

Production Department Hobbs Division North American Production Conoco Inc. P.O. Box 460 726 East Michigan Hobbs, NM 88240 (505) 393-4141

March 10, 1987

New Mexico Oil Conservation Division Department of Energy and Minerals P.O. Box 2088 Santa Fe, New Mexico 87501

Attention Michael Stogner

Gentlemen:

APPLICATION FOR EXAMINER HEARING - BELL LAKE UNIT WELL No. 11 - LEA COUNTY, NEW MEXICO

Attached are three (3) copies of the subject Application for Examiner Hearing for discovery allowable, new pool designation, and special pool rules for the subject well. Please schedule this matter for hearing before the Division's duly appointed Examiner on the first available Docket.

Yours very truly,

H. A. Ingram

Conservation Coordinator

:tr Attachments cc: Tom Kellahin - Santa Fe NMOCD - Hobbs BEFORE THE OIL CONSERVATION DIVISION OF THE NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF CONOCO INC. FOR DISCOVERY ALLOWABLE, A NEW POOL DESIGNATION, AND SPECIAL POOL RULES TO INCLUDE 80-ACRE PRORATION UNITS FOR ITS BELL LAKE UNIT WELL NO. 11, COMPLETED IN THE CHERRY CANYON FORMATION AND LOCATED 790' FSL AND 2265' FWL OF SECTION 31, T-23-S, R-34-E, LEA COUNTY, NEW MEXICO.

APPLICATION

Applicant, CONOCO INC., respectfully requests approval for discovery allowable, new pool designation, and special pool rules to include 80-acre proration units for its Bell Lake Unit Well No. 11, completed in the Cherry Canyon formation and located in Unit N, 790' FSL and 2265' FWL of section 31, T-23-S, R-34-E, Lea County, New Mexico, and in support thereof will show:

1. Applicant is owner and operator of the Bell Lake Unit for all depths above 9000' and is a co-owner and the operator of the Bell Lake Unit for all depths below 9000'.

2. Applicant drilled the Bell Lake Unit Well No. 11 to a total depth of 8900' and completed in the Bone Springs formation on October 24, 1972.

3. That on initial test October 24, 1972, the well produced 86BO, 151 BW with gas being too small to measure, from the Bone Springs formation, and that oil production had declined naturally to about 4 BPD before being recompleted in the Cherry Canyon formation.

4. That the subject well has been recompleted in the Cherry Canyon formation through perforations 6805'--6810', as an oil well.

5. That no other well is producing from the Cherry Canyon formation within one mile of the subject well, and this well qualifies for discovery allowable and a new pool designation. 7. That the granting of this Application will prevent waste and will not impair the correlative rights of any party.

WHEREFORE, Applicant respectfully requests that this application be set for hearing before the Division's duly appointed Examiner on April 8, 1987, and upon hearing, an order be entered authorizing the discovery allowable, new pool designation, and special pool rules providing 80-acre spacing for the Bell Lake Unit Well No. 11.

Respectfully submitted,

CONOCO INC. BY

R. E. Irelan DIVISION MANAGER OF PRODUCTION HOBBS DIVISION

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