

Case No.

333

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF CON-
SIDERING:

CASE NO. 333
ORDER NO. R-147

THE APPLICATION OF THE TEXAS
COMPANY FOR ESTABLISHMENT OF
80-ACRE PRORATION UNITS AND UNI-
FORM WELL SPACING FOR THE COMMON
SOURCE OF SUPPLY DISCOVERED IN THEIR
STATE AR NO. 1 WELL, 660' FROM NORTH
LINE AND 1980 FEET FROM WEST LINE OF
SEC. 2, TWP. 11 SOUTH, RANGE 37 EAST,
NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF DISMISSAL

BY THE COMMISSION:

This matter came on for hearing at Santa Fe, New Mexico,
on January 22, 1952, February 21, 1952, March 20, 1952, and April 15,
1952, before the Oil Conservation Commission of New Mexico, and upon
motion of applicant for dismissal, the same being well taken,

It is therefore ordered that Case 333 be, and the same
hereby is dismissed, without prejudice.

DONE at Santa Fe, New Mexico, this ³¹1 day of May, 1952.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem
EDWIN L. MECHEM, Chairman

Guy Shepard
GUY SHEPARD, Member

R. R. Spurrer
R. R. SPURRIER, SECRETARY

S E A L

THE TEXAS COMPANY

TEXACO PETROLEUM PRODUCTS

PRODUCING DEPARTMENT
WEST TEXAS DIVISION



January 10, 1952

P. O. Box 1720
Fort Worth, Texas

ECHOL (DEVONIAN) FIELD
LEA COUNTY, NEW MEXICO

New Mexico Oil Conservation Commission
P. O. Box 127
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier, Secretary

Gentlemen:

This is to inform you that when Case No. 333 is called for hearing January 22, 1952, (regarding our application for the establishment of proration units and uniform spacing for the common source of supply discovered in our "AR" Well No. 1, T-11-S, R-37-E), The Texas Company wishes to request that this case be continued to the February, 1952, hearing. Continuation is further requested by the Harry W. Bass Drilling Company and the Southern Production Company, Inc. in order that these operators may present pertinent data from their wells which are currently drilling, but are expected to be completed in the near future.

If you know of any reason this continuation may not be granted, I would appreciate your notifying me as soon as possible.

Yours very truly,

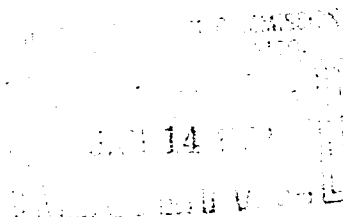
THE TEXAS COMPANY

G. R. Brown

G. R. Brown
Asst. Div. Pet. Engineer

CJR-ECH

cc - H. Bass Drilling Company
Southern Production Company
Shell Oil Company
Amerada Petroleum Corporation
Gulf Oil Corporation



STATE OF NEW MEXICO
OFFICE OF STATE GEOLOGIST
SANTA FE, NEW MEXICO

January 2, 1952

C
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Y

The Texas Company
Attention: Mr. E. R. Brown
Box 1720
Ft. Worth, Texas

Gentlemen:

This will confirm the fact that Case 333 (regarding your application for the establishment of proration units and uniform spacing for the common source of supply discovered in your AR Well No. 1, 2-118-37E) has been scheduled for hearing on January 22, 1952, and legally advertised for that date.

Very truly yours,

R. R. Spurrier
Secretary - Director

RRS:nr

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

IN THE MATTER OF:

In the matter of The Texas Company's
application for establishment of pro-
duction units (80-acre) and uniform
spacing of wells for the common source
of supply discovered in their State
AR Well No. 1, 660' from N line and
1980' from W line of 2-11S-37E, Lea
County.

CASE NO. 333

TRANSCRIPT OF HEARING

February 21, 1952

MR. SPURRIER: We will come to order. Before we actually finish taking up Case 338 I understand that the people who intend to participate in Case 333 are going to ask for a continuance. Without objection I should like to have the notice read for Case 333 and the request for continuance made so we can docket it.

(Mr. Graham reads the notice of publication.)

MR. RAY: I am appearing for the Texas Company, C. J. Ray. Inasmuch as the Southern Production Company and the Harry Baxter Company are operators in the Devonian pool and wish to present data in this case from their wells, which have not been as yet completed but presently drilling, The Texas Company would at this time request that this case be continued until the March hearing in order that these other operators may be heard at that time.

MR. SPURRIER: Without objection I will recommend to the Commission that the case be continued to a definite date, the regular March hearing, which is March 20, 1952.

C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing and attached Transcript of Hearing, in Case No. 333, before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on February 21, 1952, is a true and correct record of the matters herein contained to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 25th day of Feb, 1952.

Ida Dearnley
COURT REPORTER

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

April 15, 1952

TRANSCRIPT OF PROCEEDINGS

Case No. 333

AL A DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG
PHONES 7-9645 AND 5-8546
ALBUQUERQUE NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
April 15, 1952

In the Matter of:

The Texas Company's application for
establishment of 80-acre proration
units and uniform well spacing for
the common source of supply discovered
in their State AR No. 1, 660' from N
and 1980' from W, 2-11S-37E.

Case No. 333

MR. RAY: My Name is C. J. Ray and I am representing
the Texas Company. Three producing wells have been completed
in the Devonian Field. Geologic data from these wells indicate
that the structure of this producing reservoir is quite
limited and apparently falls off sharply in all directions from
our discovery well. As there is a possibility that the three
wells may complete the development of this pool, the Texas
Company at this time wishes to withdraw its application in
this matter.

MR. SPURRIER: Is there any objection? The Commission
will grant your request. We understand then that you will
re-apply at some later date.

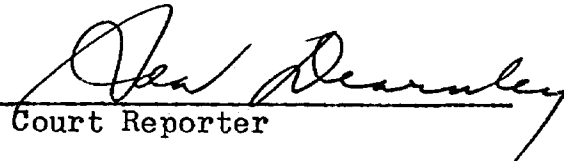
MR. RAY: I would say that would be very doubtful.

MR. SPURRIER: We will take up the next case, 346.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, do hereby certify that the above and foregoing transcript in Case No. 333 before the Oil Conservation Commission on April 15, 1952, is a true and correct record to the best of my skill, knowledge and ability.

WITNESS MY HAND AND SEAL this 16th day of April, 1952 at Albuquerque, New Mexico.


Court Reporter

My Commission Expires:

June 19, 1955.

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

Transcript of Hearing

CASE NO. 333

January 22, 1952

Henrickson's Reporting Service
2224 - 47th Street
Los Alamos, New Mexico

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

January 22, 1952

Case 333: The Texas Company's application for establishment of production units (80-acre) and uniform spacing of wells for common source of supply discovered in their State "AM" Well No. 1, 660 feet from the north line and 1980 feet from the west line of Section 2, Township 11 South, Range 37 East, Lea County, New Mexico.

MR. RAY: I'm C. J. Ray representing the Texas Company. The Texas Company wishes to request that this case be continued until the February, 1952 hearing. Continuation is further requested by the Harry W. Bass Drilling Company and the Southern Production Company, Incorporated in order that these operators may present pertinent data from their wells which they are currently drilling but which are expected to be completed in the near future.

MR. SPURRIER: Have you all heard Mr. Ray's request? Without objection, the case will be continued until the regular February hearing on February 21.

STATE OF NEW MEXICO)
) ss.
COUNTY OF LOS ALAMOS)

I hereby certify that the foregoing and attached transcript of hearing in Case 333 before the Oil Conservation Commission on January 22, 1952 at Santa Fe, is a true record of the same to the best of my knowledge, skill and ability.

DATED at Los Alamos, this 22nd day of January, 1952.


Audrey M. Henriksen

My commission expires September 20, 1955.

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

(Cont'd from January and
February hearings.) The
Texas Company's application
for establishment of 80-
acre proration units and uni-
form spacing of wells for the
common source of supply dis-
covered in their State AR
No. 1

No. 333

TRANSCRIPT OF HEARING

March 20, 1952

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1302
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

(Mr. Graham reads notice of publication.)

MR. RAY: C. J. Ray, representing the Texas Company.

The Texas Company wishes to request this hearing be continued to April 15 in order that geological information pertinent to this case may be presented at that time.

MR. SPURRIER: Is there objection to The Texas Company's motion? If not, the case will be continued to the April 15 hearing.


STATE OF NEW MEXICO

ss

COUNTY OF BERNALILLO

I HEREBY CERTIFY That the foregoing transcript is a true record of the matters therein contained.

DONE at Albuquerque, N. M., March 21, 1952


Notary Public

My Commission Expires: 8-4-52

OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

December 7, 1951

C
O
P
Y

The Texas Company
Box 1720
Ft. Worth, Texas

Attention: Mr. E. R. Brown, assistant division
petroleum engineer

Gentlemen:

The application of the Texas Company for the establishment of proration units and uniform spacing for the common source of supply discovered in the Texas Company AR Well No. 1 in Sec. 2, Twp. 11 S, Rge. 37 E, Lea County, has been received and will be set for hearing before the Commission in January.

In connection with this case, you will probably recall that a new pool designated as the Echol pool was created to take care of this well and other developments in Case 309, Commission Order No. R113, recently issued. Also, the Texas Company State AR No. 1 well was granted approval as to location in Case 324. In connection with this same case, a request for unitization of the short lot to the north was presented and the Commission has directed that an order be issued approving this unitization, which would give this well an allowable of approximately 58 - 40. An order will be issued on this case in the near future. I just wanted to call this to your attention with the idea it might have some bearing on your presentation of the case at the January hearing.

Very truly yours,

JK:nr

Jason Kellahin, Attorney

INTER-OFFICE TRANSMITTAL SLIP

TO RRS.
FROM JWK

- () For Approval
() For Signature
☒ Note and Advise
() Note and Return
() For Your Files
() For Your Handling

January
Hearing

Remarks:

The well involved here was drilled on
a sheet section, and we had been on it
in Core 1324, at which time Texas Co
asked to write with sheet lot to the
north, giving them 58.6/40 allowable,
as to the unit. Now they want 80 acre
spacing.

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
THE TEXAS COMPANY FOR THE ESTABLISHMENT)
OF PRORATION UNITS AND UNIFORM SPACING)
OF WELLS FOR THE COMMON SOURCE OF SUPPLY)
DISCOVERED IN THEIR STATE OF NEW MEXICO)
"AR" WELL NO. 1, 660 FEET FROM THE NORTH)
LINE AND 1980 FEET FROM THE WEST LINE OF)
SECTION 2, TOWNSHIP 11 SOUTH, RANGE 37)
EAST, LEA COUNTY, NEW MEXICO.)

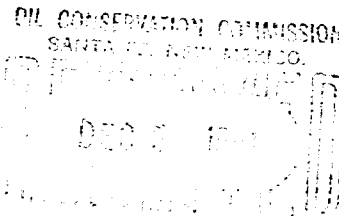
CASE NO. 333

A P P L I C A T I O N

On behalf of The Texas Company, Fort Worth, Texas, this application is made with the following statements:

1. That the applicant has drilled and completed on August 10, 1951, its State of New Mexico "AR" Well No. 1, located 660 feet from the North line and 1980 feet from the West line of Section 2, Township 11 South, Range 37 East, Lea County, New Mexico, and has discovered a new common source of supply found in said well below the depth of 11,000 feet.

2. The discovery well was drilled to a depth of 11,580 feet and encountered the top of the Devonian formation at ^{11,415}~~11,535~~ feet. Five and one-half inch casing was set and cemented at 11,500 feet with 150 sacks of cement. Upon drilling the plug, the well was acidized with 1,000 gallons of acid. On a 23 hour Potential Test, taken August 27, 1951, the well flowed 306 barrels of pipe line oil through a 24/64-inch choke with a gas-oil ratio of 24 and an oil gravity of 43.1° A.P.I.



3. The productive portion of the new common source of supply is estimated to include the following described area:

The SE/4 of Section 32, the SE/4 of SW/4 of Section 32, the SW/4 of SW/4 of Section 33, Township 10 South, Range 37 East, and all of Section 2, Township 11 South, Range 37 East, Lea County, New Mexico.

However, the above area is not necessarily the maximum limits of the pool. This new source of supply is commonly referred to as the Thompson-Devonian Pool.

4. In addition to the discovery well referred to above, the following wells are now drilling to the same common source of supply within the area described above:

H. Bass State "A" No. 1, SW/4 of SE/4, Sec. 32, T-10-S, R-37-E.

The Texas Co. State "AW" No. 1, SE/4 of SW/4, Sec. 32, T-10-S, R-37-E.

Southern Prod. Co. State "A" No. 1, NW/4 of SE/4 Sec. 2, T-11-S, R-37-E.

5. That in order to bring about the orderly and proper development of said common source of supply, prevent waste and to avoid the drilling of unnecessary wells, and to secure the greatest ultimate recovery therefrom, and to protect the correlative rights of the interested parties therein, it is necessary and proper for the Commission to enter its order providing for proration units of 80 acres each, such being the area which may be efficiently and economically drained and developed by one well, and to provide for the uniform spacing of wells drilled into said common source of supply.

6. That all wells drilled into said common source of

supply should be located in the center of the Northwest and Southeast forty-acre tracts of each quarter section, with a tolerance of 150 feet to avoid surface obstructions.

7. That the discovery well referred to above as The Texas Company's State "AR" Well No. 1, and one other drilling well, H. Bass State "A" No. 1, which is located off the spacing pattern herein requested should be granted an exception to the spacing order established by the Commission hereunder, and be considered as the wells for the proration units upon which they are located.

8. That the order herein asked for should cover all of the common source of supply discovered in the producing formation of the State of New Mexico "AR" Well No. 1, and any additional wells drilled to said common source of supply should be drilled on the spacing pattern herein requested.

9. The allowable assigned any well within the common source of supply shall be determined by multiplying the allowable for a normal 40-acre unit by the usual depth factor and by one, thus any well in the 80-acre pattern will receive the same allowable that would normally be assigned a well on a 40-acre proration unit of equal depth. Any wells drilled on proration units of less than 80 acres shall have an allowable calculated as above and in the same proportion as the acres in the proration unit are to 80.

10. A plat showing the area described above and the location of all wells drilled or drilling in said area and in the vicinity is attached hereto, marked "EXHIBIT "A" and made a part

hereof.

WHEREFORE, applicant respectfully requests that the Commission set this application for public hearing at a time and place to be fixed by the Commission, that due and proper notice be given as required by law, and that at the conclusion of said hearing the Commission make and enter an order determining and defining the probable productive limits of the common source of supply referred to above to include the SE/4 of Section 32, the SE/4 of SW/4 of Section 32, the SW/4 of SW/4 of Section 33, Township 10 South, Range 37 East, and all of Section 2, Township 11 South, Range 37 East, Lea County, New Mexico, naming said pool or common source of supply the Thompson-Devonian Pool, establishing proration units of eighty (80) acres each, designating the location of all wells drilled to said common source of supply to be the center of the Northwest and Southeast forty-acre tracts of each quarter section, with exceptions for two of the presently drilled and drilling wells, with a tolerance of 150 feet in any direction from said described location to avoid surface obstructions, and to provide for an allowable equal to that of a normal 40-acre unit producing from equal depth, with the provision that wells drilled on proration units of less than 80 acres shall have an allowable calculated as above and in the same proportion as the acres in the proration unit is to 80.

DATED this 30th day of November, 1951.

THE TEXAS COMPANY

By G. R. Brown
Asst. Division Petroleum
Engineer

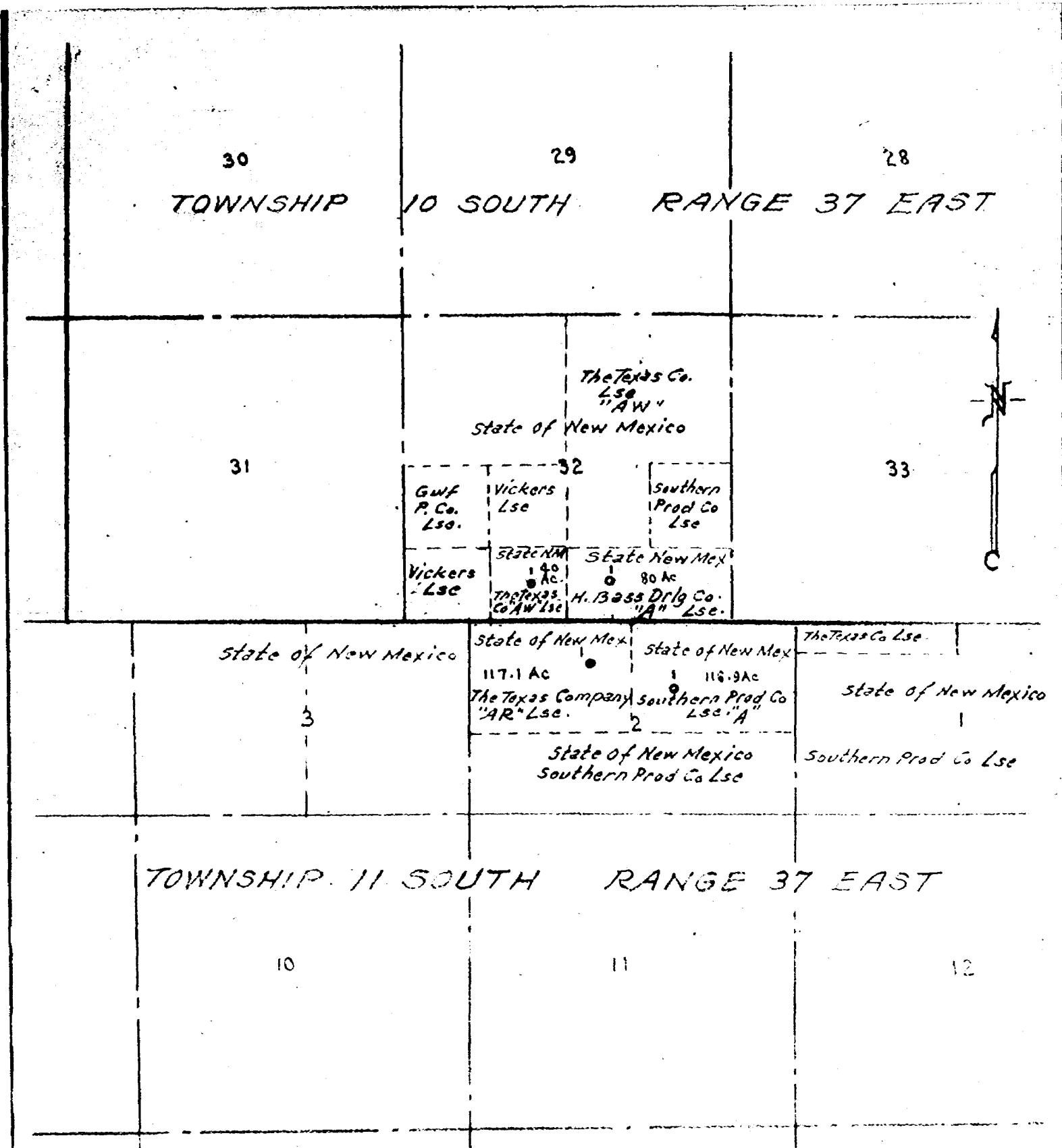


EXHIBIT "A"

See map plat -

THOMPSON DEVONIAN POOL

LEA COUNTY NEW MEX.

Scale: 1" = 2000'

THE TEXAS COMPANY

TEXACO PETROLEUM PRODUCTS

PRODUCING DEPARTMENT
WEST TEXAS DIVISION
C. B. WILLIAMS, DIVISION MANAGER



December 10, 1951

P. O. BOX 1720
FORT WORTH 1, TEXAS

THOMPSON DEVONIAN POOL
LEA COUNTY, NEW MEXICO

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Gentlemen:

With reference to the application of The Texas Company
identified as:

"IN THE MATTER OF THE APPLICATION OF THE TEXAS
COMPANY FOR THE ESTABLISHMENT OF PRORATION UNITS
AND UNIFORM SPACING OF WELLS FOR THE COMMON
SOURCE OF SUPPLY DISCOVERED IN THEIR STATE OF NEW
MEXICO "AR" WELL NO. 1, 660 FEET FROM THE NORTH
LINE AND 1980 FEET FROM THE WEST LINE OF SECTION 2,
TOWNSHIP 11 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW
MEXICO,"

dated November 30, 1951, we wish to notify you of the follow-
ing corrections to the application. In paragraph 2 of the
application the Devonian top was inadvertently shown as 11,535
feet. It should read to be at 11,415 feet.

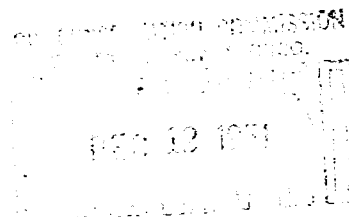
In addition we are attaching to this letter a revised
ownership plat which is more up-to-date than the plat supplied
with the original application.

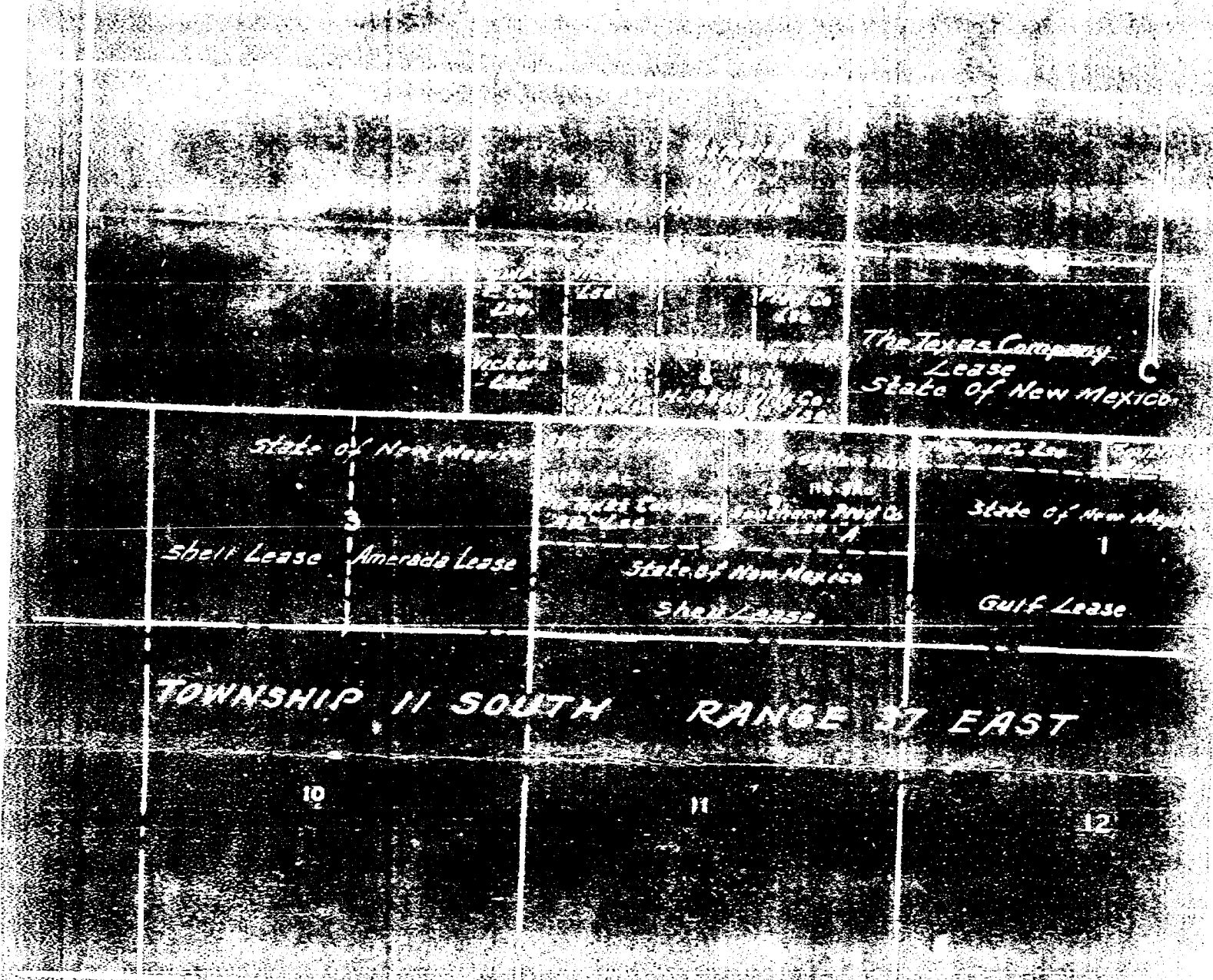
Yours very truly,

Don L. Harlan
Division Petroleum Engineer

LWF-ECH

CC - Harry Bass Drilling Company
Gulf Oil Corporation
Shell Oil Company
Southern Production Company
Vickers Pet. Company, Inc.
Amerada Petroleum Company





TOWNSHIP 11 SOUTH RANGE 37 EAST

10 11 12