CASE 2479: Application of SHELL for a 160-acre non-standard gas proration unit in the TUBB GAS POOL.

ophiction, Transcript,

mill Exhibits, Etc.

### BEFORE THE CIL 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. 2479 Order No. R-2179

APPLICATION OF SHELL OIL COMPANY FOR A 160-ACRE NON-STANDARD GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 24, 1962, 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 2nd day of February, 1962, 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, Shell Oil Company, has requested that Case No. 2479 be dismissed.

#### IT IS THEREFORE ORDERED:

That Case No. 2479 is hereby dismissed.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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

GOVERNOR EDWIN L. MECHEM CHAIRMAN

# State of New Mexico Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871 SANTA FE

February 2, 1962

	Re:	CASE NO	2479
		ORDER NO	R-2179
ir. Oliver Seth eth, Montgomery, Pederici & An	drews	APPLICANT:	4
ox 828		Shell Oil	Company
anta Pe, New Mexico			
Dear Sir:		,	
Enclosed herewith are Commission order recently enter	e two co	opies of the the subject	above-referenced case.
	Very	truly yours	31.0
			<i>(</i> )
	a	Parter	, X
	A. L	Porter Ji	: •'
	A. I. Secr		: •'
	A. L. Secr	. PORTER J'	: •'
ir/	A. L. Secr	. PORTER J'	: •'
•	Secr	. PORTER J'	: •'
Carbon copy of order also sen	Secr	. PORTER J'	: •'
Carbon copy of order also sen	Secr	. PORTER J'	: •'
Carbon copy of order also sen	Secr	. PORTER J'	: •'
Carbon copy of order also sen  Hobbs OCC Artesia OCC	Secr	. PORTER J'	: •'

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEMS OF TOUNG BONG AT LAW

Santa Fe, New Mexico 1962 JAN 15 N 3 47 January 12, 1962

J, O. SETH COUNSEL POST OFFICE BOX 828 TELEPHONE YU 3-7315

Mr. A. L. Porter, Jr. Secretary-Director Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Case No. 2479
Examiner's Hearing
January 24th Re:

Dear Mr. Porter:

OLIVER SETH

WH. FEDERICI -FRED C. HANNAHS GEORGE A. GRAHAM, JR.

> Case No. 2479 was an Application of Shell Oil Company for a 160-acre nonstandard gas unit in the company for a 100-acre nonstandard gas unit in the Tubb Pool. Unexpectedly, in the final completion of the well it now appears that it will be an oil well rather than a Tubb gas well. This being the case, the company would like to dismiss its application for hearing. Please consider this letter as a formal application and motion to dismiss the above case. application and motion to dismiss the above case.

> > Very truly yours, Men Set.

OS:mc cc-Shell Oil Company P. 0. Box 1858 Roswell, New Mexico

#### DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 24, 1962

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner:

#### CASE 2478:

Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its C. H. Weir "B" Well No. 5, located in Unit G of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, as a triple completion (conventional) in the Skaggs-Drinkard and Skaggs-Glorieta Pools and in an undesignated Blinebry gas pool, with the production of oil from the Drinkard zone to be through a combination string of  $2 \frac{1}{16}$ -inch and  $1 \frac{1}{4}$ -inch tubing, the production of oil from the Glorieta zone to be through a parallel string of 2 1/16-inch tubing and the production of gas from the Blinebry zone to be through the casing-tubing annulus. Applicant further proposes, as an alternative manner of completion in the event the Blinebry gas cannot efficiently be produced through the casing-tubing annulus, to produce gas from the Blinebry zone through a string of 1-inch tubing.

#### CASE 2479:

Application of Shell Oil Company for a 160-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool, comprising Lots 13 and 14 of Section 3, and Lots 9 and 16 of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Livingston Well No. 11, located 3300 feet from the South line and 660 feet from the West line of said Section 3.

#### CASE 2314 (Reopened)

Application of Shell Oil Company for an exception to the gas-oil ratio provisions of Rule 26(A), Order No. R-1670, Lea County, New Mexico. The Oil Conservation Commission, on its own motion, will reopen Case No. 2314 in which the applicant seeks an exception to the gas-oil ratio provisions of Rule 26(A), Order No. R-1670, to permit its State Well No. 1-A, located 380 feet from the North line and 380 feet

from the West line of Section 26, Township 24 South, Range 36 East, Lea County, New Mexico, to remain classified a gas well in the Jalmat Gas Pool, with a gas-oil ratio below 100,000 to 1.

#### CASE 2480:

Application of Shell Oil Company for temporary 80-acre proration units, Henshaw-Wolfcamp Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a temporary order establishing 80-acre oil proration units for the Henshaw-Wolfcamp Pool, Eddy County, New Mexico. Applicant further seeks the establishment of special rules for said pool including a provision assigning the 80-acre proportional factor of 4.00 for allowable purposes.

#### CASE 2481:

Application of El Paso Natural Gas Company for an exception to Order No. R-1670. Applicant, in the above-styled cause, seeks an exception to Rule 14 (a) of the General Rules and Regulations for the Prorated Gas Pools of Northwestern New Mexico, Order No. R-1670, to permit the extension from February 1, 1962, to August 1, 1962, of the period during which underproduction of certain wells in the Basin-Dakota Gas Pool, San Juan County, New Mexico, may be produced.

#### CASE 2482:

Application of El Paso Natural Gas Company for an exception to Order No. R-333-E. Applicant, in the above-styled cause, seeks the establishment of an administrative procedure whereby all operators, for good cause shown, may obtain an exception to Order No. R-333-E to permit the extension of the terminal date for the 1961 deliverability test period from December 15, 1961, to March 1, 1962, and the continued calculation and assignment of allowables to wells so excepted on the basis of currently effective deliverability tests with retroactive adjustment of allowables to February 1, 1962, being made upon the timely filing of the new deliverability test.

#### CASE 2483:

Application of Aztec Oil & Gas Company for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute the Aztec Totah Pressure Maintenance Project in Sections 18, 19, 20, 29, 30 and 34, Township 29 North, Range 13 West, San Juan County, New Mexico, in the Totah-Gallup Oil Pool with water injection initially to be through seven wells located in said project area, and requests adoption of special rules to govern the operation of said project.

-3-Docket No. 3-62

#### CASE 2484:

Application of Tenneco Oil Company for a pressure maintenance project in the Totah-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project in the Totah-Gallup Oil Pool by the injection of water into the Gallup formation on its Glenn H. Callow Lease in Sections 27, 28 and 33, Township 29 North, Range 13 West, San Juan County, New Mexico. Applicant further proposes the promulgation of special rules and regulations to govern the operation of said project.

#### CASE 2485:

Application of Union Oil Company of California for approval of the Red Tank Unit Agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Red Tank Unit Agreement embracing 3,680 acres, more or less, of Federal lands in Sections 14, 15, 22, 23, 26, 27 and 28, Township 22 South, Range 32 East, Lea County, New Mexico.

#### CASE 2486:

Application of Union Oil Company of California for permission to take interference tests and transfer allowables, Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to take interference tests and to transfer allowables between eight wells in the Anderson Ranch-Wolfcamp Pool located in Sections 28 and 33, Township 15 South, Range 32 East, Lea County, New Mexico.

#### SETH, MONTGOMERY, FEDERICI & ANDREWS

A. K. MONTGOMERY OLIVER SETH WM. FEDERICI FRANK ANDREWS FRED C. HANNAHS GEORGE A, GRAHAM, JR. attorneys and counselors at law 301 don gaspar avenue
Santa Fe New Mexico
January 3, 1962

J. O. SETH COUNSEL

POST OFFICE BOX 828
TELEPHONE YU 3-7315

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

Attention: Mr. A. L. Porter, Jr. Secretary-Director

Re: Application of Shell Oil Company for Non-Standard Tubb Gas Proration unit, Section 3, T-21S,R-37E Lea County, New Mexico

#### Gentlemen:

Shell Oil Company hereby makes application for approval of a 160-acre non-standard gas proration unit in the Tubb Gas Pool to consist of Lots 13 and 14 of Section and Lots 9 and 16 of of Section 4, Township 21 South, Range 37 East, Lea County. It is also requested that if this unit be approved, the acreage be assigned to applicant's Shell Livingston No. 11 well which is located 3300 feet from the south and 660 feet from the west line in Lot 13, Section 3, Township 21 South, Range 37 East.

This application is made for the reason that the requested unit will comprise more than a single section and will exceed 2640 feet in length. The unit consists of contiguous lots and all of the unit area can reasonably presumed to be productive.

It will be appreciated if this could be set down for hearing at an early date.

Very truly yours,

OS:fa

co: Shell Oil Company

By Way

# OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO EXAMINER HEARING January 24, 1962 BEFORE THE

IN THE MATTER OF:

Application of Shell Oil Company for a 160-acre non-standard gas proration unit, Lea County, New Mexico. Applicant in the above styled cause, seeks the establish-ment of a 160-acre non-standard gas proration unit in TUBB GAS POOL, comprising Lots 13 and 14 of Section 3, and Lots 9 and 16 of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to Livingston Well No. 11, located 3500 dedicated to Livingston Well No. 11, located 5500 feet from the South line 660 feet from the West line of said Section 3. of said Section 3.

BEFORE:

ELVIS UTZ, Examiner

## TRANSCRIPT OF HEARING

MR. UTZ: This will be Case Number 2479.

MR. MORRIS: Application of Shell Oil Company for a 160-acre non-standard gas proration unit, Lea County,

Mr. Examiner, the Applicant in this case requests that New Mexico. it be dismissed inasmuch as the well on the sub-unit turned out to be an oil well rather than a gas well.

MR. UTZ: Case 2479 will be dismissed. For those that might possibly be interested, we will not take Case Number 2481 or 2482 until immediately after lunche



ALBUQUERQUE, N. M. PHONE 243.6691

**Summer of the second of the s** 

\$ -4

1.4

FARMINGTON, N. M. PHONE 325-1182

STATE OF NEW MEXICO COUNTY OF BERNALILLO)

88

I, KATHERINE PETERSON, 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.

I do hereby certify that the foregoing is a complete respect of the presentings in Le on 20

New Mexico Oil Conservation Commission