### OIL CONSERVATION DIVISION P. O. Box 2088 SANTA FE, NEW MEXICO 87501

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

I.

| DMINIS | TRATIVE | ORDER |
|--------|---------|-------|
| NFL_   | 134     |       |

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER MADE PURSUANT TO SECTION 271.305(b) OF THE FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS, NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION ORDER NO. R-6013

|     | Operator  | Apollo   | Energy   | y Inc.   |                                    |   |   | Well                                  | Name  | and No.  | Sinclair   | State Well No. 2  |           |
|-----|---|--|--|--|------------------------------------|---|---|---------------------------------------|---|--|--|---|-----------|
|     | Location:   | Unit_  | Н  | Sec.   | 32                                 | Twp 20                                      | South                                   |                                       | East  | Cty.   | Lea  |   |           |
|     | II.   |  |  | _  |                                    |   | -                                       |                                       |   | <del></del>  |  |   |           |
|     | THE DIVISION  | ON FINE  | <u>s:</u>  | •  |                                    |   |   | ,                                     |   |  |  |   |           |
|     | promulgated well to qualified, prior efficiently drained by requirements    | d pursualify a report to the contract of the c | lant ( as a lane cor a e cor a e cor kistil  | to the<br>new on<br>mmence<br>ortion<br>ng wel | Natushore<br>shore<br>ment<br>of t | ural Gas e produc of dril the rese thin tha | Poli<br>tion<br>ling,<br>rvoir<br>t uni | well un<br>that t<br>covere<br>t, and | of 197:<br>der Sec<br>he wel:<br>d by the<br>must g | 8 providention 10 is need to provide the provident and a vicinity of the vicin | des that,<br>03 of sai<br>cessary t<br>ation uni<br>waiver of    | Interim Regulations in order for an infi d Act, the Division m o effectively and t which cannot be so existing well-spacing | ust       |
|     | procedure Division a  | whereb <sup>,</sup>  | y the  | Divis  | ion !                              | Director                                    | and                                     | the Div                               | ision   | vision<br>Examine  | establish<br>rs are em   | ed an administrative powered to act for th  | e         |
| c   | (3) That  |  |  |  |                                    | -   |   | -                                     |   | -  |  |   |           |
| sev | en Rivers-Quee  | n)<br>160  |  |  |                                    |   |   |                                       |   |  | i pool is<br>NE/4  | a   | cres      |
|     | (4) That a of Sec. 32   | 100  | Twp.   | 20 Sou   | <del>-acre</del><br>th             | prorat                                      | ion u<br>36 Easi                        | is is                                 | prising<br>current                                  | tlv ded:   | icated to  | the applicant's Sinclain  | r         |
|     | State Wel   |  |  |  |                                    | Located                                     |   |                                       |   |  |  |   |           |
|     | (6) That swell(s) on (7) That the product otherwise 1 (8) That afor which a | approvent approvent the understand the driver of the contract  | red by corationit.  Illing an appreciate required in the core of t | orde   | r No. it is compl onal nts on      | NSP- NSP- NSP- NSP- NSP- NSP- NSP- NSP-     | ing ef the                              | well for MCF of R-6013 lo effect      | ely and or which of gas                             | d efficient a fir from the compand eff   | SD-82-3) iently dra iently dra inding is a ne prorat. clied with | andard, said unit was<br>ained by the existing<br>sought should result :<br>ion unit which would :                          | in<br>not |
|     | reservoir of the unit.  | overed   | by_s   | aid p  | rorat                              | ion uni                                     | t whi                                   | ch canno                              | t be s  | o drain  | ed by any  | existing well within  | n.        |
|     |   |  |  |  |                                    |   |   |                                       |   |  |  | ration unit, the subje<br>ng requirements for th  |           |
|     | IT IS THERE   | EFORE C  | RDERE  | <u>:D</u> :                                    |                                    |   |   |                                       | 1.  |  |  |   |           |
|     | infill well<br>for infill<br>and is nece                                    | l on th<br>drilli<br>essary  | e exi<br>.ng gr<br>to pe   | sting<br>anted<br>ermit                        | pror<br>by t                       | ration u<br>this ord<br>irainage            | nit d<br>er is<br>of a                  | escribe<br>an exc<br>portion          | d in Se<br>eption<br>n of th                        | ction l<br>to appl<br>ne resen   | II(4) abor<br>Licable we<br>rvoir cove                           | in Section I above as ve. The authorization ell spacing requiremented by said proration well thereon.                       | n<br>nts  |
|     | (2) That Division ma  |  |  |  |                                    | cause is                                    | reta                                    | ined fo                               | r the e   | entry of   | f such fu  | rther orders as the   | •         |
|     | DONE at San   | nta Fe,  | New  | Mexic  | o, or                              | n this                                      | 24th                                    | lay                                   | Mulia   | March  | Hogner   | , 19 86 .<br>KAMINE   |           |

Accival 6/1181 Adam 3/20/81

## OTE CONSERVATION DIVISION P. C. How 2088 SANTA FE, NEW MEXICO 87501

TE OF NEW MEXICO

ADMINISTRATIVE ORDER:

INFILE DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
PEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION
ORDER NO. R-6013

| Operator Apollo Energy Inc. Well Name and No. Sinclair State - Well No. 2  |
|--|
| Location: Unit H Sec. 32 Twp. 20 South Rng. 36 East Cty. Lea   |
| The second of th |
| THE DIVISION FINDS:  |
| (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.  |
| (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.   |
| (3) That the well for which a finding is sought is to be completed in the <u>Fument fus Vates</u> -  |
| Seven Rivers - Overe Pool, and the standard spacing unit in said pool is 640 acre  |
| (4) That a 160 -acre proration unit comprising the NE/4 cof Sec. 32 - 20 South Rng. 36 Fort is currently dedicated to the applicant's Sinclair   |
| State Well No. 1 Tocated in Unit G of said section.  |
| (5) That this proration unit is ( ) standard ( ) nonstandard; if nonstandard, said unit was previously approved by Order No. WSP-414 (600 a/so SO-82-3)  |
| (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.   |
| (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 450,000 MCF of gas from the proration unit which would not otherwise be recovered.   |
| (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.  |
| (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.  |
| IT IS THEREFORE ORDERED  |
| (1) That the applicant is hereby authorised to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorisation for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon,   |
| (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 this day of March, 19 86.   |
|  |
| DIVISION DIRECTOR EXAMINER   |
|  |



### **OIL CONSERVATION COMMISSION**

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE

87501

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY – DIRECTOR



## APOLLO ENERGY, INC.

Box 5315 (505) 397-3596 Hobbs, New Mexico 88241

June 8, 1982

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

Attention: Mr. Joe D. Ramey

Re: Application for approval of an infill drilling on existing gas

proration unit and simultaneous

dedication

Dear Sir:

The undersigned requests administrative approval for an infill well on existing gas non-standard proration unit as promulgated by Order No. R-6013, as well as simultaneous acreage dedication.

Attached are necessary requirements for your review for the Sinclair State Well No. 2, located in Unit Letter H, Sector 32, T-20-S, R-36-E Lea County, New Mexico.

By copy of this letter all offset operators have been notified of this application by certified mail.

Yours truly,

Molammed Yamin Mercha

Vice-President

MYM/11w

Attachments

Offset Operators:

Doyle Hartman Warrior, Inc. Carbon Energy Coquina Oil Corp. J. L. Evans

Under the Special Rules and Requiations, NGPA Infill Findings, Administrative Procedure (Amended February 8, 1980) the following is submitted:

- (a) The pool name from which well No. 2 will be produced is Eumont Yates 7 Rivers Queen (prorated gas), and the standard unit size is 640 acres.
- (b) The Division Order Number approving the non-standard proration unit dedicated to the well is:

  NSP Order No. 414 (January 28, 1958)
- (c) There were three wells on the non-standard proration unit (including the newly completed well). The well located in Unit Letter A was drilled in February 1956. It was plugged and abandoned as a dry hole in March 1956.

Well No. 1 located in Unit Letter G of the same unit has been a producer since its initial completion. Well No. 2 located in Unit letter H (new well) is shut-in waiting on pipeline connection.

- A. Lease name: Sinclair State
  Well No. 1: Unit Letter G, Sec. 32, T20S, R36E
  Well No. 2: Unit Letter H, Sec. 32, T20S, R36E
- B. Spud Date
   Well No. 1: November 16, 1957
   Well No. 2: January 18, 1982
- C. Completion Date
  Well No. 1: November 22, 1957
  Well No. 2: February 15, 1982
- D. There are no mechanical problems with either of the two wells.
- E. 1. The current rate of production from well No. 1 is 146 MCFPD at 25 psig flowing tubing pressure and 2" choke.
  - 2. Well No. 2 (new well) is presently shut-in waiting on pipeline connection. The well did produce during testing and stabilized @ 165 MCFPD on 10/64" choke at a flowing tubing pressure of 70 psig.

### F. None

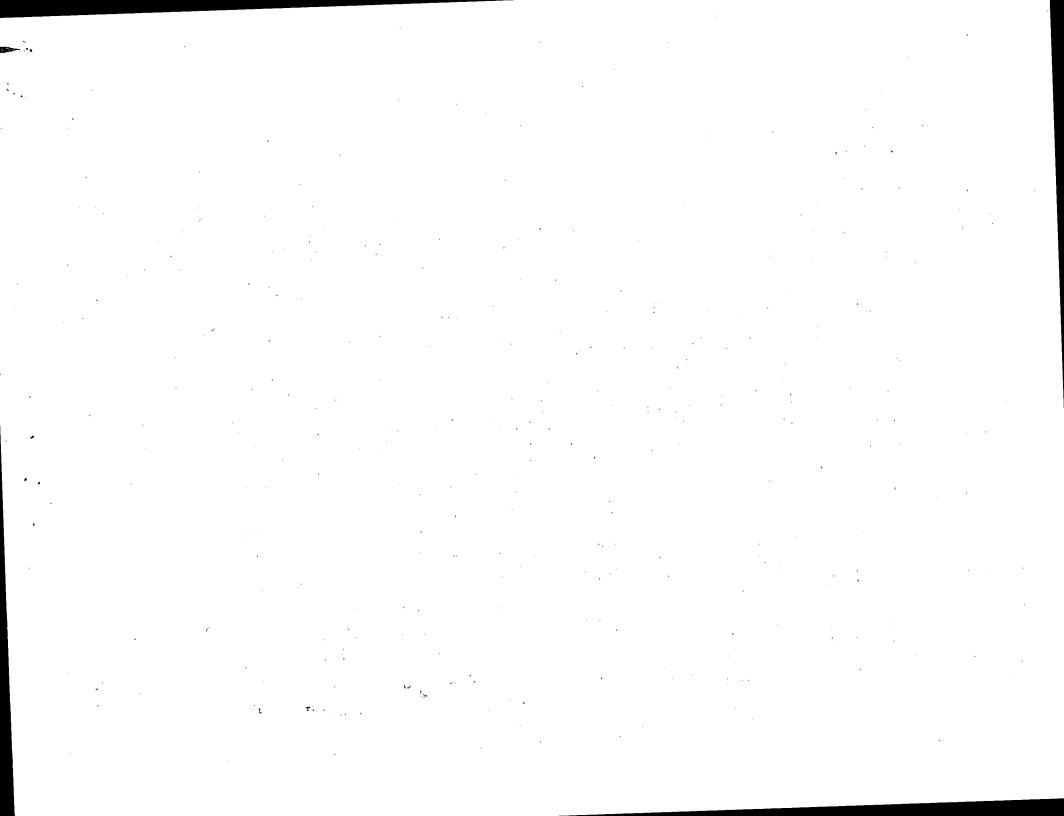
- G. 1. Based on production history from No. 1 well and its present production rates and pressures, it is evident Well No. 2 can produce larger volumes into a low pressure line.
  - Well No. 1 was cleaned out and stimulated during March, 1981, but the results were not as encouraging as they were on the newly drilled well.
  - 3. The No. 1 well was offset to the South by Warrior, Inc., operated State WEI "32" No. 3. The well is completed and tested <u>natural</u> for 161 MCFPD. It is presently shut-in, and there are reasons to believe this offset will produce 300 + MCFPD after an acid and a frac job.

The No. 1 well was also offset to the West in 1979. This West well, operated by Doyle Hartman, tested for 400 + MCFPD, and as of 1-1-1982 has a cumulative production of 95,525 MCF.

- 4. a. Due to the limited number of wells a structure map is not available. However, the copies of attached gamma ray neutron logs show the wells to be relatively "flat" to each other.
  - b. The cumulative production from Well No. 1 as of 1-1-1982 is 692,133 MCF. The well is currently producing 146 MCFPD. The ultimate recovery at current prices (escalated for inflation) will be 900 + MMCF. It is estimated additional reserves of 600 + MMCF can be recovered from Well No. 2. The new well is estimated to produce 300 + MCFPD into a 25 psig sales line; and based on history from well No. 1, 75% recovery is expected from Well No. 2.

Average porosity (neutron log) is relatively the same (13%).

Permeability data is not available, but treatment pressure, low reservoir pressure, high sand concentration and treatment rates indicate poor permeability.



The applicant under oath states:

- that the surface drilling of the well for which determination is sought was begun after February 19, 1977.
- that the well satisfies all applicable federal or state well spacing requirements. The well is within an existing non-standard proration unit, and a simultaneous dedication is being sought through this application (as stated above).
- that to the best of the applicants' information, knowledge and belief, the well is a new onshore producing gas well.
- that the applicant has no knowledge of any other information not described in the application which is inconsistent with the conclusions.

All offset operators have been notified of the application by certified mail.

Yours truly,

Apollo Energy, Inc.

Mohammed Yamin Merchant

Vice-President

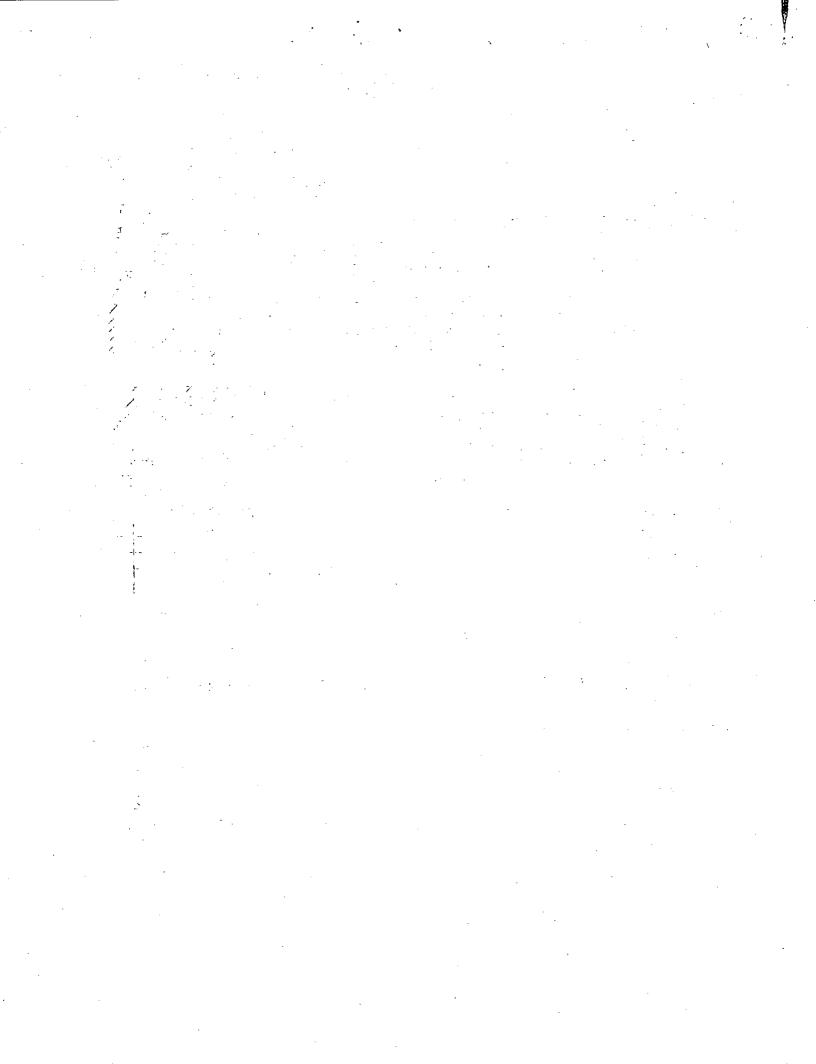
STATE OF NEW MEXICO COUNTY OF LEA

The foregoing instrument was acknowledged before me this \_9th day 1982, by Mohammed Yamin Merchant.

Notary Public

My commission expires: 7-10-85

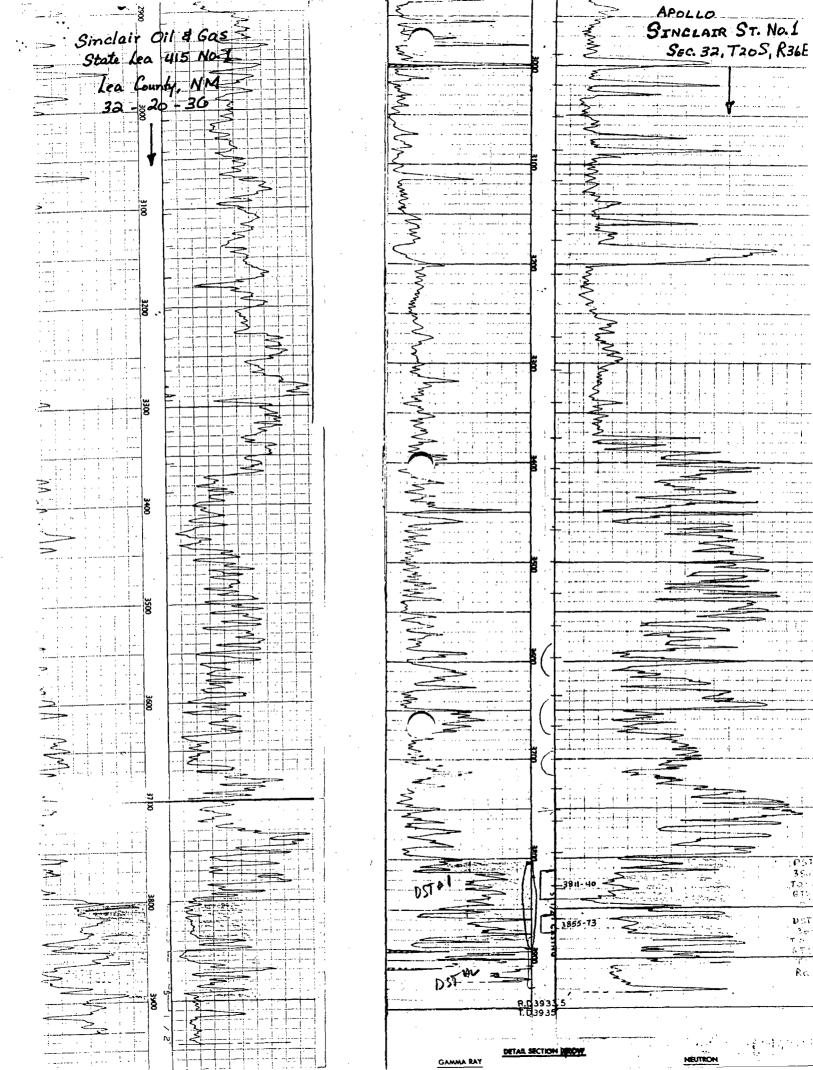
attachments

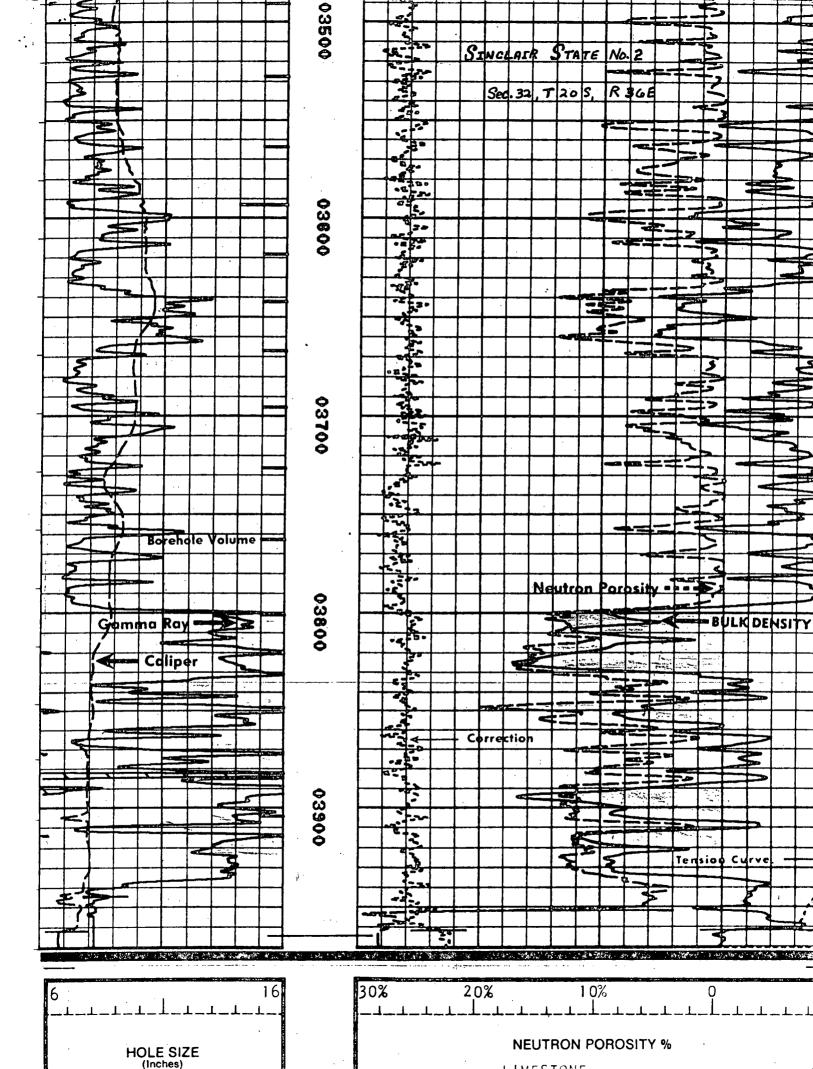


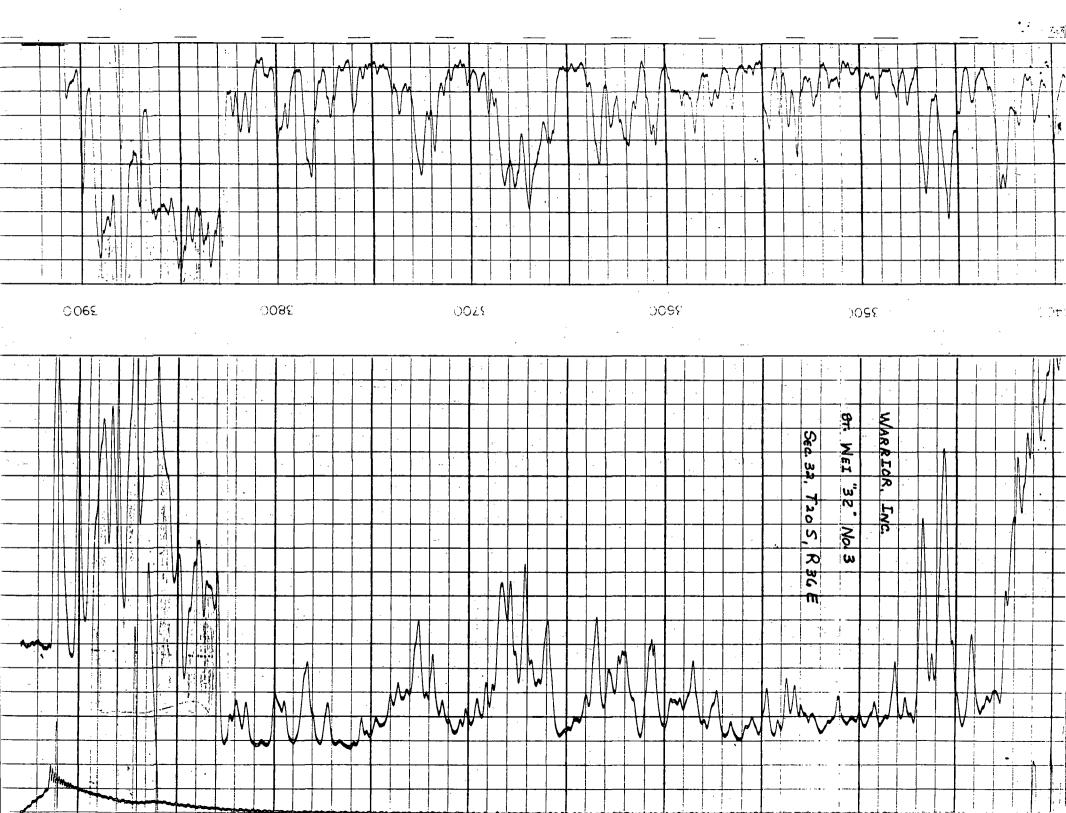
|  |                          |                                  |  | •                         |                        |                       |
|--|--------------------------|----------------------------------|--|---------------------------|------------------------|-----------------------|
| CAATE OF NEW MEXI  |                          | CONSERVAT                        | 10N DIVISIOI   |                           | Form C-101 Revised 10  | 25-27700<br>-1-18     |
| OISTHIBUTION   | - <del></del>            | NTA FE, NEW I                    |  | S. Congresses comm        |                        | Type of Louse         |
| SANTAFE  | 3/                       |                                  | WEXICO 87301   |                           | - STATE                | <del></del> 1 ,,      |
| FILE   |                          |                                  |  |                           | L                      | 4 Gus Lougo No.       |
| U.S.C.S.   |                          |                                  | JUN 1  | 1982                      | 77777                  | L ( _ ( )             |
| OPERATOR CONTACTOR   | N FOO DEDUIT TO          | DOUL DECOLU                      |  |                           |                        |                       |
| The same of the sa | ON FOR PERMIT TO         | DRILL, DEEPEN                    |  |                           | VIIIII                 | TITITIII).            |
| Type of Work   |                          |                                  | SANT   | A FE                      | 7. Unit Agre           | ement Name            |
| yppe of Well DRILL X   | _                        | DEEPEN                           |  | G BACK                    | B. Farm or L           | ease Name             |
| weit X   | OTHER                    |                                  | SINGLE L   | ZONE                      |                        | ir State              |
| Apollo   | Energy, Inc.             |                                  |  |                           | 9. Well No.<br>2       |                       |
| dates of Operator  |                          |                                  |  |                           | 10. Field on           | d Pool, or Wildcat    |
| Box 572  | 2, Hobbs, New Me         | xico 88240                       | •  | •                         | Eumont                 | Yates 7 River         |
| ocation of Well unit LETT  | т Н                      | CATED 660                        | PEET FROM THE _ East   | LING                      | TITTI                  | MALLIM                |
| inti cett  |                          | CATED                            | FLET FROM THE HOSE   |                           |                        |                       |
| 1980 FEET FROM   | THE North LI             | NE OF SEC. 32                    | TWP. 20 MCE. 3   | 6 NMPM                    |                        |                       |
| TITITITI   |                          | TITITITI                         |  | TITTITI                   | 12. County             |                       |
|  |                          |                                  |  |                           | Lea                    |                       |
| <i>~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~</i>   | ++++++++++               | ++++++++                         | ++++++++++   | <i>\+\+\+\+\</i>          | 7777777                |                       |
|  |                          |                                  |  |                           |                        |                       |
|  | 7777777                  | 4444444                          | 19. Proposed Depth   | 19A. Formation            | 777777                 | 20. Bothy or C.T.     |
|  |                          |                                  | •  |                           | • 1                    |                       |
|  |                          | 777777777                        | 3950   | Queen                     | 1                      | Rotary                |
| levetions Show whether DF  |                          | i                                | 21B. Drilling Contractor   | _                         | 1 .                    | Dute Work will start  |
| 3609   | Bla                      | nket                             | Baber Well S   | ervice                    | Janua                  | ary 4, 1982           |
|  | F                        | PROPOSED CASING AN               | D CEMENT PROGRAM   |                           |                        |                       |
| SIZE OF HOLE   | SIZE OF CASING           | WEIGHT PER FOO                   | T SETTING DEPT   | H SACKS OF                | CEMENT                 | EST. TOP              |
| 12 1/4"  | 8 5/8"                   | 24                               | 400  | . 20                      |                        | Surface               |
| 7 7/8"   | 5 1/2"                   | 14                               | 3950   | 65                        | 0                      | Surface               |
|  |                          |                                  | 3,33   |                           | <del>-</del>           |                       |
|  | <b>,</b>                 | <u>'</u>                         |  | ł                         | 1                      |                       |
| nuill curfoc   | e hole with fre          | ch water chud                    | mud cot curface  | ninnle                    | un BOB                 |                       |
| 1. Drill Sullac  | e note with ite          | sii water spud i                 | mud, set surrace   | s, mppre                  | up bor.                |                       |
| 2. Drill out wi  | th 10# brine, n          | o control mud                    | system. Mud-up   | at 3800'.                 |                        | :                     |
| 3. Run electric  | cal logs, evalua         | te. Set produ                    | ction csq.   |                           |                        |                       |
|  |                          | -                                | -  |                           |                        |                       |
|  |                          |                                  |  | •                         |                        |                       |
| 1  |                          |                                  |  |                           |                        |                       |
| <b>4</b> .   |                          |                                  | · ·  |                           |                        |                       |
| 7'   |                          |                                  |  |                           |                        |                       |
| •  | •                        | •                                |  |                           |                        |                       |
| •  |                          | •                                | in the second se | acione in a               | 12 W 10 /              | 00                    |
|  |                          |                                  | Alt  | PROVALLARI<br>ERMIT EXPIF |                        | 102-                  |
| ,  |                          |                                  | P  | ERIVATE EASTS             | ico (a) a              | 90                    |
|  |                          |                                  | •  | unless dri                | سأكا وكالكي وبالألفطية | range a der de La     |
| OVI SPACE DESCRIBE PR  | OPOSED PROGRAMITY        | PROPOSAL IS T <b>Ó DEEPE</b> H ( | OR PLUG BACK, GIVE DATA  | DM PRESENT PROD           | UCTIVE ZONE A          | AND PROPOSED WEW PAGE |
| INE. CIVE BLOWOUT PREVENTE   | an envename it ARTs      |                                  |  |                           | <del></del>            |                       |
| y cently that the information  | n above is true and comp | icte to the best of my k         | mpwiedge and bellel.   |                           |                        |                       |
| Al.  | - Neichauf               | Title Secretary                  | v-Tréasurer  | n                         | are Decem              | mber 29, 1981         |
| The act of the second  |                          | (1116                            |  |                           |                        |                       |
| (This space for S  |                          | •                                |  | •                         |                        | 50.007                |
|  | . ingaladi               |                                  | ••   |                           |                        | けらい                   |
| OVIO BY  | Sest in                  | TITLE                            | •  |                           | ATE                    |                       |
| TARREST  |                          |                                  |  |                           |                        |                       |

| * 19                     | •  |   |  | Simultancous                                    | 3,34,   |
|--------------------------|--|---|--|---|---|
|                          |  | NEW MEXICO OIL O  | CONSERVATION CONDICATED CONTRACTOR CONTRACTO |   | Form C-102 Supersedes C-12  |
|                          |  | All distances must be fro                               | a the outer boundaries of  | the Section.                                    |   |
| Operator Apo             | ollo Energy  |   | Sinclair St  | tate JUN 1                                      | 1 1982 ell No. 2  |
| Unit Letter<br>H         | Section<br>32                                      | Township<br>20 South                                    | 36 East  | County  |   |
| Actual Footage Loc       |  | Cast line and   | 1980   | t from the North                                | ,<br>Nac  |
| Ground Level Elev.       | 1664 How the                                       |   | 2001   | t from the                                      | line Dedicated Acreage:   |
| 3608.9                   |  | Queen aubject wel                                       | Eumont   | ·   | 160 Acres   |
| 3. If more the           | an one lease of communitization,                   | different ownership is de<br>unitization, force-pooling | edicated to the well,<br>g. etc?   |   | hereof (both as to working all owners been consoli-   |
| this form i<br>No allowa | is "no," list the if necessary.)ble will be assign | ned to the well until all i                             | ptions which have ac   | onsolidated (by com                             | ated. (Use reverse side of munitization, approved by the Commis-  |
|                          |  |   | 1980' 2  | Norme Mohamme Position Vice-F Company Apollo    | certify that the information con- rein is true and complete to the y knowledge and belief.  Land Yamin Merchant resident Energy, Inc.   |
|                          |  |   | SS41 SUELLE SUELLE   | shown on notes of under my is true of knowledge | certify that the well location this plat was plotted from field actual surveys made by me or supervision, and that the same and correct to the best of my and belief.  The company of the surveyor is surveyor. |

| The state of the s | , 1   |     |                | <i></i><br> |
|--|---|-----|----------------|-------------|
| And the second s | , in the second |     |                |             |
|  |   |     |                |             |
|  |   |     | ,              | - 1.        |
|  | ·:  |     | ·              |             |
|  |   |     |                |             |
|  |   |     |                |             |
|  |   |     |                |             |
|  | ٠.  |     |                |             |
|  |   | 4 * |                |             |
|  |   |     |                |             |
|  |   |     |                |             |
|  |   |     |                |             |
| T.   |   |     |                |             |
|  |   |     |                |             |
|  |   | ·   |                |             |
|  |   |     |                |             |
|  |   |     | . 12 · · · · · |             |









|  | 3937 & /'<br>Flag-Redfern.etal<br>9  | J.L. Hamon 1/2   J.L. Hamon 1/2   (P.R. Bass 1/2   F.R. Bass 1/2   (Amerada)   10 - 1 - 69   9 - 24 - 69   | Cotton Pet.   Amoco<br>3 · 1 · 81   10 · 1 · 84<br>3 · 1 · 81   LG · 2753<br>68 24   2000  | Continental state 8-A  hBP 1181: *B-1015: 5-B-1015: 5-B-   | AB-14 Contil 03622 \$10 C.H.KleinEst.(S)   |
|--|--|--|--|--|--|
| ·  | 1 2202! HBC (oilsec)   | Ameroda-Fed. 11-20 St. 27Mil. w2 Ameroda C. Allred M.L. Lugene B. Ad-  | 20   | J.H.Hendrix<br>to 4000' Conf T D/R Petro-Lewis<br>10 4000'   | Gont'l Continental Sonderson "A-IIIG" 14 331622 14 55 15 7 16 16 16 16 16 16 16 16 16 16 16 16 16  |
|  | Amoco Kendall Phillips Flog-<br>lennings According Rectards  | J.L. Hamon<br>(Amerada)<br>HBP<br>0461648 0 <sup>3</sup>   | Adems Expl.   Charm Zachary (Cotton Pet.)   Charm   Few co.   154. Pet.   Pew co.   Pe | Continental stall MBP list  At E.H. Klein Est. She   | Continental Black Sanderson  |
| T<br>20  | Sims (5)   | "Amerado-Fed."<br>ISU.S., MI<br>G.P. & Lea V. Sims, etal, S  | State ,  | U.S., MI<br>D.C. Hardy, S U.S.   | U.S  |
| S  | Amerada) Amoco A-1375 Moran Expl.  | Marrow Piec.   P. R. Bass /2<br>1 AT **C. J. L. Hamon.   10 - 20 - 74 etal.   12 - 14 etal.   13 - 14 etal.   14 - 14 etal.   15 - 14 etal.   15 - 14 etal.   15 - 14 etal.   16 - 14 etal.   17 etal.   17 etal.   18 etal |  | HBP Continental, et al. 2<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>1824<br>182 | Amerado 12 04 04 Cantinentola 030(456 9-2324   |
| -  | 19 19 19   | TPAGTI (Aztec)   | U.S. M.I. Continental etal M.B.P. 0301438 - M.S. Records.  | "811"<br>U.S.* <sub>Rend</sub>   | 23   |
|  | A Wo Coctus Aikman A Cofron Balance Corron Balance Corron Balance Company Control Cont | A-1375 S.5Mil<br>A-1375 S.5Mil<br>E-8913 (Artca)   | Continental Amoco<br>Chevran A.R.Co.<br>H.B.P.<br>030143B  | Continental stational is at HBP 030(438 D/A is at  | 13 Andrews 9 9 U.S.M.I Henry S Record S  |
| · ·  | C.G. Samberson (S) # (McAlester)   | State E-1083   | Ü.S., MI<br>J.T. Cooper,etal(S)  | U.S., MI<br>J.T. Cooper,etal(S)  | U.S<br>Reed  |
|  | HBP J.L.Hamon 12.2<br>E-1782 Antweil Mill  | Hudgens)  Hit Arise Texas OGG  | (Amerada),<br>below 1000<br>Warrior Inc. etal<br>19266<br>"D" Amerada  | D" (P/8)   | 4(Amerada) F3119 "0" @ 9 F3119 |
|  | +011570 +7/A<br>HBC 13.8 Mil.  | ◆McAlesturFact. V-139 19 4024 "Osudo-St"   | J.T. Cooperetai(S)   | Carbon U.S., MI<br>Energy U.S., MI<br>4407 J.T. Cooper, et al (S)<br>Reser EV h. 27 Warrior, Inc.  | Schafer 2 New  |
|  | 3212 AP 7 W// SON  | Western Oil Prod DIR Wilson M. 16-80 Wilson M. 16-80 Westnowi 1-46-80 Westnowi 1-46-80 Street 1-9 Westnowi 1-46-80 Wilson Wyoming Wilson Wyoming Apollo Oil Co. Wilson Wyoming Sissi Sissi Six E-1731 Wilson Wyoming Six Milson Wyoming Charlotte Apollo Oil Co. Wilson Wyoming Six Milson Wyoming Charlotte Apollo Oil Co.  | (So.Roy) Sohio   | Corbon (Amerodo) WED   | Zia se (Elliotte<br>Ener Oil)<br>169 1405<br>4300 Elliotte<br>Federal Especia  |
|  | "Union-51."<br>State WilsonOil   | Store 10 00 512 TORESTORE 10 00 PROC Charlotte PAR Coquina   | E-5145   | PIZE E-5146 State ElionSt Enion St.  | J.T.Cooper, etal (S) Foseano   |
|  | A.R.Co. Wyoming Oil HBP E-1731 8-9131 Bresse 1 Western Oil Prod. Texaco J. Cul. D/R  | Apollo Oil Co. Y   | 2 Asel to harmoli) themgil themgil 3 3 3 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5   | 19 Fair-St. 81 Energy Oil 2 Forman FSS to B-11298 Corren Est 4300 Autor  | Tenneco Exxon (5) 107966 211 049741  |
|  | Gas Com. ** (1).   | DD) Op Unit)   | 73   | (A.R.Co.) 34 (America)   | Boy Federa 35  |
| ••   | Texacs Gulf HBP K-178 B-230 Barae 4 15745 (Brit Amer.)   | Western Oil 32 Mol 1 to 1, 10 To 1760-51 Inc. 10 1764-73 E-164.3   | Aztec D/R) J. Evans  | 120 063 116 Worrior Inc.   | A R.Ca.  A Merado  A R.Ca.  Ida White  |
| 12 V 2010 10782 W  | U.Ba.Sprs.F79 NO. 1 to Wisser L.Br.Sprs.F64 State Ocephal L.V. E.G. P.Sims etal. (S) S/2   | Tanza-St. Speed 2.WE   | J.T. Cooper, etal, (S)   | Seale fed  Seale fed  Seale fed  L.W. White ged  L.W. White ge   | J.T. Cooper, et al (S)   |
| Phillips<br>HBP E-1921   | Wilson   Wilson   Phillipel W<br>Wydminglwydming   Hap   Wy<br>Mydminglwydming   Hap   Wy<br>M B P   K B P   E 1733  <br>B 9131   I 1439   Wylson   Ha<br>Gulf D/R   1570   1570   1570  <br>T. Swii - 771   3170   400   0<br>No. Wilson Dp. Uniglas 3-51   | Ison B<br>oming<br>18 P.<br>9131 (Brit, Amer.)   | (Resler)  - Superior   | Merrior 2 minored Awarrior Inc. Waising C. W. Shift Warrior Inc. Waising C. W. Shift Warrior I. W. Shift Warrior I. Washift Washift Warrior I. Washift Was   | O(DD) Guife 224 (6) 8 M  |
| min de la Guida  | 7.8Mit-178:8710 4402 0<br>No.Wilson Dp.Unit 918 5:3-61   | F289 N.M. St.  | Wilson 5 * 110   "St 334"  | "Sincipar " (U (V)   | WES 32 Plus 7  WES 32 Plus 7  E-392 Plus 8-13  Duol 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  |
| Superior 60 11 16 15 18 64 1 16 172 1 1 | No. Wilson Dp. Undy War and Commercial Comme | Julian Wyoming Ones (Worgan Pag) Wilson Strices 4 Leose Hogwer inc.  107 107 2 Lt3) 7 thomas - 55  | *  | E 1732 # Zwarrior  | " 4 4  |
| Montecit<br>Amerode  | State Wilson 2.  | . 12A 2 . 3 . 65   Wyoming   | "Atl st"   Rester &  |  | J.L.Evans 4 She  |
| Drig<br>a U  | E Evol. Del 1574c  | 3 8 Wilson H.S.; 4695  | Amerada I<br>Warrior Ini   | 1407 FR  | 5h 5 5h 6  |
|  | النبب مساوي والمساوي والمساوي والمساوي   | State No. Not. Gas Warrior   | State Amerida  | o. (Wyoming Qil) J.L.Eva   | ns   Amerodo 2 4   |
| 70 3897   Line - A D.  |  | La 3966   HBP<br>103 12   E 1732<br>  Amerada  | E- 167   | 3 E-1639 Enduro   125 E-75   | 9 WEA   A  |
| Gulfi<br>Supertroit 64:B   | OUR (824) (73)   | 77 61<br>78 69   | (Perry -10 Amerada<br>R Boss) j.ws (JL Hamo<br>A.R.Co. etal.Mi.St."  | Enduro 10 4212 Wilson  | Sale 12 Superior IL Evens A.R.   |
| 1 1854 Shell   | <b>सम्म ह</b> े अक्षाहर एक्ट्रीड   | Wilson Oil   | A.K.Co.,etal,M.ISt."   | Merchant 103994  | *  |

# OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

January 30, 1958

Bell Oil Company, Ltd. c/o Robert N. Enfield P. O. Box 80 Roswell, New Mexico

Attention: Mr. Robert N. Enfield

Administrative Order NSP-414

Gentlemen:

Reference is made to your application for approval of a 160-acre non-standard gas proration unit adjacent to the Eumont Gas Pool consisting of the following acreage:

### Township 20 South, Range 36 East Section 32: NE/4

It is understood that this unit is to be ascribed to your Sinclair-State Well No. 1, located 1980 feet from the North line and 1980 feet from the East line of said Section 32.

Inasmuch as you have furnished waivers from the offset operators agreeing to the formation of the proposed unit, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 5, Section (b)=5 of the Special Rules and Regulations of the Eumont Gas Pool, as set forth in Order R=520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 160 acres.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

DSN: omq

cc: Oil Conservation Commission, Hobbs New Mexico Oil & Gas Engineering Committee, Hobbs State Land Office (Mrs. Rhea)



### APOLLO ENERGY, INC.

Box 5315 (505) 397-3596 Hobbs, New Mexico 88241

June 8, 1982

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

Attention: Mr. Joe D. Ramey

Re:

Application for approval of an infill drilling on existing gas proration unit and simultaneous dedication

Dear Sir:

The undersigned requests administrative approval for an infill well on existing gas non-standard proration unit as promulgated by Order No. R-6013, as well as simultaneous acreage dedication.

Attached are necessary requirements for your review for the Sinclair State Well No. 2, located in Unit Letter H, Sector 32, T-20-S, R-36-E Lea County, New Mexico.

By copy of this letter all offset operators have been notified of this application by certified mail.

Yours truly,

Molammed Yamin Merchant

Vice-President

MYM/11w

Attachments

Offset Operators:

Doyle Hartman
Warrior, Inc.
Carbon Energy
Coquina Oil Corp.
J. L. Evans

JUN 11 1982

SANTA FE

Under the Special Rules and Requiations, NGPA Infill Findings, Administrative Procedure (Amended February 8, 1980) the following is submitted:

- (a) The pool name from which well No. 2 will be produced is Eumont Yates 7 Rivers Queen (prorated gas), and the standard unit size is 640 acres.
- (b) The Division Order Number approving the non-standard proration unit dedicated to the well is:

  NSP Order No. 414 (January 28, 1958)
- (c) There were three wells on the non-standard proration unit (including the newly completed well). The well located in Unit Letter A was drilled in February 1956. It was plugged and abandoned as a dry hole in March 1956.

Well No. 1 located in Unit Letter G of the same unit has been a producer since its initial completion. Well No. 2 located in Unit letter H (new well) is shut-in waiting on pipeline connection.

- A. Lease name: Sinclair State
  Well No. 1: Unit Letter G, Sec. 32, T20S, R36E
  Well No. 2: Unit Letter H, Sec. 32, T20S, R36E
- B. Spud Date
  Well No. 1: November 16, 1957
  Well No. 2: January 18, 1982
- C. Completion Date
  Well No. 1: November 22, 1957
  Well No. 2: February 15, 1982
- D. There are no mechanical problems with either of the two wells.
- E. 1. The current rate of production from well No. 1 is 146 MCFPD at 25 psig flowing tubing pressure and 2" choke.
  - 2. Well No. 2 (new well) is presently shut-in waiting on pipeline connection. The well did produce during testing and stabilized @ 165 MCFPD on 10/64" choke at a flowing tubing pressure of 70 psig.

360-349 page 3

### F. None

- G. 1. Based on production history from No. 1 well and its present production rates and pressures, it is evident Well No. 2 can produce larger volumes into a low pressure line.
  - 2. Well No. 1 was cleaned out and stimulated during March, 1981, but the results were not as encouraging as they were on the newly drilled well.
  - 3. The No. 1 well was offset to the South by Warrior, Inc., operated State WEI "32" No. 3. The well is completed and tested <u>natural</u> for 161 MCFPD. It is presently shut-in, and there are reasons to believe this offset will produce 300 + MCFPD after an acid and a frac job.

The No. 1 well was also offset to the West in 1979. This West well, operated by Doyle Hartman, tested for 400 + MCFPD, and as of 1-1-1982 has a cumulative production of 95,525 MCF.

- 4. a. Due to the limited number of wells a structure map is not available. However, the copies of attached gamma ray neutron logs show the wells to be relatively "flat" to each other.
  - b. The cumulative production from Well No. 1 as of 1-1-1982 is 692,133 MCF. The well is currently producing 146 MCFPD. The ultimate recovery at current prices (escalated for inflation) will be 900 + MMCF. It is estimated additional reserves of 600 + MMCF can be recovered from Well No. 2. The new well is estimated to produce 300 + MCFPD into a 25 psig sales line; and based on history from well No. 1, 75% recovery is expected from Well No. 2.

Average porosity (neutron log) is relatively the same (13%).

Permeability data is not available, but treatment pressure, low reservoir pressure, high sand concentration and treatment rates indicate poor permeability.

The applicant under oath states:

- that the surface drilling of the well for which determination is sought was begun after February 19, 1977.
- that the well satisfies all applicable federal or state В. well spacing requirements. The well is within an existing non-standard proration unit, and a simultaneous dedication is being sought through this application (as stated above).
- that to the best of the applicants' information, knowledge and belief, the well is a new onshore producing gas well.
- D. that the applicant has no knowledge of any other information not described in the application which is inconsistent with the conclusions.

All offset operators have been notified of the application by certified mail.

Yours truly,

Apollo Energy, Inc.

Vice-President

STATE OF NEW MEXICO COUNTY OF LEA

The foregoing instrument was acknowledged before me this \_9th\_day 1982, by Mohammed Yamin Merchant.

Notary/Public

My commission expires: 7-10-85

attachments

| ETATE OF N                               | RALS DEPA     |                   |  | CONSERVA                    | V/A Same                      |                |             | 70-0,<br>Form C-10<br>Revised 1 | 25-27700   |
|--|---------------|-------------------|--|-----------------------------|-------------------------------|----------------|-------------|---------------------------------|--|
| OSTAINUT<br>SAICTAPE<br>FILE<br>U.S.C.S. | _ <del></del> |                   | SA   | P.O.BO)<br>NTA FE, NEW      | 11111                         | 11 18          | 99          | SA, Indico                      | r Type of Louse  |
| LAND OFFICE                              | PLICATIO      | ON FOR PE         | ERMIT TO   | DRILL, DEEPE                | OIL LUIVALIA                  |                | UIVISION    | 7. Unit Agr                     | eement Kome  |
| Type of Well                             | DRILL X       | ,                 | ICR  | DEEPEN                      | SINGLE 20NE                   | •              | SACK        |                                 | Lease Name   |
| ionie of Operator                        | Apollo        | Energy,           |  |                             |                               |                |             | 9. Well No.<br>2                |  |
| Location of Well                         |               |                   |  | xico 88240                  | ·                             |                | <u> </u>    |                                 | Yates 7 Rivers   |
| 1980                                     | FEET FROM     |                   | orth   | NE OF SEC. 32               | TWP. 20                       | East<br>cc. 36 | LINE        |                                 |  |
|  |               |                   |  |                             |                               |                |             | 12. County  Lea                 |  |
|  |               |                   |  |                             | 19. Proposed De<br>3950       | pth 1          | Queen       |                                 | 20. Notary or C.T.  Rotary   |
| 3609                                     | whether DF,   | KT, etc.)         | 1  | 6 Status Plug. Bond<br>nket | 21B. Drilling Con<br>Baber We |                | vice        |                                 | ary 4, 1982  |
|  | -             |                   | P  | ROPOSED CASING A            | AND CEMENT PRO                | GRAM           | •           |                                 |  |
| SIZE OF HO                               | DLE           | SIZE OF           |  | WEIGHT PER FO               | OT SETTING I                  | DEPTH          | SACKS OF    |                                 | EST. TOP<br>Surface  |
| 7 7/8"                                   |               | 5 1               | /2"  | 14                          | 3950                          |                | 65          | 0                               | Surface  |
|  | ,             |                   |  | sh water spud o control mud |                               |                |             |                                 |  |
| 3. Run e                                 | electric      | al logs,          | evalua   | te. Set prod                | uction csg.                   |                |             |                                 |  |
|  |               |                   |  |                             |                               |                |             |                                 | ·  |
| *  |               |                   |  | . ,                         |                               | 4094           | OVAL JAL    | 10 FCR /                        | PO DAYA  |
|  |               |                   |  |                             |                               | PEF            | MIT EXES    | RES _6/a                        | 3/8/2  |
| JOYL SPACE DES                           | CRIBE PRO     | OPOSED PRO        | GRAMI IF P   | PROPOSAL IS TO DEEPER       | OR PLUG BACK, GIV             | E DATA ON      | PRESENT PRO | DUCTIVE ZONE                    | AND PROPOSED NEW PAUD  |
| by certify that the                      | Information   | n above to in     | and comp   | Title Secretar              |                               |                | L           | DateDece                        | mber 29, 1981  |
| (This                                    | space for S   | sole Use) Sextory |  |                             |                               |                |             |                                 | 1919   |
| HTIONS OF APPI                           | ROVAL, IF-    | I Y HA            | · <del>- · · · · · · · · · · · · · · · · · ·</del> | 11TLE                       |                               |                |             | 'A   5 <del></del>              | The second secon |

Simultaneous dedication

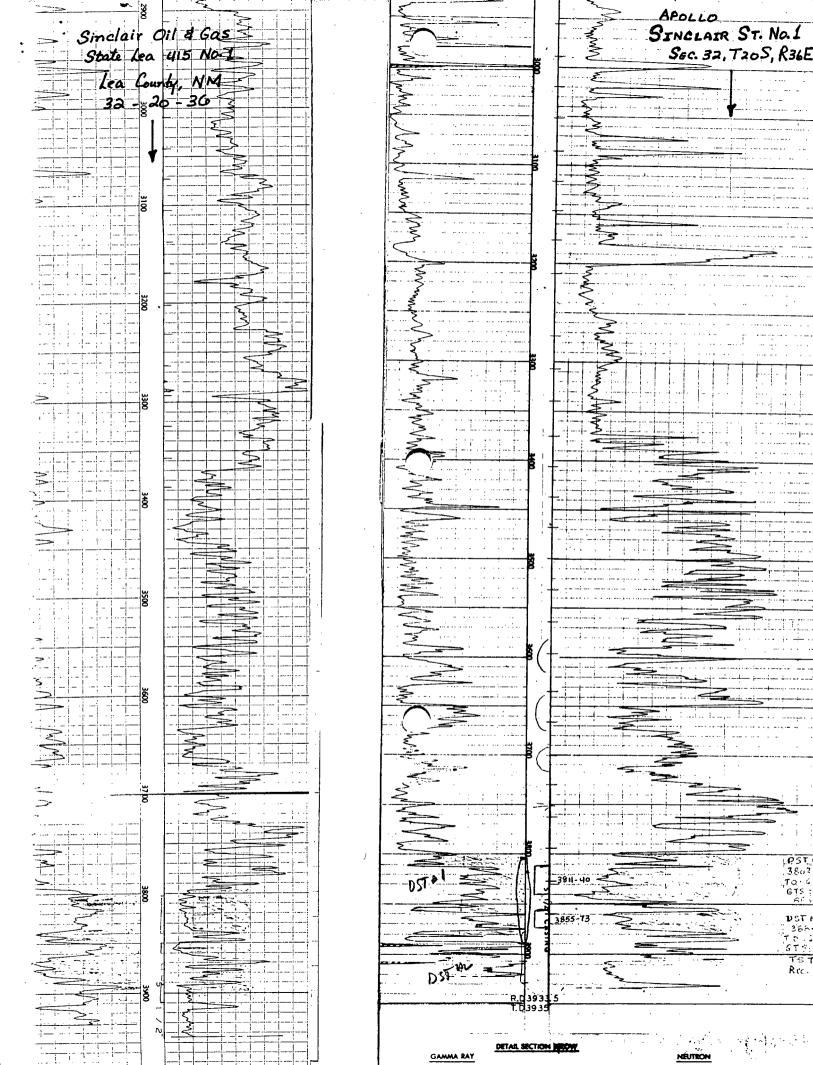
NEW MEXICO OIL CONSERVATION COMMISSION 당시다 em C-102 persedes **C-**128 WELL LOCATION AND ACREAGE DEDICATION PLAT lective 1-1-65 JUN 11 1982 Operator Sinclair State Apollo Energy, Inc. Township Unit Letter Section 36 East 20 South 32 Lea Actual Footage Location of Well: feet from the North 660 East line and feet from the Producing Formation Ground Level Elev. Dedicated Acreage: 3608.9 Queen Eumont Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and toyalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc? If answer is "yes," type of consolidation. ☐ Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Mohammed Yamin Merchant Position Vice-President Company Apollo Energy, Inc. June 8, 1982 I hemby certify that the well location n on this plat was plotted from field es of actual surveys made by me ar under my supervision, and that the same true and correct to the best of my knowledge and belief. TO LAND SUPPLY December 22, 1981 Registered Professional Engineer Certificate No.

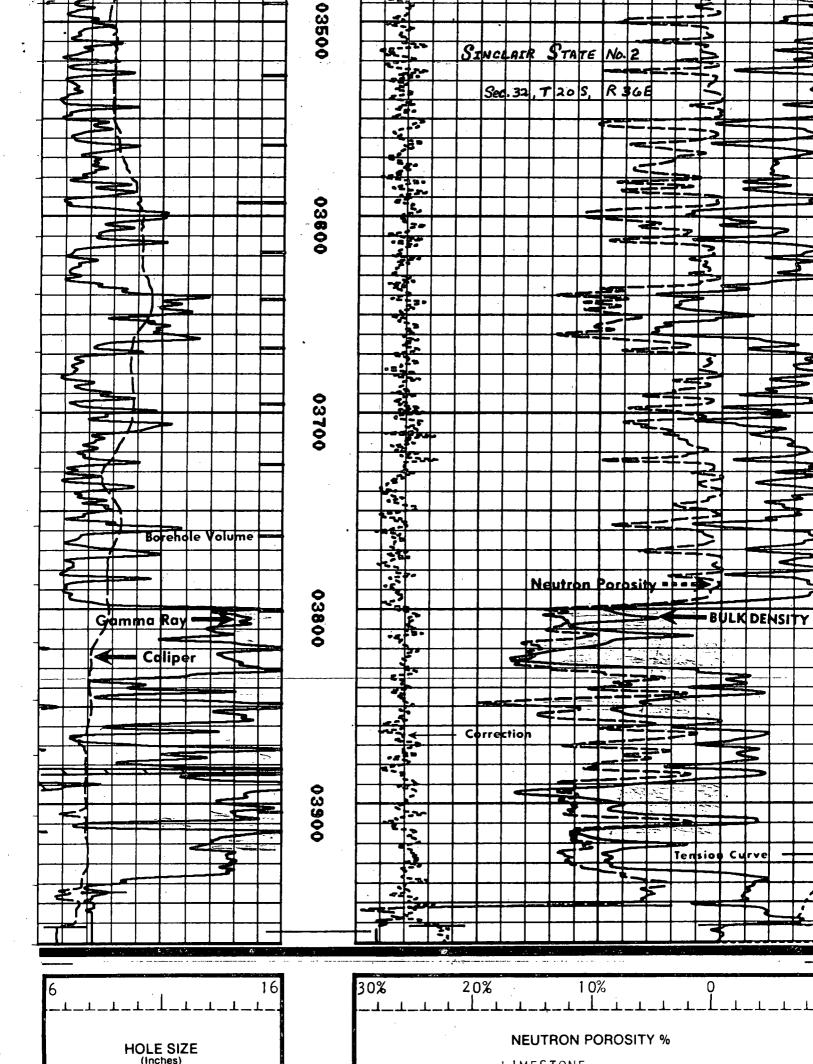
1000

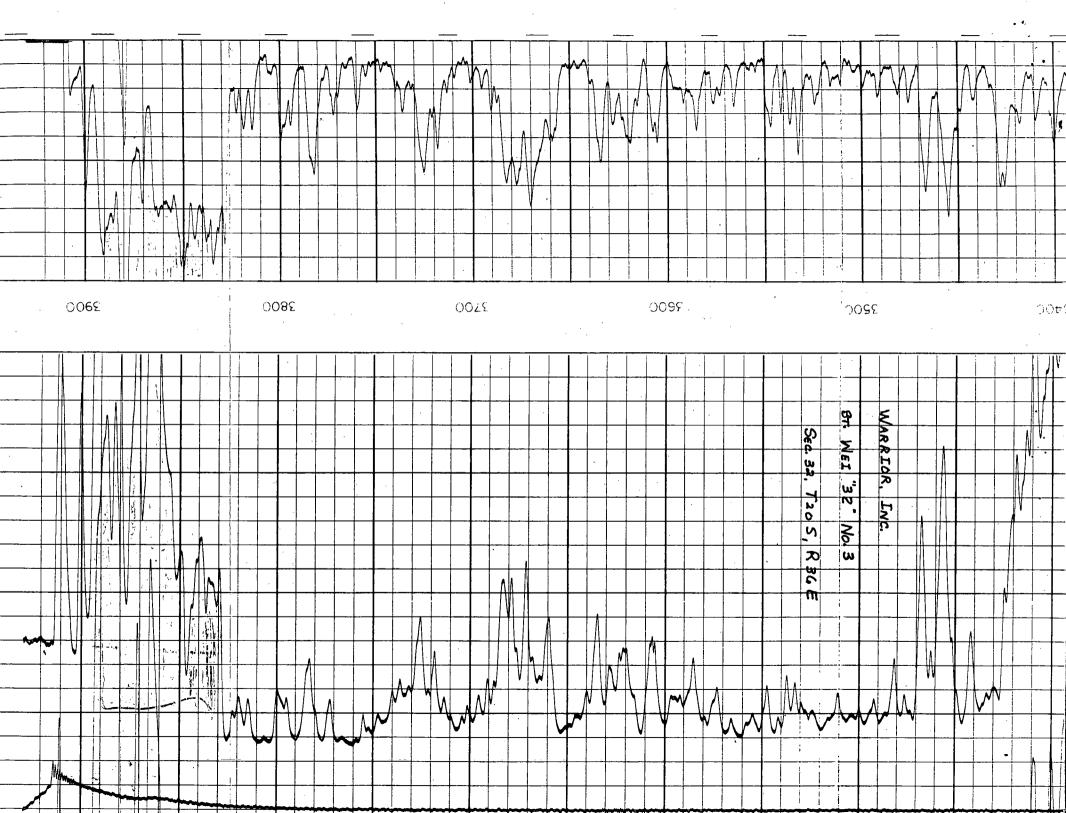
800

1320 1650

660







# OIL CONSERVATION COMMISSION P. O. BOX 871 SANTA FE, NEW MEXICO

January 30, 1958

Bell Oil Company, Ltd. c/o Robert N. Enfield P. O. Box 80 Roswell, New Mexico

Attention: Mr. Robert N. Enfield

Administrative Order NSP-414

Gentlemen:

Reference is made to your application for approval of a 160-acre non-standard gas proration unit adjacent to the Eumont Gas Pool consisting of the following acreage:

### Township 20 South, Range 36 East Section 32: NE/4

It is understood that this unit is to be ascribed to your Sinclair-State Well No. 1, located 1980 feet from the North line and 1980 feet from the East line of said Section 32.

Inasmuch as you have furnished waivers from the offset operators agreeing to the formation of the proposed unit, it is possible for immediate approval to be granted. Therefore, by authority granted me under provisions of Rule 5, Section (b)=5 of the Special Rules and Regulations of the Eumont Gas Pool, as set forth in Order R=520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 160 acres.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

DSN: oma

cc: Oil Conservation Commission, Hobbs
New Mexico Oil & Gas Engineering Committee, Hobbs
State Land Office (Mrs. Rhea)



## APOLLO ENERGY, INC.

Box 5315 (505) 397-3596 Hobbs, New Mexico 88241

March 22, 1984



State of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Attn: Mr. Michael E. Stogner

Re: Additional Information Sinclair State Well No. 2 Unit H, Sec. 32, T20S, R36E Lea County, New Mexico

Dear Mike;

As requested by the Oil Conservation Division (copy of your letter attached) Apollo Energy, Inc. is furnishing the following as required by Order No. R-6013 Rule 9, b and c:

- b. The volume of increased ultimate recovery from well No. 2 will be 306 MMCF.
- c. Production decline curves on wells No. 1 and 2.

As of January 31, 1984 the cumulative production from well No. 2 is 85,750 MCF. An analysis of production history at well No. 1 showed that additional reserves from well No. 1 alone were not recoverable inspite of clean-up jobs. At current production rates, revenues and expenses, the well (No. 2) will still be economical to produce at least another five (5) years. An acid job mid-1984 should improve productivity as it did in March, 1983.

Porosity averages 12%, however, permeability data is not available. Please notify the undersigned if you desire any further information. An early approval will be greatly appreciated, so NGPA 103 would not be lost on this well. Thank you for your cooperation in this matter.

Sincerely.

M/Y. (Merch) Merchan

Vice-President

MYM/gd

Attachments: 1. Decline Curves

2. Copy of OCD Letter

47 6843

MOFFM

HS X 3 LOG CYCLES

20 YEARS BY MONTI KEUFFEL A ESSER CO.

ş

61

19 62

: 63

19 ..64...

ty 66

19.67

10 69

าว 65...

47 684

A Chillian

K. 10 YEARS BY MONTHS X 1 LO

)

X-X-X-X MCF per month of Gas O-O-O-O Barrels per month of Oil

|        |   | GAS SCALE-N | icf per mon1 | H1<br>4 5 6 7 | 100<br>9.<br>8- |      | . 2 | ω | 10 44<br>1 | 6 | 9,01 | 2      | <b>3</b> | 4 5         | 6     | 8 | 1 00,0              |
|--------|---|-------------|--------------|---------------|-----------------|------|-----|---|------------|---|------|--------|----------|-------------|-------|---|---------------------|
| 19_82_ | Atlan<br>Pro-   |             |              |               | P               |      |     |   |            |   | )00  | st ges | Sole     | <b>.</b> J. | ly 14 |   | B                   |
| 19,83  | Maria<br>Cara<br>Supt   | 0           | 437          | OIL PRODUCT   | 74 <b>c-ò</b>   |      |     |   |            |   |      |        |          |             |       |   |                     |
| 1984   | Mar.<br>June<br>Pept  | Do. Co      |              |               |                 |      |     |   |            |   |      |        |          |             |       |   | 1.1                 |
| 1.9 85 | entra de la composition della |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   |                     |
| 1.986  | Star<br>Para  |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   |                     |
| ,87    | 51<br>- 24<br>- 3   |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   | 1                   |
| 1.88   | Sila<br>Harab<br>Sila<br>Sila   |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   |                     |
| 68 61  | filmt<br>mark<br>bega<br>Dec  |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   |                     |
| 90     | Mjø<br>Lii<br>Sigil<br>Gri  |             |              |               |                 |      |     |   |            | 1 |      |        |          |             |       |   |                     |
| 19     | Mus   |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   |                     |
| 1.1 1  | Latte<br>Sept   |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   |                     |
| 19     | Mar   |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   | Sec.                |
| 1 ~ 1  | alge<br>pprop<br>lact   |             |              |               |                 |      |     |   |            |   |      |        |          |             |       |   | Lea County, New Mr. |
| 190    | (L)   |             |              |               |                 | EEEE |     |   |            |   |      |        |          |             |       |   | # 7                 |



# STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

Apollo Energy, Inc. Box 5315 Hobbs, New Mexico 88240 POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

Attention: Mohammed Yamin Merchant, Vice-President

Re: Application for NGPA Infill Well Findings Under Provisions of Order No. R-6013-A Sinclair

State Well No. 2, Unit H

Sec. 32, Township 20 South,

Range 36 East, Lea County

Nichael & Stoyner

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner, Petroleum Engineer

MES/dp

Dear Mr. Merchant:

John Jak Styles

|     | A copy of Form C-101 must be submitted.   |
|-----|---|
|     | A copy of Form C-102 must be submitted.   |
|     | The pool name must be shown.  |
|     | The standard spacing unit size for the pool must be shown.                            |
|     | Give the Division Order No. which granted the non-standard proration unit.            |
|     | Please state whether or not the well has been spudded and give the spud date, if any. |
|     | Information relative to other wells on the proration unit is incomplete.              |
|     |   |
|     |   |
|     |   |
| X   | The geologic and reservoir data is incomplete or insufficient.                        |
| LEU | Please furnish supporting data on your production                                     |
|     | figures (Rule 9. b. and c.)   |
|     |   |
|     |   |
|     |   |
|     | Other:  |
|     |   |



### STATE OF NEW MEXICO

### ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

Apollo Energy, Inc. Box 5315 Hobbs, New Mexico 88240 POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

Attention: Mohammed Yamin Merchant, Vice-President

Re: Application for NGPA Infill Well Findings Under Provisions of Order No. R-6013-A Sinclair

State Well No. 2, Unit H

Sec. 32, Township 20 South,

Range 36 East, Lea County

E Stoyner

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner, Petroleum Engineer

MES/dp

Dear Mr. Merchant:

|          | A copy of Form C-101 must be submitted.   |
|----------|---|
|          | A copy of Form C-102 must be submitted.   |
|          | The pool name must be shown.  |
|          | The standard spacing unit size for the pool must be shown.  |
|          | Give the Division Order No. which granted the non-standard proration unit.  |
| <u> </u> | Please state whether or not the well has been spudded and give the spud date, if any.                             |
|          | Information relative to other wells on the proration unit is incomplete.  |
|          |   |
|          |   |
|          |   |
| X        | The geologic and reservoir data is incomplete or insufficient.  Please furnish supporting data on your production |
| •        | figures (Rule 9. b. and c.)   |
|          |   |
|          |   |
|          |   |
|          | Other:  |
|          |   |

e saas oo baas aana

w Bolton



### STATE OF NEW MEXICO

### ENERGY AND MINERALS DEPARTMENT

**OIL CONSERVATION DIVISION** 

BRUCE KING GOVERNOR LARRY KEHOE SECRETARY

Apollo Energy, Inc. Box 5315 Hobbs, New Mexico 88240 POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

Attention: Mohammed Yamin Merchant, Vice-President

Re: Application for NGPA Infill Well Findings Under Provisions of Order No. R-6013-A Sinclair

State Well No. 2, Unit H

Sec. 32, Township 20 South,

Range 36 East, Lea County

We may not process the subject application for infill findings until the required information, forms, or plats checked on the reverse side of this letter are submitted.

Sincerely,

Michael E. Stogner, Petroleum Engineer

MES/dp

Dear Mr. Merchant:

allegar to fittadian

| A copy of Form C-101 must be submitted.  |
|--|
| A copy of Form C-102 must be submitted.  |
| The pool name must be shown.   |
| The standard spacing unit size for the pool must be shown.   |
| Give the Division Order No. which granted the non-standard proratio unit.  |
| Please state whether or not the well has been spudded and give the spud date, if any.  |
| Information relative to other wells on the proration unit is incomplete.   |
| sanda eta erregia de la filipe de la filipe de la composition de la composition de la composition de la compos<br>La composition de la |
|  |
|  |
| The geologic and reservoir data is incomplete or insufficient.   |
| Please furnish supporting data on your production  |
| figures (Rule 9. b. and c.)  |
|  |
|  |
|  |
|  |
| Other:   |
|  |
|  |

A. Same



SPECIAL RULES AND REGULATIONS
NATURAL GAS POLICY ACT INFILL FINDINGS
ADMINISTRATIVE PROCEDURE
(Amended February 8, 1980)

### A. DEFINITIONS

- RULE 1. For purposes of this administrative procedure only, the following definitions are adopted:
  - a. Infill well: An additional well which has been drilled for production on an established proration unit.

#### B. APPLICABILITY

RULE 2. These special rules and regulations shall apply to effective and efficient drainage findings for completed infill wells pursuant to Section 271.305 of the final Rules and Regulations of the Federal Energy Regulatory Commission relating to Section 103 of the Natural Gas Policy Act of 1978. (These special rules and regulations do not apply to infill wells drilled in the Blanco Mesaverde or Basin-Dakota Pools. Infill wells in these two pools are covered by Rule 15 B of the "Special Rules for Applications for Wellhead Price Ceiling Category Determinations" promulgated by Division Order No. R-5878 as amended by Order No. R-5878-A.)

#### C. JUSTIFICATION FOR FINDINGS

- RULE 3. The Division Director or a Division Examiner may find that an infill well is necessary:
  - a. upon a showing by the operator that an additional well is needed to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and
  - b. upon receipt of waivers from all offset operators, or if no offset operator has entered an objection to the infill finding within 20 days after receipt of the application by the Director.
- RULE 4. The Director may set any application for hearing at his discretion or at the request of an applicant.

Exhibit A Order R-6013-A

### D. FILING REQUIREMENTS

- RULB 5. Each applicant shall submit a copy of the approved form C-101 for the infill well and Form C-102 showing the proration unit dedicated.
- RULB 6. Applicant shall give the name of the pool in which the infill well has been drilled and the standard spacing unit size therefor.
- RULE 7. If applicable, the applicant shall give the number of the Division order approving the non-standard proration unit dedicated to the well.
- RULE 8. The applicant shall submit a description of all wells drilled on the proration unit (including the completed infill well) which are or have been completed in the same pool or reservoir as the proposed infill well showing:
  - a. lease name and well location;
  - b. spud date;
  - . completion date:
  - a description of any mechanical problems experienced along with a summary of remedial action(s) taken and the results obtained;
  - e. the current rate of production and
  - f. date of plug and abandonment, if any;
  - g. a clear and concise statement indicating why the existing well(s) on the proration cannot effectively and efficiently drain the portion of the reservoir covered by the proration unit.
- RULE 9. The applicant shall submit geological and engineering information sufficient to support a finding as to the necessity for an infill well including:
  - a. formation structure map
  - b. the volume of increased ultimate recovery expected to be obtained and a narrative describing how the increase was determined
  - c. any other supporting data which the applicant deems to be relevant which may include:
    - (1) porosity and permeability factors
    - (2) production/pressure decline curves
    - (3) effects of secondary recovery or pressure maintenance operations
- RULE 10. Applications for infill findings shall be filed in duplicate with the Santa Fe office of the Division.
- RULE 11. All operators of proration or spacing units offsetting the unit for which an infill finding is sought shall be notified of the application by certified or registered mail, and the application shall state that such notification has been given.

Simul Baj Bous ded de de de de

# NEW MEXICO OIL CONSERVATION COMMISSION Form C-102 WELL LOCATION AND ACREAGE DEDICATION PHAT JUN 11 1982 Form C-102 Superiodes C-128 Effective 1-1-65

| Operator            | Sinc              | Sinclair State         |                 |  | Well No. 2                                     |               |  |
|---------------------|-------------------|------------------------|-----------------|--|--|---------------|--|
| Unit Letter<br>H    | Section<br>32     | Township<br>20 South   | Range<br>36     | East   | County   | Lea           |  |
| Actual Footage Loca |                   | 20 504011              | 1 50            |  | <u> </u>                                       |               |  |
| 660                 | · -               | ast line or            | 1980            | 1  | ot from the N                                  | orth          | line   |
| Ground Level Elev.  | Producing Fo      |                        | Pool            | 100  | r nom the                                      |               | Dedicated Acreage:                                 |
| 3608.9              |                   | Queen                  | Eum             | ont  |  | ٠             | 160 Acres  |
| 1 0 Alian Abr       | dadia             | ited to the subject    | well by colors  | d sessil s   | e hachuse                                      | marke on th   |  |
| I. Outline me       | e accesse degree  | ited to the manject    | well by colors  | ea pencii a  | M HACHUIC                                      | maiks on u    | e plat below.                                      |
| interest an         | d τοyalty).       |                        |                 | ÷  |  |               | ereof (both as to working all owners been consoli- |
|                     |                   | unitization, force-poo |                 | mo werr,   | neve and i                                     | necicoto or   | arr owners been Consoli-                           |
| <b>unit</b>         |                   |                        | •               | •  |  |               |  |
| Yes Yes             | □ No If •         | nawer is "yes," type   | of consolidat   | ion  |  | <del></del>   |  |
|                     |                   |                        | •               |  |  | ,             |  |
|                     |                   | owners and tract de    | scriptions whi  | ch have a  | ctually bee                                    | n consolida   | ited. (Use reverse side of                         |
|                     | necessary.)       |                        |                 |  |  | <del></del>   |  |
|                     |                   |                        |                 |  |  |               | nunitization, unitization,                         |
| •                   | ing, or otherwise | or until a non-stand   | ard unit, elimi | nating suc   | h interests                                    | , has been    | approved by the Commis-                            |
| sion.               |                   |                        |                 | ·  |  |               |  |
| Sinclair Oil + 6as  | Cambrane          | 111111                 | 177777          | 771  | 7777   | _             | CERTIFICATION                                      |
| State Lea 415       | Well No. 1        |                        | !               |  | 1  | ·             |  |
| 660'FNL - 330'      | · EZ              |                        | _ !             |  | 4  | l bambu a     | antification the following are                     |
| Spud: 2/15/56       |                   |                        |                 |  | 1  |               | ertify that the information con-                   |
| PAA'ed : June 195   |                   |                        | . 1             | 0  | <b>*</b> + 3                                   |               | ein is true and complete to the                    |
| No Prod.            | !                 |                        | , <b>i</b>      | <b>8</b>   | <i>\</i>                                       | best of my    | knowledge and belief.                              |
| İ                   | ł                 |                        | 1               | ` 7  | . 7  |               | Necko A  |
|                     | ı                 |                        | · I             |  |  | Name          | 14.407   |
|                     | -+                | ·                      |                 |  |  |               | d Yamin Merchant                                   |
| Apollo Energy I     | +c. †             |                        | 1               | 1  | 1  | Position      | C Tomin Herchant                                   |
| Sinclair State      | Well Val          |                        | i               | .  | 7  | Vice-P        | resident   |
| 1980' FNL - 660     | FEL               |                        | i               |  | 660'   | Company       |  |
| Spud: 11/16/57      | Court Rivers      | 1:                     | <b>/≺</b> 1'    | 380' _ <del>2                                     </del> | -  |               | Energy, Inc.                                       |
| Eumont Yates        | 1                 |                        | 1               |  |  | Date          |  |
| Completion          | eduction as of    | 12/31/84:              | 1               |  | 7  | June 8        | 1082   |
| 605 - 759,          | 25/ 1             | · · · · · ·            | را بررر         | 11111  | 111  | ounc o        | , 1702   |
| 24-276              | 110               |                        |                 |  |  |               |  |
| IND DELL NSP W      | nie Approved by   | NSP-414                | ſ               |  |  |               | certify that the well location                     |
| dated 1/30/5        | 8 T               | } .                    | l               |  | 1  | •             | ·  |
|                     | 1<br>- 1          |                        | 1               |  | l l  |               | this plat was plotted from field                   |
| Ì                   |                   |                        |                 |  | 1  |               | ictual surveys made by me or                       |
| 1                   | i .               |                        | WE A'L          | D. KING  |  | ,             | supervision, and that the same                     |
|                     | 1                 | .                      |                 | NE   | <b>\</b>                                       |               | nd correct to the best of my                       |
| ł                   | 1                 |                        | 1 1             | MEXIC  | <b>.</b> \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ | trow ledge    | and belief.  |
| <b></b>             | -+                |                        | 1-1-1E          | 7.77   | -11  |               | •  |
| 1                   | 1                 |                        | 1 1 100         | 74)  | 1 1  |               |  |
| 1                   | 1                 |                        | 131 >           | ノノ   | •/ []  | Date Survey   | ber 22, 1981                                       |
| 1.                  | 1                 | 1                      | 1 15            | IND SURVEYO  | /  | Decen         |  |
| 1                   | 1                 | į (                    | FREQUE          | IND SUR  |  | Registered F  | rofessional Engineer                               |
|                     | 1                 |                        | -               |  | 1  | and/or Land   | Surveyor   |
| 1                   | 1                 |                        | , –             |  | 1  | -1            |  |
| 1                   | i                 | .                      | 1               |  | 1 1  | 1/our         | N. Sing  |
|                     |                   |                        |                 |  |  | Certificate N | lo. 6541   |
|                     | 7 7 7             | 20 2010 2000 20        | 1500            | 1000   | 1 0  |               | 4741   |