Entered December 11, 1980

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 <u>llth</u> 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 pluggedback 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.

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(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 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 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 CONSERVALION DIVISION

JOE D. RAMEY Director

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