

CASE 5337: Application of KEESEE
& THOMAS FOR AN UNORTHODOX OIL
WELL LOCATION, SANDOVAL COUNTY.

CASE No.

5337

Application,
Transcripts,
Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 2, 1974

EXAMINER HEARING

IN THE MATTER OF:)
)
)
)

Application of Keesee and Thomas)
for an unorthodox oil well)
location, Sandoval County,)
New Mexico.)
)
)
)

Case No. 5337

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

William J. Cooley, Esq.
BURR & COOLEY
152 Petroleum Center Building
Farmington, New Mexico

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I N D E X

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MR. NUTTER: Case 5337.

MR. DERRYBERRY: Case 5337. Application of Keesee and Thomas for an unorthodox oil well location, Sandoval County, New Mexico.

MR. COOLEY: William J. Cooley, Burr and Cooley, Farmington, New Mexico, appearing on behalf of the Applicant, Keesee and Thomas. We have one witness in this case that we would like to have sworn.

(Witness sworn.)

EWELL M. WALSH

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. COOLEY:

Q State your name and address, please?

A My name is Ewell M. Walsh. I reside in Farmington, New Mexico.

Q How are you employed?

A Petroleum Engineer Consultant.

Q Have you previously testified before this Commission and been accepted as an expert in this field?

A Yes, I have.

MR. COOLEY: Are the witness' qualifications

WALSH-DIRECT

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acceptable?

MR. NUTTER: Yes, they are.

BY MR. COOLEY:

Q Mr. Walsh, were you retained as a consulting engineer by Keesee and Thomas in connection with the drilling of the subject well?

A Yes, I was.

Q Would you outline the circumstances under which this well was drilled, specifically, was it a wildcat well?

A It was a wildcat. There was no other well within 3 or 4 miles of this area in the Dakota formation.

Q Would you normally have expected this well to be classified by the Commission as a gas well having been drilled in a location where it was drilled?

A Yes, that's what was anticipated.

Q Was it staked and drilled on a standard wildcat gas well location pursuant to the rules of the Oil Conservation Commission of New Mexico, applicable to San Juan County?

A Yes, it was.

Q What was the actual result of the drilling of this well?

A As a result of the drilling and completion of

WALSH-DIRECT

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this well, we have determined that it was an oil well and not a gas well.

Q Based on what?

A Based on production from the well. If you will refer to Page 7.

Q Let me interrupt here. Mr. Walsh, have you prepared a booklet containing information concerning the drilling of this well?

A Yes, I have.

Q I call your attention to what has been marked for purposes of identification as Applicant's Exhibit No. 1, and ask you if that is the booklet to which you refer?

A This is the one I refer to and have prepared.

Q Now, referring specifically to Page 7 of that Exhibit 1, would you point out to the Examiner what the completion results were?

A This is a history of the production from the well from the time it was put on production, September 4th up through October 1st. Production in oil barrels, as you will note there, is 538 one week, 389 one week, 372 one week and 226.

Q Is that per week or per day?

A That is for that one week. I have indicated the date period. During these periods of time, on the 7th of September, the amount of gas production was recorded and calculated to be 55 MCF on that date with 95 barrels of oil, giving a GOR of 579 to 1. Also, on September 18th, we had 55 MCF with 69 barrels of oil per day, giving a GOR of 797. And on September 26th, the gas production was 31 MCF per day with 81 barrels or a GOR of 383 to 1.

Q What is the gravity of the oil-in-place?

A The gravity of the oil-in-place, as indicated on Page 9, is 43 degrees. Page 9 is copies of the run tickets by the approved purchaser.

Q Is it your opinion, that by any standards, this is an oil well rather than a gas well?

A Definitely.

Q The well is, however, under State-wide, San Juan County oil well regulations situated on an unorthodox location, is that correct?

A That is true.

Q It is closer than 330 feet to the interior boundary?

A Yes, it is. It is located 1140 from the east line of the Section, whereas, the maximum would be 990

WALSH-DIRECT

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for a standard orthodox oil well location.

Q So, it is the fact that the well is farther west than it should be that makes it unorthodox?

A Yes.

Q Does the fact that it is farther west crowd any offset operator or tend to adversely affect the correlative rights of any offset operator?

A No, sir. Page 10 reflects the ownership of the acreage, of which all of Section 23 is owned by Keesee and Thomas, and that is the direction in which the well is crowded.

Q I didn't mean to say that it is too far west. It is too far east, is that correct?

A No, too far west. It would have to be 990 from the east line of that section to be orthodox, the well location.

Q That's right. In any event, the well does not crowd any acreage or operators in the field except Keesee and Thomas acreage, is that correct?

A That is true.

MR. COOLEY: We have no further direct examination, Mr. Examiner. We offer into evidence Applicant's Exhibit No. 1.

WALSH-CROSS

MR. NUTTER: Applicant's Exhibit No. 1 will be admitted in evidence.

(Whereupon, Applicant's Exhibit No. 1 was marked for identification, and was admitted into evidence.)

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Walsh, here on your Page 7, you mentioned here that on this last test, September 26, "Well logged off 48 hours." What do you mean there?

A 48 hours prior to -- the first 48 hours of 72 hours used for testing the well. We are having problems due to, basically, the low volume of gas the well produces.

Q Is the well still flowing?

A Yes, periodically.

Q You will probably have to pump soon?

A Yes. We are trying to stock-cock the well now to see if we can get it to flow, but I anticipate putting a pump in there.

MR. NUTTER: Any further questions of Mr. Walsh.
You may be excused.

(Witness dismissed.)

MR. NUTTER: Do you have anything further,

Mr. Cooley?

MR. COOLEY: No, thank you, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in Case 5337? We will take the case under advisement.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Robert E. Hyl
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5337 heard by me on 10/2, 1974.

Arthur Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

L. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

October 22, 1974

Mr. Jack Cooley
Burr & Cooley
Attorneys at Law
152 Petroleum Center Building
Farmington, New Mexico 87401

Re: CASE NO. 5337
ORDER NO. R-4886
Applicant:
Keesee & Thomas

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X
Artesia OCC
Aztec OCC X

Other

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5337
Order No. R-4886

APPLICATION OF KEESEE AND THOMAS
FOR AN UNORTHODOX OIL WELL LOCA-
TION, SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 2, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of October, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Keesee and Thomas, is the owner of the Chacon Jicarilla Apache "D" Well No. 1, located 875 feet from the North line and 1140 feet from the East line of Section 23, Township 23 North, Range 3 West, NMPM, Sandoval County, New Mexico.

(3) That said well was projected to the Dakota formation as a gas well and is located in accordance with the gas well location rules for said formation in the subject area, but was in fact completed as an oil well in said formation.

(4) That the well location requirements for oil wells in the subject area are different from the well location requirements for gas wells and the location of the subject well is therefore unorthodox.

(5) That the unorthodox location is only the result of a good-faith error and will not cause waste nor violate correlative rights and should be approved.

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CASE NO. 5337
Order No. R-4886

IT IS THEREFORE ORDERED:

(1) That the unorthodox oil well location of the Keesee and Thomas Chacon Jicarilla Apache "D" Well No. 1, located 875 feet from the North line and 1140 feet from the East line of Section 23, Township 23 North, Range 3 West, NMPM, Sandoval County, New Mexico, is hereby approved.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico. on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


A. J. Armljo
ALEX. J. ARMLJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

jr/

Dockets Nos. 29-74 and 30-74 are tentatively set for hearing on October 16 and October 30. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 2, 1974

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 Richard L. Stamets, Alternate Examiner:

CASE 5329: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rule 109 of the Commission Rules and Regulations to require installation of blowout preventers on all drilling and workover rigs operating in areas of unknown pressures or high pressures and on all drilling and workover rigs operating within the corporate limits of any city, town, or village or within 1320 feet of a habitation, school, or church, wherever located.

CASE 5305: (Continued and Readvertised)

Application of Continental Oil Company for simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order approving the simultaneous dedication of its Britt B Well No. 17 located in Unit P of Section 10 and its Skaggs B Well No. 7 located in Unit K of Section 11, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, said wells to be dedicated to a 320-acre non-standard proration unit comprising the SE/4 of said Section 10 and the SW/4 of said Section 11, said unit having previously been approved by Commission Order No. R-908.

CASE 5330: Application of Texas Pacific Oil Company, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its J. H. Ansley Unit Well No. 1 to be located 660 feet from the North and East lines of Section 27, Township 17 South, Range 26 East, Kennedy Farms-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 27 to be dedicated to the well.

CASE 4976: (Reopened)

In the matter of Case No. 4976 being reopened pursuant to the provisions of Order No. R-4638 to permit all operators in the West Parkway-Strawn and West Parkway-Atoka Gas Pools in Section 28, Township 19 South, Range 29 East, Eddy County, New Mexico, to appear and present evidence to clearly establish the nature of the reservoirs, proper rates of production for wells therein, and special rules therefor.

CASE 5331: Application of J. Gregory Merrion for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Devils Fork-Mesaverde and Devils Fork-Gallup production in the wellbore of his NCRA State Wells Nos. 1 and 4 located in Units E and J, respectively, of Section 16, Township 24 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 5288: (Continued from the September 18, 1974, Examiner Hearing)

Application of Merrion & Bayless for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of hydrocarbon production from the top of the Gallup formation at 5434 feet to the base of the Dakota formation at 6570 feet in its Keeling Federal Well No. 1 located in Unit B of Section 20, Township 25 North, Range 8 West, Dufers Point-Dakota Pool, San Juan County, New Mexico.

CASE 5332: Application of C & K Petroleum, Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the West Airport Unit Area comprising 3,840 acres, more or less, of Federal, Fee and State lands in Township 22 South, Range 26 East, Eddy County, New Mexico.

CASE 5333: Application of Mark Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a gas well to be drilled 660 feet from the South and West lines of Section 9, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 9 to be dedicated to the well.

CASE 5334: Application of Stoltz, Wagner & Brown for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter and clean out to a depth of approximately 8400 feet its H. L. Vinson Well No. 1, formerly Gulf Oil Corporation Vinson Well No. 2, the surface location of which is 1980 feet from the North and East lines of Section 22, Township 9 South, Range 36 East, Crossroads Siluro-Devonian Pool, Lea County, New Mexico, and to then directionally drill said well in such a manner as to bottom the well in the Devonian formation within a 180-foot radius of a point 2310 feet from the North line and 1320 feet from the East line of said Section 22.

CASE 5337: Application of Keesee & Thomas for an unorthodox oil well location, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Chacon Jicarilla Apache "D" Well No. 1 located 870 feet from the North line and 1140 feet from the East line of Section 23, Township 23 North, Range 3 West, Sandoval County, New Mexico. Said well was projected at an orthodox location for a Basin-Dakota gas well, but was completed as an oil well in the Dakota formation.

CASE 5335: Northwestern nomenclature case calling for the creation and extension of certain pools in Rio Arriba, San Juan and McKinley Counties, New Mexico:

(a) Create a new pool in McKinley County, New Mexico, classified as an oil pool for Gallup production, designated the Arroyo Chico-Gallup Oil Pool. The discovery well is the Northern Minerals, Inc. Santa Fe Pacific Railroad Well No. 7 located in Unit G of Section 29, Township 16 North, Range 6 West, completed October 15, 1973. The depth of the casing shoe is 764 feet. Said pool would comprise:

TOWNSHIP 16 NORTH, RANGE 6 WEST, NMPM
Section 29: SW/4 NE/4

(b) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Chacra production, designated the Bloomfield-Chacra Pool. The discovery well is the El Paso Natural Gas Company Hubbell Well No. 9, located in Unit P of Section 18, Township 29 North, Range 10 West. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Section 7: SW/4
Section 18: All
Section 19: All
Section 20: NW/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 4: SW/4
Section 5: SE/4
Section 9: N/2 & SE/4
Section 10: S/2
Section 11: S/2
Section 12: W/2 & SE/4
Section 13: All
Section 14: E/2
Section 23: E/2
Section 24: All
Section 26: E/2

(c) Create a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Gallup production, designated the Campo-Gallup Pool. The discovery well is the Continental Oil Co. Conoco 29-4 Well No. 2 located in Unit H of Section 11, Township 29 North, Range 4 West. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM
Section 11: NE/4

(Case 5335 continued from Page 3)

(d) Create a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Pictured Cliffs production, designated the Gobernador-Pictured Cliffs Pool. The discovery well is the Lone Star Industries, Inc. Schalk 52 Well No. 1 located in Unit M of Section 24, Township 29 North, Range 5 West. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 5 WEST, NMPM
Section 24: All

(e) Create a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Gallup production, designated the Rosa-Gallup Pool. The discovery well is the Merrion & Bayless Gibbins Well No. 1, located in Unit L of Section 20, Township 32 North, Range 5 West. Said pool would comprise:

TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPM
Section 20: S/2
Section 28: SW/4
Section 29: E/2
Section 33: NW/4

(f) Extend the Aztec-Pictured Cliffs Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
Section 15: SW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 7: N/2

(g) Extend the Blanco-Mesaverde Pool boundary in Rio Arriba & San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM
Section 16: All

(h) Extend the Blanco-Pictured Cliffs Pool boundary in Rio Arriba & San Juan Counties, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM
Section 7: All

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM
Section 9: SW/4

TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM
Section 17: SW/4

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Section 25: NE/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 5: SW/4
Section 26: SE/4

(Case 5335 continued from Page 4)

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

Section 2: NW/4

Section 7: E/2

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM

Section 19: E/2

Section 20: All

Section 21: W/2

Section 22: SE/4

(i) Extend the Gonzales-Mesaverde Pool boundary in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 1: NE/4

(j) Extend the Harris Mesa-Chacra Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM

Section 34: NE/4

(k) Extend the Largo-Chacra Pool boundary in Rio Arriba & San Juan Counties, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM

Section 5: SW/4

Section 6: E/2

Section 7: E/2

Section 8: All

Section 9: W/2 & SE/4

Section 16: All

Section 17: All

Section 18: All

Section 19: N/2

Section 20: All

Section 21: All

Section 28: W/2

Section 29: N/2

Section 30: All

Section 33: W/2

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM

Section 13: NE/4

Section 24: N/2

Section 25: E/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Section 31: SE/4

(Case 5335 continued from Page 5)

(1) Extend the Otero-Chacra Pool boundary in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM
Section 36: NE/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
Section 24: E/2

(m) Extend the Tapacito-Pictured Cliffs Pool boundary in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
Section 3: N/2
Section 4: N/2

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM
Section 19: NW/4
Section 22: SE/4
Section 26: NW/4
Section 27: All
Section 28: All
Section 33: E/2
Section 34: All

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM
Section 9: SE/4
Section 10: SW/4
Section 27: SE/4
Section 34: NE/4
Section 35: NW/4

(n) Extend the Tocito Dome-Pennsylvanian D Oil Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 18 WEST, NMPM
Section 7: SW/4
Section 15: S/2 & NE/4
Section 20: NW/4
Section 22: N/2
Section 26: NE/4
Section 27: SE/4

CASE 5336: Southeastern nomenclature case calling for the creation and extension of certain pools in Chaves, Eddy and Lea Counties, New Mexico:

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated the Avalon-Morrow Gas Pool. The discovery well is the David Fasken El Paso Federal Well No. 1 located in the SW/4 NW/4 of Section 3, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

(Case 5336 continued from Page 6)

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 33: S/2

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 3: Lots 1 through 16
Sections 4 and 5: All
Sections 8 and 9: All
Section 16: All
Section 21: All

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated the Avalon-Strawn Gas Pool. The discovery well is the David Fasken El Paso Federal Well No. 1 located in the SW/4 NW/4 of Section 3, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 3: Lots 1 through 16

(c) Create a new pool in Chaves County, New Mexico, classified as a gas pool for Mississippian production and designated the Denton Camp-Mississippian Gas Pool. The discovery well is The Superior Oil Company Chatten & Muncy Well No. 1 located in Unit O of Section 18, Township 6 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 6 SOUTH, RANGE 28 EAST, NMPM
Section 18: S/2
Section 19: E/2

(d) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated the LaHuerta-Wolfcamp Pool. The discovery well is the Cities Service Oil Company Simpson A Well No. 1 located in Unit H of Section 29, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 29: NE/4

(e) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 21: S/2
Section 28: E/2

(f) Extend the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 10: E/2

(Case 5336 continued from Page 7)

(g) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 6: NW/4

(h) Extend the South Bell Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 5: NW/4
Section 6: N/2

(i) Extend the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 35: NE/4

(j) Extend the Boyd-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 16: N/2

(k) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 14: N/2

(l) Extend the Cabin Lake-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 1: S/2

(m) Extend the Catclaw Draw Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM
Section 27: All
Section 34: All

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 3: All

(Case 5336 continued from Page 8)

(n) Extend the Cemetary-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 5: S/2

(o) Extend the Double L-Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 2: All

(p) Extend the Eagle Creek-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 13: E/2 SW/4

(q) Extend the South Flying M-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4
Section 23: E/2

(r) Extend the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
Section 31: E/2

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 5: Lots 1 & 2, 7, 8, 9 & 10 and 15 & 16

(s) Extend the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
Section 29: S/2

(t) Extend the Los Medanos-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 1: N/2

(u) Extend the McMillan Seven Rivers-Queen Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 1: SE/4 NE/4
Section 12: SE/4 NE/4

(Case 5336 continued from Page 9)

(v) Extend the Monument-Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 15: SW/4

Section 22: NW/4

(w) Extend the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM

Section 4: Lots 3, 4, 5 and 6

(x) Extend the Sams Ranch Grayburg-San Andres Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM

Section 10: SE/4

Section 11: S/2

Section 14: N/2 and SE/4

Section 15: NE/4

(y) Extend the North Shoe Bar-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 13: SW/4

(z) Extend the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM

Section 9: E/2 NW/4

(aa) Extend the North Vacuum-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 7: W/2

(bb) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM

Section 2: NW/4

(cc) Extend the Winchester-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 2: S/2

Examiner Hearing - Wednesday - October 2, 1974

Docket No. 28-74

-11-

CASE 4548: (Reopened)

In the matter of Case No. 4548 being reopened on the motion of the Commission to consider the amendment of the special pool rules for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, to limit the applicability of said special rules to the confines of the pool's horizontal limits.


EWELL N. WALSH
PETROLEUM ENGINEER CONSULTANT
EXECUTIVE BLDG. - 413 W. MAIN
P. O. BOX 254
FARMINGTON, NEW MEXICO
87401

EWELL N. WALSH
PETROLEUM ENGINEER CONSULTANT
EXECUTIVE BLDG. - 413 W. MAIN
P. O. BOX 254
FARMINGTON, NEW MEXICO
87401

TELEPHONE BUS. 325-8203

CASE NO. 5337
KEESE AND THOMAS
CHACON JICARILLA APACHE "D" NO. 1
875' FNL, 1140' FEL, Sec. 23-T23N-R3W
SANDOVAL COUNTY, NEW MEXICO

October 2, 1974


Ewell N. Walsh, P. E.
State of New Mexico
Registration No. 4324

I N D E X

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U.S.G.S. Sundry Notice - Sandwater Frac	2
U.S.G.S. Well Completion or Recompletion Report and Log	3 & 3-A
Induction Electrolog & Gamma Ray Neutron Logs	Back Pocket
Schematic Diagram of Downhole Equipment	4
U.S.G.S. Sundry Notice-Change of Acreage Dedication	5
NMOCC-Well Location and Acreage Dedication Plat. Filed with Sundry Notice on Change of Acreage Dedication.	5-A
NMOCC Advance Allowable Assignment	6
Well Production Data	7
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P R E F A C E

This case, Case No. 5337, is being presented before the New Mexico Oil Conservation Commission due to a projected Wildcat Gas Well encountering oil production and the well location does not conform to the wildcat oil well location Rule No. 104, B., II, (b).

Rule 104, B., II, (a), page C-5 of the Oil Conservation Commission Rules and Regulations states that when such a matter occurs a hearing must be held before the approval for the production of oil can be given.

In order to produce, test and sell oil from the well an Advance Allowable Assignment of 6000 barrels was requested and received.

The well was staked at the present location, an orthodox Wildcat Gas Well Location, at the request of a representative of the Jicarilla Apache Indian Tribe to limit the amount of destruction of trees on the tribal lands. It was originally intended to drill the well at a location that was 790' FNL, 790' FEL of Section 23 which would have been an orthodox location for a wildcat gas well or wildcat oil well.

EWELL N. WALSH PETROLEUM ENGINEER CONSULTANT

S U M M A R Y

The location is classified as an unorthodox oil well location due to the type of production encountered in the Dakota Formation and the location being 1140' from the East line of the section instead of a maximum of 990'.

The well is currently produced on a flowing status. However, due to the low volume of gas, approximately 55 MCF per day, the well will apparently have to have a pumping unit installed. The well will be produced on a stop-cock basis to determine if the well can be produced by flowing or it will be necessary to install a pumping unit.

The gas being produced is currently being vented. Consideration of a natural gas purchasing company installing a gas gathering line, approximately 3500', will depend upon the amount of gas production after the production is stabilized.

Form 8-331 (7)
(May 1961)

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 42 B1626.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE BORE ☐ MULTIPLE BORE ☒

3. NAME OF OPERATOR
KEESEEE & THOMAS

4. ADDRESS OF OPERATOR
P. O. Box 2026, Farmington, New Mexico 87401

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface 875' FNL, 1140' FEL

At proposed prod. zone
same

6. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
20 miles north of Cuba, New Mexico

7. DISTANCE FROM PROPOSED LOCATION*
LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 875'

8. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

9. NO. OF ACRES IN LEASE 1920

10. PROPOSED DEPTH 8000'

11. ELEVATIONS (Show whether DF, RT, GR, etc.)
7374 GR

12. COUNTY OR PARISH 13. STATE
Sandoval N.M.

14. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

15. NO. OF ACRES ADJACENT TO THIS WELL 320

16. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

17. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

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TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

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TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

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TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

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TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 3400'

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212.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 1-1-74
Supersedes 6-1-74
Effective 1-1-75

All distances must be from the outer boundaries of the Section

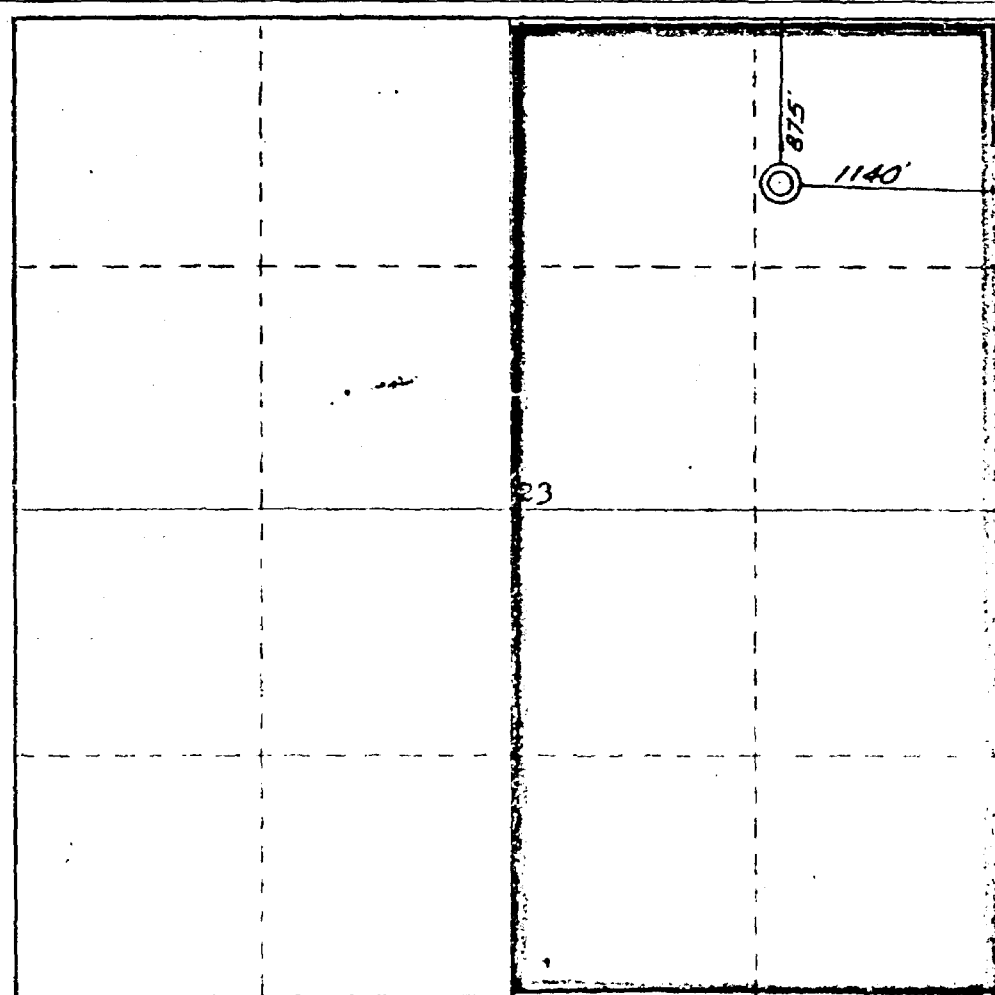
KEESEE AND THOMAS		CHACON JICARILLA APACHE "D"		1
A	23	23 NORTH	3 WEST	SANDOVAL
A 100' x 100' Section of Well:				
875	test from the	NORTH	1140	test from the
7374	Ground Level Elev.	DAKOTA	Wildcat	320
				Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Dave M. Thomas, Jr.

Dave M. Thomas, Jr.

Partner

Keesee & Thomas

April 8, 1974

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

2 April 1974

James P. Loeese
James P. Loeese
1463
MEXICO
JAMES P. LOESEE

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 42 R1424.
LEASE IDENTIFICATION AND SERIAL NO.
Jicarilla Contract 41

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. ☐ OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR
Keesee & Thomas

3. ADDRESS OF OPERATOR
P. O. Box 2026, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)
AT SURFACE
875' FNL, 1140' FEL

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, ST, OR, etc.)
7374' GR

7. UNIT AGREEMENT NAME
Jicarilla

8. FARM OR LEASE NAME
Chacon Jicarilla

9. WELL NO. **Apache "D"**
1

10. FIELD AND POOL, OR WILDCAT
Wildcat

11. SEC. T. R. M. OR BLM. AND
SURVEY OR AREA
Sec. 23-T23N-R3W
N.M.P.M.

12. COUNTY OR PARISH
Sandoval

13. STATE
N.M.

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF	<input type="checkbox"/>	WATER SHUT-OFF	<input checked="" type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	FRACTURE TREATMENT	<input checked="" type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	SHOOTING OR ACIDISING	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	(Other)	<input type="checkbox"/>
(Other)	<input type="checkbox"/>	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	<input type="checkbox"/>

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

8-21-74 PBDT 7455'
Perforated 7315'-7325' and 7338'-7345' with 2 - 3½" Glass Strip Jet per foot. Sandwater fracture as follows:

Pad	- 6,800 gallons with Frac Flo (Emulsion Breaker)
Water	- 61,000 gallons with 1% KCl and Friction Reducer
Sand	- 60,000 pounds 40-60
Flush	- 5,490 gallons
Breakdown Pressure	- 3,650 psig
Average Treating Pressure	- 3,200 psig.
Maximum Treating Pressure	- 3,650 psig.
Average Injection Rate	- 46 BPM
Hydraulic Horsepower	- 3,607 HHP
Instantaneous SIP	- 1,850 psig.
5 minute SIP	- 1,700 psig.
15 minute SIP	- 1,575 psig.

For: **Keesee & Thomas**

18. I hereby certify that the foregoing is true and correct

SIGNED

Ewell N. Walsh

(This space for Federal or State office use)

PRESIDENT, Walsh Engineering & Production Corporation

DATE **8-26-74**

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE

(See other in-
structions on
reverse side)Form approved
Bulge Bureau No. 42-2355A

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other <input type="checkbox"/>		2. LEASE DESIGNATION AND SERIAL NO. Jicarilla Contract 413	
3. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> REPERFORATE <input type="checkbox"/> Other <input type="checkbox"/>		4. IF OTHER, ALIEN OR TRUST NAME Jicarilla	
5. NAME OF OPERATOR Keesee & Thomas		6. UNIT AGREEMENT NAME	
7. ADDRESS OF OPERATOR P. O. Box 2026, Farmington, New Mexico 87401		8. FARM OR LEASE NAME Chacon Jicarilla Apache	
9. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 875' FNL, 1140' FEL At top prod. interval reported below At total depth Same		9. WELL NO. 1	
10. PERMIT NO. DATE ISSUED		10. FIELD AND POOL OR WILDCAT Wildcat	
11. COUNTY OR PARISH Sandoval		11. SEC. T. R. S. M. OR BLOCK AND SHOOT OR AREA Sec. 23-T23N-R3W N.M.P.M.	
12. DATE SPUN 5-9-74		12. DATE T.O. REACHED 6-2-74	
13. DATE COMPL. (Ready to prod.) 9-4-74		13. ELEVATIONS (DP, RES. BT, GS, ETC.) 7374' GR	
14. TOTAL DEPTH, MD & TVD 7683		14. ELEV. CASINGHEAD 7374'	
15. PLUS BACK T.D., MD & TVD 7455		15. IF MULTIPLE COMPL., HOW MANY?	
16. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 7315'-7345' Dakota		16. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS X	
17. TYPE ELECTRIC AND OTHER LOGS RUN IES, GRN		17. WAS DIRECTIONAL SURVEY MADE No	
18. CARING RECORD (Report all strings set in well)		18. WAS WELL CORRED No	
19. LINEAR RECORD		19. TUBING RECORD	
20. PERFORATION RECORD (Interval, shot and number)		20. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
21. PRODUCTION		21. AMOUNT AND KIND OF MATERIAL USED	
22. DISPOSITION OF GAS (Bled, used for fuel, vented, etc.)		22. TEST WITHHELD BY	
23. LIST OF ATTACHMENTS		23. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records	

SIGNED

Ewell N. Walsh, P. E.

President, Walsh Engineering
& Prod. Corp.

DATE Sept. 9, 1974

*(See Instructions and Spaces for Additional Data on Reverse Side)

413

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

39. GEOLOGIC MARKERS

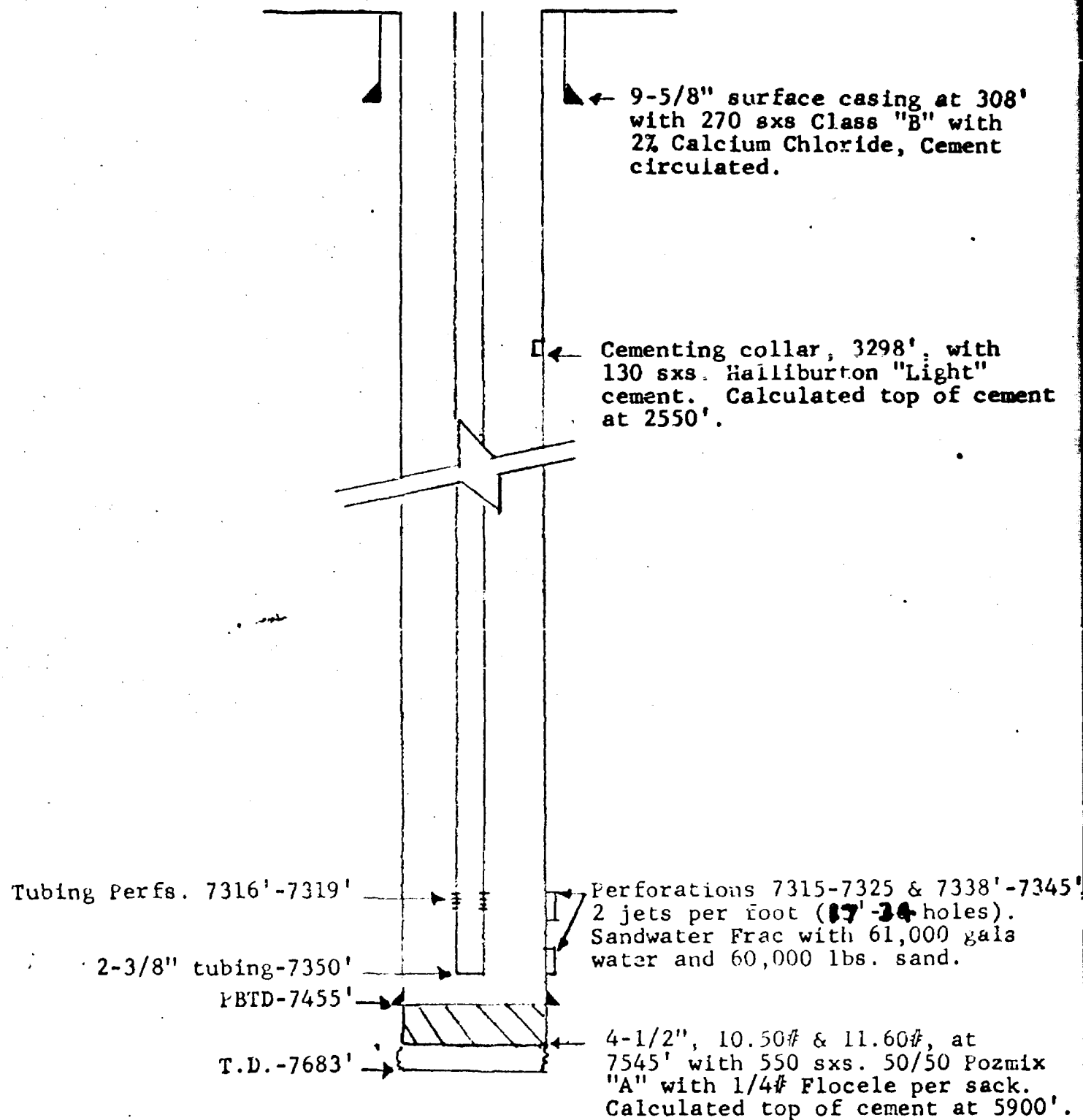
STATISTICS

EWELL N. WALSH PETROLEUM ENGINEER CONSULTANT

KEESE & THOMAS
CHACON JICARILLA APACHE "D", NO. 1
875' FNL, 1140' FEL, Sec. 23-T23N-R3W
SANDOVAL COUNTY, NEW MEXICO

Elevation: 7374' G.L., 7385' D.F., 7386' K.B.

SCHEMATIC DIAGRAM OF
DOWNHOLE EQUIPMENT



Form 9-331
(May 1963)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPlicate
(Other instructions on reverse side)

Form approved
Bureau Order No. 42 R1426

1. TRANS. OF. AND SERIAL NO.

Jicarilla Contract 41

2. IF INDIAN, ALLOTTEE OR TRIBE NAME

Jicarilla

3. UNIT AGREEMENT NAME

4. FARM OR LEASE NAME

Chacon Jicarilla

5. WELL NO. Apache "D"

1

6. FIELD AND POOL, OR WILDCAT

Undesignated

7. SEC. T. R. M., OR BLM, AND SURVEY OR AREA

Sec. 23-T23N-R3W

N.M., P.M.

8. COUNTY OR PARISH

Sandoval

9. STATE

N.M.

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR

Keesee & Thomas

3. ADDRESS OF OPERATOR

P. O. Box 2026, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)

At surface

875' FNL, 1140' FEL

14. PERMIT NO.

15. ELEVATIONS (Show whether OF, RT, OR, etc.)

7374' GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Change in Acreage Dedication X

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The attached Well Location and Acreage Dedication Plat is reissued to indicate change in acreage dedication from 320 acres to 40 acres.



The NE/4NE/4, Section 23-T23N-R3W, 40 acres, is dedicated to this well.

For: Keesee & Thomas

18. I hereby certify that the foregoing is true and correct

SIGNED

Ewell N. Walsh, P. E.

(This space for Federal or State office use)

President, Walsh Engineering

& Production Corp.

DATE Sept. 13, 1974

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

*See Instructions on Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

ALL DISTANCES MUST BE IN FEET

KELSEY AND THOMAS		CHACON JICARILLA APACHE "D"		1
A	23	23 NORTH	3 WEST	SANDOVAL
875	NORTH	1140	EAST	
7374	DAKOTA	Undesignated	40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief.

James M. Thomas

Partner

Kelsey & Thomas

September 13, 1974

I hereby certify that the well location shown on this plat is a true and correct field copy of the original survey on file in the office of the New Mexico Oil Conservation Commission.

2 April 1974

James P. Leese
James P. Leese

1973 MEXICO
JAMES P. LEESE

NEW MEXICO
OIL CONSERVATION COMMISSION

Aztec

DISTRICT OFFICE

Sept. thru Dec., 1974
NO. 3016 T

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE September 13, 1974

PURPOSE ADVANCE ALLOWABLE ASSIGNMENT

An allowable of 6000 barrels of oil is hereby assigned to the Keesee & Thomas, Chacon, Jicarilla Apache "D" #1, A 23-23-3, Sandoval Undesignated Dakota for the purpose of testing. Any production resulting from such allowable will be charged against future allowable assigned said well.

OIL CONSERVATION COMMISSION

The Permian Corp.

ARK/bk

AP Kendrick

DISTRICT ~~XXXXXX~~ Engineer

EWELL N. WALSH PETROLEUM ENGINEER CONSULTANT

KEESEE & THOMAS
CHACON JICARILLA APACHE "D" NO. 1

WELL PRODUCTION DATA
(From Weekly Gauge Sheets)

<u>Date</u>	<u>Production Oil - Bbls.</u>	<u>Remarks</u>
9-4 to 9-8-74	538	Well put on production at 10:00 A. M. 9-4-74. Gas production, 24 hours, 9-7-74 55 MCF/95 Bbls., GOR 579/1.
9-8 to 9-16-74	389	
9-16 to 9-24-74	372	Gas production, 24 hours, 9-18-74, 55 MCF/69 Bbls., GOR 797/1
9-24 to 10-1-74	226	Gas production, 24 hours, 9-26-74, 31 MCF/81 Bbls, GOR 383/1. Well flowed 3½ hours in 24 hour period. Well logged off 48 hours. Cumulative oil production - 1525 Bbls.

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator Keesee & Thomas		Pool Undesignated Dakota				County Sandoval										
Address P. O. Box 2026, Farmington, New Mexico 87401						TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input checked="" type="checkbox"/>		Special <input type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU. FT. BBL.
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
Chacon Jicarilla Apache "D"	1	A	23	23N	3W	9-26-74	F	2"	30	--	24	0	43	81	31	383

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the District office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

for: **Keesee & Thomas**

Ewell N. Walsh
Ewell N. Walsh, P.E., President
Walsh Engr. & Prod. Corp.

October 1, 1974

(Date)

KEESE & THOMAS
CHACON JICARILLA APACHE "D" NO. 1

RUN TICKETS Indicating Gravity of Oil

PRODUCER'S COPY

THE PERMIAN CORPORATION
HOUSTON, TEXAS

THE PERMIAN CORPORATION HOUSTON, TEXAS										
OWNER										
WELL NOS.										
LEASE										
STATION NO.		MO.		DAY		YR.		RUN TXT. NO.		
LEASE NO.				TANK NO.				FIELD		
TANK SIZE		GAUGE		OIL LEVEL		TEMP.		CALCULATIONS		
Grav.	FL	In.	1/4 In.	FT.	IN.	1/4 IN.				
HGT. OF CON.		1ST				1/4				
		2ND				1/4				
B. S. & W. LEVEL		OBS. GRAVITY		TEMPERATURE						
1ST						TRUE GRAVITY		ESTIMATED M.B.S.		
2ND						43.0				
OIL MOVED BY		B. S. & W.						ESTIMATED M.B.S.		
Temp	Grav.	Truck							POWER FURNISHED BY	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							P. L. Co. <input type="checkbox"/> Other <input type="checkbox"/>	
REMARKS										

PRODUCERS COPY

THE PERMIAN CORPORATION
HOUSTON, TEXAS

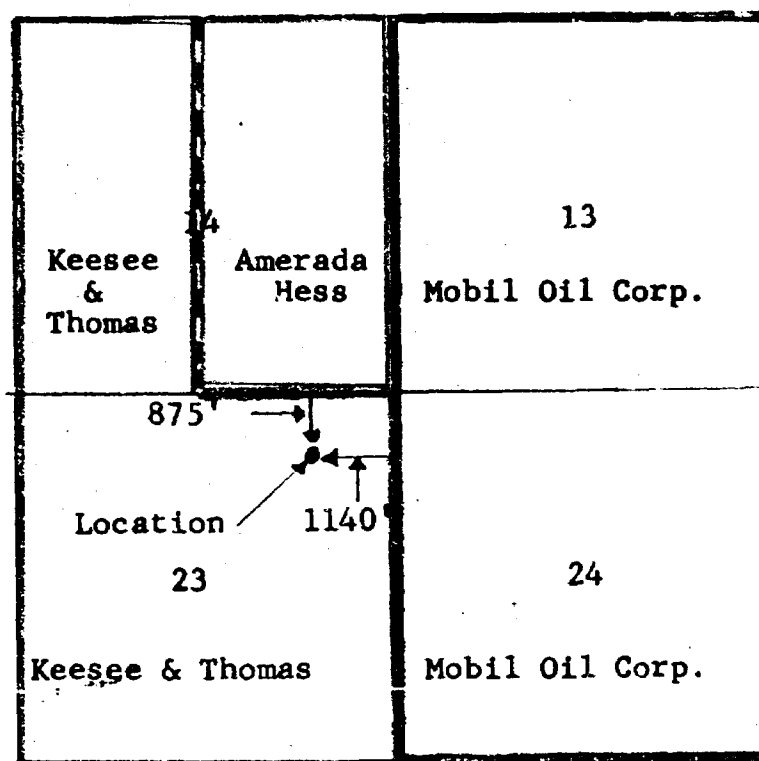
OWNER		WELL NOS.		LEASE	
STATEMENT NO.		NO.		DAY	
LEASE NO.		TANK NO.		FIELD	
TANK SIZE		OIL LEVEL		CALCULATIONS	
Gauge		FT.		TEMP.	
1ST		1/4 IN.		70	
2ND		1/4		1/4	
OBS. GRAVITY		TEMPERATURE		ESTIMATED BBL.	
B. S. & W.		TRUE GRAVITY		43.0	
1ST		1/4		1/4	
2ND		1/4		1/4	
B. S. & W. LEVEL		MG. OF CON.		POWER FURNISHED BY	
1ST		1/4		P. L. Co. Other	
2ND		1/4		1/4	
REMARKS		761573		10-1	

EWELL N. WALSH PETROLEUM ENGINEER CONSULTANT

KEESEEE & THOMAS
CHACON JICARILLA APACHE "D", NO. 1
875' FNL, 1140' FEL, Sec. 23-T23N-R3W
SANDOVAL COUNTY, NEW MEXICO

Elevation: 7374' G.L., 7385' D.F., 7386' K.B.

WELL LOCATION AND OFFSET
OWNERSHIP ACREAGE PLAT



Township 23 North, Range 3 West

BURR & COOLEY
ATTORNEYS AND COUNSELORS AT LAW
SUITE 152 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO
87401

JOEL B. BURR, JR.
WM. J. COOLEY

TELEPHONE 325-1702
AREA CODE 505

September 13, 1974

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Enclosed herewith are original and two copies of the Application of Keesee & Thomas for an unorthodox oil well location in an undesignated Dakota oil pool in Sandoval County, New Mexico. Would you please set the same for hearing.

Thank you.

Very truly yours,

BURR & COOLEY

By *William J. Cooley*
William J. Cooley

WJC:jjh
Encls.

DOCKET MAILED

9-19-74
~~DELO~~

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION

OF

Case 5-337

KEESEE & THOMAS, A PARTNERSHIP,

for an unorthodox oil well location
in an undesignated Dakota oil pool
in Sandoval County, New Mexico.

APPLICATION

COMES NOW the Applicant, Keesee & Thomas, a partnership comprised of Kenneth H. Keesee and Dave M. Thomas, Jr., by and through its attorneys, Burr & Cooley, 152 Petroleum Center Building, Farmington, New Mexico, and respectfully makes application of the Commission for an unorthodox oil well location in an undesignated Dakota oil pool in Sandoval County, New Mexico, pursuant to the provisions of Rule 104BII(a).

In support of the foregoing application, Applicant would show the Commission that it heretofore drilled its Chacon-Jicarilla Apache D Well No. 1 as a wildcat gas well projected to the Dakota formation pursuant to the provisions of the above-referred sub-section of Rule 104 at a location 870 feet from the north line and 1140 feet from the east line of Section 23, Township 23 North, Range 3 West, Sandoval County, New Mexico, and that oil production rather than gas production was unexpectedly encountered in said well.

That the above-referred well location does not conform to the oil well location rule set forth in Rule 104BII(b).

That pursuant to the aforementioned rules of the Commission, a hearing is required before approval for production of oil can be granted to the Applicant by the Commission.

That there are no other oil wells completed in the Dakota formation on any lands adjacent or in close proximity to the Applicant's Chacon-Jicarilla Apache D Well No. 1, and that approval of this application will not cause waste or violate the correlative rights of any offset operator.

WHEREFORE, Applicant prays that this matter be regularly set down for hearing before an examiner duly appointed by the Commission and that after notice of hearing Applicant be granted the relief hereinabove requested.

Respectfully submitted,

BURR & COOLEY
152 Petroleum Center Building
Farmington, New Mexico 87401

By William J. Cooley
William J. Cooley
Attorneys for Applicant

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5337

Order No. R- 4886

APPLICATION OF KEESSEE AND
THOMAS FOR AN UNORTHODOX
OIL WELL LOCATION, SANDOVAL
COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 2, 1974
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2 day of October, 1974, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the ^{Chacon} Applicant, Keessee and Thomas, is
the owner of the ^{Chacon} Sycarilla Apache "D" Well No. 1,
located 875 feet from the North line and 1140 feet
from the East line of Section 23, Township 23 North,
Range 3 West, ^{NM 624} Sandoval County, New Mexico.

(3) That said well was projected to the Dakota
formation as a gas well and is located in accordance
with the gas well location rules for said formation
in the ^{subject} area, but was in fact completed as an oil well.

(4) That the well location requirements for oil
wells in the subject area are different from the
well location requirements for ~~at~~ gas wells and the
location ^{of the subject well} is therefore unorthodox. with

(5) That the unorthodox location is only the result of a good-faith error and will not cause waste nor violate correlative rights and should be approved.

IT IS THEREFORE ORDERED: oil well

(1) That the unorthodox location of the Keesee and Thomas ^{Chalon} Tlacuilla Apache "D" well No. 1 located 875 feet from the North line and 1140 feet from the East line of Section 23, Township 23 North, Range 3 West, N44 PM, Sandoval County, New Mexico, is hereby approved.

(2) That jurisdiction etc

Core 5337

std. dak. gas loc.

104 to 2(a)

Reese & Thomas

Chacon Jic Apache D #1

870' FNL 1140 FFL

23 T 23 N R 3 W Sandoval

proj as Dak gas

comp as oil well in Dak

Jack Cooley
Joel Burr