



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

June 13, 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

D. D. Jordan
Ike Lovelady, Inc.
P. O. Drawer 2666
Midland, Texas 79702

Re: CASE NO. 8533
ORDER NO. R-7938

Applicant:

Ike Lovelady, Inc.

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 _____



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE
March 5, 1985

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

Ike Loveady, Inc.
P. O. Drawer 2666
Midland, Texas 79702

Re: Hardship Gas Well Application
Sam H. Snoddy Federal Well No. 1
Unit-A, Section 26, T-20-S, R-32-E
South Salt Lake Morrow Gas Pool

Case 8533

*was set for the 27th
hearing*

Gentlemen:

While you have presented evidence of crossflow in the wellbore of the Sam H. Snoddy Federal No. 1, I am not sure you have presented evidence for a hardship case.

The OCD considers the Morrow formation as one pool, but almost everyone who works with the Morrow considers each zone a separate reservoir which will deplete at different rates and crossflow would occur if the well is shut in. For this reason, at least one operator in Lea County completes wells by zones not formations, which is an option for the operator.

Because underground waste may be occurring, I am approving a hardship well classification for 45 days and am recommending that you set this case for hearing during this time period.

Yours very truly,

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District 1

JS/mc
cc-☒ Mr. R. L. Stamets, Director
OCD, Santa Fe, New Mexico

Gas Company of N.M.
Albuquerque, New Mexico