



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 11, 1994

Sealy H. Cavin, Jr.
Stratton & Cavin
Attorneys at Law
P. O. Box 1216
Albuquerque, New Mexico 87103-1216

RE: CASE NO. 10935
ORDER NO. R-10096

Dear Sir:

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

Sincerely,

Sally E. Martinez
Sally E. Martinez
Administrative Secretary

cc: BLM Carlsbad Office
Donna McDonald

STRATTON & CAVIN, P.A.

ATTORNEYS & COUNSELORS AT LAW

HAROLD D. STRATTON, JR.
SEALY H. CAVIN, JR.
WILLIAM "BO" FRAZIER

320 GOLD AVENUE, S.W.

SUITE 1200

P. O. BOX 1216

ALBUQUERQUE, NEW MEXICO 87103-1216

TELEPHONE (505) 243-5400
FACSIMILE (505) 243-1700

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES - OIL AND GAS LAW

February 24, 1994

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Addressees listed at Exhibit A hereto.

**Re: Application of Strata Production Company for Special Pool Rules, Eddy County,
New Mexico**

Case 10935

Gentlemen:

This letter is to advise you that Strata Production Company has filed the enclosed Application with the New Mexico Oil Conservation Division seeking Special Pool Rules, including a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil produced, for the Nash Draw Brushy Canyon Delaware Pool. The Nash Draw Brushy Canyon Delaware Pool was last extended by the New Mexico Oil Conservation Division Order No. 10042, dated January 1, 1994, and now includes the following described acreage:

Township 23 South, Range 29 East, N.M.P.M.:

Section 12: S/2

Section 13: E/2

Township 23 South, Range 30 East, N.M.P.M.:

Section 18: NW/4

Our records indicate that you are an operator, or a lease owner, in certain lands located within one (1) mile of the above-described pool boundary.

The Application has been set for hearing before a division examiner on March 17, 1994. The Application was filed with the New Mexico Oil Conservation Division on February 22, 1994 and notice of the case by publication was properly made. We are enclosing for your information a copy of the Application.

Very truly yours,

Sealy H. Cavin, Jr.
Sealy H. Cavin, Jr.

SHC/skc

Enclosures

cc: William J. LeMay, Oil Conservation Division (w/o encl.)
Kim Allison, Landman, Strata Production Company (w/encl.)

EXHIBIT A

- 1) Exxon Company
P.O. Box 1600
Midland, Texas 79702
- 2) Texaco Exploration & Production, Inc.
P.O. Box 3109
Midland, Texas 79702
- 3) Hanagan Petroleum Corporation
P.O. Box 1737
Roswell, New Mexico 88202-1737
- 4) Rich E. Bass
201 N. Main Street, Suite 3100
Fort Worth, Texas 76102
- 5) Richardson Oils
201 N. Main Street, Suite 3100
Fort Worth, Texas 76102
- 6) P. R. Bass
201 N. Main Street, Suite 3100
Fort Worth, Texas 76102
- 7) R. G. Barton
P.O. Box 978
Hobbs, New Mexico 88240
- 8) Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
STRATA PRODUCTION COMPANY FOR
SPECIAL POOL RULES, FOR THE NASH
DRAW BRUSHY CANYON DELAWARE
POOL, EDDY COUNTY, NEW MEXICO.

CASE NO. 10935

APPLICATION

COMES NOW STRATA PRODUCTION COMPANY ("Applicant"), through its undersigned attorneys, makes application to the Oil Conservation Division for promulgation of Special Pool Rules and Regulations for the Nash Draw Brushy Canyon Delaware Pool, including a gas oil ratio of 10,000 cubic feet of gas per barrel of oil produced and in support thereof states:

1. Applicant is the operator of all wells in the Nash Draw Brushy Canyon Delaware Pool.

2. The Nash Draw Brushy Canyon Delaware Pool was created by Oil Conservation Division Order No. 10042, dated January 1, 1994, and now includes the following described acreage:

Township 23 South, Range 29 East, N.M.P.M.:

Section 12: S/2

Section 13: E/2

Township 23 South, Range 30 East, N.M.P.M.:

Section 18: NW/4

3. The wells in the pool are produced under statewide rules that limit production to 142 barrels of oil per day and a gas oil ratio of 2,000 cubic feet of gas per barrel of oil produced.


4. The Applicant seeks the promulgation of special pool rules and regulations for this pool which will increase the limiting gas oil ratio to 10,000 cubic feet of gas per barrel of oil produced.

5. Approval of this Application will result in the production of hydrocarbons which otherwise will not be produced, will protect the correlative rights that will be in the best interest of conversation.

WHEREFORE, Strata Production Company requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on March 17, 1994 and that, after notice and hearing as required by law and the rules of the Division, the Division enter its Order promulgating Special Pool Rules and Regulations for the Nash Draw Brushy Canyon Delaware Pool including provisions for special Gas/Oil Ratio of 10,000 cubic feet of gas per barrel of oil produced.

RESPECTFULLY SUBMITTED,

STRATTON & CAVIN, P.A.

By: 

Sealy H. Cavin, Jr.

Attorneys for Strata Production Company
Post Office Box 1216
Albuquerque, New Mexico 87103
Telephone: (505) 243-5400