DIRECT TESTIMONY OF MAX E. CURRY, REPRESENTING BUFFALO OIL COMPANY, BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION EXAMINER, ELVIS UTES, HEARING CASE NO. 1382, IN SANTA FE, NEW MEXICO, FEBRUARY 26, 1958.

CASE NO. 1382

The New Mexico Oil Conservation Commission issued Order No. 821 on May 13, 1941 authorizing Buffalo Oil Company to drill an unorthodox, five spot, well location in the NE¹/₄SW¹/₄ of Section 21, T17S, R32E, NMPM, now known as their Baish "A" No. 21 Well. The purpose of drilling the Baish "A" No. 21 Well was to replace the Baish "A" No. 15 Well, the original well completed on this 40 acre unit, which was considered to have been poorly completed due to mechanical conditions caused by the necessity of side tracking the hole. Buffalo Oil Company stated their desire to shut in and cease production from the Baish "A" No. 15 Well upon the completion of the unorthodox well at the hearing before the Commission, as they had no desire to set a precedence of more than one well to each 40 acre unit in the Maljamar Pool; therefore, the Commission specifically prohibited the production of more than one of the wells at a time in their Order No. 821.

Buffalo Oil Company is now requesting that Order No. 821 be amended to permit the simultaneous production of their Baish "A" Wells No. 15 and 21. In support of that request we wish to offer the following information:

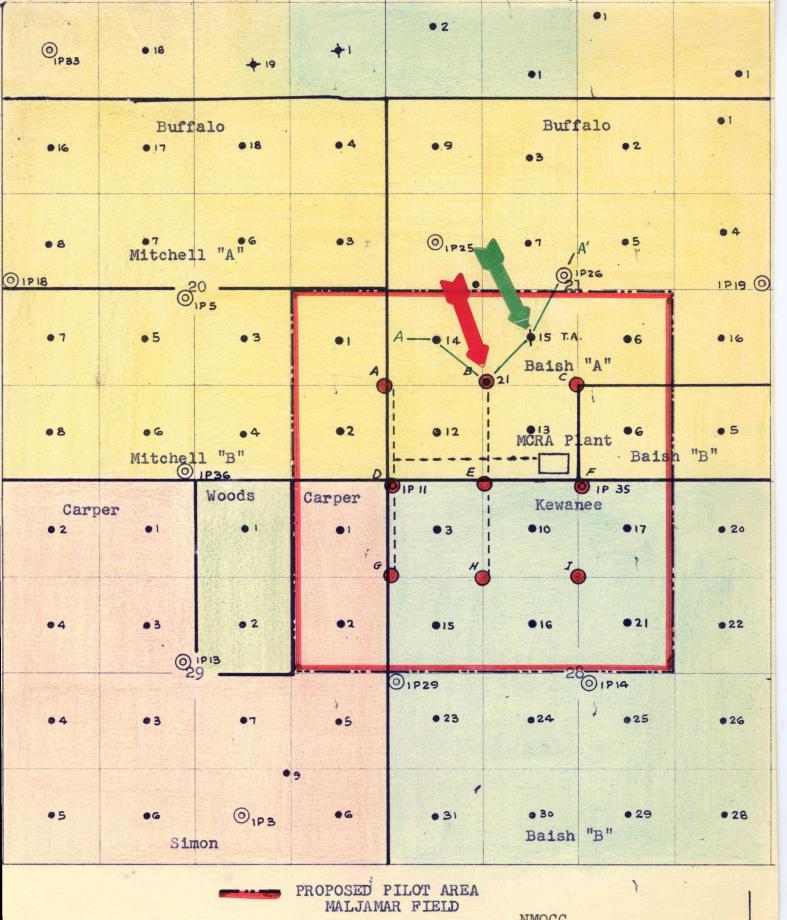
1.) I am handing you our Exhibit No. 1, which is a plat of that portion of the Maljamar Oil Pool surrounding the area referred to in Order No. 821 and in this petition. The plat also shows the pilot water injection area approved by this Commission in Order No. R-1075 and the notation of lease ownership in that area by colors.

- 2.) You will note on Exhibit No. 1 that Buffalo's Baish "A" No. 21, denoted by the red arrow, is one of the water injection wells in the injection area of the proposed pilot waterflood for this pool. Eventually this well will probably be converted from its present status as an oil producer to that of a water injection well in the proposed pilot waterflood and the Baish "A" No. 15 Well will again be converted to the producing oil well for that proration unit. Prior to the time the Baish "A" No. 15 Well, denoted by green arrow, will be required to assume its proper duties in the pilot waterflood operation, it is necessary that certain essential reservoir and production performance data be gathered in order to properly evaluate its reaction to the pilot waterflood project.
- 3.) It is requested that production for this proration unit be allocated on the basis of the void space factor presently used on all other wells in the Maljamar Cooperative Repressuring Agreement area, but in no event to be greater than top allowable for any other 40 acre proration unit in that area. The Baish "A" No. 15 Well was capable of producing approximately 15 BOPD when it was shut in in 1949, and the Baish "A" No. 21 Well is presently assigned an allowable of 23 BOPD.
- 4.) This request is not without precedence in the Maljamar Oil Pool, as there are several 40 acre units with more than one producing well. The present multiple well proration units are allocated in the manner requested in 3.) above and none receive an allowable greater than any other 40 acre proration unit in the MCRA area.
- 5.) Offset operators in this pool have no objection to the approval of this petition and have actively supported this application by providing us with executed waivers which I wish to offer as Buffalo's Exhibits No. 2, 3, and 4. These Exhibits are

waivers signed by Kewanee Oil Company, Carper Drilling Company, and Mrs. E. G. Woods, who recognize that this application in no way jeopardizes correlative rights and will make a significant contribution in evaluating the results of the pilot waterflood project for this area.

- 6.) The Commission is referred to Case No. 1309 and the Exhibits offered in that case, which resulted in Order No. R-1075 authorizing the Maljamar Cooperative Repressuring Agreement to conduct a pilot waterflood operation in the Maljamar Pool.
- 7.) Buffalo's Exhibit No. 5 is a generalized cross section drawn along the traverse A to A' as shown on Exhibit No. 1, which shows the vertical relationship of Buffalo's Baish "A" Wells No. 14, 21, 15 and IP-26.

I wish to offer Buffalo's Exhibits No. 1 through 5 in evidence as a part of this case, which concludes the direct testimony prepared for this case. I will be happy to answer any questions the Commission may have on this application.



- Producing well
- Present gas input well
- Proposed water input well
 Proposed water injection lines

BUFFALO DIL COMPANY

A MARYLAND CORPARAM A FOREST NATIONAL BUILDING AMOHALA CE ARULT

February 7, 1958

ADDRESS REPLY TO: 203 CARPER BUILDING ARTESIA. NEW MEXICO

*#*105.10

File:

OIL CONSTRUCTION COMMISSION SANTA FE, NEW MEXICO

Kewanee Oil Company P. O. Box 3786 Odessa, Texas

Subject: Buffalo Oil Company Application to the Oil Conservation Commission to Amend Order #821.

Gentlemen:

In 1949, the Buffalo Oil Company drilled a five spot location, Baish "A" well No. 21, in the Maljamar Field, and at the time this well was completed the Baish "A" well No. 15 was shut in. The two wells were located in the same 40 acres, and it was the opinion of the Buffalo Oil Company at that time that only one well per each 40 acre unit should be producing in the Maljamar Field.

Recently, a hearing was conducted before the Oil Conservation Commission in which the Operators in the M.C.R.A. presented a tentative plan for a pilot water flood program. As a part of this program, the Buffalo Oil Company Baish "A" well No. 21 would be converted to a water injection well and the Baish "A" No. 15 well would be re-converted to a producing well. Even though it is possible that the Operators may not decide to conduct this pilot program strictly as presented, the Buffalo Oil Company would now like to start producing Baish "A" well No. 15 simultaneously with the producing of Baish "A" well No. 21. It is felt that we would gain information which would be helpful in a later water flood program, and it is felt that this would not cause any hardship on the other Operators within the field.

As a matter of fact, there are other 40 acre units in the field on which there are presently two wells producing; such as, the Kewanee Pearl Lease. Therefore, this request would not create a condition which does not presently exist.

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D. Co

It has been the practice, when producing two wells on one 40 acre unit, to limit the top allowable of the two wells so as to not exceed one top unit allowable; this practice should be continued.

The Buffalo Oil Company has filed an application with the New Mexico Oil Conservation Commission, and has requested a hearing which will amend Order Mo. 821 issued May 13, 1949 and which specifically prohibits the Buffalo Oil Company from producing the Baish "A" wells No. 21 and No. 15 simultaneously. If you have no objection to our application, it would be appreciated if you would signify this by signing on the space provided below and returning one copy to our Artesia office.

In the event that you have any questions concerning this matter, please advise and we will be glad to discuss the application further with you.

Very truly yours,

BUFFALO OIL COMPANY

Ralph L. Gray

Division Prod. Supt.

RLG : mar

Copies to: Carper Drilling Company Kewanee Oil Company Mrs. E. G. Woods

Approved by: Kewanee Oil Company

By: Van X- Charpe

Date: 2-14-58

BUFFALD DIL COMPANY

A MARYLAND CORPORATION
FIRST NATIONAL BUILDING
TULSA 3, DKLAHDMA

February 7, 1958

ADDRESS REPLY TO: 203 CARPER BUILDING ARTESIA. NEW MEXICO

File: #105.10

Carper Drilling Company 200 Carper Building Artesia, New Mexico

Subject: Buffalo Oil Company Application to the Oil Conservation Commission to Amend Order #821.

Gentlemen:

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OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO CASE 1882

Carper Drilling Company Artesia, New Mexico

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Very truly yours.

BUFFALO OIL COMPANY

Ralph L. Gray

Division Prod. Supt.

RLG:mw

Copies to: Carper Drilling Company Kewanee Oil Company

Mrs. E. G. Woods

Approved by: Carper Drilling Company

By: Trustee Kon

Date: 9-11 1958

BUFFALD DIL COMPANY

A MARYLAND CORPORATION FIRST NATIONAL BUILDING TUESA 3. OKLAHOMA

February 7, 1958

ADDRESS REPLY TO: 203 CARPER BUILDING ARTESIA NEW MEXICO

File: #105.10

Mrs. E. G. Woods 1105 West Main Street Artesia, New Mexico

Subject: Buffalo Oil Company Application to the Oil Conservation Commission to Amend Order #821.

Dear Mrs. Woods:

In 1949, the Buffalo Oil Company drilled a five spot location, Baish "A" well No. 21, in the Maljamar Field, and at the time this well was completed the Baish "A" well No. 15 was shut in. The two wells were located in the same 40 acres, and it was the opinion of the Buffalo Oil Company at that time that only one well per each 40 acre unit should be producing in the Maljamar Field.

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OF CONSERVATION COMMISSION SANTA FE, NEW MEXICO

Pebruary 7, 1958 Page 2

Mrs. E. G. Woods Artesia, New Mexico

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Yery truly years,

BUTALO OIL COMPANY

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Copies to: Carper Brilling Company Kewanee Oil Company Mrs. E. G. Woods

Approved by: Mrs. E. G. Woods

ach & Shaw

Date: 2 14-58

Shown on their Exhibit Nº1, Troverse Ato A' A Cross section through a portion of Buffalo Oil Company's Barsh 'A' Lease as