

CASE 6680: ROBERT C. ANDERSON FOR SUR-
FACE GAMING, SAN JUAN COUNTY, NEW
MEXICO

CASE NO.

6680

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Bldg.
Santa Fe, New Mexico
2 October 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Robert C. Anderson) CASE
for surface commingling, San Juan) 6680
County, New Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2402
Santa Fe, New Mexico 87501

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MR. STAMETS: We'll call next Case 6680.

MR. PADILLA: Application of Robert C.
Anderson for surface commingling, San Juan County, New Mexico.

MR. STAMETS: The Division has received
a request to continue this case to the October 17th Examiner
Hearing.

It will be so continued.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2920 Plaza Blanca (SSE) 471-2442
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a court reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6680 heard by me on 10-2-19-79.
Richard R. Plant, Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (595) 471-2462
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
17 October, 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Robert G. Anderson for
surface commingling, San Juan County,
New Mexico.

CASE
6680

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Applicant:

Damon Weems, Esq.
2901 East 20th Street
Farmington, New Mexico
87401

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the
Division
State Land Office Building
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SW) 471-2412
Santa Fe, New Mexico 87501

I N D E X

ASHTON B. GEREN, JR.

Direct Examination by Mr. Weams 3

Cross Examination by Mr. Nutter 6

E X H I B I T S

Applicant Exhibit One, Pipeline Survey 3

Applicant Exhibit Two, Diagram 3

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (S.E.) 471-3462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (505) 471-2452
Santa Fe, New Mexico 87501

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MR. WEEMS: Mr. Examiner, Damon Weems, on behalf of the applicant, and again I'll have the same witness who has been sworn.

MR. NUTTER: He is still under oath.

MR. WEEMS: We will have two exhibits. Will his qualifications as an expert be accepted in this case?

MR. NUTTER: Yes, sir, he's qualified.

ASHTON B. GEREN, JR.

being called as a witness and having been previously sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. WEEMS:

Q Mr. Geren, are you familiar with the facts surrounding this application for surface commingling?

A Yes, sir.

Q Did you prepare Exhibit One and Exhibit Two, or were they prepared under your supervision and direction?

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (605) 471-2462
Santa Fe, New Mexico 87501

1 A They were both prepared under my supervision
2 and direction.

3 Q Would you describe for me, please, what
4 Exhibit One shows?

5 A Exhibit One is our pipeline survey. It
6 starts off there at Well No. 3, which is, oh, near the center
7 of our gas well locations and proceeds south about 4-1/2
8 miles, and enters Southern Union Gas pipeline, and we in-
9 tend to deliver gas into this low pressure line, oh, within
10 a week or so. We have our contract signed and clearance
11 from the tribe.

12 Q Would you describe, please, what Exhibit
13 Two shows?

14 A Exhibit Two has to do with asking for
15 surface commingling, primarily to, well, to save expense
16 because of our limited reservoir, which we know is fairly
17 limited. And I plan to run all three of these wells through
18 one dehydrator and production unit, which would be a consid-
19 erable savings, and also to meter through one meter here and
20 then we will have another meter at the Southern Union line,
21 and also another dehydrator down there, which they will in-
22 stall.

23 And it would be easier to handle this -- any
24 water that the wells might make by bringing it all to one
25 central point and would certainly be less expensive to

1 operate this way. And the wells are all the same lease.

2 Q Is the ownership of all the interests in
3 these three wells identical?

4 A Right.

5 Q Now, will there be topographical problems
6 in disposing of water if this application is not granted?

7 A Well, the No. 4 Well, which is the one
8 that's on the extreme east, is in terrain such that it would
9 be difficult to dispose of water in that area, and the same
10 fairly well holds true of No. 1, and it would be -- well,
11 cause less surface damage to bring all the water and fluids
12 to one point.

13 Q Do you have a ballpark figure on the
14 savings on equipment by granting this application?

15 A Oh, I've already purchased one production
16 dehydrator and I believe it's going to be around \$7500, so
17 we'd be looking at a couple others that would be in that
18 neighborhood plus installation, extra installation, and
19 then of course, we'd be saving two pits which could be \$2000
20 or \$3000 each, and also a couple of meter runs that would
21 be in the neighborhood of the same, probably \$2500 per meter
22 run.

23 Q How would you propose to establish the
24 production capacity, capacity of production at any particular
25 time, of the three wells?

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3029 Plaza Blanca (955) 471-2462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (606) 471-2462
Santa Fe, New Mexico 87501

1 A Well, we have designed a manifold system
2 where the wells could be periodically tested to prorate, you
3 know, the production from each well, and report on that
4 basis.

5 Q And would you describe just in detail how
6 that might work?

7 A Well, just to set up a valve in the mani-
8 fold and we'd just shut off two of the other wells and run
9 the single well through the meter periodically, and whatever
10 the board might require, and then the gas could be prorated
11 on that basis.

12 Q In your opinion would the granting of
13 this application be in the interest of conservation, pre-
14 vention of waste, and the protection of correlative rights?

15 A Yes, I do.

16 MR. WEEMS: I have no further questions.

18 CROSS EXAMINATION

19 BY MR. NUTTER:

20 Q Well now, Mr. Geren, this production unit
21 is installed at the site of the No. 3 Well, is that correct?

22 A Yes, sir.

23 Q And what does the production unit consist
24 of besides the dehydrator?

25 A It would be a three-phase production unit

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
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Santa Fe, New Mexico 87501

1 and will separate any oil that might, you know, but --
2 Q So you will be able to separate liquid
3 hydrocarbons as well as water and gas?
4 A Yes, sir.
5 Q Uh-huh, and then you will have an Anderson-
6 operated meter at that site?
7 A Right.
8 Q And then it goes into your flow line down
9 to Southern Union's dehydrator --
10 A Through their dehydrator.
11 Q -- and then through a Southern Union
12 meter.
13 A And they will pay us on the basis of their
14 meter, and our meter will be a check meter and also we'll
15 report to the Commission based on these tests frequently.
16 Q Now, you've got these three wells here.
17 Have these wells been tested, Mr. Geren?
18 A Yes, sir.
19 Q What is the range of productivity on these
20 wells?
21 A Oh, the No. 4, I can't remember offhand;
22 that may be in our records, but I -- we're fairly close.
23 We have fractured the No. 4 Well and I believe it tested about
24 1,800,000. That was the AOF, if I'm not mistaken.
25 And the others are in the neighborhood,

1 natural, of about 300,000, and they will probably be fractured
2 later. Shutin pressure about 760.

3 These are shallow wells, 20 to 300 feet.

4 Q This is west of where most of the Dakota
5 production is occurring then, isn't it?

6 A Yes, sir. This is on the west side of the
7 hogback and it's, you know, completely isolated from any of
8 the other stuff.

9 Q Uh-huh. Now, will the wells have sufficient
10 pressure to flow through this production unit down to Southern
11 Union's line without compression?

12 A Initially, and at the point where we re-
13 quire it, we will put in compression.

14 Q But no compressors are necessary at this
15 time?

16 A We feel like that it is not necessary with
17 that kind of pressure in the -- and the wells indicate that
18 they will certainly produce at that distance.

19 Q What pressure does that Southern Union line
20 run?

21 A I think around 250, something in that range.
22 Maybe a little bit below that. I'd say in the neighborhood
23 of 200.

24 Q 200 to 250? And you will be able to shut
25 two wells in and obtain a productivity test on the third

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3936 Plaza Blanca (665) 471-2412
Santa Fe, New Mexico 87501

1 well by in to the pipeline?

2 A. Yes, sir.

3 Q. And ownership of all wells is identical
4 throughout.

5 A. Everything is the same. We own the sur-
6 rounding acreage, oh, around northeast and west.

7 MR. NUTTER: Are there any further questions
8 of Mr. Geren? He may be excused.

9 Do you have anything further, Mr. Weems?

10 MR. WEEMS: No, sir.

11 MR. NUTTER: Does anyone have anything
12 they wish to offer in Case Number 6680?

13 We'll take the case under advisement.

14
15 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (505) 471-2412
Santa Fe, New Mexico 87501

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Santa Fe, New Mexico 87501

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the Examiner hearing of Case No. 6680
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[Signature], Examiner
Oil Conservation Division

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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (606) 471-2482
Santa Fe, New Mexico 87501

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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3018 Plaza Blanca (666) 471-2452
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2016 Plaza Blanca (955) 471-2482
Santa Fe, New Mexico 87501

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3939 Plaza Blanca (998) 471-2462
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SALLY WALTON BOYD
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2030 Plaza Blanca (606) 471-2452
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1020 Plaza Blanca (S.E.) 471-2493
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3026 Plaza Blanca (695) 471-2462
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2462
Santa Fe, New Mexico 87501

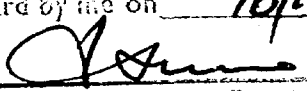
REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of the Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
302 Plaza Blanca (SOS) 471-3462
Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
a complete and correct transcript of the proceedings in
the examination hearing of Case No. 6680
heard by me on 10/17 1979.


Oil Conservation Division, Examiner



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

November 6, 1979

POST OFFICE BOX 2080
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. Damon Weems
Attorney at Law
2901 East 20th
Farmington, New Mexico 87401

Re: CASE NO. 6680
ORDER NO. R-6165

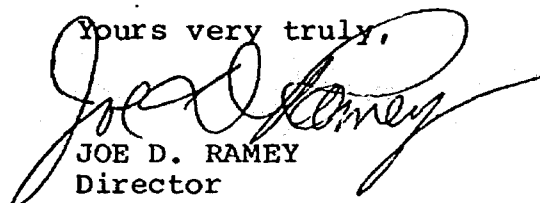
Applicant:

Robert C. Anderson

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6680
Order No. R-6165

APPLICATION OF ROBERT C. ANDERSON
FOR SURFACE COMMINGLING, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of November, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Robert C. Anderson, is the operator of three Dakota gas wells in Section 14, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico, being his Ute Mountain Ute Wells Nos. 1, 3, and 4, located in Units L, F, and J, respectively.

(3) That said wells are approximately 5 miles removed from the nearest gas transmission line, and the operator of said wells proposes to install a gathering system and production unit, gather the gas from said wells and commingle it, and thence transport it to the transmission line through a three-inch flow line which he is constructing.

(4) That the ownership of all three wells is identical throughout.

-2-

Case No. 6680
Order No. R-6165

(5) That the applicant proposes to determine the individual production from each well on the basis of periodic tests which would be conducted by shutting in two wells and metering the production from the third.

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

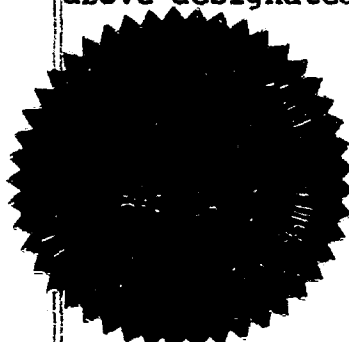
IT IS THEREFORE ORDERED:

(1) That the applicant, Robert C. Anderson, is hereby authorized to commingle undesignated Dakota gas production from his Ute Mountain Ute Wells Nos. 1, 3, and 4, located in Units L, F, and J, respectively, of Section 14, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico.

(2) That the applicant shall install a production unit and orifice meter at his commingling point, and shall ascertain the productive capacity of each well into the pipeline every six months, and shall allocate production to each of the aforesaid wells on the basis of such tests.

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

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Bldg.
Santa Fe, New Mexico
2 October 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Robert C. Anderson)
for surface commingling, San Juan) CASE
County, New Mexico.) 6680

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3026 Plaza Blanca (SSE) 471-3462
Santa Fe, New Mexico 87501

1 MR. STAMETS: We'll call next Case 6680.

2 MR. PADILLA: Application of Robert C.
3 Anderson for surface commingling, San Juan County, New Mexico.

4 MR. STAMETS: The Division has received
5 a request to continue this case to the October 17th Examiner
6 Hearing.

7 It will be so continued.

8
9 (Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SSE) 471-2483
Santa Fe, New Mexico 87501

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REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a court reporter, DO HEREBY
 CERTIFY that the foregoing and attached Transcript of
 Hearing before the Oil Conservation Division was reported
 by me; that the said transcript is a full, true, and correct
 record of the hearing, prepared by me to the best of my
 ability, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. _____,
 heard by me on _____ 19____.

_____, Examiner
 Oil Conservation Division

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 3030 Plaza Blanca (665) 471-2462
 Santa Fe, New Mexico 87301

CASE 6680: (Continued from October 2, 1979, Examiner Hearing)

Application of Robert C. Anderson for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the surface commingling of all production from his Ute Mountain Ute Lease, Wells Nos. 1, 3 and 4, located in Section 14, Township 31 North, Range 16 West.

CASE 6691: (Continued from August 22, 1979, Examiner Hearing)

Application of Reserve Oil, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat gas and Langlie Mattix oil production in the wellbore of its Cooper Jal Unit Well No. 149-306 located in Unit J of Section 18, Township 24 South, Range 37 East.

CASE 6700: Application of Doyle Hartman for an unorthodox well location, a non-standard proration unit, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard proration unit comprising the NW/4 NW/4 and S/2 NW/4 of Section 29, Township 25 South, Range 37 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 29; applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

CASE 6701: Application of Doyle Hartman for compulsory pooling, non-standard gas proration unit, unorthodox well location, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen formations underlying the SE/4 of Section 30, Township 21 South, Range 36 East, Eumont Gas Pool, to form a 160-acre non-standard gas proration unit to be dedicated to his J. K. Rector Well No. 1 at an unorthodox location 2310 feet from the South line and 330 feet from the East line of said Section 30. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

CASE 6676: (Continued from October 2, 1979, Examiner Hearing)

Application of Doyle Hartman for an unorthodox well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36.

CASE 6664: (Continued from September 19, 1979, Examiner Hearing)

Application of Doyle Hartman for an unorthodox well location, two non-standard proration units and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard proration unit comprising the NW/4 SW/4 of Section 27, Township 25 South, Range 37 East, Jalmat Pool, to be dedicated to El Paso Natural Gas Company's Harrison Well No. 1, and also a 120-acre unit comprising the E/2 SW/4 and SW/4 SW/4 of said Section 27 to be dedicated to a well to be drilled at an unorthodox location 330 feet from the South and West lines of the section; applicant further seeks a waiver of existing well spacing requirements and a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of an existing proration unit which cannot be so drained by the existing well.

CASE 6662: (Continued from September 19, 1979, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla "A" Well No. 22Y located in Unit K of Section 24, Township 26 North, Range 4 West, to produce gas from the Blanco Mesaverde Pool through tubing and to commingle and produce the Wildhorse Gallup and Basin-Dakota zones through a parallel tubing string.

CASE 6702: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Blanco-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its San Juan 27-5 Unit Well No. 67 located in Unit B of Section 31, Township 27 North, Range 5 West.

CASE 6644: (Continued from September 19, 1979, Examiner Hearing)

Application of Tenneco Oil Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Pictured Cliffs production in the wellbores of its State K Com Well No. 12 located in Unit E of Section 16, Township 30 North, Range 9 West, and its Florence Well No. 60R in Unit L of Section 1, Township 29 North, Range 9 West.

CASE 6675: Application of Gifford, Mitchell & Wisenbaker for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Pawnee Unit Area, comprising 3,840 acres, more or less, of State and federal lands in Township 26 South, Range 36 East.

CASE 6671: (Continued from September 19, 1979, Examiner Hearing)

Application of Chapman and Schneider for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Seven Rivers Reef formation in the open-hole interval from 3422 feet to 3504 feet in its I. B. Ogg "A" Well No. 3 located in Unit E of Section 35, Township 24 South, Range 36 East, Jalmat Pool.

CASE 6676: Application of Doyle Hartman for an unorthodox well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration unit comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36.

CASE 6677: Application of Texas Pacific Oil Company, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Arrowhead-Grayburg and Eumont production in the wellbore of its Elliott B-6 Well No. 1 located in Unit M of Section 6, Township 22 South, Range 37 East.

CASE 6678: Application of Texas Pacific Oil Company, Inc. for downhole commingling and a special casinghead gas allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry and Tubb production in the wellbore of its Eva Owens Well No. 1 located in Unit M of Section 25, Township 21 South, Range 37 East. Applicant further seeks an increase in the casinghead gas allowable for said well.

CASE 6660: (Continued from September 19, 1979, Examiner Hearing)

Application of B. & W. Oil Reclaiming for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the NE/4 NE/4 of Section 34, Township 18 South, Range 26 East.

CASE 6679: Application of El Paso Natural Gas Company for a gas storage unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Washington Ranch Morrow Unit Area comprising the Morrow formation and the first 100 feet immediately above and below said formation underlying all or parts of Sections 21 thru 23, 26 thru 29, and 32 thru 36, Township 25 South, Range 24 East; Sections 1 thru 5 and 9 thru 14, Township 26 South, Range 24 East; and Sections 6, 7, and 18, Township 26 South, Range 25 East, Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico. Said unit area would be for the purpose of conducting a gas storage project and would comprise 12,158 acres, more or less, of State, federal and fee lands.

CASE 6630: (Continued from August 22, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and BS Mesa-Gallup production in the wellbore of its San Juan 27-4 Unit Well No. 37 located in Unit N of Section 33, Township 27 North, Range 4 West.

CASE 6680: Application of Robert C. Anderson for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the surface commingling of all production from his Ute Mountain Ute Lease, Wells Nos. 1, 3 and 4, located in Section 14, Township 31 North, Range 16 West.

CASE 6681: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp-Mississippian test well to be located 660 feet from the South line and 1100 feet from the West line of Section 31, Township 18 South, Range 26 East, the S/2 of said Section 31 to be dedicated to the well.

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Oil Conservation

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

Application of ROBERT C. ANDERSON
for surface co-mingling of production
on the UTE MOUNTAIN UTE LEASE
#M-00-C-1420-1709 in SECTION 14,
TOWNSHIP 31 NORTH, RANGE 16 WEST,
N.M.P.M., SAN JUAN COUNTY, NEW
MEXICO

No. 6680

APPLICATION FOR SURFACE CO-MINGLING

Robert C. Anderson, by and through his attorney, respectfully requests that the Division grant an exception to Rule 403 to allow all production from the Robert C. Anderson Ute Mountain Ute Number 1, the Robert C. Anderson Ute Mountain Ute Number 3, and the Robert C. Anderson Ute Mountain Ute Number 4, to be co-mingled at the surface.

As grounds for the granting of this application, Applicant states:

1. Robert C. Anderson Ute Mountain Ute Number 1 is located in the Southwest Quarter (SW $\frac{1}{4}$) of Section 14, Township 31 North, Range 16 West, N.M.P.M., San Juan County, New Mexico.

2. Robert C. Anderson Ute Mountain Ute Number 3 is located in the Northwest Quarter (NW $\frac{1}{4}$) of Section 14, Township 31 North, Range 16 West, N.M.P.M., San Juan County, New Mexico.

3. Robert C. Anderson Ute Mountain Ute Number 4 is located in the Southeast Quarter (SE $\frac{1}{4}$) of Section 14, Township 31 North, Range 16 West, N.M.P.M., San Juan County, New Mexico.

4. Each of the aforementioned quarter sections is leased by the terms of lease #M-00-C-1420-1709. Lessor of said lease is the Ute Mountain Ute Tribe of Indians.

5. The operator of the aforescribed lease is Robert C. Anderson.


6. Ownership of of all interests in the three quarter sections above-described is identical.

7. The granting of this exception would be in the interest of conservation, the prevention of waste, and the protection of correlative rights.

Further, Applicant would ask that the Division allow that all production be accounted for on a lease basis instead of a well basis.

Applicant requests a hearing on this matter.

Respectfully submitted.


Damon L. Weems
Attorney for Robert C. Anderson
2901 East 20th
Farmington, New Mexico 87401
327-4469

ROUGH

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6680

Order No. R-6165

APPLICATION OF ROBERT C. ANDERSON
FOR SURFACE COMMINGLING, SAN JUAN
COUNTY, NEW MEXICO

JDR

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17,
19 79, at Santa Fe, New Mexico, before Examiner DSN

NOW, on this _____ day of October, 19____, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Robert C. Anderson, is
the operator of three Dakota gas wells in Section 14,
Township 31 North, Range 16 West, NMPM, San Juan
County, New Mexico, being his Ute Mountain Ute
wells Nos. 1, 3, and 4, located in Units L, F, and J,
respectively.

(3) That said wells are approximately 5 miles
removed from the nearest gas ^{transmission} ~~pipe~~ line, and
the operator of said wells proposes to install
a gathering system and production unit, gather
the gas from said wells and commingle it,
and thence transport it to the ~~gas~~ transmission
line through a three-inch flow line which
he is constructing.

- (4) That the ownership of all three wells is identical throughout.
- (5) That the Applicant proposes to determine the individual production from each well on the basis of periodic tests which would be conducted by shutting in ~~the remaining~~ two wells and metering the production from the third.
- (6) That approval of the application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Robert C. Anderson, is hereby authorized to commingle ^{undesignated Dakota gas} ~~the~~ production from his Ute Mountain Ute Wells Nos. 1, 3, and 4, located in Units L, F, and J, respectively of Section 14, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico.
- (2) That the applicant shall install a production unit and orifice meter at his commingling point, and shall ascertain the productive capacity of each well into the pipeline ~~times~~ every six months, and shall allocate production to each of the aforesaid wells on the basis of such tests.
- (3) Jurisdiction

DONE at