Entered September 16, 1425

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. 5534 Order No. R-5093

APPLICATION OF TEXACO INC. FOR THREE UNORTHODOX OIL WELL LOCATIONS AND AN ADMINISTRATIVE PROCEDURE, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 27, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>16th</u> day of September, 1975, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texaco Inc., is the operator of the West Vacuum Unit Waterflood Project, Vacuum-Grayburg-San Andres Pool, Lea County, New Mexico, which was approved by Commission Order No. R-3008, dated November 23, 1965.

(3) That to provide for a more efficient production pattern in said unit, applicant seeks approval for the unorthodox location of its West Vacuum Unit Wells Nos. 51, 52, and 53 to be located, respectively, 1360 feet from the South line and 150 feet from the East line of Section 33; 1466 feet from the South line and 1375 feet from the West line of Section 34; and 1410 feet from the South line and 2600 feet from the East line of Section 34, all in Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

(4) That the applicant further seeks the establishment of an administrative procedure whereby additional injection and producing wells may be drilled at orthodox and unorthodox locations within the unit but not closer than 1320 feet to the outer boundary of the unit.



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(5) That in order to permit the applicant the flexibility needed to complete an efficient injection and producing pattern in said project, thereby increasing ultimate recovery and preventing waste, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That three unorthodox oil well locations are hereby authorized for the applicant, Texaco Inc., for its Vacuum Unit Wells Nos. 51, 52, and 53 to be located, respectively, 1360 feet from the South line and 150 feet from the East line of Section 33; 1466 feet from the South line and 1375 feet from the West line of Section 34; and 1410 feet from the South line and 2600 feet from the East line of Section 34, all in Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.

(2) The Secretary-Director of the Commission is hereby authorized to approve additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the West Vacuum Unit Area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 1320 feet to the outer boundary of said unit nor closer than 10 feet to any quarter-quarter section of subdivision inner boundary. To obtain such approval, the project operator shall file proper application with the Commission, which application, if it seeks authorization to convert additional wells to injection or to drill additional production or injection wells shall include the following:

- (a) A plat showing the location of proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.
- (b) A schematic drawing of any proposed injection well which fully describes the casing, tubing, packer, leak detection equipment, perforated interval, and depth.

The Secretary-Director may grant immediate approval of the proposed well, if in his opinion, the well is necessary to complete an efficient injection and production pattern for the project.

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION PHIL R. LUCERO, Chairman - Lucio Enny C lur ARNOLD, EMERY Member q line RAMEY, Member & Secretary JOE D.

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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. 4075 Order No. R-3610-A

APPLICATION OF BENSON-MONTIN-GREER DRILLING CORPORATION FOR AMENDMENT OF THE LA PLATA MANCOS UNIT AGREE-MENT, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 5, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>lst</u> day of April, 1969, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-3610, dated November 27, 1968, the Commission approved the La Plata Mancos Unit Agreement comprising 12,517.27 acres, more or less, of State, Federal, Indian, and Fee lands in San Juan County, New Mexico.

(3) That the applicant, Benson-Montin-Greer Drilling Corporation, seeks to amend the form of said unit agreement to permit inclusion in the participating area of any and all lands necessary for unit operations.

(4) That approval of the amended unit agreement as proposed should promote the prevention of waste and the protection of correlative rights within the unit area.

-2-CASE No. 4075 Order No. R-3610-A

IT IS THEREFORE ORDERED:

(1) That the La Plata Mancos Unit Agreement, as amended, is hereby approved.

(2) That the plan contained in said unit agreement, as amended, for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, as amended, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement, as amended, within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement, as amended, reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement, as amended, by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey; that this order shall terminate <u>ipso</u> <u>facto</u> upon the termination of said unit agreement, as amended, and that the last unit operator shall notify the Commission immediately in writing of such termination.

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

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L. PORTER, Jr., Member & Secretary

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