

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 11, 1958

C
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P
Y

Mr. Jason Kellahin
Kellahin & Fox
Box 1713
Santa Fe, New Mexico

Dear Mr. Kellahin:

On behalf of your client, Caulkins Oil Company, we enclose two copies of Order R-1191 issued June 10, 1958, by the Oil Conservation Commission in Case 1420, which was heard on April 16th at Roswell.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

Smail

GOVERNOR

EDWIN L. MECHEM
CHAIRMAN

New Mexico

OIL CONSERVATION COMMISSION

LAND COMMISSIONER, MURRAY E. MORGAN
MEMBER

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



P. O. BOX 871
SANTA FE, NEW MEXICO

January 14, 1958

Vertical stamp or handwritten note on the right margin.

The Texas Railroad Commission
Tribune Building
Austin, Texas

Attention: Mr. Arthur Barbeck

Gentlemen:

We would appreciate receiving copies of the following orders if you have extra copies available:

- Order #8-30,661 dated December 7, 1954
- Order #8-35,314 dated April 23, 1957
- Order #8-35,462 dated May 13, 1957

All of the above orders were entered in Docket No. 126 for the Diamond "M" (Canyon Lime Area) Field, Scurry and Borden Counties, Texas for the repressuring project in the Sharon Ridge Unit.

Very truly yours,

DANIEL S. NUTTER,
District Engineer

DSN/ir

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

OIL AND GAS DOCKET NO. 126

8 - 35,462

IN RE: CONSERVATION AND PREVENTION OF
WASTE OF CRUDE PETROLEUM AND
NATURAL GAS IN THE DIAMOND "M"
(CANYON LIME AREA) FIELD,
SCURRY AND BORDEN COUNTIES,
T E X A S

Austin, Texas

May 13, 1957

SPECIAL ORDER

AMENDING SPECIAL ORDER NO. 8-31,198, AS AMENDED
BY SPECIAL ORDER NO. 8-35,314, APPROVING A WATER INJECTION
PRESSURE MAINTENANCE PROGRAM FOR THE SHARON RIDGE CANYON
UNIT IN THE DIAMOND "M" (CANYON LIME AREA) FIELD,
SCURRY AND BORDEN COUNTIES, TEXAS

WHEREAS, After due notice and hearing, the Railroad Commission of Texas held a hearing on April 10, 1957, on the application of Warren Petroleum Corporation, as unit operator for the Sharon Ridge Canyon Unit in the Diamond "M" (Canyon Lime Area) Field, Scurry and Borden Counties, Texas, and thereafter adopted Special Order No. 8-35,314, dated April 23, 1957, amending Special Order No. 8-31,198, approving water injection and pressure maintenance program for the Sharon Ridge Canyon Unit in the Diamond "M" (Canyon Lime Area) Field, Scurry and Borden Counties, Texas; and

WHEREAS, It appears to the Commission that Special Order No. 8-35,314 is contradictory in its terms and does not accurately reflect the action of the Commission pursuant to said hearing of April 10, 1957.

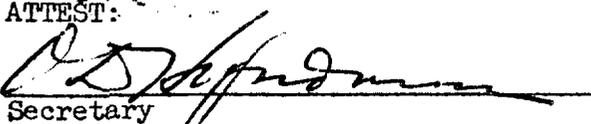
NOW, THEREFORE, IT IS ORDERED By the Railroad Commission of Texas that effective May 13, 1957, Special Order No. 8-31,198, as amended by Special Order No. 8-35,314, be and it is hereby amended by deleting Paragraphs (5) and (6) and substituting therefor the following paragraph:

(5) The transferred allowable from any well being converted from a producing well to an injection well shall in no event exceed the ability of the well to produce oil as determined as follows: the test of the ability to produce oil from such a well shall be based on a twenty-four (24) hour test at a stabilized rate of production which shall be the final twenty-four (24) hour period of a seventy-two (72) hour test, and in each twenty-four (24) hour period the well is to be produced in the same manner and said test shall be reported to the Commission on Commission Form 3 (Potential Test Form) and designated "A Test Determining the Producing Ability of a Well Prior to Conversion From a Producing Well to an Injection Well." Said Form shall be signed by a District Superintendent, his assistant, or an engineer having knowledge of the facts, or shall be signed by an agent of the Commission.

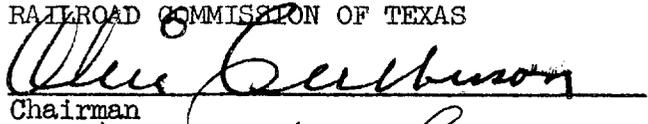
IT IS FURTHER ORDERED That this cause be held open on the docket for such other and further orders as may be necessary.

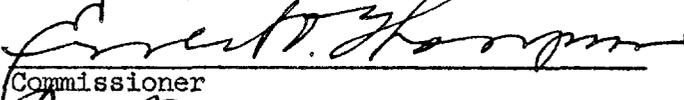


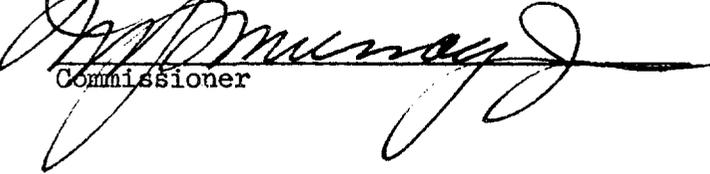
ATTEST:


Secretary
BP:sn

RAILROAD COMMISSION OF TEXAS


Chairman


Commissioner


Commissioner

RAILROAD COMMISSION OF TEXAS
OIL AND GAS DIVISION

OIL AND GAS DOCKET NO. 126
8 - 35, 314

IN RE: CONSERVATION AND PREVENTION OF
WASTE OF CRUDE PETROLEUM AND
NATURAL GAS IN THE DIAMOND "M"
(CANYON LINE AREA) FIELD, SCURRY
AND BORDEN COUNTIES, TEXAS
Austin, Texas
April 23, 1977

SPECIAL ORDER
AMENDING SPECIAL ORDER NO. 8-31, 1969, APPROVING
WATER INJECTION AND PRESSURE MAINTENANCE PROGRAM FOR THE
SHARON RIDGE CANYON UNIT IN THE DIAMOND "M"
(CANYON LINE AREA) FIELD,
SCURRY AND BORDEN COUNTIES, TEXAS

WHEREAS, After due notice, the Railroad Commission of Texas held a hearing on April 10, 1977, on the application of Warren Petroleum Corporation, as Unit Operator for the Sharon Ridge Canyon Unit in the Diamond "M" (Canyon Line Area) Field, Scurry and Borden Counties, Texas, to consider the amendment of Special Order No. 8-31, 1969 to provide for a unit allowable, change in the transfer of allowable provisions and increase of the individual well production limitation for the Sharon Ridge Canyon Unit in the Diamond "M" (Canyon Line Area) Field, Scurry and Borden Counties, Texas; and

WHEREAS, From evidence adduced at said hearing, it appears to the Commission that the water injection and pressure maintenance program for the Sharon Ridge Canyon Unit authorized by Special Order No. 8-31, 1969, as amended, is proving highly successful; that all working interests in the area included in the unit have been unitized and secondary recovery production operations for all interests are being conducted as a single unified operation; and

WHEREAS, From evidence adduced at said hearing, the Commission is of the opinion and finds that the efficiency of the pressure maintenance program and the ultimate recovery of hydrocarbons from the unit area can be increased and the administrative burden of operating the unit can be substantially decreased by the adoption of the unit allowable and transfer of allowable provisions hereinafter set out; that the efficiency of the program and the uniform benefit to the reservoir can be increased by permitting the production of as much as 400 barrels of oil per day from some wells in the unit.

NOW, THEREFORE, IT IS ORDERED by the Railroad Commission of Texas that effective May 1, 1977, the allowable and transfer of allowable provisions of said Special Order No. 8-31, 1969 be and they are hereby amended to read as follows:

"IT IS FURTHER ORDERED That the allowable and transfer of allowables for the Sharon Ridge Canyon Unit in the Diamond "M" (Canyon Line Area) Field be established and conducted in accordance with the following provisions:

(1) As the water and supplemental gas injection operation progresses, said operator may expand the injection facilities and may use for injection purposes additional wells, either converted producing wells and/or wells drilled for such use; provided that prior to the use of such additional wells for injection purposes, the operator must file with the Commission's Engineering Department, for its approval, a plat showing thereon the location of such additional injection wells with the date that injection into such wells will be commenced; and if such wells are converted producing wells, the date such wells ceased to produce oil; and provided, further, that no injection well location will be approved at or nearer to the lease boundary line than a regular location for producing wells projected to this reservoir unless and until the operator furnishes waivers from any such offsetting operator or until evidence that such offsetting operator has been notified and that no protest is made to the Commission concerning such location within ten days after such request for approval of the injection well location is received by the Commission's Engineering Department.

ORDER # 8 - 35, 314

(2) The allowable of the Sharon Ridge Canyon Unit shall be the sum of the allowables of the several wells thereon, which allowables may be produced from any wells producing from the unit, in a manner consistent with efficient operation of the unitized area. The Operator of the Sharon Ridge Canyon Unit may, from time to time, transfer to any other well or wells the individual allowable, or any part thereof, or (a) any other well producing from the unit and hereafter used for injecting water or gas into the unit for pressure maintenance, (b) any well heretofore completed as a producer of oil from the unit and hereafter shut-in or restricted for the benefit of efficient operation of the unit, (c) any well which on the effective date of this rule may be in use as an injection well for either water or gas with its allowable transferred to other well or wells, and (d) any producing well which on the effective date of this rule is shut-in or restricted with its allowable or any part of its allowable transferred to another well or wells; provided that no well shall be assigned an allowable in excess of 400 barrels of oil per day. Provided, however, that no allowable shall be transferred from any well on which there is an outstanding uncommitted interest without a waiver in writing to such transfer from the owner of such interest.

(3) The Operator of the Sharon Ridge Canyon Unit shall submit to the Commission on or before the first day of each calendar month: a statement, listing each well in the Sharon Ridge Canyon Unit, which, during the calendar month is to be used for injection of water or gas into the unit, and each well which is to be shut-in during the month for the benefit of efficient operation of the unit; the well or wells to which the allowable of each of the wells herein before in this paragraph mentioned during the calendar month is to be transferred; a tabulation of all the wells in the unit with their adjusted allowables for the calendar month, the well allowable for the preceding month, increase or decrease in allowable from the preceding month and the allowable transferred to or from.

(4) Each well that is subject to this order which is shut-in with allowable transferred, as provided above, shall be exempt from any order of the Commission providing for gas-oil ratio surveys or production tests.

(5) The transferred allowable shall in no event exceed the ability of the well to produce oil as determined as follows: At least six (6) days prior to the transfer of allowable from any such well, the operator of the lease or unit shall notify the Commission's Deputy Supervisor and offset operators as to the intention to transfer such allowable and as to the date that a test will be conducted to determine the ability of said well to produce oil. Such test may be witnessed by a representative of the Railroad Commission or of any offset operator.

(6) The test of the ability to produce oil from a well from which the allowable is to be transferred shall be based on a twenty-four (24) hour test at a stabilized rate of production, which shall be the final twenty-four (24) hour period of a seventy-two (72) hour test, and in each twenty-four (24) hour period the well is to be produced in the same manner, and said test shall be reported to the Commission on Commission Form 3 (Potential Test Form) and designated "A Test Determining the Producing Ability of a Well Prior to Transferring the Allowable." Said form shall be signed by a district superintendent, his assistant or an engineer having knowledge of the facts or shall be signed by the offset operator or by an agent of the Commission.

IT IS FURTHER ORDERED That any previous provisions of Special Order No. 8-31, 1969, as amended, pertaining to allowables and transfer of allowables in conflict herewith, be and they are hereby rescinded.

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IT IS FURTHER ORDERED That this cause be held open on the docket for such other and further orders as may be necessary.

RAILROAD COMMISSION OF TEXAS

Chairman
Commissioner
Commissioner
Commissioner

