

BEFORE THE OIL CONSERVATION DIVISION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :  
TXO PRODUCTION CORP. FOR ADMINISTRA- :  
TIVE APPROVAL OF AN UNORTHODOX GAS :  
WELL LOCATION, EDDY COUNTY, NEW MEXICO :  
\_\_\_\_\_ :

CASE NO. 1781  
NSL-  
Rule 104-F.I  
Jan. 3, 1984

APPLICATION

COMES NOW TXO Production Corp., and respectfully states:

1. Applicant is the Operator of the Morrow Formation, underlying:

Township-21-South, Range 27-East, N.M.P.M.

Section 19: N/2 Eddy County, N.M.

*Undesignated Morrow Pool*

containing 320 acres, more or less,

and proposes to drill its Pioneer Federal Com #1 Well at a point located 1980 feet from the north line and 1740 feet from the east line of Section 19.

2. The applicant seeks an exception to the well location requirements of Rule 104-C.II(a) and Rule 104-F.I of the Oil Conservation Division to permit the drilling of the well at the above-mentioned unorthodox location to a depth sufficient to adequately test the Morrow Formation.

3. This Application for Administrative Approval is accompanied by a plat, showing the ownership of all leases offsetting the proration or spacing unit for which the unorthodox location is sought, coupled with a form C102 rendered by a registered professional engineer and/or land surveyor, and a discussion of the topography conditions which result in the necessity for the unorthodox location, all of which are attached hereto as Exhibit "A".

4. A standard 320-acre gas proration unit comprising the N/2 of said Section 19 should be dedicated to such well or to such lesser portion thereof as is reasonably shown to be productive of gas.

5. All operators of proration or spacing units offsetting the unit for which the unorthodox location is sought have been notified of the application by certified or registered mail.

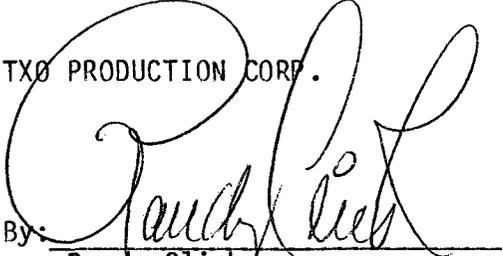
6. The approval of this application will afford applicant the opportunity to produce its just and equitable share of gas, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

WHEREFORE, applicant prays:

A. That upon hearing the Division enter its order granting applicant permission to drill its Pioneer Federal Com #1 Well at a point 1980 feet from the north line and 1740 feet from the east line of said Section 19, and to dedicate the N/2 of Section 19, which is reasonably presumed to be productive of gas from the Morrow Formation to said well.

B. And for such other and further relief as may be just in the premises.

TXO PRODUCTION CORP.

By: 

Randy Click

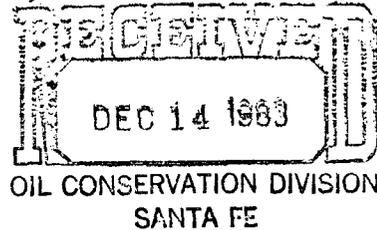
TXO PRODUCTION CORP.  
900 Wilco Building  
Midland, Texas 79701

Landman for Applicant

TXO PRODUCTION CORP.  
900 WILCO BUILDING  
MIDLAND, TEXAS 79701  
915/682-7992

December 12, 1983

Mr. Joe D. Ramey, Director  
Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501



Re: TXO Production Corp.  
Pioneer Federal Com #1 Well  
Eddy County, New Mexico

Dear Mr. Ramey:

Please find enclosed for filing, three (3) copies of the Application of TXO Production Corp. for Administrative Approval for an Unorthodox Gas Well Location in Eddy County, New Mexico.

In light of existing contractual obligations, this well must be commenced by January 15, 1984, therefore, your prompt attention in this matter is appreciated.

If for any reason you have any questions, please do not hesitate to contact the undersigned at the above listed address or telephone number.

Very truly yours,

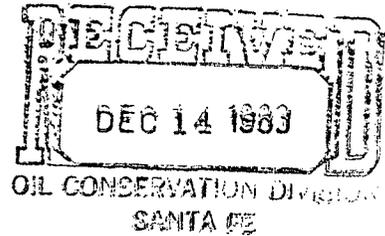
Randy Click  
Landman

RC/bv  
Enclosures

TXO PRODUCTION CORP.  
900 WILCO BUILDING  
MIDLAND, TEXAS 79701  
915/682-7992

EXHIBIT "A"

December 7, 1983



New Mexico Oil Conservation Department  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attn: Mr. Richard L. Stamets

Re: Application for Administrative  
Approval for Unorthodox Gas Well  
Location  
1980' FNL & 1740' FEL  
Section 19, T-21-S, R-27-E,  
Eddy County, New Mexico  
Pioneer Federal Com #1 Well

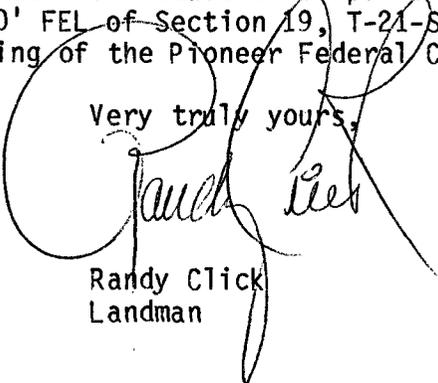
Gentlemen:

TXO Production Corp. proposes to drill the Pioneer Federal Com #1 Well at a location 1980' FNL and 1740' FEL of Section 19, T-21-S, R-27-E, Eddy County, New Mexico, which will be drilled to an approximate depth of 11,600 feet in order to test the Morrow Formation.

The reason for not drilling at an orthodox distance of 1980' FNL & 1980' FEL is because this location lies in the railroad right of way. Therefore, in order to avoid said right of way, the location had to be moved 240' to the east resulting in a distance of 1740' FEL. Please refer to Form C-102 for a diagram of the area.

It is therefore recommended that TXO Production Corp. be granted an unorthodox location of 1980' FNL and 1740' FEL of Section 19, T-21-S, R-27-E, Eddy County, New Mexico, for the drilling of the Pioneer Federal Com #1 Well.

Very truly yours,

  
Randy Click  
Landman

RC/bv

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

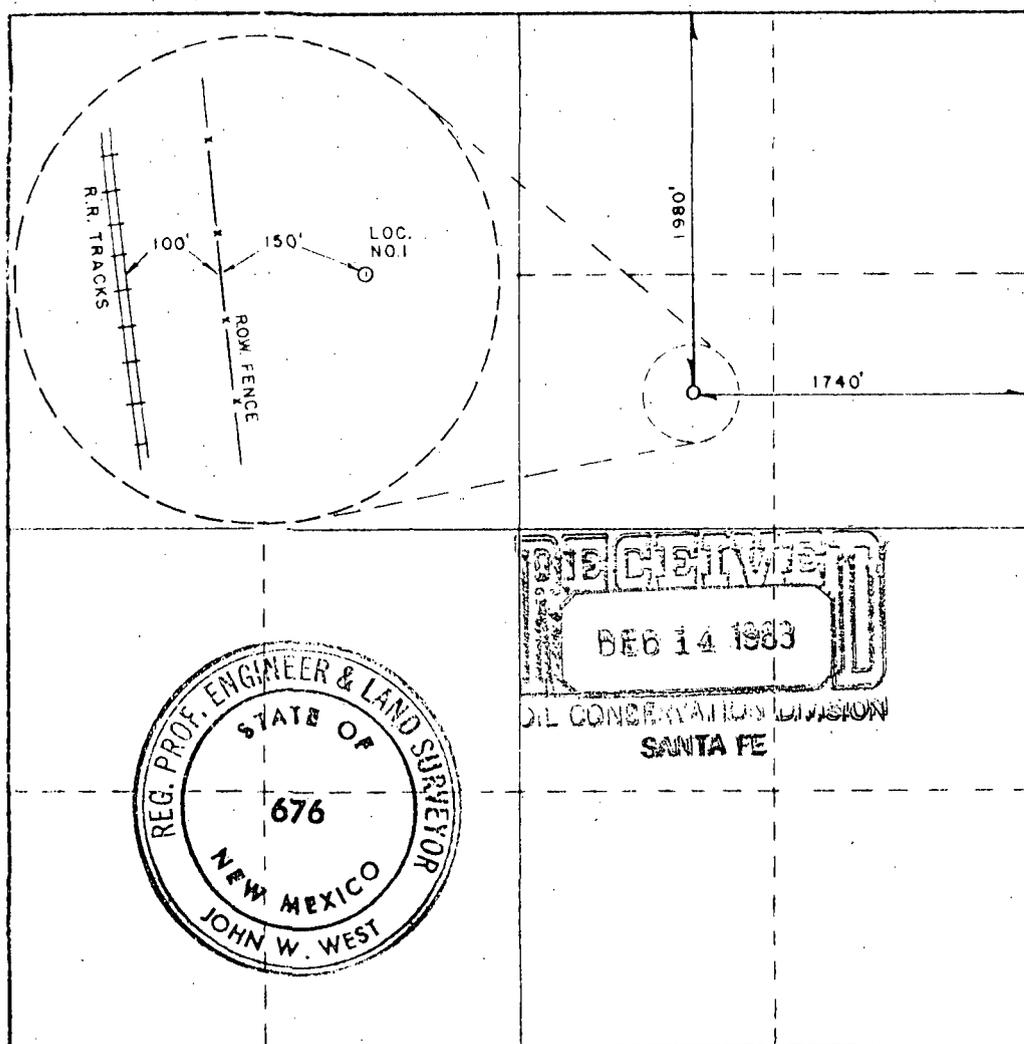
Operator <b>TXO PRODUCTION CO.</b>			Lease <b>PIONEER FEDERAL COM</b>			Well No. <b>1</b>		
Tract Letter <b>G</b>	Section <b>19</b>	Township <b>21S</b>	Range <b>27E</b>	County <b>EDDY</b>				
Actual Footage Location of Well: <b>1980</b> feet from the <b>NORTH</b> line and <b>1740</b> feet from the <b>EAST</b> line								
Ground Level Elev. <b>3181.5</b>	Producing Formation			Pool			Dedicated Acreage:  <b>Acres</b>	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes    No   If answer is "yes," type of consolidation \_\_\_\_\_

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

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

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

Name \_\_\_\_\_

Position \_\_\_\_\_

Company \_\_\_\_\_

Date \_\_\_\_\_

*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

**11/29/83**

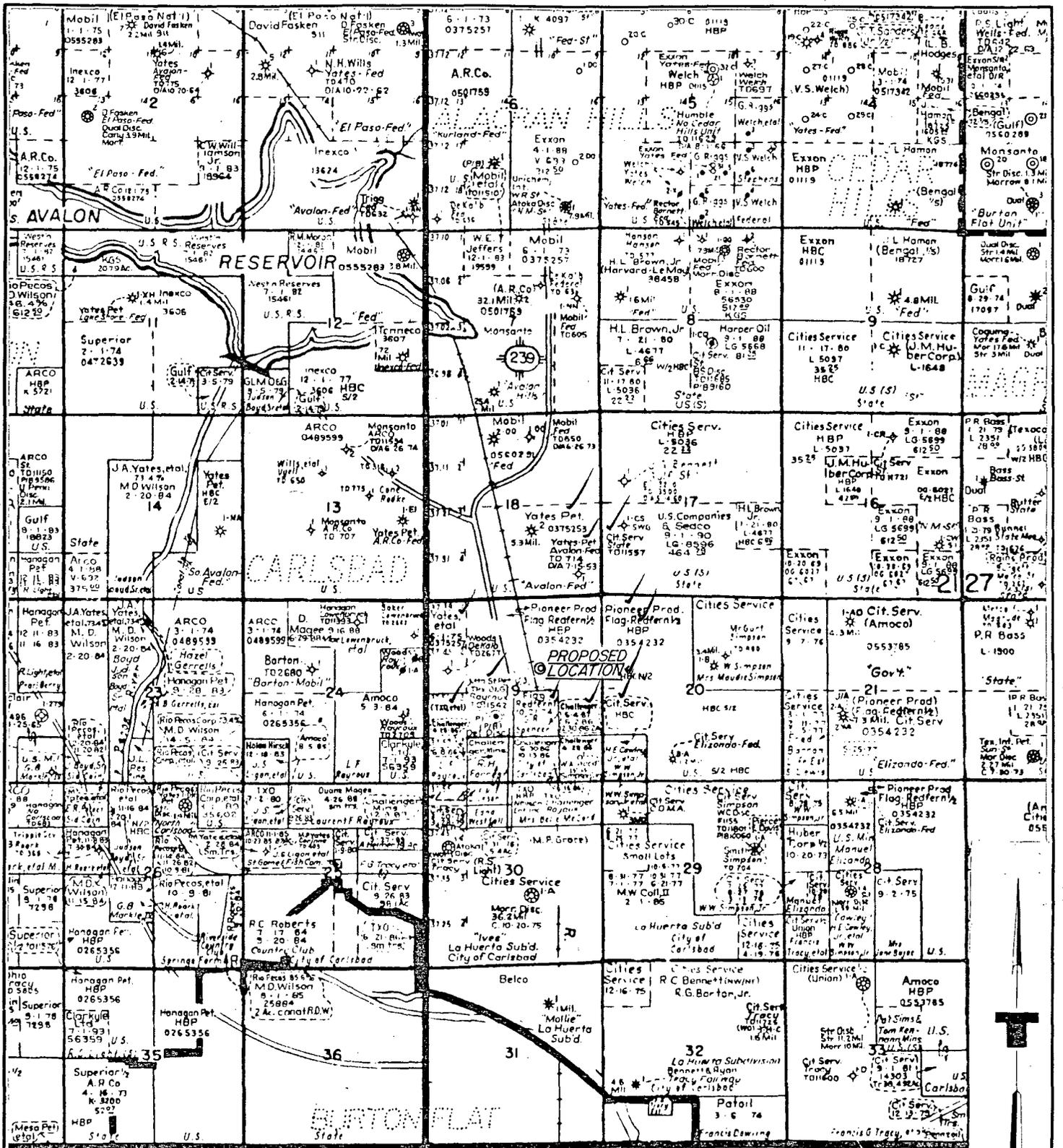
Registered Professional Engineer and/or Land Surveyor

*John W. West*

Certificate No. **JOHN W. WEST, 676**

**RONALD J. EIDSON, 3239**





# CARLSBAD

## TXO Production Corp.

BURTON FLAT FIELD AREA  
Eddy County, New Mexico

Unorthodox Location Hearing for  
TXO Prod. Corp. No. 1 Pioneer Federal Com.

Land Plat  
SCALE IN FEET



MIDLAND, TEXAS

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

### OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

### WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company			Lease Pioneer Federal			Well No. 1		
Unit Letter G	Section 19	Township T-21-S	Range R-27-E	County NMPM		Eddy		

Actual Footage Location of Well:  
 1,980 feet from the North line and 1,740 feet from the East line

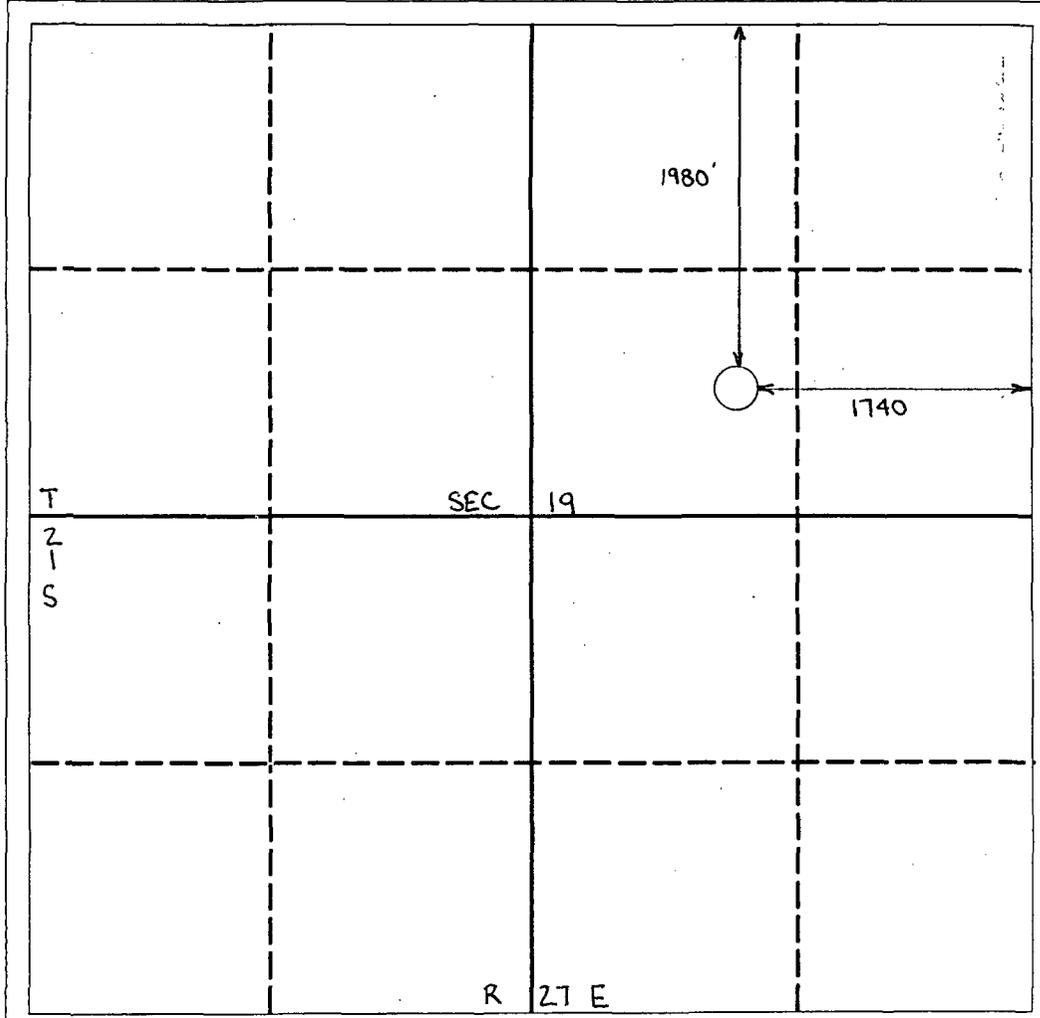
Ground level Elev. 3,181	Producing Formation Undesignated East Carlsbad Wolfcamp Gas Pool	Pool Wolfcamp	Dedicated Acreage: 320 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

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

*Steven P. Guidry*  
Signature

Steven P. Guidry  
Printed Name

Production Superintendent  
Position

Marathon Oil Company  
Company

Date  
12-12-91

**SURVEYOR CERTIFICATION**

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

Signature & Seal of Professional Surveyor

Certificate No.



Submit to Appropriate  
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State Lease - 4 copies  
Fee Lease - 3 copies

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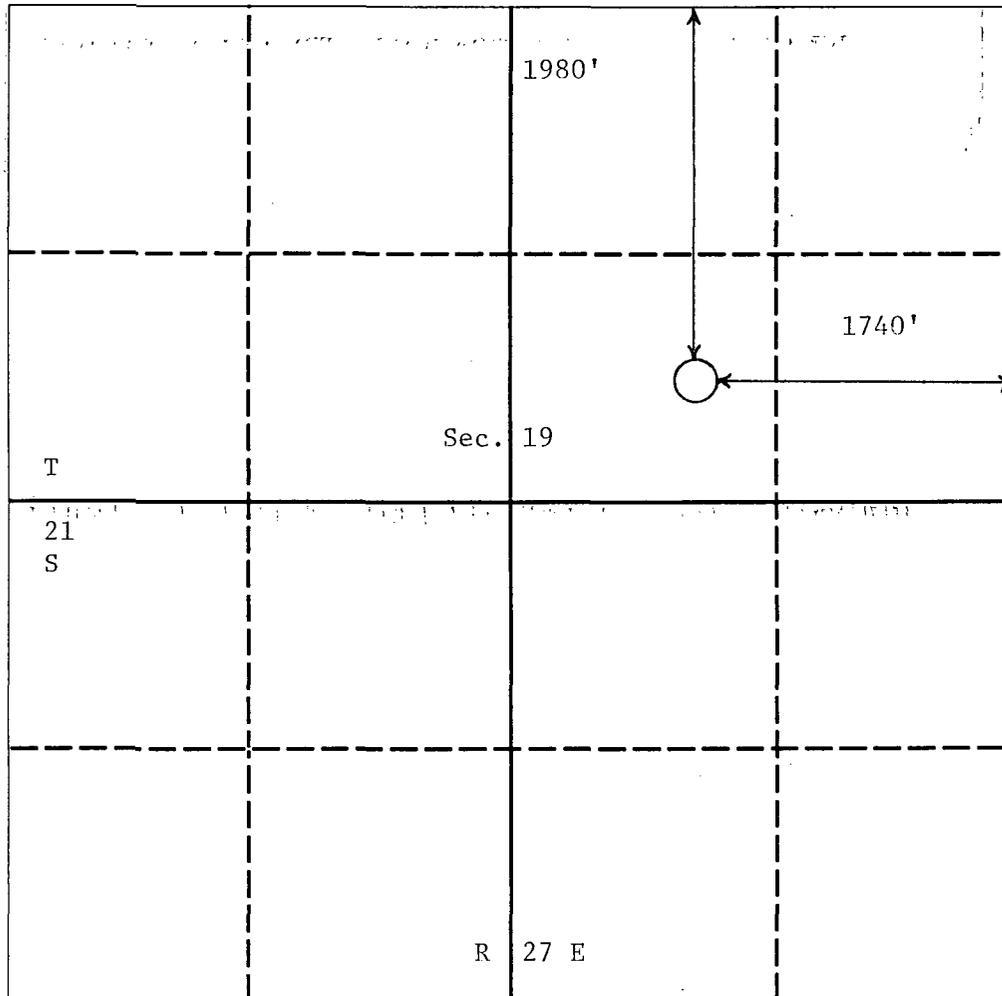
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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company			Lease Pioneer Federal			Well No. 1		
Unit Letter G	Section 19	Township 21S	Range 27E		County Eddy			NMPM
Actual Footage Location of Well: 1980 feet from the North line and 1740 feet from the East line								
Ground level Elev. 3181		Producing Formation Strawn		Pool Wildcat (Strawn)			Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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  - 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). \_\_\_\_\_  
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**OPERATOR CERTIFICATION**

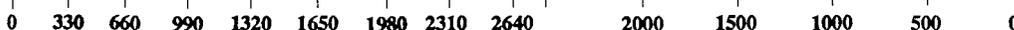
I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief.

Signature <i>Steven P. Guidry</i>
Printed Name Steven P. Guidry
Position Production Superintendent
Company Marathon Oil Company
Date 12/12/91

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Date Surveyed
Signature & Seal of Professional Surveyor
Certificate No.



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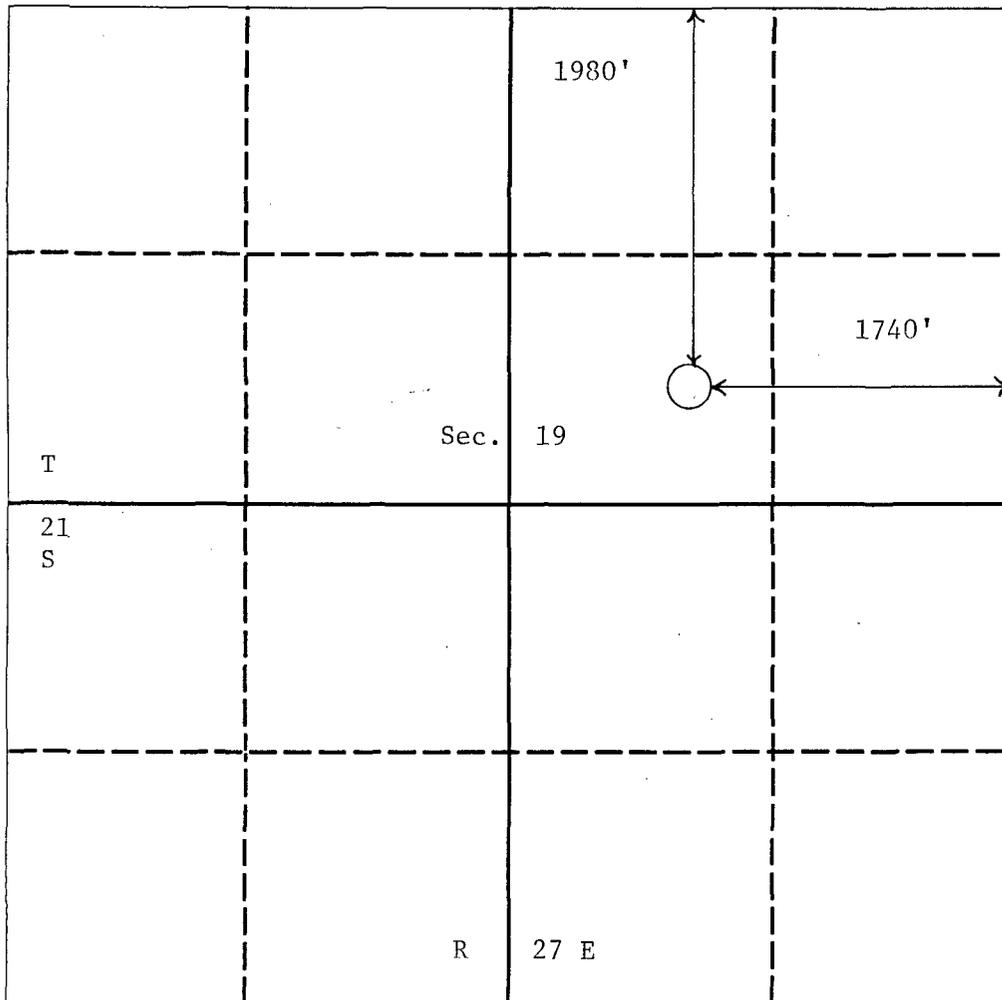
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All Distances must be from the outer boundaries of the section

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Unit Letter G	Section 19	Township 21S	Range 27E	County NMPM		Eddy		
Actual Footage Location of Well: 1980 feet from the North line and 1740 feet from the East line								
Ground level Elev. 3181		Producing Formation La Huerta Atoka			Pool La Huerta Atoka		Dedicated Acreage: 320 Acres	

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Printed Name

Production Superintendent  
Position

Marathon Oil Company  
Company

12/12/91  
Date

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Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.



ATTACHMENT NO. 4

AVALON

SEC 19

HIGHWAY

RAILROAD TRACKS

ORTHODOX LOCATION WINDOW

ACTUAL WELL LOCATION

DEDICATED 320 ACRES RADIO TOWER

La Huerta

CARLSBAD

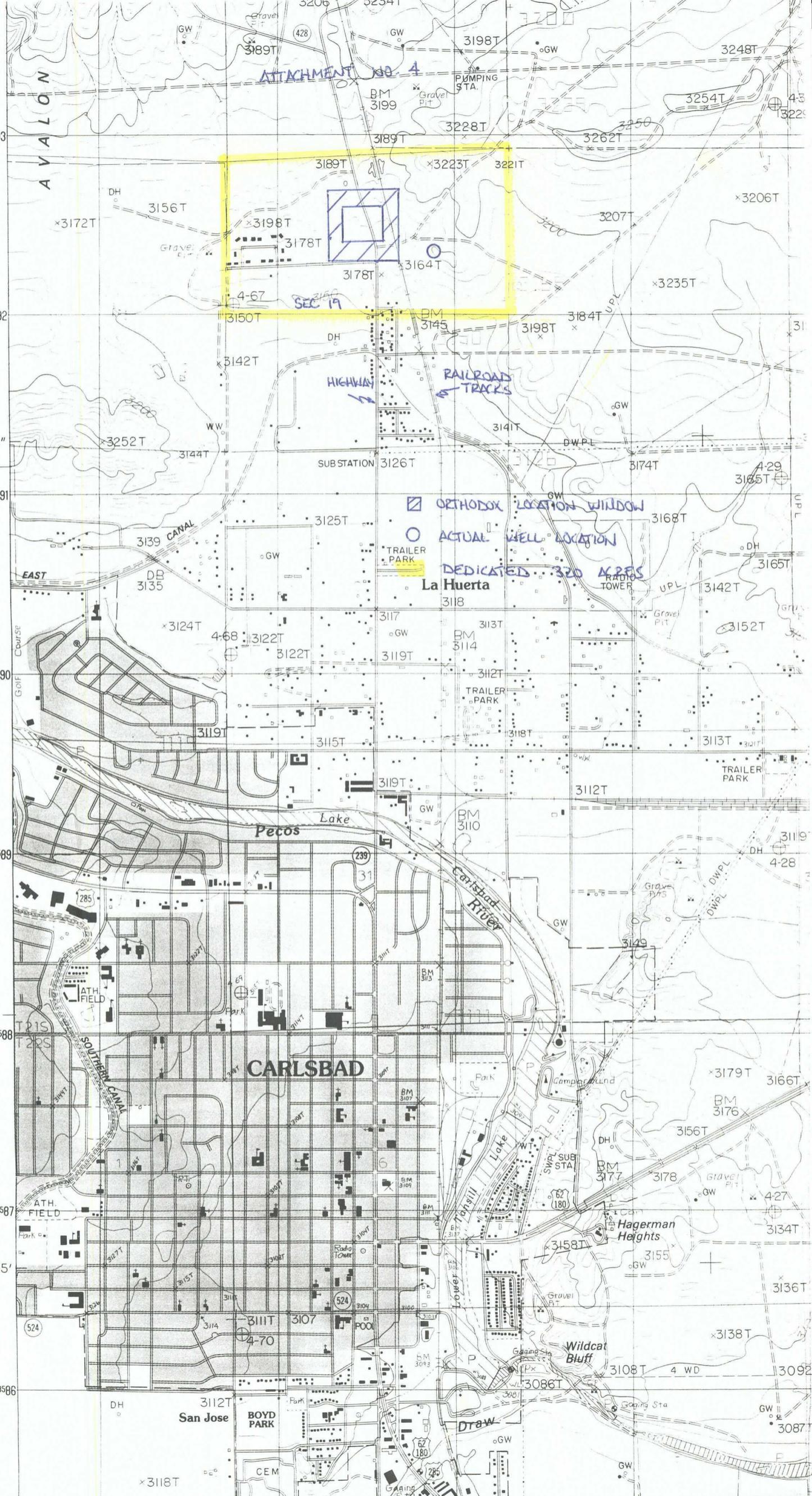
Hagerman Heights

Wildcat Bluff

San Jose

BOYD PARK

CEM

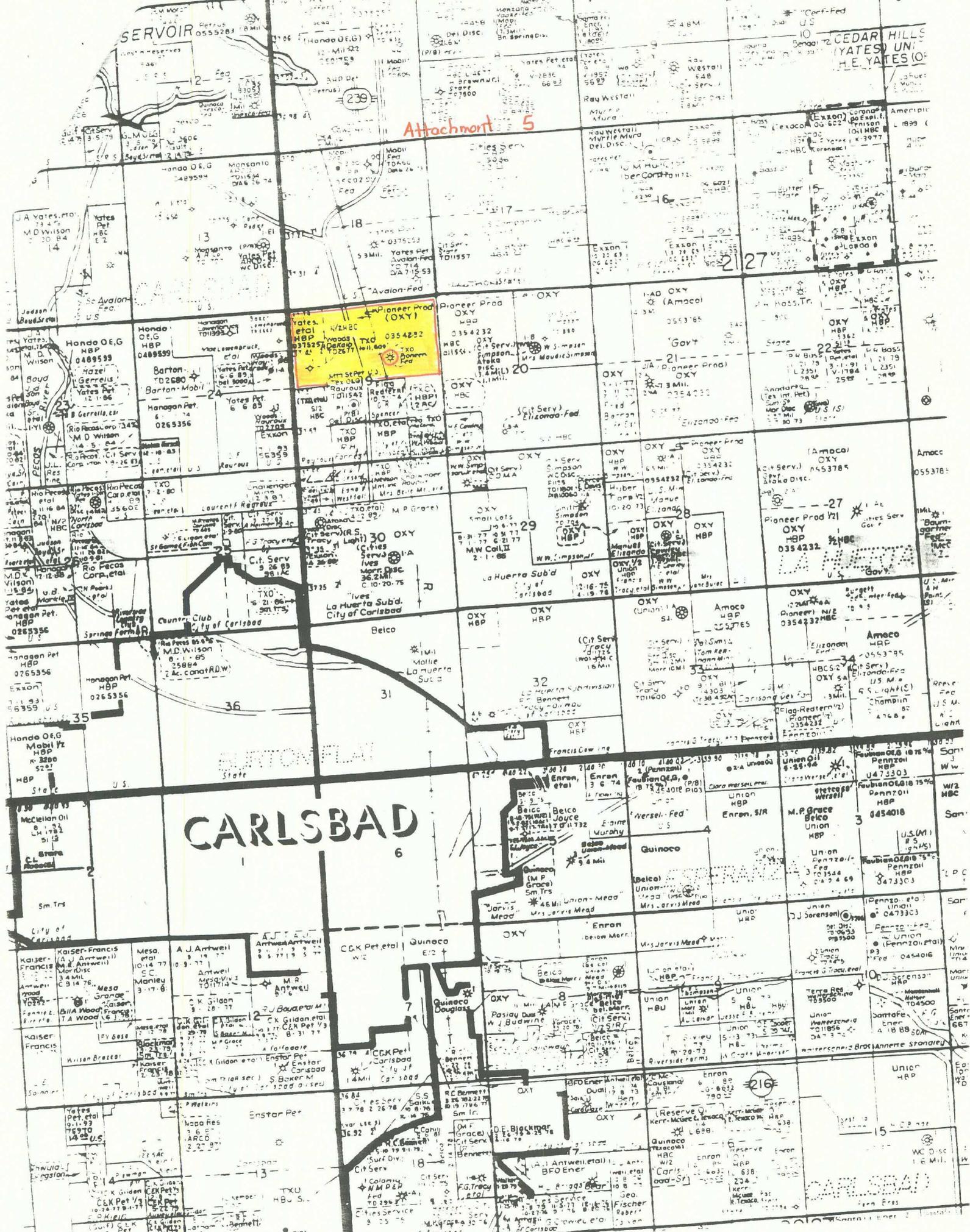


SERVOIR 0555283

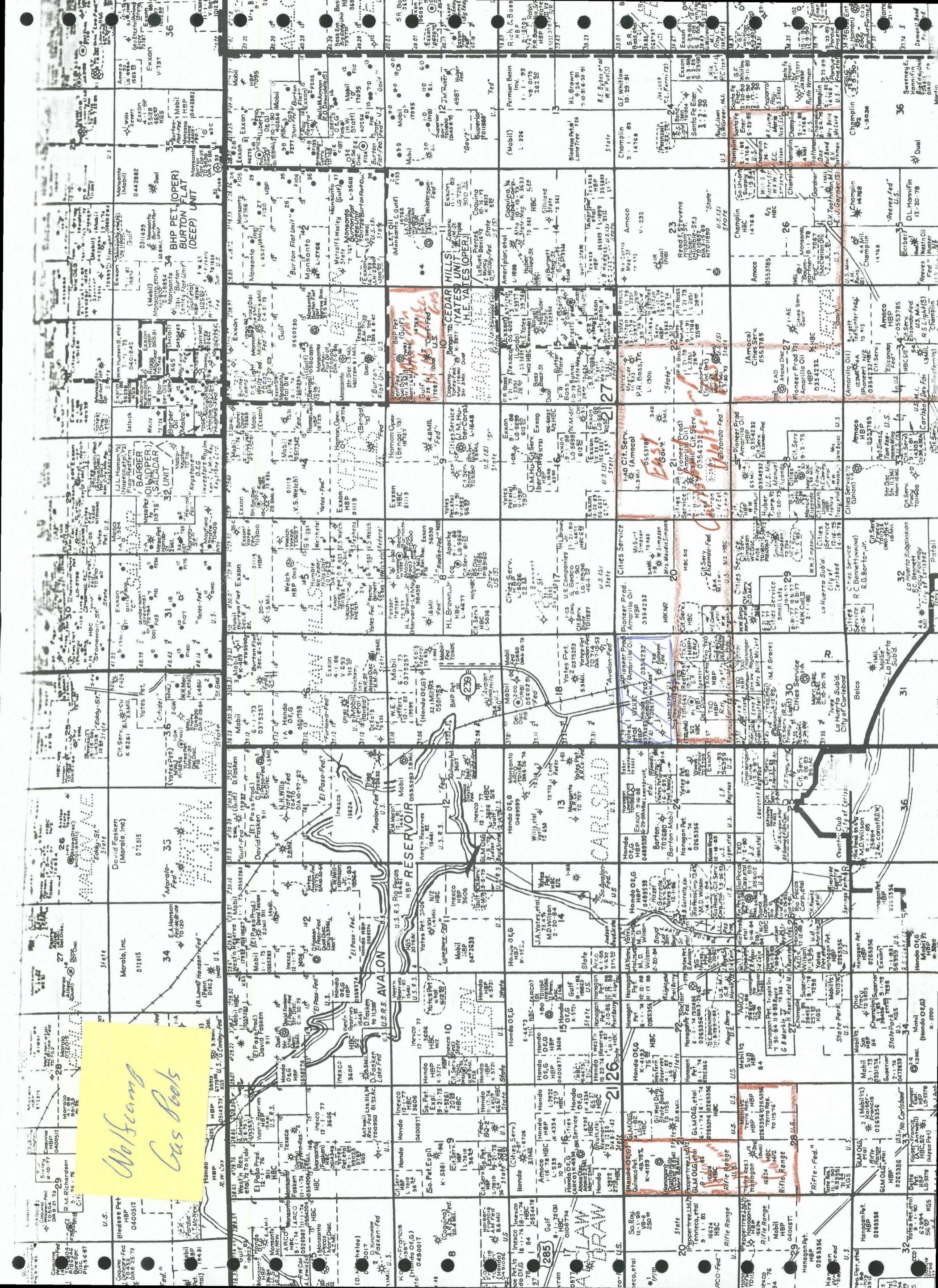
Attachment 5

CEDAR HILLS (YATES) UNIT H.E. YATES UNIT

# CARLSBAD



Wolfram  
Gas Pools



David Fasken (Marelo, Inc)  
012015

Marallo, Inc.  
012015

David Fasken  
012015



