



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

August 19, 1996

R-10678

Texaco Exploration and Production, Inc.
Attention: Paula S. Ives
P. O. Box 730
Hobbs, New Mexico 88241-0730

Re: Administrative application of an unorthodox gas well location for your C. H. Weir "B" Well No. 10 (API No. 30-025-30317), located 1790 feet from the South line and 410 feet from the East line (Unit I) of Section 11, Township 20 South, Range 37 East, NMPM, Skaggs-Abo Gas Pool, Lea County, New Mexico.

Dear Ms. Ives:

Reference is made to your application dated June 20, 1996 for a non-standard Skaggs-Abo gas well location for your existing C. H. Weir "B" Well No. 20 (API No. 30-025-30317), which was drilled in April, 1988 to a total depth of 7,200 feet to initially test the Skaggs-Drinkard Pool, but included the deeper Skaggs-Abo Gas Pool. Upon my initial review of this application and the Division records on the well I found that:

- (i) the well is to be recompleted to the Skaggs-Abo Gas Pool (proposed perforations from 7,066 feet to 7,132 feet) from the shallower Skaggs-Drinkard Pool (with perforations from 6,644 feet to 6,879 feet);
- (ii) as stated above the original T.D. on this well was 7,200 feet;
- (iii) Division General Rule 104.F(2) provides, "*The Division Director shall have authority to grant an exception to the well location requirements of Sections 104.B and 104.C above or to the well location requirements of special pool rules without notice and hearing when the necessity for such unorthodox location is based upon geologic conditions, archaeological conditions, topographical conditions, or the recompletion of a well previously drilled to a deeper horizon provided said well was drilled at an orthodox or approved unorthodox location for such original horizon*"; and,

82728293

- (iv) the SE/4 of said Section 11 has been within the Skaggs-Abo Gas Pool since October, 1982.

Rather this well was unintentionally drilled at an unorthodox Skaggs-Abo Gas Well location or not the rules do not allow for administrative review of this matter. However, because, according to your application, Texaco is the effected offset operator to this well, I propose to advertise this application in the following matter:

Application of Texaco Exploration and Production, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Skaggs-Abo Gas Pool for its existing C. H. Weir "B" Well No. 10 (API No. 30-025-30317), located 1790 feet from the South line and 410 feet from the East line (Unit I) of Section 11, Township 20 South, Range 37 East, to be recompleted from the Skaggs-Drinkard Pool. The SE/4 of said Section 11 is to be dedicated to said well to form a standard 160-acre gas spacing and proration unit for the Skaggs-Abo Gas Pool. Said unit is located approximately 4 miles southeast of Monument, New Mexico. IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.

Should you have any questions or comments concerning this matter, please contact me in Santa Fe at (505) 827-8185. Thank you.

Sincerely,



Michael E. Stogner
Chief Hearing Officer/Engineer

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
William F. Carr - Santa Fe