

Case NO.

6591

Application

Transcripts

Small Exhibits

ETC.

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Exxon Corporation for  
vertical pool limit redefinition, Lea  
County, New Mexico. ) CASE  
6591

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

Ernest L. Padilla, Esq.  
Legal Counsel for the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87503

For the Applicant:

Conrad Coffield, Esq.  
HINKLE, COX, EATON, COFFIELD  
& HENSLEY  
Midland, Texas

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3030 Plaza Blanca (S.O.) 471-2483  
Santa Fe, New Mexico 87501

I N D E X

EUGENE E. CLARK

Direct Examination by Mr. Coffield 3

E X H I B I T S

Applicant Exhibit One, Plat 5  
 Applicant Exhibit Two, Log 6  
 Applicant Exhibit Three, Cross Section 7

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MR. STAMETS: We'll call next Case 6591.

MR. PADILLA: Application of Exxon Corporation for vertical pool limit redefinition, Lea County, New Mexico.

MR. COFFIELD: Conrad Coffield, with the Hinkle Law Firm in Midland, Texas, appearing on behalf of the applicant, and I have one witness.

(Witness sworn.)

EUGENE E. CLARK

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

DIRECT EXAMINATION

BY MR. COFFIELD:

Q Mr. Clark, would you please state your name, address, occupation, and employer?

A My name is Eugene Edward Clark. I live at 1312 Alpine in Andrews, Texas. I'm a production geologist for the Exxon Company, Exxon Company U.S.A.

Q Have you previously testified before the Division as a geologist?

A I have not.

Q All right. Would you please, for the

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Suite 20, New Mexico 87501

1 Examiner, give a brief resume of your educational background  
2 and work experience? As a geologist.

3 A I received a Bachelor's of Science in  
4 geology and a Master's of Science in geology at Brigham  
5 Young University. I have worked for Exxon for three and a  
6 half years, two and a half years in exploration, and one  
7 year in the Andrews District Office in production.

8 Q Are you familiar with this particular  
9 application?

10 A Yes, I am.

11 Q And you are familiar with the property and  
12 the well location involved in this case?

13 A Yes, I am.

14 MR. COFFIELD: Mr. Examiner, is the wit-  
15 ness considered qualified.

16 MR. STAMETS: I presume you got your last  
17 degree in 1976?

18 A 1976.

19 MR. STAMETS: Yes, the witness is consi-  
20 dered qualified.

21 Q Mr. Clark, would you please state for the  
22 record what it is that Exxon seeks in this case?

23 A Exxon seeks an order to extend the verti-  
24 cal limits of the Langlie-Mattix Pool to include the lower-  
25 most 165 feet of the Seven Rivers Formation and the contraction

1 of vertical limits of the Jalmat gas pool underlying the  
2 northeast quarter of Section 2, Township 24 South, Range  
3 36 East, Lea County, New Mexico.

4 Q Mr. Clark, refer to what we've marked as  
5 Exhibit Number One, and discuss that, please.

6 What does that represent?

7 A Exhibit Number One is a land plat in the  
8 Langlie -- a portion of the Langlie-Mattix Field near Ex-  
9 xon's New Mexico State "Z" lease, which is outlined in  
10 yellow. On the New Mexico "Z" State lease of Exxon's at  
11 the present time there are no Langlie-Mattix completions.  
12 We have one well on the "Z" State lease that's a Jalmat  
13 gas well. The TD of that well is approximately 230 feet  
14 above the top of the Langlie-Mattix Pool at the present  
15 time.

16 I'd like to point out the acreage in the  
17 blue and the green areas.

18 The blue areas represent acreage operated  
19 by Doyle Hartman of Midland, Texas. Within two leases of  
20 Doyle Hartman's, the Citgo "AS" and the Citgo "LM" State  
21 Leases, there are four Langlie-Mattix wells presently com-  
22 pleted, and these wells are completed in a zone 65 feet  
23 above the old Langlie-Mattix Pool interval.

24 In March of this year Doyle Hartman applied  
25 for a vertical extension of the Langlie-Mattix to a point

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1 165 feet above the top of the Queen or base of the Seven  
2 Rivers, which is 65 feet above the normal Langlie Mattix  
3 Pool interval.

4 Subsequent to Doyle Hartman's application,  
5 Conoco has applied for the same type of vertical extension  
6 of their acreage shown in green, which applies to the five  
7 wells that are circled in red on the map.

8 I might point out that the red circles  
9 on the map are some of the Langlie Mattix completed wells  
10 in the field.

11 MR. COFFIELD: If the Examiner please, I  
12 would point out, or draw the Examiner's attention to Case  
13 Number 6505 and Order Number 5972 of the Division, which  
14 is the case and the order involved in the Doyle Hartman  
15 matter mentioned by Mr. Clark.

16 I do not have a reference to the Conoco  
17 hearing, which was more recently heard.

18 But we would request that the Examiner  
19 take administrative notice of matters discussed in those  
20 cases.

21 MR. STAMETS: The Examiner will take such  
22 notice.

23 Q Mr. Clark, go to the next exhibit, Number  
24 Two, and please discuss that and explain that to the Examiner.

25 A Exhibit Two is a representative well and

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1 log of Doyle Hartman's Citgo "LM" State No. 1 Well, which  
2 is located just to the northeast of Exxon's "Z" State Lease.  
3 The tops of the Seven Rivers are marked in -- the top of  
4 the Seven Rivers is marked in green. The top of the Queen  
5 is marked in red. These tops have been correlated to New  
6 Mexico OCC cross sections, specifically to a well on a  
7 New Mexico OCC cross section, the Gulf Holt "B" No. 1.

8 The first blue line above the top of the  
9 Queen is 100 feet above the top of the Queen. That is the  
10 normal top of the Langlie Mattix Pool.

11 The second line above the top of the Queen,  
12 the blue line, is a point 165 feet above the top of the  
13 Queen, which is the vertical extension that we are asking  
14 for, as well as what Doyle Hartman and Conoco have evidently  
15 received or their application has been approved for.

16 I might note that there are two prominent  
17 sands, gas sands, within that 165 foot zone that are proli-  
18 fic gas sands, and for this reason, we are asking for the  
19 extension of the Langlie Mattix Pool so that we can be able  
20 to compete with Doyle Hartman and Conoco in order to pro-  
21 duce these sands as well on our acreage.

22 Q All right, Mr. Clark, go to what we've  
23 marked Exhibit Three and identify that and explain its in-  
24 formation.

25 A Number Three is a cross section, a zigzagged

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1 cross section, going generally from west to east, showing  
2 two wells on Doyle Hartman's Citgo "AS" State, their No. 2  
3 and 3 Wells that are completed in the Langlie Mattix. They  
4 are located on the west of Exxon's "Z" State.

5 Also, the Doyle Hartman Citgo "LM" State  
6 No. 1, which is located, again, to the northeast of Exxon's  
7 "Z" State, as well as two Conoco wells on their "B" State,  
8 "B" Nos. 5 and 6.

9 The Doyle Hartman wells, I do not have  
10 the perforations marked on these. Each of the wells have  
11 been perforated up and including those prominent sand bodies  
12 within that 165-foot vertical extension, and they've --  
13 they are making approximately, the two Citgo "AS" Wells,  
14 making approximately half a million cubic feet of gas a  
15 day.

16 The Citgo "LM" State No. 1 is making ap-  
17 proximately 650,000 cubic feet of gas a day, and I believe  
18 mainly from those zones, as well as several zones perfor-  
19 ated lower than that.

20 The Vaughn B-1 No. 5, the Vaughn B-1 No. 6,  
21 have not -- are not perforated in those zones and their  
22 production is much lower; just a few barrels of oil and 20  
23 to 30,000 cubic feet of gas a day.

24 Q Mr. Clark, I think you've already alluded  
25 to what plans Exxon has in the event this application is

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1 granted, but I presume you do expect to drill additional  
2 wells on the subject acreage?

3 A We have plans immediately to drill at least  
4 two.

5 Q What would be the result if this applica-  
6 tion is not granted, Mr. Clark?

7 A I don't believe that economically we  
8 would be able to drill either one. I believe that we would  
9 have to be able to complete in those two gas zones in  
10 order to make an economically sound well, to drill any  
11 well.

12 I also might add at this time that our  
13 Jalmat well in the "Z" State, "Z" State No. 1, is a top  
14 allowable Jalmat well, and the likelihood of us drilling  
15 deeper in that Jalmat well and opening up those two zones  
16 as additional zones in the Jalmat, are very unlikely in  
17 the near future, because we -- we have a top allowable well  
18 now, and it's been a top allowable well for quite a number  
19 of years.

20 Q So accordingly, you -- you had to wait  
21 until that well got to a point where it could be opened  
22 up, you would suffer significant drainage, is that so?

23 A I believe so.

24 Q Anything else?

25 A No.

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2020 Plaza Blanca (505) 471-2442  
Santa Fe, New Mexico 87501

1 Q Were these exhibits prepared by you or  
2 under your supervision, Exhibits One, Two, Three?

3 A Yes, they were.

4 Q And, Mr. Clark, in your opinion will the  
5 approval of this application prevent waste and protect  
6 correlative rights?

7 A Yes.

8 MR. COFFIELD: Mr. Examiner, I move the  
9 admission of Exhibits One through Three.

10 MR. STAMETS: These exhibits will be ad-  
11 mitted.

12 MR. COFFIELD: And I have no other ques-  
13 tions of Mr. Clark.

14 MR. STAMETS: Are there any questions of  
15 the witness? He may be excused.

16 Anything further in this case?

17 MR. COFFIELD: No, sir.

18 MR. STAMETS: The case will be taken under  
19 advisement.

20

21

(Hearing concluded.)

22

23

24

25

## 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 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 C.S.R.  
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. 6591 heard by me on 7-11 1971.

Richard L. [Signature] Examiner  
Oil Conservation Division

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

EXAMINER HEARING

IN THE MATTER OF:

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Midland, Texas

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I N D E X

EUGENE E. CLARK

Direct Examination by Mr. Coffield 3

E X H I B I T S

Applicant Exhibit One, Plat	5
Applicant Exhibit Two, Log	6
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Sault Ste. Marie, Ontario S7P 5E1

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Santa Fe, New Mexico 87501

1 Examiner, give a brief resume of your educational background  
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1 165 feet above the top of the Queen or base of the Seven  
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San Antonio, New Mexico 87501

1 log of Doyle Hartman's Citgo "LM" State No. 1 Well, which  
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1 granted, but I presume you do expect to drill additional  
2 wells on the subject acreage?

3 A We have plans immediately to drill at least  
4 two.

5 Q What would be the result if this applica-  
6 tion is not granted, Mr. Clark?

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13 Jalmat well in the "Z" State, "Z" State No. 1, is a top  
14 allowable Jalmat well, and the likelihood of us drilling  
15 deeper in that Jalmat well and opening up those two zones  
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17 the near future, because we -- we have a top allowable well  
18 now, and it's been a top allowable well for quite a number  
19 of years.

20 Q So accordingly, you -- you had to wait  
21 until that well got to a point where it could be opened  
22 up, you would suffer significant drainage, is that so?

23 A I believe so.

24 Q Anything else?

25 A No.

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Santa Fe, New Mexico 87501

1 Q Were these exhibits prepared by you or  
2 under your supervision, Exhibits One, Two, Three?

3 A Yes, they were.

4 Q And, Mr. Clark, in your opinion will the  
5 approval of this application prevent waste and protect  
6 correlative rights?

7 A Yes.

8 MR. COFFIELD: Mr. Examiner, I move the  
9 admission of Exhibits One through Three.

10 MR. STAMETS: These exhibits will be ad-  
11 mitted.

12 MR. COFFIELD: And I have no other ques-  
13 tions of Mr. Clark.

14 MR. STAMETS: Are there any questions of  
15 the witness? He may be excused.

16 Anything further in this case?

17 MR. COFFIELD: No, sir.

18 MR. STAMETS: The case will be taken under  
19 advisement.

20  
21 (Hearing concluded.)  
22  
23  
24  
25

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 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, 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

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BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

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(505) 827-2434

Re: CASE NO. 6591  
ORDER NO. R-6066

Exxon Corporation

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

Yours very truly,  
  
JOE D. RAMEY  
Director

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

**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. 6591  
Order No. R-6066

APPLICATION OF EXXON CORPORATION  
FOR VERTICAL POOL LIMIT REDEFINITION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 11, 1979,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of July, 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, Exxon Corporation, seeks an order  
extending the vertical limits of the Langlie Mattix Pool in Lea  
County, New Mexico, to include the lowermost 165 feet of the  
Seven Rivers formation and the concomitant contraction of the  
vertical limits of the Jalmat Gas Pool underlying the NE/4 of  
Section 2, Township 24 South, Range 36 East.

(3) That Exxon Corporation is the operator of its New  
Mexico "Z" State lease comprising the NE/4 of said Section 2  
in said pools.

(4) That there are areas within said pools which have  
similar revisions to the vertical limits and which offset appli-  
cant's New Mexico "Z" State lease.

(5) That to protect correlative rights, the proposed  
change in the vertical limits of said pools should be approved.

-2-

Case No. 6591  
Order No. R-6066

(6) That no offset operator or other owner in either of said pools appeared and objected to the application.

(7) That to avoid drilling unnecessary wells, to prevent waste, and to protect correlative rights, the application should be approved as to applicant's acreage in said Section 2.

IT IS THEREFORE ORDERED:

(1) That effective August 1, 1979, the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico, are hereby extended to include the lowermost 165 feet of the Seven Rivers formation and the vertical limits of the Jalmat Gas Pool are concomitantly contracted by exclusion of said lowermost 165 feet of the Seven Rivers formation underlying the NE/4 of Section 2, Township 24 South, Range 36 East.

(2) 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.

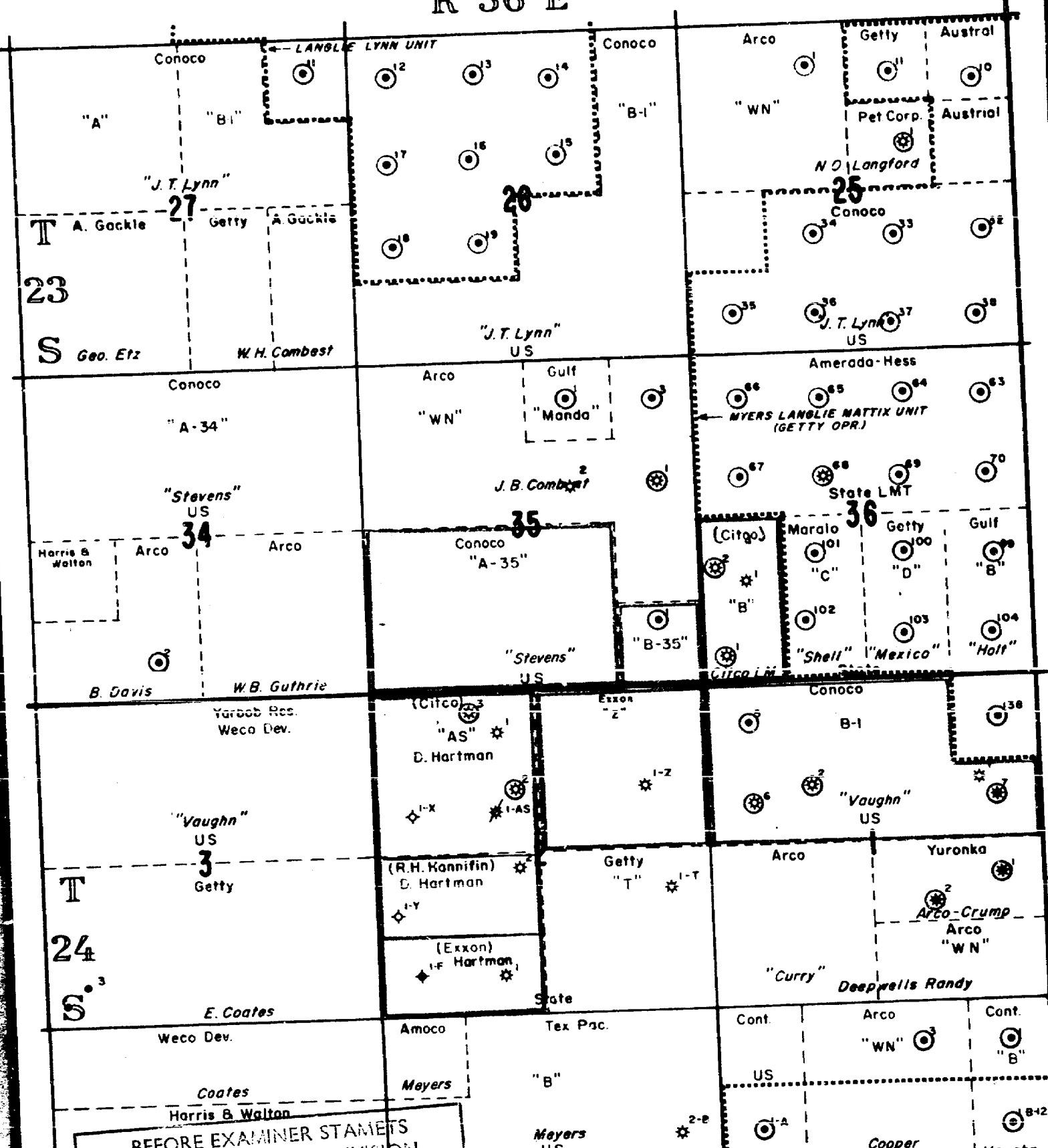
STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

  
S E A L

rd/

R 36 E



BEFORE EXAMINER STAMETS  
OIL CONSERVATION DIVISION

Case No. 6591

Submitted by Exxon Co USA

Hearing Date 7/11/1979

Rocket Chas. W. Whitten

**EXXON COMPANY, U. S. A.**  
PRODUCTION DEPARTMENT  
Midcontinent Division Andrews District

**LANGLIE MATTIX FIELD**

Sec. 2, T24S, R36E Lea, New Mexico

LOCATION COUNTY STATE

Exhibit #1 -- , Langlie Mattix Well

Diagram illustrating the layout of the Langleie Mattix Field, showing various units, wells, and associated companies. The field is divided into sections labeled A, B-1, WN, and others, with specific well locations marked by numbers and letters.

**Units and Wells:**

- Unit 1:** "A" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 2:** "B-1" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 3:** "WN" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 4:** "J. T. Lynn" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 5:** "A-34" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 6:** "Stevens" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 7:** "A-35" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 8:** "Stevens" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 9:** "AS" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)
- Unit 10:** "Vaughn" (Wells: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

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MIDLAND, TEXAS 79702

(915) 683-4891

OF COUNSEL

CLARENCE E. HINKLE

W. E. BONDURANT, JR. (1944-1973)

ROSWELL, NEW MEXICO OFFICE

600 HINKLE BUILDING

(505) 822-6510

ONLY ATTYS. COFFIELD, MARTIN, BOZARTH,  
BOHANNON, FOSTER, ALLEN, ALLEN & BURFORD  
LICENSED IN TEXAS

LEWIS C. COX, JR.  
PAUL W. EATON, JR.  
CONRAD E. COFFIELD  
HAROLD L. HENSLEY, JR.  
STUART D. SHANOR  
C. D. MARTIN  
PAUL J. KELLY, JR.  
JAMES K. BOZARTH

DOUGLAS L. LUNSFORD  
PAUL M. BOHANNON  
J. DOUGLAS FOSTER  
K. DOUGLAS PERRIN  
C. RAY ALLEN  
JACQUELINE W. ALLEN  
T. CALDER EZZELL, JR.  
WILLIAM B. BURFORD  
JOHN S. NELSON  
RICHARD E. OLSON

June 19, 1979

Mr. Dan Nutter  
Chief Engineer  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Dear Dan:

Transmitted herewith you will find triplicate executed copies of an Application for Exxon Corporation for the extension of the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico.

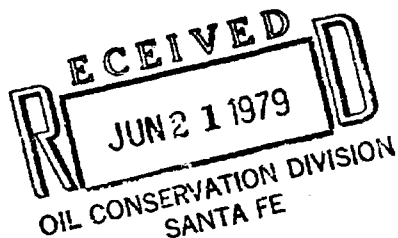
It is my understanding that the docket setting for July 11 is still available for this matter, and accordingly, we request that it be heard on that date.

I trust that the enclosed copies of the Application are all that is needed in order for this to be set for the July 11 hearing. However, if anything else is needed in addition, please let me know.

Very truly yours,

HINKLE, COX, EATON,  
COFFIELD & HENSLEY

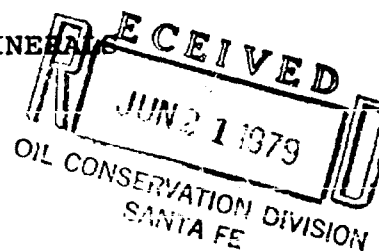
Conrad E. Coffield



CEC:rf  
Enclosures

xc: Mr. Jack Lytle  
Exxon Corporation  
Post Office Box 1600  
Midland, Texas 79702  
xc: Mr. Jack Dalious  
Exxon Corporation  
Post Office Box 1600  
Midland, Texas 79702

BEFORE THE OIL CONSERVATION DIVISION OF  
THE DEPARTMENT OF ENERGY AND MINES  
STATE OF NEW MEXICO



APPLICATION OF EXXON )  
CORPORATION FOR VERTICAL )  
POOL LIMIT REDEFINITION, )  
LEA COUNTY, NEW MEXICO )

Case 6591

APPLICATION

Exxon Corporation hereby makes application for redefinition of vertical pool limits and states:

1. Applicant seeks an order extending the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico, to include the lowermost 165 feet of the Seven Rivers formation and the concomitant contraction of the vertical limits of the Jalmat Gas Pool underlying the following described lands:

Township 24 South, Range 36 East, N.M.P.M.  
Lea County, New Mexico

Section 2: NE $\frac{1}{4}$

2. Applicant is the owner and operator of certain wells on Applicant's leases in said Section 2, which wells have penetrated the vertical limits of the Langlie Mattix Oil Pool and the Jalmat Gas Pool in Lea County, New Mexico.

3. There are areas within said Langlie Mattix Pool and Jalmat Gas Pool for which the Oil Conservation Division has granted similar redefinitions to other operators.

4. Applicant seeks to extend the vertical limits of said Langlie Mattix Oil Pool and contract the Jalmat Gas Pool for the above described lands to permit Applicant to recover its proper share of production from said lands and protect itself from drainage.

5. There are four offset operators to the above lands as follows:

Doyle Hartman  
312 C & K Petroleum Building  
Midland, Texas 79702

Continental Oil Company  
Box 400  
Hobbs, New Mexico 88240

Atlantic Richfield Company  
Box 1710  
Hobbs, New Mexico 88240

Getty Oil Company  
Box 249  
Hobbs, New Mexico 88240

6. Approval of the amended limits of said pools will be in the interest of conservation, prevention of waste and protection of correlative rights.

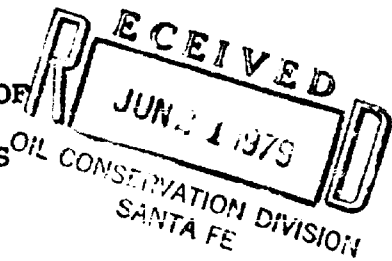
7. Applicant requests that this matter be heard at the July 11, 1979 Examiner's hearing.

HINKLE, COX, EATON,  
COFFIELD & HENSLEY

By: 

Conrad E. Coffield  
Post Office Box 3580  
Midland, Texas 79702  
Attorneys for Exxon Corporation

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



APPLICATION OF EXXON )  
CORPORATION FOR VERTICAL )  
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Lea County, New Mexico

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3. There are areas within said Langlie Mattix Pool and Jalmat Gas Pool for which the Oil Conservation Division has granted similar redefinitions to other operators.

4. Applicant seeks to extend the vertical limits of said Langlie Mattix Oil Pool and contract the Jalmat Gas Pool for the above described lands to permit Applicant to recover its proper share of production from said lands and protect itself from drainage.

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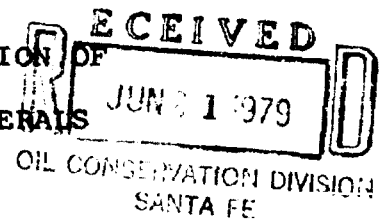
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HINKLE, COX, EATON,  
COFFIELD & HENSLEY

By: 

Conrad E. Coffield  
Post Office Box 3580  
Midland, Texas 79702  
Attorneys for Exxon Corporation

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



APPLICATION OF EXXON )  
CORPORATION FOR VERTICAL )  
POOL LIMIT REDEFINITION, )  
LEA COUNTY, NEW MEXICO )

Case 6591

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Lea County, New Mexico

Section 2: NE $\frac{1}{4}$

2. Applicant is the owner and operator of certain wells on Applicant's leases in said Section 2, which wells have penetrated the vertical limits of the Langlie Mattix Oil Pool and the Jalmat Gas Pool in Lea County, New Mexico.

3. There are areas within said Langlie Mattix Pool and Jalmat Gas Pool for which the Oil Conservation Division has granted similar redefinitions to other operators.

4. Applicant seeks to extend the vertical limits of said Langlie Mattix Oil Pool and contract the Jalmat Gas Pool for the above described lands to permit Applicant to recover its proper share of production from said lands and protect itself from drainage.

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312 C & K Petroleum Building  
Midland, Texas 79702

Continental Oil Company  
Box 400  
Hobbs, New Mexico 88240

Atlantic Richfield Company  
Box 1710  
Hobbs, New Mexico 88240

Getty Oil Company  
Box 249  
Hobbs, New Mexico 88240

6. Approval of the amended limits of said pools will be in the interest of conservation, prevention of waste and protection of correlative rights.

7. Applicant requests that this matter be heard at the July 11, 1979 Examiner's hearing.

HINKLE, COX, EATON,  
COFFIELD & HENSLEY

By: 

Conrad E. Coffield  
Post Office Box 3580  
Midland, Texas 79702  
Attorneys for Exxon Corporation

Dockets Nos. 27-79 and 28-79 are tentatively set for hearing on July 25 and August 8, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 11, 1979

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

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

- CASE 6583: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of B.S. Mesa-Gallup and Basin-Dakota production in the wellbore of its Jicarilla Apache 102 Well No. 13 located in Unit B of Section 10, Township 26 North, Range 4 West.
- CASE 6584: Application of Texas Oil & Gas Corp. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Shugart State Com. Well No. 2 660 feet from the South line and 1930 feet from the East line of Section 16, Township 18 South, Range 31 East, to test the Wolfcamp through Mississippian formations, the E/2 of said Section 16 to be dedicated to the well.
- CASE 6574: (Continued from June 13, 1979, Examiner Hearing)
- Application of Texas Oil & Gas Corp. for an unorthodox gas well location and compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Morrow formations underlying the E/2 of Section 6, Township 17 South, Range 35 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South and East lines of said Section 6. 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 6563: (Continued from June 27, 1979, Examiner Hearing)
- Application of Roy L. McKay for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for his North Woolworth Ranch Unit Area, comprising 1,280 acres, more or less, of State lands in Township 23 South, Range 35 East.
- CASE 6585: Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of undesignated Fruitland and West Kutz-Pictured Cliffs production in the wellbores of its Paul Wells Nos. 1 and 2 located in Units G and C of Section 19, Township 27 North, Range 11 West.
- CASE 6586: Application of Dugan Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Conner-Fruitland and undesignated Pictured Cliffs production in the wellbores of the following wells: Big Field Well No. 2 in Unit C of Section 3; Big Field Well No. 5 in Unit P of Section 10; Dinero Well No. 1 in Unit H of Section 13; and Molly Pitcher Well No. 2 in Unit H of Section 14, all in Township 30 North, Range 14 West.
- CASE 6587: Application of Caribou Four Corners, Inc., for three unorthodox well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of the following wells in the Cha Cha-Gallup Pool: Kirtland Wells Nos. 3 and 4 located 730 feet from the North line and 2250 feet from the East line and 1450 feet from the North line and 595 feet from the East line, respectively, of Section 18, Township 29 North, Range 14 West; and Kirtland Well No. 2 260 feet from the North line and 2100 feet from the East line of Section 13, Township 29 North, Range 15 West.
- CASE 6588: Application of Caribou Four Corners, Inc., for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 64.32-acre non-standard oil proration unit comprising the NW/4 NW/4 and that part of Lot 5 lying north of the San Juan River, all in Section 18, Township 29 North, Range 14 West, Cha Cha-Gallup Oil Pool.
- CASE 6589: Application of Atlantic Richfield Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State "BV" No. 2 Well 2109 feet from the North line and 1778 feet from the West line of Section 25, Township 17 South, Range 28 East, to test the Morrow formation, the N/2 of said Section 25 to be dedicated to the well.

CASE 6590: Application of Grace Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Lots 9, 10, 15, and 16 and the SE/4 of Section 6, Township 21 South, Range 32 East, to be dedicated to a well to be drilled at an unorthodox location 4650 feet from the South line and 660 feet from the East line of said Section 6. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs 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 6591: Application of Exxon Corporation for vertical pool limit redefinition, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order extending the vertical limits of the Langlie Mattix Pool to include the lowermost 165 feet of the Seven Rivers formation and the concomitant contraction of the vertical limits of the Jalmat Gas Pool underlying the NE/4 of Section 2, Township 24 South, Range 36 East.

CASE 6592: Application of Maddox Energy Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Malaga Well No. 1 located in Unit G of Section 3, Township 24 South, Range 28 East, to produce gas from the Atoka and Morrow formations through parallel strings of tubing.

CASE 6593: Application of Dyco Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the San Andres, Glorieta and Tubb formations in the open-hole interval from 4894 feet to 8725 feet in its C. S. Stone Well No. 3 located in Unit F of Section 22, Township 15 South, Range 38 East, Medicine Rock-Devonian Pool.

CASE 6594: Application of Flag-Redfern Oil Co. for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine in an unlined surface pit located in Unit K, Section 2, Township 19 South, Range 31 East, Shugart Field.

CASE 6595: Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the NW/4 SW/4 of Section 30, Township 8 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. 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 6270: (Reopened and Readvertised)

In the matter of Case 6270 being reopened pursuant to the provisions of Order No. R-5771 which order created the South Peterson-Fusselman Pool, Roosevelt County, New Mexico, and provided for 80-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

\*\*\*\*\*

Docket No. 26-79

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 18, 1979

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

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

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for August, 1979, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for August, 1979, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

Called in by Conrad  
Coffield June 19, 1979

Ekhon Corp.

Extend Langlie Mattie Pool  
to include lowermost 165'  
of 7 Rivers formation and  
concomitant contraction of  
Jalmat Gas Pool under-  
lying NE 1/4 Section 2,  
T24S, R36E, Lea County.

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. 6591

Order No. R-6066

APPLICATION OF EXXON CORPORATION  
FOR VERTICAL POOL LIMIT REDEFINITION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 11,  
1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this \_\_\_\_\_ day of July, 19 79, 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 ~~vertical~~ applicant, Exxon Corporation, seeks an  
order extending the vertical limits of the Langlie Mattix Pool

in Lea County, New Mexico, to include the lowermost 165 feet of the Seven Rivers formation and the concomitant contraction of the vertical limits of the Jalmat Gas Pool underlying the NE/4 of Section 2, Township 24 South, Range 36 East.

~~(3) That the application should be approved.~~

(3) That Exxon Corporation is the owner and operator of its New Mexico "2" State lease comprising the NE/4 of said certain wells on applicant's leases in said Section 2 in said pools

(5) That some of said wells have been completed within the vertical limits of the Langlie Mattix Oil Pool in Lea County, New Mexico.

(6) That no offset operator or other owner in either of said pools appeared and objected to the application.

(4) That there are areas within said Langlie Mattix Pool which have similar revisions to the vertical limits and which offset applicant's New Mexico "2" State lease.

(6) That the proposed change in the vertical limits of said pools should apply only to the applicant's acreage in said Section 2.

(7) That to avoid drilling unnecessary wells, to prevent waste, and to protect correlative rights, the application should be approved as to applicant's acreage in said Section 2.

IT IS THEREFORE ORDERED:

(1) That effective August 1, 1979, 1979, the vertical limits of the Langlie Mattix Pool in Lea County, New Mexico, are hereby extended to include the lowermost 165 feet of the Seven Rivers formation and the vertical limits of the Jalmat Gas Pool are concomitantly contracted by exclusion of said lowermost 165 feet of the Seven Rivers formation underlying the NE/4 of Section 2, Township 24 South, Range 36 East.



(2) 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.