

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10440
Order No. R-9639

APPLICATION OF OXY USA, INC. FOR
EXTENSION OF THE VERTICAL LIMITS FOR
A PORTION OF THE LANGLIE-MATTIX POOL
AND THE CONCOMITANT CONTRACTION OF A
PORTION OF THE JALMAT GAS POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 6, 1992, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 14th day of February, 1992, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, OXY USA, Inc., seeks the contraction of the vertical limits of the Jalmat Gas Pool and the concomitant upward extension of the vertical limits of the Langlie-Mattix Pool to a subsurface depth of 3387 feet (3400 feet K.B.), underlying the SW/4 SE/4 (Unit O) of Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) The vertical limits of the Jalmat Gas Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(4) The vertical limits of the Langlie-Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation.

(5) There has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100-foot marker separating the Jalmat and Langlie-Mattix Pools.

(6) As a result of this disparity, certain wells in the general area which are classified as Langlie-Mattix wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat Gas Pool.

(7) Such crossing over from one pool into the other in such wells appeared to be an unintentional error and the vertical limits of said pools have been altered by the Division from time to time to permit said wells to continue to produce in the common wellbore.

(8) According to applicant's evidence and testimony, its Thomas "A" Well No. 4, located 990 feet from the South line and 1880 feet from the East line (Unit O) of said Section 19 is currently classified as a Langlie-Mattix oil well.

(9) The applicant has recently added perforations in the Thomas "A" Well No. 4 in the interval from 3401 feet to 3406 feet, which, according to the Division, is in the Jalmat Gas Pool.

(10) The applicant was under the impression that the SW/4 SE/4 of said Section 19 was within an area for which the vertical limits had previously been altered by the Division.

(11) The Thomas "A" Well No. 4 is in fact offset by several wells for which the vertical limits have been altered, however, such excepted area does not contain the SW/4 SE/4 of said Section 19.

(12) The evidence indicates that the interest within the Jalmat and Langlie-Mattix Pools on the Thomas "A" Lease is common.

(13) No interest owner and/or offset operator appeared at the hearing in opposition to the application.

(14) The proposed amendment of the vertical limits of said pools underlying the SW/4 SE/4 of Section 19 will permit the applicant to produce its just and equitable share of the hydrocarbons therefrom, will promote the prevention of waste, and will not violate correlative rights.

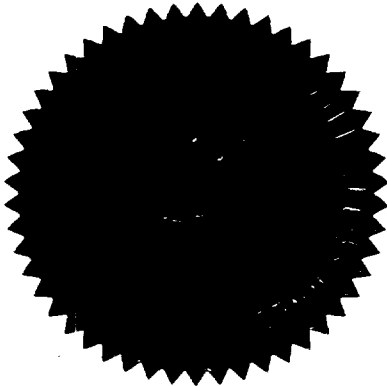
(15) The application should be approved.

IT IS THEREFORE ORDERED THAT:

(1) The lowermost vertical limit of the Jalmat Gas Pool underlying the SW/4 SE/4 of Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby contracted to a subsurface depth of 3387 feet (3400 feet K.B.), and the uppermost limit of the Langlie-Mattix Pool underlying said tract is hereby extended upward to the same subsurface depth.

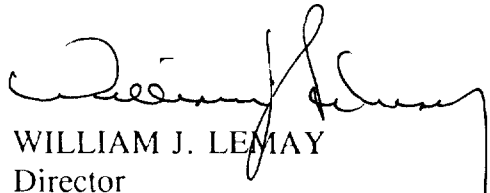
(2) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

Applicable Orders

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7504
Order No. R-6928

APPLICATION OF CITIES SERVICE
COMPANY FOR EXTENSION OF VERTICAL
LIMITS OF THE LANGLIE-MATTIX POOL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 16, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of March, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Cities Service Company, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie-Mattix Pool to a depth of 3416 feet, subsurface, underlying the NW/4 SE/4 of Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the vertical limits of the Jalmat Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(4) That the vertical limits of the Langlie-Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation.

-2-

Case No. 7504

Order No. R-6928

(5) That there has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100-foot marker separating the Jalmat and Langlie-Mattix Pools.

(6) That as a result of this disparity, certain other wells in the general area which are classified as Langlie-Mattix wells had perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat Pool.

(7) That such crossing over from one pool into the other in such wells appeared to be an unintentional error and the vertical limits of said pools were altered to permit said wells to continue to produce in the common wellbore.

(8) That applicant's Thomas A Lease Well No. 3 located in the NW/4 SE/4 of said Section 19 is offset by several of such wells for which the vertical limits of said pools have been altered.

(9) That the proposed amendment of the vertical limits of said pools underlying the NW/4 SE/4 of the aforesaid Section 19 will permit the applicant to produce its just and equitable share of the hydrocarbons therefrom, will promote the prevention of waste, and will not violate correlative rights.

(10) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the lowermost vertical limits of the Jalmat Pool underlying the NW/4 SE/4 of Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, are hereby contracted to a subsurface depth of 3416 feet, and the uppermost limits of the Langlie-Mattix Pool underlying said tract are hereby extended upward to the same subsurface depth.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

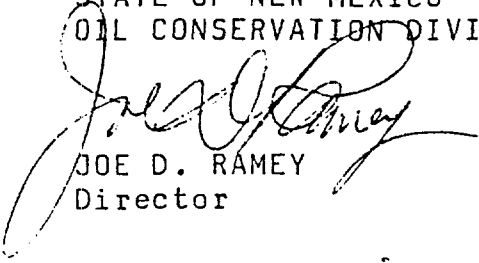
-3-

Case No. 7504

Order No. R-6928

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

fd/



KELLAHIN and KELLAHIN

Attorneys at Law

500 Don Gaspar Avenue

Post Office Box 1767

Santa Fe, New Mexico 87501

Telephone 982-4280
Area Code 505

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

February 23, 1982

Mr. Joe D. Ramey
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Citiles Service Company
Thomas A-3 well
Langlie Mattum Pool

Dear Mr. Ramey:

Please set the enclosed application for hearing
on March 16, 1982.

Very truly yours,

W. Thomas Kellahin

WIK:jm

Enclosure

cc: Mr. Gene Moxner
Mr. Charles Mitchell
Mr. Jerry Barnes

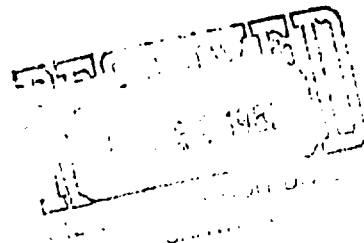
Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
500 Don Gaspar Avenue
Post Office Box 1769
Santa Fe, New Mexico 87501

Telephone 982-4285
Area Code 505

February 23, 1982

Mr. Joe D. Ramey
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501



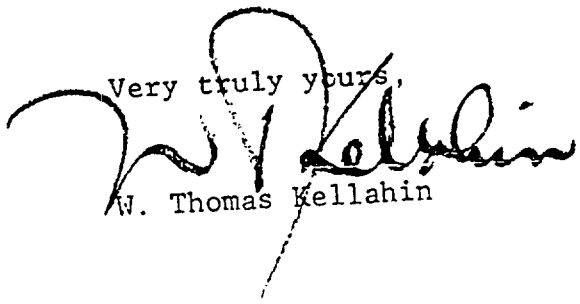
RE: Cities Service Company
Thomas A-3 well
Langlie Mattix Pool

Case 7504

Dear Mr. Ramey:

Please set the enclosed application for hearing
on March 16, 1982.

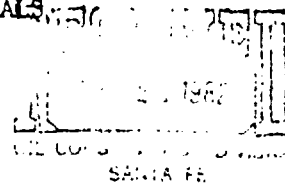
Very truly yours,


W. Thomas Kellahin

WTK:jm
Enclosure
cc: Mr. Gene Motter
Mr. Charles Mitchell
Mr. Jerry Barnes

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

IN THE MATTER OF THE APPLICATION
OF CITIES SERVICE COMPANY FOR THE
EXTENSION OF VERTICAL LIMITS OF THE
LANGLIE MATTIX POOL AND THE
CONTRACTION OF THE VERTICAL LIMITS
OF THE JALMAT POOL, FOR CERTAIN
ACREAGE WITHIN SAID POOLS, LEA
COUNTY NEW MEXICO.



Case 7504

A P P L I C A T I O N

COMES NOW CITIES SERVICE COMPANY, by and through its attorneys, KELLAHIN & KELLAHIN, and applies to the New Mexico Oil Conservation Division for an order extending the top vertical limits of the Langlie Mattix Pool for a portion of said pool, and for the corresponding deletion of the same acreage from the lower vertical limits of the Jalmat Gas Pool for its Cities Service Thomas A-3 Well located 1980 feet from the South and East lines of Section 19, T24S, R37E, NMPM, Lea County New Mexico and in support thereof would show:

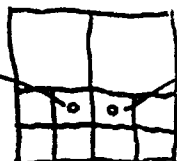
1. Applicant is the operator of the Thomas A-3 well Unit J (NW/4SE/4) Section 19, T24S, R37E, NMPM, Lea County New Mexico.

2. The subject Cities Service well is currently completed in the Langlie Mattix Pool at perforations located from 3477 feet to 3636 feet.

3. The subject Cities Service well is suffering drainage by production from the East offset well operated by Doyle Hartman which is identified as the Hartman Adele Sowell No. 2 well in Unit K (~~NE/4SE/4~~ ^{NW/4SW/4} of said Section 19).

4. Doyle Hartman perforated the Adele Sowell well both in the Langlie Mattix Pool and the lower portion of the Jalmat Pool and thereafter as a result of his application obtained from the New Mexico Oil Conservation Division Order R-6659 which increased the vertical limits of the Langlie Mattix

Hartman
Sowell #2
Unit K
NE/4SW/4



C.S. Thomas A-3
Unit J (NW/4 SE/4)

pool for his well to 3387 feet.

5. Cities Service Company seeks an extension of the vertical limits of the Langlie Mattix Pool for its Thomas A-3 well so that the top of the Langlie Mattix Pool and the corresponding base of the Jalmat Pool in this well will be located at 3416 feet.

6. Approval of this application will allow Cities Service Company to perforate its Thomas A-3 well in that portion of the formation that is currently perforated and producing in the Hartman well and thereby prevent the Cities Service acreage from suffering further drainage by the Hartman Adele Sowell well No. 2.

7. That approval of the application will be in the best interest of conservation, prevention of waste and protection of correlative rights.

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

Respectfully submitted,

CITIES SERVICE COMPANY

By



KELLARIN & KELLARIN

P.O. Box 1769

Santa Fe, New Mexico 87501

(505) 982-4285

ATTORNEYS FOR APPLICANT

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

16 March 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Cities Service Com-
pany for the extension of vertical
limits of the Langlie Mattix Pool,
Lea County, New Mexico.

CASE
7504

BEFORE: RICHARD L. STAMETS

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

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I N D E X

E. F. MOTTER

Direct Examination by Mr. Kellahin	3
Cross Examination by Mr. Stamets	8

E X H I B I T S

Applicant Exhibit One, Plat	4
Applicant Exhibit Two, Cross Section	6
Applicant Exhibit Three, Cross Section	7

1
2 MR. STAMETS: We will call next Case
3 7504.

4 MR. PEARCE: Application of Cities
5 Service Company for the extension of vertical limits of the
6 Langlie Mattix Pool, Lea County, New Mexico.

7 MR. KELLAHIN: If the Examiner please,
8 I'm Tom Kellahin of Santa Fe, New Mexico, appearing on be-
9 half of Cities Service Company.

10 I have one witness.

11
12 (Witness sworn.)

13
14 E. F. MOTTER

15 being called as a witness and being duly sworn upon his oath,
16 testified as follows, to-wit:

17
18 DIRECT EXAMINATION

19 BY MR. KELLAHIN:

20 Q Mr. Motter, for the record would you
21 please state your name and occupation?

22 A My name is E. F. Motter. I am Engin-
23 eering Manager for the southwest region, Cities Service
24 Company, Midland, Texas.

25 Q Mr. Motter, have you previously testi-

1
2 fied as a petroleum engineer before the Division and had
3 your qualifications accepted and made a matter of record?

4 A. Yes, numerous times.

5 Q And have you made a study of the facts
6 surrounding this application?

7 A. Yes, I have.

8 MR. KELLAHIN: We tender Mr. Motter as
9 an expert petroleum engineer.

10 MR. STAMETS: He is considered qualified.

11 Q Mr. Motter, would you turn to what we've
12 marked as Applicant Exhibit Number One and identify that for
13 us?

14 A. Yes, this is a plat of the area of in-
15 terest and shaded yellow is the Cities Service Thomas "A"
16 Lease, the east half of Section 19, 24 South, 36 East -- ex-
17 cuse me, 37 East, New Mexico, Lea County, New Mexico.

18 Q Where is the subject well, Mr. Motter?

19 A. The subject well is located in northwest
20 of the southeast, our Thomas "A" No. 3, and there's a small
21 red arrow indicating that particular well.

22 Q What are you seeking to accomplish?

23 A. We would like to extend the vertical
24 limits of the Langlie Mattix Pool because we feel like we
25 are suffering drainage to some of the wells to the east and

the diagonal to the northeast and southeast.

Q Would you identify those wells for us, for which you believe you're exposed to drainage?

A Yes. Starting on the south, which would be located in the southeast southeast, is the Hartman Soule No. 1.

In the northeast of the southeast, the Hartman Soule No. 2, and the southeast of the northeast, the Hartman Thomas No. 3.

We will have cross sections which will better identify these particular zones.

Q Describe generally for the Examiner what has occurred with the Hartman wells that have exposed you to drainage problems?

A Well, these wells, or five -- excuse me, six wells drilled on this Cities Service Thomas "A" Lease is a farmout from Cities, and they were perforated above what the Commission considers the top of the Langlie Mattix Pool in the Jalmat, lower part of the Jalmat zone, and following a hearing of some six months ago, the Commission granted Hartman permission to extend the vertical limits of the Langlie Mattix to include the perforations in those particular wells.

Q What is the current status of approval

1
2 for the Citics Service Thomas No. 3 Well? The subject well?
3 What is that producing out of?

4 A Oh, excuse me, it's a -- it's a Langlie
5 Mattix well. It's an oil well; produces about 42 or 3 bar-
6 rels a day at about 800-to-1 ratio.

7 Q And what do you propose to do then in
8 terms of increasing the vertical limits in the Langlie Mattix?

9 A We want to add a porosity zone which is
10 in the base of the Jalmat Pool, and I can better describe it
11 on the next exhibit.

12 Q All right, sir, let's turn to Exhibit
13 Number Two, then, which is the cross section C-C'.

14 A C-C', right.

15 If you'll note, the subject well is
16 labeled at the top and it would be the second well from the
17 left of the series of logs that are shown on the cross
18 section, the Citics Service Thomas "A" No. 3.

19 We show the top of the Langlie Mattix
20 on this cross section, which is shaded in yellow. We show
21 the current completion of the Citics Service well in red.
22 Excuse me, all the current completions in any of the wells
23 in this particular area are shaded in red.

24 We also show the proposed perforations,
25 3416 to 3425 in the Thomas "A" No. 3, which correspond to the

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porosity zone that's in the Hartman Soule No. 2.

Q If the application is approved, then, Mr. Motter, what will be the top of the Langlie Mattix Pool and the corresponding base of the Jalmat Pool?

A Well, we would ask that the Langlie Mattix be extended up to 4416.

Q All right, sir. Is there anything else on that exhibit you'd like to direct our attention to?

A I don't think so.

Q Let's turn then to the, what is it, E-E' cross section?

A F-F'.

Q Exhibit Number Three?

A It's a cross section, as you can see, the strike over in the north -- excuse me, the upper right-hand portion of the cross section, comes down from north to south through wells one location east of the Thomas "A" No. 3, and these are basically the Hartman wells which show that this same zone is completed in all these particular wells.

These wells do make pretty good producers. They'll run about 250M to 300M a day out of the present completions.

Q In your opinion will the Cities Service Thomas "A" 3 Well be subject to drainage in this portion of

1
2 what is the Langlie Mattix in the Hartman wells and is still
3 the Jalmat in your well if this application is not approved?

4 A Yes, we definitely feel that we're suf-
5 fering drainage.

6 Q In your opinion would approval of this
7 application protect Cities Service's correlative rights in
8 this formation?

9 A Yes.

10 Q And were Exhibits One, Two, and Three
11 prepared under your direction and supervision?

12 A Yes, under my supervision.

13 Q All right, sir.

14 MR. KELLAHIN: That concludes our exam-
15 ination of Mr. Motter.

16 We would move the introduction of Ex-
17 hibits One, Two, and Three.

18 MR. STAMETS: These exhibits will be ad-
19 mitted.

20 Are there any questions of this witness?

21
22 CROSS EXAMINATION

23 BY MR. STAMETS:

24 Q Mr. Motter, what will this zone be ex-
25 pected to produce? Is it an oil zone or a gas zone?

1
2 A Well, that will have to probably be --
3 remain to be answered after we test it.

4 Cities Service has a well to the north
5 of this which was recompleted. It was a Jalmat gas well and
6 in October of 1980 we went in and fractured this particular
7 lower part of the Jalmat, and we turned out that it was an
8 oil well. It produces about 10 barrels a day with about
9 11,000-to-1 ratio.

10 However, the Hartman wells are almost
11 dry gas. They have accumulated around 600M over the period
12 of time they've been producing, which is about four years.

13 So I honestly do not know. I do not
14 feel that we will have a gas well, say, by statute, of over
15 100,000-to-1. I expect that we'll have a ratio of 11-to-12,000,
16 something like that.

17 Q Do you expect to continue to produce
18 this well on 40 acres?

19 A Yes. The well is on a pump and we think
20 that this will help us some. We probably will produce it
21 both up the annulus and whatever comes up the tubing string.

22 MR. STAMETS: Any other questions of the
23 witness? He may be excused.

24 Anything further in this case?

25 The case will be taken under advisement.

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examinar hearing of Case No. 7504
heard by me on 3-16-1962.
Richard L. Ham, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. ~~7149~~ 7504
Order No. ~~R-6618~~ R-6928

Cities Service Company
APPLICATION OF ~~JOHN H. HENDRIX~~
CORPORATION FOR EXTENSION OF
VERTICAL LIMITS OF THE LANGLIE-
MATTIX POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on ~~February 25,~~ *March 16,*
1981, at Santa Fe, New Mexico, before Examiner ~~Daniel S. Nutter.~~ *RLS*

NOW, on this ~~6th~~ day of ~~March,~~ 1981, the Division
Director, having considered the testimony, the record, and
the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

Cities Service Company
(2) That the applicant, ~~John H. Hendrix Corporation,~~
seeks the contraction of the vertical limits of the Jalmat
Pool and the upward extension of the vertical limits of
the Langlie-Mattix Pool to a depth of 341 1/2 feet, subsurface,
underlying the *N. 1/4 Sec 4* of Section 19, Township 24 South,
Range 37 East, NMPM, Lea County, New Mexico.

(3) That the vertical limits of the Jalmat Pool as
defined by Order No. R-520, dated August 12, 1954, include
the Tansill and Yates formations and all but the lowermost
100 feet of the Seven Rivers formation.

(4) That the vertical limits of the Langlie-Mattix
Pool, as defined by said Order No. R-520, include the
lowermost 100 feet of the Seven Rivers formation and all
of the Queen formation.

(5) That there has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100-foot marker separating the Jalmat and Langlie-Mattix Pools.

(6) That as a result of this disparity, ~~applicant's~~ ~~Steel Well No. 1~~ certain other wells in the general area which are classified as Langlie-Mattix wells ~~have~~ had perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat Pool.

(7) That such crossing over from one pool into the other

in such wells appeared to be an unintentional error and the vertical limits of said pools were altered to permit said wells to continue to produce in the common well bore.

(8) That applicant's Thomas F. Lease Well No. 3 located in the NW 1/4 SE 1/4 of said Section 19 is offset by several of such wells for which the vertical limits of said pools have been altered.

(9) That the proposed amendment of the vertical limits of ^{underlying the NW 1/4 SE 1/4 of the aforesaid Section 19} said pools will permit the applicant to produce ~~in its~~ just and equitable share of the hydrocarbons therefrom, will promote the prevention of waste, and will not violate correlative rights.

(10) That the application should be approved.

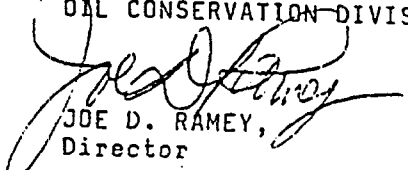
IT IS THEREFORE ORDERED:

(1) That the lowermost vertical limits of the Jalmat Pool underlying the NW/4 SE/4 of Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, are hereby contracted to a subsurface depth of $34\frac{1}{6}$ feet, and the uppermost limits of the Langlie-Mattix Pool underlying said tract are hereby extended upward to the same subsurface depth.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 7057 DE NOVO
Order No. R-6524-A

APPLICATION OF DOYLE HARTMAN FOR
EXTENSION OF VERTICAL LIMITS OF
THE LANGLIE MATTIX POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 18, 1981, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of April, 1981, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Doyle Hartman, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to the following depths underlying the following 40-acre tracts in Township 24 South, Range 37 East, Lea County, New Mexico: 3364 feet underlying the SE/4 SE/4 of Section 30, dedicated to applicant's Corrigan Well No. 1; 3389 feet underlying the NE/4 SE/4 of Section 30, dedicated to applicant's Corrigan Well No. 2; and 3390 feet underlying the SE/4 SW/4 of Section 20. dedicated to applicant's Harrison Well No. 1.

(3) That the matter came on for hearing at 9 a.m. on October 29, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter and, pursuant to this hearing, Order No. R-6524 was issued on November 25, 1980, which granted the application.

Case No. 7057 De Novo
Order No. R-6524-A

(4) That on December 29, 1980, application for Hearing De Novo was made by ARCO Oil and Gas Company and the matter was set for hearing before the Commission.

(5) That the matter came on for hearing de novo on March 18, 1981.

(6) That the vertical limits of the Jalmat Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(7) That the vertical limits of the Langlie Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation.

(8) That there has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100-foot marker separating the Jalmat and Langlie Mattix Pools.

(9) That as a result of this disparity, the subject wells which are classified as Langlie Mattix wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat Pool.

(10) That the top of the Langlie Mattix Pool, perforated intervals, and percentage of the perforated interval in the Jalmat and Langlie Mattix Pools are as follows:

<u>Well</u>	<u>Langlie Mattix Pool Top</u>	<u>Perforated Interval</u>	<u>Percent in Jalmat</u>	<u>Percent in Langlie Mattix</u>
Corrigan No. 1	3434	3364-3502	51	49
Corrigan No. 2	3468	3389-3503	69	31
Harrison No. 1	3435	3390-3454	70	30

(11) That such crossing over from one pool into the other in this case appears to be an unintentional error.

(12) That to rectify the aforesaid error would require workover operations on the subject wells which would be expensive and might endanger the productivity of the subject wells.

(13) That a reasonable solution to the problem is to adjust the vertical limits of the Langlie Mattix Pool upward under each of the above-described tracts in order to accommodate the present

perforations in the lower Seven Rivers formation in the subject wells which are actually within the present Jalmat vertical limits.

(14) That ARCO Oil and Gas Company, as offset operator to the subject wells, did not object to the extension and contraction of the vertical limits of said pools but did recommend that the gas allowables for the subject wells be restricted to that which a well on a 40-acre Jalmat Pool proration unit would receive or 94 MCF per day per well.

(15) That to prevent drainage from offset leases, the production from the wells should be restricted.

(16) That establishing a gas allowable based on the percentage of the perforated interval in the Langlie Mattix Pool multiplied by the casinghead gas allowable for wells in the pool is a practicable method for restricting production from said wells.

(17) That inasmuch as the subject wells are classified as Langlie Mattix wells, no allowable should be assigned in the Jalmat Pool.

(18) That the casinghead gas allowable for wells in the Langlie Mattix Pool is 800 MCF per day.

(19) That the casinghead gas allowables for the subject wells are as follows:

<u>Well</u>	<u>Percentage of perforated interval in Langlie Mattix Pool</u>	<u>Daily casinghead gas allowable</u>
Corrigan No. 1	49%	392 MCF
Corrigan No. 2	31%	248 MCF
Harrison No. 1	30%	240 MCF

(20) That the adjustment of the vertical limits of the Langlie Mattix Pool and the Jalmat Pool and restricted allowables to the said wells in the Langlie Mattix Pool will prevent waste and should not impair correlative rights and should be approved.

Case No. 7057 De Novo
Order No. R-6524-A

IT IS THEREFORE ORDERED:

(1) That the lowermost vertical limits of the Jalmat Pool underlying the SE/4 SE/4 and the NE/4 SE/4 of Section 30, and the SE/4 SW/4 of Section 20, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, are hereby contracted to a subsurface depth of 3364 feet, 3389 feet, and 3390 feet, respectively, and the uppermost limits of the Langlie Mattix Pool underlying said tracts are hereby extended upward to the same subsurface depths.

(2) That the daily casinghead gas allowables for the subject wells are as listed below:

<u>Lease</u>	<u>Well No.</u>	<u>Unit Letter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Allowable</u>
Corrigan	1	P	30	24S	37E	392 MCF
Corrigan	2	I	30	24S	37E	248 MCF
Harrison	1	N	20	24S	37E	240 MCF

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 7042
Order No. R-6659

APPLICATION OF DOYLE HARTMAN FOR
THE EXTENSION OF VERTICAL LIMITS
OF THE LANGLIE MATTIX POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 21, 1981 at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of April, 1981, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Doyle Hartman, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to the following depths underlying the following 40-acre tracts in Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico:

NW/4 NE/4:	3446 feet	(Hartman Cities Thomas Well No. 1)
SE/4 NE/4:	3408 feet	(Hartman Cities Thomas Well No. 3)
SW/4 NE/4:	3419 feet	(Hartman Cities Thomas Well No. 4)
SE/4 SE/4:	3402 feet	(Hartman Adele Sowell Well No. 1)
NE/4 SE/4:	3387 feet	(Hartman Adele Sowell Well No. 2)

(3) That the vertical limits of the Jalmat Pool as defined by Division Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(4) That the vertical limits of the Langlie Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation.

(5) That the lower limits of the Jalmat Pool and the upper limits of the Langlie Mattix Pool, as defined in Finding Nos. (3) and (4) above, are both dependent upon properly picking the base of the Seven Rivers formation, which is also the top of the Queen formation, on the logs of wells drilled in the area.

(6) That in promulgating Order No. R-520 in August, 1954, the Oil Conservation Commission recognized the aforesaid dependency and relied upon certain cross-sectional drawings of logs of wells throughout the area to depict the base of the Seven Rivers formation and the top of the Queen formation, and made these cross-sectional drawings available in the Hobbs District Office of the Division for study by any interested party.

(7) That some operators in the general area have failed to avail themselves of the aforesaid cross-sections or to consult with the Oil Conservation Division staff in making their picks of the base of the Seven Rivers formation and the top of the Queen formation, and as a result, there has been a disparity of opinion as to the base of the Jalmat Pool and the top of the Langlie Mattix Pool, and numerous wells have been completed across the line which separates the Jalmat and Langlie Mattix Pools.

(8) That this problem has been resolved in the majority of the wells by the localized extension of the vertical limits of the Langlie Mattix Pool, or by authorizing downhole commingling between the Jalmat and Langlie Mattix Pools, or by requiring segregation of the pools by mechanical means.

(9) That in the majority of the wells with this problem, there has been no difference in ownership between the Jalmat and Langlie Mattix Pools.

(10) That the above-mentioned cross-sections and/or the Division staff's study of the Seven Rivers and Queen formations in the subject area indicate the base of the Jalmat Pool and the top of the Langlie Mattix Pool to occur in the lands subject to this hearing as follows:

<u>SECTION 19, TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM</u>	
NW/4 NE/4:	3503 feet
SE/4 NE/4:	3468 feet
SW/4 NE/4:	3488 feet
SE/4 SE/4:	3467 feet
NE/4 SE/4:	3455 feet

(11) That the applicant in Case No. 7042 seeks the contraction of the lower limits of the Jalmat Pool and the concomitant extension of the upper limits of the Langlie Mattix Pool under each of the above-described tracts from the subsurface depths specified in Finding No. (10) above to the subsurface depths specified in Finding No. (2) above.

(12) That Cities Service Company objected to said contraction of the Jalmat Pool and the extension of the Langlie Mattix Pool.

(13) That Case 7042, Application of Doyle Hartman for the extension of the vertical limits of the Langlie Mattix Pool, Lea County, New Mexico, and Case 7043, Application of Cities Service Company for downhole commingling and simultaneous dedication, Lea County, New Mexico, arising out of the same subject matter and facts, were consolidated for purposes of hearing before the Commission.

(14) That Doyle Hartman, the applicant, acquired his drilling rights in and to the five wells in question under certain farmout agreements dated August 2, 1976, and June 28, 1977, entered into by and between Doyle Hartman and Cities Service Company.

(15) That Cities Service Company, by another farmout agreement dated October 15, 1976, farmed out certain drilling rights to John Yuronka resulting in the drilling of a well in the NW/4 SW/4 of Section 17, Township 24 South, Range 37 East, Lea County, New Mexico; that the drilling of said well also resulted in an application for the extension of the vertical limits of the Langlie Mattix Pool, Lea County, New Mexico, under Case 7041 (Order R-6518-A) which was dismissed by the Commission at the request of Cities Service Company after being scheduled for a de novo hearing before the Commission following approval of the application by the Oil Conservation Division; that Case 7041 involved similar issues of fact as Cases 7042 and 7043.

(16) That the above-mentioned farmout agreements appear to vary in their description of the horizons, zones, or formations defining the Langlie Mattix Pool to which rights were transferred or conveyed by Cities Service Company.

(17) That disputes arising from the above-mentioned farmout agreements between Doyle Hartman and Cities Service Company as to the ownership of the rights in and to the horizons, zones, or formations defining the Langlie Mattix Pool,

Case No. 7042
Order No. R-6659

involved in Cases 7042 and 7043, are currently being litigated in appropriate Courts in New Mexico.

(18) That the Commission should decline jurisdiction to extend the vertical limits of the Langlie Mattix Pool in Case No. 7043 until the issues of ownership before the Courts have been finally resolved.

IT IS THEREFORE ORDERED:

(1) That the Commission shall not enter a decision in this Case until the issues of ownership to the Langlie Mattix Pool and the Jalmat Pool as defined in the farmout agreements between Doyle Hartman and Cities Service Company have been finally resolved; and accordingly the Commission will continue this case indefinitely.

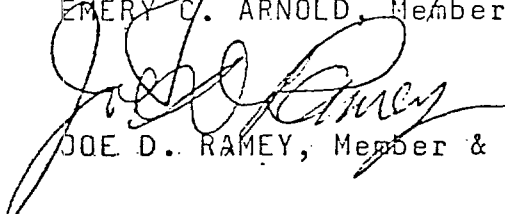
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

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STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 7042 (Reopened)
Order No. R-6659-A

APPLICATION OF DOYLE HARTMAN FOR
THE EXTENSION OF VERTICAL LIMITS
OF THE LANGLIE MATTIX POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1990, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 29th day of March, 1990, the Commission, a quorum being present, having considered the record and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) This case came on for hearing before the Commission on January 21, 1981, and Commission Order No. R-6659 was subsequently entered on April 23, 1981, continuing said case indefinitely until certain issues of ownership in the Langlie Mattix Pool and the Jalmat Pool were resolved.

(3) Applicant's attorney has advised that Doyle Hartman no longer owns any interest in the properties affected by this application and has requested dismissal thereof.

(4) Such request should be granted.

-2-

Case No. 7042 (Reopened)
Order No. R-6659-A

IT IS THEREFORE ORDERED THAT:

Case No. 7042 (Reopened) is hereby dismissed.

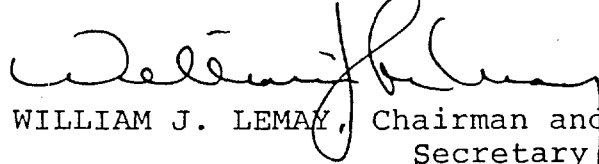
DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



WILLIAM R. HUMPHRIES, Member

WILLIAM W. WEISS, Member


WILLIAM J. LEMAY, Chairman and
Secretary

S E A L

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7041
Order No. R-6518

APPLICATION OF JOHN YURONKA FOR
THE EXTENSION OF VERTICAL LIMITS
OF THE LANGLIE MATTIX POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 29, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of November, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, John Yuronka, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie Mattix Pool to a depth of 3,408 feet, subsurface, under the NW/4 SW/4 of Section 17, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, said tract being the location of applicant's Thomas Well No. 1.
- (3) That the vertical limits of the Jalmat Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.
- (4) That the vertical limits of the Langlie-Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation.

(5) That there has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100-foot marker separating the Jalmat and Langlie Mattix Pools.

(6) That as a result of this disparity, the subject well and certain other wells in the general area which are classified as Langlie-Mattix wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat Pool.

(7) That such crossing over from one pool into the other in this case appears to be an unintentional error.

(8) That to rectify the aforesaid error would require workover operations on the subject well which would be expensive and might endanger the productivity of the subject well, and would actually serve no beneficial purpose, inasmuch as the production and reservoir characteristics of the perforations immediately above and below the 100-foot marker are quite similar.

(9) That a reasonable solution to the problem is to contract the vertical limits of the Jalmat Pool and to adjust the vertical limits of the Langlie-Mattix Pool upward to a depth of 3,408 feet to accommodate the present perforations in the lower Seven Rivers formation which are actually within the present Jalmat vertical limits in the applicant's Thomas Well No. 1.

(10) That such adjustment will prevent waste and should not impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

(1) That the lowermost vertical limit of the Jalmat Pool underlying the NW/4 SW/4 of Section 17, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby contracted to a depth of 3,408 feet, subsurface, and the uppermost limit of the Langlie-Mattix Pool underlying said tract is hereby extended upward to the same subsurface depth, 3,408 feet.

(2) That the effective date of the aforesaid revision of the vertical limits of said pools shall be the date the John Yuronka Thomas Well No. 1 was perforated between 3,408 feet and 3,474 feet.

-3-

Case No. 7041

Order No. R-6518

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

fd/

BE RE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

*Furnished by Jack Lytle
w/ Exon.*

CASE NO. 5368
Order No. R-4929

IN THE MATTER OF THE HEARING CALLED BY THE
OIL CONSERVATION COMMISSION ON ITS OWN MOTION
TO CONSIDER THE CONTRACTION OF THE VERTICAL
LIMITS OF THE JALMAT GAS POOL UNDERLYING ALL
OR PORTIONS OF SECTIONS 31 AND 32, TOWNSHIP
24 SOUTH, RANGE 37 EAST, AND SECTIONS 4, 5,
6, 8, 9 AND 17, TOWNSHIP 25 SOUTH, RANGE 37
EAST, LEA COUNTY, NEW MEXICO, AND THE EXTEN-
SION OF THE VERTICAL LIMITS OF THE LANGLIE
MATTIX POOL UNDERLYING THE SAME AREA.

NOMENCLATURE

*Central Falls
Falls of Leas*

Whe

ORDER OF THE COMMISSION
RECEIVED

BY THE COMMISSION:

NOV 29 1975

This cause came on for hearing at 9 a.m. on November 26,
1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of December, 1974, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, and being fully
advised in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the vertical limits of the Jalmat Gas Pool, Lea
County, New Mexico, as previously designated and defined by the
Commission, comprise the Fansill and Yates formations, and all
but the lowermost 100 feet of the Seven Rivers formation.

(3) That the vertical limits of the Langlie-Mattix Oil
Pool, as previously designated and defined by the Commission,
comprise the lowermost 100 feet of the Seven Rivers formation
and all of the Queen and Grayburg formations.

(4) That the unitized formations in the Langlie-Jal Unit
Area, as approved by Commission Order No. R-4036, comprise the
Seven Rivers and Queen formations.

(5) That the horizontal limits of said Langlie-Jal Unit
Area comprise the following described lands:

LEA COUNTY, NEW MEXICO
TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 31: Lots 2, 3, and 4 and SE/4 NW/4,
E/2 SW/4, and E/2
Section 32: All

ILLEGIBLE

NOV 29 1975
EX-100

CASE NO. 5368

Order No. R-4929

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM

Section 4: Lots 2, 3, and 4 and S/2 NW/4,
SW/4 NE/4, and W/2 SW/4

Section 5: All

Section 6: All

Section 8: E/2 and NW/4

Section 9: W/2 W/2

Section 17: E/2

(6) That the Seven Rivers formation underlying said unit area is for the most part oil-saturated, and there are recoverable oil reserves in said interval and area.

(7) That secondary recovery operations are currently being conducted in the Seven Rivers formation and in the Queen formation underlying the Langlie-Jal Unit Area pursuant to authority of Order No. R-4051.

(8) That to increase the efficiency of said secondary recovery operations, the Seven Rivers formation and the Queen formation should be treated as a common producing interval.

(9) That the contraction of the vertical limits of the Jalmat Gas Pool to exclude all of the Seven Rivers formation therefrom, and the concurrent extension of the vertical limits of the Langlie Mattix Oil Pool to include all of the Seven Rivers formation therein, within the horizontal limits of the Langlie-Jal Unit Area as set forth in Finding No. (5) above, will permit the more efficient operation of the aforesaid secondary recovery projects, will prevent waste, will not violate correlative rights, and should be approved.

(10) That there are at least two gas wells completed in the Yates formation of the Jalmat Gas Pool which have perforated or open-hole intervals extending into the uppermost portion of the Seven Rivers formation, these wells being the Reserve Oil and Gas Company Martin B Well No. 1, located in Unit F of Section 31, Township 24 South, Range 37 East, the open-hole producing interval being from 2852 feet to 3187 feet, the lowermost 42 feet of which is in the Seven Rivers formation, and the El Paso Natural Gas Company Wells Federal Well No. 1, located in Unit I of Section 5, Township 25 South, Range 37 East, the perforated interval being from 3100 feet to 3195 feet, the lowermost 30 feet of which is in the Seven Rivers formation.

(11) That an exception to the vertical limits of the Jalmat Gas Pool as amended in the subject area by this order should be given to the wells described in Finding No. (10) above for the producing intervals as described.

ILLEGIBLE

(12) That the Secretary-Director of the Commission should have authority to grant administrative exception to the vertical limits of the Jalmat Gas Pool as amended in the subject area by this order, should it be found that there are other Jalmat Gas wells the producing interval of which similarly extend into the Seven Rivers formation.

IT IS THEREFORE ORDERED:

(1) That this order shall apply only to the following described area:

LEA COUNTY, NEW MEXICO
TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 31: Lots 2, 3, and 4 and SE/4 NW/4,
E/2 SW/4, and E/2
Section 32: All

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 4: Lots 2, 3, and 4 and S/2 NW/4,
SW/4 NE/4, and W/2 SW/4
Section 5: All
Section 6: All
Section 8: E/2 and NW/4
Section 9: W/2 W/2
Section 17: E/2

(2) That the vertical limits of the Jalmat Gas Pool in the above-described area are hereby defined as comprising the Tansill and Yates formations.

(3) That the vertical limits of the Langlie Mattix Oil Pool in the above-described area are hereby defined as comprising the Seven Rivers, Queen, and Grayburg formations.

(4) That the Reserve Oil and Gas Company Martin B Well No. 1, located in Unit F of Section 31, Township 24 South, Range 37 East, the open-hole interval of which is 2852 feet to 3187 feet, and the El Paso Natural Gas Company Wells Federal Well No. 1, located in Unit I of Section 5, Township 25 South, Range 37 East, the perforated interval of which is 3100 feet to 3195 feet, both of which are classified as Jalmat Gas Wells, are each hereby granted an exception to the vertical limits of the Jalmat Gas Pool for that portion of the producing interval which is currently open in the Seven Rivers formation.

(5) That the Secretary-Director of the Commission is hereby authorized to approve an exception to the vertical limits of the Jalmat Gas Pool for any other well classified as a Jalmat Gas Well which may prove to have, on the effective date of this order, a portion of its producing interval open to the Seven Rivers formation.

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CASE NO. 5368
Order No. R-4929

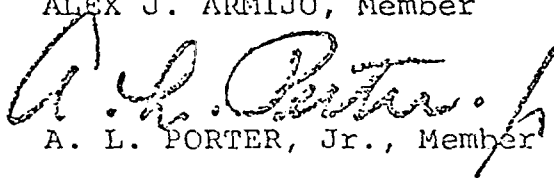
(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

S E A L

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

2/11/92
AS 2/11/92
MS 2/11/92

CASE NO. 10440

Order No. R-9639

WJ 2/11/92

APPLICATION OF OXY USA, INC. FOR
EXTENSION OF THE VERTICAL LIMITS FOR
A PORTION OF THE LANGLIE-MATTIX POOL
AND THE CONCOMITANT CONTRACTION OF A
PORTION OF THE JALMAT GAS POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 6, 1992, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this _____ day of February, 1992, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, OXY USA, Inc., seeks the contraction of the vertical limits of the Jalmat Gas Pool and the concomitant upward extension of the vertical limits of the Langlie-Mattix Pool to a subsurface depth of 3387 feet (3400 feet K.B.), underlying the SW/4 SE/4 (Unit O) of Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) The vertical limits of the Jalmat Gas Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(4) The vertical limits of the Langlie-Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of

the Seven Rivers formation and all of the Queen formation.

(5) There has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100-foot marker separating the Jalmat and Langlie-Mattix Pools.

(6) As a result of this disparity, certain wells in the general area which are classified as Langlie-Mattix wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat Gas Pool.

(7) Such crossing over from one pool into the other in such wells appeared to be an unintentional error and the vertical limits of said pools have been altered by the Division from time to time to permit said wells to continue to produce in the common wellbore.

(8) According to applicant's evidence and testimony, its Thomas "A" Well No. 4, located 990 feet from the South line and 1880 feet from the East line (Unit O) of said Section 19 is currently classified as a Langlie-Mattix oil well.

(9) The applicant has recently added perforations in the Thomas "A" Well No. 4 in the interval from 3401 feet to 3406 feet, which, according to the Division, is in the Jalmat Gas Pool.

(10) The applicant was under the impression that the SW/4 SE/4 of said Section 19 was within an area for which the vertical limits had previously been altered by the Division.

(11) The Thomas "A" Well No. 4 is in fact offset by several wells for which the vertical limits have been altered, however, such excepted area does not contain the SW/4 SE/4 of said Section 19.

(12) The evidence indicates that the interest within the Jalmat and Langlie-Mattix Pools on the Thomas "A" Lease is common.

(13) No interest owner and/or offset operator appeared at the hearing in opposition to the application.

(14) The proposed amendment of the vertical limits of said pools underlying the SW/4 SE/4 of Section 19 will permit the applicant to produce its just and equitable share of the hydrocarbons therefrom, will promote the prevention of waste, and will not violate correlative rights.

(15) The application should be approved.

IT IS THEREFORE ORDERED THAT:

(1) The lowermost vertical limit of the Jalmat Gas Pool underlying the SW/4 SE/4 of Section 19, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby contracted to a

subsurface depth of 3387 feet (3400 feet K.B.), and the uppermost limit of the Langlie-Mattix Pool underlying said tract ~~are~~ hereby extended upward to the same subsurface depth. ¹⁵

(2) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

Example

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7149
Order No. R-6618

APPLICATION OF JOHN H. HENDRIX
CORPORATION FOR EXTENSION OF
VERTICAL LIMITS OF THE LANGLIE-
MATTIX POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 25, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of March, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, John H. Hendrix Corporation, seeks the contraction of the vertical limits of the Jalmat Pool and the upward extension of the vertical limits of the Langlie-Mattix Pool to a depth of 3362 feet, subsurface, underlying the SW/4 SE/4 of Section 19, Township 23 South, Range 37 East, NNPM, Lea County, New Mexico.

(3) That the vertical limits of the Jalmat Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(4) That the vertical limits of the Langlie-Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation.

(5) That there has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100-foot marker separating the Jalmat and Langlie-Mattix Pools.

(6) That as a result of this disparity, applicant's Steeler Well No. 1 and certain other wells in the general area which are classified as Langlie-Mattix wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Jalmat Pool.

(7) That such crossing over from one pool into the other in this case appears to be an unintentional error.

(8) That to rectify the aforesaid error would require workover operations on the subject well which would be expensive and might endanger the productivity of the subject well, and would actually serve no beneficial purpose, inasmuch as the production and reservoir characteristics of the perforations immediately above and below the 100-foot marker are quite similar.

(9) That a reasonable solution to the problem is to adjust the vertical limits of the Langlie-Mattix Pool upward under the above-described tract in order to accommodate the present perforations in the lower Seven Rivers formation in the subject well which are actually within the present Jalmat vertical limits.

(10) That such adjustment will prevent waste and should not impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

(1) That the lowermost vertical limits of the Jalmat Pool underlying the SW/4 SE/4 of Section 19, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, are hereby contracted to a subsurface depth of 3362 feet, and the uppermost limits of the Langlie-Mattix Pool underlying said tract are hereby extended upward to the same subsurface depth.

(2) That the effective date of the aforesaid revision of the vertical limits of said pool shall be the date the John H. Hendrix Steeler Well No. 1 was perforated at 3362 feet.

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Case No. 7149

Order No. R-6618

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY,
Director

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