Entered January 14, 1781

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 7056 Order No. R-6553

APPLICATION OF GETTY OIL COMPANY FOR THE EXTENSION OF VERTICAL LIMITS OF THE JALMAT POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 10, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>14th</u> day of January, 1981, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Getty Oil Company, seeks the contraction of the vertical limits of the Langlie-Mattix Pool and the downward extension of the vertical limits of the Jalmat Pool to a depth of 3,740 feet, subsurface, under the NW/4 SW/4 of Section 3, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, said tract being the location of applicant's Eugene Coates Well No. 7.

(3) That the vertical limits of the Jalmat Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(4) That the vertical limits of the Langlie-Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation. -2-Case No. 7056 Order No. R-6553

(5) That there has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100foot marker separating the Jalmat and Langlie-Mattix Pools.

(6) That as a result of this disparity, the subject well and certain other wells in the general area which are classified as Jalmat wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Langlie-Mattix Pool.

(7) That such crossing over from one pool into the other in this case appears to be an unintentional error.

(8) That to rectify the aforesaid error would require workover operations on the subject well which would be expensive and might endanger the productivity of the subject well, and would actually serve no beneficial purpose, inasmuch as the production and reservoir characteristics of the perforations immediately above and below the 100-foot marker are quite similar.

(9) That a reasonable solution to the problem is to contract the vertical limits of the Langlie-Mattix Pool and to adjust the vertical limits of the Jalmat Pool downward to a depth of 3,740 feet to accomodate the present perforations in the Lower Seven Rivers formation in the subject well which are actually within the present Langlie-Mattix Pool.

(10) That such adjustment will prevent waste and should not impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

(1) That the uppermost vertical limit of the Langlie-Mattix Pool underlying the NW/4 SW/4 of Section 3, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby contracted to a depth of 3,740 feet, subsurface, and the lowermost limit of the Jalmat Pool underlying said tract is hereby extended downward to the same subsurface depth, 3,740 feet.

(2) That the effective date of the aforesaid revision of the vertical limits of said pools shall be the date the Getty Oil Company Eugene Coates Well No. 7 was completed at a depth below the former top of the Langlie-Mattix Pool. -3-Case No. 7056 Order No. R-6553

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

hu JOE D. RAMEY-Director

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