**Xeric Oil & Gas Corporation** 

200 N. Loraine, Suite 1111 - P.O. Box 51311 Midland, Texas 79710-1311 (915) 683-3171 Fax: (915) 683-3152



GIL CONSERVATION DIVISION RECEIVED

193 DGT 28 AM 9 35

October 26, 1993

New Mexico Oil Conservation Division PO Box 2088 Santa Fe, NM 87504-2088

Re: Application of Xeric Oil & Gas Co. for unorthodox location for the Mesa Queen Field Mesa Queen Unit Lea County, New Mexico

Gentlemen:

Xeric Oil & Gas Company has filed a permit to drill the Mesa Queen Unit well No. 26 to be located 1710 feet from the South line and 15 feet from the West line of Section 16, T16S, R32E, Lea County, New Mexico. Xeric Oil & Gas Company hereby requests an exception to well location requirement of Rule 104 C.I. (a) without notice or hearing in order to permit the completion of an efficient production and injection pattern within a secondary recovery project. Please note that the proposed well will not be closer than 10 feet from a quarter-quarter section nor closer than 330 feet from the outer boundary of the unit.

Xeric Oil & Gas Company respectfully requests administrative approval. Written notification of our intent has been furnished by certified mail to offset operators in the field in accordance with Statewide Rules, see attached list.

If no objections are received, please administratively approve this location after the prescribed 20 day waiting period.

Sincerely,

Randall Capps

RLC/dds

Xeric Oil & Gas Corporation 200 N. Loraine, Suite 1111 - P.O. Box 51311 Midland, Texas 79710-1311 (915) 683-3171 Fax: (915) 683-3152

October 26, 1993

Re: Application of Xeric Oil & Gas Company for administrative approval for an unorthodox location in the Mesa Queen Field, Lea County, New Mexico

Dear Sir:

Xeric Oil & Gas Company is filing for administrative approval for an unorthodox location in the Mesa Queen Field, Lea County, New Mexico. For your review and reference on this matter, we have attached a copy of our application. With submittal of this letter to your office, we are initiating the 20 day notice requirement for this request application.

If you object to this application you should respond to the New Mexico Oil Conservation Division, PO Drawer 2088, Capitol Station, Austin, Texas 87504-2088.

If you have any questions concerning this matter, please contact Randall Capps with Xeric Oil & Gas Company.

There is a second second second

# SERVICE LIST FOR MESA QUEEN FIELD

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Arco Oil & Gas Company P.O. Box 1610 C/O Reg Compl Dept Midland, TX 79702

Conoco P.O. Box 2197 Houston, TX 77252

Mobil 12450 Greenspoint Dr. Houston,, TX 77060-1991

# Exxon

Southwestern Prod. Div. Office P.O. Box 1600 Midland, TX 79702-1600

Shell

P.O. Box 2463 Houston, TX 77252

Texaco P.O. Box 52332 Houston, TX 77052

Tenneco

P.O. Box 2511 Houston, TX 77252-2511

Amoco P.O. Box 3092 Houston, TX 77253

Yates Petroleum Yates Bldg. 105 South 4th Artesia, NM 88210

Silverthorn P.O. Box 19832 Houston, TX 77224-9832

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SECTION V

R. W. Byram & Co., - July, 1968

the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Director of the United States Geological Survey; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

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

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

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R-3420

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#### MESA QUEEN UNIT Lea County, New Mexico

ired by he sub-Order No. R-3443, Approving the Mesa Queen Unit Agreement, Lea County, New Mexico, July 3, 1968.

overing Application of Tenneco Oil Company for Apribed as proval of the Mesa Queen Unit Agreement, Lea County, New Mexico.

> CASE NO. 3789 Order No. R-3443

#### ORDER OF THE COMMISSION

t should relative BY THE COMMISSION: This cause came on for hearing at 9 a. m. on June 26, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

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

FINDS:

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

(2) That the applicant, Tenneco Oil Company, seeks approval of the Mesa Queen Unit Agreement covering 1040 acres, more or less, of State lands described as follows:

	LEA COUNTY, NEW MEXICO
1	TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
	Section 16. N/2, SW/4, and NE/4 SE/4
	Section 17: S/2 and S/2 NE/4
	Section 20: W/2 NW/4 and NE/4 NW/4

R. W. Byram & Co., - Nov., 1968

#### (MESA QUEEN UNIT - Cont'd.)

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the Mesa Queen Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commissionimmediately in writing of such termination.



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

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

#### WEST RED LAKE UNIT Eddy County, New Mexico

Order No. R-3453, Approving the West Red Lake Unit Agreement, Eddy County, New Mexico, July 12, 1968.

Application of Atlantic Richfield Company for Approval of the West Red Lake Unit Agreement, Eddy County, New Mexico.

> CASE NO. 3802 Order No. R-3453

#### ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a. m. on July 10, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

# BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 3790 Order No. R-3444

APPLICATION OF TENNECO OIL COMPANY FOR A WATERFLOOD PROJECT, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

## BY THE COMMISSION:

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

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

## FINDS:

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

(2) That the applicant, Tenneco Oil Company, seeks permission to institute a waterflood project in its Mesa Queen Unit Area, Mesa-Queen Pool, by the injection of water into the Queen formation through twelve injection wells in Sections 16, 17, and 20, Township 16 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(4) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(5) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

-2-CASE No. 3790 Order No. R-3444

# IT IS THEREFORE ORDERED:

(1) That the applicant, Tenneco Oil Company, is hereby authorized to institute a waterflood project in its Mesa Queen Unit Area, Mesa-Queen Pool, by the injection of water into the Queen formation through the following-described wells in Township 16 South, Range 32 East, NMPM, Lea County, New Mexico: ť,

WELL		No.	Unit	Section
Tenneco-Mesa Queen Unit		2	NW/4 NE/4	16
Tenneco-Mesa Queen Unit	-	1	NE/4 NW/4	16
Tenneco-Mesa Queen Unit	-	6	SW/4 NW/4	16
Tenneco-Mesa Queen Unit	`_	15	NE/4 SW/4	16
Tenneco-Mesa Queen Unit	-	9	SE/4 NE/4	16
Tenneco-Mesa Queen Unit		5	SE/4 NE/4	17
Tenneco-Mesa Queen Unit	-	4	SW/4 NE/4	17
Tenneco-Mesa Queen Unit	-	18	SE/4 SW/4	17
Tenneco-Mesa Queen Unit	-	11	NE/4 SW/4	17
Tenneco-Mesa Queen Unit	-	10	NW/4 SW/4	17
Tenneco-Mesa Queen Unit	-	20	SE/4 SE/4	17
Tenneco-Mesa Queen Unit	-	22	NW/4 NW/4	20

(2) That the subject waterflood project is hereby designated the Tenneco Mesa Queen Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

SEAL

esr/

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

# BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 3853 Order No. R-3444-A

APPLICATION OF TENNECO OIL COMPANY FOR A WATERFLOOD EXPANSION, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 4, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>12th</u> day of September, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

## FINDS:

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

(2) That by Order No. R-3444, dated July 3, 1968, the applicant, Tenneco Oil Company, was authorized to institute a waterflood project in the Mesa Queen Unit Area, Mesa-Queen Pool, by the injection of water into the Queen formation through twelve injection wells in Sections 16, 17, and 20, Township 16 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That the applicant now seeks amendment of Order No. R-3444 to delete the water injection wells previously authorized in the NE/4 SW/4 of said Section 16 and the NW/4 NW/4 of said Section 20, and to authorize for water injection two wells located in the NW/4 SE/4 of Section 16 and SW/4 NW/4 of Section 20. -2-CASE No. 3853 Order No. R-3444-A

(4) That the applicant further seeks an administrative procedure whereby said project could be expanded to include additional lands and injection wells in the area of the said project as may be necessary in order to complete an efficient injection pattern; that said administrative procedure should provide for administrative approval for conversion to water injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

(5) That approval of the subject application will not violate correlative rights and should increase the efficiency of the Mesa Queen Waterflood Project and result in greater ultimate recovery of oil, thereby preventing waste.

## IT IS THEREFORE ORDERED:

(1) That Order (1) of Order No. R-3444 is hereby amended to read in its entirety as follows:

"(1) That the applicant, Tenneco Oil Company, is hereby authorized to institute a waterflood project in its Mesa Queen Unit Area, Mesa-Queen Pool, by the injection of water into the Queen formation through the following-described wells in Township 16 South, Range 32 East, NMPM, Lea County, New Mexico:

WELL		No.	Unit	Section	
Tenneco-Mesa Queen Unit		2	NW/4 NE/4	16	
Tenneco-Mesa Queen Unit		1	NE/4 NW/4	16	
Tenneco-Mesa Queen Unit	-	6	SW/4 NW/4	16	
Tenneco-Mesa Queen Unit		16	NW/4 SE/4	16	
Tenneco-Mesa Queen Unit		9	SE/4 NE/4	16	
Tenneco-Mesa Queen Unit		5	SE/4 NE/4	17	
Tenneco-Mesa Queen Unit		4	SW/4 NE/4	17	
Tenneco-Mesa Queen Unit		18	SE/4 SW/4	17	
Tenneco-Mesa Queen Unit		11	NE/4 SW/4	17	
Tenneco-Mesa Queen Unit	-	10	NW/4 SW/4	17	
Tenneco-Mesa Queen Unit		20	SE/4 SE/4	17	
Tenneco-Mesa Queen Unit	-	24	SW/4 NW/4	20 "	

(2) That Order (2) of Order No. R-3444 is hereby amended to read in its entirety as follows:

"(2) That the subject waterflood project is hereby designated the Tenneco Mesa Queen Waterflood Project and shall be governed by -3-CASE No. 3853 Order No. R-3444-A

the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

· Survey

<u>PROVIDED HOWEVER</u>, that the Secretary-Director of the Commission may approve expansion of the Tenneco Mesa Queen Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection."

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

# SEAL