



OIL CONSERVATION DIVISION
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Amoco Production Company

'91 JUL 30 AM 9 18

July 23, 1991

NSL-3032-(50)

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

Re: Simultaneous Dedication
Shell State "A" Com Well No. 5 and
Shell State "A" Com Well No. 6
Eumont (Gas) Pool
Section 2, T21S, R36E
Lea County, New Mexico

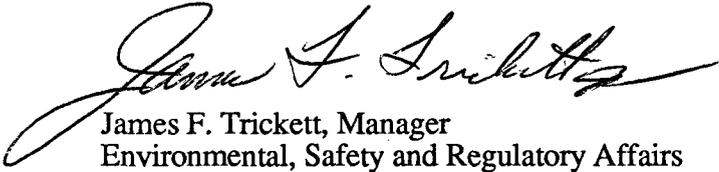
File: 986.51NM

Attention: William J. LeMay

Amoco Production Company has been advised that Meridian Oil has filed an application for administrative approval to drill a second Eumont (Gas) well as an infield well to the same producing interval on an existing 235-acre proration unit comprised of the Lots 3, 4, 5, 6, 11 and 12 of Section 2, T21S, R36E, Lea County, New Mexico.

As an offset operator, Amoco Production Company has no objection to Meridian's request for NMOCD administrative approval of simultaneous dedication of the 235-acre proration unit to their Shell State "A" Com Well No. 5 and Shell State "A" Com Well No. 6.

Yours very truly,


James F. Trickett, Manager
Environmental, Safety and Regulatory Affairs

MLC/kf

cc: Meridian Oil
P. O. Box 51810
Midland, TX 79710-1810

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED

July 9, 1991

91 JUL 11 AM 8 49

Mr. William J. Lemay
State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87504

RE: ORIGINAL OFFSET OPERATORS WAIVERS

Dear Mr. Lemay:

Attached are the original waivers for various leases in the Lea County, New Mexico for simultaneous dedication as follows:

SHELL STATE #7 & 4, Sec. 2, T23S, R36E
Waivers for Clayton W. Williams, Jr. Inc
Chevron USA, Inc.
Arco Oil & Gas Co.
Texaco, Inc. (not in yet)

SHELL STATE #10 & 9 Sec. 36, T20S, R36E
Waivers for Exxon Company USA
Chevron USA, Inc.

SHELL STATE #6 & 8: Sec. 32, T20S, R37E
Waivers for Chevron USA, Inc..
Texaco, Inc. (not in yet)
Doyle Hartman (not in yet)
Conoco, Inc. (not in yet)

MATTIE JAMES #1 & 2: Sec. 10, T22S, R36E
Waivers for Clayton W. Williams, Jr. Inc.
Arco Oil & Gas Co.

SHELL STATE "A" COM #5 & 6: Lots 3, 4, 5, 6, 11, & 12; T21S, R36E
Waivers from Chevron USA, Inc.
Oxy USA, Inc. (not in yet)
Conoco Production Company (not in yet)

STATE 'E' COM #1 & 4: Sec. 35, T20S, R37E
Waivers from Estoril Producing Corp.
Chevron USA, Inc. (not in yet)
Oxy USA, Inc. (not in yet)

SHELL STATE "E" COM # 1, 2, & 3: Sec. 6, T21S, R36E
Waivers from Chevron USA, Inc.
Arco Oil & Gas Company
Citation Oil & Gas Corp. (not in yet)

BROWNLEE #1 & 2: Sec. 25, T21S, R36E
Waivers from Arco Oil & Gas Company
Chevron USA, Inc.

MYERS "B" #2 & 6: Sec. 11, T24S, R36E
Waivers from Arco Oil & Gas Company
Kern Company
Texaco, Inc. (not in yet)
V.H. Westbrook (not in yet)

OLSON BLINEBRY #2 & 3: Sec. 29, T23S, R37E
Waivers from Arco Oil & Gas
Great Western Drilling (not in yet)
Doyle Hartman (not in yet)

The remaining waivers will be submitted to you as soon as we receive them.

Sincerely:


Maria Perez
Production Asst.
A/C 915-686-5767

xc: D. McBee
C. Malik

RECEIVED
7-1-91
AWB

MERIDIAN OIL

June 20, 1991

Offset Eumont Dry Gas Operators
Shell State "A" Com Lease
Lots 3, 4, 5, 6, 11, & 12
T21S, R36E
Lea County, NM

We would be very appreciative if you would indicate your approval of our request of simultaneous dedication of Lots 3, 4, 5, 6, 11, & 12 Section 2, T21S, R36E, Lea County, New Mexico to our Shell State "A" Com #5, and to our Shell State "A" Com #6 by signing one copy of this request and returning it in the enclosed stamped, self-addressed envelope.

We appreciate your consideration in this matter.

Very truly yours,

Connie L. Malik
Connie L. Malik
Regulatory Compliance Rep.

AGREED to this 2nd day of July, 1991.

~~OXY U.S.A. INC.~~

~~AMOCO PRODUCTION COMPANY~~

~~_____
Title~~

~~_____
Title~~

CHEVRON USA INC.

Alan H. Bolling
Title Production Engineer

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 746
Order No. R-518

THE AMENDED APPLICATION OF EL PASO
NATURAL GAS COMPANY FOR AN ORDER
GRANTING APPROVAL OF AN EXCEPTION
PURSUANT TO RULE 7 (A) OF ORDER NO.
R-370-A IN ESTABLISHMENT OF AN UNORTHODOX
GAS PRORATION UNIT OF 234.81 CONTIGUOUS ACRES
CONSISTING OF LOTS 3, 4, 5, 6., 11 and 12 IN SECTION
2, TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM,
LEA COUNTY, NEW MEXICO, IN THE EUMONT GAS
POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on July 15, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 12th day of August, 1954, the Commission, a quorum being present, having considered the testimony adduced and the records in the case, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That pursuant to provisions of Rule 7 (a) of Order No. R-370-A, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal quarter section after notice and hearing by the Commission.

(3) (a) That applicant, El Paso Natural Gas Company, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 21 South, RANGE 36 East, NMPM
Lots 5, 6, 11 and 12 of Section 2

containing 160 acres, more or less.

(b) That Amerada Petroleum Corporation is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal quarter section, and described as follows, to-wit:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Lots 3 and 4 of Section 2

containing 74.81 acres, more or less.

(4) That applicant, El Paso Natural Gas Company, has a well on the aforesaid lease known as the Shell-State No. 5, located 3209 feet from the north line and 660 feet from the west line of Section 2, Township 21 South, Range 36 East.

(5) That the aforesaid well is located within the limits of the pool heretofore delineated and designated as the Eumont Gas Pool.

(6) (a) That it is impractical to pool applicant's said lease with adjoining acreage in the north half of Section 2, Township 21 South, Range 36 East, and that owners of adjoining acreage in said half sections have not objected to the formation of the proposed proration unit of 234.81 acres, but have expressly consented thereto.

(b) That Amerada Petroleum Corporation has consented to the formation of the proposed proration unit.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Eumont Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the amended application of El Paso Natural Gas Company for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Lots 3, 4, 5, 6, 11 and 12 of Section 2

be, and the same hereby is approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's well, Shell-State No. 5, located in Lot 12 of Section 2, Township 21 South, Range 36 East, NMPM, shall be granted an allowable in the proportion that the above described 234.81-acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

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

Oil Conservation Commission - Signed by: Edwin L. Mechem, Chairman;
E. S. Walker, Member; W. B. Macey, Member and Secretary.