

*NSP 775
issue Feb. 10, 1967
if no objection is received
this will be made retroactive
to Feb. 1. Notifying Joe
about Jan. 31. not to delay the accounting*

THE SUPERIOR OIL COMPANY

P. O. BOX 1900
MIDLAND, TEXAS 79704

January 9, 1967

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

Attention: Mr. Dan Nutter

Re: Application for NON-Standard
Proration Unit -
The Superior Oil Company
Mounsey No. 1
660' FSL & 1980' FWL
Section 24, T-9-S, R-34-E
Lea County, New Mexico
Jenkins (Cisco) Field

Gentlemen:

The Superior Oil Company is requesting a Non-Standard Proration Unit of 120 acres be assigned to the subject well. Attached are: Forms C-102, and a plat showing the offset operators.

The following offset operators are being sent a copy of this application by registered mail:

Amerada Petroleum Corporation
P. O. Box 312
Midland, Texas 79701

Delaware-Apache Corporation
1720 Wilco Building
Midland, Texas 79701

Skelly Oil Company
P. O. Box 1650
Tulsa, Oklahoma 74102

Yours very truly,

THE SUPERIOR OIL COMPANY

Herman High

Herman High
Petroleum Engineer

HH/js

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

Form C-102
Supersedes C-128
Effective 1-1-65

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

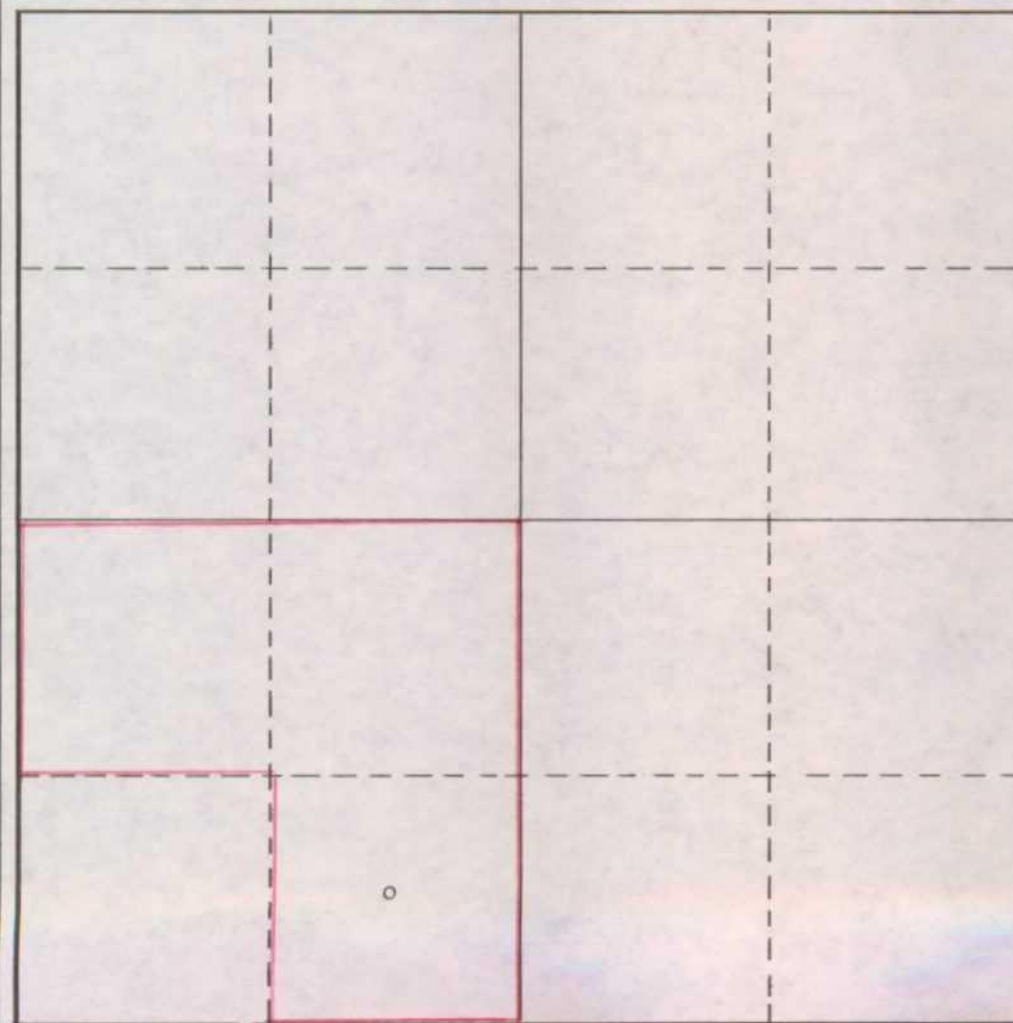
Operator The Superior Oil Company			Lease N. Mounsey		Well No. 1
Unit Letter N	Section 24	Township 9-S	Range 34-E	County Lea	
Actual Footage Location of Well: 660 feet from the South line and 1980 feet from the West line					
Ground Level Elev: 4188	Producing Formation Bough "C"	Pool Jenkins (Cisco)		Dedicated Acreage: 120 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.

O. V. Sivage

Name
O. V. Sivage

Position
Production Engineer

Company
The Superior Oil Company

Date
August 30, 1966

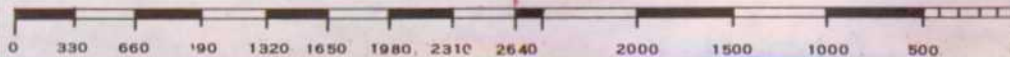
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
August 24, 1965

Registered Professional Engineer and/or Land Surveyor

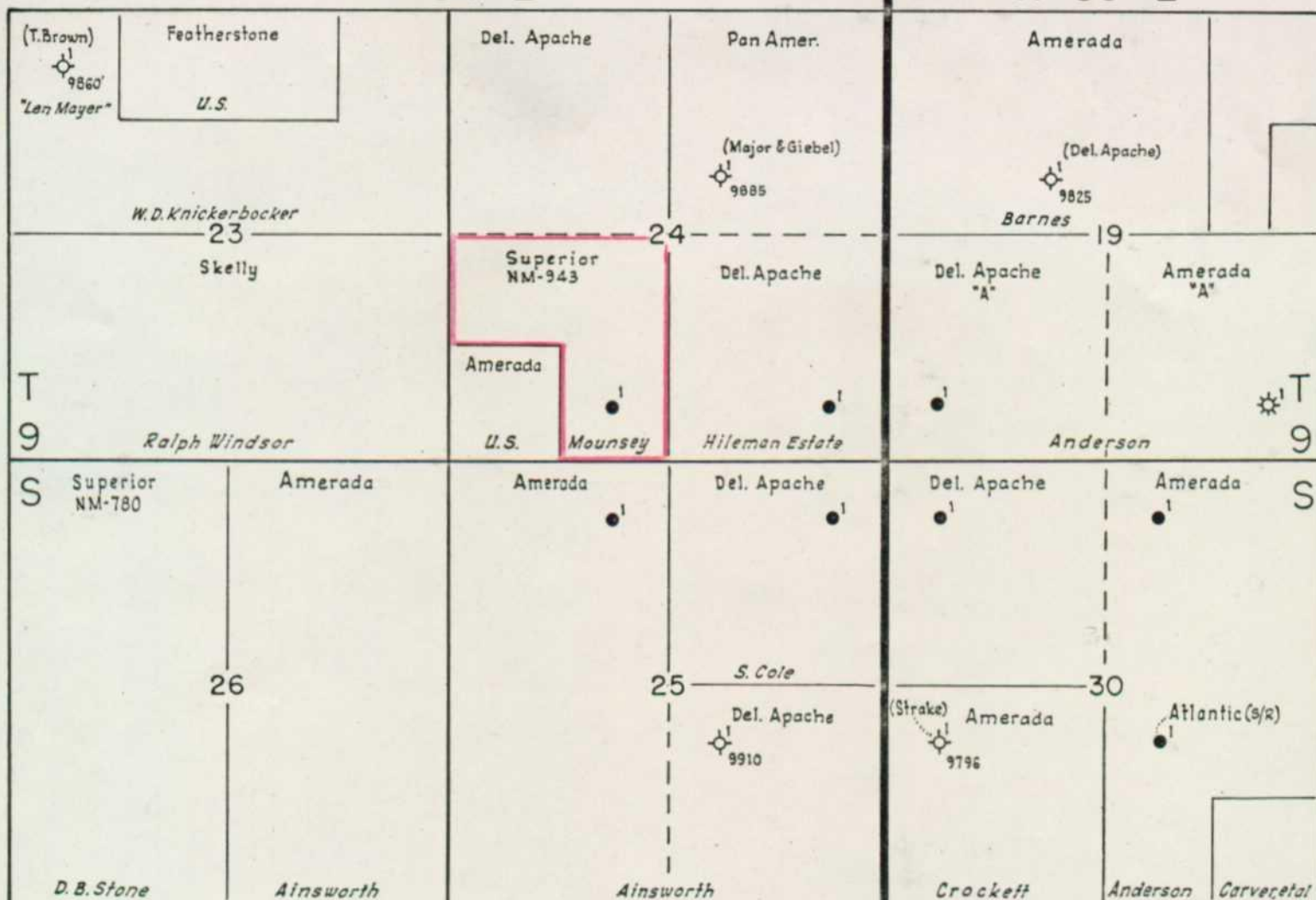
Earl K. Montieth

Certificate No.
1317 LS



R-34-E

R-35-E



THE SUPERIOR OIL COMPANY

ENGINEERING
MIDLAND

JENKINS CISCO FIELD
Lea County, New Mexico

SCALE: 1" = 2000'

(JENKINS-CISCO POOL - Cont'd.)

before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 19th day of August, 1966, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-2931, dated June 15, 1965, temporary Special Rules and Regulations were promulgated for the Jenkins-Cisco Pool, Lea County, New Mexico, with the provision that said temporary rules be reconsidered at a hearing to be held in July, 1966.

(3) That the applicant, Amerada Petroleum Corporation, seeks amendment of the Special Rules and Regulations promulgated by Order No. R-2931 to provide for 160-acre oil proration units, and the establishment of a 160-acre proportional factor of 6.77 for allowable purposes.

(4) That the evidence establishes that one well in the Jenkins-Cisco Pool can efficiently and economically drain and develop 160 acres.

(5) That the applicant has not presented sufficient evidence concerning the reservoir characteristics of the Jenkins-Cisco Pool to enable the Commission to determine that a 160-acre proportional factor of 6.77 for allowable purposes will not cause reservoir damage.

(6) That the Special Rules and Regulations promulgated by Order No. R-2931, as amended by this order, will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

(7) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2931, as amended by this order, should be continued in full force and effect until further order of the Commission.

(8) That this case should be reopened at an examiner hearing in February, 1967, at which time the operators in the subject pool may appear and show cause why the 160-acre proportional factor of 4.77 assigned to the Jenkins-Cisco Pool should not be retained.

(9) That the applicant, Amerada Petroleum Corporation, also seeks extension of the horizontal limits of the subject pool to include the following additional area in Lea County, New Mexico:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 19: N/2 SW/4

(10) That the horizontal limits of the Jenkins-Cisco Pool should be extended to include the lands described in Finding No. (9) above.

IT IS THEREFORE ORDERED:

(1) That the horizontal limits of the Jenkins-Cisco Pool in Lea County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 19: N/2 SW/4

(2) That the Special Rules and Regulations governing the Jenkins-Cisco Pool, promulgated by Order No. R-2931, are hereby amended to read in their entirety as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
JENKINS-CISCO POOL

RULE 1. Each well completed or recompleted in the Jenkins-Cisco Pool or in the Cisco formation within one mile thereof, and not nearer to or within the limits of another designated Cisco oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 160 acres, more or less, substantially in the form of a square, which is a quarter section being a legal subdivision of the United States Public Land Surveys.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit consisting of less than 160 acres or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located no nearer than 660 feet to the outer boundary of the proration unit boundary and no nearer than 330 feet to any governmental quarter-quarter section line.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (158 through 162 acres) shall be assigned a proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on a 160-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 160 acres.