

SECRET

Case No.

1971

---

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. 1971  
Order No. R-1684

APPLICATION OF GULF OIL CORPORATION  
FOR PERMISSION TO COMBINE THE  
PRODUCTION FROM TWO SEPARATE POOLS  
IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 1, 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 7th day of June, 1960, the Commission, a quorum being present, having considered the application 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, Gulf Oil Corporation, requested that Case No. 1971 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 1971 be and the same is hereby dismissed.

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



esx/

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

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 6-2-60

CASE 1971

Hearing Date 6-1-60

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

*Dismiss*

*Yusuf A. Q.*

\_\_\_\_\_  
Staff Member

DOCKET: EXAMINER HEARING JUNE 1, 1960

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, N.M.  
The following cases will be heard before Elvis A. Utz, Examiner, or Oliver E. Payne, Attorney, as alternate Examiner:

- CASE 1970: Application of Gulf Oil Corporation for approval of a gas-oil dual completion. Applicant, in the above-styled cause, seeks permission to dually complete its Lea-State "AQ" Well No. 8, located in Unit E of Section 32, Township 19 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the East Pearl-Seven Rivers Gas Pool and the production of oil from the Pearl Queen Pool through the casing-tubing annulus and 2-3/8 inch tubing respectively, utilizing a retrievable type packer to separate the two producing horizons.
- CASE 1971: Application of Gulf Oil Corporation for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry oil production with the Tubb gas condensate from all wells presently completed or hereafter drilled on its Evelyn Lineberry lease, consisting of the N/2 SW/4 of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico, after separately metering the Blinebry oil production.
- CASE 1972: Application of Gulf Oil Corporation for permission to commingle the production from several separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry oil production with the Blinebry gas condensate and Tubb gas condensate from all wells on its T. R. Andrews lease comprising the E/2 of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, after separately metering the Blinebry oil production.
- ASE 1973: Application of Graridge Corporation for approval of the unorthodox locations of three water injection wells. Applicant, in the above-styled cause, seeks approval of an unorthodox location for three water injection wells to be located in the SE/4 NE/4 of Section 28, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.

- CASE 1974: Application of C. T. Robertson for an order authorizing a water flood project. Applicant, in the above-styled cause, seeks an order authorizing him to institute a water flood project in the Coyote-Queen Pool, Chaves County, New Mexico, by the injection of water into the Queen formation through six wells located in Sections 11 and 14, Township 11 South, Range 27 East.
- CASE 1975: Application of Amerada Petroleum Corporation for approval of, an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State LM "T" Well No. 5, located in Unit A, Section 36, Township 23 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Jalmat Gas Pool and the production of oil from the Langlie-Mattix Pool through parallel strings of 1-inch tubing and 2-3/8 inch tubing respectively, utilizing a retrievable type packer to separate the two producing horizons.
- CASE 1976: Application of Caulkins Oil Company for approval of a gas-gas dual completion and for the establishment of a non-standard gas unit. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Reuter PC-297 well in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Gas Pool and the production of gas from the Dakota Producing Interval through parallel of 1 1/4-inch and 2 3/8 inch tubing respectively. Applicant further seeks an order establishing a non-standard gas unit to be dedicated to the subject well in the Dakota Producing Interval consisting of the SW/4 of Section 15 and the NW/4 of Section 22, Township 26 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 1977: Application of Hondo Oil & Gas Company for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the production from the Empire-Abo Pool from all wells presently completed or hereafter drilled on the Hondo-Western-Yates State 647 lease, which lease consists of acreage in Sections 25, 26, 34, 35, and 36, all in Township 17 South, Range 28 East, Eddy County, New Mexico.

CASE 1978: Application of Shell Oil Company for an order authorizing two salt water disposal wells. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its State ETA Well No. 1, located in the NE/4 NE/4 of Section 8, Township 16 South, Range 35 East, Lea County, New Mexico, with the injection to be in the Wolfcamp formation in the interval from 10,365 feet to 10,463 feet. Applicant further seeks an order authorizing the disposal of produced salt water through its State EDA Well No. 2, located in the SW/4 SW/4 of Section 7, Township 16 South, Range 35 East, Lea County, New Mexico, with injection to be in the Wolfcamp formation in the interval from 10,712 feet to 10,734 feet.

CASE 1979: Application of The Atlantic Refining Company for an order authorizing a water injection project in the Horseshoe-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the injection of water, for purposes of pressure maintenance and/or secondary recovery, into the Horseshoe-Gallup Oil Pool through 15 wells located in Sections 19, 20, 29, 30 and 31, Township 31 North, Range 16 West, San Juan County, New Mexico. Applicant further requests that special rules and regulations be promulgated governing the operation of this water injection project including the assignment of a project allowable.

CASE 1960: Application of Hudson and Hudson for nine unorthodox locations. Applicant, in the above-styled cause, seeks an order authorizing the drilling of wells at nine 5-spot locations on its Puckett "A" Lease, Maljamar Pool, Lea and Eddy Counties, New Mexico, said wells to be located in the 40-acre units hereinafter described, and within 100 feet of the indicated corner thereof.

SW Corner Unit O, Section 13, and the following wells in Section 24:

SE Corner Unit D, SE Corner Unit F;

NW Corner Unit C, NE Corner Unit G;

SW Corner Unit B, NW Corner Unit K;

NW Corner Unit A, NW Corner Unit I;

all in Township 17 South, Range 31 East, Eddy County.

CASE 1978:

Application of Shell Oil Company for an order authorizing two salt water disposal wells. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its State ETA Well No. 1, located in the NE/4 NE/4 of Section 8, Township 16 South, Range 35 East, Lea County, New Mexico, with the injection to be in the Wolfcamp formation in the interval from 10,365 feet to 10,463 feet. Applicant further seeks an order authorizing the disposal of produced salt water through its State EDA Well No. 2, located in the SW/4 SW/4 of Section 7, Township 16 South, Range 35 East, Lea County, New Mexico, with injection to be in the Wolfcamp formation in the interval from 10,712 feet to 10,734 feet.

CASE 1979:

Application of The Atlantic Refining Company for an order authorizing a water injection project in the Horseshoe-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the injection of water, for purposes of pressure maintenance and/or secondary recovery, into the Horseshoe-Gallup Oil Pool through 15 wells located in Sections 19, 20, 29, 30 and 31, Township 31 North, Range 16 West, San Juan County, New Mexico. Applicant further requests that special rules and regulations be promulgated governing the operation of this water injection project including the assignment of a project allowable.

CASE 1980:

Application of Hudson and Hudson for nine unorthodox locations. Applicant, in the above-styled cause, seeks an order authorizing the drilling of wells at nine 5-spot locations on its Puckett "A" Lease, Maljamar Pool, Lea and Eddy Counties, New Mexico, said wells to be located in the 40-acre units hereinafter described, and within 100 feet of the indicated corner thereof.

SW Corner Unit O, Section 13, and the following wells in Section 24:

SE Corner Unit D;	SE Corner Unit F;
NW Corner Unit C;	NE Corner Unit G;
SW Corner Unit B;	NW Corner Unit K;
NW Corner Unit A;	NW Corner Unit I;

all in Township 17 South, Range 31 East, Eddy County.



CASE 1981:

Application of El Paso Natural Gas Company for an order amending the special pool rules for the Blanco-Mesaverde Gas Pool. Applicant, in the above-styled cause, seeks an order amending the special pool rules for the Blanco-Mesaverde Gas Pool, Rio Arriba and San Juan Counties, New Mexico, to authorize district supervisors to approve "slim hole" completions in the Blanco-Mesaverde Gas Pool, regardless of depth.

CASE 1982:

Application of Otto Reynolds for an unorthodox oil well location. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for his Wood Well No. 1, located 330 feet from the South line and 1629 feet from the West line of Section 14, Township 29 North, Range 11 West, San Juan County, New Mexico.

CASE 1983:

Application of Ralph Lowe for permission to commingle the production from several separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from an undesignated Delaware pool from several separate leases comprising the N/2 NW/4 of Section 17 and the E/2 NE/4 and the E/2 NW/4 of Section 18, Township 25 South, Range 30 East, Eddy County, New Mexico.

CASE 1984:

Application of Mountain States Petroleum Corporation for an unorthodox gas well location and for a 183-acre non-standard gas unit. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for a well to be drilled 1050 feet from the North line and 750 feet from the West line of partial Section 31, Township 26 North, Range 2 West, Rio Arriba County, New Mexico. Applicant further seeks the establishment of a 183-acre non-standard gas unit in the Pine Lakes-Pictured Cliffs Gas Pool consisting of all of said partial Section 31 to be dedicated to the subject well.

CASE 1985:

Application of Charles Loveless, Jr. for a 280-acre non-standard gas unit. Applicant, in the above-styled cause, seeks the establishment of a 280-acre non-standard gas unit in the Atoka-Pennsylvanian Gas Pool consisting of the NE/4 NE/4, W/2 NE/4, NW/4 of Section 11, Township 18 South, Range 26 East, or in the alternative to force pool all mineral interest owners in the SE/4 NE/4 of said Section 11 in the above-Pennsylvanian Gas Pool with the interests of those in the above-described non-standard unit in said pool. Said unit is to be dedicated to a well to be drilled 1650 feet from the North and West lines of said Section 11, Township 18 South, Range 26 East, Eddy County, New Mexico.

-5-

Docket No. 15-60

CASE 1986:

Application of J. M. Welch for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of his Etz Well No. 3, located in the NE/4 SE/4 of Section 13, Township 16 South, Range 30 East, Eddy County, New Mexico, in such a manner as to produce gas from the Penrose sand of the Queen formation and to produce oil from the Lovington sand of the San Andres formation in the Henshaw (San Andres) Pool, through the casing-tubing annulus and 2-inch tubing respectively, utilizing a retrievable type packer to separate the two producing horizons.



PETROLEUM AND ITS PRODUCTS

ROSWELL DISTRICT

W. A. SHELLSHEAR  
District Manager

F. O. MORTLOCK  
District Exploration Manager

M. I. TAYLOR  
District Production Manager

G. A. PRICE  
District Services Manager

GULF OIL CORPORATION

P. O. DRAWER 669 • ROSWELL, NEW MEXICO

FORT WORTH  
PRODUCTION DIVISION

April 25, 1960

Oil Conservation Commission  
State of New Mexico  
Post Office Box 871  
Santa Fe, New Mexico

Re: Application for Permission to Com-  
mingle Oil Produced from the Blinbry  
Oil Pool with Condensate Produced  
From the Tubb Gas Pool, both Under-  
lying Gulf's Evelyn Lineberry Lease,  
N/2 SW/4 Section 29-22S-38E, Lea  
County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully submits application for exception to NMOCC's Rule 303, which prohibits the commingling of oil between pools, to commingle crude produced from the Blinbry Oil Pool with condensate produced from the Tubb Gas Pool, both underlying the subject lease.

In support of this application Gulf Oil Corporation states the following:

- (a) Applicant is the owner and operator of the Evelyn Lineberry Lease which consists of the N/2 SW/4 of Section 29-22S-38E, Lea County, New Mexico.
- (b) There is no diversity of royalty ownership underlying the above described lease.
- (c) Applicant proposes to measure the Blinbry oil production with a dump type meter equipped with a monthly set stop counter and then commingle this crude in a storage tank with the Tubb gas condensate, which would not be metered separately.
- (d) The proposed installation will have adequate facilities for all required tests and will result in efficient accounting of crude oil transferred to the pipe line gathering system.
- (e) The granting of this application is in the interest of conservation and will protect correlative rights.
- (f) By copy of this letter all offset operators and the pipe line concerned are notified of this application.

*Robert M. [illegible]*

Oil Conservation Commission

- 2 -

April 25, 1960

Gulf Oil Corporation respectfully requests that this matter be set for hearing at an early date.

Respectfully submitted,

GULF OIL CORPORATION

By

*W. A. Shellshear*

District Manager

JCG:ers

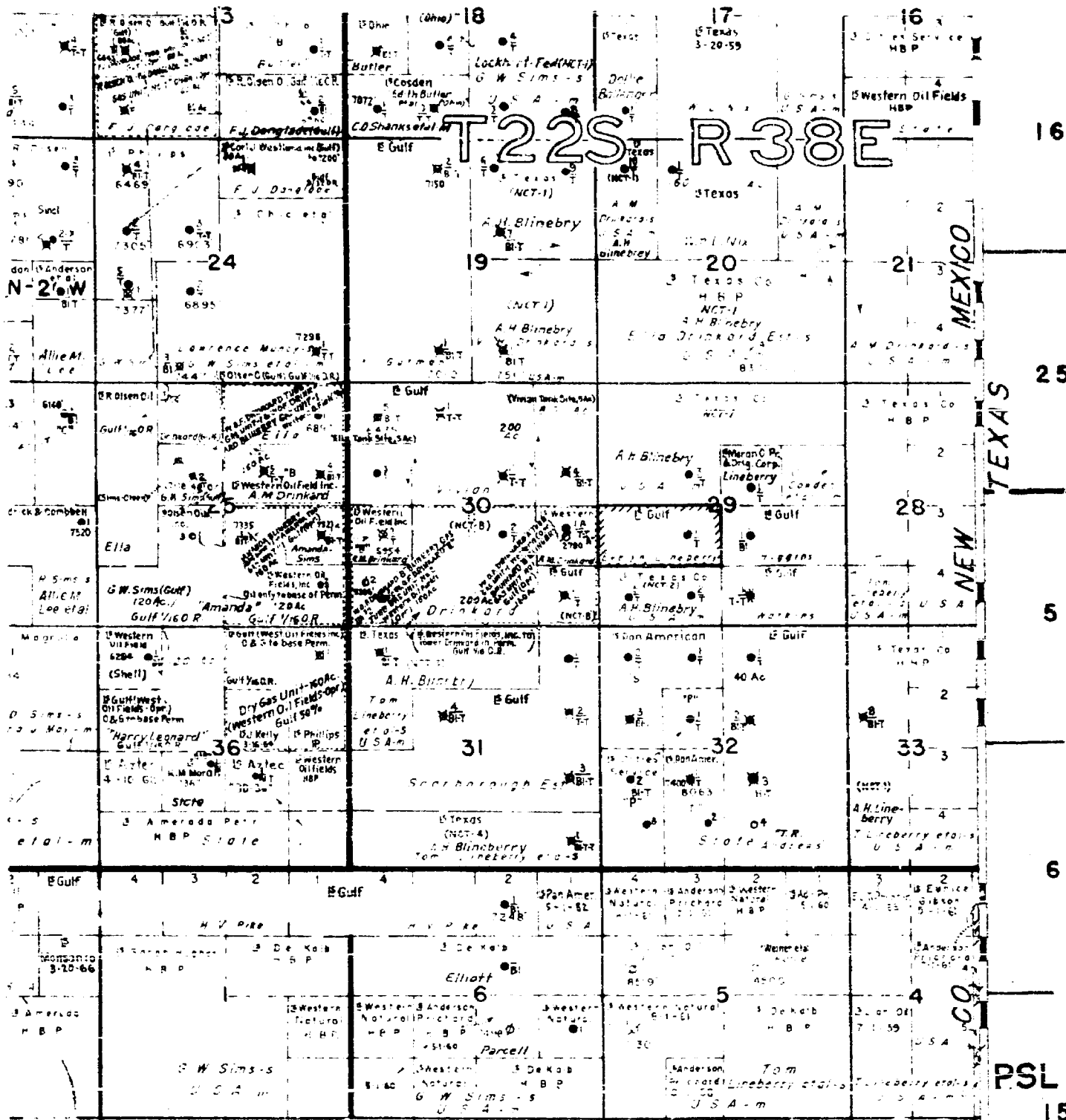
cc: Oil Conservation Commission  
Post Office Box 2045  
Hobbs, New Mexico

Moran Oil Producing & Drilling Corporation  
Post Office Box 1718  
Hobbs, New Mexico

Texaco, Inc.  
Post Office Box 3109  
Midland, Texas

Texas-New Mexico Pipe Line Company  
Post Office Box 1510  
Midland, Texas

Western Oil Fields, Inc.  
1636 Stout Street  
Denver, Colorado



# LEASE PLAT EVELYN LINEBERRY

LEA COUNTY, NEW MEXICO

- LEGEND -

- Pertinent Gulf Leases
- Pertinent Gulf Well

Gulf Oil Corporation

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
June 1, 1960

EXAMINER HEARING

IN THE MATTER OF:

Application of Gulf Oil Corporation  
for permission to commingle the  
production from two separate pools.

Case 1971

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

**PHONE CH 3-6691**

ALBUQUERQUE, NEW MEXICO

EXAMINER HEARING

Application of Gulf Oil Corporation for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry oil production with the Tubb gas condensate from all wells presently completed or hereafter drilled on its Evelyn Lineberry lease, consisting of the N/2 SW/4 of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico, after separately metering the Blinebry oil production.

**Case 1971**

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order, please. The first three cases which we will call on the docket will be either continuances or dismissals in order to let you people know what we will have on the docket and what we will not have. The first case will be 1971.

MR. PAYNE: Application of Gulf Oil Corporation for permission to commingle the production from two separate pools.

MR. KASTLER: Bill Kastler from Roswell, New Mexico appearing on behalf of Gulf, and Gulf requests that this case be



dismissed.

MR. UTZ: Is there objection to counsel's motion. The case will be dismissed, 1971. Case 1972, application of Gulf Oil Corporation.

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 6th day of June, 1960.

Ada Dearnley  
Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1971, heard by me on June 1, 1960.

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

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO





