

CASE 1629: Humble Oil & Rfg. Co. applica-  
tion for 320-acre NS gas proration unit,  
Eumont Gas Pool, Secs. 18 & 19-22S-37E.

Case No.

1629

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Application, Transcript,  
Small Exhibits, Etc.

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1629

TRANSCRIPT OF HEARING

APRIL 8, 1959

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

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case 1629 Application of Humble Oil & Refining 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 Eumont Gas Pool consisting of the SE/4 of Section 18 and the NE/4 of Section 19, Township 22 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's State "M" Well No. 1 located 1980 feet from the South and East lines of said Section 18.

Room 109  
Santa Fe, New Mexico  
April 8, 1959

BEFORE:

E. J. Fischer, Examiner.

TRANSCRIPT OF HEARING

MR. FISCHER: We will take up next Case 1629.

MR. PAYNE: Case 1629, "Application of Humble Oil and Refining Company for non-standard gas proration unit."

(Witness sworn in.)

MR. FISCHER: Any other appearances to be made in this case?

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, Santa Fe, New Mexico, representing Amerada Petroleum Corporation. We will not have a witness.

MR. FISCHER: Please proceed.

MR. BRATTON: Howard Bratton, Hervey, Dow and Hinkle

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Roswell, New Mexico appearing on the behalf of the applicant,  
Humble Oil Refining Company.

SAM F. HARRILL

called as a witness, having been first duly sworn, was examined  
and testified as follows:

DIRECT EXAMINATION

BY MR. BRATTON:

Q Will you state your name, by whom you are employed  
and where, Mr. Harrill?

A My name is Sam F. Harrill, employed by Humble Oil  
and Refining Company as a petroleum engineer at Hobbs, New Mexico.

Q Have you previously testified before this Commission?

A I have not.

Q Will you state briefly your educational and profess-  
ional background?

A I graduated from the Oklahoma State University in  
1949 with a B. S. degree in Mechanical Engineering. Since that  
time, I have been employed by the Humble Oil and Refining Company;  
for the last nine years, I have been in the petroleum engineering  
section of the production department.

Q How long have you been in the Hobbs office?

A Approximately four years.

Q Are you familiar with the Eumont Gas Pool?

A I am.

Q With the acreage under consideration in Case No. 1629?

A Yes.

Q And with the application which was filed?

A Yes, sir.

MR. BRATTON: Are his qualifications acceptable?

MR. FISCHER: They are, you may proceed.

(Thereupon the document was marked as Humble's Exhibit No. 1 for identification.)

Q (By Mr. Bratton) Referring to Humble's Exhibit No. 1, Mr. Harrill, will you explain what that is and what it shows?

A Exhibit No. 1 is a plat showing the Eumont gas unit offsetting the proposed units that Humble wants to dedicate to their state "M" Well No. 1.

Q The acreage you outlined in red is the acreage proposed to be dedicated to the Humble No. 1?

A That is correct.

Q And that acreage is the southeast quarter of section 18 and the northeast quarter of section 19, Township 22S, Range 37 East?

A Correct.

Q The Humble No. 1 is producing from the Eumont gas pool?

A That is correct.

Q And are all of the wells that are shown on this plat

producing from the Mumont gas pool?

A That is correct.

Q The other wells in the area which are not shown on the plat are producing from other pools?

A Correct.

Q It is not shown on this plat, but does Humble own the lease on the west half of the west half of Section 17?

A Yes.

Q At the present, what acreage is dedicated to the Humble No. 1 Well?

A The southeast quarter of Section 18.

Q So the application is to dedicate in addition the northeast quarter of Section 19?

A That is correct.

(Thereupon the document was marked as Humble's Exhibit No. 2 for identification.)

Q (By Mr. Bratton) Referring to Humble's Exhibit No. 2, will you explain what that is and what it shows, Mr. Harrill?

A Exhibit No. 2 is a cross section to the area showing in particular Wells No. M1 and M4 showing their relative structural position.

Q Does the legend down at the bottom show all of the wells on which the cross section is based and their relative location?

A Yes.

Q Starting with the Gulf's Christmas "C" 5 well on the left side of the exhibit, will you explain to the Commission what the log shows as to each well?

A The dots in the outline are the dots indicating the perforated interval in the wells. The Gulf's Christmas "C" 5 that is referred to on this cross section is completed in the upper zone; the Amerada State PD "A" 1 is also completed in that zone; Humble's State M 1 is completed in that zone and in addition a lower zone; Humble's State M 4 is an open hole completion and it indicates where the casing is set. It is producing singly from the lower zone. Then there is the Continental Elliott B20 Well No. 1 which is producing throughout the entire interval.

Q This exhibit is based off what kind of logs?

A Radioactivity logs.

Q And what does it show with reference to the structure of the M 1 well with relation to the M 4 and Continental B 20?

A It shows that the M 1 is located structurally higher than either the M 4 or the B20 No. 1.

Q From that, would you conclude that the M 1 well is structurally higher than the northeast quarter of Section 19?

A Yes.

Q Has the northeast quarter of Section 19 been classified as productive of gas from the Eumont Pool?



A Yes, it was previously dedicated to the State M Well No. 4.

Q And what is the productivity of the Continental B 20 Well?

A The latest open flow potential available on the well was taken July of 1958 and it indicated an open flow potential of 3900 MCF's per day.

Q Which would substantiate the conclusion that the northeast quarter of Section 19 is productive of gas from the Eumont Gas Pool?

A Yes.

Q Is that well located between the B 20, the M1, or is the northeast quarter of Section 19 located between those three wells, B 20, M4 and M 1?

A Right.

Q Referring to the Humble M 1 Well, would you state to the Commission when that well was completed in the Eumont as a Eumont gas well?

A Our M 1 well was recompleted from the Arrowhead on out to the Eumont Gas Pool in August of 1956.

Q In what zone?

A In the lower interval which is perforated from 3530 to 3550.

Q And when was it completed in the upper zone?

A In May of 1957. It was worked over again and the upper zone was perforated.

Q What was the performance of that well prior to the completion of the upper zone and after the completion of the upper zone?

A I don't have tests exactly before and after, but the initial open flow potential was 3200 MCF per day and after the well was worked over, of course, it had declined considerably. We don't have an open flow potential, but we have had a wellhead deliverability test indicating it was capable of flowing 3875 MCF per day at a hundred pounds of pressure.

Q What is your conclusion as to the source of the gas in the M 1 Well, from which zone are you obtaining a substantial portion of your gas?

A From the upper zone.

Q And the M 4 is not completed in the upper zone?

A No sir, it is not.

Q What is the condition of that well, what is the productivity of that well at this time?

A The latest deliverability test indicates a deliverability of 642 MCF per day at a hundred pounds pressure.

Q Why, in your opinion, should this 320 acres be dedicated to the M 1, Mr. Harrill?

A Our No. 4 was not capable of producing the allowable

for the entire north half of Section 19. That is singly why we are transferring the 160 acres in the northeast quarter to Well No. 1. We feel that the M 1 can produce the allowable and could effectively drain the acreage because it is located structurally higher and has an interval that is not open in the M 4.

Q In other words, due to the structural location of the M 1 and the fact that it is completed in the upper and lower zone, you think it is better capable of draining the acreage?

A That's right.

Q In your opinion, will the granting of this application prevent waste and protect correlative rights?

A Yes.

Q Did you prepare Exhibits No. 1 and 2, Mr. Harrill?

A Yes, I did.

MR. BRATTON: I would like to offer Exhibits No. 1 and 2 in evidence.

MR. FISCHER: Without objection, they will be accepted.

MR. BRATTON: I have no further questions of the witness.

MR. FISCHER: Are there any questions of the witness?

CROSS EXAMINATION

BY MR. KELLAHIN:

Q Mr. Harrill, do you have any other wells in the north-

east quarter of Section 19, what wells are in that quarter?

A We have no other Eumont well, we have some Arrowhead Wells, but off hand I can not tell you which ones they are.

Q Do you have a well No. 6 located in that quarter section?

A I do not know in what quarter section it might be.

Q Is it your testimony then that there is no well producing oil from the Eumont in that quarter section?

A Yes.

Q There is none?

A None.

Q Now, you state that the upper zone is not open in well No. 4, is that correct?

A That's correct.

Q Only that lower zone is shown on your Exhibit No. 2?

A Correct.

Q Do you have any tests on your upper zone?

A In the No. 4?

Q Yes, sir.

A No, sir.

Q Has any effort been made to complete the upper zone in that well?

A No sir, none at all.

Q In so far as the location of the well is concerned,

that well would be better situated to drain the northeast quarter of Section 19 than would the Humble M 1, would it not?

A I wouldn't say it would be better situated, it might be equally as well situated.

Q This area is located at the extremity, practically, of the Eumont Pool, is it not?

A Yes.

Q Are you familiar with any oil rim around the pool?

A Yes, I am.

Q Has that been encountered in this area?

A Yes, sir.

Q In the event there were high withdrawals of gas from the No. 1 well, would that create any danger of migration up structure on the part of the oil?

A No more than the gas production from the other Eumont gas wells in the area.

Q It would be an additional production, though, would it not?

A Not necessarily, we could work over our well No. 4 and obtain that production, but we feel at this time, anyway, that it would be an unnecessary expense.

Q That would be closer to the oil rim, would it not?

A No. 4?

Q Yes, sir.

A Yes.

Q Now, at the present time that entire north half is dedicated to the No. 4 well, is it not?

A No, we have that acreage cancelled and only the north-west quarter is dedicated to the No. 4 well.

Q Your northeast quarter is undedicated?

A Undedicated.

Q Your well location on your number 1 is three hundred and thirty feet out of the corner?

A Yes.

Q Are you familiar with Amerada's PA No. 1?

A I am.

Q That would be 330 feet out of the corner, would it not?

A Yes sir, it would.

Q So that you've got 660 feet in the two wells?

A That is correct.

Q And the Amerada is producing only from the upper zone?

A That is right.

Q And it is your testimony that the majority of the gas could be produced from the M 1?

A Before we go any further, I would like to make a correction. Where we have got 330, we should have been talking about 660. That would be 1320 feet apart.

Q 15207

MR. FISCHER: 6607

A 660 feet from the unit line.

MR. FISCHER: On both wells?

A On both wells.

Q (By Mr. Kellahin) Are you familiar with the provisions of Order R-520?

A I am.

Q This well does not comply with the well location for a 320 acre unit, does it?

A No sir, and in our application we are asking for an unorthodox well location.

Q Have you had any tests in the northeast quarter of Section 19, indicating gas, that it is gas productive?

A We have not, to my knowledge.

Q Are the royalty interests in the northeast quarter of Section 19 and the southeast quarter of Section 18 common?

A They are.

Q And the overriding royalties?

A They are.

MR. KELLAHIN: That's all the questions I have.  
Thank you, sir.

MR. FISCHER: Any other questions of Mr. Harrill?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Harrill, you mentioned the gas well potentials on these three wells, the State M 1, the State M 4, and the Continental B 20 and you didn't mention any liquid production, are any of these wells producing liquids?

A The M 1 does not, has never produced any liquid, the M 4 has produced liquid but currently is not producing any liquid, and the Continental B 20 Well No. 1 does produce liquid.

Q What was the nature of the liquid production on the M 4 when it was producing?

A Oil.

Q It was oil?

A Yes.

Q How about the Continental-Elliott B 20-1?

A Well, they reported oil production. Are you referring to whether or not they may produce water?

Q No sir, I meant oil or liquid hydrocarbons rather than water.

A Well, it's oil. I would say--I mean it is reported as fluid production from the Eumont.

Q Is it in any substantial quantity?

A Yes sir, according to the New Mexico Engineering Report in 1958, the well produced three thousand and six barrels of oil.



Q Almost ten barrels a day through the year?

A Yes, sir.

Q And what is the gas-oil contact in this area, approximately, as far as sub sea datum is concerned?

A I do not know.

MR. NUTTER: I believe that's all, thank you.

CROSS EXAMINATION

BY MR. FISCHER:

Q Mr. Harrill, do you have any idea how much it might cost or have you made estimates of how much the cost may be to go into your M 4 and perforate a similar section in the upper Eumont that is shown projected from your M 1 to this M 4 and open that zone up?

A It would be very close to \$10,000.

Q Could you give us the ownership of the south 320 acres of Section 19, 22, 37, please?

A The State of New Mexico, it is all part of our State M lease.

Q And Humble has that lease?

A That is right.

Q You said that the State M has never produced Eumont's liquid?

A No sir, we have produced Eumont liquid or have produced fluids from our State M 4, which is a Eumont gas well.

MR. FISCHER: That's all. Any other questions of Mr. Harrill?

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Harrill, are there any Euzont Wells south of the Continental-Elliott B 20?

A Yes, there are.

Q In Section 20, or 19?

A We have a well in Section 20.

Q Where is it located?

A It would be 1980 feet from the--approximately 1980 feet from the west and south line of Section 20.

Q All right, sir. Do you know the order number that granted you that non-standard unit of 160 acres in the Humble No. 1? I presume it was an administrative approval?

A Yes, sir. It was. I'll find it for you.

MR. BRATTON: I think it's in the application there.

A Administrative Order No. ST-314.

MR. PAYNE: Thank you.

A On September 10, 1956.

MR. PAYNE: That's all.

MR. FISCHER: Are there any other questions of Mr. Harrill?

The witness may be excused.

MR. BRATTON: One more question.

REDIRECT EXAMINATION

BY MR. BRATTON:

Q Mr. Harrill, in your opinion, would the recompletion of the M 4 well at this time in the upper zone serve any purpose toward preventing waste or protecting correlative rights which would not be served by the granting of this order?

A No sir, it would not.

MR. BRATTON: I think that's all.

MR. FISCHER: One other question, Mr. Harrill.

Do you know the present situation of the Humble M No. 1 and M No. 4 as to either over production of Eumont or under production of Eumont?

A Yes sir, as of the 1st of the year, our M 1 was approximately 16,000 overproduced, our M 4 was approximately 29,000 under produced.

MR. FISCHER: Thank you. The witness may be excused.

(Witness excused.)

MR. FISCHER: Any other statements to be made in this case?

MR. KELLAHIN: Yes, sir.

MR. FISCHER: Mr. Kellahin?

MR. KELLAHIN: Amerada Petroleum Corporation, as the owner of the lease immediately off setting the proposed wells

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which the proposed unit is to be dedicated, is in opposition to the application of Humble for the reason that obviously, from the well location, it would not effectively drain the entire unit as proposed here but rather would drain the acreage surrounding the well, which drainage would not be compensated by offset drainage. The situation further raises the possibility, and we consider it a very distinct possibility, that increased production from the Humble No. 1 would reduce pressures to the extent that it would cause migration of oil from the oil rim upstructure with a result of loss in the oil in the reservoir. We don't feel that this application does protect correlative rights for the reason that the drainage area should certainly effect Amerada's wells and there is no opportunity for offset drainage because of the lack of availability of acreage to dedicate to the well on the basis of which production could be equalized.

MR. FISCHER: Any other statements to be made?

MR. BRATTON: On behalf of Humble, we would like to call the Commission's attention to --speaking of drainage and counter drainage--to the situation with regard to the upper and lower zone, and I believe it is obvious that the Amerada No. 1 Well, which is open in the upper zone would receive counter drainage from the south, from the area in the northwest quarter of Section 19. Further, we believe as to the question of increased production, it is simply a matter that the same increased pro-

duction could result from the work over of the Humble's No. 4 Well by recompleting it in the upper zone and we believe that it is an entirely unnecessary expenditure and that in so far as drainage is concerned, the result would be the same or would be worse as far as Amerada is concerned if that course were followed. Therefore, we believe that this application will not damage Amerada's correlative right and that there will not be waste caused by any increased production from the Humble No. 1.

MR. FISCHER: If there are no other statements, the case will be taken under advisement.

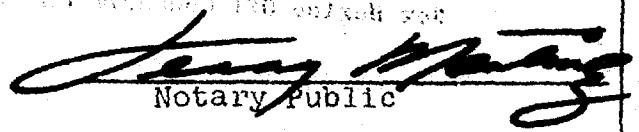
The hearing is adjourned.

STATE OF NEW MEXICO     )  
                                  ) ss  
COUNTY OF BERNALILLO    )

I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing were reported by me in Stenotype, and that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 16th day of April, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

My Commission Expires:  
January 24, 1962

  
Notary Public

# Memo

From  
John Runyon  
Geologist

To Office

The NE/4 of sec 19, is  
productive of gas in the  
upper portion & oil in lower  
portion. Depending on well  
completion - Production of  
Fluid (Flowing) depends upon  
Bottom hole pressure.

I placed the rule of  
thumb Gas oil contact on  
cross section at a -1501 - This  
Rule of thumb G/O contact is  
fairly accurate for this area.  
John

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date April 29, 1959

CASE NO. 1679

HEARING DATE April 8, 1959

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

Recommend Approval -  
of Humble Oil & R. Co.  
370. acre non. standard gas  
proportion unit in the Emmonet Gas  
Pool. Consisting of the SE $\frac{1}{4}$  of  
Sect. 18 - 22 - 37 E. and the NE $\frac{1}{4}$   
of Sect. 19 - 22 So - 37 E. to  
Humble State "M" Well No. 1  
in Unit 1 of Sect. 18

E. J. Fischer  
Staff Member

DOCKET: EXAMINER HEARING APRIL 8, 1959

Oil Conservation Commission Office, Room 109, State Capitol, Santa Fe

The following cases will be heard before E. J. FISCHER, Examiner:

- CASE 1420: Application of Caulkins Oil Company and El Paso Natural Gas Products Company for an amendment of Order No. R-1191, for approval to convert two wells to water injection, for establishment of an administrative procedure for extending the South Blanco water injection project and for including new wells in said project, for an unorthodox gas well location and for a dual completion. Applicants, in the above-styled cause, seek an order amending Order No. R-1191 to extend the project area of the South Blanco water injection project to include acreage in Sections 6, 7, and 8, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, and for the establishment of an administrative procedure whereby the project area may be extended and new wells included without notice and hearing. Applicants further seek permission to convert two wells located in said Sections 6 and 7 to water injection, and to dually complete the Caulkins Well No. T-123 located in the NW/4 NE/4 of said Section 7 in such a manner as to permit production from the Dakota formation and production from, or water injection into, the Tociito formation, and for approval of an unorthodox gas well location for said well.
- CASE 1624: Application of El Paso Natural Gas Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Huerfano Unit Well No. 103 located in the NE/4 NW/4 of Section 3, Township 26 North, Range 10 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Angels Peak-Gallup Oil Pool and the production of gas from the Dakota formation adjacent to the Angels Peak-Dakota Gas Pool through parallel strings of two-inch tubing.
- CASE 1625: Application of El Paso Natural Gas Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Huerfano Unit Well No. 105 located in the SE/4 SE/4 of Section 29, Township 27 North, Range 10 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation adjacent to the Angels Peak-Gallup Oil Pool and the production of gas from the Dakota formation adjacent to the Angels Peak-Dakota Gas Pool through parallel strings of two inch tubing.
- CASE 1626: Application of Pan American Petroleum Corporation for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Gallegos Canyon Unit Well No. 83 located 990 feet from the North and East lines of Section 26, Township 28 North, Range 12 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of 2-3/8 inch tubing.



CASE 1627: Application of Pan American Petroleum Corporation for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Gallegos Canyon Unit Well No. 84 located 990 feet from the North and West lines of Section 26, Township 28 North, Range 13 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of 2-3/8 inch tubing.

CASE 1628: Application of Tidewater Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. B. Coates "C" Well No. 22 located in the NW/4 NE/4 Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Blinebry Oil Pool and the production of oil from the Justis-Montoya Oil Pool through parallel strings of 2-3/8 inch tubing.

CASE 1629: Application of Humble Oil & Refining 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 Eumont Gas Pool consisting of the SE/4 of Section 18 and the NE/4 of Section 19, Township 22 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's State "M" Well No. 1 located 1980 feet from the South and East lines of said Section 18.

CASE 1630: Application of Hill and Meeker for the creation of a new oil pool and the establishment of allowables therefor. Applicant, in the above-styled cause, seeks an order creating a new oil pool for Delaware production to be designated the El Mar-Delaware Pool and to consist of the NW/4 NW/4 of Section 36, Township 26 South, Range 32 East, Lea County, New Mexico, alleged by applicant to be an extension of the El Mar (Delaware) Field in Loving County, Texas. Applicant further seeks the promulgation of pool rules governing the establishment of allowables for said pool.

ir/

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

May 7, 1959

Mr. Howard Bratton  
Hervey, Dow & Hinkle  
Box 547  
Roswell, New Mexico

Dear Mr. Bratton:

On behalf of your client, Humble Oil & Refining Company, we enclose two copies of Order No. R-1388 issued May 7, 1959, by the Oil Conservation Commission in Case No. 1629, which was heard on April 8, 1959 at Santa Fe before an examiner.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

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Enclosures

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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. 1629  
Order No. R-1388

APPLICATION OF HUMBLE OIL & REFINING  
COMPANY FOR ESTABLISHMENT OF A 320-  
ACRE NON-STANDARD GAS PRORATION UNIT  
IN THE RUMONT 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 April 8, 1959, at Santa Fe, New Mexico, before E. J. Fischer, Examiner duly appointed by the Oil Conservation Commission of New Mexico, herein-after referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of May, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, E. J. Fischer, 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, Humble Oil & Refining Company, is the owner and operator of the SE/4 of Section 18 and the NE/4 of Section 19, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the State "M" Well No. 1, located 1980 feet from the South line and 1980 feet from the East line of said Section 18.

(4) That the applicant proposes the establishment of a 320-acre non-standard gas proration unit in the Rumont Gas Pool consisting of the SE/4 of Section 18 and the NE/4 of Section 19, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to the said State "M" Well No. 1.

-2-

Case No. 1629  
Order No. R-1388

(5) That all of the acreage in the proposed non-standard gas proration unit can reasonably be presumed to be productive of gas from the Eumont Gas Pool.

(6) That approval of the subject application will not cause waste.

(7) That in view of the location of said State "M" Well No. 1, approval of the subject application will not impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Humble Oil & Refining Company for the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the SE/4 of Section 18 and the NE/4 of Section 19, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby granted. Said unit is to be dedicated to the applicant's State "M" Well No. 1, located 1980 feet from the South line and 1980 feet from the East line of said Section 18.

(2) That the said State "M" Well No. 1 shall be assigned an allowable for the Eumont Gas Pool in the proportion that the acreage dedicated to the well bears to a standard gas proration unit in the Eumont Gas Pool, subject to the special rules and regulations for said Eumont Gas Pool.

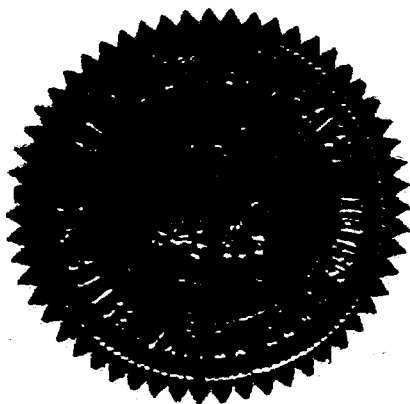
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John Burroughs*  
JOHN BURROUGHS, Chairman

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

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



ir/

R-37-E

Section 18

Notes contour

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Crosby

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Christmas "C"

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State "M"

HUMBLE  
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STATE M

EUMONT POOL  
Lea County, N.M.

GAS UNITS OFFSETTING  
PROPOSED UNIT FOR  
HUMBLE - N.M. STATE "M"  
WELL NO. 1

BEFORE EXAMINER FISCHER  
OIL CONSERVATION COMMISSION  
Exhibit No. 1  
Case No. 1629

4-3-59

1629

**HUMBLE OIL & REFINING COMPANY**

MIDLAND, TEXAS

March 9, 1959

*Exam. Hearing*

Application for Examiner Hearing  
Humble Oil & Refining Company  
New Mexico State "M" Well No. 1  
Eumont Gas Pool  
Lea County, New Mexico

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

Gentlemen:

Humble Oil & Refining Company respectfully requests that the New Mexico Oil Conservation Commission set for Examiner Hearing its Application for Exception to Rule 5 (b-2) of Order R-520 for a non-standard gas proration unit for New Mexico State "M" Well No. 1, Eumont Gas Pool.

Administrative Order NSP-314 of September 10, 1956 authorized a non-standard gas proration for New Mexico State "M" Well No. 1. This unit consisted of the SE/4 of Section 18, T-22-S, R-37-E, Lea County, New Mexico. It is proposed that Order NSP-314 be cancelled and a non-standard gas proration unit consisting of the SE/4 of Section 18 and the NE/4 of Section 19, T-22-S, R-37-E, Lea County, New Mexico, be authorized for said Well No. 1.

Acreage in the NE/4 of Section 19 previously was dedicated to New Mexico State "M" Well No. 4. Reservoir studies have indicated Well-1 to be structurally higher than Well-4 and has one additional productive interval open to production. The higher productive capacity of Well-1 is probably the result of these factors. In order to prevent waste and to protect correlative rights under the New Mexico State "M" Lease, it is desired to assign the NE/4 of Section 19 to New Mexico State "M" Well-1.

*Docket marked  
3-25-59  
B P*

New Mexico Oil Conservation Commission  
March 9, 1959  
Page 2

To further support this application, the following information is submitted:

1. Humble Oil & Refining Company is the owner and operator of the New Mexico State "M" Lease which includes portions of Sections 18 and 19, T-22-S, R-37-E, Lea County, New Mexico. New Mexico State "M" Well-1 is located 1980 feet from the East line and 1980 feet from the South line of Section 18.
2. The non-standard gas proration unit will consist of contiguous quarter-quarter sections.
3. The entire non-standard gas proration unit may reasonably be presumed to be productive of gas.
4. The length or width of the non-standard gas proration unit will not exceed 5280 feet.
5. It is further requested that the unorthodox location of New Mexico State "M"-1 be approved.
6. All offset operators have been notified by Certified Mail as required by Order R-520. Attached are copies of Form C-128 and letter furnished offset operators.

I hereby certify that the information given above is true and complete to the best of my knowledge.

Yours very truly,

Humble Oil & Refining Company

*R. R. McCarty*  
R. R. McCarty

WHN:ar  
Attachment

Subscribed and sworn to before me this 9th day of March, 1959.

*Betty Ann Weather*  
Notary Public in and for  
Midland County, Texas

BETTY ANN WEATHERS-NOTARY PUBLIC  
MY COMMISSION EXPIRES JUNE 1, 1959

NEW MEXICO OIL CONSERVATION COMMISSION  
Well location and Acreage Dedication Plat

Section A.

Date March 6, 1959

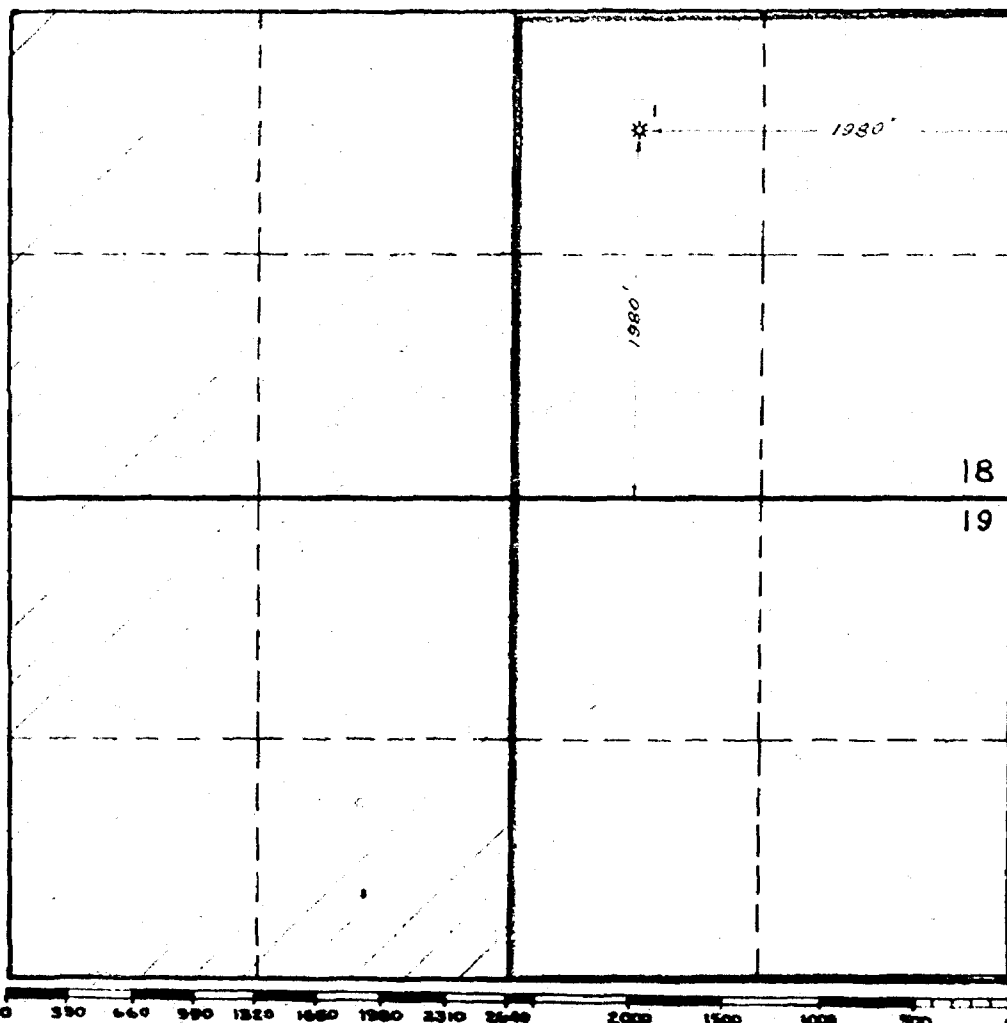
Operator HUMBLE OIL & REFG CO Lease New Mexico State "M"  
Well No. 1 Unit Letter "J" Section 18 Township 22 S Range 37 E N.M.P.M.  
Dated 1980 Feet From South Line, 1980 Feet From East Line  
County Lea G. L. Elevation \_\_\_\_\_ Dedicated Acreage 320 Acres  
Name of Producing Formation Queens Pool Eumont

1. Is the Operator the only owner\* in the dedicated acreage outlined on the plat below?  
Yes ✓ No \_\_\_\_\_
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes \_\_\_\_\_ No \_\_\_\_\_. If answer is "yes," type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

HUMBLE OIL & REFG CO  
(Operator)

H. C. Hensley  
(Representative)  
Assistant Division Supt  
Box 1600 Midland, Texas  
Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed 3-25-40

H. S. Hesterfield  
Registered Professional  
Engineer and/or Land Surveyor.

Certificate No. 1382

LEASE NO. 37721

W-A - 2433



# HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS

March 6, 1959

Amerada Petroleum Corporation  
P. O. Box 2040  
Tulsa, Oklahoma

Gulf Oil Corporation  
P. O. Box 962  
Roswell, New Mexico

Gentlemen:

Please find attached a copy of our application to the New Mexico Oil Conservation Commission for approval of a non-standard gas proration unit in the Eumont Gas Pool for our New Mexico State "M" Well No. 1, located 1980 feet from the South and East lines of Section 18, T-22-E, R-37-E, Lea County, New Mexico.

This notice is given you in accordance with the Eumont Field Rules.

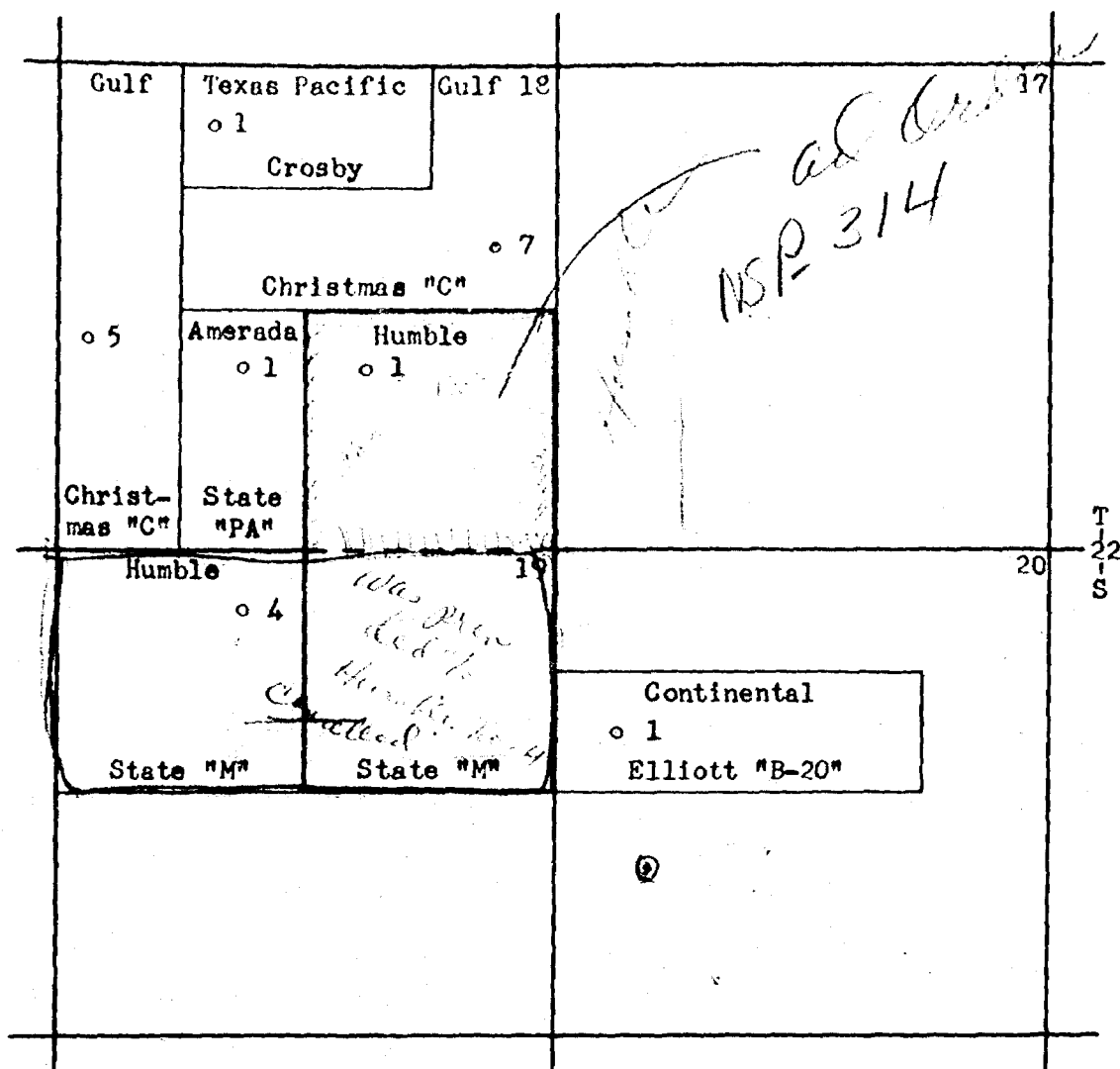
Yours very truly,

Humble Oil & Refining Company

*R. R. McCarty*  
R. R. McCarty

WHN:ar  
Attachment

R-37-E



EUMONT POOL  
 Lea County, N.M.  
 GAS UNITS OFFSETTING  
 PROPOSED UNIT FOR  
 HUMBLE - N.M. STATE "M"  
 WELL NO. 1