

INFILL DRILLING FINDINGS 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-A

Operator Texaco Inc. Well Name and No. New Mexico "H" State NCT-2 Well No. 31
Location: Unit L Sec. 20 Twp. 20 South Rng. 37 East Cty. Lea

DIVISION FINDS:

That Section 271.305(b) of the Federal Energy Regulatory Commission 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 that the infill 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.

That by Order No. R-6013-A, dated February 8, 1980, 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.

That the well for which a finding is sought is completed in the Eumont-Yates Seven Rivers Queen Gas Pool, and the standard spacing unit in said pool is 640 acres.

That a 480-acre proration unit comprising the NW/4, NE/4 and SW/4 Sec. 20, Twp. 20 South, Rng. 37 East, is currently dedicated to the New Mexico "H" State NCT-2 Well No. 26 located in Unit C of said section.

That this proration unit is () standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. NSP-21.

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

That the drilling and completion of the well for which a finding is sought should result in production of an additional 800,000 MCF of gas from the proration unit which would not otherwise be recovered.

That all the requirements of Order No. R-6013-A 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.

That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved.

IS THEREFORE ORDERED:

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 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.

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 1st day of August, 19 83.

*Remarks: Subject well has subsequently received approval for a 320-acre non-standard proration unit comprising the W/2 of said Sec. 20 to be simultaneously dedicated to the New Mexico "H" State NCT-2 Well No. 26. See OCD Administrative Order No. NSP-1302, dated April 19, 1982.

Division Director

Examiner

OIL CONSERVATION DIVISION
P. O. Box 2088
SANTA FE, NEW MEXICO
87501

Application Received 10/15/82

ADMINISTRATIVE ORDER

NFL

76

INFILL DRILLING FINDINGS 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-A

I.

Operator Texaco Inc. Well Name and No. New Mexico "H" State NCT-2 Well No. 31
Location: Unit L Sec. 20 Twp. 20 South Rng. 37 East Cty. Lea

II.

THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission 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 that the infill 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.
- (2) That by Order No. R-6013-A, dated February 8, 1980, 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 completed in the Eument - Yates, Seven Rivers Queen Gas Pool, and the standard spacing unit in said pool is 640 acres.
- (4) That a 480-acre proration unit comprising the NW1/4, NE1/4, and SW1/4 of Sec. 20, Twp. 20 South, Rng. 37 East, is currently dedicated to the New Mexico "H" State NCT-2 Well No. 26 located in Unit C of said section.
- (5) That this proration unit is () standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. NSP-21.
- (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 800,000 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013-A 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.

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 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_____.

*Remarks: Subject well has subsequently received approval for a 320-acre non-standard proration unit comprising the W1/2 of said section 20 to be simultaneously dedicated to the

DIVISION DIRECTOR _____

EXAMINER _____

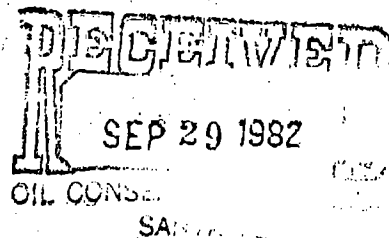
New Mexico "H" State NCT-2 Well No. 26. See N.M.O.L.D. Administrative Order No. NSP-1302, dated April 19, 1982.

cc - Holt DVD
will file

New Mexico "H" NCT-2 No. 30 & 31
Well Name and Number

Eumont-Yates, Seven Rivers Queen
Field

Lea New Mexico
County State



CERTIFICATE OF SERVICE

I hereby certify that I have mailed, postage prepaid, a notice of Texaco's request for an effective and efficient finding concerning subject wells to offset operators listed below.

Phillips Petroleum Company
336 H.S.&L. Building
Bartlesville, Oklahoma 74004

Exxon Oil Company
P.O. Box 1600
Midland, Texas 79702

Doyle Hartman
500 N. Main
Midland, Texas 79701

Conoco, Inc.
P.O. Box 1959
Midland, Texas 79702

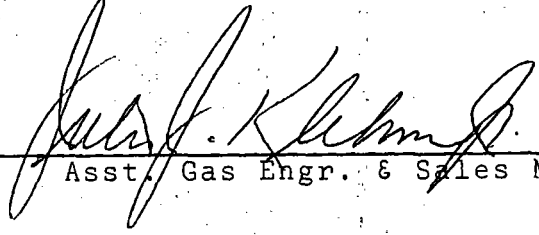
ARCO
P.O. Box 2819
Dallas, Texas 75221

Sun Oil Company
901 W. Wall
Midland, Texas 79701

Getty Oil Company
Lakepoint Towers East
4005 NW Expressway
Oklahoma City, Oklahoma 73116

Dated at Midland, Texas this
day of September

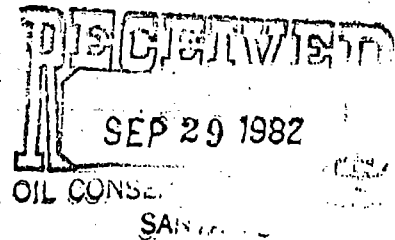
27th, 1982.


Asst. Gas Engr. & Sales Manager

New Mexico "H" NCT-2 No. 30 & 31
Well Name and Number

Eumont-Yates, Seven Rivers Queen
Field

Lea New Mexico
County State



CERTIFICATE OF SERVICE

I hereby certify that I have mailed, postage prepaid, a notice of Texaco's request for an effective and efficient finding concerning subject wells to offset operators listed below.

Phillips Petroleum Company
336 H.S.&L. Building
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Exxon Oil Company
P.O. Box 1600
Midland, Texas 79702

Doyle Hartman
500 N. Main
Midland, Texas 79701

Conoco, Inc.
P.O. Box 1959
Midland, Texas 79702

ARCO
P.O. Box 2819
Dallas, Texas 75221

Sun Oil Company
901 W. Wall
Midland, Texas 79701

Getty Oil Company
Lakepoint Towers East
4005 NW Expressway
Oklahoma City, Oklahoma 73116

Dated at Midland, Texas this
day of September

27th, 1982.

Asst. Gas Engr. & Sales Manager



PETROLEUM PRODUCTS

PRODUCING DEPARTMENT

TEXACO
U.S.A.
A DIVISION OF TEXACO INC.
P. O. BOX 3109
MIDLAND, TEXAS 79702

NGPA
WELL PRICE CATEGORY DETERMINATION
SECTION 103
WELL NAME: NEW MEXICO "H" STATE NCT-2
NO. 31
FIELD: EUMONT YATES, SEVEN RIVERS QUEEN
COUNTY: LEA, NEW MEXICO

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

Gentlemen:

Reference is made to the subject filing dated July 2, 1982.
Texaco hereby submits the following documents to supplement and
amend this Determination of Category Filing:

1. Amended C-132
2. Amended Oath
3. Documents Pursuant to NMOCD order No. R-6013-A

We would appreciate your affixing the Commission date stamp to
the said extra copy of this letter and returning it in the
attached stamped, self-addressed envelope as acknowledgment
of receipt of this application.

Yours very truly,

TEXACO INC.
TEXACO U.S.A.-PRODUCING

By R.V. Shoemaker
R.V. Shoemaker
Gas Engr. & Sales Manager
Midland Division

OJP:sb
Enclosure

NGPA
NEW MEXICO STATE "H" NCT -2 NO. 31-B
EUMONT YATES, SEVEN RIVERS QUEEN
LEA COUNTY, NEW MEXICO

The New Mexico "H" State NCT-2 No. 31 located in the SW/4 of Section 20, Township 20S, Range 37E is the only well in that proration unit producing from the Eumont Yates, Seven Rivers Queen. Wells No. 7, 11, 12, 16, 20, 22, 23, and 29 are oil wells producing from other zones.

TEXACO

Midland, Texas
September 20, 1982

PRO - RESERVES
REQUEST FOR INFORMATION
NEW MEXICO H STATE WELL NO. 30
30A 20 20S 37E
NEW MEXICO H STATE WELL NO. 31
31L 20 20S 37E
LEA COUNTY, NEW MEXICO
OJP:cam

Mr. R. V. Shoemaker
B u i l d i n g

The following information has been developed for the subject wells as requested in your letter dated September 17, 1982:

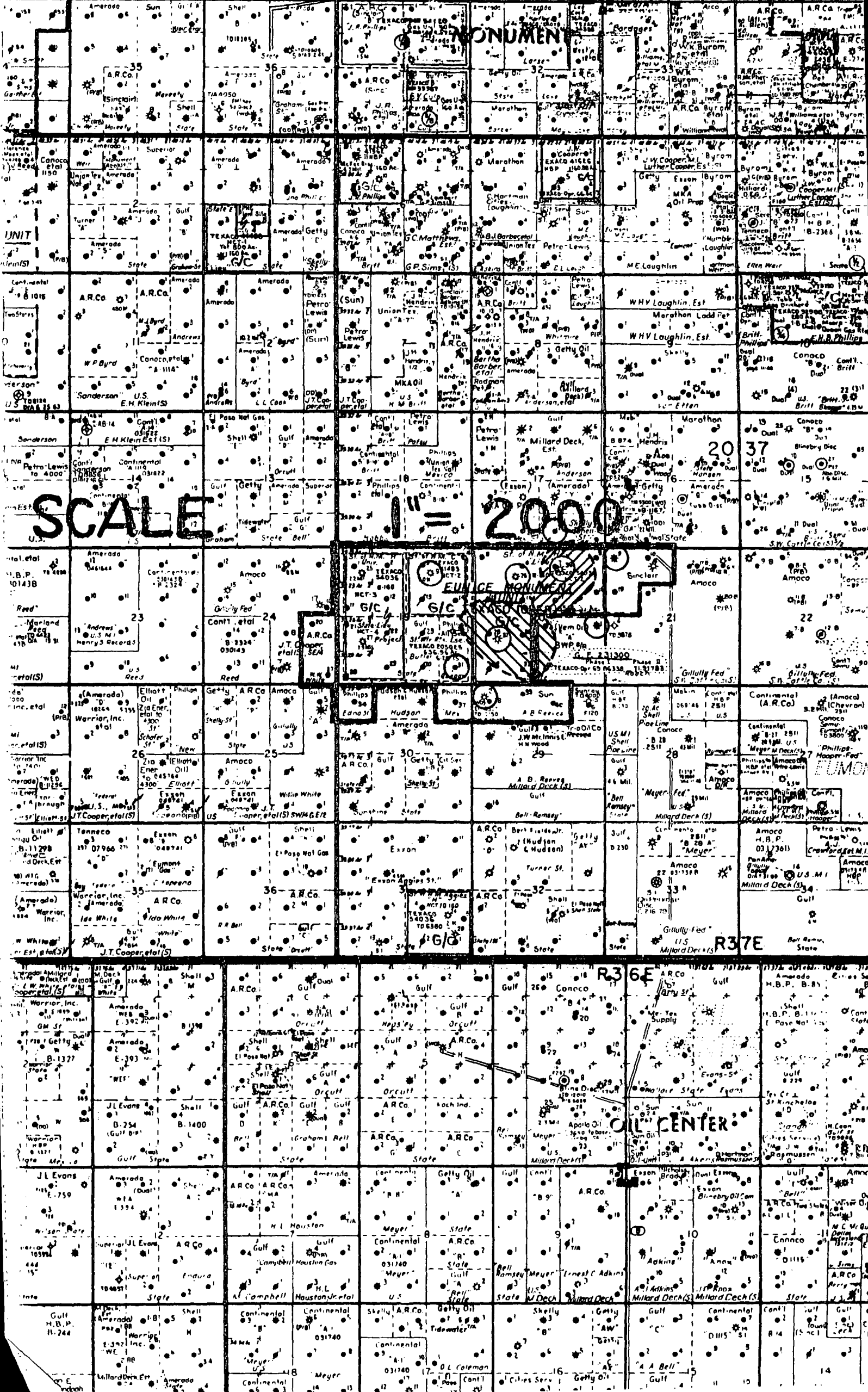
1. The estimated gas in place under the original proration unit is 14,470 MMCF.
- 2 Gas that will be recovered by the New Mexico H State Well No. 30 is 1,183 MMCF and New Mexico H State Well No. 31 is 800 MMCF that will not be recovered by New Mexico H State Well No. 26.
3. The estimated drainage radius is 1220 feet for Well No. 30 and 1572 feet for Well No. 31.
4. Documents used to obtain this information are
 - a. Location maps of Sec. 20 T-20-S R-37-E Lea County, New Mexico
 - b. Production reports from the New Mexico Oil and Gas Engineering Committee
 - c. Production performance curve for the New Mexico H State Well No. 26.
5. The original completion in this proration unit, New Mexico H State Well No. 26, has low productivity and is not effectively draining the entire proration unit.

James W. Cox
JAMES W. COX

HWS/pw

File
Chrono

INUMENT POOL MAP



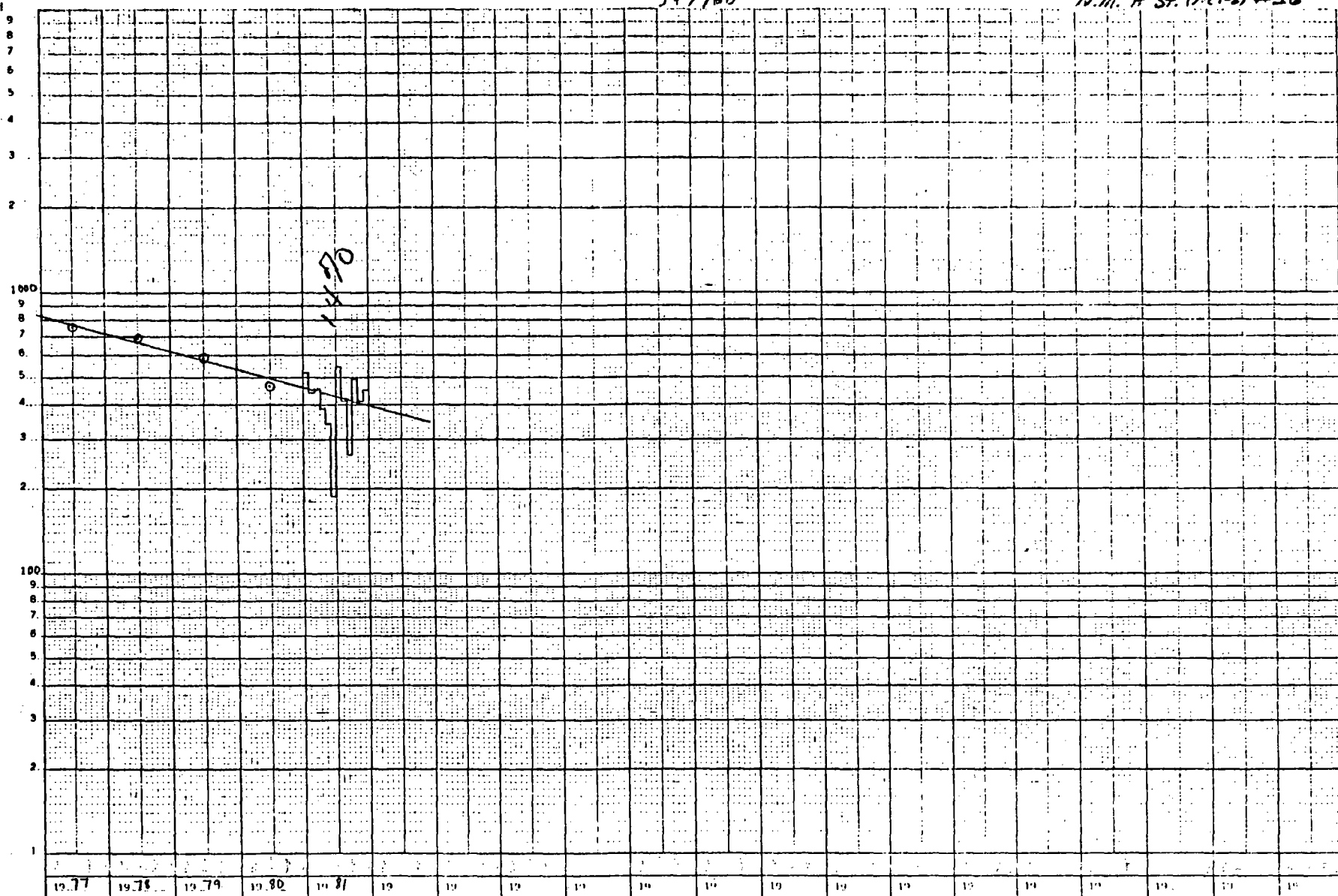
547760

N.M. H. St. (1st+2) #26

47 5840

K-E 15 YEARS BY MONTHS & 1 LOG CYCLES
 HUNTLEY & EMMETT CO. - 111 -

GAS PRODUCTION MCF/Day



INITIAL RATE = 395 MCF/D

DECLINE RATE = 14%

FINAL RATE = 10.4 MCF/D

1-1-82 REMAINING RESERVES = $(395 - 10.4) 2420 = 931 \text{ MMCF @ } 15.025$

9-22-82
HWS

TEXACO

NEW MEXICO H STATE WELL No 30

AUGUST 1982 PRODUCTION = 15,163 MCF = 499 MCFD

REMAINING RESERVES = $(499 - 10.3) 2420 = 1183$ MMCF

ASSUMING A 14% DECLINE SIMILAR TO WELL No 26

NEW MEXICO H STATE WELL No 31

PRODUCED 2004 MCF IN 6 DAYS DURING AUGUST 1982

AVERAGE GAS RATE = 341 MCFD

REMAINING RESERVES = $(341 - 10.3) 2420 = 800$ MMCF

ASSUMING A 14% DECLINE

9-22-82

HWS

TEXACO

Item No. 1

NEW MEXICO H STATE WELL NO 26 CUMULATIVE = 8662 MM

REMAINING = 931 MM

WELL NO 30 REMAINING = 1183 MM

WELL NO 31 REMAINING = 800 MM

TOTAL TO RECOVER = 11,576 MM

ASSUME AN 80% RECOVERY FACTOR

ORIGINAL GAS IN PLACE = $11,576 \div .8 = 14,470$ MM

9-22-82

HWS

TEXACO

DRAINAGE RADIUS DETERMINED BY AVERAGING
DISTANCE HALF WAY TO OFFSET WELLS

WELL No 30

864'

2016'

1000'

1000'

 $4880 \div 4 = 1220'$

WELL No 31

2054'

1680'

1594'

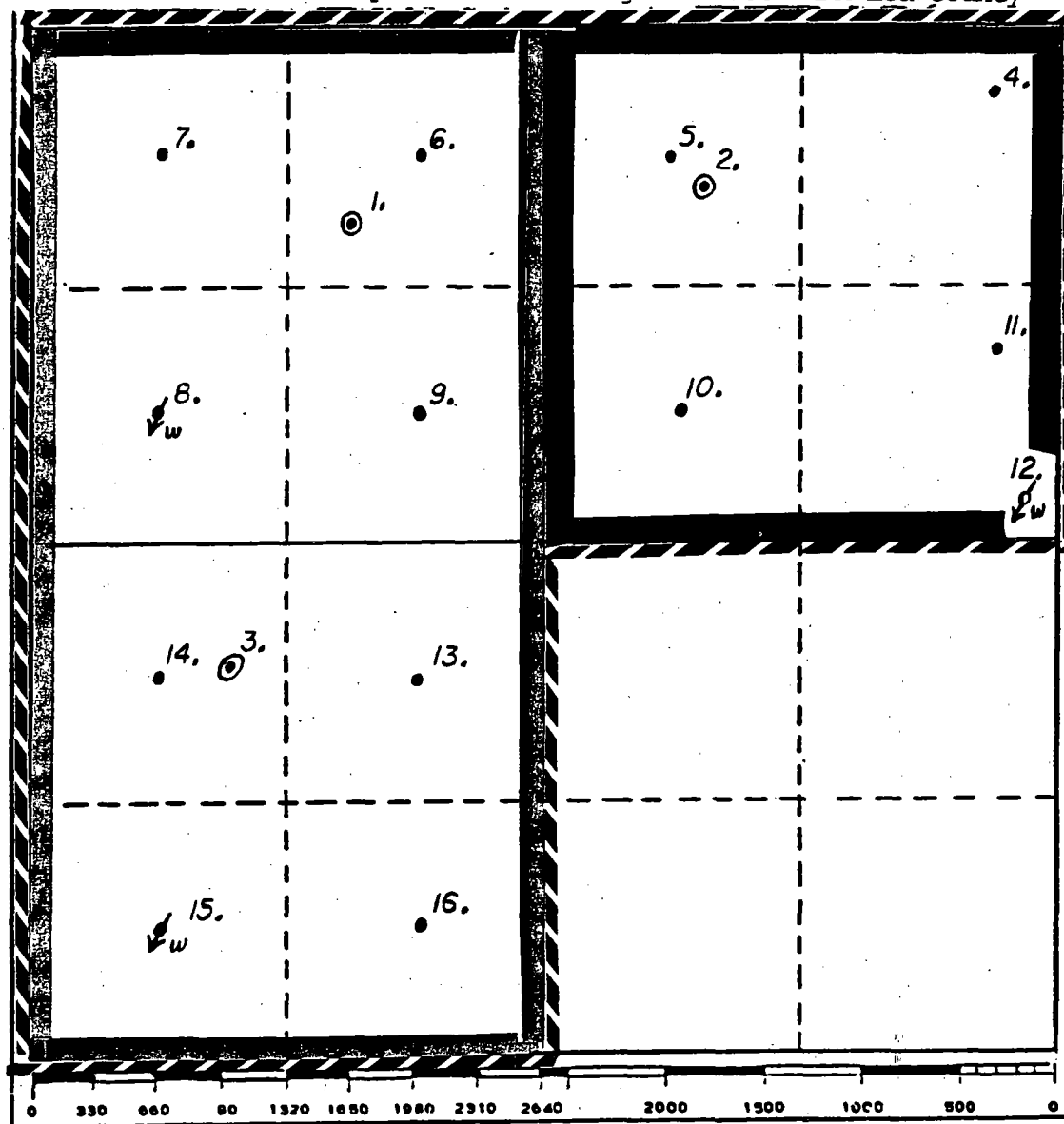
960'

 $6288 \div 4 = 1572'$

480 Acre Non-Standard Proration Unit (NSP No. 21) Dedicated to

Texaco Inc. New Mexico "H" State NCT-2 Well No. 26. **////**

Section 20 - Township 20 South - Range 37 East NMPM Lea County



⊙ Eumont Yates Seven Rivers Queen Producer

● Eunice Monument Grayburg San Andres Producer

↓_w Converted Water-Injection Well - Eunice Monument Grayburg San Andres

↓_w Drilled Water-Injection Well - Eunice Monument Grayburg San Andres

//// NSP-1302, 160 Acres Dedicated to the N.M. "H" State NCT-2 Well No. 30

//// NSP-1302, 320 Acres Simultaneously Dedicated to the N.M. "H" State NCT-2 Well No. 31 and the N.M. "H" State NCT-2 Well No. 26

1) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 26
992' FNL - 1654' FWL in Unit C
Spud: February 26, 1954
Cumulative Production as of the end of 1981:

OBO
8661588 MCF

Note: NSP-21 gave authorization for a 480 acre non-standard proration unit consisting of the N/2 and SW/4 of Section 20 to be dedicated to this well was approved February 28, 1955.

2) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 30
851' FNL- 1825' FEL in Unit B
Spud: February 10, 1982

Note: NSP -1302 gave authorization for a 160 acre non-standard proration unit consisting of the NE/4 of Section 20 to be dedicated to this well was approved April 19, 1982 (application dated March 15, 1982 and received March 19, 1982).

3) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 31
1980' FSL - 990' FWL in Unit L
Spud: March 11, 1982
Notice of Gas Connect: August 24, 1982

Note: NSP-1302 also gave authorization for a non-standard proration unit consisting of the W/2 of Section 20 to be simultaneously dedicated to this well and to the New Mexico "H" State NCT-2 Well No. 26 was approved April 19, 1982 (application dated March 15, 1982 and received March 19, 1982).

4) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 3, changed to Eunice Monument Unit Well No. 8, effective August 1, 1969
330' FNL - 330' FEL in Unit A
Spud: June 10, 1936

5) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 6, changed to Eunice Monument Unit Well No. 7, effective August 1, 1969
660' FNL - 1980' FEL in Unit B
Spud: March 2, 1937

6) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 7, changed to
Eunice Monument Unit Well No. 6, effective August 1, 1969
660' FNL - 1980' FWL in Unit C
Spud: April 3, 1937

7) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 11, changed to
Eunice Monument Unit Well No. 5, effective August 1, 1969
660' FNL - 660' FWL in Unit D
Spud: June 5, 1937

8) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 22, changed to
Eunice Monument Unit Well No. 15, effective August 1, 1969
1980' FNL - 660' FWL in Unit E
Spud: June 27, 1940
Converted to Water - Injection Well December 11, 1970
Cumulative Production:

208413 BO
360906 MCF

9) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 20, changed to Eunice
Monument Unit Well No. 16, effective August 1, 1969
1980' FNL - 1980' FWL in Unit F
Spud: January 5, 1940

10) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 15, changed to
Eunice Monument Unit Well No. 17, effective August 1, 1969
1980' FNL - 1980' FEL in Unit G
Spud: August 18, 1938

11) Texaco, Inc.

New Mexico :H: State NCT-2 Well No. 8, changed to
Eunice Monument Unit Well No. 18, effective August 1, 1969
1650' FNL - 330' FEL in Unit H
Spud: May 4, 1937

12) Rice Engineering and Operating, Inc.

Eunice - Monument - Eumont SWD Well No. H-20, changed to
E-M-E SWD "H" Well No. 20, effective August 7, 1981.
2475' FNL - 165' FEL in Unit H
Spud: June 16, 1959

13) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 16, changed to
Eunice Monument Unit Well No. 26, effective August 1, 1969
1980' FSL - 660' FWL in Unit K
Spud: January 13, 1939

14) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 23, changed to
Eunice Monument Unit Well No. 25, effective August 1, 1969
1980' FSL - 660' FWL in Unit L
Spud: August 18, 1940

15) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 12, changed to
Eunice Monument Unit Well No. 32, effective August 1, 1969
660' FSL - 660' FWL in Unit M
Spud: June 29, 1937
Converted to Water Injection Well December 20, 1970
Cumulative Production

190784 BO
541864 MCF

16) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 29, changed to
Eunice Monument Unit Well No. 33, effective August 1, 1969
660' FSL - 1980' FWL in Unit N
Spud: January 14, 1966



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

April 19, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Texaco Inc.
P. O. Box 3109
Midland, Texas 79702

Attention: James W. Cox

Administrative Order NSP-1302

Gentlemen:

Reference is made to your application for a 160-acre non-standard proration unit consisting of the NE/4 of Section 20, Township 20 South, Range 37 East, NMPM, to be dedicated to the New Mexico "H" State NCT-2 Well No. 30 and a 320-acre non-standard proration unit consisting of the NW/4 and the SW/4 of said Section 20 to be simultaneously dedicated to your New Mexico "H" State NCT-2 Wells Nos. 26 and 31 both located in Section 20, Eumont Gas Pool, all in Lea County, New Mexico.

Further, you are hereby permitted to produce the allowable from the two simultaneously dedicated wells on the proration unit in any proportion. By authority granted me under the provisions of Rule 5(c)(3) of Order No. R-1670, the above non-standard proration units are hereby approved.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Division - State Land Office - Santa Fe

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 833
Order No. R-599

THE APPLICATION OF THE COMMISSION
UPON ITS OWN MOTION, DIRECTED TO
THE TEXAS COMPANY, FOR RECONSIDER-
ATION OF ADMINISTRATIVE ORDER NSP-21
WHICH CREATED A NON-STANDARD GAS
PRORATION UNIT IN THE EUMONT GAS POOL
CONSISTING OF THE NW/4, NE/4, AND SW/4
OF SECTION 20, TOWNSHIP 20 SOUTH, RANGE
37 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 16, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 28th day of February 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, The Texas Company, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal section, and described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
NW/4, NE/4, and SW/4 of Section 20

containing 480 acres, more or less.

(4) That applicant, The Texas Company, has a producing well on the aforesaid lease known as State "H" Lieu (NCT-2) Well No. 26, located 992 feet from the north line and 1654 feet from the west line of Section 20, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That the above-described 480-acre non-standard gas proration unit has been producing under the provisions of Administrative Order NSP-21, and that the Texas Company was required to, and did, show cause why this 480-acre proration unit should not be reduced in size.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Eumont Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 480-acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of The Texas Company for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
NW/4, NE/4, and SW/4 of Section 20

Common School

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, State "H" Lieu (NCT)-2 Well No. 26, located in the NE/4 NW/4 of Section 20, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 480-acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

S E A L



PETROLEUM PRODUCTS

PRODUCING DEPARTMENT

TEXACO
U.S.A.
A DIVISION OF TEXACO INC.
P. O. BOX 3109
MIDLAND, TEXAS 79702

NGPA
WELL PRICE CATEGORY DETERMINATION
SECTION 103
WELL NAME: NEW MEXICO "H" STATE NCT-2
NO. 31
FIELD: EUMONT YATES, SEVEN RIVERS QUEEN
COUNTY: LEA, NEW MEXICO

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

Gentlemen:

Reference is made to the subject filing dated July 2, 1982.
Texaco hereby submits the following documents to supplement and
amend this Determination of Category Filing:

1. Amended C-132
2. Amended Oath
3. Documents Pursuant to NMOCD order No. R-6013-A

We would appreciate your affixing the Commission date stamp to
the said extra copy of this letter and returning it in the
attached stamped, self-addressed envelope as acknowledgment
of receipt of this application.

Yours very truly,

TEXACO INC.
TEXACO U.S.A.-PRODUCING

By R.V. Shoemaker
R.V. Shoemaker
Gas Engr. & Sales Manager
Midland Division

OJP:sb
Enclosure

NGPA

NEW MEXICO STATE "H" NCT -2 NO. 31-B
EUMONT YATES, SEVEN RIVERS QUEEN
LEA COUNTY, NEW MEXICO

The New Mexico "H" State NCT-2 No. 31 located in the SW/4 of Section 20, Township 20S, Range 37E is the only well in that proration unit producing from the Eumont Yates, Seven Rivers Queen. Wells No. 7, 11, 12, 16, 20, 22, 23, and 29 are oil wells producing from other zones.

TEXACO

Midland, Texas
September 20, 1982

PRO - RESERVES
REQUEST FOR INFORMATION
NEW MEXICO H STATE WELL NO. 30
30A 20 20S 37E
NEW MEXICO H STATE WELL NO. 31
31L 20 20S 37E
LEA COUNTY, NEW MEXICO
OJP:cam

Mr. R. V. Shoemaker
Building

The following information has been developed for the subject wells as requested in your letter dated September 17, 1982:

1. The estimated gas in place under the original proration unit is 14,470 MMCF.
2. Gas that will be recovered by the New Mexico H State Well No. 30 is 1,183 MMCF and New Mexico H State Well No. 31 is 800 MMCF that will not be recovered by New Mexico H State Well No. 26.
3. The estimated drainage radius is 1220 feet for Well No. 30 and 1572 feet for Well No. 31.
4. Documents used to obtain this information are
 - a. Location maps of Sec. 20 T-20-S R-37-E Lea County, New Mexico
 - b. Production reports from the New Mexico Oil and Gas Engineering Committee
 - c. Production performance curve for the New Mexico H State Well No. 26.
5. The original completion in this proration unit, New Mexico H State Well No. 26, has low productivity and is not effectively draining the entire proration unit.

James W. Cox
JAMES W. COX

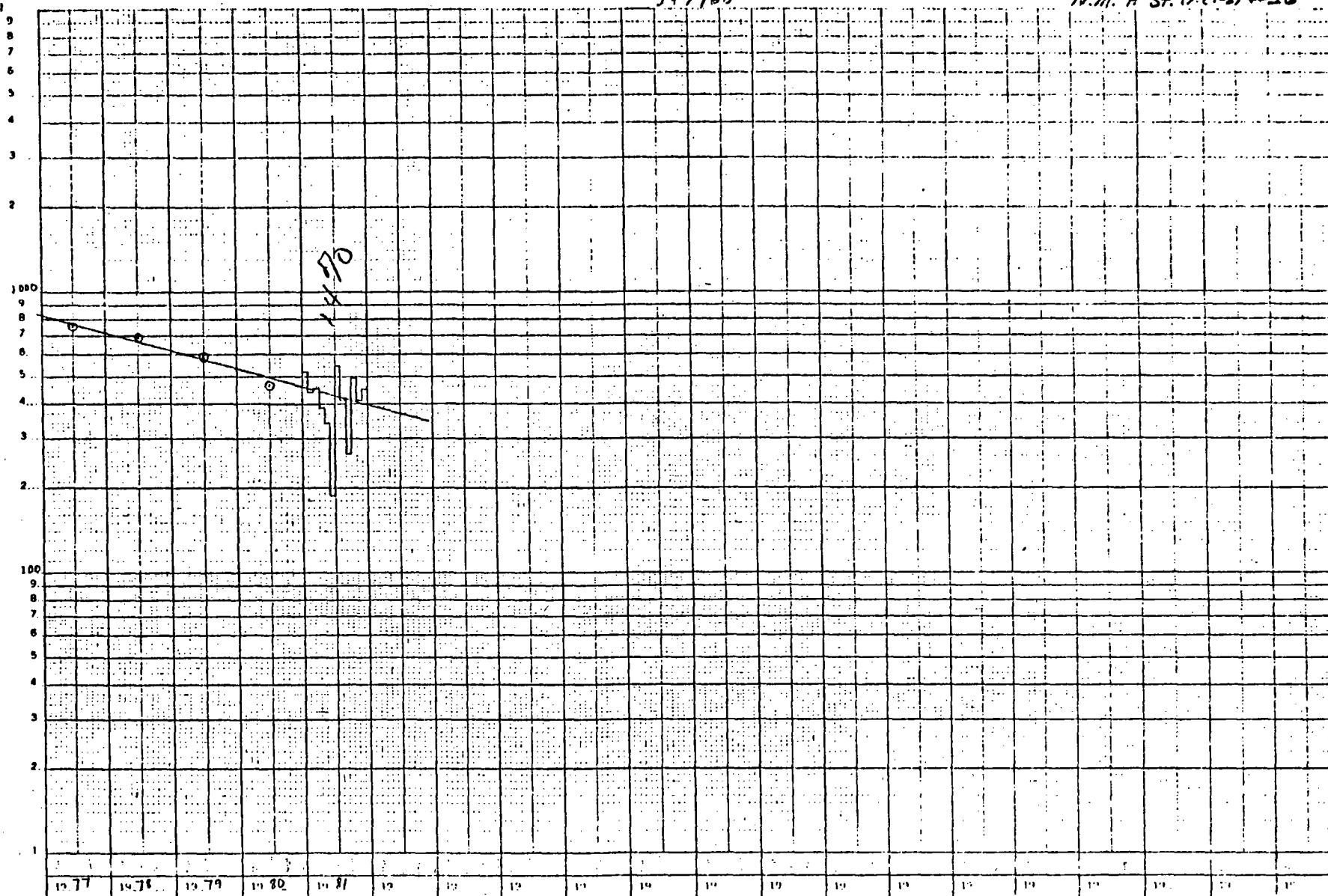
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K-2 10 YEARS BY MONTHLY & 1 LOG CYCLES
 RESERVE & CUMULATIVE GAS
 GAS PRODUCTION/MCF/Day



INITIAL RATE = 395 MCF/D

DECLINE RATE = 14%

FINAL RATE = 10.4 MCF/D

$$1-1-82 \text{ REMAINING RESERVES} = (395 - 10.4) 2420 = 931 \text{ MMCF @ 15.025}$$

9-22-82
HWS

TEXACO

NEW MEXICO H STATE WELL No 30

AUGUST 1982 PRODUCTION = 15,163 MCF = 499 MCFD

REMAINING RESERVES = $(499 - 10.3) 2420 = 1183$ MMCF

ASSUMING A 14% DECLINE SIMILAR TO WELL No 26

NEW MEXICO H STATE WELL No 31

PRODUCED 2004 MCF IN 6 DAYS DURING AUGUST 1982

AVERAGE GAS RATE = 341 MCFD

REMAINING RESERVES = $(341 - 10.3) 2420 = 800$ MMCF

ASSUMING A 14% DECLINE

TEXACO

Form G-6 (8-67) 1500M

9-22-82

HALS

Item No. 1

NEW MEXICO H STATE WELL NO 26 CUMULATIVE = 8662 MM

REMAINING = 931 MM

WELL NO 30 REMAINING = 1183 MM

WELL NO 31 REMAINING = 800 MM

TOTAL TO RECOVER = 11,576 MM

ASSUME AN 80% RECOVERY FACTOR

ORIGINAL GAS IN PLACE = $11,576 \div .8 = 14,470$ MM

TEXACO

DRAINAGE RADII DETERMINED BY AVERAGING
DISTANCE HALF WAY TO OFFSET WELLS

Well No 30

864'

2016'

1000'

1000'

$$4880 \div 4 = 1220$$

Well No 31

2054'

1680'

1594'

960'

$$6288 \div 4 = 1572$$



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

April 19, 1982

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Texaco Inc.
P. O. Box 3109
Midland, Texas 79702

Attention: James W. Cox

Administrative Order NSP-1302

Gentlemen:

Reference is made to your application for a 160-acre non-standard proration unit consisting of the NE/4 of Section 20, Township 20 South, Range 37 East, NMPM, to be dedicated to the New Mexico "H" State NCT-2 Well No. 30 and a 320-acre non-standard proration unit consisting of the NW/4 and the SW/4 of said Section 20 to be simultaneously dedicated to your New Mexico "H" State NCT-2 Wells Nos. 26 and 31 both located in Section 20, Eumont Gas Pool, all in Lea County, New Mexico.

Further, you are hereby permitted to produce the allowable from the two simultaneously dedicated wells on the proration unit in any proportion. By authority granted me under the provisions of Rule 5(c)(3) of Order No. R-1670, the above non-standard proration units are hereby approved.

Sincerely,

JOE D. RAMEY,
Director

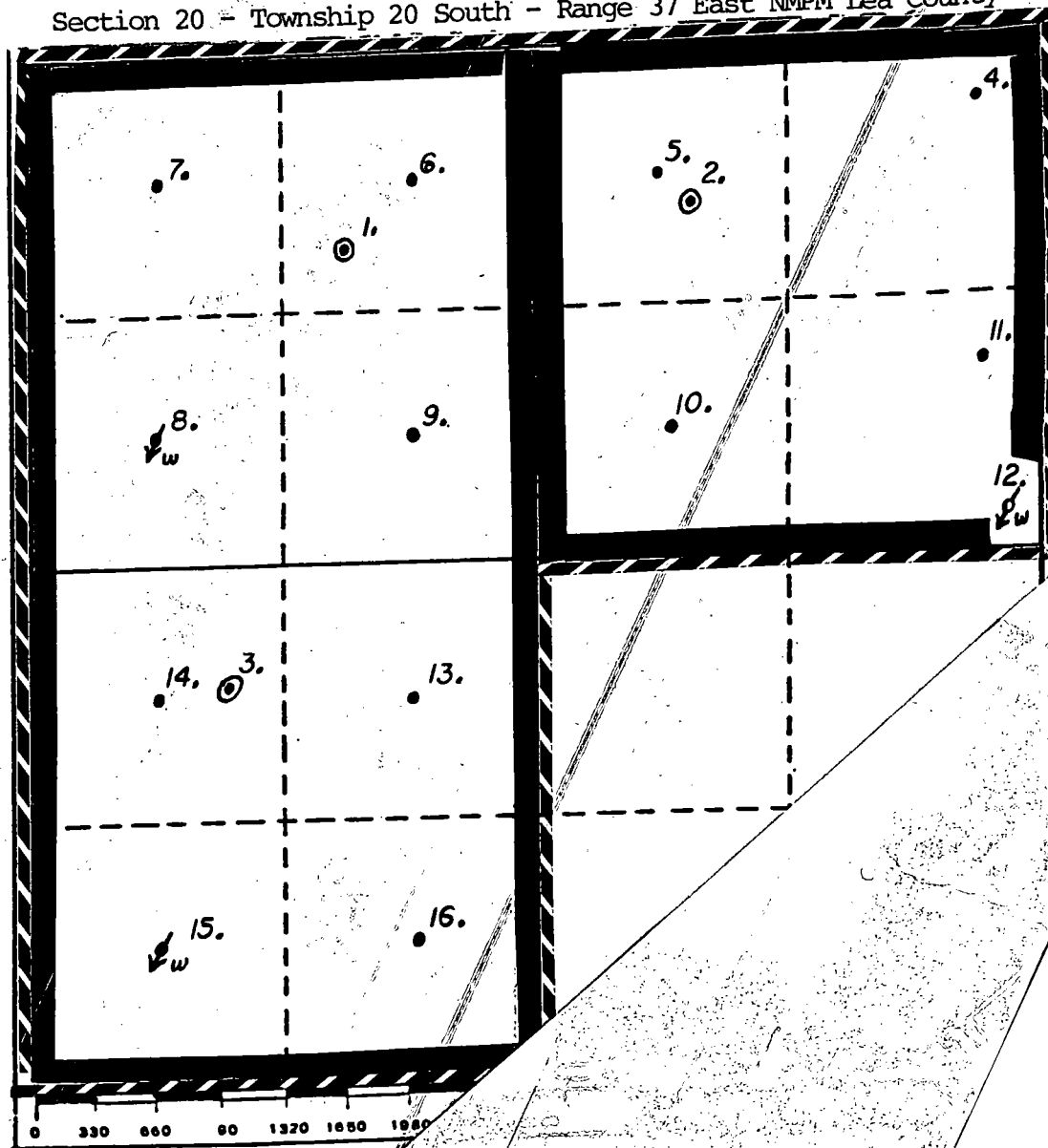
JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs
Oil & Gas Division - State Land Office - Santa Fe

480 Acre Non-Standard Proration Unit (NSP No. 21) Dedicated to

Texaco Inc. New Mexico "H" State NCT-2 Well No. 26.

Section 20 - Township 20 South - Range 37 East NMPM Lea County



⊙ Eumont Yates

• Eunice Monument

↙_w Converted Water-Injection

↘_w Drilled Water-Injection

NSP-1302, 160 Acres Dedicated

NSP-1302, 320 Acres Simultaneous
NCT-2 Well No. 31 and the N.

Spud
2475
E-M-
Run

12) Ric

Sp
16
E
N

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10)

5) Texaco, Inc.
New Mexico Unit Well No. 8, effective August 15, 1982 and received March 19, 1982.
Spud: June 10, 1936
Monument FNL - 330' FNL in Unit A
New Mexico Monument Unit Well No. 7, effective March 2, 1937
Spud: 660' FNL - 1980' FNL in Unit B

4) Texaco, Inc.
New Mexico Unit Well No. 3, effective April 19, 1982 and received March 19, 1982.
Spud: March 11, 1982
Monument FNL - 990' FNL in Unit L
New Mexico Unit Well No. 31
NSP-1302 also gave authorization for a non-standard unit consisting of the W/2 of Section 20 to be simultaneously dedicated to this well and to the New Mexico "H" State NCT-2 Well No. 30.
Notice of gas connect: August 24, 1982
Spud: March 11, 1982
New Mexico FNL - 990' FNL in Unit L
NSP-1302 gave authorization for a 160 acre non-standard unit consisting of the W/2 of Section 20 to be dedicated to this well and to the New Mexico "H" State NCT-2 Well No. 30.
Notice: NSP-21 gave authorization for a 480 acre non-standard production unit consisting of the N/2 and SW/4 of Section 20 to be dedicated to this well as of the end of 1981.

1) Texaco, Inc.
New Mexico "H" State NCT-2 Well No. 26
Spud: February 26, 1954
Cumulative Production as of the end of 1981: 8661588 MCF
OBO
Note: NSP-21 gave authorization for a 160 acre non-standard unit consisting of the W/2 of Section 20 to be dedicated to this well and to the New Mexico "H" State NCT-2 Well No. 30.
Spud: February 10, 1982
New Mexico FNL - 1825' FNL in Unit B
NSP-1302 gave authorization for a 160 acre non-standard unit consisting of the W/2 of Section 20 to be dedicated to this well and to the New Mexico "H" State NCT-2 Well No. 30.
Notice: NSP-21 gave authorization for a 480 acre non-standard production unit consisting of the N/2 and SW/4 of Section 20 to be dedicated to this well as of the end of 1981.

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 833
Order No. R-599

THE APPLICATION OF THE COMMISSION
UPON ITS OWN MOTION, DIRECTED TO
THE TEXAS COMPANY, FOR RECONSIDER-
ATION OF ADMINISTRATIVE ORDER NSP-21
WHICH CREATED A NON-STANDARD GAS
PRORATION UNIT IN THE EUMONT GAS POOL
CONSISTING OF THE NW/4, NE/4, AND SW/4
OF SECTION 20, TOWNSHIP 20 SOUTH, RANGE
37 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 16, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 28th day of February 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, The Texas Company, is the owner of an oil and gas lease in Lea County, New Mexico the land consisting of other than a legal section, and described as follows, to-wit:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
NW/4, NE/4, and SW/4 of Section 20

containing 480 acres, more or less.

Order No. R-599

(4) That applicant, The Texas Company, has a producing well on the aforesaid lease known as State "H" Lieu (NCT-2) Well No. 26, located 992 feet from the north line and 1654 feet from the west line of Section 20, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That the above-described 480-acre non-standard gas proration unit has been producing under the provisions of Administrative Order NSP-21, and that the Texas Company was required to, and did, show cause why this 480-acre proration unit should not be reduced in size.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Eumont Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 480-acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of The Texas Company for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
NW/4, NE/4, and SW/4 of Section 20

Common School

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, State "H" Lieu (NCT)-2 Well No. 26, located in the NE/4 NW/4 of Section 20, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 480-acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman

E. S. WALKER, Member

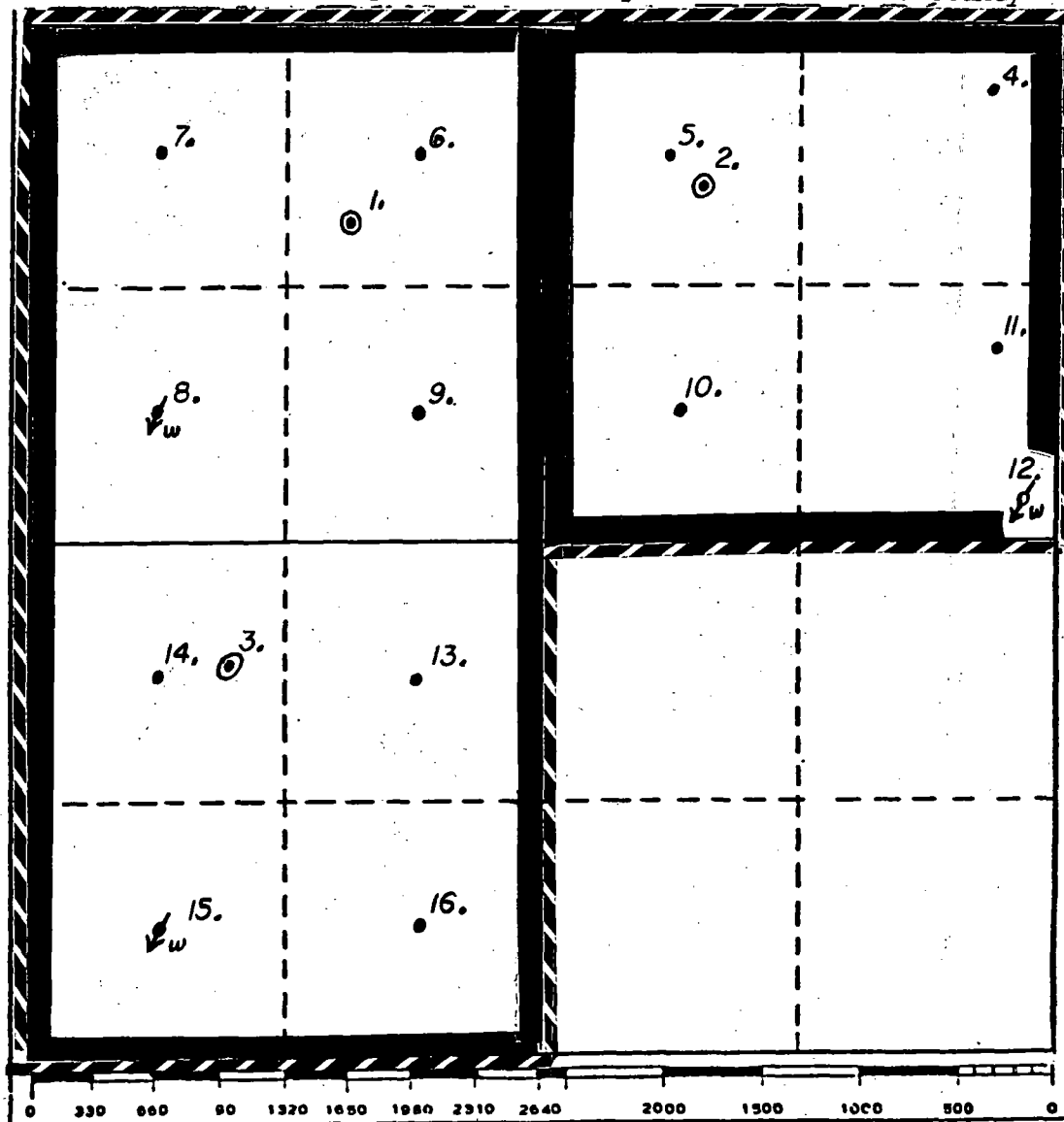
W. B. MACEY, Member and Secretary

S E A L

480 Acre Non-Standard Proration Unit (NSP No. 21) Dedicated to

Texaco Inc. New Mexico "H" State NCT-2 Well No. 26. 

Section 20 - Township 20 South - Range 37 East NMPM Lea County





⊙ Eumont Yates Seven Rivers Queen Producer

• Eunice Monument Grayburg San Andres Producer

↙_w Converted Water-Injection Well - Eunice Monument Grayburg San Andres

↘_w Drilled Water-Injection Well - Eunice Monument Grayburg San Andres

 NSP-1302, 160 Acres Dedicated to the N.M. "H" State NCT-2 Well No. 30

 NSP-1302, 320 Acres Simultaneously Dedicated to the N.M. "H" State NCT-2 Well No. 31 and the N.M. "H" State NCT-2 Well No. 26

Office of the Secretary of the Interior

Department of the Interior

Washington, D.C.

March 10, 1964

Dear Sir:

I am pleased to inform you that the

Department of the Interior has received

your letter of March 5, 1964, regarding

the proposed action on the

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1) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 26
992' FNL - 1654' FWL in Unit C
Spud: February 26, 1954
Cumulative Production as of the end of 1981:

OBO
8661588 MCF

Note: NSP-21 gave authorization for a 480 acre non-standard proration unit consisting of the N/2 and SW/4 of Section 20 to be dedicated to this well was approved February 28, 1955.

2) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 30
851' FNL - 1825' FEL in Unit B
Spud: February 10, 1982

Note: NSP -1302 gave authorization for a 160 acre non-standard proration unit consisting of the NE/4 of Section 20 to be dedicated to this well was approved April 19, 1982 (application dated March 15, 1982 and received March 19, 1982).

3) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 31
1980' FSL - 990' FWL in Unit L
Spud: March 11, 1982
Notice of Gas Connect: August 24, 1982

Note: NSP-1302 also gave authorization for a non-standard proration unit consisting of the W/2 of Section 20 to be simultaneously dedicated to this well and to the New Mexico "H" State NCT-2 Well No. 26 was approved April 19, 1982 (application dated March 15, 1982 and received March 19, 1982).

4) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 3, changed to Eunice Monument Unit Well No. 8, effective August 1, 1969
330' FNL - 330' FEL in Unit A
Spud: June 10, 1936

5) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 6, changed to Eunice Monument Unit Well No. 7, effective August 1, 1969
660' FNL - 1980' FEL in Unit B
Spud: March 2, 1937

6) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 7, changed to
Eunice Monument Unit Well No. 6, effective August 1, 1969
660' FNL - 1980' FWL in Unit C
Spud: April 3, 1937

7) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 11, changed to
Eunice Monument Unit Well No. 5, effective August 1, 1969
660' FNL - 660' FWL in Unit D
Spud: June 5, 1937

8) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 22, changed to
Eunice Monument Unit Well No. 15, effective August 1, 1969
1980' FNL - 660' FWL in Unit E
Spud: June 27, 1940
Converted to Water - Injection Well December 11, 1970
Cumulative Production:

208413 BO
360906 MCF

9) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 20, changed to Eunice
Monument Unit Well No. 16, effective August 1, 1969
1980' FNL - 1980' FWL in Unit F
Spud: January 5, 1940

10) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 15, changed to
Eunice Monument Unit Well No. 17, effective August 1, 1969
1980' FNL - 1980' FEL in Unit G
Spud: August 18, 1938

11) Texaco, Inc.

New Mexico :H: State NCT-2 Well No. 8, changed to
Eunice Monument Unit Well No. 18, effective August 1, 1969
1650' FNL - 330' FEL in Unit H
Spud: May 4, 1937

12) Rice Engineering and Operating, Inc.

Eunice - Monument - Eumont SWD Well No. H-20, changed to
E-M-E SWD "H" Well No. 20, effective August 7, 1981.
2475' FNL - 165' FEL in Unit H
Spud: June 16, 1959

13) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 16, changed to
Eunice Monument Unit Well No. 26, effective August 1, 1969
1980' FSL - 660' FWL in Unit K
Spud: January 13, 1939

14) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 23, changed to
Eunice Monument Unit Well No. 25, effective August 1, 1969
1980' FSL - 660' FWL in Unit L
Spud: August 18, 1940

15) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 12, changed to
Eunice Monument Unit Well No. 32, effective August 1, 1969
660' FSL - 660' FWL in Unit M
Spud: June 29, 1937
Converted to Water Injection Well December 20, 1970
Cumulative Production

190784 BO
541864 MCF

16) Texaco, Inc.

New Mexico "H" State NCT-2 Well No. 29, changed to
Eunice Monument Unit Well No. 33, effective August 1, 1969
660' FSL - 1980' FWL in Unit N
Spud: January 14, 1966