

CASE 3338: Application of SOCONY-
MOBIL OIL CO., INC. for pool-
lease commingling, Lea County.

James

CASE NO.

3338

Application,

TRANSCRIPTS,

SMALL Exhibits

ETC.

dearnley-meier reporting service, inc.

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

1120 SUMMIT, S.D.C. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 23, 1965

EXAMINER HEARING

IN THE MATTER OF: Application of Socony-Mobil
Oil Company, Inc., for pool-lease commingling
Lea County, New Mexico. Applicant, in the
above-styled cause, seeks authority to
commingle Glorieta, Blinbry, Upper-
Pennsylvanian, Lower-Pennsylvanian, Devonian,
Abo and Wolfcamp production from its States
Bridges (Common School) Lease in Sections 3,
10 through 15, 22, 23, 24, and 26 and 27,
Township 17 South, Range 34 East, Lea County,
New Mexico, after separately metering the
Military Institute production, allocating
production to each lease by means of the
subtraction method.

Case No. 3338

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING



dearnley-meier reporting service, inc.

DAILY COPY, CONVENTIONS

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, ALBUQUERQUE, NEW MEXICO

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PAGE 2

MR. NUTTER: For the record we will call Case 3338 which I think is dismissed.

MR. DURRETT: Application of Socony-Mobil Oil Company for pool-lease commingling Lea County, New Mexico.

MR. NUTTER: We have a communication from Glen W. Barr, Producing Superintendent for Mobil Oil Company requesting that this case be dismissed.

We will recess the hearing now until 1:15.

(Whereupon, a recess was held.)

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
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STATE OF NEW MEXICO)
) SS
 COUNTY OF BERNALILLO)

I, DEAN A. ROBINSON, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conversation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 29th day of December, 1965.

Dean A. Robinson
 NOTARY PUBLIC

My Commission Expires:
 October 16, 1969.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3338 heard by me on 11/23, 1965.

[Signature] Examiner
 New Mexico Oil Conservation Commission

State of New Mexico
Oil Conservation Commission



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

December 3, 1965

Re: Case No. 3338
Order No. R-3004
Applicant:

Socony Mobil Oil Company

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

E. L. Porter, Jr.

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec 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. 3338
Order No. R-3004

APPLICATION OF SOCONY MOBIL OIL
COMPANY, INC., FOR POOL-LEASE
COMMINGLING, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 23, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of December, 1965, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

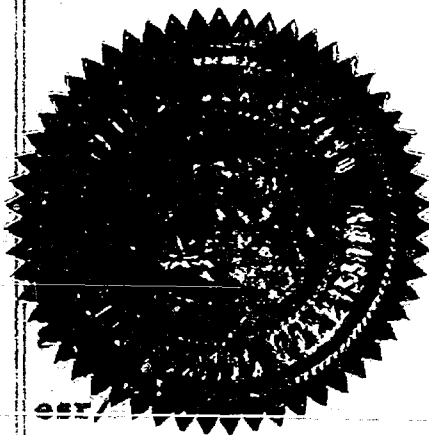
FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 3338 is hereby dismissed.

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

Guyton B. Hays
GUYTON B. HAYS, Member

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

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 11/24

CASE 3338

Hearing Date 9am 11/23
DSN @ SF

My recommendations for an order in the above numbered cases are as follows:

*Enter order dismissing
Case No 3338 pursuant to
applicant's request in letter
of Nov 19, 1965*

[Signature]
Staff Member



Mobil Oil Company

A Division of Socony Mobil Oil Company, Inc.
P. O. BOX 1800, HOBBS, NEW MEXICO 88240

65 NOV 23 AM 8 00

November 19, 1965

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Dear Mr. Porter:

Please cancel the hearing for Case 3338, scheduled for Examiner Hearing on November 23, 1965.

This is to confirm our telephoned request, made by J. C. Gordon, Jr. to Mrs. Ida Rodriguez on November 18, 1965.

Yours very truly,

A. J. Monzingo

JCGordon/nrh

for

Glen W. Barb
Producing Superintendent

November 23, 1965, Examiner Hearing

- CASE 3338: Application of Socony-Mobil Oil Company, Inc. for pool-lease commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Glorieta, Blinberry, Upper-Pennsylvanian, Lower-Pennsylvanian, Devonian, Abo and Wolfcamp production from its State Bridges (Military Institute) Lease in Section 25, Township 17 South, Range 34 East, and from its State Bridges (Common School) Lease in Sections 3, 10 through 15, 22, 23, 24, and 26 and 27, Township 17 South, Range 34 East, Lea County, New Mexico, after separately metering the Military Institute production, allocating production to each lease by means of the subtraction method.
- CASE 3339: Application of Socony-Mobil Oil Company, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Denton North Wolfcamp Unit Area comprising 2,640 acres, more or less, of Federal and fee lands in Township 14 South, Range 37 East, Lea County, New Mexico.
- CASE 3340: Application of Socony-Mobil Oil Company, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Denton North Wolfcamp Unit by the injection of water into the Wolfcamp formation through twelve wells located in Sections 25, 26, 27, 34, 35, and 36, Township 14 South, Range 37 East, Lea County, New Mexico.
- CASE 3341: Application of Tenneco Oil Company for an administrative procedure, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the establishment of an administrative procedure whereby wells presently completed in the Blanco-Mesaverde Pool could, without notice and hearing, be recompleted in the Blanco-Mesaverde and/or Basin-Dakota Gas Pools by means of setting a whipstock above the Mesaverde producing interval and directionally drilling around the old interval of completion which was originally shot. Operators utilizing such administrative procedure would be required to conduct appropriate deviation tests to ensure that no well would be completed nearer than 200 feet to the outer boundary of its proration unit.
- CASE 3342: Application of Sunray DX Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into the Keeley zone of the San Andres formation through four wells in Sections 22 and 23, Township 17 South, Range 29 East.
- CASE 3343: Application of Sunray DX Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into the Metex zone of the Grayburg formation through four injection wells in Sections 14 and 15, Township 17 South, Range 29 East.

DOCKET: EXAMINER HEARING - TUESDAY - NOVEMBER 23, 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 3294 (Continued from the September 22, 1965, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Harold J. Sechler, dba S. & S. Oil Producers, and all other interested parties to show cause why the Bond Well No. 1 located in the SW/4 NE/4 of Section 17, Township 9 North, Range 14 West, Valencia County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 3333: Application of William A. and Edward R. Hudson for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Queen formation through six wells in Sections 10, 11, and 15, Township 18 South, Range 31 East, Shugart Yates-Seven Rivers-Queen-Grayburg Pool, Eddy County, New Mexico.

CASE 3334: Application of Felmont Oil Corporation for an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Federal 9 Well No. 1 at an unorthodox location 660 feet from the North and East lines of Section 9, Township 8 South, Range 37 East, Bluitt-San Andres Gas Pool, Roosevelt County, New Mexico.

CASE 3335: Application of Monsanto Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1200 feet from the South line and 660 feet from the West line of Section 32, Township 16 South, Range 33 East, West Kemnitz-Lower Wolfcamp Pool, Lea County, New Mexico.

CASE 3336: Application of Shell Oil Company for special rules for the East Hightower-Upper Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the East Hightower-Upper Pennsylvanian Pool in Section 25, Township 12 South, Range 33 East, Lea County, New Mexico, including a provision for 80-acre proration units.

CASE 3337: Application of Shell Oil Company for the creation of a new gas pool and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Morrow production in Sections 3 and 4, Township 22 South, Range 34 East, and Section 34, Township 21 South, Range 34 East, Lea County, New Mexico, and the establishment of special pool rules, including a provision for 640-acre spacing units.

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November 23, 1965, Examiner Hearing

- CASE 3344: Application of Texaco Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West Vacuum Unit Area comprising 2000 acres, more or less, of State land in Township 17 South, Range 37 East, Lea County, New Mexico.
- CASE 3345: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its West Vacuum Unit by the injection of water into the Grayburg-San Andres formations through six injection wells located in Sections 3 and 4, Township 18 South, Range 34 East, and Sections 33 and 34, Township 17 South, Range 34 East, Vacuum Pool, Lea County, New Mexico.
- CASE 3346: Application of Sinclair Oil & Gas Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Maljamar Pool by the injection of water into the Grayburg-San Andres formations through eight wells in Section 24, Township 17 South, Range 32 East, Lea County, New Mexico.



Mobil Oil Company

A Division of Socony Mobil Oil Company, Inc.
P. O. BOX 1800, HOBBS, NEW MEXICO 88240

October 27, 1965

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

APPLICATION TO AMEND PC-100

Gentlemen:

Under separate cover letter, we have submitted to the Commissioner of Public Lands a copy of this application. As you know, we have been corresponding with the Commissioner's Office concerning the separate royalty interest in Section 25, T-17S, R-37E of the State Bridges Lease, Vacuum Field, Lea County, New Mexico. We have asked the Commissioner's Office to approve the application as submitted and to notify you of such.

You will note on the Schematic Diagram that all the production from Section 25 will be metered and sampled before it is stored with the production from the remainder of the State Bridges Lease. In the instance where the production from the Glorieta, Blinbry, Wolfcamp, and Abo zones in Section 25 is dumped into the heater-treaters for the remainder of the State Bridges Lease, the net oil produced from each zone and royalty account will be determined by the subtraction method after the necessary calibration and BS&W factors have been applied.

It is, therefore, respectfully requested that you amend PC-100 to include the following acreage on the State Bridges Lease:

Lot 2 and SW/4 NE/4 SE/4 of Section 3, the NE/4 of Section 10, the S/2 of Section 11, the E/2 and SW/4 of Section 12, the W/2 and NE/4 of Section 13, Section 14, the E/2 of Section 15, the N/2 and SE/4 of Section 23, the W/2 NW/4 and SE/4 NW/4 and SW/4 Section 24, the NW/4 and the W/2 NE/4 and NE/4 NE/4 Section 25, Section 26, and the E/2 Section 27, all the above being located in T-17S, R-34E, Lea County, New Mexico.

Attached is a plat which shows the area involved and indicates by color code which wells will be commingled into the central battery as approved by PC-100.

The resulting gravity of the commingled production is calculated on the attached data sheet.

Yours very truly,

Lee E. Robinson, Jr.
Lee E. Robinson, Jr.
Acting Producing Superintendent
DOCKET MAILED
11-10-65

JMMcGee/nrh
Attachments - 3
cc: Commissioner of Public Lands w/attach.

COMPOSITE GRAVITIES AND VALUES OF CRUDE PRODUCTION
 SOCONY MOBIL OIL COMPANY, INC.
 STATE BRIDGES LEASE (B-1520)
 VACUUM FIELD AREA - LEA COUNTY, NEW MEXICO

| Production Unit and Pool | API Gravity 60° F. | Production Barrels/Month | Unit Value Dollars/Barrel | Total Value Dollars | Total Increase or Decrease in Value-Dollars |
|-----------------------------|-----------------------|-----------------------------|------------------------------|------------------------|---|
| (3524-A) | | | | | |
| Vacuum Blinbry | 37.2 | 6810 | 2.95 | 12,095.00 | |
| Vacuum Glorieta | 38.5 | 5110 | 2.97 | 14,850.00 | |
| Vacuum N. Abo | 40.0 | 1820 | 3.01 | 15,050.00 | |
| Vacuum Wolfcamp | 39.6 | 1820 | 2.99 | 14,352.00 | |
| Vacuum Lower Penn. | 53.8 | 2150 | 2.83 | 254.70 | |
| Vacuum Devonian | 48.6 | 340 | 2.93 | 1,172.00 | |
| Average | 39.2 | 19,390 | 2.99 | 57,773.70 | + 202.40 |
| (3524-B) | | | | | |
| Vacuum Blinbry | 37.3 | 6810 | 2.95 | 7,375.00 | |
| Vacuum Glorieta | 38.1 | 5110 | 2.97 | 9,207.00 | |
| Vacuum Wolfcamp | 40.6 | 1820 | 3.01 | 6,622.00 | |
| Vacuum Upper Penn. | 40.8 | 2150 | 3.01 | 17,307.50 | |
| Average | 39.5 | 13,550 | 2.99 | 40,511.50 | + 3.00 |
| (B-1520) | | | | | |
| Total Lease | 39.3 | 32,940 | 2.99 | 98,285.20 | + 205.40 |

JMcGee/jlh
 10/13/65