

Case No.

2612

Application, Transcript,
and Exhibits, Etc.

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

October 1, 1962

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

Re: Case No. 2612
Order No. P-2318
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. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

OTHER

TEXACO
INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION

P. O. BOX 3109
MIDLAND, TEXAS

August 28, 1962

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

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

Gentlemen:

Reference is made to Case 2612 set for hearing on the first Examiner hearing docket in September, 1962. This case has been set to consider the application of Texaco Inc. for a tubing exception in the North Justis (Devonian) Pool, Lea County, New Mexico.

As pointed out in our letter of July 31, 1962, upon completion of this well communications tests indicated that there was communication outside the pipe between the Devonian and Fusselman formations. Texaco conducted remedial work to repair this communications and upon completion of this remedial work we were unable to obtain a successful completion in the Devonian formation. The Devonian formation was then plugged off, and the well was completed as a triple completion in the North Justis (Blinbry), North Justis (Tubb-Drinkard), and North Justis (Fusselman) Pools. Our letter of August 21, 1962, submitted our application for a revision to administrative Order No. MC-1215 dated July 18, 1962. In view of the current completion of this well the tubing exception as requested in our application for the Devonian zone is no longer existent. Texaco, therefore, respectfully requests that Case No. 2612 be dismissed. If you should have any questions concerning this matter, please do not hesitate to advise.

Yours very truly,

C. R. Black

C. R. Black
Assistant Division
Proration Engineer

CRB-MM

*Doehets
mailed
8/31/62*

Docket No. 26-62

Examiner Hearing September 11, 1962

CASE 2630: Application of Gulf Oil Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Graham State (NCT-I) Well No. 1, located in Unit M of Section 19, Township 21 South, Range 37 East, Lea County, New Mexico, as a triple completion (conventional) in the Paddock, Blinebry and Drinkard Oil Pools with the production of oil from all three zones to be through parallel strings of tubing.

CASE 2631: Application of Moran Oil Producing and Drilling Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion (conventional) of its Owen Well No. 1, located in Unit E, Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce Blinebry oil, Tubb gas, and Drinkard oil through parallel strings of tubing.

CASE 2632: Application of Humble Oil & Refining Company for an order establishing special rules and regulations for the Four Lakes-Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing special rules and regulations for the Four Lakes-Pennsylvanian Pool, Lea County, New Mexico, to include provisions for 80-acre oil proration units therein.

CASE 2633: Application of General American Oil Company of Texas for expansion of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks expansion of its waterflood project in the Loco Hills Pool by the conversion to water injection of its Beeson F Well No. 10, located in Unit B of Section 31, Township 17 South, Range 30 East, Eddy County, New Mexico.

CASE 2634: Application of Ambassador Oil Corporation for approval of a unit agreement and waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a waterflood project in the Grayburg-Jackson Pool, with the initial injection of water to be through six wells located in Sections 22, 23, and 26, Township 17 South, Range 30 East, Eddy County, New Mexico, said project to be governed by Rule 701. Applicant further seeks approval of the Grayburg-Jackson Unit Agreement embracing 1600 acres, more or less, of federal and State lands in Township 17 South, Range 30 East, Eddy County, New Mexico.

DOCKET: EXAMINER HEARING - TUESDAY - SEPTEMBER 11, 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, alternate examiner:

CASE 2612 (Continued)

Application of Texaco Inc. for a tubing exception, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to produce its C. C. Fristoe (b) NCT-2 Well No. 6, located in Unit H of Section 35, Township 25 South, Range 37 East, Lea County, New Mexico, North Justis-Devonian Pool, through a string of 1 1/2-inch OD tubing run with a packer inside of a 2 7/8-inch OD casing.

CASE 2626: Application of La Plata Gathering System, Inc., for a dual completion at an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a Basin Dakota-Blanco Mesaverde dual completion at an unorthodox location 1680 feet from the South line and 734 feet from the East line of Section 19, Township 32 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 2627: Application of La Plata Gathering System, Inc., for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Blanco Mesaverde well location 1,790 feet from the North line and 790 feet from the East line of Section 24, Township 32 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 2628: Application of Marathon Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Atoka-Pennsylvanian Gas Pool at a point 990 feet from the North line and 990 feet from the East line of Section 30, Township 18 South, Range 26 East, Eddy County, New Mexico.

CASE 2629: Application of S. P. Yates Drilling Company for approval of a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pecos River Deep Unit Agreement comprising 17,257.82 acres, more or less, of State, Federal and Fee lands in Township 19 South, Ranges 26 and 27 East, and Township 20 South, Range 26 East, Eddy County, New Mexico.

Docket No. 26-62

Examiner Hearing September 11, 1962

CASE 2635: Application of L. R. French, Jr. for an order creating a new pool and establishing temporary rules or extension of the South Lane Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new pool for Pennsylvanian production; the discovery well for said pool is the Gulf-State Well No. 1, located in Unit A of Section 18, Township 11 South, Range 34 East, Lea County, New Mexico, completed in the Bough "C" zone of the Pennsylvanian formation. Applicant further seeks establishment of special rules and regulations governing said pool, including 80-acre proration units. As an alternative, applicant seeks extension of the South Lane Pennsylvanian Pool to include said Gulf-State Well No. 1.

CASE 2639: Application of General American Oil Company of Texas for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a pilot waterflood project in the Upper San Andres formation, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into its Keeley "B" Well No. 13, located in Unit H, Section 26, Township 17 South, Range 29 East.

CASE 2640: Application of General American Oil Company of Texas for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a pilot waterflood project in the Grayburg zone of the San Andres formation, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into its Keeley "C" Well No. 25, located in Unit O, Section 25, Township 17 South, Range 29 East.

CASE 2641: Application of Continental Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 80-acre gas proration unit, Blinbry Gas Pool, Lea County, New Mexico, said unit to comprise the NW/4 NW/4 and SE/4 NW/4 of Section 10, Township 21 South, Range 37 East, and be dedicated to applicant's State 10 Well No. 1, located in the NW/4 NW/4 of said Section 10.

ir/

TEXACO
INC.

PETROLEUM PRODUCTS

DOMESTIC PRODUCING DEPARTMENT
MIDLAND DIVISION



July 31, 1962

AUG 3 AM 6 20
File
Case 2612
P. O. BOX 3106
MIDLAND, TEXAS

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

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

Gentlemen:

Reference is made to Case 2612 set for hearing on the Examiner hearing docket for Wednesday, August 8, 1962. This case is to consider the application of Texaco Inc. for a tubing exception in the North Justis (Devonian) Pool, Lea County, New Mexico.

Upon completion of this well the communications test indicated that there was communication outside the pipe between the Devonian and Fusselman formations. Texaco has commenced remedial work to repair this communications problem; however, it is not anticipated that this work will be completed by the hearing date of Wednesday, August 8. It is, therefore, respectfully requested that Case 2612 be postponed to the first Examiner hearing docket in September.

Your early consideration of this request will be greatly appreciated. If you should have any questions concerning this matter, please do not hesitate to advise.

Yours very truly,

C. R. Black

C. R. Black
Assistant Division
Proration Engineer

CRB-MM

*Robert
Masters*

TEXACO
INC.

DOMESTIC PRODUCING DEPARTMENT



P. O. BOX 3109
MIDLAND, TEXAS

July 19, 1962

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 to produce the Devonian formation in our C. C. Fristoe (b) NCT-2 Well No. 6 through a string of 1-1/2" OD tubing inside a string of 2-7/8" OD casing. Administrative Order No. MC-1195 approved this well as a triple tubingless completion in the Ellenburger, McKee, and Fusselman formations, North Justis Pool; however, upon drilling the well it was found that the Ellenburger and McKee formations were too low to be productive and, therefore, the well was completed in the Fusselman, Devonian, and Tubb-Drinkard formations. Texaco's letter of June 26, 1962, requested administrative approval for a triple tubingless completion in the Fusselman, Devonian, and Tubb-Drinkard formations, North Justis Pool Area. Your letter of June 29 advised that Texaco's revised application would be processed after the 20-day waiting period. It was our understanding that this 20-day waiting period would expire on July 16 and that at that time administrative approval would be granted.

The Devonian formation in this well was perforated from 6940' to 6990' and this interval was found to produce with a gas-oil ratio in excess of 100,000 cubic feet per barrel. An additional interval in the Devonian formation was perforated from 7032' to 7042' and by isolated production tests it was found that this interval produced oil with a gas-oil ratio of approximately 226 cubic feet per barrel. This zone flowed 27 barrels of oil in 24 hours with a tubing pressure of 50 pounds before dying. A string of 1-1/2" OD tubing was run with a packer set at 7018' between the two perforated intervals. A 1/32" side door choke was located in the string of 1-1/2" tubing at 6987'. The Devonian formation was produced up the

*Revised
Mailed
7/25/62*

July 19, 1962

string of 1-1/2" tubing and on potential test ending 7:00 a. m., July 18, 1962, this zone flowed 90 barrels of oil in 2 1/4 hours through a 15/64" choke with a tubing pressure of 200 psi and a casing pressure of 2275 psi. The gas-oil ratio was 920 cubic feet per barrel and the current top allowable for this formation is 80 barrels of oil per day.

It is believed that this installation is in the interest of sound conservation practices and it is, therefore, respectfully requested that the New Mexico Oil Conservation Commission set a hearing to consider Texaco's application to produce the Devonian formation through a string of 1-1/2" OD tubing. Your consideration in setting this application on the first available examiner hearing docket will be greatly appreciated.

Yours very truly,

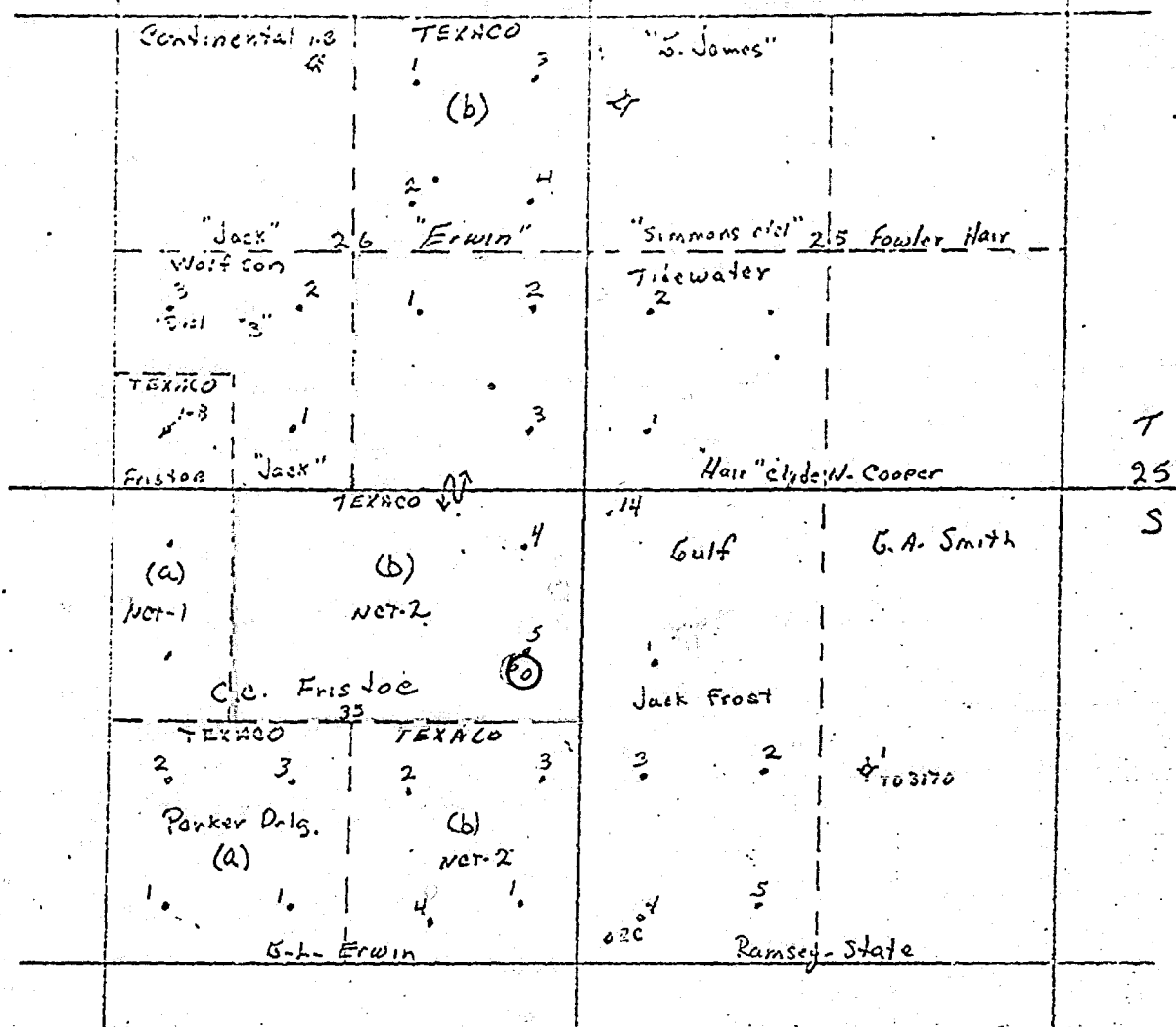
TEXACO Inc.

C. R. Black

C. R. Black
Assistant Division
Proration Engineer

CRB-MM

R-37-E



PLAT OF TEXACO Inc. C. C. FRISTOE (b) NCT-2 LEASE
AND OFFSET LEASES

Lea County, New Mexico
Scale 1 inch 2000'

OFFSET OPERATORS

Wolfson Oil Company, 504 Midland National Bank Building, Midland, Texas
Gulf Oil Corporation, Drawer 1938, Roswell, New Mexico
Tidewater Oil Company, P. O. Box 547, Hobbs, New Mexico
Parker Drilling Company, Commerce Building, Houston, Texas

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. 2612
Order No. R-2318

APPLICATION OF TEXACO INC.,
FOR A TUBING EXCEPTION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 11, 1962, 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 28th day of September, 1962, the Commission, a quorum being present, having considered the application and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

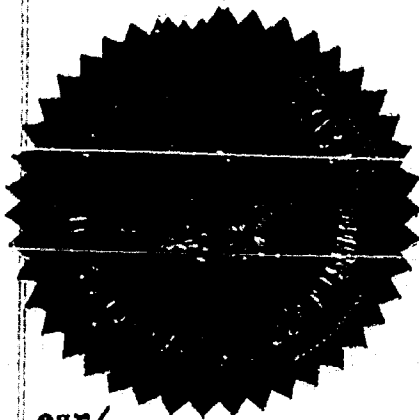
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texaco Inc., has requested that Case No. 2612 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2612 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Nechem
EDWIN L. NECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

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

esr/

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 11, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco Inc. for a tubing
exception, Lea County, New Mexico. Ap-
plicant, in the above-styled cause,
seeks permission to produce its C. C.
Fristoe (b) NCT-2 Well No. 6, located
in Unit H of Section 35, Township 25
South, Range 37 East, Lea County, New
Mexico, North Justis-Devonian Pool,
through a string of 1 1/2-inch OD
tubing run with a packer inside of a
2 7/8-inch OD casing.

Case 2612
(Continued)

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order, please. Case
2612.

MR. DURRETT: Application of Texaco Inc. for a tubing
exception, Lea County, New Mexico. Mr. Examiner, the Commission
is in receipt of a letter dated August 28, 1962 from Texaco
requesting that this case be dismissed. I would like to move at
this time that this request be granted.

MR. UTZ: Case 2612 will be dismissed.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691



2612

Page 1

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE

NEW MEXICO

REGISTER

HEARING DATE

SEPTEMBER 11, 1962

TIME:

9 A.M.

NAME:	REPRESENTING:	LOCATION:
Watson & Watson by Neil B. Watson	Gates Drilling Company	Artesia, N. Mex.
Jason Kellahan	Kellahan & Fox	Santa Fe
John D. Russell	Campbell & Russell	Roswell
Charles D. Malone	Atwood & Malone	Roswell
T. O. Webb	Marathon Oil Co	Hobbs
Leunett McLean	Moran Oil	Hatch
J. H. Hoover	Gulf Oil Corp	Roswell
W. V. Koster		
James Dunning		Roswell
Richard F. Harris	La Plata	Santa Fe
Bonnie E. Shook	U. S. G. S.	Artesia
Carl F. Sharp	Humble Oil & Ref. Co.	Midland
E. A. Riley	Ambassador Oil Corp	St. Worth, Tex.
R. F. Miller	Gen. Amer. Oil Co. of Tex.	Loco Hills, N. M.
W. K. Krouskop		Dallors, Tex.

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

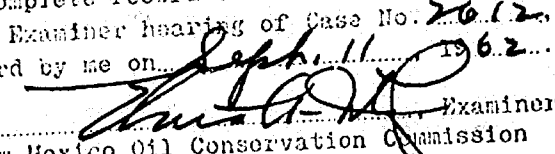
I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 25th day of September, 1962.


 Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7612, heard by me on Sept. 11, 1962.

 Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
 PHONE 325-1182

SANTA FE, N. M.
 PHONE 983-3971

ALBUQUERQUE, N. M.
 PHONE 243-6691



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 8, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco Inc. for a tubing
exception, Lea County, New Mexico. Ap-
plicant, in the above-styled cause,
seeks permission to produce its C. C.
Fristoe (b) NCT-2 Well No. 6, located
in Unit H of Section 35, Township 25
South, Range 37 East, Lea County, New
Mexico, North Justis-Devonian Pool,
through a string of 1 1/2 inch OD tub-
ing run with a packer inside of a
2 7/8 inch OD casing.

Case 2612

BEFORE: Mr. Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 2612.

MR. FLINT: Application of Texaco Inc. for a tubing ex-
ception, Lea County, New Mexico.

Mr. Examiner, we have been requested to continue this case
until the first Examiner Hearing in September.

MR. NUTTER: Case Number 2612 will be continued to the
first Examiner Hearing in September. That hearing will be held
in Santa Fe, New Mexico on September 11th.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

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 1st day of September, 1962.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:
June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. *2612* heard by me on *Aug 8*, 19*62*.
[Signature], Examiner
New Mexico Oil Conservation Commission

