



**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

November 29, 1999

Cross Timbers Oil Company  
810 Houston Street - Suite 2000  
Fort Worth, Texas 76102-6298

Attention: Edwin S. Ryan, Jr.

Re: *Administrative application for the creation of a non-standard 80-acre gas spacing and proration unit for anticipated wildcat Tubb gas production to comprise the W/2 NW/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico*

Dear Mr. Ryan:

Reference is made to your application dated November 5, 1999 for the formation of the above-described non-standard 80-acre gas spacing and proration unit for unprorated gas production from the Tubb formation. This non-standard unit is to be dedicated to Cross Timbers Oil Company's existing Bertha J. Barber Com Well No. 13-Y (API No. 30-025-06027) located at a standard location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 8.

Pursuant to Division Rule 104.A (2), any Tubb production from the subject wellbore would be subject to the rules currently governing the Monument-Tubb Pool, which provides for: (i) 80-acre spacing and proration units; (ii) wells to be located no closer than 330 feet to any governmental quarter-quarter section or lot; and (iii) a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. If however, as you anticipate, the Tubb interval within this wellbore is indeed classified as a new gas reservoir from an untapped source of supply within the Tubb formation, this production and the new gas pool established for such production would be subject to Division Rule 104.C (3), which provides for 160-acre spacing, and being unprorated production, would also be subject to Rule 104.D (3), which provides for only one well within a standard drilling tract.

At this time I would suspect any Tubb production obtained from this wellbore. Should your completion turn out to be a gas well and being so close to the Monument-Tubb Pool which has a higher than normal GOR limit (see Case No. 10984) preliminary evidence indicates that this production would be in direct contact with the existing reservoir and not a wildcat gas pool as you are anticipating.

At this time the only option open to you is to test the Tubb interval within this wellbore under the current Monument-Tubb Pool rules. Once the Tubb interval is tested then several options would be open to you for relief. Forming a non-standard 80-acre gas spacing unit either at this time or once production is established, however, is not one of them.

*Cross Timbers Oil Company*

*November 29, 1999*

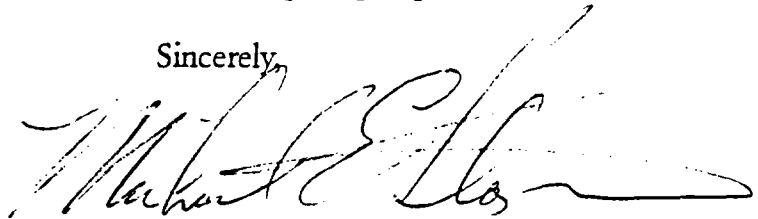
*Page 2*

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In any case this application fails to show: (1) why its necessary to create the proposed 80-acre non-standard wildcat Tubb gas spacing unit instead of forming a standard 160-acre gas spacing unit; (2) what steps you as a prudent operator have taken to reach a voluntary agreement to consolidate the entire NW/4 of Section 8 in order to form a standard 160-acre gas spacing and proration unit for this well if indeed it is classified as wildcat gas production; (3) how will correlative rights best be served by severing the E/2 of Section 8 from a standard 160-acre unit; and (4) how will waste be prevented and the drilling of an unnecessary well be avoided should it be necessary for a well to be drilled in this severed acreage in order to prevent drainage that may be caused by the subject well from this undedicated tract. Therefore, your application to form a non-standard 80-acre gas spacing unit for anticipated wildcat Tubb gas production within the NW/4 of Section 8 is hereby denied.

Should you need additional information on how to proceed in forming a standard 160-acre unit please refer to Sections 70-2-17 and 18, N.M.S.A., 1978 and Division Rule 1207.A, which provides for the compulsory pooling of acreage in order to form a standard spacing unit or drilling tract when two or more separately owned tracts of land are embraced within a spacing or proration unit.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long, sweeping horizontal line extending to the right.

Michael E. Stogner  
Chief Hearing Officer/Engineer

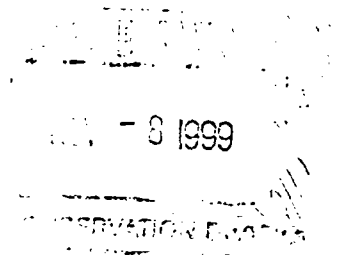
cc: New Mexico Oil Conservation Division - Hobbs  
U. S. Bureau of Land Management - Carlsbad  
New Mexico State Land Office - Santa Fe  
Lori Wrotenbery, Director - OCD, Santa Fe  
Kathy Valdes, NMOCD - Santa Fe



## Cross Timbers Oil Company

November 5, 1999

New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, New Mexico 87505  
Attention: Mr. Michael Stogner



Re: Application for Non-Standard Proration Unit  
B.J. Barber # 13  
W/2NW/4 Section 8-T20S-R37E  
Lea County, New Mexico

Dear Mr. Stogner,

By letter dated October 27, 1999, Cross Timbers filed an application for a non-standard proration unit covering the captioned well. You returned the application (see attached letter dated October 29) stating it was unnecessary as 80 acre spacing was already established in Section 8 in the Monument Tubb pool.

However, Cross Timbers is anticipating a gas well from the Tubb based on the results of a well we recompleted in Section 7. Therefore, the B.J. Barber # 13 would be in the Wildcat Tubb Pool which requires 160 acre spacing.

Based on the above we respectfully resubmit the attached Application for a Non-Standard Proration unit.

Thank you for your time and should you have any questions or need additional information please call me at (817)885-2336.

Yours very truly,

Edwin S. Ryan, Jr.



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

NOV 2 1999

October 29, 1999

cc: ERICH FALKO  
DARRIN STEED - MIDLAND

Cross Timbers Oil Company  
810 Houston Street - Suite 2000  
Fort Worth, Texas 76102-6298

Attention: Edwin S. Ryan, Jr.

*Re: Administrative application to establish a non-standard 80-acre spacing and proration unit for wildcat Tubb production comprising the W/2 NW/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to the existing Bertha J. Barber Well No. 13-Y (API No. 30-025-06027) located at a standard location 1980' FNL & 660' FWL (Unit E) of Section 8.*

Dear Mr. Ryan:

Pursuant to the rules governing the Monument-Tubb Pool [see Division Orders No. R-2800 and R-10128 and Division Rule 104.A], the subject application is unnecessary since 80-acre spacing is standard for the Tubb formation within Section 8.

Your application is hereby withdrawn and is being returned to you at this time.

Should you have any questions or comments concerning this matter, you may either contact me in Santa Fe at (505) 827-8185 or Mr. Paul Kautz in Hobbs at (505) 393-6161. Thank you.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

cc: New Mexico Oil Conservation Division - Hobbs  
Kathy Valdes, NMOCD - Santa Fe



## Cross Timbers Oil Company

November 5, 1999

Lori Wrotenbery, Director  
Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87501

Gentlemen:

Cross Timbers Operating Company hereby requests administrative approval of the following 80 acre non-standard proration unit (see attached Form C-102 plat):

B. J. Barber Well No. 13  
W/2 NW/4 (Unit E) Section 8-20S-37E  
Lea County, New Mexico  
Wildcat Tubb Pool - Gas - 160 acres

The non-standard proration unit is required as Cross Timbers' lease is limited to the W/2 NW/4 and SW/4 SW/4. Cross Timbers plans to recomplete the B. J. Barber #13 well (100% working interest) which is temporarily abandoned in the Paddock formation to the Tubb and Abo formations. Royalty Owners are common between the 40 acre Abo Unit and the proposed 80 acre Tubb Unit and both zones are required to economically produce the well.

Notice of this application has been given to the offset operators as shown on the attached list by certified mail. We look forward to your approval and please feel free to call me at (817) 885-2336 with any questions.

Yours very truly,

Edwin S. Ryan, Jr.

cc: Erich Palko  
Darrin Steed - Midland  
Offset Operators

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-06027		Pool Code	Pool Name Wildcat Tubb
Property Code	Property Name Bertha J. Barber		Well Number 13Y
OGRID No. 00538	Operator Name Cross Timbers Operating Company		Elevation 3552'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	8	20S	37E		1980	North	660	West	Lea

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 80	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i></p> <p>Signature Darrin L. Steed</p> <p>Printed Name Operations Engineer</p> <p>Title</p> <p>Date 10/20/99</p>
				<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>



## Cross Timbers Oil Company

November 5, 1999

CERTIFIED MAIL

TO: Offset Operators - See Attached

Re: Non-Standard Proration Unit  
B.J. Barber # 13  
W/2NW/4 Section 8-20S-37E  
Lea County, New Mexico

Gentlemen:

Cross Timbers Operating Company filed the attached application for administrative approval of the above Unorthodox Location with the New Mexico Oil Conservation Division on November 5, 1999. If you object to the application, you must file a written objection with the Oil Conservation Division within twenty (20) days of the date the application was filed.

Should you have any questions please feel free to call me at (817)885-2336.

Yours very truly,

Edwin S. Ryan, Jr.

Offset Operators  
Application for NSPU  
W/2 NW/4 Section 8-20S-37E  
Lea County, New Mexico

Marathon Oil Company  
P.O. Box 552  
Midland, Texas 79702

Amerada Hess Corporation  
500 Dallas Street  
Houston, Texas 77002

Texaco Exploration & Production Inc.  
P.O. Box 3109  
Midland, Texas 79702

Doyle Hartman  
P.O. Box 10426  
Midland, Texas 79702-7426

Chevron USA Inc.  
P.O. Box 1150  
Midland, Texas 79702

Arch Petroleum Inc.  
Pogo Producing Company  
P.O. Box 10340  
Midland, Texas 79702

Arco Permian  
P.O. Box 1610  
Midland, Texas 79702

Mid-Continent Energy Operating  
100 W. 5th Street, Suite 450  
Tulsa, Oklahoma 74103-4287

John H. Hendrix Corp.  
P.O. Box 3040  
Midland, Texas 79702