

INFILL DRILLING FINDINGS 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-A

I.

Operator Sun Exploration & Production Well Name and No. U. D. Sawyer Well No. 11
Location: Unit J Sec. 27 Twp. 9 South Rng. 36 East Cty. Lea

II.

THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission 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 that the infill 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.
- (2) That by Order No. R-6013-A, dated February 8, 1980, 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 completed in the Crossroads (Siluro-Devonian) Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the NW/4 SE/4 of Sec. 27, Twp. 9 South, Rng. 36 East, is currently dedicated to the applicant's U.A. Sawyer Well No. 7 located in Unit J of said section.
- (5) That this proration unit is () standard () nonstandard; if nonstandard, said unit was previously approved by Order No. NA.
- (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 2,000 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013-A 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.

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 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 6th day of March, 19 86.


DIVISION DIRECTOR EXAMINER

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

Received 11/16/85
Release Immediately

ADMINISTRATIVE ORDER
NFL 126

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 Sun Exploration & Production Co. Well Name and No. U.D. Sawyer Well No. 11
Location: Unit J Sec. 27 Twp. 9 South Rng. 36 East 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 Crossroads (Siluro-Devonian) Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the NW 1/4 SE 1/4 of Sec. 27, Twp. 9 South, Rng. 36 East, is currently dedicated to the applicant's U.D. Sawyer Well No. 7 located in Unit J of said section.
- (5) That this proration unit is () standard () nonstandard; if nonstandard, said unit was previously approved by Order No. NA.
- (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 2000 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 6 day of March, 19 86.

DIVISION DIRECTOR _____ EXAMINER _____



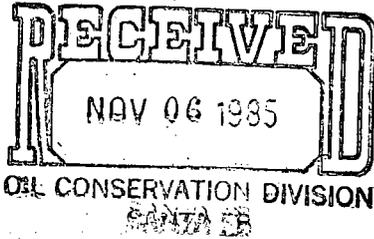
OIL CONSERVATION COMMISSION

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

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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



November 1, 1985

**Sun Exploration and
Production Company**
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221 2880
214 890 6000

Department of Energy & Minerals
New Mexico Oil Conservation Division
ATTN: Michael E. Stogner
P.O. Box 2088
Santa Fe, New Mexico 87501

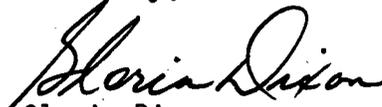
RE: Your Request for Additional Information
Well Name/No.: U.D. Sawyer #11
County/State: Lea/NM
API No.: 30-025-28836
Number: 27-9S-36E

Dear Mr. Stogner:

The following information is being furnished in response to your request dated July 10, 1985, regarding the subject well. Should you require further information, you may contact me at the address shown above or by telephone at (214)890-6479.

Attached is "effective and efficient finding" (Infill-Well Finding) for the subject well.

Sincerely,


Gloria Dixon
Analyst, NGPA Compliance

Attachment

GD/pb

BEFORE THE ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO
OIL AND GAS DIVISION

APPLICANT: SUN EXPLORATION & PRODUCTION COMPANY

Application for a finding pursuant to 18 C.F.R. 171.305 that the U.D. Sawyer No. 11 is necessary to effectively and efficiently drain a portion of the Crossroads Devonian reservoir covered by the proration unit which cannot be effectively and efficiently drained by any well within the unit.

A F F I D A V I T

STATE OF TEXAS)
) S.S.
COUNTY OF MIDLAND)

I, Scott E. Mowery, hereby state that I am employed by Sun Exploration and Production Company in the capacity of Reservoir Engineer and the area addressed by this application is within the area of my responsibility and all attached exhibits were prepared by me or under my supervision.

I further state the following:

1. The U. D. Sawyer No. 11, a Crossroads Devonian producer, is located 2700' FNL and 1610' FEL, Section 27, Township 9 south, Range 36 ease, NMPM, Lea County, New Mexico, as shown on Exhibit 1.
2. The separator gas originally in place in the Crossroads Devonian reservoir under the U. D. Sawyer Lease was 497 MMCF as noted in Exhibit 2.
3. The reserves data in Exhibit 2 are supported by the production rate vs. cumulative production curve shown in Exhibit 3.
4. The U. D. Sawyer No. 11 will effectively drain 2 MMCF that would not be drained by the other wells on the lease.

C O N C L U S I O N

In my professional opinion, the U. D. Sawyer No. 11 necessary to effectively and efficiently drain a portion of the Crossroads Devonian reservoir which cannot be effectively and efficiently drained by the present wells.

Dated this 25th day of Oct, 1985.

Scott E. Mowery
Scott E. Mowery

Subscribed and sworn to before me, a Notary Public, within and for the State of Texas, County of Midland, on the 25th day of Oct, 1985.

Maria L. Perez
Notary Public

My Commission Expires: 2-3-88.

EXHIBIT 2

ESTIMATION OF GAS RECOVERY FROM
U. D. SAWYER, WELL NO. 11

Lease Area, Acres	320
Net Pay, Ft.	90
Porosity, %	8
Initial Water Saturation, %	20
Gas Originally In Place - MMCF	497 (1)
Gas Originally In Place - MMCF/Acre	1.55
Cumulative Production, MMCF (9/1/85)	351
<u>Recovery Prior To Drilling Well No. 11</u>	
Estimated Ultimate Recovery, MMCF	358
Remaining Recovery, MMCF	7 (2)
<u>Recovery Including Well No. 11</u>	
Estimated Ultimate Recovery	360
Remaining Recovery, MMCF	9 (2)

- (1) Calculated volumetrically using an oil formation volume factor of 1.15 RB/STB and an initial GOR of 40 SCF/STB.
- (2) Calculated using the production rate vs. cumulative production curve in Exhibit 3 and a current producing GOR of 10 SCF/STB.

Santa Fee Energy

Mobil

Mobil

Exhibit 1

"Santa Fe"

Cerrillos Ld Co. (M)

C.L. Lewis (S)

W.I.W.

Cerrillos Ld

C.L. Le

Sante Fe Energy

Sun

Mobil

Oil. Dev. of Texas
Santa Fe Pacific
TD 12,637
PB 4910

S.F.R.R.

C R O S S R O A D

Santa

Feagan
Ener.

Feagan

Dessie Sawyer etal (M)

U.D. Sawyer

Magno

Cerrillo

Feagan
Ener.

I-B

Texas Int. Pet.
Sawyer
TD 12750
Miss. Disc.

Texaco

T/A

Mobil

9-SWD

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-4-85

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

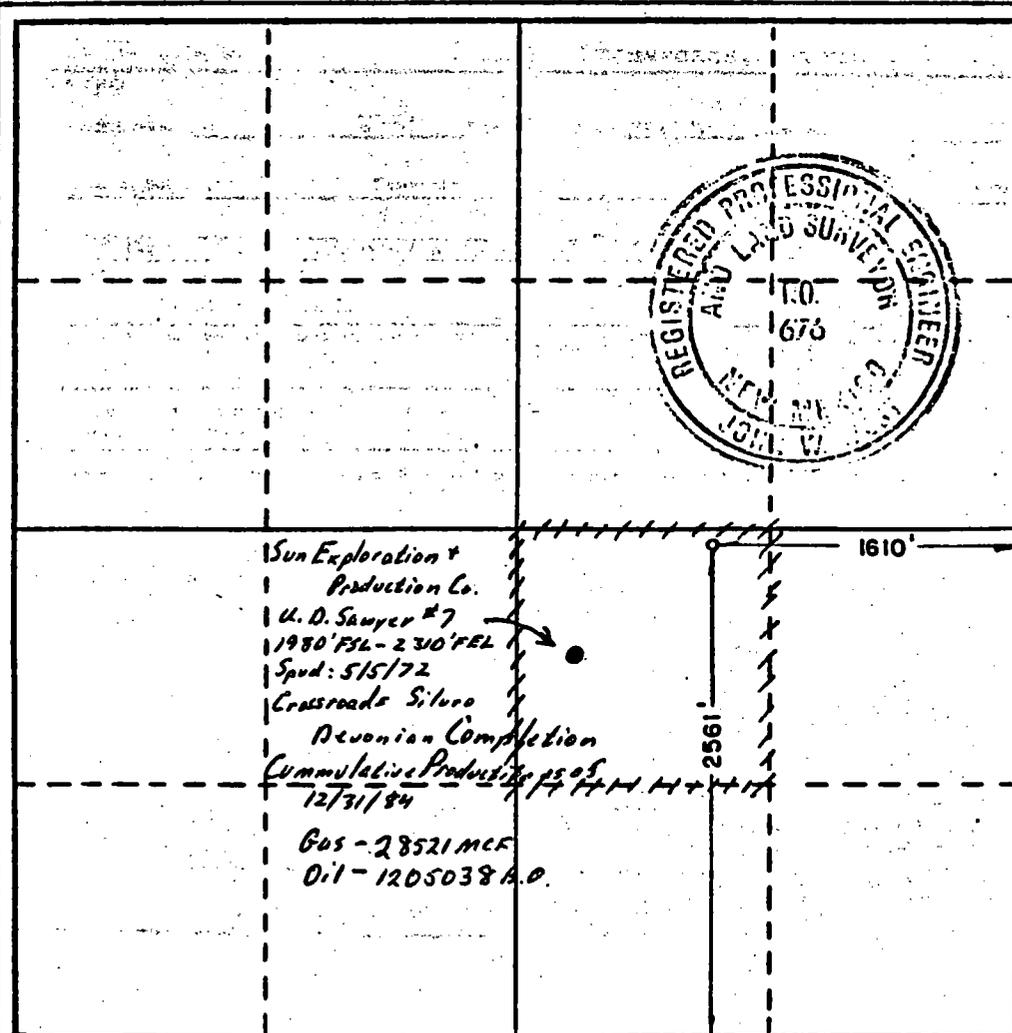
Operator Sun Exploration & Production Co.			Lease U. D. SAWYER			Well No. 11		
Unit Letter J	Section 27	Township 9 SOUTH	Range 36 EAST	County LEA				
Actual Footage Location of Wells 2561 feet from the SOUTH line and 1610 feet from the EAST line								
Ground Level Elev. 4026.3	Producing Formation Devonian			Pool Crossroad Devonian			Dedicated Acreage: 40 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.

Velma Reyes

Name **Velma Reyes**
Position **Sr. Accounting Asst.**
Company **Sun Expl. & Production Co.**
Company **2-25-85**
Date _____

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 **JUNE 28, 1984**
Registered Professional Engineer and/or Land Surveyor
John W. West
Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

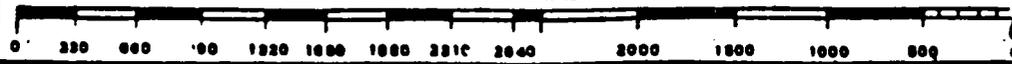


EXHIBIT 3

U.D. SAWYER LEASE

PRODUCTION RATE VS. CUMULATIVE OIL

