

OIL CONSERVATION DIVISION  
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LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P.A. AM 8 43

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DEAN B. CROSS  
MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING  
P. O. DRAWER 239  
ARTESIA, NEW MEXICO 88211-0239

TELEPHONE  
(505) 746-3505  
TELECOPY  
(505) 746-6316

August 7, 1991

Mr. William J. LeMay, Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

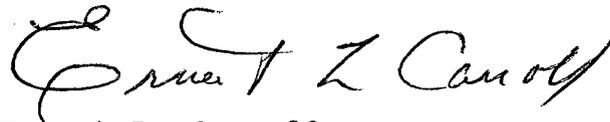
Dear Mr. LeMay:

Enclosed for filing, please find four copies of Application of Thomas Ray Sivley for an unorthodox oil well location for its Federal Silver No. 2 in Lea County, New Mexico. I am including a pre-addressed envelope and ask that you return a file-marked copy to me for my records.

We ask that this case be set for hearing, after allowing twenty days for notice to the offset operator, and that we be furnished with a copy of the docket for said hearing.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.



Ernest L. Carroll

ELC:kth  
Enclosures

cc w/encl: Thomas Ray Sivley  
Union Oil Company

BEFORE THE OIL CONSERVATION DIVISION  
OF THE STATE OF NEW MEXICO

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AUG 09 1991

IN THE MATTER OF THE APPLICATION OF  
THOMAS RAY SIVLEY FOR AN UNORTHODOX  
OIL WELL LOCATION, LEA COUNTY,  
NEW MEXICO

OIL CONSERVATION DIVISION

CASE NO. \_\_\_\_\_

APPLICATION

COMES NOW THOMAS RAY SIVLEY, by and through its attorneys, Losee, Carson, Haas & Carroll, P. A. and in support hereof, respectfully states:

1. Applicant is the operator of the Lynch formation underlying:

Township 20 South, Range 34 East, N.M.P.M.

Section 28: S/2

and proposes to drill its Federal Silver Lease No. 2 at a point located 1400' from the south line and 1600' from the east line of said Section 28.

2. The applicant seeks an exception to the well location requirements of Rule 104-C.I(a) 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 Lynch formation. Said unorthodox location is closer than 330' to the east and south boundaries of proration unit. Applicant is the operator of the spacing units which adjoin the proposed spacing unit on the two sides and the single corner closest to the proposed well.

3. A 40-acre oil proration unit comprising the NW/4 SE/4 of said Section 28 should be dedicated to such well.

4. Operator presently operates the Federal Silver No. 1 located 1980' from the south line and 1980' from the east line of Section 28. Said well is located within the proposed spacing unit but has been plugged in the Lynch formation, and is incapable of being produced from the Lynch formation.

5. The approval of this application will afford applicant the opportunity to produce its just and equitable share of oil, 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.

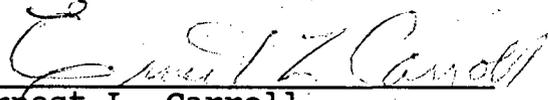
WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Division enter its order granting applicant permission to drill a well 1400' from the south line and 1600' from the east line of said Section 28, which is reasonably presumed to be productive of oil from the Lynch formation.

C. And for such other relief as may be just in the premises.

THOMAS RAY SIVLEY

By:   
Ernest L. Carroll

LOSEE, CARSON, HAAS & CARROLL, P.A.  
P. O. Drawer 239  
Artesia, New Mexico 88211-0239

Attorneys for Applicant

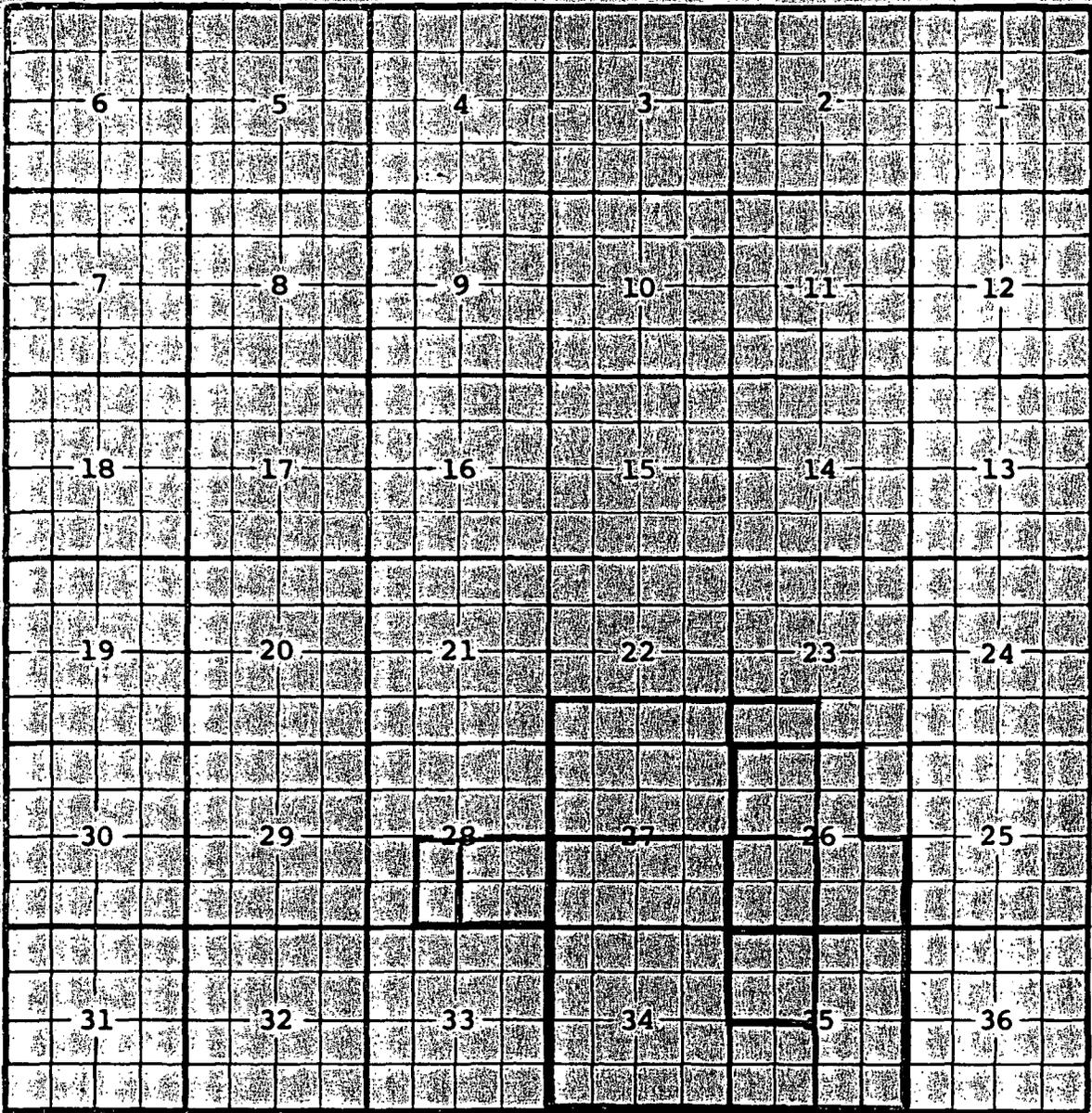
COUNTY *bea*

POOL *Lynch Vales - Seven Rivers*

TOWNSHIP *20 South*

RANGE *34 East*

NMPM



*Description:  $\frac{3}{4}$  Sec 27, All Sec 34;  $\frac{SW}{4}$  Sec 35 (R-1850, 1-1-50)*  
*Ext:  $\frac{NW}{4}$  Sec 35 (R-236, 12-24-52) -  $\frac{E}{2}$  Sec 35 (R-386, 11-10-53)*  
*-  $\frac{SW}{4}$  Sec 26 (R-1043, 8-29-57) -  $\frac{SE}{4}$  Sec 28 (R-1355, 4-1-59) -  $\frac{NW}{4}$  Sec 26 (R-1509, 11-1-59)*  
*-  $\frac{S}{2}$   $\frac{S}{2}$  Sec 22;  $\frac{SE}{4}$   $\frac{W}{2}$   $\frac{NE}{4}$  Sec 26;  $\frac{N}{2}$  Sec 27;  $\frac{E}{2}$   $\frac{SW}{4}$  Sec 28 (R-1824, 12-1-60)*  
*-  $\frac{S}{2}$   $\frac{SW}{4}$  Sec 23 (R-2569, 10-1-63) - Extend vertical limits to include Seven Rivers formation - Rename (R-2557, 2-1-65)*

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date October 3, 1958

Operator T.J. Sivley Lease Federal Silver - NM-039256  
Well No. 1 Unit Letter J Section 28 Township 20-5 Range 34E N  
Located 1980 Feet From South Line, 1980 Feet From East Line  
County Lea G. L. Elevation 3710' Dedicated Acreage 200-40 Acres  
Name of Producing Formation Lynch Pool Wildcat

1. Is the Operator the only owner\* in the dedicated acreage outlined on the plat below?  
Yes  No .
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes  No . If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and their respective interests below:

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OCT 17 1958

U. S. GEOLOGICAL SURVEY  
HOBBS, NEW MEXICO

RECEIVED

NOV 17 1958

U. S. GEOLOGICAL SURVEY  
ROSWELL, NEW MEXICO

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

T.J. Sivley

(Operator)

[Signature]  
(Representative)

Box 1208, Artesia, N.M.

Address

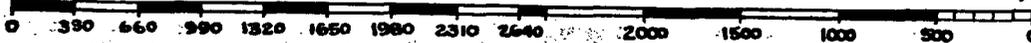
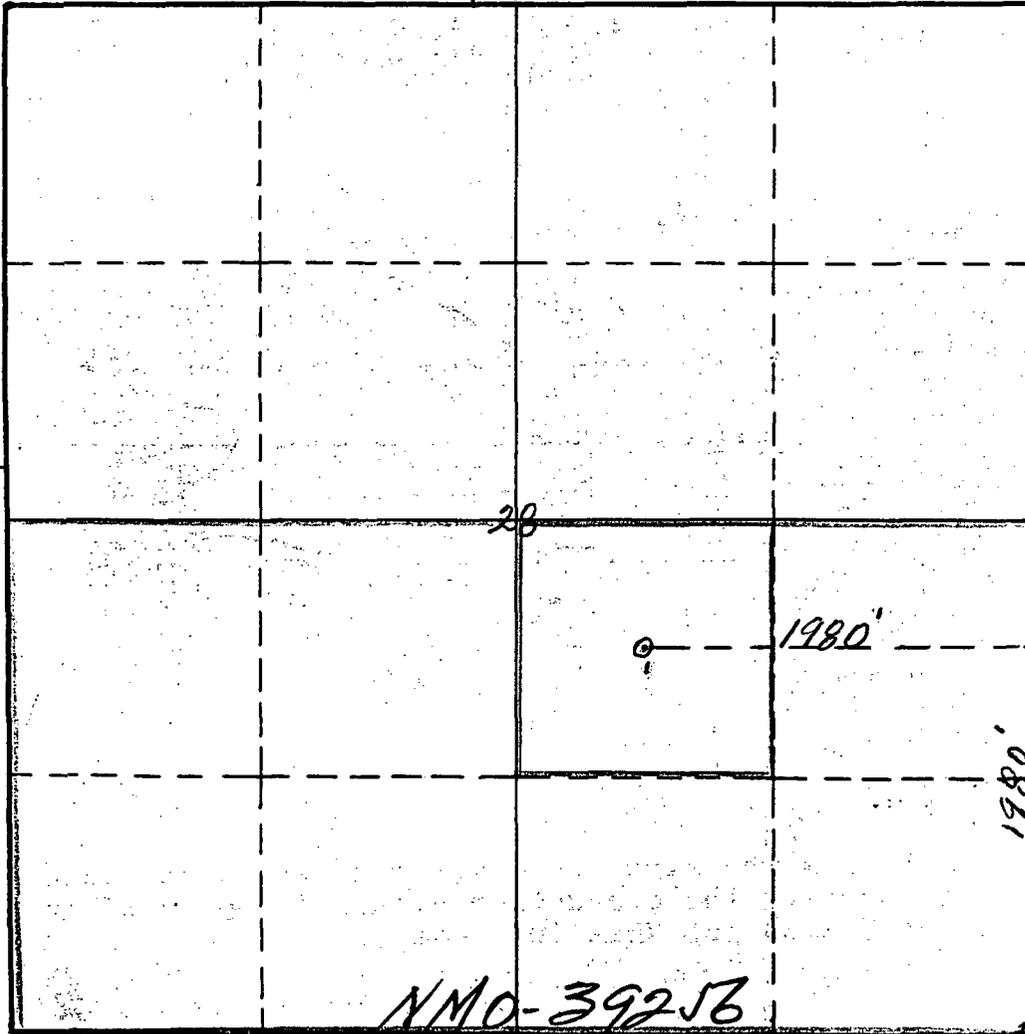
This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed October 3rd 1958

[Signature]  
Registered Professional  
Engineer and/or Land Surveyor.

Section B

R34E



(See instructions for completing this form on the reverse side)

Certificate No. 542

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R355.5.

5. LEASE DESIGNATION AND SERIAL NO.

**NM-039256**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

**Fed. Silver**

9. WELL NO.

**1**

10. FIELD AND POOL, OR WILDCAT

**Lynch Seven Rivers-Yates**

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

**Sec. 28 T20S, R34E**

12. COUNTY OR PARISH

**Lea**

13. STATE

**New Mexico**

WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR

3. ADDRESS OF OPERATOR

**T. J. Sivley  
P.O. Drawer GG, Artesia, New Mexico 88210**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*

At surface **Unit J, 1980' from the South Line and 1980' from the East Line of Sec. 28, T20S, R34E**  
At top prod. interval reported below  
At total depth **3584'**

14. PERMIT NO. DATE ISSUED

**3689'**

**10**

15. DATE SPUNDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.) 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* 19. ELEV. CASINGHEAD

**11/17/58 3/2/78 3/4/78 3713GL 3715**

20. TOTAL DEPTH, MD & TVD 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY\* 23. INTERVALS DRILLED BY ROTARY TOOLS CABLE TOOLS

**3689' (3719') 3689' Well Servicing Unit**

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*

**Yates Sands 3584' - 3689'**

25. WAS DIRECTIONAL SURVEY MADE

**No**

26. TYPE ELECTRIC AND OTHER LOGS RUN

**None - (Original Logs, 12-30-58 - Gamma Ray-Neutron)**

27. WAS WELL CORED

**No**

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24#	1675'	11"	Cemented back to Surface	None
5-1/2"	14#	3584'	8"	Cemented back to Surface	None

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					2 1/2" .70#	3665'	None

31. PERFORATION RECORD (Interval, size and number)

**Open Hole - 3584' - 3689'**

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC

DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED

**None**

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**JUN 14 1978**

33.\* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)							
<b>3/4/78</b>	<b>Pumping - 1-1/2" Insert Pump</b>	<b>Producing</b>							
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	TSTM	WATER—BBL.	0	TSTM
<b>4/12/78</b>	<b>24</b>	<b>None</b>	<b>5</b>	<b>5</b>	<b>TSTM</b>	<b>0</b>	<b>0</b>	<b>31</b>	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	TSTM	WATER—BBL.	0	OIL GRAVITY-API (CORR.)	
<b>0</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>TSTM</b>	<b>0</b>	<b>0</b>	<b>31</b>		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

**TSTM**

TEST WITNESSED BY

**T. J. Sivley - Dan Berry**

35. LIST OF ATTACHMENTS

**None - Original logs filed 1/8/59**

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

*[Signature]*

TITLE

**Operator**

DATE

**6/16/78**

\*(See Instructions and Spaces for Additional Data on Reverse Side)

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

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

**REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS**

**I.**

Operator <b>THOMAS R. SIVLEY</b>	Well API No. <b>2088</b>
Address <b>6509 WILTON DRIVE, FORT WORTH, TEXAS 76133</b>	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input checked="" type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator <b>T. J. Sivley</b>	

JUN - 9 1989

OIL CONSERVATION DIV.  
SANTA FE

**II. DESCRIPTION OF WELL AND LEASE**

Lease Name <b>SILVER FEDERAL</b>	Well No. <b>1</b>	Pool Name, Including Formation <b>LYNCH YATES-SEVEN RIVERS</b>	Kind of Lease State, Federal or Fee	Lease No. <b>NM-039256</b>
Location Unit Letter <b>J</b> : <b>1980</b> Feet From The <b>South</b> Line and <b>1980</b> Feet From The <b>East</b> Line S/2 Section <b>28</b> Township <b>20-S</b> Range <b>34-E</b> , NMPM, LEA County				

**III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS**

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> <b>TEXAS NEW MEXICO PIPE LINE CO.</b>	Address (Give address to which approved copy of this form is to be sent) <b>NAVAJO REFINING CO., ARTESIA, NEW MEXICO</b>
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit   Sec.   Twp.   Rge.   Is gas actually connected?   When ? <b>J   28   20-S   34-E   NO-TSTM</b>

If this production is commingled with that from any other lease or pool, give commingling order number:

**IV. COMPLETION DATA**

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations						Depth Casing Shoe		

**TUBING, CASING AND CEMENTING RECORD**

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

**V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL** (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

**GAS WELL**

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MNCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

**VI. OPERATOR CERTIFICATE OF COMPLIANCE**

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature **Thomas R. Sivley**  
Printed Name **Thomas R. Sivley** Operator  
Date **June 1, 1989**  
Telephone No. **877-292-3283**

**OIL CONSERVATION DIVISION**  
**JUN 6 1989**

Date Approved \_\_\_\_\_  
By **[Signature]**  
Title **DISTRICT 1 SUPERVISOR**

- INSTRUCTIONS:** This form is to be filed in compliance with Rule 1104.
- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
  - 2) All sections of this form must be filled out for allowable on new and recompleted wells.
  - 3) Fill out only Sections I, II, III, and VI for changes of well name or number, transporter, or other such changes.
  - 4) Separate Form C-104 must be filed for each pool in deepened wells.