Case Mo. 1427 Replication, Transcript, Smill Exhibits, Etc.

OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

May 27, 1958

Mr. Guy Buell Pan American Petroleum Corp. P.O. Box 1410 Ft. Worth, Texas

Dear Mr. Buell:

We enclose two copies of Order R-1177 issued May 26, 1958, by the Oil Conservation Commission in Case 1427, which was heard on May 6th at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr. Secretary - Director

bp Encls.

BEFORE THE CIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL COMSERVATION COMMISSION OF THE STATE OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1427 Order No. R-1177

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR THE ESTABLISHMENT OF A 400-ACRE MON-STANDARD GAS PROPATION UNIT IN THE EUMONT GAS POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

• • •

This cause came on for hearing at 9 o'clock a.m. on May 6, 1958, at Santa Fe, New Mexico, before Daniel S. Matter, Examiner duly appointed by the New Mexico Oil Conservation Conmission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 24th day of May, 1958, the Commission, a querum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel 8. Natter 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, Pan American Petreleum Corporation, is the co-owner and the operator of the N/2 and the SE/4 of Section 24, Township 20 South, Range 36 East, NMPM, Les County, New Mexico.

(3) That all interests within the above-described tract have been communitized.

(4) That the applicant is the owner and operator of the O. J. Gillully "A" Well No. 4, located 660 feet from the North line and 1980 feet from the East line of said Section 24.

(5) That the applicant proposes that the above-described acreage be established as a non-standard gas provation unit in the Eumont Gas Pool and that said unit be dedicated to the aforementioned O. J. Gillully "A" Well No. 4.

(6) That approval of the subject application will not cause waste nor impair correlative rights.

-2-Case No. 1427 Order No. R-1177

X

IT IS THEREPORE ORDERED:

(1) That the application of Pan American Petroleum Corporation for the establishment of a 480-acre non-standard gas prevation unit in the Bumont Gas Poel, consisting of the H/3 and the SE/4 of Section 24, Township 20 South, Mage 36 Mast, HEPH, Los County, Now Maxico, be and the same is hereby granted.

(2) That the said G. J. Gillully "A" Well Mo. 4, located 660 fest from the North line and 1980 fest from the East line of said Section 24, be designated as the unit well for the above-described unit and that the same be granted as allowable in the propertion that the acreage in said unit bears to the acreage in a standard proration unit for the Eumont Cas Pool, subject to the provisions of the Special Rules and Regulations for the Eumont Gas Pool as set forth in Order No. 1-520.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEN, Chairman

MAY E. MOBGAN, Montepr MURBAY K.

inc.

1

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



ir/

EXAMINER HEARING OIL CONSERVATION COMMISSION Santa Fe, New Mexico May 6, 1958

IN THE MATTER OF: Case No. 1427

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES INCORPORATED GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO 3-6691 5-9546

EXAMINER HEARING OIL CONSERVATION COMMISSION Santa Fe, New Mexico May 6, 1958

2

<u>Case 1427</u>

IN THE MATTER OF:

Application of Pan American Petroleum Corporation) for approval of a non-standard gas proration) unit. Applicant, in the above-styled cause,) seeks an order establishing a 480-acre nonstandard gas proration unit in the Eumont Gas) Pool consisting of the N/2 and SE/4 of Section) 24, Township 20 South, Range 36 East, Lea County,) New Mexico, said unit to be dedicated to the) applicant's O. J. Gillully "A" No. 4 Well,) located 660 feet from the North line and 1980) feet from the East line of said Section 24.

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: We will take Case 1427.

MR. PAYNE: Case 1427: Application of Pan American Petroleum Corporation for approval of a non-standard gas proration unit.

MR. BUELL: My name is Guy Buell, with Pan American Petroleum Corporation. We will have one witness this mcrning, Mr. Currens.

(Witness sworn.)

DANIEL R. CURRENS

called as a witness, having been first duly sworn on oath, testi-

fied as follows:

DENOLES MALESCORES CONTRACTOR ALESCOLESCORES Phone Charles Contra

DIRECT EXAMINATION

By MR. BUELL:

Q Can you state your full name, by whom you are employed and in what capacity, and what location, please?

A Daniel R. Currens, employed by Pan American Petroleum Corporation at Roswell, New Mexico, as a reservoir engineer.

Q Mr. Currens, you have testified at previous Commission hearings and your qualifications as a petroleum engineer are a matter of public record, are they not?

A Yes, sir, they are.

(Pan American's Exhibit No. 1 marked for identification.) 3

Q I hand you now what has been marked as Pan American's Exhibit No. 1. What is that exhibit, please?

A Exhibit No. 1 is a plat of a portion of the Eumont Gas Field. It shows the acreage that we are requesting to be assigned a non-standard proration unit here today as that acreage in the North Half and the Southeast Quarter of Section 24, Township 20 South, Range 36 East, Lea County, that is outlined by heavy blue dashed line, being the proposed unit. It in addition shows the existing completions in this area, it shows the existing Eumont Gas completions, as wells encircled in red; and it shows the immediately offsetting acreage that is assigned to Eumont Gas units.

Q What will be the producing well in this proposed unit, Mr. Currens?

> DEMANALEY MELTRON A ANTON S CONSISTENCY ALL PROPERTY OF AN MON Phere Computed 2001

A It will be our O. J. Gillully "A" No. 4.

Q What unit is presently assigned to that well?

A It is presently assigned a 320 non-standard proration unit: it was assigned that unit by administrative order NSP-108 in 1955.

4

Q What acreage do you propose to add to this existing unit? A We want to add to the North Half of Section 24 here the Southeast Quarter of Section 24, increasing the size of the unit from 320 to 480.

Q By what method was that Southeast Quarter of Section 24 brought into this proposed unit?

A By unitization agreement between Pan American and other working interest operators by communitization of all the working, royalty interests and overriding royalty interests.

Q Has this agreement been finalized and filed for record?
A Yes, it has.

Q Why is this hearing necessary for the approval of this proposed unit?

A Well, in the first place, a standard gas promation unit in the Eumont Field is a 640-acre unit. We are asking for a smaller unit, 480-acre unit. In addition to that, we do not have the standard well location to go with a 480-acre unit.

Q First with respect to the unit size, would it be possible to bring in presently unassigned acreage, either in Section 24 or in adjacent Sections, and bring this unit up to a 640-acre proration unit?

> DEADN FILL MERICA ARSO (2018) Real Control Control State Autority Brown (182) Mericas (Phone Chapus 3-549)

A As you can see from the plat here, the other quartersection of Section 24 is presently developed and any other contiguous acreage that we could put in here is also developed. Q In other words, Mr. Currens, the only acreage in this general area presently unassigned is the Southeast Quarter of Section 24, which we propose to bring into this unit, is that A Yes, sir, that is correct. ${\tt Q}$ Now, with regard to spacing, what is the situation there that necessitates a hearing? A Well, for a 480-acre unit, the standard location would be a 1980 - 1980 location. In other words, 1980 from either of the closest outside boundaries. Here the Gillully No. 4 is 1980 from the East, but only 660 from the North line. Q Mr. Currens, do you have any opinion as to whether or not all of the acreage in this proposed unit is productive? A Yes, sir, I believe it's all productive of Eumont Gas. Q Upon what data do you base that conclusion, Mr. Currens?

A Well, referring again to the plat, we can see the wells encircled in red, which is Eumont gas completions, we have them on all sides of the unit; the acreage being assigned on all sides of the unit.

DEARNOLEZ ML POR A AND AN GEREUNT LANDER AND AND AUBURAUER AND MEDIA MEDIANS Phone Chupel 3 6391

Q In your opinion, it is conclusively productive of gas from the Eumont Gas Pool? A I don't think there is any doubt about that.

Q Why was this unit formed as you propose today?

A Well, sir, it's the most direct, economical, simplest, and quickest way to get this undeveloped acreage assigned and completely developed.

6

Q You want to utilize the existing Eumont Gas well completions, is that correct?

A Yes, sir. We have this existing gas well, which has sufficient capacity to support the additional acreage assignment. It's the most economical means of developing this 16? acres.

Q Was any consideration given to urilling a new well in the Southeast Quarter of Section 24?

A Yes, sir, it was. However, drilling a new well would not recover any increased significant amount of gas, certainly not enough to economically justify the additional well.

Q In other words, a new well in the Southeast Quarter of Section 24 would not significantly recover ultimately any more gas than the existing completion?

A No, sir, it wouldn't.

Q All right. Was any consideration given to dualling one of the presently existing wells in the Southeast Quarter of Section 24?

A Yes, sir, that was also considered; again we couldn't recover any significantly larger amount of gas. There would be no significant increase in ultimate recovery, certainly not enough to justify economically the dually completing of one of these wells, and of

> DEADTLEY - MELER & ASSOCIATES OFTERAL LAN POSICIA ALEUQUERQUE, NEW MOSCIA Phone Chapel 3 (39)

course, on communitized acreage when you dually complete a well, you have other complicating factors.

Q In other words, your communitization agreement would be more complicated if you were communitizing only one zone of a dually completed well; that is not an insurmountable task?

A No, not certainly an insurmountable task. It does complicate things somewhat to have a dually completed well in a communitized area. We have an existing gas well here that is a single completion.

Q Simply as a matter of interest, how long have these negotiations been going on to communitize with the existing well,a single completion in the Eumont Gas Pool?

A I believe something over a year.

Q And certainly a communitization agreement with a dually completed well would be more complex?

A Yes, sir, it would be more complex.

Q Would a dually completed well in the Southeast Quarter of Section 24 recover significantly ultimately more gas than the existing well?

A I don't believe there would be any difference in the ultimate recovery of gas.

Q From the standpoint of pay, is there any advantage accruing to the proposed unit through the utilization of the existing well at its location?

A No, sir, I don't believe so.

DEARNEEN - MERCH & Astronomy of CONNECTION BOUNDED -ALMENDIER DOEL NEW MA Phone Chapol 3 (49)

Q Upon what data do you base that conclusion?

8

A Well, let's refer again to the plat, Exhibit 1. You'll see, oh, something like twenty wells here, some figures that have been underlined in red. Now I examined all of the available logs that I could possibly interpret in this area and made net pay picks from those logs to determine the net pay thickness encountered in each of the various wells that I had those logs available on. You can see, well, looking here in this proposed unit in Section 24, I have 45, 46, 46 feet, 44 feet; immediately to the north in Section 13 you see two wells, each of which picked 45 feet; immediately to the east in Section 19 adjacent to this property we have 46, 45, 47; to the south down here in Section 25, you see 45 feet and one that is 50 feet there. So looking at that, there's very small variation in the net pay thickness. I don't think we are gaining any advantage from that, by utilizing the existing well.

Q Earlier you mentioned the production capacity of the existing well. Do you have any recent data with respect to that?

A Yes, sir. Permian Basin Pipe Line Company, this well is connected to Permian, tests in August, on August 20, 1957, the well was tested, flowed 2,137 mcf of gas per day. In August the total production for the well was 39,111 mcf per day. The well was produced 18 days in August, or a daily average on the actual production of 2173 mcf per day. It's a very good check with the test that Permian ran, 2137 and 2173.

Q How would the capacity of this existing well compare with

DEARMLEY - MELER & A POPULATES GENERAL LAN POPULATES ALBUQUERQUE NEW MERCU Phone Chapet 36691 what you would expect the allowable to be with 480 acres credit for this well?

A Well, I believe the well has sufficient capacity to carry 480 acres.

Q What is the basis for that conclusion?

A Well, I went through the proration schedules for the Eumont Field for 1957, and taking the non-marginal 480 gas units. I found the daily average in 1957 was slightly less, almost equal to 1100 mcf per day daily average. Now our test here last August was almost twice that amount. Now the highest allowable that was assigned in 1957 was in November for 480-acre units; that came out to be 2,141 mcf per day daily basis for non-marginal 480-acre well, which was approximately equivalent to the test that we ran in August.

Q So assuming the Commission approves this 480-acre proposed unit, you wouldn't anticipate any difficulty in the existing well producing its assigned allowable?

A No, sir, it should have no difficulty whatsoever.

(Pan American's Exhibit No. 2 marked for identification.)

Q I hand you what has been marked as Pan American's Exhibit No. 2. It's more or less self-explanatory, but you might state what it is and briefly bring out any pertinent point that you would like to.

A Exhibit No. 2 is a production history for the C. J.

DEARNLEY - MELTR & ASSOCIATES GENERAL LAW RECENTERS ALBUQUERQUE NEW MELTERS Phone Chopel 3 6591

Gillully No. 4, the gas well that we're talking about here today that we would like to assign the 480 acres to. It is a history from the time the 320-acre non-standard unit was assigned in 1955 up through the latest production records that I have, which were February, '58, simply a production history. Going here, looking in September, 1957, you can see that the well produced over 60,000 mcf that month, it was making up some underproduction, 30 days in September, so again that confirms the capacity in excess of 2,000 mcf per day.

Q Early in your testimony, Mr. Currens, when you were referring to the average allowable for a 480-acre unit in this Pool, I wonder if you noticed whether there were many or a few such 480-acre units?

A There are several 480-acre units in the Field.

Q Do you know whether any of the 480-acre units currently existing in the Field are similarly shaped and have a similar well location to our proposed unit?

A One I could cite would be the Texas Company's State H-2 No. 26, which is located in Section 20, Township 20 South, Range 37 East. This is a 480-acre unit of a similar shape with a similar well location as the application here today would cover. This was granted by the Commission after hearing in 1955, by Order R-599.

Q All right, Mr. Currens, by way of summary, let me ask you, in your opinion if the Commission approves this proposed unit, will it prevent waste and protect the correlative rights of the interested parties?

> DEARTHER MORE & ARSO DA GOMERA LAA RAAR DA ALBUQUERQUE NEW MATCH Phone Chapel 3:0091

A Yes, sir, I believe it will. It will prevent waste in that it would make unnecessary the drilling of an additional well or the dual completion of an existing well, neither of which can be justified economically on the basis of any increased ultimate recovery of gas from this 480-acre tract. Certainly it will protect correlative rights, in that it will afford the working interest and royalty interest and overriding royalty interest owners an opportunity to recover their proportionate share of the recoverable gas in place under the tract.

Q Also will the approval of this unit eliminate any unassigned acreage in this general area of the Pool?

A Yes, sir, it will.

MR. BUELL: That's all we have at this time, Mr. Examiner. May I offer Pan American's Exhibits 1 and 2?

MR. NUTTER: Without objection Pan American's Exhibits 1 and 2 will be admitted.

Does anyone have any questions of Mr. Currens?

CROSS EXAMINATION

By MR. PORTER:

Q Did you give the producing potential of the unit well, I believe it's the No. 4?

A I gave the test. Would you like to know what it was potentialed on recompletion?

Q Yes.

A In 1953 the well was recompleted from the Monument, as I

DEXEMPLE MELTON V CENSION AND ALEXADERING E DAVIS Phone Charles 2000

12 recall, and tested 7200 mcf per day at 500 pounds, with a calculated absolute open flow of 8800 mcf per day. Q The well now has 320-acre unit assigned? A Yes, sir, the North Half of the section. Q Has it been making the allowable consistently? A Yes, sir. The production history will show that it has been over and under produced at various times in something over the last three years. November, 1957, the status of the well was overproduced, the well was overproduced by 6,287 mcf. MR. PORTER: Thank you. Q What was the NSP number again which authorized the 320-acre By MR. NUTTER: unit? Q You did state, did you not, that all interests, working, A 108. royalty, and overriding interests had been communitized? A Yes, sir, they have, and those have been filed. Q Are there any other wells in this 480-acre unit which are now or have been completed in the Eumont Gas Pool? A Not to my knowledge. There are none that are now completed in the Eumont Gas Pool, I don't know of any that has been at any Q Particularly in the Southeast Quarter of Section 4, there time, other than this one. never have been any Eumont gas wells, down there? A Not to my knowledge, no, sir. DEARMLEY MELTINA (1997) GENERAL LAA (1997) ALU JOJEROUE, NEW M. Phone Chopel 3-552)

13 Q There never has been a unit assigned to the Southeast MR. NUTTER: Are there any further questions of Mr. Currens? A No, sir, not that I know of. Quarter of 24? (Witness excused.) If not, he may be excused. MR. NUTTER: Anything further, Mr. Buell? MR. NUTTER: Does anyone have anything further they wish MR. BUELL: That's all we have. to offer in this case? If not, we will take the case under advise-* * * ment.

CERIJFICAIE STATE OF NEW MEXICO 14 COUNTY OF BERNALILLO SS I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability. WITNESS my Hand and Seal this 1273 day of May, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico. My commission expires: June 19, 1959. I do hereby certify that the foregoing is a comple working that the investing is the English of the Proceedings in the English that the Proceedings in the English that the Proceedings in beald of all o New Mexico Oil Conservation Commission

Care 1427

ŧ٤.

E: E:

PAN AMERICAN PETROLEUM CORPORATION

Roswell, New Mexico April 1, 1958

File: S-605-986.510.1

Subject: Non-Standard Proration Unit, O. J. Gillully "A" No. 4, Eumont Gas Field

New Mexico Oil Conservation Commission (3) P. O. Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

FORM 490 -2-5

Pan American Petroleum Corporation respectfully requests a hearing for the purpose of obtaining approval of a 480 acre non-standard gas proration unit in the Eumont Gas Field to be comprised by the N/2 and the SE/4 of Section 24, T-20-S, R-36-E and to be dedicated to it's 0. J. Gillully "A" No. 4. This will be a non-standard location for the unit in that the unit well is located 660' from the north line and 1980' from the east line of Section 24, T-20-S, R-36-E.

This well was assigned a 320 acre non-standard gas proration unit consisting of the N/2 of the aforesaid Section 24 by Administrative Order NSP-108 dated March 17, 1955. A Unitization Agreement between Pan American Petroleum Corporation and Sinclair Oil & Gas Company now makes it necessary to request a hearing to increase the size of the unit to 480 acres as described above. Attached is a plat showing the location of the unit well and of all wells known to exist in the same and surrounding Sections.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

L. Kelley

District Superintendent

Attachment



ILLEGIBLE





ILEGIBLE



Scule: 1º - 1000*

e.,

NOTE: Acreage shown as Stanolind Oll & Gas Co. is now the property of Pan American Petroleum Corp.

TLEGIBLE

OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

Date 5/9/58

CASE 1427

Hearing Date 9: A.H May 6 - DSN at SP

My recommendations for an order in the above numbered cases are as follows:

I recommend the establishment of the non-standard gas proration unit requested by applicant in the subject case. All interests have been communitized. The only necessity for a hearing to establish this unit is the non-standard location of the well for a 480-acre unit. No objections to the granting of the application were received and the acreage may reasonably be presumed to be productive of gas in the Eumont Gas Pool.

Aember 52

-2-Docket No. 12-58

CASE 1429

Continued

after separately measuring the oil from each of said pools by means of volume type meters.

- CASE 1430: Application of El Paso Natural Gas Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 331-acre non-standard gas proration unit in the Blanco Mcsaverde Gas Pool consisting of the W/2 of Partial Section 6 and the NW/4 of Partial Section 7, Township 30 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Howell No. 2-G Well located 990 feet from the South and West lines of said Section 6.
- CASE 1431: Application of Skelly Oil Company for a dual completion. Applicant, in the above-styled cause, seeks an order authori-zing the dual completion of its P. L. Davis Well No. 1, located 990 feet from the North and East lines of Section 26, Township 26 North, Range 11 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from an undesignated Gallup gas pool and gas from an undesignated Dakota gas pool underlying the above-described area.
- CASE 1432: Application of King Oil Company for approval of three unorthodox gas well locations. Applicant, in the above-styled cause, seeks an order authorizing the unorthodox gas well locations for the following described wells:

Navajo A-1 Well, located 2310 feet from the South line and 2310 feet from the West line of Section 4, Township 30 North, Range 17 West;

Navajo A-2 Well, located 1650 feet from the North line and 330 feet from the East line of Section 4, Township 30 North, Range 17 West;

Navajo B-2 Well, located 660 feet from the South line and 660 feet from the East line of Section 34, Township 31 North, Range 17 West,

all in San Juan County, New Mexico.

ir/

No. 12-58

DOCKET: EXAMINER HEARING MAY 6, 1958

OIL CONSERVATION COMMISSION 9 a.m., MABRY HALL, STATE CAPITOL, SANTA FE, NM

The following cases will be heard before Daniel S. Nutter, Examiner:

- CASE 1425: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard gas proration unit in the Tubb Gas Pool consisting of the E/2 E/2 of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Lockhart B-14 "A" Well No. 2, located 660 feet from the South and East lines of said Section 14.
- CASE 1426: Application of Neville G. Penrose for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Blinebry Gas Pool consisting of the S/2 SE/4 and SE/4 SW/4 of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Percy Hardy No. 1 Well, located 660 feet from the South line and 1980 feet from the West line of said Section 17.
- CASE 1427: Application of Pan American Petroleum Corporation for approval of a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 480-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 and SE/4 of Section 24, Township 20 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's O. J. Gillully "A" No. 4 Well, located 660 feet from the North line and 1980 feet from the East line of said Section 24.
- CASE 1428: Application of E. G. Rodman for the approval of a communitization agreement and for a forced pooling order. Applicant, in the above-styled cause, seeks an order approving a communitization agreement embracing the NW/4 and the W/2 NE/4 of Section 20, Township 21 South, Range 37 East, Lea County, New Mexico, as to dry gas and associated liquid hydrocarbons produced from said tract from the Eumont Gas Pool; and further, for an order force pooling the interests of all persons in the abovedescribed tract who have not voluntarily subscribed to abovereferenced communitization agreement.
- CASE 1429: Application of Standard Oil Company of Texas for a dual completion and for permission to commingle the production from two common sources of supply. Applicant, in the abovestyled cause, seeks an order authorizing the dual completion of its V. L. Leavitt No. 2 Well, located 1650 feet from the North line and 2310 feet from the West line of Section 13, Township 18 South, Range 26 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Atoka-Grayburg Pool and oil from the Atoka (San Andres Pool through parallel strings of tubing; and further, for permission to commingle the production from the said V. L. Leavitt No. 2 Well from both of the above-described pools in common tankage

-3-Docket No. 12-58

Examiner Hearing May 6, 1958 continued

CASE 1433: Application of Graridge Corporation to expand a pilot water flood project in the Caprock Queen Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order permitting the expansion of the pilot water flood project authorized by Order No. R-972 in the North Caprock Queen Unit in the Caprock-Queen Pool, Lea County, New Mexico, to include eight additional water injection wells in Sections 30, 31, and 32 of Township 12 South, Range 32 East, Lea County, New Mexico.

- CASE 1434: Application of Tidewater Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Coates "C" Well No. 11, located 1980 feet from the North line and 1650 feet from the West line of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Drinkard formation adjacent to the Justis-Drinkard Pool and oil from the Justis-Fusselman Pool through parallel strings of tubing.
- CASE 1435: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the SE/4 of Section 5 and the NE/4 of Section 8, all in Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Hawk A-8 No. 2 Well located 660 feet from the North line and 1980 feet from the East line of said Section 8.
- CASE 1436: Application of Amerada Petroleum Corporation for a nonstandard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Bagley-Upper Pennsylvanian Gas Pool consisting of the SE/4 of Section 3 and the NE/4 of Section 10, all in Township 12 South, Range 33 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Amerada Mathers No. 2 Well located in the SE/4 SE/4 of said Section 3.
- CASE 1437: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 of Section 7, Township 23 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Stevens B-7 Unit Well No. 1 located 990 feet from the North and West lines of said Section 7.
- CASE 1438: Application of Monsanto Chemical Company for an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox gas well location for its Viersen Well No. 1 at a point 660 feet from the North and East lines of Section 19, Township 30 North, Range 13 West, San Juan County, New Mexico.

ir/

Cael 1434

NEW MEXICO OIL CONSERVATION COMMISSION P. O. Box 871 Santa Fe, New Mexico

Date April 18, 1958

Pan American Petroleum Corp. P.O. Box 899 Roswell, New Mexico

ATTENTION: C. L. Kelley

Gentlemen:

Your application for <u>a 480-acre non-standard gas proration unit in the</u> Eumont Gas Pool

 dated April 1, 1958
 has been received, and has been tentatively

 scheduled for hearing before
 an examiner
 on

 May 6, 1958
 .

A copy of the docket will be forwarded to you as soon as the matter is advertised.

Very truly yours,

1 Puter A. L. PORTER, Jr

Secretary-Director

ga

| December | November | Jetober | September | August | July | June | Hay | April | March | February | January | MUNTH |
|----------|----------|---------|-----------|-----------|--------|--------|----------|--------|-----------|----------------|---------------------------|--|
| 22,871 | 3,305 | 59,161 | 5,570 | 18,378 | 20,997 | 0 | 44,355 | 10,313 | 22,124 | 18, 658 | | 1 PRODUCTION (NCF) |
| 64,704 | 49,451 | 22,062 | 51,753 | 17,409 | 12,971 | 18,122 | Ex 7,428 | Bx 755 | Bx 31,634 | Bx 33,349 | | 1955 UVER/UNDER N PRUEUCTION (HCP) |
| 34,503 | 29,833 | 47,130 | 50,981 | 34,464 | 11,426 | 2,556 | 15,794 | 22,197 | 26,041 | 25,718 | 25,035 | 19 Production (NGF) |
| 15,390 | 25,425 | 32,046 | 57,306 | 78,299 | 84,795 | 79,789 | 66,689 | 61,991 | 55,782 | 54,287 | <i>67</i> ,391 | 1956 OVER/UNDER N PRODUCTION (MCF) |
| 16,660 | 50,219 | 37,301 | 60,896 | 39,111 | o | 19,405 | 0 | 0 | 232 | 27,992 | 13,727 | 19 PRODUCTION (MCF) |
| 10,490 | Ex 6,287 | 1,113 | 8,391 | 49,660 | 52,834 | 45,161 | 65,693 | 53,822 | 32,529 | 12,805 | 23,526 | 1957 OVER/UNDER NN PRJDUCTION (MCF) |
| | | | | | | | | | 17,148 | 31,298 | 15 PRODUCTION (MCF) | |
| | | | 1421 | WALL WALL | | | | | | 8,196 | 4,358 | 1958 OVER/UNDER N PRODUCTION (NCF) |

FRUDUCTION HISTURY J. J. GILLULLY "A" NJ. 4