

CASE 2573: Application for approval of an unorthodox oil well location in Vacuum-Abs Pool.

Handwritten signature and a long diagonal line.

- a 5a / 10.

2573

plication, Transcript,
all Exhibits, Etc.

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



P. O. BOX 871
SANTA FE

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

June 15, 1962

Mr. C. P. Nicola, Jr.
Phillips Petroleum Company
Phillips Building
Bartlesville, Oklahoma

Re: Case No. 2573
Order No. 2-2263
Applicant:
Phillips Petroleum Company

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.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

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. 2573
Order No. R-2263

APPLICATION OF PHILLIPS PETROLEUM
COMPANY FOR APPROVAL OF AN UNORTHO-
DOX OIL WELL LOCATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 7, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 14th day of June, 1962, the Commission, a quorum being present, having considered the application and the recommendations of the Examiner, Daniel S. Nutter, 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, Phillips Petroleum Company, has requested that Case No. 2573 be dismissed.

IT IS THEREFORE ORDERED:


That Case No. 2573 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


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

esr/

No. 17-62

DOCKET: EXAMINER HEARING - THURSDAY - JUNE 7, 1962

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
Elvis A. Utz, as Alternate Examiner:

CASE 2571: Application of Randall F. Montgomery for an exception to
Order R-111-A, or in the alternative for three unorthodox
oil well locations, Lea County, New Mexico. Applicant,
in the above-styled cause, seeks exception to the pro-
visions of Order R-111-A, insofar as it pertains to the
re-entry and casing program on five plugged and abandoned
wells in the Salt Lake Pool, four of which are located in
Section 7, and one of which is located in Section 18, all
in Township 20 South, Range 33 East, Lea County, New Mexico.
Applicant further seeks permission, as an alternative
request, to drill three new wells at unorthodox locations
in the Salt Lake Pool as follows:

- (1) Brooks - 7 Well No. 6, to be located 10 feet from
the South line and 2310 feet from the East line;
- (2) Brooks - 7 Well No. 7, to be located 330 feet from
the South line and 1320 feet from the West line;
- (3) Brooks - 7 Well No. 8, to be located 1320 feet from
the South line and 1980 feet from the West line;

all in Section 7, Township 20 South, Range 33 East, Lea
County, New Mexico.

CASE 2572: Application of Tenneco Oil Company for an exception to
Rule 21-a of Order No. R-1670, Basin-Dakota Gas Pool, San
Juan County, New Mexico. Applicant, in the above-styled
cause, seeks permission to commingle the gas production
from two wells in the Basin-Dakota Gas Pool located on the
H. O. Watson Lease in Section 22, Township 27 North, Range
12 West, San Juan County, New Mexico, as an exception to
the provisions of Rule 21-a of the Rules for the prorated
gas pools of Northwestern New Mexico, Order No. R-1670.
Applicant proposes to install one common tank battery and
separating facility and to allocate monthly gas production
to each well on the basis of deliverability tests and
average flowing tubing pressures.

✓ CASE 2573:

Dismiss

Application of Phillips Petroleum Company for approval of an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to locate its Santa Fe Well No. 68 at an unorthodox oil well location in the Vacuum-Abo Pool, 1650 feet from the North line and 1090 feet from the East line of Section 34, Township 17 South, Range 35 East, Lea County, New Mexico.

CASE 2574:

Application of J. Gregory Merrion and Associates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order of the Commission force pooling all interests in the Basin-Dakota Pool in the W/2 of Section 35, Township 25 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 2575:

Application of Val R. Reese & Associates, Inc. for the creation of a new oil pool and for special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Gallup production in Township 23 North, Range 7 West, Rio Arriba County, New Mexico, and further seeks the adoption of special rules and regulations for said pool similar to the special rules presently governing the Escrito-Gallup Oil Pool which provide for 320-acre gas proration units and 80-acre oil proration units (Order No. R-1793-A).

CASE 2576:

Application of Sinclair Oil & Gas Company for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Grayburg-Jackson Pool, Eddy County, New Mexico, with the injection of water to be through seven wells located on the H. E. West "A" and "B" leases in Sections 3 and 4, Township 17 South, Range 31 East; applicant proposes to operate the waterflood project under the provisions of Rule 701.

CASE 2577:

Application of Newmont Oil Company for approval to drill a water injection well, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill the State "A" Well No. 3, to be located 1295 feet from the South line and 2615 feet from the East line of Section 36, Township 17 South, Range 29 East, Eddy County, New Mexico, for use as a water injection well in the Loco Hills Pool Waterflood Project.

CASE 2578:

Application of Newmont Oil Company for approval of a development plan for the Loco Hills Waterflood Project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a plan of development for the Loco Hills Waterflood Project, Eddy County, New Mexico, which would permit

CASE 2578: (Continued)

the conversion of wells to water injection by stages. The applicant proposes to operate said waterflood project under the terms and conditions of Order No. R-2178 which established a buffer zone in a portion of the project area.

CASE 2579:

Application of Neil E. Salsich for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Square Lake Pool with the injection of water into the Grayburg formation of the Square Lake Pool through five wells located in Section 36, Township 16 South, Range 29 East, Eddy County, New Mexico. Applicant requests that the waterflood be governed by Rule 701 except that administrative approval is sought to allow expansion of the waterflood by the conversion of one additional well in Unit H of Section 35 prior to response from water injection.

CASE 2580:

Application of Waterflood Associates, Inc., for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Robinson Pool with the injection of water to be through six wells located in Section 35, Township 16 South, Range 31 East, Eddy County, New Mexico; applicant requests that the waterflood project be governed by Rule 701.

CASE 2581:

Application of Waterflood Associates, Inc. for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Square Lake Pool by the injection of water to be through two wells located in the NE/4 of Section 3, Township 17 South, Range 30 East, Eddy County, New Mexico; applicant requests that the waterflood project be governed by Rule 701.

CASE 2582:

Applicant of Waterflood Associates, Inc., for approval of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a waterflood project in the Artesia Pool by the injection of water to be through one well located in the W/2 NW/4 of Section 21, Township 18 South, Range 28 East, Eddy County, New Mexico; applicant requests that the waterflood project be governed by Rule 701.

DOMESTIC SERVICE	
Check the class of service desired: otherwise this message will be sent as a fast telegram	
TELEGRAM	<input type="checkbox"/>
DAY LETTER	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired: otherwise the message will be sent as a full rate	
FULL RATE	<input type="checkbox"/>
LETTER TELEGRAM	<input type="checkbox"/>
SHORE-TO-SHORE	<input type="checkbox"/>

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
	COLLECT		Case 2513	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

MAY 9, 1962

MR. O. P. NICOLA, JR.
PHILLIPS PETROLEUM COMPANY
BARTLESVILLE, OKLAHOMA

YOUR APPLICATION FOR APPROVAL OF UNORTHODOX LOCATION FOR YOUR SANTA FE WELL NO. 68, UNIT H, SECTION 34, T17S, R35E, LEA COUNTY, IS INELIGIBLE FOR ADMINISTRATIVE APPROVAL AND HAS BEEN SET FOR EXAMINER HEARING JUNE 7, 1962.

A. L. PORTER, JR., SECRETARY-DIRECTOR
NEW MEXICO OIL CONSERVATION COMMISSION

5-9
copy mailed
to Phillips
5/10/62

Disch
Mailed
5/28/62
AL

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS
DL=Day Letter
NL=Night Letter
IT=International Telegram
R-4-00

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

.LA 108 KB2 18

K BRA135 LONG DL PD=BARTLESVILLE OKLA 9 225P CDT=
NEW MEXICO OIL CONSERVATION COMMISSION,
ATTN A L PORTER JR= PO BOX 871 SANTA FE NMEX=

OUR HOBBS DISTRICT OFFICE FILE FORM C-101 NOTICE OF INTENTION TO DRILL DATED APRIL 30, 1962 FOR OUR SANTA FE WELL NO. 68, TO BE LOCATED 1650 FT. FROM THE NORTH LINE AND 1090 FT. FROM THE EAST LINE OF SECTION 34-17835E LEA COUNTY NEW MEXICO. THIS WILL BE A 9100 FT ABO TEST. A NOTATION WAS MADE ON THIS FORM C-101 REQUESTING AN EXCEPTION TO STATEWIDE RULE 104 PARAGRAPH 2 /C/ FOR THIS UNORTHODOX LOCATION. PLEASE ADVISE BY COLLECT WIRE WHETHER THIS EXCEPTION CAN BE HANDLED ADMINISTRATIVELY OR WHETHER IT WILL REQUIRE A HEARING. WE ARE MOVING TOWARD THE CENTER OF OUR LEASE WHICH COVERS ALL OF THE NE/4 OF SECTION 34. IF APPLICATION CAN BE HANDLED ADMINISTRATIVELY ADVISE WHEN WE MAY EXPECT APPROVAL=

O P NICOLA JR PHILLIPS PETROLEUM CO==

1962 MAY 9 PM 11:10

MAIN OFFICE OCC



PHILLIPS PETROLEUM COMPANY
HOBBS, NEW MEXICO

1962 MAY 3 AM 8:25
P. O. Box 2105
Hobbs, New Mexico

May 2, 1962

In re: Santa Fe Well No. 68, Unit H Section 34, T17S, R35E,
Lea County - Unorthodox Location for Vacuum-Abo Extension

Pool

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

Gentlemen:

Phillips Petroleum Company respectfully requests administrative approval for exception to the well location requirements in Statewide Rule 104, Paragraph 2 (c) for the subject well. It is our intention to drill Santa Fe Well No. 68 to be located 1650 feet from North and 1090 feet from East lines of Sec. 34, T17S, R35E, Lea County. The attached plat shows this proposed location and offset properties.

There is presently in Unit H Phillips' Santa Fe Well No. 44, Vacuum Pool, located 1650 feet from North and 990 feet from East lines of Section 34. The proposed drillsite for Well No. 68 would be 100 feet West from Well No. 44. It is our opinion that to drill Well No. 68 to the east or south would structurally be a poor risk for successful completion in the Abo formation.

Ownership of all oil and gas leases within a radius of 660 feet of the proposed location is common with the ownership of the oil and gas leases under the proposed location.

The Commission's consideration for administrative approval of this request is greatly appreciated; however, if it is your considered opinion that a hearing should be held for this matter please advise the scheduled date.

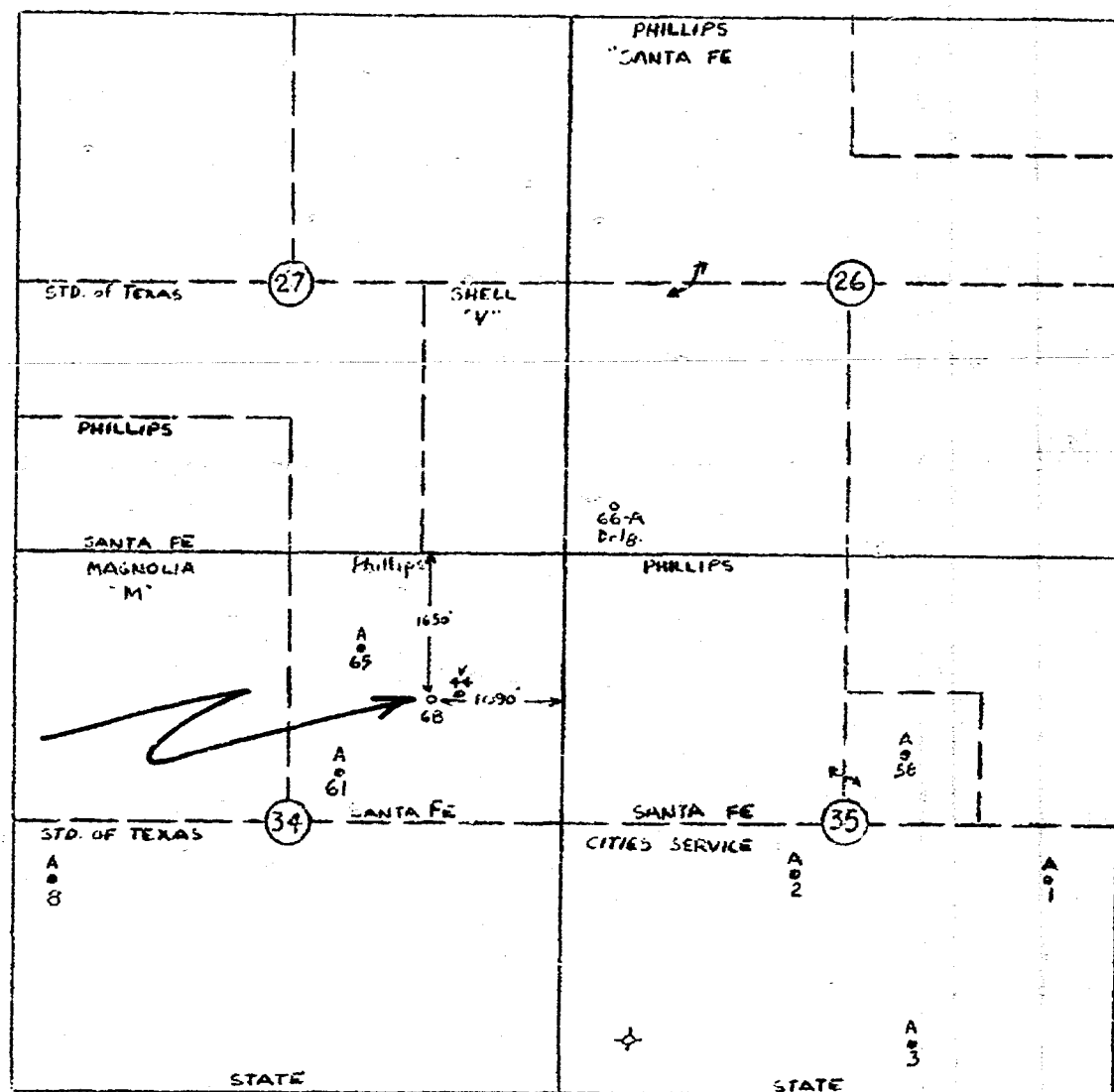
Very truly yours,

W. C. Rodgers
District Superintendent
Production Department

MGC:wma

cc: New Mexico Oil Conservation Commission - Hobbs, New Mexico
Messrs. L. E. Fitzjarrald
J. N. Perkins

Case 2873



V = Vacuum San Andres Well

A = Vacuum Abo wells

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter
NL=Night Letter
LT=Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

LA025 KA151

1962 MAY 25 AM 8 0

K BRA036 DL PD=BARTLESVILLE OKLA 25 954A CDT=
NEW MEXICO OIL CONSERVATION COMM, ATTN A L PORTER JR=
PO BOX 871 SANTA FE NMEX=

RE HEARING SCHEDULED BEFORE NEW MEXICO COMMISSION ON
JUNE 7, 1962 FOR LOCATION EXCEPTION FOR OUR SANTA FE
WELL NO. 68 UNIT H SECTION 34 17S-35E VACUUM ABO POOL
LEA COUNTY NEW MEXICO. WE NOW DESIRE TO DEFER THE
DRILLING OF THIS WELL FOR AN INDEFINITE TIME AND REQUEST
THAT THIS HEARING BE CANCELLED=

L E FITZJARRALD PHILLIPS PETROLEUM CO==

7 1962 68 H 34 17S-35E

Dismiss

1962 MAY 25 AM 9 3
MAIN OFFICE OCC

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 6/11/62

CASE 2573

Hearing Date 9 am 6/7/62

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

*Dismiss as requested by
applicant*

[Signature]
Staff Member

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 7, 1962

EXAMINER HEARING

----->
IN THE MATTER OF:)

Application of Phillips Petroleum Company)
for approval of an unorthodox oil well)
location, Lea County, New Mexico. Appli-)
cant, in the above-styled cause, seeks)
approval to locate its Santa Fe Well No.)
68 at an unorthodox oil well location in)
the Vacuum-Abo Pool, 1650 feet from the)
North line and 1090 feet from the East)
line of Section 34, Township 17 South,)
Range 35 East, Lea County, New Mexico.)
----->

Case 2573

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 2573.

MR. MORRIS: Application of Phillips Petroleum Company
for approval of an unorthodox oil well location, Lea County,
New Mexico.

The applicant in this case has requested that it be
dismissed.

MR. NUTTER: Case 2573 will be dismissed.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1162

ALBUQUERQUE, N. M.
PHONE 243-6631



STATE OF NEW MEXICO)
) SS
 COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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 21st day of June, 1962.

Ada Dearnley
 Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2573, heard by me on June 7, 1962.

[Signature], Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
 PHONE 325-1182

ALBUQUERQUE, N. M.
 PHONE 243-6691

