

DOCKET: REGULAR HEARING OCTOBER 17, 1957

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

- ALLOWABLE: (1) Consideration of the oil allowable for November, 1957.
- (2) Consideration of the allowable production of gas for November, 1957, from the six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from the six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for November, 1957.

NEW CASES

- CASE 1273: In the matter of the hearing called by the Oil Conservation Commission to permit Magnolia Petroleum Company to appear and show cause why it should not be required to purchase 100% of the oil authorized to be produced from the wells from which it purchases in the State of New Mexico.
- CASE 1299: In the matter of the hearing ordered by Paragraph (2) of Order R-1037-A to permit Gulf Oil Corporation to appear and show cause why it should not be required to purchase 100% of the oil authorized to be produced from the wells from which it purchases in the State of New Mexico.
- CASE 1323: Application of the Oil Conservation Commission upon its own motion for an order revising Rule 803 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order revising Rule 803 of the Commission Rules and Regulations concerning the authorization of liquid hydrocarbon production from gas wells and to eliminate the necessity of individually listing each of said wells on the oil proration schedule.
- CASE 1324: Application of Graridge Corporation for an order authorizing capacity production for its pilot water flood project in the Caprock-Queen Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing capacity production of all its wells in its pilot water flood project authorized by Order R-972 in Section 31, Township 12 South, Range 32 East, Caprock-Queen Pool, Lea County, New Mexico.
- CASE 1325: Application of Amerada Petroleum Corporation for an order amending Order R-991 insofar as said order pertains to the Bagley-Upper Pennsylvanian Gas Pool in Lea County, New Mexico, to extend the horizontal limits of said pool, and to provide for standard drilling units of 320 acres. Applicant, in the above-styled cause, seeks an order extending the Bagley-Upper Pennsylvanian Gas Pool to include the W/2 SW/4 of Section 2; N/2, SE/4 and N/2 SW/4 of Section 3; N/2 and N/2 SE/4 of Section 4, all in Township 12 South, Range 33 East; the S/2 and S/2 N/2 of Section 33; S/2 and S/2 N/2 of Section 34, all in Township 11 South, Range 33 East, Lea County, New Mexico. Applicant further requests the establishment of 320-acre spacing and drilling units in the Bagley-Upper Pennsylvanian Gas Pool and

such other rules and regulations as the Commission may deem necessary for the purposes herein stated.

CASE 1326: Application of Southern California Production Corporation for an order promulgating special pool rules for the Teas Pool in the Potash-Oil Area in Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Teas Pool in the Potash-Oil Area in Lea County, New Mexico, to provide a casing program for wells drilled in said pool in lieu of the Shallow-zone Casing Requirements set forth in Order R-111-A.

CASE 1327: Application of Texas Pacific Coal and Oil Company for an order immediately terminating gas prorationing in the Jalmat Gas Pool; or in the alternative, revising the Special Pool Rules for the Jalmat Gas Pool in Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order immediately terminating gas prorationing in the Jalmat Gas Pool, or in the alternative, an order immediately cancelling all accumulated underproduction and redistributing such underproduction to overproduced wells in the Jalmat Gas Pool, and requiring gas purchasers to nominate a sufficient amount of gas from the pool to permit wells from which purchasers are able to take gas to have an allowable equal to their actual production, and upon this basis to thereafter balance the pool production at the end of each proration period, and establishing deliverability of gas wells as a factor in the proration formula for the pool, and establishing a maximum amount of gas which may be taken from any well in the pool during a specified period of time. Applicant further requests the Commission to issue such further order or orders as will bring the pool immediately into balance and maintain such balance without waste and without abuse of applicant's or others' correlative rights.

CASE 1328: Southeastern New Mexico nomenclature case calling for an order for the abolishment, deletion and extension of existing pools in Lea, Chaves, and Eddy Counties, New Mexico.

(a) Abolish the Premier Pool described as:

TOWNSHIP 17 SOUTH, RANGE 30 EAST

Section 22: S/2

Section 23: S/2 & SW/4 NW/4

Section 24: S/2

All of Sections 25, 26, 27, 28, 33, 34, 35 & 36

TOWNSHIP 17 SOUTH, RANGE 31 EAST

Section 19: S/2

Section 20: S/2

All of Sections 29 & 30

Section 31: N/2

- (b) Delete portions of the Square Lake Pool described as:

TOWNSHIP 17 SOUTH, RANGE 31 EAST

Section 3: NW/4
Section 4: N/2
Section 5: N/2
Section 6: N/2

- (c) Extend the Grayburg-Jackson Pool to include:

TOWNSHIP 17 SOUTH, RANGE 30 EAST

Section 22: S/2
Section 23: S/2
Section 24: S/2

All of Sections 25, 26, 27, 28, 33, 34, 35 & 36

TOWNSHIP 17 SOUTH, RANGE 31 EAST

Section 3: NW/4
Section 4: N/2
Section 5: N/2
Section 6: N/2
Section 19: S/2
Section 20: S/2
All of Sections 29 & 30
Section 31: N/2

- (d) Extend the East Anderson Ranch-Pennsylvanian Pool to include:

TOWNSHIP 16 SOUTH, RANGE 33 EAST

Section 3: Lots 15 & 16, S/2
Section 4: E/2 SE/4

- (e) Extend the Artesia Pool to include:

TOWNSHIP 18 SOUTH, RANGE 27 EAST

Section 26: NW/4

- (f) Extend the Atoka-Grayburg Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST

Section 12: S/2

TOWNSHIP 18 SOUTH, RANGE 27 EAST

Section 7: SW/4

- (g) Extend the Blinebry Gas Pool to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST

Section 16: SE/4

- (h) Extend the Caprock-Queen Pool to include:

TOWNSHIP 13 SOUTH, RANGE 32 EAST

Section 30: SE/4

TOWNSHIP 14 SOUTH, RANGE 31 EAST
Section 17: NE/4 SW/4

- (i) Extend the Caudill-Wolfcamp Pool to include:

TOWNSHIP 15 SOUTH, RANGE 36 EAST
Section 9: SE/4
Section 16: E/2

- (j) Extend the Cave Pool to include:

TOWNSHIP 16 SOUTH, RANGE 29 EAST
Section 31: S/2 S/2
Section 33: S/2 & NE/4

TOWNSHIP 17 SOUTH, RANGE 28 EAST
Section 1: NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST
Section 6: N/2

- (k) Extend the Dayton-San Andres Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST
Section 27: SE/4 SE/4
Section 34: E/2 NE/4
Section 35: NW/4

- (l) Extend the Four Lakes-Pennsylvanian Pool to include:

TOWNSHIP 12 SOUTH, RANGE 34 EAST
Section 2: NW/4

- (m) Extend the Gladiola Pool to include:

TOWNSHIP 12 SOUTH, RANGE 37 EAST
Section 13: NE/4

- (n) Extend the Gladiola Wolfcamp Pool to include:

TOWNSHIP 12 SOUTH, RANGE 37 EAST
Section 27: E/2

- (o) Extend the Grayburg-Keely Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST
Section 14: S/2 SW/4

- (p) Extend the King-Devonian Pool to include:

TOWNSHIP 13 SOUTH, RANGE 37 EAST
Section 26: S/2 SE/4

- (q) Extend the North Mason-Delaware Pool to include:

TOWNSHIP 26 SOUTH, RANGE 32 EAST
Section 18: S/2

- (r) Extend the Square Lake Pool to include:

TOWNSHIP 16 SOUTH, RANGE 30 EAST
Section 29: NE/4

- (s) Extend the Teague-Grayburg Pool to include:

TOWNSHIP 23 SOUTH, RANGE 37 EAST
Section 21: SW/4

- (t) Extend the Young Pool to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST
Section 20: S/2 S/2

CASE 1329: Northwestern New Mexico nomenclature case calling for an order creating a new pool and extending the vertical and horizontal limits of existing pools in San Juan and Rio Arriba Counties, New Mexico.

- (a) Create a new oil pool for Gallup production, designated as the Horseshoe-Gallup Oil Pool, and described as:

TOWNSHIP 30 NORTH, RANGE 16 WEST
Section 3: W/2 W/2
Section 4: E/2 and SE/4 NW/4
Section 9: W/2 NE/4, NE/4 NE/4, E/2 SW/4
and NW/4 SE/4

- (b) Extend the vertical limits of the Otero-Graneros Pool to include the Dakota formation and change the name of said pool accordingly to the Otero Graneros-Dakota Pool.

- (c) Extend the horizontal limits of the Otero Graneros-Dakota Pool to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST
Section 26: SW/4
Section 27: S/2

- (d) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 28 NORTH, RANGE 9 WEST
All of Sections 23 & 27

- (e) Extend the Tapacito-Pictured Cliffs Pool to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST
Section 10: N/2
Section 11: W/2

TOWNSHIP 26 NORTH, RANGE 3 WEST
Section 28: E/2

TOWNSHIP 27 NORTH, RANGE 5 WEST
Section 26: S/2

- (f) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 24 NORTH, RANGE 2 WEST
Section 20: All
Section 21: S/2

TOWNSHIP 25 NORTH, RANGE 3 WEST
All of Sections 28 & 29
Section 32: N/2
Section 33: N/2

TOWNSHIP 25 NORTH, RANGE 5 WEST
Section 34: N/2

TOWNSHIP 28 NORTH, RANGE 9 WEST
Section 26: All
Section 34: N/2

- (g) Extend the Otero-Chacra Pool to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST
Section 18: All
Section 34: N/2

- (h) Extend the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 11 WEST
Section 24: SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST
Section 20: SE/4

- (i) Extend the Verde-Lower Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 15 WEST
Section 31: NE/4

CASE 1330: Application of Northwest Production Corporation for an order for the extension of the South Blanco-Pictured Cliffs Pool in Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order extending the South Blanco-Pictured Cliffs Pool to include the following area:

TOWNSHIP 25 NORTH, RANGE 4 WEST
All of Sections 5 & 6
Section 7: E/2
All of Section 8