CASE 1991: Application of CITIES SER. FOR A PEDJECT ALLOWABLE for its DEICERT QUEEN SAND UNIT. Chaves Co.

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case Mo. 1821 Replication, Transcript, Smill Exhibits, Etc.



BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico November 24, 1959 EXAMINER HEARING CH 3-669 IN THE MATTER OF: Inc. Application of Cities Service Oil Company for establishment of a water flood project DEARNLEY-MEIER REPORTING SERVICE, allowable. Applicant, in the above-styled Case 1821 cause, seeks an order establishing a project allowable for its Drickey Queen Sand Unit in Chaves County, New Mexico, and providing for the conversion of wells to water injection at the operator's election. BEFORE: Elvis A. Utz, Examiner TRANSCRIPT OF HEARING MR. UTZ: The hearing will come to order, please. The first case on the docket will be 1821. MR. PAYNE: "Application of Cities Service Oil Company for establishment of a water flood project allowable." Mr. Examiner, the Applicant has requested that this case be ALBUQUERQUE, NEW MEXICO dismissed. MR. UTZ: Is there objection to the dismissal of Case 1821? If there is none, the case will be dismissed.



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STATE OF NEW MEXICO) SS COUNTY OF BERNALILLO)

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 5th day of December, 1959. this

Court Reporter Public

Foregoing ts I do hertby a do 2 the , Examin**u** New Moxico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

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PHONE CH 3-6691

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ALBUQUERQUE, NEW MEXICO

BEFORE THE OIL CONSERVATION CONMISSION OF THE STATE OF NEW MEXIC>

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

> CASE No. 1821 Order No. R-1535

APPLICATION OF CITIES SERVICE OIL COMPANY FOR THE ESTABLISH-MENT OF A WATER FLOOD PROJECT ALLOWABLE FOR ITS DRICKEY QUEEN SAND UNIT IN THE CAPROCK-QUEEN POOL, LEA AND CHAVES COUNTIES, NEW MEXICO

ORDER OF THE CONGLISSION

BY THE COMMISSION:

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This cause came on for hearing at 9 o'clock a.m. on November 24, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this $\frac{\sqrt{2}}{\sqrt{2}}$ day of November, 1959, the Commission, a quorum being present, having considered the application, the avidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 requested that Case No. 1821 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 1821 be and the same is hereby dismissed.

-2-Case No. 1821 Order No. R-1535

DONE at Santa Fe, New Mexico, on the day and year hereinabeve designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Bunnych JOHN BURROUGHS, Chairman

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MURRAY E. MORGAN, Nember

Jutter / PORTER, Jr.),/ Nomber & Secretary Ъ. À. L.



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NO. 40-59

DOCKET: EXAMINER HEARING NOVEMBER 24, 1959

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

The following cases will be heard before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary.

- CASE 1811: Application of The Atlantic Refining Company for permission to commingle the production from three separate pools from three separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the Tubb, Blinebry, and Drinkard production from three Federal leases in Section 14, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 1812: Application of Gulf Oil Corporation for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from the Eumont Pool from its Ramsay (NCT-D) Lease consisting of the NE/4 of Section 31 and from its Ramsay (NCT-J) Lease consisting of the SW/4 SW/4 of Section 25, both in Township 20 South, Range 37 East, Lea County, New Mexico.
- CASE 1813: Application of Gulf Oil Corporation for a gas-oil dual completion and for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Travic Well No. 1, located 1980 feet from the South line and 660 feet from the East line of Section 21, Township 23 South, Range 37 East, Les County. New Mexico, in such a manner as to permit the production of gas from an undesignated Abo gas pool and the production of oil from the Teague Pool. Applicant further seeks permission to commingle the oil produced from the Teague Pool from said well with the distillate produced from an undesignated Abo gas pool from said well.
- CASE 1814: Application of Leonard Latch for two water flood projects. Applicant, in the above-styled cause, seeks an order authorizing it to institute two water flood projects in the Empire Pool in Eddy County, New Mexico. In one project, applicant proposes to inject water into the Seven Rivers formation through ten wells located in the N/2 of Section 19, Township 17 South. Range 28 East. In the other project, applicant proposes to inject witer into the Saven Rivers formation through seven wells located in the S/2 SE/4 of Section 12 and the NE/4 of Section 13, Township 17 South, Range 27 Easts
- CASE 1815: Application of Leopard Oil Company for an unorthodox gas well location. Applicants in the above-styled cause, seeks an order authorizing an unorthodox gas well location in the Jalmat Gas Pool at a point 2310 feet from the North and East lines of Section 21, Township 25 South, Range 37 East, Les County, New Mexico. Applicant proposes that said well serve as the unit well for a non-standard gas protation unit in the Jalmat Gas Pool consisting of the E/2 NM/4 and W/2 NE/4 of said Section 21.

<u>CASE 1816</u> Application of Shell Oil Company for permission to commingle the production from several separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from an emissionated Atoka pool and an undesignated San Andres pool from two reporte leases in Sections 23, 26, and 35, Township 19 South, Range 35 East, has Country. New Mexico, and to transport said production from said leases

11 Sec. 411

-2-Docket No. 40-59

CASE 1818:

CASE 1821:

CASE 18223

prior to measurement and to commingle such production with the commingled Pearl-Queen production authorized by Order No. R-1101. Applicant further seeks authorization to expand the automatic custody transfer system authorized by said Order No. R-11Q1.

CASE 1817: Application of Sunray Mid-Continent Oil Company for an automatic custody transfer system and for permission to produce more than sixteen wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to handle the production from all Bisti-Lower Gallup Oil Pool wells on its Central Bisti Unit comprising certain acreage in Townships 25 and 26 North, Range 12 West, San Juan County, New Mexico.

> Application of Texaco Inc., for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "BN" Well No. 1, located in the NW/4 SW/4 of Section 25, Township 11 South, Range 32 East, Lea County, New Mexico, in such a manner as to produce gas from the Mccrs-Wolfcamp Gas Pool and to produce oil from the Moore-Pennsylvanian Pool through the casing-tubing annulus and tubing respectively.

CASE 1819: Application of Hamilton Dome Oil Company, Ltd., for an order authorizing the commingling of production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry and Tubb production from a lease consisting of the S/2 SE/4 of Section 25, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1820: Application of Carper Drilling Company, Inc., and T. J. Sivley for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the Empire-Abo Pool production from that portion of State Lease B-1483 consisting of lot 2 of Section 2 and that portion of State lease 2029 consisting of lot 3 of said Section 2, Township 18 South, Range 27 East, Eddy County, New Mexico.

> Application of Cities Service Oil Company for establishment of a water flood project allowable. Applicant, in the above-styled cause, seeks an order establishing a project allowable for its Drickey Queen Sand Unit in Chaves County, New Mexico, and providing for the conversion of walls to water injection at the operator's election.

Application of Cities Service Oil Company for approval of automatic custody transfer facilities. Applicant, in the above-styled cause, seeks an order authorizing the installation of automatic custody transfer facilities to handle the Caprock-Queen Pool production from the Drickey Queen Sand Unit in Chaves County, New Mexico.

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JASON W. KELLAHIN Robert E. Fox

KELLAHIN AND FOX ATTORNEYS AT LAW 544 EAST SAN FRANCISCO STREET POST OFFICE BOX 1713 SANTA FE, NEW MEXICO

TELEPHONES YUCCA 3-9396 YUCCA 2-2991

November 19, 1959

Mr. A. L. Porter Oil Conservation Commission of New Mexico P. O. Box 871 Santa Fe, New Mexico

> Re: Oil Conservation Commission Case No. 1821, Application of Cities Service Oil Company for a project allowable, Drickey Queen Sand Unit.

Dear Mr. Porter:

It is requested that the above case presently set for an examiner hearing before Elvis A. Utz on November 24, be dismissed.

Representatives of Cities Service Oil Company will be present at the hearing on November 25 in connection with Case No. 1822 and will move for dismissal before the examiner at that time, if that is necessary.

With best regards,

Yours very truly, . W. Kellah.

JASON W. KELLAHIN

JWK/mas cc: Mr. Alfred O. Holl Mr. E. F. Motter

BEFORE THE OIL CONSERVATION COMMISSION

OF NEW MEXICO

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IN THE MATTER OF THE APPLICATION OF CITIES SERVICE OIL COMPANY FOR ESTABLISHMENT OF A UNIT ALLOWABLE FOR THE DRICKEY QUEEN SAND UNIT, CHAVES COUNTY, NEW MEXICO

<u>A P P L I C A T I O N</u>

Comes now Cities Service Oil Company, operator of the Drickey Queen Sand Unit, and applies to the Oil Conservation Commission of New Mexico for an order establishing a unit allowable for the Drickey Queen Sand Unit, and in support thereof would show:

1. That the applicant proposes a unit allowable consisting of the developed spacing units participating in the Drickey Queen Sand Unit times the normal unit allowable without regard to each well's use or performance and with such allowable to be produced from any well or wells located in the unit in any proportion.

2. Injection wells to be on a uniform pattern to conform with that established in the Caprock Queen Pool, and to be converted at the operator's election so that the stimulated wells may produce at capacity, not to exceed the heretofore defined unit allowable.

3. That said proposal is in the interests of conservation, the prevention of waste, and the more economical and efficient operation of the Drickey Queen Sand Unit.

l. Copies of this application have been sent to all offset operators.

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WHEREFORE, Applicant requests that this matter be set for hearing before the Oil Conservation Commission or before the Commission's duly appointed examiner, in Santa Fe, New Mexico, at as early a date as possible, and that after notice and hearing as provided by law, the Commission enter its order approving applicant's proposal.

> Respectfully submitted, CITIES SERVICE OIL COMPANY

haron W. Kel By Jason W. Kellahin

KELLAHIN & FOX P. O. Box 1713 Santa Fe, New Mexico

Attorneys for Applicant

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



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