

Application for  
the Commission to Grant  
a License

Case No.

2481

Application, Transcript,  
and Exhibits, Etc.

**BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO**

**IN THE MATTER OF THE HEARING  
AS THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:**

**CASE No. 2461  
Order No. R-2202**

**APPLICATION OF EL PASO NATURAL GAS  
COMPANY FOR AN EXTENSION TO ORDER  
NO. R-1670, BASIN-DAKOTA GAS POOL,  
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 24, 1962, at Santa Fe, New Mexico, before Elvin A. Witz, 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 21st day of March, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvin A. Witz, 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, El Paso Natural Gas Company, seeks an exception to Rule 14(A) of the General Rules and Regulations for the Prorated Gas Pools of Northwestern New Mexico, Order No. R-1670, to permit the extension from February 1, 1962, to August 1, 1962, of the period during which underproduction of certain wells in the Basin-Dakota Gas Pool, San Juan County, New Mexico, may be produced.

(3) That the underproduction occurred while the wells were connected to a low pressure gathering system for the Pictured Cliffs Gas Pool in the area during the time in which a high pressure gathering system for the Basin-Dakota Gas Pool was being constructed.

(4) That the underproduction was caused when the production from the wells in the Basin-Dakota Gas Pool was curtailed in order to produce the Pictured Cliffs gas wells connected to the low pressure gathering system.

CASE No. 2481  
Order No. R-2202

(5) That the completion of the high pressure gathering system for the Basin-Sabota Gas Pool production was delayed by unforeseen difficulties.

(6) That in order to protect correlative rights, the subject application should be approved.

**IT IS THEREFORE ORDERED:**

(1) That an exception is hereby granted to Rule 14(A) of the General Rules and Regulations for the Prorated Gas Pools of Northwestern New Mexico, Order No. R-1670, to permit the extension from February 1, 1961, to August 1, 1962, of the period during which underproduction of the following-described wells in the Basin-Sabota Gas Pool, San Juan County, New Mexico, may be produced:

Astec-Magood Well No. 3 located in the SE/4 of Section 24, Township 29 North, Range 13 West;  
Astec-Magood Well No. 5 located in the SE/4 of Section 22, Township 29 North, Range 13 West;  
Boyview-Middle Well No. 1 located in the SE/4 of Section 7, Township 27 North, Range 12 West;  
Benson Montin Greer-Boyview Middle Well No. 1 located in the NE/4 of Section 18, Township 27 North, Range 12 West;  
Benson Montin Greer-Davis Well No. 1-X located in the NE/4 of Section 12, Township 27 North, Range 13 West;  
Benson Montin Greer-Douthitt Well No. 1 located in the NE/4 of Section 5, Township 27 North, Range 13 West;  
Benson Montin Greer-Fullerton Well No. 2 located in the SE/4 of Section 28, Township 28 North, Range 13 West;  
Benson Montin Greer-Ginther Well No. 1 located in the NE/4 of Section 13, Township 27 North, Range 13 West;  
Benson Montin Greer-Ginther Well No. 2 located in the SW/4 of Section 13, Township 27 North, Range 13 West;  
Benson Montin Greer-Jones Well No. 1 located in the SE/4 of Section 17, Township 28 North, Range 13 West;  
Benson Montin Greer-Shipp Well No. 1 located in the SE/4 of Section 1, Township 27 North, Range 13 West;  
El Paso-Frontier Well No. 2-C located in the SE/4 of Section 5, Township 27 North, Range 11 West;  
El Paso-Frontier Pool Unit Well No. 1-E located in the SE/4 of Section 4, Township 27 North, Range 11 West;

El Paso-Frontier Well No. 2-B (D) located in the NE/4 of Section 9, Township 27 North, Range 11 West;  
El Paso-Frontier Well No. 3-B located in the NE/4 of Section 4, Township 27 North, Range 11 West;  
Shelly-P. L. Davis Well No. 1 (GAS) located in the NE/4 of Section 26, Township 26 North, Range 11 West;  
Shelly-O. H. Randal Well No. 1 (D) located in the NE/4 of Section 14, Township 26 North, Range 11 West;  
Southwest Production-Callow Federal Well No. 1 located in the SE/4 of Section 33, Township 29 North, Range 13 West;  
Southwest Production-Campbell Federal Well No. 1 located in the NE/4 of Section 28, Township 27 North, Range 12 West;  
Southwest Production-Callier Federal Well No. 1 located in the NE/4 of Section 18, Township 27 North, Range 12 West;  
Southwest Production-Edgar Federal Well No. 1 located in the NE/4 of Section 12, Township 27 North, Range 12 West;  
Southwest Production-Edgar Federal Well No. 2 located in the NE/4 of Section 1, Township 27 North, Range 12 West;  
Southwest Production-Edgar Federal Well No. 3 located in the SE/4 of Section 1, Township 27 North, Range 12 West;  
Southwest Production-Edgar Federal Well No. 5 located in the NE/4 of Section 11, Township 27 North, Range 12 West;  
Southwest Production-Holloway Federal Well No. 1 located in the NE/4 of Section 6, Township 27 North, Range 11 West;  
Southwest Production-Holloway Federal Well No. 2 located in the NE/4 of Section 18, Township 27 North, Range 11 West;  
Southwest Production-Holloway Federal Well No. 4 located in the NE/4 of Section 7, Township 27 North, Range 11 West;  
Southwest Production-Warren Federal Well No. 1 located in the NE/4 of Section 17, Township 27 North, Range 12 West;  
Southwest Production-Wright State Well No. 1 located in the NE/4 of Section 16, Township 27 North, Range 12 West;  
Tenneco-USA Glenn H. Callow Well No. 8 (D) located in the SE/4 of Section 27, Township 29 North, Range 13 West;  
Tenneco-USA Glenn H. Callow Well No. 9 (D) located in the SE/4 of Section 28, Township 29 North, Range 13 West;

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Order No. 2061  
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Tennessee-USA Class E. Callow Well No. 11 (B) located  
in the NW 1/4 of Section 20, Township 20 North,  
Range 12 West;  
Tennessee-USA Class E. Callow Well No. 12 (B) located  
in the NW 1/4 of Section 20, Township 20 North,  
Range 12 West.

(B) That jurisdiction of this case is retained for the  
entry of such further orders as the Commission may deem neces-  
sary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*E. L. French*

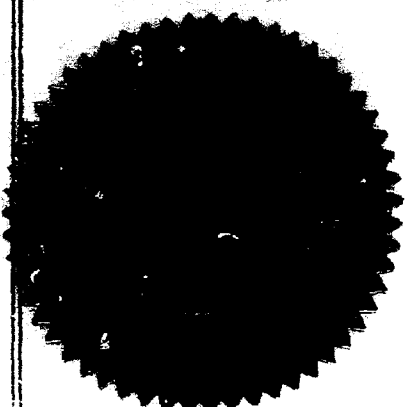
ERNEST L. FRENCH, Chairman

*E. S. Walker*

E. S. WALKER, Member

*A. L. Foster, Jr.*

A. L. FOSTER, 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  
SANTA FE

March 21, 1962

Mr. Garrett Whitworth  
El Paso Natural Gas Company  
P. O. Box 1492  
El Paso, Texas

Re: CASE NO. 2481  
ORDER NO. R-2262  
APPLICANT:  
El Paso Natural Gas Company

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

ir/

Carbon copy of order also sent to:

Hobbs OCC x  
Artesia OCC         
Aztec OCC x

OTHER Mr. Oliver Seth

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 24, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of El Paso Natural Gas Company  
for an exception to Order No. R-1670. Appli-  
cant, in the above-styled cause, seeks an ex-  
ception to Rule 14(a) of the General Rules and  
Regulations for the Prorated Gas Pools of North-  
western New Mexico, Order No. R-1670, to permit  
the extension from February 1, 1962, of the period  
during which underproduction of certain wells in  
the Basin-Dakota Gas Pool, San Juan County, New  
Mexico, may be produced.

CASE 2481

BEFORE:

ELVIS UTZ, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order. Case 2481.

MR. MORRIS: Application of El Paso Natural Gas Company  
for an exception to Order R-1670.

MR. SETH: Mr. Garrett Whitworth and Oliver Seth for the  
Applicant.

MR. UTZ: Are there any other Appearances?

MR. WHITWORTH: I have one witness to be sworn.

MR. MORRIS: Will you stand and raise your right hand,  
please? (Witness complies.) Do you solemnly swear that the

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testimony you are about to give will be the truth, the whole truth, and nothing but the truth, so help you God?

MR. HICKSON: I do.

~~MR. HICKSON~~ HICKSON,

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

DIRECT EXAMINATION

BY MR. WHITWORTH:

Q For the record, would you please state your full name, by whom you are employed and in what capacity?

A Gerald A. Hickson, I am a Proration Engineer.

Q Mr. Hickson, have you previously testified before this Commission as a Proration Engineer?

A Yes, sir.

Q And have your qualifications been accepted and made a matter of record?

A Yes.

MR. WHITWORTH: We ask that the witness's qualifications be accepted.

MR. UTZ: They are.

Q (By Mr. Whitworth) Mr. Hickson, are you familiar with El Paso's Application in this case?

A Yes, sir, I am.

Q What is the nature of that Application?

A El Paso Natural Gas requests that the Commission grant



exception to Rule 14(a) of Order No. R-1670, of the General Rules and Regulations for the Prorated Gas Pools of Northwestern New Mexico to permit the extension from February 1, 1962 to August 1, 1962, of the period during which under production of certain wells in the Basin-Dakota may be produced.

Q What is the number of the wells that are involved in this case?

A There is a total of 101 wells involved.

Q Of this number, how many have accumulated allowables that are subject to cancellation?

A Approximately 23, it is hard to tell at this time.

Q Now, of this number of wells, are any of these wells El Paso's wells?

A No, sir, of the 101, yes, 2 wells but of the wells that have allowables subject to cancellations, none of them are El Paso's.

Q They are just tied into El Paso's system, is that right?

A Yes, sir.

Q Why do these wells have accumulated under production or allowables subject to cancellation?

A Well, all of the Dakota wells, which were originally connected to the Pictured Cliff system, which we had planned to reconnect to the Dakota, were curtailed in order that during the low demand period of the summer months, the low pressure and low volume Pictured Cliff wells could produce their allowables and have a

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better opportunity to produce their allowables with a timely completion of the Chacon Dakota system, which we had previously testified as being October 1. The Dakota wells would have an opportunity to make up the under production which they had previously accrued.

Q But of the completion of the Chacon-Dakota, a system was not completed?

A No, sir, the system, itself, was completed on September 26th with exception of a few valves which had one and four inch valves on the main line which was not shipped until the 6th of October and it was the 16th before that valve was put into, was completed on the line and the 19th before a portion of the system was in service. One other twenty inch valve was not shipped and received in Farmington until the 30th of October which delayed another section of the system until the 17th of November.

Q Will you explain again the importance of the completion of the Chacon Dakota system in order to allow these wells, Dakota wells, to produce?

A Well, if the Dakota system had been completed on October 1 and with the exception of cold weather this under production could have been made up, the biggest portion of the under production could have been made up before February 1st, I am not sure that all could have been made up, depending upon the wells capability to produce.

Q And for the most part there was delay until around the first of November?

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A That is correct, a portion of the system was in service on the 19th of October and another section was not completed until the 7th of November.

Q Mr. Hickson, what effect, you have mentioned cold weather, but exactly what effect did cold weather have on making up under production during the balance of the period?

A Well, since the date of February 1st, delivery into the Dakota system, we have been attempting to produce these wells continuously and in order that the under production could be made up but due to cold weather, there has been a certain amount of freezing and when a location freezes, pipe lines freeze and there have been some impassable roads which have prevented the switchers from getting to the leases to turn the wells on and those are the contributing factors which have prevented these wells from making up the under production.

Q Now, since the date of your first delivery of these wells into the Chacon Dakota system, what has been the rate of production from these wells?

A We have produced these wells which had an allowable subject to cancellation, from the date of the first delivery continuously, with the exception of freezing in the location equipment and line freezes.

Q And that was an effort to make up the accumulated under production?

A Yes, sir.



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Q In your opinion, what would be the effect of adding an additional proration period or extending the time within which these wells could make up the accumulated under production?

A The effect of adding six months to a period of time which these wells could make up the under production, would just give them the opportunity to produce the allowable which is subject to cancellation.

Q Can you estimate for us the extent of this under production or allowable subject to cancellation?

A Well, at this time, it would be impossible to tell exactly how much allowable is subject to cancellation because January's production is not in and hasn't been recorded, but using December's production, and estimating January's production, we came up with a figure of approximately 360,000,000 for twenty-three wells.

Q That would be as of February 1, 1962? A. February 1, 1962.

Q Mr. Hickson, do you have a list of the wells that are involved in this Application?

(Mark El Paso's Exhibit 1 for identification.)

A Yes, sir, that is El Paso Natural Gas Exhibit No. 1 which is a list of all the wells which were qualified, by qualifying I mean that were originally connected to the Pictured Cliff system and will be connected to the Dakota system.

MR. UTZ: Were all these wells connected before August 1, 1961?

A No, sir, this is all the wells that were originally



connected to the PicturedCliff system and are now connected to the Dakota system, or will be. There is only 23 of these that have allowables, rather than around 23 that have allowables subject to cancellation. Now, some of these wells were connected after August 1st, so there is no problem there with the under production.

MR. UTZ: In the course of your testimony, do you intend to point out these wells, the 23?

A Well, I don't, I could point out 23 of them but I am not sure that 23 is going to be all we will have. We won't know until after the first of February when the production is over.

MR. UTZ: Could you supply us with a list of all wells before August 1, 1961, those are the only wells that would be subject to cancellation?

A That is true.

MR. UTZ: Could you do that?

A Yes, I think we can do that, I am not sure whether I have all that information with me at this time.

Q (By Mr. Whitworth) Mr. Hickson, when you stated that you didn't know which wells will actually be involved in this request and you won't know until what time?

A Till about the 10th of February when the January production is in.

Q And it is those wells that we are requesting that the time be extended for making up under production, is that right?

A That is correct.



Q And what is the number that you estimated?

A Approximately 23. It might be a little higher, depending on production in January.

Q Our request doesn't involve any other wells except these?

A No.

Q Is it your opinion that the majority of these wells that have accumulated allowables subject to cancellation could have made up that under production, except for that adverse circumstances that you mentioned?

A Yes, sir, I think they could have made up the under production or the largest portion of it.

Q And do you think that if that additional period is added that these wells will be given an adequate opportunity to make up the accumulated under production?

A Yes, sir.

Q Is there anything else you would like to add to your testimony?

A No, I don't think so.

Q Was El Paso's Exhibit prepared by you?

A Yes, sir.

MR. WHITWORTH: We ask that El Paso's Exhibit 1 be admitted.

MR. UTZ: Without objection El Paso's Exhibit No. 1 will be admitted into the record.

(Whereupon El Paso's Exhibit No. 1



admitted into the record.)

MR. WENTWORTH: That is all.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Hickson, I wonder if it would be best for you to submit a copy of a list of all the wells on this lease that were connected prior to August 1, 1961, if you would do that, then there would be no problem --

A All right.

Q -- as far as we are concerned in the proration department and you wouldn't have to determine what wells are subject to cancellation. Would that be satisfactory?

A Yes, I think we can furnish you that list.

Q All right, sir.

A We can get that list to you Monday.

MR. UTZ: Are there any other questions?

MR. MORRIS: Yes.

CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Hickson, now, let me make sure I have got your proposal straight. In each case the exception that is to be given to certain wells will be to allow that well to make up the under production that it would otherwise would have had cancelled on the first of February of this year?

A That is correct.

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Q And the well to be given that exception will be based upon El Paso's difficulty in getting that well hooked up to it's Dakota gathering system that was projected to be completed earlier in the year or later in 1961?

A Well, that was a part of the problem, of course it wasn't just the delay, this system itself, it was also due to cold weather.

Q Also due to adverse weather conditions?

A Yes.

Q Now, if the time is extended for making up this under production, as you have proposed, is there a good chance that these wells will be under produced at the end of the next balancing period that is on August the first, 1962, is there a good chance that these wells will be carrying considerable amount of under production at that time?

A Well, I stated that it was about 360,000,000 on 23 wells which is less than 20,000,000 a well, so I don't think that the average well will have trouble making that up.

Q And they might not have trouble making up the amount that might otherwise be cancelled but then you will be carrying over a large amount of allowable which would have normally been assigned to be produced during the period from February 1 to August 1, is that right, In other words, you are going to be carrying over into the balancing period following August 1 and in all likelihood the full allowable, or close to it, that would have been assigned during the previous period?



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A No, not exactly because during November, the well had to produce during November, December and January it's current allowable before we would make up any of the under production, and if we made up some of the under production that these wells accrued, we just didn't make it all up. That is possible that these wells would go into the next proration period beginning August 1 but that would be from February 1 through August 1 under production period.

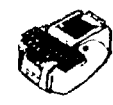
Q What I am really getting at is if by granting this exception, extending this time for making up the under production, are we going to start a snow-balling effect, we are going to be pushing the next period allowable over into the following period, so that you are always going to have large amounts of under production being carried over from period to period?

A No, we are not asking that the under production that is being accrued from August 1st to February 1st be carried on past August 1st of '62, that will be cancelled at that time too?

A But, any allowable during that period of time or any production during that period of time will be charged back to the amount that is being carried over under the exception, is that correct, so that you would have --

A Well, it is my understanding that well will have to produce it's current allowable before it will make this job.

Q All right, fine. Mr. Hickson, now, the allowable which would be cancelled if the time were not extended as you have proposed, the allowables vary from well to well don't they, they don't



fall in any definite proportion?

A No, sir, they vary.

Q Will the Commission, by extending the time for making up the under production, would be protecting correlative rights?

A Yes, sir, I think they would.

MR. MORRIS: I believe that is all.

MR. UTZ: Are there any other questions? The witness may be excused.

(Witness excused.)

MR. UTZ: Are there any other statements in this case? The case will be taken under advisement.

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I N D E X

WITNESS

PAGE

GERALD HICKSON

Direct examination by Mr. Whitworth

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Cross examination by Mr. Morris

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Cross examination by Mr. Utz

9

MARKED FOR IDENTIFICATION

El Paso's Exhibit 1

6

ADMITTED INTO RECORD

El Paso's Exhibit 1

8

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STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, KATHERINE PETERSON, 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 \_\_\_\_\_ day of February, 1962.

*Katherine Peterson*  
NOTARY PUBLIC - COURT REPORTER

My Commission expires:

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2481, heard by me on Jan. 24, 1962.  
*Hubert R. [Signature]*, Examiner  
New Mexico Oil Conservation Commission

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PHONE 243-6601



*El Paso Natural Gas Company*  
MAIN OFFICE OCC

*El Paso, Texas*

1962 JAN 29 PM 1:18

January 26, 1962

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

Dear Elvis:

Enclosed is the additional information you requested in Case No. 2481 on Docket No. 3-62. The date of first delivery has been added to El Paso Natural Gas Company's Exhibit No. 1.

I found no record of an NWU Order on the San Juan 29-6 No. 33 Well. The acreage factor should be corrected from .86 to .73.

If any additional information is needed, please advise.

Very truly yours,

PRORATION DEPARTMENT

*G. A. Hickson*  
G. A. Hickson  
Engineer

GAH:mm  
encl.

No. 3-62

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 24, 1962

9 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:

CASE 2478: 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 "B" Well No. 5, located in Unit G of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, as a triple completion (conventional) in the Skaggs-Drinkard and Skaggs-Glorieta Pools and in an undesignated Blinebry gas pool, with the production of oil from the Drinkard zone to be through a combination string of 2 1/16-inch and 1 1/4-inch tubing, the production of oil from the Glorieta zone to be through a parallel string of 2 1/16-inch tubing and the production of gas from the Blinebry zone to be through the casing-tubing annulus. Applicant further proposes, as an alternative manner of completion in the event the Blinebry gas cannot efficiently be produced through the casing-tubing annulus, to produce gas from the Blinebry zone through a string of 1-inch tubing.

CASE 2479: Application of Shell Oil Company for a 160-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool, comprising Lots 13 and 14 of Section 3, and Lots 9 and 16 of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Livingston Well No. 11, located 3300 feet from the South line and 660 feet from the West line of said Section 3.

CASE 2314 (Reopened)

Application of Shell Oil Company for an exception to the gas-oil ratio provisions of Rule 26(A), Order No. R-1670, Lea County, New Mexico. The Oil Conservation Commission, on its own motion, will reopen Case No. 2314 in which the applicant seeks an exception to the gas-oil ratio provisions of Rule 26(A), Order No. R-1670, to permit its State Well No. 1-A, located 380 feet from the North line and 380 feet

from the West line of Section 26, Township 24 South, Range 36 East, Lea County, New Mexico, to remain classified a gas well in the Jalmat Gas Pool, with a gas-oil ratio below 100,000 to 1.

CASE 2480:

Application of Shell Oil Company for temporary 80-acre proration units, Henshaw-Wolfcamp Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a temporary order establishing 80-acre oil proration units for the Henshaw-Wolfcamp Pool, Eddy County, New Mexico. Applicant further seeks the establishment of special rules for said pool including a provision assigning the 80-acre proportional factor of 4.00 for allowable purposes.

CASE 2481:

Application of El Paso Natural Gas Company for an exception to Order No. R-1670. Applicant, in the above-styled cause, seeks an exception to Rule 14(a) of the General Rules and Regulations for the Prorated Gas Pools of Northwestern New Mexico, Order No. R-1670, to permit the extension from February 1, 1962, to August 1, 1962, of the period during which underproduction of certain wells in the Basin-Dakota Gas Pool, San Juan County, New Mexico, may be produced.

CASE 2482:

Application of El Paso Natural Gas Company for an exception to Order No. R-333-E. Applicant, in the above-styled cause, seeks the establishment of an administrative procedure whereby all operators, for good cause shown, may obtain an exception to Order No. R-333-E to permit the extension of the terminal date for the 1961 deliverability test period from December 15, 1961, to March 1, 1962, and the continued calculation and assignment of allowables to wells so excepted on the basis of currently effective deliverability tests with retroactive adjustment of allowables to February 1, 1962, being made upon the timely filing of the new deliverability test.

CASE 2483:

Application of Aztec Oil & Gas Company for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute the Aztec Totah Pressure Maintenance Project in Sections 18, 19, 20, 29, 30 and 34, Township 29 North, Range 13 West, San Juan County, New Mexico, in the Totah-Gallup Oil Pool with water injection initially to be through seven wells located in said project area, and requests adoption of special rules to govern the operation of said project.

CASE 2484: Application of Tenneco Oil Company for a pressure maintenance project in the Totah-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project in the Totah-Gallup Oil Pool by the injection of water into the Gallup formation on its Glenn H. Callow Lease in Sections 27, 28 and 33, Township 29 North, Range 13 West, San Juan County, New Mexico. Applicant further proposes the promulgation of special rules and regulations to govern the operation of said project.

CASE 2485: Application of Union Oil Company of California for approval of the Red Tank Unit Agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Red Tank Unit Agreement embracing 3,680 acres, more or less, of Federal lands in Sections 14, 15, 22, 23, 26, 27 and 28, Township 22 South, Range 32 East, Lea County, New Mexico.

CASE 2486: Application of Union Oil Company of California for permission to take interference tests and transfer allowables, Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to take interference tests and to transfer allowables between eight wells in the Anderson Ranch-Wolfcamp Pool located in Sections 28 and 33, Township 15 South, Range 32 East, Lea County, New Mexico.

BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF EL PASO NATURAL GAS COMPANY FOR  
THE NON-CANCELLATION OF UNDERPRO-  
DUCTION OF CERTAIN WELLS IN THE  
BASIN DAKOTA GAS POOL, SAN JUAN  
COUNTY, NEW MEXICO

CASE NO. 2481

ORDER NO. \_\_\_\_\_

A P P L I C A T I O N

Comes now El Paso Natural Gas Company, a Delaware corporation, hereinafter called "Applicant" with license to do business in the State of New Mexico and respectfully alleges and states:

I.

Applicant is the purchaser of gas from certain wells in the Basin Dakota Gas Pool, San Juan County, New Mexico, that were connected to the same low pressure pipe line facilities as wells in the same area producing from Pictured Cliffs Gas Pools. In order to produce the Pictured Cliffs wells connected to this system, it was necessary to curtail production from these Basin Dakota wells. This resulted in considerable accumulated underproduction for some of these wells.

II.

Applicant expected that a high pressure gathering system to service Dakota wells in the area would be constructed and completed by October 1, 1961. There was unforeseen difficulty and delay in the completion of the system causing said Basin Dakota wells a greater amount of underproduction than was anticipated. Some of said wells will not be able to make up all underproduction subject to cancellation on February 1, 1962.

III.

Under existing circumstances, applicant believes that a substantial part of the underproduction subject to cancellation on February 1, 1962 can be made up if an additional proration period from the end of the present proration period is granted.

*Revised  
1-1-62  
JW*

IV.

Applicant requests that an exception to Rule 14 (a) of order R-1670 "The General Rules and Regulations for the Prorated Gas Pools of Northwestern New Mexico" be granted to allow for an additional period from 7:00 a.m., February 1, 1962 until August 1, 1962 within which to produce said underproduction in addition to assigned allowables.

WHEREFORE, premises considered, Applicant requests that this matter be set for hearing in accordance with the Rules and Regulations of the Commission and that on final hearing an exception to Rule 14 (a) of The General Rules and Regulations for the Prorated Gas Pools of Northwestern New Mexico be granted to allow an additional period in which to produce said underproduction in addition to assigned allowables on said gas wells.

Garrett C. Whitworth  
Attorney for Applicant

33 Suppl.

Adobe Oil Company

Federal #1

NE 19-27N-11W

Aztec Oil & Gas Company

*Aztec* → <sup>Well</sup> Hagood #3  
Hagood #4  
→ Hagood #5  
Robinson #2

SE 34-29N-13W  
NW 34-29N-13W  
SE 29-29N-13W  
SE 22-28N-13W

Bayview Oil Company

*Bayview* → Riddle #1

SW 7-27N-12W

Benson Montin Greer Drilling Company

*Benson Montin Greer* → Bayview Riddle #1  
→ Davis #1-X  
→ Douthit #1  
Fullerton #1  
→ Fullerton #2  
→ Ginther #1  
→ Ginther #2  
→ Jones #1  
→ Shipp #1

NE 18-27N-12W  
NW 12-27N-13W  
NE 5-27N-13W  
NE 34-28N-13W  
SE 28-28N-13W  
NE 13-27N-13W  
SW 13-27N-13W  
SE 17-28N-13W  
SE 1-27N-13W

British American Oil Producing Company

Douthit Federal C #1  
Government Fullerton #6  
Government Fullerton #7

SW 34-27N-11W  
NW 11-27N-11W  
SW 11-27N-11W

Alex N. Campbell

Federal Tonkin #1

SE 23-27N-12W

Deihi Taylor Oil Corporation

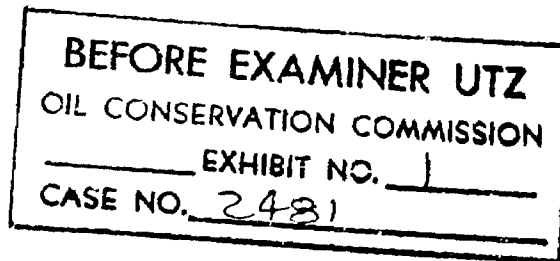
Drolet #1  
Navajo #2

SE 28-26N-11W  
NW 28-26N-11W

El Paso Natural Gas Company

Angel Peak #1  
Moncrief #1

SW 2-27N-11W  
SE 16-26N-11W



EPNG Exhibit No. 1  
Case 2481

El Paso Natural Gas Products Company

Delhi Taylor #1-C (D)  
Delhi Taylor Pool Unit #1-D  
Delhi Taylor Pool Unit #1-E  
Delhi Taylor #5

SW 4-26N-11W  
SW 3-26N-11W  
NE 4-26N-11W  
NE 17-26N-11W

Frontier #1-B (D)

SE 9-27N-11W

Frontier #1-C

NW 16-27N-11W

\*Frontier #2-C

SE 5-27N-11W

Frontier Pool Unit #1-D

NW 5-27N-11W

\*Frontier Pool Unit #1-E

SE 4-27N-11W

Frontier #2-B (D)

NW 9-27N-11W

\*Frontier #3-B

NW 4-27N-11W

Western Pool Unit #1-B

NE 8-26N-11W

Frontier Refining Company

Bolack #1-D

NE 16-27N-11W

Bolack #2-D

SW 15-27N-11W

Bolack #3-D

NE 21-27N-11W

Bolack #4-D

NE 28-27N-11W

Frontier Aztec Unit A #1-D

NW 8-27N-11W

Frontier Aztec Unit B #1-D

SW 28-27N-11W

Schwerdtfeger #1-D

SE 17-27N-11W

Schwerdtfeger #2-D

SE 8-27N-11W

Schwerdtfeger #3-D

SW 21-27N-11W

Gulf Oil Corporation

Blackrock Federal C #1

NW 21-26N-11W

Kay Kimbell Oil Properties

Cook Bloomfield Unit #1

SW 22-29N-11W

Hartman Bloomfield Unit #1

SE 22-29N-11W

Knight Manufacturing & Supply Company

Cha-Cha Meter Station

~~NE 16-28N-13W~~

Totah #1 Meter Station

~~NW 33-29N-13W~~

Monsanto Chemical Company

State #1-J

NW 16-26N-11W

EPNG Exhibit No. 1  
Case 2481

Ohio Oil Company

Ohio Government Section 15 #2-15  
Ohio Government Section 23 #2-23  
Ohio Government Section 26 #2-26  
Ohio Government Section 26 #3-26

SE 15-28N-11W  
SE 23-28N-11W  
NW 26-28N-11W  
SE 26-28N-11W

Pan American Petroleum Corporation

Davies #1  
Charley Hosh #1

NW 27-28N-13W  
NE 12-27N-13W

Pioneer Production Company

Nye #1  
Ohio #1  
Phillips #1  
Phillips #2  
Redfern #4

NE 32-29N-11W  
NW 22-28N-11W  
NW 16-28N-11W  
SE 22-28N-11W  
SE 16-28N-11W

Pubco Petroleum Corporation

State #26

SW 36-29N-11W

Skelly Oil Company

✓ P. L. Davis #1 (G&D)  
P. L. Davis #2 (D)  
✓ Navajo C #1 (UND. GALLUP)  
O. H. Randel #1 (D)

NE 26-26N-11W  
SW 26-26N-11W  
NW 24-26N-12W  
NW 14-26N-11W

Southern Union Gas Company

Navajo #1-D  
Richardson Unit #1

NW 1-27N-13W  
NE 2-27N-13W

Southwest Production Company

✓ Callow Federal #1  
✓ Campbell Federal #1  
✓ Campbell Federal #2  
✓ Collier Federal #1  
✓ Edgar Federal #1  
✓ \*Edgar Federal #2  
✓ Edgar Federal #3

SE 33-29N-13W  
NE 25-27N-12W  
NE 26-27N-12W  
SW 18-27N-12W  
NE 12-27N-12W  
NE 1-27N-12W  
SW 1-27N-12W

Southwest Production Company - Continued

✓ Edgar Federal #4  
 ✓ Edgar Federal #5  
 ✓ Edgar Federal #7  
 ✓ Holloway Federal #1  
 ✓ Holloway Federal #2  
 ✓ Holloway Federal #3  
 ✓ Holloway Federal #4  
 ✓ Holloway Federal #5  
 ✓ Holloway Federal #6  
 ✓ Mudge Federal #1  
 ✓ Warren Federal #1  
 ✓ Wright State #1

SE 15-27N-12W  
 NE 11-27N-12W  
 SE 12-27N-12W  
 NE 6-27N-11W  
 NE 18-27N-11W  
 SW 6-27N-11W  
 NE 7-27N-11W  
 SW 7-27N-11W  
 SW 18-27N-11W  
 NE 30-27N-11W  
 NE 17-27N-12W  
 NE 16-27N-12W

Tenneco Corporation

W. O. Berger #1 (GALLAGOS GALLUP)  
 USA W. O. Berger Gas Unit A #1  
 USA W. O. Berger #2 (G&D)  
 USA W. O. Berger #3  
 USA W. O. Berger #4 (G&D)  
 USA W. O. Berger #5 (D)  
 Tom Bolack Gas Unit A #1 (D)  
 Glenn H. Callow Gas Unit A #1  
 USA Glenn H. Callow #8 (D)  
 USA Glenn H. Callow #9 (D)  
 USA Glenn H. Callow #11 (D)  
 USA Glenn H. Callow #12 (D)  
 Marquis G. Eaton Gas Unit A #1  
 USA Clyde B. Gartner #1  
 Sullivan Gas Unit A #1

NE 21-26N-11W  
 SE 21-26N-11W  
 NW 23-26N-11W  
 SE 22-26N-11W  
 NW 22-26N-11W  
 SE 14-26N-11W  
 NE 2-27N-11W  
 NW 27-29N-13W  
 SE 27-29N-13W  
 SE 28-29N-13W  
 NW 28-29N-13W  
 NW 33-29N-13W  
 SE 25-29N-11W  
 NW 27-26N-11W  
 NW 25-29N-11W

Western Natural Gas Company

Bonnie C. Schlosser Federal #1 (D)

NW 10-27N-11W

\* Originally connected to Pictured Cliff. Waiting on right-of-way for Dakota.

	<u>Date of 1st Delivery</u>	
<u>El Paso Natural Gas Products Company</u>		
Delhi Taylor #1-C (D)	3/4/59	SW 4-26N-11W
Delhi Taylor Pool Unit #1-D	5/5/59	SW 3-26N-11W
Delhi Taylor Pool Unit #1-E	11/12/59	NE 4-26N-11W
Delhi Taylor #5	10/13/60	NE 17-26N-11W
Frontier #1-B (D)	10/29/58	SE 9-27N-11W
Frontier #1-C	2/10/59	NW 16-27N-11W
*Frontier #2-C	9/28/59	SE 5-27N-11W
Frontier Pool Unit #1-D	1/6/60	NW 5-27N-11W
*Frontier Pool Unit #1-E	11/23/60	SE 4-27N-11W
Frontier #2-B (D)	7/13/59	NW 9-27N-11W
*Frontier #3-B	3/24/60	NW 4-27N-11W
Western Pool Unit #1-B	10/13/60	NE 8-26N-11W
<u>Frontier Refining Company</u>		
Bolack #1-D	6/20/61	NE 16-27N-11W
Bolack #2-D	6/20/61	SW 15-27N-11W
Bolack #3-D	6/20/61	NE 21-27N-11W
Bolack #4-D	6/20/61	NE 28-27N-11W
Frontier Aztec Unit A #1-D	6/20/61	NW 8-27N-11W
Frontier Aztec Unit B #1-D	6/20/61	SW 28-27N-11W
Schwerdtfeger #1-D	6/20/61	SE 17-27N-11W
Schwerdtfeger #2-D	6/20/61	SE 8-27N-11W
Schwerdtfeger #3-D	6/20/61	SW 21-27N-11W
<u>Gulf Oil Corporation</u>		
Blackrock Federal C #1	11/1/60	NW 21-26N-11W
<u>Kay Kimbell Oil Properties</u>		
Cook Bloomfield Unit #1	11/1/60	SW 22-29N-11W
Hartman Bloomfield Unit #1	11/1/60	SE 22-29N-11W
<u>Monsanto Chemical Company</u>		
State #1-J	3/25/59	NW 16-26N-11W

EPNG Exhibit No. 1  
Case 2481

	<u>Date of 1st Delivery</u>	
<u>Adobe Oil Company</u>		
Federal #1	5/2/57	NE 19-27N-11W
<u>Aztec Oil &amp; Gas Company</u>		
Hagood #3	11/25/60	SE 34-29N-13W
Hagood #4	11/25/60	NW 34-29N-13W
Hagood #5	11/25/60	SE 29-29N-13W
Robinson #2	7/8/59	SE 22-28N-13W
<u>Bayview Oil Company</u>		
Riddle #1	9/23/53	SW 7-27N-12W
<u>Benson Montin Greer Drilling Company</u>		
Bayview Riddle #1	9/23/59	NE 18-27N-12W
Davis #1-X	2/26/60	NW 12-27N-13W
Douthit #1	11/18/59	NE 5-27N-13W
Fullerton #1	10/26/59	NE 34-28N-13W
Fullerton #2	10/26/59	SE 28-28N-13W
Ginther #1	9/23/59	NE 13-27N-13W
Ginther #2	2/17/60	SW 13-27N-13W
Jones #1	10/27/59	SE 17-28N-13W
Shipp #1	2/26/60	SE 1-27N-13W
<u>British American Oil Producing Company</u>		
Douthit Federal C #1	5/26/61	SW 34-27N-11W
Government Fullerton #6	11/12/60	NW 11-27N-11W
Government Fullerton #7	3/15/61	SW 11-27N-11W
<u>Alex N. Campbell</u>		
Federal Tonkin #1	11/11/59	SE 23-27N-12W
<u>Delhi Taylor Oil Corporation</u>		
Drolet #1	4/8/60	SE 28-26N-11W
Navajo #2	12/19/59	NW 28-26N-11W
<u>El Paso Natural Gas Company</u>		
Angel Peak #1	12/20/60	SW 2-27N-11W
Moncrief #1	2/28/61	SE 16-26N-11W

	<u>Date of 1st Delivery</u>	
<u>Ohio Oil Company</u>		
Ohio Government Section 15 #2-15	5/15/61	SE 15-28N-11W
Ohio Government Section 23 #2-23	5/15/61	SE 23-28N-11W
Ohio Government Section 26 #2-26	5/15/61	NW 26-28N-11W
Ohio Government Section 26 #3-26	5/15/61	SE 26-28N-11W
<u>Pan American Petroleum Corporation</u>		
Davies #1	8/16/57	NW 27-28N-13W
Charley Hosh #1	8/5/60	NE 12-27N-13W
<u>Pioneer Production Company</u>		
Nye #1	4/21/61	NE 32-29N-11W
Ohio #1	4/21/61	NW 22-28N-11W
Phillips #1	4/21/61	NW 16-28N-11W
Phillips #2	4/21/61	SE 22-28N-11W
Redfern #4	4/19/61	SE 16-28N-11W
<u>Pubco Petroleum Corporation</u>		
State #26	7/27/60	SW 36-29N-11W
<u>Skelly Oil Company</u>		
P. L. Davis #1 (G&D)	6/23/60	NE 26-26N-11W
P. L. Davis #2 (D)	7/15/61	SW 26-26N-11W
Navajo C #1	2/18/58	NW 24-26N-12W
O. H. Randel #1 (D)	7/6/60	NW 14-26N-11W
<u>Southern Union Gas Company</u>		
Navajo #1-D	11/19/60	NW 1-27N-13W
Richardson Unit #1	3/10/60	NE 2-27N-13W
<u>Southwest Production Company</u>		
Callow Federal #1	7/20/60	SE 33-29N-13W
Campbell Federal #1	10/28/60	NE 25-27N-12W
Campbell Federal #2	5/10/61	NE 26-27N-12W
Collier Federal #1	1/2/61	SW 18-27N-12W
Edgar Federal #1	1/17/61	NE 12-27N-12W
*Edgar Federal #2	1/17/61	NE 1-27N-12W
Edgar Federal #3	1/17/61	SW 1-27N-12W

Date of 1st  
Delivery

Southwest Production Company - Continued

Edgar Federal #4	3/7/61	SE 15-27N-12W
Edgar Federal #5	1/17/61	NE 11-27N-12W
<del>Edgar Federal #7</del>	<del>8/3/61</del>	<del>SE 12-27N-12W</del>
Holloway Federal #1	10/16/60	NE 6-27N-11W
Holloway Federal #2	10/28/60	NE 18-27N-11W
Holloway Federal #3	10/26/60	SW 6-27N-11W
Holloway Federal #4	10/26/60	NE 7-27N-11W
Holloway Federal #5	10/28/60	SW 7-27N-11W
Holloway Federal #6	11/4/60	SW 18-27N-11W
Mudge Federal #1	6/29/61	NE 30-27N-11W
Warren Federal #1	12/31/60	NE 17-27N-12W
Wright State #1	12/31/60	NE 16-27N-12W

Tenneco Corporation

W. O. Berger #1	12/23/60	NE 21-26N-11W
USA W. O. Berger Gas Unit A #1	3/10/60	SE 21-26N-11W
USA W. O. Berger #2 (G&D)	6/17/59	NW 23-26N-11W
USA W. O. Berger #3	12/9/59	SE 22-26N-11W
USA W. O. Berger #4 (G&D)	12/17/59	NW 22-26N-11W
USA W. O. Berger #5 (D)	6/22/60	SE 14-26N-11W
<del>Tom Bolack Gas Unit A #1 (D)</del>	<del>1/10/61</del>	<del>NE 2-27N-11W</del>
Glenn H. Callow Gas Unit A #1	2/1/61	NW 27-29N-13W
USA Glenn H. Callow #8 (D)	4/22/60	SE 27-29N-13W
USA Glenn H. Callow #9 (D)	4/22/60	SE 28-29N-13W
USA Glenn H. Callow #11 (D)	4/22/60	NW 28-29N-13W
USA Glenn H. Callow #12 (D)	6/22/60	NW 33-29N-13W
Marquis G. Eaton Gas Unit A #1	4/29/60	SE 25-29N-11W
USA Clyde B. Gartner #1	4/23/60	NW 27-26N-11W
Sullivan Gas Unit A #1	2/13/61	NW 25-29N-11W

Western Natural Gas Company

Bonnie C. Schlosser Federal #1 (D)	8/5/61	NW 10-27N-11W
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\* Originally connected to Pictured Cliff. Waiting on right-of-way for Dakota.