

CASE 6894: SUN OIL COMPANY FOR AN UN-  
ORTHODOX WELL LOCATION, LEA COUNTY, NEW  
MEXICO

Case No.

6894

Application

Transcripts

Small Exhibits

ETC



June 13, 1980

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

Mr. Thomas Kellahin  
Kellahin & Kellahin  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: CASE NO. 6894  
ORDER NO. R-6359

Applicant:

**Sun Oil Company**

Dear Sir:

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

Yours very truly,

JOE D. RAMEY  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD       X        
Artesia OCD       X        
Aztec OCD

Other

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6894  
Order No. R-6359

APPLICATION OF SUN OIL COMPANY  
FOR AN UNORTHODOX WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 21, 1980,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of June, 1980, the Division  
Director, 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 Division has jurisdiction of this cause and the  
subject matter thereof.

(2) That the applicant, Sun Oil Company, seeks approval  
of an unorthodox well location for its Jennings-Federal "B"  
Well No. 1 to be drilled 2440 feet from the South line and  
2290 feet from the West line of Section 15, Township 19 South,  
Range 32 East, NMPM, to test the Yates formation, Lusk Field,  
Lea County, New Mexico.

(3) That the NE/4 SW/4 of said Section 15 is to be dedi-  
cated to the well.

(4) That a well at said unorthodox location will better  
enable applicant to produce the hydrocarbons underlying the  
proration unit.

(5) That no offset operator objected to the proposed  
unorthodox location.

-2-

Case No. 6894  
Order No. R-6359

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox well location for the Yates formation is hereby approved for the Sun Oil Company Jennings-Federal "B" Well No. 1 to be drilled at a point 2440 feet from the South line and 2290 feet from the West line of Section 15, Township 19 South, Range 32 East, NMPM, Lusk Field, Lea County, New Mexico.

(2) That the NE/4 SW/4 of said Section 15 shall be dedicated to the above-described well.

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

  
S E A L

fd/

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

Page 1

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
21 May 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sun Oil Company for an  
unorthodox well location, Lea County,  
New Mexico.

CASE  
6894

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq.  
KELLAHIN & KELLAHIN  
500 Don Gaspar  
Santa Fe, New Mexico 87501

I N D E X

ROBERT DAVIS

Direct Examination by Mr. Kellahin 3

E X H I B I T S

Applicant Exhibit One, Plat 4

Applicant Exhibit Two, Map 4

SALLY W. BOYD, G.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 435-7409

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

1 MR. STAMETS: We will call next Case 6894.

2 MR. PADILLA: Application of Sun Gas Com-  
3 pany, or Sun Oil Company for an unorthodox well location,  
4 Lea County, New Mexico.

5 MR. KELLAHIN: I'm Tom Kellahin of Santa  
6 Fe, New Mexico, appearing on behalf of the applicant, and I  
7 have one witness.

8  
9 (Witness sworn.)

10 ROBERT DAVIS

11 being called as a witness and having been duly sworn upon  
12 his oath, testified as follows, to-wit:  
13

14  
15 DIRECT EXAMINATION

16 BY MR, KELLAHIN:

17 Q Would you please state your name, by whom  
18 you are employed, and in what capacity?

19 A My name is Robert Davis. I'm a geologist  
20 for Sun Production Company.

21 Q Mr. Davis, have you previously testified  
22 before the Oil Conservation Division and had your qualifica-  
23 tions as a geologist accepted and made a matter of record?

24 A Yes, sir.

25 Q And pursuant to your employment as a



1 geologist by Sun Oil Company, have you made a study of this  
2 particular area?

3 A Yes, sir.

4 MR. KELLAHIN: I tender Mr. Davis as an  
5 expert geologist.

6 MR. STAMETS: The witness is considered  
7 qualified.

8 Q Would you please refer to what we have  
9 marked as Exhibits One and I think it might be helpful to  
10 look at Exhibit Two at the same time, and if you'll commence,  
11 Mr. Davis, by summarizing why Sun Oil Company has sought this  
12 application today.

13 A Okay. Sun would like to drill a Yates  
14 test on the Jennings Federal "B" Lease, outlined in yellow  
15 on Exhibit One. We originally staked a location at a stand-  
16 ard location and it turned out to be over two high pressure  
17 gas lines.

18 Subsequently we moved the location to the  
19 location shown on Exhibit One, 2290 from the west line, 2440  
20 from the south line.

21 Q All right, this is going to be a Yates  
22 test?

23 A Yes, sir.

24 Q And what is the acreage to be dedicated  
25 to the well?

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B

Santa Fe, New Mexico 87501

Phone (505) 455-7409

1 A It would be the north 40 acres in the  
2 subject lease.

3 Q It will be the northeast quarter of the  
4 southwest quarter?

5 A Yes, sir.

6 Q Now on Exhibit Two, those are the two  
7 high pressure gas lines that cross the 40-acre tract?

8 A Yes, sir.

9 Q There's the El Paso line to the north  
10 and then the Phillips line to the south?

11 A Yes.

12 Q Where would a standard location put you  
13 in relation to those gas lines?

14 A It would be 330 from the quarter-quarter  
15 lines. Originally staked it at 2290 from the west line and  
16 2290 from the south line.

17 Q All right. Is there a standard location  
18 south of the Phillips gas line upon which you could drill  
19 this well?

20 A Not economically, we don't think.

21 Q All right, show me on Exhibit One why  
22 you believe that the proposed location is the optimum loca-  
23 tion from which to develop this 40-acre tract?

24 A Utilizing data from the deep test shown  
25 on the Exhibit One, we used logging data and logging analysis

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

1 and samples, and it was determined that we felt like the  
2 Yates reservoir was extremely localized and it was structurally  
3 controlled. The down dip wells appeared to be wet, both  
4 logs and samples, and moving to the south would result in a  
5 wet zone rather than an oil productive zone.

6 Q There is a Bone Springs well located in  
7 the northwest quarter of Section 22 just to the south of  
8 this.

9 A Yes, sir.

10 Q Have you examined the log of that well?

11 A Yes, sir.

12 Q Have you examined the Yates formation in  
13 that log?

14 A Yes, sir.

15 Q And what does that show you?

16 A It looked wet.

17 Q Okay, and have you examined the log in the  
18 well immediately to the west of the proposed location?

19 A Yes, sir.

20 Q And what does that log show you?

21 A WET.

22 Q Sun Oil Company originally filed this  
23 for administrative approval for a topographical exception,  
24 is that true?

25 A Yes, sir.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

1 Q And because of the potential for a stand-  
2 ard location to the south of the pipelines the administrative  
3 application has been set for hearing today, is that correct?

4 A That's correct.

5 Q Describe for us, then, the Jenrings Fed-  
6 eral Well just to the north in Section 15.

7 A It's a second Bone Springs completion.

8 Q Did that well test the Yates or does the  
9 log show potential Yates production?

10 A Yes, sir, both the samples and the logs  
11 indicated a possibly oil productive zone. We would like to  
12 stay as close to that well as possible.

13 Q Yes, sir, and that is Sun operated acreage  
14 to the north?

15 A Yes, sir.

16 Q So you'd be crowding your own acreage?

17 A Right.

18 Q Were Exhibits One and Two prepared by  
19 you or compiled under your direction and supervision?

20 A Yes, sir.

21 Q And in your opinion will approval of this  
22 application be in the best interests of conservation, the  
23 prevention of waste, and the protection of correlative  
24 rights?

25 A Yes, sir.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
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1 MR. KELLAHIN: Move the introduction of  
2 Sun Exhibits One and Two.

3 MR. STAMETS: These exhibits will be ad-  
4 mitted.

5 Are there any questions of the witness?  
6 He may be excused.

7 Anything further in this case?

8 The case will be taken under advisement.

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10 (Hearing concluded.)  
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Rt. 1 Box 191-B  
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY THAT  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said hearing is  
a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
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I do hereby certify that the foregoing is  
a complete and correct record of the  
hearing held on 5-21 19 88.  
Richard R. Stambaugh Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
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Page 1

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
21 May 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sun Oil Company for an) CASE  
unorthodox well location, Lea County,) 6894  
New Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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Ernest L. Padilla, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq.  
KELLAHIN & KELLAHIN  
500 Don Gaspar  
Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
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Page 2

I N D E X

ROBERT DAVIS

Direct Examination by Mr. Kellahin

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E X H I B I T S

Applicant Exhibit One, Plat

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Applicant Exhibit Two, Map

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Rt. 1 Box 193-B

Santa Fe, New Mexico 87501

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Page 3

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Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

SALLY W. BOYD, C.S.R.

RL 1 Box 192-B

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Rt. 1 Box 193-B  
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Page 6

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Rt. 1 Box 193-B  
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Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

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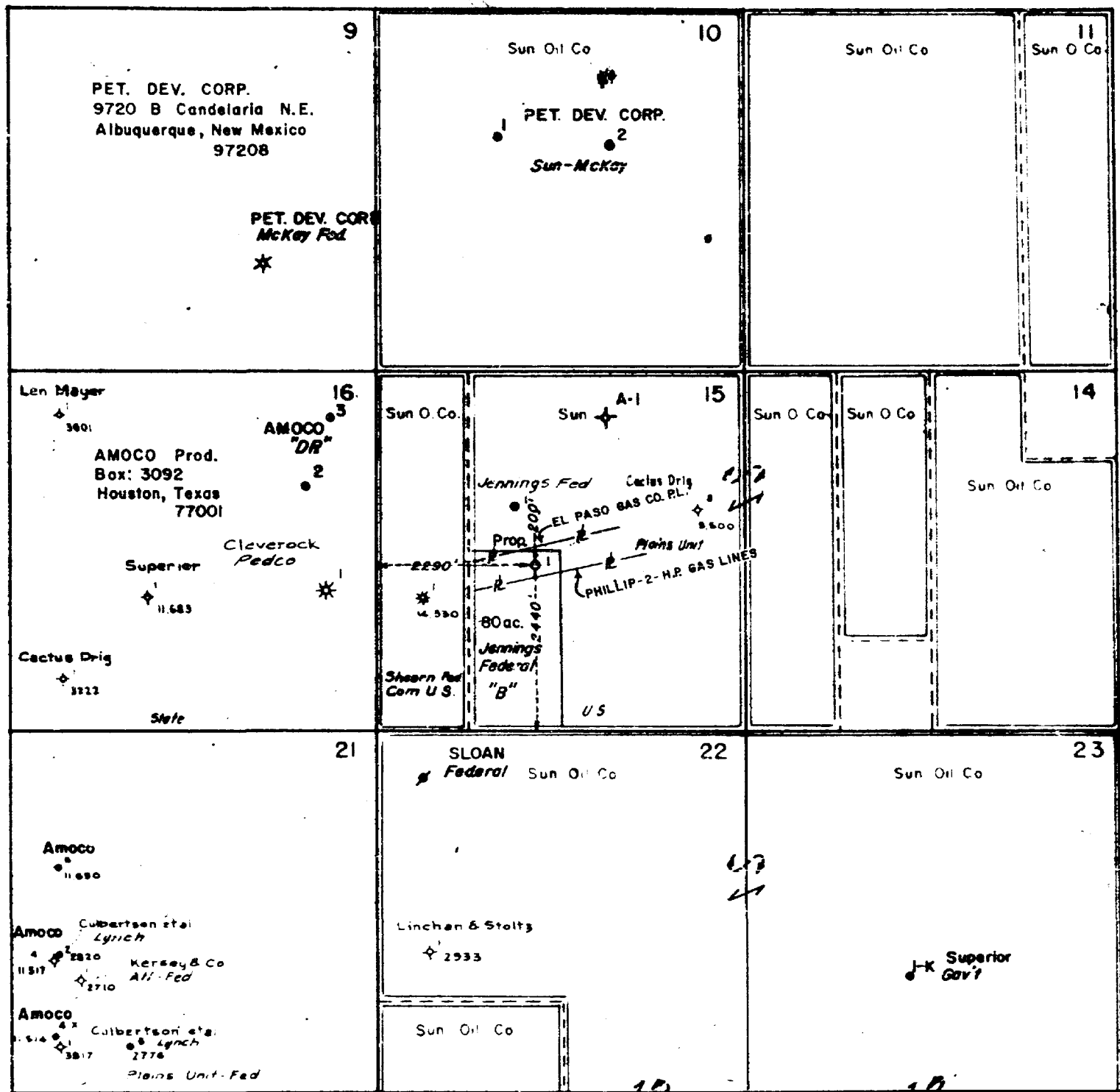
C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY THAT  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said hearing is  
a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

I do hereby certify that the foregoing is  
a true and correct copy of the original in  
my possession.  
\_\_\_\_\_  
\_\_\_\_\_, Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409



E. LUSK AREA. T 19S R 32E LEA CO., N. MEX.  
SCALE: 1"=2000'

Exhibit 2  
Case 6894



Docket No. 14-80

Dockets Nos. 16-80 and 17-80 are tentatively set for June 4 and 25, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - MAY 20, 1980

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6715: (DE NOVO)

Application of Texaco Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Loomis Fed. Well No. 1 to be drilled 1600 feet from the North line and 660 feet from the West line of Section 5, Township 21 South, Range 32 East, South Salt Lake-Morrow Gas Pool, the N/2 of said Section 5 to be dedicated to the well.

Upon application of Texaco Inc. and Bass Enterprises Production Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

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Docket No. 15-80

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 21, 1980

9 A.M. - OIL CONSERVATION DIVISION 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for June, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6891: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Midwest Refining Company and all other interested parties to appear and show cause why the State Well No. 1 located in Unit A of Section 16, Township 33 South, Range 14 West, Hidalgo County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6859: (Continued from April 9, 1980, Examiner Hearing)

Application of R & G Drilling Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1890 feet from the North line and 1830 feet from the East line of Section 28, Township 28 North, Range 11 West, Kutz-Fruitland Pool, the NE/4 of said Section 28 to be dedicated to the well.

CASE 6886: (Continued from May 7, 1980, Examiner Hearing)

Application of Aminoil USA, Inc. for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 10, Township 24 South, Range 28 East, to be dedicated to a well to be drilled at an unorthodox location 2080 feet from the South line and 1773 feet from the East line of said Section 10. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6884: (Continued from May 7, 1980, Examiner Hearing)

Application of Supron Energy Corporation for compulsory pooling and a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde and Dakota formations underlying the N/2 of Section 4, Township 30 North, Range 11 West, to be dedicated to a proposed dual completion to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

- CASE 6892: Application of Merrion & Bayless for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the South Blanco-Pictured Cliffs Pool underlying the SW/4 of Section 27, Township 24 North, Range 2 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6878: (Readvertised)
- Application of Stevens Oil Company for a non-standard gas proration unit and unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the N/2 SW/4 and S/2 NW/4 of Section 25, Township 8 South, Range 28 East, Twin Lakes-San Andres Associated Pool, to be dedicated to its O'Brien "F" Well No. 4 at an unorthodox location 1650 feet from the South line and 2310 feet from the West line of said Section 25.
- CASE 6893: Application of Stevens Oil Company to amend Order No. R-5353, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks a revision of the special rules for the Twin Lakes-San Andres Associated Pool as promulgated by Order No. R-5353 to provide that each well, oil or gas, shall be located no nearer than 330 feet to any quarter-quarter section line, except that any well drilled in a known gas productive area shall be located within 150 feet of the center of the quarter-quarter section.
- CASE 6894: Application of Sun Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jennings-Federal "B" Well No. 1, a Yates test to be drilled 2440 feet from the South line and 2290 feet from the West line of Section 15, Township 19 South, Range 32 East, Lusk Field, the NE/4 SW/4 to be dedicated to the well.
- CASE 6895: Application of Sun Gas Company for an NGPA determination, Lea County, New Mexico. Applicant, in the above-styled cause, seeks findings that the drilling of its J. A. Akens Well No. 10 located in Unit M of Section 3, Township 21 South, Range 36 East, was necessary to effectively and efficiently drain that portion of an existing proration unit which could not be drained by the existing well.
- CASE 6896: Application of John E. Schalk for a non-standard gas proration unit and an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard Blanco Mesaverde gas proration unit comprising the NE/4 of Section 8, Township 25 North, Range 3 West, to be dedicated to his Gulf Well No. 2 to be drilled at an unorthodox location 1925 feet from the North line and 790 feet from the East line of said Section 8.
- CASE 6897: Application of McClellan Oil Corporation for two compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 1200 feet below the surface to the base of the Abo formation underlying the SW/4 and the SE/4 of Section 30, Township 6 South, Range 26 East, each to be dedicated to a proposed gas well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.
- CASE 6898: Application of Conoco Inc. for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Meyer B-28 Well No. 4 to be drilled 560 feet from the North line and 1980 feet from the West line of Section 28, Township 20 South, Range 37 East, Eumont Gas Pool, to be simultaneously dedicated with its Meyer B-28 Well No. 1 in Unit G to the NE/4 and E/2 NW/4 of said Section 28.
- CASE 6899: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South and East lines of Section 9, Township 17 South, Range 26 East, the E/2 of said Section 9 to be dedicated to the well.
- CASE 6900: Application of Yates Petroleum Corporation for a non-standard oil proration unit, unorthodox well location, and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard oil proration unit comprising the N/2 SE/4 of Section 22, Township 16 South, Range 33 East, Kemnitz Field, to be dedicated to its Sombrero "MS" State Well No. 1 at an unorthodox location 1650 feet from the South and East lines of said Section 22. Applicant also seeks approval for the downhole commingling of Wolfcamp and Cisco production in the wellbore of said well.

- CASE 6901:** Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Mississippian formations underlying the E/2 of Section 19, Township 14 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6902:** Application of Harvey E. Yates Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Young Deep Unit Well No. 1 located in Unit D of Section 10, Township 18 South, Range 32 East, to produce gas from the Morrow formation and oil from the Bone Springs formation thru parallel strings of tubing.
- CASE 6903:** Application of Harvey E. Yates Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian-Mississippian test well to be drilled 660 feet from the South line and 990 feet from the East line of Section 33, Township 13 South, Range 36 East, the S/2 of said Section 33 to be dedicated to the well.
- CASE 6904:** Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the McDonald Unit Area, comprising 1,440 acres, more or less, of fee lands in Townships 13 and 14 South, Range 36 East.
- CASE 6905:** Application of Harvey E. Yates Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Buffalo Lake Unit Area, comprising 2,560 acres, more or less, of Federal, State, and fee lands in Township 15 South, Range 27 East.



BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

April 17, 1980

POST OFFICE BOX 2098  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

*Case 6894*

Sun Production Company  
P. O. Box 2880  
Dallas, Texas 75221

Re: Unorthodox location,  
Jennings-Federal "B"  
Well No. 1, 2240' FSL  
and 2290' FWL, Sec. 15,  
T19S, R32E, Lea County,  
New Mexico

Gentlemen:

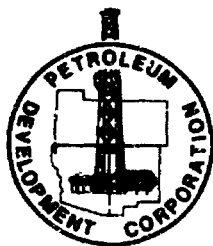
As there are legal locations available within the quarter-quarter section, the subject well does not qualify for administrative approval of the unorthodox location sought.

If you desire, we will set this matter for hearing on the next available docket. To set the matter for hearing, please contact Ms. Florene Davidson at (505) 827-3260.

Sincerely,

R. L. STAMETS  
Technical Support Chief

RLS/fd



## PETROLEUM DEVELOPMENT CORPORATION

9726-B CANDLEBAR AVE  
ALBUQUERQUE, NEW MEXICO 87106  
TELEPHONE (505) 293-4044

April 15, 1980

Mr. Joe D. Ramey  
NEW MEXICO OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

RE: AMENDED Unorthodox Well Location - Jennings-  
Federal "B" Well No. 1 - Wildcat (East Lusk  
Area) Lea County, New Mexico.

In compliance with the request recently received from  
Sun Production Company concerning the captioned  
matter, attached herewith is our letter stating that  
we have no objection to same.

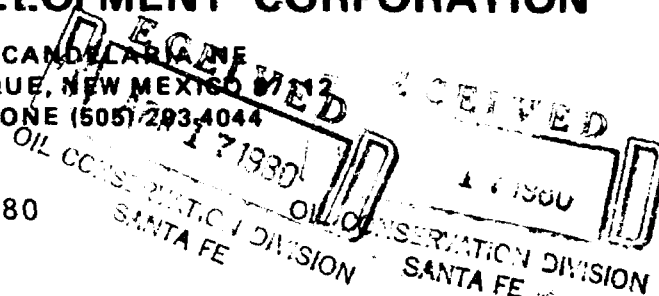
Sincerely,  
PETROLEUM DEVELOPMENT CORPORATION

Charlotte Johnson

/cj

encl.

cc: Mr. J. T. Harris  
Sun Production Company  
PO Box 2880  
Dallas, Tx. 75221 (with copy of Sun letter).



SUN PRODUCTION COMPANY

CAMPBELL CENTRE II, P.O. BOX 2880, DALLAS, TEXAS 75221

April 8, 1980

Amoco Production Company  
P. O. Box 3092  
Houston, Texas 77001  
Attn: Proration Dept.

Petroleum Development Corporation  
9720 B Candelaria N.E.  
Albuquerque, New Mexico 97208

Re: Amended Unorthodox Well Location  
Jennings-Federal "B" Well No. 1  
Wildcat (East Lusk Area)  
Lea County, New Mexico

Gentlemen:

Under date of March 18, 1980 we advised that Sun Oil Company proposed to drill the above well at a location 2290' from the West line and 2495' from the South line of Section 15, T-19-S, R-32-E, Lea County, New Mexico. The U.S. Geological Survey has advised they would not issue a permit unless the location was at least 200' from the nearest lease line. The location has been restaked 2290' from the West line and 2440' from the South line as shown on attached Form C-102.

If you as an offset operator have no objection to this amended application, it would be appreciated if you would so indicate by signing below and forwarding one copy to the New Mexico Oil Conservation Division and returning one copy to this office in the enclosed envelopes.

Your early consideration will be appreciated.

Yours very truly,

J. T. Power

By:

*J. T. Harris*  
J. T. Harris

JTP/JTH/ag  
Attachments

THE BELOW HAS NO OBJECTION:

COMPANY: PETROLEUM DEVELOPMENT CORPORATION

BY: *Charles H. Anderson*  
Vice President

DATE: 4/15/80

A DIVISION OF SUN OIL COMPANY (DELAWARE)



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

April 1, 1980.

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-3434

*Case 6894*

Sun Production Company  
P. O. Box 2880  
Dallas, Texas 75221

Re: Unorthodox location, Jennings-  
Federal "B" Well No. 1, 2495' FSL  
and 2290' FWL of Sec. 15, T-19-S,  
R-32-E, Lea County, New Mexico

Gentlemen:

By letter of March 18, 1980, Mr. J. T. Harris  
requested administrative approval of the subject unorthodox  
location.

The exhibits submitted with the application do not  
seem to justify this request on grounds of topography.  
The plats submitted suggest the availability of a standard  
location in the South half of the 40-acre tract.

If available, please submit additional information  
or exhibits which will clarify the need for this unorthodox  
location.

Sincerely,

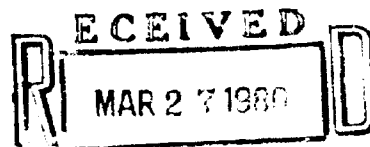
R. L. STAMETS  
Technical Support Chief

RLS/dr

  
SUN PRODUCTION COMPANY

CAMPBELL CENTRE II, P.O. BOX 2680, DAL

March 18, 1980



OIL CONSERVATION DIVISION  
SANTA FE

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

Attn: Mr. Joe D. Ramey

Re: Unorthodox Well Location  
Jennings-Federal "B" Well No. 1  
Wildcat (East Lusk Area)  
Lea County, New Mexico

*Case 6897*

Gentlemen:

Under date of March 10, 1980 Sun Oil Company filed all necessary forms and NIL-6 Compliance Data with the U.S. Geological Survey and Bureau of Land Management to drill Well No. 1 on our Jennings-Federal "B" Lease containing 80 acres described as the E/2 of the SW/4 of Section 15. Well No. 1 will be located in Unit "K", 2290' from West line and 2495' from the South line of Sec. 15, T19S, R32E.

It was necessary to move the location from a regular location due to Phillips high pressure gas lines. It is requested we be granted an exception to Rule 104DII (F) based upon the presence of this high pressure gas line.

We are attaching copy of plat showing the well location and the gas pipe line together with our offset operators. Letters requesting waivers are being sent by certified mail to:

Amoco Production Co., Box 3092, Houston, TX 77001 (Attn: Proration Dept.)  
Petroleum Development Corp., 9720 B Candelaria, N.E., Albuquerque,  
New Mexico 97208

Yours very truly,  
J. T. Power

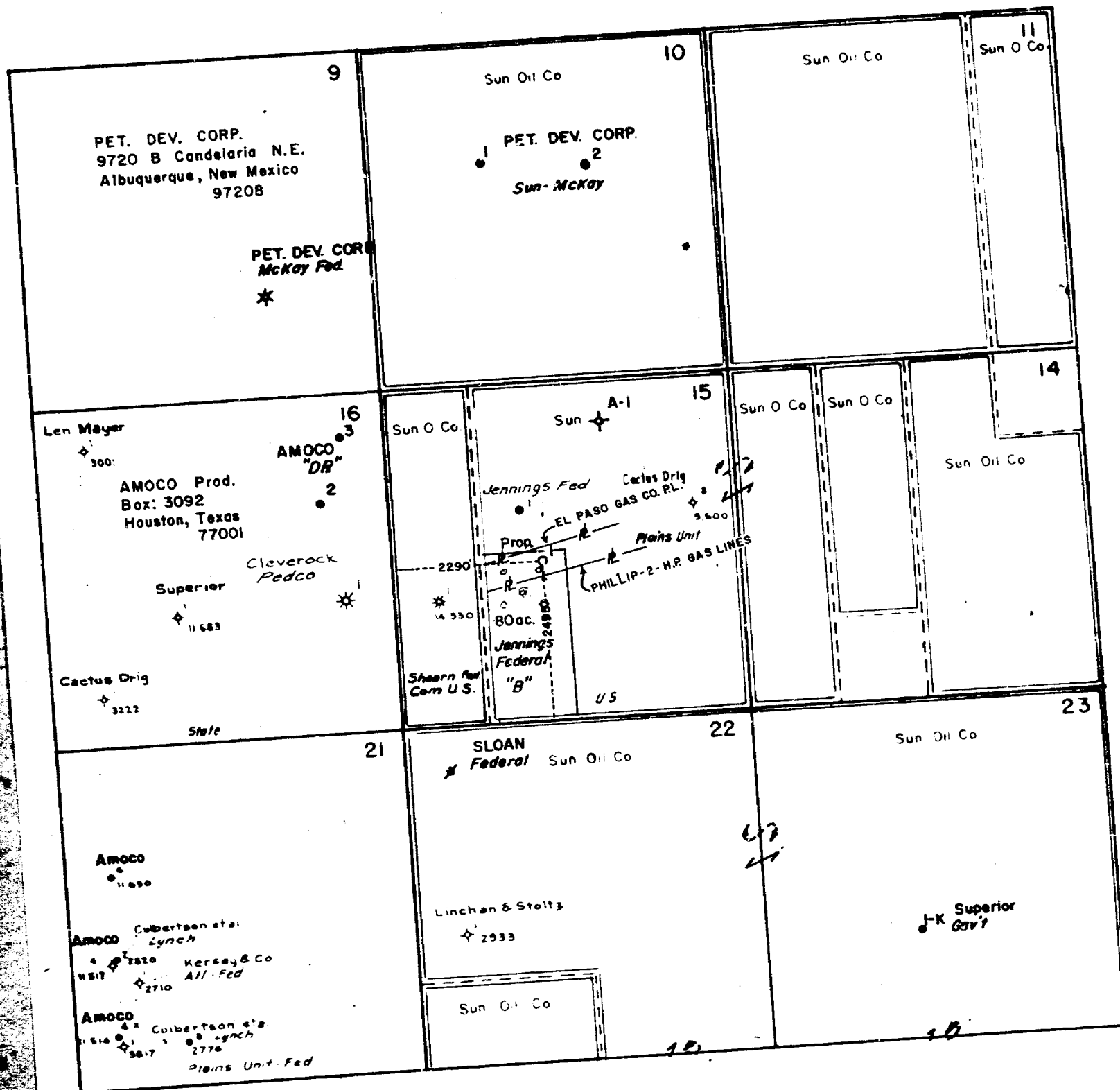
By:   
J. T. Harris

JTH/ag  
Attachments

cc: Mr. Jerry T. Setton  
New Mexico Oil Conservation Division  
Box 1980  
Hobbs, New Mexico 88240  
Mr. Tom Kellahin  
500 Don Gaspar Ave. Box 1769  
Santa Fe, New Mexico 87501  
Offset Operators

A DIVISION OF SUN OIL COMPANY (DELAWARE)





E. LUSK AREA T19S R32E LEA CO., N. MEX.  
 SCALE: 1"=2000'

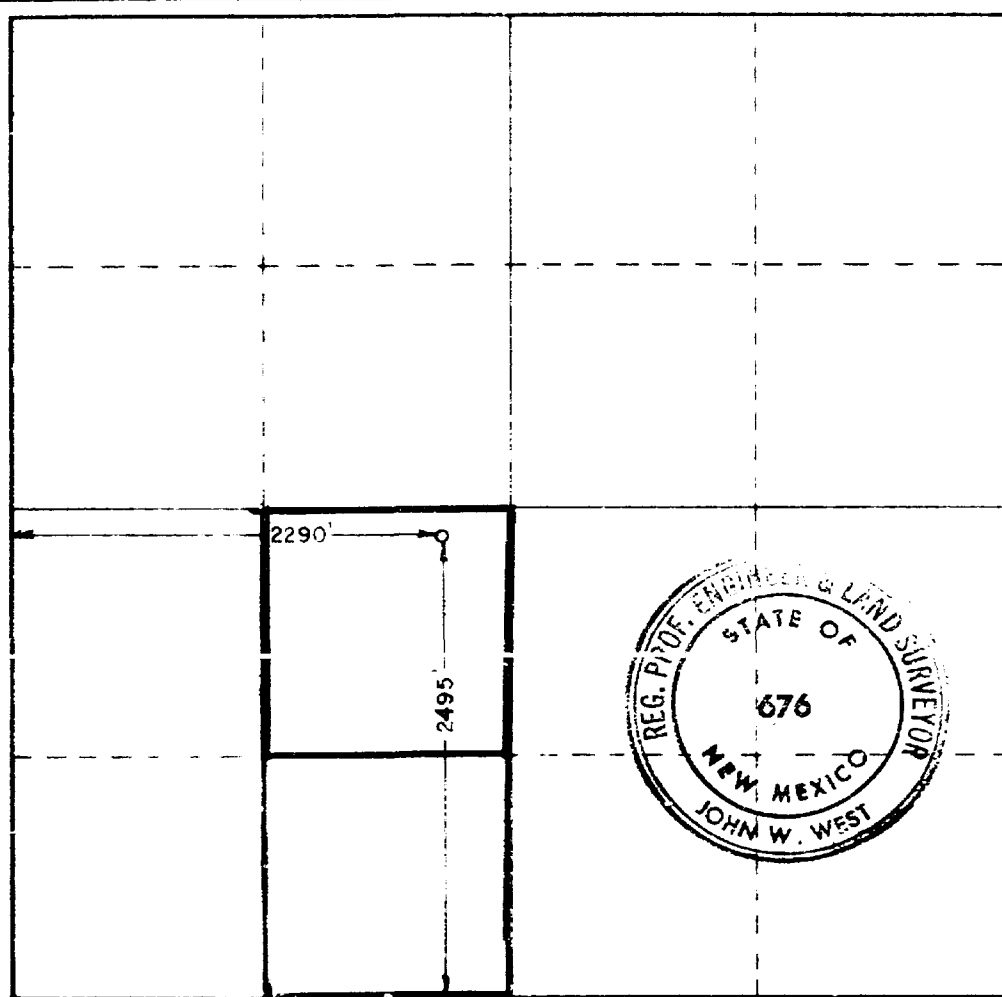
**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

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

All distances must be from the outer boundaries of the Section

Operator <b>Sun Oil Co.</b>			Lease <b>Jennings Federal "B"</b>		Well No. <b>1</b>
Tract Letter <b>K</b>	Section <b>15</b>	Township <b>19 South</b>	Range <b>32 East</b>	County <b>Lea</b>	
Actual Well Location of Wells: <b>2495</b> feet from the <b>South</b> line and <b>2290</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3629.7</b>	Producing Formation <b>Yates</b>	Field <b>East Lusk Area</b>		Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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**

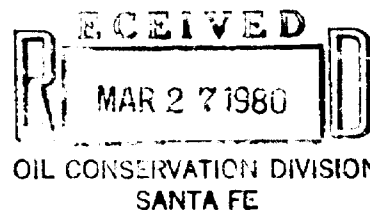
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*J. T. Harris*  
**J. T. Harris**  
 President  
**Sr. Conservation Representative**  
**Sun Oil Co. (Delaware)**  
 Date  
**March 10, 1980**

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  
**February 8, 1980**  
 Registered Professional Engineer  
 with No. \_\_\_\_\_

*John W. West*  
 Certificate No. **JOHN W. WEST 676**  
**PATRICK A. ROMERO 6663**  
**Ronald J. Eidson 3239**



SUN PRODUCTION COMPANY

March 18, 1980

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

Attn: Mr. Joe D. Ramey

Re: Unorthodox Well Location  
Jennings-Federal "B" Well No. 1  
Wildcat (East Lusk Area)  
Lea County, New Mexico

Gentlemen:

Under date of March 10, 1980 Sun Oil Company filed all necessary forms and NTL-6 Compliance Data with the U.S. Geological Survey and Bureau of Land Management to drill Well No. 1 on our Jennings-Federal "B" Lease containing 80 acres described as the E/2 of the SW/4 of Section 15. Well No. 1 will be located in Unit "K", 2290' from West line and 2495' from the South line of Sec. 15, T19S, R32E.

It was necessary to move the location from a regular location due to Phillips high pressure gas lines. It is requested we be granted an exception to Rule 104DII (F) based upon the presence of this high pressure gas line.

We are attaching copy of plat showing the well location and the gas pipe line together with our offset operators. Letters requesting waivers are being sent by certified mail to:

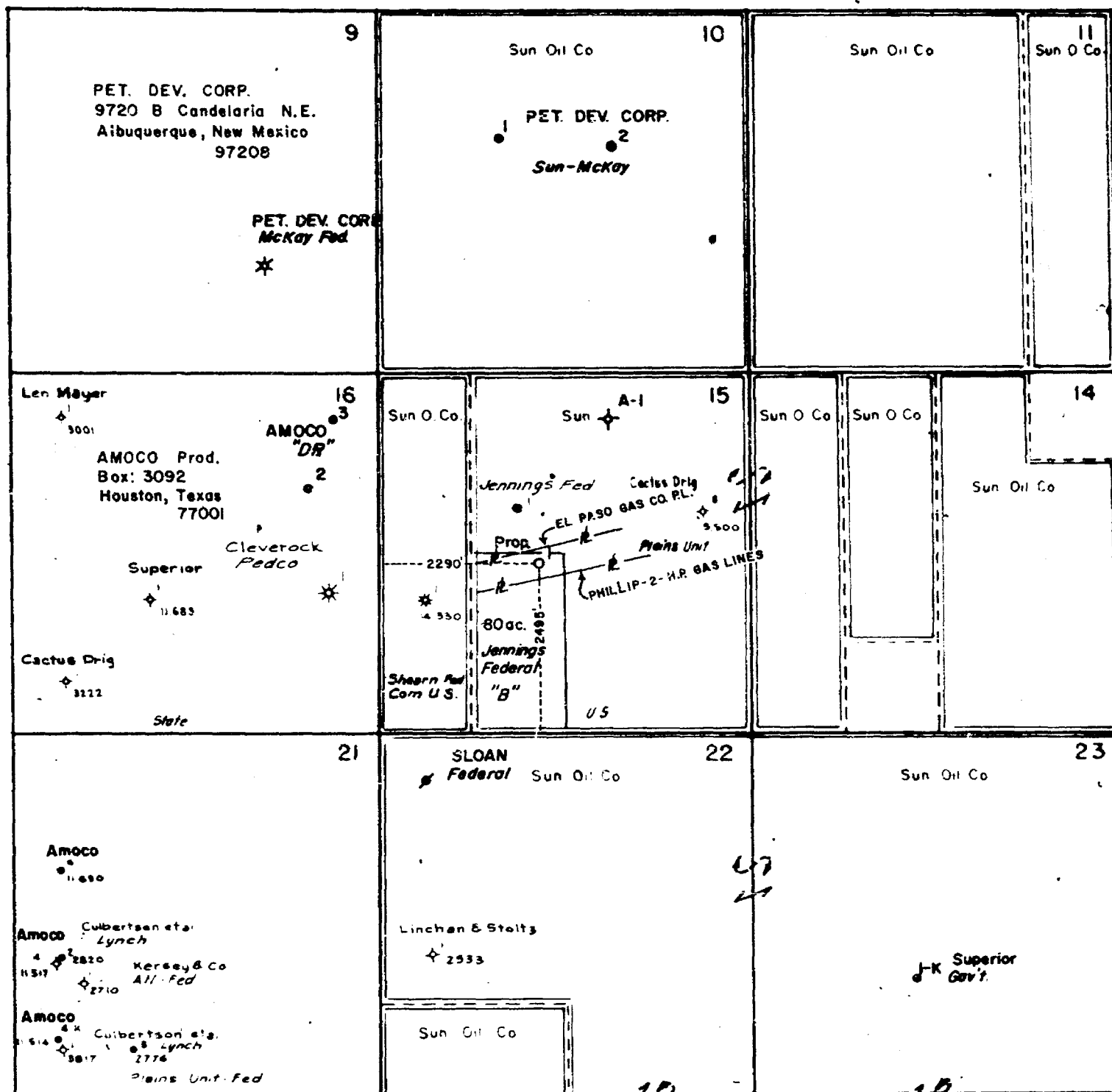
Amoco Production Co., Box 3092, Houston, TX 77001 (Attn: Proration Dept.)  
Petroleum Development Corp., 9720 B Candelaria, N.E., Albuquerque,  
New Mexico 97208

Yours very truly,  
J. T. Power

By: J. T. Harris  
J. T. Harris

JTH/ag  
Attachments

cc: Mr. Jerry T. Setton  
New Mexico Oil Conservation Division  
Box 1980  
Hobbs, New Mexico 88240  
Mr. Tom Kellahin  
500 Don Gaspar Ave. Box 1769  
Santa Fe, New Mexico 87501  
Offset Operators



E. LUSK AREA T19S R32E LEA CO., N. MEX.  
SCALE: 1"=2000'

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-85

All distances must be from the outer boundaries of the Section

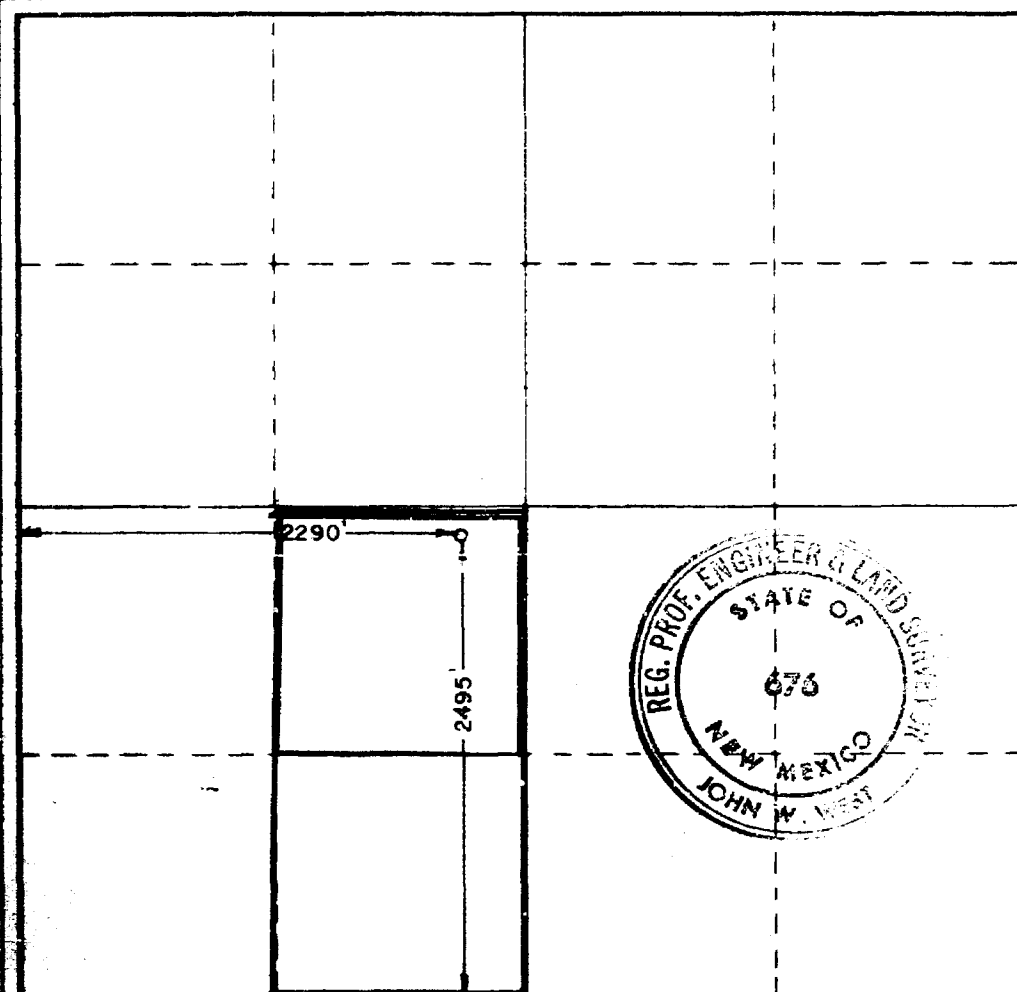
Operator <b>Sun Oil Co.</b>		Lease <b>Jennings Federal "B"</b>		Well No. <b>1</b>
Unit Letter <b>K</b>	Section <b>15</b>	Township <b>19 South</b>	Range <b>32 East</b>	County <b>Lea</b>
Actual Well Location of Well:				
<b>2495</b> feet from the <b>South</b> line and <b>2290</b> feet from the <b>West</b> line				
Ground Elev. Elev. <b>3629.7</b>	Producing Formation <b>Yates</b>	Pool <b>East Lusk Area</b>	Dedicated Acreage: <b>40</b> 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.

*J. T. Harris*

Name  
**J. T. Harris**

Position  
**Sr. Conservation Representative**

Company  
**Sun Oil Co. (Delaware)**

Date  
**March 10, 1980**

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  
**February 8, 1980**

Registered Professional Engineer and/or Land Surveyor

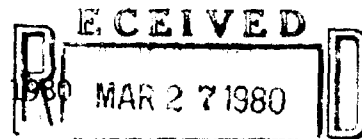
*John W. West*

Certificate No. **JOHN W. WEST 676**  
**PATRICK A. ROMERO 6888**  
**Ronald J. Eidson 3239**

500 600 700 800 900 1000 1100 1200 1300 1400 1500 1600 1700 1800 1900 2000 2100 2200 2300 2400 2500

SUN PRODUCTION COMPANY

March 18, 1980



OIL CONSERVATION DIVISION  
SANTA FE

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

Attn: Mr. Joe D. Ramey

Re: Unorthodox Well Location  
Jennings-Federal "B" Well No. 1  
Wildcat (East Lusk Area)  
Lea County, New Mexico

Gentlemen:

Under date of March 10, 1980 Sun Oil Company filed all necessary forms and NTL-6 Compliance Data with the U.S. Geological Survey and Bureau of Land Management to drill Well No. 1 on our Jennings-Federal "B" Lease containing 80 acres described as the E/2 of the SW/4 of Section 15. Well No. 1 will be located in Unit "K", 2290' from West line and 2495' from the South line of Sec. 15, T19S, R32E.

It was necessary to move the location from a regular location due to Phillips high pressure gas lines. It is requested we be granted an exception to Rule 104.11 (F) based upon the presence of this high pressure gas line.

We are attaching copy of plat showing the well location and the gas pipe line together with our offset operators. Letters requesting waivers are being sent by certified mail to:

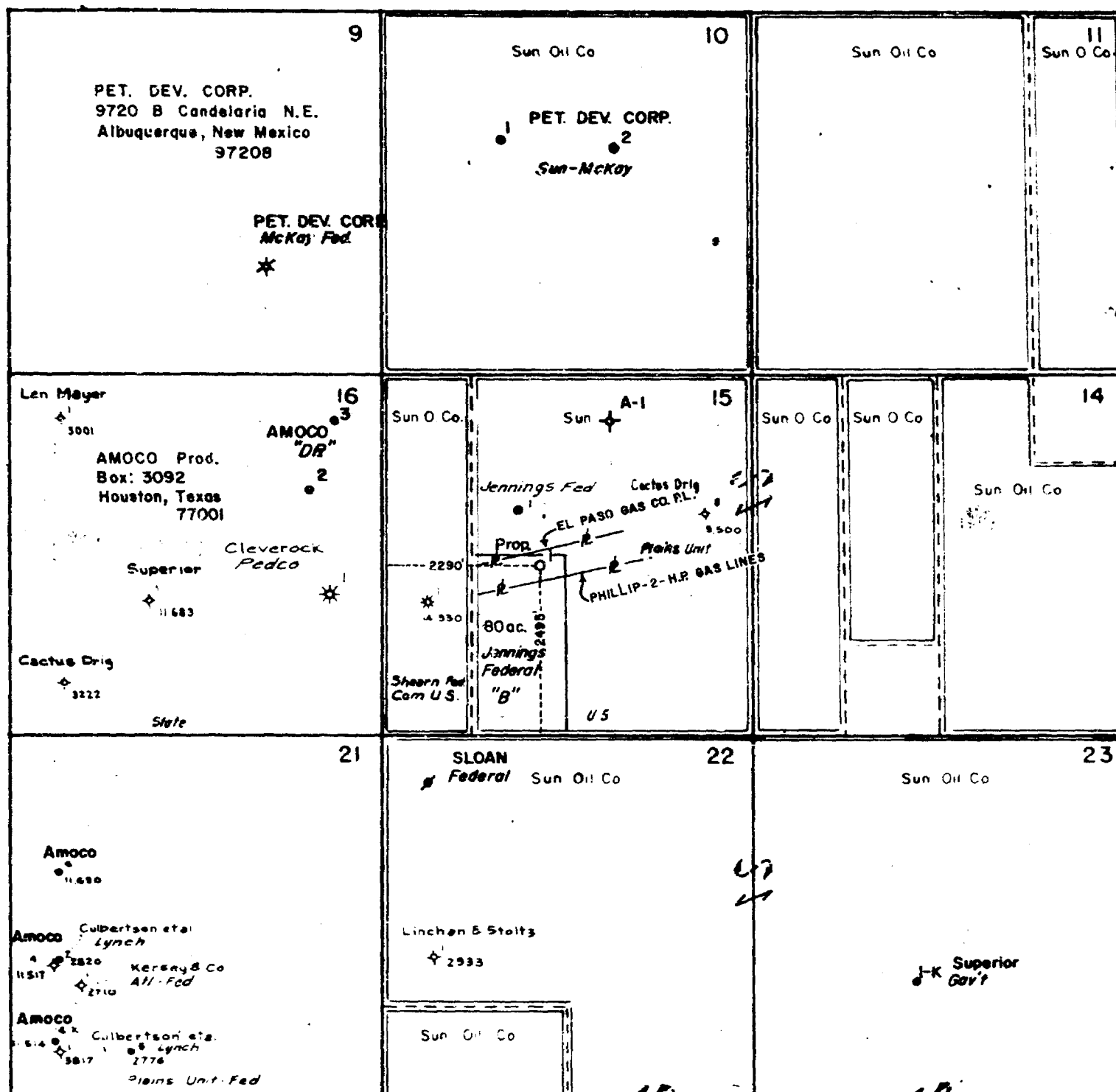
Amoco Production Co., Box 3092, Houston, TX 77001 (Attn: Proration Dept.)  
Petroleum Development Corp., 9720 B Candelaria, N.E., Albuquerque,  
New Mexico 97208

Yours very truly,  
J. T. Power

By:   
J. T. Harris

JTH/ag  
Attachments

cc: Mr. Jerry T. Setton  
New Mexico Oil Conservation Division  
Box 1980  
Hobbs, New Mexico 88240  
Mr. Tom Kellahin  
500 Don Gaspar Ave. Box 1769  
Santa Fe, New Mexico 87501  
Offset Operators



E. LUSK AREA. T 19S R 32E LEA CO., N. MEX.  
SCALE: 1" = 2000'

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-85

All distances must be from the outer boundaries of the Section

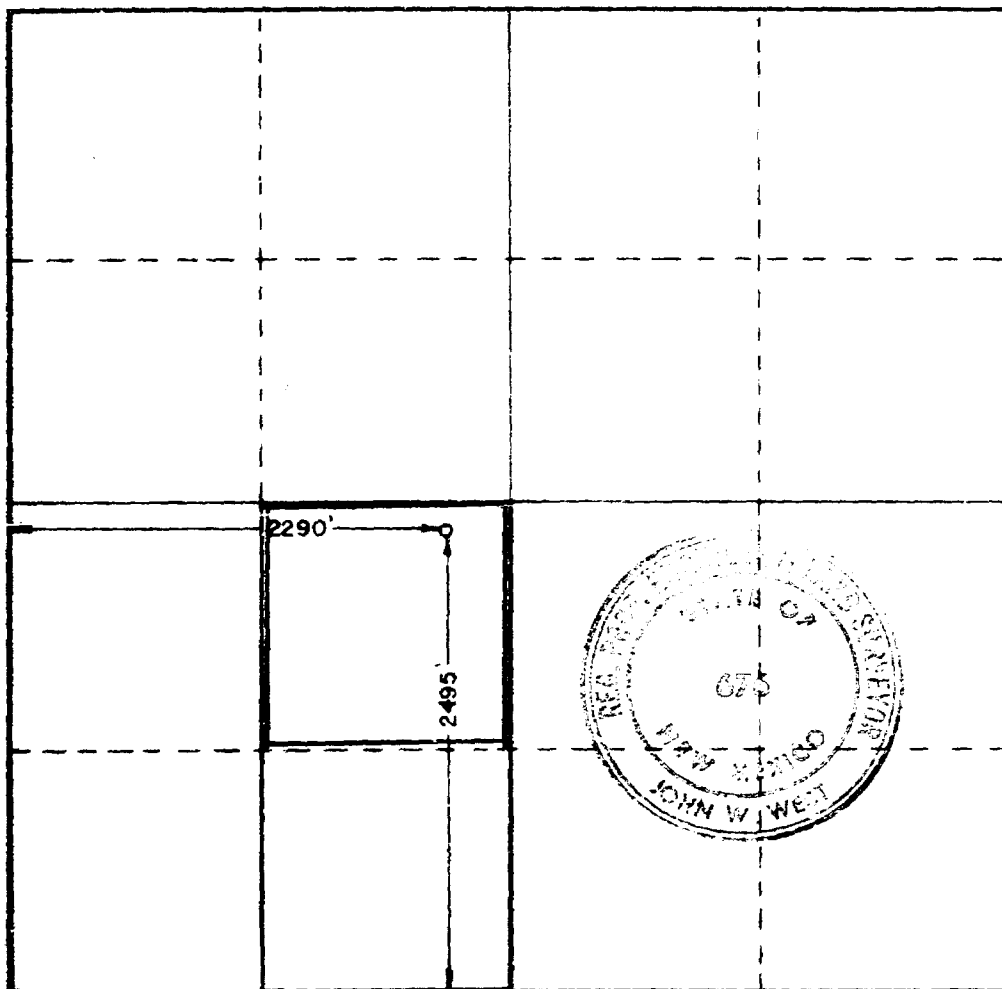
Operator <b>Sun Oil Co.</b>		Lease <b>Jennings Federal "B"</b>		Well No. <b>1</b>
Unit Letter <b>K</b>	Section <b>15</b>	Township <b>19 South</b>	Range <b>32 East</b>	County <b>Leo</b>
Actual Footage Location of Well: <b>2495</b> feet from the <b>South</b> line and <b>2290</b> feet from the <b>West</b> line				
Ground Level Elev. <b>3629.7</b>	Producing Formation <b>Yates</b>	Field <b>East Lusk Area</b>	Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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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.

*J. T. Harris*

Name  
**J. T. Harris**

Position  
**Sr. Conservation Representative**

Company  
**Sun Oil Co. (Delaware)**

Date  
**March 10, 1980**

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  
**February 8, 1980**

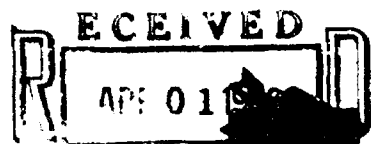
Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **JOHN W. WEST 678**  
**PATRICK A. ROMERO 6868**  
**Ronald J. Eide 3232**

0 200 400 600 800 1000 1200 1400 1600 1800 2000 2200 2400 2600 2800 3000





OIL CONSERVATION DIVISION  
SANTA FE  
SUN PRODUCTION COMPANY

DICK - YOU ARE PROBABLY  
RIGHT FROM THE MAP IT LOOKS  
AS IF IT MIGHT BE ABLE TO BE  
March 18, 1980  
DRILLED AT A STANDARD LOC.

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501  
Attn: Mr. Joe D. Ramey

Re: Unorthodox Well Location  
Jennings-Federal "B" Well No. 1  
Wildcat (East Lusk Area)  
Lea County, New Mexico

Gentlemen:

Under date of March 10, 1980 Sun Oil Company filed all necessary forms and NTL-6 Compliance Data with the U.S. Geological Survey and Bureau of Land Management to drill Well No. 1 on our Jennings-Federal "B" Lease containing 80 acres described as the E/2 of the SW/4 of Section 15. Well No. 1 will be located in Unit "K", 2290' from West line and 2495' from the South line of Sec. 15, T19S, R32E.

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We are attaching copy of plat showing the well location and the gas pipe line together with our offset operators. Letters requesting waivers are being sent by certified mail to:

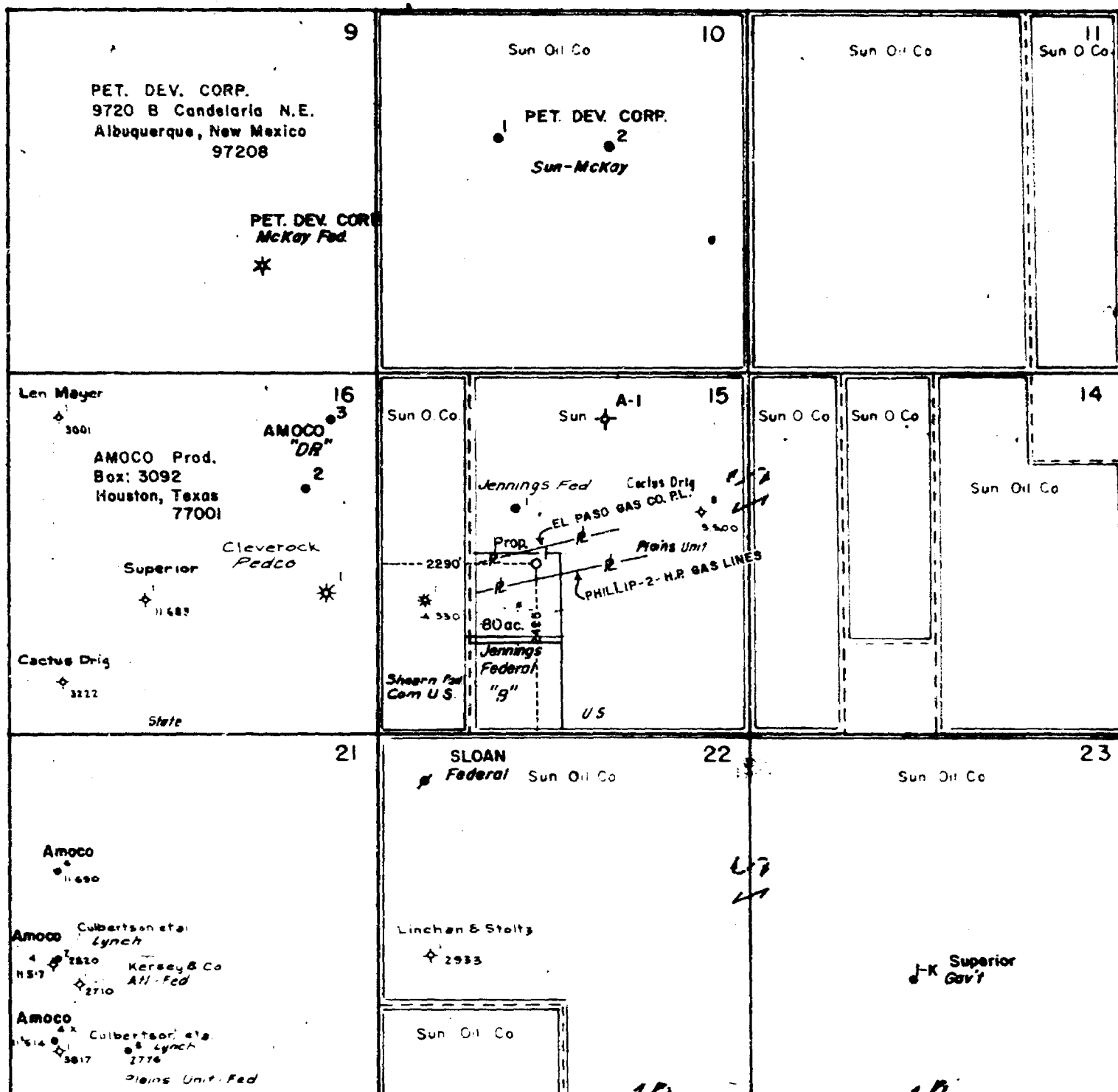
Amoco Production Co., Box 3092, Houston, TX 77001 (Attn: Proration Dept.)  
Petroleum Development Corp., 9720 B Candelaria, N.E., Albuquerque,  
New Mexico 97208

Yours very truly,  
J. T. Power

By: J. T. Harris  
J. T. Harris

JTH/ag  
Attachments

cc: Mr. Jerry T. Setton ✓  
New Mexico Oil Conservation Division  
Box 1980  
Hobbs, New Mexico 88240  
Mr. Tom Kellahin  
500 Don Gaspar Ave. Box 1769  
Santa Fe, New Mexico 87501  
Offset Operators



E. LUSK AREA. T 19S R 32E LEA CO., N. MEX.  
SCALE: 1" = 2000'

NEW MEXICO OIL AND GAS COMMISSION  
WELL LOCATION AND ACREAGE STATEMENT

Form No. 2  
Supplement 1-1-78  
Effective 1-1-78

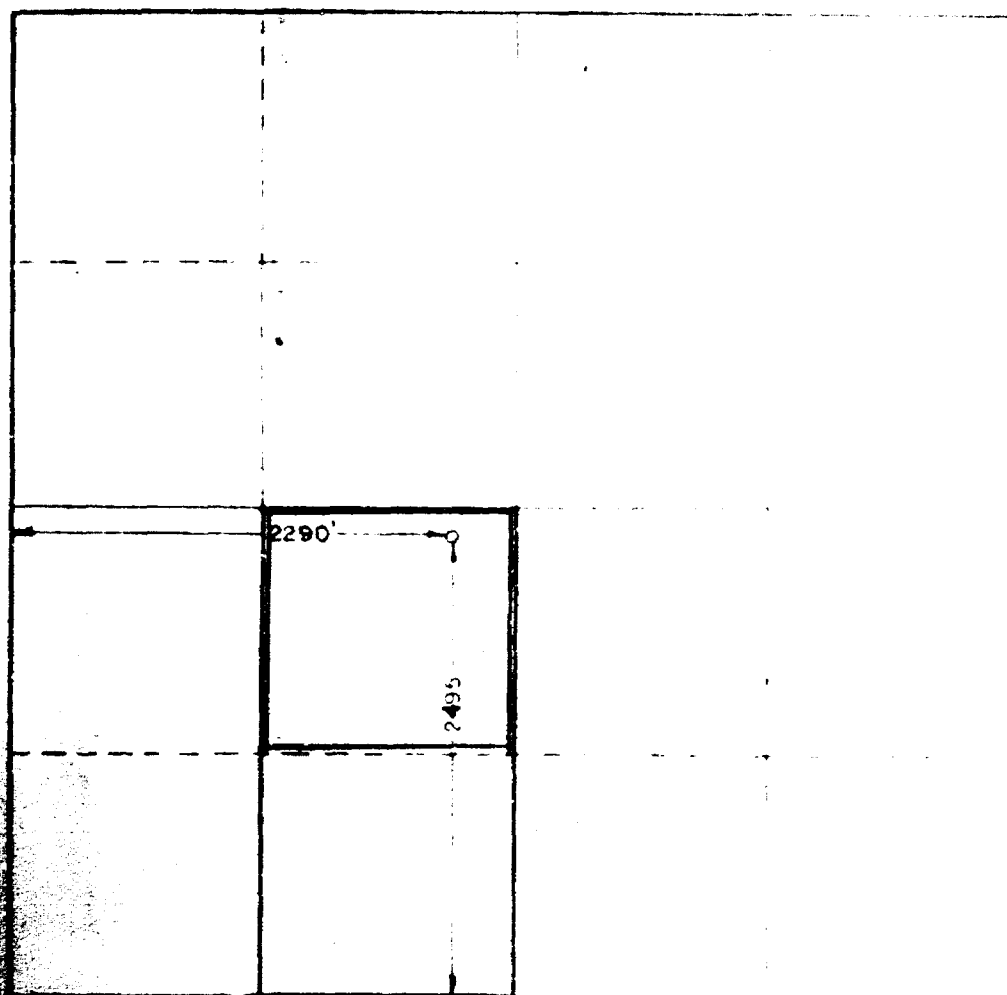
Operator <b>Sun Oil Co.</b>	
Well Letter <b>K</b>	Section <b>15</b>
Twp. <b>19 South</b> R. <b>20 East</b>	
Well Number <b>2495</b>	Feet from the <b>South</b> <b>20</b>
Ground Elev. <b>3629.7</b>	Producing <b>Yates</b> <b>East Lusk Area</b>
	<b>40</b>

1. Outline the acreage dedicated to the subject well by a line on the plat below.
2. If more than one lease is dedicated to the well, outline the acreage for 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 all interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information furnished herein is true and correct to the best of my knowledge and belief.

*J. T. Harris*

J. T. Harris

Sr. Conservation Representative

Sun Oil Co. (Delaware)

March 10, 1980

I hereby certify that the well location shown on this plat was plotted from field notes of \_\_\_\_\_ made by me or \_\_\_\_\_ and that the same is true and correct to the best of my knowledge and belief.

February 9, 1980

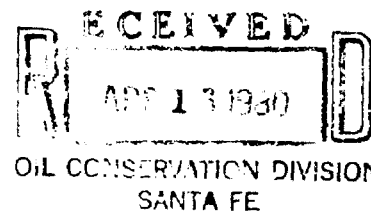
*John A. West*

JOHN A. WEST 676  
PATRICK A. ROMERO 6663  
Randy L. Eidson 3239

  
SUN PRODUCTION COMPANY

CAMPBELL CENTRE II, P.O. BOX 2880, DALLAS, TEXAS 75221

April 8, 1980



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

Attn: Mr. Joe D. Ramey

Re: AMENDED Unorthodox Well Location  
Jennings-Federal "B" Well No. 1  
Wildcat (East Lusk Area)  
Lea County, New Mexico

Gentlemen:

Under date of March 10, 1980 Sun Oil Company filed all necessary forms and NTL-6 Compliance Data with the U. S. Geological Survey and Bureau of Land Management to drill Well No. 1 on our Jennings-Federal "B" Lease containing 80 acres described as the E/2 of the SW/4 of Section 15. The USGS advised they would not issue a permit unless the location was moved to at least 200' from the nearest lease line.

The location has been moved to 2290' from the West line and 2240' from the South line and the well will be located in Unit "K".

It was necessary to move the location from a regular location due to two high pressure gas lines. Mr. Stamets has suggested the availability of a standard location in the South half of the 80 acre tract. We are attaching a structure map on the top of the Yates sand which shows that a well in the South half would be structurally low and we desire to drill in the above location to be as near as possible to shows encountered in the offset Jennings-Federal No. 1 well. It is requested we be granted an exception to Rule 104 D II (F) based on the above reasons.

We are attaching copy of plat showing the well location and the gas pipe lines, together with our offset operators. Letters

New Mexico Oil Conservation Division  
Page 2  
April 8, 1980

requesting waivers are being sent by certified mail to:

Amoco Production Company, Box 3092, Houston, TX 77001  
(Attn: Proration Dept.)  
Petroleum Development Corporation, 9720 B Candelaria,  
N.E., Albuquerque, New Mexico 97208

Yours very truly,

J. T. Power

By:

  
J. T. Harris

JTP/JTH/ag

Attachments

cc: Mr. Jerry T. Sexton  
New Mexico Oil Conservation Division  
Box 1980  
Hobbs, New Mexico 88240

Mr. Tom Kellahin  
500 Don Gaspar Ave., Box 1769  
Santa Fe, New Mexico 87501

Offset Operators

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102  
Supersedes O-128  
Effective 10-65

All distances must be from the outer boundaries of the Section

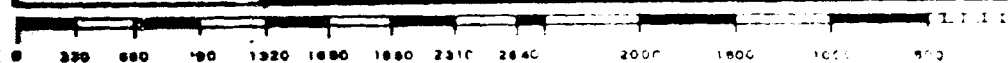
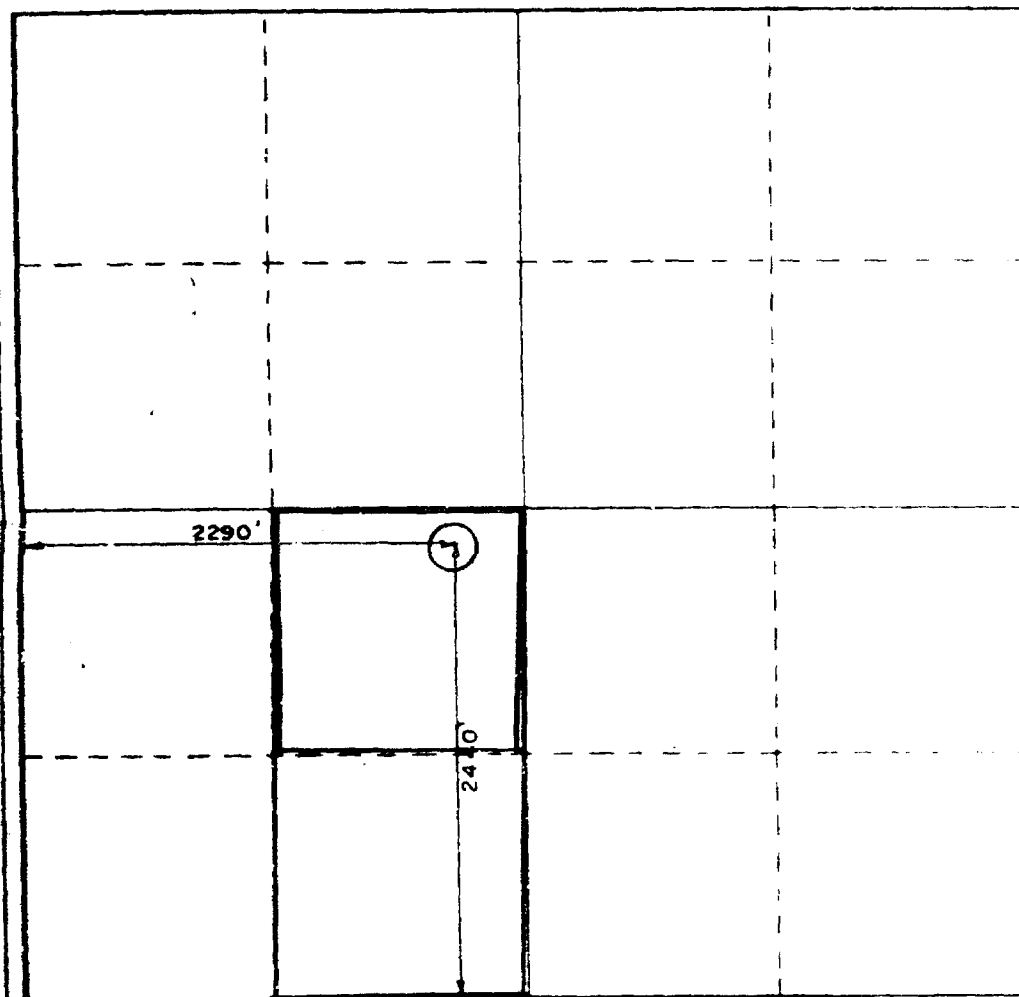
Operator Sun Oil Co.		Lease Jennings Fed. B.		Acres 1
Unit Letter K	Section 15	Township 19 South	Range 22 East	County Lea
Actual Footage Location of Well: 2290 feet from the West line and 2440 feet from the South line				
Ground Level Elev. 3629.7	Producing Formation Yates	Pool East Lusk Area	Section Area 40	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.

*J. T. Harris*

J. T. Harris

Sr. Conservation Representative

Sun Oil Co.

April 8, 1980

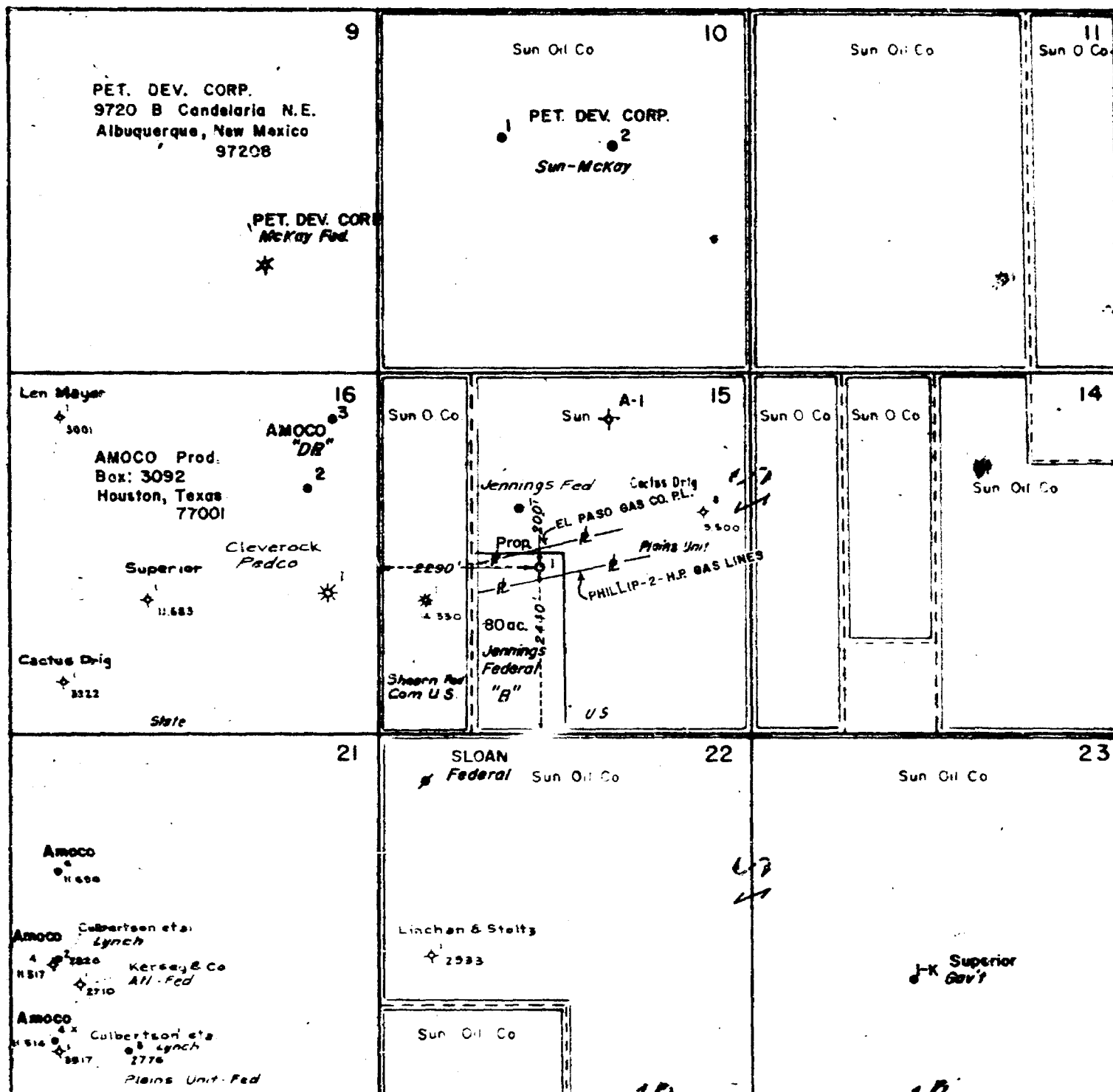
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
10-1-80

\_\_\_\_\_  
10-1-80

*John W. West*

JOHN W. WEST 676  
PATRICK A. ROMERO 668  
Ronald J. Eidson 3239



E. LUSK AREA. T 19S R 32E LEA CO., N. MEX.  
 SCALE: 1"=2000'

DRAFT

dr/

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6894

ORDER NO. R- 6359

APPLICATION OF SUN OIL COMPANY

FOR AN UNORTHODOX ~~GAS~~ WELL LOCATION,

LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 21,  
1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this        day of May, 1980, the Division  
Director, 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 Division has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Sun Oil Company,  
for its Jennings-Federal "B" Well No. 1 to be drilled  
seeks approval of an unorthodox ~~gas~~ well location 2440  
feet from the South line and 2290 feet from the  
West line of Section 15, Township 19 South  
Range 32 East, NMPM, to test the Yates  
formation, Lusk Field ~~xxx~~ Pool, Lea  
County, New Mexico.

(3) That the SW/4 of said Section 15 is to be  
dedicated to the well.

(4) That a well at said unorthodox location will better  
enable applicant to produce the ~~gas~~ <sup>hydrocarbons</sup> underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox  
location.



-2-

Case No. \_\_\_\_\_  
Order No. R- \_\_\_\_\_

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox ~~gas~~ well location for the Yates the Sun Oil Company Jennings-Federal "B" Well No. 1 to be drilled formation is hereby approved for ~~a well to be located~~ at a point 2440 feet from the South line and 2290 feet from the West line of Section 15, Township 19 South, Range 32 East NMPM, Lusk Field xxxxPool, Lea County, New Mexico.

(2) That the NE/4 / <sup>SW/4</sup> of said Section 15 shall be dedicated to the above-described well.

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

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