Entered march 6, 1881

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. 7149 Order No. R-6618

APPLICATION OF JOHN H. HENDRIX CORPORATION FOR EXTENSION OF VERTICAL LIMITS OF THE LANGLIE-MATTIX POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 25, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of March, 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, John H. Hendrix Corporation, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie-Mattix Pool to a depth of 3362 feet, subsurface, underlying the SW/4 SE/4 of Section 19, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.
- (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 \circ

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- (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 100-foot marker separating the Jalmat and Langlie-Mattix Pools.
- (6) That as a result of this disparity, applicant's Steeler Well No. 1 and certain other wells in the general area which are classified as Langlie-Mattix wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat 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 adjust the vertical limits of the Langlie-Mattix Pool upward under the above-described tract in order to accommodate the present perforations in the lower Seven Rivers formation in the subject well which are actually within the present Jalmat vertical limits.
- (10) That such adjustment will prevent waste and should not impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

- (1) That the lowermost vertical limits of the Jalmat Pool underlying the SW/4 SE/4 of Section 19, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, are hereby contracted to a subsurface depth of 3362 feet, and the uppermost limits of the Langlie-Mattix Pool underlying said tract are hereby extended upward to the same subsurface depth.
- (2) That the effective date of the aforesaid revision of the vertical limits of said pool shall be the date the John H. Hendrix Steeler Well No. 1 was perforated at 3362 feet.

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(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 OLL CONSERVATION DIVISION

JOE D. RAMEY, Director

SEAL