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2037

Tophistion, Transcript,

The Exhibits, Etc.

DEFORE THE OIL COMMERVATION CONSISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL COMBENVATION CONSISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2037 Order No. R-1730

APPLICATION OF SUN OIL COMPANY
FOR THE CREATION OF A NEW OIL
FOOL FOR WOLFCAMP PRODUCTION
TO BE DESIGNATED AS THE JEEKING—
WOLFCAMP PGOL IN PROGRETLY COUNTY,
NEW MEXICO, AND FOR THE PROBULES—
TION OF SPECIAL RULES AND REGULA—
TIONS FOR SAID POOL.

ORDER OF THE CONMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 27, 1960, at Santa Fe, New Mexico, before Daniel S. Butter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this $4 \, \mathrm{th}$ day of August, 1960, the Commission, a quorum being present, having considered the application, and the recommendations of the Braminer, Daniel S. Butter, and being fully advised in the premises,

PIEDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdistion of this cause and the subject matter thereof.
- (2) That the applicant, Sun Oil Company, has requested that Case No. 2037 be <u>dispissed</u>.

IT IS THEREFORE CROERED:

That Case No. 2037 be and the same is hereby dismissed.

DOWN at Santa Pe, New Mexico, on the day and year hereinabove designated.

OIL COMBERVATION COMMISSION

JOHN BURROUGHS, Chairman

METERY R. MORGAN, House

. I. PORTER, Jr., Member & Socretary

GOVERNOR JOHN BURROUGHS CHAIRMAN

State of New Mexico Oil Conservation Commission

LAND COMMISSIONER MURRAY E. MORGAN MEMBER



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

P. O. BOX 871 SANTA PE

August 9, 1960

Sum Oil Company P. O. Box 2880 Dallas 21, Texas

Re:	Case No. 2037
	Order No. R-1730
	Applicant:
	Sun Oil Company

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., Secretary-Director

ir/		
Carbon copy of or	der also sen	t to:
Hobbs OCC X Artesia OCC Aztec OCC		
Other		

OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

				Date	July 28	1960	P-0- 6-00MM
CASE	2037		Hearing	Date	DSN, Santa	Fe, 9 a.m.	<u>7/</u> 27
	My recommendations f	or an order	in the above	numbere	d cases are	as follows:	
	Dismissed as re	quested by	y applicant.				

Stoff Hombon

RECEIVED
JUL 26 1960

State Investment Council

O SFE 353 GA PLS

SUN OIL CO DL 780 7-26-60

NEW MEXICO O & G COMM/ S FE
ATTN A L PORTER SEC+ DIRECTOR
IN RE CASE NO 2037 HEARING 7-28-60

SUN OIL CO RESPECTFULLY REQUESTS YOU DISMISS WITHOUT PREJUDICE ITS HEARING UNDER CASE NO 2037. ALL OPERATORS BEING NOTIFIED OF THIS REQUEST.

A R BALLOU

END

Sunban Mid-Condinend Out Company

1950 July 22, 1960

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

Gentlemen:

RE: Spacing & Field Rules Hearing
Jenkins Pennsylvanian Pool
Lea & Roosevelt Counties, New Mexico

Sun Oil Company has set before the New Mexico Oil Conservation Commission on July 28, 1960, an application to establish rules and regulations for the Jenkins Pennsylvanian Pool, Lea and Roosevelt Counties, New Mexico. Sunray Mid-Continent Oil Company operates 560 acres within the area of the proposed Jenkins Pennsylvanian Pool limits.

Surray Mid-Continent Oil Company concurs in the request of Sun Oil Company for the establishment of 80 acre well spacing and proration units as set forth in their application and urges adoption of these rules.

Yours very truly,

SUNRAY MID-CONTINENT OIL COMPANY

William R. Loar

Chief Proration Engineer

WRL:nf

cc: Sun Oil Company
P. O. Box 2880
Dallas 21, Texas



State of New Wexico Oil Conservation Commission

SANTA FE



Mr. H. F. Steen 2023 Piedmont El Paso, Texas

NO SUCH STREET





DOCKET: EXAMINER HEARING JULY 27, 1960

Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, N.M.

The following cases will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, Attorney, as alternate Examiner:

CASE NOS. 2023 through 2033 will not be heard before 1 p.m. on July 27, 1960. CASE NOS. 2034 through 2040 will not be heard before 9 a.m. on July 28, 1960.

- CASE 2017: Application of Continental Oil Company for an order authorizing an automatic custody transfer system to handle the Maljamar Pool production from its Miller "EX" lease comprising in pertinent part the E/2 of Section 14, Township 17 South, Range 32 East, Lea County, New Mexico.
- CASE 2018: Application of Continental Oil Company for an order authorizing the triple completion of its Jicarilla Apache Well No. 27-2, located in the NW/4 NW/4 of Section 27, Township 25 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation, the production of oil from the Greenhorn formation and the production of oil from the Dakota formation through parallel strings of 4½ inch, 2 7/8 inch, and 4½ inch casing cemented in a common well bore. Applicant proposes to install tubing to the Gallup and the Dakota formations.
- Application of Continental Oil Company for an order authorizing the triple completion of its Northeast Haynes Apache Well No. 9-1, located in the NW/4 SW/4 of Section 9, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the Mesaverde formation, the production of gas from the gallup formation and the production of gas from the Greenhorn formation through parallel strings of 2 7/8 inch, 4½-inch, and 4½-inch casing respectively, cemented in a common well bore. Applicant also proposes to install tubing in the latter two zones.
- Application of Amerada Petroleum Corporation for an order authorizing the triple completion of its Wimberly Well No. 13, located in Unit M, Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Langlie Mattix Pool, the disposal of salt water into the Grayburg and San Andres formations in the interval from 3500 feet to 4200 feet, and the production of oil from the Justis-Blinebry Pool by means of two parallel strings of 3½-inch casing cemented in a common well bore. Applicant would dispose of the salt water through one string of casing, produce the Blinebry oil through 1½-inch tubing set in the second string of casing, and produce Langlie Mattix gas through the annulus of the 1½-inch tubing and the second casing string.

CASE 2021:

Application of Shell Oil Company for authority to recomplete its State BUA Well No. 2 (formerly its Bluitt Unit Well No. 2) at an unorthodox oil well location in the Pennsylvanian formation within one mile of the Bluitt Pennsylvanian Pool. Said well is located 1980 feet from the North line and 660 feet from the West line of Section 16, Township 8 South, Range 37 East, Roosevelt County, New Mexico.

CASE 2022:

Application of Sinclair Oil & Gas Company for an order authorizing the dual completion of its Turner "B" SP Well No. 67, located in Unit L, Section 20, Tomship 17 South, Range 31 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Grayburg-Jackson Pool and the production of oil from an undesignated Abo pool through parallel strings of 2-inch tubing.

The following cases will not be heard before 1 p.m. on July 27, 1960:

CASE 2023:

Application of Honolulu Oil Corporation for an order authorizing it to institute a pressure maintenance project in the Horseshoe-Gallup Oil Pool by the injection of water into the Gallup formation through its Navajo Well No. 4, located in the SE/4 SE/4 of Section 5, Township 31 North, Range 17 West, San Juan County, New Mexico; applicant further seeks the adoption of special rules governing the operation of said project.

CASE 2024:

Application of Humble Cil & Refining Company for an order authorizing it to institute a pressure maintenance project in the Horseshoe-Gallup Oil Pool by the injection of water into the Gallup formation through 29 wells located in Sections 3, 4, 9, 10, and 11, Township 31 North, Range 17 West, San Juan County, New Mexico; Applicant further seeks the adoption of special rules governing the operation of said project.

CASE 2025:

Application of Socony Mobil Oil Company for permission to convert to water injection its Navajo "A" Well No. 9, located in NE/4 NW/4 of Section 14, Township 31 North, Range 17 West, Rio Arriba County, New Mexico, in conjunction with a proposed adjacent pressure maintenance project in the Horseshoe-Gallup Oil Pool.

CASE 2026:

Application of The British American Oil Producing Company for an order authorizing the "slim-hole" completion of its Fullerton Well No. 7, located 1850 feet from the South and West lines of Section 11, Township 27 North, Range 11 West, Dakota Producing Interval, San Juan County, New Mexico, utilizing 2 7/8-inch tubing as casing. CASE 2027:

Application of Hondo Oil & Gas Company for an amendment of Order No. R-1643 to provide an alternative to the fail-safe features required in the automatic custody transfer system authorized therein for the Hondo-Western-Yates State 647 lease, Empire-Abo Pool, Eddy County, New Mexico.

CASE 2028:

Application of Pan American Petroleum Corporation for an order authorizing it to commingle the production from the Empire-Abo Pool from all wells on eight separate leases in Sections 27 and 34, Township 17 South, Range 28 East, Eddy County, New Mexico. Applicant also seeks authorization of an automatic sustody transfer system to handle said commingled production.

CASE 2029:

Application of Fan American Petroleum Corporation for an amendment of Order R-1399 to permit the commingling of Empire-Abo Pool production from Federal Lease No. IC-064050-A, E/2 SE/4 of Section 34 and NW/4 SW/4 of Section 35, Township 17 South, Range 27 East, with the Empire-Abo Pool production from those leases for which commingling was approved by paragraph one of said order and to permit the commingling of Empire-Abo Pool production from Federal Lease No. NM-025602, NW/4 and N/2 SW/4 of Section 15, Township 18 South, Range 27 East with the Empire-Abo Pool production from those leases for which commingling was approved by paragraph two of said order. Applicant also seeks an amendment of Order No. R-1399-A to permit production from the above-described leases in Eddy County, to be handled by the automatic custody transfer systems authorized in said order.

CASE 2030:

Application of Pan American Petroleum Corporation for permission to commingle the Empire-Abo Pool production from eleven separate State leases in Townships 17 and 18 South, Range 28 East, Eddy County, New Mexico. Applicant further seeks permission to install automatic custody transfer facilities to handle said commingled production.

CASE 2031:

Application of Union Oil Company of California for approval of its South Caprock Queen Unit Agreement, which unit is to embrace 9526 acres in Townships 14 and 15 South, Ranges 30 and 31 East, Caprock Queen Pool, Chaves County, New Mexico.

CASE 2032:

Application of Union Oil Company of California for an order authorizing it to institute a waterflood project in the Caprock-Queen Pool on its proposed South Caprock Queen Unit by the injection of water into the Queen formation through ten wells located in Township 15 South, Range 31 East, Chaves County, New Mexico, and for authority to drill a water injection well at an unorthodox location, being 330 feet West of the East line and 1320 feet South of the North line of Section 18, Township 15 South, Range 31 East.

-4-Docket No. 21-60

CASE 2033:

Application of Cabeen Exploration Corporation for permission to complete its State 1-K Well located 1980 feet from the South and West lines of Section 11, Township 10 South, Range 32 East, in an undesignated Permo-Pennsylvanian pool in Lea County, New Mexico as a "slim-hole" completion, using 2-7/8 inch casing.

The following cases will not be heard before 9 a.m. on July 28, 1960

CASE 2034:

Application of Gulf Oil Corporation for an order authorizing the dual completion of its J. N. Carson Well No. 6, located 330 feet from the South line and 965 feet from the East line of Section 28, Township 21 South, Range 37 mast, Lea County, New Mexico, in such a manner as to permit the production of oil from the Penrose-Skelly Pool and the production of gas from the Blinebry Gas Pool through parallel strings of 2 3/8-inch tubing.

CASE 2035:

Application of Gulf Oil Corporation for an order authorizing the dual completion of its W. T. McCormack Well No. 12, located 554 feet from the North line and 1874 feet from the East line of Section 32, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Drinkard Pool and the production of oil from the Wantz-Abo Pool through parallel strings of 2 3/8-inch tubing.

CASE 2036:

Application of Charles Loveless, Jr., for the establishment of a 280-acre non-standard gas unit in the Atoka-Pennsylvanian Gas Pool consisting of the NE/4, N/2 NW/4 and SW/4 NW/4 of Section 21, Township 18 South, Range 26 East, Eddy County, New Mexico. Applicant proposes that said unit be dedicated to the Brunner No. 1 Dayton Townsite Well to be located on an unorthodox location at a point 1650 feet from the North line and 2310 feet from the East line of said Section 21.

CASE 2037:

Application of Sun Oil Company for the creation of a new oil pool for Wolfcamp production to be designated as the Jenkins-Wolfcamp pool and to consist of Sections 2, 3, 4, 8, 9, 10 and 11 of Township 9 South, Range 34 East, Lea County, and Sections 34 and 35, Township 8 South, Range 34 East, Roosevelt County, New Mexico. Applicant further seeks the promulgation of special rules and regulations for said pool including a provision for 80-acre drilling and proration units.

CASE 2038:

Application of Benson-Montin-Greer Drilling Corporation for an order authorizing the dual completion of the Jones Well No. 1, located in Unit P, Section 17, Township 28 North, Range 13 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup Pool and the production of gas from the West Kutz-Dakota Pool through parallel strings of 1½-inch OD tubing.

+5-Pocket No. 21-60

CASE 2039:

Application of Southwest Production Company for approval of an unorthodox oil well location in the Gallegos-Gallup Oil Pool for its Rummel Federal Well No. 1, located 790 feet from the North line and 1190 feet from the West line of Section 36, Township 27 North, Range 12 West, San Juan County, New Mexico.

CASE 2040:

Application of Neville G. Penrose, Inc., for an order authorizing the dual completion of its Grizzel Well No. 1, located in Unit G, Section 5, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Tubb Gas Pool and the production of oil from the Drinkard Pool through the casing-tubing annulus and 2 3/8-inch tubing respectively.

SKELLY

HAR OFFICE CCC

ISSUSKELLY OIL COMPANY

PRODUCTION DEPARTMENT
C. L. BLACKSHER, VICE PRESIDENT
W. P. WHITMORE, GENERAL MANAGER

TULSA 2, OKLAHOMA

July 22, 1960

7 de 2031

New Mexico Oil Conservation Commission Post Office Box 871 Santa Fe, New Mexico

ATTENTION: Mr. D. S. Nutter

Gentlemen:

On Thursday, July 28, 1960, in Case 2037, you as examiner will hear the application of Sun Oil Company for the creation of the Jenkins Wolfcamp oil pool and the promulgation of special rules and regulations including a provision for 80 acre drilling and proration units. Skelly Oil Company has acreage in Sections 10 and 11, 95, 34E, which area is included within the designated field and for your information, wish to advise that we concur in the proposed application to establish 80 acre spacing and proration units, which units to consist of two adjacent governmental quarter quarter sections within a single governmental section constituting either the North or South-half, the East or West-half of each quarter section, with wells to be located within 100° of the center of either component quarter quarter section and to assign an 80 acre proportionate factor for the depth range between 9,000 and 10,000° as provided by Rule 505.

ery truly yours.

George/W. Selinger

GWS/gl

SUN DIL COMPANY

M. GLADNEY MANAGER

ASSISTANT MANAGEMENT SU BI BI 23

P. O. BOX 2880

DALLAS 21, TEXAS

July 15, 1960

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

IN RE: Spacing and Field Rules Hearing: Jenkins Pennsylvanian Pool, Lea

and Roosevelt Counties

Gentlemen:

By letter dated June 27, 1960, Sun Oil Company requested that a hearing be set for the purpose of establishing special rules and 80-acre well spacing and proration units for the Jenkins Wolfcamp Pool. Other operators have advised us that the prevailing nomenclature in the area for the formation from which we are producing is Pennsylvanian. Therefore, we request permission to change our proposed name for this pool to the Jenkins Pennsylvanian Pool.

Should this change require modifying the notice of hearing, we would appreciate your making the necessary modifications.

Very truly yours,

SUN OIL COMPANY

A. R. Ballou

GD:mi

cc Addressee list attached.

ADDRESSEE LIST

P. O. Box 2332 Houston, Texas

McAlester Fuel Company P. O. Box 210 Magnolia, Arkansas

Sunray Mid-Continent Oil Company 1101 Wilco Bldg. Midland, Texas

Skelly Oil Company P. O. Box 1822 Pampa, Texas

Ohio Oil Company P. O. Box 3128 Houston, Texas

Phillips Petroleum Company Phillips Bldg. Bartlesville, Oklahoma

United States Smelting Refining & Mining Co. P. O. Box 1877 Midland, Texas

Getty Oil Company Pennsylvania Bldg. Wilmington 1, Delaware

Cities Service Oil Company 1449 Esperson Bldg. Houston, Texas

Gulf Oil Corporation P. G. Drawer 2100 Houston 1, Texas

Tennessee Gas Transmission Company P. O. Box 2511 Housten, Texas

Samedan Oil Corporation 501 V & J Tower Midland, Texas Southern Petroleum Exploration, Inc. Trico Bldg. Sistersville, West Virginia

Intex Oil Company 284 Meadows Bldg. Dallas 6, Texas

DOCKET: EXAMINER HEARING JULY 27, 1960

Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, N.M.

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CASE 2019:

Application of Continental Oil Company for an order authorizing the triple completion of its Northeast Haynes Apache Well No. 9-1, located in the NW/4 SW/4 of Section 9, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the Mesaverde formation, the production of gas from the gallup formation and the production of gas from the Greenhorn formation through parallel strings of 2 7/8 inch, 4½-inch, and 4½-inch casing respectively, cemented in a common well bore. Applicant also proposes to install tubing in the latter two zones.

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Application of Amerada Petroleum Corporation for an order authorizing the triple completion of its Wimberly Well No. 13, located in Unit M, Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Langlie Mattix Pool, the disposal of salt water into the Grayburg and San Andres formations in the interval from 3500 feet to 4200 feet, and the production of oil from the Justis-Blinebry Pool by means of two parallel strings of 3½-inch casing cemented in a common well bore. Applicant would dispose of the salt water through one string of casing, produce the Blinebry oil through 1½-inch tubing set in the second string of casing, and produce Langlie Mattix gas through the annulus of the 1½-inch tubing and the second casing string.

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Application of Sun Oil Company for the creation of a new oil pool for Wolfcamp production to be designated as the Jenkins-Wolfcamp pool and to consist of Sections 2, 3, 4, 8, 9, 10 and 11 of Township 9 South, Range 34 East, Lea County, and Sections 34 and 35, Township 8 South, Range 34 East, Roosevelt County, New Mexico. Applicant further seeks the promulgation of special rules and regulations for said pool including a provision for 80-acre drilling and proration units.

CASE 2038:

Application of Benson-Montin-Greer Drilling Corporation for an order authorizing the dual completion of the Jones Well No. 1, located in Unit P, Section 17, Township 28 North, Range 13 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup Pool and the production of gas from the West Kutz-Dakota Pool through parallel strings of 12-inch OD tubing.

-5-Docket No. 21-60

CASE 2039:

Application of Southwest Production Company for approval of an unorthodox oil well location in the Gallegos-Gallup Oil Pool for its Rummel Federal Well No. 1, located 790 feet from the North line and 1190 feet from the West line of Section 36, Township 27 North, Range 12 West, San Juan County, New Mexico.

CASE 2040:

Application of Neville G. Penrose, Inc., for an order authorizing the dual completion of its Grizzel Well No. 1, located in Unit G, Section 5, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Thib Gas Pool and the production of oil from the Drinkard Pool through the casing-tubing annulus and 2 3/8-inch tubing respectively.

OIL COMPANY

. M. GLADNEY MANAGER

T. F. HILL

ASSISTANT MANAGER

1950 JON 20 AM 8 DAGLAS 21, TEXAS

June 27, 1960

A. S. RHEA SUPT OPERATING DEPT

New Mexico Oil Conservation Commission P. O. Box 871 Santa Fe, New Mexico

In Re: Spacing and Field Rules Hearing:

(10°03

Jenkins Wolfcamp Pool, Lea and Roc evelt Counties

Gentlemen:

Sun Oil Company respectfully requests that a hearing be set on our application for an order establishing special rules and eighty-acre well spacing and proration units for the Jenkins Wolfcamp Pool of Lea and Roosevelt Counties. The horizontal limits we are requesting for the pool include Sections 2,3,4,8,9,10 and 11 of Township 9 South, Range 34 East of Lea County and Sections 34 and 35, Township 8 South, Range 34 East of Roosevelt County. Copies of our proposed rules are attached.

We desire a hearing before an Examiner at the first examiner hearing scheduled in Santa Fe after July 24. 1960. Names and addresses of known interested parties are listed as copy addressees.

Very truly yours,

A. R. Ballou

granville Dutton

By: Granville Dutton

GD:mi

Attach.

Addressee list attached.

ADDRESSEE LIST

Texaco, Inc. P. O. Box 2332 Houston, Texas

McAlester Fuel Company P. O. Box 210 Magnolia, Arkansas

Sunray Mid-Continent Oil Company 1101 Wilco Building Midland, Texas

Skelly Oil Company^c P. O. Box 1822 Pampa, Texas

Ohio Oil Company P. O. Box 3128 Houston, Texas

Phillips Petroleum Company Phillips Building Bartlesville, Oklahoma

United States Smelting Refining & Mining Co. P. O. Box 1877 Midland, Texas

Getty Oil Company Pennsylvania Building Wilmington 1, Delaware

Cities Service Oil Company 1449 Esperson Building Houston, Texas

Gulf Oil Corporation P. O. Drawer 2100 Houston 1, Texas

Tennessee Gas Transmission Company P. O. Box 2511 Houston, Texas

H. F. Steen 3023 Piedmont El Paso, Texas Semedan Oil Corporation 501 Y & J Tower Hidland, Texas

Southern Petroleum Exploration, Inc. Trico Building Sistersville, West Virginia

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NEW MEXICO OIL CONSERVATION COMMISSION OF FICE OCC SANTA FE, NEW MEXICO

APPLICATION OF SUN OIL COMPANY FOR AN ORDER ON THE JENKINS WOLFCAMP POOL, LEA AND ROOSEVELT COUNTIES, SETTING THE LIMITS THEREFOR, ESTABLISHING EIGHTY ACRE WELL SPACING AND PRORATION UNITS AND PROMULGATING SPECIAL RULES AND REGULATIONS THEREFOR.

(100g03)

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Comes now Sun Oil Company and hereby makes application for an order on the Jenkins Wolfcamp Pool, Lea and Roosevelt Counties, New Mexico, setting the limits therefor, establishing eighty (80) acre well spacing and promution units, and promulgating special rules and regulations therefor and in support of said application respectfully shows:

(1) Attached hereto for purposes of identification is a plat marked Exhibit A showing the location of all wells drilled in the Jenkins Wolfcamp Pool as defined by the New Mexico Oil Conservation Commission, and the owners of the lands and the leases.

Sun Oil Company is an owner of leases and wells indicated on the plat.

- (2) All wells shown on the plat are producing from a common reservoir, being completed in the Wolfcamp formation of the Permian at a depth of approximately ninety-seven hundred (9700) feet.
- (3) Applicant has made a study of all of the well logs, electrical logs, available core data, well pressures and other information including production history of the wells drilled and producing in the Jenkins Wolfcamp Pool, and from such study believes that one well will efficiently and economically drain at least eighty (80) acres.
- (4) That all of the wells completed within the Jenkins Wolfcamp Pool have been drilled in such a manner that eighty (80) acres can be dedicated to each well and that the adoption of eighty (80) acre spacing and proration units will prevent the economic loss caused by the drilling of unnecessary wells and will protect correlative rights, including those of royalty owners, and will avoid risks arising from the drilling of an excessive number of wells and will tend to premote the greatest ultimate recovery of oil and gas from said Pool in the most economical manner.

- (5) That the eighty (80) acres spacing and proration units should consist of a unit containing eighty (80) acres, more or less, consisting of two adjacent governmental quarter-quarter sections or lots within a single governmental section and constituting either the North half, South half, East half or the West half of such quarter section and that all wells should be located within one hundred (100) feet of the center of either component quarter-quarter section or lot of such spacing or proration units.
- (6) That each eighty (80) acre spacing and proration unit, situated within said Pool as combined for proration purposes, should be assigned an eighty (80) acre proportional factor for a depth range between nine thousand (9000) feet and ten thousand (10,000) feet as provided by Rule 505 of the New Mexico Oil Conservation Commission. In the event a proration unit contains less than seventy-eight (78) acres or more than eighty-two (82) acres, its allowable should be in the proportion that the acreage contained in such unit bears to eighty (80) and in no event should any proration unit contain more than two governmental quarter-quarter sections or lots.
- (7) That any well heretofore drilled or being drilled as of the effective date of the order establishing eighty (80) acre spacing and proration units, not in conformity with the foregoing, should be granted an exception to such well location requirements.
- (8) That the horizontal limits of the Jenkins Wolfcamp Pool should be designated as follows:

Township 8 South, Range 34 East, N.M.P.M. (Roosevelt County)

Section 34 Section 35

Township 9 South, Range 34 East, N.M.P.M. (Lea County)

Section 2	Section	9
Section 3	Section	10
Section 4	Section	11
Seation 8		

WHEREFORE, applicant prays that the Oil Conservation Commission, after due notice and hearing as provided by law and the rules and regulations of the Oil Conservation Commission, enter an order herein designating the same as the Jenkins Wolfcamp Pool and providing for eighty (80) acre well spacing and proration units and promulgating special rules and regulations therefor.

Respectfully submitted,

SUN OIL COMPANY

By: Ganville Dutten

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JENKINS-WOLFCAMP AREA
ROOSEVELT & LEA CO'S, NEW MEXICO
SCALE: ("-2000" 6-15-40

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BEFORE THE

OIL CONSERVATION COMMISSION Santa Fe, New Mexico July 28, 1960

EXAMINER HEARING

IN THE MATTER OF:

Application of Sun Oil Company for the creation of a new oil pool for Wolfcamp production to be designated as the Jenkins-Wolfcamp pool and to consist of Sections 2, 3, 4, 8, 9, 10 and 11 of Township 9 South, Range 34 East, Lea County, and Sections 34 and 35, Township 8 South, Range 34 East, Roosevelt County, New Mexico. Applicant further seeks the promulgation of special rules and regulations for said pool including a provision for 80-acre drilling and proration units.

Case 2037

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. PAYNE: Application of Sun Oil Company for the creation of a new oil pool for Wolfcamp production to be designated as the Jenkins-Wolfcamp pool and to consist of Sections 2, 3, 4, 8, 9, 10 and 11 of Township 9 South, Range 34 East, Lea County, and Sections 34 and 35, Township 8 South 8 South, Range 34 East, Roosevelt County, New Mexico.

The applicant has requested that this case be dismissed without prejudice.

MR. NUTTER: Case No. 2037 will be dismissed without



prejudice and we will take a fifteen-minute recess.

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 3rd day of August, 1960.

Notary Public-Court Reporter

My commission expires:

June 19, 1963.



