

CASE 1881: Application of TRAINER,
C. W. for permission to store the
Pearl-Queen Oil Pool production from
his Rushing lease.

Case No.

1888

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

IN THE MATTER OF:

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.

State Corporation Commission
Hearing Room
Capitol Building
Santa Fe, New Mexico
February 25, 1960

BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 1888.

MR. FLINT: Case 1888. Application of C. W. Trainer for off-lease storage of oil production.

MR. UTZ: Are there any other appearances in this case?
If not, you may proceed.

(Witness sworn.)

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C. W. TRAINER

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

DIRECT EXAMINATION

BY MR. FLINT:

Q Will you state your name, please?

A My name is C. W. Trainer.

Q You are appearing here to represent yourself in this case?

A That's right.

Q And you are not a corporation?

A Individual.

Q You are individual?

A Right.

Q Mr. Trainer, will you please proceed with the presentation of whatever information you wish?

A I have the two contiguous eighty acre tracts in the Pearl-Queen area. We will call this Exhibit 1, if we may. Two tracts being the West half of the Northeast quarter, the Rushing lease, and the East half of the Northwest quarter, being the Signal State lease have two wells in the Signal State lease, and one on the Rushing lease. Now, this map shows Shell Oil Company or Shell Pipeline Company's gathering svstem into the field. I drilled these wells first, and drilled the tank battery for them

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at a point nearest the Shell Pipeline in this. That point is about four hundred and fifty feet east of the west line of the Signal State.

MR. UTZ: Be Southeast Northeast, or Southeast Northwest?

A Yes, and very near the South line. We can call this Exhibit 2. It is a surface plat showing exactly where that tank battery is, and the proposed pipeline. All I wanted to do was locate the battery for the Rushing lease over here on the Signal State lease so that the one pipeline could serve both batteries. There would be no commingling, or no interconnection between any of the tanks, and I have built those batteries under temporary permission from Joe Ramey in Hobbs, and I seek now permanent permission to produce the wells.

Q (By Mr. Flint) Mr. Trainer, the only reason for your application is convenience of operating and delivering this production?

A I'm a little bit embarrassed because when I applied for the hearing, Shell Pipeline told me if I put both batteries over there, maybe they could connect it. Since then, they told me I would have to build it myself. So, I'm going to build it myself. In any event, it is more economic to tie it to one point or it would break even for me because I would have to have low flow lines.

MR. UTZ: What about the royalty interest in these two tracts?

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A This is State and this is fee (indicating). All the interests are different. The tank batteries consist each one of two two hundred ten barrel tanks with separate meter treater with separate lines to the **pipeline**, and connects anywhere, except they will be connected at the pipeline header.

Q (By Mr. Flint) When you do complete this pipeline, or it is completed to your lease, you will still be delivering production from these two leases separately?

A That's right. They will be just as though they were a mile apart or ten miles apart.

MR. UTZ: You have two tank batteries on your State lease?

A That's right.

MR. UTZ: You want to store it, the A. G. Rushing oil on the State lease?

A That's right. You have a Rule, I believe, that says that the oil must be measured on the lease it is produced on, and so what, all I'm asking is permission to measure it on this other lease over there for convenience.

Q (By Mr. Flint) Mr. Trainer, you prepared these two Exhibits yourself?

A Well, John West prepared this one for the right-of-way, and I borrowed this, is Shell Pipeline map, and I spotted my wells on there. There may be some wells that are not shown, but all the pertinent ones--

Q But for the purpose of your application, that portion



of these plats were prepared by you or under your supervision?

A That's right.

Q Would you like to offer these as an Exhibit at this time?

A Yes.

MR. UTZ: Without objection, they will be entered into the record.

MR. PORTER: Mr. Utz, I have a question.

MR. UTZ: Yes.

MR. PORTER: Mr. Trainer, who is the one transporter in the Pearl-Queen Pool?

A Shell Pipeline and trucks.

MR. PORTER: In trucks?

A Yes, I truck mine now.

MR. PORTER: I see. But Shell--is Shell Oil Company the purchaser of all the oil produced in that Pool, or do you know?

A Well, they are not purchasing mine, but they said they would purchase it if I could get the pipeline down there. The Permian Oil Company is purchasing mine, and it is being run in Texas-New Mexico Pipeline over Monument for the account of Tidewater on some kind of a-- There may be a swap-out deal where Shell will work back with Tidewater.

MR. PORTER: In order to connect your tank battery from where it is presently established, how much line would Shell Pipeline have to lay?

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A Four thousand seven hundred eighty-five feet.

MR. PORTER: Who produces most of the oil in this Pool?

A Shell, they have-- Gee, I don't know, but I would say they have fifty wells, or fifty--

MR. PORTER: I see. Thank you.

MR. UTZ: What was the length of that pipeline again?

A It is on that Exhibit 2 you have there, four thousand seven hundred eighty-five feet. See, this is the point of my tank battery, and this is where Shell's big automatic tapping battery is. Shell has offset my lease up here, but they don't have any pipeline connection there because they are going down to this big automatic thing. As a matter of fact, they used to have a battery on the Skellan lease and they took up that pipeline when they went in there. That does not have very much bearing on the case.

MR. UTZ: Do they have a gathering system ^{or} those wells?

A Long flow lines. They are producing into one tank down here with meters all of their wells down here.

MR. UTZ: What size line is this going to be?

A Four inch. See, I have to build it to Shell's specifications in order to connect it to their system.

MR. FLINT: But, there are wells in this offsetting lease to the South which produce into the Shell?

A Sure, and to the West too.

MR. FLINT: And to the West?



A And away on over down here, they're drilling down in here (indicating).

MR. UTZ: Those are gathering lines for an A.C.T. system?

A Yes. Shell used a lot of pipe to get their flow lines to these wells down here (indicating).

MR. UTZ: Are there any other questions?

If not, the witness may be excused.

(Witness excused.)

MR. UTZ: Are there any statements in this case?

Take the case under advisement.

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C E R T I F I C A T E

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, J. A. TRUJILLO, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript by me and/or under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the 15th day of March, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph A. Trujillo
 NOTARY PUBLIC

My commission expires:
 October 5, 1960.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1888, heard by me on Feb 25, 1960.

Thomas A. W., Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1888

TRANSCRIPT OF HEARING

JANUARY 28, 1960

BEFORE THE
OIL CONSERVATION COMMISSION
Mabry Hall
Santa Fe, New Mexico
January 28, 1960

EXAMINER HEARING

IN THE MATTER OF:

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 of 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.

BEFORE:

Mr. Elvis A. Utz

TRANSCRIPT OF HEARING

MR. FLINT: Case number 1888. Application of C. W. Trainer for off-lease storage of oil production.

Mr. Examiner, the applicant in this case was unable to attend at this hearing and has asked that the case be continued to the February 25th Examiner Hearing Docket.

MR. UTZ: Without objection, the case will be continued to the February 25th hearing.

The hearing is adjourned.

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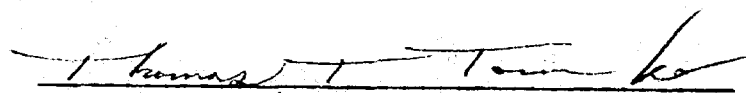
PHONE CH 3-6691

REPORTER'S CERTIFICATE

I, Thomas T. Tomko, Court Reporter, DO HEREBY CERTIFY that on Thursday, January 28, 1960, before the Oil Conservation Commission, Mabry Hall, Santa Fe, New Mexico, the above entitled case came on to be heard before Mr. Elvis A. Utz.

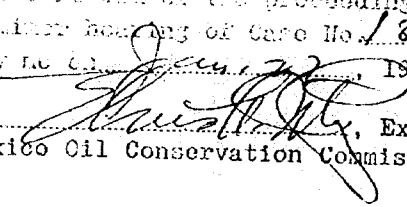
I, FURTHER CERTIFY that I recorded in stenotype the proceedings of the above titled case and the foregoing 2 pages of typewritten transcript is a true and correct transcript of my said stenotype notes, to the best of my ability.

Dated at Albuquerque, New Mexico, this 9th day of February, A.D., 1960.



Thomas T. Tomko
Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the hearing of Case No. 1888, heard by Mr. E. A. Utz, 1960.

, Examiner
New Mexico Oil Conservation Commission



C. W. TRAINER

P. O. BOX 2222

PHONE EX. 7-1518

205 NORTH LINAM STREET

HOBBS, NEW MEXICO

December 29, 1959

Case 1888

New Mexico Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

Re: Temporary Permit to Build Tank
Battery for Rushing Lease W¹NE¹,
Sec. 22-193-35E on Signal State
Lease E¹NW¹, Sec. 22-193-35E

Attention: Mr. Joe Ramey

Dear Mr. Ramey:

Shell Pipeline Company has told me that they may be able to connect both these leases to their pipeline provided I can build both tank batteries at the present Signal State tank battery site.

I request that you give me temporary permission to produce my Rushing #1 into separate tanks located on the Signal State Lease.

I further request that you help me arrange for a hearing as soon as possible so I may seek a permanent permit.

Yours very truly,

CW Trainer
C. W. Trainer

Temporary Permission Granted

12-29-59
Date

Joe Ramey
Joe Ramey

Case 1888

C. W. TRAINER

P. O. BOX 2222

PHONE EX. 7-1518

308 NORTH LINAM STREET

HOBBS, NEW MEXICO

January 4, 1960

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

Re: Request for Hearing for Exception
to Rule 309 (a) for Rushing Lease
W $\frac{1}{2}$ NE $\frac{1}{4}$, Sec. 22-19S-35E
Lea County, New Mexico

Dear Sirs:

I request a hearing for permission to produce oil from the captioned lease into a separate tank battery located on my Signal State lease, ie; E $\frac{1}{2}$ NW $\frac{1}{4}$, Sec. 22-19S-35E.

Shell Pipeline Company has told me that they may be able to connect both these leases to their pipeline provided both tank batteries are located at the site of my Signal State battery.

I have received temporary permission from the New Mexico Oil Conservation Commission in Hobbs and have erected both tank batteries.

Please let me know what else is necessary to obtain this permission.

Yours very truly,

CW Trainer

C. W. Trainer

CWT:vp

cc: Shell Pipeline Company - Midland
Howell Spear - Hobbs

*Hooker
mailed
1-18-60
JL*

*Hooker
mailed
2-15-60
JL*

DOCKET: EXAMINER HEARING JANUARY 27, 1960OIL 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 Tubb 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-Bliebry 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 Blinebry 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 Blinebry 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 recompleate 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
SANTA FE, NEW MEXICO

Date 1-28-60

CASE 1888

Hearing Date 1-29-60

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

Continues to: 2-28-60

Staff Member

DOCKET: EXAMINER HEARING FEBRUARY 25, 1960

Oil Conservation Commission - 9 a.m., State Corporation Commission Hearing Room, Basement, Capitol Building, Santa Fe, New Mexico

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

CONTINUED CASES

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 Tubh 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 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 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.

CASE 1894: (Continued)
Application of Robert N. Enfield for designation of a unit area. Applicant, in the above-styled cause, seeks a designation of the following-described 560 acres as the Southwest Mescalero Unit Area: Section 32, E/2 NE/4; Section 33, S/2 and NW/4, Township 10 South, Range 32 East, Lea County, New Mexico.

NEW CASES

CASE 1901

Application of Caulkins Oil Company for a gas-gas dual completion and for establishment of a 320-acre non-standard Dakota gas unit. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its PC-233 Well, located in Unit D, Section 16, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool and the production of gas from the Dakota Producing Interval. Applicant further seeks the establishment of a 320-acre non-standard gas unit in the Dakota Producing Interval consisting of the N/2 N/2 and S/2 NW/4 and N/2 SW/4 of said Section 16 to be dedicated to said PC-233 Well.

CASE 1902:

Application of Kenneth Murchison & Company for permission to commingle the production from two separate non-contiguous leases. Applicant, in the above-styled cause, seeks permission to commingle the Bisti-Lower Gallup Oil Pool production from the Federal lease NM-036255-A, consisting of the S/2 SE/4 of Section 3 and the Federal Lease NM-036255-B, consisting of the S/2 NE/4 of said Section 3, Township 25 North, Range 12 West, San Juan County, New Mexico.

CASE 1903:

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 liquid hydrocarbon production from the Moore-Pennsylvanian Pool and the Moore-Wolfcamp Gas Pool from all wells on its State "BN" (NCT-1) lease consisting of the SW/4 of Section 25, Township 11 South, Range 32 East, Lea County, New Mexico.

CASE 1904:

Application of Sunray Mid-Continent Oil Company for an amendment of Order R-1414, as amended by R-1414-A and R-1414-B. Applicant, in the above-styled cause, seeks an order amending the provisions of Order R-1414 which relate to assignment and transfer of allowables in the Central Bisti LPG-Gas-Water Injection Project, Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

CASE 1905:

Application of Humble Oil & Refining Company for an oil-oil dual completion utilizing parallel strings of small diameter casing cemented in a common well bore. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State M-20 Well, located 1930 feet from the North line and 1980 feet from

the West line of Section 29, Township 22 South, Range 37 East, Lea County, in such a manner as to permit the production of oil from the Langlie-Mattix Pool and the production of oil from the Drinkard Pool through 2 7/8-inch casing and 4 1/2-inch casing respectively with said casing being cemented in a common well bore.

CASE 1906:

Application of El Paso Natural Gas Products Company for permission to produce more than sixteen wells in a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing the production into a common tank battery of all Horseshoe-Gallup Oil Pool wells presently drilled or hereafter completed on its Horseshoe Ute lease, comprising portions of Sections 27, 28, 33 and 34, Township 31 North, Range 16 West, San Juan County, New Mexico.

CASE 1907:

Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its J. N. Carson (NCT-A) Well No. 11, located in Unit K of Section 28, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wantz-Abo Pool and the production of oil from the Paddock Pool through parallel strings of 2 3/8-inch tubing.

CASE 1908:

Application of Val R. Reese & Associates, Inc. for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Sperling Well No. 1-30, located in Unit I, Section 30, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation adjacent to the Escrito-Gallup Oil Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2 3/8-inch tubing.

CASE 1909:

Application of Pan American Petroleum Corporation for a 386-acre non-standard gas unit in the Dakota Producing Interval. Applicant, in the above-styled cause, seeks the establishment of a 386-acre non-standard gas unit in the Dakota Producing Interval consisting of all of partial Section 7 and the W/2 of partial Section 8, Township 28 North, Range 10 West, San Juan County, New Mexico, said unit to be dedicated to the J. F. Day "F" Well No. 1, to be located in the E/2 of said partial Section 7.

CASE 1910:

Application of Roy H. Smith Drilling 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 Maljamar-Yates Pool and the Pearsall Pool from all wells on its Walker "A" lease in Section 5, Township 18 South, Range 32 East, and to commingle the production from the Baish Pool and the Maljamar Pool from wells on its Gulf State lease in Section 16, Township 17 South, Range 32 East, all in Lea County, New Mexico.

CASE 1911:

Application of Johnston and Shear for a multiple zone slim hole completion. Applicant, in the above-styled cause, seeks an order authorizing the multiple completion of its Jicarilla Well No. 1-4, located 985 feet from the North line and 805 feet from the West line of Section 4, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to produce gas from the South Blanco-Pictured Cliffs Pool (or Otero Chacra), gas from the Dakota Producing Interval, and oil from the Gallup formation adjacent to the Otero-Gallup Pool, each to be produced through 2 7/8-inch tubing which tubing is to be cemented in a common well bore.

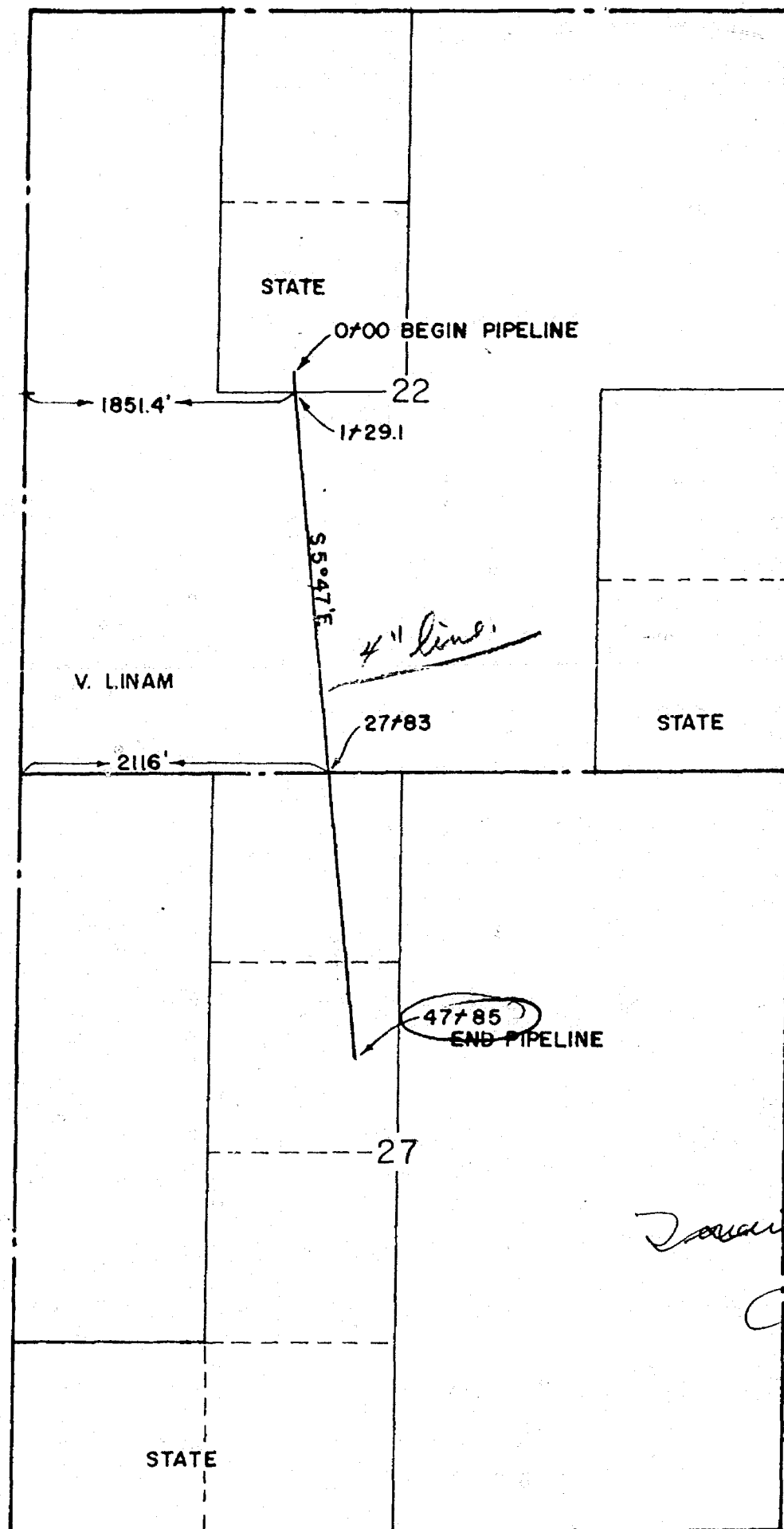
CASE 1912:

Application of Southern Union Gas Company for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Jicarilla 1-F, Unit L, Section 27, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the Blanco Mesaverde Pool, and the production of oil from the Dakota producing interval through parallel strings of 2 3/8-inch tubing.

CASE 1913:

Application of Continental Oil Company for a non-standard oil well location. Applicant, in the above-styled cause, seeks a non-standard oil well location for its Wm. Mitchell "A" Well No. 20, to be located 1320 feet from the North line and 1520 feet from the West line of Section 20, Township 17 South, Range 32 East, Maljamar Paddock Pool, Lea County, New Mexico.

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I HEREBY CERTIFY THAT THIS PLAT WAS
MADE FROM NOTES TAKEN IN THE FIELD IN
A BONA FIDE SURVEY MADE UNDER MY SUPER-
VISION, AND THAT THE SAME IS TRUE AND
CORRECT TO THE BEST OF MY KNOWLEDGE
AND BELIEF.

John W. West
JOHN W. WEST, N.M. P.E. & L.S. NO. 676
TEXAS R.P.S. NO. 1138

C. W. TRAINER
Hobbs, New Mexico

Pipeline Crossing State of New
Mexico land in Section 22 and 27,
Township 19 South, Range 35 East,
N.M.P.M., Lea Co., N. M.

JOHN W. WEST ENGINEERING COMPANY
CONSULTING ENGINEERS HOBBS, NEW MEXICO

Scale 1" = 1000'

Drawn by H.B.J.

Date 2-9-60

Sheet 1 of 2 Sheets

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

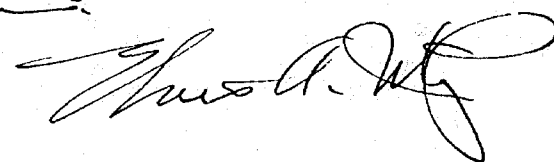
Date 3-1-60

CASE 1589.

Hearing Date 2-25-60

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

1. Grant ~~business~~ request for off lease storage.
2. The production from the A.G. Rushing lease consisting of the $W/2 NE/4 - 22 - 195 - 35E$ will be stored on the Signal State lease, consisting of the $W/2 NW/4 - 22 - 195 - 35E$, both the production from both leases is from the Pearl River oil Pool.
3. ~~Provisions for testing each well every month.~~
3. There shall be no connections between the lease tanks which would cause oil to inadvertently run to ~~the~~ from one tank to another.



Staff Member

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 9, 1960

Mr. C. W. Trainer
P. O. Box 2222
Hobbs, New Mexico

Dear Mr. Trainer:

Enclosed please find two copies of Order R-1625 in Case 1888 issued by the Oil Conservation Commission this date. This case was heard before an examiner on February 25, 1960.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ir/

Enclosures: (2)

CCC
Hobbs

C
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P
Y

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. 1888
Order No. R-1625

APPLICATION OF C. W. TRAINER FOR
OFF-LEASE STORAGE OF OIL PRODUCED
FROM THE PEARL-QUEEN 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 February 25, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, 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 9th day of March, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

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

(2) That the applicant is the owner and operator of the A. G. Rushing lease, comprising the W/2 NE/4 of Section 22, and the Signal State lease, comprising the E/2 NW/4 of said Section 22, both in Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to store and measure the Pearl-Queen Oil Pool production from said A. G. Rushing lease in a separate tank battery located on said Signal State lease.

(4) That approval of the subject application will neither cause waste nor impair correlative rights, provided there are no lines connecting the subject tank battery with other tank batteries located on the said Signal State lease.

IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized

-2-
Case No. 1888
Order No. R-1625

to store and measure the Pearl-Queen Oil Pool production from the A. G. Rushing lease, comprising the W/2 NE/4 of Section 22, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico, in a separate tank battery located on the Signal State lease comprising the E/2 NW/4 of said Section 22.

PROVIDED HOWEVER, That there shall be no lines connecting the subject tank battery with other tank batteries located on the said Signal State lease.

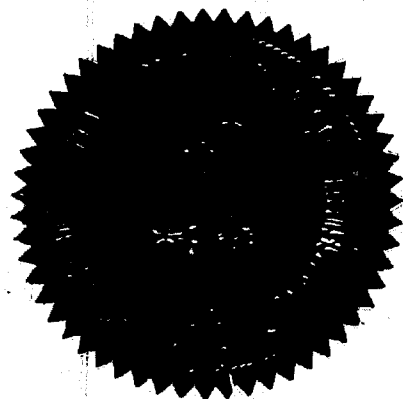
DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

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



ear/