



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
1000 RIO BRAZOS RD. - AZTEC

87410

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO



STATE GEOLOGIST
EMERY C. ARNOLD

January 19, 1978

Ms. Susan Treece
Petro-Lewis Corporation
P. O. Box 2250
Denver, Colorado 80201

Re: Petro-Lewis Corporation
Boling Federal #8
990/N; 2160/W
C-22-19N-3W
Southwest Media-Entrada Oil Pool

Dear Ms. Treece:

The footage location of the referenced well is not in agreement with Rule 4 of the Southwest Media-Entrada Oil Pool Rules as established by Order R-4822-A and R-4822-C as requested by the Petro-Lewis Corporation. Copies are enclosed.

The enclosed plat shows the #8 well to be only 480 feet from the East line of the proration unit, 684 feet from well #5 and 676 feet from well #6.

Well #8 may be drilled at the staked location at the operator's risk; however, the well is not to be produced until an exception is granted by the Commission to the forementioned Rule 4, or until Rule 4 is revised to cause this location to be an approvable location. If the location of the well is not approved by the Commission, the well shall be properly plugged and abandoned.

Please advise this office by mail of your acceptance of these terms prior to the drilling of the Boling Federal well #8.

If there are questions, please contact us.

Yours very truly,

A. R. Kendrick
Supervisor, District #3

Enclosures: Plat of wells
Memo 2-65
Pool rules

xc: Petro-Lewis Corporation, Box 509, Levelland, Texas
Oil Conservation Commission, Santa Fe

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

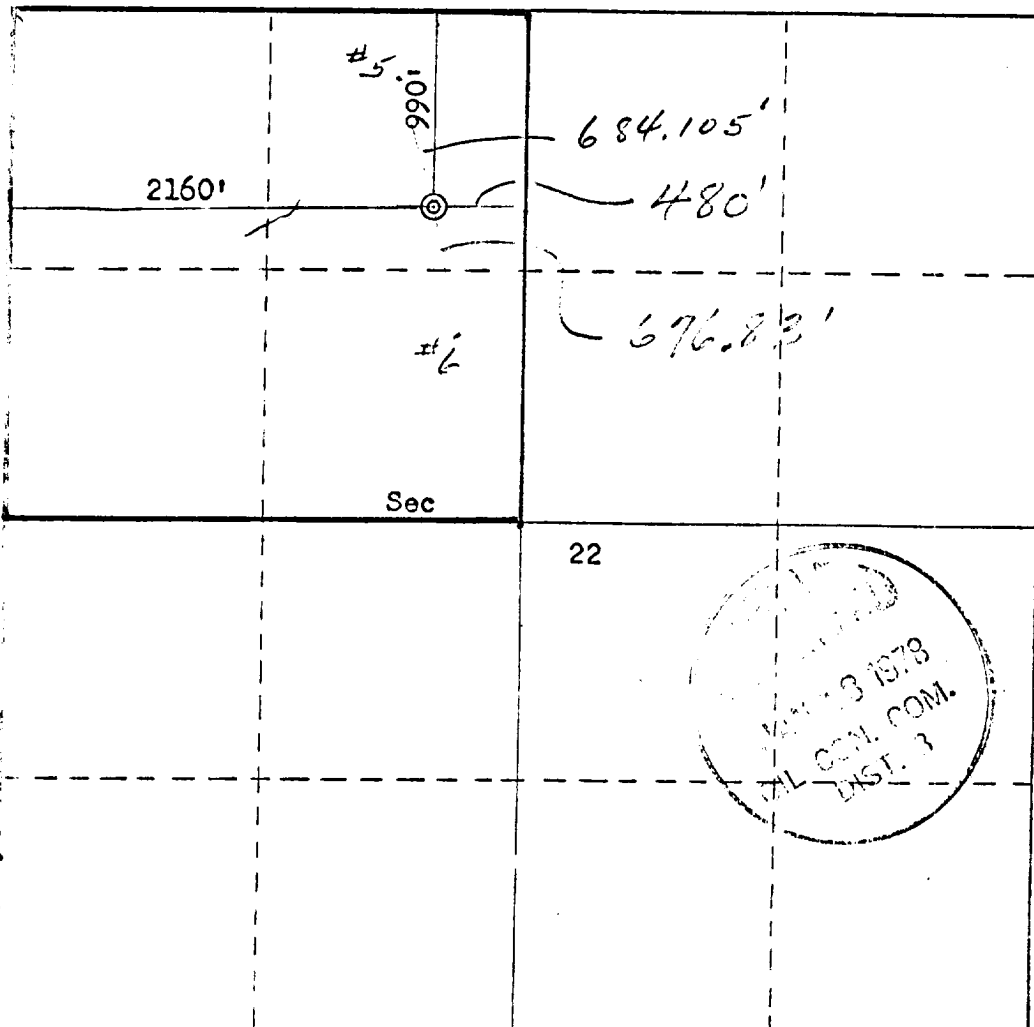
Operator Petro-Lewis Corporation			Lease Boling-Federal		Well No. 8-22
Unit Letter C	Section 22	Township 19N	Range 3W	County Sandoval	
Actual Footage Location of Well:					
990 feet from the North		line and 2160 feet from the West		line	
Ground Level Elev. 6869	Producing Formation Entrada		Pool Southwest Media		Dedicated Acreage: 160 / 40 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 communitization, unitization, force-pooling, etc?

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

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.

Don Murphy
Name
Dr. Drilling Foreman
Position
Petro-Lewis Corporation
Company

December 27, 1977
Date

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.

Date Surveyed
December 27, 1977

Registered Professional Engineer
and/or Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No.
2950

(SOUTHWEST MEDIA-ENTRADA POOL - Cont'd.)

(13) That the Commission at a future hearing should consider the deletion of the NW/4 NE/4 of Section 22, Township 19 North, Range 3 West, NMPM, Sandoval County, New Mexico, from the horizontal limits of the Media-Entrada Oil Pool inasmuch as said quarter quarter section appears to be underlain by the Southwest Media-Entrada Pool rather than the Media-Entrada Oil Pool as presently defined.

IT IS THEREFORE ORDERED:

(1) That the horizontal boundaries of the Media-Entrada Oil Pool, Sandoval County, New Mexico, are hereby contracted by the deletion therefrom of the NW/4 of Section 22, Township 19 North, Range 3 West, NMPM, Sandoval County, New Mexico.

(2) That a new pool in Sandoval County, New Mexico, classified as an oil pool for Entrada production is hereby created and designated as the Southwest Media-Entrada Oil Pool consisting of the following described area:

TOWNSHIP 19 NORTH, RANGE 3 WEST, NMPM
Section 22: NW/4

(3) That effective September 1, 1974, Temporary Special Rules and Regulations for the Southwest Media-Entrada Oil Pool, Sandoval County, New Mexico, are hereby promulgated as follows:

TEMPORARY SPECIAL RULES AND REGULATIONS
FOR THE
SOUTHWEST MEDIA-ENTRADA OIL POOL

RULE 1. Each well completed or recompleted in the Southwest Media-Entrada Oil Pool or in the Entrada formation within one mile thereof and not nearer to or within the limits of another designated Entrada oil pool shall be spaced, drilled, operated and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 160 acres more or less substantially in the form of a square which is a quarter section being a legal subdivision of the United State's Public Land Surveys.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit consisting of less than 160 acres or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United State's Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail and the application can state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located no nearer than 660 feet to the outer boundary of the proration unit nor nearer than 330 feet to any governmental quarter-quarter section line nor nearer than 1320 feet to the nearest well drilling to or capable of producing from the same pool.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 120 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (158 through 162 acres) shall be assigned a 160-acre depth bracket allowable of 750 barrels subject to the market demand percentage factor for allowable purposes and in the event there is more than one well on a 160-acre proration unit the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 160 acres.

RULE 7. A limiting gas-oil ratio of 2000 cubic feet of gas per barrel of oil is established for the pool.

IT IS FURTHER ORDERED:

(1) That the location of all wells presently drilling to the Southwest Media-Entrada Oil Pool are hereby approved; the operator of any well having an unorthodox location shall notify the Aztec District Office of the Commission in writing of the name and location of the well on or before October 1, 1974.

(2) That, pursuant to Paragraph A. of Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, existing wells in the Southwest Media-Entrada Oil Pool shall have dedicated thereto 160 acres in accordance with the foregoing pool rules; or pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard spacing or proration units established by the Commission and dedicated thereto.

Failure to file new Forms C-102 with the Commission dedicating 160 acres to a well or to obtain a non-standard unit approved by the Commission within 60 days from the date of this order shall subject the well to cancellation of allowable.

(3) That this cause shall be reopened at an examiner hearing during the month of August, 1975, at which time the operators in the Southwest Media-Entrada Oil Pool may appear and show cause why said pool should not be developed on 40-acre spacing with a depth bracket allowable in accordance with the statewide rules.

(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.