

MERIDIAN OIL

OIL CONSERVATION DIVISION
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October 3, 1991

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87504

Attn: Mr. Michael E. Stogner
Chief Hearing Examiner/Engineer

RE: Request administrative approval for a
40-acre non-standard gas proration unit
Rhodes GSU Well No. 28
Rhodes Yates-Seven Rivers Pool
SE/4 SW/4 Sec. 8, T-26-S, R-37-E
Lea County, New Mexico

Dear Mr. Stogner:

In reply to your letter of September 16, 1991, copy attached,
we are seeking administrative approval for a 40-acre non-
standard gas proration unit on the captioned well.

Meridian is the only offset operator surrounding this proration
unit. Enclosed is a revised C-102 re-assigning proration
unit to 40 acres.

Should you require additional information, please contact me
at A/C 915-688-6906.

Sincerely,



Maria L. Perez
Production Asst.

CC: Well File
D. McBee
Drilling Dept
OCD-Hobbs
BLM-Carlsbad
Hobbs Field Office
Maria Perez

Joint Interest
Resv. Engr.
Prod. Engr.
Geologist
Land Dept. (2)
Ralph Stanley-Houston Corp. Office
Reading File

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

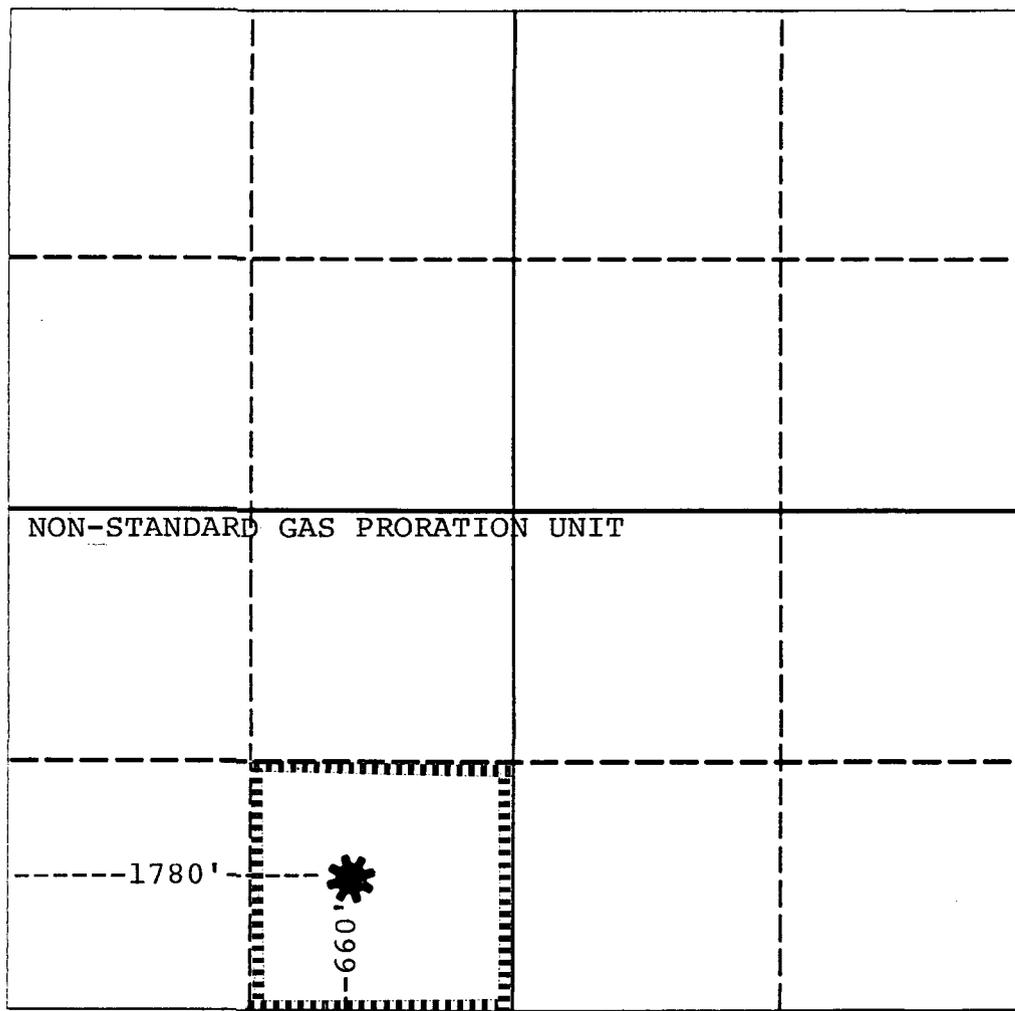
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator MERIDIAN OIL INC.		Lease RHODES GSU		Well No. 28
Unit Letter N	Section 8	Township 26 SOUTH	Range 37 EAST	County LEA
Actual Footage Location of Well: 1780 feet from the WEST line and 660 feet from the SOUTH line				
Ground level Elev. 2974.3'	Producing Formation YATES-SEVEN RIVERS	Pool RHODES YATES-SEVEN RIVERS	Dedicated Acreage: 40 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Maria L. Perez

Printed Name
Maria L. Perez

Position
Production Asst.

Company
Meridian Oil Inc.

Date
8-7-91

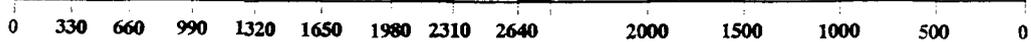
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.





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

BRUCE KING
GOVERNOR

September 16, 1991

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

Meridian Oil, Inc.
P.O. Box 51810
Midland, Texas 79710-1810

Attn: Maria L. Perez

*RE: Rhodes (GSU) Well No. 28, 660' FSL - 1780' FWL (Unit N)
8-T26S-R-37E, Rhodes Yates - Seven Rivers Gas Pool,
Lea County, New Mexico*

Dear Ms. Perez:

After reviewing the subject application dated August 7, 1991, I found several factors existing in said Section 8 which does not allow me to issue authorization at this time. Please refer to the attached plat of Section 8 which illustrates the following:

1. The Rhodes Yates - Seven Rivers Pool, an oil pool developed on 40-acre spacing, comprises the N/2 SW/4, SW/4 SW/4, and NW/4 SE/4 of said Section 8;
2. the Rhodes Yates - Seven Rivers Gas Pool, developed on 160-acre spacing, comprises the NE/4, SE/4 SW/4, NE/4 SE/4 and S/2 SE/4 of said Section 8;
3. there currently exists a standard 160-acre gas spacing and proration unit within the NE/4 of said Section 8 dedicated to Meridian's Rhodes GSU Well Nos. 2 and 22 located in Units A and G, respectively;
4. a 120-acre non-standard gas sharing and proration unit comprising the NE/4 SE/4 and S/2 SE/4 of said Section 8 is currently dedicated to your Rhodes GSU Well No. 23 (NSP-1292);
5. there is presently a 40-acre oil spacing unit comprising the NW/4 SE/4 (Unit J) of said Section 8 dedicated to Armstrong Energy Corporation's H.G. Moberly "A" Federal Well No. 1; and

6. any larger spacing unit than 40-acres for your proposed Rhodes GSU Well No. 28 would sever the Rhodes Oil Pool from the Armstrong well.

Therefore, I cannot address this application at this time. Should you wish to amend your application and seek a 40-acre non-standard Rhodes Yates - Seven Rivers Gas spacing unit for the SE/4 SW/4 of said Section 8, such request could be granted administratively.

Please contact either myself or the Hobbs District Office of the Division should you have any additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

MICHAEL E. STOGNER
Chief Hearing Examiner/Engineer

MES/jc

cc: OCD - Hobbs
USBLM - Carlsbad

