

CASE 7418: MORRIS R. ANTWELL FOR
SPECIAL POOL RULES, LEA COUNTY, NEW
MEXICO

DOCKET MAILED

Date 11/6/87

CASE NO.

7418

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

CASE NO.

7418

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TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

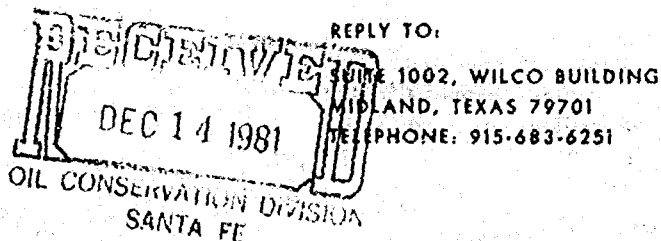
CROWN CENTRAL PETROLEUM CORPORATION



PRODUCERS • REFINERS • MARKETERS OF PETROLEUM PRODUCTS AND PETROCHEMICALS

GENERAL OFFICES • ONE NORTH CHARLES • BALTIMORE, MARYLAND 21203

November 30, 1981



New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 97501

Attn: Richard L. Stamets

Re: West Nadine - Blinbry Pool
West Nadine - Drinkard Pool

Gentlemen:

This is to inform you that we have been contacted by Morris R. Antweil concerning the above mentioned pool rule changes. Crown Central concurs with Mr. Antweil and supports case nos. 7418 and 7419.

Very truly yours,

CROWN CENTRAL PETROLEUM CORPORATION

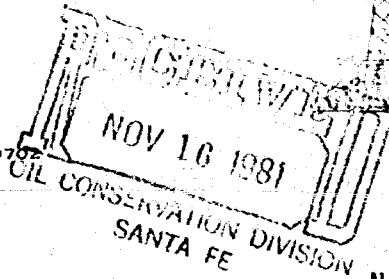
T. E. Yates
District Production Manager

TEY:jb

TAMARACK PETROLEUM COMPANY, INC.

P. O. BOX 2046
MIDLAND, TEXAS 79702

TELEPHONE: 683-5474



November 13, 1981

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Richard C. Stamets

Re: Case Nos. 7418 and 7419
Hearing Date: November 19, 1981

Dear Sir:

Tamarack Petroleum Co., Inc., as an operator of both Blinebry and Drinkard Production in the West Nadine Fields supports the requested applications of Morris R. Antweil in the subject hearing cases. The requested special gas-oil ratios for these formations, in our opinion, is neither unusual nor harmful to the ultimate recovery of hydrocarbons from the subject fields

Your favorable ruling on these two cases would be appreciated.

Very truly yours,

Randy A. McClay
District Engineer

mt

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
19 November 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Morris R. Antweil
for special pool rules, Lea
County, New Mexico.

CASE
7418

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

William F. Carr, Esq.
CAMPBELL, BYRD, & BLACK p. A.
Jefferson Place
Santa Fe, New Mexico 87501

I N D E X

R. M. WILLIAMS

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Cross Examination by Mr. Stamets	8

E X H I B I T S

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Applicant Exhibit Two, Tabulation	5
Applicant Exhibit Three, Tabulation	6
Applicant Exhibit Four, Letter	7

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2 MR. STAMETS: We'll call next Case 7418.

3 MR. PEARCE: Application of Morris R.
4 Antweil for special pool rules, Lea County, New Mexico.

5 MR. CARR: May it please the Examiner,
6 my name is William F. Carr, with the law firm Campbell, Byrd,
7 and Black, P. A., of Santa Fe, appearing on behalf of the
8 applicant.

9 I have one witness who needs to be
10 sworn.

11
12 (Witness sworn.)

13
14 MR. CARR: In this one, Mr. Examiner, I
15 would call to your attention the fact that in this one we
16 are proposing with this application special pool rules for
17 the West Nadine-Drinkard Pool.

18 That pool is to be created by your no-
19 menclature case today, and although the docket for this hearing
20 does not reflect the pool creation, it was carried in your
21 legal advertisement and I understand will be amended into
22 that application at the time that case is called.

23 MR. STAMETS: Okay. We will note that.
24
25

R. M. WILLIAMS

being called as a witness and being duly sworn upon his oath,
testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. CARR:

Q Will you state your full name and place
of residence?

A. R. M. Williams, Hobbs, New Mexico.

Q By whom are you employed and in what
capacity?

A. Employed by Morris R. Antweil as an
engineer.

Q Have you previously testified before
this Commission and had your credentials accepted and made
a matter of record?

A. Yes, I have.

Q Are you familiar with the application
filed on behalf of Morris R. Antweil in this case?

A. Yes, I am.

Q Are you familiar with the subject acreage?

A. Yes.

MR. CARR: Are the witness' qualifica-
tions acceptable?

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2

MR. STAMETS: They are.

3

4

Q Mr. Williams, will you please state what Antweil seeks in this case?

5

6

7

A We seek the establishment of special pool rules for the West Nadine-Drinkard Pool, in particular the establishment of a limiting gas/oil ratio of 6000-to-1.

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Q Will you please refer to what has been marked for identification as Antweil Exhibit Number One and review this for Mr. Stamets?

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Q Will you now refer to Antweil Exhibit Number Two and review this?

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A Exhibit Number Two is a tabulation of the September, 1981, production data for the Drinkard wells within this area.

The production data was taken from the

1
2 C-115 reports. In addition to the wells that were actually
3 on production, the last two wells, the Antweil No. 1 Albert
4 and the Antweil No. 1 Dewey, the production test data is
5 given there. That is not -- that was not a month's production
6 but a daily test data for those two wells.

7 The other wells it is the September,
8 1981, production data.

9 Q Will you now review Exhibit Number Three?

10 A Exhibit Number Three is a tabulation of
11 other Drinkard pools in District One, southeast New Mexico,
12 that have been granted a limiting GOR higher than the State-
13 wide 2000-to-1 ratio. There are seven, seven fields that
14 have been granted higher GOR's. The number of wells and the
15 monthly production figures for those fields and the gas/oil
16 ratio are shown.

17 In total, well, you can see that there's
18 970 wells that are operating under higher GOR's than the
19 Statewide rules and a significant amount of oil and gas pro-
20 duction.

21 The limiting gas/oil ratios range as
22 high as 10,000-to-1 with one field being set with no limit.

23 Q Who are the other operators in the West
24 Nadine-Drinkard Pool?

25 A The -- I think that's shown in our Ex-

1
2 C-115 reports. In addition to the wells that were actually
3 on production, the last two wells, the Antweil No. 1 Albert
4 and the Antweil No. 1 Dewey, the production test data is
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15 monthly production figures for those fields and the gas/oil
16 ratio are shown.

17 In total, well, you can see that there's
18 970 wells that are operating under higher GOR's than the
19 Statewide rules and a significant amount of oil and gas pro-
20 duction.

21 The limiting gas/oil ratios range as
22 high as 10,000-to-1 with one field being set with no limit.

23 Q Who are the other operators in the West
24 Nadine-Drinkard Pool?

25 A The -- I think that's shown in our Ex-

hibit Two there. The wells in the West Nadine-Drinkard Pool are operated by Antweil, Tamarack, and Crown Central Petroleum. And these are the only three operators at this time.

Q Have you given notice of this proposal to Tamarack and Crown?

A Yes. Exhibit Four is a letter of notice that was sent to Tamarack and Crown Central notifying them of this hearing and asking them to furnish the Commission a letter expressing their support of us in this application. They have both indicated that they would submit that letter to the Commission.

Q Have you reviewed this proposal with the Hobbs Office of the Oil Conservation Division?

A Yes, I have. I've reviewed this with Jerry Sexton at the Hobbs Office.

Q And did you review with him the evidence which you were going to present today?

A Not in this form but in the rough draft form, rough form.

Q And did you receive any objection from the Hobbs Office?

A We did not.

Q In your opinion, Mr. Williams, will granting this application be in the best interest of conser-

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2 vation, the prevention of waste, and the protection of cor-
3 relative rights?

4 A. Yes, it will.

5 Q Were Exhibits One through Four prepared
6 by you or under your direction?

7 A. They were.

8 MR. CARR: At this time, Mr. Stamets,
9 we would offer applicant's Exhibits One through Four.

10 MR. STAMETS: These exhibits will be
11 admitted.

12 Q Now, Mr. Williams, the only special rule
13 that you're requesting for this pool is the special GOR OF
14 6000-to-1.

15 A. That's correct.

16 MR. CARR: I have nothing further.

17
18 CROSS EXAMINATION

19 BY MR. STAMETS:

20 Q Mr. Williams, in posting the GOR's from
21 Exhibit Number Two onto Exhibit Number One, the -- there
22 doesn't seem to be any pattern to the high ratio wells or the
23 low ratio wells. Have you investigated this to try and deter-
24 mine why the high wells are high and the low wells are low?

25 A. We, of course, have looked at this also

1
2 in our trying to plan our development and completions in this
3 area, and have reached really the same conclusion, there does
4 not seem to be a pattern. It does not seem to be related to
5 structure. Some wells are just very gassy. Other wells are
6 not. We've had some of the same experience with water pro-
7 duction, which is not shown on the table but there are some
8 wells that have encountered significant amounts of water pro-
9 duction and other wells that are lower that are clean.

10 And from my experience with Drinkard
11 production up and down the platform, I don't think this is
12 too unusual a situation.

13 Q Are you looking at the same basic hori-
14 zontal section here or are different intervals perforated in
15 different wells?

16 A Basically the same stratigraphic inter-
17 val. The porosity stringers that will be present in one well
18 may not be developed in the -- in an offsetting well, and
19 there may be additional stringers in the second well that
20 did not occur in the first. The fingering type of porosity
21 development that we normally encounter in the -- in the
22 Drinkard, or Yeso formation.

23 But basically it's the same approximately
24 100 foot gross stratigraphic interval of the Drinkard that
25 all these wells are completed in.

1
2 Q Would you be willing to review the
3 development of this pool and its production at this GOR level
4 with the District Supervisor after about 12 months to deter-
5 mine if the well is being efficiently and economically pro-
6 duced?

7 A Yes, that would be fine.

8 Q Okay.

9 MR. STAMETS: Any other questions of
10 this witness? He may be excused.

11 Anything further in this case?

12 The case will be taken under advisement.

13
14 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a correct and true transcript of the hearing in
the case of *7418,*
heard by me on *11-19-81*
Richard L. Lamm
Oil Conservation Division Examiner



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

January 8, 1982

Mr. William F. Carr
Campbell, Byrd & Black
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 7418
ORDER NO. R-6848

Applicant:

Morris R. Antweil

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDK/ia

Copy of order also sent to:

Hobbs OCD	x
Artesia OCD	x
Aztec OCD	

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7418
Order No. R-6848

APPLICATION OF MORRIS R. ANTWEIL
FOR SPECIAL POOL RULES, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 19, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of January, 1982, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Morris R. Antweil, seeks the promulgation of special rules for the West Nadine-Drinkard Pool, Lea County, New Mexico, including a special gas-oil limitation of 6,000 cubic feet of gas per barrel of oil.

(3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of liquid hydrocarbons.

(4) That in order to afford the owner of each property in the West Nadine-Drinkard Pool the opportunity to produce his just and equitable share of the oil and gas in the subject pool and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.

-2-

Case No. 7418
Order No. R-6848

IT IS THEREFORE ORDERED:

(1) That, effective December 1, 1981, Special Rules and Regulations for the West Nadine-Drinkard Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE WEST NADINE-DRINKARD POOL

RULE 1. That the limiting gas-oil ratio for said West Nadine-Drinkard Pool shall be 6,000 cubic feet of gas for each barrel of oil produced.

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

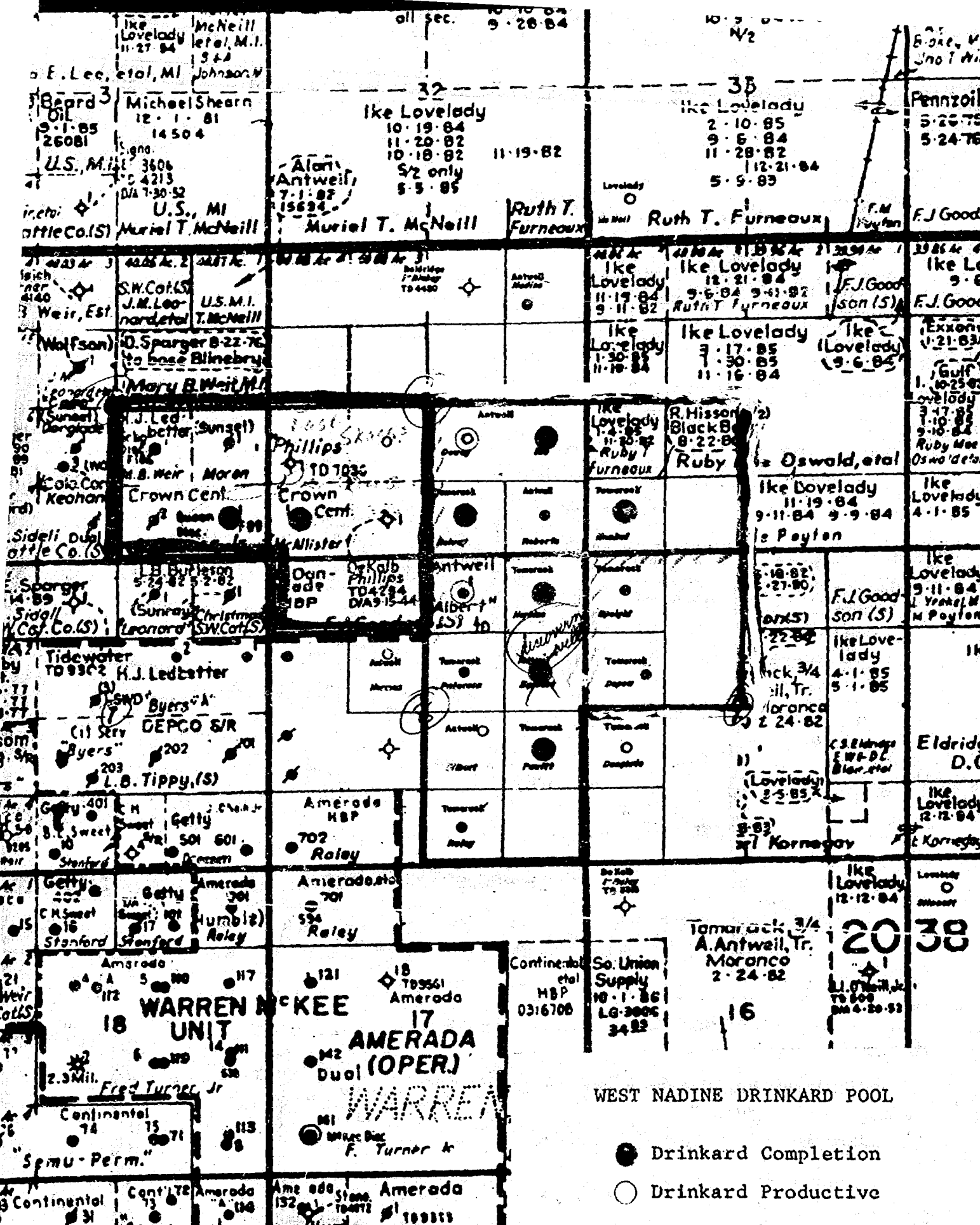
DONE at Santa Fe, New Mexico, on the day and year hereinafter designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY,
Director

S E A



WEST NADINE DRINKARD POOL

- Drinkard Completion
- Drinkard Productive

WEST NADINE DRINKARD
PRODUCTION DATA
SEPTEMBER 1981

<u>Well</u>	<u>Location</u>	<u>Oil</u>	<u>Gas</u>	<u>GOR</u>
Antweil No. 1 Ike	I-5-20-38	729	1224	1679
Antweil No. 1 Eggbert	H-8-20-38	927	1410	1521
Tamarack No. 1 Pewitt	I-8-20-38	134	1	7
Tamarack No. 1 Heskett	M-4-20-38	57	7181	125,982
Tamarack No. 1 Holway	O-5-20-38	249	804	3229
	Subsequently recompleted in Blinebry			
Tamarack No. 1 Harkins	A-8-20-38	212	888	4189
	Subsequently recompleted in Blinebry			
Crown No. 1 McAlester	M-5-20-38	44	3227	73,341
Crown No. 1 Turner	P-6-20-38	253	1275	5040
Antweil No. 1 Albert	B-8-20-38	Production tested Pump 30 BO & 137 MCF- 45,666		
	Subsequently recompleted in Blinebry			
Antweil No. 1 Dewey	J-5-20-38	Production tested Flow 5 BO & 1200 MCF- 240,000		
	Recompleting in Blinebry			

LEWIS EXAMINER SYSTEMS
OIL CONSERVATION DIVISION

APP EXHIBIT NO. 2

CASE NO. 7418

Submitted by APP

Hearing Date 19 Nov 81

**HIGH GOR
DRINKARD POOLS
DISTRICT I**

<u>Pool</u>	<u>Gor Limit</u>	<u>No. Wells</u>	<u>Monthly Production</u>		<u>GOR</u>
			<u>Oil</u>	<u>Gas</u>	
D-K Drinkard	10,000	5	630	4,762	7,559
Drinkard	6,000	825	97,367	2,266,782	23,281
Hardy Drinkard	6,000	9	1,183	29,268	24,740
Hobbs Drinkard	5,000	24	7,981	125,106	15,675
Justis Drinkard	6,000	90	9,806	89,909	9,169
Nadine Drinkard	No Limit	7	2,356	12,333	5,235
Weir Drinkard	10,000	10	1,840	25,275	13,736
		970	121,163	2,553,435	21,074

Production Figures - July 81

BEFORE EXAMINER STAMER'S OIL OCCUPATION DIVISION
APPLICANTS EXHIBIT NO. 73
CASE NO. 7418
Submitted by APPLICANT
Hearing Date Nov. 19, 1981

Morris R. Antweil
OIL OPERATOR
P. O. Box 2010
HOBBS, NEW MEXICO 88240

November 11, 1981

Tamarack Petroleum Company
P. O. Box 2046
Midland, Texas 79702
ATTN: Randy McClay

Crown Central Petroleum Corp.
1002 Wilco Building
Midland, Texas 79701
ATTN: R. M. Carroll, Jr.

RE: West Nadine-Blinebry and
West Nadine-Drinkard Pools
Lea County, New Mexico

Gentlemen:

Enclosed is a copy of New Mexico Oil Conservation Division Docket No. 36-81 for the cases set for hearing on 19 November 1981. Your attention is directed to Case Nos. 7418 and 7419, Morris R. Antweil's application for special rules for the West Nadine-Blinebry and West Nadine-Drinkard Pools. We are requesting that the limiting gas-oil ratio for the Blinebry production be set at 4000 to 1 and that the limiting gas-oil ratio for the Drinkard production be set at 6000 to 1.

Crown Central, Tamarack and Antweil operate Blinebry and Drinkard wells in Sections 4, 5, 6, 8 and 9 of T20S-R38E, Lea County, New Mexico, which will be included in the designated West Nadine-Blinebry or Drinkard Pools. Several of these wells produce at high gas-oil ratios. Four Blinebry Pools and six Drinkard Pools in southeastern New Mexico have been granted limiting gas-oil ratios in excess of the 2000 to 1 statewide rules to accommodate the higher gas-oil ratios normally experienced with Blinebry and Drinkard production. We propose to request similar consideration for our production in the West Nadine area.

We have previously discussed this matter with personnel of both Tamarack and Crown Central. We would appreciate your support of our requested increase in limiting gas-oil ratios

NEW MEXICO OIL CONSERVATION DIVISION	
APPLICANT	4
CASE NO.	7418
Submitted by	APPLICANT
Hearing Date	Nov. 19, 1981

Tamarack Petroleum Company
Crown Central Petroleum Corp.
November 11, 1981
Page 2 of 2

prior to the hearing on 19 November 1981. Would you please write a letter to:

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501
ATTN: Richard L. Stamets

and express your support of our application in Case Nos. 7418 and 7419.

Please call if you have any question in regard to our applications or the hearings.

Yours Very Truly,

MORRIS R. ANTWEIL



R. M. Williams

RMW:pb

Enclosure

Dockets Nos. 38-81 and 39-81 are tentatively set for December 2, and December 15, 1981. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 19, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for December, 1981, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7410: Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7356: (Continued from October 21, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7411: Application of Viking Petroleum, Inc., for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 330 feet from the North and East lines of Section 12, Township 11 South, Range 27 East, the NE/4 of said Section 12 to be dedicated to the well. (This case will be dismissed).

CASE 7412: Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Yates, Queen, San Andres and Delaware formations in the open hole interval from 4375 feet to 7452 feet in its Lea "ZD" State Well No. 1 located in Unit M of Section 30, Township 23 South, Range 35 East, Air-Strip Field.

CASE 7413: Application of Gulf Oil Corporation for Directional Drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Arnott Ramsey Well No. 12, the surface location of which is 500 feet from the South line and 1400 feet from the East line of Section 32, Township 25 South, Range 37 East, to a bottomhole location within 150 feet of a point 500 feet from the South line and 800 feet from the East line of Section 32, Township 25 South, Range 37 East, Langlie Mattix Pool, the SE/4 SE/4 of said Section 32 to be dedicated to the well.

CASE 7414: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Wantz-Granite Wash production in the wellbore of its Hugh Well No. 10, located in Unit C of Section 14, Township 22 South, Range 37 East.

CASE 7415: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Tubb and Drinkard production in the wellbore of its T. R. Andrews Well No. J, located in Unit J of Section 32, Township 22 South, Range 38 East.

CASE 7379: (Continued from October 21, 1981, Examiner Hearing)

Application of JEM Resources, Inc., for vertical pool extension and special GOR limit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the vertical extension of the Cave-Grayburg Pool to include the San Andres Formation, and the establishment of a special gas-oil ratio limit for said pool to 6000 to one or, in the alternative, the abolishment of the gas-oil ratio limit in said pool, all to be effective October 1, 1981.

CASE 7407: (Continued from November 4, 1981, Examiner Hearing)

Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the NE/4 of Section 23, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7416: Application of El Paso Natural Gas Company for pool creation and redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to contract the horizontal limits of the Jalmat Gas Pool by deleting therefrom all lands in Township 26 South, Range 37 East. Applicant also proposes to contract the horizontal limits of the Rhodes Yates - Seven Rivers Oil Pool by deleting therefrom all of the gas productive lands in the North end thereof and to create the Rhodes Yates-Seven Rivers Gas Pool comprising all such deleted lands. Applicant further proposes the deletion of certain oil productive lands from said Rhodes oil pool and the extension of the Scarborough Pool to include said lands. Applicant further proposes to contract the horizontal boundaries of the Rhodes Gas Storage Unit to delete certain lands and wells not participating in the Rhodes Gas Storage Project and to withdraw without restriction all gas remaining in the newly created Rhodes Gas Pool.

CASE 7417: (This case will be dismissed.)

Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4,5,6,7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.

CASE 7418: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Drinkard Pool including a special gas-oil ratio of 6,000 to one.

CASE 7419: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Blaine pool including a special gas-oil ratio of 4,000 to one.

CASE 7420: Application of Southland Royalty Company for two unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of two previously drilled wells, the first being 760 feet from the South line and 660 feet from the East line of Section 5 the other being 660 feet from the North and West lines of Section 9, both in Township 19 South, Range 35 East, both to be plugged back to the Scharb-Bone Springs Pool, the S/2 SE/4 of Section 5 and the N/2 NW/4 of Section 9, respectively, to be dedicated to the wells.

CASE 7421: Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

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- CASE 7422:** Application of Conoco, Inc. for dual completion and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Southeast Monument Unit Well No. 121, to produce oil from the Skaggs Grayburg and an undesignated Paddock pool through parallel strings of tubing. Applicant further seeks approval of the unorthodox location of said well 1310 feet from the North line and 1330 feet from the West line of Section 19, Township 20 South, Range 38 East, the NE/4 NW/4 of said Section 19 to be dedicated to the well.
- CASE 7423:** Application of Conoco, Inc., for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinberry oil and gas pool by the injection of water into the Blinberry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.
- CASE 7424:** Application of Rice Engineering and Operating, Inc., for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres formation in the perforated interval from 4300 feet to 4852 feet in its Eunice-Monument Exmont SWD "G" Well No. 8, located in Unit G of Section 8, Township 20 South, Range 37 East.
- CASE 7425:** Application of H. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 36, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 554 feet from the South and West lines of said Section 26, provided that in the event the subject well encounters production in the Casey-Strawn Pool and/or the West Knowles-Drinkard Pool, the lands pooled would be the W/2 SW/4 of said Section 26. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7426:** Application of Phillips Petroleum Company for Amendment of Division Order No. R-5897 and certification of a tertiary recovery project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-5897, to include the injection of carbon dioxide in the previously authorized pressure maintenance project in the East Vacuum Grayburg-San Andres Unit, for conversion of existing injectors to water/carbon dioxide injection, and for certification to the Secretary of the IRS that the East Vacuum Grayburg-San Andres Unit Project is a qualified tertiary oil recovery project.
- CASE 7427:** Application of Belco Petroleum Corporation for a special allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an adjustment to the manner in which allowables are calculated for wells in the South Carlisbad-Morrow Gas Pool in order to grant relief to the over-produced status of its Douglas Com. Well No. 1 located in Unit H of Section 7, Township 22 South, Range 27 East, said well being subject to shut-in being more than six times its allowable over-produced. In the alternative, applicant seeks to make up the over-production at a rate less than complete shut-in by curtailing production from the well to 80 percent of its top allowable until it is back in balance.
- CASE 7428:** In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 10: N/2 and N/2 SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is the Superior Oil Company Trieste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4

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(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grama Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 4: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C. F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bone Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com. Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 32: E/2
Section 33: All

(h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 11: All
Section 15: N/2

(i) EXTEND the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 14: N/2

(j) EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 28: N/2 SE/4

(k) EXTEND the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH RANGE 37 EAST, NMPM
Section 10: SE/4

(l) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 4: All

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- (m) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 13: SE/4 SW/4

- (n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 35: W/2

- (o) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All

- (p) EXTEND the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 8: S/2

- (q) EXTEND the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 34: N/2
Section 35: N/2

- (r) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: S/2 S/2

- (s) EXTEND the West Osado-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 35: N/2

- (t) EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 29: W/2

- (u) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: NE/4

- (v) EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: S/2

- (w) EXTEND the Saundeis-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: NE/4

Examiner Hearing - Thursday - November 14, 1981

- (x) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 8: NE/4

- (y) EXTEND the East Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 10: NE/4

- (z) EXTEND the Tsague-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 27: NW/4

- (aa) EXTEND the Tom-Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 28: SE/4

- (bb) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 21: All

- (cc) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 9: NE/4

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

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October 28, 1981

Mr. Joe D. Ramey
Division Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 7418

Re: Application of Morris R. Antweil for
Special Pool Rules, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Morris R. Antweil in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on November 19, 1981.

Very truly yours,

William F. Carr

William F. Carr

WFC:lr

Enclosures

cc: Mr. R. M. Williams

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF MORRIS R. ANTWEIL FOR SPECIAL
POOL RULES, LEA COUNTY, NEW MEXICO.

Case 7418

APPLICATION

Comes now Morris R. Antweil, by its undersigned attorneys, and hereby makes application for an order promulgating special pool rules for the West Nadine Drinkard Pool including a special gas-oil ratio of 6,000 to 1 and in support of this application would show the Commission:

1. That the Oil Conservation Division in its nomenclature case scheduled for hearing on November 19, 1981 proposes the creation of a new pool in Lea County, New Mexico, to be classified as an oil pool for Drinkard production and designated the West Nadine-Drinkard Pool.

2. That the West Nadine-Drinkard Pool will be created as a result of the discovery of hydrocarbons in the Drinkard formation in the Morris R. Antweil Eggbert Well No. 1 located in Unit H of Section 8, Township 20 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

3. That the West Nadine-Drinkard Pool should comprise the following acreage:

<u>TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM</u>	
Section 4:	SW/4
Section 5:	S/2
Section 6:	SE/4
Section 8:	E/2 and N/2 NW/4
Section 9:	NW/4

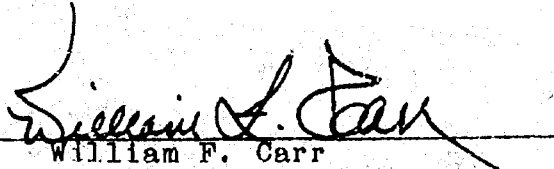
4. Applicant requests that special pool rules for the West Nadine Drinkard Pool be promulgated and that such rules set for this pool a special gas-oil ratio limitation of 6,000 cubic

feet of gas for each barrel of oil produced pursuant to Rule 506(d) of the Division's Rules and Regulations.

WHEREFORE, Morris R. Anweil requests that this application be set for hearing before a duly appointed Examiner of th Oil Conservation Division on November 19, 1981, that notice be given as required by law and the rules of the Division, and that the application be approved.

Respectfully Submitted,
CAMPBELL, BYRD & BLACK, P.A.

By



William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
(505) 988-4421
Attorneys for Applicant

ERBIE
DICK

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WPP

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

[Handwritten signature]

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

[Handwritten signature]

CASE NO. 7418

Order No. R-6848

APPLICATION OF MORRIS R. ANTWEIL
FOR SPECIAL POOL RULES, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 19,
1981, at Santa Fe, New Mexico, before Examiner Richard L.
Stamets.

NOW, on this _____ day of January, 1982, the Division
Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Morris R. Antweil, seeks the promulgation of special rules for the West Nadine-Drinkard Pool, Lea County, New Mexico, including a special gas-oil limitation of 6,000 cubic feet of gas per barrel of oil.

(3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of liquid hydrocarbons.

(4) That in order to afford the owner of each property in the West Nadine-Drinkard Pool the opportunity to produce his just and equitable share of the oil and gas in the subject pool and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.

IT IS THEREFORE ORDERED:

(1) That, effective December 1, 1981, Special Rules and Regulations for the West Nadine-Drinkard Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE WEST NADINE-DRINKARD POOL

RULE 1. That the limiting gas-oil ratio for said West Nadine-Drinkard Pool shall be 6,000 cubic feet of gas for each barrel of oil produced.

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

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

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

JOE D. RAMEY,

Director

S E A L