DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 24, 1967

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 Daniel S. Nutter, Alternate Examiner:

- CASE 3572: Application of Jones Exploration Company for a dual completion and for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its State Well No. 1 located in Unit H of Section 35, Township 17 South, Range 35 East, Vacuum Field, Lea County, New Mexico, in such a manner as to permit the production of Abo Reef oil through the tubing and the disposal of produced salt water down the casing-tubing annulus into the Paddock formation in the perforated interval from 6955 to 6995 feet.
- CASE 3573: Application of Aztec Oil & Gas Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the South Corbin Strawn Oil Pool, including a provision for 160-acre proration units and the establishment of a 4000 to one gas-oil ratio limitation.
- CASE 3574: Application of Cima Capitan, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formations through one well located in Unit C of Section 3, Township 17 South, Range 32 East, Maljamar Pool, Lea County, New Mexico.
- <u>CASE 3575:</u> Application of Harvey E. Yates for a triple completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the triple completion of his Stebbins Deep Federal Well No. 1 located in Unit H of Section 30, Township 20 South, Range 29 East, Eddy County, New Mexico, to produce oil from the Scanlon Delaware Oil Pool through one string of tubing and to selectively produce gas from an undesignated Strawn gas pool and from an undesignated Morrow gas pool through another string of tubing. Selective production of one of the two gas zones at a time would be accomplished by means of a sliding side door and tubing plug.
- CASE 3576: Application of Jomar Industries, Inc. for water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, has proposed to drill certain wells in the S/2 NW/4 SE/4 and the N/2 SW/4 SE/4 of Section 30, Township 18 South, Range 38 East, Lea County, New Mexico, for production of oil from the Ogallala formation. Applicant anticipates that fresh water will be produced from the Ogallala formation incidental to the production of said oil and now seeks authority to dispose of said water back into the Ogallala formation through an injection well or wells to be located no nearer than 330 feet to the outer boundaries of the abovedescribed acreage.

CASE 3577: Application of El Paso Natural Gas Company for four nonstandard units, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the following nonstandard gas proration units in Township 29 North, Range 7 West, Basin-Dakota Gas Pool, Rio Arriba County, New Mexico:

> A 327.78-acre non-standard unit comprising the W/2 of Section 6 and the NW/4 of Section 7, to be dedicated to the San Juan 29-7 Unit Well No 100 located 790 feet from the South line and 950 feet from the West line of said Section 6;

A 345.19-acre non-standard unit comprising the SW/4 of Section 7 and the W/2 of Section 18;

A 361.64-acre non-standard unit comprising the W/2 of Section 19 and the NW/4 of Section 30;

A 375.28-acre non-standard unit comprising the SW/4 of Section 30 and the W/2 of Section 31.

Each of the latter three non-standard units will be dedicated to a well to be drilled at an as yet undetermined standard location on the respective unit.

CASE 3578: Application of Texas Pacific Oil Company for several non-standard gas proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the dedication and rededication of certain acreage and the establishment of the following non-standard gas proration units in Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

> A 120-acre non-standard gas proration unit comprising the N/2 NE/4 and the SE/4 NE/4 of Section 7, to be dedicated to the State "A" A/c-2 Well No. 5, located in Unit A of said Section 7, and also to the State "A" A/c-2 Well No. 6 located in Unit B of said Section 7;

A 160-acre non-standard gas proration unit comprising the W/2 W/2 of Section 5, to be dedicated to the State "A" A/c-2 Well No. 41, located in Unit M of said Section 5;

An 80-acre non-standard gas proration unit comprising the E/2 NW/4Section 5, to be dedicated to the State "A" A/c-2 Well No. 44, located in Unit F of said Section 5;

A 160-acre non-standard gas proration unit comprising the N/2 SE/4 and the E/2 SW/4 Section 5, to be dedicated to the State "A" A/c-2 Well No. 28, located in Unit I of said Section 5;

(Case 3578 continued)

An 80-acre non-standard gas proration unit comprising the S/2 SE/4 of Section 5, to be dedicated to the State "A" A/c-2 Well No. 27, located in Unit P of said Section 5;

A 160-acre non-standard gas proration unit comprising the W/2 SW/4, SE/4 SW/4, and SW/4 SE/4 Section 8, to be dedicated to the State "A" A/c-2 Well No. 54, located in Unit 0 of said Section 8;

A 160-acre non-standard gas proration unit comprising the S/2 NW/4, NE/4 SW/4, and NW/4 SE/4 of Section 8, to be dedicated to the State "A" A/c-2 Well No. 56, located in Unit J of said Section 8;

An 80-acre non-standard gas proration unit comprising the S/2 NE/4 of Section 8, to be dedicated to the State "A" A/c-2 Well No. 43, located in Unit H of said Section 8;

An 80-acre non-standard gas proration unit comprising the N/2 NW/4 Section 8, to be dedicated to the State "A" A/c-2 Well No. 49, located in Unit C of said Section 8;

A 240-acre non-standard gas proration unit comprising the NE/4 and E/2 NW/4 of Section 9, to be dedicated to the State "A" A/c-2 Well No. 40, located in Unit A of said Section 9;

A 240-acre non-standard gas proration unit comprising the E/2 SE/4 Section 8, and the SW/4 Section 9, to be dedicated to the State "A" A/c-2 Well No. 38, located in Unit K of said Section 9;

A 160-acre non-standard gas proration unit comprising the N/2 NE/4 Section 8, and the W/2 NW/4 of Section 9, to be dedicated to the State "A" A/c-2 Well No.29, located in Unit D of said Section 9.

- CASE 3579: Application of Texas Pacific Oil Company for three dual completions, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its State "A" A/c-2 Wells Nos. 28 54, and 29, located in Unit I of Section 5, Unit O of Section 8, and Unit D of Section 9, respectively, Township 22 South, Range 36 East, Lea County, New Mexico, in such a manner as to produce gas from the Jalmat Gas Pool and oil from the South Eunice Oil Pool.
- CASE 3580: Application of Sunray DX Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg formation through one well located in Unit C of Section 17, Township 17 South, Range 31 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

- CASE 3581: Application of Sunray DX Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation from 4248 feet to 4286 feet in its Harris State Well No. 5 located in Unit I of Section 23, Township 10 South, Range 32 East, Mescalero-San Andres Pool, Lea County, New Mexico.
- CASE 3582: Application of Tenneco Oil Company for two unorthodox gas well locations, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Blanco-Mesaverde Gas Pool location of its Jicarilla C Well No. 6, located 1780 feet from the North line and 1455 feet from the West line of Section 14, and its Jicarilla C Well No. 4 located 1650 feet from the North and West lines of Section 24, all in Township 26 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 3583: Application of Stoltz & Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Bagley-Lower Pennsylvanian Pool, Lea County, New Mexico, including a provision for 80-acre spacing and proration units.
- CASE 3584: Application of Gulf Oil Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Eddy "BD" State Well No. 1 at an unorthodox location 660 feet from the South line and 990 feet from the East line of Section 32, Township 20 South, Range 30 East, in an undesignated Strawn gas pool, Eddy County, New Mexico.
- CASE 3585: Application of Gulf Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the force-pooling of all mineral interests in the North Bagley-Pennsylvanian Oil Field, SW/4 SE/4 and SE/4 SE/4 of Section 9, Township 11 South, Range 33 East, Lea County, New Mexico, to be dedicated to the Lea State "OE" Well No. 1 to be drilled 660 feet from the South line and 1980 feet from the East line of said Section 9.
- CASE 3586: Application of Morris R. Antweil for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Malaga Unit Area comprising 839 acres, more or less, of Federal and Fee lands in Sections 12 and 13, Township 24 South, Range 28 East, and Sections 7 and 18, Township 24 South, Range 29 East, Eddy County, New Mexico.
- CASE 3587: Application of Morris R. Antweil for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Delaware Sand through seven injection wells located in Sections 12 and 13, Township 24 South, Range 28 East, and Section 18, Township 24 South, Range 29 East, Malaga Pool, Eddy County, New Mexico.

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- CASE 3588: Application of Pan American Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location in an undesignated Morrow and/or Devonian gas pool for its Poker Lake Unit Federal Well No. 26 at a location 660 feet from the South and East lines of Section 28, Township 24 South, Range 31 East, Eddy County, New Mexico, to be dedicated to a standard unit comprising the S/2 of said Section 28.
- <u>CASE 3589:</u> Application of Claude C. Kennedy for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special pool rules for the Slick Rock-Dakota Oil Pool comprising the S/2 SE/4 of Section 36, Township 30 North, Range 17 West, including a provision for development on 2 1/2 acre spacing with the provision that each 40-acre tract be subject to the Northwest New Mexico normal unit allowable.
- <u>CASE 3590:</u> Application of Texaco Inc. for a pilot waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project by the injection of water into the Pennsylvanian formation in the interval from 9650 feet to 9800 feet in its State BV Well No. 1 located in Unit E of Section 26, Township 13 South, Range 33 East, Lazy-J Pennsylvanian Pool, Lea County, New Mexico.
- CASE 3591: Application of Anadarko Production Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the abovestyled cause, seeks authority to expand its Langlie-Mattix Penrose Sand Unit Waterflood Project by the injection of water into the Penrose Sand through eight additional injection wells located in Sections 20, 28, 29, 32, and 33, all in Township 22 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico.