

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

RE: APPLICATION AND PETITION OF NASH,)
WINDFOHR & BROWN FOR A RE-DETERMINATION)
OF THE SPECIFIC GAS - OIL RATIO LIMIT)
APPLICABLE TO THE JACKSON-ABO POOL IN)
EDDY COUNTY, NEW MEXICO.)

CASE NO. 2333

APPLICATION AND PETITION

COMES NOW Nash, Windfohr & Brown, a partnership, by its attorneys, Watson & Watson, Artesia, New Mexico, and petitions the Commission for a hearing and a re-determination of the specific gas - oil ratio applicable to the Jackson-Abo Pool, consisting of the S $\frac{1}{2}$ of Section 24, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and states:

1. That the applicant, Nash, Windfohr & Brown, has heretofore completed two producing wells in Section 24, Township 17 South, Range 30 East, N.M.P.M., said wells being described as the Jackson 22-B Well in the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 24, and the Jackson 23-B Well in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 24, Township 17 South, Range 30 East, N.M.P.M. That said wells are producing from the Abo Formation and were new discoveries in the area.

2. That said wells are more than one (1) mile from the outer boundary of any defined pool which has produced oil or gas from the Abo Formation, and heretofore, by Order No. R-2044 of the Commission entered the 28th day of July, 1961 in Case No. 2333, the Commission created and designated the Jackson-Abo Pool, consisting of the S $\frac{1}{2}$ of Section 24, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. That Nash, Windfohr & Brown is the lessee in all of the lands in the Jackson Abo Pool and is the operator of said wells, and there are no other lessees or operators owning or holding any oil or gas lease interests in the Jackson-Abo Pool.

3. That in the Jackson 23-B Well, the top of the pay formation was encountered at 6,920 feet, and water was encountered

at 6,997 feet. Operator perforated from 6,970 feet to 6,984 feet, being below the top of the pay zone and within 13 feet of the water. That said well was drill stem tested from 6,920 feet to 6,974 feet on a 3/4" choke and flowed 17 barrels of oil in one hour with 4,070 MCF of gas per day, or a gas - oil ratio of approximately 10,000 to 1. That at the present time, said well is producing with a gas - oil ratio of approximately 4,000 to 1.

4. That applicant states, on information and belief, that the Jackson 23-B Well is on the front side of the Abo Reef and the Jackson 22-B Well is on the back side of the Abo Reef, and there is a higher gas - oil ratio on the front side of the Abo Reef Formation in this area. That applicant will furnish at the time of the hearing a North and South cross section to demonstrate that the Jackson 23-B Well is on the front side of the Reef and the Jackson 22-B Well is on the back side of the Reef.

5. That the cost of the wells drilled by applicant in the Jackson-Abo Pool is approximately \$100,000.00 a well, and in order for applicant to recover the cost of said wells, an exception to the gas - oil ratio for said pool should be established at 4,000 cubic feet of gas per barrels of oil, which is the present gas - oil ratio in the Jackson 23-B Well. That applicant believes that applicant's present method of producing said Well is the proper method to produce the Well to obtain the maximum recovery without waste or loss. That all of the gas from said Well is being sold by applicant to Phillips Petroleum Company. That there are no other operators in the Jackson-Abo Field, and applicant states that the granting of an exception to Rule 506 to provide a gas - oil ratio limit of 4,000 cubic feet per barrel of oil will not adversely effect the rights of any other oil and gas lessee or operator.

6. That applicant desires to study the characteristics of the Abo Formation in this field, as applicant has other leased

lands in the field and in the area which applicant may desire to test if further producing of the wells establishes that other wells can be drilled to the Abo Formation and be commercial producers of oil and gas.

WHEREFORE, applicant prays that the Commission set a hearing upon notice to re-determine the specific gas - oil ratio limit applicable to the Jackson-Abo Field, which consists of the S $\frac{1}{2}$ of Section 24, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and that the gas - oil ratio limit be established at 4,000 cubic feet of gas for each barrel of oil produced, and that all necessary and proper Orders and Notices be made and issued in the premises.

NASH, WINDFOHR & BROWN, A PARTNERSHIP

by Watson & Watson

by


Attorneys for Applicant,
P. O. Drawer E,
Artesia, New Mexico.