

Case Number

4266

Application

Transcripts.

Small Exhibits

ETC.

dearnley-meier

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
November 25, 1969

EXAMINER HEARING

-----  
IN THE MATTER OF: )

Application of Texas Pacific Oil )  
Company, Inc., for several non- )  
standard proration units, Lea )  
County, New Mexico. )

) Case No. 4266  
)  
)  
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BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Case 4266.

MR. HATCH: Case 4266. Application of Texas Pacific Oil Company, Inc., for several non-standard gas proration units, Lea County, New Mexico.

MR. RUSSELL: John F. Russell, Roswell, New Mexico, appearing on behalf of the Applicant, and I have one witness who was previously sworn in the previous case.

MR. UTZ: Let the record show that the witness was previously sworn in the previous case.

(Whereupon, Applicant's Exhibits 1 through 3 were marked for identification).

TOM AYLESWORTH

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

DIRECT EXAMINATION

BY MR. RUSSELL:

Q Mr. Aylesworth, are you familiar with the application of Texas Pacific Oil Company, Inc., in Case 4266?

A Yes, sir, I am.

Q What is it that you are seeking by this application?

A Texas Pacific Oil Company, Incorporated, seeks dedication and rededication of certain acreage to take advantage of undedicated acreage, in order to protect our correlative rights and prevent waste.

Q In connection with this hearing, have you prepared similar exhibits as in the last case?

A Yes, sir, I have.

Q Following the listing of the realignments on the docket, will you in the same manner, explain Exhibits 1 and 2 in this case?

A Well, Exhibit 1 is a map of the present lease ownership, being colored yellow. It also depicts our various tracts of our Jalmat Gas acreage in each tract that it is dedicated to.

Please note that there is some undedicated acreage, three hundred and twenty acres -- comprising the north half of the southeast quarter and the east half of the southwest quarter of Section 5, and the south half of the southwest quarter and the northwest quarter of the southwest quarter and the southwest quarter of the southeast quarter of Section 8.

The tracts are not dedicated to any Jalmat Gas production at the present time.

Exhibit No. 2 is a similar map, with the areas of interest shaded in red.

Q All right. Now, following the docket listing, give your well numbers and locations and show the present dedicated acreage which you propose to dedicate.

A Our State "A" account two, well number thirty-eight, located in Unit "K", of Section 9, is presently dedicated to the acreage; that being two hundred and forty acres, comprising the southwest quarter of Section 9, in the east half of the southeast quarter of Section 8.

We propose to dedicate to State "A" account two, number thirty-eight, the acreage being two hundred and eighty acres, comprising the southwest quarter of Section 9, the east half of the southeast quarter, and the southwest quarter of the southeast quarter of Section 8.

The second well, State "A" number two, number fifty-six, located in Unit "J" of Section 8, is presently dedicated to the acreage, being one hundred and sixty acres, comprising the south half of the northwest quarter in the northeast quarter of the southwest quarter and the northwest quarter of the southeast quarter of Section 8.

We propose to dedicate the State "A" number two, number fifty-six, the acreage as being one hundred and sixty

acres, comprising the east half of the southwest quarter of the southwest quarter of the southwest quarter and the northwest quarter of the southeast quarter of Section 8.

The third well, the State "A" number two, number fifty-one, located in Unit "F", of Section 8, has recently been recompleted as a Jalmat Gas Well, with no acreage assigned at the present time.

We propose to dedicate the State "A" number two, being number fifty-one, the acreage being one hundred and twenty acres, comprising the south half of the northwest quarter of the northwest quarter of the southwest quarter of Section 8.

Our State "A" account two, number forty-one, located in Unit "M" of Section 5, is presently dually dedicated, State "A" number two, number twenty-seven, located in Unit "P" of Section 5, to the acreage, that being two hundred and forty acres, comprising the west half of the northwest quarter and the west half of the southwest quarter and the south half of the southeast quarter of Section 5.

We propose to dually dedicate the State "A" account two wells, number twenty-seven and forty-one, the acreage being three hundred and twenty acres, comprising

the south half of Section 5.

MR. UTZ: Now, that's different than shown on your exhibit --

THE WITNESS: Yes, sir, it is. These wells, twenty-seven and forty-one, are dually dedicated at the present time to the acreage that is correctly shown on Exhibit 1, and we propose to simultaneously dedicate the twenty-seven and forty-one to these two hundred and sixty acre tracts.

The last well, the State "A" account number forty-four, located in Unit "F" of Section 5, is presently dedicated to the acreage, that being eighty acres, comprising the east half of the northwest quarter of Section 5.

We propose to dedicate the State "A" Account two, number forty-four, the acreage being one hundred and sixty acres, comprising the northwest quarter of Section 5.

Q (By Mr. Russell) I refer you now to what has been marked as Applicant's Exhibit No. 3, and ask you to explain that exhibit.

A Exhibit 3 is a pertinent data sheet, listing each of the wells, its completion date, the order number and under which current allocation is authorized, its completion interval, its accumulative production as of

January 1, 1969, the anticipated monthly allowable and our anticipated monthly capacity.

Q Now, Mr. Aylesworth, from that exhibit, it would appear that one of the wells would be unable to make the allowable contributable; number twenty-seven, isn't it?

A Yes, sir.

Q Will you explain that?

A Well, sir, number twenty-seven and forty-one will be dually dedicated.

Q And it will be able to make the allowable?

A Yes, sir.

Q Were Exhibits 1 through 3 prepared by you or under your immediate supervision and direction?

A Yes, sir, they were.

MR. RUSSELL: At this time, we introduce into evidence Applicant's Exhibits 1 through 3.

MR. UTZ: I have a question on Exhibit No. 2. You show on Exhibit No. 2, well number forty-three and forty-nine, which were not taken into consideration at this time --

THE WITNESS: No, sir -- those were shaded in red by error.

MR. UTZ: I see.

CROSS EXAMINATION

BY MR. UTZ:

Q And the dedication shown on Exhibit 2 is different for those wells than is shown on Exhibit 1 --

A The acreage, as it is shown on Exhibit 1, is correct.

Number forty-three and forty-nine being dually dedicated to that one hundred and sixty acres, which is comprised of those two eighty acre tracts.

Q Which did you say was correct: one or two?

A Number one is correct -- forty-three and forty-nine are dually dedicated to the one hundred and sixty acres -- the one hundred and sixty acres is comprised of the two eighty acre tracts, which forty-three and forty-nine are located --

Q Are you sure about that? That's a diagonal eighty acre tract -- I doubt if we can do that.

A Yes, sir -- I am reasonably sure.

Q Well, somebody goofed. Well, let me go through this -- Section 8, forty-nine, is now dedicated to the north half of the northwest quarter?

A Yes, sir.

Q Is that correct?

A Yes, sir.

Q And it's shown that forty-three is dedicated to the south half of the northeast quarter?

A Yes, sir. And those two wells are simultaneously dedicated.

Q Those two eighty acre tracts?

A Yes, sir.

MR. HATCH: Do you know what order number --

THE WITNESS: I believe I may have that order with me, I think.

MR. UTZ: Mr. Aylesworth, this is not the subject of this case -- it's something we ran into here --

We would like to know a little later, if you can find out, so, why don't we just pass over that question at this time, and you let us know what the order number is so we can check into it later.

THE WITNESS: All right, sir.

MR. UTZ: Exhibits 1, 2 and 3 will be entered into the record in this case.

MR. HATCH: You are really asking that it be amended --

MR. RUSSELL: The dual dedication to remain the same, but the acreage be realigned.

MR. UTZ: Will these two units be put together?

THE WITNESS: Yes, sir. They are currently dual-dedicated.

MR. UTZ: Questions of the witness?

Q (By Mr. Utz) With reference to the last two columns on Exhibit 3, I believe you clarified that the number twenty-seven was relative to produce the allowable and that's one reason you wanted the -- the number twenty-seven to join the unit dedicated --

A Yes, sir. That's correct.

MR. UTZ: Any other questions? The witness may be excused.

(Witness excused).

MR. UTZ: Statements? The case will be taken under advisement.

I N D E X

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TOM AYLESWORTH	
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E X H I B I T S

Applicant's Exhibits	
1 through 3	2

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, CA FENLEY, 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.

Wm. L. Ford

Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 4286 heard by me on 2 26 69.

*[Signature]*  
 New Mexico Oil Conservation Commission



# OIL CONSERVATION COMMISSION

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

**GOVERNOR  
DAVID F. CARGO  
CHAIRMAN**

**LAND COMMISSIONER  
ALEX J. ARMJO  
MEMBER**

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

**December 5, 1969**

Mr. Jack Russell  
Attorney at Law  
Post Office Drawer 640  
Roswell, New Mexico 88201

Re: Case No. 4266  
Order No. R-3893  
Applicant:  
Texas Pacific

**Dear Sir:**

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

Very truly yours,

G. L. Carter, Jr.

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X

Artesia OCC\_\_\_\_\_

**Aztec OCC**

Other \_\_\_\_\_

**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. 4266  
Order No. R-3893**

**APPLICATION OF TEXAS PACIFIC OIL  
COMPANY, INC., FOR SEVERAL NON-  
STANDARD GAS PRORATION UNITS, LEA  
COUNTY, NEW MEXICO.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 a.m. on November 25, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 5th day of December, 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, Texas Pacific Oil Company, Inc., seeks the rededication of certain acreage and the establishment of the following non-standard gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico:

- (a) A 280-acre unit comprising the SW/4 of Section 9 and the E/2 SE/4 and SW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 38 located in Unit K of said Section 9;
- (b) A 160-acre unit comprising the E/2 SW/4, SW/4 SW/4 and NW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 56 located in Unit J of said Section 8;

- (c) A 120-acre unit comprising the S/2 NW/4 and NW/4 SW/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 51 located in Unit F of said Section 8;
  - (d) A 160-acre unit comprising the SW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 41 located in Unit M of said Section 5;
  - (e) A 160-acre unit comprising the NW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 44 located in Unit F of said Section 5;
  - (f) A 160-acre unit comprising the SE/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 27 located in Unit P of said Section 5.
- (3) That each of the proposed non-standard gas proration units is productive of gas.
- (4) That each of the proposed non-standard gas proration units can be efficiently and economically drained and developed by the well to which it is to be dedicated.
- (5) That approval of the proposed non-standard gas proration units will afford the applicant the opportunity to produce its just and equitable share of the gas in the pool, and will otherwise prevent waste and protect correlative rights.
- (6) That all provisions of prior orders issued by the Commission or Secretary-Director of the Commission that are inconsistent with the provisions of this order should be superseded.

IT IS THEREFORE ORDERED:

- (1) That the following-described non-standard gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, are hereby created:
- (a) A 280-acre unit comprising the SW/4 of Section 9 and the E/2 SE/4 and SW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 38 located in Unit K of said Section 9;

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CASE No. 4266

Order No. R-3893

- (b) A 160-acre unit comprising the E/2 SW/4, SW/4 SW/4 and NW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 56 located in Unit J of said Section 8;
- (c) A 120-acre unit comprising the S/2 NW/4 and NW/4 SW/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 51 located in Unit F of said Section 8;
- (d) A 160-acre unit comprising the SW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 41 located in Unit M of said Section 5;
- (e) A 160-acre unit comprising the NW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 44 located in Unit F of said Section 5; and
- (f) A 160-acre unit comprising the SE/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 27 located in Unit P of said Section 5.

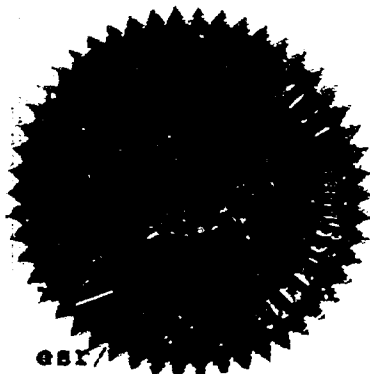
(2) That the acreage factor for allowable purposes assigned to each of the above-described non-standard gas proration units shall bear the same ratio to the acreage factor for a standard gas proration unit as the acreage in said unit bears to the acreage in a standard gas proration unit for the Jalmat Gas Pool.

(3) That all provisions of prior orders issued by the Commission or Secretary-Director of the Commission that are inconsistent with the provisions of this order are hereby superseded.

(4) That the provisions of this order shall become effective January 1, 1970.

(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 hereinabove designated.



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*David F. Cargo*  
DAVID F. CARGO, Chairman

*Alex J. Armiijo*  
ALEX J. ARMIJO, Member

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

Case 4766

Heard 11-25-69

Rec. 12-2-69

Grant: J. & P. discharge ~~and~~  
acreage dedication for 6  
wells as shown on attached  
sheet.

Dedicate 6 units to Comella  
and individually. The dual well  
units were advertised & the  
old #27-#41 was in error &  
will have to be dissolved retro.  
to 8-1-67.

Thudley

NOTE: DUE TO THE THANKSGIVING HOLIDAY, THIS HEARING IS SCHEDULED FOR TUESDAY RATHER THAN WEDNESDAY AS CUSTOMARY.

Docket No. 32-69

DOCKET: EXAMINER HEARING - TUESDAY - NOVEMBER 25, 1969

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 4259: Application of Aztec Oil & Gas Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 5112 feet to 5138 feet in its State "SS" Well No. 1 located in Unit F of Section 24, Township 17 South, Range 36 East, Spencer-San Andres Pool, Lea County, New Mexico.
- CASE 4260: Application of Tamarack Petroleum Company, Inc. for a water-flood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Northeast Pearl Queen Unit Waterflood Project, Pearl-Queen Pool, by the conversion to water injection one additional injection well, its Unit Well No. 18, located in Unit L of Section 23, Township 19 South, Range 35 East, Lea County, New Mexico.
- CASE 4261: Application of Pennzoil United, Inc., for special pool rules and unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Quail Ridge-Morrow Gas Pool, Lea County, New Mexico, including a provision for 320-acre spacing units. Applicant further seeks approval of the unorthodox location in said pool for its Mescalero Ridge Well No. 1 at a location 660 feet from the South line and 660 feet from the West line of Section 20, Township 19 South, Range 34 East.
- CASE 4262: Application of Plains Radio Broadcasting Company for an exception to Order No. R-3221, as amended, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for the applicant's White Ranch Well No. 1 located in Unit E of Section 34, Township 11 South, Range 29 East, White Ranch Siluro-Devonian Pool, Chaves County, New Mexico. Applicant seeks authority to dispose of salt

water produced by said well in an unlined surface pit located in the vicinity of said well. In the alternative, applicant seeks authority to dispose of said produced water into the Siluro-Devonian formation in the perforated interval from 8743 feet to 8750 feet in its White Ranch Well No. 3 located in Unit M of said Section 34.

- CASE 4263: Application of Wynn & Brooks for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "E" Well No. 3, to be located 590 feet from the South line and 1590 feet from the West line of Section 13, Township 27 North, Range 8 West, Blanco-Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico.
- CASE 4264: Application of Wynn & Brooks for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "J" Well No. 1, to be located 2390 feet from the South line and 2410 feet from the East line of Section 11, Township 27 North, Range 8 West, Blanco-Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico.
- CASE 4265: Application of Union Oil Company of California for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates, San Andres and other formations in the open-hole interval from approximately 4450 feet to 5890 feet in its Midway State Well No. 3 located in Unit J, Section 12, Township 17 South, Range 36 East, Lovington Field, Lea County, New Mexico.
- CASE 4245: (Continued from the November 5, 1969, Examiner Hearing) Application of Texas Pacific Oil Company, Inc., for several non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the dedication and rededication of certain acreage and the establishment of the following non-standard gas proration units in Townships 22 and 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico:

(Case 4245 continued)

A 160-acre unit comprising the W/2 SE/4 and the E/2 SW/4 of Section 8, Township 22 South, Range 36 East, to be dedicated to the State "A" a/c-2 Well No. 56 located in Unit J of said Section 8;

A 200-acre unit comprising the NW/4 and the NW/4 SW/4 of Section 11, Township 22 South, Range 36 East, to be dedicated to the State "A" a/c-2 Well No. 42 located in Unit E of said Section 11;

A 280-acre unit comprising the SE/4, S/2 SW/4, and the NE/4 SW/4 of Section 11, Township 22 South, Range 36 East, to be dedicated to the State "A" a/c-2 Well No. 36 located in Unit M of said Section 11;

A 200-acre unit comprising the N/2 NE/4, the SE/4 NE/4, and the NE/4 NW/4 of Section 15 and the SE/4 SW/4 of Section 10, Township 23 South, Range 36 East, to be dedicated to the State "A" a/c-1 Well No. 31 located in Unit H of said Section 15;

A 160-acre unit comprising the S/2 NW/4, SW/4 NE/4 and the NW/4 NW/4 of Section 15, Township 23 South, Range 36 East, to be dedicated to the State "A" a/c-1 Well No. 33 located in Unit F of said Section 15;

A 240-acre unit comprising the SW/4 of Section 3, and the N/2 NW/4 of Section 10, Township 23 South, Range 36 East, to be dedicated to the State "A" a/c-1 Well No. 35 located in Unit L of said Section 3;

A 160-acre unit comprising the S/2 NW/4 and N/2 SW/4 of Section 10, Township 23 South, Range 36 East, to be dedicated to the State "A" a/c-1 Well No. 37 located in Unit F of said Section 10.

CASE 4266: Application of Texas Pacific Oil Company, Inc., for several non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the dedication and rededication of certain acreage and the establishment of the following non-standard gas proration units in Township 22 South, Range 36 East, Ulatat Gas Pool, Lea County, New Mexico:

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(Case 4266 continued)

240  
K-3267  
A 280-acre unit comprising the SW/4 of Section 9 and the E/2 SE/4 and SW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 58 located in Unit K of said Section 9;

160  
K-3269  
A 160-acre unit comprising the E/2 SW/4, SW/4 SW/4 and NW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 56 located in Unit J of said Section 8;

A 120-acre unit comprising the S/2 NW/4 and NW/4 SW/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 51 located in Unit F of said Section 8;

240-18  
D-111  
A 160-acre unit comprising the SW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 41 located in Unit M of said Section 5;

A 160-acre unit comprising the NW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 44 located in Unit F of said Section 5;

A 160-acre unit comprising the SE/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 27 located in Unit P of said Section 5.

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240  
K-3268  
CASE 4267:

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Edward M. Kriss and all other interested parties to appear and show cause why the Edward M. Kriss Little Chama Valley Company Well No. 1, a wildcat well, located 545 feet from the North line and 1530 feet from the West line of Section 2, Township 1 North, Range 2 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4268:

Application of Texaco Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the State "JD" Unit Area comprising 160 acres, more or less, of State lands in the NW/4 of Section 27, Township 26 South, Range 37 East, Rhodes (Yates-Seven Rivers) Pool, Lea County, New Mexico.

- CASE 4269: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its State "JD" Unit Area by the injection of water into the Yates-Seven Rivers formations through two wells located in Unit D and Unit F of Section 27, Township 26 South, Range 37 East, Rhodes (Yates-Seven Rivers) Pool, Lea County, New Mexico.
- CASE 4270: Application of Byron McKnight for an exception to Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules as set forth in Commission Order No. R-111-A. Applicant proposes to drill to a depth of approximately 3800 feet in the Yates formation two exploratory wells located in the SW/4 NE/4 and SE/4 NE/4 of Section 26, Township 19 South, Range 33 East, Lea County, New Mexico, in such a manner as to eliminate the necessity of running the salt protection string required by said Order No. R-111-A provided the production string would be cemented to the surface.
- CASE 4271: Application of Texaco Inc. for a waterflood expansion and amendment of Order No. R-2748, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its waterflood project in the Rhodes (Yates-Seven Rivers) Pool, authorized by Order No. R-2748, by the injection of water through four additional wells in Sections 22 and 27 of Township 26 South, Range 37 East, Lea County, New Mexico. Applicant further seeks amendment of said order to establish a procedure whereby additional injection wells as may be necessary to complete an efficient injection pattern may be approved administratively.
- CASE 4272: Application of Shell Oil Company for an unorthodox oil well location and to directionally drill. Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Sanger Well No. 6 at an unorthodox surface location in Unit E 1490 feet from the North line and 330 feet from the West line of Section 27, Township 18 South, Range 38 East, Hobbs (Grayburg-San Andres) Pool, Lea County, New Mexico. Applicant further seeks authority to directionally drill said well in such a manner as to bottom the well in the subject pool at a point in Unit D of said Section 27 approximately 200 feet north of said surface location. Applicant proposes to dedicate said Unit D to the well.

November 25, 1969 - Examiner Hearing

Booklet No. 32-69

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CASE 4273: Application of Tesoro Petroleum Corporation for an unorthodox oil well location and amendment of Order No. R-2807-A, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox oil well location of its Well No. 59, formerly classified as a water injection well, located 1430 feet from the South line and 2625 feet from the East line of Section 36, Township 18 North, Range 9 West, Hospah Upper Sand Oil Pool, McKinley County, New Mexico. Applicant further seeks the amendment of Order No. R-2807-A to permit a procedure whereby additional producing and injection wells in its Hospah Unit Area may be approved administratively.

CASE 4274: Application of Pan American Petroleum Corporation for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Navajo Tribal "N" Well No. 11 at an unorthodox location 1150 feet from the West line and 560 feet from the North line of Section 17, Township 26 North, Range 18 West, Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico.

LAW OFFICES OF  
JOHN F. RUSSELL  
412 HINKLE BUILDING  
P. O. DRAWER 640  
ROSWELL, NEW MEXICO 88201

TELEPHONE 622-4641  
AREA CODE 505

November 5, 1969

Mr. A.L. Porter  
Secretary Director  
New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501

*Case 4266*

Dear Mr. Porter:

Reference my letter of October 30, 1969 filing an application on behalf of Texas Pacific Oil Company. I now transmit herewith the pertinent Exhibits for that Application.

Very truly yours,

*John F. Russell*  
John F. Russell

JALMAT GAS POOL  
CASE 4266 - TEXAS PACIFIC OIL COMPANY  
PERTINENT DATA SHEET

WELL NAME & NUMBER	GAS, COMPLETION DATE	ORDER NO.	COMPLETION INTERVAL	CUMULATIVE PROD. 1-1-69 MCF	(1) ANTICIPATED MONTHLY ALLOW.	ANTICIPATED MONTHLY CAPACITY
I. State "A" A/c-2 #38 1980' FS & WL Section 9-22-36 (280 acres)	3-15-47	R-3264	3105-3340'	5,031,856	21,000 MCF	59,000 @ 100 psig
II. State "A" A/c-2 #56 1980' FS & WL Section 8-22-36 (160 acres)	5-8-61	R-3264	3182-3353'	2,015,049	12,000 MCF	34,000 @ 100 psig
III. State "A" A/c-2 #51 1980' FN & WL Section 8-22-36 (120 acres)	11-16-60	(New)	3778-3867'	-0-	9,000 MCF	21,000 @ 100 psig
IV. State "A" A/c-2 #27 660' FS & WL Section 5-22-36 (160 acres)	4-10-65	R-3264	3055-3355'	394,326	12,000 MCF	6,000 @ 100 psig
V. State "A" A/c-2 #41 660' FS & WL Section 5-22-36 (160 acres)	11-20-52	R-3264	3360-3550'	5,751,839	12,000 MCF	17,000 @ 100 psig
VI. State "A" A/c-2 #44 1980' FN & WL Section 5-22-36 (160 acres)	4-26-60	R-3264	3206-3388'	804,211	12,000 MCF	17,000 @ 100 psig

BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 3  
CASE NO. 4266

LAW OFFICES OF  
JOHN F. RUSSELL  
412 HINKLE BUILDING  
P. O. DRAWER 640  
ROSWELL, NEW MEXICO 88201

OCT 31 1969

TELEPHONE 622-4641  
AREA CODE 505

October 30, 1969

Mr. A.L. Porter, Jr.  
Secretary Director  
New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87501

*Case 4266*

Dear Mr. Porter:

I transmit herewith in triplicate an application of Texas Pacific Oil Company for rededication of certain acreage in the Jalmat Gas Pool. The exhibits for this application will be forwarded to you next week.

Very truly yours,

*John F. Russell*  
John F. Russell

DOCKET MAILED

Date 11-14-69

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION )  
OF TEXAS PACIFIC OIL COMPANY, INC. )  
FOR SEVERAL NON-STANDARD GAS PRO- )  
RATION UNITS, LEA COUNTY, NEW MEXICO, )  
AND FOR THE REDEDICATION OF CERTAIN )  
ACREAGE AND THE ESTABLISHMENT OF )  
CERTAIN NON-STANDARD GAS PRO-RATION )  
UNITS IN SECTIONS 5, 8 and 9, TOWN- )  
SHIP 23 SOUTH, RANGE 36 EAST, JALMAT )  
GAS POOL, LEA COUNTY, NEW MEXICO )

Ms. A. 9.2.66

## APPLICATION

COMES NOW Applicant, Texas Pacific Oil Company, through its attorney, John F. Russell, and requests that the Commission enter an Order authorizing the rededication of acreage and the establishment of the following non-standard gas pro-ration units in Township 22 South, Range 36 East, N.M.P.M., Jalmat Gas Pool, Lea County, New Mexico:

1. A 280<sup>✓</sup> acre non-standard gas pro-ration unit comprising the SW<sup>1</sup>/<sub>4</sub> Section 9 and E<sup>1</sup>/<sub>2</sub> SE<sup>1</sup>/<sub>4</sub> and SW<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> Section 8 to be dedicated <sup>4</sup> to it's State "A" a/2 Well No. 38 located in Unit "K" of said Section 9, Township 22 South, Range 36 East.

2. A 160 acre non-standard gas pro-ration unit comprising the E $\frac{1}{2}$  SW $\frac{1}{4}$  and SW $\frac{1}{4}$  SW $\frac{1}{4}$  and NW $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 8 to be dedicated to it's State "A" a/2 Well No. 56 located in Unit "J" of Section 8, Township 22 South, Range 36 East.

3. A 120 acre non-standard gas pro-ration unit comprising the  $S\frac{1}{2}$  NW $\frac{1}{4}$  and NW $\frac{1}{4}$  SW $\frac{1}{4}$  of Section 8 to be dedicated to it's State "A" a/2 Well No. 51, located in Unit "F" of said Section 8, Township 22 South, Range 36 East. ✓

4. A 160 acre non-standard gas pro-ration unit comprising the SW $\frac{1}{4}$  of Section 5 to be dedicated to it's State "A" a/2 Well No. 41, located in Unit "M" of said Section 5, Township 22 South, Range 36 East. ✓

5. A 160 acre non-standard gas pro-ration unit comprising the NW $\frac{1}{4}$  of Section 5 to be dedicated to it's State "A" a/2 Well No. 44, located in Unit "F" of said Section 5, Township 22 South, Range 36 East. ✓

6. A 160 acre non-standard gas pro-ration unit comprising the SE $\frac{1}{4}$  of Section 5 to be dedicated to it's State "A" a/2 Well No. 27, located in Unit "P" of said Section 5, Township 22 South, Range 36 East. ✓

7. That each of the proposed non-standard gas pro-ration units is productive of gas.

8. That each of the proposed non-standard gas pro-ration units can be efficiently and economically drained and developed by the well or wells to which it is to be dedicated.

9. That approval of the proposed non-standard gas pro-ration units will afford the Applicant the opportunity to produce its just and equitable share of the gas in the pool and will otherwise prevent waste and protect correlative rights.

WHEREFORE, Applicant requests the Commission to set this matter down for hearing before an Examiner, to publish its notice as provided by law, and after hearing, to issue its order authorizing the rededication of acreage and establishment of certain non-standard gas pro-ration units as prayed for herein.

Respectfully submitted,

TEXAS PACIFIC OIL COMPANY

By John J. Russell  
P.O. Drawer 640  
Roswell, New Mexico 88201

Attorney for Applicant

DATED: October 28, 1969

DRAFT

GMH/esr

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. 4266

Order No. R-3893

APPLICATION OF TEXAS PACIFIC OIL  
COMPANY, INC., FOR SEVERAL NON-  
STANDARD GAS PRORATION UNITS, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 25, 1969,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1 Dec. day of Dec., 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, Texas Pacific Oil Company, Inc.,  
seeks the rededication of certain acreage and the establishment  
of the following non-standard gas proration units in Township 22  
South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New  
Mexico:

(a) A 280-acre unit comprising the SW/4 of Section 9  
and the E/2 SE/4 and SW/4 SE/4 of Section 8 to be  
dedicated to the State "A" a/c-2 Well No. 38  
located in Unit K of said Section 9;

(b) A 160-acre unit comprising the E/2 SW/4, SW/4 SW/4  
and NW/4 SE/4 of Section 8 to be dedicated to the  
State "A" a/c-2 Well No. 56 located in Unit J of  
said Section 8;

(c) A 120-acre unit comprising the S/2 NW/4 and  
NW/4 SW/4 of Section 8 to be dedicated to the  
State "A" a/c-2 Well No. 51 located in Unit F  
of said Section 8;

*(a) That all provisions of prior orders issued by the Commission or Secretary-Recorder of the Commission that are inconsistent with the provisions of this order are hereby superseded.*

- (d) A 160-acre unit comprising the SW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 41 located in Unit M of said Section 5;
- (e) A 160-acre unit comprising the NW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 44 located in Unit F of said Section 5;
- (f) A 160-acre unit comprising the SE/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 27 located in Unit P of said Section 5.

(3) That each of the proposed non-standard gas proration units is productive of gas.

(4) That each of the proposed non-standard gas proration units can be efficiently and economically drained and developed by the well to which it is to be dedicated.

(5) That approval of the proposed non-standard gas proration units will afford the applicant the opportunity to produce its just and equitable share of the gas in the pool, and will otherwise prevent waste and protect correlative rights.

← ~~(6) That paragraphs (b), (c), (e), (g), and (h) of Order (1) of Order No. R-3264 should be superseded.~~

IT IS THEREFORE ORDERED:

(1) That the following-described non-standard gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, are hereby created:

- (a) A 280-acre unit comprising the SW/4 of Section 9 and the E/2 SE/4 and SW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 38 located in Unit K of said Section 9;
- (b) A 160-acre unit comprising the E/2 SW/4, SW/4 SW/4 and NW/4 SE/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 56 located in Unit J of said Section 8;
- (c) A 120-acre unit comprising the S/2 NW/4 and NW/4 SW/4 of Section 8 to be dedicated to the State "A" a/c-2 Well No. 51 located in Unit F of said Section 8;
- (d) A 160-acre unit comprising the SW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 41 located in Unit M of said Section 5;

*(3) That all provisions of prior orders of the Commission or Secretary - Director of the Commission that are inconsistent with the provisions of this order are hereby superseded.*

- (e) A 160-acre unit comprising the NW/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 44 located in Unit F of said Section 5; and
- (f) A 160-acre unit comprising the SE/4 of Section 5 to be dedicated to the State "A" a/c-2 Well No. 27 located in Unit P of said Section 5.

(2) That the acreage factor for allowable purposes assigned to each of the above-described non-standard gas proration units shall bear the same ratio to the acreage factor for a standard gas proration unit as the acreage in said unit bears to the acreage in a standard gas proration unit for the Jalmat Gas Pool.

*✓* ~~(3) That paragraphs (b), (c), (e), (g), and (k) of Order (1) of Order No. R-3264 are hereby superseded. —~~

(4) That the provisions of this order shall become effective

*January 1*, 19*70*.

(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 hereinabove designated.

CASE 4267: MOTION OF THE OCC FOR  
PLUGGING EDWARD M. KRISS LITTLE  
CHAMA VALLEY COMPANY WELL NO. 1.

Case ~~4267~~  
4267

Leanna