

OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO

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WOM

January 12, 1954

JAN 15 1954

The Texas Company
Box 1270
Midland, Texas

Gentlemen:

Your attention is hereby directed to the following provisions of Commission Order R-395:

"That all existing producing oil wells in the Falby-Yates Pool, as of January 1, 1954, which are marketing casinghead gas in addition to oil, shall be accorded an unlimited gas-oil ratio; that such wells producing but not marketing, or otherwise beneficially using, gas are hereby placed, as of the date aforesaid, on a gas-oil ratio limitation of 6,000 CF to 1 barrel of oil.

IT IS FURTHER ORDERED: That each and all operators in the Falby-Yates Oil Pool shall, prior to January 15, 1954, submit reports on OCC Forms C-116 and C-110 showing oil and gas production, and disposition of casinghead gas produced with oil, as criteria for assignment of allowables based upon GOR tests, and casinghead gas marketing conditions."

The deadline date for filing form C-116 in compliance with the above provisions has been extended to February 15, 1954, and the tests reported at that time will be considered as the regular annual survey tests since they will be taken during the regular survey period for this pool.

Form C-110 showing the transporter of casinghead gas should be filed immediately for each well for which it is required.

Since this pool was created effective January 1, 1954, it will be necessary that all wells be reported on your January form C-115, Operators Monthly Report, under the name Falby-Yates and not under Cooper Jal or Langlie Mattix, the pools from which they were deleted.

Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Porter, Jr.
Proration Manager

ALP/od
cc/ OCC-Santa Fe.

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OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

JAN 15 1954

January 12, 1954

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Southern California Pet. Corp.
905 McClintic Bldg.
Midland, Texas

Gentlemen:

Your attention is hereby directed to the following provisions of Commission Order B-395:

"That all existing producing oil wells in the Falby-Yates Pool, as of January 1, 1954, which are marketing casinghead gas in addition to oil, shall be accorded an unlimited gas-oil ratio; that such wells producing but not marketing, or otherwise beneficially using, gas are hereby placed, as of the date aforesaid, on a gas-oil ratio limitation of 6,000 CF to 1 barrel of oil.

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Since this pool was created effective January 1, 1954, it will be necessary that all wells be reported on your January form C-115, Operators Monthly Report, under the name Falby-Yates and not under Casper Jal or Langlie Mattix, the pool from which they were deleted.

Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Porter, Jr.
Proration Manager

ALP/ed
cc/ OCC-Santa Fe.

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

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JAN 14 1954
OIL CONSERVATION COMMISSION

January 12, 1954

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S. Olsen Oil Company
Drawer Z
Jal, New Mexico

Gentlemen:

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Since this pool was created effective January 1, 1954, it will be necessary that all wells be reported on your January form C-115, Operators Monthly Report, under the name Falby-Yates and not under Cooper Jal or Langlie Mattix, the pools from which they were deleted.

Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Porter, Jr.
Proration Manager

ALP/od
cc/ OGC- Santa Fe.

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

JAN 15 1954

January 12, 1954

John M. Kelly
Box 5671
Roswell, New Mexico

Gentlemen:

Your attention is hereby directed to the following provisions of Commission Order R-395:

"That all existing producing oil wells in the Falby-Yates Pool, as of January 1, 1954, which are marketing casinghead gas in addition to oil, shall be accorded an unlimited gas-oil ratio; that such wells producing but not marketing, or otherwise beneficially using, gas are hereby placed, as of the date aforesaid, on a gas-oil ratio limitation of 6,000 CF to 1 barrel of oil.

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Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Porter, Jr.
Prerative Manager

ALP/cd
cc/ OCC-Santa Fe.

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

January 12, 1954

C
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Humble Oil & Refining Co.
Box 2347
Hobbs, New Mexico

Gentlemen:

Your attention is hereby directed to the following provisions of Commission Order R-395:

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IT IS FURTHER ORDERED: That each and all operators in the Falby-Yates Oil Pool shall, prior to January 15, 1954, submit reports on OCC Forms C-116 and C-110 showing oil and gas production, and disposition of casinghead gas produced with oil, as criteria for assignment of allowables based upon GGR tests, and casinghead gas marketing conditions."

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Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Porter, Jr.
Production Manager

ALP/cd
cc/ OCC-Santa Fe.

OIL CONSERVATION COMMISSION

HOBBS, NEW MEXICO

JAN 15 1954

January 12, 1954

C
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Amerada Petroleum Corporation
Drawer D
Monument, New Mexico

Gentlemen:

Your attention is hereby directed to the following provisions of Commission Order R-395:

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Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Porter, Jr.
Proration Manager

ALP/cd
cc/ OCC

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New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER E. S. WALKER
MEMBER
STATE GEOLOGIST R. R. SPURRIER
SECRETARY AND DIRECTOR



P. O. BOX 2045
HOBBS, NEW MEXICO

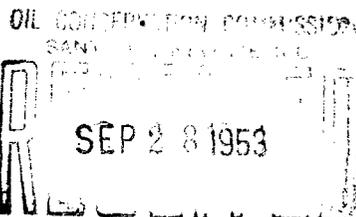
Mr. Glenn Staley
New Mexico Oil & Gas Engineering Committee
Hobbs, New Mexico

Humble Oil & Refining Co.
Box 2347
Hobbs, New Mexico

Mr. John M. Kelly
Box 5671
Roswell, New Mexico

R. Olsen Oil Co.
Drawer Z
Jal, New Mexico

Amerada Petroleum Corp.
Drawer D
Monument, New Mexico



Wm. B. Paddock
410 North Texas St.
Odessa, Texas

Western Natural Gas Co.
823 Midland Tower
Midland, Texas

Haynes & V. T. Drlg. Co.
1725 North Grant St.
Odessa, Texas

Southern California Corp.
905 McClintic Bldg.
Midland, Texas

Gulf Oil Corporation
Box 2167
Hobbs, New Mexico

Cities Service Oil Co.
Box 97
Hobbs, New Mexico

Carper Drilling Co.
200 Carper Bldg.
Artesia, New Mexico

The Texas Company
Box 1270
Midland, Texas

Gentlemen:

In accordance with Case 579, New Mexico Oil Conservation Commission, pertaining to the proposed Falby-Yates Pool, it was recommended that a bottom-hole-pressure survey be conducted in the area of question prior to the October, 1953, hearing.

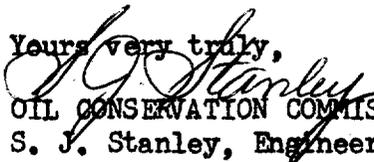
Mr. Glenn Staley, New Mexico Engineering Committee is willing to cooperate in this matter with the Commission and assist in obtaining the information by utilizing the Committee's bottom-hole-pressure unit for the survey.

Attached is a schedule of bottom-hole-pressures desired by the Commission showing the time and date of the survey. It is recommended that the operators run a weight-bar or if necessary employ a de-paraffin device to assure the Committee of a successful "bomb-run". In addition it is recommended that the operators furnish a "roustabout" to assist the bottom-hole-pressure operator in conducting the survey on their respective leases in accordance with the date and time schedule attached.

The wells to be surveyed should flow during a regular allowable production period prior to shut in as outlined on the schedule.

The results of the survey will be computed by the New Mexico Engineering Committee and the information distributed to all participants upon the completion of the survey.

For further information the operator should contact S. J. Stanley, New Mexico Oil Conservation Commission, Phone 3-4731, Hobbs, New Mexico.

Yours very truly,

OIL CONSERVATION COMMISSION
S. J. Stanley, Engineer

October 27, 1953

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

In connection with the hearing of Case 579, being the Application of the Oil Conservation Commission for an Order creating the Falby-Yates Pool and deleting certain areas from the Cooper Jal and Langlie-Mattix Pools in Lea County, the Humble Oil and Refining Company was granted permission, before a decision is rendered in this case to file a statement setting forth its position with respect to the matters involved therein.

The Humble would like for the following statement to be considered as a part of the record in this case:

In the event that the Commission establishes the Falby-Yates Pool, it is recommended that the Oil Conservation Commission adopt rules which will permit equitable withdrawals between the owners of gas properties and the owners of oil properties.

Respectfully submitted,

HUMBLE OIL & REFINING CO.

By:


Clarence E. Hinkle

CEH:vc

MEMORANDUM:

TO THE OIL CONSERVATION COMMISSION

11-10-53

FROM:

W. B. MACEY

SUBJECT:

CASE 579 - Creation of the Falby-Yates Pool, Lea County, N. M., and deletion of the same area from two oil pools, the Cooper-Jal and the Langlie-Mattix.

The proposed creation of the Falby-Yates Pool is closely tied to the gas pool orders to be written in Cases 582 and 583, the Jalco and Langmat Pools. The reason for this is that the areal extent of the Jalco Pool overlies the Falby-Yates, both in part being productive from the same horizon. Essentially the entire Yates productive zone in this area is a common reservoir, with miscellaneous oil pools being encountered on the flanks of the structure and in geological or structural "lows." The Falby pool occupies a structural low and the pool is predominantly composed of high gas-oil ratio oil wells, which in some cases are offset by dry gas wells producing from the same zone.

Although it is apparent that no harm can be done by adopting this pool, it should be pointed out that the formation of this pool will start a chain reaction and cause a lot of operators to request similar pools so that they can twin wells and thereby get two allowables. The twin wells will be completed in such a manner that one well is an oil or gas well in the Yates, while on the same forty-acre tract there will be a Queen oil well. While it is obvious that better drainage of the entire reservoir will be effected, there are some wells presently completed that have both formations exposed to the well-bore, and thus the separate reservoir theory is not in existence.

RECOMMENDATION:

It is recommended that the Falby-Yates Pool be created as advertised, and that the area as advertised to be deleted from the Cooper-Jal and Langlie-Mattix Pools also be put into effect. This order should further state that all wells which are productive in the pool shall have an unlimited gas-oil ratio, provided that the gas is marketed. If the gas is not marketed, then a gas-oil ratio of 6,000 to 1 should be placed into effect. The order should require each operator to submit Form C-110 showing the disposition of the casinghead gas produced with the oil from the Falby-Yates Pool, and could be made effective January 1, 1954, so that the proper allowables could be assigned based on GOR tests.) The majority of operators do not oppose the pool formation, provided that the total withdrawals from gas properties do not exceed the total withdrawals from oil properties, and vice versa. Because of this, a study is to be made of the entire Cooper-Jal Pool to see if the pool is a common reservoir, and to see that withdrawals are equitable and in the event that withdrawals are not equitable, then the allowables - both oil and gas - will have to be adjusted to accomplish equity.

The order should contain a further provision to the effect that in the event the present study of the productive zones and the extent of them in the Jalco and Langmat Pools requires a revision in any of the provisions of this order, then they may be changed after due notice and hearing.

Page 2: Case 579 Memo

The order should also contain a provision that each well hereinafter drilled or recompleted in the Falby-Yates area shall be completed in such a manner that the Yates zone is completely separated from any other formation, so that the Yates and any other formation are not exposed to the same well bore.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 31, 1953

Mr. John M. Kelly
Box 5671
Roswell, New Mexico

Dear John:

Reference is made to the Yates producing area in the neighborhood of your Jack lease in Township 24 South, Ranges 36 and 37 East. I have detailed an outline of the area for the proposed Falby-Yates Oil Pool as follows:

Township 24 South, Range 36 East
E/2 SE/4 of Section 23; All of Section
24 except the NW/4 NW/4 and the NW/4 NE/4
and the N/2 of Section 25; the E/2 NE/4 of
Section 26.

Township 24 South, Range 37 East
W E/2 of Section 19; NW/4 of Section 30.

All of the wells located within this area are oil wells producing from the Yates formation with the exception of your #5 Jack. After the pool has been formed your #5 well will be put up into the Langlie-Mattix Pool and of course your other four wells will be placed in this newly formed Falby-Yates Pool. It will be of course, necessary to delete the above described area from the Cooper-Jal and Langlie-Mattix Pools with the exception of the NW/4 NW/4 of Section 19, Township 24 South, Range 37 East.

It will be impossible, due to the lack of time for us to advertise this for August but it will be definitely set up for the September hearing and in the meantime I am going to order a number of electric logs of wells in the area in case anyone should question the advisability of the formation of the new pool.

Very truly yours,

W. B. Macey
Chief Engineer

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