CASE 3292: Application of TEXACO for creation of new pool or in the alternative for non-stnd.loc.

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#### DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 11, 1965

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, Alternate Examiner:

CASE 3283: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the adoption of a new "Manual of Back-Pressure Testing of Gas Wells" in the State of New Mexico, said manual being an adaptation of the test manual recently adopted by the Interstate Oil Compact Commission. Modification of several existing gas well test forms and adoption of several new forms will also be considered.

A copy of the proposed testing manual, complete with tables, charts, and specimens of the various forms, is available for inspection in the Santa Fe, Hobbs, Aztec, and Artesia offices of the Commission.

- CASE 3284: Application of Foster Morrell for a unit agreement, Eddy County,
  New Mexico. Applicant, in the above-styled cause, seeks approval of
  the Willow Draw Unit Area comprising 3840 acres, more or less, of
  State and Federal lands in Township 20 South, Range 26 East, Eddy
  County, New Mexico.
- CASE 3285: Application of Richfield Cil Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Avalon Unit Area comprising 11,154 acres, more or less, of Federal, State and Fee lands in Township 21 South, Ranges 25 and 26 East, Eddy County, New Mexico.
- CASE 3286: Application of Skelly Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Skelly Penrose "B" Unit, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Queen formation through 33 injection wells in Sections 31 and 32, Township 22 South, Range 37 East, and Sections 4, 5, 6, 7, 8 and 9, Township 23 South, Range 37 East.
- CASE 3287: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Langlie-Mattix Pool by the injection of water into the Queen formation through two wells in Section 21, Township 24 South, Range 37 East, Lea County, New Mexico.
- CASE 3288: Application of Tenneco Oil Company for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to recomplete by means of directional drilling the following wells:

TOWNSHIP 29 NORTH, RANGE 9 WEST Florance No. 22, Unit H, Section 12

TOWNSHIP 30 NORTH, RANGE 9 WEST Florance No. 2, Unit A, Section 20 Florance No. 3, Unit M, Section 22 Florance No. 4, Unit L, Section 10

TOWNSHIP 30 NORTH, RANGE 9 WEST - Cont'd Florance No. 6, Unit M, Section 23 Florance No. 13, Unit R, Section 18 Florance No. 20, Unit B, Section 24 Prichard No. 1, Unit M, Section 1 Riddle No. 1, Unit B, Section 21 Riddle No. 2, Unit N, Section 17 State No. 1, Unit M, Section 32 State No. 2, Unit M, Section 16 Florance No. 8, Unit N, Section 14 Florance No. 16-X, Unit A, Section 6

TOWNSHIP 30 NORTH, RANGE 8 WEST Florance No. 39, Unit B, Section 35 Florance No. 45, Unit G, Section 22 Florance No. 29, Unit K, Section 25 Florance No. 37, Unit H, Section 6 Florance No. 40, Unit G, Section 21 Moore No. 1, Unit N, Section 8

All of the above wells are presently completed in the Blanco-Mesa-verde Pool. Applicant proposes to set a whipstock above the Mesa-verde producing interval and to directionally drill recompleting said wells in the Mesaverde formation, and in some instances, to further drill to the Dakota producing interval thereby permitting dual completion of the wells to produce gas from the Blanco-Mesa-verde and Basin-Dakota Gas Pools. Applicant further proposes to conduct appropriate deviation tests to ensure that none of the wells is completed nearer than 200 feet to the outer boundaries of its provation unit.

- CASE 3289: Application of Kewanee Oil Company for a unit agreement, Eddy County, New Moxico. Applicant, in the above-styled cause, seeks approval of the Atoka-Grayburg Unit Area comprising 560 acres, more or less, of fee land in Sections 13 and 14, Township 18 South, Range 26 East, Eddy County, New Mexico.
- CASE 3290: Application of Kewanee Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Atoka-Grayburg Pool, Eddy County, New Mexico, by the injection of water into the Grayburg formation through two injection wells in Section 13, Township 18 South, Range 26 East.
- CASE 3291: Application of Kewanee Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Atoka-San Andres Pool, Eddy County, New Mexico, by the injection of water into the San Andres formation through one injection well in Section 13, Township 18 South, Range 26 East.

#### CASE 3092 and CASE 3093 (Reopened):

In the matter of Case No. 3092 and Case 3093 being reopened pursuant to the provisions of Orders Nos. R-2756 and R-2757, which orders established 80-acre spacing units for the Osudo-Upper Bone Spring

August 11, 1965 Examiner Hearing

Pool and the Osudo-Lower Bone Spring Pool, Lea County, New Mexico, for a period of one year. The subject pools have apparently been depleted and these cases will be dismissed in the absence of evidence requiring other action.

CASE 3073: (Reopened and continued from the July 28, 1965 Examiner Hearing)

In the matter of Case No. 3073 being reopened pursuant to the provisions of Order No. R-2758, which order, as amended by Orders Nos. R-2758-A and R-2758-B, established 160-acre oil well spacing and 320-acre gas well spacing for the Tocito Dome Pennsylvanian "D" Oil Pool, San Juan County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre oil well spacing and 160-acre gas well spacing, or such other spacing as may seem proper.

CASE 3292:

Application of Texaco Inc. for the creation of a new pool or in the alternative for a non-standard location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Bough "B" formation in Section 14, Township 12 South, Range 34 East, Ranger Lake Field, Lea County, New Mexico. Applicant, in the alternative, seeks authority to drill its State DA Well No. Lat an unorthodox location within 150 feet of the center of Unit X, Section 14, Township 12 South, Range 34 East, Ranger Lake Pennsylvanian Pool, Lea County, New Mexico

(Note: The above case, at the request of the applicant, will be dismissed.)

CASE 3281 (continued from the July 28, 1965 Examiner Hearing):

Application of Samuel G. Dunn for a two-well proration unit and an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill and produce the second well on the 160-acre oil proration unit comprising the SW/4 of Section 26, Township 26 North, Range 1 East, Puerto Chiquito-Gallup Oil Pool, Rio Arriba County, New Mexico, the 160-acre allowable to be produced from either well in any proportion. Said second well would be drilled at an unorthodox location 1720 feet from the South line and 460 feet from the West line of said Section 26. (The SW/4 of Section 26 is currently dedicated to a well in Unit M of said section.) In the alternative, applicant seeks the creation of two non-standard 80-acre proration units comprising the N/2 SW/4 and S/2 SW/4 of said Section 26 to be dedicated to the proposed well and the existing well, respectively.

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

### State of New Mexico

## Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



P. O. BOX 2088 SANTA FE STATE GEOLOGIST A. L. PORTER, JR. SECRETARY - DIRECTOR

August 16, 1965

Mr. Booker Kelly White: Gilbert, Koch & Kelly Attorneys at Law Lincoln Building Post Office Box 787 Santa Fe, New Mexico Case No. 3292
Order No. R-2951
Applicant:

Texaco Inc.

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. Secretary-Director

Carbon copy of order also sent to:

Hobbs OCC \_\_\_\_\_X

Artesia OCC\_\_\_\_\_
Aztec OCC \_\_\_\_
OTHER\_\_\_\_\_

#### DRAFT

JMD/esr August 11, 1965

## 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:

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CASE No. 3292

Order No. R- 295/

APPLICATION OF TEXACO INC. FOR THE CREATION OF A NEW POOL OR IN THE ALTERNATIVE FOR A NON-STANDARD 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 August 11 , 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz

NOW, on this <u>day of August</u>, 1965, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS:

That the applicant's request for dismissal should be granted.

#### IT IS THEREFORE ORDERED:

That Case No. 3292 is hereby dismissed.

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

#### BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE MEARING CALLED BY THE OIL COMBERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF COMSIDERING:

> CASE No. 3292 Order No. R-2951

APPLICATION OF TEXACO INC. FOR THE CREATION OF A NEW POOL OR IN THE ALTERNATIVE FOR A HON-STANDARD LOCA-TION, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

#### BY THE CONGUESION:

This cause came on for hearing at 9 o'clock a.m. on August 11, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Uts.

www, on this 16th day of August, 1965, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

#### FIEDS:

That the applicant's request for dismissal should be granted.

#### IT IS THEREFORE ORDERED:

That Case No. 3292 is hereby dismissed.

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

> STATE OF MEN MEXICO PLL COMBERVATION CONMISSION

ACCIANT CHAIRMAN

GUYTON B. HAYS, Member

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

1120 SIMMS BLDG. . P. O. BOX 1092 . PHONE 243-6491 . ALBUQUERQUE, NEW MEXICO

# BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico August 11, 1965

EXAMINER HEARING

#### IN THE MATTER OF:

Application of Texaco Inc. for the creation of a new pool or in the alternative for a non-standard location, Lea County, New Mexico.

Case No. 3292

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING



1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

MR. UTZ: Case 3292.

MR. DURRETT: Application of Texaco Inc. for the creation of a new pool or in the alternative for a non-standard location, Lea County, New Mexico.

MR. KELLY: I have no information on this except the note on the docket. I assumed that it would be dismissed. I was never contacted by Texaco. It's to be dismissed.

MR. DURRETT: Would you like to so move?

MR. KELLY: I will move on behalf of Texaco, Inc. that Texaco's 3292 will be dismissed.

MR. UTZ: 3292 will be dismissed.



STATE OF NEW MEXICO )

COUNTY OF BERNALILLO )

I, ADA DEARNLEY, 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; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 25th day of August, 1965.

Jaa Dearnley
NOTARY PUBLIC

My Commission Expires:
June 19, 1967.

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a complete record of the proceedings in the Exeminer hearing of Case No. 3 2 12. there by me on 8 -9 1965.

New Mexico Oil Conservation Commission