4574

Application
Transcripts.

Small Exhibits

T/C

dearnley-meier reporting service, inc.

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

September 1, 1971

IN THE MATTER OF:

The hearing called by the Oil Conservation Commission on its own motion to permit Tenneco Oil Company to appear and show cause why it should not take immediate action to repair the production casing in its Bolack "B" Well No. 5 located in Unit J of Section 31, Township 27 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico.

Case No. 4574

BEFORE: ELVIS A. UTZ, EXAMINER

TRANSCRIPT OF HEARING



MR. UTZ: Case 4574.

MR. HATCH: Case 4574. In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tenneco Oil Company to appear and show cause why it should not take immediate action to repair the production casing in its Bolack "B" Well No. 5 located in the Basin-Dakota Pool, San Juan County, New Mexico.

And the Commission understands now that the well is being repaired, and I would like to move that this case be dismissed.

MR. UTZ: Without objection, Case 4574 will be dismissed as requested by Counsel.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

I, LINDA MALONE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Court Reporter

i do horeby sertify that the foregoing as a pilose record of the proceedings in the bushaker byaning of the to. 9. 5.2.

Mession

How Worldo Oil Conservation o

dearnley-meier reporting service, inc.

SPECIALIZING IN DEPOSITIONS,

SIMMS BLDG.

BEFORE THE

NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico July 28, 1971

Examiner Hearing

IN THE MATTER OF:

The hearing called by the Oil
Conservation Commission on its
own motion to permit Tenneco
Oil Company to appear and show
cause why it should not take
immediate action to repair the
production casing in its Bolack
"B" Well No. 5 located in Unit J
of Section 31, Township 27 North,
Range 8 West, Basin-Dakota Pool,
San Juan County, New Mexico.

Case No. 4574

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING



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MR. UTZ: Case 4574.

MR. HATCH: Case 4574. In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tenneco Oil Company to appear and show cause why it should not take immediate action to repair the production casing in its Bolack "B" Well No. 5 located in unit J of section 31, township 27 north, range 8 west, Basin-Dakota Pool, San Juan County, New Mexico.

I think perhaps the attorney for Tenneco and my proposed witness have been talking this case over, and I don't know what they have come to.

MR. KELLY: Booker Kelly, appearing on behalf of Tenneco. I think we have a stipulation. Do you want to phrase it to the examiner or--

MR. ARNOLD: If you want me to I think that I can. We have talked to Mr. Macy.

MR. UTZ: Well, now, if you are going to testify, I think we had better swear you in first.

MR. KELLY: Well, this is a stipulation.

MR. HATCH: Well, this may lead to a continuance, if I understand, may lead to a continuance of the case. Is that the understanding?

MR. KELLY: Yes. We are basically agreeing to do what the Commission wants in this matter, and we are just asking for thirty days to get it done, but there is—

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MR. UTZ: Well, why don't you state your stipulation,
 2 then, and then if he agrees with it and doesn't want to testify,
3 |well -
             MR. KELLY: Well, the stipulation is that there is
 5 a leak, and apparently, we are not sure exactly where or what the
 6
  problem is.
       We will undertake to get more information on it, and within
   the next thirty days we will repair the leak to the satisfaction
   of the Commission.
             MR. HATCH: In which case, then, the case would be
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   dismissed. It would be dismissed upon notification, I guess,
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   by Mr. Arnold that everything was taken care of.
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             MR. ARNOLD: I would like to have the stipulation
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   just a little more specific, but I don't know how you want me
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   to go about it.
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             MR. HATCH: Well, he doesn't need to be sworn. He can
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   state what he is asking for here now, and Mr. Kelly can either
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   agree or not.
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             MR. ARNOLD: Okay. As I understand it, the stipulation
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   is that Tenneco is convinced, as we are, that there is a hole
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   in the production casing at some depth, which we are not able to
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   determine, and that within thirty days' time, they will fix the
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   leak to our satisfaction with prior approval or either plug the
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   well.
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Is that the way you --

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MR. KELLY: Yes. I mean if the leak can't be fixed at a cost which is economical, then, of course, they will have to plug it.

We are hoping that something will be worked out, but whatever will be done will be done to the satisfaction of the Commission,

MR. PORTER: Mr. Arnold, as I understand it, one part of your stipulation was that the operator would get your approval or the approval of your office as to the kind of work to be performed before it is done?

MR. KELLY: That's right. 6

MR. ARNOLD: It has been agreed to.

MR. PORTER: Then would you suggest the case be continued to perhaps the first hearing in September?

MR. HATCH: Under those conditions, I would recommend that the case be continued approximately--I don't know what date we have here.

MR. UTZ: September 1, I believe.

MR. HATCH: Would that be to September 1, and if the work if performed by that time, well, the case would be dismissed, and if it is not, then, an order would be issued, based upon this stipulation to either plug the well or --

MR. KELLY: That's right.

MR. HATCH: Perhaps--

MR. KELLY: Yes. I am sure that by that time the case

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can be dismissed. That would be agreeable. MR. UTZ: Is that agreeable with you, Mr. Arnold? MR. ARNOLD: Yes. That is agreeable. MR. UTZ: Then case 4574 will be continued to 9/1/71in accordance with the stipulation of record. Any more statements in this case? Case will be continued. б

New Morico Oil Conservation Commission

1	STATE OF NEW MEXICO)
-	
2	COUNTY OF BERNALILLO)
3	I, LINDA MALONE, Court Reporter, do hereby certify that
4	the foregoing and attached Transcript of Hearing before the
5	New Mexico Oil Conservation Commission was reported by me; and
6	that the same is a true and correct record of the said
7	proceedings, to the best of my knowledge, skill and ability.
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J	
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11	Linda Malon
	Court Reporter
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22	I do hareby certify that the foregoing is
	a samplane recound of the proceedings in the Executeer hexeing of Gana No. 4574,
23	DE 18 02 T. 6 02 19 7 19 7



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

September 8, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

	Re:	Case No. 4574
enneco Oil Company uite 1200		Order No. R-4189
incoln Tower Building		Applicant:
enver, Colorado 80203		and the second second
and the second of the second o		Tenneco Oil Company
ttention. Mr W C Namos		

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 &

ALP/ir

Copy of order also sent to:

Hobbs OCC *

Artesia OCC

Aztec OCC *

Other

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 4574 Order No. R-4189

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION ON
ITS OWN MOTION TO PERMIT TEMBECO OIL
COMPANY TO APPEAR AND SHOW CAUSE WHY IT
SHOULD NOT TAKE IMMEDIATE ACTION TO REPAIR
THE PRODUCTION CASING IN ITS BOLACK "B"
WELL NO. 5 LOCATED IN UNIT J OF SECTION 31,
TOWNSHIP 27 NORTH, RANGE 8 WEST, BASINDAKOTA POOL, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 1, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of September, 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:

- (1) That Tenneco Oil Company has taken action to repair the subject well.
 - (2) That Case No. 4574 should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 4574 is hereby dismissed.

-2-CASE NO. 4574 Order No. R-4189

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

and a

ALEX J. ARMIJO, Member

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

SEAL

Case 4574 Jeard 9-1-7/ Rec. 9-2-71 O. C.E.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 1, 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, or Elvis A. Utz, Alternate Examiner:

- CASE 4558: (Continued from the July 28, 1971, Examiner Hearing)

 Application of Midwest Oil Corporation for a unit agreement,
 Lea County, New Mexico. Applicant, in the above-styled
 cause, seeks approval of the Little Inbe (Bough "C") Unit
 Area comprising 2,240 acres, more or less, of state lands
 in Sections 10, 11, 14 and 15 of Township 10 South, Range
 33 East, Inbe Permo-Pennsylvanian Pool, Lea County, New
 Mexico.
- CASE 4559: (Continued from the July 28, 1971, Examiner Hearing)

 Application of Midwest Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a water-flood project in its Little Inbe (Bough "C") Unit Area, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico, by the injection of water through three wells located in Sections 11 and 14 of Township 10 South, Range 33 East, Lea County, New Mexico.
- CASE 4586: 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 an oil well as an infill well in its Humphrey Queen Unit Area at an unorthodox location 1325 feet from the South line and 2450 feet from the East line of Section 3, Township 25 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico.
- CASE 4574: (Continued from the July 28, 1971 Examiner Hearing)

 In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tenneco Oil Company to appear and show cause why it should not take immediate action to repair the production casing in its Bolack "B" Well No. 5 located in Unit J of Section 31, Township 27 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico.
- CASE 4584: 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 4539: (Continued from the August 18, 1971 Examiner Hearing)

 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.
- CASE 4587: Application of Wolfson Oil Company for a non-standard gas proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the W/2 NE/4 and E/2 NW/4 of Section 12, Township 15 South, Range 29 East, Double L-Queen Associated Pool, Chaves County, New Mexico, to be dedicated to its Amerada "C" Federal Well No. 1 located 330 feet from the North line and 1650 feet from the East line of said Section 12.
- CASE 4585: Application of Pennzoil United, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 of the Commission Rules and Regulations to permit the drilling of a well at an unorthodox gas well location 1980 feet from the South line and 990 feet from the West line of Section 6, Township 23 South, Range 27 East, South Carlsbad-Strawn Gas Pool, Eddy County, New Mexico, the S/2 of said Section 6 to be dedicated to the well.



GOVERNOR BRUCE KING CHAIRMAN

ALEX J. ARMIJO

MEMBER .

LAND COMMISSIONER STATE OF NEW MEXICO 1000 RIO BRAZOS ROAD - AZTEC

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

DOCKET MAILED

June 14, 1971

Mr. W. C. Nance

Tenneco Oll Company Suite 1200 Lincoln Tower Building Denver, Colorado 80203

RET Casing Failure, Tenneco Oli Co., Bolack B #5, J-31-27N-8W

Dear Mr. Nance:

I am enclosing a copy of a letter dated January 15, 1971, from this office to Tenneco Oli Company directing that immediate remedial action be taken on the above well.

Our records do not reflect that an action has been taken as of this date. I am therefore notifying our legal department in Santa Fe to set a case for hearing to provide you an opportunity to show cause why this well should not be either repaired or plugged and abandoned.

I anticipate that the case would be set either late in June or early in July. You will be notified of the hearing date when it has been set.

in the event you elect to take action prior to the hearing date, please contact this office for approval of plans prior to commencing action.

Thank you.

Yours very truly

Emery C/Arnold
Supervisor, Districe #3

ECA:mc

cc: Mr. George Hatch Old Conservation Commission Santa Fe, New Mexico

> United States Geological Survey Farmington, New Mexico



STATE OF NEW MEXICO 1900 RIO BRAZOS ROAD - AZTEC 87410

January 15, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

Mr. W. C. Nance Tenneco Oil Company Suite 1200 Lincoln Tower Building Denver, Colorado 80203

Re: Casing Failure, Tenneco Oll Co., Colack #5, J-31-27N-8W, Basin Dakote Pool

Dear Mr. Nance:

On September 30, 1970, I requested a bradenhead retest on the above well in order that a definite determination of the condition of the well could be made. This retest was conducted on October 14, 1970 and the test report was submitted on January 7, 1971. This test clearly indicates that the production casing has failed and that gas is escaping into the production casing—surface casing ennulus where it is unconfined.

You are hereby directed to take immediate remedial action to repair the production casing in this well.

Please submit form C-103 setting out your plan of remedial action for approval prior to beginning operations.

Thank you,

Yours very truly.

Emery C. Arnold Supervisor, District #3

ECA:mc

cc: Oil Conservation Commission, Santa Fe, New Mexico United States Geological Survey, Farmington, New Mexico Engineering & Production Service, Farmington, New Mexico

OIL CONSERVATION COMMISSION P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

July 16, 1971

Tenneco Oil Company Suite 1200 Lincoln Tower Building Denver, Colorado 80203

Attention: Mr. W. C. Nance

Re: Tenneco Oil Company Bolack "B" Well No. 5, located in Unit J of Section 31, Township 27 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico.

Gentlemen:

Enclosed is a copy of the Cocket of the Examiner Hearing to be held on Wednesday, July 28, 1971, at 9 a.m. in the Oil Conservation Commission Conference Room, State Land Office Building, Santa Fe, New Mexico. Case No. 4574 concerns the above-described well.

Yours very truly,

GEORGE M. HATCH Attorney

GMH/dr enclosure

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 28, 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 4539: (Continued from the June 30, 1971, Examiner Hearing)

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 3
Atlantic	State	AC-4	Well	No.	6	Unit P
Atlantic	State	AC-4	We <u>ll</u>	No.	7	Unit I

CASE 4558: (Continued from the June 30, 1971, Examiner Hearing)

Application of Midwest Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Little Inbe (Bough "C") Unit Area comprising 2,240 acres, more or less, of state lands in Sections 10, 11, 14 and 15 of Township 10 South, Range 33 East, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico.

CASE 4559: (Continued from the June 30, 1971, Examiner Hearing)

Application of Midwest Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a water-flood project in its Little Inbe (Bough "C") Unit Area, Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico, by the injection of water through three wells located in Sections 11 and 14 of Township 10 South, Range 33 East, Lea County, New Mexico.

Examiner Hearing - July 28, 1971

CASE 4563: (Continued from the June 30, 1971, Examiner Hearing)

Application of Corinne Grace for special gas-oil ratio limitation and pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce her State Well No. 1 located in Unit A of Section 1, Township 15 South, Range 29 East, Double L-Queen Pool, Chaves County, New Mexico, with no gas-oil ratio limitation, strip the liquids, and institute a pressure maintenance project by the injection of all said gas back into the producing formation through her State Well No. 2 located in Unit B of said Section 1. Applicant further seeks to transfer an oil allowable from said Well No. 2 to said Well No. 1.

CASE 4561: (Continued and readvertised from the June 30, 1971, Examiner Hearing)

Application of Great Plains Land 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 of water produced by its well located in the NW/4 W/4 of Section 31, Township 18 South, Range 31 East, Shugart Field, Eddy County, New Mexico.

- CASE 4570: Application of Shenandoah Oil Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the interval from 1760 feet to 1840 feet by injection down the annulus of its Read & Stevens "M" Federal Well No. 1 located in Unit K of Section 28, Township 6 South, Range 27 East, Haystack-Cisco Gas Pool, Chaves County, New Mexico.
- CASE 4571: Application of Read & Stevens for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations governing the Buffalo Valley-Pennsylvanian Gas Pool to permit the drilling of a well at an unorthodox gas well location 990 feet from the South and West lines of Section 5, Township 15 South, Range 28 East, Chaves County, New Mexico, the S/2 of said Section 5 to be dedicated to the well.

Examiner Hearing - July 28, 1971

CASE 4574:

CASE 4572: Application of Franklin, Aston & Fair, Inc., for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the "B" zone of the Slaughter section of the San Andres formation in its Cook State Well No. 1 located in Unit L of Section 32, Township 7 South, Range 36 East, Todd-San Andres Field, Roosevelt County, New Mexico.

CASE 4573: Application of Tenneco Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sand Springs South Unit Area comprising 2536 acres, more or less, of state lands in Township 11 South, Ranges 34 and 35 East, Lea County, New Mexico.

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tenneco Oil Company to appear and show cause why it should not take immediate action to repair the production casing in its Bolack "B" Well No. 5 located in Unit J of Section 31, Township 27 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico.

CASE 4569: (Continued from the July 14, 1971, Examiner Hearing)

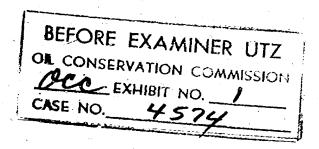
Application of Barber Oil, Inc., for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a producing oil well at an unorthodox location 1326 feet from the South line and 5 feet from the West line of Section 13, Township 20 South, Range 28 East, as an infill well in its waterflood project in the Russell (Yates) Pool, Eddy County, New Mexico.

Kan Bay of the No

NEW MEXICO OIL CONSERVATION COMMISSION 1000 Rio Brazos Road Aztec, New Mexico

BRADENHEAD TEST REPORT (Submit 3 copies to above address)

Date of Test 8-29-70 Operator Tennaco (Oil Company			
Lease Name Bolack B Well No. 5 Lo	cation UJSec31Twp27Rge8			
Pressure (Showark or Flowing) Dwt. Tubing	Casing 660 Bradenhead 203			
OPEN BRADENHEAD TO ATMOSPHERE FOR 15 MINU	TES.			
Casing of XTAN Pressure, Dwt.	Bradenhead Flowed:			
5 Min. 660	Steady Flow			
10 Min. 658	Surges			
15 Min. 656	Down to Nothing			
20 Min. 656	Nothing / KLULIVED			
25 Min. 656	Gas SEP 28 1970			
30 Min. 656	Gas & Water OIL CON. COM.			
	Water			
If Bradenhead flowed water check description below:				
Clear	Remarks: After 15 minutes heavy			
Fresh	spray and surges. Cement color			
Salty	ENK fluid.			
Sulfur				
Black	By Max Webb Max Webb			
	Engineering & Production Service Inc Position			





STATE OF NEW MEXICO 1000 RIO BRAZOS ROAD - AZTEC 57410 GOVERNOR
DAVID F. CARGO
CHAIRMAN

LAND COMMISSIONER ALEX ARMIJO MEMBER

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

September 30, 1970

Tenneco Oil Co. Suite 1200 Lincoln Tower Bldg. Denver, Colorado 80203

Attn: Mr. Jim Massey

Dear Sir:

The Bradenhead test which was conducted on your Bolack 8 #5 well, J-31-27N-8W, indicates the possibility of casing failure although the results are in no way conclusive.

Will you please shoedule this well for bradenhead retest in order that a final determination may be made? I suggest that the well be shut in for at lease twenty-four hours prior to commencing the retest in order that more definite results may be obtained.

Thank you.

Yours very truly,

Emery Q. Arnold

Supervisor District #3

ECA: mc

Encl.

cc: Oil Conservation Commission Santa Fe, New Mexico

U. S. G. S. Farmington, New Mexico

Engineering & Production Service, Inc. Box 190 Farmington, New Mexico

BEFORE EXAMINER UTZ

CONSERVATION COMMISSION

EXHIBIT NO. 2

CASE NO. 4524

NEW MEXICO OIL CONSERVATION COMMISSION 1000 Rio Brazos Road Aztec, New Mexico

BRADENHEAD TEST REPORT

(Submit 3 copies to above address)

Operator Ten l	neco 011 Compai	w	
_Well No. B-#5	Location U d	Sec. 31 Twp. 27	Rge. 8
. Tubing 335	Casing_	275 Bradenhead	270
HERE FOR 15 M	INUTES.		er e
		Bradenhead Flowed:	
	Steady Flow	<u> </u>	
	Surges		
			144
• · · · · · · · · · · · · · · · · · · ·	Nothing		
•	Gas	X	
- -			
	Water		
escription below:	e de la companya de l La companya de la co		
tarang Lagrangan	Remarks:	asing pressure lower	then
_	tubing	because of Packer	
· -	4.5		
	4		
	h.		• • • • • • • • • • • • • • • • • • •
and the	Engine		ervice, E
OIL COR		Lozinon	
	Well No. B-#5 Tubing 335 HERE FOR 15 M	Well No. 8-45 Location U Tubing 335 Casing HERE FOR 15 MINUTES. Steady Flow Surges Down to Not Nothing Gas & Water escription below: Remarks: tubing	Steady FlowX Surges Down to Nothing Nothing GasX Gas & Water water Pscription below: Remarks: Casing pressure lower tubing because of Packer



STATE OF NEW MEXICO 1000 RIO BRAZOS ROAD - AZTEC 87410

January 15, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. W. C. Nance Tenneco Oil Company Suite 1200 Lincoln Tower Building Denver, Colorado 80203

Re: Casing Failure, Tenneco Oil Co., Bolack #9, J-31-27N-8W, Basin Dakota Pool

Dear Mr. Nance:

On September 30, 1970, I requested a bradenhead retest on the above well in order that a definite determination of the condition of the well could be made. This retest was conducted on October 14, 1970 and the test report was submitted on January 7, 1971. This test clearly indicates that the production casing has failed and that gas is escaping into the production casing- surface casing annulus where it is unconfined.

You are hereby directed to take immediate remedial action to repair the production casing in this well.

Please submit form C-103 setting out your plan of remedial action for approval prior to beginning operations.

Thank you.

Yours very truly,

Emery C. Arnold

Supervisor, District #3

ECA: mc

cc: Oil Conservation Commission, Santa Fe, New Mexico United States Geological Survey, Farmington, New Mexico Engineering & Production Service, Farmington, New Mexico

BEFORE EXAMINER UTZ.

OIL CONSERVATION COMMISSION

OCC EXHIBIT NO. 4

CASE NO. 4574



STATE OF NEW MEXICO 1000 RIO BRAZOS ROAD - AZTEC 87410

June 14, 1971

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. W. C. Nance Tenneco Oil Company Suite 1200 Lincoln Tower Building Denver, Colorado 80203

Re: Casing Failure, Tenneco Oll Co., Bolack 8 #5, J-31-27N-8W

Dear Mr. Nance:

I am enclosing a copy of a letter dated January 15, 1971, from this office to Tenneco Oil Company directing that immediate remedial action be taken on the above well.

Our records do not reflect that an action has been taken as of this date. I am therefore notifying our legal department in Santa Fe to set a case for hearing to provide you an opportunity to show cause why this well should not be either repaired or plugged and abandoned. I anticipate that the case would be set either late in June or early in July. You will be notified of the hearing date when it has been set.

In the event you elect to take action prior to the hearing date, please contact this office for approval of plans prior to commencing action.

Thank you.

Yours very truly,

Emery C Arnold

Emery C./Arnold Supervisor, District #3

ECA:mc

cc: Mr. George Hatch Oil Conservation Commission Santa Fe, New Mexico

United States Geological Survey Farmington, New Mexico

BEFORE EXAMINER UTZ

OIL CONSERVATION COMMISSION

OCC EXHIBIT NO. 5

CASE NO. 4574

GMH/dr

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. 4574

Order No. R-

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION ON
ITS OWN MOTION TO PERMIT TENNECO OIL
COMPANY TO APPEAR AND SHOW CAUSE WHY IT
SHOULD NOT TAKE IMMEDIATE ACTION TO REPAIR
THE PRODUCTION CASING IN ITS BOLACK "B" WELL
NO.5 LOCATED IN UNIT J OF SECTION 31, TOWNSHIP 27 NORTH, RANGE 8 WEST, BASIN-DAKOTA
POOL, SAN JUAN COUNTY, NEW MEXICO.
ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 1 , 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter Fluit Auts.

NOW, on this _____day of <u>September</u>, 1971, the Commission, a guorum being present, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) Terreso ail Compan hor take action to repair the subject were

That the applicant's request for dismissal should be

granted.

(2) Shut the subject Ease No. 4574 should be described.

IT IS THEREFORE ORDERED:

That Case No. 4574 is hereby dismissed.

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

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Buy

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

CASE No. 4586

Order No. R-

APPLICATION OF MOBIL OIL CORPORATION 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 September 1 , 19 $\frac{7}{19}$ at Santa Fe, New Mexico, before Examiner Baniel S. Nutter .

NOW, on this <u>day of September</u>, 1971, 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, Mobil Oil Corporation, is the mobile first Humphrey Queen Unit Area in the Langlie-

Mattix Pool, Lea County, New Mexico.

(3) That the applicant seeks authority to drill an oil well as an infill well in said waterflood project at an unorthodox location 1325 feet from the South line and 2450 feet from the East line of Section 3, Township 25 South, Range 37 East, NMPM, Langlie-Mattix Pool, Lea County, New Mexico.

-2-CASE NO. 4586 Order No. R-

- (4) That approval of the proposed location should increase the efficiency of the Number Queen Waterflood

 Project and result in greater ultimate recovery of oil, thereby preventing waste.
- (5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Mobil Oil Corporation, is hereby mild authorized to drill an oil well as an infill well in its Humphrey Queen Waterflood Project, Langlie-Mattix Pool, Lea County, New Mexico, at an unorthodox location 1325 feet from the South line and 2450 feet from the East line of Section 3, Township 25 South, Range 37 East, NMPM.
- (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.