

CASE 1136: Amerada Petr. Corp. application
for gas-gas deal for Eagle "W" #1 Well, 990'
from North & West Lines 3-26S-37E.

Case No.

1136

Application, Transcript,
Small Exhibits, Etc.

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

October 2, 1956

Mr. H. D. Bushnell
Amerada Petroleum Corporation
P.O. Box 2040
Tulsa 2, Oklahoma

Dear Sir:

We enclose a copy of Order R-883 and Order R-887 issued
September 27, 1956, by the Oil Conservation Commission in Cases
1136 and 1144, respectively.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

brp
Encls.

C
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P
Y

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1136
Order No. R-883

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE ITS
CAGLE "C" NO. 1 WELL AS A GAS-GAS
DUAL IN THE JALMAT GAS POOL AND
THE LANGLIE-MATTIX POOL, SAID WELL
BEING LOCATED 990 FEET FROM THE
NORTH LINE AND 990 FEET FROM THE
WEST LINE OF SECTION 3, TOWNSHIP
26 SOUTH, RANGE 37 EAST, NMPM,
LEA COUNTY, NEW MEXICO.

ORDER OF DISMISSAL

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock a.m. on August 22, 1956 at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 27th day of September, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That applicant by its attorney, entered an appearance and moved to dismiss the cause.

(3) That this cause should therefore be dismissed.

IT IS THEREFORE ORDERED:

That the application of Amerada Petroleum Corporation for an order granting permission to dualy complete its Cagle "C" No. 1 Well as a gas-gas dual in the Jalmat Gas Pool and the Langlie-Mattix Pool, said well being located 990 feet from the North line

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Order No. R-883

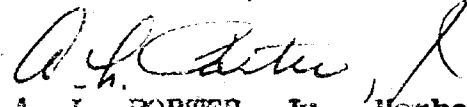
and 990 feet from the West line of Section 3, Township 26 South,
Range 37 East, NMPM, Lea County, New Mexico, be and the same is
hereby dismissed.

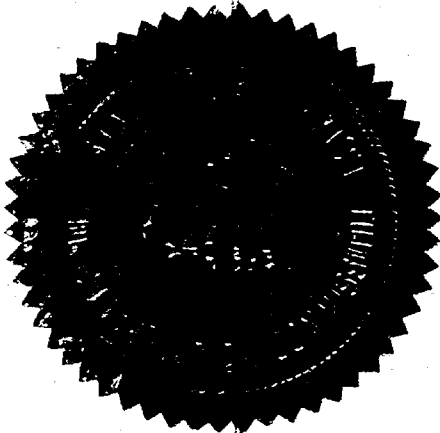
DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


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



ir/

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1136

TRANSCRIPT OF PROCEEDINGS

August 22, 1956

DEARNLEY-MEIER AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
BOBOS, NEW MEXICO
AUGUST 22, 1955

IN THE MATTER OF: :

CASE NO. 1136: Application of Amerada Petroleum Corpora- :
tion for permission to dually complete :
its Cagle "C" No. 1 Well as a gas-gas :
dual in the Jalmat Gas Pool and the :
Langlie-Mattix Pool, Lea County, New :
Mexico, in compliance with Rule 112-A :
(a) of the New Mexico Oil Conservation :
Commission Rules and Regulations. :
Applicant, in the above-styled cause, :
seeks an order authorizing a gas-gas :
dual completion for its Cagle "C" No. 1 :
Well located 990 feet from the North and :
West Lines of Section 3, Township 26 :
South, Range 37 East, Lea County, New :
Mexico; said well is to have gas produc- :
tion from the Yates and Upper Seven :
Rivers formations of the Jalmat Gas Pool :
and gas production from the Lower Seven :
Rivers formation of the Langlie-Mattix :
Pool. A small portion of the uppermost :
perforations in the lower gas pay falls :
within the vertical limits of the Jalmat :
Gas Pool as well as the Langlie-Mattix :
Pool. :

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: We will proceed to Case No. 1136.

MR. GURLEY: Application of Amerada Petroleum Corporation
for permission to dually complete its Cagle "C" No. 1 Well as a
gas-gas dual in the Jalmat Gas Pool and the Langlie-Mattix Pool,

Lea County, New Mexico, in compliance with the provisions of the New Mexico Oil Conservation Commission. The applicant, in the above-captioned case, has requested that a gas-gas dual completion for its Eagle "C" No. 1 well located 990 feet from the North and West lines of Section 3, Township 9 South, Range 37 East, Lea County, New Mexico; said well is to have gas production from the Yates and Upper Seven Rivers formations of the Jalmat Gas Pool and gas production from the Lower Seven Rivers formation of the Langlie-Mattix Pool. A small portion of the uppermost perforations in the lower gas pay falls within the vertical limits, of the Jalmat Gas Pool as well as the Langlie-Mattix Pool.

MR. NUTTER: We have a letter regarding Case No. 1136 from Amerada Petroleum Corporation.

MR. GURLEY: Is an Amerada representative here this morning?

MR. ABBOTT: You can go ahead and read the letter.

MR. GURLEY: This letter is addressed to the Oil Conservation Commission, State of New Mexico, dated August 14, 1956. In Re: Case No. 1136. Gentlemen: The applicant, Amerada Petroleum Corporation, requests dismissal with prejudice of captioned Case No. 1136, which was set on the Examiner's Hearing Docket 29-56 for hearing at Hobbs, New Mexico on August 22, 1956. A copy of this request for dismissal is being mailed to the five off-set operators. Signed, H. D. Bushnell.

MR. NUTTER: Without objection, Case No. 113 will be
dismissed with prejudice and we will proceed with Case No. 1137.

REPORTER'S CERTIFICATE

I, LOUIS R. GUEVARA, do hereby certify that the foregoing and attached Transcript of Proceedings, pages numbered 2 through 4, were reported by me in Stenograph at the time and place aforesaid; that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings to the best of my knowledge, skill and ability.

DATED this 27 day of August, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Louis R. Guevara
LOUIS R. GUEVARA, Court Reporter

RECEIVED

NOV 2 1960

DOCKET: EXAMINER HEARING AUGUST 22, 1956

New Mexico Oil Conservation Commission 10:00 a.m., Hobbs, New Mexico

Oil Conservation Commission Office, 1000 W. Broadway, Hobbs, New Mexico

The following cases will be heard before Daniel S. Nutter, Examiner:

- CASE 1132: Application of Stanley L. Jones for an unorthodox location and the assignment of an allowable for the Jones and Watkins Platt Well No. 1 in the Dayton Pool, Eddy County, New Mexico, in exception to Rule 104 (c) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting an unorthodox location for the Jones and Watkins Platt Well No. 1 at a point 75 feet from the South line and 125 feet from the West line of Section 26, Township 18 South, Range 26 East, Eddy County, New Mexico, and further that said well be assigned an oil allowable. Said well was initially drilled prior to the promulgation of spacing and well location rules in the area and was later recompleted in the Dayton Pool.
- CASE 1133: Application of Ohio Oil Company for an order granting an unorthodox location and the assignment of a normal unit allowable for its proposed well in the Dean-Devonian Pool, Lea County, New Mexico, in exception to Paragraphs 3, 5 and 6 of the Special Rules and Regulations for the Dean-Devonian Pool as set forth in Order R-707. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox location for its proposed well at a point 1650 feet from the North line and 330 feet from the East line of Section 34, Township 15 South, Range 36 East, Lea County, New Mexico. Applicant further seeks authorization of full allowable for said well notwithstanding its unorthodox location.
- CASE 1134: Application of Neville G. Penrose, Inc. for permission to dually complete its Hinton No. 10 Well in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the dual completion of its Hinton No. 10 Well located in the NW/4 NW/4 of Section 13, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce oil on top from the Blinebry Oil Pool, through the casing-tubing annulus and gas on the bottom from the Tubb Gas Pool through the tubing.
- CASE 1135: Application of The Texas Company for permission to dually complete its A. H. Blinebry (NCT-1) Well No. 3 in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the dual completion of its A. H. Blinebry (NCT-1) Well No. 3 located in the SE/4 NW/4 of Section 29, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce oil on top from the Blinebry Oil Pool and gas on the bottom from the Tubb Gas Pool by means of parallel strings of tubing.
- CASE 1136: Application of Amerada Petroleum Corporation for permission to dually complete its Cagle "C" No. 1 Well as a gas-gas dual in the Jalmat Gas Pool and the Langlie-Mattix Pool, Lea County, New Mexico, in compliance with Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules

and Regulations. Applicant, in the above-styled cause, seeks an order authorizing a gas-gas dual completion for its Cagle "C" No. 1 Well located 990 feet from the North and West lines of Section 3, Township 26 South, Range 37 East, Lea County, New Mexico; said well is to have gas production from the Yates and Upper Seven Rivers formations of the Jalmat Gas Pool and gas production from the Lower Seven Rivers formation of the Langlie-Mattix Pool. A small portion of the uppermost perforations in the lower gas pay falls within the vertical limits, of the Jalmat Gas Pool as well as the Langlie-Mattix Pool.

CASE 1137:

Application of Humble Oil and Refining Company for permission to convert its State "A" Well No. 2 into a salt water disposal well in the San Andres formation of the Hobbs Pool in accordance with New Mexico Oil Conservation Commission Statewide Rule 701. Applicant, in the above-styled cause, seeks an order granting permission to convert its previously abandoned State "A" Well No. 2 into a salt water disposal well; said well is located 330 feet from the South and East lines of Section 25, Township 18 South, Range 37 East, Lea County, New Mexico. Applicant proposes to inject salt water below the oil-water contact of the San Andres formation in the Hobbs Pool.

AMERADA PETROLEUM CORPORATION
P. O. BOX 2040
TULSA 2, OKLAHOMA

cc-011-1466
7/27/56

from gas out

DE-306 (11-1)
due 8/1/56

Drawer D
Monument, New Mexico
July 13, 1956

Case # 1130

Am. Comm. 3
Dec 8/31/56

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Amendment to Dual Completion
Application for Amerada
Cagle "C" No. 1, Langlie-
Mattix Pool

to
300 bushels
311 1/2
310 1/2

Gentlemen:

By this letter of application Amerada Petroleum Corporation wishes to amend their original application dated May 25, 1956, to apply to a Gas-gas dual completion in the Jalmat and Langlie-Mattix Pools. Amerada further wishes to state the following:

- (A) That Amerada Petroleum Corporation Cagle "C" No. 1 is located 990 ft. from north and west lines of Section 3, Township 26 South, Range 37 East, Lea County, New Mexico. The well is located on a 480 acre lease being the E/2 and NW/4 of Section 3, Township 26 South, Range 37 East. The attached Exhibit "A" shows the location of this well together with the location of all offset wells.
- (B) That the subject well has 5 $\frac{1}{2}$ " casing set at 3314 ft. with 500 sacks of cement.
- (C) That the applicant dually completed the well in the following manner:
 - (1) Perforated the 5 $\frac{1}{2}$ " casing in the intervals 2680 ft. to 2735 ft.; 2748 ft. to 2830 ft.; 2838 ft. to 2860 ft., and 2885 ft. to 2940 ft. in the Yates and upper Seven Rivers, Jalmat Gas Pool.
 - (2) Perforated the 5 $\frac{1}{2}$ " casing in the intervals of 3165 ft. to 3195 ft. and 3230 ft. to 3250 ft. in the lower Seven Rivers ~~and upper~~, Langlie-Mattix Pool.
 - (3) Set production type packer at 2990 ft. to separate the two zones.
 - (4) Produce the ~~Langlie-Mattix gas~~ through the tubing and the ~~Jalmat gas~~ through the tubing-casing annulus. The attached Exhibit "B" is a diagrammatic sketch of the dual completion.

- (D) That the granting of this application for permission to produce this well as a dual completion with gas from the Yates and Upper Seven Rivers, and gas from the lower Seven Rivers and Queen is in the interest of conservation and the protection of correlative rights.
- (E) That the applicant will comply with all the rules and regulations of the New Mexico Oil Conservation Commission to maintain separation of production from the two pay zones.
- (F) That the manner and method of the proposed dual completion is mechanically feasible and practical.
- (G) That by copy of this letter of application by registered mail all offset operators are notified of the proposed dual completion.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission grant permission to the applicant to dually complete the subject well as proposed in the application.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By

D. C. Capps
D. C. Capps
District Superintendent

DCC/WGA/lis

STATE OF NEW MEXICO |
COUNTY OF Lea |

Before me, the undersigned authority, on this day personally appeared D. C. Capps, known to me to be the person whose name is subscribed to this instrument, who after being by me duly sworn on oath, states that he has knowledge of all the facts stated above and that the same is a true and correct statement of the facts therein recited

Subscribed and sworn to before me on this the 13th day of July, 1956.

My Commission Expires: August 23, 1959

[Signature]
Notary Public in and for
Lea County, New Mexico

Oil Conservation Commission

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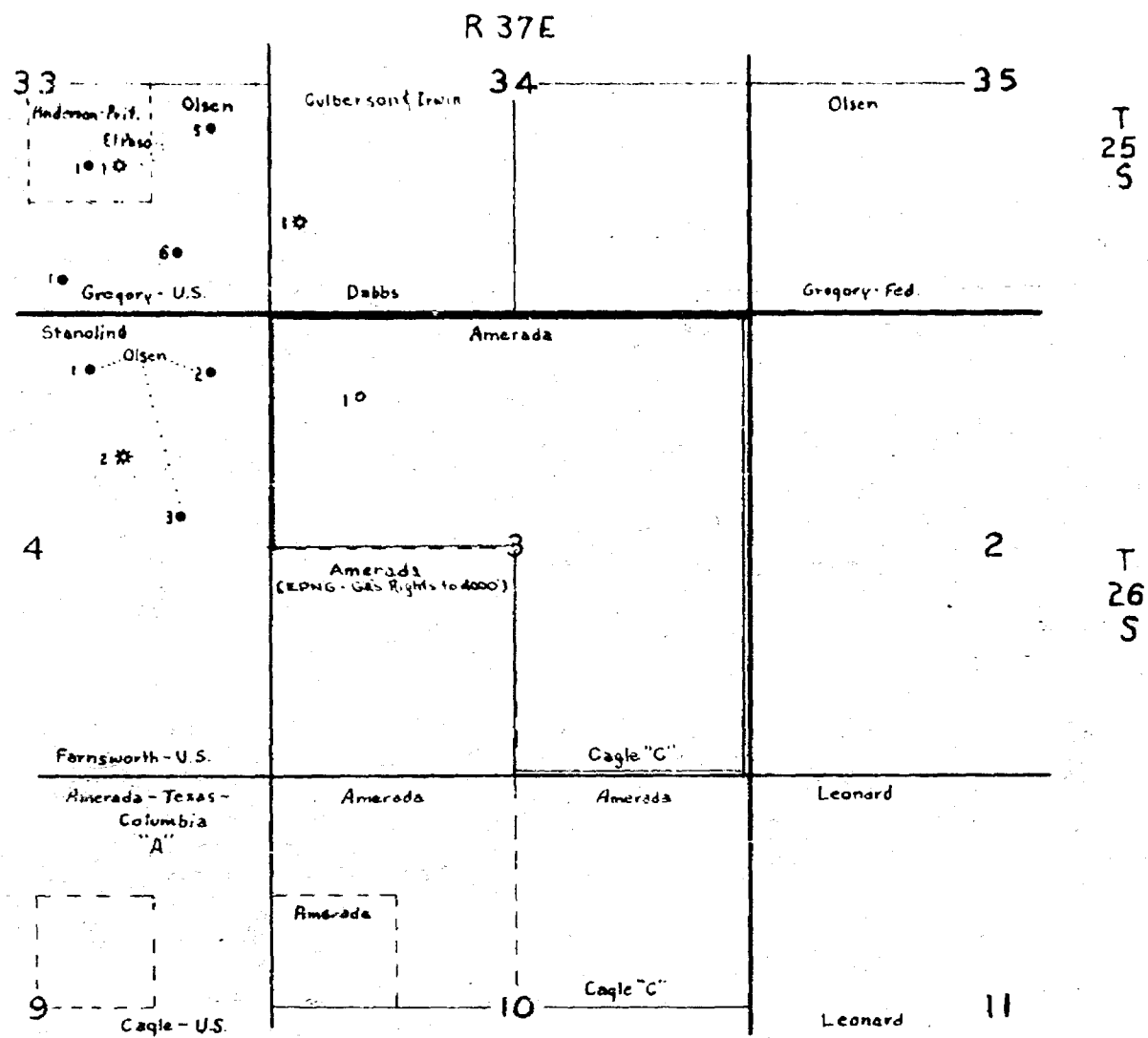
cc: El Paso Natural Gas Company
P. O. Box 1384
Jal, New Mexico

Stanolind Oil & Gas Company
P. O. Box 899
Roswell, New Mexico

Southern California Petroleum Corp.
P. O. Box 172
Midland, Texas

R. Olsen Oil Company
Drawer Z
Jal, New Mexico

The Texas Company
P. O. Box 1270
Midland, Texas



Amerada Petroleum Corporation

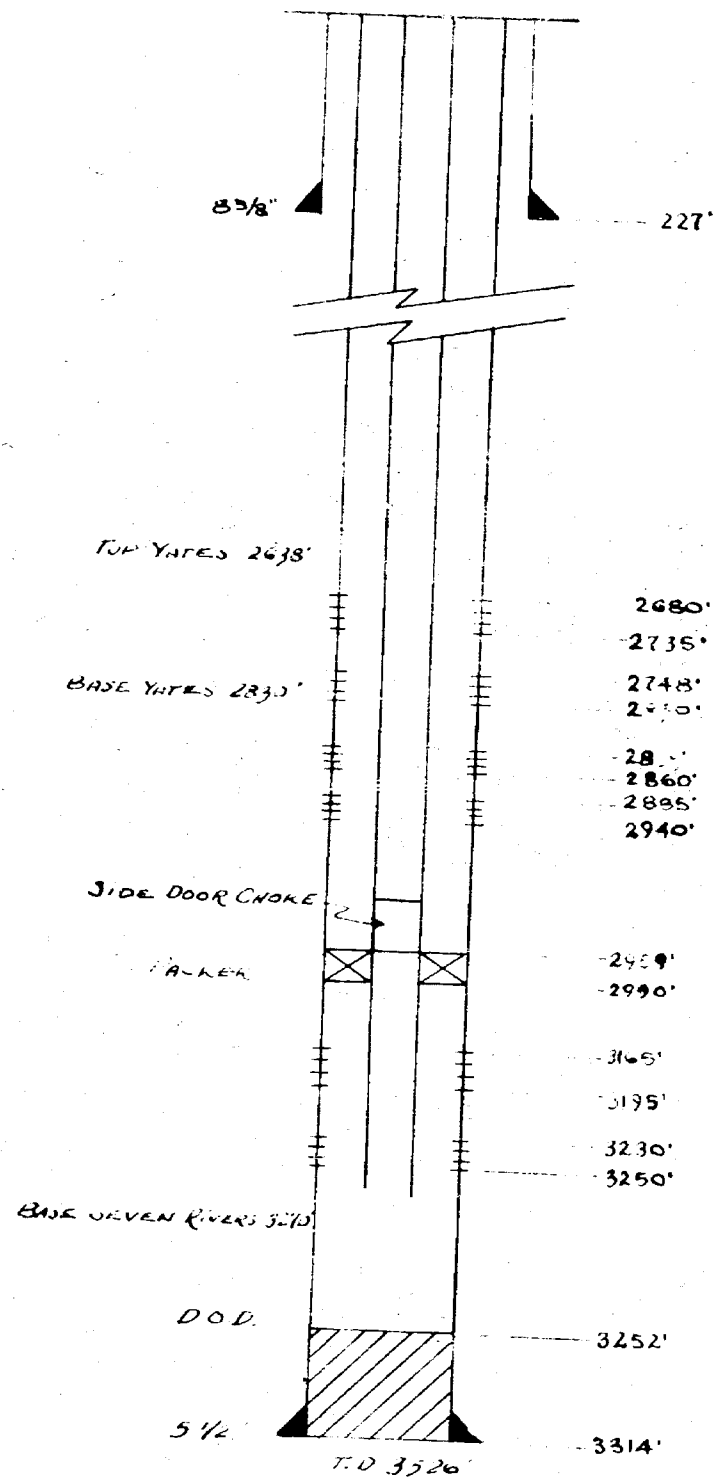
C. C. Cagle "C" No. 1

990' FN & WL

Section 3, T-26-S, R-37-E

480 Acres

Exhibit "A"



31

Amerada Petroleum Corporation

Proposed Dual Completion

C. C. Cagle "C" No. 1

Sec. 3, T-26-S, R-37-E

Exhibit "B"

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE July 26, 1956

MR. W. B. MACEY
OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

RE: PROPOSED ORDER NO. DC 306 (Amend)

Dear Mr. Macey:

I have examined the application for dual completion dated 7/13/56
for Amerada Pet. Corp. Cagle "C" #1 3-26-37
Operator Lease Name Well No. Unit S-T-R

and my recommendations are as follows:

O.K.---C.R.

O.K.---J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

W. M. Ledy
Engineer-District 1

GENERAL OFFICES
100 BROADWAY NEW YORK

Case 1136

AMERADA PETROLEUM CORPORATION

BEACON BUILDING

P. O. BOX 2040

TELSA 2, OKLA.

ROBERT J. STANTON
GENERAL COUNSEL
JOHN S. MILLER
ASSISTANT GENERAL COUNSEL

LEGAL DEPARTMENT

H. D. BUSHNELL
HAROLD J. FISHER
JAMES C. MCWILLIAMS
VIRGIL C. MORELLE
ARDEN E. ROSS
JOHN W. STEWART
ATTORNEYS

August 14, 1956

Oil Conservation Commission
State of New Mexico
125 Mabry Hall
Capitol Building
Santa Fe, New Mexico

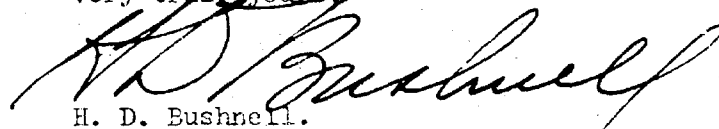
Re: Case No. 1136,
Amerada's application to permit
dual completion of its C.C.Cagle
C-#1 Well located in NW/4 of
Section 3-26S-37E, Lea County,
New Mexico.

Gentlemen:

The applicant, Amerada Petroleum Corporation, requests
dismissal with prejudice of captioned Case No. 1136, which was set
on the Examiner's Hearing Docket 29-56 for hearing at Hobbs, New
Mexico on August 22, 1956.

A copy of this request for dismissal is being mailed
to the five off-set operators.

Very truly yours,


H. D. Bushnell.

HDB:FC

Air Mail

El Paso Natural Gas Company

El Paso, Texas

July 30, 1956

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

re: Amendment of Application of
Amerada Petroleum Corporation
to dually complete its Cagle "C"
No. 1 well in the NW/4 NW/4,
Section 3, Township 26 South,
Range 37 East, Lea County, N.M.

Case # 1136

Gentlemen:

El Paso Natural Gas Company, as an offset owner to captioned well, hereby objects to administrative approval of Amerada's amended application for dual completion of captioned well for the reason that both completion intervals proposed in that application are within the vertical limits of the Jalmat Gas Pool, and the separate assignment of allowable to each interval will result in a disproportionate withdrawal from the well to the prejudice of the correlative rights of offset owners.

Accordingly, El Paso requests administrative approval of subject application be denied and this matter be set down for hearing by the Commission upon due notice. Inasmuch as the question of what allowable should be assigned to captioned well was raised in Case No. 1093 and is now pending before the Commission, and inasmuch as such question is relevant to Amerada's amended application to dually complete captioned well, we further request the Commission issue no order in Case No. 1093, until subject application is heard by the Commission and the records in both cases are considered concurrently.

Yours very truly,

John A. Woodward
John A. Woodward

JAW:jw