

Case No.

15/9

Application, Transcript,  
Small Exhibits, Etc.

CASE 1112 - SHERIFF MRS. COLEMAN 0418  
F. B. I. - BUREAU OF INVESTIGATION  
FEDERAL BUREAU OF INVESTIGATION

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

CLERK OF COURSE OCC

IN THE MATTER OF:  
CASE 1519

TRANSCRIPT OF HEARING

OCTOBER 2, 1958

DEARNLEY - MEIER & ASSOCIATES  
GENERAL LAW REPORTERS  
ALBUQUERQUE, NEW MEXICO  
Phone CHapel 3-6071

an order authorizing a secondary recovery project.

MR. WHITE: If the Examiner please, Sunray Mid-Continent, one of the joint applicants, respectively moves that the case be continued until the October 15th hearing at Farmington, New Mexico.

MR. COOLEY: That's before the New Mexico Oil Conservation Commission?

MR. SULLIVAN: That's correct. The other applicant in this case, British American, joins and concurs in that respect for a continuance.

MR. UTZ: Is there any objection to the continuance of this case until the October 15th hearing at Farmington? Without objection, it will be continued.

C E R T I F I C A T E

STATE OF NEW MEXICO )  
: ss  
COUNTY OF BERNALILLO )

I, J. A. TRUJILLO, 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 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 9<sup>th</sup> day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

J. A. Trujillo  
Notary Public

My Commission Expires:  
October 5, 1960.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner's hearing of Case No. 1519.  
heard by me on 10-3-58.  
[Signature] Examiner  
New Mexico Oil Conservation Commission

BEFORE THE  
OIL CONSERVATION COMMISSION  
FARMINGTON, NEW MEXICO  
OCTOBER 15, 1958

IN THE MATTER OF:

CASE 1519

TRANSCRIPT OF HEARING

DEARNLEY - MEIER & ASSOCIATES  
GENERAL LAW REPORTERS  
ALBUQUERQUE NEW MEXICO  
Phone CHapel 3-6601

BEFORE THE  
OIL CONSERVATION COMMISSION  
FARMINGTON, NEW MEXICO  
OCTOBER 15, 1958

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IN THE MATTER OF:

CASE 1519. Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for an order authorizing a secondary recovery project. Applicants, in the above-styled cause, seek an order authorizing a secondary recovery project in the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico. Applicants propose to inject liquefied petroleum gas and dry gas into the Gallup formation through the British American Marye Well No. 2 located in the NE/4 NE/4 of Section 12, Township 25 North, Range 13 West, and the Sunray Mid-Continent Federal "C" Well No. 20 located in the SW/4 NW/4 of Section 7, Township 25 North, Range 12 West, all in San Juan County, New Mexico.

-----  
BEFORE

Mr. A. L. Porter  
Mr. Murray Morgan

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

MR. PORTER: Case 1519.

MR. COOLEY: Case 1519. Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for an order authorizing a secondary recovery project.

Similarly in Case 1519, the joint applicants, Sunray Mid-Continent and British American Oil Producing Company, have requested formally that their application be withdrawn, and that

this case be dismissed. I, therefore, recommend that Case 1519 likewise be dismissed.

MR. PORTER: Without objection, Case 1519 will also be dismissed.



C E R T I F I C A T E

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) : ss

I, J. A. TRUJILLO, 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 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 23<sup>rd</sup> day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*Jose A. Trujillo*  
Notary Public

My Commission Expires:

October 5, 1960

**OIL CONSERVATION COMMISSION**

**P. O. BOX 871  
SANTA FE, NEW MEXICO**

**November 10, 1958**

C  
O  
P  
Y

**Mr. L. C. White  
Gilbert, White & Gilbert  
P.O. Box 787  
Santa Fe, New Mexico**

**Dear Mr. White:**

**On behalf of your client, Sunray Mid-Continent Oil Company,  
we enclose two copies of each of the following orders issued November 5,  
1958, by the Oil Conservation Commission:**

**Order R-1270 in Case 1519  
Order R-1271 in Case 1524  
Order R-1278 in Case 1532**

**Very truly yours,**

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

**bp  
Encls.**

DOCKET: EXAMINER HEARING OCTOBER 2, 1958

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

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

CASE 1225: Application of Moab Drilling Company for authority to expand its water flood project in the High Lonesome Pool, Eddy County, New Mexico, and for approval of certain unorthodox well locations therein. Applicant, in the above-styled cause, seeks an order authorizing the expansion of its water flood project in the High Lonesome Pool, Eddy County, New Mexico, to include its Davis-Federal Well No. 11-W, a proposed water injection well to be drilled on an unorthodox location 1310 feet from the North line and 2630 feet from the West line of Section 15, Township 16 South, Range 29 East. Applicant further seeks an administrative procedure for the future expansion of said water flood project to include the following proposed water injection wells to be drilled on unorthodox locations:

Davis-Federal No. 1-W; 10 feet from the North line and 2630 feet from the West line of Section 15.

Davis-Federal No. 2-W; 10 feet from the North line and 1310 feet from the West line of Section 15.

Skelly-State No. 15-W; 1310 feet from the North line and 2630 feet from the West line of Section 16.

Skelly-State No. 25-W; 2630 feet from the North line and 2630 feet from the West line of Section 16.

All in Township 16 South, Range 29 East.

CASE 1511: Application of Newmont Oil Corporation 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 Loco Hills Pool in Eddy County, New Mexico. Applicant proposes to inject water into the Grayburg formation through one well in Section 1, Township 18 South, Range 29 East, and through five wells in Section 6, Township 18 South, Range 30 East, all in Eddy County, New Mexico.

CASE 1512: Application of Humble Oil & Refining Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Bandana Point Unit Agreement embracing approximately 14,293 acres of Federal, state and fee acreage in Township 22 South, Range 23 East, and Township 23 South, Ranges 23 East and 24 East, all in Eddy County, New Mexico.

CASE 1513: Application of Drilling and Exploration Company, Inc. for an exception to the casing requirements for the potash-oil area in Lea and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing an exception to the shallow-zone casing requirements for the potash-oil

CASE 1513 continued

area as set forth in Order No. R-111-A for its Ballard No. 1 Well located 1980 feet from the North and West lines of Section 27, Township 20 South, Range 34 East, Lea County, New Mexico. Applicant proposes to drill with cable tools to an approximate depth of 3,700 feet adjacent to the Lynch Pool. Applicant proposes to use the following casing program in lieu of the program prescribed for cable tool holes by Order R-111-A:

- (1) 13 3/8 inch casing to be cemented at approximately 70 feet.
- (2) 10 3/4 inch casing to be landed at approximately 700 feet.
- (3) 8 5/8 inch casing to be landed at approximately 1250 feet.
- (4) 5 1/2 inch casing to be cemented at the top of the producing formation with 50 sacks cement for testing purposes.
- (5) 10 3/4 inch casing and 8 5/8 inch casing to be pulled.
- (6) In the event commercial production is obtained, 5 1/2 inch casing to be perforated and cement circulated to surface.

CASE 1514: Application of Continental Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Tonto Deep Unit Agreement embracing 2,000 acres, more or less, of Federal and state lands in Township 18 South, Range 34 East, Lea County, New Mexico.

CASE 1515: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the S/2 Section 22, Township 22 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Meyer B-22 Well No. 1 located 1650 feet from the South line and 990 feet from the East line of said Section 22.

CASE 1516: Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 SW/4 and the SW/4 SW/4 of Section 4, Township 25 South, Range 37 East, said unit to be dedicated to the applicant's Wells Federal No. 3 Well located 1980 feet from the South and West lines of said Section 4. Applicant further seeks the establishment of a 200-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the SE/4

CASE 1516 continued

SW/4 of Section 4 and the NW/4 of Section 9, Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Wells Federal No. 11 Well located 430 feet from the South line and 2317 feet from the West line of said Section 4. Applicant further seeks approval of the unorthodox gas well location of the said Wells Federal No. 11 Well.

CASE 1517: Application of Amerada Petroleum Corporation for a dual completion. Applicant in the above-styled cause, seeks an order authorizing the dual completion of its State BT "M" Well No. 2, located in the SE/4 NE/4 of Section 33, Township 11 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the upper Pennsylvanian formation adjacent to the Bagley-Upper Pennsylvanian Gas Pool, and the production of oil from the lower Pennsylvanian formation adjacent to the Bagley-Lower Pennsylvanian Gas Pool through the casing-tubing annulus and the tubing respectively.

CASE 1518: Application of Magnolia Petroleum Company for permission to commingle production from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Wantz-Abc (oil) Pool and Terry-Blinbry Oil Pool on its Stephens Estate Lease comprising the SW/4 of Section 24, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1519: Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for an order authorizing a secondary recovery project. Applicants, in the above-styled cause, seek an order authorizing a secondary recovery project in the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico. Applicants propose to inject liquefied petroleum gas and dry gas into the Gallup formation through the British American Marye Well No. 2 located in the NE/4 NE/4 of Section 12, Township 25 North, Range 13 West, and the Sunray Mid-Continent Federal "C" Well No. 20 located in the SW/4 NW/4 of Section 7, Township 25 North, Range 12 West, all in San Juan County, New Mexico.

CASE 1520: Application of Phillips Petroleum Company for permission to commingle oil produced from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced on its Santa Fe Lease from the Yates formation adjacent to the Vacuum Yates Pool with the oil produced from the Vacuum (San Andres) Pool in four separate existing tank batteries located in Sections 26, 27, 28, and 33, Township 17 South, Range 35 East, Lea County, New Mexico.

-4-

Docket No. 26-58

CASE 1521: Application of Humble Oil and Refining Company for an oil dual completion. Applicant, in the above-styled case, seeks an order authorizing the dual completion of its Mexico State "V" Well No. 1, located 660 feet from the South and West lines of Section 10, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinebry Oil Pool and the Drinkard Pool through parallel strings of  $1\frac{1}{2}$  inch tubing.

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. 1519  
Order No. B-1270

APPLICATION OF SUNRAY MID-CONTINENT  
OIL COMPANY AND BRITISH AMERICAN OIL  
PRODUCING COMPANY FOR AN ORDER AUTHORIZING  
A SECONDARY RECOVERY PROJECT IN THE BISTI-  
LOWER GALLUP OIL POOL IN SAN JUAN COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 15, 1958, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 5<sup>th</sup> day of November, 1958, the Commission, a quorum being present 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 joint applicants, Sunray Mid-Continent Oil Company and British American Oil Producing Company, by application received on October 9, 1958, requested that the case be dismissed.

IT IS THEREFORE ORDERED:

That Case 1519 be and the same is hereby dismissed.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. Meehan*  
EDWIN L. MEEHAN, Chairman

*Murray E. Morgan*  
MURRAY E. MORGAN, Member

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



DOCKET: REGULAR HEARING OCTOBER 15, 1958

Oil Conservation Commission 9 a.m. Apache School Gymnasium, 600 Block West  
Apache, Farmington, New Mexico

- ALLOWABLE:** (1) Consideration of the oil allowable for November, 1958.
- (2) Consideration of the allowable production of gas for November, 1958, from six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from seven prorated pools in San Juan and Rio Arriba Counties, New Mexico, for November, 1958.

NEW CASES

CASE 1522:

Application of Lea County Drip Company, Inc. for the revision of certain of the Commission Statewide Rules and Regulations and for the revision of certain of the Commission forms. Applicant, in the above-styled cause, seeks an order to revise Rules 311, 312, 1116 and 1117 of the Commission Rules and Regulations, to replace the present Commission Form C-117 with two forms to be designated as C-117-A and C-117-B, and to revise Commission Form C-118.

CASE 1523:

Application of El Paso Natural Gas Company for an order establishing 320-acre drilling and spacing units and promulgating special rules and regulations for certain formations in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order establishing 320-acre drilling and spacing units in San Juan and Rio Arriba Counties, New Mexico, and promulgating special rules and regulations for the gas producing interval lying between the base of the Greenhorn limestone of Cretaceous age and the base of the productive upper portion of the Morrison sandstone of Jurassic age, which includes undifferentiated Graneros, Dakota, and Morrison sands. The application includes all currently designated Dakota Gas Pools, Graneros Gas Pools and Graneros-Dakota Gas Pools with exception of the Barker Creek-Dakota Gas Pool and the Ute Dome Gas Pool.

CASE 1524:

Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for the establishment of rules and regulations for secondary recovery projects in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico. Applicants, in the above-styled cause, seek an order promulgating special rules and regulations governing the operation of secondary recovery projects in the Bisti-Lower Gallup Oil Pool in the following areas:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 6: S/2, NE/4, S/2 NW/4, & NE/4 NW/4

Section 7: E/2 & NW/4



TOWNSHIP 25 NORTH, RANGE 13 WEST, NMPM  
Section 1: NW/4, SE/4, S/2 NE/4, & NW/4 NE/4  
Section 12: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM  
Section 31: SE/4, E/2 SW/4, & NW/4 SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM  
Section 35: All

Applicants propose that said special rules would include, among other things, a system for transfer of allowable from injection to shut-in wells and an administrative procedure for conversion of additional wells to LPG and gas injection.

CASE 1525: Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and extension of existing pools in Lea, Eddy and Chaves Counties, New Mexico.

(a) Create a new oil pool for Devonian production, designated as the Arkansas Junction-Devonian Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM  
Section 28: NW/4  
Section 29: NE/4

(b) Create a new oil pool for Grayburg production, designated as the East Leo-Grayburg Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM  
Section 20: SE/4

(c) Create a new gas pool for Pennsylvanian production, designated as the South Salt Lake-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM  
Section 25: SE/4

(d) Extend the Allison-Pennsylvanian Pool to include:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM  
Section 2: NE/4

(e) Extend the Atoka Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 13: NE/4 SW/4 & NW/4 SE/4

(f) Extend the Caprock-Queen to include:

TOWNSHIP 14 SOUTH, RANGE 31 EAST, NMPM  
Section 4: W/2 NW/4

- (g) Extend the South Carter-San Andres Pool to include:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM  
Section 5: SE/4

- (h) Extend the High Lonesome Pool to include:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM  
Section 14: N/2  
Section 15: NE/4

- (i) Extend the West Henshaw-Grayburg Pool to include:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM  
Section 3: Lots 11, 12, & 14

- (j) Extend the Jalmat Gas Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 34: NE/4

- (k) Extend the South Paddock Pool to include:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM  
Section 32: SW/4

- (l) Extend the Reeves-Pennsylvanian Pool to include:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM  
Section 23: SW/4  
Section 26: W/2  
Section 27: S/2

- (m) Extend the South Sawyer-San Andres Pool to include:

TOWNSHIP 9 SOUTH, RANGE 38 EAST, NMPM  
Section 31: S/2  
Section 32: S/2

TOWNSHIP 10 SOUTH, RANGE 38 EAST, NMPM  
Section 6: NW/4

- (n) Extend the Square Lake Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 15: NW/4

- (o) Extend the Young Pool to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM  
Section 8: S/2 SE/4

CASE 1526:      **Northwestern New Mexico nomenclature case calling for an order for the extension of existing pools in Rio Arriba and San Juan Counties, New Mexico.**

- (a)    **Extend the Aztec-Fruitland Pool to include:**

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM  
Section 25:    SW/4  
Section 36:    W/2

- (b)    **Extend the Ballard-Pictured Cliffs Pool to include:**

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM  
Section 28:    NW/4  
Section 29:    All  
Section 30:    N/2

- (c)    **Extend the Canyon Largo-Pictured Cliffs Pool to include:**

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM  
Section 3:     SE/4  
Section 4:     N/2

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM  
Section 1:     NE/4

- (d)    **Extend the Otero-Pictured Cliffs Pool to include:**

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM  
Section 23:    W/2  
Section 27:    NE/4

- (e)    **Extend the Tapacito-Pictured Cliffs Pool to include:**

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM  
Section 15:    SE/4

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM  
Section 29:    SW/4  
Section 30:    E/2

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM  
Section 13:    SW/4  
Section 24:    All  
Section 25:    N/2

- (f)    **Extend the South Blanco-Pictured Cliffs Pool to include:**

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM  
Section 20:    E/2  
Section 21:    All

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 1: W/2  
Section 2: All  
Section 3: All  
Section 10: NE/4  
Section 14: E/2

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 33: SW/4

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 13: S/2  
Section 15: S/2  
Section 16: All  
Section 23: N/2  
Section 24: N/2

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM

Section 1: All  
Section 11: W/2  
Section 12: E/2  
Section 13: E/2

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 5: E/2  
Section 8: All  
Section 9: W/2

- (g) Extend the Blanco-Mesaverde Pool to include:

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM

Section 7: All

- (h) Extend the Angels Peak-Dakota Pool to include:

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM

Section 2: NW/4

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM

Section 35: SW/4

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 27: W/2  
Section 28: E/2

- (i) Extend the Bisci-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 3: SE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Section 19: NW/4

- (j) Extend the Horseshoe-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM  
Section 10: NW/4 NE/4

- (k) Extend the Otero-Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM  
Section 32: S/2 NE/4

- (l) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM  
Section 20: NW/4

CONTINUED CASE

CASE 1508:

Application of El Paso Natural Gas Company for the establishment of 320-acre spacing units for the Dakota formation in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order establishing 320-acre spacing units for all gas wells drilled to or completed in the Dakota formation in San Juan and Rio Arriba Counties, New Mexico, including the fifteen presently designated Dakota gas pools in said counties; and for the promulgation of special rules and regulations for said pools.

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No. 27-58

SUPPLEMENTAL DOCKET: REGULAR HEARING OCTOBER 15, 1958

Oil Conservation Commission 9 a.m. Apache School Gymnasium, 600 Block  
West Apache, Farmington, New Mexico

CASE 1519: Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for an order authorizing a secondary recovery project. Applicants, in the above-styled cause, seek an order authorizing a secondary recovery project in the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico. Applicants propose to inject liquefied petroleum gas and dry gas into the Gallup formation through the British American Maryo Well No. 2 located in the NE/4 NE/4 of Section 12, Township 25 North, Range 13 West, and the Sunray Mid-Continent Federal "C" Well No. 20 located in the SW/4 NW/4 of Section 7, Township 25 North, Range 12 West, all in San Juan County, New Mexico.

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BEFORE THE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SUNRAY  
MID-CONTINENT OIL COMPANY AND BRITISH  
AMERICAN OIL PRODUCING COMPANY FOR AN ORDER  
AUTHORIZING A SECONDARY RECOVERY PROJECT IN  
THE BISTI-LOWER GALLUP OIL POOL IN SAN JUAN  
COUNTY, NEW MEXICO, PURSUANT TO RULE 701 OF  
THE COMMISSION'S RULES AND REGULATIONS.

CASE NO. 1519

WITHDRAWAL OF APPLICATION

Come now Sunray Mid-Continent Oil Company and British American Oil  
Producing Company, the joint applicants herein, and formally withdraw their  
application heretofore filed in the above-entitled matter and further re-  
quest that the hearing upon said application be cancelled.

SUNRAY MID-CONTINENT OIL COMPANY

By Lewhit  
One of its Attorneys

BRITISH AMERICAN OIL PRODUCING COMPANY

By R. W. Sullivan Lew  
R. W. Sullivan  
1512 Mile High Center  
Denver 2, Colorado

By Lewhit  
L. C. White  
Santa Fe, New Mexico

GILBERT, WHITE AND GILBERT  
ATTORNEYS AT LAW  
SANTA FE, NEW MEXICO

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

1888 SEP 10  
IN THE MATTER OF THE APPLICATION OF SUNRAY  
MID-CONTINENT OIL COMPANY AND BRITISH  
AMERICAN OIL PRODUCING COMPANY FOR AN ORDER  
AUTHORIZING A SECONDARY RECOVERY PROJECT IN  
THE BISTI-LOWER GALLUP OIL POOL IN SAN JUAN  
COUNTY, NEW MEXICO, PURSUANT TO RULE 701 OF  
THE COMMISSION'S RULES AND REGULATIONS.

CASE NO. 1519

A P P L I C A T I O N

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

COMES NOW the Applicants, Sunray Mid-Continent Oil Company and  
British American Oil Producing Company, and respectfully allege and state as  
follows:

1. That it is desired to inject liquefied petroleum gas and gas,  
pursuant to Rule 701 of the Commission's Rules and Regulations, into the Bisti-  
Lower Gallup Oil Pool underlying the following described acreage:

All of Section 35, Township 26 North, Range 13 West, N.M.P.M.

The Northwest Quarter (NW/4) and the East Half (E/2) of  
Section 1, Township 25 North, Range 13 West, less the North-  
east Quarter of the Northeast Quarter (NE/4 NE/4) of said  
Section 1, N.M.P.M.

The Northeast Quarter (NE/4) of Section 12, Township 25 North,  
Range 13 West, N.M.P.M.

Owned and operated by British American Oil  
Producing Company

The South Half of Section 31, Township 26 North, Range 12  
West, except the Southwest Quarter of the Southwest Quarter  
(SW/4) SW/4) of said Section 31, N.M.P.M.

All of Section 6, Township 25 North, Range 12 West, except the  
Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of said  
Section 6, N.M.P.M.

The Northwest Quarter (NW/4) and the East Half (E/2) of Section 7,  
Township 25 North, Range 12 West, N.M.F.M.

Owned and operated by Sunray Mid-Continent Oil Company

All in San Juan County, New Mexico.

2. That the wells in the Bisti-Lower Gallup Oil Pool are producing  
from the Lower Gallup Oil Sand which is found between the depths of 4826 feet  
and 4860 feet in British American Oil Producing Company's Marye Well No. 1  
located in the Northeast Quarter of the Northeast Quarter (NE/4 NE/4) of Section 1,  
Township 25 North, Range 13 West, N.M.P.M., San Juan County, New Mexico.

3. That it is proposed to inject liquefied petroleum gas and gas into  
British American Oil Producing Company's Marye Well No. 2, located in the Northeast  
Quarter of the Northeast Quarter (NE/4 NE/4) of Section 12, Township 25 North, Range  
13 West, and into Sunray Mid-Continent Oil Company's Federal "C", Well No. 20,  
located in the Southwest Quarter of the Northwest Quarter (SW/4 NW/4) of Section 7,  
Township 25 North, Range 12 West, both in San Juan County, New Mexico.

4. That casing has been set and cemented in each proposed injection well  
as follows:

(a) Sunray's Federal "C" No. 20:

8-5/8" casing set at 294' with 175 sacks of cement.  
5-1/2" casing set at 5049' with 200 sacks of cement.

*Docket mailed  
to all 3 attorneys  
9-18-58  
BP*



(b) British American's Marye No. 2:

9-5/8" casing set at 222' with 175 sacks of cement  
5-1/2" casing set at 4980' with 130 sacks of cement

- (c) The casing in each injection well will be tested in accordance with such rules and methods heretofore approved by the Commission or as may be prescribed by it prior to use as an injection well.

5. That it is estimated that between 250 and 1200 barrels per day of liquefied petroleum gas for a total per well injection of 25,000 barrels to 50,000 barrels which will be followed by between 400,000 and 1,500,000 cubic feet of gas per day will be injected into each injection well. That the liquefied petroleum gas will be purchased from outside sources and that the gas will consist of produced casinghead gas from the Lower Gallup Oil Formation with needed make-up gas to be purchased from outside sources.

6. That the Commission by its Order No. R-1027 dated August 7, 1957, has heretofore granted to Sunray Mid-Continent Oil Company permission to inject liquefied petroleum gas followed by gas into the Bisti-Lower Gallup Oil Pool for the purposes of secondary recovery.

7. That attached hereto, marked Exhibit "A", and made a part hereof by this reference, is a plat showing the location of the proposed intake wells; the location of all oil and gas wells, including drilling wells and dry holes, and the names of lessees within one-half mile of the proposed intake wells; and the name of each offset operator.

8. That the operators of this project and their addresses are Sunray Mid-Continent Oil Company, P. O. Box 2039, Tulsa 2, Oklahoma and British American Oil Producing Company, P. O. Box 180, Denver, Colorado.

WHEREFORE Applicants pray that this application be set for hearing, that notice be given as required by law and that upon the evidence adduced at such hearing, the Commission issue an order granting to Applicants permission to inject liquefied petroleum gas followed by gas into the Bisti-Lower Gallup Oil Pool as more fully set out in this application.

Dated this 9th day of September, 1958.

BRITISH AMERICAN OIL PRODUCING COMPANY

By R. W. Sullivan  
R. W. Sullivan, Attorney  
Mile High Center  
Denver, Colorado

SUNRAY MID-CONTINENT OIL COMPANY

By William R. Loar  
William R. Loar, Attorney  
P. O. Box 2039  
Tulsa 2, Oklahoma

By L. C. White  
L. C. White, Attorney  
P. O. Box 707  
Santa Fe, New Mexico

The map is a hand-drawn grid showing a portion of the El Paso area. The grid is composed of 15-degree squares, with labels for each square. The squares are numbered 1 through 15, with some squares having additional labels. The map includes a compass rose in the upper right corner, indicating North (N). A scale bar is located in the upper left corner, showing distances in miles (0, 10, 20). The map is oriented with North at the top.

Key locations and features include:

- Grid Labels:** 27, 26, 25 (top); 34, 31, 32 (middle); 3, 6, 5 (center); 10, 12, 7, 8 (bottom); 15, 14, 13, 18, 17 (bottom).
- Locations:** El Paso, British Am., Sullivan, Phillips, Texas, Jackman, Honolulu, State, Palmer, Reese, Hickman, Blackrock, El Paso, Bonally, Amerada, Kelly St, Brit Am., Marge, Fed. C, S. White, Nat. Res. Park, U.S. Ross, Fed. B.
- Other Labels:** 160 AC - PILOT AREA, SDX-A11W1, S-30675, H.B.P., 1185, 11258, 11242, 11245, 11246, 11247, 11248, 11249, 11250, 11251, 11252, 11253, 11254, 11255, 11256, 11257, 11258, 11259, 11260.

PRODUCING FORMATION		SUNRAY MID-CONTINENT OIL COMPANY	PRODUCING LEASES	
NAME	AVERAGE DEPTH	FIELD: BISTI LOWER GALLUP		NEW MEXICO FED. "B" NEW MEXICO FED. "C"
		DISTRICT: N.&W. TEXAS GROUP: BISTI COUNTY: SAN JUAN STATE: N. MEXICO		
		SCALE 4000 2000 0 2000 4000 8000 ----- FEET		