Case Mo. 1451 Replication, Transcript, Smill Exhibits, Etc.

To or of 200-acre non-standard gas in the Justis Gas Pool.

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BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico June 18, 1958

IN THE MATTER OF: Case No. 1451

TRANSCRIPT OF PROCEEDINGS

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

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico June 18, 1958 'IN THE MATTER OF: Application of Amerada Petroleum Corporation for a non-standard gas proration unit. Applicant, in) Case 1451. the above-styled cause, seeks an order establish-) ing a 280-acre non-standard gas proration unit in) the Justis Gas Pool consisting of the W/2 SW/4 Section 24, NW/4 and SW/4 NE/4 of Section 25, all) in Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's proposed well to be drilled in the NE/4 NW/4 of said Section 25. **BEFORE:** Mr. A. L. Porter, Jr. Mr. Murray Morgan Governor Edwin L. Mechem

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: We'll take up next Case 1451.

MR. PAYNE: Case 1451: Application of Amerada Petroleum Corporation for a non-standard gas proration unit.

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, Santa Fe, representing Amerada Petroleum Corporation. This case was heard before an Examiner and continued before the Commission, and we would like to move for a continuance of the case to the regular July hearing. We are still working on efforts to form a standard unit in this area, and a well is presently being drilled in the Southwest Quarter of the Southwest Quarter of Section 24, which

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will probably have some bearing on the formation of the standard unit; and for that reason, we would like to have the case continued for another month.

MR. PORTER: Is there an objection to Mr. Kellahin's motion for continuance of Case 1451 to the regular July hearing? The case will be continued to the regular July hearing.

<u>CERTIFICATE</u>

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STATE OF NEW MEXICO

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 2477 day of June, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

NOTARY PUBLIC

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My commission expires: June 19, 1959.

> DEARNLEY - MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone CHopel 3 6691

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO Santa Fe, New Mexico

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July 16, 1958

TRANSCRIPT OF HEARING Case 1451

DEARNLEY - MEIER & ASSOCIATES INCORPORATED GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO 3-6691 8-9546

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO Santa Fe, New Mexico July 16, 1958

IN THE MATTER OF:

Application of Amerada Petroleum Corporation for a : non-standard gas proration unit. Applicant, in : the above-styled cause, seeks an order establishing a 280-acre non-standard gas proration unit in : the Justis Gas Pool consisting of the W/2 SW/4 : Case Section 24, NW/4 and SW/4 NE/4 of Section 25, all : 1451 in Township 25 South, Range 37 East, Lea County, : New Mexico, said unit to be dedicated to the applicant's proposed well to be drilled in the NE/4 NW/4 of said Section 25.

BEFORE:

Mr. A. L. Porter Mr. Murray Morgan

TRANSCRIPT OF HEARING

MR. PAYNE: Application of Amerada Petroleum Corporation for a non-standard gas proration unit.

MR. KELLAHIN: Jason Kellahin with Kellahin and Fox, representing Amerada Petroleum Corporation. We would like to move that this case be dismissed. At the present time we are drawing up an agreement for communitization and the formation of a standard unit covering the south half of Section 24, and negotiations are also under way for a formation of a standard unit in Section 25. For that reason we would like to have the case dismissed.

MR. PORTER: Is there objection to Mr. Kellahin's motion

DEARNLEY MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone Chapel 3-6691 2

for dismissal? Case 1451 will be dismissed.

CERTIFICATE STATE OF NEW MEXICO) COUNTY OF BERNALILLO) SS

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 1977 day of July, 1958.

Notary Public-Court Reporter

My commission expires: June 19, 1959.

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DEARNLEY - MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone CHapel 3-6691

BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1451

TRANSCRIPT OF HEARING

MAY 28, 1958

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

Page NEW MEXICO OIL CONSERVATION COMMISSION Mabry Hall Santa Fe NEW MEXICO REGISTER HEARING DATE Examiner TIME: 9:00 a.m. May 28, 1958 NAME: REPRESENTING LOCATION: Henry Down Hinkle - Teteras Co Rosuell HP BRA How nn; iland The Texas Co. John N. Clark C.S. Johnson The Texos Co. Midland F.C. Mongan Phillips Pat. Co. Hubbs W.W. Phillips John L. Sundars WALC 10665 Phillips Pet. Co. megnolis Pet. Lo. Hobbs Frworth H.N. Wads The Terer Co. D.A. Scheffer The Texas Co. Ft Worth Ft. Coorte D.B. Meisnuliaima The Toror B B. E. Hellman The Texas Co. Ft. Worth A.M. Speir liter Exploration Co Artesia, N.M. T.R. HAVINS, Jr Abilenc, Tex Neuille G. PENRose, Inc. R.T. Churchill Ft. Worth, Texas Midland, Tex Neville G. Penrose Inc J.R.French AMBASSADOR OIL CORP. Fl. WORTH H.L. MCGEACKEN D.R.CURRENS PAN AMERICAN PET CORP ROSWELL, N. M. J.W. BROWN Guy BUELL FTWORTH, TEXAS L'Abander-81 Reas Matural Here Co midland, Tekas Eduin W Paulicy Frank Charner Souta Fe MMer. Albooyergus n.m. PANSCO Pat. Carp Tate hanse Separter Vancy Kayah

Page_2 NEW MEXICO OIL CONSERVATION COMMISSION Mabry Hall Santa Fe , NEW MEXICO REGISTER HEARING DATE Examiner May 28, 1958 9:00 a.m. TIME: NAME LOCATION: REPRESENTING: Koswell MM Asex M Campbell aughell + Kussell Tulor, Opla distanta Oil Co. Jack De Jones Hobbs, New Mexico Tennessee Gas Trans Co. Phil Lundy Terriversee GAS Trans. Co. J.F. GARNES R.S. Christie Amende Juesa Monument new My vico a merada. Pc. Kind Sata IL, her mexico Kellahin + Fox Jason Kellahin Breckennikge, Jaca Bronidge Carp. allert. La ford FUNICE, N.M. CONTINENTAL DIE CO V. T. LYON Atlantic Roswell W.L. Porrelinson Farmington a a Green it al Dio Stito HOBRS E.V. BOYNTON Continental Oil Foswell, W. U. Xastler Goef Oil Corp Storen Ir Horth. Don Waller CP Paro El Paso matural Sas to Junoodinff.

NEW MEXICO OIL CONSERVATION COMMISSION

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Mabry Hall

Santa Fe , NEW MEXICO REGISTER May 28, 1958

NAME:

TIME: 9:00 a.m. Examiner HEARING DATE_ **REPRESENTING:** LOCATION: Jelteanna B. M. N.S. Co. Onton M. M.Y. D.A. Then didefindent after With and Sc. Docon Service Pixedine co. Lungeon nm Junit Jaming auborsodor Oil Gry Rocuell "

BEFORE THE OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO MAY 28, 1958

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IN THE MATTER OF:

CASE NO.1451 Application of Amerada Petroleum Corporation for a non-standard gas proration unit. Applicant, in the abovestyled cause, seeks an order establishing a 280-acre non-standard gas proration unit in the Justis Gas Pool consisting of the W/2 SW/4 Section 24,NW/4: and SW/4 NE/4 of Section 25, all in Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's proposed well: to be drilled in the NE/4 NW/4 of said Section 25.

BEFORE:

Elvis A. Utz, Examiner

<u>TRANSCRIPT</u> OF <u>PROCEEDINGS</u>

MR. UTZ: Next case will be Case No. 1451.

MR. PAYNE: Application of Amerada Petroleum Corporation for a non-standard gas proration unit.

MR. KELLAHIN: Jason Kellahin of Kellahin & Fox, representing the applicant, Amerada Petroleum Corporation. This is an application for approval of a non-standard proration unit consisting of ithdic west half of the southwest quarter of Section 24, the northwest quarter and the southwest quarter of the northeast quarter of Section 25, in Township 25 South, Range 37 East, all of which is

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located within the defined limits of the Justis Gas Pool. We have two witnesses, Mr. Harold Kidd and Mr. R. S. Christie.

(Witnesses sworn)

MR. KELLAHIN: We will call as our first witness Mr. Kidd.

H. C. KIDD,

called as a witness, having been first duly sworn on oath, testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Will you state your name, please?

A Harold C. Kidd.

Q By whom are you employed, Mr. Kidd, and in what capacity

A By Amerada Petroleum Corporation as district engineer at Monument, New Mexico.

Q Have you testified before this Commission as an expert engineer and had your qualifications accepted?

A Yes, sir, I have.

MR. KELLAHIN: Are the witness' qualifications accepted?

MR. UTZ: They are.

Q Mr. Kidd, are you familiar with the application in Case 1451?

A Yes, sir, I am.

Q now, referring to what has been marked as Exhibit No. 1, will you state what that shows?

A Exhibit No. 1 is a plat of the area showing the location of the proposed gas unit colored yellow on the Exhibit. The location

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of the proposed unit well circled red, the location of all existing gas units in the area in green, horizontal limits of the Justis Gas Pool in the area, and the lease ownership and well location in the vicinity of the proposed non-standard unit.

Q Now, all of the proposed non-standard unit is within the defined limits of the Justis Gas Pool, is it not?

A Yes, sir, it is.

Q Would you give us the proposed well location?

A The well location as shown on the plat is wrong. The location should be 990 from the north line and 1650 from the west line. It is shown as a 660 location from the north and a 1980 from the west.

MR. UTZ: What were those --

A Be 990 from the north line, 1650 from the west line, Section 25, Township 25, Range 37 East.

Q Now, referring to what has been marked as Exhibit No. 2,

A Yes, sir. Exhibit No. 2 is a structure map contoured on top of the Glorietta which is the gas producing formation of the Justis Gas Pool, has a contour interval of twenty-five feet. Here again, the proposed gas unit is colored yellow, and the well location is circled in red. The horizontal limits are also shown on the cross section.

Q Does that plat likewise show the wells producing from the Justis Gas Pool?

DEARNLEY MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone Chapel 3-6691 A Yes, sir, it does. The gas wells are shown with the gas well symbol with a circle around it, around the gas well.

Q That is confined to this area?

A In this area, yes, sir.

Q Now, on the basis of this Exhibit and the structure you find in this area and on the basis of the production which has been found in the vicinity of this proposed unit, may all of the acreage proposed to be included in the unit reasonably presumed to be productive of gas?

A Yes, sir. The structure map indicates that the acreage would be productive of gas and the proposed unit offset is offset to the north and south by producing gas wells.

Q Now, referring to what has been marked as Exhibit No. 3, will you state what that shows?

A Exhibit No. 3 is a tabulation of production data for the Justis Gas Pool, and shows gas production in MCF by months and by years for the Justis Pool; shows distillate production in barrels for the Justis Gas Pool by months and by years, and also has a tabulation of gas production by years and months for wells in the area in the proposed unit.

Q For the benefit of the Examiner, can you summarize the production of the pool on the basis of that Exhibit?

A Yes, sir. The field production tabulation shows a cumulative gas production to April 1, 1958 of ten billion, five hundred ninety-eight thousand and four MCF of gas, while distillate

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production totals twenty five thousand one hundred twenty-five barrels. Gas production currently is averaging five thousand, one hundred and eight MCF and twenty barrels distillate per day.

Q Now, as I understand, the Exhibit likewise shows the production from wells offsetting the proposed unit, is that correct?

A Yes, sir, it does.

Q Can you summarize that information?

A The proposed wells range from over two billion cubic feet of gas to two hundred and five thousand MCF of gas, and gas production during the last fifteen months has averaged between four hundred and fourteen thousand cubic feet per day and a million six hundred ninety-four thousand cubic feet per day.

Q Now, there is no well producing on the proposed unit from the Justis Gas Pool at the present time, is there?

A No, sir, there isn't.

Q In your opinion, unless this application is granted, will the situation you've outlined result in a denial of a right to produce your fair share of gas from the Justis Gas Pool?

A Yes, sir, I believe it will. The exhibits show the acreage to be productive, and that we are offset by producing gas units, and that we require a gas unit here to obtain our fair share of gas in the area.

Q Will the production of this unit result in production of acreage held by Amerada?

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A Yes, 1t does.

Q Were Exhibits 1, 2 and 3 prepared by you or under your direction and supervision?

A Yes, sir, they were.

MR. KELIAHIN: At this time we would like to offer Exhibits 1, 2 and 3.

MR. UTZ: Does Exhibit 3 include all the tabulated pages that follow it?

MR. KELLAHIN: If the Examiner please, they are all stamped together and in the interest of saving time we offered it as one exhibit. The exhibits consist of two parts, one relating to pool production and the other to the production from specific wells.

MR. UTZ: Consists of five pages?

MR. KELLAHIN: Yes, sir.

MR. UTZ: Is there objection to the entrance of these exhibits? If not, they will be accepted.

MR. KELLAHIN: I have no further questions of the witness. MR. UTZ: Are there any questions of the witness? QUESTIONS BY MR. UTZ: Mr. Kidd, I believe you stated that the only way you could recover your fair share of gas and oil in this unit was to drill a well in this unit, is that correct?

A Yes, sir.

Q Is it possible to communitize this acreage with another well in the area?

A Yes, sir, it would be. Mr. Christie is going to testify to

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| | that. | |
| 9 9 ja | MR. KELLAHIN: He is going to testify on efforts to communi | |
| | tize. | |
| | MR. UTZ: Are there any other questions of the witness? If | · . |
| | nct, the witness may be excused. | |
| | (Witness excused) | ~ * |
| | MR. KELLAHIN: I would like to call Mr. Christie. | |
| | R. S. CHRISTIE, called as a witness, having been first duly sworn on oath, testi- | |
| | fied as follows: | |
| * | DIRECT EXAMINATION | |
| | BY MR. KELLAHIN: | |
| | Q Will you state your name, please, sir? | - |
| in , | A R. S. Christie. | |
| | Q By whom are you employed and in what position, Mr. Christie | ? |
| 11 | A Amerada Petroleum Corporation, petroleum engineer. | |
| | Q Now, Mr. Christie, in your position as petroleum engineer, | |
| | have you had anything to do with the subject matter of Case 1451? | |
| | A Yes, sir, in a general way. | 1.1 |
| | Q Now, in the application filed in this case, it is stated at | |
| | Paragraph 2 that efforts to communitize with the adjacent owner | |
| - | to form a 320-acre unit have proved nonsuccessful. Can you outline | |
| | to the Commission what efforts have been made to communitize this | • •• |
| | acreage? | |
| | A Since Order No. 586-C in Case 1293 was signed setting u | b a |
| | DEARNLEY - MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone CHapel 3-6691 | |
| а - | | |

320-acre unit in the Justis Gas Pool, Amerada has made a diligent effort to try to communitize our acreage into standard 320-acre units.

Q Now, have those efforts met with any success?

A Up to the present time they have not. We have been constantly in touch with the other companies involved in these units, and to the present time we have been unable to form these 320-acre standard units.

Q Is Amerada Petroleum Corporation willing to form a standard unit?

A Yes. We would still like to form a standard 320-acre unit and prevent the drilling of unnecessary wells, and this can be done by the drilling of one additional well in this area which would then commit all the acreage within the defined limits of the pool.

Q Is there any special reason for securing approval of a nonstandard unit at the present time, Mr. Christic?

A You have reference to our particular application?

Q Do you have any obligations in regard to getting this property on structure?

A Yes. One of the reasons that unit could not be formed in the past, our royalty interests would not pool with other units, but recently we have obtained pooling agreements which remain in effect only until July 15th, and at that time if the acreage is not committed to units, or a well is not drilled, the pooling agreements are void.

Q And in that event, it would be necessary to go back and

DEARNLEY MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone Chapel 3-6691 secure a new agreement, is that correct?

A Yes, sir, or face the possibility of law suit, perhaps. I might add that the companies have had a meeting recently, and we feel rather confident that these units may be worked out possibly prior to the date of the signing of this application, if the Commission approves it.

Q Well, in that event, Mr. Christie, would you keep the Commission informed as to the progress of these negotiations and advise them immediately if a standard unit is formed?

A Yes, sir, we will.

Q Do.you have anything you care to add?

A I believe not.

MR. KELLAHIN: That's all the questions we have of Mr.

Christie.

MR. UTZ: Are there any questions of Mr. Christie? MR. JONES: Mr. Examiner, my name is Jack D. Jones. I represent Tidewater Oil Company. I am from Tulsa.

CROSS EXAMINATION

BY IR. JONES:

Q Mr. Christie, the efforts of the other companies to form standard units in this area include both Sections 24 and 25, do they not?

A Yes, sir.

Q So that if standard units could be formed, only one further well would need to be drilled, as you said there would be no nec-

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essity of a well as you proposed here, is that correct?

A That's correct.

MR. JONES: I have no further questions.

MR. KELLAHIN: If the Examiner please, in view of the testimony which has been offered in regard to the formation of the standard unit, at this time we would request that this case be held open until the regular state-wide hearing, June 18th, I believe is the date, at which time we should be in a position to report as to the progress on those negotiations.

MR. UTZ: You have heard the motion. Is there any objection to the continuance of this case until June the 18th regular hearing? If not, the case will be continued.

Are there any other questions of Mr. Christie? If not, the witness may be excused.

(Witness excused)

MR. UTZ: The case will be continued until the June 18th regular hearing.

MR. KELLAHIN: If the Examiner please, as a matter of procedure, this being an Examiner hearing, we've asked that this be continued to the regular June 18th hearing. However, I do not feel that it will come before the Commission as a whole, but would be a matter to be conducted before the Examiner, unless it is transferred to the Commission by some order or some other procedure. I don't feel that there will be any necessity for any further testimony in connection with this case. I am a little at a loss as to

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how it can be handled.

MR. PAYNE: We can transfer it to the Commission.

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MR. XELLAHIN: I think it will have to be done.

MR. PAYNE: Yes, I agree with you.

MR. KELLAHIN: I just wanted to settle a point. In that event, it will have to be readvertized, I assume, as a continued case transferred to the Commission.

MR. UTZ: Yes, we will readvertize it.

MR. KELLAHIN: That's all we have to offer at the present time.

MR. UTZ: The hearing will be adjourned until eight o'clock in the morning at the same place.

> DEARNLEY - MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE, NEW MEXICO Phone Chapel 34491

<u>C E R T I F I C A T E</u>

STATE OF NEW MEXICO) : ss COUNTY OF BERNALILLO)

I, J. A. TRUJILLO, 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 by me and/or 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, the 1^{-2} day of $\int u dy$, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Notary Publi

My Commission Expires: October 5, 1960.

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DEARNLEY - MEIER & ASSOCIATES GENERAL LAW REPORTERS ALBUQUERQUE. NEW MEXICO Phone CHapel 3-6691 13

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. 1451 Order No. R-1233

APPLICATION OF AMERADA PETROLEUM CORPORATION FOR A 280-ACRE NON-STANDARD GAS PRORATION UNIT IN THE JUSTIS GAS POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause originally came on for hearing at 9 o'clock a.m. on May 28, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, bereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations. This cause was duly transferred to the Commission and came on for hearing at 9 o'clock a.m. on June 18, 1958, at Santa Fe, New Mexico, at which time it was continued until 9 o'clock a.m. on July 16, 1958. On the latter date the cause came on for hearing before the Commission.

NOW, on this $6^{\frac{15}{2}}$ day of August, 1958, the Commission, a quorum being present, 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, Amerada Petroleum Corporation, moved that the subject application be dimmissed.

IT IS THEREPORE ORDERED:

That the application of Amerada Petroleum Corporation in Case No. 1451 be and the same is hereby dismissed.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

MECHEN, Chairman 1 AMara

NURBAY /E MORGAN Member

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L. PORTER, Jr., Member & Secretary



allendance Ley C. Leter Wielen Matural Jula Wisten Matural Sar Co. Midland Well Tempinson attention Rowell K. n. Miller Lidewater Takks RS. Christie Amerada 1 Lea H.C. Kidd a mereda Monument N. M. J. Randin El Pano Mature Has Co medland, Telas Operators present at home meeting may 27, 1958 to discuss the peasability of community ation of Sees. 24 + 25 T 255, R37E Justis Gar Pool.

ANERADA PETROLEURI CORPORATION P. O. BOX 2040 TULZA 2, OKLA.

May 1, 1958

New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Gentlemen:

RSC:mt

Attached in triplicate is our application for a non-standard gas provation unit in the Justis Gas Pool, Lea County, New Mexico.

Will you please set this case for hearing at your earliest convenience, before an examiner, if it would be more expedient.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

Dares # 1451

R. S. Christie

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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF AMERADA PETROLEUM CORPORATION TO FORM A 280-ACRE NON-STANDARD GAS PRORATION UNIT COMPRISING THE W/2 SW/4 SECTION 24; NW/4 AND SW/4 NE/4 SECTION 25, TOWNSHIP 25 SOUTH, RANGE 37 EAST, JUSTIS GAS POOL, LEA COUNTY, NEW MEXICO, AS AN EXCEPTION TO RULE 5 (a) OF ORDER NO. R-586-C

| CASE | NO. | |
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APPLICATION

COMES NOW Amerada Petroleum Corporation and alleges and states the following:

1. Applicant, Amerada Petroleum Corporation, is owner of 100% of the working interest under leases covering the W/2 SW/4 Section 24; NW/4 and SW/4 NE/4 Section 25, all in Township 25 South, Range 37 East, all located within the defined limits of the Justis Gas Pool, as shown on the attached exhibit which is made a part of this applications

2. That efforts to communitize with adjacent owners to form a 320-acre unit have proved unsuccessful.

3. That if said unit is approved it is proposed to drill a well in the NE/4 NW/4 Section 25-25S-37E.

4. That the proposed 280-acre non-standard gas proration unit is presumed to be productive of gas.

5. The establishment of the 280 non-standard gas proration unit comprising the lands herein described as an exception to Rule 5 (a) of Order No. R-586-C, Special Rules and Regulations for the Justis Gas Pool, is necessary to prevent waste and afford the Applicant an opportunity to receive its fair and equitable share of the gas in the Justis Gas Pool.

WHEREFORE, Applicant respectfully requests that this Application be set for hearing, that notice of such hearing be given as required by law, and, upon the conclusion of said hearing, that this Commission enter its order approving the formation of a non-standard gas proration unit in exception to Rule 5 (a) of the Special Rules and Regulations for the Justis Gas Pool as set forth in Order Ho. R-586-C, consisting of the W/2 SW/4 Section 24; NW/4 and SW/4 NE/4 Section 25-258-37E, Lea County, New Mexico.

AMERADA PETROLEUM CORPORATION

Christie

STATE OF OKLAHOMA

SS

COUNTY OF TULSA

Before me, the undersigned authority, on this day personally appeared R. S. Christie, known to me to be the person whose name is subscribed to this instrument, who, after being by me duly sworn on oath, states that he has knowledge of all the facts stated above and that the same is true and correct statement of the facts as therein recited.

Subscribed and sworn to before me the 1st day of May, 1958.

My Commission expires:

Nobember 30, 1959

Margaret L. June Margaret L. Tavar, Notary Public in and for Tulsa County, Oklahoma

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UNIT PLAT WIMBERLY GAS UNIT JUSTIS POOL LEA CO., NEW MEXICO SCALE: I" = 2000 FT.



---- Proposed Unit ---- Present Unit

UNIT PLAT WIMBERLY GAS UNIT JUSTIS POOL LEA CO., NEW MEXICO SCALE: I" = 2000 FT



- Proposed Unit

- Fresent Unit

UNIT PLAT WIMBERLY GAS UNIT JUSTIS POOL LEA CO, NEW MEXICO SCALE: I" = 2000 FT.

No. 20-58

DOCKET: REGULAR HEARING JULY 16, 1958

Oil Conservation Commission 9 a.m. Mabry Hall, State Capitol, Santa Fe, NM

ALLOWABLE:

(2) Consideration of the allowable production of gas for August, 1958, from six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from seven prorated pools in San Juan and Rio Arriba Counties, New Mexico, for August, 1958.

(1) Consideration of the oil allowable for August, 1958.

NEW CASES

CASE 1276:

In the matter of the hearing ordered to be called by Order No. R-1031 to permit Amerada Petroleum Corporation and other interested operators to appear and show cause why 320-acre spacing and the Special Rules and Regulations for the Bagley-Lower Pennsylvanian Gas Pool in Lea County, New Mexico, as set forth in Order R-1031 should be continued in effect beyond August 31, 1958.

CASE 1325: In the matter of the hearing ordered to be called by Order No. R-1091 to permit Amerada Petroleum Corporation and other interested operators to appear and show cause why 320-acre spacing and the Special Rules and Regulations for the Bagley-Upper Pennsylvanian Gas Pool in Lea County, New Mexico, as set forth in Order R-1091 should be continued in effect beyond August 31, 1958.

CASE 1384: In the matter of the hearing ordered to be called by Order No. R-1136 to permit Amerada Petroleum Corporation to appear and present additional evidence as to the proper designation of the oil producing intervals in its State BTO No. 1 Well located 990 feet from the South line and 2310 feet from the East line of Section 34, Township 11 South, Range 33 East, in the Bagley-Pennsylvanian area of Lea County, New Mexico, and to show cause why the above-described well should be permitted to continue to produce as a dual completion.

CASE 1480:

Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension and reclassification of existing pools in Lea, Eddy and Roosevelt Counties, New Mexico.

(a) Create a new oil pool for Devonian production, designated as the Dickinson-Devonian Pool, and described as:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM Section 34: SW/4

(b) Create a new oil pool for Queen production, designated as the East Millman-Queen Pool, and described as:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM Section 14: SE/4 -2-Docket No. 20-58

> (c) Create a new oil pool for Bone Springs production, designated as the South Vacuum-Bone Springs Pool, and described as:

> > TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM Section 22: NW/4

(d) Change the pool limits of the Artesia Pool to Queen, Grayburg, and San Andres.

(e) Extend the Jalmat Pool to include:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM Section 10: NE/4 Section 11: NW/4 & W/2 NE/4

(f) Extend the Justis Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM Section 13: NE/4

(g) Extend the Justis-Fusselman Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM Section 24: SW/4

(h) Extend the Milnesand-Pennsylvanian Pool, to include:

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM Section 14: SE/4

(i) Extend the Vandagriff-Keyes Gas Pool to include:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM Section 33: SE/4 Section 34: SW/4

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM Section 4: NE/4

(j) To consider the reclassification of the Four Lakes-Devonian Pool, from an oil pool to a gas pool upon the application of Humble Oil & Refining Company. The present horizontal limits of said pool are as follows:

> TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM Section 35: SE/4

> TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM Section 1: NW/4 Section 2: NE/4

-3-Docket No. 20-58

<u>CASE 1481:</u> Northwestern New Mexico nomenclature case calling for an order for the extension of existing pools in Rio Arriba and San Juan Counties, New Mexico.

(a) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM Section 15: SW/4 Section 16: S/2 Section 17: S/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM Section 1: All

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM Section 21: SW/4 Section 28: NW/4

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM Section 1: NW/4

(b) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPH Section 8: SE/4

(c) Extend the Blanco-Mesaverde Pool to include:

| TOWNSHIP 2 | 7 NORTH, | RANGE | 8 WEST, | NMPM |
|---|----------|-------|---------|-------------------|
| Section 8: | AIT | - | | |
| Section 17 | ': A11 | | | |
| Section 18 | E/2 | • | | |
| Section 29 | : A11 | | | |
| Section 31 | : E/2 | | | |
| Section 32 | : N/2 | | | ант. 1917 - Эл |
| 194 - Contra de Contr | | | | |

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM Section 35: N/2

(d) Extend the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM Section 18: 5/2 Section 19: NE/4

TOWNSHIP 26 NORTH, RANGE 14 WEST, NMPM Section 13: SE/4

(e) Extend the Horseshoe-Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM Section 33: SE/4 SW/4, S/2 SE/4 Section 34: SW/4 SW/4

-4-Docket No. 20-58

(f) Extend the Otero-Gallup Oil Pool to include:

| TOWNSHIP 25 1 Section 32: | NORTH, RANGE SE/4 | 5 WEST, NMPM |
|------------------------------|----------------------|--------------|
|------------------------------|----------------------|--------------|

(g)

| Extend t | he Verde- | Gallup | 011 | Pool | to in | clude· |
|------------|---------------------|----------------|------|------------------|-------|--------|
| TOW Sec | NSHIP 30 tion 6: | NORTH, SE/4 | RANC | JE 15 | WEST, | NMPM |

| TOWNSHIP 3 Section 33 | 1 NORTH | , RANGE 15 | WEGH | Marrie |
|--------------------------|---------|------------|-------|--------|
| Section 33 Section 34 | SW, | • | "LD1, | NMPM |

CONTINUED CASES

CASE 1451:

CASE 1473:

Application of Amerada Petroleum Corporation for a non-standard gas proration unit. Applicant, in the abpvestyled cause, seeks an order establishing a 280-acre nonstandard gas proration unit in the Justis Gas Pool consisting of the W/2 SW/4 Section 24, NW/4 and SW/4 NE/4 of Section 25, all in Township 25 South, Range 37 East, Lea County, New / Mexico, said unit to be dedicated to the applicant's proposed/ well to be drilled in the NE/4 NW/4 of said Section 25.

Southeastern New Mexico Nomenclature case.

(1) To reconsider the designation and limits of the South Sawyer-San Andres Pool.

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No. 16-58

DOCKET: EXAMINER HEARING MAY 28, 1958

Oil Conservation Commission 9 a.m. Mabry Hall, State Capitol, Santa Fe

The following cases will be heard before Elvis A. Utz, Examiner:

CASE 1225: Application of Moab Drilling Company and Utex Exploration Company for an order amending Order No. R-975. Applicant, in the above-styled cause, seeks an order amending Order No. R-975 to permit the conversion to a water injection well of the Utex Exploration Company Donohue-Federal No. 3 Well, located in the SE/4 SW/4 of Section 15, Township 16 South, Range 29 East, Eddy County, New Mexico.

CASE 1446: Application of The Texas Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Cotton Draw Unit embracing 35,144 acres, more or less, of Federal, State of New Mexico, and patented lands, located in Township 24 South, Ranges 31 and 32 East; Township 25 South, Ranges 31 and 32 East, in Eddy and Lea Counties, New Mexico.

CASE 1447: Application of The Texas 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 comprising the E/2 of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's C. H. Weir "B" Well No. 3, located 330 feet from the North line and 660 feet from the East line of said Section 11.

<u>CASE 1448:</u> Application of Ambassador Oil Corporation for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its North Caprock Queen Unit No. 2 embracing 1808 acres, more or less, of State of New Mexico lands located in Township 13 South, Ranges 31 and 32 East, in Chaves and Lea Counties, New Mexico.

CASE 1449: Application of Graridge Corporation for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the consolidation of tank batteries to receive the production from more than sixteen wells in the North Caprock Queen Unit No. 1 in Chaves and Lea Counties, New Mexico, which was established by Order No. R-1145. The applicant further seeks permission to install automatic custody transfer equipment on the above-referenced Unit.

CASE 1450:

Application of Neville G. Penrose, Inc. for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its November State Unit comprising 913 acres, more or less, of State of New Mexico and patented lands, located in Township 10 South, Range 37 and 38 East, and Township 11 South, Range 38 East, Les County, New Mexico.
-2-Docket No. 16-58

<u>CASE 1451:</u>

Application of Amerada Petroleum Corporation for a nonstandard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 280-acre non-standard gas proration unit in the Justis Gas Pool consisting of the W/2 SW/4 Section 24, NW/4 and SW/4 NE/4 of Section 25, all in Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's proposed well to be drilled in the NE/4 NW/4 of said Section 25.

CASE 1452:

Application of Amerada Petroleum Corporation for the dual completion of a producing oil well to permit the disposal of salt water therein. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its H. C. Posey "A" No. 4 Well, located in the NW/4 NE/4 of Section 14, Township 12 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil through the tubing from the Pennsylvanian formation, adjacent to the East Caprock-Pennsylvanian Pool, and to permit the disposal of salt water through the casing tubing annulus into the Devonian formation between 11,205 feet and 11,370 feet.

CASE 1453;

Application of Magnolia Petroleum Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Stephens Estate No. 1 Well, located in the NW/4 SW/4 of Section 24, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Terry-Blinebry Pool and Wantz-Abo Pool.

CASE 1454;

Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington No. 4 Well, located 660 feet from the South line and 1980 feet from the West line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Blinebry oil pool and oil from the Justis-Ellenburger Pool through parallel strings of tubing.

CASE 1455:

Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington Well No. 5, located 1650 feet from the South line and 1980 feet from the East line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico. in such a manner as to permit the production of oil from an undesignated Blinetry oil pool and oil from the Justis-Ellenburger pool through parallel strings of tubing. -3-Docket No. 16-58

CASE 1456:

Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington Well No. 6, located 330 feet from the South line and 1980 feet from the East line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Blinebry oil pool and oil from the McKee formation, adjacent to the Justis-McKee Pool, through parallel strings of tubing.

CASE 1457:

Application of Sinclair Oil & Gas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State Lea Well No. 1, located 660 feet from the South and West lines of Section 24, Township 16 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Kemnitz-Wolfcamp Pool and from the Pennsylvanian formation adjacent to the Kemnitz-Pennsylvanian Pool through parallel strings of tubing.

CASE 1458:

Application of Albert Gackle 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 S/2 of Section 23, Township 23 South, Range 36 Fast, Lea County, New Mexico, said unit to be dedicated to the applicant's Sinclair State No. 1 Well, located 1650 feet from the South line and 990 feet from the East line of said Section 23.

CASE 1459:

Application of Continental Oil Company for a dual completion and non-standard gas proration unit. Applicant, in the abovestyled cause, seeks an order authorizing the dual completion of its Farney A-17 Well No 3, located in Section 17, Township 23 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Lower Yates formation of the Jalmat Gas Pool and gas from the Upper Yates formation of the Jalmat Gas Pool through the tubing and casing-tubing annulus respectively. The applicant further seeks the establishment of a 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 of said Section 17, to be dedicated to the said Farney A-17 Well No. 3.

CASE 1460:

Application of Phillips Petroleum Company for an oil-oil dual completion and for permission to commingle production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its New Mex "A" Well No. 1 located 1983 feet from the South line and 2313 feet from the West line of Section 25, Township 16 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Kemnitz-Wolfcamp Pool and oil from an undesignated Pennsylvanian pool through parallel strings of tubing. The applicant also proposes to produce the Wolfcamp and Pennsylvanian production from said well into common storage. -4-Docket No. 1658

CASE 1461:

1: Application of A. A. Greer, et al., for an exception to the acreage factors established by Order No. R-565-C for certain wells in San Juan County, New Mexico. Applicant, in the above-styled cause, seek an order granting an exception to the acreage factors provided in the Special Rules and Regulations for the Aztec-Pictured Cliffs Gas Pool and Fulcher Kutz-Pictured Cliffs Gas Pool, as set forth in Order No. R-565-C, for one well in the Aztec-Pictured Cliffs Gas Pool and eight wells in the Fulcher Kutz-Pictured Cliffs Gas Pool and eight drilled on 40-acre spacing prior to the establishment of 160acre spacing in the aforementioned pools.

CASE 1462: 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 335-acre, more or less, nonstandard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the SW/4 of Section 7 and the W/2 of Section 18, all in Township 30 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Howell No. 4-C Well, located 933 feet from the South line and 931 feet from the West line of said Section 18.

CASE 1463:

Application of Pan American Petroleum Corporation for an oilgas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its O. H. Randel "A" No. 1 Well, located 1650 feet from the South line and 990 feet from the West line of Section 9, Township 26 North, Range 11 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and gas from an undesignated Dakota gas pool through parallel strings of tubing.



No. 18-58

DOCKET: REGULAR HEARING JUNE 18, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

ALLOWABLE:

(1) Consideration of the oil allowable for July, 1958.

(2) Consideration of the allowable production of gas for July, 1958, for six prorated pools in Lea County, New Mexico; consideration of the allowable production of gas from six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for July, 1958, and also presentation of purchaser's nominations for the six-month period beginning August 1, 1958, for seven prorated pools in San Juan and Rio Arriba Counties, New Mexico.

NEW CASES

Application of Amerada Petroleum Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 280-acre non-standard gas proration unit in the Justis Gas Pool consisting of the W/2 SW/4 Section 24, NW/4 and SW/4 NE/4 of Section 25, all in Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's proposed well to be drilled in the NE/4 NW/4 of said Section 25.

CASE 1473:

CASE 1451:

Southeastern New Mexico Nomenclature case calling for an order for the extension of existing pools in Lea and Eddy Counties, New Mexico.

(a) Extend the Atoka Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST NMPM Section 23: N/2 NW/4

(b) Extend the Blinebry Gas Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 29: W/2

(c) Extend the Eumont Gas Pool to include:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM Section 1: E/2

(d) Extend the Gladiola Pool to include:

TOWNSHIP 11 SOUTH, RANGE 38 EAST, NMPM Section 29: SE/4 Section 32: NE/4 DOCKET No. 18-58

-2-

(e) Extend the Grayburg Jackson Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM Section 19: SE/4

(f) Extend the Hare Pool to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 4: NW/4

(g) Extend the West Henshaw-Grayburg Pool to include:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM Section 17: SW/4

(h) Extend the Kemnitz-Wolfcamp Pool to include:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 26: NE/4

(i) Extend the South Leo-Grayburg Pool to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM Section 36: NE/4

(j) Extend the Pearl-Queen Pool to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM Section 21: SW/4 Section 28: NW/4

(k) Extend the San Simon Pool to include:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM Section 28: SW/4 Section 33: NW/4

(1) To reconsider the designation and limits of the South Sawyer-San Andres Pool.

CASE 1474:

Northwestern New Mexico Nomenclature case calling for an order creating a new pool, extending existing pools and changing the designation of certain pools in Rio Arriba, San Juan and McKinley Counties, New Mexico.

(a) Create a new gas pool for Paradox production, designated as the , Blue Hill-Paradox Pool, and described as:

TOWNSHIP 31 NORTH, RANGE 18 WEST, NMPM Section 1: NW/4 Section 2: NE/4 **DOCKET** No. 18-58

-3-

TOWNSHIP 32 NORTH, RANGE 18 WEST, NMPM Section 35: SE/4 Section 36: SW/4

(b) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM Section 1: S/2 Section 12: NE/4

(c) Extend the Fulcher Kutz-Pictured Cliffs Pool to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM Section 6: SW/4

(d) Extend the Gavilan-Pictured Cliffs Pool to include:

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM Section 23: SW/4 Section 26: NW/4

(e) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNS IP 24 NORTH, RANGE 4 WEST, NMPM Section 7: NE/4 Section 8: SW/4

(f) Extend the Blanco Mesaverde Pool to include:

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM Section 6: All

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM Section 5: All

(g) Extend the Angels Peak-Dakota Pool to include:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM Section 27: S/2 Section 34: All

(h) Extend the East Companero-Dakota Pool to include:

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM Section 18: All DOCKET NO. 18-58

-4-

(i) Extend the North Los Pinos-Dakota Pool to include:

TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPM Section 20: N/2

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM Section 23: NE/4

(j) Extend the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM Section 15: SE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM Section 19: SE/4 Section 30: N/2

(k) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM Section 8: SW/4 Section 30: NW/4

(1) Change the official designation of the following described pools:

PRESENT DESIGNATION

Angels Peak Pool Bloomfield Oil Pool Fulcher-Kutz (Pictured Cliffs) Pool Gavilan Pool Lindrith Oil Pool North Los - Pinos - Dakota Pool South Los - Pinos - Dakota Pool Oswell Oil Pool Red Mountain Oil Pool

Stoney Butte (Dakota) Oil Pool Table Mesa Oil Pool Wyper Oil Pool Otero Graneros-Dakota Pool

PROPOSED REVISION

Angels Peak-Dakota Pool Bloomfield-Farmington Oil Pool Fulcher Kutz-Pictured Cliffs Pool Gavilan-Pictured Cliffs Pool Lindrith-Dakota Oil Pool North Los Pinos-Dakota Pool South Los Pinos-Dakota Pool Oswell-Farmington Oil Pool Red Mountain-Mesaverde Oil Pool Stoney Butte-Dakota Oil Pool Table Mesa-Dakota Oil Pool Wyper-Farmington Oil Pool Otero-Graneros Dakota Pool

-5-DOCKET NO. 18-58.

CONTINUED CASES

CASE 1053:

Application of the Oil Conservation Commission upon its own motion, at the request of the State Engineer, for an order prescribing rules and regulations to govern the disposal of salt water in areas of Lea County, New Mexico. The Commission desires to formulate rules and procedures which will result in the efficient disposal of salt water and which will eliminate the practice of surface disposal of large volumes of oil field brines in order to prevent the contamination of the freshwater bearing horizons in Lea County, New Mexico.

CASE 1440:

Application of Skelly Oil Company for an order promulgating temporary special rules and regulations for the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating temporary special rules and regulations for the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, to provide for 80 acre proration units, well spacing, and such other provisions as the Commission may deem necessary and proper.

June 2, 1958

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|-----|-----------------------|---|----------------------|-----------|-----------------|------------------|---------|-----------|---------|---------|-----------------|---------|----------|-----------------|----------|---------|-------------|
| | | *Olsen Oil for this 1 | Cumulative 516,161 | Totals | December | November | October | September | August | July | June | Мау | April | March | February | January | - |
| | | | | 516,161 | 116,828 | 110 , 369 | 107,761 | 76,746 | 66,531 | 1 | ı | 10,695 | 23,501 | 3 , 361 | 369 | I. | <u>7946</u> |
| | | fimb∉rly #1 lded to obt | 1,326,130 | 696,608 | 4,334 | 39,296 | 24,965 | 79,495 | 74,531 | 55,167 | 81,344 | 131,145 | 82,852 | 77,028 | 62,715 | 770,76 | 1947 |
| | ی سیر ۲۰ میر ۲۰ | had been c ain cumulat | 1,735,931 | 409,801 | 24,837 | 40,955 | 27,913 | 30,459 | 31,064 | 47,248 | 7,098 | 22,487 | 75,464 | 77,055 | 666 °6 | 15,222 | 1948 |
| | | Company Wimberly #1 had been carried in Langlie well is added to obtain cumulative for the pool. | 2,233,948 | 498,017 | 65,000 | 26,487 | 27,460 | 3,006 | 25,881 | 51,252 | 60,157 | 92,702 | 49,267 | 49,712 | 16,406 | 30,687 | 1949 |
| - | | anglie Mattix | 2,522,504 | 288,556 | 101,682 | 38,586 | 13,042 | 5,604 | 10,830 | 8,768 | 8,820 | 19,300 | 20,247 | 22,123 | 8,914 | 30,640 | <u>1950</u> |
| • • | CASE 1 | BEF | 4,229,133* | 870,387 | 70,857 | 46,868 | 32,754 | 86,655 | 67,175 | 75,223 | 60,205 | 44,033 | 113,416 | 88,256 | 69,052 | 115,893 | <u>1951</u> |
| | CASE NO. 14 5 1 - 3 | to 1951. Cumulative gas ORE EXAMINER UTZ | 4,229,133* 5,00%,564 | 780,431 | 96 , 035 | 73,195 | 27,158 | 31,698 | 55,840 | 63,033 | 45,524 | 74,135 | 61,199 | 64,166 | 90,402 | 88,046 | <u>1952</u> |
| | NO CONWISS | Cumulative gas | 5,668,064 | 658,500 | 95,959 | 51,826 | 28,372 | 17,109 | 26,294 | 35,284 | 42,058 | 37,065 | 63,163 | 58,311 | 96,982 | 106,077 | 1953 |
| | F | | 6,278,972 | 610,908 | 31,007 | 54,433 | 33,092 | 21,515 | 59,450 | 28,509 | 42,148 | 37,875 | 35,325 | 57,190 | 104,584 | 105,780 | 1954 |
| | 4 | | 7,040,366 | 761,394 | 101,106 | 142,089 | 73,793 | 50,921 | 71,680 | 34,596 | 41 , 650 | 20,653 | 32,159 | 23,575 | 109,661 | 59,511 | 1955 |
| | EXHIBIT NO. | | 8,736,668 | 1,696,302 | 80,709 | 278,686 | 234,371 | 152,225 | 121,236 | 203,886 | 81,076 | 123,187 | 95,438 | 87,053 | 154,754 | 189,681 | 1956 |
| | | | 10,131,780 | 1,395,117 | 153,959 | 134,633 | 113,637 | 163,368 | 223,148 | 79,323 | 93 , 598 | 101,012 | 899° € 6 | 90 , 850 | 88,087 | 49,834 | 1521 |
| | | | 10,598,004 | 466,224 | | | | | | | | | | 132,775 | 162,021 | 171,428 | 1958 |

JUSTIS FOOL Gas Production MCF

| | • | | | | | | | . * | |
|------------|-------------|-------|-------------|--------|-------------|--------|-------------|---|---------------|
| | <u>1951</u> | 1952 | <u>1953</u> | 1954 | <u>1955</u> | 1956 | <u>1957</u> | 1958 | |
| January | | 173 | 332 | 364 | 126 | 149 | 204 | 475 | |
| February | 170 | 478 | 254 | 252 | 51 | 131 | 145 | 703 | |
| March | 171 | 91 | 5 | 155 | | 179 | 58 | 577 | • |
| April | 341 | 70 | 9 | 166 | - | 199 | 300 | | • |
| May | - | 93 | - | - | € | 261 | 547 | м ^с | |
| June | 165 | 38 | - | 43 | - | 159 | 272 | | 1.2 1 2 |
| July | 171 | 35 | - | | - | 680 | 91 | | |
| August | 164 | 7 | | 445 | | 528 | 1,065 | n versionen er stander er son er s New son er son New son er son | |
| September | 104 | 68 | - | - | - | 547 | 733 | · · · · | |
| October | | | - | - | 259 | 739 | 687 | en an | |
| Nov ember | 28 | 151 | • | - | 814 | 938 | 569 | | • |
| December | 173 | 174 | 263 | | 502 | 333 | 365 | · · · · · | |
| Totals | 1,487 | 1,378 | 863 | 1,425 | 1,752 | 4,843 | 5,036 | 1,755 | |
| Cumulative | 8,473* | 9,851 | 10,714 | 12,139 | 13,891 | 18,734 | 23,770 | 25,525 | |
| | • | | Sec. 2 | | | | 14 C | 1 | |

*Distillate production for Justis wells had been carried in Langlie-Mattix Pool prior to 1951.

EXHIBIT NO.

JUSTIS POOL Distillate Production Bbl.

JUSTIS POCL Gas Production MCF

| - - - | OLSEN | | OLSEN | |
|---------------|--------------------|-----|---------------------|---|
| 1951 | WIMBERLY NO. 1 | 19 | 52 WIMBERLY NO. | 1 |
| <u>MONTH</u> | GAS MCF | MOI | NTH GAS MCF | - |
| January | 16,668 | Jai | nuary 17,739 | |
| February | 9,379 | | bruary 41,717 | |
| March | 35,748 | | rch 4,107 | |
| April | 36,450 | Ap | ril 8,978 | |
| May | 2,909 | Ma | | |
| June | 3,157 | Ju | | |
| July | 20,973 | Ju | | |
| August | 2,677 | | gust 843 | |
| September | 8,245 | | ptember 9,807 | |
| October | 713 | | tober 1,112 | |
| November | 1,879 | No | vember 14,587 | |
| December | 4,045 | | cember 26,068 | |
| Total | 142,843 | | otal 142,817 | |
| Cumulative | 979,085* | | umulative 1,121,902 | |
| *Carried in L | anglie Mattix Pric | | | |

| an a | OLSEN | | OLSEN | TIDEWATER |
|--|----------------|------------|----------------|-----------------|
| 1953 | WIMBERLY NO. 1 | 1954 | WIMBERLY NO. 1 | COATS "C" NO. 1 |
| MONTH | GAS MCF | MONTH | GAS MCF | GAS MCF |
| January | 56,669 | J anuary | 27,652 | 3,776 |
| February | 46,933 | February | 18,495 | 39,851 |
| March | 4,550 | March | 10,255 | 1,308 |
| April | 7,375 | April | 14,377 | 563 |
| May | 6,333 | May | 267 | 233 |
| June | 11,638 | June | 6,375 | 9,665 |
| July | 1,448 | July | 6,585 | 5,868 |
| August | 5,484 | August | 747 | 1,321 |
| September | 1,398 | September | 1,820 | 1,356 |
| October | 5,079 | October | - | 7,141 |
| November | 6,501 | November | 1,704 | 5,541 |
| December | 27,652 | December | - | 1,144 |
| Total | 181,060 | Total | 88,277 | 77,767 |
| Cumulative | | Cumulative | 1,391,239 | 77,767 |

| | OLSEN | | TIDEWATER | i, |
|------------|--------------|---|-------------|-------------|
| 1955 | WIMBERLY NO. | 1 00 | ATS "C" NO. | 1 |
| MONTH | GAS MCF | تشت مت | GAS MCF | |
| January | 6,850 | | 14,397 | |
| February | 19,199 | | 33.897 | |
| March | 3,725 | | | |
| April | | 1. | • | |
| May | | | | |
| June | | • | 979 | · .• . |
| July | , . | | 1,523 | |
| August | | | | |
| September | - | 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - | | |
| October | 21,193 | 1. | 11,986 | |
| November | 50,536 | n an | 33,748 | ۰. <u>۱</u> |
| December | 36,067 | | 13,694 | · |
| Total | 137,570 | 1 | 110,221 | |
| Cumulative | 1,528,809 | . · · · · | 187,991 | |

JUSTIS POOL Gas Production MCF

 OLSEN

 1956
 WIMBERLY NO. 1

 MONTH
 GAS MCF

 January
 7,273

 February
 41,384

 March
 214

 April
 293

 May
 19,245

 June
 26,745

 July
 79,125

 August
 7,520

 September
 8,636

 October
 81,567

 November
 90,493

 December
 5,592

 Total
 368,087

 Cumulative
 1,896,896

| TIDEWATER COATS "C" NO. 1 GAS MCF 28,679 | HAMILTON DOME CARLSON "A" NO. 1 GAS MCF |
|---|---|
| 28,298 | |
| 5,365 | - |
| 39,096 | |
| 42,584 | |
| 3,538 | |
| 24,467 | 23,040 |
| 22,439 | 23,040 |
| 30,838 | 56,987 |
| 23,691 | 52,609 |
| 62,861 | 52,423 |
| 5,991 | 26,850 |
| 317,847 | 234,949 |
| 505,838 | 234,949 |
| | |

| | | | 1. C |
|------------|--|---|----------------|
| 1957 | EL PASO NATIL.GAS CARLSON FED. "B" NO. 1 | GULF | OLSEN |
| MONTH | | RAMSAY "F" NO. 3 | WIMBERLY NO. 1 |
| | GAS MCF | GAS MCF | GAS MCF |
| Janua ry | | | 14,263 |
| February | | | 23 500 |
| March | | 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - | 31,598 |
| | | | 4,237 |
| April | and a second | | 12,644 |
| May | | | 23,626 |
| June | | | 12,609 |
| July | 6,294 | 2 006 | 12,009 |
| August | | 3,905 | e |
| | 55,610 | 41,277 | S.I. |
| September | 49,977 | 26,487 | 2,971 |
| October | 11,487 | 8,491 | 54 |
| November | 15,346 | | |
| December | | 28,924 | 1,862 |
| | 8,469 | 33,227 | 907 |
| Total | 147,183 | 142,311 | 104,771 |
| Cumulative | 147,183 | 142,311 | 2,001,667 |
| | | | |

| | TIDEWATER | HAMILTON DOME |
|------------|---------------------------------------|-------------------|
| 1957 | COATS "C" NO. 1 | CARLSON "A" NO. 1 |
| MONTH | GAS MCF | GAS MCF |
| January | 6,015 | |
| February | 3,318 | 12,456 |
| | · · · · · · · · · · · · · · · · · · · | 3,886 |
| March | 37,523 | 1,469 |
| April | 27,443 | 11,565 |
| May 🐘 🐁 | 20,583 | 18,584 |
| June | 21,290 | 6,888 |
| July | 13,932 | - |
| August | | S •I• |
| | 35,623 | <u>S.I.</u> |
| September | 31,563 | 2,268 |
| October | 8,854 | 55,068 |
| November | 1,295 | 56,087 |
| December | 11,129 | |
| Total | | 29,708 |
| | 218,568 | 197,979 |
| Cumulative | 724,406 | 432,928 |
| | | |

EXHIBIT NO.

<u>JUSTIS POOL</u> Gas Production MCF

| | EL PASO NAT'L.GAS | GULF | OLSEN |
|------------|---------------------------------------|------------------|----------------|
| 1958 | CARLSON FED. "B" NO. 1 | RAMSAY "F" NO. 3 | WIMBERLY NO. 1 |
| MONTH | GAS MCF | GAS MCF | GAS MCF |
| January | 68,901 | 18,250 | 14,891 |
| February | 13,320 | 33,375 | 10,763 |
| March | 11,096 | 11,499 | 19,497 |
| Total | 93,317 | 63,124 | 45,151 |
| Cumulative | 240,500 | 205,435 | 2,046,818 |
| | · · · · · · · · · · · · · · · · · · · | | |

| | TIDEWATER | HAMILTON DOME |
|------------|-----------------|-------------------|
| 1958 | COATS "C" NO. 1 | CARLSON "A" NO. 1 |
| MONTH | GAS MCF | GAS MCF |
| January | 6,290 | 17,756 |
| February | 13,719 | 35,419 |
| March | 26,307 | 14,799 |
| Total | 46,316 | 67,974 |
| Cumulative | 770,722 | 500,902 |

EXHIBIT NO._