

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER CONCERNING CAPACITY  
ALLOWABLES FOR CERTAIN WELLS WITHIN  
A PILOT WATER FLOOD PROJECT AREA IN  
THE CAPROCK-QUEEN POOL IN LEA AND  
CHAVES COUNTIES, NEW MEXICO.

EMERGENCY ORDER NO. E-9

NOW, on this 23rd day of April, 1958, the New Mexico Oil Conservation Commission, a quorum being present, having considered the application of Ambassador Oil Corporation et al. for an Emergency Order and being fully advised in the premises,

FINDS:

(1) That Ambassador Oil Corporation, Graridge Corporation, Gulf Oil Corporation, and Great Western Drilling Company are the owners of certain properties situated within the pilot water flood project area in the Queen formation of the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, which pilot water flood project was authorized by Order No. R-1053, dated September 16, 1957.

(2) That said pilot water flood project has caused an increase in the producing capacity of the following described wells in the pilot area to the extent that they are now or soon may be capable of producing in excess of the top unit allowable for the Caprock-Queen Pool, to-wit:

	<u>S.</u>	<u>T.</u>	<u>R.</u>
Ambassador Oil Corporation State "H" #1	SWSE	1	13S 31E
Ambassador Oil Corporation State "D" #1	NESW	1	13S 31E
Ambassador Oil Corporation State "L" #1	SWSW	1	13S 31E
Ambassador Oil Corporation State "G" #1	NENE	11	13S 31E
Ambassador Oil Corporation State "M" #2	SWNW	12	13S 31E
Ambassador Oil Corporation State "J" #1	NENE	12	13S 31E
Graridge Corporation Malco State "F" #3	NESE	1	13S 31E
Graridge Corporation Malco State "E" #1	SWNE	1	13S 31E
Graridge Corporation Livermore State "J" #3	SWSW	6	13S 32E
Great Western Drilling Co. State "L" #2	NESW	12	13S 31E
Great Western Drilling Co. Maxwell St. #1	SWNE	12	13S 31E
Gulf Oil Corporation Chaves State "A" #1	NENW	12	13S 31E

(3) That there is a reasonable probability that waste will occur if production from the above-described wells is restricted.

(4) That an emergency exists which required the promulgation of an order, without notice and hearing, to eliminate the possibility of waste occurring.

(5) That a hearing should be held on May 7, 1958, to determine whether waste will actually occur if production from the aforementioned wells is restricted.

(6) That in the event the applicants fail to prove that waste will occur if production from said wells is restricted, then any oil produced from said wells in excess of the normal allowables therefor shall be charged against future allowables for said wells.

IT IS THEREFORE ORDERED:

(1) That the following described wells be granted allowables equal to their capacity to produce, effective April 23, 1958, to-wit:

		S.	T.	R.
Ambassador Oil Corporation State "H" #1	SWSE	1	13S	31E
Ambassador Oil Corporation State "D" #1	NESW	1	13S	31E
Ambassador Oil Corporation State "L" #1	SWSW	1	13S	31E
Ambassador Oil Corporation State "G" #1	NENE	11	13S	31E
Ambassador Oil Corporation State "M" #2	SWNW	12	13S	31E
Ambassador Oil Corporation State "J" #1	NENE	12	13S	31E
Graridge Corporation Malco State "F" #3	NESE	1	13S	31E
Graridge Corporation Malco State "E" #1	SWNE	1	13S	31E
Graridge Corporation Livermore State "J" #3	SWSW	6	13S	32E
Great Western Drilling Co. State "L" #2	NESW	12	13S	31E
Great Western Drilling Co. Maxwell St. #1	SWNE	12	13S	31E
Gulf Oil Corporation Chaves State "A" #1	NENW	12	13S	31E

(2) That this order shall become effective at 7:00 o'clock a.m., Mountain Standard Time on April 23, 1958.

(3) That a hearing be held at 9 o'clock a.m. on May 7, 1958, to permit the applicants to appear and show cause why the above-described wells should be granted capacity allowables.

(4) That in the event the applicants fail to prove that waste will occur if the production from the above-described wells is restricted, then any oil produced from said wells in excess of the normal allowables therefor shall be charged against future allowables for said wells.

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



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. 1294  
Order No. R-1053-A

APPLICATION OF AMBASSADOR OIL  
CORPORATION, ET AL. FOR AN ORDER  
AUTHORIZING CAPACITY PRODUCTION  
FOR CERTAIN WELLS WITHIN ITS WATER  
FLOOD PROJECT IN THE CAPROCK-QUEEN  
POOL IN CHAVES AND LEA COUNTIES,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 7, 1958, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 7<sup>th</sup> day of May, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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 Ambassador Oil Corporation, Graridge Corporation, Gulf Oil Corporation, and Great Western Drilling Company are the owners of certain properties situated within the pilot water flood project area in the Queen formation of the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico, which pilot water flood project was authorized by Order No. R-1053, dated September 16, 1957.

(3) That said pilot water flood project has caused an increase in the producing capacity of the following described wells in the pilot area to the extent that they are now or soon may be capable of producing in excess of the top unit allowable for the Caprock-Queen Pool, to-wit:

		<u>S.</u>	<u>T.</u>	<u>R.</u>
Ambassador Oil Corporation State "H" #1	SWSE	1	13S	31E
Ambassador Oil Corporation State "D" #1	NESW	1	13S	31E

		S.	T.	R.
Ambassador Oil Corporation State "L" #1	SWSW	1	13S	31E
Ambassador Oil Corporation State "G" #1	NENE	11	13S	31E
Ambassador Oil Corporation State "M" #2	SWNW	12	13S	31E
Ambassador Oil Corporation State "J" #1	NENE	12	13S	31E
Graridge Corporation Malco State "F" #3	NESE	1	13S	31E
Graridge Corporation Malco State "E" #1	SWNE	1	13S	31E
Graridge Corporation Livermore State "J" #3	SWSW	6	13S	32E
Great Western Drilling Co. State "L" #2	NESW	12	13S	31E
Great Western Drilling Co. Maxwell St. "G" #1	SWNE	12	13S	31E
Gulf Oil Corporation Chaves State "A" #1	NENW	12	13S	31E

all in the Caprock-Queen Pool, Chaves and Lea Counties, New Mexico.

(4) That the preponderance of the evidence presented in this case indicates that waste would occur if the production from the above-described wells were restricted.

(5) That the above-described wells should be permitted to produce at capacity.

IT IS THEREFORE ORDERED:

(1) That the following described wells be assigned an allowable equal to their capacity to produce, to-wit:

		S.	T.	R.
Ambassador Oil Corporation State "H" #1	SWSE	1	13S	31E
Ambassador Oil Corporation State "D" #1	NESW	1	13S	31E
Ambassador Oil Corporation State "L" #1	SWSW	1	13S	31E
Ambassador Oil Corporation State "G" #1	NENE	11	13S	31E
Ambassador Oil Corporation State "M" #2	SWNW	12	13S	31E
Ambassador Oil Corporation State "J" #1	NENE	12	13S	31E
Graridge Corporation Malco State "F" #3	NESE	1	13S	31E
Graridge Corporation Malco State "E" #1	SWNE	1	13S	31E
Graridge Corporation Livermore State "J" #3	SWSW	6	13S	32E
Great Western Drilling Co. State "L" #2	NESW	12	13S	31E
Great Western Drilling Co. Maxwell St. "G" #1	SWNE	12	13S	31E
Gulf Oil Corporation Chaves State "A" #1	NENW	12	13S	31E

all in the Caprock-Queen Pool, Chaves and Lea Counties, New Mexico.

(2) That this order shall become effective at 7 o'clock a.m. Mountain Standard Time, May 8, 1958.

(3) That the Commission hereby retains jurisdiction in this cause to amend or revoke all or any part of this order and further to enter any additional order or orders deemed necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Edwin L. Mechem*  
EDWIN L. MECHEM, Chairman

*Murray E. Morgan*  
MURRAY E. MORGAN, Member

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

