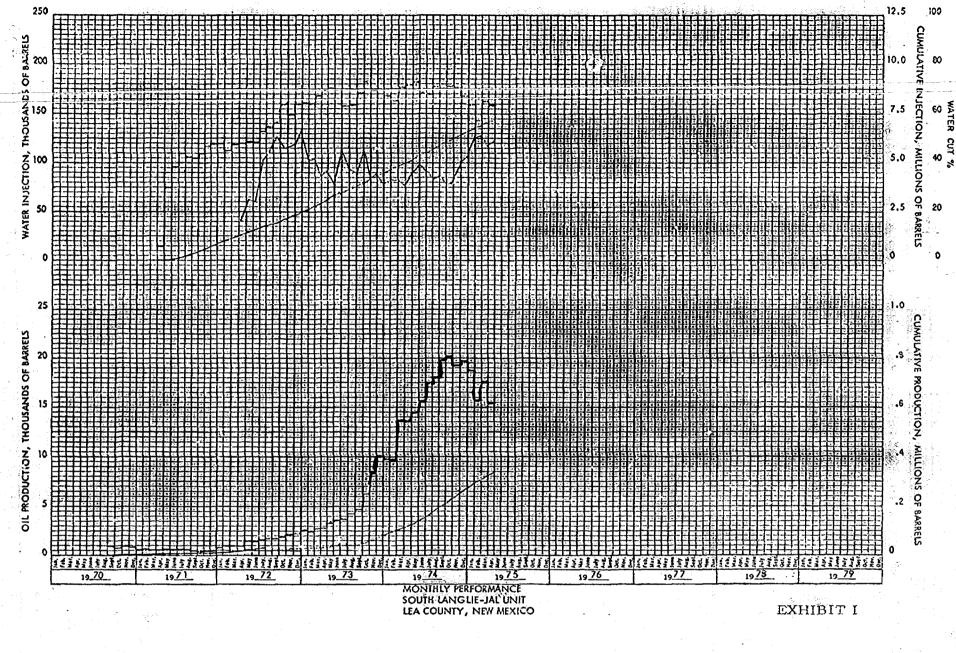


EXHIBIT G

D'ERRHYE

| 11 | · : | | | | 7 | | - | | | ₁ | · | | Ì | | Γ | | ī | | | | | | | |
|------------------------|------------|------------------------|---------------|----------------|------------|---------------------|-----------|-------|-------------------|--------------|------|--|----------|---------------|--|---------------------------------------|-----------|--------------|---------|-------|-----------------|-----------|---------|-------------------|
| | 1 | | | 1 | . | 1 | | | | - 1 | | | | | | 11.23 | | | i : | | | | | |
| | | S | QUT | Π Γ | řЙŒ | LIE | JAL | UNI | T NO | , 2 | 4 | | | S | ruc | H L | ŅŊĢ | LIE. | JAL | UN | NT | O. 2 | 6 | - |
| | | | | | ļ | | | | | | (| | | | | | | ! | ! | | | | | 1:::::: |
| | 1 | • | | 1 | 1 | | | | | | | | ١. | . ' | ; . ! | | 1 | | | | | • • • • • | | |
| 10 | - | | · · · · | 1 | | | | | ; - | | | | | | | | | | | | | | | |
| | 1 | | | | } :::: | | 1 | | | | | | | أخددا | | | | | | | | | | |
| men dans o en en en en | ;- | -; | | | ļ <u>-</u> | | - | | | | | | النائا | 11:15: | 1 1 1 1 1 | | : <u></u> | | | | | | | |
| | 1 | . | - | | | | | | | | | | | | | | | | | | | | | |
| 9 | , | | | | | ļ | | | • • • • • • • • • | | | | | | ــــــــــــــــــــــــــــــــــــــ | | · · | 1 | i | | • • • • • | | | |
| , | 1 | | | | ! | | | | | | | | | | | 1 | | | | | : | | | |
| | - | 15755 | ۔ خور ا | i | i | <u></u> | 1::::: | | . I: | 11 | | 111 | | -7177 | | | | | | | | | | <u> </u> |
| * | ļ | | | | | , | | | | : ::::j | | | | | | | | , | | | 1, ~ | | | ì |
| | 1 | ļ | | <u>}</u> | - | | | | | : | 3 | | | J. 11 | | | | | | | | | 1011 | 111 |
| 8 | , | | | : | | i. | | | | | | | | | | - | | | ! | | | | | |
| | • | 1. | | | į | I: | | | | | | | | | ver | 306 | Mon | thly | Oil | 2700 | neti | | إختتا | |
| * 1 | 1 | ¥ | } | | | | | | | | | | | | | - gC | - | arry . | i : : : | | 17. | | | |
| Ĥ | | | | | | : | | 33-22 | | | | | | 1 | | | | | | 100 | | | | |
| Ę | | | | TITLE | 224.1 | | 12:11 | = - | | | -11 | | | | 7. | | | | | | | | | |
| Ζ, | : | | | 1 | | | | | | | | | | | - | | | | | | | | | |
| PER MONTH) | | - | | | | i | | | | | | :: | | | | | | | | | | | | |
| ~ | | | | | | | | | \$- | | | | | | | | | | | | | | | |
| 邑 | | | \ <u></u> | | | ļ | | | | | | | | | | | - | | | | | | | |
| ப | | 4 | | | | | | -11.1 | | - 1.4.5 | | | | | | | | | | | | | , | |
| ဟု 6 | <u> </u> | | i — | - | | · | - | | | i | |] - | | | | | | | | 7.3 | | | | |
| | | | | | | | 1505 | | 275年 | | | | | | | | | | | | | | | |
| [4] | | 1 | | 1 | | 1 | | | 1.0 | | | | | | | · · · · · · · · · · · · · · · · · · · | | | | | | | | |
| 2 | 7 | 11. | 1:01 | min | | | | | | | | | | | | | | | | | | | | H . 1. |
| (BARRELS | | | ! | | r | | , | | | ! | | | | | | | | | | | | | | |
| 2 | | ·inter | | | 72.71 | | | -22 | | | | | | | | 1111 | 7:17 | करत | | | | | 1 1 1 1 | citte |
| Ö | - | | | | | | | | | | | | | | 11:11 | | | | -111 | | | 1 1 | *** | |
| Ħ | - | | | | L | | | | | | | | | | 150 | | | | | | | | | |
| ပ် | 1 | -1 | \ | i | | | | | | | | | | |) | | | | | | | | | بننت |
| 2 | . . | | : - · | | | 1 . | · | | | | إيتا | | | 3.00 ft | | | | | | | | | | |
| OIL PRODUCTION | | | A | 200 | Mon | , ,,,,, | Ail i | امحط | uctio | | | :::::::::::::::::::::::::::::::::::::: | | | | | 2.00 | ::111 | | | | | | |
| ξ, | | | VASI | age | IATOII | шту | 011 | | ucuo | <u>-</u> -i | | | <u> </u> | | | | 7 | | | | | | | FiF. |
| - | | | : | j | | | | | | | | | | . | - | | | :- :.: | 1 | 1.1.1 | | 11111 | | |
| Ĭ | | - | | | | | | | | | | | | | 1 | | | | | | | | | 1 |
| U ₃ | . محمو | | | | | r= | | | | | | | | | | | | | | | | | L | |
| [| 1 | | | 12 | [| 1 | ! | | ! | | [== | | ! | | | | | | | | | | · 🕌 | |
| | F | 1 | | <u> </u> | | الللا | L |] | | | | | نتيا | | | | | | | | | | | |
| 1 | | | <u> </u> | 1 | | | | | | | | | | ! | | | <u> </u> | | | | | | | |
| | | 1 | | | | | 7 | | | | | | S | | | | | المحمد المنا | | | ندانه. دونون | | | |
| 2 | ٠ | . حبا مید. ر | | | | | | | ••• | | | | | | | | | | | | | <u> </u> | | |
| 1 | 1 | | | | | | • , . • , | | - | | | | | 11.0 | | | | | 1017 | | | 11:31 | | |
| | - | 1: | <u> </u> | | - | | | | | | | | | | | | <u> </u> | | | | | | | |
| | 1 | | <u> - :-</u> | | - | | | · · · | | ٠. | | | | | | • =: | | | | | | | | |
| | | - | <u> </u> | | | • | | | | | | | j. | | | | | | | | | 1 | | |
| 1 | | | | <u> </u> | | | | | | | | | [| | | i | | | | | | | | |
| | 12.2 | | 1 . | | | | | | | | | | | | | | | | | | | 111 | | • • • |
| | - | | | | | | | | | <u> </u> | | | | | | | | | | | | 1.0 | | |
| | | | | | | <u> </u> | | | | | | 21 | l | | .1.2. | | | | | | | | • • • |] |
| | | 1011 | | | 11.11. | | | | | } | | اواست | | | | | | | | · · | | | | |
| | | | , , | | 3 5 | . <u>.</u> . | | - : | 1 5 | <u> </u> | 3 5 | | 1 2 2 | 10.1 | KAN JUNI | 14.6 | * * | 1 3 | 10v. | | <u>.</u> | : - | | - 1 |
| | | | | | 19.7 | | 19.7 | , 7 1 | 19.25 | íij | 19.7 | ,5 | 19.Z | | | | | z_ [| 200 000 | | 19.7 | 4 | 197 | ا ج |
| ŧ . | | 70_ | 1.7.4 | | T13-4 | | 19.7 | | 19.2.1 | | 13.7 | | 13.2 | | 13.1.1 | | 13./ | | 132 | | 13.4 | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |

EXHIBIT H.



CASE 5528:

- CASE 5526: Application of Austral Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Blanco-Mesaverde and Basin-Dakota production in the wellbore of its Bunny Well No. 1, located in Unit P of Section 10, Township 27-North, Range 9 West, San Juan County, New Mexico.
- CASE 5527: Application of Plains Radio Broadcasting Company for an exception to the provisions of Order No. R-3221, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to the provisions of Commission Order No. R-3221, permission to dispose into earther pits produced salt water from its L. E. Ranch 9 Wells Nos. 1, 2, and 3, located, respectively, in Units 0, N, and I of Section 9, and its L. E. Ranch 16 Wells Nos. 2 and 3, located, respectively, in Units B and A of Section 16, all in Township 11 South, Range 28 East, East Chisum-San Andres Pool, Chaves County, New Mexico.
 - Application of Reserve Oil and Gas Company for waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its South Langlie-Jal Langlie Mattix Waterflood Project in the Langlie Mattix pool by the conversion to water injection of its Unit Wells Nos. 24 and 26 located, respectively, in Unit O of Section 18 and Unit M of Section 17, both in Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 5529: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the creation of a new gas pool for Morrow production, said to be designated Sheep Draw-Morrow Gas Pool to comprise the E/2 of Section 11 and the W/2 of Section 12, Town-ship 23 South, Range 25 East, Eddy County, New Mexico.

 CASE 5530: Application of Cities Service Oil Company for the amendment of
- CASE 5530: Application of Cities Service Gil Company for the amendment of Order No. R-5052, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5052, which order pooled all mineral interests in the Wolfcamp formation underlying the SE/4 of Section 30, Township 21 South, Range 27 East, and in the Pennsylvanian formation underlying the E/2 of said Section 30, to be dedicated to a well drilled at an orthodox location for both formations. Applicant proposes the amendment of said order to provide for an unorthodox location for said well at a point 1980 feet from the South line and 2190 feet from the East line of said Section 30.
- CASE 5531: Application of Oil Development Company of Texas for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the open-hole interval from 5,000 to 5,150 feet in its SFPRR Well No. 6, located in Unit D of Section 33, Township 9 South, Range 37 East, West Sawyer-San Andres Pool, Lea County, New Mexico.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

dr/

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

CASE NO. 5528

Order No. R- 5072

APPLICATION OF RESERVE OIL AND GAS COMPANY FOR WATERFLOOD EXPANSION, LEA COUNTY, NEW MEXICO.

Sou

ORDER OF THE COMMISSION

BY THE COMMISSION:

| This cause came on for hearing at at Santa Fe, New Mexico, before Examiner | |
|---|-------------------|
| NOW, on thisday ofJuly | |
| a quorum being present, having considered mendations of the Examiner, and being ful | |
| 그렇다면 화를 하는 것이 하늘 보다는 그 하는 것이 그렇지 않다. | |
| That the application has | smissal should be |

That the applicant throught for dismissal should be granted. Trafively and H. Case No. 5528 should be climissad.

IT IS THEREFORE ORDERED:

That Case No. 5528 is hereby dismissed.

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