

Case. Number.

4444

Application,
Transcripts.

Sm all Exhibts.

ETC.

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

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



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

October 28, 1970

EXAMINER HEARING

IN THE MATTER OF:

Application of Tenneco Oil Company
for an unorthodox oil well location,
Lea County, New Mexico.

Case No. 4444

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

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MR. HATCH: This is the application of Tenneco Oil Company for an unorthodox oil well in Lea County, New Mexico.

(Whereupon, Exhibits No. 1 through 8 were marked for identification.)

MR. BATEMAN: I am Ken Bateman of White, Gilbert, Koch and Kelly. I have one witness. I ask he be sworn.

DICK PFIRMAN,

a witness, having been first duly sworn according to law, upon his oath, testified as follows:

DIRECT EXAMINATION

BY MR. BATEMAN:

Q State your name, address and occupation.

A Dick Pfirman. Geological Engineer. Tenneco Oil Company in Midland, Texas.

Q Mr. Pfirman, you have not previously testified before the Commission, is that correct?

A That is correct.

Q Will you state your education and occupational experience?

A I received a Bachelor of Science Degree in geology at Bates College in Lewistown, Maine. I have a Master's of Geology, University of Arizona in Tucson. I worked for two and a half years for Tenneco Oil Company in

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Midland as a Geological Engineer and have worked one year in the immediate area of interest, selecting well locations and doing other geological work.

MR. BATEMAN: Mr. Examiner, are the witness' qualifications acceptable?

MR. UTZ: Yes, they are. I couldn't help but notice he traveled a long way to get that education, from Maine to Arizona.

Q State what Tenneco seeks by its application.

A In this application Tenneco seeks approval for completion of an oil well at an unorthodox location in the Allison-Pennsylvanian Pool. The well is spotted one thousand eight hundred-thirty feet from the north line and six hundred sixty from the west line of Section 10, Township 9 South, Range 36 East in Lea County, New Mexico. This is illustrated in our Exhibit No. 1.

Q Why is an unorthodox location necessary?

A The acreage in question, in May of 1970, was designated to be included in the Allison-Pennsylvanian Pool. Previous to this time Tenneco had been drilling in the Veda Penn Pool to the west of the area in question. In that field we were able to drill in any quarter section of the proration unit. The acreage in question here

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stipulates that we must drill in the northwest or southeast of each proration unit and we did not do this. We drilled in the northwest of the proration unit instead of the southeast of the unit.

Q What field rules apply to Section 9 on Exhibit 1?

A Section 9 is included in the Veda Penn rules which stipulates one hundred sixty acres per proration unit. Section 10, the section in question, is in Allison-Penn and stipulates that we have an eighty acre proration unit but that the wells we drilled in either the northwest or the southeast of each quarter section.

Q What is the yellow area designated on your Exhibit 1?

A The yellow area on Exhibit 1 is acreage owned one hundred percent by Tenneco Oil Company.

Q Mr. Pfirman, you can refer to your exhibits No. 2 and 3.

State what relevance they have to the application.

A Exhibit No. 2 is a structure map on top of the producing horizon in question, the Bough "C" zone and Exhibit 3 is an isopach map of the same area of interest. It is an isopach of the zone that produces in the area of the Bough "C".

Q What are the yellow areas on your Exhibits 2 and 3?

A The yellow areas also represent acreage owned one hundred

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percent by Tenneco Oil Company.

Q What are the brown areas?

A The brown areas are mineral -- represent mineral interests owned by Tenneco in the area.

Q Do Exhibits 2 and 3 illustrate anything that had to do with the selection of the location for the well in question?

A Yes. We have introduced Exhibits 2 and 3 to illustrate to the Commission that we felt our location in either the east half or the west half of the eighty acre pro-
ration unit were geologically equivalent, to the best of our knowledge. You have approximately similar structure position as shown on Exhibit 2 and approximately equivalent porosity sections as shown on Exhibit 3.

Q What was the number of the Commission's order that put the relative section of Section 10 into the Allison-Penn field rules?

A The Order Number R-3959 in May of 1970 was with respect to the northwest quarter of Section 10, line south thirty-six east. In this order the northwest quarter of the section was designated to be included in the Allison-Penn field.

Q Refer to your Exhibit No. 4 and state what relevance that

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has to your application.

A Exhibit No. 4 represents our most recent tests on the well in question, the Merrell No. 2. They were taken consecutively on October 21 and October 22 of this year. They show that the well is produced in a flowing manner. The first day it flowed three hundred fifty-nine barrels of oil plus fifty-one water; the second day, three hundred fifty-one oil and eighty-seven water.

Q Continuing to Exhibit No. 5 and Exhibit No. 6, state what relevance that has to the application.

A Exhibit 5 indicates the drilling permit filed with the Commission and No. 6 illustrates or is a well location an acreage dedication plat filed with the Commission.

Q The application was accepted, is that correct?

A That is correct.

Q Continuing to your Exhibits 7 and 8 --

A Exhibit 7 and 8 are letters of waivers from the offset operators to this lease. To the north, as illustrated on Exhibit 1, Blackrock Oil Producers is the offset operator and to the west, B T A Oil Producers are the operators.

In both of these exhibits, that is 7 and 8, these companies have waived any objections to this unorthodox

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location.

Q Mr. Pfirman, in your opinion, if the application is approved, will correlative rights be protected?

A Yes. They will.

Q Were Exhibits 1 through 8 prepared by you or under your direction?

A Yes. They were.

MR. BATEMAN: Mr. Examiner, I move admission of Exhibits 1 through 8.

MR. UTZ: Without objection, Exhibits 1 through 8 will be entered into the record of this case.

(Whereupon, Applicant's Exhibits 1 through 8 were marked into the record.)

Q Do you have anything further, Mr. Pfirman?

A No. I don't believe so.

MR. BATEMAN: No further direct.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Pfirman, R-3559 of May, 1970 put the northwest quarter of this section in the Allison Pool, is that correct?

A That is correct.

Q You applied for permit to drill this well 8,3,70?

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A That is also correct.

Q Maybe some of the Hobbs people better read the Allison-Penn rules.

A I believe, sir, we should have read the rules more thoroughly. One thing that was perhaps not brought out clearly enough was the fact we had drilled in the Veda Pool for the past two years. We were aware that this acreage was placed in Allison-Penn. We were also aware there was an eighty acre proration unit but we did not look closely enough to see that there were ridged eighty specified in the field rules. I believe this was our oversight.

Q Your Exhibits No. 2 and 3, it appears if you drilled it in the standard location you would have had a better well structurally.

A That is true, looking at the geology at this point in time. At the time we were drilling, Blackrock, in Unit B of Section 10, was drilling simultaneously with us. There was no chance that the low, tight zone might have gone through the easternmost location and the real reason we selected the western location was because we were closer to the four prolific producers to the west. The old depleted field, Allison-Penn field, to the east,

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did not look quite as profitable as the field to the west and that really made the decision for us.

Q It doesn't always work, though, does it?

A No, sir.

MR. UTZ: Any other questions of the witness?

MR. HATCH: What is the brown coloring on Exhibits 2 and 3?

THE WITNESS: They represent mineral interests owned in the lease by Tenneco.

MR. UTZ: Any other questions?

The witness may be excused.

Statements in the case?

The case will be taken under advisement.

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STATE OF NEW MEXICO)
) SS.
 COUNTY OF BERNALILLO)

I, PETER A. LUMIA, a 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.

Peter A. Lumia
 Peter A. Lumia, C.S.R.

I do hereby certify that the foregoing is a true and correct copy of the original as the same was filed in the office of the Secretary of the New Mexico Oil Conservation Commission on this 10th day of August 1970.
 4444
 10-28-70
[Signature]
 New Mexico Oil Conservation Commission

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I N D E X

WITNESS:

PAGE:

DICK PFIRMAN

Direct Examination by Mr. Bateman

2

Cross Examination by Mr. Utz

7

E X H I B I T S

APPLICANT'S

MARKED

OFFERED AND
ADMITTED

Nos. 1 through 8

2

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Case 4444

Heard 10-28-70

Res. 10-30-70

Grant Deener's request for
a NSL in the Allison - Pennoil
pool. The Allison rules require wells
to be drilled in the SE + NW $\frac{1}{4}$'s of the
160 A. tract. This well was drilled
in the the SW $\frac{1}{4}$ of the NW $\frac{1}{4}$ of sec. 10
9S-36E. ~~660/W + 51~~ 530/N, 660/W
lines of sec. 10.

Thos. Duf

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. 4444
Order No. R-4052

APPLICATION OF TENNECO OIL COMPANY
FOR AN UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 28, 1970,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 6th day of November, 1970, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Tenneco Oil Company, seeks an excep-
tion to Rule 3 of the Special Rules and Regulations governing the
Allison-Pennsylvanian Pool as promulgated by Order No. R-1389-B
to permit the completion of its Merrell Well No. 2 at an unortho-
dox location 1830 feet from the North line and 660 feet from the
West line of Section 10, Township 9 South, Range 36 East, NMPM,
Lea County, New Mexico.

(3) That the subject well was inadvertently drilled at said
unorthodox location.

(4) That approval of the subject application will afford the
applicant the opportunity to produce its just and equitable share
of the oil in the Allison-Pennsylvanian Pool, will prevent the

-2-

CASE No. 4444
Order No. R-4052

economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tenneco Oil Company, is hereby granted an exception to the well location requirements of Rule 3 of the Special Rules and Regulations governing the Allison-Pennsylvanian Pool as promulgated by Order No. R-1389-B to complete its Merrell Well No. 2 at an unorthodox location 1830 feet from the North line and 660 feet from the West line of Section 10, Township 9 South, Range 36 East, NMPM, Lea County, New Mexico.

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

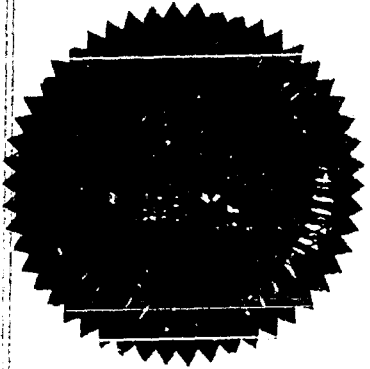
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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



esr/

DOCKET: EXAMINER HEARING - WEDNESDAY- OCTOBER 28, 1970

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

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

CASE 4443: Application of Pan American Petroleum Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the BS Mesa-Gallup and Basin-Dakota Gas Pools in the wellbores of its Jicarilla Apache 102 Wells Nos. 7, 9, 11, and 12, located respectively in Sections 3, 4, 10, and 9, Township 26 North, Range 4 West, Rio Arriba County, New Mexico. Applicant further seeks a procedure whereby other wells on said Jicarilla Apache 102 lease now dually completed in said pools may be approved administratively for downhole commingling.

CASE 4444: Application of Tenneco Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the rules governing the Allison-Pennsylvanian Pool to permit the completion of an oil well at an unorthodox location 1830 feet from the North line and 660 feet from the West line of Section 10, Township 9 South, Range 36 East, Lea County, New Mexico.

CASE 4445: Application of Byron McKnight for an exception to Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the potash-oil area casing and cementing rules as set forth in Commission Order No. R-111-A. Applicant proposes to drill two exploratory wells in the NW/4 NW/4 of Section 35 and the NE/4 NE/4 of Section 34, both in Township 19 South, Range 33 East, Lea County, New Mexico, in such a manner as to eliminate the necessity of running the salt protection string required by said Order No. R-111-A, provided the production string would be cemented to the surface.

CASE 4446: Application of Ford Chapman for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the open-hole interval from 2899 feet to 2905 feet in his Gulf Pipkin Federal Well No. 1 located 330 feet from the South line and 605 feet from the East line of Section 34, Township 26 South, Range 29 East, Pecos-Delaware Pool, Eddy County, New Mexico.

- CASE 4447: Application of Morris R. Antweil for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of his Allen Well No. 1 located in Unit J of Section 31, Township 22 South, Range 27 East, Eddy County, New Mexico, in such a manner as to permit the production of gas from the South Carlsbad-Strawn and South Carlsbad-Morrow Gas Pools through parallel strings of tubing.
- CASE 4173: Reopened -- (Continued from the September 30, 1970 Examiner Hearing)
In the matter of Case 4173 being reopened pursuant to the provisions of Order No. R-3811-A, which order extended 80-acre spacing units and a limiting gas-oil ratio of 4000 cubic feet of gas per barrel of oil for the Hobbs-Drinkard Pool, Lea County, New Mexico, for a period of 90 days. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing, why the limiting gas-oil ratio should not revert to 2000 to one, and/or why all casinghead gas produced by wells in the pool should not be reinjected.
- CASE 4448: Application of MWJ Producing Company for pool redelineation and the creation of a new pool and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the redelineation of the Mescalero Permo-Pennsylvanian Pool by the deletion of all lands in Sections 28 and 33, Township 10 South, Range 32 East, Lea County, New Mexico, from said pool. Applicant further seeks the creation of a new pool for the production of oil from the Permo-Pennsylvanian formation for its Huber State Well No. 1 located in Unit K of said Section 33, and for the promulgation of special rules therefor including a provision for 160-acre spacing units and the assignment of 80-acre allowables.
- CASE 4449: Application of Petro-Thermo Corporation for authority to operate an oil treating plant, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to install and operate a water-bath and heat-treatment type oil treating plant in the SW/4 NW/4 of Section 31, Township 18 South, Range 37 East, Lea County, New Mexico, for the reclamation of sediment oil.
- CASE 4450: Application of Anderson Oil and Gas Company for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete the New Mexico State B. T. (Q) Well No. 1 located 660 feet from the South and East lines of Section 33, Township 11 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil through tubing from the Bagley-Pennsylvanian Pool and the disposal of produced salt water through tubing into the Devonian formation, Bagley-Siluro-Devonian Pool at a depth of approximately 11,075 feet.

CASE 4451: Application of Union Oil Company of California for a non-standard oil proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil proration unit comprising the SW/4 SE/4 of Section 17 and the NW/4 NE/4 of Section 20, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool, Roosevelt County, New Mexico, to be dedicated to a well to be drilled at a standard location in the SW/4 SE/4 of said Section 17.

CASE 4423: Continued from the September 30, 1970 Examiner Hearing

Application of Union Oil Company of California for compulsory pooling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the San Andres formation underlying the N/2 NE/4 of Section 20, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool, Roosevelt County, New Mexico. Said acreage to be dedicated to a well to be drilled at an orthodox location in the NW/4 NE/4 of said Section 20. Also to be considered will be the cost of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

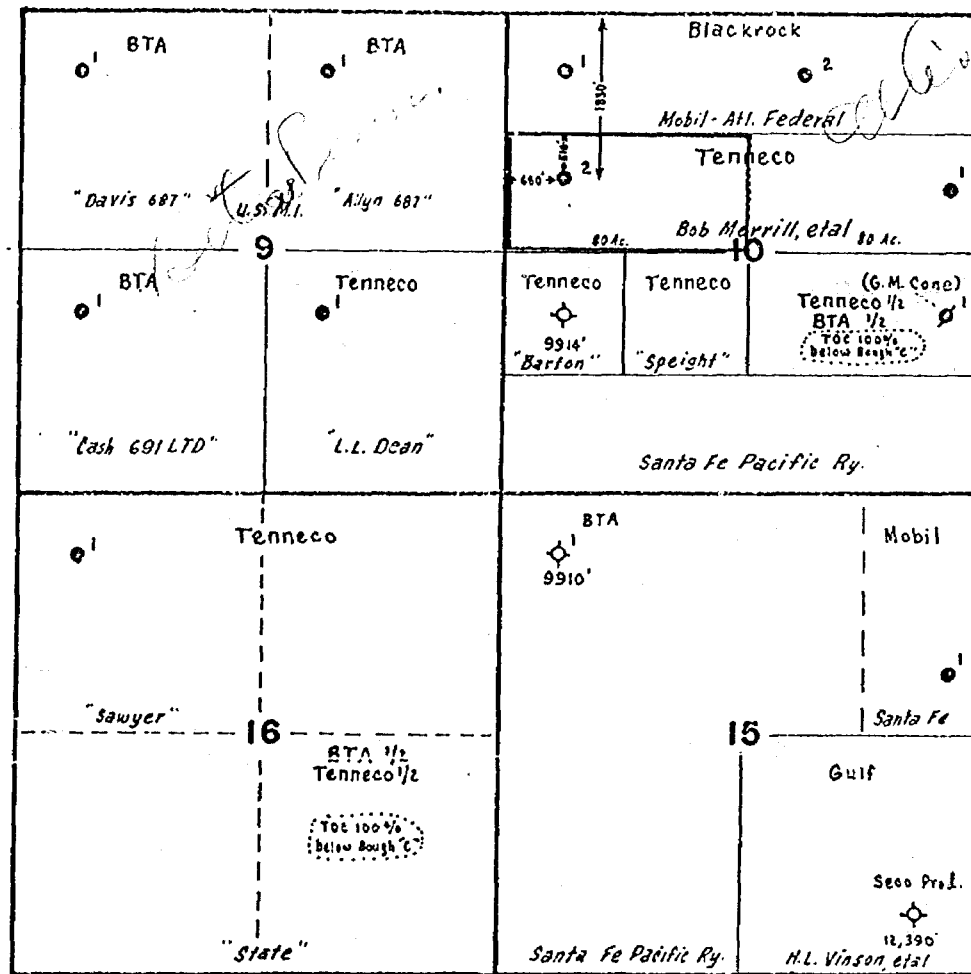
CASE 4434: (Continued from the September 30, 1970, Examiner Hearing)

Application of Union Oil Company of California for the creation of a new gas pool and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for its Pipeline Federal Well No. 1 located in Section 4, Township 19 South, Range 34 East, Lea County, New Mexico. Applicant further seeks the promulgation of special rules therefor, including a provision for 640-acre spacing and proration units and fixed well location requirements.

CASE 4452: Application of David C. Collier for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by injection into the Queen formation through 4 wells located in Sections 1 and 12 of Township 19 South, Range 29 East, and Section 6 of Township 19 South, Range 30 East, East Turkey Track-Queen Pool, Eddy, County, New Mexico.

R-36-E

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BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 1
CASE NO. 4444

TENNECO OIL COMPANY
SUBSIDIARY OF TENNECO CORPORATION
ALLISON PENN FIELD
LEA COUNTY, NEW MEXICO
PRORATION UNIT LOCATION PLAT
Scale: 1" = 2000'
EXHIBIT 1
10-7-70

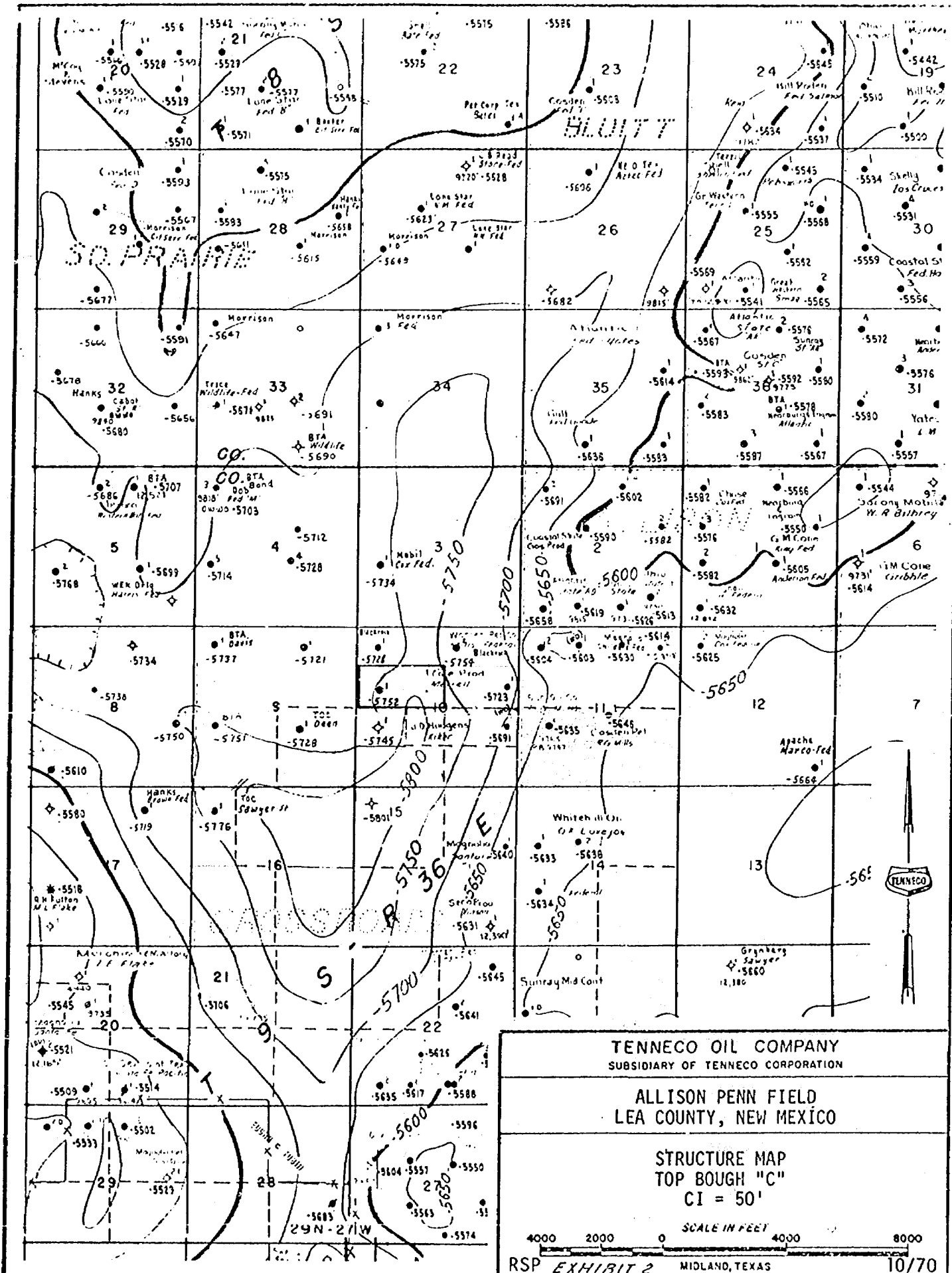


EXHIBIT NO. 4

T.O.C. MERRELL NO. 2 TEST DATA

Location of Well: 660' FWL & 1830' FNL, Section 10, T-9-S, R-36-E,
Lea County, New Mexico

Date of Test: 10-21-70
Method of Producing: Flowing
Fluid Produced: 359 oil + 51 water ✓
Choke Size: 17/64"
GOR 2890
Tubing Pressure: 280-300 psi
Length of Test: 24 hours

Date of Test: 10-22-70
Method of Producing: Flowing
Fluid Produced: 351 oil + 87 water ✓
Choke Size: 17/64"
GOR: 2890
Tubing Pressure: 300 psi
Length of Test: 24 hours

RSP/yt

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	4
CASE NO.	4444

File

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NEW MEXICO OIL CONSERVATION COMMISSION
 CLERK EXAMINER UTZ
 EXHIBIT NO. 5
 CASE NO. 4445

Form C-101
 Revised 1-1-65

5A. Indicate Type of Lease STATE <input type="checkbox"/> - REC <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.
7. Unit Agreement Name
8. Farm or Lease Name Merrell
9. Well No. 2
10. Field and Pool, or Wildcat Undesignated
12. County Lea
19. Proposed Depth 9950
19A. Formation Bough "C"
20. Rotary or C.T. Rotary
21. Elevations (Show whether DI, RT, etc.) 4049.7 GR
21A. Kind & Status Plug. Bond In Effect
21B. Drilling Contractor McVay Drilling Co.
22. Approx. Date Work will start August 8, 1970

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>
2. Name of Operator Tenneco Oil Company
3. Address of Operator P. O. Box 1031, Midland, Texas 79701
4. Location of Well UNIT LETTER E LOCATED 1830 FEET FROM THE north LINE AND 660 FEET FROM THE west LINE OF SEC. 10 TWP. 9S RGE. 36E NMPM
19. Proposed Depth 9950
19A. Formation Bough "C"
20. Rotary or C.T. Rotary
21. Elevations (Show whether DI, RT, etc.) 4049.7 GR
21A. Kind & Status Plug. Bond In Effect
21B. Drilling Contractor McVay Drilling Co.
22. Approx. Date Work will start August 8, 1970

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48#	350	Sufficient to	circulate
11"	8-5/8"	32# & 24#	4150±	Sufficient to	2000'
7-7/8"	5-1/2"	17#	9950	Sufficient to	8600'

Propose to drill 17-1/2" hole to 350' KDB. Run and circulate cement on 13-3/8" casing. Pressure test casing to 600 psi. WOC 24 hours, drill 11" hole to approximately 4150' KDB. Run 8-5/8" intermediate casing and bring cement to 2000'. Pressure test to 1000 psi for 30 minutes. WOC 24 hours and drill 7-7/8" hole to approximately 9950' KDB. Run 5-1/2" casing and bring cement back to 8600'. Test casing to 1000 psi and WOC 24 hours.

THE COMMISSION MUST BE NOTIFIED
 24 HOURS PRIOR TO RUNNING 17-1/2"
 CASING.

APPROVAL VALID
 FOR 90 DAYS UNLESS
 DRILLING COMMENCED
 EXPIRES Nov. 2, 1970

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Carley V. Harris Title Senior Production Clerk Date 8-3-70

(This space for State Use)

APPROVED BY John W. Runyon TITLE Commissioner DATE AUG. 5 1970

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-55

All distances must be from the outer boundaries of the Section.

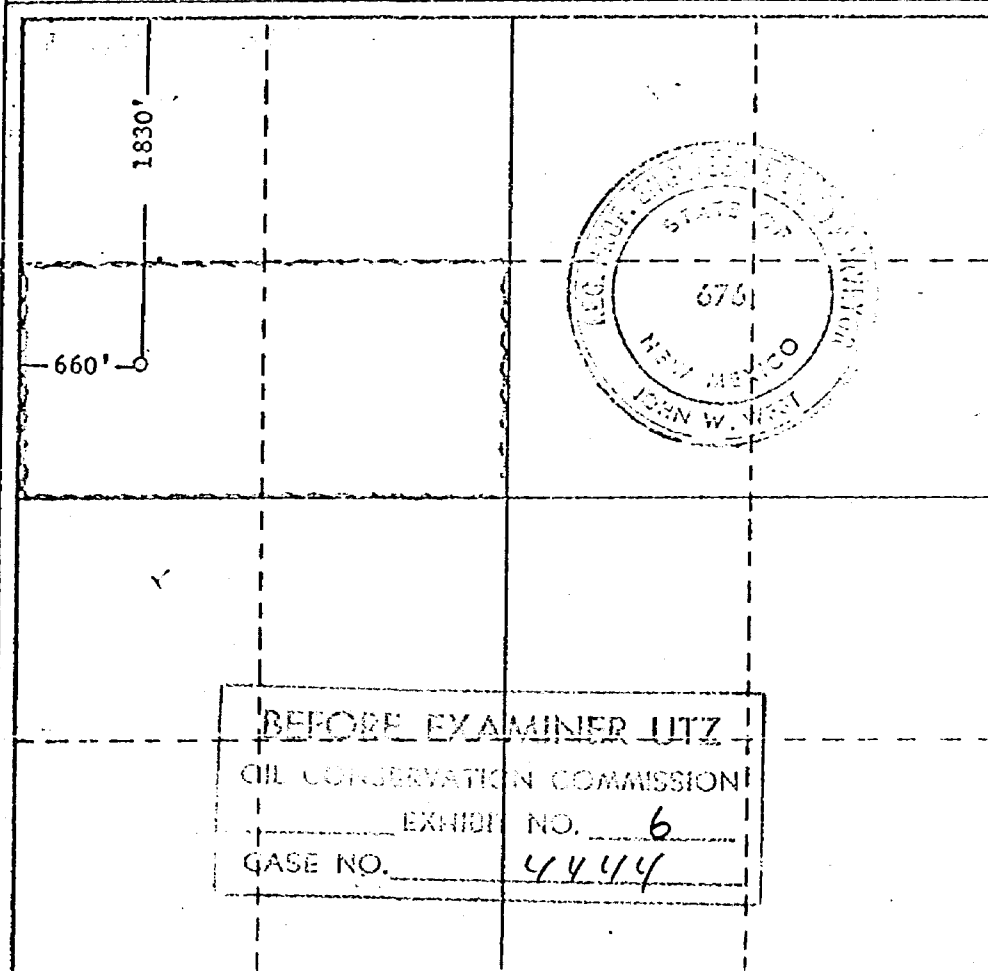
Owner TENNESCO OIL COMPANY			Lease MERRELL		Well No. 2
Unit Letter E	Section 10	Township 9 SOUTH	Range 36 EAST	County LEA	
Actual Footage Location of Well: 1830 feet from the NORTH line and 660 feet from the WEST line					
Ground Level Elev. 4641.7	Producing Formation Bough "C"		Pool Allison (Penn)	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

	
<p>BEFORE EXAMINER LITZ</p> <p>OIL CONSERVATION COMMISSION</p> <p>EXHIBIT NO. 6</p> <p>CASE NO. 4444</p>	

CERTIFICATION

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

Name Wm. J. West
Position District Drilling Engineer
Company Tenneco Oil Company
Date August 3, 1970

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed 8-1-1970
Registered Professional Engineer and/or Land Surveyor

Certificate No. 676

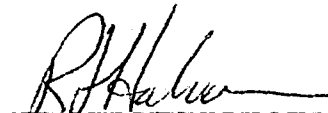
October 6, 1970

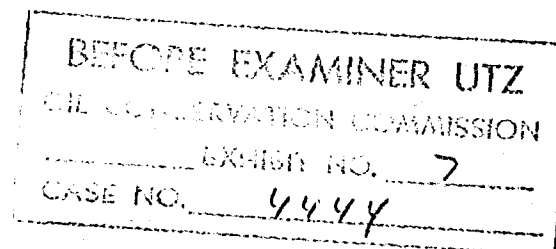
New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico

Re: Exception to Rule 3
Tenneco Oil Company
Merrell No. 2
Allison-Pennsylvanian
Pool, Lea County,
New Mexico

Gentlemen:

BTA Oil Producers is aware that Tenneco Oil Company's Merrell No. 2, located in Unit-E, Section 10, T-9-S, R-36-E, Lea County, New Mexico, requires an exception to Rule No. 3 of the Field Rules of the Allison-Pennsylvanian Pool. BTA Oil Producers as an offset operator has no objection to granting this exception and hereby waives all objections to such application.


Robert L. Halvorsen
General Manager
BTA Oil Producers



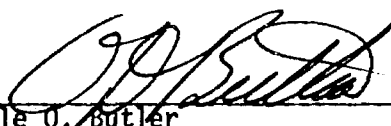
October 6, 1970

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

Re: Exception to Rule 3
Tenneco Oil Company
Merrell No. 2
Allison-Pennsylvanian
Pool, Lea County,
New Mexico

Gentlemen:

Blackrock Oil Company is aware that Tenneco Oil Company's Merrell No. 2, located in Unit-E, Section 10, T-9-S, R-36-E, Lea County, New Mexico, requires an exception to Rule No. 3 of the Field Rules of the Allison-Pennsylvanian Pool. Blackrock Oil Company as an offset operator has no objection to granting this exception and hereby waives all objections to such application.


Doyle O. Butler
President
Blackrock Oil Company

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	8
CASE NO.	4449

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 4444

Order No. R- 4052

APPLICATION OF TENNECO OIL COMPANY
FOR AN UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 28, 1970,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this _____ day of November, 1970, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Tenneco Oil Company, seeks an excep-
tion to Rule 3 of the Special Rules and Regulations governing the
Allison-Pennsylvanian Pool as promulgated by Order No. R-1389-B
to permit the completion of its Merrell Well No. 2
at an unorthodox location 1830 feet from the North line and 660
feet from the West line of Section 10, Township 9 South, Range 36
East, NMPM, Lea County, New Mexico.

(3) *That the subject well was inadvertently
drilled at said ~~from~~ unorthodox location.*

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the Allison-Pennsylvanian Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tenneco Oil Company, is hereby granted an exception to the well location requirements of Rule 3 of the Special Rules and Regulations governing the Allison-Pennsylvanian Pool as promulgated by Order No. R-1389-B to complete its Merrell Well No. 2 at an unorthodox location 1830 feet from the North line and 660 feet from the West line of Section 10, Township 9 South, Range 36 East, NMPM, Lea County, New Mexico.

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

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