

CASE 5297: Appli. of EXXON
CORP. for a non-standard proration
unit and simultaneous dedication,
Lea County.

CASE No.

5297

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

August 21, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Exxon Corporation
for a non-standard proration unit
and simultaneous dedication, Lea
County, New Mexico.

Case No. 5297

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Paul W. Eaton, Esq.
HINKLE, BONDURANT, COX &
EATON
Hinkle Building
Roswell, New Mexico

For Tenneco:

Ken Bateman, Esq.
WHITE, KOCH, KELLY &
McCARTHY
220 Otero
Santa Fe, New Mexico

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

CASE 5297

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I N D E X

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HARVEY REAVIS

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E X H I B I T S

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REAVIS-DIRECT

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MR. STAMETS: Case No. 5297.

MR. CARR: Case 5297. Application of Exxon Corporation for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico.

MR. STAMETS: We call for appearances in this case.

MR. EATON: Paul Eaton of the firm of Hinkle, Bondurant, Cox and Eaton, representing the Applicant. We have one witness.

MR. STAMETS: Are there any other appearances?

MR. BATEMAN: Ken Bateman of White, Koch, Kelly and McCarthy, representing Tenneco.

MR. STAMETS: Are there any other appearances?
If the witnesses will stand and be sworn, please?

(Witnesses sworn.)

HARLEY REAVIS

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. EATON:

Q State your name and by whom you are employed?

A My name is Harley Reavis. I am employed as a Conservation Engineer for Exxon Corporation in Midland, Texas.

REAVIS-DIRECT

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Q Mr. Reavis, have you previously testified before this Commission in that capacity and had your qualifications accepted?

A Yes, I have.

MR. STAMETS: The witness is qualified.

BY MR. EATON:

Q Mr. Reavis, what does Exxon seek by its Application in this case?

A Exxon requests the approval of 160-acre non-standard gas proration unit comprising the northeast quarter of Section 35, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Eumont Gas Com 3 Well No. 1 and its Fopeano Federal A/C Well No. 7, located in Units A and G, respectively, of Section 35.

Q I direct your attention to what has been marked for identification as Exhibit No. 1 and ask you to state what that exhibit portrays?

A This exhibit shows the area around Exxon's Fopeano Lease which is located in the northeast quarter of Section 35.

Q There is one thing I would like to clarify before we go any further. Are we talking about two separate

REAVIS-DIRECT

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leases or one lease with two separate names for wells there?

A Well, actually, we want to name the No. 7 Fopeano as the Eumont Gas Com 3 Well No. 2, and I think these wells are adequately identified now and we can refer to them as No. 3 and No. 7 and save us all a lot of trouble.

Q All right.

A This map shows the completions in the Eumont Queen Gas Field shown with a red circle and red triangle within a two mile area of the requested well. It also shows the Eumont Yates Seven River Oil Wells in blue circle and the Eunice Monument Oil Wells in the green hex angle.

Q Mr. Reavis, would you relate the history of the No. 7 Well which is the well that you seek to renumber as No. 2?

A Well No. 7 was completed in June of 1955. The casing was perforated from 3790 to 3802 feet and stimulated with 6000 gallons of refined crude oil and 6000 pounds of sand and frac treatment. The initial potential was 221 barrels of oil with a gas-oil ratio of 1341. The production on this well was increased from 28 barrels to 36 barrels with a gas-oil ratio of 3397 in November of 1958 when the perforations were cleaned out with an acid job. In November

REAVIS-DIRECT

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of 1960, the well was stimulated again with 15,000 gallons of homo-frac and 30,000 pounds of sand. Additional work was to install a pumping unit in 1968, February. The well was shut in in May of 1972 after several tests showing a gas-oil ratio in excess of 100,000. The last test was two barrels of oil per day with a gas-oil ratio of 177,000. That was on May 31, 1972.

Q Refer, please, to Exhibit No. 2 and state what that exhibit represents?

A Exhibit No. 2 is a well test history of the No. 7 Well. It shows that the gas-oil ratio has continually increased since 1968, and it shows the last test made in May of 1972, all of which was -- near all of -- the last five of them was over 100,000 gas-oil ratio.

Q Now, moving next to Exhibit No. 3, what does that exhibit show?

A This exhibit shows the production history of this well, showing the oil production since 1968 gradually declining down to about two barrels per day while the gas production from this well remained about half million cubic feet per day.

Q Do you have a log on this well, Mr. Reavis?

A Yes, sir, I do. This is the next exhibit.

REAVIS-DIRECT

Q Exhibit No. 4?

A Yes. And this log shows that the well was perforated in between -- from 3790 to 3802 -- and the location of the perforation intervals is shown on this log. There were numerous cores shown on this log and the Xeroxing is kind of indistinct on it. I don't think it has anything to do with what we need here.

Q Why is Exxon seeking approval of the 160-acre non-standard gas unit?

A We are seeking this because we need to produce more gas from this quarter section because the No. 1 Well has become marginal in March of 1972 as classified by the Commission. It has been incapable of producing this allowable since December of 1972. The next exhibit shows the production from this well.

Q From the No. 1 Well?

A From the No. 1 Well.

Q And you are referring to Exhibit No. 5, is that right?

A Yes, sir. It will be seen that the well produced at capacity of about 14 to 15 million cubic feet per month while the allowable was nearly double that during that year. The well, during 1974, is producing at a rate of

about 13 to 14 million a month.

Q It is my understanding, then, that Exxon would like a unit allowable to be produced by both of these wells, the No. 1 Well and the Popeano No. 7?

A Yes, sir.

Q Has Exxon given notice of its Application to offset operators?

A Yes, sir. There are four offset operators to this lease: The Gulf Oil Company, Atlantic Richfield, Millard Deck and Tenneco.

Q Is Exhibit No. 6 a copy of the notice that was sent out to these offset operators?

A Yes, sir. Exxon's letter of August 1st is this exhibit which shows the four companies that it was sent to. This particular exhibit is the one that was approved by Atlantic Richfield Company.

Q Has Gulf indicated no objection to the Application?

A The Exhibit No. 7 is the waiver from Gulf indicating that they have no opposition to this.

Q Did Mr. Millard Deck or Tenneco Oil Company advise you or Exxon that it opposed the Application?

A I have had no word from either of these companies.

Q In your opinion, Mr. Reavis, will approval of

REAVIS-DIRECT

this Application be in the interest of conservation or would it prevent waste and protect correlative rights and will it permit Exxon to produce its just and equitable share of the gas in the Eumont-Queen Gas Pool?

A Yes, sir, I believe it will.

Q Except for Exhibit 7, were these exhibits prepared by you or under your supervision?

A Yes, sir, they were.

MR. EATON: We would offer Exhibits 1 through 7 into evidence.

MR. STAMETS: Is there any objection to the admission of these exhibits? They will be admitted.

(Whereupon, Applicant's Exhibits Nos. 1 through 7 were marked for identification and admitted into evidence.)

MR. EATON: We have no further questions.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Reavis, this No. 1 Well that you have out there, does it currently have this same 160-acre non-standard unit dedicated to it?

A Yes, it does.

Q And the No. 7 Well, is it completed in the

REAVIS-CROSS

formations recognized to be the producing formations in the Eumont Gas Pool?

A Yes, sir, it does.

Q Does the location of the well meet the pool requirements, to your knowledge?

A No, sir, I do not believe it does. I believe it is too close to the lease line. I believe the pool rules there require 660 and this one, I believe, is about 330 or something like that.

Q It does not appear that the Application covers a non-standard location for this well.

(Whereupon, a discussion was held off the record.)

BY MR. REAVIS:

Q Mr. Reavis, it does not appear that this non-standard location has been requested in the original Hearing. Would Exxon propose to file an amended Application or subsequent Application in this?

A Yes, sir, that is true. We would do that.

Q What would be the necessity for the non-standard location?

A We have a well already completed in this field at this particular point, and I understand for the oil, it

REAVIS-CROSS

was a regular location and I think maybe it may be a regular location in the gas.

MR. STAMETS: Are there any other questions of this witness? Mr. Bateman?

MR. BATEMAN: I have a couple of questions.

CROSS EXAMINATION

BY MR. BATEMAN:

Q Mr. Reavis, could you tell me what the status of Well No. 7 is at the present time?

A It has been shut in since May of 1972 because it went to gas at that time.

Q I see. At the present time is it classified as an oil well?

A Yes, sir, it is.

Q Are you seeking reclassification?

A Yes, sir.

Q Is Well No. 7 completed in the same zone as the offset Tenneco production?

A I think it is in the same zone. I am not sure. I did not look at Tenneco wells, but I think they are in the same zone.

Q If your Application is approved, how do you propose to produce the top allowable from the two wells?

What percentage do you expect to recover?

A We were requesting to produce the allowable from both wells simultaneously so that we can produce which one will produce it. I don't think even both wells will make the top allowable assigned to the 160 acres.

Q Can you anticipate how much of the allowable will be produced from Well No. 7?

A I have some tests that were made in August of Well No. 7 and it produced four days running, and we produced 71 barrels of oil the first day with no test on the gas. The second day, we produced 26 barrels of oil with 330 MCF of gas. The third day it produced 4 barrels of oil with no test on the gas. And on the 12th of August, it produced 4 barrels of oil with 214 MCF of gas. That is a ratio of 53,000. The oil is continuing to go down and the gas is also, so we don't expect this well to produce very much gas.

Q Now, would you state again for the record what has been the amount of gas produced per day in recent weeks from Well No. 1?

A The No. 1 Well produced -- let me get my -- during July it produced 13,400,000 MCF which is less than 500 MCF per day.

Q Do you expect a greater percentage to be produced from Well No. 1?

A Yes, sir, I do.

Q Is 80-acre spacing common to the area?

A Yes, sir, there are several other wells that have 80 acres in this area.

MR. BATEMAN: I have no further questions.

(Whereupon, a discussion was held off the record.)

MR. STAMETS: Are there any other questions of this witness? You may be excused.

(Witness dismissed.)

MR. STAMETS: Is there anything further in this case?

MR. BATEMAN: I would like to make a brief statement, if I may.

MR. STAMETS: Certainly.

MR. BATEMAN: Tenneco is the owner of the offsetting acreage immediately offsetting Well No. 7 and is concerned about the effect of additional production of gas and oil as potentially having an adverse effect on the oil production from its well offsetting the Exxon acreage which is essentially the basis of our concern and appearance

here today. We are concerned, of course, with drainage and with the adverse effect of increased gas production on the potential recovery of oil on the offsetting acreage.

MR. STAMETS: Is there anything further in this case?

We will take the case under advisement.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Richard E. Ryd
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5297, heard by me on Aug 31, 1974.
Richard L. Strum, Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

September 10, 1974

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. Paul Eaton
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: CASE NO. 5297
ORDER NO. R-4851
Applicant:
Exxon Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x
Artesia OCC _____
Aztec OCC _____

Other Mr. Ken Bateman

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5297
Order No. R-4851

APPLICATION OF EXXON CORPORATION
FOR A NON-STANDARD PRORATION UNIT
AND SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 21, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of September, 1974, 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, Exxon Corporation, seeks approval of a 160-acre non-standard gas proration unit comprising the NE/4 of Section 35, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Eumont Gas Com 3 Well No. 1 and its Fopeano Federal A/C Well No. 7, (to be redesignated Eumont Gas Com 3 Well No. 2) located in Units A and G, respectively, of said Section 35, unit production to be taken from said wells in any proportion.

(3) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

(4) That the entire NE/4 of said Section 35 may reasonably be presumed productive of gas from the Eumont Gas Pool.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

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CASE NO. 5297
Order No. R-4851

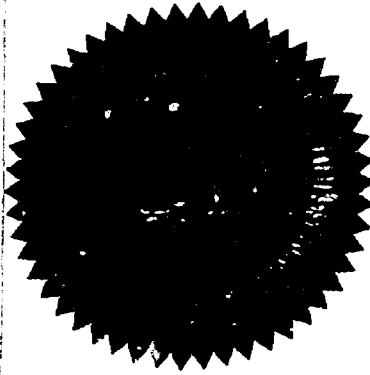
IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m., October 1, 1974, the applicant, Exxon Corporation, is hereby authorized to simultaneously dedicate its non-standard 160-acre gas proration unit comprising the NE/4 of Section 35, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its Eumont Gas Com 3 Well No. 1 and its Eumont Gas Com 3 Well No. 2, located in Units A and G, respectively, of said Section 35, with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described gas proration unit shall be based on the unit size of 160 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) 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.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. Trujillo
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

jr/

EXXON COMPANY, U.S.A.
POST OFFICE BOX 1100 - MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION
H. F. HAMMOND
OPERATIONS MANAGER

Case 5-297
August 1, 1974

Request for Waiver
Eumont Gas Com. No. 3 Well No. 2
Eumont Pool
Lea County, New Mexico
File: 22-3

Gulf Oil Company - U.S.
P. O. Box 1150
Midland, Texas 79701

Millard Deck
P. O. Box 1047
Eunice, New Mexico 88231

✓ Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79701

Tenneco Oil Company
P. O. Box 2511
Houston, Texas 77001

Gentlemen:

Exxon Corporation filed application on July 24, 1974, for a single 160-acre proration unit in the Eumont Pool covering the NE/4 of Section 35, T-20-S, R-36-E, Lea County, New Mexico, to be dedicated simultaneously to our Eumont Gas Com. No. 3, Well Nos. 1 and 2 with a single unit allowable to be shared according to the capability of the individual wells.

The L. C. Fopeano Federal A/C-2 Well No. 6 was granted a gas allowable based on a 160-acre proration unit on February 15, 1954, in the Eumont Gas Pool and was subsequently restyled as the Eumont Gas Com. No. 3 Well No. 1 when this acreage was communitized on January 16, 1956.

The producing capability of our Eumont Gas Com. No. 3 Well No. 1 has declined to where it is unable to produce the full allowable for a 160-acre proration unit. We now desire to restyle our existing L. C. Fopeano Federal A/C-2 Well No. 7, which was reclassified from an oil well to a gas well in the Eumont Gas Pool effective May 1, 1972, and style it as the Eumont Gas Com. No. 3 Well No. 2, the second well in the 160-acre proration unit.

Our L. C. Fopeano Federal A/C-2 Well No. 7 was drilled and completed on May 31, 1955. The well will be an irregular location since it is only 330 feet from the nearest lease line.

A hearing on this application has been scheduled by the New Mexico Oil Conservation Commission for August 21, 1974. If you as an offset operator have no

Gulf Oil Company - U. S.
Atlantic Richfield Company
Millard Deck
Tenneco Oil Company
August 1, 1974
Page 2

objection to this irregular location, we request that you execute this waiver and send one copy to the New Mexico Oil Conservation Commission, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one copy to this office.

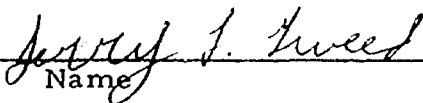
Very truly yours,


R. E. Hammond

DLC:ek
Attachments

Objection to the above application is hereby waived this 14th day of August, 1974.

APPROVED BY:


Name

FOR: Atlantic Richfield Co.
Company

Dockets Nos. 25-74 and 26-74 are tentatively set for hearing on September 4 and September 18. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 21, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner

CASE 5294: Application of Shenandoah Oil Corporation for a buffer zone allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of a special buffer zone allowable to its Gissler "A" Wells Nos. 1 and 3, located 430 feet from the North line and 1720 feet from the West line, and 1320 feet from the North line and 2310 feet from the West line, respectively, of Section 23, Township 17 South, Range 30 East, Grayburg Jackson Pool, Eddy County, New Mexico. These wells offset an active waterflood project and have received an apparent response to water injection.

CASE 5295: Application of Amoco Production Company for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 480-acre non-standard gas proration unit comprising the N/2 and SE/4 of Section 24, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Gillully Federal Gas Com Well No. 4 and its Gillully "A" Federal Well No. 7 located in Units B and O, respectively, of said Section 24.

CASE 5296: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Vacuum-Upper Pennsylvanian production with the presently commingled North Vacuum-Abo and North Vacuum-Wolfcamp production in the wellbore in its New Mexico "Q" State Well No. 4 located in Unit P of Section 25, Township 17 South, Range 34 East, Vacuum Field, Lea County, New Mexico.

CASE 5297: Application of Exxon Corporation for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 of Section 35, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Eumont Gas Com 3 Well No. 1 and its Fopeano Federal A/C Well No. 7, located in Units A and G, respectively, of said Section 35.

CASE 5298: Application of General American Oil Company of Texas for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 29, Township 17 South, Range 29

Docket No. 23-74

DOCKET: COMMISSION HEARING - MONDAY - AUGUST 19, 1974

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

CASE 5262: (DE NOVO)

Application of Petro-Lewis Corporation for pool contraction, creation, and special pool rules, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Media-Entrada Oil Pool by the deletion of the NW/4 of Section 22, Township 19 North, Range 3 West, Sandoval County, New Mexico, and the creation of a new pool for Entrada production comprising said lands. Applicant further seeks the promulgation of special rules for said pool, including a provision for 160-acre proration units and the establishment of a special depth bracket allowable for said pool of up to 750 barrels per day.

Upon application of Petro-Lewis Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 5152: (Reopened) Continued from July 24, 1974 Examiner Hearing

In the matter of Case No. 5152 being reopened pursuant to the provisions of Order No. R-4713, which order established a special depth bracket allowable for the Media-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should not be rescinded.

ir/

(Case 5298 continued from Page 1)

East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5299: Application of Coquina Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 23, Township 22 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5300: Application of Mesa Petroleum Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp formation underlying the SE/4 of Section 7, Township 16 South, Range 36 East, North Shoe Bar-Wolfcamp Pool, Lea County, New Mexico, to be dedicated to a well to be drilled 555 feet from the South line and 2085 feet from the East line of said Section 7. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5301: Application of Cleary Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Quarry Unit Area comprising 5177 acres, more or less, of Fee and Federal lands in Township 22 South, Range 32 East, Lea County, New Mexico.

Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT
MIDLAND DISTRICT

W. B. Hopkins
DISTRICT PRODUCTION MANAGER
J. L. Pike
DISTRICT OPERATIONS MANAGER
M. B. Moseley
DISTRICT SERVICES MANAGER
A. J. Evans, Jr.
DISTRICT ENVIRONMENTAL & SAFETY MANAGER
J. C. Howard
DISTRICT EMPLOYEE RELATIONS MANAGER

August 9, 1974

P. O. Drawer 1150
Midland, Texas 79701

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Re: Request for 160-Acre Non-Standard
Gas Unit, Exxon's Eumont Gas Com.
No. 3 Well No. 2, Eumont Pool,
Lea County, New Mexico

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Exxon Corporation has made application for a 160-acre non-standard gas unit for their Eumont Gas Com. No. 3 Well No. 2, Eumont Gas Pool, Lea County, New Mexico.

We hereby waive any objection to the granting of this application for the above well which is located:

1980' FNL and 2310' FEL of Section 35,
T-20S, R-36E, Lea County, New Mexico

Executed this 9th day of August, 1974.

Yours very truly,

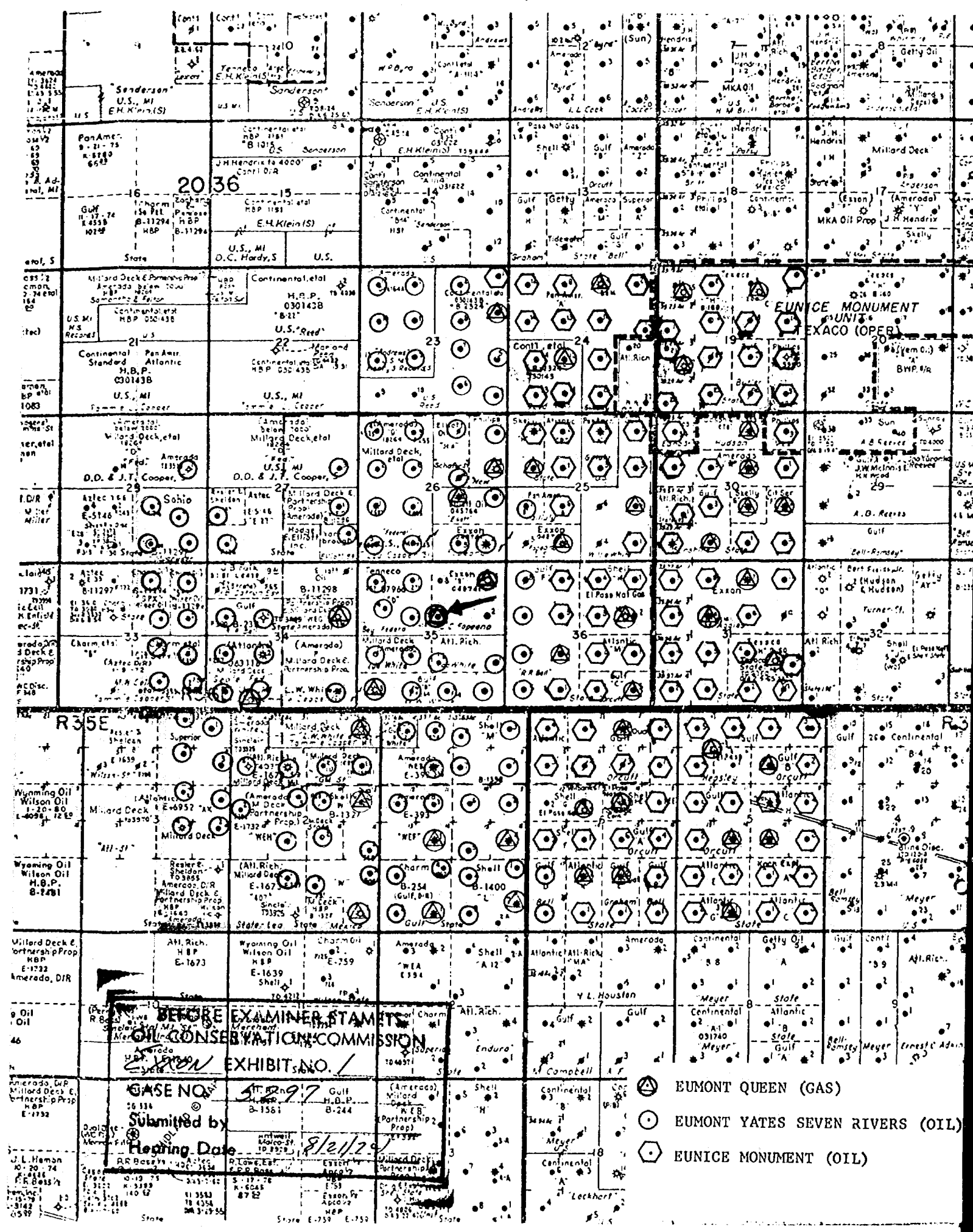
GULF OIL CORPORATION

BY W. C. Palmer
W. C. PALMER
District Engineer

CVB:jm



A DIVISION OF GULF OIL CORPORATION



BEFORE EXAMINER STAMPS
OIL CONSERVATION COMMISSION
EXHIBIT NO. 1
CASE NO. 100-27
Submitted by
Hearing Date 8/21/27

- ⊗ EUMONT QUEEN (GAS)
- EUMONT YATES SEVEN RIVERS (OIL)
- ⊙ EUMONT MONUMENT (OIL)

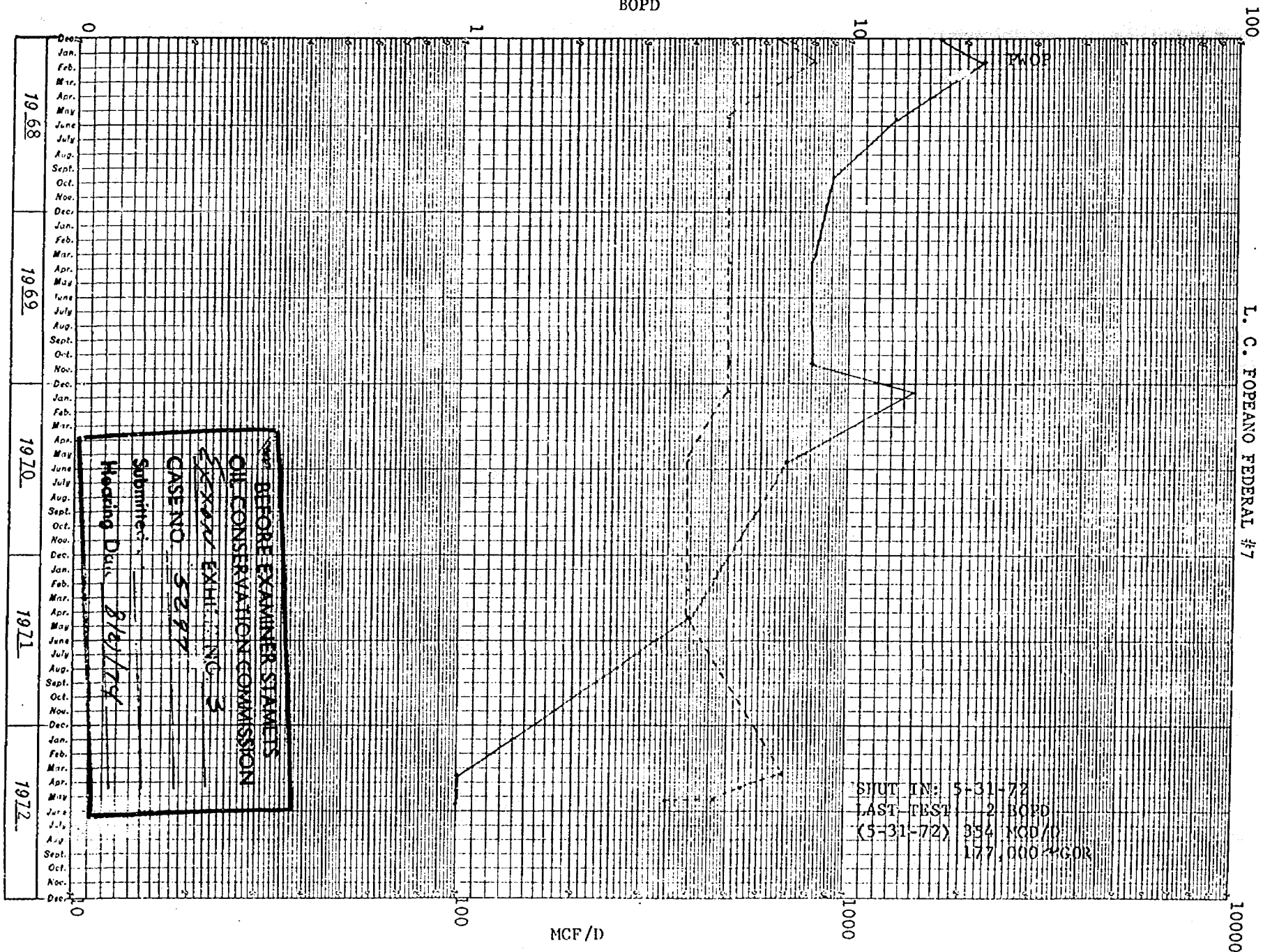
L. C. FOPEANO NO. 7

WELL TEST HISTORY

| <u>Date</u> | <u>BOPD</u> | <u>BWPD</u> | <u>MCF/D</u> | <u>GOR</u> |
|---------------|-------------|-------------|--------------|------------|
| Feb. 20, 1968 | 22 | 3 | 815 | 37,045 |
| Mar. 8, 1968 | 16 | 1 | 716 | 44,750 |
| June 5, 1968 | 12 | 0 | 439 | 36,583 |
| Sep. 8, 1968 | 11 | 0 | -- | -- |
| Oct. 22, 1968 | 9 | 0 | -- | -- |
| May 16, 1969 | 8 | 0 | 489 | 61,125 |
| Nov. 15, 1969 | 8 | 0 | -- | -- |
| Jan. 15, 1970 | 15 | 1 | 501 | 33,400 |
| June 3, 1970 | 7 | 0 | 392 | 56,000 |
| May 5, 1971 | 4 | 0 | 397 | 99,250 |
| May 4, 1972 | 2 | 0 | 470 | 235,148 |
| May 25, 1972 | 2 | 0 | 303 | 179,000 |
| May 26, 1972 | 2 | 0 | 357 | 152,000 |
| May 30, 1972 | 2 | 0 | 352 | 176,000 |
| May 31, 1972 | 2 | 0 | 353 | 177,000 |

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
EXXON EXHIBIT NO. 2
CASE NO. 5297
Subscribed _____
Hearing Date 8/21/74

BOPD



L. C. FOPEANO FEDERAL #7

OIL

-----CAS

PERFORATING GUNS ATLAS CORP.

EXPLORATION LOG

NATURAL GAMMA RADIATION INDUCED NEUTRON RADIATION

| | | |
|---|--|--|
| LOCATION 1980' FM 2290' FEL SEC. 35 | COMPANY HUMBLE OIL & REFINING COMPANY (RECEIVED) WELL FEDERAL FOPEANO #7 FIELD EUMONT COUNTY LEA STATE NEW MEXICO SECTION 35 TOWNSHIP 20-S RANGE 36-E SURVEY EL & M | FILE NUMBER COMPANY HUMBLE OIL CO. WELL FEDERAL FOPEANO #7 FIELD EUMONT COUNTY LEA STATE N.M. SEC. 35 TWP. 20-S. R. 36-E SURVEY EL & M |
|---|--|--|

LOG NO. 10638

LOG MEASURED FROM 1' ABOVE ROTARY TABLE **ELEVATION** 3568'

DRILLING MEASURED FROM TOP OF KELLY DRIVE BUSHING **ELEVATION** 3566'

PERMANENT DATUM 12' ABOVE GROUND LEVEL (3554') **ELEVATION**

| TYPE OF LOG | GAMMA RAY | BRONS NEUTRON |
|--------------------------------|-------------|---------------|
| RUN NUMBER | ONE | ONE |
| DATE | 6-2-55 | 6-2-55 |
| TOTAL DEPTH (DRILLER) | 3925 | 3925 |
| EFFECTIVE DEPTH P. G. A. C. | 3926 | 3926 |
| TOP OF LOGGED INTERVAL | SURFACE | SURFACE |
| BOTTOM OF LOGGED INTERVAL | 3921 | 3925 |
| TYPE FLUID IN HOLE | FRESH WATER | FRESH WATER |
| FLUID LEVEL | FULL | FULL |
| MAXIMUM RECORDED TEMP. | | |
| O. D. OF INSTRUMENT — INCHES | 3 5/8 | 3 5/8 |
| TIME CONSTANT — SECONDS | C-A | C-A |
| LOGGING SPEED — FEET/MINUTE | 15-60 | 15-60 |
| STATISTICAL VARIATION — INCHES | | |

RECORDED BY WRIGHT **FOR USE BY** THE EXPLORATION

WITNESSED BY MR. MASON

| CASING RECORD | | | |
|---------------|-----------|-------------|-----------------|
| RUN NO. | SIZE, IN. | WEIGHT, LB. | INTERVAL |
| ONE | 8 5/8 | | SURFACE TO 308 |
| ONE | 5 1/2 | | SURFACE TO 3960 |

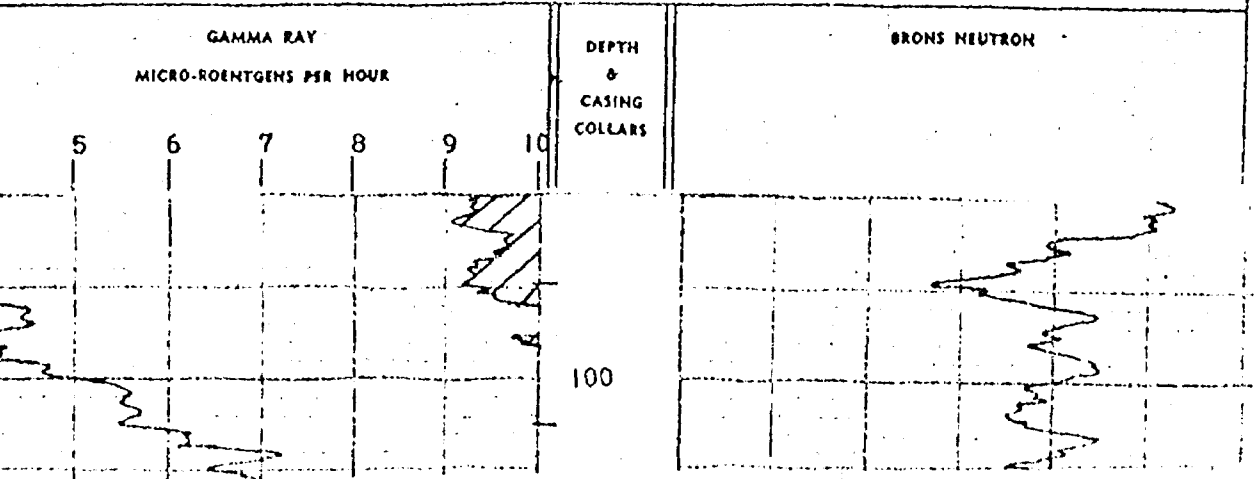
CONFIDENTIAL

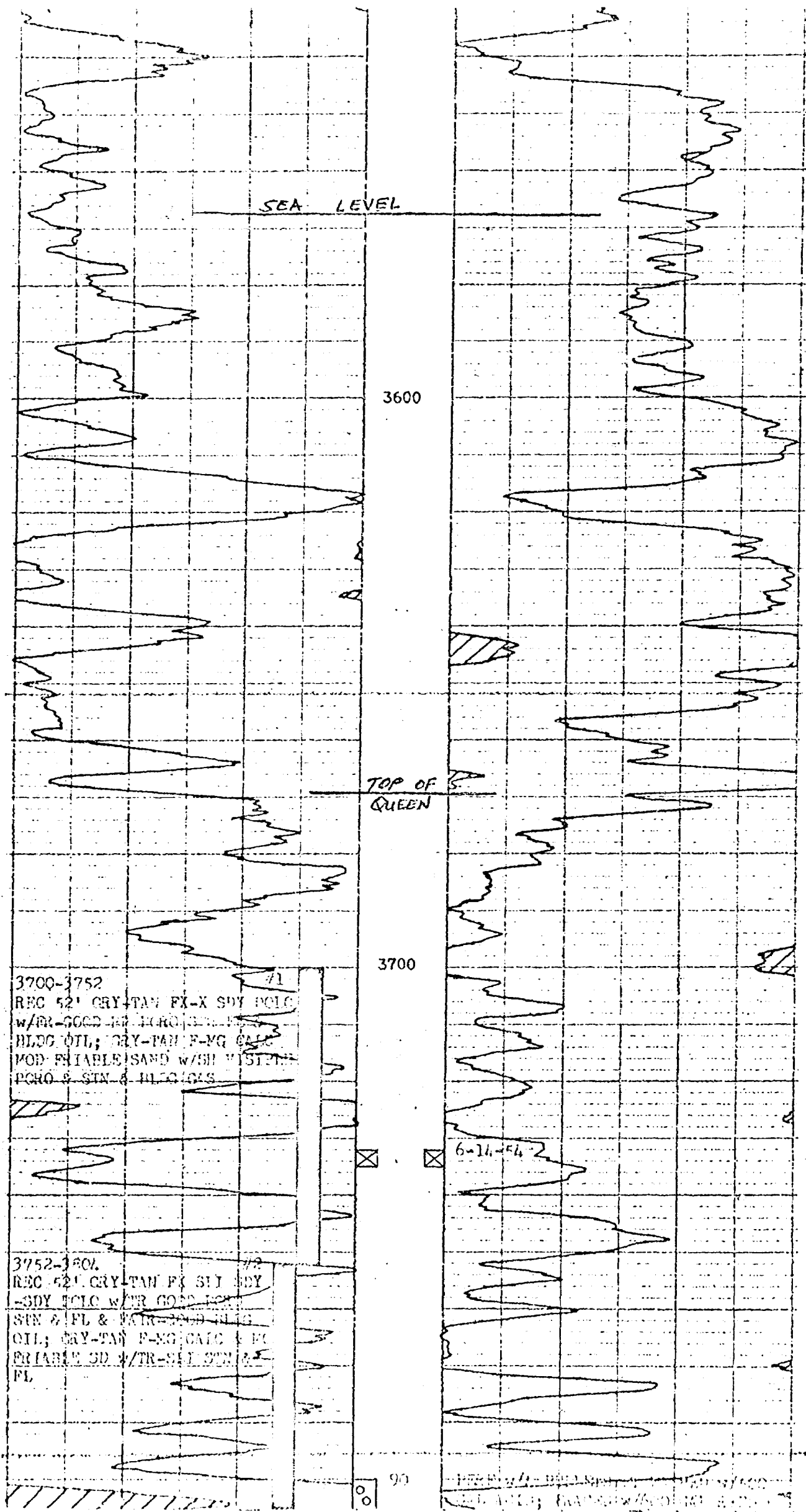
DEPARTMENT OF HUMBLE
OPEN HOLE RECORD
OIL & REFINING COMPANY

REMARKS AND OTHER DATA

SPUDDED 5-18-55
 COMPLETED 6-14-55
 TD 3960 PROD 3842 IP(F) 220.77 BPLCD THRU 1/9" CH,
 GOR 1341, C. GY 38.6 TP 325psi PROD FROM 3790-3802
 AFTER 500 GAL ACID AND A 6000 GAL. & 6000% SAND FRAC
 TREATMENT.

BEFORE EXAMINER STAMETS
 OIL CONSERVATION COMMISSION
 EXXON EXHIBIT NO. 4
 CASE NO. 5297
 Submitted by _____
 Hearing Date 8/21/74





SEA LEVEL

3600

TOP OF QUEEN

3700

3700-3752 #1
REC 52' CRY-TAN FX-X SDY POLC
W/PR-GOOD HLOG OIL
HLOG OIL; CRY-TAN F-VG CALC
MOD-FRIABLE SAND W/SH W/STN
PORO & STN & HLOG GAS

3752-3800 #2
REC 52' CRY-TAN FX SDY POLC
-SDY POLC W/PR-GOOD HLOG
STN & FL & W/PR-GOOD HLOG
OIL; CRY-TAN F-VG CALC & FC
FRIABLE SD & TR-SH STN & FL

6-14-54

90

REC 521 CRY-TAN FL STN
W/SCAT DR CRY SH PARTIES
FL & FL & TAN-3000 IN
OIL; CRY-TAN F-XO CALC & FL
MOD FRIABLE SD W/FR-SIL STN & FL

3752-3801
REC 521 CRY-TAN FL STN
W/SCAT DR CRY SH PARTIES
FL & FL & TAN-3000 IN
OIL; CRY-TAN F-XO CALC & FL
MOD FRIABLE SD W/FR-SIL STN & FL

3801-3856
REC 521 CRY-TAN FL STN
W/SCAT DR CRY SH PARTIES
FL & FL & TAN-3000 IN
OIL; CRY-TAN F-XO CALC & FL
MOD FRIABLE SD W/FR-SIL STN & FL

3856-3908
REC 521 CRY-TAN FL STN
W/SCAT DR CRY SH PARTIES
FL & FL & TAN-3000 IN
OIL; CRY-TAN F-XO CALC & FL
MOD FRIABLE SD W/FR-SIL STN & FL

3908-3960
REC 521 CRY-TAN FL STN
W/SCAT DR CRY SH PARTIES
FL & FL & TAN-3000 IN
OIL; CRY-TAN F-XO CALC & FL
MOD FRIABLE SD W/FR-SIL STN & FL

TRD. 3921

6-11-46

PERF W/4 BULLETS/FT WASHED W/500
GAL ACID; FRACED W/600 GAL REED OF
3-200/ OF SAND. WELL NO & FREQ

SET BACKR OF BRIDGING 3850
SPOTTED 8 CMT-PLUG ON

PERF W/4 BULLETS/FT WASHED W/500
GAL ACID; FRACED W/10,000 GAL
REED CIL & 10,000/ SAND. ON 24'
FLUING & GRABBING TEST WELL FROM
100' DEEP - 27 BBLS WTR

90
8000
20

70
98
3900

4.25"

TRD. 3125
TD. 3126

LE OIL & REFINING COMPANY

FEDERAL FOREANO #7

EUMONT FIELD

LEA COUNTY, NEW MEXICO

STANDARD 4/00" DEFLECTION

Eumont Gas Com
#3-2

(PROPOSED)

C-1/2" SET SET 3060
W/1100 W TR 1470

TD
3960
HOM

PRODUCTION DATA
EUMONT GAS COM. NO. 3
WELL NO. 1

| | <u>Allowable</u> | <u>Production</u> | <u>Cumulative</u> |
|--------------------------|------------------|-------------------|-------------------|
| Cumulative Prior to 1967 | | | 1,505,553 |
| 1967 | | 81,075 | 1,586,628 |
| 1968 | | 122,161 | 1,708,789 |
| 1969 | | 123,185 | 1,832,574 |
| 1970 | | 129,511 | 1,962,085 |
| 1971 | | 121,716 | 2,083,801 |
| Jan. 1972 | 16,343 | 5,241 | |
| Feb. | 10,651 | 18,686 | |
| Mar. | 17,189 | 20,036 | |
| Apr. | 16,844 | 19,148 | |
| May | 5,723 | 14,369 | |
| Jun. | 7,679 | 4,496 | |
| Jul. | 11,985 | 17,466 | |
| Aug. | 7,133 | 19,009 | |
| Sep. | 9,754 | 9,215 | |
| Oct. | 12,857 | 9,709 | |
| Nov. | 12,898 | 17,605 | |
| Dec. | 13,536 | 17,937 | |
| | 142,592 | 172,953 | 2,256,754 |
| Jan. 1973 | 29,874 | 17,593 | |
| Feb. | 29,303 | 15,382 | |
| Mar. | 31,783 | 15,431 | |
| Apr. | 23,152 | 15,083 | |
| May | 24,634 | 14,937 | |
| Jun. | 21,827 | 15,381 | |
| Jul. | 18,496 | 15,281 | |
| Aug. | 19,012 | 16,091 | |
| Sep. | 16,087 | 15,073 | |
| Oct. | 19,814 | 15,090 | |
| Nov. | 42,720 | 14,064 | |
| Dec. | 44,371 | 14,636 | |
| | 321,073 | 184,042 | 2,440,796 |
| Jan. 1974 | 26,030 | 14,615 | |
| Feb. | 24,338 | 13,029 | |
| Mar. | Marginal | 13,541 | |
| Apr. | Marginal | 11,122 | |
| May | Marginal | 14,211 | |
| Jun. | Marginal | 13,061 | |
| Jul. | Marginal | 13,405 | 2,533,780 |

| | |
|-----------------------------|---------------|
| BEFORE EXAMINER STAMETS | |
| OIL CONSERVATION COMMISSION | |
| EXXON | EXHIBIT NO. 5 |
| CASE NO. | 5297 |
| Submitted by: | |
| Hearing Date | 8/21/74 |

EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION
R. E. HAMMOND
OPERATIONS MANAGER

August 1, 1974

Request for Waiver
Eumont Gas Com. No. 3 Well No. 2
Eumont Pool
Lea County, New Mexico
File: 22-3

Gulf Oil Company - U.S.
P. O. Box 1150
Midland, Texas 79701

Millard Deck
P. O. Box 1047
Eunice, New Mexico 88231

✓Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79701

Tenneco Oil Company
P. O. Box 2511
Houston, Texas 77001

Gentlemen:

Exxon Corporation filed application on July 24, 1974, for a single 160-acre proration unit in the Eumont Pool covering the NE/4 of Section 35, T-20-S, R-36-E, Lea County, New Mexico, to be dedicated simultaneously to our Eumont Gas Com. No. 3, Well Nos. 1 and 2 with a single unit allowable to be shared according to the capability of the individual wells.

The L. C. Fopeano Federal A/C-2 Well No. 6 was granted a gas allowable based on a 160-acre proration unit on February 15, 1954, in the Eumont Gas Pool and was subsequently restyled as the Eumont Gas Com. No. 3 Well No. 1 when this acreage was communitized on January 16, 1956.

The producing capability of our Eumont Gas Com. No. 3 Well No. 1 has declined to where it is unable to produce the full allowable for a 160-acre proration unit. We now desire to restyle our existing L. C. Fopeano Federal A/C-2 Well No. 7, which was reclassified from an oil well to a gas well in the Eumont Gas Pool effective May 1, 1972, and style it as the Eumont Gas Com. No. 3 Well No. 2, the second well in the 160-acre proration unit.

Our L. C. Fopeano Federal A/C-2 Well No. 7 was drilled and completed on May 31, 1955. The well will be an irregular location since it is only 330 feet from the nearest lease line.

A hearing on this application has been scheduled by the Bureau of Land Management, Oil Conservation Division for August 21, 1974. If you as

| | |
|--|---------------|
| BUREAU OF LAND MANAGEMENT OIL CONSERVATION DIVISION | |
| EXXON | EXHIBIT NO. 6 |
| CASE NO. | 5297 |
| Submitted by | |
| Hearing Date | 9/21/74 |

A DIVISION OF EXXON CORPORATION

Gulf Oil Company - U.S.
Atlantic Richfield Company
Millard Deck
Tenneco Oil Company
August 1, 1974
Page 2

objection to this irregular location, we request that you execute this waiver and send one copy to the New Mexico Oil Conservation Commission, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one copy to this office.

Very truly yours,


R. E. Hammond

DLC:ek
Attachments

Objection to the above application is hereby waived this 14th day of

Aug. 1 AUG 14 1974, 1974.

APPROVED BY: Jerry L. Tweed

Name

Jerry L. Tweed

FOR: Atlantic Richfield Company

Company

Atlantic Richfield Company

Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT
MIDLAND DISTRICT

W. B. Hopkins
DISTRICT PRODUCTION MANAGER
J. L. Pike
DISTRICT OPERATIONS MANAGER
M. B. Moseley
DISTRICT SERVICES MANAGER
A. J. Evans, Jr.
DISTRICT ENVIRONMENTAL & SAFETY MANAGER
J. C. Howard
DISTRICT EMPLOYEE RELATIONS MANAGER

August 9, 1974

P. O. Drawer 1150
Midland, Texas 79701

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. A. L. Porter, Jr.

Re: Request for 160-Acre Non-Standard
Gas Unit, Exxon's Eumont Gas Com.
No. 3 Well No. 2, Eumont Pool,
Lea County, New Mexico

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Exxon Corporation has made application for a 160-acre non-standard gas unit for their Eumont Gas Com. No. 3 Well No. 2, Eumont Gas Pool, Lea County, New Mexico.

We hereby waive any objection to the granting of this application for the above well which is located:

1980' FNL and 2310' FEL of Section 35,
T-20S, R-36E, Lea County, New Mexico

Executed this 9th day of August, 1974.

Yours very truly,

GULF OIL CORPORATION

| | |
|-----------------------------|---------|
| BEFORE EXAMINER STAMETS | |
| OIL CONSERVATION COMMISSION | |
| EXXON EXHIBIT NO. | 7 |
| CASE NO. | 5297 |
| Submitted by | |
| Hearing Date | 8/21/74 |
| CVB: im | |

BY W. C. Palmer
W. C. PALMER
District Engineer



A DIVISION OF GULF OIL CORPORATION

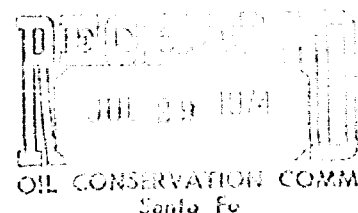
Corporation
EXXON COMPANY, U.S.A.
POST OFFICE BOX 1600 • MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
MIDCONTINENT DIVISION
R. E. HAMMOND
OPERATIONS MANAGER

Lea County Case 5297
July 24, 1974

File No. 22-3

Request for Acreage
Reallocation
Eumont Gas Com. No. 3,
Well Nos. 1 and 2
Eumont Pool
Lea County, New Mexico



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

Attention: Mr. A. L. Porter, Secretary Director

Gentlemen:

By letter dated April 25, 1972, Mr. Joe D. Ramey of the New Mexico Oil Conservation Commission advised that Exxon Corporation's L. C. Fopeano Federal A/C 2, Well No. 7, located in Unit "G" of Section 35, T-20-S, R-36-E, Eumont Pool, Lea County, New Mexico was being reclassified as a gas well and shut-in effective May 1, 1972. This well is located in the same 160-acre proration unit as Eumont Gas Com. No. 3, Well No. 1, which is producing gas from the Eumont Pool. L. C. Fopeano A/C 2, Well No. 7, is also completed in the same zone as Eumont Gas Com. No. 3, Well No. 1. The Communitization Agreement for Eumont Gas Com. No. 3 covers the NE/4 of Section 35, T-20-S, R-36-E. The well name for L. C. Fopeano Federal A/C 2, Well No. 7, is being changed to Eumont Gas Com. No. 3, Well No. 2, as it is in the same unit and completed in the same zone as Eumont Gas Com. No. 3, Well No. 1.

Exxon Corporation requests administrative approval for a single 160-acre proration unit in the Eumont Pool covering the NE/4 of Section 35, T-20-S, R-36-E, Lea County, New Mexico, to be dedicated simultaneously to Exxon Corporation's Eumont Gas Com. No. 3, Well Nos. 1 and 2 with a single unit allowable to be shared according to the capability of the individual well.

Attached are Forms C-102, plats for Eumont Gas Com. No. 3, Wells 1 and 2, and an area map showing offset operators.

Copies of this application are being furnished by certified mail to offset operators this date.

Very truly yours,

DOCKET MAILED

Date 8-9-74

R. E. Hammond
R. E. Hammond

MK/hg

Attachments

cc: NMOCC, Hobbs, New Mexico (2)

El Paso Natural Gas Company (Purchaser)

600 Bank of the Southwest, Midland, Texas

A DIVISION OF EXXON CORPORATION

Big 9-331a
11/1/55
2nd 9-331a 5/11/55
C-110 6/24/55
22 must have been
filled before
Aug 12, 1954

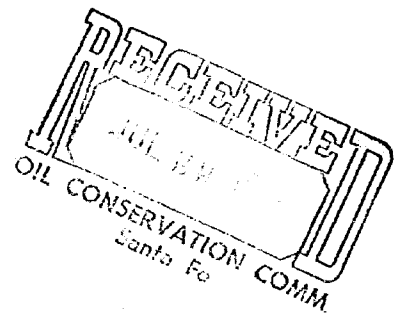
OFFSET OPERATORS

Gulf Oil Company-U.S.
Box 670
Hobbs, New Mexico 88240

Atlantic Richfield Company
Box 1710
Hobbs, New Mexico 88240

Millard Deck
Box 1047
Eunice, New Mexico 88231

Tenneco Oil Company
Box 2511
Houston, Texas 77001



Exxon Lse. No. 61313-14

NEW MEXICO OIL CONSERVATION COMMISSION

State Lse. No. _____

WELL LOCATION AND ACREAGE DEDICATION PLAT

Federal Lse. No. 048741 a & b

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

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

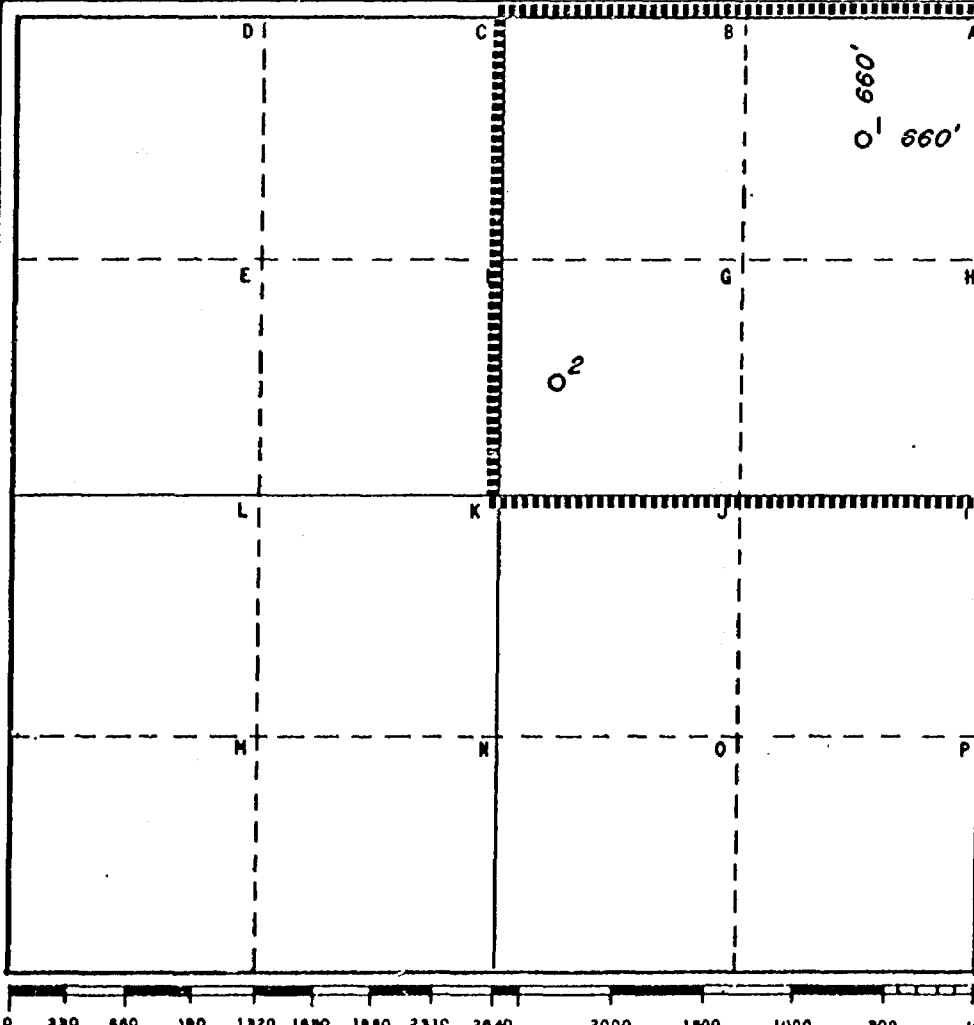
| | | | | |
|--|---|---------------------------------------|--|----------------------|
| Operator Exxon Corporation | | Lease Eumont Gas Com. No. 3 | | Well No. 1 |
| Unit Letter A | Section 35 | Township T-20-S | Range R-36-E | County Lea |
| Actual Footage Location of Well: 660 feet from the North line and 660 feet from the East line | | | | |
| Ground Level Elev. 3566 | Producing Formation Queen Gas | Pool Eumont | Dedicated Acreage: 160 * 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). * **Well No. 1 and Well No. 2 to share 160 acre proration unit**
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. |
| | Name <u>D. L. Clemmer</u> |
| | Position <u>Proration Specialist</u> |
| | Company <u>Exxon Corporation</u> |
| | Box <u>1600</u> <u>Midland, Texas</u> |
| | Date <u>7-24-74</u> |
| | 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 <u>Jan. 7, 1955</u> |
| | Registered Professional Engineer and/or Land Surveyor <u>H. S. Hesterfeld</u> |
| Certificate No. <u>1382</u> | |

7 Miles SW of Monument, New MexicoC.E. Sec. File No. A-6839

Exxon Lse. No. 61313-14

NEW MEXICO OIL CONSERVATION COMMISSION

State Lse. No. _____

WELL LOCATION AND ACREAGE DEDICATION PLAT

Federal Lse. No. 048741 a & bForm C-102
Supersedes C-128
Effective 1-1-65

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

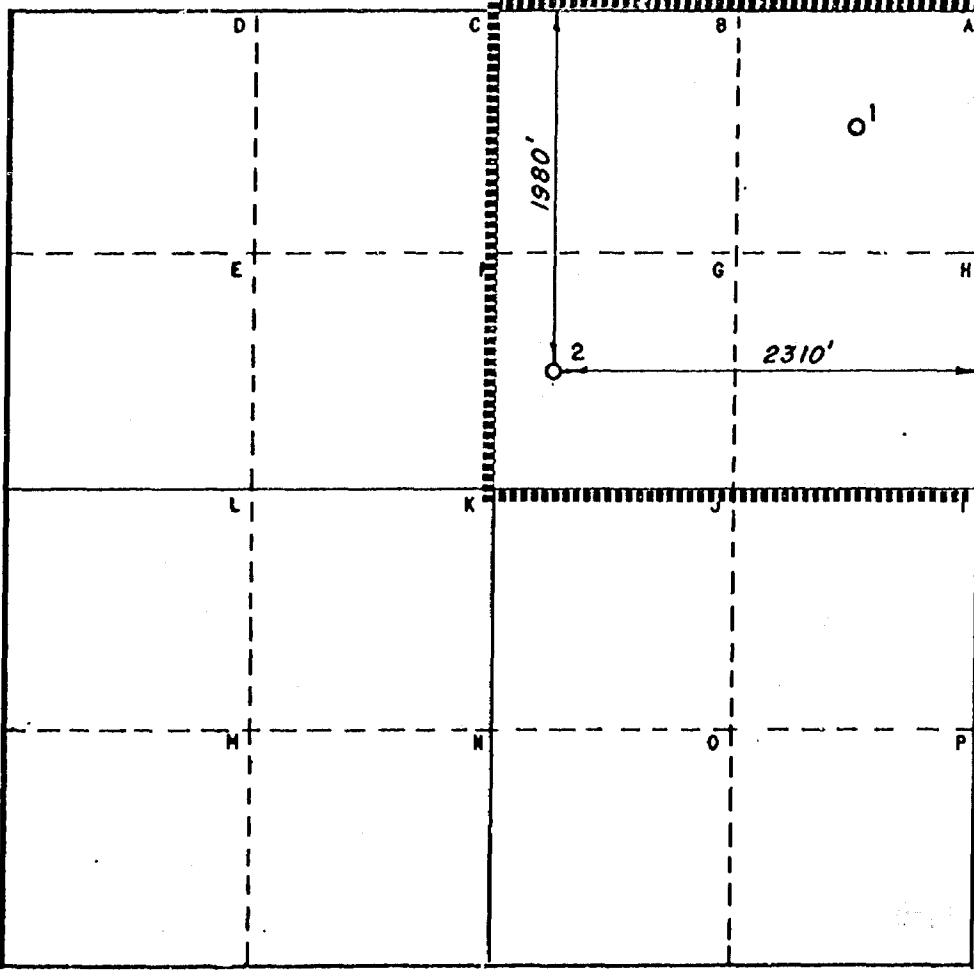
| | | | | | |
|--|----------------------------------|--------------------|--------------------------------|---------------|----------------------------------|
| Operator Exxon Corporation | | | Lease Eumont Gas Com. No. 3 | | Well No. 2 |
| Unit Letter G | Section 35 | Township T 20 S | Range R 36 E | County Leo | |
| Actual Footage Location of Well: 1980 feet from the North line and 2310 feet from the East line | | | | | |
| Ground Level Elev. 3598 | Producing Formation Queen Gas | | Pool Eumont | | Dedicated Acreage: 160* 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). * Well No. 1 & Well No. 2 to share 160 acre proration unit
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?

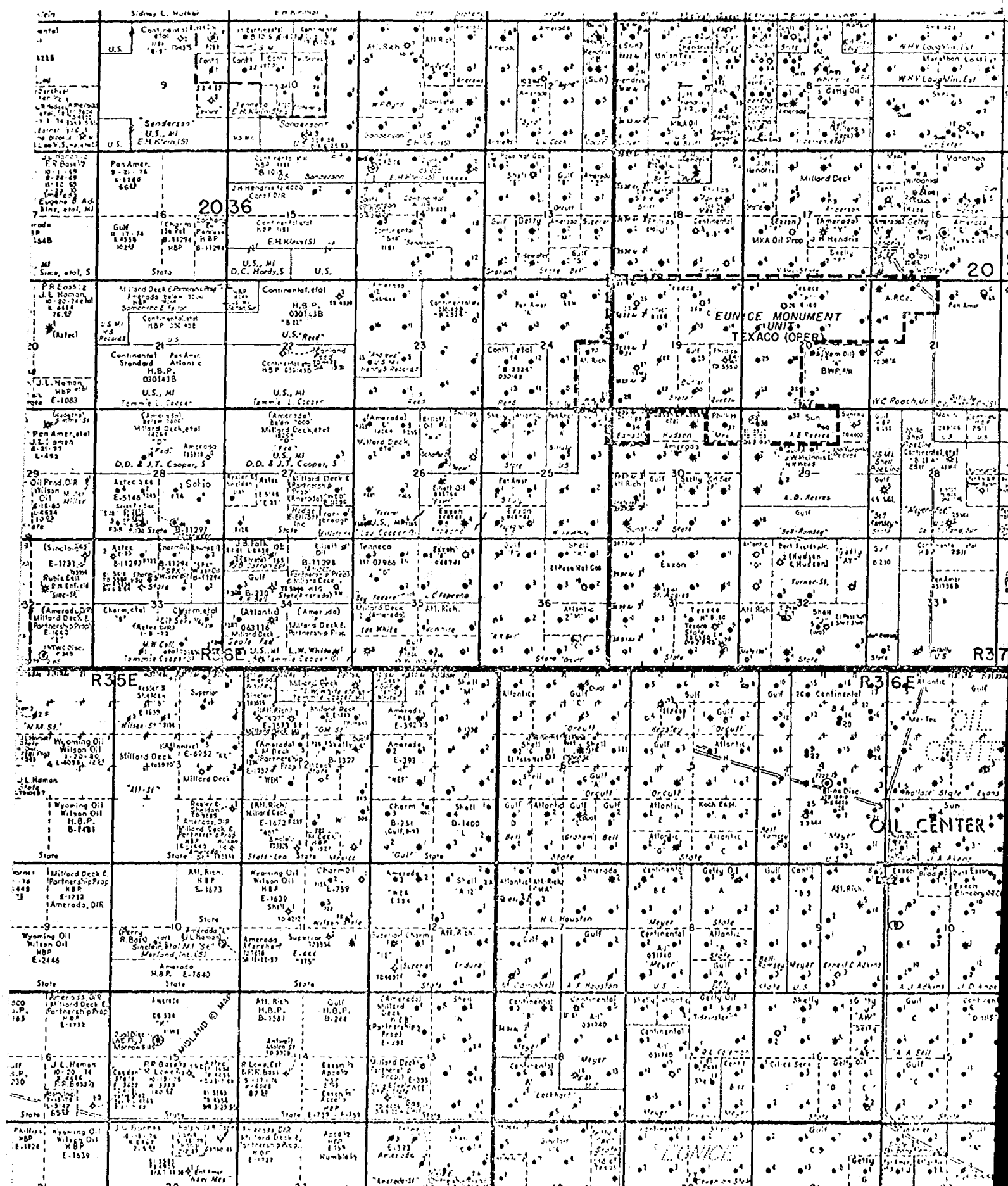
☐ Yes ☐ No If answer is "yes," type of consolidation _____

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. Name <u>A. L. Clemmer</u> Position <u>Proration Specialist</u> Company <u>Exxon Corporation</u> <u>Box 1600 Midland, Texas</u> Date <u>7-24-74</u> 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 <u>Jan. 7, 1955</u> Registered Professional Engineer and/or Land Surveyor <u>H. S. Porterfield</u> Certificate No. <u>1382</u> |
|--|---|

7 Miles SW of Monument, New MexicoC.E. Sec. File No. A-6840



DRAFT

dr/

~~Con. Vested - don't need doc without transcript~~
~~also to be submitted for review~~ HOLD

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5297

Order No. R-4851

APPLICATION OF EXXON CORPORATION
FOR A NON-STANDARD PRORATION UNIT
AND SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

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ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 21, 1974,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of August, 1974, 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, Exxon Corporation, seeks approval
of a 160-acre non-standard gas proration unit comprising the NE/4
of Section 35, Township 20 South, Range 36 East, NMPM, Eumont
Gas Pool, Lea County, New Mexico, to be simultaneously dedicated
to its Eumont Gas Com 3 Well No. 1 and its Fopeano Federal A/C
Well No. 7, located in Units A and G, respectively, of said Section 35,
with unit production to be taken from said wells in any proportion.

(to be redesignated Eumont Gas Com 3 Well No. 2)

-2-
Case No. 5297
Order No. R-

1 (3) That the proposed non-standard gas proration unit can
2 be efficiently and economically drained and developed by the
3 subject wells.

4 (4) That the entire NE/4 of said Section 35 may reasonably
5 be presumed productive of gas from the Eumont Gas Pool.

6 (5) That approval of the subject application will afford
7 the applicant the opportunity to produce its just and equitable
8 share of the gas in the Eumont Gas Pool and will otherwise prevent
9 waste and protect correlative rights.

10 IT IS THEREFORE ORDERED:

11 (1) That effective at 7:00 a.m. October 1, 1974,
12 the applicant, Exxon Corporation, is hereby authorized to simul-
13 taneously dedicate its non-standard 160-acre gas proration unit
14 comprising the NE/4 of Section 35, Township 20 South, Range 36 East,
15 NMPM, Eumont Gas Pool, Lea County, New Mexico, to its Eumont Gas
16 Com 3 Well No. 1 and ~~its Eumont Gas Com 3~~ ^{its Eumont Gas Com 3} ~~its Eumont Gas Com 3~~ Well No. 2, located
17 in Units A and G, respectively, of said Section 35, with unit
18 production to be taken from said wells in any proportion.

19 (2) That the allowable assigned to the above-described gas
20 proration unit shall be based on the unit size of 160 acres and
21 that the operator may produce the allowable assigned to the unit
22 from the subject wells in any proportion.

23 (3) That jurisdiction of this cause is retained for the
24 entry of such further orders as the Commission may deem necessary.

25 DONE at Santa Fe, New Mexico, on the day and year hereinabove
26 designated.

27
28
29
30
31
32