No. 15-62

DOCKET: REGULAR HEARING - WEDNESDAY - MAY 16, 1962

OIL CONSERVATION COMMISSION - 9 A.M., - HIGH SCHOOL AUDITORIUM - 1300 EAST SCHARBAUER, HOBBS, NEW MEXICO

ALLOWABLE: (1) Consideration of the oil allowable for June, 1962.

(2) Consideration of the allowable production of gas for June, 1962, for ten prorated pools in Lea and Eddy Counties, New Mexico, and also presentation of purchaser's nominations for said pools for the six-month period beginning July, 1962; consideration of the allowable production of gas for nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for June, 1962.

<u>CASE 2558</u>: Application of the Oil Conservation Commission, on its own motion and at the request of El Paso Natural Gas Company, to amend Rule 314.

It is proposed to amend Rule 314 by the addition of paragraph (i) thereto to further regulate the transportation of drip and to require the reporting of such transportation on Form C-110-A.

CASE 2559: Application of Gulf Oil Corporation for an amendment of Rule 112-A. Applicant, in the above-styled cause, seeks an amendment of Rule 112-A to delete that portion of said rule which requires that offset operators be notified of the taking of packer-leakage tests. Applicant further proposes that said rule be amended to provide for notification to an offset operator of the taking of such a test where the offset operator has previously requested that such notification be given.

- **CASE 2560:** In the matter of the hearing called on the motion of the **Oi**l Conservation Commission to consider the revision of Rules 201 and 1105 to eliminate the requirement that offset operators be notified prior to the commencement of well plugging operations.
- **<u>CASE 2561</u>**: In the matter of the hearing called on the motion of the Oil Conservation Commission to consider revising Rule 111, Deviation Tests and Whipstocking. Applicant, in the abovestyled cause, seeks an order revising Rule 111 to read in its entirety as follows:

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RULE 111. DEVIATION TESTS AND WHIPSTOCKING

(a) Any well which is drilled or deepened with rotary tools shall be tested at reasonably frequent intervals to determine the deviation from the vertical and a tabulation thereof filed with Form C-105, Well Record. When such deviation averages more than five degrees in any 500-foot interval, no oil or gas shall be sold until it has been established that the bottom of the hole is on the proration unit assigned to the well by means of a deviational and directional survey. In lieu of said survey, the operator may, with specific approval of the Commission, establish the location of the bottom of the hole by filing a notarized tabulation of all deviation tests, assuming the deviation from the vertical and the drift to be in a constant and continuous direction to the nearest boundary of the proration unit.

(b) No well shall be whipstocked and directionally drilled without special permission from the Commission. Permission to whipstock to straighten a crooked hole, to sidetrack junk in the hole, or to control a blow-out may be obtained from the appropriate District Office of the Commission on Commission Form C-102 with copies of said Form C-102 being furnished all offset operators. Permission to whipstock for any other reason will be granted only after notice and hearing. Upon completion of any whipstocked well and prior to producing any oil or gas therefrom, a deviational and directional survey shall be conducted and a report thereof filed with the Commission.

- <u>CASE 2562</u>: Southeastern New Mexico nomenclature case calling for an order creating new pools and extending certain existing pools in Eddy, Lea and Roosevelt Counties, New Mexico.
 - (a) Create a new oil pool for San Andres production, designated as the CLR-San Andres Pool, and described as:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM Section 31: NW/4

(b) Create a new oil pool for Delaware production, designated as the North Double X-Delaware Pool and described as:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM Section 11: SE/4

(c) Create a new oil pool for Blinebry production, designated as the Oil Center-Blinebry Pool and described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM Section 4: Lots 9, 10, 15 & 16