

**TEXACO
INC.**

P. O. BOX 2100
DENVER, COLORADO 80201
(303) 793-4317

NANETTE J. CRAWFORD
ATTORNEY

August 23, 1990

VIA OVERNIGHT MAIL

Mr. Michael Stogner
Chief Hearing Officer/Engineer
State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
P.O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

10097

Re: Texaco's Application for Exception to Rule 104
West Dollarhide Drinkard
Unit Well Nos. 109, 110, 111 and 112

Dear Mr. Stogner:

By letter dated June 14, 1990, a copy of which is enclosed for your convenience, Texaco requested administrative approval for the referenced application. Because this application can not be administratively approved, Texaco requests that this matter be set for hearing on September 19, 1990.

In addition, Texaco has decided to drop its application as it relates to Well Nos. 109 and 110. Texaco will continue to pursue the application only as it relates to Well Nos. 111 and 112.

Pursuant to the original June 14 letter, all affected offset operators have been notified of the application and will be notified of the September 19 hearing date.

Very truly yours,


Nanette J. Crawford

NJC:jls
Enclosure

cc: Mr. Wm. Kerr, Campbell & Black
(Via Rapifax)

Mr. Wm. Phillips, Midland Producing

OE



Texaco USA
Producing Department
Midland Division

PO Box 3109
Midland TX 79702-3109

June 14, 1990

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations
West Dollarhide Drinkard Unit
Well Nos. 109, 110, 111, 112
Lea County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

Case 10097

Attention: Mr. Michael E. Stogner

Gentlemen:

An exception, by administrative approval, to Rule 104 F.I. is requested for Texaco Producing Inc.'s West Dollarhide Drinkard Unit Well Nos. 109, 110, 111 & 112. Please note that Well Nos. 109 & 110 are on Federal Land. The wells are located as follows:

109 ~~Well No. 109:~~ 110' FNL & 155' FEL, Sec. 33, T-24-S, R-38-E
Affected offset operator: Oxy
110 ~~Well No. 110:~~ 1330' FNL & 155' FEL, Sec. 33, T-24-S, R-38-E
Affected offset operator: Oxy
✓ Well No. 111: 2630' FSL & 130' FEL, Sec. 33, T-24-S, R-38-E
Affected offset operators: Oxy & Union
✓ Well No. 112: 54' FNL & 130' FEL, Sec. 4, T-25-S, R-38-E
Affected offset operator: Union

The wells must be drilled in these locations to ensure proper development on 10-acre spacing. Wells drilled previously on 10-acre spacing have proven to be viable wells. These wells will be completed in the Drinkard formation.

The "affected offset operators" have been notified of this request. Attached are Forms C-102 for each well, offset operators list with proof of notification, and a lease plat showing the location of each well.

Yours very truly,

C. P. Basham
Drilling Superintendent
on Behalf of Texaco Producing Inc.

CWH:cwh

Attachments

cc: NMOCD, P. O. Box 1980, Hobbs, NM 88240
BLM, P. O. Box 1778 Carlsbad, NM 88220



Texaco USA
Producing Department
Midland Division

PO Box 3109
Midland TX 79702-3109

25 JUN 84

June 14, 1990

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations

West Dollarhide Drinkard Unit
Well Nos. 109, 110, 111, 112
Lea County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

Attention: Mr. Michael E. Stogner

Gentlemen:

An exception, by administrative approval, to Rule 104 F.I. is requested for Texaco Producing Inc.'s West Dollarhide Drinkard Unit Well Nos. 109, 110, 111 & 112. Please note that Well Nos. 109 & 110 are on Federal Land. The wells are located as follows:

Well No. 109: 110' FNL & 155' FEL, Sec. 33, T-24-S, R-38-E
Affected offset operator: Oxy
~~Well No. 109~~ 1330' FNL & 155' FEL, Sec. 33, T-24-S, R-38-E
Affected offset operator: Oxy
Well No. 111: 2630' FSL & 130' FEL, Sec. 33, T-24-S, R-38-E
Affected offset operators: Oxy & Union
Well No. 112: 54' FNL & 130' FEL, Sec. 4, T-25-S, R-38-E
Affected offset operator: Union

*Cancel
per
telephone
conversation
w/
Walt
Hamm*

The wells must be drilled in these locations to ensure proper development on 10-acre spacing. Wells drilled previously on 10-acre spacing have proven to be viable wells. These wells will be completed in the Drinkard formation.

The "affected offset operators" have been notified of this request. Attached are Forms C-102 for each well, offset operators list with proof of notification, and a lease plat showing the location of each well.

Yours very truly,

C.P. Basham
C. P. Basham
Drilling Superintendent
on Behalf of Texaco Producing Inc.

CWH:cwh
Attachments

cc: NMOCD, P. O. Box 1980, Hobbs, NM 88240
BLM, P. O. Box 1778 Carlsbad, NM 88220

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-4-65

All distances must be from the outer boundaries of the Section.

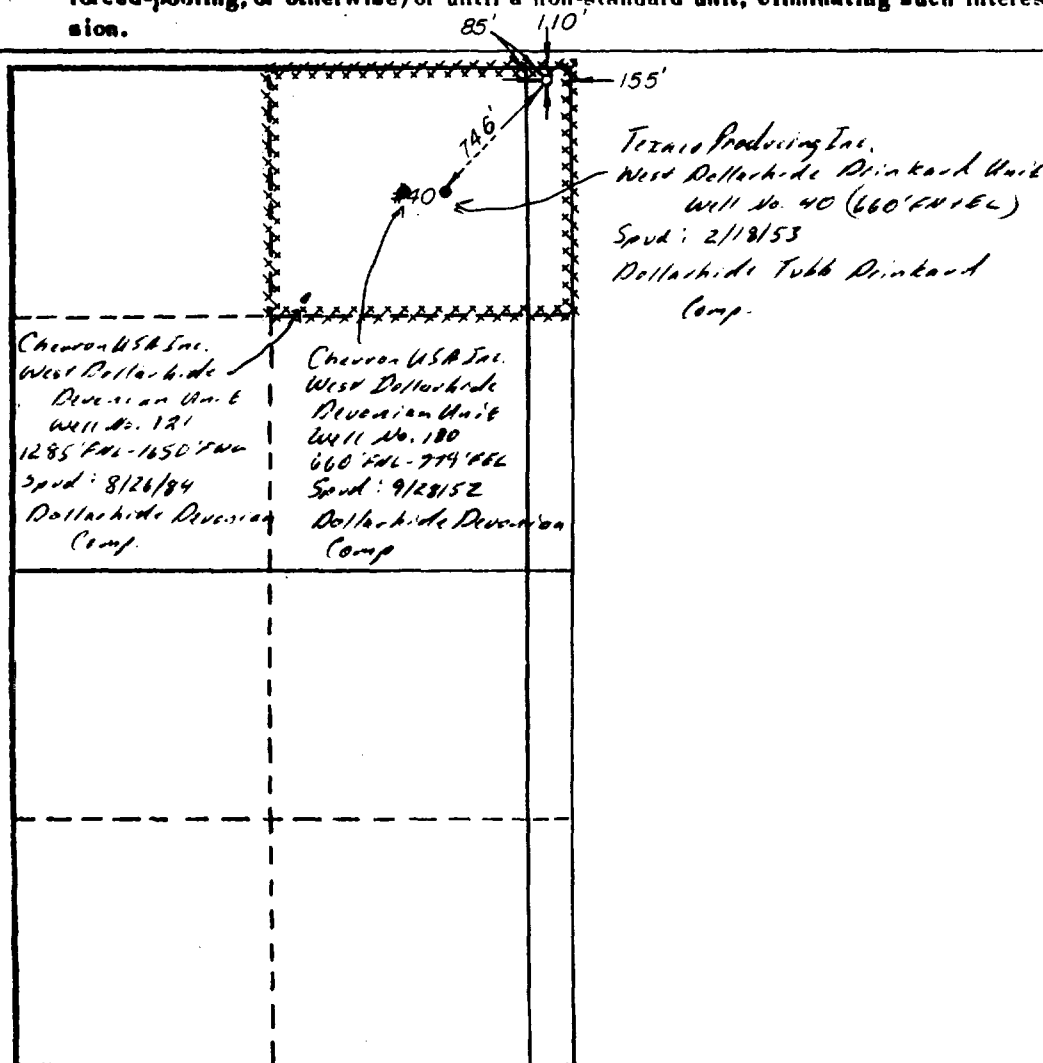
Operator TEXACO PRODUCING INC.		Lease WEST DOLLARHIDE DRINKARD UNIT		Well No. 109
Unit Letter B	Section 33	Township 24 SOUTH	Range 38 EAST	County LEA
Actual Footage Location of Well: 110 feet from the NORTH line and 155 feet from the EAST line				
Ground Level Elev. 3181'	Producing Formation (ABO 8) TUBB DRINKARD(DRINKARD)		Pool DOLLARHIDE TUBB DRINKARD	Dedicated Acreage 47.21 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes" type of consolidation UNITIZATION

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

R. D. Mariott
Name

R. D. MARIOTT

Position

DIVISION SURVEYOR

Company

TEXACO PRODUCING INC.

Date

MAY 21, 1990

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

MAY 21, 1990

Date Surveyed

Richard B. Duniven

Registered Professional Engineer and/or Land Surveyor

Richard B. Duniven

Certificate No.

4882

0 200 400 600 800 1000 1200 1400 1600 1800 2000 2200 2400 2600 2800 3000 3200 3400 3600 3800 4000

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

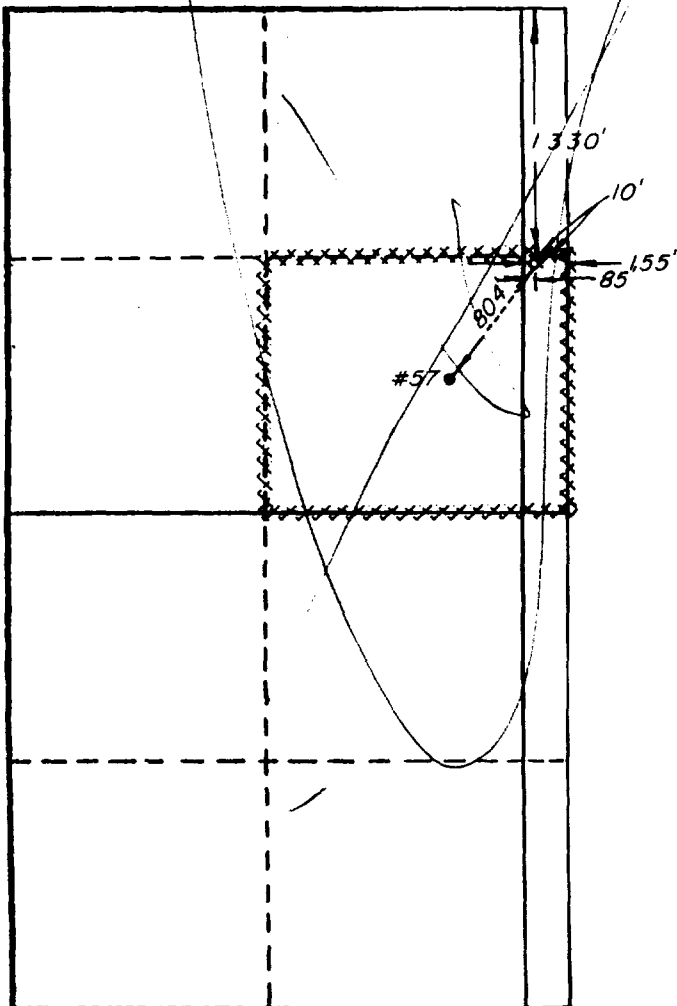
Operator TEXACO PRODUCING INC.			Lease WEST DOLLARHIDE DRINKARD UNIT		Well No. 110
Unit Letter G	Section 33	Township 24 SOUTH	Range 38 EAST	County LEA	
Actual Footage Location of Well: 1330 feet from the NORTH line and 155 feet from the EAST line					
Ground Level Elev. 3185	Producing Formation (ABO B) TUBB DRINKARD(DRINKARD)		Pool DOLLARHIDE TUBB DRINKARD	Dedicated Acreage: 47.24 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation UNITIZATION

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
R. D. MARIOTT
Position
DIVISION SURVEYOR
Company
TEXACO PRODUCING INC.

Date
MAY 21, 1990

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

MAY 21, 1990

Date Surveyed
Richard B. Duniven
Registered Professional Engineer
and/or Land Surveyor

Richard B. Duniven

Certificate No.
4882



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

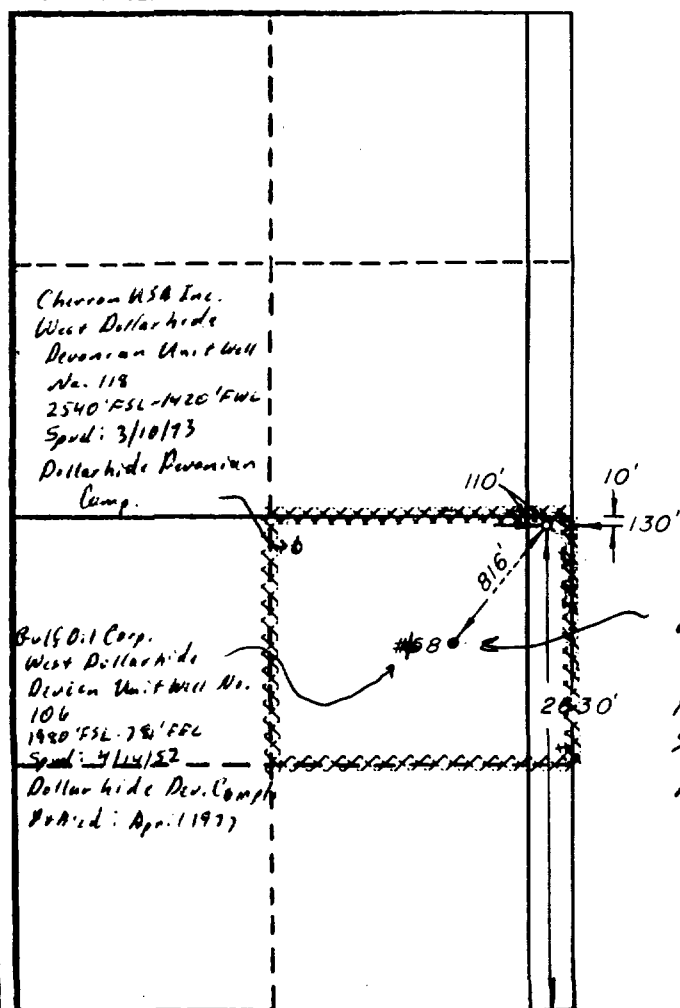
Operator TEXACO PRODUCING INC.		Lease WEST DOLLARHIDE DRINKARD UNIT		Well No. 111
Unit Letter J	Section 33	Township 24 SOUTH	Range 38 EAST	County LEA
Actual Footage Location of Well: 2630 feet from the SOUTH line and 130 feet from the EAST line				
Ground Level Elev. 3180'	Producing Formation (ABO &) TUBB DRINKARD(DRINKARD)	Pool DOLLARHIDE TUBB DRINKARD	Dedicated Acreage 47.26 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation UNITIZATION

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

R. D. Mariott

Name
R. D. MARIOTT

Position
DIVISION SURVEYOR

Company
TEXACO PRODUCING INC.

Date
MAY 21, 1990

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

MAY 21, 1990

Date Surveyed
Richard B. Duniven

Registered Professional Engineer and/or Land Surveyor
Richard B. Duniven

Certificate No.
4882

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

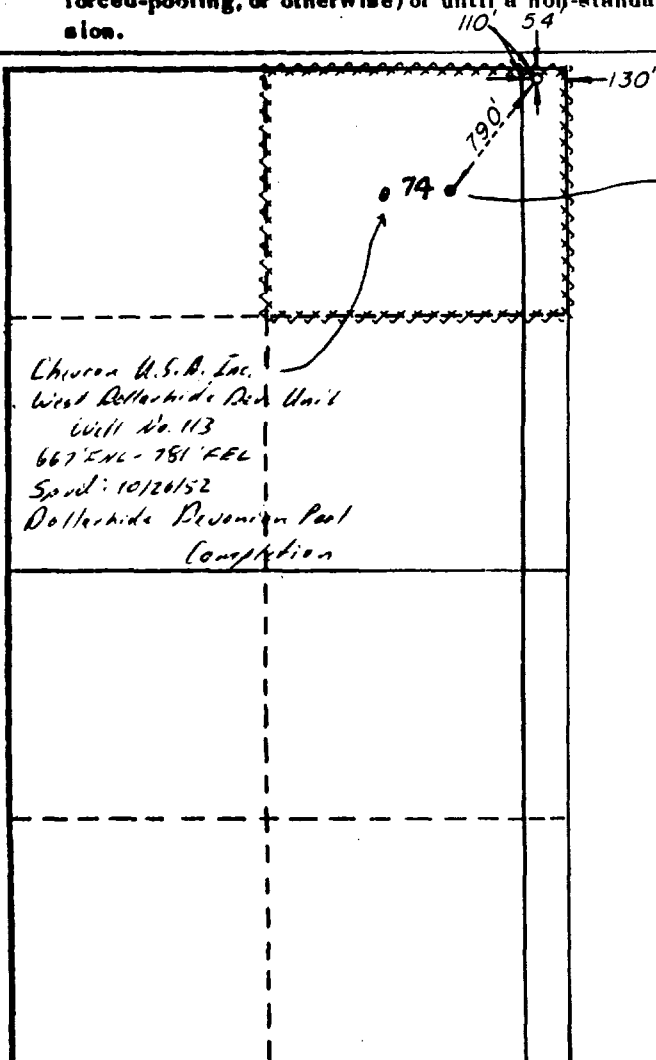
Operator TEXACO PRODUCING INC.		Lease WEST DOLLARHIDE DRINKARD UNIT		Well No. 112
Unit Letter B	Section 4	Township 25 SOUTH	Range 38 EAST	County LEA
Actual Footage Location of Well: 54 feet from the NORTH line and 130 feet from the EAST line				
Ground Level Elev. 3165'	Producing Formation (ABO & TUBB DRINKARD(DRINKARD))	Pool DOLLARHIDE TUBB DRINKARD	Dedicated Acreage: 47.36 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

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If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name

R. D. MARIOTT

Position

DIVISION SURVEYOR

Company

TEXACO PRODUCING INC.

Date

MAY 21, 1990

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

MAY 21, 1990

Date Surveyed

Richard B. Duniven

Registered Professional Engineer and/or Land Surveyor

Certificate No.

4882

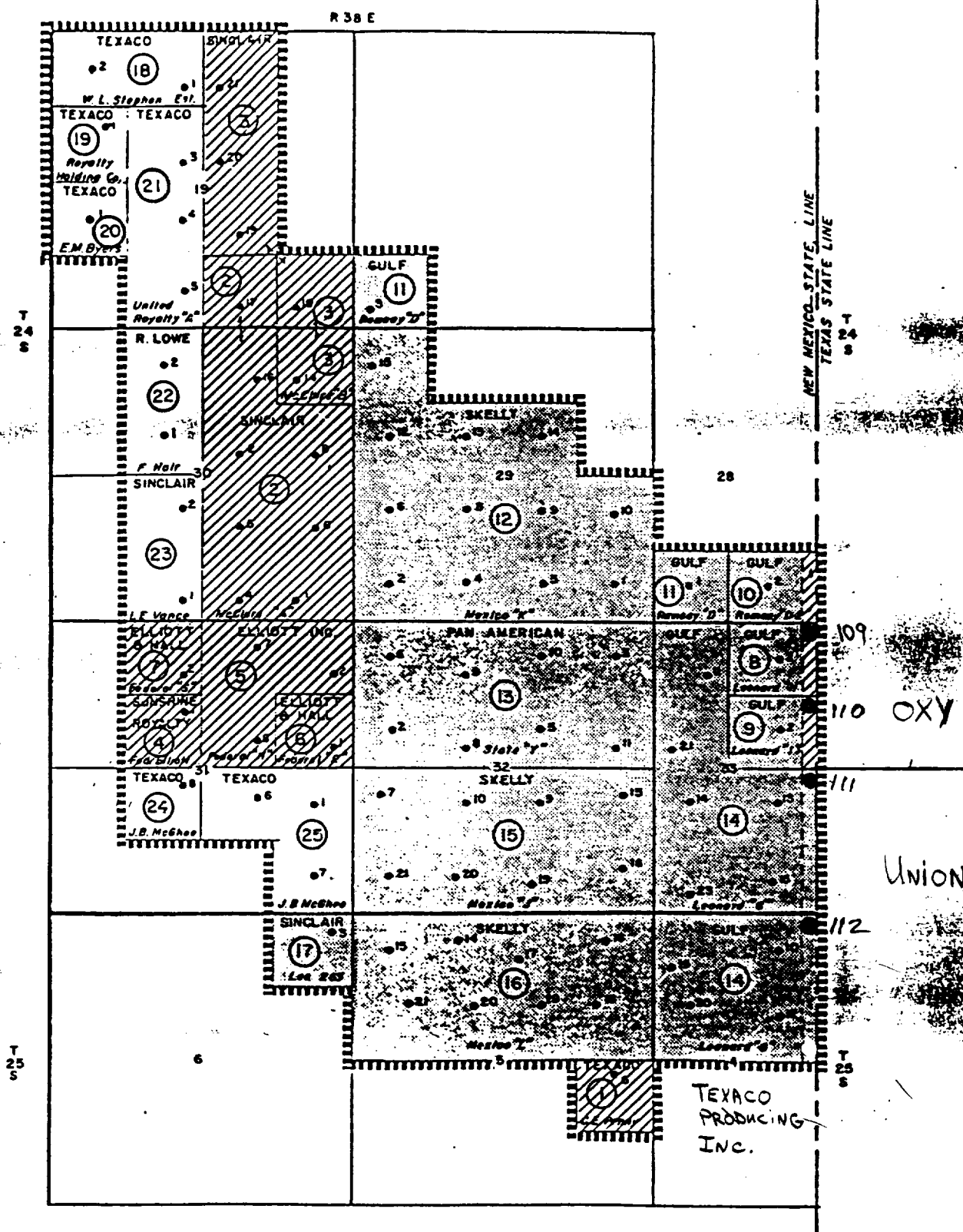
WEST DOLLARHIDE DRINKARD UNIT

WELL NOS. 109, 110, 111, 112

"AFFECTED OFFSET OPERATORS"

Union Oil Company of California
P. O. Box 3100
Midland, Texas 79702

Oxy USA Inc.
~~6-Desta Dr.~~ P.O. Box 50350
Midland, Texas 79705
10



WEST DOLLARHIDE DRINKARD UNIT
LEA COUNTY, NEW MEXICO

EXHIBIT "A"

- Legend*
- UNIT BOUNDARY
 - FEDERAL LANDS
 - STATE LANDS
 - FEE LANDS
 - TRACT NUMBER

"AFFECTED ACREAGE"

ILLEGIBLE



Texaco USA
Producing Department
Midland Division

PO Box 3109
Midland TX 79702-3109

June 14, 1990

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations

West Dollarhide Drinkard Unit

Well Nos. 109, 110, 111

Dollarhide Tubb Drinkard Field

Lea County, New Mexico

Oxy USA Inc.

~~6 Desta Dr.~~ PO Box 50250
Midland, Texas 79705
10

Gentlemen:

As the "affected offset operator" to the captioned wells, you are being furnished with a copy of our Application for an Exception to Rule 104, F.I. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to Mr. C. W. Howard at (915) 688-4606.

Yours very truly,

C. P. Basham
Drilling Superintendent
on Behalf of Texaco Producing Inc.

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____



Texaco USA
Producing Department
Midland Division

PO Box 3109
Midland TX 79702-3109

June 14, 1990

GOV - STATE AND LOCAL GOVERNMENTS

Unorthodox Locations
West Dollarhide Drinkard Unit
Well Nos. 111 and 112
Dollarhide Tubb Drinkard Field
Lea County, New Mexico

Union Oil Company of California
P. O. Box 3100
Midland, Texas 79702

Gentlemen:

As the "affected offset operator" to the captioned wells, you are being furnished with a copy of our Application for an Exception to Rule 104, F.I. If you have no objection, please sign the waiver at the bottom of this letter and return in the enclosed envelope.

Any questions concerning this request should be directed to Mr. C. W. Howard at (915) 688-4606.

Yours very truly,

C. P. Basham
Drilling Superintendent
on Behalf of Texaco Producing Inc.

CWH:cwh

File

WAIVER APPROVED:

COMPANY: _____

BY: _____

DATE: _____

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Oxy USA Inc. P.O. Box 50250 MIDLAND, TEXAS 79710	4. Article Number P 555 993 676 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery JUN 18 1990	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge) 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: UNION Oil Company of CALIFORNIA P.O. Box 3100 MIDLAND, TX 79702	4. Article Number P 555 993 675 Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise Always obtain signature of addressee or agent and DATE DELIVERED .
5. Signature - Address X	8. Addressee's Address (ONLY if requested and fee paid)
6. Signature - Agent X	
7. Date of Delivery JUN 15 1990	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

ILLEGIBLE



OIL CONSERVATION DIVISION
RECEIVED

JUN 28 AM 8 42

OXY USA INC.
Box 50250, Midland, TX 79710
June 22, 1990

New Mexico Oil Conservation Division
P. O. Box 2088, State Land Office Bldg.
Santa Fe, New Mexico 87504

Attention: Mr. Michael E. Stogner, Chief Hearing Officer

Re: **Application of Texaco Producing Inc.
For Exceptions to Rule 104 for their
West Dollarhide Drinkard Unit Wells
109, 110 and 111, Lea County, NM.**

Dear Mr. Stogner:

OXY USA Inc. is the operator the North Dollarhide Unit located in the Dollarhide (Devonian) and Dollarhide (Clearfork) fields in Andrews County, Texas. This unit produces from the same correlative interval as the West Dollarhide Drinkard Unit. The western edge of our unit adjoins the subject unit's eastern boundary, which means that the proposed wells are between 130 feet to 150 feet from our unit boundary.

Production from these wells will likely cause drainage from our unit. Producing wells at these locations will also interfere with our planned 40 acre five spot development program. Because of the potential to adversely affect the ultimate recovery of hydrocarbons from our unit, OXY USA Inc. hereby protests the granting of Rule 104 exceptions for wells 109, 110, and 111. OXY USA Inc. has no objection to a Rule 104 exception for well 112.

By copy of this letter, we are notifying the applicant, Texaco Producing Inc., of our objection. Please direct all future correspondence regarding this matter to the undersigned.

Sincerely,

Richard E. Foppiano
Regulatory Affairs Advisor - Western Region

REF/ref

xc: NMOCD, P. O. Box 1980, Hobbs, NM 88240
BLM, P. O. Box 1778, Carlsbad, NM 88220
Texaco Producing Inc., P. O. Box 3109, Midland, TX 79702-3109
Attention: C. P. Basham
Kellahin, Kellahin & Aubrey, P. O. Box 2265, Santa Fe,
NM, 87504-2265, Attention: Tom Kellahin



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

RECEIVED
90 JUN 28 AM 9 06

6-25-90

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL ☒ _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Texas Producing Inc. West Dallardide Drunkard Unit #
Operator _____ Lease & Well No. _____ Unit _____ S-T-R # *109-B 33-24-38*

and my recommendations are as follows:

#110-B 33-24-38
#111-J 33-24-38
#112-B 4-25-38

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

June 27, 1990

Texaco Producing, Inc.
P.O. Box 3109
Midland, TX 79702

Attention: Wade Howard

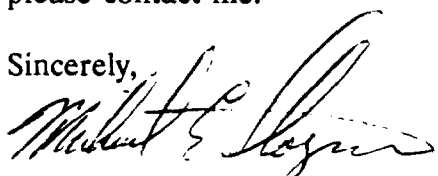
RE: West Dollarhide Drinkard Unit Well Nos. 109, 111 and 112.

Dear Mr. Howard:

Reference is made to your application dated June 14, 1990 for unorthodox oil well locations for the three subject wells and to our telephone conversation concerning the same on Tuesday June 26, 1990. Upon further review of this matter, it is determined that this application cannot be approved administratively. Pursuant to General Rule 104.F.I. these wells are closer than 330 feet to the outer boundary of the West Dollarhide Drinkard Unit and will therefore require a hearing before an Examiner for processing.

Please advise me as to Texaco's intent in this matter and should you have any questions, please contact me.

Sincerely,



Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Hobbs
US Bureau of Land Management - Carlsbad

STATE H "A" UNIT
Lea County, New Mexico

Order No. R-3754, Approving the State H "A" Unit Agreement,
Lea County, New Mexico, May 14, 1969.

Application of Amerada Petroleum Corporation
for Approval of the State H "A" Com Unit
Agreement, Lea County, New Mexico.

CASE NO. 4124
Order No. R-3754

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 7, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of May, 1969, 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, Amerada Petroleum Corporation, seeks approval of the State H "A" Unit Agreement covering 1,281.20 acres, more or less, of State lands described as follows:

LEA COUNTY, NEW MEXICO
TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM
Section 18: Lots 3, 4, E/2 SW/4, and SE/4
Section 19: All
Section 30: Lots 1, 2, E/2 NW/4, and NE/4

(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 State H "A" 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; 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.

WEST DOLLARHIDE DRINKARD UNIT
Lea County, New Mexico

Order No. R-3764, Approving the West Dollarhide Drinkard Unit Agreement, Lea County, New Mexico, May 23, 1969.

Application of Skelly Oil Company for Approval of the West Dollarhide Drinkard Unit Agreement, Lea County, New Mexico.

CASE NO. 4133
Order No. R-3764

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 21, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 23rd day of May, 1969, 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, Skelly Oil Company, seeks approval of the West Dollarhide Drinkard Unit Agreement covering 3533.52 acres, more or less, of State, Federal, and Fee lands described as follows:

LEA COUNTY, NEW MEXICO
TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM

Section 19: NW/4, W/2 NE/4, NW/4 SW/4, E/2 SW/4, NW/4 SE/4, and S/2 SE/4

Section 20: SW/4 SW/4

Section 28: SE/4 SW/4, SW/4 SW/4, and Lot 4

Section 29: NW/4 NW/4, S/2 NW/4, SW/4 NE/4, and S/2

Section 30: E/2 W/2 and E/2

(WEST DOLLARHIDE DRINKARD UNIT - Cont'd.)

Section 31: E/2 NW/4, NE/4, NE/4 SW/4, N/2
SE/4, and SE/4 SE/4

Section 32: All

Section 33: W/2 and Lots 1, 2, 3, and 4

TOWNSHIP 25 SOUTH, RANGE 38 EAST, NMPM

Section 4: SW/4 NW/4, SE/4 NW/4, and Lots
1, 2, 3, and 4

Section 5: S/2 N/2, NE/4 SE/4, and Lots 1, 2,
3, and 4

Section 6: Lot 1

(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 Dollarhide Drinkard 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.

MILNESAND (SAN ANDRES) UNIT
Roosevelt County, New Mexico

Order No. R-3766, Approving the Milnesand (San Andres) Unit Agreement, Roosevelt County, New Mexico, May 28, 1969.

Application of Allied Chemical Corporation
for Approval of the Milnesand (San Andres)
Unit Agreement, Roosevelt County, New
Mexico.

CASE NO. 4139
Order No. R-3766

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 21, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of May, 1969, 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, Allied Chemical Corporation, seeks approval of the Milnesand (San Andres) Unit Agreement covering 5370.18 acres, more or less, of Federal and Fee lands described as follows:

ROOSEVELT COUNTY, NEW MEXICO
TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM

Section 12: NE/4 NW/4, S/2 NW/4, NE/4, and S/2

Section 13: All

Section 14: E/2

Section 23: NE/4 and NE/4 SE/4

Section 24: N/2, N/2 S/2, SE/4 SW/4, and S/2 SE/4

Section 25: NE/4 and E/2 SE/4

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM

Section 5: SW/4 and W/2 SE/4

Section 6: S/2 S/2

Section 7: All

Section 8: N/2 NW/4, SW/4 NW/4, and NW/4 NE/4

Section 18: All

DOLLARHIDE TUBB-DRINKARD POOL
(Skelly West Dollarhide Drinkard Waterflood)
Lea County, New Mexico

Order No. R-3768, Authorizing Skelly Oil Company to Institute a Waterflood Project in the West Dollarhide Drinkard Unit Area in the Dollarhide Tubb-Drinkard Pool, Lea County, New Mexico, May 28, 1969.

Application of Skelly Oil Company for a Waterflood Project, Lea County, New Mexico.

CASE NO. 4134
Order No. R-3768

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 21, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of May, 1969, 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, Skelly Oil Company, seeks permission to institute a waterflood project in the West Dollarhide Drinkard Unit Area, Dollarhide Tubb-Drinkard Pool, by the injection of water into the Tubb-Drinkard formation through 43 injection wells in Townships 24 and 25 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said project could be expanded to include additional lands and injection wells in the area of the said project as may be necessary in order to complete an efficient injection pattern; that said administrative procedure should provide for administrative approval for conversion to water injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701,

702, and 703 of the Commission Rules and Regulations; provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

(1) That the applicant, Skelly Oil Company, is hereby authorized to institute a waterflood project in the West Dollarhide Drinkard Unit Area, Dollarhide Tubb-Drinkard Pool, by the injection of water into the Tubb-Drinkard formation through the following-described 43 wells in Lea County, New Mexico:

COMPANY	LEASE	Well No.	Unit	LOCATION	
				Sec.	T - R
Texaco Inc.	Paul Stephens	2	D	19	24S 38E
Texaco Inc.	E. M. Byers	1	L	19	24S 38E
Texaco Inc.	United Royalty				
	"A"	3	F	19	24S 38E
Texaco Inc.	United Royalty				
	"A"	5	N	19	24S 38E
Sinclair Oil & Gas Co.	McClure Fed.	21	B	19	24S 38E
Sinclair Oil & Gas Co.	McClure Fed.	19	J	19	24S 38E
Sinclair Oil & Gas Co.	McClure Fed.	18	P	19	24S 38E
Gulf Oil Corporation	Ramsey "D"	2	N	28	24S 38E
Skelly Oil Company	Mexico "K"	1	P	29	24S 38E
Skelly Oil Company	Mexico "K"	4	N	29	24S 38E
Skelly Oil Company	Mexico "K"	6	L	29	24S 38E
Skelly Oil Company	Mexico "K"	9	J	29	24S 38E
Skelly Oil Company	Mexico "K"	13	F	29	24S 38E
Skelly Oil Company	Mexico "K"	15	D	29	24S 38E
Ralph Lowe	F. Hair	1	F	30	24S 38E
Sinclair Oil & Gas Co.	L. E. Vance	1	N	30	24S 38E
Sinclair Oil & Gas Co.	McClure Fed.	1	P	30	24S 38E
Sinclair Oil & Gas Co.	McClure Fed.	5	J	30	24S 38E
Sinclair Oil & Gas Co.	McClure Fed.	8	H	30	24S 38E
Sinclair Oil & Gas Co.	McClure Fed.	16	B	30	24S 38E
Texaco Inc.	J. B. McGhee	6	J	31	24S 38E
Texaco Inc.	J. B. McGhee	7	P	31	24S 38E
Elliott Production	Elliott "H"	7	B	31	24S 38E
Elliott and Hall	Elliott "R"	1	H	31	24S 38E
Sunshine Royalty	Elliott Fed.	1	F	31	24S 38E
Skelly Oil Company	Mexico "J"	7	L	32	24S 38E

(DOLLARHIDE TUBB-DRINKARD (SKELLY WEST
DOLLARHIDE DRINKARD WATERFLOOD) POOL -
Cont'd.)

Skelly Oil Company	Mexico "J"	9	J	32	24S 38E
Skelly Oil Company	Mexico "J"	16	P	32	24S 38E
Skelly Oil Company	Mexico "J"	20	N	32	24S 38E
Pan American State "Y"		11	H	32	24S 38E
Pan American State "Y"		8	F	32	24S 38E
Pan American State "Y"		10	B	32	24S 38E
Pan American State "Y"		6	D	32	24S 38E
Gulf Oil Corporation	Leonard "I"	2	F	33	24S 38E
Gulf Oil Corporation	Leonard "G"	11	D	33	24S 38E
Gulf Oil Corporation	Leonard "G"	14	L	33	24S 38E
Gulf Oil Corporation	Leonard "G"	15	N	33	24S 38E
Gulf Oil Corporation	Leonard "G"	12	F	4	25S 38E
Gulf Oil Corporation	Leonard "G"	19	D	4	25S 38E
Skelly Oil Company	Mexico "L"	15	D	5	25S 38E
Skelly Oil Company	Mexico "L"	17	B	5	25S 38E
Skelly Oil Company	Mexico "L"	18	H	5	25S 38E
Skelly Oil Company	Mexico "L"	20	F	5	25S 38E

(2) That the subject waterflood project is hereby designated the Skelly West Dollarhide Drinkard Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the Skelly West Dollarhide Drinkard Waterflood Project to include such additional lands and injection wells in the area of said project as may be necessary to complete an efficient water injection pattern; that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(4) 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.

FOREST POOL
(Grayburg and San Andres Waterflood)
Eddy County, New Mexico

Order No. R-3756, Authorizing Continental Oil Company to Institute Three Waterflood Projects in the Grayburg and San Andres Formations in the Forest Pool, Eddy County, New Mexico, May 20, 1969.

Application of Continental Oil Company for a Waterflood Project, Eddy County, New Mexico.

CASE NO. 4125
Order No. R-3756

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on May 7, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of May, 1969, 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, Continental Oil Company, seeks permission to institute three waterflood projects in the Forest Pool by the injection of water into the Grayburg and San Andres formations through ten injection wells in Sections 34 and 35, Township 16 South, Range 29 East, NMPM, Eddy County, New Mexico.

(3) That the applicant further seeks an administrative procedure whereby said projects could be expanded to include additional lands and injection wells in the areas of said projects as may be necessary in order to complete efficient injection patterns; that said administrative procedure should provide for administrative approval for conversion to water injection in exception to the well response requirements of Rule 701 E-5 of the Commission Rules and Regulations.

(4) That the wells in the project areas are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood projects should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.



Texaco USA
Producing Department
Midland Division

P O Box 3109
Midland TX 79702

#4133

March 23, 1990

District Supervisor
Bureau of Land Management
Roswell District Office
P. O. Box 1397
Roswell, New Mexico 88201

Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

All Working Interest Owners
(Address List Attached)

RE: WEST DOLLARHIDE DRINKARD
SECONDARY RECOVERY UNIT
LEA COUNTY, NEW MEXICO

Gentlemen:

In accordance with Section II of the Unit Agreement of the Development and Operations of the West Dollarhide Drinkard Unit, Lea County, New Mexico, Texaco Inc. respectfully submits for your approval a report of past operations and a plan of development and operations for the waterflood unit for the year 1990.

PAST OPERATIONS

The West Dollarhide Drinkard Unit became effective June 1, 1969. Full scale flood operations began in September 1969, with an injection of 21,000 BWPD into 35 wells.

Currently the Unit consists of 37 active producers, 31 active injectors, 10 shut-in wells, and 14 plugged and abandoned wells. Cumulative oil production from the Unit since unitization was 5,183,986 barrels through December of 1989. The average producing rate per day during December 1989, was 697 barrels of oil, 1426 barrels of water and 283 MCF. Cumulative injection through December 1989 was 104,549,000 barrels. The average injection for December 1989, was 6706 BWPD at 1750 psig.

Bureau of Land Management,
Commissioner of Public Lands,
New Mexico Oil Conservation
Division, and Working
Interest Owners

-2-

March 23, 1990

During 1986, two (2) plugged and abandoned wells were re-entered and completed in the Drinkard.

During 1987, two (2) infill wells were drilled. Other workovers included cleanouts, stimulation and repair of casing leaks.

During 1988, eleven (11) workovers were necessary to open some additional pay within the unitized interval and to deal with scale problems in the field.

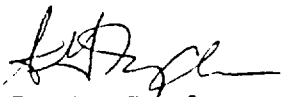
During 1989, five (5) workovers were completed. These workovers were primarily related to scale problems and involved clean outs, acidizing and scale squeezes. Three (3) producers were drilled (Nos. 92, 93 and 96).

DEVELOPMENT PLANS FOR 1990

The proposed plan of development for 1990 at the West Dollarhide Drinkard unit is to drill approximately twelve 20-acre infill wells. Success of the 20-acre drilling program may provide further drilling opportunities in 1990. Other anticipated work will be injection well cleanouts, opening additional pay in some wells, running liners on selected wells and the possibility of revamping the central battery plant.

Yours very truly,

Texaco Inc.

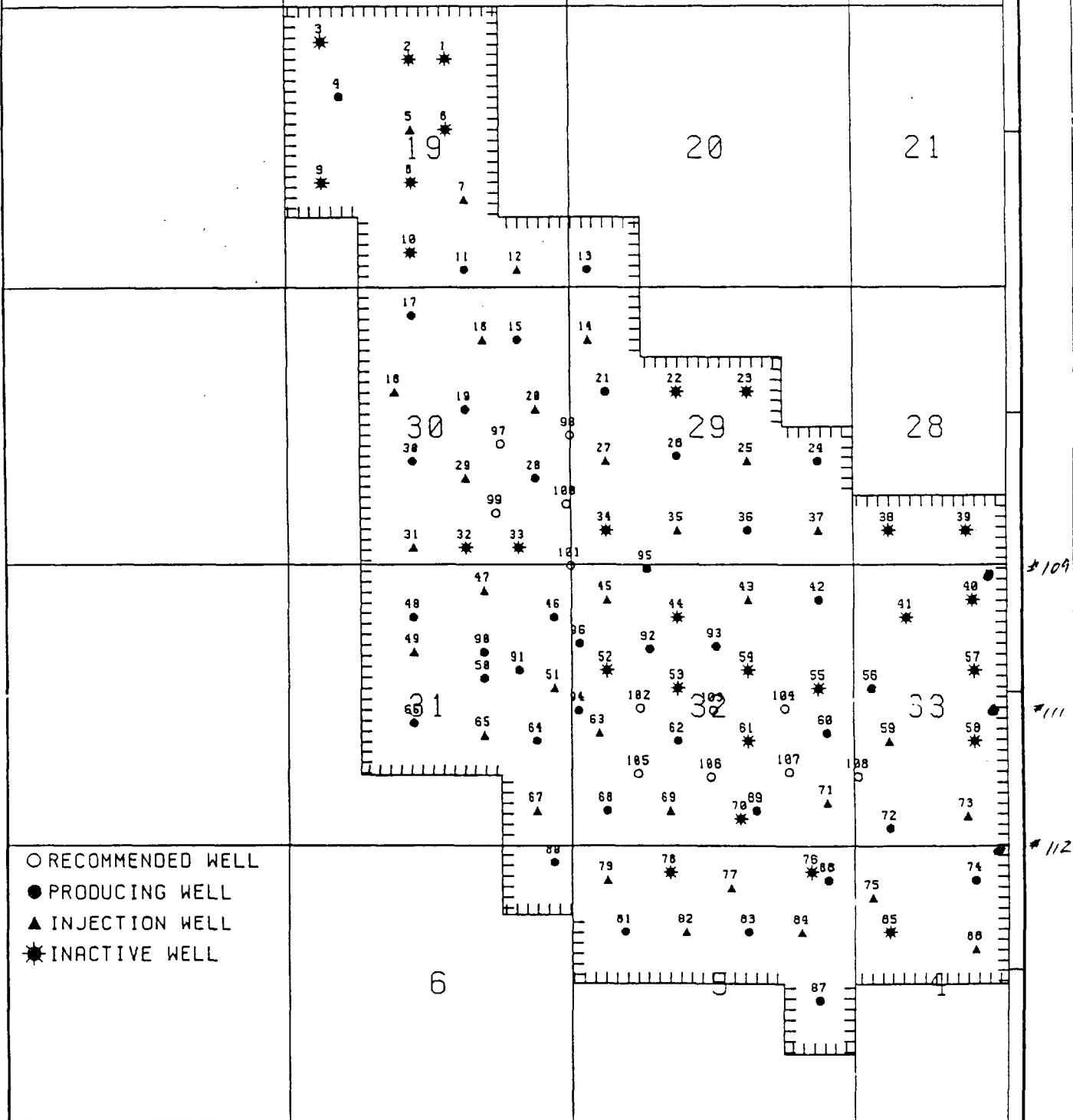


S. G. Snyder
Portfolio Manager

MOS/srt
Attachments

file
chrono

WEST DOLLARHIDE DRINKARD UNIT LEA COUNTY, NEW MEXICO

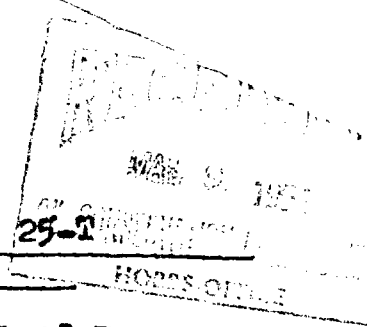
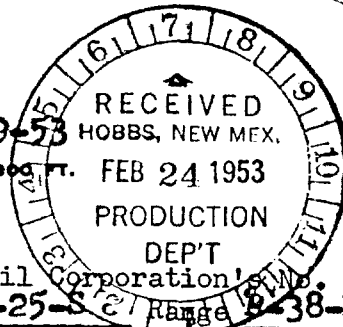


SECTION PLAT

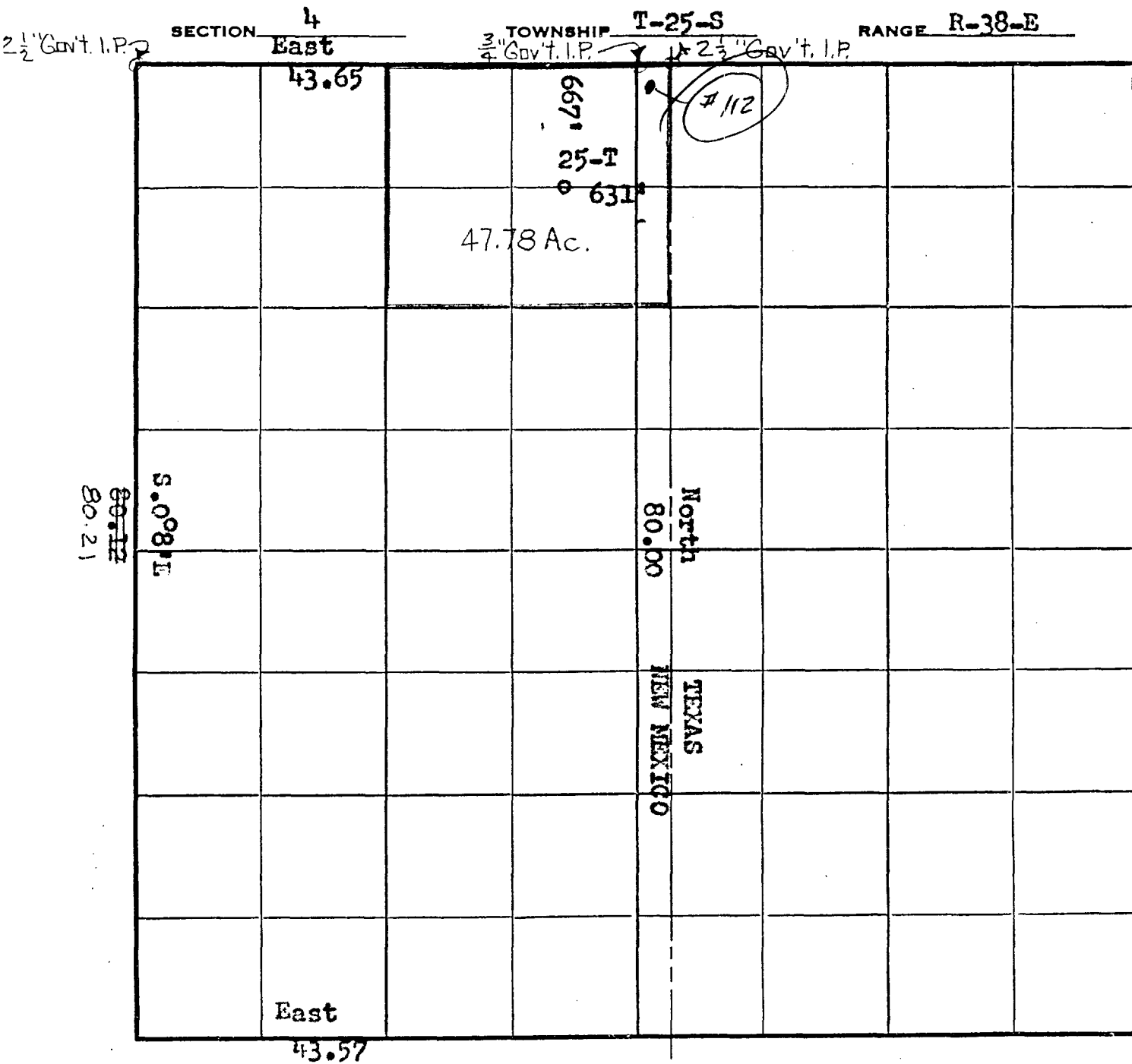
GULF FW 636

Date **2-19-53**

SCALE 1 IN. = 800 FT.



This Plat exhibits the exact location of Gulf Oil Corporation's No. **25-T**
Harry Leonard "A" in Sec. **4** Twnsp. **T-25-S** Range **R-38-E**



This is to certify that I am a Registered Land Surveyor, that the above plat was prepared under my direction and that the same is true and correct to the best of my knowledge and belief.

J. A. Teague
J. A. Teague

NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

REQUEST FOR (OIL) - (GAS) ALLOWABLE

This form shall be submitted by the operator before an initial allowable will be assigned to any completed Form C-104 is to be submitted in QUADRUPLICATE to the same District Office to which Form C-101 was sent. The allowable will be assigned effective 7:00 A.M. on date of completion or recompletion, provided this form is filed during the month of completion or recompletion. The completion date shall be that date in the case of an oil well when oil is delivered into the stock tanks. Gas must be reported on 15.025 psia at 60° Fahrenheit.

Hobbs, New Mexico

(Place)

WE ARE HEREBY REQUESTING AN ALLOWABLE FOR A WELL KNOWN AS:

Gulf Oil Corporation Harry Leonard "A", Well No. 25, in NE 1/4 NW 1/4,
(Company or Operator) (Lease)
C, Sec. 4, T. 25-S, R. 38-E, NMPM, Dollarhide West Drinkard Pool
(Unit)
Lea County. Date Spudded March 21, 1953, Date Completed May 26, 1953

Please indicate location:

Elevation 3170 Total Depth 6890', P.B.

Top oil/gas pay 6500' Prod. Form Line

Casing Perforations: Open Hole or

Depth to Casing shoe of Prod. String 6250'

Natural Prod. Test 172 BOPD

based on 172 bbls. Oil in 24 Hrs Mins.

Test after acid or shot 357 BOPD

Based on 59 1/2 bbls. Oil in 4 Hrs Mins.

Gas Well Potential

Size choke in inches 3/4"

Date first oil run to tanks or gas to Transmission system May 26, 1953

Transporter taking Oil or Gas Texas-New Mexico Pipeline Co.

Casing and Cementing Record

Size Feet Sax

10-3/4"	288'	150
7"	6241'	1250

Remarks: Request that this well be placed in the Proration Schedule effective May 26, 1953.
This drilling unit contains 47.78 acres.

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

Approved May 27, 1953 Gulf Oil Corporation

(Company or Operator)

OIL CONSERVATION COMMISSION

By: Roy Yarbrough

Title Oil & Gas Inspector

By: [Signature]

(Signature)

Title Asst. Area Prod. Supt.

Send Communications regarding well to:

Name Gulf Oil Corporation

Address Box 2167, Hobbs, New Mexico

ILLEGIBLE