

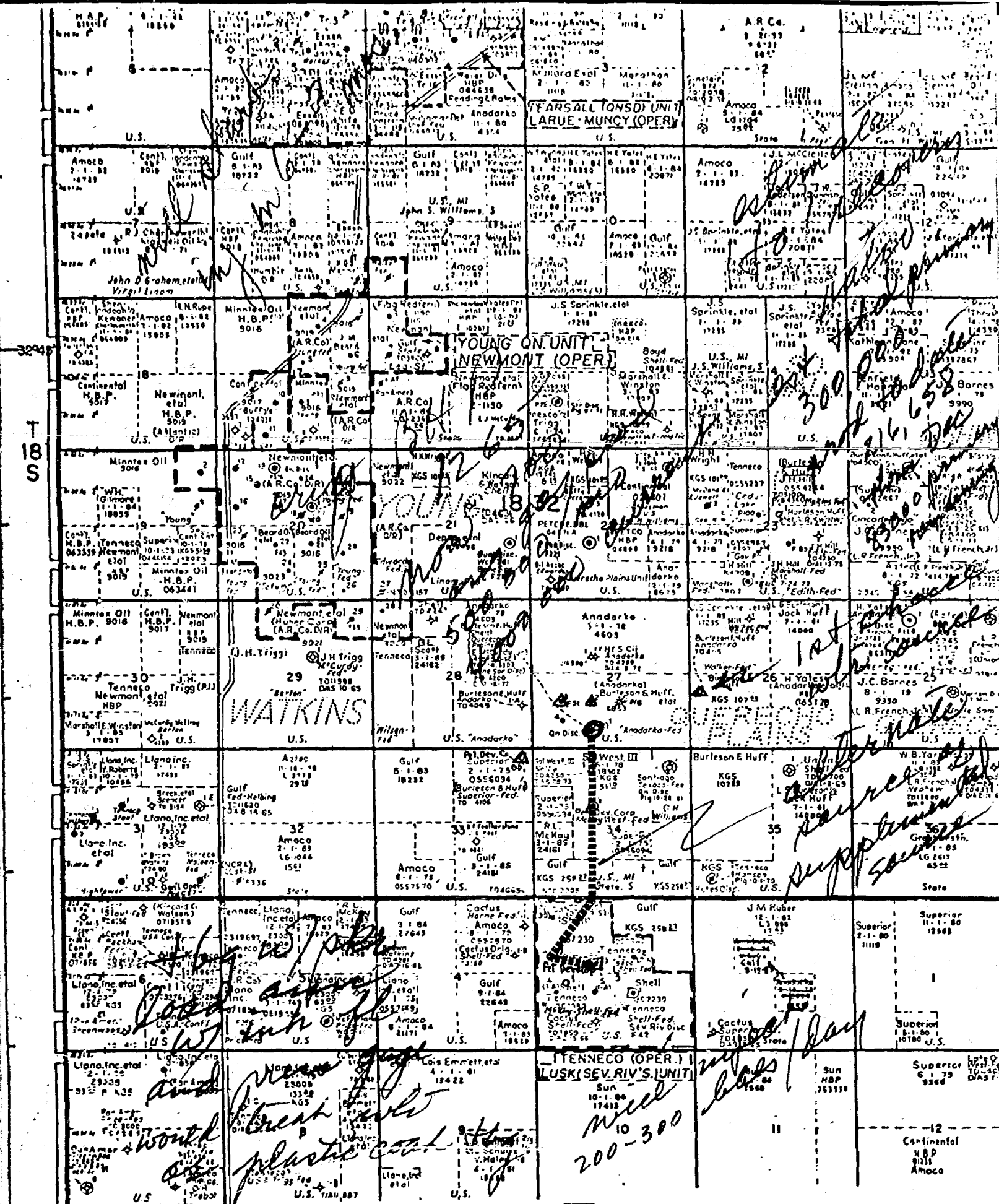
CASE 5604: BURLESON & HUFF FOR A
WATERFLOOD PROJECT, LEA COUNTY,
NEW MEXICO

CASE NO.

5604

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.



BURLESON & HUFF QUERECHO PLAINS
QUEEN FIELD WATERFLOOD, T-18-S,
R-32-E, LEA COUNTY, NEW MEXICO
New Mexico Oil Conservation
Commission Case No. 5604
Exhibit No. 4

- Injection Station
- Double Eagle City of Carlsbad
Fresh Water line tie-in point
- Proposed water line from City
of Carlsbad line to our Injection
Station (follows existing road)
- OR
- △ Cable tool wells that encountered
water in the Triassic red bed
section from 250' to 700'. Water
high in sodium and low in calcium
Each appears to be sufficient
volume to flood with. We would
re-enter well in NW/4 SW/4 of
Sec. 26, or Burleson & Huff # 1-
26 for proposed supply well.

OR

△ Cable tool wells that encountered water in the Triassic red bed section from 250' to 700'. Water high in sodium and low in calcium. Each appears to be sufficient volume to flood with. We would re-enter well in NW/4 SW/4 of Sec. 26, or Burleson & Huff # 1-26 for proposed supply well. 4

4

**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Lessor Burleson & Huff			Lessee Anadarko		Well No. 6
Section K	Section 27	Township 18 South	Range 32 East	County Lea	
Actual Location of well: 1485 feet from the West line and 1345 feet from the South line					
Spot Elev. 3719.5	Producing Formation		Pool		Dedicated Acreage: Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

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

Name _____

Position _____

Company _____

Date _____

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

Date dictated _____

Registered Professional Engineer
and Surveyor
John W. West
676

**BURLESON & HUFF QUERECHO PLAINS
QUEEN FIELD WATERFLOOD, T-18-S,
R-32-E, LEA COUNTY, NEW MEXICO
New Mexico Oil Conservation
Commission Case No. 5604
Exhibit No. 2**

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Burleson & Huff EXHIBIT NO. 2
CASE NO. 5604

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. 5604
Order No. R-5168

APPLICATION OF BURLESON & HUFF
FOR A WATERFLOOD PROJECT, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 20, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of February, 1976, 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, Burleson & Huff seeks authority to institute a waterflood project on its Anadarko Federal Lease, Querecho Plains-Queen Pool, by the injection of water into the Queen formation through its Anadarko Federal Well No. 6 to be drilled at an unorthodox location 1345 feet from the South line and 1485 feet from the West line of Section 27, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.
- (5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.
- (6) Applicant further seeks an administrative procedure for approval of additional project wells at standard and non-standard locations within the project area.

Case No. 5604
Order No. R-5168

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Burleson & Huff, is hereby authorized to institute a waterflood project on its Anadarko Federal Lease, Querecho Plains-Queen Pool, by the injection of water into the Queen formation through its Anadarko Federal Well No. 6, to be drilled at an unorthodox location 1345 feet from the South line and 1485 feet from the West line of Section 27, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico.

(2) That injection shall be through tubing set in a packer which shall be located as near as practicable to the uppermost perforation; that the casing-tubing annulus shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device. That upon injection of any water other than fresh water, said tubing shall be internally plastic-coated.

(3) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(4) That the subject waterflood project is hereby designated the Burleson & Huff Querecho Plains Queen Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(5) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

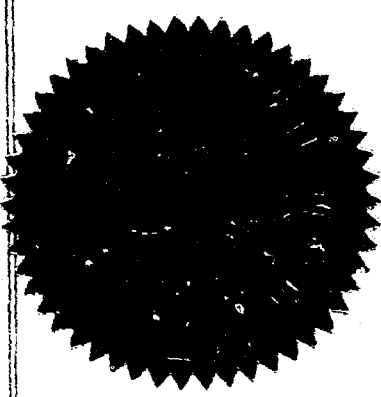
(6) That there is hereby established an administrative procedure for approval of additional wells at standard and non-standard locations within the subject project area and for the substitution of another well on applicant's Anadarko Federal Lease for the initial project injection well herein authorized. To obtain such approval, applicant shall file therefor in accordance with the provisions of Rule 701B of the Commission Rules and Regulations.

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

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Case No. 5604
Order No. R-5168

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Superseded C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Lessor Burleson & Huff			Lessee Anadarko		Well No. 6
Section K	Section 27	Township 18 South	Range 32 East	County Lea	
Actual Well Location of Well:					
1485	feet from the	West	line and	1345	feet from the South line
Ground Elev. 3719.5	Producing Formation		Pool	Dedicated Acreage: Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

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

Name _____

Position _____

Company _____

Date _____

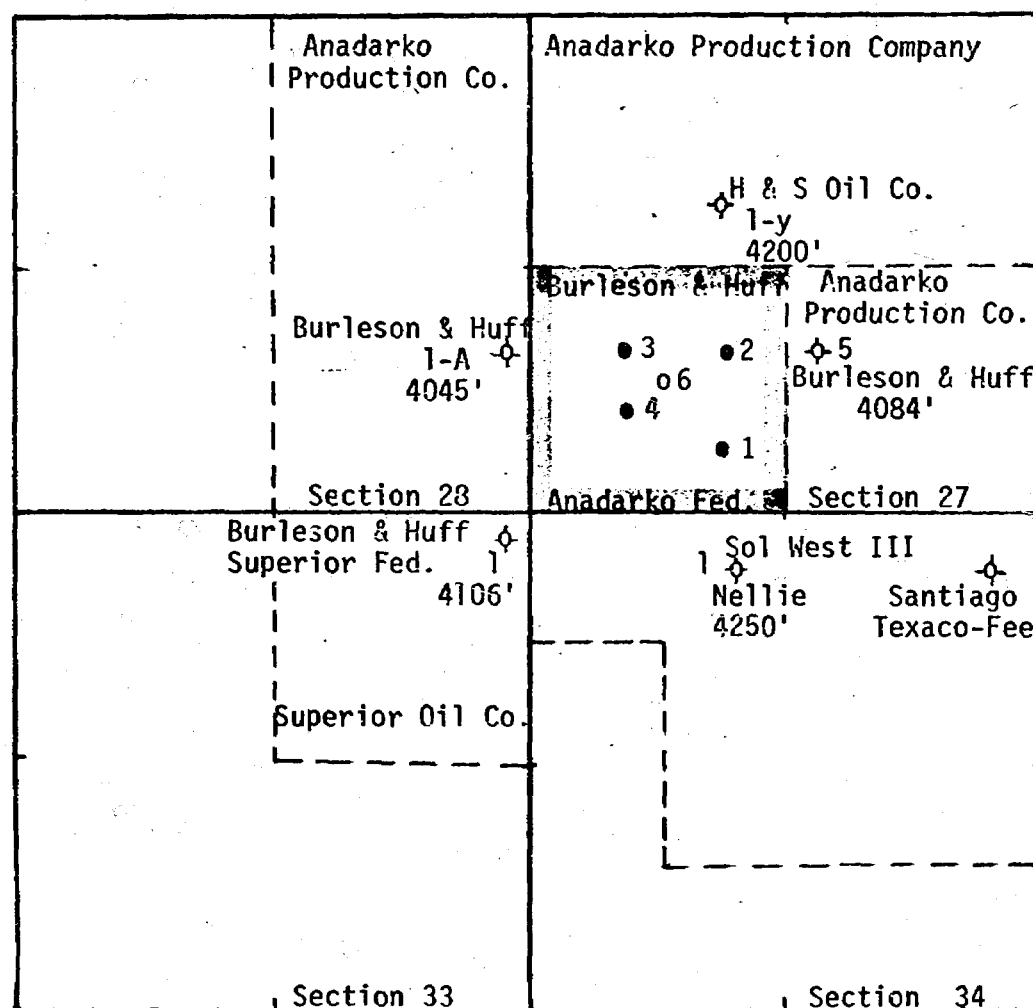
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date sworn _____
July 25, 1975

Registered Professional Engineer
and Land Surveyor
John W. West

676

**BURLESON & HUFF QUERECHO PLAINS
QUEEN FIELD WATERFLOOD, T-18-S,
R-32-E, LEA COUNTY, NEW MEXICO
New Mexico Oil Conservation
Commission Case No. 5604
Exhibit No. 2**



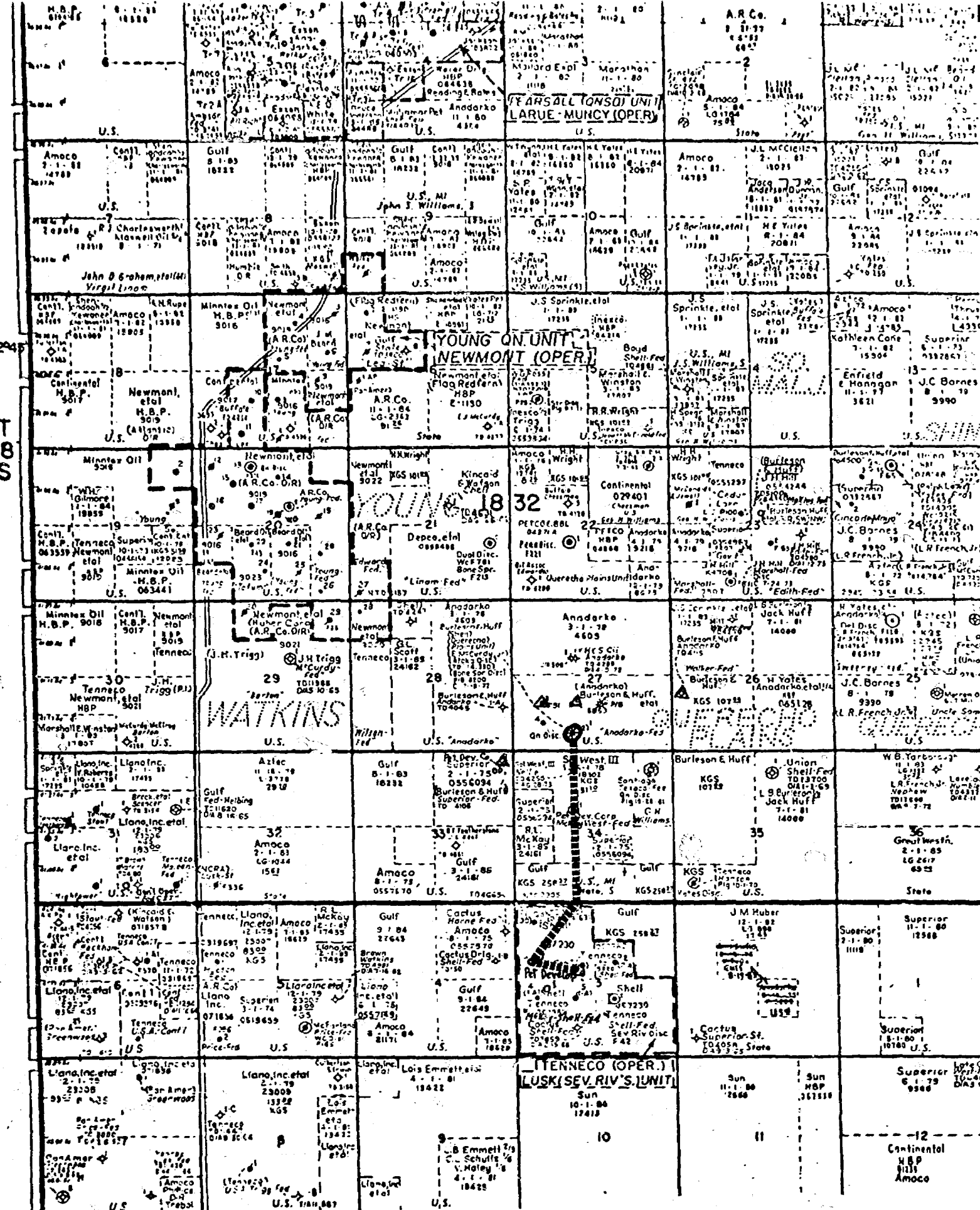
Township 18 South, Range 32 East

Lea County, New Mexico

BURLESON & HUFF QUERECHO PLAINS
 QUEEN FIELD WATERFLOOD, T-18-S,
 R-32-E, LEA COUNTY, NEW MEXICO
 New Mexico Oil Conservation
 Commission Case No. 5604
 Exhibit No. 3

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION
 EXHIBIT NO. 3
 CASE NO. 5604



BURLESON & HUFF QUERECHO PLAINS
 QUEEN FIELD WATERFLOOD, T-18-S,
 R-32-E, LEA COUNTY, NEW MEXICO
 New Mexico Oil Conservation
 Commission Case No. 5604
 Exhibit No. 4

- Injection Station
- Double Eagle City of Carlsbad Fresh Water line tie-in point
- Proposed water line from City of Carlsbad line to our Injection Station (follows existing road)
- OR
- △ Cable tool wells that encountered water in the Triassic red bed section from 250' to 700'. Water high in sodium and low in calcium. Each appears to be sufficient volume to flood with. We would re-enter well in NW/4 SW/4 of Sec. 26, or Burleson & Huff # 1-26 for proposed supply well.

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General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 20, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Burleson & Huff for a
waterflood project, Lea County,
New Mexico.

CASE
5604
(Cont.)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Jason W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

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General Court Reporting Service
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PR ae (505) 982-9212

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1 MR. NUTTER: We will call Case Number 5604.

2 MR. CARR: Case 5604, application of Burleson and
3 Huff for a waterflood project, Lea County, New Mexico.

4 MR. KELLAHIN: If the Examiner please, may the
5 record show the same appearance and that the witness has been
6 sworn?

7 MR. NUTTER: The record will so show.

8
9 JACK HUFF

10 called as a witness, having been previously sworn, was
11 examined and testified as follows:

12
13 DIRECT EXAMINATION

14 BY MR. KELLAHIN:

15 Q Would you state your name, please?

16 A Jack Huff.

17 Q Are you the same Mr. Huff who testified in the
18 previous case and was sworn?

19 A Yes, sir.

20 Q Mr. Huff, are you familiar with the application of
21 Burleson and Huff in Case 5604?

22 A Yes, sir.

23 Q What is proposed by the applicant in this case?

24 A We propose here a waterflood of the Queen formation
25 in the Querecho Plains-Queen field. There are four wells in

1 this field, all situated in the southwest quarter of Section
2 27, Township 18 South, Range 32 East, Lea County.

3 And we also propose to drill a fifth well close
4 to the middle of the southwest quarter of that section and
5 then commence our waterflood operation in the field.

6 There are two Queen zones in the four wells, the
7 middle and the upper Queen but both zones are not present in
8 all four wells.

9 Q Refer to what has been marked as Exhibit Number One
10 and will you identify that exhibit, please?

11 A Yes, that is a contoured map covering the area of
12 the Querecho Plains-Queen field, contoured on the top of the
13 Queens sand and colored in red on the map is the productive
14 area which includes our four wells which are situated in
15 the southwest quarter of Section 27, which we believe defines
16 the productive limits of the field.

17 Q Those wells are offset in all directions by dry
18 holes, is that correct?

19 A Yes, sir, in all directions.

20 Q And they are shown on the exhibit?

21 A Yes, we have one well to the north, one well to the
22 west, one well to the southwest, one virtually directly south,
23 one southeast and one to the east.

24 Q Burleson and Huff drilled some of those wells, did
25 they not?

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Page 5

1 A Yes, sir, unfortunately most of them.

2 Q You are satisfied then that the pool has been
3 delineated ?

4 A Yes, sir, we are.

5 Q And will the waterflood project have any effect on
6 any other operators?

7 A No, in our opinion we don't feel that it would affect
8 anyone else at all. We have the entire field right there
9 confined in those four wells.

10 Q This exhibit is contoured on what horizon?

11 A It is contoured on the top of the Queen.

12 Q Is there more than one producing zone involved?

13 A Yes, there are two producing zones, one we call
14 the middle Queen and the other we call the upper Queen. The
15 middle Queen is present in the Numbers 1, 2 and 3 wells.

16 MR. NUTTER: Which ones were in the middle?

17 A The middle Queen, which is a zone around four thousand
18 feet.

19 MR. NUTTER: And that's present in --

20 A And that's present in the Numbers 1, 2 and 3 wells.

21 MR. NUTTER: Okay.

22 A The upper Queen, which is found in the zone from
23 approximately thirty-eight eighty to thirty-nine twenty feet,
24 is found in the Numbers 2, 3 and 4 wells.

25 MR. NUTTER: Thank you.

1 Q (Mr. Kellahin continuing.) Now, what zone do you
2 propose to inject water into?

3 A Eventually into both zones but first into the middle
4 Queen zone in our Number 1 well.

5 Q And then later inject --

6 A As time goes on, yes, as we encounter break throughs
7 in the other wells, including our proposed well in the
8 approximate middle of the southwest quarter of the section.
9 As we encounter water break throughs in the other wells there,
10 then we would start injecting into the middle Queen in those
11 wells where we have had break through and eventually go ahead
12 and then inject into the upper Queen after the middle Queen
13 had -- it wouldn't be necessarily after the middle Queen had
14 been completely flooded but after we had had break throughs
15 in each separate well, then we could start injecting into both
16 zones too. It would be a line-drive type of waterflood
17 operations.

18 Q But your initial injection will be in the center
19 of the unit?

20 A No, the initial injection would be in our Number 1
21 well.

22 Q Now, referring to what has been marked as Exhibit
23 Number Two, would you identify that exhibit?

24 A Exhibit Number Two is the surveyor's plat showing
25 the location of our Number 6 well.

1 Q Would that be a producing or an injection well?

2 A We would like to produce it because we feel that
3 there is a pretty good amount of primary production left
4 surrounding that well and then eventually on break through
5 convert it to an injector well also.

6 MR. NUTTER: This is Number 6 you are talking about?

7 A Number 6, yes, sir, and we anticipate that it would
8 have both the upper and middle Queen in it.

9 Q (Mr. Kellahin continuing.) Now, referring to what
10 has been marked as Exhibit Number 3, would you identify that
11 exhibit?

12 A Yes, Exhibit Number Three is a plat with our acreage
13 the southwest quarter of Section 27, outlined in yellow and
14 it shows our wells and the surrounding dry holes and also it
15 shows the ownership of the surrounding acreage.

16 Q Does Burleson and Huff control any of the surrounding
17 acreage at the present time?

18 A No, sir, we do not.

19 Q You had it on farmout from Anadarko, is that
20 correct?

21 A That is correct. Anadarko and also one farmout
22 from Superior Oil Company to the southwest.

23 Q So the only other one is the Saul West 3?

24 A To the south, yes, sir.

25 Q Now, referring to what has been marked as Exhibit

1 Number Four, would you identify that, please?

2 A. Yes, that is a plat showing our injection station
3 which would be right at the Number 1 well and it also shows
4 a proposed line that we would lay if we acquired water from
5 the City of Carlsbad Double Eagle water system, which is the
6 line which is in the little cross-hachured markings. It also
7 identifies wells outlined in the triangle in red as being
8 cable tooled wells where we encountered water in the Triassic
9 Red Bed sections from about two hundred and fifty to seven
10 hundred feet deep.

11 Q. Where do you propose to get your water?

12 A. Our preference is to get the water from the well
13 situated in the northwest quarter of the southwest quarter
14 of Section 26 in the same township, to the east of our
15 producing wells, as it had good, fresh water in it and we
16 feel like that would be an adequate supply. An alternate
17 source would be from the City of Carlsbad and we have contacted
18 them and we feel like it would be feasible to work something
19 out with them, either as a supplementary source or as the sole
20 source in the event that we weren't successful in getting
21 it at the old 1-A 26 well.

22 Q. What volume of water do you propose to inject?

23 A. Between two and three hundred barrels per day.

24 Q. Would you anticipate recycling the water?

25 A. Yes, we would.

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Phone (505) 982-9212

1 Q In the event that this is approved, how would you
2 complete your injection wells?

3 A We would run tubing with a packer and load the back
4 side with fresh treated water.

5 Q Would you put a gauge at the surface?

6 A Yes.

7 Q To measure the pressure in the annulus?

8 A Yes.

9 Q Would you use internally coated tubing?

10 A We prefer iniatially not to do that but eventually
11 when it became necessary we would.

12 Q If you recycle the water, you anticipate that you
13 would have to use coated tubing?

14 A Yes.

15 Q Or could you treat the water?

16 A Or treat the water, either way, depending on what
17 appeared to be most feasible at the time.

18 Q Mr. Huff, what is the status of production on this
19 unit at the present time?

20 A At the present time the four wells are making about
21 seventy-five barrels of oil per day. They originally started
22 off making about two hundred barrels of oil. They have
23 dropped quite a bit. The original bottom-hole pressure was
24 about twelve hundred and sixty-five pounds. We ha estimated
25 it to be about seven hundred pounds at this time.

1 We have had a large increase in our gas production.
2 It started off at approximately a one-half a million cubic
3 feet of gas per month and has increased to about four million
4 cubic feet of gas per month so we feel like we have definitely
5 gone through the bubble point.

6 Q In your opinion, will the injection of water
7 prolong the life of this pool?

8 A Yes, sir, we are estimating a one to one ratio on
9 secondary versus primary and we believe that the total primary
10 will be about three hundred thousand barrels and that the
11 total secondary will be about the same amount.

12 Q In your opinion, have you produced the primary
13 recoverable reserves?

14 A Yes, we have. To date we have produced two hundred
15 and sixteen thousand, six hundred and fifty-eight barrels.
16 That would be through December.

17 Q And what do you calculate the primary reserves to
18 be?

19 A About three hundred thousand barrels and this would
20 leave us a little over eighty-three thousand remaining primary
21 reserves to be produced.

22 Q Do you anticipate commencing injection in the very
23 near future?

24 A As soon as we can, which would probably be six to
25 nine months.

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Phone (505) 982-9212

1 Q In your opinion, will the approval of this project
2 result in the recovery of oil which would not otherwise be
3 recovered?

4 A Yes, very definitely.

5 Q And would it maintain reservoir pressures beyond
6 those that would normally exist?

7 A Yes, we would get some pressurization from the
8 injection of water.

9 Q But it is strictly a waterflood project?

10 A Yes, we are asking for a waterflood.

11 Q You are not asking for a pressure maintenance
12 project, is that correct?

13 A No, this would be a side benefit that should occur
14 when we inject water.

15 Q Were Exhibits One through Four prepared by you or
16 under your supervision?

17 A Yes, they were.

18 MR. KELLAHIN: At this time I would like to offer
19 into evidence Exhibits One through Four.

20 MR. NUTTER: Exhibits One through Four will be
21 admitted into evidence.

22 (THEREUPON, Applicant's Exhibits One through
23 Four were admitted into evidence.)

24 MR. KELLAHIN: That's all we have, Mr. Nutter.
25

CROSS EXAMINATION

BY MR. NUTTER:

Q I'm a little confused here on this injection program. The case was advertised for one injection well, being the Number 6, approximately in the center of the southwest quarter of the section. Now, you stated, Mr. Huff, that your initial injection would be into the Number 1, is that correct?

A Yes, that is our preference now. At the time when we made the application we felt like we would prefer to do it, drill the well and inject into the new well right in the middle but the more we studied it the more we decided that our preference would be to start with the lowest well.

Q That would be the lowest structural well?

A Yes, sir, the Number 1 would be the lowest structurally.

Q And as I understand it, injection into that would be into the middle Queens only?

A Yes, into the middle Queens only.

Q And later on, did I understand you to say that you would start injection into some of these other wells too?

A Yes, on break through from the middle Queen, let's say into the Number 2 well, for instance, then we would start injecting into the middle Queen in the Number 2 well and continue that process as long as it was successful and, well, when we started injecting into the Number 2 well in the middle

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1 Queen, we could also then start injecting into the upper
2 Queen in that same well.

3 Q In the Number 2?

4 A Yes, sir, and start injecting out from there.

5 Q So the Number 2 may be the first on injection into
6 the upper Queen?

7 A It's very possible, depending on how break through
8 occurs, of course.

9 Q And when Number 6 is drilled.

10 A When will we drill Number 6?

11 Q No, I say, it also depends on when Number 6 is
12 drilled.

13 A Actually, you would probably guess that the break
14 through might occur on Number 6 before on Number 2 because it
15 is a little closer but it would have the benefit of being a
16 new well, at least.

17 Q When would you anticipate drilling Number 6?

18 A Oh, probably within the next three or four months.

19 Q Before you started injection into Number 1?

20 A Oh, yes, before we started injecting.

21 (THEREUPON, a discussion was held off
22 the record.)

23 Q (Mr. Nutter continuing.) The Number 6 well, Mr.
24 Huff, while you propose to drill it in the immediate future,
25 to utilize it as a temporary producing well, ultimately it

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Phone (505) 982-9212

1 will become an injection well, is that correct?

2 A. Yes, sir.

3 Q Then it was advertised for this hearing today as the
4 injection well in the project?

5 A. That is correct.

6 Q Although it might not be the first injection well,
7 is that correct?

8 A. That is correct.

9 Q I've got to get back on this well completion method.
10 Now, what kind of a casing and cementing program do you have
11 for these wells, Mr. Huff, we don't have an exhibit here
12 showing the schematic of the wells to be used as injection
13 wells or anything?

14 We will authorize the Number 6 first, as an injection
15 well, because that is the well that has been ^{advertised} ~~authorized~~. Can
16 you tell me how you will drill, complete, case and cement
17 that Number 6 well for purposes of injection?

18 A. The Number 6 well would be drilled to a depth of
19 about forty-two hundred feet, then we would run four-and-a-
20 half-inch casing to TD on it.

21 Q How about surface casing?

22 A. Our surface casing in there, if I remember right our
23 surface casing would be at about nine hundred feet and we
24 would circulate the cement on that.

25 Q Okay. And the four-and-a-half to TD?

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Page 15

1 A. How much cement?

2 Q. No, the four-and-a-half to go to TD?

3 A. Yes, the four-and-a-half would go to TD.

4 Q. And then it would be perforated in the pay?

5 A. Yes, and we would put a sufficient amount of
6 cement to come back and cover both pay zones.

7 Q. Cement above the top of the pay?

8 A. Yes, sir.

9 Q. For injection purposes the well would be equipped
10 with a tubing and packer?

11 A. Yes, sir.

12 Q. And a pressure gauge and the annulus would be
13 loaded with an inhibited fluid and the water would be treated
14 water or the tubing would be plastic lined, is that correct?

15 A. Yes, sir, that is correct.

16 Q. And that would be the casing and completion method
17 for the Number 6, which would be the first well authorized
18 for the flooding and then the casing and tubing and cementing
19 would be submitted with the administrative approval for
20 subsequent wells?

21 A. Yes, sir.

22 MR. NUTTER: Are there any further questions of
23 Mr. Huff? He may be excused.

24 (THEREUPON, the witness was excused.)

25 MR. NUTTER: Do you have anything further, Mr.

1 Kellahin?

2 MR. KELLAHIN: That's all.

3 MR. NUTTER: Does anyone have anything they wish
4 to offer in Case 5604?

5 We will take the case under advisement and the
6 hearing is adjourned.

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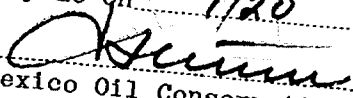
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Page 17

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 504,
heard by me on 1/20, 1976.

Examiner
New Mexico Oil Conservation Commission

Docket No. 1-76

Dockets Nos. 2-76 and 3-76 are tentatively set for hearing on January 14 and January 21, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 7, 1976

9 A.M. - OIL CONSERVATION COMMISSION 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:

- CASE 5600:** Application of Champlin Petroleum Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the East Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico, including a provision for 320-acre spacing.
- CASE 5601:** Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Tapacito-Pictured Cliffs and Basin-Dakota gas production in the wellbore of its Tribal "C" Well No. 10-7, located in Unit J of Section 7, Township 26 North, Range 3 West, Rio Arriba County, New Mexico.
- CASE 5602:** Application of Consolidated Oil & Gas, Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Fulcher Kutz-Pictured Cliffs and Aztec-Fruitland gas production in the wellbore of its Collins Well No. 1, Manley Well No. 1, and Walz Well No. 1, located, respectively, in Units E, P, and L of Section 31, Township 29 North, Range 10 West, San Juan County, New Mexico.
- CASE 5603:** Application of Burleson and Huff for compulsory pooling, a non-standard gas proration unit, and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the NW/4 of Section 35, Township 25 South, Range 27 East, Lea County, New Mexico, to form a non-standard 160-acre proration unit; applicant further seeks the pooling of all mineral interests in the Langlie-Mattix Pool underlying each of the following tracts in said Section 35 to form three standard 40-acre proration units: the NE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 1, located 330 feet from the North line and 2310 feet from the West line of said Section 35; the SE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 3, located 1980 feet from the North and West lines of said Section 35; and the SW/4 NW/4, to be dedicated to a well to be drilled on said tract at a standard Langlie-Mattix Pool location. In the event re-entry into either the Dabbs Well No. 1 or No. 3 is unsuccessful, applicant proposes to drill a replacement well at a standard location on its tract. Applicant further proposes to dedicate the 160-acre Jalmat proration unit to one of the three above-described wells, and in the event it should be the Dabbs Well No. 1, applicant seeks approval for the unorthodox Jalmat location for said well. Also to be considered will be the cost of re-entering, drilling, and completing said wells and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as operator of the wells and a charge for the risk involved in re-entering, drilling, and completing said wells.
- CASE 5604:** Application of Burleson & Huff for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Querecho Plains-Queen Pool by the injection of water into the Queen formation through its Anadarko Federal Well No. 6 to be drilled at an unorthodox location in the approximate center of the SW/4 of Section 27, Township 18 South, Range 32 East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional wells at standard and non-standard locations within the project area.

Examiner Hearing - Wednesday - January 7, 1976

Docket No. 1-76
-2-

- CASE 5605:** Application of Saguaro Oil Company for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Table Mesa-Dakota Oil Pool, San Juan County, New Mexico, including a provision for 2 1/2-acre spacing.
- CASE 5606:** Application of Cities Service Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Tubb and Drinkard production in the wellbore of its Brunson B Well No. 3, located in Unit M of Section 3, Township 22 South, Range 27 East, Lea County, New Mexico.
- CASE 5607:** Application of Black River Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill an undesignated Canyon formation well at an unorthodox location 280 feet from the South line and 150 feet from the West line of Section 33, Township 25 South, Range 24 East, Eddy County, New Mexico.
- CASE 5608:** Application of Northern Natural Gas Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Magruder Hill Unit Area comprising 2,258 acres, more or less, of Federal, State, and fee lands in Township 22 South, Range 25 and 26 East, Eddy County, New Mexico.
- CASE 5609:** Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Nellor "EO" Well to be drilled at a point 1980 feet from the North line and 660 feet from the West line or in the alternative, 660 feet from the North and West lines of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the N/2 of said Section 30 to be dedicated to the well.
- CASE 5610:** Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Caskey "FV" Well to be drilled at a point 660 feet from the South line and 1400 feet from the West line of Section 30, Township 17 South, Range 26 East, Eddy County, New Mexico, the S/2 of said Section 30 to be dedicated to the well.
- CASE 5611:** Application of David C. Collier for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Welch State No. 7 Well located 1330 feet from the South and West lines of Section 17, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico, said well having formerly been a water injection well.
- CASE 5612:** Application of Dalport Oil Corporation for exception to the provisions of Order No. R-3221, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to the provisions of Commission Order No. R-3221 permission to dispose of produced salt water from its State C Wells Nos. 1, 2, and 3, located in Units D, E, and L, respectively, of Section 16, Township 15 South, Range 30 East, Double L Queen Associated Pool, Chaves County, New Mexico, in an unlined surface pit located in Unit E of said Section 16.
- CASE 5596: (Reopened & Readvertised)**
- Application of Burk Royalty Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of secondary recovery, all mineral interests in the Queen formation underlying the following-described lands, Double L-Queen Pool, Chaves County, New Mexico:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM

Section 23: E/2 SE/4

Section 24: W/2 SW/4

Section 25: NW/4, SW/4 NE/4, N/2 SW/4, SE/4 SW/4, W/2 SE/4,
& SE/4 SE/4

Section 36: NE/4 NW/4, NE/4, N/2 SE/4, & SE/4 SE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM

Section 31: W/2, W/2 SE/4, & SE/4 SE/4

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 1: E/2 E/2

Section 12: NE/4 & E/2 SE/4

Section 13: NE/4 NE/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM

Section 6: N/2, SW/4, & NW/4 SE/4

Section 7: W/2 W/2 & NE/4 NW/4

Section 18: NW/4

Among the matters to be considered at the hearing will be the necessity of unit operations and the feasibility of the proposed secondary recovery program; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 5613: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production and designated as the West Graza Ridge-Bone Springs Pool. The discovery well is Southern Union Production Company Barbara Federal Well No. 1 located in Unit I of Section 6, Township 22 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 6: SE/4

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Hay Hollow-Strawn Gas Pool. The discovery well is Great Western Drilling Company Hay Hollow Unit Well No. 1 located in Unit J of Section 11, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM

Section 11: E/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Ross-Draw-Delaware Gas Pool. The discovery well is J. C. Williamson Ross Draw Unit Well No. 1 located in Unit N of Section 27, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM

Section 27: W/2 Section 34: NW/4

(d) Create a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Sulinar-San

Andres Pool. The discovery well is McClellan Oil Corporation Lisa A Federal Well No. 1Y located in Unit K of Section 13, Township 15 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 13: SW/4

(e) Extend the vertical limits of the Legg-Morrow Gas Pool in Lea County, New Mexico, to include the Atoka formation; and redesignate the pool as the Legg Atoka-Morrow Gas Pool.

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 26: S/2 Section 35: N/2

(g) Extend the Bar-U-Pennsylvanian Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 31: S/2

(h) Extend the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 19: S/2 Section 30: W/2

(i) Extend the Chaveroo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 17: NW/4 Section 18: NE/4

(j) Extend the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM

Section 9: E/2 SE/4 and S/2 SW/4

(k) Extend the High Plains-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 26: SW/4

(l) Extend the Jalmar Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Section 2: NW/4

(m) Extend the South Lucky Lake-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 22: W/2 NW/4

(n) Extend the Pecos-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 27: SW/4 NE/4 and W/2 SE/4

(o) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 6: SW/4

(p) Extend the Vacuum-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

Section 11: NW/4

LEWIS S. BURLESON

JACK HUFF

RECEIVED
JAN 28 1976
NEW MEXICO OIL CONSERVATION COMM.
Santa Fe

BURLESON & HUFF

OIL PROPERTIES

P. O. Box 2479 ~~OK~~ OK - PHONE 683-4747
MIDLAND, TEXAS 79701

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

Attention: Mr. Daniel S. Nutter

Gentlemen:

Enclosed are three copies of Exhibit pursuant to Case No. 5603 showing estimated additional costs required to complete a Langlie-Mattix oil well also as a Jalmat Pool gas well. These costs are only for completion in the Jalmat Gas zone and should be added to our previous estimates for re-entering or drilling and completing a Langlie-Mattix oil well.

We also enclose a schematic drawing showing the proposed completion of our No. 6 well in our Querecho Plains Queen Field Waterflood Unit, Case No. 5604.

Yours very truly,

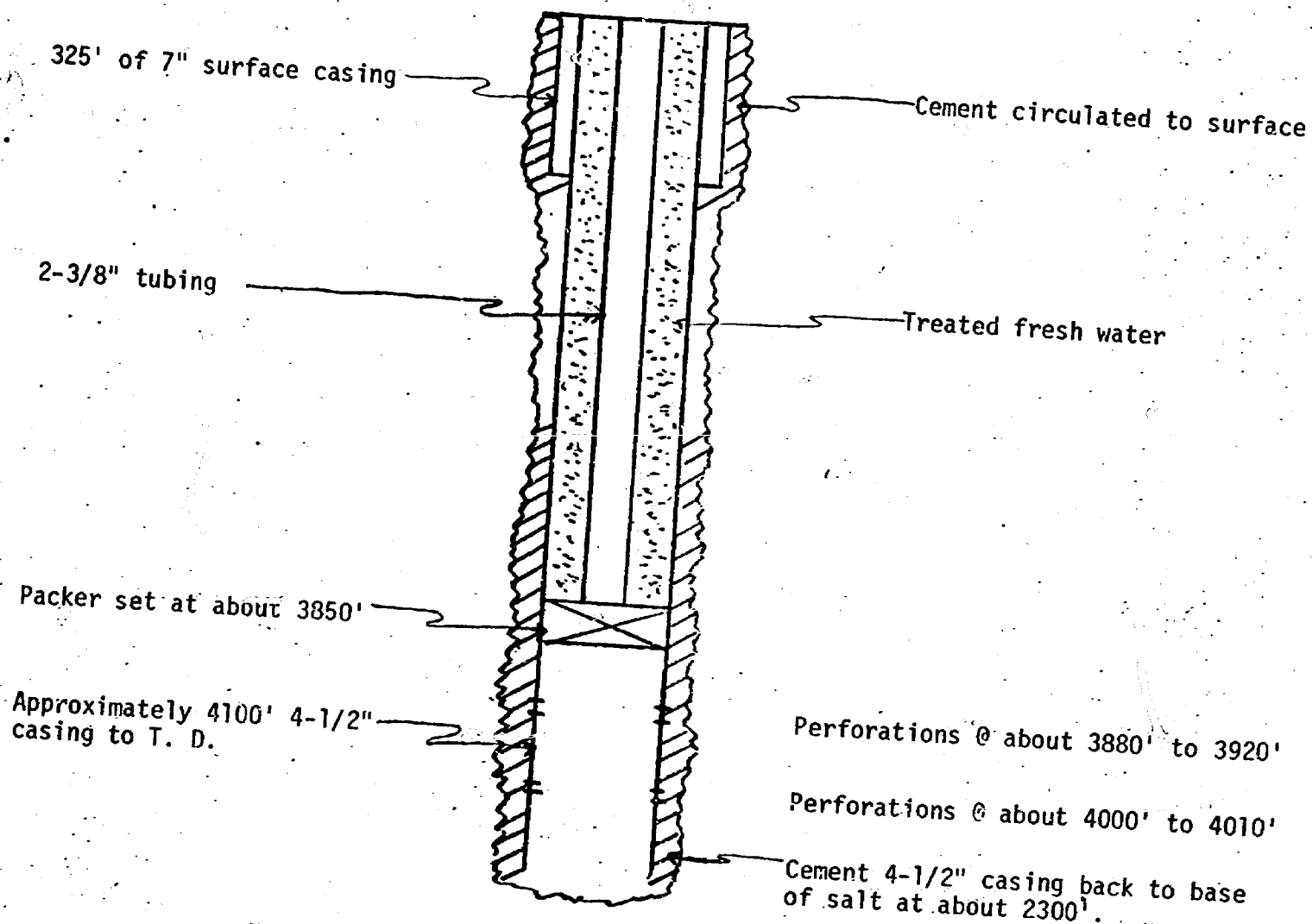
BURLESON & HUFF


Jack Huff

JH/sw

Enc:

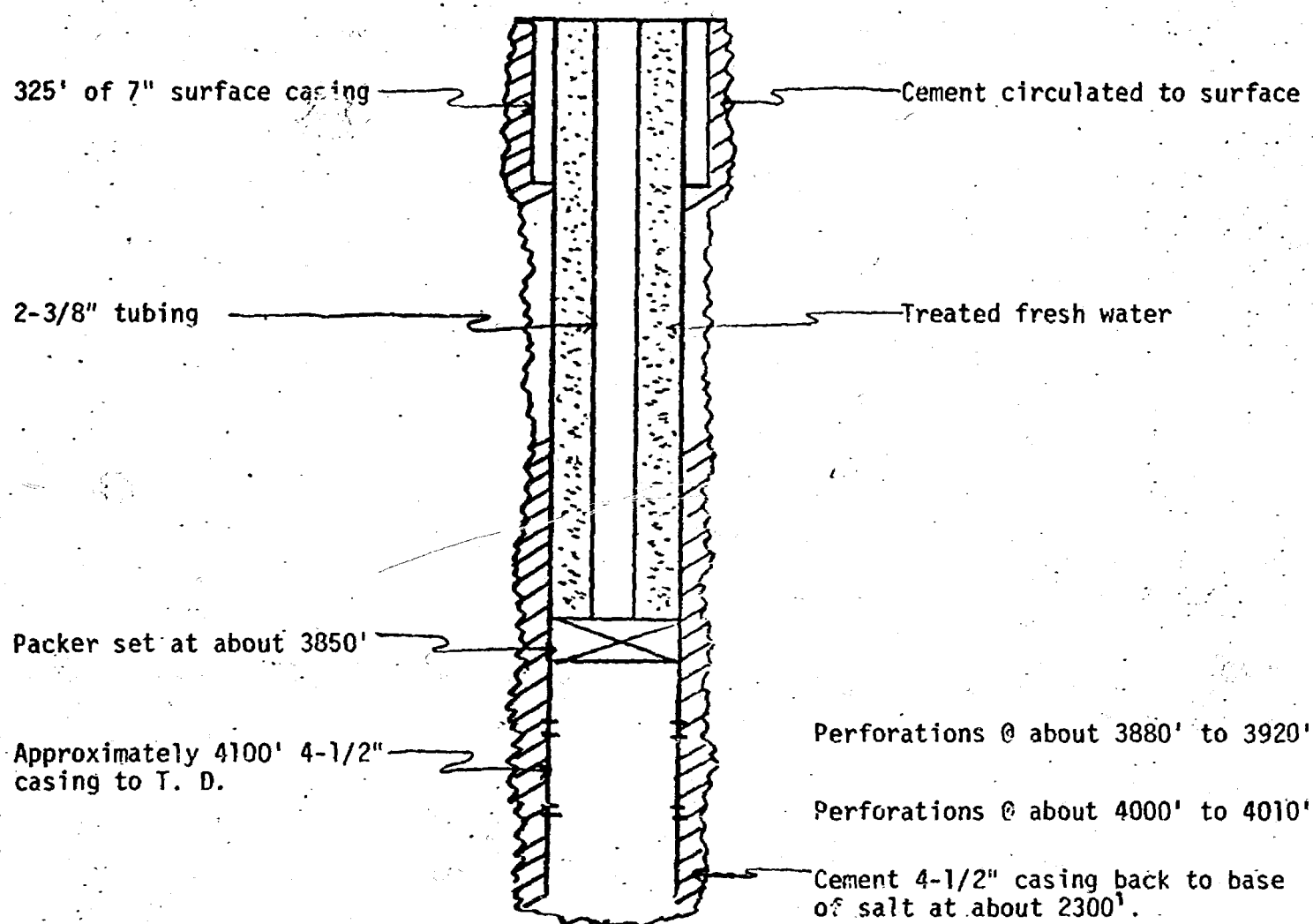
PROPOSED BURLESON & HUFF ANADARKO FEDERAL NO. 6 WATER INJECTION WELL IN
QUERECHO PLAINS QUEEN FIELD, LEA COUNTY, NEW MEXICO



Run 325' of 7" surface casing and circulate cement to surface. Drill well to TD of about 4100'. Run 4-1/2" casing to TD and cement back to base of salt at about 2300'. Perforate from about 3880' to 3920' and 4000' to 4010'. Run tubing with packer. Set packer at about 3850'. Load annulus with fresh treated water. Install pressure gauge on backside at surface.

BURLESON & HUFF QUERECHO PLAINS
QUEEN FIELD WATERFLOOD, T-18-S,
R-32-E, LEA COUNTY, NEW MEXICO
New Mexico Oil Conservation
Commission Case No. 5604
Exhibit No. _____

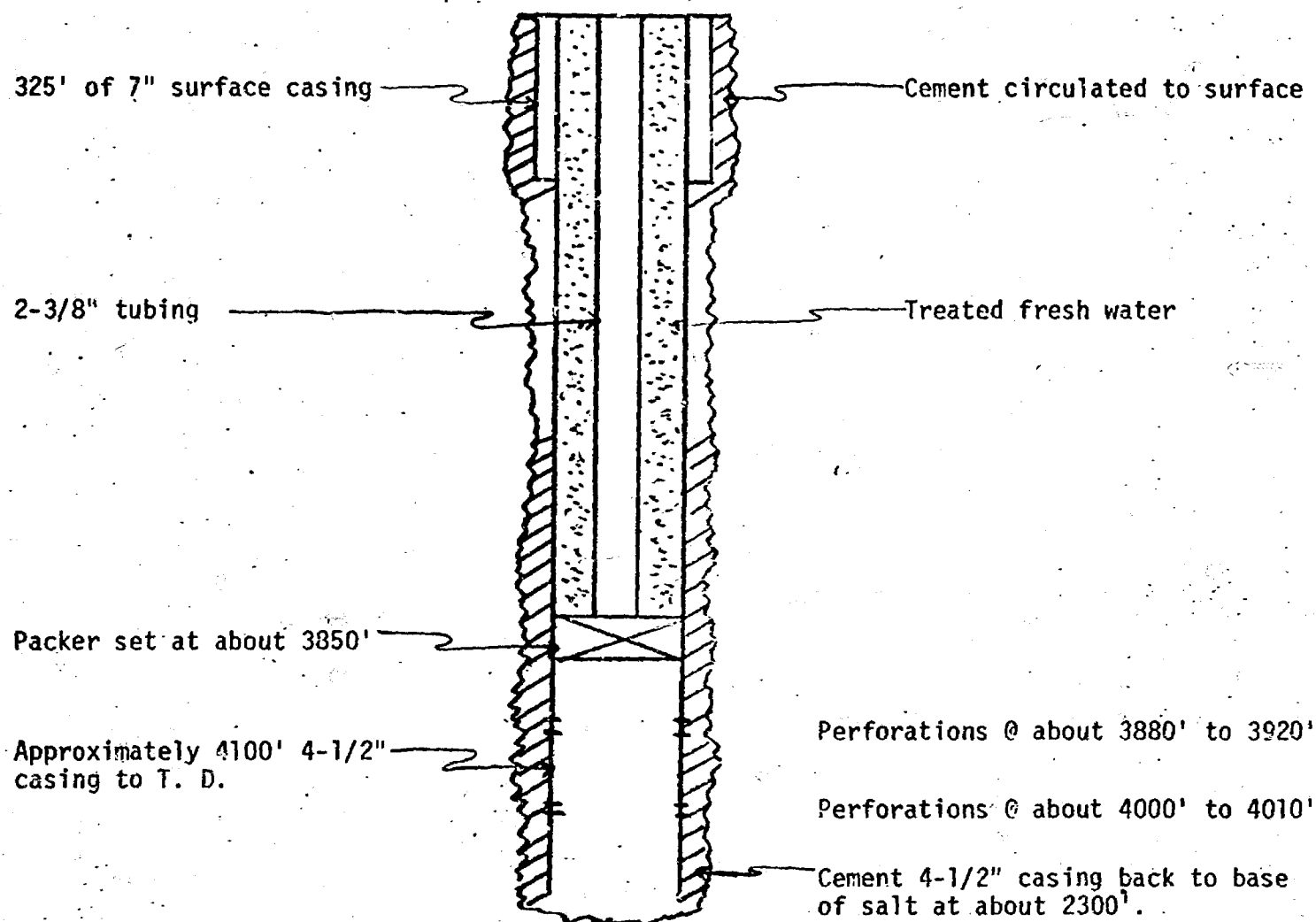
PROPOSED BURLESON & HUFF ANADARKO FEDERAL NO. 6 WATER INJECTION WELL IN
QUERECHO PLAINS QUEEN FIELD, LEA COUNTY, NEW MEXICO



Run 325' of 7" surface casing and circulate cement to surface. Drill well to TD of about 4100'. Run 4-1/2" casing to TD and cement back to base of salt at about 2300'. Perforate from about 3880' to 3920' and 4000' to 4010'. Run tubing with packer. Set packer at about 3850'. Load annulus with fresh treated water. Install pressure gauge on backside at surface.

BURLESON & HUFF QUERECHO PLAINS
QUEEN FIELD WATERFLOOD, T-18-S,
R-32-E, LEA COUNTY, NEW MEXICO
New Mexico Oil Conservation
Commission Case No. 5604
Exhibit No. _____

PROPOSED BURLESON & HUFF ANADARKO FEDERAL NO. 6 WATER INJECTION WELL IN
QUERECHO PLAINS QUEEN FIELD, LEA COUNTY, NEW MEXICO



Run 325' of 7" surface casing and circulate cement to surface. Drill well to TD of about 4100'. Run 4-1/2" casing to TD and cement back to base of salt at about 2300'. Perforate from about 3880' to 3920' and 4000' to 4010'. Run tubing with packer. Set packer at about 3850'. Load annulus with fresh treated water. Install pressure gauge on backside at surface.

BURLESON & HUFF QUERECHO PLAINS
QUEEN FIELD WATERFLOOD, T-18-S,
R-32-E, LEA COUNTY, NEW MEXICO
New Mexico Oil Conservation
Commission Case No. 5604
Exhibit No. _____

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Phone (505) 982-9212

Page 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 7, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Burleson and Huff for
compulsory pooling, a non-standard gas
proration unit, and an unorthodox
location, Lea County, New Mexico.

CASE
5603

Application of Burleson and Huff for a
waterflood project, Lea County,
New Mexico.

CASE
5604

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Jason W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

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Phone (505) 982-9212

Page 2

1 MR. STAMETS: The hearing will please come to
2 order.


3 At this time we will call Case 5603, being the
4 application of Burleson and Huff for compulsory pooling, a
5 non-standard gas proration unit and an unorthodox location,
6 Lea County, New Mexico.

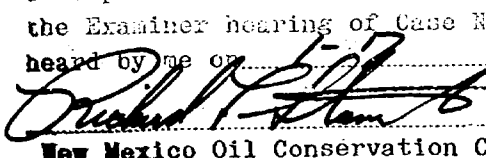
7 MR. KELLAHIN: If the Examiner please, I would
8 request that both Case 5603 and Case 5604, the application
9 of Burleson and Huff for a waterflood project be continued to
10 the next Examiner hearing.

11 MR. STAMETS: Case Number 5603 and Case 5604 will
12 be continued to the next Examiner hearing.
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No 5603-5604
heard by me on 5-7, 19 76.
, Examiner
New Mexico Oil Conservation Commission

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Dockets Nos. 5-76 and 6-76 are tentatively set for hearing on February 4 and February 18, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - TUESDAY - JANUARY 20, 1976

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

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

- CASE 5614: Application of Amerada Hess Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Basin-Dakota gas production and oil produced from an undesignated Gallup pool in the wellbore of its Apache "A" Well No. 7, located in Unit J of Section 26, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 5615: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Morely EW Well No. 1, located 660 feet from the South and East lines of Section 27, Township 17 South, Range 25 East, Eddy County, New Mexico, the S/2 of said Section 27 to be dedicated to the well.
- CASE 5616: Application of Atlantic Richfield Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 320-acre non-standard gas proration unit comprising the W/2 of Section 29, Township 24 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to its W. H. Harrison "D" WN Com Well No. 1, located in Unit L of said Section 29 and its W. H. Harrison "A" WN Well No. 2, at an unorthodox location 660 feet from the North and West lines of said Section 29.
- CASE 5617: Application of Robinson Resource Development Company, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 1530 feet from the North line and 330 feet from the East line of Section 18, Township 21 South, Range 25 East, Eddy County, New Mexico, the N/2 of said Section 18 to be dedicated to the well.
- CASE 5618: Application of Mesa Petroleum Co. for a triple completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (conventional) of its Primo Well No. 1A, located in Unit D of Section 6, Township 31 North, Range 10 West, San Juan County, New Mexico, to produce gas from the Pictured Cliffs, Chacra and Mesaverde formations.
- CASE 5117: (Reopened)
- In the matter of Case 5117 being reopened pursuant to the provisions of Order No. R-4691, which order established temporary special pool rules for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on less than 320-acre spacing and why the special depth bracket allowable should remain in effect.
- CASE 5619: Application of Agua, Inc. for an extension of time, Order No. R-4495-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a 90-day extension of the February 7, 1976, deadline to cease the disposal of produced salt water through perforations from 4,230 feet to 4,320 feet in its SWD Well No. C-2, located in Unit C of Section 2, Township 22 South, Range 37 East, Lea County, New Mexico.
- CASE 5603: (Continued from January 7, 1976 Examiner Hearing)
- Application of Burleson and Huff for compulsory pooling, a non-standard gas proration unit, and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the NW/4 of Section 35, Township 25 South, Range 37 East, Lea County, New Mexico, to form a non-standard 160-acre proration unit; applicant further seeks the pooling of all mineral interests in the Langlie-Mattix Pool underlying each of the following tracts in said Section 35 to form three standard 40-acre proration units: the NE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 1, located 330 feet from the North line and 2310 feet from the West line of said Section 35; the SE/4 NW/4, to be dedicated to applicant's Dabbs Well No. 3, located 1980 feet from the North and West lines of said Section 35; and the SW/4 NW/4, to be dedicated to a well to be drilled on said tract at a standard Langlie-Mattix Pool location. In the event re-entry into either the Dabbs Well No. 1 or No. 3 is unsuccessful, applicant proposes to drill a replacement well at a standard location on its tract. Applicant further proposes to dedicate the 160-acre Jalmat proration unit to one of the three above-described wells, and in the event it should be the Dabbs Well No. 1, applicant seeks approval for the unorthodox Jalmat location for said well. Also to be considered will be the cost of re-entering, drilling, and completing said wells and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as operator of the wells and a charge for the risk involved in re-entering, drilling, and completing said well.
- CASE 5604: (Continued from January 7, 1976 Examiner Hearing)
- Application of Burleson & Huff for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Querecho Plains-Queen Pool by the injection of water into the Queen formation through its Anadarko Federal Well No. 6 to be drilled at an unorthodox location in the approximate center of the SW/4 of Section 27, Township 18 South, Range 32 East, Lea County, New Mexico. Applicant further seeks an administrative procedure for approval of additional wells at standard and non-standard locations within the project area.

Dockets Nos. 5-76 and 6-76 are tentatively set for hearing on February 4 and February 18, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - JANUARY 21, 1976

9 A.M. - OIL CONSERVATION COMMISSION - MORGAN HALL
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 5592: (De Novo)

Application of Agua, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water by injection into the San Andres formation through the open-hole interval from approximately 4000 to 5000 feet in its Blinbry-Drinkard SWD System Well No. A-22 located 817 feet from the North line and 965 feet from the East line of Section 22, Township 22 South, Range 37 East, Lea County, New Mexico.

Upon application of Agua, Inc., this case will be heard De Novo pursuant to the provisions of Rule 122C.

CASE 5571: (De Novo)

Application of Robert G. Cox for amendment of Order No. R-4561, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Order No. R-4561, which order permitted the directional drilling of applicant's Federal "EA" Well No. 1, located 330 feet from the North and West lines of Section 12, Township 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico, in such a manner as to be bottomed within 100 feet of the surface location. Applicant seeks the amendment of said order to permit bottoming of the subject well approximately 58 feet from the North line and 8 feet from the West line of said Section 12 and to permit verification of said downhole location by single-shot directional surveys made concurrently with the drilling of said well.

Upon application of Robert G. Cox, this case will be heard De Novo pursuant to the provisions of Rule 122D.

NOTE: Case No. 5592, above, will be dismissed at the request of applicant.

Case 5604

DEC 1961

ST. PATRICK CATH.
CHURCH

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF BURLESON & HUFF FOR APPROVAL
OF A WATER FLOOD PROJECT, LEA
COUNTY, NEW MEXICO.

A P P L I C A T I O N

Comes now Burleson & Huff and applies to the Oil Conservation Commission of New Mexico for approval of a waterflood project in the Querecho Plains-Queen Pool, Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the operator of four wells, designated as the Anadarko Nos. 1 through 4, located in the SW/4 of Section 27, Township 18 South, Range 32 East, N.M.P.M., Lea County, New Mexico, which wells are producing from the upper and middle Queen zones from a depth of approximately 4,000 feet.

2. Applicant proposes to drill its No. 6 Anadarko Federal well, to be located 1345 feet from the South line and 1485 feet from the West line of Section 27, the well to be located in the NE/4 SW/4 of the section. Applicant proposes to utilize the No. 6 well as an injection well, as an initial project, extending the injection program to other wells as circumstances dictated with progress of the flood.

3. Applicant proposes to inject approximately 150 barrels initially. Water to be utilized is from City of Carlsbad Water System, Section 3, 19 S., 32 E.

WHEREFORE applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law the Commission enter its order approving the waterflood project and the proposed injection well, together with provision for transfer of allowables between all wells producing from the Queen formation in the SW/4 of said Section 27, and with an administrative procedure for the conversion of other wells to injection, and for the drilling of additional injection wells at standard and non-standard locations within the project area.

Respectfully submitted,

BURLESON & HUFF

By Jason W. Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

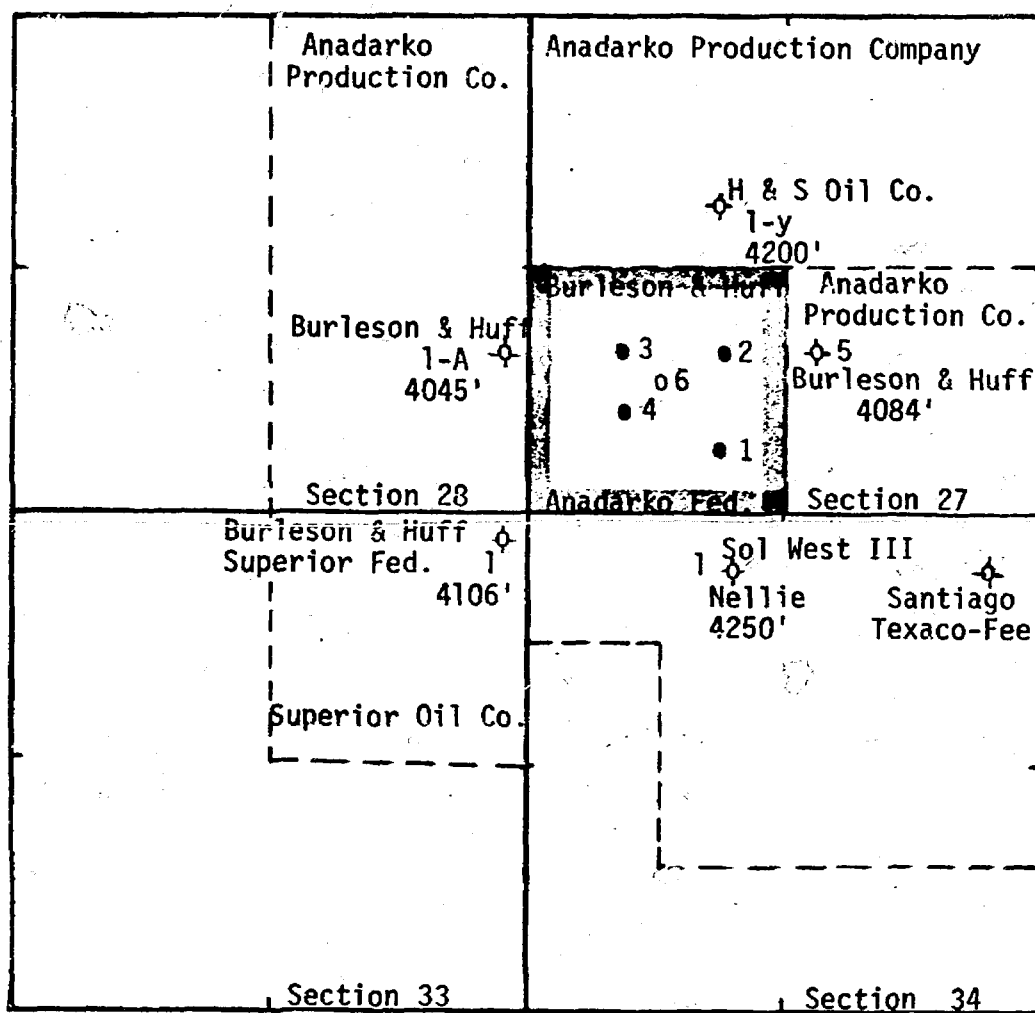
ATTORNEYS FOR APPLICANT

DOCKET MAILED

Date 1/12/76

DOCKET MAILED

Date 12/29/75



Township 18 South, Range 32 East
Lea County, New Mexico

BURLESON & HUFF
Exhibit No. _____

**MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

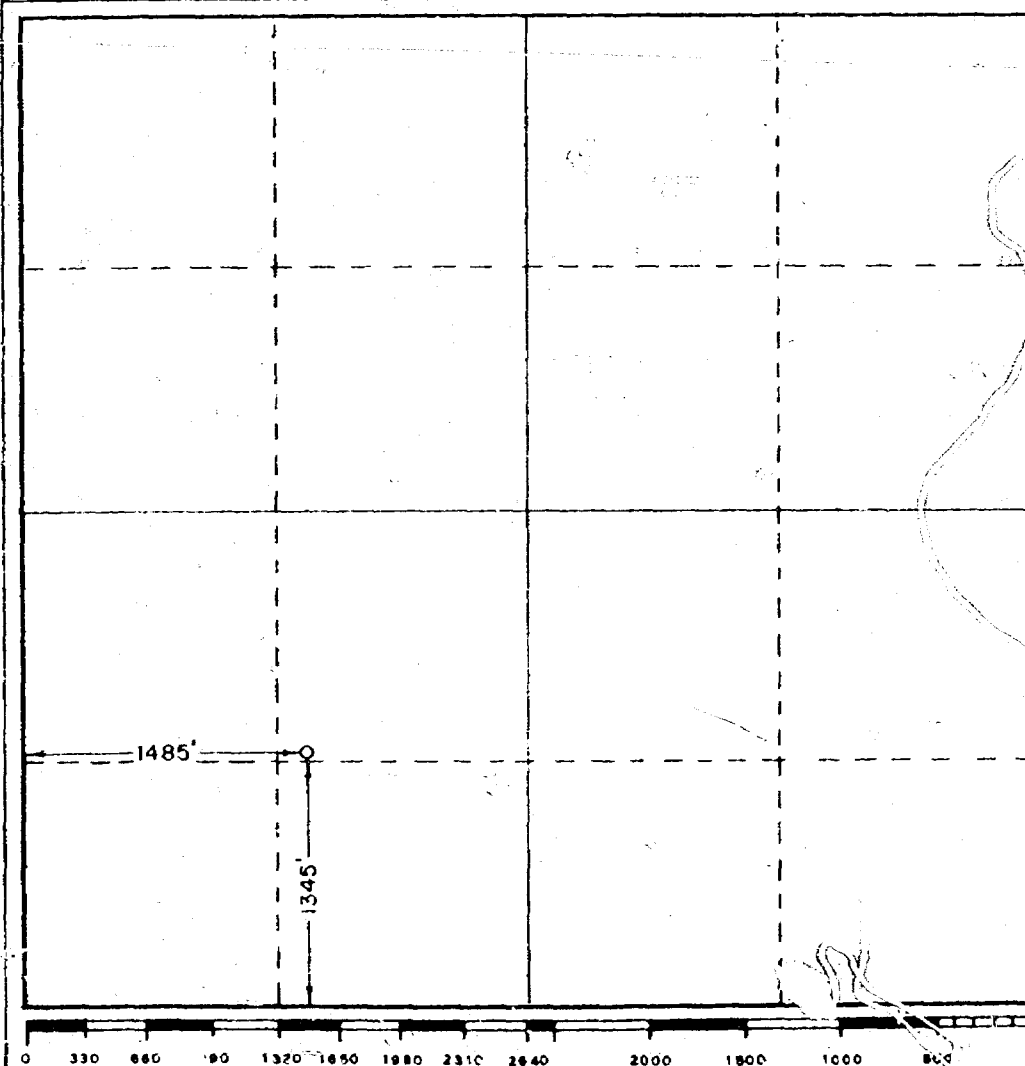
Operator Burleson & Huff		Lease Anadarko		Well No. 6
Unit Letter K	Section 27	Township 18 South	Range 32 East	County Lea
Actual Footage Location of Well: 1485 feet from the West line and 1345 feet from the South line				
Ground Level Elev. 3719.5	Producing Formation	Pool	Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Name _____

Position _____

Company _____

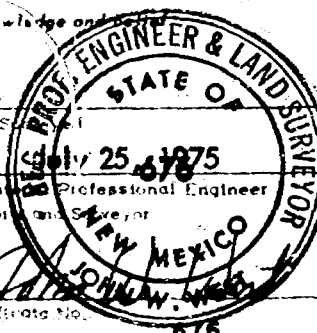
Date _____

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

Date Signed _____

Registered Professional Engineer and/or Land Surveyor

Certificate No. _____



ROUGH

dr/

Could

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. 5604

Order No. R- 5168

APPLICATION OF BURLESON & HUFF

FOR A WATERFLOOD PROJECT, LEA

COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 20
19 76, at Santa Fe, New Mexico, before Examiner ~~Richard L. Stamets~~

DSN

NOW, on this day of January, 1976, 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, Burleson & Huff

seeks authority to institute a waterflood project on its

Anadarko Federal Lease, Querecho Plains-Queen Pool,

by the injection of water into the Queen
its Anadarko Federal Well No. 6 to be drilled at an unortho-
formation through / injection wells in Sections
1945 feet from the South line and 1485 feet from the West line of Section 27,
Township 18 South, Range 32 East, NMPM, Lea

County, New Mexico.

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

(4) That the proposed waterflood project should result
in the recovery of otherwise unrecoverable oil, thereby preventing
waste.

dox location in
the approximate
center of the
SW/4 of Section
27.

Case NO. _____
Order No. R- _____

(5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

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

(b) Applicant further seeks an administrative procedure for approval of additional ^{project} wells at standard and non-standard locations within the project area

Anadarko Federal Lease, Querecho
by the injection of water into the Queen
(its Anadarko-Federal Well No. 6, to be drilled at an unorthodox location)
formation through
1345 feet from the South line and 1486 feet from the West line of Section 27, Township
18 South, Range 32 East, NMPM, Lea County,
New Mexico.

Anadarko Federal Well No. 6, SW/4 of Section 27

(2) That injection ~~into each of said wells~~ shall be through ~~internally coated~~ tubing, set in a packer which shall be located as near as practicable to the uppermost perforation; that the casing-tubing annulus ~~of each injection well~~ shall be loaded with an inert fluid and equipped with an approved pressure gauge or attention-attracting leak detection device. That upon injection of any water other than fresh water, said tubing shall be internally plastic-coated.

(3) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

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Order No. R _____

(4) That the subject waterflood project is hereby designated the Bevelon & Huff Querecho Plains Queen Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(5) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(6) That ~~there~~ ^{thus} ~~applicant~~ is hereby ^{established} ~~given approval for~~ an administrative procedure for approval of additional wells at standard and non-standard locations within the ^{subject} project area and for ^{the} substitution of another well on applicant's Anadarko Federal Lease for the initial project injection well herein authorized. To obtain such approval, applicant shall file therefor in accordance with the provisions of Rule 701B of the Commission Rules and Regulations.

(7) That jurisdiction

DONE at