STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

ADMINISTRATIVE ORDER
NFL -131

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE 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

I.

Operator Sun Exploration and Production Co. Well Name and No. Lynch Christmas Unit Well 5-C

Location: Unit M Sec. 1 Twp. 22 South Rng. 37 East Cty. Lea

II.

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim 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, prior to the commencement of drilling, that the 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, and must grant a waiver of existing well-spacing requirements.

(2) That by Order No. R-6013, dated June 7, 1979, 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 Tubb Oil and Gas Pool, and the standard spacing unit in said pool is 160 acres.

(4) That a 160 -acre proration unit comprising the SW/4 of Sec. 1, Twp. 22 South, Rng. 37 Eost, is currently dedicated to the applicant's Lynch Christmas Com Well No. 4 located in Unit L of said section.

(5) That this proration unit is (X) standard ( ) nonstandard; if nonstandard, said unit was previously approved by Order No. NA.

(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 631,000 MCF of gas from the proration unit which would not otherwise be recovered.

(8) That all the requirements of Order No. R-6013 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 as an exception to the standard well spacing requirements for the pool.

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 an exception to applicable well spacing requirements and 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 24th day of March, 19 86.

Michael E. Stogner

DIVISION DIRECTOR ___ EXAMINER ✓

Received 10/24/83
3/19/86
M. Stepner

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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER
NFL 131

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE 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

I.

Operator Sun Exploration and Production Company Well Name and No. Lynch Christmas Unit Well No.

Location: Unit M Sec. 1 Twp. 22 South Rng. 37 East Cty. Lea

II.

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim 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, prior to the commencement of drilling, that the 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, and must grant a waiver of existing well-spacing requirements.

(2) That by Order No. R-6013, dated June 7, 1979, 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 Tubb Oil and Gas Pool, and the standard spacing unit in said pool is 160 acres.

(4) That a 160 -acre proration unit comprising the SW/4 of Sec. 1, Twp. 22 South, Rng. 37 East, is currently dedicated to the applicant's Lynch Christmas Com Well No. 4 located in Unit L of said section.

(5) That this proration unit is (✓) standard ( ) nonstandard; if nonstandard, said unit was previously approved by Order No. NA.

(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 631,000 MCF of gas from the proration unit which would not otherwise be recovered.

(8) That all the requirements of Order No. R-6013 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 as an exception to the standard well spacing requirements for the pool.

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 an exception to applicable well spacing requirements and 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 _____ day of March, 19 86.

DIVISION DIRECTOR ___ EXAMINER ✓

SW/4 Section 1, Township 22 South, Range 37 East, NMPM, Lea Cty, NM

L

Sun Exploration and Production Company
Lynch Christmas Com Well No. 4
2200' FSL - 440' FWL Spud: 7/16/54
Dual Blinebry Oil / Tubb Oil & Gas Completion DC-123
Cummulative Tubb production as of 12/31/84:
Gas - 3895031 MCF
Oil - 22252 B.O.
160-acre dedication

Sun Exploration & Production Company
Walter Lynch Well No. 2
1980' FSL - 660' FWL
Spud: 8/30/45
Drinkard, Wantz Granite Wash, and
Paddock Completion (triple)

K

Sun Exploration and Production Company
Walter Lynch Well No. 1
1980' FS & WL
Spud: 7/7/45
Drinkard, Wantz Granite Wash,
and Paddock Completions

M

Sun Exploration and Production Co.
Walter Lynch Well No. 3
660' FS & WL Spud: 10/8/45
Triple Completion: Drinkard, Wantz Granite Wash,
and Paddock completion

N

Sun Exploration & Production Company
Annie Christmas Well No. 1
669' FSL - 1986.4' FWL Spud: 5/2/45
Wantz Granite Wash, Drinkard, Paddock, and
Abo completions

Application Well
Sun Exploration and Production Co.
Walter Lynch Well No. 5
330' FS & WL Spud: 6/13/77
Dual Wantz Granite Wash / Tubb Oil & Gas
Completion
Cummulative Tubb production as of 12/31/84:
Oil - 488
Gas - 167966 MCF
160-acre dedication

October 18, 1983

Sun Exploration and Production Company
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221 2880
214 890 6000

Department of Energy and Minerals
Oil Conservation Division
Attn: Michael E. Stogner
P.O. Box 2088
Santa Fe, NM 87501

RECEIVED
OCT 24 1983
OIL CONSERVATION DIVISION
SANTA FE

Re: Your Request for Additional Information
Well Name/No. Lynch-Christmas Unit No. 5-C
County/State Lea/New Mexico
Section N/A
1-22S-37E
(M-1-22S-37E)

Dear Mr. Stogner:

The following information is being furnished in response to your request dated September 7, 1982, regarding the subject well. Should you require further information, you may contact me at the address above or by telephone at (214) 890-6479.

Attached is an affidavit for the subject well, furnished by H. A. Seidel, Jr., Administrative Reservoir Engineer for Sun Exploration and Production.

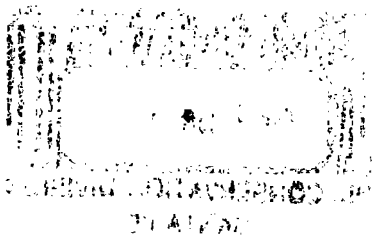
Sincerely,

Gloria Dixon

Gloria Dixon
Office Assistant, FERC Compliance

GD/vm

Attachment



BEFORE THE ENERGY AND MINERALS DEPARTMENT OF THE STATE OF NEW MEXICO

APPLICANT: SUN EXPLORATION & PRODUCTION COMPANY

Application for a finding pursuant to 18 C.F.R. 271.305 that the Lynch Christmas Comm No. 5-C is necessary to effectively and efficiently drain a portion of the Tubb reservoir, Tubb gas pool covered by the proration unit which cannot be effectively and efficiently drained by any well within the unit.

A F F I D A V I T

State of Texas)
) S.S.
County of Dallas)

I, H. A. Seidel, Jr., hereby state that I am employed by Sun Exploration & Production Company in the capacity of Administrative Reservoir Engineer and that the area addressed by this application for a finding pursuant to 18 C.F.R. 271.305 is within the area of my responsibility and all attached exhibits were prepared by me or under my supervision.

I further state the following:

1. The Lynch Christmas Comm No. 5-C, a Tubb gas pool producer, producing as a dual completion out of the casing/tubing annulus with the Walter Lynch No. 5-T (Granite Wash) is located 330' FSL and 330' FWL, Section 1, Township 22 south, Range 37 east, NMPM, Lea County, New Mexico, as shown on Exhibit 1.

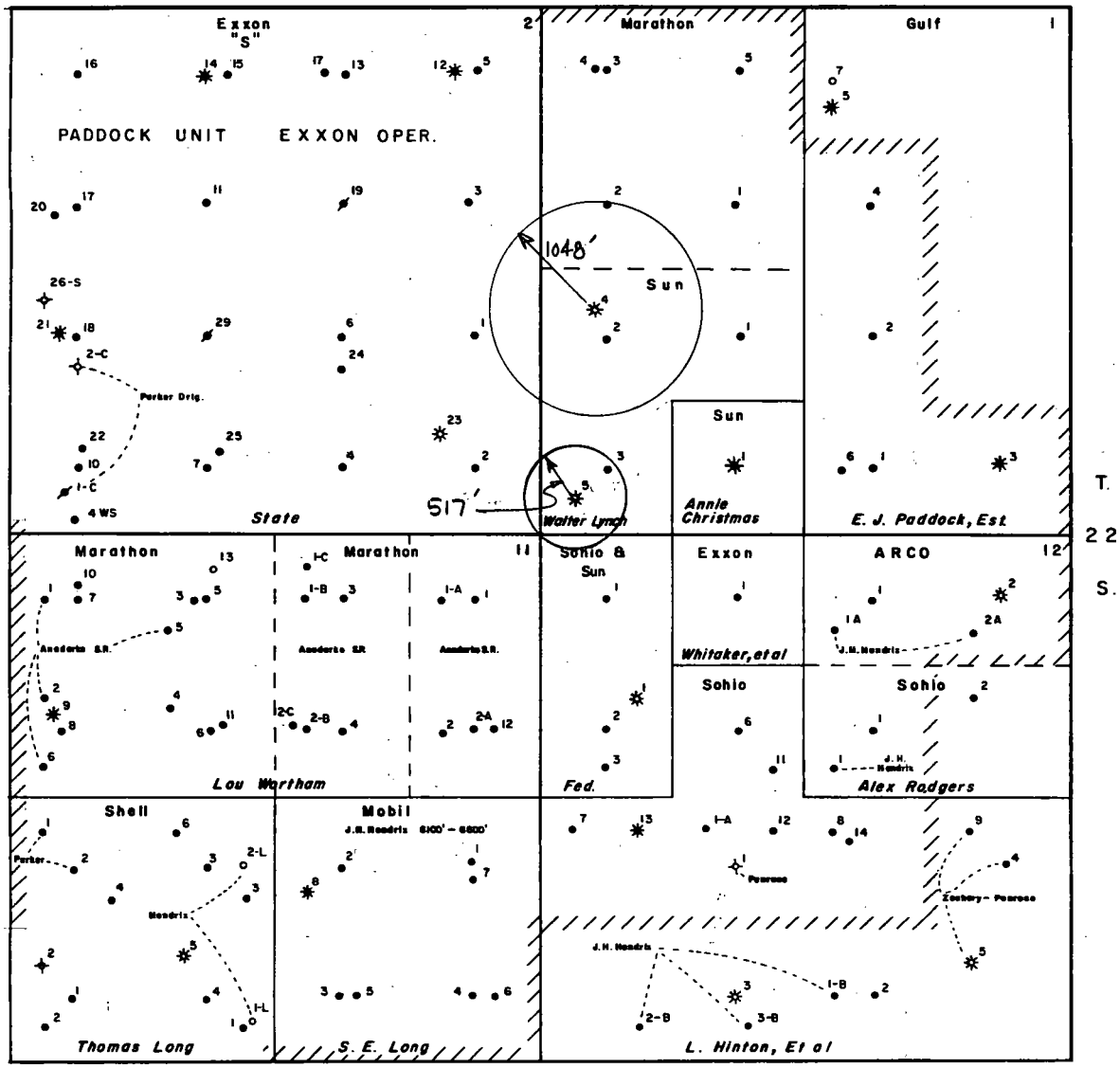
2. The separator gas originally in place in the Tubb reservoir under the Lynch Christmas Comm was 7854 MMCF as noted in Exhibit 2.

3. The reserves data in Exhibit 2 are supported by the cumulative vs. pressure curve and exponential decline curve analysis of the production history curve shown in Exhibits 3 and 3a.

4. The Lynch Christmas Comm Well Nos. 4-T and 5-C had effective drain-

EXHIBIT 1

R. — 37 — E.



WALTER LYNCH LEASE
ANNIE CHRISTMAS LEASE

LEA CO., NEW MEXICO

N

Scale: 1" = 1821'

EXHIBIT 2

ESTIMATION OF GAS RECOVERY FROM
LYNCH CHRISTMAS COMM, WELL NO.5-C

	4-T	5-C	Total/Avg.
Tract Area, Acres			160
Net Pay, Ft.	128	64	96
Porosity, %	(1)	9.22	9.22
Water Saturation, %	(1)	46.1	46.1
Permeability, MD	(2)	(2)	(2)
Gas Originally In Place - MMCF(3)			7854
Gas Originally In Place - MMCF/Acre	65.4	32.7	49.1
Cumulative Production, MMCF	3782	89	3871 (49%)
Estimated Ultimate Recovery, MMCF	4916	631 (8%)	5547 (71%)
Remaining Recovery, MMCF	1134	542 (7%)	1676 (21%)

(1) No Modern Log

(2) No Core or Field Data

(3) Assumptions: Res. Temp = $100^{o}F$ S.G. = 0.693 G_{mix} = 0.718
P_i = 2731 Psia Z_i = 0.731 10 Bbls./MMCF Cond.
Bg = 0.754 RB./Mcf

HAS/JH/jnb
10/13/83

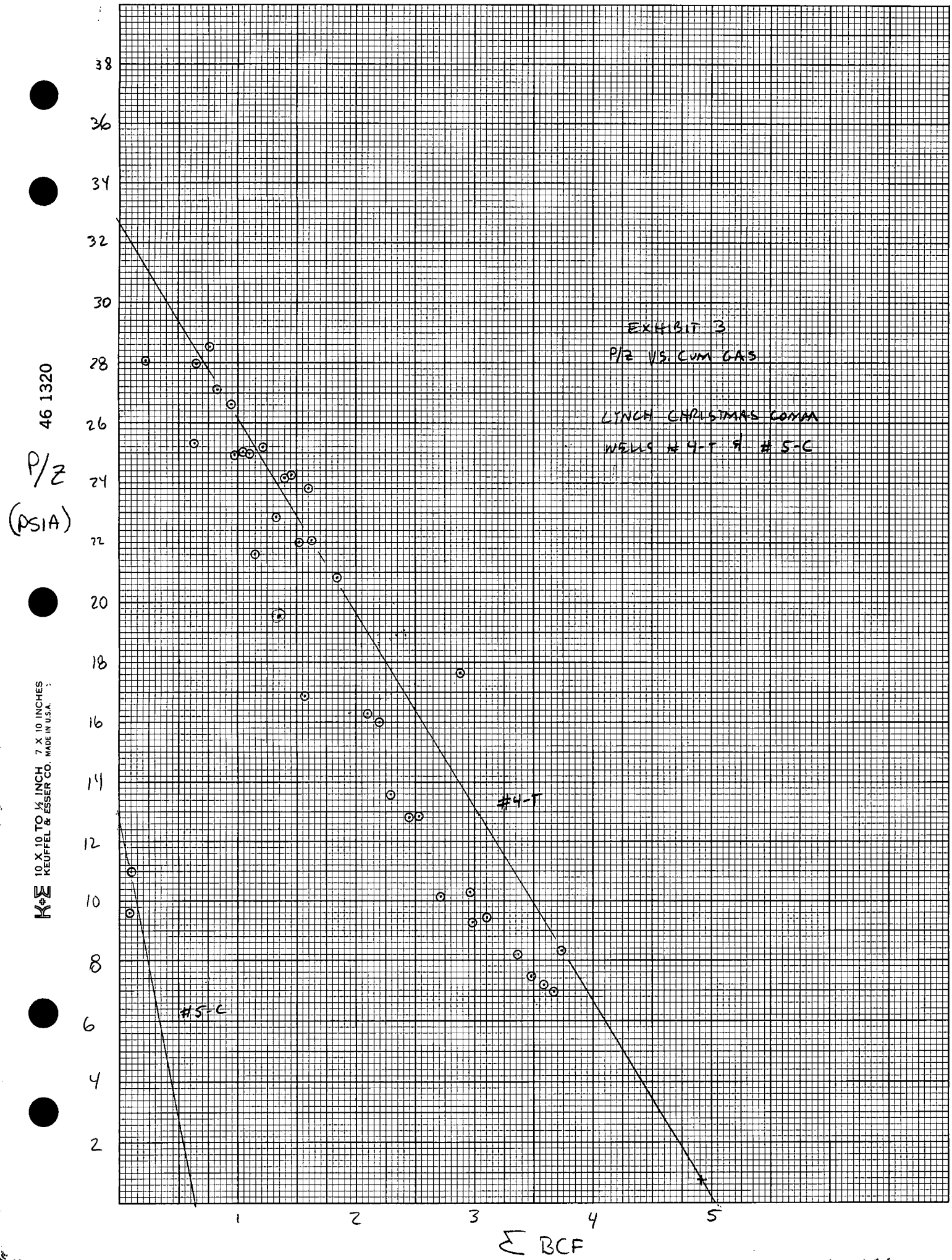


EXHIBIT 3
P/Z VS. CUM GAS
LYNCH CHRISTMAS COMM
WELLS # 4-T & # 5-C
P/Z
(PSIA)
38
36
34
32
30
28
26
24
22
20
18
16
14
12
10
8
6
4
2
1
2
3
4
5
Σ BCF
#4-T
#5-C
46 1320
K+E 10 X 10 TO ½ INCH 7 X 10 INCHES
KEUFFEL & ESSER CO. MADE IN U.S.A.

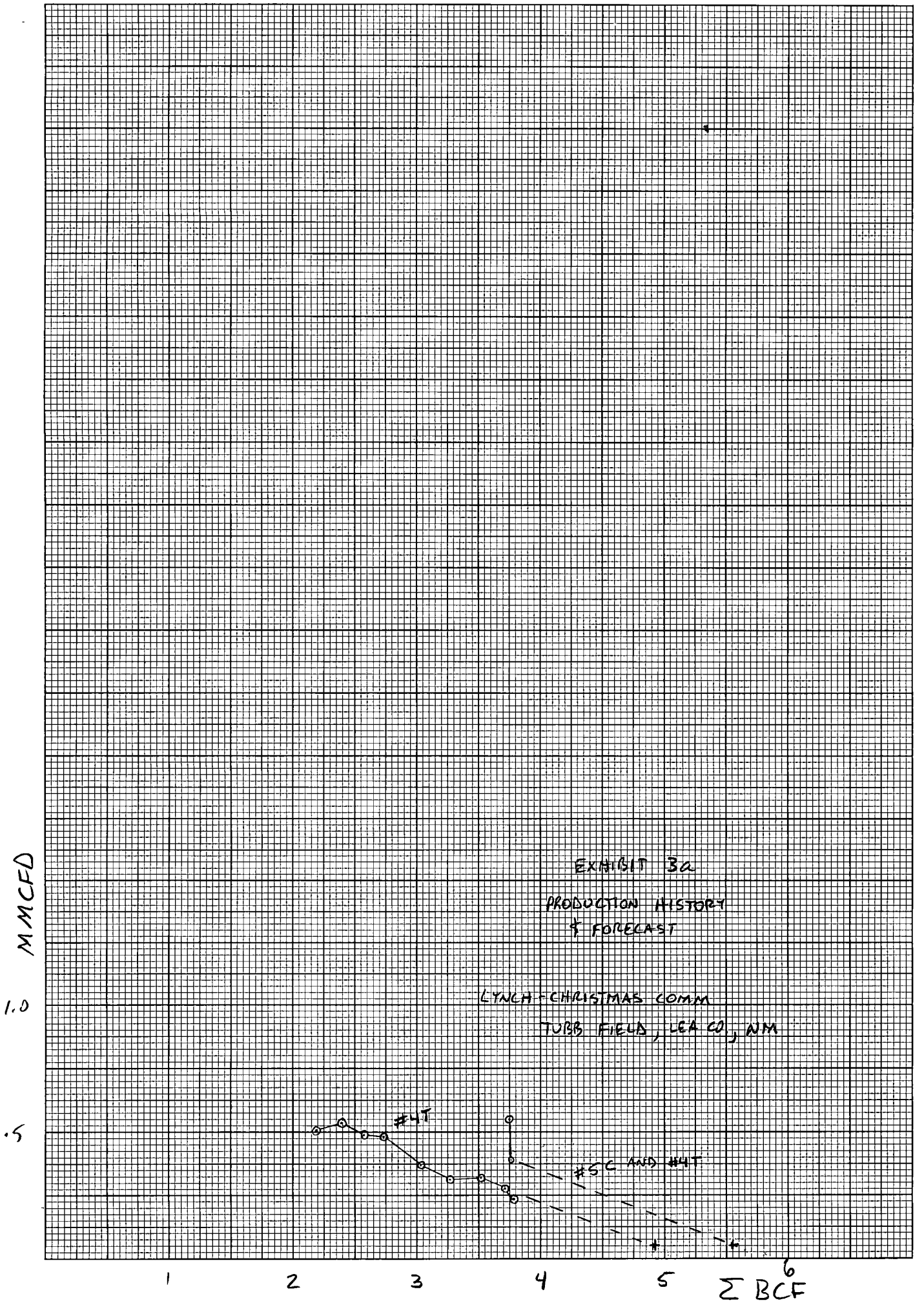


EXHIBIT 4

ESTIMATION OF DRAINAGE RADIUS

1. ESTIMATED RECOVERY FOR CONTINUOUS RESERVOIR POROSITY MEMBERS:

95% X 65.4 MMCF/ACRE	=	62.1 MMCF/ACRE	WELL NO. 4-T
95% X 32.7 MMCF/ACRE	=	31.1 MMCF/ACRE	WELL NO. 5-C
95% X 49.1 MMCF/ACRE	=	46.6 MMCF/ACRE	AVERAGE

2. EFFECTIVE DRAINAGE RADIUS AT ABANDONMENT:

A) WELL NO. 4-T

$$\frac{\text{4,916 MMCF ULTIMATE FROM EXH.2}}{\text{62.1 MMCF/ACRE}} = \text{79.2 ACRES}$$

$$\text{RADIUS} = \left\{\frac{\text{79.2 ACRES X 43,560 ft}^2\text{/acre}}{\pi}\right\}^{\frac{1}{2}}$$

$$= \text{1,048'}$$

B) WELL NO. 5-C

$$\frac{\text{631 MMCF ULTIMATE FROM EXH.2}}{\text{32.7 MMCF/ACRE}} = \text{19.3 ACRES}$$

RADIUS = 517'

3. THE EFFECTIVE DRAINAGE RADIUS FOR EACH WELL IS DRAWN ON EXHIBIT 1.

HAS/jnb
10/13/83

Sun Gas Division

Sun Exploration and Production Company
Three North Park East
Post Office Box 20
Dallas Texas 75221
214 739 7200

August 26, 1982

State of New Mexico
Energy and Minerals Department
P.O. Box 2088
Santa Fe, NM 87501
Attn: Michael Stogner

Please file for an Infill Well Finding (NFL), the procedure is given in Order No. R-6013-A.
M. Stogner
9/7/82

Re: Lynch-Christmas Unit No.5-C
Lea/New Mexico
Section 103
Lease No. 936209

Dear Mr. Stogner:

The following information is being furnished in response to your request dated August 13, 1982, regarding the subject well. Should you require further information, you may contact me by mail at the address shown above or by telephone at (214) 739-7804.

Attached please find a copy of Order No. R-6013-A for the above named well.

Sincerely,

Gloria Dixon

Gloria Dixon
Office Assistant, FERC Compliance

GD:tg
Attachment

RECEIVED
SEP - 7 1982
OIL CONSERVATION DIVISION
SANTA FE

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

SUN EXPLORATION & PROD. COMPANY
P O BOX 20
DALLAS TEXAS 75221

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

Re: Wellhead price ceiling determination, NGPA of 1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the section(s) of the Natural Gas Policy Act of 1978 indicated below. If your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION Lynch-Christmas Unit #5C-M 1-22S-37E

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED May 3, 1982

APPLICATION INCOMPLETE Please file for Infill Well Finding (NFL).

A "Simultaneous Dedication" order does not approve for an infill finding pursuan to Section 271.305 of the final Rules + Regs. of the F.E.R.C.

Sincerely,

Michael E. Stogner

DATE: May 18, 1982

Please file for NFL under Order R-6013-A.

NOTE:

M. Stogner 8/13/82

THIS FORM LETTER MUST ACCOMPANY TWO COPIES OF THE SUPPLEMENTARY INFORMATION.

SPECIAL RULES AND REGULATIONS
NATURAL GAS POLICY ACT INFILL FINDINGS
ADMINISTRATIVE PROCEDURE
(Amended February 8, 1980)

A. DEFINITIONS

RULE 1. For purposes of this administrative procedure only, the following definitions are adopted:

a. Infill well: An additional well which has been drilled for production on an established proration unit.

B. APPLICABILITY

RULE 2. These special rules and regulations shall apply to effective and efficient drainage findings for completed infill wells pursuant to Section 271.305 of the final Rules and Regulations of the Federal Energy Regulatory Commission relating to Section 103 of the Natural Gas Policy Act of 1978. (These special rules and regulations do not apply to infill wells drilled in the Blanco Mesaverde or Basin-Dakota Pools. Infill wells in these two pools are covered by Rule 15 B of the "Special Rules for Applications for Wellhead Price Ceiling Category Determinations" promulgated by Division Order No. R-5878 as amended by Order No. R-5878-A.)

C. JUSTIFICATION FOR FINDINGS

RULE 3. The Division Director or a Division Examiner may find that an infill well is necessary:

a. upon a showing by the operator that an additional well is needed 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, and

b. upon receipt of waivers from all offset operators, or if no offset operator has entered an objection to the infill finding within 20 days after receipt of the application by the Director.

RULE 4. The Director may set any application for hearing at his discretion or at the request of an applicant.

Exhibit A
Order R-6013-A

D. FILING REQUIREMENTS

RULE 5. Each applicant shall submit a copy of the approved Form C-101 for the infill well and Form C-102 showing the proration unit dedicated.

RULE 6. Applicant shall give the name of the pool in which the infill well has been drilled and the standard spacing unit size therefor.

RULE 7. If applicable, the applicant shall give the number of the Division order approving the non-standard proration unit dedicated to the well.

RULE 8. The applicant shall submit a description of all wells drilled on the proration unit (including the completed infill well) which are or have been completed in the same pool or reservoir as the proposed infill well showing:

a. lease name and well location;

b. spud date;

c. completion date;

d. a description of any mechanical problems experienced along with a summary of remedial action(s) taken and the results obtained;

e. the current rate of production; and

f. date of plug and abandonment, if any;

g. a clear and concise statement indicating why the existing well(s) on the proration cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit.

RULE 9. The applicant shall submit geological and engineering information sufficient to support a finding as to the necessity for an infill well including:

a. formation structure map

b. the volume of increased ultimate recovery expected to be obtained and a narrative describing how the increase was determined

c. any other supporting data which the applicant deems to be relevant which may include:

(1) porosity and permeability factors

(2) production/pressure decline curves

(3) effects of secondary recovery or pressure maintenance operations

RULE 10. Applications for infill findings shall be filed in duplicate with the Santa Fe office of the Division.

RULE 11. All operators of proration or spacing units offsetting the unit for which an infill finding is sought shall be notified of the application by certified or registered mail, and the application shall state that such notification has been given.

Sun Gas Division

Sun Exploration and Production Company
Three North Park East
Post Office Box 20
Dallas Texas 75221
214 739 7200

July 9, 1982

Department of Energy and Minerals
Oil Conservation Division
Box 2088
Santa Fe, NM 87501

Re: Lynch-Christmas Unit #5-C
Lea/New Mexico
Lease No. 936209
Section 103

Gentlemen:

The following information is being furnished in response to your request dated May 18, 1982, regarding the subject well. Should you require further information, you may contact me by mail at the address shown above or by telephone at (214) 739-7804.

Enclosed you will find Order No. R-6667 for the above referenced well.

Sincerely,

Gloria Dixon

Gloria Dixon
Office Assistant, FERC Compliance

GD:tg
Attachment

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. 7223
Order No. R-6667

APPLICATION OF SUN OIL COMPANY
FOR A DUAL COMPLETION AND
SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on April 22, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of April, 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, Sun Oil Company, seeks authority to complete its Walter Lynch Well No. 5, located in Unit M of Section 1, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Wantz-Granite Wash Pool through 2 7/8-inch tubing and gas from the Tubb formation through the casing-tubing annulus, separating the zones by means of a packer set at approximately 7300 feet, and to simultaneously dedicate the SW/4 of said Section 1 to said well and to its Lynch Christmas Com Well No. 4 in Unit L.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights, provided however, that said well should not be produced as a gas well in the Tubb

formation until the unorthodox gas well location for said well has been approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sun Oil Company, is hereby authorized to complete its Walter Lynch Well No. 5, located in Unit M of Section 1, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Wantz-Granite Wash Pool through 2 7/8-inch tubing and gas from the Tubb formation through the casing-tubing annulus, and to simultaneously dedicate the SW/4 of said Section 1 to said well and to its Lynch Christmas Com Well No. 4 in Unit L.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Wantz-Granite Wash Pool.

(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 the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Director

S E A L

fd/

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

GAS REGULATIONS

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

SUN EXPLORATION & PROD. COMPANY
P O BOX 20
DALLAS TEXAS 75221

MAY 25 1982

RECEIVED

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

Re: Wellhead price ceiling determination, NGPA of 1978

Gentlemen:

The New Mexico Oil Conservation Division has received your application for a wellhead price ceiling category determination under the section(s) of the Natural Gas Policy Act of 1978 indicated below. If your application is incomplete, forms are attached hereto, indicating the documents and further information which must be filed before your application can be considered. If your application is complete, it will be acted upon administratively unless written objection is received within 15 days of its filing.

WELL NAME AND LOCATION Lynch-Christmas Unit #5C-M 1-22S-37E
Lea, N.M.

SECTION(S) APPLIED FOR 103

DATE APPLICATION RECEIVED May 3, 1982

APPLICATION INCOMPLETE Please file for Infill Well Finding (NFL).

Sincerely,

Michael E. Stogner

DATE: May 18, 1982

NOTE:

THIS FORM LETTER MUST ACCOMPANY TWO COPIES OF THE SUPPLEMENTARY INFORMATION.

Sun Exploration and Production Company
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 6000

January 23, 1985

JAN 28 1985

RECEIVED

Department of Energy and Minerals
Oil Conservation Division
Attn: Michael E. Stogner
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Lynch-Christmas Unit No. 5-C
Lea/New Mexico
Section 103
1-22S-37E

Dear Mr. Stogner:

By letter dated May 8, 1984 (copy attached), I wrote to you regarding Sun's Section 103 application for the subject well.

As far as I can determine, all outstanding data requests have been answered for this well; however, if you feel that additional information is needed, please advise so that I might forward same to you. If, on the other hand, you determine that Sun's application is complete, please advise me of your approval date.

In either case, you may contact me at the address shown above, or by telephone at (214) 890-6479.

Respectfully,

Gloria Dixon

Gloria Dixon
Analyst, NGPA Compliance

GD/jj

Attachment

cc: Bill Thomas - Midland/Texas

OM16/130/JJ - (1)

Sun Exploration and Production Company
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 6000

May 8, 1984

Department of Energy and Minerals
Oil Conservation Division
ATTN: Michael E. Stogner
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Lynch-Christmas Unit No. 5-C
Lea/New Mexico
Section 103
1-22S-37E

Dear Mr. Stogner:

By filing dated April 27, 1982, and received by you on May 3, 1982, Sun Exploration and Production Company filed for Section 103 under the Natural Gas Policy Act of 1978 for the subject well.

By letter dated September 14, 1983, Sun notified its purchaser, El Paso Natural Gas Company, that its interim collection period expired, effective May 3, 1983. Additionally, the outstanding data request was answered by letter (w/attachments) to you dated October 18, 1983.

To date, Sun has not received notification of state approval on the subject well. Sun respectfully requests that you advise us as to the status of our determination filing at your earliest convenience.

Should you require additional information, you may contact me at the address shown above or by telephone at (214) 890-6479.

Respectfully,

Gloria Dixon

Gloria Dixon
Analyst, NGPA Compliance

GD:fs
cc: Bill Thomas - Midland/Texas

Sun Exploration and Production Company
Four NorthPark East

RECEIVED
MAY 16 1985
OIL CONSERVATION DIVISION
SANTA FE

Sun Exploration and Production Company
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 6000

May 10, 1985

Department of Energy and Minerals
Oil Conservation Division
ATTN: Michael Stogner
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Lynch-Christmas Unit #5-C
Lea/New Mexico
NGPA Section 103
Sec. 1, T-22S, R 37E

Dear Mr. Stogner:

Sun made application for category determination under Section 103 of the Natural Gas Policy Act which was received by your agency on May 3, 1982. To date this filing has still not been approved. To the best of our knowledge all outstanding data requests have been answered. As a matter of fact, the last data request was answered by Sun's letter dated October 18, 1983. We have ceased interim collections on this well and have reverted back to collection of a lesser price since May 1983, due to this application pending State and Federal approval.

Sun would very much like to clear this pending matter up and respectfully requests that if additional information is needed to complete the application that you advise us at your earliest convenience. If the application is complete and all information you requested has been received Sun would ask that its application be approved as soon as possible.

Your prompt attention in this matter is greatly appreciated. If you have any questions relating to the foregoing please contact me by mail at the address shown above or by phone at (214)890-6471.

Sincerely,

Mark A. Fitch

Mark A. Fitch
Supervisor, NGPA Compliance

Attachments

MAF:pm

Docketed in
our 103 file
but nothing
in Pending
file ???

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221-2880

Department of Energy and Minerals
Oil Conservation Division
ATTN: Michael E. Stogner
P.O. Box 2088
Santa Fe, New Mexico 87501

MAY 18 1984
OIL CONSERVATION DIVISION
SANTA FE

Re: Lynch-Christmas Unit No. 5-C
Lea/New Mexico
Section 103
1-22S-37E

Dear Mr. Stogner:

By filing dated April 27, 1982, and received by you on May 3, 1982, Sun Exploration and Production Company filed for Section 103 under the Natural Gas Policy Act of 1978 for the subject well.

By letter dated September 14, 1983, Sun notified its purchaser, El Paso Natural Gas Company, that its interim collection period expired, effective May 3, 1983. Additionally, the outstanding data request was answered by letter (w/attachments) to you dated October 18, 1983.

To date, Sun has not received notification of state approval on the subject well. Sun respectfully requests that you advise us as to the status of our determination filing at your earliest convenience.

Should you require additional information, you may contact me at the address shown above or by telephone at (214) 890-6479.

Respectfully,

Gloria Dixon

Gloria Dixon
Analyst, NGPA Compliance

GD:fs
cc: Bill Thomas - Midland/Texas

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Sun Gas Division

Sun Exploration and Production Company
Three North Park East
Post Office Box 20
Dallas Texas 75221
214 739 7200

RECEIVED
JUL 12 1982
OIL CONSERVATION DIVISION
SANTA FE

July 9, 1982

Department of Energy and Minerals
Oil Conservation Division
Box 2088
Santa Fe, NM 87501

Re: Lynch-Christmas Unit #5-C
Lea/New Mexico
Lease No. 936209
Section 103

Gentlemen:

The following information is being furnished in response to your request dated May 18, 1982, regarding the subject well. Should you require further information, you may contact me by mail at the address shown above or by telephone at (214) 739-7804.

Enclosed you will find Order No. R-6667 for the above referenced well.

Sincerely,

Gloria Dixon

Gloria Dixon
Office Assistant, FERC Compliance

GD:tg
Attachment

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. 7223
Order No. R-6667

APPLICATION OF SUN OIL COMPANY
FOR A DUAL COMPLETION AND
SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on April 22, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of April, 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, Sun Oil Company, seeks authority to complete its Walter Lynch Well No. 5, located in Unit M of Section 1, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Wantz-Granite Wash Pool through 2 7/8-inch tubing and gas from the Tubb formation through the casing-tubing annulus, separating the zones by means of a packer set at approximately 7300 feet, and to simultaneously dedicate the SW/4 of said Section 1 to said well and to its Lynch Christmas Com Well No. 4 in Unit L.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights, provided however, that said well should not be produced as a gas well in the Tubb

formation until the unorthodox gas well location for said well has been approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sun Oil Company, is hereby authorized to complete its Walter Lynch Well No. 5, located in Unit M of Section 1, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Wantz-Granite Wash Pool through 2 7/8-inch tubing and gas from the Tubb formation through the casing-tubing annulus, and to simultaneously dedicate the SW/4 of said Section 1 to said well and to its Lynch Christmas Com Well No. 4 in Unit L.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Wantz-Granite Wash Pool.

(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 the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Director

S E A L

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