

*Filed June 3, 1957
A.H.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1251
Order No. R-1010

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR A 320-ACRE NON-
STANDARD GAS PRORATION UNIT IN THE
EUMONT GAS POOL, TO BE DEDICATED
TO THE APPLICANT'S STATE "F" NO. 1
WELL IN THE SW/4 SW/4 OF SECTION 36,
TOWNSHIP 19 SOUTH, RANGE 36 EAST,
NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 8, 1957, at Santa Fe, New Mexico, before Warren W. Mankin, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this *31st* day of May, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant is the owner of State of New Mexico Leases, a portion of which consist of the SW/4 of Section 36, Township 19 South, Range 36 East, and the NW/4 of Section 1, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the State "F" No. 1 Well located 660 feet from the South line and 660 feet from the West line of said Section 36.

(4) That the said State "F" No. 1 Well is producing gas from the Eumont Gas Pool and presently assigned a 160-acre non-standard gas proration unit comprising the SW/4 of said Section 36, and that the applicant proposes to increase the size of the unit for the State "F" No. 1 Well from 160 to 320 acres by combining the NW/4 of said Section 1 with the present unit.

(5) That the NW/4 of said Section 1 is presently dedicated to the applicant's State "D" No. 3 Well located in the SE/4 NW/4 of said Section 1 which well is dually completed in the Eumont Gas Pool and Monument Pool.

(6) That in the event the subject application is approved, the applicant will recomplate the said State "D" No. 3 Well as a single completion in the Monument Pool.

(7) That approval of the subject application will not cause waste nor impair correlative rights.

(8) That the 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the NW/4 of said Section 1 which is presently dedicated to the applicant's aforementioned State "D" No. 3 Well should be abolished as of June 1, 1957.

(9) That the above-described State "F" No. 1 Well should assume the net status of the State "D" No. 3 Well as of June 1, 1957.

IT IS THEREFORE ORDERED:

1. That the application of Amerada Petroleum Corporation for the establishment of a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the SW/4 of Section 36, Township 19 South, Range 36 East, NMPM, and the NW/4 of Section 1, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, be and the same is hereby approved, said unit to be dedicated to the applicant's State "F" No. 1 Well, located 660 feet from the South line and 660 feet from the West line of said Section 36.

2. That the State "F" No. 1 Well be granted an allowable in the proportion that the acreage in the above-described unit bears to the acreage in a standard gas proration unit for the Eumont Gas Pool subject to the provisions of Rule 8 of the Special Rules and Regulations for the Eumont Gas Pool as set forth in Order R-520.

3. That the 160-acre non-standard gas proration unit consisting of the NW/4 of Section 1, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico which is presently dedicated to the applicants State "D" No. 3 Well located in the SE/4 NW/4 of said Section 1, be and the same is hereby abolished as of June 1, 1957.

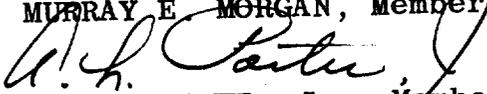
4. That the applicant's State "F" No. 1 Well shall assume the net status of the aforementioned State "D" No. 3 Well as of June 1, 1957.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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

S E A L

IR

Consolidated Order No. R-1011
A.L.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

Consolidated (CASE NO. 1253
(CASE NO. 1254
Order No. R-1011

APPLICATION OF SINCLAIR OIL AND
GAS COMPANY FOR AN ORDER CREATING
A NEW OIL POOL FOR PRODUCTION FROM
THE ENTIRE WOLFCAMP FORMATION
UNDERLYING SECTIONS 13, 24, AND 25,
TOWNSHIP 16 SOUTH, RANGE 33 EAST,
AND SECTIONS 16, 17, 18, 19, 20, 21,
28, 29, AND 30, TOWNSHIP 16 SOUTH,
RANGE 34 EAST, NMPM, LEA COUNTY,
NEW MEXICO, AND FOR THE ESTABLISHMENT
OF 80-ACRE WELL SPACING AND PRORATION
UNITS CONSISTING OF ANY CONTIGUOUS 80
ACRES WITHIN A GIVEN QUARTER SECTION
WITH NO DESIGNATED QUARTER-QUARTER
SECTION IN WHICH A WELL MUST BE DRILLED,
AND FOR THE PROMULGATION OF SPECIAL RULES
AND REGULATIONS FOR SAID POOL.

APPLICATION OF TENNESSEE GAS TRANSMISSION
COMPANY FOR AN ORDER CREATING A NEW OIL
POOL FOR LOWER WOLFCAMP PRODUCTION IN THE
KEMNITZ AREA EMBRACING SECTIONS 23, 24,
25, 26, 35, AND 36, TOWNSHIP 16 SOUTH,
RANGE 33 EAST, AND SECTIONS 16, 17, 18,
19, 20, 21, 28, 29, 30, 31, 32, AND 33,
TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM,
LEA COUNTY, NEW MEXICO, AND FOR THE
ESTABLISHMENT OF TEMPORARY 80-ACRE WELL
SPACING AND PRORATION UNITS CONSISTING
OF THE EAST OR WEST HALF OF EACH QUARTER
SECTION, WITH DRILLING LOCATIONS LIMITED
TO THE NORTHEAST QUARTER AND SOUTHWEST
QUARTER OF EACH QUARTER SECTION, AND FOR
THE PROMULGATION OF TEMPORARY SPECIAL RULES
AND REGULATIONS FOR SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

The above-styled causes came on for hearing at 9 o'clock
a.m. on May 16, 1957, at Hobbs, New Mexico, before the Oil Con-
servation Commission of New Mexico, hereinafter referred to as the
"Commission," whereupon said causes were consolidated for purposes
of hearing and order upon the motion of both of the above-named
applicants.

CASE NO. 1253) Consolidated
CASE NO. 1254)
Order No. R-1011

NOW, on this 31st day of May, 1957, the Commission, a quorum being present, having considered the applications and the evidence adduced, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of the above-styled causes and the subject matter thereof.

(2) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation Kemnitz-Wolfcamp Pool. Said Kemnitz-Wolfcamp Pool was discovered by the Tennessee Gas Transmission Company State A. A. Kemnitz "A" Well No. 1, located in the NE/4 NE/4 Section 30, Township 16 South, Range 34 East, NMPM, which well was completed December 9, 1956 with the top of the perforations at 10,742 feet.

(3) That the probable productive limits of the Kemnitz-Wolfcamp Pool are as follows:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 24: All
Section 25: All

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Sections 16 through 21: All
Sections 28 through 30: All

(4) That the vertical limits of the Kemnitz-Wolfcamp Pool should comprise the entire Wolfcamp formation in order to permit the production and common storage of all oil produced from said formation.

(5) That development of the subject common source of supply indicates that it is possible that there are other productive zones in the Wolfcamp formation in addition to the zone in the lower portion of the formation from which the aforementioned Tennessee Gas Transmission Company, State A. A. Kemnitz "A" No. 1 Well is presently producing.

(6) That underground waste might result if the other zones referred to in Finding No. 5 are opened simultaneously with the known productive zone discovered by the said Tennessee Gas Transmission Company, State A. A. Kemnitz "A" No. 1 Well.

(7) That the geological and engineering data indicate that one well will drain 80 acres in the Kemnitz-Wolfcamp Pool, and that said pool should be developed on 80-acre drilling and proration units.

CASE NO. 1253)
CASE NO. 1254) Consolidated
Order No. R-1011

(8) That 80-acre drilling and proration units comprising the east half or the west half of each quarter section, with well locations restricted to the approximate center of the NE/4 or the SW/4 thereof, will provide the most orderly and efficient pattern of development for the Kemnitz-Wolfcamp Pool.

(9) That all wells completed in or drilling to the Kemnitz-Wolfcamp Pool prior to the effective date of this order should be excepted from the well location requirements set forth above.

(10) That any well which is completed in the Kemnitz-Wolfcamp Pool and to which is dedicated less than 79 acres or more than 81 acres should be granted an allowable in the proportion that the total number of acres assigned to the well bears to 80 acres.

(11) That the provisions of this order should be of a temporary nature in order to permit further study of the subject common source of supply.

IT IS THEREFORE ORDERED:

(1) That the Kemnitz-Wolfcamp Pool be and the same is hereby created, and that the vertical limits thereof shall consist of the entire Wolfcamp formation.

(2) That the horizontal limits of said Kemnitz-Wolfcamp Pool shall be that area described in Exhibit "A" attached hereto and made a part hereof.

IT IS FURTHER ORDERED:

That special pool rules applicable to the Kemnitz-Wolfcamp Pool be and the same are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR
KEMNITZ-WOLFCAMP POOL

IT IS ORDERED:

RULE 1. That any well drilled to or completed in the Wolfcamp formation within one mile of the boundary of the Kemnitz-Wolfcamp Pool, as it is now defined or may hereafter be defined, shall be located, spaced, drilled, operated, and prorated in accordance with the rules and regulations in effect in said Kemnitz-Wolfcamp Pool.

RULE 2. That 80-acre drilling and proration units be and the same are hereby established for the Kemnitz-Wolfcamp Pool; further, that any well projected to or completed in the Kemnitz-Wolfcamp Pool shall be assigned a tract comprising the East half or the West half of a governmental quarter section.

RULE 3. (a) That any well projected to or completed in the Kemnitz-Wolfcamp Pool shall be located within 150 feet of the center of either the Northeast quarter or the Southwest quarter of a governmental quarter section.

CASE NO. 1253) Consolidated
CASE NO. 1254)
Order No. R-1011

(b) The Secretary of the Commission shall have authority to grant exception to the requirements of Rule 3 (a) above without notice and hearing where application has been filed in due form and the necessity for the unorthodox location is based on topographical conditions.

Applicants shall furnish all operators within a 1320-foot radius of the subject well a copy of the application to the Commission, and applicant shall include with his application a list of names and addresses of all operators within such radius, together with a stipulation that proper notice has been given said operators at the addresses given. The Secretary of the Commission shall wait at least 20 days after receipt of application before approving any such unorthodox location, and shall approve such unorthodox location only in the absence of objection by any offset operator. In the event an operator objects to the unorthodox location the Commission shall consider the matter only after proper notice and hearing.

RULE 4. That no well shall be opened to any other zone of the Wolfcamp formation simultaneously with the productive zone in the lower portion of the formation from which the Tennessee Gas Transmission Company, State A. A. Kemnitz "A" No. 1 Well is presently producing until it has been established, after notice and hearing, that the same can be accomplished without causing underground waste.

RULE 5. That any well which is completed in the Kemnitz-Wolfcamp Pool and to which is dedicated less than 79 acres or more than 81 acres shall be granted an allowable in the proportion that the total number of acres assigned to the well bears to 80 acres.

RULE 6. That no well shall be assigned an allowable until Commission Form C-128 has been filed with the Commission indicating that either the East half or the West half of a governmental quarter section has been dedicated to the well.

IT IS FURTHER ORDERED:

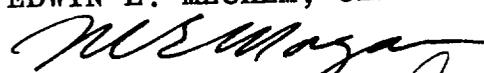
That the provisions of this order shall become effective immediately, with the exception of Rule 2, Rule 5, and Rule 6 of the Special Rules and Regulations of the Kemnitz-Wolfcamp Pool, which three rules shall become effective July 1, 1957.

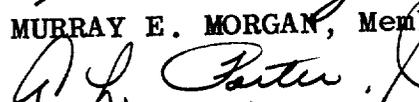
Further, that these cases be reopened at the Commission monthly hearing in November, 1958, to show cause why the Special Rules and Regulations set forth herein should be continued beyond December 31, 1958.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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

S E A L

ir/

-5-

CASE NO. 1253)
CASE NO. 1254) Consolidated
Order No. R-1011

EXHIBIT "A"

Horizontal limits of the Kemnitz-Wolfcamp Pool:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM

Section 24: All
Section 25: All

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM

Sections 16 through 21: All
Sections 28 through 30: All