HINKLE, COX, EATON, COFFIELD & HENSLEY LEWIS C COX PAUL W EATON CONRAD E COFFIELD GREGORY J. NIBERT HAROLD L HENSLEY, JR STUART D SHANOR ERIC D LANPHERE C D MARTIN PAUL J KELLY, JR MARSHALL GMARTIN MARSHALL GMARTIN DUGLAS L LUNSFORD JOHN J KELLY T CALDER EZZELL, JR WILLIAM B BURFORD WILLIAM B BURFORD ATTORNEYS AT LAW 700 UNITED BANK PLAZA 218 MONTEZUMA POST OFFICE BOX 10 ROSWELL, NEW MEXICO 88202 POST OFFICE BOX 2068 (505) 622-6510 KAREN M RICHARDSON* FRED W SCHWENDIMANN JAMES M HUDSON JEFFREY S. BAIRD* PATRICIA A MORRIS MACDONNELL GORDON MREBECCA NICHOLS JOHNSON WILLIAM P JOHNSON SANTA FE, NEW MEXICO 87504-2068 FAX (505) 623-9332 (505) 982-4554 2800 CLAYDESTA NATIONAL BANK BUILDING FAX (505) 982-8623 POST OFFICE BOX 3580 MIDLAND, TEXAS 79702 WILLIAM B BURFORD* RICHARD E. OLSON RICHARD R WILFONG* (915) 683-4691 STANLEY K. KOTOVSKY, JR. BETTY H LITTLE RUTH S MUSGRAVE HOWARD R. THOMAS OF COUNSEL O. M. CALHOUN* MACK EASLEY FAX (915) 683-6518 THOMAS J MCBRIDE STEVEN D ARNOLD JOE W WOOD RICHARD S. MORRIS 1700 TEAM BANK BUILDING ELLEN S CASEY S BARRY PAISNER MARGARET CARTER LUDEWIG JAMES J. WECHSLER NANCY S. CUSACK POST OFFICE BOX 9238 JEFFREY L FORNACIARI JEFFREY D HEWETT CLARENCE E. HINKLE (190H1985) MARGARET CARTER LUI MARTIN MEYERS GREGORY S WHEELER ANDREW J CLOUTIER JAMES A GILLESPIE GARY W LARSON STEPHANIE LANDRY JOHN R KULSETH, JR. LISA K SCHUSTER* AMARILLO, TEXAS 79105 W. E. BONDURANT, JR. (1913-1973) ROY C. SNODGRASS, JR. (1914-1987) JEFFREY D HEWETT JAMES BRUCE JERRY F SHACKELFORD* JEFFREY W HELLBERG* ALBERT L PHTS THOMAS M HNASKO JOHN C CHAMBERS* GARY D COMPTON* MICHAEL A GROSS (806) 372-5569 FAX (806) 372-9761 500 MARQUETTE N.W., SUITE 800 December 2, 1991 ALBUQUERQUE, NEW MEXICO 87102-2124 RECEIVED (505) 768-1500 FAX (505) 768-1529 "NOT LICENSED IN NEW MEXICO 95. j. etc. **1991** HAND DELIVERED

OIL CONSERVATION DIVISION

William LeMay Oil Conservation Division State Land Office Building Santa Fe, New Mexico 87501

RE: Case No. 10,415 (Application of Samuel Gary, Jr. & Associates, Inc.)

X

Dear Mr. LeMay:

Please continue the above case to the December 19th Examiner hearing. Thank you.

Sincerely,

HINKLE, COX, EATON, *d***OFFIELD & HENSLEY** James Bruce

JB:jr

Page 528 New Mexico

(RIO PUERCO-MANCOS POOL - Cont'd.)

(7) That the reservoir drive mechanism appears to be solution gas drive.

(8) That to ensure maximum efficiency of the solution gas, the limiting gas-oil ratio should be 500 cubic feet per barrel.

(9) That the currently available information indicates that one well in this area should be capable of effectively and efficiently draining 320 acres.

(10) That in order to prevent the economic loss caused by the drilling of unnecessary wells, and to otherwise prevent waste and protect correlative rights, the Rio Puerco-Mancos Oil Pool should be created with temporary Special Rules providing for 320-acre spacing.

(11) That the vertical limits of the Rio Puerco-Mancos Oil Pool should be the Niobrara member of the Mancos shale with horizontal limits as follows:

TOWNSHIP 20 NORTH, RANGE 2 WEST, NMPM Sections 6 and 7: All Section 18: All

TOWNSHIP 20 NORTH, RANGE 3 WEST, NMPM Sections 1 through 4: All Sections 9 through 16: All

That the said Temporary Special Rules and Regulations (12)should be established for a two-year period in order to allow the operators in the Rio Puerco-Mancos Oil Pool to gather reservoir information to establish whether the temporary rules should be made permanent.

IT IS THEREFORE ORDERED: (1) (As Amended by Order No. R-7471-A, May 22, 1985) That a new pool in Sandoval County, New Mexico, classified as an oil pool for Mancos production is hereby created and designated as the Rio Puerco-Mancos Oil Pool, with the vertical limits comprising the Niobrara member of the Mancos shale and with horizontal limits as follows:

TOWNSHIP 20 NORTH, RANGE 2 WEST, NMPM Secs. 3 through 10: All Secs. 15 through 18: All

TOWNSHIP 20 NORTH, RANGE 3 WEST, NMPM Secs. 1 through 4: All Secs. 9 through 16: All Secs. 21 through 28: All

TOWNSHIP 21 NORTH, RANGE 2 WEST, NMPM Secs. 19 through 22: All Secs. 27 through 34: All

TOWNSHIP 21 NORTH, RANGE 3 WEST, NMPM Secs. 25 and 26: All Secs. 35 and 36: All

R. W. Byram & Co., - June, 1986

ł

(2) That temporary Special Rules and Regulations for the Rio Puerco-Mancos Oil Pool are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS

RULE 1. Each well completed or recompleted in the Rio Puerco-Mancos Oil Pool or in a correlative interval within one mile of its boundary, shall be spaced, drilled, operated and produced in accordance with the Special Rules and Regulations hereinafter set forth. anodisooring a bright to

RULE 2. No more than one well shall be completed or recompleted on a standard unit containing 320 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a governmental neur post and equitable share of the ... noithes of the post and equitable share of the post of the po

RULE 3. (As Amended by Order No. R-7471-A, May 22, 1985, as Corrected by Order No. R-7471-A-1, May 31, 1985.) Each well shall be located no nearer than 660 feet to the outer boundary of the spacing or proration unit, nor nearer than 330 feet to a governmental quarter-quarter section line, nor nearer than 1800 feet to any other well completed or drilling within the pool. od norazontal limita compresses are tollowing

RULE 4. The limiting gas-oil ratio shall be 500 cubic feet per barrel of oil. SEE 25. 4 and E/2 2A/4 SA/4 SW/4

RULE 5. A standard proration unit (316 through 324 acres) shall be subject to a 320-acre depth bracket allowable of 320 barrels per day. The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 320 acres.

v assigned an on discovery allowaute in harrels of oil, to be produced in addition is

IT IS FURTHER ORDERED: wolls barry

(1) That the Special Rules and Regulations for the Rio Puerco-Mancos Oil Pool shall become effective April 1, 1984.

(2) That any well presently producing from the Rio Puerco-Mancos Oil Pool which does not have a standard 320-acre proration unit, an approved non-standard proration unit, or which does not have a pending application for a standard or non-standard proration unit by April 1, 1984, shall be shut-in until a standard or non-standard unit is assigned the well.

s in sec of pass for each a (3) That this case shall be reopened at an examiner hearing in April, 1986, at which time the operators in the subject pool should be prepared to appear and show cause why the Rio Puerco-Mancos Oil Pool should not be developed on 40-acre spacing units.

ษณีสาส⊳ (ค.ศ. №)

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.

R. W. Byram & Co., - June, 1986

(EAST SKAGGS-ABO POOL - Cont'd.)

(6) That the discovery well for said pool, the Conoco Inc. Southeast Monument Unit Well No. 71, located 660 feet from the South line and 1830 feet from the East line of said Section 18, is entitled to and should receive a bonus discovery allowable in the amount of 35,145 barrels of oil, based upon the top perforations in said well at 7083 feet, to be assigned over a two-year period.

(7) That the reservoir characteristics of the subject pool justify the establishment of a gas-oil limitation of 6000 cubic feet of gas per barrel of liquid hydrocarbons.

(8) That in order to afford to the owners in the proposed East Skaggs-Abo Pool the opportunity to produce their just and equitable share of the oil and gas in the subject pool and for this purpose to use their just and equitable share of the reservoir energy, a limiting gas-oil ratio of 6000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool. subject pool. 11 23

IT IS THEREFORE ORDERED: (1) That a new pool in Lea County, New Mexico, classified as an oil pool for Abo production, is hereby created and designated the East Skagge Abo Pool, with vertical limits comprising the Abo formation and horizontal limits comprising the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 18: SE/4 and E/2 SW/4 Section 19: N/2 NE/4 and NE/4 NW/4

(2) That the discovery well for said pool, the Conoco Inc. Southeast Monument Unit Well No. 71, located 660 feet from the South line and 1830 feet from the East line of Section 18, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, is hereby assigned an oil discovery allowable in the amount of 35,415 barrels of oil, to be produced in addition to said well's regularly assigned allowable, at a rate of 49 barrels of oil per day during the next two years.

(3) That special rules and regulations for the East Skagge-Abo Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE EAST SKAGGS-ABO POOL $\mathbb{L}_{\mathbf{G}}$

RULE 1. That the limiting gas-oil ratio for said East Skaggs-Abo Pool shall be 6000 cubic feet of gas for each barrel of oil produced.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated. กลุสสามปี ไวระ

. 0

· · (.

51

and the second

RIO PUERCO-MANCOS POOL Sandoval County, New Mexico

Order No. R-7471, Creating and Adopting Temporary Operating Rules for the Rio Puerco-Mancos Pool, Sandoval County, New Mexico, April 1, 1984, as Amended by Order No. R-7471-A, May 22, 1985, and Corrected by Order No. R-7471-A-1, May 31, 1985.

Order No. R-7471-B, June 2, 1986, continues in full force and effect the temporary rules adopted in Order No. R-7471, as amended.

Application of Samuel Gary Oil Producers Inc. for New Pool Creation and Special Pool Rules, Sandoval County, New Mexico.

> **CASE NO. 8030** Order No. R-7471

New Mexico Page 527

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came for hearing at 9:00 a.m. on February 2, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 7th day of March, 1984, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 the applicant, Samuel Gary Oil Producers, Inc., seeks an order creating a new oil pool for the Mancos formation with special pool rules including a provision for 320-acre spacing, Sandoval County, New Mexico.

(3) That in companion Case No. 8063, Champlin Petroleum Company seeks an order creating a new oil pool from the Mancos formation, with special pool rules including a provision for 160-acre spacing, Sandoval County, New Mexico.

(4) That Cases 8030 and 8063 were consolidated for the purpose of obtaining testimony.

(5) That the Mancos formation in the area is a fractured reservoir with low porosity and a matrix permeability that should be conducive for wide spacing.

(6) That the oil in the Mancos formation in this area is an under-saturated crude with a solution gas-oil ratio of 340 cubic feet per barrel.

SECTION II

LEWIS C COX PAUL W EATON CONTAD E COFFIELD HAROLD L HENSLEY, JR STUART D SHANOR ERIC D LANDERE C D MARTIN C DAVID T MARKETTE' STUART D SHANOR ERIC D LANDERE C D MARTIN C MARTIN

UIL CONSER, HINKLE, COX, EATON, COFFIELD & HENSLEY ATTORNEYS AT LAW SOO MARQUETTE N.W. SUITE BOO ALBUQUERQUE, NEW MEXICO 87102-2121 (505) 768-1500 FAX (505) 768-1529 2800 CLAYDEST. POST NOT

OF COUNSEL O M CALHOUM MACK EASLEY JOE W WOOD RICHARD 5 MORRIS CLARENCE E. HINKLE (190-1985) W E BONDURANT JR (1914-1987) W E BONDURANT JR (1914-1987)

February 19, 1992

SLEY RE: N DIVISION 700 UNITED BANK PLAZA 92 FE POST OFFICE BOX 10 RESWELL, NEWTEXING BB202 (SOS) 622-6302 FAX (SOS) 622-9332

> 2800 CLAYDESTA NATIONAL BANK BUILDING POST OFFICE BOX 3580 MIDLAND, TEXAS 79702 (915) 683-4691 FAX (915) 683-6518

> > 1700 TEAM BANK BUILDING POST OFFICE BOX 9238 AMARILLO, TEXAS 79105 (806) 372-5569 FAX (806) 372-9761

218 MONTEZUMA POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87504 (505) 982-4554 FAX (505) 982-8623

*NOT LICENSED IN NEW MEXICO

Mr. Michael E. Stogner New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504

Dear Mike:

In going through my files, I noticed that I have not yet received Orders in case no. 10,415 (Application of Samuel Gary Jr. for a horizontal directional drilling pilot project) and case no. 10,416 (Application of Presidio Exploration for simultaneous dedication). Your attention to these matters will be greatly appreciated. Thanks.

Very truly yours,

HINKLE, COX, EATON, COFFIELD &

HENSLEY

James Bruce By:

JB:le Enclosure STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS

December 14, 1990

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87504 ISO5I 827-5800

Mr. Ernest Carroll Losee, Carson, Haas & Carroll Attorneys at Law Post Office Drawer 239 Artesia, New Mexico 88211-0239

Re: CASE NO. 10145 ORDER NO. R-6368-B

Applicant:

Yates Petroleum Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Florene Clavidson

FLORENE DAVIDSON OC Staff Specialist

Copy of order also sent to:

 Hobbs OCD
 X

 Artesia OCD
 X

 Aztec OCD
 X

Other William F. Carr

- (******	1 27-18-26 1 22-18-26 1 28-18-26 1 1			1 21-10-26 H 1 21-10-26 H	1 20-10-26 H			1 21-14-26 	1 21-10-26 H	0 20-10-26 M		1	t 21-1 9-26 H			:	1 12-23-26 N		0 16-10-28 H	0 24-16-26 N		F 32-16-26 H	1 23-10-26	H 13-10-26	1 14-18-26 IMPUT	- 11-19-26 · ·	14-10-25 13-10-26		0 13-18-28 ·	-
Anndo A Stete / (5)	AVALON - DELAMARE Top Allowable 10 Top Casinghead Bas Limit 160 MDF Exona rose	NO METT2 NO METT2	AVALON - LONER BONE SPRING Top Allowable to		ereenhilt State (5)	. (5)	LIBERTY VIL & GAS CUMP. Lee Federal M M Stott Fad	(19)	L & T OIL COMPANY Milderspin Federal	/" (2)	/Roy Rentro(2) /Stott Fed.(2)	Burton Flat E Fed. / (1)	(2) (3)	Acreage Factor .700 Burton Flat 8 Fad.	/ (2)	Burton Flat 8 Fed.				overnment	Flat		/" (36) (30)	. (10)	Acreage Factor .700 Burton Flat DP. Ut.	Burton Flat DP. Ut. / (50)	/" (1)	HAP PETROLEUM CO., INC. Burton Flat DP. Ut.	AVALON - BONE SPRING, EAST Top Allowable 107 GOR Limit 5,000 /Top Castinghead Gas Limit 535 MCF	AVALON - BONE SPRING, EAST
1 0 32-20-28 M 3104	SOR Limit 2,000 MDF		GOR Limit 2,000		1 8 36-20-29 M \$000	1 S 1-21-27 H 2523	4Y L 25-20-28 M 7273	4 E 11-21-27 # 2226		3 K . M 144500	1 N 1-21-27 N 105500 2 F " N 114500	×	4 M . M 194000		2 D M 168,500	-	2	9995 M 22-12-12 D 21 DDD56 M 22-12-21 V 21 DDD26 M 12-12-21 V 21	· = 77		0 1-21-27 #	P 2-21-27 H		25 [• 5N26 *8300 27 G • 5N26 *8300		A 2-21-27 LN33	2 F 2-21-27 M 23 H * 6N7 39286		607 Limit 5,000 5 MCF	
Top Castropheod Gas Lite	BEAR DRAM-QUEER-GRAYOU	Stave 11 Wood	State	Coglerier	BARBER - YATES Top Attomable 80	(55)	Four Forks Federal	Top Alfonebald Sal List List more		(36)	Stonewall WH State /* (30)	/. (35)	onewall W	/ (11)	onewall El		State NMA (3)	MAU PROD. CO.	· · ·			/* (30)		(100)	/* (30) /Yates C Federal	/Tattes C. Federal	/nondo Fee	/*************************************	XOM CORP. ondo A St	AVALON - DELAMARE continued:
Top Casingheed Gas Limit 160 MCF Top Casingheed Gas Limit 160 MCF		2.3 F	2,3 6 · H	8 20-20-30	No GOR Limit	1 H 15-22-25 N 2238	100 HCT	ng 60R Limit 2,000				* *		5 E 30-20-28 N 3364 B F . N 3682	3 N 19-20-28	- - -	1 I		•••	5 m P	·	H 31-20-21	•••	5 D 31-20-20 M 1619		3 8 31-20-20 NBO 4600	2 K . M 151M	4 H . H 651	2 E 32-20-20 H	ant Inved :
North Benson Queen Unit Flood Project ⁹ Maximum Alloweble Formula: 45 X 80 = 3600 10	GREENWILL PET. CORP. R-4537	MARBUB ENERGY CORP. Ellitott			Accley GR McCley Fed	C.E. LARVE & B.M. MUNCY, JR. Duval	JFG ENTERPRISES Føderal M		AcClay Fed.	H & S OIL CO. Hectay Fed.	State	Top Casingheed Gas Limit 160 MCF	Top Alloweble 90 No Test Rec	BENSON-QUEEN-GRAYBURG NORTH	/ (20) / (18)	HANVET E. TALES CU. Hale 11 Federal		:	OREAT WESTERN DRILLING CO. /Wabel Hale Federal	Top Allowable 230 BOR Limit 2,000 Top Casinghead Gas Limit 460 MCF		Green B	Cesinghead Gas Lisit (60 Built les perportan on	Top Alloweble 230	HEAR GRASS DRAW CISCO		FROSTIMAN OIL CORP. Beer Draw (30)	(3)	FROSTIMAN OIL CORP. Sear Draw (2) Bear Draw (2)	REAR DRUM-QUEEN-GRAYBURG SAM ANDRES continued:
oject		1 E 28-10-30 2 H 29-10-30 3 A .	10 F	3 J 33-10-30 •	••••	1 J 27-18-30	1 N 26-10-30		17 1 33-11-29	n	1 0 32-10-30		GOR Limit 2,000 Wired		1 K 11-19-30 2 J ·			1 F 11-19-30 2 C 11-10-30		80R L1m1t 2,000 7F		12 0 18-17-29		BOR Limit 2,000		5 0 21-16-29			1 [20-16-29 2 J 20-16-29	MDRES cont inued:
	1		=:			2	2		* 3 1	-	Ŧ				M 3450 M 3450			M 2643 M 2082				-				-	Ne#5833	M *7000	H* 10000	
Fadara) 10	lop casingneed Gas L Fi-RO CORP. Federal 10 Acreege Factor 0.925	BENSOW - YATES, EAST Top Allowable 00		•••	YATES ENERGY CORP. State	JOHN H. TRIOG Føderal BN		•••	•••			• •	• • •	•••				• •	•••	•••	• •	• •		•	•••		11. Benenn Dn. linti		GREENHILL PET. C	BENSON-QUEEN-GRAY

STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT



OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

May 7, 1992

HINKLE, COX, EATON, COFFIELD & HENSLEY Attorneys at Law 500 Marquette, NW Suite 800 Albuquerque, New Mexico 87102

RE: CASE NO. 10415 ORDER NO. R-9669

Dear Sir:

Enclosed herewith are two copies of each of the above-referenced Division orders recently entered in the subject cases.

Sincerely,

Эюсле

Florene Davidson OC Staff Specialist

FD/sl

cc: BLM - Farmington OCD Aztec Office T. Kellahin