

*at* CASE 6058: ATLANTIC RICHFIELD CO. FOR  
AMENDMENT OF ORDER NO. R-5430, LEA *ny*  
COUNTY, NEW MEXICO

Case Number

6058

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
12 October, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield Com-  
pany for the amendment of Order No.  
R-5430, Lea County, New Mexico.

CASE  
6058

BEFORE: Richard L. Stamets.

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

For the Applicant:      Clarence Hinkle, Esq.  
HINKLE, COX, EATON, COFFIELD, &  
HENSLEY  
Roswell, New Mexico

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

I N D E X

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CHRIS G. RHODES

Direct Examination by Mr. Hinkle 3

E X H I B I T S

Applicant Exhibit 1, NMOCC Form C-102 8  
Applicant Exhibit 2, Plat 8  
Applicant Exhibit 3, Log 8

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

1 MR. STAMETS: Call next Case 6058.

2 MS. TESCHENDORF: Case 6058. Application of  
3 Atlantic Richfield Company for the amendment of Order No.  
4 R-5430, Lea County, New Mexico.

5 MR. HINKLE: Clarence Hinkle, Hinkle, Cox, Eaton,  
6 Coffield and Hensley, appearing on behalf of Atlantic Rich-  
7 field. We have one witness and three exhibits.

8 (Witness sworn.)

9  
10 CHRIS G. RHODES

11 being called as a witness and being duly sworn upon his oath,  
12 testified as follows, to-wit:

13  
14 DIRECT EXAMINATION

15 BY MR. HINKLE:

16 Q State your name, residence, and by whom you're  
17 employed.

18 A Chris Rhodes, Midland, Texas. I'm employed by  
19 Atlantic Richfield Company.

20 Q Have you previously testified before the Commis-  
21 sion?

22 A Yes, sir, I have.

23 Q Qualified as a petroleum engineer?

24 A Yes, sir.

25 Q Are you the witness in the case, this same case,

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

1 you might say, under which Order R-5430 was issued?

2 A Yes.

3 MR. HINKLE: Qualifications acceptable?

4 MR. STAMETS: They are.

5 Q Have you prepared or had prepared under your super-  
6 vision certain exhibits for introduction in this case?

7 A Yes, sir.

8 Q Refer to Exhibit 1 and say what that shows.

9 A Exhibit 1 is NMOCC Form C-102, Well Location and  
10 Acreage Dedication Plat, showing the 120-acre portion of our  
11 Wimberly WN lease in the northwest quarter of Section 24,  
12 Township 25 South, Range 37 East, Lea County, New Mexico.

13 The location of the Wimberly WN No. 11 Well is  
14 1490 from the west line and 990 from the north line. The  
15 location is unorthodox since the rules require there being  
16 no special Justis - Montoya Pool rules, and therefore going  
17 by the statewide rules.

18 The rules require that it be located no closer  
19 than 330 to the outer boundary of its 40-acre proration unit,  
20 which is located -- we are 330 from the south line of our  
21 lease; however, we're too close to the west line of the 40-  
22 acre portion, even though due west still is a portion of our  
23 lease.

24 Q Now, the drilling of this well was authorized  
25 under Order R-5430, was it not?

**sid morrison reporting service**

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

1 A. Yes, sir, that's correct.

2 Q. And what did that order provide?

3 A. Order 5430 approved an unorthodox location for the  
4 Justis - Fusselman Pool.

5 Q. And what has happened since then?

6 A. We drilled this well with intent of completing in  
7 the Justis - Fusselman Pool and we did not expect the Montoya  
8 to be any good under this location; however, after testing  
9 the Montoya and the Fusselman Zones, set pipe, cementing,  
10 perforating, acidized and swab tests, the Montoya turned out -  
11 it appears it will be a very good producer, whereas the Fus-  
12 selman is not near as good as expected and has a lot higher  
13 water cut and apparently does not have the productivity we  
14 expected. And since the well is now, after testing several  
15 zones, the well is now completed in the Montoya and waiting  
16 on a hydraulic pumping unit and approval of an unorthodox  
17 location.

18 Q. Refer to Exhibit 2 and explain that.

19 A. Exhibit 2 is a plat showing our Wimberly WN lease  
20 and the Wimberly WN No. 11 Well. It shows all the leases  
21 and offset operators around our Wimberly WN lease. It shows  
22 all the wells currently producing from the Justis - Montoya  
23 Pool. Referring to the legend, it shows the current daily  
24 oil production and daily water production as of July, and the  
25 cumulative production of oil in thousands of barrels to the

**sid morrish reporting service**

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

1 first of this year.

2 Q Refer to Exhibit 3 and explain that.

3 A Exhibit 3 is a copy of the condensated neutron  
4 formation density log that we ran on this well.

5 We have the tops, starting from the bottom of the  
6 hole, the Simpson, the Montoya, and the Fusselman Formations  
7 marked, as well as the latest well test on the different  
8 zones with the perforations marked in the depth track. These  
9 zones were all perforated with two shots per foot.

10 We perforated a zone in the bottom of the Montoya  
11 and acidized it and it swabbed all water. We then squeezed  
12 it off with 200 sacks, came up to another zone in the Montoya  
13 where we perforated and acidized and laid a swab test, indi-  
14 cated it would produce -- well, we swabbed on it ten hours  
15 and recovered 90 barrels of oil and no water, and swabbed two  
16 more hours and recovered 25 barrels of oil and no water.  
17 We then went up and tested two different zones in the Fussel-  
18 man, perforated and acidized. The lower one swabbed only  
19 four hours and recovered 12 barrels of oil and no water; the  
20 productivity was low so we re-acidized it and we swabbed some  
21 more, recovered 5 barrels of oil and 31 barrels of water;  
22 swabbing two more hours, recovered 4 barrels of oil and 8  
23 barrels of water. We then squeezed this zone off and perfor-  
24 ated with three sets of perforations another zone in the top  
25 of the Fusselman. We acidized it and we swabbed 11 hours and

sid morrish reporting service

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



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

1 recovered 16 barrels of oil and 60 barrels of water. It did  
2 flow for an hour, which we recovered 4 barrels of oil, swabbed  
3 six more hours, recovered 16 barrels of oil and 32 barrels of  
4 water. We then squeezed this one off. We drilled out, went  
5 back into the Montoya, perforated one more zone in the top of  
6 the Montoya, acidized it in, swabbed ten hours and recovered  
7 120 barrels of oil and 4 barrels of load water from that zone,  
8 56 barrels formation water, and we swabbed only another seven  
9 and a half hours, recovering 24 barrels of oil and 12 barrels  
10 of water.

11 Our original intent was to complete in the Fussel-  
12 man; however, we wanted to test the Montoya while we were  
13 at it, starting from the bottom and coming up.

14 The Fusselman, according to our swab test, appar-  
15 ently does not have the permeability we had expected and  
16 therefore not having the productivity and it appears to have  
17 a higher water cut than we expected, whereas the Montoya  
18 seems a lot more productive and producing very little water,  
19 also, so our intentions now are to complete it in the Montoya  
20 and produce the Montoya to the economic limit and then come  
21 back up in the Fusselman, and if it appears economic at the  
22 time, we'll complete at such a time.

23 Q. Has the Fusselman been cemented off?

24 A. Yes, sir, it has.

25 Q. Is it going to be necessary to install a pump in

1 the well?

2 A. Yes, sir, it is.

3 Q. What type of pump do you intend to install?

4 A. Our intent is to install a unidraulic, hydraulic  
5 pumping unit with a jet pump.

6 Q. Do you have any idea as to how long it will be  
7 before the pump can be installed?

8 A. The unit has been ordered and at the time they  
9 ordered they expected delivery date of about six weeks, which  
10 if everything goes as hoped, should be available in two to  
11 three more weeks.

12 Q. What do you anticipate might be the production  
13 from the well?

14 A. Well, we are hoping that from the information we  
15 received from our swab tests that this well in the Montoya  
16 could be the top allowable, which will disclose 187 barrels  
17 a day.

18 Q. Did you give notice to all the offset operators  
19 of this application?

20 A. Yes, sir, we did.

21 Q. Have you had any protests?

22 A. No, sir, we haven't.

23 MR. HINKLE: We'd like to offer Exhibits 1, 2,  
24 and 3.

25 MR. STAMETS: These exhibits will be admitted.

**sid morrish reporting service**

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

1 MR. HINKLE: That's all.

2 MR. STAMETS: If I understand it correctly, what  
3 you're seeking is an order which approves both the Montoya  
4 and the Fusselman Zones for the unorthodox location?

5 A Yes, sir, that's correct.

6 MR. STAMETS: Any other questions of the witness?  
7 He may be excused.

8 Anything further in this case?


9 We'll take the case under advisement.

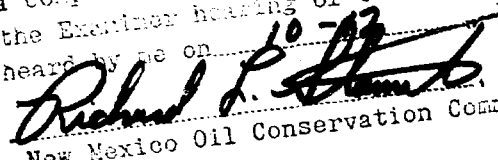
10 (Hearing concluded.)  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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

REPORTER'S CERTIFICATE

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

  
Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 6058  
heard by me on 10-23 1977  
 Examiner  
New Mexico Oil Conservation Commission

**sid morrish reporting service**  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 8750  
Phone (505) 982-9212

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. 6058  
Order No. R-5430-A

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR AMENDMENT OF COMMISSION  
ORDER NO. R-5430, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 12, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 1st day of November, 1977, 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, Atlantic Richfield Company, seeks the amendment of Commission Order No. R-5430 to provide for approval of the unorthodox location for its Wimberly WN Well No. 11 in Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, for the Justis-Montoya Pool in addition to the originally approved Justis-Fusselman Pool.

(3) That the NE/4 NW/4 of said Section 24 is to be dedicated to the well in each of said pools.

(4) That a well at said unorthodox location will better enable applicant to produce the oil underlying the proration unit in each of said pools.

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

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pools, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

-2-  
Case No. 6058  
Order No. R-5430-A

IT IS THEREFORE ORDERED:

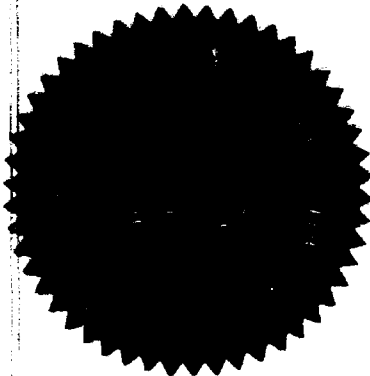
(1) That Order (1) of Commission Order No. R-5430 is hereby amended to read in its entirety as follows:

"(1) That an unorthodox oil well location is hereby approved for the Atlantic Richfield Company Wimberly WN Well No. 11 to be located at a point 990 feet from the North line and 1490 feet from the West line of Section 24, Township 25 South, Range 37 East, NMPM, Justis-Fusselman and Justis-Montoya Pools, Lea County, New Mexico."

(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.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



S E A L

PHIL R. LUCERO, Chairman

  
EMERY C. ARNOLD, Member

  
JOE D. RAMEY, Member & Secretary

jr/

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.

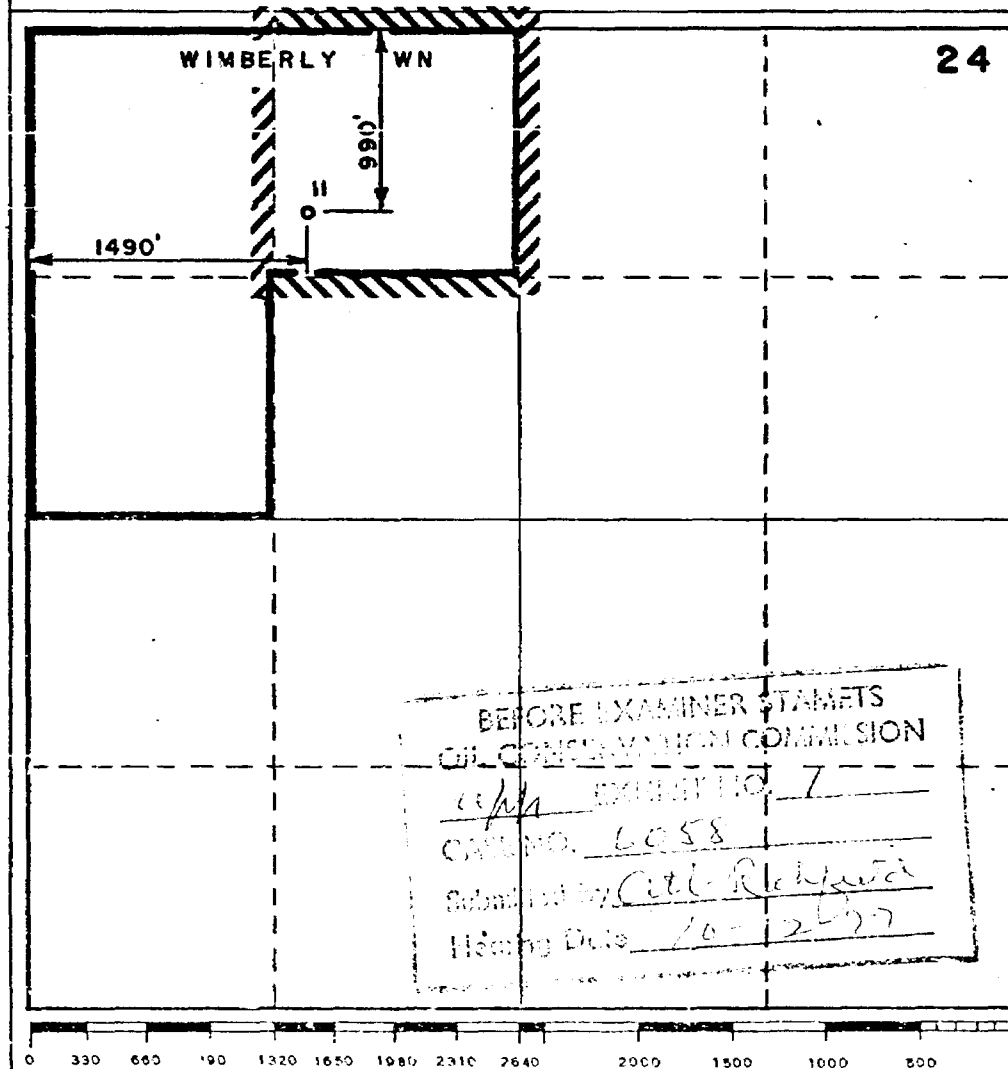
Operator <b>Atlantic Richfield Company</b>			Lease <b>Wimberly WN</b>		Well No. <b>11</b>
Unit Letter <b>C</b>	Section <b>24</b>	Township <b>25 South</b>	Range <b>37 East</b>	County <b>Lea</b>	
Actual Footage Location of Well: <b>990</b> feet from the <b>north</b> line and <b>1490</b> feet from the <b>west</b> line					
Ground Level Elev. <b>3067.9'</b>	Producing Formation <b>Montoya</b>		Pool <b>Justis Montoya</b>	Dedicated Acreage: <b>40</b> 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

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

*Cris G. Rhodes*

Name  
**Cris G. Rhodes**  
Position  
**Operations Engineer**  
Company  
**Atlantic Richfield Co.**  
Date  
**October 4, 1977**

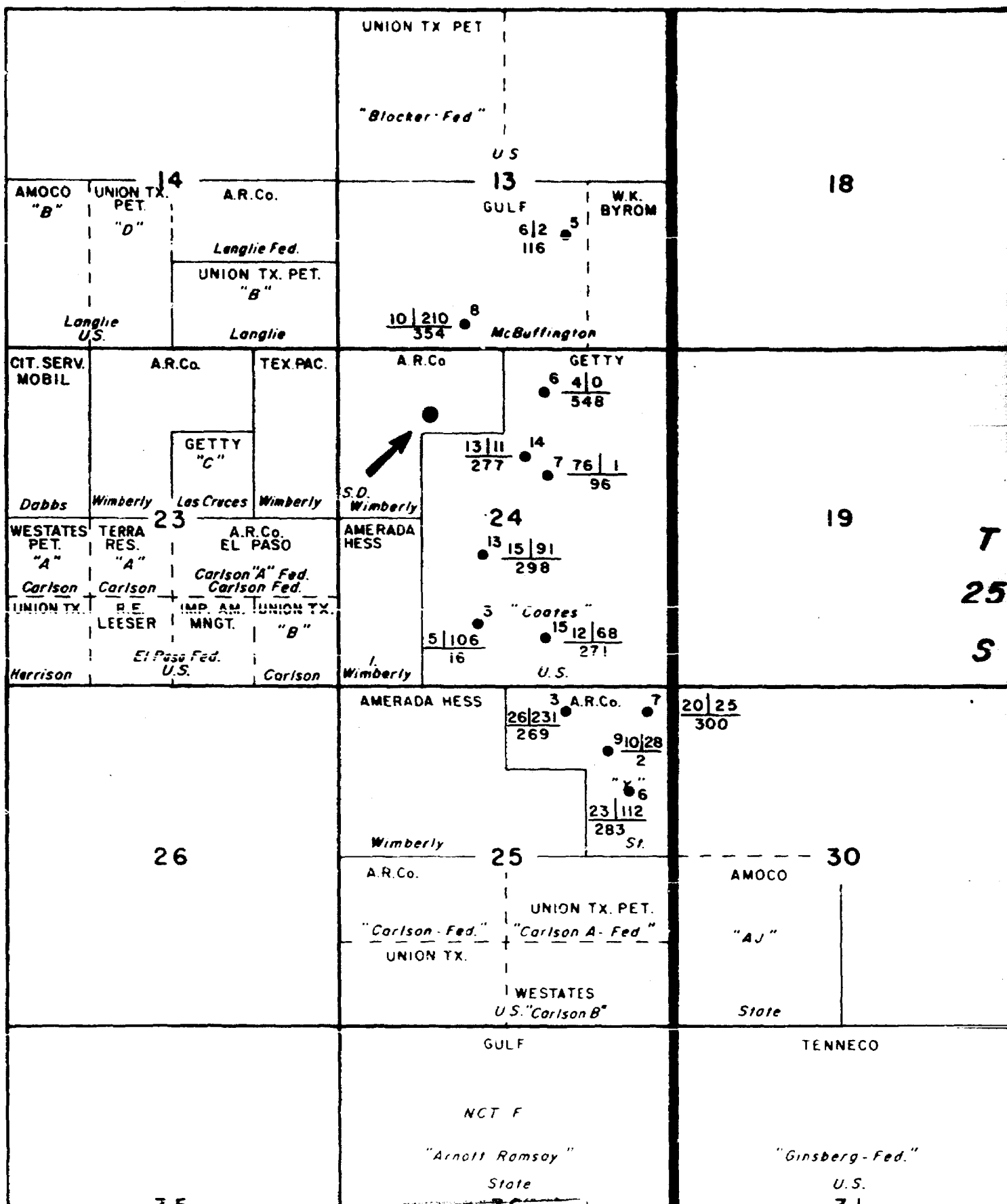
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
Registered Professional Engineer and/or Land Surveyor

Certificate No.



**R 38 E**



Submitted by: Carl R. [unclear]  
Hearing Date: 10-12-77

L E G E N D

**Atlantic Richfield Company**   
North American Producing Division  
Permian District Midland Texas

JUSTIS  
MONTROYA POOL  
LEA COUNTY, NEW MEXICO

CURRENT MONTOYA  
PRODUCERS

SCALE 1" = 2000

By: C G. RHODES	Date: 10-77	Drawn by: WEST AREA ENGR.
-----------------	-------------	---------------------------

# Memo

From

FLORENE DAVIDSON  
ADMINISTRATIVE SECRETARY

To

Florence

Please log this  
appl in for  
wrg - They want  
to amend R-5430  
for unorthodox  
location Montoya  
formation

OIL CONSERVATION COMMISSION-SANTA FE

Atlantic Richfield Company

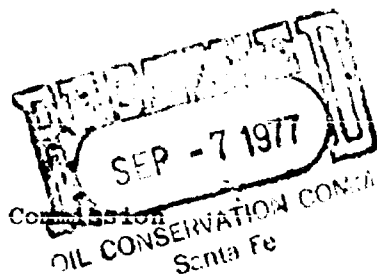
North American Producing Division  
Permian District  
Post Office Box 1610  
Midland, Texas 79701  
Telephone 915 682 8631

Case 6058



August 30, 1977

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



Re: Wimberly WN No. 11  
Unorthodox Location  
Justis Montoya Pool  
990' FNL and 1490' FWL  
Section 24, T-25S, R-37E  
Lea County, New Mexico

Dear Mr. Ramey:

Atlantic Richfield Company respectfully requests administrative approval of an unorthodox location for a Justis Montoya development oil well located 990' FNL and 1490' FWL of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico. This well was spudded 6/21/77 and reached total depth of 7375 feet on 7/18/77. It is currently undergoing testing. The subject well was designated as a Justis Fusselman well and approval for an unorthodox location in the Justis Fusselman pool was given by New Mexico Oil Conservation Commission Order No. R-5420 on May 24, 1977.

Testing of several zones within the Fusselman and Montoya formations has indicated that the Fusselman is not as good as we had anticipated and it appears that the Montoya is a better producer. Our plans are to complete this well in the Montoya as a single oil well. To produce the Montoya from a standard location would necessitate the drilling of another well which we believe would be an unnecessary waste of money.

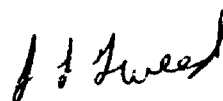
Statewide Rule 104 specifies that a standard development oil well location be located not closer than 330 feet to the boundary of the 40-acre tract in which it is located. There are no other Montoya producers on our Wimberly WN lease. We, therefore, believe that approval of this application will enable Atlantic Richfield Company to more efficiently recover Montoya reserves under this tract. Furthermore, Atlantic Richfield Company believes that approval of this application will be in the interest of conservation, prevention of waste, and the protection of correlative rights.

Mr. Joe Ramey  
New Mexico Oil Conservation Commission  
August 30, 1977  
Page 2

Attached are a well location and acreage dedication plat,  
a map showing offset operators, and a list of the offset  
operators who are being notified by registered mail with  
a copy of this application.

Thank you for your consideration.

Very truly yours,



J. L. Tweed

CGR/agp

cc: Area Supervisor  
New Mexico Oil Conservation Commission  
Box 1980  
Hobbs, New Mexico

OFFSET OPERATORS  
Wimberly WN No. 11

Amerada Hess Corporation  
Drawer 817  
Seminole, Texas 79360

Amoco Production Company  
Drawer A  
Levelland, Texas 79336

Cities Service Oil Company  
Box 1919  
Midland, Texas 79702

El Paso Natural Gas Company  
600 Bldg. of the Southwest  
Midland, Texas 79701

Getty Oil Company  
Box 1231  
Midland, Texas 79702

Gulf Energy & Minerals Company - US  
Box 1150  
Midland, Texas 79702

Mobil Oil Corporation  
Box 633  
Midland, Texas 79702

Terra Resources, Inc.  
Box 2329  
Tulsa, Oklahoma 74101

Texas Pacific Oil Company, Inc.  
Box 4067  
Midland, Texas 79702

Union Texas Petroleum  
1300 Wilco Bldg.  
Midland, Texas 79701

Westates Petroleum Company  
Box "SS"  
Jal, New Mexico 88252

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.

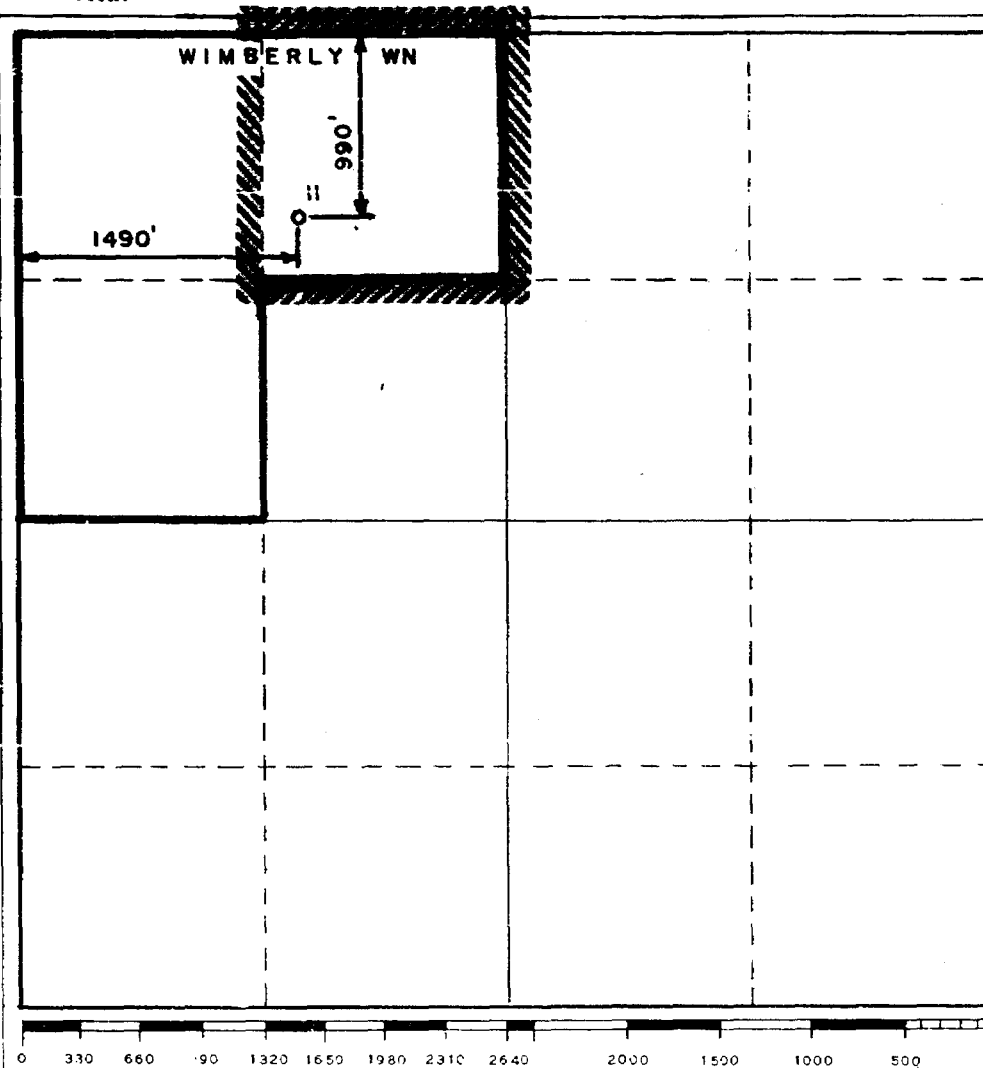
Operator <b>Atlantic Richfield Company</b>		Lease <b>Wimberly WN</b>		SEP - 7 1977 Well No. 11	
Unit Letter <b>C</b>	Section <b>24</b>	Township <b>25 South</b>	Range <b>37 East</b>	Oil Conservation Comm. Leg. Santa Fe	
Actual Footage Location of Well: <b>990</b> feet from the <b>north</b> line and <b>1490</b> feet from the <b>west</b> line					
Ground Level Elev. <b>3067.9'</b>	Producing Formation <b>Montoya</b>	Pool <b>Justis Montoya</b>	Dedicated Acreage: <b>40</b> Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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

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

*Cris G. Rhodes*

Name

**Cris G. Rhodes**

Position

**Operations Engineer**

Company

**Atlantic Richfield Company**

Date

**August 30, 1977**

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.

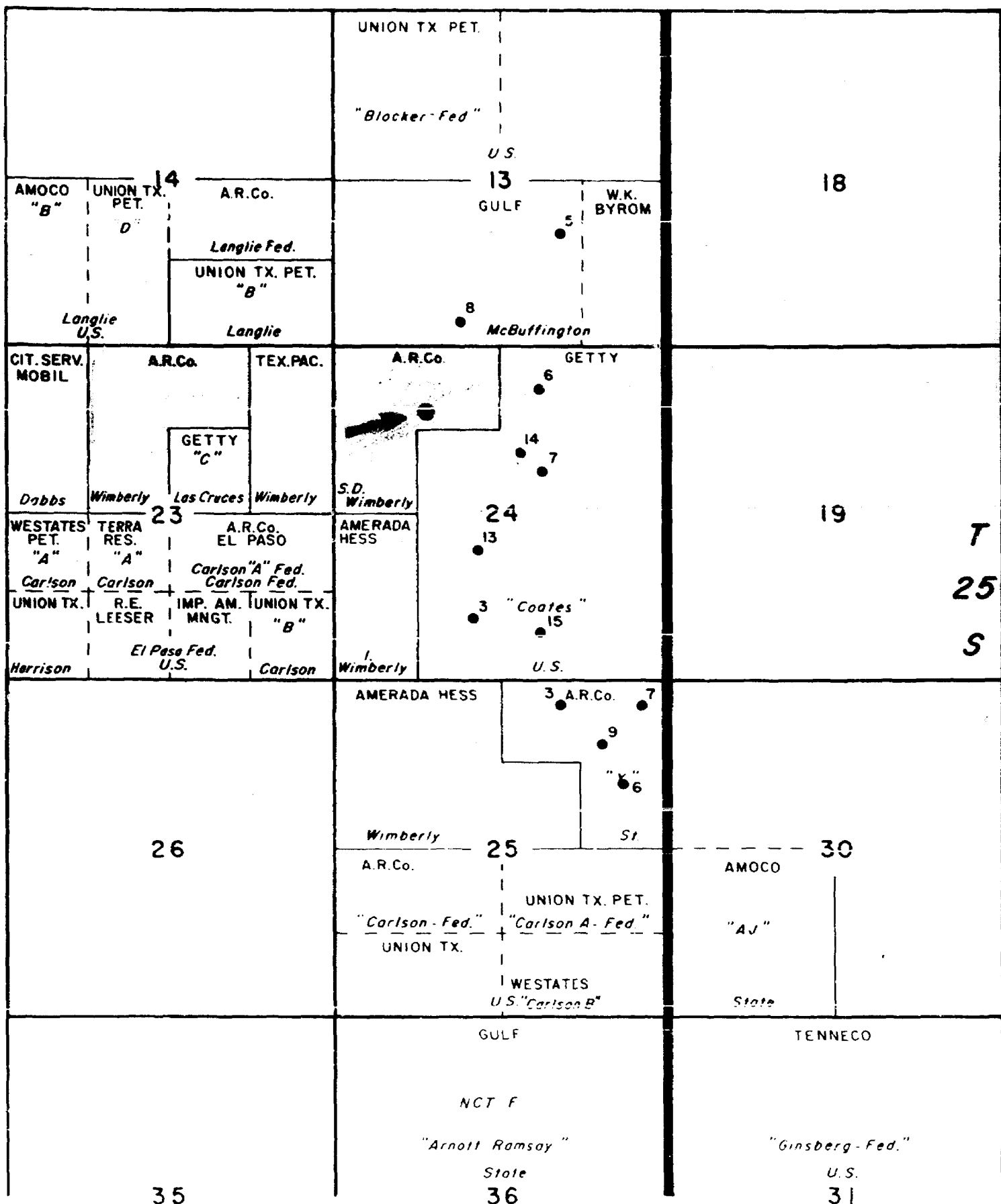
Date Surveyed

Registered Professional Engineer  
and/or Land Surveyor

Certificate No.

R 37 E

R 38 E



Atlantic Richfield Company  
North American Producing Division  
Permian District, Midland, Texas

JUSTIS  
MONTOKA POOL  
LEA COUNTY, NEW MEXICO

CURRENT MONTOKA  
PRODUCERS

SCALE 1" = 2000'  
C. G. RHODES  
8-77  
WEST AREA ENGR.

Dockets Nos. 33-77 and 34-77 are tentatively set for hearing on October 26 and November 9, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

## DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 12, 1977

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1977, from fifteen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for November, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6053: (Continued & Readvertised)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Noel Reynolds and all other interested parties to appear and show cause why the Torreon Water Well No. 1, located in Unit J of Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6025: (Continued & Readvertised)

Application of Roger C. Hanks for a special gas-oil ratio limitation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico, retroactive to August 22, 1977.

CASE 6052: (Continued from September 28, 1977, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Western Energy Corporation and all other interested parties to appear and show cause why the Ute Well No. 2 located in Unit O of Section 23, Township 31 North, Range 16 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6055: (Continued from September 28, 1977, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Han-Sau, Inc., and all other interested parties to appear and show cause why the Grevey Well No. 4 located in Unit E of Section 26, Township 26 North, Range 1 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6057: Application of Aminoil USA 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 Willow Lake Well No. 3 to be located 1980 feet from the South line and 1940 feet from the West line of Section 15, Township 24 South, Range 28 East, Willow Lake Field, Eddy County, New Mexico, the S/2 of said Section 15 to be dedicated to the well.CASE 6058: Application of Atlantic Richfield Company for the amendment of Order No. R-5430, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5430, which order approved an unorthodox Justis-Fusselman location for its Wimberly WN Well No. 11 in Section 24, Township 25 South, Range 37 East, Lea County, New Mexico. Applicant now requests that the unorthodox location for said well be extended to include the Montoya formation.CASE 6059: Application of Dome Petroleum Corporation for pool creation, an oil discovery allowable, and a special depth bracket allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Leggs-Entrada Oil Pool in Section 11, Township 21 North, Range 10 West, San Juan County, New Mexico, the assignment of approximately 27,020 barrels of oil discovery allowable to its Santa Fe-Leggs Well No. 1 located in Unit O of said Section 11, and the establishment of a special depth bracket allowable of 750 barrels of oil per day for said pool.CASE 6060: Application of J. Cecil Rhodes for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Blinberry formation into the perforated interval from 5252 feet to 5448 feet in his Corrigan Well No. 1 located in Unit M of Section 11, Township 25 South, Range 37 East, Justis-Blinberry Pool, Lea County, 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. ~~5314~~ 6058  
Order No. R-5430 - *7*

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR ~~WELL~~ *Amendment of Commission*  
Order No. *R-5430*, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 12,  
19 77, at Santa Fe, New Mexico, before Examiner RLS

NOW, on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, 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, Atlantic Richfield  
Company, seeks the amendment of Commission  
Order No. 5430 to provide for approval of the  
unorthodox location for its Wimberly W N Well No. 11  
in Section 24, Township 25 South, Range 37 East,  
Lea County, New Mexico, for the ~~Justis~~ *Wimberly* Pool  
~~Proration~~ in addition to the originally approved  
Justis - Fusselman Pool

(3) That the NE/4 NW/4 of said Section 24 is to be dedicated  
to the well in each of said pools

(4) That a well at said unorthodox location will better  
enable applicant to produce the oil underlying the proration unit.  
*in each of said pools*

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

(6) That approval of the subject application will afford  
the applicant the opportunity to produce its just and equitable  
share of the oil in the subject pool, will prevent the economic  
loss caused by the drilling of unnecessary wells, avoid the  
augmentation of risk arising from the drilling of an excessive  
number of wells, and will otherwise prevent waste and protect  
correlative rights.

*IT IS THEREFORE ORDERED*

(1) That Order (1) of Commission Order No. R-5430 is hereby amended to read in its entirety as follows:

" (1) That an unorthodox oil well location is hereby approved for the Atlantic Richfield Company Wimberly WN Well No. 11 to be located at a point 990 feet from the North line and 1490 feet from the West line of Section 24, Township 25 South, Range 37 East, NMPM, Justis-Fusselman Pool, Lea County, New Mexico. "

*and Justis-Montoya*

(2) Jurisdiction etc.