

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 30, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 4352: (Reopened) (Continued from April 14, April 28, and May 19, 1971, Examiner Hearings)

In the matter of Case 4352 being reopened by the Oil Conservation Commission upon its own motion to give all interested persons an opportunity to appear and present evidence to whether the Double L-Queen and Suble-Queen Pools, Chaves County, New Mexico, are in fact separate reservoirs or one common reservoir. Further, in the event it is found that the two pools comprise one common reservoir, the Commission will consider the adoption of special rules and regulations to provide for the classification of oil and gas wells, spacing and well location requirements for oil and gas wells, and an allocation formula for withdrawals from the gas wells and oil wells.

CASE 4539: (Continued from the May 19, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

|                       |            |        |
|-----------------------|------------|--------|
| Atlantic State AC - 1 | Well No. 1 | Unit N |
| Atlantic State AC - 2 | Well No. 2 | Unit M |
| Atlantic State AC - 2 | Well No. 3 | Unit O |
| Atlantic State AC - 3 | Well No. 4 | Unit L |
| Atlantic State AC - 3 | Well No. 5 | Unit J |
| Atlantic State AC - 4 | Well No. 6 | Unit P |
| Atlantic State AC - 4 | Well No. 7 | Unit I |

CASE 4556: Application of Tenneco Oil Company for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the perforated interval from 3154 feet to 3159 feet in its USA-Reno Well No. 1 located in Unit L of Section 3, Township 15 South, Range 31 East, Caprock-Queen Pool, Chaves County, New Mexico.

- CASE 4557: Application of Continental Oil Company for transfer of allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to transfer allowable across the boundaries of the participating area and the leases outside said area but within the Maljamar Cooperative Area, MCA Unit Area, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.
- CASE 4535: (Continued from the April 28, and the May 19, 1971, Examiner Hearings)
- Application of Continental Oil Company for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Monument-Tubb and Weir Drinkard oil production in the well-bore of its SEMU Well No. 70, located in Unit I of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico.
- CASE 4558: Application of Midwest Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Little Inbe (Bough "C") Unit Area comprising 2,240 acres, more or less, of state lands in Sections 10, 11, 14 and 15 of Township 10 South, Range 33 East, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico.
- CASE 4559: Application of Midwest Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Little Inbe (Bough "C") Unit Area, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico, by the injection of water through three wells located in Sections 11 and 14 of Township 10 South, Range 33 East, Lea County, New Mexico.
- CASE 4560: Application of Rijan Oil Company, Inc. for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project in the Slick Rock-Dakota Pool by the injection of water into the Dakota formation through its Rijan Wells Nos. 10, 12, and 14 located, respectively, in Units F, L and K of Section 31, Township 30 North, Range 16 West, San Juan County, New Mexico.
- CASE 4561: Application of Great Plains Land Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seek an exception to

(Case 4561 continued)

Order No. R-3221, as amended, to dispose of water produced by its well located in the NW/4 NW/4 of Section 31, Township 18 South, Range 30 East, Shugart Field, Eddy County, New Mexico.

CASE 4562: Application of Texas Oil and Gas Corporation, for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations governing the Indian Basin-Upper Pennsylvanian Gas Pool to permit the drilling of a well at an unorthodox gas well location 990 feet from the North and West lines of Section 22, Township 22 South, Range 23 East, Eddy County, New Mexico.

CASE 4563: Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4564: Application of Penroc Oil Corporation for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard oil proration unit comprising the SW/4 NE/4 and NW/4 SE/4 of Section 33, Township 18 South, Range 38 East, Hobbs-Drinkard Pool, Lea County, New Mexico, to be dedicated to its Conoco-State Well No. 1 located 1980 feet from the North line and 2130 feet from the East line of said Section 33.

CASE 4549: (Continued from the June 16, 1971, Examiner Hearing)

Application of Tom L. Ingram for unorthodox gas well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for his Light Well No. 1 located 1980 feet from the South line and 660 feet from the East line of Section 15, Township 8 South, Range 37 East, Bluit-San Andres Associated Pool, Roosevelt County, New Mexico, the S/2 of said Section 15 to be dedicated to the well.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 11, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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The following cases will be heard before Daniel S. Nutter, Examiner, or  
Elvis A. Utz, Alternate Examiner:

CASE 4563: (Continued from the July 28, 1971, Examiner Hearing)

Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4575: Application of Anadarko Production Company for the creation of a new gas pool, or, in the alternative, the amendment of the special pool rules for an existing pool and pool commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new San Andres gas pool for its Lou Wortham Well No. 6 located in Unit E of Section 11, Township 22 South, Range 37 East, or, in the alternative, the amendment of the special rules and regulations governing the South Eunice-San Andres Pool to provide for the classification of oil and gas wells, spacing and well location requirements, and an allocation formula for withdrawals by oil and gas wells. In the event the Commission creates the above-requested gas pool, applicant further seeks authority to commingle on the surface the liquid hydrocarbons from the above-described Well No. 6 and its Wortham Well No. 5, a South Eunice-San Andres Pool well, located in Unit C of said Section 11.

CASE 4576: Application of Continental Oil Company for unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill two oil wells as infill wells in its Eumont Hardy Unit Area, Eumont Pool, Lea County, New Mexico, at unorthodox locations as follows:

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(Case 4576 continued)

TOWNSHIP 21 SOUTH, RANGE 37 EAST  
Eumont Hardy Unit Well No. 48 to  
be located 1492 feet from the  
North line and 560 feet from the  
East line of Section 6;

Eumont Hardy Unit Well No. 49 to  
be located 3660 feet from the South  
line and 1980 feet from the West  
line of Section 6.

- CASE 4577: Application of Petroleum Corporation for the creation of a new pool, special rules therefor, and discovery allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolf-camp oil pool for its Petco State Well No. 2 located in Unit N of Section 26, Township 19 South, Range 29 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 160-acre spacing and proration units. Applicant further seeks the assignment of an oil discovery allowable in the amount of approximately 48,110 barrels to said well.
- CASE 4578: Application of Harvey E. Yates Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Empire South Deep Unit Area comprising 4968 acres, more or less, of Federal, State and Fee lands in Townships 17 and 18 South, Ranges 28 and 29 East, Eddy County, New Mexico.
- CASE 4579: Application of Stephen C. Helbing for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Juniper Canyon Unit Area comprising 6,880 acres, more or less, of Federal, State and Fee lands in Township 24 South, Range 25 East, Eddy County, New Mexico.
- CASE 4580: Application of Gulf Oil Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Harry Leonard (NCT-C) Well No. 12 located in Unit A of Section 36, Township 21 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Arrowhead-Grayburg and Blinebry Pools through parallel strings of tubing.

Examiner Hearing - Wednesday

August 11, 1971

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Docket No. 17-71

(Continued from the July 28, 1971, Examiner Hearing)

CASE 4570: Application of Shenandoah Oil Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from 1760 feet to 1840 feet by injection down the annulus of its Read & Stevens "M" Federal Well No. 1 located in Unit K of Section 28, Township 6 South, Range 27 East, Haystack-Cisco Gas Pool, Chaves County, New Mexico.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 28, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 4539: (Continued from the June 30, 1971, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

|                     |            |        |
|---------------------|------------|--------|
| Atlantic State AC-1 | Well No. 1 | Unit N |
| Atlantic State AC-2 | Well No. 2 | Unit M |
| Atlantic State AC-2 | Well No. 3 | Unit O |
| Atlantic State AC-3 | Well No. 4 | Unit L |
| Atlantic State AC-3 | Well No. 5 | Unit J |
| Atlantic State AC-4 | Well No. 6 | Unit P |
| Atlantic State AC-4 | Well No. 7 | Unit I |

CASE 4558: (Continued from the June 30, 1971, Examiner Hearing)

Application of Midwest Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Little Inbe (Bough "C") Unit Area comprising 2,240 acres, more or less, of state lands in Sections 10, 11, 14 and 15 of Township 10 South, Range 33 East, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico.

CASE 4559: (Continued from the June 30, 1971, Examiner Hearing)

Application of Midwest Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Little Inbe (Bough "C") Unit Area, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico, by the injection of water through three wells located in Sections 11 and 14 of Township 10 South, Range 33 East, Lea County, New Mexico.

CASE 4563: (Continued from the June 30, 1971, Examiner Hearing)

Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4561: (Continued and readvertised from the June 30, 1971, Examiner Hearing)

Application of Great Plains Land Company for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose of water produced by its well located in the NW/4 NW/4 of Section 31, Township 18 South, Range 31 East, Shugart Field, Eddy County, New Mexico.

CASE 4570: Application of Shenandoah Oil Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from 1760 feet to 1840 feet by injection down the annulus of its Read & Stevens "M" Federal Well No. 1 located in Unit K of Section 28, Township 6 South, Range 27 East, Haystack-Cisco Gas Pool, Chaves County, New Mexico.

CASE 4571: Application of Read & Stevens for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations governing the Buffalo Valley-Pennsylvanian Gas Pool to permit the drilling of a well at an unorthodox gas well location 990 feet from the South and West lines of Section 5, Township 15 South, Range 28 East, Chaves County, New Mexico, the S/2 of said Section 5 to be dedicated to the well.

- CASE 4572: Application of Franklin, Aston & Fair, Inc., for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the "B" zone of the Slaughter section of the San Andres formation in its Cook State Well No. 1 located in Unit L of Section 32, Township 7 South, Range 36 East, Todd-San Andres Field, Roosevelt County, New Mexico.
- CASE 4573: Application of Tenneco Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sand Springs South Unit Area comprising 2536 acres, more or less, of state lands in Township 11 South, Ranges 34 and 35 East, Lea County, New Mexico.
- CASE 4574: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tenneco Oil Company to appear and show cause why it should not take immediate action to repair the production casing in its Bolack "B" Well No. 5 located in Unit J of Section 31, Township 27 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico.
- CASE 4569: (Continued from the July 14, 1971, Examiner Hearing)  
Application of Barber Oil, Inc., for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing oil well at an unorthodox location 1326 feet from the South line and 5 feet from the West line of Section 13, Township 20 South, Range 28 East, as an infill well in its waterflood project in the Russell (Yates) Pool, Eddy County, New Mexico.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 29, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE  
LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner,  
or Daniel S. Nutter, Alternate Examiner:

- CASE 4604: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the consolidation of the Eunice and Monument areas of the Eunice Monument Pool (Grayburg-San Andres), Lea County, New Mexico, and the ascertainment of a common efficient gas-oil ratio limitation for the consolidated area.
- CASE 4598: Application of Continental Oil Company for an exception to Order No. R-2408, and for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Meyer B-4 Well No. 28 in Unit R of Section 4, Township 21 South, Range 36 East, as the second well on an 80-acre proration unit in the Oil Center-Blinebry Pool and to complete said well as a dual completion (conventional) to produce oil from said Oil Center-Blinebry Pool and the Eunice Grayburg-San Andres Pool through parallel strings of tubing.
- CASE 4599: Application of Continental Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its SEMU Well No. 61 located in Unit P of Section 15, Township 20 South, Range 37 East, as a dual completion to produce gas from the Weir-Drinkard Pool through tubing and gas from the Weir-Blinebry Pool through the casing-tubing annulus.
- CASE 4600: Application of El Paso Natural Gas Company for a non-standard gas proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the NW/4, N/2 SW/4, SW/4 SW/4, and NW/4 NE/4 of Section 22, Township 17 South, Range 29 East, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to its Leonard State "Com" Well No. 1 located in Unit E of said section.
- CASE 4601: Application of Humble Oil & Refining Company for the re-dedication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3700, to permit the simultaneous dedication of the standard 640-acre Eumont gas proration unit authorized therein to its New Mexico "G" State Wells 2 and 6 located in Units P and M respectively of Section 26, Township 21 South, Range 36 East, Lea County, New Mexico rather than Wells 2 and 4 as at present.

- CASE 4602: Application of Tenneco Oil Company for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 104 B II, approval of an unorthodox Pennsylvanian oil well location for its Pah Well No. 1 located 1500 feet from the South line and 990 feet from the East line of Section 3, Township 25 North, Range 11 West, San Juan County, New Mexico.
- CASE 4603: Application of Tenneco Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sand Springs Unit Area comprising 2999 acres, more or less, of State lands in Townships 10 and 11 South, Ranges 34 and 35 East, Lea County, New Mexico.
- CASE 4563: Continued from the August 11, 1971 Examiner Hearing  
Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.
- CASE 4592: Continued from the September 15, 1971 Examiner Hearing  
Application of Gulf Oil Corporation for amendment of order permitting commingling of production, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4079, which order authorized the applicant to commingle production from the Hobbs (Grayburg-San Andres) and Hobbs-Blinbry Pools on its W. D. Grimes NCT-B Lease and to commingle production from said lease with the Hobbs (Grayburg-San Andres) Pool on its W. D. Grimes NCT-A lease, located in Sections 32 and 33, Township 18 South, Range 38 East, Lea County, New Mexico. Applicant seeks to allocate production to each lease and pool on the basis of by-monthly tests rather than monthly tests.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 10, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

- CASE 4617: Application of Tenneco Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a unit area comprising 520 acres, more or less, of Federal lands in Section 3, Township 19 South, Range 32 East, Lusk-Seven Rivers Pool, Lea County, New Mexico.
- CASE 4618: Application of Tenneco Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Lusk-Seven Rivers Pool by the injection of water through one well located in the SE/4 NW/4 of Section 3, Township 19 South, Range 32 East, Lea County, New Mexico.
- CASE 4619: Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 25, Township 22 South, Range 26 East, which acreage is within one mile of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 25. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges of supervision of said well.
- CASE 4620: Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 24, Township 22 South, Range 26 East, which acreage is in the vicinity of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4563: Continued from the October 27, 1971, Examiner Hearing

Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4621: Application of Jack L. McClellan for a dual completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of his Bar-J Federal Well No. 1 located in Unit E of Section 15, Township 6 South, Range 27 East, Chaves County, New Mexico, in such a manner as to produce oil from an undesignated Siluro-Devonian pool through tubing and gas from the Haystack-Cisco Gas Pool through the casing-tubing annulus.

CASE 4622: Application of Jake L. Hamon for a non-standard unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard oil proration unit comprising the NE/4 SE/4 and SE/4 NE/4 of Section 30, Township 16 South, Range 36 East, East Shoe Bar-Devonian Pool, Lea County, New Mexico, to be dedicated to a well to be drilled 1830 feet from the South line and 660 feet from the East line of said Section 30.

CASE 4623: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the amendment of the definition of a gas well as it appears in its Rules and Regulations to read as follows:

"Gas well shall mean a well producing gas or natural gas from a gas pool or a well with a gas-oil ratio in excess of 100,000 cubic feet of gas per barrel of oil producing from an oil pool."

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 27, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 4613: Application of Scoggins Petroleum Corporation for creation of a new gas pool and special rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Morrow gas pool for its State BI Well No. 1 located in Unit F of Section 33, Township 18 South, Range 25 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing units.
- CASE 4614: Application of Cities Service Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill an oil well as an infill well in its Southeast Maljamar Grayburg-San Andres Unit Area at an unorthodox location 1395 feet from the South line and 2615 feet from the East line of Section 29, Township 17 South, Range 33 East, Maljamar Pool, Lea County, New Mexico.
- CASE 4612: Application of Meadco Properties for creation of a new pool and special rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Bough "C" zone of the Pennsylvanian formation for its well located 2130 feet from the West line and 660 feet from the South line of Section 25, Township 10 South, Range 32 East, Lea County, New Mexico, and for the promulgation of special rules therefor, including a provision for 160-acre spacing units.
- CASE 4615: Application of Marathon Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the South Eunice (Seven Rivers, Queen) Unit Area comprising 1840 acres, more or less, of state and fee lands in Sections 23, 24, 25, 26, 35, and 36, Township 22 South, Range 36 East, South Eunice Seven Rivers-Queen Pool, Lea County, New Mexico.
- CASE 4616: Application of Marathon Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled

Docket No. 23-71 - Examiner Hearing  
October 27, 1971

(Case 4616 continued)

cause, seeks authority to institute a waterflood project in the South Eunice Seven Rivers-Queen Pool, by the injection of water through eight wells located in Sections 24, 25, and 26, Township 22 South, Range 36 East, Lea County, New Mexico.

CASE 4563: Continued from the September 29, 1971, Examiner Hearing

Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 5, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

CASE 4621:        (Continued from the November 10, 1971 Examiner Hearing)  
Application of Jack L. McClellan for a dual completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of his Bar-J Federal Well No. 1 located in Unit E of Section 15, Township 6 South, Range 27 East, Chaves County, New Mexico, in such a manner as to produce oil from an undesignated Siluro-Devonian pool through tubing and gas from the Haystack-Cisco Gas Pool through the casing-tubing annulus.

CASE 4609:        (Continued from the November 17, 1971 Examiner Hearing)  
Application of Jack L. McClellan for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sulimar-Queen Unit Area comprising 1520 acres, more or less, of Federal lands in Sections 13, 23, 24, 25, and 26 of Township 15 South, Range 29 East, and Sections 18 and 19 of Township 15 South, Range 30 East, Chaves County, New Mexico.

CASE 4482:        (Reopened):  
In the matter of Case 4482 being reopened pursuant to the provisions of Order No. R-4093, which order established 160-acre spacing units and established a maximum gas-oil ratio limitation of 3,000 cubic feet of gas for each barrel of oil produced for the Parkway-Strawn Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre or 80-acre spacing units and why the limiting gas-oil ratio should not revert to the statewide limit of 2,000 to one.

CASE 3709        (Reopened):  
In the matter of Case 3709 being reopened pursuant to the provisions of Order No. R-3366-B, which order continued 80-acre spacing for the Akah Nez-Devonian Oil Pool, San Juan County, New Mexico, for an additional one-year period. All interested persons may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 4638:        Application of Holder Petroleum Corporation for downhole

(Case 4638 continued)

and surface commingling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Todd Lower-San Andres Pool and the Todd Upper-San Andres Gas Pool in the wellbores of its BA Wells Nos. 1 and 2, located respectively, in Units A and H of Section 34, Township 7 South, Range 35 East, Roosevelt County, New Mexico. Applicant further seeks authority to commingle, on the surface, production from said wells prior to measurement.

- CASE 4639: Application of Great Western Drilling Company to directionally drill, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill out its State Well No. 1, having a surface location 330 feet from the North and East lines of Section 17, Township 16 South, Range 35 East, Townsend-Morrow Gas Pool, Lea County, New Mexico, to a depth of approximately 8,000 feet and whipstock the well in a southwesterly direction to a bottom-hole location within the NE/4 of said Section 17 at a depth of approximately 11,800 feet.
- CASE 4640: Application of Amoco Production Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the East Gem-Yates Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units.
- CASE 4641: Application of Reserve Oil and Gas Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its South Langlie Jal Unit Jalmat Waterflood Project, Jalmat Oil Pool, by the conversion of water injection of its Unit Well No. 23, located 2310 feet from the South and West lines of Section 17, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 4642: Application of Fluid Power Pump Company for special pool rules and a pressure maintenance project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special rules for the Media-Entrada Pool, including a provision for 160-acre spacing and proration units. Applicant further seeks authority to institute a pressure maintenance project in said pool by the injection of water into the Entrada formation through various wells located in Sections 10, 11, 22, and 23 of Township 19 North, Range 3 West, Sandoval County, New Mexico, and promulgation of rules for said project including a procedure whereby additional injection or production wells at orthodox or unorthodox locations may be approved administratively.

CASE 4643: Application of Cities Service Oil Company for compulsory pooling and unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 19, Township 22 South, Range 27 East, South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico, to form a standard 320-acre proration unit for the production of gas from the Morrow formation with said unit to be dedicated to a well to be drilled at an unorthodox location 2173 feet from the North line and 1200 feet from the East line of said Section 19.

CASE 4644: Application of Continental Oil Company for four non-standard gas proration units and rededication of acreage, Lea County New Mexico. Applicant, in the above-styled cause, seeks the rededication of acreage and the establishment of the following-described non-standard gas proration units for wells on its Meyer A-29 Lease in Section 29, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

1. A 240-acre unit comprising the SE/4 and E/2 SW/4 to be dedicated to Well No. 3 in Unit N;
2. An 80-acre unit comprising the W/2 SW/4 to be dedicated to Well No. 4 in Unit L;
3. An 80-acre unit comprising the E/2 NE/4 to be dedicated to Well No. 5 in Unit A;
4. A 240-acre unit comprising the NW/4 and W/2 NE/4 to be dedicated to Well No. 9 in Unit E.

CASE 4563: (Continued from the December 1, 1971, Examiner Hearing)  
Application of Corrinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1, Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4619: (Continued from the December 1, 1971, Examiner Hearing)

Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 25, Township 22 South, Range 26 East, which acreage is within one mile of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 25. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges of supervision of said well.

CASE 4620: (Continued from the December 1, 1971, Examiner Hearing)

Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 24, Township 22 South, Range 26 East, which acreage is in the vicinity of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.



# Telegram

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GEORGE HATCH=

SOIL CONSERVATION COMMISSION SANTA FE NMEX=

WE REQUEST A CONTINUANCE OF ALL THREE CASES WE ARE INVOLVED IN BEFORE THE OIL CONSERVATION COMMISSION FROM 1-5-72 UNTIL 2-2-72=

CORRINE GRACE=

RECEIVED

JAN 03 1972

OIL CONSERVATION COMM.  
SANTA FE

1-5-72 2-2-72.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 1, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner:

CASE 4629: Application of El Paso Natural Gas Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Rocky Arroyo Well No. 1 located in Unit J of Section 8, Township 22 South, Range 22 East, in such a manner as to permit the production of gas from an undesignated Morrow gas pool through tubing and an undesignated Wolfcamp gas pool through the casing-tubing annulus.

CASE 4630: Application of C. W. Trainer for a non-standard gas unit, Lea County, New Mexico. Applicant, in the above-styled cause, seek approval of a 316.15-acre non-standard gas spacing unit comprising Lots 1 and 2 and E/2 W/2 of Section 31, Township 24 South, Range 37 East, and Lots 2 and 3 of Section 6, Township 25 South, Range 37 East, Custer-Ellenburger Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled 660 feet from the South line and 1590 feet from the West line of said Section 31.

CASE 4631: Application of Gulf Oil Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Learcy McBuffington Well No. 7 located in Unit M of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Tubb-Drinkard Oil Pool and gas from the Justis-Glorieta Gas Pool through parallel strings of tubing.

CASE 4632: Application of Mobil Oil Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dedicate the W/2 of Section 14, Township 17 South, Range 34 East, to its Bridges State Well No. 133, situate at an unorthodox location for said unit in the North Vacuum-Morrow Gas Pool, Lea County, New Mexico.

CASE 4563: Continued from the November 10, 1971, Examiner Hearing

Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4619: Continued from the November 10, 1971, Examiner Hearing

Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 25, Township 22 South, Range 26 East, which acreage is within one mile of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 25. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges of supervision of said well.

CASE 4620: Continued from the November 10, 1971, Examiner Hearing

Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 24, Township 22 South, Range 26 East, which

(Case 4620 continued)

acreage is in the vicinity of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 1, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

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The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 4668: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider instituting gas prorationing in the South Carlsbad-Morrow and South Carlsbad-Strawn Gas Pools, Eddy County, New Mexico. The Commission will consider limiting gas production from the South Carlsbad-Morrow and South Carlsbad-Strawn Gas Pools in Eddy County, New Mexico, to reasonable market demand and to the capacity of gas transportation facilities. The Commission will also consider methods for allocating the allowable production among the gas wells in the pools.

CASE 4563: (Continued from the February 2, 1972 Examiner Hearing)  
Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4619: (Continued from the February 2, 1972, Examiner Hearing)  
Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the N/2 of Section 25, Township 22 South, Range 26 East, which acreage is within one mile of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 25. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges of supervision of said well.

CASE 4620: (Continued from the February 2, 1972, Examiner Hearing)  
Application of Corinne Grace for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the

(Case 4620 continued)

Morrow formation underlying the N/2 of Section 24, Township 22 South, Range 26 East, which acreage is in the vicinity of the South Carlsbad-Morrow Gas Pool, Eddy County, New Mexico. Said acreage to be dedicated to a well to be drilled to the Morrow formation at a location 1980 feet from the North and East lines of said Section 24. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges of supervision of said well.

CASE 3709: (Continued from the January 5, 1972, Examiner Hearing)  
(Reopened)

In the matter of Case 3709 being reopened pursuant to the provisions of Order No. R-3366-B, which order continued 80-acre spacing for the Akah Nez-Devonian Oil Pool, San Juan County, New Mexico, for an additional one-year period. All interested persons may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 4669: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company to appear and show cause why it should not take immediate action to repair each of the five following dual completions in such a manner as to prevent communication between zones in the well-bores:

San Juan 27-4 Unit #30  
N-32-27N-4W, Rio Arriba

San Juan 27-5 Unit #31  
A-24-27N-5W, Rio Arriba

Bolack C #14  
B-30-27N-8W, San Juan

Huerfano Unit #60  
M-4-26N-9W, San Juan

Allison Unit #17  
K-24-32N-7W, San Juan

- CASE 4674: Application of Hanagan Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its Millman Deep Well No. 1 located 660 feet from the North line and 1924 feet from the East line of Section 4, Township 19 South, Range 28 East, undesignated Morrow gas pool, Eddy County, New Mexico, with the E/2 of said Section 4, to be dedicated to the well.
- CASE 4670: Application of BTA Oil Producers for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 506 of the Commission Rules and Regulations, a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil for the Vada-Pennsylvanian Pool, Lea County, New Mexico.
- CASE 4671: Application of V. F. Vasicek and J. M. Fullinwider, dba V-F Petroleum for compulsory pooling, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests from the surface of the ground down to and including the Wolfcamp formation underlying the SE/4 SW/4 of Section 1, Township 15 South, Range 36 East, Lea County, New Mexico, to form a standard oil proration unit to be dedicated to a well to be drilled at a standard location on said unit. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.
- CASE 4672: Application of Paul M. Mershon, Jr., and Vincent Shryack for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the W/2 of Section 15, Township 17 South, Range 29 East, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, to form a standard 320-acre unit for the production of gas to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the costs of drilling said well, a charge for the risk

(Case 4672 continued)

involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4508: (Reopened)

In the matter of Case 4508 being reopened pursuant to the provisions of Order No. R-4117, which order established special rules and regulations for the Warren-Devonian Pool, Lea County, New Mexico, including a provision for 80-acre spacing units. All interested persons may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 4673: Application of Fluid Power Pump Company for two non-standard oil proration units, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for two 160-acre non-standard oil proration units in Township 19 North, Range 3 West, Media-Entrada Oil Pool, Sandoval County, New Mexico, said units comprising acreage as follows:

1. S/2 NW/4 and N/2 SW/4 of Section 14
2. S/2 NE/4 and N/2 SE/4 of Section 15