

Entered May 5, 1969
A.S.P.

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. 4114
Order No. R-2729-A

APPLICATION OF GULF OIL CORPORATION
FOR TWO UNORTHODOX OIL WELL LOCATIONS
AND AMENDMENT TO ORDER NO. R-2729,
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.

NOW, on this 5th day of May, 1969, 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 the applicant, Gulf Oil Corporation, is the opera-
tor of the West Pearl Queen Unit Waterflood Project, West Pearl
Queen Unit Area, Pearl-Queen Pool, Lea County, New Mexico,
approved by Commission Order No. R-2729.

(3) That the applicant now seeks authority to drill two
producing oil wells as infill wells in its West Pearl Queen Unit
Waterflood Project at unorthodox locations in Township 19 South,
Range 35 East, NMPM, Pearl-Queen Pool, Lea County, New Mexico,
said wells to be located as follows:

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

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

(4) That the proposed unorthodox locations are necessary
to complete an efficient oil producing pattern.

(5) That the applicant further seeks the amendment of said
Order No. R-2729 to provide for the establishment of an adminis-
trative procedure whereby the Secretary-Director of the Commission
may authorize additional injection wells and producing wells at
orthodox and unorthodox infill locations as may be necessary to
complete an efficient injection and producing pattern without
the necessity of showing well response.

(6) That approval of the aforesaid amendment will afford
the applicant the opportunity to produce its just and equitable
share of the oil in the Pearl-Queen Pool, and will otherwise
prevent waste and protect correlative rights, provided said
producing wells and injection wells are drilled no closer than
990 feet to the outer boundary of said West Pearl Queen Unit
nor closer than 5 feet to any quarter-quarter section or sub-
division inner boundary.

(7) That the West Pearl Queen Unit Waterflood Project
should be governed by the provisions of Rules 701, 702, and 703
of the Commission Rules and Regulations; provided, however, that
the showing of well response as required by Rule 701 E-5 shall
not be necessary before obtaining administrative approval for
the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby
authorized to drill the following producing oil wells as infill
wells in its West Pearl Queen Unit Waterflood Project, West Pearl
Queen Unit Area, Pearl-Queen Pool, at unorthodox locations in
Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.

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

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

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(2) That Order (2) of Commission Order No. R-2729 is hereby amended to read in its entirety as follows:

"(2) That the West Pearl Queen Unit Waterflood Project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve such additional injection and producing wells at orthodox and unorthodox infill locations as may be necessary to complete an efficient injection and producing pattern, provided said wells are drilled no closer than 990 feet to the outer boundary of said West Pearl Queen Unit nor closer than 5 feet to any quarter-quarter section or subdivision inner boundary, and provided that the application therefor has been filed in accordance with Rule 701 B of the Commission Rules and Regulations. The showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection."

(3) 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


DAVID F. CARGO, Chairman


ALEX J. ARMILLO, Member


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

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