

CASE 5948: TEXACO INC., FOR A WATER
FLOOD PROJECT, LEA COUNTY, NEW MEXICO

Case Number

5948

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
8 June 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco, Inc., for a waterflood project, Lea County, New Mexico. CASE 5948

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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

sid morrison reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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MR. NUTTER: Call Case Number 5948.

MS. TESCHENDORF: Case 5948. Application of
Texaco, Inc., for a waterflood project, Lea County, New
Mexico.

MR. NUTTER: The Applicant in this case has re-
quested that the Commission dismiss it.

Case 5948 is dismissed.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

REPORTER'S CERTIFICATE

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

Sally Walton Boyd
Sally Walton Boyd, C. S. R.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5748
heard by me on 6-8, 1977
[Signature], Examiner
New Mexico Oil Conservation Commission

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. 5948
Order No. R-5467

APPLICATION OF TEXACO INC.,
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 June 8, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of June, 1977, 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. 5948 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

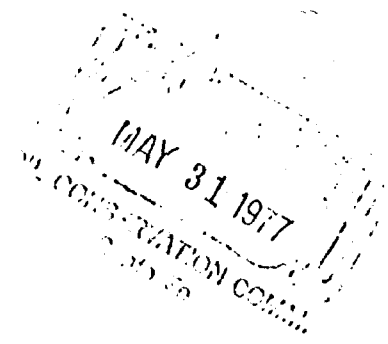
Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

WHITE,
KOCH, KELLY
&
McCARTHY

May 27, 1977



New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87503

Re: Case Nos. 5947 and 5948,
(Texaco Inc.)

Gentlemen:

On behalf of Texaco Inc., I request that Case Nos. 5947 and 5948 set for hearing on the June 8, 1977 docket be dismissed.

Sincerely,


KENNETH BATEMAN

KB/jc

cc: Mr. Johnston S. Rowe
Attorney
Texaco Inc.
P. O. Box 3109
Midland, Texas 79701

L. C. White
Sumner S. Koch
William Parker Kelly
John F. McCarthy, Jr.
Kenneth Bateman
Benjamin Phillips

C. Emery Cuddy, Jr.
Larry C. White

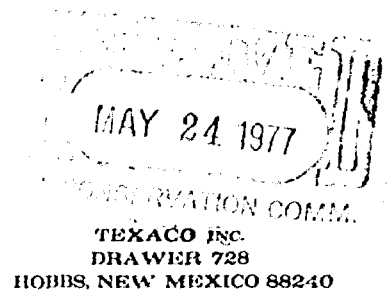
220 Otero St., P.O. Box 787, (505)982-4374, Santa Fe, N.M. 87501

Attorneys and Counselors at Law



PETROLEUM PRODUCTS

May 23, 1977



REQUEST FOR HEARING
Proposed Central Vacuum Unit
Lea County, New Mexico

Case 5948

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

ATTENTION: MR. JOE D. RAMEY
SECRETARY-DIRECTOR

Gentlemen:

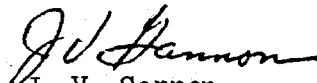
Please amend the first, second and fifth paragraphs of our letter dated May 10, 1977, requesting an Examiner Hearing on the above captioned project, to read as follows:

"Texaco, Inc., as operator of the proposed Central Vacuum Unit, respectfully requests that evidence be considered at an Examiner Hearing in Santa Fe, New Mexico, for an application to initiate pressure maintenance operations in the Central Vacuum Unit."

"The Central Vacuum Unit's proposed pressure maintenance area is comprised of the following: . . ."

"A copy of this letter is being forwarded to the Commissioner of Public Lands in Santa Fe, New Mexico, to inform them of Texaco's intention to commence pressure maintenance in the Central Vacuum Unit."

Very truly yours,


J. V. Gannon
District Superintendent

WRH:las

Commissioner of Public Lands
Offset Operators
Working Interest Owners



OFFSET OPERATORS

Continental Oil Co.
P. O. Box 460
Hobbs, New Mexico 88240

Chevron Oil Co.
205 N. Linam
Hobbs, New Mexico 88240

Exxon Company, USA
P. O. Box 1600
Midland, Texas 79701

PROPOSED CENTRAL VACUUM UNIT
VACUUM GRAYBURG-SAN ANDRES FIELD
LEA COUNTY, NEW MEXICO

WORKING INTEREST OWNERS
MAILING LIST

Amerada Hess Corporation
P. O. Box 2040
Tulsa, Oklahoma 74101

Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360

Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79701
ATTN: Mr. G. Thane Akins

Bettis, Boyle and Stovall
P. O. Box 1168
Graham, Texas 76046
ATTN: Mr. Spencer Street

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

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701
ATTN: Mr. G. A. Naert

Mobil Oil Corporation
Three Greenway Plaza East
Suite 800
Houston, Texas 77046
ATTN: Joint Interest Adm.

Phillips Petroleum Company
Phillips Building - Room 820
4th & Washington Streets
Odessa, Texas 79760
ATTN: Mr. W. B. Taylor, Jr.

Shell Oil Company
Mid-Continent Producing Div.
P. O. Box 991
Houston, Texas 77001
ATTN: Div. Prod. Mgr.

Sohio Petroleum Company
P. O. Box 3000
Midland, Texas 79701
ATTN: Mr. J. H. Walters

Sohio Petroleum Company
1110 Penn Tower
Oklahoma City, Oklahoma 73118
ATTN: Mr. H. P. Dreher

Sun Oil Company
P. O. Box 1861
Midland, Texas 79701
ATTN: Mr. R. K. Beggs

Sun Oil Company
12850 Hillcrest Road
Dallas, Texas 75230
ATTN: Mr. Joe Thornton

Texaco Inc.
P. O. Box 3109
Midland, Texas 79701
ATTN: Mr. M. A. Sirgo, Jr.

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

dr/

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

CASE NO. 5948

Order No. R- 5467

APPLICATION OF TEXACO INC. 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 June 8, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of June, 1977, the Commission,
a quorum being present, having considered the record and the recom-
mendations 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. 5948 is hereby dismissed.

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

Dockets Nos. 21-77 and 22-77 are tentatively set for hearing on June 22 and July 6, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 8, 1977

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. Hutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5942: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rule 1115 of the Commission Rules and Regulations to provide for the reporting of salt water disposal, secondary recovery, and other injection well volumes and pressures on Commission Form C-115, Operator's Monthly Report. Further to be considered will be the amendment of Form C-115 and the deletion of Rule 1120.

(Please see two potential configurations of Form C-115 enclosed)

CASE 5943: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider adoption of the following:

1. Rule 407, requiring notice to the Commission by the operator of the disconnection of any gas wells from intrastate transportation facilities.
2. Rule 1130, setting forth the requirements of the notice of disconnection.
3. Form C-130, NOTICE OF DISCONNECTION, requiring notice of the reason(s) for disconnection.

CASE 5920: (Continued from May 11, 1977 Examiner Hearing)

Application of New Mexico Salt Water Disposal Co., Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation through the perforated interval from approximately 13,000 feet to 13,500 feet in its Sinclair State Lea Well No. 1, located in Unit M of Section 1, Township 11 South, Range 34 East, Sand Springs-Devonian Pool, Lea County, New Mexico.

CASE 5944: Application of Read & Stevens, Inc., for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Hisson State Com Well No. 1 located in Unit M of Section 23, Township 21 South, Range 27 East, Purton Flats-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 23 to be dedicated to the well.

CASE 5945: Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Blanco-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its Blanco Well No. 15 located in Unit K of Section 36, Township 28 North, Range 8 West, San Juan County, New Mexico.

CASE 5946: Application of Amoco Production Company for a dual completion and a non-standard proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Swearingen "C" Well No. 1 located in Unit N of Section 18, Township 5 South, Range 33 East, Roosevelt County, New Mexico, to produce gas from the Pennsylvanian and oil from the Fusselman formations. Applicant also seeks approval for a 160-acre non-standard Pennsylvanian gas proration unit comprising the SW/4 of said Section 18.

CASE 5947: Application of Texaco Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Central Vacuum Unit Area comprising 3046 acres, more or less, of State and fee lands in Sections 25, 30, 31 and 36, Township 17 South, Range 35 East, and Sections 5, 7, and 12, Township 18 South, Range 35 East, Lea County, New Mexico.

CASE 5948: 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 on its Central Vacuum Unit Area by the injection of water into the Grayburg-San Andres formation through 54 wells, Vacuum Pool, Lea County, New Mexico.

CASE 5949: Application of Mesa Petroleum Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying Section 34, Township 24 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.



PETROLEUM PRODUCTS

May 10, 1977

MAY 11 1977

CONSERVATION COMM.

MAY 11 1977

TEXACO INC.
DRAWER 728
HOBBS, NEW MEXICO 88240

REQUEST FOR HEARING
Proposed Central Vacuum Unit
Lea County, New Mexico

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

ATTENTION: MR. JOE D. RAMEY
SECRETARY-DIRECTOR

Gentlemen:

Texaco Inc., as operator of the Proposed Central Vacuum Unit, respectfully requests that evidence be considered at an Examiner Hearing in Santa Fe, New Mexico, for an application to initiate waterflood operations in the Central Vacuum Unit.

The Central Vacuum Unit's proposed waterflood area is comprised of the following:

SE/4 of NE/4 and S/2 of Section 25, Township 17 South,
Range 34 East;
All of Section 36, Township 17 South, Range 34 East;
All of Section 30, Township 17 South, Range 35 East;
N/2, SW/4 and SW/4 of SE/4 of Section 31, Township 17
South, Range 35 East;
N/2 of NE/4 of Section 12, Township 18 South, Range
34 East;
All of Section 6, Township 18 South, Range 35 East;
NW/4 and NW/4 of NE/4 of Section 7, Township 18 South,
Range 35 East.

This area encompasses the following leases:

Amerada Hess Corporation - State "VB"
Atlantic Richfield Co. - State "B 1578"
- State "L DE"
Bettis, Boyle and Stovall - State "E"
Getty Oil Co. - State "AN"
- State "BA"
- State "J"
Marathon Oil Co. - McCallister State



MAY 10, 1977

- Marathon Oil Co. - Staplin State AC-1
 - Warn State AC-1
 - Warn State AC-2
- Mobil Oil Co. - State "I"
 - State "H"
- Phillips Petroleum Co. - That portion of the "Santa Fe" lease in Section 30, Township 17 South, Range 35 East, and Section 31, Township 17 South, Range 35 East.
- Shell Oil Co. - State "A"
 - State "B"
 - State "D"
 - State "E"
 - Swigart
- Sohio Petroleum Co. - Humble State
- Sun Oil Co. - "B Lee" State
- Texaco Inc. - New Mexico "AB" State
 - New Mexico "CG" State (NCT-1)
 - New Mexico "N" State
 - New Mexico "O" State (NCT-1)
 - New Mexico "Q" State
 - New Mexico "R" State (NCT-1)
 - New Mexico "R" State (NCT-4)
 - New Mexico "T" State (NCT-1)

It is planned to implement a 40-acre five-spot flood pattern. This pattern will be developed by drilling 53 injection wells and converting 1 currently producing well to water injection. Water injection will be into the Vacuum Grayburg-San Andres formation at a depth of 3860' to 4860'. Injection will be down internally plastic-coated tubing with a packer set above the injection interval. Initial injection will be 900 barrels of water per day per well. Injection pressure will be maintained below fracture pressure. Injection water will be made up of formation water produced in the Central Vacuum Unit and fresh water from Texaco Inc. and Mobil Oil Co. water rights through supply wells in the Ogallala formation.

Attached is a plat of the Proposed Central Vacuum Unit project area showing current lease operators, a plat showing proposed well numbers, a diagrammatic sketch of a typical injection well, a type log showing proposed unitization interval, a structure map contoured on top of San Andres pay, and a list of offset operators. Detailed information and exhibits supporting this application will be presented at the hearing.

A copy of this letter is being forwarded to the Commissioner of Public Lands in Santa Fe, New Mexico, to inform them of Texaco's intention to waterflood the Central Vacuum Unit.

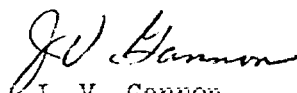
NMOCC

PAGE 3

MAY 10, 1977

A copy of this letter is also being mailed to Working Interest Owners and Offset Operators.

Very truly yours,



J. V. Gannon
District Superintendent

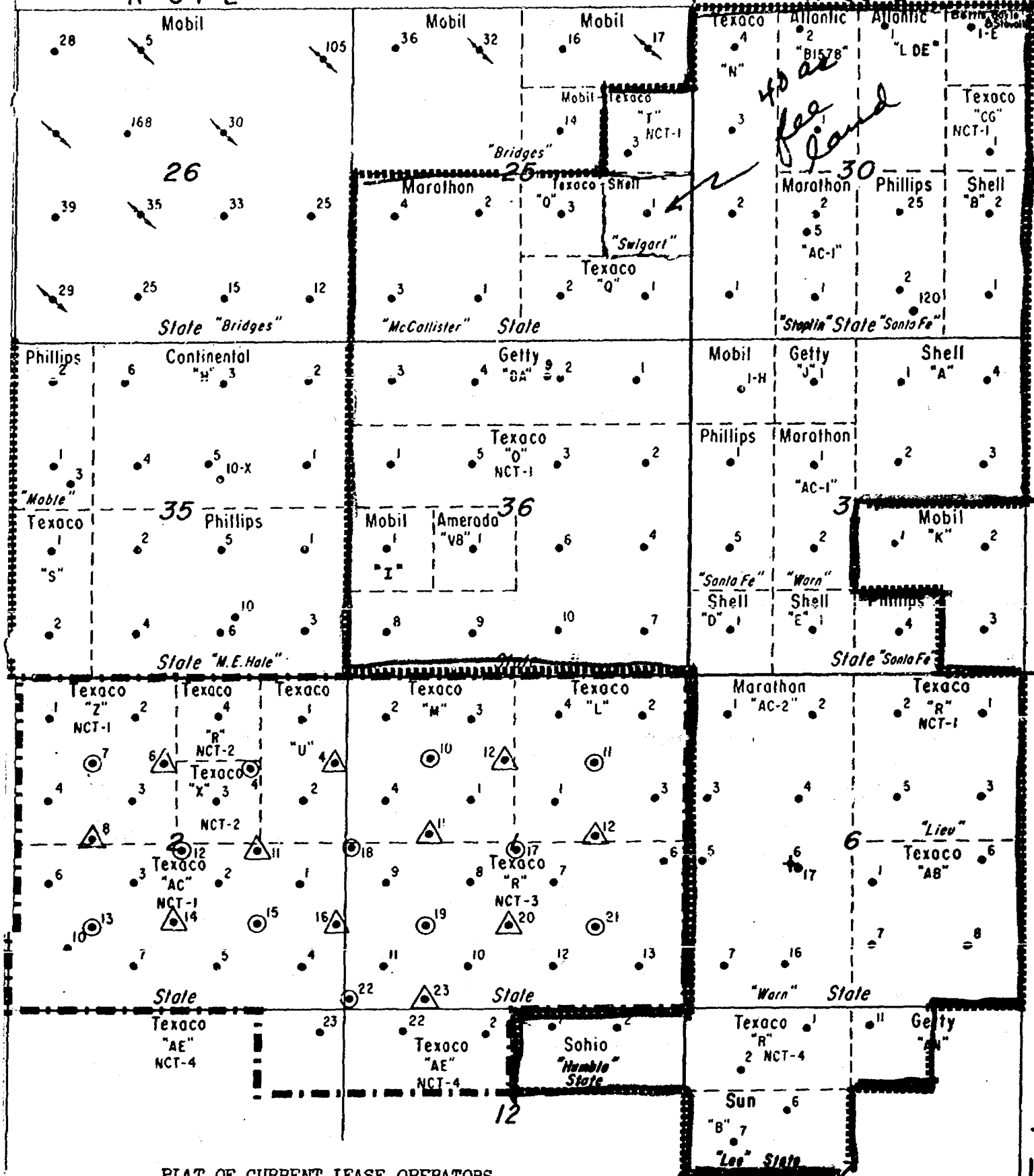
WRH:las

Attachments

Commissioner of Public Lands
Offset Operators
Working Interest Owners

R-34-E

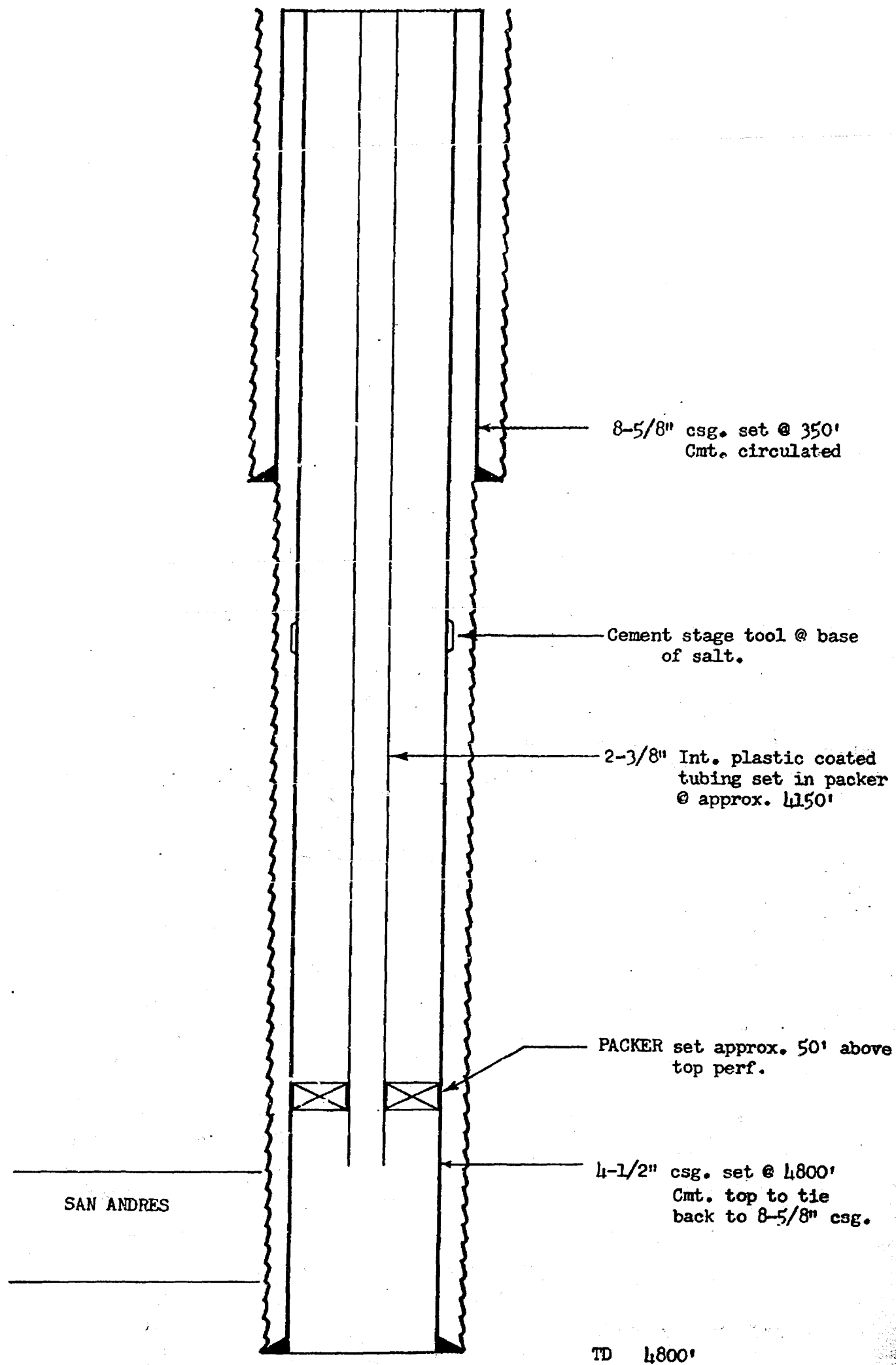
R-35-E *See 594P*



PLAT OF CURRENT LEASE OPERATORS

PROPOSED CENTRAL VACUUM UNIT
BOUNDARY

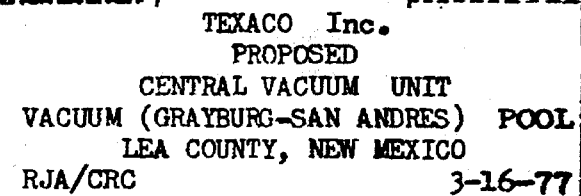
TEXACO Inc.
PROPOSED
CENTRAL VACUUM UNIT
VACUUM (GRAYBURG-SAN ANDRES) POOL
LEA COUNTY, NEW MEXICO



TYPICAL INJECTION WELL COMPLETION

TEXACO Inc.
PROPOSED
CENTRAL VACUUM UNIT
VACUUM (GRAYBURG-SAN ANDRES) FIELD
LEA COUNTY, NEW MEXICO

R-35-E



TEXACO Inc.
NEW MEXICO "O" ST. NCT-1 #23
(TWIN WELL TO #10)
VACUUM G-SA POOL

TOP OF SAN ANDRES
PAY

BASE OF PAY

PROPOSED UNITIZED INTERVAL

GAMMA RAY

ACOUSTIC

