

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 5, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner,
or Elvis A. Utz, Alternate Examiner:

CASE 4621: (Continued from the November 10, 1971 Examiner Hearing)
Application of Jack L. McClellan for a dual completion,
Chaves County, New Mexico. Applicant, in the above-
styled cause, seeks approval for the dual completion
(conventional) of his Bar-J Federal Well No. 1 located
in Unit E of Section 15, Township 6 South, Range 27 East,
Chaves County, New Mexico, in such a manner as to produce
oil from an undesignated Siluro-Devonian pool through
tubing and gas from the Haystack-Cisco Gas Pool through
the casing-tubing annulus.

CASE 4609: (Continued from the November 17, 1971 Examiner Hearing)
Application of Jack L. McClellan for a unit agreement,
Chaves County, New Mexico. Applicant, in the above-
styled cause, seeks approval of the Sulimar-Queen Unit
Area comprising 1520 acres, more or less, of Federal lands
in Sections 13, 23, 24, 25, and 26 of Township 15 South,
Range 29 East, and Sections 18 and 19 of Township 15 South,
Range 30 East, Chaves County, New Mexico.

CASE 4482: (Reopened) :
In the matter of Case 4482 being reopened pursuant to the
provisions of Order No. R-4093, which order established
160-acre spacing units and established a maximum gas-oil
ratio limitation of 3,000 cubic feet of gas for each barrel
of oil produced for the Parkway-Strawn Pool, Eddy County,
New Mexico. All interested parties may appear and show
cause why said pool should not be developed on 40-acre
or 80-acre spacing units and why the limiting gas-oil
ratio should not revert to the statewide limit of 2,000
to one.

CASE 3709 (Reopened) :
In the matter of Case 3709 being reopened pursuant to the
provisions of Order No. R-3366-B, which order continued
80-acre spacing for the Akah Nez-Devonian Oil Pool, San
Juan County, New Mexico, for an additional one-year period.
All interested persons may appear and show cause why said
pool should not be developed on 40-acre spacing units.

CASE 4638: Application of Holder Petroleum Corporation for downhole

(Case 4638 continued)

and surface commingling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Todd Lower-San Andres Pool and the Todd Upper-San Andres Gas Pool in the wellbores of its BA Wells Nos. 1 and 2, located respectively, in Units A and H of Section 34, Township 7 South, Range 35 East, Roosevelt County, New Mexico. Applicant further seeks authority to commingle, on the surface, production from said wells prior to measurement.

- CASE 4639: Application of Great Western Drilling Company to directionally drill, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill out its State Well No. 1, having a surface location 330 feet from the North and East lines of Section 17, Township 16 South, Range 35 East, Townsend-Morrow Gas Pool, Lea County, New Mexico, to a depth of approximately 8,000 feet and whipstock the well in a southwesterly direction to a bottom-hole location within the NE/4 of said Section 17 at a depth of approximately 11,800 feet.
- CASE 4640: Application of Amoco Production Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the East Gem-Yates Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units.
- CASE 4641: Application of Reserve Oil and Gas Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its South Langlie Jal Unit Jalmat Waterflood Project, Jalmat Oil Pool, by the conversion of water injection of its Unit Well No. 23, located 2310 feet from the South and West lines of Section 17, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 4642: Application of Fluid Power Pump Company for special pool rules and a pressure maintenance project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Media-Entrada Pool, including a provision for 160-acre spacing and proration units. Applicant further seeks authority to institute a pressure maintenance project in said pool by the injection of water into the Entrada formation through various wells located in Sections 10, 11, 22, and 23 of Township 19 North, Range 3 West, Sandoval County, New Mexico, and promulgation of rules for said project including a procedure whereby additional injection or production wells at orthodox or un-orthodox locations may be approved administratively.

- CASE 4643: Application of Cities Service Oil Company for compulsory pooling and unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 19, Township 22 South, Range 27 East, South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico, to form a standard 320-acre proration unit for the production of gas from the Morrow formation with said unit to be dedicated to a well to be drilled at an unorthodox location 2173 feet from the North line and 1200 feet from the East line of said Section 19.
- CASE 4644: Application of Continental Oil Company for four non-standard gas proration units and rededication of acreage, Lea County New Mexico. Applicant, in the above-styled cause, seeks the rededication of acreage and the establishment of the following-described non-standard gas proration units for wells on its Meyer A-29 Lease in Section 29, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.
1. A 240-acre unit comprising the SE/4 and E/2 SW/4 to be dedicated to Well No. 3 in Unit N;
 2. An 80-acre unit comprising the W/2 SW/4 to be dedicated to Well No. 4 in Unit L;
 3. An 80-acre unit comprising the E/2 NE/4 to be dedicated to Well No. 5 in Unit A;
 4. A 240-acre unit comprising the NW/4 and W/2 NE/4 to be dedicated to Well No. 9 in Unit E.
- CASE 4563: (Continued from the December 1, 1971, Examiner Hearing) Application of Corrinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1, Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4619: (Continued from the December 1, 1971, Examiner Hearing)

Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 25, Township 22 South, Range 26 East, which acreage is within one mile of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 25. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges of supervision of said well.

CASE 4620: (Continued from the December 1, 1971, Examiner Hearing)

Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 24, Township 22 South, Range 26 East, which acreage is in the vicinity of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

DOCKET; EXAMINER HEARING - WEDNESDAY - JANUARY 19, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1972, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for February, 1972.

CASE 4645: Application of Acoma Oil Corporation for down-hole commingling Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Drinkard Pool and Wantz-Abo Pool in the well-bore of its S. J. Sarkeys A Well No. 1, a triple completion, located in Unit A of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 4648: Application of Aztec Oil & Gas Company for an unorthodox well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the off-pattern unorthodox location for its Vasaly Federal Well No. 1-Y to be located 790 feet from the North line and 1795 feet from the West line of Section 31, Township 32 North, Range 11 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

CASE 4625: (Continued from the December 15, 1971, Examiner Hearing)
Application of Texaco Inc. for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Paduca-Morrow and Paduca-Wolfcamp Gas Pools in the well-bore of its Cotton Draw Unit Well No. 65 located in Unit G of Section 2, Township 25 South, Range 31 East, Eddy County, New Mexico.

CASE 4642: (Continued from the January 5, 1972, Examiner Hearing)
Application of Fluid Power Pump Company for special pool rules and a pressure maintenance project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Media-Entrada Pool, including a provision for 160-acre spacing and pro-rata units. Applicant further seeks authority to

(Case 4642 continued)

institute a pressure maintenance project in said pool by the injection of water into the Entrad formation through various wells located in Sections 10, 11, 22, and 23 of Township 19 North, Range 3, West, Sandoval County, New Mexico, and the promulgation of rules for said project including a procedure whereby additional injection or production wells at orthodox or unorthodox locations may be approved administratively.

CASE 4646: Application of Manning Gas and Oil Company for down-hole commingling and a non-standard proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from undesignated Gallup and Dakota oil pools in the well-bore of its Apache Well No. 100 to be drilled 435 feet from the North line and 475 feet from the East line of Section 3, Township 24 North, Range 4 West, Rio Arriba County, New Mexico. Applicant further seeks a procedure whereby similar approval may be granted administratively for other wells to be drilled in the area of the above-described well. Applicant further seeks approval for a non-standard 32-acre proration unit comprising all of Lot 1 to be dedicated to the above-described Well No. 100.

CASE 4647: Application of Apache Corporation for the creation of a new pool and special pool rules, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Mesaverde formation for its Jicarilla Apache Well No. 1-7 located in the SE/4 NE/4 of Section 7, Township 22 North, Range 5 West, Sandoval County, New Mexico. Applicant further seeks the promulgation of special rules for said pool including provisions for 80-acre spacing units with wells to be drilled in the north-west or southeast quarter-quarter sections.

CASE 4650: Application of Walter W. Krug dba Wallen Production Company for an exception to Order No. R-111-A and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules as set forth in Commission Order No. R-111-A for his Wallen Federal Well No. 2 located 990 feet from the North line and 1650 feet from the West line of Section 20, Township 20 South, Range 34 East, North Lynch Yates-Seven Rivers Pool, Lea County, New Mexico. Applicant proposes to drill and complete said well in such a manner that upon completion, the well would be equipped with a 7-inch production casing to the top of the pay and a 4 1/2-inch liner through the pay, with cement to the surface. Applicant further seeks the promulgation of special pool rules for similar casing and cementing, of all wells drilled in the above-described pool.

(Case 4651 continued)

(b) Extend the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
SECTION 15: All

(c) Extend the Littman-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM
SECTION 20: SE/4

(d) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 27: SW/4

(e) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
SECTION 18: W/2

(f) Extend the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM
SECTION 36: NW/4

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 17: NW/4
SECTION 18: N/2

CASE 4649: Application of the Oil Conservation Commission on its own motion for the amendment of the gas well testing procedures promulgated by Order No. R-333-F for Northwest New Mexico. The Commission proposes to amend Chapter I of said Order No. R-333-F in such a manner as to provide that most annual deliverability and shut-in pressure tests required by said order be filed within 60 days following the completion of the test and to provide for notice to the Commission of any re-scheduling of shut-in pressure tests. The Commission further proposes to amend the ninth paragraph of Chapter II, Section 2 of said order to permit shutting in gas wells for the required shut-in test other than immediately following the 7-day deliverability flow test and to permit measuring the shut-in test pressure during the 8th to 15th day of shut-in of the well rather than on the 8th day as presently required.

CASE 4637: (Continued from the December 15, 1971, Examiner Hearing)
In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Luttrell Oil Company and all other interested persons to appear and show cause why the following-described wells in New Mexico should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Luttrell Oil Company State Well No. 1 -
Unit M, Section 28, Township 2 South,
Range 26 East, De Baca County;

Luttrell Oil Company Corn Well No. 1 -
Unit A, Section 5, Township 8 South,
Range 24 East, Chaves County.

CASE 4651: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea and Roosevelt Counties, New Mexico.

(a) Create a new pool in Roosevelt County, New Mexico, classified as a gas pool for San Andres production and designated as the Baker-San Andres Gas Pool. The discovery well is the Cactus Drilling Corporation of Texas Kewanee State No. 2 located in Unit G of Section 9, Township 7 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
SECTION 9: NE/4