CASE 6452: BURLESON & HUFF FOR APPROVAL OF INFILL DRILLING, LEA COUNTY, NEW MEXICO

CASE NO.

6452

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 March 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Burleson & Huff for a non-standard gas proration unit and approval of infill drilling, Lea County, New Mexico. CASE 6452

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

MR. STAMETS: We'll call next Case 6452.

MS. TESCHENDORF: Case 6452. Application of Burleson and Huff for a non-standard gas proration unit and approval of infill drilling, Lea County, New Mexico.

MR. STAMETS: Are there any appearances in this case today?

This case has been previously advertised and was heard and re-advertised for correction.

There being no appearances today, the record in the original hearing will prevail.

If there is nothing further the hearing is adjourned.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3010 Plaza Blanca (505) 471-2461
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WLTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd

Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
[illegible] Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6452 heard by me on 3-28 1972.

Richard L. Stamets, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
28 March 1979

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Application of Burleson & Huff for a non-standard gas proration unit and approval of infill drilling, Lea County, New Mexico.

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Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. _____, heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

April 9, 1979

Mr. Jason Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 6452
ORDER NO. R-5970

Applicant:

Burleson & Huff

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6452
Order No. R-5970

APPLICATION OF BURLESON & HUFF FOR
A NON-STANDARD GAS PRORATION UNIT
AND APPROVAL OF INFILL DRILLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 28, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of April, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Burleson & Huff, seeks a finding that the recompletion of its Harrison Well No. 2 located in Unit N of Section 25, Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, or, in the alternative, the drilling of its Harrison Well No. 4 in Unit L of said Section 25, is necessary to effectively and efficiently drain that portion of the proration unit which could not be and was not drained by the previously completed wells on the unit.

(3) That the standard spacing unit in the Jalmat Gas Pool is 640 acres.

(4) That the applicant also seeks a waiver of existing well spacing requirements and the establishment of a 160-acre non-standard gas proration unit comprising the SW/4 of the aforesaid Section 25 to be dedicated to the aforesaid Well No. 2, or in the alternative, Well No. 4.

(5) That a 160-acre non-standard Jalmat gas proration unit, comprising said lands, was previously approved by the Division and was in turn dedicated to applicant's Well No. 3 in Unit K of Section 25 or applicant's Well No. 1 in Unit M of Section 25, but that said non-standard unit expired when one of said wells was deepened to another horizon and the other was reclassified as a Jalmat oil well.

(6) That the evidence in this case indicates that there are remaining Jalmat gas reserves underlying the SW/4 of Section 25, and that to recover said reserves, it will be necessary to successfully recomplete applicant's Well No. 2 as a Jalmat gas well or to drill and complete the alternative Well No. 4 as a Jalmat gas well.

(7) That such recompletion or drilling and completion operations should result in the SW/4 of Section 25 being more effectively and efficiently drained than by the previously existing wells on the proration unit and should be approved.

(8) That the re-establishment of the proposed 160-acre non-standard gas proration unit and approval of either the No. 2 well or the No. 4 as the unit well is in the interest of conservation, will prevent waste, will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the SW/4 of Section 25, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby approved, said unit to be dedicated to the Burleson & Huff Harrison Well No. 2 located in Unit N of said Section 25, or in the alternative, to applicant's Harrison Well No. 4 to be located in Unit L of said Section 25, each of which is hereby approved as an exception to the well spacing requirements for the Jalmat Gas Pool.

(2) That said non-standard proration unit shall receive an acreage factor of 1.00 for allowable purposes.

(3) 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.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Director

fd/

Dockets Nos. 7-79 and 8-79 are tentatively set for hearing on February 28 and March 14, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 14, 1979

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for March, 1979, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for March, 1979, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

(3) Consideration of purchaser's nominations for the one year period beginning April 1, 1979, for both of the above areas.

CASE 6445: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Consolidated Minerals Development Corporation, American Surety Company, and all other interested parties to appear and show cause why the Sarah "S" Well No. 1 located in Unit J of Section 26, Township 31 North, Range 23 East, Colfax County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6446: Application of Flag-Redfern Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the perforated interval from 4,969 feet to 4,984 feet in its Santa Fe Well No. 2 located in Unit D of Section 35, Township 10 South, Range 36 East, Dickinson-San Andres Pool, Lea County, New Mexico.

CASE 6447: Application of Atlantic Richfield Company for approval of infill drilling and an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its J. R. Phillips "B" Well No. 6 to be located at an unorthodox location 990 feet from the North line and 1650 feet from the West line of Section 31, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the previously approved 160-acre non-standard proration unit which cannot be so drained by the existing unit well.

CASE 6448: Application of Sam H. Snoddy for amendment of Order No. R-5521, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5521 to change the 160-acre non-standard proration unit to a 320-acre non-standard proration unit comprising the SW/4 of Section 25 and the NW/4 of Section 36, both in Township 20 South, Range 32 East, South Salt Lake Field, Lea County, New Mexico.

CASE 6449: Application of The Superior Oil Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Strawn and Morrow production in the wellbore of its Ryan Com. Well No. 1 located in Unit D of Section 5, Township 23 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico.

CASE 6450: Application of Sun Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its East Millman Pool Unit Area comprising 920 acres, more or less, of Federal and state lands in Township 19 South, Range 28 East, Eddy County, New Mexico.

CASE 6451: Application of Burleson & Huff for approval of infill drilling and an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its Coll A Well No. 2 to be located at an unorthodox location 1980 feet from the North line and 330 feet from the East line of Section 29, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the previously approved 160-acre non-standard proration unit which cannot be so drained by the existing unit well.

CASE 6452: Application of Burleson & Huff for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the recompletion of its Harrison Well No. 2 located in Unit N or, in the alternative, the drilling of its Harrison Well No. 4 to be located in Unit L, both in Section 25, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the previously approved 160-acre non-standard proration unit which cannot be so drained by the existing unit well.

CASE 6453: Application of Moranco for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry and Drinkard production in the wellbore of its EM Elliott Well No. 1 located in Unit E of Section 35, Township 21 South, Range 37 East, Lea County, New Mexico.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
14 February 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Burleson and Huff for approval of infill drilling, Lea County, New Mexico.

CASE 6452

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant: Jason Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

INDEX

EXHIBITS

MR. NUTTER: Call Case Number 6452.

MS. TESCHENDORF: Case 6452. Application of Burleson and Huff for approval of infill drilling, Lea County, New Mexico.

MR. KELLAHIN: Let the record show the same appearance and that the witness has been sworn.

MR. NUTTER: The record will so show.

LEWIS BURLESON

being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Mr. Burleson, what do you propose in Case 6452?

A. I would like to explain Exhibit Number One, which is a plat of our Harrison lease, which is the southwest quarter of Section 25, 25 South, 36 East, Lea County, New Mexico.

The Harrison -- I'd like to give you the history of the four wells, or the three wells on one location on this plat.

MR. NUTTER: Did you say this is 25 South or 24 South?

A. No, excuse me, it's 24 South, excuse me. That's my error. In 25 South, 24 -- Section 25, 24 South, 36 East.

MR. NUTTER: All right.

A. We purchased this lease and Wells Harrison Numbers 1 and 3 were drilled by Humble, and both were Jalmat gas wells.

We deepened the Harrison No. 3 because it was a marginal or submarginal well to the Queen and completed it in the Langlie-Mattix-Queen zone in March -- in July of this year and abandoned the Yates.

The Harrison No. 1 was a gas well and after re-acidizing we brought the oil on and we have now re-classified this as a Jalmat oil well.

So technically speaking, we have no Jalmat gas wells dedicated to this 160-acre tract.

I'd like to explain, we drilled our Harrison No. 2, as shown on the plat, and completed that as a Langlie Mattix-Queen oil well for 53 barrels of oil a day, and we have a location, our Harrison No. 4, 660 from the west, 1980 from the north, and propose to drill this to the Queen depth and would like -- we'll complete this either in the Yates or the Queen, depending on the section we encounter, or have an option to complete the No. 2 Well, which is a Queen producer in the Yates, and complete the

No. 4 in the Queen.

Q Now, you're asking for approval, then, of one of two locations.

A Yes, sir.

Q You want approval for both of them at the present time.

A And Exhibit Number Two is our GOR test which was filed in January 17th of this year, which shows that we had a GOR of 7750-to-1, which makes this our No. 1 Well a Jalmat oil well.

Q And your exhibit Number Three, what is that?

A Exhibit Number Three is the allowable assigned to this well for February, March, and April.

Q Now do you have the bottom hole pressures on your No. 1 and 3 Wells in the Yates?

A This would be the bottom hole pressures from last year run, and the No. 1 Harrison had a bottom hole pressure of 146.2, and the Harrison No. 3, 63.2 pounds.

Q Now why have you abandoned the Yates in the No. 3?

A Because it could not buck El Paso's 50 pound line and so we deepened this well and completed it in the Langlie Mattix zone in the Queen.

Q So you closed off the Yates?

A Yes, sir, we have.

Q Okay, sir. Now Exhibit Number Five?

A Exhibit Number Five is the -- is our Form C-105 in completion of the No. 2 in the Queen, and this well can -- can be perforated and is productive in the Yates.

Q And your Number Six Exhibit?

A And Number Six Exhibit is a C-105, which has been approved and we have not drilled this well yet.

Q Now, you say on your No. 2 Well that can be completed in the Yates. Would you dually complete or what would you do?

A No, we would plug the Queen off and complete in the Yates.

Q What kind of pressures did you have in the Yates in that well?

A Well, we haven't completed but I would assume it would be in the 200 to 300 pound range.

Q Now, at your proposed location do you anticipate you can produce the Yates gas there?

A Yes, because the diagonal offsets to the west are gas wells in the Yates and the sands -- after a study of the sands at this No. 4, this well should find the Yates section, which would be gas, gas productive.

Q Now, just to get it clear, what wells have produced from the Yates on your unit?

A. The Harrison No. 1 and No. 3.

Q. And the No. 1 is now producing as a Jalmat oil well.

A. That is correct.

Q. From the Yates.

A. From the Yates.

Q. And your No. 3?

A. No. 3 was deepened to the Queen and the Yates was abandoned.

Q. So now you want to drill a Yates well, gas well on the unit.

A. Right, that is correct.

Q. And as I understand, there is no Yates gas production from the unit? At this time?

A. Yes, that would be correct.

Q. And as the situation exists, there is no well located on the unit capable of producing Yates gas.

A. No, sir, there is not.

Q. Now, on the other case you were asked some questions about the offsetting wells. I think we'd just as well try to cover those at this point, if you would. Are there any offsetting Yates production?

A. To the south there is Jalmat oil production in the northwest quarter of Section 36, and there's no gas, Yates gas production.

To the east in Section 25, TP has a marginal well, their No. 1, in Unit I. There is no Yates -- currently Yates well in the north half of Section 25.

In Section 26 there are two new gas wells that have just recently been drilled in Unit G.

Q. And that's the only Yates gas production in the area, then?

A. That is correct.

Q. And what kind of wells are they, do you know?

A. They are -- I would have to classify them as good gas wells.

Q. And you would anticipate finding similar production?

A. Yes, sir, I would.

Q. At your proposed location?

Now, do you have a choice as to which of those two locations you'd rather complete in the Yates zone?

A. No, sir, I do not. The reason we've done this is that I want to be -- I want to be sure we've covered everything with the Commission if we come back and file for a higher gas price on the new gas pricing.

The No. 4 location is skirting right on top of the Seven Rivers Reef body in here and may not be productive in the Queen. In that case, we have to drill this well to find out. In that case, we will make a Yates well

out of it and leave the No. 3 in the Queen.

If we find a good Queen production in the No. 4, we'll make a Yates well out of No. 2.

Q. And you do want that alternative?

A. Yes, sir, I would like to have that alternative.

Q. Now you're asking for 160-acre nonstandard proration unit for the Yates gas production, are you not?

A. Yes, I am.

Q. And that's not an existing Yates unit because there is no Yates gas production, is that correct?

A. That is correct. That is correct.

Q. And are the locations you propose orthodox locations?

A. Yes, they are.

Q. In both cases? In either case?

A. Yes, they are.

Q. Now do you have any need for an immediate ruling in this case?

A. We have a -- this is under continuous development farm-out from Exxon and I would request a hearing, you know, a ruling on this within the next ten days so that we can meet a deadline on our farm-out agreement.

Q. Now just to sum up your testimony, Mr. Burleson, is it necessary to complete one of these wells

in the Yates for gas production in order to efficiently drain the 160-acre nonstandard proration unit?

A. Yes, it is.

Q. And it cannot be drained by any existing well on the unit today?

A. No, it cannot.

Q. Were Exhibits One through Six prepared by you or under your supervision?

A. Yes, they were.

MR. KELLAHIN: We offer at this time Exhibits One through Six.

MR. NUTTER: Applicant's Exhibits One through Six will be admitted in evidence.

Are there any questions of Mr. Burleson? Ms. Teschendorf?

CROSS EXAMINATION

BY MS. TESCHENDORF:

Q. Mr. Burleson, the spud date, it looks like from your C-105, the spud date for the Harrison No. 2 was February 1, 1978, so that even if you recompleted this in the Yates, you'd still meet your spud date deadline for the --

A. Right, that would be correct.

Q. I wanted to ask you some more questions about

the Harrison No. 1.

It was originally drilled as a Jalmat gas well, is that right?

A. Yes, that's right.

Q. What kind of gas is it making and when was it reclassified?

A. Okay, the -- and I want to apologize, I didn't bring all of the production history. If I'd known you were going to ask these questions, I would have brought it along, but the Harrison No. 1 in November of last year made 1041 Mcf with no oil, and after we re-acidized this zone, we brought the oil on and now we have a GOR and we recompleted -- we reclassified that well in January of this year with a GOR of 7750-to-1.

So this makes this an oil well instead of a gas well.

Q. Is it making gas?

A. Yes, it is.

Q. It is making gas.

A. Well, in this test it made -- we had three barrels of oil -- I mean, excuse me, three barrels of water, four barrels of oil, and 31 Mcf of gas. So we're making four to five barrels of oil a day from this well.

Q. And you've got a proration unit here that's dedicated to the Yates oil well, but it is making Yates

gas.

A. But see, Jalmat oil field always makes Yates gas. The only difference, I understand, between Jalmat oil and gas is when you file your GOR, over 100,000-to-1. This is my -- then it's a gas well.

Q. The only thing I'm concerned about is that the FERC doesn't make any distinction between oil wells, gas wells, or associated wells, and if this well is making gas from the Yates, I think our classification system is not going to be important.

A. But see, we only have 40 acres dedicated right now.

Q. All right.

A. To that oil well, not the other 120.

Q. What dedication are you going to give to the Yates gas well?

A. Well, if I have trouble with the FERC, maybe the other 120.

Q. Well, would you be dedicating the same --

A. Yes, I would.

Q. And would you need then a nonstandard proration unit?

A. Yes, I would, because really technically when does that unit -- because we don't have a gas well on there.

MR. NUTTER: Technically there's no proration unit in existence there now, and this thing is advertised simply to say the well is necessary to effectively and efficiently drain that portion of the previously approved 160-acre unit. But it was a previously approved unit which is not in existence at this time.

A. Right.

CROSS EXAMINATION

BY MR. NUTTER:

Q. Now when did this 160-acre unit cease to exist?

A. When we filed a GOR form, I would assume, in January 17th of this year.

Q. Well now, did your well get reclassified as the result of a workover or simply a change in GOR?

A. Well, it got reclassified. I worked the well over, so therefore had a different GOR.

Q. You changed the nature of the production?

A. Right.

Q. It was an old Humble gas well.

A. That is correct.

Q. You took it over, operated it as a gas well, and then worked it over, got this GOR of 7750-to-1, asked for reclassification, and it became an oil well.

A. That is correct.

Q. On February the 1st, 1979.

A. That is correct.

Q. So at that date technically the 160-acre nonstandard gas proration unit ceased to exist.

A. That is correct.

Q. I see.

MS. TESCHENDORF: So it looks like you'll need a nonstandard unit for your next gas well.

A. That is -- that is correct.

Q. Mr. Burleson, I was having a little difficulty following all those wells that you were reporting were producing from the Jalmat Pool.

A. I was too.

Q. Now you said there is no Yates production in Section 36.

A. No, I said -- I will correct myself, there is no offsetting -- offsetting this unit in Section 36. That would be the northwest quarter of Section 36, there's no Yates production.

Q. Okay.

A. I think there is Yates production in the south part of this section.

Q. Okay. And then in Section 25 TP has a marginal gas well in the Yates, you stated?

A. Yes, sir.

Q. Is that the well there in Unit I?

A. Yes, sir.

Q. And then you said that there is no Yates gas production in the north half, I think.

A. No, there is not.

Q. And then you said there were a couple of wells over to the west, the one in G, I think?

A. That is correct, Doyle Hartman's Golson No. 1, and then Sam Ayres has the No. 2 Woolworth in I.

Q. Is that the well that's marked as No. 2 and shows an oil well symbol?

A. Yes, sir.

Q. And that's actually a gas well?

A. Gas well.

Q. Okay. What kind of a well is it, do you know?

A. I would say it produced between 2000 and 3000 Mcf a month.

Q. Now, in the event that you don't get Queen production in the No. 4 but you do have a potential in the Yates, you'll complete it as the gas well on this unit.

A. That is correct.

Q. In the event you get Queen oil production and lesser gas production in the No. 4, you would recom-

plete the No. 2 Well as your unit gas well.

A. That is correct.

Q. Now, would -- did I understand you to say you would not dual complete it?

A. I don't like dual wells.

Q. You would abandon a 53 barrel a day oil well and convert it to gas?

A. Yes, I -- well, this is completed -- this well has some problems with a high -- making lots of water, and in fact the last two months this well has not -- I have not produced it. In fact it went to 100 percent, almost 100 percent water, and I don't want to get into this problem, but it may be due to some flood water or some water injection problems in Section 36.

Q. I see.

A. And so I would not be abandoning a zone that would make 53 barrels of oil a day.

Q. I see. If this was the potential back when it was completed in March of '78, then it might be worthy for consideration for recompletion now.

A. Right, that's correct.

Q. Okay.

MS. TESCHENDORF: Jason, I think because of Federal regulations require a finding to explicitly redefine the boundaries of a previously existing unit, or

grant you a nonstandard unit, I think it might be a good idea to ask us if we would amend your application at this point to include asking for your 160-acre nonstandard gas proration unit, and then we'll readvertise to include that, and that way it will be in here.

MR. KELLAHIN: We would make that request but as far as --

MR. NUTTER: He wants a ten-day ruling to -- necessary to satisfy a farm-out agreement. Can you get an extension?

A. No, no, I could get that. It will be all right.

MR. NUTTER: Could you tell them we've got to readvertise this thing?

A. Right.

MR. KELLAHIN: We'll make that request, then. I would like to ask the witness one further question, if I may.

REDIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Mr. Burleson, your Harrison No. 1 is producing some gas from the Yates formation, is that correct?

A. That is correct.

Q. Now will that well produce the gas under-

lying all of the 160-acre tract you propose to dedicate to a Yates gas well?

A. No, sir, it would not.

Q. Is it capable of doing so at all?

A. No, sir, it is not.

Q. And if another well is drilled on the unit producing Yates gas, would you anticipate the production of substantial reserves that could not be produced by any other well?

A. Yes, I would.

MR. KELLAHIN: Thank you.

MR. NUTTER: Are there any other questions of Mr. Burleson? He may be excused.

Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all I have, Mr. Nutter. Thank you.

MR. NUTTER: We'll take the case under advisement and readvertise the thing as soon as we find out what unit we want to dedicate. I presume it would be the 160.

In the meantime we will take it under advisement.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, skill and knowledge, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6462 heard by me on 2/14 1979.

Oil Conservation Division, Examiner

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
14 February 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Burleson and Huff for approval of infill drilling, Lea County, New Mexico.

CASE 6452

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant: Jason Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

I N D E X

LEWIS BURLESON

E X H I B I T S

MR. NUTTER: Call Case Number 6452.

MS. TESCHENDORF: Case 6452. Application of Burleson and Huff for approval of infill drilling, Lea County, New Mexico.

MR. KELLAHIN: Let the record show the same appearance and that the witness has been sworn.

MR. NUTTER: The record will so show.

LEWIS BURLESON

being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Burleson, what do you propose in Case 6452?

A I would like to explain Exhibit Number One, which is a plat of our Harrison lease, which is the southwest quarter of Section 25, 25 South, 36 East, Lea County, New Mexico.

The Harrison -- I'd like to give you the history of the four wells, or the three wells on one location on this plat.

MR. NUTTER: Did you say this is 25 South or 24 South?

A. No, excuse me, it's 24 South, excuse me. That's my error. In 25 South, 24 -- Section 25, 24 South, 36 East.

MR. NUTTER: All right.

A. We purchased this lease and Wells Harrison Numbers 1 and 3 were drilled by Humble, and both were Jalmat gas wells.

We deepened the Harrison No. 3 because it was a marginal or submarginal well to the Queen and completed it in the Langlie-Mattix-Queen zone in March -- in July of this year and abandoned the Yates.

The Harrison No. 1 was a gas well and after re-acidizing we brought the oil on and we have now re-classified this as a Jalmat oil well.

So technically speaking, we have no Jalmat gas wells dedicated to this 160-acre tract.

I'd like to explain, we drilled our Harrison No. 2, as shown on the plat, and completed that as a Langlie Mattix-Queen oil well for 53 barrels of oil a day, and we have a location, our Harrison No. 4, 660 from the west, 1980 from the north, and propose to drill this to the Queen depth and would like -- we'll complete this either in the Yates or the Queen, depending on the section we encounter, or have an option to complete the No. 2 Well, which is a Queen producer in the Yates, and complete the

No. 4 in the Queen.

Q. Now, you're asking for approval, then, of one of two locations.

A. Yes, sir.

Q. You want approval for both of them at the present time.

A. And Exhibit Number Two is our GOR test which was filed in January 17th of this year, which shows that we had a GOR of 7750-to-1, which makes this our No. 1 Well a Jalmat oil well.

Q. And your exhibit Number Three, what is that?

A. Exhibit Number Three is the allowable assigned to this well for February, March, and April.

Q. Now do you have the bottom hole pressures on your No. 1 and 3 Wells in the Yates?

A. This would be the bottom hole pressures from last year run, and the No. 1 Harrison had a bottom hole pressure of 146.2, and the Harrison No. 3, 63.2 pounds.

Q. Now why have you abandoned the Yates in the No. 3?

A. Because it could not buck El Paso's 50 pound line and so we deepened this well and completed it in the Langlie Mattix zone in the Queen.

Q. So you closed off the Yates?

A. Yes, sir, we have.

Q. Okay, sir. Now Exhibit Number Five?

A. Exhibit Number Five is the -- is our Form C-105 in completion of the No. 2 in the Queen, and this well can -- can be perforated and is productive in the Yates.

Q. And your Number Six Exhibit?

A. And Number Six Exhibit is a C-105, which has been approved and we have not drilled this well yet.

Q. Now, you say on your No. 2 Well that can be completed in the Yates. Would you dually complete or what would you do?

A. No, we would plug the Queen off and complete in the Yates.

Q. What kind of pressures did you have in the Yates in that well?

A. Well, we haven't completed but I would assume it would be in the 200 to 300 pound range.

Q. Now, at your proposed location do you anticipate you can produce the Yates gas there?

A. Yes, because the diagonal offsets to the west are gas wells in the Yates and the sands -- after a study of the sands at this No. 4, this well should find the Yates section, which would be gas, gas productive.

Q. Now, just to get it clear, what wells have produced from the Yates on your unit?

A. The Harrison No. 1 and No. 3.

Q. And the No. 1 is now producing as a Jalmat oil well.

A. That is correct.

Q. From the Yates.

A. From the Yates.

Q. And your No. 3?

A. No. 3 was deepened to the Queen and the Yates was abandoned.

Q. So now you want to drill a Yates well, gas well on the unit.

A. Right, that is correct.

Q. And as I understand, there is no Yates gas production from the unit? At this time?

A. Yes, that would be correct.

Q. And as the situation exists, there is no well located on the unit capable of producing Yates gas.

A. No, sir, there is not.

Q. Now, on the other case you were asked some questions about the offsetting wells. I think we'd just as well try to cover those at this point, if you would. Are there any offsetting Yates production?

A. To the south there is Jalmat oil production in the northwest quarter of Section 36, and there's no gas, Yates gas production.

To the east in Section 25, TP has a marginal well, their No. 1, in Unit I. There is no Yates -- currently Yates well in the north half of Section 25.

In Section 26 there are two new gas wells that have just recently been drilled in Unit C.

Q. And that's the only Yates gas production in the area, then?

A. That is correct.

Q. And what kind of wells are they, do you know?

A. They are -- I would have to classify them as good gas wells.

Q. And you would anticipate finding similar production?

A. Yes, sir, I would.

Q. At your proposed location?

Now, do you have a choice as to which of those two locations you'd rather complete in the Yates zone?

A. No, sir, I do not. The reason we've done this is that I want to be -- I want to be sure we've covered everything with the Commission if we come back and file for a higher gas price on the new gas pricing.

The No. 4 location is skirting right on top of the Seven Rivers Reef body in here and may not be productive in the Queen. In that case, we have to drill this well to find out. In that case, we will make a Yates well

out of it and leave the No. 3 in the Queen.

If we find a good Queen production in the No. 4, we'll make a Yates well out of No. 2.

Q. And you do want that alternative?

A. Yes, sir, I would like to have that alternative.

Q. Now you're asking for 160-acre nonstandard proration unit for the Yates gas production, are you not?

A. Yes, I am.

Q. And that's not an existing Yates unit because there is no Yates gas production, is that correct?

A. That is correct. That is correct.

Q. And are the locations you propose orthodox locations?

A. Yes, they are.

Q. In both cases? In either case?

A. Yes, they are.

Q. Now do you have any need for an immediate ruling in this case?

A. We have a -- this is under continuous development farm-out from Exxon and I would request a hearing, you know, a ruling on this within the next ten days so that we can meet a deadline on our farm-out agreement.

Q. Now just to sum up your testimony, Mr. Burleson, is it necessary to complete one of these wells

in the Yates for gas production in order to efficiently drain the 160-acre nonstandard proration unit?

A. Yes, it is.

Q. And it cannot be drained by any existing well on the unit today?

A. No, it cannot.

Q. Were Exhibits One through Six prepared by you or under your supervision?

A. Yes, they were.

MR. KELLAHIN: We offer at this time Exhibits One through Six.

MR. NUTTER: Applicant's Exhibits One through Six will be admitted in evidence.

Are there any questions of Mr. Burleson? Ms. Teschendorf?

CROSS EXAMINATION

BY MS. TESCHENDORF:

Q. Mr. Burleson, the spud date, it looks like from your C-105, the spud date for the Harrison No. 2 was February 1, 1978, so that even if you recompleted this in the Yates, you'd still meet your spud date deadline for the --

A. Right, that would be correct.

Q. I wanted to ask you some more questions about

the Harrison No. 1.

It was originally drilled as a Jalmat gas well, is that right?

A. Yes, that's right.

Q. What kind of gas is it making and when was it reclassified?

A. Okay, the -- and I want to apologize, I didn't bring all of the production history. If I'd known you were going to ask these questions, I would have brought it along, but the Harrison No. 1 in November of last year made 1041 Mcf with no oil, and after we re-acidized this zone, we brought the oil on and now we have a GOR and we recompleted -- we reclassified that well in January of this year with a GOR of 7750-to-1.

So this makes this an oil well instead of a gas well.

Q. Is it making gas?

A. Yes, it is.

Q. It is making gas.

A. Well, in this test it made -- we had three barrels of oil -- I mean, excuse me, three barrels of water, four barrels of oil, and 31 Mcf of gas. So we're making four to five barrels of oil a day from this well.

Q. And you've got a proration unit here that's dedicated to the Yates oil well, but it is making Yates

gas.

A. But see, Jalmat oil field always makes Yates gas. The only difference, I understand, between Jalmat oil and gas is when you file your GOR, over 100,000-to-1. This is my -- then it's a gas well.

Q. The only thing I'm concerned about is that the FERC doesn't make any distinction between oil wells, gas wells, or associated wells, and if this well is making gas from the Yates, I think our classification system is not going to be important.

A. But see, we only have 40 acres dedicated right now.

Q. All right.

A. To that oil well, not the other 120.

Q. What dedication are you going to give to the Yates gas well?

A. Well, if I have trouble with the FERC, maybe the other 120.

Q. Well, would you be dedicating the same --

A. Yes, I would.

Q. And would you need then a nonstandard proration unit?

A. Yes, I would, because really technically when does that unit -- because we don't have a gas well on there.

MR. NUTTER: Technically there's no proration unit in existence there now, and this thing is advertised simply to say the well is necessary to effectively and efficiently drain that portion of the previously approved 160-acre unit. But it was a previously approved unit which is not in existence at this time.

A. Right.

CROSS EXAMINATION

BY MR. NUTTER:

Q. Now when did this 160-acre unit cease to exist?

A. When we filed a GOR form, I would assume, in January 17th of this year.

Q. Well now, did your well get reclassified as the result of a workover or simply a change in GOR?

A. Well, it got reclassified. I worked the well over, so therefore had a different GOR.

Q. You changed the nature of the production?

A. Right.

Q. It was an old Humble gas well.

A. That is correct.

Q. You took it over, operated it as a gas well, and then worked it over, got this GOR of 7750-to-1, asked for reclassification, and it became an oil well.

A. That is correct.

Q. On February the 1st, 1979.

A. That is correct.

Q. So at that date technically the 160-acre nonstandard gas proration unit ceased to exist.

A. That is correct.

Q. I see.

MS. TESCHENDORF: So it looks like you'll need a nonstandard unit for your next gas well.

A. That is -- that is correct.

Q. Mr. Burleson, I was having a little difficulty following all those wells that you were reporting were producing from the Jalmat Pool.

A. I was too.

Q. Now you said there is no Yates production in Section 36.

A. No, I said -- I will correct myself, there is no offsetting -- offsetting this unit in Section 36. That would be the northwest quarter of Section 36, there's no Yates production.

Q. Okay.

A. I think there is Yates production in the south part of this section.

Q. Okay. And then in Section 25 TP has a marginal gas well in the Yates, you stated?

A. Yes, sir.

Q. Is that the well there in Unit I?

A. Yes, sir.

Q. And then you said that there is no Yates gas production in the north half, I think.

A. No, there is not.

Q. And then you said there were a couple of wells over to the west, the one in G, I think?

A. That is correct, Doyle Hartman's Golson No. 1, and then Sam Ayres has the No. 2 Woolworth in I.

Q. Is that the well that's marked as No. 2 and shows an oil well symbol?

A. Yes, sir.

Q. And that's actually a gas well?

A. Gas well.

Q. Okay. What kind of a well is it, do you know?

A. I would say it produced between 2000 and 3000 Mcf a month.

Q. Now, in the event that you don't get Queen production in the No. 4 but you do have a potential in the Yates, you'll complete it as the gas well on this unit.

A. That is correct.

Q. In the event you get Queen oil production and lesser gas production in the No. 4, you would recom-

plete the No. 2 Well as your unit gas well.

A. That is correct.

Q. Now, would -- did I understand you to say you would not dual complete it?

A. I don't like dual wells.

Q. You would abandon a 53 barrel a day oil well and convert it to gas?

A. Yes, I -- well, this is completed -- this well has some problems with a high -- making lots of water, and in fact the last two months this well has not -- I have not produced it. In fact it went to 100 percent, almost 100 percent water, and I don't want to get into this problem, but it may be due to some flood water or some water injection problems in Section 36.

Q. I see.

A. And so I would not be abandoning a zone that would make 53 barrels of oil a day.

Q. I see. If this was the potential back when it was completed in March of '78, then it might be worthy for consideration for recompletion now.

A. Right, that's correct.

Q. Okay.

MS. TESCHENDORF: Jason, I think because of Federal regulations require a finding to explicitly redefine the boundaries of a previously existing unit, or

grant you a nonstandard unit, I think it might be a good idea to ask us if we would amend your application at this point to include asking for your 160-acre nonstandard gas proration unit, and then we'll readvertise to include that, and that way it will be in here.

MR. KELLAHIN: We would make that request but as far as --

MR. NUTTER: He wants a ten-day ruling to -- necessary to satisfy a farm-out agreement. Can you get an extension?

A. No, no, I could get that. It will be all right.

MR. NUTTER: Could you tell them we've got to readvertise this thing?

A. Right.

MR. KELLAHIN: We'll make that request, then. I would like to ask the witness one further question, if I may.

REDIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Mr. Burleson, your Harrison No. 1 is producing some gas from the Yates formation, is that correct?

A. That is correct.

Q. Now will that well produce the gas under-

lying all of the 160-acre tract you propose to dedicate to a Yates gas well?

A. No, sir, it would not.

Q. Is it capable of doing so at all?

A. No, sir, it is not.

Q. And if another well is drilled on the unit producing Yates gas, would you anticipate the production of substantial reserves that could not be produced by any other well?

A. Yes, I would.

MR. KELLAHIN: Thank you.

MR. NUTTER: Are there any other questions of Mr. Burleson? He may be excused.

Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all I have, Mr. Nutter. Thank you.

MR. NUTTER: We'll take the case under advisement and readvertise the thing as soon as we find out what unit we want to dedicate. I presume it would be the 160.

In the meantime we will take it under advisement.

(Hearing concluded.)

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, skill and knowledge, from my notes taken at the time of the hearing.

Sally W. Boyd CSR
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6452 heard by me on 2/14 1979.

Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3010 Plaza Blanca (505) 471-4451
Santa Fe, New Mexico 87501

LEWIS B. BURLESON

JACK HUFF

BURLESON & HUFF
OIL PROPERTIES
BOX 2479 - PHONE 683-4747
MIDLAND, TEXAS 79702

Febraury 19, 1979

File

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Case No. 6452
Harrison 2 or 4
SW/4 Sec. 25, T-24-S, R-36-E,
Lea County, New Mexico

Gentlemen:

In a continuation of Case No. 6452 held before the Commission last Wednesday, February 14, 1979, we request a non-standard 160 acre spacing unit so either our Harrison # 2 located in unit N or our Harrison # 4 located in unit L will be the dedicated well, depending on how the log on the Harrison # 4 looks when this well is drilled. This requested 160 acre unit was our previously dedicated 160 acre unit for the Harrison # 1 and the Harrison # 3. The Harrison # 3 is currently producing in the Langlie-Mattix and the Harrison # 1 is a Jalmat oil well.

Three copies of plat showing the location of our well and our proposed spacing unit are enclosed. The proposed unit is outlined in red.

Copies of this application and plat have been sent to all off-setting operators, as follows:

Texas Pacific Oil Company
Box 4067
Midland, Texas 79702

Shell Oil Company
Box 1509
Midland, Texas 79702

Doyle Hartman
508 C & K Petroleum Bldg.
Midland, Texas 79701

Sam D. Ares
4433 Conley
Odessa, Texas 79760

Reserve Oil, Inc.
HEF Bldg.
Midland, Texas 79701

Yours very truly,

Lewis B. Burleson

LBB/sw

CASE 6515: Application of Southland Royalty Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 31, Township 31 North, Range 11 West, San Juan County, New Mexico, to be dedicated to its Grenier Well No. 23 drilled at a location 1190 feet from the South and West lines of said Section 31. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6516: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Maduro Unit Area, comprising 2,560 acres, more or less, of Federal and State lands in Township 19 South, Range 33 East, Lea County, New Mexico.

CASE 6452: (Continued and Readvertised)

Application of Burleson & Huff for a non-standard gas proration unit and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the SW/4 of Section 25, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico. Applicant further seeks a finding that the recompletion of its Harrison Well No. 2 located in Unit N or in the alternative, the drilling of its Harrison Well No. 4 in Unit L, of Section 25 is necessary to effectively and efficiently drain that portion of the previously approved 160-acre proration unit which cannot be drained by the old unit well.

Dan Nutter

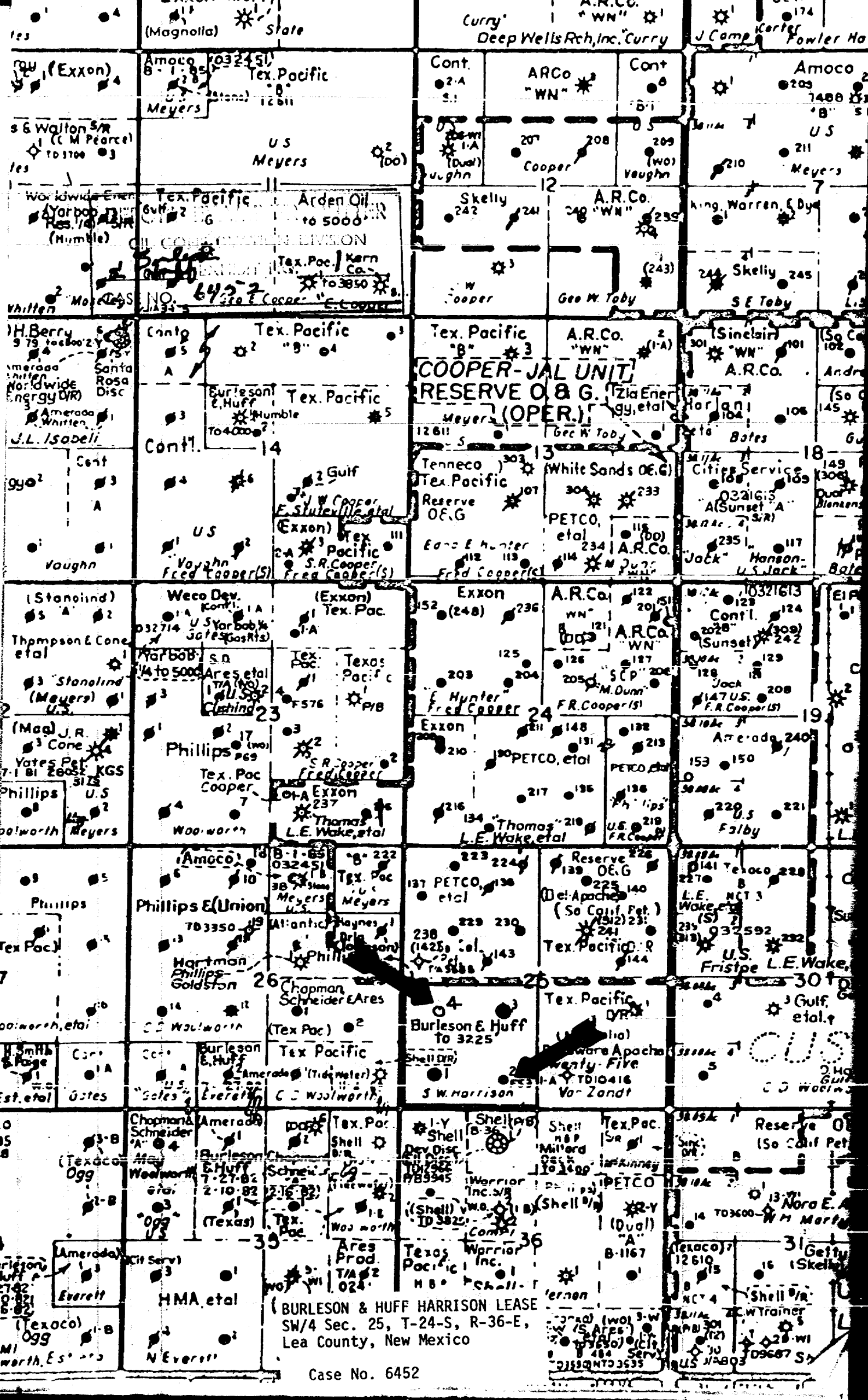
Case 6452 (Cont'd reads)

application of Pearson & Huff for a non-standard gas proration unit and approval of infill drilling, Lea Co. N. Mex.

Applicant in the above styled cause seeks approval of a 160-acre non-standard gas proration unit comprising the SW/4 of Sec 25, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico. Applicant further seeks

Dan Nutter

a finding that the re-completion of its Harrison Well No 2 located in Unit N or in the alternative, the Drilling of its Harrison Well No. 4 in Unit L, of Section 25 is necessary to effectively and efficiently drain that portion of the previously approved 160-acre proration unit which cannot be drained by the old unit well.


COOPER-JAL UNIT
RESERVE O. & G.
(OPER.)
Zia Energy, etal
Tex. Pacific "B"
A.R.Co. "WN"
Cont.
ARCo "WN"
Cont
Amoco
Tex. Pacific
Arden Oil
to 5000
Tex. Pac.
Kern Co.
to 3850
Skelly
A.R.Co. "WN"
Warren & Dye
Skelly
S E Toby
Geo W. Toby
Cooper
Meyers
Curry
Deep Wells Rch, Inc. "Curry
(Magnolia)
State
(Exxon)
Worldwide Energy
Yarbob
Res. (Humble)
Whitten
H. Berry
Amerada Whitten
J.L. Isabell
Santa Rosa Disc
Vaughn
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Burleson & Huff
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Gulf
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(Exxon)
Tex Pacific
S.R. Cooper(S)
Fred Cooper(S)
Tenneco
Tex. Pacific
Reserve O.&G.
Eano E. Hunter
Fred Cooper(S)
(White Sands O.&G.)
PETCO, etal
A.R.Co.
(Sinclair)
A.R.Co.
Harlan
to
Bates
Cities Service
A(Sunset "A"
Jack
Hanson-U.S.Jack
(Stanolind)
Thompson & Cone etal
Stanolind
(Meyers)
U.S.
(Mag) J.R. Cone
Yates Pet. KGS
Phillips
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Yarbob
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Cushing
Tex. Pac.
Texas Pacific
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23
Phillips
Tex. Poc
Cooper
Woolworth
(Exxon)
Tex. Pac.
S.R. Cooper
Fred Cooper
Lot-A
Exxon
237
Thomas
L.E. Wake, etal
Exxon
(248)
E. Hunter
Fred Cooper
24
Exxon
PETCO, etal
Thomas
L.E. Wake, etal
A.R.Co. WN
S C P
M. Dunn
F.R. Cooper(S)
10321613
Cont'l.
(Sunset)
Jack
U.S.
F.R. Cooper(S)
19
Amerada
Falby
U.S
Meyers
Phillips
Tex Poc
Amoco
Phillips & (Union)
TD 3350
Hartman
Phillips
Goldston
26
Chapman
Schneider & Ares
(Tex Poc)
Tex Pacific
Burleson & Huff
to 3225
Shell (DR)
S W Harrison
25
Tex. Pacific
Reserve O.&G.
Del Apache
(So Calif. Pet.)
Tex. Pacific D.R.
Del Apache
Twenty-Five
TD 10416
Von Zandt
30
Gulf, etal.
Yarbob
Gates
Est. etal
Woolworth
Chapman & Schneider "A"
Amerada
Burleson & Huff
7-27-82
2-10-82
(Texas)
Tex. Poc
Shell
Ares
Prod.
T/A
024
Shell
Dev. Disc.
TD 7864
PB 9345
(Shell)
ID 3825
1-Y
Shell
B-36
Warrior Inc.
Texas Pacific
Warrior Inc.
PETCO
(Dual)
"A"
B-1167
Reserve O.&G.
(So Calif Pet.)
Nora E.
TD 3600
(Texaco)
12610
Getty
(Skelly)
Shell
C.W. Trainer
TD 9687
(Texaco)
Ogg
1-B
Amerada
Everett
(Cit Serv)
HMA, etal
N Everett
35
36
31
BURLESON & HUFF HARRISON LEASE
SW/4 Sec. 25, T-24-S, R-36-E,
Lea County, New Mexico
Case No. 6452

NEW MEXICO OIL CONSERVATION COMMISSION
GAS – OIL RATIO TESTS

C-116
Revised 1-1-65

Operator: Burleson & Huff | Pool: Jalmat | County: Lea

Address: Box 2479, Midland, Texas 79702 | TYPE OF TEST – (X) | Scheduled ☐ | Completion ☐ | Special ☒

LEASE NAME	WELL NO.	LOCATION U	S	T	R	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST, WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	GAS – OIL RATIO CU.FT/BBL
ison	1	M	25	24	36	1-15-79	P	-	-	0	24	3	34	4	31	7750 :1

PLEASE RECLASSIFY AS JALMAT OIL WELL

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
EXHIBIT NO. 2
CASE NO. 6452

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

Case No. 6452

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

(Signature)

Owner
(Title)

Jan. 17, 1979

NEW MEXICO
OIL CONSERVATION COMMISSION

Hobbs, New Mexico 88240
DISTRICT OFFICE

January Thru
April, 1979
NO. 1118C

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE February 1, 1979

PURPOSE ALLOWABLE ASSIGNMENT (OLD WELL) (RECLASSIFIED FROM GAS TO OIL)

Effective February 1, 1979, an allowable of 4 barrels of oil per day is hereby assigned to the Burleson & Huff, Harrison, 1-M, 25-24-36, Jalmat Yates Seven Rivers Pool.

February Total	112 Barrels
March Total	124 Barrels
April Total	120 Barrels

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
Burleson & Huff EXHIBIT NO. 3
CASE NO. 6452

JS/vho

Burleson & Huff

Permian

El Paso

OIL CONSERVATION COMMISSION

Jerry Sexton
DISTRICT SUPERVISOR

Case No. 6452

DISTRIBUTION: WHITE - OPERATOR, YELLOW - TRANSPORTER, PINK - OCC SANTA FE, GOLD - OFFICE COPY, GREEN - EXTRA COPY.

er	Address	Pool	County
BURLESON & HUFF	BOX 935 - MIDLAND, TX	JALMAT	LEA COUNTY NEW MEXICO

LEASE	WELL NO.	LOCATION				DATE PRESS. RUN	TIME S.I. HRS./	S.I. PRESSURE PSIG (DWT)	S.I. PRESSURE PSIA	PREV. TEST DATE
		UNIT.	SEC.	TWP.	RGE.					
Arco	2-Y	H	21	25	37	5-10-77	72	143	156.2	New Well
Aztec	1	K	21	25	37	5-10-77	72	71	84.2	4-13-76
Coll A	1	G	29	25	37	5-10-77	72	12	25.2	4-13-76
ook	1	O	28	25	37	5-10-77	72	218	231.2	4-13-76
Cook	2	P	28	25	37	5-10-77	72	NO ½" Valve		4-13-76
Dale Fed	1	A	29	26	37	5-3-77	72	303	316.2	New Well
Dyer	3	H	31	25	37	5-10-77	72	50	63.2	New Well
Exxon	1	J	21	25	37	9-27-77	72	20	33.2	New Well
Gutman	1	I	29	25	37	5-10-77	72	215	228.2	4-13-76
Hadfield	1	P	21	25	37	5-24-77	72	158	171.2	4-27-76
Harrison	1	M	25	24	36	7-12-77	72	133	146.2	6-2-76
arrison	3	K	25	24	36	7-12-77	72	50	63.2	6-2-76
anehart	3	L	21	25	37	5-10-77	72	243	256.2	4-13-76
Leonard	1	P	20	25	37	5-10-77	72	201	214.2	New Well
Leonard	2	I	20	25	37	5-10-77	72	200	213.2	4-10-76
Saunders	2	F	28	25	37	5-10-77	72	550	563.2	New Well

BEFORE EXAMINER HUNTER
OIL CONSERVATION DIVISION
EXHIBIT NO. 3
CASE NO. 6452

by certify that the above information is true and complete to the best of my knowledge and belief. SEE RULE 402

ture Title Date

Case No. 6452

Form C-105
Revised 11-1-78

DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease: State [ ] Fee [X]

5. State Oil & Gas Lease No.

1a. TYPE OF WELL

b. TYPE OF COMPLETION

OIL WELL [X] GAS WELL [ ] DRY [ ] OTHER

NEW WELL [X] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ]

EXHIBIT NO. 4
CASE NO. 6452

7. Unit Agreement Name

8. Farm or Lease Name
Harrison

9. Well No.
2

2. Name of Operator
Burleson & Huff

3. Address of Operator
Box 2479, Midland, Texas 79702

10. Field and Pool, or Wildcat
Langlie-Mattix

4. Location of Well

UNIT LETTER N LOCATED 660 FEET FROM THE south LINE AND 1980 FEET FROM THE west LINE OF SEC. 25 TWP. 24S RGE. 36E NMPM

12. County
Lea

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
2-1-78	2-13-78	3-15-78	3281.1 GR	3281.1

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
3620	3619		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name
Queen Sand from 3502 to 3578 - 11 holes

25. Was Directional Survey Made
no

26. Type Electric and Other Logs Run
Gamma Ray Neutron Denisty and Dual Laterlog

27. Was Well Cored
no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	23.#	1165	13-3/4"	550 sx	circulated
4-1/2	9.5#	3620	7-5/8"	300	Top of base of salt

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	3487	3487

31. Perforation Record (Interval, size and number)
3502, 03, 04, 05, 64, 65, 68, 70, 75, 77 and 78

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3502 - 3578	1250 gal. acid

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping — Size and type pump)	Well Status (Prod. or Shut-in)
3-15-78	flowing	producing

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Gas—Oil Ratio
3-15-78	24	32/64		53	355	10	6698

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Oil Gravity — API (Corr.)
20	packer		53	355	10	35

34. Disposition of Gas (Sold, used for fuel, vented, etc.)
to be sold to El Paso Natural Gas Company

Test Witnessed By
James C. Burress

35. List of Attachments
logs and deviation survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED [signature] TITLE Co-Owner DATE 3-16-78

Case No. 6452

This form is to be filled with the appropriat[illegible]istrict Office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by a copy of all electrical and radio-activity logs run [illegible]e well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico				Northwestern New Mexico			
T. Anhy 1160	T. Canyon	T. Ojo Alamo	T. Penn. "B"				
T. Salt 1197	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"				
B. Salt 2702	T. Atoka	T. Pictured Cliffs	T. Penn. "D"				
T. Yates 2887	T. Miss	T. Cliff House	T. Leadville				
T. 7 Rivers 3110	T. Devonian	T. Menefee	T. Madison				
T. Queen 3500	T. Silurian	T. Point Lookout	T. Elbert				
T. Grayburg	T. Montoya	T. Mancos	T. McCracken				
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Qtzte				
T. Glorieta	T. McKee	Base Greenhorn	T. Granite				
T. Paddock	T. Ellenburger	T. Dakota	T.				
T. Blinebry	T. Gr. Wash	T. Morrison	T.				
T. Tubb	T. Granite	T. Todilto	T.				
T. Drinkard	T. Delaware Sand	T. Entrada	T.				
T. Abo	T. Bone Springs	T. Wingate	T.				
T. Wolfcamp	T.	T. Chinle	T.				
T. Penn.	T.	T. Permian	T.				
T Cisco (Bough C)	T.	T. Penn. "A"	T.				

OIL OR GAS SANDS OR ZONES

No. 1, from 2887 to 3110 - gas No. 4, from ..... to .....

No. 2, from 3500 to 3600 - oil No. 5, from ..... to .....

No. 3, from ..... to ..... No. 6, from ..... to .....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from none to ..... feet. .....

No. 2, from ..... to ..... feet. .....

No. 3, from ..... to ..... feet. .....

No. 4, from ..... to ..... feet. .....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	1160	1160	Red beds				
1160	1197	37	Anhydrite				
1197	2702	1505	salt & anhydrite				
2702	2887	185	dolomite & anhydrite				
2887	3110	223	sand & dolomite				
3110	3500	390	dolomite & anhydrite				
3500	3620	120	sand, dolomite & anhydrite				

30-025-26174

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LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease: STATE [ ] FEE [X]

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

7. Unit Agreement Name

8. Farm or Lease Name: Harrison

2. Name of Operator: Burleson & Huff

9. Well No.: 4

3. Address of Operator: Box 2479, Midland, Texas 79702

10. Field and Pool, or Wildcat: Langlie-Mattix

4. Location of Well: UNIT LETTER L LOCATED 1980 FEET FROM THE south LINE AND 660 FEET FROM THE west LINE OF SEC. 25 TWP. 24-S RGE. 36-E NMPM

12. County: Lea

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
3550	Queen	Rotary

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
3281 GL	Statewide	Su-Marr Drilling	1-23-79

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	23#	1200	450	circ.
7-7/8"	4-1/2"	9.5#	3550	250	base of salt

Drill 12-1/4" hole to top of anhydrite. 8-5/8" surface pipe will be set in top of anhydrite & cement circulated to surface. Before drilling out under surface pipe a Shaeffer 10", 3000# WP, BOP will be installed and used while drilling to TD. Will set pipe to test the Queen formation. Will log, perforate, acidize & frac.

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION
Burleson & Huff
EXHIBIT NO. 6
CASE NO. 6452

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

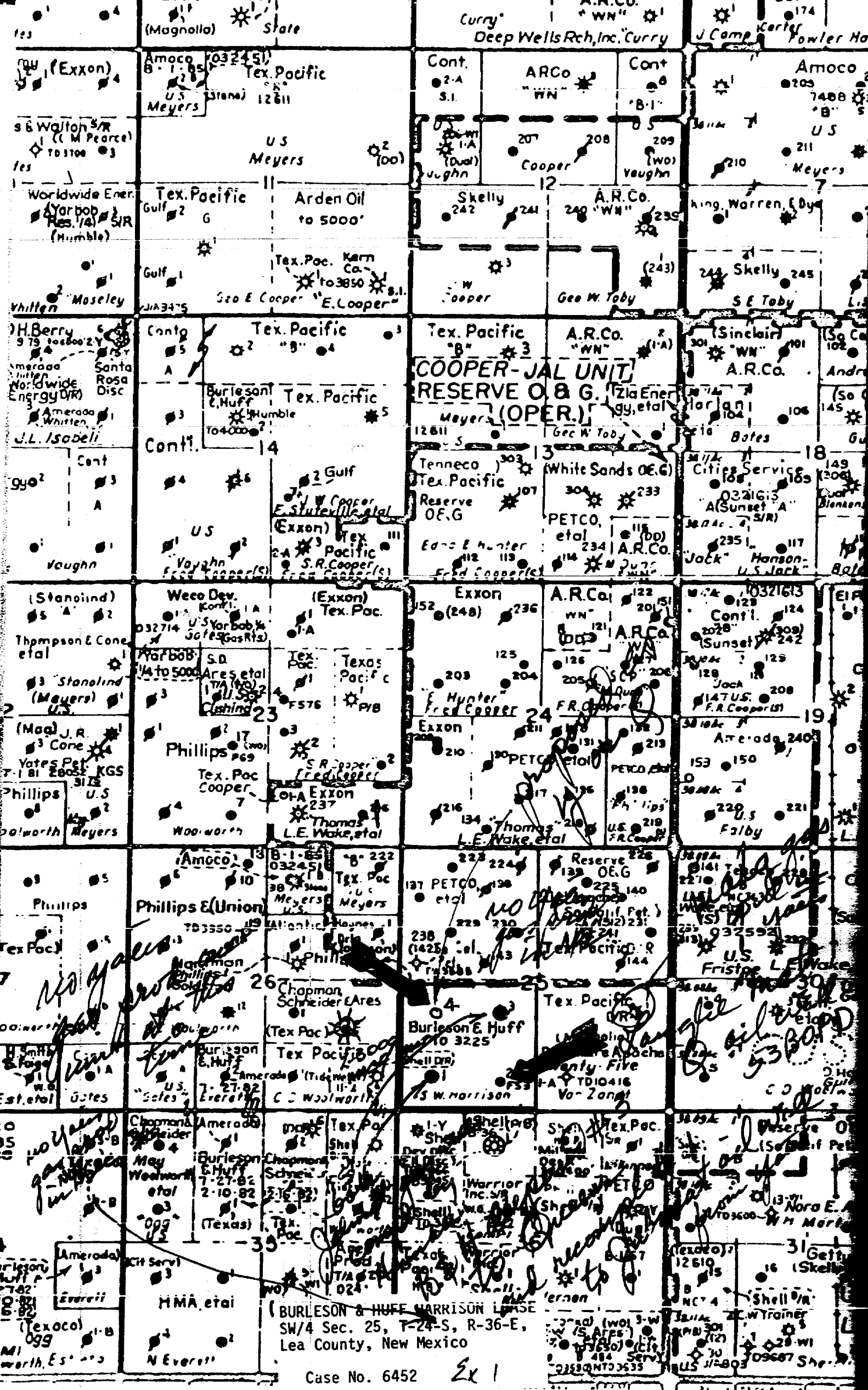
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Wayne Jones Title Drilling Foreman Date 1-17-79

(This space for State Use)

APPROVED BY [signature] TITLE SUPERVISOR DISTRICT # DATE JAN 1979

CONDITIONS OF APPROVAL, IF ANY:


COOPER-JAL UNIT
RESERVE O & G
(OPER.)
BURLESON & HUFF HARRISON LEASE
SW/4 Sec. 25, T-24-S, R-36-E,
Lea County, New Mexico
Case No. 6452
Ex 1

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator	Pool	County
Burleson & Huff	Jalmat	Lea

Address	TYPE OF TEST - (X)	Scheduled ☐	Completion ☐	Special ☒
Box 2479, Midland, Texas 79702				

LEASE NAME	WELL NO.	LOCATION U	S	T	H	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST, WATER BBLS.	GRAV. OIL	OIL, BBLS.	GAS M.C.F.	GAS - OIL RATIO CU.FT/BBL.
ison	1	M	25	24	36	1-15-79	P	-	-	0	24	3	34	4	31	7750 :1

PLEASE RECLASSIFY AS JALMAT OIL WELL

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

Case No. 6452 Ex 2

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

Jer B Burleson
(Signature)

Owner
(Title)

Jan. 17, 1979

NEW MEXICO
OIL CONSERVATION COMMISSION

Hobbs, New Mexico 88240
DISTRICT OFFICE

January Thru
April, 1979
NO. 1118C

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE February 1, 1979

PURPOSE ALLOWABLE ASSIGNMENT (OLD WELL) (RECLASSIFIED FROM GAS TO OIL)

Effective February 1, 1979, an allowable of 4 barrels of oil per day is hereby assigned to the Burleson & Huff, Harrison, 1-M, 25-24-36, Jalmat Yates Seven Rivers Pool.

February Total	112 Barrels
March Total	124 Barrels
April Total	120 Barrels

JS/vho

Burleson & Huff

Permian

El Paso

OIL CONSERVATION COMMISSION

Jerry Sexton
DISTRICT SUPERVISOR

Case No. 6452 Ex 3

DISTRIBUTION: WHITE - OPERATOR, YELLOW - TRANSPORTER, PINK - OCC SANTA FE, GOLD - OFFICE COPY, GREEN - EXTRA COPY.

er	Address	Pool	County
BURLESON & HUFF	BOX 935 - MIDLAND, TX	JALMAT	LEA COUNTY NEW MEXICO

LEASE	WELL NO.	LOCATION				DATE PRESS. RUN	TIME S.I. HRS./DAYS	S.I. PRESSURE PSIG (DWT)	S.I. PRESSURE PSIA	PREV. TEST DATE
		UNIT.	SEC.	TWP.	RGE.					
Arco	2-Y	H	21	25	37	5-10-77	72	143	156.2	New Well
Aztec	1	K	21	25	37	5-10-77	72	71	84.2	4-13-76
Coll A	1	G	29	25	37	5-10-77	72	12	25.2	4-13-76
Cook	1	O	28	25	37	5-10-77	72	218	231.2	4-13-76
Cook	2	P	28	25	37	5-10-77	72	NO ½" Valve		4-13-76
Dale Fed	1	A	29	26	37	5-3-77	72	303	316.2	New Well
Dyer	3	H	31	25	37	5-10-77	72	50	63.2	New Well
Exxon	1	J	21	25	37	9-27-77	72	20	33.2	New Well
Gutman	1	I	29	25	37	5-10-77	72	215	228.2	4-13-76
Hadfield	1	P	21	25	37	5-24-77	72	158	171.2	4-27-76
Harrison	1	M	25	24	36	7-12-77	72	133	146.2 ✓	6-2-76
Harrison	3	K	25	24	36	7-12-77	72	50	63.2 ✓	6-2-76
Lanehart	3	L	21	25	37	5-10-77	72	243	256.2	4-13-76
Leonard	1	P	20	25	37	5-10-77	72	201	214.2	New Well
Leonard	2	I	20	25	37	5-10-77	72	200	213.2	4-10-76
Saunders	2	F	28	25	37	5-10-77	72	550	563.2	New Well

3 could not bleed EP 50# line press & was recompl as Queen oil well

Ex 4

hereby certify that the above information is true and complete to the best of my knowledge and belief. SEE RULE 402

Case No. 6452

Name Title Date

DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

Form C-105
Revised 11-1-58

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease: State [ ] Fee [X]

5. State Oil & Gas Lease No.

1a. TYPE OF WELL: OIL WELL [X] GAS WELL [ ] DRY [ ] OTHER

b. TYPE OF COMPLETION: NEW WELL [X] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

7. Unit Agreement Name

8. Farm or Lease Name: Harrison

9. Well No.: 2

2. Name of Operator: Burleson & Huff

3. Address of Operator: Box 2479, Midland, Texas 79702

10. Field and Pool, or Wildcat: Langlie-Mattix

4. Location of Well: UNIT LETTER N LOCATED 660 FEET FROM THE south LINE AND 1980 FEET FROM THE west LINE OF SEC. 25 TWP. 24S RGE. 36E NMPM

12. County: Lea

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
2-1-78	2-13-78	3-15-78	3281.1 GR	3281.1

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
3620	3619		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name: Queen Sand from 3502 to 3578 - 11 holes

25. Was Directional Survey Made: no

26. Type Electric and Other Logs Run: Gamma Ray Neutron Denisty and Dual Laterlog

27. Was Well Cored: no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	23.#	1165	13-3/4"	550 sx	circulated
4-1/2	9.5#	3620	7-5/8"	300	Top of base of salt

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	3487	3487

31. Perforation Record (Interval, size and number)
3502, 03, 04, 05, 64, 65, 68, 70, 75, 77 and 78

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3502 - 3578	1250 gal. acid

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping — Size and type pump)	Well Status (Prod. or Shut-in)
3-15-78	flowing	producing

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Gas—Oil Ratio
3-15-78	24	32/64		53	355	10	6698

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Oil Gravity — API (Corr.)
20	packer		53	355	10	35

34. Disposition of Gas (Sold, used for fuel, vented, etc.): to be sold to El Paso Natural Gas Company

Test Witnessed By: James C. Burress

35. List of Attachments: logs and deviation survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED [signature] TITLE Co-Owner DATE 3-16-78

Case No. 6452 Ex 5

1

This form is to be filed with the appropriat[illegible] District Office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by [illegible] copy of all electrical and radio-activity logs run [illegible]e well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico				Northwestern New Mexico			
T. Anhy	1160	T. Canyon		T. Ojo Alamo		T. Penn. "B"	
T. Salt	1197	T. Strawn		T. Kirtland-Fruitland		T. Penn. "C"	
B. Salt	2702	T. Atoka		T. Pictured Cliffs		T. Penn. "D"	
T. Yates	2887	T. Miss		T. Cliff House		T. Leadville	
T. 7 Rivers	3110	T. Devonian		T. Menefee		T. Madison	
T. Queen	3500	T. Silurian		T. Point Lookout		T. Elbert	
T. Grayburg		T. Montoya		T. Mancos		T. McCracken	
T. San Andres		T. Simpson		T. Gallup		T. Ignacio Qtzte	
T. Glorieta		T. McKee		Base Greenhorn		T. Granite	
T. Paddock		T. Ellenburger		T. Dakota		T.	
T. Blinebry		T. Gr. Wash		T. Morrison		T.	
T. Tubb		T. Granite		T. Todilto		T.	
T. Drinkard		T. Delaware Sand		T. Entrada		T.	
T. Abo		T. Bone Springs		T. Wingate		T.	
T. Wolfcamp		T.		T. Chinle		T.	
T. Penn		T.		T. Permian		T.	
T Cisco (Bough C)		T.		T. Penn. "A"		T.	

OIL OR GAS SANDS OR ZONES

No. 1, from 2887 to 3110 - gas No. 4, from ..... to .....

No. 2, from 3500 to 3600 - oil No. 5, from ..... to .....

No. 3, from ..... to ..... No. 6, from ..... to .....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from none to ..... feet. .....

No. 2, from ..... to ..... feet. .....

No. 3, from ..... to ..... feet. .....

No. 4, from ..... to ..... feet. .....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	1160	1160	Red beds				
1160	1197	37	Anhydrite				
1197	2702	1505	salt & anhydrite				
2702	2887	185	dolomite & anhydrite				
2887	3110	223	sand & dolomite				
3110	3500	390	dolomite & anhydrite				
3500	3620	120	sand, dolomite & anhydrite				

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LAND OFFICE		
OPERATOR		

30-025-22174

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE ☐ FEE ☒

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

b. Type of Well: DRILL ☒ DEEPEN ☐ PLUG BACK ☐
OIL WELL ☒ GAS WELL ☐ OTHER SINGLE ZONE ☒ MULTIPLE ZONE ☐

7. Unit Agreement Name

8. Farm or Lease Name: Harrison

2. Name of Operator: Burleson & Huff

9. Well No.: 4

3. Address of Operator: Box 2479, Midland, Texas 79702

10. Field and Pool, or Wildcat: Langlie-Mattix

4. Location of Well: UNIT LETTER L LOCATED 1980 FEET FROM THE south LINE AND 660 FEET FROM THE west LINE OF SEC. 25 TWP. 24-S RGE. 36-E NMPM

12. County: Lea

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
3550	Queen	Rotary

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
3281 GL	Statewide	Su-Marr Drilling	1-23-79

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	23#	1200	450	circ.
7-7/8"	4-1/2"	9.5#	3550	250	base of salt

Drill 12-1/4" hole to top of anhydrite. 8-5/8" surface pipe will be set in top of anhydrite & cement circulated to surface. Before drilling out under surface pipe a Shaeffer 10", 3000# WP, BOP will be installed and used while drilling to TD. Will set pipe to test the Queen formation. Will log, perforate, acidize & frac.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

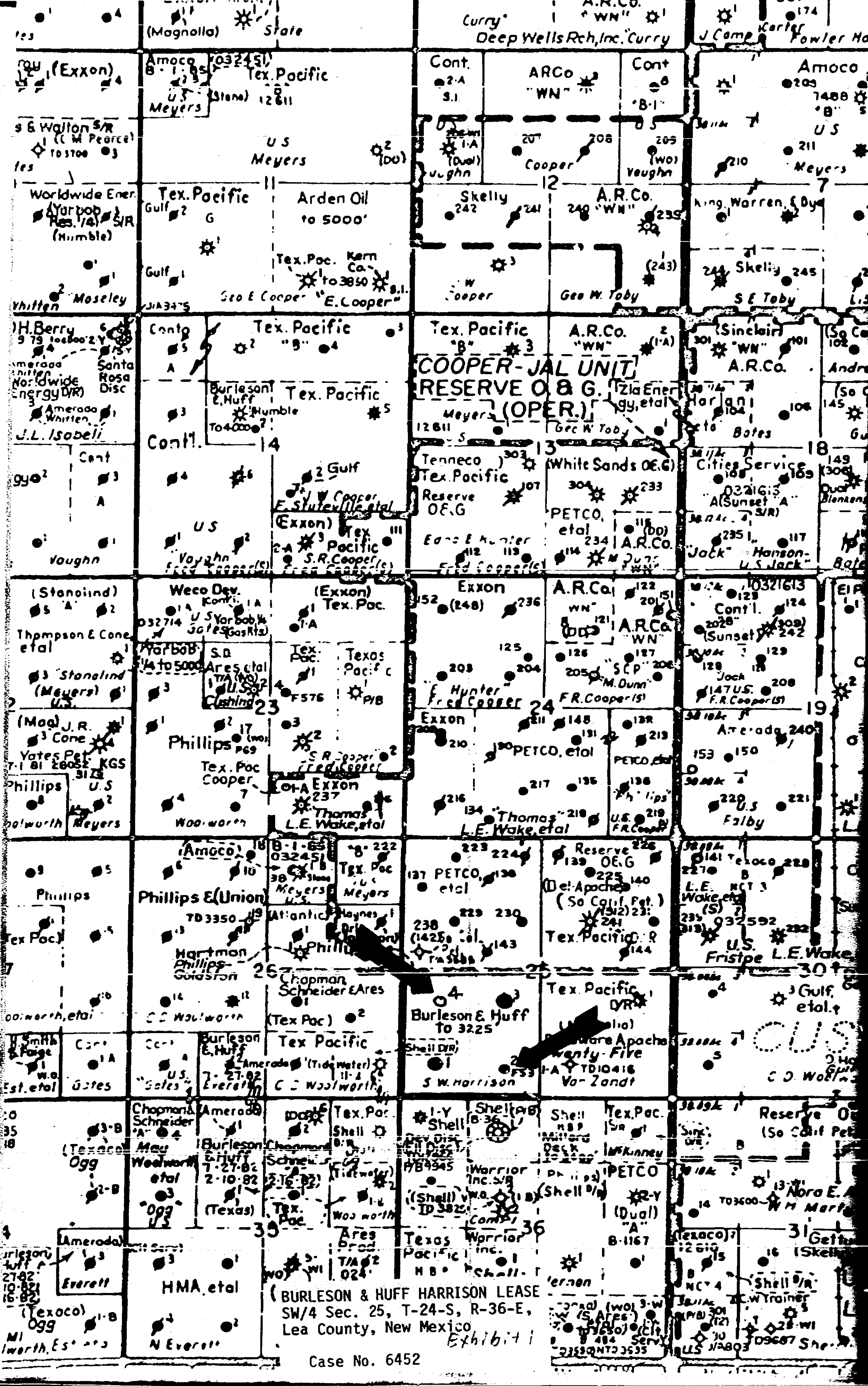
Signed Wayne Jarvis Title Drilling Foreman Date 1-17-79

(This space for State Use)

APPROVED BY [signature] TITLE SUPERVISOR DISTRICT A DATE JAN 19 1979

CONDITIONS OF APPROVAL, IF ANY:

Ex & Ca 6452



(BURLESON & HUFF HARRISON LEASE
SW/4 Sec. 25, T-24-S, R-36-E,
Lea County, New Mexico

Exhibit 1

Case No. 6452

NEW MEXICO OIL CONSERVATION COMMISSION
GAS – OIL RATIO TESTS

C-116
Revised 1-1-65

Operator: Burleson & Huff | Pool: Jalmat | County: Lea

Address: Box 2479, Midland, Texas 79702 | TYPE OF TEST – (X) | Scheduled ☐ | Completion ☐ | Special ☒

LEASE NAME	WELL NO.	LOCATION U	S	T	R	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST, WATER BBLS.	GRAV. OIL	OIL, BBLS.	GAS M.C.F.	GAS – OIL RATIO CU.FT/BBL.
Ison	1	M	25	24	36	1-15-79	P	-	-	0	24	3	34	4	31	7750 :1

PLEASE RECLASSIFY AS JALMAT OIL WELL

Exhibit 2
Case 6452

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

Case No. 6452

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

(Signature)

Owner
(Title)

Jan. 17, 1979

NEW MEXICO
OIL CONSERVATION COMMISSION

Hobbs, New Mexico 88240
DISTRICT OFFICE

January Thru
April, 1979
NO. 1118C

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE February 1, 1979

PURPOSE ALLOWABLE ASSIGNMENT (OLD WELL) (RECLASSIFIED FROM GAS TO OIL)

Effective February 1, 1979, an allowable of 4 barrels of oil per day is hereby assigned to the Burleson & Huff, Harrison, 1-M, 25-24-36, Jalmat Yates Seven Rivers Pool.

February Total	112 Barrels
March Total	124 Barrels
April Total	120 Barrels

Exhibit 3
Case 6452

JS/vho

Burleson & Huff

Permian

El Paso

OIL CONSERVATION COMMISSION

DISTRICT SUPERVISOR

Case No. 6452

DISTRIBUTION: WHITE - OPERATOR, YELLOW - TRANSPORTER, PINK - OCC SANTA FE, GOLD - OFFICE COPY, GREEN - EXTRA COPY.

Operator	Address	Pool	County
BURLESON & HUFF	BOX 935 - MIDLAND, TX	JALMAT	LEA COUNTY NEW MEXICO

LEASE	WELL NO.	LOCATION				DATE PRESS. RUN	TIME S.I. HRS./~~DAYS~~	S.I. PRESSURE PSIG (DWT)	S.I. PRESSURE PSIA	PREV. TEST DATE
		UNIT	SEC.	TWP.	RGE.					
Arco	2-Y	H	21	25	37	5-10-77	72	143	156.2	New Well
Aztec	1	K	21	25	37	5-10-77	72	71	84.2	4-13-76
Coll A	1	G	29	25	37	5-10-77	72	12	25.2	4-13-76
Cook	1	O	28	25	37	5-10-77	72	218	231.2	4-13-76
Cook	2	P	28	25	37	5-10-77	72	NO $\frac{1}{2}$" Valve		4-13-76
Dale Fed	1	A	29	26	37	5-3-77	72	303	316.2	New Well
Dyer	3	H	31	25	37	5-10-77	72	50	63.2	New Well
Exxon	1	J	21	25	37	9-27-77	72	20	33.2	New Well
Gutman	1	I	29	25	37	5-10-77	72	215	228.2	4-13-76
Hadfield	1	P	21	25	37	5-24-77	72	158	171.2	4-27-76
Harrison	1	M	25	24	36	7-12-77	72	133	146.2	6-2-76
Harrison	3	K	25	24	36	7-12-77	72	50	63.2	6-2-76
Lanehart	3	L	21	25	37	5-10-77	72	243	256.2	4-13-76
Leonard	1	P	20	25	37	5-10-77	72	201	214.2	New Well
Leonard	2	I	20	25	37	5-10-77	72	200	213.2	4-10-76
Saunders	2	F	28	25	37	5-10-77	72	550	563.2	New Well

Exhibit 4
Case 6452

I hereby certify that the above information is true and complete to the best of my knowledge and belief. SEE RULE 402

Signature _____ Title _____ Date _____

Case No. 6452

DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

Form C-105
Revised 11-1-58

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease: State [ ] Fee [X]

5. State Oil & Gas Lease No.

7. Unit Agreement Name

8. Farm or Lease Name: Harrison

9. Well No.: 2

10. Field and Pool, or Wildcat: Langlie-Mattix

1a. TYPE OF WELL — OIL WELL [X] GAS WELL [ ] DRY [ ] OTHER

b. TYPE OF COMPLETION — NEW WELL [X] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

2. Name of Operator: Burleson & Huff

3. Address of Operator: Box 2479, Midland, Texas 79702

4. Location of Well: UNIT LETTER N LOCATED 660 FEET FROM THE south LINE AND 1980 FEET FROM THE west LINE OF SEC. 25 TWP. 24S RGE. 36E NMPM

12. County: Lea

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
2-1-78	2-13-78	3-15-78	3281.1 GR	3281.1

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
3620	3619		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name: Queen Sand from 3502 to 3578 - 11 holes

25. Was Directional Survey Made: no

26. Type Electric and Other Logs Run: Gamma Ray Neutron Denisty and Dual Laterlog

27. Was Well Cored: no

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8	23.#	1165	13-3/4"	550 sx	circulated
4-1/2	9.5#	3620	7-5/8"	300	Top of base of salt

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	3487	3487

31. Perforation Record (Interval, size and number): 3502, 03, 04, 05, 64, 65, 68, 70, 75, 77 and 78

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
3502 - 3578	1250 gal. acid

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping — Size and type pump)	Well Status (Prod. or Shut-in)
3-15-78	flowing	producing

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Gas—Oil Ratio
3-15-78	24	32/64		53	355	10	6698

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Oil Gravity — API (Corr.)
20	packer		53	355	10	35

34. Disposition of Gas (Sold, used for fuel, vented, etc.): to be sold to El Paso Natural Gas Company

Test Witnessed By: James C. Burress

35. List of Attachments: logs and deviation survey

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED [signature] TITLE Co-Owner DATE 3-16-78

Exhibit 5
Case No. 6452

This form is to be filed with the appropriat[illegible] district office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by a copy of all electrical and radio-activity logs run [illegible]e well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filled in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico				Northwestern New Mexico			
T. Anhy	1160	T. Canyon		T. Ojo Alamo		T. Penn. "B"	
T. Salt	1197	T. Strawn		T. Kirtland-Fruitland		T. Penn. "C"	
B. Salt	2702	T. Atoka		T. Pictured Cliffs		T. Penn. "D"	
T. Yates	2887	T. Miss		T. Cliff House		T. Leadville	
T. 7 Rivers	3110	T. Devonian		T. Menefee		T. Madison	
T. Queen	3500	T. Silurian		T. Point Lookout		T. Elbert	
T. Grayburg		T. Montoya		T. Mancos		T. McCracken	
T. San Andres		T. Simpson		T. Gallup		T. Ignacio Qtzte	
T. Glorieta		T. McKee		Base Greenhorn		T. Granite	
T. Paddock		T. Ellenburger		T. Dakota		T.	
T. Blinebry		T. Gr. Wash		T. Morrison		T.	
T. Tubb		T. Granite		T. Todilto		T.	
T. Drinkard		T. Delaware Sand		T. Entrada		T.	
T. Abo		T. Bone Springs		T. Wingate		T.	
T. Wolfcamp		T.		T. Chinle		T.	
T. Penn.		T.		T. Permian		T.	
T Cisco (Bough C)		T.		T. Penn. "A"		T.	

OIL OR GAS SANDS OR ZONES

No. 1, from 2887 to 3110 - gas No. 4, from ..... to .....

No. 2, from 3500 to 3600 - oil No. 5, from ..... to .....

No. 3, from ..... to ..... No. 6, from ..... to .....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from none to ..... feet. .....

No. 2, from ..... to ..... feet. .....

No. 3, from ..... to ..... feet. .....

No. 4, from ..... to ..... feet. .....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	1160	1160	Red beds				
1160	1197	37	Anhydrite				
1197	2702	1505	salt & anhydrite				
2702	2887	185	dolomite & anhydrite				
2887	3110	223	sand & dolomite				
3110	3500	390	dolomite & anhydrite				
3500	3620	120	sand, dolomite & anhydrite				

21-025-26194

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FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE [ ] FEE [X]

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL [X] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well
OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [X] MULTIPLE ZONE [ ]

7. Unit Agreement Name

8. Farm or Lease Name
Harrison

2. Name of Operator
Burleson & Huff

9. Well No.
4

3. Address of Operator
Box 2479, Midland, Texas 79702

10. Field and Pool, or Wildcat
Langlie-Mattix

4. Location of Well UNIT LETTER L LOCATED 1980 FEET FROM THE south LINE
AND 660 FEET FROM THE west LINE OF SEC. 25 TWP. 24-S RGE. 36-E NMPM

12. County
Lea

19. Proposed Depth 3550
19A. Formation Queen
20. Rotary or C.T. Rotary

21. Elevations (Show whether DF, RT, etc.) 3281 GL
21A. Kind & Status Plug. Bond Statewide
21B. Drilling Contractor Su-Mar Drilling
22. Approx. Date Work will start 1-23-79

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	23#	1200	450	circ.
7-7/8"	4-1/2"	9.5#	3550	250	base of salt

Drill 12-1/4" hole to top of anhydrite. 8-5/8" surface pipe will be set in top of anhydrite & cement circulated to surface. Before drilling out under surface pipe a Shaeffer 10", 3000# WP, BOP will be installed and used while drilling to TD. TD. Will set pipe to test the Queen formation. Will log, perforate, acidize & frac.

Exhibit 6
Case 6452

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Wayne Johnson Title Drilling Foreman Date 1-17-79

(This space for State Use)

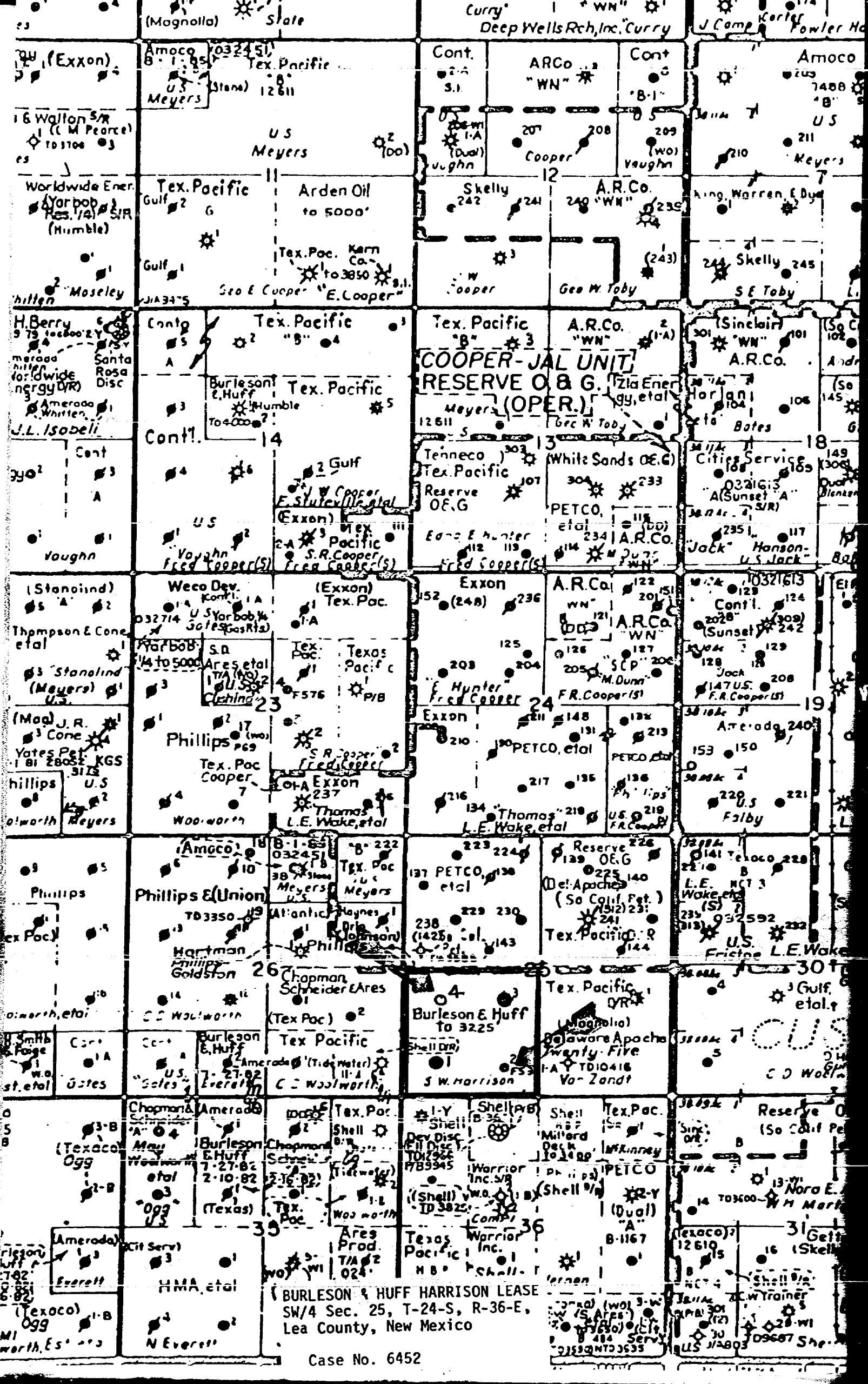
APPROVED BY [signature] TITLE SUPERVISOR DISTRICT # DATE JAN 1979

CONDITIONS OF APPROVAL, IF ANY:

COOPER-JAL UNIT
RESERVE O & G.
(OPER.)

(BURLESON & HUFF HARRISON LEASE
SW/4 Sec. 25, T-24-S, R-36-E,
Lea County, New Mexico

Exhibit 1
Case No. 6452


COOPER-JAL UNIT
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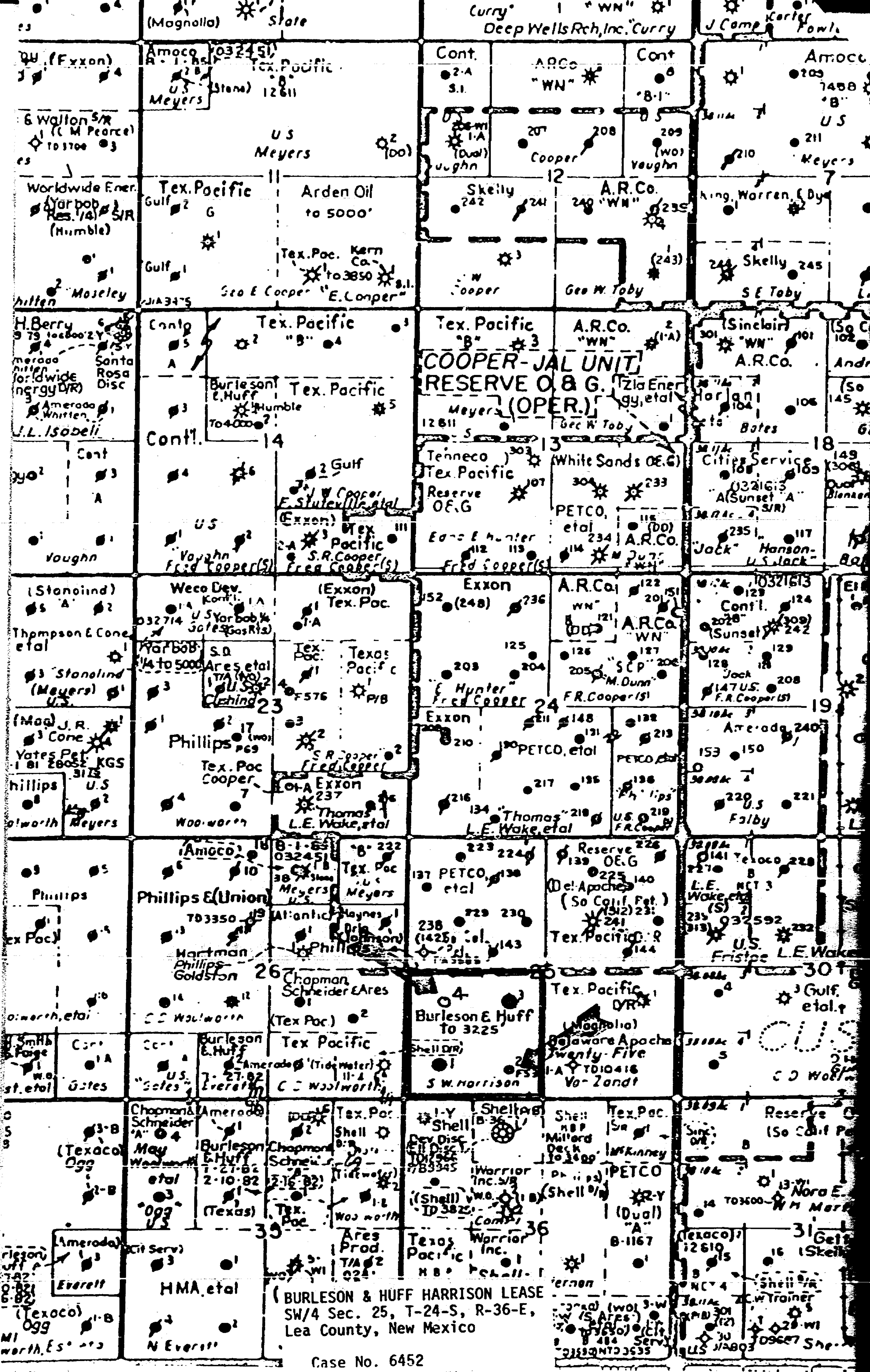
(OPER.)
BURLESON & HUFF HARRISON LEASE
SW/4 Sec. 25, T-24-S, R-36-E,
Lea County, New Mexico
Case No. 6452



(BURLESON & HUFF HARRISON LEASE
SW/4 Sec. 25, T-24-S, R-36-E,
Lea County, New Mexico

Case No. 6452

JASON W. KELLAHIN
W. THOMAS KELLAHIN
KAREN AUBREY

KELLAHIN and KELLAHIN
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
P. O. BOX 1769
SANTA FE, NEW MEXICO 87501

TELEPHONE 982-4285
AREA CODE 505

January 22, 1979

Mr. Joe Ramey
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Burleson & Huff
Harrison Lease

Dear Joe:

Please set the enclosed application for hearing on February 14, 1978.

Very truly yours,

W. Thomas Kellahin

CC: Mr. Lewis Burleson

WTK:kfm

Enclosure

BEFORE THE NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF BURLESON AND HUFF FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATION, AND A NONSTANDARD GAS PRORATION UNIT, JALMAT GAS POOL, LEA COUNTY, N.M.

Case 6452

A P P L I C A T I O N

Comes now Burleson and Huff, and applies to the New Mexico Energy and Mineral Department, Oil Conservation Division for an order for wellhead price ceiling category determination pursuant to the Special Rules of the Division, and Part 271.305(b) Federal Energy REgulatory Commission's Regulations Implementing the Natural Gas Policy Act of 1978, and in support thereof would show the Division:

1. Applicant proposes to recomplete its Harrison #2 well location 1980 feet from the West line and 660 feet from the South line of Section 25, T24S, R36E, Lea County, New Mexico for production as a gas well from the Jalmat Gas Pool, the said well currently being completed in the Langlie Mattix.

2. In the Alternative, Applicant proposes to drill its Harrison #4 well at a location 1980 feet from the South line and 660 feet from the West line of Section 25, T24S, R36E, Lea County, New Mexico for production as a gas well from the Jalmat Gas Pool.

3. That either the Harrision #2 well or the Harrision #4 well will be a replacement well for the Harrison #1 well, located 660 feet from the South and West lines of said Section 25, which, effective January 15, 1979, was reclassified

from a Jalmat gas well to a Jalmat oil well.

4. That the SW/4 of Section 25 which is currently an approved non-standard gas proration unit for the Harrison #1 well shall be dedicated to either the Harrision #2 well or the Harrison #4 well.

5. Applicant further seeks a determination pursuant to the F.E.R.C. Rules, Part 271.305 that either the Harrison #2 well or the Harrison #4 well is necessary to effectively and efficiently drain a portion of the Jalmat gas Pool reservoir covered by the proposed non-standard proration unit which cannot be effectively and efficiently drained by an existing well within the proration unit and will offer evidence in support of that determination.

6. That granting of this application will result in the prevention of waste and the protection of correlative rights.

WHEREFORE Applicant respectfully requests that this matter be set for hearing before the Division's duly appointed examiner and that after notice and hearing the application be approved.

KELLAHIN & KELLAHIN

By W. T. Kellahin

W. Thomas Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Burleson & Huff

Case 6452

BEFORE THE NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF BURLESON AND HUFF FOR WELLHEAD
PRICE CEILING CATEGORY DETERMINATION,
AND A NONSTANDARD GAS PRORATION UNIT,
JALMAT GAS POOL, LEA COUNTY, N.M.

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KELLAHIN & KELLAHIN

By W. Thomas Kellahin

W. Thomas Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Burleson & Huff

BEFORE THE NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

Case 6452

IN THE MATTER OF THE APPLICATION OF BURLESON AND HUFF FOR WELLHEAD PRICE CEILING CATEGORY DETERMINATION, AND A NONSTANDARD GAS PRORATION UNIT, JALMAT GAS POOL, LEA COUNTY, N.M.

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WHEREFORE Applicant respectfully requests that this matter be set for hearing before the Division's duly appointed examiner and that after notice and hearing the application be approved.

KELLAHIN & KELLAHIN

By _____

W. Thomas Kellahin
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Burleson & Huff

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6452

Order No. R-5970

APPLICATION OF BURLESON & HUFF FOR A NON-STANDARD GAS PRORATION UNIT AND APPROVAL OF INFILL DRILLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 28, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of April, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Burleson & Huff, seeks a finding that the recompletion of its Harrison Well No. 2 located in Unit N of Section 25, Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, or, in the alternative, the

drilling of its Harrison Well No. 4 in Unit L of said Section 25, is necessary to effectively and efficiently drain that portion of the proration unit which could not be and was not drained by the previously completed wells on the unit.

(3) That the standard spacing unit in the Jalmat Gas Pool is 640 acres.

(4) That the applicant also seeks a waiver of existing well spacing requirements and the establishment of a 160-acre non-standard gas proration unit comprising the SW/4 of the aforesaid Section 25 to be dedicated to the aforesaid Well No. 2, or in the alternative, Well No. 4.

(5) That a 160-acre non-standard Jalmat gas proration unit, comprising said lands, was previously approved by the Division and was in turn dedicated to applicant's Well No. 3 in Unit K of Section 25 or applicant's Well No. 1 in Unit M of Section 25, but that said non-standard unit expired when one of said wells was deepened to another horizon and the other was reclassified as a Jalmat oil well.

(6) That the evidence in this case indicates that there are remaining ~~last~~ Jalmat gas reserves underlying the SW/4 of Section 25, and that to recover said reserves, it will be necessary to successfully recomplete applicant's Well No. 2 as a Jalmat gas well or to drill and complete the alternative Well No. 4 as a Jalmat gas well.

(7) That such recompletion or drilling and completion operations should result in the SW/4 of Section 25 being more effectively and efficiently drained than by the previously existing wells on the proration unit and should be approved.

(8) That the re-establishment of the proposed 160-acre non-standard gas proration unit and approval of either the No. 2 well or the No. 4 as the unit well is in the interest of conservation, will prevent waste, will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That a 160-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the SW/4 of Section 25, Township 24 South, Range 36 East, NMPM, ~~Jalmat Gas Pool,~~ Lea County, New Mexico, is hereby approved, said unit to be dedicated to the Burleson & Huff Harrison Well No. 2, located in Unit N of said Section 25, or in the alternative, to applicant's Harrison Well No. 4 to be located in Unit L of said Section 25, both of which is ~~is~~ hereby approved as an exception to the well spacing requirements for the Jalmat Gas Pool.

(2) That said non-standard proration unit shall receive an acreage factor of 1.00 for allowable purposes.

(3) 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.