

CASE 5663: ANNE BURNETT TANDY DBA WIND-
FOHR OIL CO. FOR 12 UNORTHODOX OIL WELL
LOCATIONS & ADMINISTRATIVE PROCEDURE,
EDDY COUNTY, NEW MEXICO

CASE NO.

5663

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 14, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Anne Burnett Tandy dba) CASE
Windfohr Oil Company for 12 unorthodox) 5663
oil well locations and an administrative)
procedure, Eddy, County, New Mexico.)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William F. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant: Fred A. Watson, Esq.
WATSON & WATSON
Attorneys at Law
American Home Security Life Bldg.
Artesia, New Mexico

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General Court Reporting Service
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Phone (505) 982-9212

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1 MR. NUTTER: We will call Case 5663.

2 MR. CARR: Case 5663, application of Anne Burnett
3 Tandy dba Windfohr Oil Company for twelve unorthodox oil well
4 locations and an administrative procedure, Eddy County,
5 New Mexico.

6 MR. WATSON: Representing the applicant, Fred A.
7 Watson from Artesia, New Mexico as attorney and Mr. Ralph L.
8 Gray as petroleum consultant engineer, also from Artesia,
9 New Mexico.

10 (THEREUPON, the witness was duly sworn.)

11 MR. WATSON: Gentlemen, this application involves
12 an application for twelve unorthodox locations which will be
13 drilled closer than three hundred and thirty feet from a unit
14 or lease line. The unorthodox locations sought are in
15 Section 13, nine wells, Section 14, one well and Section 24,
16 two wells, all in Township 17 South, Range 30 East in NMPM
17 Eddy County, New Mexico.

18 Mr. Carr kindly caught a mistake in the call on one
19 of the wells which we corrected by letter on March 24th but
20 for the record the well in the application designated by the
21 capital letter B, in the application it shows twenty-four
22 hundred and fifteen feet from the north line, that call
23 should be twenty-four hundred and fifteen feet from the south
24 line and Mr. Carr in catching the error did publish the notice
25 with the correct location of that unorthodox location.

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1 Further for the record, the applicant in looking at
2 this application would like to make one minor correction as
3 to another of the unorthodox locations. On the well designated
4 by the capital letter L, which is in Section 24, Township 17
5 South, Range 30 East NMPM, instead of a distance of twelve
6 hundred and ninety-five feet from the north line, the applicant
7 would like to show that well as being proposed at eleven
8 hundred and twenty feet from the north line, which leaves it
9 in essentially the same position and is just a minor change.

10 The wells, of course, with these corrections are
11 listed in the application and unless the Examiner thinks it is
12 necessary we won't have the witness detail them one by one.

13 MR. NUTTER: I don't think that would be necessary.

14 MR. WATSON: All right, thank you, sir.

15 These wells are all within the unit boundaries of
16 the Grayburg-Jackson-San Andres Unit which is presently being
17 waterflooded under an earlier order of this Commission in
18 Case Number 3592.

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20 RALPH L. GRAY

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

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24 DIRECT EXAMINATION

25 BY MR. WATSON:

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1 Q Mr. Gray, I will hand you what has been marked as
2 Applicant's Exhibit One and ask you to state for the record
3 what that exhibit portrays?

4 MR. NUTTER: Would you please qualify Mr. Gray for
5 the record?

6 MR. WATSON: Oh, I'm sorry.

7 Q (Mr. Watson continuing.) You are Ralph L. Gray
8 from Artesia, New Mexico?

9 A. Yes.

10 Q And a petroleum consultant and engineer?

11 A. Yes, sir.

12 Q And you have testified before this Commission many
13 times?

14 A. Yes.

15 MR. WATSON: Are Mr. Gray's qualifications acceptable?

16 MR. NUTTER: Yes, they are.

17 Q (Mr. Watson continuing.) All right, now, Mr. Gray,
18 I hand you what has been marked on the back as Applicant's
19 Exhibit Number One and I will ask you to state for the record
20 what that exhibit portrays?

21 A. Exhibit Number One is a map showing ownership within
22 a two-mile radius of the proposed locations and the red dots
23 on the map indicate the twelve unorthodox locations that
24 are proposed.

25 Q Those are the red dots now on the northwest and south,

1 the applicant in this case is the operator or controls that
2 acreage, is that correct, the offset acreage?

3 A. Yes, for a great distance.

4 Q To the east is there another offset operator?

5 A. Yes, Atlantic Richfield operates leases to the east
6 of the unit.

7 Q Approximately how far is their lease line from the
8 closest unorthodox location?

9 A. Approximately twelve hundred and ninety-five feet.

10 MR. WATSON: As certified in the application, Mr.
11 Examiner, we did notify them by certified mail and we do have
12 return receipts.

13 MR. NUTTER: Thank you.

14 Q (Mr. Watson continuing.) Is that basically the
15 purpose of Exhibit Number One?

16 A. Yes.

17 Q All right, sir. Mr. Gray, I will hand you what has
18 been marked as Applicant's Exhibit Number Two in this case
19 and I will ask you to describe what that exhibit portrays?

20 A. Exhibit Number Two is a more detailed map showing the
21 Grayburg-Jackson-San Andres Unit and each of the twelve proposed
22 unorthodox locations are indicated on this map by the red
23 circles.

24 Q That plat also shows the unit boundaries of the
25 Grayburg-Jackson-San Andres Unit?

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1 A. Yes.

2 Q. Which is the Unit operated by this applicant?

3 A. Yes, that's right.

4 Q. And it is shown in a dotted line, is that correct?

5 A. Yes, it is kind of a dashed outline.

6 Q. And all of these wells are within the boundaries of
7 that Unit?

8 A. Yes, sir. These are essentially what we normally
9 refer to as five-spot locations.

10 Q. I'll hand you what has been marked on the back as
11 Applicant's Exhibit Number Three in this case, which is a
12 graph or curve and I'll ask you to explain to the Commission
13 what that portrays?

14 A. Exhibit Number Three shows a series of performance
15 curves for the Grayburg-Jackson-San Andres Unit. This curve
16 indicates monthly oil production and water production, monthly
17 water injection and wellhead pressures. This has been
18 submitted in order to show the general performance of the
19 Unit and also it is fairly evident in making a study of the
20 curve that there has been some rather rapid water break
21 through so that the reason for drilling these five-spot
22 locations is to recover some oil which would probably not be
23 recovered otherwise.

24 Q. The drilling of these wells will not in your opinion
25 impair any correlative rights will they?

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1 A. No, sir, it won't.

2 Q. And the purpose is to attempt to recover oil that
3 would not otherwise be recovered?

4 A. Yes, sir.

5 Q. Now, the applicant has asked for, should this
6 application be granted, for a right to deviate in any direction
7 on these wells should the specified unorthodox location be
8 impossible to use on account of topography or other surface
9 conditions, is that correct?

10 A. Yes, it is desirable to have a small amount of
11 flexibility because some of these will fall close to some of
12 the pipe markers, survey markers and so forth and I think
13 something like a hundred and fifty feet of flexibility would
14 be desired for each location.

15 MR. WATSON: At this time the Applicant offers
16 Applicant's Exhibits One, Two and Three.

17 MR. NUTTER: Exhibits One, Two and Three will be
18 admitted into evidence.

19 (THEREUPON, Applicant's Exhibits One, Two
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CROSS EXAMINATION

25 BY MR. NUTTER:

1 Q Mr. Gray, no survey of the situation has been made
2 to determine whether the corner location as described in the
3 application was available for drilling or not, that there may
4 be some topography there that would hinder the drilling of the
5 well at that point, is that correct?

6 A We have actually had three of these staked in the
7 field and the first three that we have staked are in a good
8 position but we haven't had the others staked so we are not
9 sure how they would fall.

10 Q And you don't know exactly by looking at the corner,
11 you don't know exactly where that corner is or where the
12 location would be with respect to the boundary lines?

13 A Well, they would have to be surveyed and also this
14 is in an area where there are some rather severe sand dunes
15 and surface irregularities, so in some cases it is desirable
16 to change the location a few feet.

17 Q Well the notice for this case includes the provision
18 that the applicant further seeks the establishment of an
19 administrative procedure whereby the above wells could be
20 relocated in similar unorthodox locations approved without
21 notice and hearing. It would be rather unusual for the Com-
22 mission to approve a location, a floating location, so to
23 speak, without specifying where it would be. There wouldn't
24 be anything wrong with approving the locations at the points
25 described in the application and then under this administrative

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1 procedure moving them in the event there should be some
2 topography that hinders the drilling of the well, would there?

3 A. Well, of course, under the process of seeking
4 administrative approval it would be necessary for us to
5 prepare applications for administrative approval and these
6 would have to be forwarded to the offset operators so that
7 creates some delay which we were hoping to eliminate. It
8 isn't something that we couldn't live with.

9 Q. Most of the wells are within the interior of the
10 Grayburg-Jackson Unit, aren't they, and don't have any
11 offset operator, do they?

12 A. Well, we have an operator that is twelve hundred
13 and ninety-five feet away so it depends on how you interpret
14 offset operator.

15 MR. NUTTER: Are there any further questions of
16 Mr. Gray? He may be excused.

17 (THEREUPON, the witness was excused.)

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21 point, these are all proposed to be producers rather than
22 injectors.

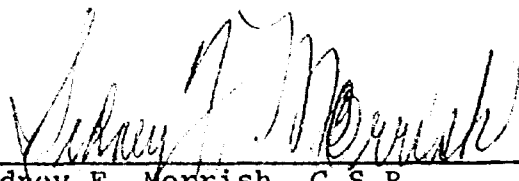
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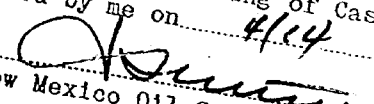
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REPORTER'S CERTIFICATE

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


Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5663,
heard by me on 4/14, 19 76.
, Examiner
New Mexico Oil Conservation Commission

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1 A. Yes.

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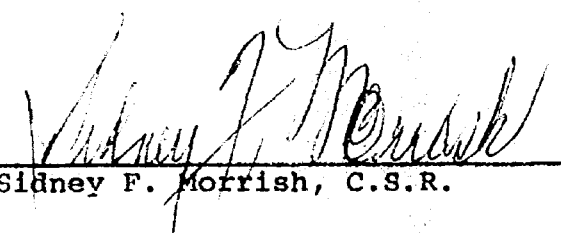
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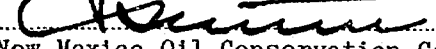
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REPORTER'S CERTIFICATE

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do hereby certify that the foregoing and attached Transcript
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, Examiner
New Mexico Oil Conservation Commission

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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. 5663
Order No. R-5206

APPLICATION OF ANNE BURNETT TANDY
dba WINDFOHR OIL COMPANY FOR 12
UNORTHODOX OIL WELL LOCATIONS AND
AN ADMINISTRATIVE PROCEDURE, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 14, 1976,
at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 27th day of April, 1976, 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, Anne Burnett Tandy dba Windfohr
Oil Company, seeks approval of 12 unorthodox oil well locations
to be drilled to the San Andres formation at the following
locations in the Grayburg-Jackson Unit, Township 17 South, Range
30 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico,
as follows:

Section 13:

2615 feet from the South line and 1345 feet
from the East line.

2415 feet from the South line and 2415 feet
from the West line.

2615 feet from the North line and 1295 feet
from the West line.

1295 feet from the South line and 1295 feet
from the East line.

1295 feet from the South line and 2615 feet
from the East line.

-2-

Case No. 5663

Order No. R-5206

1295 feet from the South line and 1345 feet from the West line.

1295 feet from the South line and 25 feet from the West line.

200 feet from the South line and 1345 feet from the East line.

25 feet from the South line and 1345 feet from the West line.

Section 14:

2500 feet from the North line and 25 feet from the East line.

Section 24:

25 feet from the North line and 25 feet from the West line.

1120 feet from the North line and 1345 feet from the West line.

(3) That applicant further seeks the establishment of an administrative procedure whereby the above wells could be relocated and other similar unorthodox locations approved without notice and hearing.

(4) That wells at said unorthodox locations will better enable applicant to produce the oil underlying the Grayburg-Jackson Unit Area.

(5) That no offset operator objected to the proposed unorthodox locations.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject 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 will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That 12 unorthodox oil well locations for the San Andres formation are hereby approved for wells to be located in the Grayburg-Jackson Unit, Township 17 South, Range 30 East, NMPM, Grayburg-Jackson Pool, Eddy County, New Mexico, as follows:

Section 13:

2615 feet from the South line and 1345 feet from the East line.

-3-

Case No. 5663
Order No. R-5206

2415 feet from the South line and 2415 feet from the West line.

2615 feet from the North line and 1295 feet from the West line.

1295 feet from the South line and 1295 feet from the East line.

1295 feet from the South line and 2615 feet from the East line.

1295 feet from the South line and 1345 feet from the West line.

1295 feet from the South line and 25 feet from the West line.

200 feet from the South line and 1345 feet from the East line.

25 feet from the South line and 1345 feet from the West line.

Section 14:

2500 feet from the North line and 25 feet from the East line.

Section 24:

25 feet from the North line and 25 feet from the West line.

1120 feet from the North line and 1345 feet from the West line.

(2) The Secretary-Director of the Commission is hereby authorized to amend the locations of the hereinabove authorized wells and to approve additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the Grayburg-Jackson Unit Area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than 330 feet to the outer boundary of said Grayburg-Jackson Unit nor closer than 10 feet to any quarter-quarter section of subdivision inner boundary. To obtain such approval, the project operator shall file proper application with the Commission, which application, if it seeks authorization to convert additional wells to injection or to drill additional production or injection wells shall include the following:

- (A) A plat showing the location of proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.

-4-

Case No. 5663
Order No. R-5206

- (B) A schematic drawing of any proposed injection well which fully describes the casing, tubing, packer, leak detection equipment, perforated interval, and depth.

The Secretary-Director may grant immediate approval of the proposed well, if in his opinion, the well is necessary to complete an efficient injection and production pattern for the project.

PROVIDED HOWEVER, if the application is for a well closer than 330 feet to the outer boundary of the Grayburg-Jackson Unit, a copy of the application shall be sent to the operator of any proration unit outside of the Grayburg-Jackson Unit which offsets, directly or diagonally, the proration unit upon which such unorthodox location is proposed. The Secretary-Director shall wait 20 days before approving such unorthodox location, and shall do so only in the absence of objection from the offset operator(s). The 20-day waiting period may be dispensed with upon receipt of waiver of objection from the aforesaid operator(s).

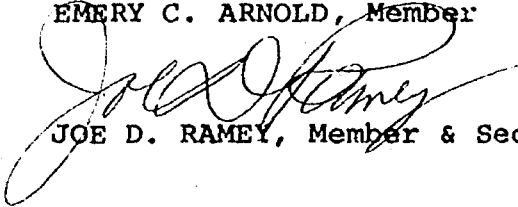
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

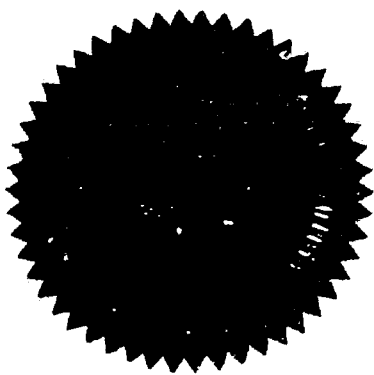
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

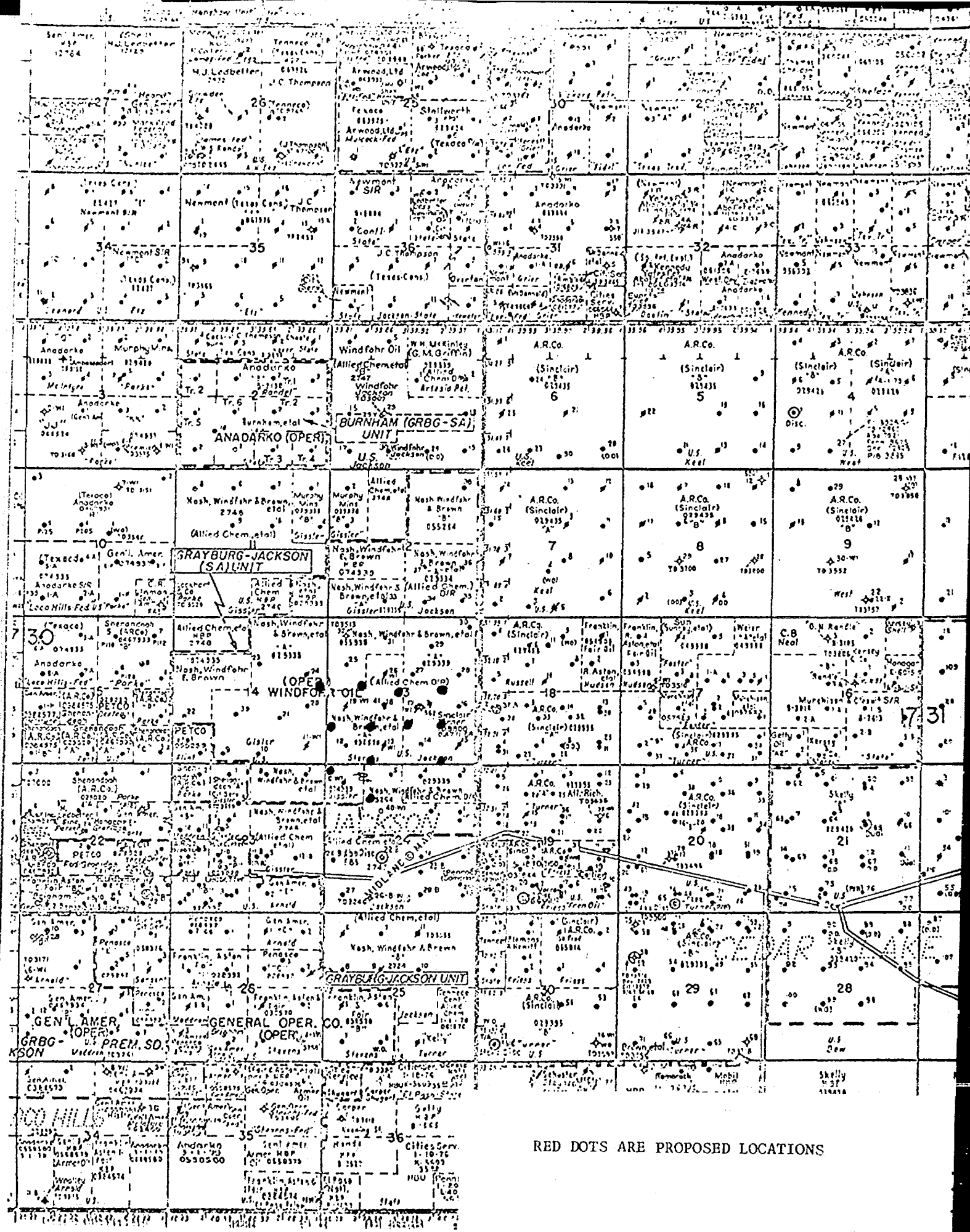

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

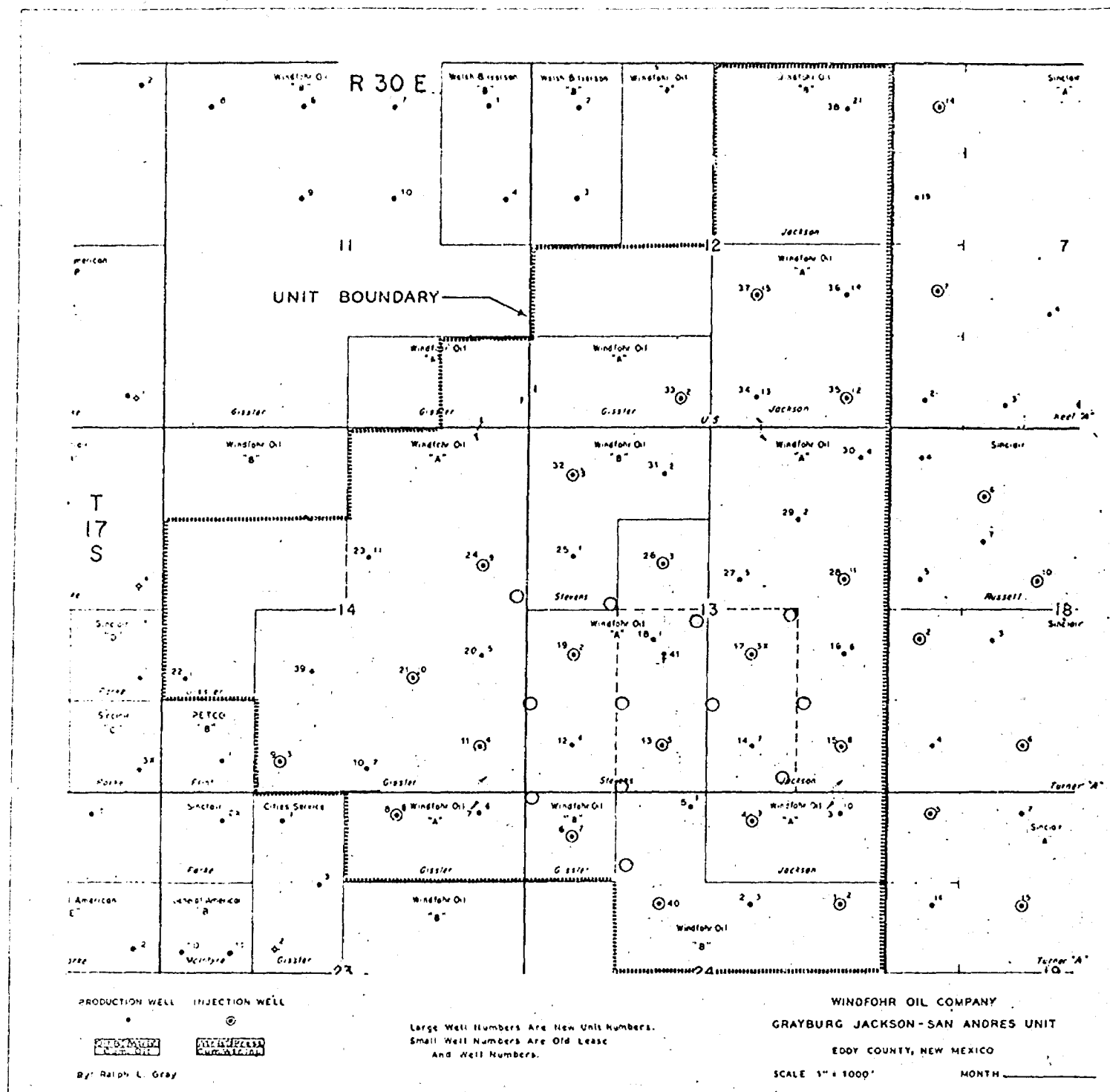

JOE D. RAMEY, Member & Secretary


S E A L

jr/

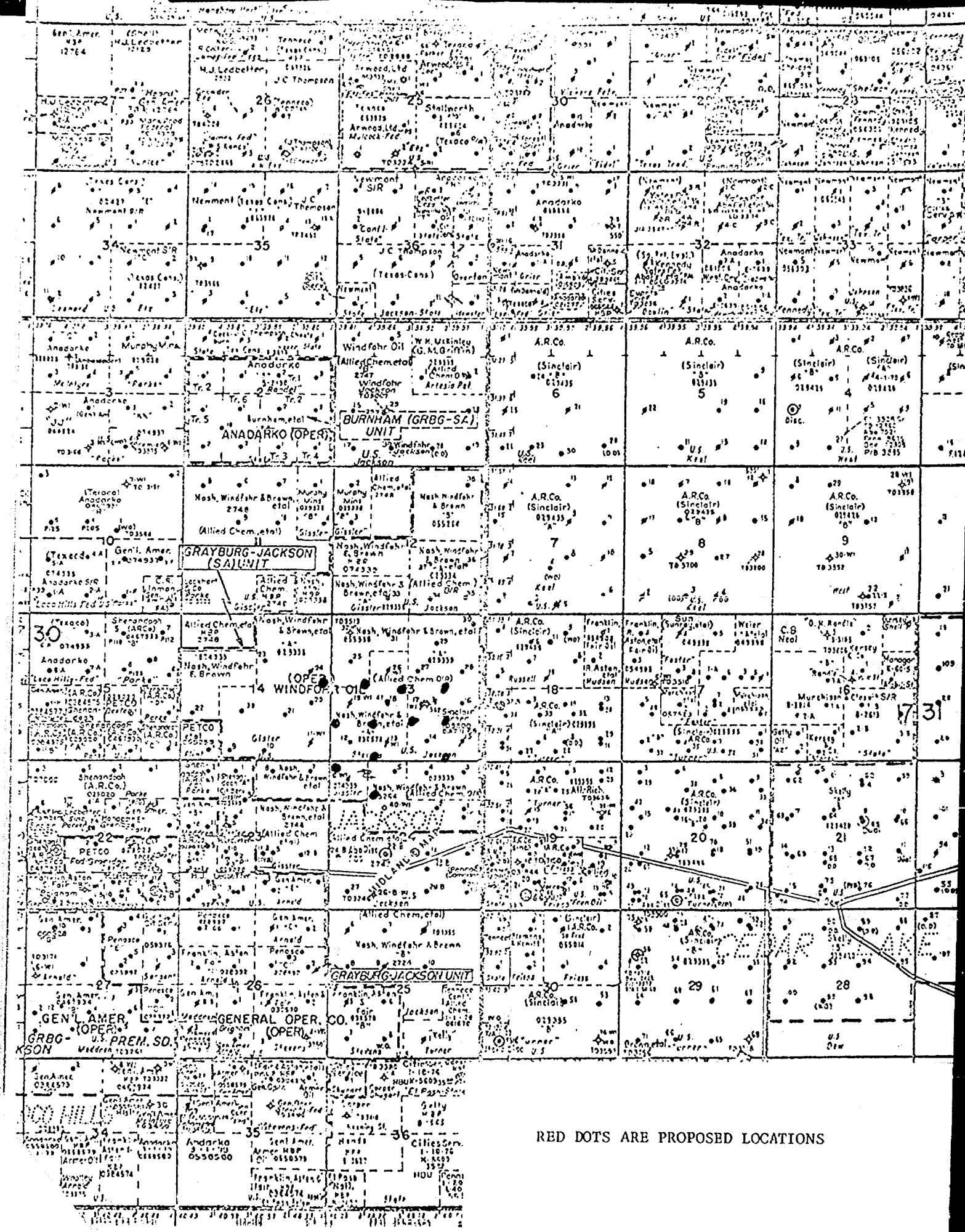


RED DOTS ARE PROPOSED LOCATIONS

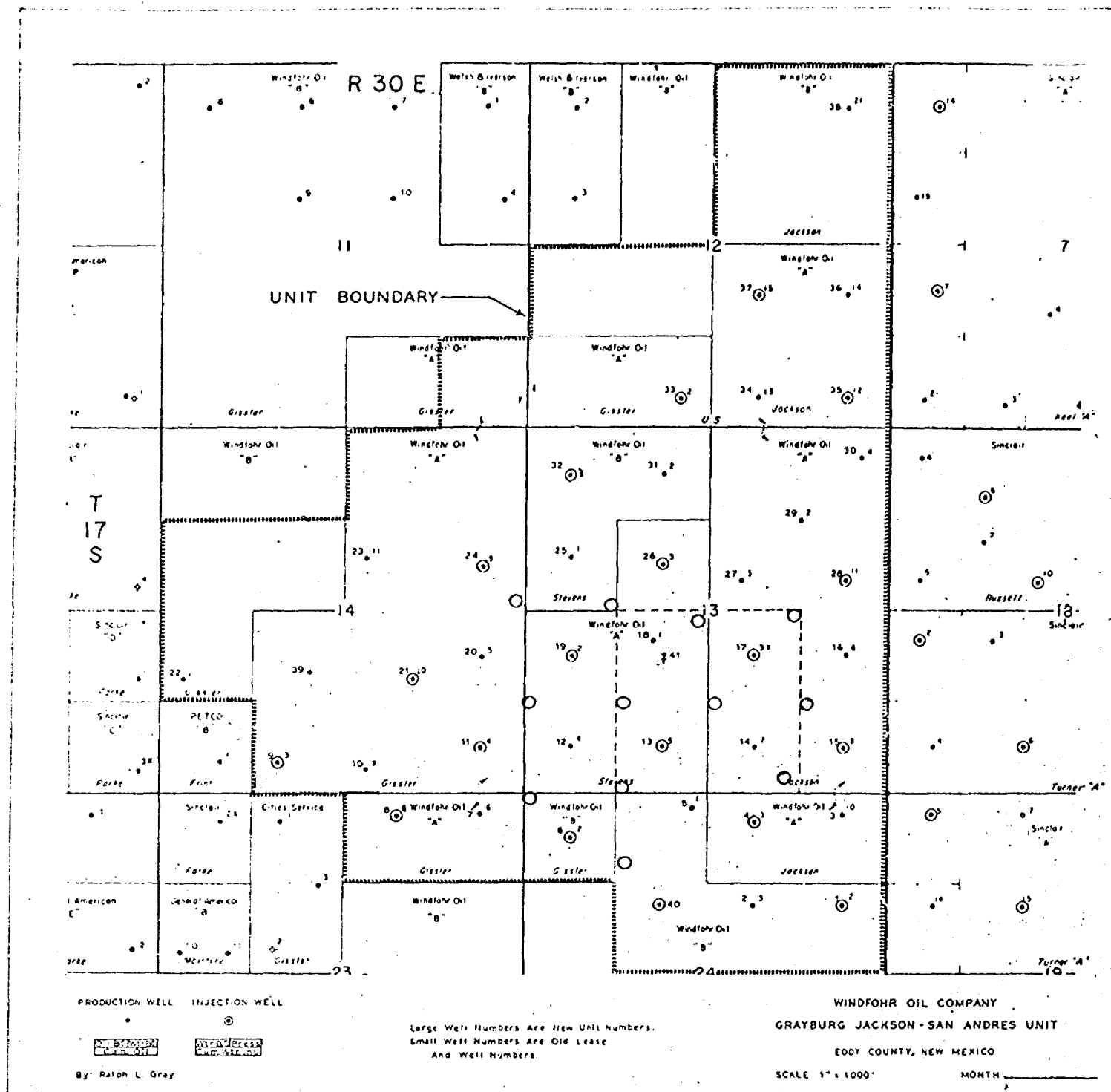


o Proposed Infill Location

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Applicant is EXHIBIT NO. 2
CASE NO. 5463

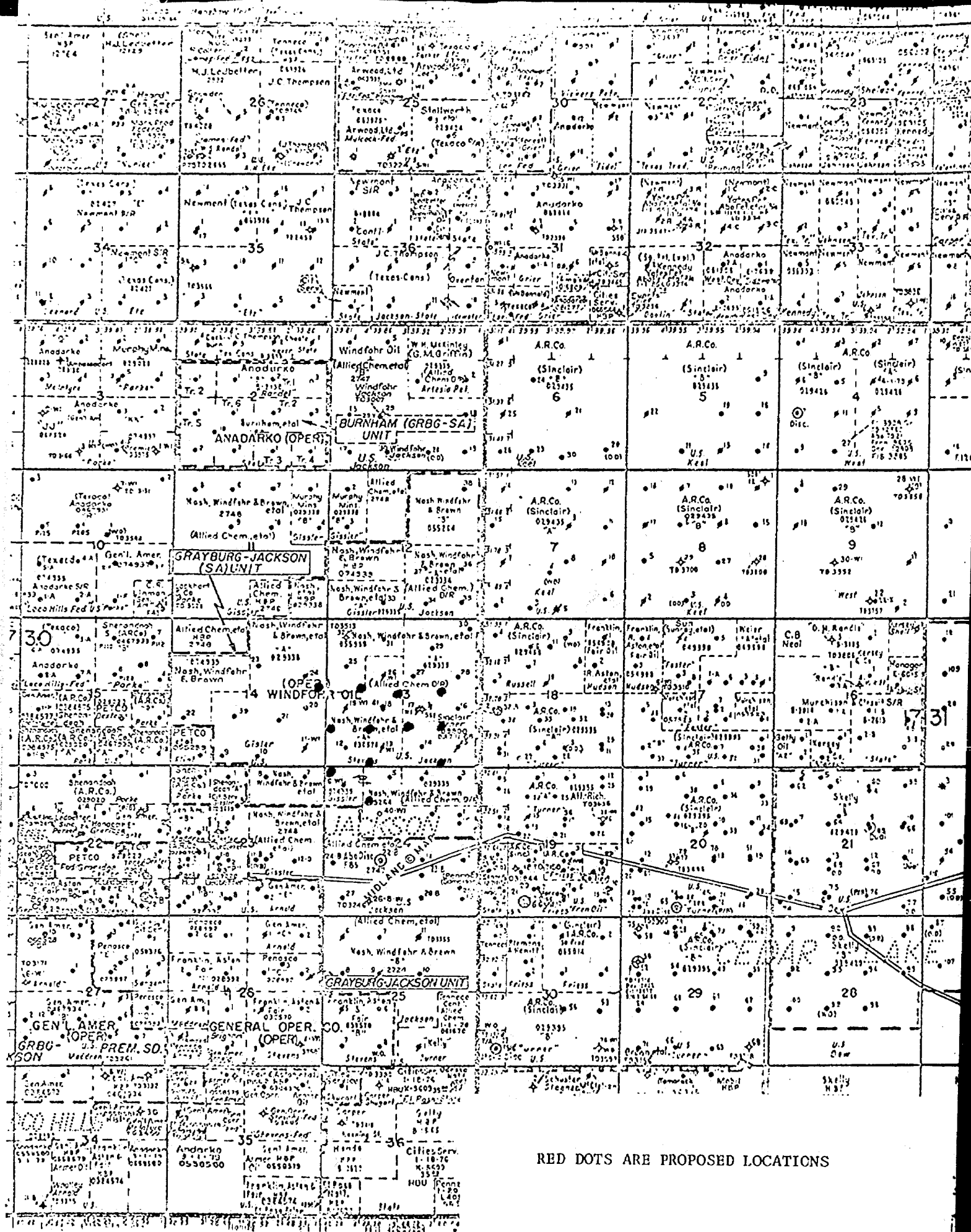


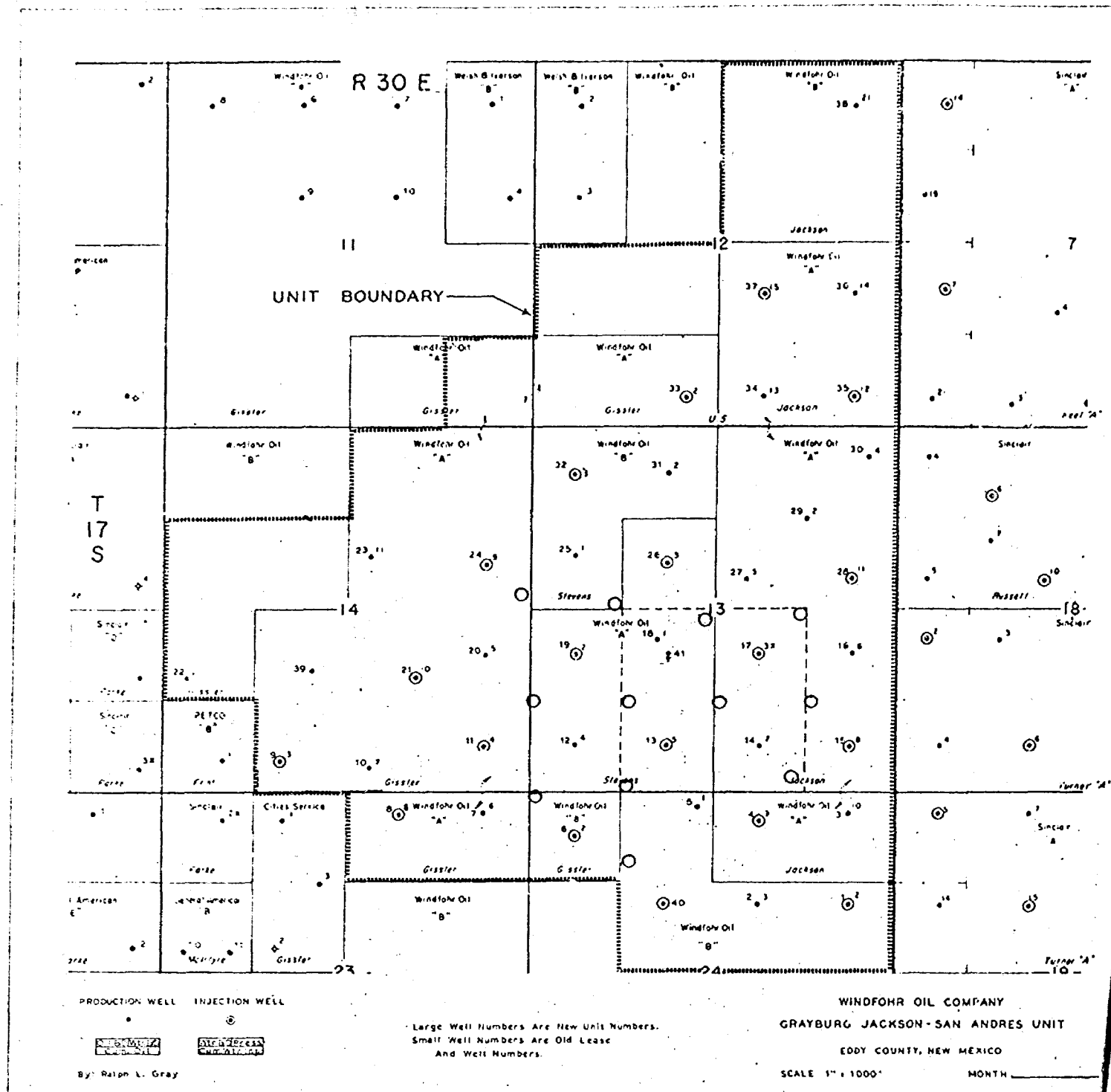
RED DOTS ARE PROPOSED LOCATIONS



o Proposed Infill Location

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Applicant's EXHIBIT NO. 2
CASE NO. 5663





o Proposed Infill Location

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Applicant's EXHIBIT NO. 2
CASE NO. 5663

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

IN RE: APPLICATION OF ANNE BURNETT TANDY)
(FORMERLY ANNE BURNETT WINDFOHR), d/b/a)
WINDFOHR OIL COMPANY, FOR AN ORDER GRANTING)
AN EXCEPTION TO THE WELL LOCATION REQUIRE-)
MENTS FOR TWELVE OIL WELLS PROPOSED TO BE)
LOCATED AT UNORTHODOX LOCATIONS AND DRILLED)
INTO THE SAN ANDRES FORMATION IN SECTIONS)
13 (9 WELLS), 14 (1 WELL) AND 24 (2 WELLS),)
ALL IN TOWNSHIP 17 SOUTH, RANGE 30 EAST,)
N.M.P.M., EDDY COUNTY, NEW MEXICO.)

Case No. 5663

A P P L I C A T I O N

COMES NOW Anne Burnett Tandy (formerly Anne Burnett Windfohr), an individual, d/b/a Windfohr Oil Company, and hereby makes application for an Order granting an exception to the well location requirements and authorizing the drilling of twelve (12) oil wells, same to be drilled into the San Andres Formation, at the unorthodox locations more particularly described hereinafter in Sections 13, 14 and 24, all in Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support of this Application, the applicant states:

1. Applicant Anne Burnett Tandy (formerly Anne Burnett Windfohr), d/b/a Windfohr Oil Company, is the unit operator of the Grayburg-Jackson (San Andres) Unit, and applicant's address is 1202 First National Bank Building, Fort Worth, Texas.

2. The lands as to which authority for unorthodox well locations is sought are parts of Sections 13, 14 and 24, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and, as indicated by the plat annexed as Exhibit "1" to this Application, said lands are committed to the Grayburg-Jackson (San Andres) Unit, a unit for the production of oil and gas heretofore created and approved, which unit is

presently the subject of an active secondary recovery project by water-flooding. The wells proposed to be drilled at the unorthodox locations hereinafter described will be drilled into the San Andres Formation and completed (if possible) to produce from the unitized formation of the said Grayburg-Jackson (San Andres) Unit.

3. The unorthodox locations for which an exception to the general well location requirements is sought are as follows:

Township 17 South, Range 30 East, N.M.P.M.,
Eddy County, New Mexico

Section 13:

- A - 2615 feet from south and 1345 feet from east lines.
- B - 2415 feet from ~~north~~ ^{south} and 2415 feet from west lines.
- C - 2615 feet from north and 1295 feet from west lines.
- D - 1295 feet from south and 1295 feet from east lines.
- E - 1295 feet from south and 2615 feet from east lines.
- F - 1295 feet from south and 1345 feet from west lines.
- G - 1295 feet from south and 25 feet from west lines.
- H - 200 feet from south and 1345 feet from east lines.
- I - 25 feet from south and 1345 feet from west lines.

Section 14:

- J - 25 feet from east and 2500 feet from north lines.

Section 24:

- K - 25 feet from north and 25 feet from west lines.
- L - ~~1295~~ 1120 (amended at hq) feet from north and 1345 feet from west lines.

For convenience, the locations are designated as "A", "B", "C", etc., because, at this time, the order of drilling of said wells, if approval be given, is not known. Said wells will be properly designated by names and numbers according to the respective leases when notices of intention to drill are filed. The Order authorizing the drilling of wells at the

above unorthodox locations, if made, should provide that any well may be relocated, without further notice, hearing or approval, in any direction from and not to exceed 150 feet from the specified unorthodox location, where the specified unorthodox location cannot be used on account of topography, permanent monument or improvement or other interfering physical condition.

4. That there are attached hereto and made a part hereof the following exhibits, to wit:

Exhibit "1" is a plat showing the locations of the proposed wells to be drilled at unorthodox locations, indicated by red circles and called "Proposed Infill Locations". Said plat further shows in full the unit boundary and all of the lands committed to the Grayburg-Jackson (San Andres) Unit.

Exhibit "2" is a map showing the subject lands and lands surrounding the same, and further showing lease ownership, lease numbers and other pertinent lease information. Again, Exhibit "2" shows the unit boundary of the Grayburg-Jackson (San Andres) Unit, and the proposed unorthodox locations are indicated by red dots.

5. It is proposed to drill and complete wells at the above unorthodox locations in order to establish an efficient infill pattern in connection with the waterflood operation now in progress on the unit; and the granting of this application will result in an efficient and greater recovery of secondary reserves and will not impair correlative rights.

6. As shown by both Exhibit "1" and Exhibit "2" annexed to this application, applicant is also the operator of all acreage (spacing units) offsetting the units for which unorthodox locations are sought on the north, south and west, and the offsetting operator to the east, Atlantic Richfield Company, has been notified of this application by the mailing of a copy of said application, certified mail, return receipt requested, to said offsetting operator's district office at Midland, Texas.

7. The lands for which unorthodox locations are sought are

public domain lands, leased under United States Oil and Gas Leases, and a copy of this application has been furnished to the Artesia, New Mexico field office of the United States Geological Survey.

WHEREFORE, applicant requests a hearing before an examiner and requests that an exception be granted to the well location requirements of Rule 104, and that applicant be authorized to drill and complete wells on the above mentioned unorthodox locations.

ANNE BURNETT TANDY,
d/b/a WINDFOHR OIL COMPANY

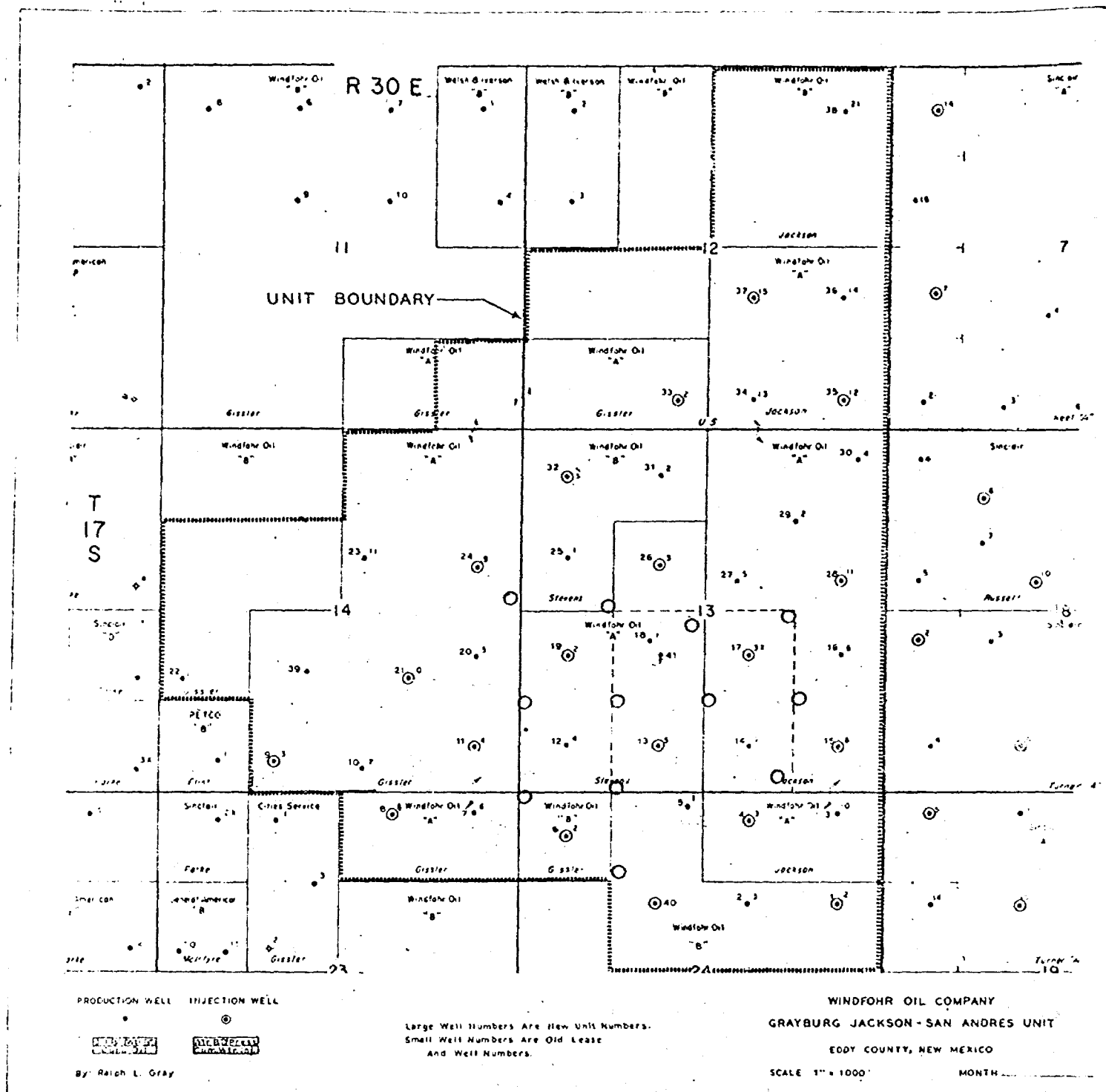
by
WATSON & WATSON

Fred A. Watson
Attorneys for Applicant,
P. O. Drawer E,
Artesia, New Mexico 88210.

CERTIFICATE

I, Fred A. Watson, attorney for the applicant under the foregoing Application, hereby certify that on the 18th day of March, 1976, I mailed a true copy of said Application, certified mail, return receipt requested, to District Manager, Atlantic Richfield Company, P. O. Box 1610, Midland, Texas 79701; and, further, personally delivered a true copy of said Application to the Artesia, New Mexico field office of the United States Geological Survey.

Fred A. Watson
Fred A. Watson



Section 13:

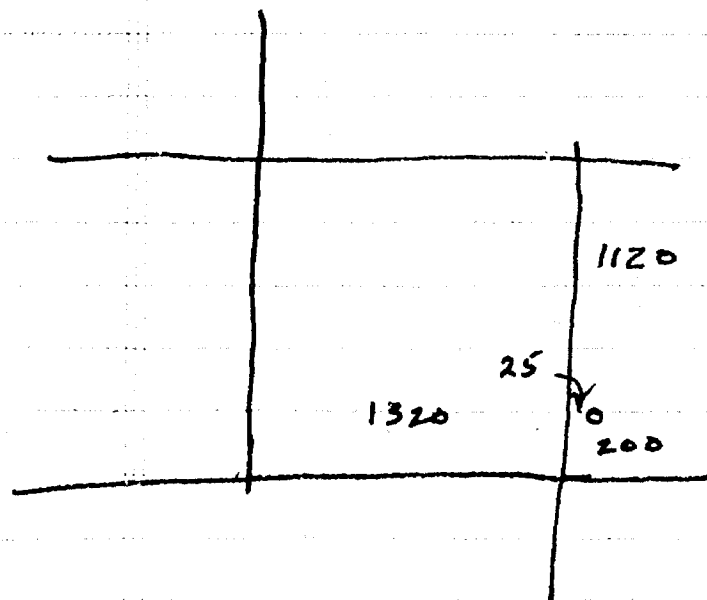
- 2615 feet from the south line and 1345 feet from the east line.
- 2415 feet from the south line and 2415 feet from the west line.
- 2615 feet from the north line and 1295 feet from the west line.
- 1295 feet from the south line and 1295 feet from the east line.
- 1295 feet from the south line and 2615 feet from the east line.
- 1295 feet from the south line and 1345 feet from the west line.
- 1295 feet from the south line and 25 feet from the west line.
- 200 feet from the south line and 1345 feet from the east line.
- 25 feet from the south line and 1345 feet from the west line.

Section 14:

- 2500 feet from the north line and 25 feet from the east line.

Section 24:

- 25 feet from the north line and 25 feet from the west line.
- 1120 feet from the north line and 1345 feet from the west line.



Dockets Nos. 13-76 and 14-76 are tentatively set for hearing on April 28 and May 12, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 14, 1976

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 Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for May, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for May, 1976, from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5663: Application of Anne Burnett Tandy dba Windfohr Oil Company for 12 unorthodox oil well locations and an administrative procedure, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of 12 oil wells to be drilled to the San Andres formation at the following locations in the Grayburg-Jackson Unit, Township 17 South, Range 30 East, Eddy County, New Mexico:

in Section 13: extreme SE/corner of Units E and O, the extreme SW/corner of Unit N, the extreme NE/corner of Units J and K, and the extreme NW/corner of Units M, N, O, and P;

in Section 14: the extreme SE of Unit H;

in Section 24: the extreme SW/corner of Unit C and extreme NW/corner of Unit D.

Applicant further seeks the establishment of an administrative procedure whereby the above wells could be relocated and other similar unorthodox locations approved without notice and hearing.

CASE 5664: Application of Mesa Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Nash Unit Well No. 2, located in Unit F of Section 18, Township 23 South, Range 30 East, Eddy County, New Mexico, to produce gas from the Atoka and Morrow formations through parallel strings of tubing.

CASE 5665: Application of Howard Boatwright Company, Inc. 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 through the open-hole interval from 2979 to 3180 feet in its State CS Well No. 1 located in Unit L of Section 17, Township 21 South, Range 27 East, Burton Flats Field, Eddy County, New Mexico.

CASE 5666: Application of Belco Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and below the Pennsylvanian formation underlying the E/2 of Section 7, Township 22 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled 2410 feet from the North line and 560 feet from the East line of said Section 7. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5667: Application of Belco Petroleum Corporation for approval of an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the North line and 1480 feet from the West line of Section 19, Township 21 South, Range 35 East, Osudo-Morrow Gas Pool, Lea County, New Mexico, the N/2 of said Section 19 to be dedicated to the well.

CASE 5443: (Reopened)

In the matter of Case 5443 being reopened pursuant to the provisions of Order No. R-4994, which order established special rules and regulations for the East Lusk-Bone Spring Oil Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre spacing units.

CASE 5446: (Reopened)

In the matter of Case 5446 being reopened pursuant to the provisions of Order No. R-4992, which order established special rules and regulations for the Casey-Strawn Pool, Lea County, New Mexico, including a provision for 80-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

NEIL B. WATSON
FRED A. WATSON

LAW OFFICES
WATSON & WATSON
AMERICAN HOME BUILDING
P. O. DRAWER E
ARTESIA, NEW MEXICO 88210

AREA CODE 505
746-4151 • 746-2201

March 18, 1976

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

Gentlemen:

Re: Application of Anne Burnett Tandy (formerly Anne Burnett Windfohr), d/b/a Windfohr Oil Company, for unorthodox locations on 12 oil wells to be drilled in Sections 13, 14 and 24, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico (to establish infill pattern inside the Grayburg-Jackson (San Andres) Unit).

I herewith enclose, in triplicate, the Application described in the caption.

We request that you take all steps necessary to set this matter for hearing and please send us a copy of the docket showing the time and date of such hearing.

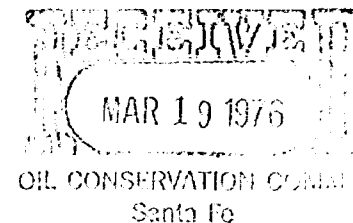
Thanking you in advance for your consideration, I remain,

Very truly yours,

Fred A. Watson
Fred A. Watson.

FAW:js
Enc.

cc: United States Geological Survey,
Artesia, New Mexico 88210.
cc: Atlantic Richfield Company,
P. O. Box 1610,
Midland, Texas 79701.
(via Certified Mail, R.R.R.)
cc: Mr. John Rush Vann,
Windfohr Oil Company,
1202 First National Bank Building,
Fort Worth, Texas.
cc: Mr. John McPhaul,
Box 188,
Loco Hills, New Mexico.
cc: Mr. Ralph L. Gray,
Box 198,
Artesia, New Mexico 88210.



BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

IN RE: APPLICATION OF ANNE BURNETT TANDY)
(FORMERLY ANNE BURNETT WINDFOHR), d/b/a)
WINDFOHR OIL COMPANY, FOR AN ORDER GRANTING)
AN EXCEPTION TO THE WELL LOCATION REQUIRE-)
MENTS FOR TWELVE OIL WELLS PROPOSED TO BE)
LOCATED AT UNORTHODOX LOCATIONS AND DRILLED)
INTO THE SAN ANDRES FORMATION IN SECTIONS)
13 (9 WELLS), 14 (1 WELL) AND 24 (2 WELLS),)
ALL IN TOWNSHIP 17 SOUTH, RANGE 30 EAST,)
N.M.P.M., EDDY COUNTY, NEW MEXICO.)

Case No. 5663

A P P L I C A T I O N

COMES NOW Anne Burnett Tandy (formerly Anne Burnett Windfohr), an individual, d/b/a Windfohr Oil Company, and hereby makes application for an Order granting an exception to the well location requirements and authorizing the drilling of twelve (12) oil wells, same to be drilled into the San Andres Formation, at the unorthodox locations more particularly described hereinafter in Sections 13, 14 and 24, all in Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and in support of this Application, the applicant states:

1. Applicant Anne Burnett Tandy (formerly Anne Burnett Windfohr) d/b/a Windfohr Oil Company, is the unit operator of the Grayburg-Jackson (San Andres) Unit, and applicant's address is 1202 First National Bank Building, Fort Worth, Texas.

2. The lands as to which authority for unorthodox well locations is sought are parts of Sections 13, 14 and 24, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and, as indicated by the plat annexed as Exhibit "1" to this Application, said lands are committed to the Grayburg-Jackson (San Andres) Unit, a unit for the production of oil and gas heretofore created and approved, which unit is

presently the subject of an active secondary recovery project by water-flooding. The wells proposed to be drilled at the unorthodox locations hereinafter described will be drilled into the San Andres Formation and completed (if possible) to produce from the unitized formation of the said Grayburg-Jackson (San Andres) Unit.

3. The unorthodox locations for which an exception to the general well location requirements is sought are as follows:

Township 17 South, Range 30 East, N.M.P.M.,
Eddy County, New Mexico

Section 13:

- A - 2615 feet from south and 1345 feet from east lines. *south side*
- B - 2415 feet from ~~north~~ and 2415 feet from west lines.
- C - 2615 feet from north and 1295 feet from west lines.
- D - 1295 feet from south and 1295 feet from east lines.
- E - 1295 feet from south and 2615 feet from east lines.
- F - 1295 feet from south and 1345 feet from west lines.
- G - 1295 feet from south and 25 feet from west lines.
- H - 200 feet from south and 1345 feet from east lines.
- I - 25 feet from south and 1345 feet from west lines.

Section 14:

- J - 25 feet from east and 2500 feet from north lines.

Section 24:

- K - 25 feet from north and 25 feet from west lines.
- L - ~~1295~~ 1120 (amended at log) feet from north and 1345 feet from west lines.

For convenience, the locations are designated as "A", "B", "C", etc., because, at this time, the order of drilling of said wells, if approval be given, is not known. Said wells will be properly designated by names and numbers according to the respective leases when notices of intention to drill are filed. The Order authorizing the drilling of wells at the

above unorthodox locations, if made, should provide that any well may be relocated, without further notice, hearing or approval, in any direction from and not to exceed 150 feet from the specified unorthodox location, where the specified unorthodox location cannot be used on account of topography, permanent monument or improvement or other interfering physical condition.

4. That there are attached hereto and made a part hereof the following exhibits, to wit:

Exhibit "1" is a plat showing the locations of the proposed wells to be drilled at unorthodox locations, indicated by red circles and called "Proposed Infill Locations". Said plat further shows in full the unit boundary and all of the lands committed to the Grayburg-Jackson (San Andres) Unit.

Exhibit "2" is a map showing the subject lands and lands surrounding the same, and further showing lease ownership, lease numbers and other pertinent lease information. Again, Exhibit "2" shows the unit boundary of the Grayburg-Jackson (San Andres) Unit, and the proposed unorthodox locations are indicated by red dots.

5. It is proposed to drill and complete wells at the above unorthodox locations in order to establish an efficient infill pattern in connection with the waterflood operation now in progress on the unit; and the granting of this application will result in an efficient and greater recovery of secondary reserves and will not impair correlative rights.

6. As shown by both Exhibit "1" and Exhibit "2" annexed to this application, applicant is also the operator of all acreage (spacing units) offsetting the units for which unorthodox locations are sought on the north, south and west, and the offsetting operator to the east, Atlantic Richfield Company, has been notified of this application by the mailing of a copy of said application, certified mail, return receipt requested, to said offsetting operator's district office at Midland, Texas.

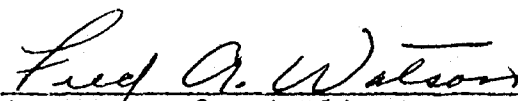
7. The lands for which unorthodox locations are sought are

public domain lands, leased under United States Oil and Gas Leases, and a copy of this application has been furnished to the Artesia, New Mexico field office of the United States Geological Survey.

WHEREFORE, applicant requests a hearing before an examiner and requests that an exception be granted to the well location requirements of Rule 104, and that applicant be authorized to drill and complete wells on the above mentioned unorthodox locations.

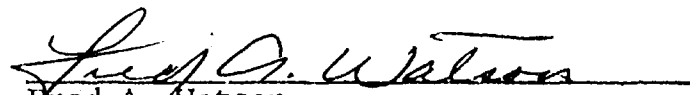
ANNE BURNETT TANDY,
d/b/a WINDFOHR OIL COMPANY

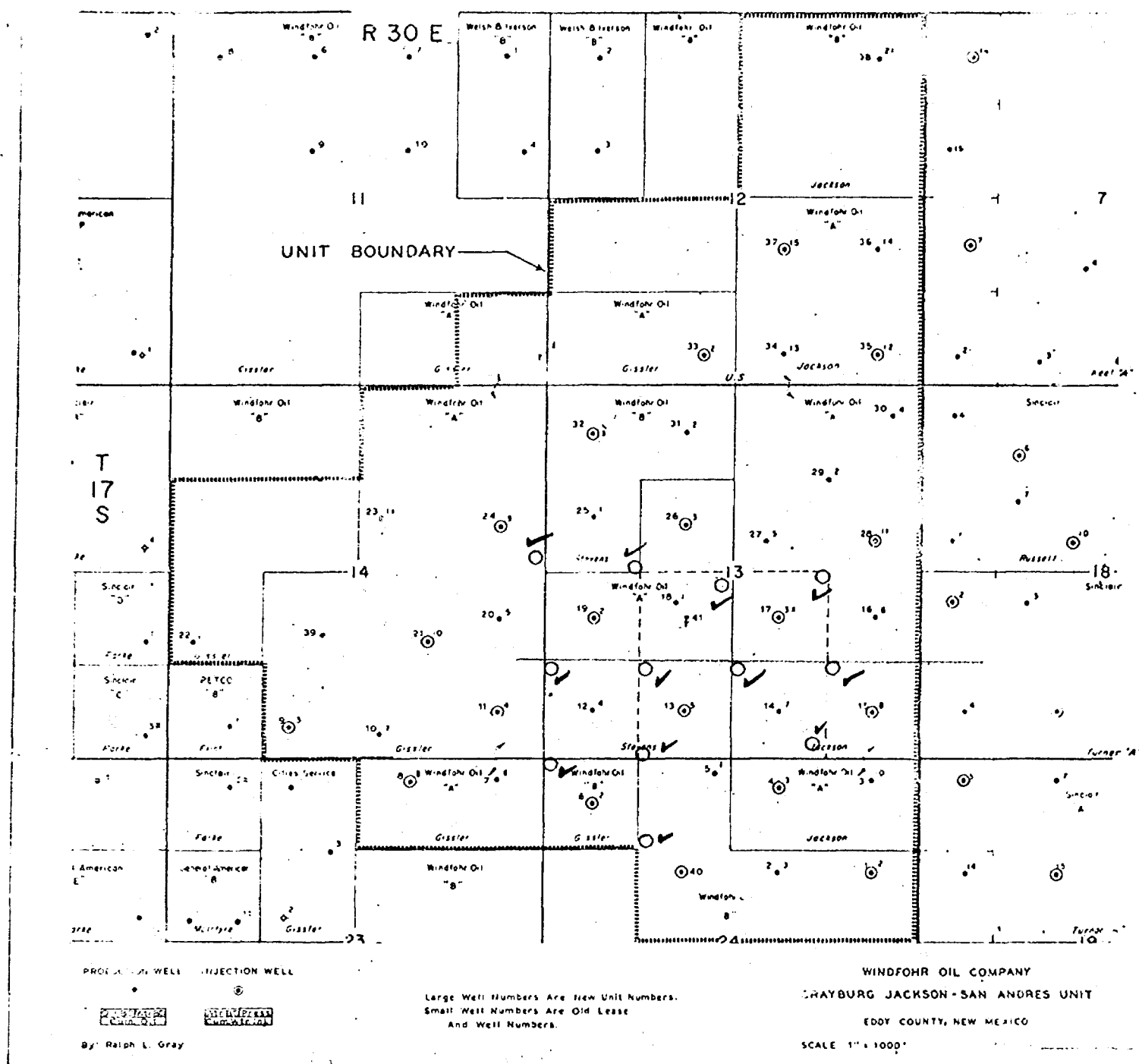
by
WATSON & WATSON


Attorneys for Applicant,
P. O. Drawer E,
Artesia, New Mexico 88210.

CERTIFICATE

I, Fred A. Watson, attorney for the applicant under the foregoing Application, hereby certify that on the 19th day of March, 1976, I mailed a true copy of said Application, certified mail, return receipt requested, to District Manager, Atlantic Richfield Company, P. O. Box 1610, Midland, Texas 79701; and, further, personally delivered a true copy of said Application to the Artesia, New Mexico field office of the United States Geological Survey.


Fred A. Watson



o Proposed Infill Location

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

IN RE: APPLICATION OF ANNE BURNETT TANDY)
(FORMERLY ANNE BURNETT WINDFOHR), d/b/a)
WINDFOHR OIL COMPANY, FOR AN ORDER GRANTING)
AN EXCEPTION TO THE WELL LOCATION REQUIRE-)
MENTS FOR TWELVE OIL WELLS PROPOSED TO BE)
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13 (9 WELLS), 14 (1 WELL) AND 24 (2 WELLS),)
ALL IN TOWNSHIP 17 SOUTH, RANGE 30 EAST,)
N.M.P.M., EDDY COUNTY, NEW MEXICO.)

Case No. 5663

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COMES NOW Anne Burnett Tandy (formerly Anne Burnett Windfohr),
an individual, d/b/a Windfohr Oil Company, and hereby makes application
for an Order granting an exception to the well location requirements
and authorizing the drilling of twelve (12) oil wells, same to be
drilled into the San Andres Formation, at the unorthodox locations
more particularly described hereinafter in Sections 13, 14 and 24,
all in Township 17 South, Range 30 East, N.M.P.M., Eddy County, New
Mexico, and in support of this Application, the applicant states:

1. Applicant Anne Burnett Tandy (formerly Anne Burnett Windfohr)
d/b/a Windfohr Oil Company, is the unit operator of the Grayburg-Jackson
(San Andres) Unit, and applicant's address is 1202 First National Bank
Building, Fort Worth, Texas.

2. The lands as to which authority for unorthodox well locations
is sought are parts of Sections 13, 14 and 24, Township 17 South, Range
30 East, N.M.P.M., Eddy County, New Mexico, and, as indicated by the
plat annexed as Exhibit "1" to this Application, said lands are com-
mitted to the Grayburg-Jackson (San Andres) Unit, a unit for the pro-
duction of oil and gas heretofore created and approved, which unit is

presently the subject of an active secondary recovery project by water-flooding. The wells proposed to be drilled at the unorthodox locations hereinafter described will be drilled into the San Andres Formation and completed (if possible) to produce from the unitized formation of the said Grayburg-Jackson (San Andres) Unit.

3. The unorthodox locations for which an exception to the general well location requirements is sought are as follows:

Township 17 South, Range 30 East, N.M.P.M.,
Eddy County, New Mexico

Section 13:

- A - 2615 feet from south and 1345 feet from east lines. *SOUTH ak*
- B - 2415 feet from ~~north~~ and 2415 feet from west lines.
- C - 2615 feet from north and 1295 feet from west lines.
- D - 1295 feet from south and 1295 feet from east lines.
- E - 1295 feet from south and 2615 feet from east lines.
- F - 1295 feet from south and 1345 feet from west lines.
- G - 1295 feet from south and 25 feet from west lines.
- H - 200 feet from south and 1345 feet from east lines.
- I - 25 feet from south and 1345 feet from west lines.

Section 14:

- J - 25 feet from east and 2500 feet from north lines.

Section 24:

- K - 25 feet from north and 25 feet from west lines.
- L - ~~1295~~ feet from north and 1345 feet from west lines. *1120 (amended) (W) kg)*

For convenience, the locations are designated as "A", "B", "C", etc., because, at this time, the order of drilling of said wells, if approval be given, is not known. Said wells will be properly designated by names and numbers according to the respective leases when notices of intention to drill are filed. The Order authorizing the drilling of wells at the

above unorthodox locations, if made, should provide that any well may be relocated, without further notice, hearing or approval, in any direction from and not to exceed 150 feet from the specified unorthodox location, where the specified unorthodox location cannot be used on account of topography, permanent monument or improvement or other interfering physical condition.

4. That there are attached hereto and made a part hereof the following exhibits, to wit:

Exhibit "1" is a plat showing the locations of the proposed wells to be drilled at unorthodox locations, indicated by red circles and called "Proposed Infill Locations". Said plat further shows in full the unit boundary and all of the lands committed to the Grayburg-Jackson (San Andres) Unit.

Exhibit "2" is a map showing the subject lands and lands surrounding the same, and further showing lease ownership, lease numbers and other pertinent lease information. Again, Exhibit "2" shows the unit boundary of the Grayburg-Jackson (San Andres) Unit, and the proposed unorthodox locations are indicated by red dots.

5. It is proposed to drill and complete wells at the above unorthodox locations in order to establish an efficient infill pattern in connection with the waterflood operation now in progress on the unit; and the granting of this application will result in an efficient and greater recovery of secondary reserves and will not impair correlative rights.

6. As shown by both Exhibit "1" and Exhibit "2" annexed to this application, applicant is also the operator of all acreage (spacing units) offsetting the units for which unorthodox locations are sought on the north, south and west, and the offsetting operator to the east, Atlantic Richfield Company, has been notified of this application by the mailing of a copy of said application, certified mail, return receipt requested, to said offsetting operator's district office at Midland, Texas.

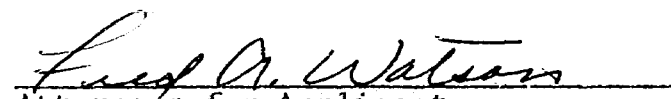
7. The lands for which unorthodox locations are sought are

public domain lands, leased under United States Oil and Gas Leases, and a copy of this application has been furnished to the Artesia, New Mexico field office of the United States Geological Survey.

WHEREFORE, applicant requests a hearing before an examiner and requests that an exception be granted to the well location requirements of Rule 104, and that applicant be authorized to drill and complete wells on the above mentioned unorthodox locations.

ANNE BURNETT TANDY,
d/b/a WINDFOHR OIL COMPANY

by
WATSON & WATSON


Attorneys for Applicant,
P. O. Drawer E,
Artesia, New Mexico 88210.

CERTIFICATE

I, Fred A. Watson, attorney for the applicant under the foregoing Application, hereby certify that on the 18th day of March, 1976, I mailed a true copy of said Application, certified mail, return receipt requested, to District Manager, Atlantic Richfield Company, P. O. Box 1610, Midland, Texas 79701; and, further, personally delivered a true copy of said Application to the Artesia, New Mexico field office of the United States Geological Survey.

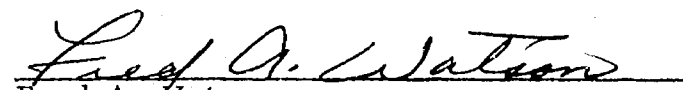
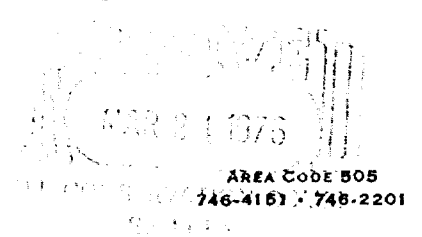

Fred A. Watson

EXHIBIT "2"

NEIL B. WATSON
FRED A. WATSON

LAW OFFICES
WATSON & WATSON
AMERICAN HOME BUILDING
P. O. DRAWER E
ARTESIA, NEW MEXICO 88210

Case 5663



March 24, 1976

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

Gentlemen:

Re: Application of Anne Burnett Tandy (formerly Anne Burnett Windfohr), d/b/a Windfohr Oil Company, for unorthodox locations on 12 oil wells to be drilled in Sections 13, 14 and 24, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico (to establish infill pattern inside the Grayburg-Jackson (San Andres) Unit).

We transmitted the above application for filing with the Commission by letter on March 18, 1976.

Yesterday, Mr. W. F. Carr, your counsel, kindly called me about an error in the application. Specifically, under Paragraph 3 of the application, the well in Section 13 designated as "B" is listed as being in the following unorthodox location:

"B - 2415 feet from north and 2415 feet from west lines",

while, in fact, said unorthodox location should be described as follows:

"B - 2415 feet from south and 2415 feet from west lines".

By this letter, we request that the subject application be amended to show the unorthodox location of the well designated "B" as last shown above, and said well is correctly located on the plat attached as Exhibit "1" to such application.

I thank you very much for catching this typographical error, and Mr. Carr indicated that the notice to be published by the Commission would give the correct location for the well designated as the "B" well.

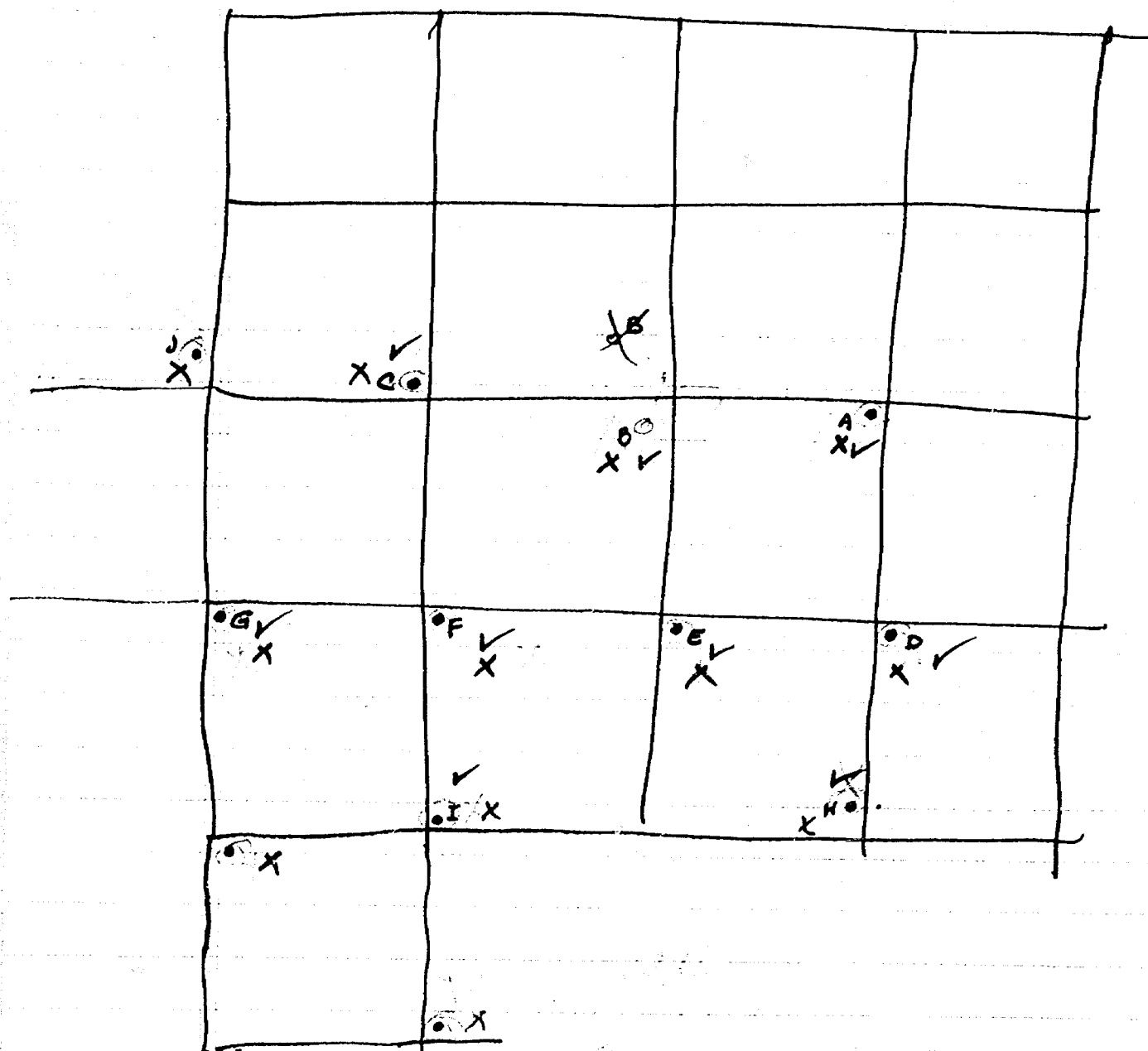
We are sending copies of this amending letter to the same parties who were furnished copies of the application, including a copy by certified mail to Atlantic Richfield Company, the offsetting operator to the east of some of the wells.

Very truly yours,


Fred A. Watson

FAW:js

cc: U.S.G.S., Artesia office
cc: Atlantic Richfield Company
cc: Mr. John Rush Vann
cc: Mr. John McPhaul
cc: Mr. Ralph L. Gray



in Section 13:

Extreme SE corner of Units E and O, the extreme SW corner of Unit N, the extreme NE corner of Units J and K, and the extreme NW corner of Units M, N, O, and P;

in Section 14: the extreme SE of Unit H;

in Section 24: the extreme SW corner of Unit C and, ^{extreme NW corner of} Unit D.

DRAFT

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. 5663

Order No. R- 5206

APPLICATION OF ANNE BURNETT TANDY dba
WINDFOHR OIL COMPANY FOR 12 UNORTHODOX OIL WELL
LOCATIONS AND AN ADMINISTRATIVE PROCEDURE, EDDY
COUNTY, NEW MEXICO.

JDR *DM*
ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 14,
1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of April, 1976, 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, Anne Burnett Tandy dba Windfohr Oil
Company, seeks approval of 12 unorthodox oil well locations to be
drilled to the San Andres formation at the following locations in
the Grayburg-Jackson Unit, Township 17 South, Range 30 East, Eddy
County, New Mexico, as follows:

Section 15:

2615 feet from the south line and 1345
feet from the east line.

2415 feet from the south line and 2415
feet from the west line.

2615 feet from the north line and 1295
feet from the west line.

1295 feet from the south line and 1295
feet from the east line.

1295 feet from the south line and 2615
feet from the east line.

1295 feet from the south line and 1345
feet from the west line.

1295 feet from the south line and 25
feet from the west line.

200 feet from the south line and 1345
feet from the east line.

25 feet from the south line and 1345
feet from the west line.

Section 14:

2500 feet from the north line and 25
feet from the east line.

Section 24:

25 feet from the north line and 25
feet from the west line.

1120 feet from the north line and 1345
feet from the west line.

(2) The Secretary-Director of the Commission is hereby ^{to amend the locations of the hereinabove authorized wells and} authorized to approve additional producing wells and injection wells at orthodox and unorthodox locations within the boundaries of the Grayburg-Jackson Unit Area as may be necessary to complete an efficient production and injection pattern, provided said wells are drilled no closer than ~~1320~~ ³³⁰ feet to the outer boundary of said ~~unit~~ ^{Grayburg-Jackson Unit} nor closer than 10 feet to any quarter-quarter section of subdivision inner boundary. To obtain such approval, the project operator shall file proper application with the Commission, which application, if it seeks authorization to convert additional wells to injection or to drill additional production or injection wells shall include the following:

- (a) A plat showing the location of proposed well, all wells within the project area, and offset operators, locating wells which offset the project area.
- (b) A schematic drawing of any proposed injection well which fully describes the casing, tubing, packer, leak detection equipment, perforated interval, and depth.

The Secretary-Director may grant immediate approval of the proposed well, if in his opinion, the well is necessary to complete an efficient injection and production pattern for the project.

(3) 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.

PROVIDED HOWEVER, if the application is for a well closer than 330 feet to the the outer boundary of the Grayburg-Jackson Unit, a copy of the application shall be sent to the operator of any proration unit outside of the Grayburg-Jackson Unit which offsets, directly or diagonally, the proration unit upon which such unorthodox location is proposed. The Secretary-Director shall wait 20 days before approving such unorthodox location, and shall do so only in the absence of objection from the offset operator(s). The 20-day waiting period may be dispensed with upon receipt of waiver of objection from ~~each~~ the aforesaid operator(s).