



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 16, 1989

Sun Exploration and Production Company
P.O. Box 2880
Dallas, TX 75221-2880

Attention: Toni A. Rowe,
Analyst, NGPA Compliance

Administrative Order NFL-179

Dear Mr. Rowe:

Reference is made to your application for an Infill Well Finding 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 the Oil Conservation Division Order No. R-6013 for the following described well:

State "A" A/C-2 Well No. 73 located 990 feet from the South line and 660 feet from the East line (Unit P) of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico.

THE DIVISION FINDS THAT:

(1) 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 subsequent wells are 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-spacing requirements.

(2) By Division 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) The well for which a finding is sought is to be completed in the Jalmat Gas Pool, and the standard spacing unit in said pool is 640 acres.

(4) A standard 640-acre gas proration unit comprising all of Section 11, Township 22 South, Range 36 East is currently dedicated to the State "A" A/C-2 Well Nos. 14, 36, 42 and 62, located respectively in Units B, M, E and K of said Section 11.

Administrative Order NFL-179
Sun Exploration and Production Company
March 16, 1989
Page 2

(5) Said unit is not being effectively and efficiently drained by the existing wells on the unit.

(6) The drilling and completion of the well for which a finding is sought should result in the production of an additional 467,000 MCF of gas from the proration unit which would not otherwise be recovered.

(7) All the requirements of Division Order No. R-6013 have been compiled with, and 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.

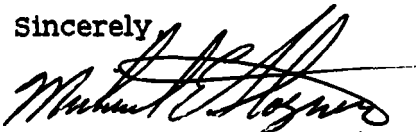
(8) In order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED THAT:

(1) The applicant is hereby authorized to drill the State "A" A/C-2 Well No. 73 as described above, as an infill well on the existing 640-acre gas proration unit comprising all of Section 11, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County New Mexico. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit 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) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Michael E. Stogner
Examiner

MES/ag

cc: Oil Conservation Division - Hobbs
NM Oil and Gas Engineering Committee - Hobbs

4

22

1

Received Aug. 31, 1988
Released 3/10/89
M.S.

Son Exploration & Production Company
P.O. Box 2880
Dallas, Texas 75221-2880

Attention: Joni A. Rowe
Analyst, NBPB Compliance

RE: Administrative Order NFL-179

Dear Mr. Rowe:

Reference is made to your application for an Infill Well Finding 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 the Oil Conservation Division Order No. R-6013 for the following described well:

State "A" A/C - 2 Well No. 73 located 990 feet
from the South line and 660 feet from the East line, of
(Unit P)

Section 11, Township 22 South, Range 36 East, NMPM,
~~Jalisco~~ Ala County, New Mexico.

THE DIVISION FINDS THAT:

(1) 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) By Division 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) The well for which a finding is sought is to be completed in the Jalisco Pool, and the standard spacing unit in said pool is 640 acres.

() Said non-standard unit was previously approved by Order No. _____.

() The drilling and completion of the well for which a finding is sought should result in the production of an additional 467,000 MCF of gas from the proration unit which would not otherwise be recovered.

() 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 THAT:

(1) The applicant is hereby authorized to drill the State "A" A/c-2 Well No. 73 as described above, as an infill well on the existing 640 -acre ~~(oil)~~ (gas) proration unit comprising ~~the~~ all of Section 11, Township 22 South, Range 36 East, NMPM, Galveston Pool, Lee County, New Mexico. 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) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Michael E. Stogner

Examiner

cc: Oil Conservation Division - 10/1/62

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 9275
Order No. R-8575

THE APPLICATION OF SUN EXPLORATION
AND PRODUCTION COMPANY FOR AMENDMENT
OF DIVISION ORDER NO. R-6483, LEA
COUNTY, NEW MEXICO.

R-6483
R-5493
R-3892
R-3892-A
R-609
R-520

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 16, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 4th day of January, 1988, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction on this cause and the subject matter thereof.

(2) By Order No. R-6483 dated October 20, 1980, the Division authorized the Sun Exploration and Production Company to simultaneously dedicate its State "A" A/C-2 Wells Nos. 14, 36, 42, and 62 located respectively in Units B, M, E, and K of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to a standard 640-acre Jalmat Gas Pool proration unit consisting of said Section 11.

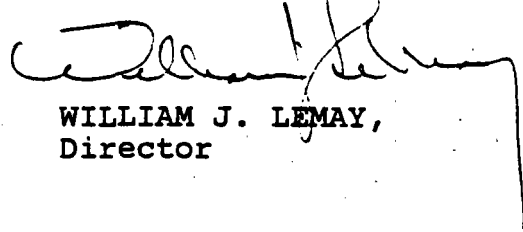
(3) The applicant in the present case, Sun Exploration and Production Company, seeks the amendment of said Division Order No. R-6483, for approval of an unorthodox Jalmat Gas Pool well location for its State "A" A/C-2 Well No. 73 located 990 feet from the South line and 660 feet from the East line (Unit P) of

"The applicant is further authorized to simultaneously dedicate its State "A" A/C-2 Wells Nos. 14, 36, 42, and 62 located respectively in Units B, M, E, and K of Section 11, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and its State "A" A/C-2 Well No. 73 located at an unorthodox location 990 feet from the South line and 660 feet from the East line (Unit P) of said Section 11, also hereby approved, to a standard 640-acre Jalmat Gas Pool proration unit consisting of all of said Section 11."

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

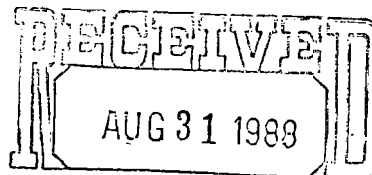
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY,
Director

S E A L



August 26, 1988

OIL CONSERVATION DIVISION
SANTA FE

**Sun Exploration and
Production Company**
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 6000

Mr. Michael E. Stogner
State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
P.O. Box 2088
State Land Office Building
Santa Fe, New Mexico 87504

RE: Your Request for Additional Information
Well Name/No.: State "A" A/C 2 #73
County/State: Lea/NM, P-11-22S-36E
API No.: 30-025-30035
Docket No.: N/A

Dear Mr. Stogner:

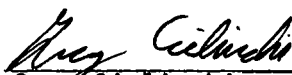
The attached information is being furnished in response to your request dated June 28, 1988, regarding the subject well. Should you require further information, you may contact me at the address shown above or by telephone at (214)890-6256.

Respectfully,

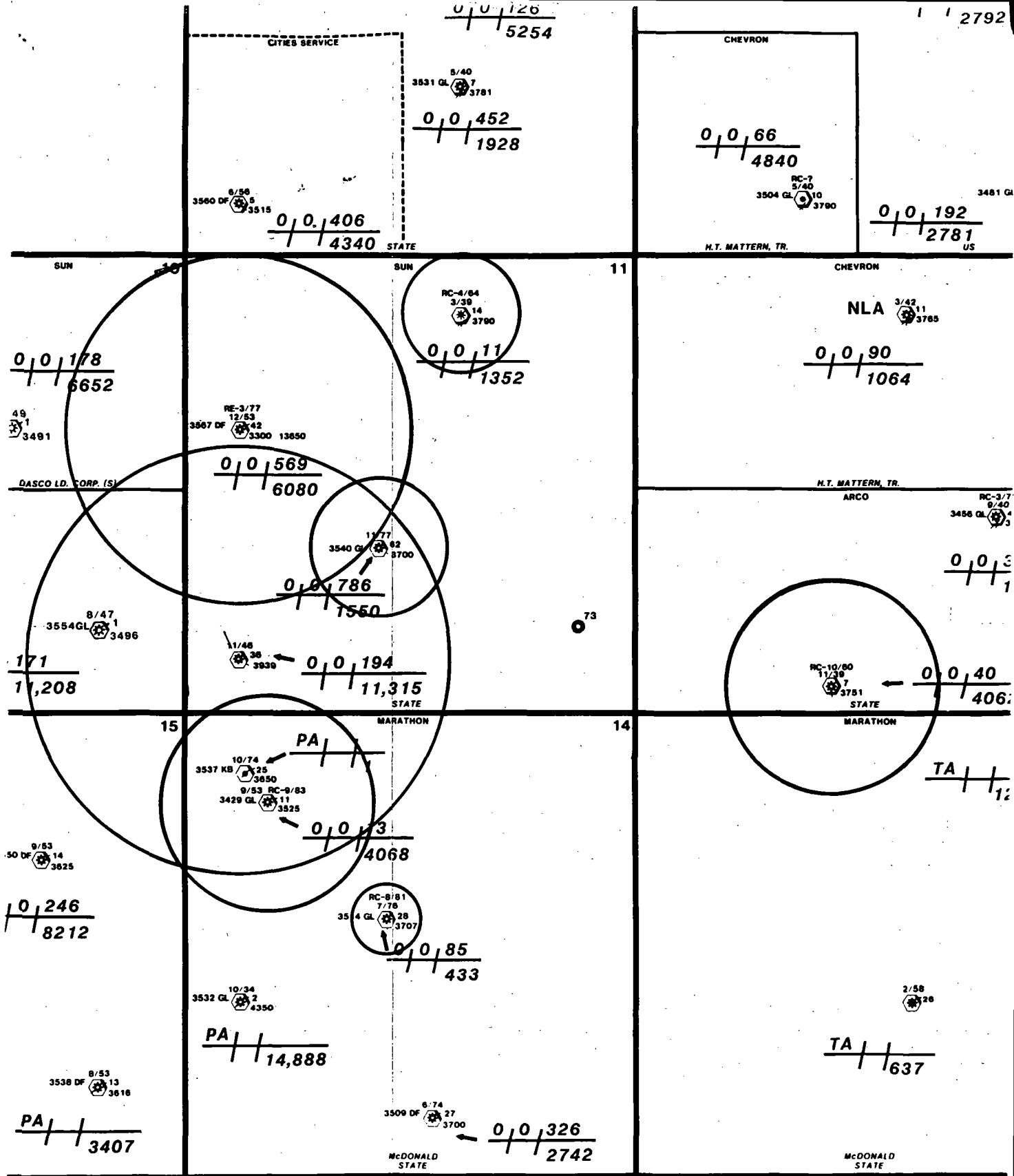
Toni A. Rowe
Analyst, NGPA Compliance

Attachment

State A A/C 2 #73 will capture 467 MMSCF of gas reserves. The attached drainage radii map shows that these are unique reserves since the portion of the reservoir near State A A/C 2 #73 will not be drained by other existing wells. These drainage radii were calculated from the material balance and volumetric data shown in the attachments. The 467 MMSCF gas reserves for State A A/C 2 #73 were calculated using 44 feet of net pay and a drainage area of 36 acres.


Greg Cielinski
Reservoir Engineer
8/10/88

/ddm



JALMAT WELLS ONLY PRODUCTION THRU 8/87

WELL DATA LOCATION

ST ZONE
TRATED

COMP. DATE
KB.

WELL NUMBER
TD.

PLUGGED OFF
PROG. ZONE

SUBSEA FORMATION

Ellenburger
(Brunson)

L. Clearfork
(Drinkard)

U. Clearfork
(Blinbry)

Grayburg
(Arrowhead)

Yates & Seven Rivers
(Jalmat & Eumont)

Queen
(Eumont & Eunice So.)



DRAINAGE RADII
BASED UPON ESTIMATED
ULTIMATE RECOVERY



SUN
EXPLORATIC
PRODUCTIO

STATE "A" ACCT

DATUM: JALMAT PRODUCTION

COUNTY LEA STATE N.MEXICO TYPE
CONTOUR INTERVAL SCALI
GEOLOGY BY SIDLOWE DATE
DRAFTING BY T.A. REVISED BY

DRAINAGE AREA CALCULATIONS JALMAT & EUMONT FIELDS

AVERAGE POROSITY (\emptyset) = 11%
 AVERAGE WATER SATURATION (S_w) = 39%
 RESERVOIR TEMPERATURE = 85° F

INITIAL BHP; $P_i = 1300\#$

$$P_R = \frac{P}{P_c} = \frac{1300}{669} = 1.94; \quad T_R = \frac{T_c}{T_e} = \frac{545}{382} = 1.43; \quad Z = 0.79$$

ABANDONMENT BHP; $P_A = 100\#$

$$P_R = \frac{100}{669} = 0.15; \quad T_R = 1.43; \quad Z = 0.98$$

$$\text{INITIAL } BG_I; \quad \frac{.02829 Z T}{P} = \frac{.02829 (0.79) 545}{1300} = \frac{1}{BG_I}; \quad BG_I = 106.7 \text{ SCF/FT}^3$$

$$\text{ABANDONMENT } BG_A; \quad \frac{.02829 (0.98) 545}{100} = \frac{1}{BG_A}; \quad BG_A = 6.6 \text{ SCF/FT}^3$$

$$\begin{aligned} \text{RECOVERABLE GIP/A}^{\circ}\text{F} &= 43560 (\emptyset) (1 - S_w) (BG_I - BG_A) = \\ &= 43560 (.11) (1 - .39) (106.7 - 6.6) = 292,600 \text{ SCF/A}^{\circ}\text{F} \end{aligned}$$

$$\text{DRAINAGE AREA} = \frac{\text{RECOVERABLE GAS}}{(\text{RECOVERABLE GAS/A}^{\circ}\text{F}) (\text{NET PAY})} = \text{ACRES}$$

WELL LOCATION			ULTIMATE RECOVERY (MMSCF)	NET PAY (FT)	DRAINAGE AREA (ACRES)
SECTION	UNIT	No.			
11	B	14	1975	180	37.5
11	K	62	1925	148	44.5
11	E	42	6550	77	290.7
11	M	36	11750	91	441.3
12	N	7	5000	163	104.8
14	D	11	4200	138	104.0
14	F	28	550	184	10.2

EXHIBIT No. 5
 CASE No. 9275
 DATE DECEMBER 16, 1987

STATE A A/C 2 #14
OPERATOR - SUN
11B-22S-36E
JALMAT GAS

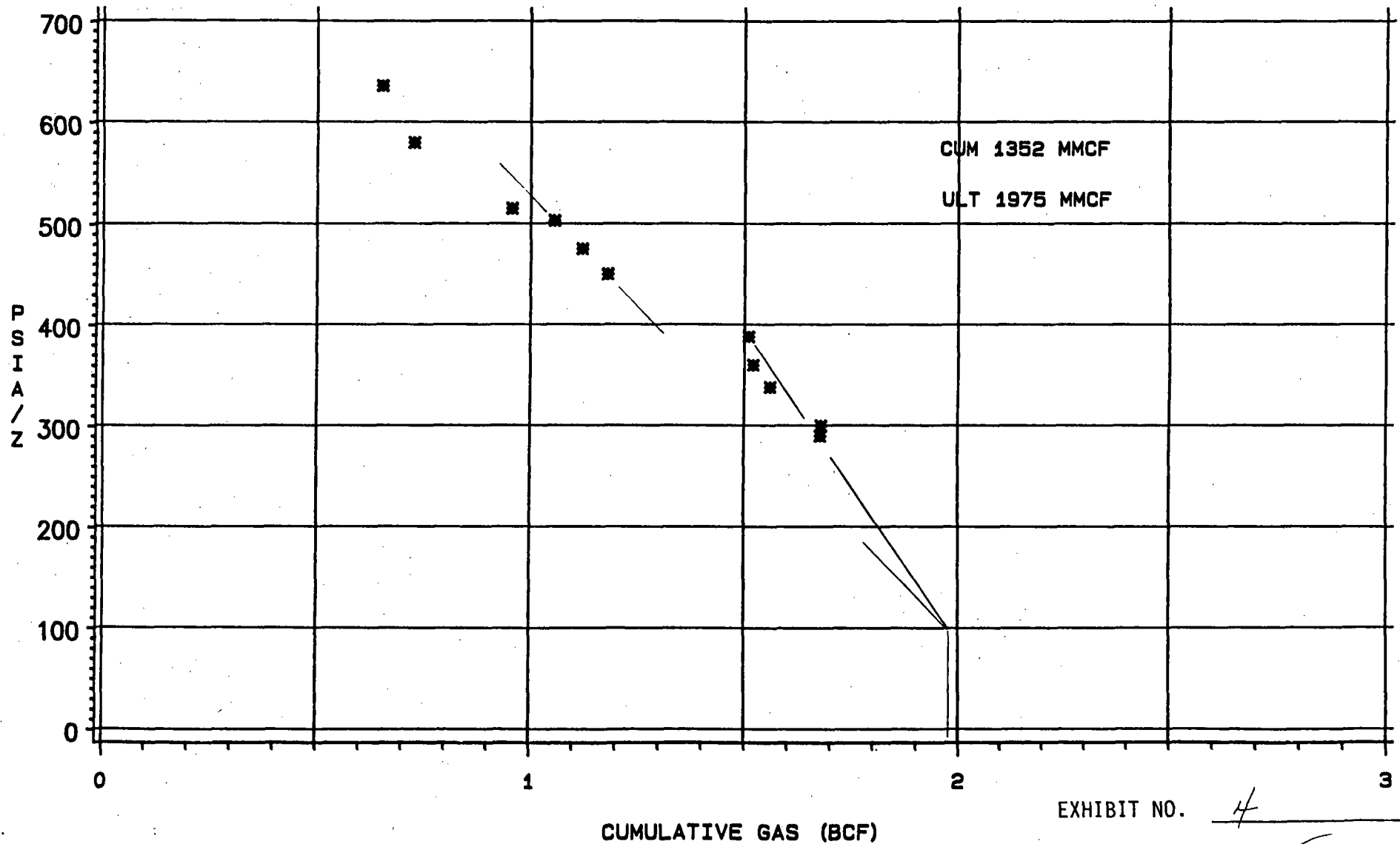


EXHIBIT NO.

4

CASE NO.

9275

DATE

DECEMBER 16, 1987

STATE A A/C 2 #62
OPERATOR - SUN
11K-22S-36E
JALMAT GAS

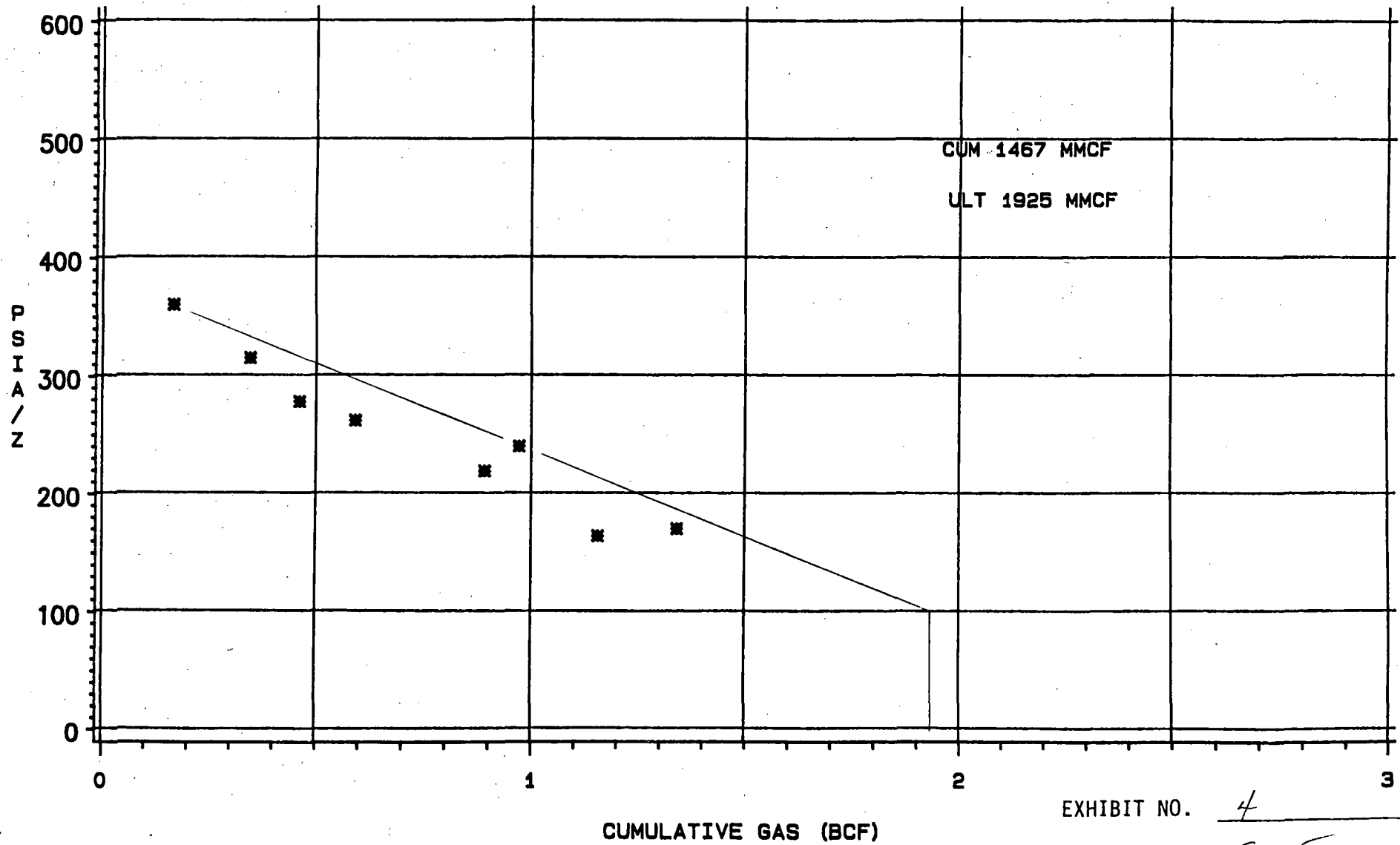


EXHIBIT NO. 4
CASE NO. 9275
DATE DECEMBER 16, 1987

STATE A A/C 2 #42
OPERATOR - SUN
11E-22S-36E
JALMAT GAS

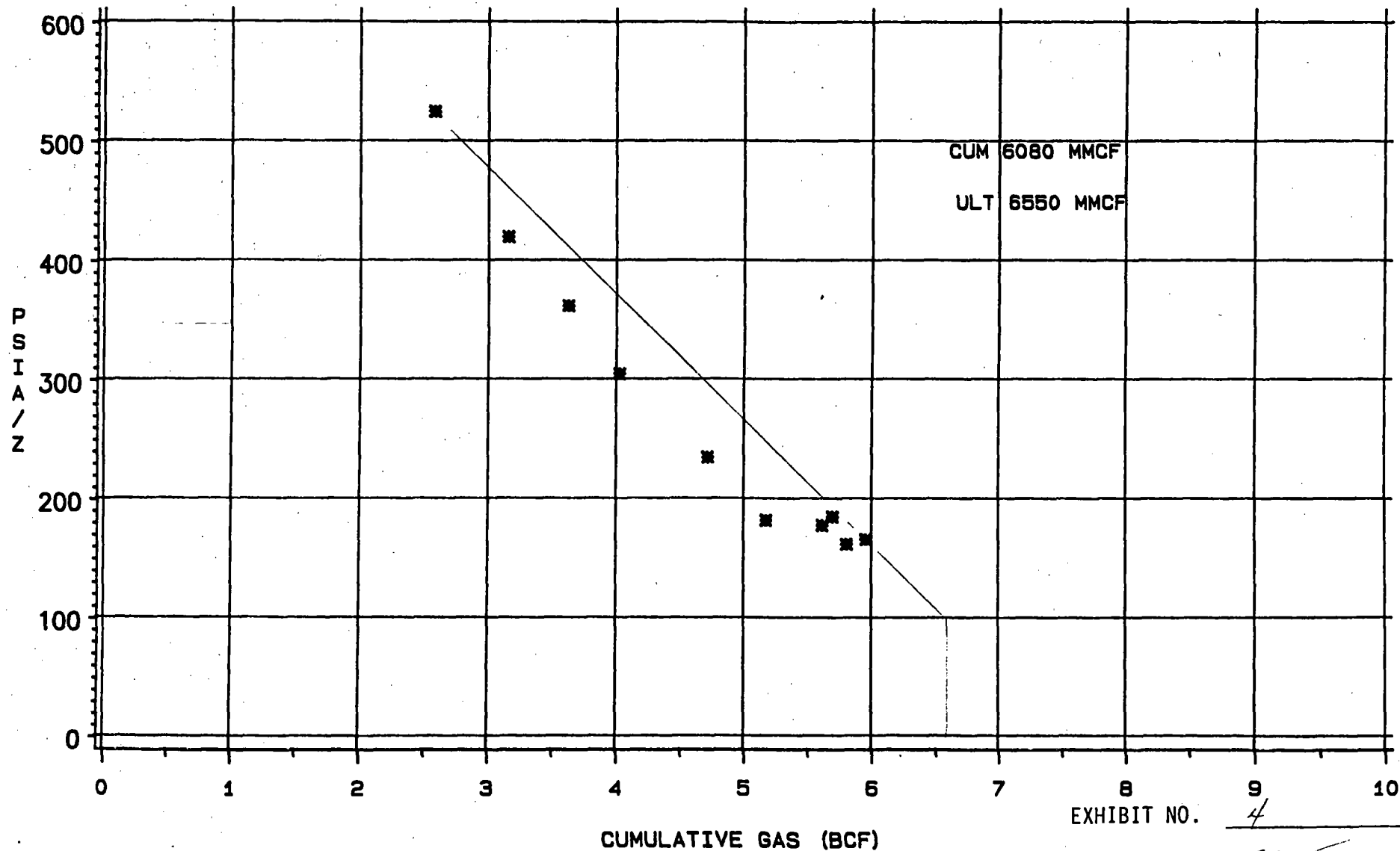


EXHIBIT NO. 4

CASE NO. 9275

DATE

DECEMBER 16, 1987

STATE A A/C 2 #38
OPERATOR - SUN
11M-22S-36E
JALMAT GAS

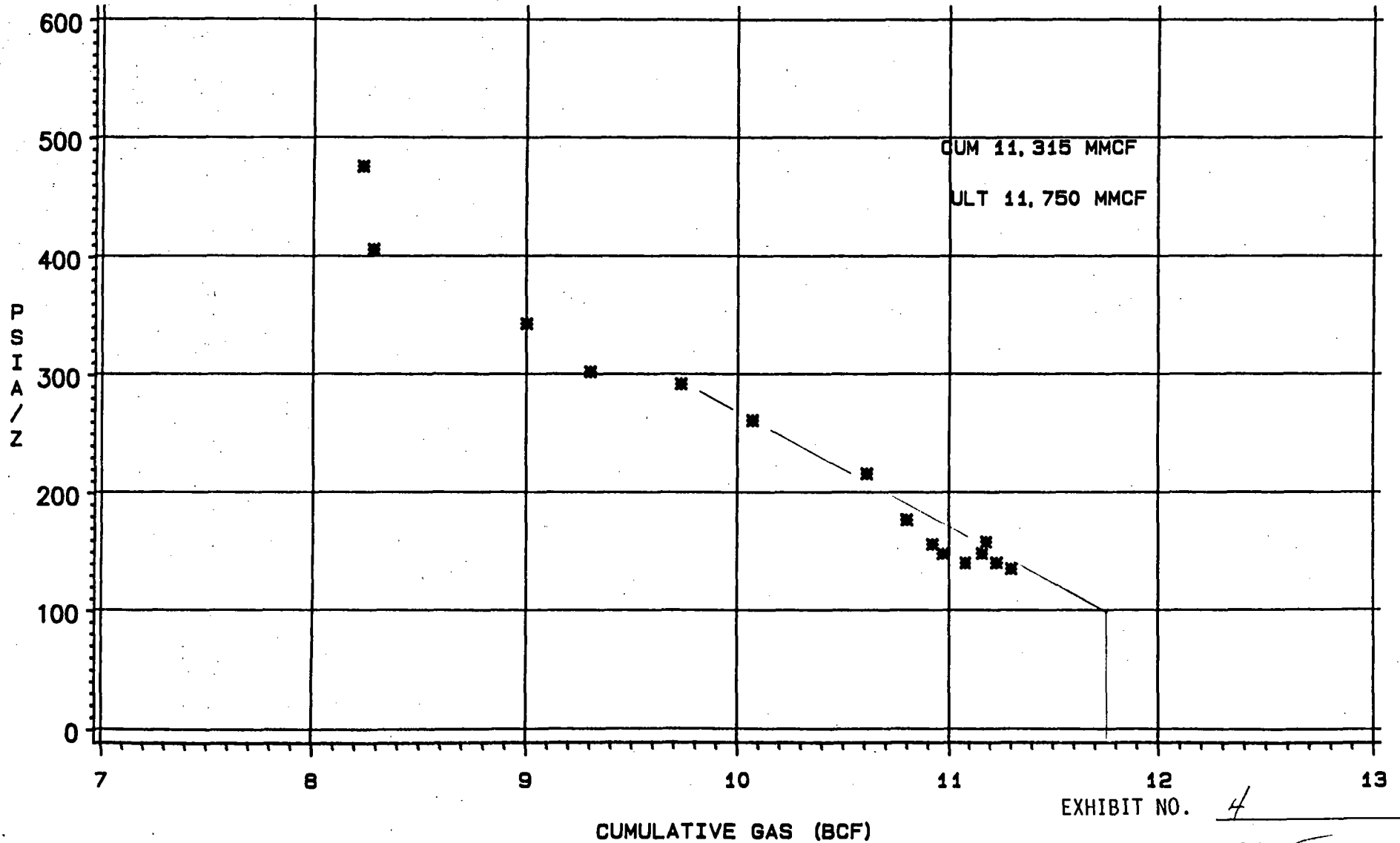


EXHIBIT NO. 4

CASE NO. 9275

DATE

DECEMBER 16, 1987

STATE 157 D #7
 OPERATOR - ARCO
 12N-22S-36E
 EUMONT GAS

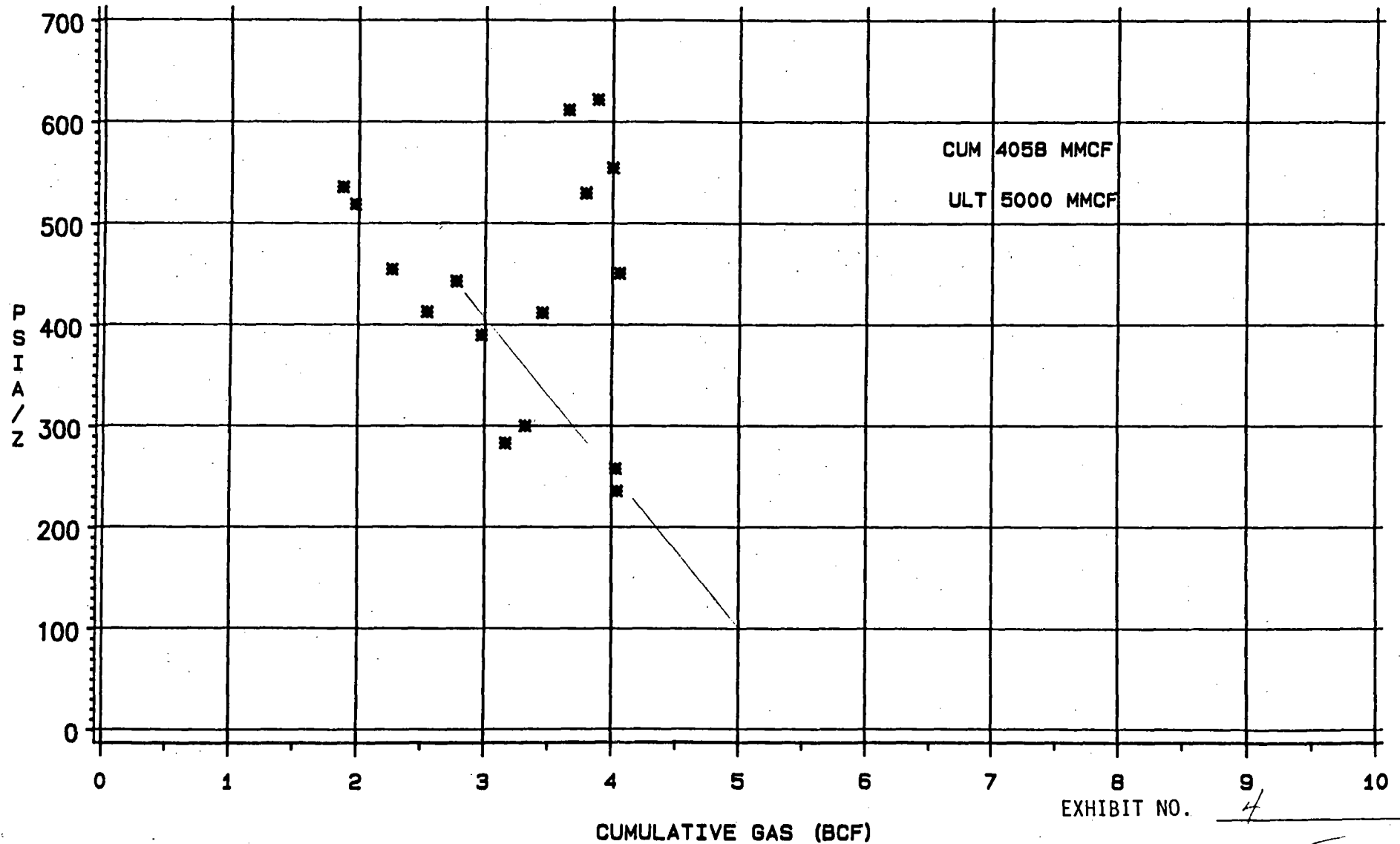


EXHIBIT NO. 4

CASE NO. 9275

DATE

DECEMBER 16, 1987

MCDONALD WN STATE #11
OPERATOR - ARCO
14D-22S-36E
JALMAT GAS

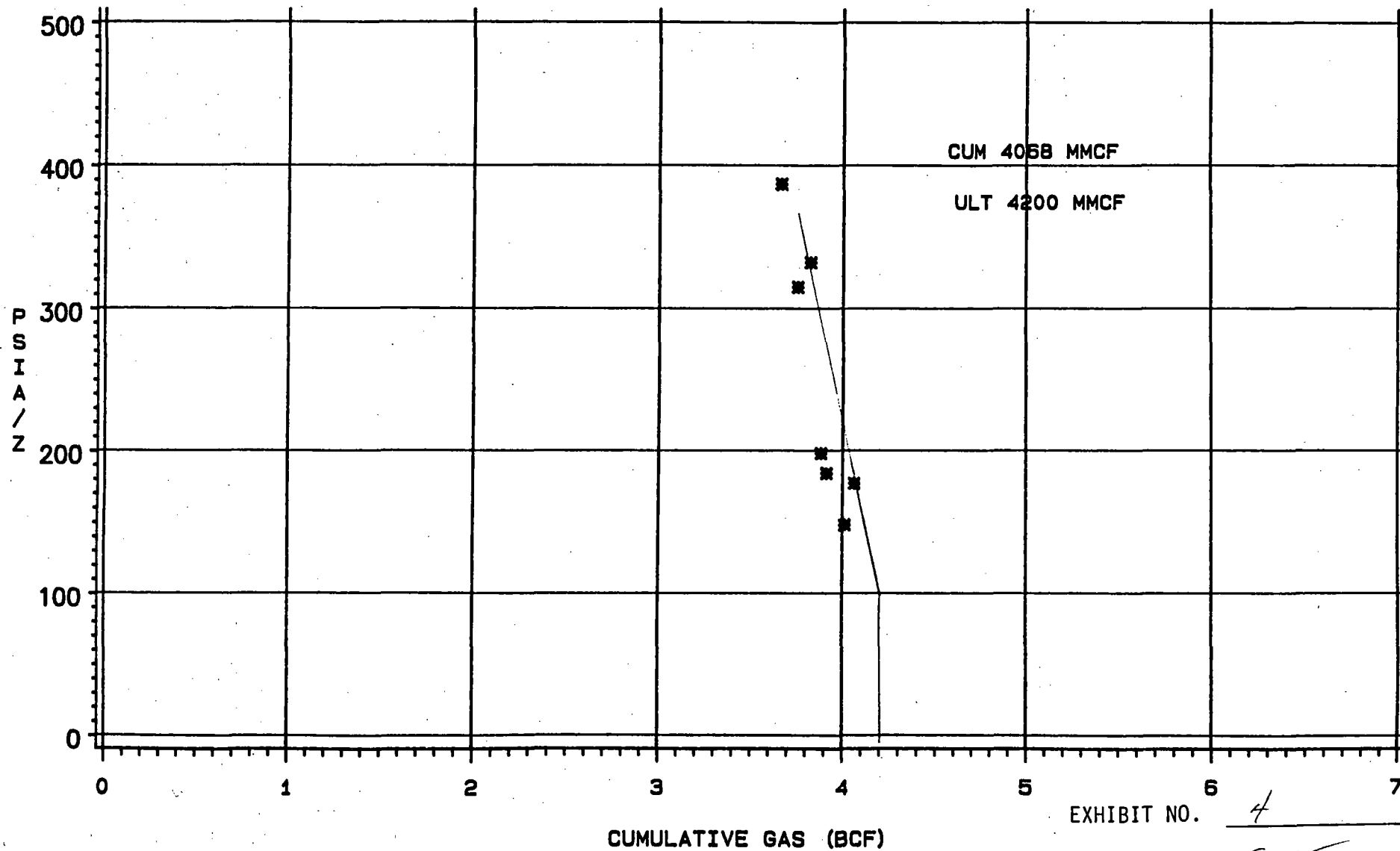


EXHIBIT NO. 4

CASE NO. 9278

DATE

DECEMBER 16, 1987

MCDONALD WN STATE #28
OPERATOR - ARCO
14F-22S-36E
JALMAT GAS

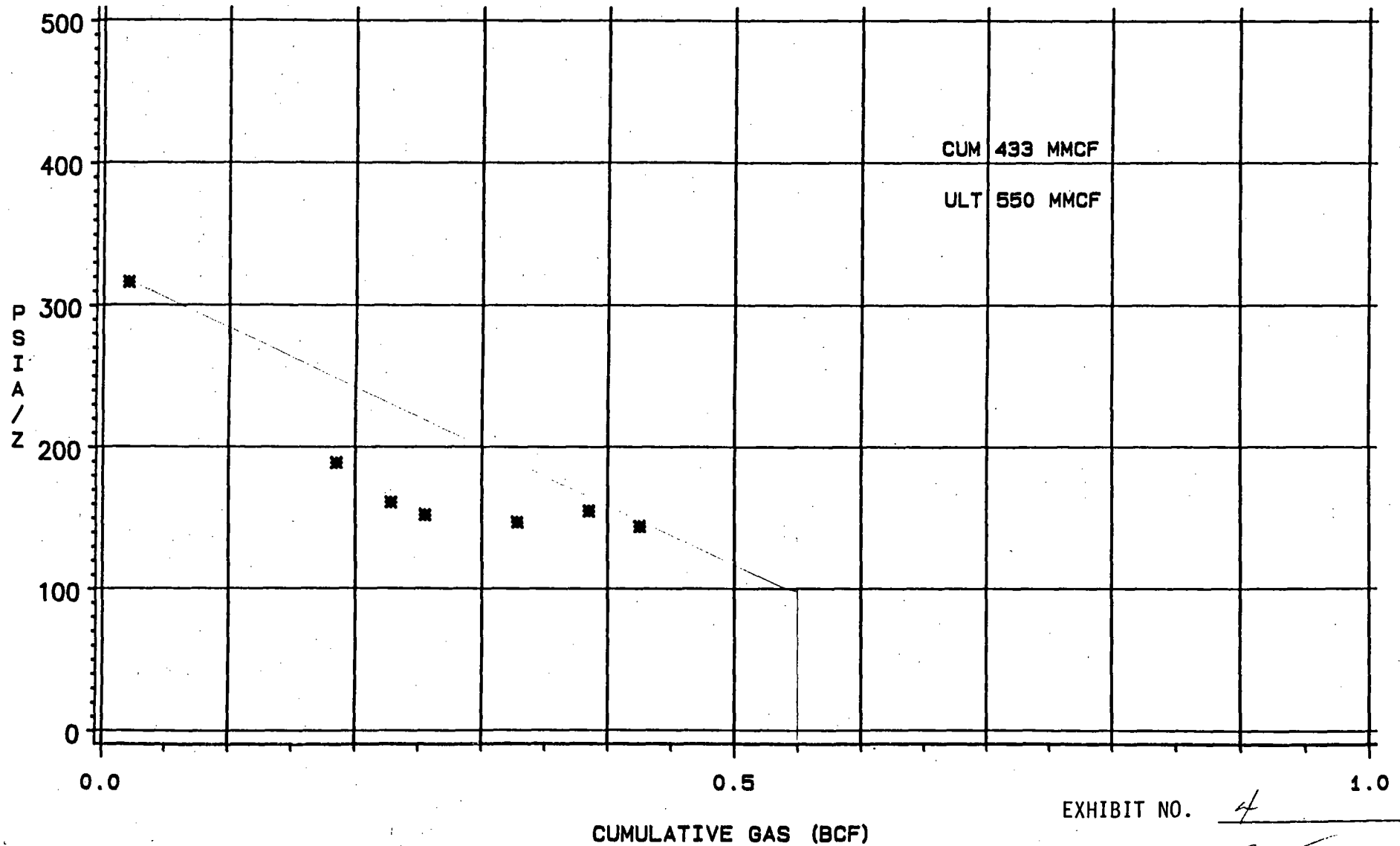
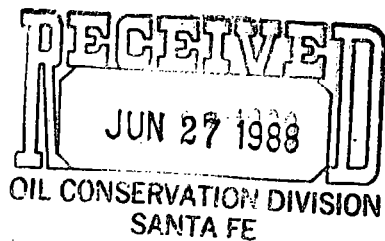


EXHIBIT NO. 4
CASE NO. 9270
DATE DECEMBER 16, 1987



June 23, 1988

**Sun Exploration and
Production Company**
Four NorthPark East
5656 Blackwell
P O Box 2880
Dallas TX 75221-2880
214 890 6000

State of New Mexico
Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
Attn: Michael E. Stogner
PO Box 2088
State Land Office Building
Santa Fe NM 87504

RE: Your Request for Additional Information
Well Name/No.: State "A" A/C 2 #73
County/State: Lea/NM
API No.: 30-025-30035
Docket No.: N/A

P-11-225-36E

Dear Mr. Stogner:

The following information is being furnished in response to your request dated May 19, 1988, regarding the subject well. Should you require further information, you may contact me at the address shown above or by telephone at (214) 890-6256.

Effective and efficient finding to show that the subject well was necessary to drain a portion of the reservoir that was not being drained by previous well.

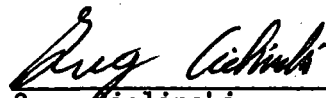
Sincerely,

Toni A. Rowe
Toni A. Rowe
Analyst, NGPA Compliance

Attachment

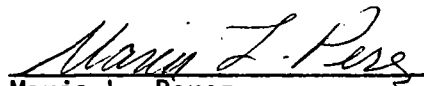
State A A/C 2 #73 was drilled in order to capture 467 MMSCF of reserves. These reserves were calculated using the following parameters:

A = 33 Acres
h = 155 ft.
Porosity = 13.5%
S_w = 36%
B_g = 31.2 SCF/Ft³
Rec. Fac. = .78



Greg Cielinski
Reservoir Engineer
6/22/88

Signed before me this 22nd day of June 1988 by Greg Cielinske, Reservoir Engineer for Sun Exploration & Production Co.



Maria L. Perez
Notary Public for the State of Texas
My Commission Expires 2-3-92

RECEIVED
JUN 23 1988
GAS REGULATIONS

Unit A

Sun Exploration & Production Co.

State "A" A/C - 2 Well No. 13

660' FUEL

Spud: 11/10/39

Arroyhead Grayburg Completion

Unit B

* Sun Exploration and Production Co.

State "A" A/C - 2 Well No. 14

660' FUEL - 1980' FUL

Spud: 2/13/39

Arroyhead Grayburg Completion until recompleted to

Eumand Gas Pool Apr. 1, 1964.

Presently Pool Completed in the South Eumand Seven Rivers

Queen and Tolant Pools

Cumulative Tolant Completion Production from 7/20/64 to 12/31/62

Gas - 128,349 MCF

Oil - 0 - BBL

Unit C

Sun Exploration & Production Co.

State "A" A/C - 2 Well No. 15

660' FUEL - 1980' FUL Spud: 3/18/39

Arroyhead Grayburg - South Eumand Seven Rivers - Queen Completion

Unit E

* Sun Exploration & Production Co.

State "A" A/c-2 Well No. 42

1980' FWL - 660' FWL

Spud: 11/25/53

Jalmar Completion

Cumulative Production as of 12/31/87:

Gas - 6142669 mcf

Oil - -0- Bbls.

Unit G

Texas Pacific Coal & Oil Company

New Mexico State "A" A/c-2 Well No. 18

1650' FWL - 52

Spud: 4/10/39

P.A'd: 11/9/53

Arrowhead Grayburg Completion

Unit H

Sun Exploration & Production Co.

State "A" A/c-2 Well No. 17

2310' FWL - 550' FWL

Spud: 6/13/39

Arrowhead Grayburg Completion

Unit 1

Sun Exploration & Production Co.

State "A" A/c 2 Well No. 16

2310' FSL - 330' FGL

Spud: 5/13/39

Arrowhead Drilling Completion

Unit 1C

Sun Exploration & Production Co.

State "A" A/c 2 Well No. 62

1980' FSL - 2310' FGL

Spud: 6/5/77

Royal South Ennis Seven Rivers Queen and Tolmat Completion

Ennis zone Fluid: 1979

Tolmat Production, Cumulative as of 12/31/87:

Gas - 1630101 MCF

O.I. - 0.04

Unit M

Sun Exploration & Production Co.

State "A" A/c 2 Well No. 36

660' FSL - 812' FGL

Spud: 10/19/46

Tolmat Completion

Cumulative Production as of 12/31/87:

Gas - 11335684 MCF

O.I. - 0.8615

Unit P

Subject Well

Sun Exploration & Production Co.

State "A" A/C - 2 W/11 Ab. 73

990' ESL - 660' FSL

Spud: 9/28/82

Solmat Completion

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-132
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

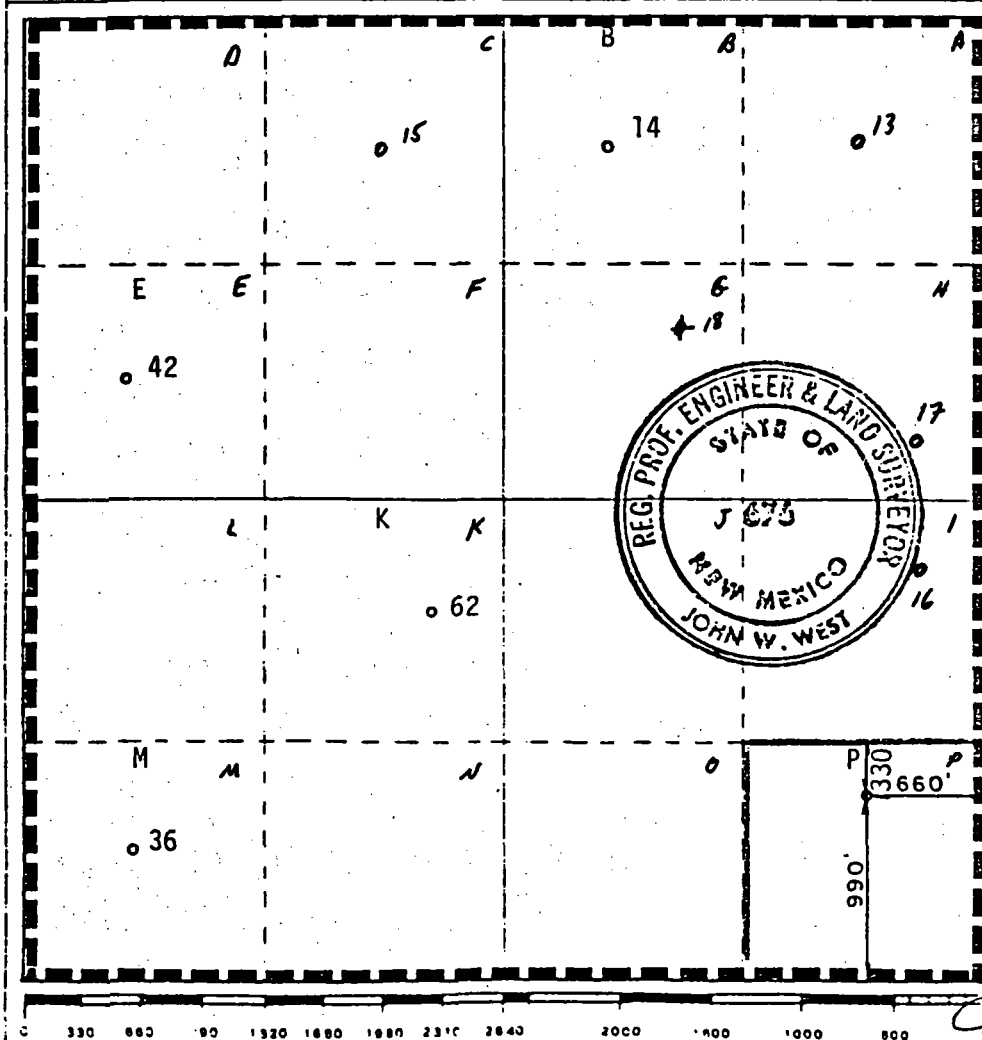
Lessor Sun Exploration & Production Co.		Lease State "A" A/C-2		Well No. 73
Unit Letter P	Section 11	Township 22-S	Range 36-E	County Lea
Actual Footage Location of Well: 990 feet from the South line and 660 feet from the East line				
Ground Level Elev. 3519.0	Producing Formation Yates-Seven Rivers	Pool Jalmat Gas	Dedicated Acreage: 640 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Maria L. Perez
Name
Maria L. Perez

Position
Accounting Associate

Company
Sun Exploration & Production Co

Date
9-28-87

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
August 11, 1987

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. JOHN W. WEST, 676
D. J. EIDSON, 3239

MAY 1988 SOUTHEAST GAS PRORATION - PERIOD END SCHEDULE PAGE 35

DESCRIPTION	STAT	AF	PAR	AMT	O/P	MAR	CURTAIL	PAY	ACRE-
LS	SALES	CANCEL	LIM	D/U	AFTER	ALLCC	AGE		
SPEAR STATE	IF 226537E	M	1.00						160
LEWIS B. BURLINGA, INC.									
ASCART	182425536E	M	1.00	9309	11868	7331-		4337	160
CYER	3H3125537E	M	1.00	403				403	160
FEDERAL	IC 523536E	M	1.00	6523	28587	26236-		4227	160
GUTHAN	112925537E	M	.50	154				154	80
HARRISON	2N2524536E	M	1.00	1644				1844	160
LANEHART	3L2125537E	M	.75	1632		18548		3253	120
LANEHART	102225537E(MWU)	N	1.00					37339	4337
P. U. SUMMARY	1P2025537E	M	.25	126				128	40
LEONARD	1F2225537E	M	.94	2283		15745		4077	150
WOB	1N2825537E(MWU)	N	1.25	2576		33017		5422	200
NANCY FEDERAL COM	2F2825537E	M	1.00	743R	93916			743	160
SAUNDERS STATE	1A3325537E	M	.75						120
SHAMAN	1A3325536E	M	1.00	5655	12558	7720		4337	160
STATE	2K3224537E	N	.50	726	605	12503		2169	80
WOLCORTH									
M. B. PETROLEUM									
BROWN	1F2525536E	M	1.00						160
MARALO INC									
JALMAY VATES UNIT	25F182537E	M	.50		5569			2169	80
MAGGIE	1N1825537E	M	.50						80
MARATHON OIL COMPANY									
MCCONALD STATE AC 1 COM	6N162536E(MWU)	N	1.00	1226					
25N162536E(MWU)				1226					
P. U. SUMMARY	1P2525537E	M	3.75	1756		1756		600	
DALLAS MCCASLAND									
CHRISTMAS A	1N2225536E	M	1.00	2533		2933		160	
CHRISTMAS B	1L2525536E	M	1.00	745		745		160	
DEVONIAN CHRISTMAS	282122536E	M	1.00	2849		25494		4337	160
WILL MCCASLAND IND.									
A L CHRISTMAS	302525536E	M	1.00	1051		1051		160	
LITTE	3N2225537E(MWU)	N	1.00	216					
3N2225537E(MWU)				2317					
3N2225537E(MWU)				60					
P. U. SUMMARY	1P2525537E	M	1.00	2653R	26502			2653	160
MERIDIAN OIL INCORPORATED									
CARLSON FEDERAL	2N2325537E	M	1.00	155		155		160	
FARNSWORTH	2N2325537E	M	1.75					280	
HARRISON	1L2725537E	M	.25	246		246		40	
LANGLIE	3J 825537E	M	.25	283	668	8963		1084	40
PRICHARD	1N1825537E	M	1.00	145				345	160
PRICHARD A	1G 525537E	M	1.00	121				121	160
SHELL STATE	3P2225536E	N	.50	1201	43052	13252		2169	80
40 525536E		M	1.00	1057				1057	160
SHELL BLACK	202124537E	M	.16	1				1	25

MAY 1988 SOUTHEAST GAS PRORATION - PERIOD END SCHEDULE PAGE 36

DESCRIPTION	STAT	AF	PAR	AMT	O/P	MAR	CURTAIL	PAY	ACRE-
US	SALES	CANCEL	LIM	D/U	AFTER	ALLCC	AGE		
WHITTEN	143323536E	M	1.00	125				125	160
MOBIL PRODUCE TEXAS AND NEW MEXICO									
LIBERTY	3L 325537E	M	1.00						160
PHILLIPS PETROLEUM COMPANY									
C. C. WOLCORTH GROUP	1N 625537E	M	1.00	28				28	160
2H 625537E		M	1.00	156				156	160
M. C. WOLCORTH	4J3324537E	M	2.00	180				180	320
READING & BATES PETROLEUM CO.									
HUMBLE	313224537E	M	.75	566				566	120
SABA ENERGY INC									
LANGLIE B TR 2 FEDERAL	201325537E	M	.75	671				671	120
SANTA FE ENERGY OPERATING PARTNERS, L.P.									
JACK A 25	8J2524537E	AC		125		3991-			
WELLS B 6	1A 625537E	M	.25	126				126	40
SOUTHLAND ROYALTY COMPANY									
WOLCORTH	3J2824537E	M	2.00	342				342	320
SUN EXPLORATION & PRODUCTION CO.									
PEERLESS ET AL COM	1C2225536E	N	1.00	2304		1147		4337	160
STATE A AC 1	2L2123536E	M	1.25						200
6F2123536E		M	2.00	2024				2024	320
13H1423536E		M	1.00	1542				1542	160
15F 423536E		M	.50						80
16A1123536E(MWU)				4152					
29C1123536E(MWU)				3640					
P. U. SUMMARY	1P 423536E	M	2.00	7752R	7971C			7752	480
18M 423536E		M	.75						120
20C1323536E(MWU)				4127					
21H1323536E(MWU)									
22N1323536E(MWU)									
P. U. SUMMARY	1P 423536E	M	2.00	4127				4127	480
23B 423536E		M	.75						120
24N2423536E(MWU)									
25F2423536E(MWU)									
32J2423536E(MWU)									
53E2423536E(MWU)				6294				6294	480
P. U. SUMMARY	1P 423536E	M	3.00	6294				6294	480
26G2323536E(MWU)				6294					
27F2323536E(MWU)				5276					
105H2323536E(MWU)				5177					
P. U. SUMMARY	1P 423536E	M	2.00	10679	84958	16272		6675	320
28F1423536E		M	1.50						240
31H1423536E(MWU)									
33F1423536E(MWU)				2576				2576	280
P. U. SUMMARY	1P 423536E	M	1.75	2576R	43865			2576	240
35L 323536E		M	1.50						
37F1023536E(MWU)				1015					
38H1023536E(MWU)				1634				1634	320
P. U. SUMMARY	1P 423536E	M	2.00	1634					160
39J1723536E		M	1.00						
97F2223536E		N	2.50	4440		76773		10843	400
STATE A AC 2	5A 725536E	M	.75	1958				1958	120
121 725536E		M	1.00						160
14B1142536E(MWU)				466					
36H1122536E(MWU)				4002					
42E1122536E(MWU)				13895					
44K1122536E(MWU)				1841					
P. U. SUMMARY	1P 423536E	M	4.00	37888	114344	36268-		17349	640
27F 322536E		M	1.00	405				405	160
38K 922536E(MWU)				3432					
43H 822536E(MWU)				2514					
84J 822536E(MWU)									
P. U. SUMMARY	1P 423536E	M	2.00	5946R	52604			5946	480
40A 522536E(MWU)				5661					
63C 522536E(MWU)				5805					
P. U. SUMMARY	1P 423536E	M	2.00	11270	8941	2546		8675	320
41H 522536E		M	1.00						160
44F 522536E		M	1.00	402				402	160

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STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

June 28, 1988

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Sun Exploration and Production Company
P.O. Box 2880
Dallas, TX 75221-2880

Attention: Gloria Dixon

RE: NGPA Section 103 Filing
State "A" A/C-2 Well No. 73
P-11-22S-36E, Lea County

Dear Ms. Dixon:

With your response of June 23, 1988 to my letter of May 19, 1988, I assume the subject well is an "Infill Well" to Wells No. 14, 42, 62 and 36 also in Section 11. Therefore, please submit a proper Infill Well Finding pursuant to Division Order No. R-6013-A, see attached.

If you should have any questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in cursive script, reading "Michael E. Stogner".

Michael E. Stogner
Petroleum Engineer

MES/ag



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

May 19, 1988

Sun Exploration and Production Company
P.O. Box 2880
Dallas, TX 75221-2880

Attention: Gloria Dixon

RE: NGPA Section 103 Filing
State "A" A/C-2 Well No. 73
P-11-22S-36E, Lea County

Dear Ms. Dixon:

Please submit the required information (Rule 16A.4.) on the other Jalmat producing wells on the 640-acre proration unit to show that the subject well is not an "Infill Well."

If you should have any questions concerning this matter, please contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael E. Stogner", written over a horizontal line.

Michael E. Stogner
Engineer

MES/ag

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. 7022
Order No. R-6483

APPLICATION OF TEXAS PACIFIC OIL
COMPANY, INC. FOR A NON-STANDARD
PRORATION UNIT AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

See Also Order No.
R-8575
R-5493
R-3872
R-3872-A
R-604
R-520

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 17, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of October, 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, Texas Pacific Oil Company, Inc., seeks approval for the simultaneous dedication of a 320-acre non-standard gas proration unit comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, to be dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.

(4) That the 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.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(6) That Division Order No. R-5493 which created the four proration units which are being abolished to create the two subject new units should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, Inc., is hereby granted a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, to be simultaneously dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.

(2) That the applicant is further authorized 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, NMPM, to a standard proration unit in said Jalmat Gas Pool to be comprised of all of said Section 11.

(3) That Division Order No. R-5493 is hereby superseded.

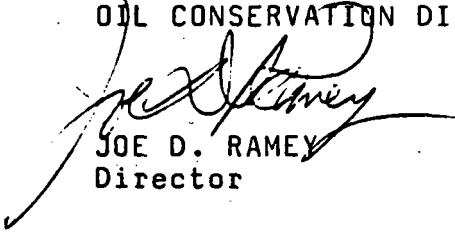
(4) That the proration balancing status of each of the aforesaid newly created proration units shall be the current combined status of the proration units which are hereby abolished in order to create the new units.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

-3-
Case No. 7022
Order No. R-6483

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

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