

CASE 3799: Application of AMERADA
FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

Case Number
3799

Application

Transcripts.

Small Exhibits

ETC.

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

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

P. O. BOX 2088
SANTA FE

July 3, 1968

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: Case No. 3799
Order No. R-3441
Applicant:
Amerada Petroleum Corp.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,


A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC
Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 3799
Order No. R-3441

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN UNORTHODOX GAS
WELL LOCATION, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 26, 1968,
at Santa Fe, New Mexico, before Examiner Elvis A. Uts.

NOW, on this 3rd day of July, 1968, the Commission, a
quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in
the premises,

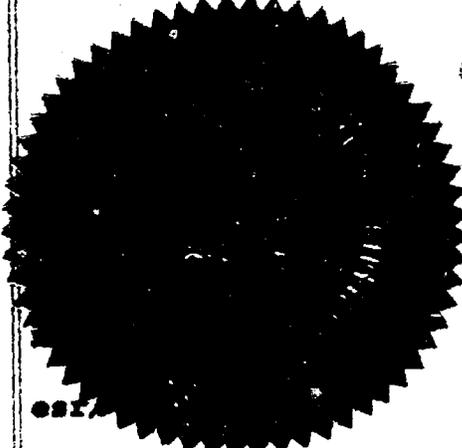
FINDS:

That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 3799 is hereby dismissed.

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

David F. Cargo
DAVID F. CARGO, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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

Case 3789

Heard 6-26-65

Rec. 427-4

Deamias Os requested

Handwritten signature

JASON W. KELLAHIN
ROBERT E. FOX

KELLAHIN AND FOX
ATTORNEYS AT LAW
54 1/2 EAST SAN FRANCISCO STREET
POST OFFICE BOX 1789
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4315
AREA CODE 505

June 18, 1968

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Gentlemen:

This is to request that Case No. 3799 application
of Amerada Petroleum Corporation, for an unorthodox
gas well location, presently set for hearing on
June 26, 1968, be dismissed, without prejudice.

Yours very truly,

Jason W. Kellahin
JASON W. KELLAHIN

jwk;peg

cc Mr. Thomas W. Lynch
cc Mr. R. L. Hocker

MAIN OFFICE

'68 JUN 19 AM 8 32

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 26, 1968

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 A. L. Porter, Jr., Alternate Examiner:

CASE 3788: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formation through its New Mexico State "W" NCT-1 Well No. 1 located in Unit 0 of Section 13, Township 17 South, Range 34 East, Vacuum (Grayburg-San Andres) Oil Pool, Lea County, New Mexico.

CASE 3789: Application of Tenneco Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Mesa Queen Unit Area comprising 1,040 acres, more or less, of state lands in Township 16 South, Range 32 East, Mesa-Queen Pool, Lea County, New Mexico.

CASE 3790: Application of Tenneco Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Mesa Queen Unit Area by the injection of water into the Queen formation through 12 wells located in Sections 16, 17, and 20, Township 16 South, Range 32 East, Mesa-Queen Pool, Lea County, New Mexico.

CASE 3573 (Reopened):

In the matter of Case 3573 being reopened pursuant to the provisions of Order No. R-3240 to permit all interested parties to appear and show cause why the temporary rules for the South Corbin-Strawn Oil Pool, Lea County, New Mexico, which include a provision for 160-acre spacing units and a 4000 to one gas-oil ratio limit, should remain in effect.

CASE 3791: Application of Kewanee Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Square Lake "12" Unit Area comprising 1,360 acres, more or less, of Federal lands in Township 17 South, Ranges 29 and 30 East, Square Lake Pool, Eddy County, New Mexico.

CASE 3792: Application of Kewanee Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg formation underlying its Square Lake "12" Unit Area through seven wells located in Sections 1 and 12, Township 17 South, Range 29 East, and Sections 6 and 7, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.

- CASE 3793:** Application of Gulf Oil Corporation for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Grayburg formation in the interval from approximately 3812 feet to 3900 feet in its Keohane "C" Federal Well No. 3 located in Unit I of Section 21, Township 18 South, Range 31 East, Shugart Yates-Seven Rivers-Queen-Grayburg Pool, Eddy County, New Mexico.
- CASE 3794:** Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation adjacent to the Eunice-San Andres Pool in the interval from approximately 4100 feet to 4900 feet in the Warren Petroleum Corporation Eunice Plant SWD Well No. 1, located 2255 feet from the North line and 908 feet from the East line of Section 3, Township 22 South, Range 37 East, Lea County, New Mexico.
- CASE 3795:** Application of Pan American Petroleum Corporation for a pool creation and discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Bate-Yates Pool in Lea County, New Mexico, comprising the S/2 of Section 26 and the N/2 of Section 35, both in Township 19 South, Range 33 East, and for the assignment of approximately 16,750 barrels of oil discovery allowable to the discovery well, its Bate Federal Well No. 1 located in Unit N of said section 26.
- CASE 3796:** Application of The Superior Oil Company for the creation of a new pool, assignment of discovery allowable, and the promulgation of pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new upper Pennsylvanian oil pool for its State D COM Well No. 1 located in Unit G of Section 4, Township 14 South, Range 34 East, Lea County, New Mexico, and for the assignment of an oil discovery allowable in the amount of approximately 52,010 barrels to said well. Applicant further seeks the promulgation of special pool rules for said pool, including a provision for 160-acre proration units.
- CASE 3797:** Application of Ernest A. Hanson for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the overall interval from approximately 4604 to 5036 feet in his Mescalero Ridge Unit "35" Well No. 11 located in Unit N of Section 35, Township 19 South, Range 34 East, Pearl-Queen Pool, Lea County, New Mexico.

CASE 3798: Application of Ernest A. Hanson 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 in the interval from approximately 4177 feet to 4185 feet in his Hanson Federal Well No. 7 located in Unit J of Section 25, Township 26 South, Range 31 East, North Mason-Delaware Pool, Eddy County, New Mexico.

CASE 3799: Application of Amerada Petroleum Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter and complete as a gas well the State WR "B" Well No. 1 located at an unorthodox location 554 feet from the North line and 2086 feet from the East line of Section 35, Township 12 South, Range 34 East, Ranger Lake-Devonian Gas Pool, Lea County, New Mexico, and to dedicate to said well the E/2 of said section 35.

ir/

Case 3799
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AMERADA PETROLEUM CORPORATION

P. O. BOX 2040

TULSA, OKLAHOMA 74102

LEGAL DEPARTMENT

June 10, 1968

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

Attention: Mr. A. L. Porter, Jr.
State Geologist

Re: Application for Hearing

Gentlemen:

Enclosed, in triplicate, is Amerada's application for unorthodox location in the West Ranger Lake-Devonian Pool, Lea County, New Mexico. This application formalizes an application previously filed by our Hobbs office for administrative approval. We understand that the matter will have to be set for hearing.

Yours very truly,

Thomas W. Lynch
THOMAS W. LYNCH

TWL:ac
Enclosure

DOCKET MAILED

Date 6-13-68

12 3 44 11 AM '68

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF AMERADA PETROLEUM)
CORPORATION FOR APPROVAL OF AN)
UNORTHODOX LOCATION FOR A WELL)
THE NE/4 SECTION 35-12S-34E,)
WEST RANGER LAKE-DEVONIAN POOL,)
LEA COUNTY, NEW MEXICO.)

CASE NO. 2799

APPLICATION

Applicant Amerada Petroleum Corporation states that:

1. Applicant has acquired a well known as the L. R. French No. 1 Lone Ranger, located 554 feet from the north line and 2086 feet from the east line of Section 35, Township 12 South, Range 34 East, Lea County, New Mexico.
2. The subject well was originally completed in May, 1960, as a dry hole at a total depth of 10,425 feet, and subsequently plugged and abandoned.
3. In order to avoid unnecessary drilling costs, Applicant wishes to deepen the subject well for the purpose of producing oil and gas from the West Ranger Lake-Devonian Pool at a total depth of approximately 13,000 feet.
4. The location of the subject well would be unorthodox for the West Ranger Lake-Devonian Pool, which is governed by the provisions of Statewide Rule 104-C-II (a), but such location should be approved by this Commission to avoid economic waste.

Applicant therefore requests that this matter be set for hearing before an Examiner, that notice of hearing be given as required by law, and that upon such hearing this application be granted.

AMERADA PETROLEUM CORPORATION

By Thomas W. Lynch
Thomas W. Lynch, Attorney
P. O. Box 2040
Tulsa, Oklahoma 74102

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

*unorthodox location
set for hearing on June 26 Case 2799
unless Amerada
advises otherwise by
Friday noon June 7, 1968*

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.
K - 1357

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL DEEPEN PLUG BACK

b. Type of Well
OIL WELL GAS WELL OTHER _____
SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
Amerada Petroleum Corporation

3. Address of Operator
P. O. Box 668 - Hobbs, New Mexico

4. Location of Well
UNIT LETTER B LOCATED 554 FEET FROM THE North LINE
AND 2086 FEET FROM THE East LINE OF SEC. 35 TWP. 12-S RGE. 34-E NMPM

7. Unit Agreement Name
--

8. Firm or Lease Name
State WR "B"

9. Well No.
1

10. Field and Pool, or Wildcat
Ranger Lake *Dev gaslat*

12. County
Lea

19. Proposed Depth
13,000

19A. Formation
Devonian

20. Rotary or C.T.
Rotary

21. Elevations (Show whether DF, RT, etc.)
4149 DF

21A. Kind & Status Plug. Bond

21B. Drilling Contractor

22. Approx. Date Work will start

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17"	13-3/8	48#	425'	--	Circulated
* 11"	8-5/8	32#	4250'	500	

* This well was originally drilled to a depth of 10,349' and abandoned 5-26-60. 2700' of the 8-5/8" casing was recovered.

It is proposed to re-enter the well and tie into the 8-5/8" casing and deepen the well to test the Devonian Formation.

MAIN OFFICE
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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed *John H. Swendig* Title District Engineer Date June 3, 1968

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DOCKET # 1357
Date _____

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Case 3799

Operator Amerada Petroleum Corporation			Lease State WR"B"		Well No. 1
Unit Letter B	Section 35	Township 12-S	Range 34-E	County Lea	
Actual Footage Location of Well: 554 feet from the North line and 2086 feet from the East line '68 JUN 4 PM 3					
Ground Level Elev. 4139'	Producing Formation Devonian		Pool Ranger Lake	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

	CERTIFICATION
	<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p>
<p>Well originally drilled as L. R. French, Jr. #1 Lone Ranger. P&A 5-26-60.</p>	<p>Name <i>John H. Swenby</i></p> <p>Position District Engineer</p> <p>Company Amerada Pet. Corp.</p> <p>Date June 3, 1968</p>
	<p>I hereby certify that the well location shown on this plat 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.</p>
	<p>Date Surveyed</p> <p>Registered Professional Engineer and/or Land Surveyor</p> <p>Certificate No.</p>

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

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
June 26, 1968

EXAMINER HEARING

IN THE MATTER OF:

Application of Amerada Petroleum
Corporation for an unorthodox
gas well location, Lea County,
New Mexico.

CASE NUMBER
3799

BEFORE:

ELVIS A. UTZ, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order, please.
The first case will be 3799.

MR. HATCH: Case 3799, Application of Amerada Petroleum Corporation for an unorthodox gas well location, Lea County, New Mexico.

If the Examiner please, we have a letter from Jason Kellahin, representing the applicant in this case, requesting that the case be dismissed without prejudice.

MR. UTZ: Case 3799 will be dismissed.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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 July, 1968.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:
June 19, 1971

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3789 heard by me on June 20, 1968.
[Signature] Examiner
New Mexico Oil Conservation Commission