

Case No.

1549

Application, Transcript,
Small Exhibits, Etc.

CASE 1942: THURSDAY 21/10/1942
BY THE ATTORNEY GENERAL

BEFORE THE
OIL CONSERVATION COMMISSION
NOVEMBER 19, 1958

IN THE MATTER OF:

APPLICATION OF TIDEWATER OIL COMPANY, CASE 1549

TRANSCRIPT OF HEARING

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

BEFORE THE
OIL CONSERVATION COMMISSION
NOVEMBER 19, 1958

IN THE MATTER OF:

Application of Tidewater Oil Company for
two non-standard gas proration units.
Applicant, in the above-styled cause, seeks
an order establishing a 120-acre non-standard
gas proration unit, in both the Tubb Gas
Pool and the Blinebry Gas Pool, each to com-
prise the S/2 SE/4 and SE/4 SW/4 of Section
36, Township 21 South, Range 37 East, Lea
County, New Mexico, and to be dedicated to
applicant's State "Q" Well Number 1, located
in the SE/4 SW/4 of said Section 36, which
well is dually completed in the aforesaid pools.)

) Case 1549

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Next case on the Docket will be case 1549.

MR. PAYNE: Case 1549, Application of Tidewater Oil
Company for two non-standard gas proration units.

MR. SETH: Oliver Seth, Santa Fe, New Mexico, for Tide-
water. If the Commission please, this is an application by
Tidewater to establish two non-standard gas proration units, one
in the Tubb Gas Pool and one on the Blinebry, being the same 120-acre
tract for both pools, the 120 south half of the southeast quarter
of the southeast quarter southwest quarter of Section 36, Township
21 South, Range 37 East. We have Mr. Miller as our witness.

ROBERT N. MILLER

the witness, having been first duly sworn, testified as follows?

DIRECT EXAMINATION

BY MR. SETH:

Q State your full name for the record and your position with Tidewater.

A Robert N. Miller, Area Petroleum Engineer, Hobbs.

Q Are you familiar with the application of Tidewater in Case 1549?

A Yes, sir.

Q Have you testified previously before the Commission as an engineer?

A Yes, sir.

MR. SETH: May he so testify at this hearing?

MR. UTZ: Yes.

Q (By Mr. Seth) Have you prepared a plat showing the location of the proposed non-standard unit?

A Yes, sir, I have.

MR. SETH: Would you mark that, please, number one.

(Marked Tidewater Exhibit
Number One for identification.)

Q (By Mr. Seth) Referring to Exhibit One, the proposed area, how is it indicated?

A It is indicated in red, Tidewater State "Q" Lease.

Q What well is located on this lease?

A Well Number One, being in Unit N, 36, 21, 37.

Q Has this well been dually completed?

A It was originally a Drinkard well; it is plugged back a dual.

Q By this application do you propose to dedicate the two units to the dually completed well?

A Yes, sir, 120-acre State "Q" Lease for Blinebry and same 120 acres for the Tubbs.

Q Consider first the Blinebry portion of the application. Would you state, please, where the well is perforated, the Tidewater State "Q" Number One?

A Yes, sir, it is perforated in the Blinebry section from 5520 to 5560, which is a minus 2143 to a minus 2183.

Q Now, would you describe the adjoining wells, the offset wells to this Tidewater State "Q" Number One?

A The north offset, Sinclair State 367 well Number 3 is presently a top allowable Blinebry gas well which will produce in excess of one million cubic feet of gas per day. The diagonal offset, the Gulf's Penrose Well Number Five -- I'd like to point out at this time there is one error in these plats. The east half of Section 21, 22 South, 37 East is shown as N. G. Penrose - George Simms lease. That should be Gulf's Paddock Lease.

Q This is Gulf's Paddock Number Five?

A Yes, sir, perforated in the Blinebry from a minus 2150 to a minus 2461 intermittently sand and oil treated. The well was originally completed as an oil well with a GOR of 13,000 to one and a liquid gravity of 38 degrees API. Recent tests indicated

that the GOR of this well has been increased to 53,118 cubic feet per barrel, which is sufficient for gas well classification under the Blinebry Field rules or R - 16. Gulf hasn't at this time I don't believe filed for a standard gas proration unit covering the northeast quarter of Section 1.

Q Now, would you compare the perforations in the Gulf Paddock Number Five and the Tidewater State "Q" Number One?

A The Gulf Paddock Number Five was perforated 278 feet lower on the lowermost perforations, comparing the Tidewater State "Q" One and the Paddock Number Five.

Q That applies to the Blinebry?

A Yes, that is the Blinebry.

Q Make a similar comparison with the Sinclair 367.

A Sinclair is perforated in the Blinebry minus 2135 to a minus 2201, which would be 18 feet lower on the lowermost perforation to the Tidewater State "Q" Number One.

Q Considering the adjoining gas units there, are there other units within those units as low or lower?

A There are in that immediate vicinity no Blinebry gas wells producing below the lowermost part of that 120 acres. However, there is dedicated acreage to gas wells which is as low or lower. One instance being the standard gas proration unit of Pan American's State "C" 13 well Number Five in the Northwest quarter of the Section 36, 21 South 37 East.

Q Is that a portion of the Gulf Paddock Unit; how would that

compare?

A Gulf has, to my knowledge, Gulf has not filed for a standard Blinebry gas unit.

Q Have you prepared a contour map showing the top of the Blinebry?

A Yes, sir, I have.

Q This is Exhibit Number Two, is that correct?

A Yes, sir, that is correct.

Q Would you state, please, what this exhibit shows? Describe the contour.

A There is a contour map at 20-foot intervals on the top of the Blinebry. It is encountered in the Tidewater State "Q" Number One minus 2140. The lowermost part on the proposed 120-acre non-standard unit is approximately minus 2210 to 20.

Q What is the source of the data for the preparation of Exhibit Two?

A Logs on file at the Hobbs District Office of the New Mexico Oil Conservation Commission.

Q From the available data, in your opinion, is the entire 120-acre tract reasonable completion production?

A Yes, it is within the horizontal limits of the Blinebry as set forth in R - 16.

Q Do you have any other comments relative to Exhibit Number Two?

A No, sir.

Q Considering the Tubb Gas Pool portion of the application, would you describe, please, the perforations in Tidewater "Q" Number One, the Tubb?

A The Tubb perforations in the Tidewater State "Q" Number One are 6140 to 6175 or a minus of 2770 to a minus 2805.

Q Would you compare those with the offset wells on adjoining acreage?

A I don't have the exact perforations in the Tubb perforations or the Gulf Paddock Five or State Sinclair 367. However, there is a well in the southeast southeast of Section 1, 22 South, 37 East that is a marginal Tubbs well. That is, the Tubbs marker is approximately 2780, which is lower than the Tubbs marker on the proposed 120-acre non-standard gas proration unit for the Tubbs.

Q You are referring to Gulf Paddock Number 3 well?

A Yes, sir.

Q Do you have any data from the production of the well?

A January 1, 1958 that well had produced approximately 13 MCFPD. Of these a balance of, commencing in August of 1958 the well produced 20 million cubic feet of gas.

Q Have you prepared a contour map on the Tubbs?

A I have.

Q Is that Exhibit Number Three?

A Yes, sir.

Q Would you describe, please, what that shows?

A This is contoured on 50 foot intervals and contoured on

the top of the Tubbs marker. The source of data was logs filed at the Hobbs District Office of the Oil Conservation Commission. This exhibit, likewise, shows the horizontal limit of the Tubbs Pool set out in Order R-16.

Q From the available data and from this exhibit, what is your opinion as to the productivity of this 120-acre tract?

A I believe that the contour map shows there are producing Tubbs wells lower than the lowermost part of this proposed non-standard gas proration unit; and, therefore, it can be reasonably assumed that the entire 120-acres is productive of Tubbs gas.

Q In your opinion, is the creation of these units necessary to protect correlative rights and prevent drainage?

A Yes, sir. I have Exhibit Four, existing gas proration units.

Q Do you have an exhibit showing the status of present units surrounding it?

A Yes, sir. Exhibit Four shows gas proration units in a section area on the Tidewater State "Q" 120-acre lease. All of these units are Tubbs Blinbry units with the exception of the Cities Service on the, in the southeast of Section 35, 21, 37.

Q Now, is that colored?

A Outlined in blue and blue diagonal markings. The Gulf Paddock Lease in the northeast of Section 1, 22 South, 37 East is shown in green cross hatching. The Gulf Paddock in the southeast of Section 1, 22, 37 is shown in yellow; and the Penrose Hinton in

the southeast of Section 12, 22, 37 is shown in purple. These four are Tubbs gas units.

Q With the exception of those four, all the other units indicated on the Exhibit Number 4 are combination Tubb and Blinberry units?

A That is correct.

Q And those four are just single pool units?

A Yes, sir, they are all Tubbs gas units.

Q And what does that exhibit show? How would you summarize it?

A It shows there are gas units on the south and the north of Tidewater State "Q" Lease; therefore, it is necessary that we have a gas well in order to protect our lease from draining and protect correlative rights.

Q And you are pretty much surrounded by approved existing units, is that correct?

A Yes, sir.

Q There is not much other way for you to go?

A No.

Q Is there anything further you'd like to mention concerning this exhibit?

A No, sir, I believe not.

MR. SETH: We'd like to offer the Exhibits One through Four.

MR. UPZ: Without objection they will be received.

MR. SETH: Is there anything further on the application, Mr. Miller, you'd like to mention?

A No, sir.

MR. SETH: That's all.

MR. UTZ: Are there questions of the witness?

EXAMINATION BY MR. FISCHER:

Q Mr. Miller, could you tell me the operator of this north-east quarter of the southeast quarter of Section 36, 21, 37?

A That belongs to Sinclair. It is a part of State 367.

Q Did you try to communitize that with your 120 acres?

A Not at the present time we haven't.

MR. FISCHER: That's all.

EXAMINATION BY MR. UTZ:

Q This unit is within the defined limits of both the Blinebry and Tubb Gas Pools, is it not?

A Yes, sir, it is.

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

Q (By Mr. Fischer) Mr. Miller, these hatched lines on your exhibit, the ones that contour on top of the Blinebry marker, the one that goes there next to that Paddock 3 to the east of Paddock 3, what does that signify?

A Lack of data. That is the easternmost well drilled in that. This is the northeast part of the Tubb Pool and is the most easterly well drilled.

MR. FISCHER: That's all.

MR. UTZ: Any other questions of the witness? If not,
the witness may be excused. Any other statements regarding
this case? If not, the case will be taken under advisement.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, JOHN CALVIN BEVELL, Notary Public in and for the County
of Bernalillo, do hereby certify that the foregoing and attached
Transcript of Hearing before the New Mexico Oil Conservation
Commission was reported by me in Stenotype and reduced to
typewritten transcript by me; that the same is a true and
correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 26th day of November, 1958,
in the City of Albuquerque, County of Bernalillo, State of New
Mexico.

John Calvin Bevell
NOTARY PUBLIC

My Commission Expires:
January 24, 1962

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 1599,
heard by me on Nov-19, 1958.
Thos. J. Rife, Examiner
New Mexico Oil Conservation Commission

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

November 28, 1958

C
O
P
Y

Mr. Oliver Seth
P.O. Box 828
Santa Fe, New Mexico

Dear Mr. Seth:

On behalf of your client, Tidewater Oil Company, we enclose two copies of Orders R-1291 and R-1297 issued November 26, 1958, by the Oil Conservation Commission in Cases 1549 and 1550, respectively.

Please note that Order R-1297 requires that each meter installed in the subject system shall be tested for accuracy at intervals and in a manner satisfactory to the Commission. It will be necessary for Tidewater Oil Company to run a series of tests of sufficient duration to determine that the meters are functioning properly immediately following installation. Thereafter, tests should be made at intervals not to exceed one month and a report of said calibration filed with the Commission. The meters shall be calibrated against a master meter or against a test tank of measured volume.

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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:**

**CASE NO. 1549
Order No. R-1291**

**APPLICATION OF TIDEWATER OIL COMPANY
FOR A 120-ACRE NON-STANDARD GAS PRORATION
UNIT IN THE BLINDBRY GAS POOL AND FOR A
120-ACRE NON-STANDARD GAS PRORATION UNIT
IN THE TUBB GAS POOL, LEA COUNTY, NEW
MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 19, 1958, at Santa Fe, New Mexico, before Elvis A. Uta, 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 26th day of November, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner Elvis A. Uta, 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, Tidewater Oil Company, is the operator of the State "Q" lease comprising the S/2 SE/4 and the SE/4 SW/4 of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the operator of the dually-completed State "Q" Well No. 1, located 680 feet from the South line and 1880 feet from the West line of said Section 36.

(4) That the applicant proposes the establishment of two 120-acre non-standard gas proration units consisting of the above-described acreage, one for the Blinbry Gas Pool, the other for the Tubb Gas Pool, with the said State "Q" Well No. 1 as the unit well for each of such non-standard units.

-2-
Case No. 1549
Order No. E-1291

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

IT IS THEREFORE ORDERED:

(1) That a 120-acre non-standard gas proration unit in the Blimbry Gas Pool and a 120-acre non-standard gas proration unit in the Tubb Gas Pool, each consisting of the S/2 SE/4 and the SE/4 SW/4 of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same are hereby established. Said units are to be dedicated to the applicant's dually-completed State "Q" Well No. 1, located 660 feet from the South line and 1980 feet from the West line of said Section 36.

(2) That the aforementioned State "Q" Well No. 1 be assigned an allowable for the Blimbry Gas Pool and for the Tubb Gas Pool in the proportion that the acreage dedicated to the well in each of said pools bears to standard proration units for such pools, subject to the Special Rules and Regulations for the Blimbry Gas Pool and the Tubb Gas Pool.

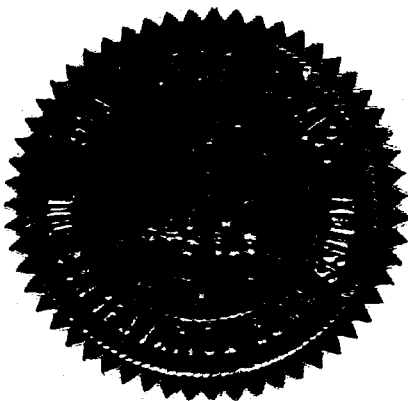
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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



ir/

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 11-20-58

CASE NO. 1549

HEARING DATE 11-19-58

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

1. Grant NSP for Subt. ~~13~~ ^{Blindby} Gas Pool consisting
215-37E, Sec. 36, S/2 SE/4, SE/4 SE/4. 120 Ac.
Known as the applicants State "Q" lease.
2. Royalty interests are common.
3. Unit is in Horizontal limits of Subt. ^{and Blindby}
gas Pool.
4. Unit well is. Fildewater - State "Q" #1,
1280/W, 660/S 36, 215-37E. a Subt. - Blindby
Dual.

[Signature]

Staff Member

Carl 1549

TIDEWATER OIL COMPANY

MAIN OFFICE CCC

Box 547

RECEIVED OCT 15 1958

Hobbs, New Mexico

Exam. hearing

October 15, 1958

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

Gentlemen:

By this letter of application, Tidewater Oil Company wishes to relate the following facts in requesting an examiner hearing for the formation of a non-standard proration unit in the Tubbs gas pool.

1. The application is submitted in triplicate.
2. The legal description of the land involved is Tidewater's State "Q" lease, located S/2 SE/4 and SE/4 Section 36-T21S-R37E, NMPN, Lea County, New Mexico.
3. Production will be obtained through Well No. 1, Unit A, SE/4 Section 36-T21S-R37E.
4. The non-standard unit will protect correlative rights and prevent waste.
5. The non-standard unit lies wholly within a governmental section and consists of contiguous quarter-quarter sections.
6. The entire gas unit may reasonably be presumed to be productive of gas from the Tubbs gas pool and is within the horizontal limits of said pool as set out in Order R-586.
7. All operators owning interest in the section where the unit is located and those within 1500' of the proposed unit have been notified by this application through registered mail.
8. A plat is attached showing: (a) acreage to be dedicated, (b) well location, (c) Offset ownership.

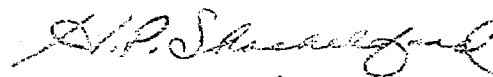
APPLICATION FOR EXAMINER HEARING

PAGE NO. 2

Therefore, Tidewater Oil Company requests that through provision of Rule 5 (c) of Order R-586, a date be set for hearing.

Respectfully submitted,

TIDEWATER OIL COMPANY


H. P. Shackelford,
Area Superintendent

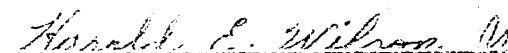
RNN:bh

STATE OF NEW MEXICO

COUNTY OF LEA

On this 15th day of October, 1958, before me personally appeared H. P. Shackelford, to me known to be the person who executed the foregoing letter and states that the foregoing statement are true to the best of his knowledge and belief.

In Witness Whereof, I have set my hand and seal on the day and year first above written.


Notary Public in and for Lea
County, State of New Mexico

MAILING LIST

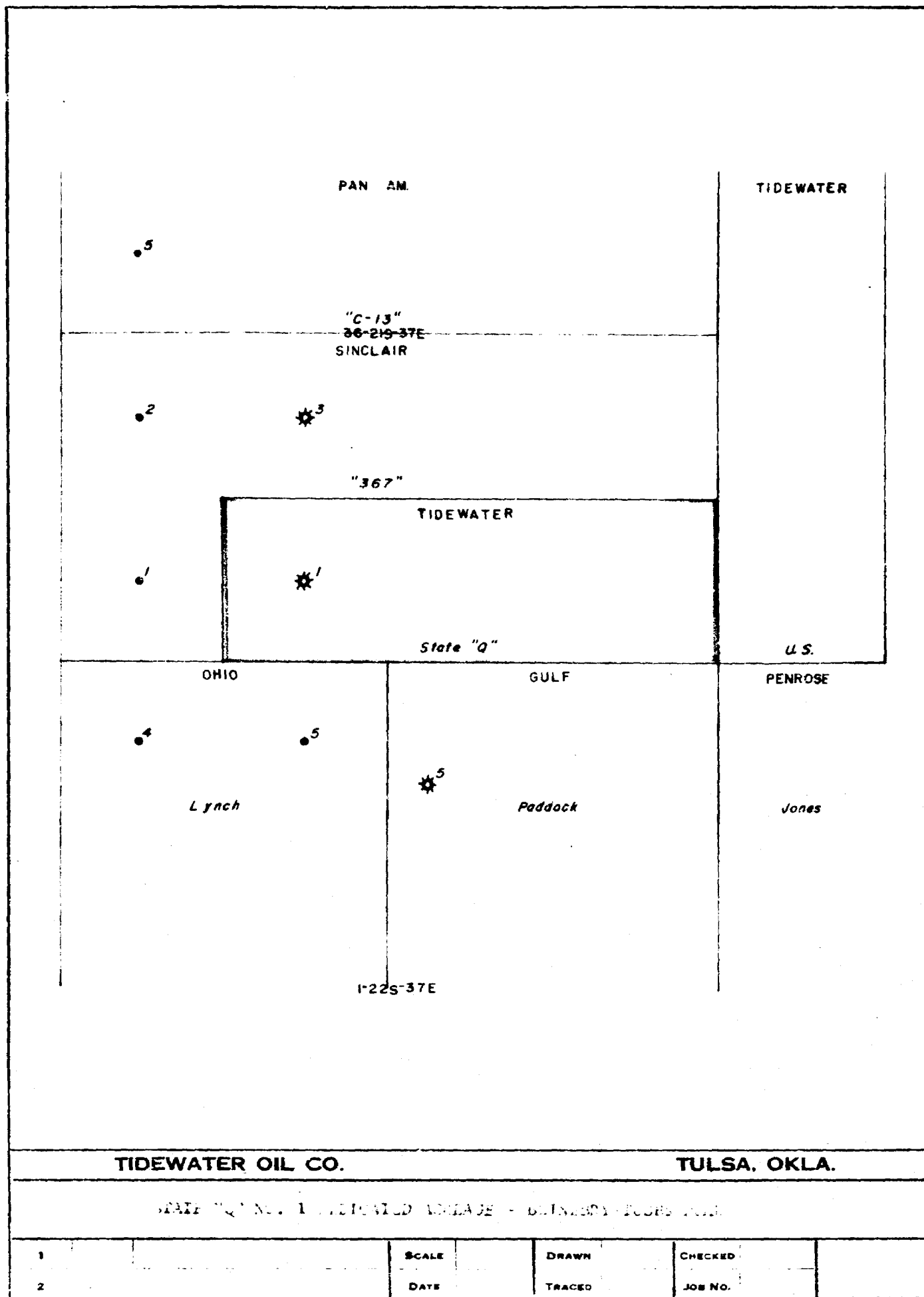
Gulf Oil Corporation
Box 2167
Hobbs, New Mexico

Ohio Oil Company
Box 2107
Hobbs, New Mexico

Pan American Petroleum
Box 68
Hobbs, New Mexico

N. G. Penrose
1813 Fair Bldg.
Ft. Worth, Texas

Sinclair Oil & Gas
520 E. Broadway
Hobbs, New Mexico



DOCKET: EXAMINER HEARING NOVEMBER 19, 1958

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

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

CASE 1337: *oh* Application of Gulf Oil Corporation for permission to commingle the production from two separate oil pools. Applicant, in the above-styled cause, seeks an order amending Order R-1093 and Order R-1093-A to authorize it to commingle the production from the Montoya formation with the production from the Ellenburger, Fusselman, and McKee formations on its Learcy Mc-Buffington Lease consisting of the S/2 of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1548: *oh* Application of Shell Oil Company for an automatic custody transfer system and for permission to commingle the production from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system and to commingle the production from the Vacuum Pool on four State Leases located in Sections 29, 30, and 31, Township 17 South, Range 35 East, Lea County, New Mexico.

CASE 1549: *(2)* Application of Tidewater Oil Company for two non-standard gas proration units. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit, in both the Tubb Gas Pool and the Blinbry Gas Pool, each to comprise the S/2 SE/4 and SE/4 SW/4 of Section 36, Township 21 South, Range 37 East, Lea County, New Mexico, and to be dedicated to applicant's State "Q" Well No. 1, located in the SE/4 SW/4 of said Section 36, which well is dually completed in the aforesaid pools.

CASE 1550: *(3)* Application of Tidewater Oil Company to commingle the production from several separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Ellenburger, McKee, Fusselman, Montoya and any other pool or pools encountered which produces oil of similar qualities on its Coates "C" Lease comprising the E/2 and SE/4 NW/4 and NE/4 SW/4 of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant further requests permission to commingle production from the Drinkard formation on said lease with any other pool or pools encountered which produce sour crudes. Applicant proposes to separately meter production from each pool prior to being commingled. Applicant further seeks permission to produce more than sixteen wells into said common facilities.

CASE 1551: *4* Application of Pan American Petroleum Corporation for permission to commingle the production from three separate leases and for permission to produce more than sixteen wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Empire-Abo Pool from the three separate Federal leases hereinafter described:

LC-065478-B N/2 NW/4, NE/4, N/2 SE/4, and E/2 SW/4
Section 3; E/2 Section 10

NM-025604 S/2 SE/4 Section 3; W/2 Section 10

LC-067858 N/2 and SW/4 Section 11

all in Township 18 South, Range 27 East, Eddy County, New Mexico. Applicant further requests authority to produce more than sixteen wells into the common tank battery for said leases. Applicant proposes to separately meter production from each of the above-described leases prior to being commingled.

CASE 1552:

(5)

X Application of Pan American Petroleum Corporation for permission to commingle the production from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Abo formation adjacent to the Empire-Abo Pool from the four separate State leases hereinafter described:

E-5461 NW/4 NW/4 Section 2

B-7244-30 S/2 NW/4, NW/4 SW/4, and SE/4 SW/4 Section 2

B-8814-12 NE/4 SW/4 Section 2

E-7833 SW/4 SE/4 Section 2

all in Township 18 South, Range 27 East, Eddy County, New Mexico. Applicant proposes to separately meter the production from each of said leases prior to being commingled.

CASE 1553:

ok.

X Application of The Texas Company for a dual completion and for permission to commingle the liquids produced from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Peery-Federal (NCT-1) Well No. 1 located 1980 feet from the North and East lines of Section 29, Township 15 South, Range 30 East, Chaves County, New Mexico, in such a manner as to permit the production of oil from an undesignated Devonian oil pool and gas from an undesignated Ellenburger Gas Pool through parallel strings of tubing. Applicant further requests permission to commingle the liquids and low pressure gas produced from the Devonian and Ellenburger formations from all existing and future wells on its Peery-Federal Lease which comprises all of said Section 29.

CASE 1554:

ok.

X Application of The Texas Company for an automatic custody transfer system and for permission to commingle the production from five separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system and to commingle the production from the Bisti-Lower Gallup Oil Pool on five Navajo Allottee Leases located in Sections 14, 15, and 23, Township 25 North, Range 11 West, San Juan County, New Mexico. Applicant proposes to separately meter the production from each lease prior to being commingled.

CASE 1555:

(7)

Application of H. K. Riddle for two non-standard oil proration units and two unorthodox oil well locations. Applicant, in the above-styled cause, seeks an order establishing a 61-acre non-standard oil proration unit consisting of Lots 1, 2, 3, and 4 of Section 18, said unit to be dedicated to a well to be drilled on an unorthodox location 1980 feet from the South line and 252 feet from the West line of said Section 18; applicant further seeks

the establishment of a 63-acre non-standard oil proration unit consisting of Lots 1, 2, 3, and 4 of Section 19, said unit to be dedicated to a well to be drilled on an unorthodox location 660 feet from the North line and 256 feet from the West line of said Section 19, all in the Bisti-Lower Gallup Oil Pool, Township 26 North, Range 13 West, San Juan County, New Mexico.

CASE 1556:

*Henry S.
Crissey
oh*

Application of Chaco Oil Company for an exception to Rule 104 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing it to drill four additional oil wells in the Red Mountain-Mesaverde Oil Pool in the SW/4 SE/4 of Section 20 and the NW/4 NE/4 of Section 29, Township 20 North, Range 9 West, McKinley County, New Mexico.

CASE 1557:

oh

X Application of Cities Service Oil Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its State "P" No. 3 Well located 990 feet from the South and West lines of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinbry Oil Pool and from an undesignated Glorieta oil pool through parallel strings of tubing.

*160
60
40
360
80*

Case 1549

TIDEWATER OIL COMPANY

Box 547

Hobbs, New Mexico

October 15, 1958

Exam hearing

*Plat attached
11/5/58
T. L. H.*

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

Gentlemen:

By this letter of application Tidewater Oil Company wishes to relate the following facts in requesting an examiner hearing for the formation of a non-standard proration unit in the Blinbry gas pool.

1. The application is submitted in triplicate.
2. The legal description of the land involved is Tidewater's State "Q" lease, located S/2 NE/4 and S/4SW Section 36-T21S-R37E, NMPN, Lea County, New Mexico.
3. Production will be obtained through Well No. 1, Unit A, S/4SW Section 36-T21S-R37E.
4. The non-standard unit will protect correlative rights and prevent waste.
5. The non-standard unit lies wholly within a governmental section and consists of contiguous quarter-quarter sections.
6. The entire gas unit may reasonably be presumed to be productive of gas from the Blinbry gas pool and is within the horizontal limits of said pool as set out in Order R-610.
7. All operators owning interest in the section where the unit is located and those within 1500' of the proposed unit have been notified by this application through registered mail.
8. A plat is attached showing: (a) acreage to be dedicated, (b) Well location, (c) Offset ownership.

*Docket mailed
11-5-58
BT*

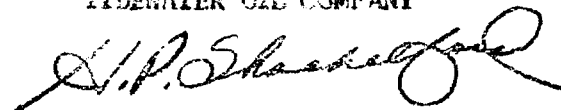
APPLICATION FOR EXAMINER HEARING

PAGE NO. 2

Therefore, Tidewater Oil Company requests that through provisions of Rule 5 A of Order R-610, a date be set for hearing.

Respectfully submitted,

TIDEWATER OIL COMPANY



H. P. Shackelford,
Area Superintendent

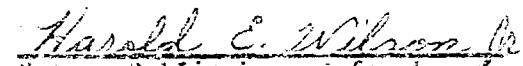
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STATE OF NEW MEXICO

COUNTY OF LEA

On this 15th day of October, 1958, before me personally appeared H. P. Shackelford, to me known to be the person who executed the foregoing letter and states that the foregoing statements are true to the best of his knowledge and belief.

In witness whereof, I have set my hand and seal on the day and year first above written.



Notary Public in and for Lea
County, State of New Mexico

MAILING LIST

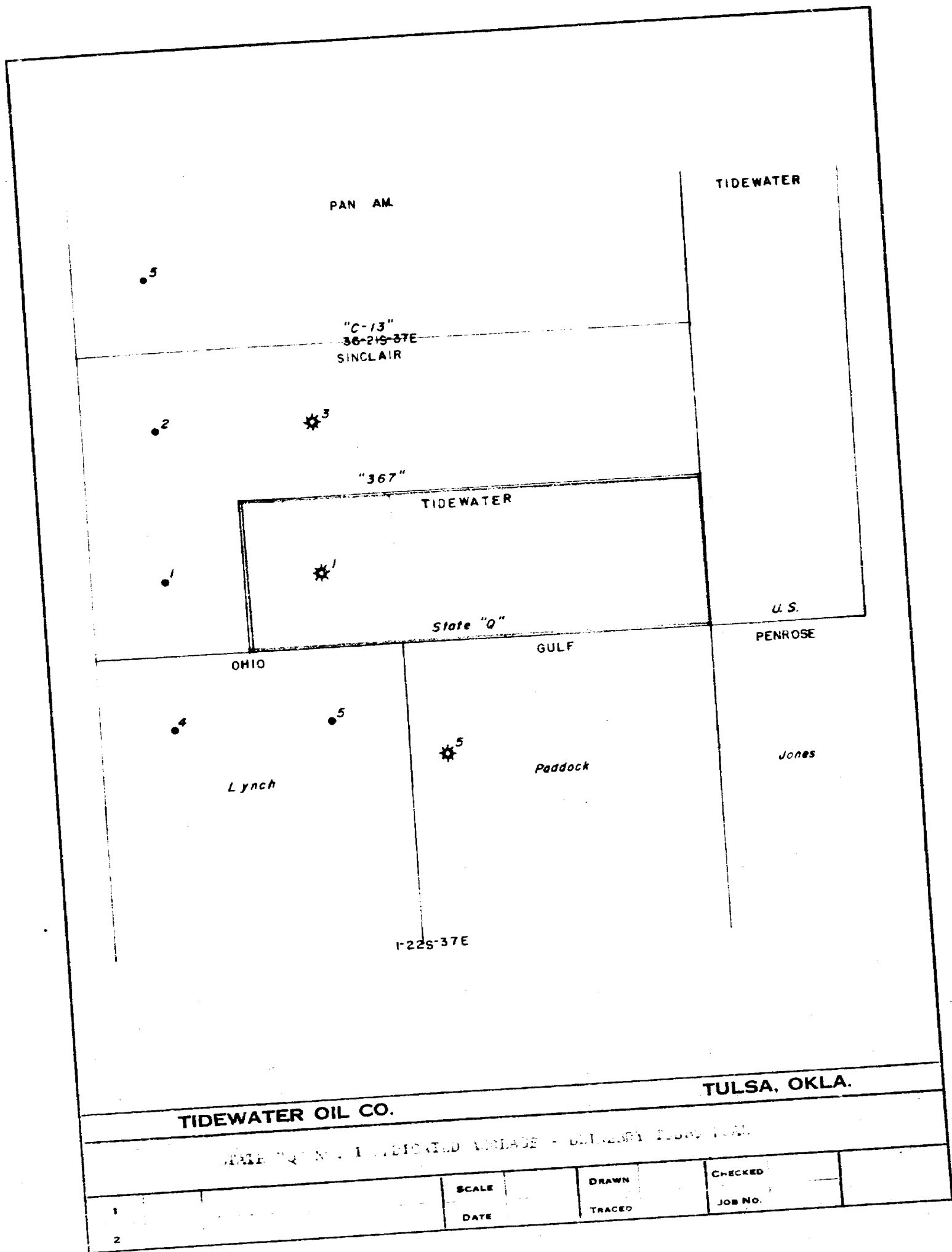
Gulf Oil Corporation
Box 2167
Hobbs, New Mexico

Ohio Oil Company
Box 2107
Hobbs, New Mexico

Pan American Petroleum
Box 68
Hobbs, New Mexico

N. G. Perrose
1613 Fair Bldg.
Ft. Worth, Texas

Sinclair Oil & Gas
520 E. Broadway
Hobbs, New Mexico



DOCKET: EXAMINER HEARING NOVEMBER 19, 1958

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

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

- CASE 1337: Application of Gulf Oil Corporation for permission to commingle the production from two separate oil pools. Applicant, in the above-styled cause, seeks an order amending Order R-1093 and Order R-1093-A to authorize it to commingle the production from the Montoya formation with the production from the Ellenburger, Fusselman, and McKee formations on its Learcy Mc-Buffington Lease consisting of the S/2 of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 1548: Application of Shell Oil Company for an automatic custody transfer system and for permission to commingle the production from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system and to commingle the production from the Vacuum Pool on four State Leases located in Sections 29, 30, and 31, Township 17 South, Range 35 East, Lea County, New Mexico.
- CASE 1549: Application of Tidewater Oil Company for two non-standard gas proration units. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit, in both the Tubb Gas Pool and the Blinbry Gas Pool, each to comprise the S/2 SE/4 and SE/4 SW/4 of Section 36, Township 21 South, Range 37 East, Lea County, New Mexico, and to be dedicated to applicant's State "Q" Well No. 1, located in the SE/4 SW/4 of said Section 36, which well is dually completed in the aforesaid pools.
- CASE 1550: Application of Tidewater Oil Company to commingle the production from several separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Ellenburger, McKee, Fusselman, Montoya and any other pool or pools encountered which produces oil of similar qualities on its Coates "C" Lease comprising the E/2 and SE/4 NW/4 and NE/4 SW/4 of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant further requests permission to commingle production from the Drinkard formation on said lease with any other pool or pools encountered which produce sour crudes. Applicant proposes to separately meter production from each pool prior to being commingled. Applicant further seeks permission to produce more than sixteen wells into said common facilities.
- CASE 1551: Application of Pan American Petroleum Corporation for permission to commingle the production from three separate leases and for permission to produce more than sixteen wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Empire-Abo Pool from the three separate Federal leases hereinafter described:

LC-065478-B N/2 NW/4, NE/4, N/2 SE/4, and E/2 SW/4
Section 3; E/2 Section 10

NM-025604 S/2 SE/4 Section 3; W/2 Section 10

LC-067858 N/2 and SW/4 Section 11

all in Township 18 South, Range 27 East, Eddy County, New Mexico. Applicant further requests authority to produce more than sixteen wells into the common tank battery for said leases. Applicant proposes to separately meter production from each of the above-described leases prior to being commingled.

CASE 1552:

Application of Pan American Petroleum Corporation for permission to commingle the production from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Abo formation adjacent to the Empire-Abo Pool from the four separate State leases hereinafter described:

E-5461 NW/4 NW/4 Section 2

B-7244-30 S/2 NW/4, NW/4 SW/4, and SE/4 SW/4 Section 2

B-8814-12 NE/4 SW/4 Section 2

E-7833 SW/4 SE/4 Section 2

all in Township 18 South, Range 27 East, Eddy County, New Mexico. Applicant proposes to separately meter the production from each of said leases prior to being commingled.

CASE 1553:

Application of The Texas Company for a dual completion and for permission to commingle the liquids produced from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Peery-Federal (NCT-1) Well No. 1 located 1980 feet from the North and East lines of Section 29, Township 15 South, Range 30 East, Chaves County, New Mexico, in such a manner as to permit the production of oil from an undesignated Devonian oil pool and gas from an undesignated Ellenburger Gas Pool through parallel strings of tubing. Applicant further requests permission to commingle the liquids and low pressure gas produced from the Devonian and Ellenburger formations from all existing and future wells on its Peery-Federal Lease which comprises all of said Section 29.

CASE 1554:

Application of The Texas Company for an automatic custody transfer system and for permission to commingle the production from five separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system and to commingle the production from the Bisti-Lower Gallup Oil Pool on five Navajo Allottee Leases located in Sections 14, 15, and 23, Township 25 North, Range 11 West, San Juan County, New Mexico. Applicant proposes to separately meter the production from each lease prior to being commingled.

CASE 1555:

Application of H. K. Riddle for two non-standard oil proration units and two unorthodox oil well locations. Applicant, in the above-styled cause, seeks an order establishing a 61-acre non-standard oil proration unit consisting of Lots 1, 2, 3, and 4 of Section 18, said unit to be dedicated to a well to be drilled on an unorthodox location 1980 feet from the South line and 252 feet from the West line of said Section 18; applicant further seeks

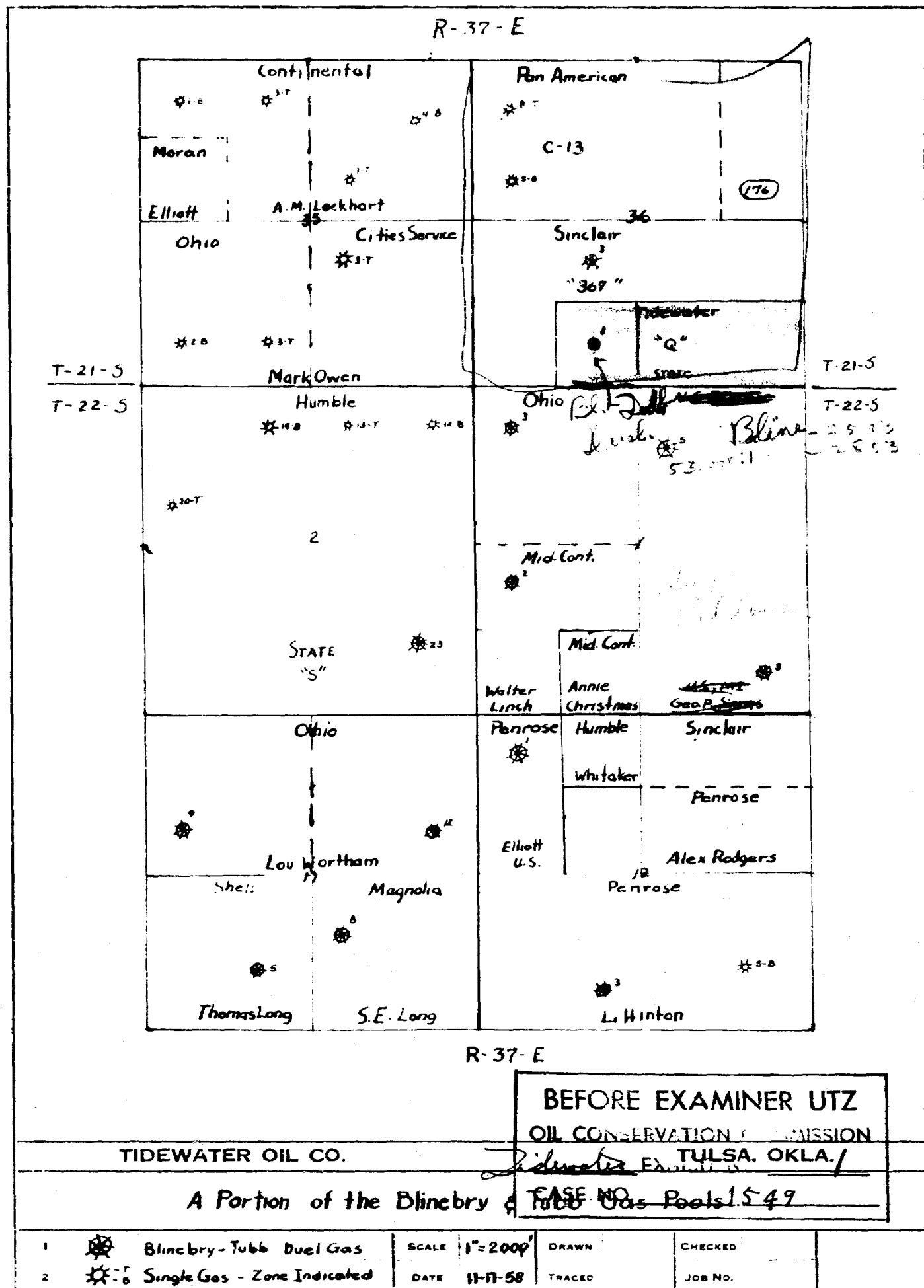
the establishment of a 63-acre non-standard oil proration unit consisting of Lots 1, 2, 3, and 4 of Section 19, said unit to be dedicated to a well to be drilled on an unorthodox location 660 feet from the North line and 256 feet from the West line of said Section 19, all in the Bisti-Lower Gallup Oil Pool, Township 26 North, Range 13 West, San Juan County, New Mexico.

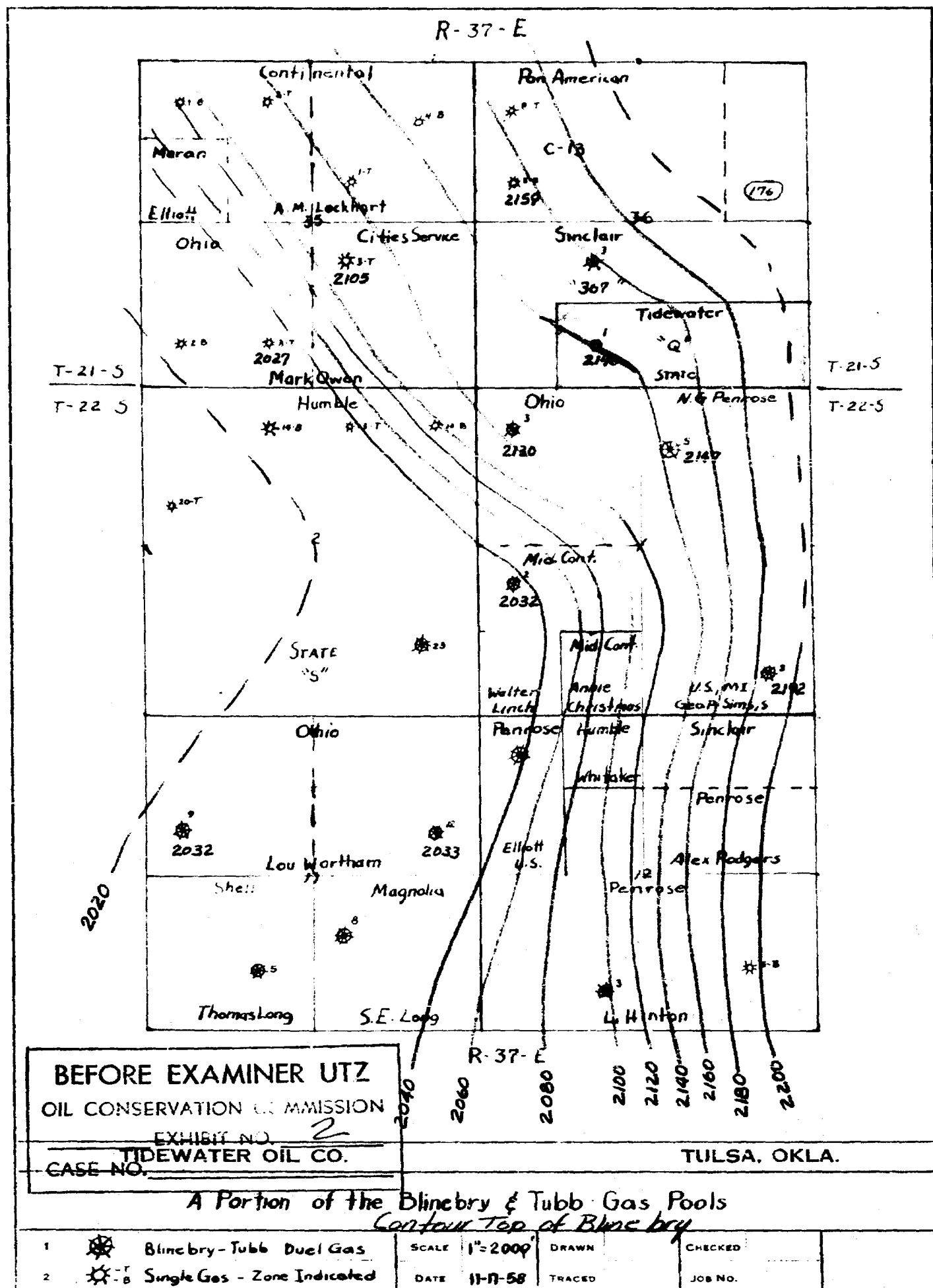
CASE 1556:

Application of Chaco Oil Company for an exception to Rule 104 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing it to drill four additional oil wells in the Red Mountain-Mesaverde Oil Pool in the SW/4 SE/4 of Section 20 and the NW/4 NE/4 of Section 29, Township 20 North, Range 9 West, McKinley County, New Mexico.

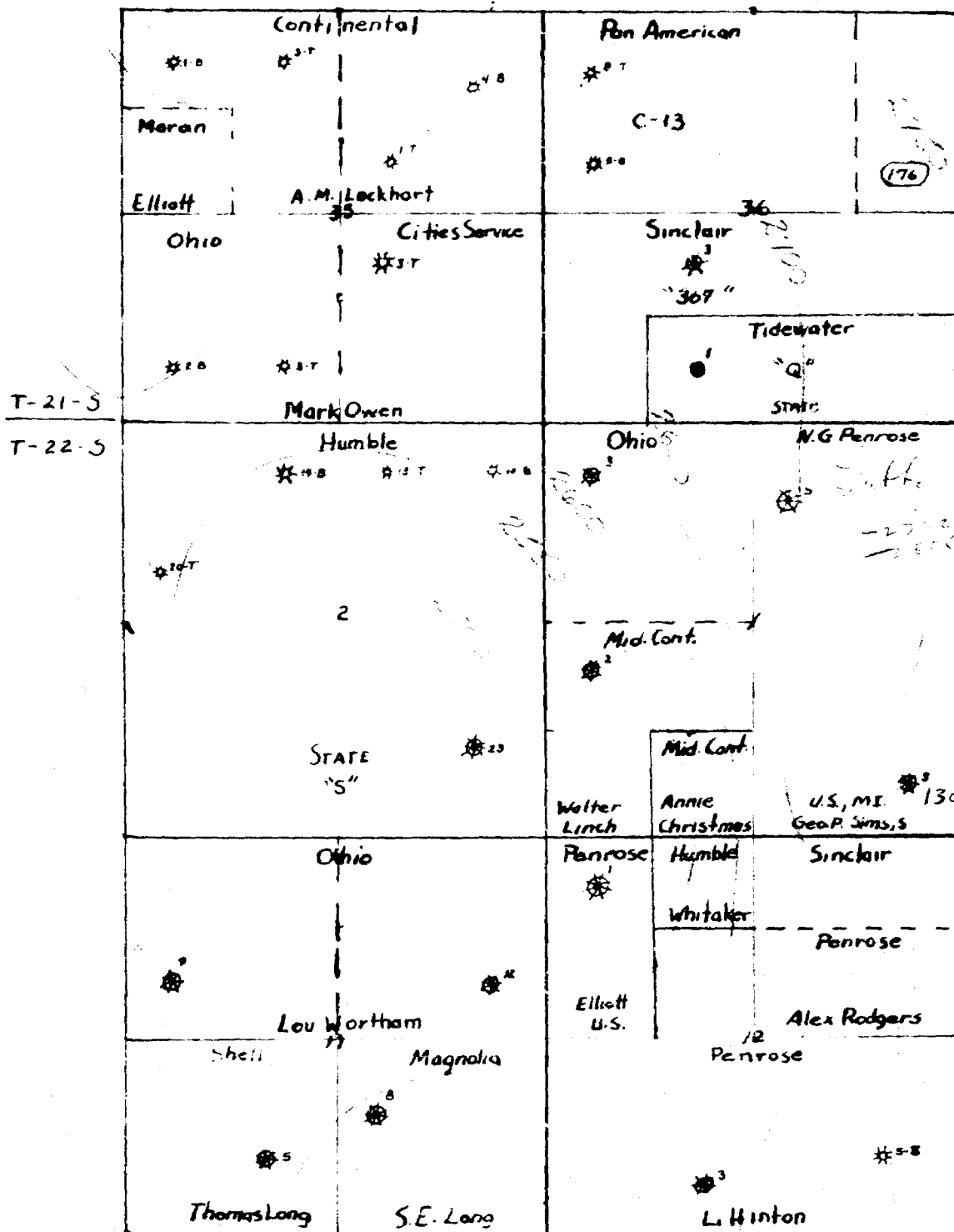
CASE 1557:

Application of Cities Service Oil Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its State "p" No. 3 Well located 990 feet from the South and West lines of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinbry Oil Pool and from an undesignated Glorieta oil pool through parallel strings of tubing.





R-37-E



R-37-E

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

TIDEWATER OIL CO.

Shelton EXHIBIT NO. *3*
PULSA ORLA

A Portion of the Blinbry & Tubb Gas Pools *15 99*

1		Blinbry-Tubb Dual Gas	SCALE	1"=200'	DRAWN	CHECKED	
2		Single Gas - Zone Indicated	DATE	11-17-58	TRACED	JCB NO.	

