

Case No.

754

Application, Transcript,
Small Exhibits, Etc.

CASE 754: Superior Oil Company unorthodox
gas proration unit of 160 acres in Jalco
Gas Pool

Now

SINCLAIR OIL & GAS COMPANY

MAIN OFFICE

1951 AUG 13 AM 9:14
SINCLAIR OIL BUILDING
TULSA, OKLAHOMA

JOHN N. JOHNSON
VICE-PRESIDENT

August 2, 1954.

RE: Superior Oil Company's Application
for Dual Completion of its State #1-12,
Section 12-21S-35E.,
Lea County, New Mexico

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

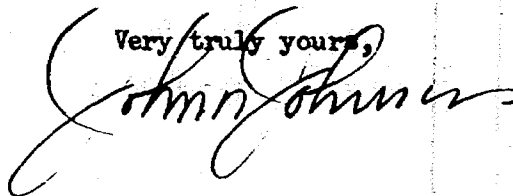
Gentlemen:

We are advised that Superior Oil Company has made Application to Dually Complete its State #1-12 well located 990' from the West line and 1980' from the South line of Section 12-21S-35E., Lea County, New Mexico, and is requesting an unorthodox gas proration unit to consist of the following 160 acres:

West Half of the Southwest Quarter (W/2 SW/4)
of Section 12 and the East Half of the South-
east Quarter (E/2 SE/4) of Section 11, all in
Township 21-South, Range 35-East, Jalco Gas
Pool, Lea County, New Mexico.

Sinclair Oil & Gas Company, as a lease owner in the immediate area, waives any objection to the dual completion, but we are not in favor of assigning the eighty (80) acres in Section 11, since this will set a precedent which would nullify the working efforts of all operators to form proration units within the legal sections.

Very truly yours,



CEW:CMF

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
September 16, 1954

IN THE MATTER OF:

Regular Hearing

CASE NO. 754

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 16, 1954

IN THE MATTER OF:

Application of Superior Oil Company for un-
orthodox gas proration unit in Jalco Gas
Pool (now in Eumont Gas Pool by terms of
Order R-520): E/2 SE/4 of Section 11 and
W/2 SW/4 Section 12, Township 21 South,
Range 35 East.

Case 754

BEFORE:

Honorable Edwin L. Mechem
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 754, and I
have a letter from Mr. Hinkle pertaining to this matter, addressed
to me:

"We enclose herewith Motion and Order for Dismissal of Case
No. 754 on the Conservation Commission docket, being the applica-
tion of Superior Oil Company for approval of a non-standard pro-
ration unit in the Jalco Gas Pool.

The Superior will present an application to be approved
administratively under Section 5(b) of the special rules covering
the Jalco Gas Pool."

I think he refers to the Jalmat Gas Pool. Is there objection
to the dismissal of this matter, if not the case will be dismissed.

STATE OF NEW MEXICO)
 : ss.
COUNTY OF BERNALILLO)

I, MARIANNA MEIER, Court Reporter, do hereby
certify that the foregoing and attached transcript of proceedings
before the New Mexico Oil Conservation Commission at Santa Fe,
New Mexico, is a true and correct record to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial
seal this 24th day of September, 1954.

Marianna Meier
Notary Public, Court Reporter

My Commission Expires:
April 8, 1956

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 754

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
TELEPHONE 7-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

August 18, 1954

IN THE MATTER OF:

Application of Superior Oil Company for
unorthodox gas proration unit in Jalco
Gas Pool: E/2 SE/4 of Section 11 and
W/2 SW/4 of Section 12, in Township 21
South, Range 35 East, Lea County, New
Mexico.

Case No. 754

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 754.

MR. HINKLE: If the Commission please, Clarence Hinkle,
representing Superior. Due to the fact that you have just come
out with a new order on the Jalmat Field, and due to the fact that
this application crosses section lines, we may want to amend this
application. I would like to have this case continued until the
September hearing.

MR. MACEY: Objection to the continuance of this case?
If not, the case will be continued to September hearing. The date
is September 16.

C E R T I F I C A T E

I, ADA DEARNLEY, Court Reporter, do hereby certify that the
foregoing and attached transcript of proceedings in the matter of
Case No. 754 were taken by me on August 18, 1954, that the same is
a true and correct record to the best of my knowledge, skill and
ability.

Ada Dearnley
Reporter

ADA DEARNLEY & ASSOCIATES
STENOGRAPHIC REPORTERS
ROOM 105-106-107 EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

MAIN OFFICE CCG

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 754

APPLICATION OF SUPERIOR OIL COMPANY
FOR UNORTHODOX GAS PRORATION UNIT
IN JALCO GAS POOL (NOW IN EUMONT
GAS POOL BY TERMS OF ORDER R-520):
COVERING E $\frac{1}{2}$ SE $\frac{1}{4}$ SECTION 11, W $\frac{1}{2}$ SW $\frac{1}{4}$
SECTION 12, T. 21 S., R. 35 E.,
N.M.P.M.

MOTION FOR DISMISSAL

Comes the Superior Oil Company by its undersigned attorneys,
and move the Commission to dismiss the above styled case without
prejudice.

Respectfully submitted,

HERVEY, DOW & HINKLE

By 
Roswell, New Mexico

Attorneys for Superior Oil Company

J. M. HERVEY 1874-1953

HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNKER, JR.

WILLIAM C. SCHAUER
HOWARD C. BRATTON
S. B. CHRISTY IV

LAW OFFICES
MAIN RECEIVED DOCS HINKLE
FIRST NATIONAL BANK BUILDING

1954 SEP 15 AM 9:04
ROSWELL, NEW MEXICO

September 14, 1954

TELEPHONE 2160
L. D. 3

Mr. W. B. Macey
Executive Secretary
New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Dear Mr. Macey:

We enclose herewith Motion and Order for Dismissal of Case No. 754 on the Conservation Commission docket, being the application of Superior Oil Company for approval of a non-standard gas proration unit in the Jalco Gas Pool.

The Superior will present an application to be approved administratively under Section 5(b) of the special rules covering the Jalco Gas Pool.

Yours very truly,

HERVEY, DOW & HINKLE

By Clarence E. Hinkle
mp

CEH:mp

Encl.

cc - Mr. Don Prescott
Superior Oil Company
Midland, Texas

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 754
Order No. R-531

THE APPLICATION OF SUPERIOR OIL
COMPANY FOR UNORTHODOX GAS
PRORATION UNIT IN JALCO GAS POOL
(NOW IN EUMONT GAS POOL BY TERMS
OF ORDER R-520) COVERING E/2 SE/4
SECTION 11, W/2 SW/4 SECTION 12, TOWN-
SHIP 21 SOUTH, RANGE 35 EAST, NMPM.

ORDER OF DISMISSAL

BY THE COMMISSION:

It appearing to the Commission that a Motion has been filed
by the Superior Oil Company moving that the above styled case be
dismissed without prejudice.

IT IS THEREFORE ORDERED:

That the application of the Superior Oil Company for unorthodox
gas proration unit in Jalco Gas Pool (now in Eumont Gas Pool by terms
of Order R-520) covering E/2 SE/4 Section 11, W/2 SW/4 Section 12,
Township 21 South, Range 35 East, NMPM, be dismissed without
prejudice.

DONE at Santa Fe, New Mexico, this the 16th day of September,
1954.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mech

EDWIN L. MECHEM, Chairman

E. S. Walker

E. S. WALKER, Member

W. B. Macey

W. B. MACEY, Secretary and Member

SEAL

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

October 11, 1954

Mr. Clarence Hinkle
Hervy, Dow and Hinkle
First National Bank Bldg.
ROSWELL, NEW MEXICO

Dear Mr. Hinkle:

We attach copies of dismissal orders signed by the Commission, as follows:

Order R-530 in Case 661 (Great Western Producers, Inc.)

Order R-531 in Case 754 (Superior Oil Company)

You will note that these were signed under date of September 16. We regret the delay in sending these to you, but the third signature had not been secured until this week on the original copy.

Very truly yours,

OIL CONSERVATION COMMISSION

By

WBM:mr

Encl.

C
O
P
Y

MAIN OFFICE OCC

1954 JUL 23 AM 9:00

WAIVER

We, the undersigned waive objection to The Superior Oil Company's dual completion of Superior-State #1-12 well, located 990' FWL & 1980' FSL, Section 12, T-21-S, R-35-E, Lea County, New Mexico, from the Jalco Gas Zone and the Eunice Oil Zone, and application for unorthodox gas proration unit embracing 160 acres being; W/80 acres of SW/4 of Section 12, T-21-S, R-35-E and E/80 acres of S/2 of Section 11, T-21-S, R-35-E, Lea County, New Mexico.

Signed: J. W. Chumley
Title: Petroleum Engineer
For: American Republics Corp.
Date: July 23, 1954

W3m

WAIVER

We, the undersigned waive objection to The Superior Oil Company's dual completion of Superior-State #1-12 well, located 990' FWL & 1980' FBL, Section 12, T-21-S, R-35-E, Lea County, New Mexico, from the Jalco Gas Zone and the Eunice Oil Zone, and application for unorthodox gas proration unit embracing 160 acres being; W/80 acres of SW/4 of Section 12, T-21-S, R-35-E and E/80 acres of S/2 of Section 11, T-21-S, R-35-E, Lea County, New Mexico.

Signed:

L E Slagle

Title:

Division Production Superintendent

For:

SUPERIOR OIL COMPANY

Date:

JULY 23, 1934

MAIN OFFICE OCC

1954 AUG 2 AM 8:29

WAIVER

We, the undersigned waive objection to The Superior Oil Company's dual completion of Superior-State #1-12 well, located 990' FSL & 1980' FSL, Section 12, T-21-S, R-35-E, Lea County, New Mexico, from the Jalco Gas Zone and the Eunice Oil Zone, and application for unorthodox gas proration unit embracing 160 acres being; W/80 acres of SW/4 of Section 12, T-21-S, R-35-E and E/80 acres of S/2 of Section 11, T-21-S, R-35-E, Lea County, New Mexico.

Signed:

E. L. Roberts

Title:

Production Manager

For:

Drilling and Exploration Co., Inc.

Date:

July 28, 1954

MAIN OFFICE OCC

1954 JUL 29 AM 9:00

WAIVER

We, the undersigned waive objection to The Superior Oil Company's dual completion of Superior-State #1-12 well, located 990' FWL & 1980' FSL, Section 12, T-21-S, R-35-E, Lea County, New Mexico, from the Jalco Gas Zone and the Eunice Oil Zone, and application for unorthodox gas proration unit embracing 160 acres being; W/80 acres of SW/4 of Section 12, T-21-S, R-35-E and E/80 acres of S/2 of Section 11, T-21-S, R-35-E, Lea County, New Mexico.

Signed: Charles H. [Signature]

Title: President

For: Wilton Wells

Date: 7/29/54

DC-142
+
Case 754
MAIN OFFICE
THE SUPERIOR OIL COMPANY
MIDLAND, TEXAS
July 16, 1954

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application by The Superior Oil Company
to Dually Complete their State #1-12
between the Eunice oil pay and the Jalco
gas pay; and, also, approval of an Un-
orthodox Gas Unit embracing 160 acres.

Gentlemen:

Please consider this letter our application for Commission approval of a dual gas-oil completion for The Superior Oil Company-State #1-12 well located 990' FWL & 1980' FSL, Section 12, T-21-S, R-35-E (Eunice Oil Pool & Jalco Gas Area) Lea County, New Mexico. Please also consider this as an application for approval of an Unorthodox Gas Unit embracing 160 acres being the W/80 acres of the SW/4 Section 12, T-21-S, R-35-E plus the E/80 acres of the S/2 Section 11, T-21-S, R-35-E. *for hearing*

The attached plat of adjacent leases and ownership shows Superior's lease to be State Lease #E-444 comprising 480 acres & covering the S/2 of Section 11, T-21-S, R-35-E plus the SW/4 Section 12, T-21-S, R-35-E. Charm Oil Company has farmed out from Superior the E/80 acres of the SW/4 Section 12, leaving Superior with the W/80 acres of the SW/4 Section 12. Superior State #1-12 is a recently completed oil well located 990' FWL & 1980' FSL, Section 12, T-21-S, R-35-E, in the Eunice Oil Pool producing thru perforations in 7" casing from 3961-72'. The Charm Oil Company has recently dually completed their Superior-State #1 located 1980' FS & WL, Section 12, T-21-S, R-35-E on the E/80 acres of the SW/4 Section 12, between the Eunice oil pay and the Jalco gas pay, dedicating 80 acres to the gas proration unit.

Superior's State #1-12 was officially completed July 13, 1954 in the Eunice oil pay. The total depth of the well is 4211' with 7", 20#, J-55, ST&C, R-2 casing cemented at 4211' with 300 sack regular cement. A temperature survey inside the 7" casing shows the top of cement outside the 7" casing to be at 2895'. Cement was cleaned out inside the 7" casing to 4175' PBTD and the 7" casing was perforated with 4 jet shots per foot from 3674-75' for a water-shut-off test which was successful. The 7" casing was then perforated with 8 jet shots per foot from 3961-72' and completed as an oil well in this interval (Eunice oil pay). While drilling the 7-Rivers section a one hour drill stem test was taken from 3660-72' with a resulting gas flow of 900 MCFFD, flowing bottom-hole pressure from 275-350 psi, and a 30 minute SIBHP of 1125 psi. The electric log on The Superior-State #1-12 indicates the gas pay (Jalco gas zone) to be from 3674-90'.

THE SUPERIOR OIL COMPANY

Oil Conservation Commission


Page #2

If approval of this application is obtained, applicant proposes to perforate the Jalco Gas Zone from 3674-90', set a casing packer at approximately 3800' in order to separate the oil and gas zones, and run an Otis seating nipple just above the packer so that either an Otis side-door choke or Otis straight-thru choke may be set by means of a wire line in the seating nipple. The side-door choke will permit swabbing the load oil from the annulus between the 2½" EUE tubing and the 7" casing in order to unload the annulus and allow gas production from above the packer. Applicant will then pull the side-door choke from the tubing and run the straight-thru choke to dual complete the well so that gas from the Jalco gas zone flows up the annulus and oil from the Eunice oil zone flows up the tubing.

We are mailing copies of this application to all offset operators listed below with a request for waivers from them. We will mail the resulting waivers to you as soon as we receive them.

Yours very truly,

THE SUPERIOR OIL COMPANY,


J. E. Beakey,
General Superintendent.

FHS-jj-1

ccs: New Mexico Oil & Gas Engineering Committee, Hobbs, New Mexico
Amerada Petroleum Corporation, Midland, Texas
Charm Oil Company, Artesia, New Mexico
Shell Oil Company, Midland, Texas ———— OK
Olin F. Featherstone, Denver, Colorado
Drilling & Exploration Company, Inc., Midland, Texas ———— OK
American Republics Corporation, Midland, Texas ———— OK
W. S. Patterson, Roswell, New Mexico
The Atlantic Refining Company, Midland, Texas
Sinclair Oil & Gas Company, Midland, Texas
Wilson Oil Company, Santa Fe, New Mexico ———— OK

R 3 5 E

T 2 1 S

