

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 24, 1968

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
A. L. Porter, Jr., Alternate Examiner:

CASE 3809: Application of Solar Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Travis Well No. 2 located in Unit J of Section 21, Township 23 South, Range 37 East, Lea County, New Mexico, to produce oil from the Teague-Blinebry and undesignated Tubb-Drinkard pools through parallel strings of tubing.

CASE 3810: Application of Bronco Oil Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Saltmount Well No. 2 located in Unit O of Section 21, Township 23 South, Range 37 East, Lea County, New Mexico, to produce oil from the Teague-Blinebry and undesignated Tubb-Drinkard pools through parallel strings of tubing.

CASE 3811: Application of Charles B. Read for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill his Marathon State Well No. 1 at a location 1980 feet from the South line and 660 feet from the West line of Section 7, Township 19 South, Range 35 East, Scharb-Bone Springs Pool, Lea County, New Mexico, in exception to the pool rules which require the first well drilled on a unit to be located in the NE/4 or the SW/4 of the quarter section.

CASE 3812: Application of Tenneco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Southwest Henshaw (Premier) Unit Area comprising 1720 acres, more or less, of Federal lands in Township 16 South, Range 30 East, West Henshaw-Grayburg Pool, Eddy County, New Mexico.

CASE 3813: Application of Tenneco Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Southwest Henshaw (Premier) Unit Area by the injection of water into the Premier sand through nine injection wells in Sections 7, 8, 17, 18 and 19, Township 16 South, Range 30 East, West Henshaw-Grayburg Pool, Eddy County, New Mexico.

- CASE 3814: Application of Humble Oil & Refining Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Penrose zone of the Queen formation in the perforated interval from 3818 feet to 3838 feet in its New Mexico "G" State Well No. 17 located 330 feet from the South line and 1850 feet from the West line of Section 23, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico. If said Penrose zone does not prove satisfactory, then the applicant proposes to deepen said well and dispose into the San Andres formation.
- CASE 3815: Application of Humble Oil & Refining Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation in the interval from 5670 feet to 6030 feet in its Chalk Bluff Draw Unit (A) Well No. 19 located 990 feet from the South line and 1650 feet from the West line of Section 16, Township 18 South, Range 27 East, Empire Abo Pool, Eddy County, New Mexico.
- CASE 3816: Application of Humble Oil & Refining Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Wolfcamp formation in the interval from 10,199 feet to 10,530 feet in its H. A. Townsend Well No. 6 located 1980 feet from the North and East lines of Section 9, Township 16 South, Range 35 East, Townsend Wolfcamp Pool, Lea County, New Mexico.
- CASE 3817: Application of Continental Oil Company for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the general rules and regulations for prorated gas pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, to permit the reinstatement of underproduction accumulated by its Stevens A-35 Well No. 2 located in Unit J of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, cancelled December 31, 1967. Applicant requests that its Stevens A-35 Well No. 1 located in Unit L and its Stevens A-35 Well No. 2 located in Unit J, both in the aforesaid Section 35 and dedicated to the same non-standard gas proration unit, be permitted to produce the aforesaid cancelled underproduction.

- CASE 3818: Application of Continental Oil Company for an exception to Rule 506, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the statewide limiting gas-oil ratio of 2,000 feet of gas per barrel of oil as promulgated by Commission Rule 506 for its Warren Unit Well No. 11, located in Unit A of Section 35, Township 20 South, Range 38 East, Warren-Drinkard Pool, Lea County, New Mexico.
- CASE 3819: Application of Cities Service Oil Company for the institution of gas prorationing in the Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the limitation of gas production from the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to reasonable market demand and to the capacity of gas transportation facilities, and that the subject pool be governed by the general rules and regulations for the prorated gas pools of Southeastern New Mexico insofar as said general rules and regulations are not inconsistent with the special rules and regulations governing the subject pool. Further, the applicant proposes that the allowable production from the pool be allocated among the wells in the pool on a 100% surface acreage basis.
- CASE 3820: Application of El Paso Natural Gas Company for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Harvey "A" Well No. 3 at a point 890 feet from the South line and 1650 feet from the East line of Section 32, Township 27 North, Range 7 West, Blanco-Mesaverde Pool, Rio Arriba County, New Mexico, in exception to the pool rules which require locations to be in either the North-east or Southwest quarter of the section.
- CASE 3821: Application of Marathon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp formation underlying the SE/4 of Section 22, Township 20 South, Range 35 East, Lea County, New Mexico. Said acreage to be dedicated to a well to be drilled 660 feet from the South and East lines of said Section 22, and within one mile of the Southeast Lea-Wolfcamp Gas Pool.

Case 3822: Application of Aztec Oil & Gas Company for commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle San Andres production from its State "AJ" lease comprising the SW/4 and the W/2 NE/4 of Section 1 and its Amerada State lease comprising the N/2 NW/4 of Section 12, all in Township 18 South, Range 36 East, Arkansas Junction-San Andres Pool, Lea County, New Mexico, allocating production to each lease on the basis of periodic well tests.

CASE 3805: CONTINUED FROM THE JULY 10, 1968, EXAMINER HEARING

Application of Benson-Montin-Greer Drilling Corporation and Lloyd B. Taylor for Pressure Interference Tests and Back Allowable, San Juan County, New Mexico. Applicants, in the above-styled cause, seek authority to extend for an additional 60-day period from July 8, 1968, the shut-in test period authorized for one well in the La Plata Gallup Oil Pool, San Juan County, New Mexico, by Commission Order No. R-3399 and to also extend the back allowable make-up period for said well. Applicants further seek authority to drill three additional La Plata oil wells in Section 6 of Township 31 North, Range 13 West, and Sections 31 and 32, Township 32 North, Range 13 West, and to shut said wells in immediately after recovery of load oil and the establishment of initial potentials, for a period of up to 180 days for the purpose of conducting pressure interference tests, and to make-up the production lost during said test period at a later date. Applicants further seek a provision for administrative extension of the shut-in test period and the make-up period.