

TWINLAKES OIL COMPANY

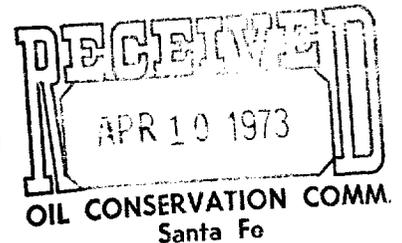
P. O. BOX 1797

SANTA FE, NEW MEXICO 87501

Donald G. Stevens
President

505 982-2893

March 20, 1973



New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Attention: Ida Rodriguez

Re: Application of Twinlakes Oil Co.
to Reinstate Pool Rules, Twin Lakes
Field, Chaves County, New Mexico

Gentlemen:

Twinlakes Oil Company hereby applies for a partial reinstatement of Order R-4102A dated February 1, 1971, providing for special rules and regulations for the Twinlakes-San Andres Pool, Chaves County, New Mexico, which provided for 40 acre spacing for oil wells, 160 spacing for gas wells, and a limiting gas-oil ratio of 4,000-1. Twinlakes seeks the same rules as set out in said order, except its seeks only the state-wide G.O.R. limitation of 2,000-1 instead of 4,000-1 limitation provided for said order.

I would appreciate your getting this application for hearing at your April 11, 1973 hearing.

Yours very truly,

A handwritten signature in cursive script that reads "Donald G. Stevens".

Donald G. Stevens
President

DGS:dmc

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

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APPLICATION OF TWINLAKES OIL COMPANY
FOR SPECIAL POOL RULES AND A NON-
STANDARD GAS PRORATION UNIT, TWIN LAKES
FIELD, SECTIONS 35 AND 36, TOWNSHIP 8
SOUTH, RANGE 28 EAST, AND SECTIONS 1
AND 2, TOWNSHIP 9 SOUTH, RANGE 28 EAST,
CHAVES COUNTY, NEW MEXICO

Case 4497

APPLICATION

Comes now Twinlakes Oil Company and applies to the Oil
Conservation Commission of the State of New Mexico as follows:

I.

It is requested that special pool rules be adopted including
provisions for 40 acre oil proration units and 160 acre gas pro-
ration units with wells to be located not closer than 330 feet
to any tract or lease boundary or quarter-quarter section line,
nor closer than 660 feet to the nearest well completed in the same
pool in the Twin Lakes Field, Chaves County, New Mexico.

II.

It is requested that a limiting gas-oil ratio of 4,000
standard cubic feet per barrel of oil be adopted.

III.

It is requested that a non-standard gas proration unit con-
sisting of the W/2 W/2 of Section 36, Township 8 South, Range 28
East, Chaves County, New Mexico be approved.

IV.

In support of this application applicant herein would show
the Commission:

1. Applicant is the operator of the W/2 Section 36, Township
8 South, Range 28 East.
2. The Twin Lakes San Andres Field is basically a gas field
with an oil rim.
3. A gas-oil ratio of 4,000 standard cubic feet per barrel

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of oil will not damage the reservoir and will enable the applicant to construct a gasoline plant and thereafter market the gas, including casing gas, a portion of which is now being flared.

4. The non-standard gas proration unit is necessary since the non-standard unit is underlain by gas and no additional acreage within the above described section is gas bearing. Such non-standard unit is necessary to protect the correlative rights and prevent waste.

5. Approval of the above application will result in the recovery of gas and oil that probably would not otherwise be recovered, will prevent waste, and correlative rights of the other owners in the area will be protected.

6. The names and addresses of all interested parties known to applicant are:

- a. Cities Service Oil Company
Vaughn Building
Midland, Texas
- b. Paul Slayton
115 East Country Club Road
Roswell, New Mexico
- c. Pearson-Sibert Oil Company of Texas
504 Vaughn Building
Midland, Texas
- d. Superior Oil Company
Box 1900
Midland, Texas
- e. Mobil Oil Corporation
Box 633
Midland, Texas

WHEREFORE, applicant prays that this matter be set for hearing before the Commission, or before the Commission's duly appointed examiner, on February 3, 1971, and that after notice and hearing as required by law, the Commission enter its order approving special pool rules, a 4,000 - 1 gas-oil ratio and the non-standard gas proration unit, above described, as prayed for.

Respectfully submitted,

TWINLAKES OIL COMPANY

By Donald J. Stevens
McDermott, Connelly & Stevens
P. O. Box 1904
Santa Fe, New Mexico 87501
Attorneys for Applicant

(2)

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

AS

CASE NO. 4497

Order No. R-4102-B

IN THE MATTER OF CASE 4497 BEING
REOPENED PURSUANT TO THE PROVISIONS
OF ORDER NO. R-4102-A WHICH ORDER
ESTABLISHED TEMPORARY SPECIAL RULES
AND REGULATIONS FOR THE TWIN LAKES-
DEVONIAN POOL, CHAVES COUNTY, NEW
MEXICO.

2-16-73

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OSM

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 14, 1973,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of February, 1973, the Commission,
a quorum being present, 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 Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That by Order No. R-4102-A, dated February 8, 1972, *the*
temporary Special Rules and Regulations ~~were~~ promulgated for
the Twin Lakes-Devonian Pool, Chaves County, New Mexico,
establishing the gas-liquid ratio of 4000 to one and establishing
80-acre spacing units for a period of one year, *were extended*
for an additional period of one year.

*by Order No. R 4102, dated
February
10, 1971,*

WFC

(3) That pursuant to the provisions of Order No. R-4102-A, this case was reopened to allow the operators in the subject pool to appear and show cause why the Twin Lakes-Devonian Pool gas-liquid ratio of 4000 to one should not be reduced and why ~~the special rules and regulations should not~~ the Twin Lakes-Devonian Pool should not be developed on 40-acre spacing units.

(4) That no operator in the subject pool appeared to show cause why the Twin Lakes-Devonian Pool should not be developed on 40-acre spacing units.

(5) That it is not known at this time whether additional wells will be completed in the subject pool.

(6) That the operators in the subject pool have not established that one well can efficiently and economically drain and develop 80 acres.

(7) That ~~no necessity exists for the continuation of~~ the Special Rules and Regulations promulgated by Order No. R-4102 ~~and extended by Order No R-4102-A~~ and ~~that said rules should therefore~~ be abolished.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Twin Lakes-Devonian Pool, Chaves County, New Mexico, promulgated ~~by Order No R-4102 and extended~~ by Order No. R-4102-A, are hereby abolished.

(2) 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.