

CASE 7190: THRESHOLD DEVELOPMENT COMPANY
✓ FOR AN NGPA DETERMINATION, EDDY COUNTY, *my*
NEW MEXICO

Case No.

7190

Application

Transcripts

Small Exhibits

ETC

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. 7190
Order No. R-6681

APPLICATION OF THRESHOLD DEVELOPMENT
COMPANY 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 March 11, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 4th day of May, 1981, 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, Threshold Development Company, seeks a determination by the Division, in accordance with Sections 2 (6) and 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission, that its Conoco 10 State Com. Well No. 1 located in Unit 1 of Section 10, Township 19 South, Range 29 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 Atoka formation with perforations from 10,777 feet to 10,790 feet, and a plugged-back depth of 11,704 feet after having been drilled to a total depth of 11,750 feet.

(4) That although there are wells in the general vicinity of the subject well which have penetrated and are or were completed in the Atoka formation, which wells might disqualify the

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Case No. 7190

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subject well from a category 102 determination, pressures and productive capacity encountered in said Conoco 10 State Com. Well No. 1 as compared to said wells are completely distinctive and are indicative of non-communication therewith.

(5) That the combined geological and engineering data presented establishes that said Conoco 10 State Com. 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 Conoco 10 State Com. Well No. 1, located in Unit I of Section 10, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, is completed in a new onshore reservoir as defined by Sections 2 (6) and 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.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/

CASE 7170: (Continued from February 25, 1981, Examiner Hearing)

Application of Threshold Development Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Atoka and Morrow formations for its Conoco 10A State Well No. 1Y in Unit F of Section 10, Township 19 South, Range 29 East.

CASE 7189: Application of Threshold Development Company 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 its Conoco 7 State Well No. 1 in Unit N of Section 7, Township 19 South, Range 29 East.

CASE 7190: Application of Threshold Development 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 Conoco 10 State Com. Well No. 1 in Unit I of Section 10, Township 19 South, Range 29 East.

CASE 7191: Application of Southland Royalty Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location in the Potash-Oil Area of its State "14-A" Com. Well No. 1 1325 feet from the North line and 2303 feet from the East line of Section 14, Township 19 South, Range 29 East, Turkey Track Field.

CASE 7192: Application of Southland Royalty Company 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 its Parkway A State Com. Well No. 1 in Unit H of Section 15, Township 19 South, Range 29 East.

CASE 7193: Application of Southland Royalty Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Atoka and Morrow formations for its State 14 Com. Well No. 1 in Unit E of Section 14, Township 19 South, Range 29 East.

CASE 7194: Application of Southland Royalty Company 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 its Parkway State Well No. 1 located in Unit K of Section 15, Township 19 South, Range 29 East.

CASE 7195: Application of Southland Royalty Company for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Atoka and Morrow formations for its State 14 Well No. 1-A in Unit B of Section 14, Township 19 South, Range 29 East.

CASE 7196: Application of Dinero Operating Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox location 1980 feet from the North line and 660 feet from the West line of Section 15, Township 22 South, Range 28 East, Pennsylvanian formation, the N/2 of said Section 15 to be dedicated to the well.

CASE 7153: (Readvertised)

Application of C & E Operators, Inc. for compulsory pooling and a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mesaverde formation underlying a 158.54-acre non-standard gas proration unit comprising the SW/4 of Section 8, Township 30 North, Range 11 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 7197: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Bilbrey-Morrow Gas Pool. The discovery well is Getty Oil Company Getty 32 State Com Well No. 1 located in Unit G of Section 32, Township 21 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 32: E/2

CAMPBELL, BYRD & BLACK, P.A.
LAWYERS

JACK M. CAMPBELL
HARL D. BYRD
BRUCE D. BLACK
MICHAEL B. CAMPBELL
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BRADFORD C. BERGE
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POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

February 19, 1981

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

Case 7190

Re: Application of Threshold Development Company
for an N.G.P.A. Determination, Eddy County,
New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Threshold Development Company in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on March 11, 1981.

Very truly yours,

William F. Carr
William F. Carr

WFC:lr

Enclosures

cc: Mr. Bill Aycock
Mr. David Pace

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

APPLICATION OF THRESHOLD
DEVELOPMENT COMPANY FOR AN
N.G.P.A. DETERMINATION
EDDY COUNTY, NEW MEXICO

Case 7190

APPLICATION

Comes now THRESHOLD DEVELOPMENT COMPANY, by and through its undersigned attorneys, and hereby seeks a new onshore reservoir determination in accordance with Section 102 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission in the Atoka formation for the Conoco 10 State Com No. 1 Well located in Unit I of Section 10, Township 19 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show the Division:

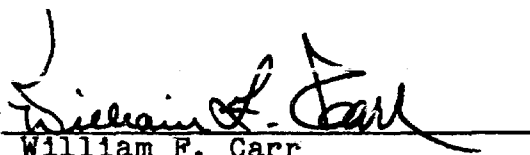
1. That applicant is the operator of the subject well.
2. That said well has been completed in the Atoka formation with perforations from 10,777 feet to 10,790 feet.
3. That there are other wells in the area which have penetrated and are completed in the Atoka formation.
4. That geologic and engineering data establish that the subject well is completed in a new reservoir in the Atoka not connected to any other Atoka well in the area.

5. That granting the application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order granting this application and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL, BYRD AND BLACK, P.A.

By 
William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

APPLICATION OF THRESHOLD
DEVELOPMENT COMPANY FOR AN
N.G.P.A. DETERMINATION
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APPLICATION

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1. That applicant is the operator of the subject well.
2. That said well has been completed in the Atoka formation with perforations from 10,777 feet to 10,790 feet.
3. That there are other wells in the area which have penetrated and are completed in the Atoka formation.
4. That geologic and engineering data establish that the subject well is completed in a new reservoir in the Atoka not connected to any other Atoka well in the area.

5. That granting the application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order granting this application and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL, BYRD AND BLACK, P.A.

By 
William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

APPLICATION OF THRESHOLD
DEVELOPMENT COMPANY FOR AN
N.G.P.A. DETERMINATION
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APPLICATION

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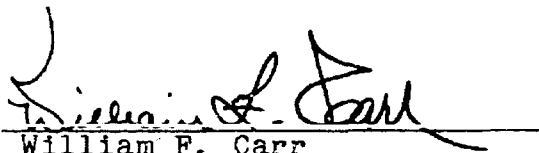
1. That applicant is the operator of the subject well.
2. That said well has been completed in the Atoka formation with perforations from 10,777 feet to 10,790 feet.
3. That there are other wells in the area which have penetrated and are completed in the Atoka formation.
4. That geologic and engineering data establish that the subject well is completed in a new reservoir in the Atoka not connected to any other Atoka well in the area.

5. That granting the application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order granting this application and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL, BYRD AND BLACK, P.A.

By 
William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
Attorneys for Applicant

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
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APPLICATION OF THRESHOLD DEVELOPMENT

COMPANY 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 March 11
19 81, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of March, 19 81, 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, Threshold Development Company, seeks
a determination by the Division, in accordance with Sections
2 (6) and 102 of the Natural Gas Policy Act of 1978, and the

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applicable rules of the Federal Energy Regulatory Commission,
that its Conoco 10 State Com. Well No. 1
located _____ in Unit I
of Section 10, Township 19 South, Range 29 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 Atoka
formation with perforations from 10,777 feet to 10,796
feet, and a plugged-back depth of 11,704 feet after having
been drilled to a total depth of 11,750 feet.

Wells

(4) That although there are ~~several~~ wells in the general
vicinity of the subject well which have penetrated and are or
were completed in the Atoka formation, *which*
might disqualify the subject well from a category 102 determination,
pressures and productive capacity encountered in said Conoco 10
State Com. Well No. 1 as compared to said wells are completely
distinctive and are indicative of *non communication therewith*
~~an undrained reservoir.~~

(5) That the combined geological and engineering data
presented establishes that said Conoco 10 State Com. 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 Conoco 10 State Com. Well No. 1
located in Unit I of Section 10, Township 19 South
Range 29 East, NMPM, Eddy County, New Mexico, is
completed in a new onshore reservoir as defined by Sections 2 (6)
and 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.