

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 28, 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 3598: Application of Dugan Production Corporation for the creation of a new gas pool, special pool rules and three unorthodox gas well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the North Shiprock-Gallup Gas Pool in Section 14, Township 30 North, Range 18 West, San Juan County, New Mexico and the promulgation of special rules therefor including a provision to authorize exception to the pump-plug method of cementing prescribed by Rule 107 (a). Applicant also seeks authority to meter production from all wells on its Shiprock lease in said pool through one meter and to allocate production from the individual wells on the basis of well tests. Applicant further seeks approval of the unorthodox gas well locations for its Shiprock Well No. 5 located 1650 feet from the North line and 1870 feet from the East line, its Shiprock Well No. 7 located 990 feet from the North line and 2310 feet from the West line, and its Shiprock Well No. 8 located 2310 feet from the South line and 660 feet from the East line, all in Section 14, Township 30 North, Range 18 West.
- CASE 3599: Application of Franklin, Aston and Fair, Inc. 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-San Andres formations through two wells located in Unit E of Section 17 and Unit A of Section 18, Township 17 South, Range 31 East, Grayburg-Jackson Pool, Eddy County, New Mexico.
- CASE 3600: Application of Texaco Inc., for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Cotton Draw Unit Well No. 65, located in Unit G of Section 2, Township 25 South, Range 31 East, Eddy County, New Mexico, to produce gas from an undesignated Wolfcamp gas pool and gas from an undesignated Morrow gas pool through parallel strings of tubing.
- CASE 3601: Application of Walker Brothers Oil Company and Tesoro Petroleum Corporation for an exception to Rule 104 C I, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the well location requirements of Rule 104 C I to permit the drilling of more than one well on a 40-acre tract, said wells being located closer than 660 feet to each other and with each 40-acre tract being subject to a single 40-acre allowable. The above exceptions for the South Hospah Upper Sand Oil Pool and the South Hospah Lower Sand Oil Pool, McKinley County, New Mexico, would be applicable to Walker's Hansen Lease comprising the S/2 of Section 6, and Walker's Santa Fe Lease comprising the N/2 and

and SW/4 of Section 7, both in Township 17 North, Range 8 West and to Tesoro's Santa Fe Lease comprising the SE/4 of Section 1, Township 17 North, Range 9 West.

CASE 3602: Application of Amerada Petroleum Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its State WE "K" Well No. 1 located in Unit F of Section 15, Township 21 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of gas from an undesignated Wolfcamp gas pool and gas from an undesignated Morrow gas pool through parallel strings of tubing.

CASE 3603: Application of Continental Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Langlie Jack Unit Area comprising 680 acres, more or less, of Federal and Fee lands in Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 3604: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Langlie Jack Unit Area by the injection of water into the Seven Rivers-Queen formations through 8 injection wells in Sections 17, 20, 21, and 29, Township 24 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico.

CASE 3605: Application of Walter Duncan for a casing-cementing exception, and for an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete his North Hogback 1 Well No. 5 at an unorthodox Dakota oil well location 2466 feet from the North line and 2310 feet from the East line of Section 1, Township 29 North, Range 17 West, San Juan County, New Mexico. Applicant further seeks an exception to the provisions of Rule 107(a) concerning cementing of casing.

CASE 3606: Application of Bell Petroleum Company for salt water disposal and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its State "K" Well No. 1 located in Unit K of Section 21, Township 11 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the North Bagley-Lower Pennsylvanian formation and the disposal of produced salt water through the intermediate casing-production casing annulus into the San Andres and other formations included in the open-hole interval from 3845 feet to 7800 feet.

CASE 3607: Application of Stoltz & Company for an amendment to Order No. R-3238, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment to Order No. R-3238, which order authorized the disposal of produced salt water into a playa lake in Sections 12 and 13, Township 10 South, Range 32 East, and Sections 6 and 7, Township 10 South, Range 33 East, Lea County, New Mexico. Applicant seeks to alter the location of the three observation wells required by said order. Alternate locations proposed by applicant are as follows: one well 300 feet from the South line and 1100 feet from the West line; one well 600 feet from the South line and 1400 feet from the East line; one well 2400 feet from the South line and 1100 feet from the East line, all in Section 7, Township 10 South, Range 33 East. Applicant further seeks the amendment to Order No. R-3238 to alter the location of two of the three permanent water level markers required by said order. Applicant proposes one marker on the North shore of the lake in lieu of the marker required in the SW/4 SE/4 of Section 6 and one marker on the East shore of the lake in lieu of the marker required in the SE/4 NW/4 of Section 7.