BENSON-MONTIN-GREER DRILLING CORP.
EXHIBITS IN CASE NO. 8950
BEFORE THE OIL CONSERVATION DIVISION OF THE
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

AUGUST 7, 1986

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
Case No. 8950 Exhibit No. 1
Submitted by BENSON-MONTIN-GREER
Hearing Date 8-7-86

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BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF BENSON-MONTIN-GREER DRILLING CORP. FOR AMENDMENT TO THE SPECIAL RULES AND REGULATIONS OF THE WEST PUERTO CHIQUITO-MANCOS OIL POOL AS PROMULGATED BY DIVISION ORDER R-3401, AND TO ESTABLISH TEMPORARY SPECIAL PRODUCTION ALLOWABLE LIMITATIONS AND GAS-OIL RATIO LIMITATIONS, RIO ARRIBA COUNTY, NEW MEXICO.

Case 8950

APPLICATION

Comes now, BENSON-MONTIN-GREER DRILLING CORP., by and through its undersigned attorneys, and hereby applies to the New Mexico Oil Conservation Division for the establishment of a Temporary Gas-Oil Ratio limitation of not more than 1000 cubic feet of gas for each barrel of oil produced and an allowable of not more than 400 barrels of oil per day per 640-acre spacing and proration unit for the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico, OR IN THE ALTERNATIVE, a similar production limitation formula that will preserve reservoir energy and prevent waste, and in support thereof would show:

1. Applicant is the operator of the Canada Ojitos Unit from which oil is produced from the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico.

2. At the request of the applicant, the Oil Conservation Division entered Division Order R-3401 creating and adopting Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool (BMG West Puerto Chiquito-Mancos Pressure Maintenance

Project), Rio Arriba County, New Mexico.

3. Currently available geologic and engineering data demonstrates that the statewide GOR and allowables applied to the West Puerto Chiquito-Mancos Oil Pool are resulting in the inefficient use of the reservoir energy and are causing waste to occur.

4. That the reservoir characteristics of the subject pool justify the establishment of a temporary gas-oil limitation of 1,000 cubic feet of gas per barrel of oil and a production limitation on allowables of not more than 400 barrels of oil per day per 640-acre spacing unit.

5. That applicant believes that a gas-oil ratio of not more than 1,000 and a daily allowable of not more than 400 barrels a day per well is necessary in order to prevent waste, increase ultimate oil recovery, and to preservr reservoir energy.

6. That in order to prevent waste and protect correlative rights immediate action needs to be taken to reduce the GOR and the production rates on pool wells for a period of not less than 90 days.

WHEREFORE, applicant requests that the Division set this matter for hearing and that after notice and hearing the Division establish a temporary special 1,000 to 1 GOR and a maximum allowable of 400 barrels of oil per day per 640-acre spacing unit, for the West Puerto Chiquito-Mancos Oil Pool, OR IN THE ALTERNATIVE, a similar production limitation formula that will preserve reservoir energy and prevent waste.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By _____
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ATTORNEYS FOR BENSON-MONTIN-GREER DRILLING CORP.

R 5 W R 4 W R 3 W R 2 W R 1 W R 1 E R 2 E R 3 E

PLAT OF PORTION OF SAN JUAN BASIN SHOWING POOLS ESTABLISHED BY NMOCD WITH PRODUCTION FROM MANCOS FORMATION

T 28 N

T 27 N

T 26 N

T 25 N

T 24 N

SPACING – * ACRES/WELL
DENSITY – ** ACRES/WELL

* AS SET BY OCD RULES
** ACTUAL DRILLED DENSITY AS OF 1-1-83

BOULDER MANCOS
SPACING - 80
DENSITY ±80

WILD HORSE GALLUP

PUERTO CHIQUITO MANCOS, WEST
SPACING- 640
DENSITY- ±2500

EPCMU

PUERTO CHIQUITO MANCOS, EAST
SPACING – 160
DENSITY – ±160

OJITO GALLUP - DAKOTA
SPACING- 40
DENSITY- ±160

NWPL APP.

LINDRITH GALLUP - DAKOTA, WEST
SPACING- 160
DENSITY- ± 160

CAÑADA OJITOS UNIT
SPACING – 640
DENSITY – ±2500

Mc HUGH APP.

File 56A

October, 1983

R 5 W R 4 W R 3 W R 2 W R 1 W R 1 E R 2 E R 3 E

PLAT OF PORTION OF SAN JUAN BASIN SHOWING POOLS ESTABLISHED BY NMOCD WITH PRODUCTION FROM MANCOS FORMATION

T 28 N

T 27 N

T 26 N

T 25 N

T 24 N

BOULDER MANCOS

$\Delta P/P$: 2500-4000
INT : —
RECOMB: (1)

PUERTO CHIQUITO MANCOS, WEST

EPCMU

WILD HORSE GALLUP

OJITO GALLUP - DAKOTA

NWPL APP.

PUERTO CHIQUITO MANCOS, EAST

LINDRITH GALLUP - DAKOTA, WEST

$\Delta P/P$: —
INT : —
RECOMB.: 2500-4000

CAÑADA OJITOS UNIT

$\Delta P/P$: 1500-3000
INT. : 2000-3000
RECOMB: (2)

Mc HUGH APP.

NOTES:

(1) Gas Not Sold & Metered Reported GOR's May Not Be Sufficienty Accurate.

(2) N.A. Gas Injection Project

Reservoir Per Acre Volume Of Effective Hydrocarbon Pore Space Determined By:

$\frac{\Delta P/P}{AREA}$ Comparison Of Production/Pressure Coefficients At Different Fractions Of Undersaturated Oil.

INT. TEST By Direct Calculation Of Interference Test Data.

RECOMB. By Recombination To Initial Reservoir Conditions Of Estimated Ultimate Recovery Of Gas And Oil.

File 56A

October, 1983