

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 29, 1970

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:

CASE 4340: Application of Tesoro Petroleum Corporation for three waterflood projects and unorthodox injection well locations, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute three waterflood projects in the South Hospah Upper Sand Oil Pool by the injection of water through nine injection wells to be drilled at unorthodox locations in Section 1, Township 17 North, Range 9 West, and in Sections 6 and 7, Township 17 North, Range 8 West, McKinley County, New Mexico. Applicant further seeks a procedure whereby additional injection wells and producing wells at unorthodox locations within the project areas may be approved administratively.

CASE 4341: Application of Pan American Petroleum Corporation for two non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of two non-standard gas proration units for its State "C" Tract 13 Well No. 5, a dual completion, located 1980 feet from the North line and 660 feet from the West line of Section 36, Township 21 South, Range 37 East, Lea County, New Mexico, said units to be comprised as follows:

Blinebry Gas Pool - 240 acres - NW/4 and W/2
NE/4

Tubb Gas Pool - 200 acres - W/2 NW/4, NE/4
NW/4 and W/2 NE/4

CASE 4342: Application of Dearing, Wright, Gibbins, and Church, doing business as New Mexico Petroleum Company, for authority to operate an oil treating plant, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to install and operate a chemical and heating process oil treating plant in the vicinity of Tatum, New Mexico, for the reclamation of sediment oil to be obtained from tank bottoms, waste pits, and drip tanks.

- CASE 4343: Application of Texaco Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the perforated and open-hole interval from 11,194 feet to 11,278 feet in its New Mexico "BB" State (NCT-1) Well No. 2 located in Unit N of Section 11, Township 12 South, Range 32 East, East Caprock-Devonian Pool, Lea County, New Mexico.
- CASE 4344: Application of Texaco Inc. for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the open-hole interval from 11,230 feet to 11,503 feet in its B. E. Spencer "B" Federal Well No. 1 located in Unit D of Section 28, Township 15 South, Range 30 East, Little Lucky Lake-Devonian Pool, Chaves County, New Mexico.
- CASE 4345: Application of Yates Drilling 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 Seven Rivers and possibly other formations in the open-hole interval from 68 feet to 100 feet in its Galvin Well No. 8 and from 68 feet to 90 feet in its Galvin Well No. 14, both located in Unit N of Section 12, Township 20 South, Range 26 East, West McMillan-Seven Rivers Pool, Eddy County, New Mexico.
- CASE 4346: Application of Yates Drilling Company for a pressure maintenance expansion and promulgation of rules therefor, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand the S. P. Yates West McMillan Anderson Pressure Maintenance Project in the West McMillan Seven Rivers-Queen Pool, Eddy County, New Mexico, authorized by Order No. R-3852, by the conversion to water injection of two additional wells located in Units O and P, Section 11, Township 20 South, Range 26 East. Applicant further seeks the designation of a project area, promulgation of rules governing said project, and a procedure whereby other methods of flooding in the subject project may be authorized administratively.
- CASE 4347: Application of Yates Drilling Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Yates North Vacuum (San Andres) Unit Area comprising 800 acres, more or less, of State lands in Sections 1, 2, 11, and 12, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

CASE 4348: Application of Yates Drilling Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its North Vacuum (San Andres) Unit Area by the injection of water into the San Andres formation through 9 wells located in Sections 1, 2, 11, and 12, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.

CASE 4349: Application of Tenneco Oil Company for a waterflood expansion and unorthodox injection well locations, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks to expand the waterflood project in its South Hospah Unit Area by the injection of water into the South Hospah Upper Sand Oil Pool, McKinley County, New Mexico, through two additional injection wells at unorthodox locations in Section 12, Township 17 North, Range 9 West, as follows:

Unit Well No. 41 - 5 feet from the North line and 1650 feet from the East line;

Unit Well No. 42 - 3000 from the North line and 5 feet from the East line.

CASE 4350: Application of Cities Service Oil Company for an exception to Order No. R-3221, as amended, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for applicant's Snyder Federal lease comprising the S/2 NE/4 and N/2 SE/4 of Section 26, Township 15 South, Range 29 East, Sulimar-Queen Pool, Chaves County, New Mexico. Applicant seeks authority to dispose of salt water produced by wells on said lease in an unlined surface pit located in Unit H of said Section 26.

CASE 4351: Application of Humble Oil & Refining Company for well re-classification and simultaneous dedication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of its New Mexico "G" State Well No. 5 from an oil well in the Eumont Pool to a gas well in said pool. Applicant further seeks the dedication of a standard 640-acre gas proration unit comprising all of Section 23, Township 21 South, Range 36 East, Lea County, New Mexico, to said Well No. 5 and to applicant's New Mexico "G" State Well No. 9,

located, respectively in Units E and G of said Section 23, and authority to produce the allowable assigned to said unit from either of said wells in any proportion.

CASE 4352: Application of Jack L. McClellan for the creation of a new gas pool or, in the alternative, the establishment of pool rules for two existing pools, Chaves and Lea Counties, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Queen gas pool comprising the following-described acreage:

CHAVES COUNTY, NEW MEXICO

Township 15 South, Range 29 East

Section 11: SE/4

Section 12: SW/4

Section 13: NW/4

Section 14: E/2

Section 23: NE/4 and SW/4

In the alternative applicant seeks the promulgation of special rules for the Sulimar-Queen Pool, Chaves County, and Double L-Queen Pool, Chaves and Lea Counties, New Mexico, as separate or as consolidated pools, including provisions for the classification of oil and gas wells, spacing and well location requirements for oil and gas wells, and an allocation formula for withdrawals by oil wells and gas wells.

CASE 4353: Application of Lone Star Producing Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units.