

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
THE TEXAS COMPANY FOR THE ESTABLISHMENT)
OF PRORATION UNITS AND UNIFORM SPACING)
OF WELLS FOR THE COMMON SOURCE OF SUPPLY)
DISCOVERED IN THEIR STATE OF NEW MEXICO)
"AR" WELL NO. 1, 660 FEET FROM THE NORTH)
LINE AND 1980 FEET FROM THE WEST LINE OF)
SECTION 2, TOWNSHIP 11 SOUTH, RANGE 37)
EAST, LEA COUNTY, NEW MEXICO.)

CASE NO. 222

A P P L I C A T I O N

On behalf of The Texas Company, Fort Worth, Texas, this application is made with the following statements:

1. That the applicant has drilled and completed on August 10, 1951, its State of New Mexico "AR" Well No. 1, located 660 feet from the North line and 1980 feet from the West line of Section 2, Township 11 South, Range 37 East, Lea County, New Mexico, and has discovered a new common source of supply found in said well below the depth of 11,000 feet.

2. The discovery well was drilled to a depth of 11,580 feet and encountered the top of the Devonian formation at ^{11,415} ~~11,535~~ feet. Five and one-half inch casing was set and cemented at 11,500 feet with 150 sacks of cement. Upon drilling the plug, the well was acidized with 1,000 gallons of acid. On a 23 hour Potential Test, taken August 27, 1951, the well flowed 306 barrels of pipe line oil through a 24/64-inch choke with a gas-oil ratio of 24 and an oil gravity of 43.1° A.P.I.

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3. The productive portion of the new common source of supply is estimated to include the following described area:

The SE/4 of Section 32, the SE/4 of SW/4 of Section 32, the SW/4 of SW/4 of Section 33, Township 10 South, Range 37 East, and all of Section 2, Township 11 South, Range 37 East, Lea County, New Mexico.

However, the above area is not necessarily the maximum limits of the pool. This new source of supply is commonly referred to as the Thompson-Devonian Pool.

4. In addition to the discovery well referred to above, the following wells are now drilling to the same common source of supply within the area described above:

H. Bass State "A" No. 1, SW/4 of SE/4, Sec. 32, T-10-S, R-37-E.

The Texas Co. State "AW" No. 1, SE/4 of SW/4, Sec. 32, T-10-S, R-37-E.

Southern Prod. Co. State "A" No. 1, NW/4 of SE/4 Sec. 2, T-11-S, R-37-E.

5. That in order to bring about the orderly and proper development of said common source of supply, prevent waste and to avoid the drilling of unnecessary wells, and to secure the greatest ultimate recovery therefrom, and to protect the correlative rights of the interested parties therein, it is necessary and proper for the Commission to enter its order providing for proration units of 80 acres each, such being the area which may be efficiently and economically drained and developed by one well, and to provide for the uniform spacing of wells drilled into said common source of supply.

6. That all wells drilled into said common source of

supply should be located in the center of the Northwest and Southeast forty-acre tracts of each quarter section, with a tolerance of 150 feet to avoid surface obstructions.

7. That the discovery well referred to above as The Texas Company's State "AR" Well No. 1, and one other drilling well, H. Bass State "A" No. 1, which is located off the spacing pattern herein requested should be granted an exception to the spacing order established by the Commission hereunder, and be considered as the wells for the proration units upon which they are located.

8. That the order herein asked for should cover all of the common source of supply discovered in the producing formation of the State of New Mexico "AR" Well No. 1, and any additional wells drilled to said common source of supply should be drilled on the spacing pattern herein requested.

9. The allowable assigned any well within the common source of supply shall be determined by multiplying the allowable for a normal 40-acre unit by the usual depth factor and by one, thus any well in the 80-acre pattern will receive the same allowable that would normally be assigned a well on a 40-acre proration unit of equal depth. Any wells drilled on proration units of less than 80 acres shall have an allowable calculated as above and in the same proportion as the acres in the proration unit are to 80.

10. A plat showing the area described above and the location of all wells drilled or drilling in said area and in the vicinity is attached hereto, marked "EXHIBIT "A" and made a part

hereof.

WHEREFORE, applicant respectfully requests that the Commission set this application for public hearing at a time and place to be fixed by the Commission, that due and proper notice be given as required by law, and that at the conclusion of said hearing the Commission make and enter an order determining and defining the probable productive limits of the common source of supply referred to above to include the SE/4 of Section 32, the SE/4 of SW/4 of Section 32, the SW/4 of SW/4 of Section 33, Township 10 South, Range 37 East, and all of Section 2, Township 11 South, Range 37 East, Lea County, New Mexico, naming said pool or common source of supply the Thompson-Devonian Pool, establishing proration units of eighty (80) acres each, designating the location of all wells drilled to said common source of supply to be the center of the Northwest and Southeast forty-acre tracts of each quarter section, with exceptions for two of the presently drilled and drilling wells, with a tolerance of 150 feet in any direction from said described location to avoid surface obstructions, and to provide for an allowable equal to that of a normal 40-acre unit producing from equal depth, with the provision that wells drilled on proration units of less than 80 acres shall have an allowable calculated as above and in the same proportion as the acres in the proration unit is to 80.

DATED this 30th day of November, 1951.

THE TEXAS COMPANY

By G. R. Brown
Asst. Division Petroleum
Engineer