



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

January 5, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE NEW MEXICO 87501
(505) 827-5800

Union Texas Petroleum Corporation
P.O. Box 2120
Houston, Texas 77252-2120

Attention: R.E. Stanley
Natural Gas Marketing

Re: Administrative Order NFL-146

Dear Mr. Stanley:

Reference is made to your application for an Infill Well Finding 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 for the following described well:

Langlie Jal Unit Well No. 112 located 1300 feet from the North line and 1355 feet from the West line (Unit C) of Section 8, Township 25 South, Range 37 East, NMPM, Langlie Mattix Pool, Lea County, New Mexico.

THE DIVISION FINDS THAT:

(1) 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 effectivly 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) By Division 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) The well for which a finding is sought is to be completed in the Langlie Mattix Pool, and the standard spacing unit in said pool is 40 acres.

(4) A standard 40-acre oil proration unit comprising the NE/4 NW/4 (Unit C) of Section 8, Township 25 South, Range 37, is currently dedicated to the Langlie Jal Unit Well No. 72 also located in Unit C of said Section 8.

(5) Said unit is not being effectively and efficiently drained by the existing well on the unit.

(6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 62,000 MCF of gas from the proration unit which would not otherwise be recovered.

(7) All the requirements of Division Order No. R-6013 have been complied with, and 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.

(8) 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 THAT:

(1) The applicant is hereby authorized to drill the Langlie Jal Unit Well No. 112 as described above, as an infill well on the existing standard 40-acre oil proration unit comprising the NE/4 NW/4 (Unit C) of Section 8, Township 25 South, Range 37 East, NMPM, Langlie Mattix Pool, Lea County, New Mexico. 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) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael E. Stogner".

Michael E. Stogner
Examiner

N.M.O.C.D. - Hobbs

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



January 5, 1987

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(4) A standard 40-acre oil proration unit comprising the NE/4 NW/4 (Unit C) of Section 8, Township 25 South, Range 37, is currently dedicated to the Langlie Jal Unit Well No. 72 also located in Unit C of said Section 8.

(5) Said unit is not being effectively and efficiently drained by the existing well on the unit.

(6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 62,000 MCF of gas from the proration unit which would not otherwise be recovered.

(7) All the requirements of Division Order No. R-6013 have been complied with, and 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.

(8) 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 THAT:

(1) The applicant is hereby authorized to drill the Langlie Jal Unit Well No. 112 as described above, as an infill well on the existing standard 40-acre oil proration unit comprising the NE/4 NW/4 (Unit C) of Section 8, Township 25 South, Range 37 East, NMPM, Langlie Mattix Pool, Lea County, New Mexico. 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) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,
Michael E. Stogner

Michael E. Stogner
Examiner

N.M.U.C.D. - Hobbs



Union Texas Petroleum

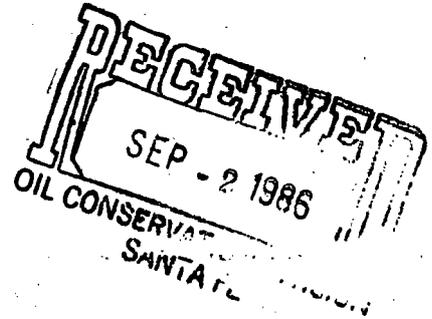
1330 Post Oak Blvd.
P.O. Box 2120
Houston, Texas 77252-2120
(713) 623-6544

August 28, 1986

New Mexico Department of Energy and Minerals
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mike Stogner

Re: Langlie Jal #112
8-255-37E
Infill Well Finding



Dear Mike:

Please find attached the infill well finding for the above referenced well.

If additional data is necessary, please call me at (713) 968-3677.

Yours truly,

R. E. Stanley

R. E. Stanley
Natural Gas Marketing

RES:jc
Attachment

RS0050

LANGLIE JAL UNIT NO. 112

1. A recent reservoir study indicated that porosity stringers in the Seven Rivers-Queen formations (the unitized interval) of the Langlie Jal Unit varied in quantity and quality from well to well. Infill drilling to decrease discontinuity thereby increasing flood efficiency was proven to be successful in the Langlie Jal Unit.
2. The infill drilling of Langlie Jal Unit Well No. 112 is a part of the project to increase well density from 40 acres per well and 80 acre 5-spot patterns to 20 acres per well and 40 acre 5-spot patterns.
3. Based on an initial production of 40 BOPD, a GOR of 1000 and a unit production decline of 20%, reserves for this well are estimated at 62,000 BO and 62 MMCF gas.
4. The cumulative production from the Langlie Jal Unit Well No. 72, which is within the 40 acre proration unit, is 261 MBO (gas production not available).
5. There is no future production from Langlie Jal Unit Well No. 72. This well was converted to injection service in January 1986 to complete the 40 acre 5-spot patterns following infill drilling.
6. The estimate of remaining recoverable reserves that the original well could not recover is 62,000 STBO and 62 MMCF gas.
7. The estimated recovery of the Langlie Jal Unit No. 112 is 62,000 STBO and 62 MMCF gas.

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-102
Supersedes C-138
Effective 1-4-65

M 12225

WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section.

Union Texas Petroleum Corporation			Lease Langlie-Jal Unit		Well No. 112
Section C	Section 8	Township T-25-S	Range R-37-E	County Lea	

Actual Footage Location of Well:
1300 feet from the North line and 1355 feet from the West line

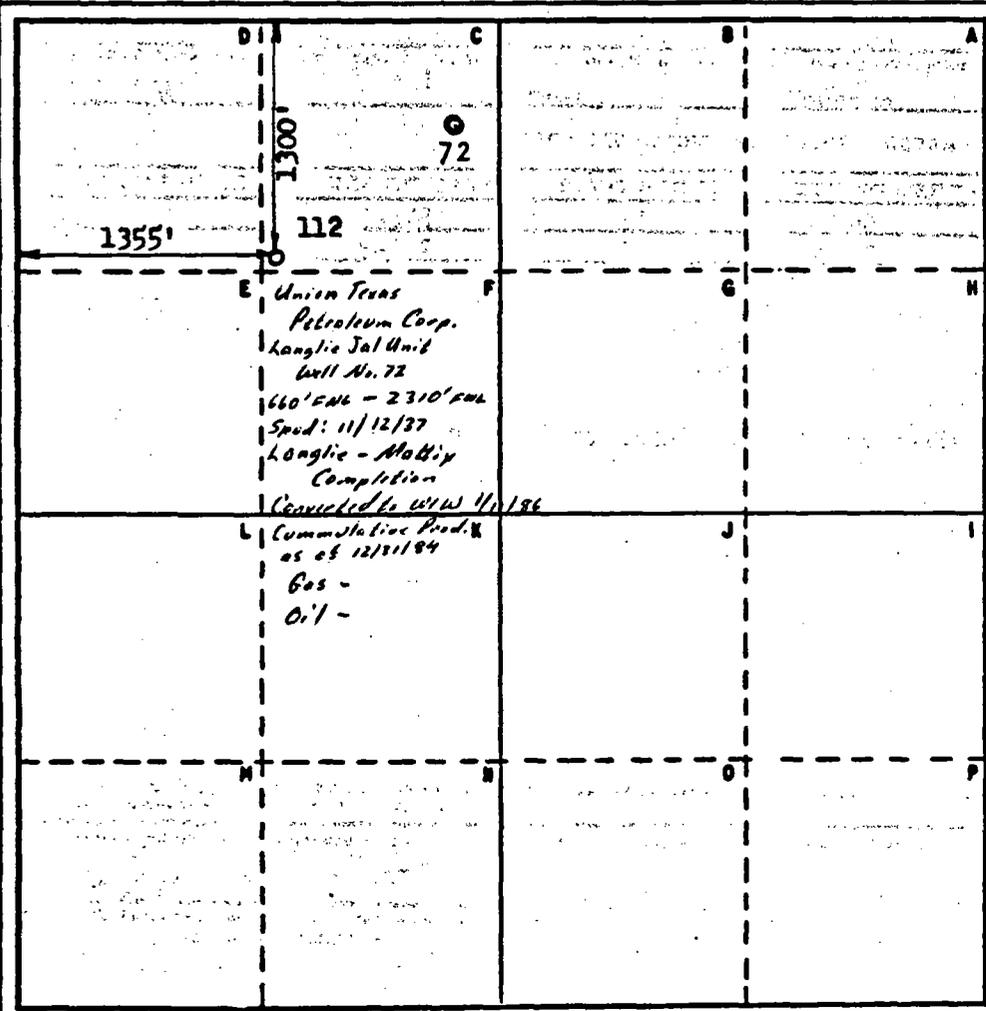
Ground Level Elev. 3160'	Producing Formation Langlie-Mattix	Pool Queen	Dedicated Acreage: 40 Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to 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 Secondary Recovery Waterflood Unit

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.



2 Miles N of Jal, New Mexico

CERTIFICATION

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

Name: Wm White
 Position: Regulatory Administrator
 Company: Union Texas Pet. Corp.
 Date: Sept. 6, 1985

I hereby certify that the information shown on this plat was checked against notes of actual survey or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

(Seal of J. Richmond, Registered Land Surveyor, New Mexico, No. 6157)

Date Surveyed: Sept. 4, 1985
 Registered Professional Engineer and/or Land Surveyor: W. J. Schmidt
 Certificate No. 6157

OIL CONSERVATION DIVISION

P. O. Box 2088

SANTA FE, NEW MEXICO
87501

ADMINISTRATIVE ORDER

NFL _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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 Union Texas Petroleum Corp. Well Name and No. Langlie Jal Unit Well No. 112

Location: Unit C Sec. 8 Twp. 25S Rng. 37E 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 Langlie Mattie Pool, and the standard spacing unit in said pool is 40 acres.

(4) That a Standard 40-acre proration unit comprising the NE 1/4 NW 1/4 (Unit C) of Sec. 8, Twp. 25S, Rng. 37E, is currently dedicated to the Langlie Mattie Jal Unit Well No. 72 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. ND.

(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 62,000 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_____.

DIVISION DIRECTOR _____ EXAMINER _____

Received 9/2/86
Release ASAP

Union Texas Petroleum Corporation
P.O. Box 2120
Houston, Texas 77252-2120

Attention: R.E. Stanley
Natural Gas Marketing

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(4) A standard 40-acre oil proration unit comprising the NE/4 NW/4 (Unit C) of Section 8, Township 25 South, Range 37, is currently dedicated to the Langlie Jal Unit

(5) Said unit is not being effectively and efficiently drained by the existing well on the unit.

(6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 62,000 MCF of gas from the proration unit which would not otherwise be recovered.

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Examiner

N.M.O.C.D. - Hobbs

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



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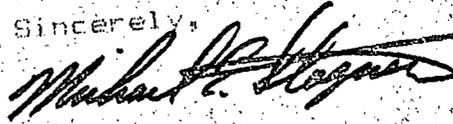
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Michael E. Stogner
Examiner

N.M.O.C.D. Hobbs