

Jones, William V., EMNRD

From: Kautz, Paul, EMNRD
Sent: Wednesday, July 06, 2011 12:44 PM
To: Jones, William V., EMNRD
Cc: jamesbruc@aol.com; Brooks, David K., EMNRD
Subject: RE: Case 14609 Bone Spring (Avalon) Pool Creation and Special Rules Section's 10 and 11 or T26S R31E Eddy County

Will

- 1) The correct pool code to use for this new pool is 97860 it was created for this new pool. The 96403 is a generic not for the use of reporting any production.
- 2) I am creating the Jennings; Bone Spring pool approximately 3 miles east of this pool so a good name for Devon's new pool would be the West Jennings; Bone Spring Pool. If it's ok with everybody. Also I would recommend not to use the name Ross Draw; Bone Spring because we already have a Ross Draw; Bone Spring (Gas) Pool approximately 7 -8 miles to the southwest of this new pool and it is too far away from the main cluster of Ross Draw pools.
- 3) The Vertical limits should be the entire Bone Spring Formation
- 4) When calculating the discovery allowable, remember it is based on distance from ground level to the TVD of uppermost production. Therefore you need to subtract the KB height above ground level before calculating the discovery allowable.

Paul Kautz

From: Jones, William V., EMNRD
Sent: Wednesday, July 06, 2011 11:21 AM
To: Kautz, Paul, EMNRD
Cc: jamesbruc@aol.com; Brooks, David K., EMNRD
Subject: Case 14609 Bone Spring (Avalon) Pool Creation and Special Rules Section's 10 and 11 or T26S R31E Eddy County

Hello Paul:

Devon presented form C-109 and this case in March to create a Bone Spring oil Pool and give it a discovery allowable and "Temporary" Special Rules specifying a higher GOR allowable.

The application included a request for Section 10, then at the hearing Section 11 was also included. They have drilled horizontal wells in each of those sections in the "Avalon" (well in Section 11 is still showing as "N" for completion status) I see that the Wildcat pool here has Pool numbers 97860 and 96403 (one for each well).

I attached a query to pick up all "completions" as they stand in RBDMS covering the 12 sections (in and surrounding) target Sections 10 and 11.

The two wells in the new pool are shown in Red.

My questions:

- a. They are proposing the names Southeast Big Sinks; Bone Spring or alternately the Ross Ranch; Bone Spring for this Pool, or what would you like it to be?
- b. What Pool number should we use – so I can put it in the hearing order?
- c. Are you OK with all of Sections 10 and 11 or would you like additional or different acreages to be assigned to this new Bone Spring pool?
- d. Should the vertical limits include all of the Bone Spring as Devon proposed in the hearing, or just the Avalon? Do you have defined top and bottom depths in the discovery well - I believe it is the well in Section 10?
- e. Any requests as to the discovery allowable part of this?