CASE 2092: Application of ROCK ISLAND OIL & RFG. to amend Order R-1352 to permit expansion of water-flood project, Rhodes Pool.

2092

Poplishin, Transcript,

mall Exhibits, Etc.

PEFORE THE OIL CONSERVATION CONSISSION OF THE STATE OF MEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL COMMERVATION COUNTESTON OF NEW MEXICO FOR THE PURPOSE OF COMMIDERING:

> CASE No. 2092 Order No. R-1352-B

APPLICATION OF NOCK ISLAND OIL & NEFTHERS COMPANY, INC., FOR AN AMERICAN OF ORDER NO. R-1352 TO PRINCIP THE DRILLING OF AN ADDITIONAL MATER INJECTION WILL IN THE RESORD FOR, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause time on for hearing at 9 o'clock a.m. on October 5, 1960, at Santa Fe, New Maxico, before Elvis A. Wis, Examiner duly appointed by the Oil Conservation Commission of New Maxico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 11th day of October, 1960, the Commission, a quorum being present, having Considered the application, the evidence address, and the resonantiations of the Burniner, Bivis A. Utz, and being fully advised in the premises,

PZMD6:

- (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 by Order No. R-1352, the "Wills Water Flood Project" was authorized on two federal leases in Sections 34 and 35, Township 26 South, Range 37 East, HMPH, Rhodes Pool, Lea County, New Mexico.
- (3) That the applicant proposes to expand the waterflood project as authorized in Order No. R-1352 by the drilling of an additional injection well to be located 30 feet from the South line and 2537 feet from the West line of Section 35, Township 26 South, Range 37 East, HMPM, Lea County, New Mexico.
- (4) That the above-described location of the additional injection well is necessitated by topographical conditions in the project area.
- (5) That the drilling of the additional injection well at the proposed location will result in a thorough and efficient

BEFORE THE OIL COMSERVATION CONMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL COMMENVATION CONSCISSION OF MEN MERICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2092 Order No. R-1352-B

APPLICATION OF NOCK ISLAND OIL &
REPYRIUS COMPANY, INC., FOR AN
AMERICAN OF GROUN NO. R-1352 TO
PERSON THE DELLING OF AN ADDITIONAL
WATER INJECTION WILL IN THE RESONS
POOL, INA COUNTY, NEW HEXICO.

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NOW, on this 11th day of October, 1960, the Commission, a quorum being present, having considered the application, the evidence addresd, and the recommendations of the Emminer, Elvis A. Uts, and being fully advised in the premises,

FIEDS:

- (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 by Order No. R-1352, the "Wills Water Flood Project" was authorized on two federal leases in Sections 34 and 35, Township 26 South, Range 37 East, HMPM, Rhodes Pool, Lea County, New Mexico.
- (3) That the applicant projects to expand the waterflood project as authorized in Order No. R-1352 by the drilling of an additional injection well to be located 30 feet from the South line and 2537 feet from the West line of Section 35, Township 26 South, Range 37 East, HMPM, Lea County, New Mexico.
- (4) That the above-described location of the additional injection well is necessitated by topographical conditions in the project area.
- (5) That the drilling of the additional injection well at the proposed location will result in a thorough and efficient

-2-CASE No. 2092 Order No. R-1352-B

sweep of the oil in the area encompassed by the waterflood project.

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That Order No. R-1352 be and the same is hereby areaded to permit the applicant, Book Island Gil & Refining Company, Inc., to drill an additional water injection well in the Rhedes Pool to be legated 30 feet from the South line and 2537 feet from the West line of Section 35, Township 26 South, Range 37 East, HOPM, Lea County, New Newico.

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

> STATE OF HEW MEDICO OIL COMMENSATION CONGUSSION

William MINDERSON Chairman

HURRAY B. MORGAN, Member

A. L. PORTER, Jr., Momber & Secretary

(and 2082 Keard. 10-5-60 1. Srant Rock Island request for drilling an additional H20 Drigection well to the located. 30' from and 2537/w lenes of lection. 35-265-376 to be known on the Rock Dalan Hills # 12 I. 2. amend R1352, 3 Krant anordadon location as atom because of Dexas-Parific R.R. . Kinning 18 bening a serious serface obstruction

DOCKET: EXAMINER HEARING, WEDNESDAY, OCTOBER 5, 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:

CONTINUED CASE

CASE 2067:

Application of Dorfman Production Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Elizabeth Federal Well No. 1, located in Unit H, Section 18, Township 24 North, Range 7 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from the Escrito-Gallup Oil Pool and the production of gas from the Dakota Producing Interval.

NEW CASES

CASE 2091:

Application of Gulf Oil Corporation for an oil-oil dual completion, for permission to commingle production from two separate pools, and for permission to install an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Federal-Mills Well No. 1, located 660 feet from the North line and 1980 feet from the West line of Section 11, Township 9 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Abo pool and the production of oil from the Allison-Pennsylvanian Pool through parallel strings of 2 7/8-inch and 2 3/8-inch tubing respectively. The applicant further proposes to commingle the Abo production and the Allison-Pennsylvanian production from said well to handle the commingled production by means of an automatic custody transfer system.

CASE 2092:

Application of Rock Island Oil & Refining Company, Inc. for an amendment of Order No. R-1352 to permit the drilling of an additional injection well. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1352 to permit the expansion of the waterflood project as authorized therein for the Rhodes Pool by the drilling of an additional injection well to be located 30 feet from the South line and 2537 feet from the West line of Section 35, Township 26 South, Range 37 East, Lea County, New Mexico.

Docket No. 29-6)

-2-

CASE 2093:

Application of Humble Oil & Refining Company for an amendment of Order No. R-1630-B to permit commingling from additional separate leases and for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1630-B to permit the commingling of the Empire-Abo Pool production from all wells on certain additional leases in the Chalk Bluff Draw Unit Area, Township 18 South, Range 27 East, Eddy County, New Mexico. Applicant further seeks permission to install an automatic custody transfer system to handle the aforesaid commingled production.

CASE 2094:

Application of Aspen Drilling Company and Warren Shear for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Jicarilla 24-4 Well No. 1-1, located in Unit M, Section 1, Township 24 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of oil from the Dakota formation through parallel strings of 2 3/8-inch and 1/2-inch tubing respectively.

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. 1610 Order No. R-1352

APPLICATION OF WOOD RIVER OIL & REFINING COMPANY, INC., FOR AN ORDER AUTHORIZING A WATER FLOOD PROJECT IN THE RHODES POOL, LEA COUNTY, NEW MEXICO, FOR THE ESTABLISHMENT OF AN ADMINISTRATIVE PROCEDURE FOR GRANTING CAPACITY ALLOWABLES TO WELLS IN SAID PROJECT, AND FOR APPROVAL OF UNORTHODOX LOCATIONS FOR THE INJECTION WELLS WITHIN THE PROJECT.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 11, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 18th day of March, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 proposes to institute the "Wills Water Flood Project" in the Rhodes Pool, Lea County, New Mexico, on two federal leases in Sections 34 and 35, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the proposed water flood project is an expansion of a presently existing water flood project in the State of Texas.
- (4) That the applicant proposes to inject water into the lower Yates formation in said Rhodes Pool through the following-described wells, which are to be drilled on unorthodox locations:

-2-Case No. 1610 Order No. R-1352

> Well No. 6, to be located 20 feet from the South line and 1315 feet from the West line of Section 35.

Well No. 7, to be located 20 feet from the South line and 20 feet from the West line of Section 35.

Well No. 8, to be located 1315 feet from the South line and 1315 feet from the West line of Section 35.

Well No. 9, to be located 1315 feet from the South line and 20 feet from the West line of Section 35.

Well No. 10, to be located 20 feet from the North line and 20 feet from the West line of Section 35.

Well No. 11, to be located 20 feet from the North line and 1315 feet from the West line of Section 35,

all in Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.

- (5) That the proposed unorthodox locations for the above-described wells should be approved.
- (6) That an administrative procedure should be established whereby approval may be granted for capacity allowables to wells in the project when, in the opinion of the Secretary-Director, good cause is shown for doing so.

IT IS THEREFORE ORDERED:

(1) That Wood River Oil & Refining Company, Inc., be and the same is hereby authorized to institute the Wills Water Flood Project in the Rhodes Pool, Lea County, New Mexico, by the injection of water into the lower Yates formation through the following-described wells:

Well No. 6, to be located 20 feet from the South line and 1315 feet from the West line of Section 35.

Well No. 7, to be located 20 feet from the South line and 20 feet from the West line of Section 35.

Well No. 8, to be located 1315 feet from the South line and 1315 feet from the West line of Section 35.

Well No. 9, to be located 1315 feet from the South line and 20 feet from the West line of Section 35.

-3-Case No. 1610 Order No. R-1352

Well No. 10, to be located 20 feet from the North line and 20 feet from the West line of Section 35.

Well No. 11, to be located 20 feet from the North line and 1315 feet from the West line of Section 35,

all in Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.

- (2) That unorthodox locations be and the same are hereby approved for the above-described wells.
- (3) That a procedure be and the same is hereby established whereby approval of capacity allowables for wells in said project may be granted by the Secretary-Director administratively (without notice and hearing) when the applicant furnishes good reason therefor.
- (4) That monthly progress reports on the water flood project herein authorized shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

SEAL ..



Case 2092, 14, 15

Rock Island Oil & Refining Co., Inc.

AM 5-5674 + 321 WEST DOUGLAS Wichita 2, Kansas

September 1, 1960

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Re: Case No. 1610, Order No. R-1352

Gentlemen:

Enclosed, in duplicate, is our application to expand our Wills Flood by adding injection well No. 12.

A copy of this application is being sent to: Bureau of Land Management, Santa Fe, New Mexico, John A. Anderson, U.S.G.S., Roswell, New Mexico and A. P. Kleeman, U.S.G.S., Hobbs, New Mexico.

We trust we will receive favorable action on this matter.

Yours truly,

ROCK ISLAND OIL & REFINING CO., INC.

C. C. Chapin

/sc

Enclosure

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[9 1.3 PHONE CH 3-6691

BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

In the Matter of:

CASE 2092 Application of Rock Island Oil & Refining Company, Inc. for an amendment of Order No. R-1352 to permit the drilling of an additional injection well. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1352 to permit the expansion of the waterflood project as authorized therein for the Rhodes Pool by the drilling of an additional injection well to be located 30 feet from the South line and 2537 feet from the West line of Section 35, Township 26 South, Range 37 East, Lea County, New Mexico.

> Mabry Hall State Capitol Building October 5, 1960

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: Case Number 2092.

MR. PAYNE: Case 2092, "Application of Rock Island 011 & Refining Company, Inc. for an amendment of Order No. R-1352 to permit the drilling of an additional injection well."

MR. McKENNA: Mr. Examiner, Tom McKenna, McKenna and Sommer, appearing for the Applicant, Rock Island. I have one witness, Mr. C. C. Chapin.

(Witness sworn in.)



DIRECT EXAMINATION

BY MR. MCKENNA:

- Can you state your name, sir? Q
- C. C. Chapin.
- C-H-A-P-I-N? Q
- Yes, sir.
- By whom are you employed?
- Rock Island Oil and Refining Company.
- And in what capacity, Mr. Chapin?
- I am manager of the Production Department.
- Have you testified at this Commission previous hereto? A
- Did you testify at the time of the request for the Yes, sir. waterflood project here involved?

 - Can you state to the Commission the relief that you are I believe so, yes sir.

- Well, we wish to drill Injection Well Number 12 on our requesting this morning?
- Wells Lease at an irregular location --Can you give the Commission the boundary and the location
- of that well?
- Well Number "A" 12, we wish to drill 2537 feet east



ALBUQUERQUE, NEW MEXICO

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of the west line of Section 35, and 30 feet north of the south line of Section 35.

- Q Do you have the location from the middle section line?
- A The footage of Number 12 Well from the middle section line would be 103 feet, it would be 103 feet from the -- west of the middle section line.
 - Q And is it true that this is to be a water injection well?
 - Yes, sir.
- Q Can you explain to the Commission why you deem is advisable to have the well located where you desire to locate it?
- A Well, we are off thirty feet off the right-of-way of the Texas-New Mexico Railway, and that right-of-way is east of our proposed location, and adjoining the railroad right-of-way is highway Number 18. The total width of these two rights-of-way is something like a little over four hundred, is over four hundred feet, and if we don't put Number 12 where we propose to do, we'll have to move it about four hundred twenty-four feet further east.
 - Q And how would this affect your flood program?
- We would have to tunnel under the railroad and the highway, and that would put the well about some nine hundred feet from the, some nine hundred feet from the injection well, which would be excessive, that would put the injection well about nine hundred feet from the nearest producing well, which would be excessive, then in addition to that, the formation east of where we can put it now, the formation rises



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and is very tight. We don't think the floodwater would inject very well in a high and tight formation four hundred feet further east.

- Q In your opinion, is this request in keeping with the principles of conservation and prevention of waste?
 - A Yes sir, I believe it is.
- Q Do you know whether or not this request if granted will impair correlative rights?
 - A No, it won't; I don't see how it would, no sir.

(Thereupon, the document was marked as Applicant's Exhibit Number One for identification.)

MR. McKENNA: Mr. Examiner, I would like to move, offer in evidence Applicant's Exhibit Number One, which is a copy of the application and a copy of the plat showing the location of the requested unorthodox location for Well Number 12, and this will conclude the direct testimony.

MR. UTZ: Without objection, the exhibit will be entered into the record. Are there questions of the witness?

MR. PAYNE: Yes, sir; Mr. Chapin, do you feel that locating the well at your proposed location will result in a more thorough and efficient sweep of the oil than will be the case if you had to move east of State Road 18?

A Yes, we do, yes sir.

MR. PAYNE: What kind of success have you had with this well?



It hasn't become effective yet; we started injection November 17th in '59 and we haven't had any results. anticipate any yet, it's a little early.

MR. PAYME: I see; thank you.

Yes, sir.

MR. UTZ: Any other questions? The witness may be excused.

(Witness excused.)

MR. DTZ: Any other statements in this case? The case will be taken under advisement.

MR. McKERHA: Thank you.

DEARNLEY-MEIER REPORTING SERVICE, Inc. PHONE CH 3-6691

WITKESS

ALBUQUERQUE, NEW MEXICO

C. C. CHAPIN

Direct Examination by Mr. McKenna

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NEW MEXICO) STATE OF 88 COUNTY OF BERNALILLO)

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

Dated at Albuquerque, New Mexico, this 6th day of October, 1960.

Notary Public

My Commission Expires: January 24, 1962

> I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2092 heard by me on the 5 1960.

New Mexico Oil Conservation

... Examiner Hommission



ALBUQUERQUE, NEW MEXICO

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico O il Conservation Commission

LAND COMMISSIONER MURRAY E. MORGAN MEMBER



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

P. O. BOX 87 SANTA FE

October 11, 1960

Attorney at Law

305 East Palace Avenue
Santa Pe, New Mexico

Re: Case No. 2092 Order No. B-1352-B Applicant:

Rock Island Oil & Rofg. Co.

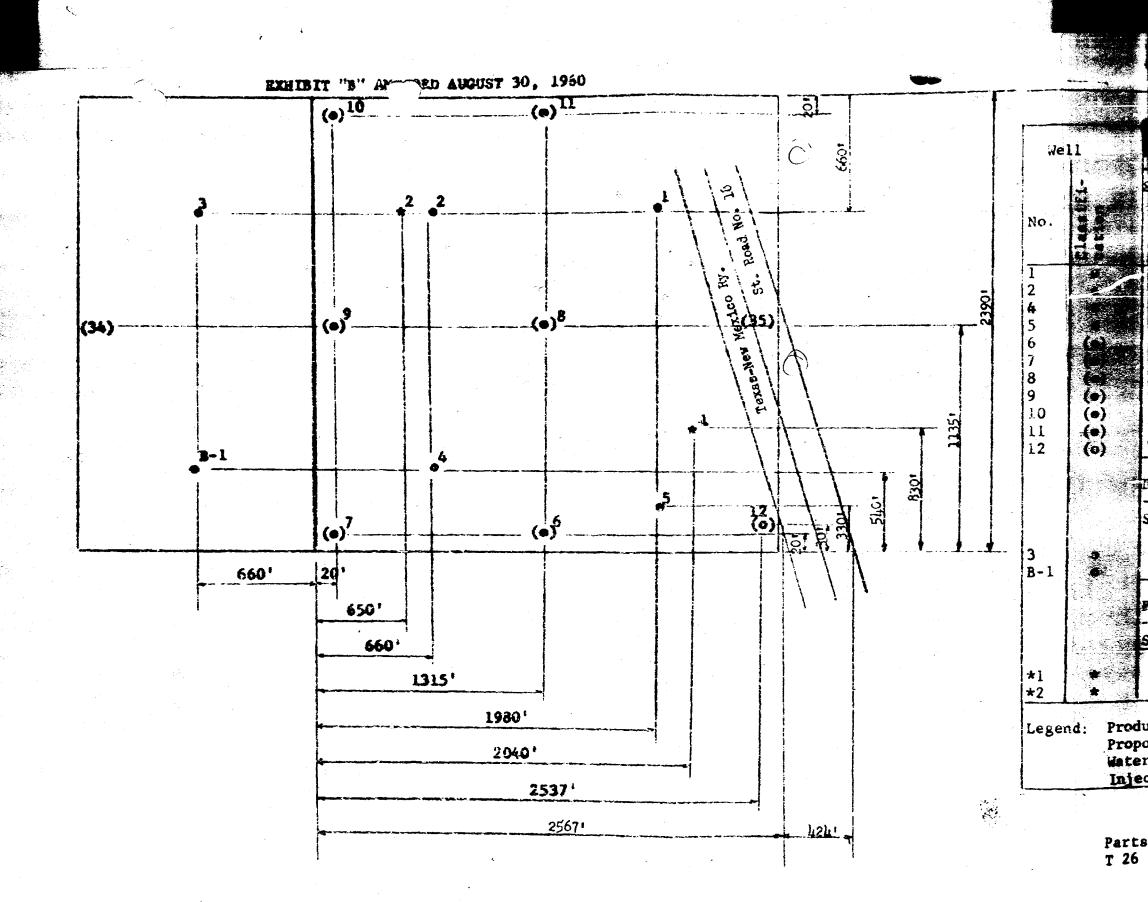
Dear Sir:

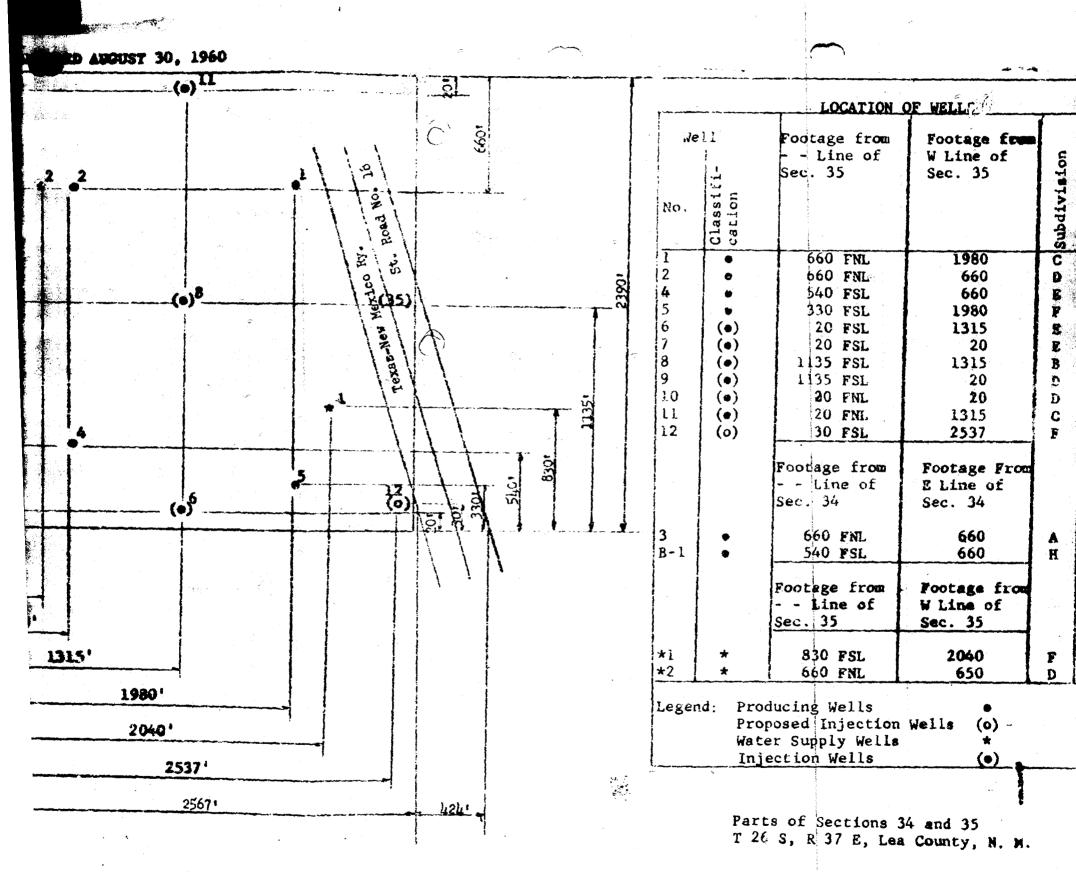
Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

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

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Carbon copy	of	order	also	3ent	to;
Hobbs OCC Artesia OCC Asteo OCC	<u> </u>				
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APPLICATION FOR AMENDMENT TO NEW MEXICO CONSERVATION COMMISSION CASE NO. 1610, ORDER NO. R-1352

August 30, 1960

To: New Mexico Conservation Commission Santa Fe, New Mexico

Application for an order to: Amend order to drill injection well No. 12:

Name of Flood:

Wills

Name of Field:

Rhodes

Name of Lease Owner:

Rock Island Oil & Refining Co., Inc. 321 West Douglas, Wichita, Kansas

Description of Leases:

U. S. SERIAL NO.	LEGAL DESCRIPTION	DATE OF LEASE	ACRES
LC 050107 (b)	Lot 1, Sec. 34	12-19-38	32.74
LC 050107 (a)	NE/4 NE/4, Sec. 34; Lots 2, 3, 4;	12-1-58	257.81
	N/2 NW/4; NW/4 NE/4	-	
	Sec. 35 All in T-26S, R-37E		en e
* * * * * * * * * * * * * * * * * * *	Lea County, New Mexico		

3. Production map attached as Exhibit "B" (Amended August 30, 1960) shows wells and leases in the area being flooded. All well location measurements and location units are shown on Exhibit "B" (Amended August 30, 1960).

We wish to expand our flood and request approval to drill injection well No. 12.

4. A copy of this application has been sent to:

NAME	ADDRESS	HOW SENT
Bureau of Land Management	Santa Fe, New Mexico	Certified Mail
John A. Anderson, U. S. G. S.	Box 6721, Roswell, N. M.	Certified Mail
A. P. Kleemen, U. S. G. S.	Box 1838, Hobbs, N. M.	Certified Mail

Respectfully submitted,

ROCK ISLAND OIL & REFINING CO., INC.

BEFORE EXAMINER UTZ GIL CONSERVATION COMMISSION BY

el IslexHIBIT NO.

C. C. Chapin

"APPLICANT"

CORRECTION

The preceding farge Cohibts documents were incorrectly filmed. They are refilmed following this target.