No. 8-62

## DOCKET: REGULAR HEARING - WEDNESDAY - MARCH 14, 1962

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for April, 1962.
  - (2) Consideration of the allowable production of gas for April, 1962, from ten prorated pools in Lea and Eddy Counties, New Mexico, also consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for April, 1962.

## CASE 2469: (Rehearing): Application of El Paso Natural Gas Company for special rules and regulations for the Lusk-Strawn Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing special rules and regulations for the Lusk-Strawn Pool, Lea County, New Mexico, including a provision for 160-acre oil proration units.

- CASE 2504: Application of Consolidated Oil & Gas, Inc. for an amendment of Order No. R-1670-C to establish an allocation formula for the Basin-Dakota Gas Pool, San Juan, Rio Arriba and Sandoval Counties, New Mexico, which will differ from the allocation formula preacribed for the prorated gas pools of Northwest New Mexico by Rule 9 (C) of Order No. R-1670. Applicant recommends an allocation formula based 60 percent on acreage and 40 percent on acreage times deliverability. The Commission also may consider the establishment of minimum and maximum allowables for the Basin-Dakota Gas Pool.
- <u>CASE 2505</u>: Southeastern New Mexico nomenclature case calling for an order creating new pools, extending and abolishing certain existing pools in Eddy, Lea, Roosevelt and Chaves Counties, New Mexico.
  - (a) Create a new pool classified as an oil pool for Cisco production, designated as the Baish-Cisco Pool, and described as:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM Section 21: SE/4

(b) Create a new pool classified as an oil pool for San Andres production, designated as the Pecos-San Andres Pool, and described as:

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM Section 32: NE/4 Section 33: NW/4 -2-Docket No. 8-62

(c) Create a new pool classified as an oil pool for Pennsylvanian production, designated as the East Prairie-Pennsylvanian Pool, and described as:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 23: SW/4

(d) Create a new pool classified as an oil pool for Bone Springs production, designated as the Quahada Ridge-Bone Springs Pool, and described as:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM Section 27: SW/4

(e) Create a new pool classified as an oil pool for Bone Springs production, designated as the Scharb-Bone Springs Pool, and described as:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM Section 6: SW/4

(f) Create a new pool classified as an oil pool for Wolfcamp production, designated as the South Tulk-Wolfcamp Pool, and described as:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM Section 18: NW/4

(g) Abolish the Baish-Pennsylvanian Pool described as:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM Section 21: SE/4

(h) Abolish the East Vacuum-Abo Pool described as:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM Section 35: S/2 & NE/4 Section 36: SW/4 & S/2 NW/4

(i) Extend the Allison-Pennsylvanian Pool to include:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM Section 33: SW/4

(j) Extend the Atoka-Pennsylvanian Gas Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM Section 28: SW/4

(k) Extend the Blinebry Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 30: SE/4

## --3--Docket No. 1-62

320-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the S/2 of Section 22, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Turner Well No. 7, located at an unorthodox location 1650 feet from the South line and 330 feet from the West line of said Section 22.

- CASE 2467: Application of Shell Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Livingston Well No. 12, located 4620 feet from the South line and 660 feet from the East line of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, as a dual completion (tubingless) in the Drinkard and Blinebry Oil Pools, with the production of oil from both zones to be through parallel strings of 2 7/8-inch casing cemented in a common well bore.
- <u>CASE 2468</u>: Application of Shell Oil Company for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Livingston Well No. 11, located 3300 feet from the South line and 660 feet from the West Line of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, as a triple completion (tubingless) in the Drinkard Oil, Tubb Gas and Blinebry Oil Pools, with the production of oil from the Drinkard and Blinebry zones and the production of gas from the Tubb zone to be through parallel strings of 2 7/8-inch casing cemented in a common well bore.
- <u>CASE 2469</u>: Application of El Paso Natural Gas Company for an order establishing special rules and regulations for the Lusk-Strawn Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing special rules and regulations for the Lusk-Strawn Pool, Lea County, New Mexico, including provisions for 160-acre proration units and a limiting gas-oil ratio of 4000 to 1.
  - <u>CASE 2470</u>: Application of J. R. Cone for a 40-acre non-standard gas proration unit and for an exception to Order No. R-1670, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 40-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the NE/4 SE/4 of Section 21, Township 21 South, Range 37 East, Lea

-4-Docket No. 1-62

> County, New Mexico, said unit to be dedicated to the Anderson Well No. 2, located 1650 feet from the South line and 330 feet from the East line of said Section 21. Applicant further seeks an exception to Rule 34 (A) of the special rules and regulations for the Blinebry Gas Pool as contained in Order No. R-1670, to permit the gas produced from said Anderson Well No. 2 to be produced into a low-pressure separator only.

- CASE 2471: Application of Leonard Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Federal Ginsberg Well No. 8, located in Unit M of Section 31, Township 25 South, Range 38 East, Lea County, New Mexico, as a dual completion (conventional) in the Langlie-Mattix and Justis-Blinebry Pools, with the production of oil from both zones to be through parallel strings of 2 3/8-inch tubing, separation of the zones to be by a liner re-entry shoe seal assembly.
- CASE 2472: Application of Newmont Oil Company for approval of a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West Loco Hills Grayburg No. 4 Sand Unit Agreement, covering 5320 acres, more or less, in Townships 17 and 18 South, Ranges 29 and 30 East, Eddy County, New Mexico.
- <u>CASE 2473</u>: Application of Newmont Oil Company for expansion of its Loco Hills Waterflood Project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to expand its Loco Hills Waterflood Project to include the proposed West Loco Hills Grayburg No. 4 Sand Unit Area, comprising 5320 acres, more or less, in Townships 17 and 18 South, Ranges 29 and 30 East, Eddy County, New Mexico.