CASE 2466: Application of SHELL for a 320-acre non-standard gas proration unit - Turner Well No. 7.

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Million, Transcript,

Million, 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. 2466 Order No. R-2161

APPLICATION OF SHELL OIL COMPANY FOR A 320-ACRE NON-STANDARD GAS PRORATION UNIT, LEA 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, Shell Oil Company, has requested that Case No. 2465 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2466 is hereby dismissed.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

S. MINER, Hember

. PORTER, Jr., Member & 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

P. O. BOX 871

January 10, 1962

~	
Re:	CASE NO2466
Mr. Oliver Seth	ORDER NO. R-2161
Seth, Montgomery, Federici & Andrews P. O. Box 828	APPLICANT:
Santa Fe, New Mexico	Shell Oil Company
Dear Sir:	•
Enclosed herewith are two controls commission order recently entered in	ppies of the above-referenced the subject case.
Very	truly yours,
$\mathcal{A}_{\mathcal{X}}$	Parter, In.
	PORTER, Jr.
Secre	etary-Director
ir/	
Carbon copy of order also sent to:	
Hobbs OCC X	
Artesia OCC	
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OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

	2466	Date 1-8-62			
CASE		Hearing	Date	gam	1-4-62
	My recommendations for an order in			DEN	@ 5F
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Staff Kimban

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SETH, MONTGOMERY, FEDERICI & ANDREWS

A. K. MONTGOMERY OLIVER SETH WM. FEDERICI FRANK ANDREWS FRED C. HANNAHS GEORGE A. GRAHAM, JR. attorneys and counselors at Law
301 don Gaspar avenue
Santa Fe, New Mexico
December 28, 1961

J. O. SETH COUNSEL POST OFFICE BOX 828 TELEPHONE YU 3-7315

New Mexico Oil Conservation Commission P.O. Box871 Santa Fe, New Mexico

Attention: Mr. A.L. Porter, Jr. Secretary-Director

Re: Case No. 2466

Shell Oil Company

Gentlemen:

The Shell Oil Company who is the applicant in case No. 2466 which is set on the Examiner's Docket for Thursday, January 4th, 1962, has requested us to file a formal dismissal of the case. Please consider this letter to be such a motion for dismissal.

Very truly yours,

0**S:**fa

cc: Shell Oil Company (Mr.R. L. Rankin)

Olivi Seek

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 Elvis 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 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 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.

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, Town-ship 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

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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.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

. 1600 2966 Cal.

December 1, 1961

Shell Oil Company P. O. Box 1858 Roswell, New Mexico

Attention: Mr. R. L. Rankin, Division Production Manager

Gentlemen:

Reference is made to your application for administrative approval to dually complete your Turner Well No. 7 in the Penrose-Skelly Oil and Eumont Gas Pools, and for the establishment of a 320-acre non-standard gas provation unit in the Humont Gas Poel to be dedicated to your Turner Well No. 7 in Section 22, Township 21 South, Range 37 East, Les County, New Hexico.

Your application to dually complete your Turner Well No. 7 is eligible for administrative approval, however, in regard to your application for the establishment of a 320-acre mon-standard gas proration unit, your attention is directed to Order No. R-1670, Rule 5(3) establishing General Rules and Regulations for Southeastern New Mexico, which requires location of a well to be 660 and 1980 feet from the two mearest boundary lines of a 320-acre non-standard gas proration unit in gas pools where the standard gas proration unit is 640 acres.

In view of the fact that the location of your Turner Well No. 7 is at an unorthodox location under the above-mentioned Rule 5(B), your application for a 320-acre non-standard gas proration unit in the Eumont Gas Pool is being set for hearing before one of the Commission's Examiners on January 4, 1962.

Please advise in the event I can be of further assistance to you in this matter.

Very truly yours,

J. E. WHITFIELD Local Assistant

Oil Conservation Commission - Hobbs



Subject: Shell Turner 7, Unit L

Section 22, T-21-S, R-37-E Lea County, New Mexico

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

Gentlemen:

Enclosed is an application to dual complete our Turner No. 7 in the Penrose Skelly (Oil) and Eumont (Gas) Pools, Lea County, New Mexico. Furthermore, please consider this letter as an application for a 320-acre nonstandard Eumont gas proration unit to be dedicated to the subject well as outlined on the attached plat. The gas proration unit will consist of the S/2 of Section 22, T-21-S, R-37-E.

Our intention is to produce the Penrose Skelly cil through tubing and the Eumont gas through the casing-tubing annulus. This method will be similar to that employed in the Gulf King No. 6, located in Unit D, Section 28, T-21-S, R-37-E, which also produces from these two pools. Based on the performance of the King 6 and other nearby Eumont gas wells, the Eumont pay in Turner 7 is expected to have a 72hour shut-in pressure of approximately 750 psi and will produce dry gas at a top allowable rate.

All operators listed in Item 5 of the attached application have been notified by copies of this letter. Please advise if further information is desired concerning this request.

Division Production Manager

Attachments

cc: New Mexico Oil Conservation Commission (2)

P. O. Box 2045 Hobbs, New Mexico

All Operators listed in Item 5 of the Application

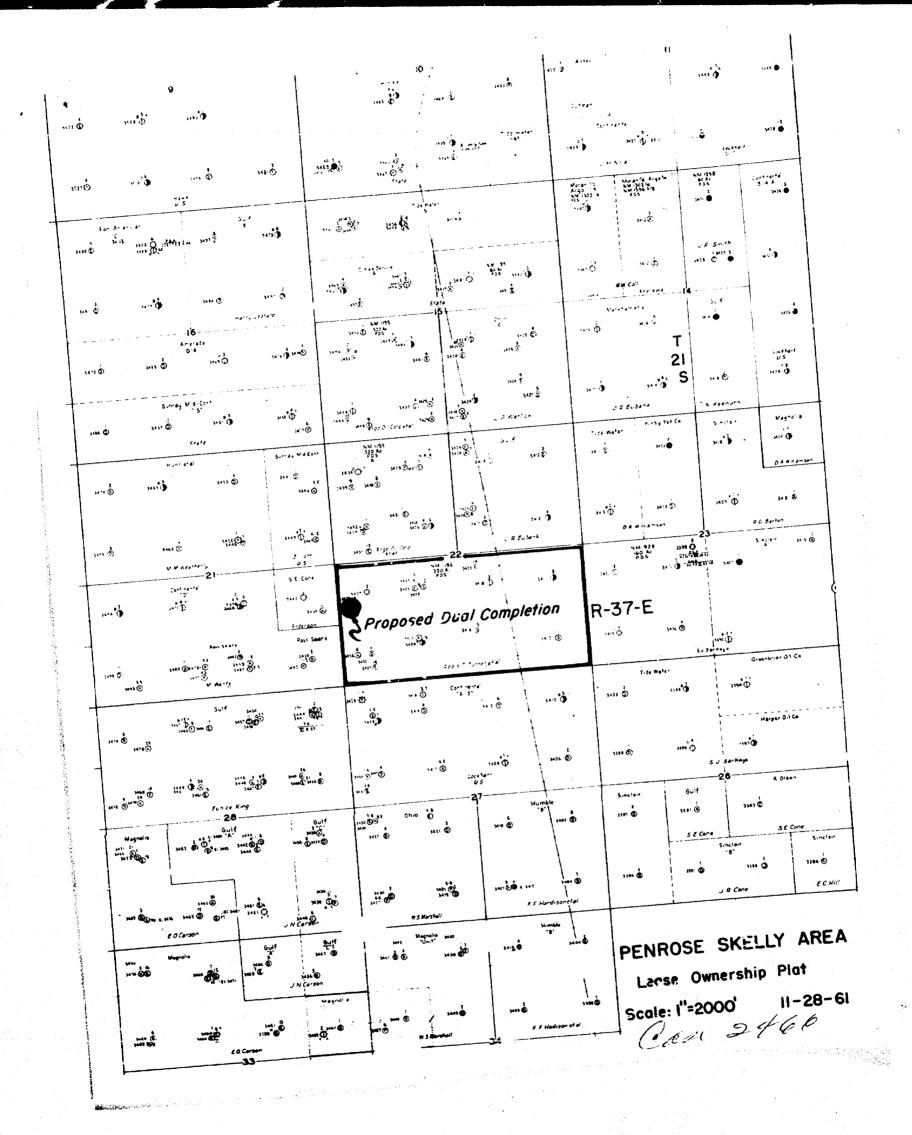
NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

Char 2466.

APPLICATION FOR DUAL COMPLETION

Field Name	se Skelly (Oi	I) - Fumont	+ (Cos)	County Lea		November 29, 1961		
Operator	be biterry (or		ease	<u> </u>		Well No.		
	Oil Company		Turn	er		7		
Location Unit		Section	7	Township		Range		
	L	22		21 - S		37-E		
					etion of a well:	in these same pools or in the same		
	mile of the subject							
Lunice King		instance: Order	No. DC-97	Operator,	, Lease, and We	ell No.: Gulf Oil Corporatio		
. The following facts are submitted:			Upper Zone			Lower Zone		
a. Name of rese		Euront ((Seven Riv	ers) Gas	Penrose Skelly (Grayburg) Oil			
Top and Bott		22.0	.l. a. al.l.O.a.					
Pay Section		313	341-34481		3658	3'-3729'		
(Perforatio								
	action (Oil or Gas)	Gas	5		Oil			
d. Method of Pro		Flo	wing		Fl.ow	ing .		
(Flowing o	r Artificial Lift)				<u> </u>			
. List all offset op	erators to the lease	on which this	well is located	together with their co	orrect mailing ac			
Continents	d Oil Company	P. O. Bo	x 68, Euni	ice, New Mexico				
Gulf Oil C	orporation, I	0. Box 2	167, Hobbs	s, New Mexico				
Hunt Oil C	ompany, P. O.	Box 192,	Midland, J	lexas				
Sunray Mid	-Continent Oi	1 Company,	1101 Wile	o Building, Mi	dland, Tex	as		
Tidevater	Oil Cormany.	P. O. Box	547. Hobbs	New Mexico				
	listed in Item 5 ab		furnished a c		n? YES x N	O If answer is yes, give date		
				•				
CERTIFICATE:						Shell Oil Company		
nderlmy supervision				i by said company to me e true, correct and cor		; and that this report was prepared		
, XX I	0.66							
No. Vo	20-61	1			•	J. H. Goatley		
M. O. I.Y.	Ar.	4			Sign	ature		
Monda waive	ers from all offset of	erators not acc	ompany an app	lication for administra	tive approval,	the New Mexico Oil Conservation		
Commission	will hold the applic	ation for a perio	d of twenty (2)	0) days from date of re	eceipt by the Co	ommission's Santa Fe office. If,		
Vafter said two	enty-day period, no ed dual completion	protest nor requ will result in an	est for hearing unorthodox we	is received by the Sa ell location and/or a n	inta Fe office, t ion-standard pro	the application will then be processed. pration unit in either or both of the		
broaucing 201	ues, men separate s	ipplication for a	pproval of the	same should be filed	simuitaneously	with this application.		



PERFORATORS, INC.

COMPANY SELL OIL COMPANY
PRODUCTION DEPT

WELL A.T. TURNER NO.1

FIELD MURSON

COUNTY LEA STATE NEW MEXICO

LOCATION 1660° FSL 6 330° FFL

WELLAGO FSL 6 330° FFL

OTHER MEXICE

NEC. 22 THP. 21-5 RGE 37-E

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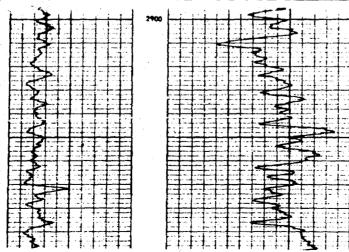
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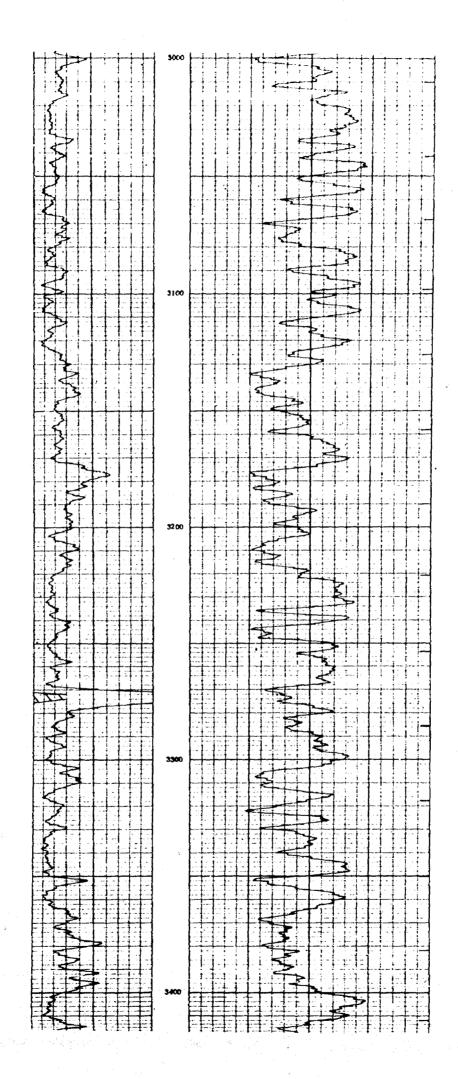


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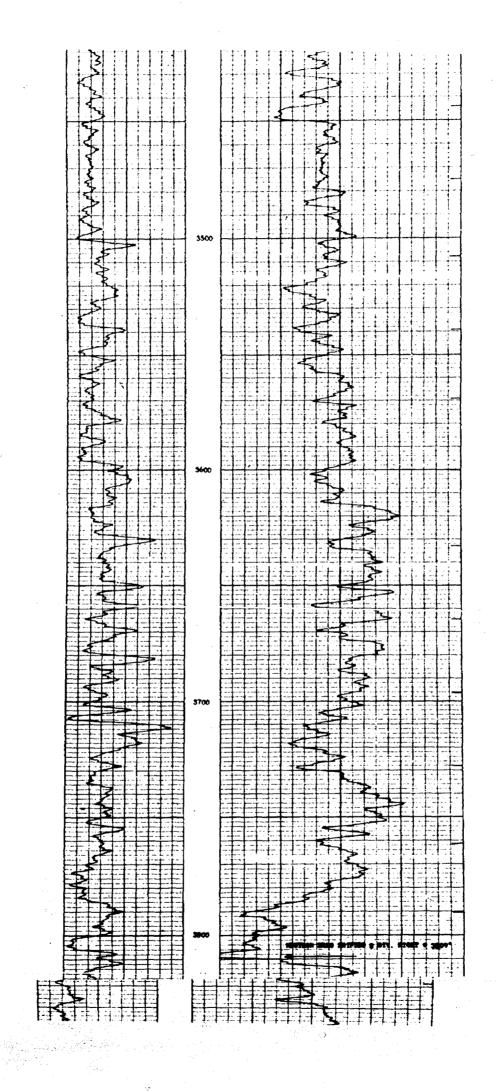
 			

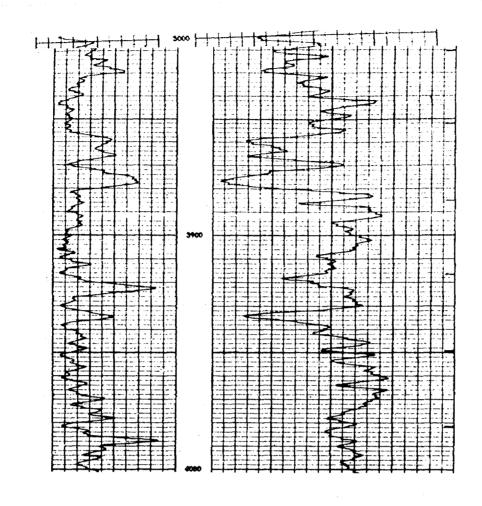
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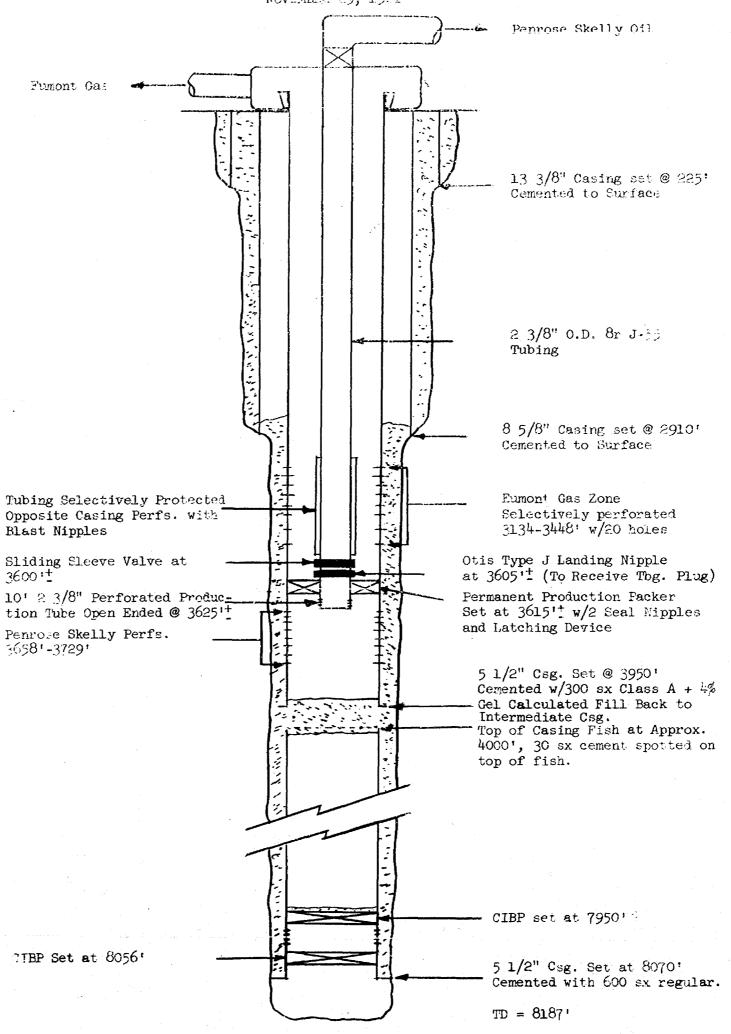


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SHELL OIL COMPANY PROPOSED DUAL COMPLETION DIAGRAMMATIC SKETCH TURNER #7, PENROSE SKELLY OIL-EUMONT GAS SECTION 22, T-21-3, R-37-E, LEA COUNTY, NEW MEXICO NOVEMBER 29, 1961



2466

CASE NO.

2466

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico January 4, 1962

EXAMINER HEARING

IN THE MATTER OF:

FARMINGTON, N. M. PHONE 325-1182

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 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.

and the second s

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: Case 2466.

MR. MORRIS: Mr. Examiner, the applicant in this case

requests that it be dismissed.

MR. NUTTER: Case 2466 will be dismissed.

DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, N. M. PHONE 243.6691



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.

My Commission expires: June 19, 1963

> I do hereby certify that the foregoing is a compacte remard of the promoeding Examiner.

New mexico Oil Conservation Commission

