

CASE 1170: Application of Shell
Oil Company for a 120-acre non-
standard unit.

Case No.

1170

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
October 31, 1956

IN THE MATTER OF: *
CASE 1170 *

TRANSCRIPT OF PROCEEDINGS

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
October 31, 1956

IN THE MATTER OF:

The application of Shell Oil Company for the establishment of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool, Lea County, New Mexico, in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-610. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of Lots 6, 10 and 11 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico; said unit to be assigned to applicant's Taylor Glenn No. 1 Well, located 3226 feet from the North line and 1980 feet from the West line of said Section 3.

CASE NO. 1170

BEFORE:

Warren W. Mankin, Examiner

TRANSCRIPT OF HEARING

EXAMINER MANKIN: The next case is Case 1170.

GURLEY: Case 1170, application of the Shell Oil Company for establishment of 120-acre non-standard gas proration unit, Blinebry Gas Pool, Lea County, New Mexico in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-610.

J. M. MCCAGUE

having first been duly sworn in testified as follows:

EXAMINER MANKIN: Have you previously - - - - -

MCCAGUE: No, sir.

EXAMINER MANKIN: Will you give your education and your professional experience as a Petroleum Engineer?

MCCAGUE: My name is J. M. McCague. I was graduated from the University of Pittsburgh in June of 1953 with a B.S. in Petroleum Engineering. I was employed by Shell at that time as an exploitation engineer. I have worked for approximately the past two years in the Shell Hobbs Division Office as an Exploitation Engineer and I am familiar with Shell's operations in the Blinebry and Terry-Blinebry Pool.

EXAMINER MANKIN: Your qualifications are acceptable, proceed.

MCCAGUE: This application for a 120-acre non-standard unit is to be assigned the Taylor Glenn 1. Taylor Glenn 1 is drilled to a total depth of 8590 feet in granite and subsequently plugged back to 6720. The well was completed through casing perforations from 6625 to 6715 as a Drinkard producer in March 1948. Following authorization by Commission Order DC 293, the well was dually completed as a Drinkard Oil-Blinebry Gas Division. On potential tests the Blinebry zone indicated that absolute open flow of 13.3 million cubic feet per day through perforations from 5816 to 5850. I would like to enter as Exhibit 1 a Welox Radio-Activity Log which was run prior to the dual completion. All of the pertinent formation tops are indicated. In the Blinebry zone, I have the perforations indicated, the zone from 5816 to 5850 was treated with 10,000 gallons jelled lease crude containing a pound per 677 gallons of sand. Also indicated is the absolute open flow. On the left-hand margin of the log, I have indicated the vertical limits of the Blinebry Gas Pool as designated by Order R-610. That would be 75 feet above the Blinebry marker to 300 feet below the marker. In addition, the gas condensate ration on the absolute open flow test was 49,379 cubic feet per barrel which is well above the lower limit assigned to the Blinebry gas well by Order R-610. I believe the lower limiting ratio was 32,000, in the Blinebry Pool. The gravity of the condensate is indicated on the log as well as on the Commission Potential Form that was submitted. The gravity was 57 degrees API which is above the lower limiting gravity assigned by Order R-610, of 51 degrees API. I would like to enter next as Exhibit 2, copies of

the Form C-128, the gas proration plat which was submitted with the application. As Exhibit 3, I would like to submit a plat covering generally the same area as the C-128 but the present Commission outline, Commission designated outline of the Blinebry and Terry-Blinebry Pools are indicated. The plat is outlined in green, the lower lefthand portion of the plat is in the limits of the Blinebry Gas and Blinebry Oil Pool. The upper right hand and eastern portion of the map is in the Terry-Blinebry Oil Pool. Also indicated is the proposed unit. As Exhibit 4, the last Exhibit, I'd like to enter a contour plat, contoured on the Blinebry marker in the vicinity of the Taylor-Glenn Lease and the proposed unit. In carbonate resevoirs made up of beds and varying porosity and permeability, it is difficult to ascertain an exact gas-oil contact. Shell's development experience in the area as well as an investigation in the most of the producing wells, indicates a transition zone between the oil and gas columns at approximately 2250 feet subsea. By transposing this contact on this plat, contoured on the Blinebry marker, the entire unit proposed is indicated to be gas productive, considering that the Blinebry marker itself is 75 feet below the top of the Blinebry gas pool. I'd like to bring up one other aspect of the case, I believe the Commission is in receipt of a letter from Continental, converning their views on our application. To clarify Shell's position, I would like to read a portion of the letter sent from our office to Continental's office, a letter signed by Mr. W. B. Owen, a letter to Mr. R. L. Adams in Roswell, New Mexico. "Dear Mr. Adams: With reference to past correspondence on communitization of interests of Blinebry gas developments in Section 3, 21-37, this is to reaffirm to you that Shell is interested in including your property in Lot 12, Section 3, 21-37, in the acreage to be dedicated to Taylor-Glenn 1, a Erinkard Oil-Blinebry Gas dual. Our present request before the Oil Conservation Commission for a 120-acre non-standard proration unit in the Blinebry Gas Pool embracing only Shell owned property is solely for the purpose of getting the well on production.

We presently are working up the necessary papers to secure our management's approval, and we plan to make a statement at our hearing for Taylor-Glenn 1 that we are working toward inclusion of the Continental operated acreage in the eventual gas unit for the well." As to the progress of the units, I can't testify to that in that those agreements are made up in our Land Office in Roswell, but they are in progress.

CURLEY: What is your royalty ownership of the gas tract?

A. Shell has all the working interests and on the Taylor-Glenn Estate.

Q. The Taylor-Glenn Estate owns the entire - - - - -

A. I believe there is some diversity of ownership on separate tracts, in that - - - - - yesterday in fact, we received a letter from our Crude Oil Department stating that we should inform them immediately upon action by the Commission on our application so that they can split up the royalty as the diversified interests indicate.

Q. Well, now, was the lease obtained from one individual or was it obtained from the various royalty owners at that time?

A. I believe it was obtained just as the estate, but I can't testify to this matter.

Q. It was all obtained under one lease though, wasn't it?

A. Yes, it is one common lease number.

Q. Okay, that's fine. Now, assuming that Continental joins you in this unit, it would still be a non-standard unit?

A. That's right. It is non-standard in that the Elinebry Pool Rules state that a standard unit must lie wholly within a governmental quarter-section, and of course we - - - - -, first off, it's a long section, and secondly it - - -, portions of the unit are in the eastern and western half of the section so it could not in any case be a standard unit.

Q. My purpose of that question was so that you understand that should you join with Continental you will be required to come in for another hearing, to establish what will still be a non-standard unit.

A. Will the - - - - - , in other words, then the other hearing would mean only the establishing of their 40 acres as gas productive?

GURLEY: And that it now has been dedicated to your well.

MCCAGUE: Yes, - - - - - our application will, of course, necessitate a change in the present pool boundaries and I believe from reading the paper last night that it is set up for nomenclature hearing next month? Is that correct?

EXAMINER MANKIN: That is correct. Let the record show that these particular deletions from the Terry-Blinebry Oil Pool and inclusion in the Blinebry Gas Pool will be covered in Case No. 1175 to be heard on November 13th before the full Commission.

MCCAGUE: Lot 12 is also included, is that correct? That being Continental's 40 acres.

EXAMINER MANKIN: That is correct.

GURLEY: One other question, these Exhibits were prepared by you or under your direction?

A. They were prepared by me.

Q. You wish to submit them at this time?

A. Yes.

EXAMINER MANKIN: Is there objection to entering these 4 Exhibits? If not, they will be so entered. Do you have anything else Mr. McCague?

A. No, I don't.

GURLEY: If it please the Examiner, I would like to read the Continental letter into the record at this time.

EXAMINER MANKIN: Well, is there a Continental representative here at this time? If not, proceed with the reading of the letter.

GURLEY: Addressed to the New Mexico Oil Conservation Commission, Attention, Mr. A. L. Porter, Jr., "Gentlemen: We have received a copy of Shell Oil Company's application for approval of 120-acre non-standard gas proration unit to be assigned to their Lander-Glenn Well No. 1, located 3226

feet from the North line and 1980 feet from the West line, Section 3, Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico. We understand that the proposed unit consists of Lots 6, 10 and 11 in said Section 3. For your information, negotiations are in progress between our Company and Shell Oil Company for the communitization of Lot 12 in that Section with said Lot 12 as a part of our Hawk "B" 3 Lease with the acreage now proposed for a non-standard unit. This communitization has not yet been consummated, but we are continuing to work toward that end. You are respectfully advised that Continental Oil Company has no objection to the formation of a non-standard gas proration unit with the understanding and upon the condition that an enlargement may be obtained to include the aforesaid Lot 12 in the unit assigned to Shell's aforesaid Taylor-Glenn Well No. 1 at such time as the pending communitization is actually consummated. Yours very truly, signed H. C. Johnson, Continental Oil Company."

EXAMINER MANKIN: Would you - - - - - on your Exhibit 4, you indicate a well location for Well No. 8 on the Taylor-Glenn Lease.

MCCAGUE: Yes, that is a Shell Taylor-Glenn No. 8 now drilling at a depth of approximately 4800 feet, it is a proposed Terry-Blinebry Oil completion. There is a location north of the proposed acreage indicated as Continental Hawk "B" No. 3. It is now drilling well, I am not sure of the actual depth, it is projected to the Tubb, I believe. Tubb formation.

EXAMINER MANKIN: Referring again to the Shell's Taylor-Glenn No. 8, it would appear that it would be very close to the gas-oil contact, is that correct?

A. It is correct.

Q. But with the section that would be open, do you have any opinion as to whether it would be gas productive or oil productive?

A. The Blinebry formation has at least three distinct porous intervals, it is my understanding that its planned to complete Taylor-Glenn 8 in the lower porous interval which will be presumably below the gas-oil contact. There will,

of course be, in the higher portions, it most probably would be gas bearing but we're at the portion of the field here where its getting difficult to delineate until further development pins down the actual portion of being gas bearing and those portions being oil bearing.

Q. Alright, would you - - - - Shell has completed their No. 7 Well in Lot 8, Section 4, that well is presently carried as a Blinebry Oil Well, do you have any feelings as to whether that should be a Terry-Blinebry Oil Well?

A. Yes, its - - - - as far as the accumulation, I can't see any difference in the oil or the actual resevoir as to whether its Blinebry or Terry-Blinebry in this particular area, its all the same resevoir, but it just happens that the boundary line is such - - - - runs between Section 3 and 4 in this area - - - - it could be switched either way.

Q. Would you suggest possibly at some future hearing, the Commission should consider that that particular well should be changed to the Terry-Blinebry and that area taken out of the Blinebry Oil Pool and put into the Terry-Blinebry Oil Pool?

A. That would be taking Well No. 7 from the Blinebry and putting it into the Terry-Blinebry, is that correct?

Q. Yes, by a process of nomenclature, would you think that that would be a proper nomenclature consideration?

A. Yes, it would be proper. In fact, as soon as Taylor-Glenn 8 is completed, something will have to be done there, in that I believe it is common tankage, and we would ask for an exception to commingle the oil and ask that both wells be put in the same unit. Of course, thats a separate matter.

Q. This is a very intricate area that has been - - - - nomenclature has been given to the Blinebry Gas Pool and the Terry-Blinebry Oil Pool and the Blinebry Oil Pool and its been rather sketchy information in the past, is that correct?

A. I would not say that, although in this particular area when the Blinbry Rules were set up, there was not any way near the development that is there now. Its quite a bit easier to delineate in this area than it was when the Pool Rules were set up.

Q. Would Shell be agreeable to furnishing some representative to appear at the Nomenclature Hearing on November 13th to substantiate essentially what has been given here today for purposes of the Nomenclature?

A. Well, I really can't testify as to that - - - - -

Q. Would that be passed on to Shell's management? Whereby they might help the Commission in that respect?

A. Well, as I say, I can't testify to just what Shell would do but I - - - - -

Q. The Commission would desire that.

A. We'll do whatever the Commission desires.

Q. Then, from your Exhibit h, it would appear that all the acreage appears to be gas-productive considering the gas-oil contact which you have picked at 2250?

A. By all the acreage, you mean all the acreage proposed in this particular unit?

Q. In this particular unit, 120 acres.

A. Right.

Q. It would appear than that a well in Section 7 of Lot 3 might well be - - - - -

ABBOTT: Pardon me?

Q. A well in Lot 7 of Section 3 which is Continental's acreage adjoining this might well be either gas productive or oil productive, depending upon the interval at which it was attempted?

A. Yes, thats correct. It could be either one.

EXAMINER BAYNE: Is there further question of the witness? You have already entered all four Exhibits.

WCCAGUE: I believe, if not I move that they be entered.

EXAMINER MANKIN: Without objection, they will be so entered. Do you have anything further?

A. No.

EXAMINER MANKIN: If there is nothing further, the witness will be excused, and we will take the case under advisement.

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

I, Doris Arnold, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Commission Examiner at Hobbs, New Mexico, is a true and correct record, to the best of my knowledge, skill and ability.

Dated at Santa Fe, New Mexico this 8th day of January, 1957.

Doris Arnold

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. 1170
Order No. R-920

THE APPLICATION OF SHELL OIL COMPANY
FOR AN ORDER GRANTING APPROVAL OF AN
EXCEPTION TO RULE 5 (A) OF THE SPECIAL
RULES AND REGULATIONS FOR THE BLINDBERRY
GAS POOL AS SET FORTH IN ORDER R-610,
IN THE ESTABLISHMENT OF A NON-STANDARD
GAS PRODUCTION UNIT OF 120 CONTIGUOUS
ACRES CONSISTING OF LOTS 6, 10, AND 11,
SECTION 3, TOWNSHIP 21 SOUTH, RANGE 37
EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m.
on October 31, 1956, at Hobbs, New Mexico, before Warren W. Mankin,
Examiner duly appointed by the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission," in accordance
with Rule 1214 of the Commission's Statewide Rules and Regulations.

NOW, on this 27th day of November, 1956, the Commission,
a quorum being present, having considered the application, the
evidence adduced, and the recommendations of the Examiner, Warren
W. Mankin, 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 cause and the subject
matter thereof.

(2) The applicant, Shell Oil Company is the owner of
a patented oil and gas lease in Lea County, New Mexico, the land
consisting of other than a legal quarter section and described in
part as follows:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 3: Lots 6, 10, and 11

containing 120 acres more or less.

(3) The applicant, Shell Oil Company has a producing
well on the aforesaid lease known as Taylor Glenn No. 1, located
3226 feet from the North line and 1980 feet from the West line of
Section 3, Township 21 South, Range 37 East, NMPM, Lea County,
New Mexico.

(4) That the aforesaid well was dually completed in the Blinebry Gas Pool and the Drinkard Pool, said dual completion having been approved by Commission Order No. DC-293.

(5) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blinebry Gas Pool.

(6) The creation of a gas proration unit consisting of the aforesaid acreage will not cause, but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Shell Oil Company for approval of 120 acre non-standard gas proration unit consisting of the following described acreage in the Blinebry Gas Pool:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 3: Lots 6, 10, and 11

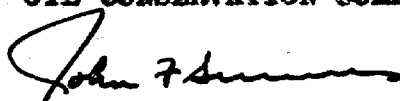
be and the same is hereby approved, and a proration unit consisting of the aforesaid acreages is hereby created.


(2) Applicant's Taylor Glenn Well No. 1, located on the above-described unit shall be granted an allowable in the proportion that the above-described 120 acre unit bears to the standard proration unit for said pool.


(3) That the effective date of said allowable shall be in accord with provisions of Rule 16 of the Special Rules and Regulations for the Blinebry Gas Pool as set forth in Order R-610.

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



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 29, 1956

C
O
P
Y

Mr. W. E. Owen
Shell Oil Company
P. O. Box 1957
Hobbs, New Mexico

Dear Sir:

We enclose a copy of Order R-920 issued on November 27, 1956, by the Oil Conservation Commission in Case 1270, which was heard on October 31, 1956, in Hobbs, New Mexico.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

jh
encl.



MAIL ROOM 000

SHELL OIL COMPANY

SEP 18 1956

Case # 1170

Examine Hq
before ~~WWM~~

on 10/31/56
@ Hobbs

Box 1957
Hobbs, New Mexico

September 18, 1956

Subject: Application by Shell Oil Company
for 120-acre Non-Standard Proration
Unit for its Taylor Glenn No. 1 in
Section 3, T-21-S, R-37-E, Blinbry
Gas Pool, Lea County, New Mexico

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

Gentlemen:

Shell Oil Company respectfully requests that the Conservation Commission schedule a hearing to consider its application for approval of a 120-acre non-standard gas proration unit embracing Lots 6, 10 and 11 of Section 3, T-21-S, R-37-E, Lea County, New Mexico, to be assigned to Taylor Glenn No. 1 located 3226 feet from the north line and 1980 feet from the west line of Section 3, T-21-S, R-37-E. In support of this request, we submit the following information:

1. Taylor Glenn No. 1 was dually completed in a manner as shown on the attached diagrammatic sketch and approved by Commission Order No. DC-293.
2. The proposed unit consists of contiguous quarter-quarter sections (and/or lots).
3. The proposed unit lies wholly within a single governmental section but is located within two adjacent quarter-quarter sections.
4. The entire unit may reasonably be presumed productive of gas.
5. The length or width of the proposed unit will not exceed 2640 feet.
6. All offset operators have been furnished copies of this application by registered mail.

We would appreciate your setting this application for hearing before an Examiner at your earliest convenience.

Yours very truly,

W. E. Owen

W. E. Owen
Division Manager

Attachments

Sent copy to
Docket
to Hallman
10/12/56

cc: Continental Oil Company
Box 68
Eunice, New Mexico

cc: New Mexico Oil Conservation Commission
Box 2045
Hobbs, New Mexico

NEW MEXICO
OIL CONSERVATION COMMISSION

Form C-128

Well Location and/or Gas Proration Plat

Date _____

Operator Shell Oil Company Lease Taylor-Glenn

Well No. 1 Section 3 Township 21-S Range 37-E NMPM

Located 3226 Feet From North Line, 1980 Feet From West Line,

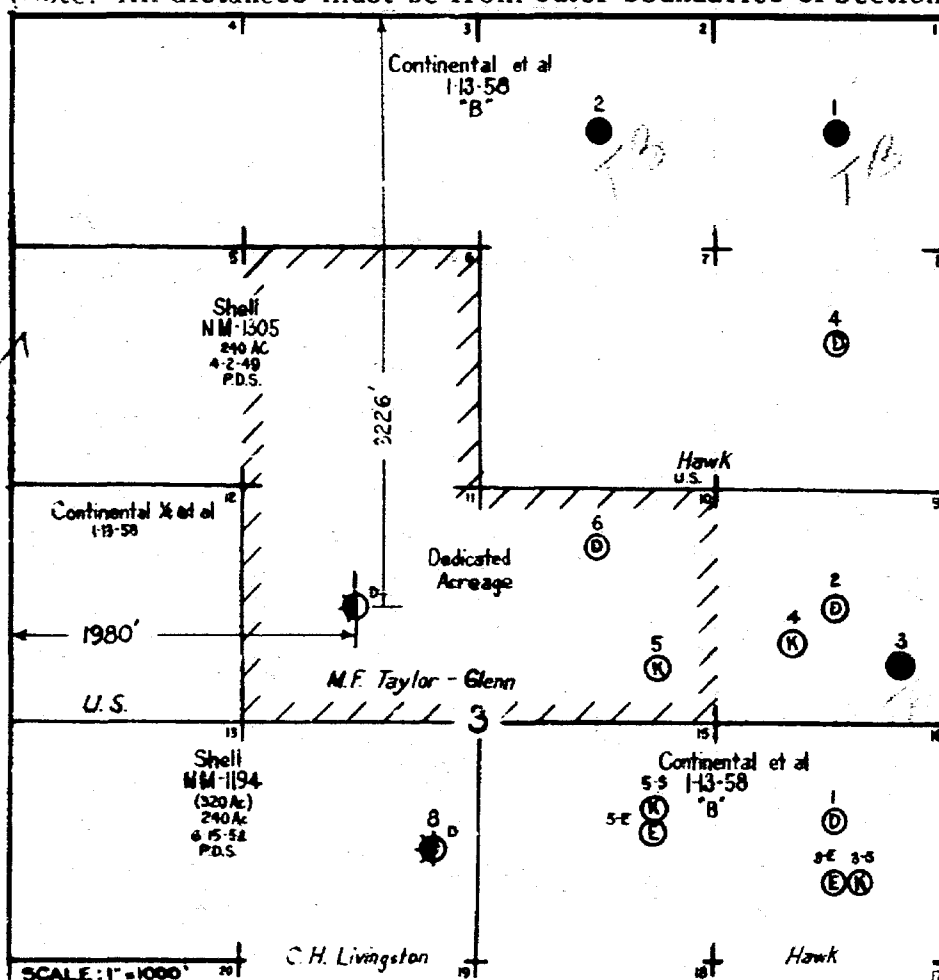
Lea County, New Mexico. G. L. Elevation approximately 3474

Name of Producing Formation Blinebry Pool Blinebry Dedicated Acreage 120

(Note: All distances must be from outer boundaries of Section)

Legend

- Blinebry Producer
- ⊙ Drinkard Producer
- ⊙ McKee Producer
- ⊙ Ellenburger Producer



Note:
The lower 320
acres of this sec-
tion are not
shown because of
the unusual shape
of section.

1. Is this Well a Dual Comp. ? Yes ☒ No ☐
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage? Yes ☐ No ☒

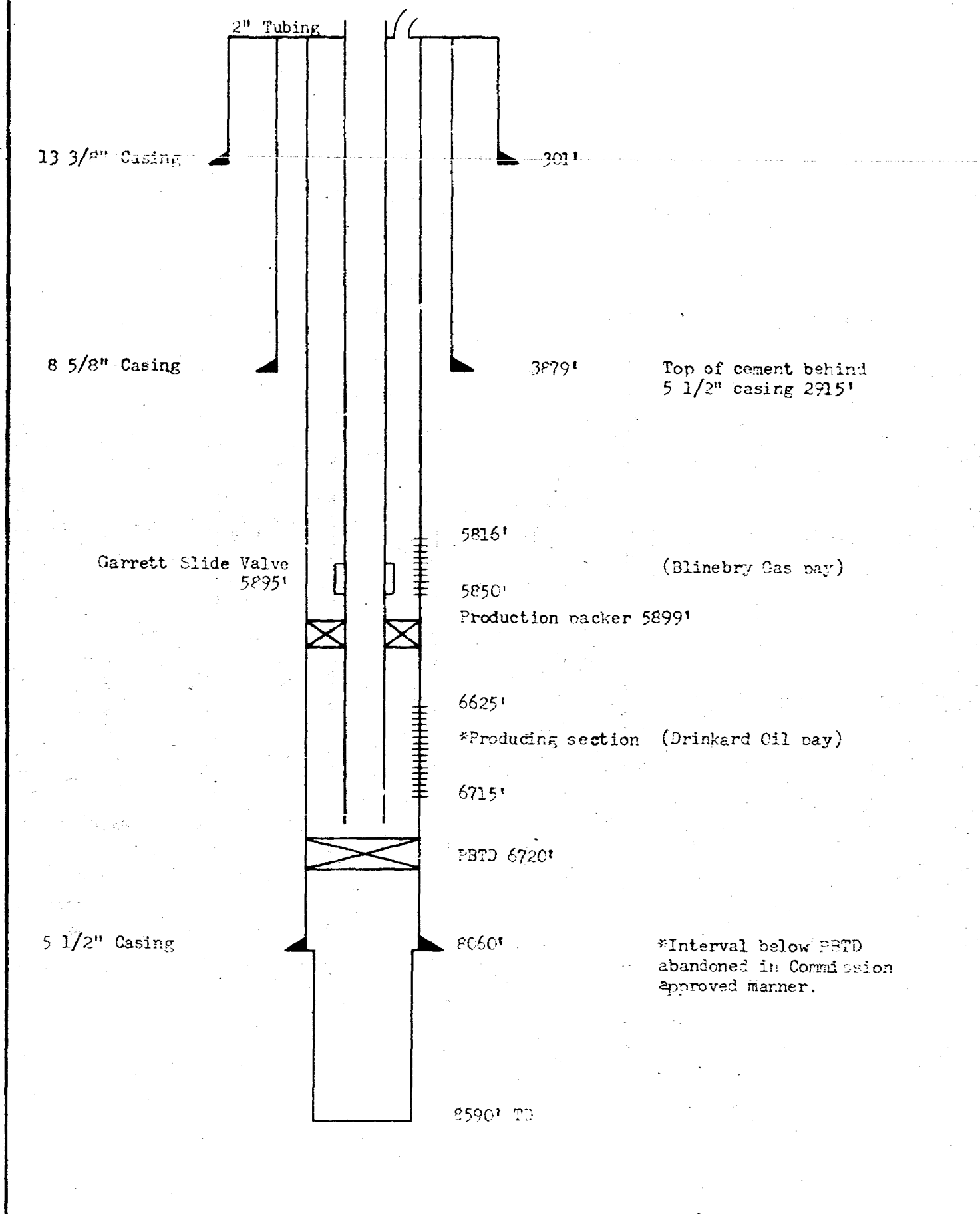
Name B. Nevill *B. Nevill*
Position Division Exploitation Engineer
Representing Shell Oil Company
Address Box 1957, Hobbs, New Mexico

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed _____

Registered Professional Engineer and/or
Land Surveyor

Schematic Diagram of Dual Completion
Shell Taylor-Glenn 1



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 11/8/56

CASE 1170

Hearing Date 9 am before W.M. @ H.H. on 10/73

My recommendations for an order in the above numbered cases are as follows:

- FIND:
- ① appl. would be deemed a fair share of gas if deemed
 - ② should approve
 - ③ within vertical limits of Blinkey test
 - ④ By separate hearing the Commission is to place this unit in Blinkey Gas Pool after delineating area from Terry Blinkey oil pool.

Order: ① approve 120 ac Unit

- ② allow eff. per Rule ¹⁶ ~~15~~ of pool rules

Waverly Mauter

Staff Member

DOCKET: EXAMINER HEARING OCTOBER 31, 1956

New Mexico Oil Conservation Commission 9:00 a.m., Hobbs, New Mexico

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

The following cases will be heard before Warren W. Mankin, Examiner:

CASE 1167: Application of Plemons and Hewitt for an order granting permission to commingle oil in exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations. Applicants, in the above-styled cause, seek an order granting permission to produce oil from the Fren Pool and Premier Pool into common tankage; said oil to be produced from applicants' Friess No. 1 Well in the NE/4 NW/4 of Section 30, Township 17 South, Range 31 East, (Premier Pool), Eddy County, New Mexico, and the Friess No. 2 Well in the SE/4 NW/4 of said Section 30 (Fren Pool).

CASE 1168: Application of Schermerhorn Oil Corporation for establishment of a 285-acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-520. Applicant, in the Above-styled cause, seeks an order establishing a non-standard gas proration unit in the Eumont Gas Pool consisting of:

Township 18 South, Range 37 East
Section 33: S/2 SW/4 and NW/4 SW/4

Township 19 South, Range 37 East
Section 4: NW/4

all in Lea County, New Mexico; said unit to be dedicated to applicant's Linam "B" Well No. 2, located 660 feet from the South line and 2310 feet from the West line of said Section 33.

CASE 1169: Application of Amerada Petroleum Corporation for an order establishing an 80-acre non-standard gas proration unit in the Blinebry Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-610. Applicant, in the above-styled cause, seeks an order establishing an 80-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the SE/4 NW/4 and SW/4 NE/4 of Section 20, Township 21 South, Range 37 East, Lea County, New Mexico;

said unit to be dedicated to applicant's J. G. Randle "A" No. 1 Well, located 1980 feet from the North and West lines of said Section 20.

CASE 1170:

Application of Shell Oil Company for the establishment of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool, Lea County, New Mexico, in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-610. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of Lots 6, 10 and 11 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico; said unit to be assigned to applicant's Taylor Glenn No. 1 Well, located 3226 feet from the North line and 1980 feet from the West line of said Section 3.

CASE 1171:

Application of Neil H. Wills for approval of six (6) unorthodox well locations in the Russell 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 authorizing the following unorthodox well locations in Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico, in the Russell Pool.

Well No. 26: 1305 feet from North line and 1980 feet from East line.
Well No. 27: 1325 feet from South line and 660 feet from West line.
Well No. 28: 1325 feet from the South line and 1315 feet from West.
Well No. 29: 1325 feet from South line and 5 feet from West line.
Well No. 30: 660 feet from South line and 5 feet from West line.
Well No. 31: 660 feet from South line and 1315 feet from West line.

Well No. 26 is a producing oil well and Wells No. 27 through No. 31 are proposed water injection wells to implement the applicant's water flood program in the Russell Pool as authorized by Order R-263 and R-899.

MAIN OFFICE 000



Case #1170

SEP 27 1956 2:11

CONTINENTAL OIL COMPANY

FAIR BUILDING
FORT WORTH 2, TEXAS

H. L. JOHNSTON
REGIONAL MANAGER OF PRODUCTION
SOUTHWESTERN REGION

September 27, 1956

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

We have received a copy of Shell Oil Company's application for approval of a 120-acre non-standard gas production unit to be assigned to their Taylor Glenn well No. 1, located 3226 feet from the North line, 1980 feet from the West line, Section 3 - T21S - R37E, Blinbry Gas Pool, Lea County, New Mexico. We understand that the proposed unit consists of Lots 6, 10 and 11 in said Section 3.

For your information, negotiations are in progress between our company and Shell Oil Company for the communitization of Lot 12 in this section, which said Lot 12 is a part of our Hawk B-3 Lease, with the acreage now proposed for a non-standard unit. This communitization has not yet been consummated, but we are continuing to work toward that end.

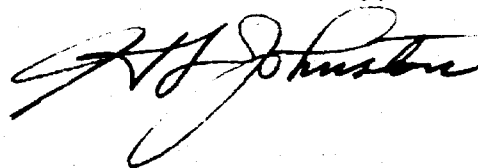
You are respectfully advised that Continental Oil Company has no objection to the formation of the non-standard

Read at hearing
CONOCO
Not present

Mr. A. L. Porter, Jr.
Page 2

unit proposed, with the understanding, and upon the condition,
that an enlargement may be obtained to include the aforesaid
Lot 12 in the unit assigned to Shell's aforesaid Taylor Glenn
well No. 1 at such time as the pending communitization is
actually consummated.

Yours very truly,



HLJ-SL
CC: Shell Oil Company
Box 1957
Hobbs, New Mexico
Attention: Mr. W. E. Owen

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 1146
CASE 1146

NEW MEXICO
OIL CONSERVATION COMMISSION

Form C-128

Well Location and/or Gas Proration Plat

Date _____

Operator Shell Oil Company

Lease Taylor-Glenn

Well No. 1 Section 3 Township 21-S Range 37-E NMPM

Located 3226 Feet From North Line, 1980 Feet From West Line,

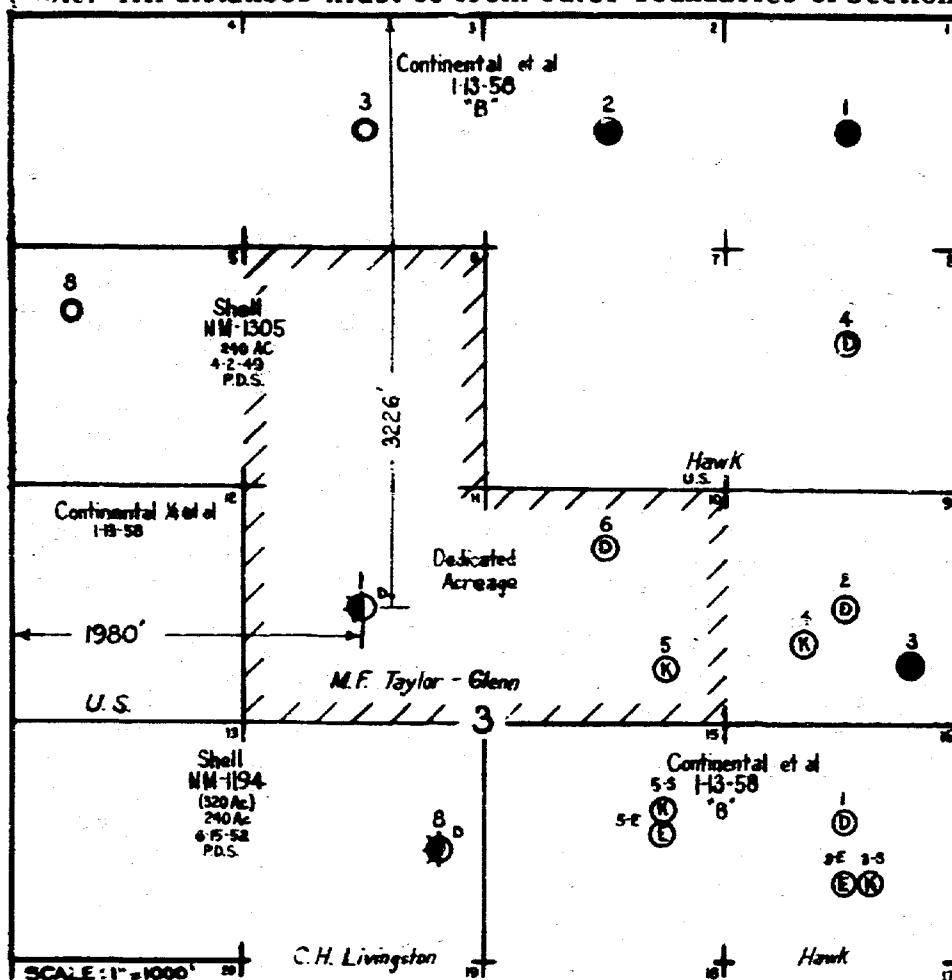
Lea County, New Mexico. G. L. Elevation approximately 3474

Name of Producing Formation Blinebry Pool Blinebry Dedicated Acreage 120

(Note: All distances must be from outer boundaries of Section)

Legend

- Blinebry Producer
- ⊙ Drinkard Producer
- Ⓚ McKee Producer
- ⓔ Ellenburger Producer



Note:
The lower 320
acres of this section
are not
shown because of
the unusual shape
of section.

1. Is this Well a Dual Comp.? Yes ☒ No ☐

2. If the answer to Question 1 is yes, are there
any other dually completed wells within the
dedicated acreage? Yes ☐ No ☒

Name B. Nevill
Position Division Exploitation Engineer
Representing Shell Oil Company
Address Box 1957, Hobbs, New Mexico

This is to certify that the above plat was
prepared from field notes of actual surveys
made by me or under my supervision and
that the same are true and correct to the
best of my knowledge and belief.

Date Surveyed _____

Registered Professional Engineer and/or
Land Surveyor

5000 Scale, 7 1/2
1949 Rev. 11/1

5000 Scale

