

CASE 3692: Application of SKELLY
for A WATERFLOOD EXPANSION,
LEA COUNTY, NEW MEXICO.

Case No.

3692

Application, Transcript,
Small Exhibits, Etc.



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

December 11, 1979

C. L. Wade
Drawer DD
Levelland, Texas 79336

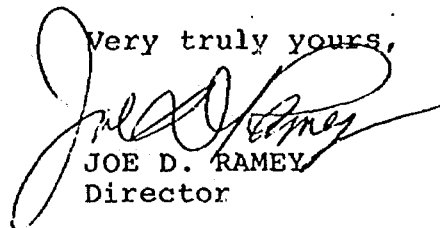
Re: Case No. 3692
Order No. R-3124

Dear Mr. Wade:

By authority granted me in Order No. R-3124, you are hereby authorized to increase the surface injection pressure on:

- (a) Lovington Paddock Unit Well No. 53 in Unit A of Section 6, Township 17 South, Range 37 East, Lea County, New Mexico,
- (b) Lovington Paddock Well No. 25 in Unit G of Section 31, Township 16 South, Range 37 East, Lea County, New Mexico,
- (c) Lovington Paddock Well No. 34 in Unit I of Section 31, Township 16 South, Range 37 East, Lea County, New Mexico, to 2200 psi.

Very truly yours,


JOE D. RAMEY
Director

JDR/MH/og

cc: Oil Conservation Division
Box 1890
Hobbs, New Mexico



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

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ENERGY AND MINERALS DEPARTMENT
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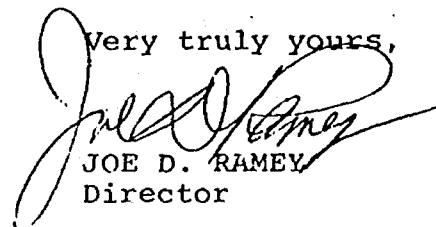
Re: Case No. 3692
Order No. R-3124

Dear Mr. Wade:

By authority granted me in Order No. R-3124, you are hereby authorized to increase the surface injection pressure on:

- (a) Lovington Paddock Unit Well No. 53 in Unit A of Section 6, Township 17 South, Range 37 East, Lea County, New Mexico,
- (b) Lovington Paddock Well No. 25 in Unit G of Section 31, Township 16 South, Range 37 East, Lea County, New Mexico,
- (c) Lovington Paddock Well No. 34 in Unit I of Section 31, Township 16 South, Range 37 East, Lea County, New Mexico, to 2200 psi.

Very truly yours,


JOE D. RAMEY
Director

JDR/MH/og

cc: Oil Conservation Division
Box 1890
Hobbs, New Mexico

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. 3692
Order No. R-3352

APPLICATION OF SKELLY OIL COMPANY
FOR A WATERFLOOD EXPANSION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 29, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of December, 1967, 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, Skelly Oil Company, seeks permission to expand its Lovington Paddock Unit Waterflood Project in the Lovington-Paddock Pool by the conversion to water injection into the Lovington Glorieta (Paddock) formation of seven additional wells located in Sections 25 and 35, Township 16 South, Range 36 East; Section 30, Township 16 South, Range 37 East; Sections 1 and 12, Township 17 South, Range 36 East; and Section 6, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said project could be expanded to include additional lands and injection wells in the area of the said project as may be necessary in order to complete an efficient injection pattern; that said administrative procedure should provide for administrative approval for conversion to water

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CASE No. 3692
Order No. R-3352

injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed expansion of the Lovington Paddock Unit Waterflood Project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the expanded project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations; provided, however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to expand its Lovington Paddock Unit Waterflood Project in the Lovington-Paddock Pool by the injection of water into the Lovington Glorieta (Paddock) formation through the following-described wells in Lea County, New Mexico:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Lovington Paddock Unit Well No. 4, Unit M, Section 25
Lovington Paddock Unit Well No. 6, Unit O, Section 25
Lovington Paddock Unit Well No. 44, Unit O, Section 35

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Lovington Paddock Unit Well No. 8, Unit M, Section 30

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Lovington Paddock Unit Well No. 73, Unit M, Section 1
Lovington Paddock Unit Well No. 80, Unit G, Section 12

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Lovington Paddock Unit Well No. 70, Unit M, Section 6

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CASE No. 3692
Order No. R-3352

(2) That the expanded waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the Lovington Paddock Unit Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

(3) That monthly progress reports of the expanded waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.


(4) 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


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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


esr/

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Case file

December 6, 1967

Mr. J. B. Grant
Skelly Oil Company
Post Office Box 1650
Tulsa, Oklahoma 74102

Dear Sir:

Reference is made to Commission Order No. R-3352, recently entered in Case No. 3692, approving the expansion of Skelly's Lovington Paddock Unit Waterflood Project.

Additional injection is to be through the seven newly authorized water injection wells, each of which shall be equipped with internally-coated tubing and a packer. Packers shall be set within 100 feet of the uppermost perforation in the Paddock, or in the case of open hole completions, within 100 feet of the casing shoe. The casing-tubing annulus shall be loaded with an inert fluid and fitted with a pressure gauge or left open to facilitate detection of tubing or packer leaks.

As to allowable, our calculations indicate that when all of the newly authorized injection wells have been placed on active injection, the maximum allowable which the expanded project will be eligible to receive under the provisions of Rule 701-E-3 is 5750 barrels per day when the Southeast New Mexico normal unit allowable is 42 barrels per day or less, subject to acreage factor adjustment for certain wells in the unit.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Page -2-

Mr. J. B. Grant
Skelly Oil Company
Tulsa, Oklahoma 74102

both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/ir

cc: Oil Conservation Commission
Hobbs, New Mexico

State Engineer Office
Santa Fe, New Mexico

OFFSET OPERATORS' MAILING LIST

LOVINGTON PADDOCK UNIT

October 11, 1967

Case 3692

Amerada Petroleum Corporation
P.O. Box 2040
Tulsa, Oklahoma

Attn: Mr. J. C. Blackwood

McCullough Oil Corp. of Calif.
Twelfth Floor McCullough Bldg.
6151 West Century Blvd.
Los Angeles, California 90045

Socony Mobil Oil Company, Inc.
P.O. Box 2406
Hobbs, New Mexico

Ashland Oil and Refining Co.
P.O. Box 18695
Oklahoma City, Oklahoma 73118

Attn: Mr. Bill Hinkle

Northern Natural
P.O. Box 1786
Midland, Texas

Southern Petroleum Exploration
200 West 1st
Box 1434
Roswell, New Mexico

Tom Brown Drilling Company, Inc.
P.O. Box 5131
Midland, Texas 79701

Pan American Petroleum Corp.
P.O. Box 1410
Fort Worth, Texas 76101

Attn: Mr. N. S. Whitmore

Sunray DX Oil Company
1001 Wilco Building
Midland, Texas

Attn: Mr. V. M. Williams

Consolidated Oil and Gas
Writer Building
4130 East Mexico
Denver, Colorado

Phillips Petroleum Company
Room B-2 Phillips Building
Odessa, Texas

Attn: Mr. J. N. Perkins

Tenneco Oil Company
P.O. Box 1031
Midland, Texas 79701

John L. Cox
305 V & J Tower
Midland, Texas 79701

Shell Oil Company
P.O. Box 1509
Midland, Texas 79704

Union Oil Company of California
Union Oil Company Bldg.
Midland, Texas 79701

Getty Oil Company
P.O. Box 1231
Midland, Texas 79701

Sinclair Oil & Gas Company
P.O. Box 1920
Hobbs, New Mexico 88240

Attn: W. F. Burns

State of New Mexico
Oil Conservation Commission



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

December 4, 1967

Re: Case No. 3692
Order No. R-3352
Applicant:
SKELLY OIL COMPANY

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

Other _____

Case 3692

Recd 11-29-67

Rec. 11-30-67

1. Grant Skelly permission to inject water into the following seven wells in their Lovington Paddock Waterflood.

~~Lovington Unit #4~~

Lovington Paddock Unit #4	M	25	-	762	-	366
✓	✓	✓	#6	0	✓	✓
✓	✓	✓	#44	0	35	✓
✓	✓	✓	#73	M	1	175-366
✓	✓	✓	#80	G	12	✓
✓	✓	✓	#8	M	30	16-37
✓	✓	✓	#70	M	6	17-37

Grant Admin. approval for any further injection wells which may be needed in this project.

— E. C. C.

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. 3467
Order No. R-3124

APPLICATION OF SKELLY OIL COMPANY
FOR A WATERFLOOD PROJECT, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 30th day of September, 1966, 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, Skelly Oil Company, seeks permission to institute a waterflood project in the Lovington Paddock Unit Area, Lovington-Paddock Pool, by the injection of water into the Lovington Glorieta (Paddock) formation through 22 injection wells in Sections 25, 35, and 36, Township 16 South, Range 36 East, Section 31, Township 16 South, Range 37 East, Sections 1, 2, and 12, Township 17 South, Range 36 East, and Section 6, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

-2-

CASE No. 3467
Order No. R-3124

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to institute a waterflood project in the Lovington Paddock Unit Area, Lovington-Paddock Pool, Lea County, New Mexico, by the injection of water into the Lovington Glorieta (Paddock) formation through the following-described wells:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Mobil-State "K" Well No. 4, Unit I, Section 25
Skelly-Mexico "Y" Well No. 1, Unit A, Section 35
Cities Service-State "AE" Well No. 3, Unit I, Section 35
Skelly-State "R" Well No. 10, Unit C, Section 36
Skelly-State "R" Well No. 8, Unit K, Section 36
Skelly-State "N" Well No. 3, Unit A, Section 36
Tidewater-State "M" Well No. 4, Unit I, Section 36

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Texaco-Graham Well No. 3, Unit C, Section 31
Skelly-State "O" Well No. 24, Unit G, Section 31
Skelly-State "O" Well No. 20, Unit I, Section 31
Sinclair-State "182-A" Well No. 5, Unit K, Section 31

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Lee Drlg. Co.-State "E" Well No. 1, Unit C, Section 1
Amerada-State "IA" Well No. 16, Unit A, Section 1
Amerada-State "IA" Well No. 20, Unit K, Section 1
Mobil-State "R" Well No. 10, Unit I, Section 1
Lee Drlg. Co.-State "E" Well No. 5, Unit A, Section 2
Mobil State "R" Well No. 12, Unit I, Section 2
Cities Service-State "AJ" Well No. 1, Unit C, Section 12
McBee-State "A" Well No. 2, Unit A, Section 12

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CASE No. 3467
Order No. R-3124

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Ashland-C.S. Caylor Well No. 5, Unit C, Section 6
Skelly-C. S. Caylor Well No. 5, Unit A, Section 6
Skelly-C. S. Caylor Well No. 2, Unit K, Section 6

(2) That the subject waterflood project is hereby designated the Lovington Paddock Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(4) 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, Chairman

GUYTON B. HAYS, Member

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

S E A L

esr/



SKELLY OIL COMPANY

P.O. Box 730, Hobbs, New Mexico
October 11, 1967

Case 3692

Re: Application for Injection Expansion
Lovington Paddock Unit
Lea County, New Mexico

New Mexico Oil Conservation Commission
State Land Office Building
P.O. Box 2088
Santa Fe, New Mexico

Dear Sirs:

This is an application for administrative approval to expand the Skelly Oil Company's Lovington Paddock Unit water injection system by converting seven producing wells to water injection. This unit was established by the Oil Conservation Commission Order No. R-3124 issued on September 30th, 1966. In the original application, 22 injection wells were approved, but 19 were to be used initially with the remaining three to be added when suitable cross-line agreements could be arranged. It was anticipated that 9,000 barrels per day would be injected into the 19 wells initially converted.

Injection commenced in December, 1966 at an average rate of 9,000 barrels per day. The injection rate has declined to a daily average now of about 5,500 barrels per day. The maximum safe design pressure of the injection plant is being maintained. No response to injection has been experienced anywhere in the unit, as of this time.

Skelly desires to inject 9,000 barrels of water per day into the reservoir; therefore, we are requesting approval to convert the following wells to water injection:

Township 16 South, Range 36 East
Unit Well No. 4, Unit M, Section 25
Unit Well No. 6, Unit O, Section 25
Unit Well No. 44, Unit O, Section 35

Township 17 South, Range 36 East
Unit Well No. 73, Unit M, Section 1
Unit Well No. 80, Unit G, Section 12

Township 16 South, Range 37 East
Unit Well No. 8, Unit M, Section 30

Township 17 South, Range 37 East
Unit Well No. 70, Unit M, Section 6

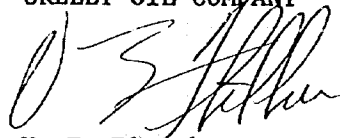
OCT 16 AM 1967
DOCKET MAILED
Date 11-16-67
ML

New Mexico Oil Conservation Commission
Lovington Paddock Unit - 10-11-67

Page No. 2

Attached is a map showing all wells in a two mile radius, a unit plat showing injection wells and proposed injection wells, schematic diagrams of the proposed injection wells, partial copies of logs on the proposed injection wells, and forms C-116 on the wells in accordance with Rule 701-B and 701-E-5, as stated above no response has been experienced; therefore, only one C-116 is included, reflecting the current producing ability of the wells.

Very truly yours,
SKELLY OIL COMPANY



V. E. Fletcher
District Superintendent

BOB/bh

ATTACHMENTS

P.S. Notices have been sent to the following:

1. State Engineer's Office-Application and all exhibits.
2. Offset Operators (as per Attachment)-Application and plat of Unit.
NOTE: No waiver of objection was requested from offset operators.

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

ATTORNEYS AND COUNSELORS AT LAW

LINCOLN BUILDING

SANTA FE, NEW MEXICO 87501

CARL H. GILBERT (1891-1963)

L. C. WHITE

WILLIAM W. GILBERT

SUMNER S. KOCH

WILLIAM BOOKER KELLY

JOHN F. MCCARTHY, JR.

November 21, 1967

POST OFFICE BOX 787

TELEPHONE 982-4301

(AREA CODE 505)

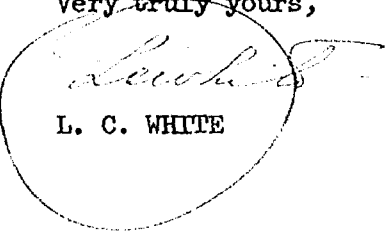
New Mexico Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Skelly Oil Company Injection System
Expansion, Lovington Paddock Unit,
Lea County, New Mexico

Gentlemen:

Please enter our appearance as local counsel for Skelly Oil Company
in the above captioned application which is scheduled for hearing
on November 29, 1967.

Very truly yours,


L. C. WHITE

LCW:el

Docket No. 36-67

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 29, 1967

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 3689: Application of Sunray EX Oil Company for a dual completion and salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Navajo Table Mesa Well No. 2, located in Unit O of Section 27, Township 28 North, Range 17 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Table Mesa-Pennsylvanian "C" Oil Pool and the disposal of produced salt water through the intermediate casing-production casing annulus into the Organ Rock formation through perforations in said intermediate casing from approximately 5505 feet to 5525 feet.

CASE 3690: Application of Roger C. Hanks, Ltd., for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Bar-U Pennsylvanian Pool, Lea County, New Mexico, including a provision for 160-acre spacing units and the establishment of 80-acre allowables for said 160-acre units.

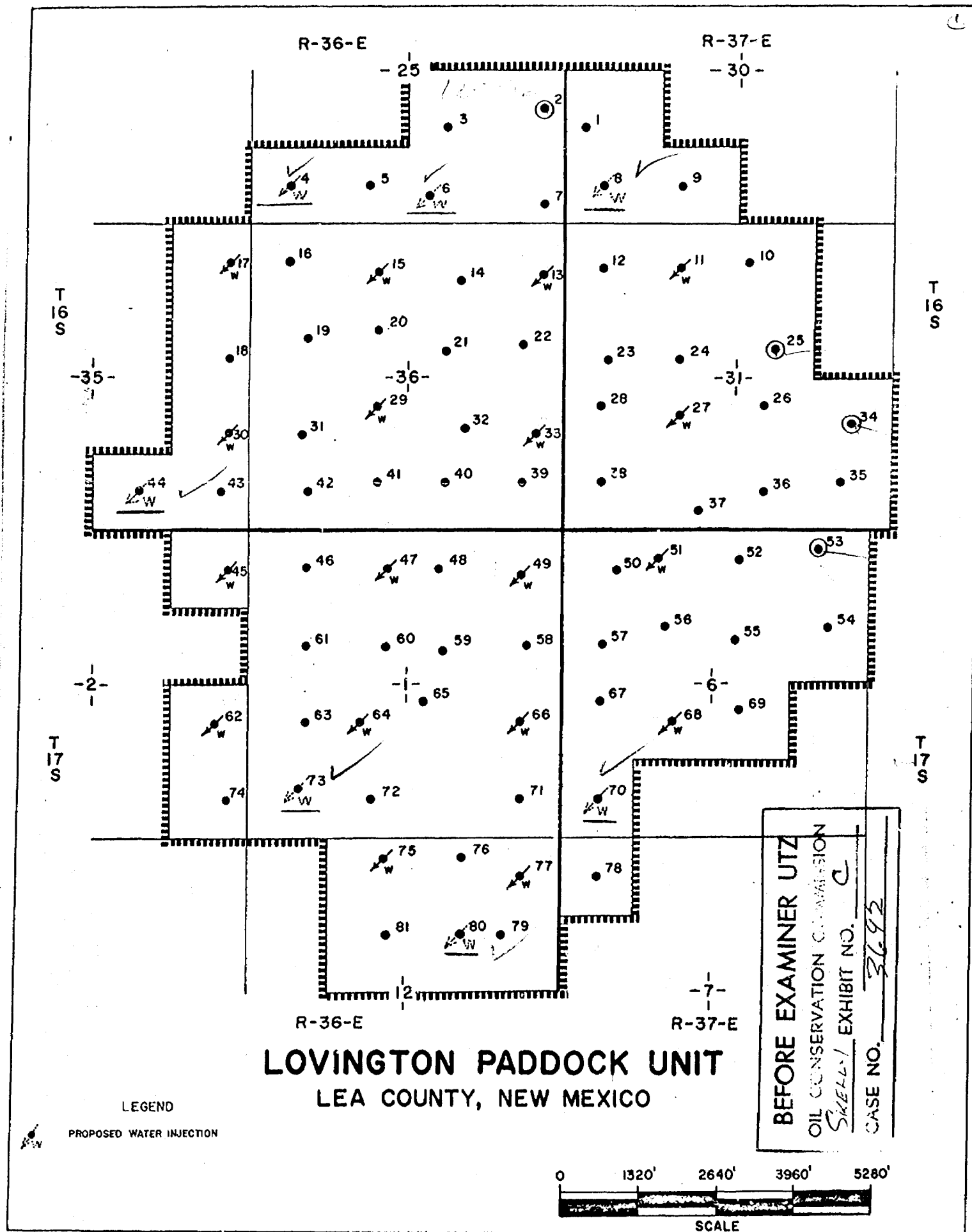
CASE 3691: Application of Roger C. Hanks, Ltd., for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bough "C" zone of the Pennsylvanian formation adjacent to the Bar-U Pennsylvanian Pool in its Tidewater State Well No. 1 located in Unit H of Section 31, Township 8 South, Range 33 East, Chaves County, New Mexico.

CASE 3692: Application of Skelly Oil Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the expansion of its Lovington Paddock Unit Waterflood Project, Lovington Paddock Pool, by the conversion to water injection of seven additional wells located in Sections 25 and 35, Township 16 South, Range 36 East; Section 30, Township 16 South, Range 37 East; Sections 1 and 12, Township 17 South, Range 36 East; and Section 6, Township 17 South, Range 37 East, Lea County, New Mexico.

CASE 3693: Application of Atlantic Richfield Company for an exception to Order No. R-3221, Lea County, New Mexico. Applicant, in the above-styled cause, on its own behalf and as operator of the Denton Salt Water Disposal System, seeks an exception to the provision of Paragraph (6) of Commission Order No. R-3221 which requires that certain unlined pits used for the disposal of produced salt water be filled, leveled, and compacted. Applicant proposes that said pits be left open in the Denton Field, Lea County, New Mexico, to permit their use for temporary emergency storage of produced water in connection with individual tank batteries connected to the Denton Salt Water Disposal System operated by Atlantic Richfield Company.

CASE 3694: Application of Mallard Petroleum Inc., for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Alves Well No. 1, located 660 feet from the South line and 990 feet from the East line of Section 6, Township 20 South, Range 36 East, Lea County, New Mexico, said well being completed as an apparent extension of the North Osudo-Morrow Gas Pool.

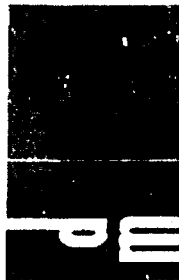
CASE 3695: Application of Tenneco Oil Company for Special Pool Rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the South Hospah Upper Sand Oil Pool and the South Hospah Lower Sand Oil Pool, McKinley County, New Mexico, to provide that wells drilled in said pools could be located anywhere on the 40-acre unit except that no well could be located closer than 330 feet to the outer boundary of the lease nor closer than 200 feet to another well producing from the same pool. Applicant further proposes that any existing well not located in accordance with the above requirements be granted an exception to said requirements.



dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 29, 1967

EXAMINER HEARING

IN THE MATTER OF:)

Application of Skelly Oil)
Company for a waterflood)
expansion, Lea County, New)
Mexico.)

CASE 3692

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 3692.

MR. HATCH: Case 3692. Application of Skelly Oil Company for a waterflood expansion, Lea County, New Mexico.

MR. GRANT: J. B. Grant, Tulsa, Oklahoma, for the Applicant. I have one witness.

MR. UTZ: Other appearances?

(Witness sworn)

MR. GRANT: Before we begin, Mr. Examiner, I might state that the only reason we are here with this application rather than administratively, is because there has not yet been response to this waterflood project. Had there been, of course, we could have received administrative approval on the wells.

LARRY R. HALL

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

DIRECT EXAMINATION

BY MR. GRANT:

Q Please state your name and place of residence.

A Larry R. Hall, Hobbs, New Mexico.

Q By whom are you employed and in what capacity?

A I am employed by Skelly Oil Company as an advance

production engineer.

Q Have you offered testimony before this Commission as an Engineer on previous occasions, and have your qualifications been accepted?

A I have testified and my qualifications have been accepted.

Q Are you familiar with the Lovington Paddock Unit of the Lovington Paddock Waterflood Project?

A Yes, sir, I am.

Q That is the subject of this application, is it not?

A Yes, it is.

Q Would you please give the Examiner a little background on the Lovington Paddock Unit in this waterflood project?

A The Lovington Paddock unit is operated by Skelly Oil Company. It was established by the New Mexico Oil Conservation Commission Order R-3124, issued on September 30, 1966. The unit consists of 81 wells, 18 of which are currently water injection wells and 63 are producing oil wells. The original order established 22 water injection wells, offset producers have caused a delay in converting four of these wells and no property lease-line agreements can be made to protect correlative rights. These agreements are pending on the formation of a waterflood unit to the east of the Lovington Paddock

unit which is not expected to become effective in the immediate future.

Q When did injection of water begin in these 18 wells, Mr. Hall?

A We began the injection of water in December of 1966; our initial plan of operation and our economic projections were based on an injection rate of 9000 barrels of water per day. The waterflood plant and the water injection system were designed to handle this volume at a pressure of 1850 pounds. It became apparent, quite soon, that the reservoir would not accept water at the anticipated rate through only these 18 wells. We acidized four of these wells in an attempt to increase the injectivity. These acid jobs did not increase the injection rates and indicated that the problem was not wellbore damage, but reservoir characteristics. In order to inject water at our desired rate, more wells would have to be utilized. For this reason we are requesting additional wells be approved for conversion to water injection.

Q In other words, to receive response from this project, you would have to inject 9000 barrels into the formation at 1850 PSI and the formation is not now capable through the existing injection wells of accepting that volume, is that correct?

Q Referring to those four wells which were previously approved and which have not yet been converted, you mentioned in passing awhile ago, the reason why those have not yet been converted, would you go into -- point those wells out for the Examiner, and go into a little more detail as to the status of those wells and what the plans for them are?

A The four wells are -- the first one is Unit Well number 2, it is in Section 25 in the southeast quarter. Well number 25 which is in the northeast quarter of Section 31, Well number 34 which is in the southeast quarter of Section 31 and Well number 53 which is in the northeast quarter of Section 6. The three well numbers, 25, 34 and 53, have been delayed pending the formation of this waterflood unit to the east. It was pointed out in our original application in '66, that these wells would be delayed until proper lease-line agreements could be made between these two units.

Q Are negotiations underway at the present time for that lease-line agreement?

A No, there has been one operators meeting, I understand, on this unit and it has not progressed to the extent that we can start negotiations.

Q But progress is being made and you do expect to convert those in the very near future, is that correct?

(Whereupon Skelly's Exhibit
B marked for identification)

Q I now hand you what has been marked Skelly's Exhibit number B and ask you to state what that is and what it tends to show?

A Exhibit B is a map showing all the wells and leases within a two-mile radius of the Lovington Paddock Unit. It also shows a formation from which said wells are producing or have produced. The Paddock reservoir is the middle of the three oil producing horizons; these being the San Andres, Paddock and the Abo. Also shown on this exhibit is a boundary outline of the Lovington Paddock and the Lovington-San Andres units; both units operated by Skelly Oil Company.

(Whereupon Skelly's Exhibit
C marked for identification)

Q I now refer you to what has been marked Skelly's Exhibit C and ask you to state what that is.

A Exhibit C is the plat of the Lovington Paddock unit showing only the Paddock well locations. The present and the proposed injections wells are designated on this exhibit. The current 18 wells are indicated by the API standard symbol. The four wells approved as injection wells on the original order which have not yet been converted, are shown with a blue circle around the well location. The seven wells applied for in this application are underlined in red.

A That is correct.

(Whereupon, Skelly's
Exhibit A marked for
identification)

Q I hand you what has been marked Skelly's Exhibit
A and ask you to state what that is and what it tends to show?

A Exhibit A is our tabulation of monthly water
injection rates since the start of our injection. This tab-
ulation shows a decline of water being injected. It also
indicates that if the decline continues it won't be very long
until only a small volume of water will be injected into the
reservoir, greatly increasing the time required to complete the
waterflood project.

Q The approval which was previously received for the
22 wells, was based on an inverted nine-spot pattern, was it
not?

A That is correct.

Q And these additional wells which you are now seeking
would change that to a five-spot pattern, would they not?

A That's right, in the area of where these additional
conversions will be made. The nine-spot will be converted to
the regular five-spot pattern.

Q And this would hold true for any additional wells that
might possibly be converted at a later time?

A That's right.

A We could receive a response at a lesser injection rate, but it would be a delayed response and the time is in essence. Based on this performance to date of the reservoir's ability to take this fluid, we are requesting that this application be approved and that provisions be made to allow these additional wells to be converted for injection by administrative approval, to the Secretary-Director. In the event that these seven wells will not take the desired volumes, we are requesting that additional wells could be converted if the need again arises to have injection wells, to add injection wells to permit the injection of our desired 9000 barrels a day.

MR. GRANT: I might say, Mr. Examiner, that the application stated that we are requesting approval for eight additional injection wells; actually there are seven as the exhibits attached to the application indicate.

Q So, what you are saying now, Mr. Hall, is that we not only wish approval of these seven wells, but we want the order to provide that administratively we may obtain approval for additional injection wells in either one of two events; in the event that they are needed to achieve response or in the event that response is obtained and the additional wells are needed to maintain the flood in the natural state of progression, is that correct?

A Yes, this is right.

Q Those two Tenneco wells on the north, they are outside of the unit area, are they not?

A Yes, they are shown on the large map, Exhibit B. Exhibit C does not show those outside wells. At the original application we had intended to inject into Well number 2 at the outset of the formation of this unit, however, Tenneco has completed the northeast diagonal well to this well number 2 and we cannot start injection in this well because of this offset production.

Q So to protect correlative rights, you can't convert that one quite yet?

A This is true.

(Whereupon Skelly's Exhibits
D1 through D8 marked for
identification)

Q I now refer you to what has been marked Exhibit D1; actually it is Exhibit D and it is in seven parts.

A Eight parts.

Q Excuse me, eight parts. Exhibit D1 through D8 and I would ask you to explain what those are and what they tend to show?

A Exhibits D1 through D7 are the schematic diagrams of these seven proposed injection wells with the log sections attached. Shown on these diagrams are all casing strings

including the diameters and the setting depths, perforated or open hole intervals. Tubing string including the diameter and the setting depth and a top and location of packer. Exhibit D8 is a table which has been prepared showing these casing programs on these seven proposed injection wells and showing the quantities of cement used and the tops of cement behind each casing string.

Q Is Exhibit D7 the same exhibit which was furnished by mail to the Examiner with the application?

A Exhibit D7 has been changed. It is different from the one sent through the mail.

Q In what way?

A The seven-inch casing string was shown as a full string on the original application. It was a well that we took over from the former operator and we had conflict in that seven-inch is a liner rather than a full casing string and I believe the surface casing was left off of the original exhibit.

Q And Exhibit D8 was added?

A That's correct.

Q All right.

(Whereupon Skelly's Exhibit
E marked for identification)

Q I now refer you to what has been marked Exhibit E and ask you to state what that is and its purpose?

A Exhibit E is the latest C-116 filed with the New Mexico Oil Conservation Commission on this Lovington Paddock Unit. It is dated May the 2nd, 1967. The production at the present time is comparable to that shown on this form. As no response to injection has been noted within the unit, the average daily well production is six barrels of oil per day per producing well.

Q Since the average well daily production is only six barrels of oil, is it your opinion based on expert engineering evidence, that this unit is in an advanced state of depletion and the wells are classed as stripper wells and that the granting of this application is necessary in order to recover oil which might not otherwise be recovered?

A Yes, it is my opinion.

Q Will Skelly continue to submit progress reports monthly in accordance with Rules 704 and 1120 in the event this application is granted?

A Yes, sir, we will.

Q Has a copy of this application and exhibits been furnished to the State Engineer?

A Yes, the State Engineer has been furnished all exhibits including D8, the supplement to Exhibit D and the revised D7.

Q Has he expressed any objection to the application?

A No, sir.

MR. GRANT: Exhibit A, which incidentally, Mr. Examiner, was also not mailed to the Examiner previously, but was furnished here today.

Q Were Exhibits A through E prepared either by you or under your supervision and direction?

A They were.

MR. GRANT: We offer Exhibits A through E.

MR. UTZ: Without objection Exhibits A through E will be entered into the record of this case.

(Whereupon Skelly's Exhibits A through E were offered and admitted in evidence)

MR. GRANT: I have no further questions.

MR. UTZ: Mr. Grant, these four wells which you say you had previous approval and have not converted yet because of these lease-line agreements, are they listed in Order 3124?

MR. GRANT: That's the original order, yes, sir, they were listed.

MR. UTZ: I was just glancing at them here and I'm having a little trouble.

A I think the original order --

MR. UTZ: Let's go off the record a minute.

(An off the record discussion was held)

MR. UTZ: You are not seeking approval for those four wells here?

MR. GRANT: No, sir, we were merely explaining their status at the present time.

MR. UTZ: And the seven wells listed are the seven wells on which you are requesting approval at this time, are the ones listed on page 1 of your application, are they not?

MR. GRANT: Yes, sir.

MR. UTZ: And those locations are correct?

MR. GRANT: Yes, sir.

MR. UTZ: Any other questions? Witness may be excused.

(Witness excused)

MR. UTZ: Case will be taken under advisement.
Any other statements?

I N D E XWITNESS

LARRY R. HALL

PAGE

Direct Examination by Mr. Grant

2

E X H I B I T S

<u>EXHIBIT</u>	<u>MARKED</u>	<u>OFFERED AND ADMITTED</u>
Skelly's Exhibit A	6	
Skelly's Exhibit B	7	
Skelly's Exhibit C	7	
Skelly's Exhibits D1 through D8	9	
Skelly's Exhibit E	10	
Skelly's Exhibits A through E		

12

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, KAY EMBREE, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 5th day of December, 1967.

Ray Embree
Notary Public

My Commission Expires:

Nov. 13, 1971

I do hereby certify that the foregoing is a true and correct copy of the proceedings in the Examiner hearing of Case No. 3692, held by me on March 28, 1967.

Walter C. Pitt, Examiner
New Mexico Oil Conservation Commission

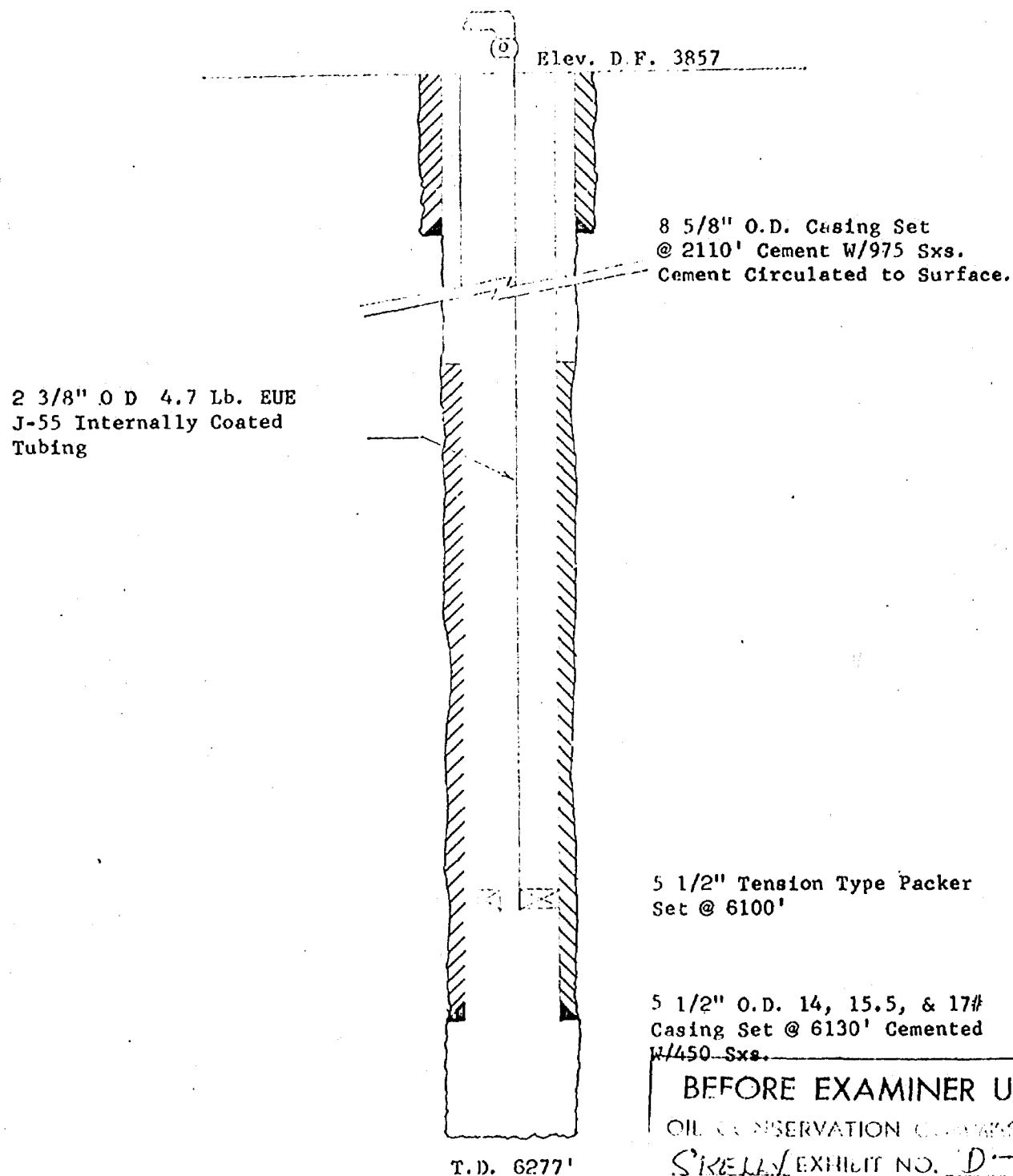
SKELLY OIL COMPANY
MONTHLY WATER INJECTION
LOVINGTON PADDOCK UNIT

Month & Year 1966	Water Injected (Barrels)	Daily Average Water Injected (Barrels)
December	120,373	9,612
1967		
January	259,608	8,374
February	205,964	7,355
March	205,965	6,644
April	187,392	6,245
May	187,381	6,046
June	170,766	5,692
July	182,323	5,881
August	175,538	5,662
September	<u>163,153</u>	5,438
TOTAL	1,858,463	

BOB/bh
11-17-67

BEFORE EXAMINER UTZ	
IL CONSERVATION	100
SKELLY EXHIBIT	A
CASE NO.	3692

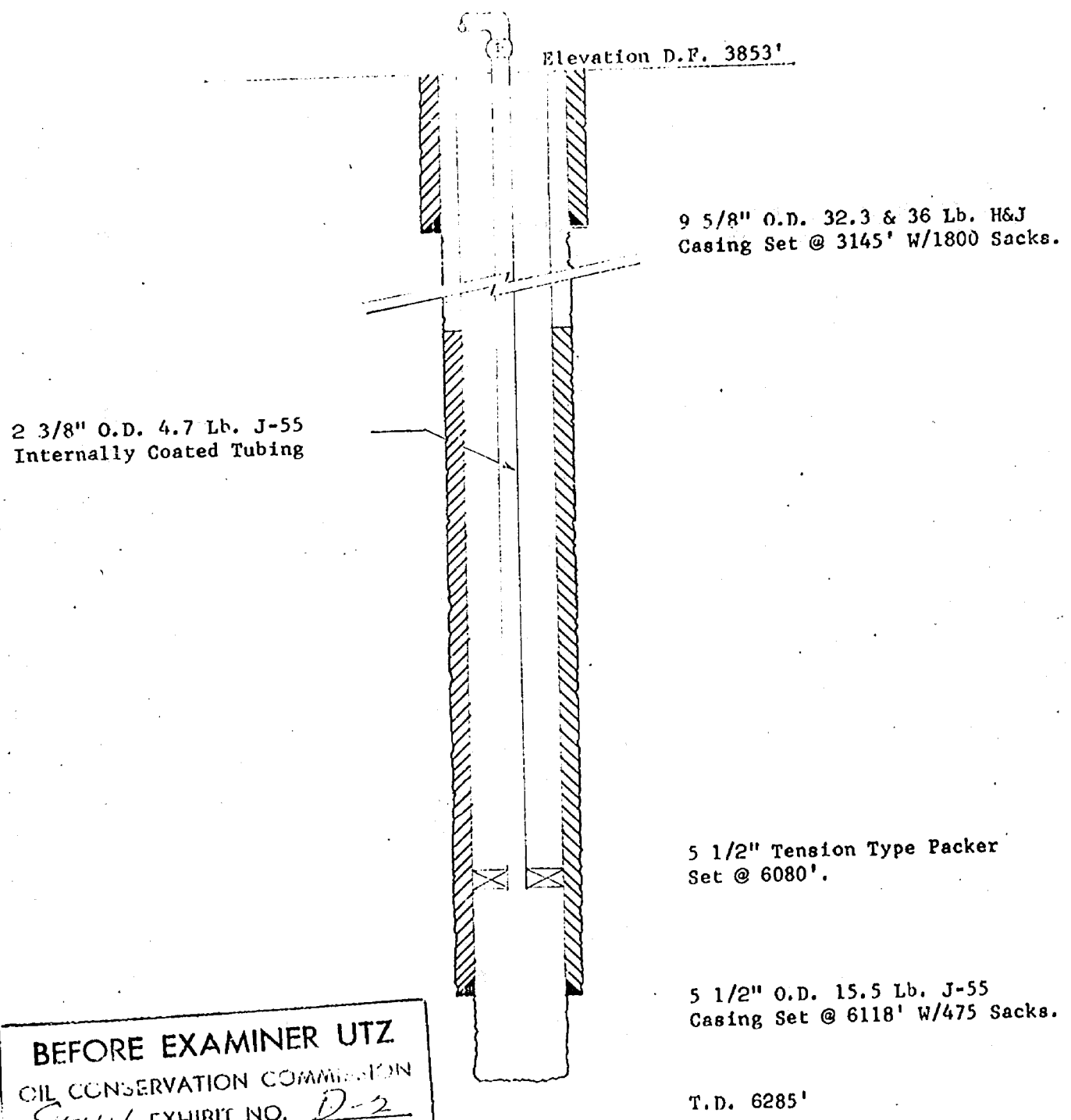
SKELLY OIL COMPANY
LOVINGTON PADDOCK UNIT WELL NO. 4
660' FS & WL'S, SECTION 25, T-16-S, R-36-E
LEA COUNTY, NEW MEXICO



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
SKELLY EXHIBIT NO. D-1
CASE NO. 3692

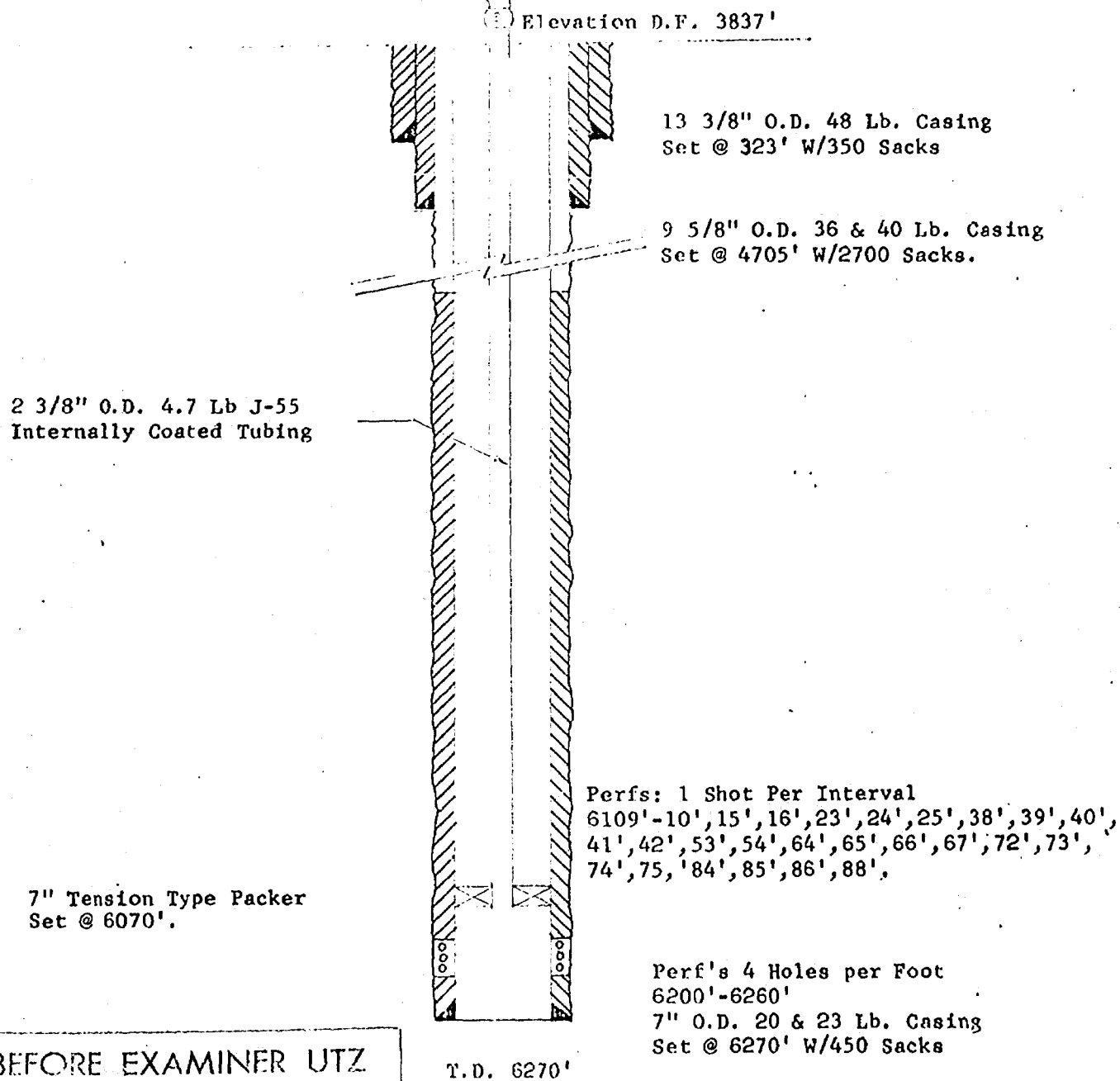
SKELLY OIL COMPANY

LOVINGTON PADDOCK UNIT WELL NO. 6
480' FSL 2280' FEL, Section 25, T-16-S, R-36-E
LEA COUNTY, NEW MEXICO



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
SKELLY EXHIBIT NO. D-2
CASE NO. 3692

SKELLY OIL COMPANY
 LOVINGTON Paddock UNIT WELL NO. 8
 660' FS & WL's, SECTION 30, T-16-S. R-37-E
 LEA COUNTY, NEW MEXICO



BEFORE EXAMINER UTZ

OIL CONSERVATION COMMISSION

SKELLY EXHIBIT NO. D-3CASE NO. 3692

LOVINGTON PADDOCK UNIT WELL NO. 8

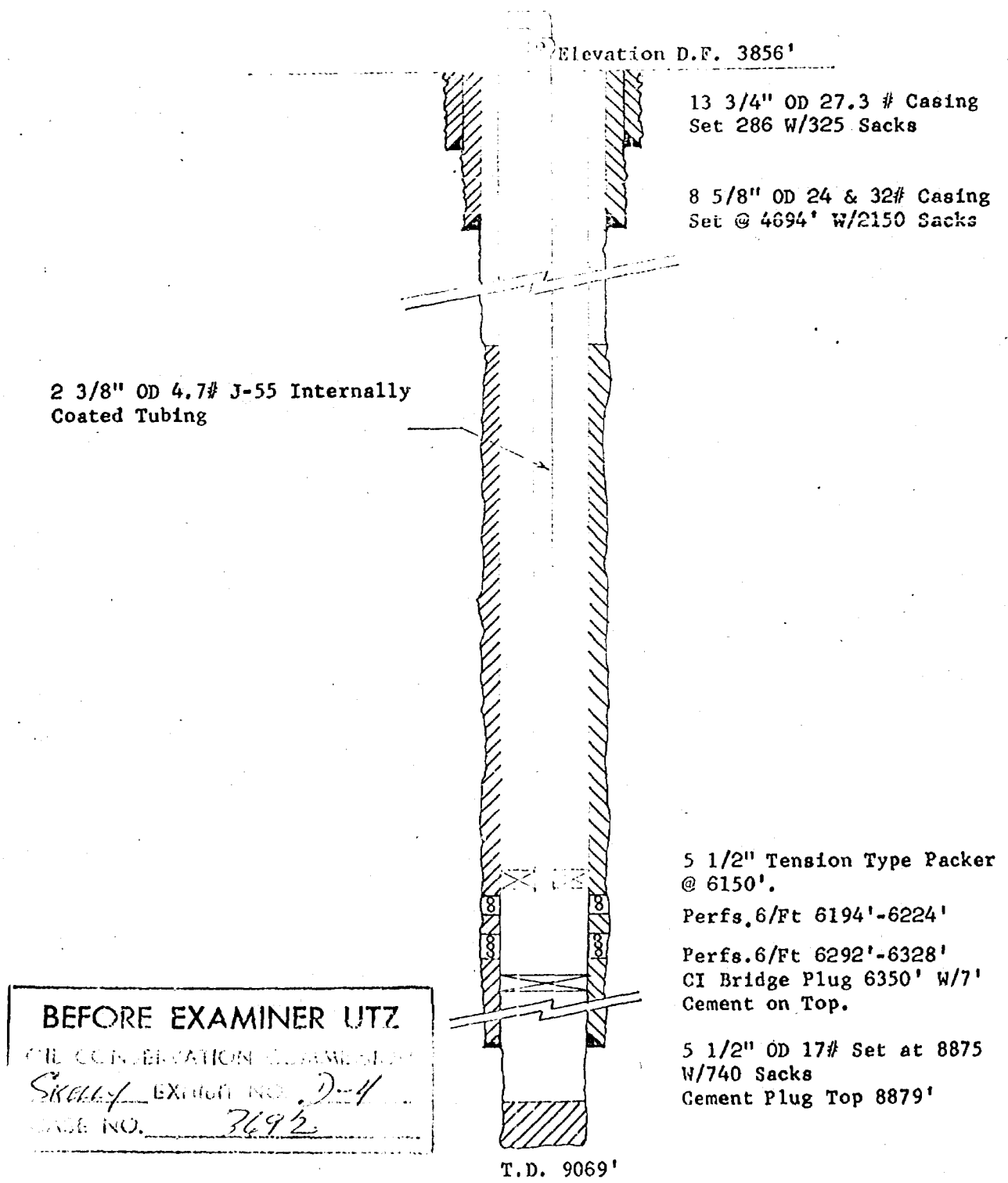
PROCEEDURE TO PERFORATE ADDITIONAL ZONES AND CONVERT TO INJECTION.

1. Pull rods and tubing.
2. Perforate 7" O.D. casing one shot per interval 6109'-10', 15', 16', 23', 24', 25', 38', 39', 40', 41', 42', 53', 54', 64', 65', 66', 67', 72', 73', 74', 75', 84', 85', 86', 87', and 88'.
3. Run tubing with packer and retrievable Bridge Plug. Set BP @ 6196'. Set Tubing bottom approximately 6100'. Set Packer and treat casing perforations 6109' to 6184' with 1000 Gallons 15% Mud Acid and 40 Ball Sealers. Ball Out. Flow and swab acid water back.
4. Pull tubing Bridge Plug and packer.
5. Run plastic coated tubing and tension packer.
6. Put on injection.

BOB/bh

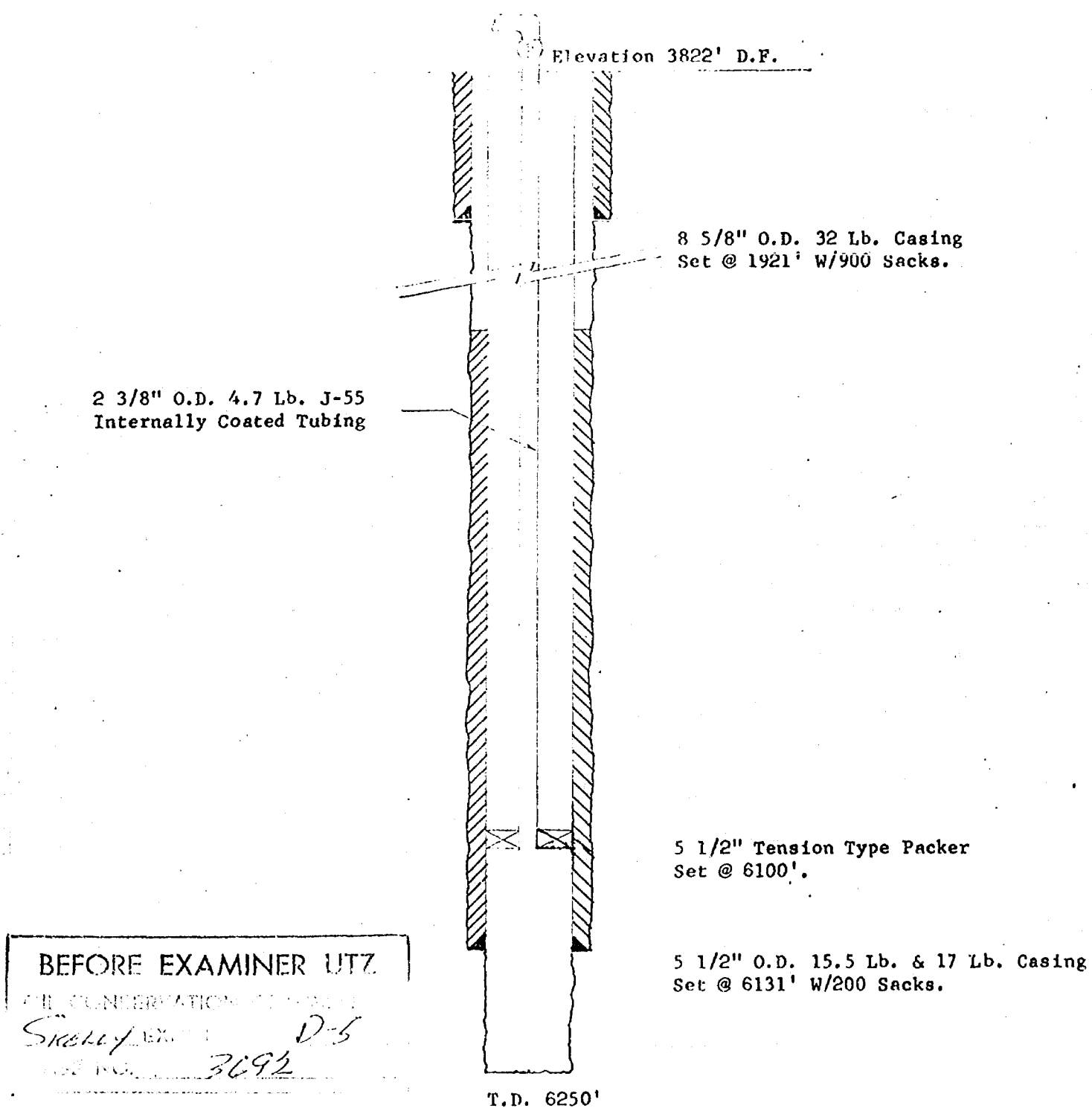
b-4

SKELLY OIL COMPANY
LOVINGTON PADDock UNIT WELL NO. 44
660' FSL & 1880' FEL, SECTION 35, T-16-S, R-36-E
LEA COUNTY, NEW MEXICO

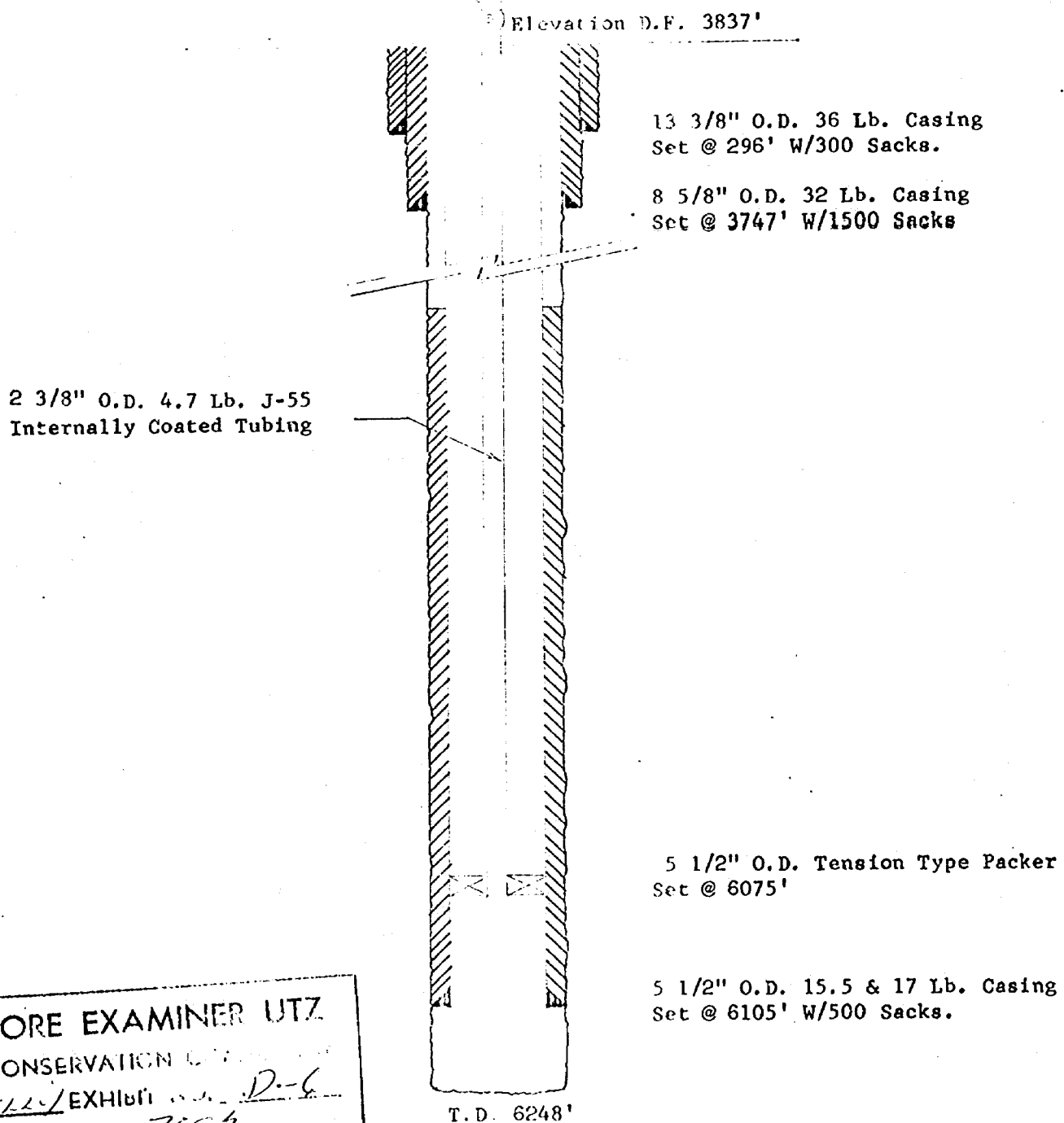


BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
SKELLY EXHIBIT NO. D-4
CASE NO. 3692

SKELLY OIL COMPANY
 LOVINGTON PADDOCK UNIT WELL NO. 70
 660' FSL, 614' FWL, SECTION 6, T-17-S, R-37-E
 LEA COUNTY, NEW MEXICO

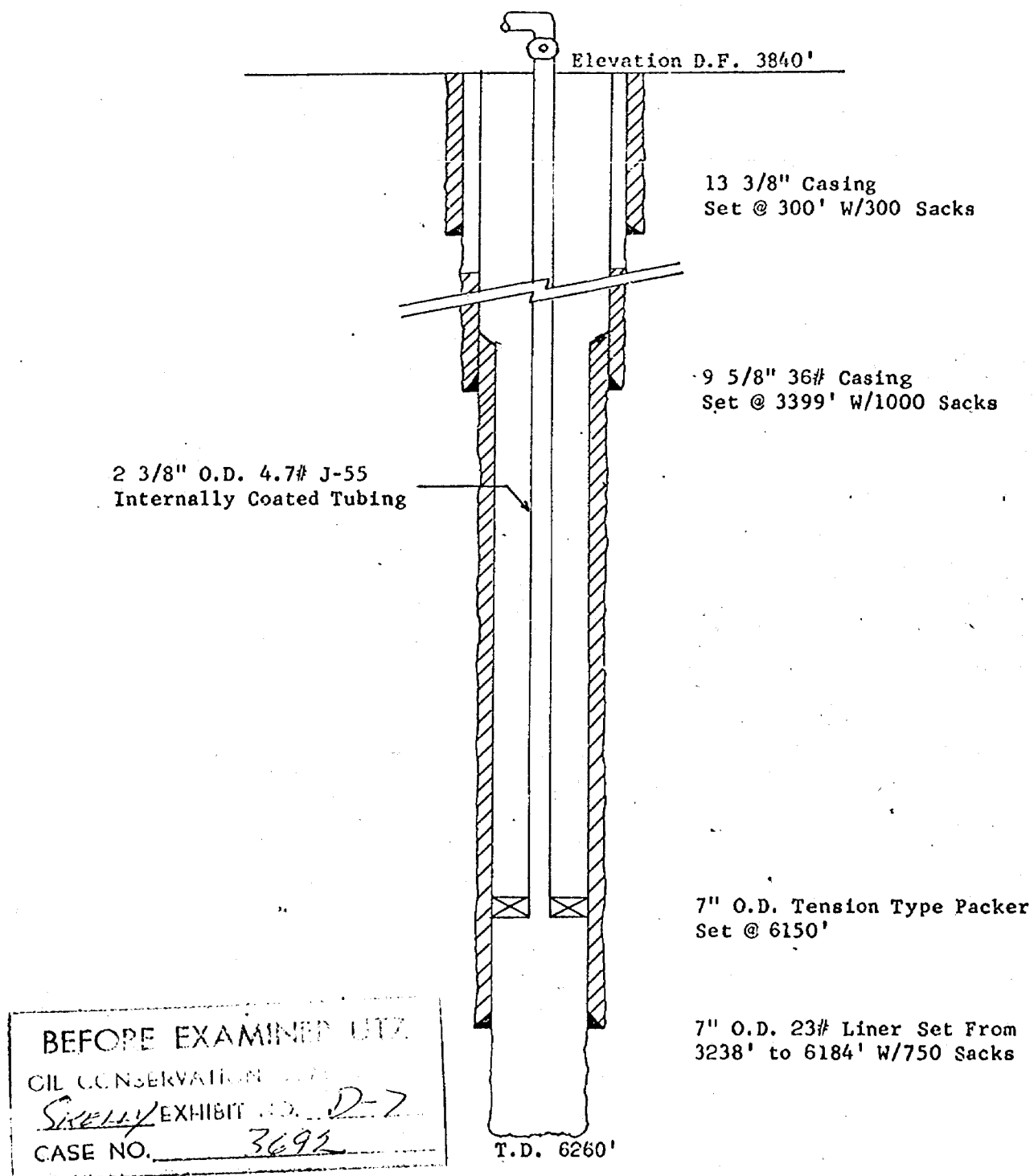


SKULL CREEK
 LOVINGTON PUMP & TEST NO. 73
 853' FS & WL's, SE 1/4 1, T-7-S R-36-E
 LEA COUNTY, NEW MEXICO



BEFORE EXAMINER UTZ
 OIL CONSERVATION
 SKULL CREEK EXHIBIT NO. D-6
 CASE NO. 3692

SKELLY OIL COMPANY
 LOVINGTON PADDOCK UNIT WELL NO. 80
 1650' FN & EL's, SECTION 12, T-17-S, R-36-E
 LEA COUNTY, NEW MEXICO



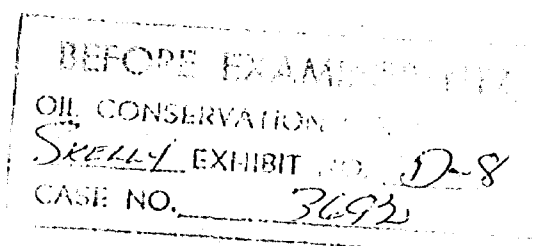
LOVINGTON PADDOCK UNIT
WATER INJECTION EXPANSION

CASING PROGRAM

UNIT WELL NO.	CASING		CEMENT SACKS USED	TOP OF CEMENT	METHOD OF DETERMINING CEMENT TOPS
	SIZE	DEPTH			
4	8 5/8"	2110'	975 Sxs	Surface	Visual
	5 1/2"	6130'	465 Sxs	3891'	Temp. Survey
6	9 5/8"	3145'	1800 Sxs	Surface	Visual
	5 1/2"	6118'	475 Sxs	3974'	Temp. Survey
8	13 3/8"	323'	350 Sxs	Surface	Visual
	9 5/8"	4705'	2700 Sxs	Surface	Calculated (1)
	7"	6270'	450 Sxs	3621'	Calculated (1)
44	13 3/8"	286'	325 Sxs	Surface	Visual
	8 5/8"	4694'	2150 Sxs	Surface	Visual
	5 1/2"	8875'	740 Sxs	3250'	Survey
70	8 5/8"	1921'	900 Sxs	Surface	Visual
	5 1/2"	6131'	200 Sxs	4900'	Temp. Survey
73	13 3/8"	296'	300 Sxs	Surface	Calculated (1)
	8 5/8"	3747'	1500 Sxs	1145'	Survey
	5 1/2"	6105'	500 Sxs	3426'	Survey
80	13 3/8"	300'	300 Sxs	Surface	Visual
	9 5/8"	3399'	1000 Sxs	573'	Calculated (1)
	7" Liner	3238' to 6184'	750 Sxs	3238'	Visual

(1) Tops calculated using 1.18 cubic feet per sack of cement and 75% fill efficiency.

BOB/bh



NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator SKELLY OIL COMPANY		Loc LOVINGTON Paddock, C.		County LEA											
Address P.O. BOX 730, HOBBS, NEW MEXICO		TYPE OF TEST TEST - IX		Completion <input type="checkbox"/> Special <input type="checkbox"/>											
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU. FT./BBL.
		U	S	T	R						WATER BBL.	GRAV. OIL	OIL BBL.	GAS M.C.F.	
STATE 'C'	25	11	31	16	37	2-13-67	P	-	38	24	3	32	21	31	1476
	25	11	31	15	37	2-15-67	P	-	29	24	3	32	19	32	1684
LOVINGTON Paddock, C.	1	2	25	16	37	4-1-67	P	-	8	24	0	32	7	13	1857
	2	1	25	16	36	4-7-67	P	-	5	24	4	32	5	7	1400
	3	1	25	16	36	4-11-67	P	-	3	24	4	32	3	7	2333
	4	1	25	16	36	5-1-67	P	-	6	24	0	31	6	13	2167
	5	1	25	16	36	5-2-67	P	-	3	24	1	31	4	12	3000
	6	1	25	16	36	5-3-67	P	-	7	24	0	31	6	14	2333
	7	1	25	16	36	4-11-67	P	-	7	24	6	31	7	13	1857
	8	1	30	16	37	7-12-67	P	-	5	24	1	31	5	12	2500
	9	1	36	16	37	4-13-67	P	-	8	24	1	31	8	15	1575
	10	1	31	16	37	4-17-67	P	-	7	24	2	30	6	15	2500
	11	1	31	16	37	4-14-67	P	-	7	24	1	30	7	9	1286
	12	1	31	16	37	3-6-67	P	-	5	24	0	30	5	13	2500
	13	1	36	16	36	3-7-67	P	-	8	24	1	30	7	11	1571
	14	1	36	16	36	4-18-67	P	-	5	24	1	30	5	12	2400
	15	1	36	16	36	3-9-67	P	-	7	24	0	30	7	15	2143
	16	1	36	16	36	3-8-67	P	-	8	24	0	30	7	12	1714
17	1	36	16	36	3-13-67	P	-	6	24	3	30	6	7	1167	
18	1	26	16	36	3-14-67	P	-	5	24	3	30	5	8	1600	
19	1	31	16	37	3-10-67	P	-	5	24	0	30	4	9	2250	
20	1	31	16	37	3-15-67	P	-	7	24	0	30	7	11	1571	

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

BEFORE EXAMINER UTZ
OIL CONSERVATION
SKELLY EXHIBIT NO. **E**
CASE NO. **3692**

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

Charles J. Love
Charles J. Love (Signature)
DISTRICT ENGINEER

(Title)
MAY 2, 1967
(Date)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator SKELLY OIL COMPANY		Pool LOVINGTON PADDOCK		County D. C. LEA	
Address P.O. BOX 730, HOBBS, NEW MEXICO		TYPE OF TEST - 11X1		Scheduled 11/67	
		Completion <input type="checkbox"/>		Special <input type="checkbox"/>	

LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU. FT./BBL.
		U	S	T	R							WATER BBL.	GRAV. OIL	OIL BBL.	GAS M.C.F.	
LOVINGTON PADDOCK UNIT Contd.	56	F	6	17	37	4-3-67	P	-	-	5	24	1	30	5	19	3800
	57	E	6	17	37	4-4-67	P	-	-	11	24	0	30	6	20	3333
	58	H	1	17	36	4-6-67	P	-	-	10	24	1	30	7	22	3143
	59	G	1	17	36	4-7-67	P	-	-	7	24	2	30	7	25	3571
	60	F	1	17	36	3-20-67	P	-	-	17	24	0	31	11	13	1182
	61	E	1	17	36	3-21-67	P	-	-	6	24	2	31	6	7	1167
	63	L	1	17	36	3-23-67	P	-	-	10	24	0	31	6	14	2333
	65	J	1	17	36	4-5-67	P	-	-	5	24	0	31	5	15	3600
	67	L	6	17	37	4-20-67	P	-	-	9	24	17	31	9	13	1044
	69	J	6	17	37	3-27-67	P	-	-	11	24	0	31	8	5	625
	70	H	6	17	37	3-28-67	P	-	-	8	24	0	31	8	9	1125
	71	P	17	17	36	4-10-67	P	-	-	6	24	3	31	7	6	857
	72	H	1	17	36	4-11-67	P	-	-	9	24	2	31	9	44	4881
	73	L	1	17	36	4-12-67	P	-	-	9	24	4	31	9	47	5222
	74	P	2	17	37	4-13-67	P	-	-	5	24	2	32	6	15	161
	76	B	12	17	36	3-14-67	P	-	-	2	24	12	32	11	10	109
	78	D	7	17	37	4-21-67	P	-	-	13	24	3	32	16	9	563
	79	H	12	17	36	4-17-67	P	-	-	6	24	4	35	6	11	1833
	80	G	12	17	36	4-18-67	P	-	-	12	24	0	32	11	15	1364
	81	L	12	17	36	4-19-67	P	-	-	11	24	1	32	11	16	1455

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

Charles J. Love
Charles J. Love (Signature)
DISTRICT ENGINEER

(Title)
MAY 2, 1967
(Date)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator SKELLY OIL COMPANY		Pool LOVINGTON PADDOCK		County DELANE	
Address P.O. BOX 730, HOBBS, NEW MEXICO		TYPE OF TEST - (X) <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> Completion		Spec'd: <input type="checkbox"/>	

LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	T.B.G. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU. FT./BBL.
		U	S	T	R							WATER BBL.	GRAV. OIL	OIL BBL.	GAS M.C.F.	
LOVINGTON PADDOCK UNIT Com'd.	25	G	31	16	37	3-16-67	P	-	-	8	24	1	30	7	15	2143
	26	J	31	16	37	3-17-67	P	-	-	5	24	0	30	5	14	2800
	28	L	31	16	37	3-24-67	P	-	-	7	24	0	30	6	14	2333
	31	L	30	16	36	4-20-67	P	-	-	3	24	1	30	4	13	3250
	32	J	30	16	36	2-6-67	P	-	-	25	24	0	30	17	100	5882
	34	I	31	16	37	2-7-67	P	-	-	9	20	4	30	7	12	1500
	35	P	31	16	37	2-9-67	P	-	-	3	20	0	30	3	11	3667
	36	O	31	16	37	2-10-67	P	-	-	5	20	0	30	4	9	2250
	37	H	31	16	37	2-10-67	P	9	70	7	20	0	30	4	9	2250
	38	M	31	16	37	3-20-67	P	-	-	7	20	4	30	6	32	5333
	39	P	30	16	35	3-21-67	P	-	-	10	20	2	30	9	21	2333
	40	O	30	16	35	3-22-67	P	-	-	11	20	0	30	7	19	2714
	41	H	30	16	35	3-24-67	P	-	-	5	20	0	30	6	11	2750
	42	M	30	16	35	3-21-67	P	-	-	9	20	0	30	4	13	3250
	43	P	30	16	35	3-23-67	P	-	-	11	20	1	30	9	42	4714
	45	O	30	16	35	3-21-67	P	-	-	5	20	5	30	6	5	833
	46	D	1	17	36	3-28-67	P	-	-	10	20	1	31	9	14	1567
	48	B	1	17	36	3-29-67	P	-	-	7	20	0	31	8	21	2625
	50	D	1	17	37	3-30-67	P	-	-	12	20	0	31	11	25	2273
	52	B	1	17	37	3-31-67	P	-	-	7	20	0	30	7	26	3714
	53	A	6	17	37	2-13-67	P	-	-	10	20	0	30	9	21	2333
	54	H	6	17	37	2-14-67	P	-	-	3	20	0	30	6	22	3667
	55	G	6	17	37	2-15-67	P	-	-	7	20	4	30	6	19	3167

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

Charles J. Love
Charles J. Love (Signature)
DISTRICT ENGINEER

(Title)
MAY 2, 1967
(Date)