

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 1, 1957

Southern Union Gas Company
1104 Burt Building
Dallas 1, Texas

ATTENTION: A. M. Wiederkehr

Re: Case 977

Gentlemen:

Attached is a copy of a docket for the regular hearing before the Commission on August 15, 1957. You will note that Case 977 will be heard at this time, and the provisions of Order R-794-A expire on October 1, 1957.

Since your company will present testimony in Case 1295 and possibly 1296, we feel that you should appear in Case 977 and make any recommendation you deem necessary for the continuance of this case.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

ALP/WWM:bp

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DOCKET: REGULAR HEARING JANUARY 16, 1957Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

- ALLOWABLE: (1) Consideration of the oil allowable for February, 1957.
- (2) Consideration of the allowable production of gas from the six prorated pools in Lea County, New Mexico, for February, 1957; also consideration of the allowable production of gas from the six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for February.

NEW CASES

CASE 977: (Continued) In the matter of the hearing ordered to be held by paragraph 10 of Order R-794, Case 977 to permit Southern Union Gas Company and other interested parties to show cause why 320-acre spacing should be continued in the Tapacito-Pictured Cliffs Gas Pool.

CASE 1197: The application of the New Mexico Oil Conservation Commission upon its own motion for an order promulgating pool rules for the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating permanent pool rules for the North Mason-Delaware Pool in Eddy and Lea Counties, New Mexico, for the purpose of establishing the allowable for said pool.

CASE 1198: Southeastern New Mexico nomenclature case calling for the creation of new pools and the extension of existing pools in Lea, Chaves and Eddy Counties, New Mexico.

- (a) Creation of a new oil pool for San Andres production, designated as the Dayton-San Andres Pool, and described as:

Township 18 South, Range 26 East
Section 35: NE/4

- (b) Creation of a new oil pool for San Andres production, designated as the Lakewood-San Andres Pool, and described as:

Township 19 South, Range 26 East
Section 4: SE/4

- (c) Creation of a new oil pool for Queen production, designated as the Lucky Lake-Queen Pool, and described as:

Township 15 South, Range 29 East
Section 15: NE/4

- (d) Creation of a new oil pool for Pennsylvanian production, designated as the Reeves-Pennsylvanian Pool, and described as:

Township 18 South, Range 35 East
Section 14: NE/4

- (e) Creation of a new oil pool for Grayburg production, designated as the Shugart-Grayburg Pool, and described as:

Township 18 South, Range 31 East
Section 35: SW/4

- (f) Creation of a new oil pool for Devonian production, designated as the Townsend-Devonian Pool, and described as:

Township 16 South, Range 35 East
Section 15: SE/4

- (g) Extension of the Anderson Pool to include:

Township 17 South, Range 29 East
Section 10: N/2 of the NW/4

- (h) Extension of the Artesia Pool to include:

Township 18 South, Range 28 East
Section 1: NW/4 and W/2 NE/4

- (i) Extension of the Atoka Pool to include:

Township 18 South, Range 26 East
Section 2: SE/4
Section 11: NE/4

- (j) Extension of the Bough Pool to include:

Township 9 South, Range 35 East
Section 24: NE/4

- (k) Extension of the Cave Pool to include:

Township 17 South, Range 29 East
Section 5: S/2 of the SW/4
Section 8: W/2 of the NE/4

- (l) Extension of the Crossroads Pool to include:

Township 9 South, Range 36 East
Section 22: NE/4
Section 23: NW/4

- (m) Extension of the Dean Permo-Pennsylvanian Pool to include:

Township 15 South, Range 36 East
Section 36: W/2 of the SW/4

- (n) Extension of the South Eunice Pool to include:

Township 22 South, Range 35 East
Section 1: E/2 of the NW/4

DOCKET: REGULAR HEARING AUGUST 15, 1957

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

- ALLOWABLE: (1) Consideration of the oil allowable for September, 1957.
- (2) Consideration of the allowable production of gas for September, 1957, from the seven prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from the six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for September, 1957.

NEW CASES

CASE 977: In the matter of the hearing ordered to be held by Paragraph 3 of Order R-794-A, Case 977, to permit Southern Union Gas Company and other interested parties to show cause why 320-acre spacing should be continued in the Tapacito-Pictured Cliffs Gas Pool.

CASE 1291: Application of Tidewater Oil Company for approval of an oil-oil dual completion in an undesignated Drinkard Pool and an undesignated McKee Pool underlying Section 24, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing an oil-oil dual completion, by means of parallel strings of tubing, in an undesignated Drinkard Pool and an undesignated McKee Pool underlying Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, for its Coates "C" Well No. 8 located 660 feet from the North line and 1880 feet from the East line of said Section 24.

CASE 1292: Application of John H. Trigg for an order authorizing a pilot program for the injection of gas into the Caprock-Queen Pool, Chaves County, New Mexico, for purposes of pressure maintenance, and further, authorizing the transfer of allowables for the injection well to other wells on the same basic lease, and further, to exempt certain of his wells from gas-oil ratio penalties. Applicant, in the above-styled cause, seeks an order authorizing the injection of gas into the Caprock-Queen Pool through his Federal Trigg No. 10-9 Well located in the NW/4 SE/4 of Section 9, Township 14 South, Range 31 East, Chaves County, New Mexico. Applicant further requests that the allowables assigned to the injection well be transferred to another well or wells on the same basic lease, and further, that during the period of the pilot program all wells in Section 9, which are on the same lease as the injection well, be exempt from gas-oil ratio penalties.

CASE 1293: Application of Amerada Petroleum Corporation for an order amending the Special Rules and Regulations for the Justis Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order amending the Special Rules and Regulations for the Justis Gas Pool provided by Order R-586, as amended, to provide for 320-acre gas proration units in the Justis Gas Pool, Lea County, New Mexico.

CASE 1294: Application of Ambassador Oil Corporation, Graridge Corporation and Gulf Oil Corporation for an order authorizing a pilot water flood project in the Caprock-Queen Pool in Lea and Chaves Counties, New Mexico, and further, authorizing the applicants to produce at capacity their wells located within and off-setting the pilot water flood program. Applicants, in the above-styled cause, seek an order authorizing the injection of water into the Queen formation of the Caprock-Queen Pool through six wells located in Sections 1 and 12, Township 13 South, Range 31 East, Chaves County, New Mexico, and further, authorizing capacity production from ten wells located within and offsetting the pilot water flood area located in Sections 1, 11, and 12, Township 13 South, Range 31 East, and Section 6, Township 13 South, Range 32 East, in Chaves and Lea Counties, New Mexico.

CASE 1295: Application of Southern Union Gas Company and Southern Union Gathering Company for the suspension for a period of not less than six months of the cancellation of underproduction in the six prorated gas pools in San Juan and Rio Arriba Counties, New Mexico. Applicants, in the above-styled cause, seek an order extending until a date not earlier than January 31, 1958, the date upon which accumulated underproduction accrued to certain of their connections as of January 31, 1957, will be cancelled for non-production under the provisions of the Special Rules and Regulations for the Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, South Blanco-Pictured Cliffs, West Kutz-Pictured Cliffs, and Blanco Mesaverde Gas Pools in San Juan and Rio Arriba Counties, New Mexico. Applicants further request similar relief for any and all wells of other producers in the same pools if the facts and circumstances are such as to make similar relief necessary.

CASE 1296: Application of the Oil Conservation Commission of New Mexico upon its own motion for the suspension for a period of not less than six months of the overage shut-in provisions of the Special Rules and Regulations for the six prorated gas pools in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order suspending until a date not earlier than January 31, 1958, the overage shut-in provisions of Special Rules and Regulations for the Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, South Blanco-Pictured Cliffs, West Kutz-Pictured Cliffs, and Blanco Mesaverde Gas Pools in San Juan and Rio Arriba Counties, New Mexico.

CASE 1297: Southeastern New Mexico Nomenclature case calling for an order creating new pools and extending and deleting certain areas from existing pools in Lea, Roosevelt and Eddy Counties, New Mexico.

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

TOWNSHIP 17 SOUTH, RANGE 30 EAST
Section 18: SE/4

DOCKET: REGULAR HEARING FEBRUARY 13, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

- ALLOWABLE: (1) Consideration of the oil allowable for March, 1958.
- (2) Consideration of the allowable production of gas for March, 1958, for six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for March, 1958.

NEW CASES

CASE 977: In the matter of the hearing order to be held by Paragraph 7 of Order No. R-794-B to permit Southern Union Gas Company and all other interested parties to appear and show cause why the Special Pool Rules for the Tapacito-Pictured Cliffs Gas Pool, as set forth in Order No. R-794, should be continued in effect beyond April 1, 1958.

CASE 1376: Application of The Texas Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Little Lucky Lake Unit Agreement embracing 11,715 acres, more or less, of Federal and State Lands in Township 15 South, Range 29 East; Township 15 South, Range 30 East, and Township 16 South, Range 30 East, in Chaves and Eddy Counties, New Mexico.

CASE 1377: In the matter of the hearing called by the Oil Conservation Commission of New Mexico on its own motion to consider the establishment of minimum allowables for gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

CASE 1378: Application of El Paso Natural Gas Company for an order amending Order No. R-333-C & D. Applicant, in the above-styled cause, seeks an order revising, amending or deleting certain portions of Order No. R-333-C & D to extend the testing period and revise the test scheduling procedure applicable to gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

CASE 1379: Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension of existing pools in Lea, Eddy and Chaves Counties, New Mexico.

(a) Create a new gas pool for Mississippian production, designated as the Austin-Mississippian Gas Pool, and described as:

Township 14 South, Range 36 East
Section 17: SW/4

DOCKET: REGULAR HEARING MAY 14, 1958Oil Conservation Commission 9 a. m., Mabry Hall, State Capitol, Santa Fe, New Mexico

- ALLOWABLE: (1) Consideration of the oil allowable for June, 1958.
- (2) Consideration of the allowable production of gas for June, 1958, for six prorated pools in Lea County, New Mexico, and also presentation of purchasers' nominations for the six-month period beginning July 1, 1958; consideration of the allowable production of gas from six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for June, 1958.

NEW CASESCASE 977:

In the matter of the rehearing in Case 977, Order No. R-794-D upon the petition of Southern Union Gas Company, et al., to reconsider its application for the establishment of 320-acre drilling units in the Tapacito-Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico.

CASE 1439:

In the matter of the hearing called by the Oil Conservation Commission of New Mexico on its own motion to consider the institution of gas prorationing in the Tapacito-Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico.

CASE 1440:

Application of Skelly Oil Company for an order promulgating temporary special rules and regulations for the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating temporary special rules and regulations for the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, to provide for 80-acre proration units, well spacing, and such other provisions as the Commission may deem necessary and proper.

CASE 1441:

Application of Pubco Petroleum Corporation for an order promulgating temporary special rules and regulations for the Verde-Gallup Oil Pool in San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating temporary special rules and regulations for the Verde-Gallup Oil Pool in San Juan County, New Mexico, to provide for 80-acre proration units, well spacing, and such other rules and regulations as the Commission may deem necessary and proper.

CASE 1442:

Application of Pure Oil Company for the extension of the South Vacuum (Devonian) Pool and for the promulgation of special rules and regulations for said pool. Applicant, in the above-styled cause, seeks an order extending the horizontal limits of the South Vacuum (Devonian) Pool to include certain acreage in Township 18 South, Ranges 35 and 36 East; Township 19 South, Ranges 35 and 36 East, in Lea County, New Mexico. The applicant further proposes that

special rules and regulations for the South Vacuum (Devonian) Pool be promulgated incorporating, among other provisions, the establishment of 80-acre proration units in the South Vacuum (Devonian) Pool.

CASE 1443:

In the matter of the hearing called by the Oil Conservation Commission of New Mexico on its own motion to revise Rule 112 (a) to permit administrative approval of oil over gas and oil-oil dual completions under certain circumstances.

CASE 1444:

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

(a) Create a new oil pool for San Andres production, designated as the West Crossroads-San Andres Pool, and described as:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 21: SW/4

(b) Create a new gas pool for Pennsylvanian production, designated as the Halfway-Pennsylvanian Gas Pool, and described as:

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

(c) Create a new gas pool in Eddy County, New Mexico, classified as a gas pool for Pennsylvanian production, designated as the Shugart-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 34: NE/4

(d) Extend the Atoka-Grayburg Pool to include:

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

(e) Extend the Caprock-Queen Pool to include:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 29: W/2 NW/4

TOWNSHIP 14 SOUTH, RANGE 31 EAST, NMPM
Section 20: E/2 SE/4