TTO BEAMS OF

BEFORE THE OIL CONSERVOUSION COMMISSION

NO. 2515

IN THE MATTER OF THE APPLICATION OF D. W. FALLS, INC. FOR THE ASSIGNMENT OF A TEMPORARY SPECIAL DELIVERABILITY TO ITS FEDERAL 2-11 WELL IN THE BASIN-DAKOTA POOL, SAN JUAN COUNTY, NEW MEXICO

<u>A P P L I C A T I O N</u>

COMES NOW, D. W. FALLS, INC., by and through its attorneys, Verity, Burr & Cooley, and would show the Oil Conservation Commission of New Mexico as follows:

That applicant is the owner and operator of the
Federal 2-11 Well located 1190 feet from the South line and
2210 feet from the East line of Section 11, Township 28 North,
Range 13 West, N.M.P.M., San Juan County, New Mexico.

2. That the aforesaid well is dually completed in the Totah-Gallup Oil Pool and Basin-Dakota (Gas) Pool.

3. That the Dakota completion in the above referenced well is unusual in that large quantities of liquid hydrocarbons and water are present therein.

4. That the production history to date of said Dakota completion indicates that an accurate and representative deliverability test of the type required for wells in the Basin-Dakota Pool cannot be obtained on the aforesaid Dakota completion due to the hydrostatic head of the unusually large quantities of liquid hydrocarbons and water referred to above. 5. That the applicant is entitled to produce and market its fair share of the reserves in the Basin-Dakota Pool and that, in order to afford applicant this right, the Commission should assign the Dakota completion in the above referenced well a special deliverability for allowable purposes equal to the average deliverability of all the wells in the Basin-Dakota (Gas) Pool.

6. That there is a possibility that the liquid production in the above referenced Dakota completion will materially subside later in the life of this well and that the Commission should, therefore, grant the relief requested above initially for a period of only one (1) year, at the end of which time the Commission should again study the producing characteristics of the well to determine whether any additional relief is warranted. In the event it is determined by the Commission that additional relief beyond the initial one (1) year period is warranted, the Commission should be empowered to grant the same administratively without notice of hearing.

WHEREFORE applicant prays that the Commission, after due notice of hearing, enter its Order granting the relief requested above.

> VERITY, BURR & COOLEY Attorneys for Applicant

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