

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF AMERADA
 PETROLEUM CORPORATION FOR AN ORDER AMENDING
 EXISTING ORDERS, FOR PROMULGATING RULES AND
 REGULATIONS RELATING TO GAS POOL DELINEATION,
 GAS PRORATION, AND OTHER RELATED MATTERS AFFECTING THE POOL OR POOLS UNDERLYING THE S/2, S/2
 N/2 Sec. 33; S/2, NW/4, NE/4 Sec. 34; SW/4 Sec.
 35-11S-33E; N/2, N/2 SE/4 Sec. 4; N/2, N/2 SW/4,
 SE/4 SW/4, SE/4 Sec. 3; NW/4, W/2 SW/4 Sec. 2;
 NE/4 Sec. 10; W/2 NW/4 Sec. 11-12S-33E; All in
 Lea County, New Mexico.

CAUSE NO. 1220APPLICATION

Comes now, Amerada Petroleum Corporation, Tulsa, Oklahoma, and alleges and states:

1. That Applicant has drilled and dually completed the J.T.Caudle Well #7, located in the center of the NE/4 NW/4 Sec. 3-12S-33E, Lea County, New Mexico, and tested gas in paying quantities in two separate sources of supply, the first in what is commonly known as the 9800 foot Pennsylvanian zone with the top encountered at 9756 feet and the base at 9925 feet; and in the 8600 foot zone, called the Permo-Penn, the top of which is at 8589 feet and the base at 8645 feet.

2. That other wells in this area, as shown on the attached plat, are completed and producing from the two separate sources referred to above, said wells including:

- (a) Shell-Amerada State Well A-1, located in SE/4 SE/4 Sec. 33-11S-33E, completed in and producing from the 9800 foot zone on an 160-acre unit comprising the SE/4 of Sec. 33;
- (b) The Texas Pacific Coal & Oil Company Well #C-1, located in the NE/4 NE/4 Sec. 4-12S-33E, completed in the 9800 foot zone, capable of producing in paying quantities, and believed to be on an 160-acre unit comprising the NE/4 of Sec. 4;
- (c) The Amerada-Mathers #2 Well, located in SE/4 SE/4 Sec. 3-12S-33E, classified as an oil well but now producing gas and distillate from the 8600 foot Permo-Penn zone.

3. That Applicant has knowledge that other wells located in this area and completed in the Devonian encountered one or both of the reservoirs referred to herein.

4. That the 9800 foot Pennsylvanian zone underlies all or a substantial portion of the S/2, S/2 N/2 Sec. 33; S/2, S/2 NW/4, NE/4 Sec. 34; SW/4 Sec. 35-11S-33E; and N/2 NW/4, SE/4 NW/4, NE/4, N/2 SE/4 Sec. 4; N/2, N/2 SW/4, SE/4 SW/4, SE/4 Sec. 3; NW/4, W/2 SW/4 Sec. 2-12S-33 E, Lea County, New Mexico.

5. That the 8600 foot Permo-Penn zone underlies all or a substantial portion of the SW/4 SW/4, E/2 SW/4, SE/4, SE/4 NE/4 Sec. 33; S/2, S/2 N/2 Sec. 34; in 11S-33E; and the N/2, N/2 SE/4 Sec. 4; N/2, N/2 SW/4, SE/4 Sec. 3; W/2 SW/4 Sec. 2; NE/4 Sec. 10; W/2 NW/4 Sec. 11-12S-33E, Lea County, New Mexico.

6. That one well in each of the two reservoirs may efficiently and economically drain a minimum area of 640 acres.

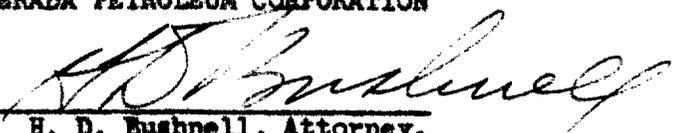
7. That in order to properly develop the two sources of supply to prevent waste and avoid the completion of unnecessary wells and to protect correlative rights of interested parties therein, it is necessary and proper for the Commission to enter its order defining the vertical and horizontal limits of each of the separate reservoirs, to allocate and prorate the gas production among the several wells in each reservoir and to enter such other special rules as the Commission may deem necessary.

WHEREFORE, Applicant respectfully requests that the Commission set this application for public hearing at the time and place to be fixed by the Commission, that due and proper notice be given as required by law, and at the conclusion of said hearing the Commission make and enter its order defining the proper productive limits of the two separate reservoirs, referred to above, and enter such other rules and regulations as the Commission deems necessary for the purposes herein stated.

DATED, this 11th day of February, 1957.

AMERADA PETROLEUM CORPORATION

By


H. D. Bushnell, Attorney.