

EXHIBIT " "

HORSESHOE UTE LEASE

Horseshoe Canyon Field

San Juan County, New Mexico

COST OF CONSTRUCTING AN ADDITIONAL 3-TANK BATTERY

3 - 400 Bbl. API Type E Cone Bottom Tanks 12' Dia. X 21' 2" High Walkway, Panels & Stairway Grade, Align & Haul Tanks	\$ 6,834.00
Grade Battery Location	360.00
Fittings & Pipe to Equip Battery	1,200.00
Labor to Tie-In Battery	<u>600.00</u>
Total	\$ 8,994.00
Flow Lines from Wells to Battery 5,750 Ft. @ 28¢/Ft.	\$ 1,610.00
Labor to Lay Lines & Paint Same	<u>534.00</u>
Total	\$ 2,144.00
Cost to Lay 1/2 Mile of 3" Line for Pipeline Connection 2640 Ft. @ \$1.50/Ft.	<u>\$ 3,960.00</u>
Total	\$ 3,960.00
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Total Cost	<u><u>\$ 15,098.00</u></u>

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
<i>APP.</i> EXHIBIT NO. <u>2</u>
CASE NO. <u>1729</u>

EXHIBIT " "

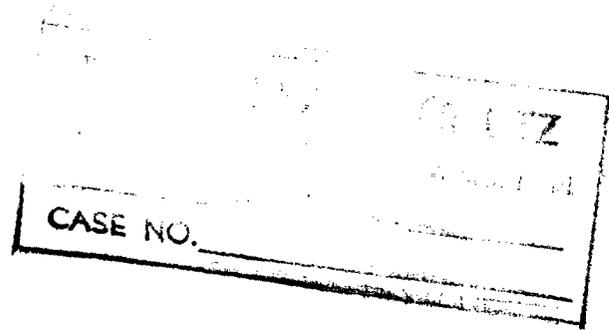
HORSESHOE UTE LEASE

San Juan County, New Mexico

Horseshoe Canyon Field

COST OF LAYING ADDITIONAL FLOW LINES TO EXISTING BATTERY

6,000' 3" Light Wall Pipe -- 6,000 Ft. @ 46.75¢/Ft.	\$ 2,805.00
3,000' 2" Light Wall Pipe -- 3,000 Ft. @ 28¢/Ft.	840.00
Fitting for Line	800.00
Labor to Lay Lines and Paint	<u>700.00</u>
Total Cost	\$ 5,145.00



BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
add. EXHIBIT NO. 3
 CASE NO. 1729

DOCKET: EXAMINER HEARING JULY 28, 1959Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

The following cases will be heard before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary-Director

Continued Case

CASE 1720: (Continued) Application of Skelly Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its W. P. Saunders Well No. 1, located in the SW/4 SE/4 of Section 11, Township 26 North, Range 11 West, San Juan County, New Mexico, in such a manner as to produce oil from the Gallegos-Gallup Oil Pool and to produce oil from an undesignated Dakota pool through parallel strings of tubing.

NEW CASES

CASE 1725: Application of Amerada Petroleum Corporation for an oil-oil dual completion and for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "Q" Well No. 1, located in the NW/4 SE/4 of Section 16, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Eunice-Monument Pool and the production of oil from an undesignated Tubb pool, through parallel strings of tubing. Applicant further seeks permission to commingle the production from said pools produced from the said State "Q" Well No. 1.

CASE 1726: Application of Amerada Petroleum Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Ka Da Pa Well No. 1, located in the SW/4 SW/4 of Section 4, Township 25 North, Range 12 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Bisti-Lower Gallup Oil Pool and the production of oil from an interval designated by the applicant as the Lower Mancos sand through parallel strings of tubing.

CASE 1727: Application of Skelly Oil Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Jicarilla "B" Well No. 20, located in the NW/4 NW/4 of Section 31, Township 25 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit production of oil from the Otero-Gallup Oil Pool and the production of gas from an undesignated Dakota pool through parallel strings of tubing.

CASE 1728: Application of Hanson, Waters and Williamson, for an order authorizing a pilot water flood project, for capacity allowable for twelve wells in said project area, and for establishment of an administrative procedure for expansion of said project, conversion of wells to water injection, and for granting capacity allowables. Applicant, in the above-styled cause, seeks an order authorizing it to institute a pilot water flood project in the Coyote-Queen Pool in Chaves County, New Mexico. Applicant proposes to inject water into the Queen formation through six wells located in Sections 15 and 16, Township 11 South, Range 27 East. Applicant also seeks capacity allowables for twelve wells in said project. Applicant further seeks the establishment of a procedure whereby the project area may be expanded, wells may be converted to water injection, and capacity allowables granted without notice and hearing.

July 28 hearing

CASE 1729:

Application of El Paso Natural Gas Products Company for permission to produce more than 16 wells in a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing the production of more than 16 wells in the Horseshoe-Gallup Oil Pool into a common tank battery. Said wells are located on applicant's Horseshoe Ute Lease comprising portions of Sections 27, 28, 33 and 34, Township 31 North, Range 16 West, San Juan County, New Mexico.

CASE 1610:

Application of Wood River Oil & Refining Company, Inc., for an amendment of Order No. R-1352. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1352, to provide that the unorthodox well locations for well Nos. 8 and 9 of the Wills Water Flood Project, Rhodes Pool, Lea County, New Mexico, be 1135 feet from the South line and 1315 feet from the West line of Section 35, and 1135 feet from the South line and 20 feet from the West line of Section 35 respectively, both in Township 26 South, Range 37 East.

1729

MAIN OFFICE OCC

EL PASO NATURAL GAS PRODUCTS COMPANY

EL PASO, TEXAS 1959 JUL 9 AM 8:37

July 6, 1959

ADDRESS REPLY TO:
POST OFFICE BOX 1565
FARMINGTON, NEW MEXICO

*Rec'd for
Reading
S. J. ...*

Horseshoe Gallup Oil Pool

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Porter:

As per Order No. R-1172, we request your approval to allow the producing of more than sixteen (16) wells into a tank battery.

The wells and tank battery are located on our Horseshoe Ute Lease No. 14-20-604-1951 in the Horseshoe-Gallup Field. At the present time there are fifteen (15) wells producing into the tank batteries and we have plans to drill four (4) more wells within the next two weeks. Also we will more than likely drill additional wells on the lease in the future.

The tank battery is located as near the center of the lease as possible as the rough terrain will permit. The lease gathering system consists of three-inch main lines through the system from the battery with two-inch laterals from the wells to the main line. The battery is now connected to the El Paso Natural Gas Products Company gathering system.

The wells are connected so that a Rolo Wellchecker can be used to determine each well's producing capacity periodically. The same type of connection will be used on future wells.

If you are unable to administratively approve this request, we request an emergency order as soon as possible so that construction of the gathering system can begin for the new wells.

Very truly yours,

Ewell N. Walsh

Ewell N. Walsh
Division Petroleum Engineer

ENW:jh

- cc: Mr. Emery Arnold
- Mr. Phil McGrath
- Mr. W. T. Hollis
- Mr. W. W. Dallas
- Mr. James C. Vandiver

*W. J. ...
7-18-59 Jh*

*also to
Mr. ...*