



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

March 15, 1972

GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. James E. Sperling
Modrall, Seymour, Sperling,
Roehl & Harris
Attorneys at Law
Post Office Box 2168
Public Service Building
Albuquerque, New Mexico 87103

Re: Case No. 4563
Order No. R-4276
Applicant:
CORINNE GRACE

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x
Artesia OCC x
Aztec OCC

Other Mr. Clarence Hinkle

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. 4563
Order No. R-4276

APPLICATION OF CORINNE GRACE FOR
SPECIAL GAS-OIL RATIO LIMITATION
AND PRESSURE MAINTENANCE PROJECT,
CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 1, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of March, 1972, 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, Corinne Grace, is the owner and operator of the Grace State Wells Nos. 1 and 2 located in Units A and B, respectively, of Section 1, Township 15 South, Range 29 East, NMPM, Double L-Queen Associated Pool, Chaves County, New Mexico.

(3) That the Special Rules and Regulations for the Double L-Queen Associated Pool provide that a well shall be classified as a gas well if it has a gas-liquid ratio of 30,000 or more cubic feet of gas per barrel of liquid hydrocarbons and shall be classified as an oil well if it has a gas-liquid ratio of less than 30,000 cubic feet of gas per barrel of liquid hydrocarbons.

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CASE No. 4563
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(4) That said rules provide that the limiting gas-oil ratio for the pool shall be 2000 cubic feet of gas for each barrel of oil produced.

(5) That said Special Rules and Regulations limit the total amount of gas that can be produced by either an oil well or a gas well.

(6) That the applicant seeks authority, as an exception to the Special Rules and Regulations for the Double L-Queen Associated Pool, to produce the Grace State Well No. 1 as an oil well with no limitation upon gas production from said well, separate the gas from the liquids by ordinary separation methods, and institute a pressure maintenance project by injecting all of said gas back into the producing formation through the Grace State Well No. 2.

(7) That unlimited gas production from the Grace State Well No. 1 will not cause waste nor violate correlative rights, provided said well produces no more than a 40-acre oil allowable for the pool and provided further that all gas produced by said well is reinjected into the producing formation through the Grace State Well No. 2.

(8) That the proposed pressure maintenance project is in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

(9) That for the purposes of the proposed pressure maintenance project, the Grace State Well No. 1 should be classified as a producing oil well with a 40-acre oil allowable and that the Grace State Well No. 2 should be classified as a gas injection well with no allowable.

(10) That all gas produced by said Well No. 1 should be measured and all gas injected through said Well No. 2 should be measured.

(11) That the subject application should be approved and the pressure maintenance project should be governed by the provisions of Rules 701, 702, 703, and 704 of the Commission Rules and Regulations insofar as said rules are not inconsistent with this order.

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CASE No. 4563
Order No. R-4276

IT IS THEREFORE ORDERED:

(1) That the applicant, Corinne Grace, is hereby authorized to institute a pressure maintenance project in the Double L-Queen Associated Pool, Chaves County, New Mexico, designated as the Grace Double L-Pressure Maintenance Project, by the injection of gas into the Queen formation in accordance with the following terms and conditions:

(a) The producing oil well for the project, the Grace State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, NMPM, may produce up to a 40-acre top unit oil allowable with no limitation upon the amount of gas produced.

(b) That all gas produced by said Grace State Well No. 1 shall be injected into the producing formation of the Double L-Queen Associated Pool through the Grace State Well No. 2 located in Unit B of Section 1, Township 15 South, Range 29 East, NMPM.

(c) That injection of gas into the Grace State Well No. 2 shall be accomplished through 8 5/8-inch casing; that the wellhead shall be equipped with a pressure gauge properly maintained in working order.

(d) That all gas produced by the Grace State Well No. 1 and all gas injected through the Grace State Well No. 2 shall be measured by use of meters.

(e) That the applicant shall notify the Artesia District Office of the Commission of the commencement of injection within seven days of the date of first injection.

(f) That the project shall be governed by the provisions of Rules 701, 702, 703, and 704 of the Commission Rules and Regulations insofar as said rules are not inconsistent with this order.

(g) That monthly progress reports of the pressure maintenance project shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

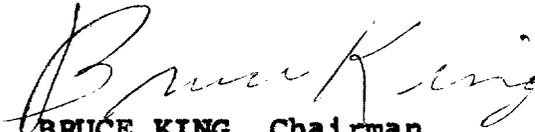
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Order No. R-4276

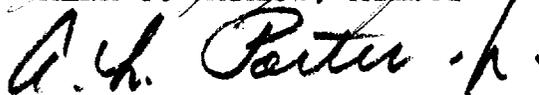
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

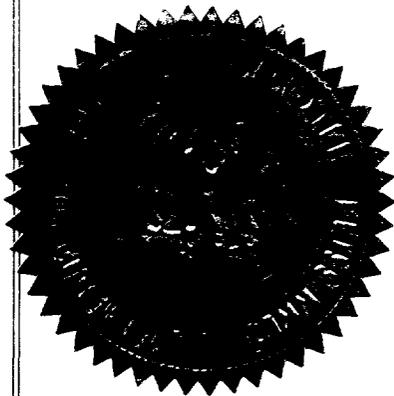
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIÑO, Member


A. L. PORTER, Jr., Member & Secretary



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. 4588
Order No. R-4197

APPLICATION OF V. H. WESTBROOK
FOR A PRESSURE MAINTENANCE PROJECT,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 15, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 5th day of October, 1971, 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, V. H. Westbrook, is the owner and operator of the Guy A. Reed Well No. 2, located in Unit L of Section 24, Township 24 South, Range 28 East, NMPM, Malaga-Delaware Pool, Eddy County, New Mexico.
- (3) That the applicant proposes to utilize said well to inject produced salt water into the Delaware formation, with injection into the perforated interval from approximately 2681 feet to 2683 feet.
- (4) That the subject well should be classified as a pressure maintenance project injection well.

(5) That the subject pressure maintenance project is in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.

(6) That the injection should be accomplished through 2-inch tubing installed in a packer set at approximately 2669 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer; and that the produced salt water shall be continuously treated to inhibit corrosion prior to injection and coupon corrosion tests shall be conducted continuously on said well and the results thereof filed semi-annually with the Commission until further notice from the Secretary-Director of the Commission.

(7) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, V. H. Westbrook, is hereby authorized to institute a pressure maintenance project in the Malaga-Delaware Pool, Eddy County, New Mexico, by the injection of water into the Delaware formation through his Guy A. Reed Well No. 2, located in Unit L of Section 24, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

(2) That said injection should be accomplished through 2-inch tubing installed in a packer set at approximately 2669 feet, and into the perforated interval from 2681 feet to 2683 feet.

PROVIDED HOWEVER, that the casing-tubing annulus shall be filled with an inert fluid and that a pressure gauge shall be attached to the annulus in order to determine leakage in the tubing, casing, or packer.

PROVIDED FURTHER, that the produced salt water shall be continuously treated prior to injection and coupon corrosion tests shall be conducted continuously on said well and the results thereof filed semi-annually with the Commission until further notice from the Secretary-Director of the Commission.

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CASE NO. 4588

Order No. R-4197

(3) That the subject pressure maintenance project is hereby designated the Westbrook Malaga Pressure Maintenance Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(4) That monthly progress reports of the pressure maintenance project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

dr/



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
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GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
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STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

March 21, 1972

Mr. James E. Sperling
Modrall, Seymour, Sperling,
Roehl & Harris
Attorneys at Law
Post Office Box 2168
Public Service Building
Albuquerque, New Mexico 87103

Re: Case No. 4563
Order No. R-4276-A
Applicant:
Corinne Grace

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC x

Other Mr. Clarence Hinkle

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE No. 4563
Order No. R-4276-A

IN THE MATTER OF THE APPLICATION OF
CORINNE GRACE FOR SPECIAL GAS-OIL
RATIO LIMITATION AND PRESSURE MAINTE-
NANCE PROJECT, CHAVES COUNTY, NEW
MEXICO.

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that due to clerical error, Order No. R-4276, dated March 15, 1972, does not correctly state the intended order of the Commission,

IT IS THEREFORE ORDERED:

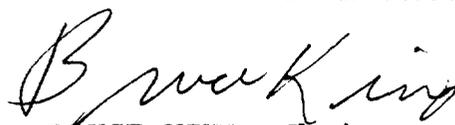
(1) That Paragraph (c) of Order (1) of Commission Order No. R-4276 is hereby corrected to read in its entirety as follows:

"(c) That injection of gas into the Grace State Well No. 2 shall be accomplished through 5 1/2-inch casing; that the wellhead shall be equipped with a pressure gauge properly maintained in working order."

(2) That the correction set forth above shall be effective nunc pro tunc as of March 15, 1972.

DONE at Santa Fe, New Mexico, on this 21st day of March, 1972.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMLJO, Member


A. L. PORTER, Jr., Member & Secretary

