

CASE NO.

6535

APPlication, Transcripts, Small Exhibits,

ETC.

STATE OF NEW MEXICO ENERGY AND MINERALS DEFARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6535 Order No. R-6074

APPLICATION OF TORREON OIL COMPANY FOR A WATERFLOOD PROJECT, SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 25, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of August, 1979, the Division Director, 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. 6535 is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY Director

SEA fd/

STATE OF NEW MEXICO ENEFGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 25 July 1979

EXAMINER HEARING

IN THE MATTER OF: Application of Torreon Oil Company for a) CASE waterflood project, Sandoval County, New } 6535 Mexico.

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

10

11

12

13

14

15

16

17

18

20

21

22

23

SALLY WALLON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (505) 471-3462
Santa Fe, New Mexico 871/01
12
14
15
16
16
17
18
19
19
19

21

22

23

24

6535.

MR. NUTTER: We'll call next Case Number

MR. PADILLA: Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

MR. NUTTER: Applicant has requested that this case be dismissed.

Case Number 6535 will be dismissed.

(Hearing concluded.)

-

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY
CERTIFY that the foregoing and attached Transcript of
Hearing before the Oil Conservation Division was reported
by me; that said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability, knowledge, and skill, from my notes taken at the
time of the hearing.

Sally W. Boyd, C.S.R.

ELICIES DE L'EXPENSION DE LE PROPERTIE LE LE PROPERTIE DE L'EXPENSION DE L'EXPENS

designation of the second

6

10

12

13

14

15

16

17

18

19

20

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 25 July 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Torreon Oil Company for a) waterflood project, Sandoval County, New)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

21 22

23

6535.

MR. NUTTER: We'll call next Case Number

MR. PADILLA: Application of Torreon Oil

Company for a waterflood project, Sandoval County, New Mexico.

MR. NUTTER: Applicant has requested that this case be dismissed.

Case Number 6535 will be dismissed.

(Hearing concluded.)

RMPORTER'S CERTIFICAGE

4

6

9

11

12

15

16 17

18

19

22

24

25

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

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

Conservation Division

3

5

8

14

20

21



STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

POST OFFICE BOX 2088 BTATE LAND OFFICE BUILDING BANTA FE, NEW MEXICO B/501 (505) 827-2434

August 17, 1979

| Mr. | W: | 1111 | am | F. | Ca | rr |
|-----|-----|------|-----|-----|-----|-----|
| Cam | pbe | ell | & E | lac | ck | |
| Att | ori | neys | at | L | we | |
| Pos | t (| Offi | ce | Bo: | ζ 2 | 208 |
| | | Fe. | | | | |

Re: CASE NO. 6535 ORDER NO. R-6074

Applicant:

Torreon Oil Company

Dear Sir:

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

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT Oil Conservation Division State Land Office Building Santa Fe, New Mexico 13 June 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Torreon Oil Com-) pany for a waterflood project,) Sandoval County, New Mexico.

CASE 6535

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

9

10

11

12

13

14

22

6535.

9

10

11 12

13

14

15

17

16

18

19 20

22

23

25

MR. NUTTER: We'll call next Case Number

MR. PADILLA: Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

MR. NUTTER: The applicant in this case has requested that the case be continued.

Case Number 6535 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a. m., July 25th, 1979.

(Hearing concluded.)

4 5

8

9

10

11

12 13

14

15

16

17 18

19

20

21 22

23

24

25

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. heard by me on

Oil Conservation Division

CASE

6535

STATE OF NEW MEXICO BUBLECY AND MEDITARIA DEPARTABLE Oil Conservation Division State Land Office Building Santa Fe, New Mexico 13 Juno 1979 UMANTIERR HEARTHO IN THE MATTER OF: Application of Torreon Oil Com-) pany for a waterflood project,) Sandoval County, New Mexico. BEFORE: Daniel S. Nutter TRANSCRIPT OF HEARING APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

8

10

11

12

13

14

15

16

17

18

19

20

6535.

MR. HUTTER: We'll call next Case Number

MR. PADILLA: Application of Torreon Oil
Company for a waterflood project, Sandoval County, New
Mexico.

MR. NUTTER: The applicant in this case has requested that the case be continued.

Case Number 6535 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a. m., July 25th, 1979.

(Hearing concluded.)

SALLY WALTON BO
ERTIFIED SHORTHAND REPOI
020Plata Blanca (603) 471Santa Fe, New Rexico 872

oner.

REPORTER'S CURTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6535

, Examiner

Oil Conservation Division

SALLY WALTON BOY ESTIFIED SHORTHAND REPOIL 20 Plaza Blanca (605) 471-3. Santa Fo, New Mexico 871(

CASE 6471: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated 0il & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Freeman Well No. 1-A to be located in Unit C of Section 11, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6472: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated 011 & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Jenny Well No. 1-A to be located in Unit P of Section 13, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6473: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its McIntyre Well No. 1-A to be located in Unit K of Section 11, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6474: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Williams Well No. 1-A to be located in Unit C of Section 24, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the provation unit which cannot be so drained by the existing well.

CASE 6475: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Montoya Well No. 1-A to be located in Unit I of Section 35, Township 32 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6535: (Continued from June 13, 1979, Examiner Hearing)

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.

CASE 6579: (Continued from June 27, 1979, Examiner Hearing)

Application of R. N. Hillin for an unorthodox well location and approval of infill drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of a Morrow gas well at an unorthodox location 800 feet from the South line and 2000 feet from the East line of Section 34, Township 19 South, Range 28 East, is necessary to effectively and efficiently drain that portion of the E/2 of said Section 34 which cannot be so drained by the existing well.

CASE 6580: (Continued from June 27, 1979, Examiner Hearing) (This case will be continued to the August 22 hearing.)

Application of Continental Oil Company for a carbon dioxide injection project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a pilot carbon dioxide injection project in the Grayburg-San Andres formation in Units H and I of Section 20, Township 17 South, Range 32 East, Maljamar Pool, for tertiary recovery purposes.

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 9 May 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

CASE 6535

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

SALLY WALTON BOY!
ERTIFIED SHORTHAND REPORTE
320Plaza Blanca (305) 471-24
Santa Pt. New Merico, 8740-

10

11

12

13

14

15

16

17

18

19

21

22

23

24

MR. NUTTER: Call Case 6535.

MR. PADTLLA: Case 6535. Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

The applicant in this case has requested that it be continued to the May 23rd Examiner Hearing.

MR. NUTTER: Case Number 6535 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a.m. May 23, 1979.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6533, heard by me on 5679.

Oil Conservation Division

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 9 May 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

CASE 6535

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

5

6

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

MR. NUTTER: Call Case 6535.

MR. PAL

MR. PADILLA: Case 6535. Application of

Torreon Oil Company for a waterflood project, Sandoval

County, New Mexico.

The applicant in this case has requested that it be continued to the May 23rd Examiner Hearing.

MR. NUTTER: Case Number 6535 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a.m. May 23, 1979.

(Hearing concluded.)

SALLY WALTON BOY!
ERTIFIED SHORTHUND REPORTS
220 Plaza Blanca (\$95) 4131-24
Santa Fe, New Mexico 8750;

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

SALLY WALTON BOY SERTIFIED SHORTHAND REPORT 020Place Blances (605) 471-3 Santa Fo, New Moxico 875,

I do hereby certify that the foregoing is a complete are and of the proceedings in the Examiner nearing of Case No. 6535 heard by me on 5/9 19.79

, Examiner

Ott Conservation Division

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 23 May 1979

EXAMINER HEARING

IN THE MATTER OF:

6

8

10

11

12

13

14

15

16

17

18

19

20

21

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

CASE 6535

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

22 23

24

MR. STAMETS: Call next case number 6535.

MR. PADILLA: Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

MR. STAMETS: The Division has received a request that this case be continued to the June 13th hearing, and it will be so continued.

(Hearing concluded.)

SALLY WALTON BOYD CERTIFIED SHORTHAND REPORTER 3020 Plaza Blazca (106) 471-2462 Santa Fo, New Moxico 87501

REPORTATIS CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

hat the foregoing is of the proceedings in Oil Conservation Division Examiner

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 23 May 1979

EXAMINER HEARING

IN THE MATTER OF:

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

25

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

CASE 6535

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

MR. STAMETS: Call next case number 6535.

MR. PADILLA: Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

MR. STAMETS: The Division has received a request that this case be continued to the June 13th hearing, and it will be so continued.

(Hearing concluded.)

3 4

5

8

10 11

12 13

14

15

16 17

18 19

20

22

21

23 24

25

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do here and my is the foregoing is a complement or the proceedings in the Examiner is oring of Case no heard by me on_

Oil Conservation Division

CASE 6535: (Continued from May 23, 1979, Examiner Rearing)

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.
Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.

- CASE 6575: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting the vertical limits, and extending the horizontal limits of certain pools in Eddy, Lea, and Roosevelt Counties, New Mexico:
 - (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Cass Draw-Wolfcamp Gas Pool. The discovery well is Black River Corporation Miller Com Well No. 1 located in Unit C of Section 10, Township 23 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM Section 10: N/2

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Abo production and designated as the Runyan Ranch-Abo Gas Pool. The discovery well is Mesa Petroleum Company Runyan Federal Com Well No. 1 located in Unit E of Section 17, Township 19 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM Section 17: NW/4

(c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Runyan Ranch-Morrow Gas Pool. The discovery well is Mesa Petroleum Company Gardner State Well No. 1 located in Unit K of Section 8, Township 19 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM Section 8: W/2

(d) EXTEND the Austin-Mississippian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM Section 16: SE/4
Section 17: NE/4

(e) EXTEND the Avalon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM Section 28: N/2

(f) EXTEND the Avalon-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM Section 21: SW/4 Section 28: N/2

(g) EXTEND the Buffalo-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM . Section 6: N/2

(h) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 12: S/2 Section 13: N/2

(i) EXTEND the Chaveroo-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NIPM Section 34: SW/4

(j) EXTEND the South Culebra Bluff-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM Section 22: N/2 Section 35: N/2 CAMPBELL AND BLACK, P.A.

LAWYERS

JACK M. CAMPBELL BRUCE D. BLACK MICHAEL B. CAMPBELL WILLIAM F. CARR PAUL R. CALDWELL POST OFFICE BOX 2208

JEFFERSON PLACE

SANTA FE, NEW MEXICO 87501

TELEPHONE (505) 988-4421

OIL CONSERVATION DIVISION

SANTA FE

May 3, 1979

New Mexico Oil Conservation
Division
Department of Energy
and Minerals

Post Office Box 2088 Santa Fe, New Mexico

Re. Case No. 6535

me. Jabe No. 03

Gentlemen:

Torreon Oil Company, Applicant in the above referenced case, hereby requests that this case be continued from the Examiner Hearing scheduled for May 9, 1979, to the Examiner Hearing to be held on May 23, 1979.

Very truly yours,

William F. Carr

WFC:mih

cc: Mr. Noel Reynolds

Dockets Nos. 23-79 and 24-79 are tentatively set for hearing on June 13 and 27, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 23, 1979

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

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

- CASE 6545: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Corinne Grace, Travelers Indomnity Company, and all other interested parties to appear and show cause why the Kuklah Baby Well No. 1 located in Unit G of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6422: (Continued from February 28, 1979, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Helton Engineering & Geological Services, Inc., Travelers Indemnity Company, and all other interested parties to appear and show cause why the Brent Well No. 1 located in Unit M of Section 29 and the Brent Well No. 3 located in Unit G of Section 19, both in Township 13 North, Range 6 East, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

- Application of Black River Corporation for compulsory pooling and non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the SW/4 of Section 32, Township 23 South, Range 37 East, to form a 160-acre non-standard gas proration unit 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 6536: (Continued from May 9, 1979, Examiner Hearing)

Application of Black River Corporation for two non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two 80-acre non-standard gas proration units in the Jalmat Gas Pool as follows: the N/2 SE/4 of Section 22, Township 23 South, Range 36 East, to be dedicated to applicant's well to be drilled in Unit J of said Section 22; and the S/2 SE/4 of said Section 22 to be dedicated to El Paso Natural Gas Company's Shell State Well No. 3 located in Unit P.

CASE 6535: (Continued from May 9, 1979, Examiner Hearing)

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.

- CASE 6547: Application of American Petrofina Company of Texas for the creation of a waterflood buffer zone, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a waterflood buffer zone comprising the NE/4 SE/4 of Section 26, Township 17 South, Range 32 East, Maljamar Grayburg-San Andres Pool, to enable applicant to produce its Johns B Well No. 4 located thereon at an unrestricted rate.
- CASE 6548: Application of John F. Staver for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Dakota formation through the open hole interval from 1408 feet to 1412 feet in his Table Mesa Well No. 22 located in Unit N and from 1394 feet to 1400 feet in his Table Mesa Well No. 23 located in Unit O, both in Section 34, Township 28 North, Range 17 West, Table Mesa-Dakota 011 Pool.
- CASE 6549: Application of Gulf Oil Corporation for pool creation, discovery allowable, and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new Bone Springs oil pool for its Lea "YH" State Well No. 1 located in Unit O of Section 25, Township 18 South, Range 34 East. Applicant also seeks a discovery allowable and promulgation of special pool rules, including a provision for 80-acre spacing.

Oil Conservation

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF TORREON OIL COMPANY FOR AUTHORITY TO INSTALL AND OPERATE A WATERFLOOD PROJECT IN THE SAN LUIS MESAVERDE POOL, SANDOVAL COUNTY, NEW MEXICO.

Case 6535

APPLICATION

COMES NOW, TORREON OIL COMPANY and applies to the Oil Conservation Division of New Mexico for authority to install and operate a waterflood project in the San Luis Mesaverde Pool, Sandoval County, New Mexico by the conversion of two wells to water injection, and for approval of administrative procedures for expansion of said waterflood project, and in support thereof would show:

- 1. Applicant seeks permission to institute a waterflood project in the San Luis Mesaverde Pool, by the injection of water into the Menafee formation.
- 2. Applicant proposes to convert to water injection its Torreon Wells No. 1 and No. 2 both in Section 21, Township 18 South, Range 3 East, N.M.P.M., Sandoval County, New Mexico.
- 3. That the wells in the project area are in an advanced stage of depletion.
- 4. That the proposed waterflood project will result in the recovery of otherwise unrecoverable hydrocarbons, thereby preventing waste and will not impair the correlative rights of others.

5. Applicant further requests that administrative procedures be authorized whereby modification or expansion of the unit including the drilling of additional injection wells and/or producing wells, and the conversion of existing wells to injection at both orthodox and unorthodox locations may be approved without further notice and hearing.

WHEREFORE, Applicant respectfully requests this matter be set for hearing before the Division's duly appointed examiner and that after notice and hearing as required by law, the Division enter its order approving the application as prayed for.

Respectfully submitted:

CAMPBELL AND BLACK, P.A.

Post Office Box 2208 Santa Fe, New Mexico 87501 Attorneys for Applicant

Oil Conservation

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF TORREON OIL COMPANY FOR AUTHORITY TO INSTALL AND OPERATE A WATERFLOOD PROJECT IN THE SAN LUIS MESAVERDE POOL, SANDOVAL COUNTY, NEW MEXICO.

Case 6535

APPLICATION

COMES NOW, TORREON OIL COMPANY and applies to the Oil Conservation Division of New Mexico for authority to install and operate a waterflood project in the San Luis Mesaverde Pool, Sandoval County, New Mexico by the conversion of two wells to water injection, and for approval of administrative procedures for expansion of said waterflood project, and in support thereof would show:

- 1. Applicant seeks permission to institute a waterflood project in the San Luis Mesaverde Pool, by the injection of water into the Menafee formation.
- 2. Applicant proposes to convert to water injection its Torreon Wells No. 1 and No. 2 both in Section 21, Township 13 South, Range 3 East, N.M.P.M., Sandoval County, New Mexico.
- 3. That the wells in the project area are in an advanced stage of depletion.
- 4. That the proposed waterflood project will result in the recovery of otherwise unrecoverable hydrocarbons, thereby preventing waste and will not impair the correlative rights of others.

5. Applicant further requests that administrative procedures be authorized whereby modification or expansion of the unit including the drilling of additional injection wells and/or producing wells, and the conversion of existing wells to injection at both orthodox and unorthodox locations may be approved without further notice and hearing.

WHEREFORE, Applicant respectfully requests this matter be set for hearing before the Division's duly appointed examiner and that after notice and hearing as required by law, the Division enter its order approving the application as prayed for.

Respectfully submitted:

CAMPBELL AND BLACK, P.A.

William F. Carr Post Office Box 2208

Santa Fe, New Mexico 87501 Attorneys for Applicant

APR 3 0 1979

Oil Conservation

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF TORREON OIL COMPANY FOR AUTHORITY TO INSTALL AND OPERATE A WATERFLOOD PROJECT IN THE SAN LUIS MESAVERDE POOL, SANDOVAL COUNTY, NEW MEXICO.

Case 6535

APPLICATION

COMES NOW, TORREON OIL COMPANY and applies to the Oil Conservation Division of New Mexico for authority to install and operate a waterflood project in the San Luis Mesaverde Pool, Sandoval County, New Mexico by the conversion of two wells to water injection, and for approval of administrative procedures for expansion of said waterflood project, and in support thereof would show:

- 1. Applicant seeks permission to institute a waterflood project in the San Luis Mesaverde Pool, by the injection of water into the Menafee formation.
- 2. Applicant proposes to convert to water injection its Torreon Wells No. 1 and No. 2 both in Section 21, Township 18 South, Range 3 East, N.M.P.M., Sandoval County, New Mexico.
- 3. That the wells in the project area are in an advanced stage of depletion.
- 4. That the proposed waterflood project will result in the recovery of otherwise unrecoverable hydrocarbons, thereby preventing waste and will not impair the correlative rights of others.

5. Applicant further requests that administrative procedures be authorized whereby modification or expansion of the unit including the drilling of additional injection wells and/or producing wells, and the conversion of existing wells to injection at both orthodox and unorthodox locations may be approved without further notice and hearing.

WHEREFORE, Applicant respectfully requests this matter be set for hearing before the Division's duly appointed examiner and that after notice and hearing as required by law, the Division enter its order approving the application as prayed for.

Respectfully submitted:

CAMPBELL AND BLACK, P.A.

William F. Carr

Post Office Box 2208 Santa Fe, New Mexico 87501

Attorneys for Applicant

Dockets Nos. 20-79 and 21-79 are tentatively set for hearing on May 23 and June 13, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 9, 1979

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, 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:
- CASE 6544: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Geologic Resources, Inc., United States Fire Insurance Company, and all other interested parties to appear and show cause why the B. T. Godec Strat. Test Well No. 1 located in Unit I of Section 25, Township 12 North, Range 8 East, Santa Fe County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6492: (Continued from April 25, 1979, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NK/4 of Section 13, Township 17 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 enarges 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 6534: Application of Amoco Production for simultaneous dedication and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of its Gilluly Fed. Well No. 17 at an unorthodox location in Unit H of Section 24, Township 20 South, Range 36 East, Eumont Gas Pool, along with the three wells now dedicated to the previously approved 480-acre unit comprising the N/2 and SE/4 of said Section 24.
- CASE 6535: Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico.

 Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.
- CASE 6536: Application of Black River Corp. for two non-standard gas proration units, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for two 80-acre non-standard gas proration units in the Jalmat Gas Pool as follows: the N/2 SE/4 of Section 22, Township 23 South, Range 36 East, to be dedicated to applicant's well to be drilled in Unit J of said Section 22; and the S/2 SE/4 of said Section 22 to be dedicated to El Paso Natural Gas Company's Shell State Well NO. 3 located in Unit P.
- CASE 6537: Application of Harper 0:1 Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its West Ranger Lake Unit Area, comprising 1,120 acres, more or less, of State lands in Township 12 South, Range 34 East, Lea County, New Mexico.
- CASE 6538: Application of Bedford, Inc., for approval of infill drilling, San Juan County, New Mexico.

 Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of its Ram Well No. 1-A located in Unit G of Section 8, Township 26

 North, Range 12 West, WAW Fruitland-Pictured Cliffs Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6539: Application of Continental Oil Company for a dual completion, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the dual completion of its James Ranch
 Unit Well No. 7 located in Unit G of Section 6, Township 23 South, Range 31 East, Eddy County, New
 Mexico, to produce gas from the Morrow and Atoka formations, Los Medanos Field, through parallel
 strings of tubing.
- CASE 6540: Application of Caulkins Oil Company for an NGPA determination, Rio Arriba County, New Mexico.

 Applicant, in the above-styled cause, seeks a Section 108 stripper gas well determination for its
 State B Well No. 233 located in Unit D of Section 16, Township 26 North, Range 6 West, South
 Blanco-Pictured Cliffs Pool, Rio Arriba County, New Mexico.
- CASE 6541: Application of Sun Oil Company for an unorthodox well location, Chaves County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State R Well No. 17, 1328 feet from the North line and 1336 feet from the East line of Section 16, Township 8 South, Range 30 East, Cato-San Andres Pool, Chaves County, New Mexico.

May 9 hearing !

a waterflood project, Sandoval County, Yew Mexico. Applicant, in the abover-styled cause, seeks authority to institute a waterflood project in the San Quis Mosa Verde Pool by the injection of water into the Menafer formation: through two wells located in Sec. 21, T-18N, R-3W, San Quis Mesa Verde Pool, Sandoval County, New Mexico.

will inject saline water from the Entrade

DRAFT

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

dr/

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

| CASE | NO. | 6 | 535 | |
|-------|-------|----|------|--|
| Order | . No. | R- | 6074 | |

APPLICATION OF TORREON OIL COMPANY FOR A WATERFLOOD PROJECT, SANDOVAL COUNTY, NEW MEXICO

That Case No. 6535

Su

AN

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 25

19 79 , at Santa Fe, New Mexico, before Examiner Daniel S. Nutter

NOW, on this day of , 19 79 , the Division

Director, 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:

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

is hereby dismissed.