CASE 2448: Application of PAN AM. for pressure maintenance project on its C.J. Holder - State "CA".

2-448

station, Transcript,

### BEFORE THE SIL 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. 2448 Order No. R-2159

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR A PRESSURE MAINTENANCE PROJECT, SAN JUAN COUNTY, NEW MEXICO.

### ORDER OF THE COMMISSION

### BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 4, 1962, 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 10th day of January, 1962, the Commission, a quorum being present, having considered the application 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, Pan American Petroleum Corporation, has requested that Case No. 2448 be dismissed.

### IT IS THEREFORE ORDERED:

That Case No. 2448 is hereby dismissed.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Member & Secretary

GOVERNOR EOWIN 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

January 10, 1962

Mr. Alex Clarke	CASE NO. 2448
Division Engineer	ORDER NO. R-2159
Pan American Petroleum Corporation Oil and Gas Building Fort Worth, Texos	APPLICANT: Pan American Petroleum Corp.

Dear Sir:

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

A. L. PORTER, Jr.
Secretary-Director

ir/	
Carbon copy of order also sent t	0:
Hobbs OCC F	
Artesia OCC	
Artec OCC_X	
OTHER	

# OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

December 26, 1961

Mr. Kenneth Swanson Astec Oil & Gas Company 920 Mercantile Securities Building Dallas 1, Texas

Re: Case 2448
January 4, 1962
Examiner Hearing

Dear Kenneth:

The subject case in which you previously entered an appearance for Aztec Oil & Gas Company, has been dismissed at the request of Pan American. They intend to apply for approval of the project in the same application for approval of a unit agreement which will be docketed sometime in the future.

Very truly yours,

RICHARD S. MORRIS
Attorney

DEM/1

# OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE. NEW MEXICO

December 26, 1961

Mr. George Verity Verity, Burr & Cooley Attorneys at Law 152 Petroleum Center Building Farmington, New Mexico

Re: Case 2448 - January 4, 1962 Examiner Hearing

# Dear George:

The subject case in which you previously entered an appearance for Benson-Montin-Greer, has been dismissed at the request of Pan American. They intend to apply for approval of the project in the same application for approval of a unit agreement which will be docketed sometime in the future.

Very truly yours,

RICHARD S. MORRIS Attorney

nest/ix

# PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING

ALEX CLARKE, JR. DIVISION ENGINEER FORT WORTH, TEXAS

December 21, 1961

File:

GWK-433-986.510.1

Subject: NMOCC Case 2448

Pan American's Application for Pressure Maintenance Program Cha Cha-Gallup Oil Pool San Juan County, New Mexico

Mr. A. L. Porter, Jr. Secretary-Director New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Dear Sir:

New Mexico Oil Conservation Commission Case 2448 is the application of Pan American Petroleum Corporation for approval of a pressure maintenance program on several of its leases in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico. This case was originally scheduled for hearing November 29, 1961, but was continued to the January 4, 1962, Examiner Docket.

Accelerated progress in the formation of a unit in the southeast. portion of this pool has recently occurred. Because of this progress we are extremely hopeful that in the immediate future a hearing will be requested for approval of a unit and waterflood plans for conducting a unitized pressure maintenance program in the southeastern portion of the Cha Cha-Gallup Oil Pool. For this reason, we hereby request that Pan American's Case 2448 be dismissed. By copy of this letter to all operators in the Cha Cha-Gallup Oil Pool, we are advising that Pan American has requested dismissel of Case 2448.

Yours very truly,

alex Clarke, Jr.

GWK:ts

cc: See attached list

# CHA CHA-GALLUP POOL OPERATORS SAN JUAN COUNTY, NEW MEXICO

Aspen Crude Oil Purchasing Company P. O. Box 2060 Farmington, New Mexico Attn: Mr. W. R. Johnson

Aztec Oil & Gas Company Mercantile Securities Building Dallas, Texas

Benson-Montin-Greer Drilling Corporation 158 Petroleum Center Building Farmington, New Mexico Attn: Mr. A. R. Greer

El Paso Natural Gas Products Company P. O. Box 1560 Farmington, New Mexico Attn: Mr. Ewell Walsh

Humble Oil & Refining Company P. O. Box 120 Denver, Colorado Attn: Mr. Jim Kelley

Southwest Production Company 3108 Southland Center Dallas, Texas Attn: Mr. John H. Hill

Tenneco C11 P. O. Box 1714 Durango, Colorado

# DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 4, 1962

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

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

CASE 2448: (Continued)

Application of Pan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project on its C. J. Holder, State Holder Cii Unit, State "CA", State Oil Unit and Gallegos Canyon Unit Leases, San Juan County, New Mexico, in the Cha Cha-Gallup Oil Pool with water injection initially to be through five wells located in Sections 8 and 16, Township 28 North, Range 13 West, and Section 23, Township 28 North, Range 12 West, and requests adoption of special rules to govern the operation of said project.

# CASE 2449: (Continued)

Application of Pan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project on its Navajo Tribal "H" and Gallegos Canyon Unit Leases, San Juan County, New Mexico, in the Totah-Gallup Oil Pool with water injection initially to be through five wells located in Section 35, Township 29 North, Range 13 West, Section 12, Township 28 North, Range 13 West, and Sections 13 and 24, Township 29 North, Range 14 West, and requests adoption of special rules to govern the operation of said project.

# CASE 2429: (Continued)

Application of Standard Oil Company of Texas for approval of the Jurnegan Point Unit Agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Jurnegan Point Unit Agreement embracing 10,240.84 acres, more or less, of State and fee lands in Township 24 South, Ranges 24 and 25 East, Eddy County, New Mexico.

-2-

Docket No. 1-62

CASE 2452: (Continued)

Application of Southwest Production Company for an order pooling all mineral interests in the Basin-Dakota Gas Pool in the W/2 of Section 7, Township 30 North, Range 11 West, San Juan County, New Mexico. Interested parties include Maleta Y. Brimhall, Phoenix, Arizona, and Barbara Brimhall Burnham, Aztec, New Mexico.

CASE 2463:

Application of Amerada Petroleum Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its L. M. Lambert Well No. 2, located in Unit G of Section 6, Township 20 South, Range 37 East, Lea County, New Mexico, as a dual completion (conventional) in the Grayburg and McKee zones in the Monument Field, with the production of gas from the Grayburg zone to be through a string of 1 ½-inch tubing and the production of gas from the McKee zone to be through a parallel string of 2 3/8-inch tubing.

CASE 2464:

Application of Amerada Petroleum Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its State NJ "A" Well No. 1, located in Unit A of Section 2, Township 25 South, Range 37 East, Lea County, New Mexico, as a triple completion (combination) in the McKee, Fusselman and Ellenburger zones in the North Justis Field, with the production of oil from the Fusselman and Ellenburger zones to be through tubing installed within parallel strings of 3 ½-inch casing and the production of oil from the McKee zone to be through a parallel string of 2 7/8-inch casing, all of said casing strings to be cemented in a common well bore.

CASE 2465:

Application of Skelly Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Hobbs "N" Well No. 1, located in Unit D of Section 8, Township 18 South, Range 35 East, Lea County, New Mexico, as a dual completion (conventional) in the Vacuum-Abo Pool and in an undesignated Drinkard pool, with the production of oil from both zones to be through parallel strings of 2 1/16-inch tubing.

CASE 2466:

Application of Shell Oil Company for a 320-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to establish a

--3--Docket No. 1-62

320-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the S/2 of Section 22, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Turner Well No. 7, located at an unorthodox location 1650 feet from the South line and 330 feet from the West line of said Section 22.

CASE 2467:

Application of Shell Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Livingston Well No. 12, located 4620 feet from the South line and 660 feet from the East line of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, as a dual completion (tubingless) in the Drinkard and Blinebry Oil Pools, with the production of oil from both zones to be through parallel strings of 2 7/8-inch casing cemented in a common well bore.

CASE 2468:

Application of Shell Oil Company for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Livingston Well No. 11, located 3300 feet from the South line and 660 feet from the West Line of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, as a triple completion (tubingless) in the Drinkard Oil, Tubb Gas and Blinebry Oil Pools, with the production of oil from the Drinkard and Blinebry zones and the production of gas from the Tubb zone to be through parallel strings of 2 7/8-inch casing cemented in a common well bore.

CASE 2469:

Application of El Paso Natural Gas Company for an order establishing special rules and regulations for the Lusk-Strawn Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing special rules and regulations for the Lusk-Strawn Pool, Lea County, New Mexico, including provisions for 160-acre proration units and a limiting gas-oil ratio of 4000 to 1.

CASE 2470:

Application of J. R. Cone for a 40-acre non-standard gas proration unit and for an exception to Order No. R-1670, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 40-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the NE/4 SE/4 of Section 21, Township 21 South, Range 37 East, Lea

-4-Docket No. 1-62

County, New Mexico, said unit to be dedicated to the Anderson Well No. 2, located 1650 feet from the South line and 330 feet from the East line of said Section 21. Applicant further seeks an exception to Rule 34 (A) of the special rules and regulations for the Blinebry Gas Pool as contained in Order No. R-1670, to permit the gas produced from said Anderson Well No. 2 to be produced into a low-pressure separator only.

# CASE 2471:

Application of Leonard Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Federal Ginsberg Well No. 8, located in Unit M of Section 31, Township 25 South, Range 38 East, Lea County, New Mexico, as a dual completion (conventional) in the Langlie-Mattix and Justis-Blinebry Pools, with the production of oil from both zones to be through parallel strings of 2 3/8-inch tubing, separation of the zones to be by a liner re-entry shoe seal assembly.

### CASE 2472:

Application of Newmont Oil Company for approval of a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West Loco Hills Grayburg No. 4 Sand Unit Agreement, covering 5320 acres, more or less, in Townships 17 and 18 South, Ranges 29 and 30 East, Eddy County, New Mexico.

# CASE 2473:

Application of Newmont Oil Company for expansion of its Loco Hills Waterflood Project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to expand its Loco Hills Waterflood Project to include the proposed West Loco Hills Grayburg No. 4 Sand Unit Area, comprising 5320 acres, more or less, in Townships 17 and 18 South, Ranges 29 and 30 East, Eddy County, New Mexico.

# ATWOOD & MALONE

LAWYERS

WEFF D.ATWOOD (1603-1660)
ROSS L.MALONE
CHARLES F. MALONE
RUSSELL D. MANN
PAUL A.COOTER
BOD F. TURNER

TELEPHONE MAIN 2-6221
ROSWELL PETROLEUM BUILDING ROSWELL, NEW MEXICO

November 22, 1961

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

Re: Case No. 2448 before the Oil Conservation Commission of the State of New Mexico

We are local counsel for Pan American Petroleum Corporation and as such wish to enter our appearance in the captioned case. Pan American will also be represented by Guy Buell, a member of the Texas Bar, and a company employee. The actual presentation for Pan American will be made by Mr. Buell.

Very truly yours,

ATWOOD & MAI.ONE

Bot F. Jurner

By: Bob F. Turner

BFT/tc

cc: Guy Buell, Esq. Harry Hickman, Esq.

Case 3448

# PAN AMERICAN PETROLEUM

OIL AND GAS BUILDING

ALEX CLARKE, JR. DIVISION ENGINEER FORT WORTH, TEXAS November 8, 1961

File:

GVK-389-986.510.1

Subject: Application for Hearing to Consider Pressure Maintenance Program - Cha Cha Gallup Oil Pool, San Juan County, New Mexico

Mr. A. L. Porter, Jr. New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Dear Sir:

Pan American Petroleum Corporation respectfully requests that a hearing be scheduled for the November 29, 1961, Examiner Docket to consider its application for approval of a pressure maintenance program on its C. J. Holder, State Holder Oil Unit, State "CA", State Oil Unit, and Callegos Canyon Unit Leases, Cha Cha Callup Oil Pool, San Juan County, New Mexico.

Initially, water will be injected in C. J. Holder Well Nos. 2, 7 and 10, located in Sections 8 and 16, T-28-N, R-13-W, and in Gallegos Canyon Unit Well Nos. 97 and 112, located in Section 23, T-28-N, R-12-W. Pan American will also request the adoption of special rules to govern the operation of this pressure maintenance proposal.

Very truly yours,

alex Clorke 9%

Alex Clarke, Jr.

GWK/rb

# BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

RE: IN THE MATTER OF THE APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION EOR A PRESSURE MAINTENANCE PROJECT, SAN JUAN COUNTY, NEW MEXICO.

Case No. 2443

# ENTRY OF APPEARANCE

Comes now L. C. WHITE of GILBERT, WHITE AND GILBERT, Santa Fe, New Mexico, and hereby enters his formal appearance in the above entitled matter as resident counsel for Aztec Oil & Gas Company.

# OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

		Date 1-8-62
CASE	2448	Hearing Date 9am 1-4-62
	My recommendations for an order in	DSN Ø SF the above numbered cases are as follows:
	Diomies as reque	sted by applicant

Staff Pandow

# DEARNEEY-MEIER REPORTING SERVICE, Inc.

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico

November 29, 1961

### EXAMINER HEARING

IN THE MATTER OF:

Application of Fan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project on its C. J. Holder, State Holder Oil Unit, State "CA", State Oil Unit and Gallegos Canyon Unit Leases, San Juan County, New Mexico, in the Cha Cha-Gallup Oil Fool with water injection initially to be through five wells located in Sections 8 and 16, Township 28 North, Range 13 West, and Section 23, Township 28 North, Range 12 West, and requests adoption of special rules to govern the operation of said project.

CASE NO. 2448

BEFORE: Daniel S. Nutter, Examiner

### TRANSCRIPT OF HEARING

EXAMINER NUTTER: We will call Case No. 2448.

MR. WHITFIELD: Application of Pan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico.

MR. BUELL: For Pan American Petroleum Corporation, Guy

Buell.

EXAMINER NUTTER: Are there any other appearances to be



PHONE 325.119

EROUE, N. M.

made in Case No. 2448?

MR. VERLAY: George . Verlay for Benson, Monthin, Greer.

MR. SWAMBON: Kenneth Swanson for Aztec Oil & Gas Company.

EXAMINER NUTTER: Are there any other appearances?

MR. VERITY: I would like to move this case be continued to some date in January.

MR. BUELL: May it please the Examiner, in view of the action on the last motion, Pan American will not resist if Mr. Verity will include within the motion "to the first Examiner Hearing in January."

MR. VERITY: Yes, that may be made part of it.

EXAMINER NUTTER: Case No. 2448 will be continued to the first Hearing in January.

BUQUEROUE, N. M.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

STATE OF BELLEEXIGO COUNTY OF SAN JUAN

I, THOMAS E. HORKE, 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.

My Commission Expires: October 2, 1965

> I do hereby certify that the foregoing is a complete record of the proceedings ithe Examiner hearing of Case No.

...... Examiner Mexico Gil Conservation Commission



# OIL CONSERVATION COMMISSION Santa Fe, New Mexico January 4, 1902

# EXAMINER HEARING

# IN THE MATTER OF:

Application of Pan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico. Applicant in the above-styled cause, seeks permission to institute a pressure maintenance project on its C. J. Holder, State Holder Oil Unit, State "CA", State Oil Unit and Gallegos Canyon Unit Leases, San Juan County, New Mexico, in the Cha Cha-Gallup Oil Pool with water injection initially to be through five wells located in Sections 8 and 16, Township 28 North, Range 13 West, and Section 23, Township 28 North, Range 12 West, and requests adoption of special rules to govern the operation of said project.

CASE NO. 2448

# BEFORE:

Daniel S. Nutter, Examiner

# TRANSCRIPT OF HEARING

MR. NUTTER: The hearing will come to order, please. The first case this morning will be Case 2448.

MR. MORRIS: Mr. Examiner, the applicant in this case requests that it be dismissed with the understanding that they may refire an application in this manner in conjunction with a unit to be formed in the area.



DEARNLEY-MEIER REPORTING SERVICE, Inc. PHONE 243:0691

PARMINGTON, N. M. PHONE 325-1132

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## NEW MEXICO OIL CONSERVATION COMMISSION

Examiner Hearing - Daniel S. Nutter

Santa Fe, , NEW MEXICO

# REGISTER

HEARING DATE TIME: NAME: REPRESENTING: LOCATION: El Paso Natural Gas Co El Paso F. Norman Woodroff Hobbs, New Mex. Amerada Petr. Corp A.E. Snyder Santo 71 Jason Killahin Kellahin & Yox Roowell Hough & yor & Shell Oil Co. A.Ze. Del MVT O. Dut Lang Brudy Roswell Shell Oil Co. 5 Kelly Holden FORT WORTH BUELL PAN Am ROSWELL BILL KASTLER GULF -R.H. Fluker Fower Hix LEDNARD OR J. B. marlin 060 Santa Fe

Page	2	
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# NEW MEXICO OIL CONSERVATION COMMISSION

Examiner Hearing - Daniel S. Nutter

Santa Fe , NEW MEXICO

### REGISTER

January 4, 1962 9 A.M. HEARING DATE TIME: NAME: Of Paro nat la Eu Of Rose Sex. Se Paro Tex El Paro natural Jal N.M. R. T. Wright Lawin C radas Jack M Campbell Campbell + Russell Artesia Novillexico CAPROCK WATER CO INC Bert Murphy arter oil & Sar lo. Kenneth Swanson Dellas, Tevas Jun Burvous Yater Petrol.

t s i

MR. NUTTER: Case 2448 will be dismissed with that understanding.

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 4th day of January, 1962.

COURT REPORTER-NOTARY PUBLIC

My commission expires: June 19, 1963

> I do hereby certify that the foregoing is a complete record of the proceedings the Examiner hearing of Case No 244

> LANDON, Examiner Mexico Oil Conservation Commission

