

CASE 1382: Application of Buffalo Oil Co. to
amend Order No. 821 to permit simultaneous
production of Baish "A" Wells No. 15 & 21,
Lea County.

Case No.

1382

Application, Transcript,
Small Exhibits, Etc.

EXAMINER HEARING
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 26, 1958

IN THE MATTER OF: Case No. 1382

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

NEW MEXICO OIL FIELD REVENUE COMMISSION

Mabry Hall

Santa Fe, NEW MEXICO

REGISTER

HEARING DATE Examiner

February 26, 1958

TIME: 9:00 a.m.

NAME:	REPRESENTING:	LOCATION:
O.C. McBryde, Jr.	Amerada Petroleum Corp.	Monument, New Mexico
B.R. Gorman	Bullard E. Gorman Estate	Artesia, N.M.
Ewell N. Walsh	E. Pasco Natural Gas Products Co.	Farmington, N.M.
Ed Norton	E. Pasco Natural Gas Products Co.	Farmington, N.M.
J.W. Montgomery	Shell Oil Company	Hobbs, N.M.
Chas. Chapman	Shell Oil Company	Artesia, N.M.
Jason Kellahi	Amerada Petroleum Corp.	Santa Fe, N.M.
Jack M. Campbell	Campbell + Russell	Hoswell, N.M.
John Yvonne	Texas Pacific Coal & Oil	Midland, Texas
Lee King	Skelly Oil Co.	Farmington, N.M.
Al Carter	O.C.C.	Santa Fe, N.M.
Ray M. Linder	Skelly Oil Co.	London, Okla.
Don Harker	Gulf Oil	St. Martin, Texas
Bill Hoster	"	Roswell, N.M.
Max E. Curry	Producers Service Co.	Artesia, N.M.
Percy Davis	N.M. Natural Gas Co.	Santa Fe

2

The application of Buffalo Oil Company to amend Order No. 821. Applicant, in the above-styled cause, seeks an order amending Order No. 821 to permit simultaneous production from the Grayburg-San Andres pay of the Maljamar Field from the Baish "A" Well No. 15 and Baish "A" Well No. 21, located in the NE/4 of the SW/4 of Section 21, Township 17 South, Range 32 East, Lea County, New Mexico.

TRANSCRIPT OF PROCEEDINGS

MR. COOLEY: Case 1382: In the matter of the application of Buffalo Oil Company to amend Order No. 821.

MR. CURRY: I am Max E. Curry from Artesia, appearing for Buffalo Oil Company.

(Witness sworn.)

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

MAX E. CURRY

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

DIRECT EXAMINATION

By MR. COOLEY:

Q State your name and position, please, for the record.

A Max E. Curry, District Superintendent for Buffalo Oil Company, located in Artesia, New Mexico.

Q Mr. Curry, in your experience have you had an opportunity to study conditions in the Maljamar Field?

A I have.

Q And have you previously testified before the Oil Conservation Commission as an expert witness?

A I have.

MR. COOLEY: Does the Examiner accept the qualifications of the witness?

MR. UTZ: The witness's qualifications are acceptable.

Q Proceed in any manner you like, Mr. Curry.

A I have some direct testimony here I would like to read into the case.

The New Mexico Oil Conservation Commission issued Order No. 821 on May 13, 1941 authorizing Buffalo Oil Company to drill an unorthodox, five spot, well location in the NE/4 SW/4 of Section 21, Township 17 South, Range 32 East, NMPM, now known as their Baish "A" No. 21 Well. The purpose of drilling the Baish "A" No. 21 Well was to replace the Baish "A" No. 15 Well, the original well completed on this 40 acre unit, which was considered to have been poorly completed due to mechanical conditions caused by the

necessity of side tracking the hole. Buffalo Oil Company stated their desire to shut in and cease production from the Baish "A" No. 15 Well upon the completion of the unorthodox well at the hearing before the Commission, as they had no desire to set a precedence of more than one well to each 40 acre unit in the Maljamar Pool; therefore, the Commission specifically prohibited the production of more than one of the wells at a time in their Order No. 821.

Buffalo Oil Company is now requesting that Order No. 821 be amended to permit the simultaneous production of their Baish "A" Wells No. 15 and 21. In support of that request we wish to offer the following information:

(Buffalo's Exhibit No. 1
marked for identification.)

1.) I am handing you our Exhibit No. 1, which is a plat of that portion of the Maljamar Oil Pool surrounding the area referred to in Order No. 821 and in this petition. The plat also shows the pilot water injection area approved by this Commission in Order No. R-1075 and the notation of lease ownership in that area by colors.

2.) You will note on Exhibit No. 1 that Buffalo's Baish "A" No. 21, denoted by the red arrow, is one of the water injection wells in the injection area of the proposed pilot waterflood for this pool. Eventually this well will probably be converted from its present status as an oil producer to that of a water injection

well in the proposed pilot waterflood and the Baish "A" No. 15 Well will again be converted to the producing oil well for that proration unit. Prior to the time the Baish "A" No. 15 Well, denoted by green arrow, will be required to assume its proper duties in the pilot waterflood operation, it is necessary that certain essential reservoir and production performance data be gathered in order to properly evaluate its reaction to the pilot waterflood project.

3.) It is requested that production for this proration unit be allocated on the basis of the void space factor presently used on all other wells in the Maljamar Cooperative Repressuring Agreement area, but in no event to be greater than top allowable for any other 40 acre proration unit in that area. The Baish "A" No. 15 Well was capable of producing approximately 15 BOPD when it was shut in in 1949, and the Baish "A" No. 21 Well is presently assigned an allowable of 23 BOPD.

4.) This request is not without precedence in the Maljamar Oil Pool, as there are several 40 acre units with more than one producing well. The present multiple well proration units are allocated in the manner requested in 3.) above and none receive an allowable greater than any other 40 acre proration unit in the MCRA area.

(Buffalo's Exhibits No. 2, 3, and 4 marked for identification.)

5.) Offset operators in this pool have no objection to the approval of this petition and have actively supported this application by providing us with executed waivers which I wish to

offer as Buffalo's Exhibits No. 2, 3, and 4. These Exhibits are waivers signed by Kewanee Oil Company, Carper Drilling Company, and Mrs. E. G. Woods, who recognize that this application in no way jeopardizes correlative rights and will make a significant contribution in evaluating the results of the pilot waterflood project for this area.

6.) The Commission is referred to Case No. 1309 and the Exhibits offered in that case, which resulted in Order No. R-1075 authorizing the Maljamar Cooperative Repressuring Agreement to conduct a pilot waterflood operation in the Maljamar Pool.

(Buffalo's Exhibit No. 5
marked for identification.)

7.) Buffalo's Exhibit No. 5 is a generalized cross section drawn along the traverse A to A' as shown on Exhibit No. 1, which shows the vertical relationship of Buffalo's Baish "A" Wells No. 14, 21, 15 and IP-26.

I wish to offer Buffalo's Exhibits No. 1 through 5 in evidence as a part of this case, which concludes the direct testimony prepared for this case. I will be happy to answer any questions the Commission may have on this application.

MR. UTZ: Is there objection to the entrance of Buffalo's Exhibits 1 through 5 in this case? If not, they will be so entered.

MR. CURRY: In conclusion, Buffalo Oil Company, applicant, believes this petition to be in the interest of conservation and prevention of both economic and physical waste and in no way

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jeopardizes correlative rights; therefore, applicant prays the Commission will issue an Order amending their previous Order 821 permitting applicant to produce their Baish "A" Wells No. 15 and 21 simultaneously as a single proration unit.

MR. UTZ: Any questions of the witness? Mr. Nutter.

CROSS EXAMINATION

By MR. NUTTER:

Q You stated there were several instances in this pool where more than one well is producing from 40 acre units?

A Yes. To cite two cases, Kewanee's Baish lease in Section 27, Township 17 South, Range 32 East, they have several wells on their Baish lease that are producing from this spacing.

Q Is that in an area covered by Order 821?

A No. Order No. 821 only applies to this single proration unit. It was the Commission's order permitting us to drill the Baish "A" 21 in a specific position.

Q For this specific 40 acre unit?

A Yes.

MR. NUTTER: Thank you.

MR. UTZ: Anyone else have a question? Just a minute, Mr. Curry. Both of these wells are in the vertical limits of the Maljamar Oil Pool, are they not?

A Yes, they are. Exhibit No. 5 will show.

MR. UTZ: Exhibit No. 5?

A Yes.

MR. UTZ: All right, I'm with you.

A This will show that both wells are producing from essentially the same vertical limits, all of which is embraced in the Maljamar Pool which includes 3rd, 4, 5, 6, 7, 8, and 9 zones as denoted by the United States Geological Survey in that area.

MR. UTZ: Was the No. 15 "A" ever plugged back to the Yates sand as authorized in Order 821?

A No, it was not.

MR. UTZ: It never was plugged back?

A No, we made some preliminary tests on other wells that showed that to be not only uneconomical but rather foolhardy.

MR. UTZ: No. 15 "A" is presently plugged, or is it in the same condition that you left it in?

A It's in the same condition that it was at the time we received this order. There's tubing in the well, but the well has been shut in through the entire length of time this order has been in effect.

MR. UTZ: Does anyone else have a question of Mr. Curry? If not, the witness may be excused.

(Witness excused.)

MR. UTZ: Are there any statements to be made in this case? If there are no statements, the case will be taken under advisement.

* * * * *

CERTIFICATE

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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 New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

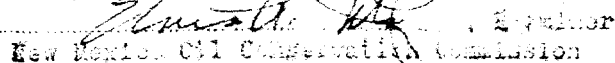
WITNESS my Hand and Seal this 12TH day of March, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


NOTARY PUBLIC

My commission expires:

June 19, 1959.

I do hereby certify that the foregoing is a true and correct record of the proceedings in the Oil Conservation Commission Case No. 1382, dated Feb. 26, 1958.


New Mexico Oil Conservation Commission

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 2-28-58

CASE NO. 1382

HEARING DATE 2-26-58

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

1. The Order ~~821~~ should be superseded to allow the applicant to produce both the ~~off~~ Bush "A" # 21 + 15 located on the NESW Sec. 21-175-32E.
2. The allowable for the 40 A.c. unit consisting of the NESW shall not exceed the MCRA unit allowable for any other MCRA unit.
3. Location of both wells are:
Buffalo - Bush "A" - 21
1395/S; 1347/W 21-175-32E
~~1480/S; 1280/W~~
Buffalo - Bush "A" - 15-A
1980/S; 1980/W 21-175-32E

(75 + 27 from
SW corner unit #)

Staff Member

DOCKET EXAMINER HEARING FEBRUARY 26, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

The following cases will be heard before Elvis A. Utz, Examiner:

- CASE 1382: In the matter of the application of Buffalo Oil Company to amend Order No. 821. Applicant, in the above-styled cause, seeks an order amending Order No. 821 to permit simultaneous production from the Grayburg-San Andres pay of the Maljamar Field from the Baish "A" Well No. 15 and Baish "A" Well No. 21, located in the NE/4 of the SW/4 of Section 21, Township 17 South, Range 32 East, Lea County, New Mexico.
- CASE 1383: Application of Forest Oil Corporation for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "A" No. 1 Well located 660 feet from the North line and 660 feet from the East line of Section 26, Township 16 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Kemnitz Wolfcamp Pool through the casing-tubing annulus, and to permit the production of oil from an undesignated Pennsylvanian oil pool through the tubing.
- CASE 1384: In the matter of the application of Amerada Petroleum Corporation for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing an oil-gas dual completion for its State BTO No. 1 Well, located 990 feet from the South line and 2310 feet from the East line of Section 34, Township 11 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Bagley-Pennsylvanian (oil) Pool and the production of gas from the Bagley-Lower Pennsylvanian Gas Pool through parallel strings of tubing.
- CASE 1385: In the matter of the application of Gulf Oil Corporation for permission to produce more than eight wells into a common tank battery. Applicant, in the above-styled cause, seeks an order granting permission to produce a maximum of sixteen oil wells in the Eumont Gas Pool into a common tank battery on its Arnott-Ramsay "D" Lease comprising All of Section 33, Township 21 South, Range 36 East, Lea County, New Mexico.
- CASE 1386: In the matter of the application of Shell Oil Company for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks an order granting permission to commingle the production from the following described leases in the Monument Pool:
- Cooper "A" Lease, NW/4 NE/4 Section 4;
Cooper "B" Lease, N/2 NW/4 and SW/4 NW/4 Section 4;
- all in Township 20 South, Range 37 East, Lea County, New Mexico. Applicant proposes to allocate the individual lease production on the basis of monthly well tests.

CASE 1387:

In the matter of the application of Shell Oil Company for permission to commingle the production from two separate federal leases. Applicant, in the above-styled cause, seeks an order granting permission to produce the following described leases in the West Henshaw-Grayburg Pool into common storage:

Taylor Federal Lease consisting of Lots 9, 10, & 11 of Section 4;

Spencer Federal "A" Lease consisting of Lots 13, 14, 15 & 16 of Section 4;

all in Township 16 South, Range 30 East, Eddy County, New Mexico. Applicant proposes to continuously meter the production from each lease.

CASE 1388:

In the matter of the application of El Paso Natural Gas Products Company for an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order approving the unorthodox gas well location for its Chimney Rock No. 1 Well located 1880 feet from the South line and 340 feet from the East line of Section 23, Township 31 North, Range 17 West, in an undesignated Gallup gas pool in San Juan County, New Mexico.

CASE 1389:

In the matter of the application of Skelly Oil Company for an unorthodox oil well location. Applicant, in the above-styled cause, seeks an order approving the unorthodox oil well location of its C. W. Roberts Well No. 3 located 1190 feet from the South line and 1450 feet from the East line of Section 18, Township 25 North, Range 3 West, in an undesignated Dakota oil pool in Rio Arriba County, New Mexico.

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

March 17, 1958

C
O
P
Y

Mr. Max Curry
Buffalo Oil Company
203 Carper Building
Artesia, New Mexico

Dear Mr. Curry:

We enclose two copies of Order 821-A issued March 13, 1958, by the Oil Conservation Commission in Case 1382, which was heard on February 26th at Santa Fe.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

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. 1382
Order No. 821-A

APPLICATION OF BUFFALO OIL COMPANY
TO AMEND ORDER NO. 821 TO PERMIT
THE PRODUCTION OF TWO WELLS ON A 40-
ACRE UNIT IN THE MALJAMAR POOL, IN
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 26, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, 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 13th day of March, 1958, 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 is the owner and operator of an oil and gas lease in the Maljamar Cooperative Repressuring Agreement Area in the Maljamar Pool, a portion of which consists of the NE/4 of the SW/4 of Section 21, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That the applicant originally drilled its Baish "A" Well No. 15 on the above-described lease and that subsequent to the drilling of said well, the applicant requested permission to drill a substitute well on the above-described 40-acre proration unit known as the Baish "A" No. 21 Well.

(4) That the Commission by Order No. 821 dated May 5, 1949, granted permission to drill the said Baish "A" No. 21 Well, provided that said Baish "A" No. 15 Well was plugged back to another horizon or plugged and abandoned.

(5) That the said Baish "A" No. 15 Well has not been produced from the Maljamar Pool since the date of completion of the said Baish "A" No. 21 Well.

-2-
Case No. 1382
Order No. 821-A

(6) That the applicant by its application in this case requests that Order No. 821 be amended to permit the simultaneous production from the Maljamar Pool of the said Baish "A" No. 15 Well and Baish "A" No. 21 Well.

(7) That approval of the subject application will not cause waste nor impair correlative rights.

(8) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That that portion of Order No. 821 dated May 5, 1949, which prohibits the simultaneous production from the Maljamar Pool of the applicant's Baish "A" No. 15 Well and Baish "A" No. 21 Well, both located in the NE/4 of the SW/4 of Section 21, Township 17 South, Range 32 East, NMPN, Lea County, New Mexico, be and the same is hereby superseded, and that the applicant be and the same is hereby expressly authorized to simultaneously produce the said Baish "A" No. 15 Well and Baish "A" No. 21 Well from the said Maljamar Pool.

PROVIDED HOWEVER, That in no event shall the combined allowable assigned to said wells exceed the allowable allocated to the 40-acre unit on which said wells are located.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

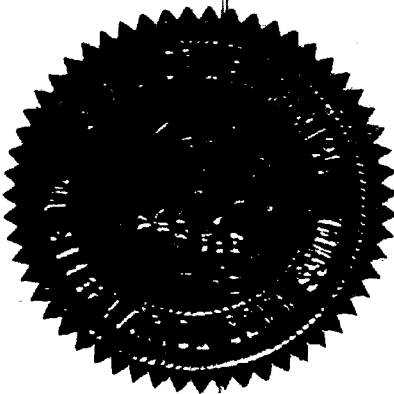
EDWIN L. MECHEM, Chairman

M. E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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



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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

RE: APPLICATION OF BUFFALO OIL COMPANY
FOR AMENDMENT OF ORDER NO. 821, ISSUED
MAY 13, 1949, SAID AMENDMENT TO PERMIT
THE PRODUCING OF BAISH "A" WELL NO. 21
AND BAISH "A" WELL NO. 15 SIMULTANEOUSLY
FROM THE MALJAMAR (GRAYBURG-SAN ANDRES)
FIELD, SECTION 21, TOWNSHIP 17 SOUTH,
RANGE 32 EAST, LEA COUNTY, NEW MEXICO.

Case No. 1382

A P P L I C A T I O N

21-K
NE SW
COMES NOW Buffalo Oil Company, A Maryland Corporation,
and hereby makes application to the New Mexico Oil Conservation
Commission to amend Order No. 821, issued May 13, 1949; whereby
the Buffalo Oil Company will be permitted to produce the Baish
"A" wells No. 21 and No. 15 simultaneously from the Grayburg-
San Andres pay of the Maljamar Field, in the ^{NE 1/4}SW/4 of Section 21,
T-17-S, R-32-E, Lea County, New Mexico. In support of such
petition, applicant states:

1. That applicant specifically requested, during the
hearing of Case No. 185, that the Baish "A" well No. 15 be shut-
in while the Baish "A" well No. 21 was being produced from the
Grayburg-San Andres reservoir.
2. That, due to changing conditions, it is now desirable
to produce both of these wells simultaneously.
3. That there are other areas in the Maljamar Field
where two wells, on the same 40 acre unit, are now being produced
simultaneously. That the total allowable for both wells does not
exceed one normal top unit allowable.
4. That on October 23, 1957, the Oil Conservation
Commission issued Order No. R-1075, which authorized a pilot water
flood project in the Maljamar Field. That said Order authorized
the Buffalo Oil Company Baish "A" well No. 15 to be converted to
a producing well as a part of the pilot project.

5. That it is now desirable for Buffalo Oil Company to be permitted to produce the Baish "A" well No. 15; and that producing this well will allow the gathering of essential data prior to actual commencement of a pilot flood project.

6. That the producing of both Baish "A" well No. 21 and No. 15 simultaneously will in no case adversely affect any other operator, or cause waste; and that, in fact, similar cases now exist in this field.

7. That, in the event the Oil Conservation Commission approves the applicant's request, the total oil allocated to the 40 acre unit wherein the wells are located should not exceed one normal top unit allowable for the field.

8. That, if convenient to the Oil Conservation Commission, this application be scheduled for an Examiner Hearing at the earliest possible date.

9. That the name and address of this applicant is:

Buffalo Oil Company
203 Carper Building
Artesia, New Mexico

WHEREFORE, applicant requests permission from the New Mexico Oil Conservation Commission to produce the Baish "A" wells No. 21 and No. 15 simultaneously, as set forth in the above Application.

Respectfully submitted,

BUFFALO OIL COMPANY

By Ralph L. Gray

Case 1382

BUFFALO OIL COMPANY

A MARYLAND CORPORATION
FIRST NATIONAL BUILDING

TULSA 3, OKLAHOMA

January 30, 1958

ADDRESS REPLY TO:
CARPER BUILDING
ARTESIA, NEW MEXICO

File: No. 300

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

Attention: Mr. A. L. Porter
Secretary & Director

Subject: Baish "A" Well No. 15
Lea County, New Mexico

Dear Mr. Porter:

We are transmitting herewith our Application
for an amendment of Order No. 821, issued May 13, 1949.

Since it is desirable that we now be permitted
to produce our Baish "A" well No. 15 in the Maljamar Field,
we are requesting permission to produce the Baish "A" wells
No. 15 and No. 21 simultaneously. We would prefer that
this application be scheduled for an Examiner Hearing in
Hobbs if this can be arranged at an early date.

Your assistance in this matter will be greatly
appreciated.

Very truly yours,

BUFFALO OIL COMPANY

Ralph L. Gray
Ralph L. Gray
Division Prod. Supt.

RLG:mw

Enclosures

DIRECT TESTIMONY OF MAX E. CURRY,
REPRESENTING BUFFALO OIL COMPANY,
BEFORE THE NEW MEXICO OIL CONSER-
VATION COMMISSION EXAMINER, ELVIS
UTES, HEARING CASE NO. 1382, IN
SANTA FE, NEW MEXICO, FEBRUARY 26,
1958.

CASE NO. 1382

The New Mexico Oil Conservation Commission issued Order No. 821 on May 13, 1941 authorizing Buffalo Oil Company to drill an unorthodox, five spot, well location in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 21, T17S, R32E, NMPM, now known as their Baish "A" No. 21 Well. The purpose of drilling the Baish "A" No. 21 Well was to replace the Baish "A" No. 15 Well, the original well completed on this 40 acre unit, which was considered to have been poorly completed due to mechanical conditions caused by the necessity of side tracking the hole. Buffalo Oil Company stated their desire to shut in and cease production from the Baish "A" No. 15 Well upon the completion of the unorthodox well at the hearing before the Commission, as they had no desire to set a precedence of more than one well to each 40 acre unit in the Maljamar Pool; therefore, the Commission specifically prohibited the production of more than one of the wells at a time in their Order No. 821.

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1.) I am handing you our Exhibit No. 1, which is a plat of that portion of the Maljamar Oil Pool surrounding the area referred to in Order No. 821 and in this petition. The plat also shows the pilot water injection area approved by this Commission in Order No. R-1075 and the notation of lease ownership in that area by colors.

2.) You will note on Exhibit No. 1 that Buffalo's Baish "A" No. 21, denoted by the red arrow, is one of the water injection wells in the injection area of the proposed pilot waterflood for this pool. Eventually this well will probably be converted from its present status as an oil producer to that of a water injection well in the proposed pilot waterflood and the Baish "A" No. 15 Well will again be converted to the producing oil well for that proration unit. Prior to the time the Baish "A" No. 15 Well, denoted by green arrow, will be required to assume its proper duties in the pilot waterflood operation, it is necessary that certain essential reservoir and production performance data be gathered in order to properly evaluate its reaction to the pilot waterflood project.

3.) It is requested that production for this proration unit be allocated on the basis of the void space factor presently used on all other wells in the Maljamar Cooperative Repressuring Agreement area, but in no event to be greater than top allowable for any other 40 acre proration unit in that area. The Baish "A" No. 15 Well was capable of producing approximately 15 BOPD when it was shut in in 1949, and the Baish "A" No. 21 Well is presently assigned an allowable of 23 BOPD.

4.) This request is not without precedence in the Maljamar Oil Pool, as there are several 40 acre units with more than one producing well. The present multiple well proration units are allocated in the manner requested in 3.) above and none receive an allowable greater than any other 40 acre proration unit in the MCRA area.

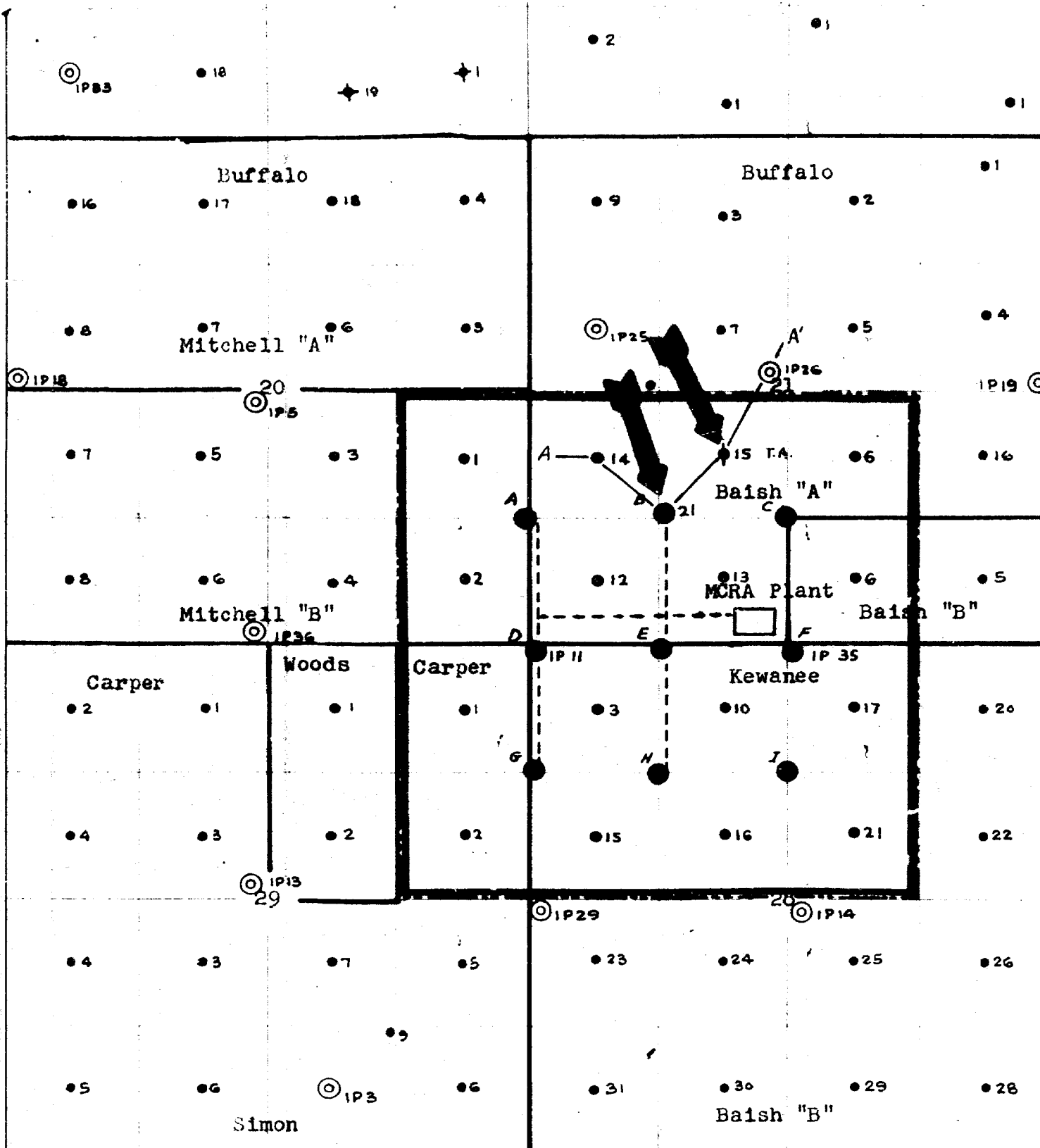
5.) Offset operators in this pool have no objection to the approval of this petition and have actively supported this application by providing us with executed waivers which I wish to offer as Buffalo's Exhibits No. 2, 3, and 4. These Exhibits are

waivers signed by Kewanee Oil Company, Carper Drilling Company, and Mrs. E. G. Woods, who recognize that this application in no way jeopardizes correlative rights and will make a significant contribution in evaluating the results of the pilot waterflood project for this area.

6.) The Commission is referred to Case No. 1309 and the Exhibits offered in that case, which resulted in Order No. R-1075 authorizing the Maljamar Cooperative Repressuring Agreement to conduct a pilot waterflood operation in the Maljamar Pool.

7.) Buffalo's Exhibit No. 5 is a generalized cross section drawn along the traverse A to A' as shown on Exhibit No. 1, which shows the vertical relationship of Buffalo's Baish "A" Wells No. 14, 21, 15 and IP-26.

I wish to offer Buffalo's Exhibits No. 1 through 5 in evidence as a part of this case, which concludes the direct testimony prepared for this case. I will be happy to answer any questions the Commission may have on this application.



PROPOSED PILOT AREA
MALJAMAR FIELD

NMOCC
Case No. 1382
Exhibit No. 1

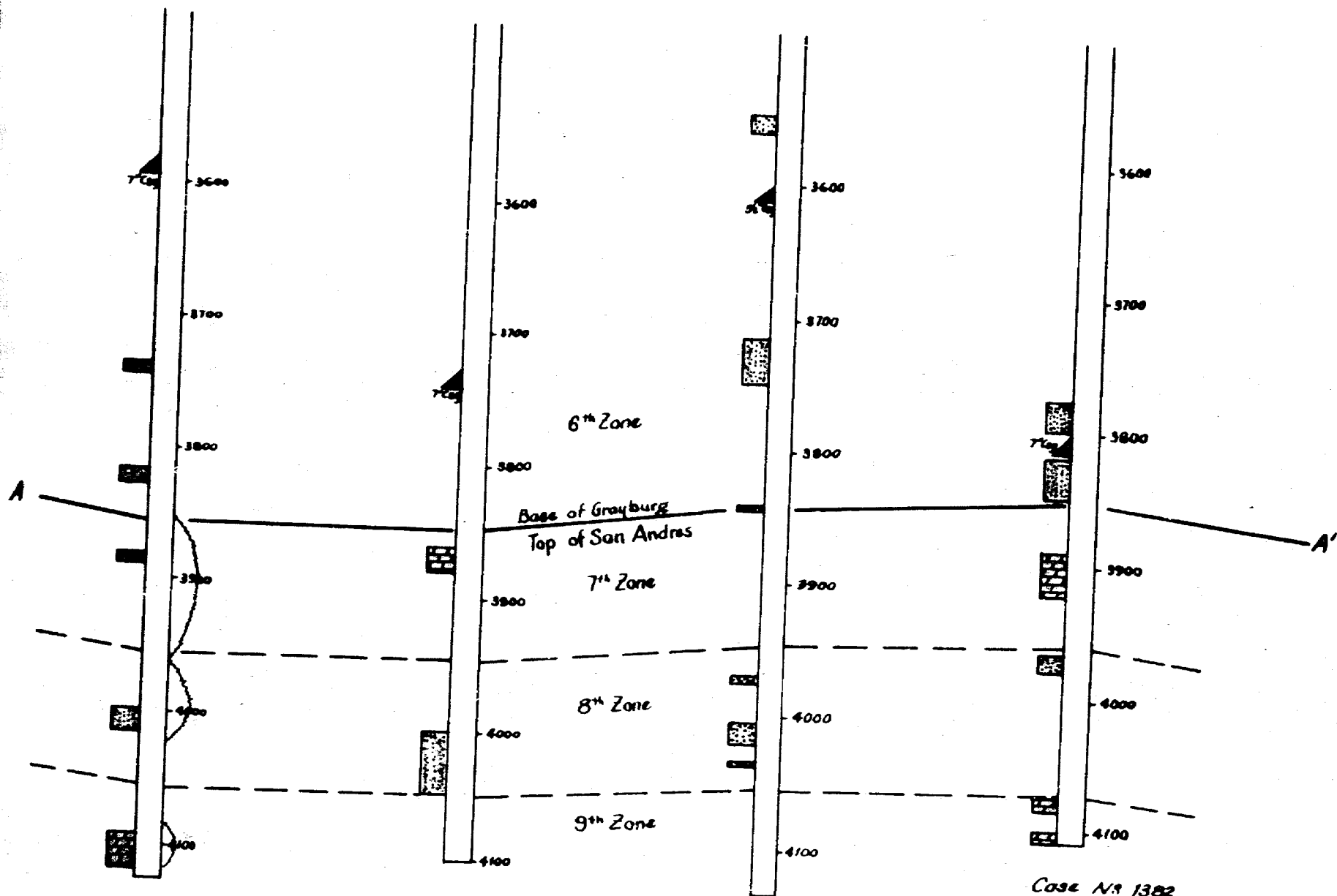
- Producing well
- Present gas input well
- Proposed water input well
- Proposed water injection lines

Barish A' N: 14

Barish A' N: 21

Barish A' N: 15

Barish A' IP-26



Case N: 1382

Exhibit N: 5

A Cross section through a portion of
Buffalo Oil Company's Barish A' Lease as
shown on their Exhibit N: 1, Traverse A to A'

NEW MEXICO
OIL CONSERVATION COMMISSION
P. O. Box 871
Santa Fe, New Mexico

Buffalo Oil Company
203 Carper Building
Artesia, New Mexico

Date February 5, 1958

ATTENTION: Ralph L. Gray

Gentlemen:

Your application for permission to simultaneously produce your Balish SAN
Wells No. 15 and 21

dated January 30, 1958 has been received, and has been tentatively
scheduled for hearing before an examiner on
February 26, 1958

A copy of the docket will be forwarded to you as soon as the matter is
advertised.

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.,
Secretary-Director

ga

*Docket mailed 2-11-58
BP*

BUFFALO OIL COMPANY
A MARVELAND CORPORATION
FIRST NATIONAL BUILDING
TULSA 3, OKLAHOMA

February 7, 1958

ADDRESS REPLY TO:
203 CAPPER BUILDING
ARTESIA, NEW MEXICO

File: #105.10

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Buffalo Exhibit No. 2
CASE 1382

Kewanee Oil Company
P. O. Box 3786
Odessa, Texas

Subject: Buffalo Oil Company Application to the Oil
Conservation Commission to Amend Order #821.

Gentlemen:

In 1949, the Buffalo Oil Company drilled a five spot location, Baish "A" well No. 21, in the Maljamar Field, and at the time this well was completed the Baish "A" well No. 15 was shut in. The two wells were located in the same 40 acres, and it was the opinion of the Buffalo Oil Company at that time that only one well per each 40 acre unit should be producing in the Maljamar Field.

Recently, a hearing was conducted before the Oil Conservation Commission in which the Operators in the M.C.R.A. presented a tentative plan for a pilot water flood program. As a part of this program, the Buffalo Oil Company Baish "A" well No. 21 would be converted to a water injection well and the Baish "A" No. 15 well would be re-converted to a producing well. Even though it is possible that the Operators may not decide to conduct this pilot program strictly as presented, the Buffalo Oil Company would now like to start producing Baish "A" well No. 15 simultaneously with the producing of Baish "A" well No. 21. It is felt that we would gain information which would be helpful in a later water flood program, and it is felt that this would not cause any hardship on the other Operators within the field.

As a matter of fact, there are other 40 acre units in the field on which there are presently two wells producing; such as, the Kewanee Pearl Lease. Therefore, this request would not create a condition which does not presently exist.

EXHIBIT NO. 2
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
FEB 11 1958

NMOCC
Case No. 1382
Exhibit No. 2

C O P Y

Kewanee Oil Company
Odessa, Texas

February 7, 1958
Page 2

It has been the practice, when producing two wells on one 40 acre unit, to limit the top allowable of the two wells so as to not exceed one top unit allowable; this practice should be continued.

The Buffalo Oil Company has filed an application with the New Mexico Oil Conservation Commission, and has requested a hearing which will amend Order No. 821 issued May 13, 1949 and which specifically prohibits the Buffalo Oil Company from producing the Baish "A" wells No. 21 and No. 15 simultaneously. If you have no objection to our application, it would be appreciated if you would signify this by signing on the space provided below and returning one copy to our Artesia office.

In the event that you have any questions concerning this matter, please advise and we will be glad to discuss the application further with you.

Very truly yours,

BUFFALO OIL COMPANY

Ralph L. Gray

Ralph L. Gray
Division Prod. Supt.

RLG:mv

Copies to: Carper Drilling Company
Kewanee Oil Company
Mrs. E. G. Woods

Approved by: Kewanee Oil Company

By: *David R. Kasper*

Date: 2-14-58

BUFFALO OIL COMPANY
A MARYLAND CORPORATION
FIRST NATIONAL BUILDING
TULSA 3, OKLAHOMA

February 7, 1958

ADDRESS REPLY TO
203 CARPER BUILDING
ARTESIA, NEW MEXICO

File: #105.10

Carper Drilling Company
200 Carper Building
Artesia, New Mexico

Subject: Buffalo Oil Company Application to the Oil
Conservation Commission to Amend Order #821.

Gentlemen:

In 1949, the Buffalo Oil Company drilled a five spot location, Baish "A" well No. 21, in the Maljamar Field, and at the time this well was completed the Baish "A" well No. 15 was shut in. The two wells were located in the same 40 acres, and it was the opinion of the Buffalo Oil Company at that time that only one well per each 40 acre unit should be producing in the Maljamar Field.

Recently, a hearing was conducted before the Oil Conservation Commission in which the Operators in the M.C.R.A. presented a tentative plan for a pilot water flood program. As a part of this program, the Buffalo Oil Company Baish "A" well No. 21 would be converted to a water injection well and the Baish "A" No. 15 well would be re-converted to a producing well. Even though it is possible that the Operators may not decide to conduct this pilot program strictly as presented, the Buffalo Oil Company would now like to start producing Baish "A" well No. 15 simultaneously with the producing of Baish "A" well No. 21. It is felt that we would gain information which would be helpful in a later water flood program, and it is felt that this would not cause any hardship on the other Operators within the field.

As a matter of fact, there are other 40 acre units in the field on which there are presently two wells producing; such as, the Kewanee Pearl Lease. Therefore, this request would not create a condition which does not presently exist.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Buffalo H-11 No. 3
CASE 1882

NMOCC
Case No. 1382
Exhibit No. 3

C O P Y

Carper Drilling Company
Artesia, New Mexico

February 7, 1958
Page 2

It has been the practice, when producing two wells on one 40 acre unit, to limit the top allowable of the two wells so as to not exceed one top unit allowable; this practice should be continued.

The Buffalo Oil Company has filed an application with the New Mexico Oil Conservation Commission, and has requested a hearing which will amend Order No. 821 issued May 13, 1949 and which specifically prohibits the Buffalo Oil Company from producing the Baisch "A" wells No. 21 and No. 15 simultaneously. If you have no objection to our application, it would be appreciated if you would signify this by signing on the space provided below and returning one copy to our Artesia office.

In the event that you have any questions concerning this matter, please advise and we will be glad to discuss the application further with you.

Very truly yours,

BUFFALO OIL COMPANY

Ralph L. Gray
Ralph L. Gray
Division Prod. Supt.

RLG:mw

Copies to: Carper Drilling Company
Kewanee Oil Company
Mrs. E. G. Woods

Approved by: Carper Drilling Company

By: *Marshall Rauh*

Date: Feb. 11, 1958

BUFFALO OIL COMPANY

A MARYLAND CORPORATION
FIRST NATIONAL BUILDING
TULSA 3, OKLAHOMA

February 7, 1958

ADDRESS REPLY TO
211 CARPER BUILDING
ARTESIA, NEW MEXICO

File: #105.10

Mrs. E. G. Woods
1105 West Main Street
Artesia, New Mexico

Subject: Buffalo Oil Company Application to the Oil
Conservation Commission to Amend Order #821.

Dear Mrs. Woods:

In 1949, the Buffalo Oil Company drilled a five spot location, Baish "A" well No. 21, in the Maljamar Field, and at the time this well was completed the Baish "A" well No. 15 was shut in. The two wells were located in the same 40 acres, and it was the opinion of the Buffalo Oil Company at that time that only one well per each 40 acre unit should be producing in the Maljamar Field.

Recently, a hearing was conducted before the Oil Conservation Commission in which the Operators in the M.C.R.A. presented a tentative plan for a pilot water flood program. As a part of this program, the Buffalo Oil Company Baish "A" well No. 21 would be converted to a water injection well and the Baish "A" No. 15 well would be re-converted to a producing well. Even though it is possible that the Operators may not decide to conduct this pilot program strictly as presented, the Buffalo Oil Company would now like to start producing Baish "A" well No. 15 simultaneously with the producing of Baish "A" well No. 21. It is felt that we would gain information which would be helpful in a later water flood program, and it is felt that this would not cause any hardship on the other Operators within the field.

As a matter of fact, there are other 40 acre units in the field on which there are presently two wells producing; such as, the Keweenaw Pearl Lease. Therefore, this request would not create a condition which does not presently exist.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Buffalo *821*
CASE *821*

NMOCC
Case No. 1382
Exhibit No. *4*

C O P Y

Mrs. E. G. Woods
Artesia, New Mexico

February 7, 1958
Page 2

It has been the practice, when producing two wells on one 40 acre unit, to limit the top allowable of the two wells so as to not exceed one top unit allowable; this practice should be continued.

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In the event that you have any questions concerning this matter, please advise and we will be glad to discuss the application further with you.

Very truly yours,

BUFFALO OIL COMPANY

Ralph L. Gray

Ralph L. Gray
Division Prod. Supt.

RLG:amw

Copies to: Carper Drilling Company
Keweenaw Oil Company
Mrs. E. G. Woods

Approved by: Mrs. E. G. Woods

Jack B. Shaw

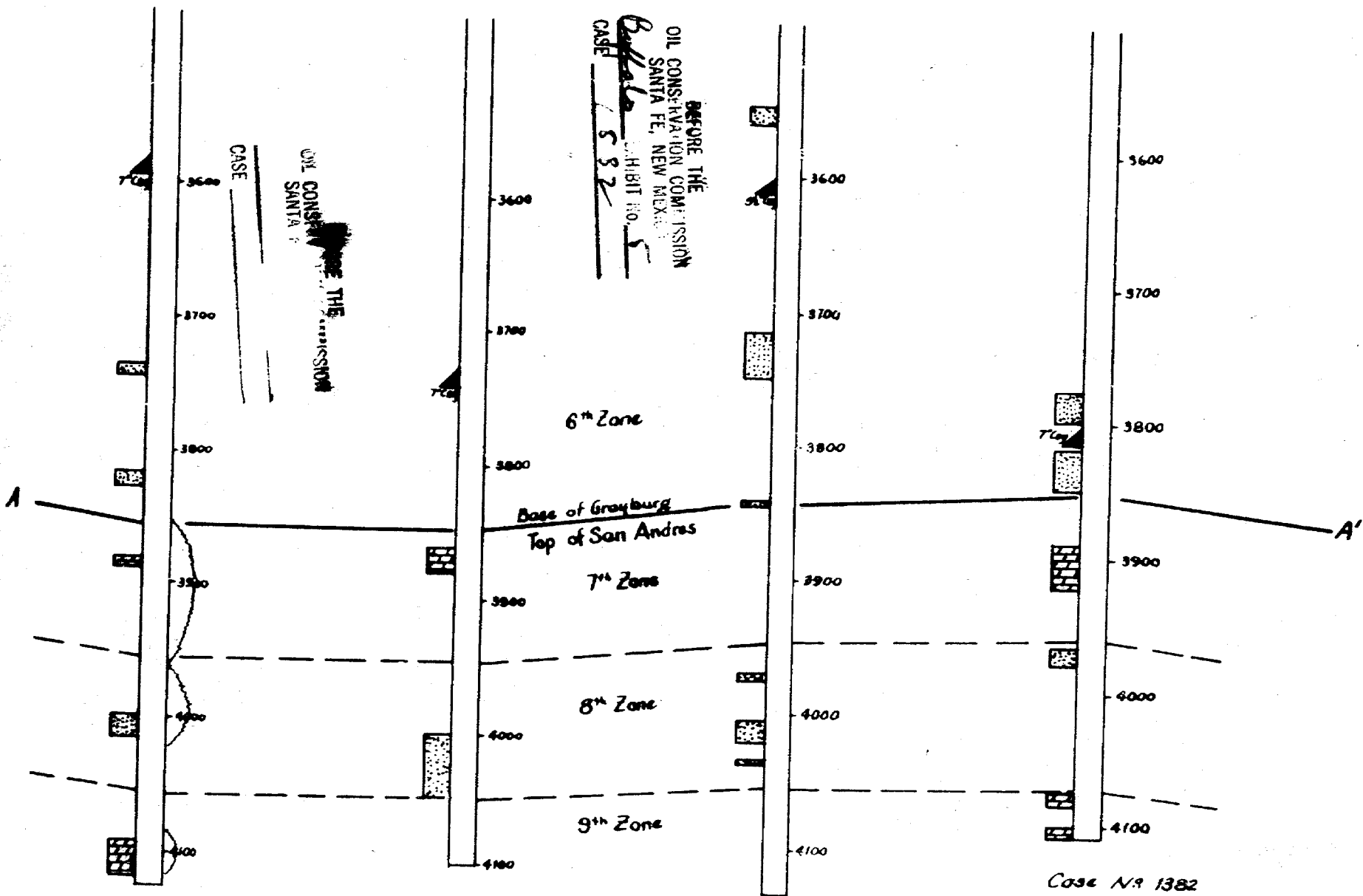
Date: 2-18-58

Barish A N° 14

Barish A N° 21

Barish A N° 15

Barish A IP-26



Case N° 1382

Exhibit N° 5

A Cross section through a portion of
Buffalo Oil Company's Barish 'A' Lease as
Shown on their Exhibit N° 1, Traverse A to A'