

James

Case No.

2041

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. 2041  
Order No. R-1752

APPLICATION OF AMERADA PETROLEUM  
CORPORATION FOR PERMISSION TO  
COMBINE THE PRODUCTION FROM  
SEVERAL SEPARATE LEASES IN THE  
SAUNDERS 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 August 10, 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 23rd day of August, 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:

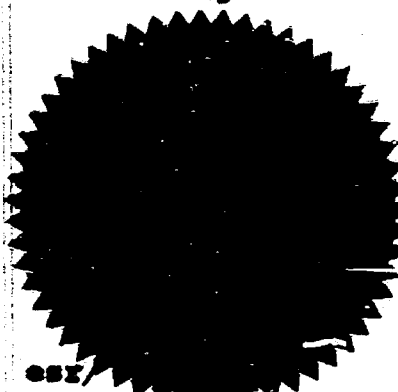
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That since the application in Case No. 2041 is eligible for administrative approval, the subject application should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2041 be and the same is hereby dismissed.

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John P. Burroughs*  
JOHN BURROUGHS, Chairman

*Murray E. Morton*  
MURRAY E. MORTON, Member

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

GOVERNOR  
JOHN BURROUGHS  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission

LAND COMMISSIONER  
MURRAY E. MORGAN  
MEMBER



STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY DIRECTOR

P. O. BOX 871  
SANTA FE

August 23, 1960

Mr. Jason Kellahin  
Kellahin & Fox  
Box 1713  
Santa Fe, New Mexico

Re: Case No. 2041  
Order No. R-1752

Applicant:

Amerada Petroleum Corp.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.,  
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x  
Artesia OCC         
Aztec OCC       

Other

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 8-10-60

CASE 2041

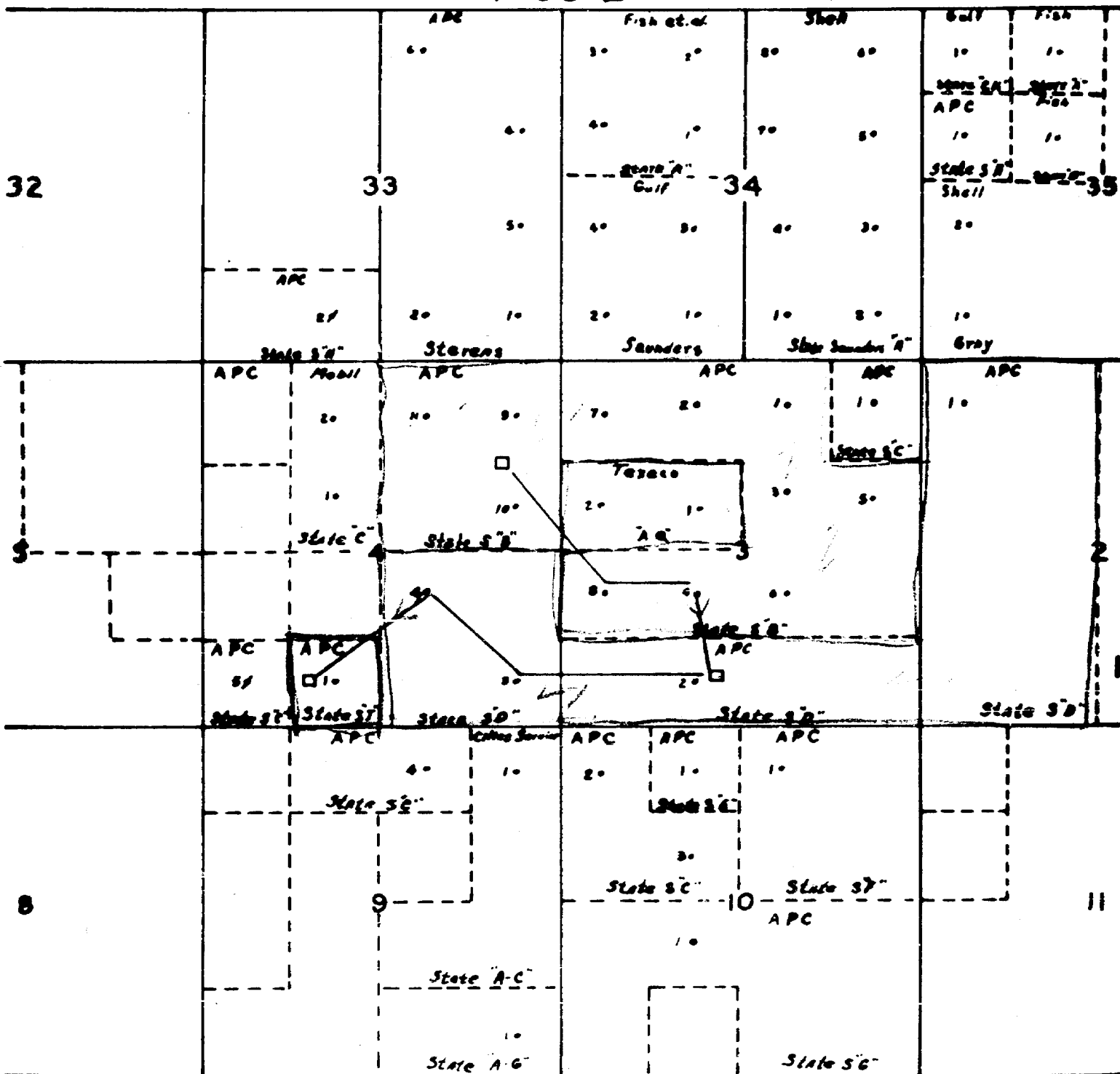
Hearing Date 8-10-60

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

Dismiss Amerada's application.  
This is to be handled administratively.  
truly.

*Ernest H. Wiley*

R 33 E



- TANK BATTERY
- PRESENT FLOW LINES
- PROPOSED FLOW LINES

SAUNDERS POOL  
 LEA CO. NEW MEXICO  
 T-14-15-S R-33-E  
 SCALE 1" = 2000'

DOCKET: EXAMINER HEARING AUGUST 10, 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 OLIVER E. PAYNE, Attorney, as alternate examiner:

- CASE 2041: Application of Amerada Petroleum Corporation for permission to commingle the production from several separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from the Saunders (Permo-Pennsylvanian) Pool from three State leases in Sections 3 and 4, Township 15, Range 33 East, Lea County, New Mexico.
- CASE 2048: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Gladiola SWD Well No. H-5, formerly known as the Sinclair Kendrick Estate Well No. 3, located 1980 feet from the North line and 660 feet from the East line of Section 5, Township 12 South, Range 38 East, Gladiola Pool, Lea County, New Mexico, with injection to be in the Devonian formation in the interval from 12,223 feet to 12,500 feet.
- CASE 2042: Application of Texaco Inc. for permission to commingle the production from two separate pools and for an amendment of Order No. R-1608. Applicant, in the above-styled cause, seeks permission to commingle the production from the Crossroads-Devonian Pool and from an undesignated Mississippian Pool from all wells on its U. D. Sawyer lease comprising the E/2 of Section 34, Township 9 South, Range 36 East, Lea County, New Mexico. Applicant further seeks an amendment of Order No. R-1608 to provide that the automatic custody transfer system therein authorized can be utilized to handle said commingled production.
- CASE 2043: Application of Texaco Inc. for an oil-oil-oil triple completion. Applicant, in the above-styled cause, seeks an order authorizing the triple completion of its C. P. Falby "B" Well No. 4, located in unit L, Section 8, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Eumont Gas Pool, oil from the Penrose-Skelly Pool, and oil from the Drinkard Pool through 3 parallel strings of 2 3/8-inch tubing.
- E 2044: Application of Gulf Oil Corporation for an amendment of Order No. R-1605. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1605 to permit the inclusion of the Lea State "AR" Lease, consisting of the S/2 of Section 33 and the SW/4 of Section 34, Township 19 South, Range 35 East, Pearl-Queen Pool, Lea County, New Mexico, in the commingling authorization granted by said order. Applicant further seeks an amendment of said order to provide that the automatic custody transfer system therein authorized be permitted to handle said commingled production.

- CASE 2045: Application of The Ohio Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lea Unit Federal Well No. 1, located in unit L, Section 12, Township 20 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Bone Springs Pool and the production of oil from an undesignated Devonian Pool through parallel strings of 2 3/8-inch tubing.
- CASE 2046: Application of Tennessee Gas and Oil Company for permission to transfer oil well allowables. Applicant, in the above-styled cause, seeks an order authorizing it to transfer, for a period of 60 days, the allowable assigned to its Glenn Callow Well No. 11 to its Glenn Callow Well No. 9, both in Section 28, Township 29 North, Range 13 West, San Juan County, New Mexico, in order to conduct pressure interference tests.
- CASE 2047: Application of Tennessee Gas Transmission Company for an order force-pooling all mineral interests in a 320-acre gas unit in the West Kutz-Dakota Pool. Applicant, in the above-styled cause, seeks an order force-pooling all Dakota Producing Interval mineral interests in the 320 acres comprising the W/2 of Section 27, Township 29 North, Range 13 West, West Kutz-Dakota Pool, San Juan County, New Mexico. The mineral interest owners in the said 320-acre tract include Hugh J. Mitchell, Raimonda Mitchell, Barbara Head Couturi, Robert H. Clifton, Mildred C. Foutz, Dorothy C. Malloy, Martha Head, Lucy M. Marcelino, Hattie M. McClure, Willard H. Head, George J. Head, Helen C. Hayes, Harry T. Head, Mary E. Hodgson, Dorothy G. Head, Gladys Slaughter Smith, Frederick J. Head, Pan American Petroleum Corporation, H. K. Riddle, Glenn H. Callow, Arnold E. Carle, Ivan Otstot and Mabel Otstot.



AMERADA PETROLEUM CORPORATION

DRAWER "D"

MONUMENT, NEW MEXICO

July 18, 1960

PHONE HOBBS, N. M. — EX 3-2145

*Case 2041*

NEW MEXICO OIL CONSERVATION COMMISSION

P. O. Box 871

Santa Fe, New Mexico

RE: Application of Amerada Petroleum Corporation for an order Permitting the Commingling of production from several separate leases in the Saunders Field, Lea County, New Mexico.

Gentlemen:

Applicant, Amerada Petroleum Corporation states that:

1. Applicant owns and operates the following leases:

- (a) The State S "B" Lease described as the N/2 NW/4, NW/4 NE/4, S/2 NE/4, N/2 S/2 Sec. 3 and NE/4 Sec. 4-T15S-R33E, Lea County, New Mexico.
- (b) The State S "D" Lease described as the W/2 Sec. 2, S/2 S/2 Sec. 3 and SE/4 Sec. 4-T15S-R33E, Lea County, New Mexico.
- (c) The State S "I" Lease described as the SE/4 SW/4 Sec. 4-T15S-R33E, Lea County, New Mexico.

2. Applicant proposed to commingle the Saunders Permian Pennsylvanian Production from these leases as follows:

- (a) Produce State S "B" Well No. 4 into the State S "D" Battery.
- (b) Produce State S "D" Well No. 4 into the State S "I" Battery.

3. All wells are producing from the same common source of supply.

4. The proposed changes are needed in order to produce more efficiently through shorter flow lines.

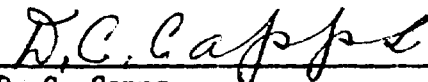
5. All the lands involved are state owned lands with common royalty, and the proposed changes have been approved by the Commissioner of Public Lands. A copy of the letter of approval is attached.

*Letter  
Mailed*

6. Other exhibits attached are as follows:
  - (a) Plat showing leases involved with present flow lines and proposed changes.
  - (b) Schematic diagram showing a typical battery with facilities for testing all wells.
7. Approval of this application will neither cause waste nor impair correlative rights.
8. A copy of this application has been mailed to all offset operators as shown below.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION



D. C. Capps  
District Superintendent

AES:mlw

cc: CITIES SERVICE OIL COMPANY  
P. O. Box 97  
Hobbs, New Mexico

MOBIL OIL COMPANY  
P. O. Box 2406  
Hobbs, New Mexico

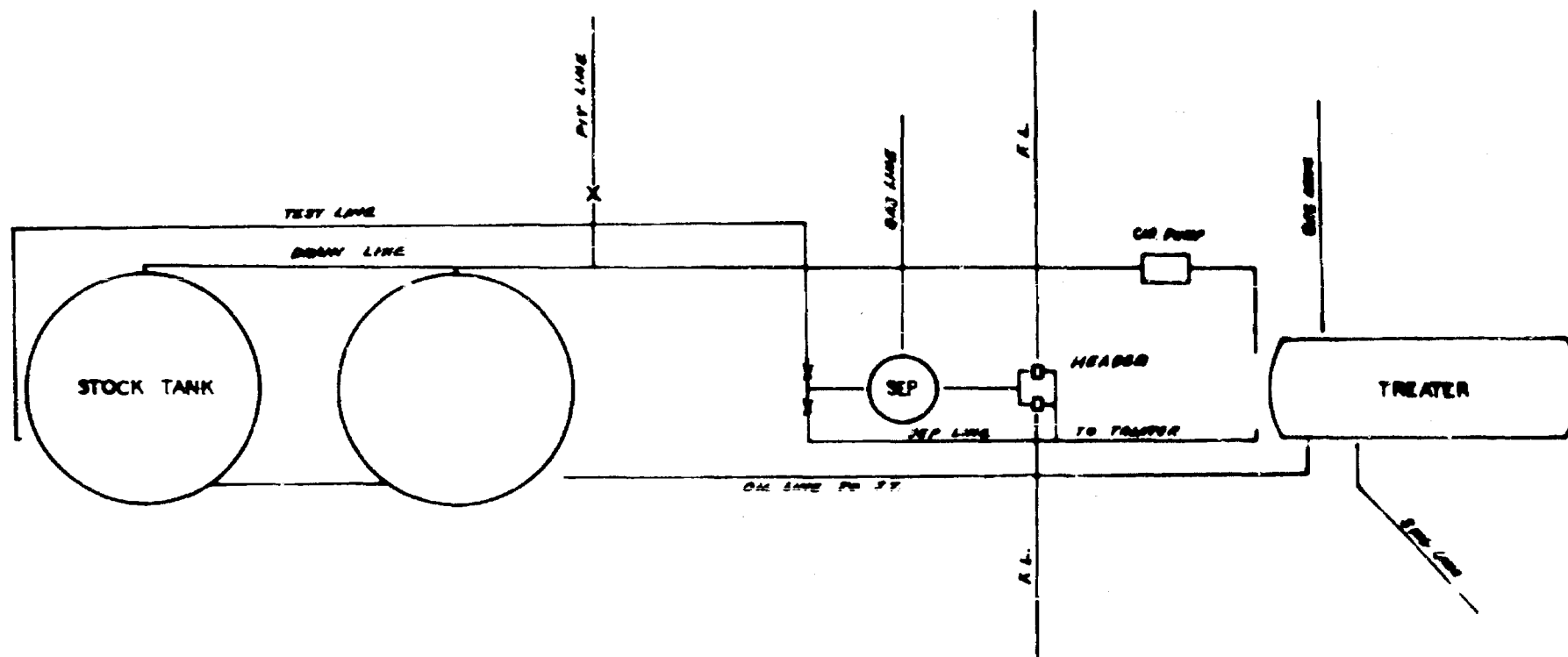
Mr. R. S. Christie  
Mr. W. C. Henderson  
Mr. J. R. Enloe  
File

GULF OIL CORPORATION  
P. O. Drawer 669  
Roswell, New Mexico

SHELL OIL COMPANY  
P. O. Box 845  
Roswell, New Mexico

TEXACO, INC.  
P. O. Box 3109  
Midland, Texas

Enclosures



BATTERY HOOKUP

SAUNDERS POOL  
LEA CO. N.M.

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
August 10, 1960

EXAMINER HEARING

-----  
IN THE MATTER OF: )

Application of Amerada Petroleum Corpora- )  
tion for permission to commingle the pro- )  
duction from several separate leases. )  
Applicant, in the above-styled cause, )  
seeks permission to commingle the produc- )  
tion from the Saunders (Permo-Pennsyl- )  
vanian) Pool from three State leases in )  
Sections 3 and 4, Township 15, Range 33 )  
East, Lea County, New Mexico. )  
-----

Case 2041

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order. The first  
case will be 2041.

MR. PAYNE: Mr. Examiner, this application is eligible  
for administrative approval, so I move that it be dismissed.

MR. UTZ: Is there objection to counsel's motion? Case  
2041 will be dismissed.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



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.

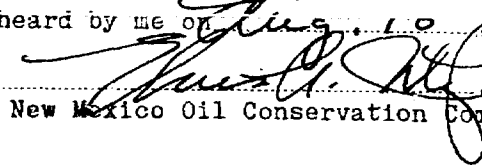
IN WITNESS WHEREOF I have affixed my hand and notarial seal this 11th day of August, 1960.

  
 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. 2041, heard by me on Aug. 10, 1960.

  
 Examiner  
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



## NEW MEXICO OIL CONSERVATION COMMISSION

Examiner HearingSanta Fe, NEW MEXICOREGISTERHEARING DATE August 10, 1960TIME: 9:00

NAME:	REPRESENTING:	LOCATION:
W.G. Abbott	RICE Engineering & Op. Inc	Hobbs, N. Mex.
Ed Robinson	TEXACO INC.	Midland, Texas
Jason Kellahin	Kellahin & Fox	Santa Fe
L.P. White	Heldt & White & White	Santa Fe
John J. Lacey	Jennissen Sh. & Oil	Albuquerque, N.M.
L.B. Plumb		
Gene Tedman		Santa Fe
O. Leth		
J.R. Cough	The Ohio Oil Co.	Houston, Tex.
T.O. Webb	The Ohio O.I. Co.	Hobbs, N. Mex.
B.G. Howard	"	"
Tom Steele	"	Midland
W.V. Kastler	GULF OIL CORP	Roswell
J.H. Haarn		