

CASE 7005: SOL WEST III FOR AN NGPA
DETERMINATION, EDDY COUNTY, NEW MEXICO

CONTINUED

TO

~~SEPTEMBER 17~~

~~OCTOBER 29~~

NOV 12

CASE NO.

7005

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
12 November 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sol West III for an
NGPA determination, Eddy County, New
Mexico.

CASE
7005

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

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Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

William F. Carr, Esq.
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I N D E X

GEORGE SCOTT

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CHARLES JOY

| | |
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1
2 MR. STAMETS: We'll call next Case 7005.

3 MR. PADILLA: Application of Sol West
4 III for an NGPA determination, Eddy County, New Mexico.
5

6 MR. CARR: May it please the Examiner,
7 I'm William F. Carr, Campbell and Black, P. A., Santa Fe,
8 appearing on behalf of the applicant. I have two witnesses.

9 MR. STAMETS: Any other appearance in
10 this case?

11 I'd like to have the witnesses stand
12 and be sworn, please.
13

14 (Witnesses sworn.)
15

16
17 MR. CARR: I'd call George Scott.
18

19 GEORGE SCOTT
20 being called as a witness and having been duly sworn upon his
21 oath, testified as follows, to-wit:
22

23 DIRECT EXAMINATION
24

25 BY MR. CARR:

26 Q Will you state your name and place of
27 residence?

28 A George Scott. I'm a geologist in Ros-

1
2 well, New Mexico.

3 Q Mr. Scott, by whom are you employed and
4 in what capacity?
5

6 A As a consulting geologist to Sol West,
7 the operator in the well in question.

8 Q Have you previously testified before
9 this Commission, had your credentials accepted and made a
10 matter of record?

11 A I have.

12 Q Are you familiar with the application
13 in this case?
14

15 A Yes, I am.

16 Q And are you familiar with the Sol West
17 Turkey Track No. 1 Well?

18 A Yes, I am.

19 Q And that is the subject well in this
20 case?

21 A That is the subject well.

22 MR. CARR: Are the witness' qualifica-
23 tions acceptable?
24

25 MR. STAMETS: They are.

26 Q Mr. Scott, would you briefly state what
27 Sol West III seeks with this application?

28 A He seeks 102 price determination under

1
2 the provisions of the Natural Gas Policy Act for his well,
3 subject well.

4 Q As a new onshore reservoir?

5 A As a new onshore -- as a well producing
6 from a new onshore reservoir.

7 Q Have you prepared certain exhibits for
8 introduction in this case?

9 A I have.

10 Q Will you refer to what has been marked
11 for identification as Applicant's Exhibit Number One --

12 A Yes.

13 Q -- and explain to Mr. Stamets what this
14 is and what it shows?

15 A This is a base map of -- in the imme-
16 diate area. It -- there are structural contours here con-
17 toured on top of the Morrow. The name of each -- the operator
18 of each Morrow test is shown, together with the lease name and
19 the TD of each well and the date that each well was completed.

20 Also the line of cross section, which I
21 also furnished, is shown on the map.

22 Q Mr. Scott, certain wells have been circled
23 with a dark circle. Would you indicate what those are?

24 A Yes. The wells with the larger circle
25 surrounding them represent wells that were drilled and com-
26

1
2 pleted after Sol West's completion, and Sol's well is located
3 there in the east half of Section 26 of 18, 28.

4 Q Will you now refer to what has been
5 marked as Applicant's Exhibit Number Two and review this for
6 Mr. Stamets?

7 A Yes, I will.

8 This exhibit Number Two is a cross sec-
9 tion. The line of section is shown on this map. This cross
10 section shows Sol West's well as the second well from the --
11 from the left. On this cross section the zones, various sub-
12 surface zones are correlated and buds within some of the dif-
13 ferent formations are also correlated, top of the Atoka, top
14 of the Morrow, top of the Mississippian Chester, are shown,
15 and pay zones that can be correlated are shown.

16 The -- the completion intervals in these
17 wells are also indicated.

18 That's the main thing that's shown here.
19 The other important thing here is, of course, that the corre-
20 lations of the zone that the Sol West well is completed in,
21 the way -- its relationship to the surrounding wells.

22 Q Is the Sol West completed in an interval
23 which correlates to the intervals which appear in any of the
24 offsetting wells?

25 A Well, no, the -- not this immediate lens

1 that the Sol West well was completed in. This is a matter of
2 opinion, possibly. That's the way I view it. I believe this
3 is a separate and discrete lens that Sol encountered. It is
4 very close to the zone that the wells to the east -- two wells
5 to the east are completed from, the Anadarko No. 2 Turkey
6 Track and the Anadarko No. 1 Turkey Track.

8 Q Is it your testimony that if this well
9 is in a zone which does not correlate producing intervals in
10 wells to the east that it is in fact in a separate source of
11 supply?

12 A This is the way I see it, yes.

13 Q If it should be in the same interval as
14 the Anadarko Turkey Track State No. 2 Well, which is the well
15 immediately to the east on the cross section --
16

17 A Yes.

18 Q -- it would be in the same reservoir as
19 that well, is that correct?

20 A That's right, and there is a possibility
21 that it could be in fact related to that same zone.

22 Q Has that well been approved for a 102
23 new onshore reservoir price?

24 A Yes, it has been.

25 Q And when was that application approved?

26 A That well was approved in -- in August
27 of 1979.
28

1
2 MR. STAMETS: Which well is this?

3 A. That's the third well from the left.
4 It's the Anadarko No. 2 Turkey Track State Com.
5

6 Q So is it fair to summarize your testi-
7 mony that if the zones don't correlate it's in a separate
8 zone; if they do correlate, it's in a reservoir for which the
9 102 price has previously been approved?

10 A. That is correct. That is correct.
11 If, you know, if I'm wrong here in stating that the Sol West
12 well is in a separate lens of the Morrow, then it would have
13 to be directly correlative with the zone completed in the
14 Turkey Track No. 2, Anadarko No. 2 Turkey Track.
15

16 Q Are there any wells in the immediate
17 area in, say, a two and a half mile radius of the subject well
18 that were producing from this Morrow interval in April of
19 1977?

20 A. No. There have been some Morrow --
21 there is a Morrow well completed within two and a half miles --
22

23 Q And which well is that?

24 A. -- from us, but not this particular zone.
25 Okay, that's the Harvey E. Yates, or HEYCO, Well in Section
26 18. Their No. 1 Travis.

27 Q Will you refer to what has been marked
28 for identification as Applicant's Exhibit Number Three and

1
2 review this for the Examiner?

3 A. All right. This -- this well completed
4 higher in the Morrow, higher stratigraphically, than the Sol
5 West Well or the Anadarko Well, and if you'll lay this log
6 down on the cross section and correlate with the Sol West
7 Well and the Anadarko Well, I think that's pretty obvious that
8 it is in fact not the same -- it's higher stratigraphically in
9 the Morrow. The correlations are pretty good and pretty
10 direct into this well. I feel quite confident of those cor-
11 relations.
12

13 There is another well that was completed
14 in the area within two and a half miles, prior to that date,
15 I believe. No, I'm -- no, that's the only one. I'm thinking
16 of something else, excuse me.
17

18 Q Would you just briefly now summarize
19 the conclusions you've drawn from the evidence you've presented?

20 A. Well, it's pretty obvious here that if
21 this zone is not a separate lens of the Morrow, then it's
22 directly correlative with the interval that has been completed
23 from in the Anadarko No. 2 Turkey Track.
24

25 Q Were Exhibits One through Three prepared
26 by you or under your direction?

27 A. They were prepared by me.

28 MR. CARR: At this time, Mr. Examiner,

1 we would offer Applicant's Exhibits One through Three.

2 MR. STAMETS: These exhibits will be
3 admitted.

4 MR. CARR: I have nothing further on
5 direct.

6 CROSS EXAMINATION

7 BY MR. STAMETS:

8 Q Mr. Scott, there are a number of wells
9 identified on your Exhibit Number One which were -- appear
10 to be deep enough to have penetrated this interval and which
11 show completion dates prior to April of 1977, April 20th of
12 '77.

13 In Section 20, 18, 29, there's a Western
14 No. 5 Wright. Immediately south of that in the next section,
15 the Hondo No. 1 Wright Federal. In 36, 18, 28, there's a
16 Redfern No. 1 -- I guess that's Marathon State. South and
17 west in Section 9 there's a Depco No. 215 State 648, and a
18 Stanoline -- in Section 10 a Stanoline No. 1 State "AB" com-
19 pleted in '54.

20 Have you reviewed these wells to deter-
21 mine what their situation was relative to --

22 A Yes.

23 Q -- the proposed new reservoir?

1
2 A. Yes, I have.

3 Q. And what's the result of your review?

4 A. This same producing zone cannot be
5 correlated into any of these wells with any confidence.
6

7 Q. Did you find that the zone was missing
8 or sufficiently different that you don't believe it's the
9 same correlatable zone?

10 A. Well, correlations within the Morrow
11 get pretty difficult once you get a couple miles away, as a
12 rule. You get these facies changes that are quite complicated.
13

14 As far as I was concerned, I just didn't
15 recognize the same zone as being present in any of these
16 other wells over to the southwest and as to the northeast,
17 there's no question, of course, in HEYCO Travis, which I have
18 here and which I'm sure you've had a chance to look at. There
19 is a correlation on it.

20 In some of these other wells the sand
21 developments were very poor. I'm not sure that any of those
22 other wells could have -- could have been completed as Morrow
23 wells. Some of them were drilled back before our completion
24 technology became more sophisticated.
25

26 On some of those wells there I guess I
27 would have to refresh my memory on them, but I don't recall
28 any -- any zones that were directly correlative with what

1
2 we're talking about.

3 Q For the record, it might be well to have
4 the case number, order number, on that No. 2 Anadarko Turkey
5 Track State, and also the API number, so that --

6 Looking at your Exhibit Number Two, the
7 cross section, --

8 A Yes.

9 Q -- the third and fourth wells from the
10 left are both of the wells in Section 25, and you seem to
11 indicate that those two wells are producing from the same zone.

12 A Yes, that appears to be a pretty good
13 correlation there, the intervals, the thickness of intervals
14 within the Morrow and the Atoka are fairly consistent in their
15 thickness and there are certain log characteristics there that
16 appear correlative.

17 Q And that zone is also correlative to the
18 first well on the lefthand side of the cross section.

19 A Yes. It does correlate over; however,
20 I certainly would hesitate to say that there was a connection,
21 any sort of good reservoir continuity into that well, because
22 that well depleted quite rapidly after it was -- from that
23 lower zone, from that particular zone, as if there was no size
24 to it whatsoever.

25 And the well was completed in January
26
27
28

1 of '79; by September they had plugged back, abandoned that zone
2 and plugged back approximately 120 feet up the hole to a
3 separate zone. And it didn't behave at all like the zone does
4 in the -- in the other wells there.
5

6 So I doubt very much if in fact was ef-
7 fectively connected.

8 Q Did you make any attempt to test or
9 complete this correlatable zone which lies above the zone
10 we're talking about today?
11

12 A In the Sol West well?

13 Q Yes.

14 A No, there were no drill stem tests run
15 in this well while it was drilled. I was involved with Mr.
16 West in the field operations there in the well. It's Sol
17 West's philosophy not to drill stem test if he -- unless he
18 absolutely has to. He thinks that it damages the reservoir.
19

20 We did --

21 Q Did your analysis of the logs indicate
22 that this zone would or would not be productive in the Sol
23 West well?

24 A We think it's potentially productive;
25 at least I do. I certainly do, and I communicated that to him
26 at the time, yes. He hesitated and he did not want to open
27 two -- two strings at the same time.
28

Q But that zone was already determined to be a new reservoir in any event and qualified for 102.

A Yes, I would think so, yes.

Q Okay.

A Perhaps I've stressed an academic point here. The easy thing would have been to have argued the zone we perforated is exactly the same as in the Anadarko well, but then I guess everything would have been easy and straightforward, but it looks like, just on log correlations here, that it is perhaps separate.

MR. STAMETS: Any other questions of this witness? He may be excused.

MR. CARR: At this time I'd call Charles Joy.

CHARLES JOY

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. CARR:

Q Would you state your name and place of residence?

A Charles Joy. My place of residence is

1
2 Artesia, New Mexico.

3 Q Mr. Joy, by whom are you employed and
4 in what capacity?

5 A I'm employed by Sol West. I'm a con-
6 sulting engineer.

7 Q Have you previously testified before
8 this Commission, had your credentials accepted and made a
9 matter of record?
10

11 A Yes, I have.

12 Q Are you familiar with the application
13 in this case?
14

15 A Yes, I am.

16 Q And are you familiar with the subject
17 well?

18 A Yes, I am.

19 MR. CARR: Are Mr. Joy's qualifications
20 acceptable?

21 MR. STAMETS: They are.

22 Q Mr. Joy, will you please refer to what
23 has been marked for identification as Applicant's Exhibit
24 Number Four and identify this and explain what it shows?
25

26 A Exhibit Number Four is the bottom hole
27 pressure survey run on the Sol West Turkey Track No. 1 Well
28 when it was drilled in, and the well was shut in 216 hours

1
2 prior to running this bottom hole pressure test, which should
3 give you the virgin reservoir pressure. And at a subsea depth
4 of -7406 the pressure was 4272 psig.

5
6 Q Will you now refer to Exhibit Number
7 Five and again identify this and explain what it shows?

8 A Number Five is the bottom hole pressure
9 survey ran on the Anadarko Production North Turkey Track No.
10 2 Well, and this was taken on July 31st, 1978, at the time
11 the well was completed.

12 The well was shut in 42 hours prior to
13 running the test and the bottom hole pressure was 4423 psig
14 at a subsea depth of -7406 pounds.

15
16 Q Now what conclusions can you reach from
17 these two exhibits?

18 A The conclusion I reach, both these at
19 the same depth of -7406 pounds, there's a differential of
20 151 pounds in the reservoir pressure, and that the two zones
21 are definitely not in communication.

22 Q Now, Mr. Joy, was natural gas produced
23 in commercial quantities from this reservoir prior to June 20,
24 1977?

25
26 A No.

27 Q Was the reservoir in question penetrated
28 in your opinion before April 20, 1977?

1
2 A. No.

3 Q. Did you use all the information reason-
4 ably available to you in preparing for this hearing today?

5 A. Yes, I did.

6 Q. And will you just briefly summarize
7 your conclusion again?
8

9 A. Well, my conclusion, and after reviewing
10 Mr. Scott's work I'm in full agreement with his, that the
11 sands are very lenticular in nature and do not necessarily
12 extend from one well to another, and the fact that we have a
13 differential of 151 pounds between the two wells, and over
14 the time it takes for these reservoirs to develop, the pressure
15 should be at that same datum within probably 20 or 30 pounds
16 of each other, in order for them to be in communication with
17 each other.
18

19 Q. Were Exhibits Four and Five prepared by
20 you or under your direction and supervision?

21 A. No, these are copies I obtained from the
22 OCD files in Artesia.

23 MR. CARR: At this time, Mr. Examiner,
24 we would offer Applicant's Exhibits Four and Five.

25 MR. STAMETS: These exhibits will be
26 admitted.
27

28 Q. In your opinion, Mr. Joy, will granting

1
2 this application be in the best interest of conservation, the
3 protection of correlative rights, and the prevention of waste?
4

5 A Yes.

6 MR. CARR: I have nothing further on
7 direct.
8

9 CROSS EXAMINATION

10 BY MR. STAMETS:

11 Q Mr. Joy, I notice the date of the test
12 on Exhibit Five was July 31 of 1978, and the date of the
13 test on Exhibit Four, the well in question, was October 4 of
14 1979.
15

16 Is it possible that the pressure differ-
17 ential has resulted from the Anadarko well going onstream and
18 draining the Sol West well?

19 A I doubt it very seriously, because the
20 Read and Stevens well was drilled in approximately five or six
21 months prior to the Anadarko No. 2 and there was only about
22 ten pounds differential between those two wells.
23

24 Q Do you know when the Anadarko well went
25 onstream?

26 A I know when it was completed. I'll
27 give you the completion date. Let's see, it went onstream
28 about that time, too. 1-27-78, and I think it went onstream

1
2 in February. I believe I have that. Pardon me just a minute.

3 The well went on stream in March of '78,
4 the Read and Stevens.

5 Q The Read and Stevens well did?

6 A Right.

7 Q And then when did the Anadarko well go
8 on?

9 A The Anadarko well went on in August of
10 '78.

11 Q So the Read and Stevens had been pro-
12 ducing about four months by the time the Anadarko well was
13 tested, and then both of those wells had been producing about
14 ten months by the time the Sol West well was producing, or
15 was completed.

16 A That's correct. I don't believe, as
17 tight as the Morrow normally is that you're going to get
18 drainage from that Read and Stevens of nearly a mile radius.

19 Q We do have a few Morrow reservoirs that
20 have communications that extend at least that long.

21 A Well, you could run into that, a local
22 condition where you have a high permeable stringer in one
23 direction.

24 Normally -- I don't know about this
25 particular reservoir if one exists, but as far as I know, there's
26
27
28

1
2 none.

20

3
4
5 cord a minute.

MR. STAMETS: Let's just go off the re-

6
7
8 (There followed discussion
9 off the record.)

10
11 record.

MR. STAMETS: Okay, let's go back on the

12
13
14 to say, Mr. Joy?

Did you have something else you wished

15 A.

No, I have nothing else.

16 Q

Let me ask you one additional question.

17 In a situation where a second or third well is completed in
18 a reservoir that's being drained, is it normal to find pres-
19 sures somewhat lower than original pressures for that reser-
20 voir?

21 A.

22 Well, if you have a high permeability
23 it's possible, but the permeability is low and the porosity
24 normally is fairly low in these Morrow wells, because I've
25 made some studies of other fields and find that permeability
26 is not that high, and it would take you a considerable amount
27 of production to decrease the pressure over a half mile.

28 This is 29,030 feet from the Morrow -- from the Anadarko No. 2

Well.

Q. Do we have any conclusive evidence on this set of wells which would limit their drainage radius?

A. I haven't been able to find where they have run a 72-hour buildup where you could extrapolate out and try to determine the boundaries out from the wells itself, the reservoir boundaries themselves.

I checked and researched all the records and I don't believe anyone has run a 72-hour buildup on any of these wells.

MR. STAMETS: Any other questions of the witness? He may be excused.

Anything further in this case?

MR. CARR: Nothing further.

MR. STAMETS: The case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

December 15, 1980

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Mr. William F. Carr
Campbell and Black
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 7005
ORDER NO. R-6528

Applicant:

Sol West III

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7005
Order No. R-6528

APPLICATION OF SOL WEST III
FOR AN NGPA DETERMINATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 12, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 11th day of December, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Sol West III, seeks a determination by the Division, in accordance with Section 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission, that his Turkey Track-Morrow Sand Well No. 1 located in Unit I of Section 26, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico, has discovered a new onshore reservoir from which natural gas was not produced in commercial quantities before April 20, 1977.
- (3) That said well was completed in the Morrow formation with perforations from 10,860 feet to 10,869 feet, and a plugged-back depth of 11,136 feet after having been drilled to a total depth of 11,180 feet.
- (4) That there are several wells in the general vicinity of the subject well which have penetrated and are completed in the Morrow formation.

-2-

Case No. 7005
Order No. R-6528

(5) That the geologic evidence presented appears to demonstrate that said Turkey Track-Morrow Sand Well No. 1 is completed in a new reservoir not connected to the other Morrow wells in the area.

(6) That the pressure evidence presented appears to indicate that the subject well is completed in a reservoir previously defined as a new onshore reservoir under Section 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(7) That in any event the data presented establishes that said Turkey Track-Morrow Sand Well No. 1 has been completed in a new onshore reservoir as defined by the provisions of Section 102 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

IT IS THEREFORE ORDERED:

(1) That the Turkey Track-Morrow Sand Well No. 1 located in Unit 1 of Section 26, Township 18 South, Range 28 East, NMPM, Eddy County, New Mexico, is completed in a new onshore reservoir as defined by Section 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(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 the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
12 November 1980

EXAMINER HEARING

IN THE MATTER OF:

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NGPA determination, Eddy County, New
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7005

BEFORE: Richard L. Stamets

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I N D E X

GEORGE SCOTT

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Cross Examination by Mr. Stamets 10

CHARLES JOY

Direct Examination by Mr. Carr 14

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E X H I B I T S

Applicant Exhibit One, Map 5

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12 and be sworn, please.
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14 (Witnesses sworn.)
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16 MR. CARR: I'd call George Scott.
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18 GEORGE SCOTT
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20 being called as a witness and having been duly sworn upon his
21 oath, testified as follows, to-wit:
22

23 DIRECT EXAMINATION
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25 BY MR. CARR:

26 Q Will you state your name and place of
27 residence?

28 A George Scott. I'm a geologist in Ros-

1
2 well, New Mexico.

3 Q. Mr. Scott, by whom are you employed and
4 in what capacity?

5 A. As a consulting geologist to Sol West,
6 the operator in the well in question.

7 Q. Have you previously testified before
8 this Commission, had your credentials accepted and made a
9 matter of record?

10 A. I have.

11 Q. Are you familiar with the application
12 in this case?

13 A. Yes, I am.

14 Q. And are you familiar with the Sol West
15 Turkey Track No. 1 Well?

16 A. Yes, I am.

17 Q. And that is the subject well in this
18 case?

19 A. That is the subject well.

20 MR. CARR: Are the witness' qualifica-
21 tions acceptable?

22 MR. STAMETS: They are.

23 Q. Mr. Scott, would you briefly state what
24 Sol West III seeks with this application?

25 A. He seeks 102 price determination under
26
27
28

1
2 the provisions of the Natural Gas Policy Act for his well,
3 subject well.

4 Q As a new onshore reservoir?

5 A As a new onshore -- as a well producing
6 from a new onshore reservoir.

7 Q Have you prepared certain exhibits for
8 introduction in this case?

9 A I have.

10 Q Will you refer to what has been marked
11 for identification as Applicant's Exhibit Number One --
12

13 A Yes.

14 Q -- and explain to Mr. Stamets what this
15 is and what it shows?

16 A This is a base map of -- in the imme-
17 diate area. It -- there are structural contours here con-
18 toured on top of the Morrow. The name of each -- the operator
19 of each Morrow test is shown, together with the lease name and
20 the TD of each well and the date that each well was completed.

21 Also the line of cross section, which I
22 also furnished, is shown on the map.

23 Q Mr. Scott, certain wells have been circled
24 with a dark circle. Would you indicate what those are?

25 A Yes. The wells with the larger circle
26 surrounding them represent wells that were drilled and com-
27
28

1
2 pleted after Sol West's completion, and Sol's well is located
3 there in the east half of Section 26 of 18, 28,

4 Q Will you now refer to what has been
5 marked as Applicant's Exhibit Number Two and review this for
6 Mr. Stamets?
7

8 A Yes, I will.

9 This exhibit Number Two is a cross sec-
10 tion. The line of section is shown on this map. This cross
11 section shows Sol West's well as the second well from the --
12 from the left. On this cross section the zones, various sub-
13 surface zones are correlated and buds within some of the dif-
14 ferent formations are also correlated, top of the Atoka, top
15 of the Morrow, top of the Mississippian Chester, are shown,
16 and pay zones that can be correlated are shown.
17

18 The -- the completion intervals in these
19 wells are also indicated.

20 That's the main thing that's shown here.
21 The other important thing here is, of course, that the corre-
22 lations of the zone that the Sol West well is completed in,
23 the way -- its relationship to the surrounding wells.
24

25 Q Is the Sol West completed in an interval
26 which correlates to the intervals which appear in any of the
27 offsetting wells?

28 A Well, no, the -- not this immediate lens

1 that the Sol West well was completed in. This is a matter of
2 opinion, possibly. That's the way I view it. I believe this
3 is a separate and discrete lens that Sol encountered. It is
4 very close to the zone that the wells to the east -- two wells
5 to the east are completed from, the Anadarko No. 2 Turkey
6 Track and the Anadarko No. 1 Turkey Track.

8 Q Is it your testimony that if this well
9 is in a zone which does not correlate producing intervals in
10 wells to the east that it is in fact in a separate source of
11 supply?

12 A This is the way I see it, yes.

13 Q If it should be in the same interval as
14 the Anadarko Turkey Track State No. 2 Well, which is the well
15 immediately to the east on the cross section --

16 A Yes.

17 Q -- it would be in the same reservoir as
18 that well, is that correct?

19 A That's right, and there is a possibility
20 that it could be in fact related to that same zone.

21 Q Has that well been approved for a 102
22 new onshore reservoir price?

23 A Yes, it has been.

24 Q And when was that application approved?

25 A That well was approved in -- in August
26 of 1979.

MR. STAMETS: Which well is this?

A. That's the third well from the left.
It's the Anadarko No. 2 Turkey Track State Com.

Q. So is it fair to summarize your testimony that if the zones don't correlate it's in a separate zone; if they do correlate, it's in a reservoir for which the 102 price has previously been approved?

A. That is correct. That is correct.
If, you know, if I'm wrong here in stating that the Sol West well is in a separate lens of the Morrow, then it would have to be directly correlative with the zone completed in the Turkey Track No. 2, Anadarko No. 2 Turkey Track.

Q. Are there any wells in the immediate area in, say, a two and a half mile radius of the subject well that were producing from this Morrow interval in April of 1977?

A. No. There have been some Morrow --
there is a Morrow well completed within two and a half miles --

Q. And which well is that?

A. -- from us, but not this particular zone.
Okay, that's the Harvey E. Yates, or HEYCO, Well in Section 18. Their No. 1 Travis.

Q. Will you refer to what has been marked for identification as Applicant's Exhibit Number Three and

1
2 review this for the Examiner?

3 A. All right. This -- this well completed
4 higher in the Morrow, higher stratigraphically, than the Sol
5 West Well or the Anadarko Well, and if you'll lay this log
6 down on the cross section and correlate with the Sol West
7 Well and the Anadarko Well, I think that's pretty obvious that
8 it is in fact not the same -- it's higher stratigraphically in
9 the Morrow. The correlations are pretty good and pretty
10 direct into this well. I feel quite confident of those cor-
11 relations.
12

13 There is another well that was completed
14 in the area within two and a half miles, prior to that date,
15 I believe. No, I'm -- no, that's the only one. I'm thinking
16 of something else, excuse me.
17

18 Q. Would you just briefly now summarize
19 the conclusions you've drawn from the evidence you've presented?

20 A. Well, it's pretty obvious here that if
21 this zone is not a separate lens of the Morrow, then it's
22 directly correlative with the interval that has been completed
23 from in the Anadarko No. 2 Turkey Track.
24

25 Q. Were Exhibits One through Three prepared
26 by you or under your direction?

27 A. They were prepared by me.

28 MR. CARR: At this time, Mr. Examiner,

1
2 we would offer Applicant's Exhibits One through Three.

3 MR. STAMETS: These exhibits will be
4 admitted.

5 MR. CARR: I have nothing further on
6 direct.

7
8
9 CROSS EXAMINATION

10 BY MR. STAMETS:

11 Q Mr. Scott, there are a number of wells
12 identified on your Exhibit Number One which were -- appear
13 to be deep enough to have penetrated this interval and which
14 show completion dates prior to April of 1977, April 20th of
15 '77.
16

17 In Section 20, 18, 29, there's a Western
18 No. 5 Wright. Immediately south of that in the next section,
19 the Hondo No. 1 Wright Federal. In 36, 18, 28, there's a
20 Redfern No. 1 -- I guess that's Marathon State. South and
21 west in Section 9 there's a Depco No. 215 State 648, and a
22 Stanoline -- in Section 10 a Stanoline No. 1 State "AB" com-
23 pleted in '54.
24

25 Have you reviewed these wells to deter-
26 mine what their situation was relative to --

27 A Yes.

28 Q -- the proposed new reservoir?

1
2 A. Yes, I have.

3 Q. And what's the result of your review?

4 A. This same producing zone cannot be
5 correlated into any of these wells with any confidence.
6

7 Q. Did you find that the zone was missing
8 or sufficiently different that you don't believe it's the
9 same correlatable zone?

10 A. Well, correlations within the Morrow
11 get pretty difficult once you get a couple miles away, as a
12 rule. You get these facies changes that are quite complicated.

13 As far as I was concerned, I just didn't
14 recognize the same zone as being present in any of these
15 other wells over to the southwest and as to the northeast,
16 there's no question, of course, in HEYCO Travis, which I have
17 here and which I'm sure you've had a chance to look at. There
18 is a correlation on it.
19

20 In some of these other wells the sand
21 developments were very poor. I'm not sure that any of those
22 other wells could have -- could have been completed as Morrow
23 wells. Some of them were drilled back before our completion
24 technology became more sophisticated.
25

26 On some of those wells there I guess I
27 would have to refresh my memory on them, but I don't recall
28 any -- any zones that were directly correlative with what

1
2 we're talking about.

3 Q For the record, it might be well to have
4 the case number, order number, on that No. 2 Anadarko Turkey
5 Track State, and also the API number, so that --

6 Looking at your Exhibit Number Two, the
7 cross section, --

8 A Yes.

9 Q -- the third and fourth wells from the
10 left are both of the wells in Section 25, and you seem to
11 indicate that those two wells are producing from the same zone.

12 A Yes, that appears to be a pretty good
13 correlation there, the intervals, the thickness of intervals
14 within the Morrow and the Atoka are fairly consistent in their
15 thickness and there are certain log characteristics there that
16 appear correlative.

17 Q And that zone is also correlative to the
18 first well on the lefthand side of the cross section.

19 A Yes. It does correlate over; however,
20 I certainly would hesitate to say that there was a connection,
21 any sort of good reservoir continuity into that well, because
22 that well depleted quite rapidly after it was -- from that
23 lower zone, from that particular zone, as if there was no size
24 to it whatsoever.

25 And the well was completed in January
26
27
28

1
2 of '79; by September they had plugged back, abandoned that zone
3 and plugged back approximately 120 feet up the hole to a
4 separate zone. And it didn't behave at all like the zone does
5 in the -- in the other wells there.
6

7 So I doubt very much if in fact was ef-
8 fectively connected.

9 Q Did you make any attempt to test or
10 complete this correlatable zone which lies above the zone
11 we're talking about today?

12 A In the Sol West well?

13 Q Yes.

14 A No, there were no drill stem tests run
15 in this well while it was drilled. I was involved with Mr.
16 West in the field operations there in the well. It's Sol
17 West's philosophy not to drill stem test if he -- unless he
18 absolutely has to. He thinks that it damages the reservoir.
19

20 We did --

21 Q Did your analysis of the logs indicate
22 that this zone would or would not be productive in the Sol
23 West well?

24 A We think it's potentially productive;
25 at least I do. I certainly do, and I communicated that to him
26 at the time, yes. He hesitated and he did not want to open
27 two -- two strings at the same time.
28

1
2 Q But that zone was already determined
3 to be a new reservoir in any event and qualified for 102.

4 A Yes, I would think so, yes.

5 Q Okay.

6 A Perhaps I've stressed an academic point
7 here. The easy thing would have been to have argued the zone
8 we perforated is exactly the same as in the Anadarko well,
9 but then I guess everything would have been easy and straight-
10 forward, but it looks like, just on log correlations here,
11 that it is perhaps separate.
12

13 MR. STAMETS: Any other questions of
14 this witness? He may be excused.

15 MR. CARR: At this time I'd call Charles
16 Joy.
17

18 CHARLES JOY
19 being called as a witness and being duly sworn upon his oath,
20 testified as follows, to-wit:
21

22 DIRECT EXAMINATION

23 BY MR. CARR:

24 Q Would you state your name and place of
25 residence?
26

27 A Charles Joy. My place of residence is
28

1
2 Artesia, New Mexico.

3 Q Mr. Joy, by whom are you employed and
4 in what capacity?

5 A I'm employed by Sol West. I'm a con-
6 sulting engineer.
7

8 Q Have you previously testified before
9 this Commission, had your credentials accepted and made a
10 matter of record?

11 A Yes, I have.

12 Q Are you familiar with the application
13 in this case?

14 A Yes, I am.

15 Q And are you familiar with the subject
16 well?
17

18 A Yes, I am.

19 MR. CARR: Are Mr. Joy's qualifications
20 acceptable?

21 MR. STAMETS: They are.

22 Q Mr. Joy, will you please refer to what
23 has been marked for identification as Applicant's Exhibit
24 Number Four and identify this and explain what it shows?
25

26 A Exhibit Number Four is the bottom hole
27 pressure survey run on the Sol West Turkey Track No. 1 Well
28 when it was drilled in, and the well was shut in 216 hours

1
2 prior to running this bottom hole pressure test, which should
3 give you the virgin reservoir pressure. And at a subsea depth
4 of -7406 the pressure was 4272 psig.

5 Q Will you now refer to Exhibit Number
6 Five and again identify this and explain what it shows?
7

8 A Number Five is the bottom hole pressure
9 survey ran on the Anadarko Production North Turkey Track No.
10 2 Well, and this was taken on July 31st, 1978, at the time
11 the well was completed.

12 The well was shut in 42 hours prior to
13 running the test and the bottom hole pressure was 4423 psig
14 at a subsea depth of -7406 pounds.

15 Q Now what conclusions can you reach from
16 these two exhibits?
17

18 A The conclusion I reach, both these at
19 the same depth of -7406 pounds, there's a differential of
20 151 pounds in the reservoir pressure, and that the two zones
21 are definitely not in communication.

22 Q Now, Mr. Joy, was natural gas produced
23 in commercial quantities from this reservoir prior to June 20,
24 1977?
25

26 A No.

27 Q Was the reservoir in question penetrated
28 in your opinion before April 20, 1977?

1
2 A. No.

3 Q. Did you use all the information reason-
4 ably available to you in preparing for this hearing today?

5 A. Yes, I did.

6 Q. And will you just briefly summarize
7 your conclusion again?
8

9 A. Well, my conclusion, and after reviewing
10 Mr. Scott's work I'm in full agreement with his, that the
11 sands are very lenticular in nature and do not necessarily
12 extend from one well to another, and the fact that we have a
13 differential of 151 pounds between the two wells, and over
14 the time it takes for these reservoirs to develop, the pressure
15 should be at that same datum within probably 20 or 30 pounds
16 of each other, in order for them to be in communication with
17 each other.
18

19 Q. Were Exhibits Four and Five prepared by
20 you or under your direction and supervision?

21 A. No, these are copies I obtained from the
22 OCD files in Artesia.

23 MR. CARR: At this time, Mr. Examiner,
24 we would offer Applicant's Exhibits Four and Five.
25

26 MR. STANETS: These exhibits will be
27 admitted.

28 Q. In your opinion, Mr. Joy, will granting

1
2 this application be in the best interest of conservation, the
3 protection of correlative rights, and the prevention of waste?

4 A Yes.

5 MR. CARR: I have nothing further on
6 direct.
7

8
9 CROSS EXAMINATION

10 BY MR. STAMETS:

11 Q Mr. Joy, I notice the date of the test
12 on Exhibit Five was July 31 of 1978, and the date of the
13 test on Exhibit Four, the well in question, was October 4 of
14 1979.
15

16 Is it possible that the pressure differ-
17 ential has resulted from the Anadarko well going onstream and
18 draining the Sol West well?

19 A I doubt it very seriously, because the
20 Read and Stevens well was drilled in approximately five or six
21 months prior to the Anadarko No. 2 and there was only about
22 ten pounds differential between those two wells.
23

24 Q Do you know when the Anadarko well went
25 onstream?

26 A I know when it was completed. I'll
27 give you the completion date. Let's see, it went onstream
28 about that time, too. 1-27-78, and I think it went onstream

1
2 in February. I believe I have that. Pardon me just a minute.

3 The well went on stream in March of '78,
4 the Read and Stevens.

5 Q The Read and Stevens well did?

6 A Right.

7 Q And then when did the Anadarko well go
8 on?

9 A The Anadarko well went on in August of
10 '78.

11 Q So the Read and Stevens had been pro-
12 ducing about four months by the time the Anadarko well was
13 tested, and then both of those wells had been producing about
14 ten months by the time the Sol West well was producing, or
15 was completed.

16 A That's correct. I don't believe, as
17 tight as the Morrow normally is that you're going to get
18 drainage from that Read and Stevens of nearly a mile radius,

19 Q We do have a few Morrow reservoirs that
20 have communications that extend at least that long.

21 A Well, you could run into that, a local
22 condition where you have a high permeable stringer in one
23 direction.

24 Normally -- I don't know about this
25 particular reservoir if one exists, but as far as I know, there's
26
27
28

1
2 none.

3 MR. STAMETS: Let's just go off the re-
4 cord a minute.

5
6 (There followed discussion
7 off the record.)
8

9
10 MR. STAMETS: Okay, let's go back on the
11 record.

12 Did you have something else you wished
13 to say, Mr. Joy?

14 A. No, I have nothing else.

15 Q. Let me ask you one additional question.

16 In a situation where a second or third well is completed in
17 a reservoir that's being drained, is it normal to find pres-
18 sures somewhat lower than original pressures for that reser-
19 voir?
20

21 A. Well, if you have a high permeability
22 it's possible, but the permeability is low and the porosity
23 normally is fairly low in these Morrow wells, because I've
24 made some studies of other fields and find that permeability
25 is not that high, and it would take you a considerable amount
26 of production to decrease the pressure over a half mile.
27 This is 29,030 feet from the Morrow -- from the Anadarko No. 2
28

1
2 Well.

3 Q. Do we have any conclusive evidence on
4 this set of wells which would limit their drainage radius?

5 A. I haven't been able to find where they
6 have run a 72-hour buildup where you could extrapolate out
7 and try to determine the boundaries out from the wells itself,
8 the reservoir boundaries themselves.

9 I checked and researched all the re-
10 cords and I don't believe anyone has run a 72-hour buildup
11 on any of these wells.

12 MR. STAMETS: Any other questions of the
13 witness? He may be excused.

14 Anything further in this case?

15 MR. CARR: Nothing further.

16 MR. STAMETS: The case will be taken
17 under advisement.

18
19
20 (Hearing concluded.)
21
22
23
24
25
26
27
28

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7105.
heard by me on 11/7/80 19 80.
Richard L. Linn, Examiner
Oil Conservation Division



Page 5 of 7
File 3-9934-0FP&BU

Company SOL WEST III Lease TURKEY TRACK Well No. 1
Field UNDESIGNATED N. TURKEY TRACK County EDDY State NEW MEXICO
Formation MORROW Test Date OCTOBER 4, 1979

Status of Well Shut-in 216 hours

| DEPTH Feet | PRESSURE Psig | GRADIENT Psi/Ft. |
|---------------|------------------|---------------------|
| 15 | 3201 | |
| 5000 | 3686 | 0.097 |
| 10000 | 4187 | 0.100 |
| 10765 | 4262 | 0.098 |
| 10865* | 4272 | 0.098 |

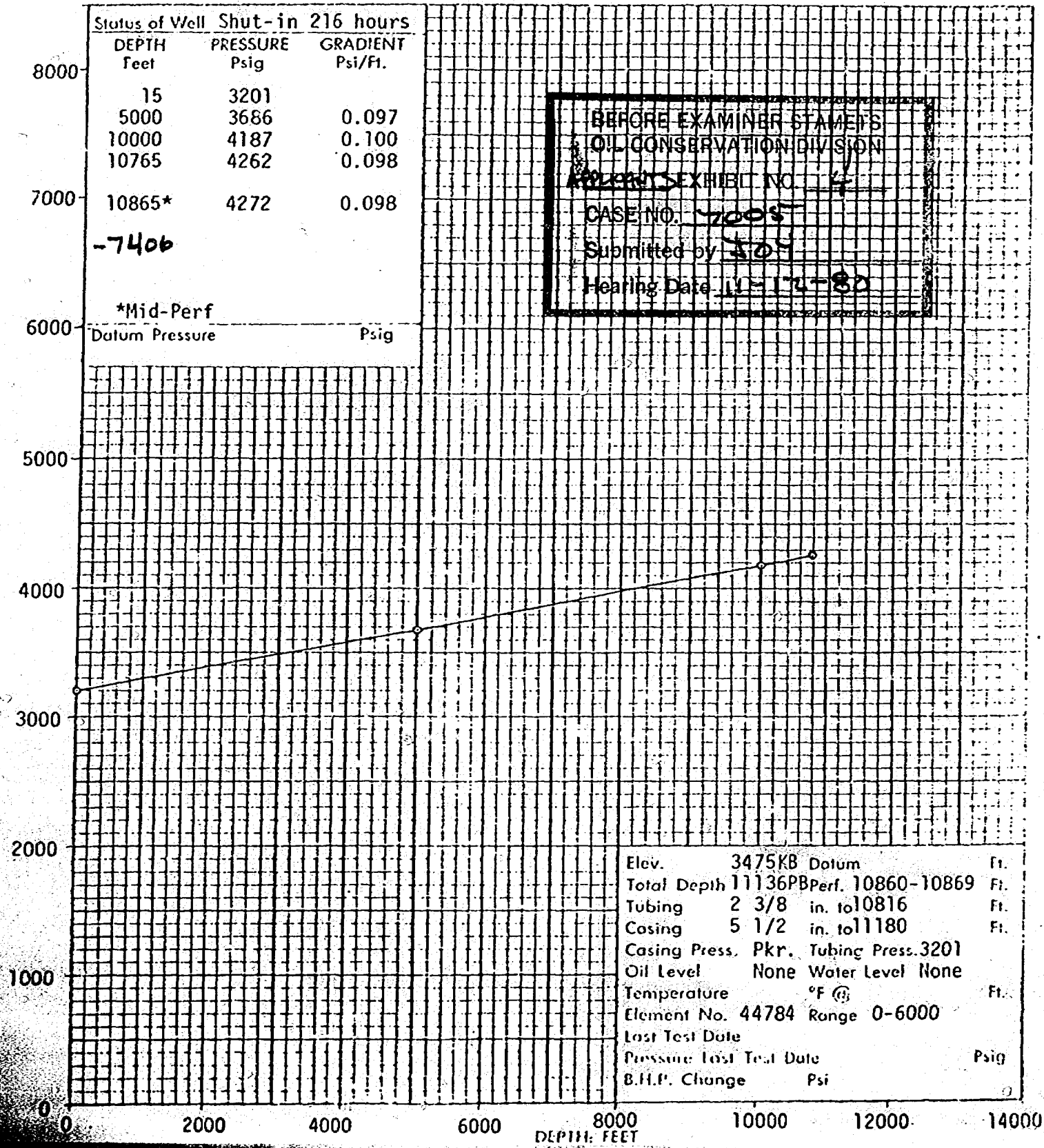
-7406

*Mid-Perf

Datum Pressure Psig

BEFORE EXAMINER STAMPS
OIL CONSERVATION DIVISION
EXHIBIT NO. 4
CASE NO. 7005
Submitted by SDY
Hearing Date 11-12-80

PRESSURE POUNDS PER SQUARE INCH GAUGE



Elev. 3475KB Datum Ft.
Total Depth 11136BPerf. 10860-10869 Ft.
Tubing 2 3/8 in. to 10816 Ft.
Casing 5 1/2 in. to 11180 Ft.
Casing Press. Pkr. Tubing Press. 3201
Oil Level None Water Level None
Temperature °F @ Ft.
Element No. 44784 Range 0-6000
Last Test Date
Pressure Last Test Date Psig
B.H.P. Change Psi

JARREL SERVICES, INC.

POST OFFICE BOX 1654

PHONE 505 393-5396

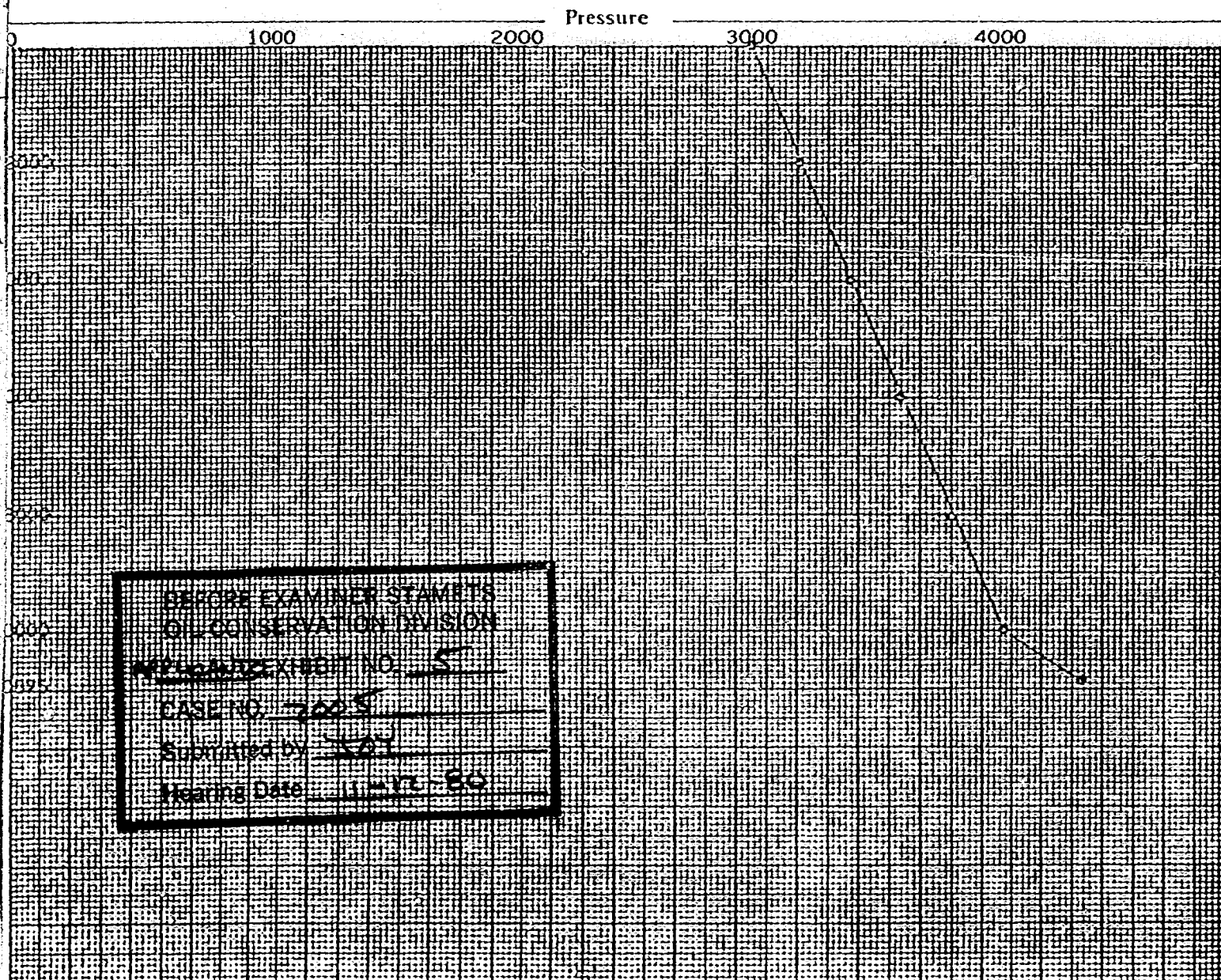
HOBBS, NEW MEXICO 88240

BOTTOM HOLE PRESSURE RECORD

OPERATOR Anadarko Production Company
 FIELD Undesignated North Turkey Track
 FORMATION Morrow
 LEASE Turkey Track State Com WELL No. 2
 COUNTY Lea Eddy STATE New Mexico
 DATE July 31, 1978 TIME 10:00 AM
 Status Shut In
 Test Depth 10875'
 Time S.I. 42.0 Hrs. Last test date -
 Sub Pres. 3060 DWT BHP last test -
 Gas Pres. PKR BHP change -
 Elev. 3469' KB-15 Fluid top 10000'
 Datum (-7306) ** Water top None
 Temp. @ 178° F Run by Jarrel Services, Inc
 Cal. No. A14415N Chart No. 1

| Depth | Pressure | Gradient |
|---------------|----------|----------|
| 0 | 3060 | - |
| 2000 | 3266 | .103 |
| 4000 | 3472 | .103 |
| 6000 | 3678 | .103 |
| 8000 | 3886 | .104 |
| 10000 | 4097 | .106 |
| 10875 (-7306) | 4423 ** | .373 |

3469
 ** MIDPOINT OF CASING PERFORATIONS



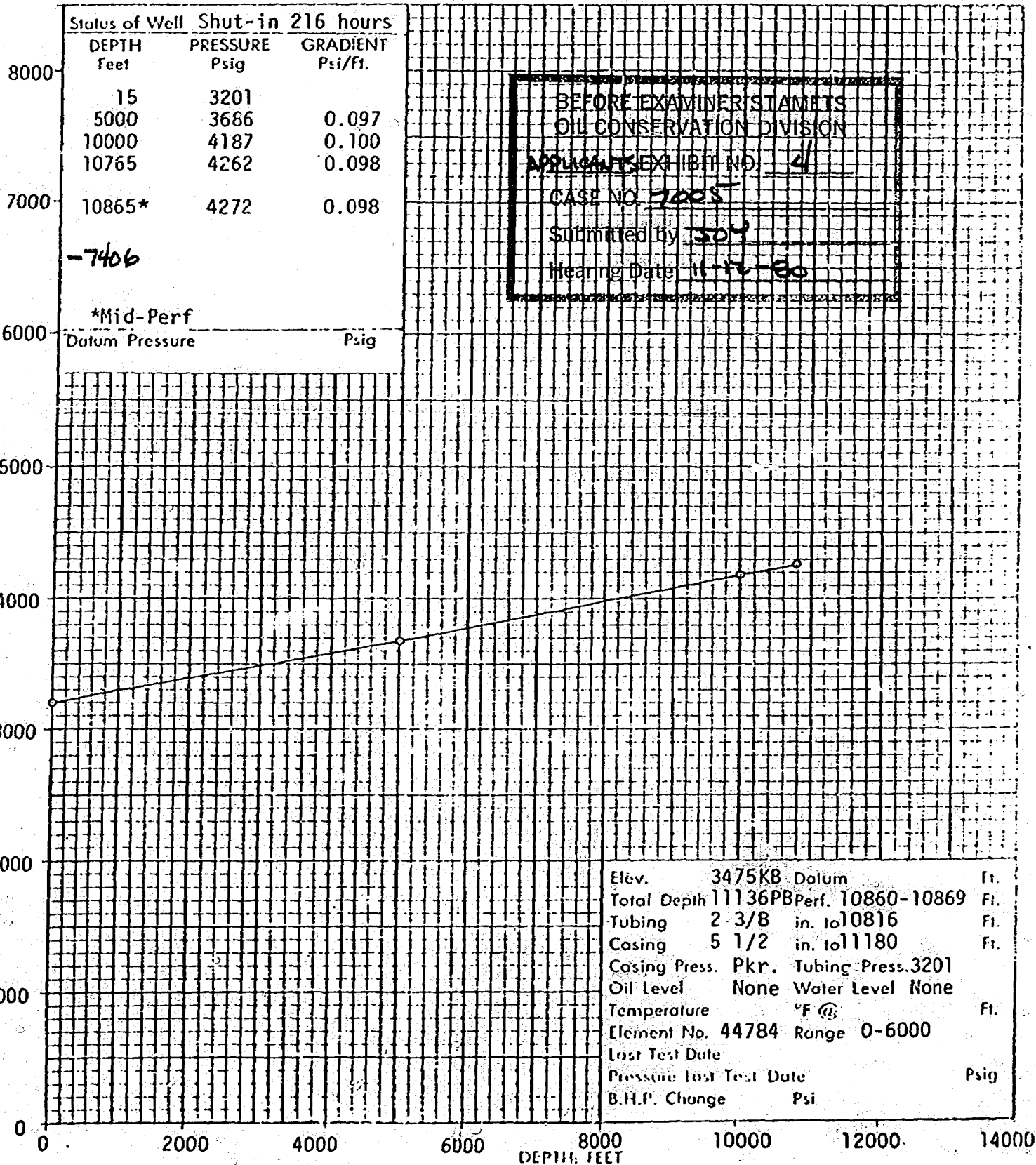
BEFORE EXAMINER STAMPS
 OIL CONSERVATION DIVISION
 WELLS EXHIBIT NO. 5
 CASE NO. 7008
 Submitted by KAY
 Hearing Date 11-12-80



Page 5 of 7
File 3-9934-0FP&BU

Company SOL WEST III Lease TURKEY TRACK Well No. 1
Field UNDESIGNATED N. TURKEY TRACK County EDDY State NEW MEXICO
Formation MORROW Test Date OCTOBER 4, 1979

PRESSURE POUNDS PER SQUARE INCH GAUGE



JARREL SERVICES, INC.

POST OFFICE BOX 1654

PHONE 505 393-5396

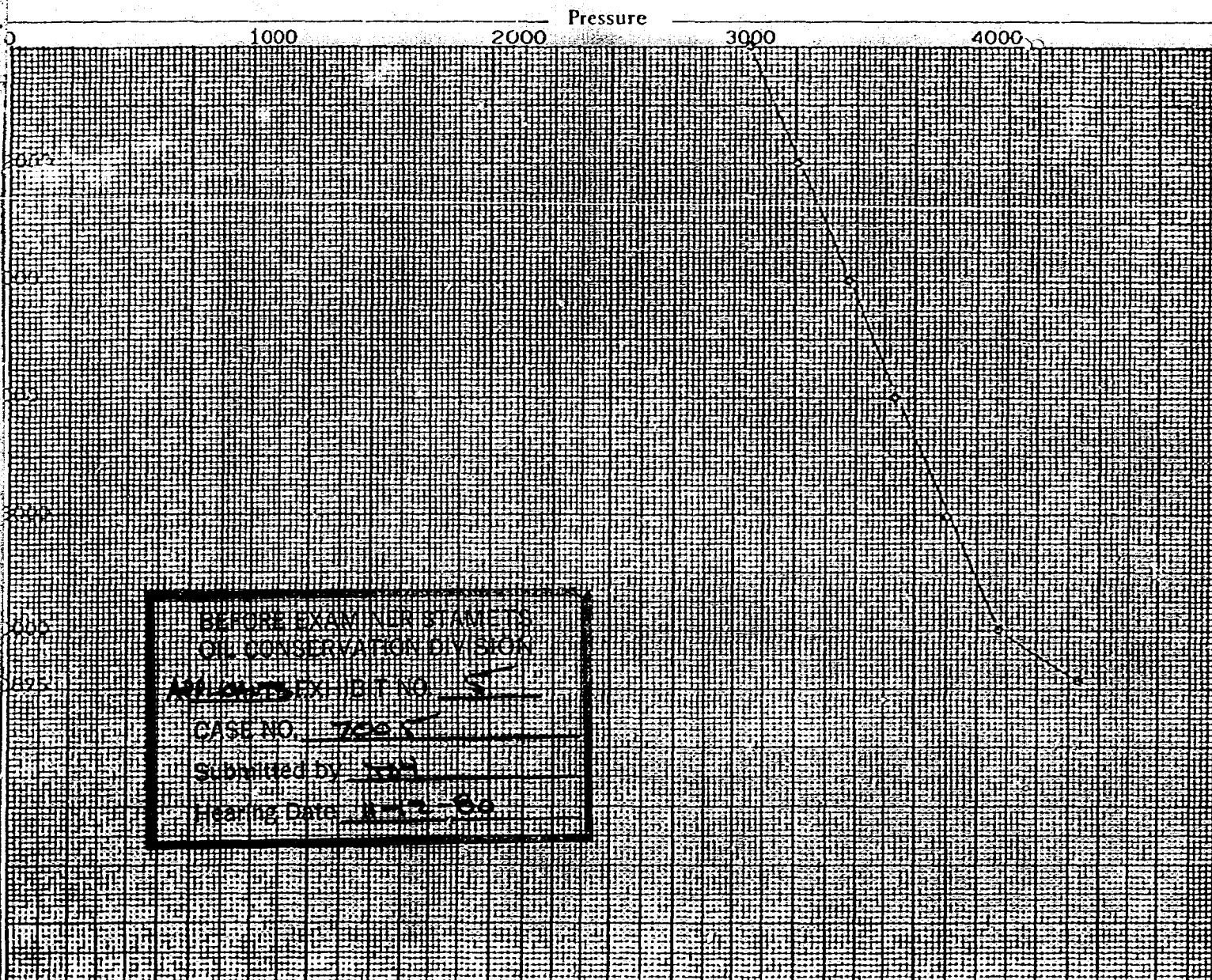
HOBBS, NEW MEXICO 88240

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 FORMATION Morrow
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| 6000 | 3678 | .103 |
| 8000 | 3886 | .104 |
| 10000 | 4097 | .106 |
| 10875 (-7406) | 4423 ** | .373 |

3469
 ** MIDPOINT OF CASING PERFORATIONS



BEFORE EXAMINER STATE IS
 OIL CONSERVATION DIVISION
 ALL RIGHTS EXHIBIT NO. 5
 CASE NO. 7225
 Submitted by jarrel
 Hearing Date Aug 2, 1978

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
29 October 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sol West III for an
NGPA determination, Eddy County,
New Mexico.

CASE
7005

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

MR. NUTTER: We'll call Case Number 7005.

MR. PEARCE: Application of Sol West III
for an NGPA determination, Eddy County, New Mexico.

MR. NUTTER: Applicant in this case has
requested continuance.

Case Number 7005 will be continued to
the Examiner Hearing set to be held at this same place at
9:00 o'clock a. m. November 12th, 1980.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7005,
heard by me on 10/29 1980.

[Signature] Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
29 October 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sol West III for an
NGPA determination, Eddy County,
New Mexico.

CASE
7005

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

1
2 MR. NUTTER: We'll call Case Number 7005.

3 MR. PEARCE: Application of Sol West III
4 for an NGPA determination, Eddy County, New Mexico.

5 MR. NUTTER: Applicant in this case has
6 requested continuance.

7 Case Number 7005 will be continued to
8 the Examiner Hearing set to be held at this same place at
9 9:00 o'clock a. m. November 12th, 1980.
10

11
12 (Hearing concluded.)
13
14
15
16
17
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19
20
21
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25
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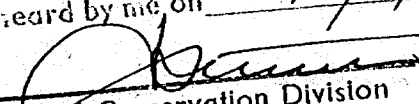
C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7005
heard by me on 10/29 1980.

 Examiner
Oil Conservation Division

Dockets Nos. 36-80 and 37-80 are tentatively set for November 12 and 25, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 29, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 7055: (This case will be continued to the November 25 hearing.)

Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Eaves-Lea Unit Area, comprising 2209 acres, more or less, of State and Federal lands in Township 21 South, Ranges 32 and 33 East.

CASE 7056: Application of Getty Oil Company for the extension of vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to a depth of 3540 feet, subsurface, under the NW/4 SW/4 of Section 3, Township 24 South, Range 36 East.

CASE 7057: Application of Doyle Hartman for the extension of vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to the following depths underlying the following 40-acre tracts in Township 24 South, Range 37 East: SE/4 SE/4 of Section 30: 3364 feet; NE/4 SE/4 of Section 30: 3389 feet; and SE/4 SW/4 of Section 20: 3390 feet.

CASE 7058: Application of Tahoe Oil & Cattle Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie Mattix production in the wellbores of its Harrison Wells Nos. 1 and 2 located in Units A and H, respectively, and its Judy Well No. 1 located in Unit C, all in Section 7, Township 25 South, Range 37 East.

CASE 7059: Application of Gulf Oil Corporation for the extension of vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to a depth of 3406 feet under the W/2 SW/4 of Section 30, Township 24 South, Range 37 East.

CASE 7060: Application of Mobil Producing Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie Mattix production in the wellbores of its Humphrey Queen Unit Wells Nos. 13 in Unit I of Section 4 and 16 in Unit K of Section 3 and its Langlie Mattix Queen Unit Well No. 10 in Unit C of Section 15, all in Township 25 South, Range 37 East.

CASE 7061: Application of Bettis, Boyle & Stovall for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie Mattix production in the wellbore of its Justis B Well No. 8 located in Unit G of Section 20, Township 25 South, Range 37 East.

CASE 7062: Application of El Paso Natural Gas Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie Mattix production in the wellbore of its Carlson Federal Well No. 2 located in Unit N of Section 23, Township 25 South, Range 37 East.

CASE 7063: Application of Lewis Burleson for the extension of vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to a depth of 3150 feet under the SE/4 NW/4 of Section 22, Township 25 South, Range 37 East.

CASE 7041: (Continued from October 8, 1980, Commission Hearing)

Application of John Yuronka for the extension of vertical limits of the Langlie Mattix Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to a depth of 3,408 feet, subsurface, under the NW/4 SW/4 of Section 17, Township 24 South, Range 37 East.

CASE 7064: Application of El Paso Natural Gas Company for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a previously approved 440-acre proration unit comprising the S/2, S/2 NW/4, and NW/4 NW/4 of Section 33, Township 25 South, Range 37 East, Jalmat Gas Pool, to its Gregory Fed. Well No. 1 located in Unit J and its Gregory Fed. A Well No. 2, at an unorthodox location in the center of Unit L of said Section 33.

- CASE 7065:** Application of El Paso Natural Gas Company for twelve non-standard proration units, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the establishment of eight non-standard proration units for Pictured Cliffs wells to be drilled in the W/2 of partial Sections 6, 7, 18, 19, 30 and 31 of Township 30 North, Range 4 West, and four non-standard proration units for Pictured Cliffs wells in partial Sections 7, 8, and 9 of Township 28 North, Range 4 West.
- CASE 7066:** Application of Conoco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Britt "B" Well No. 27 located in Unit C of Section 15, Township 20 South, Range 37 East, to produce oil from the Weir-Drinkard or an undesignated Blinebry pool and an undesignated Abo pool.
- CASE 7067:** Application of Conoco Inc. for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Dagger Draw Com. Well No. 4 located in Unit J of Section 25, Township 19 South, Range 24 East, to produce oil from the North Dagger Draw-Upper Penn Pool and gas from an undesignated Morrow pool.
- CASE 7068:** Application of Conoco Inc. for a dual completion and an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Penny Federal Com. Well No. 2 at an unorthodox location 1650 feet from the North line and 1980 feet from the East line of Section 23, Township 20 South, Range 24 East, to produce oil from the South Dagger Draw-Upper Penn Pool and gas from an undesignated Morrow pool.
- CASE 7069:** Application of Anadarko Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South and East lines of Section 4, Township 19 South, Range 25 East, the S/2 of said Section 4 to be dedicated to the well.
- CASE 7070:** Application of Tesoro Petroleum Corporation for a pilot caustic flood project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a one-acre pilot caustic flood project in the Hospah Field by the injection of caustic fluid into the Seven Lakes Sand of the Upper Hospah Field at an approximate depth of 300-500 feet through four injection wells in Unit K of Section 1, Township 17 North, Range 9 West.
- CASE 7071:** Application of Jake L. Hamon for an unorthodox well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a 640-acre proration unit comprising all of Section 17, Township 20 South, Range 36 East, North Osudo-Morrow Pool, to its Amerada Federal Well No. 2 located in Unit F and its Amerada Federal Well No. 3, to be drilled at an unorthodox location 1650 feet from the South line and 660 feet from the East line of said Section 17.
- CASE 6668:** (Reopened and Readvertised)
- In the matter of Case 6668 being reopened pursuant to the provisions of Order No. R-6139 which order promulgated temporary special rules and regulations for the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, including a provision for 80-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 40-acre spacing units.
- CASE 7005:** (Continued from September 17, 1980, Examiner Hearing)
- Application of Sol West III for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Turkey Track-Morrow Sand Well No. 1 in Unit I of Section 26, Township 18 South, Range 28 East.
- CASE 7072:** Application of Enserch Exploration, Inc. for pool creation and special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Pennsylvanian oil pool for its Enserch Amoco State Well No. 1 located in Unit L of Section 16, Township 4 South, Range 33 East, and the promulgation of special pool rules therefor, including a provision for 80-acre spacing.
- CASE 7073:** Application of Enserch Exploration, Inc. for pool creation, temporary special pool rules, and assignment of a discovery allowable, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Fusselman oil pool for its J. G. O'Brien Well No. 1 located 1980 feet from the North line and 660 feet from the West line of Section 31, Township 7 South, Range 29 East, with special rules therefor, including provisions for 80-acre spacing, a limiting gas-oil ratio of 3000 to one and special well location requirements providing for the drilling of wells within 150 feet of the center of a quarter-quarter section. Applicant further seeks approval of a 74.24-acre proration and spacing unit and a discovery allowable for said J. G. O'Brien Well No. 1.

CASE 7074: Application of Enserch Exploration, Inc. for pool creation, an unorthodox gas well location, and non-standard proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Fusselman gas pool for its J. G. O'Brien Well No. 2 located at an unorthodox location 660 feet from the South and West lines of Section 30, Township 7 South, Range 29 East, to be dedicated to a 308.96-acre non-standard unit comprising the W/2 of said Section 30.

CASE 6822: (Continued from October 1, 1980, Examiner Hearing)

In the matter of Case 6822 being reopened pursuant to the provisions of Order No. R-6293 which order created the West Double X-Wolfcamp Gas Pool as a retrograde gas condensate pool and set special production limitations therein. Operator(s) may appear and present evidence to establish the true nature of the reservoir and proper rates of withdrawal therefrom.

CASE 6648: (Continued from October 1, 1980, Examiner Hearing)

In the matter of Case 6648 being reopened pursuant to the provisions of Order No. R-6124 which order promulgated temporary special rules and regulations for the North Caprock-Mississippian Pool in Lea County, New Mexico, including a provision for 160-acre spacing and a 4000 to one gas-oil ratio limitation. Operators in said pool may appear and show cause why the pool should not be developed on 40-acre spacing with a 2000 to one GOR.

CASE 7045: (Continued from October 15, 1980, Examiner Hearing)

Application of Texas Oil & Gas Corp. for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Upper Morrow production in the wellbore of its Superior Federal Com. Well No. 1 located in Unit C of Section 8, Township 20 South, Range 29 East.

CASE 7024: (Continued from October 15, 1980, Examiner Hearing)

Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 35, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7038: (Continued from October 15, 1980, Examiner Hearing)

Application of Natura Energy Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NE/4 of Section 6, Township 19 South, Range 39 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Docket No. 35-80

DOCKET: COMMISSION HEARING - FRIDAY - OCTOBER 31, 1980

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7075: Application of Benson-Montin-Greer Drilling Corporation for the amendment of pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool as promulgated by Order No. R-2565-B and amended by Order No. R-6469, to require that the locations of wells in said pool be at least 1650 feet from the outer boundary of the spacing and proration unit, and that the drilling of wells be controlled so as to allow no more than a 330-foot horizontal deviation from the surface location. Further, that the location of wells on certain specified non-standard proration units approved by Order No. R-6469 should be no closer than 660 feet to the outer boundary of the non-standard unit nor closer than 330 feet to a quarter section line or 10 feet to a quarter-quarter section line. Said specified non-standard units are the two 640-acre units in Township 24 North, Range 1 West; the two 480-acre units in Township 24 North, Range 1 East; the four 640-acre units in Township 26 North, Range 1 West; the 640-acre unit in Township 26 North, Range 1 East; and the two 640-acre units, the three 600-acre units, and the 400-acre unit, all in Township 27 North, Range 1 West. Applicant further seeks an administrative procedure whereby unorthodox locations could be approved upon receipt of written waivers from all offsetting operators being "crowded" by the unorthodox location.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
17 September 1980
EXAMINER HEARING

Examiner: [redacted])
IN THE MATTER OF:)
Application of Sol West III for an) CASE
NGPA determination, Eddy County,) 7005
New Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

| | |
|--------------------------|-------------------------------|
| For the Oil Conservation | Ernest L. Padilla, Esq. |
| Division: | Legal Counsel to the Division |
| | State Land Office Bldg. |
| | Santa Fe, New Mexico 87501 |

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: Call next Case 7005.

2 MR. PADILLA: Application of Sol West III
3 for an NGPA determination, Eddy County, New Mexico.

4 MR. PADILLA: At the request of the
5 applicant this case will be continued to the October 29th
6 Examiner Hearing.

7
8 (Hearing concluded.)
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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 2005
heard by me on 9-18 1980.
Richard L. Ham Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

Docket No. 36-80

Dockets Nos. 37-80 and 38-80 are tentatively set for November 25 and December 10, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 12, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for December, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7076: Application of Vista Resources, Inc. for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its John H. Dashko Federal Well No. 1 to be drilled 2510 feet from the South line and 790 feet from the East line of Section 11, Township 24 North, Range 7 West, Basin-Dakota Pool, the E/2 of said Section 11 to be dedicated to the well.

CASE 7077: Application of Threshold Development Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Conoco "10" State Com Well No. 1 located in Unit I of Section 10, Township 19 South, Range 29 East, Turkey Track Field, to produce oil from the Wolfcamp formation and gas from the Atoka formation through parallel strings of tubing.

CASE 7046: (Continued from October 15, 1980, Examiner Hearing)

Application of Cotton Petroleum Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Pictured Cliffs production in the wellbores of wells in the South Blanco-Pictured Cliffs Pool located in Sections 1, 2, 3, 4, 9, 10, 11, 13, 23, and 24, Township 24 North, Range 4 West.

CASE 7078: Application of Conoco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Warren Unit Well No. 82 located in Unit G of Section 35, Township 20 South, Range 38 East, to produce oil from the Blinberry Oil and Gas or Warren-Tubb Pools and the D-K Abo Pool.

CASE 7079: Application of HNG Oil Company for the amendment of Order No. R-5727, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5727 to include the entire Pennsylvanian formation under the compulsory pooling order rather than only the Morrow formation as previously ordered.

CASE 7080: Application of Franks Petroleum, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North and East lines of Section 9, Township 21 South, Range 32 East, Hat Mesa-Morrow Gas Pool, the E/2 of said Section 9 to be dedicated to the well.

CASE 7081: Application of Belco Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 19, Township 23 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7070: (Continued from October 29, 1980, Examiner Hearing)

Application of Tesoro Petroleum Corporation for a pilot caustic flood project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a one-acre pilot caustic flood project in the Hospah Field by the injection of caustic fluid into the Seven Lakes Sand of the Upper Hospah Field at an approximate depth of 300-500 feet through four injection wells in Unit K of Section 1, Township 17 North, Range 9 West.

CASE 7082: Application of Maralo, Inc. and Dalport Oil Corporation for a waterflood project, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to institute a joint waterflood project on Dalport's Winters Lease offsetting Maralo's Jalmat Yates Unit waterflood project by the injection of water into the Yates-Seven Rivers-Queen formations through a well to be jointly drilled at an unorthodox location 1260 feet from the South line and 1250 feet from the West line of Section 7, Township 25 South, Range 36 East, Jalmat Pool.

CASE 7083: Application of Bass Enterprises Production Co. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp, Cisco, Canyon and Strawn formations underlying the S/2 NE/4 of Section 13, Township 16 South, Range 36 East, Northeast Lovington Field, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7005: (Continued from October 29, 1980, Examiner Hearing)

Application of Sol West III for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Turkey Track-Morrow Sand Well No. 1 in Unit I of Section 26, Township 18 South, Range 28 East.

CASE 7038: (Continued from October 29, 1980, Examiner Hearing)

Application of Natura Energy Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NE/4 NE/4 of Section 6, Township 19 South, Range 39 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7073: (Readvertised)

Application of Enserch Exploration, Inc. for pool creation, temporary special pool rules, and assignment of a discovery allowable, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Fusselman oil pool for its J. G. O'Brien Well No. 1 located 1980 feet from the North line and 660 feet from the West line of Section 31, Township 7 South, Range 29 East, with special rules therefor, including provisions for 80-acre spacing, a limiting gas-oil ratio of 3000 to one and special well location requirements providing for the drilling of wells within 150 feet of the center of a quarter-quarter section. Applicant further seeks approval of a 74.24-acre proration and spacing unit and a discovery allowable for said J. G. O'Brien Well No. 1.

CASE 7084: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Duncan Unit Area, comprising 7679 acres, more or less, of State, Federal, and fee lands in Townships 13 and 14 South, Range 35 East.

CASE 7085: Application of Harvey E. Yates Company for designation of a tight formation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Atoka formation underlying portions of Townships 12, 13, and 14 South, Ranges 35 and 36 East, containing 37,760 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 7086: Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Pictured Cliffs formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 7087: Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Fruitland formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CAMPBELL AND BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR



POST OFFICE BOX 2208
JEFFERSON PLACE
SANTA FE, NEW MEXICO 87501
TELEPHONE (505) 988-4421

October 27, 1980

Mr. Joe D. Ramey
Division Director
Oil Conservation Division
New Mexico Department of
Energy & Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Case No. 7005: Application of Sol West III
for an NGPA Determination, Eddy County,
New Mexico

Dear Mr. Ramey:

Sol West III requests that the above-referenced case
scheduled for hearing on October 29, 1980, be continued
to the examiner hearing scheduled to be held on November
12, 1980.

Your attention to this request is appreciated.

Very truly yours,

William F. Carr
William F. Carr

WFC:lr

cc: Mr. Michael Shearn
Mr. George Scott
Kenneth W. Nordeman, Esq.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
17 September 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sol West III for an) CASE
NGPA determination, Eddy County,) 7005
New Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

MR. STAMETS: Call next Case 7005.

MR. PADILLA: Application of Sol West III

for an NGPA determination, Eddy County, New Mexico.

MR. PADILLA: At the request of the

applicant this case will be continued to the October 29th
Examiner Hearing.

(Hearing concluded.)

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7439

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7405

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division



Page 5 of 7
File 3-9934-0FP&BU

Company SOL WEST III Lease TURKEY TRACK Well No. 1
Field UNDESIGNATED N. TURKEY TRACK County EDDY State NEW MEXICO
Formation MORROW Test Date OCTOBER 4, 1979

| Status of Well | Shut-in 216 hours | |
|----------------|-------------------|---------------------|
| DEPTH Feet | PRESSURE Psig | GRADIENT Psi/Ft. |
| 15 | 3201 | |
| 5000 | 3686 | 0.097 |
| 10000 | 4187 | 0.100 |
| 10765 | 4262 | 0.098 |
| 10865* | 4272 | 0.098 |

-7406

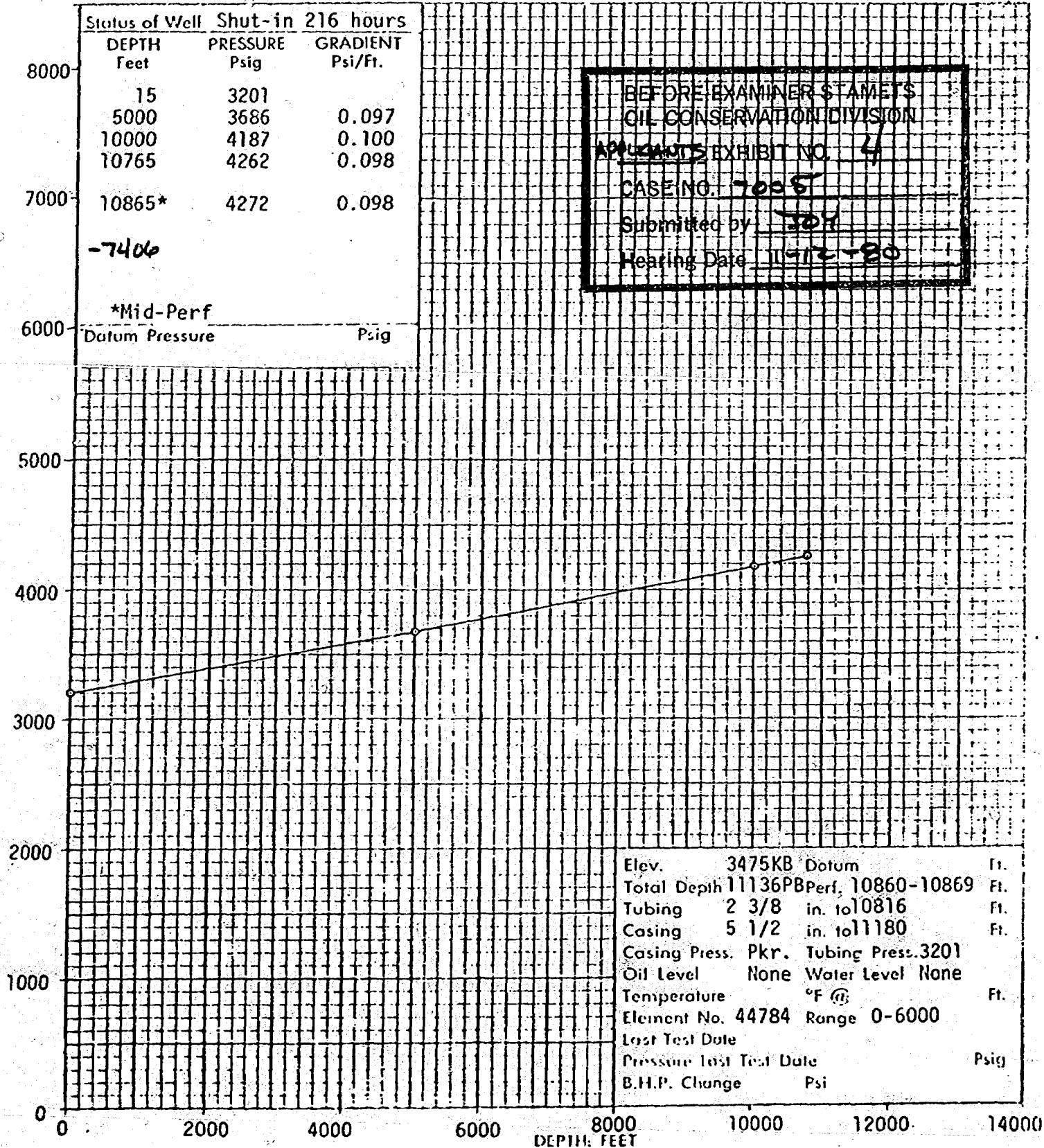
*Mid-Perf

Datum Pressure

Psig

BEFORE EXAMINER'S TESTS
OIL CONSERVATION DIVISION
APPLICANTS EXHIBIT NO. 4
CASE NO. 7005
Submitted by JOH
Hearing Date 11-12-80

PRESSURE POUNDS PER SQUARE INCH GAUGE



Elev. 3475KB Datum Ft.
Total Depth 11136PB Perf. 10860-10869 Ft.
Tubing 2 3/8 in. to 10816 Ft.
Casing 5 1/2 in. to 11180 Ft.
Casing Press. Pkr. Tubing Press. 3201
Oil Level None Water Level None
Temperature °F @ Ft.
Element No. 44784 Range 0-6000
Last Test Date
Pressure Test Date Psi
B.H.P. Change Psi

JARREL SERVICES, INC.

POST OFFICE BOX 1654

PHONE 505 393-5396

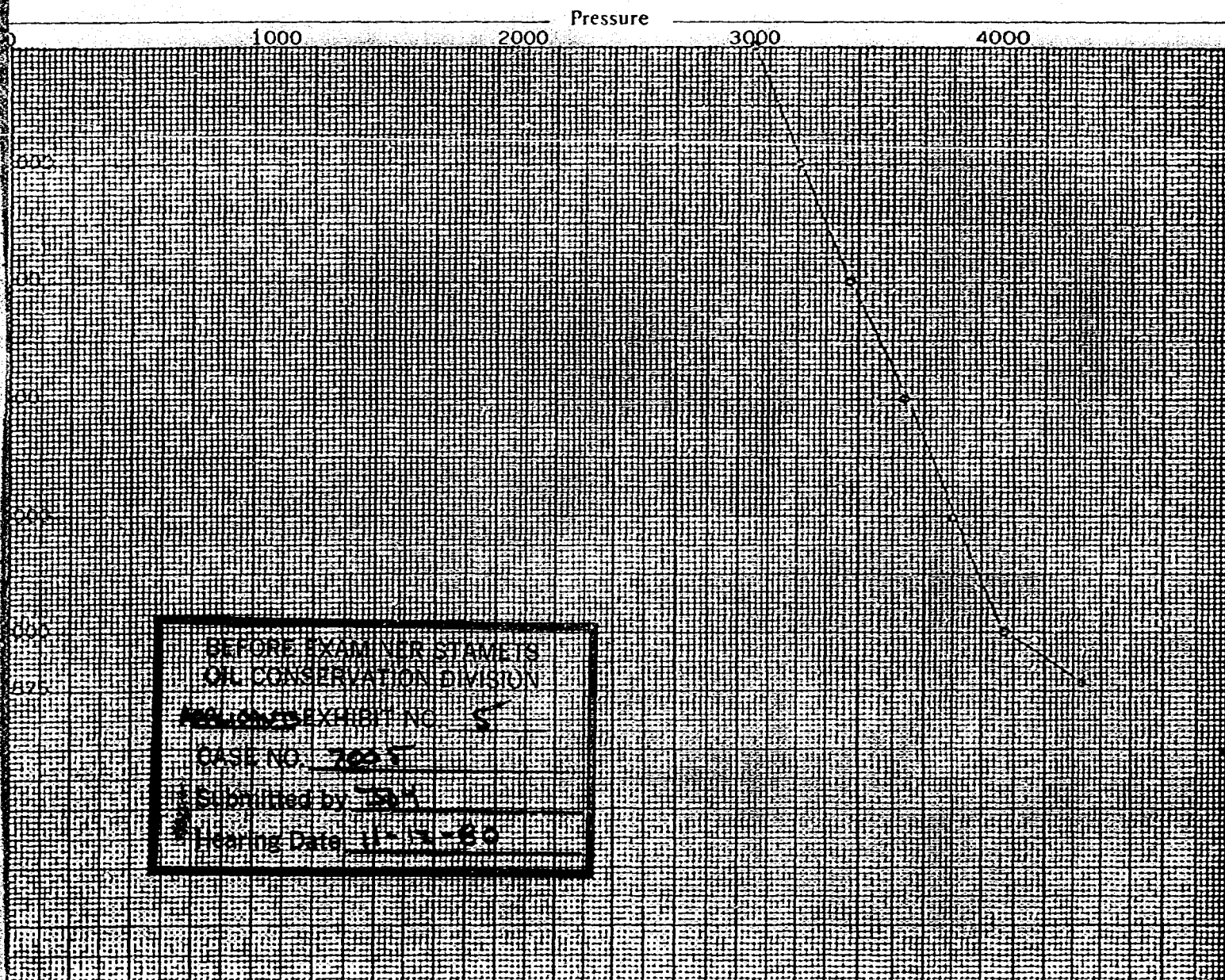
HOBBS, NEW MEXICO 88240

BOTTOM HOLE PRESSURE RECORD

OPERATOR Anadarko Production Company
 FIELD Undesignated North Turkey Track
 FORMATION Morrow
 LEASE Turkey Track State Com WELL No. 2
 COUNTY Lea STATE New Mexico
 DATE July 31, 1978 TIME 10:00 AM
 Status Shut In
 Test Depth 10875'
 Time S.I. 42.0 Hrs. Last test date -
 Tub Pres. 3060 DWT BHP last test -
 Cas. Pres. PKR BHP change -
 Elev. 3469' KB-15 Fluid top 10000'
 Datum (-7306) ** Water top None
 Temp. @ 178° F Run by Jarrel Services, Inc
 Cal. No. A14415N Chart No. 1

| Depth | Pressure | Gradient |
|---------------|----------|----------|
| 0 | 3060 | - |
| 2000 | 3266 | .103 |
| 4000 | 3472 | .103 |
| 6000 | 3678 | .103 |
| 8000 | 3886 | .104 |
| 10000 | 4097 | .106 |
| 10875 (-7306) | 4423 ** | .373 |

3469
406
 ** MIDPOINT OF CASING PERFORATIONS



BEFORE EXAMINER STAMETS
 OIL CONSERVATION DIVISION

EXHIBIT NO. 5

CASE NO. 2025

Submitted by JS

Hearing Date 11-15-80

Dockets Nos. 30-80 and 31-80 are tentatively set for October 1 and 15, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

Docket No. 29-80

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 17, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for October, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7021: Application of Gulf Oil Corporation for simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a previously approved 477-acre non-standard gas proration unit comprising the N/2 and SE/4 of Section 19, Township 19 South, Range 37 East, Eumont Gas Pool, to its B. V. Culp (NCT-A) Wells Nos. 3 and 9 located in Units F and J, respectively, of said Section 19.

CASE 6961: (Continued from August 20, 1980, Examiner Hearing)

Application of Conoco Inc. for a dual completion and unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Meyer A-29 Well No. 11 to be drilled at an unorthodox location 990 feet from the North line and 660 feet from the East line of Section 29, Township 22 South, Range 36 East, to produce gas from the Langley-Devonian and -Ellenburger Pools thru parallel strings of tubing, the E/2 of said Section 29 to be dedicated to the well.

CASE 7022: Application of Texas Pacific Oil Company, Inc. for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a 320-acre non-standard proration unit comprising the N/2 of Section 9, Township 22 South, Range 36 East, Jalmat Gas Pool, to its Wells Nos. 40 and 63 located in Units A and C, respectively, of said Section 9. Applicant further seeks approval to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township 22 South, Range 36 East, to a standard proration unit to be comprised of all of said Section 11.

CASE 7008: (Continued from August 20, 1980, Examiner Hearing)

Application of Coronado Exploration Corp. for eight compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying eight 40-acre proration units, being the NE/4 NE/4 of Section 4 and the NW/4 NE/4 of Section 5, both in Township 12 South, Range 28 East, and the NW/4 SE/4 of Section 6, the NE/4 NW/4 of Section 23, the NE/4 SE/4 of Section 28, the SE/4 SE/4 of Section 29, the NE/4 NW/4 of Section 32, and the SE/4 NW/4 of Section 33, all in Township 11 South, Range 28 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 7004: (Continued from August 20, 1980, Examiner Hearing)

Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Morrow formations underlying the N/2 of Section 12, Township 19 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7023: Application of Shell Oil Company for pool creation and temporary special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Pennsylvanian oil pool for its Askew Well No. 1 located in Unit L of Section 2, Township 5 South, Range 33 East, and the promulgation of special pool rules therefor, including a provision for 80-acre spacing.

CASE 7011: (Continued from August 20, 1980, Examiner Hearing)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Blanco-Pictured Cliffs production in the wellbores of the following six wells: Elliott "C" No. 1, SE/4 of Section 9, Township 30 North, Range 9 West; Elliott "B" No. 8, NE/4 of Section 10; "A" Nos. 3 and 2, NE/4 and NW/4, Section 11; "D" No. 7, SW/4 of Section 11; and "E" No. 1, NW/4 of Section 14, all in Township 29 North, Range 9 West.

CASE 7019: (Continued from September 3, 1980, Examiner Hearing)

Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 30, Township 23 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 6991: (Continued from September 3, 1980, Examiner Hearing)

Application of Amoco Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in a 100 foot perforated interval between 4400 feet and 4800 feet in its South Hobbs Unit Well No. 103 in Unit B of Section 15, Township 19 South, Range 38 East, Hobbs Grayburg-San Andres Pool.

CASE 7024: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 35, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7025: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 35, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7005: (Continued from August 20, 1980, Examiner Hearing)

Application of Sol West III for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Turkey Track-Morrow Sand Well No. 1 in Unit I of Section 26, Township 18 South, Range 28 East.

CASE 6822: (Continued from September 3, 1980, Examiner Hearing)

In the matter of Case 6822 being reopened pursuant to the provisions of Order No. R-6293 which order created the West Double X-Wolfcamp Gas Pool as a retrograde gas condensate pool and set special production limitations therein. Operator(s) may appear and present evidence to establish the true nature of the reservoir and proper rates of withdrawal therefrom.

CASE 7026: Application of Bass Enterprises Production Company for pool creation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Bone Spring oil pool for its Big Eddy Unit Well No. 60 located in Unit J of Section 20, Township 21 South, Range 28 East, and the promulgation of special rules therefor including a gas-oil ratio limitation of 10,000 to one.

CASE 7027: Application of W. A. Moncrief, Jr. for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Marathon State Com. Well No. 1 in Unit J of Section 11, Township 24 South, Range 24 East.

CASE 7028: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, deleting, and extending certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the North Bell Lake-Wolfcamp Pool. The discovery well is Amoco Production Company State HL Well No. 1 located in Unit L of Section 2, Township 23 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 2: W/2

(b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Golden Lane-Delaware Pool. The discovery well is Meadco Properties, Ltd. Hudson Federal Well No. 1 located in Unit C of Section 4, Township 21 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 4: Lots 3, 4, 5, 6, 11, and 12

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the McDonald-Atoka Gas Pool. The discovery well is Harvey E. Yates Company Heyco Betenbough Well No. 1 located in Unit C of Section 32, Township 13 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM
Section 32: N/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the Pearsall-Seven Rivers Pool. The discovery well is Arrowhead Oil Corporation Hover Well No. 3 located in Unit D of Section 32, Township 17 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 32: NW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the West Tonto-Wolfcamp Pool. The discovery well is Inexco Oil Company Federal Com 7 Well No. 2 located in Unit E of Section 7, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 7: NW/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Winchester-Bone Spring Pool. Further to assign approximately 38,955 barrels of discovery allowable to the discovery well, Marathon Oil Company Martinez "31" Federal Well No. 1 located in Unit F of Section 31, Township 19 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4

(g) CONTRACT the horizontal limits of the Mid Bell Lake-Devonian Gas Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 18: N/2 and SW/4

(h) CONTRACT the horizontal limits of the La Rica-Morrow Gas Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 2: All

(i) EXTEND the Airstrip-Upper Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 35: NE/4
Section 36: NE/4

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 31: NW/4

- (j) EXTEND the Airstrip-Lower Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4
Section 26: NE/4

- (k) EXTEND the Artesia Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 22: E/2 NE/4

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 35: W/2 NW/4

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 2: NW/4 and N/2 SW/4

- (l) EXTEND the Bough-San Andres Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 14: NE/4

- (m) EXTEND the Buffalo-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 8: E/2

- (n) EXTEND the North Burton Flat-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 29: N/2

- (o) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 16: W/2

- (p) EXTEND the Chaveroo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 4: E/2 E/2

- (q) EXTEND the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 24: S/2 NW/4 and N/2 S/2

- (r) EXTEND the Eagle Creek Permo-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 31: All

- (s) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 12: All

- (t) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 28: N/2 N/2

- (u) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 3: E/2

- (v) EXTEND the West Indian Basin-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPH
Section 24: N/2

- (w) EXTEND the Langley-Devonian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPH
Section 28: S/2

- (x) EXTEND the Langley-Ellenburger Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPH
Section 28: S/2

- (y) EXTEND the Los Medanos-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPH
Section 1: S/2

- (z) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPH
Section 17: S/2
Section 19: E/2
Section 20: W/2

- (aa) EXTEND the Lusk-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPH
Section 13: All

- (bb) EXTEND the West Malaga-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPH
Section 8: E/2
Section 9: S/2

- (cc) EXTEND the Mesa-Queen Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPH
Section 1: SW/4

- (dd) EXTEND the Midway-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPH
Section 8: SE/4

- (ee) EXTEND the Nash Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPH
Section 7: S/2

- (ff) EXTEND the North Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPH
Section 29: S/2

- (gg) EXTEND the East Red Lake Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPH
Section 25: NW/4 and N/2 SW/4

- (hh) EXTEND the Sand Point-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPH
Section 3: Lots 1, 2, 7, 8, 9, 10,
15 and 16

- (ii) EXTEND the Shoebar-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPH
Section 28: N/2 and SW/4

(jj) EXTEND the Shugart-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 1: W/2
Section 2: N/2

(kk) EXTEND the Sioux Tansill-Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 9: SE/4

(ll) EXTEND the Teas Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
Section 19: SE/4

(mm) EXTEND the Tom-Tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 24: SW/4
Section 35: NW/4

(nn) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 1: S/2
Section 2: S/2
Section 11: N/2
Section 14: All

(oo) EXTEND the Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 7: S/2
Section 18: All

(pp) EXTEND the Winchester-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 34: SE/4

(qq) EXTEND the Yarrow-Delaware Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 22: NE/4

(rr) EXTEND the Young-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 4: S/2
Section 9: E/2

PHONE OFF. (505) 622-5591

George L. Scott

CONSULTING GEOLOGIST
548 PETROLEUM BLDG.
ROSWELL, NEW MEXICO 87201
September 9, 1980

PHONE RES. (505) 622-5627



Oil Conservation Division
Attn: Florene Davidson
PO Box 2088
Santa Fe, NM 87501

Re: Case #7005 (Continued from Aug. 20, 1980
Examiner Hearings) Application by Sol West, III for
NGPA determination,
Eddy Co., New Mexico

Dear Ms Davidson:

This is to request that captioned case be removed from the
September 17, 1980 docket and be rescheduled for October
29, 1980.

Sincerely,

A handwritten signature in cursive script that reads "George L. Scott".

George L. Scott

GLS: ss

cc: Sol West, III
Michael Shearn
Charles Joy
Kenneth Nordeman

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
20 August 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sol West III for an
NGPA determination, Eddy County,
New Mexico.

CASE
7005

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: We'll call next Case 7005.

2 MR. PADILLA: Application of Sol West III
3 for an NGPA determination, Eddy County, New Mexico.

4 MR. STAMETS: At the request of the appli-
5 cant this case will be continued to the September 17th Examiner
6 Hearing.

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8 (Hearing concluded.)
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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7400

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7005,
heard by me on 8-20 1980.
Richard P. [Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

20 August 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Sol West III for an
NGPA determination, Eddy County,
New Mexico.

CASE
7005

BEFORE: Richard L. Stamez

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: We'll call next Case 7005.

2 MR. PADILLA: Application of Sol West III
3 for an NGPA determination, Eddy County, New Mexico.

4 MR. STAMETS: At the request of the appli-
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6 Hearing.

7
8 (Hearing concluded.)
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SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B

Santa Fe, New Mexico 87501

Phone (505) 455-7469

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

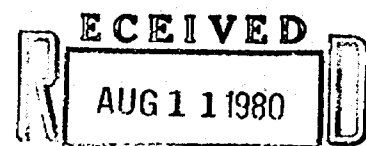
PHONE OFF. (505) 622-5891

George L. Scott

CONSULTING GEOLOGIST
SUITE 610, PETROLEUM BLDG.
ROSWELL, NEW MEXICO 88201

August 10, 1980

PHONE RES. (505) 622-5627



File
Case 7005

Oil Conservation Division
Attn: Mr. Dan Nutter
PO Box 2088
Santa Fe, NM 87501

Re: Request for Gas Price Determination for Sol West #1 Turkey Track Com, Sec. 26-T18S-R28E, Eddy Co., New Mexico.

Dear Mr. Nutter:

This is to request the hearing requested for captioned well be removed from the August docket and be reinstated on the docket on September 17. The change request is required by the delay we have experienced in obtaining certain pressure data.

Sincerely,

George L. Scott

George L. Scott

GLS:ss

cc: Sol West, III
Michael Shearn

71

Sept 3
17

622-5891 Roswell
Called in by George Scott
7/25/80

Sol West III
NGPA Determination
New Onshore Reservoir
Turkey Track Morrow Sand
#1
26-T185-R28E
Eddy County

Dockets Nos. 27-80 and 28-80 are tentatively set for September 3 and 17, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 20, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for September, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for September, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 6998: Application of Monsanto Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Back Basin Unit Area, comprising 1,920 acres, more or less, of State and Federal lands in Township 23 South, Range 34 East.
- CASE 6999: Application of Gulf Oil Corporation for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a previously approved 320-acre non-standard proration unit comprising the N/2 of Section 36, Township 21 South, Range 36 East, Eumont Gas Pool, to its Harry Leonard NCT-C Well No. 9 located in Unit B, and its No. 8, at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 36.
- CASE 7000: Application of Cavalcade Oil Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its McClay Well No. 11 2385 feet from the South line and 1834 feet from the West line of Section 33, Township 18 South, Range 30 East, the NE/4 SW/4 of said Section 33 to be dedicated to the well.
- CASE 7001: Application of McClellan Oil Corporation for three unorthodox oil well locations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for three following unorthodox locations for wells to be drilled in Section 24, Township 14 South, Range 29 East, Double L Queen Associated Pool: 1155 feet from the North line and 2145 feet from the East line; 1155 feet from the North and East lines; and 1650 feet from the North line and 1155 feet from the East line; the respective 40-acre tract would be dedicated to each well.
- CASE 7002: Application of Orville Slaughter for the amendment of Order No. R-5947, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5947 to provide for the commingling of Oswell-Farmington production from his Sangre de Cristo Well No. 1 with undesignated Fruitland production from Wells Nos. 2 and 2S, all in Section 34, Township 30 North, Range 11 West.
- CASE 7003: Application of El Paso Natural Gas Company for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill a well, the surface location of which is 590 feet from the South line and 2400 feet from the East line of Section 1, Township 29 North, Range 13 West, in such a manner as to bottom it within 175 feet of a point 990 feet from the South line and 1650 feet from the West line of said Section 1.
- CASE 7004: Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Morrow formations underlying the N/2 of Section 12, Township 19 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 6938: (Continued from June 25, 1980, Examiner Hearing)
- Application of Anadarko Production Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Dalport Federal Well No. 1 660 feet from the South and West lines of Section 20, Township 13 South, Range 31 East, Southeast Chaves Queen Gas Area, the W/2 of said Section 20 to be dedicated to the well.
- CASE 6939: (Continued from June 25, 1980, Examiner Hearing)
- Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests at a depth from 2400 feet to 5000 feet below the surface, Turkey Track Field, underlying the NE/4 SE/4 of Section 10, Township 19 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 6940: (Continued from July 23, 1980, Examiner Hearing)

Application of Adobe Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Wolfcamp formation underlying the NW/4 SE/4 for oil and the SE/4 for gas, Section 23, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 6961: (Continued from July 23, 1980, Examiner Hearing) (This case will be continued to September 17.)

Application of Conoco Inc. for a dual completion and unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Meyer A-29 Well No. 11 to be drilled at an unorthodox location 990 feet from the North line and 660 feet from the East line of Section 29, Township 22 South, Range 36 East, to produce gas from the Langley-Devonian and -Ellenburger Pools thru parallel strings of tubing, the E/2 of said Section 29 to be dedicated to the well.

CASE 7005: Application of Sol West III for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Turkey Track-Morrow Sand Well No. 1 in Unit I of Section 26, Township 18 South, Range 28 East.

CASE 7006: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Northwest Gladiola Unit Area, comprising 1,280 acres, more or less, of State and fee lands in Townships 11 and 12 South, Range 37 East.

CASE 7007: Application of Harvey E. Yates Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Morrow and Atoka production in the wellbore of its North Travis 12 Deep Well No. 1 located in Unit O of Section 12, Township 18 South, Range 28 East.

CASE 7008: Application of Coronado Exploration Corp. for eight compulsory poolings, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying eight 40-acre proration units, being the NE/4 NE/4 of Section 4 and the NW/4 NE/4 of Section 5, both in Township 12 South, Range 28 East, and the NW/4 SE/4 of Section 6, the NE/4 NW/4 of Section 23, the NE/4 SE/4 of Section 28, the SE/4 SE/4 of Section 29, the NE/4 NW/4 of Section 32, and the SE/4 NW/4 of Section 33, all in Township 11 South, Range 28 East, each to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 6994: (Continued from August 6, 1980, Examiner Hearing)

Application of Enserch Exploration, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp thru Siluro-Devonian formations underlying the N/2 of Section 14, Township 25 South, Range 34 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 6996: (Continued from August 6, 1980, Examiner Hearing)

Application of John E. Schalk for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Blanco Mesaverde Pool underlying the NE/4 of Section 8, Township 25 North, Range 3 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7009: Application of Amoco Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation in the interval from 8330 feet to 3000 feet in its State "E" Tract 18 Well No. 22 in Unit G of Section 2, Township 17 South, Range 36 East, Lovington-Abo Pool.

Docket No. 26-80

CASE 7010: Application of Amoco Production Company for a dual completion, unorthodox well location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Myers "B" Federal Well No. 28 at an unorthodox location 330 feet from the South line and 420 feet from the West line of Section 9, Township 24 South, Range 37 East, to produce gas from the Jalmat Gas Pool and oil from the Langlie Mattox Pool, to be simultaneously dedicated in the gas zone with its No. 13 located in Unit L of Section 9.

CASE 7011: (This case will be continued to the September 17, 1980, hearing.)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Blanco-Pictured Cliffs production in the wellbores of the following six wells: Elliott "C" No. 1, SE/4 of Section 9, Township 30 North, Range 9 West; Elliott "B" No. 8, NE/4 of Section 10; "A" No. 3 and 2, NE/4 and NW/4, Section 11; "D" No. 7, SW/4 of Section 11; and "E" No. 1, NW/4 of Section 14, all in Township 29 North, Range 9 West.

CASE 6981: (Continued from July 23, 1980, Examiner Hearing)

Application of Bass Enterprises Production Company for a special gas-oil ratio limitation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a special gas-oil ratio limitation of 8000 to one for the Palmillo-Bone Springs Pool.

CASE 7012: Application of Amoco Production Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Atoka formation for its Pardue Farms Gas Com Well No. 1 in Unit C of Section 26, Township 23 South, Range 28 East.

CASE 7013: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting vertical limits, and extending certain pools in Chaves, Lea, and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Yates production and designated as the Byers-Yates Gas Pool. The discovery well is Exxon Corporation Bowers A Federal Well No. 37 located in Unit P of Section 30, Township 18 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 30: SE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Jal-Atoka Gas Pool. The discovery well is Getty Oil Company West Jal B Deep Well No. 1 located in Unit II of Section 17, Township 25 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM
Section 17: E/2

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Saunders-Morrow Gas Pool with special vertical limits defined as being from the top of the Morrow formation at 12,150 feet to the top of the Mississippian at 12,445 feet, as found on the log of the discovery well, the Adobe Oil and Gas Corporation Gray 35 Well No. 1 located in Unit B of Section 35, Township 14 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 35: All

(d) ABOLISH the North Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, described as:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 13: SE/4
Section 23: SE/4
Section 24: S/2 and NE/4
Section 25: N/2 and SE/4
Section 26: N/2

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 18: S/2
Section 19: N/2 and SE/4
Section 20: All

- (e) EXTEND the Bauer-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 12: SE/4
Section 23: SE/4
Section 24: S/2 and NE/4
Section 25: All
Section 26: N/2

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 18: S/2
Section 19: N/2 and SE/4
Section 20: All

- (f) ABOLISH the Gallina-San Andres Pool in Chaves County, New Mexico, described as:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 6: NW/4

- (g) EXTEND the Tomahawk-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 6: NW/4

- (h) ABOLISH the West Tonto-Pennsylvanian Gas Pool in Lea County, New Mexico, described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 12: S/2

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 7: All
Section 8: W/2
Section 18: N/2

- (i) EXTEND the Buffalo-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 1: S/2
Section 12: S/2

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 6: SW/4
Section 7: All
Section 8: W/2
Section 18: N/2

- (j) CONTRACT the vertical limits of the Saunders-Permo Pennsylvanian Pool with special vertical limits defined as being from the top of the Wolfcamp formation at 9,195 feet to 10,705 feet into Pennsylvanian formation, as found on log of Adobe Oil and Gas Corporation Gray 35 Well No. 1 located in Unit N of Section 35, Township 14 South, Range 33 East, NMPM, and redesignate said Saunders-Permo Pennsylvanian Pool to Saunders Permo-Upper Pennsylvanian Pool.

- (k) EXTEND the Airstrip-Upper Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 25: NE/4

- (l) EXTEND the South Bell Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 18: S/2

- (m) EXTEND the Chaveroo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 13: SW/4

- (n) EXTEND the Custer-Devonian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 36: S/2

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM
Section 1: E/2

- (o) EXTEND the Custer-Ellenburger Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 36: S/2

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM
Section 1: E/2

- (p) EXTEND the Flying "H"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 19: NE/4

- (q) EXTEND the Hardy-Blincry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 12: NW/4

- (r) EXTEND the Hardy-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 12: NW/4

- (s) EXTEND the Hobbs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 3: SW/4

- (t) EXTEND the South Kemnitz-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 22: SE/4
Section 27: NE/4

- (u) EXTEND the North Lusk-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 32: W/2
Section 33: W/2

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 4: W/2

- (v) EXTEND the Querecho Plains-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

- (w) EXTEND the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 6: Lots 9, 10, 15, 16, and
SE/4

- (x) EXTEND the Northwest Todd-San Andres Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
Section 7: NE/4

- (y) EXTEND the Tom-Tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 32: SE/4 SW/4

- (z) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 35: NW/4

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7005

Order No. R-6528

APPLICATION OF SOL WEST III

FOR AN NGPA DETERMINATION,

EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 12, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of November, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Sol West III, seeks a determination by the Division, in accordance with Section ~~2-102~~ 102 of the Natural Gas Policy Act of 1978, and the

applicable rules of the Federal Energy Regulatory Commission,
that ^{his} ~~its~~ Turkey Track-Morrow Sand Well No. 1

located _____ in Unit I
of Section 26, Township 18 South, Range 28 East
NMPM, Eddy County, New Mexico, has discovered a new
onshore reservoir from which natural gas was not produced in
commercial quantities before April 20, 1977.

(3) That said well was completed in the Morrow
formation with perforations from 10,860 feet to 10,869
feet, and a plugged-back depth of 11,136 feet after having
been drilled to a total depth of 11,180 feet.

(4) That ~~as shown~~ there are several wells in the general
vicinity of the subject well which have penetrated and are ~~or~~
~~are~~ completed in the Morrow formation,

(5) That the geologic evidence presented
appears to demonstrate that said
Turkey Track-Morrow Sand Well No. 1 is
completed in a new reservoir not connected
to the other Morrow wells in the area.

(6) That the pressure evidence presented ^{appears} ~~seems~~
to indicate that the subject well is
completed in a reservoir previously
defined as a new onshore reservoir.

(5) That in any event the data
presented establishes that said Turkey Track-Morrow Sand Well No. 1
has been completed in a new onshore reservoir as defined by the
provisions of Section 102 of the Natural Gas Policy Act of 1978
and the applicable rules of the Federal Energy Regulatory Commis-
sion.

IT IS THEREFORE ORDERED:

(1) That the Turkey Track-Morrow Sand Well No. 1
located in Unit I of Section 26, Township 18 South
Range 28 East, NMPM, Eddy County, New Mexico, is
completed in a new onshore reservoir as defined by Sections ~~2-101~~
~~and~~ 102 of the Natural Gas Policy Act of 1978, and the applicable
rules of the Federal Energy Regulatory Commission.

* under Section 102 of the Natural Gas Policy Act
of 1978, and the applicable rules of the Federal Energy Regulatory Commission

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Case No.
Order No.

(2) That jurisdiction of this cause 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.