

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

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P
Y

June 10, 1959

Mr. Sim Christy
Harvey, Dow & Hinkle
Box 547
Roswell, New Mexico

Dear Mr. Christy:

On behalf of your client, Honolulu Oil Corporation,
we enclose two copies of Order No. R-1420 issued by
the Oil Conservation Commission on June 9, 1959.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

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Enclosures

10 Apr 1959

HONOLULU OIL CORPORATION

P. O. DRAWER 1391
MIDLAND, TEXAS

April 30, 1959

Handwritten scribbles

Handwritten scribbles

Handwritten notes:
~~Honolulu Oil Corp.~~
~~Yates Sand~~
~~gas~~

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary

Gentlemen:

Honolulu Oil Corporation respectfully requests the New Mexico Oil Conservation Commission to call a Hearing for the purpose of receiving evidence in support of Honolulu's application for exemption to the Commission Rule prohibiting the location of a gas well closer than 660 feet to the outer boundary of the quarter section upon which it is located.

An order approving the location of the Honolulu Oil Corporation State of New Mexico Well No. 1-B will be requested. This well is located 1830 feet from the South line and 2130 feet from the East line of Section 13, T-11-S, R-27-E, NMPM, Chaves County, New Mexico.

This well was originally drilled as a stratigraphic test to the Yates Sand and not as an anticipated oil or gas producer. However, a small amount of gas was encountered in the Yates Sand and 7" casing was run and cemented at 200 feet with 50 sacks. The cement was circulated to the surface. Initial tests on this well determined that this well was non-commercial as indicated by the following data obtained during an open flow test:

Shut in pressure	16 psig
Stabilized flow	54.4 MCFD
Flowing pressure	3.0 psig
Heating value (Calc.)	543 BTU/cuft.
Nitrogen content	49% by volume

Handwritten notes:
Koch
Midland
5-22-59

This gas is unsuitable for pipeline sale because of extremely low delivery pressure, deliverable gas volume, low heating value and high inert (nitrogen) content. There is, however, sufficient gas to meet a portion of the lease use gas requirements associated with oil production from this same lease. Permission is therefore requested to use produced gas from this well for fuel for pumping engines on oil wells on the State Lease B-8385.

Very truly yours,

HONOLULU OIL CORPORATION

By



F. C. Edwards

Assistant Division Manager

FCE:ect:jd

DOCKET: EXAMINER HEARING JUNE 3, 1959OIL CONSERVATION COMMISSION, 9 a.m., MABRY HALL, STATE CAPITOL, SANTA FE

The following cases will be heard before Daniel S. Nutter, Examiner, or A. L. Porter, Jr., Secretary-Director.

- CASE 1661: (Readvertisement) (Continued Case)
Application of Pan American Petroleum Corporation for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its W. H. Turner No. 1 located in the SE/4 SE/4 of Section 29, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Eumont producing interval adjacent to the Eumont Pool and the production of oil from the Drinkard Pool. Applicant proposes to utilize a retrievable-type packer in said well.
- CASE 1682: Application of Continental Oil Company for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil production from the Blinbry Oil Pool and the Tubb Gas Pool, from wells located in the E/2 NE/4 and the NE/4 SE/4 of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 1687: Application of Continental Oil Company for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Britt B-15 Well No. 9, located in the NW/4 SE/4 of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Tubb formation and the production of oil from the Drinkard formation through parallel strings of tubing.
- CASE 1683: Application of Gulf Oil Corporation for a non-standard gas proration unit and for an order force pooling the interests therein. Applicant, in the above-styled cause, seeks the establishment of a 477-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 and the SE/4 of Section 19, Township 19 South, Range 37 East, Lea County, New Mexico, to be dedicated to applicant's B. V. Culp "A" Well No. 3, located 1980 feet from the North and West lines of said Section 19. Applicant further seeks an order force pooling the interests of those in said non-standard gas proration unit who have gas rights within the vertical limits of the Eumont Gas Pool.
- CASE 1684: Application of Honolulu Oil Corporation for an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox gas well location in an undesignated Yates gas pool for its State Well No. 1-B, located 1830 feet from the South line and 2130 feet from the East line of Section 13, Township 11 South, Range 27 East, Chaves County, New Mexico.
- CASE 1685: Application of El Paso Natural Gas Company for permission to conduct maximum pressure build-up tests and for non-cancellation and/or transfer of allowables for test wells. Applicant, in the above-styled cause, seeks an order authorizing it to conduct maximum pressure build-up tests on nineteen (19) gas wells in the Blanco Mesaverde, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs and South Blanco-Pictured Cliffs Pools in San Juan and Rio

Arriba Counties, New Mexico. Applicant further requests the non-cancellation of allowables accruing to test wells during the test period and for authorization to transfer said allowables to other wells on the same basic lease, and for such other relief as is necessary to properly conduct said tests including establishment of an administrative procedure for approval of substitute tests.

CASE 1686:

Application of Skelly Oil Company for the establishment of a new gas pool for Atoka production, and for the adoption of Special Rules and Regulations in connection therewith. Applicant, in the above-styled cause, seeks the establishment of a new pool for Atoka production comprising the E/2 of Section 11 and the W/2 of Section 12, Township 16 South, Range 33 East, Lea County, New Mexico, and the Establishment of Special Rules and Regulations therefor including 640-acre spacing for said pool.

CASE 1688:

Application of Anderson-Prichard Oil Corporation for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its State "A-28" Well No. 1, located in the SE/4 NE/4 Section 28, Township 26 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce gas from the Yates formation in the Rhodes Storage Area, Jalmat Gas Pool, through the casing-tubing annulus, and to produce oil from the Seven Rivers formation through tubing.