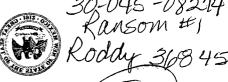
06/04/09 D. Brooks

WSP

APPRICE A A A D O 1 3 3 5 0 3 6 9

ABOVE THIS LINE FOR DIVISION USE ONLY

# RECEIVED MEXICO OIL CONSERVATION DIVISION - Engineering Bureau 1220 South St. Francis Drive, Santa Fe, NM 87505



111 10 111	1 11 00	
	ADMINISTRATIVE APPLICATION	ATION CHECKLIST / 193)
THIS CHECKLIST IS  Application Acrony	WHICH REQUIRE PROCESSING AT THE DI	FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS VISION LEVEL IN SANTA FE
/ [NSL-Non-Si [DHC-Do [PC-l	andard Location] [NSP-Non-Standard Prora wnhole Commingling] [CTB-Lease Commi Pool Commingling] [OLS - Off-Lease Stora	ngling] [PLC-Pool/Lease Commingling] ge] [OLM-Off-Lease Measurement] sure Maintenance Expansion] ction Pressure Increase]
[1] <b>TYPE OF</b> A [A]	APPLICATION - Check Those Which Apply Location - Spacing Unit - Simultaneous D  NSL NSP SD	
Che [B]	ck One Only for [B] or [C]  Commingling - Storage - Measurement  DHC CTB PC	C OLS OLM
[C]	Injection - Disposal - Pressure Increase - E	
[D]	Other: Specify	
[2] NOTIFICA	TION REQUIRED TO: - Check Those Whi	ch Annly or Does Not Annly
[2] NOTIFICA [A]	Working, Royalty or Overriding Roy	
[B]	Offset Operators, Leaseholders or Su	rface Owner
[C]	Application is One Which Requires I	Published Legal Notice
[D]	Notification and/or Concurrent Approus. S. Bureau of Land Management - Commissioner of Put	
[E]	For all of the above, Proof of Notifica	ation or Publication is Attached, and/or,
[F]	☐ Waivers are Attached	
	CCURATE AND COMPLETE INFORMA CATION INDICATED ABOVE.	TION REQUIRED TO PROCESS THE TYPE
approval is accurate		submitted with this application for administrative also understand that <b>no action</b> will be taken on this mitted to the Division.
No	te: Statement must be completed by an individual wit	h managerial and/or supervisory capacity.
Ann E. Ritchie	Modulehu	Regulatory Agent
Print or Type Nam	e Signature	Title
	4-29-09 Date	ann.wtor@gmail.com E-Mail Address

Energy, Minerals and Natural Resources Department Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Attention: Mr. Mark E. Fesmire, Director

Re: Application for Non-Standard Gas Proration Unit Roddy Production Company, Inc. (36845) Ransom Well No. 1 API No. 30-045-08274 1850' FSL & 790' FEL, Unit I Section 13, T-29 North, R-11 West, NMPM,

San Juan County, New Mexico

Dear Mr. Fesmire,

Roddy Production Company, Inc., ("Roddy") respectfully requests Division approval to establish a non-standard 160-acre gas spacing and proration unit ("GPU") in the Basin-Fruitland Coal Gas Pool (71629) comprising the SE/4 of Section 13, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico. This unit is to be dedicated to Roddy's existing Ransom Well No. 1, which is located at a standard gas well location for the Basin-Fruitland Coal Gas Pool 1850 feet from the South line and 790 feet from the East line (Unit I) of Section 13.

The Ransom Well No. 1 is located within the Basin-Fruitland Coal Gas Pool. This pool is currently governed by special rules and regulations established by Division Order No. R-8768, as amended. These rules require standard 320-acre gas spacing and proration units and designated well locations such that wells shall be located no closer than 660 feet to the outer boundary of the spacing unit nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary. The rules also provide that two wells may be drilled on a standard unit, provided that only one well may be drilled in each quarter section.

The Ransom Well No. 1 was originally drilled in 1954 and completed in the Aztec-Pictured Cliffs Gas Pool (71280). In 1960, the well was dually completed in the Aztec-Pictured Cliffs and Aztec-Fruitland Sand Gas Pools (71200) (See Administrative Order DC-1039). Division Order R-4480 dated February 14, 1973 authorized the downhole commingling of the Aztec-Pictured Cliffs and Aztec-Fruitland Sand Gas Pools within the wellbore.

Roddy proposes to isolate and plug off the Fruitland Sand interval, fracture treat the existing Pictured Cliffs interval, and complete the well in the Basin-Fruitland Coal

Application for Non-Standard GPU Roddy Production Company, Inc. April 28, 2009 Page 2

Gas Pool. The well will then be downhole commingled in the Aztec-Pictured Cliffs and Basin-Fruitland Coal Gas Pools.

2008 production data shows that the Ransom Well No. 1 is currently producing at an average rate of 22 MCF of gas per day from the Aztec-Pictured Cliffs Gas Pool, and at an average rate of 7.0 MCF of gas per day from the Aztec-Fruitland Sand Gas Pool. By isolating the uneconomic Fruitland Sand interval and completing the well in the Basin-Fruitland Coal Gas Pool, Roddy will attempt to recover additional gas reserves from the Fruitland Coal interval underlying the SE/4 of Section 13 that may otherwise not be recovered, thereby preventing waste. A successful Basin-Fruitland Coal Gas Pool completion will also extend the economic life of the well thereby allowing the continued recovery of gas from the Pictured Cliffs interval.

There are currently no wells in Section 13 that produce from the Basin-Fruitland Coal Gas Pool. An examination of Division records show that within the 9-section area surrounding Section 13, there are currently four (4) wells that produce from the Basin-Fruitland Coal Gas Pool. These wells are located in Sections 7, 18 and 19, Township 29 North, Range 10 West. These wells produce at an average rate of approximately 55 MCF of gas per day.

Current development within Section 13 includes Aztec-Fruitland Sand, Aztec-Pictured Cliffs, Basin-Dakota, Blanco-Mesaverde and Otero-Chacra Gas Pools. Non-standard 160-acre gas spacing and proration units in the Blanco-Mesaverde Gas Pool have previously been established within the E/2 of Section 13. Current development within Section 13 is summarized on Attachment "A".

Due to the low producing rates in the offset wells, Roddy believes that development of the Basin-Fruitland Coal Gas Pool within the SE/4 of Section 13 on 160 acres will not violate correlative and will provide Roddy the opportunity to recover its just and fair share of the gas reserves within the Basin-Fruitland Coal Gas Pool underlying this tract. Approval of the application will also maintain long standing interest ownership in the Ransom Well No. 1.

Notice of this application is being provided to all operators in Section 13, and to all offset operators surrounding the SE/4 of Section 13. Notice is also being provided to the owners of working interest in the SW/4 of Section 13 since there is no current development of shallow pools on that tract. A list of the parties being noticed is attached.

I believe that all the information necessary to approve the application is enclosed. If additional information is needed, please contact me at (432) 684-6381.

Sincerely,

Ann E. Ritchie Regulatory Agent Roddy Production Company, Inc. c/o P.O. Box 953 Midland, Texas 79702

Xc: OCD-Aztec

# Attachment "A" Application for 160-Acre Non-Standard GPU Ransom Well No. 1 (API No. 30-045-08274) 1850' FSL & 790' FEL (Unit I) Section 13, T-29N, R-11W Roddy Production Company, Inc.

Operator	Well Name & Number	Unit	Producing Formation/Pool	Dedicated Acreage
Gilbreath Norman Lee	Jake H. Jones No. 3	В	Aztec-Fruitland Gas Pool	160 Acres-NE/4
Roddy Production Company	Ransom No. 1	I	Aztec-Pictured Cliffs Gas Pool Aztec-Fruitland Sand Gas Pool	160-Acres-SE/4 160-Acres-SE/4
Burlington Res. Oil & Gas Co.	Garrett Fed Com 2 No. 1	Е	Basin-Dakota Gas Pool	320-Acres-W/2
Energen Resources Corporation	Martin Fed. Com No. 1	Н	Basin-Dakota Gas Pool	320-Acres-E/2
Four Star Oil & Gas Company	B. M. Houck No. 1	В	Otero-Chacra Gas Pool Blanco-Mesaverde Gas Pool	160-Acres-NE/4 *160-Acres-NE/4
Gilbreath Norman Lee	Ben Jones No. 1R	Α	Aztec-Pictured Cliffs Gas Pool	160-Acres-NE/4
Dugan Production Corp.	EM Hartman No. 1	<b>—</b>	Otero-Chacra Gas Pool	160-Acres-SE/4
Burlington Res. Oil & Gas Co.	Garrett Fed Com 2 No. 1E	M	Basin-Dakota Gas Pool	320-Acres-W/2
Energen Resources Corporation	Martin Fed Com No. 1E	J	Basin-Dakota Gas Pool Blanco-Mesaverde Gas Pool	320-Acres-E/2 160-Acres-SE/4
•				

<sup>\*</sup> Non-standard GPU in the Blanco-Mesaverde Gas Pool approved by Order No. NSP-1395 dated 7/6/1983

# Roddy Production Company, Inc.

Ransom, Well #1 Section 13, T29S, R11E, SW/4, SLM San Juan County, New Mexico

### Working Interest Owners:

James K. Anderson, 806 1<sup>st</sup> National Bank Bldg., Midland, TX 79701
Burlington Resources Oil & Gas, LP, 3401 E. 30<sup>th</sup> Street, Farmington, NM 87402
Mary Carol Clement, 906 N. Watson, Farmington, NM 87401
Ed Clement and Mary J. Clement, 906 N. Watson, Farmington, NM 87401
Gina R. Davis and Raimonda Mitchell, Joint Ten., 3415 Monterey Circle, Farmington, NM 87401
Ed Hartman, PO Box 145, Farmington, NM 87499
Edward M. Hartman, Tr. Betty Hartman, PO Box 145, Farmington, NM 87499
Magee Transportation, Ltd., PO Box 627, Bloomfield, NM 87413
Manana Gas, Inc., PO Box 145, Farmington, NM 87499

# Section 13 Operator Listing:

Burlington Resources Oil & Gas., LP, 3401 E. 30<sup>th</sup> St., Farmington, NM 87402 Dugan Production Corporation, PO Box 420, Farmington, NM 87499 Energen Resources Corporation, 2198 Bloomfield Hwy., Farmington, NM 87401 Four Star Oil & Gas Co., 11111 S. Wilcrest, Houston, TX 77099 Norman L. Gilbreath, PO Box 208, Aztec, NM 87401 Manana Gas, Inc., 2520 Tramway Terrace Ct NE, Albuquerque, NM 87122 Roddy Production Company, Inc., PO Box 2221, Farmington, NM 87499-2221

### Offset Operator Listing:

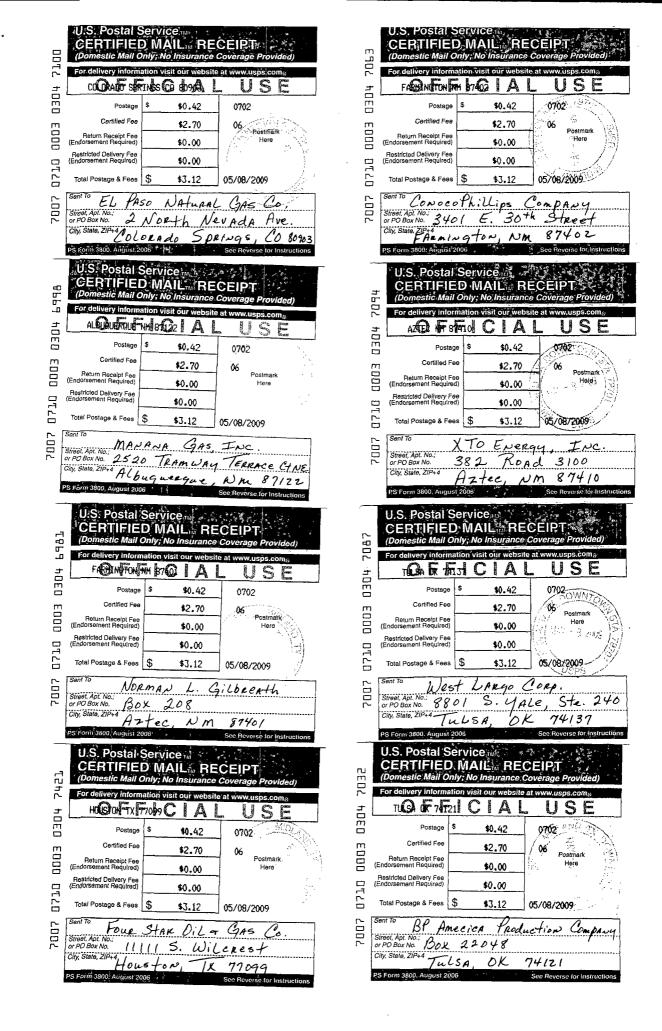
BP America Production Co., PO Box 22048, Tulsa, OK 74121
Burlington Resources Oil & Gas, LP, 3401 E. 30<sup>th</sup> Street, Farmington, NM 87402
ConocoPhillips Company, 3401 E. 30<sup>th</sup> Street, Farmington, NM 87402
El Paso Natural Gas Co., 2 North Nevada Ave., Colorado Springs, CO 80903
Energen Resources Corporation, 2198 Bloomfield Hwy., Farmington, NM 87401
West Largo Corp., 8801 S. Yale, Ste. 240, Tulsa, OK 74137
XTO Energy, Inc., 382 Road 3100, Aztec, NM 87410

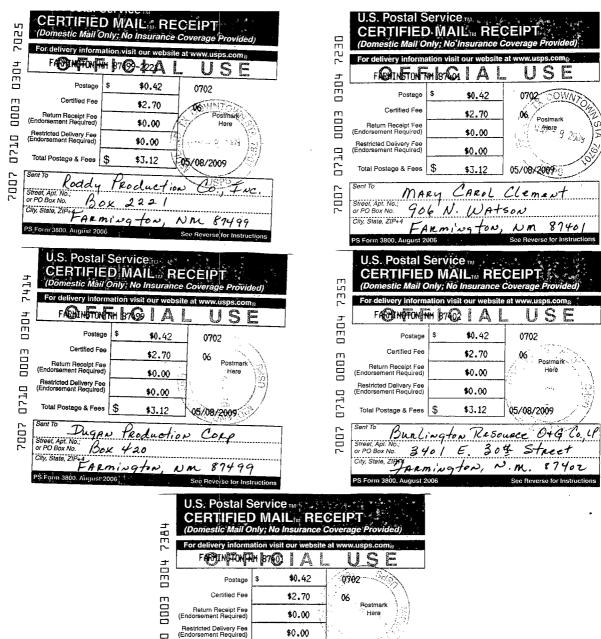
Copies of the Roddy Production Company, Inc., Application for Non-Standard Unit for their Ransom, Well #1 has been sent to the above stated parties on May 7, 2009.

Ann E. Ritchie Regulatory Agent Roddy Production Company, Inc.

c/o P.O. Box 953 Midland, TX 79702 432 684-6381

No. of the second secon	<u>.</u>	200	1	***************************************	· · · · · · · · · · · · · · · · · · ·	Management of the state of the
		-10W	9W	9 40 40 40 40 40 40 40 40 40 40 40 40 40		
30N	35	ଟିଡି	31	.32	33	<b>ON</b> 34
29N	2	1	6		2	9N
10	301342 30138 33515 29564 205	95/5 2633365 08548 21536 08548	3402 300 35965	77957 8 21081	9	1
15	2(2660 0839 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	320350 7 31664 20	143 459 13	24282 25020	16	juung
22	32793	83 023281588 087 00723 087 31286	53 7.65 9 9 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	978 20727 31385	21	
	<b>30 0 2 9 6 8 5</b> 26		207 <b>63</b> 320 <del>15</del> 24953 3 Ü	29	28	1 27
29Ñ	35	36	(3)	32	33	'9Ñ <sup>4</sup>
28N 11		we w		8	2	.8N —_1mi
	OFF SE	= Ts)				







Harshall Drilling Co. Paraington, New Hexico

# OIL CONSERVATION COMMISSION

			Da	te Aug. 10, 1955	
Operator	lling Co.	Ransom Lease		Well No.	_
me of Produci	ing Formati	on Fictured	liff Poo	olAstec	-
		160			
Acres Dedic		Well			
SECTION	13	TOWNSHIP	<u> 29</u>	RANGE 11	-
				FIFIVER	
			<i>(</i> 1	116 1 2 1955	
				L CON. COM.	
				DIST. 3	
	i				
· · · · · · · · · · · · · · · · · · ·					
				o -790 ft. f	rom E. L
				1850 ft. fre	よ よ と に よ に に に に に に に し に し に し に し に し に し
		Ī			

(over)

Address

### INSTRUCTIONS

	wer to Quest		<del>-</del>
Yes	No		

A separate plat must be filed for each gas well, outlining the area dedicated to such well and showing the location of all other wells (oil and gas) within the outlined area.

Mail in duplicate to the district office for the district in which the well is located.

The State of the S	ION COMMIS	SSION
EC DIST	RICT OFFICE	Ε
No. Copies Receiv	ved 3	
DISTRI	BUTION	
	NO. FURRUSHED	-
Operator		
Santa Fe		
Proration Office		
State Land Office		.i
U. S. G. S.		
Transporter	İ	-
File		-
	1	1

# Brooks, David K., EMNRD

From:

Brooks, David K., EMNRD

Sent:

Friday, May 29, 2009 11:33 AM

To:

'ann.wtor@gmail.com'

Subject:

Roddy Production Ransom Well No. 1; NSP Application

Dear Ms. Ritchie

Pursuant to Division Rule 15.11.B(4), the applicant must certify that the persons notified have been advised that they must file any objection with the Division within 20 days. Usually that is done by furnishing us a copy of the notice letter.

In your application, however, I do not see that you have either furnished us a copy of the notice letter, or otherwise certified that the noticed parties were specifically informed of the right to file objections with the Division within 20 days.

Please send us a copy of your notice letter if it contains the required information. Otherwise, the application will need to be re-noticed.

Sincerely,

David K. Brooks Legal Examiner 505-476-3450

# **Brooks, David K., EMNRD**

From: Sent: To: Subject:	Ann Ritchie [ann.wtor@gmail.com] Friday, May 29, 2009 12:18 PM Brooks, David K., EMNRD Re: Roddy Production Ransom Well No. 1; NSP Application
	uage of the application and notice to all parties I did not specifically state they had 20 on, so I will re-submit the certified notifications and send you a copy of the mailing ter. Sorry about that
On Fri, May 29, 2009 at	12:33 PM, Brooks, David K., EMNRD < david.brooks@state.nm.us > wrote:
Dear Ms. Ritchie	
they must file any objects the notice letter.	e 15.11.B(4), the applicant must certify that the persons notified have been advised that ion with the Division within 20 days. Usually that is done by furnishing us a copy of ever, I do not see that you have either furnished us a copy of the notice letter, or
otherwise certified that the Division within 20 days.	ne noticed parties were specifically informed of the right to file objections with the
Please send us a copy of will need to be re-noticed	your notice letter if it contains the required information. Otherwise, the application I.
Sincerely,	
David K. Brooks	
Legal Examiner	
505-476-3450	

# Brooks, David K., EMNRD

From: Sent: To: Subject: Attachments:	Ann Ritchie [ann.wtor@gmail.com] Thursday, June 04, 2009 9:44 AM Brooks, David K., EMNRD Re: Roddy Production Ransom Well No. 1; NSP Application Roddy Ransom NSPU 1 20 day notice 2 pages.pdf
certified mailing receipts Thank you, Ann Ritchie West Texas Oil Reports P.O. Box 953 Midland, TX 79702 432 684-6381 432 682-1458-fax www.wtor.us	tter sent out by certified mailing as per below. We will be sending you a copy of the by mail today.  12:33 PM, Brooks, David K., EMNRD < david.brooks@state.nm.us> wrote:
Dear Ms. Ritchie	
	e 15.11.B(4), the applicant must certify that the persons notified have been advised that ion with the Division within 20 days. Usually that is done by furnishing us a copy of
• • •	ever, I do not see that you have either furnished us a copy of the notice letter, or ne noticed parties were specifically informed of the right to file objections with the
Please send us a copy of will need to be re-noticed	your notice letter if it contains the required information. Otherwise, the application l.
Sincerely,	
David K. Brooks	
Legal Examiner	

RE: Application for Non-Standard Gas Proration Unit Roddy Production Company, Inc. (36845) Ransom Well No. 1 API No. 30 045 08274 1850' FSL & 790' FEL, Unit I Section 13, T-29-N, R-11-W, NMPM San Juan County, New Mexico

### Ladies/Gentlemen:

Please see enclosed the application as referenced above. Pursuant to New Mexico Oil Conservation Division Rule 15.11.B (4), this letter is advisement that all interested parties must file any objection with the Division within 20 days of notification.

The letter attached is the application that was previously submitted to you by certified mailing on April 28, 2009.

Please call, as below, with any questions concerning this application. Thank you.

Yours truly,

Ann E. Ritchie, Regulatory Agent Roddy Production Company, Inc. c/o P.O. Box 953 Midland, TX 79702 (432) 684-6381 (432) 682-1458-fax

enclosure

Application for Non-Standard Gas Proration Unit Roddy Production Company, Inc. (36845) Ransom, Well No. 1 API No. 30 045 08274 1850' FSL & 790' FEL, Unit I Section 13, T-19N, R-11W, NMPM San Juan Couonty, New Mexico

Copies of the above application were sent by certified mail with cover letter of notification for the 20 day objection submittal to the Oil Conservation Division Rule 15.11.B (4) to the following parties:

Norman L Gilbreath, Box 208, Aztec, NM 87401 Ed & Mary Clement, 905 N. Watson, Farmington, NM 87401 Burlington Res. Oil & Gas Co., LP, 3401 E. 30th St. Farmington, NM 87402 XTO Energy, Inc., 382 Road 3100, Aztec, NM 87410 Mary Carol Clement, 906 N. Watson, Farmington, NM 87401 ConocoPhillips Company, 3401 E. 30<sup>th</sup> St., Farmington, NM 87402 West Largo Corp., 8801 S. Yale, Suite 240, Tulsa, OK 74137 El Paso Natural Gas Co., 2 North Nevada Ave, Colorado Springs, CO 80903 Manana Gas, Inc., 2520 Tramway Terrace Ct., NE, Albuquerque, NM 87122 BP America Production Co., Box 22048, Tulsa, OK 74121 Gina Davis & Faimonda Mitchell, Joint Ten. 3415 Monterey Circle, Farmington, NM 87401 Edward M. Hartman, Tr. Betty Hartman, Box 145, Farmington, NM 87499 Ed Hartman, Box 145, Farmington, NM 87499 Magee Transportation, Ltd. Box 627, Bloomfield, NM 87413 Manana Gas, Inc., Box 145, Farmington, NM 87499 Dugan Production Corp., Box 420, Farmington, NM 87499 Energen Resources Corp., 2010 Afton Pl., Farmington, NM 87401-1601 Four Star Oil & Gas Co., 11111 S. Wilcrest, Houston, TX 77099

Ann E. Ritchie, Regulatory Agent Roddy Production Company, Inc. c/o P.O. Box 953

Midland, TX 79702.

Cc: Roddy Production Co., Inc., Box 2221, Farmington, NM 87499