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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

NFL 109

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.

perator GULF OIL CORPORATION Well Name and No. Arnott Ramsay (NCT-B) Well No. 7

ocation: Unit I Sec. 32 Twp. 25 South Rng. 37 East Cty. Lea

I.

E DIVISION FINDS:

) That Section 271.305(b) of the Federal Energy Regulatory Commission Regulations promulgated rsuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify a new onshore production well under Section 103 of said Act, the Division must find that the fill well is necessary to effectively and efficiently drain a portion of the reservoir covered 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 ocedure whereby the Division Director and the Division Examiners are empowered to act for the vision and find that an infill well is necessary.

) That the well for which a finding is sought is completed in the Jalmat (Tansill-Yates even Rivers) Pool, and the standard spacing unit in said pool is 640 acres.

) That a 320 -acre proration unit comprising the E/2 Sec. 32, Twp. 25 South, Rng. 37 East, is currently dedicated to the Arnott Ramsay (NCT-B Well No. 2 located in Unit H of said section.

) That this proration unit is ( ) standard ( ) nonstandard; if nonstandard, said unit was previous proved by Order No. NSL 210.

) That said proration unit is not being effectively and efficiently drained by the existing ll(s) on the unit.

) That the drilling and completion of the well for which a finding is sought should result in production of an additional 480,000 MCF of gas from the proration unit which would not herwise be recovered.

) That all the requirements of Order No. R-6013-A have been complied with, and that the well which a finding is sought is necessary to effectively and efficiently drain a portion of the servoir covered by said proration unit which cannot be so drained by any existing well within the it.

) That in order to permit effective and efficient drainage of said proration unit, the subject plication should be approved.

IS THEREFORE ORDERED:

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

2) That jurisdiction of this cause is retained for the entry of such further orders as the vision may deem necessary.

DONE at Santa Fe, New Mexico, on this 15th day of August, 1985.

Michael E. Stogner

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 109

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 Gulf Oil Corporation Well Name and No. Arnott Ramsay (NCT-B) Well No. 7

Location: Unit I Sec. 32 Twp. 25 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 Jalmat (Tansill-Yates-Seven Rivers) Pool, and the standard spacing unit in said pool is 640 acres.

(4) That a 320 -acre proration unit comprising the E/2 of Sec. 32, Twp. 25 South, Rng. 37 East, is currently dedicated to the Arnott Ramsay (NCT-B) Well No. 2 located in Unit H of said section.

(5) That this proration unit is ( ) standard (✓) nonstandard; if nonstandard, said unit was previously approved by Order No. NSL-210.

(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 480,000 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 _____, 19____.

Mike Stogner

DIVISION DIRECTOR ___ EXAMINER ✓

Geological and Reservoir Engineering Data to Support "Finding of Fact" for Section 103 Gas Price for the Arnott Ramsay "B" #7 - Jalmat Gas Pool, Lease No. 02403700, Lea County, New Mexico

The purpose of this report is to support the contention that the well in question is necessary to effectively and efficiently drain the reservoir.

The Jalmat field is comprised of the Yates and Seven Rivers formations. The Yates formation produces from three main lobes of sandstone separated by limestone and dolomite. The Seven Rivers is a limey dolomite with sand stringers throughout the formation. The Yates and Seven Rivers have gross thicknesses of 250-300' and 400-600' respectively. The Jalmat pool is a stratigraphic trap with structural enhancement aiding production in areas of the field.

The Jalmat field was created by the Oil Conservation Commission in 1954 by Order No. R-264 and R-264A. The field had 47 existing wells when it was created. That year the field produced 278,777 barrels of oil. Today the field is split into oil and gas producing wells with over 450 wells in the oil producing portion of the field and over 440 wells in the gas producing portion of the field. In 1981, over 725,000 barrels of oil and 19 BCF of gas was produced from the Jalmat Oil and Gas fields.

By Oil Conservation Commission Administrative Order No. NSP-210 on December 7, 1955 Gulf was granted a 320 acre non-standard proration unit in the Jalmat gas pool consisting of the acreage of the E/2 of Section 32-T25S-R37E and the unit was ascribed to the Arnott Ramsay "B" #2 located 1980' FNL and 660' FEL of the Section. Later, on September 29, 1981, by Oil Conservation Commission Administrative Order SD-81-5 Gulf was authorized to simultaneously dedicate this acreage to the Arnott Ramsay "B" #7 well located 2310' FSL and 990' FEL of the section and the above Arnott Ramsay "B" #2 well.

The Arnott Ramsay "B" #2 well was spudded on August 22, 1955 and was dually completed in the Langlie Mattix and Jalmat on October 9, 1955. The Jalmat side had an initial production rate of 3460 MCF/day and has produced over 2.37 BCF to date. The well reached its economic limit and was shut in December of 1980.

The Arnott Ramsay "B" #7 well was spudded on April 16, 1979 and was completed in the Jalmat on August 14, 1981. The well had an average initial production rate of 361 MCF/day with a closed in bottom hole pressure of 390 pounds. This well is currently closed in waiting on pipeline connection.

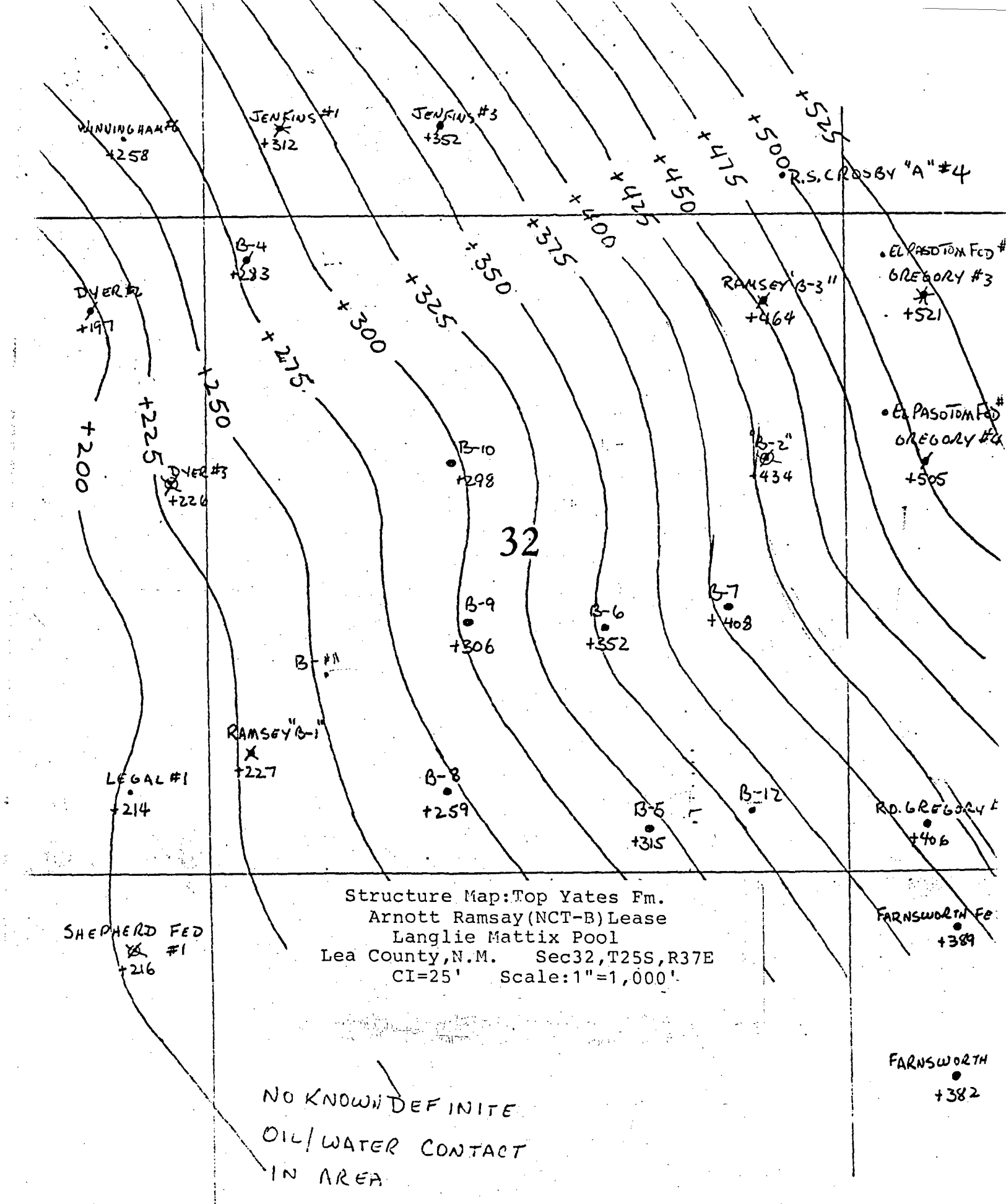
These wells in this area have porosity of 14%, net pay interval of 120 feet, water saturation of 44% and average horizontal permeability of 1.8 md. Enclosed is a graph showing the decline pattern of the "B" #2 well which shows that the well declined at a rate of 23%. Using this rate, an initial production rate of 361 MCF/day and an economic limit of 16 MCF/day additional reserves for this well calculates to be 0.48 BCF. This reserves shows that 15.16 acres of gas can be recovered by this well. Also enclosed is a pictorial representation of the drainage area for the wells.

In summation, the "B" #2 well has drained only 74.3 acres before reaching its economic limit. Since the potential of the "B" #7 well proves that additional reserves can be effectively and efficiently drained from the reservoir, we respectfully request that this well be given Section 103 gas price.

Jamal A. Awwad

JAMAL A. AWWAD
Area Reservoir Engineer

LMW/skc

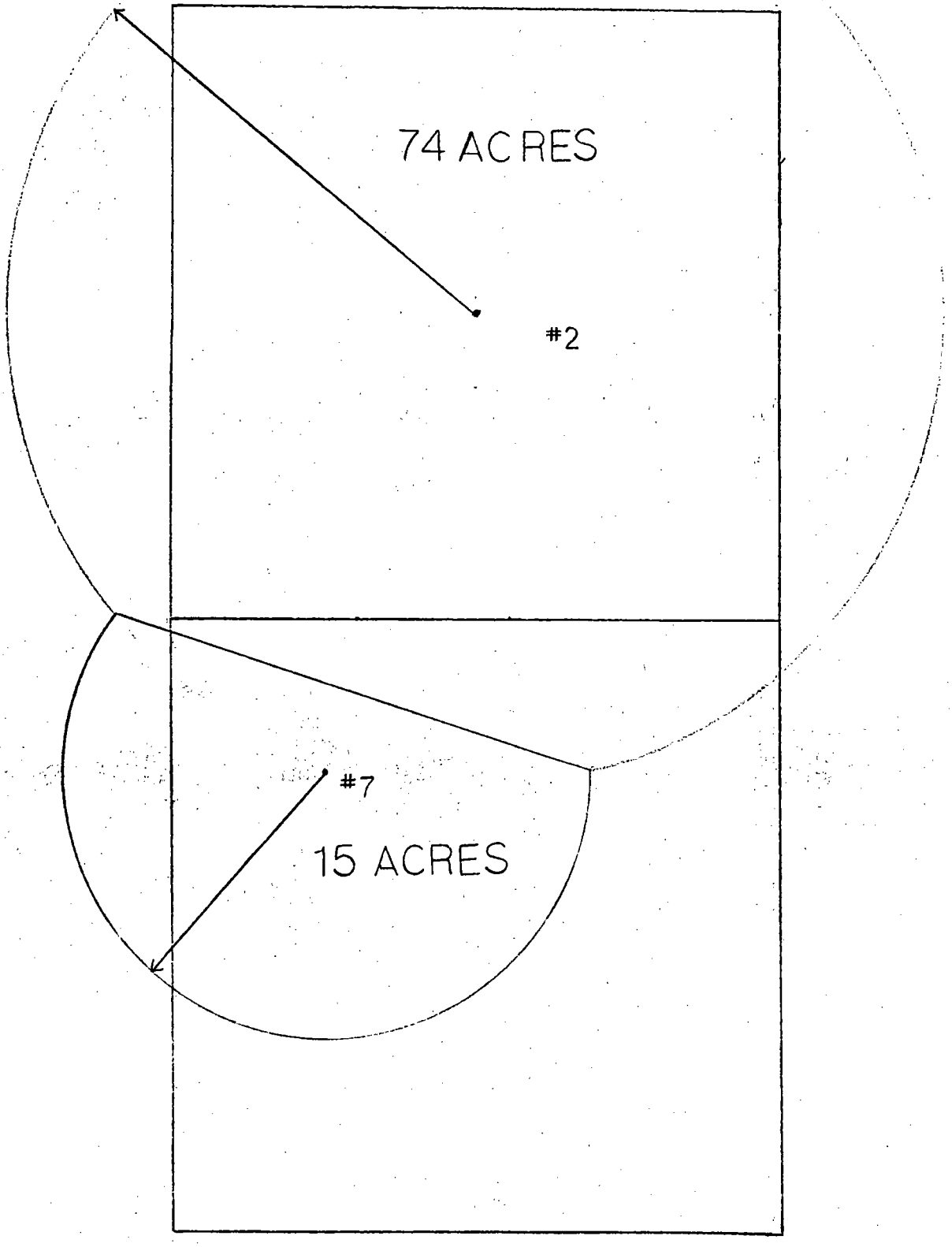


Structure Map: Top Yates Fm.
Arnott Ramsay (NCT-B) Lease
Langlie Mattix Pool
Lea County, N.M. Sec 32, T25S, R37E
CI=25' Scale: 1"=1,000'

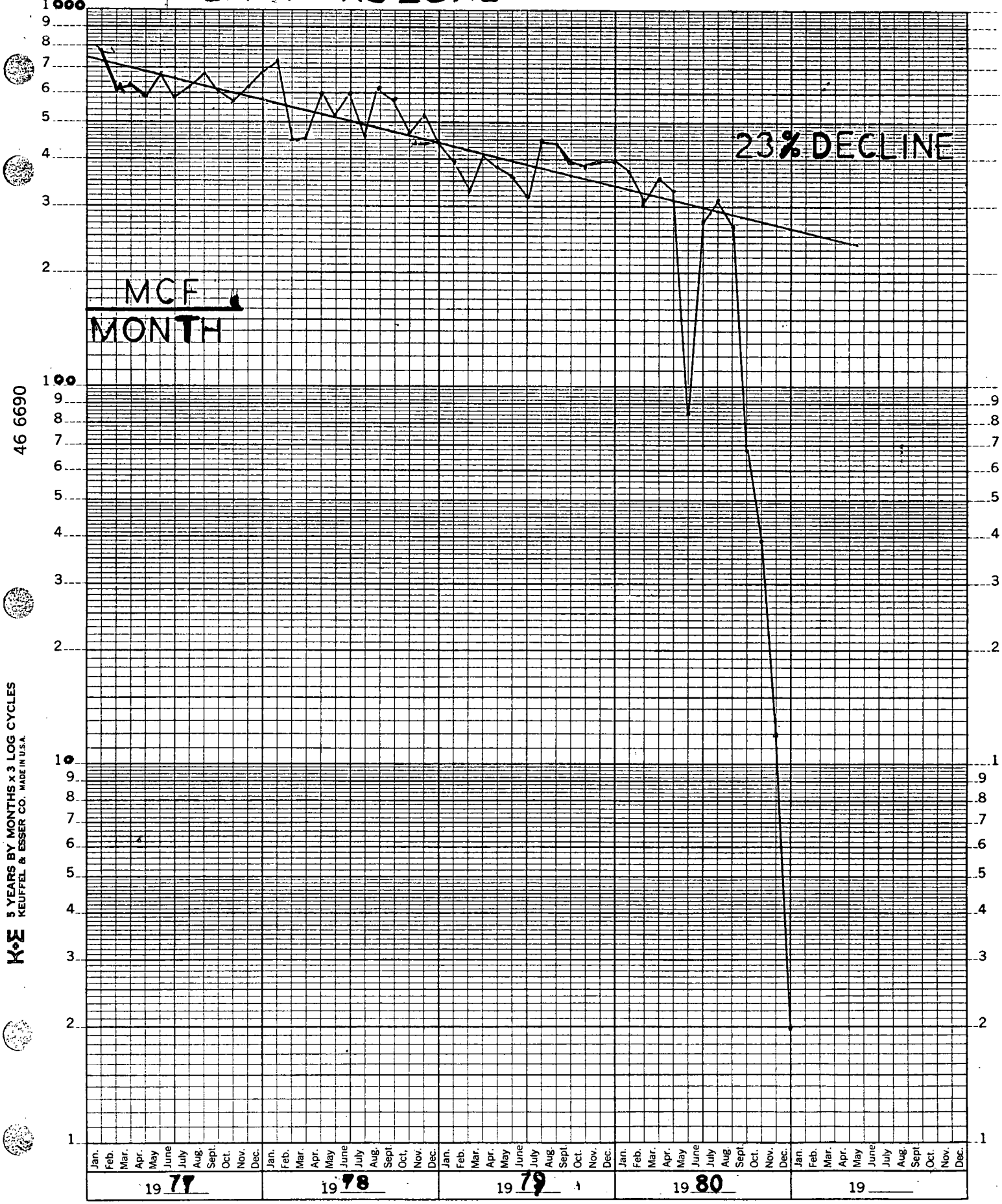
NO KNOWN DEFINITE OIL/WATER CONTACT IN AREA

JALMAT GAS POOL
ARNOTT RAMSAY 'B' LEASE
DRAINAGE MAP

1 INCH = 330 FEET



JALMAT GAS ZONE



46 6690

KE 3 YEARS BY MONTHS x 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

ARNOTT RAMSAY (NCT-B) WELL # 2

INTENTIONAL OMISSIONS

The following document(s) have been intentionally omitted from this file due to the indicated reasons.

FILE # NFL 109

DESCRIPTION OF OMITTED DOCUMENTS

OMITTED DOCUMENT	REASON OMITTED
Compensated Neutron Graph,	Too Large
Neutron/Gamma Ray Curves	"
Simultaneous Gamma/Neutron	"

Geological and Reservoir Engineering Data to Support "Finding of Fact" for Section 103 Gas Price for the Arnott Ramsay "B" #7 - Jalmat Gas Pool, Lease No. 02403700, Lea County, New Mexico

The purpose of this report is to support the contention that the well in question is necessary to effectively and efficiently drain the reservoir.

The Jalmat field is comprised of the Yates and Seven Rivers formations. The Yates formation produces from three main lobes of sandstone separated by limestone and dolomite. The Seven Rivers is a limey dolomite with sand stringers throughout the formation. The Yates and Seven Rivers have gross thicknesses of 250-300' and 400-600' respectively. The Jalmat pool is a stratigraphic trap with structural enhancement aiding production in areas of the field.

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By Oil Conservation Commission Administrative Order No. NSP-210 on December 7, 1955 Gulf was granted a 320 acre non-standard proration unit in the Jalmat gas pool consisting of the acreage of the E/2 of Section 32-T25S-R37E and the unit was ascribed to the Arnott Ramsay "B" #2 located 1980' FNL and 660' FEL of the Section. Later, on September 29, 1981, by Oil Conservation Commission Administrative Order SD-81-5 Gulf was authorized to simultaneously dedicate this acreage to the Arnott Ramsay "B" #7 well located 2310' FSL and 990' FEL of the section and the above Arnott Ramsay "B" #2 well.

The Arnott Ramsay "B" #2 well was spudded on August 22, 1955 and was dually completed in the Langlie Mattix and Jalmat on October 9, 1955. The Jalmat side had an initial production rate of 3460 MCF/day and has produced over 2.37 BCF to date. The well reached its economic limit and was shut in December of 1980.

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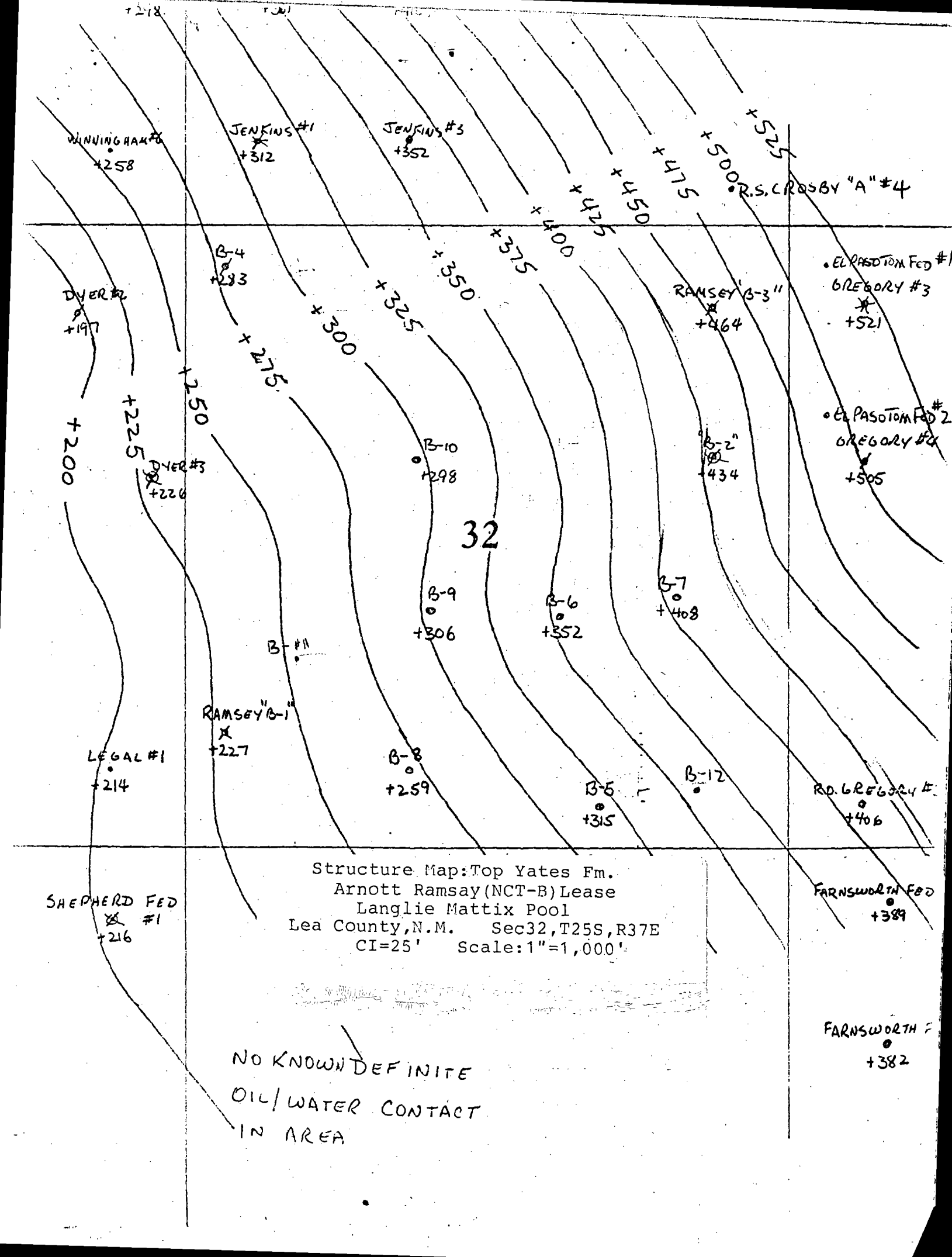
These wells in this area have porosity of 14%, net pay interval of 120 feet, water saturation of 44% and average horizontal permeability of 1.8 md. Enclosed is a graph showing the decline pattern of the "B" #2 well which shows that the well declined at a rate of 23%. Using this rate, an initial production rate of 361 MCF/day and an economic limit of 16 MCF/day additional reserves for this well calculates to be 0.48 BCF. This reserves shows that 15.16 acres of gas can be recovered by this well. Also enclosed is a pictorial representation of the drainage area for the wells.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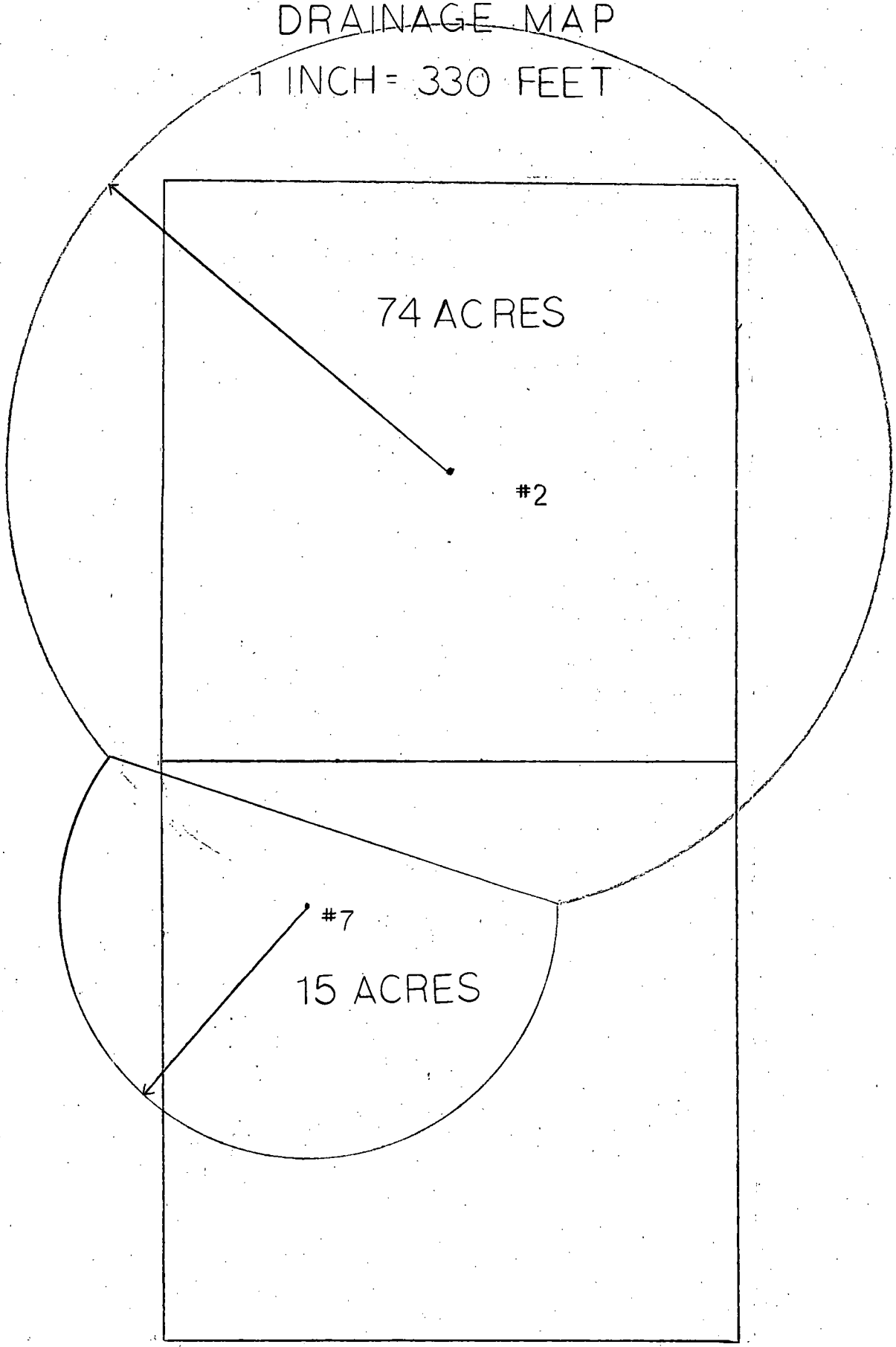
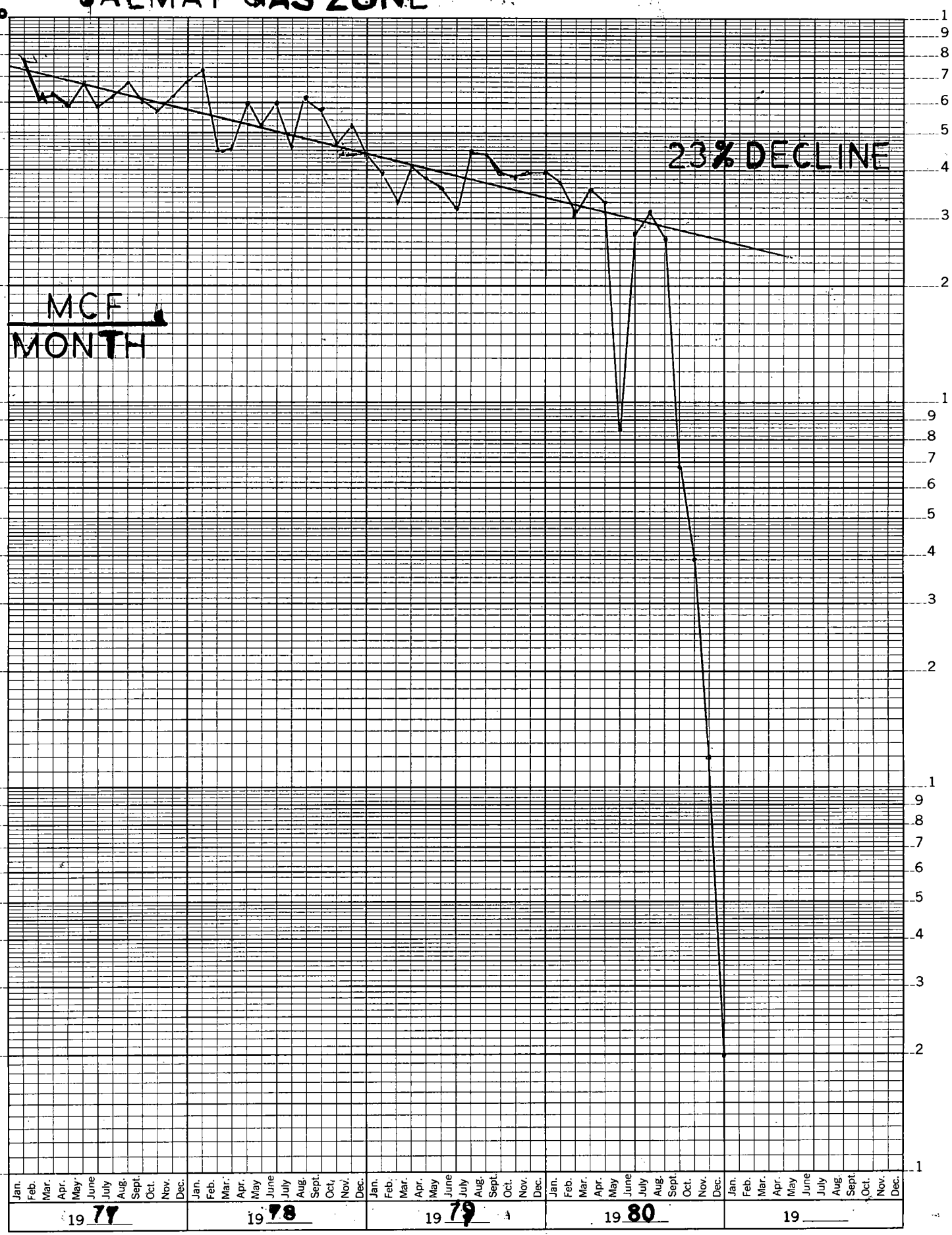
+475
+500
+525
WINNINGHAM #1
+258
JENKINS #1
+312
JENKINS #3
+352
R.S. CROSBY "A" #4
B-4
+283
DYER #2
+197
DYER #3
+226
B-10
+298
RAMSEY "B-3"
+464
EL PASO TOM FED #1
GREGORY #3
+521
"B-2"
+434
EL PASO TOM FED #2
GREGORY #2
+505
32
B-9
+306
B-6
+352
B-7
+408
B-#11
RAMSEY "B-1"
+227
LEGAL #1
+214
B-8
+259
B-5
+315
B-12
RD. 6 REG 224 #1
+406
SHEPHERD FED #1
+216
FARNSWORTH FED
+389
FARNSWORTH F
+382
Structure Map: Top Yates Fm.
Arnott Ramsay (NCT-B) Lease
Langlie Mattix Pool
Lea County, N.M. Sec 32, T25S, R37E
CI=25' Scale: 1"=1,000'
NO KNOWN DEFINITE
OIL/WATER CONTACT
IN AREA

JALMAT GAS POOL
ARNOTT RAMSAY 'B' LEASE
DRAINAGE MAP

1 INCH = 330 FEET



JALMAT GAS ZONE



46 6690

K&E 5 YEARS BY MONTHS x 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

ARNOTT RAMSAY (NCT-B) WELL # 2

Gulf Oil Exploration and Production Company

WESTERN DIVISION

B. J. Bean
COMPTROLLER

P. O. Drawer 1150
Midland, TX 79702

December 12, 1984

DEC 26 1984

RECEIVED

State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Stogner

Gentlemen:

As requested in your phone conversation with Robert Ketchie on December 11, 1984, enclosed is additional information concerning Gulf's 103 filing on the Arnott-Ramsay NCT-B No. 7, located in the Jalmat Gas Zone. You mentioned there was some confusion over the existence of a non standard proration unit, hopefully these letters will clarify the issue.

If you need additional information please notify Robert Ketchie at 915/687-7478.

Yours very truly,

B. J. BEAN

By: D. C. Lynch
D. C. Lynch
Director, Gas Accounting

RK/ml

Enclosures

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

RECEIVED
OCT 2 '81

Name	Init.
Area Mgr	
Area Engr	
Area Geol	
Area Prod Supt	
Area Drlg Supt	
Area Fin Dir	

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

September 29, 1981

Gulf Oil Exploration and Production
P. O. Box 670
Hobbs, New Mexico 88240

Attention: Mr. R. C. Anderson

Administrative Order SD-81-5

Gentlemen:

You are hereby authorized to simultaneously dedicate a 320 -acre proration unit comprising the E/2 of Section 32, Township 25 South, Range 37 East, NMPM, to your Arnott-Ramsay (NCT-B) Well No. 7 located 2130 feet from the South line and 990 feet from the East line of said Section 32 and your Arnott-Ramsay (NCT-B) Well No. 2 located 1980 feet from the North line and 660 feet from the East line of said Section 32, both in Township 25 South, Range 37 East, Lea County, New Mexico.

Further, you are hereby permitted to produce the allowable from any of the wells on the proration unit in any proportion.

Sincerely,

JOE D. RAMEY
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs

Gulf Oil Exploration and Production Company

R. C. Anderson
PRODUCTION MANAGER, HOBBS AREA

September 22, 1981

P. O. Box 670
Hobbs, NM 88240

RECEIVED
DEC 12 1984
GAS ACCOUNTING

Mr. Joe D. Ramey
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Sir:

Gulf Oil Corporation requests your administrative approval for an amendment to NSP-210, for a 320 acre non-standard proration unit in the Jalmat Gas Zone, consisting of all units in the E/2 of Section 32-T25S-R37E, Lea County, New Mexico, to be dedicated simultaneously to our Arnott-Ramsay (NCT-B) #7, located 2130' FSL and 990' FEL and our Arnott-Ramsay (NCT-B) #2, located 1980' FNL and 660' FEL.

The #2 well was previously dedicated to the afore mentioned 320 acre non-standard unit by administrative approval order number NSP-210. The attached plat shows the 320 acre unit and wells out lined. This letter will also serve as notification to the offset operators. Your early consideration will be appreciated.

Yours very truly,

R. C. ANDERSON

DAH/skj
Att'd

cc: New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Suncco
P. O. Box 550
Jal, New Mexico 88252
Certified Mail-Return Receipt Requested

ARCO Oil & Gas
P. O. Box 1710
Hobbs, New Mexico 88240
Certified Mail-Return Receipt Requested

El Paso Natural Gas Co.
P. O. Box 1384
Jal, New Mexico 88252
Certified Mail-Return Receipt Requested

J. M. Thacker - Midland

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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

NFL _____

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 _____ Well Name and No. _____

Location: Unit_____Sec._____Twp._____Rng._____Cty._____

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 _____ _____Pool, and the standard spacing unit in said pool is _____ acres.

(4) That a _____-acre proration unit comprising the _____ of Sec. _____, Twp. _____, Rng. _____, is currently dedicated to the _____ _____ located in Unit _____ 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 _____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_____day of _____, 19_____.

_____
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 _____

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 _____ Well Name and No. _____

Location: Unit_____ Sec._____ Twp._____ Rng._____ Cty._____

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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.

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(3) That the well for which a finding is sought is completed in the _____ _____Pool, and the standard spacing unit in said pool is _____ acres.

(4) That a _____-acre proration unit comprising the _____ of Sec. _____, Twp. _____, Rng. _____, is currently dedicated to the _____ _____ located in Unit _____ of said section.

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

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(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_____day of _____, 19_____.

_____
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 _____

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 _____ Well Name and No. _____

Location: Unit_____ Sec._____ Twp._____ Rng._____ Cty._____

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(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.

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(3) That the well for which a finding is sought is completed in the _____ _____Pool, and the standard spacing unit in said pool is _____ acres.

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(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 _____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_____day of _____, 19_____.

_____
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 _____

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 _____ Well Name and No. _____

Location: Unit_____Sec._____Twp._____Rng._____Cty._____

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 _____ _____Pool, and the standard spacing unit in said pool is _____ acres.

(4) That a _____-acre proration unit comprising the _____ of Sec. _____, Twp. _____, Rng. _____, is currently dedicated to the _____ _____ located in Unit _____ of said section.

(5) That this proration unit is ( ) standard ( ) nonstandard; if nonstandard, said unit was previous 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 _____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.

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DIVISION DIRECTOR ___ EXAMINER _____

OIL CONSERVATION DIVISION
P. O. Box 2088
SANTA FE, NEW MEXICO
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

NFL _____

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Operator _____ Well Name and No. _____

Location: Unit_____Sec._____Twp._____Rng._____Cty._____

II.

THE DIVISION FINDS:

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(3) That the well for which a finding is sought is completed in the _____ _____Pool, and the standard spacing unit in said pool is _____ acres.

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DIVISION DIRECTOR ___ EXAMINER ____

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

ADMINISTRATIVE ORDER

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I.

Operator _____ Well Name and No. _____

Location: Unit _____ Sec. _____ Twp. _____ Rng. _____ Cty. _____

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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.

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DONE at Santa Fe, New Mexico, on this _____ day of _____, 19_____.

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DIVISION DIRECTOR ___ EXAMINER _____