

Case Number

4315

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
March 4, 1970

EXAMINER HEARING

IN THE MATTER OF:

Application of Pan American
Petroleum Corporation for
pool consolidation, Lea County,
New Mexico.

Case No. 4315

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case Number 4315.

MR. HATCH: Case 4315: Application of Pan American Petroleum Corporation for pool consolidation, Lea County, New Mexico.

MR. BUELL: For Pan American Petroleum Corporation, Guy Buell. Our witness is Mr. Hosford, and Mr. Hosford has testified in the two previous cases.

PATRICK E. HOSFORD

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

DIRECT EXAMINATION

BY MR. BUELL:

Q Mr. Hosford, would you briefly summarize our recommendation that we are making to the Commission here today?

A Pan American is recommending the combining of the Fowler-Lower Paddock Pool into the Fowler-Blinebry Pool with the Fowler-Blinebry Pool rule to prevail.

Q All right, sir. In connection with your testimony in that regard, would you look first at what has been identified as Pan American's Exhibit Number One?

What is that exhibit?

A This is a map of the general Fowler area also showing a portion of the Justice-Blinebry Pool area. The outlines of the South Maddox unit are shown on this. Also with respect to the legend on the lower lefthand side it may be observed this is a multipay area. However, for the purpose of this hearing our primary concern would be only three of the color-coded wells, namely the Lower Paddock Gas, the Lower Paddock Oil Rim wells and the Blinebry. The Lower Paddock Gas is colored yellow. The Lower Paddock Oil Rim, red and the Blinebry in orange.

Q We show two different color-codes for the Lower Paddock gas and oil completions but the Commission looks upon it as one pool?

A Yes, sir.

Q All right, sir. And the rules for both are contained in one pool order?

A Yes, sir.

Q All right, sir. What are the pool rules for the Lower Paddock completion?

A The pool rules for the Lower Paddock provide for 80-acre oil units, four thousand to one gas, oil ratio

limit and three hundred and twenty acre gas units with a gas limit four times the gas limit of an oil well.

Q You said gas limits, you mean gas allowable?

A Gas allowable; yes, sir.

Q All right, sir. Now, we are asking that these pools be consolidated and that the Blinebry rules apply. What are the pool rules for the Blinebry completion?

A The Blinebry pool rules provide for 80-acre oil unit with a six thousand to one gas, oil ratio limitation.

Q All right, sir. I notice some wells down to the south and you have got an arrow pointing north and saying these are Fowler-Blinebry pool wells and an arrow pointing south and saying they are Justice-Blinebry wells. Is my observation correct?

A Yes, sir. There is a fence line separation between the two Blinebry pools in here; the Justice-Blinebry pool having rules providing for 40-acre development for oil wells with a six thousand to one ratio limit.

Q What about the vertical limits as defined by the Commission for Justice-Blinebry?

A There is a difference that could be illustrated best by cross section A, A Prime.

Q Are you ready to go to that now?

A Yes, sir; I am.

Q That has been identified as our Exhibit Number Two.

MR. BUELL: Would you like me to place that on the wall, Mr. Examiner?

MR. NUTTER: It might be better for everybody to see it.

Q (By Mr. Buell) Briefly, for the record, summarize what is shown by Exhibit Number Two.

A Exhibit Number Two is a north-south cross section through six wells, four being in the Fowler pool area and the two wells on the extreme righthand side being in the Justice pool area.

Q Is there a trace of this section, a surface trace on Exhibit Number One?

A Yes, sir. This is a trace A, A Prime on Exhibit Number One.

Q All right, sir. I notice that you have several lines that cover the entirety of the exhibit from left to right. Why don't we start with the uppermost

line and identify those as we come down?

A The uppermost line is the trace of the top of the Fowler-Lower Paddock Pool limits. This is the vertical limit in the Fowler-Lower Paddock.

The next line just below that is the top of the Justice-Blinebry Pool limit as defined by the NOCC.

And the bottommost line is the top of the Fowler-Blinebry pool limit.

Q All right, sir. From the standpoint of the producing intervals in the Fowler area does the Justice-Blinebry vertical delineation cover both the producing intervals in the Lower Paddock and the Blinebry?

A It covers all of the Fowler-Blinebry and a portion of the Fowler-Lower Paddock interval; yes, sir.

Q I notice on Exhibit One that there are only one or two Lower Paddock gas wells.

A Yes, sir. On Exhibit Number One there are two wells color coded as Lower Paddock gas wells, namely the South Maddox Unit Number 16 in Section 15, and also the Gulf Plains Night Number Three in Section 23.

However, it is our understanding that the Gulf has requested and the Commission has redesignated the Plains Night Number Three as Upper Paddock gas well

now rather than a Lower Paddock gas well.

Q All right, sir. Looking -- glancing back now to Exhibit Number One in the area of the separation between Justice and Fowler; do we have many Lower Paddock completions near this fence line separation?

A No, sir. We only have, other than the Lower Paddock gas well mentioned in the South Maddox Unit Number 16, only two other Lower Paddock completions. These are oil completions being the South Maddox Unit Number 9 in Section 15 and the South Maddox Unit Number 18 and Well Number 19 in Section 22. All three of these are dual completions.

Q Looking at Exhibit Two, the cross section and the logs from two wells in the Justice; they are perforated in what is called Lower Paddock in Fowler; is that not correct?

A That is correct, sir.

Q Why haven't we opened more wells to the Lower Paddock and the southern extremity of the South Maddox Unit and the lease wells that offset it and compensate for this?

A We would -- we feel like this interval, the Lower Paddock interval as defined in Fowler is productive

in this section. However, due to the casing size restrictions -- we have four and a half inch casing in Number 12, South Maddox Unit Number 12 and five and a half inch in South Maddox Unit Number 13. These casing size restrictions seriously prevent or prohibit dual completing these wells.

Q If the Commission should approve our application here today could we then, and Gulf, who operates the lease outside the South Maddox Unit -- could we then all open the Lower Paddock interval in our wells north of the line?

A Yes, sir; we could.

Q Do you think that would protect correlative rights of the interest owners north of the line?

A Yes, sir; it would.

Q All right, sir. To my layman's eye in looking at your exhibit there would appear to be evidence of vertical physical separation, at least in some of the logs on your cross section between the Lower Paddock and the Blinebry in the Fowler area.

A This would be indicated based on the logs; however, the Blinebry itself by its very nature is a very broken formation that covers an extensive vertical

interval. It does have shale beds embedded with dolomite beds. So it's difficult to say that there is strong firm natural- -

Q And we know that- -

A You didn't let me finish.

- -separation between the zones.

Q And we know there is madmade communication at least to the south in the Justice Pool?

A Yes, sir.

Q Do you feel that should the Commission approve this application that it will serve conservation by preventing waste and protect the correlative rights of all of the owners of interest?

A Yes, sir. I feel that through opening up the interval that's designated Lower Paddock in the existing single completions in the Fowler Pool area and also through removal of the dual packers in the three wells that are now dually completed in the Lower Paddock and in the Blinebry that additional reserves will be recovered and that there will be a reduction in operating expense.

Q Do you see how there could be any adverse reaction if the wells in Fowler were produced like the

wells in Justice are being produced? By that I mean, that the fluids would be incompatible or something?

A No, sir; I can't see any problem whatsoever.

Q Would it be a tremendous economic benefit to the operators in the Fowler area for the Commission to approve this application?

A Yes, sir; it would.

Q Do you have anything else you would care to add, Mr. Hosford?

A No, sir.

MR. BUELL: May it please the Examiner, that is all we have by way of direct. I would like to formally offer our Exhibits One and Two.

MR. NUTTER: Pan Am's Exhibits One and Two will be admitted in evidence.

(Whereupon, Pan American's Exhibits Numbers One and Two were admitted in evidence.)

MR. NUTTER: Are there any questions of the witness?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Hosford, you have got three wells there that are presently completed between the Brinebry and the

Lower Paddock in the Fowler area; correct?

A Yes, sir.

Q Are all three wells effectively separated, that is, there is a packer installed and the packer is functioning and there is no evidence of any leakage or anything?

A Yes, sir. To my knowledge it is effective separation.

Q Now, what is the producing capacity of those three wells from each of the two zones, please, sir?

A The South Maddox Unit Well Number 9 is producing seventeen barrels of oil per day. This is Lower Paddock first -- seventeen barrels of oil per day with an 1824 GOR.

And in the Blinebry, that well is producing seven barrels of oil per day with a 3667 GOR.

Q Three thousand what?

A Six sixty-seven.

Q Okay.

A Well Number 18 in the Paddock is producing seven barrels of oil per day with a 21750 GOR. That same well in the Blinebry is producing six barrels of oil per day with a 4429 GOR.

And the last well Number 19, South Maddox Unit Number 19, is producing nineteen barrels of oil per day.

Q From the Blinebry?

A In the Lower Paddock. Nineteen barrels of oil per day with a 3286 GOR; and in the Blinebry it is producing six barrels of oil per day with a 3875 GOR.

Q Well, now, are all of -- all three of those wells in the Lower Paddock classified as oil wells?

A Yes, sir. These three wells are oil wells.

Q Well, now, the productivity of the wells indicate they would be eligible for downhole commingling under the Commission's downhole commingling rules; is that correct?

A Yes, sir. This was considered prior to making this application for what we are looking at here. And we felt like that we would make this approach first to -- because of the other considerations; not just a- -

Q Well, I can see one thing you have got in mind here. Number 13 and 12, you might come up with- -

A Yes, sir.

Q --capabilities in those wells in excess of the

marginal limitations.

A Yes. In fact, we believe- -

Q But these wells that you have got now at the present time would be eligible for downhole commingling; wouldn't they?

A Based on the productivities that I have just given you, I would say that they would be eligible; yes, sir. The pressure differences should be minimal between the two.

One possibility is that through removal of packers in these wells there is a likelihood that the Blinebry oil production would be increased slightly. Also there may be some possibility of additional perforating.

Q Well, the highest Blinebry production you have got there is from the Number Nine and that's only seven barrels per day.

A Seven barrels per day.

Q How about water production in the wells?

A Mr. Examiner, I am not up on the water production. I don't know for sure how much they are making.

Q I see. Has the vertical limits here always been such that we have had a Lower Paddock and a Fowler-

Blinebry separation there, such as we have at the present time; or at one time were they ever combined in the same manner as the Justice-Blinebry?

MR. BUELL: May it please the Examiner, I meant to review that. I anticipated this question but I haven't had the time -- if you would trust my memory -- my memory is that the Lower Paddock has always been set up as a separate pool.

Now, if I am not mistaken, I believe you were the Examiner at the hearing where it was set up.

MR. NUTTER: It seems like we did have a hearing on it.

MR. BUELL: Yes, sir.

MR. NUTTER: I know most of the hearings we have had in here have been on these Ellenburger locations.

MR. BUELL: Yes, sir; going from 80's to 40's.

MR. RAMEY: We did split the Paddock into Upper and Lower.

MR. NUTTER: Yes, the Paddock was split by hearing, correct.

MR. BUELL: But essentially the Paddock and

Blinebry have been separated.

Mr. Examiner, my memory has further been refreshed. You were conducting a hearing up here and Mr. Utz conducted a hearing on the Lower Paddock downstairs.

MR. NUTTER: The Upper hearing was down below.

Are there further questions of Mr. Hosford?

MR. RAMEY: Do you have any idea of how the top of the Justice-Blinebry and the top of the Fowler-Blinebry got so different?

THE WITNESS: No, sir. I don't have any idea. In fact, the vertical limits of the Justice-Blinebry were not defined that I could see.

The only definition that we saw were the vertical limits of the Fowler-Lower Paddock and it went from a point in a particular well in the South Maddox Unit Number 16 down to the top of the Blinebry. And those are the definitions of that.

MR. NUTTER: Are there any other questions of the witness? He may be excused.

Does anyone have anything they wish to offer

In Case Number 4315?

Do you have anything further, Mr. Buell?

MR. BUELL: No, sir, Mr. Examiner.

MR. NUTTER: We will take the case under advisement and the Hearing is recessed.

(WHEREUPON, at 4:15 P.M. the Hearing was recessed.)

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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.

CA Fenley

CA FENLEY - COURT REPORTER

I do hereby certify that the foregoing
 is a complete record of the proceedings
 the Executive Hearing of Case No. 4315
 heard by me on 3/4/70
[Signature]
 New Mexico Oil Conservation Commission

dearnley-meier

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

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 25, 1970

EXAMINER HEARING

IN THE MATTER OF:)

Application of Pan American Petroleum)
Corporation for pool consolidation, Lea)
County, New Mexico.)

Case No. 4315

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Case 4315.

MR. HATCH: Case 4315. Application of Pan American Petroleum Corporation for pool consolidation, Lea County, New Mexico.

The Applicant has requested that this case be continued to March 4th, 1970.

MR. UTZ: Case 4315 will be continued to March 4th hearing.

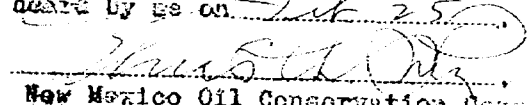
STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

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.


Notary Public

My Commission Expires:

March 12, 1973

I do hereby certify that the foregoing is a complete record of the proceedings in the Bernalillo hearing of Case No. 4315 heard by me on Feb 25, 1970.

Chairman
New Mexico Oil Conservation Commission

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. 4315
Order No. R-3987
NOMENCLATURE

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR POOL CONSOLIDATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 4, 1970,
at Santa Fe, New Mexico, before Examiner Daniel S. Hutter.

NOW, on this 7th day of July, 1970, 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, Pan American Petroleum Corporation,
seeks consolidation of the Fowler-Lower Paddock Pool and the
Fowler-Blinebry Pool, Lea County, New Mexico, into a single pool
to be spaced, drilled, operated, and produced in accordance with
the existing rules for the Fowler-Blinebry Pool.

(3) That the reservoir information presently available
establishes that the Fowler-Lower Paddock and the Fowler-Blinebry
Pools constitute a common source of supply.

(4) That in order to prevent waste and protect correlative
rights, the Fowler-Lower Paddock Pool and the Fowler-Blinebry Pool
should be abolished, and a new pool designated the Fowler-Upper
Yaso Pool should be created.

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CASE No. 4315

Order No. R-3987

(5) That said newly created Fowler-Upper Yeso Pool should be governed by all previous rules, regulations, and orders of the Commission applicable to the aforesaid Fowler-Blinebry Pool, particularly the temporary special rules for said pool promulgated by Order No. R-2424, and made permanent by Order No. R-2424-A.

IT IS THEREFORE ORDERED:

(1) That the Fowler-Lower Paddock Pool, as heretofore classified, defined, and described, is hereby abolished.

(2) That the Fowler-Blinebry Pool, as heretofore classified, defined, and described, is hereby abolished.

(3) That a new pool in Lea County, New Mexico, defined as an oil pool for Upper Yeso production, is hereby created and designated the Fowler-Upper Yeso Pool. Vertical limits for said pool shall be from the base of the Fowler-Upper Paddock Gas Pool as found at 5088 feet in the Pan American South Mattix Unit Well No. 16, located in Unit 0 of Section 15, Township 24 South, Range 37 East, NMPM, to the top of the Fowler-Tubb Gas Pool. Horizontal limits for said pool shall be as follows:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 9: SE/4

Section 10: SW/4

Sections 15 and 16: All

Section 21: N/2

Section 22: All

Section 23: W/2 and SE/4

(4) That the Fowler-Upper Yeso Pool as herein created and defined and as may be hereafter extended shall be governed by all previous rules, regulations, and orders of the Commission applicable to the Fowler-Blinebry Pool, particularly the temporary special rules for said pool promulgated by Order No. R-2424, and made permanent by Order No. R-2424-A.

(5) That this order shall become effective July 15, 1970.

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

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CASE No. 4315

Order No. R-3987

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


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



esr/

CASE 4317: (Continued from the February 25, 1970, Examiner Hearing)
Application of Union Oil Company of California for the creation of a new gas pool and special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new San Andres gas pool for its Federal "18" Well No. 2 located 660 feet from the South and East lines of Section 18, Township 8 South, Range 38 East, Roosevelt County, New Mexico, and for the promulgation of special rules therefor, including provisions for 160-acre spacing units and a casing program.

CASE 4319: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the North Vacuum-Abo Pool and the Vacuum-Welfcamp Pool in the wellbores of its New Mexico "Q" State Well No. 4 and its New Mexico "N" State Well No. 6, triple completions located respectively in Unit P of Section 25, Township 17 South, Range 34 East and Unit L of Section 30, Township 17 South, Range 35 East, Lea County, New Mexico.

CASE 4315: (Continued from February 25, 1970, Examiner Hearing)
Application of Pan American Petroleum Corporation for pool consolidation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the consolidation of the Fowler-Lower Paddock and Fowler-Blinebry Pools, Lea County, New Mexico, into one pool. Applicant further requests that the consolidated pool be governed by rules presently applicable to the Fowler-Blinebry Pool.

CASE 4316: (Continued from February 25, 1970, Examiner Hearing)
Application of Pan American Petroleum Corporation for an un-orthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C 11 to permit the drilling of a well at an un-orthodox gas well location 330 feet from the North and East lines of Section 11, Township 23 South, Range 26 East, South Carlsbad-Strawn, -Atoka, and -Morrow Gas Pools, Eddy County, New Mexico. The N/2 of said Section 11 to be dedicated to the well.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 4, 1970

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 4318: Application of Pan American Petroleum Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the consolidation of two existing non-standard gas proration units into one 320-acre non-standard unit comprising the N/2 of Section 7, Township 24 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to its Meyers "B" Federal R/A Wells Nos. 1 and 10, located in Units D and G, respectively, of said Section 7. Applicant further seeks authority to produce the allowable assigned to said unit from either of said wells in any proportion.

CASE 4065: (Reopened):

In the matter of Case No. 4065 being reopened pursuant to the provisions of Order No. R-3706, which order established 80-acre spacing units for the South Eunice-San Andres 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 40-acre units.

CASE 4314: (Continued and readvertised from February 25, 1970, Examiner Hearing).
Application of Coastal States Gas Producing Company for pool redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the redelineation of certain pool boundaries to include the deletion of the W/2 and SE/4 of Section 21, Township 13 South, Range 33 East, Lea County, New Mexico, from the Lazy J-Pennsylvanian Pool and the extension of the North Baum Upper Pennsylvanian Pool to include said deleted acreage.

CASE 4069: In the matter of Case No. 4069 being reopened pursuant to the provisions of Order No. R-3701, which order established 80-acre spacing units for the Lovington-Devonian Pool, Lea County, New Mexico, for a one-year period. All interested parties may appear and show cause why said pool should not be developed on 40-acre units.
(Reopened)

CLERK OF COURSE
70 MAR 3 PM 1

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF PAN AMERICAN PETROLEUM COR-)
PORATION FOR POOL CONSOLIDATION,)
LEA COUNTY, NEW MEXICO, FOWLER-)
LOWER PADDOCK AND FOWLER-BLINE-)
BRY POOLS.)

Case No. 4315

ENTRY OF APPEARANCE

The undersigned Atwood, Malone, Mann & Cooter of Ros-
well, New Mexico, hereby enter their appearance herein for Pan
American Petroleum Corporation with Guy Buell, Esquire, of Fort
Worth, Texas.

ATWOOD, MALONE, MANN & COOTER

By Charles Malone
Attorneys for Pan American
Petroleum Corporation
Post Office Drawer 700
Roswell, New Mexico 88201

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 25, 1970

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

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

- CASE 4296: (Continued from the January 21, 1970 Examiner Hearing)
Application of S. P. Yates for a pressure maintenance project expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand the S. P. Yates West McMillan Anderson Pressure Maintenance Project, authorized by Order No. R-3852, by the injection of water into the Queen formation through one additional well, the Anderson Well No. 3 located 2310 feet from the East line and 990 feet from the South line of Section 11, Township 20 South, Range 26 East, West McMillan-Seven Rivers-Queen Pool, Eddy County, New Mexico.
- CASE 4308: Application of Bill J. Graham for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from 4913 feet to 4961 feet in his U. S. Smelting Federal Well No. 5 located in Unit P of Section 22, Township 24 South, Range 32 East, Double X-Delaware Pool, Lea County, New Mexico.
- CASE 4309: Application of Mobil Oil Corporation for an amendment of Order No. R-3824, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3824 to permit the drilling of its Humphrey Queen Unit Well No. 13, a water injection well in its Langlie Mattix Humphrey Waterflood Project, at a non-standard location 1500 feet from the South line and 1220 feet from the East line of Section 4, Township 25 South, Range 37 East, Lea County, New Mexico, in lieu of the location authorized in said Order No. R-3824.
- CASE 4310: Application of Klabzuba, Munson and Seaman for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a wildcat oil well to the Devonian formation at an unorthodox location 700 feet from the East line and 2500 feet from the South line of Section 13, Township 10 South, Range 27 East, Chaves County, New Mexico.

CASE 4311: Application of C. E. Long for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests from the surface down to the base of the Seven Rivers formation underlying the S/2 of the NE/4 of Section 31, Township 21 South, Range 36 East, Lea County, New Mexico, to form two 40-acre proration units for Jalmat, Eumont, or South Eunice Oil production to be dedicated to a well to be re-entered in Unit H and a well to be re-entered or to be drilled at a standard location in Unit G of said Section 31 and/or to form an 80-acre non-standard gas proration unit in the event gas production is encountered in the Jalmat or Eumont Gas Pools. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4312: Application of U. S. Potash & Chemical Company, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-111-A to include the following-described lands in the Potash-Oil Area defined by said order:

EDDY COUNTY, NEW MEXICO

Township 23 South, Range 31 East,
Sections 19, 20, 27, 28, 29 and 30: All

CASE 4313: Application of Atlantic Richfield Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of 160-acre non-standard gas proration unit comprising the N/2 S/2 of Section 36, Township 21 South, Range 37 East, Blinbry Gas Pool, Lea County, New Mexico, to be dedicated to its State 367 Wells Nos. 2 and 3 located, respectively, in Units L and K of said Section 36. Applicant further seeks authority to produce the allowable assigned to said unit from either of the aforesaid wells in any proportion.

CASE 4314: Application of Coastal States Gas Producing Company for pool redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the redelineation of certain pool boundaries to include the deletion of the W/2 and SE/4 of Section 21, Township 13 South, Range 33 East, Lea County, New Mexico, from the Lazy J-Pennsylvanian Pool and the extension of the North Baum Upper Pennsylvanian Pool to include said deleted acreage.

CASE 4315:

Application of Pan American Petroleum Corporation for pool consolidation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the consolidation of the Fowler-Lower Paddock and Fowler-Blinebry Pools, Lea County, New Mexico, into one pool. Applicant further requests that the consolidated pool be governed by rules presently applicable to the Fowler-Blinebry Pool.

CASE 4316:

Application of Pan American Petroleum Corporation for an un-orthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C 11 to permit the drilling of a well at an un-orthodox gas well location 330 feet from the North and East lines of Section 11, Township 23 South, Range 26 East, South Carlsbad-Strawn, Atoka, and-Morrow Gas Pools, Eddy County, New Mexico. The N/2 of said Section 11 to be dedicated to the well.

CASE 4317:

Application of Union Oil Company of California for the creation of a new gas pool and special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new San Andres gas pool for its Federal "18" Well No. 2 located 660 feet from the South and East lines of Section 18, Township 8 South, Range 38 East, Roosevelt County, New Mexico, and for the promulgation of special rules therefor, including provisions for 160-acre spacing units and a casing program.

COUNTY

POOL

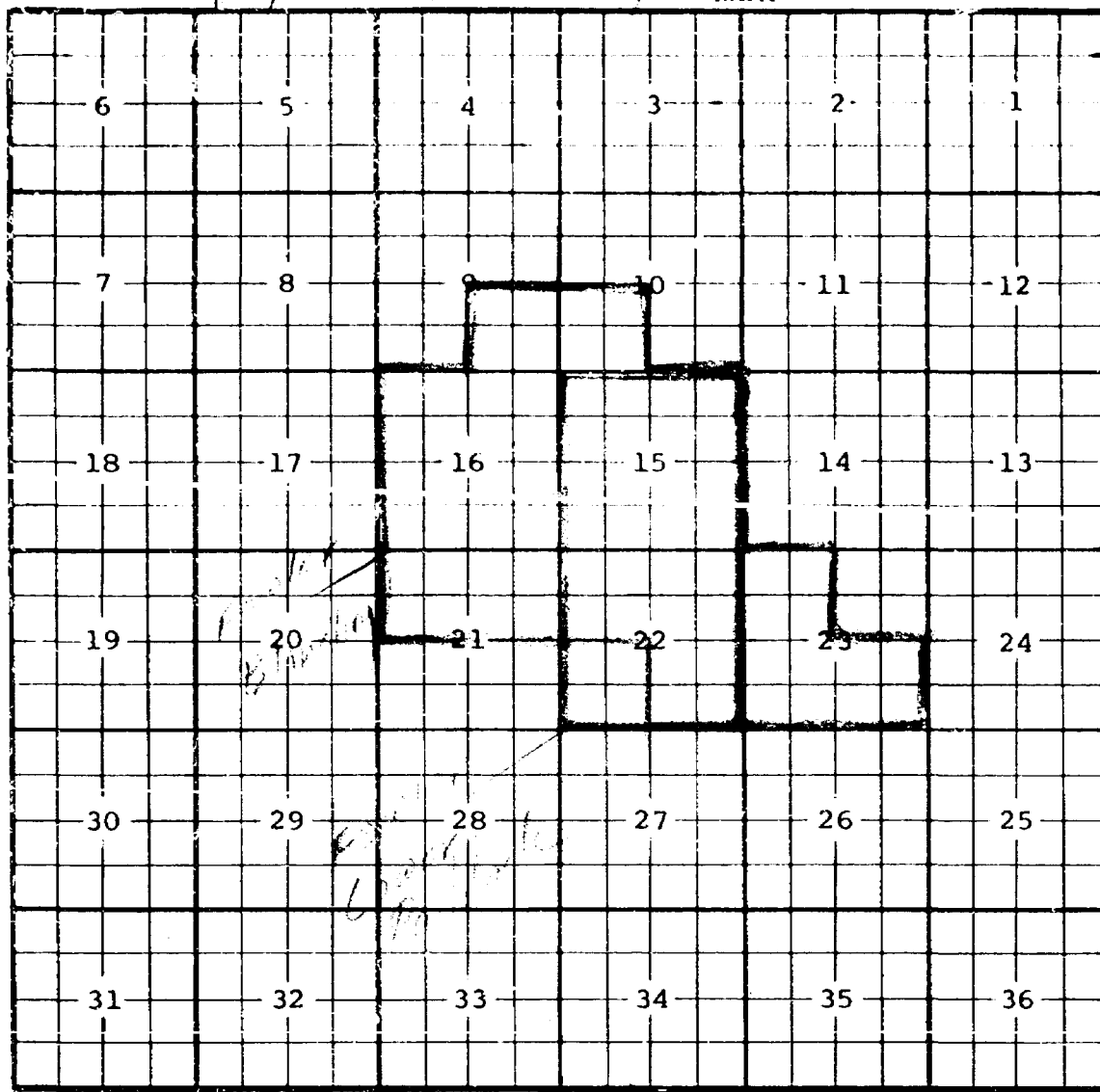
TOWNSHIP

24

RANGE

7

NMFM



Below the grid, there are several horizontal lines for additional information or notes.

PAN AMERICAN PETROLEUM CORPORATION

JAN 16 1970

OIL AND GAS BUILDING

P. O. BOX 1410

FORT WORTH, TEXAS—76101

January 13, 1970

File: PEH-22-986.510.1

Subject: Pool Combination
Fowler Blinebry and
Lower Paddock Pools
Lea County, New Mexico

D. L. RAY
DIVISION ENGINEER

New Mexico Oil Conservation Commission (3)
Post Office Box 871
Santa Fe, New Mexico 87501

Gentlemen:

Pan American Petroleum Corporation respectfully requests that our request for combination of the Fowler Blinebry and Lower Paddock Pools be docketed for the second Examiner Hearing in February. At this hearing we will request that, if our request is approved, the combined pool be operated under Fowler Blinebry Pool rules.

Yours very truly,

D. L. Ray

WCW:jn

DOCKET MAILED

Date 2-13-70
2-19-70

DRAFT

DSN/esr

July 2, 1970

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

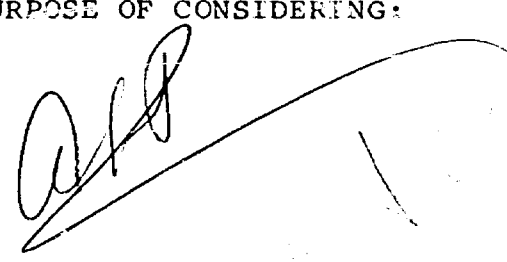
IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

RECORDS CENTER

CASE No. 4315

Order No. R- 3987

NOMENCLATURE


APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR POOL CONSOLIDATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 4, 1970,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of July, 1970, 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, Pan American Petroleum Corporation,
seeks consolidation of the Fowler-Lower Paddock Pool and the
Fowler-Blinebry Pool, Lea County, New Mexico, into a single pool
to be spaced, drilled, operated, and produced in accordance with
the existing rules for the Fowler-Blinebry Pool.

(3) That the reservoir information presently available
establishes that the Fowler-Lower Paddock and the Fowler-Blinebry
Pools constitute a common source of supply.

(4) That in order to prevent waste and protect correlative
rights, the Fowler-Lower Paddock Pool and the Fowler-Blinebry Pool

should be abolished, and a new pool designated the Fowler-Upper Yeso Pool should be created.

(5) That said newly created Fowler-Upper Yeso Pool should be governed by all previous rules, regulations, and orders of the Commission applicable to the aforesaid Fowler-Blinebry Pool, particularly the temporary special rules for said pool promulgated by Order No. R-2424, and made permanent by Order No. R-2424-A.

IT IS THEREFORE ORDERED:

(1) That the Fowler-Lower Paddock Pool, as heretofore classified, defined, and described, is hereby abolished.

(2) That the Fowler-Blinebry Pool, as heretofore classified, defined, and described, is hereby abolished.

(3) That a new pool in Lea County, New Mexico, defined as an oil pool for Upper Yeso production is hereby created and designated the Fowler-Upper Yeso Pool. Vertical limits for said pool shall be from the base of the Fowler-Upper Paddock Gas Pool as found at 5088 feet in the Pan American South Mattix Unit Well No. 16, located in Unit O of Section 15, Township 24 South, Range 37 East, NMPM, to the top of the Fowler-Tubb Gas Pool. Horizontal limits for said pool shall be as follows:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 9: SE/4
Section 10: SW/4
Sections 15 and 16: All
Section 21: N/2
Section 22: All
Section 23: W/2 and SE/4

(4) That the Fowler-Upper Yeso Pool as herein created and defined and as may be hereafter extended shall be governed by all previous rules, regulations, and orders of the Commission

applicable to the Fowler-Blinebry Pool, particularly the temporary special rules for said pool promulgated by Order No. R-2424, and made permanent by Order No. R-2424-A.

(5) That this order shall become effective July 15, 1970, R-2424-A.

(6) 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.