Lase Number 188

Application
Trascripts

Small Exhibits

ETC.

BEFORE THE

dearnley, meier & mc cormick

accepted?

| - | | | |
|---|---|----------|--|
| | | 1 | MR. UTZ: Case 4788. |
| | | 2 | MR. HATCH: Case 4788: Application of Murphy H. |
| | * · | 3 | Baxter for an unorthodox well location, Lea County, New Mexico |
| | | 4 | MR. HINKLE: Clarence Hinkle, of Hinkle, Bondurant, |
| | | 5 | and Christy, Roswell, appearing on behalf of the applicant. |
| | **** ****** | 6 | We have one witness to be sworn. |
| | mic | 7 | WILLIAM SUMNER, |
| | 200 | 8 | was called as a witness, and after being duly sworn, testified |
| | E . | 9 | as follows: |
| • | dearnley, meier & mc cormick | 10 | DIRECT EXAMINATION |
| | me | 11 | BY MR. HINKLE: |
| | lley, | 12 | Q State your name, residence, and by whom you are employed. |
| | | | |
| | W MEXICO : | 13 | A My name is William Summer, Midland, Texas, and I am |
| | Z Ŭ 3- X U 2- X U | 14 | employed by Murphy H. Baxter. |
| | H W D Z O . | 15 | Q Have you previously testified before this Commission? |
| | 2 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 | 16 | A Yes, sir. |
| | • • • • • • • • • • • • • • • • • • • | 17 | Q And have your qualifications as a petroleum engineer |
| | 243-6691e | 18 | been made a matter of record with the Commission? |
| | PHONE 2 BLDG. EA | 19 | A Yes, sir. |
| | 1092 . P. | 20 | Q Have you made a study of the Maljamar, Grayburg-San |
| | 4 6 0 × | 21 | Andres Pool, which is involved in this application? |
| | 0 0 E • ₹ U Z | 22 | A Yes, sir. |
| | ® <u>₹</u> ਹ # | 23 | MR. HINKLE: Are the witness's qualification |
| | Σ κ Σ κ | 23 | |

MR. UTZ: Yes, they are. How do you spell your

last name?

| 2 | | THE WITNESS: S-u-m-n-e-r. |
|----------|---|---|
| 3 | Q | (By Mr. Hinkle) Are you familiar with the application |
| 4 | | of Murphy Baxter in Case 4788? |
| 5 | À | Yes, sir. |
| 6 | Q | What is he seeking to accomplish? |
| 7 | A | To drill a producing well located approximately in th |
| 8 | | center of the Southwest quarter of Section 18, Townsh |
| 9 | | 17 South, Range 33 East in the Maljamar, Grayburg- |
| 10 | | San Andres, Pool, Lea County, New Mexico. |
| 11 | Q | Is this within an area which the Commission has |
| 12 | | previously approved for waterflooding? |
| 13 | A | Yes, this was in a waterflood project approved by Ord |
| 14 | | R-2156 in 1962. |
| 15 | Q | Have you prepared, or has there been prepared under |
| 16 | | your direction, certain exhibits in this case? |
| 17 | A | Yes, sir. |
| 18 | Q | Referring you to Exhibit Number One, would you explai |
| 19 | | what it is and what it shows? |
| 20 | A | Exhibit One shows the project area outlined in red th |
| 21 | | was approved by Order R-2156. It also shows the |
| 22 | · | location of the proposed unorthodox well. It also |
| 23 | | shows the producing wells in the area and the water |
| 24 | | injection wells. |
| 25 | Q | Referring you to Exhibit Number Two, would you expla |

Exhibit Two is a structure map that was contoured on

a marker in the Grayburg. It also shows the line of

dearnley, meier & mc cormick

3

| 4 | | the cross section that is shown on Exhibit Number Three. |
|----|---|---|
| 5 | Q | Does it show the injection wells in the project area? |
| 6 | A | No, it does not. Those are shown on the ownership |
| 7 | | map, Exhibit One. |
| 8 | Q , | Referring you to Exhibit Number Three, would you explain |
| 9 | | that, please? |
| 10 | A | Exhibit Three is just a cross section through the |
| 11 | | proposed location showing the producing intervals and |
| 12 | | how they are correlated through the proposed location. |
| 13 | Q | Do you have any information as to water injection |
| 14 | | history? |
| 15 | , A | Yes, sir. On Exhibit Four is a record of the |
| 16 | | accumulative water injection data. |
| 17 | Q | What are the totals there? |
| 18 | A | The total of all the wells? |
| 19 | Q | Yes. |
| 20 | A | The total of all the wells is 6,407,791 barrels of water. |
| 21 | Q | And this has been going on since when? |
| 22 | A | Since 1962, it commenced in August, 1962. |
| 23 | Q | Have you gotten pretty good response? |
| 24 | A | We have had response that's now on the decline, and |
| 25 | | that's the purpose for the unorthodox well, to get |
| | 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 | 5 |

what that shows?

| SLDG. P.O. BOX 1002 - PHONE 249-66010 - ALBUQUERQUE. N Rst national bank blog. East-oalbuquerque, new Y | EW MEXICO 87103 | EXICO 87108 |
|--|---|--|
| en LL | 9 SIMMS BLDG P.O. BOX 1002 . PHONE 243-6601 . ALBUQUERQUE, NEW MEXICO 87103 | 1216 FIRST NATIONAL BANK BLDG. EAST . ALBCOCKEROUR, NEW MEXICO 87108 |

| 1 | | additional oil. |
|----|-----|---|
| 2 | Q | That's the reason for this particular location? |
| 3 | A | Yes, sir. |
| 4 | Q | How much additional secondary oil do you anticipate |
| 5 | | you might recover from this additional well? |
| 6 | A | We anticipate or hope we will get 93,000 additional |
| 7 | | barrels. |
| 8 | Q | Do you intend to set a pattern by this application so |
| 9 | *** | you might possibly try additional wells in each of the |
| 10 | | other 160-acre units that are within the project area? |
| 11 | A | Yes, sir. If this application is approved by the |
| 12 | | Commission and the well is successful, we will want to |
| 13 | | drill in each quarter section. |
| 14 | Q | Would you, if this is approved by the Commission, would |
| 15 | | you like the order to provide that you can obtain |
| 16 | | administrative approval for the drilling of these |
| 17 | | additional wells rather than separate hearings? |
| 18 | A | Yes, we sure would. |
| 19 | Q | In your opinion, would the drilling of this well be in |
| 20 | | the interest of conservation and the prevention of waste? |
| 21 | A | Yes, sir. |
| 22 | Q | And tend to protect correlative rights? |
| 23 | A | Yes, sir. |
| 24 | | MR. HINKLE: We would like to offer Exhibits One |
| 25 | thi | rough Four. |
| | L | |

AS BLOGGENO, BOX 1092-PHONE 243-6601-ALBUQUERQUE, NEW MEXICO 87103 Perset vatoria bank bidg. Kartaalbuquerque new mexico 87103

MR. UTZ: Without objection, Exhibits One through
Four will be entered into the record of this case.

(Whereupon Applicant's Exhibits One through Four
were admitted in evidence.)

MR. MINNIE: That's all the direct I have.

CROSS EXAMINATION

BY MR. UTZ:

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Mr. Sumner, did you request administrative approval for additional wells in your application?

A No, sir.

MR. HINKLE: We did not. I don't know whether you would be permitted to put that in the order or not, but if you are, we would like to have it.

MR. UTZ: Are there any further questions of this witness?

(No response)

MR. UTZ: If not, the witness may be excused.

(Witness excused.)

MR. UTZ: Any statements in this case?

(No response)

MR. UTZ: Case 4788 will be taken under advisement.

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STATE OF NEW MEXICO SS COUNTY OF BERNALILLO) I, RICHARD E. McCORMICK, a Certified Shorthand Reporter, 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. CERTIFIED SHORTHAND REPORTER

I do hereby certify that the foregoing to

a complete report of the proceedings in

| | 1 | | INDEX | | |
|---|----|---------------|--------------------------|----------------|---------------------------------------|
| • | 2 | WITNESS | | - | PAGE |
| | 3 | WILLIAM SUMNE | R | | |
| | 4 | Direct E | xamination by Mr. Hinkle | | |
| | 5 | Cross Exc | amination by Mr. Utz | | ï |
| | 6 | | | | |
| dearnley, meier & mc cormick | 7 | | | | ; |
| <u>د</u> 0 تا | 8 | | | * & | |
| E C | 9 | | EXHIBITS | | |
| ∞ ~ | . | APPLICANT'S | | ADMITTED | OFFERED |
| <u>.e</u> . | 10 | Exhibit #1 | Ownership map | 7 | 4 |
| У, П | 11 | Exhibit #2 | Structure map | 7 | 5 |
| arne | 12 | Exhibit #3 | Cross section | 7 | 5 |
| dea | 13 | Exhibit #4 | Water injection data | 7 | 5 |
| NEW MEXICO . | 14 | | £ | | |
| . ¥ ∑ ∑ M M | 15 | | | | |
| ALBUQUERQUE. | 16 | - | | | |
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| SIMMS BLDG. P.O. BOX 1092 PHONE 245-06916 | 22 | | | | ٠. |
| 200 SIMMS BLDG 1216 FIRST N | 23 | | | | |
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| | 25 | | | | · · · · · · · · · · · · · · · · · · · |



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501 LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.

SECRETARY - DIRECTOR

GOVERNOR BRUCE KING

CHAIRMAN

September 8, 1972

| | Reı | Case No. 4788 |
|---|-----|--------------------|
| ir. Clarence Hinkle Hinkle, Bondurant, Cox & Eator | | Order No. R-2156-B |
| Attorneys at Law | • | Applicant: |
| Post Office Box 10 Roswell, New Mexico 88201 | | MURPHY H. BAXTER |

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

A. L. PORTER, Jr.
Secretary-Director

| ALP/ir | | *, |
|-----------------------------|--|----|
| Copy of order also sent to: | | |
| Hobbs OCC X Artesia OCC | en de la companya de La companya de la co | |
| Aztec OCC | | |
| Other | , | |



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2068 - SANTA FE 87501

ALEX J. ARMIJO MEMBER STATE GEOLOGIST A. L. PORTER, JR.

SECRETARY - DIRECTOR

GOVERNOR
BRUCE KING

CHAIRMAN LAND COMMISSIONER

August 23, 1972

| | Re: | Case No | 4788 |
|--|-----|------------|----------|
| ir. Clarence Hinkle | | Order No. | R-2156-A |
| Hinkle, Bondurant, Cox & Eaton Attorneys at Law | | Applicant: | |
| Post Office Box 10 Roswell, New Mexico 88201 | | Murphy H. | Baxter |

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

A. L. PORTER, Jr. Secretary-Director

ALP/ir
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 THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 4788 Order No. R-2156-B

APPLICATION OF MURPHY H. BAXTER FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that Order No. R-2156-A, dated August 22, 1972, does not correctly state the intended order of the Commission:

IT IS THEREFORE ORDERED:

- (1) That Paragraph (1) on Page 2 of Order No. R-2156-A is hereby corrected to read in its entirety as follows:
- "(1) That the applicant, Murphy H. Baxter, is hereby authorized to drill a well at an unorthodox location 1295 feet from the South line and 1411 feet from the West line of Section 18, Township 17 South, Range 33 East, NMPM, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico, as a producing well in its Maljamar (Grayburg-San Andres) Unit Waterflood Project."
- (2) That this order shall be effective nunc pro tunc as of August 22, 1972.

DONE at Santa Fe, New Mexico, this 7th day of September, 1972.

SEAL dr/ STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALPK J. ARMIJO, Member

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

MURPHY H. BAXTER

MURPHY H. BAXTER

MIDLAND. TEXAS 79701

Mr. A. L. Porter, Secretary

Oil Conservation Commission

State of New Mexico

P. O. Box 2088

Santa Fe, New Mexico 87501

AUG HOLD OIL COMMENSATION FOR

RE: Order No. R-2156-A

Dear Mr. Porter:

In the above order, we had requested an unorthodox location in the approximate center of the SW/4 of Section 18, Township-17 South, Range-33 East. The order approved a location 1,310 feet from the south and west lines of Section 18. This location was staked and found to be on the edge of the caprock.

We request that the location be amended to be 1,295 feet from the south line and 1,411 feet from the west line of Section 18. This location would be located in Unit N, 25 feet from the north and west line of Unit. Please note on the attached plat that Unit M of Section 18 is 42 acres, and the distance on an east-west line across Unit would be approximately 1,386 feet.

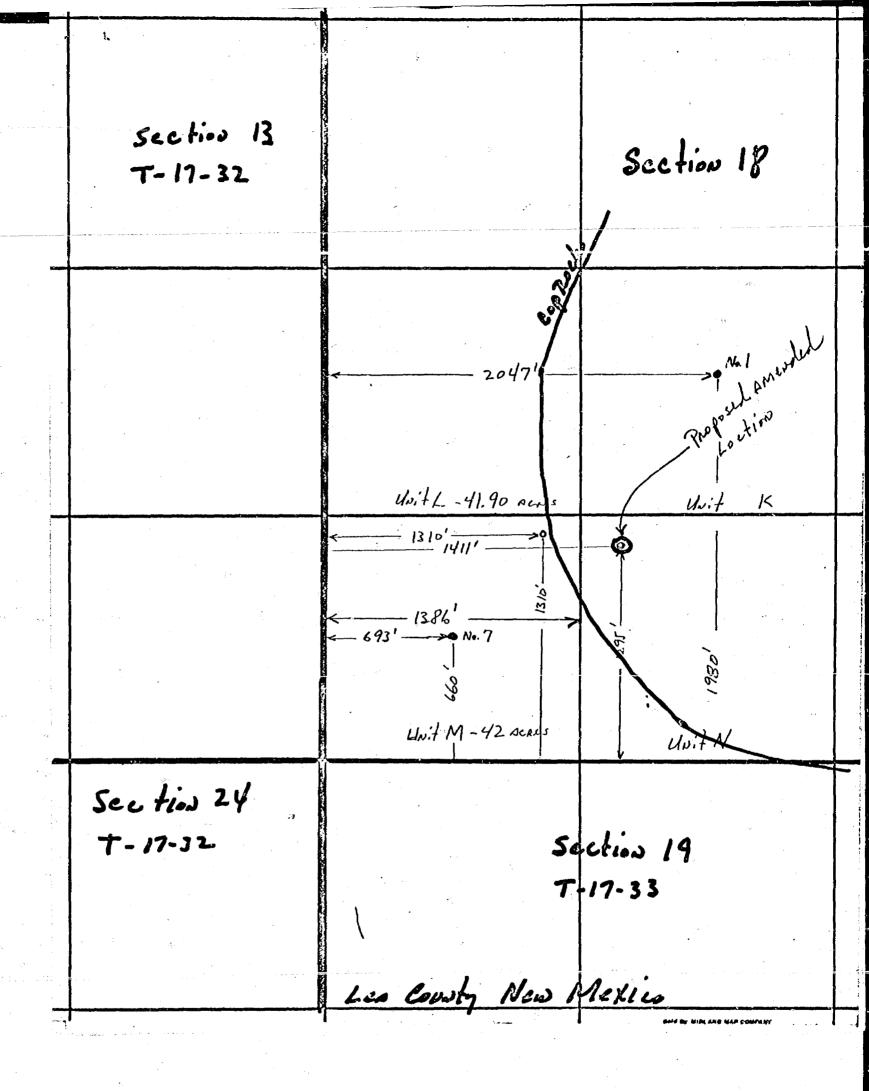
If you need any additional information, please let me know.

Very truly yours,

W. U. Sumner

WUS:ecs

Enclosures



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. 4788 Order No. R-2156-A

APPLICATION OF MURPHY H. BAXTER FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 22nd day of August, 1972, 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, Murphy H. Baxter, is the operator of the Murphy H. Baxter Maljamar (Grayburg-San Andres) Water-flood Project authorized by Order No. R-2156, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico.
- (3) That the applicant seeks authority to drill a well at an unorthodox location approximately in the center of the SW/4 of Section 18, Township 17 South, Range 33 East, NMPM, Lea County, New Mexico, as a producing well in said Maljamar (Grayburg-San Andres) Unit Waterflood Project.
- (4) That the proposed unorthodox location is necessary to provide an efficient oil producing pattern.
- (5) That the applicant also seeks the establishment of an administrative procedure whereby the Secretary-Director of the Commission may authorize additional producing wells and injection wells at orthodox and unorthodox locations within said Maljamar (Grayburg-San Andres) Unit Waterflood Project area as may be necessary to complete an efficient production and injection pattern.

-2-Case No. 4788 Order No. R-2156-A

- (6) That approval of the requested administrative procedure will afford the applicant the opportunity to produce its just and equitable share of the oil in the Maljamar (Grayburg-San Andres) Pool, provided said wells are drilled no closer than 330 feet to the outer boundary of the above-described unit area nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary.
- (7) That the subject waterflood project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations, provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Murphy H. Baxter, is hereby authorized to drill a well at an unorthodox location 1310 feet from the South line and 1310 feet from the West line of Section 18, Township 17 South, Range 33 East, NMPM, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico, as a producing well in its Maljamar (Grayburg-San Andres) Unit Waterflood Project.
- (2) That Order (2) of Order No. R-2156 is hereby amended to read in its entirety as follows:
- "(2) That the subject waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve such additional producing wells and injection wells at orthodox and unorthodox locations within the Maljamar (Grayburg-San Andres) Unit Waterflood Project area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of the Maljamar (Grayburg-San Andres) Unit Area nor closer than 10 feet to any quarterquarter section or subdivision inner boundary, and provided that the application therefor has been filed in accordance with Rule 701 B of the Commission Rules and Regulations, and provided that the application has been sent to all offset operators, if any there be, and no such operator has objected within 15 days. The showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection."

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

-3-Case No. 4788 Order No. R-2156-A

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO Member

U. L. Patter . F

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

SEAL

EXAMINER HEARING - WEDNESDAY - AUGUST 9, 1972

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 4785: Application of Gulf Oil Corporation for rededication of acreage and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the consolidation of a 40-acre nonstandard proration unit comprising the SE/4 NW/4 of Section 28 and an 80-acre non-standard proration unit comprising the W/2 NE/4 of Section 28; Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico, to form a 120-acre non-standard proration unit. Applicant also seeks permission to produce the allowable assigned to said 120-acre unit from its Eunice King Wells Nos. 5 and 9 located, respectively, in Units F and G of said Section 28 in any proportion.

CASE 4786: Application of Highland Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the open-hole interval from 4378 feet to 4418 feet in its Russel: Federal Well No. 6 located in Unit K of Section 20, Township 26 South, Range 32 East, East Mason-Delaware Pool, Lea County, New Mexico.

CASE 4787: Application of Superior Oil Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a gas well to test the Morrow and other formations at an unorthodox location 660 feet from the North line and 990 feet from the West line of Section 5, Township 23 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, with the N/2 of said Section 5 to be dedicated to the well.

> Application of Murphy H. Baxter for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing well approximately in the center of the SW/4 of Section 18, Township 17 South, Range 33 East, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico. Said well to be within the area of a waterflood project approved by Order No. R-2156.

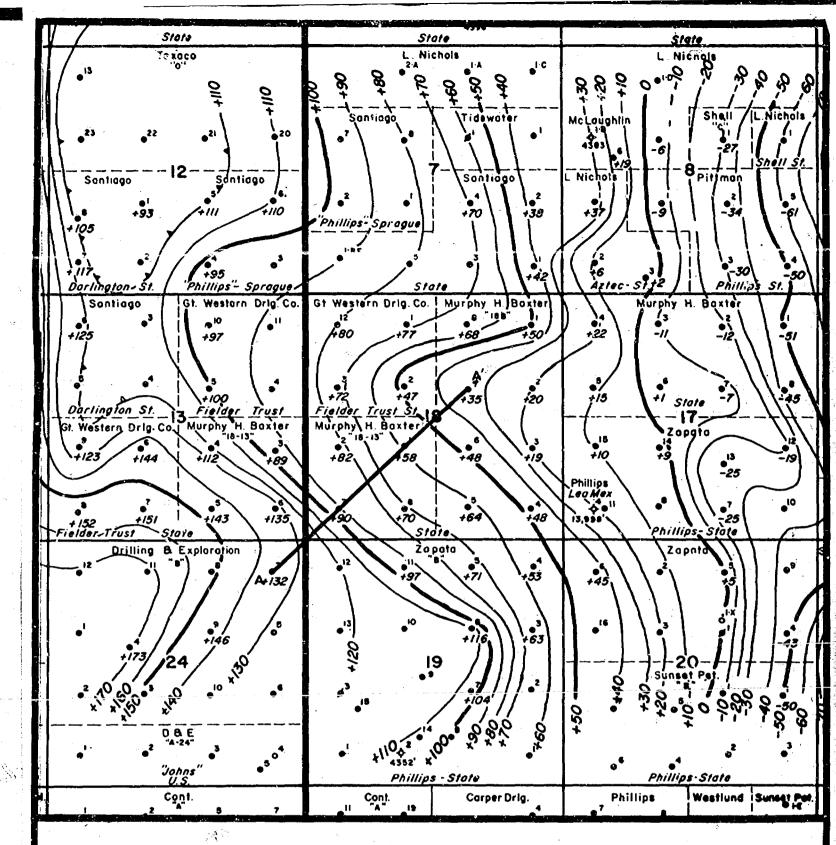
Application of Humble Oil & Refining Company for special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Many Gates-Abo Pool, Chaves County, New Mexico, including provisions for 80-acre spacing units and wells to be located in the approximate center of the NE/4 or SW/4 of each quarter section.

CASE 4790: Application of The Petroleum Corporation for special pool rules and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules

CASE 4788:

CASE 4789:

(cese #788 Heard 8-9-72 Rec. 8-9-72 Licut Mensly Bater au 1156 in their Maljaman Li-5A, waterflood for a property yould at least 10pt out of the corner of the 5uf 4 D sec. 18, 176, 33E. Dhe will foll recover other.



MALJAMAR (GRAYBURG - SAN ANDRES) FIELD

STRUCTURE MAP

Contoured on Grayburg Marker

Scale 1"= 2000"

Dete - Dec., 1961

WATER INJECTION HISTORY MALJAMAR (G-SA) FIELD

| LEASE & WELL | DATE INJ: COMMENICED | CUMULATIVE OIL PRODUCTION | WATER INJ. YR. 1971 (BBLS) | WATER INJ. 6 Mo. 1972 (BBLS) | CUM. INJ. TO 7-1-72 (BBLS) | CURRENT INJ. RATE BPD | INJ. PRESSURE psi |
|--------------------------|----------------------------|---------------------------------|----------------------------------|------------------------------------|----------------------------------|-----------------------|----------------------|
| STATE 18-B LEASE 2 | | 27 730 |)) | | | | |
| | 8 8 6 6 | 34,851 30,700 | 18,284 | 26,766 | 512,376 619,312 | 0 | 2400 |
| ω · | 8/62 | 28,875 | 42,248 | 18,756 | 847,624 | 334 117 | 2400 2400 |
| TOTAL LEASE | 28 g | 122,059 | 136,017 | 78,295 | 2,854,509 | 589 | |
| STATE 18 LEASE | R. S. | | | 롼 | | | |
| 2 8 STATE 13 LEASE | 9/63 9/63 SE | 39,084 48,337 | 34,352 36,186 | 21,899 15,093 | 619,395 614,547 | 150 150 | 2400 2400 |
| 40 | 11/64 7/65 | 39,821 42,260 | 36,543 6,156 | 4,108 8,526 | 503,985 408,747 | 150 150 | 2400 2400 |
| TOTAL LEASE | | 169,502 | 113,237 | 49,626 | 2,146,674 | (169) 600 | |
| STATE 17 LEASE 6 8 | SE 5/64 6/65 | 29,808 29,814 | 83,982 62,651 | 54,059 14,800 | 780,884 625,724 | 216 362 | 2400 2400 |
| TOTAL LEASE | | 59,622 | 146,633 | 68,859 | 1,406,608 | 578 | |
| GRAND TOTAL | | 351,183 | 395,887 | 196,780 | 6,407,791 | (1,336) 1,767 | |

CONTENVATION CONTENTS

SAA THEBIT NO. 5

4788

4788

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF MURPHY H. BAXTER FOR APPROVAL OF AN UNORTHODOX LOCATION FOR A PRODUCING WELL TO BE LOCATED IN THE CENTER OF THE SW4 SECTION 18, TOWNSHIP 17 SOUTH, RANGE 33 EAST, LEA COUNTY, BEING WITHIN THE MURPHY H. BAXTER WATERFLOOD PROJECT APPROVED UNDER ORDER R-2156 DATED JANUARY 3, 1962.

Oil Conservation Commission Box 2088 Santa Fe, New Mexico 87501



Comes Murphy H. Baxter, acting by and through the undersigned attorneys, and hereby makes application for approval of an unorthodox location for a producing well to be located in the center of the SW4 Section 18, Township 17 South, Range 33 East, Lea County, being within the Murphy H. Baxter Waterflood Project approved under Order R-2156 dated January 3, 1962, and in support thereof respectfully shows:

- 1. On January 3, 1962 Order R-2156 was entered by the Oil Conservation Commission approving the application of Murphy H. Baxter for a waterflood project in the Maljamar Pool, Lea County, New Mexico consisting of the SE½ Section 13, Township 17 South, Range 32 East, N_2^1 Section 17, SW½, E½ Section 18, Township 17 South, Range 33 East.
- 2. There is attached hereto, made a part hereof, and for purposes of identification marked Exhibit "A", a plat showing all of the producing and injection wells within the waterflood project hereinabove referred to and which also shows the ownership of the oil and gas leases within the project area and within a radius of 2 miles, said injection wells being into the Grayburg-San Andres formation.
- 3. Applicant desires to drill a well to be located in the approximate center of the SW% Section 18, Township 17 South, Range 33 East as a producing well from the Grayburg-San Andres formation. Applicant believes that by the drilling of said well additional secondary oil and gas can be recovered which might otherwise be lost and it is believed that the drilling of said well will be in the interest of conservation and the prevention of waste and will tend to protect the correlative rights of all interested parties.

noveres MARIE

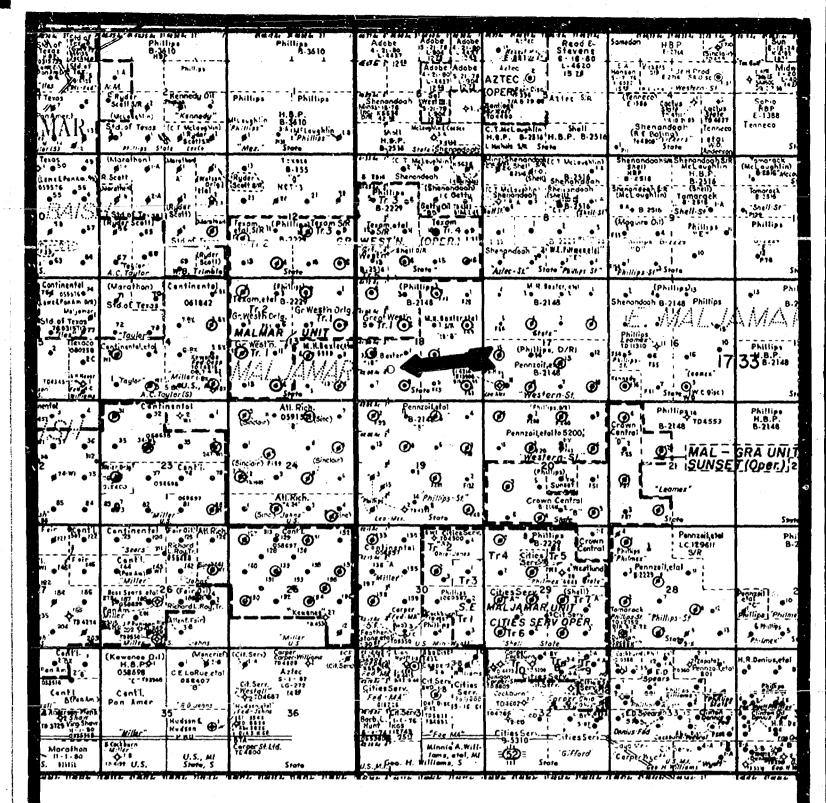
Duis 1-27-72

4. Applicant requests that this matter be set down for hearing at the examiner's hearing on August 9, 1972.

Respectfully submitted,

MURPHY H. BAXTER

HINKLE, BONDURANT, COX & EATON
Attorneys for Applicant
P.O. Box 10
Roswell, New Mexico 88201



Producing Well

O Proposed Location

Murphy H. BAXTER

(Water Injection Well

MALJAMAR (GRAYBURG-SAN ANDRES) FIELD LEA COUNTY, TEXAS

Care 4788

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

MA

IN THE MATTER OF THE HERRING CALLED BY THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 4788 Order No. R=2156-B

APPLICATION OF MURPHY H. BAXTER FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that Order No. R-2156-A, dated August 22, 1972, does not correctly state the intended order of the Commission:

IT IS THEREFORE ORDERED:

- (1) That Paragraph (1) on Page 2 of Order No. R-2156-A is hereby corrected to read in its entirety as follows:
- "(1) That the applicant, Murphy H. Baxter, is hereby authorized to drill a well at an unorthodox location 1295 feet from the South line and 1411 feet from the West line of Section 18, Township 17 South, Range 33 East, NMPM, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico, as a producing well in its Maljamar (Grayburg-San Andres) Unit Waterflood Project."
- (2) That this order shall be effective <u>nunc pro tunc</u> as of August 22, 1972.

DONE at Santa Fe, New Mexico, this _____day of September, 1972.

STATE OF NEW MEXICO

GMH/dr



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:

AM

CASE NO. 4788

Order No. R- 2/56-A

No.

APPLICATION OF MURPHY H. BAXTER FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1972 at Santa Fe, New Mexico, before Examiner Elvis A. Utz

NOW, on this day of August , 1972, 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, Murphy H. Baxter, is the operator mustby H. Boxto.

 of the Maljamar (Grayburg-San Andres)

 Waterflood Project, authorized by Order No. R-2156, Maljamar

 (Grayburg-San Andres) Pool, Lea County, New Mexico.

Case No. 4788 Order No. R-

- (3) That the applicant seeks authority to drill a well at an unorthodox location approximately in the center of the SW/4 of Section 18, Township 17 South, Range 33 Fast, NMPM, Lea County, New Mexico, as a producing well in said Maljamar (Grayburg-San Andres) Unit Waterflood Project.
- (4) That the proposed unorthodox location is necessary to provide an efficient oil producing pattern.
- (5) That the applicant also seeks the establishment of an administrative procedure whereby the Secretary-Director of the Commission may authorize additional producing wells and injection wells at orthodox and unorthodox locations within said Maljamar (Grayburg-San Andres) Unit Waterflood Project area as may be necessary to complete an efficient production and injection pattern.
- (6) That approval of the requested administrative procedure will afford the applicant the opportunity to produce its just (Grayburg-San Andres) and equitable share of the oil in the Maljamar/Pool, provided said wells are drilled no closer than 330 feet to the outer boundary of the above-described unit area nor closer than 10 feet to any quarter-quarter section or subdivision inner boundary
- (7) That the subject waterflood project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations, provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Murphy H. Baxter, is hereby

/3/8 feet from
authorized to drill a well at an unorthodox location approximately

-3-Case No. 4788 Order No. R-

the South line and 1310 (ort from 110 West line in the center of the SW/4 of Section 18, Township 17 South, Range 33 East, NMPM, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico, as a producing well in its Maljamar (Grayburg-San Andres) Unit Waterflood Project.

be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve such additional producing wells and injection wells at orthodox and unorthodox locations within the Maljamar (Grayburg-San Andres) Unit Waterflood Project area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of the Maljamar (Grayburg-San Andres) Unit Area nor closer than 10 feet to any quarterquarter section or subdivision inner boundary, and provided that the application therefor has been filed in accordance with Rule 701 B of the Commission Rules and Regulations, and provided that the application has been sent to all offset operators, if any there be, and no such operator has objected within 15 days. The showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

(3) 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.

(2) that arder (2) of Order 10 17-2156 is being bounded to read in the outsirety on follows:

11 5W/4 18-17-33 WF proj Macjaman (6.54) Poac Co approved by K-2156 (5W/4 & F-/2. 18-17-32)

CASE 4789: Application of HUMBLE FOR SPECIAL RULES FOR THE MANY GATES-ABO POOL, CHAVES COUNTY.