

CASE 2399: Application of TEXACO INC.
for an unorthodox oil well location.
(Cotton Draw Unit Well No. 54.)

-asa//o.

2399

Application, Transcript,
and 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. 2399
Order No. R-2085

APPLICATION OF TEXACO INC.
FOR AN UNORTHODOX OIL WELL
LOCATION, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 4, 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 13th day of October, 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, Texaco Inc., seeks approval of an unorthodox oil well location in the Paduca-Delaware Pool for the Cotton Draw Unit Well No. 54, located 1981 feet from the North line and 2337.5 feet from the East line of Section 28, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to locate the Cotton Draw Unit Well No. 54, at a point 1981 feet from the North line and 2337.5 feet from the East line of Section 28, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-2-

CASE No. 2399
Order No. R-2085

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



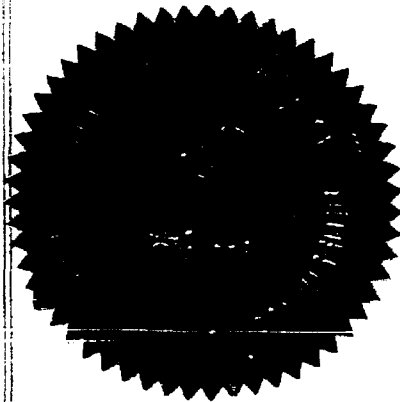
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



asr/

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

P. O. BOX 871
SANTA FE

August 16, 1961

Mr. Booker Kelly
Gilbert, White & Gilbert
Box 787
Santa Fe, New Mexico

Re: Case No. 2399
Order No. R-2085
Applicant:
Texaco Inc.

Dear Sir:

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

Very truly yours,

A handwritten signature in cursive script, reading "A. L. Porter, Jr.", is written over the typed name.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

OTHER

Case 2399

Heard 10-4-61

Recd. 10-9-61

1. Grant Texaco's request for
NSL for its Cotton Branch Unit Well
54, 89° 01' N, 2337.5' E line sec. 28,
T 25 S - R 32 E.

2. Well was drilled in this location
due to a 4.6 ft. error in survey
which was made because the
section was slightly irregular.

3. Well not ~~cause~~ effect correlative
rights since the effect is in the
C.D. Unit.

Thos. A. R.

1. A. 11

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 4, 1961

9:00 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING ---- SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner:

CONTINUED CASE

CASE 2367: Application of Skelly Oil Company for an unorthodox gas proration unit in the Jalmat Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the NE/4, NW/4 SE/4, N/2 SW/4 and SW/4 SW/4 of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico; said unit is to be dedicated to the E. L. Steeler Well No. 7, located 1980 feet from the South line and 660 feet from the West line of said Section 17.

NEW CASES

CASE 2388: In the matter of the hearing called by the Oil Conservation Commission to permit Juan J. (John J.) Moya and all interested parties to appear and show cause why the Jones Well No. 1, located 1650 feet from the South line and 990 feet from the East line of Section 7, Township 30 North, Range 11 West, San Juan County, New Mexico, should not be plugged.

CASE 2389: Application of Shell Oil Company for approval of the Cabezon Unit Agreement, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cabezon Unit Agreement embracing lands in Townships 16 and 17 North, Ranges 2, 3 and 4 West, Rio Arriba County, New Mexico.

CASE 2390: Application of Continental Oil Company for a 320-acre non-Standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 7, Township 23 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Stevens B-7 Well No. 1, located 990 feet from the South and West lines of said Section 7.

CASE 2391: Application of Continental Oil Company for a 320-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 25, Township 23 South, Range 36 East, Lea County, New Mexico; said unit to be dedicated to the Lynn B-25 Well No. 2, located 990 feet from the South and West lines of said Section 25.

CASE 2392: Application of Continental Oil Company for a 240-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 240-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the NW/4 and W/2 NE/4 of Section 23, Township 22 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the Meyer B-23 Well No. 3, located 1980 feet from the North line and 660 feet from the West line of said Section 23.

CASE 2393: Application of Continental Oil Company for a 240-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 240-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the SE/4 and E/2 NE/4 of Section 23, Township 22 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the Meyer B-23 Well No. 2, located 990 feet from the South line and 1650 feet from the East line of said Section 23.

CASE 2394: Application of Hondo Oil & Gas Company for permission to directionally drill, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to directionally drill a well to be located 2310 feet from the North line and 1980 feet from the East line of Section 26, Township 17 South, Range 28 East, Eddy County, New Mexico.

CASE 2395: Application of Nash, Windfohr & Brown for the establishment of a limiting gas oil ratio in the Jackson-Abo Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a limiting gas-oil ratio of 4000: 1 in the Jackson-Abo Pool in Township 17 South, Range 30 East, Eddy County, New Mexico.

- CASE 2396: Application of C. W. Trainer for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to locate his Hobbs Well No. 1 at an unorthodox oil well location in the Hobbs Pool, 2545 feet from the North line and 1184 feet from the East line of Section 34, Township 18 South, Range 38 East, Lea County, New Mexico.
- CASE 2397: Application of Reading and Bates, Inc. for a temporary exception to Rule 107 (d), Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a temporary exception to Rule 107 (d) to permit the production of oil from its Simms Federal Well No. 1 located in Section 34, Township 18 South, Range 30 East, North Benson Queen Pool, Eddy County, New Mexico, without installing tubing.
- CASE 2398: Application of Ford Chapman for a 42.35-acre non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 42.35-acre non-standard oil proration unit in an undesignated Delaware pool comprising Lot 12, Section 34 and Lot 9, Section 35, all in Township 26 South, Range 29 East, Eddy County, New Mexico, said unit to be dedicated to the Curtis Hankamer Gulf-Federal Pipkin No. 1 Well, located 330 feet from the South line and 605 feet from the East line of said Section 34.
- CASE 2399: Application of Texaco Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the Paducah Delaware Pool for its Cotton Draw Unit Well No. 54, located 1980 feet from the North line and 2339 feet from the East line of Section 28, Township 25 South, Range 32 East, Lea County, New Mexico.
- CASE 2400: Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its C. H. Weir "A" Well No. 7, located in Unit L, Section 12, Township 20 South, Range 37 East, Lea County, New Mexico, as a triple completion in the Eumont Gas, Skaggs-Glorieta, and Skaggs-Drinkard Pools, with production of oil from the Drinkard and Glorieta zones to be through parallel strings of 2 3/8 inch tubing and the production of gas from the Eumont Gas Pool through the tubing-casing annulus.

June 1961

GILBERT, WHITE AND GILBERT

ATTORNEYS AND COUNSELORS AT LAW

BISHOP BUILDING

SANTA FE, NEW MEXICO

September 15, 1961

CARL H. GILBERT
L. C. WHITE
WILLIAM W. GILBERT
SUMNER S. KOCH
WILLIAM B. KELLY

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

Attention: Mr. A. L. Porter, Jr.

Re: Texaco's application to triple complete its
C. H. Weir "A" Well No. 7
Lea County, New Mexico; and

Texaco's application for an unorthodox well
location for the Cotton Draw Unit Well No. 54,
located in the Paduca Field, Lea County, New Mexico

Gentlemen:

Enclosed in triplicate are Texaco's applications for the above
matters.

It would be appreciated if these applications could be set down
for hearing on the same date.

Very truly yours,

L. C. White

L. C. WHITE

LCW/ab
Encls.

*Booked
Mailed
9-19-61
CZ*

TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



P. O. BOX 3109
MIDLAND, TEXAS

September 14, 1961

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

Attn: Mr. A. L. Porter, Jr.

Gentlemen:

TEXACO Inc. respectfully requests that a hearing be set to consider its application for an unorthodox well location for the Cotton Draw Unit Well No. 54, located in the Paduca (Delaware) Field, Lea County, New Mexico. In support of its application TEXACO Inc. wishes to state the following facts:

1. The Cotton Draw Unit Well No. 54 has been completed at a location 2339' from the east line and 1980' from the north line of Section 28, T-25-S, R-32-E, Lea County, New Mexico.
2. The location of the well is unorthodox in that it is located nearer than 330' to the quarter-quarter section line.

It is respectfully requested that this application be set for hearing on the first available examiner hearing docket.

Yours very truly,

J. E. Robinson, Jr.
Division Proration Engineer

CRB-MM

2339
2310
29

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco Inc. for an unorthodox
oil well location, Lea County, New Mexico.

CASE NO. 2399

TRANSCRIPT OF HEARING

October 4, 1961

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

October 4, 1961

EXAMINER HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.
FARMINGTON, N. M.
PHONE 325-1182

IN THE MATTER OF:

Application of Texaco Inc. for an unorthodox
oil well location, Lea County, New Mexico.
Applicant, in the above-styled cause, seeks
approval of an unorthodox oil well location
in the Paduca-Delaware Pool for its Cotton
Draw Unit Well No. 54, located 1980 feet
from the North line and 2339 feet from the
East line of Section 28, Township 25 South,
Range 32 East, Lea County, New Mexico.

CASE NO.
2399

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

EXAMINER UTZ: Case No. 2399.

MR. MORRIS: Application of Texaco Inc. for an un-
orthodox oil well location, Lea County, New Mexico.

MR. KELLY: Booker Kelly, Gilbert, White * Gilbert,
representing the applicant have one witness, C. R. Black.

(Witness sworn.)

C. R. BLACK,

called as a witness, having been first duly sworn on oath, was
examined and testified as follows:

ALBUQUERQUE, N. M.
PHONE 243-6551



DIRECT EXAMINATION

BY MR. KELLY:

Q Will you state your name, please?

A C. R. Black.

Q And your employer?

A Texaco Inc., petroleum engineer, Midland, Texas.

Q Have you previously testified before this Commission?

A Yes, I have.

Q Can you state what Texaco seeks by their application?

A This is the application of Texaco Inc., for an un-orthodox well location in its Cotton Draw Unit Well No. 54.

Texaco is the operator of this unit. This well was originally located, was staked, 2339 feet from the East line and 980 feet from the North line of Section 28, Township 25 South, Range 32 East.

Q Would you further refer to Exhibit 1 and show the Commission what this indicates?

A Exhibit 1 is a plat showing the bearing and actual distance of Section 28, Township 25 South, Range 32 East. It can be noted that this section is unusual in that it is not a true square. The sectional lines are not actually straight lines in that the bearings change from one point to another. The iron pipes that were driven in the original survey had been laid in all but one instance and that is the southeast corner of the section.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6541



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325 1112

ALBUQUERQUE, N. M.
PHONE 243 6091

Texaco staked this location and it was intended to be 980 feet from the North line and 2339 feet from the East line. At that time, since this section does have excess footage in it, it was thought that the well would be located 330 feet from the quarter-quarter section line as required of the statewide rules. So, the error on our survey resulted in approximately a little over four feet in from the 330-foot mark. The actual location in regard to the quarter-quarter section line was 325.4 feet. This is some 4.6 feet too close to the quarter-quarter section line. The location as shown in Exhibit No. 1 is the actual drilled location of this well. This well has been drilled and completed.

Q Would the four-foot difference have any, in your opinion, have any effect on correlative rights at all?

A No, sir. As I stated previously, Texaco is the operator of the Cotton Draw Unit. The center line of Section 28 is the southern boundary of the Cotton Draw Unit itself. There are wells located in the northwest quarter of this section and they are not shown on this plat. I don't feel that this 4.6 feet in any way denies anyone his correlative rights in this area in that this well is located in a unit and is actually crowding no one or another well in the unit.

Q Was Exhibit No. 1 prepared by you or under your direction?

A Yes.



MR. KELLY: We will offer Exhibit 1 in evidence.

EXAMINER UTZ: Without objection, Exhibit 1 will be entered into the record of this case.

MR. KELLY: That's all I have.

CROSS EXAMINATION

BY EXAMINER UTZ:

Q Mr. Black, the northwest of Section 28 is a participating area?

A Yes, it is. It has four producing wells.

EXAMINER UTZ: Are there any other questions of the witness?

Are there any other statements in this case?

The witness may be excused.

(Witness excused.)

EXAMINER UTZ: The case will be taken under advisement.

* * * * *

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325.1182

ALBUQUERQUE, N. M.
PHONE 243.6691

STATE OF NEW MEXICO)
) ss.
COUNTY OF SAN JUAN)

I, THOMAS F. HORNE, Notary Public in and for the County of San Juan, State of New Mexico, do hereby certify that the foregoing and attached transcript of hearing was reported by me in Stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 29 day of October, 1961, in the City of Farmington, County of San Juan, State of New Mexico.

Thomas F. Horne
Notary Public

MY COMMISSION EXPIRES:

10-2-65

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of No. 2389, heard by me on Oct 4, 1961.

Miss G. W. [Signature]
Examiner
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

