

LAW OFFICES

LOSEE, CARSON, HAAS & CARROLL, P.A.

ERNEST L. CARROLL
JOEL M. CARSON
JAMES E. HAAS
A.J. LOSEE
DEAN S. CROSS
MARY LYNN BOGLE

300 YATES PETROLEUM BUILDING
P.O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239

TELEPHONE
(505) 746-3505
TELECOM
(505) 746-8210

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ARTESIA, NEW MEXICO 88211-0239

TELEPHONE
(505) 748-3505
TELECOPY
(505) 748-8318

November 10, 1992

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of C. W. Trainer for a Tight
Formation Designation Under Section 107 of
the Natural Gas Policy Act of 1978, Chaves
County, New Mexico

Dear Mr. LeMay:

Enclosed please find for filing an original and two copies of
C. W. Trainer's Application as captioned above, with Exhibit "A"
attached.

Please return a copy to me, endorsed, for my records. Thank you
for your assistance.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.


Ernest L. Carroll

ELC:kth
Enclosures

xc: C. W. Trainer

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
C. W. TRAINER FOR A TIGHT FORMATION
DESIGNATION UNDER SECTION 107 OF THE
NATURAL GAS POLICY ACT OF 1978,
CHAVES COUNTY, NEW MEXICO

CASE NO. _____

APPLICATION

COMES NOW C. W. TRAINER, by his attorneys, Losee, Carson, Haas & Carroll, P. A., and in support hereof respectfully states:

1. Applicant hereby makes application for designation of the ~~land~~ as a "tight formation" pursuant to the regulations of the Federal Energy Regulatory Commission ("FERC"), and Section 107 of the Natural Gas Policy Act of 1978 ("NGPA"), under the following described lands in Chaves County, New Mexico:

Township 11 South, Range 28 East, N.M.P.M. 960

Section 35: E/2 320

Section 36: All 640

Township 11 South, Range 29 East, N.M.P.M. 6489.98

Section 21: S/2 320

Section 22: All 640

Section 23: W/2 320

Section 26: W/2 320

Section 27: All 640

Section 28: All 640

Section 29: All 640

Section 30: All 614.94

Section 31: All 615.04

Section 32: All 640

Section 33: All 640

Section 34: All 640

Section 35: W/2 320

Township 12 South, Range 28 East, N.M.P.M. 960.48

Section 1: All 640.32

Section 2: E/2 320.16

Township 12 South, Range 29 East, N.M.P.M. 2098.62

Section 2: NW/4 162.17 = 41.16 + 110.01 + 80

Section 3: N/2 326.68 = 646.68 - 320

Section 4: N/2 330.16 = 650.16 - 320

Section 5: All 653.55

Section 6: All 626.06

Total - 11,009.08

2. Applicant is an operator and owner of substantial mineral interest in and to some of the above described lands.

3. The above described lands have not been designated as a gas pool with respect to the Mississippian formation by the Oil Conservation Division of New Mexico.

4. The Mississippian formation is defined as that formation occurring between the base of the Pennsylvanian formation and the top of the Devonian formation which begins 8,120' below the surface and terminates 9,724' below the surface as defined on the logs of the Republic Natural Gas and Seaboard Oil Co. #1 White Ranch Well located 1,980' from the North line and 660' from the West line of Section 34, Township 11 South and Range 29 East, Chaves County, New Mexico. Said formation underlies the subject lands and is reasonably believed to be productive of gas and associated hydrocarbons. Completion in and

testing of the Mississippian formation has not occurred heretofore due to the extraordinary risks and costs associated with such production.

5. The estimated average in situ gas permeability of the Mississippian formation under the above-described lands is expected to be 0.1 millidarcy or less. It is anticipated that the stabilized production rate, against atmospheric pressure, of wells completed for production in the Mississippian formation, without stimulation, is not expected to exceed the maximum production rate prescribed by FERC regulations.

6. No well completed in the Mississippian formation is expected to produce, without stimulation, more than 5 barrels of crude oil per day.

7. Development of the Mississippian formation will not adversely affect freshwater aquifers that may be used as domestic and agricultural water supplies.

8. To avoid the drilling of unnecessary wells, to protect correlative rights, to prevent waste, and to afford the owner of each interest in the above described lands the opportunity to recover the gas and associated hydrocarbons underlying said lands within the Mississippian formation, the incentive price as determined in Section 107 of the NGPA is necessary to provide reasonable incentive for production of natural gas from the Mississippian formation underlying the above described lands.

9. Applicant will cause to be published notice of this application once in the Roswell Daily Record, a newspaper of general circulation in Chaves County, New Mexico, in the format attached hereto as

Exhibit "A". Proof of publication will be submitted to the Division upon completion of publication.


WHEREFORE, Applicant prays that:

A. This application be set for hearing before an Examiner and that notice of said hearing be given as required by law;

B. Upon hearing the Division enter its order designating the Mississippian formation, defined as that formation occurring between the base of the Pennsylvanian formation and the top of the Devonian formation which begins 8,120' below the surface and terminates 8,724' below the surface as defined on the logs of the Republic Natural Gas and Seaboard Oil Co. #1 White Ranch Well located 1,980' from the North line and 660' from the West line of Section 34, Township 11 South and Range 29 East, Chaves County, New Mexico, as a formation pursuant to the regulations of FERC;

C. And for such other relief as may be just in the premises.

C. W. TRAINER

By: 
Ernest L. Carroll
Losee, Carson, Haas & Carroll, P. A.
P. O. Drawer 239
Artesia, New Mexico 88211-0239
(505) 746-3505

Attorneys for Applicant

LEGAL NOTICE

C. W. TRAINER, P. O. Box 755, Hobbs, New Mexico, 88241, Phone
(505)393-2727

Attn: C. W. Trainer hereby provides Notice of Application for Designation as a Tight Formation by the Federal Energy Regulatory Commission for the Mississippian Formation underlying the following described lands:

Township 11 South, Range 28 East, N.M.P.M.

Section 35: E/2

Section 36: All

Township 11 South, Range 29 East, N.M.P.M.

Section 21: S/2

Section 22: All

Section 23: W/2

Section 26: W/2

Section 27: All

Section 28: All

Section 29: All

Section 30: All

Section 31: All

Section 32: All

Section 33: All

Section 34: All

Section 35: W/2

EXHIBIT "A"

Township 12 South, Range 28 East, N.M.P.M.

Section 1: All

Section 2: E/2

Township 12 South, Range 29 East, N.M.P.M.

Section 2: NW/4

Section 3: N/2

Section 4: N/2

Section 5: All

Section 6: All

[REDACTED]

[REDACTED]

[REDACTED]

Any interested party must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico, 87504 within fifteen (15) days from this date of publication.

[illegible]