



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

February 8, 1985

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Attorneys at Law
Seventh and Mahone, Suite E
Artesia, New Mexico

Re: CASE NO. 8454
ORDER NO. R-7817

Applicant:

TXO Production Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Sincerely,

R. L. STAMETS
Director

RLS/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD _____

Other Thomas Kellahin

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case File
#8454

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5682
Order No. R-5229

APPLICATION OF CHAMPLIN PETROLEUM
COMPANY FOR THREE NON-STANDARD GAS
PRORATION UNITS, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 12, 1976,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of July, 1976, 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, Champlin Petroleum Company, seeks
approval of the following three 160-acre non-standard gas
proration units in Township 22 South, Range 27 East, NMPM,
East Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico:

the NW/4 of Section 1 to be dedicated to applicant's
Pecos-Federal Well No. 1, located in Unit C of said
Section 1;

the NE/4 of Section 1 to be dedicated to applicant's
Wilson Gas Com Well No. 1, located in Unit G of said
Section 1; and

the NE/4 of Section 2 to be dedicated to applicant's
Nix-Yates Well No. 1, located in Unit G of said
Section 2.

(3) That each of the aforesaid three wells was completed
in the Wolfcamp formation pursuant to the statewide rules in
effect at the time and therefore had dedicated to it 160 acres,
being the lands presently sought as a non-standard unit for
the well.

(4) That subsequent to the completion of the aforesaid three wells, the general rules for Southeast New Mexico were amended to provide for 320-acre units for Wolfcamp gas wells, and 320-acre spacing was approved for the East Carlsbad-Wolfcamp Gas Pool within which said wells are located.

(5) That the applicant seeks to continue to dedicate only the 160 acres which was originally dedicated to each of the subject wells.

(6) That each of the subject wells is capable of but a low rate of production, and has probably very limited reserves in the Wolfcamp formation available to it.

(7) That the three non-standard proration units may reasonably be presumed productive of gas from the East Carlsbad-Wolfcamp Gas Pool.

(8) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the East Carlsbad-Wolfcamp Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the following three 160-acre non-standard gas proration units in the East Carlsbad-Wolfcamp Gas Pool in Township 22 South, Range 27 East, NMPM, Eddy County, New Mexico, are hereby established:

the NW/4 of Section 1 to be dedicated to applicant's Pecos-Federal Well No. 1, located in Unit C of said Section 1;

the NE/4 of Section 1 to be dedicated to applicant's Wilson Gas Com Well No. 1, located in Unit G of said Section 1; and

the NE/4 of Section 2 to be dedicated to applicant's Nix-Yates Well No. 1, located in Unit G of said Section 2.

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

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Case No. 5682
Order No. R-5229

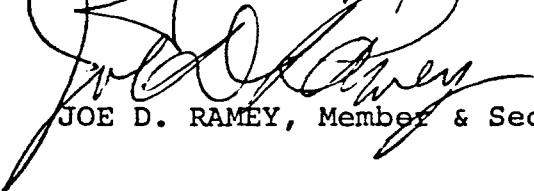
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L