

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

July 1, 1974

Exxon Company
P. O. Box 1600
Midland, Texas 79701

Attention: R. W. Bowdon

Administrative Order NSP-955

Gentlemen:

Reference is made to your application for a 160-acre non-standard gas proration unit consisting of the following acreage:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 2: N/2 NW/4, SE/4 NW/4 & SW/4 NE/4

It is understood that this unit is to be dedicated to your New Mexico "S" State Well No. 14 located 660 feet from the North line and 1980 feet from the West line of said Section 2.

By authority granted me under the Provisions of Order No. R-1670-N, as amended, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/dr

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs
State Land Office - Santa Fe
Proration Department, OCC - Santa Fe



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

March 28, 1997

Exxon Corporation
P. O. Box 1600
Midland, Texas 79702-1600

Attention: Alex M. Correa

CORRECTED *Administrative Order NSP-1771*

Dear Mr. Correa:

Reference is made to your application dated February 18, 1997 for a 40-acre non-standard gas spacing and proration unit consisting of the following acreage in the Blinebry Oil and Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 2: SW/4 NW/4

It is our understanding that this unit is to be dedicated to your existing New Mexico "S" State Well No. 38 (API No. 30-025-25508), located at a standard gas well location for this unit 2100 feet from the North line and 660 feet from the West line of said Section 2.

By authority granted me under the provisions of Rule 2(a)4 of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blinebry Oil and Gas Pool*", as promulgated by Division Order No. R-8170, as amended, you are hereby authorized to operate the above-described non-standard gas spacing and proration unit; with allowable assigned thereto in accordance with Rule 5 of said special pool rules based upon the unit size of 40 acres.

This order shall supersede the Administrative Order NSP-1771 issued by the Division on March 21, 1997.

Further, from the information provided in your application, it is our understanding that Exxon's New Mexico "S" State Well Nos. 14 and 28 located in Units "C" and "F", respectively of said Section 2 have both been reclassified as Blinebry oil wells and have both been reassigned standard 40-acre oil spacing and proration units.

CORRECTED Division Administrative Order NSP-1771

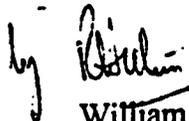
Exxon Corporation

March 28, 1997

Page 2

It is further ordered that Division Order No. R-10579, issued in Case No. 11479 and dated April 9, 1996, which order established a 159.92-acre non-standard gas spacing and proration unit in the Blinebry Oil and Gas Pool comprising Lots 2 and 3 and the S/2 NW/4 of Section 2 and authorized the simultaneous dedication of this acreage to Exxon's: (i) above-described New Mexico "S" State Well No. 14 in Lot 3/Unit C of Section 2; (ii) New Mexico "S" State Well No. 28 (API No. 30-025-25268), located at an unorthodox gas well location 2160 feet from the North line and 1800 feet from the West line (Unit F) of Section 2; and (iii) above-described New Mexico "S" State Well No. 38 in Unit E of Section 2, shall be placed in abeyance until further notice.

Sincerely,

by  Deputy Director

William J. LeMay

Director

WJL/mes

cc: Oil Conservation Division - Hobbs
File: Case 11479



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 21, 1997

Exxon Corporation
P. O. Box 1600
Midland, Texas 79702-1600
Attention: Alex M. Correa

Administrative Order NSP-1771

Dear Mr. Correa:

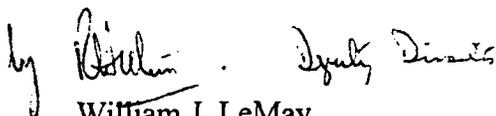
Reference is made to your application dated February 18, 1997 for a 39.76-acre non-standard gas spacing and proration unit consisting of the following acreage in the Blinebry Oil and Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 2: Lot 3 (NE/4 NW/4 equivalent)

It is my understanding that this unit is to be dedicated to your existing New Mexico "S" State Well No. 14 (API No. 30-025-09963), located at a standard gas well location 660 feet from the North line and 1980 feet from the West line of said Section 2.

By authority granted me under the provisions of Rule 2(a)4 of the "*General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Blinebry Oil and Gas Pool*", as promulgated by Division Order No. R-8170, as amended, you are hereby authorized to operate the above-described non-standard gas spacing and proration unit, with allowable assigned thereto in accordance with Rule 5 of said special pool rules based upon the unit size of 39.76 acres.

Sincerely,

by 
William J. LeMay
Director

WJL/mes

Administrative Order NSP-1771

Exxon Corporation

March 21, 1997

Page 2

cc: Oil Conservation Division - Hobbs
File: Case 11479

REMARKS: Previous Division Order R-10579, which authorized the simultaneous dedication of Blinbry gas production from the subject New Mexico "S" State Well No. 14 and the New Mexico "S" State Well Nos. 28 and 38, located respectively at an unorthodox gas well location 2100 feet from the North line and 660 feet from the West line (Unit E) and 2160 feet from the North line and 1800 feet from the West line (Unit F), both in said Section 2, to a 159.92-acre gas spacing and proration unit comprising Lots 2 and 3 and the S/2 NW/4 of said Section 2 shall be placed in abeyance until further notice.

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/06/99 15:22:23
OGOMES -TPXF
PAGE NO: 1

Sec : 02 Twp : 22S Rng : 37E Section Type : NORMAL

4 39.78 CS B00934 0016 11/38 EXXON CORP U A A	3 39.76 CS B00934 0016 11/38 EXXON CORP U A A A	2 39.76 CS B00934 0000 11/38 EXXON CORP U A A A	1 39.74 CS B00934 0000 11/38 EXXON CORP U A A
E 40.00 CS B00934 0016 11/38 EXXON CORP U P A A	F 40.00 CS B00934 0016 11/38 EXXON CORP U A A	G 40.00 CS B00934 0000 11/38 EXXON CORP U A A	H 40.00 CS B00934 0000 11/38 EXXON CORP U A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

39.76
80
1 A.76



NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505-3000
(505) 827-7131
OGOMES - TPXF

INQUIRE LAND BY SECTION

PAGE NO: 2

Sec : 02 Twp : 22S Rng : 37E Section Type : NORMAL

Table with 4 columns (L, K, J, I) and 2 rows (M, N) containing land section details including acreage (40.00), company names (EXXON CORP), and status codes (C U, A A).

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 11479
Order No. R-10579**

**APPLICATION OF EXXON CORPORATION
FOR A NON-STANDARD GAS PRORATION
UNIT, SIMULTANEOUS DEDICATION AND
TWO UNORTHODOX GAS WELL LOCATIONS,
LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 21, 1996, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 9th day of April, 1996, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Exxon Corporation (Exxon), seeks to establish a non-standard 159.92-acre gas spacing and proration unit in the Blinebry Oil and Gas Pool comprising Lots 2, 3, and the S/2 NW/4 of Section 2, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico. Said unit is proposed to be simultaneously dedicated to the existing Exxon Corporation New Mexico "S" State Well Nos. 14, 38 and 28 located respectively in Units C, E and F of Section 2.
- (3) The applicant further seeks approval of unorthodox gas well locations for the New Mexico "S" State Well Nos. 38 and 28, located respectively 2100 feet from the North line and 660 feet from the West line (Unit E), and 2160 feet from the North line and 1800 feet from the West line (Unit F).

(4) The subject wells are located within the Blinebry Oil and Gas Pool which is currently governed by the Special Rules and Regulations for the Blinebry Oil and Gas Pool and by the General Rules for the Prorated Gas Pools of New Mexico, all as contained within Division Order No. R-8170, as amended. These rules provide for 40-acre standard oil spacing and 160-acre standard gas spacing. Gas wells within the pool dedicated to a spacing unit comprising more than 40 acres are required to be located no closer than 660 feet from the outer boundary of the proration unit or quarter section nor closer than 330 feet from any governmental quarter-quarter section line or subdivision inner boundary. In addition, these rules prohibit the simultaneous dedication of acreage to both oil and gas wells.

(5) The evidence presented indicates that the New Mexico "S" State Lease comprises all of Section 2. The lease is owned and operated entirely by Exxon.

(6) The affected acreage in Section 2 is currently dedicated as follows in the Blinebry Oil and Gas Pool:

<u>CURRENT PRORATION UNIT</u>	<u>ACREAGE & OIL OR GAS UNIT</u>	<u>WELLS DEDICATED TO THIS PRORATION UNIT</u>
Lots 2 & 3 (Approved by Division Order No. R-10063)	79.52 Acres/Gas	N.M. "S" State No. 14
NW/4 NW/4	40 Acres/Oil	N.M. "S" State No. 39
SE/4 NW/4	40 Acres/Oil	N.M. "S" State No. 28
NE/4 SW/4	40 Acres/Oil	N.M. "S" State No. 27
SW/4 NW/4, NW/4 SW/4 (Approved by Division Administrative Order NSP-1667)	80 Acres/Gas	N.M. "S" State No. 38 N.M. "S" State No. 21
SW/4 SW/4	40 Acres/Oil	N.M. "S" State No. 22 (This well is currently is a gas well)
SE/4 SW/4	40 Acres/NA	Acreage not currently dedicated, however this unit contains N.M. "S" State Well Nos. 25 & 42

(7) According to applicant's evidence and testimony, it proposes to add additional perforations in the Blinebry formation within the N.M. "S" State Well Nos. 27 and 28. As a result of these recompletions, the wells should become gas wells.

(8) In addition, the applicant proposes to re-enter the currently plugged and abandoned N.M. "S" State Well No. 7, located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 2, and complete this well as a Blinebry gas well.

(9) The proposed well recompletions necessitate re-orienting the oil and gas proration units within Section 2 as follows:

<u>CURRENT PRORATION UNIT</u>	<u>ACREAGE & OIL OR GAS UNIT</u>	<u>WELLS DEDICATED TO THIS PRORATION UNIT</u>
NW/4 NW/4	40 Acres/Oil	N.M. "S" State No. 39
Lots 2, 3, S/2 NW/4	160 Acres/Gas	N.M. "S" State No 14 N.M. "S" State No. 28 N.M. "S" State No. 38
SW/4	160 Acres/Gas	N.M. "S" State No. 21 N.M. "S" State No. 22 N.M. "S" State No. 27 N.M. "S" State No. 7

(10) Applicant testified that it has formed a 160-acre gas spacing and proration unit comprising the SW/4 of Section 2, and that an application to simultaneously dedicate this acreage to the above-described N.M. "S" State Well Nos. 21, 22, 27 and 7 is currently pending before the Division.

(11) The evidence and testimony presented by the applicant indicates that the proposed recompletions and resultant re-orientation of oil and gas proration units within Section 2 should result in the recovery of additional gas reserves from the Blinebry Oil and Gas Pool which may otherwise not be recovered, thereby preventing waste.

(12) The N.M. "S" State Well Nos. 14, 28 and 38 should efficiently drain and develop the proposed non-standard gas proration unit.

(13) The unorthodox locations for the N.M. "S" State Well Nos. 28 and 38 are necessitated by the re-orientation of the spacing unit(s).

(14) None of the additional acreage within Section 2 should be adversely affected by applicant's proposal.

(15) No offset operator and/or interest owner appeared at the hearing in opposition to the application.

(16) Approval of the subject application will afford the applicant the opportunity to efficiently and effectively develop the oil and gas reserves within the Blinebry Oil and Gas Pool underlying Section 2, will result in the recovery of additional gas reserves which may otherwise not be recovered, thereby preventing waste, and will not violate correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) Pursuant to the application of Exxon Corporation, a non-standard 159.92-acre gas spacing and proration unit in the Blinebry Oil and Gas Pool comprising Lots 2, 3, and the S/2 NW/4 of Section 2, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established. Said unit shall be simultaneously dedicated to the existing Exxon Corporation New Mexico "S" State Well Nos. 14, 38 and 28 located respectively in Units C, E and F of Section 2.

(2) Unorthodox location approval is hereby granted for the N.M. "S" State Well Nos. 38 and 28, located respectively 2100 feet from the North line and 660 feet from the West line (Unit E), and 2160 feet from the North line and 1800 feet from the West line (Unit F).

(3) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L