

CASE 4113: Application of TEXAS
PACIFIC FOR AN UNORTHODOX OIL
WELL LOCATION, LEA COUNTY.

Case Number.

4/13

Application

Transcripts.

Small Exhibits

ETC.



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

1120 SIMMS BLDG., P.O. BOX 1092, ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 23, 1969

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas Pacific Oil
Company for an unorthodox oil
well location, Lea County, New
Mexico.

Case No. 4113

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MAY 6 AM 8 20

MR. UTZ: Case 4113.

MR. HATCH: Case 4113. Application of Texas Pacific Oil Company for an unorthodox oil well location, Lea County, New Mexico.

The Commission has received a letter requesting that this case be continued to May twenty-first.

MR. UTZ: Case 4113 will be continued to May twenty-first.

STATE OF NEW MEXICO }
COUNTY OF BERNALILLO } ss

I, GLENDA BURKS, 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 Conservation 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 30th day of April, 1969.

Glenda Burks
NOTARY PUBLIC

My Commission Expires:
March 12, 1973.

I do hereby certify that the foregoing is a complete record of the proceedings in the Amstiner hearing of Case No. 443, heard by me on April 23, 1969.
[Signature]
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

87501

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

May 5, 1969

Mr. John F. Russell
Attorney at Law
Post Office Drawer 640
Roswell, New Mexico 88201

Re: Case No. 4113
Order No. R-3749
Applicant:
Texas Pacific Oil Company

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC ☒

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. 4113
Order No. R-3749

APPLICATION OF TEXAS PACIFIC OIL
COMPANY FOR AN UNORTHODOX OIL WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 23, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz, and was
continued at the request of the applicant to May 21, 1969.

NOW, on this 5th day of May, 1969, the Commission, a
quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in the
premises,

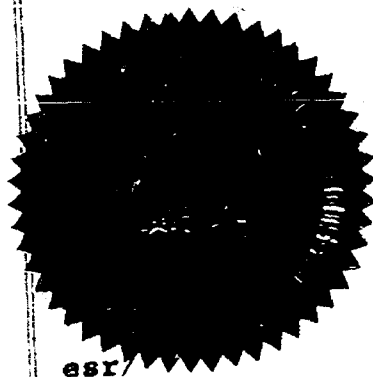
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 4113 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMSTRONG, Member

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

LAW OFFICES OF
JOHN F. RUSSELL
412 HINKLE BUILDING
P.O. DRAWER 640
ROSWELL, NEW MEXICO 88201

APR 29 1969

TELEPHONE 622-4641
AREA CODE 505

April 28, 1969

JFR

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Texas Pacific Oil Company
in Case No. 4113

Dear Mr. Porter:

Texas Pacific Oil Company was able to recomplete its
State "C" Account No. 1, Well No. 1, and it is therefore
requested that the above styled case be dismissed.

Very truly yours,

John F. Russell
John F. Russell

JFR:dn

cc: Mr. John Walters

Memo

From
IDA RODRIGUEZ
Secretary to Director

To

George - this Case 4113
had been continued to the
May 21st examiner hearing,
so I will not be putting it
on that docket since they
want it dismissed. ok?

OK JFR

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 23, 1969

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 4079: (Continued from the March 26, 1969; Examiner Hearing)
Application of Robert B. Holt for the creation of a new pool, assignment of a discovery allowable, and the promulgation of special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Middle Pennsylvanian oil pool for his Aztec State Well No. 2 located in Unit A of Section 26, Township 13 South, Range 32 East, Lea County, New Mexico, and for the assignment of an oil discovery allowable in the amount of approximately 48,715 barrels to said well. Applicant further seeks the promulgation of special pool rules for said pool, including a provision for 160-acre proration units and the assignment of 80-acre allowables.
- CASE 4106: Application of Southland Royalty Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Permo-Pennsylvanian formation in the perforated interval from approximately 9485 feet to 9713 feet in its Guye Well No. 4 located in Unit F of Section 12, Township 11 South, Range 33 East, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico.
- CASE 4107: Application of Coastal States Gas Producing Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Sawyer-San Andres Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units.
- CASE 4108: Application of Humble Oil & Refining Company for the rededication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to recomplete its New Mexico "V" State Well No. 5, a non-commercial Wantz-Abo oil producer, to a Tubb gas producer and to consolidate the 40 acres presently dedicated to said well with the 120 acres presently dedicated to its New Mexico "V" State Well No. 11, a Tubb gas producer, to form a standard 160-acre proration unit comprising the SW/4 of Section 10, Township 21 South, Range 37 East, Tubb Gas Pool, Lea County, New Mexico. Applicant further seeks authority to produce the allowable assigned to said unit from either of said wells in any proportion.
- CASE 4109: Application of Humble Oil & Refining Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the South Lea Unit Area comprising 8,324.16 acres, more or less, of State, Federal, and Fee lands in Township 26 South, Range 36 East, Lea County, New Mexico.

CASE 4110: Application of Atlantic-Richfield Company for a waterflood project and unorthodox injection well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the Queen formation through one well to be drilled at an unorthodox location 100 feet from the North and West lines of Section 23, Township 18 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.

CASE 4111: Application of Tenneco Oil Company for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Morton Federal Well No. 1, located in Unit A of Section 12, Township 9 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Vada-Pennsylvanian Pool and the disposal of produced salt water through the intermediate casing-production casing annulus into the San Andres, Abo and possibly other formations in the open-hole interval from approximately 4050 feet to 8120 feet.

CASE 4112: Application of P-M Drilling Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from approximately 5062 feet to 5100 feet in its James Federal Well No. 1 located in Unit A of Section 35, Township 23 South, Range 32 East, Triste Draw Delaware Pool, Lea County, New Mexico.

CASE 4113: Application of Texas Pacific Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to substitute its State "D" A/c-1 Well No. 1 located in Unit A of Section 2, Township 12 South, Range 33 East, in lieu of its State "C" A/c-1 Well No. 1 located in Unit B of said Section 2 as the producing well for the proration unit comprising the N/2 NE/4 of said Section 2, Bagley-Siluro-Devonian Pool, Lea County, New Mexico.

CASE 4114: Application of Gulf Oil Corporation for two unorthodox oil well locations and amendment to Order No. R-2729, Lea County, New Mexico. Applicant in the above-styled cause, seeks authority to drill two producing oil wells at unorthodox locations in Township 19 South, Range 35 East, as infill wells in the West Pearl Queen Unit Waterflood Project, Pearl Queen Pool, Lea County, New Mexico, said wells to be located as follows:

West Pearl Queen Unit Well No. 164 to be located 1325 feet from the North line and 2635 feet from the West line of Section 32;

West Pearl Queen Unit Waterflood Well No. 165 to be located 1420 feet from the South line and 1325 feet from the West line of Section 29;

(Case 4114 continued)

Applicant also seeks the amendment of Order No. R-2729, which order authorized the aforesaid waterflood project, to establish a procedure whereby additional injection wells and producing wells at unorthodox infill locations, as may be necessary to complete an efficient injection and producing pattern, may be approved administratively.

CASE 4115: Application of Southern Union Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 16, Township 29 North, Range 9 West, Basin-Dakota Pool, San Juan County, New Mexico. Said acreage to be dedicated to a well to be drilled at a standard location in the W/2 of said Section 16. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4116: Application of Tesoro Petroleum Corporation for the amendment of Order No. R-2797 and for the extension of the South Hospah-Upper Sand Pool, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-2797, which order approved the Hospah Unit Agreement, to delete from said unit agreement 233.87 acres in the Southeast portion of Section 1, Township 17 North, Range 9 West, McKinley County, New Mexico. Applicant also seeks the extension of the South Hospah-Upper Sand Pool to include a portion of the Southeast quarter of said Section 1.

CASE 4117: Application of Eastern Petroleum Company for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Rattlesnake-Dakota Pool, San Juan County, New Mexico, permitting the drilling of wells on 2½-acre spacing provided that no well be located nearer than 50 feet to the outer boundary of the quarter-quarter section and no nearer than 165 feet to another well producing from the same pool, and provided further, that a 40-acre proration unit would be subject to a 40-acre allowable regardless of the number of wells on the unit.

CASE 4118: Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle gas production from undesigned Fruitland and Pictured Cliffs gas pools in the well-bore of its Federal "I" Well No. 4, located in the NE/4 NW/4 of Section 1, Township 29 North, Range 14 West, San Juan County, New Mexico.

CASE 4096: (Continued from the April 5, 1969, Examiner Hearing)

Application of Kersey & Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority

-4- Examiner Hearing - April 23, 1969

Docket No. 12-69

to institute a waterflood project by the injection of water into the Seven Rivers formation through four wells located in Units C, D, and F of Section 25, Township 17 South, Range 28 East, Aid (Yates-Seven Rivers) Pool, Eddy County, New Mexico.

CASE 4078: (Continued from the April 9, 1969, Examiner Hearing)

Application of J. Gregory Merrion for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Devils Fork-Gallup Pool and an undesignated Mesaverde oil pool in the well-bore of his NCRA State Well No. 3 located in Unit 1 of Section 16, Township 24 North, Range 6 West, Rio Arriba County, New Mexico.

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL
CHAIRMAN OF THE BOARD

R. W. McFA
PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

T=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

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NEW MEXICO OIL CONSERVATION COMMISSION=

STATE LAND OFFICE BLDG SANTA FE NMEX=

RE: CASE 4113, HEARING: 4-23-69

GENTLEMEN: AMERADA PETROLEUM CORPORATION HAS

NO OBJECTION TO THE APPLICATION OF TEXAS PACIFIC OIL

COMPANY TO SUBSTITUTE ITS STATE "D" #1 AS THE ONLY

PRODUCING WELL IN THE N/2 NE/4 SECTION 2,

BAGLEY-SILORO-DEVONIAN POOL=

R L HOCKER=

MAIN OFFICE OKLA

'69 APR 14 PM 1 36

4113 4-23-69 "D" #1 N/2 NE/4 2=

WU1201(R2-65)

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

LAW OFFICES OF
JOHN F. RUSSELL
412 HINKLE BUILDING
P. O. DRAWER 640
ROSWELL, NEW MEXICO 88201

22 APR 22

TELEPHONE 622-4641
AREA CODE 505

April 21, 1969

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Texas Pacific
Oil Company in Case No. 4113

JFR
Dear Mr. Porter:

The above captioned case has been set for hearing before
the Examiner on Wednesday, April 23.

The Texas Pacific Oil Company is still working on its
State "C" - Account No. 1 - Well No. 1 and are hopeful that
this well may be put back onto production. It is requested
that the above captioned hearing be continued until the
May 21st hearing at which time we will know definitely whether
to proceed with the Application or whether it may be dismissed.

Respectfully submitted,

JFR:dn

John F. Russell
John F. Russell

cc: Mr. John Walters

LAW OFFICES OF
JOHN F. RUSSELL
412 HINKLE BUILDING
P. O. DRAWER 640
ROSWELL, NEW MEXICO 88201

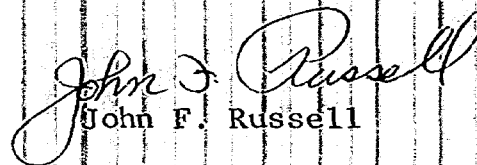
April 7, 1969

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Porter:

I transmit herewith, in triplicate, an
Application of Texas Pacific Oil Company which
I understand has been set for the Examiner
hearing on April 23.

Very truly yours,


John F. Russell

JFR:dn

Enclosure

APR 8 20
TELEPHONE 622-4641
AREA CODE 505

4113

DO NOT WRITE
4-10-69

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
TEXAS PACIFIC OIL COMPANY FOR PER-)
MISSION TO ABANDON ITS STATE OF NEW)
MEXICO C ACCOUNT NO. 1, WELL NO. 1,)
LOCATED IN UNIT B OF SECTION 2,)
TOWNSHIP 12 SOUTH, RANGE 33 EAST,)
WHICH IS CURRENTLY ASSIGNED A PRO-)
RATION UNIT CONSISTING OF THE N $\frac{1}{2}$ NE $\frac{1}{4}$)
OF SAID SECTION AND TO REASSIGN SAID)
PRORATION UNIT TO ITS STATE OF NEW)
MEXICO D ACCOUNT NO. 1 WELL LOCATED)
IN UNIT A OF SAID SECTION, WHICH IS)
LOCATED IN THE BAGLEY SILURO DEVONIAN)
POOL, LEA COUNTY, NEW MEXICO.)

NO. 4113

[Signature]

APPLICATION

COMES NOW Texas Pacific Oil Company, a division of Joseph E. Seagram & Sons, Inc., by its Attorney, John F. Russell, and states:

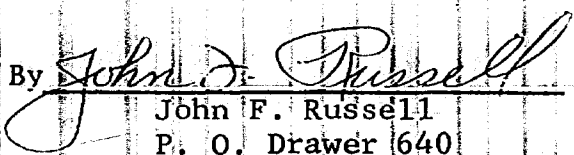
1. The N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 2, Township 12 South, Range 33 East, is the Proration Unit which is currently assigned to Applicant's State of New Mexico C Account No. 1, Well No. 1, located in Unit B of Section 2, Township 12 South, Range 33 East, Bagley Siluro Devonian Pool, Lea County, New Mexico.
2. Due to mechanical difficulties encountered in plugging back its State of New Mexico C Account No. 1, Well No. 1, it appears at this time the said well may have to be plugged and abandoned.
3. It is requested that the Proration Unit consisting of the N $\frac{1}{2}$ NE $\frac{1}{4}$ of said Section 2 be assigned to Applicant's State of New Mexico D Account No. 1 well located in Unit A of said Section.
4. The granting of this Application would prevent waste due to premature abandonment of the well and protect correlative rights.

WHEREFORE, Applicant requests that the Commission set this matter down for hearing before its Examiner, publish notice as required by law and, after hearing, issue its order authorizing the transfer of the Proration Unit as aforesaid.

Respectfully submitted,

TEXAS PACIFIC OIL COMPANY,
A division of
Joseph E. Seagram & Sons, Inc.

By


John F. Russell
P. O. Drawer 640
Roswell, New Mexico 88201

Applicant's Attorney

DATED: April 7, 1969

DRAFT

GMH/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. 4113

Order No. R. 3749

APPLICATION OF TEXAS PACIFIC OIL
COMPANY FOR AN UNORTHODOX OIL WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
April 23, 1969, at Santa Fe, New Mexico, before Examiner
Elvis A. Utz *and was continued at the request of the applicant to*
May 21, 1969.

NOW, on this day of May, 1969, 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:

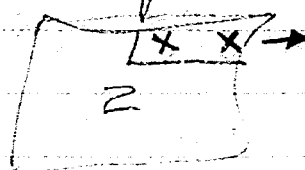
That Case No. 4113 is hereby dismissed.

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

[

 From Lurvey
]

Dept. O & P. To abandon
 ill. H. V. M. (C) Acc. #1
 Will #1 Unit B Sec. 2 125-33E
 Sec. C. + To Substitute then
 H. M. (C) Acc. #1 Will #1
 Unit A. 2-13-33 Bagley
 Belus - Dev. pool. case 249 4-19-54
 Order - R. 69D, granted
 Ex. to Reservoir pool
 504-504.



under.