



STATE OF NEW MEXICO

STATE ENGINEER OFFICE

SANTA FE

S. E. REYNOLDS
STATE ENGINEER

July 12, 1963

ADDRESS CORRESPONDENCE TO:
STATE CAPITOL
SANTA FE, N. M.

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

Dear Mr. Porter:

This is to advise you that the State Engineer has no objection to the casing program as proposed by Shelly Oil Company in OCC case No. 2849.

Very truly yours,

S. E. Reynolds
State Engineer

By:

D. E. Gray
D. E. Gray, Engineer
Water Rights Division

DEG:c1

GOVERNOR
JACK M. DANFELLS
CHAIAMA

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. B. JOHNNY WALKER
MEMBER

P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

July 17, 1963

Mr. Charles White
Gilbert, White & Gilbert
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

Re: Case No. 2849
Order No. R-2524
Applicant:
Skelly Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Astec OCC x

OTHER Mr. George Selinger

Note: Letter setting allowable for this project will follow.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

-2-

Mr. Charles White
Gilbert, White & Gilbert
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

July 19, 1963

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Enclosure (1)

cc: Mr. George Selinger
Skelly Oil Company
Box 1650
Tulsa 2, Oklahoma

Oil Conservation Commission:
Hobbs
Aztec

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 19, 1963

Mr. Charles White
Gilbert, White & Gilbert
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

Dear Sir:

Enclosed herewith is Commission Order No. R-2524, entered in Case No. 2849, approving the East Bisti Unit Waterflood Project.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 10,018 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe Office of the Commission and the appropriate district proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase of unitization, when wells have received a response to water injection, etc.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Case 2849

June 5, 1963

DOCKET MAILED

Mr. Ron Jacobs
Skelly Oil Company ~~Date _____~~
P. O. Box 1650
Tulsa 2, Oklahoma

Re: East Bisti Unit, San Juan
County, New Mexico

Dear Mr. Jacobs:

Pursuant to our telephone conversation, please be advised that the first examiner hearing in July is tentatively set for July 10, 1963. We have tentatively docketed your applications concerning the above unit for the July 10 hearing.

If there should be a change in the hearing date, I will attempt to advise you immediately.

Very truly yours,

J. M. DURRETT, Jr.,
Attorney

JMD/esr

202549

December 19, 1962

Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Re: Proposed East Bisti
Unit, San Juan County,
New Mexico

Attention: Mr. Robert J. Hiltz

Gentlemen:

This office approves as to form and content the East
Bisti Unit Agreement.

We are verifying verbal approval which was given to
your Mr. Kenneth Jones by telephone conversation December
17, 1962.

Very truly yours,

E. S. JOHNNY WALKER
COMMISSIONER OF PUBLIC LANDS

BY:
(Mrs.) Marian M. Rhea, Supervisor
Unit Division

ESW/mmr/v
cc: U. S. Geological Survey
Roswell, New Mexico

Oil Conservation Commission
Santa Fe, New Mexico



SKELLY OIL COMPANY

P. O. Box 1650
TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

July 5, 1963

In re: Case 2849
East Bisti, Lower Gallup Area
San Juan County, New Mexico

VIA AIR MAIL

Mr. S. E. Reynolds, State Engineer
P. O. Box 1079
Santa Fe, New Mexico

Dear Mr. Reynolds:

Skelly Oil Company has filed with the Oil Conservation Commission an application for permission to conduct secondary recovery operations in the Bisti Field by injecting fluids into the Gallup formation. This case is scheduled to be heard at 9:00 A.M. Wednesday, July 10, 1963, before the Oil Conservation Commission in Santa Fe, New Mexico.

Pursuant to the newly adopted Rule 701-B of the Commission, we are enclosing a copy of our application in this case, along with a map showing the location of all wells completed in the area, and showing the proposed injection wells. We are, also, enclosing, so that you may have an opportunity to examine same prior to the hearing, diagrammatic sketches of the present subsurface installation of the 34 proposed injection wells.

Yours very truly,

Signed: GEORGE W. SELINGER

RJJ:br
Encl.

cc-Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico



SKELLY OIL COMPANY

P. O. Box 1650
TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

October 15, 1963

Mr. Daniel Nutter
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Nutter:

I am herewith attaching for your file an up-to-date map of the East Bisti Unit, San Juan County, New Mexico, showing the location of the wells and the latest correct unit well numbers.

Yours very truly,

GWS:br
Attach.



SKELLY OIL COMPANY

P. O. Box 1650
TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

April 19, 1965

Re: East Bisti Unit
San Juan County, New Mexico

Mr. A. L. Porter, Jr., Secretary-Director
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Porter:

Rule 701(E) of the Commission's Rules and Regulations provides for monthly testing for each and every well outside a prorated waterflood project area which is producing into common facilities with wells inside a prorated waterflood project area.

Skelly Oil Company, as operator of the East Bisti Unit pursuant to the provision in the rules allowing the granting of exceptions to monthly testing, hereby respectfully requests exemption from testing non-project wells as listed below:

<u>Non-Project Wells</u>	<u>Produced in Common Facilities with Project Wells</u>
50 and 59	64, 68, and 69
51	46, 47, and 52
91	82, 83, 92, and 93
97, 99, 100, 106, 107, 113, and 114	87

In support of our request we submit that the monthly testing is not necessary for the following reasons:

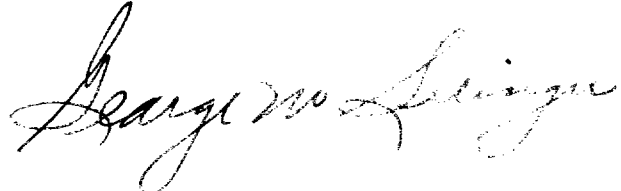
- (1) The transfer allowable of approximately 3,400 BPD for the injection wells plus the allowable for the producing wells within the project area is in excess of the anticipated producing rate for the project area. Therefore, there would be no reason for purposely or inadvertently assigning project allowable to non-project wells.

Mr. A. L. Porter, Jr.
April 19, 1965
Page 2

- (2) The non-project wells affected by the testing provision are located far enough from injection wells that a significant response is not expected for approximately eighteen months. Until such time as the non-project wells exceed the top unit allowable (currently 140 BPD), there would be no reason for purposely or inadvertently assigning allowable from non-project wells to project area wells. In the event a significant increase in production is experienced from non-project wells, we would pursue the provision of Rule 701 whereby the project area can be enlarged.
- (3) The only test facilities available at the present time is a portable testing unit. Until such time as consolidation of tank batteries and installation of test facilities can be justified, the frequent testing of these "stripper" wells would incur an additional operating expense.

Respectfully submitted,

SKELLY OIL COMPANY

A handwritten signature in cursive script, reading "George W. Selinger". The signature is written in dark ink and is positioned above the printed name.

George W. Selinger

RJJ:br

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 22, 1965

C
O
P
Y

Skelly Oil Company
P. O. Box 1650
Tulsa 2, Oklahoma

Attention: Mr. George W. Selinger

Gentlemen:

Reference is made to your letter dated April 19, 1965, wherein you request an exception to the provisions of Rule 701-E 3 which requires that each and every well outside a prorated waterflood project area which is producing into common facilities with wells inside a prorated waterflood project area shall be tested once each month.

Your request is that Unit Wells Nos. 50, 59, 51, 91, 97, 99, 100, 106, 107, 113, and 114 be exempted from the aforesaid testing requirement.

We concur with your reasoning that the subject wells should not at this time be required to be tested monthly. Skelly Oil Company is therefore hereby granted an exception to the monthly testing requirement as set forth in Rule 701-E 3.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ALP:DSN:sg

cc: Oil Conservation Commission - Aztec
Case File 2849



MAIN OFFICE OCC

SKELLY OIL COMPANY

SEP 25 1963 AM 8:19

TULSA 2, OKLAHOMA

PRODUCTION DEPARTMENT

C. L. BLACKSHER, VICE PRESIDENT

W. P. WHITMORE, MGR. PRODUCTION

W. D. CARSON, MGR. TECHNICAL SERVICES

ROBERT G. HILTZ, MGR. JOINT OPERATIONS

GEORGE W. SELINGER, MGR. CONSERVATION

September 24, 1963

Re: Order No. R-2524
East Bisti Unit
Waterflooding Project
San Juan County, New Mexico

A. L. Porter, Jr.
Secretary - Director
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

On July 19, 1963, you transmitted a copy of the captioned order, and also stated in your letter that according to your calculations when all the authorized injection wells have been placed on active injection, the maximum allowable which the project would be eligible to receive under the provisions of 701-E-3, would be 10,018 barrels daily. You further requested that any error in the calculated maximum allowable be reported to the Santa Fe office of the Commission and the appropriate district proration office. We have caused a study of the maximum allowable to be made and according to our calculations, the maximum allowable should be 10,880 barrels daily. So that you will be able to ascertain the acreage and method we used in arriving at our calculated figures, we are attaching a schedule listing the wells, location, "dedicated acreage" and project allowable. We hope this schedule will enable you to reconcile our differences in calculations. We are also attaching a copy of this letter with schedule attached to the Commission's Aztec office.

Very truly yours,

RJJ/ww
Attach.

cc: Oil Conservation Commission
100 Rio Brazos Road
Aztec, New Mexico

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. BOX 871
SANTA FE

Mr. Charles D. White
Gilbert, White & Gilbert
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

, 19

Gentlemen:

Enclosed herewith is Commission Order No. R- 2524, entered in Case No. 2849, approving the East Bisti Unit Water Flood Project.

According to our calculations, when all of the authorized injection wells have been placed on active injection, the maximum allowable which this project will be eligible to receive under the provisions of Rule 701-E-3 is 10,018 barrels per day.

Please report any error in this calculated maximum allowable immediately, both to the Santa Fe office of the Commission and the appropriate District proration office.

In order that the allowable assigned to the project may be kept current, and in order that the operator may fully benefit from the allowable provisions of Rule 701, it behooves him to promptly notify both of the aforementioned Commission offices by letter of any change in the status of wells in the project area, i.e., when active injection commences, when additional injection or producing wells are drilled, when additional wells are acquired through purchase or unitization, when wells have received a response to water injection, etc.

Your cooperation in keeping the Commission so informed as to the status of the project and the wells therein will be appreciated.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

cc: OCC - Hobbs & Aztec and Geo. Selinger