

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



P. O. BOX 2088
SANTA FE

LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

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

November 4, 1968

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

Dear Sir:

Reference is made to Commission Order No. R-3528, recently entered in Case No. 3885, approving the expansion of the Sinclair Turner "B" Grayburg-Jackson Waterflood Project.

Additional injection is to be through the 12 newly authorized water injection wells, each of which shall be equipped with plastic-coated tubing set in a packer located no higher than 100 feet above the uppermost perforation. The casing-tubing annulus in each well is to be loaded with an inhibited fluid and equipped with a pressure gauge to facilitate detection of leakage in the casing, tubing, or packer.

As to allowable, our calculations indicate that 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 1610 barrels per day when the South-east New Mexico normal unit allowable is 42 barrels per day or less.

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

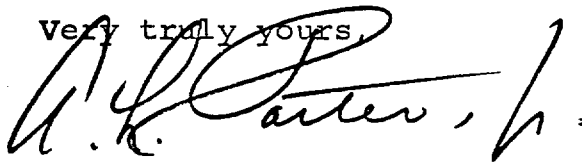
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Mr. Booker Kelly
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Attorneys at Law
Santa Fe, New Mexico

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 handwritten signature in cursive script, appearing to read "A. L. Porter, Jr.", written in dark ink.

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/ir

cc: Oil Conservation Commission offices in Hobbs and Artesia, N.M.

U. S. Geological Survey - Artesia, New Mexico

Mr. D. E. Gray, State Engineer Office, Santa Fe, New Mexico



SINCLAIR OIL CORPORATION

P. O. Box 1470
MIDLAND, TEXAS 79701

November 15, 1968

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PM 1 02

SOUTHERN REGION (WEST TEXAS)
DOMESTIC OIL & GAS DIVISION

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

Attention Mr. A. L. Porter, Jr.

Gentlemen:

Please refer to your letter of November 4, 1968, wherein you advise the calculated maximum allowable for Sinclair's Turner "B" Grayburg-Jackson Waterflood project, under the provisions of Rule 701-E-3, as being 1,610 barrels per day when the Southeastern New Mexico's normal unit allowable is 42 barrels per day or less. You request that we immediately advise both your office and the appropriate district proration office of any error in this calculated maximum allowable. Accordingly, this is to advise that I calculate that the maximum allowable should be 1,694 barrels per day in that we have, or will have after the authorized expansion is complete, 40 developed proration units plus one additional well located in Unit P of Section 17 as shown on the attached map. All 41 wells are currently listed on the November Oil Proration Schedule except Well No. 76 in Unit P of Section 30 and Well No. 68 in Unit P of Section 29. These two wells are scheduled to be injection wells and have been approved by the Commission. Therefore, upon their conversion, I believe they should be counted.

The fore mentioned attached map reflects the Grayburg-Jackson development on subject lease. Please advise if you require additional information concerning this matter.

Very truly yours,

R. M. Anderson
Region Regulatory Engineer

RMA/nr

- CASE 3882: Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in the Teague Blinbry Pool, Lea County, New Mexico.
- CASE 3883: Application of Solar Oil Company for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in the Imperial Tubb-Drinkard Pool, Lea County, New Mexico.
- CASE 3884: Application of Marathon Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Miller Ranch Unit Area comprising 5,276 acres, more or less, of State, Federal and Fee lands in Townships 21 and 22 South, Range 25 East, Eddy County, New Mexico.
- CASE 3885: Application of Sinclair Oil & Gas Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Turner "B" Grayburg-Jackson Waterflood Project, Grayburg-Jackson Pool, by the conversion to water injection of 12 additional injection wells located in Sections 20, 29, and 30, Township 17 South, Range 31 East, Eddy County, New Mexico.
- CASE 3886: Application of Sinclair Oil & Gas Company for the amendment of a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks amendment of its Guadalupe Ridge Unit Agreement, unitizing certain lands in Eddy County, New Mexico, and approved by Order No. R-3471, to conform to certain requirements of the Director of the United States Geological Survey. In the absence of objection, the case will be submitted and an order issued upon the basis of the application and exhibits attached thereto.
- CASE 3887: Application of Kersey & 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 Premier sand of the Grayburg formation through two wells to be located in Units E and K of Section 12, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Applicant further proposes to produce oil from the Upper Grayburg through parallel strings of tubing, if said zones are productive in the subject wells.

- CASE 3888: Application of Amerada Petroleum Corporation for a dual completion, salt water disposal and tubing exception, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its State E "B" Well No. 1 located in Unit E of Section 27, Township 10 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the North Echols-Devonian Pool and the disposal of produced salt water through the tubing-casing annulus into the San Andres formation through perforations in said casing from approximately 5220 feet to 5250 feet. Applicant also seeks an exception to the tubing requirements of Commission Rule 107 in that said tubing would be set more than 250 feet above the upper most Devonian perforation.
- CASE 3889: Application of BTA Oil Producers for the creation of a new pool and special pool rules, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Bough C zone of the Pennsylvanian formation for its well located in Section 5, Township 9 South, Range 36 East, Lea County, New Mexico, and for the promulgation of special rules therefor including a provision for 160-acre proration units and for the assignment of an 80-acre allowable factor of 4.77.
- CASE 3890: Application of Pan American Petroleum Corporation for special pool rules and a non-standard gas proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Empire-Pennsylvanian Gas Pool, Eddy County, New Mexico, including a provision for 320-acre spacing units with wells to be located in either the northwest quarter or the southeast quarter of the section. Applicant further seeks approval of a 280-acre non-standard gas proration unit comprising the SE/4, S/2 SW/4, and the NW/4 SW/4 of Section 30, Township 17 South, Range 28 East, Empire-Pennsylvanian Gas Pool, to be dedicated to its State V Com Well No. 1 located 990 feet from the South and East lines of said Section 30.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 9, 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 Daniel S. Nutter, Alternate Examiner:

- CASE 3872: Application of Union Oil Company of California for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to fully complete its Federal "A" Well No. 1 located in Unit P of Section 12, Township 15 South, Range 34 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Morton-Wolfcamp Pool and the disposal of produced salt water through the intermediate casing-production casing annulus into the San Andres and such other formations as may occur in the open-hole interval from approximately 4620 to 7350 feet.
- CASE 3873: Application of R. G. McPherson 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 in the open-hole interval from approximately 5250 feet to 5854 feet in his S. P. Johnson Well No. 1 located 990 feet from the West line and 1650 feet from the South line of Section 5, Township 18 South, Range 39 East, South Carter-San Andres Pool, Lea County, New Mexico.
- CASE 3874: Application of Gulf Oil Company - U. S. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Paddock and Blinbry Oil Pools in the well-bore of its C. L. Hardy Well No. 2 located in Unit N of Section 20, Township 21 South, Range 37 East, Lea County, New Mexico, with the provision that no more than one single allowable will be produced from said well.
- CASE 3875: Application of Pan American Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a well in exception to the Fowler-Ellenburger Rules at an unorthodox location 910 feet from the North line and 1980 feet from the West line of Section 15, Township 24 South, Range 37 East, Lea County, New Mexico.

- CASE 3876: Application of Newmont Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Young (Queen) Unit Area comprising 1320 acres, more or less, of federal and state lands in Township 18 South, Range 32 East, Young (Queen) Pool, Lea County, New Mexico.
- CASE 3877: Application of Newmont 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 Young (Queen) Unit Area by the injection of water into the Queen formation through 17 wells located in Sections 9, 16, 17, 19, 20, 21, and 29, Township 18 South, Range 32 East, Young (Queen) Pool, Lea County, New Mexico.
- CASE 3878: Application of General American Oil Company of Texas 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 Premier sand through two injection wells located in Unit M of Section 8, and Unit G of Section 17, Township 16 South, Range 30 East, West Henshaw-Grayburg Pool, Eddy County, New Mexico.
- CASE 3879: Application of Walter Duncan Oil Properties for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a well at an unorthodox oil well location 1000 feet from the North line and 1242 feet from the East line of Section 36, Township 32 North, Range 18 West, San Juan County, New Mexico. Said well would be projected to the Dakota formation.
- CASE 3880: Application of Anne Burnett Windfohr, dba Windfohr Oil Company, for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation in the perforated interval from approximately 6970 feet to 7028 feet in the Windfohr Oil Company Jackson "B" Well No. 23 located in Unit J of Section 24, Township 17 South, Range 30 East, Jackson-Abo Pool, Eddy County, New Mexico.
- CASE 3881: Application of J. M. Huber Corporation for the creation of a new oil pool and for special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Devonian oil pool for its Lone Star Federal Well No. 1 located in the NE/4 NE/4 of Section 20, Township 8 South, Range 36 East, Roosevelt County, New Mexico, and for the promulgation of special rules therefor including a provision for 80-acre proration units.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

November 4, 1968

**Mr. Booker Kelly
White, Gilbert, Koch & Kelly
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico**

Dear Sir:

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Additional injection is to be through the 12 newly authorized water injection wells, each of which shall be equipped with plastic-coated tubing set in a packer located no higher than 100 feet above the uppermost perforation. The casing-tubing annulus in each well is to be loaded with an inhibited fluid and equipped with a pressure gauge to facilitate detection of leakage in the casing, tubing, or packer.

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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

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Santa Fe, New Mexico**

**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**

ALP/DSN/ir

cc: Oil Conservation Commission offices in Hobbs and Artesia, N.M.

U. S. Geological Survey - Artesia, New Mexico

Mr. D. E. Gray, State Engineer Office, Santa Fe, New Mexico

State of New Mexico
Oil Conservation Commission



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

October 22, 1968

Re: Case No. 3835
Order No. R-3528
Applicant:
Sinclair Oil & Gas Company

Enclosed herewith is a copy of the above-referenced Commission order recently entered in the subject case. Letter pertaining to conditions of approval and maximum allowable to follow.

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

Carbon copy of order also sent to:

Other



ATLANTIC RICHFIELD COMPANY
North American Producing Division
SINCLAIR OIL CORPORATION
P. O. Box 1920,
Hobbs, New Mexico

69 APR 1 11 00 AM

March 31, 1969

DOMESTIC OIL & GAS DIVISION

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. Box 2088,
Santa Fe, New Mexico 87501

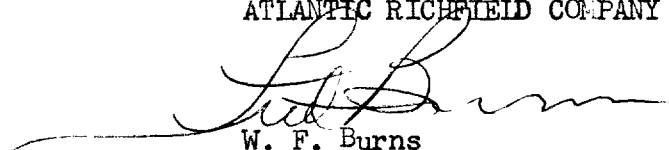
Gentlemen:

In compliance with Oil Conservation Commission's Rules 701, 702 and 703, injection operations were commenced on the Atlantic Richfield Company's (Formerly Sinclair) Turner "B" SP Well No's. 44, 46, 47, 50, 55, 56, 54, 61, 64, 66, 68 and 76 in the Grayburg Jackson Russell-Turner Waterflood Area effective March 25, 1969.

This Waterflood expansion is authorized by the New Mexico Oil Conservation's Case No. 3885, Order No. R-3528.

Yours very truly,

ATLANTIC RICHFIELD COMPANY


W. F. Burns
Superintendent

WFB:ds

cc: W/Orig.
cc: NMOCC, Drawer DD, Artesia, New Mex.
cc: USGS, Box 1857, Roswell, New Mexico
cc: Mr. Frank Irby, State Engineer Office, Santa Fe, New Mex.
cc: Regional Office
cc: file

file