

CASE 6472: CONSOLIDATED OIL & GAS, INC.
FOR APPROVAL OF INFILL DRILLING, RIO
ARRIBA COUNTY, NEW MEXICO

Continued to July 25

Dismiss

CASE NO.

64/72

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
25 July 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling,)	CASE
San Juan County, New Mexico, and Rio Arriba County, New Mexico.)	6471
)	6472
)	6473
)	6474
)	6475

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (908) 471-3442
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Elanor (805) 471-3403
Santa Fe, New Mexico 87501

1 MR. NUTTER: We'll call next Case Numbers
2 6471, 72, 73, 74, and 75.

3 MR. PADILLA: Application of Consolidated
4 Oil and Gas, Inc. for approval of infill drilling, San Juan
5 County, New Mexico.

6 Application of Consolidated Oil and Gas,
7 Inc. for approval of infill drilling, Rio Arriba County,
8 New Mexico.

9 Application of Consolidated Oil and Gas,
10 Inc. for approval of infill drilling, Rio Arriba County,
11 New Mexico.

12 Application of Consolidated Oil and Gas,
13 Inc. for approval of infill drilling, San Juan County,
14 New Mexico.

15 And application of Consolidated Oil and Gas,
16 Inc. for approval of infill drilling, San Juan County,
17 New Mexico.

18 MR. NUTTER: Applicant has requested that
19 all these five cases be dismissed.

20 They will be dismissed.

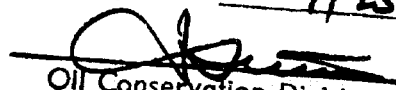
21
22 (Hearing concluded.)
23
24
25

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY
CERTIFY that the foregoing and attached Transcript of
Hearing before the Oil Conservation Division was reported
by me; that said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability, knowledge, and skill, from my notes taken at the
time of the hearing.

Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (985) 471-2443
San Antonio, New Mexico 87501

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6471, 72, 73, 74, 75
heard by me on 7/25 1977.
, Examiner
Oil Conservation Division



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

August 17, 1979

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

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

Re: CASE NO. 6472
ORDER NO. R-6070

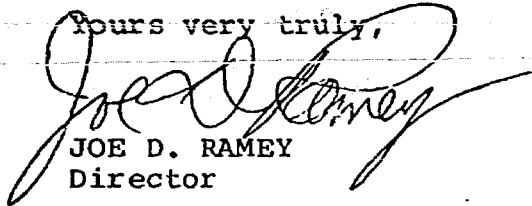
Applicant:

Consolidated Oil & Gas, Inc.

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD X
Artesia OCD X
Aztec OCD X

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6472
Order No. R-6070

APPLICATION OF CONSOLIDATED OIL &
GAS, INC. FOR APPROVAL OF INFILL
DRILLING, RIO ARriba COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 25, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of August, 1979, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

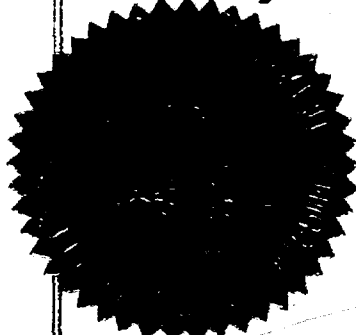
FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 6472 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

S E A L
fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 February 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. CASE 6472

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant: W. THOMAS KELLAHIN, ESQ.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SOS) 471-2402
Santa Fe, New Mexico 87501

I N D E X

TRACY STOGNER

Direct Examination by Mr. Kellahin	3
Cross Examination by Mr. Stamets	11

E X H I B I T S

Applicant Exhibit One, Cross Section	4
Applicant Exhibit Two, Permit	5
Applicant Exhibit Three, Order R-5874	5
Applicant Exhibit Four, Document	7
Applicant Exhibit Five, Decline Curve	9
Applicant Exhibit Six, P/Z Plot	8
Applicant Exhibit Seven, Test Data	9
Applicant Exhibit Eight, Pressure Test	10

Exhibits admitted on page 11

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-4462
Santa Fe, New Mexico 87501

1 MR. STAMETS: We'll now call Case 6472.
2 Application of Consolidated Oil and Gas, Inc. for approval
3 of infill drilling, Rio Arriba County, New Mexico.

4 MR. KELLAHIN: Tom Kellahin, Santa Fe,
5 appearing on behalf of the applicant.

6 (Witness sworn.)
7

8 TRACY STOGNER
9 being called as a witness and having been duly sworn upon
10 his oath, testified as follows, to-wit:
11

12 DIRECT EXAMINATION

13 BY MR. KELLAHIN:

14 Q Would you please state your name and occu-
15 pation?

16 A My name is Tracy Stogner, S-T-O-G-N-E-R,
17 Petroleum Engineer by profession, Vice President of Oper-
18 ations for Consolidated Oil and Gas, Denver, Colorado.

19 Q Mr. Stogner, have you previously testified
20 before the Oil Conservation Division?

21 A I have.

22 Q And have your qualifications as an expert
23 been accepted and made a matter of record?

24 A They have.

25 MR. KELLAHIN: I tender Mr. Stogner as an

SALLY WILTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SSE) 471-4402
Santa Fe, New Mexico 87501

1 expert.

2 MR. STAMETS: He is considered qualified.

3 Q (Mr. Kellahin continuing.) Would you refer
4 to what we've marked as Exhibit Number One and identify
5 that?

6 A Exhibit A is a cross section with the sub-
7 ject well, the Jenny 1-A, in the center, or the center
8 well of the 3-well cross section. This exhibit also con-
9 tains a small portion of an area map showing the relative
10 location of the three wells on this cross section.

11 The exhibit was prepared to demonstrate
12 that the zones of porosity and permeability in the Dakota
13 formation can be correlated over a broad area.

14 Q Let's look at the surface plat in the
15 center of your exhibit and have you describe for me what
16 proration unit it is that's assigned to the Jenny No. 1
17 Well.

18 A The Jenny No. 1 Well proration unit would
19 be the east half of Section 13, Township 26 North, Range
20 4 West.

21 Q And the first well on that proration unit
22 is the Jenny No. 1?

23 A The Jenny No. 1 will be the first well.
24 It is a Mesaverde-Dakota dual.

25 Q Your infill well is which one?

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Paula Blum (666) 471-4463
Santa Fe, New Mexico 87501

1 A The infill well in this case is the Jenny
2 1-A, which is the southeast of the southeast of Section
3 13.

4 Q And that well's been drilled?

5 A It has been drilled and completed.

6 Q When was it spudded, do you know?

7 A The exact date I'm not sure of. It was in
8 April of '78.

9 Q Please refer to Exhibit Number Two and will
10 you identify that?

11 A Exhibit Two is in two pieces, or it is the
12 application for permit to drill, and again, we intended
13 to dually complete the Mesaverde and the Dakota in the
14 Jenny 1-A. The second part of Exhibit B is the plat
15 showing the location of the proposed well and the proration
16 unit outline.

17 Q Look at Exhibit Number Three and have you
18 identify that for me.

19 A Exhibit Number Three is an R-5874 order,
20 issued 30th of November, 1978, allowing Consolidated to
21 dually complete the Jenny 1-A in the Mesaverde and Dakota,
22 and this order also extends the vertical limits of the
23 Dakota formation to include the Greenhorn formation.

24 Q With regards to Order No. R-5874, Mr.
25 Examiner, we would like you to take administrative notice

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (895) 471-8482
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3120 Plaza Blanca (996) 471-2482
Santa Fe, New Mexico 87501

1 of two items that appear in the transcript and file of
2 that particular case, the first of which is Consolidated
3 Oil and Gas' application for that hearing, dated June 6,
4 1978, and gives the last paragraph on the second page of
5 their application, which indicates they are requesting
6 approval for the dual completion and the downhole commingling
7 for this particular well to prevent waste, protect correla-
8 tive rights, and which in their opinion will result in the
9 ultimate recovery of gas and liquid hydrocarbons that
10 would not otherwise be recovered.

11 Then in addition the transcript of that
12 hearing shows testimony introduced at that hearing and an
13 expert opinion elicited on page seven, I believe it is,
14 in which the question was asked, and will the dual com-
15 pletion of this well enable you to recover gas that would
16 not otherwise be recovered, and the answer goes on to say,
17 that's correct, and the testimony continues, and make
18 specific reference at least to that particular page of
19 the testimony of that transcript.

20 MR. STAMETS: It might be well to Xerox a
21 copy of that page and add that to the exhibits.

22 MR. KELLAHIN: With your permission we'll
23 do that subsequent to the hearing.

24 MR. STAMETS: That's fine.

25 Mr. Kellahin, will you mark that page of the

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca, (905) 471-2402
Santa Fe, New Mexico 87501

1 transcript as Exhibit Three-A?

2 MR. KELLAHIN: Be happy to.

3 MR. STAMETS: Thank you.

4 Q (Mr. Kellahin continuing.) Mr. Stogner,
5 would you please refer to what we've marked as Exhibit
6 Number Four, identify it, and explain what information it
7 contains?

8 A Exhibit Four would be basic calculations
9 of reserves, ultimate recovery, original gas in place for
10 the Jenny 1-A. I would refer back to our first exhibit
11 and you'll notice the well to the far right is a Jerome
12 P. McHugh well, which we do not have all of the information
13 especially the P/Z plot.

14 Our Exhibit Number Four lists the production
15 for the year 1978 from this well as 52 MMCF.

16 MR. STAMETS: Okay, now I've got a small
17 problem there. At the top it says Jenny 1-A and then
18 immediately below that it says Jenny No. 1.

19 A Okay, the calculations are for the Jenny
20 No. 1, the original well. We purposely avoided making
21 calculations on the Jenny 1-A Well, since it was -- well,
22 we were trying to present data that would allow you to
23 enter an order on information available prior to our
24 drilling the well. In other words, this is the information
25 we had prior to drilling the well and were some of the con-

1 siderations we used to justify going to the Dakota with
2 the Jenny 1-A Well.

3 You're right, the calculations are for the
4 Jenny No. 1.

5 Q Okay, and what do they show?

6 A Okay. The ultimate recovery based on the
7 P/Z plot, which would be Exhibit Number Six, indicate that
8 we would ultimately recover 1.34 billion cubic feet of
9 natural gas. Our original gas in place, based on volu-
10 metric calculations, using a net pay of 15 feet, porosity
11 of 11 percent, water saturation 25 percent, it indicated
12 original gas in place 2.677 Bcf, would be simple division,
13 the ultimate recovery from this well, dividing by the gas
14 in place gives us a 50 percent recovery efficiency, which
15 equates to 160 acres of drainage. I might add that the
16 P/Z ultimate recovery number was obtained carrying the P/Z
17 plot with abandonment pressure of 75 pounds, which is pro-
18 bably not too realistic.

19 Q Is it too optimistic?

20 A That is -- it would be optimistic.

21 Q All right, please continue.

22 A If we would assume an 80 percent recovery
23 efficiency for this 320-acre proration unit, we estimate
24 that 802 MMCF of gas would not be recovered out of the
25 Jenny No. 1 and the Jenny No. 1-A would be necessary to

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (SOS) 471-4403
Santa Fe, New Mexico 87501

1 recover this additional reserve.

2 Q Where did the 80 percent recovery figure
3 come from?

4 A This is a customary -- or a practice that
5 we use where we don't know what the ultimate recovery ef-
6 ficiency will be. It's something we use in calculating
7 reserves. We do have cases that the recovery efficiency
8 is better than 80 percent but 80 percent is a good number,
9 as far as we're concerned.

10 Q Please refer to Exhibit Number Five and
11 identify that.

12 A Exhibit Number Five is a simple decline
13 curve, the daily rate, Mcf per day versus years. As you
14 can see, the Jenny No. 1 -- again, this is for the Jenny
15 No. 1 -- performance is flat with little or no decline.

16 Q Okay, Exhibit Number Six?

17 A Exhibit Number Six is our P/Z plot, which
18 plots the pressure formation volume factor by -- against
19 the cumulative gas recovery, extrapolating that to an
20 abandonment pressure of 75 pounds, we estimated 1.3 billion
21 ultimate recovery from the Jenny No. 1.

22 Q Okay, Exhibit Number Seven?

23 A Exhibit Number Seven is open flow test data.
24 This is for the Jenny No. 1. It shows a shut-in tubing
25 pressure, original shut-in tubing pressure, of 2347. This

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plum Branch (G65) 471-4462
Spartan, Pa., New Mexico 87861

1 exhibit was included when I thought I had the shut-in
2 pressure for the Jenny No. 1-A. After searching the re-
3 cords, I don't have that information available. I did
4 hope to demonstrate that we found near virgin pressure in
5 the Jenny 1-A.

6 Q Okay, and what's Exhibit --

7 A I can't remember it. It's simply the multi-
8 point pressure test for the Dakota Zone in the Jenny 1-A.

9 MR. STAMETS: Now that shows a tubing pres-
10 sure of how many pounds there?

11 A Shut-in tubing pressure 1245 psi.

12 MR. STAMETS: Okay. Is that virgin pressure
13 in the Dakota zone?

14 A No. I was hoping to have bottom hole pres-
15 sure, anticipating that the fluid level of water in the
16 tubing would give us substantially better pressure, pres-
17 sure closer to the original.

18 MR. STAMETS: How does that figure compare
19 to the pressure in the No. 1?

20 A The current pressure?

21 MR. STAMETS: Yes.

22 A The last 7-day shut-in we had on the Jenny
23 No. 1 would indicate a 7-day shut-in pressure of approxi-
24 mately 650 pounds.

25 Q With the exception of the Commission order,

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3010 Plaza Blanca (666) 471-2403
San Antonio, New Mexico 87501

1 were Exhibit One through Eight compiled and submitted under
2 your direction and supervision?

3 A Yes.

4 MR. KELLAHIN: We move the introduction of
5 Exhibits One through Eight.

6 MR. STAMETS: These exhibits will be ad-
7 mitted.

8
9 CROSS EXAMINATION

10 BY MR. STAMETS:

11 Q When you -- how long has the Jenny 1-A
12 been completed?

13 A The potential tests on the Dakota was run
14 2-5-79. We actually drilled the well in April of '78, but
15 due to scheduling problems, we were unable to get on the
16 well and complete it until December of '78.

17 Q Has the well been connected?

18 A No, sir.

19 Q Okay, so you have no production history.

20 A We have no production history.

21 Q This pressure that you have reported here
22 on the one-point test, though, seems to verify what you
23 said at the original hearing, that you would recover more
24 gas in that you found closer to virgin reservoir pressures
25 in the second well.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (955) 471-2402
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED REPORTER
2021 Plaza (Suite 305) 411-4443
Santa Fe, New Mexico 87501

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A Yes.

Q In the original hearing did you testify as to the nature of the Dakota reservoir, whether it was tight, uniform, discontinuous?

A Without having read the testimony I would say no, I did not testify to that fact at that hearing.

Q Okay. You did testify in the original hearing?

A Yes.

Q Okay, when you testified that additional -- that waste would be prevented, was your testimony based on additional recovery from the proration unit?

A Yes, sir.

Q And what was the basis of that testimony in your mind at that time?

A At that time the P/Z plot, the ultimate recovery and the drainage that we show on our exhibit here today were the factors. While it was not presented at that hearing, these were the facts that we --

Q Okay. Is the condition that you have described here for the Jenny No. 1 Well and unusual condition in the Basin Dakota Pool or is this just standard condition?

A I could show you calculations where we get as low as 7 percent recovery efficiency. Reservoirs pressures in recent Dakota wells that is higher than the orig-

1 inal well. Unfortunately, I cannot -- these are cases
2 that have been continued.

3 Yes, the pattern of 50 percent recovery
4 efficiency based on these calculations is pretty much
5 standard in every case that we have observed; that the
6 Dakota is not draining 320-acre proration units.

7 Q So you would say that that is a condition
8 you have found in completing the Jenny No. 1-A to --

9 A That is a condition that we observed.

10 MR. STAMETS: Any other questions of the
11 witness?

12 MR. KELLAHIN: No, sir.

13 MR. STAMETS: He may be excused.

14 This case will be taken under advisement.

15 (Hearing concluded.)
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SALLY WALTON IDOYD
CERTIFIED SHORTHAND REPORTER
20202 Lusa Bkman (505) 471-4465
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a court reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a correct record of the hearing in
the hearing of Case No. 6493
hearing on 2-28 1929.
Richard L. Ham, Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED & NOTARIZED REPORTER
2020 Plaza El Solon (G-1) 471-4463
Santa Fe, New Mexico 87501

Dockets Nos. 29-79 and 31-79 are tentatively set for hearing on August 8 and 22, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - JULY 24, 1979

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

- CASE 6596:** Application of Harvey E. Yates Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Upper Pennsylvanian gas pool to be designated as the Southeast Indian Basin-Upper Pennsylvanian Gas Pool for its Southeast Indian Basin Well No. 1 located in Unit A of Section 23, Township 22 South, Range 23 East, and special pool rules therefor including 320-acre gas well spacing.
- CASE 6597:** Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Southeast Indian Basin Well No. 2, an Upper Pennsylvanian well to be drilled 660 feet from the North and West lines of Section 24, Township 22 South, Range 23 East, with the N/2 or all of said Section 24 to be dedicated to the well, depending on the outcome of Case No. 6596.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 25, 1979

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

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

CASE 6545: (Continued from June 27, 1979, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Corinne Grace, Travelers Indemnity Company, and all other interested parties to appear and show cause why the Kuklah Baby Well No. 1 located in Unit G of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

- CASE 6598:** Application of Gulf Oil Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Otero-Gallup and Basin-Dakota production in the wellbores of its Apache Federal Wells No. 8 located in Unit C of Section 8 and No. 9 located in Unit D of Section 17, both in Township 24 North, Range 5 West.
- CASE 6599:** Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fusselman and Montoya production, North Justis Field, in the wellbore of its W. A. Ramsay Well No. 4 located in Unit M of Section 36, Township 24 South, Range 37 East.
- CASE 6600:** 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 Morrow formation underlying the E/2 of Section 10, Township 16 South, Range 27 East, 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.
- CASE 6601:** Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Mississippian formations underlying the E/2 of Section 8, Township 14 South, Range 36 East, 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.
- CASE 6602:** Application of Tenneco Oil Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal 33 C No. 2 Well 1010 feet from the North line and 1710 feet from the West line of Section 33, Township 17 South, Range 29 East, South Empire-Wolfcamp Pool, the E/2 NW/4 of said Section 33 to be dedicated to the well.

CASE 6603: (This case will be continued to the August 8 hearing.)

Application of Canoco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Penrose Skelly and Eumont production in the wellbore of its Hawk B-1 Well No. 12 located in Unit O of Section 8, Township 21 South, Range 37 East.

CASE 6604: Application of Cities Service Company for rescission of Division Order No. R-5921, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of Order No. R-5921 which order provided for the compulsory pooling of all of the mineral interests in the Pennsylvanian formation underlying the S/2 of Section 8, Township 23 South, Range 28 East.

CASE 6605: Application of Estoril Producing Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 15, Township 20 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North and West lines of said Section 15. 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.

CASE 6564: (Continued and Readvertised)

Application of Herndon Oil & Gas Co. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its O. A. Woody Well No. 1 to be drilled 2310 feet from the North line and 330 feet from the West line of Section 35, Township 16 South, Range 38 East, Knowles-Devonian Pool.

CASE 6606: Application of Getty Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Yates formation in the open-hole interval from 3810 feet to 4169 feet in its State "AA" Well No. 1 located in Unit I of Section 35, Township 21 South, Range 34 East.

CASE 6607: Application of Getty Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Getty 36 State Well No. 1 located in Unit F of Section 36, Township 21 South, Range 34 East, to produce oil from the Wolfcamp formation and gas from the Morrow formation through parallel strings of tubing.

CASE 6608: Application of Getty Oil Company for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Getty 36 State Well No. 1 located in Unit F of Section 36, Township 21 South, Range 34 East, and special rules therefor, including 160-acre oil well spacing.

CASE 6609: Application of Napco Inc. for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn oil pool for its Benson Deep Unit Well No. 1 located in Unit O of Section 33, Township 18 South, Range 30 East, and special rules therefor, including 160-acre spacing and standard well locations.

CASE 6610: Application of Koch Industries, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Rustler formation through the perforated interval from 1190 feet to 1210 feet in its Wills "A" Well No. 7 located in Unit E of Section 35, Township 26 South, Range 37 East, Rhodes Field.

CASE 6611: Application of Cabot Corp. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the disposal of produced salt water in the Devonian formation through the perforated interval from 12,156 feet to 12,574 feet in its Reed Well No. 1 located in Unit H of Section 35, Township 13 South, Range 37 East, King Field.

CASE 6487: (Continued from May 23, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6471: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Freeman Well No. 1-A to be located in Unit C of Section 11, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6472: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Jenny Well No. 1-A to be located in Unit P of Section 13, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6473: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its McIntyre Well No. 1-A to be located in Unit K of Section 11, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6474: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Williams Well No. 1-A to be located in Unit C of Section 24, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6475: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Montoya Well No. 1-A to be located in Unit I of Section 35, Township 32 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6535: (Continued from June 13, 1979, Examiner Hearing)

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.

CASE 6579: (Continued from June 27, 1979, Examiner Hearing)

Application of R. N. Hillin for an unorthodox well location and approval of infill drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of a Morrow gas well at an unorthodox location 800 feet from the South line and 2000 feet from the East line of Section 34, Township 19 South, Range 28 East, is necessary to effectively and efficiently drain that portion of the E/2 of said Section 34 which cannot be so drained by the existing well.

CASE 6580: (Continued from June 27, 1979, Examiner Hearing) (This case will be continued to the August 22 hearing.)

Application of Continental Oil Company for a carbon dioxide injection project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a pilot carbon dioxide injection project in the Grayburg-San Andres formation in Units H and I of Section 20, Township 17 South, Range 32 East, Maljamar Pool, for tertiary recovery purposes.

CASE 6270: (Continued from July 11, 1979, Examiner Hearing)

In the matter of Case 6270 being reopened pursuant to the provisions of Order No. R-5771 which order created the South Peterson-Fusselman Pool, Roosevelt County, New Mexico, and provided for 80-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 6590: (Continued from July 11, 1979, Examiner Hearing)

Application of Grace Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Lots 9, 10, 15, and 16 and the SE/4 of Section 6, Township 21 South, Range 32 East, to be dedicated to a well to be drilled at an unorthodox location 4650 feet from the South line and 660 feet from the East line of said Section 6. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs 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.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
23 May 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Consolidated Oil & Gas, Inc.
for approval of infill drilling, Rio Arriba
County, New Mexico.

CASE
6472

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3928 Plaza Blanca (S.W.) 411-4403
Santa Fe, New Mexico 87501

1 MR. STAMETS: Will call next case 6472.

2 MR. PADILLA: Application of Consolidated
3 Oil & Gas, Inc. for approval of infill drilling, Rio
4 Arriba County, New Mexico.

5 MR. STAMETS: The Division has received and
6 will approve a request that this case be continued to
7 the July 25th Examiner Hearing.

8 (Hearing concluded.)
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (998) 471-3483
Santa Fe, New Mexico 87501

1 I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
 2 CERTIFY that the foregoing and attached Transcript of
 3 Hearing before the Oil Conservation Division was reported
 4 by me; that said transcript is a full, true, and correct
 5 record of the hearing, prepared by me to the best of my
 6 ability, knowledge, and skill, from my notes taken at the
 7 time of the hearing.

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 CERTIFIED SHORTHAND REPORTER
 2010 Plaza Blanca (66) 471-2462
 Santa Fe, New Mexico 87501

Sally W. Boyd CSE
 Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 6472
 heard by me on 5-23 1979.
Richard H. [Signature] Examiner
 Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
23 May 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Consolidated Oil & Gas, Inc.
for approval of infill drilling, Rio Arriba
County, New Mexico.

CASE
6472

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 First Street (S.W.) 471-2403
Santa Fe, New Mexico 87501

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MR. STAMETS: Will call next case 6472.

MR. PADILLA: Application of Consolidated
Oil & Gas, Inc. for approval of infill drilling, Rio
Arriba County, New Mexico.

MR. STAMETS: The Division has received and
will approve a request that this case be continued to
the July 25th Examiner Hearing.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2018 Plaza Blanca (888) 411-2403
Santa Fe, New Mexico 87501

1 I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY
2 CERTIFY that the foregoing and attached Transcript of
3 Hearing before the Oil Conservation Division was reported
4 by me; that said transcript is a full, true, and correct
5 record of the hearing, prepared by me to the best of my
6 ability, knowledge, and skill, from my notes taken at the
7 time of the hearing.

8
9
10 Sally W. Boyd, C.S.R.
11
12
13

14
15 I do hereby certify that the foregoing is
16 a complete record of the proceedings in
17 the Examiner hearing of Case No. _____,
18 heard by me on _____ 19 _____.

19
20 _____, Examiner
21 Oil Conservation Division
22
23
24
25

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CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SSE) 471-2452
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 February 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. CASE 6472

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant: W. THOMAS KELLAHIN, ESQ.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (S.W.) 411-4403
Santa Fe, New Mexico 87501

I N D E X

TRACY STOGNER

Direct Examination by Mr. Kellahin	3
Cross Examination by Mr. Stamets	11

E X H I B I T S

Applicant Exhibit One, Cross Section	4
Applicant Exhibit Two, Permit	5
Applicant Exhibit Three, Order R-5874	5
Applicant Exhibit Four, Document	7
Applicant Exhibit Five, Decline Curve	9
Applicant Exhibit Six, P/Z Plot	8
Applicant Exhibit Seven, Test Data	9
Applicant Exhibit Eight, Pressure Test	10

Exhibits admitted on page 11

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CERTIFIED SHORTHAND REPORTER
1020 Plaza Blanca (SOS) 411-4403
Santa Fe, New Mexico 87501

1 MR. STAMETS: We'll now call Case 6472.
2 Application of Consolidated Oil and Gas, Inc. for approval
3 of infill drilling, Rio Arriba County, New Mexico.

4 MR. KELLAHIN: Tom Kellahin, Santa Fe,
5 appearing on behalf of the applicant.

6 (Witness sworn.)

7
8 TRACY STOGNER

9 being called as a witness and having been duly sworn upon
10 his oath, testified as follows, to-wit:

11
12 DIRECT EXAMINATION

13 BY MR. KELLAHIN:

14 Q Would you please state your name and occu-
15 pation?

16 A My name is Tracy Stogner, S-T-O-G-N-E-R,
17 Petroleum Engineer by profession, Vice President of Oper-
18 ations for Consolidated Oil and Gas, Denver, Colorado.

19 Q Mr. Stogner, have you previously testified
20 before the Oil Conservation Division?

21 A I have.

22 Q And have your qualifications as an expert
23 been accepted and made a matter of record?

24 A They have.

25 MR. KELLAHIN: I tender Mr. Stogner as an

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (S.E.) 471-4462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (505) 471-2442
Santa Fe, New Mexico 87501

expert.

MR. STAMETS: He is considered qualified.

Q (Mr. Kellahin continuing.) Would you refer to what we've marked as Exhibit Number One and identify that?

A Exhibit A is a cross section with the subject well, the Jenny 1-A, in the center, or the center well of the 3-well cross section. This exhibit also contains a small portion of an area map showing the relative location of the three wells on this cross section.

The exhibit was prepared to demonstrate that the zones of porosity and permeability in the Dakota formation can be correlated over a broad area.

Q Let's look at the surface plat in the center of your exhibit and have you describe for me what proration unit it is that's assigned to the Jenny No. 1 Well.

A The Jenny No. 1 Well proration unit would be the east half of Section 13, Township 26 North, Range 4 West.

Q And the first well on that proration unit is the Jenny No. 1?

A The Jenny No. 1 will be the first well. It is a Mesaverde-Dakota dual.

Q Your infill well is which one?

1 A The infill well in this case is the Jenny
2 1-A, which is the southeast of the southeast of Section
3 13.

4 Q And that well's been drilled?

5 A It has been drilled and completed.

6 Q When was it spudded, do you know?

7 A The exact date I'm not sure of. It was in
8 April of '78.

9 Q Please refer to Exhibit Number Two and will
10 you identify that?

11 A Exhibit Two is in two pieces, or it is the
12 application for permit to drill, and again, we intended
13 to dually complete the Mesaverde and the Dakota in the
14 Jenny 1-A. The second part of Exhibit B is the plat
15 showing the location of the proposed well and the proration
16 unit outline.

17 Q Look at Exhibit Number Three and have you
18 identify that for me.

19 A Exhibit Number Three is an R-5874 order,
20 issued 30th of November, 1978, allowing Consolidated to
21 dually complete the Jenny 1-A in the Mesaverde and Dakota,
22 and this order also extends the vertical limits of the
23 Dakota formation to include the Greenhorn formation.

24 Q With regards to Order No. R-5874, Mr.
25 Examiner, we would like you to take administrative notice

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (908) 471-4462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
222 Plaza Blanca (SOS) 471-2482
Santa Fe, New Mexico 87501

1 of two items that appear in the transcript and file of
2 that particular case, the first of which is Consolidated
3 Oil and Gas' application for that hearing, dated June 6,
4 1978, and gives the last paragraph on the second page of
5 their application, which indicates they are requesting
6 approval for the dual completion and the downhole commingling
7 for this particular well to prevent waste, protect correla-
8 tive rights, and which in their opinion will result in the
9 ultimate recovery of gas and liquid hydrocarbons that
10 would not otherwise be recovered.

11 Then in addition the transcript of that
12 hearing shows testimony introduced at that hearing and an
13 expert opinion elicited on page seven, I believe it is,
14 in which the question was asked, and will the dual com-
15 pletion of this well enable you to recover gas that would
16 not otherwise be recovered, and the answer goes on to say,
17 that's correct, and the testimony continues, and make
18 specific reference at least to that particular page of
19 the testimony of that transcript.

20 MR. STAMETS: It might be well to Xerox a
21 copy of that page and add that to the exhibits.

22 MR. KELLAHIN: With your permission we'll
23 do that subsequent to the hearing.

24 MR. STAMETS: That's fine.

25 Mr. Kellahin, will you mark that page of the

1 transcript as Exhibit Three-A?

2 MR. KELLAHIN: Be happy to.

3 MR. STAMETS: Thank you.

4 Q (Mr. Kellahin continuing.) Mr. Stogner,
5 would you please refer to what we've marked as Exhibit
6 Number Four, identify it, and explain what information it
7 contains?

8 A Exhibit Four would be basic calculations
9 of reserves, ultimate recovery, original gas in place for
10 the Jenny 1-A. I would refer back to our first exhibit
11 and you'll notice the well to the far right is a Jerome
12 P. McHugh well, which we do not have all of the information,
13 especially the P/Z plot.

14 Our Exhibit Number Four lists the production
15 for the year 1978 from this well as 52 MMCF.

16 MR. STAMETS: Okay, now I've got a small
17 problem there. At the top it says Jenny 1-A and then
18 immediately below that it says Jenny No. 1.

19 A Okay, the calculations are for the Jenny
20 No. 1, the original well. We purposely avoided making
21 calculations on the Jenny 1-A Well, since it was -- well,
22 we were trying to present data that would allow you to
23 enter an order on information available prior to our
24 drilling the well. In other words, this is the information
25 we had prior to drilling the well and were some of the con-

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (SOS) 471-4663
Santa Fe, New Mexico 87501

1 siderations we used to justify going to the Dakota with
2 the Jenny 1-A Well.

3 You're right, the calculations are for the
4 Jenny No. 1.

5 Q Okay, and what do they show?

6 A Okay. The ultimate recovery based on the
7 P/Z plot, which would be Exhibit Number Six, indicate that
8 we would ultimately recover 1.34 billion cubic feet of
9 natural gas. Our original gas in place, based on volu-
10 metric calculations, using a net pay of 15 feet, porosity
11 of 11 percent, water saturation 25 percent, it indicated
12 original gas in place 2.677 Bcf, would be simple division,
13 the ultimate recovery from this well, dividing by the gas
14 in place gives us a 50 percent recovery efficiency, which
15 equates to 160 acres of drainage. I might add that the
16 P/Z ultimate recovery number was obtained carrying the P/Z
17 plot with abandonment pressure of 75 pounds, which is pro-
18 bably not too realistic.

19 Q Is it too optimistic?

20 A That is -- it would be optimistic.

21 Q All right, please continue.

22 A If we would assume an 80 percent recovery
23 efficiency for this 320-acre proration unit, we estimate
24 that 802 MMCF of gas would not be recovered out of the
25 Jenny No. 1 and the Jenny No. 1-A would be necessary to

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Alamosa (505) 471-2442
Santa Fe, New Mexico 87501

1 recover this additional reserve.

2 Q Where did the 80 percent recovery figure
3 come from?

4 A This is a customary -- or a practice that
5 we use where we don't know what the ultimate recovery ef-
6 ficiency will be. It's something we use in calculating
7 reserves. We do have cases that the recovery efficiency
8 is better than 80 percent but 80 percent is a good number,
9 as far as we're concerned.

10 Q Please refer to Exhibit Number Five and
11 identify that.

12 A Exhibit Number Five is a simple decline
13 curve, the daily rate, Mcf per day versus years. As you
14 can see, the Jenny No. 1 -- again, this is for the Jenny
15 No. 1 -- performance is flat with little or no decline.

16 Q Okay, Exhibit Number Six?

17 A Exhibit Number Six is our P/Z plot, which
18 plots the pressure formation volume factor by -- against
19 the cumulative gas recovery, extrapolating that to an
20 abandonment pressure of 75 pounds, we estimated 1.3 billion
21 ultimate recovery from the Jenny No. 1.

22 Q Okay, Exhibit Number Seven?

23 A Exhibit Number Seven is open flow test data.
24 This is for the Jenny No. 1. It shows a shut-in tubing
25 pressure, original shut-in tubing pressure, of 2347. This

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (955) 471-4443
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (905) 471-4403
Santa Fe, New Mexico 87501

1 exhibit was included when I thought I had the shut-in
2 pressure for the Jenny No. 1-A. After searching the re-
3 cords, I don't have that information available. I did
4 hope to demonstrate that we found near virgin pressure in
5 the Jenny 1-A.

6 Q Okay, and what's Exhibit --

7 A I can't remember it. It's simply the multi-
8 point pressure test for the Dakota Zone in the Jenny 1-A.

9 MR. STAMETS: Now that shows a tubing pres-
10 sure of how many pounds there?

11 A Shut-in tubing pressure 1245 psi.

12 MR. STAMETS: Okay. Is that virgin pressure
13 in the Dakota zone?

14 A No. I was hoping to have bottom hole pres-
15 sure, anticipating that the fluid level of water in the
16 tubing would give us substantially better pressure, pres-
17 sure closer to the original.

18 MR. STAMETS: How does that figure compare
19 to the pressure in the No. 1?

20 A The current pressure?

21 MR. STAMETS: Yes.

22 A The last 7-day shut-in we had on the Jenny
23 No. 1 would indicate a 7-day shut-in pressure of approxi-
24 mately 650 pounds.

25 Q With the exception of the Commission order,

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3010 Palm Bluffs (888) 471-3463
Santa Fe, New Mexico 87501

1 were Exhibit One through Eight compiled and submitted under
2 your direction and supervision?

3 A Yes.

4 MR. KELLAMIN: We move the introduction of
5 Exhibits One through Eight.

6 MR. STAMETS: These exhibits will be ad-
7 mitted.

8
9 CROSS EXAMINATION

10 BY MR. STAMETS:

11 Q When you -- how long has the Jenny 1-A
12 been completed?

13 A The potential tests on the Dakota was run
14 2-5-79. We actually drilled the well in April of '78, but
15 due to scheduling problems, we were unable to get on the
16 well and complete it until December of '78.

17 Q Has the well been connected?

18 A No, sir.

19 Q Okay, so you have no production history.

20 A We have no production history.

21 Q This pressure that you have reported here
22 on the one-point test, though, seems to verify what you
23 said at the original hearing, that you would recover more
24 gas in that you found closer to virgin reservoir pressures
25 in the second well.

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CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (666) 471-2462
Santa Fe, New Mexico 87501

1 A Yes.

2 Q In the original hearing did you testify as
3 to the nature of the Dakota reservoir, whether it was tight,
4 uniform, discontinuous?

5 A Without having read the testimony I would
6 say no, I did not testify to that fact at that hearing.

7 Q Okay. You did testify in the original
8 hearing?

9 A Yes.

10 Q Okay, when you testified that additional --
11 that waste would be prevented, was your testimony based on
12 additional recovery from the proration unit?

13 A Yes, sir.

14 Q And what was the basis of that testimony
15 in your mind at that time?

16 A At that time the P/Z plot, the ultimate
17 recovery and the drainage that we show on our exhibit here
18 today were the factors. While it was not presented at
19 that hearing, these were the facts that we --

20 Q Okay. Is the condition that you have de-
21 scribed here for the Jenny No. 1 Well and unusual condition
22 in the Basin Dakota Pool or is this just standard condition?

23 A I could show you calculations where we get
24 as low as 7 percent recovery efficiency. Reservoirs pres-
25 sures in recent Dakota wells that is higher than the orig-

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3020 Plaza Blanca (S.B.) 471-9463
Santa Fe, New Mexico 87501

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inal well. Unfortunately, I cannot --- these are cases that have been continued.

Yes, the pattern of 50 percent recovery efficiency based on these calculations is pretty much standard in every case that we have observed; that the Dakota is not draining 320-acre proration units.

Q So you would say that that is a condition you have found in completing the Jenny No. 1-A to --

A That is a condition that we observed.

MR. STAMETS: Any other questions of the witness?

MR. KELLAHIN: No, sir.

MR. STAMETS: He may be excused.

This case will be taken under advisement.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a court reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

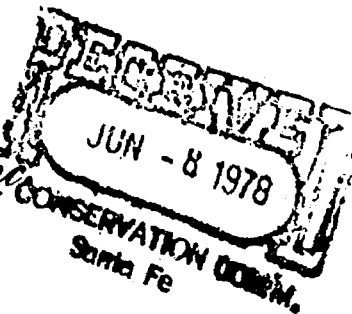
I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's hearing No. 6473 heard by me on 7-28-19-22.
Richard L. Ham, Examiner
 Oil Conservation Division

SALLY WALTON BOYD
 CERTIFIED SHORTHAND REPORTER
 20201 Main Branch (GPO) 411-4662
 Santa Fe, New Mexico 87501



LINCOLN TOWER BUILDING
1860 LINCOLN STREET
DENVER, COLORADO 80205
(303) 861-5252

Consolidated Oil & Gas, Inc.



June 6, 1978

Case 6278

Mr. J. D. Ramey,
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application to Dually
Complete Jenney No. 1-A
and to Downhole Commingle
the Basin-Dakota and Greenhorn
Formations' Production in the
Lower Completion
SE SE Section 13, T26N, R4W
Rio Arriba County, New Mexico

Dear Mr. Ramey:

Consolidated Oil & Gas, Inc., hereby makes application for a hearing to consider the following in the completion of the above referenced well:

1. To dually complete the well with the Blanco-Mesaverde formation in the upper completion and the Basin-Dakota in the lower completion;
2. To downhole commingle the Basin-Dakota and Greenhorn formations in the lower completion.

In reference to the request for multiple completion, we have enclosed a completed Form C-107, an acreage dedication plat and a plat showing offset operators to this half section. In addition, a copy of the Compensated Formation Density Log and a diagrammatic sketch of the proposed multiple completion are attached.

In support of the second request, to downhole commingle the Greenhorn and Basin-Dakota, we list the following factors for the Commission to consider:

J. D. Ramey
June 6, 1978
Page 2

1. There is no known production from the Greenhorn formation in the offsetting sections.
2. Net pay in the Greenhorn is approximately five feet in a highly laminated sand-shale sequence. Therefore, it is deemed economically unfeasible to complete this sequence separately.
3. The pay section in either the Basin-Dakota or Greenhorn would not economically justify drilling a second well to recover reserves in either formation.
4. Downhole commingling and dual completion of this well as requested will serve the interest of conservation, prevent waste, protect correlative rights and result in the ultimate recovery of gas and liquid hydrocarbons that would not otherwise be recovered.

Your prompt attention to this matter will be greatly appreciated. Should there be any questions regarding this matter, please contact me at the above address or phone (303) 861-5252.

Very truly yours,

CONSOLIDATED OIL & GAS, INC.



C. M. Parham
Senior Production Engineer

CMP:sm
Enclosures

-2-
Case No. 6278
Order No. R-5874

IT IS THEREFORE ORDERED:

(1) That the applicant, Consolidated Oil & Gas, Inc., is hereby authorized to complete its Jenney Well No. 1-A, located in Unit P of Section 13, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, as a dual completion (conventional) to produce gas from the Blanco Mesaverde Pool and the Basin-Dakota Pool through parallel strings of tubing with separation of the zones to be achieved by means of a packer set at approximately 7800 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for prorated gas pools in Northwest New Mexico.

(2) That the application to commingle gas production from the Greenhorn and Dakota formations in the wellbore of said Jenney Well No. 1 is hereby dismissed.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

S E A L

fd/

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. _____
CASE NO. _____
Submitted by _____
Hearing Date _____

EXHIBIT "C"

CASE 6559: Application of Roy L. McKay for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for his Norton Solid State Unit Area, comprising 1,480 acres, more or less, of State lands in Township 15 South, Range 36 East.

CASE 6487: (Continued from February 28, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6471: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Freeman Well No. 1-A to be located in Unit C of Section 11, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6472: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Jenny Well No. 1-A to be located in Unit P of Section 13, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6473: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its McIntyre Well No. 1-A to be located in Unit K of Section 11, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6474: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Williams Well No. 1-A to be located in Unit C of Section 24, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6475: (Continued from February 28, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Montoya Well No. 1-A to be located in Unit I of Section 35, Township 32 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

DOCKET: COMMISSION HEARING - TUESDAY - MAY 29, 1979

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6557: Application of Getty Oil Company for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new Morrow gas pool for its State 35 Well No. 1 located in Unit K of Section 35, Township 21 South, Range 34 East, and its Getty Two State Well No. 1 located in Unit F of Section 2, Township 22 South, Range 34 East, and for promulgation of special pool rules, including provision for 640-acre gas well spacing.

CASE 6497: (DE NOVO)

Application of Llano, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be located 1650 feet from the South line and 660 feet from the East line of Section 34, Township 21 South, Range 34 East, Grama Ridge-Morrow Gas Pool, the E/2 of said Section 34 to be dedicated to the well.

Upon application of Getty Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6558: Application of Llano, Inc. for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the E/2 of Section 34, Township 21 South, Range 34 East, to be dedicated to its Llano 34 State Com Well No. 1 located in Unit I of said Section 34.

Dockets Nos. 23-79 and 24-79 are tentatively set for hearing on June 13 and 27, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 23, 1979.

9 A.M. - OIL CONSERVATION DIVISION 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:

- CASE 6545:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Corinne Grace, Travelers Indemnity Company, and all other interested parties to appear and show cause why the Kuklah Baby Well No. 1 located in Unit G of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6422:** (Continued from February 28, 1979, Examiner Hearing)
- In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Helton Engineering & Geological Services, Inc., Travelers Indemnity Company, and all other interested parties to appear and show cause why the Brent Well No. 1 located in Unit M of Section 29 and the Brent Well No. 3 located in Unit G of Section 19, both in Township 13 North, Range 6 East, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6546:** Application of Black River Corporation for compulsory pooling and non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the SW/4 of Section 32, Township 23 South, Range 37 East, to form a 160-acre non-standard gas proration unit 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.
- CASE 6536:** (Continued from May 9, 1979, Examiner Hearing)
- Application of Black River Corporation for two non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two 80-acre non-standard gas proration units in the Jalmat Gas Pool as follows: the N/2 SE/4 of Section 22, Township 23 South, Range 36 East, to be dedicated to applicant's well to be drilled in Unit J of said Section 22; and the S/2 SE/4 of said Section 22 to be dedicated to El Paso Natural Gas Company's Shell State Well No. 3 located in Unit P.
- CASE 6535:** (Continued from May 9, 1979, Examiner Hearing)
- Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.
- CASE 6547:** Application of American Petrofina Company of Texas for the creation of a waterflood buffer zone, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a waterflood buffer zone comprising the NE/4 SE/4 of Section 26, Township 17 South, Range 32 East, Maljamar Grayburg-San Andres Pool, to enable applicant to produce its Johns B Well No. 4 located thereon at an unrestricted rate.
- CASE 6548:** Application of John F. Staver for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Dakota formation through the open hole interval from 1408 feet to 1412 feet in his Table Mesa Well No. 22 located in Unit N and from 1394 feet to 1400 feet in his Table Mesa Well No. 23 located in Unit O, both in Section 34, Township 28 North, Range 17 West, Table Mesa-Dakota Oil Pool.
- CASE 6549:** Application of Gulf Oil Corporation for pool creation, discovery allowable, and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new Bone Springs oil pool for its Lea "YH" State Well No. 1 located in Unit O of Section 25, Township 18 South, Range 34 East. Applicant also seeks a discovery allowable and promulgation of special pool rules, including a provision for 80-acre spacing.

- CASE 6550: Application of Yates Petroleum Corporation for an unorthodox gas well location and compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Mississippian formations underlying the S/2 of Section 12, Township 19 South, Range 24 East, to be dedicated to its Allison Federal "CQ" Well No. 2 to be drilled at an unorthodox location 1980 feet from the South line and 660 feet from the West line of said Section 12. 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.
- CASE 6492: (Continued from May 9, 1979, Examiner Hearing)
- Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NW/4 of Section 13, Township 17 South, Range 25 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.
- CASE 6551: Application of Bass Enterprises Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox Lower Morrow gas well location 1980 feet from the North line and 660 feet from the East line of Section 1, Township 19 South, Range 28 East, the N/2 of said Section 1 to be dedicated to the well.
- CASE 6528: (Continued from April 25, 1979, Examiner Hearing)
- Application of Bass Enterprises Production Co. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox Morrow test well location to be drilled 660 feet from the North and West lines of Section 10, Township 21 South, Range 32 East, Lea County, New Mexico, the W/2 of said Section 10 to be dedicated to the well.
- CASE 6552: Application of Maddox Energy Corporation 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 the E/2 of Section 3, Township 24 South, Range 28 East, 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.
- CASE 6553: Application of The Atlantic Richfield Company for approval of infill drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Division waived existing well-spacing requirements and found that the drilling of additional wells was necessary to effectively and efficiently drain those portions of the proration units in the Empire Abo Unit located in Townships 17 and 18 South, Ranges 27, 28 and 29 East, which could not be so drained by the existing wells.
- CASE 6554: Application of The Atlantic Richfield Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all royalty interests in the Devonian, McKee, and Ellenburger formations underlying the E/2 of Section 20, Township 22 South, Range 36 East, Langlie Field, to be dedicated to a well to be drilled at a standard location thereon.
- CASE 6555: Application of Jake L. Hamon for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox location 660 feet from the North line and 560 feet from the East line of Section 30, Township 20 South, Range 36 East, North Osudo-Morrow Gas Pool, all of said Section 30 to be dedicated to the well.
- CASE 6556: Application of Curtis Little for the amendment of Order No. R-5962, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5962 to provide for the unorthodox location of a well to be drilled 1000 feet from the South line and 50 feet from the East line of Section 11, Township 28 North, Range 12 West, Basin-Dakota Pool, and for the extension of the date to commence drilling.
- CASE 6435: (Continued from February 28, 1979, Examiner Hearing)
- Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its W. A. Weir "B" Well No. 3 located in Unit B of Section 26, Township 19 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.

Form 9-331
(May 1963)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	5. LEASE DESIGNATION AND SERIAL NO. Contract #105
2. NAME OF OPERATOR Consolidated Oil & Gas, Inc.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME Jicarilla Apache
3. ADDRESS OF OPERATOR 1860 Lincoln Street, Lincoln Tower Bldg., Denver CO 80295	7. UNIT AGREEMENT NAME Jenny
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 990' FSL & 790' FEL	8. FIELD OR LEASE NAME 1-A
14. PERMIT NO.	9. WELL NO. 10. FIELD AND POOL, OR WILDCAT Blanco Mesaverde/Basin Dakota
15. ELEVATIONS (Show whether DF, AT, GR, etc.) 7085' GR	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 13, T26N, R4W, NMPM
	12. COUNTY OR PARISH Rio Arriba
	13. STATE New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input checked="" type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	
(Other) <input type="checkbox"/>			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Consolidated Oil & Gas, Inc., proposes to dually complete in the Basin Dakota and Blanco Mesaverde formations. Estimate to begin work about 10-1-78.

1. Perforate 7988'-8090' (Basin Dakota), acidize w/15% H Cl and frac w/gelled 2% K Cl water and 20/40 sand.
2. Flow well to clean up.
3. Set production packer w/knockout plug in place @ \pm 7800'. Test packer and casing to 3000#.
4. Perforate Mesaverde zone (5920'-6056'), acidize w/15% H Cl and frac w/3% gelled H Cl acid and 20/40 sand, tailed w/10/20 sand.
5. Flow well to clean up.
6. Run 1-1/2" 2.90# V-55 Production tubing for Dakota zone. Sting into packer, knock out plug and hang off tubing.
7. Run 1-1/2" 2.90# V-55 production tubing for Mesaverde zone and hang off tubing. NU dual X-mas tree and test same.
8. Run required potential test for each zone.

There will be no additional surface disturbance caused by this dual completion

NOTE: As shown on the attached acreage dedication plat, the 320 acres of this Dakota proration unit will be jointly dedicated to both the Jenny No. 1 & Jenny No. 1-A and a single allowable based on the best deliverability of the two wells will be produced from the two wells.

18. I hereby certify that the foregoing is true and correct

SIGNED

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY

BEFORE EXAMINER Senior Production Engr. DATE Sept. 18, 1978

OIL CONSERVATION DIVISION

EXHIBIT NO. 2

Submitted by

Hearing Date

*See Instructions on Reverse Side

EXHIBIT "B"

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6278
Order No. R-5874

APPLICATION OF CONSOLIDATED OIL & GAS, INC.
FOR A DUAL COMPLETION AND DOWNHOLE COMMINGLING,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 19, 1978,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of November, 1978, the Division
Director, 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 Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Consolidated Oil & Gas, Inc.,
seeks authority to complete its Jenney Well No. 1-A, located
in Unit P of Section 13, Township 26 North, Range 4 West, NMPM,
Rio Arriba County, New Mexico, as a dual completion (conventional)
to produce gas from the Blanco Mesaverde Pool and the Basin-
Dakota Pool and to commingle Greenhorn gas production with the
aforesaid Dakota production in said well.

(3) That the portion of the subject application dealing
with the downhole commingling of Greenhorn and Dakota production
should be dismissed.

(4) That the mechanics of the proposed dual completion
are feasible and in accord with good conservation practices.

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

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 3
CASE NO. 6472
Submitted by _____
Hearing Date _____

EXHIBIT "C"

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
19 July 1978

6472

Ex 3a

EXAMINER HEARING

IN THE MATTER OF:

Application of Consolidated Oil
& Gas, Inc., for a dual comple-
tion and downhole commingling,
Rio Arriba County, New Mexico.

CASE 6278

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87501

For the Applicant:

Jason Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
Santa Fe, New Mexico 87501

75C Bureau's Land Office - Santa Fe, New Mexico 87501

in the Mesaverde and the Greenhorn-Dakota.

Q Now, is this completion identical to the completion that was approved for the Jenny No. 1?

A That's correct.

Q And it's a conventional type dual completion?

A It's a conventional dual completion with one string suspended, which will be the Mesaverde. The permanent packer, the lower zone producing from underneath the permanent packer.

Q And will that prevent the communication between the two zones?

A This completion will prevent migration or communication as long as we don't have a hole in the tubing.

Q And will the dual completion of this well enable you to recover gas that would not otherwise be recovered?

A That's correct.

Q Now, turning to what has been marked as Exhibit Number Five, would you identify that exhibit, please?

A Exhibit Number Five is an area map showing our proposed location and the -- on the righthand margin of the exhibit, and the two known Greenhorn wells within about a 24-mile area; the nearest being 18 miles to the west, which is the Caulkins Company Breech No. PMD-224.

The BCO, Incorporated, Dunn No. 2 is located

24012 50' NEW MEXICO 51201
731 Bishop's Lodge Road • Phone (505) 988-3404
Santa Fe, New Mexico 87501

*Calcs for
original
well*

JENNY #1-A

Jenny #1 - Production 1978=52,761 Mcf
Cum Production to 10/78=812,666 Mcf
P/Z Ultimate Recovery=1340 MMcf
Remaining Reserves=527,334 Mcf or 10 years

Original Gas in Place = 2677 MMcf (h-15', ϕ =11%, SW-25%)

Recovery Efficiency= $\frac{1340}{2677}$ =50% or 160 acres

Assuming 80% recovery efficiency for 320 acres
.8 x 2677-1340=802. MMcf

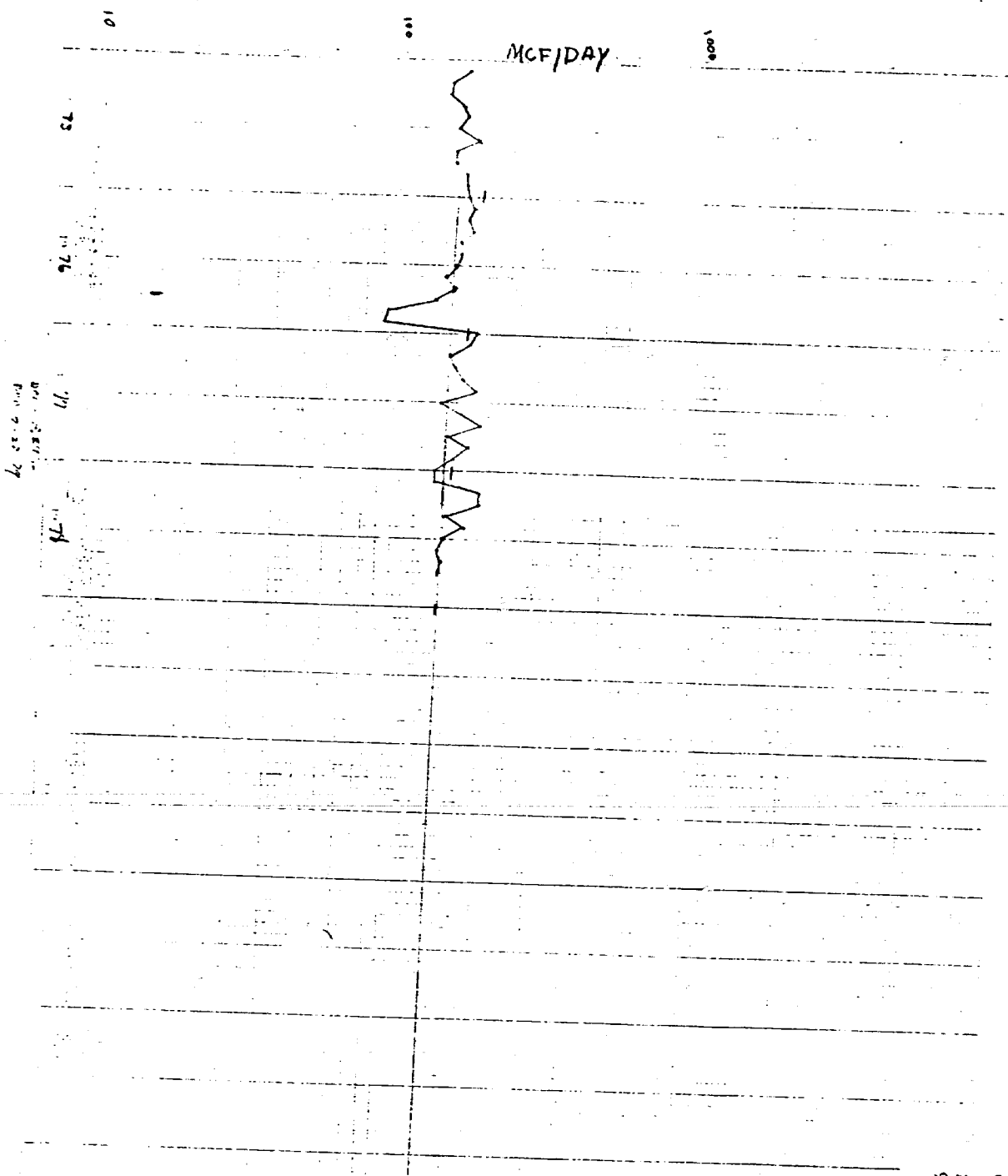
Estimated Recovery for Jenny #1-A=802 MMcf

*to abandonment
press 76
75-#
applicable*

*loss from unit
if 1A not added.*

BEFORE EXAMINER STAMETS OIL CONSERVATION DIVISION	
EXHIBIT NO.	<u>4</u>
CASE NO.	<u>6472</u>
Submitted by	_____
Hearing Date	_____

EXHIBIT D



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 5
CASE NO. 6472
Submitted by _____
Hearing Date _____

CONSOLIDATED OIL & GAS, INC.
1 1 56 082 2405 Jenny
99 0.20000000

EXHIBIT F

OPEN FLOW TEST DATA

DATE September 10, 1965

Operator Consolidated Oil & Gas Inc.		Lease Jenney #1	
Location Sec 13, Twn 26 North R-4 West 800' ENL 1840EL		County Rio Arriba	State New Mexico
Formation Basin Dakota		Pool Dakota (Basin)	
Casing: Diameter 4 1/2"	Set At: Feet 8032	Tubing: Diameter 1 1/2" IJ	Set At: Feet 7654
Pay Zone: From 7750	To 8000	Total Depth: 8030	
Stimulation Method Sand & Water Frac.		Flow Through Casing	Flow Through Tubing XX

Choke Size, Inches 3/4"		Choke Constant: C 14,1605			
Shut-In Pressure, Casing, PSIG 60	- 12 = PSIA	Days Shut-In 7	Shut-In Pressure, Tubing, PSIG 2347	- 12 = PSIA	2359
Flowing Pressure: P 60	- 12 = PSIA	72	Working Pressure: P _w , PSIG	- 12 = PSIA	
Temperature: T 55	°F	n = 75	F _{pv} (From Tables) 1.013	Gravity .60 est.	

CHOKE VOLUME = Q = C × P_i × F_i × F_g × F_{pv}

$$Q = 14,1605 \times 72 \times 1.0043 \times 1.000 \times 1.013 = 1038 \text{ MCF/D}$$

$$\text{OPEN FLOW: } Aof = Q \left(\frac{P_c^2}{P_c^2 - P_w^2} \right)^n$$

This well was making heavy amounts of water. The well would test better if it was cleaned up 24 hours. This is a much better well than this test indicates.

$$Aof = \left(\frac{P_c^2}{P_c^2 - P_w^2} \right)^n$$

Aof _____ MCF D

TESTED BY John Walker

WITNESSED BY A.A. Frater

CC: Rudy Motto S.U.G.
Wayne Rogers C.O.G.
Bruno Giovannini S.U.G.
Mr. Oran Haseltine C.U.G.

BEFORE EXAMINER STATES
OIL CONSERVATION DIVISION

EXHIBIT NO. 7

CASE NO. 6472

Submitted by _____

Hearing Date _____

Clyde Phillips

Production Foreman

EXHIBIT "G"

MEXICO OIL CONSERVATION COMMISSION
MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Form C-122
 Revised 9-1-65

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special		Test Date 2-5-79	
Company Consolidated Oil & Gas Inc.		Connection	
Pool Basin Dakota		Formation DAKOTA	
Completion Date	Total Depth	Plug Back TD 8100	Elevation
Csg. Size 5 1/2"	Wt. d	Set At 8110	Perforations From 7946 To 7960
Thg. Size 1 1/2"	Wt. d	Set At 7922	Perforations From To
Type Well - Single - Brdenhead - G.C. or G.O. Multiple DUAL GAS		Packer Set At 7878	County Rio Arriba
Producing Thru 7829	Reservoir Temp. °F 9	Mean Annual Temp. °F	State NEW MEXICO
L	H	Gg 1650	% CO ₂ % N ₂ % H ₂ S Prover X

FLOW DATA						TUBING DATA		CASING DATA		Duration of Flow
NO.	Prover Line Size	Orifice Size	Press. p.s.i.g.	Diff. hw	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	Temp. °F	
SI	CHLTD 15" 1500					1295		Pre		
1.	2" x 3/4"					35	60			3 HRS
2.										
3.										
4.										
5.										

RATE OF FLOW CALCULATIONS							
NO.	Coefficient (24 Hour)	$\sqrt{P_w F_m}$	Pressure P _m	Flow Temp. Factor Ft	Gravity Factor Fg	Super. Compress. Factor, F _{sp}	Result
1	9.453		47	1.000	1.240	1.630	551
2.							
3.							
4.							
5.							

NO.	P _i	Temp. °R	T _i	Z	Gas Liquid Hydrocarbon Ratio	A.P.I. Gravity of Liquid Hydrocarbons	Specific Gravity Separator Gas	Specific Gravity Flowing Fluid	Critical Pressure	Critical Temperature
1.								XXXXXXX		
2.										
3.										
4.										
5.										

$P_i = 1347$ $P_w^2 = 1706249$		$(1) \frac{P_i^2}{P_i^2 - P_w^2} = 1.0115$		$(2) \left[\frac{P_i^2}{P_i^2 - P_w^2} \right]^n = 1.0121$	
NO.	P _i ²	P _w ²	P _w ²	P _i ² - P _w ²	
1			37376	1680871	
2					
3					
4					
5					

BEFORE EXAMINATION OIL CONCERN		CASE NO. 558 (6472)		Meid e 15:025	Angle of Slope 0	Slope, n 72
Absolute Open Flow						
Remarks: Submitted by						
Hearing Date						
Approved By Commission		Conducted By		Calculated By NAIL TEFELLEN		Checked By

EXHIBIT 12

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACERAGE DEDICATION PLAT**

All distances must be from the outer boundaries of the Section

Operator CONSOLIDATED OIL AND GAS, INC.			Lease JENNY		Well No. 1 - A
Unit Letter: P	Section 13	Township 26 NORTH	Range 4 WEST	County RIO ARRIBA	
Actual Footage Location of Well: 990 feet from the SOUTH line and 790 feet from the EAST line					
Ground Level Elev. 7085	Producing Formation Mesaverde-Gallup		Pool Blanco Mesaverde - Gallup	Dedicated Acreage: 320	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 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.

BEFORE EXAMINER STATES
OIL CONSERVATION DIVISION
EXHIBIT NO. _____
CASE NO. _____
Submitted by _____
Hearing Date _____

SCALE - 1 INCHES EQUALS 1 MILE

SAN JUAN ENGINEERING COMPANY, FARMINGTON, N. M.

CERTIFICATION

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

O.B. Whitenburg
Name

O.B. Whitenburg

Position

Sr. Drilling Engineer

Company

Consolidated Oil & Gas

Date

10/6/77

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

14 September 1977

Date Surveyed

James P. Leese
Registered Professional Engineer
and/or Land Surveyor **James P. Leese**

Certificate No. **1463**

EXHIBIT "B"

Dockets Nos. 9-79 and 10-79 are tentatively set for hearing on March 14 and 28, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

Docket No. 7-79

DOCKET: COMMISSION HEARING - FRIDAY - FEBRUARY 23, 1979

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6461: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Mayor Eddie Armenta, the Village of Jemez Springs, and all other interested parties to appear and show cause why the Jemez Well No. 1 located in Unit A of Section 26, Township 18 North, Range 2 East, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

Docket No. 8-79

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 28, 1979

9 A.M. - OIL CONSERVATION DIVISION 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:

CASE 6422: (Continued from January 31, 1979, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Helton Engineering & Geological Services, Inc., Travelers Indemnity Company, and all other interested parties to appear and show cause why the Brent Well No. 1 located in Unit M of Section 29 and the Brent Well No. 3 located in Unit G of Section 19, both in Township 13 North, Range 6 East, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6434: (Continued from January 31, 1979, Examiner Hearing)

Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its State "O" Well No. 5 to be located in Unit H of Section 30, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.

CASE 6435: (Continued from February 14, 1979, Examiner Hearing)

Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its W. A. Weir "B" Well No. 3 located in Unit D of Section 26, Township 19 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.

CASE 6436: (Continued from January 31, 1979, Examiner Hearing)

Application of Amerada Hess Corporation for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its State "U" Gas Com Well No. 2 to be located in Unit C of Section 32, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well, and further seeks approval of a waiver of existing well-spacing requirements.

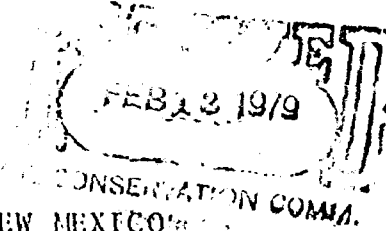
CASE 6462: Application of McClellan Oil Corporation for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Marlissue State Well No. 3 to be located 1155 feet from the North line and 1485 feet from the West line of Section 24, Township 14 South, Range 29 East, Double "L" Queen Associated Pool, Chaves County, New Mexico, the NE/4 NW/4 of said Section 24 to be dedicated to the well.

CASE 6463: Application of Orville Slaughter for pool and lease commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Oswell-Farmington Pool production from his Sangre de Cristo Well No. 1 with undesignated Fruitland production from his Sangre de Cristo Well No. 2, both located in Unit D of Section 34, Township 30 North, Range 11 West, San Juan County, New Mexico.

- CASE 6464: Application of Dallas McCasland for clarification of Orders Nos. R-2789 and R-2794, Lea County, New Mexico. Applicant, in the above-styled cause, seeks clarification of Orders Nos. R-2789 and R-2794 to determine what formations have been unitized and what formations are subject to a waterflood project under the South Penrose-Skelly Unit, Sections 6 and 7, Township 22 South, Range 37 East, Lea County, New Mexico, and of the vertical limits of the Eumont and Penrose-Skelly Pools in said sections.
- CASE 6465: Application of Getty Oil Company for an unorthodox well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the SE/4 of Section 31, Township 24 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to its J. W. Sherrell Well No. 9 located 2250 feet from the South line and 1650 feet from the East line of said Section 31.
- CASE 6466: Application of Getty Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its State 35 Well No. 1 located in Unit K of Section 35, Township 21 South, Range 34 East, Lea County, New Mexico, to produce oil from an undesignated Wolfcamp pool and gas from the Grama Ridge-Morrow Gas Pool through parallel strings of tubing.
- CASE 6467: Application of Getty Oil Company for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new oil pool in the Wolfcamp formation for its State 35 Well No. 1 located in Unit K of Section 35, Township 21 South, Range 34 East, Lea County, New Mexico, and for promulgation of special pool rules, including provision for 160-acre spacing.
- CASE 6468: Application of Dome Petroleum Corporation for an exception to Order No. R-1069, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 2 of Order No. R-1069, as amended, for the Bisti-Lower Gallup Oil Pool to approve the following 13 non-standard proration units: the W/2 NW/4, W/2 NE/4, E/2 SW/4, and the E/2 SE/4 of Sections 3, 4, and 9, and the W/2 NW/4 of Section 10, all in Township 26 North, Range 14 West, San Juan County, New Mexico.
- CASE 6469: Application of Continental Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Fed. 34 Well No. 1 located in Unit M of Section 34, Township 20 South, Range 26 East, Eddy County, New Mexico, to produce gas from the Springs-Upper Pennsylvanian Pool and an undesignated Morrow pool through parallel strings of tubing.
- CASE 6470: Application of Phillips Petroleum Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements to permit an infill drilling program in its East Vacuum Unit Area, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, and a finding that such infill wells are necessary to effectively and efficiently drain that portion of their proration units which is not presently being drained by any existing well. Applicant specifically seeks such waivers and findings now for ten wells, all in Township 17 South, Range 35 East, and located as follows: Unit K of Section 27; Units M and O, Section 28; Units B, I, and M of Section 32; Units C, H, and N of Section 33; and Unit C of Section 34.
- CASE 6471: Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Freeman Well No. 1-A to be located in Unit C of Section 11, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6472: Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Jenny Well No. 1-A to be located in Unit P of Section 13, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6473: Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its McIntyre Well No. 1-A to be located in Unit K of Section 11, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6474: Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Williams Well No. 1-A to be located in Unit C of Section 24, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

- CASE 6475: Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Montoya Well No. 1-A to be located in Unit I of Section 35, Township 32 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6476: Application of Pennzoil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be located 660 feet from the South line and 990 feet from the West line of Section 24, Township 17 South, Range 28 East, Aid-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 24 to be dedicated to the well.
- CASE 6477: Application of Sun Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its East Millman Pool Unit Area by the injection of water into the Queen and Grayburg formations through eleven wells located in Sections 12 and 13 of Township 19 South, Range 28 East, East Millman Pool, Eddy County, New Mexico.
- CASE 6437: (Continued and Readvertised)
- Application of Curtis Little for compulsory pooling, approval of infill drilling, and a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of Order No. R-4556 and approval of an order pooling all mineral interests in the Dakota formation underlying all of Section 11 and Lot 4 and the SW/4 SW/4 of Section 12, Township 28 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, to form a 344.36-acre non-standard gas proration unit to be dedicated to a well to be located 1085 feet from the South line and 285 feet from the West line of said Section 12. 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.
- Applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.
- CASE 6478: Application of Coronado Exploration Corp. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NW/4 SE/4 of Section 26, Township 10 South, Range 28 East, Chaves County, New Mexico, to be dedicated to a well to be located 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.
- CASE 6479: Application of Coronado Exploration Corp. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SE/4 SE/4 of Section 5, Township 10 South, Range 28 East, Chaves County, New Mexico, to be dedicated to a well to be located 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.
- CASE 6480: Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its State 22 Well No. 1 located in Unit P of Section 22, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.
- CASE 6481: Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its Hanlad State Well No. 1 located in Unit K of Section 2, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.
- CASE 6482: Application of Harvey E. Yates Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir or in the alternative a new onshore production well determination for its Mobil 27 State Well No. 1 located in Unit A of Section 27, Township 18 South, Range 35 East, Queen formation, Lea County, New Mexico.
- CASE 6483: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp, Pennsylvanian, and Mississippian formations underlying the S/2 of Section 8, Township 14 South, Range 36 East, Lea 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.

- CASE 6484: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp, Pennsylvanian, and Mississippian formations underlying the E/2 of Section 28, Township 16 South, Range 37 East, Lea 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.
- CASE 6485: Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp, Pennsylvanian, and Mississippian formations underlying the S/2 of Section 13, Township 18 South, Range 28 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.
- CASE 6486: Application of Depco Inc. for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be located 660 feet from the North and East lines of Section 21, Township 13 South, Range 30 East, undesignated Morrow pool, Chaves County, New Mexico, the E/2 of said Section 21 to be dedicated to the well.
- CASE 6487: Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

Case 6472

IN THE MATTER OF THE APPLICATION
OF CONSOLIDATED OIL AND GAS, INC.
FOR WELLHEAD PRICE CEILING CATEGORY
DETERMINATION, RIO ARRIBA AND SAN
JUAN COUNTIES, NEW MEXICO

A P P L I C A T I O N

Comes now CONSOLIDATED OIL & GAS, INC., and applies to the New Mexico Energy and Minerals Department, Oil Conservation Division, for an order for well-head price ceiling category determination pursuant to the Special Rules of the Division, and Part 271.305(b) Federal Energy Regulatory Commission's Regulations Implementing the Natural Gas Policy Act of 1978, and in support thereof would show the Division:

1. Applicant has commenced the drilling of the following Basin Dakota wells.

- (a) Freeman #1-A well located 790 feet from the North line and 1980 feet from the West line of Section 11, T31N, R13W, NMPN, San Juan County.
- (b) Montoya #1-A well located 1980 feet from the South line and 790 feet from the East Line of Sec. 35, T32N, R13W, San Juan County.
- (c) Williams #1-A well located 1190 feet from the North line and 1850 feet from the West line of Sec 24, T31N, R13W, NMPN, San Juan County.
- (d) McEntyre #1-A well located 1450 feet from the South line and 1850 feet from the West line of Sec. 11, T26N, R4W, Rio Arriba County.
- ✓(e) Jenny #1-A well, located 990 feet from the South line and 790 feet from the East line of Section 13, T26N, R4W, Rio Arriba County.

2. Applicant seeks a determination pursuant to the F.E.R.C. rules, Part 271.305 (c) that the Division, based upon

a review of its records, implicitly made a finding, and the record developed by the Division prior to commencement of drilling supports an explicit finding that the drilling of each of the new wells was necessary to effectively and efficiently drain that portion of the reservoir covered by the respective proration unit which could not be effectively and efficiently drained by any existing well within each of the units.

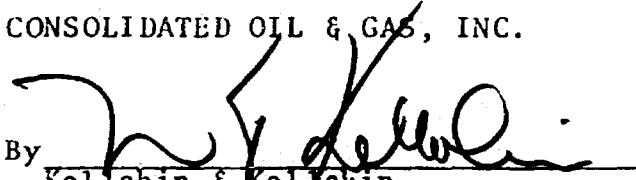
Applicant further requests permission to present evidence as to the necessity for the drilling of each of the subject wells to effectively and efficiently drain that portion of the reservoir covered by each respective proration unit which cannot be effectively and efficiently drained by any existing well within each of the units.

WHEREFORE Applicant respectfully requests that this matter be set for hearing before the Oil Conservation Division or its duly appointed Examiner, and that after notice and hearing as required by law the Division enter its order making the well-head price ceiling category determination as requested.

Respectfully submitted,

CONSOLIDATED OIL & GAS, INC.

By


Kellahin & Kellahin

P. O. Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

Memo

From

FLORENE DAVIDSON
ADMINISTRATIVE SECRETARY

To

Consolidated Oil & Gas
Infill Drilling

Freeman #1-A

790/N + 1980/W

11-31N-13W

San Juan Co.

Montoya #1-A

1980/S + 790/E

35-32N-13W

San Juan

Williams #1-A

1190/N + 1850/W

24-31N-13W

San Juan

McIntyre #1-A

1450/S + 1850/W

11-26N-4W

Rio Arriba

Jenny #1-A

990/S + 790/E

13-26N-4W

Rio Arriba

OIL CONSERVATION COMMISSION-SANTA FE

Basin - Dakota

Called in by Tom Kellahin
2/8/79

DRAFT

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6472

Order No. R- 6070

APPLICATION OF CONSOLIDATED OIL &
GAS, INC. FOR APPROVAL OF INFILL
DRILLING, RIO ARriba COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 25,
19 79, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of _____, 19 79, the Division
Director, 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. 6472 is hereby dismissed.

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