

Case No.

1462

Application, Transcript,
Small Exhibits, Etc.

1462

El Paso Natural Gas Co. applica
tion for establishing a 225-acre non-
standard unit in the Blanco Monserade Pool.

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

June 11, 1958

C
O
P
Y

Mr. Garrett Whitworth
El Paso Natural Gas Co.
P.O. Box 1492
El Paso, Texas

Dear Mr. Whitworth:

Enclosed are two copies each of Orders R-1181 and R-1189,
Orders of Dismissal, issued June 10, 1958, by the Oil Conservation
Commission in Cases 1430 and 1462, respectively.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

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. 1462
Order No. R-1189

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR A 335-ACRE NON-STANDARD
GAS PRORATION UNIT IN THE BLANCO
MESAVERDE GAS POOL, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, 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 10th day of June, 1958, the Commission, a quorum being present, having considered the application and the recommendations of the Examiner, Elvis A. Utz, 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, El Paso Natural Gas Company, seeks an order authorizing the establishment of a 335-acre non-standard gas proration unit consisting of the SW/4 of Section 7 and the W/2 of Section 18, all in Township 30 North, Range 8 West, NMPN, San Juan County, New Mexico.

(3) That the requested order is unnecessary since the above-described acreage was established as a non-standard unit by prior order of the Commission.

IT IS THEREFORE ORDERED:

That the application of El Paso Natural Gas Company in Case No. 1462 be and the same is hereby dismissed.

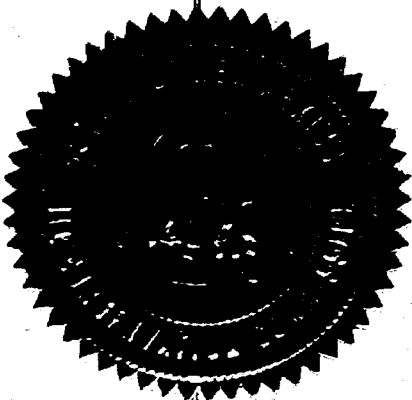
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
EDWIN L. MECHEM, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1462

TRANSCRIPT OF HEARING

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

May 28, 1958

Application of El Paso Natural Gas Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 335-acre, more or less, non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the SW/4 of Section 7 and the W/2 of Section 18, all in Township 30 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Howell No. 4-C well, located 933 feet from the South line and 931 feet from the West line of said Section 18.

CASE NO
1462

ELVIS A. UTZ, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: The last case on the docket will be Case 1462.

MR. PAYNE: Your Honor, in view of the fact that what is requested in this application was granted by Order R-120, I would like to move at this time that this application be dismissed.

MR. UTZ: Are there any objections to the dismissal of Case 1462? If not, it is so ordered, and the hearing is adjourned.

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

SS

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript, and that same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the 9th day of June, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph A. Trujillo
NOTARY PUBLIC

My Commission Expires:

October 5, 1960

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 462, heard by me on May 28, 1958.

Charles A. [Signature], Examiner
New Mexico Oil Conservation Commission

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 6-2-58

CASE 1462

Hearing Date 5-28-58

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

*Deny this case. Adversely in error.
This unit approved by Order R-120.*

Thurston

Staff Member

Memo

From

Kenslick

To Elvis:

Case 1462 on

your examiner
hearing May 28th
was covered by
Order R-120 in
years long gone by.

Al

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. 300
ORDER NO. R-120

THE APPLICATION OF DELHI OIL
CORPORATION FOR AN ORDER AUTHORIZING
COMMUNITIZATION OF CERTAIN EXTREME
WESTERN QUARTER SECTIONS OF SECTIONS
6, 7, 18, 19, 30, and 31 OF TOWNSHIPS
29 AND 30 NORTH, RANGE 8 WEST, NMPM,
SAN JUAN COUNTY, NEW MEXICO, FOR THE
ESTABLISHMENT OF EIGHT DRILLING UNITS
THEREIN.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 a.m. on August 21, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, this 8th day of January, 1952, the Commission, having considered the testimony adduced and exhibits received at said hearing.

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 Sections 6, 7, 18, 19, 30, and 31 of Townships 29 and 30 North, Range 8 West, NMPM, San Juan County, New Mexico, are less than normal size, each containing approximately 549 acres. In order to provide a uniform drilling pattern, special drilling units should be established in said sections as to all wells now drilling or hereafter drilled to the Mesaverde gas horizon.

(3) That the Commission, by its Orders R-35 and R-60, heretofore issued, approved communitization of portions of Sections within the area which is the subject matter of this case.

(4) That pooling of all lands within each drilling unit as to production of gas from the Mesaverde gas horizon will prevent waste, avoid unnecessary drilling, and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) The following lands shall constitute drilling units for production from the Mesaverde gas horizon:

Unit No. 1: W/2 Sec. 6 and NW/4 Sec. 7, T. 30N, R. 8W
Unit No. 2: SW/4 Sec. 7 and W/2 Sec. 18, T. 30N, R. 8W

Order R-120 Page 2

Unit No. 3: W/2 Sec. 19 and NW/4 Sec. 30, T.30N, R. 8W
Unit No. 4: SW/4 Sec. 30 and W/2 Sec. 31, T.30N, R. 8W

(2) All lands within each of the above drilling units are hereby pooled as to production from the Mesaverde gas horizon. Only one well shall be drilled on each drilling unit.

(3) Wells shall be located not closer than 660 feet from the outer boundary of any drilling unit.

(4) Wells drilled in the east halves of said sections shall be located in the northeast quarter of said section and not closer than 660 feet to the outer boundaries of said quarter section.

(5) In the event gas proration orders are later issued for said wells, each, of Units 1, 2, 3 and 4, as defined above, shall be given an allowable equal to that of a 320-acre tract.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

S/ EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

SEAL

WJH
El Paso Natural Gas Company

El Paso, Texas

May 2, 1958

Oil Conservation Commission
Of the State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Re: Request for Examiners Hearing
In Connection with the Non-
Standard Proration Unit in the
✓ Blanco Mesaverde Gas Pool
San Juan County, New Mexico

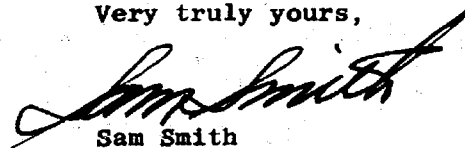
Gentlemen:

El Paso Natural Gas Company respectfully requests an Examiners Hearing to be scheduled for securing approval of a Non-Standard Proration Unit as a result of the completion of El Paso Natural Gas Company's Howell #4-C Well, located 933' from the South line and 931' from the West line of Section 18, Township 30 North, Range 8 West, as a gas well from the Mesaverde Formation on December 17, 1957.

The drilling unit dedicated to the Howell #4-C Well consists of the W/2 or (Lots 1,2,3,4, E/2 NW/4, E/2 SW/4) of Section 18, and the SW/4 or (Lots 3 and 4, E/2 SW/4) of Section 7, Township 30 North, Range 8 West, San Juan County, New Mexico.

An Examiners Hearing is requested in order to secure approval of the proposed Non-Standard Proration Unit due to the fact that the drilling unit containing 334.94 acres lies within two (2) government sections, and therefore is not subject to administrative approval under Order No. R-128-C.

Very truly yours,



Sam Smith
Manager
Land Department

SS:SHM:jr

NM 118

DOCKET: EXAMINER HEARING MAY 28, 1958

Oil Conservation Commission 9 a.m. Mabry Hall, State Capitol, Santa Fe

The following cases will be heard before Elvis A. Utz, Examiner:

- CASE 1225: Application of Moab Drilling Company and Utex Exploration Company for an order amending Order No. R-975. Applicant, in the above-styled cause, seeks an order amending Order No. R-975 to permit the conversion to a water injection well of the Utex Exploration Company Donohue-Federal No. 3 Well, located in the SE/4 SW/4 of Section 15, Township 16 South, Range 29 East, Eddy County, New Mexico.
- CASE 1446: Application of The Texas Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Cotton Draw Unit embracing 35,144 acres, more or less, of Federal, State of New Mexico, and patented lands, located in Township 24 South, Ranges 31 and 32 East; Township 25 South, Ranges 31 and 32 East, in Eddy and Lea Counties, New Mexico.
- CASE 1447: Application of The Texas Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the E/2 of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's C. H. Weir "B" Well No. 3, located 330 feet from the North line and 660 feet from the East line of said Section 11.
- CASE 1448: Application of Ambassador Oil Corporation for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its North Caprock Queen Unit No. 2 embracing 1808 acres, more or less, of State of New Mexico lands located in Township 13 South, Ranges 31 and 32 East, in Chaves and Lea Counties, New Mexico.
- CASE 1449: Application of Graridge Corporation for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the consolidation of tank batteries to receive the production from more than sixteen wells in the North Caprock Queen Unit No. 1 in Chaves and Lea Counties, New Mexico, which was established by Order No. R-1145. The applicant further seeks permission to install automatic custody transfer equipment on the above-referenced Unit.
- CASE 1450: Application of Neville G. Penrose, Inc. for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its November State Unit comprising 913 acres, more or less, of State of New Mexico and patented lands, located in Township 10 South, Range 37 and 38 East, and Township 11 South, Range 38 East, Lea County, New Mexico.

- CASE 1451: Application of Amerada Petroleum Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 280-acre non-standard gas proration unit in the Justis Gas Pool consisting of the W/2 SW/4 Section 24, NW/4 and SW/4 NE/4 of Section 25, all in Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's proposed well to be drilled in the NE/4 NW/4 of said Section 25.
- CASE 1452: Application of Amerada Petroleum Corporation for the dual completion of a producing oil well to permit the disposal of salt water therein. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its H. C. Posey "A" No. 4 Well, located in the NW/4 NE/4 of Section 14, Township 12 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil through the tubing from the Pennsylvanian formation, adjacent to the East Caprock-Pennsylvanian Pool, and to permit the disposal of salt water through the casing tubing annulus into the Devonian formation between 11,205 feet and 11,370 feet.
- CASE 1453: Application of Magnolia Petroleum Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Stephens Estate No. 1 Well, located in the NW/4 SW/4 of Section 24, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Terry-Blinebry Pool and Wantz-Abo Pool.
- CASE 1454: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington No. 4 Well, located 660 feet from the South line and 1980 feet from the West line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Blinebry oil pool and oil from the Justis-Ellenburger Pool through parallel strings of tubing.
- CASE 1455: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington Well No. 5, located 1650 feet from the South line and 1980 feet from the East line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Blinebry oil pool and oil from the Justis-Ellenburger pool through parallel strings of tubing.

- CASE 1456: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington Well No. 6, located 330 feet from the South line and 1980 feet from the East line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Blinebry oil pool and oil from the McKee formation, adjacent to the Justis-McKee Pool, through parallel strings of tubing.
- CASE 1457: Application of Sinclair Oil & Gas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State Lea Well No. 1, located 660 feet from the South and West lines of Section 24, Township 16 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Kemnitz-Wolfcamp Pool and from the Pennsylvanian formation adjacent to the Kemnitz-Pennsylvanian Pool through parallel strings of tubing.
- CASE 1458: Application of Albert Gackle for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the S/2 of Section 23, Township 23 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Sinclair State No. 1 Well, located 1650 feet from the South line and 990 feet from the East line of said Section 23.
- CASE 1459: Application of Continental Oil Company for a dual completion and non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Farney A-17 Well No 3, located in Section 17, Township 23 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Lower Yates formation of the Jalmat Gas Pool and gas from the Upper Yates formation of the Jalmat Gas Pool through the tubing and casing-tubing annulus respectively. The applicant further seeks the establishment of a 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 of said Section 17, to be dedicated to the said Farney A-17 Well No. 3.
- CASE 1460: Application of Phillips Petroleum Company for an oil-oil dual completion and for permission to commingle production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its New Mex "A" Well No. 1 located 1983 feet from the South line and 2313 feet from the West line of Section 25, Township 16 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Kemnitz-Wolfcamp Pool and oil from an undesignated Pennsylvanian pool through parallel strings of tubing. The applicant also proposes to produce the Wolfcamp and Pennsylvanian production from said well into common storage.

CASE 1461: Application of A. A. Greer, et al., for an exception to the acreage factors established by Order No. R-565-C for certain wells in San Juan County, New Mexico. Applicant, in the above-styled cause, seek an order granting an exception to the acreage factors provided in the Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool and Fulcher Kutz-Pictured Cliffs Gas Pool, as set forth in Order No. R-565-C, for one well in the Aztec-Pictured Cliffs Gas Pool and eight wells in the Fulcher Kutz-Pictured Cliffs Gas Pool which were drilled on 40-acre spacing prior to the establishment of 160-acre spacing in the aforementioned pools.

CASE 1462: Application of El Paso Natural Gas Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 335-acre, more or less, non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the SW/4 of Section 7 and the W/2 of Section 18, all in Township 30 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Howell No. 4-C Well, located 933 feet from the South line and 931 feet from the West line of said Section 18.

CASE 1463: Application of Pan American Petroleum Corporation for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its O. H. Randel "A" No. 1 Well, located 1650 feet from the South line and 990 feet from the West line of Section 9, Township 26 North, Range 11 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and gas from an undesignated Dakota gas pool through parallel strings of tubing.

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El Paso Natural Gas Company

El Paso, Texas

May 23, 1958

Oil Conservation Commission
Of the State of New Mexico
Capitol Annex Building
Santa Fe, New Mexico

Attention: Mr. Dan Nutter

Re: Case #1462

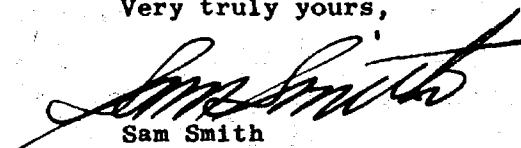
El Paso Natural Gas Company's
Request for Examiners Hearing in
Connection with a Non-Standard Gas
Proration Unit for the Howell #4-C
Well, Blanco Mesaverde Gas Pool,
San Juan County, New Mexico

Gentlemen:

El Paso Natural Gas Company respectfully requests dismissal of Case #1462 scheduled in connection with a Non-Standard Proration Unit for the Howell #4-C Well, located 930' from the South line and 931' from the West line of Section 18, Township 30 North, Range 8 West, N.M.P.M.

Since the subject Non-Standard Gas Proration Unit is covered by Order R-120, dated January 8, 1952 of the Oil Conservation Commission of the State of New Mexico, the Examiners Hearing requested by our letter of May 2, 1958 is unnecessary.

Very truly yours,



Sam Smith
Manager
Land Department

SS:SHM:cl

NM 118