

NSL 10/21/96

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

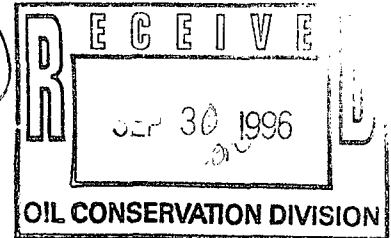
TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

September 30, 1996

HAND DELIVERED

Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87501

NSL-HLB, JR



RE: North Feather State Unit Well No. 2
Administrative Application of
H. L. Brown, Jr. for Approval
of an Unorthodox Gas Well Location,
Lea County, New Mexico

Dear Mr. Stogner:

On behalf of H. L. Brown, Jr., please find enclosed our administrative application for approval of an unorthodox gas well location for the North Feather State Unit Well No. 2 to be drilled in and dedicated to the S/2 of Section 9, T15S, R32E, Lea County, New Mexico for possible production from all gas formations below the top of the Wolfcamp but with the Morrow formation being the primary target.

The offsetting operators affected by this application have been notified by certified mail-return receipt of their right to object within twenty (20) days of September 30, 1996 which is the filing date of this application.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. Thomas Kellahin". The signature is fluid and cursive, with a long horizontal stroke at the end.

W. Thomas Kellahin

fxc: H. L. Brown, Jr.

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

**IN THE MATTER OF THE ADMINISTRATIVE
APPLICATION OF H. L. BROWN, JR. FOR
APPROVAL OF AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO**

ADMINISTRATIVE APPLICATION

Comes now H. L. BROWN, JR., by and through its attorneys, Kellahin and Kellahin, and in accordance with Division General Rule 104.F applies to the New Mexico Oil Conservation Division for approval of an unorthodox gas well location for any and all gas production below the top of the Wolfcamp formation for its proposed North Feather State Unit Well No. 2 to be drilled at an unorthodox gas well location 990 feet from the East line and 1340 feet from the South line (Unit I) of Section 9, T15S, R32E, NMPM, Lea County, New Mexico and to be dedicated to a 320 acre spacing unit consisting of the S/2 of Section 9, and in support states:

(1) H. L. Brown, Jr. ("Brown") is the proposed operator of the subject well and is a working interest owner in the S/2 of Section 9. (See **Exhibit 1 enclosed**).

(2) Brown proposes to drill its North Feather State Unit Well No. 2 at an unorthodox gas well location 990 feet from the East line and 1340 feet from the South Line of Section 9, T15S, R32E, NMPM < Lea County, New Mexico.

(3) The subject well will be a north offset to the H. L. Brown, Jr. North Feather State Unit Well No. 1 in Unit H of Section 16 which was drilled in 1993 and has a gas-oil ratio of 79,200 to 1.

(4) The subject well is to be drilled at an unorthodox well location in an attempt to locate one of the elongated Morrow sand bodies containing hydrocarbons. (See **Exhibit 2 enclosed**).

Application of H. L. Brown, Jr.

Page 2

(5) These sand bodies are part of a Morrow braided channel system in which the productive sand bodies are located on the eastern edge of a channel braid. **(See Exhibits 2 and 3 enclosed).**

(6) While all of these sand bodies are in the same correlative Morrow sand interval, each well in this vicinity is located in a different sand body ("a separate reservoir") as is evident by comparing the relative gas-oil ratios for these wells. **(See Exhibit 3 enclosed).**

(7) Brown's geologic conclusion is that a well drilled at the closest standard location would place the well in a non-productive channel bar while the proposed unorthodox well location has the best opportunity of encountering a productive sand body.

(8) In the event the Morrow is not capable of commercial production in this well, then Brown intends to test the Wolfcamp formation which will also be at an unorthodox well location.

(9) The opportunity to test for production from the Wolfcamp formation within this spacing unit can most economically be attempted with this wellbore rather than drilling another well to simply test the Wolfcamp.

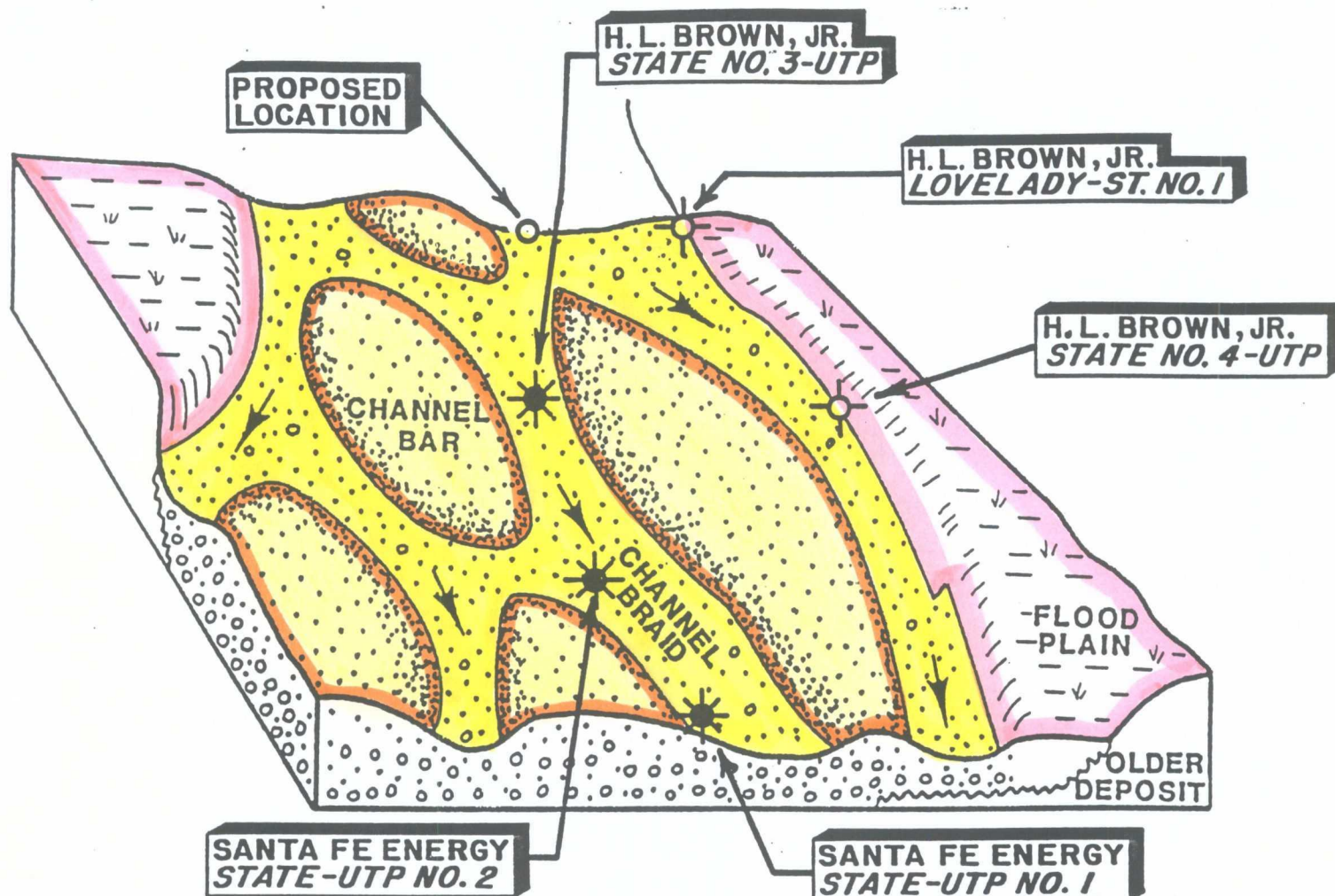
(10) The offset operators towards whom the well encroaches are set forth on Exhibit 4.

WHEREFORE, H. L. Brown, Jr. requests that this matter be approved administratively by the Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over a horizontal line.

W. Thomas Kellahin
Kellahin and Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504-2265
(505) 982-4285
Attorneys for Applicant



SCHEMATIC MODEL OF DEPOSITIONAL ENVIRONMENT WITH RELATIVE WELL LOCATION FOR THE CORED INTERVAL IN THE ST.-UTP NO.2 WELL.

FIGURE 2

The log character, and the previously described lithologies and sedimentary structures, indicate that the sandstones were deposited in a braided fluvial-deltaic channel. Braided channel deposits are the product of alternating flood stage scouring and subsequent filling of multiple interconnecting channels. At low water stage, stream flow is restricted to channels which are separated by longitudinal channel bars. These bars formed during falling river stage as sediment accumulates around an obstruction or the remains of a pre-existing bar. During flood stage, bars are easily destroyed and as a result deposits reflect principally the scouring and filling of individual channels. Braided channel sandstone bodies have an elongate anastomosing geometry that orients approximately perpendicular to paleostrike. In the State UTP No. 2 Well, the overall sand body trend is probably in a north-northwest to south-southeast direction. Figure 2 presents a schematic model of the depositional environment proposed for the State UTP No. 2 Well.

REFERENCE:

Reservoirs Inc. report of "Morrow Core in State UTP No. 2 Well".

EXHIBIT

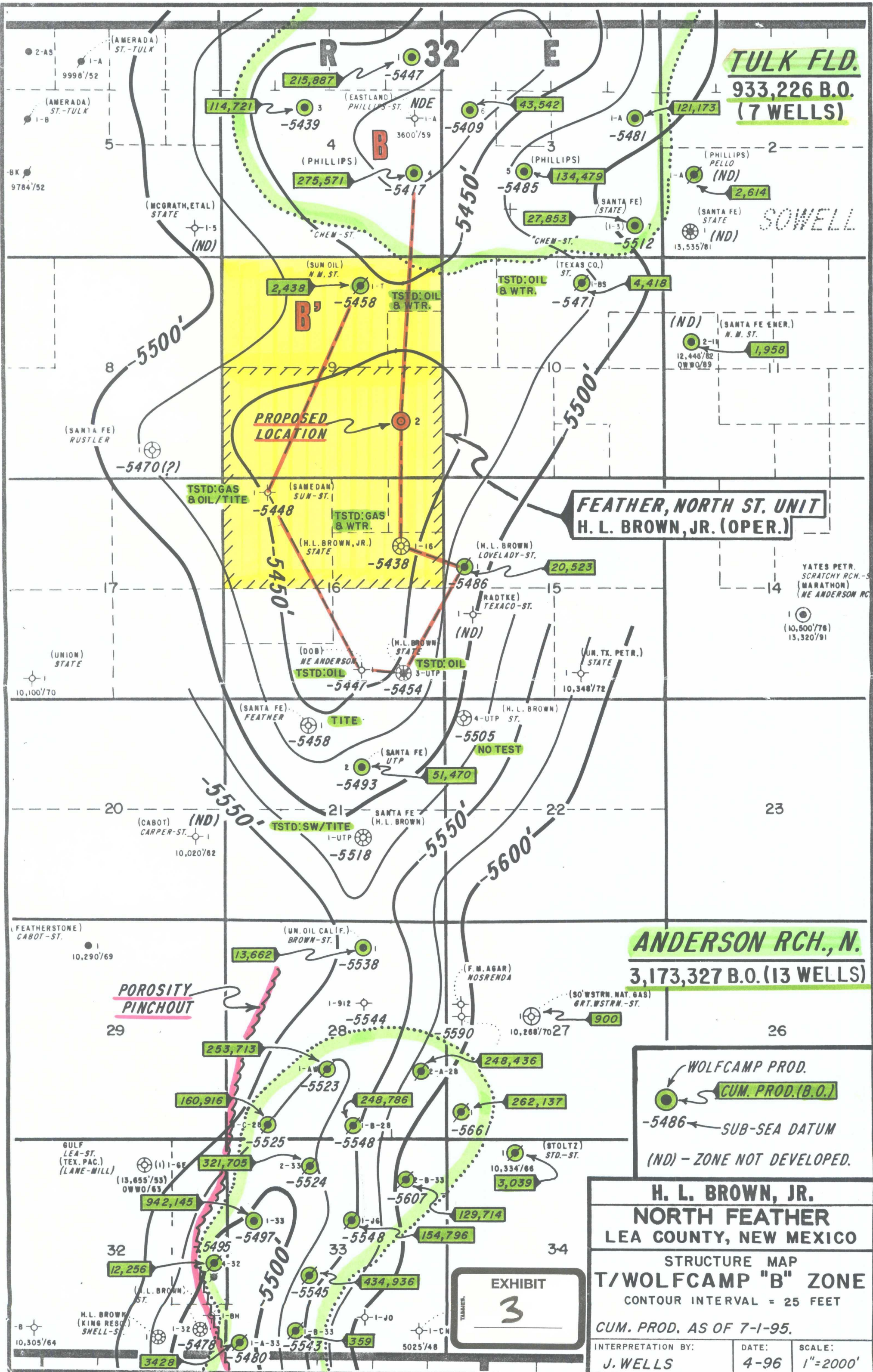
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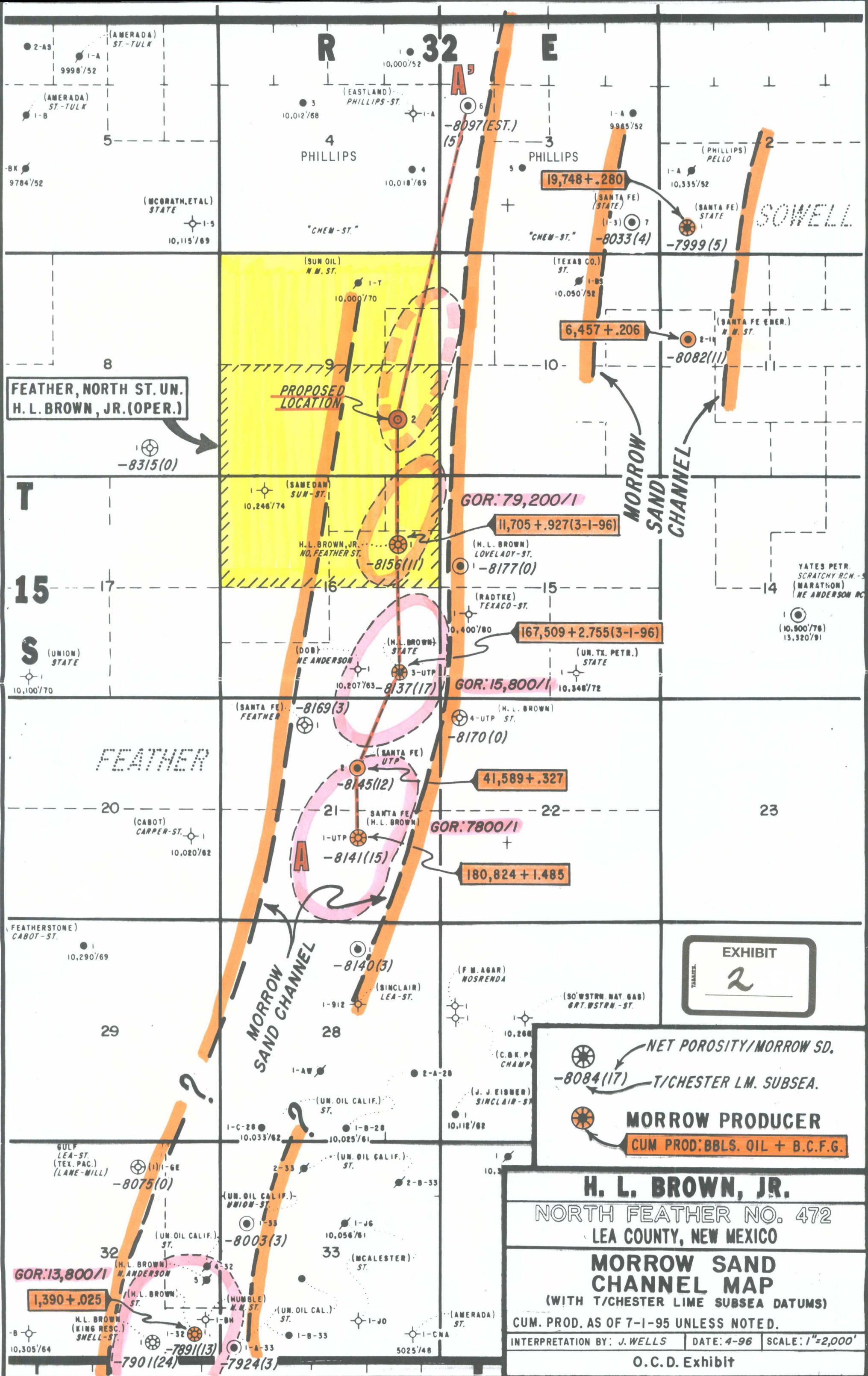
EXHIBIT 4

Energy Development Corporation
1000 Louisiana, Suite 2900
Houston, Texas 77002
Attn: Tom Dopler

Samedan Oil Company
12600 Northborough, Suite 250
Houston, Texas 77067
Attn: Gary Whitman

Yates Petroleum Corporation
105 S. Fourth Street
Artesia, New Mexico 88210





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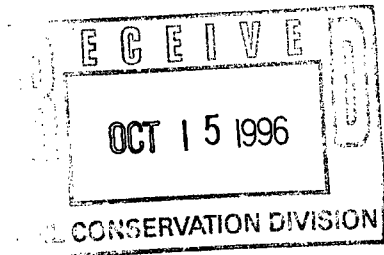
JASON KELLAHIN (RETIRED 1991)

October 14, 1996

HAND DELIVERED

Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87501

RE: North Feather State Unit Well No. 2
Administrative Application of
H. L. Brown, Jr. for Approval
of an Unorthodox Gas Well Location,
Lea County, New Mexico



Dear Mr. Stogner:

On September 30, on behalf of H. L. Brown, Jr., I filed the referenced administrative application for approval of an unorthodox gas well location for the North Feather State Unit Well No. 2 to be drilled in and dedicated to the S/2 of Section 9, T15S, R32E, Lea County, New Mexico.

There were three offset operators entitled to notice, Yates Petroleum Corporation, Samedan Oil Company and Energy Development Corp, all of whom have signed waivers of objection. Please find copies enclosed along with our offset ownership plat.

Please call me if there is anything else I need to provide in order to have this application processed and approved.

Very truly yours,

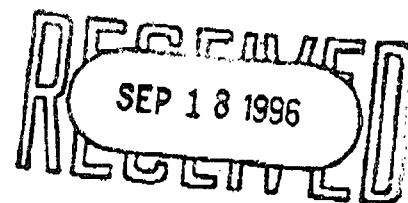
A handwritten signature in dark ink, appearing to read "W. Thomas Kellahin". The signature is fluid and cursive, with a large initial "W" and a long, sweeping underline.

W. Thomas Kellahin

fxc: H. L. Brown, Jr.

H. L. BROWN, JR.
POST OFFICE BOX 2237
MIDLAND, TEXAS 79702-2237

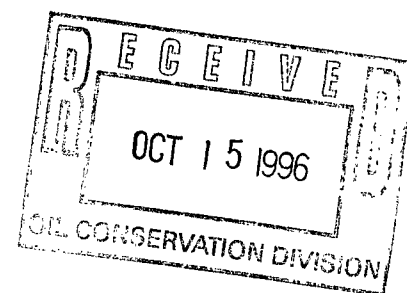
September 16, 1996



CERTIFIED MAIL RETURN RECEIPT P 389 552 662

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Attention: Mr. Robert Bullock



Re: OFFSET OPERATOR NOTIFICATION
Administrative Application of
H.L. Brown, Jr. for approval
of an unorthodox gas well
location for its North Feather
State Unit Well No. 2
990'FEL & 1340'FSL(Unit I)
Section 9, T15S-R32E
Lea County, New Mexico

Dear Mr. Bullock:

H.L. Brown, Jr. plans to drill its North Feather State Unit Well No. 2 at a location 990'FEL and 1340'FSL of Section 9, T15S,R32E, NMPM, to be dedicated to a 320- acre gas spacing unit consisting of the S/2 of Section 9. This location is unorthodox and therefore we have applied to the New Mexico Oil Conservation Division for an exception.

Our information is that Yates Petroleum Corporation is an offset operator. If you have no objection to this unorthodox gas well location, please signify your approval by

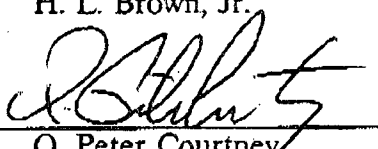
Yates Petroleum Corporation
September 16, 1996
Page 2

signing one copy of this letter in the space provided below and returning it to me. Any objection must be filed in writing with the New Mexico Oil Conservation Division Santa Fe within twenty (20) days of the date of this notice.

Yours very truly,

H. L. Brown, Jr.

By:


Q. Peter Courtney
Land Manager

QPC/sp

THE UNDERSIGNED HEREBY WAIVES OBJECTION TO THIS APPLICATION.

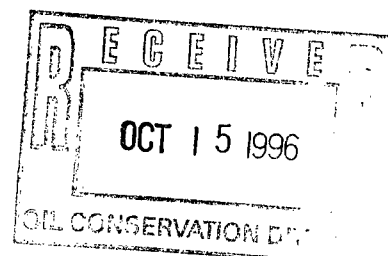
Company: YATES PETROLEUM CORPORATION

By:

Title:

Date:

10-9-96



OCT 08 '96 08:08AM ENERGY DEV. CORP.
10-04-1996 9:52AM FROM HL BROWN JR 9156839814

P. 2

P. 2

H. L. BROWN, JR.
POST OFFICE BOX 2237
MIDLAND, TEXAS 79702-2237

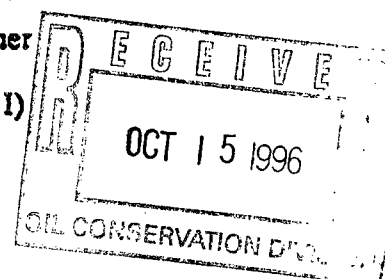
September 16, 1996

CERTIFIED MAIL RETURN RECEIPT P 389 552 663

Energy Development Corporation
1000 Louisiana, Suite 2900
Houston, Texas 77002

Attention: Mr. Tom Dopler

Re: OFFSET OPERATOR NOTIFICATION
Administrative Application of
H.L. Brown, Jr. for approval
of an unorthodox gas well
location for its North Feather
State Unit Well No. 2
990'FEL & 1340'FSL (Unit 1)
Section 9, T15S-R32E
Lea County, New Mexico



Gentlemen:

H.L. Brown, Jr. plans to drill its North Feather State Unit Well No. 2 at a location 990'FEL and 1340'FSL of Section 9, T15S,R32E, NMPM, to be dedicated to a 320- acre gas spacing unit consisting of the S/2 of Section 9. This location is unorthodox and therefore we have applied to the New Mexico Oil Conservation Division for an exception.

Our information is that Energy Development Corporation is an offset operator. If you have no objection to this unorthodox gas well location, please signify your approval by signing one copy of this letter in the space provided below and returning it to me. Any objection must be filed in writing with the New Mexico Oil Conservation Division Santa Fe

OCT 08 '96 08:08AM ENERGY DEV. CORP.

P.3

10-04-1996 9:52AM FROM HL BROWN JR 9156839814

P.3

Energy Development Corporation
September 16, 1996
Page 2

objection must be filed in writing with the New Mexico Oil Conservation Division Santa Fe within twenty (20) days of the date of this notice.

Yours very truly,

H. L. Brown, Jr.

By:


Q. Peter Courtney
Land Manager

QPC/sp

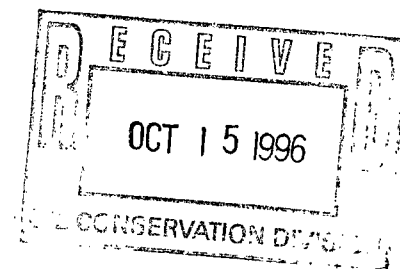
THE UNDERSIGNED HEREBY WAIVES OBJECTION TO THIS APPLICATION.

Company: Energy Development Corporation

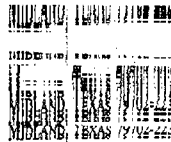
By: David P. Whitman

Title: Division Landman

Date: October 4, 1996



H. L. BROWN, JR.
POST OFFICE BOX 2237
MIDLAND, TEXAS 79702-2237



September 16, 1996

SEPTEMBER 16 1996

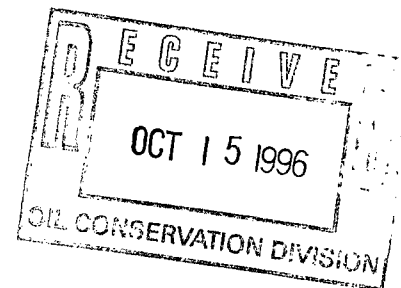
September 16, 1996

CERTIFIED MAIL RETURN RECEIPT P 389 552 664

Samedan Oil Company
12600 Northborough, Suite 250
Houston, Texas 77067

Attention: Mr. Gary Whitman

Re: OFFSET OPERATOR NOTIFICATION
Administrative Application of
H.L. Brown, Jr. for approval
of an unorthodox gas well
location for its North Feather
State Unit Well No. 2
990°FEL & 1340°FSL(Unit 1)
Section 9, T15S-R32E
Lea County, New Mexico



Gentlemen:

H.L. Brown, Jr. plans to drill its North Feather State Unit Well No. 2 at a location 990°FEL and 1340°FSL of Section 9, T15S, R32E, NMPM, to be dedicated to a 320-acre gas spacing unit consisting of the S/2 of Section 9. This location is unorthodox and therefore we have applied to the New Mexico Oil Conservation Division for an exception.

Our information is that Energy Development Corporation is an offset operator. If you have no objection to this unorthodox gas well location, please signify your approval by signing one copy of this letter in the space provided below and returning it to me. Any

Samedan Oil Company
September 16, 1996
Page 2

be filed in writing with the New Mexico Oil Conservation Division Santa Fe within twenty (20) days of the date of this notice.

Yours very truly,

H. L. Brown, Jr.

By: *[Signature]*

Q. Peter Courtney
Land Manager

QPC/sp

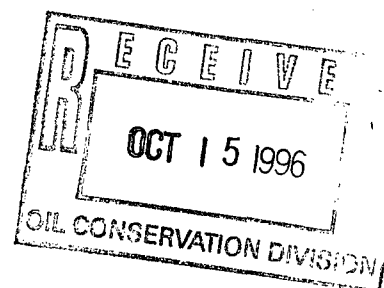
THE UNDERSIGNED HEREBY WAIVES OBJECTION TO THIS APPLICATION.

Company: *Samedan Oil Corp.*

By: *[Signature]*

Title: *Division Landman*

Date: *10/1/96*



SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.

H. L. Brown Jr.
October 20, 1996

3. Article Addressed to:
Yates Petroleum Corp.
105 S. Fourth Street
Artesia, New Mexico 88210

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

4a. Article Number
P 332 411 374

4b. Service Type
☐ Registered
☐ Express Mail
☐ Return Receipt for Merchandise
☐ Certified
☐ Insured
☐ COD

7. Date of Delivery
OCT 2 1996

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

5. Received By: (Print Name)
JOANN GRIGGS
6. Signature: (Addressee or Agent)
Joann Griggs
PS Form 3811, December 1994

Domestic Return Receipt

SENDER:

Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
H. L. Brown Jr.
October 20, 1996
I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:

Samedan Oil Company
12600 Northborough
Suite 250
Houston, Texas 77067

Attn: Gary Whitman

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

P 332 411 374

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for international Mail (See reverse)

Yates Petroleum Corp.
105 S. Fourth Street
Artesia, New Mexico 88210

| | |
|---|----|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom, Date, & Addressee's Address | |
| TOTAL Postage & Fees | \$ |
| Postmark or Date | |

H. L. Brown Jr.
October 20, 1996

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for international Mail (See reverse)
9661 '02 Japoto
JR. Brown T. H.

52E TTH ZEE D

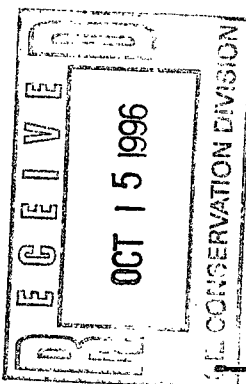
US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for international Mail (See reverse)
H. L. Brown Jr.
October 20, 1996

| | |
|---|----|
| Certified Fee | |
| Special Delivery Fee | |
| Restricted Delivery Fee | |
| Return Receipt Showing to Whom & Date Delivered | |
| Return Receipt Showing to Whom, Date, & Addressee's Address | |
| TOTAL Postage & Fees | \$ |

Samedan Oil Company
12600 Northborough
Suite 250
Houston, Texas 77067
Attn: Gary Whitman

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for international Mail (See reverse)

P 288 262 060



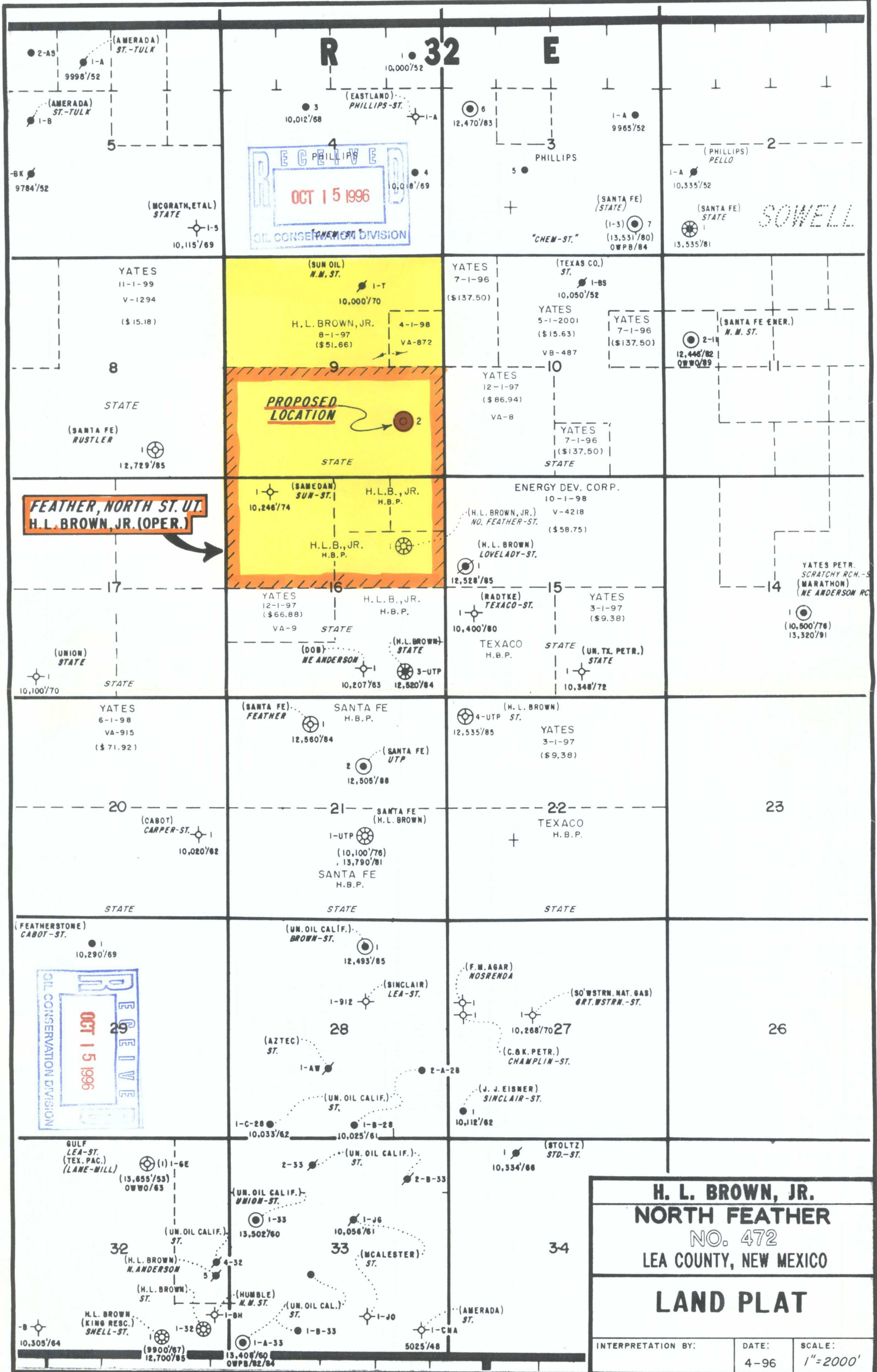
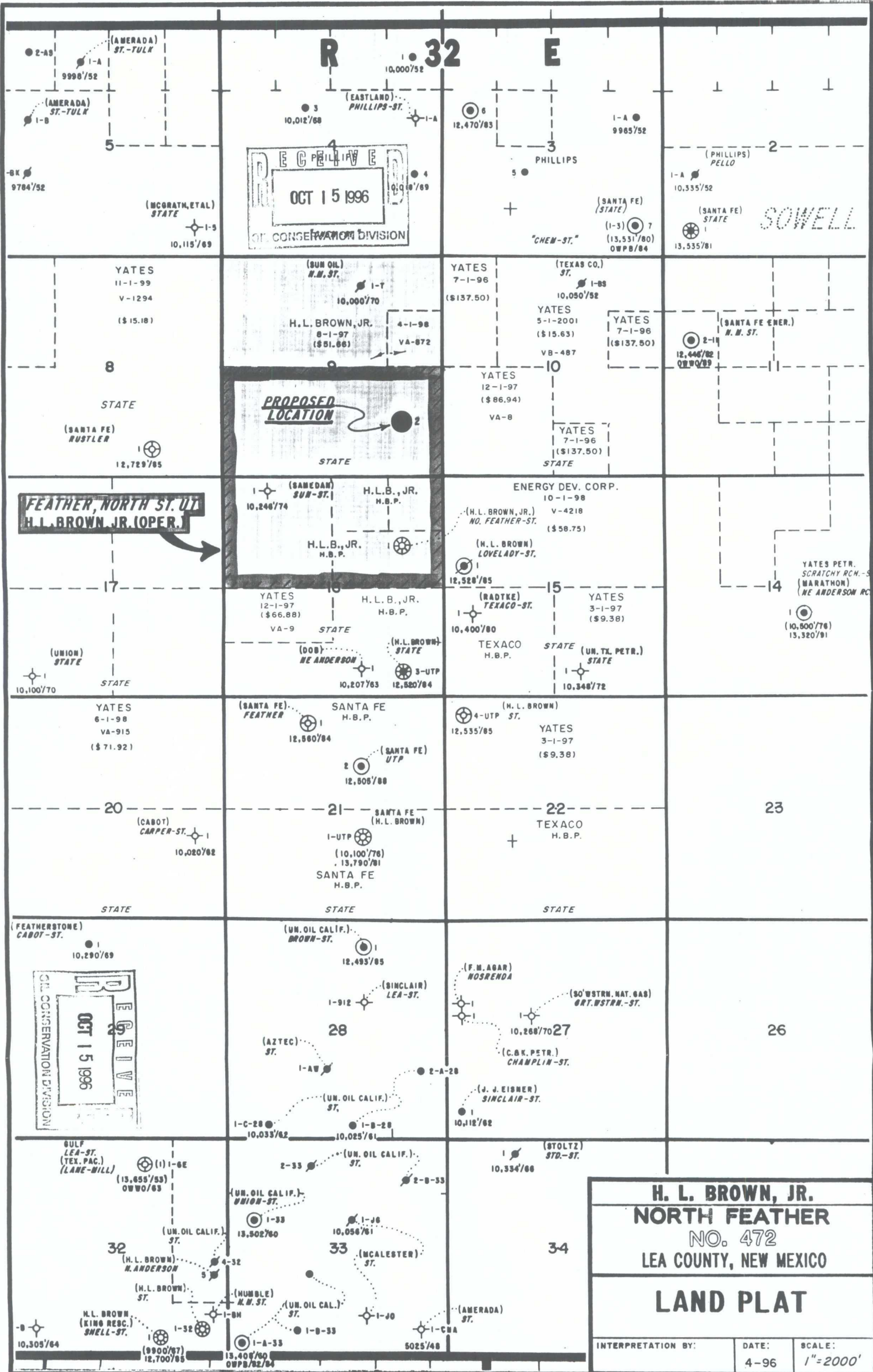
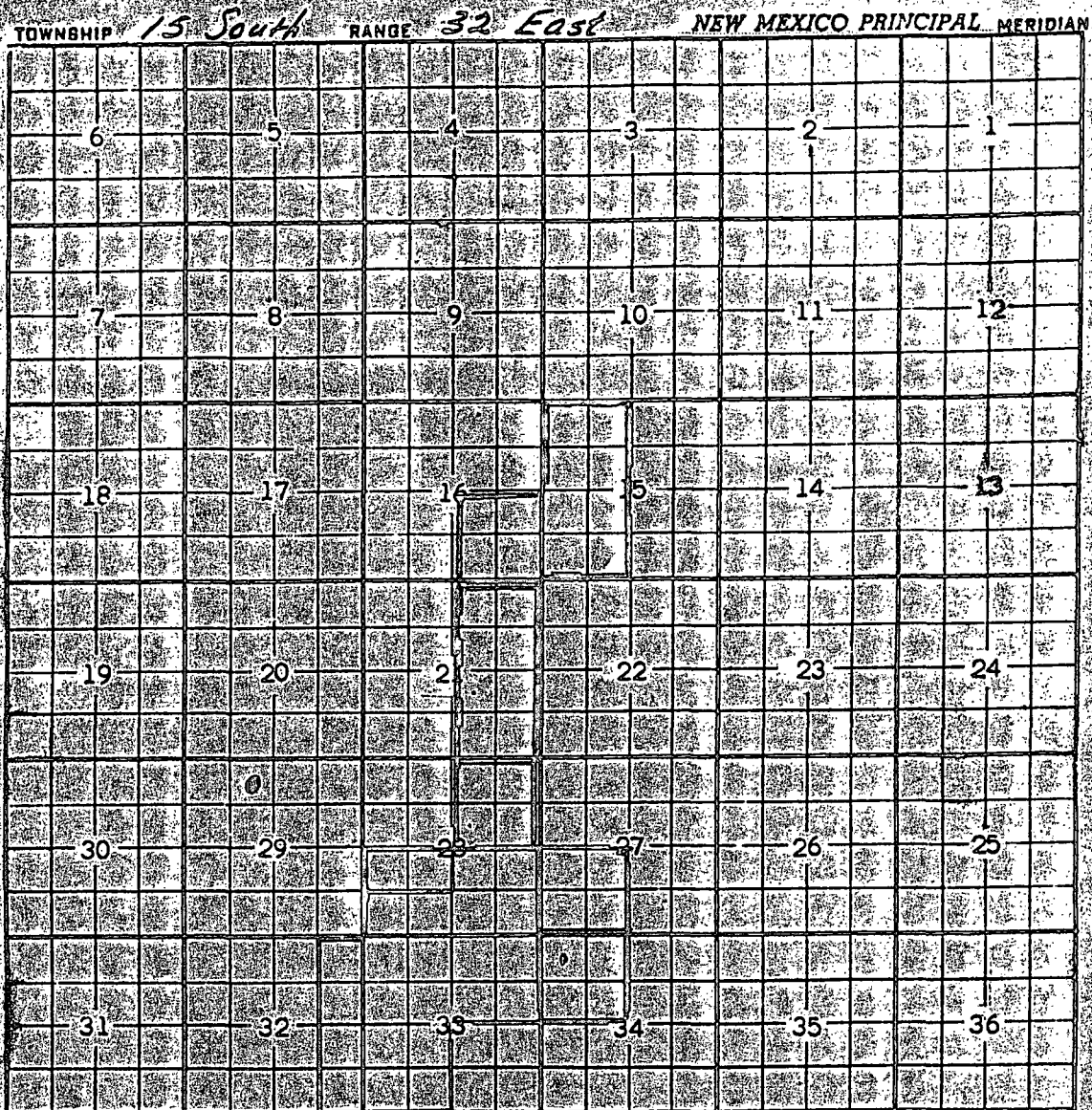


FIGURE 1



County Lea Pool North Anderson Ranch - Wolfcamp



Description: $\frac{1}{2}$ SW $\frac{1}{4}$ & SE $\frac{1}{4}$ Sec. 28, $\frac{1}{2}$ $\frac{1}{4}$ Sec. 32, $\frac{1}{2}$ NE $\frac{1}{4}$ Sec. 33 (R-2212)

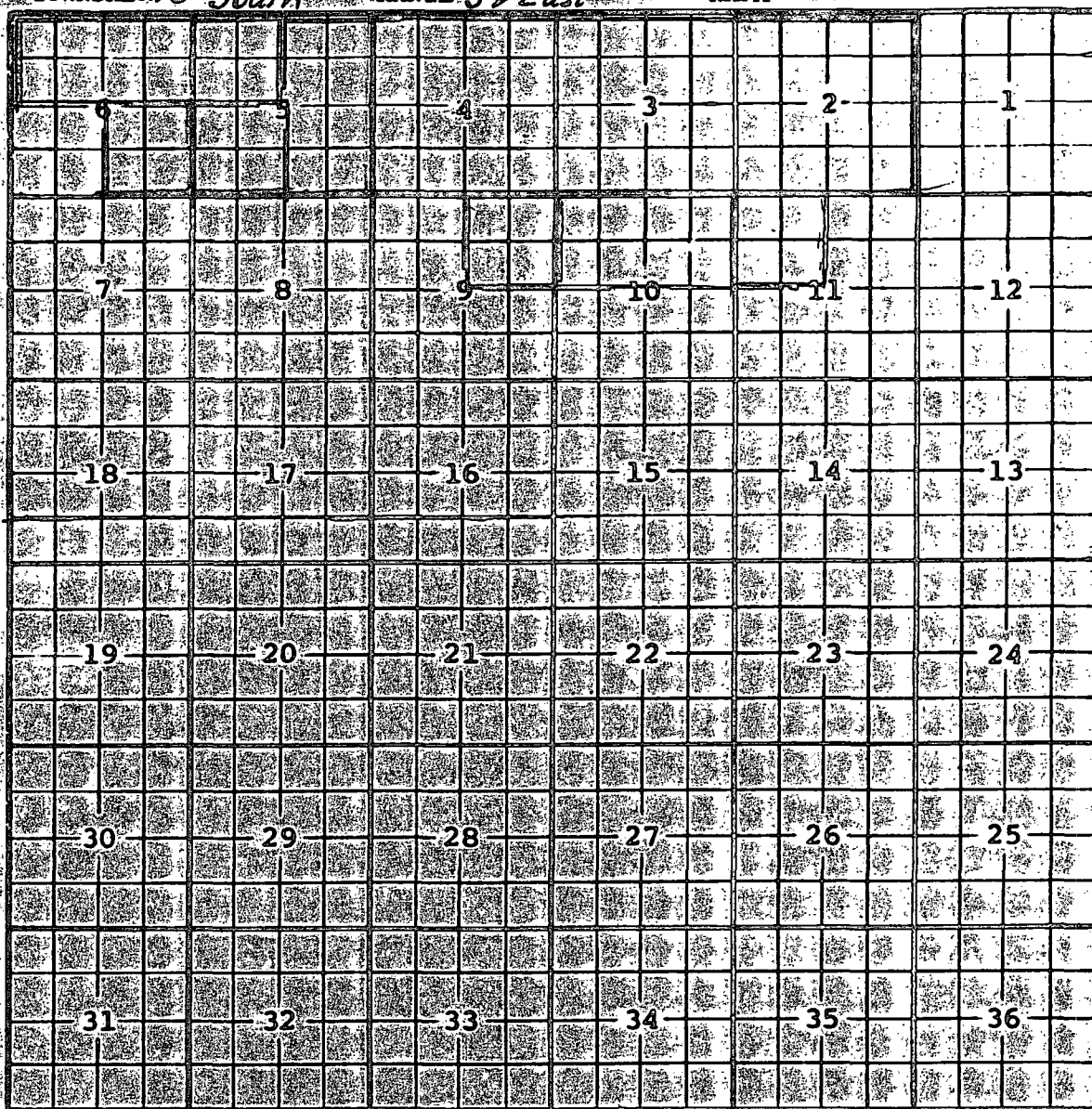
Ext: $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 28 (R-2266, 7-1-62) - $\frac{1}{4}$ Sec. 27 (R-2410, 2-1-63)

NW $\frac{1}{4}$ Sec. 34 (R-3218, 5-1-67) Ext: NE $\frac{1}{4}$ Sec. 28 (R-8024, 8-30-85)

Ext: $\frac{1}{2}$ Sec. 21 (R-8696, 7-24-88) Ext: $\frac{1}{2}$ Sec. 15, SE $\frac{1}{4}$ Sec. 16 (R-9723, 9-25-92)

COUNTY LeaPOOL Tulk - WolfcampTOWNSHIP 15 SouthRANGE 32 East

NMPM



Description: $\frac{NW}{4}$ Sec. 5; $\frac{N}{2}$ Sec. 6 (R-113, 11-20-51.)

Ext. All Sec. 2, 3, 4, $\frac{E}{2}$ Sec. 5 (R-197, 10-20-52) - $\frac{SE}{4}$ Sec. 6; $\frac{SW}{4}$ Sec. 5 (R-236, 10-24-52)

- $\frac{N}{2}$ Sec. 10 (R-286, 3-10-53) - $\frac{NE}{4}$ Sec. 9 (R-396, 6-1-70) EXT. NW $\frac{1}{4}$ Sec. 11 (R-974, 9-1-89)

County Lea Pool North Feather-Morrow Gas

TOWNSHIP 15 South Range 32 East NMPM

A 36x36 grid with numbers 1-36 on the top and left edges. A 4x4 square is highlighted in the center, spanning rows 17-20 and columns 16-19. The grid is filled with a dense, noisy pattern.

Description: $\frac{N}{2}$ sec. 15 (R-10091, 3-28-94)

(HENSHAW-WOLFCAMP POOL—Cont'd.)

proportional factor of 4.00 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

(3) That operators who propose to dedicate 80 acres to a well in the Henshaw-Wolfcamp Pool must file an amended Commission Form C-128 with the Artesia District Office of the Commission by February 15, 1962, in order that the well may be assigned an 80-acre allowable on the March proration schedule.

(4) That this case be reopened at an examiner hearing in February, 1963, at which time the operators in the subject pool shall appear and show cause why the Henshaw-Wolfcamp Pool should not be developed on 40-acre proration units.

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

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

JUSTIS-BLINEBRY POOL
(Vertical Limits)
Lea County, New Mexico

Order No. R-1984, Establishing the Vertical Limits of the Justis-Blinebry Pool, Lea County, New Mexico, June 8, 1961.

Application of the Oil Conservation Commission on its own motion to determine the vertical limits of the Justis-Blinebry Pool, Lea County, New Mexico.

CASE NO. 2277
Order No. R-1984

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on May 17, 1961, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 8th day of June, 1961, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-1248, dated September 29, 1958, the Justis-Blinebry Pool was created for oil production from the Blinebry formation.

(3) That inasmuch as some operators in the Justis-Blinebry Pool recognize one point as the top of the Blinebry formation and other operators recognize another point as the top, the Commission should establish the vertical limits of said pool.

(4) That at a depth of 4980 feet on the electrical log (-1899 feet subsea) of Amerada Petroleum Corporation's Ida Wimberley Well No. 4, located in the E/2 SW/4 SW/4 of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, there exists a significant change in lithology which affords a reasonable geologic basis for establishing that point as the top of the Justis-Blinebry Pool in said well.

(5) That the change of lithology referred to in Finding No. 4 above is a correlative point throughout the Justis-Blinebry Pool.

(6) That the evidence adduced at the hearing of this case proved by a preponderance of the evidence that the top of the Justis-Blinebry Pool should be established at a depth of -1899 feet subsea and that the base of said pool should be established at a depth of -2542 feet subsea as those depths relate to the formations in the above-described Ida Wimberley Well No. 4.

(7) That a majority of the operators in the Justis-Blinebry Pool have drilled and completed wells in said pool in recognition of the vertical limits thereof as defined in Finding No. 6 above.

(8) That inasmuch as the upper and lower perforations in the Amerada Petroleum Corporation's Ida Wimberley Well No. 13, located in the SW/4 SW/4 SW/4 of said Section 24, lie within the vertical limits of the Justis-Blinebry Pool as described in Finding No. 6 above, each zone of said well should be granted an allowable for a period not to exceed 18 months from the date an allowable was initially granted.

IT IS THEREFORE ORDERED:

(1) That the vertical limits of the Justis-Blinebry Pool are hereby established at a depth of -1899 feet subsea and -2542 feet subsea as the top and base of the pool, respectively, as those depths relate to the formations in Amerada Petroleum Corporation's Ida Wimberley Well No. 4, located in the E/2 SW/4 SW/4 of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That both zones of the Ida Wimberley Well No. 13, located in the SW/4 SW/4 SW/4 of said Section 24, are hereby granted an allowable until September 22, 1962, after which date said well shall be allowed to produce only a single allowable from the Justis-Blinebry Pool.

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

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

NORTH ANDERSON RANCH-WOLFCAMP POOL
Lea County, New Mexico

Order No. R-2212, Creating and Adopting Operating Rules for the North Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico, May 1, 1962.

Application of Union Oil Company of California for an order creating a new oil pool, establishing special rules and regulations for said pool, and contracting the Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico.

CASE NO. 2507
Order No. R-2212

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on March 28, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th day of April, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(NORTH ANDERSON RANCH-WOLFCAMP POOL—Cont'd.)

(2) That the applicant, Union Oil Company of California, seeks the creation of the North Anderson Ranch-Wolfcamp Pool comprising acreage in Sections 28, 32 and 33, Township 15 South, Range 32 East, and Section 2, Township 16 South, Range 32 East, all in Lea County, New Mexico, and the establishment of Special Rules and Regulations for said pool, including a provision establishing 80-acre proration units therein.

(3) That the applicant further seeks the contraction of the Anderson Ranch-Wolfcamp Pool by the deletion of certain portions of the above-described sections.

(4) That the evidence indicates that the proposed North Anderson Ranch-Wolfcamp Pool and the Anderson Ranch-Wolfcamp Pool are two separate and distinct reservoirs which are separated by an impermeable zone.

(5) That the evidence indicates that one well in the North Anderson Ranch-Wolfcamp Pool will efficiently and economically drain in excess of 80 acres.

(6) That 80-acre proration units should be established in said pool with an 80-acre proportional factor of 4.77.

IT IS FURTHER ORDERED:

(1) That the North Anderson Ranch-Wolfcamp Pool, consisting of the following-described acreage, is hereby created:

NEW MEXICO PRINCIPAL MERIDIAN**TOWNSHIP 15 SOUTH, RANGE 32 EAST**

Section 28: S/2 SW/4, SE/4

Section 32: E/2 E/2

Section 33: W/2, NE/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST

Section 2: Lots 1, 2, 7 and 8

(2) That the Anderson Ranch-Wolfcamp Pool is hereby contracted by the deletion of the following-described acreage:

NEW MEXICO PRINCIPAL MERIDIAN**TOWNSHIP 15 SOUTH, RANGE 32 EAST**

Section 28: S/2 SW/4, SE/4

Section 32: E/2 E/4

Section 33: W/2, NE/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST

Section 2: Lots 1, 2, 7 and 8

(3) That Special Rules and Regulations for the North Anderson Ranch-Wolfcamp Pool are hereby promulgated as follows, effective May 1, 1962:

**SPECIAL RULES AND REGULATIONS
FOR THE****NORTH ANDERSON RANCH-WOLFCAMP POOL**

RULE 1. Each well completed or recompleted in the North Anderson Ranch-Wolfcamp Pool or in the Wolfcamp formation within one mile of said pool, and not nearer to nor within the limits of another designated Wolfcamp Pool, shall be spaced, drilled, operated and prorated in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the North Anderson Ranch-Wolfcamp Pool shall be located in a unit containing 80 acres, more or less, which unit shall contain two governmental quarter-quarter sections, or lots, joined by a common bordering side; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The allowable for all wells in the North Anderson Ranch-Wolfcamp Pool shall be determined by applying the following formula:

$$\text{Allowable for the unit} = \left\{ \begin{array}{l} \text{Normal unit} \\ \text{Allowable} \end{array} \times \begin{array}{l} 40\text{-acre proportional} \\ \text{factor (3.77)} \end{array} \right\} + \left\{ \begin{array}{l} \text{Normal unit} \\ \text{Allowable} \end{array} \times \frac{\text{No. of acres in unit} - 40}{40} \right\}$$

RULE 4. The initial well on any 80-acre unit in said pool shall be located on either the NE/4 or the SW/4 of a govern-

mental quarter section, such well to be located no closer than 330 feet to the boundary lines of the quarter-quarter section in which the well is located, except, however, that all wells located south of the common line formed by Townships 15 and 16 South shall be located on either the NW/4 or the SE/4 of a governmental quarter section. Any well drilled in the subject pool prior to the date of this order is hereby granted an exception to the well location requirements of this order.

RULE 5. For good cause shown, the Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing where the application is for a non-standard unit comprising a single quarter-quarter section or lot. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director of the Commission may approve the application if, after a period of 30 days, no offset operator has entered an objection to the formation of such non-standard unit.

The allowable assigned to any such non-standard unit shall bear the same ratio to a standard allowable in the North Anderson Ranch-Wolfcamp Pool as the acreage in such non-standard unit bears to 80 acres.

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

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

**SOUTH LANE-PENNSYLVANIAN POOL
Lea County, New Mexico**

Order No. R-2253, Creating and Adopting Temporary Operating Rules for the South Lane-Pennsylvanian Pool, Lea County, New Mexico, July 1, 1962, Made Permanent by Order No. R-2253-A, June 17, 1963.

Application of T. F. Hodge for the creation of a new oil pool and for the establishment of temporary rules, Lea County, New Mexico.

CASE NO. 2554
Order No. R-2253

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on May 10, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of June, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That a new oil pool for Pennsylvanian production should be created and designated the South Lane-Pennsylvanian Pool. This pool was discovered March 26, 1962, by the T. F. Hodge Humble-State Well No. 1, located in Unit M of Section 26, Township 10 South, Range 33 East, NMPM, Lea County, New Mexico. The top of the perforations is at 9667 feet.

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

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PAGE NO: 1

Sec : 09 Twp : 15S Rng : 32E Section Type : NORMAL

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| E 40.00 CS VA0671 08/97 H L BROWN JR | F 40.00 CS VA0671 08/97 H L BROWN JR | G 40.00 CS VA0671 08/97 H L BROWN JR | H 40.00 CS VA0872 04/98 H L BROWN JR |

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ONGARD
INQUIRE LAND BY SECTION

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Sec : 09 Twp : 15S Rng : 32E Section Type : NORMAL

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STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

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

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

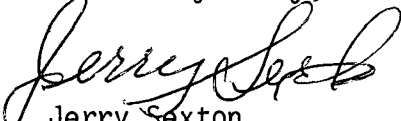
I have examined the application for the:

H. L. BROWN NORTH FEATHER STATE 2-I 9-15-32
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed

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