

1169: Application of Amerada
Petroleum Corp. for an 80-acre
non-standard unit.

Case No.

1169

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
October 31, 1956

IN THE MATTER OF: *
CASE 1169 *

TRANSCRIPT OF PROCEEDINGS

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
October 31, 1956

IN THE MATTER OF:

The application of Amerada Petroleum Corporation
for an order establishing an 80-acre non-standard
gas proration unit in the Blinebry Gas Pool in
exception to Rule 5 (a) of the Special Rules and
Regulations for said pool as set forth in Order
R-610. Applicant, in the above-styled cause, seeks
an order establishing an 80-acre non-standard gas
proration unit in the Blinebry Gas Pool consisting
of the SE/4 NW/4 and SW/4 NE/4 of Section 20,
Township 21 South, Range 37 East, Lea County, New
Mexico; said unit to be dedicated to applicant's J. G.
Randle "A" No. 1 Well, located 1980 feet from the North
and West lines of said Section 20.

CASE NO. 1169

BEFORE:

Warren W. Mankin, Examiner

TRANSCRIPT OF HEARING

EXAMINER MANKIN: The next case is Case No. 1169.

GURLEY: Case 1169, the application of the Amerada Petroleum Corporation
for an order establishing 80-acre non-standard gas proration unit in the Blinebry
Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations of
said pool as set forth in Order R-610.

W. G. ABBOTT

having first been duly sworn in, testified as follows:

ABBOTT: My name is W. G. Abbott, District Engineer with Amerada
Petroleum Corporation, in Monument, New Mexico.

EXAMINER MANKIN: You have previously been qualified as an expert
witness have'nt you Mr. Abbott?

A. Yes sir.

EXAMINER MANKIN: They're acceptable.

ABBOTT: In our application we are asking for an exception to Rule 5 (a) of the Special Order R-510. We are asking for a non-standard gas proration unit in the Blinebry Gas Pool for our Randal "A" and Randal "A" Leases. This 80 acres is composed of the SE/4 of the NW/4 and the SW/4 of the NE/4 of Section 20, Township 21 South, Range 37 East. The Blinebry Gas Well was made from our Randal "A" No. 1. This well was originally drilled as a Drinkard Well and completed as a Drinkard Well on January 18, 1949. In August of 1954, we attempted to make a Tubb-Blinebry gas-gas dual on the well, and we were unsuccessful in getting any gas production out of the Tubb Zone, so at that time we treated the Blinebry zone with 1500 gallons of acid and then acid fraced it with 5,000 gallons of jell acid and 2500 pounds of sand, and we took an absolute open flow potential at that time and the well potential was 735,000 cubic feet per day. The gas purchaser in that area, Permian Basin Pipe Line would not take this well as the potential was too low. So, after studying this and watching some of our competitors, we came back there in August of this year and re-acidized these Blinebry perforations with 10,000 gallons of regular acid and we took another absolute overflow which potentialied at 1,280,000 cubic feet per day, so this well is now a commercial gas well and we are asking for an 80-acre gas proration unit at this time. I would like to submit to the Commission a plat showing the proposed unit and also showing other Blinebry gas units in this area. I believe thats all I have on this.

GURLEY: Mr. Abbott, what is your royalty ownership here?

A. Well, there was in the two 40-acre tracts, there was one royalty owner that was not common in the tracts and he has signed an agreement that this communitization would be alright.

Q. You have a signed agreement to that effect then?

A. Yes.

Q. And the rest of it is common ownership?

A. Yes, sir.

Q. And its all under your lease, is that correct?

A. Thats right.

Q. On this Exhibit, sir, was this Exhibit prepared by you or under your supervision?

A. Yes, sir.

EXAMINER MANKIN: Mr. Abbott, has an attempt been made by Amerada on a standard 160-acre gas proration unit in the Blinebry Pool?

A. No, sir. According to Rules R-610 a standard unit would be 160-acre unit all in the one legal quarter section and we do not feel that the well is capable of producing much more than this one 80-acre allowable so we have not attempted to unitize or to communitize with other operators.

EXAMINER MANKIN: Is there a question of the witness?

CAMPBELL: (Interested Party) Is that zone shut completely off?

ABBOTT: Yes, sir.

GURLEY: Excuse me, what is your name sir?

CAMPBELL: Campbell.

Q. And you're with who?

A. E. G. Rodman.

ABBOTT: We attempted to make a Tubb Gas Well back in '54, but we were unsuccessful.

CAMPBELL: And you had no communication?

ABBOTT: No, sir.

CAMPBELL: And you are sincere.

ABBOTT: Yes, sir. We're sincere.

EXAMINER MANKIN: Any further question of the witness? Did you have anything else to add?

ABBOTT: No, we will - - - - - this is just a straight single completion in the Blinebry Gas Zone.

-4-

GURLEY: You wish to enter this as an Exhibit, sir?

A. Yes, sir.

EXAMINER MANKIN: Is there objection to entering this Exhibit? If not, we will enter Exhibit 1 as the Exhibit in this case. Do you have anything further Mr. Abbott?

A. No, sir.

EXAMINER MANKIN: If there is nothing further, we will take the case under advisement.

STATE OF NEW MEXICO)
 : ss
COUNTY OF SANTA FE)

I, Doris Arnold, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Commission Examiner at Hobbs, New Mexico, is a true and correct record, to the best of my knowledge, skill and ability.

Dated at Santa Fe, New Mexico this 8th day of January, 1957,

Doris Arnold

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 29, 1956

C
O
P
Y

**Mr. D. C. Cappe
Amerada Petroleum Corporation
Drawer D
Monument, New Mexico**

Dear Sir:

We enclose a copy of Order R-923, issued on November 27, 1956, by the Oil Conservation Commission in Case 1169, which was heard on October 31, 1956, in Hobbs, New Mexico.

Very truly yours,

**A. L. Porter, Jr.
Secretary-Director**

jh
encl.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 10, 1936

C
O
P
Y

Amstar Petroleum Corporation
Box 8
Summit, New Mexico

Attention: Mr. D. C. Cappe

Gentlemen:

Reference is made to your application received in this office this date, concerning your request dated September 4, 1936 for a non-standard for your Handle "A" #1 in Section 20, Township 21 South, Range 37 East.

Your application for an 80-acre non-standard proration unit in the Blinkey Gas Pool cannot be granted administratively under Order R-610 as the unit is in two different quarter sections. Please amend your application to request a hearing for this unit.

Very truly yours

A. L. PORTER, JR.
Secretary-Director

ALP:ms

cc: GEC, Hobbs
E. G. Rodman, Odessa, Texas
Gulf Oil Corp., Hobbs
Surrey Mid-Continent, Midland, Tex.
Ohio Oil Co., Hobbs

AMERADA PETROLEUM CORPORATION

P. O. BOX 204

TULSA, OKLA.

cc-occ - Hadden
9/10/16
w/ copy

letter dtd 9/10/16
to Amerada
to request hearing

Examiner
Hq

Drawer D
Monument, New Mexico
September 4, 1956

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application for Exception to Rule 5 (a)
of Order No. R-520 for Amerada J.G.
Randle "A" No. 1, Blinbry Gas Pool

Gentlemen:

By this letter of application Amerada Petroleum Corporation wishes to state the following:

- (a) That Amerada Petroleum Corporation J.G. Randle "A" No. 1 located 1980 ft. FNL and 1980 ft. FNL of Section 20, Township 21-S, Range 37-E, Lea County, New Mexico was completed as a Blinbry gas well August 25, 1954.
- (b) That the applicant proposes to assign this well a non-standard gas proration unit consisting of 80 acres which is the SE/4 of NW/4 and the SW/4 of the NE/4 of Section 20, T-21-S, R-37-E, Lea County, New Mexico.
- (c) That the proposed non-standard gas proration unit lies wholly within a single governmental section.
- (d) That the proposed non-standard gas proration unit may reasonably be presumed to be productive of gas.
- (e) That the proposed non-standard gas proration unit does not exceed 5280 feet in length or width and consists of contiguous quarter-quarter sections.
- (f) That by copy of this letter of application by registered mail all offset operators are notified.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission grant approval of this non-standard gas proration unit as proposed in this application.

Respectfully submitted,
AMERADA PETROLEUM CORPORATION

By

D. C. Capps

D. C. Capps
District Superintendent

WGA/DCC/lis

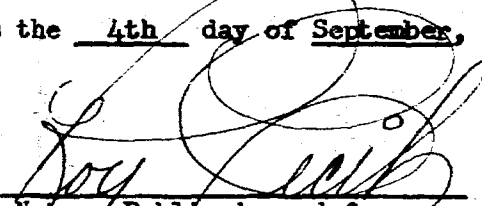
Enc. (1)

State of New Mexico
County of Lea

Before me, the undersigned authority, on this day personally appeared D. C. Capps, known to me to be the person whose name is subscribed to this instrument, who after being by me duly sworn on oath, states that he has knowledge of all the facts stated above and that the same is a true and correct statement of the facts therein recited.

Subscribed and sworn to before me on this the 4th day of September, 1956.

My commission expires August 23, 1959.


Notary Public in and for
Lea County, New Mexico

cc:

E.G. Rodman
Box 591
Odessa, Texas

Gulf Oil Corporation
Box 2167
Hobbs, New Mexico

Sunray Oil Corporation
306 Wilkinson-Foster Building
Midland, Texas

Ohio Oil Company
Box 2107
Hobbs, New Mexico

R 37 E

Tidewater 1*		Texas 3*	Pech 4*	Cont'l. 4*	Stanolind 7*	Gulf 3*
St. "AF"					6*	4*
Gulf 2*	Penrose 1*	2*	Sun 3*	3*	1*	2*
Alves 18		Cont'l. 1*	17		St. "C"	Leonard 5*
3*	2*	4*	1*	2*	A.P.C. 1*	3*
Mattern "C"		Weatherly 2*	Lockhart 1*		St. "D.A."	4*
Olson-Blount 1*	1*	Penrose 2*	Tidewater 1*		Mid. Cont. 2*	5*
St. "B"	Warlick 1*	Lockhart 2*	Hardy 1*		St. "15"	
	Coats & Jackson 1*	Sunray 1*	Rodman 2*	Repello 2*	Trinity 2*	Sunray 1*
	Warlick 1*	Elliott 1*	Lee 1*		3*	3*
A.P.C. 1*	A.P.C. 1*	Sunray 1*	A.P.C. 1*			
		Randle 1*	Randle "A" 1*	York "A" 1*	Weatherly 1*	Elliott "A" 2*
19		Gulf 5*	Ohio 3*	2*	Cont'l. 4*	Cone 1*
	Warlick 2*		Tidewater 5*		Wentz 2*	Anderson 2*
	Stanolind 1*	Haray 4*				
	Elliott 2*					
Texas 4*	2*	2* Magnolia 6*	Sunray 2*		Gulf 2*	13
		3*	Linam 3*		22	17
			Sunray 2*		18	20
Henderson 3*	1*	5*	Hardy 2*		4*	24
30		Hardy 1*	Ohio 1*		5*	20
Gulf 1*		Repollo 1*	Turner 2*		Eunice King 2*	28
		W. Turner 2*	Stanolind 1*		Mag. 2*	19
		Repollo 3*			2*	11
		4*	3*		10*	2
Mattern "B"		2* H. Turner 4*	2* Turner 3*		3*	18
		1*			Carson 12*	17
					8*	1
					Cars. "A"	6*
					Cars. "C"	3*

T
21
S

AMERADA PETROLEUM CORPORATION
Randle Lease
Lea County, New Mexico
Scale: 1" = 2000'

DOCKET: EXAMINER HEARING OCTOBER 31, 1956

New Mexico Oil Conservation Commission 9:00 a.m., Hobbs, New Mexico

Oil Conservation Commission Office, 1000 W. Broadway, Hobbs, New Mexico

The following cases will be heard before Warren W. Mankin, Examiner:

CASE 1167: Application of Plemons and Hewitt for an order granting permission to commingle oil in exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations. Applicants, in the above-styled cause, seek an order granting permission to produce oil from the Fren Pool and Premier Pool into common tankage; said oil to be produced from applicants' Friess No. 1 Well in the NE/4 NW/4 of Section 30, Township 17 South, Range 31 East, (Premier Pool), Eddy County, New Mexico, and the Friess No. 2 Well in the SE/4 NW/4 of said Section 30 (Fren Pool).

CASE 1168: Application of Schermerhorn Oil Corporation for establishment of a 285-acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-520. Applicant, in the Above-styled cause, seeks an order establishing a non-standard gas proration unit in the Eumont Gas Pool consisting of:

Township 18 South, Range 37 East
Section 33: S/2 SW/4 and NW/4 SW/4

Township 19 South, Range 37 East
Section 4: NW/4

all in Lea County, New Mexico; said unit to be dedicated to applicant's Linam "B" Well No. 2, located 660 feet from the South line and 2310 feet from the West line of said Section 33.

CASE 1169: Application of Amerada Petroleum Corporation for an order establishing an 80-acre non-standard gas proration unit in the Blinebry Gas Pool in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-610. Applicant, in the above-styled cause, seeks an order establishing an 80-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the SE/4 NW/4 and SW/4 NE/4 of Section 20, Township 21 South, Range 37 East, Lea County, New Mexico;

said unit to be dedicated to applicant's J. G. Randle "A" No. 1 Well, located 1980 feet from the North and West lines of said Section 20.

CASE 1170: Application of Shell Oil Company for the establishment of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool, Lea County, New Mexico, in exception to Rule 5 (a) of the Special Rules and Regulations for said pool as set forth in Order R-610. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of Lots 6, 10 and 11 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico; said unit to be assigned to applicant's Taylor Glenn No. 1 Well, located 3226 feet from the North line and 1980 feet from the West line of said Section 3.

CASE 1171: Application of Neil H. Wills for approval of six (6) unorthodox well locations in the Russell Pool, Eddy County, New Mexico, in exception to Rule 104 (c) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the following unorthodox well locations in Section 13, Township 20 South, Range 28 East, Eddy County, New Mexico, in the Russell Pool.

Well No. 26: 1305 feet from North line and 1980 feet from East line.
Well No. 27: 1325 feet from South line and 660 feet from West line.
Well No. 28: 1325 feet from the South line and 1315 feet from West.
Well No. 29: 1325 feet from South line and 5 feet from West line.
Well No. 30: 660 feet from South line and 5 feet from West line.
Well No. 31: 660 feet from South line and 1315 feet from West line.

Well No. 26 is a producing oil well and Wells No. 27 through No. 31 are proposed water injection wells to implement the applicant's water flood program in the Russell Pool as authorized by Order R-263 and R-899.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date

11/8/80

CASE

1169

Hearing Date

9 AM at Santa Fe on 11/17/80

My recommendations for an order in the above numbered cases are as follows:

Find: ① applicant would be deprived of his
fair share if denied.

② should approve

③ within vertical & horiz limits / Blending
Gas Pool

Order:

① approve 80 Ac Unit

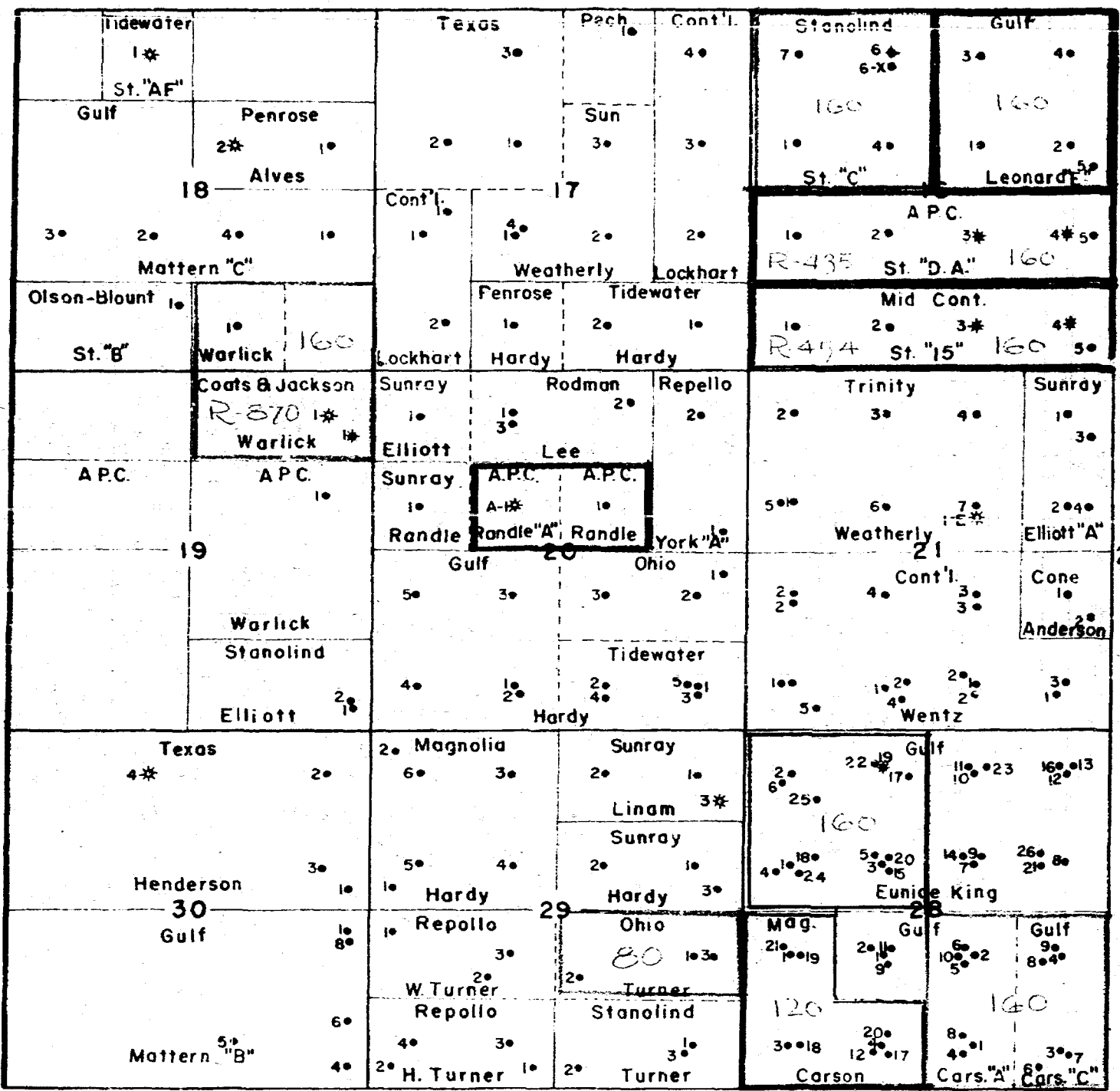
② allow eff. per Rule ¹⁶ ~~12~~ of Pool Rules.

Paul W. Martin

Staff Member

BEFORE THE
OIL CONS. & L. COM. DESION
SANTA FE, N. MEXICO
Amerada's EXHIBIT No. 1
CASE 1169

R 37 E



EXISTING AND PROPOSED
BLINBERRY GAS UNITS

AMERADA PETROLEUM CORPORATION
Randle Lease
Lea County, New Mexico
Scale: 1" = 2000'

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. 1169
Order No. R-923

THE APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER GRANTING
APPROVAL OF AN EXCEPTION TO RULE 5 (a)
OF THE SPECIAL RULES AND REGULATIONS
OF THE ALIENRY GAS POOL AS SET FORTH
IN ORDER NO. R-618 IN ESTABLISHMENT
OF A NON-STANDARD GAS PRODUCTION UNIT
OF 80 CONTIGUOUS ACRES CONSISTING OF
SE/4 NW/4 AND SW/4 NE/4 SECTION 20,
TOWNSHIP 21 SOUTH, RANGE 37 EAST,
NMPH, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
October 31, 1956 at Hobbs, New Mexico, before Warren W. Mankin,
Examiner duly appointed by the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission," in accordance
with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 27th day of November, 1956, the Commission,
a quorum being present, having considered the application, the
evidence adduced, the recommendations of the Examiner, Warren W.
Mankin, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing
and the purpose thereof having been given as required by law, the
Commission has jurisdiction of this case and the subject matter
thereof.

(2) That applicant, Amerada Petroleum Corporation is
the owner of an oil and gas lease in Lea County, New Mexico, the
land consisting of other than a legal quarter section, and
described as follows, to-wit:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPH
Section 20: SE/4 NW/4
SW/4 NE/4

containing 80 acres, more or less.

-2-

Case No. 1169
Order No. R-923

(3) That applicant, Amerada Petroleum Corporation has a producing well on the aforesaid lease known as J. G. Randle "A" No. 1, located 1800 feet from the North line and 1980 feet from the West line of Section 20, Township 21 South, Range 37 East, NMPM.

(4) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Blinbry Gas Pool.

(5) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of Amerada Petroleum Corporation for approval of an 80 acre non-standard gas proration unit consisting of the following described acreage in the Blinbry Gas Pool, Lea County, New Mexico

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 20: SE/4 NW/4
SW/4 NE/4

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, J. G. Randle "A" No. 1, located in the SE/4 NW/4 of said Section 20, shall be granted an allowable in the proportion that the acreage in the above described unit bears to the standard proration unit for said pool.

(3) That the effective date of the allowable shall be in accordance with the provisions of Rule 16 of the Special Rules and Regulations as set forth in Order R-610.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms

JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

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

