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Case No.

1195

Application, Transcript,
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. 1195
Order No. R-972-F

APPLICATION OF GRARIDGE CORPO-
RATION FOR AN ORDER AUTHORIZING
CAPACITY ALLOWABLES FOR THREE
WELLS IN THE PROJECT AREA OF ITS
WATER FLOOD PROJECT IN THE
CAPROCK-QUEEN POOL, LEA AND
CHAVES COUNTIES, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 o'clock a.m. on June 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, 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 Rules and Regulations.

NOW, on this 10th day of July, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Graridge Corporation, is the operator of a water flood project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico.
- (3) That said water flood project has caused an increase in the producing capacity of three wells in the project area to the extent they are now capable of producing in excess of the top unit allowable for the Caprock-Queen Pool.
- (4) That permission is sought to produce the following-described wells at capacity, on the ground that the production from a water flood project cannot be curtailed without causing a reduction in the ultimate recovery of oil:

-2-

Case No. 1195
Order No. R-972-F

Cap-Unit Well No. 29-13, SW/4 SW/4 of Section 29,
Township 12 South, Range 32 East

Cap-Unit Well No. 36-15, SW/4 SE/4 of Section 36,
Township 12 South, Range 31 East

Cap-Unit Well No. 6-5, SW/4 NW/4 of Section 6,
Township 13 South, Range 32 East

(5) That the preponderance of the evidence presented in this case indicates that waste might occur if production from the above-described wells is restricted.

(6) That the above-described wells should be granted capacity allowables.

IT IS THEREFORE ORDERED:

(1) That the following-described wells be and the same are hereby granted allowables equal to their capacity to produce:

Cap-Unit Well No. 29-13, SW/4 SW/4 of Section 29,
Township 12 South, Range 32 East

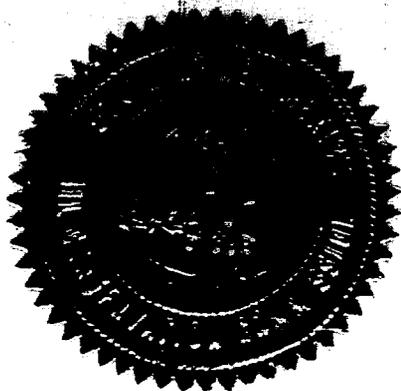
Cap-Unit Well No. 36-15, SW/4 SE/4 of Section 36,
Township 12 South, Range 31 East

Cap-Unit Well No. 6-5, SW/4 NW/4 of Section 6,
Township 13 South, Range 32 East

(2) That this order shall become effective at 7 o'clock a.m., Mountain Standard Time, July 1, 1959.

(3) That the Commission hereby retains jurisdiction of this cause to amend or revoke all or any part of this order, and further, to enter any additional order or orders deemed necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 1, 1959

Mr. Jack Campbell
P. O. Box 721
Roswell, New Mexico

Dear Mr. Campbell:

On behalf of your client, Garridge Corporation, we enclose two copies of Order No. R-972-F issued July 1, 1959 by the Oil Conservation Commission in Case No. 1195.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Enclosures

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Y

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 6-30-59

CASE NO. 1195

HEARING DATE 6-24-59

My recommendations for an order in the above numbered case(s) are as follows:

1. Amend (don't agree with this myself) R-972 to allow ~~unlimited~~ ^{capacity} allowabls to the following 3 wells of Grayridge North Caprock Luen unit #1.

Grayridge - Unit #1 - #	29-13	SWSW-29-12S-32E
" - #	36-15	S WSE 36-12S-31E
" - #	6-5	SW NW 6-13S-32E.

2. These wells have responded + Waste will occur unless they have capacity allowables.

Thrust. H.R.

Staff Member

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1195

TRANSCRIPT OF HEARING

June 24, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

I N D E X

<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>
B. G. HARRISON	4	11	

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA-FE, NEW MEXICO
June 24, 1959

IN THE MATTER OF:)

Application of Graridge Corporation)
for capacity allowable^s for certain)
wells in a water flood project.)
Applicant, in the above-styled cause,)
seeks an order authorizing capacity)
allowables^s for three wells in the)
project area of its water flood in)
the Caprock-Queen Pool in Lea and)
Chaves Counties, New Mexico.)

CASE NO.
1195

BEFORE:

ELVIS A. UTZ, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: The next case on the docket will be 1195.

MR. PAYNE: Case 1195. Application of Graridge Corporation for capacity allowable for certain wells and water flood projects.

MR. CAMPBELL: Mr. Examiner, I am Jack M. Campbell, Roswell, New Mexico, appearing on behalf of the applicant. We have one witness to be sworn.

MR. UTZ: Are there any other appearances to be made in this case?

(Witness sworn.)

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B. G. HARRISON

called as a witness, having been first duly sworn on oath,
testified as follows:

DIRECT EXAMINATION

BY MR. CAMPBELL:

Q Will you state your name, please?

A B. G. Harrison.

Q Where do you live, Mr. Harrison?

A Breckenridge, Texas.

Q By whom are you employed and in what capacity?

A By Garridge Corporation as Manager of Secondary

Recovery.

Q Have you testified previously before the New Mexico
Conservation Commission or one of its examiners?

A Yes, I have.

Q Are the witness' qualifications acceptable to the
Examiner?

MR. UTZ: Yes, they are.

Q (By Mr. Campbell) Are you acquainted with the
application of Garridge Corporation in Case No. 1195 relating to
capacity allowable for three wells in the Caprock-Queen unit?

A Yes, I am.

Q I hand you what has been identified as Applicant's
Exhibit No. 1 in Case No. 1195 at this hearing, and ask you to

State what that is?

A This is a plat depicting North Caprock-Queen Unit No. 1 which is operated by Graridge Corporation.

Q And state what the figures on the plat indicate.

A The red figures indicate the oil and water production by tests from each of the producing wells that have been affected or in the area of the water injection program. The upper figure being the oil production; the figure beneath the line being the water production.

Q And how have you identified the three wells for which you seek by this application capacity allowable?

A The three wells for which we seek capacity allowable have been circled in red, these being No. 2913, 3615 and 65.

Q Referring to Well No. 2913 in the southwest quarter of the southwest quarter of Section 29, Township 12 South, Range 32 East, would you state what the initial production was from that well prior to the effective water flood?

A We have just recently recompleted this well. It was a plugged or temporarily abandoned well, and was capable of making in the order of one barrel of oil per day with no water. Since our clean out operations, the production has increased to 6 barrels of oil and 17 barrels of water. This being in an area where no water is produced normally on primary production.

Q In your opinion is this increase in oil production

due directly to the injection of water under the water flood projects?

A Yes, it is.

Q Now, referring to Well No. 3615 in the southwest quarter of southeast quarter of Section 36, Township 12 South, Range 31 East, will you give the Examiner a history of that well?

A This well we feel like is beginning to increase in production in that it had been producing approximately one half to one quarter of a barrel of oil per day with no water, and is now producing 4 barrels of oil per day with no water. Well No. 3616, the injection well to the east of 3615, has had a total injected volume of approximately 90,000 barrels to this time. The well not shown on the plat, which directly offsets this well to the south, is Ambassador Oil Corporation's injection Well No. 2-1 in Caprock-Queen Unit No. 2. This well to date has an injection of approximately 68,000 barrels. With a two-way drive on 3615 and this volume of water having been injected with our other experiences in the area, we feel like this well is due to respond and feel that it has shown a slight response.

MR. UTZ: I understand you had an injection well directly offsetting 3616 to the south.

A 3615 a producing well which is No. 2-1 in Caprock-Queen Unit No. 2.

Q (By Mr. Campbell) It is then your opinion that

although Well 3615 has not shown any substantial increase in oil production, that based upon the volume of water injected in offset water injection wells, it will respond in the near future?

A We feel that it has shown some slight response at this time, Mr. Campbell, and that it will continue to increase in production.

Q Now, refer to your well No. 6-5 in the southwest quarter of northwest quarter of Section 6, Township 13 South, Range 32 East, Mr. Harrison, and give the Examiner a history of that well.

A This is a relatively new well in that it was drilled, I believe, in April of this year and completed in May. The well was initially completed open hole with no work done to increase the producing capacity of the well. No stimulation treatment, and the well produced on the order of one half barrel per day by Baylor tests. The well was subsequently fracked and following the frack treatment, returned its load oil at the rate of only some 3 to 4 barrels per day, up until about May 18 when the well -- well, it actually began to respond a few days before that, and was potentialled after recovery having all the load oil on May 18 at 34 barrels and on May 4th increased to 73 barrels and has remained at the 72 to 73 barrels per day range until this time. This 72 barrel test having been taken on June 22nd.

Q This, as I understand you, was a new well?

A Yes, sir.

Q Would you state for the Examiner, if you have it, the approximate volume of water that has been injected in the well surrounding it? You had the injection volume on 6-6 to the east.

Q Now, these figures will be as of June 1st. Well No. 64 had an injected volume of 57,000 barrels. Well No. 66 had 47,000 barrels. Well No. 612 had 80,000 barrels; and I do not have the figures on the injection well in Caprock-Queen Unit 2 which offsets 65, but it would be on the order of 80 to 100,000 barrels.

Q There is an injection well immediately west of 6-5 in the Ambassador project?

A Yes, sir.

Q Now, is it your opinion that approximately 72 barrels per day of oil production is due to stimulation by virtue of the injection of water as a part of this water flood project?

A Yes, sir, it is. The entire area surrounding this particular location was in a depleted state in the wells producing 1 to 3 barrels per day in that particular area prior to the drilling of this well. And, of course, the well itself did not show any indication of any primary production even after a frack treatment in that it was only running the frack load oil at the rate of 3 to 4 barrels per day.

Q Mr. Harrison, in your opinion will granting of

capacity allowable to the 3 wells requested enable you in the operation of this project to obtain the greatest ultimate recovery of oil?

A Yes, sir. We feel that this is water flood oil, and that in order to obtain the maximum volume of oil ultimately from these wells, that we must produce it as it is available at the producing well.

Q I hand you now what has been identified as Exhibit No. 2 in this hearing, and ask you to state what that is.

A Exhibit No. 2 is a series of curves depicting the overall North Caprock-Queen Unit No. 1 project. Here we have the accumulative oil production, the oil production barrels per month, the cumulative water injection and the water injection in barrels per day.

Q Have you offered similar exhibits in prior hearings in this case?

A Yes, we have, Mr. Campbell.

Q And this brings it down to your most recent information, is that correct?

A Yes, it does. This brings it down to June 1, 1959.

Q Mr. Harrison, were Exhibits No. 1 and 2 prepared by you or under your supervision?

A Yes, sir, they were.

MR. CAMPBELL: I would like to offer Applicant's

Exhibit No. and 2 in this hearing in evidence.

MR. UTZ: Without objection they will be accepted in evidence.

MR. CAMPBELL: That's all the questions I have at this time, Mr. Examiner.

BY MR. UTZ:

Q Mr. Harrison, I believe that you stated you reworked 29-13?

A That is 29-13, yes, sir. The rework only consisted of a clean out. The well was temporarily abandoned.

Q And prior to rework it was producing 1 barrel of oil a day?

A No, that was immediately following the rework. The well was temporarily abandoned and had no production at the time of clean out.

Q Then the increase, 1 barrel after clean out to 6 barrels, you feel was due to influx of water?

A Yes, sir. Also the 17 barrels of water which is shown here is also some evidence of a slight water break through there in that the wells in this area produced apparently no water primarily.

Q Now, what did you say the production was on the 36-15 before you felt that it was affected by the influx of water?

A We had approximately a half to one quarter of a

barrel per day. This 4 barrel test was taken, I believe, on June 21st.

Q Now, on the 6-5, it has increased substantially?

A Yes, sir. Following the initial completion with no stimulation the well was only capable of producing a few gallons of oil per day. Following the stimulation, which was a frack treatment, the well produced some 3 to 4 barrels of load oil per day. After return of the load oil we had a response and the potential test turned in on May 18th, I believe, had some 34 barrels per day.

MR. UTZ: Are there any other questions of the witness?

MR. PAYNE: Yes, sir.

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Harrison, I believe you testified that the production of some 17 barrels of water per day in the 29-13 well is some indication that the oil production out of that well was being affected by the water flood projects, is that right?

A We feel like the water being produced here is a result of the water injection program, Mr. Payne.

Q I wonder why the 36-15 well doesn't make any water?

A The 36-15?

Q Yes, sir.

A I think this can be attributed to difference in areas. If you will note in the northern part of the unit there we have several wells such as No. 3015 and No. 31-1, which are producing water, and these have produced water at an early stage; while in other areas, down in the area of 3615 we have No. 369 and No. 3113, both which have responded to the flood and neither of which are producing any water. It seems to be a characteristic of the area in the north part of the unit that we have a slight water breakthrough in the early stage of the flood.

Q Now, did you initially -- were you initially using fresh water in this injection project?

A Yes, we were.

Q And you recycle it, do you?

A Yes, sir. We have approximately 4,000 barrels per day of produced water at this time, and we are commingling it with the fresh water and reinjecting it.

Q Does the water ultimately become contaminated after this recycling, continuous recycling process?

A Do you mean when it is reproduced a second time?

Q Yes, or a third or fourth.

A No, in that it reaches a certain stage in most cases and is probably only recycled not more than three times to get -- until the project is usually abandoned, and we don't feel like it becomes saturated to an extent that it will be damaging to the

formation. We do have water analysis made periodically and water consultants who do make recommendations to us as to water treating programs. And through this method, why, we keep up with the situation, and in the event we have a situation develop where it appears that we might have some formation plugging or some undesirable characteristic in our water, then we either have to treat the water, make it suitable to reinject, or else we have to find a disposal source for the water.

Q Do you happen to know when your last analysis was run and what it indicated?

A It has probably been a period of three to four months since we have had a complete analysis of the water. At that time the only thing that we could see that would be in any way damaging to our flood was the iron content of the produced water. We felt that it might have some tendency to plug. However, since that time, why, we have arranged to comingle our waters prior to filtration and give it some settling time so that the iron from the produced water and the oxygen from the fresh water get together, form the iron oxide and it will drop out to a certain degree and our retention time, the remainder is filtered out.

MR. PAYNE: Thank you. I believe that is all.

MR. CAMPBELL: I have one other question. Mr. Harrison, in connection with the operation of these projects

have you been undertaking to anticipate on the basis of volume of water injected in offset wells the possibility of increase in production in producing wells in order to avoid the necessity for the issuance of emergency orders by the Commission?

A Yes, we have. In the very beginning we did not try to do this for the particular reason of avoiding emergency hearings. We did try to keep up with it, but due to the very rapid response we have had in some of these producing wells whereby it required an emergency hearing, rather than being able to set it up for a regular hearing, why, we have tried to project these things and come up with a program whereby we can set these wells up for regular hearing.

MR. CAMPBELL: That is all I have.

MR. UTZ: Mr. Harrison, your water analysis, periodic water analysis, is done in an effort to determine whether or not the waters are harmful to the oil formation in which you are flooding, are they not?

A Yes, sir.

MR. UTZ: Would you consider these waters that have been produced say twice, potable waters, or aren't they pretty well contaminated by the time they have gone through the formation a couple of times?

A They may have picked up some dissolved solid, but if the water is stable when it is injected we feel like it is in

Suitable condition. That is, if it has no tendencies to give up any solids or to pick up any additional solids.

MR. UTZ: Doesn't the Caprock have quite a little bit of salt in the Caprock crude?

A Yes, the Queen formation in that area is noted for producing some salt.

MR. UTZ: So these waters would probably have quite a little bit of salt in them, would they not?

A Yes, Sir, they are briney waters.

MR. UTZ: You wouldn't consider them to be potable waters then?

A No.

MR. UTZ: Any other questions. If there are none the case will be taken -- are there any other statements to be made in this case? The case will be taken under advisement. The witness may be excused.

(Witness excused.)

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, Ned A. Greenig, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me and/or under my personal supervision and that the same is a true and correct record to the best of my knowledge, skill and ability.

Witness my hand and Seal this the 6th day of July, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ned A. Greenig
NOTARY PUBLIC

My Commission Expires:
May 5, 1963

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1195 heard by me on June 24, 1959.
[Signature] Examiner
New Mexico Oil Conservation Commission

DOCKET: EXAMINER HEARING JUNE 24, 1959

OIL CONSERVATION COMMISSION - 1120 CERRILLOS ROAD, HIGHWAY DEPARTMENT
AUDITORIUM, 8 a.m., SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary-Director.

CONTINUED CASE

CASE 1666: Application of Sunray Mid-Continent Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Central Bisti-Lower Gallup Sand Unit embracing approximately 7389 acres of federal, state, and allotted Indian lands in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

NEW CASES

CASE 1692: Application of Continental Oil Company for the establishment of a non-standard gas proration unit in the Tubb Gas Pool. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool consisting of lot 15, the N/2 SE/4 and the SE/4 SE/4 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's Hawk B-3 Well No. 2-T, located 1650 feet from the South and East lines of said Section 3.

CASE 1693: Application of Amerada Petroleum Corporation for three non-standard oil proration units. Applicant, in the above-styled cause, seeks an order establishing three 43.7 acre non-standard oil proration units for Mississippian production in the SE/4 of Section 11, Township 13 South, Range 38 East, Lea County, New Mexico. Applicant further seeks approval of one unorthodox oil well location.

CASE 1694: Application of Texas Crude Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Big Eddy Unit 1-30 Well, located in the SE/4 SE/4 of Section 30, Township 20 South, Range 31 East, Eddy County, New Mexico, in such a manner as to produce oil from an undesignated Tansil pool and to produce oil from an undesignated Delaware pool through parallel strings of tubing.

CASE 1695: Application of Texaco, Inc. for a triple completion, for permission to commingle the production from three separate pools, and for the establishment of two non-standard gas proration units. Applicant, in the above-styled cause, seeks an order authorizing it to triple complete its A. H. Blinebry NCT-4 Well No. 1, located in the SE/4 SE/4 of Section 31, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit production from the Blinebry formation, production of gas from the Tubb Gas Pool, and production of oil from the Drinkard Pool through tubing, the annulus via cross-over, and tubing respectively. Applicant further seeks the establishment of a 160-acre non-standard gas proration unit in both the Tubb Gas Pool and Blinebry Gas Pool each consisting of the S/2 S/2 of said Section 31. Applicant further seeks permission to commingle the liquid production from the Blinebry, Tubb, and Drinkard formations underlying said acreage.

- CASE 1696: Application of Caulkins Oil Company for a triple completion. Applicant, in the above-styled cause, seeks an order authorizing it to triple complete its Breech "F" Well No. PMD-8, located in the NE/4 NE/4 of Section 34, Township 27 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to produce gas from the South Blanco-Pictured Cliffs Pool, gas from the Mesaverde formation, and gas from the Dakota formation through parallel strings of tubing.
- CASE 1697: Application of Universal Oil Corporation for the creation of a new oil pool for Gallup production, and for an exception to Rules 104 and 107 for wells in said pool. Applicant, in the above-styled cause, seeks an order creating a new pool for Gallup production to be designated the Shiprock-Gallup Oil Pool and located in Sections 16 and 17, Township 29 North, Range 18 West, San Juan County, New Mexico. Applicant further seeks the promulgation of pool rules to permit wells in said pool to be located closer than 660 feet to the nearest producing well in exception to Rule 104, and to permit certain exceptions to the casing requirements of Rule 107 of the Commission Rules and Regulations.
- CASE 1698: Application of Shell Oil Company for an exception to Rule 502 I (a). Applicant, in the above-styled cause, seeks an order which would exempt all wells in the Carson Unit Area and all other Shell wells in Township 25 North, Ranges 11 and 12 West, Bisti-lower Gallup Oil Pool, San Juan County, New Mexico, from the daily tolerance provisions of Rule 502 I (a) of the Commission Rules and Regulations.
- CASE 1195: Application of Graridge Corporation for capacity allowables for certain wells in a water flood project. Applicant, in the above-styled cause, seeks an order authorizing capacity allowables for three wells in the project area of its water flood in the Caprock-Queen Pool in Lea and Chaves Counties, New Mexico.
- CASE 1196: Application of Graridge Corporation for an order amending Order No. R-966. Applicant, in the above-styled cause, seeks an order amending Order No. R-966 to establish administrative procedures for development of its Artesia Water Flood Projects No. 2 and 3, Artesia Pool, Eddy County, New Mexico, and for approval of unorthodox locations for 27 wells in said projects, for authority to convert six wells in said projects to water injection, and for capacity allowables for five wells in said projects.
- CASE 1185: Application of Graridge Corporation for an order amending Order No. R-952. Applicant, in the above-styled cause, seeks an order amending Order No. R-952 to establish administrative procedures for development of its Artesia Water Flood Project No. 1, Artesia Pool, Eddy County, New Mexico, and for approval of unorthodox locations for fifteen wells in said project, and for capacity allowables for five wells in said project.
- CASE 1699: Application of J. W. Brown for an order authorizing a pilot water flood project. Applicant, in the above-styled cause seeks an order authorizing it to institute a pilot water flood project in the Brown Pool, Chaves County, New Mexico, by the injection of water into the Queen formation through four wells located in the SE/4 NW/4 of Section 26, Township 10 South, Range 26 East, Chaves County, New Mexico.

- CASE 1337:** Application of Gulf Oil Corporation for an order amending Order No. R-1093-A. Applicant, in the above-styled cause, seeks an order amending Order No. R-1093-A to permit the commingling of Paddock production with the commingled Blasbry, Drinkard, and Langlie-Mattix production from its Learoy McBuffington lease consisting of the S/2 of Section 13, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico.
- CASE 1700:** Application of Gulf Oil Corporation for permission to commingle the production from two separate leases: Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the East Millman Queen-Grayburg Pool from two separate non-contiguous leases in Township 19 South, Range 28 East, Eddy County, New Mexico.
- CASE 1703:** Application of Tidewater Oil Company to commingle the production from several separate oil pools from two separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the intermediate grade crudes produced from its Coates "D" Lease comprising the SE/4 SW/4 of Section 24, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico, with the commingled production of all intermediate grade crudes produced from its Coates "C" Lease comprising the E/2, SE/4 NW/4, and the NE/4 SW/4 of said Section 24 and to pass such commingled production through its automatic custody transfer system.
- CASE 1704:** Application of Cities Service Oil Company for capacity allowables for nine wells in a water flood project and for establishment of administrative procedure for expansion of said project. Applicant, in the above-styled cause, seeks an order authorizing capacity allowable for nine wells in the project area of its water flood project in the Caprock-Queen Pool, Chaves County, New Mexico. Said capacity allowables would be in exception to Order R-1128-A. Applicant further seeks establishment of an administrative procedure to expand said water flood project.
- CASE 1705:** Application of Neville G. Penrose, Inc., for a capacity allowable for one well. Applicant, in the above-styled cause, seeks an order authorizing a capacity allowable for its Alston Well No. 2, located in the NW/4 NW/4 of Section 11, Township 14 South, Range 31 East, Caprock Queen Pool, Chaves County, New Mexico, due to a response from the adjoining Cities Service Oil Company water flood project. Said capacity allowable would be in exception to Order R-1128-A.

NEW MEXICO OIL CONSERVATION COMMISSION

Docket No. 23-59-a

In addition to the cases listed on Docket No. 23-59, the following cases will also be heard June 24, 1959, before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary-Director:

- CASE 1701: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Larcy McBuffington Well No. 5, located in the NW/4 SE/4, Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from an undesignated Paddock Pool and oil from the Justis-Ellenburger Pool through parallel strings of tubing.
- CASE 1702: Application of Humble Oil & Refining Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its South Four Lakes Unit Well No. 6, located in the SW/4 SE/4, Section 2, Township 12 South, Range 34 East, Lea County, New Mexico, in such a manner as to produce oil from a Four Lakes-Pennsylvanian Pool extension and gas from a Four Lakes-Devonian Gas Pool extension through parallel strings of tubing.
- CASE 1706: Application of Sunray Mid-Continent Oil Company for an order amending Order No. R-1414. Applicant, in the above-styled cause, seeks an order amending Order No. R-1414 to include the following additional acreage: NW/4 NW/4 of Section 6, Township 25 North, Range 12 West, and the SW/4 SW/4 of Section 31, Township 26 North, Range 12 West, San Juan County, New Mexico.

Place of hearing will be Highway Department Auditorium, 1120 Cerrillos Road, Santa Fe, New Mexico.

Time of hearing will be 8:00 o'clock a.m.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
GRARIDGE CORPORATION FOR AN ORDER)
GRANTING CAPACITY ALLOWABLE FOR THREE)
WELLS IN THE CAPROCK-QUEEN POOL, LEA)
AND CHAVES COUNTIES, NEW MEXICO.

CASE NO. 1324

*Pat. 1175
Case 1175
W.F.*

APPLICATION

Comes now Applicant, Graridge Corporation, by its Attorneys,
Campbell & Russell, and states:

1. The Commission, by its Order No. R-972 and amendments thereto, has heretofore approved a water flood project operated by Applicant in the Caprock-Queen Pool in Lea and Chaves Counties, New Mexico.
2. Certain wells have reflected an increase of production due to a response to the injection of water as a part of the development of the project and unless said wells are granted capacity allowables waste will result.

WHEREFORE: Applicant requests the Commission, after hearing before an Examiner, to issue its order granting capacity allowables to the following described wells:

<u>Well No.</u>	<u>Location</u>
29-13	SW/4SW/4 Sec. 29 12S 32E
36-15	SW/4SE/4 Sec. 36 12S 31E
6-5	SW/4NW/4 Sec. 6 13S 32E

DATED: MAY 20, 1959

Respectfully Submitted

Graridge Corporation

By:

Clark M. Campbell

For Campbell & Russell

Its Attorneys

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1-13-59