

CASE 4339: SOUTHEASTERN NEW MEXICO
NOMENCLATURE

Case Number

4339

Application
Transcripts.

Small Exhibits

ETC.

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-1691 • ALBUQUERQUE, NEW MEXICO

REGULAR HEARING

IN THE MATTER OF:

Southeastern nomenclature case calling for an order for the creation of certain new pools and the assignment of oil discovery allowables and the contraction and extension of certain other pools, Lea, Chaves and Eddy Counties, New Mexico.

) Case No. 4339

BEFORE: A. L. Porter, Secretary-Treasurer
David F. Cargo, Governor
George Hatch, General Counsel

Daniel S. Miller, Examiner

TRANSCRIPT OF HEARING

MR. MURPHY: Call Case 4339.

MR. HATCH: Case 4339. Southeastern nonconformity case calling for an order for the creation of certain new pools and the assignment of oil discovery allowables and the contraction and extension of certain other pools in Lea, Chaves and Eddy Counties, New Mexico.

(Witness sworn).

(Whereupon, Applicant's Exhibit 1 was marked for identification.)

JOHN W. RAINY

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

DIRECT EXAMINATION

BY MR. HATCH:

Q Would you give your name and position for the record?

A John W. Rainy, geologist, New Mexico Oil Conservation Commission.

Q Are you prepared to make recommendations to the Commission concerning the creation, contraction and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico, on the assignment of oil discovery allowables to certain wells in those counties?

A Yes, sir.

Q Are your recommendations prepared in the form of an exhibit?

A They are.

Q Would you identify the exhibit, please?

A The exhibits --

Q Is that the OCC Exhibit Number 1, paragraphs A through N?

A Right.

Q Would you refer to Exhibit 1 and to paragraphs A and B of the exhibit and make your recommendations concerning the creation of those two new pools and the assignment of the discovery allowables to the two discovery wells?

A Create a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Tower-San Andres Pool comprising the following: Township 11 South, Range 31 East, Section 3, Southeast quarter.

Further, for the assignment of approximately 20,740 barrels of oil discovery allowable to the discovery well Phillips Petroleum Company's "Harley "A" Well No. 1, located in Unit B of said Section 3.

Q All right. And that is your recommendation?

A Yes, sir.

Q Go ahead with paragraph N, please.

A I would also like to add, though, in the top of the perforations is 4,140. Paragraph N, create a new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production and designate it as the Tres Paredes-Pennsylvanian Pool, comprising the following: Township 14 South, Range 34 East, Section 33, Northeast quarter.

Further, for the assignment of approximately 52,340 barrels of discovery oil allowable to the discovery well Lone Star Producing Company's New Mexico 80 State Well Number 1 located in Unit B of said Section 33; top of the perforations, 10,468 feet.

Q Now, would you go ahead through paragraphs C through N and point out any corrections that need to be made in the packet that has been distributed?

A In paragraph E, the extension of the Buffalo Valley-Pennsylvanian Pool, there is an additional extension in the Township 15 South, Range 27 East, Section 1, the east half; Section 12, the west half. And in paragraph N, to extend the Vada-Pennsylvanian Pool, we have an addition of Township 8 South, Range 36 East.

Q Excuse me. Was that 36 East?

A Thirty-six East; yes. Section 26, Northwest

quarter; Section 21, Northeast quarter, and that is all of the additions or corrections.

Q All right. Do you recommend to the Commission, then, that the pools be created, contracted and extended as shown on Exhibit 1, paragraphs C through N and on the docket as you have now corrected in this hearing?

A Yes, sir.

Q Was Exhibit 1 prepared by you or someone under your supervision?

A Under my supervision.

MR. HATCH: Introduce the Exhibit 1.

MR. MUTTER: Applicant's Exhibit 1 will be admitted into evidence in this case. Do you have anything further, Mr. Hatch?

MR. HATCH: No, sir.

MR. MUTTER: Does anybody have anything they wish to offer in Case 4339? Take the case under advisement and call Case No. 4084.

INDEXWITNESSESPAGE

JOHN W. RAINBY

Direct Examination by Mr. Hatch

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EXHIBITS

Applicant's 1

2

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

I, BRUNDA BUKS, 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.

Brunda Buks
Court Reporter

I do hereby certify that the foregoing is
a complete record of the proceedings of
the Foreman hearing of the New Mexico
heard by me on
.....

_____, Secretary
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. 4339
Order No. R-3948

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CONTRACTING, AND EXTENDING
CERTAIN POOLS IN CHAVES, EDDY, LEA, AND
ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 15, 1970, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 22nd day of April, 1970, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Tower-San Andres Pool. Further, that the discovery well for said pool, the Phillips Petroleum Company Marley "A" Well No. 1, located in Unit P of Section 3, Township 11 South, Range 31 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 20,740 barrels to be assigned over a two-year period. Said discovery well was completed in the San Andres formation on February 9, 1970. The top of the perforations is at 4148 feet.

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Saunders Lime formation, said pool to bear the designation of Tres Papalotes-Pennsylvanian Pool. Further, that the discovery well for said pool, the Lone Star Producing Company New Mexico (80) State Well No. 1, located in Unit B of Section 33, Township 14 South, Range 34 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 52,340 barrels to be assigned over a two-year period. Said discovery well was completed in the Saunders Lime formation on February 1, 1970. The top of the perforations is at 10,468 feet.

(4) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Cherry Canyon formation, said pool to bear the designation of Sand Dunes-Cherry Canyon Pool. Said Sand Dunes-Cherry Canyon Pool was discovered by the Texas American Oil Corporation Todd "26" Federal Well No. 2, located in Unit G of Section 26, Township 23 South, Range 31 East, NMPM. It was completed in the Cherry Canyon formation on February 24, 1970. The top of the perforations is at 6012 feet.

(5) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Devonian formation, said pool to bear the designation of Warren-Devonian Pool. Said Warren-Devonian Pool was discovered by the Continental Oil Company Semu Burger B Well No. 58, located in Unit C of Section 29, Township 20 South, Range 38 East, NMPM. It was completed in the Devonian formation on February 9, 1970. The top of the perforations is at 7783 feet.

(6) That there is need for the contraction of the Bough Permo-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage in order that said acreage may be placed in the Vada-Pennsylvanian Pool.

(7) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool and the Round Tank-Queen Pool, both in Chaves County, New Mexico, the Eagle Creek-San Andres Pool and the Shugart Pool, both in Eddy County, New Mexico, the East Caprock-Devonian Pool, the South Eunice-San Andres Pool, the Maljamar Grayburg-San Andres Pool, and the Quail Ridge-Morrow Gas Pool, all in Lea County, New Mexico, and the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico.

CASE No. 4339
Order No. R-3948

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Tower-San Andres Pool, consisting of the following-described area:

TOWNSHIP 11 SOUTH, RANGE 31 EAST, NMPM
Section 3: SE/4

That the discovery well for said pool, Phillips Petroleum Company's Marley "A" Well No. 1, located in Unit P of Section 3, Township 11 South, Range 31 East, NMPM, is hereby authorized an oil discovery allowable of 20,740 barrels to be assigned to said well at the rate of 29 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for Saunders Lime production, is hereby created and designated as the Tres Papalotes-Pennsylvanian Pool, consisting of the following-described area:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 33: NE/4

That the discovery well for said pool, Lone Star Producing Company's New Mexico (80) State Well No. 1, located in Unit B of Section 33, Township 14 South, Range 34 East, NMPM, is hereby authorized an oil discovery allowable of 52,340 barrels to be assigned to said well at the rate of 72 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

(c) That a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production, is hereby created and designated as the Sand Dunes-Cherry Canyon Pool, consisting of the following-described area:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 26: SW/4 NE/4

(d) That a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production, is hereby created and designated as the Warren-Devonian Pool, consisting of the following-described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 29: NW/4

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CASE No. 4339

Order No. R-3948

(e) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM

Section 26: S/2

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM

Section 1: E/2

Section 12: W/2

(f) That the East Caprock-Devonian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM

Section 23: NE/4

(g) That the Eagle Creek-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

Section 23: NW/4 NW/4

(h) That the South Eunice-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 11: NE/4

(i) That the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 9: NE/4

Section 10: NW/4

(j) That the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM

Section 20: All

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CASE No. 4339

Order No. R-3948

(k) That the Round Tank-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 30: W/2 NW/4 and NW/4 SW/4

(l) That the Shugart Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 25: W/2 NW/4

(m) That the Bough Permo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 14: S/2

(n) That the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 26: NW/4
Section 27: NE/4

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 13: S/2

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
Section 18: S/2

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 10: SE/4
Section 14: S/2
Section 15: NE/4
Section 23: NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue

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CASE No. 4339

Order No. 3948

of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be May 1, 1970.

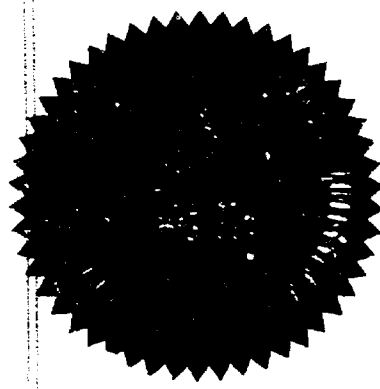
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMISO, Member


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



esr/



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79760
PHILLIPS BUILDING, FOURTH & WASHINGTON

EXPLORATION & PRODUCTION DEPARTMENT

March 3, 1970

7-5: Marley-A Well No. 1
(Unit P, Sec. 3, 11-S, 31-E)
Wilcat, Chaves County,
New Mexico

File: W6-Ba-187-70

New Mexico Oil Conservation Commission (3)
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.
Secretary-Director

Gentlemen:

We respectfully request administrative action on the following proposals concerning our captioned well:

1. Application for Discovery Allowable and Creation of a New Pool -- Form C-109, 2-mile area production map, and electric logs are enclosed. There is no production of oil or gas within the statutory radius surrounding this well. Further, a copy of our notice of intent and request for waivers of objections is attached. This notice was sent to all offset operators.
2. Application to Dispose of Salt Water by Injection Into a Porous Formation Non-productive of Oil or Gas -- Form C-108, 2-mile area production map, electric logs, water analyses, and diagrammatic sketch of well equipment/completion are enclosed. Produced water from San Andres perforations 4148-65' will be re-injected into lower San Andres perforations 4344-4800'. A copy of our notice of intent and request for waivers of objections is attached. This notice was sent to all offset operators.
3. Application for Multiple Completion -- This is a conventional oil/salt water disposal completion using dual tubing strings and a reservoir production separation packer set in the casing. Attached are application Form C-107, diagrammatic sketch of equipment/completion, location plat, electric logs, and a copy of our notice of intent and request for waivers of objections as was directed to all offset operators.

The area plat, electric logs, list of offset operators and surface owner, and diagrammatic sketches referred to herein are common to all proposals.

Your consideration of these proposals will be appreciated.

Yours very truly,

PHILLIPS PETROLEUM COMPANY

F. F. Lovering

F. F. Lovering, Manager **DOCKET MARKER**
Southwestern Region

HM:rm
Attachment

cc: New Mexico Oil Conservation Comm. (2), Box 1980, Hobbs, New Mexico 88240
Offset operators and surface owner -- list attached

Phillips Petroleum Company
Marley-A Well No. 1
Chaves County, New Mexico

Surface Owner:

Mr. Robert C. Marley
900 W. Matthews
Roswell, New Mexico 88201

Offset Operators:

Amerada Hess Corporation
P. O. Box 2040
Tulsa, Oklahoma 74102

Pan American Petroleum Corporation
Oil and Gas Building
P. O. Box 1410
Fort Worth, Texas 76101

Hunt Oil Company
1401 Elm
Dallas, Texas 75202

Union Oil Company of California
300 Security National Building
Roswell, New Mexico 88201

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION FOR DISCOVERY ALLOWABLE AND CREATION OF A NEW POOL

Form C-109
 Adopted 9-1-66

NOTE: This form is to be filed and attachments made in accordance with the provisions of Rule 509.
 If discovery is claimed for more than one zone, separate forms must be filed for each.

Operator Phillips Petroleum Company		Address Rm. B-2, Phillips Bldg., Onessa, Texas 79760	
Lease Name Marley A		Well No. 1	County Chaves
Well Location Unit Letter P 660 Feet from The south Line and 660 Feet From the east Line of Section 3 Township 11-S Range 31-E NMPM			
Suggested Pool Names (List in order of preference) 1. Tower (San Andres)			
Name of Producing Formation Upper San Andres	Perforations 4148' to 4165'	Date of Filing Form C-104 2-11-70	
Was "Affidavit of Discovery" Previously Filed No	If Yes, Give Date of Filing --	Date Well was Spudded 12-15-70	Date Compl. Ready to Prod. 2-9-70
Total Depth 9200	Plugged Back Depth 4822	Depth Casing Shoe 4884	Tubing Depth 4124
Oil Well Potential (Test to be taken only after all load oil has been recovered) 154 Bbls, Oil Per Day Based On 64 Bbls In 10 Hours; 230 Bbls Water Per Day Based On 6 Bbls		Elevation (Gr., DF, RKB, RT, etc.) 4506' Ground	
In 10 Hours; Gas Production During Test: TSTM MCF; Gas-Oil Ratio: TSTM		Method Of Producing: Swabbing Chk. Size --	

NEAREST PRODUCTION TO THIS DISCOVERY (Includes past and present oil or gas producing areas and zones whether this discovery is based on horizontal or vertical separation):

Pool Name T.V. Penn-Gas	Name of Producing Formation Morrow Sand	Top of Pay 10867	Bottom of Pay 10963	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Pool 12,300 feet southwest		Vertical Distance from Subject Discovery Zone to Producing Interval this Pool 6719 feet		

NEAREST COMPARABLE PRODUCTION (Includes past and present oil or gas production from this pay or formation only):

Pool Name Mescalero (San Andres)	Top of Pay 4031	Bottom of Pay 4131	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Comparable Pool 9 miles east and 2 miles north			

Is "County Deep" Discovery Allowable Requested for Subject Discovery Well? No	If Yes, Give Name, Location, and Depth of Next Deepest Oil Production in this County --
---	---

Is the Subject Well Multiple Completion? *Yes	Is Discovery Allowable Requested for other Zone(s)? No	If Yes, Name all Such Formations * Upper San Andres 4148-65'--oil producing; Lower San Andres 4344-64' and 4780-4800'--non-productive--to be used for salt water disposal.
---	--	---

LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

NAME	ADDRESS
Amerada Hess Corporation	Box 2040, Tulsa, Oklahoma 74102
Pan American Petroleum Corporation	Oil and Gas Division Box 1410, Ft. Worth, Texas 76101
Hunt Oil Company	1401 Elm, Dallas, Texas 75202
Union Oil Company of California	300 Security National Bldg., Roswell, N. M. 88201
	<i>See 4339</i>

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Commission of such intent in writing within ten days after receiving a copy of this application.

Remarks:

CERTIFICATION

I hereby certify that all rules and regulations of the New Mexico Oil Conservation Commission have been complied with, with respect to the subject well, and that it is my opinion that a bona fide discovery of a hitherto unknown common source of oil supply has been made in said well. I further certify that the discovery allowable for the subject well, if authorized, will be produced from the subject zone in this well only. Further, that the information given herein and attached hereto is true and complete to the best of my knowledge and belief.

<i>[Signature]</i> Signature	W. J. Mueller Associate Reservoir Engr.	3-9-70 Date
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NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-124
(Rev. 9-53)COMPANY Phillips Petroleum Company BOTTOM HOLD PRESSURES Wildcat - San Andres POOLPOOL DATUM +367 NOMINAL SHUT-IN TIME — HRS: AVERAGE POOL TEMPERATURE 104

LEASE	WELL NO.	UNIT	S-T-R	DATE	TIME	D.F. ELEV.	GAUGE DEPTH	GRADIENT TBG.	B.H.P. @ GAUGE DEPTH	B.H.P. @ POOL DATUM	PREVIOUS TEST	
				PRESS. RUN	S.I. HRS./MINS.						• DATUM PRESS.	DATE
Marley-A	1	P	3-11-31	3-4-70	20 days	4504'	3310	—	1027	—	—	—
							4210	.491	1469			
							4310	.510	1520			
							4137	—	1432			

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LAND OFFICE	
OPERATOR	

Form C-105
Revised 1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease
State ☐ Fee ☒
5. State Oil & Gas Lease No.

10. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>						7. Unit Agreement Name	
b. TYPE OF COMPLETION NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>						8. Farm or Lease Name Dorsey GA	
2. Name of Operator Phillips Petroleum Company						9. Well No. 1	
3. Address of Operator Room 2-2, Phillips Bldg., Odessa, Texas 77700						10. Field and Pool, or Wildcat	
4. Location of Well UNIT LETTER <u>P</u> LOCATED <u>660</u> FEET FROM THE <u>South</u> LINE AND <u>000</u> FEET FROM						12. County Chavez	
THE <u>East</u> LINE OF SEC. <u>3</u> TWP. <u>11S</u> RGE. <u>31E</u> NMPM							
15. Date Spudded 12-15-69		16. Date T.D. Reached 1-23-70		17. Date Compl. (Ready to Prod.) 2-9-70		18. Elevations (DF, RKB, RT, GR, etc.) 4516 Gr.	
19. Elev. Casinghead		20. Total Depth 9200		21. Plug Back T.D. 4322		22. If Multiple Compl., How Many	
23. Intervals Drilled By Rotary Tools C-7200		24. Producing Interval(s), of this completion - Top, Bottom, Name 4140-4165 San Andres		25. Was Directional Survey Made No		27. Was Well Cored No	
26. Type Electric and Other Logs Run compensated density, lateral, microlaterolog Schlumberger, integrated log-sonic, G-5, sonic log							
28. CASING RECORD (Report all strings set in well)							
CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD		AMOUNT PULLED	
13-3/8"	47	327'	17-1/2"	775 cu ft. 1/2" 1/2" 1/2"		---	
8-5/8"	32.7, 24	4322'	11"	914 cu ft. 1/2" 1/2" 1/2"		---	
29. LINER RECORD							
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	30. TUBING RECORD		
---	---	---	---	---	SIZE 2-7/8"	DEPTH SET 4124'	PACKER SET 4113'
31. Perforation Record (Interval, size and number) 4140-4165, 17', 34 holes 2 - 1/2" holes/ft.				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
DEPTH INTERVAL				AMOUNT AND KIND MATERIAL USED			
4140-4165				3000 gals 15% acid			
				3000 gals 25% acid			
33. PRODUCTION							
Date First Production 2-9-70		Production Method (Flowing, gas lift, pumping - Size and type pump) Swabbing				Well Status (Prod. or Shut-in) Prod.	
Date of Test 2-9-70	Hours Tested 10	Choke Size ---	Prod'n. For Test Period	Oil - Bbl. 64	Gas - MCF 7574	Water - Bbl. 96	Gas - Oil Ratio ---
Flow Tubing Press. ---	Casing Pressure ---	Calculated 24-Hour Rate	Oil - Bbl. 154	Gas - MCF 7574	Water - Bbl. 230	Oil Gravity - API (Corr.) 13.3 API	
34. Disposition of Gas (Sold, used for fuel, vented, etc.) Vented						Test Witnessed By C.W. Rossman	
35. List of Attachments Logs forwarded direct by logging company.							
36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.							
SIGNED <i>W.J. Mueller</i>		W.J. Mueller		TITLE Associate Reservoir Engr.		DATE 2-10-70	

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

Northwestern New Mexico

T. Antelope 1745'	T. Canyon	T. Ojo Alamo	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates 2220'	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen 2431'	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres 2522'	T. Simpson	T. Gallup	T. Ignacio Qtzite
T. Glorieta 4236'	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Dinobry	T. Gr. Wash.	T. Morrison	T.
T. Tubb 6372'	T. Granite	T. Todilto	T.
T. Drinkard	T. Delaware Sand	T. Entrada	T.
T. Abo 7245'	T. Bone Springs	T. Wingate	T.
T. Wolfcamp 8217'	T.	T. Chinle	T.
T. Perm. 3 1103. 8703'	T.	T. Permian	T.
T. Cisco (Bough C) 9174'	T.	T. Penn. "A"	T.

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	1550	1550	Bedrocks.				
1550	3245	1795	Anhydrite & lime.				
3245	4245	1000	Lime & dolomite.				
4245	7335	3090	Lime.				
7335	7935	600	Lime & shale.				
7935	8575	640	Lime & dolomite.				
8575	8723	148	Lime & chert.				
8723	9280	477	Lime & shale.				

Phillips Petroleum Company
Marley-A Well No. 1
Unit P, Sec. 3, T-11-S, R-31-E,
Chaves County, New Mexico

Summary of Testing Activity - San Andres

Upper San Andres: Perfs 4148-65'.

Perforated 8-5/8" casing in San Andres w/2 shots per foot from 4148-65'. Set retrievable BP at 4180' and packer at 4113'. Swabbed perfs 4148-65' for 3 hours, swabbed dry. Howco treated w/1000 gals reg. 15% acid. Swabbed 4 hrs, 26 BLW, 20 BAW, 3 BO, and swabbed dry. SI 14 hrs, TP 50#. Swabbed 10 hrs, 15 BO, 4 BAW, 41 BSW. Last 3 hrs swab rate was 1 BO, 3 BSW, gas TSTM, per hour. SI 14 hrs, TP 50#, FL 2500' from surface. Swabbed 3 hrs, 4 BO, 12 BSW, swabbed dry. Howco treated w/3000 gals 28% acid. Swabbed and flowed 2 hrs, 26 BLW, 24 BAW. Swabbed 5 hrs, 26 BO, 48 BAW, 32 BSW, swabbing rate of 7 BO, 9 BSW for last 2 hrs. SI 14 hrs, TP 500#, FL 2500'. Swabbed, on potential test, 64 BO, 96 BSW, gas TSTM, Gvty 18.3, in 10 hrs. Production from perfs 4148-65'.

Lower San Andres: Perfs 4344-64'.

Perforated 8-5/8" casing in lower San Andres from 4344-64' with 2 shots per foot. Set retrievable BP at 4381' and RTTS packer at 4327'. Swabbed 2 hrs, 26 BLW, swabbed dry. SI 14 hrs, FL at 2000' from surface. Swabbed 2 hrs, 16 BW and drilling mud, swabbed dry. Howco acidized perfs 4344-64' with 1000 gals 15% acid. Flowed 6 BLW. Swabbed 7 hrs, 20 BLW, 20 BAW, 4 BSW. Swabbed 1 BSW/hr during last 4 hrs. SI 14 hrs, TP-vacuum, FL 3300'. Swabbed 2 hrs, 6 BSW, swabbed dry. Perforations 4344-64' are non-productive.

Lower San Andres: Perfs 4780-4800'.

Perforated 8-5/8" casing 4780-4800' with 2 shots per foot. Set RTTS packer at 4732'. Swabbed 1-1/2 hrs, 30 BLW, FL 1500' from surface. SI 14 hrs, FL 1500' from surface. Swabbed 6 hrs, 120 BSW, FL at 1500'. Howco treated with 2000 gals regular acid, SI 24 hrs. Swabbed 9 hrs, 84 BLW, 100 barrels acid cut salt water. FL 1500'. Swabbed 1 hr, 8 barrels acid cut salt water. Perforations 4780-4800' are non-productive.

NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION TO DISPOSE OF SALT WATER BY INJECTION INTO A POROUS FORMATION

OPERATOR Phillips Petroleum Company		ADDRESS Rm. B-2, Phillips Bldg., Odessa, Texas 79760	
LEASE NAME Marley A	WELL NO. 1	FIELD Wildcat--San Andres	COUNTY Chaves
LOCATION UNIT LETTER P ; WELL IS LOCATED 660 FEET FROM THE south LINE AND 660 FEET FROM THE east LINE, SECTION 3 TOWNSHIP 11-S RANGE 31-E N.M.P.M.			
CASING AND TUBING DATA			
NAME OF STRING	SIZE	SETTING DEPTH	SACKS CEMENT
SURFACE CASING	13-3/8"	327'	375 sx class H
INTERMEDIATE	--	--	--
LONG STRING	8-5/8"	4884'	350 sx class H 20% DD & 400 sx class H
TUBING	2-3/8"	4315'	Baker Model 415-D @ 4315'
NAME OF PROPOSED INJECTION FORMATION Lower San Andres		TOP OF FORMATION 4315'	BOTTOM OF FORMATION 4882'
IS INJECTION THROUGH TUBING, CASING, OR ANNULUS? Tubing		PERFORATIONS OR OPEN HOLE? Perforations	PROPOSED INTERVAL(S) OF INJECTION 4344-64', 4780-4800'
IS THIS A NEW WELL DRILLED FOR DISPOSAL? No	IF ANSWER IS NO, FOR WHAT PURPOSE WAS WELL ORIGINALLY DRILLED? Exploratory--oil		HAS WELL EVER BEEN PERFORATED IN ANY ZONE OTHER THAN THE PROPOSED INJECTION ZONE? yes
LIST ALL SUCH PERFORATED INTERVALS AND SACKS OF CEMENT USED TO SEAL OFF OR SQUEEZE EACH Upper San Andres zone perforated 4148-4165' and currently oil producing.			
DEPTH OF BOTTOM OF DEEPEST FRESH WATER ZONE IN THIS AREA 300		DEPTH OF BOTTOM OF NEXT HIGHER OIL OR GAS ZONE IN THIS AREA 4165'	DEPTH OF TOP OF NEXT LOWER OIL OR GAS ZONE IN THIS AREA None
ANTICIPATED DAILY INJECTION VOLUME (BBLs.) 100	MINIMUM 100	MAXIMUM 500	OPEN OR CLOSED TYPE SYSTEM Closed
ANSWER YES OR NO WHETHER THE FOLLOWING WATERS ARE MINERALIZED TO SUCH A DEGREE AS TO BE UNFIT FOR DOMESTIC, STOCK, IRRIGATION, OR OTHER GENERAL USE -- Yes		WATER TO BE DISPOSED OF Yes	IS INJECTION TO BE BY GRAVITY OR PRESSURE? Gravity
NAME AND ADDRESS OF SURFACE OWNER (OR LESSEE, IF STATE OR FEDERAL LAND) Fee--Surface Owner--Robert C. Marley, 900 W. Matthews, Roswell, New Mexico 88201		NATURAL WATER IN DISPOSAL ZONE Yes	APPROX. PRESSURE (PSI) None
LIST NAMES AND ADDRESSES OF ALL OPERATORS WITHIN ONE-HALF (1/2) MILE OF THIS INJECTION WELL			
Amerada-Hess Corporation, Box 2040, Tulsa, Oklahoma 74102			
Pan American Petroleum Corporation, Box 1410, Oil & Gas Bldg., Ft. Worth, Texas 76101			
Hunt Oil Company, 1401 Elm, Dallas, Texas 75202			
Union Oil Company of California, 300 Security National Bldg., Roswell, New Mexico 88201			
HAVE COPIES OF THIS APPLICATION BEEN SENT TO EACH OF THE FOLLOWING? Yes		EACH OPERATOR WITHIN ONE-HALF MILE OF THIS WELL Yes	THE NEW MEXICO STATE ENGINEER No
ARE THE FOLLOWING ITEMS ATTACHED TO THIS APPLICATION (SEE RULE 701-B) Yes		ELECTRICAL LOG Yes	DIAGRAMMATIC SKETCH OF WELL Yes

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

 **W. J. Mueller****Associate Reservoir Engineer****3-4-70**

(Signature)

(Title)

(Date)

NOTE: Should waivers from the State Engineer, the surface owner, and all operators within one-half mile of the proposed injection well, not accompany this application, the New Mexico Oil Conservation Commission will hold the application for a period of 15 days from the date of receipt by the Commission's Santa Fe office. If at the end of the 15-day waiting period no protest has been received by the Santa Fe office, the application will be processed. If a protest is received, the application will be set for hearing, if the applicant so requests. SEE RULE 701.

Case 4339

HALLIBURTON DIVISION LABORATORY
HALLIBURTON COMPANY
MIDLAND DIVISION

LABORATORY WATER ANALYSIS No. W1-49-70

To Phillips Petroleum Company

Date 2/17/70

Box 2130

Hobbs, New Mexico

Attn: Mr. Mossman

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operation by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____

Date Rec. 2/9/70

Well No. Marley A # 1

Depth 4148 - 4165

Formation San Andres

County Chaves

Field W/C

Source Swab

Resistivity .050 @ 75 F

Specific Gravity 1.166

pH 5.8

Calcium (Ca) 15,400

*MPL

Magnesium (Mg) 4,800

Chlorides (Cl) 153,000

Sulfates (SO₄) 1,000

Bicarbonates (HCO₃) _____

Soluble Iron (Fe) Nil

Remarks:

*Milligrams per liter

Respectfully submitted,

Analyst: _____
cc: _____

HALLIBURTON COMPANY

By Robert L. Lough
DIVISION CHEMIST

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.

Car 4329

HALLIBURTON DIVISION LABORATORY
HALLIBURTON COMPANY
MIDLAND DIVISION

LABORATORY WATER ANALYSIS No. W1-42-70

To Phillips Petroleum Company

Date 2/5/70

Box 2132

Hobbs, New Mexico

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by _____

Date Rec. 2/5/70

Well No. Harley-A # 1

Depth 4,344 - 4,364

Formation San Andres

County Chaves

Field W/C

Source Swab

Resistivity	<u>.052 @ 72 F</u>	
Specific Gravity	<u>1.144</u>	
pH	<u>6.2</u>	
Calcium (Ca)	<u>11,350</u>	<u>*MPL</u>
Magnesium (Mg)	<u>720</u>	
Chlorides (Cl)	<u>127,000</u>	
Sulfates (SO ₄)	<u>1,200</u>	
Bicarbonates (HCO ₃)	<u>488</u>	
Soluble Iron (Fe)	<u>180</u>	

Remarks:

*Milligrams per liter

Respectfully submitted,

Analyst: Robert Lansford

cc:

HALLIBURTON COMPANY

By Robert Lansford

DIVISION CHEMIST

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, whether it be to act or omission, resulting from such report or its use.

HALLIBURTON DIVISION LABORATORY
HALLIBURTON COMPANY
MIDLAND DIVISION

LABORATORY WATER ANALYSIS No. W1-52-70

To Phillips Petroleum CompanyDate 2/17/70Box 2120Hobbs, New MexicoAttn: Mr. Mossman

This report is the property of Halliburton Company and neither it nor any part thereof nor a copy thereof is to be published or disclosed without first securing the express written approval of laboratory management; it may however, be used in the course of regular business operations by any person or concern and employees thereof receiving such report from Halliburton Company.

Submitted by Mr. MossmanDate Rec. 2/14/70Well No. Harley A # 1Depth 4780 - 4800Formation San AndresCounty ChavesField W/CSource SwabResistivity .047 @ 75 FSpecific Gravity 1.182pH 0.4Calcium (Ca) 7,600

*MPL

Magnesium (Mg) 2,040Chlorides (Cl) 170,000Sulfates (SO₄) HeavyBicarbonates (HCO₃) 0Soluble Iron (Fe) Heavy

Remarks:

*Milligrams per liter

Respectfully submitted,

Analyst: _____

OR: _____

HALLIBURTON COMPANY

By R. J. Long

DIVISION CHEMIST

NOTICE

This report is limited to the described sample tested. Any user of this report agrees that Halliburton shall not be liable for any loss or damage, which may be due to act or omission, resulting from such report or its use.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator Phillips Petroleum Company		County Chaves	Date March 2, 1970
Address Room B-2, Phillips Building Odessa, Texas 79760		Lease Marley A	Well No. 1
Location of Well	Unit P	Section 3	Township 11-S
			Range 31-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X

2. If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Wildcat--San Andres	--	San Andres
b. Top and Bottom of Pay Section (Perforations)	4148-4165'	--	4344-54', 4780-4800'
c. Type of production (Oil or Gas)	Oil	--	Salt Water Disposal
d. Method of Production (Flowing or Artificial Lift)	Artificial Lift	--	Gravity Injection

4. The following are attached. (Please check YES or NO)

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
<input checked="" type="checkbox"/>	<input type="checkbox"/>	d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Amerada Hess Corporation, Box 2040, Tulsa, Oklahoma 74102

Pan American Petroleum Corporation, Box 1410, Oil and Gas Bldg., Ft. Worth, Texas 76101

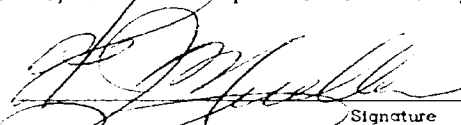
Hunt Oil Company, 1401 Elm, Dallas, Texas 75202

Union Oil Company of California, 300 Security National Bldg., Roswell, New Mexico 88201

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification March 4, 1970.

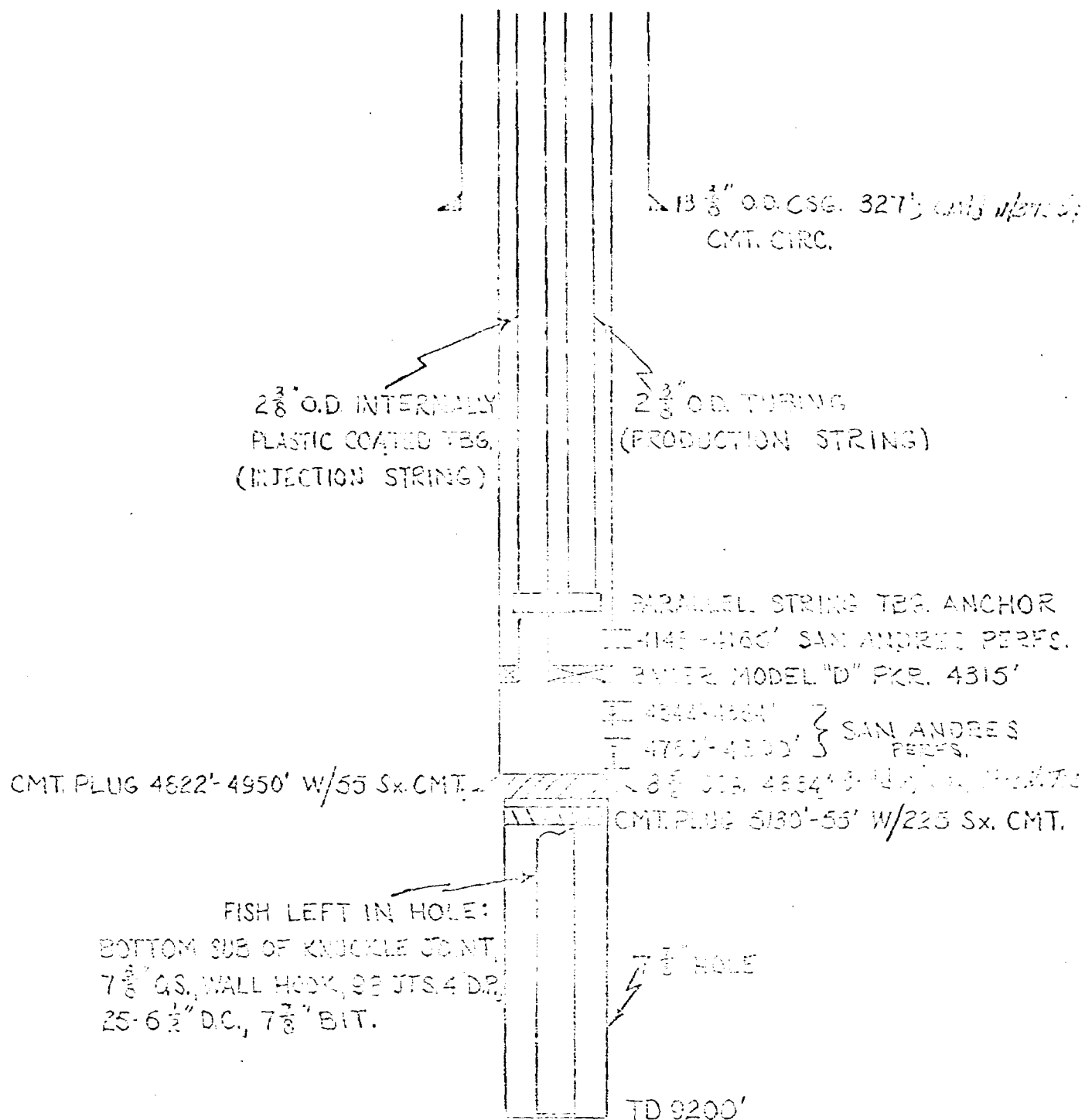
CERTIFICATE: I, the undersigned, state that I am the duly authorized agent of the Phillips Petroleum Co. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

*Waivers requested by copy this form and transmittal letter.


Signature W. J. Mueller

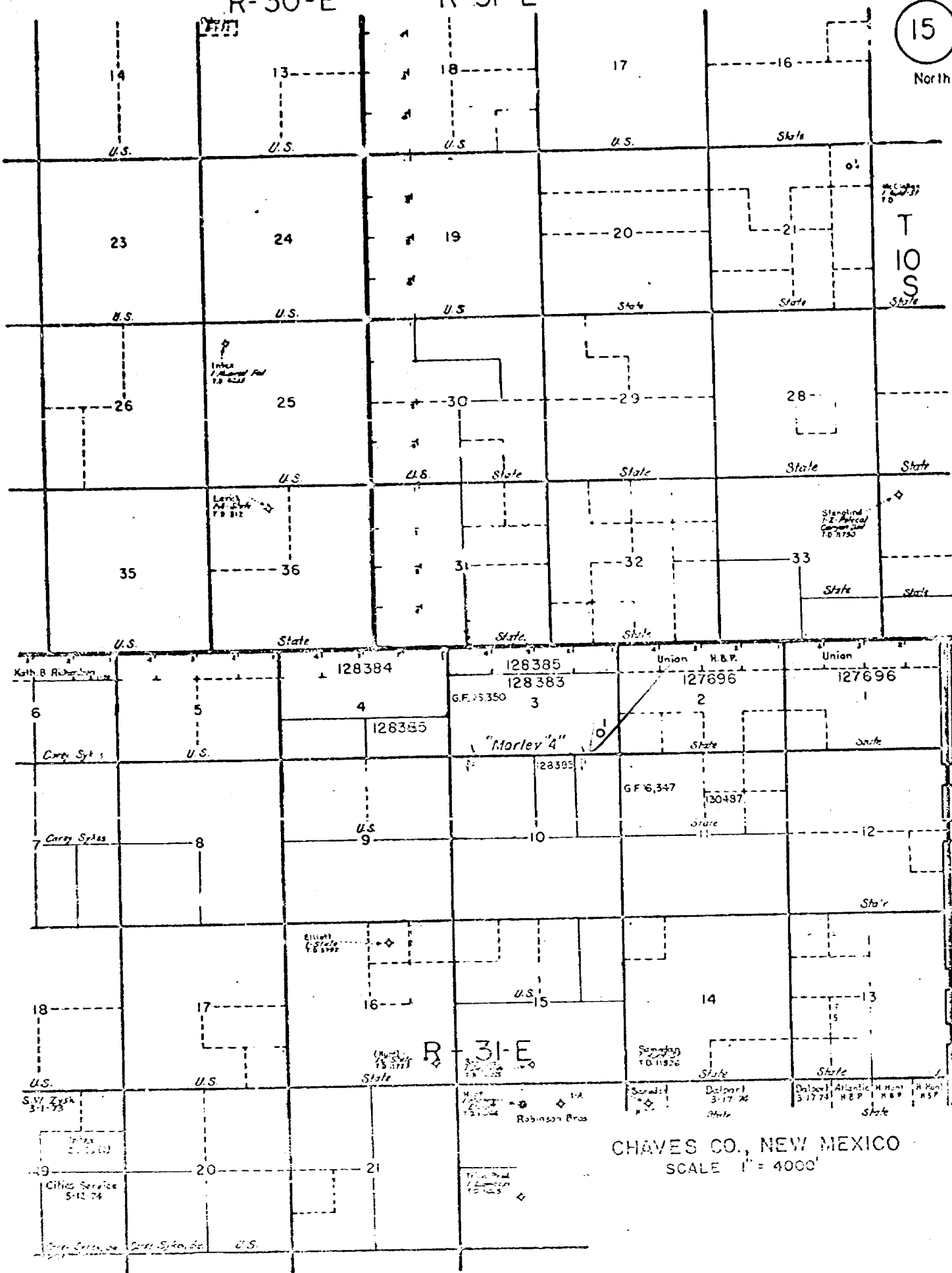
*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



BARTLESVILLE, OKLAHOMA

WELL INFORMATION			
COMPLETION			
Loc: 667 FSL, 100 FSL, SEC 22, T14S, R30E, CHAYES CO, ILL.			
DRAWN	DATE	APP. NO.	DWG. NO.
CHECKED			
REVISION	BY	DATE	APPROVED
SCALE		SHEET NO.	



RECEIPT FOR CERTIFIED MAIL—30¢

SENT TO <i>Robert C. Masley</i>		POSTMARK OR DATE <i>McLennan</i> <i>3-10-70</i>
STREET AND NO. <i>400 W. Matthews</i>		
P. O., STATE, AND ZIP CODE <i>Lawrence, Mo. 64501</i>		
EXTRA SERVICES FOR ADDITIONAL FEES Return Receipt <input type="checkbox"/> 10¢ fee Shows to whom, date, and where delivered <input type="checkbox"/> 35¢ fee Deliver to Addressee Only <input type="checkbox"/> 50¢ fee		

POD Form 3800 Mar. 1966 NO INSURANCE COVERAGE PROVIDED— NOT FOR INTERNATIONAL MAIL (See other side)

No. 547961

No. 547498

SENT TO <i>Union Oil Co. of Calif.</i>		POSTMARK OR DATE <i>McLennan</i> <i>3-10-70</i>
STREET AND NO. <i>300 Security Natl Bldg</i>		
P. O., STATE, AND ZIP CODE <i>Lawrence, Mo. 64501</i>		
EXTRA SERVICES FOR ADDITIONAL FEES Return Receipt <input type="checkbox"/> 10¢ fee Shows to whom, date, and where delivered <input type="checkbox"/> 35¢ fee Deliver to Addressee Only <input type="checkbox"/> 50¢ fee		

POD Form 3800 Mar. 1966 NO INSURANCE COVERAGE PROVIDED— NOT FOR INTERNATIONAL MAIL (See other side)

No. 547497

SENT TO <i>Law American Pet. Co</i>		POSTMARK OR DATE <i>McLennan</i> <i>3-10-70</i>
STREET AND NO. <i>Oil & Gas Bldg Bldg 1410</i>		
P. O., STATE, AND ZIP CODE <i>St. Ward, Ia. 52170</i>		
EXTRA SERVICES FOR ADDITIONAL FEES Return Receipt <input type="checkbox"/> 10¢ fee Shows to whom, date, and where delivered <input type="checkbox"/> 35¢ fee Deliver to Addressee Only <input type="checkbox"/> 50¢ fee		

POD Form 3800 Mar. 1966 NO INSURANCE COVERAGE PROVIDED— NOT FOR INTERNATIONAL MAIL (See other side)

No. 547500

SENT TO <i>Hunt Oil Co</i>		POSTMARK OR DATE <i>McLennan</i> <i>3-10-70</i>
STREET AND NO. <i>1401 Elm</i>		
P. O., STATE, AND ZIP CODE <i>Dallas, Texas 75202</i>		
EXTRA SERVICES FOR ADDITIONAL FEES Return Receipt <input type="checkbox"/> 10¢ fee Shows to whom, date, and where delivered <input type="checkbox"/> 35¢ fee Deliver to Addressee Only <input type="checkbox"/> 50¢ fee		

POD Form 3800 Mar. 1966 NO INSURANCE COVERAGE PROVIDED— NOT FOR INTERNATIONAL MAIL (See other side)

No. 547499

SENT TO <i>Amerasia Hess Corp.</i>		POSTMARK OR DATE <i>McLennan</i> <i>3-10-70</i>
STREET AND NO. <i>P.O. Box 2040</i>		
P. O., STATE, AND ZIP CODE <i>Tulsa, Okla.</i>		
EXTRA SERVICES FOR ADDITIONAL FEES Return Receipt <input type="checkbox"/> 10¢ fee Shows to whom, date, and where delivered <input type="checkbox"/> 35¢ fee Deliver to Addressee Only <input type="checkbox"/> 50¢ fee		

POD Form 3800 Mar. 1966 NO INSURANCE COVERAGE PROVIDED— NOT FOR INTERNATIONAL MAIL (See other side)

DOCKET: REGULAR HEARING - WEDNESDAY - APRIL 15, 1970

OIL CONSERVATION COMMISSION - 9 A.M. - THE HOLIDAY INN. 200 SOUTH LINAM,
HOBBS, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for May, 1970;
- (2) Consideration of the allowable production of gas for May, 1970, from fifteen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for May, 1970.

THE FOLLOWING CASES WILL BE HEARD BY THE COMMISSION OR BY
A. L. PORTER, Jr., EXAMINER OR DANIEL S. NUTTER, ALTERNATE
EXAMINER:

CASE 4332: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the inclusion of the NW/4 of Section 10, Township 9 South, Range 36 East, Lea County, New Mexico, in the Allison-Pennsylvanian Pool or the Vada-Pennsylvanian Pool, whichever is proper.

CASE 4333: Application of Phillips Petroleum Company for a dual completion and salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Marley "A" Well No. 1, a wildcat well, located in Unit P of Section 3, Township 11 South, Range 31 East, Chaves County, New Mexico, in such a manner as to permit the production of oil from the San Andres formation through perforations from 4148 feet to 4165 feet and the disposal of produced salt water into the San Andres formation through the perforated interval from 4344 feet to 4800 feet.

CASE 4084: (Reopened)

In the matter of Case No. 4084 being reopened pursuant to the provisions of Order No. R-3732, which order established 160-acre spacing units and an 80-acre proportional factor of 4.77 for the Feather-Wolfcamp Pool, Lea County, New Mexico. All interested parties may appear and show cause why the said pool should not be developed on less than 160-acre spacing units and to show cause why the 80-acre proportional factor of 4.77 should or should not be retained.

- CASE 4334: Application of Pan American Petroleum Corporation for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to recomplete its State Gas Com "B3" Well No. 1 at an unorthodox location 1450 feet from the North line and 1490 feet from the West line of Section 2, Township 29 North, Range 10 West, Blanco-Mesaverde Pool, San Juan County, New Mexico, the N/2 of said section to be dedicated to the well.
- CASE 4335: Application of Gulf Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Vacuum (Grayburg-San Andres) Pool by the injection of water into the San Andres formation through its Lea "FE" State Wells Nos. 2 and 4, located in Units C and E, respectively, of Section 11, Township 17 South, Range 34 East, Lea County, New Mexico.
- CASE 4336: Application of Byron McKnight for an exception to Order No. R-3221, as amended, Lea 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 or gas on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties. Said exception would be for applicant's lease comprising all of Section 19, W/2 Section 20, NW/4 Section 29, and NW/4 Section 30, Township 19 South, Range 34 East, undesignated Yates-Seven Rivers gas pool, Lea County, New Mexico. Applicant seeks authority to dispose of salt water produced by wells on said leases in unlined surface pits on the leases.
- CASE 3859: (Continued from the October 15, 1969, Regular Hearing)
Application of Wilson Oil Company for an exception to Order No. R-3221, as amended, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission 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, after January 1, 1969. Said exception would be for applicant's leases in Sections 13, 23, and 24 of Township 21 South, Range 34 East, and Sections 7 and 18 of Township 21 South, Range 35 East, Wilson Yates-Seven Rivers Pool, Lea County, New Mexico. Applicant, seeks authority to continue to dispose of produced water in seven unlined surface pits located in the center of the W/2 of said Section 13, center of the W/2 SE/4 of said Section 13, SW/4 NE/4 of said Section 23, center of SW/4 of said Section 24, center of the NE/4 of said Section 7, NE/4 SW/4 of said Section 7, NW/4 NW/4 of said Section 18.

(Case 3859 continued)

In the alternative, applicant seeks an extension of time in which to comply with the provisions of said order.

CASE 4337: Application of Petroleum Corporation of Texas for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, 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 applicant's Dexter Hanagan Graridge Federal Well No. 1 located in Unit J, Section 22, Township 17 South, Range 30 East, Jackson-Abo Pool, Eddy County, New Mexico. Applicant seeks authority to dispose of salt water produced by said well in an unlined surface pit in the vicinity of said well.

CASE 4338: Application of Skelly Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Lea "D" Lease by selective injection of water into various zones of the Grayburg-Jackson Pool through three wells located in Units B, H, and J of Section 26, Township 17 South, Range 31 East, Eddy County, New Mexico. Applicant further seeks a procedure whereby said project may be expanded administratively without a showing of well response.

CASE 4339: Southeastern nomenclature case calling for an order for the creation of certain new pools and the assignment of oil discovery allowables and the contraction and extension of certain other pools in Lea, Chaves and Eddy Counties, New Mexico.

(a) Create a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Tower-San Andres Pool comprising the following:

TOWNSHIP 11 SOUTH, RANGE 31 EAST, NMPM
SECTION 3: SE/4

(Case 4339 continued)

Further, for the assignment of approximately 20,740 barrels of oil discovery allowable to the discovery well Phillips Petroleum Company's Marley "A" Well No. 1, located in Unit P of said Section 3

(b) Create a new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the Tres Papalotes-Pennsylvanian Pool, comprising the following:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 33: NE/4

Further, for the assignment of approximately 52,340 barrels of oil discovery allowable to the discovery well Lone Star Producing Company's New Mexico (80) State Well No. 1 located in Unit B of said Section 33.

(c) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Sand Dunes-Cherry Canyon Pool. The discovery well is Texas American Oil Corporation's Todd 26 Federal Well No. 2 located in Unit G of Section 26, Township 23 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
SECTION 26: SW/4 NE/4

(d) Create a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Warren-Devonian Pool. The discovery well is Continental Oil Company's SEMU Burger B No. 58 located in Unit C of Section 29, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
SECTION 29: NW/4

(e) Extend the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM
SECTION 26: S/2

(Case 4339 continued)

(f) Extend the East Caprock-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
SECTION 23: NE/4

(g) Extend the Eagle Creek-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
SECTION 23: NW/4 NW/4

(h) Extend the South Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 11: NE/4

(i) Extend the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
SECTION 9: NE/4
SECTION 10: NW/4

(j) Extend the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
SECTION 20: All

(k) Extend the Round Tank-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 30: W/2 NW/4 and NW/4 SW/4

(l) Extend the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: W/2 NW/4

(m) Contract the Bough Permo- Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
SECTION 14: S/2

(n) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 13: S/2

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 18: S/2

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
SECTION 10: SE/4
SECTION 14: S/2
SECTION 15: NE/4
SECTION 23: NW/4

TOWNSHIP	14 South	Range	34 East	NMPM
6	5	4	3	2
7	8	9	10	11
18	17	16	15	14
19	20	21	22	23
30	29	28	27	26
31	32	33	34	35

LONE STAR PRODUCING COMPANY - New Mexico (80) State #1 in Unit B of Sec-
tion 33-14-34. Completed in Saunders Lime on February 1, 1970. Top of
Perforations 10,468'.

Proposed pool boundary colored in red. SECTION 33: NE/4

CASE 4339: (c) CREATION OF A NEW OIL POOL

COUNTY EDDY POOL SAND DUNES-CHERRY CANYON

TOWNSHIP	23S	RANGE	31E	NMFM
6	5	4	3	2
7	8	9	10	11
18	17	16	15	14
19	20	21	22	23
30	29	28	27	26
31	32	33	34	35
				36

Purpose: One completed oil well capable of producing.

Discovery Well: Texas American Oil Corporation, Todd "26" Federal Well No. 2 in unit G of Section 26-23-31. Completed in Cherry-Canyon February 24, 1970, through perforations 6012' to 6036'.

Proposed pool boundary colored in green.

Section 26: SW/4 NE/4

CASE 4339: (d) CREATION OF A NEW OIL POOL

County LEA Pool WARREN-DEVONIAN

TOWNSHIP	20 South	Range	38 East	NMDM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed oil well capable of producing.

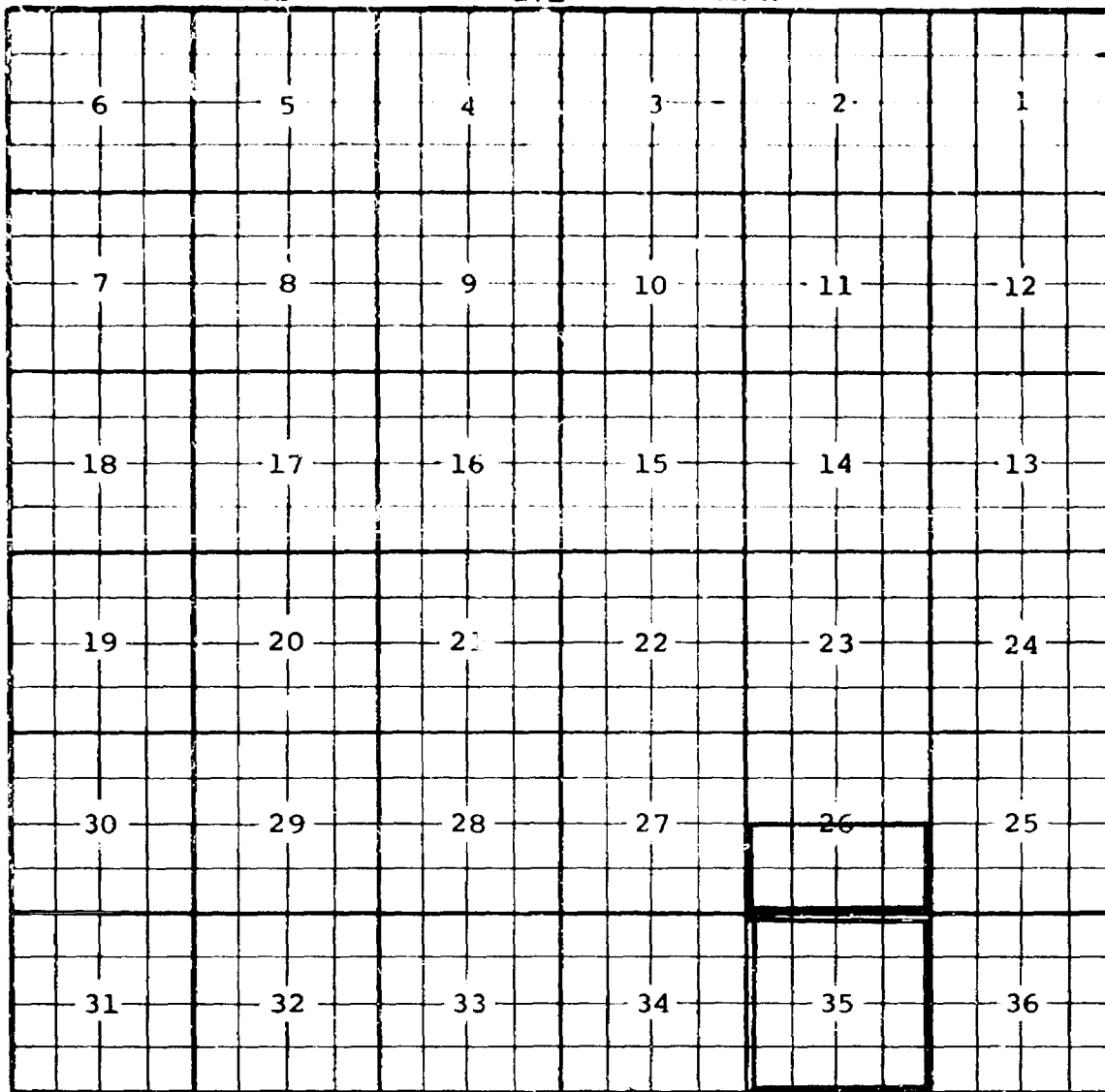
CONTINENTAL OIL COMPANY - Semu Burger B #58 in Unit C of Section 29-20-38.

Completed in Devonian on February 9, 1970. Top of Perforations 7783'.

Proposed pool boundary colored in red. SECTION 29: NW/4

COUNTY CHAVES POOL BUFFALO VALLEY-PENNSYLVANIAN GAS

TOWNSHIP 14S RANGE 27E NMIM



Purpose: Three completed gas wells capable of producing.

Hanson Oil Company, Miller Federal Well No. 1 in unit P of Section 26-14-27. Completed in Pennsylvanian January 25, 1970, in open hole from 8010' to 8278'.

Pool boundary colored in red.

Proposed extensions colored in green.

Section 26: S/2

COUNTY CHAVES

POOL

BUFFALO VALLEY-PENNSYLVANIAN GAS

TOWNSHIP

15S

RANGE

27E

NM-M

6	5	4	3	2		
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Purpose: As stated on page one of this exhibit.

ADDITIONS:

Read & Stevens Inc. Trobough well No. 1 in unit J of Section 1-15-27. Completed in Pennsylvanian March 18, 1970, through perforations 8443' to 8468'.

Read & Stevens Inc. Hurd well No.1 in unit C of Section 12-15-27. Completed in Pennsylvanian March 22, 1970, through perforations 8484' to 8515'.

Pool boundary colored in red

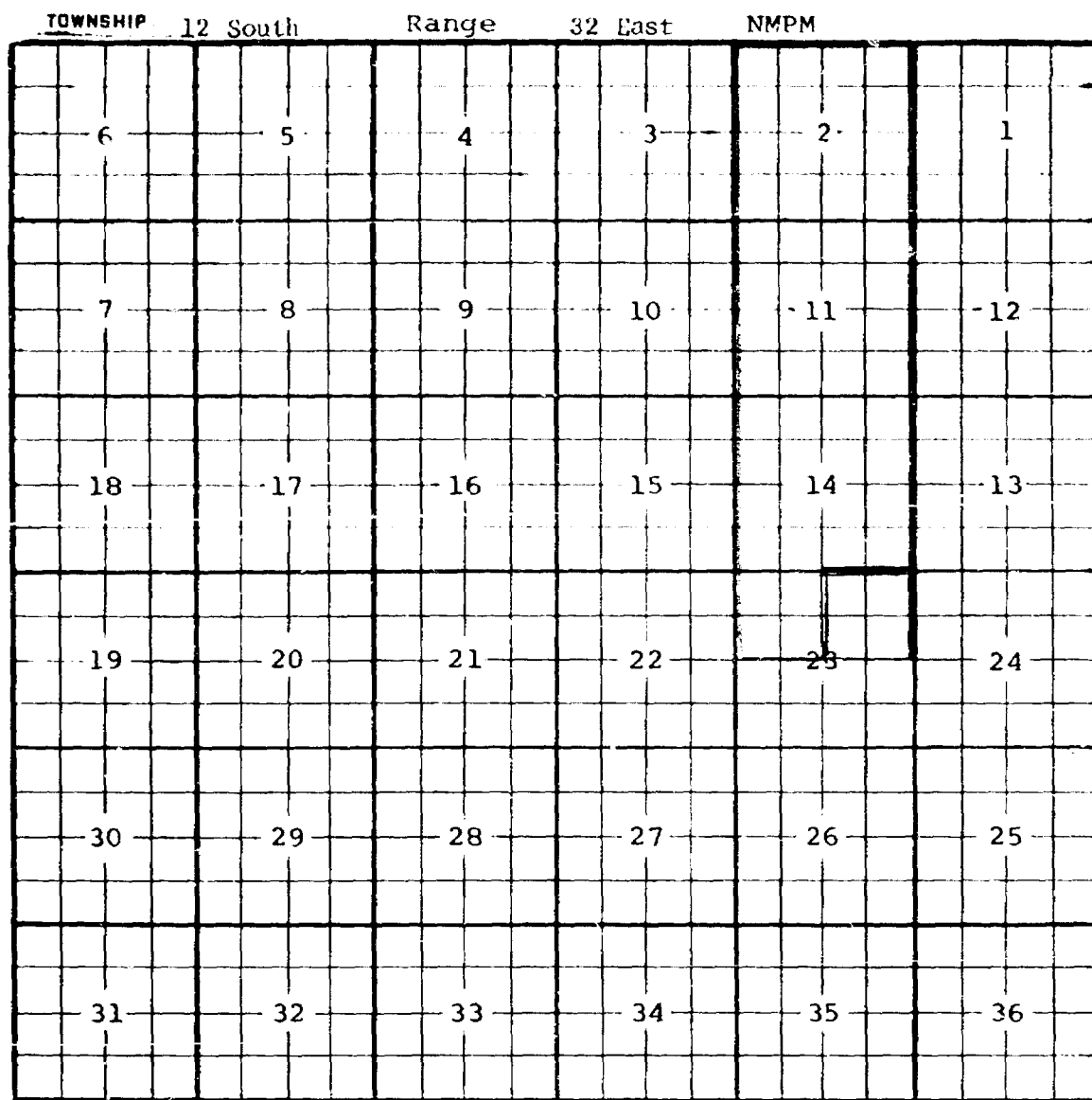
Proposed extensions colored in green.

Section 1: E/2

Section 12: W/2

CASE 4339: (f) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool EAST CAPROCK-DEVONIAN



PURPOSE: One completed oil well capable of producing.

XPLOR COMPANY - Cleveland #1 in Unit G of Section 23-12-32. Completed in Devonian on February 12, 1970. Depth to Casing Shoe 11,217'.

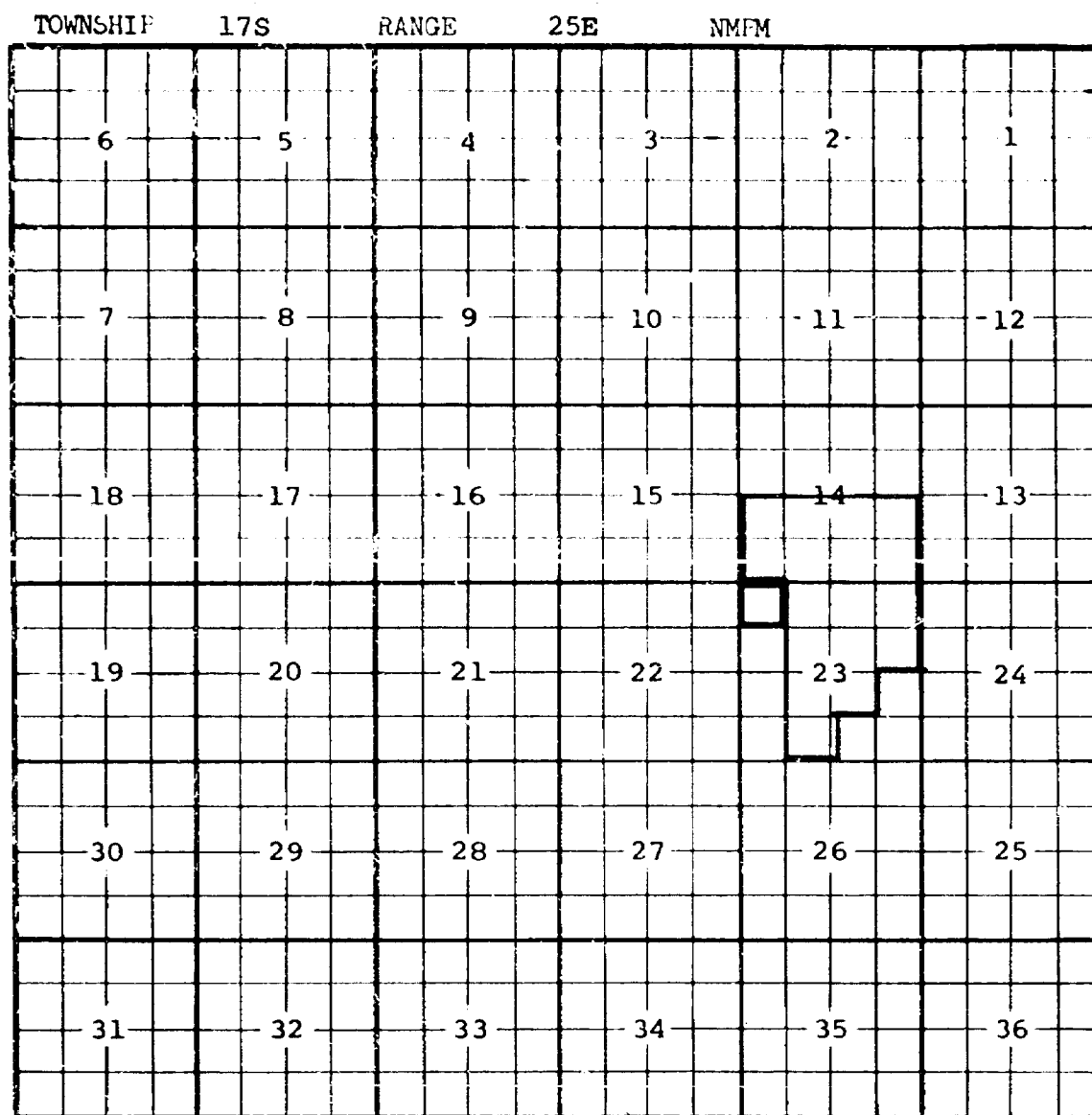
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 23. NE/4

COUNTY EDDY

POOL

EAGLE CREEK-SAN ANDRES



Purpose: One completed oil well capable of producing.

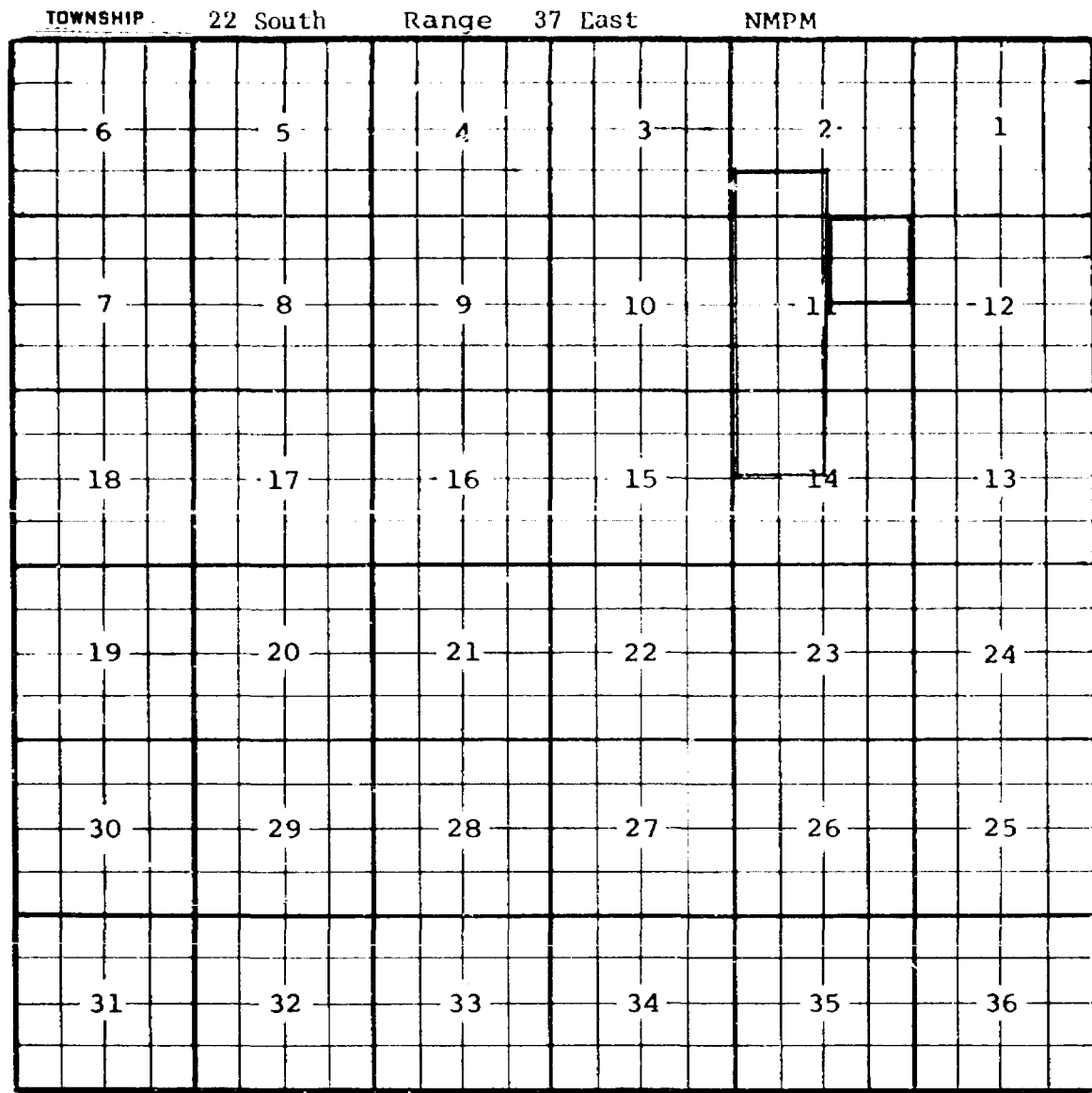
Yates Petroleum Corporation, Federales B0 well No. 1 in unit D of Section 23-17-25. Completed in San Andres February 8, 1970, through perforations 1310' to 1406'.

Pool boundary colored in red.

Proposed extension colored in green.

Section 23: NW/4 NW/4

County LEA Pool SOUTH EUNICE-SAN ANDRES



PURPOSE: One completed oil well capable of producing.

ANADARKO PRODUCTION COMPANY - Lou Wortham "B" #3 in Unit B of Section 11-22-37. Completed in San Andres on February 13, 1970. Top of Perforations 3870'.

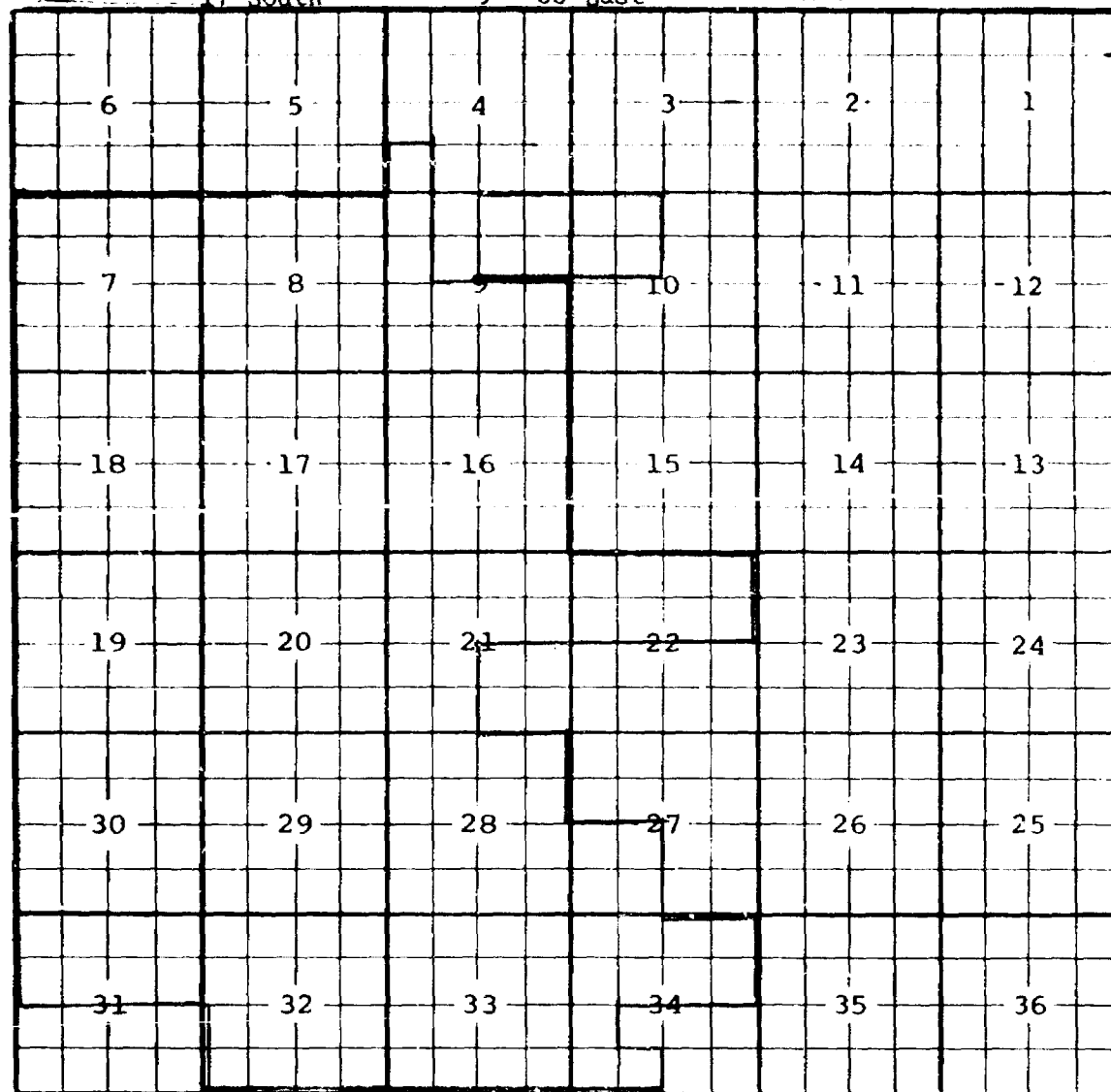
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 11: NE/4

CASE 4339: (i) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool MALJAMAR GRAYBURG-SAN ANDRES

TOWNSHIP 17 South Range 33 East NMPM



PURPOSE: One completed oil well capable of producing.

TAMARACK PETROLEUM COMPANY, INC. - Shell State #1 in Unit E of Section
10-17-33. Completed in Grayburg on February 1, 1970. Top of Perforations
4387'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 9: NE/4

SECTION 10: NW/4

County LEA Pool QUAIL RIDGE-MORROW GAS

TOWNSHIP		19 South		Range		34 East		NMPM	
6	5	4	3	2	1				
7	8	9	10	11	12				
18	17	16	15	14	13				
19	20	21	22	23	24				
30	29	28	27	26	25				
31	32	33	34	35	36				

PURPOSE: One completed gas well capable of producing.

PENNZOIL UNITED, INC. - Mescalero Ridge Unit #1 in Unit M of Section 20-19-34. Completed in Morrow on September 26, 1969. Top of Perforations 13,219'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 20: All

CASE 4339: (k) EXTENSION OF AN EXISTING OIL POOL
COUNTY CHAVES POOL ROUND TANK-QUEEN

TOWNSHIP	15S	RANGE	29E	NM1M	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: Two completed gas wells in an oil pool.

Elk Oil Company, JW State well No. 2 in unit L of Section 30-15-29.
Completed as a SI gas well in Queen February 10, 1970, through
perforations 1472' to 1482'.

Elk Oil Company, Mullis A State well No. 1 in unit D of Section
30-15-29. Completed as a SI gas well in Queen December 27, 1969,
through perforations 1452' to 1468'.

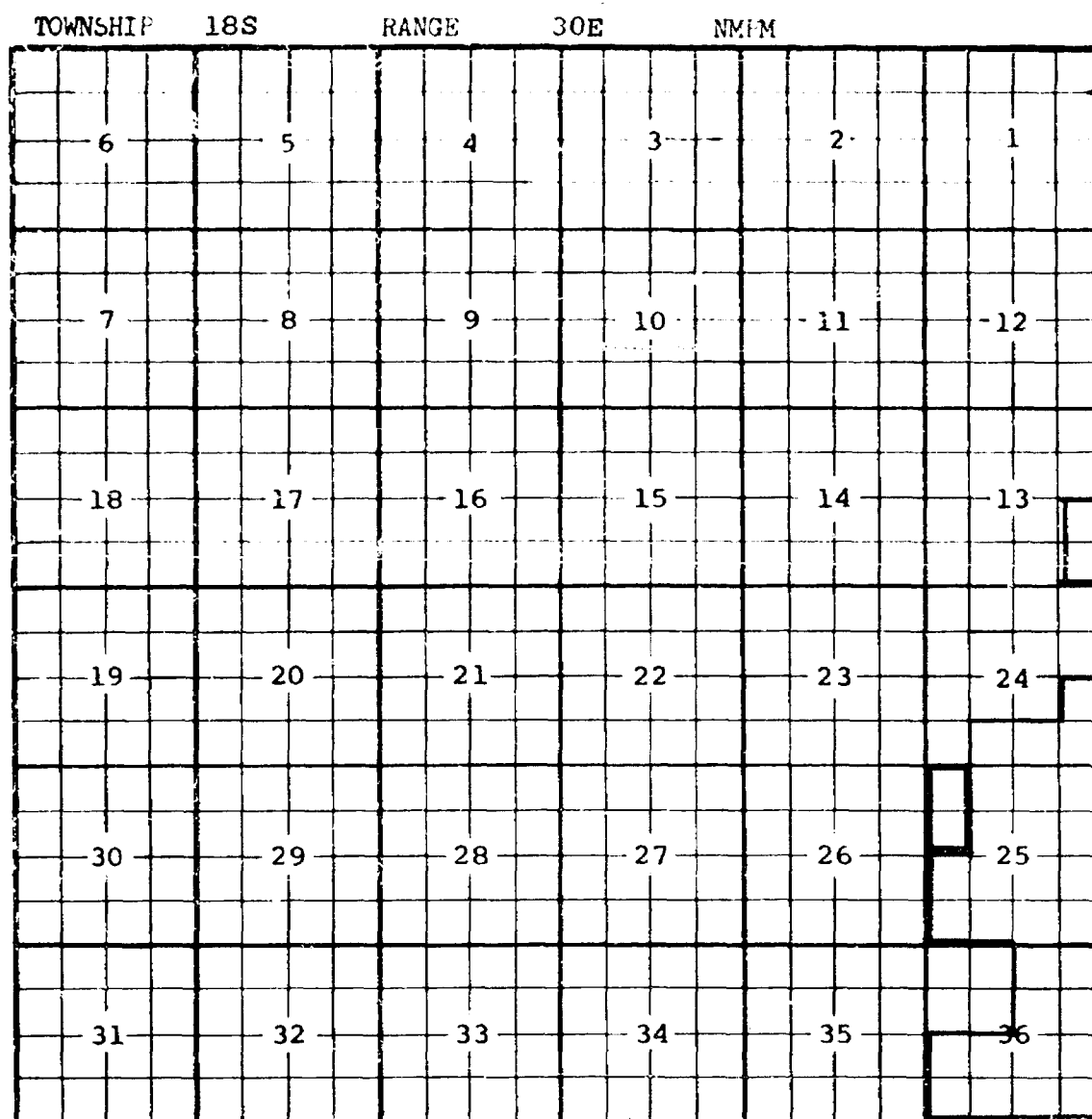
Pool boundary colored in red.

Proposed extension colored in green.

Section 30: W/2 NW/4 & NW/4 SW/4

CASE 4339: (1) EXTENSION OF AN EXISTING OIL POOL

COUNTY EDDY POOL SHUGART



Purpose: One completed oil well capable of producing.

Yates Petroleum Corporation, Creek AL well No. 6 in unit D of
Section 25-18-30. Completed in Queen February 20, 1970, through
perforations 3172' to 3240'.

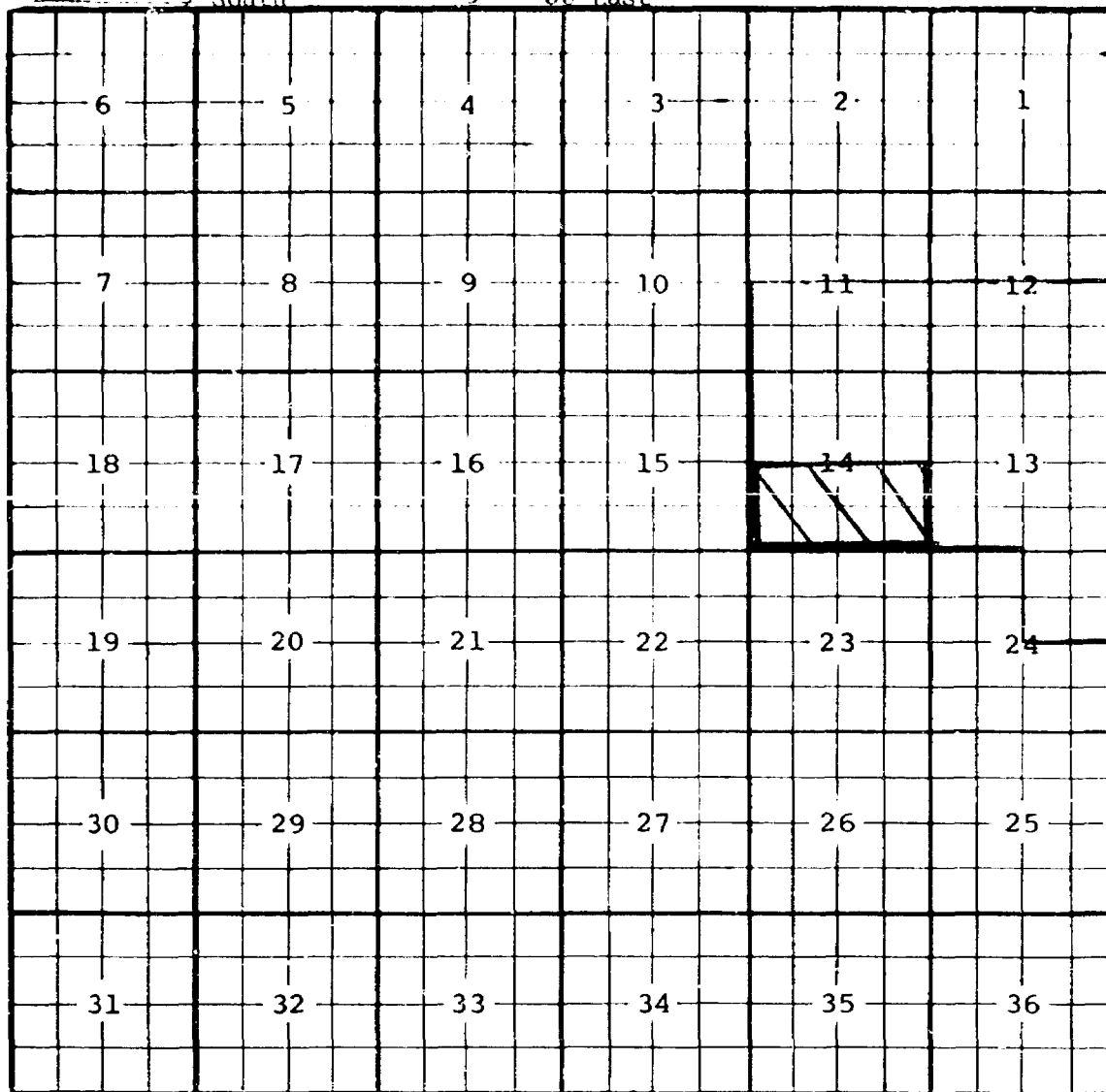
Pool Boundary colored in red.

Proposed extension colored in green.

Section 25: W/2 NW/4

County LEA Pool BOUGH PERMO-PENNSYLVANIAN

TOWNSHIP 9 South Range 35 East NMPM

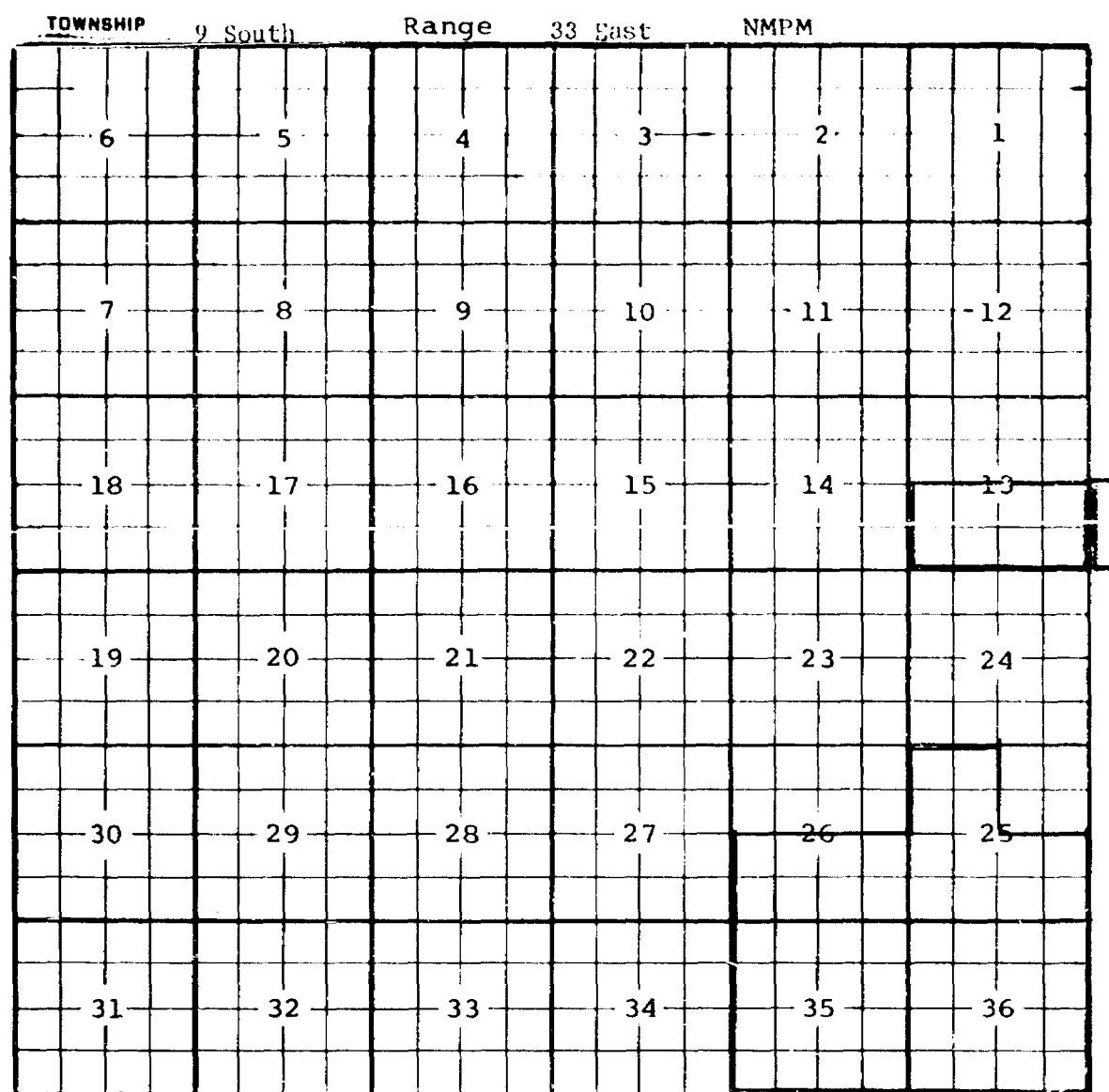


PURPOSE: To delete certain acreage in order that it may be placed in the
vada-Pennsylvanian Pool.

Pool boundary colored in red.

Proposed pool deletion colored in blue. SECTION 14: S/2

County LEA Pool VADA-PENNSYLVANIAN



PURPOSE: To take in deleted acreage from Bough Permo-Pennsylvanian Pool
and two completed oil wells capable of producing.

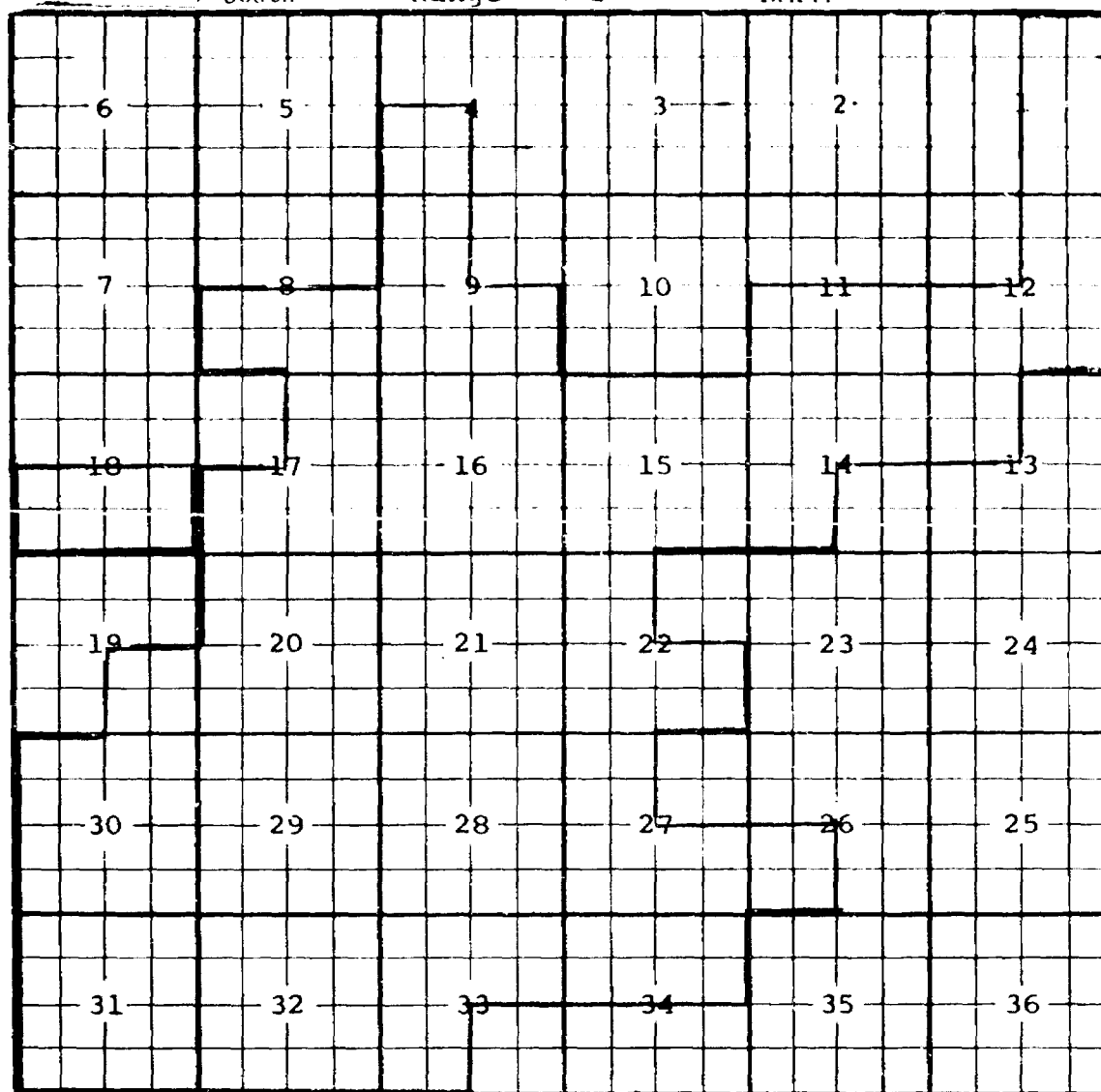
KING RESOURCES COMPANY - Sheridan #1 in Unit M of Section 13-9-33. Completed in Bough C on December 29, 1969. Top of Perforations 9650'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 13: S/2

County LEA Pool VADA-PENNSYLVANIA

TOWNSHIP 9 South **Range** 34 East **NMPM**

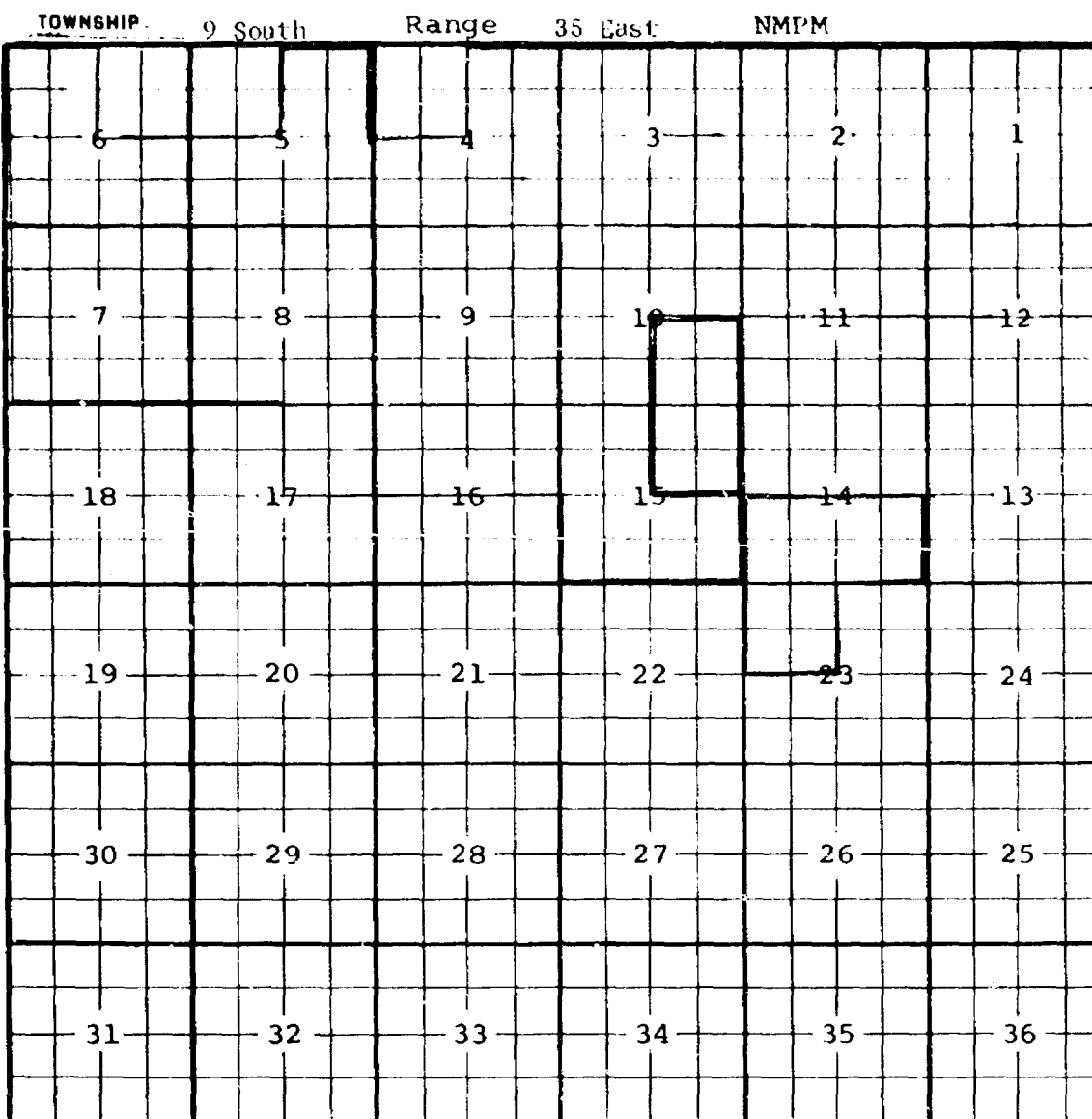


PURPOSE: As stated on previous page, paragraph (n), Exhibit I.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 18: S/2

County LEA Pool VADA-PENNSYLVANIAN



PURPOSE: As stated on previous page, paragraph (n), Exhibit I.

BTA OIL PRODUCERS - Curtis 695 Ltd. #1 in Unit C of Section 23-9-35. Completed in Bough G on October 20, 1969. Top of Perforations 9788'.

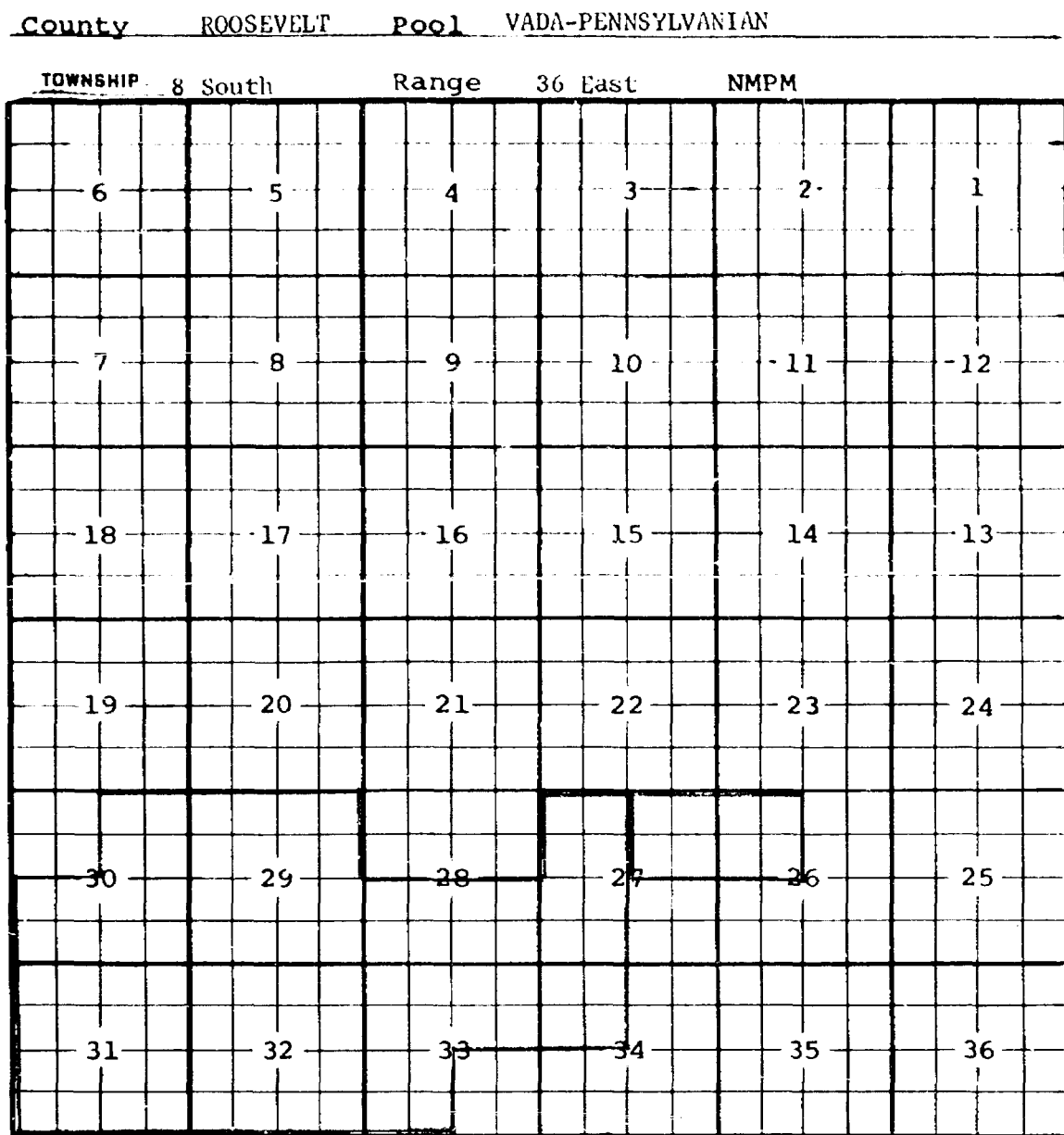
Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 10: SE/4

SECTION 14: S/2

SECTION 15: NE/4

SECTION 23: NW/4



PURPOSE: As stated on preceding page, paragraph (n), Exhibit I.

ADDITION--NE-O-TEX CORPORATION - Aztec Federal #1 in Unit C of Section 26-
 8-36. Completed in Pennsylvanian on March 30, 1970. Top of
 Perforations 9739'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 26: NW/4
 SECTION 27: NE/4



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 1980 - HOBBS

88240

March 16, 1970

GOVERNOR
DAVID F. CARGO
CHAIRMAN
LAND COMMISSIONER
ALEX ARMijo
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

8 23
MAR 19 70

Mr. Daniel Nutter
Chief Engineer
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico

Dear Dan:

Since my letter to you of March 12, 1970, we have had an additional application for another Discovery allowable and creation of a new pool; Lone Star Production Company, New Mexico (80) State No.1 located in Unit B, section 33, Township 14 South, Range 34 East.

We, also, placed this well on April's nomenclature advertisement as a new pool creation, the "Tres Papalotes - Pennsylvanian" oil pool with a discovery allowable of 52,340 bbls/oil, 40 acre dedication.

This discovery is a little under two (2) miles from the High Plains-Pennsylvanian oil pool, but I believe that it is located on a separate structure, as indicated by the structure map submitted Lone Star Producing Company. Also, the P & A wells located in the area indicates separation.

Very truly yours,

OIL CONSERVATION COMMISSION

John W. Runyan

John W. Runyan
Geologist, District I

cc: Mr. Joe D. Ramey, Supervisor, District I NMOC



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 1980 - HOBBS

88240

March 12, 1970

GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER
ALEX ARMIJO
MEMBER

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

Check 4330

Mr. Daniel Nutter
Chief Engineer
New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Dear Dan:

Having carefully checked the Phillips Petroleum Company new discovery, the Marley A No. 1, located in Unit P of Section 3, Township 11 South, Range 31 East, I feel that there is no question as to the status of this well being a new discovery.

We placed this well on April's nomenclature advertisement as a new pool creation, the "Tower-San Andres" oil pool with a discovery allowable of 20,740 bbls/oil, 40 acre allowable.

In regards to part two of the application, the application to dispose of salt water by injection down a 2 3/8" tubing into a lower San Andres zone should be checked out in more detail.

There are only 179 feet of separation between the lower set of perforations in the oil zone to the top of perforations in the disposal zone, and the log indicates only dolomite, no shale. Therefore, the operator should furnish more information on lithology, porosity and permeability of this zone to prove that it actually seals off the two zones.

Since part three, the application to dual this well, will require a hearing, part two can be included to furnish additional information.

Very truly yours,

OIL CONSERVATION COMMISSION

John W. Runyan

John W. Runyan
Geologist, District I

JWR/fd

cc: Mr. Joe D. Ramey, Supervisor, District I NMOCC

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of new pools in Chaves, Eddy, and Lea Counties, New Mexico, the contraction of an existing pool in Lea County, New Mexico, and the extension of certain existing pools in Chaves, Eddy, and Lea Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such creations, contractions, and extensions should not be made.

✓ ~~1~~ ⁶ CREATE A new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Sand Dunes-Cherry Canyon Pool. The discovery well is Texas American Oil Corporation's Todd 26 Federal well No. 2 located in Unit G of Section 26, Township 23 South, Range 31 East, NMPM. Said pool ~~described as~~ *would comprise:*

✓ TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
SECTION 26: SW/4 NE/4

✓ ~~2~~ ⁶ CREATE A new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Tower-San Andres Pool comprising the following:

✓ TOWNSHIP 11 SOUTH, RANGE 31 EAST, NMPM
SECTION 3: SE/4

Further, for the assignment of approximately 20,740 barrels of oil discovery allowable to the discovery well Phillips Petroleum Company's Marley "A" Well No. 1, located in Unit P of said Section 3.

✓ ~~3~~ ⁶ CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the Tres Papalotes-Pennsylvanian Pool, comprising the following:

✓ TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 33: NE/4

Further, for the assignment of approximately 52,340 barrels of oil discovery allowable to the discovery well, Lone Star Producing Company's, New Mexico (80) State, No. 1, located in Unit B of ~~Section 33.~~ *Company's SEMU*

✓ ~~4~~ ⁶ CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Warren-Devonian Pool. The discovery well is Continental Oil Company's ~~Sam~~ Burger B No. 58 located in Unit C of Section 29, Township 20 South, Range 38 East, NMPM. Said pool ~~described as~~ *would comprise:*

✓ TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
SECTION 29: NW/4

✓ ~~5~~ ⁶ EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

✓ TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM
SECTION 26: S/2

✓ ~~6~~ ⁹ EXTEND the East Caprock-Devonian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
SECTION 23: NE/4

(g) ~~h~~ EXTEND the Eagle Creek-San Andres Pool in Eddy County, New Mexico, to include therein:

X
✓ TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
SECTION 23: NW/4 NW/4

(h) ~~f~~ EXTEND the South Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

X
✓ TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 11: NE/4

(i) ~~j~~ EXTEND the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

X
✓ TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
SECTION 9: NE/4
SECTION 10: NW/4

(j) ~~k~~ EXTEND the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

X
✓ TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
SECTION 20: All

(k) ~~l~~ EXTEND the Round Tank-Queen Pool in Chaves County, New Mexico, to include therein:

X
✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 30: W/2 NW/4 and NW/4 SW/4

(l) ~~m~~ EXTEND the Shugart Pool in Eddy County, New Mexico, to include therein:

X
✓ TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: W/2 NW/4

(m) ~~n~~ CONTRACT the Bough Permo-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

X
✓ TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
SECTION 14: S/2

(n) ~~o~~ EXTEND the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

X
✓ TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 13: S/2

✓ TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 18: S/2

✓ TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
SECTION 10: SE/4

SECTION 14: S/2

SECTION 15: NE/4

SECTION 23: NW/4

~~o~~ EXTEND either the Allison-Pennsylvanian Pool or the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
SECTION 10: NW/4



Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P.O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

March 11, 1970

J. D. OCHSNER
Dist. Engineer

New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-1h-S, R-3h-E
Lee County, New Mexico

Gentlemen:

It is our contention that the successful completion of the above well has resulted in the discovery of a new pool. Therefore, we are hereby making application for discovery allowable and creation of a new pool.

Two copies of Form C-109, and data to support this application, are enclosed. One copy of this application is also being sent to Mr. A. L. Porter in Santa Fe.

Yours very truly,

C. R. Ramsey
C. R. Ramsey

ORR:vjd

Encls-

More than 6,000 friendly people working together to serve our communities better

DOCKET MAILED

Date 4-2-70

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION FOR DISCOVERY ALLOWABLE AND CREATION OF A NEW POOL

Form C-109
 Adopted 9-1-66

NOTE: This form is to be filed and attachments made in accordance with the provisions of Rule 509.
 If discovery is claimed for more than one zone, separate forms must be filed for each.

Operator Lone Star Producing Company		Address Box 4815, Midland, Texas 79701	
Lease Name New Mexico (80) State		Well No. 1	County Lea
Well Location			
Unit Letter B	1980	Feet from The East	Line and 660 Feet
From the North		Line of Section 33	Township 14 S
		Range 34 E	NMPM
Suggested Pool Names (List in order of preference)			
1. Tres Papalotes		2. Northwest Morton	
3. Northwest Lovington			
Name of Producing Formation Saunders Line	Perforations 10,468'-10,474' & 10,481'-10,488'	Date of Filing Form C-104 February 3, 1970	
Was "Affidavit of Discovery" Previously Filed For This Well in this Pool? No	If Yes, Give Date of Filing --	Date Well was Spudded 12-4-69	Date Compl. Ready to Prod. 1-28-70
Total Depth 10,708'	Plugged Back Depth 10,663'	Depth Casing Shoe 10,708'	Tubing Depth 10,406'
Oil Well Potential (Test to be taken only after all load oil has been recovered)		Elevation (Gr., DF, RKB, RT, etc.) 4136' RKB	
449.88 Bbls. Oil Per Day Based On 449.88 Bbls In 24 Hours; - 0 - Bbls Water Per Day Based On - 0 - Bbls			
In 24 Hours; Gas Production During Test: 710 MCF; Gas-Oil Ratio: 1578 Method Of Producing: Flow Chk. Size: 3/8"			

NEAREST PRODUCTION TO THIS DISCOVERY (Includes past and present oil or gas producing areas and zones whether this discovery is based on horizontal or vertical separation):

Pool Name High Plains	Name of Producing Formation Saunders Line	Top of Pay 10,400'	Bottom of Pay 10,620'	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Pool 10,000' Northeast		Vertical Distance from Subject Discovery Zone to Producing Interval this Pool 56 feet high		

NEAREST COMPARABLE PRODUCTION (Includes past and present oil or gas production from this pay or formation only):

Pool Name Same as above	Top of Pay	Bottom of Pay	Currently Producing?
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Comparable Pool			

Is "County Deep" Discovery Allowable Requested for Subject Discovery Well? No	If Yes, Give Name, Location, and Depth of Next Deepest Oil Production in this County --
---	---

Is the Subject Well Multiple Completion? No	Is Discovery Allowable Requested for other Zone(s)? --	If Yes, Name all Such Formations --
---	--	---

LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

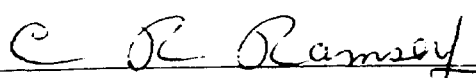
NAME	ADDRESS
Chevron Oil Company	Box 16, Midland, Texas
Union Oil Company of California	300 Security Nat'l. Bldg., Roswell, New Mexico
MacDonald Oil Corporation	711 Petroleum Life Bldg., Midland, Texas
Southland Royalty Company	1405 Wilco Bldg., Midland, Texas
Sun Oil Company	Box 1861, Midland, Texas
Cities Service Oil Company	Box 69, Hobbs, New Mexico
List of additional operators attached.	

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Commission of such intent in writing within ten days after receiving a copy of this application.

Remarks:

CERTIFICATION

I hereby certify that all rules and regulations of the New Mexico Oil Conservation Commission have been complied with, with respect to the subject well, and that it is my opinion that a bona fide discovery of a hitherto unknown common source of oil supply has been made in said well. I further certify that the discovery allowable for the subject well, if authorized, will be produced from the subject zone in this well only. Further, that the information given herein and attached hereto is true and complete to the best of my knowledge and belief.

 Signature	District Prod. Superintendent Position	March 11, 1970 Date
--	--	-------------------------------

List of additional operators:

<u>Name</u>	<u>Address</u>
Amerada Hess Corporation	Box 312, Midland, Texas
Shell Oil Company	Box 1509, Midland, Texas
Pubco	Box 869, Albuquerque, New Mexico



Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

Chevron Oil Company
Box 1660
Midland, Texas

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-11-S, R-34-S
Ira County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509, we are hereby notifying you that application for discovery allowable and creation of a new pool is being made as a result of the successful completion of the captioned well.

A copy of this application is attached.

Yours very truly,

[Signature]

C. R. Ramsey

CRR:vjd

Attach-

More than 6,000 friendly people working together to serve our communities better



Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

Union Oil Company of California
300 Security National Building
Roswell, New Mexico

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-14-S, R-34-E
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509,
we are hereby notifying you that application for discovery allowable
and creation of a new pool is being made as a result of the successful
completion of the captioned well.

A copy of this application is attached.

Yours very truly,

C. R. Ramsey

CRR:vjd

Attach-

More than 6,000 friendly people working together to serve our communities better



Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

MacDonald Oil Corporation
711 Petroleum Life Building
Midland, Texas

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-14-S, R-34-E
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509,
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West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

Southland Royalty Company
1405 Wilco Building
Midland, Texas

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-14-S, R-34-E
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509, we are hereby notifying you that application for discovery allowable and creation of a new pool is being made as a result of the successful completion of the captioned well.

A copy of this application is attached.

Yours very truly,

C. R. Ramsey

CRR:vjd

Attach-



Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

Sun Oil Company
Box 1861
Midland, Texas

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-14-S, R-34-E
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509,
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completion of the captioned well.

A copy of this application is attached.

Yours very truly,

C. R. Ramsey

CRR:vjd

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Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

Cities Service Oil Company
Box 69
Hobbs, New Mexico

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-11-S, R-34-E
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509,
we are hereby notifying you that application for discovery allowable
and creation of a new pool is being made as a result of the successful
completion of the captioned well.

A copy of this application is attached.

Yours very truly,

C. R. Ramsey

CRR:vjd

Attach-



Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

Amerada Hess Corporation
Box 312
Midland, Texas

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-11-S, R-34-S
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509,
we are hereby notifying you that application for discovery allowable
and creation of a new pool is being made as a result of the successful
completion of the captioned well.

A copy of this application is attached.

Yours very truly,

C. R. Ramsey
C. R. Ramsey

CRR:vjd

Attach-

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Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

J. D. OCHSNER
Dist. Engineer

March 11, 1970

Shell Oil Company
Box 1509
Midland, Texas

Re: Lone Star Producing Company
N. M. (80) State No. 1 Well
Sec. 33, T-14-S, R-34-S
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509, we are hereby notifying you that application for discovery allowable and creation of a new pool is being made as a result of the successful completion of the captioned well.

A copy of this application is attached.

Yours very truly,

C. R. Ramsey

CRR:vjd

Attach-

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Lone Star Producing Company

ENGINEERING & PRODUCTION DEPARTMENT

West Texas District
Suite 300 Commercial Bank Tower Building
P. O. Box 4815
Midland, Texas 79701

C. R. RAMSEY
Dist. Prod. Supt.

March 11, 1970

J. D. OCHSNER
Dist. Engineer

Pubco
Box 869
Albuquerque, New Mexico

Re: Lone Star Producing Company
H. H. (80) State No. 1 Well
Sec. 33, T-10-S, R-30-E
Lea County, New Mexico

Gentlemen:

As required by New Mexico Oil Conservation Commission Rule 509, we are hereby notifying you that application for discovery allowable and creation of a new pool is being made as a result of the successful completion of the captioned well.

A copy of this application is attached.

Yours very truly,

C. R. Ramsey

CRR:vjd

Attach-

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. 4339
ORDER NO. R- 3948

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CONTRACTING, AND EXTENDING
CERTAIN POOLS IN CHAVES, EDDY, LEA, AND
ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on April 15, 1970, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this _____ day of April, 1970, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Tower-San Andres Pool. Further, that the discovery well for said pool, the Phillips Petroleum Company Marley "A" Well No. 1, located in Unit P of Section 3, Township 11 South, Range 31 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 20,740 barrels to be assigned over a two-year period. Said discovery well was completed in the San Andres formation on February 9, 1970. The top of the perforations is at 4148 feet.

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Saunders Lime formation, said pool to bear the designation of Tres Papalotes-Pennsylvanian Pool. Further, that the discovery well for said pool, the Lone Star Producing Company New Mexico (80) State Well No. 1, located in Unit B of Section 33, Township 14 South, Range 34 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 52,340 barrels to be assigned over a two-year period. Said discovery well was completed in the Saunders Lime formation on February 1, 1970. The top of the perforations is at 10,468 feet.

(4) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Cherry Canyon formation, said pool to bear the designation of Sand Dunes-Cherry Canyon Pool. Said Sand Dunes-Cherry Canyon Pool was discovered by the Texas American Oil Corporation Todd "26" Federal Well No. 2, located in Unit G of Section 26, Township 23 South, Range 31 East, NMPM. It was completed in the Cherry Canyon formation on February 24, 1970. The top of the perforations is at 6012 feet.

(5) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Devonian formation, said pool to bear the designation of Warren-Devonian Pool. Said Warren-Devonian Pool was discovered by the Continental Oil Company Semu Burger B Well No. 58, located in Unit C of Section 29, Township 20 South, Range 38 East, NMPM. It was completed in the Devonian formation on February 9, 1970. The top of the perforations is at 7783 feet.

(6) That there is need for the contraction of the Bough Permo-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage in order that said acreage may be placed in the Vada-Pennsylvanian Pool.

Add to (a)

That the discovery well for said pool, Phillips Petroleum Company's Marley "A" Well No. 1, located in Unit P of Section 3, Township 11 South, Range 31 East, NMPM, is hereby authorized an oil discovery allowable of 20,740 barrels to be assigned to said well at the rate of 29 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

Add to (b)

That the discovery well for said pool, Lone Star Producing Company's New Mexico (80) State Well No. 1, located in Unit B of Section 33, Township 14 South, Range 34 East, NMPM, is hereby authorized an oil discovery allowable of 52,340 barrels to be assigned to said well at the rate of 72 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

(7) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool and the Round Tank-Queen Pool, both in Chaves County, New Mexico, the Eagle Creek-San Andres Pool and the Shugart Pool, both in Eddy County, New Mexico, the East Caprock-Devonian Pool, the South Eunice-San Andres Pool, the Maljamar Grayburg-San Andres Pool, and the Quail Ridge-Morrow Gas Pool, all in Lea County, New Mexico, and the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Tower-San Andres Pool, consisting of the following described area:

✓ TOWNSHIP 11 SOUTH, RANGE 31 EAST, NMPM
SECTION 3: SE/4

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for Saunders Lime production, is hereby created and designated as the Tres Papalotes-Pennsylvanian Pool, consisting of the following described area:

✓ TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 33: NE/4

(c) That a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production, is hereby created and designated as the Sand Dunes-Cherry Canyon Pool, consisting of the following described area:

✓ TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
SECTION 26: SW/4 NE/4

(d) That a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production, is hereby created and designated as the Warren-Devonian Pool, consisting of the following described area:

✓ TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
SECTION 29: NW/4

(e) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM
SECTION 26: S/2

✓ TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
SECTION 1: E/2
SECTION 12: W/2

(f) That the East Caprock-Devonian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
SECTION 23: NE/4

(g) That the Eagle Creek-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
SECTION 23: NW/4 NW/4

(h) That the South Eunice-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 11: NE/4

(i) That the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
SECTION 9: NE/4
SECTION 10: NW/4

(j) That the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
SECTION 20: All

(k) That the Round Tank-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 30: W/2 NW/4 and NW/4 SW/4

(l) That the Shugart Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 25: W/2 NW/4

(m) That the Bough Permo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

✓ TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
SECTION 14: S/2

(n) That the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
SECTION 26: NW/4
SECTION 27: NE/4

✓ TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
SECTION 13: S/2

✓ TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
SECTION 18: S/2

✓ TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
SECTION 10: SE/4
SECTION 14: S/2
SECTION 15: NE/4
SECTION 23: NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be May 1, 1970.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX ARMIJO, Member

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

S E A L

CASE 4340: Application of TESORO
FOR 3 WATERFLOOD PROJECTS & UN-
ORTHODOX INJECTION WELL LOCATIONS.