

CASE 2840: Application of AMERADA for
a 120-acre non-standard gas proration
unit. (L. G. Warlick "A" Well No. 2).

2840

his, Transcript
C. B. H. Co.

R 36 E				R 37 E							
Cont'l		Tidewater 15		Tidewater 16		TEXACO		Pack Oil		Cont'l 17	
10E		10E 20E		10E		50PS 30D		10D		40T-D	
		Marshall Penrose		Gulf Penrose		40E-PS 20B-T		30D		30B-D	
		10E		30E 40PS 10PS		Weatherly Drilyn Drly		10E-PS 20D 40D		20E-D	
Lockhart		Marshall		Olson-Blount Ohio		10PS-86 10T-D		Penrose Tidewater		Lockhart	
				10PS 10PS		20D		10B6-D 20T-D		Hardy	
Gulf 24				Penrose 19		10D		Rodman		Sinc 20	
10E				Amarada		10D		10PS 50B6 30D 20D		20T-D	
Leonard		Amarada		Amarada		Sunny		Amarada & Rodman		10B6-D	
Gulf		State DC		Warlick		Randle		Randle "A"		York	
20PS		Gulf		Amarada		Gulf		Ohio			
10E		10E 20D-B		20PS 10PS 50P-B 20B-D		50B6-D 30PS-D		30D 10PS 20D			
Mattern		Gulf		Warlick "A"		40PS-P 10PS 20P-D		Hardy		Hardy	
Gulf 25		Gulf		Perry		Hardy Mobil		29			
		Gulf		Efficient Fed		20PS 60P-D 30B		20PS-D 10PS-86 10T-D			
20E 10A		Texaco 30		40E 60P-86-D 50PS-P 20		10PS 50D 40PS		Linsam Sunny			
Ramsey St. B		Henderson		30D		Hardy		20PS-D 10D			
Sincclair El Paso Moore		Gulf		130PS 10PS 80B		Sincclair		Hardy Ohio			
30A 10E						10D 20PS 30T-D		20D 10D 30B6-T			
20A 40E				110PS 50E-PS 40PS 60D		W. Turner Sincclair		Turner Pan Am			
Brownlee Brownlee Brownlee				Mattern "B"		20PS 40D 10PS 30B6-D		20D 10E-D 30B6-T			
						H. Turner		Turner			

AMERADA PETROLEUM CORP

1 INCH = 2000 FT.

E - Eumant
A - Arrowhead
PS - Penrose Skelly
P - Paddock
B - Blinbry Oil
BG - Blinbry Gas

Ex. 1

Case No. 2840

BEFORE EXAMINER NUTTER
OF CONSERVATION COMMISSION
EXHIBIT NO. 1
CASE NO. 2840

FIELD West Eunice Area

STATE New Mexico

COUNTY Lea

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

502 5740
Set for June 26
Examining

May 23, 1963

Amerada Petroleum Corporation
P. O. Box 668
Hobbs, New Mexico

DOCKET MAILED

Date 6/14/63

Attention: Mr. D. C. Capps

Gentlemen:

We have your application of May 15, 1963, requesting administrative approval of a 120-acre non-standard gas proration unit to be dedicated to your L. G. Warlick "A" Well No. 2, located in Unit J of Section 19, Township 21 South, Range 37 East.

As the proposed non-standard gas proration unit does not lie wholly within a single governmental quarter section, your application is not eligible for administrative approval. However, we will be happy to docket a case for you, if you so desire.

Very truly yours,

J. M. DUARETT, Jr.,
Attorney

JMD/esr

C
O
P
Y

GENERAL OFFICE
Box 2040
TULSA 2, OKLA.

AMERADA PETROLEUM CORPORATION

Box 668

HOBBS, NEW MEXICO

May 15, 1963

RECEIVED MAY 13 1963

Case 2840

New Mexico Oil Conservation Commission
P.O. Box 871
Santa Fe, New Mexico

Gentlemen:

The L.G. Warlick "A" No. 2 located in Unit J, Section 19, T-21S, R-37E, has been completed as a quadruple completion producing from the Penrose Skelly, Paddock, Blinebry, and Drinkard Zones. This quadruple completion was approved by Order No. R-2300.

The Blinebry Zone is, however, completed as a gas well instead of an oil well. The standard gas unit in this pool is 160 acres. The Warlick "A" lease is a 160 acre least but the Warlick "A" No. 1 is now producing as an oil well with a 40 acre assignment.

The remaining 120 acres is: 1. Less than a standard proration unit, 2. Contiguous, 3. In one governmental section, 4. Is believed to be gas productive, and 5. Has no side longer than 2640'. The attached plat on Form C-128 described this lease.

We, therefore, request administrative approval of this non-standard gas proration unit.

Attached are: Form C-128, Form C-110, and Form C-104. Offset operators are receiving a copy of this application.

Yours very truly,


D.C. Capps

DCC/ejw

cc: New Mexico Oil Conservation Commission (2)

P.O. Box 2045, Hobbs, New Mexico

Messrs: J.O. Hathaway

O.C. McBryde

R.S. Christe

T.E. Lynch

A.E. Snyder

A.J. Troop

B.A. Moore

Midland

File

Gulf Oil Corporation

P.O. Box 2167, Hobbs, New Mexico

Sunray D-X Oil Co.

P.O. Box 128, Hobbs, New Mexico

Neville G. Penrose

Midland Tower Bldg., Midland, Tex.

W.H. Perry

3301 S. 5th St., Abilene, Texas

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

3840
(Form C-104)
Revised 7/1/57

REQUEST FOR (OIL) - (GAS) ALLOWABLE

New Well
Recompletion

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Oil or Gas well. Form C-104 is to be submitted in QUADRUPPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during calendar month of completion or recompletion. The completion date shall be that date in the case of an oil well when new oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Hobbs, New Mexico

May 4, 1963

(Place)

(Date)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

Amerada Petroleum Corporation L.G. Warlick "A", Well No. 2, in NW 1/4 SE 1/4,

(Company or Operator)

(Lease)

J, Sec. 19, T. 21S, R. 37E, NMPA, Blinebry

Pool

Unit Letter

Lea

County. Date Spudded 6-24-62

Date Drilling Completed 7-18-62

Please indicate location:
R-37E

Elevation 3515' DF Total Depth 6710' PBD

Top Oil/Gas Pay 5654' Name of Prod. Form. Blinebry

PRODUCING INTERVAL -

Perforations 5654' to 5925'

21 Open Hole - Depth Casing Shoe 6705' Depth Tubing

S OIL WELL TEST -

Natural Prod. Test: bbls. oil, bbls water in hrs, min. Size Choke

Test After Acid or Fracture Treatment (after recovery of volume of oil equal to volume of load oil used): bbls. oil, bbls water in hrs, min. Size Choke

GAS WELL TEST -

Natural Prod. Test: MCF/Day; Hours flowed Choke Size

Method of Testing (pitot, back pressure, etc.):

Test After Acid or Fracture Treatment: 6221 MCF/Day; Hours flowed 24

Choke Size 1.5" Method of Testing: Back Pressure

Acid or Fracture Treatment (Give amounts of materials used, such as acid, water, oil, and sand): Acid - 250 gals. - Frac - 4620 gals. oil & 6900# sand

Casing Tubing Date first new Press. oil run to tanks

Oil Transporter Texas - New Mexico Pipe Line Co.

Gas Transporter Northern Natural Gas Co.

Remarks: Closed in pending completion approval

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

Approved: 19

Amerada Petroleum Corporation

(Company or Operator)

OIL CONSERVATION COMMISSION

By: (Signature)

By:

Title: District Superintendent
Send Communications regarding well to:

Title:

Name: Amerada Petroleum Corporation

Address: P.O. Box 668, Hobbs, New Mexico

Case 3840

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">NUMBER OF COPIES RECEIVED</td></tr> <tr><td style="text-align: center;">DISTRIBUTION</td></tr> <tr><td>SANTA FE</td></tr> <tr><td>FILE</td></tr> <tr><td>U.S.O.S.</td></tr> <tr><td>LAND OFFICE</td></tr> <tr><td>TRANSPORTER</td></tr> <tr><td>OPERATION OFFICE</td></tr> <tr><td>OPERATOR</td></tr> </table>	NUMBER OF COPIES RECEIVED	DISTRIBUTION	SANTA FE	FILE	U.S.O.S.	LAND OFFICE	TRANSPORTER	OPERATION OFFICE	OPERATOR	NEW MEXICO OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS	FORM C-110 (Rev. 7-60)
NUMBER OF COPIES RECEIVED											
DISTRIBUTION											
SANTA FE											
FILE											
U.S.O.S.											
LAND OFFICE											
TRANSPORTER											
OPERATION OFFICE											
OPERATOR											
FILE THE ORIGINAL AND 4 COPIES WITH THE APPROPRIATE OFFICE											
Company or Operator Amerada Petroleum Corporation		Lease L. G. Warlick "A"									
Unit Letter J	Section 19	Well No. 2									
Township 21S	Range 37E	County Lea									
Pool Blinebry		Kind of Lease (State, Fed, Fee) Patent									
If well produces oil or condensate give location of tanks		Unit Letter H									
		Section 19									
		Township 21S									
		Range 37E									
Authorized transporter of oil <input type="checkbox"/> or condensate <input checked="" type="checkbox"/>		Address (give address to which approved copy of this form is to be sent)									
Texas New Mexico Pipe Line Co.		P.O. Box 1510 - Midland, Texas									
Is Gas Actually Connected? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>											
Authorized transporter of casing head gas <input type="checkbox"/> or dry gas <input checked="" type="checkbox"/>		Address (give address to which approved copy of this form is to be sent)									
Northern Natural Gas Co.		2223 Dodge St. - Omaha, Neb.									
If gas is not being sold, give reasons and also explain its present disposition: Well Closed In.											
REASON(S) FOR FILING (please check proper box)											
New Well <input checked="" type="checkbox"/> Change in Ownership <input type="checkbox"/> Change in Transporter (check one) Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casing head gas . <input type="checkbox"/> Condensate . . <input type="checkbox"/> Other (explain below)											
Remarks Closed in pending approval of completion.											
The undersigned certifies that the Rules and Regulations of the Oil Conservation Commission have been complied with.											
Executed this the <u>3rd</u> day of <u>May</u> , 19 <u>63</u> .											
OIL CONSERVATION COMMISSION		By									
Approved by		<i>D.C. Campbell</i>									
		Title District Superintendent									
Title		Company Amerada Petroleum Corporation									
Date		Address P.O. Box 668 - Hobbs, New Mexico									

COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	
PROBATION OFFICE	
OPERATOR	

Max 2840

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

FORM C-128
Revised 5/1/57

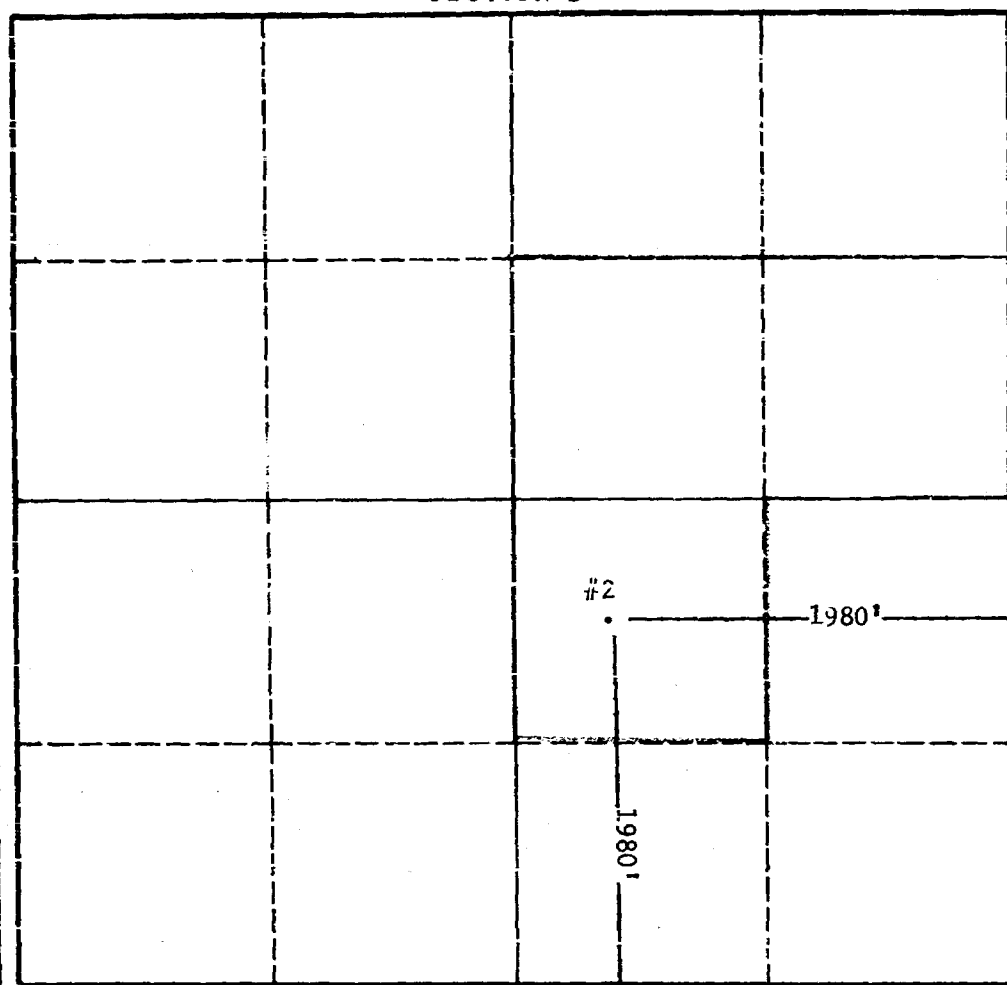
SECTION A

Operator Amerada Petroleum Corporation		Lease L.G. Warlick "A"		Well No. 2
Unit Letter J	Section 19	Township 21S	Range 37E	County Lea
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line				
Ground Level Elev. 3515'	Producing Formation Blinbry	Pool Blinbry	Dedicated Acreage: 120 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES X NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation ____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



CERTIFICATION

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

Name <i>D.L. Campbell</i>
Position District Superintendent
Company Amerada Petroleum Corp.
Date May 3, 1963.

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

Date Surveyed
Registered Professional Engineer and/or Land Surveyor
Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

R 36 E			R 37 E		
Cont'l 10E	Tidewater 13 10E 20E Marshall Penrose 10E	Tidewater 18 10E Gulf Penrose 20E 10PS 30E 40PS 10PS Olson Blount 10PS Ohio 10PS	Texasco 50PS 30D 40E-PS 10D 20B-T Weatherly Divilyn Only 10PS-86 10T-D 20D	Pack Oil 10D 30D 10E-PS 20D 40D Weatherly Penrose 10B6-D 20T-D 10D	Cont'l 17 40T-D 30B-D 20E-D Lockhart Hardy
Lockhart	Marshall Gulf 24 10E Leonard Gulf 20PS 10E Mattern	Penrose 19 10E-86 Amerada 10PS 10B State DC Gulf 10E 20D Pan Am "CK" 10P-D Eunice Unit	Penrose 19 10E-86 Amerada 10D Warlick Amerada 20PS 10PS Warlick "A" Perry 30PS 10PS 50P-B 40P 20B-D	Roemen 10PS 3000 30D 20D Amerada & Roemen 40E-PS 10D 10B6-D Randle Randle "A" Gulf 50B6-D 30PS-D 30D Hardy 20PS 30D 40D 10PS 50B6	Sinc. 20 20T-D 10B6-D York Ohio 10PS 20D Hardy 30D 10PS 50B6
Gulf 25 20E 10A Ramsey St. B Sinclair 30A 10E 20A 40E Brownlee	El Paso 10E Brownlee	Moose 10PS Brownlee	Texasco 30 40E 60P-B6-D 50PS-F 20B 30D Henderson Gulf 130PS 10PS 80B 110PS 50E-PS 40PS 50D Mattern "B"	Mobil 20PS 30B 60P-D 10PS 40PS 50D Hardy Sinclair 10D 20PS 30T-D W. Turner Sinclair 20PS 10PS 40D 30B6-D H. Turner	29 20PS-D 10PS-86 10T-D Linam Sunny 20PS-D 10D Hardy Ohio 10D 30B6-T Turner Pan Am 20D 10E-D 30B6-T Turner

AMERADA PETROLEUM CORP

1 INCH = 2000 FT

E - Eumont
A - Arrowhead
PS - Penrose Skelly
P - Paddock
B - Blinbry Oil
BG - Blinbry Gas
T - Tubb
D - Drinkard

FIELD West Eunice Area

STATE New Mexico

COUNTY Lea

No. 18-63

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 26, 1963

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, as Alternate Examiner:

CASE 2821: (Continued from June 5, 1963 examiner hearing)

Application of D. W. Falls, Inc., for an extension of
Order No. R-2213, San Juan County, New Mexico. Applicant,
in the above-styled cause, seeks the extension of Order
No. R-2213, which order assigned a temporary deliverability
for allowable purposes to applicant's Federal Well No. 2-11,
located in Unit O of Section 11, Township 28 North, Range
13 West, Basin-Dakota Gas Pool, San Juan County, New Mexico.

CASE 2833: Application of Tenneco Oil Company for approval of a unit
agreement, San Juan County, New Mexico. Applicant, in the
above-styled cause, seeks approval of the Central Cha Cha
Unit Area comprising 674.05 acres, more or less, of Federal
land located in Sections 30 and 31, Township 29 North, Range
13 West, San Juan County, New Mexico.

CASE 2834: Application of Tom Brown Drilling Company for a unit agree-
ment, Eddy County, New Mexico. Applicant, in the above-
styled cause, seeks approval of the Runyan Ranch Unit Area
comprising 10,890.12 acres of State and Federal lands in
Township 19 South, Range 21 East, Eddy County, New Mexico.

CASE 2835: Application of Jake L. Hamon for a unit agreement, Lea
County, New Mexico. Applicant, in the above-styled cause,
seeks approval of the Southeast Bell Lake Unit Area com-
prising 9,597.09 acres of State, Federal and Fee lands in
Townships 24 and 25 South, Ranges 34 and 35 East, Lea County,
New Mexico.

CASE 2836: Application of Union Oil Company of California for a unit
agreement, Lea County, New Mexico. Applicant, in the
above-styled cause, seeks approval of the West McDonald
Unit Area comprising 2,320 acres of State and Fee lands in
Township 14 South, Range 35 East, Lea County, New Mexico.

CASE 2837: Application of Continental Oil Company for a unit agreement,
Chaves County, New Mexico. Applicant, in the above-styled
cause, seeks approval of the Eastcap Queen Pool Unit Area

comprised of 120 acres of State and Fee lands, located in Township 14 South, Range 31 East, Chaves County, New Mexico.

CASE 2838:

Application of Continental Oil Company for a waterflood project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Queen formation, Caprock Queen Pool, through 17 wells located in Sections 22, 23, 27, 34, and 35, Township 14 South, Range 31 East, Chaves County, New Mexico.

CASE 2839:

Application of Amerada Petroleum Corporation for a multiple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1750-A to permit the multiple completion (tubingless), of its Wimberley Well No. 13, located in Unit M of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, to permit the production of gas from the Banglie Mattix Pool, the production of oil from the Justis-Blinbry Oil Pool, and the disposal of salt water into the San Andres formation through parallel strings of casing cemented in a common well bore.

CASE 2840:

Application of Amerada Petroleum Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard gas proration unit comprising the S/2 NE/4 and NW/4 SE/4 of Section 19, Township 21 South, Range 37 East, Blinbry Gas Pool, Lea County, New Mexico, to be dedicated to its L. G. Warlick "A" Well No. 2 located in Unit J of said Section 19.

CASE 2841:

Application of Shell Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill its Middleton Federal Well No. B-1 at an unorthodox location 660 feet from the North and West lines of Section 31, Township 19 South, Range 32 East, Lusk-Morrow Gas Pool, Lea County, New Mexico.

CASE 2842:

Application of Compass Exploration, Inc. for an amendment of Commission Order No. R-2462, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an amendment of Order No. R-2462 concerning the Largo Gallup Gas Pool to provide 320-acre gas well spacing and an increase in the maximum allowable for each spacing unit from 500 to 1,000 MCF per day.

- CASE 2843: Application of Gulf Oil Corporation for a special gas well test, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce and flare approximately 3000 MCF of gas per day for a period of not less than 6 nor more than 9 days from its Hackberry Hills Unit Well No. 1, located in Unit C of Section 1, Township 22 South, Range 25 East, Eddy County, New Mexico, to determine if the gas reserves in place justify the expense of a pipeline to the nearest market outlet.
- CASE 2844: Application of Sinclair Oil & Gas Company for the creation of the Teas Pennsylvanian Gas Pool and for special temporary pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Pennsylvanian Gas Pool for its Mahaffey-Federal (ARC) Well No. 1, located in Unit C of Section 14, Township 20 South, Range 33 East, Lea County, New Mexico, and for the establishment of temporary pool rules therefor, including a provision for 640 acre spacing units.
- CASE 2845: Application of Sinclair Oil & Gas Company for an exception to Order No. R-1670, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order permitting its Barber Gas Unit Well No. 1, located in Unit E of Section 8, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to produce 600 MCF of gas per month in exception to the shut-in provisions of Rule 15(A) of Order No. R-1670, said gas to be utilized in the oil well gas-lift system on applicant's B. J. Barber Lease.
- CASE 2846: Application of Ralph Lowe to create a new pool for Upper Pennsylvanian gas production, and for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Upper Pennsylvanian Gas production in Section 21, Township 21 South, Range 24 East, and the establishment of temporary pool rules therefor, including a provision for 640-acre spacing and a provision restricting well locations.

State of New Mexico
Oil Conservation Commission



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

15/

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. 2840
Order No. R-2523

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR A NON-STANDARD
GAS PRORATION UNIT, LAS COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 26, 1963, at Santa Fe, New Mexico, before Daniel S. Mutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of July, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Mutter, 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, Amerada Petroleum Corporation, seeks approval of a 120-acre non-standard gas proration unit comprising the S/2 NE/4 and NW/4 SE/4 of Section 19, Township 21 South, Range 37 East, NMPM, Blinebry Gas Pool, Las County, New Mexico, for its L. G. Warlick "A" Well No. 2 located in Unit J of said Section 19.
- (3) That although the proposed non-standard gas proration unit does not lie wholly within a single governmental quarter section and therefore is not eligible for administrative approval, it consists of less acreage than a standard proration unit, consists of contiguous quarter-quarter sections or lots, and the entire unit may reasonably be presumed to be productive of gas from the Blinebry Gas Pool.
- (4) That approval of the subject application will prevent waste and protect correlative rights.

-2-

CASE No. 2840

Order No. R-2523

IT IS THEREFORE ORDERED:

(1) That a 120-acre non-standard gas proration unit comprising the S/2 NE/4 and NW/4 SE/4 of Section 19, Township 21 South, Range 37 East, NMPM, Blinbry Gas Pool, Lea County, New Mexico, is hereby approved and dedicated to the Amerada Petroleum Corporation L. G. Warlick "A" Well No. 2 located in Unit J of said Section 19.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 120 acres.

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

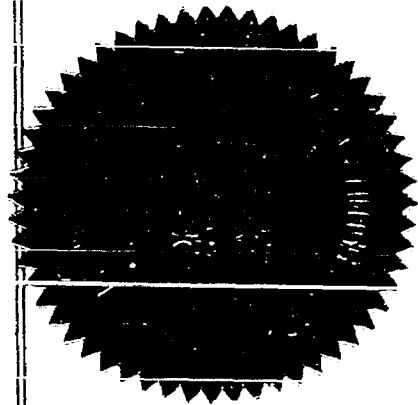
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 26, 1963

EXAMINER HEARING

Case 2840

IN THE MATTER OF:

Application of Amerada Petroleum Corpora-
tion for a non-standard gas proration
unit, Lea County, New Mexico. Applicant,
in the above-styled cause, seeks approval
of a 120-acre non-standard gas proration
unit comprising the S/2 NE/4 and NW/4
SE/4 of Section 19, Township 21 South,
Range 37 East, Blinbry Gas Pool, Lea
County, New Mexico, to be dedicated to
its L. G. Warlick "A" Well No. 2 located
in Unit J of said Section 19.

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 2840.

MR. DURRETT: Application of Amerada Petroleum Cor-
poration for a non-standard gas proration unit, Lea County, New
Mexico.

MR. KELLAHIN: Let the record show the same appearances
for the applicant, and we would have the same witness. May the
record show that he has been sworn?

MR. NUTTER: The record may so show.

M.
FARMINGTON, N. M.
PHONE 325-1182

Inc.
REPORTING SERVICE,

SANTA FE, N. M.
PHONE 983-3971

DEARNLEY-MEIER

ALBUQUERQUE, N. M.
PHONE 243-6691



(Whereupon, Applicant's Exhibit No. 1 was marked for identification.)

L. E. THOMAS

called as a witness, having been previously duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Will you state your name, please?

A L. E. Thomas.

Q Are you the same Mr. Thomas who testified in the preceding case?

A I am.

Q Mr. Thomas, are you familiar with the application of Amerada in Case No. 2840?

A Yes, sir.

Q Would you state briefly what is proposed in this application?

A We propose to produce gas from the Blinebry zone in the Warlick "A" No. 2 which is located 1980 feet from the East line, 1980 feet from the South line of Section 19, Township 21 South, Range 37 East.

Q What unit do you propose to dedicate to that well?

A Proration units G, H, I and J make up this Warlick lease.

DEARNLEY-MEIER REPORTING SERVICE, Inc.
FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-669



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

One of these units, Unit J, is now productive of oil, so that leaves 120 acres to be assigned to this proposed gas well, and that is marked in red on the plat.

Q Is there any other acreage available for dedication to the subject well?

A No, sir. The plat indicates in green a gas unit to the north of this proposed unit; then to the west, outlined and colored in brown are oil units 40 acres each, and this situation also to the south.

Q Now, those oil units, are they oil wells completed in the Blinebry?

A Yes, sir, that's right.

Q Do the rules for the Blinebry prohibit dual dedication of acreage?

A They do.

Q So, if you are not permitted to dedicate this 120 acres to the well, what alternative would you have, Mr. Thomas?

A Well, it would be non-productive.

Q Is all the acreage you propose to dedicate reasonably to be presumed to be productive of gas in the Blinebry?

A Yes.

Q On what do you base that conclusion?

A Well, all the acreage to the north and to the east is



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

assigned to gas units, and since this well is farther south of any of the acreage in our 120-acre lease or proposed unit tested gas, we assume the others to the north and east would be productive of gas.

Q In your opinion will the approval of this application prevent waste?

A Since we already have the well there and there is no present production from that zone on this acreage, we think that it would prevent waste.

Q That would be in the prevention of drilling of additional wells?

A Correct.

Q Was Exhibit 1 prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: At this time we offer in evidence Exhibit No. 1.

MR. NUTTER: Applicant's Exhibit 1 is admitted in evidence.

(Whereupon, Applicant's Exhibit No. 1 was offered and admitted in evidence.)

MR. KELLAHIN: That's all the questions I have on direct examination.

CROSS EXAMINATION



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 953-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

BY MR. NUTTER:

Q At present there is no Blinebry gas proration unit in existence for this acreage, is that correct?

A Right.

Q The No. 2 well has only been completed as a quadruple completion and one of the zones is a Blinebry gas?

A It has been completed as a quadruple for some time and there was no sale until recently and that's the reason for the delay in the zone.

Q On your code you indicate it would be Penrose Skelly, Paddock, Drinkard, and then "B", but the legend at the bottom indicates that "BG" would be the designation?

A That's right, the "B" was printed before we tested gas.

Q So we can add a "G" to that now?

A Yes.

Q No. 1 over there in Unit I of Section 19 is a Blinebry oil well?

A Right.

MR. NUTTER: Any further questions of Mr. Thomas?

MR. DURRETT: Yes, sir, I have one question.

BY MR. DURRETT:

Q Has this oil well in Unit I been producing for quite a while?



A I'm not sure.

Q It's not a recent oil completion?

A No, it isn't.

MR. DURRETT: Thank you, I think that's all.

MR. NUTTER: Are there any further questions? The witness may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all I have.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2840? We will take the case under advisement.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-9971

ALBUQUERQUE, N. M.
PHONE 243-6691

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 6th day of July, 1963.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:
June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings of the Examiner hearing of Case No. 2870 heard by me on 6/26 1963

Ada Dearnley
New Mexico Oil Conservation Commission



DRAFT

JMD/esr

July 15, 1963

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. 2840

Order No. R-2523

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR A NON-STANDARD
GAS PRORATION UNIT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
June 26, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter,
Examiner duly appointed by the Oil Conservation Commission of New
Mexico, hereinafter referred to as the "Commission," in accordance
with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of July, 1963, the Commission,
a quorum being present, having considered the application, the
evidence adduced, and the recommendations of the Examiner,
Daniel S. Nutter, 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, Amerada Petroleum Corporation, seeks
approval of a 120-acre non-standard gas proration unit comprising
the S/2 NE/4 and NW/4 SE/4 of Section 19, Township 21 South, Range
37 East, NMPM, Blinbry Gas Pool, Lea County, New Mexico, for its
L. G. Warlick "A" Well No. 2 ^{located} ~~to be drilled~~ in Unit J of said Sec-
tion 19.

(3) That although ^{the} ~~said~~ proposed non-standard gas proration
unit does not lie wholly within a single governmental quarter
section and therefore is not eligible for administrative approval,
it consists of less acreage than a standard proration unit, con-
sists of contiguous quarter-quarter sections or lots, and the
entire unit may ^{reasonably} be presumed to be productive of gas from the
Blinbry Gas Pool.

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 120-acre non-standard gas proration unit comprising the S/2 NE/4 and NW/4 SE/4 of Section 19, Township 21 South, Range 37 East, NMPM, Blinbry Gas Pool, Lea County, New Mexico, is hereby approved and dedicated to the Amerada Petroleum Corporation L. G. Warlick "A" Well No. 2 ~~to be located~~ ^{located} in Unit J of said Section 19.

(3) ~~(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.

(2) That the allowable assigned to the above described non-standard gas proration unit shall be in accordance with the pool rules based upon the unit size of 120 acres.