

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 10, 1968

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

The following cases will be heard before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Alternate Examiner:

- CASE 3800: Application of Depco, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres and possibly other formations in its State 647 Well No. 82 located in Unit F of Section 27, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico, in the open-hole interval from 2421 feet to 2926 feet.
- CASE 3801: Application of H & S Oil Company for an amendment to Order No. R-3357, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3357, which authorized a waterflood project in the West Artesia Grayburg Unit Area, Artesia Pool, Eddy County, New Mexico, to delete the water injection wells previously authorized in Units H and P of Section 7, Units D, F, H, J, and L of Section 8, and Unit D of Section 17, and to authorize for water injection certain wells in Unit I of Section 7 and Units C, E, G, K, and M, of Section 8, all in Township 18 South, Range 28 East.
- CASE 3802: Application of Atlantic Richfield Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West Red Lake Unit Area comprising 1,237 acres, more or less, of Federal and Fee lands in Township 18 South, Range 27 East, Red Lake Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.
- CASE 3803: Application of Gulf Oil Corporation for an amendment to Order No. R-3345, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3345, which authorized a waterflood project in its Stuart Langlie Mattix Unit Area, Langlie-Mattix Pool, Lea County, New Mexico, to delete the water injection wells previously authorized in Unit M of Section 2, Units A, C, & I of Section 10, and Unit C of Section 11, all in Township 25 South, Range 37 East, and to authorize for water injection four wells at the following unorthodox locations in Section 10: a well 100' from the North line and 1650' from the West line; a well 100' from the North line and 660' from the East line; a well 1315' from the North line and 100' from the West line; and a well 1420' from the South line and 100' from the East line.

July 10, 1968

Docket No. 20-68 - Examiner Hearing

CASE 3804: Application of Pan American Petroleum Corporation for a pressure maintenance project, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of water into the San Andres formation through two wells located in Units K and M of Section 29, Township 8 South, Range 35 East, Milnesand-San Andres Pool, Roosevelt County, New Mexico. Applicant further seeks the designation of a project area and the promulgation of rules governing said project, and the reclassification of the well in Unit M of Section 29 from a salt water disposal well to a pressure maintenance project injection well.

CASE 3805: Application of Benson-Montin-Greer Drilling Corporation and Lloyd B. Taylor for Pressure Interference Tests and Back Allowable, San Juan County, New Mexico. Applicants, in the above-styled cause, seek authority to extend for an additional 60-day period from July 8, 1968, the shut-in test period authorized for one well in the La Plata Gallup Oil Pool, San Juan County, New Mexico, by Commission Order No. R-3399 and to also extend the back allowable make-up period for said well. Applicants further seek authority to drill three additional La Plata oil wells in Section 6 of Township 31 North, Range 13 West, and Sections 31 and 32, Township 32 North, Range 13 West, and to shut said wells in immediately after recovery of load oil and the establishment of initial potentials, for a period of up to 180 days for the purpose of conducting pressure interference tests, and to make-up the production lost during said test period at a later date. Applicants further seek a provision for administrative extension of the shut-in test period and the make-up period.

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 3802

Order No. R-3453

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR APPROVAL OF THE WEST  
RED LAKE UNIT AGREEMENT, EDDY COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 10, 1968,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this \_\_\_\_\_ day of July, 1968, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, 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 the applicant, Atlantic Richfield Company, seeks  
approval of the West Red Lake Unit Agreement covering <sup>1,236.85</sup>~~1,237~~ acres,  
more or less, of Federal and Fee lands described as follows:

EDDY COUNTY, NEW MEXICO  
TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM

Section 4: NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> and S<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub> ✓  
Section 5: SE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> and S<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub> ✓  
Section 6: SE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> and SW<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub> ✓  
Section 7: NE<sup>1</sup>/<sub>4</sub>, E<sup>1</sup>/<sub>2</sub>NW<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>,  
W<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub>, and NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> ✓  
Section 8: ~~NE<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub>~~ <sup>N<sup>1</sup>/<sub>2</sub></sup> and NE<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub> ✓  
Section 9: N<sup>1</sup>/<sub>2</sub>NW<sup>1</sup>/<sub>4</sub> ✓

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the West Red Lake Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by ~~the Commissioner of Public Lands for the State of New Mexico and~~ the Director of the United States Geological Survey; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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