

CASE 7419: MORRIS E. AMBELL FOR
SPECIAL POOL RULES, LEA COUNTY, NEW
MEXICO

DOCKET MAILED

Date 11/6/81

CASE NO.

7419

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

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
7419

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

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I N D E X

R. M. WILLIAMS

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E X H I B I T S

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MR. STAMETS: Call next Case Number 7419.

MR. PEARCE: Application of Morris R.

Antweil for special pool rules, Lea County, New Mexico.

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

I would request that the record show
that we are calling Mr. Williams who testified in the previous
case and that he remains under oath.

MR. STAMETS: The record will so show.

R. M. WILLIAMS

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

DIRECT EXAMINATION

BY MR. CARR:

Q Mr. Williams, are you familiar with the
application filed on behalf of Mr. Antweil in this case?

A Yes, I am.

Q And are you familiar with the subject
wells?

A Yes, I am.

1
2 Q Have you previously testified before this
3 Commission and had your credentials accepted and made a mat-
4 ter of record?

5 A I have.

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

8 MR. STAMETS: They are.

9 Q Would you briefly state for the Examiner
10 what Mr. Antweil seeks in this case?

11 A In this application we seek special pool
12 rules for the West Nadine-Blinebry Pool, in particular a
13 special limiting gas/oil ratio of 4000-to-1.

14 Q Will you please refer to Antweil Exhibit
15 Number One and review this for Mr. Stamets?

16 A Exhibit Number One is a land map of the
17 area of the West Nadine Blinebry Pool. The pool boundaries
18 are outlined with the solid red line. The Blinebry comple-
19 tions are -- in the area are noted with the solid red dots.

20 I might note there is a recent comple-
21 tion that is now outside the boundary, pool boundaries but
22 still within 3/8ths of a mile of the boundary.

23 Q Will you now refer to Exhibit Number
24 Two and review this for Mr. Stamets?

25 A Exhibit Number Two is a tabulation of

1 the production data for the West Nadine Blinebry wells. The
2 September, 1981, production data was taken from the C-115.
3 In addition to the wells that were actually on production in
4 September, an additional test and completion -- additional
5 completion data is given for some wells that have been recom-
6 pleted in the Blinebry, or regionally completed in the Bline-
7 bry.
8

9 And then three wells that are currently
10 in the process of completion are tabulated and all three of
11 these appear that they will make Blinebry wells.

12 Q Will you now review Exhibit Three?

13 A Exhibit Three is a tabulation of other
14 pools, other Blinebry pools within District One, southeast
15 New Mexico, that have been granted limiting gas/oil ratios
16 in excess of the Statewide rules of 2000-to-1. There are
17 four Blinebry pools in this category with limiting gas/oil
18 ratios of either 4000 or 6000-to-1. These pools include 941
19 wells and the monthly production for those wells is shown.
20 Monthly production is substantial.

21 Q Who are the other operators in this
22 pool?

23 A The other operators in the West Nadine
24 Blinebry Pool is Tamarack Petroleum Company and Antweil.
25 Crown Central at this time does not have a Blinebry completion

1
2 but they do have a location intention to drill filed and they
3 may well have a Blinebry well within a few months.

4 Q And have you advised both Tamarack and
5 Crown Central of your plans for this hearing and for the pro-
6 posed special rules?

7 A Yes, Exhibit Four is our letter of Novem-
8 ber 11th to Tamarack and Crown Central notifying them of this
9 hearing and requesting their support. We've discussed this
10 with both of them and they are agreeable and have promised
11 to furnish the Commission a letter expressing that support
12 of our application.

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

15 A Yes, I have.

16 Q And did they express any objection to
17 your proposal?

18 A No, they didn't.

19 Q In your opinion will granting this ap-
20 plication be in the best interest of conservation, the pre-
21 vention of waste, and the protection of correlative rights?

22 A Yes, it will.

23 Q Were Exhibits One through Four prepared
24 by you?

25 A They were.

1
2 MR. CARR: At this time, Mr. Stamets,
3 we would offer into evidence Antweil Exhibits One through
4 Four.

5 MR. STAMETS: These exhibits will be
6 admitted.

7 MR. CARR: I have nothing further on
8 direct.

9
10 CROSS EXAMINATION

11 BY MR. STAMETS:

12 Q Mr. Williams, it would appear as though
13 there's only one well in the area at this time which has a
14 GOR which would result in an allowable reduction, being the
15 No. 1 Albert Well.

16 A That's correct at this time. The --
17 the current completion of the Dewey Well, Antweil No. 1 Dewey
18 Well and the Antweil No. 1 Herman Well, they were both treated
19 recently and are flowing oil on test; since they are flowing
20 they will probably be shown to have substantial gas production.

21 But the history of Blinebry production
22 is a history of producing ratios, in ever increasing producing
23 ratios and ratios in the range of 3, 4, 5000-to-1, and so
24 we would request the 4000-to-1 limiting gas/oil ratio at
25 this time, even though there's just the one well that would

1
2 be affected, but it will affect many of the wells in the
3 reservoir.

4 MR. STAMETS: Any other questions of the
5 witness? Mr. Sexton?

6 MR. SEXTON: I might add that the Hobbs
7 District did do a small geological study on the area. It
8 doesn't appear to affect any other pool in the surrounding --
9 (inaudible).

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

12 Anything further in this case?

13 MR. CARR: Nothing further.

14 MR. STAMETS: The case will be taken
15 under advisement.

16
17 (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 complete and correct transcript of the proceedings in
the Examiner hearing of 7419.
heard by me on 11-19-81.
Richard L. Stamm Examiner
Oil Conservation Division



CRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

December 9, 1981

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

Re: CASE NO. 7419
ORDER NO. R-6849

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

JDR/fd

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. 7419
Order No. R-6849

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 9th day of December, 1981, 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-Bliebry Pool, Lea County, New Mexico, including a special gas-oil limitation of 4,000 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 4,000 cubic feet of gas per barrel of liquid hydrocarbons.

-2-

Case No. 7419
Order No. 6849

(4) That in order to afford the owner of each property in the West Nadine-Blinebry 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 4,000 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-Blinebry Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE WEST NADINE - BLINEBRY POOL

RULE 1. That the limiting gas-oil ratio for said West Nadine-Blinebry Pool shall be 4,000 cubic feet of gas for each barrel of oil produced.

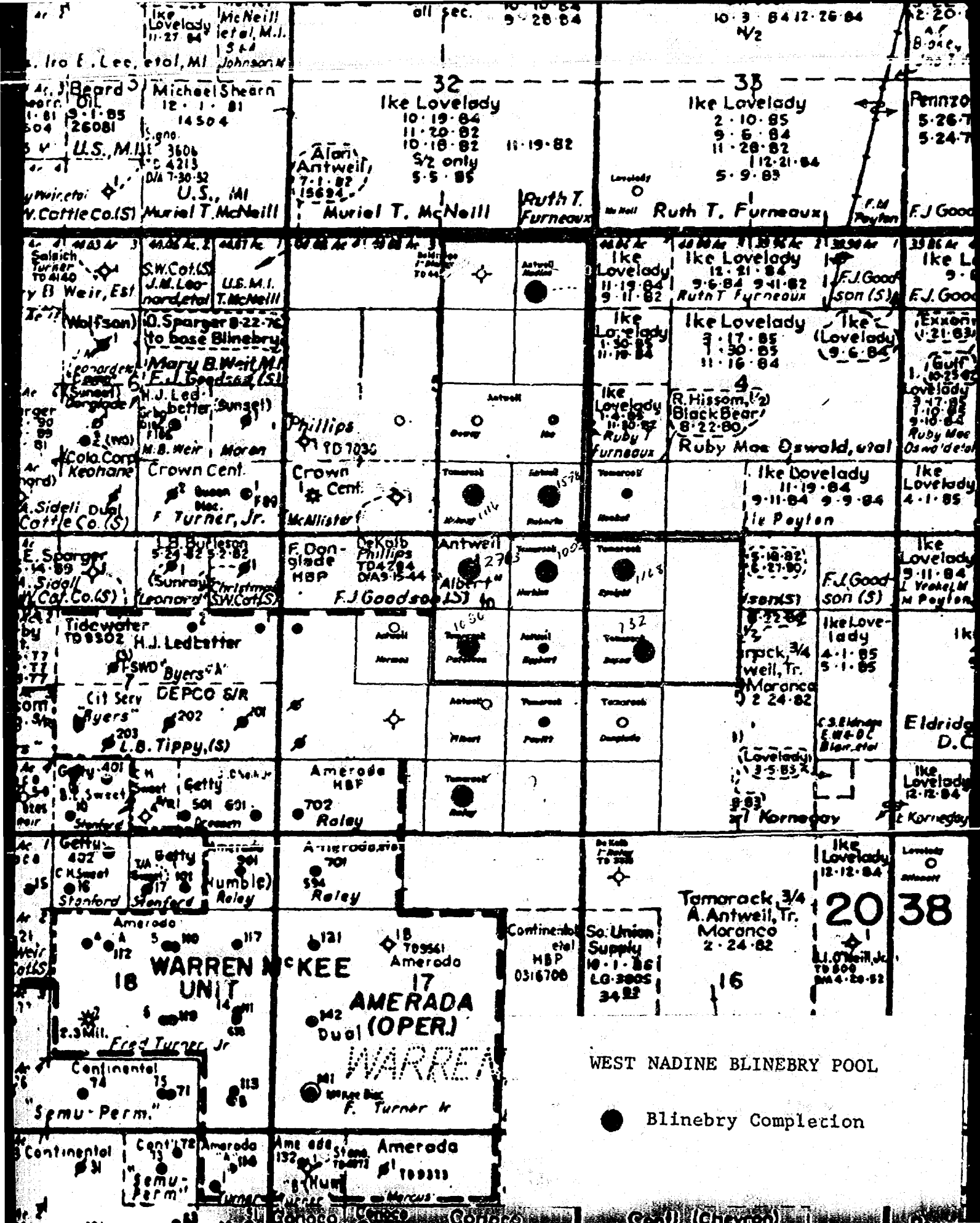
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



WEST NADINE BLINEBRY
PRODUCTION DATA
SEPTEMBER 1981

<u>Well</u>	<u>Location</u>	<u>Oil</u>	<u>Gas</u>	<u>GOR</u>
Antweil No. 1 Albert	B-8-20-38	3226	8913	2763
Antweil No. 1 Nadine	A-5-20-38	207	----	----
Antweil No. 1 Roberts	P-5-20-38	1120	1790	1598
Tamarack No. 1 Depew	E-9-20-38	384	281	732
Tamarack No. 1 Speight	D-9-20-38	667	779	1168
Tamarack No. 1 Harkins	A-8-20-38	Recompleted in Blinebry Flow 81 BO & 86 MCF-1002		
Tamarack No. 1 Holway	O-5-20-38	Recompleted in Blinebry Flow 215 BO & 240 MCF- 1116		
Tamarack No. 1 Patterson	G-8-20-38	Completed Blinebry Pump 56 BO & 58 MCF-1036		
Tamarack No. 1 Raley	P-8-20-38	Completed Blinebry Pump 48 BO & 49 MCF-1021		
Tamarack No. 1 Danglade	L-9-20-38	Completing in Blinebry		
Antweil No. 1 Dewey	J-5-20-38	Completing in Blinebry		
Antweil No. 1 Herman	F-8-20-38	Completing in Blinebry		

BLACK OIL FIELD REPORTS
OIL FIELD REPORTS SECTION

RPP 7419 2
RPP
19 Nov 81

HIGH GOR
BLINEBRY 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>	
Blinebry Oil & Gas	4,000	644	75,346	2,396,394	31,805
Justis Blinebry	6,000	204	37,764	363,987	9,638
Oil Center Blinebry	4,000	35	10,858	64,525	5,943
Teague Blinebry	6,000	58	7,700	71,681	9,309
		<u>941</u>	<u>131,668</u>	<u>2,896,587</u>	<u>21,999</u>

Production Figures - July 81

REPORT EXAMINER STANDARDS
OIL CONSERVATION DIVISION

APP EXHIBIT NO. 3

CASE NO. 7419

Submitted by APP

Hearing Date 19 Nov 81

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.

Case No.	7419
Submitted by	APP
Hearing Date	19 Nov 81

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 T203-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

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 "2D" State Well No. 1 located in Unit M of Section 30, Township 18 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 Arnett 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.

Examiner Hearing - Thursday - November 19, 1981

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. 3, 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 7415: 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-Blinbry 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.

- 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 this 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 Blinbry oil and gas pool by the injection of water into the Blinbry 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 Eumont 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 Balco 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 Carlsbad-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 Triste 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

Examiner Hearing - Thursday - November 14, 1981

(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 Birdridge 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 Bluit-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

Examiner Hearing - Thursday - November 14, 1981

- (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 Osuda-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 Saunders-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 Teague-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 7419

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 2419

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-Blinebry Pool including a special gas-oil ratio of 4,000 to 1 and in support of this application would show the Commission:

1. On February 1, 1981 the Oil Conservation Division by Order R-6576 created a new pool classified as an oil pool for Blinebry production and designated the West Nadine-Blinebry Pool.

2. The West Nadine-Blinebry pool comprises the following acreage:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 5: E/2
Section 8: NE/4
Section 9: NW/4

3. Applicant operates certain wells within the West Nadine-Blinebry pool or within a mile of said pool.

4. Applicant requests that special pool rules for the West Nadine-Blinebry Pool be promulgated and that such rules set for this pool a special gas-oil ratio limitation of 4,000 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. Antweil requests that this application be set for hearing before a duly appointed Examiner of the 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

ROUGH

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. 7419

Order No. A-6849

*Application of Morris R. Antweil For Pool Creation and Special
Special Pool Rules
Gas-Oil Ratio Limitation, Lea County, New Mexico.*

JAR
ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 19
19 81, at Santa Fe, New Mexico, before Examiner Stamets.

NOW, on this _____ day of _____, 19____, 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-Blanchry Pool, Lea County,
New Mexico, including a special gas-oil limitation of 4,000
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 4,000 cubic feet of gas per barrel of liquid hydrocarbons.

(4) That in order to afford the owner of each property in the
West Nadine-Blanchry 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 4,000 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 - Blindery Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE WEST NADINE - BLINDERY POOL

RULE 1. That the limiting gas-oil ratio for said West Nadine - Blindery Pool shall be 4,000 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.