

A. R. "Al" Kendrick

P. O. BOX 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

June 20, 1983

NSC-1717
Order R-2975.(4)
7-1-83

Mr. Joe D. Ramey
Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501

Re: Application for Non-standard Location
Noel Reynolds

Darla Injection #1
1750' FNL 1230' FEL Section 33, T18N, R3W
South San Luis Mesaverde Oil Pool
Sandoval County, New Mexico

Dear Mr. Ramey:

We respectfully request approval of the non-standard location for the subject well to be used as an injection well in the South San Luis Mesaverde Oil Pool as provided in paragraph (4) of Order R-2975.

Enclosed are the following items:

1. Well location plat, Form C-102.
2. Proximity plat for the drill tract.
3. Plat showing the wells drilled in the area with a geologic interpretation developed from data from these wells.
4. Ownership plat from the Federal Abstract Company showing the names and addresses of the offset owners.

All offset owners are being mailed a copy of this application by certified mail along with this mailing because of our lack of information regarding requests as provided in subparagraph 2 of paragraph (4) of Order R-2975.

If further information is needed, please contact me.

Yours very truly,

A. R. Kendrick

Encls.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
OIL AND MINERALS DEPARTMENT

P. O. BOX 2048

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-78

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

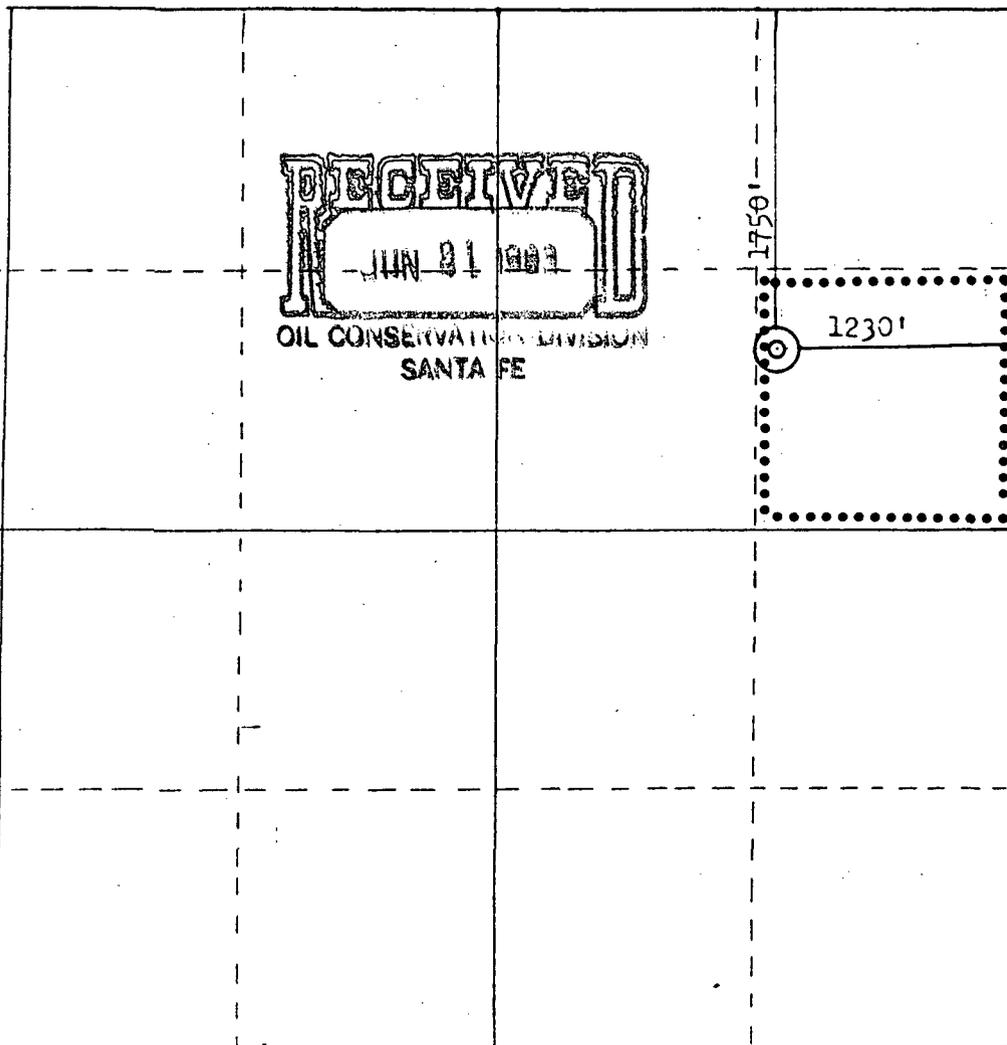
Operator: Noel Reynolds		Lease Darla Injection			Well No. 1
Unit Letter H	Section 33	Township 18N	Range 3W	County Sandoval	
Actual Footage Location of Well: 1750 feet from the North line and 1230 feet from the East line					
Ground Level Elev: 6450	Producing Formation Mesaverde	Pool South San Luis-Mesaverde Oil	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.

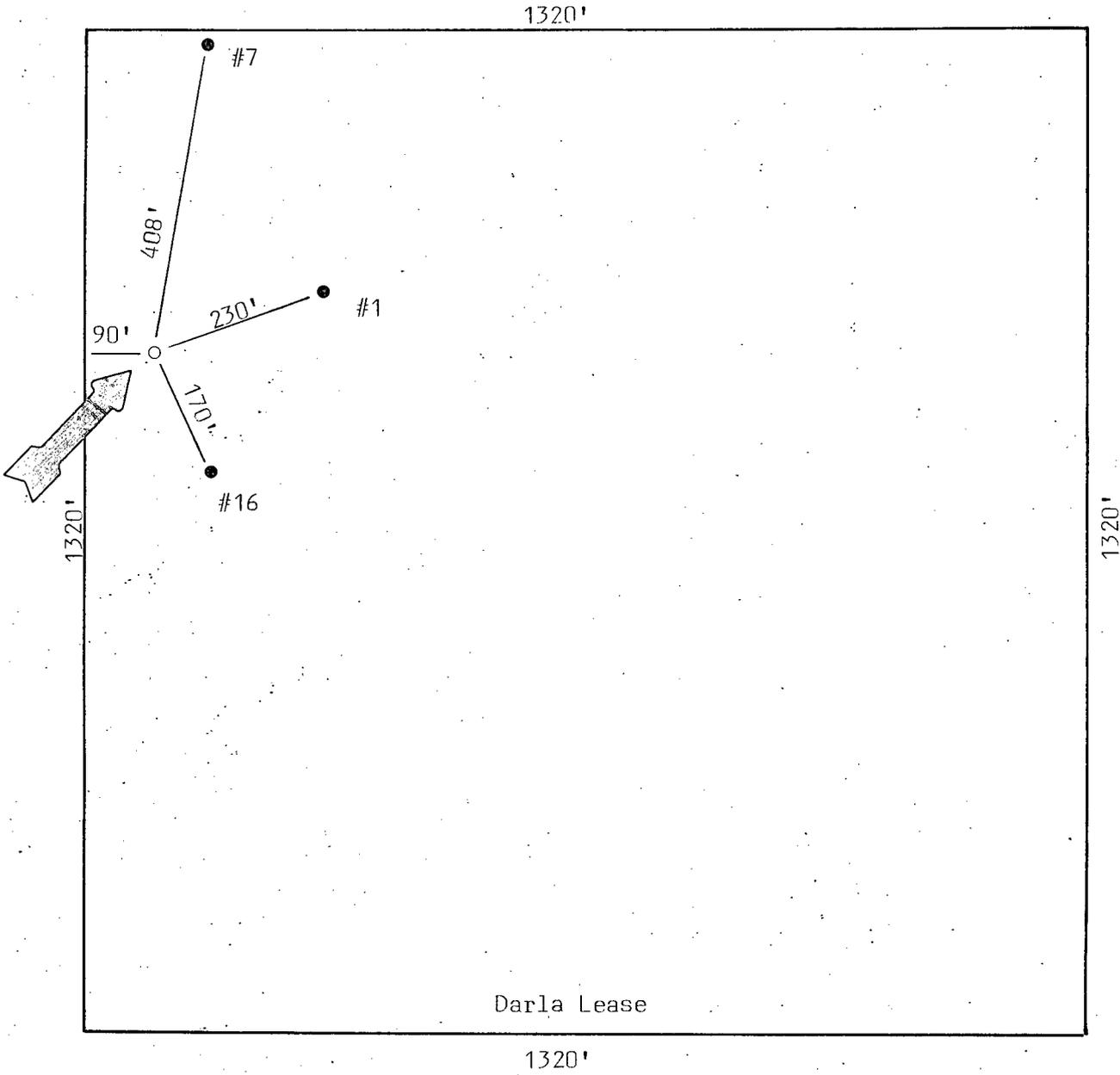


Scale: 1"=1000'

CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<i>AP Kendrick</i>
Position	Agent
Company	Noel Reynolds
Date	June 10, 1983
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	June 8, 1983
Registered Professional Engineer and Land Surveyor	<i>Fred B. Kerr Jr.</i> Fred B. Kerr Jr.
Certificate No.	3950

PROXIMITY PLAT

SE/4 NE/4 Section 33, T18N, R3W



Noel Reynolds
Darla Injection #1
1750' FNL 1230' FEL
Sec. 33, T18N, R3W

27

TENNECO
6 - Torreon Core Test

α

EL PAM

Myro

4

TD 520

1

2

TD 560

TD 520

EL PAM

1- Demos

TD 550

RUTH ROSS

2- So. San Luis

TD 400

TENNECO

7- Torreon C. T.

TD 1150

A. H. STOWE

Timmy Fed.

3

J. HARVEY

2

TD 600

TD 920

1

2

TD 605

Ann-1

Ann-2

Ann-6

Ann-10

Ann-17

Ann-18

Ann-15

Ann-12

Ann-11

Ann-7

Ann-9

Ann-14

Ann-13

Ann-16

Ann-10

Ann-11

Ann-12

Ann-13

Ann-14

Ann-15

Ann-16

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Ann-19

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Ann-21

Ann-22

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Ann-24

Ann-25

Ann-26

Ann-27

Ann-28

Ann-29

Ann-30

Ann-31

Ann-32

Ann-33

Ann-34

Ann-35

Ann-36

Ann-37

Ann-38

28

STOWE

Fed-1

TD 1010

Ann-14

TD 3382

33

34

Hughes Collins

1

TD 1800

Indicated
stream channel
boundaries

FEDERAL ABSTRACT COMPANY

P.O. BOX 2288
SANTA FE, N.M. 87504-2288

FEDERAL ABSTRACT COMPANY
P. O. BOX 2288
SANTA FE, NEW MEXICO 87501
RED - STATE LAND
BLUE - FEE LAND

TWP., 18 N. RGE 3 W. N.M.P.M.
Sandoval COUNTY
DATE June 1, 1983

	6	5	4	3	2	1					
	7	8	9	10	11	12					
	18	17	16	15	14	13					
	19	20	21	22	23	24					
	30	29	28	27	26	25					
			33	32	31	30					
			5	5	5	8					
			5	6	7	8					
	31	32	33	34	35	36					
			5	5	5	9					
			5	6	5	9					

1. NM 24442 Champlin Petroleum Co. (50%), P. O. Box 1257, Englewood, CO 80150
Norcen Petroleum, Inc. (25%), 715 5th Avenue SW, Calgary, Alberta
Canada T2P2X7
Lancaster Corp. (25%), P. O. Box 8439, Denver, CO 80201
Lease issued 4/1/1975
2. NM 25777 Harry G. Dippel, 2001 Kirby, Suite 1214, Houston, TX 77012
Lease issued 8/1/1975
3. NM 21445 John M. Beard, 1230 United Founders Building, Oklahoma City, OK 73112
Lease issued 7/1/1974
4. NM 31869 Indian Withdrawal Application
- NM 32341 Indian Exchange Application
5. SF 081171-K M. E. Ellsberry (88.67187%), 8330 Harry Hines Boulevard, Dallas, TX 75235
T. J. Kreatschman (11.32813%), 2530 Farimount, Dallas, TX 75201
Lease held by production.
6. NM 21733 Dome 1980 Institutional Investors Ltd. (57.86667%), 2900 Dome Tower,
1625 Broadway, Denver, CO 80202
Trend Exploration Ltd. (30.00%), 600 Capital Life Center, Denver, CO
80203
TCPL Resources USA (12.13333%), 2900 Dome Tower, 1625 Broadway,
Denver, CO 80202
Lease issued 7/1/1974
7. SF 081171-A M. E. Ellsberry (88.67187%) & T. J. Kreatschman (11.32813%)
Lease held by production.
8. NM 12812 Lease expired 12/31/1982, available when posted.
9. NM 50980 Christine V. Sorenson, 2010 Fulkerson Drive, Roswell, NM 88201
Lease issued 5/1/1982

**(NORTH BAGLEY-MIDDLE PENNSYLVANIAN POOL -
Cont'd.)**

an exception to the requirements of said rule. The operator shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before November 1, 1964.

(2) That each well presently drilling to or completed in the North Bagley-Middle Pennsylvanian Pool or in the Middle Pennsylvanian formation within one mile thereof shall receive a 40-acre allowable until a Form C-128 dedicating 80 acres to the well has been filed with the Commission.

(3) That this case shall be reopened at an examiner hearing in October, 1965, at which time the operators in the subject pool may appear and show cause why the North Bagley-Middle Pennsylvanian Pool should not be developed on 40-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

SOUTH SAN LUIS-MESAVERDE POOL
(Rules and Waterflood)
Sandoval County, New Mexico

Order No. R-2975, Creating and Adopting Operating Rules for and Authorizing Arwood Stowe & Company to Institute a Waterflood Project in the South San Luis-Mesaverde Pool, Sandoval County, New Mexico, October 7, 1965.

Application of Arwood Stowe & Company for the Creation of a Pool, Special Pool Rules, and a Waterflood Project, Sandoval County, New Mexico.

CASE NO. 3307
Order No. R-2975

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on October 6, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 7th day of October, 1965, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Arwood Stowe & Company, seeks the creation of a new oil pool for Mesaverde production in the NE/4 of Section 33, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico.

(3) That the Mesaverde formation underlying the NE/4 of Section 33, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico, constitutes a separate common source of supply which should be designated the South San Luis-Mesaverde Oil Pool.

(4) That the applicant also seeks the promulgation of special rules governing said pool, including a provision authorizing less than 40 acre spacing and a provision authorizing well locations no nearer than 150 feet to a quarter-quarter section line and no nearer than 300 feet to a well producing from the pool.

(5) That adoption of the proposed special rules and regulations will prevent waste and protect correlative rights, provided a 40-acre proration unit does not receive more than a 40-acre top unit allowable for wells in the 0-5000 foot depth range in Northwest New Mexico, regardless of the number of wells on the 40-acre unit.

(6) That the applicant also seeks permission to institute a waterflood project in the South San Luis-Mesaverde Oil Pool by the injection of water into the Mesaverde formation through four wells in Section 33, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico.

(7) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(8) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(9) That the proposed waterflood project should be approved and should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(10) That an administrative procedure should be established whereby the Secretary-Director of the Commission may approve additional injection or producing wells at unorthodox locations if he determines that such approval will increase the efficiency of the waterflood project herein authorized.

IT IS THEREFORE ORDERED:

(1) That a new pool in Sandoval County, New Mexico, classified as an oil pool for Mesaverde production, is hereby created and designated the South San Luis-Mesaverde Oil Pool, with vertical limits comprising the Mesaverde formation and horizontal limits comprising the NE/4 of Section 33, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico.

(2) That Special Rules and Regulations for the South San Luis-Mesaverde Oil Pool are hereby promulgated as follows:

**SPECIAL RULES AND REGULATIONS
FOR THE
SOUTH SAN LUIS-MESAVERDE OIL POOL**

RULE 1. Each well completed or recompleted in the South San Luis-Mesaverde Oil Pool or in the Mesaverde formation within one mile thereof, and not nearer to or within the limits of another designated Mesaverde oil pool, shall be spaced,

(SOUTH SAN LUIS-MESAVERDE (RULES AND WATER-FLOOD) POOL - Cont'd.)

drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located no nearer than 150 feet to a quarter-quarter section line and no nearer than 300 feet to any other well producing from the same pool.

RULE 3. A 40-acre proration unit shall not produce in excess of the 40-acre top unit allowable for wells in the 0-5000 feet depth range in Northwest New Mexico, regardless of the number of wells on the unit.

IT IS FURTHER ORDERED:

(1) That the applicant, Arwood Stowe & Company, is hereby authorized to institute a waterflood project in the South San Luis-Mesaverde Oil Pool by the injection of water into the Mesaverde formation through the following-described wells in Section 33, Township 18 North, Range 3 West, NMPM, Sandoval County, New Mexico:

Well No. 1, located 330 feet from the North line and 990 feet from the East line;

Well No. 2, located 330 feet from the North line and 330 feet from the East line;

Well No. 4, located 990 feet from the North line and 990 feet from the East line; and

Well No. 5, located 990 feet from the North line and 330 feet from the East line.

(2) That the subject waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1130 of the Commission Rules and Regulations.

(4) That the Secretary-Director of the Commission is hereby authorized to approve additional injection or producing wells at unorthodox locations in the subject waterflood project in accordance with the following-described administrative procedure:

1. An application shall be filed in TRIPLICATE and shall be accompanied by a plat showing the location of the proposed well and all other wells in the project area.

2. Any offset operator desiring notice of such applications shall notify the Secretary-Director and the operator of the waterflood project.

3. The applicant shall forward a copy of the application and plat to all offset operators who have requested notice, and the application shall state that such notice has been furnished.

4. The Secretary-Director may approve the application if he determines that approval will increase the efficiency of the waterflood project and no offset operator has requested notice of the application or has not objected within ten days after the Secretary-Director has received the application.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.