

² [¶]STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

January 17, 1996

Conoco, Inc. 10 Desta Drive - Suite 100W Midland, Texas 79705-4500

Attention: Jerry W. Hoover

Administrative Order NSP-1749

Dear Mr. Hoover:

Reference is made to your application dated December 12, 1995 for a non-standard 40-acre oil spacing and proration unit consisting of the following acreage in the Monument-Tubb Pool:

LEA COUNTY, NEW MEXICO <u>TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM</u> Section 12: NW/4 NE/4

It is my understanding that this unit is to be dedicated to your existing Skaggs "B" Com Well No. 7 (API No. 30-025-28570), located at a standard oil well location for the Monument-Tubb Pool 990 feet from the North line and 1980 feet from the East line (Unit B) of said Section 12.

By authority granted me under the provisions of **Rule 3** of the "Special Rules and Regulations for the Monument-Tubb Pool", as promulgated by Division Order No. R-2800, as amended by Division Order No. 10128, the above-described non-standard oil spacing and proration unit is hereby approved.

Sincerely. William J. LeMa Director WJL/MES/kv

- WJL/MES/KV
- cc: Oil Conservation Division Hobbs U. S. Bureau of Land Management - Carlsbad

ONGARD CMD : 10/16/96 14:52:28 INQUIRE WELL COMPLETIONS OG6IWCM OGOMES -EMD9 API Well No : 30 25 27399 Eff Date : 03-14-1994 WC Status : A Pool Idn : 47090 MONUMENT; TUBB OGRID Idn : 22351 TEXACO EXPLORATION & PRODUCTION INC Prop Idn : 11130 C H WEIR A Well No : 013 GL Elevation: 99999 U/L Sec Township Range North/South East/West Prop/Act(P/A) ------B.H. Locn : G 12 20S 37E FTG 999 F S FTG 999 F E Ρ Lot Identifier: Dedicated Acre: Lease Type : P Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) : M0025: Enter PF keys to scroll

PF01 HELP PF02

PF08

PF07

PF03 EXITPF04 GoToPF05PF06PF09PF10 NEXT-WCPF11 HISTORYPF12 NXTREC

R. W. Byram & Co., - June, 1994

MONUMENT-TUBB POOL Lea County, New Mexico

Order No. R-2800, Adopting Operating Rules for the Monument-Tubb Pool, Lea County, New Mexico, December 1, 1964, as Amended by Order No. R-10128, June 3, 1994.

Application of Continental Oil Company for Special Pool Rules, Lea County, New Mexico.

> CASE NO. 3123 Order No. R-2800

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ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on October 13, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of November, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 the applicant, Continental Oil Company, seeks the promulgation of special rules and regulations for the Monument-Tubb Pool in Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, including a provision for 80-acre spacing units and a gas-oil ratio of 6000 to 1.

(3) That one well in the Monument-Tubb Pool can efficiently and economically drain and develop 80 acres.

(4) 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, special rules and regulations providing for 80-acre spacing units should be promulgated for the Monument-Tubb Pool.

(5) That a limiting gas-oil ratio of 6000 to 1 would be excessive for this pool and might result in waste.

(6) That the special rules and regulations should provide for a limiting gas-oil ratio of 4000 to 1 in order to allow each operator in the pool the opportunity to use his just and equitable share of the reservoir energy.

IT IS THEREFORE ORDERED:

That Special Rules and Regulations for the Monument-Tubb Pool are hereby promulgated as follows, effective December 1, 1964:

SPECIAL RULES AND REGULATIONS FOR THE MONUMENT-TUBB POOL

RULE 1. Each well completed or recompleted in the Monument-Tubb Pool or in the Tubb formation within one mile thereof, and not nearer to or within the limits of another designated Tubb 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 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

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 nonstandard unit comprising a governmental quarter-quarter section or lot. 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 330 feet to any governmental quarter-quarter section or lot 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 conditons. All operators offsetting the proposed unorthodox 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 offset operators or if no offset operator has entered an objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) shall be assigned an 80-acre proportional factor of 2.77 for allowable purposes, and in the event there is more than one well on an 80-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 80-acres.

RULE 7. (As Amended by Order No. R-10128, Effective June 3, 1994.) The limiting gas-oil ratio shall be 10,000 cubic feet of gas per barrel of oil produced.

IT IS FURTHER ORDERED:

(1) That any well presently drilling to or completed in the Monument-Tubb Pool or in the Tubb formation within one mile thereof that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of said rule. The operator shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before December 1, 1964.

(2) That each well presently drilling to or completed in the Monument-Tubb Pool or in the Tubb formation within one mile thereof shall receive a 40-acre allowable until a Form C-128 dedicating 80 acres to the well has been filed with the Commission.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.