

Entered July 15, 1975
JLR

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. 5495
Order No. R-5057

APPLICATION OF TESORO PETROLEUM
CORPORATION FOR POOL REDELINEATION,
McKINLEY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 12, 1975, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 15th day of July, 1975, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Tesoro Petroleum Corporation, seeks the contraction of the horizontal limits of the Lone Pine Dakota "D" Oil Pool, McKinley County, New Mexico, by the deletion of the N/2 NW/4 of Section 8, Township 17 North, Range 8 West therefrom and the concomitant extension of the Hospah Dakota Pool to include therein the aforesaid lands.

(3) That the Lone Pine-Dakota "D" Oil Pool and the Hospah Dakota Pool are separate sources of supply.

(4) That in developing this area, the applicant has encountered two faults on either side of a water-filled graben block which lies between the N/2 NW/4 of Section 8, Township 17 North, Range 8 West and the main portion of said Lone Pine-Dakota "D" Oil Pool to the South.

(5) That these faults and water-filled graben block form an effective barrier which separates the main portion of the Lone Pine Dakota "D" Oil Pool from the N/2 NW/4 of said Section 8 and the Hospah Dakota Pool.

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(6) That wells in the Lone Pine-Dakota "D" Oil Pool have larger spacing units and receive higher allowables than wells in the Hospah Dakota Pool.

(7) That the wells presently completed in and producing from the N/2 NW/4 of Section 8, Township 17 North, Range 8 West are currently designated as being in the Lone Pine-Dakota "D" Oil Pool and are able to produce an 80 acre allowable although producing from a common source of supply with wells in the Hospah Dakota Pool which wells can produce only a 40 acre allowable.

(8) That because of this disparity in allowable, wells in the Hospah Dakota Pool off-setting the wells producing from the N/2 NW/4 of said Section 8 are being drained and the correlative rights of the owners of these wells are being impaired.

(9) That placing the N/2 NW/4 of said Section 8 in the Hospah Dakota Pool will result in all of the wells in this common source of supply being spaced and prorated in the same manner thereby eliminating the disparity noted in Finding (8) above.

(10) That in order to prevent waste and protect correlative rights, the horizontal limits of the Lone Pine Dakota "D" Oil Pool should be contracted by deleting therefrom the N/2 NW/4 of Section 8, Township 17 North, Range 8 West, NMPM, McKinley County, New Mexico, and by the concomitant extension of the Hospah Dakota Pool to include therein the aforesaid lands.

IT IS THEREFORE ORDERED:

(1) That the horizontal limits of the Lone Pine Dakota "D" Oil Pool in McKinley County, New Mexico, are hereby contracted by the deletion therefrom of the following described area:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
Section 8: N/2 NW/4

(2) That the Hospah Dakota Pool in McKinley County, New Mexico, is hereby extended to include therein:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
Section 8: N/2 NW/4

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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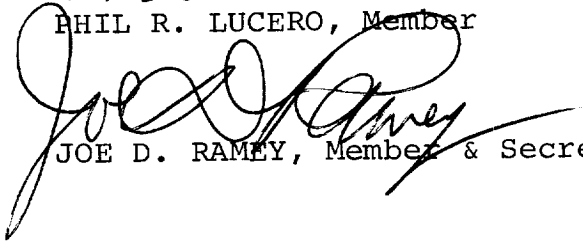
Order No. R-5057

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Member



JOE D. RAMEY, Member & Secretary

S E A L

dr/

Entered November 19, 1968
A.P.

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. 3931
Order No. R-3578

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR SALT WATER DISPOSAL,
ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 12, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of November, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Pan American Petroleum Corporation, is the owner and operator of the State "DF" Well No. 1, located in Unit I of Section 25, and the Farrell Federal Well No. 10, located in Unit F of Section 28, both in Township 7 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Roosevelt County, New Mexico.

(3) That the applicant proposes to utilize said wells to inject produced salt water into the San Andres formation, with injection into the intervals as follows:

The perforated interval from approximately
4402 feet to 4422 feet in its State "DF"
Well No. 1; and

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The perforated interval from approximately 4239 feet to 4389 feet in its Farrell Federal Well No. 10.

(4) That the subject wells should be classified as pressure maintenance project injection wells.

(5) That the subject pressure maintenance projects are in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

(6) That the subject application should be approved and the projects should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation is hereby authorized to institute two pressure maintenance projects in the Chaveroo-San Andres Pool, Roosevelt County, New Mexico, by the injection of water into the San Andres formation through the following-described wells in Township 7 South, Range 33 East, NMPM, Roosevelt County, New Mexico:

Pan American State "DF" Pressure Maintenance Project

State "DF" Well No. 1, located in Unit I of Section 25 — injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4370 feet, with injection into the perforated interval from approximately 4402 feet to 4422 feet; and

Pan American Farrell Pressure Maintenance Project

Farrell Federal Well No. 10, located in Unit F of Section 28 — injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4200 feet, with injection into the perforated interval from approximately 4239 feet to 4389 feet;

PROVIDED HOWEVER, that in each well the tubing shall be plastic-lined; that the casing-tubing annulus shall be filled with an inert fluid; and that a pressure gauge shall be attached to the annulus in order to determine leakage in the tubing, casing, or packer.

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(3) That the subject pressure maintenance projects shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(4) That monthly progress reports of the pressure maintenance projects herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

S E A L

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