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OEP/esr March 1, 1961

> 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. 2189 Order No. R- 1886

APPLICATION OF CONTINENTAL OIL COMPANY FOR TWO NON-STANDARD GAS PRORATION UNITS IN THE EUMONT GAS 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 23, 1961, 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 <u>day of <u>March</u></u>, 1961, 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 requested that Case No. 2189 be

dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2189 be and the same is hereby dismissed.

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

DEFORE THE OIL COMPERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF CONTINENTAL OIL COMPANY FOR CANCELLATION OF A 640-ACRE STANDARD GAS PRORATION UNIT CONSISTING OF SECTION 24, T-20S, R-37F, AND THE REASSIGNMENT OF THIS ACREACE TO BE INCLUDED IN TWO PRORATION UNITS TO CONSIST OF THE S/2 AND THE NE/4 OF SECTION 24 TO $\sqrt{}$ BE ALLOCATED TO THE SEMU EUMONT 67 AND THE NW/4 OF SECTION 24 AND THE S/2 OF THE SW/4 AND THE NW/4 OF THE SW/4 OF SECTION 13, T-20S, R-37E, TO BE ALLOCATED TO THE SEMU EUMONT 69, EUMONT GAS POOL, NMPM, LEA COUNTY, NEW MEXICO.

Case 2:189

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<u>APPLICATION</u>

Comes now applicant, Continental Oil Company, and petitions the Commission for an order approving the cancellation of the 640-acre standard prometion unit consisting of Section 24, T=20S, R=37E, NMFM, Lea County, New Mexico, assigned jointly to the SEMU Eucont No. 67 and the SEMU Eumont No. 69 wells. Continental Oil Company requests the reassignment of this acreage for the formation of two non-standard gas promation units consisting of 430 acres in the S/2 and the NE/4 of Section 24, T=20S, R=37E to be allocated to the SEMU Eumont well No. 57, located 1980' FSL and 1980' FWL of said Section 24; and 280 acres in the NM/4 of Section 24, T=20S, B=37E and the S/2 and the NW/4 of the SW/4 of Section 13, T=20S, R=37E to be allocated to the SEMU Eumont well No. 69, located 1980' FAL and 1980' FWL of Section 24, T=20S, R=37E, and in support thereof would show:

1. That applicant is co-owner and operator of the SFMU Eumont lease containing, among other lands, the S/2 and the SM/4 of the SM/4 of Section 13 and all of Section 24 in T-20S, R-37E, NMFM, Les County, New Mexico.

2. That applicant's SEMU Euront well No. 67 is capable of producing gas in excess of a 480-acre unit gas allowable for the Euront Fool.

3. That applicant's SEHU Eumont well No. 69 is capable of producing gas in excess of a 280-acre unit gas allowable for the Eumont Pool.

 k_{\odot} That no part of the acreage comprising the S/2 and the NW/4 of the SW/4 of Section 13, T-205, R-37E is allocated to a gas well and that all said acreage may reasonable be presumed to be productive of gas from the Eumont Pool and should be allocated to a gas well in the interests of the prevention of waste and the protection of correlative rights.

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5. That the most practical and economics) mathed of allocating said acreage for Eumont Pool gas production is by the cancellation of the standard gas provation unit assigned jointly to the SFHU Eumont wells 67 and 69 and the reassignment of acreage in said Sections 13 and 24 as described above.

Wherefore, applicant prays that the application be set for hearing before the Commission's duly appointed examiner, that appropriate notice thereof be given and that upon hearing an order be entered granting applicant the cancellation of the standard gas proration unit assigned jointly to SFNU Eumont wells 67 and 69 and an exception to Rule 5(a) of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico contained in Order No. R-1670 for the formation of two non-standard gas proration units described above.

> Respectfully submitted, CONTINENTAL OIL COMPANY

W= G. Mens

Wm. A. Mead Division Superintendent of Production New Mexico Division

WAM-EMP





DOCKET: EXAMINER HEARING - THURSDAY, FEBRUARY 23, 1961

OIL CONSERVATION COMMISSION - 9 A.M., CONFERENCE ROOM - STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Oliver E. Payne, attorney, as alternate examiner:

CASE 2193:

Application of Newmont Oil Company for two unorthodox oil well locations and for one unorthodox location for an injection well. Applicant, in the above-styled cause, seeks approval for two unorthodox oil well locations, and for one unorthodox water injection well location in the Loco Hills Waterflood Project, Eddy County, New Mexico. The proposed locations for the producing wells and injection well are respectively as follows:

Yates A No. 14 Well, 1980 feet from the North line and 1310 feet from the East line of Section 6, Township 18 South, Range 30 East.

Brigham No. 5 Well, 1320 feet from the South line and 990 feet from the East line of Section 31, Township 17 South, Range 30 East.

Brigham No. 4 Well, 1320 feet from the South line and 5 feet from the East line of Section 31, Township 17 South, Range 30 East.

CASE 2187:

Application of Continental Oil Company for a 400-acre nonstandard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 400-acre non-standard gas proration unit in the Eumont Gas Pool comprising the $\frac{4}{2}$ $\frac{4}{2}$ of Section 26, the E/2 E/2 of Section 27, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 37 East, Lea County, New Mexico. Said unit is to be dedicated to the SEMU Eumont Well No. 65, located 2363 feet from the South line and 0 feet from the West line of said Section 26.

CASE 2188:

Application of Continental Oil Company for an exception to Rule 26 (a) of Order No. R-1670. Applicant, in the abovestyled cause, seeks an exception to Rule 26 (a) of Order No. R-1670 for the reclassification to a Tubb gas well of its State 10 Well No. 3-D, located 990 feet from the North line and 840 feet from the West line of Section 10, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

6-61

Docket No. 6-61

CASE 2189:

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Application of Continental Oil Company for two non-standard gas proration units. Applicant, in the above-styled cause, seeks the establishment of two non-standard gas proration units in the Eumont Gas Pool, Lea County, New Mexico, the first being a 480-acre unit consisting of the S/2 and NE/4 of Section 24 to be dedicated to the SEMU Eumont Well No. 67 located 1980 feet from the South and West lines of said Section 24 and the second being a 280-acre unit consisting of the NW/4 of said Section 24 and the S/2 and NW/4 SW/4 of Section 13 to be dedicated to the SEMU Eumont Well No. 69, located 1980 feet from the North and West lines of Section 24, all in Township 20 South, Range 37 East.

CASE 2190:

Application of Continental Oil Company for a 560-acre nonstandard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 560-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the W/2 of Section 14, the E/2 E/2 of Section 15 and the E/2NE/4 of Section 22, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit is to be dedicated to the SEMU Eumont Well No. 66, located 1980 feet from the South line and 660 feet from the West line of said Section 14.

CASE 2191:

Application of Continental Oil Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the Empire-Abo Pool production from all wells presently completed or hereafter drilled on its State S-30 lease comprising in pertinent part the NW/4 and NW/4 SW/4 of Section 30, Township 17 South, Range 29 East, Eddy County, New Mexico.

CASE 2192:

Application of Amerada Petroleum Corporation for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry Oil Pool production from all wells presently completed or hereafter drilled on its State "D" lease, consisting of the NW/4 and its State "H" lease, consisting of the W/2 SE/4, both in Section 1, Township 20 South, Range 36 East, Lea County, New Mexico.

CASE 2194:

Application of Sunray Mid-Continent Oil Company for an oiloil dual completion utilizing two strings of casing.

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CASE 2194: (Cont.)

Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "Y" Well No. 2, located

in Unit A, Section 32, Township 18 South, Range 31 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Culwin-Yates Pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 2 7/8-inch casing cemented in a common well bore.

CASE 2195:

Application of Gulf Oil Corporation for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the production from an undesignated Abo pool from all wells presently completed or hereafter drilled on the Lea-State "LB" Lease comprising the NW/4, N/2 SW/4 and SW/4 SW/4 of Section 20, Township 17 South, Range 36 East, Lea County, New Mexico.

CASE 2196:

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, without separate metering, the production from the Drinkard and Langlie-Mattix Pools from all wells presently completed or hereafter drilled on the Ollie I. Boyd Lease, comprising the S/2 SW/4, NE/4 SW/4 and SW/4 SE/4 of Section 23, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 2197:

Application of Tennessee Gas and Oil Company for the promulgation of temporary special rules and regulations governing the Totah-Gallup Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating temporary special rules and regulations governing the Totah-Gallup Pool, San Juan County, New Mexico, including a provision for 80-acre proration units.

CASE 2198:

Application of H. S. Moss for permission to commingle the production from three separate pools and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the production from the Southwest Gladiola-Wolfcamp Pool, the Southwest Gladiola-Devonian Pool and an undesignated Pennsylvanian Pool from all wells presently completed or hereafter drilled on its D. P. Peck Lease comprising the W/2 of Section 26, Township 12 South Range 37 East, Lea County, New Mexico.

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CASE 2198: (Cont.)

Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL COMBENVATION COMMISSION OF NEW MEXICO FOR THE FURPOSE OF CONSIDERING:

> CASE No. 2189 Order No. R-1886

APPLICATION OF CONTINUEAL OIL COMPANY FOR TWO MON-STANDARD GAS PROMATION UNITS IN THE ECHONT GAS POOL, ANA COUNTY, NEW MEXICO.

GRIER OF THE CONSISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on Pehrunzy 23, 1961, at Santa Fe, New Menico, before Elvis A. Utz, Examiner dely appointed by the Gil Conservation Coumission of New Memico, hereinefter referred to as the "Coumission," in accordance with Rule 1214 of the Coumission Eules and Regulations.

NOW, on this 2nd day of March, 1961, the Commission, a quorum being present, having considered the application and the recommondations of the Manuface, Mivis A. Viz, and being fully advised in the premises,

FIRE:

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

(2) That the applicant requested that Case No. 2189 be dismissed.

IT IS TREEFORD ORDERED:

That Case No. 2189 be and the same is hereby dismissed.

DOMN at Santa Fe, New Mexico, on the day and year bereinabove designated.



No. Contraction of the second se

STATE OF MEN MELLCO OIL COMPERVATION CONTRAION

REWIN L. MICHEN, Chairman

deer WALLER, M terter

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

GOVERNOR EDWIN L. MECHEM CHAIRMAN

State of New Mexico Oil Conservation Commission

LAND COMMISSIONER E. S. JOHNNY WALKER MEMBER



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

March 3, 1961

Jason Kollahin Kellahin & Fox a 1713 Banta Fo, New Mexico

2189 Case No. Order No. R-1886 Applicant: Continents1

Dear Sir:

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

Re:

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

PAGE 1 BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico February 23, 1961 EXAMINER HEARING 3-6691 Application of Continental Oil Company for two IN THE MATTER OF: PHONE CH 3 non-standard gas proration units. Applicant, in) above-styled cause, seeks the establishment of two) DEARNLEY-MEIER REPORTING SERVICE, Inc. non-standard gas proration units in the Eumont Gas) Pool, Lea County, New Mexico, the first being a CASE 480-acre unit consisting of the S/2 and NE/4 of 2189 Section 24 to be dedicated to the SEMU Eumont Well) No. 67 located 1980 feet from the South and West) lines of said Section 24 and the second being a 280-acre unit consisting of NW/4 of said Section 24 and S/2 and NW/4 SW/4 of Section 13 to be dedicated to the SEMU Eumont Well No. 69, located) 1980 feet from the North and West lines of Section) 24, all in Township 20 South, Range 37 East. BEFORE: Elvis A. Utz, Examiner TRANSCRIPT OF HEARING You want to skipp 2188 and 2189 for the time MR. UTZ: MR. KELLAHIN: If the Examiner please, the letter was NEW MEXICO being? written, and I would like to move for a dismissal of Case 2189. MR. UTZ: If there is no objection, Case 2189 will be ALBUQUERQUE, dismissed.

STATE OF NEW MEXICO PAGE 2 COUNTY OF BERNALIELO 33 I, LA VERNE E. JAMES, Court Reporter, do hereby certify DEARNLEY-MEIER REPORTING SERVICE, Inc. PHONE CH 3-661 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 Cay of March, 1961. 18 阿 Notary Public - Court Reporter My commission expires: January 6, 1965. ALBUQUERQUE, NEW MEXICO I do hereby certify that the foregoing is a complete record of the proceedings in the Examines he heard by me on No. 2/ 89 New Mexico Oil Conservation Compission Examiner