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Application
Trascripts

Small Exhibits

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209 SIAMS BLDG. • P.O. BOX 1092 •

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

June 2, 1971

EXAMINER HEARING

IN THE MATTER OF:

Application of Tenneco Oil Company) for gas injection, McKinley County,)
New Mexico.

Case 454

BEFORE: ELVIS A. UTZ, Examiner

TRANSCRIPT OF PROCEEDINGS



MR. UTZ: Case 4541. MR. HATCH: The applicant has requested that Case 4541 be dismissed. MR. UTZ: Case 4541 will be dismissed as requested by the applicant. 8 STATE OF NEW MEXICO) 10 COUNTY OF BERNALILLO) 11 I, Glenda Burks, Court Reporter, do hereby certify 12 that the foregoing and attached transcript of hearing before 13 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 16 ability. 17 18 19 20 21 t do ne copy sectify that the formulation 22 23 24 New Mexico Oil Conservation Co.

dearnley-meier reporting service, inc. SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS. EXPERT TESTIMONT

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico May 19, 1971

EXAMINER HEARING

IN THE MATTER OF:

Application of Tenneco Oil Company for) Case No. 4541 gas injection, McKinley County, New Mexico.

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING



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MR. NUTTER: Call next Case No. 4541.

MR. HATCH: Case 4541, application of Tenneco Oil Company for gas injection, McKinley County, New Mexico. And the applicant in this case has requested it be continued to June the 2nd, 1971.

MR. NUTTER: Case No. 4541 will be continued to the Examiner Hearing to be held at 9:00 o'clock A.M., June the 2nd, 1971, at this same place.

STATE OF NEW MEXICO) COUNTY OF BERNALILLO)

I, SYLVIA AMARO, 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.

Court Reporter

West Minuten Of) Conservation Complession

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OIL CONSERVATION COMMISSION

P. O. BOX 2088 - SANTA FE 87501

June 7, 1971

GOVERNOR BRUCE KING CHAIRMAN LAND COMMISSIONER

LAND COMMISSIONE ALEX J. ARMIJO MEMBER

STATE GEÖLÖGIST A. L. PORTER, JR. SECRETARY – DIRECTOR

	Re: Case No. 4541
Mr. Booker Kelly White, Gilbert, Koch & Kelly	Order No. R-4150
Attorneys at Law	Applicant:
Post Office Box 787	Tennecc 012 Company
Santa Fe, New Mexico	Termeco Orz Company

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr.

Secretary-Director &

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 4541 Order No. R-4150

APPLICATION OF TENNECO OIL COMPANY FOR GAS INJECTION, MCKINLEY COUNTY, NEW MEXICO.

ORDER OF THE CONCUSSION

BY THE COMMISSION!

This cause came on for hearing at 9 a.m. on June 2, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Uts.

MOW, on this 7th day of June, 1971, the Commission, a quorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 4541 is hereby dismissed.

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

> STATE OF NEW MEXICO OIL COMSERVATION COMMISSION

> > Li len

BRUCE KING, Chairman

ALEX J. AMILIO

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

WHITE, GILBERT, KOCH & KELLY (GILBERT, WRITE AND GILBERT)

ATTORNEYS AND COUNSELORS AT LAW LINCOLN BUILDING

SANTA FB, NEW MEXICO 87501

June 1, 1971

POST OFFICE BOX 787 IAREA CODE 505)

N C

C.C.WHITE
WILLIAM W. GILBERT
SUNNER S. KOCH
WILLIAM BOOKER KELLY
JOHN F. MCCARTHY, JR. KENNETH BATEMAN BENJAMIN PHILLIPS

CARL H. GILBERT (1891-1963)

L.C.WHITE

PRINCIPAL TO A

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

Re: Tenneco Oil Company to Store Gas
Lone Pine Field, McKinley County, New Mexico
Case No. 4541

Dear Mr. Porter:

This letter is to inform you that my client wishes the above-referred to case dismissed. It is probable that we will refile this in the near future in a slightly amended form.

Sincerely yours,

WBK: CC

cc: Mr. J. A. Simmons
Tenneco Oil Company P. O. Box 2410 Denver, Colorado 80201

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 2, 1971

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 4528: (Continued from the April 28, 1971, Examiner Hearing)
 Application of Franklin, Aston & Fair, Inc., 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, to dispose of water produced by its Coppedge Well No. 1-C located in Unit. H of Section 5, Township 18 South, Range 30 East, Loca Hills-Grayburg-San Andres Pool, Eddy County, New Mexico, in an unlined pit in the vicinity of said well.
- CASE 4538: (Continued from the May 19, 1971, Examiner Hearing)

 Application of Jack F. Grimm Oil Company for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104-C I of the Commission Rules and Regulations to drill a well at an unorthodox location 880 feet from the South line and 1500 feet from the West line of Section 20, Township 11 South, Range 29 East, White Ranch Siluro-Devonian Pool, Chaves County, New Mexico.
- CASE 4541: (Continued from the May 19, 1971, Examiner Hearing)

 Application of Tenneco Oil Company for gas injection,

 McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to inject casinghead gas produced by certain wells located in the Lone Pine-Dakota "D" Pool,

 McKinley County, New Mexico, into the Dakota A zone through perforations from 2547 feet to 2562 feet in its Santa Fe Pacific Railroad Well No. 2 located in the NW/4 SW/4 of Section 13, Township 17 North, Range 9 West, South Hospah Field. The gas is to be injected for storage purposes awaiting the institution of a pressure maintenance project in the Lone Pine-Dakota "D" Pool.
- CASE 4543: Application of Tank Service Company for authority to operate an oil treating plant, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to install and operate a heat-treatment type oil treating plant in the SE/4 SW/4 NW/4 SE/4 of Section 21, Township 17 South, Range 30 East, Eddy County, New Mexico, for the reclamation of sediment oil.

- CASE 4544: Application of Rijan Oil Company, Inc., for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Dakota formation in the open-hole interval from 886 feet to 909 feet in its Rijan Well No. 15 located in Unit F of Section 31, Township 30 North, Range 16 West, Slick Rock-Dakota Pool, San Juan County, New Mexico.
- CASE 4545: Application of Shiprock Corporation for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Shiprock-Gallup Pool by the injection of water into the Gallup formation through 5 wells located in Section 17, Township 29 North, Range 18 West, San Juan County, New Mexico.
- CASE 4546: Application of Mobil Oil Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Langlie Mattix Queen Unit Well No. 39 as a producing oil well at an unorthodox location 900 feet from the South line and 215 feet 37 East, Langlie Mattix Pool, Lea County, New Mexico, as an infill well in its Langlie Mattix Queen Unit Area.

WHITE, GILBERT, KOCH & KELLY (GILBERT, WRITE AND GILBERT)

ATTORNEYS AND COUNSELORS AT LAW
LINCOLN BUILDING

SANTA FE, NEW MEXICO 87501

CARL H. GILBERT (1891-1963)
L.C. WHITE
WILLIAM W. GILBERT
SUMNER S. XOCH
WILLIAM BOOKER KELLY
JOHN F. MCCARTHY, JR.
KENNETH BATEMAN
BENJAMIN PHILLIPS

May 12, 1971

POST OFFICE BOX 787
TELEPHONE 982-4301
(AREA CODE 505)

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

Gas Injection, McKinley County, N.M. Case No. 4541, set for May 19, 1971

Dear Mr. Porter:

I have been asked by Tenneco Oil Company to request the above-referred to case be continued to the next regular hearing in June, 1971. Tenneco needs additional time to gather data necessary for a proper presentation of its case.

Very truly yours,

MD (ULL) W. B. KELLY

WBK: CC

Cc: Mr. J. A. Simmons
Tenneco Oil Company
P. O. Box 2410
Denver, Colorado 80201

DOCKET MAILED

Date 2-20-7

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DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 19, 1971

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO
The following cases will be heard before Daniel S. Nutter, Examiner on Elvis A. Utz, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1971, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico; also presentation of purchaser's nominations for said pools for the six-month period beginning July 1, 1971;
 - (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for June, 1971.
- CASE 4352 (Reopened): (Continued from April 14 and April 28, 1971 Examiner Hearings)

In the matter of Case 4352 being reopened by the Oil Conservation Commission upon its own motion to give all, interested persons an opportunity to appear and present evidence to whether the Double L-Queen and Suble-Queen Pools, Chaves County, New Mexico, are in fact separate reservoirs or one common reservoir. Further, in the event it is found that the two pools comprise coe common reservoir, the Commission will consider the adoption of special rules and regulations to provide for the classification of oil and gas wells, spacing and well location requirements for oil and gas wells, and an allocation formula for withdrawals from the gas wells and oil wells.

- CASE 4535:

 (Continued from the April 28, 1971 Examiner Hearing)

 Application of Continental Oil Company for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Monument-Tubb and Weir Drinkard oil production in the well-bore of its SEMU Well No. 70, located in Unit I of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico.
- CASE 4536:

 Application of Eastland Oil Company 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, to dispose into unlined surface pits water produced by three wells in the Power Grayburg-San Andres Pool, Eddy County, New Mexico, as follows:

(Case 4536 continued)

TOWNSHIP 17 SOUTH, RANGE 31 EAST Allied State Well No. 1 - SW/4 SW/4 Section 32

TOWNSHIP 18 SOUTH, RANGE 31 EAST Kenwood Federal Well No. 1 - NEØ4 NW/4 Section 6 Kenwood Federal Well No. 3 - NW/4 NW/4 Section 6

- CASE 4537: Application of Union Oil Company of California for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt into the Devonian formation in the perforated interval from 11,680 feet to 11,690 feet in its South Vacuum Unit Well No. 2-35 located in Unit I of Section 35, Township 18 South, Range 35 East, South Vacuum-Devonian Pool, Lea County, New Mexico.
- CASE 4538: Application of Jack F. Grimm Oil Company for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C I of the Commission Rules and Regulations to drill a well at an unorthodox location 880 feet from the South line and 1500 feet from the West line of Section 20, Township 11 South, Range 29 East, White Ranch Siluro-Devonian Pool, Chaves County, New Mexico.
- CASE 4539: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Doanbuy Lease & Company, Inc., and all other interested persons to appear and show cause why its following described wells in Section 27, Township 14 South, Range 33 East, Saunders Pool, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Atlantic	State	AC - 1	Well No. 1	Unit N
Atlantic	State	AC - 2	Well No. 2	Unit M
Atlantic	State	AC - 2	Well No. 3	Unit O
Atlantic	State	AC - 3	Well No. 4	Unit L
Atlantic	State	AC - 3	Well No. 5	Unit J
Atlantic	State	AC ÷ 4	Well No. 6	Unit P
Atlantic	State	AC - 4	Well No. 7	Unit I

tr.

Examiner Hearing - May 19, 1971 -3-

CASE 4540: Application of Mountain States Petroleum Corporation for redelineation of certain pools, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks the contraction of the Atoka-Pennsylvanian Gas Pool by the deletion of the W/2 of Section 19, Township 18 South, Range 26 East, Eddy County, New Mexico, and the extension of the West Atoka-Morrow Gas Pool to include the W/2 of Sections 18 and 19, said Township and Range.

CASE 4541:

Application of Tenneco Oil Company for gas injection, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to inject casinghead gas produced by certain wells located in the Lone Pine-Dakota "D" Pool, McKinley County, New Mexico, into the Dakota A zone through perforations from 2547 feet to 2562 feet in its Santa Fe Pacific Railroad Well No. 2 located in the NW/4 SW/4 of Section 13, Township 17 North, Range 9 West, South Hospah Field. The gas is to be injected for storage purposes awaiting the institution of a pressure maintenance project in the Lone Pine-Dakota "D" Pool.

CASE 4542: 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 the following pool:

West Warren-Blinebry Pool in Township 20 South, Range 38 East, Lea County;

and for the extension of the following pools in Lea County;

South Corbin-Morrow Gas Pool
Maljamar Grayburg-San Andres Pool
Vacuum-Abo Reef Pool
Warren-Drinkard Pool
Vada-Pennsylvanian Pool

and for the extension of the following pools in Eddy County:

Atoka-San Andres Pool South Carlsbad-Morrow Gas Pool Eagle Creek-San Andres Pool

and for the extension of the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County.

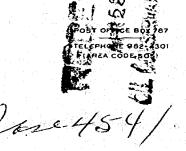
WHITE, GILBERT, KOCH & KELLY (GILBERT, WHITE AND GILBERT)

ATTORNEYS AND COUNSELORS AT LAW LINCOLN BUILDING

SANTA PR, NEW MEXICO 87501

CARL H. GILBERT (1891-1963) L.C.WHITE WILLIAM W. GILBERT SUMNER S. KOCH WILLIAM BOOKER KELLY JOHN F, MCCARTHY, JR. KENNETH BATEMAN BENJAMIN PHILLIPS

April 28, 1971



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

> Re: Application of Tenneco To Store Gas Lone Pine Field, McKinley County, New Mexico

Dear Mr. Porter:

The exhibits in support of the above referred to Application have just arrived and I therefore enclose three copies of the following:

- 1. Plat showing location of the proposed injection well.
- Diagrammatic sketch of the well.
- Induction electrical log.

Please consider these as exhibits attached to the Application.

WBK:cc Enclosures

DOCKET MAILED

DOCKET MARED

WHITE, GILBERT, KOCH & KELLY (GILBERT, WHITE AND GILBERT)

ATTORNEYS AND COUNSELORS AT LAW LINCOLN BUILDING

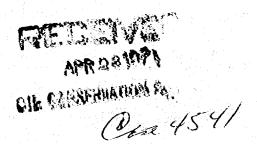
SANTA FE, NEW MEXICO 87501

CARL H, GILBERT (1891-1963)
L.C.WHITE
WILLIAM W. GILBERT
SUMNER S. KOCH
WILLIAM BOOKER KELLY
JOHN F. MCCARTHY, JR.
KENNETH BATEMAN

April 28, 1971

POST OFFICE BOX 787
TELEPHONE 982-4301
(AREA CODE 505)

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



Re: Application of Tenneco To Store Gas Lone Pine Field, McKinley County, New Mexico

Dear Mr. Porter:

Tenneco Oil Company wishes to make application to the New Mexico Oil Conservation Commission for permission to store solution natural gas produced from nine wells of the Dakota D Zone in the Lone Pine Field, McKinley County, New Mexico. This gas will be temporarily stored in the Santa Fe Pacific Railroad Well No. 2, located in the Northwest Quarter of the Southwest Quarter, Section 13, Township 17 North, Range 9 West, McKinley County, New Mexico. The gas will be injected into the Dakota A Zone through perforations set at 2547 to 2552 and 2558 to 2562.

The purpose of this storage project is to save and conserve gas that is presently being flared preliminary to a planned unitization and institution of a pressure maintenance project in the D Zone. This stored gas will then be reinjected into the D Zone as part of the pressure maintenance project.

The nine producing wells all have a common royalty owner, the Southern Pacific Railroad, and the stored gas will be measured.

Tenneco asks that this application be set down for public hearing scheduled for May 19, 1971. Relevant exhibits are now being prepared and will be furnished the Commission prior to the hearing date.

Very truly yours,

W. B. KELLY

wbk:cc

HOSPAN 50VTK LONE PINE PIELD Ø. 4 1. T 17 DAKOTA A ZANE COMPLETION LEGEND

DRY HOLE
GAS WELL
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PROQUEINE TO CENTRAL SFFRA
BATTERY.

SFFRA ROYALTY ACREAGE
OF TENNELD RIX RIW SOUTH HOSPAH AREA

- DIAGRAMMATIC SKETCH -LOF COMPLETION DATA OF PROPOSED INJECTION WELL

· K.B. ELEV. _6972 ' G.L. ELEV. 6961 OPERATOR: 2 J75. 856 *0.d. - 24 LB. J-35 CS Set @ _7/' w/ _35 Sx. TENNECO OIL CO. UNDESIGNATED DAKOTA LEASE: -SFP. R. 13-17-9 WELL No: 2 LOCATION: 660' FWL, 1980' FSL SEC. 13, 117N, ROW MCKINLEY CO., N.M. 1-236" J-55, 4.7" x 4' 90B 8018-2506' 236" J-55 4.7" TOTAL TUBING - 2518 2547-52' 2558-62 PERFS PBTD 2635' 2635' BAKEK MD. K. CMT. RET. ... 2650-57' : SQZ'D W/ 70 SX. 2691 - BAKER MD. K RET. BAKER MD. K. CMY PET .- 27401 PBTD _2754' .5½ "OD 151 B. 1/55 CSG. SET @ 2805'W/300 9x. Case 45-41.

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

HOAT

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

APPLICATION OF TENNECO OIL COMPANY FOR GAS INJECTION, MCKINLEY COUNTY, NEW MEXICO.

CASE No.	4541	
Order No.	R-4/50	/
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ORDER OF THE COMMISSION

BY T				

This cause can at Santa Fe, New Me	me on for heari exico, before E	The second secon	
			, $19\underline{71}$ the Commission,
그 그는 그를 하는 것이 되었다. 그 사람이 그리는 사람들에게 무슨 것이다.		\$100, \$40 million for the second section of	e record and the recom- advised in the premises,

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 4541 is hereby dismissed.

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

CASE 4542:

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SOUTHEASTERN HEN MEXICO NOMENCLATITE

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