

SHAHARA OIL CORPORATION

OIL CONSERVATION DIVISION
RECEIVED
'95 MAR 7 AM 8 52

March 1, 1995

Mr. Mike Stogner
Oil Conservation Division
PO Box 2088
Santa Fe, NM 87504-2088

Re: Unorthodox Locations
Maljamar Grayburg Unit Waterflood Project
Maljamar Grayburg San Andres Field
Lea County, New Mexico

Dear Mr. Stogner:

The Wiser Oil Company requests approval for two inside unorthodox locations on the subject waterflood unit. These locations designated Maljamar Grayburg Unit Well No. 86 and Maljamar Grayburg Unit Well No. 92 are shown on the attached map. The locations of these wells are as follows:

Maljamar Grayburg Unit No. 86
2537' FNL & 2477' FEL, Unit G
Section 4, T17S, R32E
Lea County, New Mexico

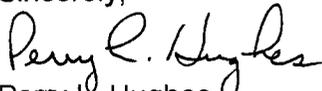
Maljamar Grayburg Unit No. 92
1579' FSL & 2344' FEL, Unit J
Section 3, T17S, R32E
Lea County, New Mexico

These wells will more efficiently and effectively establish the pattern of the waterflood as set out by Order No. R-2777.

Attached are copies of the BLM Application to Drill, C-102, map showing proposed access roads, map showing existing wells, proposed wells and plat of the waterflood area showing the original 80-acre 5-spot waterflood patterns. It is anticipated that the injection pattern will become a 40-acre 5-spot pattern.

Your earliest consideration of this request will be appreciated. Should you have any questions or require additional data, please contact the undersigned in Carlsbad at 885-5433.

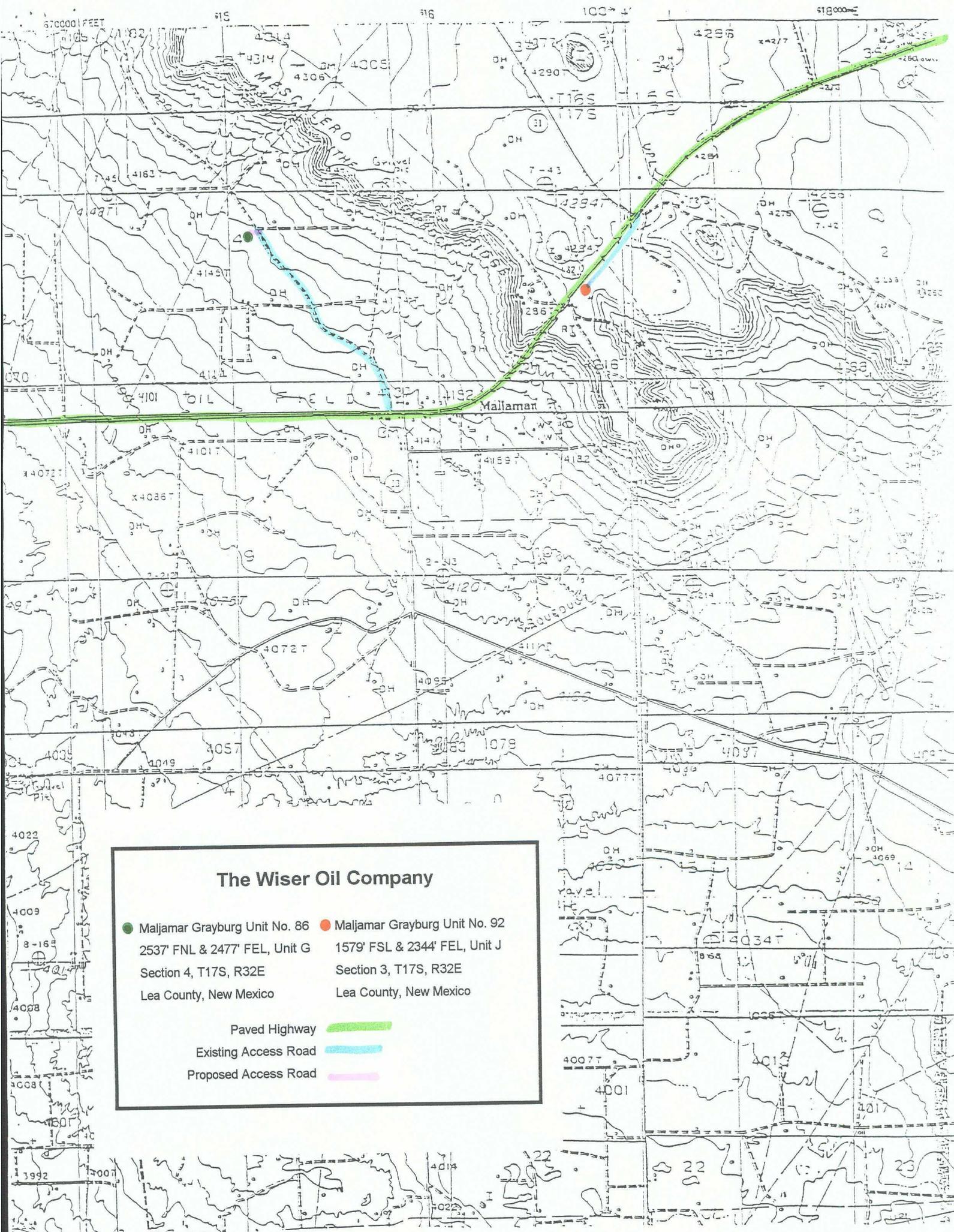
Sincerely,



Perry L. Hughes
Agent for
The Wiser Oil Company

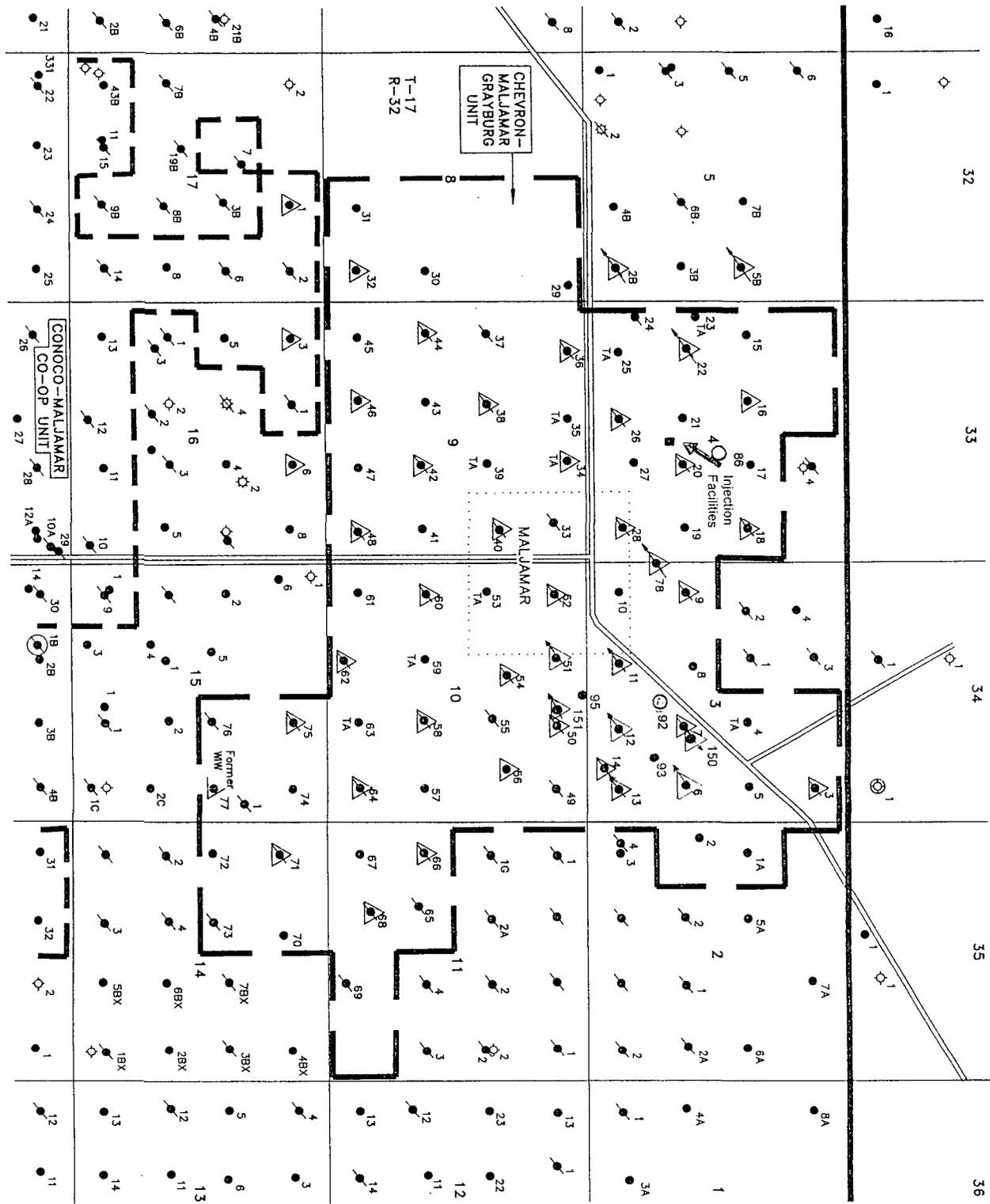
PLH/mp
Enclosures

cc: OCD Hobbs



The Wiser Oil Company

| | |
|---|---|
| ● Maljamar Grayburg Unit No. 86 2537' FNL & 2477' FEL, Unit G Section 4, T17S, R32E Lea County, New Mexico | ● Maljamar Grayburg Unit No. 92 1579' FSL & 2344' FEL, Unit J Section 3, T17S, R32E Lea County, New Mexico |
| Paved Highway | |
| Existing Access Road | |
| Proposed Access Road | |



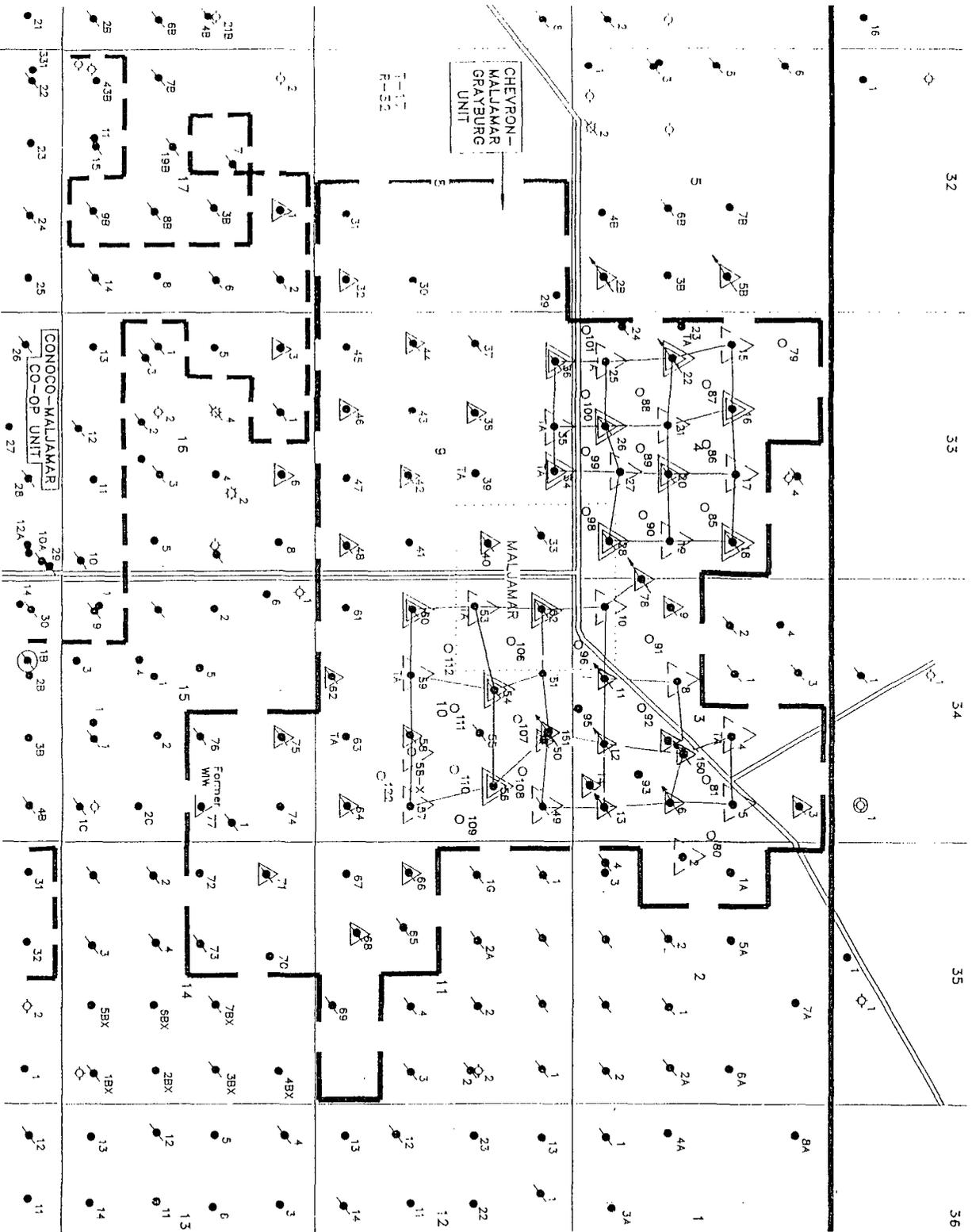
CURRENT WELL STATUS: DECEMBER 1991

QUALITY PRODUCTION, INC.
MALJAMAR GRAYBURG UNIT
MALJAMAR (GRAYBURG SAN ANDRES) FIELD
LEA CO., NEW MEXICO

- Producer
- Proposed Producer Location
- ▲ Shut-in Injector
- ▲ Proposed Injector Conversion
- ▲ Active Injector
- ▲ Former Injector

0 1000' 2000' 3000' 4000'

FIGURE NO. 9



**REDEVELOPMENT PLAN
PHASE I AND PHASE II**

QUALITY PRODUCTION, INC.

MALLAMAR GRAYBURG UNIT
MALLAMAR (GRAYBURG SAN ANDRES) FIELD
LEA CO., NEW MEXICO

| | | | |
|---|------------------|---|------------------------------|
| ● | Producer | ○ | Proposed Producer Location |
| ▲ | Shut-in Injector | ▲ | Proposed Injector Conversion |
| ▲ | Active Injector | ▲ | Former Injector |
| ▲ | Injector | | |

0 1000' 2000' 3000' 4000'

FIGURE NO. 19

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
 DRILL DEEPEN

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 The Wiser Oil Company

3. ADDRESS AND TELEPHONE NO.
 505/885-5433 207 W. McKay, Carlsbad, NM 88220

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 2537' FNL & 2477' FEL, Unit G
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 Approx 3/4 mile north of Maljamar, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1217'

16. NO. OF ACRES IN LEASE 3280

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 746'

19. PROPOSED DEPTH 4550'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4095' GR

22. APPROX. DATE WORK WILL START* 04/15/95

5. LEASE DESIGNATION AND SERIAL NO.
 NM 0315712

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
 Maljamar Grayburg Unit

8. FARM OR LEASE NAME WELL NO.
 86

9. API WELL NO.

10. FIELD AND POOL OR WILDCAT
 Maljamar Grayburg San Andres

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec 4, T17S, R32E

12. COUNTY OR PARISH Lea

13. STATE NM

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|--|
| 12 1/4" | 8 5/8" J-55 | 24# | 1200' | Circulate |
| 7 7/8" | 5 1/2" J-55 | 17# | 4550' | Sufficient to bring top of cmt to base of 8 5/8" csg |

Mud Program:

- 0 -1200' Drill with fresh water
- 400 -TD Drill with brine water

BOP Program:

Will install on the 8 5/8" surface casing a 10" Series 900 Type "E" Shaffer Double Hydraulic BOP and will test before drilling in the Queen formation.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Perry L. Hughes TITLE Agent DATE 2/13/95
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
 CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

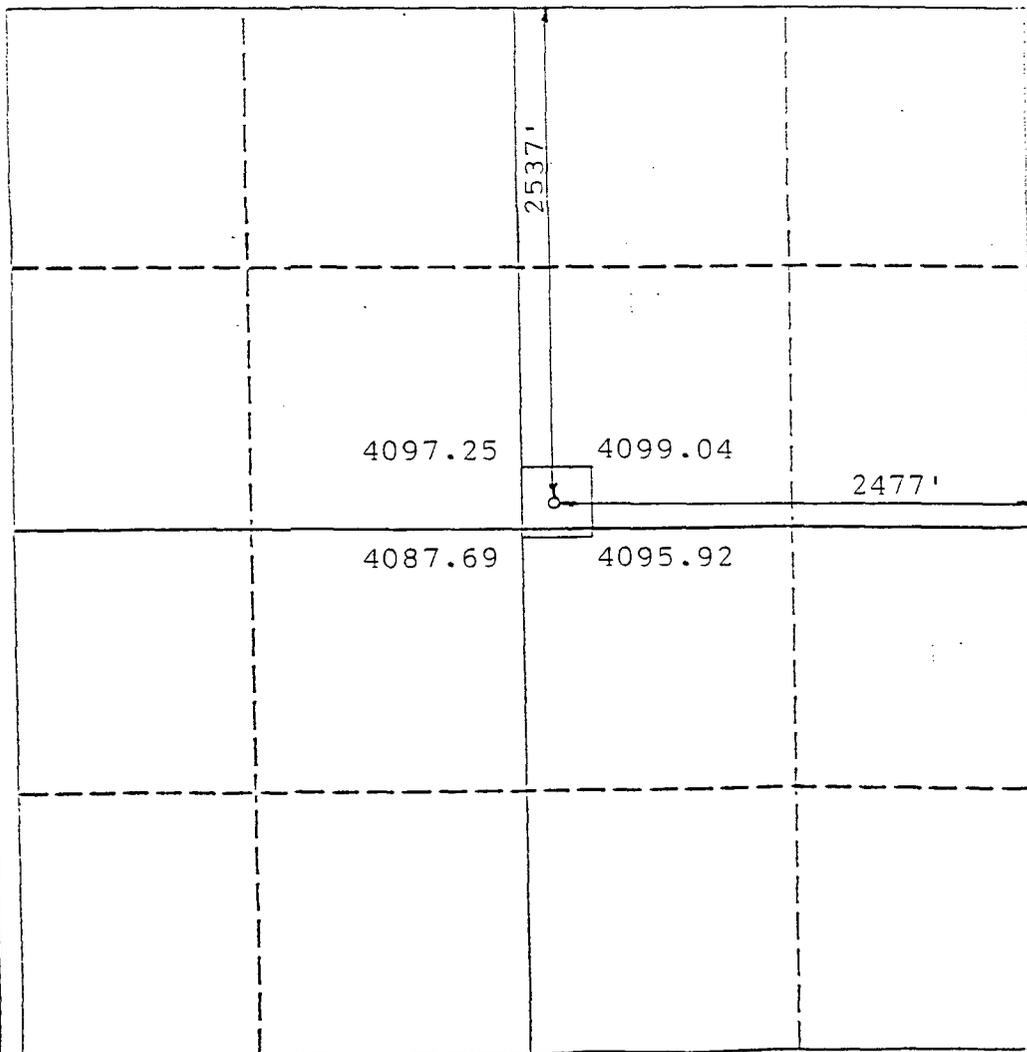
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | |
|--|---|---|---------------------------------------|-----------------------|
| Operator The Wiser Oil Company | | Lease Maljamar Grayburg Unit | | Well No. 86 |
| Unit Letter G | Section 4 | Township 17 South | Range 32 East | County Lea |
| Actual Footage Location of Well: 2537 feet from the North line and 2477 feet from the East line | | | | |
| Ground level Elev. 4095 | Producing Formation Grayburg San Andres | Pool Maljamar Grayburg San Andres | Dedicated Acreage: 40 Acres | |

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.
 Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). _____
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit eliminating such interest has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

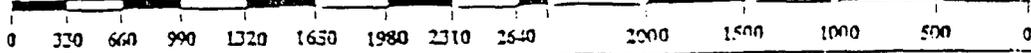
Perry L. Hughes
 Signature
 Perry L. Hughes
 Printed Name
 Agent
 Position
 The Wiser Oil Company
 Company
 02/12/95
 Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
 January 28, 1995
 Signature & Seal of **P. R. PATTON** Patton
 Professional Surveyor

 Certificate No. **8112**



RECEIVED FEB 03 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL DEEPEN

b. TYPE OF WELL
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
The Wiser Oil Company

3. ADDRESS AND TELEPHONE NO.
505/885-5433 207 W. McKay, Carlsbad, NM 88220

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface 1579' FSL & 2344' FEL, Unit J
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 1/2 mile east of Maljamar, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1061'

16. NO. OF ACRES IN LEASE 3280

17. NO. OF ACRES ASSIGNED TO THIS WELL 40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 541'

19. PROPOSED DEPTH 4400'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4218' GR

22. APPROX. DATE WORK WILL START* 04/15/95

5. LEASE DESIGNATION AND SERIAL NO.
LC 059576

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Maljamar Grayburg Unit

8. FARM OR LEASE NAME WELL NO.
92

9. AP WELL NO.

10. FIELD AND POOL, OR WILDCAT
Maljamar Grayburg San Andres

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 3, T17S, R32E

12. COUNTY OR PARISH Lea

13. STATE NM

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------------|-----------------|---------------|---|
| 12 1/4" | 8 5/8" J-55 | 24# | 1200' | Circulate |
| 7 7/8" | 5 1/2" J-55 | 17# | 4400' | Sufficient to bring top of cmt to base of 8 5/8" csg. |

Mud Program:
0 - 1200' Drill with fresh water
1200 - TD Drill with brine water

BOP Program:
Will install on the 8 5/8" surface casing a 10" Series 900 Type "E" Shaffer Double Hydraulic BOP and will test before drilling in the Queen formation.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Perry L. Hughes TITLE Agent DATE 02/28/95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
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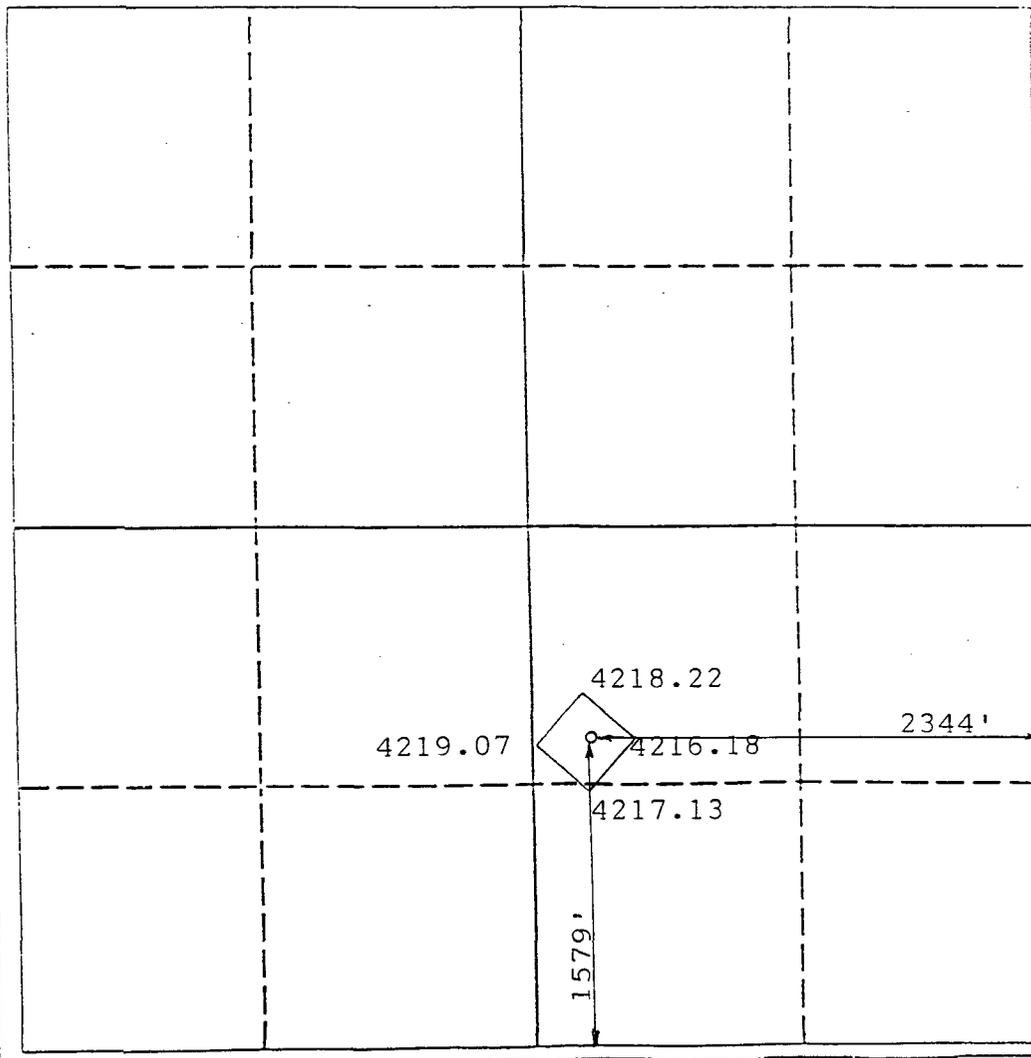
DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| | | | | | |
|--|--|----------------------|--------------------------------------|--------------------------------|----------------|
| Operator The Wisner Oil Company | | | Lease Maljamar Grayburg Unit | | Well No. 92 |
| Unit Letter J | Section 3 | Township 17 South | Range 32 East | County Lea | |
| Actual Footage Location of Well: 1579 feet from the South line and 2344 feet from the East line | | | | | |
| Ground level Elev. 4218 | Producing Formation Grayburg San Andres | | Pool Maljamar Grayburg San Andres | Dedicated Acreage: 40 Acres | |

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

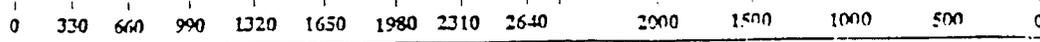


OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
Perry L. Hughes
 Signature
 PERRY L. HUGHES
 Printed Name
 AGENT
 Position
 THE WISNER OIL COMPANY
 Company
 02/28/95
 Date

SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
 January 28, 1995
 Signature & Seal of P. P. Patton
 Professional Surveyor

 Certificate No.
 8112



RECEIVED FEB 03 1995

MALJAMAR-GRAYBURG UNIT
Lea County, New Mexico

Order No. R-3177, Approving the Maljamar-Grayburg Unit Agreement, Lea County, New Mexico, January 18, 1967.

Application of Standard Oil Company of Texas for approval of the Maljamar-Grayburg Unit Agreement, Lea County, New Mexico.

CASE NO. 3506
Order No. R-3177

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on January 4, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of January, 1967, 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, Standard Oil Company of Texas, seeks approval of the Maljamar-Grayburg Unit Agreement covering 3441.08 acres, more or less, of State, Federal, and Fee lands described as follows:

LEA COUNTY, NEW MEXICO
TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 2: SW/4 NW/4 and NW/4 SW/4
Section 3: All
Section 4: NW/4, S/2 NE/4, and S/2
Section 8: E/2
Sections 9 and 10: All
Section 11: SW/4 and S/2 SE/4
Section 14: NW/4
Section 15: NE/4

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the Maljamar-Grayburg Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(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.

SKELLY PENROSE "A" UNIT
Lea County, New Mexico

Order No. R-3207, Approving the Skelly Penrose "A" Unit Agreement, Lea County, New Mexico, March 17, 1967.

Application of Skelly Oil Company for a Unit Agreement, Lea County, New Mexico.

CASE NO. 3538
Order No. R-3207

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on March 15, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 17th day of March, 1967, 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, Skelly Oil Company, seeks approval of the Skelly Penrose "A" Unit Agreement covering 2426.85 acres, more or less, of Fee and Federal lands described as follows:

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. 3100
Order No. R-2777

APPLICATION OF LEONARD NICHOLS
FOR THE EXPANSION OF A WATERFLOOD
PROJECT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 14th day of October, 1964, 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, Leonard Nichols, seeks expansion of the waterflood project authorized by Order No. R-1538 which he operates in Sections 2, 3, 10, and 11, Township 17 South, Range 32 East, NMPM, Maljamar Pool, Lea County, New Mexico, by the addition of six water injection wells in Sections 4 and 9 of Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That the wells in the proposed project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That approval of the subject application should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

CASE No. 3100
Order No. R-2777

IT IS THEREFORE ORDERED:

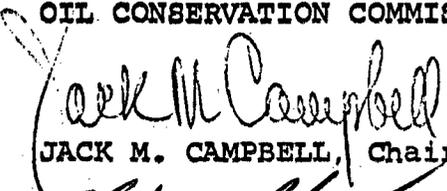
(1) That the applicant, Leonard Nichols, is hereby authorized to expand the Leonard Nichols Maljamar Waterflood Project, formerly the Boller-Nichols Roberts Waterflood Project authorized by Order No. R-1538 by converting to water injection the following-described wells in Township 17 South, Range 32 East, NMPPM, Lea County, New Mexico:

| <u>WELL</u> | <u>UNIT</u> | <u>SECTION</u> |
|--------------------------|-------------|----------------|
| Nichols-Taylor "B" No. 1 | P | 4 |
| Nichols-Iles No. 13 | J | 4 |
| Nichols-Iles No. 15 | L | 4 |
| Nichols-Iles No. 16 | N | 4 |
| Nichols-Iles No. 20 | D | 9 |
| Nichols-Iles No. 21 | B | 9 |

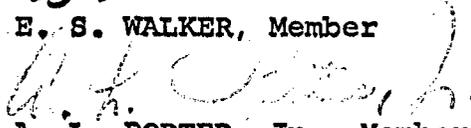
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

S E A L

esr/

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. 1803
Order No. R-1538

APPLICATION OF BOLLER & NICHOLS
AND LEONARD NICHOLS FOR AN ORDER
AUTHORIZING A WATER FLOOD PROJECT
IN THE ROBERTS POOL, LEA COUNTY,
NEW MEXICO, AND FOR AN ADMINISTRA-
TIVE PROCEDURE WHEREBY CAPACITY
ALLOWABLES MAY BE ASSIGNED TO
WELLS IN SAID PROJECT

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 10, 1959, 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 27th day of November, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, 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 applicants propose to institute a water flood project in the Roberts Pool with injection of water into the Grayburg formation in said Roberts Pool through the 11 following-described wells in Township 17 South, Range 32 East, NMPM, Lea County, New Mexico:

Iles Well No. 2, located in Unit D, Section 10;

Iles Well No. 5, located in Unit P, Section 3;

Iles Well No. 7, located in Unit N, Section 3;

Iles Well No. 8, located in Unit J, Section 3;

Iles X Well No. 2, located in Unit B, Section 10;

Iles X Well No. 3, located in Unit F, Section 10;

Phillips State Lexco Well No. 1, located in Unit N, Section 2;

A. C. Taylor A Well No. 2, located in Unit F, Section 11;

A. C. Taylor F Well No. 1, located in Unit D, Section 11;

W. B. Trimble A Well No. 1, located in Unit B, Section 11;

W. B. Trimble A Well No. 4, located in Unit J, Section 11.

(3) That the applicants further propose that an administrative procedure be established whereby capacity allowables may be assigned to wells in said project.

(4) That the record of Case No. 1787 was incorporated in this case and that administrative notice was taken of Order No. R-1525, entered in Case No. 1787.

(5) That the applicants, who seek an exception to statewide Rule 701 of the Commission Rules and Regulations promulgated by said Order No. R-1525, have failed to prove by a preponderance of the evidence that restriction of production in the subject water flood project will result in a loss of ultimate oil recovery.

(6) That the producing wells in the area to be water flooded are substantially depleted.

(7) That the proposed water flood project should be authorized and the operation thereof should be governed by the provisions of Rule 701 of the Commission Rules and Regulations including those provisions regarding allocation of allowables and expansion of the project area.

IT IS THEREFORE ORDERED:

(1) That the applicants be and the same are hereby authorized to institute the Boller-Nichols Water Flood Project in the Roberts Pool and to inject water into the Grayburg formation in said Roberts Pool through the 11 following-described wells in Township 17 South, Range 32 East, NMPM, Lea County, New Mexico:

Iles Well No. 2, located in Unit D, Section 10;

Iles Well No. 5, located in Unit P, Section 3;
Iles Well No. 7, located in Unit N, Section 3;
Iles Well No. 8, located in Unit J, Section 3;
Iles X Well No. 2, located in Unit B, Section 10;
Iles X Well No. 3, located in Unit F, Section 10;
Phillips State Lexco Well No. 1, located in Unit N, Section 2;
A. C. Taylor A Well No. 2, located in Unit F, Section 11;
A. C. Taylor F Well No. 1, located in Unit D, Section 11;
W. B. Trimble A Well No. 1, located in Unit B, Section 11;
W. B. Trimble A Well No. 4, located in Unit J, Section 11.

(2) That the administrative procedure proposed by the applicants for assignment of capacity allowables to wells in said project be and the same is hereby denied.

(3) That the operation of the water flood project herein authorized shall be governed by the provisions of Rule 701 of the Commission Rules and Regulations, including those provisions regarding allocation of allowables and expansion of the project area.

(4) That monthly progress reports on the water flood project herein authorized shall be submitted to the Commission in accordance with Rule 704 and Rule 1119 of the Commission Rules and Regulations.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

S E A L

MURRAY E. MORGAN, Member

vem/

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



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
 2040 S. PACHECO
 SANTA FE, NEW MEXICO 87505
 (505) 827-7131

March 8, 1995

Wiser Oil Company
 c/o Shahara Oil Corporation
 P. O. Box 3232
 Carlsbad, NM 88221-3232

Attention: Perry L. Hughes

Administrative Order NSL-3495

Dear Mr. Hughes:

Reference is made to your application on behalf of the operator Wiser Oil Company dated March 1, 1995 for two unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the Maljamar Grayburg Unit Waterflood Project Area, established by Division Order No. R-1538, dated November 27, 1959.

Both wells are to be located in Township 17 South, Range 32 East, NMPM, Maljamar-Grayburg-San Andres Pool, Maljamar-Grayburg Unit Area, Lea County, New Mexico.

| <i>Well No.</i> | <i>Footage Location</i> | <i>Section</i> | <i>Unit</i> | <i>Dedicated 40-Acre Tract</i> |
|-----------------|-------------------------|----------------|-------------|--------------------------------|
| 86 | 2537' FNL - 2477' FEL | 4 | G | SW/4 NE/4 |
| 92 | 1579' FSL - 2344' FEL | 3 | J | NW/4 SE/4 |

By the authority granted me under the provisions of General Rule 104 F.(1), the above-described unorthodox oil well locations are hereby approved.

Sincerely,

William J. LeMay
 Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
 US Bureau of Land Management - Carlsbad

SHAHARA OIL CORPORATION

May 2, 1995

Mr. Mike Stogner
Oil Conservation Division
PO Box 2088
Santa Fe, NM 87504-2088

Re: Administrative Order NSL-3495
Maljamar Grayburg Unit Waterflood Project
Maljamar Grayburg San Andres Field
Lea County, New Mexico

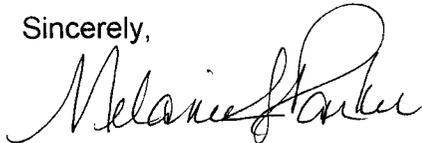
Dear Mr. Stogner:

The Wiser Oil Company requests an amendment to Administrative Order NSL-3495 (copy attached) authorizing injection into the proposed Maljamar Grayburg Unit No. 86 well. We wish to move the proposed location due west 200 feet, described as follows:

Maljamar Grayburg Unit No. 86
2537' FNL & 2603' FWL, Unit F
Section 4, T17S, R32E
Lea County, New Mexico

Thank you for your consideration of this request. Should you have any questions, or require additional information, please contact the undersigned in Carlsbad at 505-885-5433.

Sincerely,



Melanie J. Parker
Agent for
The Wiser Oil Company

/mp

Enclosure

cc: OCD Hobbs



STATE OF NEW MEXICO
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
 2040 S. PACHECO
 SANTA FE, NEW MEXICO 87505
 (505) 827-7131

March 8, 1995

Wiser Oil Company
 c/o Sahara Oil Corporation
 P. O. Box 3232
 Carlsbad, NM 88221-3232

Attention: Perry L. Hughes

Administrative Order NSL-3495

Dear Mr. Hughes:

Reference is made to your application on behalf of the operator Wiser Oil Company dated March 1, 1995 for two unorthodox oil well locations for the purpose of completing an efficient injection/production pattern within the Maljamar Grayburg Unit Waterflood Project Area, established by Division Order No. R-1538, dated November 27, 1959.

Both wells are to be located in Township 17 South, Range 32 East, NMPM, Maljamar-Grayburg-San Andres Pool, Maljamar-Grayburg Unit Area, Lea County, New Mexico.

| Well No. | Footage Location | Section | Unit | Dedicated 40-Acre Tract |
|----------|-----------------------|---------|------|-------------------------|
| 86 | 2537' FNL - 2477' FEL | 4 | G | SW/4 NE/4 |
| 92 | 1579' FSL - 2344' FEL | 3 | J | NW/4 SE/4 |

By the authority granted me under the provisions of General Rule 104 F.(1), the above-described unorthodox oil well locations are hereby approved.

Sincerely,

William J. LeMay
 Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
 US Bureau of Land Management - Carlsbad

RECEIVED MAR 15 1995

SHAHARA OIL CORPORATION

OIL CONSERVATION DIVISION
RECEIVED

'95 JUL 19 AM 8 52

July 12, 1995

Mr. Mike Stogner
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Request to Amend Division Administration Order NSL-3495
The Wiser Oil Company
Maljamar Grayburg Unit Well No. 86

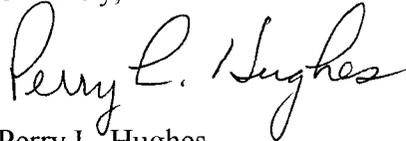
Dear Mr. Stogner:

As per the telephone conversation of this date between you and Melanie Parker of this office I submit the following detailed explanation of why this location move is necessary.

The location is moved west to take advantage of The Wiser Oil Company's depth rights of 5000' in Unit F compared to rights of 4519' in Unit G. Although the depth of 5000' is still in the San Andres formation, we would like the opportunity to expose as much of the San Andres field pay as possible. A power line running along the Unit line required moving the location a total of 200 feet due west of the originally staked location. This move will also allow us to not disturb a small garbage dump site which among other trash contained a somewhat rusted tobacco can which, according to the archaeologist, had some sort of archaeological significance.

If this explanation is not sufficient (as our letter of May 25, 1995 was not), please advise how long we should wait before calling you again. I'm sure we all are busy and get frustrated sometimes. If you need anything else, please let me know.

Sincerely,


Perry L. Hughes

PLH/mp

cc: OCD - Hobbs

SHAHARA OIL CORPORATION

OIL CONSERVATION DIVISION
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May 25, 1995

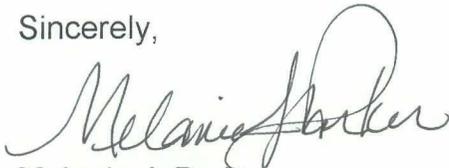
Mr. Mike Stogner
Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Request to Amend Division Administrative Order NSL-3495
Maljamar Grayburg Unit Well No. 86
Section 4, T17S, R32E, NMPM, Lea County, NM

Dear Mr. Stogner:

The above referenced location is proposed to be moved ²⁰⁰20 feet to the west from its original location because of geologic reasons. If you need further information, please contact me or Perry L. Hughes at 505-885-5433.

Sincerely,



Melanie J. Parker
Agent for
The Wiser Oil Company

/mp

cc: OCD - Hobbs

7-12-95
Needs additional
detail





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

July 28, 1995

Wiser Oil Company
c/o Shahara Oil Corporation
P. O. Box 3232
Carlsbad, New Mexico 88221-3232

Attention: Perry L. Hughes

RE: Request to Amend Division Administrative Order NSL-3495
Maljamar Grayburg Unit Well No. 86
Section 4, Township 17 South, Range 32 East, NMPM
Lea County, New Mexico

Dear Mr. Hughes:

I am in receipt of your letter dated July 12, 1995 concerning the amended location of the Wiser Oil Company Maljamar Grayburg Unit Well No. 86. You suggested that said move was necessary to take advantage of Wiser's depth rights in the San Andres formation. It was my understanding that the original intent for this well was to provide for a more efficient and effective waterflood pattern for the Maljamar Grayburg Unit Waterflood Project Area. It is further my understanding that this waterflood project and unit is limited to the Grayburg interval only.

Is the San Andres formation being flooded at this time and is there some agreement in place that requires both the Grayburg and San Andres intervals to be isolated physically from each other? Are there other wells within this general area that are producing from or are injecting water into the San Andres zone.

Thank you for your patience and assistance in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/kv

cc: Oil Conservation Division - Hobbs
William J. LeMay, Director - OCD, Santa Fe

SHAHARA OIL CORPORATION

OIL CONSERVATION DIVISION
RECEIVED

'95 AUG 22 AM 8 52

Mr. Michael E. Stogner
Chief Hearing Officer/Engineer
Oil Conservation Division
Energy, Minerals, & Natural Resources Department
2040 South Pacheco
Santa Fe, N.M. 87505

Re: Administrative Order NSL-3495
Maljamar Grayburg Unit Well No. 86
Unit F (SE 1/4 NW 1/4) Section 4, T175, R32E
Lea County, New Mexico

Dear Mr. Stogner:

May I review with you the facts relating to the Wiser Oil Company's request to move the heretofore approved unorthodox location for the captioned well 200' to the west so that the location would be 2537' from the north line and 2603' from the west line of the section.

After obtaining Mr. LeMay's approval for the original unorthodox location by administrative order dated March 8, 1995, a small garbage dump was discovered on the site which contained an old rusted tobacco can which had an apparent origin date prior to 1929. This made it an artifact and a historical site which necessitated moving the location. Because of an overhead power line, the requested location was selected.

With that choice and the new location on the SE 1/4 NW 1/4, instead of the SW 1/4 NE 1/4, Wiser has rights to the deeper depth of 5000'. So with the new site, the "Application for Permit to Drill" was changed to reflect Wiser's desire to test that deeper depth.

Next, I respond to the specific inquiries set forth in your July 28 letter. Before doing so, however, I would like to point out the the "Unitized Formation" in the Maljamar Grayburg Unit Agreement is defined:

"as that vertical interval which is equivalent to the interval from 3792' below the surface to 4130' below the surface---such deeper marker being the base of the Lovington Pay."

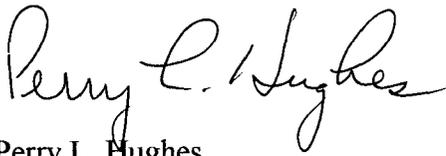
That definition not only includes the pay zones of the Grayburg Formation, but also the Vacuum and Lovington zones of the San Andres Formation. I know of nothing that requires the Grayburg Formation, the Vacuum, and Lovington zones of the San Andres Formation to be isolated physically from each other. All those zones are being flooded within the general area and treated as one common source of supply.

If Wiser were to be granted the right to drill to the deeper depth, that would permit it to view the Jackson zone of the San Andres Formation. If productive, that deeper zone would not be part of the unit. At that time, it would be incumbent upon Wiser to decide whether to dually complete the well or possibly amend the "Unit Agreement" to include the deeper depth. That is not a decision, however, which must be made at this time.

With this explanation, I hope that the OCD may approve Wiser's "Application for Permit to Drill". If I can supply further information, please let me know.

Your courtesy is sincerely appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Perry L. Hughes". The signature is written in black ink and is positioned above the typed name.

Perry L. Hughes

PLH: se



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBBS DISTRICT OFFICE

CONSERVATION DIVISION
RECEIVED

95 MAR 13 AM 8 52

3-7-95

POST OFFICE BOX 1980
HOBBBS, NEW MEXICO 88241-1980
(505) 393-6161

BRUCE KING
GOVERNOR

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

NSL-3495

Gentlemen:

I have examined the application for the:

| | | | |
|---------------------|-----------------------------|--------------|------------------|
| <i>Wiser Oil Co</i> | <i>Mariamar Grayburg U4</i> | <i>#92-J</i> | <i>3-17s-32e</i> |
| Operator | Lease & Well No. | Unit | S-T-R |
| | <i>Mariamar Grayburg U4</i> | <i>#86-6</i> | <i>4-17s-32e</i> |

and my recommendations are as follows:

OS

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed