

Entered May 2, 1979

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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. 6530
Order No. R-6002

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR UNORTHODOX GAS WELL
LOCATIONS, TEMPORARY INJECTION OF
PRODUCED GAS AND TO VENT GAS, UNION
AND HARDING COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 25, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of May, 1979, 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, Amoco Production Company, seeks approval of unorthodox gas well locations in the Tubo formation for its State FI Well No. 3 to be located 1315 feet from the South line and 1980 feet from the East line of Section 36, Township 20 North, Range 34 East, NMPM, Union County, New Mexico, and its Heimann Well No. 5 located 660 feet from the South line and 1315 feet from the West line of Section 3, Township 19 North, Range 33 East, NMPM, Harding County, New Mexico.

(3) Applicant further seeks authority to conduct pressure interference tests, including authority to vent gas produced

from the State FI Well No. 1 for a period not to exceed 45 days, to produce its Heimann Well No. 1 located in Unit M of Section 3, Township 19 North, Range 33 East, NMPM, and to reinject the produced gas into its Heimann Well No. 4 located in Unit K of Section 34, Township 20 North, Range 33 East, for a period not to exceed six months.

(4) That such interference tests will permit the applicant to evaluate the Tubb carbon dioxide reservoir to determine the most efficient and economic spacing pattern and to test and evaluate production and gathering equipment.

(5) That the proposed unorthodox locations are to permit the completions of wells at optimum locations for use during the interference tests.

(6) That the applicant should notify the Supervisor of the Division's district office at Santa Fe of the date and time that said interference tests shall commence.

(7) That no offset operator objected to the proposed unorthodox locations.

(8) That approval of the subject application will afford the applicant the opportunity to gather engineering and reservoir data which should serve to 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 otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That unorthodox gas well locations for the Tubb formation are hereby approved for the Amoco Production Company State FI Well No. 3 to be located 1315 feet from the South line and 1980 feet from the East line of Section 36, Township 20 North, Range 34 East, NMPM, Union County, and the Heimann Well No. 5 to be located 660 feet from the South line and 1315 feet from the West line of Section 3, Township 19 North, Range 33 East, NMPM, Harding County, New Mexico.

(2) That the applicant is further granted authority to conduct pressure interference tests, including authority to vent gas produced from its State FI Well No. 1 at a rate not to exceed 2000 MCF per day for a period not to exceed 45 days and to produce its Heimann Well No. 1 located in Unit M of

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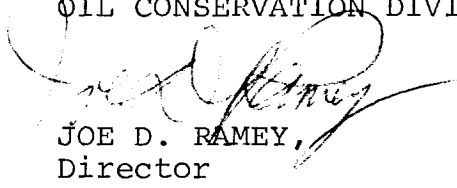
Section 3, Township 19 North, Range 33 East, NMPM, and to reinject the produced gas into its Heimann Well No. 4 located in Unit K of Section 34, Township 20 North, Range 33 East, NMPM, for a period not to exceed six months.

(3) That the applicant shall notify the supervisor of the Division's district office at Santa Fe of the date and time that such interference tests shall commence.

(4) 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

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