Law Offices

CLARENCE E.HINKLE
W. E.BONDURANT, JR.
S. B. CHRISTY IV
LEWIS C. COX. JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
MICHAEL R. WALLER

STUART D. SHANOR C. D. MARTIN PAUL J. KELLY, JR.

HINKLE, BONDURANT & CHRISTY

600 HINKLE BUILDING

ROSWELL, NEW MEXICO 88201

May 16, 1968

MIDLAND, TEXAS OFFICE 521 MIDLAND TOWER (915) MU 3-4691

OF COUNSEL: HIRAM M. DOW

TELEPHONE (505) 622-6510 POST OFFICE BOX 10

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

Attention: Mr. Dan Nutter

ed liny 17 | 101 h 1.

Gentlemen:

There is enclosed herewith original and two copies of Application of Coastal States Gas Producing Company to reopen Case No. 3701 to consider the amendment of the temporary special pool rules for the Baum-Wolfcamp Pool, Lea County, New Mexico, to provide for 160 acre spacing and proration units with the assignment of 80 acre allowables.

This case has been advertised and set down for hearing on your Examiner's docket for May 22, 1968.

Yours sincerely,

HINKLE, BONDURANT & CHRISTY

Clarence E. Hinkle

CEH/ea Enclosures

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION OF COASTAL STATES GAS PRODUCING COMPANY TO REOPEN CASE NO. 3701 TO CONSIDER AN AMENDMENT OF THE TEMPORARY SPECIAL POOL RULES FOR THE BAUM-WOLFCAMP POOL, LEA COUNTY, NEW MEXICO, TO PROVIDE FOR 160 ACRE SPACING AND PRORATION UNITS WITH THE ASSIGNMENT OF 80 ACRE ALLOWABLES.

No. 3701

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

18 May 17 511 6 40

Comes Coastal States Gas Producing Company, with offices at Midland, Texas, acting by and through the undersigned attorneys, and hereby makes application to reopen Case No. 3701 to consider the amendment of the temporary special pool rules for the Baum-Wolfcamp Pool, Lea County, New Mexico, to provide for 160 acre spacing and proration units with the assignment of 80 acre allowables, and in support thereof respectfully shows:

- 1. That Case No. 3701 was originally heard before the Commission on December 20, 1967, upon the application of Coastal States Gas Producing Company for special pool rules for the Baum-Wolfcamp Pool including a provision for 160 acre spacing and proration units. On January 22, 1968, Order No. R-3368 was entered in Case No. 3701 promulgating temporary special rules for the Baum-Wolfcamp Pool providing for 80 acre spacing and 80 acre allowables and denying the application as to 160 acre spacing and proration units.
- 2. That since the order was entered in Case No. 3701 providing for temporary special pool rules, applicant has drilled five additional wells which have been completed as producing wells from the Baum-Wolfcamp Pool and has also re-entered two old wells in the pool and completed the same as wells capable of producing in paying quantities from the Baum-Wolfcamp Pool. All of these wells, as well as the well

which applicant had completed prior to the promulgation of the temporary special pool rules, are located to conform with 160 acre well spacing units. In addition, since the original hearing, applicant has obtained extensive pressure information with respect to the producing wells in the Baum-Wolfcamp Pool, and from such pressure information, production history, and other information available to applicant, applicant believes that one well will effectively and efficiently drain more than 160 acres and that it would not be economically possible or feasible to drill and complete wells in the Baum-Wolfcamp Pool to a density of one well to each 80 acres of the known producing area.

3. That applicant requests that this matter be heard at the Examiner's hearing for May 22, 1968.

Respectfully submitted,

COASTAL STATES GAS PRODUCING COMPANY

Hinkle, Bondurant & Christy Attorneys for Applicant

P. O. Box 10

Roswell, New Mexico