CASE 5873: OCC ON ITS OWN MOTION & 1115 TO CONSIDER THE AMENDMENT OF RULE 1115 OF RULES AND REGULATIONS

and the same water

1. Q.



	1 2 3	Pege1 BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico March 9, 1977
	4	EXAMINER HEARING
	5	IN THE MATTER OF:)
	7	The hearing called by the OCC on its) CASE own motion to consider the amendment of) 5873 Rule 1115.
Ce 87501	8 9	BEFORE: Daniel S. Nutter, Examiner
IG BETVÍ Service Nov Mexico 112	10 11	TRANSCRIPT OF HEARING
eportir Reporting Santa Fe, (05) 982-92	12	APPEARANCES
BOTTISI A I General Cour Bjia, No. 122, Phone (5	13 14	For the New Mexico Oil Lynn Teschendorf, Esq. Conservation Commission: Legal Counsel for the Commission State Land Office Building
sid n 825 Calle Me	15 16	Santa Fe, New Mexico
00	17	
	18	
	19 20	
	21	
	22	
	23 24	
	25	

Pag INDEX Page R. L. STAMETS Direct Examination by Ms. Teschendorf Cross Examination by Mr. Nutter EXHIBIT INDEX 00 8750 Admitted Offered service OCC Exhibit One, Tabulation OCC Exhibit Two, Form C-115 OCC Exhibit Three, Form C-115 morrish OCC Exhibit Four, Form C-115 Occ Exhibit Five, Rule 1115 bid 825 Celle

		Page3								
	1	MR. NUTTER: We will call Case Number 5873.								
	2	MS. TESCHENDORF: Case 5873 in the matter of the								
	3	hearing called by the Oil Conservation Commission on its own								
	4	motion to consider the amendment of Rule 1115 of the Commission								
	5	Rules and Regulations to provide for the filing of information								
	6	required on Form C-115, Operator's Monthly Report, in the								
	7	manner and sequence prescribed by the Commission.								
	8	MR. NUTTER: I'll call for appearances in this case.								
e 87501	9	MS. TESCHENDORF: Lynn Teschendorf appearing on								
bervice vice Mexivo 8	10	behalf of the Commission. I have one witness.								
B B Se rvic s Servic New M 212	11	MR. NUTTER: Are there any other appearances in								
reportin r Reportin Santa Fe S05) 982-9	12	Case Number 5873?								
rris h No. 122 Phone (13	(THEREUPON, the witness was duly sworn.)								
	14									
Sid Calle)	15	R. L. STAMETS								
825 (16	called as a witness, having been first duly sworn, was examined								
	17	and testified as follows:								
	18									
	19	DIRECT EXAMINATION								
	20	BY MS. TESCHENDORF:								
	21	Q. Please state your name, position and place of								
	22	residence?								
	23	A. R. L. Stamets, Technical Support Chief of the Oil								
	24	Conservation Commission, Santa Fe, New Mexico.								
	25	Q. Have you previously testified before the Commission								
	l									

 $\mathbf{r}_{\mathbf{k}}$

and are your credentials a matter of record?

A. I have and they are.

3 Q. Are you familiar with the subject matter of Case
4 Number 5873?

A. Yes.

1

2

6

6

Q What is the purpose of this case?

7 A. In this case we are seeking an amendment to our
8 Rule 1115 to clarify the Commission's authority to require the
9 filing of information required on a Form C-115, Operator's
10 Monthly Report, in a style, format and order desired by the
11 Commission.

12 Q. What problems have the Commission had previously
13 that have given rise to the calling of this case?

Well, each month these production reports are A. 14 received in our office and they are for about twenty-five or 15 thirty thousand wells in the State and the individual well and 16 lease data on production sales and storage is punched into 17 computer cards and processed from these reports and from the 18 computer then we generate our monthly and annual production 19 reports as well as a variety of related reports which are 20 widely used by industry, government and public. 21

Our key entry operators are each assigned a portion of the reporting operators and they are supplied with pre-punched well and lease cards on which the information from Form C-115 is then punched. The cards are generated by the computer in

sid mu)**rrish reporting serv** Graeat Court Reporting Service Calle Mejia, No. 122, Sants Fe, New Mexid Phone (505) 983-9212 approximately the order which is shown on our Exhibit Number One here, in the approximate order that is covered by Section A, One through Four-B, One through Five and Note A there and C, One through Three.

Page

Now, if the operator does not file his report in
the same sequence then the key entry operators must go through
and by hand reorder the individual cards into the operator
order and this wastes quite a bit of time in hand processing.
Further the improper filing or the nonsequential filing can
lead to incorrect reporting of the data from the C-115 and
result in error in our output.

Now, Exhibits Two, Three and Four illustrate someof the problems that we have had.

14 Exhibit Number Two is a C-115 for Shiprock Oil and
15 Gas Corporation and looking down the left-hand column you can
16 see that Shiprock uses two different lease names and yet our
17 Form C-104 in the well file indicates that there are something
18 like six or seven different lease names. Further, they do not
19 indicate whether the individual wells are producing there but
20 simply lump each well on the quarter section together.

Over in the far right-hand side you can see that we
have handwritten in the transporter abbreviation. That was
not on the 104 submitted by the operator in this case.

24 Exhibit Number Three is a Shell Oil Company C-11525 and there in the Carson Unit you can see that they have kind of

sid m(nrrish reporting service General Court Reporting Service 325 Calle Mejis, No. 122, Santa Fe, New Mexico 87501 1

2

3

4

a trick numbering system and instead of showing the lease
names as is shown on Form C-104 they just show everything as
Carson Unit. Instead of showing the well number and unit letter
as shown on Form C-104 they have this, as I said, a trick
numbering system, 1-17 which is supposed to mean the same
thing. That's the well number and unit letter.

Exhibit Number Four is from Maurice L. Brown 7 Company. This is really not too difficult of a one to figure 8 out but if you will look there you will see that the Vada-Penn 9 Pool is listed first. The second pool listed is Allison, so 10 they are out of alphabetical order. And then under the 11 Vada-Penn Pool you have two leases that begin with the letter 12 "I" coming before a lease that begins with "B", which comes 13 before a lease that begins with "A". 14

Jervice

morrish

sid 825 Calle N MR. NUTTER: Those are in alphabetical order, justbackwards.

A. Well, yes, it could be. Anyway it is not the
desired Commission sequence.

19 Anyhow, over the years we have contacted many of the
20 operators asking that they reorder their reporting to fit our
21 desired model and most have been very cooperative but some have
22 made no changes.

In studying this problem we determined that our
Rule 1115 as now written is not sufficiently clear to require
compliance with our model filing requirements and this hearing

was called to attempt to correct this area of potential 2 confusion.

3 The proposed change is shown on Exhibit Number 4 Five and this is Rule 1115 and we have just simply added a 5 phrase here to the first sentence. I would like to read that. (Reading.) Operators Monthly Report, Form C-115 or 6 Form C-115-EDP shall be filed on each producing lease within 7 the State of New Mexico for each calendar month, setting forth 8 complete information and data indicated on said forms. (End of 9 10 Reading.)

And this is the new phrase: In the order, format and 11 style prescribed by the Secretary-Director. 12

13 And what we would propose to do as a result of this 14 change which would be to take something which is similar to 15 Exhibit Number One. I say similar because we think that we need to make a few changes at this time. We would take some-16 thing very similar to Exhibit Number One, circulate this to 17 the operators for comments, tell them this is what we are 18 going to want for our sequence for filing, do you have any 19 comments? Take any needed changes then and circulate this again 20 with a memorandum saying, you know, everybody will need to file 21 in this form and sequence unless they have gotten an exception 22 from the Secretary-Director and perhaps we may even be able to 23 print this on the back of our Form C-115's for awhile to help 24 25 people file in the proper order.

reporting morrish Bid

Q. (Ms. Teschendorf continuing.) Anything further?
A. That's all I've got.
Q. Were Exhibits One and Five prepared by you or under your direction and supervision?
A. Yes, they were.
MS. TESCHENDORF: I offer Exhibits One through Five in evidence.

8 MR. NUTTER: Exhibits One through Five will be
9 admitted into evidence.

(THEREUPON, OCC Exhibits One through Five were admitted into evidence.)

CROSS EXAMINATION

14 BY MR. NUTTER:

1

2

3

4

5

8

7

10

11

12

13

25

morrish

Bid

ä

15 Q. Mr. Stamets, these three companies that you have
16 portrayed the C-115's for in your Exhibits Number Two, Three
17 and Four, are they the only companies that are failing to file
18 the information in the manner desired by the Commission?
19 A. These were just handy examples and we could have had
20 hundreds of them.

Q So when you are talking about a matter of cards
representing twenty-five to thirty thousand wells, it's not
just three companies here that you have this problem with?
A That's correct.

Q And you feel that by adding this phrase to the

Rule 1115, permitting the Secretary-Director under authority
of a rule in the book to prescribe the manner in which the
data would be set forth that it may be easier to obtain
compliance from those operators?

A. Absolutely.

5

0 I see. And you are not proposing at this time any
7 change in the form itself?

No, we are going to be changing some computer equipment around the first of the year and we are going to be
asking that the operators file their injected water volumes on
Form C-115 and attempt to do away with our other injection
forms, C-120 and C-120-A and so before the first of next year
we will have to make some changes in the form itself but we
are not going to do that at the present time.

15 Q. Right now all you are talking about is authorizing
16 the Secretary-Director to prescribe the format in which the
17 presently required data is presented?

A. Yes.

MR. NUTTER: Are there any further questions ofMr. Stamets? He may be excused.

(THEREUPON, the witness was excused.)

MR. NUTTER: Does anyone have anything they wish to
offer in Case Number 5873? We will take the case under
advisement.

sid morrish reporting service

2

18

21

REPORTER'S CERTIFICATE I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability. cico 87501 morrish reporting service I do hereby certify that the foregoing I. a complete record of the proceedings in Sid. the Examiner hearing of Case No. 5873 heard by me on 3/9 1977 19**77** Mexico Oil Conservation Commission ..., Examiner New

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO CONSIDER THE AMENDMENT OF RULE 1115 OF THE COMMISSION RULES AND REGULATIONS.

> CASE NO. 5873 Order No. R-5402

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 9, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>15th</u> day of March, 1977, 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 Rule 1115 of the Commission Rules and Regulations requires operators to file Commission Form C-115 or Form C-115-EDP, Operator's Monthly Report, each month for each producing lease within the State of New Mexico for each calendar month, setting forth complete information and data indicated on said forms.

(3) That although most operators list the data on said Forms C-115 and C-115-EDP in the style and sequence suggested by the Commission in various previous memoranda, some operators still list the data in an erratic and nonsequential manner, making it difficult for Commission personnel to tabulate production statistics.

(4) That economic waste results from the time-consuming process of searching out and rearranging said data in the proper sequence for tabulation.

(5) That Rule 1115 should be amended to provide the Secretary Director of the Commission with authority to prescribe the style and sequence in which the data required on Forms C-115 and C-115-EDP should be presented.

(6) That such amendment to Rule 1115 will not result in but will prevent waste and will not impair correlative rights. -2-Case No. 5873 Order No. R-5402

IT IS THEREFORE ORDERED:

(1) That Rule 1115 of the Commission Rules and Regulations is hereby amended to read in entirety as follows:

"RULE 1115. OPERATOR'S MONTHLY REPORT (Form C-115)

Operator's Monthly Report, Form C-115 or Form C-115-EDP, shall be filed for each producing lease within the State of New Mexico for each calendar month, setting forth complete information and data indicated on said forms in the order, format, and style prescribed by the Secretary-Director. Oil production from wells which are producing into common storage shall be estimated as accurately as possible on the basis of periodic tests.

The reports on this form shall be filed by the producer as follows:

Original to the Oil Conservation Commission at Santa Fe; one copy to the Oil Conservation Commission District Office at Hobbs; one copy to the District Office in which district the lease is located; and one copy to each transporter involved. Each report for each month shall be postmarked not later than the 24th day of next succeeding month. Failure of an operator to file this report in accordance with the provisions of this rule may result in cancellation of Form C-104 for the affected well or wells."

(2) 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

PHIL R. LUCERO, Chairman Eur ARNOLD, /Member EMERY RAMEY άбе D. Member & Secretary

jr/

REPORTING SEQUENCE OF OIL OR GAS WELLS, LEASES OR BATTERIES ON OIL CONSERVATION COMMISSION FORM C-115 "OPERATORS MONTHLY REPORT"

- A. C-115 Reports are to be subdivided into four major sections as follows:
 - 1. Oil Section
 - 2. Prorated Gas Section
 - 3. Non-Prorated Gas Section
 - 4. Commingled Section
- B. Reporting under Sections 1, 2, and 3 shall be in the following sequence:
 - 1. Pool Name
 - 2. Lease Name and Federal or State Lease No.

3.

Well No. - Unit - Section - Township - Range

NOTE:

- (a) Pools and leases are to be arranged in alphabetical order and wells are to be arranged under each lease in numerical order.
- (b) Oil allowables, oil, water, and gas production are to be shown for individual wells and for lease totals.
- (c) Oil storage, disposition and casinghead gas disposition are to be shown on a lease total basis.
- (d) Gas well disposition may be shown either for the individual well or as a lease total.
- (e) Report all disposition including, sales, lease use gas, flared gas, tank bottoms, etc. (Transporter abbreviations available on request)
- C. The commingled section should be reported in sequence as follows:
 - 1. Commingled batteries with common lease names.
 - 2. Commingled battories with common pool names.
 - 3. Commingled batteries without common pool or lease names.
 - NOTE:

94 - SA 1

BFFORE.

occ

ChE

(a) Show pool or lease totals for allowable and production only.

(b) Show battery totals for allowable, production, storage, and disposition for each commingled battery.

SHIPROCK OL ינבגב אאניב ועיושי ווייו) ינבגב אאניב LASE NAVE - MINCE SINTE WELL NO. UNIT SEC. TVP. ANG. SHIPROCK GALLUP Navajo Contract 14-20-603-1049 TOTAL NAVAJG CONTRACT 14-20-603-5036 Sec 1/-290-184 J-1-2-3X-5-6-7 71-73-75-93 H-59-75-77-93 TOTAL Sec. 17.29N-18W I-1X-2-4-6-7 Sec. 16--53-55-57 8-9X-10X-14 15-17-66 7-29N-18W 16-29N-18H 13-15 ELISCI-ON TOTAL Ă 159000 A GAS CORP. LELL STATUS NUDNTHLY ACTUCE BARAELS TOTAL (N- CAS DESCRITION EOSE X USED OF & LEASE 0 USED FOR GRILLINS C CAS LEF ESTIMATED C LAFANATION ATTACHED X REPARATION ATTACHED X REPARATION ON PHESSURE MUNITENANCE 155 310 310 775 TOTAL LIQUIDS PROD 310 465 620 124 744 21 44 109 မုံမုံ 18 ٩. م 16 97 NEW MEXICO OIL CONSERVATION COMMISSION Box 1367 BOX 2058 SANTA FE, NEW MEXICO OPERATOR'S MONTHLY REPORT , Manuel Earmington, New Mexico 87401 DAYS PRCO VENTED USED ON CTHER OIL DISPOSITION CODE DISPOSITION OF GAS 105 PUNCH. OTHER TOR WONLY December -000 HAND HAND 52 HENEDY 35 ¥ BANNELS CERTIFY THAT THE INFORMATION GIVEN IS TRUE AN **BLATEMOL FORM CITS INEX, 13-1-721** SUBMITE ORICIMAL TO DEC SANTA FE ONE COPY TO DEC DIST. OFFICE ONE COPY TO TRANSPORTER THE DEST OF MY UNVIUNI 109 DISPOSITION OF DIL ę 97 976 OTHER ANOM COCL. -000 E'Q · · · · · · · · · · · · · BEFORE 177 MHT TER 52 မ္မ 3 0 C CAS 8



ALIAIVE CODE	32 33-	:	31 32 32 32 4			2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	23-1-1	22-		81ST1		SHELL OIL	
DITIET ON DEPOSITOR COOR C. CHROMETATO C. L. LOST L. MEDIMENTATOR (1984) E. MEDIMENTATOR (1984) E. MEDIMENTATOR (1984)	23 23 10 10	-17 15 25 1 7 -18 18 25 1 7 -19 19 25 1 7 -20: 20 25 1 1				19 19 19 10 10 10 10 10 10 10 10 10 10 10 10 10	H H H H H H H H H H H H H H H H H H H	14 14 14 14 14 14		- Z	POOL NAME Lease Name P., Ang. And Well Status P., Ang. And Well Status	(COMPANY	
5°S 200		62 94		14 31						: •.	TOTAL LIQ		Oren
	1469 14	133	<u>.</u>	222	· · · ·					• • •	ACTUAL BARRELP BARRELS OF WATER PRODUCED PRODUCED		A Ch a
AT CALL DISPOSITION CODE AT CALL DISPOSITION CODE RED OF LEASE SET FOR ANTLING VICETWA NET FOR ANTLING VICETWA SET FOR ANTLING ON TRESLING W	51224	133207 185		1796_339 383				Ĩ		CONTD-	CEO GAS IELE PRODUCED ATER MCF	P O BOX	
TION MUST BE	29	- 31 -		31		······			······································	CONTD.	90344430 VENTEO CIPT	576	
		:			· · · · · · · · · · · · · · · · · · ·						DISPOSITIC	HOUS TON	
		•			•	· ·		-1 1. 			DISPOSITION OF GAS	r TEXÁS	
TO THE REAL		,		• •				*			07HER .	77001	
Internative Contract in the second and the contract is the second at the		• :						•		•	C 011 0N		
T DOLE ORMATION				<u>, </u>				• 2			DIADOSITION OF	JAN, 197	
V GAVEN IS TANK			· · · · · · · · · · · · · · · · · · ·	•		·		a 147-16 a 1			2	1977	
BATE)			· · · · · · · · · · · · · · · · · · ·		- 	•	••••••••••••••••••••••••••••••••••••••	Schapper	- * -		NAMON MALWON	PARC) 2	

(

(

ł

• **VATE LAND LEASE** MBER OR FEDERAL LEASE NUMBER 8-116 8-1167 BISTI EUNICE-MONUMENT (G-SA) SHELL DIL COMPANY POOL NAME LEASE NAME Well no. Unit Letter, Sec., Thp., ang. and Well Status STATE A P 35 19 36 1 C 4 20 37 27 420-S37 3 E 4 20 37 LEASE TUTAL 3 7 F LEASE TOTAL 5-18 4-20 LEASE TOTAL LEASE LEASE COOPER JN-8 C 4 20 37 STATE E 36 D 36 C 36 FOSTER J A P 34 19 36 ω 1801204 13 **TOTAI** 61 25 5 6 **6 6 6 6** 6 TI סיסיסי τ Ð ALLOWARLE 1023 1953 1488 2480 1581 7502 155 341 1178 1674 **hL9** 186 P. O. BOX 2000 SANTA FE, NEW MEXICO 87501 OPERATOR'S MONTHLY REPORT 5 Ŧ PARAELS Ø 1875 EQUID: 1491 568 2841 1207 6107 53 202 997 1312 • 979 100 BARRELS OF WATER PRODUCED STREET AND REPORTION CORE 17011 1532 1476 3067 <u>*</u>* 11111 1055 309 905 PRODUCED 4116 3948 4879 1311 14254 CONTD. P 0 80X 576 2179 7190 1782 279 537 2598 2846 . ⊬.⊈ .*. 00000 g <u>E</u> 600 COUNTY -----VENTED . . CONTO-1 Ŗ ••• BHOMM ON PORM G-111) LEVER OF LEA HOUSTON, TEXAS 77001 2 141 78 71064AR 2150HAR 14113WAR 0100 2846 2511 NAR 07 04 3 210 10 THE WEIPOURY THAT THE DEC • OTHER Ę <u>.</u> C OIL ON O HAND D BEG. OF 200 583 360 448 **(BUGAYNELE)** PIPELINE -1154 1917 5907 1309 IAN. 1977 P0017104 DISPOSITION OF O STATEWIDE FORM EP INV REV. TAS SUBMIT: ORIGINAL TO OCC SANTA FE ONE COPY TO TRANSPORTI # ONE COPY TO TRANSPORTI # TAUCHS OTHER - -, ii 「大学」「 . 2 FCNP SHEL TRANS-**HEL LEIXN** HIND (9.4.6) +00 541 4.51 30632A 23747 29053 23749 1 EP2 C20 30692A 23759 23761 23761 23762 23762 23762 23762 23762 23762 23762 23763 30631A 23746 EP2 C10 C26

and the second secon

and the second second



		r ê lire
	ALLISON PENN Merrell 1-H-10-09S-36E 2-E-10-09S-36E	THE MAUAICE
	1485 1530 648	L. BROWN
	1/252 5201	
	237/	MEXICO OIL CONSERVATION COMMISSIO BC 2028 SANAFE, NEW MELCO OPERATOR'S MONTHLY REPORT 1500-Vickers-KSB&T Bldg. Wichts
	77 WAR	EPORT
line -	597 750	
	HOB EOM	
¥ 1 ,	۱۱ 	

PROPOSED RULE

RULE 1115. OPERATOR'S MONTHLY REPORT (Form C-115)

Operator's Monthly Report, Form C-115 or Form C-115-EDP, shall be filed on each producing lease within the State of New Mexico for each calendar month, setting forth complete information and data indicated on said forms in the order, format, and style prescribed by the Secretary-Director. Oil production from wells which are producing into common storage shall be estimated as accurately as possible on the basis of periodic tests.

The reports on this form shall υ e filed by the producer as follows:

Original to the Oil Conservation Commission at Santa Fe; one copy to the Oil Conservation Commission District Office at Hobbs; one copy to the District Office in which district the lease is located; and one copy to each transporter involved. Each report for each month shall be postmarked not later than the 24th day of next succeeding month. Failure of an operator to file this report in accordance with the provisions of this rule may result in cancellation of Form C-104 for the affected well or wells.

	EXAMPLER	
OIL COM	$\frac{1}{2} \left(\frac{1}{2} + \frac{1}{2} \right) = \frac{1}{2} \left(\frac{1}{2} + \frac{1}{2} + \frac{1}{2} \right) \left(\frac{1}{2} + \frac{1}{2} \right) \left(\frac{1}{2} + \frac{1}{2} \right) = \frac{1}{2} \left(\frac{1}{2} + \frac{1}{2} \right) \left(\frac{1}{2} + \frac$	endes HOBS
	Example NO.	
CASE NO	5873	a pangangan karang kang dang dang dang dang dang dang dang d

Docket No. 8-77

Dockets Nos. 9-77 and 10-77 are tentatively set for hearing on March 23 and April 6, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 9, 1977

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for April, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for April, 1977, from four provated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5863:

(Continued & Readvertised)

Application of Amerada Hess Corporation for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla Apache "B" Well No. 16, completed as an oil well in the Dakota formation at a point 1850 feet from the South line and 1500 feet from the West line of Section 29, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, said well having been projected as a Basin-Dakota gas well at a standard gas well location for said pool.

CASE 5857: (Continued & Readvertised)

Application of Union Oil Company of California for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its Pipeline Deep Unit Federal Well No. 3, the surface location of which is 1980 feet from the North and East lines of Section 7, Township 19 South, Range 34 East, Lea County, New Mexico, and to directionally drill said well in a southerly or easterly direction and complete it in the Morrow formation at a point no closer than 330 feet to the outer boundary of the proration unit, the E/2 of said Section 7.

In the matter of the hearing called by the Cil Conservation Commission on its own motion to consider the amendment of Rule 1115 of the Commission Rules and Regulations to provide for the CASE 5873: filing of information required on Form C-115, Operator's Monthly Report, in the manner and sequence prescribed by the Commission.

Application of Texaco Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres CASE 5874: formation through the perforated interval from 5926 to 5946 feet of its New Mexico "R" State Well No. 5, located in Unit B of Section 2, Township 18 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

(Continued from February 16, 1977, Examiner Hearing) CASE 5866:

> Application of Union Texas Petroleum for an exception to casing and cementing requirements of Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing and cementing requirements of Order No. R-111-A to eliminate the salt protection string in a well it proposes to drill in Unit D of Section 33, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 5048: (Reopened) (Continued from January 19, 1977, Examiner Hearing)

In the ratter of Case 5048 being reopened pursuant to the provisions of Order No. R-4637-A, which order extended the temporary special pool rules for the South Dagger Draw-Upper Pennsylvanian Associated Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said texporary special pool rules should not be rescinded.

CASE 5117: (Reopened) (Continued from February 2, 1977, Examiner Hearing)

In the matter of Case 5117 being reopened pursuant to the provisions of Order No. R-4691-A, which order extended the temporary special pool rules for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said North Dagger Draw-Upper Pennsylvanian Fool should not be developed on less than 16G-acre proration units and why the special depth bracket allowable should be retained.



Examiner Hearing - Wednesday - March 9, 1977 -2-

Docket No. 8-77

CASE 5875: Application of Atlantic Richfield Company for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 320-acre non-standard Jalmat gas promation unit comprising the W/2 of Section 29, Township 24 South, Range 37 Fast, Lea County, New Mexico, to its William H. Marrison "A" WH Well No. 2 located in Unit D and William H. Marrison "D" Wells Nos. 1 and 6 in Units L and N, respectively, of said Section 29. Applicant further seeks approval of an unorthodox location for its William H. Marrison "D" WN Well No. 6 at a location 660 feet from the South line and 1930 feet from the West line of said Section.

CASE 5876: Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Gavilan-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of his June Well No. 1 located in Unit B of Section 28, Township 28 North, Range 3 West, Rio Arriba County, New Mexico.

CASE 5820: (Continued from February 16, 1977, Examiner Hearing)

Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5867: (Continued from February 16, 1977, Examiner Hearing)

Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 19, Township 21 South, Range 27 East, Burton Flat Field, Eddy County, New Mexico, to be dedicated to its Forrest Well No. 1 to be located in Unit N of said Section 19. Also to be considered will be the cost of completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in completion of said well.

- CASE 5877: Application of Great Lakes Chemical Corporation for two non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard Blanco Mesaverde gas proration units comprising the SE/4 of Section 3, and the NW/4 of Section 35, respectively, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 5878: Application of Michael T. Gottlieb for two non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard Blanco Mesaverde gas provation units comprising the NE/4 of Section 3, and the SW/4 of Section 35, respectively, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 5879: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 12, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5880: Application of Morris R. Antwell for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 20, Township 18 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Examiner Hearing - Wednesday - March 9, 1977 -3Docket No. 8-77

CASE 5881: Application of Western Oil Producers, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Amoco State Well No. 1, completed in the Atoka formation at a point 660 feet from the South and West lines of Section 28, Township 16 South, Namge 33 East, Lea County, New Mexico, the W/2 of said Section 28 to be dedicated to the well.

(Continued & Readvertised) CASE 5859:

Application of Caulkins Oil Company for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, sceks authority to commingle Blanco Mesaverde and Basin-Dakota production in the wellbore of its Breech D Well No. 307, located in Unit M of Section 13, Township 26 North, Range 7 West, Rio Arriba County, New Mexico, and to dually complete the commingled formations and the Chaera formation in said well.

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: COMMISSION ON ITS OWN MOTION TO CONSIDER THE AMENDMENT OF RULE 1115 OF THE COMMISSION RULES AND REGULATIONS.

CASE NO. 5873 Order No. R- 5402

An J

ORDER OF THE COMMISSION

BY THE COMMISSION:

•

Roya la tions

This cause came on for hearing at 9 a.m. on <u>March 9</u>, 1977, at Santa Fe, New Mexico, before Examiner <u>Daniel S. Nutter</u>.

NOW, on this <u>day of March</u>, 1977, 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:

And Real States and States

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

matter thereor. (2) That Rule 1115 of the Commission Rules and (2) That Rule 1115 of the Commission Rules and operator's Monthly Report, each month for each producing Operator's Monthly Report, each month for each producing lease within the State of New Mexico for each calendar month, lease within the State of New Mexico for each calendar month, setting forth complete information and data indicated on said forms.

On some That although most operators list the data on (3) That although most operators list the data on Said Forms C-115 and C-115-EDP in the style and sequence suggested by the Commission in Various previous memoranda, suggested by the Commission in Various previous memoranda, some operators still list the data in an erratic and nonsome operators still list the data in an erratic and nonsequential manner, making it difficult for Commission

personnel to tabulate production statistics. (A) That economic waste results from the timeconsuming process of the down and rearranging said data interproper sequence for tabulation. (4) That Rule 1115 should be amended to provide the Secretary-Director of the Commission with anthority to preseribe the style and sequence in which the data required on Forms C-115 and C+15-EDP should be presented.

(5) That such amendment to Rule 1115 will not result in but will prevent waste and will not impair correlative rights

IT IS THEREFORE ORDERED:

(2) Jurisdiction

DONE AT

τ.

(1) That Rule 1115 of the Commission Rules and Regulations is hereby amended to read in entirety as follows:

* RULE 1115. OPERATOR'S MONTHLY REPORT (Form C-115)

Operator's Monthly Report, Form C-115 or Form C-115-EDP, shall be filed for each producing lease within the State of New Mexico for each calendar month, setting forth complete information and data indicated on said forms in the order, format, and style prescribed by the Secretary Director. Oil production from wells which are producing into common storage shall be estimated as accurately as possible on the basis of periodic tests.

The reports on this form shall be filed by the producer as follows:

Original to the Oil Conservation Commission at Santa Fe; one copy to the Oil Conservation Commission District Office at Hobbs; one copy to the District Office in which district the lease is located; and one copy to each transporter involved. Each report for each month shall be postmarked not later than the 24th day of next succeeding month. Failure of an operator to file this report in accordance with the provisions of this rule may result in cancellation of Form C-104 for the affected well or wells."

Case 5873 Application of the O.C.C. on its own motion to consider the amendment of Rule 1115 of the amendment of Rules and Bogulations, Commission Rules and Bogulations, and for the third ment of Rule 1445 Form 1975. Thursd ment of Rule 1445 Form 1975. Thursd ment of Rule 1445 will be provide for the Allop Filing of information 1900 on Form C-115, Operators Monthly Boport in the style and Sequence designated by the Commission Further to be considered will be the modification of Form C-115 and Form C-115-EDP.