

OIL CONSERVATION DIVISION
P. O. Box 2088
SANTA FE, NEW MEXICO
87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER
NFL 22

INFILL DRILLING FINDINGS PURSUANT TO
SECTION 271.305(b) OF THE FEDERAL ENERGY REGULATORY
COMMISSION REGULATIONS, NATURAL GAS POLICY ACT OF 1978
AND OIL CONSERVATION DIVISION ORDER NO. R-6013-A

I.
Operator Kerr-McGee Corporation Well Name and No. State F Well No. 14
Location: Unit C Sec. 2 Twp. 8S Rng. 33E Cty. Chaves

II.
THE DIVISION FINDS:

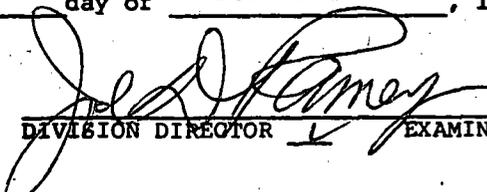
- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find that the infill well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit.
- (2) That by Order No. R-6013-A, dated February 8, 1980, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is completed in the Chaveroo-San Andres Pool, and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the NE/4 NW/4 of Sec. 2, Twp. 8 South, Rng. 33 East, is currently dedicated to the State F Well No. 2 located in Unit C of said section.
- (5) That this proration unit is () standard () nonstandard; if nonstandard, said unit was previously approved by Order No. _____.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 19.35 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013-A have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.

(2) 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 this 31st day of December, 19 80.


DIVISION DIRECTOR EXAMINER

OIL CONSERVATION DIVISION
P. O. Box 2088
SANTA FE, NEW MEXICO
87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

NFL 22

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COMMISSION REGULATIONS, NATURAL GAS POLICY ACT OF 1978
AND OIL CONSERVATION DIVISION ORDER NO. R-6013-A

I.
Operator Kerr-McGee Corporation Well Name and No. State F Well No 14
Location: Unit C Sec. 2 Twp. 8S Rng. 33E Cty. Chaves

II.

THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find that the infill well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit.
- (2) That by Order No. R-6013-A, dated February 8, 1980, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the Chaveroo-Son Andres Pool; and the standard spacing unit in said pool is 40 acres.
- (4) That a 40-acre proration unit comprising the NE1/4 NW1/4 of Sec. 2, Twp. 8 S, Rng. 33E, is currently dedicated to the State F Well No 2 located in Unit C of said section.
- (5) That this proration unit is () standard () nonstandard; if nonstandard, said unit was previously approved by Order No. _____.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 19.35 MMCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013-A have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved.

IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) 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 this 31st day of Dec, 19 80.

DIVISION DIRECTOR _____ EXAMINER _____



KERR-McGEE CORPORATION
KERR-McGEE CENTER • OKLAHOMA CITY, OKLAHOMA 73125

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DEC 22 1980
OIL CONSERVATION DIVISION
SANTA FE

OIL AND GAS DIVISION

December 17, 1980

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501
Attn: Mr. R.L. Stamets, Technical Support Chief

SUPPLEMENTAL INFORMATION
APPLICATION FOR INFILL WELL DETERMINATION
STATE F WELL NO. 14
CHAVEROO (SAN ANDRES) POOL
CHAVES COUNTY, NEW MEXICO

Dear Mr. Stamets:

The following information as to expected gas production from the above well is submitted in response to your letter dated December 11, 1980.

The State F Well No. 14 was completed at a producing rate of 20 BOPD and 9 MCFD, for a gas-oil ratio of 450/1. Prior information submitted to you estimates the No. 14 well will produce 43,000 barrels of oil. If one assumes a constant GOR, this we result in a recovery of 19.35 MMCF of gas. This is a conservative estimate, as the GOR for this type of well will usually increase over its life of production. As stated in our previous submittals, this gas can not be produced by any other well in the field.

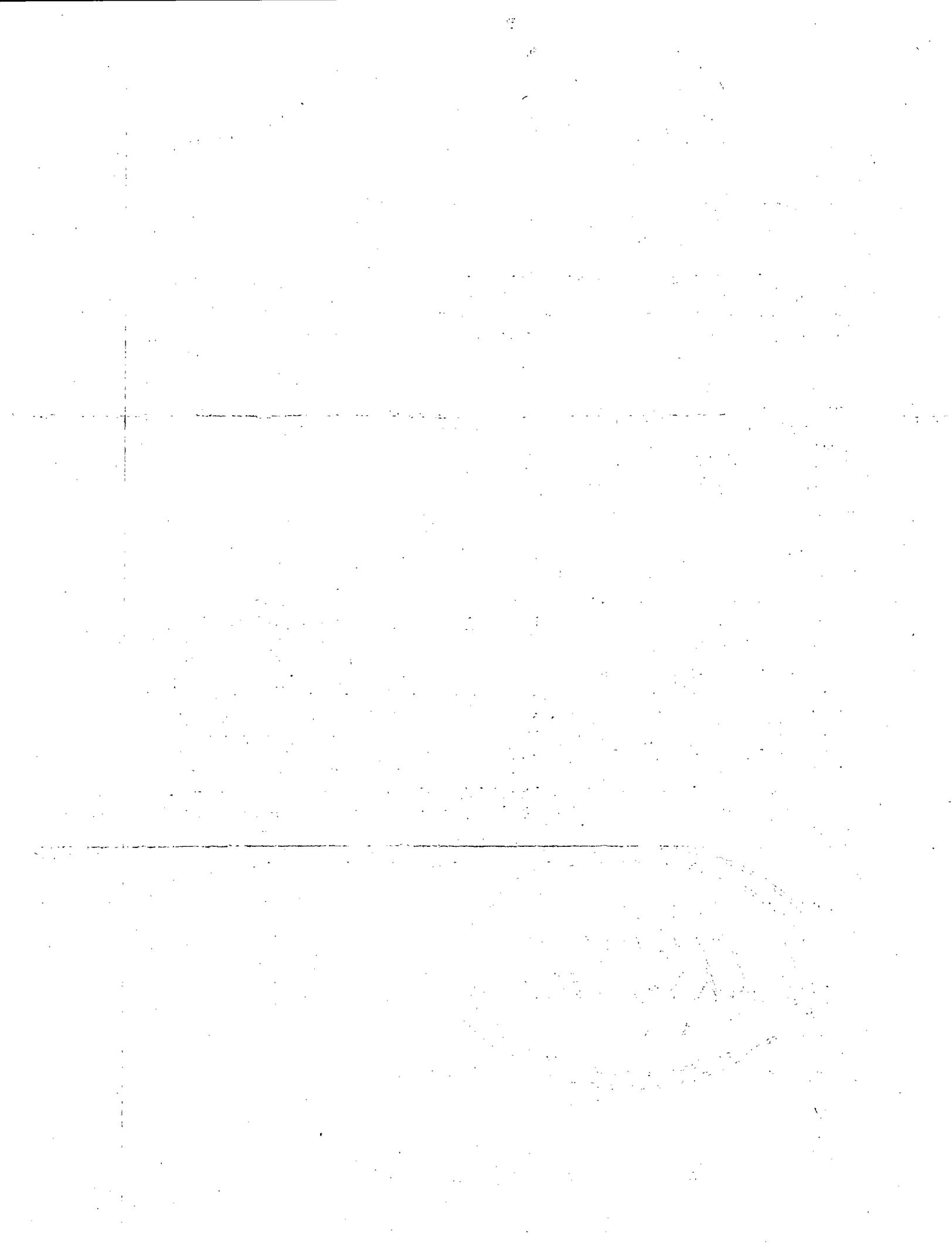
Please contact me if additional information is required.

Very truly yours,

KERR-McGEE CORPORATION

David Christian
David Christian
P.O. Box 25861, MT 25-G
Oklahoma City, OK 73125
Tel: (405) 270-2129

DC/tt





KERR-McGEE CORPORATION

KERR-McGEE CENTER • OKLAHOMA CITY, OKLAHOMA 73125

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OIL CONSERVATION DIVISION
SANTA FE

November 5, 1980

OIL AND GAS DIVISION

New Mexico Energy & Minerals Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501
Attn: Division Director

INFILL WELL DETERMINATION
NATURAL GAS POLICY ACT OF 1978
STATE F WELL NO. 14
CHAVEROO (SAN ANDRES) FIELD
CHAVES COUNTY, NEW MEXICO

Dear Sir:

Pursuant to Order No. R-6013-A, Kerr-McGee Corporation respectfully requests the Oil Conservation Division to issue an administrative determination that the above referenced well is necessary to "effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit".

The State F Well No. 14 is completed in the Chaveroo (San Andres) Field, at a location 1310' FNL, 1330' FWL of Section 2, T8S-R33E, Chaves County, New Mexico. This well is in the same proration unit as the State F No. 2. Please refer to the attached table for the well information on both wells, and the attached Forms C-101 and C-102.

In support of our application, we enclose a copy of Order No. R-6379, and the exhibits presented at that case. The evidence in this case shows that the State F No. 2 will only recover an estimated 10% of the oil underlying its proration unit. Therefore the No. 14 well is needed to effectively and efficiently drain the oil and gas underlying the proration unit which cannot be drained by the State F Well No. 2.

Copies of this application have been sent this date by certified mail to all offset owners. If additional information is required, please contact me at the address below, or by phone (405) 270-2129.

Very truly yours,

KERR-McGEE CORPORATION

David Christian

David Christian,
Senior Conservation & Unitization Asst.
P.O. Box 25861, ME-25-G
Oklahoma City, Oklahoma 73125

Attachments

cc: Offset Owners
(List Attached)

STATE F.WELL NO. 14
CHAVEROO FIELD
CHAVES COUNTY, NEW MEXICO

Champlin Petroleum Company
300 Wilco Building
Midland, Texas 79701

Getty Oil Company
P. O. Box 1231
Midland, Texas 79702

Marathon Oil Company
P.O. Box 552
Midland, Texas 79701

Sun Production Company
P. O. Box 1861
Midland, Texas 79702

Braden-Deen
200 E. 1st Street
Suite 520
Wichita, Kansas 67202

CHAUEROO (SAN ANDRES) FIELD
UNIT C, SECTION 2, T8S-R33E
CHAVES COUNTY, NEW MEXICO

Well Name	Location	Spud Date	Completion Date	Current Production	Predicted Percent of Ultimate Recovery
State F No. 2	660' FNL, 1980' FWL	5-31-66	6-14-66	5 BOPD	10%
State F No. 14	1310' FNL, 1330' FWL	8-17-80	10-03-80	15 BOPD 8.86 MCFD	Too early in the life of the well to determine.

NR
30-005-20740

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NEW MEXICO OIL CONSERVATION COMMISSION

Form S-101
Revised 11-85

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LAND OFFICE	
OPERATOR	

4. Indicate Type of Lease
STATE FEE
5. State Oil & Gas Lease No.
OG 1062

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
b. Type of Well DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
Kerr-McGee Corporation

3. Address of Operator
P. O. Box 250, Amarillo, Texas 79189

4. Location of Well
UNIT LETTER C LOCATED 1330' FEET FROM THE West LINE
AND 1310 FEET FROM THE North LINE OF SEC. 2 TWP. 8S RGE. 33E NMPM

7. Unit Agreement Name
8. Farm or Lease Name
State "F"
9. Well No.
14
10. Field and Pool, or Wildcat
Chaveroo
12. County
Chaves

19. Proposed Depth
4500
19A. Formation
San Andres
20. Rotary or C.T.
Rotary

21. Elevations (Show whether DF, RT, etc.)
4366.1 G.L.
21A. Kind & Status Plug. Bond
Blanket on file
21B. Drilling Contractor
Verna Drilling
22. Approx. Date Work will start
July 15, 1980

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/2	8 5/8	24	400	400	Circ to Surface
7 7/8	4 1/2	10.5	4500	250	3700 ft.

Drill 12 1/2" hole with rotary to 400'. Set 8 5/8" OD 24# casing and cement to surface. Then drill 7 7/8" hole to 4500', run logs, and set 4 1/2" OD 10.5# casing and cement with 200 sacks of cement. Run cement bond log and complete in the San Andres. Will install 8" Shaffer, Type 45 BOP's with pipe rams in top and blind rams in bottom. Casinghead outlets will be used for Kill and Choke lines.

****Cement on the production casing must be brought from the top of the salt or anhydrite to the surface casing by either circulating with cement or a DV tool at the top of the salt.**

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 9-25-80

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Kelley Eisenberg Title Engineering Assistant Date May 8, 1980

(This space for State Use)

Kelley Eisenberg

APPROVED BY Jerry L. [Signature] TITLE SUPERVISOR DISTRICT 1 DATE JUN 25 1980

CONDITIONS OF APPROVAL, IF ANY:

****SEE ABOVE**

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

RECEIVED
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OIL CONSERVATION DIVISION
SANTA FE
Well # 14

All distances must be from the outer boundaries of the Section

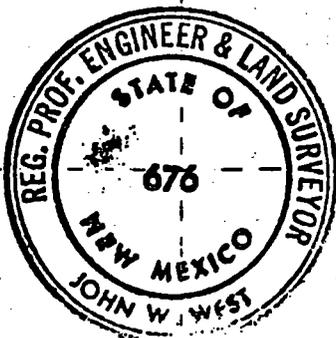
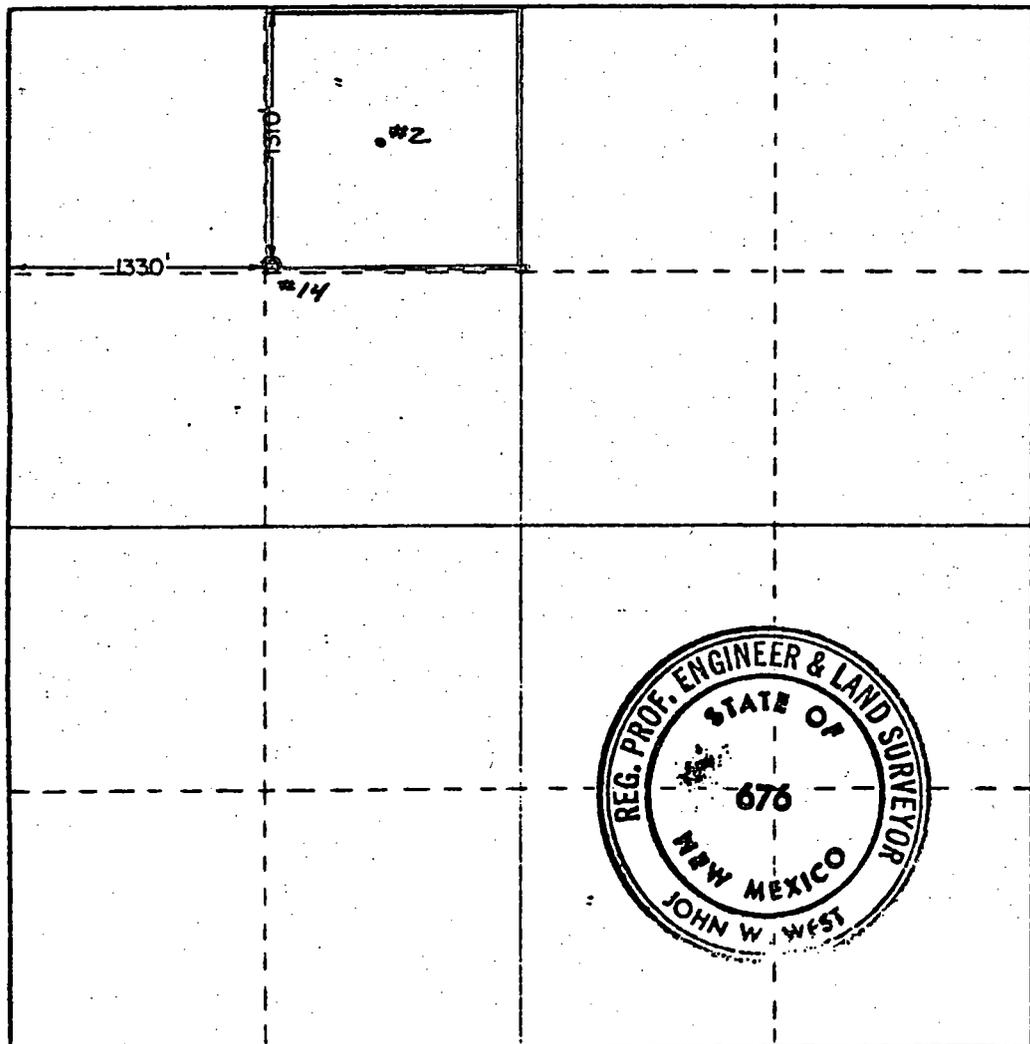
Operator Kerr McGee Corporation		Lease State F	
Unit Letter C	Section 2	Township 8 South	Range 33 East
Actual Footage Location of Well: 1310 feet from the North line and 1330 feet from the West line		County Chaves	
Ground Level Elev. 4366.1	Producing Formation San Andres	Pool Chaveroo	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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 interests, has been approved by the Commission.



CERTIFICATION

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

Kelley Eisenberg
Name

Kelley Eisenberg

Position

Engineering Assistant

Company

Kerr-McGee Corporation

Date

May 8, 1980

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.

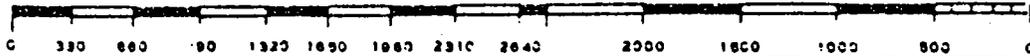
Date Surveyed

May 5, 1980

Registered Professional Engineer and Land Surveyor

John W. West
Certificate No

JOHN W. WEST 676
PATRICK A. ROMERO 6665
Ronald J. Eidson 3239



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OPERATOR	

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND

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SANTA FE

Form C-105
Revised 11-7-78

Indicate Type of Lease
State Fee
p. State Oil & Gas Lease No. OG 1062

1a. TYPE OF WELL
OIL WELL GAS WELL DRY OTHER _____
b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER _____

2. Name of Operator
Kerr-McGee Corporation

3. Address of Operator
P O Box 250, Amarillo, TX 79189

4. Location of Well
UNIT LETTER C LOCATED 1330 FEET FROM THE West LINE AND 1310 FEET FROM

THE North LINE OF SEC. 2 TWP. 8S RGE. 33E H&PM
12. County Chaves

15. Date Spudded 8-17-80 16. Date T.D. Reached 8-27-80 17. Date Compl. (Ready to Prod.) 10-3-80 18. Elevations (DI, RKB, RT, GR, etc.) 4366.1' GR 19. Elev. Casinghead Not Available

20. Total Depth 4500 21. Plug Back T.D. 4455 22. If Multiple Compl., How Many _____ 23. Intervals Drilled By All Rotary Tools _____ Cable Tools _____

24. Producing interval(s), of this completion - Top, Bottom, Name
4185 - 4353 San Andres 25. Was Directional Survey Made yes Inclination Report _____

26. Type Electric and Other Logs Run
Compensated Neutron Formation Density Dual Lateralog with Rxo Micro Log 27. Was Well Cored No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	24	410	12 1/4	400 C1 "H"	none
4 1/2	10.5	4499	7 7/8	250 C1 "H"	none
DV Tool		1911	7 7/8	480 Lite	
2 3/8	4.7	4176			

29. LINER RECORD None 30. TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
	None				2 3/8	4176'	none

31. Perforation Record (Interval, size and number)
4185,4187,4191,4197,4201,4207,4213,4215,4222,4223,4229,4232,4259,4287,4290,4292,4294,4303,4311,4313,4321,4325,4329,4334,4339,4344,4349,4353, .36 in hole 1 shot per foot

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
4185-4353	5500 gal 15% HCL
4185-4353	45,100 gal Versagel 1500 and 111,000 lbd 10-20 sand
4185 & 4156	200 sx C1 "C" squeeze

33. PRODUCTION
Date First Production 9-19-80 Production Method (Flowing, gas lift, pumping - Size and type pump) Pumping 2"x1 1/2"x12' Locno 57D Well Status (Prod. or Shut-in) Prod.

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period	Oil - Bbl.	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
10-16-80	24	n/a		14.3	8.86	81	620:1
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API (Corr.)	
0	35 PSI		14.3	8.86	81	23.6	

34. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold (Cities Services) Test Witnessed By David M. Baker

35. List of Attachments
Inclination report, 3- C-103, 1- 104, 2 Logs

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.
Original Signed by: Kelley Eisenberg
SIGNED _____ TITLE Engineering Assistant DATE October 21, 1980

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. 6913
Order No. R-6379

APPLICATION OF KERR-McGEE
CORPORATION FOR AN UNORTHODOX
WELL LOCATION, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 4, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of June, 1980, 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, Kerr-McGee Corporation, seeks approval of an unorthodox well location for its State F Well No. 14 to be drilled 1310 feet from the North line and 1330 feet from the West line of Section 2, Township 8 South, Range 33 East, NMPM, to test the San Andres formation, Chaverco-San Andres Pool; Chaves County, New Mexico.

(3) That the NE/4 NW/4 of said Section 2 is to be dedicated to the well.

(4) That the operator desires to drill a well at the proposed location to evaluate the efficiency of the 40-acre pattern under which the subject pool was developed.

(5) That a well at said unorthodox location may better enable applicant to produce the gas underlying the proration unit.

(6) That no offset operator objected to the proposed unorthodox location.

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

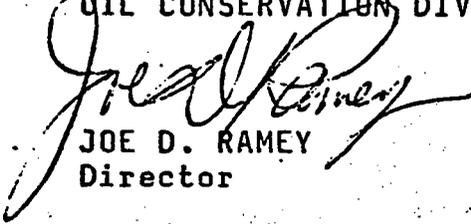
(1) That an unorthodox well location for the San Andres formation is hereby approved for the Kerr-McGee Corporation State F Well No. 14 to be located at a point 1310 feet from the North line and 1330 feet from the West line of Section 2, Township 8 South, Range 33 East, NMPM, Chaveroo-San Andres Pool, Chaves County, New Mexico.

(2) That the NE/4 NW/4 of said Section 2 shall be dedicated to the above-described well.

(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


JOE D. RAMEY
Director

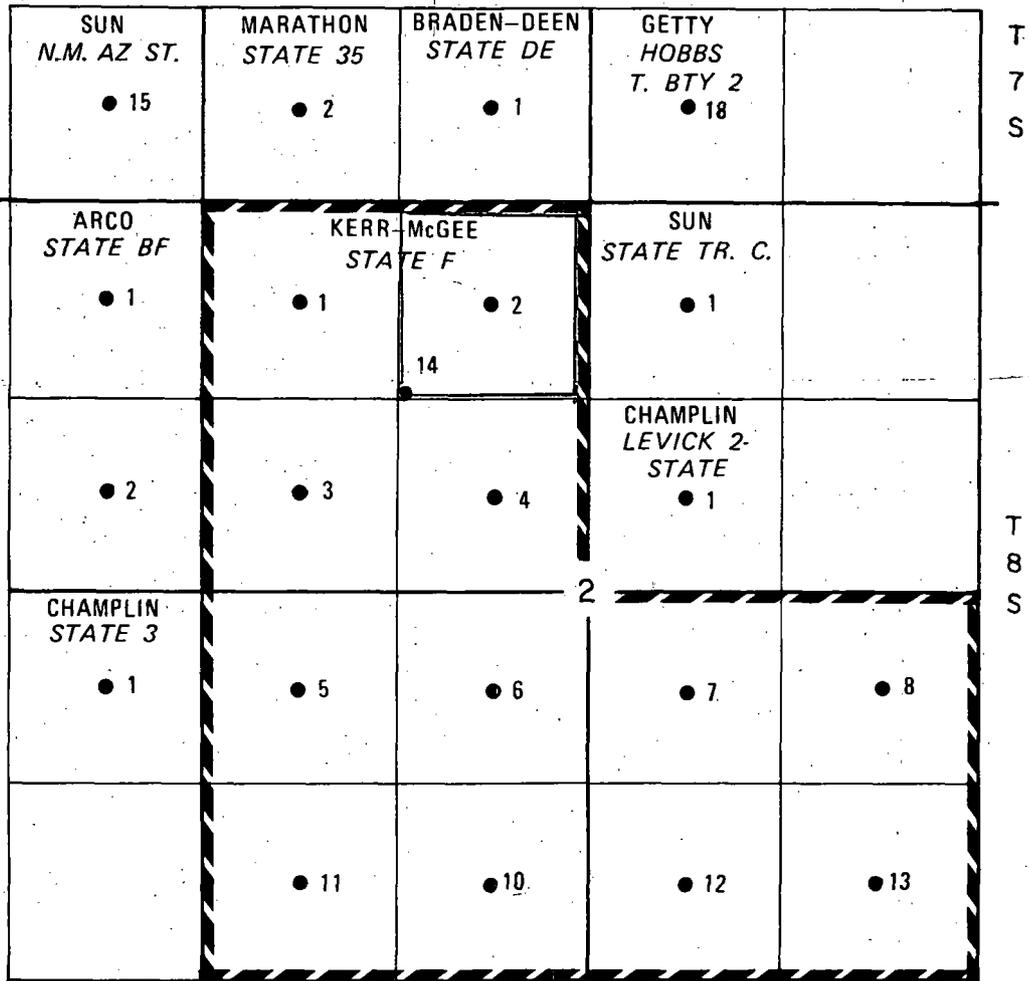
S E A L

fd/

CHAVEROO (SAN ANDRES) FIELD

Well Data Sheet

<u>Operator/Well Name</u>	<u>Location Sec-Twp-Rge</u>	<u>Completion Date</u>	<u>Original Oil in Place (BO)</u>	<u>Cum. Prod. To 2-1-80 (BO)</u>	<u>Percent Recovery</u>	<u>Current Production (BOPD)</u>
Kerr-McGee						
State F No. 1-D	2-8S-33E	6-66	363,230	65,133	17.9	2.2
State F No. 2-C	2-8S-33E	6-66	640,990	61,581	9.6	5.2
State F No. 3-E	2-8S-33E	7-66	213,665	75,741	35.4	3.8
State F No. 4-F	2-8S-33E	7-66	619,625	105,321	17.0	4.3
State F No. 5-L	2-8S-33E	9-66	359,276	154,547	39.1	14.0
State F No. 6-K	2-8S-33E	8-66	534,157	122,016	22.8	2.1
State F No. 7-J	2-8S-33E	9-66	694,404	78,578	11.3	5.0
State F No. 8-I	2-8S-33E	9-66	395,276	81,377	20.6	6.6
State F No. 10-N	2-8S-33E	10-66	363,227	89,320	24.6	4.9
State F No. 11-M	2-8S-33E	10-66	384,593	75,894	19.7	6.4
State F No. 12-O	2-8S-33E	10-66	470,058	72,554	15.4	5.0
State F No. 13-P	2-8S-33E	11-66	640,988	54,241	8.5	2.9
Champlin						
State 3 No. 1-I	3-8S-33E	4-67	416,642	148,801	35.7	13.6
Levick 2-State No. 1-G	2-8S-33E	8-66	459,375	80,417	17.5	5.6
Arco						
State BF No. 1-A	3-8S-33E	4-66	341,859	97,415	28.5	3.4
State BF No. 4-H	3-8S-33E	7-66	715,768	83,185	11.6	3.9
Sun						
N.M. Az. St. No. 15-P	34-7S-33E	12-65	256,395	50,591	19.7	SI 3-78
State Tr. C No. 1-B	2-8S-33E	6-66	544,838	80,015	14.7	4.4
Marathon						
State 35 No. 2-M	35-7S-33E	3-66	341,859	39,511	11.6	2.0
Braden-Deen						
State De No. 1-N	35-7S-33E	4-66	438,007	54,418	12.4	1.6
Getty						
Hobbs T. Bty. 2 # 18-0	35-7S-33E	5-66	373,909	97,287	26.0	2.4



R 33 E



KERR-McGEE CORPORATION

STATE F LEASE
 CHAVEROO (SAN ANDRES) FIELD
 CHAVES COUNTY NEW MEXICO

Scale: 4"=1 mile

By: D.C.

MAY 28, 1980



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

November 14, 1980

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Kerr-McGee Corporation
Kerr-McGee Center
Oklahoma City, Oklahoma 73125

Re: Application for NGPA Infill Well
Findings Under Provisions of
Order No. R-6013 -A _____
State F Well No. 14, Chaveroo
San Andres Pool, Chaves County

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

R. L. STAMETS
Technical Support Chief

RLS/dr

- A copy of Form C-101 must be submitted.
- A copy of Form C-102 must be submitted.
- The pool name must be shown.
- The standard spacing unit size for the pool must be shown.
- Give the Division Order No. which granted the non-standard proration unit.
- Please state whether or not the well has been spudded and give the spud date, if any.
- Information relative to other wells on the proration unit is incomplete. There is no record of the parameters used in calculating tract reserves or the formula in either this application or the file in Case No. 6913. There must be a statement as to why the existing well cannot effectively and efficiently drain the proration unit.
- The geologic and reservoir data is incomplete or insufficient. No structure map was attached as required.

- Other: There must be a demonstration of the volume of increased ultimate recovery expected to be obtained as a result of completion of the infill well and of how and upon what factors such volume was determined.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

December 11, 1980

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Kerr-McGee Corporation
Oil and Gas Division
Kerr-McGee Center
Oklahoma City, Oklahoma 73125

Attention: Mr. David Christian

Re: Application for Infill
Findings, State F Well
No. 14, Chaveroo-San Andres
Pool

Dear Mr. Christian:

Your letter of December 1, 1980, providing supplemental data relative to the subject application is complete in all respects save one.

As the infill finding is based on the recovery of additional gas from the proration unit, there must be a demonstration of the volume of additional gas reasonably to be expected to be produced from Well No. 14.

Upon receipt of this information, the application will be processed.

Sincerely,

R. L. STAMETS
Technical Support Chief

RLS/dr



KERR-McGEE CORPORATION

KERR-McGEE CENTER • OKLAHOMA CITY, OKLAHOMA 73125

December 1, 1980

OIL AND GAS DIVISION

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501
Attn: R. L. Stamets, Technical Support Chief

RECEIVED
DEC 04 1980
OIL CONSERVATION DIVISION
SANTA FE

APPLICATION FOR INFILL WELL DETERMINATION
STATE F NO. 14
CHAVEROO (SAN ANDRES) POOL
CHAVES COUNTY, NEW MEXICO

Dear Mr. Stamets:

In accordance with your letter dated November 14, 1980, you will find attached the information requested by you for the above well. I first wish to point out that the Chaveroo (San Andres) Pool is an oil reservoir, and all studies have been made regarding oil production rather than gas.

1. The State F No. 14 is within the same proration unit as the State F No. 2. The calculated reserves for the proration unit (NE $\frac{1}{4}$ NW $\frac{1}{4}$ 2-8S-3E) were 640,990 barrels of oil. This was calculated by using the net pay in the State F No. 2 of 60', with an average porosity of 6%, average salt water saturation of 30%, and formation volume factor of 1.22. Original oil in place is calculated as:

$$OOIP = (7758) (A) (h) (\phi) (1-S_w) / B$$

A = Proration unit acreage = 40 acres

h = Average net pay = 60 feet

ϕ = Average porosity = 6%

S_w = Average salt water saturation = 30%

B = Formation volume factor = 1.22

$$OOIP = (7758) (40) (60) (.06) (1-.3) / 1.22$$

OOIP = 640,990 Barrels of oil underlying the subject proration unit.

From June, 1966 to February, 1980, the State F No. 2 produced 61,581 barrels of oil, or 9.6% of the oil in place underlying the subject proration unit. Other wells in the Chaveroo Pool have produced as much as 39% of the oil underlying their proration units. Therefore it is Kerr-McGee's position that the State F No. 14 is needed to recover hydrocarbons (primarily oil) that the State F No. 2 well will not effectively and efficiently drain. This information is shown on the attached well data sheet, which was entered into evidence in Case No. 6913 approving the drilling of the State F No. 14.

DEC 4 1980

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2. Structure Map is attached.

3. The State F No. 14 currently produces 20 BOPD. Assuming a decline of 15%, which is representative of the Chaveroo Field, the State F No. 14 will produce 43,000 barrels of oil. This amount of oil would not be produced from the State F No. 2.

I am aware of the burdensome procedures that you must follow to satisfy the NGPA requirements of the FERC. Please keep in mind that the State F No. 14 is an infill oil well in the Chaveroo (San Andres) Field. The well was drilled in an attempt to recover oil that would not be recovered by any other well. Production of associated (casinghead) gas is secondary to our efforts to produce oil in this field. The State F No. 14 produces about 9 MCF of gas per day. Since this gas is associated with the produced oil, it is also our position that this gas can not be produced by any other well.

If any further information is required, please contact me at the address or phone shown below.

Very truly yours,

David Christian

David Christian
P. O. Box 25861, MT-25-G
Oklahoma City, Oklahoma 73125
(405) 270-2129

DC/db

Attachments/

bcc: Towell - CFR (State F No. 14)
G-S-H-C



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

November 14, 1980

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Kerr-McGee Corporation
Kerr-McGee Center
Oklahoma City, Oklahoma 73125

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DEC 04 1980
OIL CONSERVATION DIVISION
SANTA FE

Re: Application for NGPA Infill Well
Findings Under Provisions of
Order No. R-6013-A
State F Well No. 14, Chaveroo
San Andres Pool, Chaves County

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

R. L. STAMETS
Technical Support Chief

RLS/dr

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DEC 2 1980

OIL & GAS DIV
SANTA FE, N.M.

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CHAUVEROO (SAN ANDRES) FIELD

Well Data Sheet

<u>Operator/Well Name</u>	<u>Location Sec-Twp-Rge</u>	<u>Completion Date</u>	<u>Original Oil in Place (BO)</u>	<u>Cum. Prod. To 2-1-80 (BO)</u>	<u>Percent Recovery</u>	<u>Current Production (BOPD)</u>
Kerr-McGee						
State F No. 1-D	2-8S-33E	6-66	363,230	65,133	17.9	2.2
State F No. 2-C	2-8S-33E	6-66	640,990	61,581	9.6	5.2
State F No. 3-E	2-8S-33E	7-66	213,665	75,741	35.4	3.8
State F No. 4-F	2-8S-33E	7-66	619,625	105,321	17.0	4.3
State F No. 5-L	2-8S-33E	9-66	359,276	154,547	39.1	14.0
State F No. 6-K	2-8S-33E	8-66	534,157	122,016	22.8	2.1
State F No. 7-J	2-8S-33E	9-66	694,404	78,578	11.3	5.0
State F No. 8-I	2-8S-33E	9-66	395,276	81,377	20.6	6.6
State F No. 10-N	2-8S-33E	10-66	363,227	89,320	24.6	4.9
State F No. 11-M	2-8S-33E	10-66	384,593	75,894	19.7	6.4
State F No. 12-O	2-8S-33E	10-66	470,058	72,554	15.4	5.0
State F No. 13-P	2-8S-33E	11-66	640,988	54,241	8.5	2.9
Champlin						
State 3 No. 1-I	3-8S-33E	4-67	416,642	148,801	35.7	13.6
Levick 2-State No. 1-G	2-8S-33E	8-66	459,375	80,417	17.5	5.6
Arco						
State BF No. 1-A	3-8S-33E	4-66	341,859	97,415	28.5	3.4
State BF No. 4-H	3-8S-33E	7-66	715,768	83,185	11.6	3.9
Sun						
N.M. Az. St. No. 15-P	34-7S-33E	12-65	256,395	50,591	19.7	SI 3-78
State Tr. C No. 1-B	2-8S-33E	6-66	544,838	80,015	14.7	4.4
Marathon						
State 35 No. 2-M	35-7S-33E	3-66	341,859	39,511	11.6	2.0
Braden-Deen						
State De No. 1-N	35-7S-33E	4-66	438,007	54,418	12.4	1.6
Getty						
Hobbs T. Bty. 2 # 18-0	35-7S-33E	5-66	373,909	97,287	26.0	2.4