

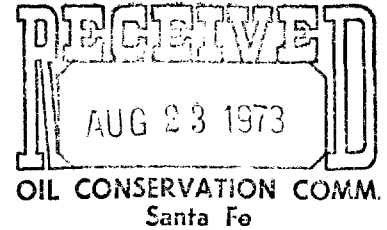
PMX-49
Due Sept 12
PMX-49

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO 87401
PHONE: 325-8874

August 22, 1973

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501



Attention: Mr. A. L. Porter, Jr.
Secretary-Director

RE: REQUEST FOR EXPANSION OF PRESSURE
MAINTENANCE PROJECT AREA AS SET
OUT IN COMMISSION ORDER R-3401

Gentlemen:

As provided in the Canada Ojitos Unit Operating Agreement under Article 13, application for the tenth and eleventh expansions of the Participating Area have been made by Benson-Montin-Greer Drilling Corp. as Unit Operator and recently approved by the United States Geological Survey Oil and Gas Supervisor. Unit Operator hereby requests the approval of the New Mexico Oil Conservation Commission to expand the Pressure Maintenance Project Area to coincide with the Participating Area through the eleventh expansion.

We have enclosed the following:

1. Exhibit "A" showing boundary to the tenth and eleventh expansions to the Participating Area, wells drilled and well status.
2. Schedule of land included in tenth and eleventh Participating Area expansions.
3. Xerox copies of letter from the USGS Oil and Gas Supervisor approving the tenth and eleventh Participating Area expansions.

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By administration order PMX-35, the NMOCC expanded the Pressure Maintenance Project Area to include the area approved by the USGS Oil and Gas Supervisor as the Sixth Expansion to the Canada Ojitos Unit Participating Area.

By administration order PMX-38, the NMOCC approved expanding gas injection by approving wells; COU #5 (B-18), COU #17 (G-1), and COU #18 (C-5) as gas injection wells.

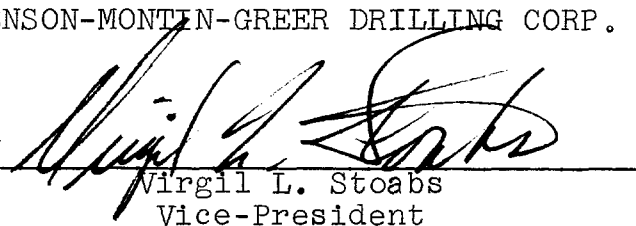
By administration order PMX-40, the NMOCC expanded the Pressure Maintenance Area to include the area approved by the USGS Oil and Gas Supervisor as the Seventh, Eighth, and Ninth Expansions to the Canada Ojitos Unit Participating Area. Also included in the Project Area expansion under order PMX-40 was an area within the approved Participating Area (through ninth expansion) not previously included in the Project Area.

Benson-Montin-Greer Drilling Corp. hereby requests the NMOCC to expand the Canada Ojitos Unit Pressure Maintenance Project Area to include the area set out on the schedule attached.

Cordially yours,

BENSON-MONTIN-GREER DRILLING CORP.

BY


Virgil L. Stoabs
Vice-President

VLS:ja

Encl:

cc: New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

BENSON-MONTIN-GREER DRILLING CORP.

SCHEDULE
of
CANADA OJITOS UNIT LAND AREA
For
NEW MEXICO OIL CONSERVATION COMMISSION
REQUESTED EXPANSION OF
PRESSURE MAINTENANCE PROJECT AREA

TENTH EXPANSION OF
PARTICIPATING AREA:

Township 24N, Range 1W

Section 1: All

Section 2: All

Section 3: All

Section 4: All

Township 24N, Range 1E

Section 6: All

Township 25N, Range 1E

Section 5: All

Section 8: All

Section 17: All

Section 19: E $\frac{1}{2}$

Section 20: All

Section 29: W $\frac{1}{2}$

Section 30: E $\frac{1}{2}$

Section 31: E $\frac{1}{2}$

Township 26N, Range 1E

Section 19: All

Section 20: W $\frac{1}{2}$

Section 29: All

Section 30: All

Section 31: E $\frac{1}{2}$

Section 32: All

ELEVENTH EXPANSION OF
PARTICIPATING AREA:

Township 24N, R 1W

Section 9: All

Section 10: All

Section 11: All

Section 12: All

Section 13: All

Section 14: All

Section 15: All

Section 23: N $\frac{1}{2}$

Section 24: N $\frac{1}{2}$

Township 24N, Range 1E

Section 7: All

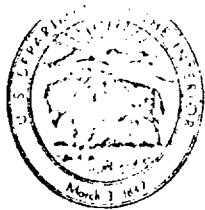
Section 8: W $\frac{1}{2}$

Section 17: W $\frac{1}{2}$

Section 18: All

Section 19: N $\frac{1}{2}$

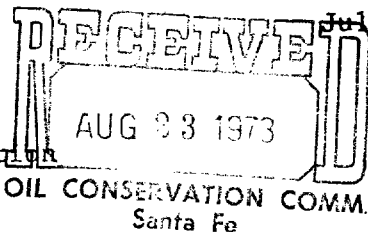
Section 20: NW $\frac{1}{4}$



United States Department of the Interior

GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201



Benson-Montin-Greer Drilling Corporation
Attention: Mr. Albert R. Greer
221 Petroleum Center Building
Farmington, New Mexico 87401

Gentlemen:

The tenth and eleventh revisions of the Niobrara-Greenhorn participating area for the Canada Ojitos unit agreement, Rio Arriba County, New Mexico, were approved on July 26, 1973, by the Acting Oil and Gas Supervisor, U. S. Geological Survey, effective as of August 1, 1971, and March 1, 1972, respectively.

The tenth revision adds 10,228.83 acres as described on pages 1 and 2 of the attached application, thereby enlarging the Niobrara-Greenhorn participating area to 33,893.53 surface acres. Such revision is based on the information obtained by the completion of three unit wells: Well G-1 in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 1, T. 24 N., R. 1 W., and well L-3 in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 3, T. 24 N., R. 1 W., were completed August 23, 1971, and August 13, 1971, respectively, and subsequently each determined to be capable of producing unitized substances in paying quantities and well C-5 in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ sec. 5, T. 25 N., R. 1 E., completed August 1, 1971, as a gas injection well in the gas cap portion of the reservoir.

The eleventh revision adds 7,505.81 acres, as described on page one of the attached application, thereby enlarging the Niobrara-Greenhorn participating area to 41,399.34 surface acres and is based on the information contributed by the completion of unit well A-14 in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 14, T. 24 N., R. 1 W., N.M.P.M. This well is to be used as a gas injection well after your March 15, 1972, completion determined that such portion of the reservoir was not capable of supporting commercially productive wells.

Copies of the approved applications are being distributed to the appropriate Federal offices and three copies of each application along with three copies of your engineering-geological report, surplus to our need, are returned herewith. You are requested to furnish all interested parties with appropriate evidence of such approval.

Formal action on your application for the twelfth revision of the Niobrara-Greenhorn participating area is deferred at this time pending receipt of

additional production information for unit well 0-9. It is also understood that you will make a formal application to this office requesting elimination of all lands not in a participating area following approval of the twelfth revision.

Sincerely yours,

A handwritten signature in cursive script, reading "Carl C. Traywick". The signature is written in dark ink and is positioned above the printed name and title.

CARL C. TRAYWICK
Acting Area Oil & Gas Supervisor

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE