

JAMES T. JENNINGS
ATTORNEY AT LAW
J. P. WHITE BUILDING
ROSWELL, NEW MEXICO
MAIN 2-8432

Case 1933

March 18, 1960

Oil Conservation Commission
Santa Fe, New Mexico

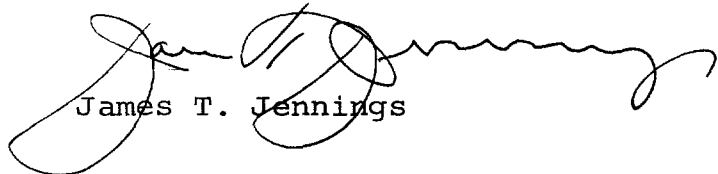
Attention: Oliver Payne

Gentlemen:

Enclosed herewith you will find an Application on behalf of Ambassador Oil Corporation for a special allowable for its New Mexico "C" #1 well located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 36, Township 12 South, Range 31 East, Chaves County, New Mexico.

We have heretofore made a verbal request for this special allowable and I hope that you will be able to set this matter down for hearing at an early date.

Yours very truly,


James T. Jennings

JTJ:cs
Enc.
cc: Ambassador Oil Corporation

*Looked up file
Upon 22, 1960
ur*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
AMBASSADOR OIL CORPORATION FOR A
SPECIAL ALLOWABLE FOR ONE WELL
LOCATED IN THE CAPROCK-QUEEN POOL IN
CHAVES COUNTY, NEW MEXICO

Cad 1933

APPLICATION

Comes now the applicant, Ambassador Oil Corporation, by its attorney and states:

1. That the applicant is the owner and operator of its New Mexico "C" #1 well located in the SW¹/₄SW¹/₄ Section 36, Township 12 South, Range 31 East, N.M.P.M. Chaves County, New Mexico.
2. That said well was completed in December, 1959 with an initial production of 20 barrels of oil per day and as shown by the Form "C"-116 attached hereto and marked "Exhibit A", upon being tested on February 28, 1960 this well tested a producing capacity of 72 barrels of oil per day.
3. That the well is directly offset by the Caprock-Queen Unit No. Two capacity production water flood. That the East offset to this well is well #29-1 which is a water injection well in the Caprock-Queen Unit No. Two, in which water is being injected at the rate of 450 barrels per day and in which there has been injected to date a total of 67,750 barrels of water. The well in question is responding to the water flood project lying to the South and East of this well and production from this well cannot be curtailed without causing a reduction in the ultimate recovery of oil.
4. That from recent tests it appears that the Caprock-Queen Unit No. Two water flood project is causing the oil to migrate in a Northwesterly direction, and if the well in question is not granted a special allowable the oil will be lost and waste will occur.
5. That the Commission recently approved the Pebble Unit which is a water flood project adjoining the tract on which this well is located on the West and South.

6. That the applicant is in the process of negotiating with the offset operators of the Pebble Unit and the Caprock-Queen Unit No. Two to include the well in question in one of said units.

WHEREFORE, applicant requests that the Commission set this matter down for hearing before an examiner at an early date for the purpose of granting a special allowable to the applicant for its New Mexico "C" #1 well located in the SW¹/₄SW¹/₄ Section 36, Township 12 South, Range 31 East, N.M.P.M. Chaves County until such time as the pending negotiations with the offset operators can be completed and said well included in either the Caprock-Queen Unit No. Two or the Pebble Unit; that notice of such hearing be published as required by law and that after said hearing the Commission issue its order granting the applicant a special allowable for said well.

DATED this day of March, 1960.

Respectfully submitted,

AMBASSADOR OIL CORPORATION

BY: 

Its Attorney

Box 977

Roswell, New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION

GAS-OIL RATIO REPORT

OPERATOR Ambassador Oil Corporation POOL Caprock Queen
 ADDRESS P. O. Box 9338, Fort Worth 7 MONTH OF February, 19 60
Texas
 SCHEDULED TEST _____ COMPLETION TEST _____ SPECIAL TEST X (Check One)
 (See Instructions on Reverse Side)

Lease	Well No.	Date of Test	Producing Method	Choke Size	Test Hours	Daily Allowable Bbls.	Production During Test			GOR Cu. Ft. Per Bbl.
							Water Bbls.	Oil Bbls.	Gas MCF	
State of New Mexico "C" Lease	1	2-9	P	--	24	36	0	19	TSTM	Nil
State of New Mexico "C" Lease	1	2-28	P	--	24	36	0	72	TSTM	Nil
Note: This well is a re-completed dry hole. All production is by virtue of offset water injection. The test of Feb. 28 is indicative of strong flood response.										

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60 degrees F. Specific gravity base will be 0.60.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission. In accordance with Rule 301 and Appropriate Pool Rules.

(I certify that the information given is true and complete to the best of my knowledge.)

Date March 8, 1960

Ambassador Oil Corporation

Company

By /s/ Carl A. Westerman

Carl A. Westerman

Petroleum Engineer

Title

*Do not
mailed
3-23-60*

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 15, 1960

C
O
P
Y

Mr. James Jennings
P. O. Box 977
Roswell, New Mexico

Dear Sir:

On behalf of your client, Ambassador Oil Corporation,
we enclose two copies of Order R-1650 in Case No. 1933
issued by the Oil Conservation Commission on April 13,
1960.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Enclosures: (2)

cc - Hobbs
Giles
Jim Christy
4-15-60
Jh