

CASE 3163: Application of GULF
for a non-standard gas proration
unit, Lea County, New Mexico.

CASE NO.

3163

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. BOX 571
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

December 28, 1964

Mr. Bill Kastler
Gulf Oil Corporation
Post Office Box 1938
Roswell, New Mexico

Re: Case No. 3162
Order No. K-2852
Applicant: _____

Gulf Oil Corporation

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 _____

Artesia OCC _____

Astec OCC _____

OTHER _____

**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. 3163
Order No. R-2852**

**APPLICATION OF GULF OIL CORPORATION
FOR A 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 December 15, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 28th day of December, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Gulf Oil Corporation, seeks approval of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the E/2 SE/4 of Section 28, and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to its J. N. Carson Well No. 6 located in Unit P of said Section 28.
- (3) That the above-described non-standard unit was approved by Order No. R-1253; that said unit was superseded by Order No. R-1253-A as the applicant had completed its J. N. Carson Well No. 8 as a Blinebry oil well in the NE/4 SE/4 of said Section 28; and that said well was reclassified as a Blinebry gas well effective December 1, 1964.
- (4) That the applicant proposes to shut in the J. N. Carson Well No. 8 and to produce the allowable assigned to the 120-acre non-standard unit from the J. N. Carson Well No. 6.

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CASE No. 3163
Order No. R-2852

(5) That the proposed non-standard proration unit can be efficiently and economically drained and developed by the J. N. Carson Well No. 6.

(6) That approval of the subject application will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

IT IS THEREFORE ORDERED:

(1) That a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the E/2 SE/4 of Section 28, and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby created and dedicated to the Gulf Oil Corporation J. N. Carson Well No. 6 located in Unit P of said Section 28.

(2) That the gas allowable assigned to the above-described 120-acre non-standard gas proration unit shall be effective December 1, 1964, and that a notice of disconnection shall be filed for the J. N. Carson Well No. 8.

(3) That Order No. R-1253-A is hereby superseded.

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

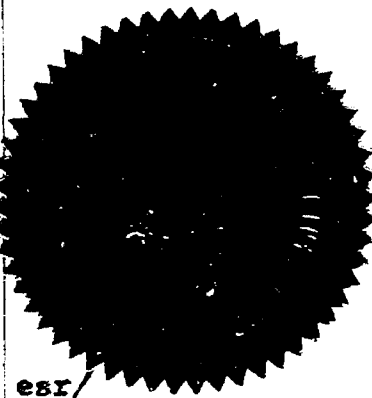
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

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

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



esr/

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. 1506
Order No. R-1253

APPLICATION OF GULF OIL CORPORATION
FOR TWO NON-STANDARD GAS PRORATION
UNITS IN THE BLINEBRY GAS POOL AND
FOR TWO NON-STANDARD GAS PRORATION
UNITS IN THE TUBB GAS POOL, 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 10, 1958, 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 29th day of September, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, 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, Gulf Oil Corporation, is the operator of the NE/4 SW/4 and the SE/4 of Section 28 and the NW/4 NE/4 and the NE/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the operator of the following-described wells:

J. N. Carson "C" Well No. 6, located 330 feet from the South line and 965 feet from the East line of said Section 28, which well is completed in the Blinebry Gas Pool.

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Case No. 1506

Order No. R-1253

J. N. Carson "C" Well No. 3, located 640 feet from the South line and 660 feet from the East line of said Section 28, which well is dually completed in the Tubb Gas Pool and the Drinkard (Oil) Pool.

J. N. Carson "A" Well No. 4, located 554 feet from the South line and 2086 feet from the East line of said Section 28, which well is dually completed in the Blinebry Gas Pool and the Drinkard (Oil) Pool.

J. N. Carson "A" Well No. 6, located 2086 feet from the South line and 2086 feet from the East line of said Section 28, which well is dually completed in the Tubb Gas Pool and the Drinkard (Oil) Pool.

(4) That applicant presently has a 160-acre standard gas proration unit in both the Blinebry and Tubb Gas Pools, consisting of the SE/4 of said Section 28 and dedicated respectively to the said J. N. Carson "A" Well No. 4 and the J. N. Carson "C" Well No. 3.

(5) That the applicant proposes the establishment of four non-standard gas proration units, two in the Blinebry Gas Pool and two in the Tubb Gas Pool, to-wit:

A 160-acre non-standard gas proration unit in both the Blinebry and Tubb Gas Pools, consisting of the NE/4 SW/4 and the W/2 SE/4 of said Section 28 and the NW/4 NE/4 of said Section 33 to be dedicated respectively to the aforesaid J. N. Carson "A" Well No. 4 and the J. N. Carson "A" Well No. 6.

A 120-acre non-standard gas proration unit in both the Blinebry and Tubb Gas Pools, consisting of the E/2 SE/4 of said Section 28 and the NE/4 NE/4 of said Section 33 to be dedicated respectively to the aforesaid J. N. Carson "C" Well No. 6 and the J. N. Carson "C" Well No. 3.

(6) That the applicant proposes the above-described arrangement of dedicated acreage in order to eliminate the necessity of developing wells within the residential section of Eunice, New Mexico.

(7) That approval of the subject application will not cause waste nor impair correlative rights.

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Case No. 1506
Order No. R-1253

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit in the Blinebry Gas Pool, consisting of the NE/4 SW/4 and the W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "A" Well No. 4, located 554 feet from the South line and 2086 feet from the East line of said Section 28.

(2) That a 160-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the NE/4 SW/4 and the W/2 SE/4 of said Section 28 and the NW/4 NE/4 of said Section 33, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "A" Well No. 6, located 2086 feet from the South line and 2086 feet from the East line of said Section 28.

(3) That a 120-acre non-standard gas proration unit in the Blinebry Gas Pool, consisting of the E/2 SE/4 of said Section 28 and the NE/4 NE/4 of said Section 33, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "C" Well No. 6, located 330 feet from the South line and 965 feet from the East line of said Section 28.

(4) That a 120-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the E/2 SE/4 of said Section 28 and the NE/4 NE/4 of said Section 33, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "C" Well No. 3, located 640 feet from the South line and 660 feet from the East line of said Section 28.

(5) That each of the non-standard gas proration units created above be assigned an allowable in the appropriate pool in the proportion that the acreage contained in said unit bears to the acreage contained in a standard proration unit for the pool.

(6) That the establishment of the above-described non-standard gas proration units and the allowables assigned thereto shall become effective November 1, 1958, provided that all applicable pool rules and regulations have been complied with on that date.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

Murray E. Morgan, Member

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

S E A L
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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. 2822
Order No. R-1253-A

APPLICATION OF GULF OIL CORPORATION
FOR A 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 May 22, 1963, 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 11th day of June, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, 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 Order No. R-1253 established a 120-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the E/2 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to the Gulf Oil Corporation J. N. Carson (NCT-C) Well No. 6, located 330 feet from the South line and 965 feet from the East line of said Section 28.

(3) That the applicant, Gulf Oil Corporation, has completed a Blinebry oil well in the NE/4 SE/4 of said Section 28.

(4) That due to the prohibition against dual dedication of acreage to a gas well in the Blinebry Gas Pool and to an oil well in the Blinebry Oil Pool, the applicant seeks approval of an 80-acre non-standard gas proration unit comprising the SE/4 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, NMPM, Blinebry Gas Pool, Lea County, New Mexico, to be dedicated to its J. N. Carson (NCT-C) Well No. 6.

(5) That the subject application should be approved in order to afford the applicant an opportunity to produce its just

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CASE No. 2822
Order No. R-1253-A

and equitable share of the oil in the Blinebry Oil Pool and its just and equitable share of the gas in the Blinebry Gas Pool, thereby preventing waste and protecting correlative rights.

(6) That Order No. R-1253 should be superseded insofar as it is inconsistent with this order.

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the SE/4 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established, and dedicated to the Gulf Oil Corporation J. N. Carson (NCT-C) Well No. 6, located 330 feet from the South line and 965 feet from the East line of said Section 28.

(2) That Order No. R-1253 is hereby superseded insofar as it is inconsistent with this order.

(3) That this order shall be effective the date an oil well allowable in the Blinebry Oil Pool was assigned to the Gulf Oil Corporation J. N. Carson (NCT-C) Well No. 8, located 1980 feet from the South line and 990 feet from the East line of Section 28, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

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

S E A L

esr/

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 12/16/64

CASE 3163

Hearing Date 9 am 12/15/64

My recommendations for an order in the above numbered cases are as follows: ^{DSN @ SF}

Enter an order reinstating 120-acre non-stk gas production unit in Plinking Gun Pool for Gulf Oil Corp. Unit to be dedicated to applicant's J. M. Carson Well no 6, located 330' ESL & 965' FEL of 28-21S-37E and to comprise E/2 SE/4 of 28-21S-37E and NE/4 NE/4 of 33-21S-37E.

120 acre gas allowance should be retroactively assigned back to Dec 1 1964.

This order will supersede Order No R-1253-A.



Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

To Ethel

Held pending app from
only seeking reinstatement
of WSP approved by
Order no R 1253-A

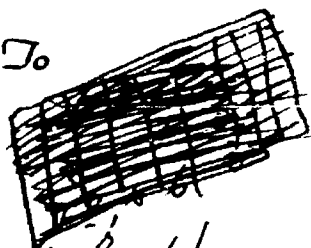
Case 3163

Memo

From

JAMES M. DURRETT JR.
GENERAL COUNSEL

To



John Hoover
Sept 1958

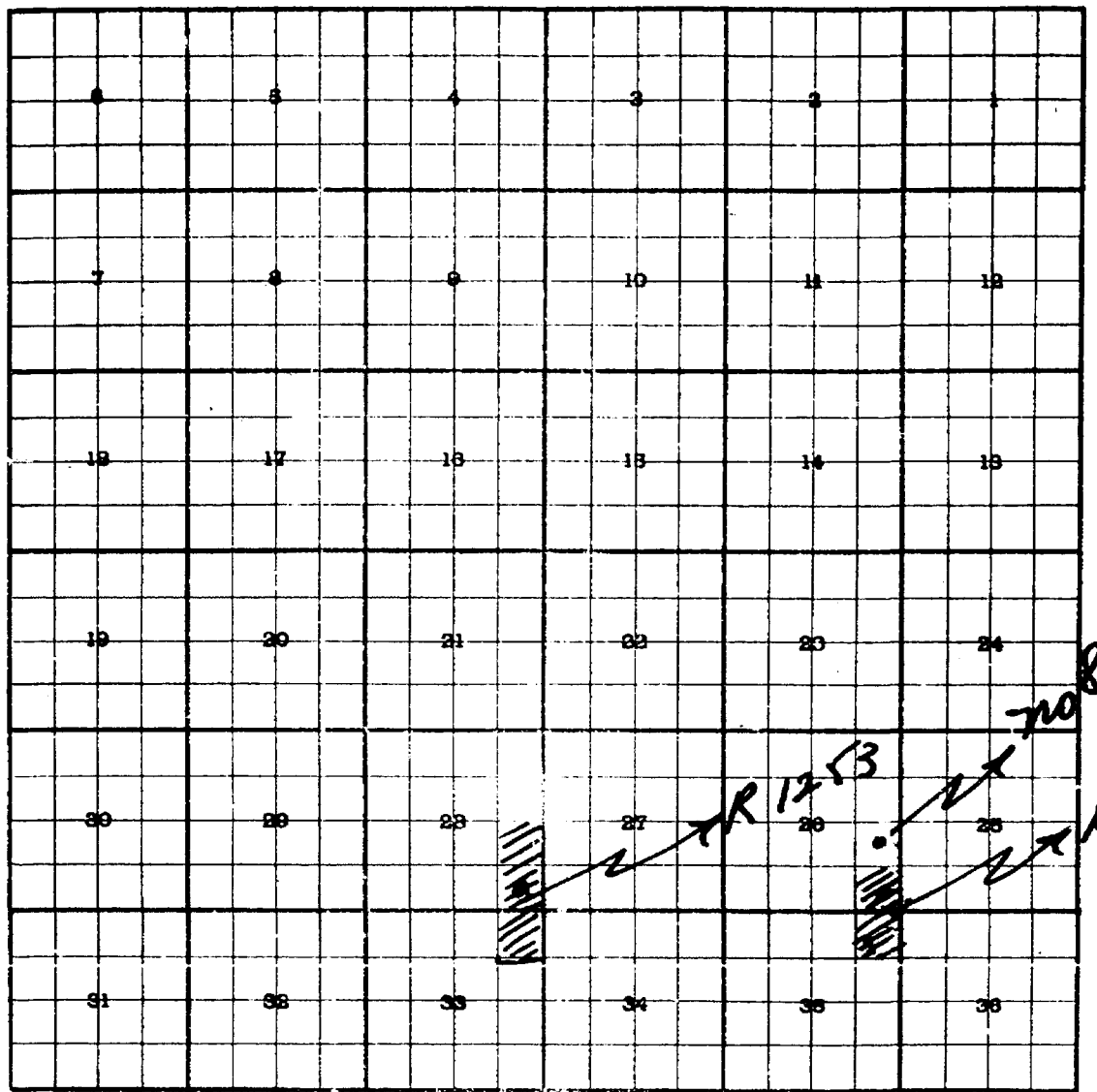
622-7160

J.N. Carson Well No 6
was 120 ac. Blowing Gas
down to 80 ac.

Order 1253-A
well turned to gas

County _____ Pool _____

TOWNSHIP _____ South, RANGE _____ East, NEW MEXICO PRINCIPAL MERIDIAN



If well No 8 has not been assigned oil well allowable
R 1253-A has never gone into effect.
If it has gone into effect need a hearing to amend
R-1253-A to expand proration unit.

JN Carson ACT
well No 8
28-21-37
13 BOPD
month of Nov

Blindry Gas Pool Rules
Rule 29
p 44 Bygones

DOCKET: EXAMINER HEARING - TUESDAY - DECEMBER 15, 1964

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, Alternate Examiner:

- CASE 3154: (Continued from the November 24th examiner hearing)
Application of Atlantic Refining Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Culwin Queen Unit Area comprising 820 acres, more or less, of State and Federal lands in Townships 18 and 19 South, Ranges 30 and 31 East, Eddy County, New Mexico.
- CASE 3155: (Continued from the November 24 examiner hearing)
Application of Atlantic Refining Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Shugart Pool in its Culwin Queen Unit Area by the injection of water into the Queen formation through six injection wells in Section 36, Township 18 South, Range 30 East, Section 31, Township 18 South, Range 31 East, Section 1, Township 19 South, Range 30 East, and Section 6, Township 19 South, Range 31 East, Eddy County, New Mexico.
- CASE 3163: Application of Gulf Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard gas proration unit comprising the E/2 SE/4 of Section 28, and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, Blinbry Gas Pool, Lea County, New Mexico. Said unit to be dedicated to its J. N. Carson Well No. 6 located in Unit P of said Section 28.
- CASE 3164: Application of Gulf Oil Corporation for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its W. A. Ramsay (NCT-A) waterflood project, South Eunice Pool, to include one additional water injection well to be located approximately 1320 feet from the South and West lines of Section 34, Township 21 South, Range 36 East, Lea County, New Mexico.
- CASE 3165: Application of Sam Boren & Major & Giebel Oils for a non-standard proration unit, Lea County, New Mexico. Applicants, in the above-styled cause, seek approval of a 104.18 acre non-standard oil proration unit comprising all of lots 1 and 2 of Section 1, Township 11 South, Range 33 East, South Lane Pool, Lea County, New Mexico, to be dedicated to a well to be drilled within 150 feet of the center of said lot 1.
- CASE 3166: Application of Tenneco Oil Company for four non-standard proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the following four non-standard oil proration units in the South Lane Pool:
- Unit No. 1, 93.61 acres comprising the E/2 SE/4 and Lot 1 of Section 6, dedicated to applicant's State "E" Well No. 1 located in Unit P of Section 6;
- Unit No. 2, 93.24 acres comprising the W/2 SE/4 and Lot 2 of Section 6, dedicated to applicant's State "E" Well No. 2 located in Unit J of Section 6.

December 15th Examiner Hearing

Unit No. 3, 92.87 acres comprising the E/2 SW/4 and Lot 3 of Section 6, dedicated to applicant's State "F" Well No. 1 located in Unit K of Section 6;

Unit No. 4, 81.76 acres comprising Lots 4, 5, and 6 of Section 6, dedicated to a well to be drilled 100 feet North of the center of Lot 5 of Section 6, all in Township 11 South, Range 34 East, Lea County, New Mexico.

CASE 3167: Application of IMC Drilling Mud, a division of International Minerals and Chemical Corporation for an amendment of Rule 107. Applicant, in the above-styled cause, seeks an amendment to Rule 107 of the Commission Rules and Regulations to provide an administrative procedure whereby oil-base casing packing material could be used in lieu of a portion of the portland cement normally used in cementing oil well casing.

CASE 3168: Application of Jake L. Hamon for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres, Glocieta and Yeso formations through the open hole interval from 5000 feet to 9000 feet in its Fannye M. Holloway Well No. 1 located in Unit B of Section 13, Township 17 South, Range 38 East, South Knowles Devonian Pool, Lea County, New Mexico.

CASE 3169: Application of Pan American Petroleum Corporation for force-pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin Dakota Pool underlying the E/2 of Section 14, Township 29 North, Range 11 West, San Juan County, New Mexico.

CASE 3170: Application of Pan American Petroleum Corporation for force-pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin Dakota Pool underlying the E/2 of Section 8, Township 30 North, Range 13 West, San Juan County, New Mexico.

CASE 3171: Application of Pan American Petroleum Corporation for force-pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin Dakota Pool underlying the S/2 of Section 23, Township 29 North, Range 11 West, San Juan County, New Mexico.

CASE 3172: Application of Pan American Petroleum Corporation for force-pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin Dakota Pool underlying the S/2 of Section 21, Township 29 North, Range 10 West, San Juan County, New Mexico.

CASE 3173: Application of Pan American Petroleum Corporation for force-pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin Dakota Pool underlying the S/2 of Section 31, Township 30 North, Range 12 West, San Juan County, New Mexico.

- CASE 3174: Application of Pan American Petroleum Corporation for force-pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Basin Dakota Pool underlying the N/2 of Section 28, Township 29 North, Range 10 West, San Juan County, New Mexico.
- CASE 3175: Application of Pan American Petroleum Corporation for an amendment of Order No. R-2424, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Order No. R-2424, Special Pool Rules for Fowler Blinebry Pool to provide a limiting gas-oil ratio for oil wells in said pool of 6000 cubic feet of gas per barrel of oil.
- CASE 3176: Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (tubingless) of its C. C. Fristoe "b" (NCT-2) Well No. 9, located in Unit C of Section 35, Township 24 South, Range 37 East, Lea County, New Mexico, to produce oil from the Langlie Mattix, Justis Blinebry and North Justis Tubb-Drinkard Pools through 2-7/8 inch casing cemented in a common wellbore.
- CASE 3177: Application of Sinclair Oil & Gas Company for an amendment of Order No. R-1148, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1148, which order authorized a 160-acre non-standard Tubo gas pool proration unit comprising the W/2 SW/4, SE/4 SW/4, and SW/4 SE/4 of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico, to be dedicated to its J. R. Cone Well No. 1 located in Unit M of said Section 26. Applicant seeks the rededication of said unit and the allowable accrued thereto to its J. R. Cone Well No. 2 located in Unit L of said Section 26.
- CASE 3178: Application of Shell Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Comanche (San Andres) A Unit Area comprising 16,895 acres, more or less, of Federal, State and Fee lands in Townships 6 and 7 South, Ranges 25 and 26 East, Chaves County, New Mexico.
- CASE 3179: Application of Shell Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Comanche (San Andres) B Unit Area comprising 20,456 acres, more or less, of Federal, State and Fee lands in Township 7 South, Range 26 East, Chaves County, New Mexico.
- CASE 3180: Application of Shell Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Comanche (San Andres) C Unit Area comprising 15,081 acres, more or less, of Federal, State and Fee lands in Townships 7 and 8 South, Range 25 East, Chaves County, New Mexico.
- CASE 3181: Application of Shell Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Comanche (San Andres) D Unit Area comprising 15,925 acres, more or less, of Federal, State and Fee lands in Township 8 South, Ranges 25 and 26 East, Chaves County, New Mexico.

December 15th Examiner Hearing

- CASE 3182: Application of Shell Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Comanche (San Andres) E Unit Area comprising 12,323 acres, more or less, of Federal, State and Fee lands in Townships 8 and 9 South, Range 25 East, Chaves County, New Mexico.
- CASE 3183: Application of Shell Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Comanche (San Andres) F Unit Area comprising 22,049 acres, more or less, of Federal, State and Fee lands in Townships 8 and 9 South, Ranges 25 and 26 East, Chaves County, New Mexico.
- CASE 2660: (Reopened and continued from the November 12, 1964 examiner hearing) In the matter of Case No. 2660 being reopened pursuant to the provisions of Order No. R-2348-A, which continued the original order establishing 80-acre proration units for the Middle Lane-Pennsylvanian Pool, Lea County, New Mexico, for an additional year. All interested parties may appear and show cause why said pool should not be developed on 40-acre proration units. Midwest Oil Corporation also requests that the Middle Lane-Pennsylvanian Pool Rules, in addition to being made permanent, be amended to provide the definition of the vertical limits of said pool and the deletion of the fixed well location requirements as provided by said Order No. R-2348.
- CASE 3184: Application of Benson-Montin-Greer Drilling Corporation for an amendment of Order No. R-2565, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an amendment of Order No. R-2565 to permit the shutting-in of wells for interference tests, to permit the accumulation and transfer of back allowables for said shut-in wells, and to permit a transfer well to produce its own allowable plus a transferred allowable up to 100% of 1 top unit allowable for the Puerto Chiquito-Gallup Oil Pool at anytime during the period of one year after the original assignment of said allowable.

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Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

November 20, 1964

W. B. Hopkins
DISTRICT MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER
F. O. Mortlock
DISTRICT EXPLORATION
MANAGER
H. A. Rankin
DISTRICT SERVICES MANAGER

MAIN BUILDING
Nov 23 AM 8:11
P. O. Drawer 1936
Roswell, New Mexico 88201

Oil Conservation Commission
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of Gulf Oil Corporation for Suspension of an
80-Acre Non-Standard Unit Approved Under Order R-1253-A
and for the Reassignment of a 120-Acre Non-Standard Unit
as Approved Under Order R-1253, J. N. Carson (NCT-C) Well
No. 6, Blinebry Gas Pool, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully requests that an Examiner Hearing be
set to consider the subject application. In support of this application the
following facts are submitted:

- (1) Applicant's J. N. Carson (NCT-C) Well No. 6 located 330 feet from the south
line and 965 feet from the east line of Section 28, Township 21 South,
Range 37 East, Lea County, New Mexico, was originally assigned a 120-acre
non-standard Blinebry Gas Proration Unit covering the E/2 SE/4 Section 28,
and the NE/4 NE/4 Section 33, by Order R-1253 dated September 29, 1958.
- (2) Order R-1253-A dated June 11, 1963 was issued after hearing approving an
80-acre non-standard Blinebry Gas Proration Unit to be dedicated to Well
No. 6. This unit comprised the SE/4 SE/4 Section 28, and the NE/4 NE/4
of Section 33. This 80-acre non-standard unit was necessary due to the
completion of the J. N. Carson (NCT-C) Well No. 8, 1,980 feet from the south
line and 990 feet from the east line of Section 28, as a Blinebry Oil well.
- (3) Applicant's J. N. Carson (NCT-C) Well No. 8 is being reclassified as a Blinebry
Gas well and will be shut in with this 40-acres to be dedicated to Well No. 6.
- (4) Applicant will request that the 120-acre allowable for the J. N. Carson
(NCT-C) Well No. 6 be made effective the date the oil allowable for Well No. 8
is cancelled.
- (5) The attached plat shows the proposed 120-acre non-standard unit outlined in
red.



DOCKET MAILED

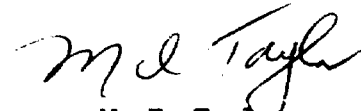
Date 12-4-64

November 20, 1964

- (6) All Operators in the quarter sections in which this unit is located and within 1,500 feet of the unit well have been furnished a copy of this application.

Respectfully submitted,

GULF OIL CORPORATION


M. I. Tayler

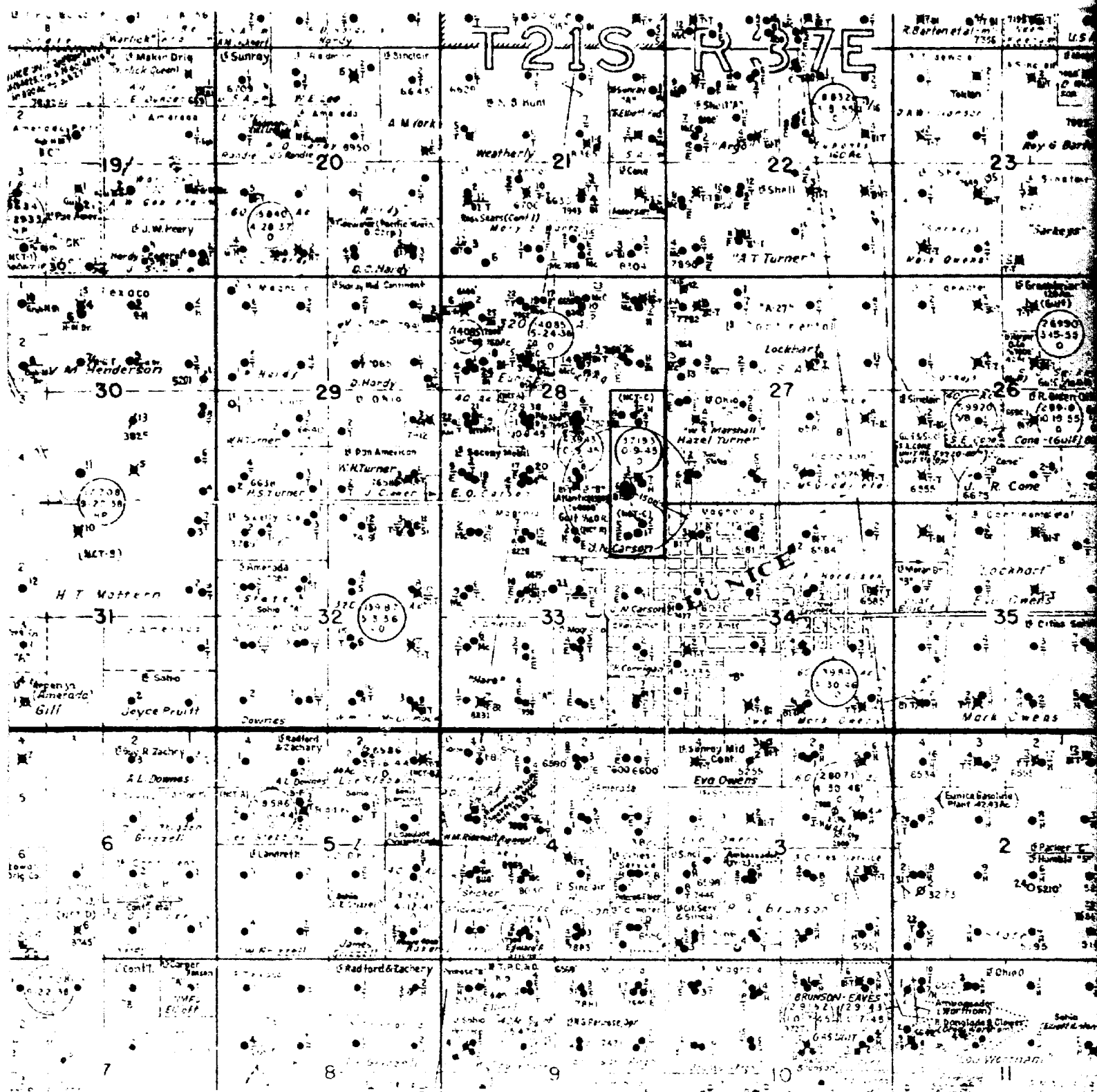
Attachment
JHH:dch

cc: New Mexico Oil Conservation Commission
Post Office Box 1980
Hobbs, New Mexico 88240

Two States Oil Company
1303 16th Street
Eunice, New Mexico 88231

Marathon Oil Company
Post Office Box 2107
Hobbs, New Mexico 88240

Socony Mobil Oil Company, Inc.
Post Office Box 2406
Hobbs, New Mexico 88240





PLAT

J. N. CARSON (NCT-C) LEASE

BLINEBRY GAS POOL
Lea County, New Mexico

- LEGEND -

 Proposed Non-Standard Unit
 Pertinent Well

Gulf Oil Corporation

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

EXAMINER HEARING

IN THE MATTER OF:

APPLICATION OF GULF OIL CORPORATION FOR A
NON-STANDARD GAS PRORATION UNIT, LEA COUNTY,
NEW MEXICO

Case No. 3163

BEFORE:

DANIEL S. NUTTER

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case Number 3163--application of Gulf Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico.

MR. KASTLER: If the Examiner please, my name is Bill Kastler from Roswell, New Mexico, appearing on behalf of Gulf Oil Corporation. Our witness in this case is Don G. Bilbrey.

D O N G. B I L B R E Y, the witness, having been duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KASTLER:

Q Please give your name, address and occupation.

A Name, Don G. Bilbrey.

Q How do you spell that?

A B-i-l-b-r-e-y.

Q Where do you reside?

A 1201 West McGaffa, Roswell, New Mexico.

Q And where are you employed?

A By the Gulf Oil Corporation, as a petroleum engineer.

Q Have you previously qualified in giving testimony before the New Mexico Oil Conservation Commission?

A Yes.

Q --As a petroleum engineer?

A Yes.

MR. KASTLER: Are the witness's qualifications satis-

factory?

MR. NUTTER: Yes, sir.

Q (MR. KASTLER) Mr. Bilbrey, are you familiar with the situation pertaining to Case Number 3163?

A Yes, sir, I am.

Q Please state what Gulf Oil Corporation is seeking in this application?

A We are requesting the suspension of an 80-acre non-standard unit approved under Order R1253A and the reassignment of the 120-acre non-standard unit as originally approved under Order R-1253. This 120-acre unit, like the 80-acre unit, is to be dedicated to the J. N. Carson NCTC Well Number 6, located 330 feet from the south line and 965 feet from the east line of Section 28, Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico.

Q What is shown on Exhibit 1?

A Exhibit 1 is a plat which shows the proposed 120-acre non-standard unit outlined in red, described as the east half, southeast quarter of Section 28 and the northeast northeast quarter of Section 33, all in Township 21 South, Range 37 East. The J. N. Carson NCTC Well Number 6 is circled and colored in red. This well now has 80 acres dedicated to it in the Blinebry Gas Pool, being the southeast quarter, southeast quarter of Section 28, and northeast northeast quarter of Section 33.

Q Didn't this well at one time have 120 acres dedicated to it, being the same acreage that you are asking for approval in this case?

A Yes, it did. Exhibit Number 2 is a copy of Order Number R1253 issued in Case Number 1506 dated September 29, 1958, which approved this 120-acre unit in addition to other non-standard units. I outlined it in red in paragraph 3.

MR. KASTLER: Will the Examiner take administrative notice of this paragraph?

MR. NUTTER: Yes, sir.

Q (MR. KASTLER) You previously stated that the J. N. Carson NCTC Well Number 6 now has 80 acres dedicated to it. Will you please explain the circumstances concerning this?

A Exhibit Number 3 is a copy of Order R1253A in Case Number 2822 dated June 11, 1963. This order approved an 80-acre non-standard unit covering the southeast quarter southeast quarter Section 28, and the northeast northeast quarter, Section 33. This is in paragraph 1, page 2.

Q Why did this become necessary?

A This became necessary due to the completion of the J. N. Carson NCTC Well Number 8 as a Blinbry oil well. This well is located 1980 feet from the south line and 990 feet from the east line of Section 28.

Q Has the J. N. Carson NCTC Well Number 8 now been

reclassified as a Blinbry Gas Well?

A Yes, it has. Exhibit Number 4 is a copy of a letter from the Commission's Hobbs office advising us of its reclassification to be effective December 1, 1964. Well Number 8 is closed in, and we propose to rededicate this 40 acres to the J. N. Carson NCTC Well Number 6 to form the 120-acre non-standard unit.

Q What is the reason that a hearing is required each time the unit is contracted or expanded?

A The acreage is not all within a single governmental quarter section; therefore under existing rules, administrative approval is not possible.

Q Is it possible that the J. N. Carson NCTC Well Number 8 could, in the future, be reclassified as an oil well?

A Yes. By remedial work or by time-cycle intermittent flowing the GOR might be lowered to allow reclassification as an oil well. We have no immediate plans to perform any such work. We do request, however, if the Commission approves the proposed 120-acre non-standard unit and if Well Number 8 should ever be reclassified as an oil well, that we be permitted, by filing of proper forms with the Commission's district office, to revert to the 80-acre non-standard unit under Order Number R1253A. If this is not possible, then it is requested that we be granted the 80-acre unit through administrative approval.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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Q Do you have any comments concerning the allowable for the Carson NCTC Number 6?

A Yes. If the Commission approves the 120-acre non-standard Blinebry Gas Unit, we request that the 120-acre allowable assigned to the J. N. Carson NCTC Well Number 6 be effective retroactive to December 1, 1964, the date the Blinebry Oil allowable was cancelled for Well Number 8.

Q Do you have anything further to add in this case?

A I do not.

Q Is this application in the interests of prevention of waste and conservation and the protection of correlative rights?

A Yes.

Q Were Exhibits 1 through 4 prepared by you or at your direction and under your supervision?

A Yes, they were.

Q Or reproduced, as the case may be?

A Yes.

MR. KASTLER: I'd like to move to have Gulf Exhibits 1 through 4 admitted into evidence.

MR. NUTTER: Gulf Exhibits Number 1 through 4 are admitted into evidence.

MR. KASTLER: This concludes our direct testimony.

MR. NUTTER: You say that you request that in the event of approval of the 120-acre non-standard proration unit,

the allowable be made retroactive to 12-1-64, which was the date the oil allowable was cancelled for Well Number 8.

A That's right.

Q I don't think we've got a broad enough advertisement of this case to provide for any administrative procedure for the contracting of a non-standard unit back to 80 acres. Is that well shut in at the present time?

A Yes.

Q Do you plan to keep it shut in until later, and then maybe open it and see if gas and oil are there?

A I think that's what the office plans to do, yes.

Q Then we'll probably see you back here.

A This is our third time.

MR. NUTTER: It would be nice if we had some provision in our advertisement of a case for administrative remedy in the event of reclassification. Are there any further questions of Mr. Bilbrey? ... He may be excused. Do you have anything further, Mr. Kastler?

MR. KASTLER: No, sir.

MR. NUTTER: Does anyone have anything further to offer in Case Number 3163? We will take the case under advisement.

* * *

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1072 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO

PAGE 8

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ELIZABETH K. HALE, Court Reporter and Notary Public,
do certify that the foregoing transcript in Case Number 3163
is a true and accurate record of proceedings to the best of my
knowledge, skill and ability.

Witness my hand and seal this 17th day of December, 1964.

Elizabeth K. Hale
Notary Public and Court Reporter

My commission expires
May 23, 1968.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 3163,
heard by me on 12/15, 1964.

[Signature], Examiner
New Mexico Oil Conservation Commission

43 Lintburg

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. 1506
Order No. R-1253

APPLICATION OF GULF OIL CORPORATION
FOR TWO NON-STANDARD GAS PRODUCTION
UNITS IN THE BLINDBRY GAS POOL AND
FOR TWO NON-STANDARD GAS PRODUCTION
UNITS IN THE TUBB GAS POOL, 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 10, 1958, 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 29th day of September, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, 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, Gulf Oil Corporation, is the operator of the NE/4 SW/4 and the SE/4 of Section 28 and the NW/4 NE/4 and the NE/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, NMPH, Lea County, New Mexico.

(3) That the applicant is the operator of the following-described wells:

J. N. Carson "C" Well No. 6, located 330 feet from the South line and 905 feet from the East line of said Section 28, which well is completed in the Blindbry Gas Pool.

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

EXHIBIT NO. 3163

CASE NO. 2

CASE NO. 3163

EXHIBIT NO. 2

-2-

Case No. 1506

Order No. R-1253

J. N. Carson "C" Well No. 3, located 640 feet from the South line and 600 feet from the East line of said Section 28, which well is dually completed in the Tubb Gas Pool and the Drinkard (Oil) Pool.

J. F. Carson "A" Well No. 4, located 554 feet from the South line and 2086 feet from the East line of said Section 28, which well is dually completed in the Blinbry Gas Pool and the Drinkard (Oil) Pool.

J. N. Carson "A" Well No. 6, located 2086 feet from the South line and 2086 feet from the East line of said Section 28, which well is dually completed in the Tubb Gas Pool and the Drinkard (Oil) Pool.

(4) That applicant presently has a 160-acre standard gas proration unit in both the Blinbry and Tubb Gas Pools, consisting of the SE/4 of said Section 28 and dedicated respectively to the said J. N. Carson "A" Well No. 4 and the J. N. Carson "C" Well No. 3.

(5) That the applicant proposes the establishment of four non-standard gas proration units, two in the Blinbry Gas Pool and two in the Tubb Gas Pool, to-wit:

A 160-acre non-standard gas proration unit in both the Blinbry and Tubb Gas Pools, consisting of the NE/4 SW/4 and the E/2 SE/4 of said Section 28 and the NW/4 NE/4 of said Section 33 to be dedicated respectively to the aforesaid J. N. Carson "A" Well No. 4 and the J. N. Carson "A" Well No. 6.

A 120-acre non-standard gas proration unit in both the Blinbry and Tubb Gas Pools, consisting of the E/2 SE/4 of said Section 28 and the NE/4 NE/4 of said Section 33 to be dedicated respectively to the aforesaid J. N. Carson "C" Well No. 6 and the J. N. Carson "C" Well No. 3.

(6) That the applicant proposes the above-described arrangement of dedicated acreage in order to eliminate the necessity of developing wells within the residential section of Eunice, New Mexico.

(7) That approval of the subject application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit in the Blinebry Gas Pool, consisting of the NE/4 SW/4 and the W/2 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, all in Township 21 South, Range 37 East, NMEH, Lea County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "A" Well No. 4, located 554 feet from the South line and 2036 feet from the East line of said Section 28.

(2) That a 160-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the NE/4 SW/4 and the W/2 SE/4 of said Section 28 and the NE/4 NE/4 of said Section 33, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "A" Well No. 6, located 2036 feet from the South line and 2036 feet from the East line of said Section 28.

(3) That a 120-acre non-standard gas proration unit in the Blinebry Gas Pool, consisting of the E/2 SE/4 of said Section 28 and the NE/4 NE/4 of said Section 33, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "C" Well No. 6, located 330 feet from the South line and 963 feet from the East line of said Section 28.

(4) That a 120-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the E/2 SE/4 of said Section 28 and the NE/4 NE/4 of said Section 33, be and the same is hereby established. Said unit is to be dedicated to the applicant's J. N. Carson "C" Well No. 3, located 640 feet from the South line and 660 feet from the East line of said Section 28.

(5) That each of the non-standard gas proration units created above be assigned an allowable in the appropriate pool in the proportion that the acreage contained in said unit bears to the acreage contained in a standard proration unit for the pool.

(6) That the establishment of the above-described non-standard gas proration units and the allowables assigned thereto shall become effective November 1, 1933, provided that all applicable pool rules and regulations have been complied with on that date.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

Murray E. Morgan, Member

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

S E A L
lr/

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. 2822
Order No. R-1253-A

APPLICATION OF GULF OIL CORPORATION
FOR A 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 May 22, 1963, 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 11th day of June, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, 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 Order No. R-1253 established a 120-acre non-standard gas proration unit in the Blinbry Gas Pool comprising the E/2 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, LEA, Lea County, New Mexico, to be dedicated to the Gulf Oil Corporation J. N. Carson (NCT-C) Well No. 6, located 330 feet from the South line and 965 feet from the East line of said Section 28.

(3) That the applicant, Gulf Oil Corporation, has completed a Blinbry oil well in the NE/4 SE/4 of said Section 28.

(4) That due to the prohibition against dual dedication of acreage to a gas well in the Blinbry Gas Pool and to an oil well in the Blinbry Oil Pool, the applicant seeks approval of an 80-acre non-standard gas proration unit comprising the SE/4 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, LEA, Blinbry Gas Pool, Lea County, New Mexico, to be dedicated to its J. N. Carson (NCT-C) Well No. 6.

(5) That the subject application should be approved in order to afford the applicant an opportunity to produce its just

EXAMINER
DANIEL S. NUTTER
3163
CASE NO. 3

CASE NO. 3163
EXHIBIT NO. 3

-2-

CASE No. 2822
Order No. R-1253-A

and equitable share of the oil in the Blinebry Oil Pool and its just and equitable share of the gas in the Blinebry Gas Pool, thereby preventing waste and protecting correlative rights.

(6) That Order No. R-1253 should be superseded insofar as it is inconsistent with this order.

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the SE/4 SE/4 of Section 28 and the NE/4 NE/4 of Section 33, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established, and dedicated to the Gulf Oil Corporation J. N. Carson (NCT-C) Well No. 6, located 330 feet from the South line and 965 feet from the East line of said Section 28.

(2) That Order No. R-1253 is hereby superseded insofar as it is inconsistent with this order.

(3) That this order shall be effective the date an oil well allowable in the Blinebry Oil Pool was assigned to the Gulf Oil Corporation J. N. Carson (NCT-C) Well No. 8, located 1980 feet from the South line and 990 feet from the East line of Section 28, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

S E A L

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

ccr/

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. B. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 1008 1980
HOBBS
Nov. 13, 1964

Gulf Oil Corp.
Box 670
Hobbs, New Mexico

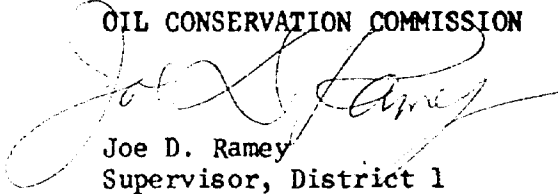
Gentlemen:

Effective December 1, 1964 your Carson "C" No. 8 located in Unit I of Section 28, T-21-S, R-37-E is being reclassified as a gas well in the Blinebry Gas Pool. This reclassification is necessitated by your recently submitted gas-oil ratio test for the well.

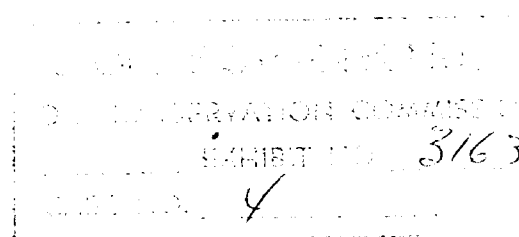
A gas allowable will be assigned when you have complied with the provisions of Commission Order No. R-1670 pertaining to the Blinebry Gas Pool, and have notified this office by filing the proper forms.

Yours very truly,

OIL CONSERVATION COMMISSION


Joe D. Ramey
Supervisor, District 1

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CASE NO. 3163
EXHIBIT NO. 4