

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

RECEIVED

JUN 22 1987

APPLICATION OF SANTA FE
ENERGY OPERATING PARTNERS,
L.P. FOR SPECIAL POOL RULES
AND APPROVAL OF AN UNORTHODOX
WELL LOCATION, NORTH HUME-WOLFCAMP
POOL, LEA COUNTY, NEW MEXICO.

OIL CONSERVATION DIVISION

Case No. 9175

APPLICATION

Santa Fe Energy Operating Partners, L.P., hereby makes application for special pool rules for, and approval of an unorthodox oil well location in the North Hume-Wolfcamp Pool, Lea County, New Mexico, and in support hereof would show:

1. The Oil Conservation Division, in Case No. ^{9102,}
created the North Hume-Wolfcamp Pool, classified as an oil pool *R-8409*
for Wolfcamp production. Said pool comprises:

Township 16 South, Range 34 East, NMPM

Section 5: Lots 1, 2, 7 and 8

The discovery well for said pool is the Santa Fe Energy Operating Partners, L.P., N.H. 5 Federal Well No. 1, located 2466 feet from the north line and 1980 feet from the east line in Lot 7 & Unit Letter G) of said Section 5.

2. Applicant seeks special pool rules for said pool, or for wells completed or recompleted in the Wolfcamp formation within one mile thereof, including the following provisions:

- (a) 80 acre oil well spacing, with a standard unit consisting of the $N\frac{1}{2}$, $E\frac{1}{2}$, $S\frac{1}{2}$, or $W\frac{1}{2}$ of a governmental quarter section;
- (b) For wells to be located in either quarter-quarter section of the 80 acres dedicated to the well;

- (c) Administrative approval for non-standard units comprising a single quarter-quarter section or lot;
- (d) For the allowable assigned to a non-standard unit to bear the same ratio to a standard allowable as the acreage in such unit bears to 80 acres; and
- (e) All other pool rules to be in conformance with Division statewide rules.

3. The N.H. 5 Federal Well No. 1 was originally located and drilled as a gas well, but completed as an oil well. Its location is unorthodox for an oil well location, and Applicant requests approval of said location.

4. Matters urged by Applicant herein are in the interests of conservation, the prevention of waste, and the protection of correlative rights.

5. Applicant requests that this matter be heard at the July 15, 1987 Examiner hearing.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

Dated: June 22, 1987

By James Bruce
James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Applicant

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION RECEIVED

APPLICATION OF SANTA FE
ENERGY OPERATING PARTNERS,
L.P. FOR SPECIAL POOL RULES
AND APPROVAL OF AN UNORTHODOX
WELL LOCATION, NORTH HUME-WOLFCAMP
POOL, LEA COUNTY, NEW MEXICO.

JUN 29 1967

OIL CONSERVATION DIVISION

Case No. 9175

APPLICATION

Santa Fe Energy Operating Partners, L.P., hereby makes application for special pool rules for, and approval of an unorthodox oil well location in the North Hume-Wolfcamp Pool, Lea County, New Mexico, and in support hereof would show:

1. The Oil Conservation Division, in Case No. 9102, created the North Hume-Wolfcamp Pool, classified as an oil pool for Wolfcamp production. Said pool comprises:

Township 16 South, Range 34 East, NMPM

Section 5: Lots 1, 2, 7 and 8

The discovery well for said pool is the Santa Fe Energy Operating Partners, L.P., N.H. 5 Federal Well No. 1, located 2466 feet from the north line and 1980 feet from the east line in Lot 7 & Unit Letter G) of said Section 5.

2. Applicant seeks special pool rules for said pool, or for wells completed or recompleted in the Wolfcamp formation within one mile thereof, including the following provisions:

- (a) 80 acre oil well spacing, with a standard unit consisting of the $N\frac{1}{2}$, $E\frac{1}{2}$, $S\frac{1}{2}$, or $W\frac{1}{2}$ of a governmental quarter section;
- (b) For wells to be located in either quarter-quarter section of the 80 acres dedicated to the well;

- (c) Administrative approval for non-standard units comprising a single quarter-quarter section or lot;
- (d) For the allowable assigned to a non-standard unit to bear the same ratio to a standard allowable as the acreage in such unit bears to 80 acres; and
- (e) All other pool rules to be in conformance with Division statewide rules.

3. The N.H. 5 Federal Well No. 1 was originally located and drilled as a gas well, but completed as an oil well. Its location is unorthodox for an oil well location, and Applicant requests approval of said location.

4. Matters urged by Applicant herein are in the interests of conservation, the prevention of waste, and the protection of correlative rights.

5. Applicant requests that this matter be heard at the July 15, 1987 Examiner hearing.

HINKLE, COX, EATON,
COFFIELD & HENSLEY

Dated: June 22, 1987

By James Bruce
James Bruce
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Applicant



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

July 17, 1989

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

Santa Fe Energy Operating Partners, L.P.
500 W. Illinois, Suite 500
Midland, Texas 79701

Gentlemen:

In accordance with the provisions of Division Order No. R-8476 entered on July 21, 1987, and Division Order No. R-8476-A entered on June 7, 1988, the Oil Conservation Division is reopening Cases Nos. 9175 and 9354 in order to give all operators in the North Hume-Wolfcamp Pool in Lea County, New Mexico, the opportunity to appear and show cause why the temporary special pool rules for said pool should not be rescinded and the subject pool not be developed on less than 160-acre spacing.

These cases will be heard before an examiner on July 26, 1989, in the Oil Conservation Division Conference Room, State Land Office Building, Santa Fe, New Mexico, at 8:15 a.m. A copy of the docket for this hearing is enclosed.

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

enc.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator SANTA FE ENERGY OPERATING PARTNERS L.P.		Lease NH 5 FEDERAL		Well No. 1
Unit Letter G	Section 5	Township 16 SOUTH	Range 34 EAST	County LEA
Actual Footage Location of Well: 2466 feet from the NORTH line and 1980 feet from the EAST line				
Ground Level Elev. 4143.5	Producing Formation Wolfcamp	Pool Undes	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-33-E		35	36	T-15-S		T-16-S	
6	4	3	2	1	4	NM-57535	
1503.48'			2466'		1476.42'		
	5	6	7	8			
			1980'				
8103.48'	12	11	10	9	8076.42'		
	13	14	15	16			
			5				
6					4		
7	8			8	9		

SCALE : 1" = 2000'

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Anthony J. Welker

Name
Anthony J. Welker

Position
District Production Engineer

Company
Santa Fe Energy Operating Partners, L.P.

Date
1-30-87

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

NO. 676

DATE SURVEYED
SEPTEMBER 15, 1986

REGISTERED PROFESSIONAL ENGINEER AND/OR LAND SURVEYOR

John W. West

Certificate No. JOHN W. WEST 676

Ronald J. Eidsen 3239