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January 22, 1965

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Attention: Mr. James Durrett

Gentlemen:

We enclosed application in triplicate of Apache Corporation to extend the limits of the High Plains Pennsylvanian Pool and for the adoption of temporary special field rules. This is the application concerning which the writer talked to Mr. James Durrett today and for which a special notice is to be published so that the matter can be included on the examiner's docket for February 10.

Yours very truly,

HINKLE, BONDURANT & CHRISTY

By Clarence E. Hinkle
C.E.H.

CEH:cs

Enc.

cc: Apache Corporation - Midland

cc: Apache Corporation - Houston

DOCKET MAILED

Date 1-30-65

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

Application of Apache Corporation to extend the limits of the High Plains Pennsylvanian Pool, Lea County, New Mexico due to completion of the Delaware-Apache No. 1 well located in the NE $\frac{1}{4}$ of Section 22, Township 14 South, Range 34 East, and for the adoption of temporary special field rules for said pool as extended, including 160 acre well spacing and proration units.

Comes Apache Corporation, with offices at Midland, Texas, acting by and through the undersigned attorneys, and hereby makes application to extend the limits of the High Plains Pennsylvanian Pool, Lea County, New Mexico, and for the promulgation of temporary special rules and regulations for said pool, and with respect thereto shows:

1. That by order of the Commission No. R-2507 dated July 1, 1963, the High Plains Pennsylvanian Pool, Lea County, New Mexico was established as covering the SW $\frac{1}{4}$ Section 23, Township 14 South, Range 34 East, N.M.P.M. on account of the discovery made in the Texas Crude - Sinclair No. 1-23 State well located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 23, Township 14 South, Range 34 East, N.M.P.M. That Apache Corporation has completed the Delaware-Apache No. 1 High Plains Unit well in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 22, Township 14 South, Range 34 East, N.M.P.M. as of January 15, 1965, which is producing from the Pennsylvanian formation through perforations from 10,438 feet to 10,512 feet. Said well was completed with an initial flowing potential of 1,262 barrels of oil per day through a 1/2 inch choke, with a gas/oil ratio of 1188 to 1. Said well was drilled to a total depth of 10,600 feet. That applicant proposes that on account of the recent discovery the High Plains Pennsylvanian Pool be expanded to include at least the NE $\frac{1}{4}$ of Section 22 and the NW $\frac{1}{4}$ of Section 23, Township 14 South, Range 34 East.

2. That due to the character of the discovery made in the Delaware-Apache No. 1 well located in Section 22, above referred to, applicant believes that each well will efficiently and economically drain a regular governmental quarter section consisting of 160 acres, and that temporary special field rules should be promulgated establishing 160 acre well spacing and proration units for at least one year to afford the drilling of additional wells before permanent field rules are adopted. It is believed that such temporary rules will prevent the economic loss caused by the drilling of unnecessary wells and avoid the augmentation of risk arising from the drilling of an excessive number of wells and will otherwise prevent waste and protect correlative rights. Applicant further believes that the character of the discovery made in the applicant's Delaware-Apache No. 1 High Plains Unit well is comparable to the production in the East Saunders Permo-Pennsylvanian Pool situated approximately 2 miles to the West, for which 160 acre spacing and proration units have heretofore been established by the Commission under Order R-2359 and made permanent under Order R-2359-B under date of November 10, 1965.

3. That applicant proposes that the temporary special field rules to be adopted for the High Plains Pennsylvanian Pool be similar to those adopted for the East Saunders Permo-Pennsylvanian Pool above referred to, and that each well be completed or recompleted on a standard proration unit containing 158 through 162 acres, substantially in the form of a square which is a governmental quarter section.

4. Applicant requests that this matter be heard at the first regular examiner's hearing in February.

Dated this 22nd day of January, 1965.

Respectfully submitted,

APACHE CORPORATION

By 

HINKLE, BONDURANT & CHRISTY

By 

P.O. Box 10

Roswell, New Mexico

Attorneys for Applicant