STATE OF NEW MEXICO E RGY 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. 7022 Order No. R-6483

APPLICATION OF TEXAS PACIFIC OIL COMPANY, INC. FOR A NON-STANDARD PRORATION UNIT AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

2 - 54 - 7 2 - 35-2 2 - 38-2-3

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 17, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of October, 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, Texas Pacific Oil Company, Inc., seeks approval for the simultaneous dedication of a 320-acre non-standard gas proration unit comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, to be dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.
- (3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.
- (4) That the applicant further seeks approval to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11, Township

BEFORE EXAMINER CATANACH
OIL CONSERVATION DIVISION
Sun EXHIBIT NO. 47

CASE NO. 9215

22 South, Range 36 East, to a standard proration unit to be comprised of all of said Section 11.

- (5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.
- (6) That Division Order No. R-5493 which created the four proration units which are being abolished to create the two subject new units should be superseded.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Texas Pacific Oil Company, Inc., is hereby granted a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 9, Township 22 South, Range 36 East, NMPM, Lea County. New Mexico, to be simultaneously dedicated to its Wells Nos. 40 and 63, located in Units A and C, respectively, of said Section 9.
- (2) That the applicant is further authorized to simultaneously dedicate its Wells Nos. 14, 36, 42, and 62 located in Units B, M, E, and K, respectively, of Section 11. Township 22 South, Range 36 East, NMPM, to a standard proration unit in said Jalmat Gas Pool to be comprised of all of said Section 11.
 - (3) That Division Order No. R-5493 is hereby superseded.
- (4) That the proration balancing status of each of the aforesaid newly created proration units shall be the current combined status of the proration units which are hereby abolished in order to create the new units.
- (5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Case No. 702 Order No. R-6483

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

STATE OF NEW MEXICO
OLL CONSERVATION DIVISION

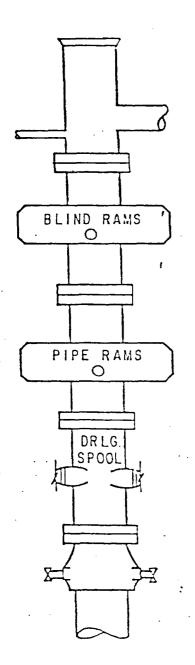
JOE D. R Director

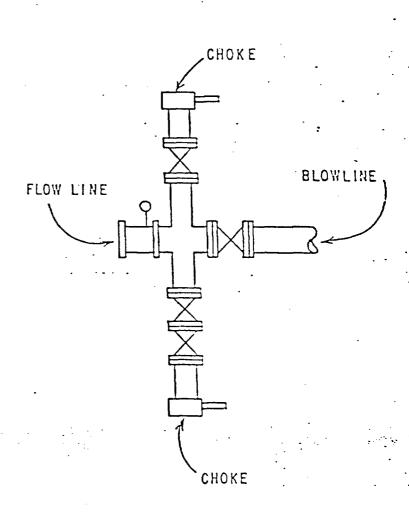
SEAL

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12-1/4" 7-7/8"	8-5/8" 5-1/2"	24#	3800'	<u>350</u> 950		Surf. Surf.
SIZE OF HOLE	SIZE OF CASING			PTH SACKS OF		EST, TOP
3.		PROPOSED CASING AND	CEMENT PROGR	AM		
3519' GR		Blanket - 218. Drilling Contractor			22. Approx. Date Work will start Upon Approval	
1. Elevations (show whether DF	KT, etc.) 121A. Kin	d & Status Plug. Bond	4000' Grāy	bung or Yates	s Seven Rvr:	s. Rotary
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UNIT LETTE	UNIT LETTER COCATED		EET FROM THE South			
P. O. Box 1861, Midland, Texas 79702					Arrowhead or Jalmat	
Sun Exploration &	Production Co.				73 10, Field and Po	ol, or Wildcat
Name of Operator	OTHER		JONE	MULTIPLE ZONE	State "A" A/C-2	
Type of Well DRILL		DEEPEN		LUG BACK	B. Farm or Lease Name	
APPLICATIO	N FOR PERMIT IC	DRILL, DEEPEN,	OR PLUG BAC	K	7. Unii Agreemen	i Name
OPERATOR		2.55011	00 01 110 010	,		
V.S.G.S.					.S. State Oil & Ga	s Logoo No.
SANTA FE	,		EXICO 87501		SA. Indicate Type	ree
P. O. BOX 2088					Revised 10-1-78	
		COMPERANTI	ON DIVISIO		Form C-101	

Permit Expires 6 Months From Approval United United

BLOWOUT - PREVENTER ASSEMBLY







STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

September 3, 1987

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

Sun Exploration & Production Company Box 1861 Midland, TX 79702

Attn: Maria L. Perez

Re:

State A A/c-2 #73-P Section 11, T22S, R36E

Gentlemen:

We have approved your permit to drill the above-referenced well. If the well is completed as a Jalmat gas well no production can be authorized until your non-standard proration unit has been approved.

The location, 990/S and 660/E, does not appear to be unorthodox for a 160-acre gas proration unit in the Jalmat Pool. For a 160-acre proration unit the well must be at least 660 feet from the two nearest proration unit boundary lines. Your location is further from the outside boundary lines and is 330 from the quarter/quarter line so it is acceptable.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton (2d)

Supervisor, District I

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Standard location disk stogen Simultaneous dedicate 640 acres to well 14,36,42 +62 (73)

#30+62 only ones that are None Standard, sW/4 160 acres Corder No 12 6483 dated 6ct 20,



