CASE 3216: Application of GULF
OIL CORP. for a WATERFLOOD (Expansion)
PROJECT, LEA COUNTY, NEW MEXICO.

ASE MO. 3216

TPP/ication,
Transcripts,

5 MAII Exhibits

FTC.

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO

April 5, 1965

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

Dear Sir:

Reference is made to Commission Order No. R-2886, recently entered in Case No. 3216, approving the expansion of Gulf's West Pearl Queen Unit Waterflood Project.

Injection into the two additional wells is to be through plastic coated tubing and packers.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 2478 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water

OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO

Fage -2-Mr. Bill Kastler Gulf Oil Corporation Post Office Box 1938 Roswell, New Mexico

injection, etc.

Your cooperation in keeping the commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/DSM/ir

cc: Mr. Frank Irby State Engineer Office

State Engineer Office Santa Fe, New Mexico

Oil Conservation Commission

Hobbs, New Mexico

GOVERNOR JACK M. CAMPBELL CHAIRMAN

State of New Mexico

Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER

OTHER



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

3216

March 25, 1965

Mr. Bill Kastler Gulf Oil Corporation Post Office Box 1938 Roswell, New Mexico	Re:	Case No. R-2886 Order No. Applicant: GULF Oil Corpora	tion
Dear Sir:			
Enclosed herewith are two of mission order recently enterests	-		
	Very truly A. L. PORT Secretary-	Deter, Jr.	
ir/			
Carbon copy of order also s	sent to:		
Hobbs OCC x			
Artesia OCC			
Aztec OCC			

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 MEXICC FOR THE PURPOSE OF CONSIDERING:

> CASE No. 3216 Order No. R-2886

APPLICATION OF GULF OIL CORPORATION FOR EXPANSION OF A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 10, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 25th day of March, 1965, 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,

PINDS:

- (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 permission to expand its Wast Pearl Queen Unit Waterflood Project in the Pearl-Queen Pool in the West Pearl Queen Unit Area by the injection of water into the Queen formation through two injection wells in Section 28, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells
- (4) That the proposed expansion of the waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE No. 3216 Order No. R-2886

(5) That the subject application should be approved and the expanded project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Gulf Oil Corporation, is hereby authorized to expand its West Pearl Queen Unit Waterflood Project in the Pearl-Queen Pool in the West Pearl Queen Unit Area by the injection of water into the Queen formation through the following-described two wells in Section 28, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico:
 - Jake L. Hamon State Well No. 28-4, located in Unit D
 - Jake L. Hamon State Well No. 28-6, located in Unit F
- (2) That the expanded waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (3) That monthly progress reports of the expanded waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (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 Maxico, on the day and year herein-above designated.

STATE OF NEW MEXICO

RIL CONSERVATION COMMISSION

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GTATATE B. HAYS, Memb

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

n Hay

Heard 3-10-65.

Rec. 3-10-65.

1. E. Shaut Suy an expansion of their West Pearl Queen Waterflood by approxing the user of water injection:

Jake S. Hamond-lt # 28-4-0-28-185-356.

2. O rigard flood was created by.

R-2729.

Shurt M.

Casa 3216

Docket No. 7-65

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 10, 1965

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 2764: (Reopened and continued from the February 10, 1965 Examiner Hearing)
 In the matter of Case No. 2764 being reopened pursuant to the provisions of Order No. R-2439, which order established temporary 640-acre spacing units for the West Jal-Strawn Gas Pool, Lea County,
 New Mexico, For a period of two years. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.
- CASE 3293: (Continued from the February 10, 1965 Examiner Hearing)
 Application of Schermerhorn Oil Corporation for a non-standard location and a non-standard gas proration unit, Lea County, New Mexico.
 Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the N/2 NE/4 of Section 5, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Linam G Well No. 1 at a non-standard location 1025 feet from the North line and 1953 feet from the East line of said Section 5.
- CASE 3214: Application of Carter Foundation Production Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Teague-Simpson Pool by the injection of water into the Simpson formation through two injection wells located in Units B and G of Section 34, Township 23 South, Range 37 East, Lea County, New Mexico.
- CASE 3215: Application of Gulf Oil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Mescal Wash Unit Area comprising 21,446 acres, more or less, of Federal, State and Fee lands in Townships 25 and 26 South, Ranges 22 and 23 East, Eddy County, New Mexico.
- CASE 3216: Application of Culf Oir Corporation for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the expansion of its West Pearl Queen Unit Waterflood Project, Pearl Queen Pool, Lea County, New Mexico, to include the NW/4 of Section 28, Township 19 South, Range 35 East; applicant further seeks authority to convert two additional wells to water injection, hald wells being located in Units D and F of said Section 28
- CASE 3217: In the natter of the hearing called by the Oil Conservation Commission upon its own motion to permit S. S. Sutton, dba Eddy Oil Company and all other interested parties to show cause why the Eddy Oil Company Standlind-State Wells Nos. 1 and 2, located in Units G and J, respectively, of Section 30, Township 19 South, Range 30 East, Eddy County, New Mexico, should not be plugged in accordance with a Commission approved plugging program.

MARCH 10, 1965 EXAMINER HEARING

CASE 3218: Application of Newmont Oil Company for a non-standard location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Fidel Well No. 5 as a water injection well to inject water into the Lower Grayburg and Upper San Andres formations in its East Square Lake Waterflood Project, at a non-standard location 50 feet from the North line and 50 feet from the East line of Section 29, Township 16 South, Range 31 East, Eddy County, New Mexico.

CASE 3219: (Continued to the March 24, 1965 Examiner Hearing)
Application of Humble Oil & Refining Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its State "M" lease waterflood project by the conversion to water injection of 13 additional wells located in Sections 19, 20, 29, 30 and 31, Township 22 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico.

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. 3066 Order No. R-2729

APPLICATION OF GULF OIL CORPORATION FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 10, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of June, 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 Maving been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the West Pearl Queen Unit Agreement has been approved by the Commission by Order No. R-2728; that the West Pearl Queen Unit Area comprises 2520 acres, more or less, of State, Fee, and Federal lands in Township 19 South, Range 35 East, NMPM, Lea County, New Mexico, as more fully described in said order.
- (3) That of said 2520 acres, 160 acres being the NW/4 of Section 28, Township 19 South, Range 35 East, NMPM, has not been and evidently will not be committed to said unit agreement.
- (4) That the applicant, Gulf Oil Corporation, seeks permission to institute a waterflood project in the Pearl-Queen Pool in the West Pearl Queen Unit Area by the injection of water into the

-2-**CASE No. 3066** Order No. R-2729

Queen formation through 28 wells located within that portion of the unit area which has been or will be committed to the unit agreement.

- (5) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (6) That the proposed waterflood project is in the interest of conservation and should result in recovery of otherwise unrecoverable oil, thereby preventing waste.
- (7) That the subject application should be approved and the project should be governed by the provisions of Rule 701 of the Commission Rules and Regulations.
- (8) That Jake L. Hamon, owner of the NW/4 of Section 28, Township 19 South, Range 35 East, NMPM, should be permitted to convert any wells on said acreage only after notice and hearing.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to institute a waterflood project in the Pearl-Queen Pool in the West Pearl Queen Unit Area by the injection of water into the Queen formation through the following-described 28 wells in Township 19 South, Range 35 East, NMPM, Lea County, New Mexico:

WELL .	UNIT									
Section 28										
Cabot Carbon State "G" Well No. 5	J									
Cabot Carbon State "G" Well No. lo	L									
Cabot Carbon State "G" Well No. 4=	N									
Cabot Carbon State "G" Well No. 7	P									
Section 29										
Curtis R. Inman Superior Federal										
Well No. 2	В									
Shell State "PK" Well No. 2										
Cactus Parks Well No. 1	F									
Skelly Hobbs-State "J" Well No. 1	H									
Gulf Lea-State "IH" Well No. 1	J									

-3-CASE No. 3066 Order No. R-2729

Gulf Lea-State "IH" Well No. 4 Cactus Gulf-State "A" Well No. 4 Cactus Gulf-State "A" Well Nc. 2	N P
Section 30	
Gulf Lea-State "AP" Well No. 3 Gulf Lea-State "AP" Well No. 1	H P
Section 31	
Cactus Aztec-State Well No. 2 Cactus Actec-State Well No. 6 Cactus Aztec-State Well No. 4 Cactus Aztec-State Well No. 7	B F H J
Section 32	
Gulf Lea-State "AQ" Well No. 2 Gulf Lea-State "AQ" Well No. 4 Cactus Lea-State "AQ" Well No. 5 Cactus Lea-State "AQ" Well No. 7 Phillips New Mex "C" Well No. 1	B D F H J
Section 33	
Gulf Lea-State "BG" Well No. 3 Gulf Lea-State "BG" Well No. 1 Gulf Lea-State "BG" Well No. 6 Gulf Lea-State "BG" Well No. 8 Gulf Lea-State "AR" Well No. 4	B D F H

- (2) That the subject waterflood project shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including the allowable provisions thereof, and including the provisions with respect to expansion of the waterflood project.
- (3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1119 of the Commission Rules and Regulations.

-4-CASE No. 3066 Order No. R-2729

(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

SEAL

Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

W. B. Hopkins
DISTRICT MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER DISTRICT EXPLORATION MANAGER

H. A. Rankin DISTRICT SERVICES MANAGER

February 19, 1965

58 P. 0. Drawer 1938 Roswell, New Bexico 88201

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

> Application of Culf Oil Corporation for Expansion of the West Pearl Queen Waterflood Project, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully requests that an Examiner Hearing be scheduled to consider the expansion of the West Pearl Queen Waterflood Project, Lea County New Mexico.

In support of this application, the following facts are submitted:

- (1) The West Pearl Queen Waterflood Project was approved by the Commission by Order R-2729 in Case No. 3066 dated June 18, 1964.
- (2) Applicant requests approval to expand this project to include the NW/4 of Section 28. Township 19 South, Range 35 East, Lea County, New Mexico, as outlined in red on the attached plat.
- (3) Applicant requests approval to inject water into two wells as shown on the attached plat colored in red and described as follows:

 - (a) Well $28\cdot 4$, Unit D, Section 28. (b) Well $28\cdot 6$, Unit F, Section 28.
- (4) Applicant proposes to use the same plan for equipping these injection wells as previously approved for the West Pearl Queen Waterflood Project.
- The West Pearl Queen Unit, including the NW/4 of Section 28 has previously been approved by the Oil Conservation Commission, Land Commissioner, and the United States Geological Survey.

Respectfully submitted

CHLF OIL CORPORATION

A. I. Terlor

Enclosure JHH: bc

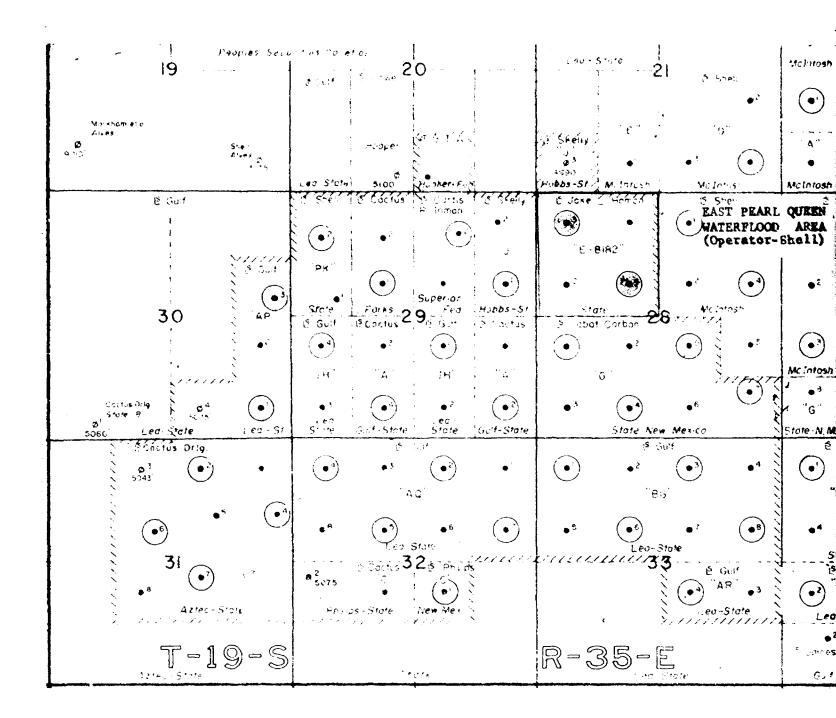
Commissioner of Public Lands State of New Mexico Post Office Box I148 Santa Fe, New Mexico 87501

> State Engineer's Office State of New Mexico Capitol Building Santa Fe, New Mexico 87501

United States Geological Survey Post Office Box 1857 Roswell New Mexico 88201

New Mexico Oil Conservation Commission Post Office Box 1980 nobbs. New Mexico 8824 DOCKET MAILED

Dole 3.36-6



WEST PEARL QUEEN UNIT PEARL QUEEN POOL Lea County, New Mexico

- LEGEND -

Unit Boundary

10 10 10 12

Injection Wall

• Producing Well

GULF OIL CORP. ROSWELL DISTRICT



STATE OF NEW MEXICO

STATE ENGINEER OFFICE SANTA FE

S. E. REYNOLDS
STATE ENGINEER

February 23, 1965

ADDRESS CORRESPONDENCE TO: STATE CAPITOL SANTA FE, N. M.

Case 3216

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

Dear Mr. Porter:

Reference is made to the application of Gulf Oil Corporation for expansion of their West Pearl Queen Waterflood Project submitted February 19, 1965. Mr. R. Fulker of Roswell called me concerning this application and I have discussed it with your Chief Engineer, Mr. Nutter.

This office offers no objection to the granting of the application so long as the conditions of approval contained in Order R-2729 and in your letter of transmittal dated June 19, 1964 are contained in the approval of this expansion.

Yours truly,

S. E. Reynolds State Engineer

Frank E. Irby

Chief

Water Rights Div.

FET/ma cc-Gulf Oil Corp.

F. H. Hennighausen

Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

W. B. HOPKINS

OISTRICT MANAGER
M. I. Taylor

DISTRICT PRODUCTION

MANAGER
F. O. MORTLOCK

DISTRICT EXPLORATION

MANAGER
H. A. RANKIN

DISTRICT SERVICES MANAGER

February 19, 1965

P.O. Drawer 1938 Roswell, New Mexico 85201

· 1. 376

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

Re: Application of Gulf Oil Corporation for Expansion of the West Pearl Queen Waterflood Project, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully requests that an Examiner Hearing be scheduled to consider the expansion of the West Pearl Queen Waterflood Project, Lea County, New Mexico.

In support of this application, the following facts are submitted:

- (1) The West Pearl Queen Waterflood Project was approved by the Commission by Order R-2729 in Case No. 3066 dated June 18, 1964.
- (2) Applicant requests approval to expand this project to include the NW/4 of Section 28. Township 19 South, Range 35 East, Lea County, New Mexico, as outlined in red on the attached plat.
- (3) Applicant requests approval to inject water into two wells as shown on the attached plat colored in red and described as follows:
 - (a) Well 28-4, Unit D. Section 28.
 - (b) Well 28 6, Unit F, Section 28.
- (4) Applicant proposes to use the same plan for equipping these injection wells as previously approved for the West Pearl Queen Waterflood Project.
- (5) The West Pearl Queen Unit; including the NW/4 of Section 28, has previously been approved by the Oil Conservation Commission; Land Commissioner, and the United States Geological Survey.

Respectfully submitted

CULF OIL CORPORATION

M. I Taylor

Enclosure JHH.bc

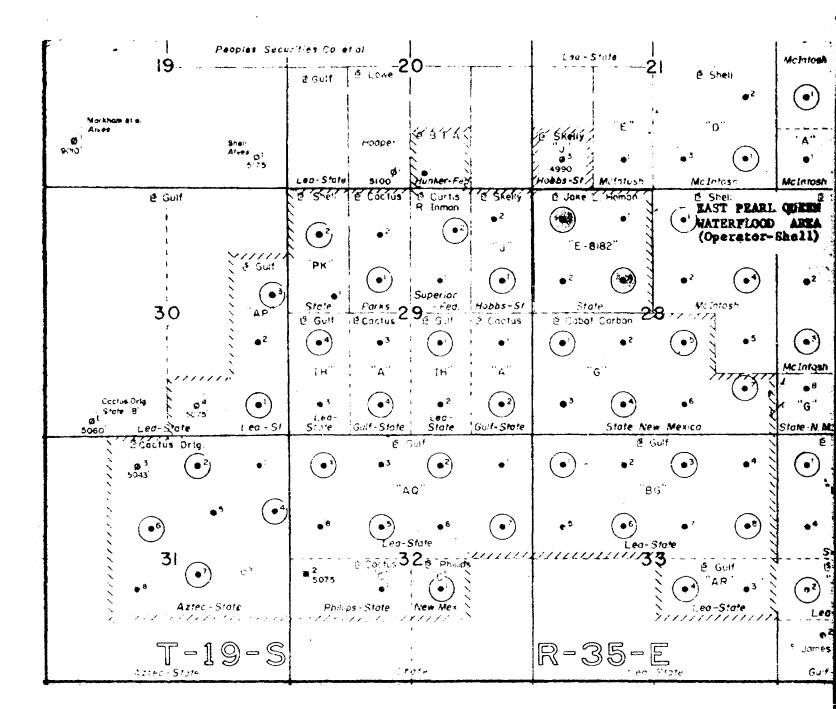
cc: Commissioner of Public Lands State of New Mexico Post Office Box 1148 Santa Fej New Mexico 87501

> State Engineer's Office State of New Mexico Capitol Building Santa Fe, New Mexico 87501

United States Geological Strvey Post Office Box 1857 Roswell New Mexico 88201

New Mexico Oil Conservation Commission Fost Office Box 1980 Hobbs New Mexico 88240





WEST PEARL QUEEN UNIT PEARL QUEEN POOL Lea County, New Mexico

- LEGEND -

www. Unit Boundary

Injection Well

• Producing Wall

GULF OIL CORP. ROSWELL DISTRICT

Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

February 23, 1965

P. OrDrawer 1938 Roswell New Mexico

Mar 32/6

W. B. Hopkins
O'STRICT MANAGER
M. I. Taytor
DISTRICT PRODUCTION
MANAGER
F. O. MOTGLOCK
DISTRICT EXPLORATION
MANAGER
H. A. RANKIN
LISTRICT SERVICES MANAGER

State Engineer's Office Capitol Building Santa Fe, New Mexico 87501

Attention: Mr. Frank E. Irby

Chief, Water Rights Division

Gentlemen:

Attached is a copy of Gulf's application for expansion of the West Pearl Queen Waterflood Project, Lea County, New Maxico. The 160-acre expansion area was originally intended to be in the project area and the exhibits and testimony for the hearing reflect this. Item No. 4 of this application states our intention to equip and inject water into Wells 26-4 and 26-6 in the manner previously approved for the Wast Pearl Queen Waterflood Project, Order R-2729, Case No. 3066.

In further support of this application, we are enclosing the following data which were pertinent to Case No. 3066 and also have a bearing on the current application:

- (1) Diagrammatic sketch of a typical dual injection well, West Pearl Queen Unit.
- (2) Injection well detail, West Pearl Queen Unit, including the Hamon wells. (Two sections)
- (3) Letter dated June 11, 1964, to the Oil Conservation Commission stating Gulf's intent to dually inject through two strings of tubing.

We understand that our hearing before the Oil Conservation Commission on the expansion of the West Pearl Queen Waterflood Project has been scheduled for March 10. The information included in this letter will be included in testimony for the record at that time.

Since you have previously approved this program for the West Pearl Quant Materflood Project, we hope it is also acceptable for the four-well expansion area. Should you have any objections, please notify us as soon as possible.

Yours very truly,

GULF OIL CORPORATION

M. I. Taylor

Attachments DGB:ers

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

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

United States Geological Survey Post Office Box 1857 Roswell, New Mexico 88201

Commissioner of Public Lands State of New Mexico Santa Fe, New Mexico 87501

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ROSWELL PRODUCTION DISTRICT

W. B. Hopkins
pistrict manage?
M. I. Taylor
district production
manager F. O. Mortiock DISTRICT EXPLORATION MANAGER H. A. Rankin DISTRICT SERVICES MANAGER

February 19, 1965

P. O. Drewer 1938 BH, New Mexico 88201

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

> Application of Gulf Oil Corporation for Expansion of the West Pearl Queen Waterflood Project, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully requests that an Examiner Hearing be scheduled to consider the expansion of the West Pearl Queen Waterflood Project, Lea County, New Mexico.

In support of this application, the following facts are submitted:

- (1) The West Pearl Queen Waterflood Project was approved by the Commission by Order R-2729 in Case No. 3066 dated June 18, 1964.
- Applicant requests approval to expand this project to include the NW/4 of Section 28, Township 19 South, Range 35 East, Lea County, New Mexico, as outlined in red on the attached plat.
- Applicant requests approval to inject water into two wells as shown on the attached plat colored in red and described as follows:
 - (a) Well 28-4, Unit D, Section 28.
 - (b) Well 28-6, Unit F, Section 28.
- (4) Applicant proposes to use the same plan for equipping these injection wells as previously approved for the West Pearl Queen Waterflood Project.
- The West Pearl Queen Unit, including the NW/4 of Section 28, has previously been approved by the Oil Conservation Commission, Land Commissioner, and the United States Geological Survey.

Respectfully submitted, GULF OIL CORPORATION

Enclosure M. I. Taylor

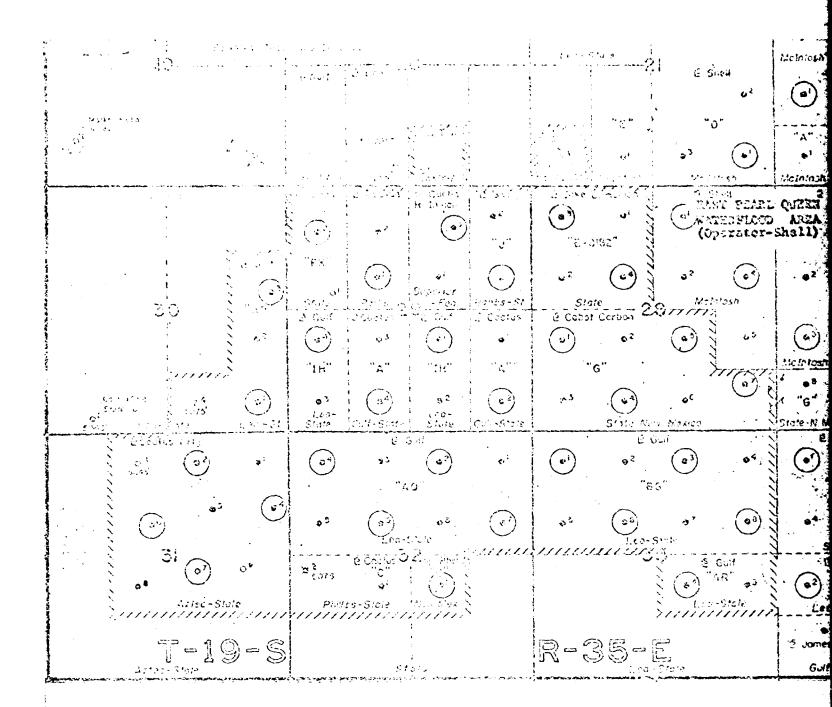
Commissioner of Public Lands State of New Mexico, Post Office Box 1148 Santa Fe, New Mexico 87501

> State Engineer's Office State of New Mexico Capitol Building Santa Fe, New Mexico 87501

United States Geological Survey Post Office Box 1857 Roswell New Mexico 88201

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

JHH:bc



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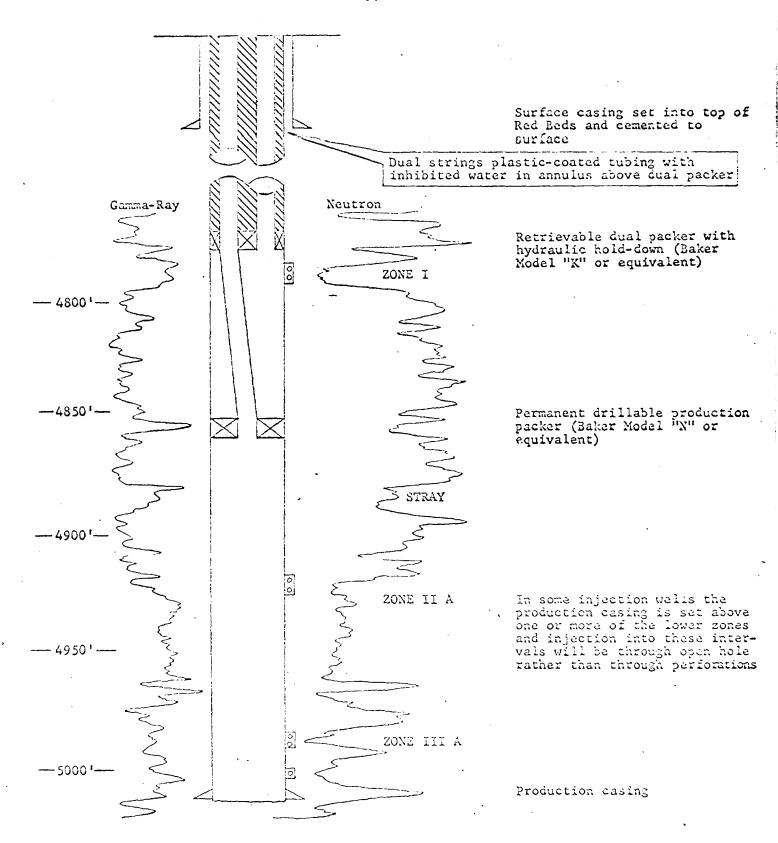
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DIAGRANMATIC SKETCH TYPICAL DUAL INJECTION WELL

West Pearl Queen Unit Lea County, New Mexico



INJECTION WELL DETAIL TWO TUBING STRINGS IN ALL DUAL WELLS WEST PEARL QUEEN UNIT LEA COUNTY, NEW MEXICO

SECTION I CASING AND CEMENT

			SURFACE CASING				PRODUCTION CASING					
		UNIT DESIG-	SIZE	DEPTH	CEMENT	TOP	SIZE .	DEPTH	CEMENT	TOP		ADDITIONAL CEMENTED
INJECTION WELL		NATION	(INCHES)	(FFET)	(SACKS)	(FEET)	(INCHES)	(FEET)	(SACKS)	(FEET)		INTERVALS #
HAMON ST. E-8182	NO. 3 NO. 4	28- 4 28- 6	8- 5/8 8- 5/8	327 326	300 300	Surface Surface	4-1/2 4-1/2	4991 4961	350 350	3423 3393	E	
CABOT ST, NEW MEX."G"	NO.5 NO.1 NO.4 NO.7	28- 10 28- 12 28- 14 28- 16	8-5/8 8-5/8 8-5/8 8-5/8	304 313 302 305	300 300 300 300	Surface Surface Surface Surface	5-1/2 5-1/2 5-1/2 4-1/2	4931 4904 4919 4932	200 300 200 200	3753 3180 3920 4036	E E E	
INMAN SUPERIOR-FED.	NO.2	29- 2	8-5/8	328	265	Surface	4-1/2	5049	24C	2980	E	
SHELL ST. "PK"	NO.2	29- 4	8-5/8	96	85	Surface	5-1/2	5145	200	3967	E	
CACTUS PARKS	NO.1	29- 6	13-3/8	100	80	Surface	7	4932	150	3061	E	
SKELLY HOBBS "J" ST.	NO. 1	29- 8 j	13-3/8	88	80	Surface	5-1/4	4920	300	3153	E	
GULF LEA ST. "IH"	NO. 1	29-10 29-12	8-5/8 8-5/8	308 144	300 100	Surface Surface	4- 1/2 4- 1/2	5009 4974	2050 250	795 4078 -	S	1914-1864
	NO.4						•	•		3026	Ξ	1914-1004
CACTUS GUIF ST.	NO.4 NO.2	29- 14 29- 16	13-3/8 13-3/8	100 90	50 80	Surface Surface	5- 1/2 ⁻ 5- 1/2	4965 4939	350 300	3277	Ξ	
GULF LEA ST. "AP"	NO.3 NO.1	30- 8 30-16	8-5/8 8-5/8	143 137	100 100	Surface Surface	4-1/2 4-1/2	5075 4981	2 50 2 50	3597 4085	E E	1875-1825 1924-1874
CACTUS AZTEC ST.	NO. 2 NO. 6 NO. 4 NO. 7	31- 2 31- 6 31- 8 31-10	13-3/8 13-3/8 13-3/8 13-3/8	107 108 102 105	100 90 100 100	Surface Surface Surface Surface	7 7 7 7 5–1/2	4832 4714 4874 4714	125 150 150 150	3273 2843 -3003 3300	EEE	
							Liner	4984	40	4144	£	
GULF LEA ST. "AQ"	NO. 2 NO. 4 NO. 5 NO. 7	32- 2 32- 4 32- 6 32- 8	8- 5/8 8- 5/8 8- 5/8 8- 5/8	108 101 130 145	60 100 100 100	Surface Surface Surface Surface	4-1/2 4-1/2 4-1/2 4-1/2	4959 4948 4936 4979	250 250 250 250 250	4063 4052 4040 4081	មាខាមា	1895-1845 1935-1885 1920-1870 1909-1859
PHILLIPS NEW MEX."C"	NO.1	32-10	8-5/8	144	145	Surface	5-1/2	5060	300	3293	Ε	
GULF LEA ST, "BG"	NO.3	33- 2	8-5/8	327	300	Surface	4-1/2	4932	1850	465	S	
	NO.1	33- 4	8-5/8	349	300	Sur face	4-1/2	4969	1800	415	S	1000 1000
	NO.6 NO.8	33- 6 33- 8	8-5/8 8-5/8	146 141	100 100	Surface Surface	4-1/2 4-1/2	4965 5005	2 50 2 50	3487 3527	3	1882-1833 1896-1846
GULF LEA ST. "AR"	NO.4	33-10	8-5/8	140	100	Surface	4-1/2	5011	250	3533	Ξ	1865-1815

^{*} E - Estimated - S - Temperature Survey

4 Two-stage cementing tool set at lower depth and 50 sacks cement spotted et top of salt and anhydrite section.

INJECTION WELL DETAIL TWO TUBING STRINGS IN ALL DUAL WELLS WEST PEARL QUEEN UNIT LEA COUNTY, NEW MEXICO

SECTION II TUBING, PACKERS AND PERFORATIONS

			UPPER INJECTION INTERVAL					LOWER INJECTION INTERVAL				
INJECTION WELL		UNIT DESIG- NATION	GROSS PERF. AND/OR OPEN HOLE INTERVALS	TUBING SIZE (OD) DEPTH		PACKE!	DEPTH	GROSS PERF. AND/OR OPEN HOLE INTERVALS	TUBING SIZE (OD) DEPTH		FACKE TYPE	R DEPTH
HAMON ST. E-8182	NO. 3 NO. 4	28- 4 28- 6	4762-4772 4700-4710	1.660 1.660	4700 4650	RD W/HH RD W/HH	4700 4650	48 80-4910 48 14-4895	1.660 1.660	4850 4750	Permanent Permanent	4850 4750
CABOT ST. NEW MEX."G"	NO. 5 NO. 1 NO. 4 NO. 7	28-10 28-12 28-14 28-16	4710-4720 4733-4747 4774-4786 4726-4735	2.063 2.063 2.063 1.660	4650 4700 4725 4675	RD W/HH RD W/HH RD W/HH RD W/HH	4650 4700 4725 4675	4826-4910 4850-4946 4854-4949 4842-4851	2.063 2.063 2.063 1.660	4775 4800 4825 4800	Permanent Permanent Permanent Permanent	4775 4800 4825 4800
INMAN SUPERIOR-FED.	NO. 2	29- 2	4814-4820	1.660	4775	RD W/HH	4775	4934-5008	1.660	49 00	Permanent	4900
SHELL STATE "PK"	NO.2	29- 4	4870-4880	2.063	4825	RD W/HH	4825	5026-5054	2.063	4950	Permanent	4950
CACTUS PARKS	NO.1	29- 6	4810-4820	2.375	4750	RD W/HH	4750	4932-5030	2.375	4875	Permanent	4875
SKELLY HOBBS "J" ST.	NO.1	29- 8	4770-4785	2.063	4725	RD W/HH	4725	4898-5000	2.063	4850	Permanent	4850
GULF LEA STATE "IH"	NO. 1 NO. 4	29-10 29-12	4782-4790 4819-4821	1.660 1.660	4750 4775	RD W/HH RD W/HH	4750 4775	4914- 5000 4957- 5050	1,660 1,660	4850 4900	Permanent Permanent	4850 4900
CACTUS GULF ST. "A"	NO.4 No.2	29-14 29-16	4775-47 90 47 46-4761	2.063 2.063	4725 4700	RD W/HH	4725 4700	4910-4993 4888-4962	2.063 2.063	4850 4825	Permanent Permanent	4850 4825
GULF LEA STATE "AP"	NO, 3 NO, 1	30- 8 30-16	4848-4850 4803-4805	1.660 1.660	4800 4750	RD W/HH RD W/HH	4800 4750	4927-5 037 4947- 5060	1.660 1.660	4900 4900	Permanent Permanent	4900 4900
CACTUS AZTEC ST.	NO. 2 NO. 6 NO. 4 NO. 7	31- 2 31- 6 31- 8 31-10	4790-4800 4714-4900 4784-4790 4767-4772	2.375 2.375 2.375 2.375	4750 4700 4750 4700	RD W/HH RS Tension RD W/HH RD W/HH	4750 4700 4750 4700	4835-5030 Commingled Inje 4877-4930 4880-4997	2,375 ction w/Uppe 2,375 2,375	· 4825 r Interv 4825 4825	Permanent al in Open H Permanent Permanent	4825 tole. 4825 4825
GULF LEA-STATE "AQ"	NO. 2 NO. 4 NO. 5 NO. 7	32- 2 32- 4 32- 6 32- 8	4774-4776 4785-4787 4786-4788 4802-4804	1.660 1.660 1.660 1.660	4725 4725 4725 4750	RD W/HH RD W/HH RD W/HH RD W/HH	4725 4725 4725 4750	4924-5015 4929-5020 4884-5025 4949-5040	1.660 1.660 1.660 1.660	4850 4850 4825 4875	Permanent Permanent Permanent Permanent	4850 4850 4825 4875
PHILLIPS NEW MEX, "C"	NO. 1	32-10	4790-4806	2.063	4750	RD W/HH	4750	4893-5022	2.063	4850	Permanent	4850
GULF LEA ST. "BG"	NO. 3 NO. 1 NO. 6 NO. 8	33- 2 33- 4 33- 6 33- 8	4737-4741 4773-4785 4767-4782 4750-4752	1.660 1.660 1.660 1.660	4700 4725 4700 4700	RD W/IIII RD W/IIII RD W/IIII RD W/IIII	4700 4725 4700 4700	4881-4975 4920-5010 4927-5020 4890-4962	1.660 1.660 1.660 1.660	4800 4850 4850 4800	Permanent Permanent Permanent Permanent	4800 4850 4850 4800
GULF LEA ST, "AR"	NO.4	33-10	4776-4778	1.660	4725	RD W/UH	4725	4876-4998	1,660	4825	Permanent	4825

RD W/RH -1 orfevable Dual with Hydraulic Hold-down Similar to Baker Model "K" RS Tension -Retrievable Single Tension Type Packer Similar to Baker Model "AB" Permanent -Drillable Packer Similar to Baker Model "N" (Tubing Set)

July 11, 1934

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Attention: In Dan W. Indem, Chief Inglesor

Wast Tearl Queen Unit Waterflood

Completer:

In testimony below the Cil Connervation Considering to the June 10, 1966 Remainer Harring pertaining to Cose Re. 3066, Unit elected two plans for duality injecting water into the Juden reservain underlying the Rest start plans Unit. Those was plans were described in Daribits C-11, which were entered in evidence, and outlined proposals for duality injecting through either was strings of ecosel tubing or elamberatenessly through one string of tubing and the tubing-cosing examins. Calf indicated that neither plan had definitely lash decided on eince these were present comp for each which would have so be weighted and analyzed by our rield personnel graps to a final decision. A decision has now been resolved; Calf plans to duality inject which will abring of tubing as like award in inhibit No. Can be easiled in tabular four in Dahibit 10, y.

Maters wory traily,

Williams with the Mark Taylor

M. I. Taylor

M. I. Taylor

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With M

		NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico March 10, 1965
	INGTON, M. M. NE 325-1162	EXAMINER HEARING
Inc.	PHONE	IN THE MATTER OF:
SERVICE,		APPLICATION OF GULF OIL CORPORATION FOR A WATERFLOOD EXPANSION, LEA COUNTY, NEW Case No. 3216 MEXICO
RNLEY-MEIER REPORTING SERVICE,	SANTA PT. N. M. PHONE 963-3971	
8 R	- E	BEFORE:
ILEY-MEIEI		ELVIS A. UTZ
DEARN	ALBUQUERGUE, M. M. PHONE 243-6691	TRANSCRIPT OF HEARING

BEFORE THE



MR. UTZ: Case Number 3216.

MR. DURRETT: Application of Gulf Oil Corporation for a waterflood expansion, Lea County, New Mexico.

on behalf of Gulf Oil Corporation. We have one witness, Mr.

Don Bilbrey. We have already had these exhibits marked, 1 and 2.

MR. KASTLER: Bill Kastler from Roswell, appearing

At the outset, I would like to move that the testimony in consolidated Cases Number 3065 and 3066 pertaining to the West Pearl Queen Waterflood Unit be incorporated in the present case, or taken notice of.

MR. UTZ: Is there an objection concerning the motion? The record in those two cases, Number 3065 and 3066, will be made a part of this record.

DON G. BILBREY, the witness, having been duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KASTLER:

- Q Mr. Bilbrey, please state your full name and address, and by whom you are employed and your position.
- A My full name, Don Gene Bilbrey. I reside at 1201 West McGaffey, Roswell, New Mexico. I work for Gulf Oil Corporation as a petroleum engineer in Roswell.
 - Q Have you previously appeared before the New Mexico



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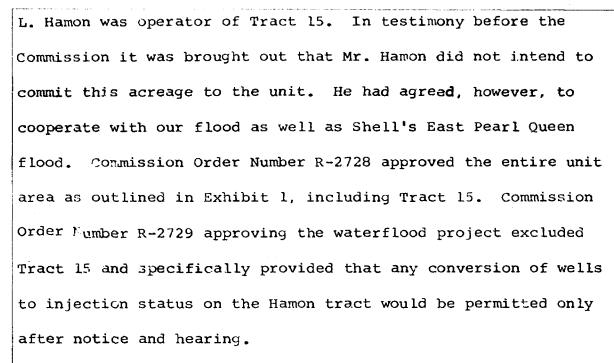
Oil Conservation Commission and been qualified as an expert witness?

- A Yes.
- Q --As a production engineer?
- A As a petroleum engineer.
- Q Are you personally familiar with Gulf's application in this case?
 - A I am.
- Q Will you state what Gulf is seeking in this application.
- Waterflood Project area to include the northwest quarter of Section 28, Township 19 South, Range 35 East, Lea County, New Mexico. This is the cross-hatched area shown on the plat marked Exhibit Number 1. The 160-acre four-well tract is part of the West Pearl Queen Unit but it is not now a part of the project area. We also request approval to convert two of the wells to injection service, the 28-1 in unit D and the 28-6 in Unit F of Section 28. If expansion of the project area is approved we request that the project allowable be increased to reflect inclusion of these four wells in the waterflood.
- Q How did it happen that this matter was not taken care of when Gulf obtained its original approval?
 - At the time of the hearing on June 10, 1964, Mr. Jake

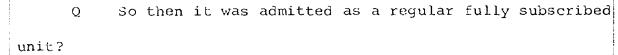


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- Q Didn't Mr. Hamon sell his interest in Tract 15 shortly after the hearing?
- A Yes. On July 6, 1964, Gulf reached an agreement with Mr. Hamon whereby we purchased all the working interest in the tract effective July 1, 1964 at 7:00 A.M. We then allowed other working interest owners to share in this purchase, and exhibits to the unit instruments were revised to reflect these changes before the instruments were submitted to the State Land Office and the U. S. Geological Survey for final approval.



- A Yes.
- Q Including Tract 15?
- A That's correct. Since all these events occurred



prior to the effective date of unitization, we considered fract 15 to be part of the West Pearl Queen Unit. Even though the tract was in the unit, we overlooked the fact that Order Number R-2729 specifically excluded it from the project area.

Q After unitization, Gulf erroneously assumed that

Q After unitization, Gulf erroneously assumed that Tract 15 was part of the waterflood project area?

Yes, and I think I'm erroneously assuming it now. On August 26, 1964, we transmitted the approved Certificate of Effectiveness, the Unit and Unit Operating Agreements with the revised exhibits and recording information to the Commission, at the same time advising the Commission that 100% approval of both the working interest owners and royalty owners had been obtained. In the transmittal letter, we advised the Oil Conservation Commission that Gulf had purchased the Hamon tract. Still later, on December 7, 1964, we filed a Plan of Operation with the Commission. This outline and plat included the Hamon tract as part of the waterflood project. Along with the plan of operation, we sent a copy of the Line Well Agreement made with Shell, in which we specifically included one Tract 15 well, the 28-6, as one of the injection wells subject to the agreement. On December 16, this Plan of Development was approved. During all these happenings no one had caught our oversight that Tract 15 was still not an approved part of the waterflood project.



ALIZING IN DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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Q When was this oversight finally brought to Gulf's attention?

A Shell has justifiably been anxious for us to start water injection along our east boundary since they have been under near full scale injection in their unit since October, 1964. Our injection system will not be ready until mid-April at the earliest and we made arrangements with Shell whereby they could inject water into three of our line wells until we were ready with our own system.

On February 17, 1965, we asked approval from the Hobbs District Office of the Oil Conservation Commission to convert these three wells to injection status. That office informed us they could not grant permission for conversion of one of the wells, 28-6 on Tract 15, since it was not authorized under Order Number R-2729. When we finally realized our oversight, we made application for this hearing to expand the project area to include Tract 15.

- Q At long last?
- A At long last.
- Q Do you now intend to convert Wells 28-4 and 28-6 at the same time?
- A No. As originally planned, we will convert 28-6 first so that Shell can inject into it while we are completing our waterflood installation. We will convert 28-4, however, to



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have it ready by the time we start injection through our own system in mid-April.

- Q In regard to your proposed method of completion, will these two wells be completed in the same method and under the same plan as the other wells in the West Pearl Queen Project.

 Area already approved under Order Number R-2729?
 - A Yes, they will be the same.
- Q Has the State Engineer's Office been consulted in regard to your plans to convert these two wells?

A Yes, they have. On February 23, 1965, Gulf wrote a letter to that office, attention Mr. Irby, in which we outlined our plan of injection on Tract 15, which is to be the same as already approved for the project. On that same date we received a copy of a letter from Mr. Irby to Mr. Porter of the New Mexico Oil Conservation Commission offering no objection to the granting of our application as long as the plan of injection is the same as that for the West Pearl Queen Waterflood Project. A photocopy of this letter is marked Exhibit 2.

- Does Gulf request that the maximum allowable for the waterflood project be increased by the four wells shown in the proposed expansion area on Exhibit Number 1, which consists of the northwest quarter of Section 28, Township 19 South, Range 35 East, containing 160 acres, more or less?
 - Yes, we would like to have an additional allowable.



SIMMS BIDG. • P. O. BOX 1092 • PHONE 243-6691 • AIBUQUERQUE, NEW ME

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Q Do you have anything further to add?

- A No.
- Q If this application were granted would it, in your opinion, be in the interest of the prevention of waste?
- A Yes, we believe that additional oil will be recovered through secondary operations being extended to these lands.
- Q Was the plat showing proposed expansion in the area in the West Pearl Queen Unit prepared under your supervision or at your direction?
 - A Yes.
- Q Is Exhibit Number 2 a true photocopy of the letter received from Mr. Irby of the State Engineer's Office concerning this application?
 - A Yes.

MR. KASTLER: This concludes my questions. I would like to move that Exhibits Number 1 and 2 be admitted in evidence.

MR. UTZ: Without objection, Exhibits 1 and 2 will be admitted in the record of this case.

CROSS-EXAMINATION

MR. UTZ: Did you submit any sketches as to the casing?

- A Today?
- Q On the Number 28-4 and the 28-6.



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A On the individual wells themselves, that was all included in the original testimony for the West Pearl Queen Project—we sent copies of logs and such, and what you are looking at there is part of that, that we sent to you and Mr. Irby, to show how we plan to complete these injection wells.

- Q Is that casing program on these two wells the same as that on the other injection wells in the unit?
 - A Yes, sir, to the best of my knowledge.

MR. UTZ: Are there other questions of the witness?

The witness may be excused. Are there other statements in this case? The case will be taken under advisement.

STATE OF NEW MEXICO)

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I, ELIZABETH K. HALE, Notary Public and Court Reporter, do hereby certify that the proceedings in the foregoing case were taken and transcribed by me, and that the foregoing is a true and accurate transcript of proceedings to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, my hand and seal of office this 29th day of March, 1965.

Notary Public

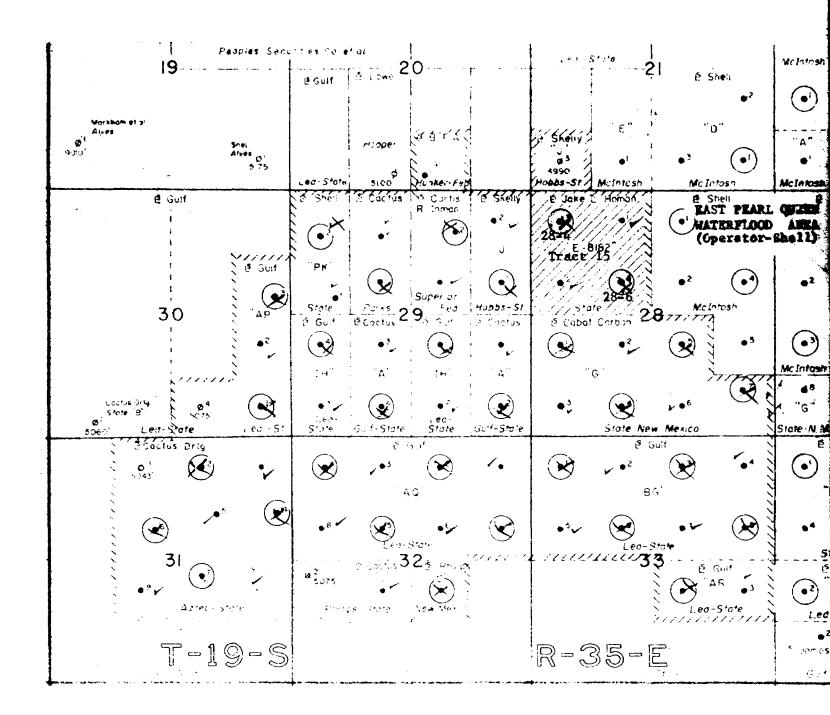
My commission expires

May 23, 1968.

I do hereby sertify that the foregoing is

a commission represent of the proper sitting to the U. Silver heading of the second of

New Mexico Oll Conservation Schmission



WEST PEARL QUEEN UNIT
PEARL QUEEN POOL
Lea County, New Mexico

- LEGEND -

Expansion Area West Pearl Queen Waterflood Project

Unit Boundary

- Injection Well
- Producing Well

GULF OIL CORP.

ROSWELL DISTRICT

CASE NO. 3216 EXHIBIT NO. 1 A DESTRUCTION OF THE PARTY OF T

File

February 23, 1965



Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission Santa Pa, New Mexico

Dear Mr. Porter:

Reference is made to the application of Gulf Oil Corporation for expansion of their West Rearl Queen_Waterflood Project submitted February 19, 1965. Mr. R./Fulker of Roswell called me concerning this application and I have discussed it with your Chief Engineer, Mr. Nutter.

This office offers no objection to the granting of the application so long as the conditions of approval contained in Order R-2729 and in your letter of transmittal dated June 19, 1964 are contained in the approval of this expansion.

Yours truly,

S. E. Reynolds State Engineer

By:

Frank E. Irby
Chief
Water Rights Div.

FEI/ma cc-Gulf Oil Corp. F. H. Hennighausen

PAGB #1

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WEEK ENDING: February 18, 1965

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Texaco	Texaco	Sunray	Sinclair	*Shell	Cities Service	*Pure	Mob il	Atlantic	*Humble	∜Gulf
Dona Ana & Sierra	Lea	Lea	Lea	Eddy & Lea	Eddy & Lea	Eddy	Eddy	Eddy	Chaves & Lea	Chaves & Eddy
T-17 & 18-S, R-2 & 3-W; T-16 & 17-S, R-5 & 6-W	T-20-S, R-33-E	T-9-S, R-32-E	T-9-S, R-37-E	T~18-S, R-27, 28, 34 & 35~E; T-19-S, R-28-E	T-21-S, R-31-E; T-22-S, R-32-E	T-24-S, R-28-E	Sec. 19-23S-27E	T-18-S, R-31-E	T-9-S, R-25 & 26-E; T-12-S, R-31 & 32-E	T-20-S, R-20 & 21-E
Co. Owned	Geo. Service	S.E.C.	Rogers	So. Owned	Co. Owned	Petty	R. H. Ray	Co. Owned	Co. Owned	Geo. Prospectors
Gravity	Refl.	Refl.	Refl. (Dinoseis)	Refl.	Refl.	Refl.	Geograph	Refl.	Refl.	Refl.
Edmindson	Dvorak	Searless	Cooper	Woodruff	Bush	Davis	Noe1	Taiclet	Henkhaus	Smith
Deming	Cerlsbad	Tatum	Tatum	Новьѕ	Lovington	Eunice	Carlsbad	Artesia	Hobbs	Jal

^{*}Denotes a new prospect

of 160 cercs NW/x 28 19-35 28-6 SENW 28-4 NWNU)