CASE 4217: Appli. of TAMARACK FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

# Case Number

Application
Trascripts

Small Exhibits

ETC.

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 10, 1969

#### EXAMINER HEARING

IN THE MATTER OF:

Application of Tamarack Petroleum Company, Inc. for a unit agreement, Lea County, New Mexico.

Application of Tamarack Petroleum Company, Inc. for a waterflood project, Lea County, New Mexico.

) Case No. 4216

Case No. 4217

BEFORE: Daniel Nutter, Examiner.

TRANSCRIPT OF HEARING



MR. NUTTER: Case 4216.

MR. HATCH: Case 4216. Application of Tamarack Petroleum Company, Inc. for a unit agreement, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, Cases
4216 and 4217 both pertain to the same area and some of
the testimony will be overlapping and for that reason I
would like to move that they be consolidated for the
purposes of the record with a separate order to be entered
in the cases.

MR. NUTTER: We will call the next Case 4217.

MR. HATCH: Case 4217. Application of Tamacrack Petroleum Company, Inc. for a waterflood project, Lea County, New Mexico.

MR. NUTTER: For purposes of testimony and making the record, Cases 4216 and 4217 will be consolidated.

MR. KELLAHIN: If the Examiner please, Jason Kellahin appearing for the Applicant. We have two witnesses I would like to have sworn.

(Witnesses sworn.)

(Whereupon, Applicant's Exhibits 1 through 4 were marked for identification.)

MR. KELLAHIN: Call as our first witness Mr.

Albert Metcalfe.

#### ALBERT METCALFE

called as a witness, having been first duly sworn, was examined and testified as follows:

#### DIRECT EXAMINATION

#### BY MR. KELLAHIN:

- Q Would you state your name, please?
- A Albert Metcalfe.
- Q How do you spell that, Mr. Metcalfe?
- A M-e-t-c-a-l-f-e.
- Q By whom are you employed and in what position?
- A Tamarack Petroleum Company, vice-president.
- Q Have you testified before the Oil Conservation Commission and made your qualifications a matter of record?
  - A Yes, I have.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. NUTTER: Yes, sir, they are.

Q (By Mr. Kellahin) Mr. Metcalfe, are you familiar with the application of Tamarack Petroleum Company in Cases 4216 and 4217 presently before the Commission?

- A Yes, I am.
- Q Briefly, what is proposed by the Applicant in these two cases?
- A We propose to form a unit, the Northeast Pearl
  Queen Unit in Lea County, New Mexico, for a secondary
  recovery by waterflooding.
- Q Have you formed a unit -- entered into a unit agreement?
  - A Yes, sir, we have.
- Q Referring to what has been marked as Exhibit
  No. 1 in Case 4216, would you identify that exhibit?
- A That's the unit agreement for the Northeast Pearl Queen Unit, Lea County, New Mexico.
- Q Is that in the form which has been approved by this Commission and by the Commissioner of Public Lands in other cases?
- A Yes, it is. We have received preliminary approval from the land office.
- Q Now, are there any federal lands included within the unit boundary?
  - A No, sir.
  - Q Does it all consist of state and fee lands?
  - A Yes.

- Q Can you give the percentages of state and fee lands involved?
- A There are 920 acres in the unit area of which 400 acres are fee land and 520 acres are state land.
- Q Now, have all of the working interest owners agreed to this unit agreement?
  - A Yes, they have.
- Q Referring to what has been marked as Exhibit No. 2, would you identify that exhibit, please?
- A Exhibit 2 is a unit operating agreement between the working interest owners in the unit area.
- Q That is the operating agreement under which this unit will be operated?
  - A Yes, sir, it is.
- Q Is there any particular provision in the -- either of the unit or operating agreement that you want to point out to the Commission?
  - A Pardon me?
- Q Are there any particular provisions within either one of these instruments that you want to point out to the Examiner?
  - A No, sir.
  - Q Now, have all the working interest owners agreed

to the operating agreement?

- A Yes, sir.
- Q Referring to what has been marked as Exhibit
  No. 3, would you identify that exhibit?
- A Exhibit 3 are the ratification sheets by which the royalty owners and the working interest owners have agreed to be bound by these two instruments.
- Q Now, as to the state lands, of course, the State of New Mexico is a royalty owner and you say you have preliminary approval from the State?
  - A Yes, sir.
- Q What is the status of the ratifications from the other royalty owners?
  - A The royalty owners --
- Q Are you referring to what has been marked as Exhibit No. 4 at this time?
- A Yes, sir, I am. Exhibit 4 is a schedule showing the per cent royalty ownership that has ratified the agreement at this time.

In connection with that there are four royalty owners who have not signed. There are five royalty owners who have not signed, pardon me; Texaco, Jake L. Hammond, Jack McClellan, David Kite and Inez R. Reese.

Q Have you contacted all of those individuals or companies?

A Yes, we have. All of those have agreed to sign the unit agreement, but we have not received a ratification sheet at this time. We are in the process of purchasing the Inez R. Reese interest so we will own that entirely.

We anticipate that before the effective date of this unit all of the royalties will be signed with the exception of one Helen M. Crow, who we have been unable to locate.

- Q How much interest does she own?
- A She owns 1.17188 interest in tract number 6.
- Q What percentage is covered by tract number 6?
- A Our tract number 6 is a 40-acre tract. It is the northwest quarter of the southwest quarter of Section 24.
- Q That's the only one you have been unable to contact, is that correct?
  - A That's correct.
  - Q Who is designated as the unit operator?
  - A Tamarack Petroleum Company.
- Q Were Exhibits 1 through 4 prepared by you or under your supervision?

A Yes, they were.

MR. KELLAHIN: At this time I would like to offer in evidence Exhibits 1 through 4 inclusive.

MR. NUTTER: Tamarack's Exhibits 1 through 4 will be admitted in evidence.

MR. KELLAHIN: That's all I have of this witness.

#### CROSS EXAMINATION

#### BY MR. NUTTER:

- Q Now, Mr. Metcalfe, as I understand you, all working interest has been signed?
  - A Yes, sir.
- Q And all royalty interest with the exception of about five there you mentioned have been signed?
  - A Yes, sir.
- Q All of them have agreed that they will sign it with the exception of this Mrs. or Miss, whichever, Helen Crow, and you haven't been able to locate her; but prior to the effective date of the unit you expect to have everyone else signed?
  - A That's correct.

MR. NUTTER: I believe that's all. Are there any other questions of Mr. Metcalfe? He may be excused.

(Witness excused.)

(Whereupon, Applicant's Exhibits 1 and 2 were marked for identification.)

MR. KELLAHIN: We call Mr. Williamson.

#### ROY C. WILLIAMSON, JR.

called as a witness, having been first duly sworn, was examined and testified as follows:

#### DIRECT EXAMINATION

#### BY MR. KELLAHIN:

- Q Would you state your name, please?
- A Roy C. Williamson, Jr.
- Q What business are you engaged in, Mr. Williamson?
- A I am petroleum consultant.
- Q What firm are you associated with?
- A Bailey, Sikes, Williamson and Runyan, Incorporated.
- Q Have you testified before the Oil Conservation Commission and made your qualifications a matter of record?
  - A Yes, I have.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. NUTTER: Yes, they are.

Q (By Mr. Kellahin) Mr. Williamson, in connection with your work as consulting engineer, have you done any work for Tamacrack Petroleum Company in connection with

their proposed Pearl Queen Unit and waterflood project?

- A Yes, I have.
- Q What did you do in connection with this proposal?
- A We have prepared an engineering study and a parameter study and a proposed plan of operations for conducting waterflood operations in the proposed unit.
- Q Now referring to what has been marked as Exhibit No. 1 in Case 4217, is that the parameter study to which you referred?
  - A That is correct.
- Q Would you go through the various portions of that exhibit and discuss them, please?
- A Yes. The letter itself merely outlines the unit area and a description of the zones that will be considered for a waterflooding. The zones in this area in the Queen formation are normally designated as zones 1 through 7. There are only three of these that will be considered in this waterflood project.

These are zones 4, 5, and 7. On the third sheet of the parameter study we have a table which outlines the various parameters describing the proposed unit area. Might point out that the cumulative production from the proposed unit area as of 2-1-169 was 653,723 barrels.

The producing rate shown in the columns 8 and 9 for the six-month period ending 2-1-'69 averaged 3,380 barrels per month from the unit area. We have a remaining primary reserve as of 2-1-'69 of 34,036 barrels. We estimate that the ultimate recovery under waterflood operation, in other words incremental waterflood recovery, will be 1,218,000 barrels. This is a slight change from the numbers we had talked about. I made a new calculation.

- Q Now, would you consider this area to be at an advanced stage of depletion at the present time?
  - A Yes, I would.
- Q Do you feel that it lends itself to secondary recovery by water injection?
- A Yes, it does by means of success of other similar formation units in the area.
- Q As you have completed your discussion of Exhibit No. 1, would you identify the other sheets that are attached to that exhibit?
- A Right. We have figure number 1 which is an outline of the proposed unit which shows the tract numbers. Figure number 2 is a net effective pay isopach map of the fourth zone; figure number 3 is an effective pay isopach of the fifth zone; figure 4 is the effective pay isopach

of the seventh zone.

Q Now referring to what has been marked as Exhibit No. 2, would you identify that exhibit, please, and disucss it?

A Yes. Exhibit 2 is a proposed plan of operation for the proposed Northeast Pearl Queen Unit. We have outlined here the proposed injection wells, the zones into which we plan to inject, the estimated injection rate and the actual location of the well.

The first well is the -- known as the Gulf
B of No. 2. We will inject into the five and seven zone.
We estimate 150 barrels of water per day; it is located
in unit J. of Section 23.

These are all in Township 29 South, Range 35
East. The second proposed injection well is the Texaco
Hammond No. 1. We will inject into zone 5; estimate 75
barrels of water per day; it's located in unit B. of
Section 23.

Next injection well is Texaco Hammond No. 2; inject into zones 5 and 7; estimate 150 barrels per day; it's located in unit G. of Section 23.

Next well is Texaco Hammond A. No. 1; zones 5 and 7; estimate 125 barrels per day injection; it's

located in unit E. of Section 24. Next injection well
Texaco Moran No. 1; inject into zones 5 and 7; estimate
125 barrels of water per day; it's located in unit A. of
Section 22.

Next proposed injection well Union State No.

2, zones 4 and 5; estimate 150 barrels of water per day; it's located in unit K. of Section 15. There are two current injection wells in the area which have been approved by this Commission. They are the Cabot-Carbon No. 2 in zone 5; estimate 350 barrels of water per day; located in unit P. of Section 15.

The other current injection well Texaco Moran No. 2, zones 4, 5 and 7; 350 barrels of water per day. It's located in unit H. of Section 22.

- Q Now, is the Applicant presently injecting water into the Cabot-Carbon No. 2 and Texaco Moran No. 2 Wells?
  - A Yes.
- Q Has there been any response from this injection up at the present time?
- A We feel there has been some response either from this injection or from adjacent injections in Shell's East Pearl Queen Unit.

Q Now referring to figure one of Exhibit 2, would you identify that exhibit?

A Yes. Figure one outlines the proposed Northeast Pearl Queen Unit. It is colored in yellow. The
current injection wells are designated by the blue dots
which are the Cabot-Carbon No. 2 and Texaco Moran No.
2 in the proposed injection wells that we mentioned before
are designated by a red dot.

Q Now, do you have any cooperative injection program with leases lying outside the unit area?

A No. There is no proposed cooperative injection because of the fact there is no development to the north, west or south of the unit area and the East Pearl Queen Unit is already under injection.

We do not contemplate any official cooperative injection program.

- Q What is the injection program to the east?
- A It is essentially a five-spot pattern.
- Q Now ---

MR. NUTTER: That would be to the west, I think?

THE WITNESS: West.

MR. KELLAHIN: West.

- Q (By Mr. Kellahin) Who is the operator of that?
  - A Shell.
- Ω Now, you do not have a five-spot pattern as appears by your figure one, do you?
- A No, we do not. Due to the well locations and protecting the producing ability of the best wells, we were not able to incorporate a five-spot pattern. We have essentially an abbreviated line drive pattern.
- Q Based on your examination of this area, in your opinion will this be an effective injection pattern for the Pearl Queen formation?
  - A Yes, it will.
- Q Now referring to figure two of Exhibit 2, would you discuss that exhibit?
- A Yes. This figure, again, is the net effective pay isopach map for zone 4 showing the current injection well which is the Texaco Moran No. 2, designated by the blue dots and the proposed injection well, the Union State No. 2 designated by the red dot.
  - Q The next exhibit?
  - A Figure No. 3 is the net effective pay isopach

map for the zone 5, again showing the current injection wells in blue and the proposed injection wells in red. Figure 4 is again the net effective pay isopach map for zone 7 showing the current injection wells in blue, the proposed in red.

Q Now, turning to the series of exhibits, B-5 through -- figures five through ten, what are those?

A These are the diagramatic sketches of the proposed injection wells. We have outlined information relating to the surface casing, the depth at which the casing is set, the sacks of cement utilized, which was circulated to the surface.

We also show that the injection tubing will be plastic-lined, show our estimated setting of the packer; we show the current perforations; we show the setting of the oil casing -- oil string casing and the amount of cement used to cement this casing.

We also have shown the estimated top of the cement on the oil string. Since this is a diagramatic sketch the location of where the top of the cement is appears that we would have cement up in the surface casing, but that is not the case on this exhibit.

We have a top of the cement at 3701 and we show our estimated packer setting at 4891. So, we are well above our proposed packer setting and this will be the format on the other wells also.

- Q Is there any surface water in this area to your knowledge?
- A There is some water, apparently, all above a depth of 100 feet below the surface.
- $\Omega$  So, your surface string would fully protect the water zones, is this correct?
  - A That is correct.
- Q Will your cementing and casing program on your oil string fully protect any producing zones?
  - A Yes, it will.
- Q Are the perforations as shown on these exhibits present perforations in these wells?
- A Yes. We show the present perforations in two cases. We have some proposed perforations on the Texaco Hammond A. No. 1. We estimate proposed perfs in the five zone at 4940 to 4959. And in the Union State No. 2 we estimate additional perforations at the top of the five zone which is estimated to occur at 4970. We do not have

a log at this time that logs this zone, although the records show the well was drilled below the top of the five zone.

- Q Now in each case you will be injecting through plastic-lined tubing under a packer and through perforations, is that correct?
  - A That is correct.
- Q Will you fill the casing tubing anulus with an inert fluid?
  - A Yes. I think that is correct.
- Q Will you install a pressure gauge or leave the anulus open at the surface?
- A We will install a pressure gauge to observe any leakage that might occur.
- Q Now, the next six pages of Exhibit No. 2, are those logs of the injection wells?
- A That is correct. We have there shown the current perforated intervals and the sand designations in the right margin.
- Q Now, I believe you have testified as to the rate of water injection in the individual wells. What pressure do you anticipate you will encounter on this?
  - A We anticipate that a maximum surface pressure of

2500 pounds will be required.

- Q Does that agree with the experience on the Shell waterflood project?
  - A That is correct.
  - Q What is your source of water?
- A The source of water is a water line jointly owned by Shell, Gulf and Tamarack, which supplies an ogallala water from a source of approximately seven miles to the northeast of the proposed unit area.
- Q That water is presently available, is that correct?
  - A That is correct.
  - Q And the line is already in?
- A That is correct. It is supplying water to other units in the area currently.
  - Q Will you reinject produced water?
  - A Yes, we will.
- Q Were Exhibits 1 and 2 prepared by you or under your supervision?
  - A Yes, they were.
- Q I believe you testified, Mr. Williamson, that you would anticipate an additional oil recovery of what figure?

A Approximately 1,218,000 barrels of oil. This represents a recovery of approximately two to one of the expected primary recovery.

MR. KELLAHIN: At this time I would like to offer in evidence Exhibits 1 and 2.

MR. NUTTER: Tamaracks Exhibits 1 and 2 in Case 4217 will be admitted in evidence.

MR. KELLAHIN: That's all I have on direct examination.

#### CROSS EXAMINATION

#### BY MR. NUTTER:

Q Mr. Williamson, that figure 1,218,000 does not appear on table number 1 as such?

A No. This was not included in the parameter study; it was not to be utilized in forming the unit. This was arrived at by an engineering study that we performed earlier in the unit area.

Since some of the injection wells preclude actually ultimate recovery from a particular tract, it was not felt that this would be representative of true equity in a unit.

Q How does the recovery compare by these three zones in here? I presume zone number five has contributed

more oil than any other area?

- A Zone five is the major zone, yes.
- Q That is the zone that will have eight injection wells affecting it?
  - A That is correct.
  - Q Whereas zone seven is going to require five?
  - A Right.
- Q Little zone four there is only going to need two injection wells?
  - A That is correct.

MR. NUTTER: Are there any further questions of Mr. Williamson?

One more question, Mr. Williamson.

- Q (By Mr. Nutter) This rate of 350 barrels per day, that has been the past injection rate into the Cabot-Carbon No. 2 and Texaco Moran No. 2. Will that be the future rate of injection also?
- A It will probably be reduced after we have the other wells capable of injecting.
- Q Actually, this was utilized as a means of getting rid of water until you got this waterflood going?
- A Right. That is correct. This is produced water that is being disposed of.

Q I note that all the other injection rates are considerably less than that. So, these will probably be tailored to that rate also?

A Right; so we can get an orderly advance of our flood front.

Q I see.

MR. NUTTER: If there are no further questions of the witness, he may be excused again.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in Cases 4216 and 4217? If not, we will take the cases under advisement and call Case 4181.

## $\overline{\mathbf{I}}$ $\overline{\mathbf{N}}$ $\overline{\mathbf{D}}$ $\overline{\mathbf{E}}$ $\overline{\mathbf{X}}$

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### EXHIBITS

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STATE OF NEW MEXICO )

STATE OF NEW MEXICO )

STATE OF NEW MEXICO )

I, GLENDA BURKS, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Denta Burks Notary Public

My Commission Expires:

March 12, 1973

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# 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. 4217 Order No. R-3837

APPLICATION OF TAMARACK PETROLEUM COMPANY, INC., FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on Ceptember 10, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of September, 1969, 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, Tamarack Petroleum Company, Inc., seeks permission to institute a waterflood project in the Northeast Pearl-Queen Unit Area, Pearl-Queen Pool, by the injection of water into the Queen formation through eight injection wells in Sections 15, 22, 23, and 24, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico.
- (3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.
- (4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-CASE No. 4217 Order No. R-3837

(5) 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, Tamarack Petroleum Company, Inc., is hereby authorized to institute a waterflood project in the Northeast Pearl-Queen Unit Area, Pearl-Queen Pool, by the injection of water into the Queen formation through the following-described wells in Township 19 South, Range 35 East, NMPM, Lea County, New Mexico:

Unit Operator	Well	Unit	Section
operacor	Andrich		ooc cron
Tamarack	Union State Well No. 2	ĸ	15
Tamarack	Cabot Carbon Well No. 2	P	15
Tamarack	Texaco Moran Well No. 1	A	22
Tamarack	Texaco Moran Well No. 2	н	22
Tamarack	Texaco Hamon Well No. 1	В	23
Tamarack	Texaco Hamon Well No. 2	G	23
Tamarack	Gulf "BF" Well No. 2	J	23
Tamarack	Texaco Hamon "A" Well No. 1	E	24

- (2) That the subject waterflood project is hereby designated the Tamarack Northeast Pearl Queen Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (4) That Commission Orders Nos. R-3674, R-3718, and R-3772, which previously authorized water injection into certain wells in the Northeast Pearl-Queen Unit Area, are hereby superseded.
- (5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-CASE No. 4217 Order No. R-3837

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

MEX J. ARMIJO MAGO

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

esr/

# OIL CONSERVATION COMMISSION P. O. BOX 2088

SANTA FF. NEW MEXICO 87501

September 12, 1969

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

Dear Sir:

Enclosed herewith is Commission Order No. R-3837, entered in Case No. 4217, approving the Tamarack Northeast Pearl Queen Unit Water-flood Project.

Injection is to be through the eight authorized water injection wells, each of which is to be equipped with plastic-lined tubing set in a packer. Packers shall be located approximately 50 feet above the uppermost perforation. The casing-tubing annulus in each well shall be loaded with a corrosion-inhibited fluid and equipped with a pressure gauge at the surface to facilitate detection of leakage in the packer, tubing, or casing.

As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 924 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

# OIL CONSERVATION COMMISSION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

-2-Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Santa Fe, New Mexico

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

Enclosure

ALP/DSN/ir

cc: Oil Conservation Commission Hobbs, New Mexico

> Mr. D. E. Gray, State Engineer Office Santa Fe, New Mexico

#### ROUGH DRAFT FOR WATERFLOOD LETTERS

Mr. Jason Kellahin Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico

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[Commission Order No R-3837, entered in Case No.

[4217] approving the Tamorket northeast tearl Chain that

Waterflood Project.

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As to allowable, our calculations indicate that when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 124 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

cc: OCC: Hobbs X
Artesia
Aztec

USGS

Mr.: Frank: Lrby, State Engineer Office, Santa Fe, New Mexico

Mr. D. E. Gray

- Ş J.; 7.

-2-CASE No. 4142 Order No. R-3772

be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED:

(1) That the applicant, Tamarack Petroleum Company, Inc., is hereby authorized to utilize its Cabot 15 State Well No. 2, located in Unit P of Section 15, Township 19 South, Range 35 East, NMPM, Pearl-Queen Pool, Lea County, New Mexico, to dispose of produced salt water into the Queen formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4900 feet, with injection into the perforated interval from approximately 4946 feet to 4963 feet;

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

- (2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (3) 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

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

S E A L

esr/

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. 4142 Order No. R-3772

APPLICATION OF TAMARACK PETROLEUM COMPANY, INC., FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 21, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of May, 1969, 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, Tamarack Petroleum Company, Inc., is the owner and operator of the Cabot 15 State Well No. 2, located in Unit P of Section 15, Township 19 South, Range 35 East, NMPM, Pearl-Queen Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Queen formation, with injection into the perforated interval from approximately 4946 feet to 4963 feet.
- (4) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 4900 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should

-2-CASE No. 4085 Order No. R-3718

be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED:

(1) That the applicant, Tamarack Petroleum Corporation, Inc., is hereby authorized to utilize its Cabot 23 State Well No. 2, located in Unit C of Section 23, Township 19 South, Range 35 East, NMPM, Pearl-Queen Pool, Lea County, New Mexico, to dispose of produced salt water into the Queen formation, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 4900 feet, with injection into the perforated interval from approximately 4948 feet to 5043 feet;

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

- (2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- (3) 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

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

SEAL

esr/

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. 4085 Order No. R-3718

APPLICATION OF TAMARACK PETROLEUM CORPORATION, INC., FOR SALT WATER DISPOSAL, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 26, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this lst day of April, 1969, 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, Tamarack Petroleum Corporation, Inc., is the owner and operator of the Cabot 23 State Well No. 2, located in Unit C of Section 23, Township 19 South, Range 35 East, NMPM, Pearl-Queen Pool, Lea County, New Mexico.
- (3) That the applicant proposes to utilize said well to dispose of produced salt water into the Queen formation, with injection into the perforated interval from approximately 4948 feet to 5043 feet.
- (4) That the injection should be accomplished through 2 3/8-inch plastic-lined tubing installed in a packer set at approximately 4900 feet; that the casing-tubing annulus should be filled with an inert fluid; and that a pressure gauge should

BAILEY, SIPES & WILLIAMSON, INC.

CONSULTING ENGINEERS

Successor to LLC&C Engineering, Inc.

ROBERT F. BAILEY, P.E.-PRESIDENT L.D. SIPES, JR., P.E. ROY C. WILLIAMSON, JR., P.E. T. SCOTT HICKMAN, P.E.

June 5, 1969

1100 Y & J TOWER MICLAND, TEXAS 79701 915 683-1841

Mr. Albert Metcalfe Tamarack Petroleum Company, Inc. 910 Building of The Southwest Midland, Texas 79701

Dear Mr. Metcalfe:

Subject: Parameter Study for Proposed Northeast Pearl Queen Unit, Pearl Queen Field, Lea County, New Mexico

In accordance with your request, we have prepared parameter data for the proposed unit area. Table No. 1 lists the parameters by tract. The attached Figure No. 1 shows the proposed unit outline and the tract numbers. Figures No. 2, 3 and 4 are net effective pay isopach maps for Zones IV, V and VII respectively.

A secondary recovery project is planned for the proposed unit area incorporating Queen Zones IV, V and VII. Zone IV is found only under the western portion of the proposed unit area. Shell is flooding the Queen Zone in their East Pearl Unit to the west in Zones I through IV. A production response has already occurred in the proposed Northeast Pearl Queen Unit tracts No. 2, 5 and 9, presumably as a result of Shell's offset injection into Zone IV.

The following comments describe each parameter by column, as shown on Table No. 1, and give the bases for determination thereof.

### Column

- (2) Lists the number of currently usable wells.
- (4) Lists the total oil cumulative as of 2/1/69 from all producing Queen Zones.
- (6) Lists the oil production from all producing Queen Zones for the period 11/1/67 to 11/1/68.

Mr. Albert Metcalfe June 5, 1969 Page 2

- (8) Lists the oil production from all producing Queen Zones for the period 8/1/68 to 2/1/69.
- (10) Lists the remaining primary reserves determined from extrapolation of decline curves ignoring the production response that has occurred presumably from Zone IV.
- (12) Lists primary ultimate recoveries ignoring the production response that has occurred presumably from Zone IV.
- (14) Lists the remaining reserves under current conditions; i. e., these are the reserves that will be obtained from the tracts including the effect of the production response presumably coming from Zone IV.
- (16) Lists ultimate recoveries under current conditions including the production response presumably coming from Zone IV.
- (18) Lists the net acre-feet for Zones V and VII combined.
- (20) Lists the net acre-feet for Zone IV only.
- (22) Lists the net acre-feet for Zones IV, V and VII combined.

It is felt that these various parameters adequately describe the tracts and that a participation formula using some combination of these parameters should result in equitable ownership in the proposed Northeast Pearl Queen Unit production.

We are happy to have been of service in preparing this study. We are retaining the backup data in our files; these data are available for review if needed. Please call if we can be of further service.

Very truly yours,

BAILEY, SIPES, WILLIAMSON & RUNYAN, INC.

Roy C. Williamson, Jr., A E

/pw

Attachments

TABLE NO. 1

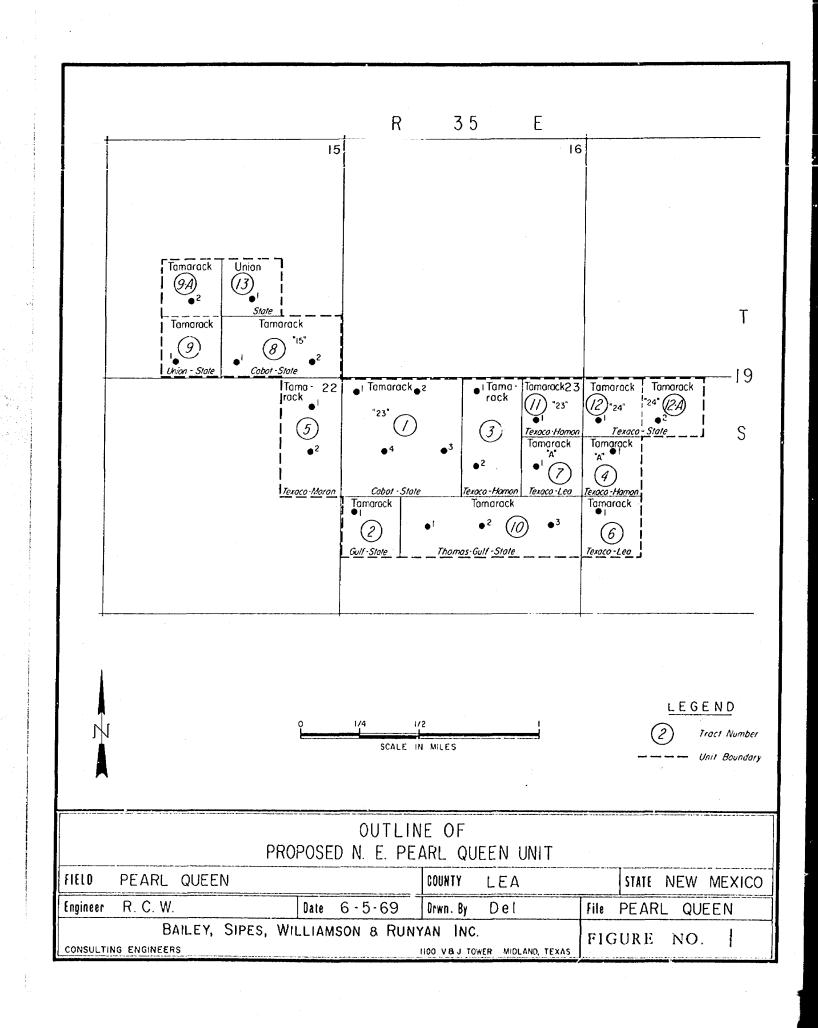
# PARAMETER STUDY PROPOSED NORTHEAST PEARL QUEEN UNIT - PEARL QUEEN FIELD LEA COUNTY, NEW MEXICO

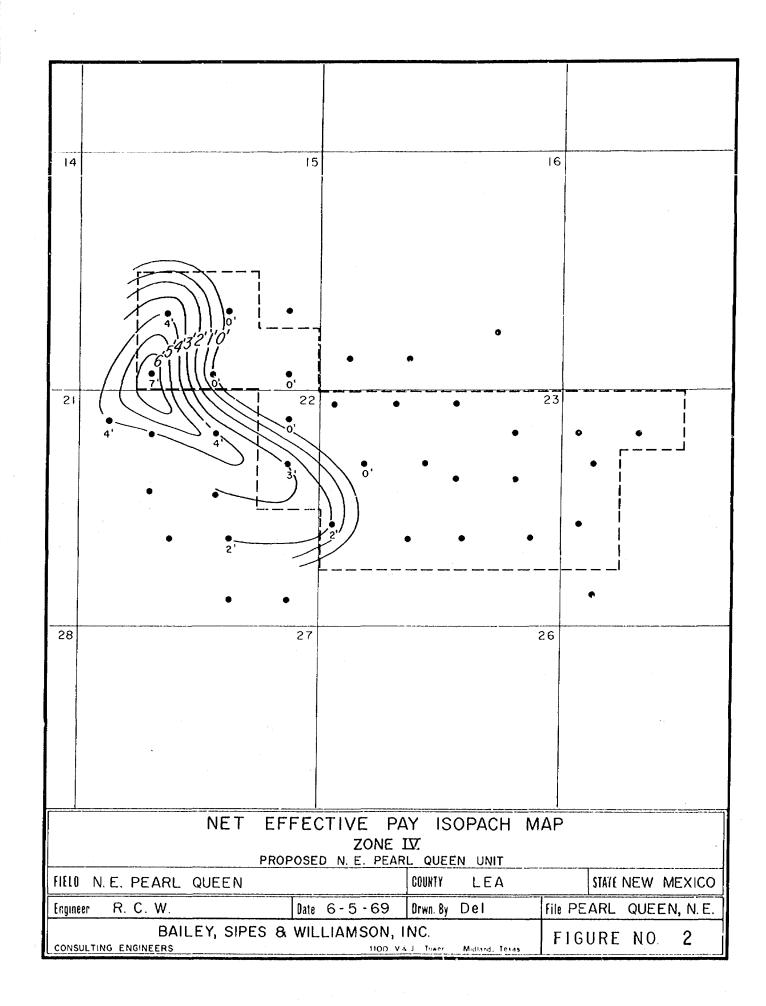
			WELLS	PEOD	LATIVE UCTION 2/1/69	PRO	RRENT DUCTION 1/67 TO 1/68	PRO	RRENT DUCTION TO 2/1/69	PRIMAR	EMAINING LY RESERVES <sup>3</sup> 1/1/69		ultimate*	RE CUI CON	AINING SERVES RRENT DITIONS /1/69	RECO UN CUR	IMATE VERIES DER RENT ITIONS		CRE-FEET V AND VII		CRE-FEET	NET A	OTAL CRE-FEET V, V & VII
	r.	NO.	Z OF TOTAL	BBL	% OF	BBL	% OF	BBL	% OF TOTAL	BBL	% OF TOTAL	BBL	% OF TOTAL	BBL OIL	% OF TOTAL	BBL OIL	% OF TOTAL	AC-FT	% OF TOTAL	AC-FT	% OF	AC-FT	% OF
_		NO. (2)	(3)	(4)	TOTAL (5)	(6)	(7)	(8)	(9)	01L (10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)
	1	4	18.1818	81,945	12.5351	1,278	2.6637	844	4.1578	0	0	81,945	13.4556	0	0	81,945	11.1291	2,464.4	27.5137	17.4	3.6100	2,481.8	26,2931
**	2	ı	4.5455	45,875	6.9869	1,948	4.0601	2,370	11,6755	0	0	41,216	6.7678	29,925	36.2328	75,600	10.2673	290.9	3.2477	iâ.5	3.8382	339.4	3.2779
	3	2	9.0909	69,193	10.5845	3,148	6.5612	1,428	7.0348	2,857	8.3940	72,050	11.8309	2,857	3.4592	72,050	9.7852	858.1	9.5802	0	0	858.1	9.0910
	4	1	4.5455	34,380	5.2591	1,108	2.3093	594	2.9263	0	0	34,380	5,6453	0	0	34,380	4.6692	305.2	3.4074	0	0	305.2	3.2334
**	5	2	9.0909	47,140	7.2110	1,117	2.3281	704	3.4681	0	0	34,282	5.6292	0	0	47,140	6.4022	925.3	10.3305	127.7	26.4938	1,053.0	11.1559
	6	1	4.5455	27,534	4.2119	2,688	5.6024	1,185	5.8377	696	2.0449	28,230	4.6355	596	0.8427	28,230	3.8340	60.7	0.6777	0	0	60.7	0.6431
	7	1	4.5455	28,696	4.3896	1,593	3.3202	690	3.3992	376	1.1047	29,072	4.7737	376	0.4553	29,072	3.9483	525.8	5.8703	0	0	525.8	5.5705
	8	2	9.0909	91,287	13.9642	5,169	10.7735	490	1.9705	(1,813	34.7074	103,100	16.9294	11,813	14.3030	103,100	14.0022	848.1	9.4686	12.4	2.5726	860.5	9.1164
**		ı	4.5455	63,026	9.6411	14,584	30.3966	6,227	30.6764	0	0	15,939	2.6172	17,190	20.8134	80,216	10.8942	143.0	1.5965	194.3	40.3112	337.3	3.5734
**	9-A	1	4.5455	26,501	4.0538	1,257	2.6199	300	1.4779	0	0	12,147	1.9946	1,440	1.7435	27,941	3.7947	110.6	1.2348	102.0	21,1618	212.6	2.2524
. 1	0	3	13.6363	76,315	11.6739	5,916	12,3304	1,807	8.9019	0	0	76,315	12.5312	0	0	76,315	10.3645	1,126.6	12.5779	0	0	1,126.6	11.9356
1	1	ì	4.5455	25,716	3.9338	2,979	6.2090	1,342	6.6112	6,731	15.7761	32,447	5.3279	6,731	8.1498	32,447	4.4067	256.6	2.8648	0	0	256.6	2.7185
1	2	1	4.5455	16,799	2.5697	1,785	3.7204	935	4.6061	3,793	11.1441	26,573	3.3782	3,793	4.5925	20,573	2.7941	480.4	5.3634	0	0	480.4	5.0895
1	2-A	1	4.5455	19,516	2.9854	3,409	7.1052	1,473	7.2566	7,770	22.8288	27,305	4.4835	7,770	9.4078	27,305	3.7083	491.0	5.4817	0	0	491.0	5.2018
. 1	3	0 .	0	0		_ <u>o</u>		0			0	<u> </u>	0		0	0	0	70.3	0.7848	9.7	2.0124	80.0	0.8475
TOTAL	s :	22	100.0003	653,723	100.0000	47,979	100.0000	20.299	100.0000	34.036	100.0000	609.001	100.0000	82.591	100.0000	736,314	100.0000	8,957.0	100.0000	482.0	100.0000	9,439.0	100.0000

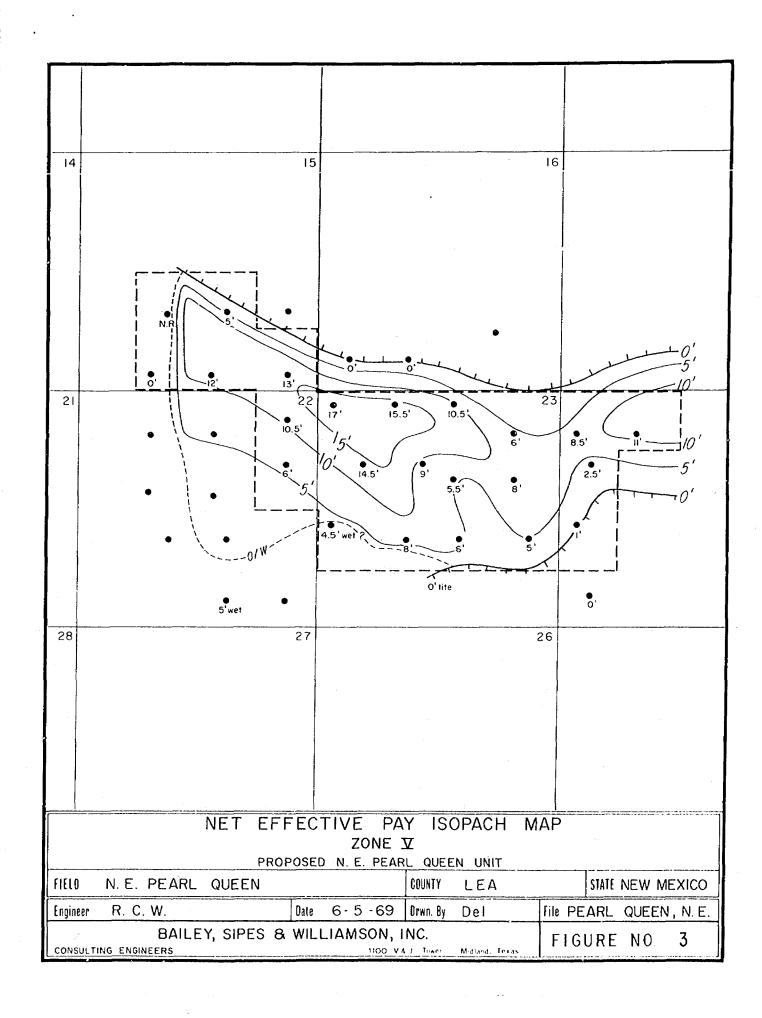
<sup>\*</sup> Ignores Flood Response in Zone IV

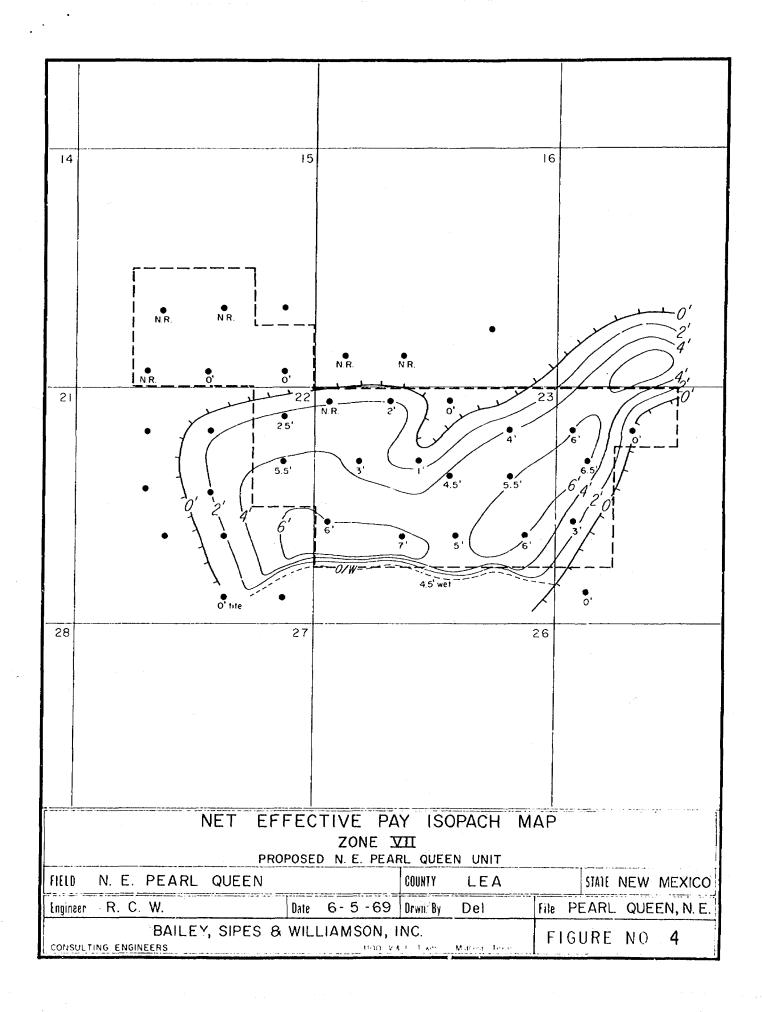
BAILEY, SIPES, WILLIAMSON & RUNYAN, INC. 1100 V & J Tower MIDLAND, TEXAS 79701 ROY C. WILLIAMSON, JR.,P.E. 6/5/69

<sup>\*\*</sup> Received Response from Zone IV Waterflood.









Docket No. 25-69

### DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 10, 1969

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 4210: Application of Mobil Oil Corporation for a special gas-oil ratio limitation, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio in excess of the existing ratio of 2000 cubic feet of gas per barrel of oil in the Lightcap (Devonian) Pool, Chaves County, New Mexico.
- CASE 4211: Application of Mobil Oil Corporation for a special gas-oil ratio limitation, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio in excess of the existing ratio of 2000 cubic feet of gas per barrel of oil in the Lightcap-Pennsylvanian Pool, Chaves County, New Mexico.

### CASE 3857: (Reopened)

In the matter of Case No. 3857 being reopened pursuant to the provisions of Order No. R-3504, which order established 160-acre spacing units and 80-acre proportional factors of 4.77 for the Tulk-Pennsylvanian Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre spacing units and why the 80-acre proportional factor of 4.77 should or should not be retained.

- CASE 4212: Application of General American Oil Company of Texas for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Maddren "B" Well No. 12, a producing oil well, at an unorthodox location 1295 feet from the West line and 1815 feet from the South line of Section 27, Township 17 South, Range 30 East, as an infill well in its Grayburg Jackson Premier Unit Waterflood Project area, Grayburg-Jackson Pool, Eddy County, New Mexico.
- CASE 4213: Application of Texo Oil Company for pool medelineation, creation of a new gas pool, an unorthodox gas well location, and non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the redelineation of the vertical limits of the South Corbin-Queen Pool to permit the

Examiner Hearing - September 10, 1969 -2-

(Case 4213 continued)

creation of a new basal Penrose gas pool for its Buffalo unit Well No. 11 located at an unorthodox gas well location 2310 feet from the South line and 330 feet from the West line of Section 35, Township 18 South, Range 33 East, Lea County, New Mexico. Applicant further seeks approval of an 80-acre non-standard gas proration unit comprising the N/2 SW/4 of said Section 35, to be dedicated to the above-described well.

- CASE 4214: Application of Amerada Hess Corporation for approval of an unorthodox injection well location and the amendment of Order No. R-2197, Lea County, New Mexico. Applicant, in the abovestyled cause, seeks approval of an unorthodox water injection well location for its Langlie-Mattix Woolworth Unit Well No. 710 at a point 1950 feet from the North line and 50 feet from the East line of Section 27, Township 24 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico. Applicant also seeks further amendment of Order No. R-2197 to provide for an administrative procedure whereby additional injection wells might be approved at locations no closer than 50 feet to the outer boundary of the unit area.
- CASE 4215: Application of Standard Oil Company of Texas to directionally drill, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks authority to directionally drill its Smith Federal Well No. 1, a wildcat located 1650 feet from the South and East lines of Section 34, Township 20 South, Range 24 East, Eddy County, New Mexico. Said well was drilled to a total depth of 7845 feet. Applicant proposes to plug the well back to approximately 5500 feet, set a whipstock at said depth and directionally drill to a depth of approximately 7800 feet to bottom said well in the Cisco formation at a point approximately 200 feet East of the present bottom hole location.
- CASE 4216: Application of Tamarack Petroleum Company, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Northeast Pearl-Queen Unit Area comprising 920 acres, more or less, of State and fee lands in Sections 15, 22, 23, and 24, Township 19 South, Range 35 East, Pearl-Queen Pool, Lea County, New Mexico.

Examiner Hearing - September 10, 1969 -3-

Docket No. 25-69

CASE 4217:

Application of Tamarack Petroleum Company, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institutte a waterflood project in its Northeast Pearl-Queen Unit Area by the injection of water into the Queen formation through eight wells located in Sections 15, 22, 23, and 24, Township 19 South, Range 35 East, Pearl-Queen Pool, Lea County, New Mexico.

CASE 4181: (Continued from the August 6, 1969, Examiner Hearing)

Application of J. M. Huber Corporation for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete it Stoltz Federal Well No. 1 located in Unit J of Section 12, Township 15 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Morton-Wolfcamp Pool and the disposal of produced salt water through the 8 5/8 X 4 1/2-inch casing-casing annulus into the San Andres, Tubb, Abo, and possibly other formations in the open-hole interval from approximately 4330 feet to 9750 feet.

BAILEY, SIPES & WILLIAMSON, INC.

CONSULTING ENGINEERS

Successor to LLC&C Engineering, Inc.

ROBERT F. BAILEY, P. E. PRESIDENT L. D. SIPES, JR., P. E. ROY C. WILLIAMSON, JR., P.E. T. SCOTT HICKMAN, P.E.

June 5, 1969

1100 V & J TOWER MIDLAND, TEXAS 79701 915 683-1941

per rec est 1,218,000 2 to 1 on primaria

Mr. Albert Metcalfe Tamarack Petroleum Company, Inc. 910 Building of The Southwest Midland, Texas 79701

Dear Mr. Metcalfe:

Subject: Parameter Study for Proposed Northeast Pearl Queen Unit, Pearl Queen Field, Lea County, New Mexico

In accordance with your request, we have prepared parameter data for the proposed unit area. Table No. 1 lists the parameters by tract. The attached Figure No. 1 shows the proposed unit outline and the tract numbers. Figures No. 2, 3 and 4 are net effective pay isopach maps for Zones IV, V and VII respectively.

A secondary recovery project is planned for the proposed unit area incorporating Queen Zones IV, V and VII. Zone IV is found only under the western portion of the proposed unit area. Shell is flooding the Queen Zone in their East Pearl Unit to the west in Zones I through IV. A production response has already occurred in the proposed Northeast Pearl Queen Unit tracts No. 2, 5 and 9, presumably as a result of Shell's offset injection into Zone IV.

The following comments describe each parameter by column, as shown on Table No. 1, and give the bases for determination thereof.

### Co lumn

- (2) Lists the number of currently usable wells.
- (4) Lists the total oil cumulative as of 2/1/69 from all
- (6) Lists the oil production from all producing Queen Zones for the period 11/1/67 to 11/1/68.

  BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION A.P. EXHIBIT NO. CASE NO. U'Z

Mr. Albert Metcalfc June 5, 1969 Page 2

- (8) Lists the oil production from all producing Queen Zones for the period 8/1/68 to 2/1/69.
- (10) Lists the remaining primary reserves determined from extrapolation of decline curves ignoring the production response that has occurred presumably from Zone IV.
- (12) Lists primary ultimate recoveries ignoring the production response that has occurred presumably from Zone IV.
- (14) Lists the remaining reserves under current conditions; i. e., these are the reserves that will be obtained from the tracts including the effect of the production response presumably coming from Zone IV.
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- (20) Lists the net acre-feet for Zone IV only.
- (22) Lists the net acre-feet for Zones IV, V and VII combined.

It is felt that these various parameters adequately describe the tracts and that a participation formula using some combination of these parameters should result in equitable ownership in the proposed Northeast Pearl Queen Unit production.

We are happy to have been of service in preparing this study. We are retaining the backup data in our files; these data are available for review if needed. Please call if we can be of further service.

Very truly yours,

BAILEY, SIPES, WILLIAMSON & RUNYAN, INC.

Roy C. Williamson, Jr., P.

/pw

Attachments

TABLE NO. 1

### PARAMETER STUDY

# FROPOSED NORTHEAST PEARL QUEEN UNIT - PEARL QUEEN FIELD LEA COUNTY, NEW MEXICO

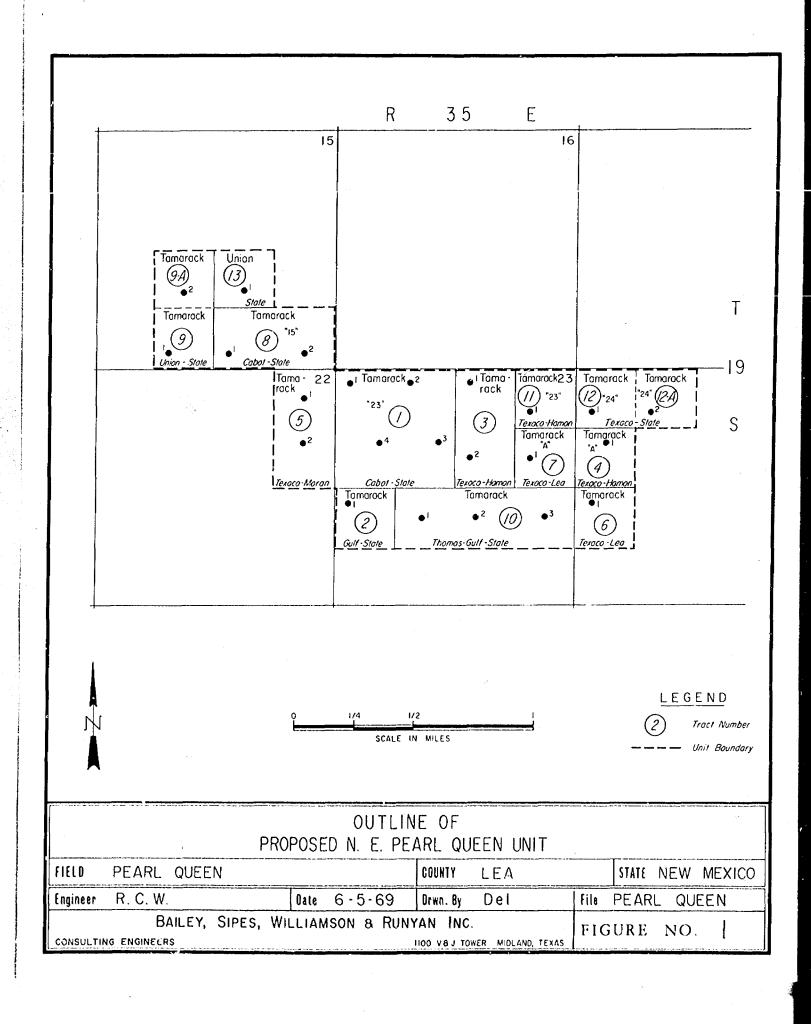
TR. NO. (1)	NO.		PRODU	LATIVE JCTION 2/1/69 7. OF TOTAL (5)	PRO	RRENT DUCTION 1/67 TO 1/68 7, CF TOTAL (7)	PRO	RRENT DUCTION TO 2/1/69 % OF TOTAL (9)	PRIMAR	MAINING Y RESERVES* /1/69 % OF TOTAL (11)		ULTIMATE* 7 OF TOTAL (13)	RES CUI CONI	AINING SERVES RRENT DITIONS /1/59 7 OF TOTAL (15)	RECO UNI CURI	IMATE VERIES DER RENT ITIONS 7, OF TOTAL (17)		CRE-FEET V AND VII 7 OF TOTAL (19)		ACRE-FEET ONE IV T OF TOTAL (21)	NET A	OTAL CRE-FEET 7, V & VII 7 OF TOTAL (23)
1	4	18.1818	81,945	12.5351	1,278	2.6637	844	4.1578	0	0	81,945	13.4556	0	0	81,945	11.1291	2,464.4	27.5137	17.4	3.6100	2,481.8	26,2931
** 2	1	4.5455	45,675	6.9869	1,948	4.0601	2,370	11.6755	0	0	41,216	6.7678	29,925	36.2328	75,600	10.2673	290.9	3.2477	18.5	3.8382	309.4	3.2779
3	2	9.0909	69,193	10.5845	3,148	6.5612	1,428	7.0348	2,857	8.3940	72,050	11.8309	2,857	3.4592	72,050	9.7852	858.1	9.5802	0	0	858.1	9.0910
4	1	4.5455	34,380	5.2591	1,108	2.3093	594	2.9263	0	0	34,380	5,6453	0	0	34,380	4.6692	305.2	3.4074	0	0	305.2	3.2334
** 5	2	9.0909	47,140	7,2110	1,117	2.3281	704	3.4681	0	o	34,282	5.6292	0	0	47,140	6.4022	925.3	10.3305	127.7	26.4938	1,053.0	11.1559
6	ı	4.5455	27,534	4.2119	2,688	5.6024	1,185	5.8377	696	2.0449	28,230	4.6355	696	0.8427	28,230	3.8340	60.7	0.6777	0	0	60.7	0.6431
7	1	4.5455	28,696	4.3896	1,593	3.3202	690	3.3992	376	1.1047	29,072	4.7737	376	0.4553	29,072	3.9483	525.8	5.8703	0	0	525.8	5.5705
8	2	9.0909	91,287	13.9642	5,169	10.7735	400	1.9705	11,813	34.7074	103,100	16.9294	11,813	14.3030	103,100	14.0922	848.1	9.4686	12.4	2.5726	860.5	9.1164
** 9	1	4.5455	63,026	9.6411	14,584	30.3966	6,227	30.6764	0	0	15,939	2.6172	17,190	20.8134	80,216	10.8942	143.0	1.5965	194.3	40.3112	337.3	3.5734
** 9-A	1	4.5455	26,501	4.0538	1,257	2,6199	300	1.4779	0	0	12,147	1.9946	1,440	1,7435	27,941	3.7947	110.6	1.2348	102.0	21.1618	212.6	2.2524
10	3	13.6363	76,315	11.6739	5,916	12.3304	1,807	8.9019	0	0	76,315	12.5312	0	0	76,315	10.3645	1,126.6	12.5779	0	0	1,126.6	11.9356
11	1	4.5455	25,716	3.9338	2,979	6.2090	1,342	6.6112	6,731	19.7761	32,447	5.3279	6,731	8.1498	32,447	4.4067	256.6	2,8648	0	0	256.6	2.7185
12	1	4.5455	16,795	2.5697	1,785	3.7204	935	4.6061	3,793	11.1441	20,573	3.3782	3,793	4.5925	20,573	2.7941	480.4	5.3634	0	0	480.4	5.0895
12-A	1	4.5455	19,516	2.9854	3,409	7.1052	1,473	7.2566	7.770	22.8288	27,305	4.4835	7,770	9.4078	27,305	3.7083	491.0	5.4817	0	0	491.0	5.2018
. 13	0	0	0	0	0_	0	0	0	0	0	0	0	0	0	0	0	70.3	0.7848	9.7	2.0124	80.0	0.8475
TOTALS	22	100.0003	653.723	100.0000	47.979	100.0003	20.299	100.0000	34.036	100.0000	609.001	100.0000	82.591	100.0030	736.314	100.0000	8.957.0	100.0000	482.0	100.0000	9,439.0	100,0000

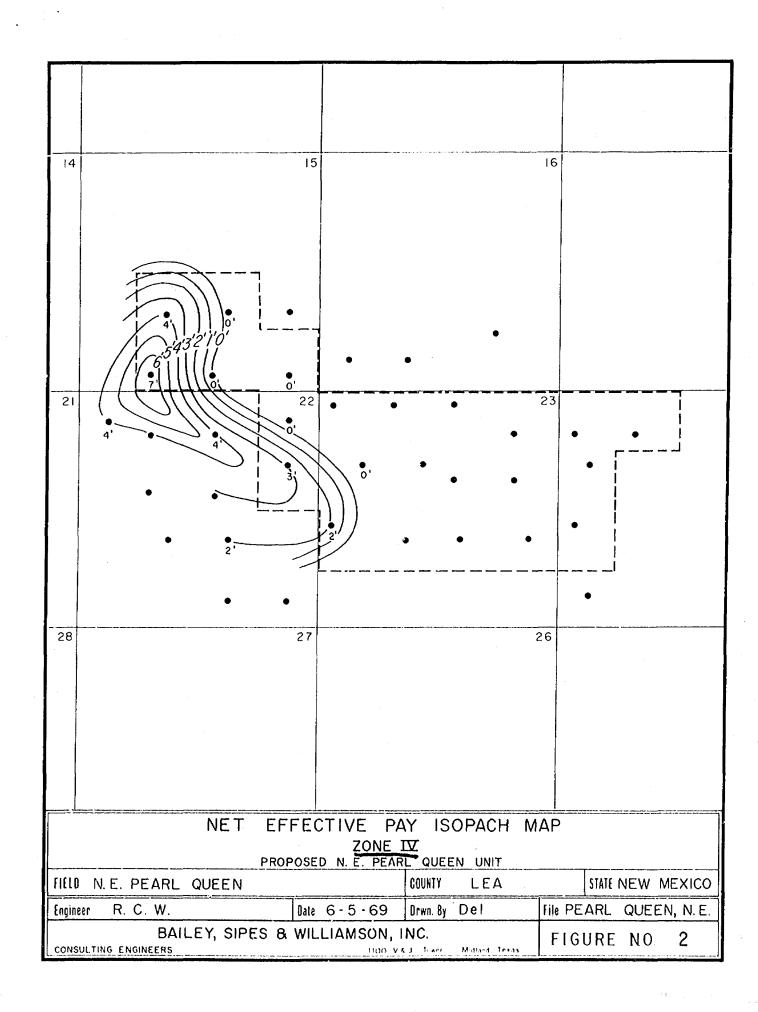
<sup>\*</sup> Ignores Flood Response in Zone IV

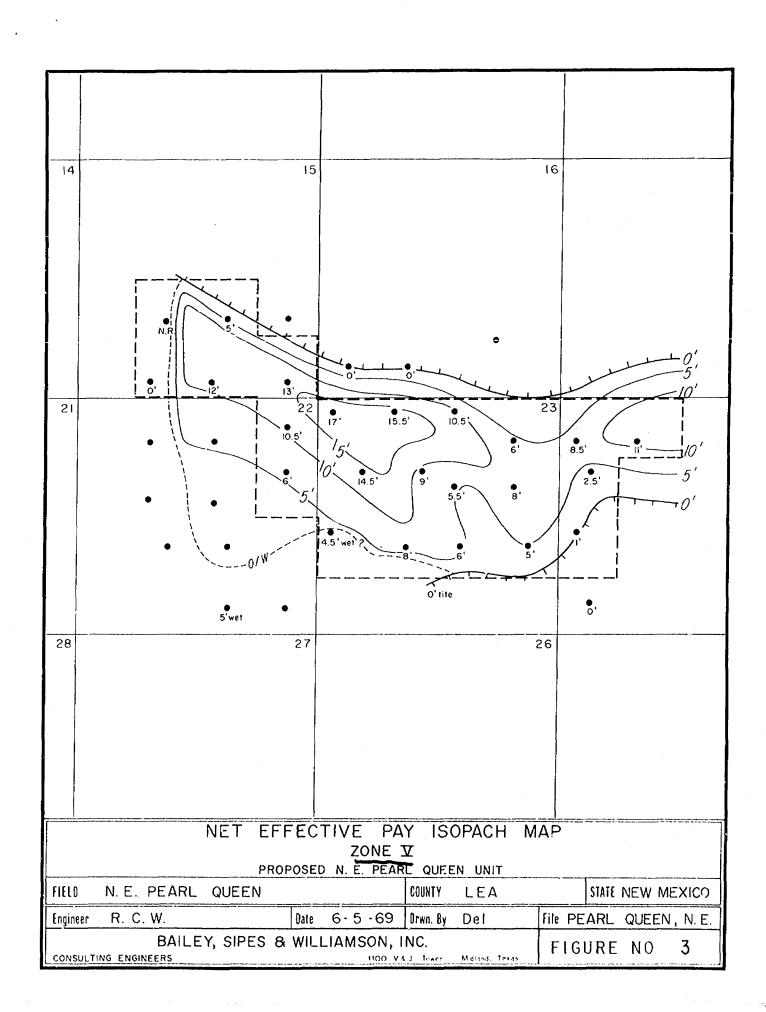
BAILEY, SIPES, WILLIAMSON & RUNYAN, INC. 1100 V & J Tover HIDLAND, TEXAS 79701 ROY C. WILLIAMSON, JR., P.E. 6/5/69

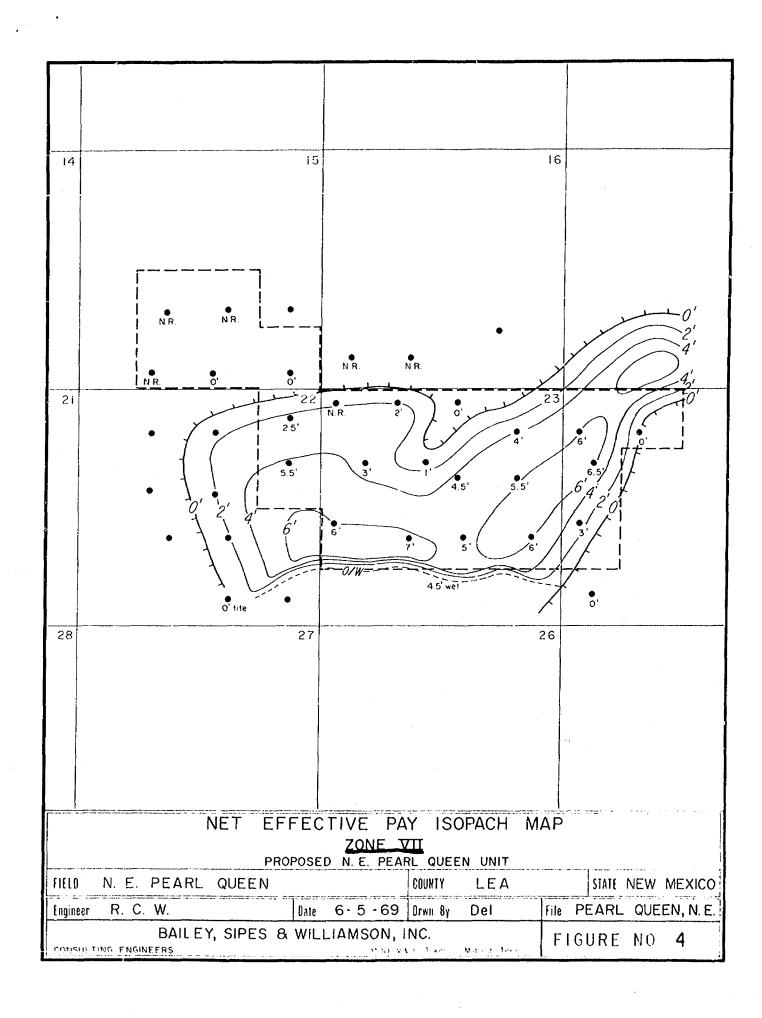
TABLE NO. 1

<sup>\*\*</sup> Received Response from Zone TV Waterflood.









# BAILEY, SIPES, WILLIAMSON & RUNYAN, INC.

CONSULTING ENGINEERS

Successor to LLC&C Engineering, Inc.

ROBERT F. BAILEY, P. E.-PRESIDENT L. D. SIPES, JR., P. E. ROY C. WILLIAMSON, JR., P. E. E. E. RUNYAN, P. E. T. SCOTT HICKMAN, P. E.

September 3, 1969

1100 V & J TOWER MIDLAND, TEXAS 79701 915 683-1841---

Mr. Albert Metcalfe Tamarack Petroleum Co., Inc. 910 Building of The Southwest Midland, Texas 79701

Dear Mr. Metcalfe:

Subject: Proposed Northeast Pearl Queen Unit Pearl Queen Field, Lea County, New Mexico

The attached Figure No. 1 shows the outline of the proposed Northeast Pearl Queen Unit. Figures 2, 3 and 4 are net effective pay isopach maps of pay zones designated as IV, V and VII respectively. All figures show current injection wells in blue and proposed injection wells in red within the unit area. Also attached are down hole diagramatic sketches and logs of proposed injection wells. The logs show pay designations and perforations.

The following described land constitutes the proposed unit area.

T-19-S, R-35-E Sec. 15 E/2 of SW/4, W/2 of SE/4 and SE/4 of SE/4

Sec. 22 E/2 of NE/4

Sec. 23 N/2 and N/2 of S/2

Sec. 24 W/2 of NW/4, NE/4 of NW/4 and NW/4 of SW/4

The following tables show the injection wells, the injection zones and the anticipated injection rates.

# Proposed Injection Wells

Well Zones Injection Rates
Bbls of Water/Day

Gulf "BF" No. 2 V & VII 150 J 23

Texaco Hamon No. 1 V 75 B 23

Expect may press of 2500 pai will get who from Wir P.L. Mr. Albert Metcalfe Tamarack Petroleum Co., Inc. September 3, 1969 Page 2

Texaco Hamon No. 2	V & VII	150	G23 -
Texaco Hamon "A" No. 1	V & VII	125	E 24
Texaco Moran No. 1	V & VII	125	A 22-
Union State No. 2	IV & V	150	K 15 ~

### Current Injection Wells

Well	Zones	Injection Rates Bbls of Water/Day	<u>.</u>
Cabot Carbon No. 2	<b>v</b>	350	715 1
Texaco Moran No. 2	IV, V & VII	350 <b>/</b>	122 -

No cooperative injection program is anticipated with leases lying outside the unit area. There is no development to the north, east or south of the unit and the East Pearl Unit to the west of this proposed unit is already under injection.

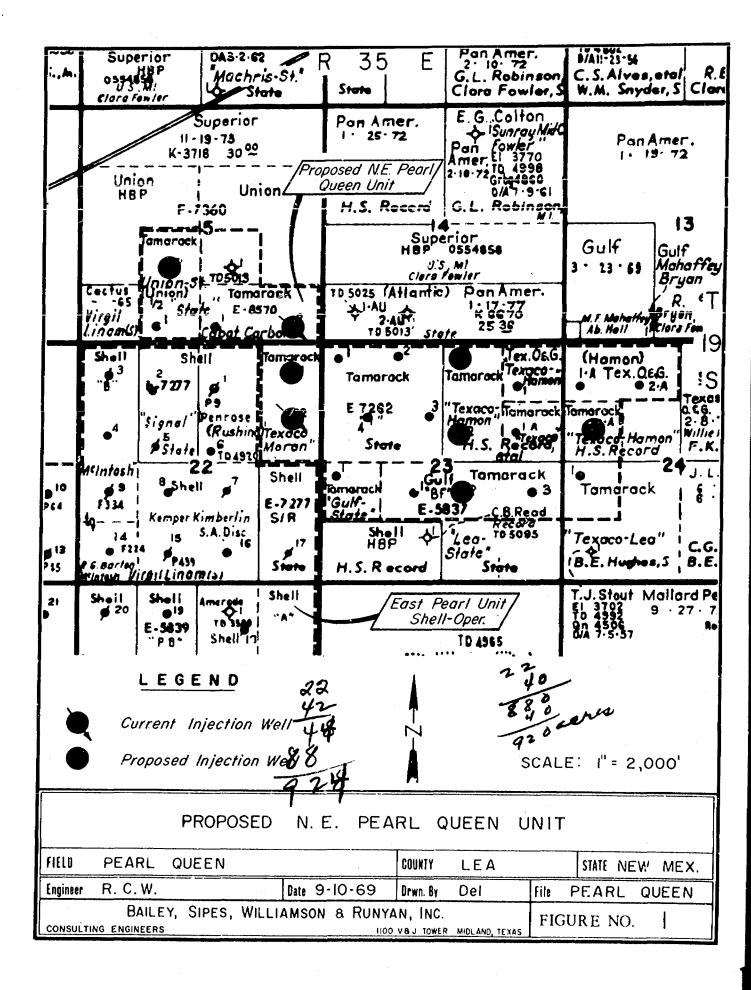
If further information is required, please give us a call.

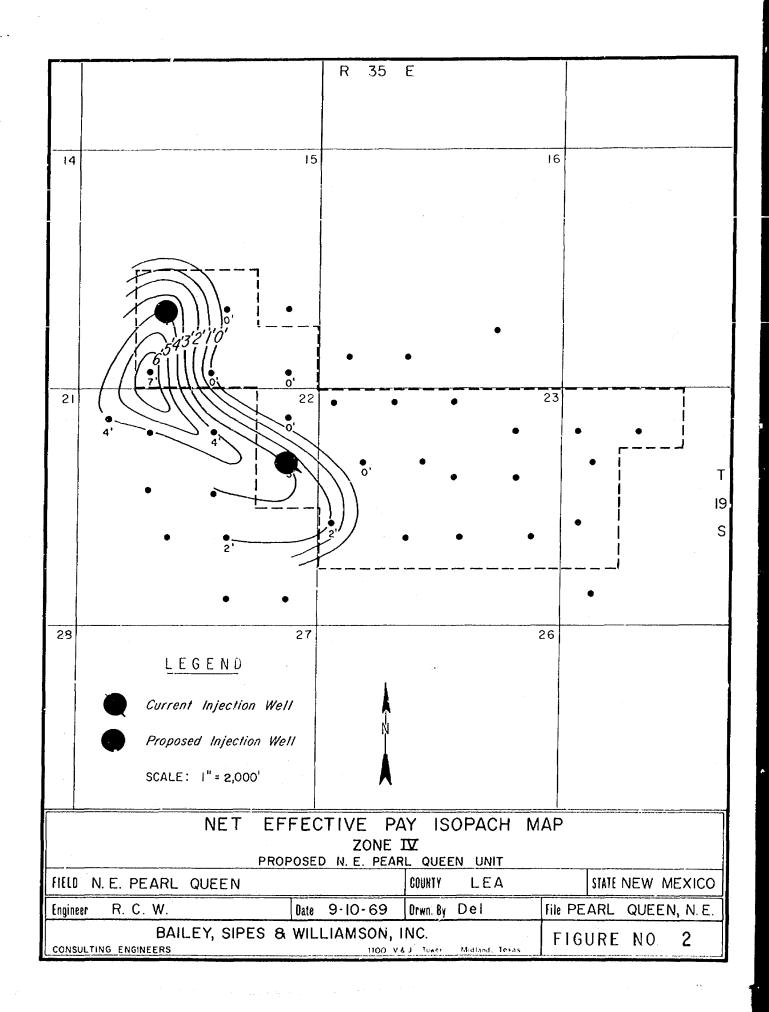
Very truly yours,

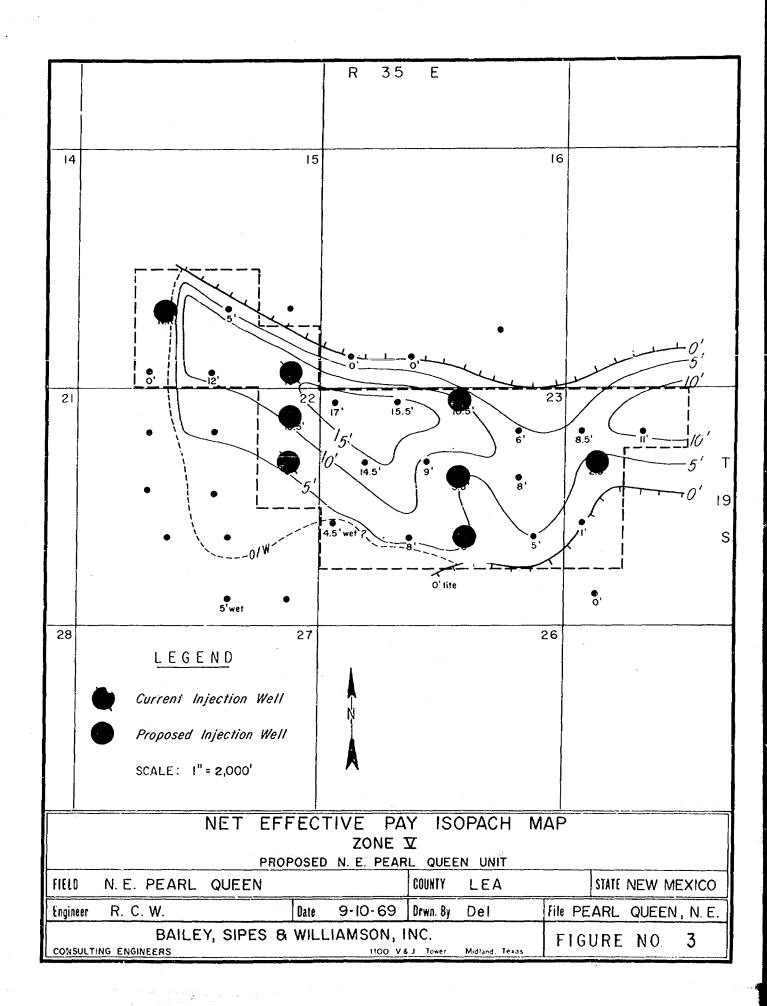
BAILEY, SIPES, WILLIAMSON & RUNYAN, INC.

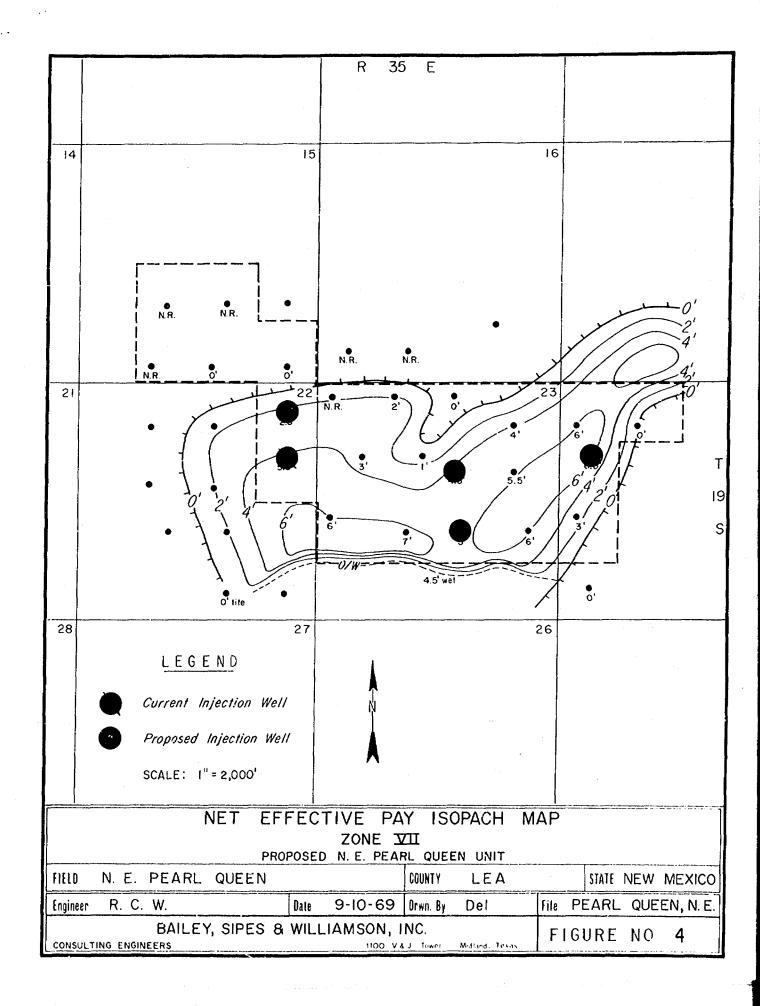
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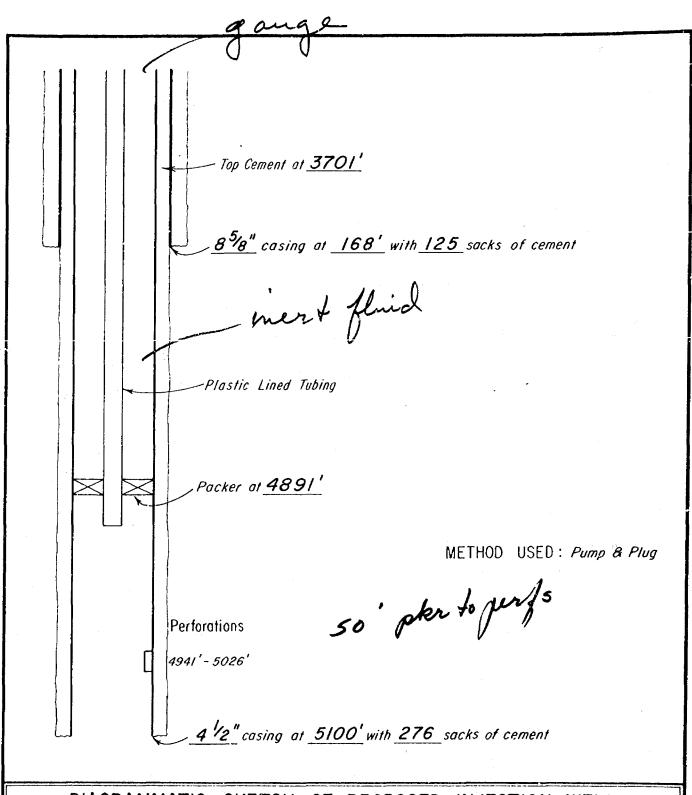
Attachments



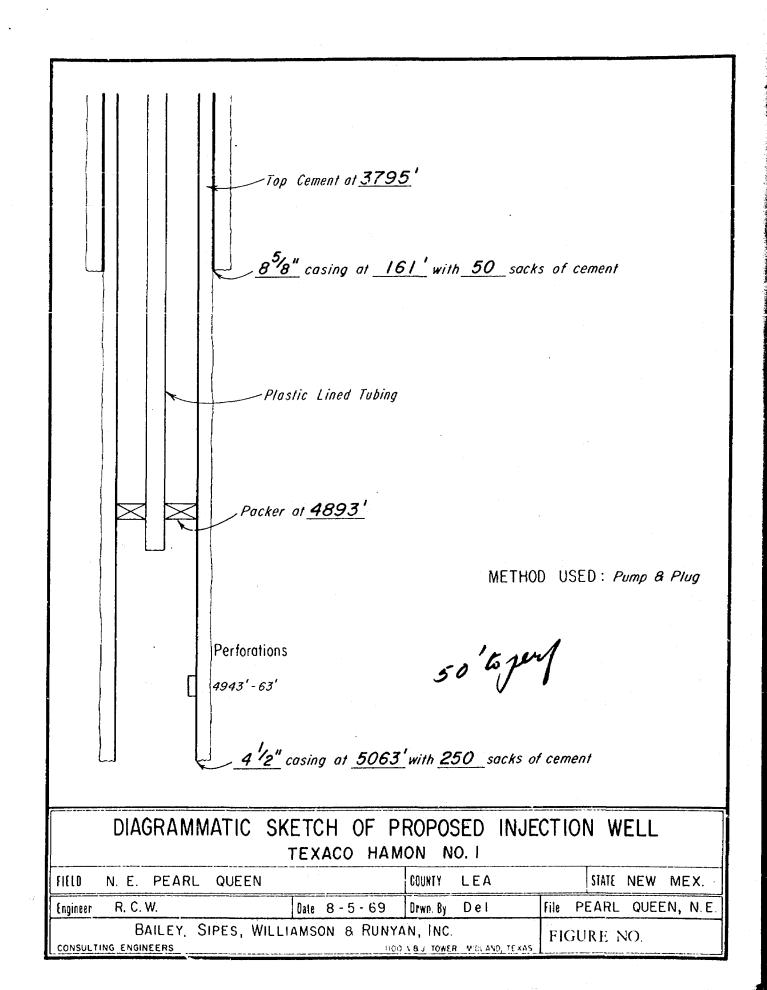


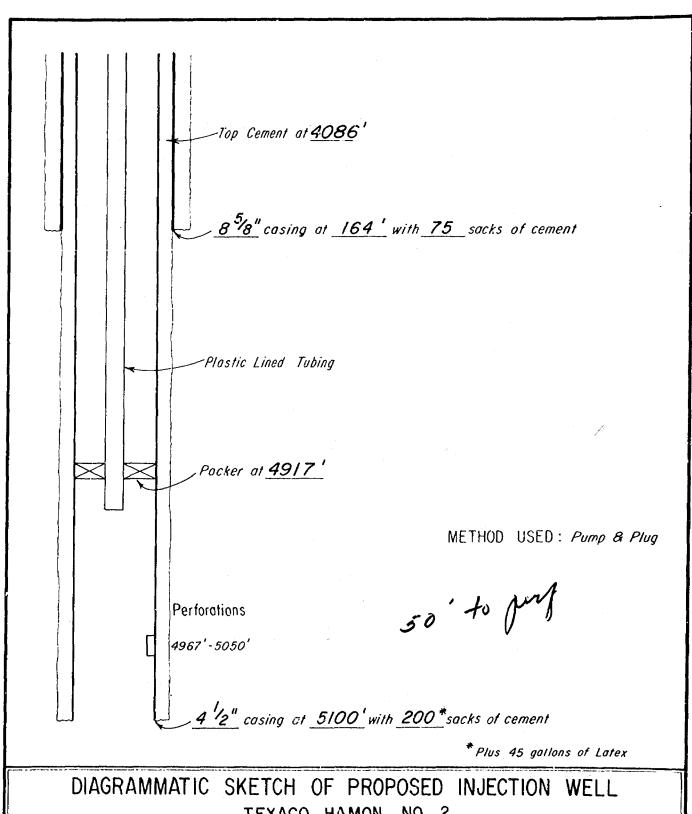




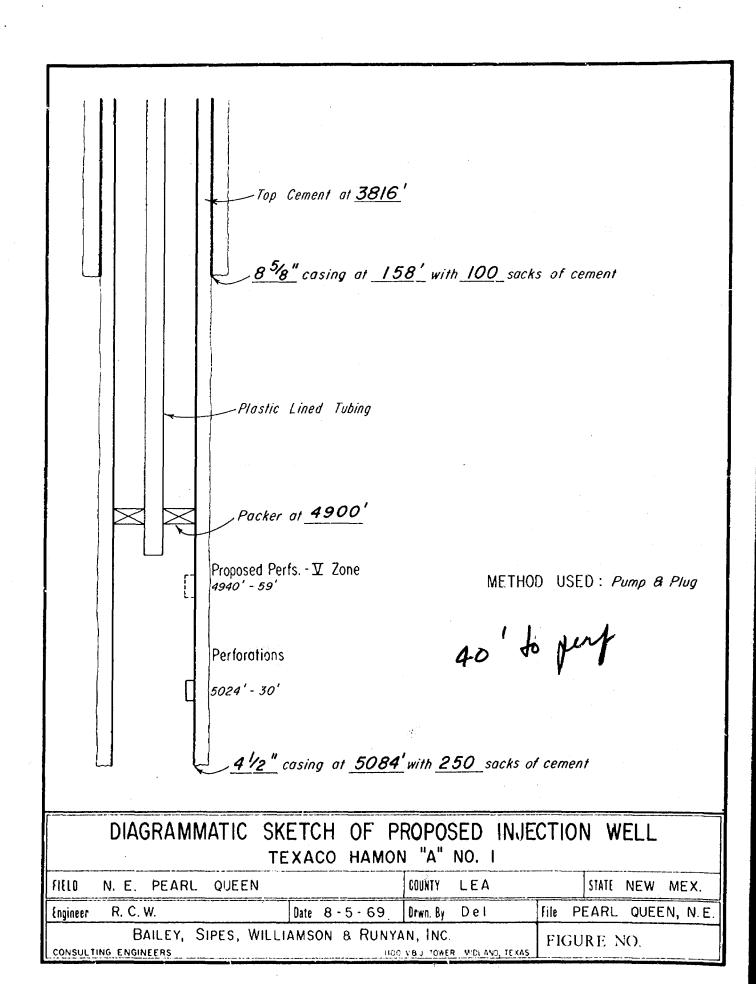


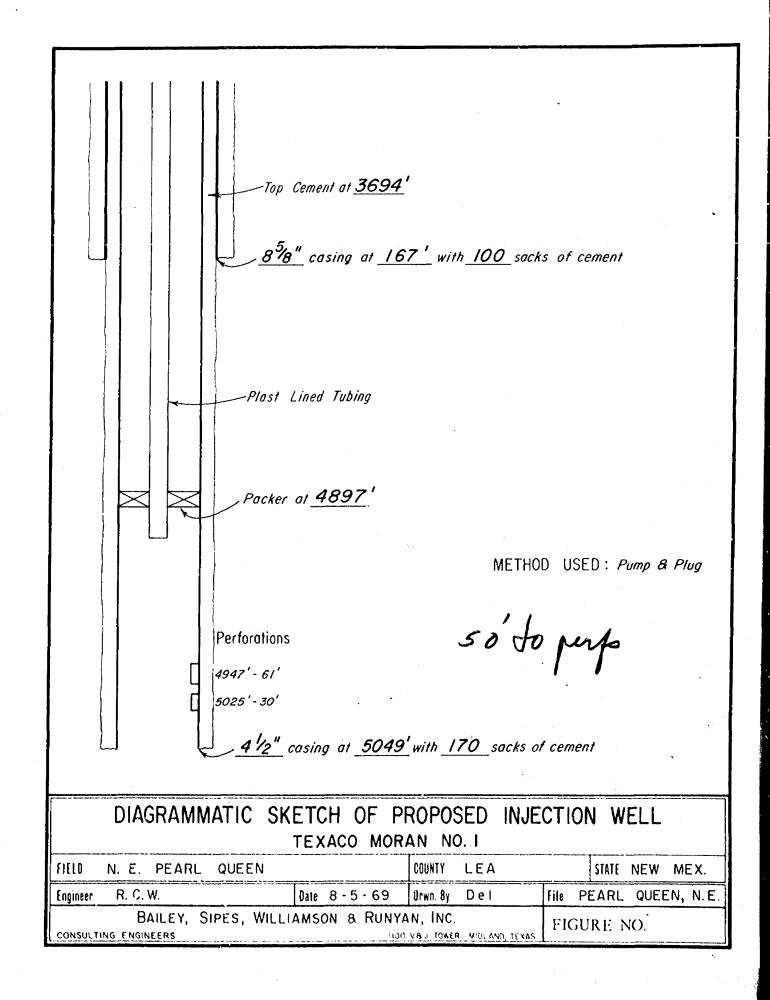
DIAGRAMMATIC SKE	TCH OF PR		CTION	N WELL			
FIELD N. E. PEARL QUEEN		COUNTY LEA		STATE NEW MEX.			
Engineer R. C. W.	Date 8-5-69	Orwn. By Del	file PE	ARL QUEEN, N.E.			
BAILEY, SIPES, WILLIAMSON & RUNYAN, INC.  CONSULTING ENGINEERS  FIGURE NO.							

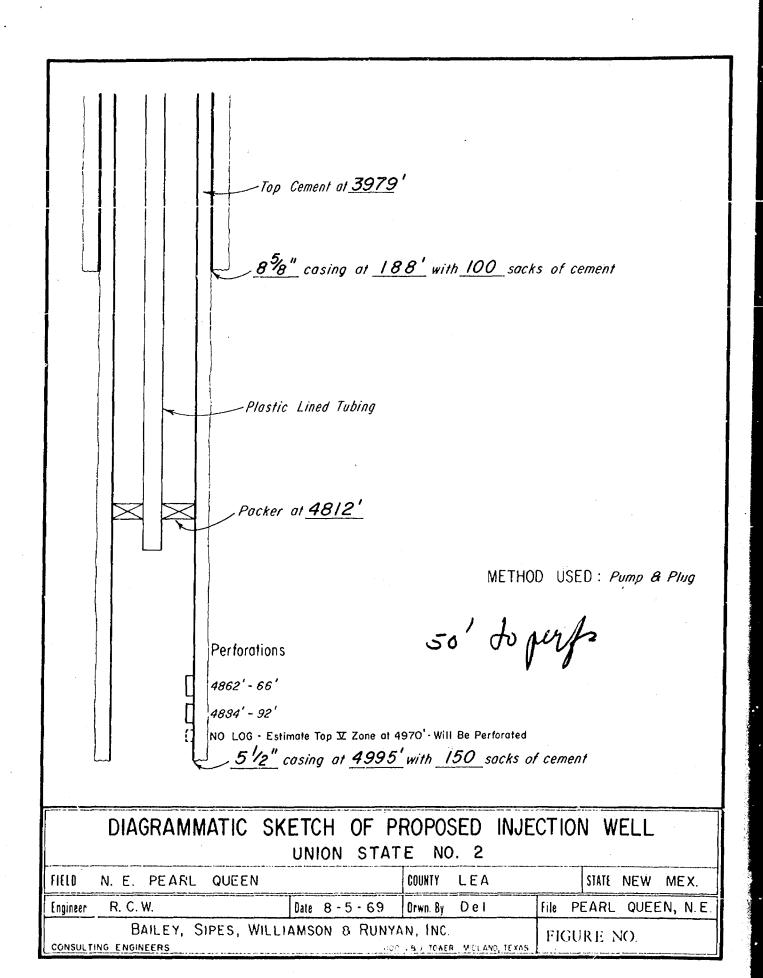




DIAGRAMMATIC SKETCH TEXACO	OF PROPOS		N WELL
FIELD N. E. PEARL QUEEN	COUNTY	LEA	STATE NEW MEX.
Engineer R. C. W. Date 8 - 5	5 - 69 Drwn. By	Del file P	EARL QUEEN, N.E.
BAILEY, SIPES, WILLIAMSON 8	•	FIGURE AND TE CAS	RE NO.

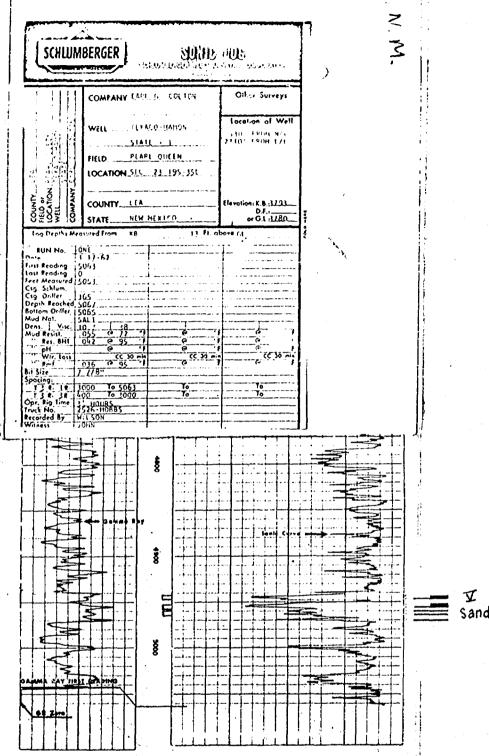






**B G A G** Acoustic-Gamme Log COMPANY GULF OIL CORPORATION WELL LEA STATE "BF" / 2 FIELD PEARL QUEEN COUNTY LEA STATE CASING RECORD
Cie Wi From
SURF. Csa. Sire 8 5/8

VIII Sand



SCHLUMBERGER appe online COMPANY CARL G. COLTON 1980' FROM E/L FIELD\_ PEARL OUECH LOCATION SEC. 21:195-15E on K.B.; 3187 O.F.; or G.L.; 3175 NEW MEXICO West Texas Clockical Log Sorvice \* STRUCTURMAPS, GONPLETION RECORD INTERVAL TRANSIT TIME SPONTANEOUS-POTENTIAL millivolts GAMMA RAY V Sand VII Sand 3

SCHLUMBERGER SUJII) ALL:  COMPANY LARE COLLINY Other Surveys  Location of Well	
SIATE A. 1660' FROM M/E	
COUNTY LIA Eferation: KB. 3151  COUNTY LIA STATE NUM MILL 0 or G.L. 2218  Tog Cepils Measured from RB 11 ft obove GI	
#UN No.   CN	
Phi   G   G   T   G   T   G   T   T   T   T	
West Joses Electrical Log Service  Osthur R. Town  STRUCTURMAPS, LTD.  FLS.	
CONFLETION ACCORD	
SPUD DATE  COMP DATE  DST RECORD	
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8 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Sand
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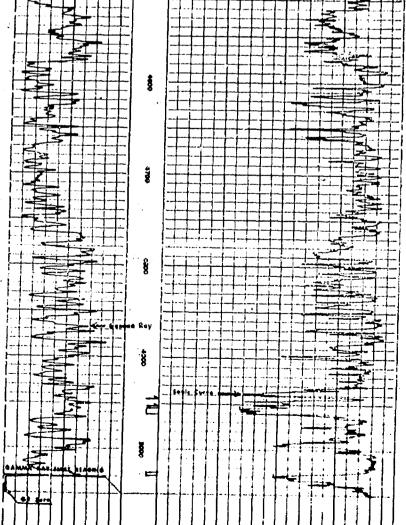
SCHLUN	ABERGER SUMM	ह । स्पाह
	COMPANY_LABL G. LOLTUN	Other Surveys NONE
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	WELL LENACO BUSHING	Location of Well
4 a l		660*FROM NGE/E
P 5 43.	FIELD PEARL QUEEN LOCATION_SEC. 22 195-15E	-
COUNTY— FIELD OF COCATION WELL	COUNTY_LLA	Elevation: K.B.: 1791 03:1190 er O.L.: 1778
tog Depths Ma		above fil
RUN No.	ONE	
Dote No.	10.26.61	
First Reading	5050	
Last Reading	0	
Feet Measured	5050	
Csg. Schlum.		
Csg. Oriller	180	
Depth Reached	5054	
Bottom Driller	_5050	
Mud Nat Dent. Visc.		
Mud Resist.	10.2 41	7.
Res. SHT	15 1	· · · · · · · · · · · · · · · · · · ·
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Wie Tou	L (C 30 min (C 30	ala CC 30 mla
- m Im	9 (1)	1 0 1
Bit Size	5."	
Spacings		
7 R 2 R	180 104400 10	76
	4400 To SUSO To	To
Opr. tig Time	1 HOURS	
	3 HOURS 2526-HOBBS WILSON	

LEA NEW MEXICO

New June Clockrical Log Service

\*\* STRUCTURMAPS,

\*\* METERFACE W16551.



⊒ ▼ Sand

VII Sand

SCHLO	IBERGER WEL	L SURVEYING (	Million Commence
Sourcil	COMPANY FAR	e sies	Other Surveys
	WELL UNIO	Location of Well	
	FIELD. PEARI		
COUNTY FIELD OV. WELL COMPANY	COUNTY_LLA_	ditto	Elevation: K.S., 1720
Log Depths Med		11 Ft, ob	ove GL
Date S	NE		
feet Measured 14 Cig. Schlum Cig. Ordier	16		
Bottom Dride: 4	277 366 AL GEL STARCE		
Mud Resist.  Res. BHT	055 6 25 4	6 '/ 6 '/ 6 '/	
Spacing:	7/8"	CC 30 min	CC 30 min
Opr. kip Time 1 Truck No. 2	400 70 FR 1 110085 52710885	Ţ	To To
Perorded by	CHAFFER OLIGN		

LEA NEW MEXICO

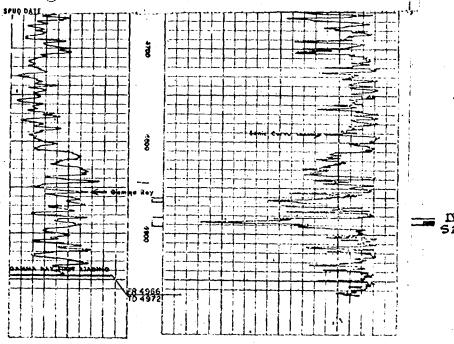
# Wat Sa STRUCTURMAPS, LTD. \*

Danie 2, 144

REFERENCE W1230L

(ELSI)

8



Sand

(5) 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, Tamarack Petroleum Company, Inc.,
is hereby authorized to institute a waterflood project in the
Northeast Pearl-Queen Unit Area, Pearl-Queen Pool,
by the injection of water into theQueenformation
through the following-described wells in Township 19
Worth, South, Range 35 Week, East, NMPM, Lea
County, New Mexico:

country,	Dew Mexico.			
unit operator	w.eee 3	unit	a Nicolana di Antonio de Antonio	Lection
Tomerock	Union State Well Xo. 2 -	K		15 V
Tomarock	Cabat Corbon well 26.2 -	P	-	15/
Tomarack	Taxaco mosan Well No. 1 -	A	-	221
Tamarack.	Texaco moun well is. 2 -	H		22/
Tamarock	Texaco Hamon Well Xo. 1 -	В		23/
	Texaco Hamon Well Xs. 2-	G	~~	231
Tamarack	of 10 1" 2 1000 m 2 -	5		23/
Tamack	Hugh "BF" well no.2-			
Tomarak	Texaco Homan "A" Well no. 1	1 - E	- 4	241

- (2) That the subject waterflood project is hereby designated the laurack northeart Rank Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.
- (3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.
- 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.

(4) That Commission Orders hos. R-3674, R-3718, and R-3772, which previously authorized water injection into certain the wells in the Mostheast Paorl Queen Unit area, are hereby superseled.

waste.

# 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:

Δ	CASE No. 4217
ANA	Order No. R-38
	APPLICATION OF TAMARACK PETROLEUM COMPANY, INC.,
M	FOR A WATERFLOOD PROJECT, LEA COUNTY,
Y/	NEW MEXICO.
	ORDER OF THE COMMISSION
	BY THE COMMISSION:
	This cause came on for hearing at 9 a.m. on September 10,196 at Santa Fe, New Mexico, before Examiner Daniel S. Nutter
	NOW, on this <u>day of September</u> , 1969, the Commission quorum being present, having considered the testimony, the recordand 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, Tamarack Petroleum Company, Inc.
	seeks permission to institute a waterflood project in the
	Northeast Pearl-Queen Unit Area, Pearl-Queen Pool, by
	the injection of water into the Queen formation
	through eight injection wells in Sections 15, 22, 23, and 24
	Township 19 Nextex South, Range 35 Westx East, NMPM
	Lea County, New Mexico.
	(3) That the wells in the project area are in an advanced
	state of depletion and should properly be classified as "stripper
	wells.
	(4) That the proposed waterflood project should result in

the recovery of otherwise unrecoverable oil, thereby preventing

CASE 4218:

SOUTHEASTERN NEW MEXICO NOMENCLATURE