

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF GILLESPIE-CROW, INC.  
FOR POOL EXPANSION AND CONTRACTION,  
POOL CREATION, AND SPECIAL POOL RULES, AUG 27 1996  
LEA COUNTY, NEW MEXICO

RECEIVED

No. 11599

Oil Conservation Division

AMENDED APPLICATION

Gillespie-Crow, Inc., for its amended application, states:

1. The West Lovington-Strawn Pool (originally designated the East Big Dog-Strawn Pool) was created by Division Order No. R-9722, and currently contains the following acreage:

Township 15 South, Range 35 East, N.M.P.M.

Section 32: SE $\frac{1}{4}$   
Section 33: NE $\frac{1}{4}$ , S $\frac{1}{2}$   
Section 34: S $\frac{1}{2}$

Township 16 South, Range 35 East, N.M.P.M.

Section 1: Lots 1-8  
Section 2: Lots 1-8

2. Division Order No. R-9722, as amended, promulgated special pool rules for the West Lovington-Strawn Pool, including 80 acre spacing, well location requirements, and a depth bracket allowable of 445 bopd.

3. Strawn oil reservoirs in Lea County typically consist of discrete "porosity pods," each of which is a separate pool. The designated and undesignated West Lovington-Strawn Pool contains at least two separate porosity pods.

4. Applicant is the operator of the West Lovington Strawn Unit ("WLSU"), approved by Division Order No. R-10449, which unitized the Strawn formation underlying the following lands:

**TOWNSHIP 15 SOUTH, RANGE 35 EAST, N.M.P.M.**

Section 33: All  
Section 34: W½

**TOWNSHIP 16 SOUTH, RANGE 35 EAST, N.M.P.M.**

Section 1: Lots 1 through 8

**TOWNSHIP 16 SOUTH, RANGE 36 EAST, N.M.P.M.**

Section 6: Lots 3 through 5

The Strawn formation underlying the unit and certain adjoining acreage is within one porosity pod, and should be designated as a pool separate from other acreage currently within the West Lovington-Strawn Pool.

5. Applicant requests that the current boundaries of the West Lovington-Strawn Pool be contracted and expanded so that the pool contains the following acreage:

**Township 15 South, Range 35 East, N.M.P.M.**

Section 27: S½S½  
Section 28: S½S½  
Section 29: S½SE¼  
Section 32: NE¼, N½SE¼  
Section 33: All  
Section 34: All

**Township 16 South, Range 35 East, N.M.P.M.**

Section 1: Lots 1-12

**Township 16 South, Range 36 East, N.M.P.M.**

Section 6: Lots 2-7, 11, and 12

Applicant further requests that Special Rules and Regulations 1 through 5 for the West Lovington-Strawn Pool remain in effect.

6. Applicant has instituted a natural gas injection pressure maintenance project for the WLSU, approved by Division Order No. R-

10448. Gas injection for the pressure maintenance project began in October 1995. The injected gas (a) is being confined to the Strawn reservoir and is not being recycled to producing wells, (b) is forming a gas cap within the reservoir, and (c) is maintaining reservoir pressure. However, production from wells within the West Lovington-Strawn Pool must be restricted to prevent reservoir damage.

7. As a result of the foregoing, and pursuant to Division Rules 505.D and 505.E, applicant requests the Division to amend Special Rule and Regulation 6 of the West Lovington-Strawn Pool to reduce the depth bracket allowable to 250 bopd for a standard proration unit. Applicant further requests that amended Rule 6 apply only to the acreage described in paragraph 5 above. **However,** as to any well located outside the WLSU, said amended Rule 6 shall terminate and revert to a depth bracket allowable of 445 bopd on the earlier of the following dates: (a) one year after a well's completion if applicant (or any successor unit operator) does not apply to the Division on or before that date for expansion of the WLSU to include the acreage in the well unit; or (b) the date the well's operator proves to the Division that such well is not completed in the same reservoir (porosity pod) as wells in the WLSU.

8. The acreage described below is within a porosity pod separate from the acreage described in paragraph 5, and should be deleted from the West Lovington-Strawn Pool:

Township 15 South, Range 35 East, N.M.P.M.

Section 32: S $\frac{1}{2}$ SE $\frac{1}{4}$

Township 16 South, Range 35 East, N.M.P.M.

Section 2: Lots 3-6

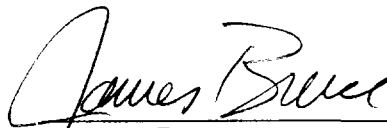
Applicant requests that a new pool be created, designated the South Big Dog-Strawn Pool, and that the above-described acreage be dedicated to the new pool. Applicant further requests that Special Rules and Regulations 1 through 6 currently in effect for the West Lovington-Strawn Pool, including 80 acre spacing and a depth bracket allowable of 445 bopd, remain in effect for the new pool.

9. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the relief requested above be granted.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD  
& HENSLEY, L.L.P.



James Bruce  
P. O. Box 2068  
Santa Fe, New Mexico 87504-2068  
(505) 982-4554

Attorneys for Gillespie-Crow, Inc.

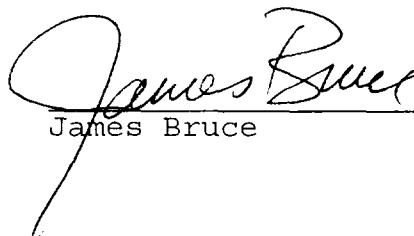
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Amended Application was mailed to each of the following persons this 27<sup>th</sup> day of August, 1996:

William F. Carr  
Campbell, Carr, Berge & Sheridan, P.A.  
P. O. Box 2208  
Santa Fe, New Mexico 87504

J. Scott Hall  
Miller, Stratvert, Torgerson & Schlenker  
P. O. Box 1986  
Santa Fe, New Mexico 87504

W. Thomas Kellahin  
Kellahin & Kellahin  
P. O. Box 2265  
Santa Fe, New Mexico 87504

  
James Bruce