

STATEMENT OF MAX E. CURRY
FOR BUFFALO OIL COMPANY
IN CASE No. 1202

I am Max E. Curry, District Superintendant for Buffalo Oil Company. I have previously qualified before the New Mexico Oil Conservation Commission.

By this application, Buffalo Oil Company requests that the Commission set out an order granting exception to state-wide Rule 303 whereby applicant will be permitted to produce each of two marginal wells in the Maljamar Paddock Pool into separate tank batteries provided for Maljamar Pool oil production. In support of that application, I wish to point out the following facts.

1. Buffalo is the sole owner and operator of all oil and gas working interests within the areas affected by this application. Exhibit No. 1 is a plat showing the Maljamar Paddock Pool and portions of the Maljamar Pool.

2. All Royalty interests are unaffected by this application as they are identical for each of the producing horizons.

3. Applicant's Mitchell B-19P is completed in the Paddock formation of the Maljamar Paddock Pool at an approximate depth of 5300'. The oil from this well is produced into a tank battery located near the center of the SW $\frac{1}{4}$ of Sec. 17, T-17S, R-32E as shown on exhibit No. 1. Adjacent to this battery is another

which receives the oil produced from applicant's Mitchell B-17, 18, 25, and 26 wells, all of which are completed in the vertical limits of the Maljamar Pool. It is the applicant's request that the oil produced from the Paddock Pool be produced into and stored in the battery with the Maljamar Pool production.

4. Applicant's Mitchell B-22P is completed in and producing from the vertical limits of the Maljamar Paddock Pool. The oil produced from this well is gathered in a tank battery located near the center of the NE $\frac{1}{4}$ of Sec. 19, T-17S, R-32E. This battery is also adjacent to a battery where Maljamar Pool production is stored. Applicant's Mitchell B-9, 10, 11, and 12 wells are completed in the Maljamar Pool and produce into this battery. Approval of applicant's petition will permit the oil produced from the Mitchell B-22P to be produced into and stored in the Maljamar Pool tank battery.

5. Exhibit No. 1 shows the present development of the Maljamar Paddock Pool. Buffalo is the only operator in this pool. The location of the two producing wells and the dry tests to the Paddock horizon indicate that the structure of this pool lies entirely under Buffalo leases. The operator has no plans for further development for Paddock production in this immediate area.

6. Applicant will abandon and salvage each of the two tank batteries now used for Paddock oil production storage upon approval of this petition by the Commission. Separate separating facilities will be maintained for each of the Paddock wells

and, if desired by the commission, the operator will provide adequate metering facilities for gas and oil production from that producing horizon.

7. Exhibit No. 2 shows the January allowable for each of the two producing wells in the Paddock Pool as well as the top allowable for wells of comparable depth in the state. The exhibit also shows the latest production tests for each of these wells and their accumulated recovery as of January 1, 1957. Both wells, as shown by exhibit No. 2, are marginal wells.

8. It may be noted from exhibit No. 1, that both the Maljamar Paddock Pool wells and the Maljamar Pool wells referred to above are located on Federal leases. The U.S.G.S. has been informed of this petition and has verbally approved of the project.

9. Approval of applicant's petition will prevent economic waste insofar as to release the surplus equipment for use elsewhere, it will eliminate the labor and materials necessary to maintain and operate two extra tank batteries and will permit an extended producing life of the two Paddock wells by decreasing the lifting cost of the oil.

10. Applicant has shown that approval of this petition will in no way impair correlative rights and will prevent economic waste; therefore, applicant prays that the commission will set out an order permitting the commingling of the Maljamar Paddock oil production with that produced from the Maljamar Pool.

Applicant offers exhibits No. 1 and 2 as evidence in this case.