

CASE 1969: Application of NEWMONT
to convert five additional wells in
Loco Hills Pool to water injection.

921

Case No.

1869

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1869
Order No. R-1587

APPLICATION OF NEWMONT OIL
COMPANY FOR APPROVAL TO CONVERT
FIVE ADDITIONAL WELLS IN THE
LOCO HILLS POOL, EDDY COUNTY,
NEW MEXICO, TO WATER INJECTION

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 27, 1960, at Santa Fe, New Mexico, before Elvis A. Uts, 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 27th day of January, 1960, the Commission, a quorum being present, having considered the application and the recommendations of the Examiner, Elvis A. Uts, and being fully advised in the premises,

FINDS:

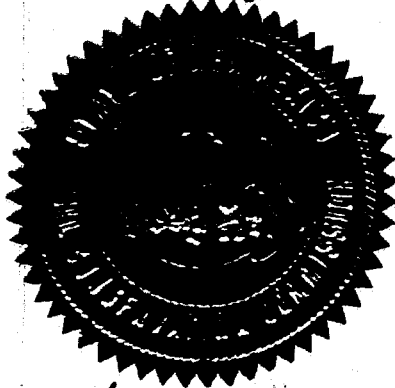
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Newmont Oil Company, requested that Case No. 1869 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 1869 be and the same is hereby dismissed.

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



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STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morse
MURRAY E. MORSE, Member

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

DOCKET: EXAMINER HEARING JANUARY 27, 1960

OIL CONSERVATION COMMISSION -- 9 a.m., MABRY HALL, STATE CAPITOL, SANTA FE

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

CASE 1866: Application of British-American Oil Producing Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its West Bisti-Lower Gallup Sand Unit Agreement, which Unit is to comprise 14,331 acres, more or less, in Townships 25 and 26 North, Ranges 13 and 14 West, San Juan County, New Mexico.

CASE 1867: Application of British-American Oil Producing Company for a pressure maintenance project in the Bisti-Lower Gallup Oil Pool and promulgation of special rules in connection therewith. Applicant, in the above-styled cause, seeks an order authorizing a pressure maintenance project in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, by the injection of water into the Lower Gallup formation through 17 wells. Applicant further proposes that special rules be adopted governing said project including the transfer of allowables from injection and shut-in wells to producing wells in the project and for establishment of an administrative procedure to convert additional wells to injection.

CASE 1868: Application of Hamilton Dome Oil Company, Ltd. for permission to commingle the production from three separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Justis-Drinkard Pool, the Justis-Fusselman Pool and an undesignated Tubbs pool from wells on a lease consisting of the S/2 SE/4 of Section 25, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1869: Application of Newmont Oil Company for approval to convert five additional wells in the Loco Hills Pool to water injection. Applicant, in the above-styled cause, seeks an order authorizing it to convert to water injection five additional wells in its water flood project in the Loco Hills Pool, Eddy County, New Mexico. Said wells are the Brigham Well No. 1-A, Yates Well No. 4, Yates A Well No. 10, Yates A Well No. 12, and Coppedge Well No. 2, located respectively in the SE/4 SE/4 of Section 31, Township 17 South, Range 30 East, NE/4 SW/4 of Section 6, SW/4 SW/4 of Section 6, NE/4 NE/4 of Section 6, and NW/4 NW/4 of Section 5, all in Township 18 South, Range 30 East.

- CASE 1870: Application of Newmont Oil Company for permission to install four separate automatic custody transfer systems. Applicant, in the above-styled cause, seeks an order authorizing it to install a separate automatic custody transfer system on each of four leases in applicant's water flood project in the Loco Hills Pool, Eddy County, New Mexico.
- CASE 1871: Application of Union Oil Company of California for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its North Anderson Ranch Unit Agreement, which Unit is to comprise 360 acres, more or less, consisting of portions of Sections 32 and 33, Township 15 South, Range 32 East, Lea County, New Mexico.
- CASE 1872: Application of Gulf Oil Corporation for authority to commingle the production from four separate leases and for approval of an automatic custody transfer system to handle said commingled production. Applicant, in the above-styled cause, seeks permission to commingle the production from the following four separate leases and to install an automatic custody transfer system to handle the Pearl-Queen Pool production from all wells located thereon:
- Lea-State "AP" lease, E/2 of Section 30;
Lea-State "AQ" lease, N/2 of Section 32;
Lea-State "BG" lease, N/2 of Section 33;
Lea-State "IH" lease, W/2 SW/4 and W/2 SE/4
of Section 29,
- all in Township 19 South, Range 35 East, Lea County, New Mexico.
- CASE 1873: Application of The Atlantic Refining Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Langlie Federal "A" Well No. 1, located in Unit H, Section 14, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Blinbry Pool and the production of oil from an undesignated Tubb pool through parallel strings of tubing.
- CASE 1874: Application of Val R. Reese & Associates, Inc., for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lybrook Well No. 1-19, located in Unit C, Section 19, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, in such a manner

as to permit the production of gas from an undesignated Gallup pool and the production of gas from an undesignated Dakota pool through parallel strings of tubing.

CASE 1875:

Application of Continental Oil Company for a non-standard gas proration unit and for an order force-pooling the interests therein. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of lots 6, 10, 11, and 12 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, to be dedicated to Shell Oil Company's Taylor-Glenn Well No. 1, located 3226 feet from the North line and 1980 feet from the West line of said Section 3. Applicant further seeks an order force-pooling the interests of those in said non-standard gas proration unit who have gas rights within the vertical limits of the Blinebry Gas Pool, including M. F. Taylor, P. O. Box 574, Amarillo, Texas, and R. B. Glenn, P. O. Box 461, Amarillo, Texas.

CASE 1876:

Application of Continental Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Weir (Drinkard) Oil Pool and Weir-Tubb Gas Pool from all wells on its Britt B-15 lease consisting of the W/2 and the W/2 E/2 of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico.

CASE 1877:

Application of Continental Oil Company for permission to install an automatic custody transfer system and for permission to produce more than 16 wells in a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to handle the production from all Skaggs Pool oil wells on its Southeast Monument Unit comprising lands located in Township 20 South, Ranges 37 and 38 East, Lea County, New Mexico.

CASE 1878:

Application of Continental Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Weir (Drinkard) Oil Pool and the Weir-Tubb Gas Pool from all wells on that portion of the Southeast Monument Unit consisting of the W/2 W/2 of Section 14 and the E/2 E/2 of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico.

CASE 1879:

Application of Amerada Petroleum Corporation for a gas-oil dual completion and for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State EM "A" Well No. 2, located 660 feet from the South and West lines of Section 22, Township 19 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Eumont Gas Pool and the production of oil from the Eumont Gas Pool through the casing-tubing annulus and the tubing respectively. Applicant further seeks the establishment of a 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the SW/4 of said Section 22 to be dedicated to the said State EM "A" Well No. 2.

CASE 1880:

Application of Texaco Inc. for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Blincbry Oil Pool and the Drinkard Pool from all wells on its V. M. Henderson lease consisting of the N/2 of Section 30, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1881:

Application of Texaco Inc. for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of automatic custody transfer facilities to handle the Crossroads-Devonian Pool production from the U. D. Sawyer lease comprising the E/2 of Section 34, Township 9 South, Range 36 East, Lea County, New Mexico.

CASE 1882:

Application of Texaco Inc. for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Tubb Pool and the Blincbry Oil Pool from all wells located on its Mittie Weatherly lease comprising the NW/4 of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1883:

Application of Texaco Inc. for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Culwin (Queen) Pool and the Culwin-Yates Pool from all wells located on its Federal Lease comprising the NE/4, E/2 NW/4, N/2 SE/4 and the NE/4 SW/4 of Section 6, Township 19 South, Range 31 East, Eddy County, New Mexico.

CASE 1842:

(Continued)

Application of Skelly Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Langlie-Mattix Pool and the Drinkard Pool from all wells on its Baker "A" lease comprising the NW/4 of Section 26, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 1884:

Application of Skelly Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Langlie-Mattix Pool and the Drinkard Pool from all wells on that portion of the J. V. Baker lease comprising the SE/4 SW/4 of Section 22, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 1885:

Application of Skelly Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the Drinkard Pool and the Tubb Gas Pool from all wells on its State "K" lease comprising the N/2 NW/4 of Section 32, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1886:

Application of E. P. Campbell for an exception to Rule 107 (e) of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an exception to Rule 107 (e) in order to recomplete his No. 1 Cleveland Well, located in NW/4 NE/4 of Section 33, Township 18 South, Range 26 East, Eddy County, New Mexico, as a "slim-hole" completion in the Pennsylvanian formation at a depth greater than 5000 feet.

CASE 1887:

Application of Monsanto Chemical Company for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks an exception to February 15, 1960, to the "no-flare" provision of Order R-1427 for five wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

CASE 1888:

Application of C. W. Trainer for off-lease storage of oil production. Applicant, in the above-styled cause, seeks permission to store the Pearl-Queen Oil Pool production from his Rushing lease, consisting of the W/2 NE/4 of Section 22, Township 19 South, Range 35 East, Lea County, New Mexico, in a tank battery located on his Signal State lease, consisting of the E/2 NW/4 of said Section 22.

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OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

Case 1869
Hearings
on
27th

December 28, 1959

Monmouth Oil Company
300 Becker Building
Artesia, New Mexico

Attention: Mr. Norman J. LaFetter

Gentlemen:

As you probably know, Yates Brothers and Martin Yates III have objected to administrative approval for converting the Yates No. 4 Well, NE/4 SW/4 of Section 6, Township 18 South, Range 30 East, Lece Hills Pool, Eddy County, New Mexico, to water injection and have asked that the matter be set for hearing.

The Secretary-Director feels that your entire application to convert five additional wells in the Lece Hills Pool to water injection should be set for hearing, particularly since the Yates A No. 10 Well (SW/4 SW/4 of Section 6) appears to be ~~an~~ pattern for an injection well.

We have, therefore, docketed the matter for hearing before an examiner on January 27, 1960.

Very truly yours,

cc: Mr. Jack M. Campbell
White Building
Roswell, New Mexico

OLIVER E. RAYNE
General Counsel

Mr. A. J. Lasee
Carper Building
Artesia, New Mexico

CHP:vam

Docket Mailed
1-18-60
JK

January 8, 1960

State of New Mexico
Oil Conservation Commission
State Capital
Santa Fe, New Mexico

Gentlemen:

By letter dated 12/10/59 Newmont Oil Company made application to your Commission for administrative approval to convert to water injection wells in the Loco Hills Sand the following oil wells:

| | |
|----------------|-------------------------|
| Yates No. 4 | NE SW Sec. 6-T183-R30E |
| Yates A No. 10 | SW SW Sec. 6-T183-R30E |
| Yates A No. 12 | NE NE Sec. 6-T183-R30E |
| Brigham No. 1 | SE SE Sec. 31-T173-R30E |
| Coppedge No. 2 | NW NW Sec. 5-T183-R30E |

Newmont now desires to amend and does by this letter amend such application by deleting from the application the first two above listed wells, to wit:

| | |
|----------------|------------------------|
| Yates No. 4 | NE SW Sec. 6-T183-R30E |
| Yates A No. 10 | SW SW Sec. 6-T183-R30E |

Except as such original application is here amended, Newmont Oil Co. would appreciate approval of such application on the earliest date possible. A copy of this amendatory letter is being furnished to Ambassador Oil Corporation, and Dixon - Yates Oil Company, the same identical offset operators to whom the original application of December 10, 1959 was furnished.

Yours very truly,

Herman J. Ledbetter
Herman J. Ledbetter
Superintendent

HJL/es

cc: State Engineer, Santa Fe, New Mexico
Dixon - Yates, Artesia, New Mexico
Ambassador Oil Company, Fort Worth, Texas

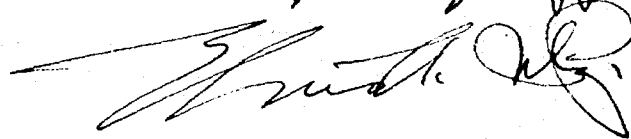
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 1-28-60

CASE 1869 Hearing Date 1-27-60

My recommendations for an order in the above numbered cases are as follows:

Dismiss at request of applicant.



Staff Member

✓
Case No 1869
Order No. R. 1587

Application of Hammet Oil Company
For Approval To Convert Five
Additional Wells In The Toco Hills
Pool, Eddy County, New Mexico, To
Water Injection.

9:00 a.m., Jan 27, Santa Fe, N.M.

Finds:

- (1) usual
- (2) That the applicant requested that Case
No. 1869 be dismissed

It Is Therefore Ordered:

That Case No. 1869 be and the same is
hereby dismissed.

DONE at . . .

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 27, 1960
EXAMINER HEARING

IN THE MATTER OF:)

Application of Newmont Oil Company)
for approval to convert five addi-)
tional wells in the Loco Hills Pool)
to water injection.)

Case 1869
Dismissed

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 27, 1960
EXAMINER HEARING

IN THE MATTER OF:)
)
Application of Newmont Oil Company for ap-)
proval to convert five additional wells in)
the Loco Hills Pool to water injection.)
Applicant, in the above-styled cause, seeks)
an order authorizing it to convert to water)
injection five additional wells in its)
water flood project in the Loco Hills Pool,)
Eddy County, New Mexico. Said wells are the)
Brigham Well No. 1-A, Yates Well No. 4,)
Yates A Well No. 10, Yates A Well No. 12,)
and Coppedge Well No. 2, located respective-)
ly in the Se/4 SE/4 of Section 31, Township)
17 South, Range 30 East, NE/4 SW/4 of Sec-)
tion 6, SW/4 SW/4 of Section 6, NE/4 NE/4)
of Section 6, and NW/4 NW/4 of Section 5,)
all in Township 18 South, Range 30 East.)

Case 1869
Dismissed

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. PAYNE: Application of Newmont Oil Company for ap-
proval to convert five additional wells in the Loco Hills Pool to
water injection.

MR. UTZ: The hearing will come to order, please.
First, I would like to call for any dismissals that we may have.

MR. CAMPBELL: Mr. Examiner, Jack M. Campbell, Campbell
and Russell, Roswell, New Mexico. Case No. 1869, the application
has been amended to delete certain wells which prompted the setting

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of this matter down at hearing. The application as amended is now within the rule on administrative procedures for addition of water injection wells, and I understand is now being processed by the Commission on the basis of an administrative order. I, therefore, would like to move that Case 1869 be dismissed.

MR. UTZ: Is there objection to counsel's motion? If not, Case 1869 will be dismissed. Are there others?

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 12th day of February, 1960.

Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is
a correct record of the proceedings in
the New Mexico Oil Conservation Commission
heard by me on Case No. 1869, 1960.
[Signature]
Examiner
New Mexico Oil Conservation Commission

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