

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER  
MADE PURSUANT TO SECTION 271.305(b) OF THE  
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,  
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION  
ORDER NO. R-6013

I.

Operator Conoco Inc. Well Name and No. Meyer B-28 "A" AC/1 Well #  
Location: Unit C Sec. 28 Twp. 20S Rng. 37E Cty. Lea

II.

THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and ~~must grant a waiver of existing well-spacing requirements.~~
- (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the Eumont Gas Pool, and the standard spacing unit in said pool is 640 acres.
- (4) That a 240-acre proration unit comprising the E/2 NW/4 and NE/4 of Sec. 28, Twp. 20S, Rng. 37E, is currently dedicated to the Meyer B-28 "A" AC/1 Well No. 1 located in Unit G of said section.
- (5) That this proration unit is ( ) standard ( X ) nonstandard; if nonstandard, said unit was previously approved by Order No. R-915.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 261 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved ~~as an exception to the standard well-spacing requirements for the pool.~~

IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order ~~is an exception to applicable well-spacing requirements~~ and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (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 this 19th day of February, 19 80.

  
DIVISION DIRECTOR X EXAMINER

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER  
MADE PURSUANT TO SECTION 271.305(b) OF THE  
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,  
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION  
ORDER NO. R-6013

I.

Operator Conoco Inc. Well Name and No. Meyer B-28 7A AC/1 well No 4  
Location: Unit C Sec. 28 Twp. 20S Rng. 37E Cty. Lea

II.

THE DIVISION FINDS:

(1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, ~~and must grant a waiver of existing well spacing requirements.~~

(2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.

(3) That the well for which a finding is sought is to be completed in the Cumart Gran Pool, and the standard spacing unit in said pool is 640 acres.

(4) That a 240-acre proration unit comprising the E/2 NW/4 and NE/4 of Sec. 28, Twp. 20S, Rng. 37E, is currently dedicated to the Meyer B-28 7A AC/1 Well No 1 located in Unit G of said section.

(5) That this proration unit is ( ) standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. R-915.

(6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.

(7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 261 MCF of gas from the proration unit which would not otherwise be recovered.

(8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.

(9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved ~~as an exception to the standard well spacing requirements for the pool.~~

IT IS THEREFORE ORDERED:

(1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order ~~is an exception to applicable well spacing requirements~~ and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.

(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 this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

DIVISION DIRECTOR \_\_\_\_\_

EXAMINER \_\_\_\_\_

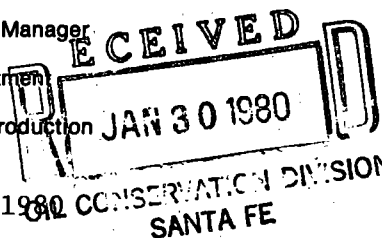


**L. P. Thompson**  
Division Manager

**John R. Kemp**  
Assistant Division Manager

Production Department  
Hobbs Division  
North American Production

**Conoco Inc.**  
P. O. Box 460  
1001 North Turner  
Hobbs, NM 88240  
(505) 393-4141



January 25, 1980

Oil Conservation Division of  
The New Mexico Department of Energy and Minerals  
P.O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

Application for Administrative Approval - Natural Gas Policy Act  
Infill Finding - Meyer B-28 "A" AC/1 No. 4 - Eumont Gas Pool -  
560' FNL & 1980' FWL, Sec. 28, T-20S, R-37E, Lea County, New Mexico

Conoco Inc. respectfully requests certification of the need for a second well on the previously approved 240-acre proration unit to effectively and efficiently drain Eumont Pool gas reserves that will not be drained by the existing well in this unit. In accordance with special rules and regulations set forth under Order No. R-6013, the following information is submitted in support of our proposal:

1. Copies of Forms 9-331a (C-101) and C-102 for all Eumont gas wells in the established proration unit are attached.
2. The Meyer B-28 "A" AC/1 No. 4 will be completed in the Eumont Gas Pool which has a standard proration unit of 640 acres.
3. The 240-acre proration unit on which the Meyer B-28 "A" AC/1 No. 4 will be located was established under Order No. NSP R-915 dated 9-11-56.
4. The Meyer B-28 "A" AC/1 No. 4 has not been spudded.
5. One well, the Meyer B-28 "A" AC/1 No. 1, located 1980' FNL & 1980' FEL of Sec. 28, T-20S, R-37E, has been drilled in the proration unit. This well was spudded on 8-9-56 and completed 8-21-56 in the Eumont Gas Pool. The well produced at a rate of 490 MCFGPD during October, 1979.

6. A structure map on the top of the Penrose member of the Queen formation is attached, showing the proposed location.
7. The Meyer B-28 "A" AC/1 lease is located on the eastern flank of the Eumont Gas Pool. The Eumont pay zones thin toward the edge of the pool and become increasingly anhydritic with corresponding decreases in porosity and permeability. Conoco's SEMU Eumont Nos. 91, 93, and 98 and Phillips Hooper No. 2 have been drilled and completed on the eastern flank of the Eumont Gas Pool within the past five years. Logs of these four recently drilled wells show a number of low permeability sand stringers that are correlative between the wells and extend throughout this portion of the pool. Copies of these log sections are attached as Exhibits Nos. 1-4.

These low permeability pay intervals are shown on the dual laterologs of these four wells by high resistivities and by stacking of the curves. They are indicated by the arrows on Exhibits Nos. 1-4. The Phillips Hooper No. 2, located 6500' east of the proposed Meyer B-28 "A" AC/1 No. 4, encountered 20 feet of these tight sands. The proposed No. 4 location is structurally similar to the Phillips Hooper No. 2 and is expected to encounter the same amount of tight pay.

The more permeable sand intervals are being adequately drained with the current well spacing on the Meyer B-28 "A" AC/1 lease. However, the effective drainage radius of the low permeability intervals is considerably smaller and the efficient drainage of this portion of the pay zone will require a denser well spacing to recover existing reserves from these tight sands.

The contrast in the drainage efficiency of the tight and more permeable intervals is controlled primarily by the following parameters:

TIGHT SANDS

$k = .00003$  darcies

$\phi = 11\%$

$h = 20$  feet

MORE PERMEABLE SANDS

$k = .029$  darcies

$\phi = 14\%$

$h = 54$  feet

( $k$  and  $\phi$  values were obtained from core analysis on our SEMU Eumont No. 68)

It is anticipated that an infill well in this part of the Eumont Pool will have an 11 year life and that the maximum drainage radius attained in the tight pay will be 1324 feet at the end of this time, representing an areal extent of 126 acres.

Application for Administrative Approval

Page 3

Reservoir pressure at the proposed infill location should be 400 psi in the more permeable pay and is conservatively estimated at 800 psi in the tight pay intervals. Volumetric calculations, utilizing a 126 acre drainage area, 20 feet of tight pay, and a 360 psi abandonment pressure in the tight pay, show that 261 MMCF of additional gas reserves will be recovered from these low permeability sands that will not be effectively drained by the existing wells on the wider spacing. These calculations are included as Exhibit No. 5.

A copy of this application has been sent by certified mail to the following offset operators:

Gulf Oil Corporation  
P.O. Box 670  
Hobbs, New Mexico 88240

Amoco  
Production Department  
P.O. Box 3092  
Houston, Texas 77001

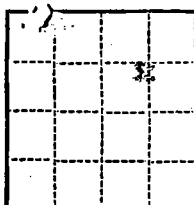
Arco  
P.O. Box 1710  
Hobbs, New Mexico 88240

Yours very truly,

  
John R. Kemp

JWH/dlb

cc: Chevron U.S.A. Inc.  
Petro-Lewis Corp.  
Fred M. Allison, Jr.  
Morris Antweil and Wife  
Dalport Oil Co.  
W.C. Wilmeth Personal Rep.



(SUBMIT IN TRIPLICATE)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

Budget Bureau 42-R358.3.  
Approval expires 12-31-55.

Land Office Las Cruces  
Lease No. LC 031696 (b)  
Unit U. S. G. S.

JUL 27 1956  
U. S. GEOLOGICAL SURVEY  
LAS CRUCES, NEW MEXICO

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	SUBSEQUENT REPORT OF WATER SHUT-OFF
NOTICE OF INTENTION TO CHANGE PLANS	SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF	SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL	SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE	SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PULL OR ALTER CASING	SUPPLEMENTARY WELL HISTORY
NOTICE OF INTENTION TO ABANDON WELL	

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

Meyer 5-23 "A" No. 1

Hobbs, New Mexico

July 30, 1956

Well No. 1 is located 1900 ft. from N line and 1900 ft. from E line of sec. 28

NE 1/4 Section 28

205

37E

N. M. P. M.

(Of Sec. and Sec. No.)  
Section 28

(Twp.)

Lea

(Range)

(Meridian)

New Mexico

(Field)

(County or Subdivision)

(State or Territory)

The elevation of the derrick floor above sea level is \_\_\_\_\_ ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudlogging jobs, cementing points, and all other important proposed work)

It is our intention to drill a well at the above location to a total depth of approximately 3700' with rotary tools in order to develop the high pressure Queen gas reserves and to meet demands of the U. S. G. S. for Fount Pool gas development and to prevent drainage by existing and anticipated offset wells. All casing points will be cemented in accordance with approved methods of the U. S. Geological Survey and any other special requirements will be complied with.

It is planned to use the following casing patterns: 8 5/8" to be set at 1225' and cemented with approximately 500 sacks, cement to be circulated. 5 1/2" to be set at 3700' and cemented with approximately 1200 sacks, and to be perforated opposite the pay zone.

Approval to produce this well upon completion is also requested.

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company Continental Oil Company

Address Box 427

Hobbs, New Mexico

By [Signature]  
Title District Superintendent

**HOBBS OFFICE O.C.C.**  
**NEW MEXICO**  
**OIL CONSERVATION COMMISSION**

9:17

Form C-128

Well Location and/or Gas Proration Plat

Date Sept. 7th, 1956

Operator Continental Oil Company Lease Meyer B-28 "A"

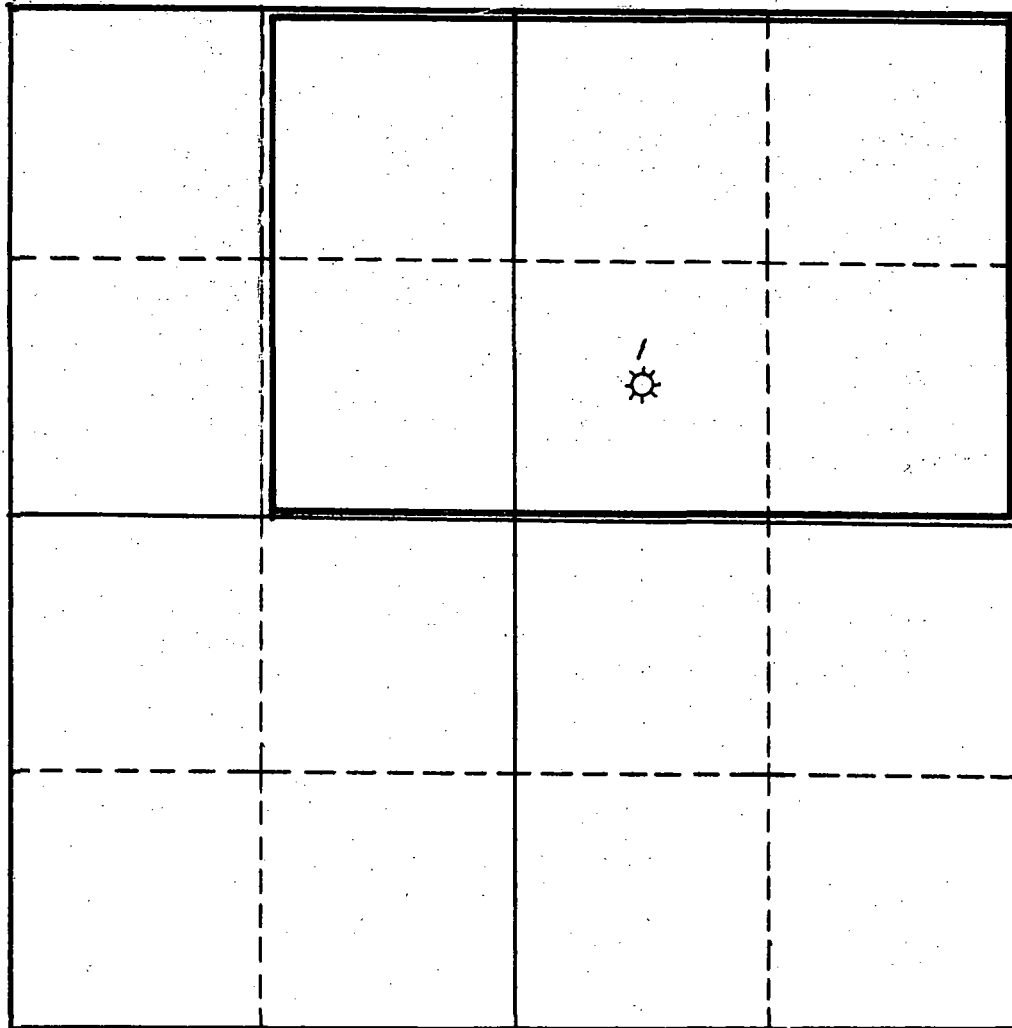
Well No. 1 Section 28 Township 20 Range 37 NMPM

Located 1980 Feet From North Line, 1980 Feet From East Line,

Lea County, New Mexico. G. L. Elevation 3494'

Name of Producing Formation Queen Pool Eumont Dedicated Acreage 240

(Note: All distances must be from outer boundaries of Section)



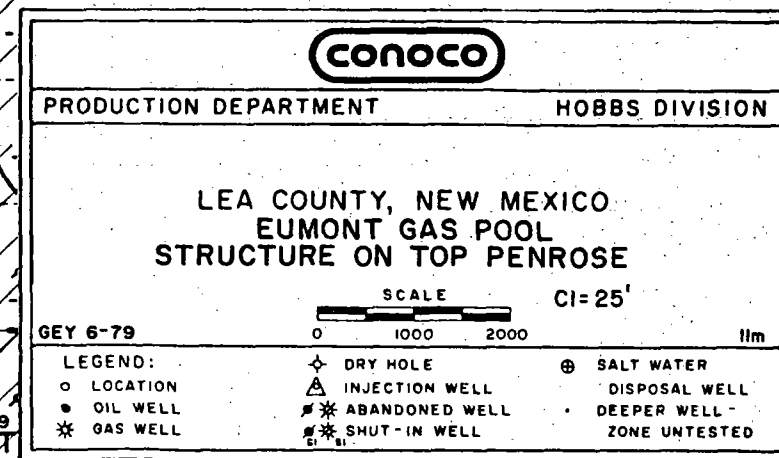
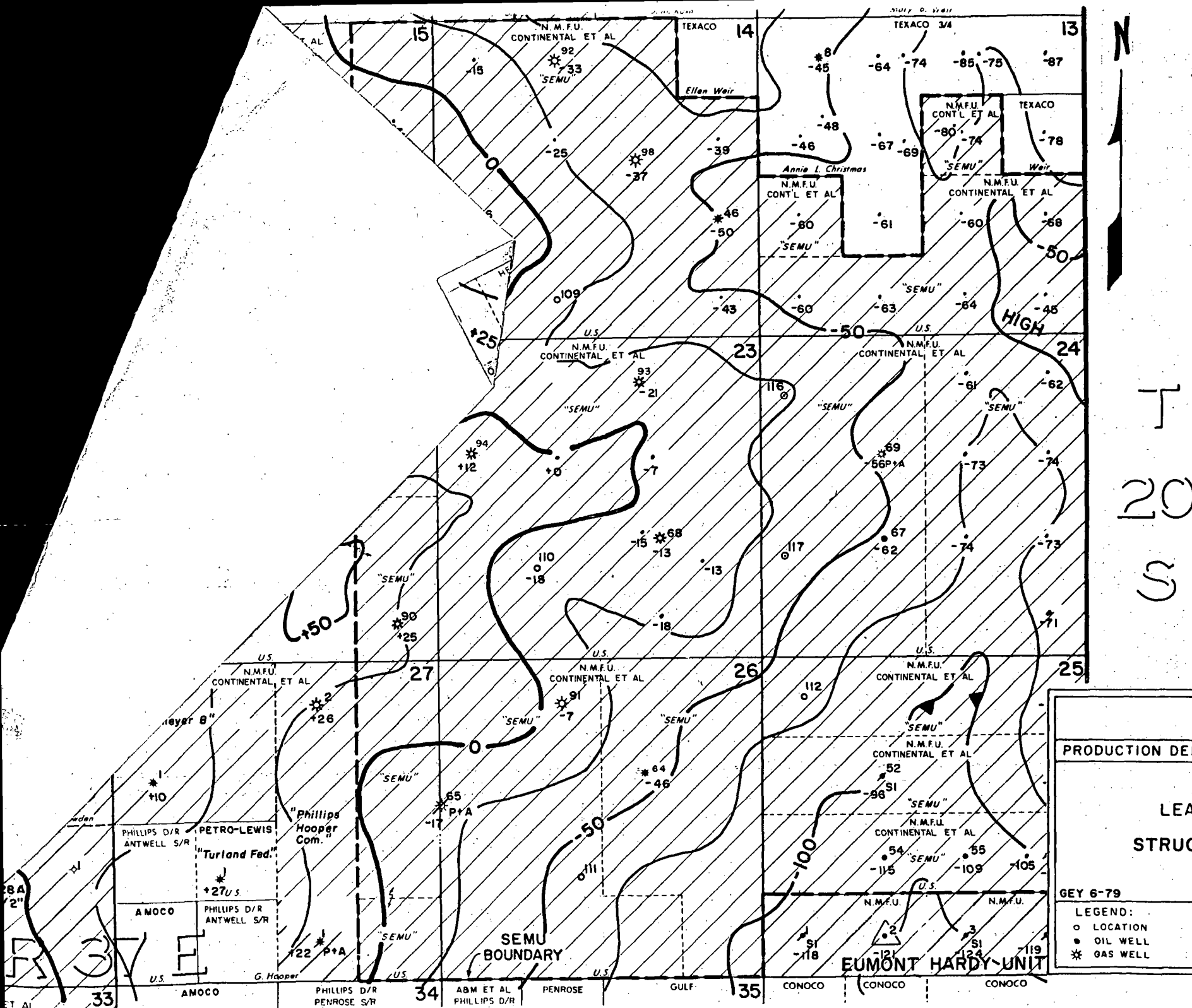
SCALE: 1"=1000'

1. Is this Well a Dual Comp. ? Yes    No x
2. If the answer to Question 1 is yes, are there any other dually completed wells within the dedicated acreage? Yes    No

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Name *J. J. Kellerman*  
 Position Senior Production Foreman  
 Representing Continental Oil Company  
 Address Box 427 Hobbs, N. M.

Date Surveyed                       
 Registered Professional Engineer and/or  
 Land Surveyor



Schlumberger		COMPENSATED NEUTRON FORMATION DENSITY	
COUNTY LEA	FIELD EUMONT GAS	COMPANY CONTINENTAL OIL COMPANY	
LOCATION SEMU 91	WELL SEMU 91		
COMPANY CONTINENTAL OIL	FIELD EUMONT GAS		
	COUNTY LEA	STATE NEW MEXICO	
Location: 660' FNL & 1980' FWL,		Other Services:	
Sec. 26 Twp. 20-S Rge. 37-E		DLL	

Schlumberger		DUAL LATEROL	
COUNTY LEA	FIELD EUMONT GAS	COMPANY CONTINENTAL OIL COMPANY	
LOCATION SEMU 91	WELL SEMU 91		
COMPANY CONTINENTAL OIL	FIELD EUMONT GAS		
	COUNTY LEA	STATE NEW MEXICO	
Location: 660' FNL & 1980' FWL,		Other CNL:	
Sec. 26 Twp. 20-S Rge. 37-E			

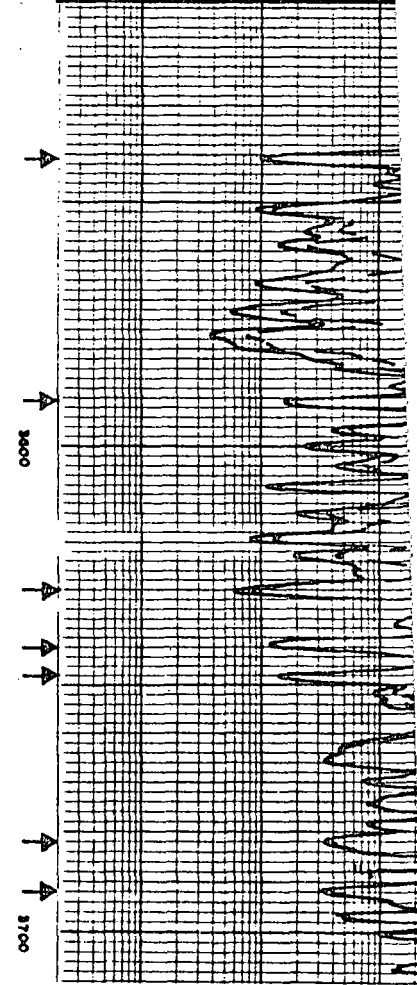
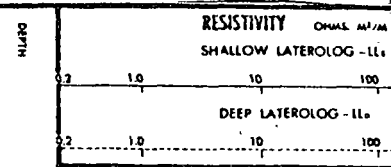
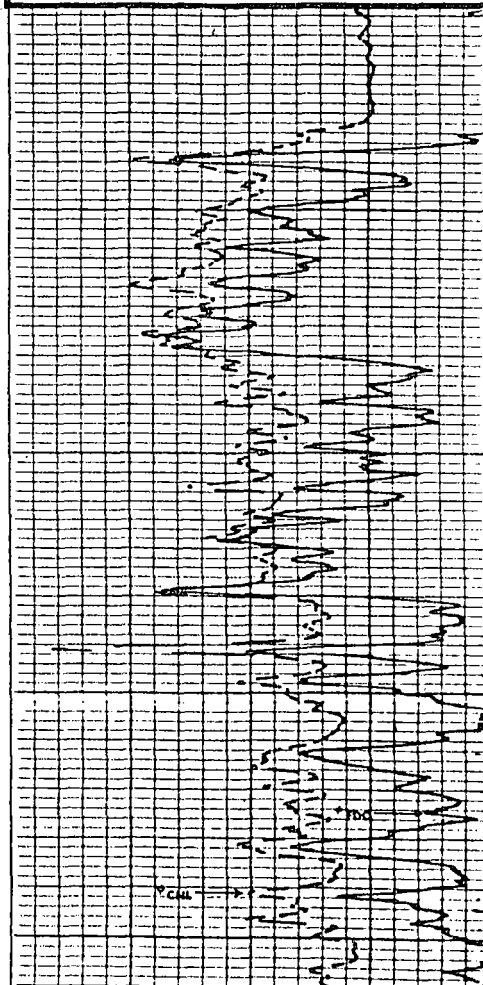
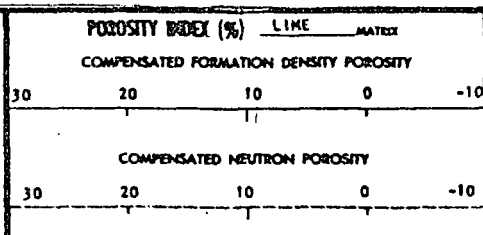
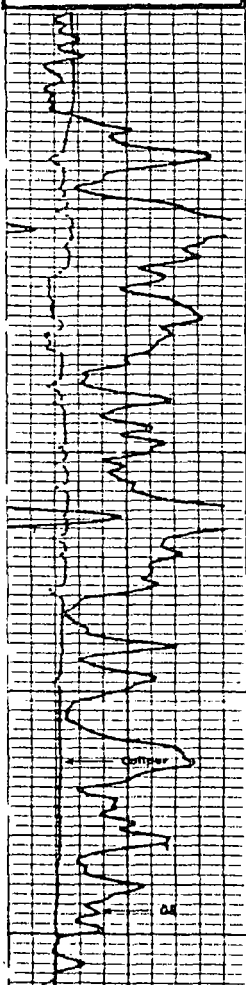
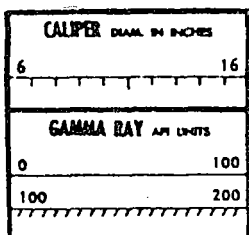
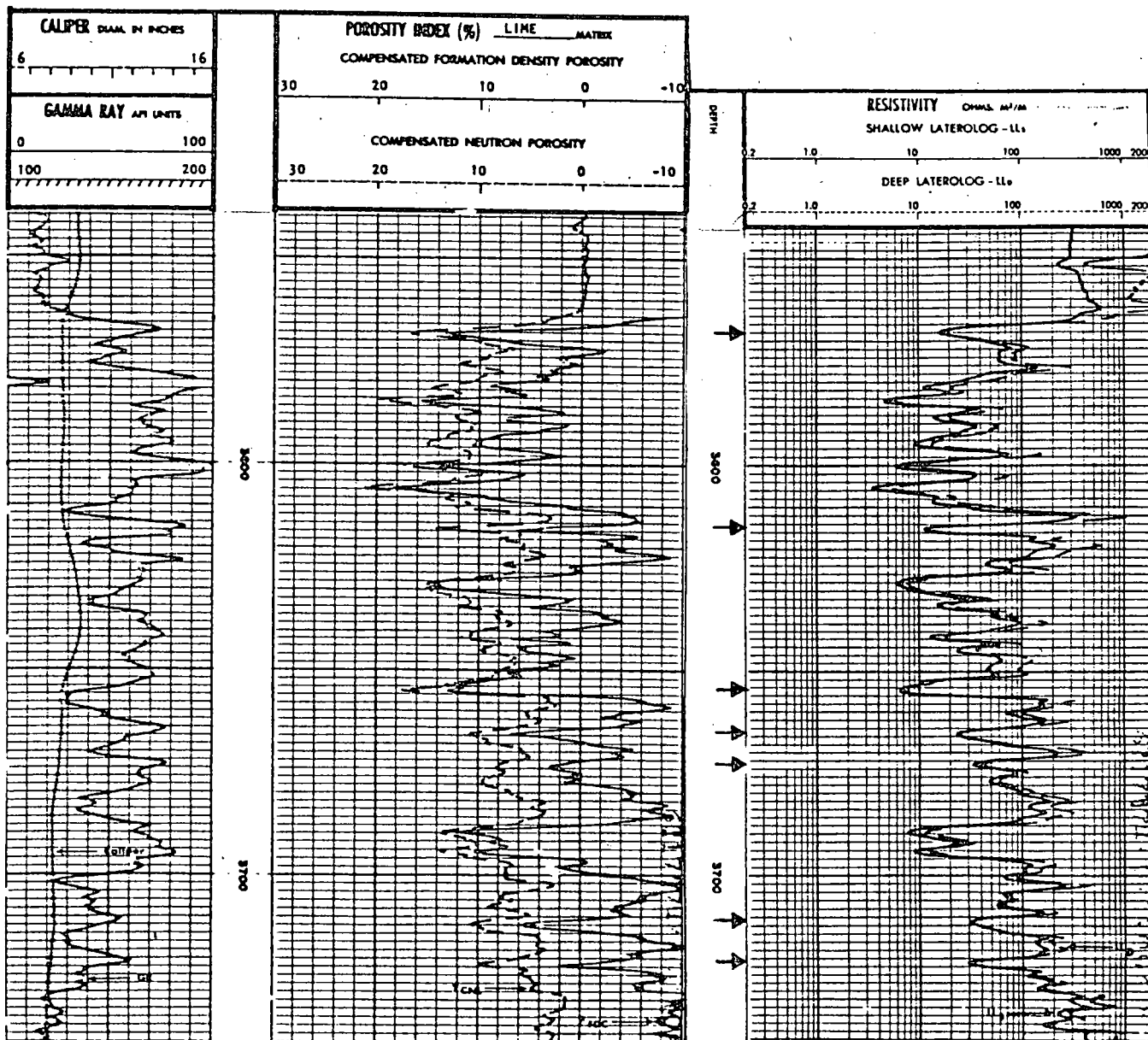


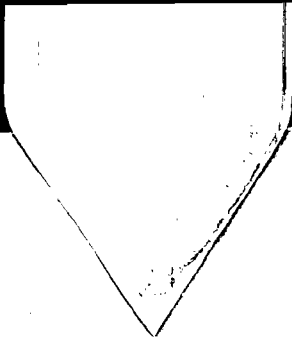
EXHIBIT NO.

255

Schlumberger		COMPENSATED NEUTRON FORMATION DENSITY	
COUNTY LEA	FIELD EUMONT GAS	COMPANY CONTINENTAL OIL COMPANY	
LOCATION SEMU EUMONT #93	WELL SEMU EUMONT #93		
COMPANY CONTINENTAL OIL	FIELD EUMONT GAS		
	COUNTY LEA	STATE NEW MEXICO	
Location 660' FNL & 1980' FEL	Other Services DLL		
23			
Sec 20-S	Rge 37-E		

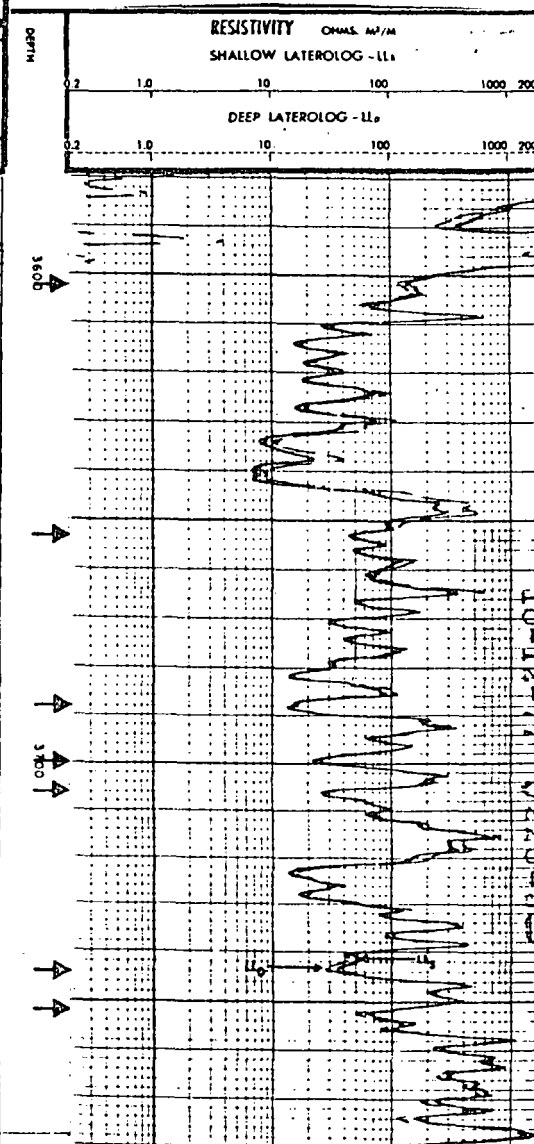
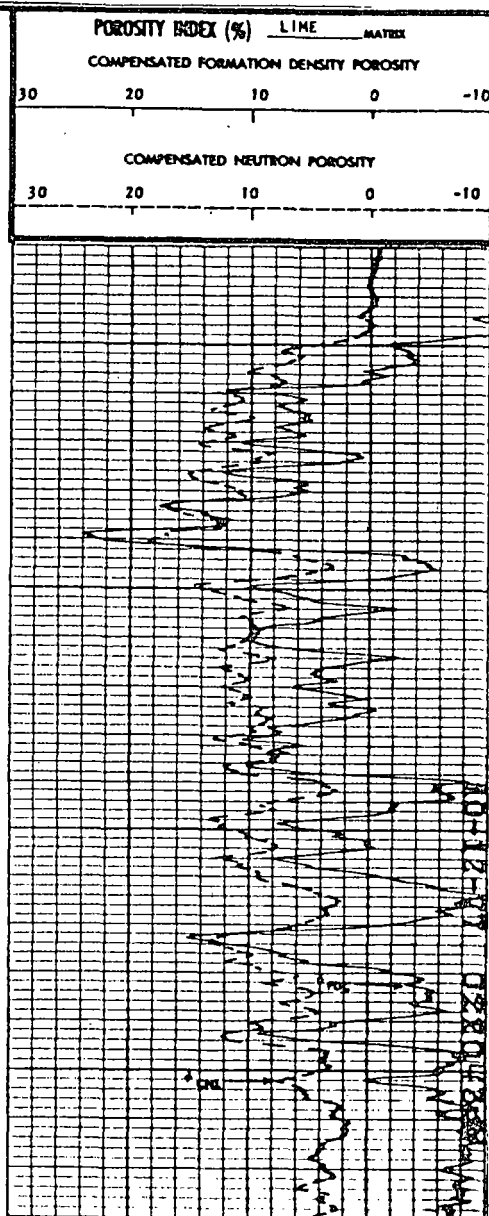
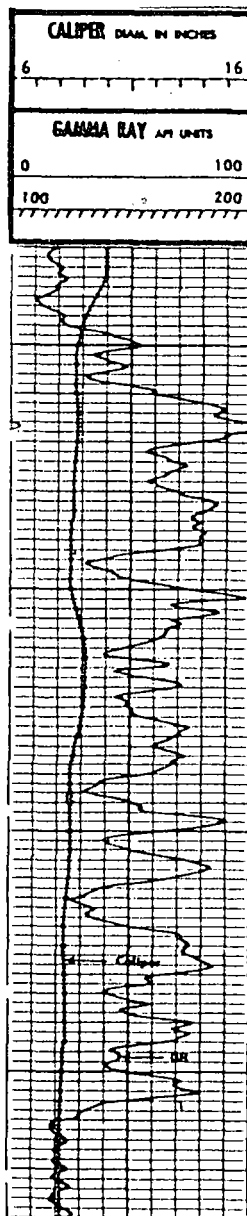
Schlumberger		DUAL LATEROLOG	
COUNTY LEA	FIELD EUMONT GAS	COMPANY CONTINENTAL OIL COMPANY	
LOCATION SEMU EUMONT #93	WELL SEMU EUMONT #93		
COMPANY CONTINENTAL OIL	FIELD EUMONT GAS		
	COUNTY LEA	STATE NEW MEXICO	
Location 660' FNL & 1980' FEL	Other Services FDC-CNL-GR		
23			
Sec 20-S	Rge 37-E		





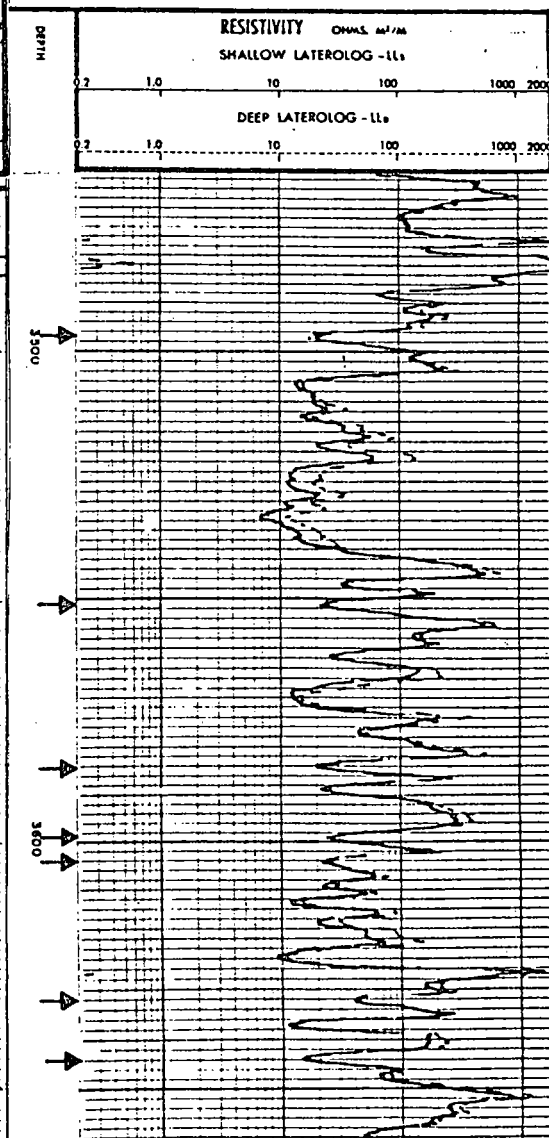
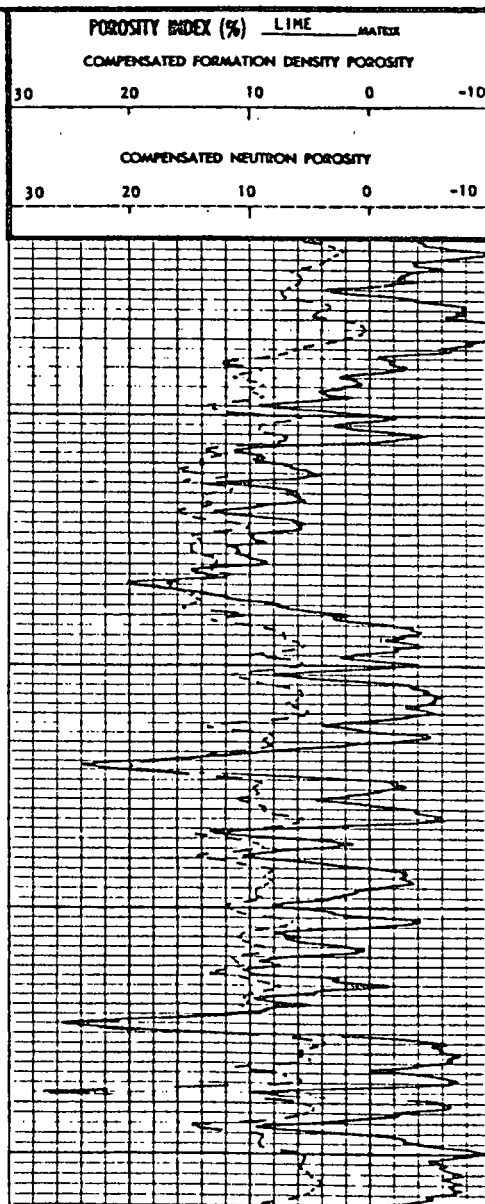
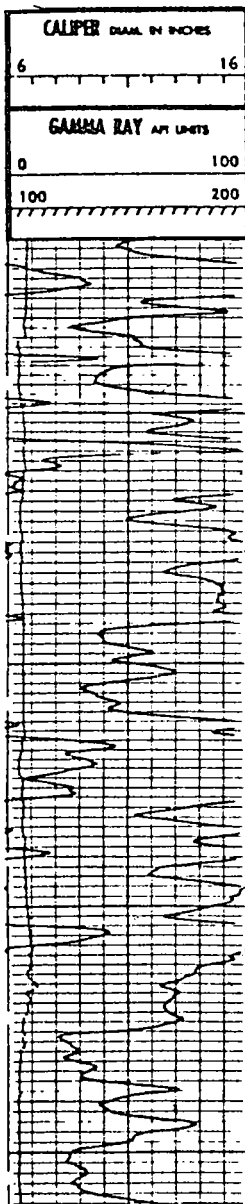
		SIMULTANEOUS <b>COMPENSATED NEUTRON          FORMATION DENSITY</b>	
COUNTY LEA FIELD EUMONT GAS WELL SEMU EUMONT NO. 98 COMPANY CONTINENTAL OIL CO.	COMPANY CONTINENTAL OIL COMPANY WELL SEMU EUMONT NO. 98 FIELD EUMONT GAS COUNTY LEA STATE NEW MEXICO LOCATION 2310'FNL & 1980'FEL Other Services: DLL		
APP SERIAL NO 14 SITE 20-S HANDLE 37-E			

		SIMULTANEOUS <b>DUAL LATEROLOG</b>	
COUNTY LEA FIELD EUMONT GAS WELL SEMU EUMONT NO. 98 COMPANY CONTINENTAL OIL CO.	COMPANY CONTINENTAL OIL COMPANY WELL SEMU EUMONT NO. 98 FIELD EUMONT GAS COUNTY LEA STATE NEW MEXICO LOCATION 2310'FNL & 1980'FEL Other Services: CNL/FDC		
APP SERIAL NO 14 SITE 20-S HANDLE 37-E			



Schlumberger		SIMULTANEOUS COMPENSATED NEUTRON FORMATION DENSITY	
COUNTY LEA	FIELD NMFU	COMPANY CONTINENTAL OIL COMPANY	
LOCATION WELL	PHILLIPS HOOPER #2	WELL PHILLIPS HOOPER #2	
WELL	CONTINENTAL OIL CO.	FIELD N.M.F.U.	
COUNTY LEA		STATE NEW MEXICO	
LOCATION 660°FNL & 1980°FEL		Other Services DLL GRN CALIPER	
API SERIAL NO	SEC 27	TWP 20-S	RANGE 37-E

Schlumberger		SIMULTANEOUS DUAL LATEROLOG	
COUNTY LEA	FIELD NMFU	COMPANY CONTINENTAL OIL COMPANY	
LOCATION WELL	PHILLIPS HOOPER #2	WELL PHILLIPS HOOPER #2	
WELL	CONTINENTAL OIL CO.	FIELD N.M.F.U.	
COUNTY LEA		STATE NEW MEXICO	
LOCATION 660°FNL & 1980°FEL		Other Services GRN CNL/FDC CALIPER	
API SERIAL NO	SEC 27	TWP 20-S	RANGE 37-E



### EXHIBIT NO. 5

The Meyer B-28 "A" AC/1 No. 1 should have a 14 year life as determined by decline analysis. The proposed infill well, Meyer B-28 "A" AC/1 No. 4 is expected to have a life of 11 years.

#### Radius of Drainage in Tight Pay After 11 Years

Gas S.G. = .7	P = 800 psi	$\mu = .011$ cp.
T = 555° R	Pc = 668 psi	$\phi = .11$
Tc = 380° R	P <sub>R</sub> = 1.2	k = .00003 darcies
T <sub>R</sub> = 1.46	z = .885	t <sub>r</sub> = 11 years (4015 days)

$$dz/dp = 1.52 \times 10^{-4} \quad (\text{From Craft \& Hawkins, Pg. 271, Fig. 6.9})$$

$$C_g = \frac{1}{P} - \frac{1}{z} \left[ \frac{dz}{dp} \right]$$

$$C_g = \frac{1}{700} - \frac{1}{.885} (-1.52 \times 10^{-4})$$

$$C_g = 1.42 \times 10^{-3}$$

$$t_r = \frac{.04 \mu C_g \phi r_e^2}{k} \quad (\text{From Craft \& Hawkins, Pg. 275})$$

$$r_e = \left[ \frac{t_r k}{.04 \mu C_g \phi} \right]^{1/2}$$

$$r_e = \left[ \frac{(4015 \text{ days})(.00003 \text{ darcies})}{.04(.011)(1.625 \times 10^{-3})(.11)} \right]^{1/2}$$

$$r_e = 1324 \text{ feet}$$

$$\text{Area} = 126 \text{ acres}$$

Additional Gas Reserves From Tight Sands

$P_{mpi} = 400 \text{ psia}$        $h = 20 \text{ feet}$        $T = 555^\circ R$   
 $P_{ti} = 800 \text{ psia}$        $\phi = .11$        $T_c = 380^\circ R$   
 $P_{ta} = 360 \text{ psia}$        $Sw = .35$        $T_R = 1.46$   
 $P_c = 668 \text{ psi}$        $A = 126 \text{ acres}$

$Z @ 800 \text{ psi}$        $Z @ 360 \text{ psi}$   
 $P_R = 1.2$        $P_R = .54$   
 $z = .885$        $z = .945$

$$Bg = 35.35 \frac{P}{zT}$$

$$Bg_{ti} = 35.35 \frac{800}{(.89)(555^\circ)} = 57.6 \text{ SCF/cu.ft.}$$

$$Bg_{ta} = 35.35 \frac{360}{(.945)(555^\circ)} = 24.3 \text{ SCF/cu.ft.}$$

$$\text{Gas Reserves} = .04356 (\phi)(h)(A)(1-Sw)(Bg_{ti}-Bg_{ta}) \text{ MMCFG}$$

$$\text{Gas Reserves} = .04356 (.11)(20')(126 \text{ acres})(1-.35)(57.6-24.3) \text{ MMCFG}$$

$$\text{Gas Reserves} = 261 \text{ MMCFG}$$

Nomenclature

- $t_r$  - readjustment time (time required to reach approximate steady-state conditions at  $r_e$ )
- $r_e$  - external boundary radius
- $C_g$  - gas compressibility
- $P_{mpi}$  - initial pressure in more permeable pay
- $P_{ti}$  - Initial pressure in tight pay
- $P_{ta}$  - abandonment pressure in tight pay
- $Bg_{ti}$  - initial gas formation volume factor in tight pay
- $Bg_{ta}$  - abandonment gas formation volume factor in tight pay