STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

BRUCE KING GOVERNOR

10-24-94

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

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501		
RE: Proposed: MC DHC NSL NSP SWD WFX PMX	A. 20	255 K(SEN)
Gentlemen:		
I have examined the application for the: $\begin{array}{c} \hline \hline$	$\frac{41-D}{\frac{42-E}{S-T-R}}$	28-215-36e 28-215-36e
C/C		
Yours very truly,		
Jerry Sexton		

Supervisor, District 1

/ed



Midland Division Exploration Production Conoco Inc. 10 Desta Drive, Suite 100W Midland, TX 79705-4500 (915) 686-5400

October 20, 1994

Mr. Michael Stogner Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87504

RE: Administrative Application for an Unorthodox Gas Well Location for the Lockhart B-28 No. 1 Located at 660' FNL and 660' FWL, Sec. 28, T-21S, R-36E, Lea County, New Mexico and for Simultaneous Dedication with Well Nos. 2 and 3 to an Existing 240-Acre Non-Standard Proration Unit established by Order NSP-127

Dear Mr. Stogner:

The Lockhart B-28 No. 1, indicated by the arrow in EXHIBIT A, was a producing oil well at a standard location in the Eumont Oil Pool prior to recent remedial work on the well. The intent of the remedial work, which was performed on the lower Eumont zones, was to increase the oil production in this well. However, following this workover the resultant producing GOR caused the well to be reclassified as a gas well in the Eumont Pool.

EXHIBIT A also shows the 240-acre boundary of the Lockhart B-28 Lease that is identical to an approved 240-acre NSP-127 which was established initially for Well No. 3. Therefore, it is requested that production from Well No. 1 be simultaneously dedicated, with Wells No. 2 and 3, to this approved non-standard proration unit. New C-102 acreage dedication plats are attached for all three wells as EXHIBIT NOS. B, C, and D.

Reclassification from an oil well to a gas well and dedication to the NSP-127 unit also reclassifies the location for Well No. 1 from standard to unorthodox, which for a 240-acre unit would be required to be 660 feet from the side boundary and 990 feet from the end boundary. Therefore, approval is also requested for the resulting unorthodox location for this well which was unfortunately created by the unforeseen decline in oil production.



Midland Division Exploration Production

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Dear Mr. Stogner:

The Lockhart B-28 No. 1, indicated by the arrow in EXHIBIT A, was a producing oil well at a standard location in the Eumont Oil Pool prior to recent remedial work on the well. The intent of the remedial work, which was performed on the lower Eumont zones, was to increase the oil production in this well. However, following this workover the resultant producing GOR caused the well to be reclassified as a gas well in the Eumont Pool.

EXHIBIT A also shows the 240-acre boundary of the Lockhart B-28 Lease that is identical to an approved 240-acre NSP-127 which was established initially for Well No. 3. Therefore, it is requested that production from Well No. 1 be simultaneously dedicated, with Wells No. 2 and 3, to this approved non-standard proration unit. New C-102 acreage dedication plats are attached for all three wells as EXHIBIT NOS. B, C, and D.

Reclassification from an oil well to a gas well and dedication to the NSP-127 unit also reclassifies the location for Well No. 1 from standard to unorthodox, which for a 240-acre unit would be required to be 660 feet from the side boundary and 990 feet from the end boundary. Therefore, approval is also requested for the resulting unorthodox location for this well which was unfortunately created by the unforeseen decline in oil production.

Wells No. 2 and 3, currently dedicated to this 240-acre unit, are not capable of producing the allowable for the unit. Therefore, the additional production from Well No. 1 is required for Conoco to produce the approved allowable for this lease and to protect its correlative rights from drainage by surrounding units.

A copy of this application was sent by certified mail to all offset operators to this proration unit. Copies of the certified mail receipts are attached as EXHIBIT D. If there are any further questions concerning this application, please contact me at (915) 686-6548.

Very truly yours,

Jerry W. Hoover Sr. Conservation Coordinator

cc: Hobbs District NMOCD Office

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