Jason Kellahin W. Thomas Kellahin Karen Aubrey

# KELLAHIN and KELLAHIN Attorneys at Law El Patio - 117 North Guadalupe Post Office Box 2265 Santa Fe. New Mexico 87504-2265

Telephone 982-4285 Area Code 505

September 3, 1985

and the second religion bivision

3 19**85** 

RECEIVED

Mr. Richard L. Stamets
Cil Conservation Division
F. O. Box 2088
Santa Fe, New Mexico 87504

"Hand Delivered"

ellahin

F.e: Benson-Montin-Greer
East Puerto Chiquito-Mancos
Oil Pool, Rio Arriba County,
New Mexico

Case 8724

Lear Mr. Stamets:

On behalf of Benson-Montin-Greer Drilling Corporation, please find the enclosed application which we would request be set for the Examiner Eearing now scheduled for September 25, 1985.

WTK:ca

cc: Benson-Montin-Greer Drilling Corp. 221 Petroleum Center Building Farmington, New Mexico 87401

> Oil Conservation Office - Aztec 1000 Rio Brazos Road Aztec, New Mexico 87410

Jerry Chambers 7800 East Union Avenue Suite 1100 Denver, Colorado 80237

M. J. Harvey
P. O. Box 12705
Dallas, Texas 75225

## STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

I I A HELL WATER BUYISION

IN THE MATTER OF THE APPLICATION OF BENSON-MONTIN-GREER DRILLING CORPORATION FOR AMENDMENT TO THE VERTICAL LIMITS FOR THE EAST PUERTO CHIQUITO-MANCOS OIL POOL, RIO ARRIBA COUNTY, NEW MEXICO.

1985 B

RECEIVED

CASE: 8724

#### APPLICATION

COMES NOW BENSON-MONTIN-GREER DRILLING CORPORATION, by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for an order amending the vertical limits for the East Puerto Chiquito-Mancos Oil Pool so that the subject pool includes that portion of the Mancos Formation occurring between the base of the Mesa Verde formation and the top of the Graneros member and as support would show:

- 1. Applicant is the operator of the East Puerto Chicuito-Mancos Unit and Pressure Maintenance Porject as approved by the Division in Case 6943 (Order R-6409 and Case 6944 (Order R-6448) respectively.
- 2. That the East Puerto Chiquito-Mancos Pool was originally established at the request of this applicant by Division Order R-2565 entered effective September 9, 1963, as subsequently amended.
- 3. That the subject pool is currently defined only to include the Niobrara member of the Mancos formation.

- 4. That the subject Unit and Pressure Maintenance Project covers the Niobrara, the Carlisle and the Greenhorn members of the Mancos Formation..
- 5. That the main pay interval in the pool is the Niobrara member with the Carlisle and Greenhorn being non-continuous secondary zones of production in certain individual wells.
- 6. That the Carlisle and Greenhorn members are marginal in nature and will not support the drilling of a well to produce these zones only.
- 7. That currently, production from the Niobrara is reported separately from production attributed to the Carlisle and Greenhorn.
- 8. That the increased burden of reporting and administering production from the Niobrara and Carlisle and Greenhorn members of the Mancos is unnecessary.
- 9. That the vertical limits for the subject pool after amendment would be defined as follows:

That portion of the Mancos Formation being the stratigraphic interval occurring between the base of the Mesa Verde formation and the top of the Graneros member and which is the same formation that was encountered between the logged (Schlumberger Induction-Gamma Ray Log 8-23-60) depths of 1175 feet and 3143 feet in Intex Oil Company's #1 Hijo, located 1980 feet from the north line and 1980 feet from the

west line of Section 5, T26N, R1E, NMPM, Rio Arriba County, New Mexico.

10. That increasing the vertical limits of the subject pool to include the Carlisle and Greenhorn members of the Mancos would be in the best interests of conservation, prevention of waste, and protection of correlative rights.

WHEREFORE, applicant requests that this application be set for hearing and that after notice and hearing, the application be granted as requested.

Respectfully submitted:

Kellahin & Kellahin

W. Thomas Kellahir

#### Exhibit "A"

Benson-Montin-Greer Drilling Corporation 221 Petroleum Center Building Farmington, New Mexico 87401

Oil Conservation Office - Aztec 1000 Rio Brazos Road Aztec, New Mexico 87410

Jerry Chambers 7800 East Union Avenue Suite 1100 Denver, Colorado 80237

M. J. HarveyP. C. Box 12705Dallas, Texas 75225

Cotton Petroleum Corporation 750 Ptarmigan Place 3773 Cherry Creek Drive North Denver, Colorado 80209

Cotton Petroleum Corporation P. C. Box 3501 Tulsa, Oklahoma 74102

Mountain Fuel Supply Company P. C. Box 11368 Salt Lake City, Utah 84139

AMOCO Production Company 1670 Broadway P. C. Box 800 Denver, COlorado 80201

Han-san Inc.
P. C. Box 1936
Roswell, New Mexico 88201

Noel Reynolds
P. C. Box 353
Flora Vista, New Mexico 87415

Abe Kalas P. C. Box 5035 Tucson, Arizona 85703

Reeves Drilling & Petroleum P. C. Box 5035 Tucson, Arizona 85703

### Exhibit "A" Continued:

Inter-American 609 East Spar Blvd. Denver, Colorado 80203

CIDO Oil 1802 W. Grant Road Tucson, Arizona 85745

Exeter Oil Company 2300 Lincoln Center 1600 Lincoln Street Denver, Colorado 80203

#### KELLAHIN and KELLAHIN

Mr. Richard L. Stamets Oil Conservation Division September 3, 1985 Page 2

Cotton Petroleum Corporation 750 Ptarmigan Place 3773 Cherry Creek Drive North Denver, Colorado 80209

Cotton Petroleum Corporation P. O. Box 3501 Tulsa, Oklahoma 74102

Mountain Fuel Supply Company P. O. Box 11368
Salt Lake City, Utah 84139

AMOCO Production Company 1670 Broadway P. O. Box 800 Denver, COlorado 80201

Han-san Inc.
P. O. Box 1936
Roswell, New Mexico 88201

Noel Reynolds
P. O. Box 353
Flora Vista, New Mexico 87415

Abe Kalas P. O. Box 5035 Tucson, Arizona 85703

Reeves Drilling & Petroleum P. O. Box 5035 Tucson, Arizona 85703

Inter-American 609 East Spar Blvd. Denver, Colorado 80203

CIDO Oil 1802 W. Grant Road Tucson, Arizona 85745

Exeter Oil Company 2300 Lincoln Center 1600 Lincoln Street Denver, Colorado 80203