

## OIL CONSERVATION DIVISION

P. O. Box 2088  
SANTA FE, NEW MEXICO  
87501

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

NFL 3

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER  
MADE PURSUANT TO SECTION 271.305(b) OF THE  
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,  
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION  
ORDER NO. R-6013

I.

Operator Conoco Inc. Well Name and No. Meyer A-29 Well No. 10  
Location: Unit C Sec. 29 Twp. 22S Rng. 36E Cty. Lea

II.

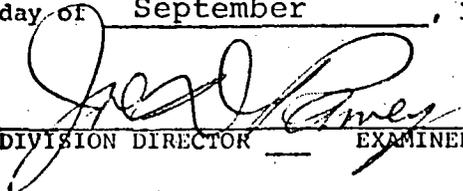
## THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.
- (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the Jalmat Gas Pool, and the standard spacing unit in said pool is 640 acres.
- (4) That a 240-acre proration unit comprising the NW/4 and W/2 NE/4 of Sec. 29, Twp. 22-S, Rng. 36-E, is currently dedicated to the Meyer A-29 Well No. 9 located in Unit E of said section.
- (5) That this proration unit is ( ) standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. R-4241.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 375,000 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

## IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) 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 this 24th day of September, 19 79.

  
DIVISION DIRECTOR EXAMINER

9-24-79

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
P. O. Box 2088  
SANTA FE, NEW MEXICO  
87501

ADMINISTRATIVE ORDER  
NFL 3

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NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION  
ORDER NO. R-6013

I.

Operator Conoco Inc. Well Name and No. Meyer A-29 Well No 10  
Location: Unit C Sec. 29 Twp. 22 S Rng. 36 E Cty. Lea

II.

THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.
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- (3) That the well for which a finding is sought is to be completed in the Jalme Gas Pool, and the standard spacing unit in said pool is 640 acres.
- (4) That a 240-acre proration unit comprising the NW1/4 & W1/2 NE1/4 of Sec. 29, Twp. 22 S, Rng. 36 E, is currently dedicated to the Meyer A-29 Well No 9 located in Unit C of said section.
- (5) That this proration unit is ( ) standard () nonstandard; if nonstandard, said unit was previously approved by Order No. 134241.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 375,000 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
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DONE at Santa Fe, New Mexico, on this 24<sup>th</sup> day of Sept, 19 79.

DIVISION DIRECTOR \_\_\_\_\_ EXAMINER \_\_\_\_\_



L. P. Thompson  
Division Manager

John R. Kemp  
Assistant Division Manager

Production Department  
Hobbs Division  
North American Production

Continental Oil Company  
P.O. Box 460  
1001 North Turner  
Hobbs, New Mexico 88240  
(505) 393-4141

August 31, 1979

Oil Conservation Division of  
The New Mexico Department of Energy and Minerals  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

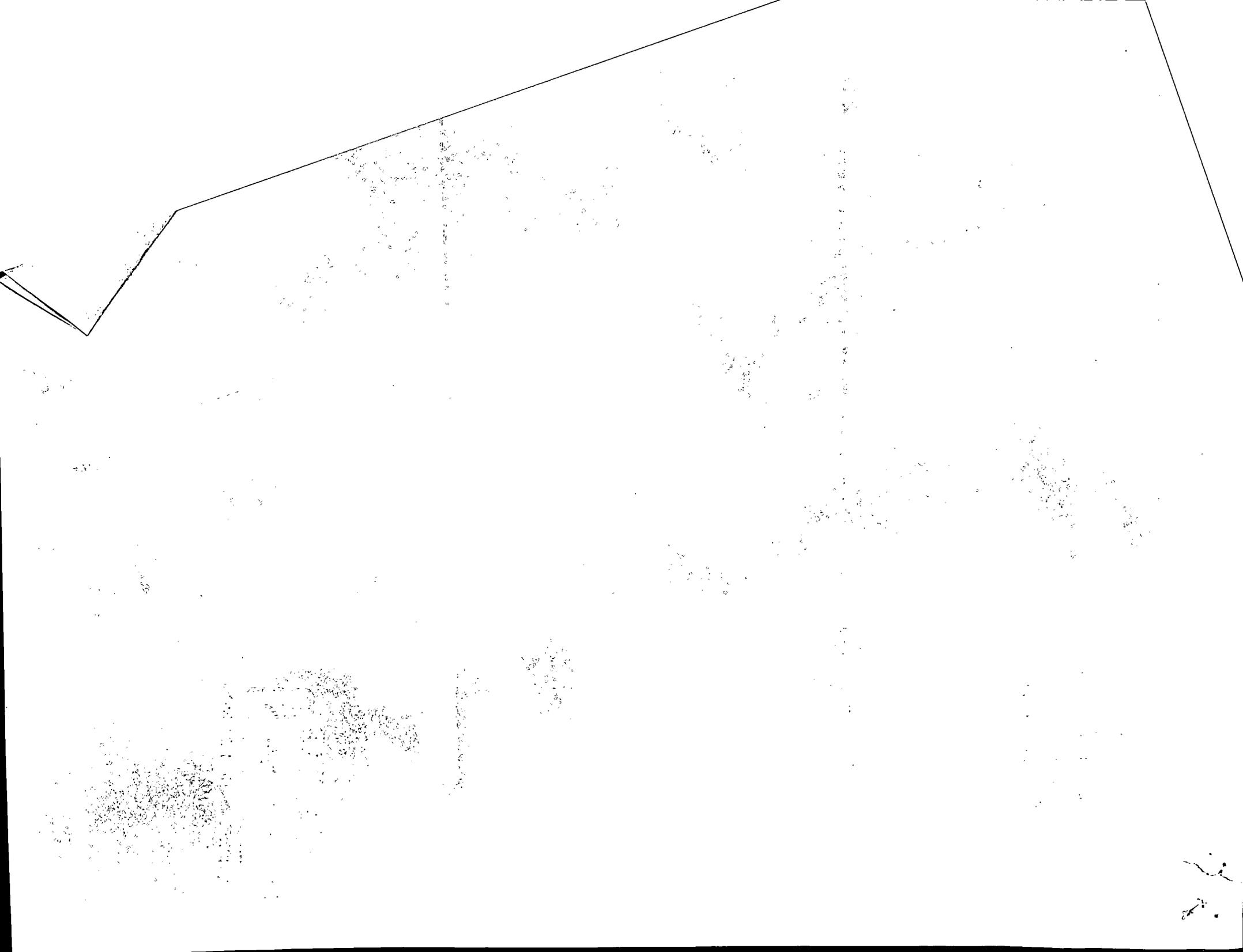
Application for Administrative Approval - Natural Gas Policy  
Act Infill Finding - Meyer A-29 No. 10 - Jalmat Tansil Yates  
Seven Rivers Gas Pool - 660' FNL & 1980' FWL, Sec. 29-22S-36E,  
Lea County, New Mexico.

Conoco Inc respectfully requests your finding that there is a  
need for a second well on the previously approved 240-acre  
proration unit to effectively and efficiently drain Jalmat Pool  
gas reserves. In accordance with special rules and regulations  
set forth under Order No. R-6013, the following information is  
submitted in support of our proposal:

1. Copies of Forms 9-331 (C-101) and C-102.
2. A completion attempt will be made in the Jalmat Gas Pool  
which has a standard proration unit of 640 acres.
3. The 240-acre proration unit on which the Meyer A-29 No. 10  
will be located was established under Order No. R-4241,  
Case No. 4644.
4. The Meyer A-29 No. 10 has not been spudded. The proposed  
location is 660' FNL and 1980' FWL of Section 29, T-22S,  
R-36E, Lea County, New Mexico, a standard location for a  
240-acre proration unit.

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OIL CONSERVATION DIVISION  
SANTA FE

One well, the Meyer A-29 No. 9, located 1980' FNL and 9  
FWL of Section 29-22S-36E has been drilled in the proration  
unit. This well was spudded on 7-28-71 and completed  
12-2-71 in the Yates formation. Tests during complet  
Selected Seven Rivers formation intervals from  
3688 feet were water bearing and non-productive.  
well produced at an average rate of 121 MCFD during

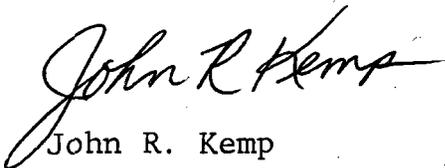


NMOCD  
Page 2  
August 28, 1979

6. A structure map on the top of the Seven Rivers formation is attached. The proposed location is shown by an arrow.
7. The proposed well will be located near the crest of the Seven Rivers reef that crosses the lease and is expected to encounter gas reserves that have been trapped in the reef by water encroachment. Our Meyer A-29 No. 1 is the only well on our lease that has produced gas from the Seven Rivers formation. This well produced 1.2 BCF before watering out. Volumetric calculations indicate an additional 375 MMCF of gas will be recovered from the proposed well based on a drainage area of 146 acres, 20' NEP above the gas/water contact estimated at + 300', an average porosity of 15%; a water saturation of 30% and a recovery factor of 51%. Reservoir pressure is estimated at 750 psi based on pressure data taken in the Conoco Meyer A-29 No. 1, 4200' southeast.
8. There are two offset operators as listed below. Each has been notified of this application by certified mail.

Martindale Petroleum Corporation  
Zia Energy, Inc.

Yours very truly,

  
John R. Kemp

JAB-JS

Copies to: ARCO-Hobbs  
Amoco-Hobbs  
Amoco-Houston  
Chevron-Midland



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUNDRY NOTICES AND REPORTS ON WELLS**

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil well  gas well  other

2. NAME OF OPERATOR  
*CONOCO INC*

3. ADDRESS OF OPERATOR  
*PO Box 460 Hobbs NM 88240*

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)  
AT SURFACE: *660/W 1980/W*  
AT TOP PROD. INTERVAL:  
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	<input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	<input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	<input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	<input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	<input type="checkbox"/>
MULTIPLE COMPLETE <input type="checkbox"/>	<input type="checkbox"/>
CHANGE ZONES <input type="checkbox"/>	<input type="checkbox"/>
ABANDON* <input type="checkbox"/>	<input type="checkbox"/>
(other) <i>change acreage dedication</i>	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

*It is proposed to amend subject well's Application for Permit to Drill in order to reflect the change in acreage dedication as shown on the attached well location and acreage dedication plat*

Subsurface Safety Valve: Manu. and Type \_\_\_\_\_ Set @ \_\_\_\_\_ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED *Wm A. Butcher* TITLE *Admin. Supv* DATE *8-22-79*

APPROVED BY \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL IF ANY:



*NMFU* OIL CONSERVATION DIVISION  
SANTA FE  
*FILE*

\*See Instructions on Reverse Side

5. LEASE  
*NM 13125*

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
*NMFU*

8. FARM OR LEASE NAME  
*MEYER A-29*

9. WELL NO.  
*10*

10. FIELD OR WILDCAT NAME  
*Jalmat Yates TRIVERS*

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
*SEC. 29 - 22S - 36E*

12. COUNTY OR PARISH  
*LEA*

13. STATE  
*NM*

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)  
*3524.7 GR*

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

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.

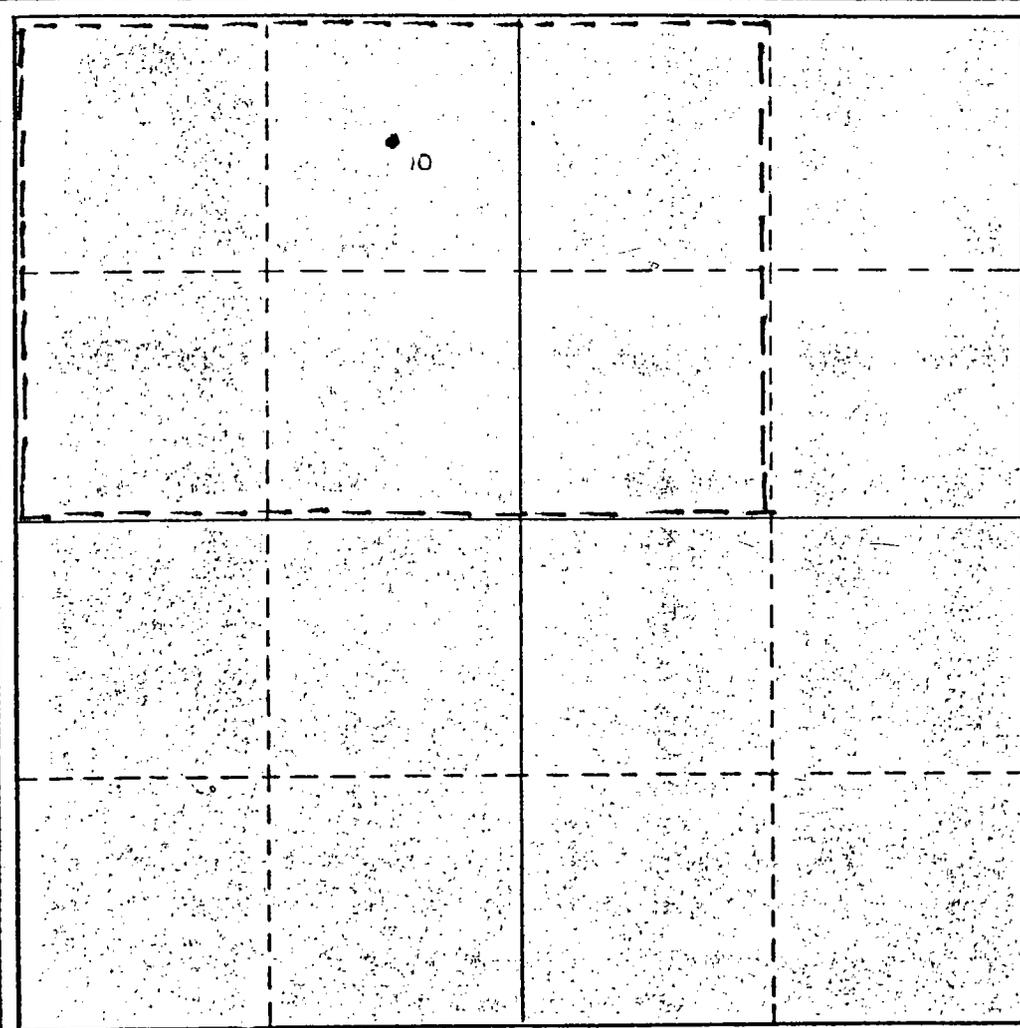
Operator <b>Conoco Inc.</b>		Lease <b>MEYER A-29</b>		Well No. <b>10</b>	
Unit Letter <b>C</b>	Section <b>29</b>	Township <b>22 S</b>	Range <b>36 E</b>	County <b>LEA</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>North</b> line and <b>1980</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3524.7</b>	Producing Formation <b>Nalmat 7R, Gas</b>	Pool <b>Nalmat Yates 7R, Gas Tansill</b>	Dedicated Acreage: <b>240</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.

Name  
*Wm A. Butterfield*

Position  
*Administrative Supervisor*

Company  
*Conoco Inc.*

Date  
*8-28-79*

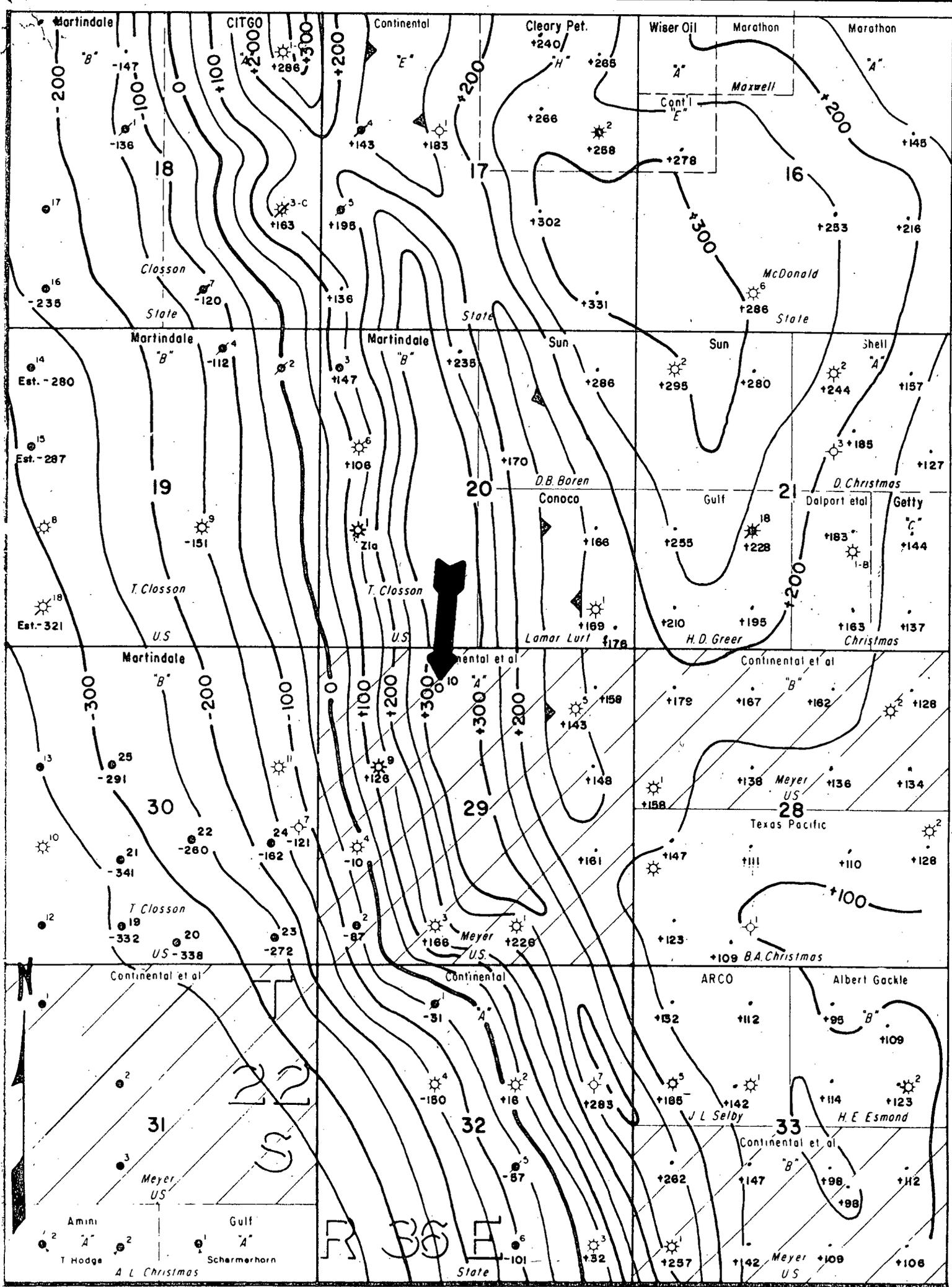
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.





**RECEIVED**  
 SEP 0 1 1979  
 CONSERVATION DIVISION  
 SANTA FE

<b>CONOCO</b>	
PRODUCTION DEPARTMENT	HOBBS DIVISION
<b>LEA COUNTY, NEW MEXICO</b> <b>JALMAT POOL</b> <b>STRUCTURE ON TOP</b> <b>SEVEN RIVERS</b> <small>SCALE</small>	
EGS 6-79	 <small>0 1000 2000</small>
<b>LEGEND:</b> ○ LOCATION ● OIL WELL * GAS WELL	▲ DRY HOLE △ INJECTION WELL * ABANDONED WELL * SHUT-IN WELL ⊗ SALT WATER DISPOSAL WELL ● DEEPER WELL - ZONE UNTESTED