#### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

Midland, Texas 79702

I.

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

DMINISTRATIVE	ORDER
NFI 135	

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

Operate	or	The Petro	oleum Coi	rporation	of Dela	ware	Well Name	and No.	Tenneco Fed	deral Well No.	3
Location	on:	Unit_J	Sec		_Twp2	26 South R	ng. 37 East	Cty	Lea		
II.											
THE DI	VISIO	N FINDS	:								•
promule well to find, p efficie drained require	gated o qua prior ently d by ement	pursual lify as to the drain any exi	nt to t a new commen a porti sting w	he Natu onshore cement on of t	ral Gas production of dri the resident	s Policy ction we lling, t ervoir c at unit,	Act of 197 11 under Se hat the wel overed by t and must g	8 provide ction 10: 1 is nece he prorac rant a wa	es that, and said essary to tion unit aiver of o	nterim Regul in order for Act, the Di effectively which canno existing wel	an infill vision must and t be so l-spacing
proced Divisi	ure w on an	hereby d find	the Div	vision I n infil	Directo L well	r and th	e Division	Examiner	s are emp	d an adminis	t for the
(3) T	hat t	he well	for wh	ich a f	inding	is soug	ht is to be	complete	ed in the	Dublin Devon	ian Gas
							pacing unit		pool is	320	acres
of Sec.			Twp. 26	South ,	Rng.	37 East	t comprisin , is curren N of s	tly dedic	cated to	the applican	t's Tenneco
(5) Ti	hat ti usly	his pro approve	ration d by Or	unit is	(X)	standard NA	( ) nonst	andard;	if nonsta	ndard, said	unit was
(6) The well(s)	hat s ) on	aid pro the uni	ration	unit is	not b	eing eff	ectively an	d efficie	ently dra	ined by the	existing
the pro	oduct	he dril ion of e recov	an addi	nd compl tional	700,0	of the w	ell for whi MCF of gas	ch a find from the	ding is so e proratio	ought should on unit whic	result in h would not
for whi	ich a oir c	finding	n is so	ught is	neces	sarv to	effectivelv	and effi	iciently d	and that thain a port existing we	ion of the
(9) The application of the second of the sec	hat i ation	n order should	to per be app	mit eff proved a	ective s an e	and eff xception	icient drai to the sta	nage of a	said prora 11 spacin	ation unit, g requiremen	the subject its for the
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		urisdic y deem			cause i	s retain	ed for the	entry of	such fur	ther orders	as the
DONE a	t San	ta Fe,	New Mex	cico, or	h this_	24th	lay of _	March		, 19 <u>_86</u>	• ·
cc: Bu	reau o 1 Cons	f Land Ma ervation	nagement Division	: - Roswe - Artes	11 ia		M	hart	Hos	wer .	·.
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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

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

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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

Operator The Petrolevin Corporation of Delawore Well Name and No. Tenneco Federal Well No. 3.
Location: Unit J Sec. 12 Twp. 26 Sort Rng. 37 Fast Cty. Lea
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 Dublin Devenian
G45 Pool, and the standard spacing unit in said pool is 320 acres
of Sec. 12, Twp. 26 South, Rng. 37 East, is currently dedicated to the applicant's Tennero
Federal Well No.   located in Unit W of said section.
(5) That this proration unit is ( ) standard ( ) nonstandard; if nonstandard, said unit was previously approved by Order No
(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 700.000 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 authorised 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 day of March, 1986.
$\Lambda$
C.C. USBLM - Koswell DIVISION DIRECTOR EXAMINER
OLD Artesia
Conrad Cossield Box 3590
Midland, Tk 29702



#### **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

#### THE PETROLEUM CORPORATION

OF DELAWARE

Turtle Creek Centre 3811 Turtle Creek Boulevard DALLAS, TEXAS 75219-4419

LARRY C. SHANNON PRESIDENT July 9, 1985

#### CERTIFIED MAIL/RETURN RECEIPT REQUESTED

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Michael Stogner

RE: Request of The Petroleum Corporation of Delaware for Special Finding that its Tenneco Federal Well No. 3, located in the NW/4SE/4 Section 12-T26S-R37E, Lea County, New Mexico, the Second Well on a 320 acre proration Unit, is Necessary to Effectively and Efficiently Drain the Reservoir

#### Gentlemen:

The Petroleum Corporation of Delaware ("Applicant"), in accordance with the Special Rules and Regulations for Natural Gas Policy Act Infill Findings Administrative Procedure, hereby submits in duplicate its request for a determination and special finding that the subject well is an infill well which is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by an existing well within that unit.

In support thereof, Applicant submits herewith in duplicate the following:

- 1. Application for Permit to Drill, Deepen or Plug Back filed with the United States Department of Interior with approval shown thereon and Especial Approval Stipulation (Rule 5).
- 2. State of New Mexico Form C-102 showing the 320 acre proration unit dedicated (Rule 5), which is the South Half of Section 12-T26S-R37E, Lea County, New Mexico.
- 3. The following information required by Rule 8 on all wells (the Tenneco Federal No. 1 and Tenneco Federal No. 3) drilled on the proration unit:

Tenneco Federal No. I
Unit N, Section 12, T 26 S, R37E; Lea Co., New Mexico
990' FSL & 2310' FWL
Spud Date: December 2, 1971
Completion Date: Dublin (Devonian) October 27, 1983
(Recompleted)
No mechanical problems
Current production: 589 MCFD

Letter to State of New Mexico From Larry C. Shannon July 9, 1985 Page Two

Tenneco Federal No. 3
Unit J, Section 12, T26S, R37E; Lea Co., New Mexico 1980' FSL & 1980' FEL
Spud date: April 30, 1985
Completion date: June 24, 1985 (potential test)
No mechanical problems
Waiting on pipeline connection

4. Applicant's statement indicating why the Tenneco Federal No. 1, the first well on the proration unit, cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit (Rule 8) is as follows:

Deliverability from the Tenneco Federal No. 1 has declined to 589 MCF per day at a surface pressure of 300 psig. The bottom hole pressure in the Devonian formation in said well has declined from an original pressure of 3858 psig to 1518 psig, a decline of 2340 psig. Estimated recovery from the Devonian formation in the Tenneco Federal No. 1 will be approximately 15% of estimated reserves, calculated on a volumetric basis, assigned to the Devonian formation underlying the 320 acre proration unit and cumulative production from said well is 62% of estimated ultimate recovery from the well. Further support for Applicant's conclusion was provided by the bottom hole pressure of 3661 psig obtained on a drill stem test of the Tenneco Federal No. 3 well on June 10, 1985.

- 5. Formation structure map (Rule 9).
- 6. Cross-sections showing electric logs covering the Devonian formation in the Tenneco Federal No. 1, Tenneco Federal No. 3 and neighboring wells (Rule 9).
- 7. An estimate of increased ultimate recovery to be attained from the Tenneco Federal No. 3 and a narrative describing how the increase was determined (Rule 9).
- 8. Production statistics for the Tenneco Federal No. 1 (Rule 9).
- 9. Production curve for the Tenneco Federal No. 1 (Rule 9).
- 10. Bottom hole pressure decline curve for the Tenneco Federal No. 1 (Rule 9).
- 11. Data summary for the Tenneco Federal No. 3.

Letter to State of New Mexico From Larry C. Shannon July 9, 1985 Page Three

Attached hereto and made a part hereof as Exhibit "A" is a list of all operators of proration or spacing units offsetting the unit for which an infill finding is sought herein who, by copy of this letter transmitted by certified mail, have been contemporaneously notified of this application.

Respectfully submitted,

THE PETROLEUM CORPORATION OF DELAWARE

Larry C. Shapnon

President

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
District I
P.O. Box 1980
Hobbs, New Mexico 88240

El Paso Natural Gas Company P.O. Box 1492 El Paso, Texas 79978 Attention: Mr. Michael W. Wiseman



### United States Department of the Interior

#### **BUREAU OF LAND MANAGEMENT**

Carlsbad Resource Area Headquarters
P. O. Box 1778
Carlsbad, New Mexico 88220

#### ESPECIAL APPROVAL STIPULATION

This APD is approved subject to the requirement that, should the well be successfully (COMPLETED FOR PRODUCTION), this office must be notified when it is placed in a producing status. Such notification may be provided ORALLY IF CONFIRMED IN WRITING and MUST BE RECEIVED IN THIS OFFICE BY NO LATER THAN THE FIFTH (5th) BUSINESS DAY NEXT FOLLOWING THE DATE ON WHICH THE WELL IS PLACED ON PRODUCTION. The notification shall provide, as a minimum, the following items:

- 1. Operator name.
- 2. Well name, number, and location.
- 3. Date well was placed on production.
- 4. The lease, or communized tract, or unit participating area to which the well's production is attributable.

VALERO 567-4328



## United tates Department of the interior#3

#### BUREAU OF LAND MANAGEMENT

Roswell District Office

SPECIAL APPROVAL STIPULATIONS

THE PETROLEUM CORPORATION OF DELAWARE Tenneco Federal No. 3 NW4SE4, Sec. 12, T. 26 S., R. 37 E. Lea County NM-7951

•
The special stipulations check marked below are applicable to the above described well and approval of this application to drill is conditioned upon compliance with such stipulations in addition to the general requirements. EACH PERMITTEE HAS THE RIGHT OF ADMINSTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 43 CFR 3165.3 and 3165.4.
A. The Bureau of Land Management office is to be notified at:
[ ] (505) 624-1790 Roswell (505) 887-6544 Carlsbad (505) 393-3612 Hobbs
in sufficient time for a representative to witness:  1. Spudding 2. Cementing inch 878 inch
inch 3. BUP tests
[ ] B. At least one working day prior to constructing the well pad, access roads and/or related facilities, the operator or dirt contractor shall notify the authorized officer of the surface management agency. The surface management agency may be contacted at:
BLM phone (505) 887-6544 Carlsbad, New Mexico BLM phone (505) 624-1790 Roswell, New Mexico
He shall also notify the surface management agency within two working days after completion of earth-moving activities.
[] C. Roads in the area of operation of this authorization will require surfacing.    D.
[2] E. Before drilling below the 898 casing, the blowout preventer assembly will consist of a minimum of one annular type and two ram type preventers.
F. Minimum required fill of cement behind the 8% casing is to See Debove

before

the 878 casing string and before drilling into formation, the blowout preventers and related control equipment failing to test

the Molling formation, the blowout preventers and related control equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report.

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NAME OF OPERATOR						Tenneco Ped	cral	
	oleum Corporati	on of Dela	rare		<del></del>	9. WELL NO.		
ADDRESS OF OFERATOR			75010			10. FIELD AND POOL O		
L. LOCATION OF WELL (B	Parkway, Dalla Peport location elearly and			ements.*)		Dublin Ellenburger		
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PROPERTY OR LEASE		1,980 Pt.	640	•	10 1	320		
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OR APPLIED FOR ON TE	DRILLING, COMPLETED, COS LEASE, PT.		9,300	Pt.	1	Rotary		
	ether DF, RT, GR, etc.)					22. APPROX. DATE WO	EE WILL START	
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23.	1	PROPOSED CASI	NG AND CEMENT	ING PROGR	MA			
SIZE OF BOLE	SIZE OF CASING	WRIGHT PER P	OOT SETTI	NG DEPTH		QUARTITY OF CEMEN	12	
15.	11-3/4"	42 lbs				350 sacks CIR	CULATE	
11"	8-5/8"	32 1bs		00'	-\. <del></del>	500 Backs		
7-7/8"	41"	11.6 1	9,3	001	1	700 sacks		
OPTION:	n this case, the ement would be  We might prefe  E PROFOSED PROGRAM: If drill or deepen directions	circulated r to set 1	to surface.  1-3/4" casin	ng at 10	00° and	I cement to sur	face.	
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	eral or State office use)							
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PERMIT NO.	<u> </u>	· · · · · · · · · · · · · · · · · · ·	AREA BOYAL	ATE		<u> </u>	<del></del>	
APPROVED BY	n Mond	Aday) 11	CARLSEAD RE			DATE 3-28	7-85	

\*See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

•	
TOF	Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall installed and operating before drilling into the mation and used until production casing is run and cemented. Honitoring equipment shall consist of following:
Î.	1. A recording pit level indicator to determine pit volume gains and losses.
	[] 2. A mud volume measuring device for accurately determining mud volume necessary to fill the hole on trips.
	3. A flow sensor on the flow-line to warn of any abnormal mud returns from the well.
W1.	A kelly cock will be installed and maintained in operable condition.
wit	A Communitization Agreement covering the acreage dedicated to the well must be filed for approval the Bureau of Land Management, P. O. Box 1379, Roswell, New Mexico 88201. The effective date of agreement must be prior to any sales.
[ ] K. pai	Above ground structures, not subject to applicable safety requirements shall be painted. The nt color is to simulate:
-	Sandstone Brown, Fed. Std. 595-20318 or 30318 Sagebrush Gray, Fed. Std. 595-26357 or 36357
[]L. wit	A Gamma Ray-Compensated Neutron log is required from the base of the salt section to the surface h cable speed not to exceed 30 feet per minute.
<b>Ж</b> н.	Rehabilitation
	[ ] At least 3 working days prior to commencing any of the following rehabilitation activities, the operator shall notify the appropriate surface managing agency, shown in part 5.
	[ ] 1. Upon the conclusion of drilling and completion operations when mud pits are dry they will be leveled, plastic will be removed and area reseeded with mixture No shown on last page of General Requirements.
	2. Following the down-hole plugging and abandonment of all operation:
	[ ] a. The drill pad and miles of access road shall be ripped to a minimum of 12° in depth. Ripping shall be on the contour with rips being approximately 3 feet or less apart.
	[ ] b. The drill site and miles of access road will be reseeded with mixture shown on the last page of the General Requirements.
·	[]c. All ripped surfaces are to be protected from vehicular travel by constructing a dead-end ditch and earthen barricade at the entrance to these ripped areas. The barricade is to be constructed using spoil materials from the ditch and should be of sufficient magnitude to discourage vehicle entry.
	d. Private Surface: Abandonment stipulations to coincide with operator-landowner agreement. (Where no agreement exists, BLM will be requested to provide abandonment stipulations.)
	(X) e. The surface location is to be cleaned and leveled.

[]-3. Modifications in the rehabilitation stipulations made necessary by unforeseen circumstances or improvements in rehabilitation methods may be made when the Notice of Intention to Abandon is filed.

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

Form C-102 Supersedes C-128 Ellective 14-63

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

Operator				Lease Well No.				Well No.		
Petroleum Corp. of Delaware				Tenneco Fed.			3			
Unit Letter Section Township			Ran	9•	County					
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interest as	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).									
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Re: The Petroleum Corporation of Delaware Tenneco Federal No. 3

D. FILING REQUIREMENTS Rule 9.b.

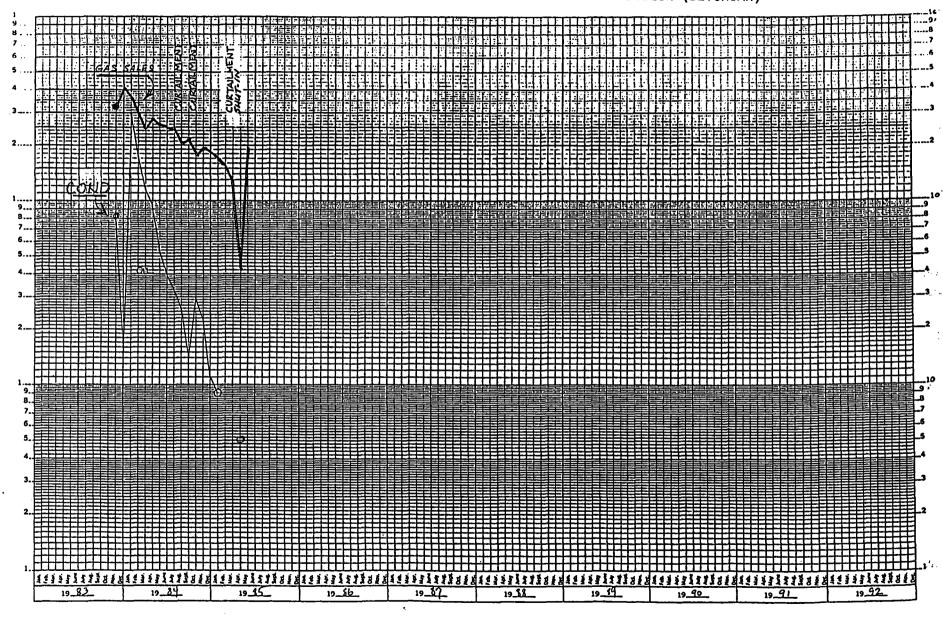
The volume of increased ultimate recovery expected to be obtained from the Tenneco Federal No. 3 is 700,000 mcf of gas. A narrative describing how the increase was determined follows:

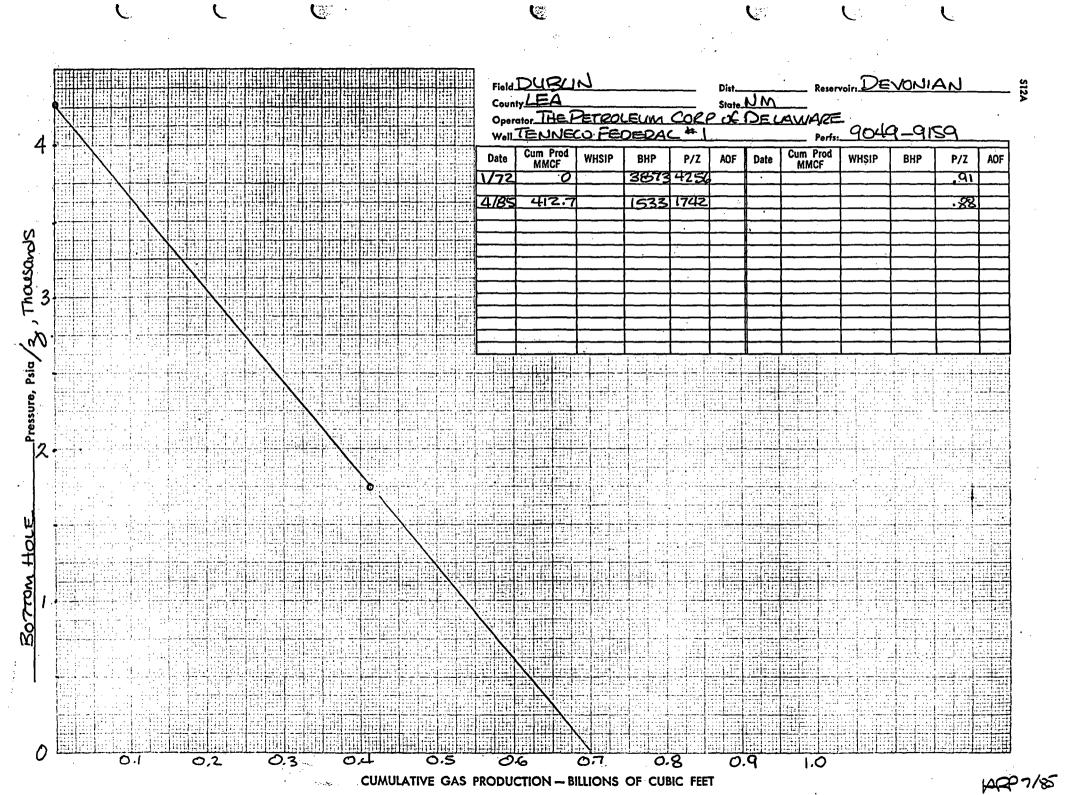
The expected increase in ultimate gas recovery of 700,000 mcf attributable to the Devonian completion in Tenneco Federal No. 3 is based on bottom hole pressure and production performance exhibited by Tenneco Federal No. 1. Well No. 3 is expected to have a sustained initial production rate of 1,000 mcf per day which will decline at the rate of 40 percent per year over life.

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			e of Delawa			)EVON			(_	
WELL	TENNECE	FEDERAL#	1 1522	2 PERFO	RATIONSC	1049	_ 91	<u>59 (c</u>	(AC	
FIELD	DUBLIN	1 - DEVONIAN	· · · · · · · · · · · · · · · · · · ·	FIRST F	PRODUCTION	1	१०/भ	3		<del></del>
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STATI	E NEW	MEXICO								
	OIL/COND.		GAS SALES 15.025 MCF	CUM. GAS	MCF/B 8/M	WTR		ESSURE; p	فالمنافذ المالية	DATE
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Mar.			<del> </del>				<u> </u>	· ·	<del> </del>	<del>                                     </del>
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May										
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Nov.	82	8Z	31 969	31,969	390 P/200	Mark	to Devo		10/2	183
Dec.	15	97	31,969 41,716	73 685	2781	1 ·	10 100	4/40	142	<del>72.</del> -
Total	97		73.685	12,000	7.61 - 12.5	1			<u> </u>	<del>                                     </del>
984										
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Feb.	174	564	30,664	140,965	176 5.7		500pi	77 10	60 105	
Mar.	116	680	24'419	145,384	21/ 4,7			0- WOT	er 3/	22/34
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Jun.	<u>53</u>	869	25,854	744,837	498 2.0					<del> </del>
Jul.	33	902	24,230	269,062	616,4 1.6 734.2 1					<del>                                     </del>
Aug.	25	927	20.036	259,048	801.4 1.				<del> </del>	<del> </del>
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Oct.	30	971	19 942	- 328 692	598.1 1.					
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Nov.		· .			<b> </b>	<del> </del>	<u> </u>	<del>                                     </del>	<u> </u>	<del>                                     </del>

Total

DUBLIN (DEVONIAN)





#### The Petroleum Corporation of Delaware Tenneco Federal No. 3 Unit J, Section 12-T26S-R37E Lea County, New Mexico

#### WELL DATA

9300 feet Total Depth:

Perforations: 9126, 9128, 9137, 9138, 9144, 9146,

9172, 9173, 9200, 9215, 9216, 9221, 9223, 9227, 9228, 9234, 9235, 9237,

9238, 9245 and 9246 feet.

Zone: Devonian

Treatment: Acidized with 2000 gallons 15% HCL acid.

1787 mcfg/d, no liquids Initial Test:

SITP 2350 psig (6/25/85)

RESERVOIR DATA

7% (Log) Porosity:

Water Saturation: 25% (Log)

Bottom Hole Pressure: 3661 psig (DST)

Temperature: 170° F (DST)

0.65 (est.) Gas Specific Gravity:

0.91 (chart) Compressibility Factor:

Permeability: No measurement

#### VACUUM-BLINEBRY POOL Lea County, New Mexico

Order No. R-2449, April 1, 1963, Establishing Pool, as Amended by Order No. R-2469, May 1, 1963; Order No. R-2527, August 1, 1963; Order No. R-2569, October 1, 1963; Order No. R-2639, February 1, 1964.

T-17-S, R-34-E W/2, SE/4 Sec. 25; E/2 Sec. 26; Sec. 36.

#### VACUUM-GLORIETA POOL Lea County, New Mexico

Order No. R-2449, April 1, 1963, Establishing Pool, as Amended by Order No. R-2485, June 1, 1963; Order No. R-2552, September 1, 1963; Order No. R-2620, January 1, 1964; Order No. R-2705, June 1, 1964; Order No. R-2760, September 1, 1964; Order No. R-2833, January 1, 1965; Order No. R-2870, March 1, 1965; Order No. R-2967, October 1, 1965; Order No. R-3166, January 1, 1967; Order No. R-7334, September 1, 1983.

T-17-S, R-34-E W/2, SE/4 Sec. 24; Sec. 25; SE/4 Sec. 26; E/2 Sec. 35; Sec. 36.
T-17-S, R-35-E W/2 Sec. 26; Secs. 27 through 33; W/2 Sec. 34.
T-18-S, R-34-E N/2 Sec. 1; NE/4 Sec. 2.
T-18-S, R-35-E N/2 Sec. 5; N/2 Sec. 6.

SOUTH DRINKARD POOL (DRINKARD) (Abandoned) Lea County, New Mexico

> e nerediger Personer Personer

The state of the s

Order No. 850, January 1, 1950, Redefining Pool.

T-23-S, R-37-E Sec. 3.

DUBLIN POOL (ELLENBURGER) (Abandoned) Lea County, New Mexico

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Order No. 850, January 1, 1950, Redefining Pool.

T-26-S, R-37-E Secs. 11 through 14.

#### DUBLIN-DEVONIAN GAS POOL (Formerly Dublin-Devonian Pool) Lea County, New Mexico

Order No. 850, January 1, 1950, Redefining Pool, as Amended by Order No. R-1772, September 16, 1960; Order No. R-7607, August 1, 1984.

T-26-S, R-37-E Secs. 11, 12. T-26-S, R-38-E SW/4 Sec. 7.

### INBE-WOLFCAMP POOL Lea County, New Mexico

Order No. R-2469, May 1, 1963, Establishing Pool.

Pool abolished by Order No. R-3295, September 1, 1967.

## TEAS-BONE SPRINGS POOL Lea County, New Mexico

y leb no no invitation and metalogues in i

Order No. R-2469, May 1, 1963, Establishing Pool. T-20-S, R-33-E NW/4 Sec. 14.

#### EK-YATES-SEVEN RIVERS-QUEEN POOL Lea County, New Mexico

COURSE BY MARIOUS BARRIES PORTS

Order No. R-606, March 16, 1955, Establishing Pool, as Amended by Order No. R-631, May 12, 1955; Order No. R-675, August 17, 1955; Order No. R-713, November 10, 1955; Order No. R-738, January 9, 1956; Order No. R-842, July 9, 1956; Order No. R-914, November 13, 1956; Order No. R-982, April 23, 1957; Order No. R-1008, May 26, 1957; Order No. R-2469, May 1, 1963; Order No. R-2527, August 1, 1963; Order No. R-2620, January 1, 1964; Order No. R-4014, September 1, 1970; Order No. R-4646, November 1, 1973; Order No. R-4743, April 1, 1974; Order No. R-7009, July 1, 1982; Order No. R-7763, January 1, 1985.

T-17-S, R-33-E SE/4 Sec. 36. T-18-S, R-33-E E/2 Sec. 1; NE/4 Sec. 12; S/2 NW/4, S/2 Sec. 13; S/2, NW/4, S/2 NE/4 Sec. 14; N/2 Sec. 23; Sec. 24; NE/4 Sec. 25. T-18-S, R-34-E W/2, SE/4 Sec. 6; Sec. 7; NW/4, S/2 Sec. 8; SW/4 Sec. 9; NW/4 Sec. 16; W/2, N/2 NE/4 Sec. 17; Secs. 18, 19; W/2 Sec. 20; N/2 Sec. 30.

#### EAST EK-QUEEN POOL Lea County, New Mexico

Order No. R-1118, January 28, 1958, Establishing Pool, as Amended by Order No. R-1772, September 16, 1960; Order No. R-1824, November 21, 1960; Order No. R-1942, May 1, 1961; Order No. R-3411, June 1, 1968; Order No. R-3631, January 1, 1969; Order No. R-4499, April 1, 1973; Order No. R-4540, June 1, 1973; Order No. R-5063, July 1, 1975; Order No. R-7248, April 1, 1983.

T-18-S, R-34-E S/2 SE/4 Sec. 21; S/2 NW/4, SW/4, E/2 Sec. 22; NW/4 Sec. 23; NW/4 Sec. 27; E/2, NW/4 Sec. 28.

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#### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 8284
Order No. R-7607

THE APPLICATION OF THE OIL CONSERVATION DIVISION UPON ITS OWN MOTION FOR AN ORDER RECLASSIFYING, CONTRACTING, AND EXTENDING CERTAIN POOLS IN CHAVES, LEA, AND es in the contract of the contract of ROOSEVELT COUNTIES, NEW MEXICO. ashover-walkers land in

## ORDER OF THE DIVISION

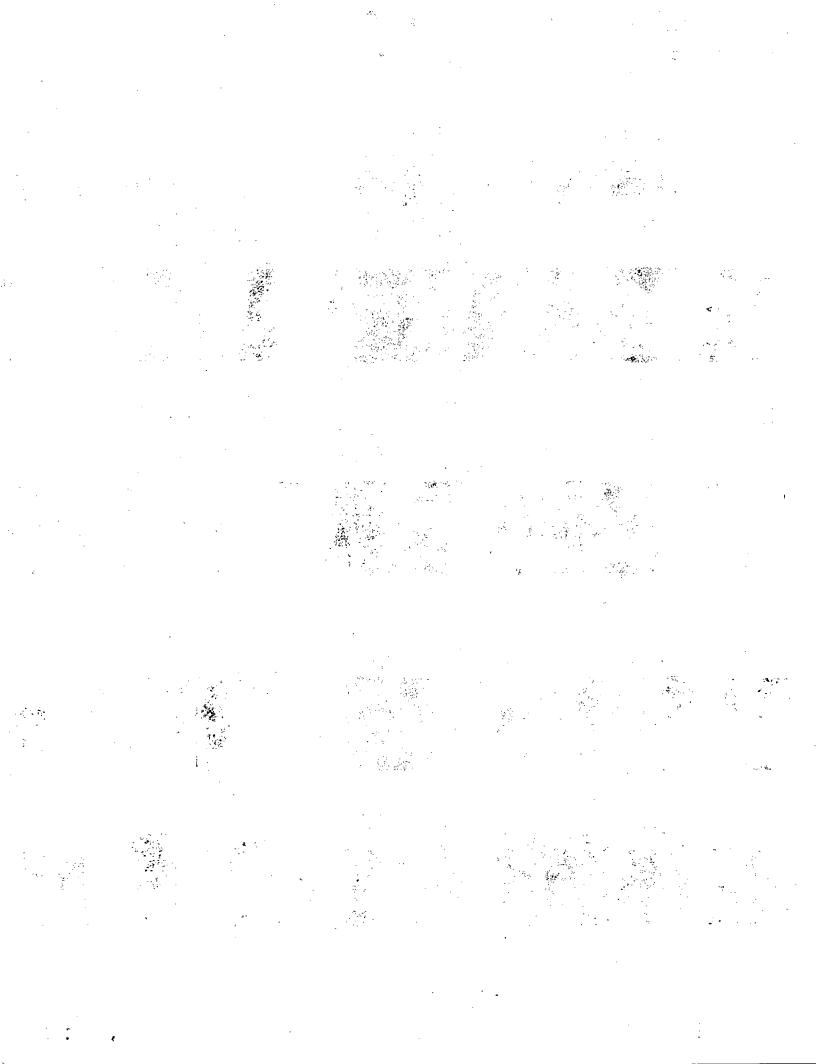
### BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 25, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner. ရာသည်။ သည် နေသည်များသည်များသည်။ မေးမ

NOW, on this 27th day of July, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

### FINDS: 100 sel to look exave (sI-tml) and define (s)

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- That there is need for the reclassification of the Dublin-Devonian Oil Pool in Lea County, New Mexico, to the Dublin-Devonian Gas Pool since the only producing well in the pool is classified as a gas well, and the other two wells which produced from this pool have been plugged. Further, there is need for the contraction of the horizontal limits of said Dublin-Devonian Gas Pool by the deletion of nonproductive acreage.
- (3) That there is need for certain extensions to the Siete-San Andres Pool and the North Tom-Tom San Andres Pool, both in Chaves County, New Mexico, and the Baum-Upper Pennsylvanian Pool, the Cruz-Delaware Pool, the South Double A-Abo Pool, the EK-Bone Spring Pool, the Eunice Monument-Grayburg-San Andres Pool, the Foster-San Andres Pool, the Gladiola-Devonian Pool, the Hobbs-Drinkard Pool, the South



King-Devonian Pool, the South Leonard-Queen Pool, the Northeast Lovington-Pennsylvanian Pool, the Mescalero Escarpe-Bone Spring Pool, the West Pearl-San Andres Pool, the South Salt Lake-Atoka Gas Pool, the Scharb-Bone Spring Pool, the Wantz-Granite Wash Pool, and the North Williams-Pennsylvanian Pool, all in Lea County, New Mexico, and the South Peterson-Fusselman Pool in Roosevelt County, New Mexico.

#### IT IS THEREFORE ORDERED:

(a) That the Dublin-Devonian Oil Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby reclassified as a gas pool, and the horizontal limits of said Dublin-Devonian Gas Pool are hereby contracted by the deletion of the following described area:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 13: All
Section 14: All

(b) That the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM Section 23: NW/4

(c) That the Cruz-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 17: SW/4
Section 18: SW/4

(d) That the South Double A-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM Section 30: S/2

(e) That the EK-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 25: SE/4

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM Section 29: SW/4

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	3			ant.	
		* *			

(f) That the Eunice Monument-Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM Section 32: SE/4

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM Section 5: E/2

(g) That the Foster-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM Section 31: SE/4

(h) That the Gladiola-Devonian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 37 EAST, NMPM Section 36: NE/4

TOWNSHIP 11 SOUTH, RANGE 38 EAST, NMPM Section 31: NW/4

(i) That the Hobbs-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM Section 30: SE/4

(j) That the South King-Devonian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 37 EAST, NMPM Section 12: NW/4

(k) That the South Leonard-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 38 EAST, NMPM Section 18: NW/4

(1) That the Northeast Lovington-Pennsylvanian Pool in

9- <sup>4</sup> ; <sup>6</sup>				
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Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

## TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM Section 21: SW/4

Control and Analysis and alternative to the Carley Control

(m) That the Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 12: SW/4

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM Section 7: SW/4

(n) That the West Pearl-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM Section 29: SE/4

(o) That the South Peterson-Fusselman Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM

Section 1: Lots 3 and 4

Section 2: Lots 1, 2, 3, and 4

Section 3: Lots 1 and 2

Section 10: NE/4

(p) That the South Salt Lake-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

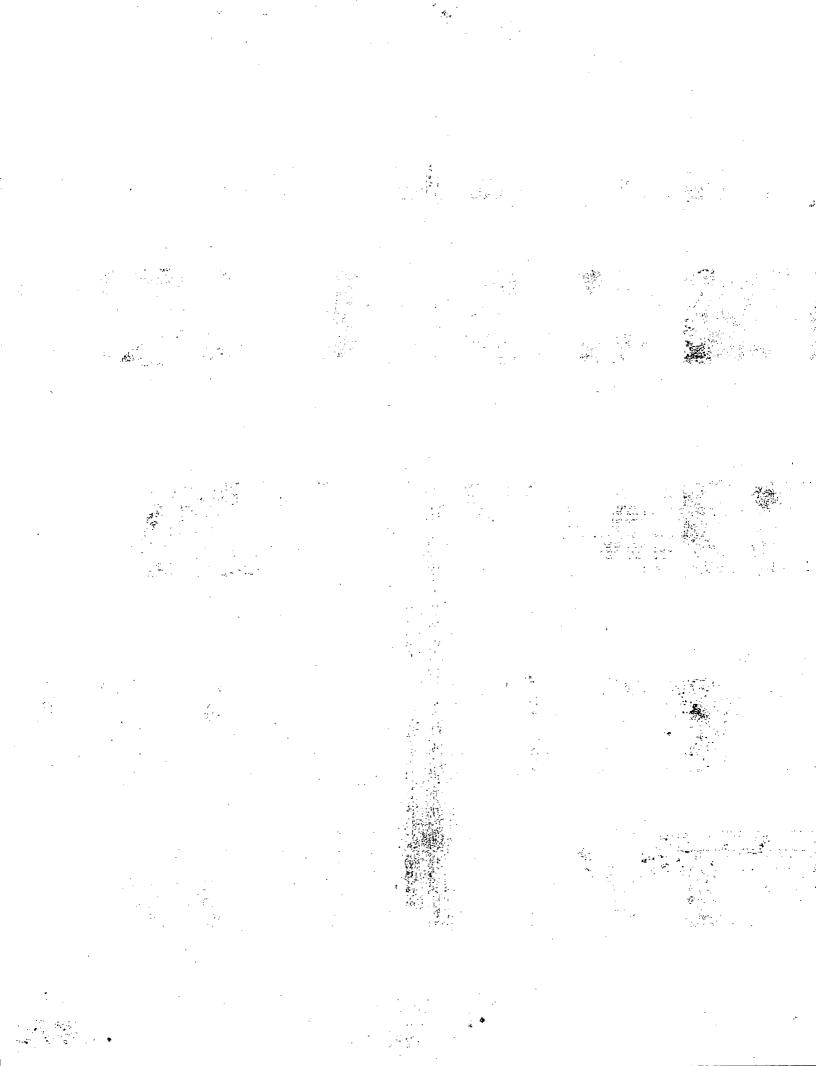
TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM Section 5: Lots 1, 2, 3, 4, 5, 6, 7, and 8

(q) That the Scharb-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM

Section 8: S/2

Section 17: N/2 and SE/4



That the Siete-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein: [ 6 about page in any ]

> TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM Section 17: NW/4

Section 18: NE/4

(s) That the North Tom-Tom San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM Section 16: SW/4

Section 17: SE/4

(t) That the Wantz-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 3: Lots 11, 12, 13, and 14

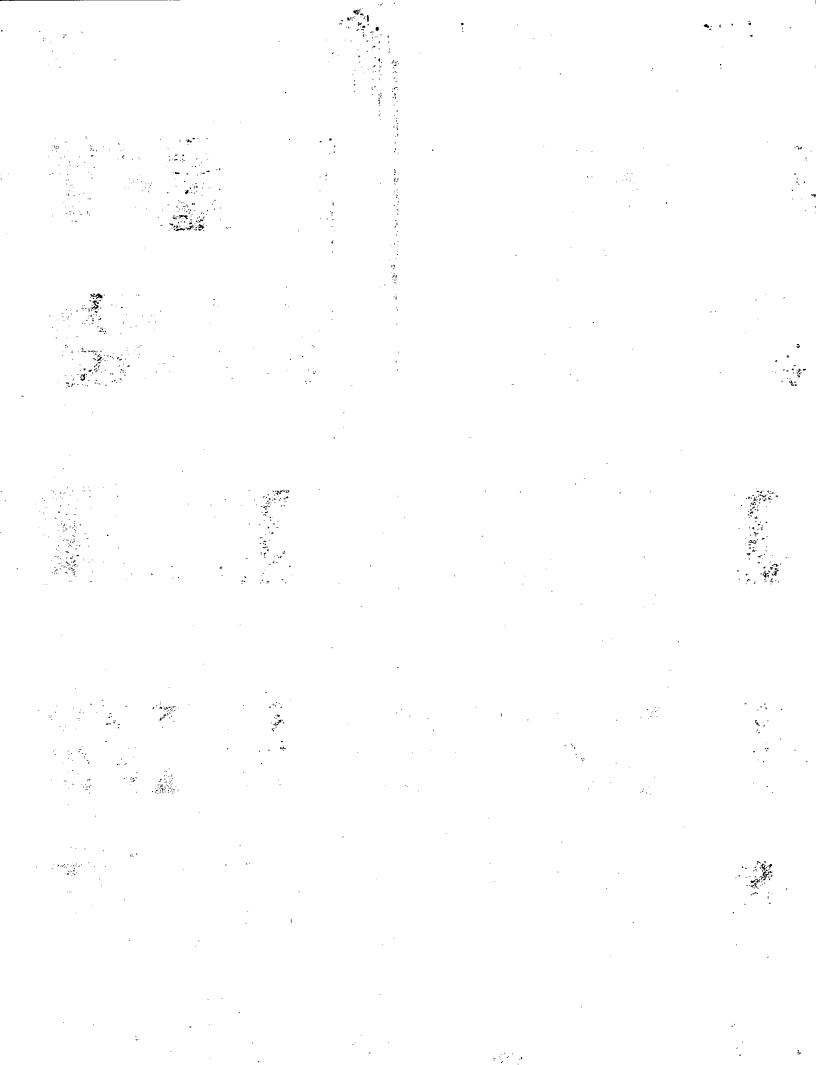
(u) That the North Williams-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM

Section 9: E/2 Section 10: NW/4 Section 16: NE/4

#### IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well, which by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.



-6-Case No. 8284 Order No. R-7607

(2) That the effective date of this order and all reclassifications, contractions, and extensions included herein shall be August 1, 1984.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
ALL CONSERVATION DIVISION

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JOE D. RAMEY Director

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grade Marie Piga patricia

COMMENCER AND CONTRACTOR OF THE CONTRACTOR OF TH

fd/



#### HINKLE, COX, EATON, COFFIELD & HENSLEY

LEWIS C. COX\*
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY U.R.\*
STUART D. SHANOR\*
C. D. MARTIN
PAUL J. KELLY J.R.\*
OWEN M. LOPEZ\*
DOUGLAS L. LUNSPORD\*
PAUL M. BOHANNON
T. CALDER EZZELL, J.R.\*
WILLIAM B. BURFORD
RICHARD E. OLSON\*
RICHARD E. SIMMS\*
DEBORAH NORWOOD
JAMES H. ISBELL
RICHARD R. WILFONG
RICHARD R. WILFONG
TARGEN BESELL
RICHARD R. WILFONG

JEFFREY L FORNACIARI\*
ROBERT D. SIMPSON
DAVID L. SPOEDE
JEFFREY D. HEWETI
JAMES BRUCCE\*
ALBERT L PITTS\*
THOMAS O. HAINES, JR.\*
THOMAS D. HAINES, JR.\*
THOMAS M. HAISKO\*
MICHAEL F. MILLERICK\*
GREGORY J. NIBERT\*
JUDY K. MOORE
DAVID T. MARKETTE
BRUCE R. ROGOFF\*
JAMES M. HUDSON\*
DONALD R. FENSTERMACHER
DAVID B. GROCE
ROBERT M. BRISTOL
GARY M. LADEN

ATTORNEYS AT LAW

200 BLANKS BUILDING
POST OFFICE BOX 3580
MIDLAND, TEXAS 79702
(915) 683-4691

700 UNITED BANK PLAZA
POST OFFICE BOX IO
ROSWELL, NEW MEXICO 88201
(505) 622-6510

1700 TEXAS AMERICAN BANK BUILDING POST OFFICE BOX 12118 AMARILLO, TEXAS 79101 (806) 372-5569

218 MONTEZUMA
POST OFFICE BOX 2068
SANTA FE, NEW MEXICO 87504
(505) 982-4554

JAMES J. WECHSLER\*
NANCY S. CUSACK\*

JEFFREY L. BOWMAN

OF COUNSEL
CLARENCE E. HINKLE
ROY C. SNODGRASS, JR.
O. M. CALHOUN
MACK EASLEY
GORDON L LLEWELLYN

W. E. BONDURANT, JR. (1913-1973) ROBERT A. STONE (1905-1981)

\*NOT LICENSED IN TEXAS

July 10, 1985



Mr. Michael Stogner Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

> Re: Petroleum Corporation of Delware Request for Special Finding on Tenneco Federal Well #3 - Infill Well

Dear Mike:

Transmitted you will find The Petroleum Corporation of Delaware letter of July 9 in duplicate with enclosures relative to the above referenced matter.

I believe that all the information which is necessary for your purposes in considering administratively the request by The Petroleum Corporation is transmitted herewith. However, if you find anything on which you have any questions, please feel free to contact either me or Robert C. Murray at The Petroleum Corporation's office in Dallas. Mr. Murray's telephone number is (214) 528-5461. My Midland telephone number is shown on the letterhead above.

I do know that The Petroleum Corporation is extremely anxious to have this matter resolved as quickly as possible and I therefore respectfully request the matter be given whatever expeditious handling you can afford.

Page - 2 -

Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Conrad E. Coffield

CEC:cl Enclosures

copy:

Mr. Robert C. Murray
The Petroleum Corporation of Delaware
Turtle Creek Centre

3811 Turtle Creek Boulevard Dallas, Texas 75219-4419

#### THE PETROLEUM CORPORATION

OF DELAWARE

Turtle Creek Centre 3811 Turtle Creek Boulevard DALLAS, TEXAS 75219-4419

LARRY C. SHANNON PRESIDENT July 9, 1985

#### CERTIFIED MAIL/RETURN RECEIPT REQUESTED

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501
Attention: Mr. Michael Stogner

RE: Request of The Petroleum Corporation of Delaware for Special Finding that its Tenneco Federal Well No. 3, located in the NW/4SE/4 Section 12-T26S-R37E, Lea County, New Mexico, the Second Well on a 320 acre proration Unit, is Necessary to Effectively and Efficiently Drain the Reservoir

#### Gentlemen:

The Petroleum Corporation of Delaware ("Applicant"), in accordance with the Special Rules and Regulations for Natural Gas Policy Act Infill Findings Administrative Procedure, hereby submits in duplicate its request for a determination and special finding that the subject well is an infill well which is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by an existing well within that unit.

In support thereof, Applicant submits herewith in duplicate the following:

- 1. Application for Permit to Drill, Deepen or Plug Back filed with the United States Department of Interior with approval shown thereon and Especial Approval Stipulation (Rule 5).
- 2. State of New Mexico Form C-102 showing the 320 acre proration unit dedicated (Rule 5), which is the South Half of Section 12-T26S-R37E, Lea County, New Mexico.
- 3. The following information required by Rule 8 on all wells (the Tenneco Federal No. 1 and Tenneco Federal No. 3) drilled on the proration unit:

Tenneco Federal No. I
Unit N, Section 12, T 26 S, R37E; Lea Co., New Mexico
990' FSL & 2310' FWL
Spud Date: December 2, 1971
Completion Date: Dublin (Devonian) October 27, 1983
(Recompleted)
No mechanical problems
Current production: 589 MCFD

. , . . . . 

Letter to State of New Mexico From Larry C. Shannon July 9, 1985 Page Two

> Tenneco Federal No. 3 Unit J, Section 12, T26S, R37E; Lea Co., New Mexico 1980' FSL & 1980' FEL Spud date: April 30, 1985 Completion date: June 24, 1985 (potential test) No mechanical problems Waiting on pipeline connection

4. Applicant's statement indicating why the Tenneco Federal No. I, the first well on the proration unit, cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit (Rule 8) is as follows:

Deliverability from the Tenneco Federal No. I has declined to 589 MCF per day at a surface pressure of 300 psig. The bottom hole pressure in the Devonian formation in said well has declined from an original pressure of 3858 psig to 1518 psig, a decline of 2340 psig. Estimated recovery from the Devonian formation in the Tenneco Federal No. I will be approximately 15% of estimated reserves, calculated on a volumetric basis, assigned to the Devonian formation underlying the 320 acre proration unit and cumulative production from said well is 62% of estimated ultimate recovery from the well. Further support for Applicant's conclusion was provided by the bottom hole pressure of 3661 psig obtained on a drill stem test of the Tenneco Federal No. 3 well on June 10, 1985.

- 5. Formation structure map (Rule 9).
- 6. Cross-sections showing electric logs covering the Devonian formation in the Tenneco Federal No. 1, Tenneco Federal No. 3 and neighboring wells (Rule 9).
- 7. An estimate of increased ultimate recovery to be attained from the Tenneco Federal No. 3 and a narrative describing how the increase was determined (Rule 9).
- 8. Production statistics for the Tenneco Federal No. 1 (Rule 9).
- 9. Production curve for the Tenneco Federal No. 1 (Rule 9).
- 10. Bottom hole pressure decline curve for the Tenneco Federal No. 1 (Rule 9).
- 11. Data summary for the Tenneco Federal No. 3.

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Letter to State of New Mexico From Larry C. Shannon July 9, 1985 Page Three

Attached hereto and made a part hereof as Exhibit "A" is a list of all operators of proration or spacing units offsetting the unit for which an infill finding is sought herein who, by copy of this letter transmitted by certified mail, have been contemporaneously notified of this application.

Respectfully submitted,

THE PETROLEUM CORPORATION OF DELAWARE

arry C. Shannon President

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
District I
P.O. Box 1980
Hobbs, New Mexico 88240

El Paso Natural Gas Company P.O. Box 1492 El Paso, Texas 79978 Attention: Mr. Michael W. Wiseman



## United States Department of the Interior

IN KEPLY REPER TO

#### **BUREAU OF LAND MANAGEMENT**

Carisbad Resource Area Headquarters
P. O. Box 1778
Carisbad, New Mexico 88220

#### ESPECIAL APPROVAL STIPULATION

This APD is approved subject to the requirement that, should the well be successfully (COMPLETED FOR PRODUCTION), this office must be notified when it is placed in a producing status. Such notification may be provided ORALLY IF CONFIRMED IN WRITING and MUST BE RECEIVED IN THIS OFFICE BY NO LATER THAN THE FIFTH (5th) BUSINESS DAY NEXT FOLLOWING THE DATE ON WHICH THE WELL IS PLACED ON PRODUCTION. The notification shall provide, as a minimum, the following items:

- 1. Operator name.
- 2. Well name, number, and location.
- 3. Date well was placed on production.
- 4. The lease, or communized tract, or unit participating area to which the well's production is attributable.

VALERO 567-4328

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## United tates Department of the interior#3

#### BUREAU OF LAND MANAGEMENT

Roswell District Office

SPECIAL APPROVAL STIPULATIONS

THE PETROLEUM CORPORATION OF DELAWARE Tenneco Federal No. 3
NW4SE4, Sec. 12, T. 26 S., R. 37 E.
Lea County
NM-7951

The special stipulations check marked below are applicable to the above described well and approval of this application to drill is conditioned upon compliance with such stipulations in addition to the general requirements. EACH PERMITTEE HAS THE RIGHT OF ADMINSTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 43 CFR 3165.3 and 3165.4.
A. The Bureau of Land Management office is to be notified at:
[ ] (505) 624-1790 Roswell (505) 887-6544 Carlsbad (505) 393-3612 Hobbs
in sufficient time for a representative to witness:  1. Spudding 2. Cementing inch  1. Spudding 1. Spu
878 Inch
3. BOP tests
[ ] B. At least one working day prior to constructing the well pad, access roads and/or related facilities, the operator or dirt contractor shall notify the authorized officer of the surface management agency may be contacted at:
BLM phone (505) 887-6544 Carlsbad, New Mexico BLM phone (505) 624-1790 Roswell, New Mexico
He shall also notify the surface management agency within two working days after completion of earth-moving activities.
[] C. Roads in the area of operation of this authorization will require surfacing.  Surface casing should be set in the Rustler Anhydrite formation and cement circulated to the surface. If surface casing is set at a lesser depth, the casing must be cemented from the casing shoe to the surface or cemented to the surface through a stage tool set at least 50 feet below the top of the Rustler after cementing around the shoe with sufficient cement to fil) to the base of the salt section.
[1] E. Before drilling below the 898 casing, the blowout preventer assembly will consist of a minimum of one annular type and two ram type preventers.
F. Minimum required fill of cement behind the 838 casing is to See Debove

the 878 casing string and before drilling into formation, the blowout preventers and related control equipment failing to test

the location, the blowout preventers and related control equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report.

<b>A</b>		LO SINIE			MAKELDE D	•••)	•			
	DEPARTME			RIOR	(		S. LEASE DEGICHAT	IOR AND SEALAL DO.		
•	GEOLO	GICAL SURV	EY				_NM-7951			
APPLICATION	N FOR PERMIT	TO DRILL, I	DEEP	EN. OR P	LUG B	ACK	6. M INDIAN, ALLO	TES OF TRIDE NAME		
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OUT (2)	AS OTHER			OME	MULTIP BONE	<b>-</b> 0	8. FARM OR LEASE	RAMB		
2. HAME OF OPERATOR		· ·					Tenneco F	'ederal		
	oleum Corporati	on of Dela	ware				9. WELL NO.			
ADDRESS OF SPERATOR							3			
3303 Lee Parkway, Dallas, Texas 75219  L LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)						Dublin	L, OR WILDCAT			
At surface	apoit socious cicity and	. 12 2(0)01-0 ".	, .	amos tedantems	uus." j		Ellenburger			
Unit J, At proposed prod. soi	1,980 Pt. FSL a	ind 1,980 P	r. Pe	EL			AND SURVEY OR AREA			
At proposes prod. so:	SAME		•				12-T26S-R	137E		
14. DISTANCE IN MILES	AND DESCRION PROM NEA	REET TOWN OR POS	T OFFIC	E*	<del></del> -	<del></del>	12. COURTY OF PARISE 18. STATE			
	southeast of J	al, New Me	x1co				Lea	NM		
10. DISTANCE SHOW PROP LOCATION TO WEARES	T		16. ×	O. OF ACRES IN	LEASE		OF ACRES ASSIGNED	*** ** ** ** ** ** ** ** ** ** ** ** **		
(Also to mearest dri	LINE, FT. g. unit line, if any)	1,980 Pt.		640			320			
	RILLING, COMPLETED,		19. P	LOPOSED DEFTE		20. BOT	TARY OR CABLE TOOLS			
OR APPLIED POR, ON TH			1	9,300 Pt	<u>.                                    </u>	<u> </u>	Rotary			
21. ELEVATIONS (Show wh 3,004.4	,						1 .	WORK WILL START		
23.							As soon as	possible		
		PROPOSED CASD	NG AN	D CEMENTING	PROGRA	W.		·····		
SIZE OF BOLE	SEE OF CASING	WEIGHT PER P		SETTING D	FPTH	.[	QUANTITY OF CE			
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7-7/8"	8-5/8"	32 lbs 11.6 l		3.800'		<u> </u>	500 sacks			
1-170	1 ""	11.0 1	DB.	9,300	, -	i '	700 sacks			
	n this case, thement would be We might prefe	circulated	to s	surface.						
sone. If proposal is to preventer program, if an M.  SIGNED	FEOROGED PROCEAM: If drill or deepen directions y.  Thomasical area of the control of the contro	ally, give pertinen	t data		ocations at	od measure	d and true vertical 6	epths. Give blowou		
(1)	In Whal	(44)	A C	ren bishpili. Arlsēad kēddu	rce airle		DATE 3-	28-85		
APPROVED BY	u Mosel	Haung) Tr	TLE				DATE 2	<u> </u>		

\*See Instructions On Reverse Side

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

H. Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before drilling into the formation and used until production casing is run and cemented. Honitoring equipment shall consist of the following: 1. A recording pit level indicator to determine pit volume gains and losses. [ ] 2. A mud volume measuring device for accurately determining mud volume necessary to fill the hole on trips. 3. A flow sensor on the flow-line to warn of any abnormal mud returns from the well. I. A kelly cock will be installed and maintained in operable condition. [ ] J. A Communitization Agreement covering the acreage dedicated to the well must be filed for approval with the Bureau of Land Management, P. O. Box 1379, Roswell, New Mexico 88201. The effective date of the agreement must be prior to any sales. [ ] K. Above ground structures, not subject to applicable safety requirements shall be painted. The paint color is to simulate: Sandstone Brown, Fed. Std. 595-20318 or 30318 Sagebrush Gray, Fed. Std. 595-26357 or 36357 [ ] L. A Gamma Ray-Compensated Neutron log is required from the base of the salt section to the surface with cable speed not to exceed 30 feet per minute. M. Rehabilitation [ ] At least 3 working days prior to commencing any of the following rehabilitation activities. the operator shall notify the appropriate surface managing agency, shown in part 5. [ ] 1. Upon the conclusion of drilling and completion operations when mud pits are dry they will be leveled, plastic will be removed and area reseeded with mixture No. shown on last page of General Requirements. 2. Following the down-hole plugging and abandonment of all operation: miles of access road shall be ripped to a minimum of [] a. The drill pad and 12" in depth. Ripping shall be on the contour with rips being approximately 3 feet or less apart. [ ] b. The drill site and miles of access road will be reseeded with mixture shown on the last page of the General Requirements. [ ] c. All ripped surfaces are to be protected from vehicular travel by constructing a dead-end ditch and earthen barricade at the entrance to these ripped areas. The barricade is to be constructed using spoil materials from the ditch and should be of sufficient magnitude to discourage vehicle entry. d. Private Surface: Abandonment stipulations to coincide with operator-landowner agreement. (Where no agreement exists, BLM will be requested to provide abandonment

[ ]-3. Modifications in the rehabilitation stipulations made necessary by unforeseen circumstances or improvements in rehabilitation methods may be made when the Notice of .

stipulations.)

[] N. Other: . . . . . .

Intention to Abandon is filed.

(X) e. The surface location is to be cleaned and leveled.

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

Porm C-102 Supercedes C-128 Ellective 14-65

All distances must be from the outer houndaries of the flection.

Consister Lease Well No								
Operator Petrole	eum Corp. of D		Tenneco Fed	Well No.				
Unit Letter Section Township			Range					
J	12	26 South	37 East	Lea	\			
Actual Footage Loc	ation of Wells	•	-					
1980		outh line and		t from the East	line			
Ground Level Elev.	Producing For	.•	Pool		Dedicated Acreage:			
3004.4	Devonia		Dublin Devonia		320 Acres			
	_	ted to the subject well dedicated to the well,	_		he plat below. thereof (both as to working			
3. If more the dated by c	ommunitization, u  No If and is "no," list the	nitization, force-poolingnesser is "yes;" type of owners and tract descri	g. etc?		f all owners been consoli- ated. (Use reverse side of			
this form if necessary.)								
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Re: The Petroleum Corporation of Delaware Tenneco Federal No. 3

D. FILING REQUIREMENTS Rule 9.b.

The volume of increased ultimate recovery expected to be obtained from the Tenneco Federal No. 3 is 700,000 mcf of gas. A narrative describing how the increase was determined follows:

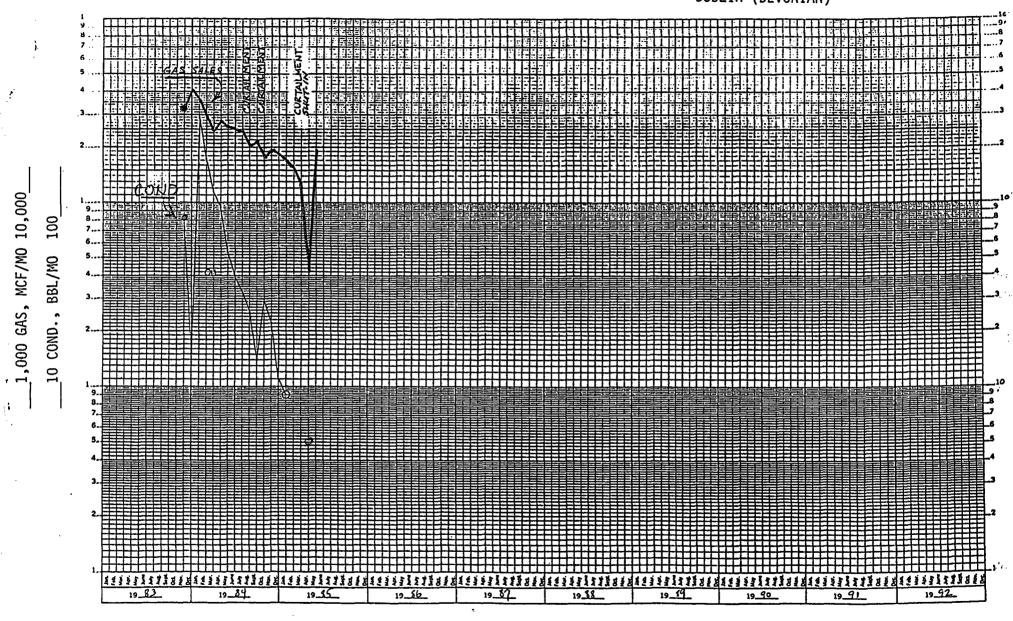
The expected increase in ultimate gas recovery of 700,000 mcf attributable to the Devonian completion in Tenneco Federal No. 3 is based on bottom hole pressure and production performance exhibited by Tenneco Federal No. 1. Well No. 3 is expected to have a sustained initial production rate of 1,000 mcf per day which will decline at the rate of 40 percent per year over life.

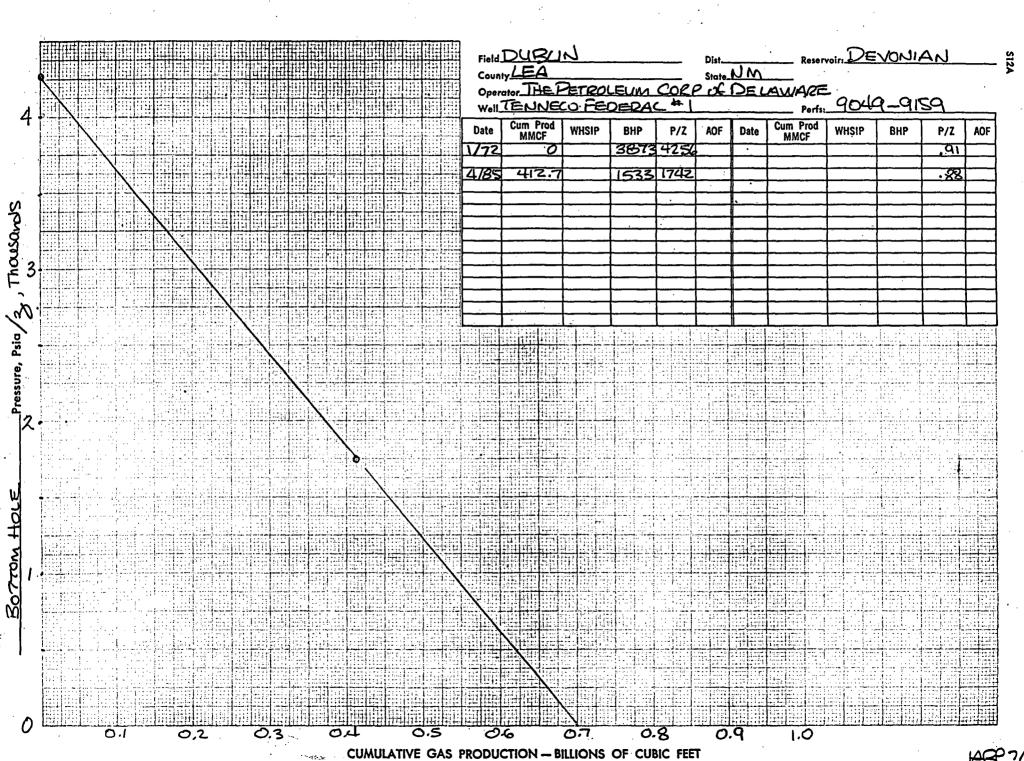
	_	_	PRODU	CTION STATISTIC	PLUGGE	D BA	tck to					
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WELL	TENNECE	FEDERAL #	1 1522	PERFO	RATIONS <u>9</u>	249	_ 915	<u>59 (c</u>	(AC			
FIELD DUBLIN - DEVONIAN				FIRST F	FIRST PRODUCTION 10/21/83							
COUN	ITY LEA	DISTRIC	T. I. HOBBS	S INTERE	ST	<del></del>	(EXPN)			(RE\		
STAT	F NEW	MEXICO										
	OIL/COND. CUM. OIL/COND. @ GAS SALES			CUM. GAS	CUM. GAS				WTR PRESSURE; psig.			
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Mar.	116	680	24 419	165.384	211 47		/	0 - WOT		22/94		
Apr.	95	77.5	28,321	193.705	298 34				7.			
May	<u>53</u>	<u> </u>	25,854	219 559	488 20				ļ	<u></u>		
Jun.	41	869	25,273	744,832	6164 1.6				ļ	<u> </u>		
Jul.	33	902	24,230	269067	734.2 1,4					<u> </u>		
Aug.	<u> 25</u>	927	20,036	289,048	8014 1.2				ļ <u>.</u>	<u> </u>		
Sep.		941	21,652	310,750	1547 06					<del> </del>		
Oct.	30	971	19,943	328 692	598.1 1.7		• •		,	<del> </del>		
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Total

The Petroleum Corporation of Delaware TENNECO FEDERAL NO. 1 Lea County, New Mexico

DUBLIN (DEVONIAN)





#### The Petroleum Corporation of Delaware Tenneco Federal No. 3 Unit J, Section 12-T26S-R37E Lea County, New Mexico

#### WELL DATA

Total Depth: 9300 feet

Perforations: 9126, 9128, 9137, 9138, 9144, 9146,

9172, 9173, 9200, 9215, 9216, 9221, 9223, 9227, 9228, 9234, 9235, 9237,

9238, 9245 and 9246 feet.

Devonian Zone:

Treatment: Acidized with 2000 gallons 15% HCL acid.

Initial Test: 1787 mcfg/d, no liquids

SITP 2350 psig (6/25/85)

RESERVOIR DATA

Porosity: 7% (Log)

Water Saturation: 25% (Log)

Bottom Hole Pressure: 3661 psig (DST)

170° F (DST) Temperature:

0.65 (est.) Gas Specific Gravity:

0.91 (chart) Compressibility Factor:

Permeability: No measurement