

Case No.

1524

Application, Transcript,
Small Exhibits, Etc.

1972-1974 Summary 1974-1976 Summary 1977-1978
Summary 1979-1980 Summary 1981-1982 Summary
tion for 1983-1984 Summary 1985-1986 Summary
recovery projects, Bird-Lower 1987-1988

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. 1524
Order No. R-1271

APPLICATION OF SUNRAY MID-CONTINENT
OIL COMPANY AND BRITISH AMERICAN OIL
PRODUCING COMPANY FOR THE ESTABLISH-
MENT OF RULES AND REGULATIONS FOR
SECONDARY RECOVERY PROJECTS IN THE
BISTI-LOWER GALLUP OIL POOL IN SAN
JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
October 15, 1958, at Santa Fe, New Mexico, before the Oil Con-
servation Commission, hereinafter referred to as the "Commission."

NOW, on this 5th day of November, 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 joint applicants, Sunray Mid-Continent Oil
Company and British American Oil Producing Company, by application
received on October 9, 1958, requested that the case be dismissed.

IT IS THEREFORE ORDERED:

That Case 1524 be and the same is hereby dismissed.

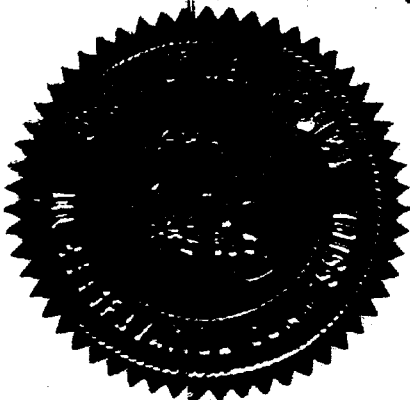
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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



BEFORE THE
OIL CONSERVATION COMMISSION
FARMINGTON, NEW MEXICO

IN THE MATTER OF:

CASE 1524

TRANSCRIPT OF HEARING

OCTOBER 15, 1958

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

BEFORE THE
OIL CONSERVATION COMMISSION
SARASOTA, NEW MEXICO
OCTOBER 15, 1955

IN THE MATTER OF:

CASE 1524 Application of Sunray Mid-Continent Oil Com-
pany and British American Oil Producing Com-
pany for the establishment of rules and regu-
lations for secondary recovery projects in the:
Bisti-Lower Gallup Oil Pool, San Juan County,
New Mexico. Applicants, in the above-styled
cause, seek an order promulgating special rules
and regulations governing the operation of
secondary recovery projects in the Bisti-Lower:
Gallup Oil Pool in the following areas:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM
Section 6: S/2, NE/4, S/2 NW/4, & NE/4 NW/4
Section 7: E/2 & EW/4

TOWNSHIP 25 NORTH, RANGE 13 WEST, NMPM
Section 1: NW/4, SE/4, S/2 NE/4, & NW/4 NE/4
Section 12: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 31: SE/4, E/2 SW/4, & NW/4 SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM
Section 35: All

Applicants propose that said special rules
would include, among other things, a system
for transfer of allowable from injection to
shut-in wells and an administrative procedure
for conversion of additional wells to LPG and
gas injection.

BEFORE:

Mr. A. L. Porter
Mr. Murray Morgan

T R A N S C R I P T O F P R O C E E D I N G S

MR. PORTER: Consider next case 1524.

MR. COOLEY: Case 1524. Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for the establishment of rules and regulations for secondary recovery projects in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

Regarding Case 1524, Sunray Mid-Continent Oil Company and British American Oil Producing Company, the applicants in that case have formally requested the withdrawal of this application and requested the same be dismissed. I, therefore, recommend that Case 1524 be dismissed.

MR. PORTER: Is there objection to the motion for dismissal in Case 1524? Case 1524 will be dismissed.

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 23rd day of October,
1958, in the City of Albuquerque, County of Bernalillo, State of
New Mexico.

Joseph G. Impeh
Notary Public

My Commission Expires:
October 5, 1960.

DOCKET: REGULAR HEARING OCTOBER 15, 1958

Oil Conservation Commission 9 a.m. Apache School Gymnasium, 600 Block West
Apache, Farmington, New Mexico

- ALLOWABLE:** (1) Consideration of the oil allowable for November, 1958.
- (2) Consideration of the allowable production of gas for November, 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 November, 1958.

NEW CASES

CASE 1522: Application of Lea County Drip Company, Inc. for the revision of certain of the Commission Statewide Rules and Regulations and for the revision of certain of the Commission forms. Applicant, in the above-styled cause, seeks an order to revise Rules 311, 312, 1116 and 1117 of the Commission Rules and Regulations, to replace the present Commission Form C-117 with two forms to be designated as C-117-A and C-117-B, and to revise Commission Form C-118.

CASE 1523: Application of El Paso Natural Gas Company for an order establishing 320-acre drilling and spacing units and promulgating special rules and regulations for certain formations in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order establishing 320-acre drilling and spacing units in San Juan and Rio Arriba Counties, New Mexico, and promulgating special rules and regulations for the gas producing interval lying between the base of the Greenhorn limestone of Cretaceous age and the base of the productive upper portion of the Morrison sandstone of Jurassic age, which includes undifferentiated Graneros, Dakota, and Morrison sands. The application includes all currently designated Dakota Gas Pools, Graneros Gas Pools and Graneros-Dakota Gas Pools with exception of the Barker Creek-Dakota Gas Pool and the Ute Dome Gas Pool.

CASE 1524: Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for the establishment of rules and regulations for secondary recovery projects in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico. Applicants, in the above-styled cause, seek an order promulgating special rules and regulations governing the operation of secondary recovery projects in the Bisti-Lower Gallup Oil Pool in the following areas:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 6: S/2, NE/4, S/2 NW/4, & NE/4 NW/4

Section 7: E/2 & NW/4

TOWNSHIP 25 NORTH, RANGE 13 WEST, NMPM
Section 1: NW/4, SE/4, S/2 NE/4, & NW/4 NE/4
Section 12: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 31: SE/4, E/2 SW/4, & NW/4 SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM
Section 35: All

Applicants propose that said special rules would include, among other things, a system for transfer of allowable from injection to shut-in wells and an administrative procedure for conversion of additional wells to LPG and gas injection.

CASE 1525:

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

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

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 28: NW/4
Section 29: NE/4

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

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 20: SE/4

(c) Create a new gas pool for Pennsylvanian production, designated as the South Salt Lake-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 25: SE/4

(d) Extend the Allison-Pennsylvanian Pool to include:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 2: NE/4

(e) Extend the Atoka Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 13: NE/4 SW/4 & NW/4 SE/4

(f) Extend the Caprock-Queen to include:

TOWNSHIP 14 SOUTH, RANGE 31 EAST, NMPM
Section 4: W/2 NW/4

- (g) Extend the South Carter-San Andres Pool to include:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM
Section 6: SE/4

- (h) Extend the High Lonesome Pool to include:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 14: N/2
Section 15: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
Section 3: Lots 11, 12, & 14

- (j) Extend the Jalmat Gas Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

- (k) Extend the South Paddock Pool to include:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 32: SW/4

- (l) Extend the Reeves-Pennsylvanian Pool to include:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 23: SW/4
Section 26: W/2
Section 27: S/2

- (m) Extend the South Sawyer-San Andres Pool to include:

TOWNSHIP 9 SOUTH, RANGE 38 EAST, NMPM
Section 31: S/2
Section 32: S/2

TOWNSHIP 10 SOUTH, RANGE 38 EAST, NMPM
Section 6: NW/4

- (n) Extend the Square Lake Pool to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 15: NW/4

- (o) Extend the Young Pool to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 8: S/2 SE/4

CASE 1528: 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-Fruitland Pool to include:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 25: SW/4

Section 36: W/2

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

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM

Section 28: NW/4

Section 29: All

Section 30: N/2

- (c) Extend the Canyon Largo-Pictured Cliffs Pool to include:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM

Section 3: SE/4

Section 4: N/2

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 1: NE/4

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

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM

Section 23: W/2

Section 27: NE/4

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

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM

Section 15: SE/4

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM

Section 29: SW/4

Section 30: E/2

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 13: SW/4

Section 24: All

Section 25: N/2

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

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 20: E/2

Section 21: All

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 1: W/2
 Section 2: All
 Section 3: All
 Section 10: NE/4
 Section 14: E/2

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 33: SW/4

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 13: S/2
 Section 15: S/2
 Section 16: All
 Section 23: N/2
 Section 24: N/2

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM

Section 1: All
 Section 11: W/2
 Section 12: E/2
 Section 13: E/2

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 5: E/2
 Section 8: All
 Section 9: W/2

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

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM

Section 7: All

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

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM

Section 2: NW/4

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM

Section 35: SW/4

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 27: W/2
 Section 28: E/2

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

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 3: SE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Section 19: NW/4

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

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM
Section 10: NW/4 NE/4

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

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 32: S/2 NE/4

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

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM
Section 20: NW/4

CONTINUED CASE

CASE 1508:

Application of El Paso Natural Gas Company for the establishment of 320-acre spacing units for the Dakota formation in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order establishing 320-acre spacing units for all gas wells drilled to or completed in the Dakota formation in San Juan and Rio Arriba Counties, New Mexico, including the fifteen presently designated Dakota gas pools in said counties; and for the promulgation of special rules and regulations for said pools.

ir/

No. 27-58

SUPPLEMENTAL DOCKET: REGULAR HEARING OCTOBER 15, 1958

Oil Conservation Commission 9 a.m. Apache School Gymnasium, 600 Block
West Apache, Farmington, New Mexico

CASE 1519: Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for an order authorizing a secondary recovery project. Applicants, in the above-styled cause, seek an order authorizing a secondary recovery project in the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico. Applicants propose to inject liquefied petroleum gas and dry gas into the Gallup formation through the British American Marye Well No. 2 located in the NE/4 NE/4 of Section 12, Township 25 North, Range 13 West, and the Sunray Mid-Continent Federal "C" Well No. 20 located in the SW/4 NW/4 of Section 7, Township 25 North, Range 12 West, all in San Juan County, New Mexico.

ir/

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

November 10, 1958

C
O
P
Y

Mr. L. C. White
Gilbert, White & Gilbert
P.O. Box 787
Santa Fe, New Mexico

Dear Mr. White:

On behalf of your client, Sunray Mid-Continent Oil Company,
we enclose two copies of each of the following orders issued November 5,
1958, by the Oil Conservation Commission:

Order R-1270 in Case 1519
Order R-1271 in Case 1524
Order R-1278 in Case 1532

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encs.

Notified Bill Road 2/12/58 that this case is set for hearing of Oct 15 at Gallup. The fee set on the requested case for company set for 22. Aug 1958

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

1958 SEP 10 PM 4:34

IN THE MATTER OF THE APPLICATION OF SUNRAY
MID-CONTINENT OIL COMPANY AND BRITISH
AMERICAN OIL PRODUCING COMPANY FOR AN ORDER
ESTABLISHING RULES AND REGULATIONS IN AREAS
OF THE BISTI-LOWER GALLUP OIL POOL, SAN JUAN
COUNTY, NEW MEXICO, IN WHICH SECONDARY
RECOVERY OPERATIONS ARE BEING CONDUCTED.

CASE NO. 1524

A P P L I C A T I O N

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

COMES NOW the Applicants, Sunray Mid-Continent Oil Company and British American Oil Producing Company, and respectfully allege and state as follows:

1. That they are owners and operators of leases and wells within the limits of the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
2. That the Commission by its Order No. R-1027 dated August 7, 1957, granted to Sunray Mid-Continent Oil Company permission to inject liquefied petroleum gas followed by gas into the Bisti-Lower Gallup Oil Pool for the purposes of secondary recovery.
3. That Applicants have filed an application for an order authorizing another secondary recovery project in the Bisti-Lower Gallup Oil Pool using liquefied petroleum gas and gas.
4. That the area covered by this application is located in the Bisti-Lower Gallup Oil Pool and is as follows:

✓ All of Section 35, Township 26 North, Range 13 West, N.M.P.M.

✓ The Northwest Quarter (NW/4) and the East Half (E/2) of Section 1, Township 25 North, Range 13 West, less the Northeast Quarter of the Northeast Quarter (NE/4 NE/4) of said Section 1, N.M.P.M.

✓ The Northeast Quarter (NE/4) of Section 12, Township 25 North, Range 13 West, N.M.P.M.

Owned and operated by British American Oil Producing Company

✓ The South Half of Section 31, Township 26 North, Range 12 West, except the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of said Section 31, N.M.P.M.

✓ All of Section 6, Township 25 North, Range 12 West, except the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of said Section 6, N.M.P.M.

✓ The Northwest Quarter (NW/4) and the East Half (E/2) of Section 7, Township 25 North, Range 12 West, N.M.P.M.

Owned and operated by Sunray Mid-Continent Oil Company

All in San Juan County, New Mexico

5. That in the interest of conservation, the prevention of waste, and to more effectively and efficiently operate the liquefied petroleum gas-gas injection project, it is recommended to the Commission that rules and regulations be adopted to accomplish the following in the portion of the Bisti-Lower Gallup Oil Pool as described above:

- (1). The conversion of producing wells to injection wells upon approval of the Secretary-Director of the Commission.

*Dockets Mailed
10-1-58. BP*

B-A - SMC FIELD RULES

Page -2-

- (2). The transfer of the allowables from injection wells to producing wells within the project area.
- (3). The transfer of allowable from wells which have been shut-in for observation or to increase the efficiency of the project to producing wells within the project area.
- (4). The operation of wells on a net gas oil ratio basis giving allowance for liquefied petroleum gas and gas injected.
- (5). Such other rules and regulations which the Commission deems to be necessary.

WHEREFORE Applicants pray that this application be set for hearing, that notice be given as required by law, and that upon the evidence adduced at this hearing the Commission issue an order establishing rules and regulations in that portion of the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, as more fully described in this application.

Dated this 9th day of September, 1958.

BRITISH AMERICAN OIL PRODUCING COMPANY

By _____

R. W. Sullivan, Attorney
Mile High Center
Denver, Colorado

SUNRAY MID-CONTINENT OIL COMPANY

By _____

William R. Loar
William R. Loar, Attorney
P. O. Box 2039
Tulsa 2, Oklahoma

By _____

L. C. White, Attorney
P. O. Box 787
Santa Fe, New Mexico

MAIN OFFICE 000
RECEIVED 11 27 15

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SUNRAY
MID-CONTINENT OIL COMPANY AND BRITISH
AMERICAN OIL PRODUCING COMPANY FOR AN ORDER
ESTABLISHING RULES AND REGULATIONS IN AREAS
OF THE BISTI-LOWER GALLUP OIL POOL, SAN JUAN
COUNTY, NEW MEXICO, IN WHICH SECONDARY
RECOVERY OPERATIONS ARE BEING CONDUCTED.

No. 1524

WITHDRAWAL OF APPLICATION

Come now Sunray Mid-Continent Oil Company and British American Oil
Producing Company, the joint applicants herein, and formally withdraw their
application heretofore filed in the above entitled matter and further re-
quest that the hearing upon said application be cancelled.

SUNRAY MID-CONTINENT OIL COMPANY

By L. C. White
One of its Attorneys

BRITISH AMERICAN OIL PRODUCING COMPANY

By R. W. Sullivan
R. W. Sullivan
1512 Mile High Center
Denver 2, Colorado

By L. C. White
L. C. White
Santa Fe, New Mexico

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO