



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

January 26, 1989

**R E C E I V E D**  
**JAN 31 1989**  
**OIL CON. D.**  
**DIST. 3**

Union Texas Petroleum Corp.  
375 U.S. Highway 64  
Farmington, NM 87401

Attention: Robert C. Frank  
Permit Coordinator

Administrative Order DD-23

Dear Mr. Frank:

Under the provisions of General Rule 111 (c), (d) and (e), Union Texas Petroleum Corporation made application to the New Mexico Oil Conservation Division on April 18, 1988, for authorization to directionally drill its proposed McCord Well No. 2E, Basin-Dakota Pool, San Juan County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 11 (d) and (e) of the Division General Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Union Texas Petroleum Corporation, is hereby authorized to directionally drill its McCord Well No. 2E, the surface location of which shall be 860 feet from the North line and 1550 feet from the West line (Unit C) of Section 34, Township 30 North, Range 13 West, NMPM, San Juan County, New Mexico, by kicking off from the vertical and drilling in such a manner as to bottom in the Basin Dakota Pool within 50 feet of a previously approved unorthodox gas well location (Division Administrative Order NSL-2338) 1900 feet from the South line and 2000 feet from the East line (Unit J) of said Section 34.

PROVIDED HOWEVER THAT: prior to directional drilling, the operator shall determine the subsurface location of the kick-off point; and

Administrative Order DD-23  
January 26, 1989  
Page No. 2

PROVIDED FURTHER THAT: subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to kick-off point with shot points not more than 100 feet apart; the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, 310 Old Santa Fe Trail, Room 206, Santa Fe, New Mexico 87503, and the operator shall notify the Division's Aztec District Office of the date and time said survey is to be commenced.

(2) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(3) This well will be an infill well to the applicant's existing McCord Well No. 2 located at a standard gas well location 1850 feet from the South line 1190 feet from the West line (Unit L) of said Section 34. The S/2 of said Section 34 to be dedicated to both wells forming a standard 320-acre gas spacing and proration unit for said pool

(4) 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

*W. J. Lemay*  
for WILLIAM J. LEMAY  
Director

**RECEIVED**

JAN 31 1989

OIL CON. DIV  
DIST. 3

S E A L

cc: Oil Conservation Division - Aztec  
NM Oil and Gas Engineering Committee - Hobbs  
US Bureau of Land Management - Farmington  
Vic Lyon



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 5-10-88

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

*Intentionally Deviate a well* X

Gentlemen:

I have examined the application dated 4-18-88  
for the Union Texas Petroleum Corp. McConel 2E Surface  
Operator Lease and Well No. C-34-30N-13W  
Unit, S-T-R  
Bottom Hole  
J-34-30N-13W

and my recommendations are as follows:

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

[Signature]



Union Texas Petroleum

375 U.S. Highway 64  
Farmington, New Mexico 87401  
Telephone (505) 325-3587

April 15, 1988

RECEIVED

APR 18 1988

OIL CON. DIV  
DIST. 3

Mr. William J. LeMay  
N.M. Oil Conservation Division  
State Land Office Building  
P. O. Box 2088  
Santa Fe, New Mexico 87501-2088

Re: Request for Administrative Approval to Intentionally  
Deviate a Well from Vertical  
McCord 2E  
Surface Location: 860' FNL & 1550' FWL  
Bottomhole Location: 1900' FSL & 2000' FEL  
Section 34, T30N-R13W  
San Juan County, New Mexico

Dear Mr. LeMay:

Union Texas Petroleum (UTP) requests administrative approval to intentionally deviate a well from vertical. UTP desires to place the McCord 2E at a surface location of 860' FNL and 1550' FWL of Section 34, T30N-R13W. This location will be on UTP's McCord 3E well pad (see attached) which is located outside of the Farmington City limits.

UTP intends to directionally drill the McCord 2E from the aforementioned surface location to a bottomhole location of 1900' FSL & 2000' FEL of Section 34, T30N-R13W. This is an unorthodox location which was approved April 21, 1987 pursuant to Administrative Order NSL-2338.

UTP requests this approval for two reasons:

No. 1

The well was initially planned to be drilled straight at the unorthodox location referenced above. After lengthy discussions with the surface landowner and his attorney, UTP could not come to terms for a surface damage agreement. This unorthodox well location is located in a proposed subdivision within the City of Farmington.

No. 2

The proposed surface location will be outside of the City of Farmington and thereby will eliminate the necessity of buried tanks and complying with the City requirements when drilling and producing a well within the City limits. Another benefit of drilling from this location is that a pipeline tie-in is readily available from the existing McCord 3E pipeline.

NMOCD  
April 15, 1988  
Page Two

UTP believes that by granting approval to intentionally deviate this well from vertical it will prevent waste by allowing UTP to produce a well which may never be drilled if the approval is not granted. In addition, UTP believes that all correlative rights will be protected by granting this application.

Pursuant to Rule 111-(d), UTP realizes that an acceptable bottom-hole location will not be farther than 50' away from the approved unorthodox location of 1900' FSL & 2000' FEL, Section 34, T30N-R13W. Pursuant to Rule 111-(e), UTP has notified the off-setting proration unit operators of our intentions. The operators were notified by certified mail as of this date, a copy of which is attached for your review.

If I may be of any further assistance, please advise.

Very truly yours,

  
Robert C. Frank  
Permit Coordinator

RCF:lmg  
attachments

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102  
Supersedes O-1  
Effective 1-1-69

All distances must be from the outer boundaries of the Section.

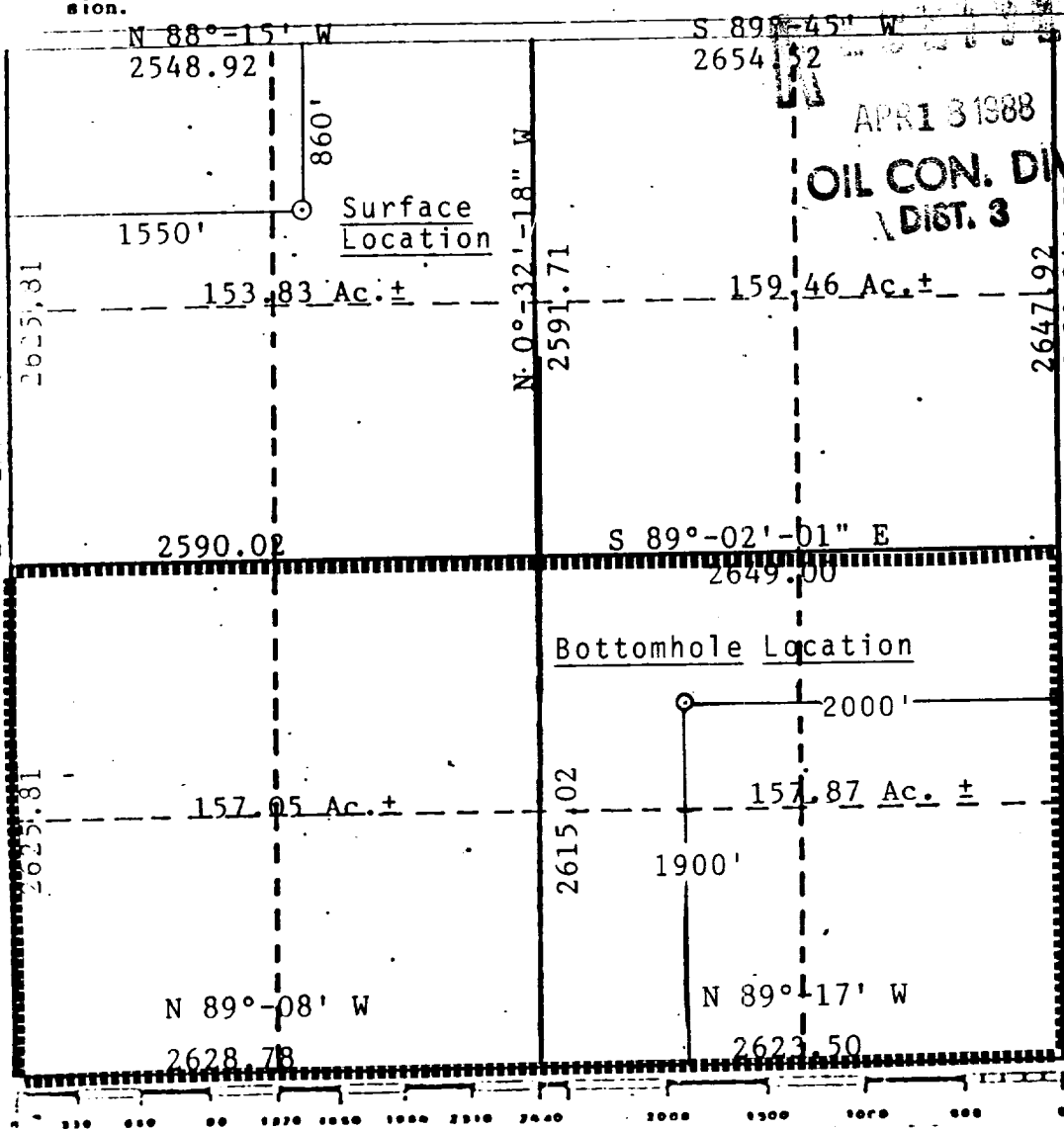
Operator <b>Union Texas Petroleum</b>			Lease <b>Mc Cord</b>		Well No. <b>2-E</b>
Unit Letter <b>C</b>	Section <b>34</b>	Township <b>30 N</b>	Range <b>13 W</b>	County <b>San Juan</b>	
Actual Footage Location of Well:					
860 feet from the North		line and 1550 feet from the West		line	
Ground Level Elev. <b>5681</b>	Producing Formation <b>Dakota</b>	Pool <b>Basin</b>		Dedicated Acreage: <b>S/2 314.92</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Robert C. Frank*

Name  
**Robert C. Frank**  
Position  
**Permit Coordinator**

Company  
**Union Texas Petroleum**

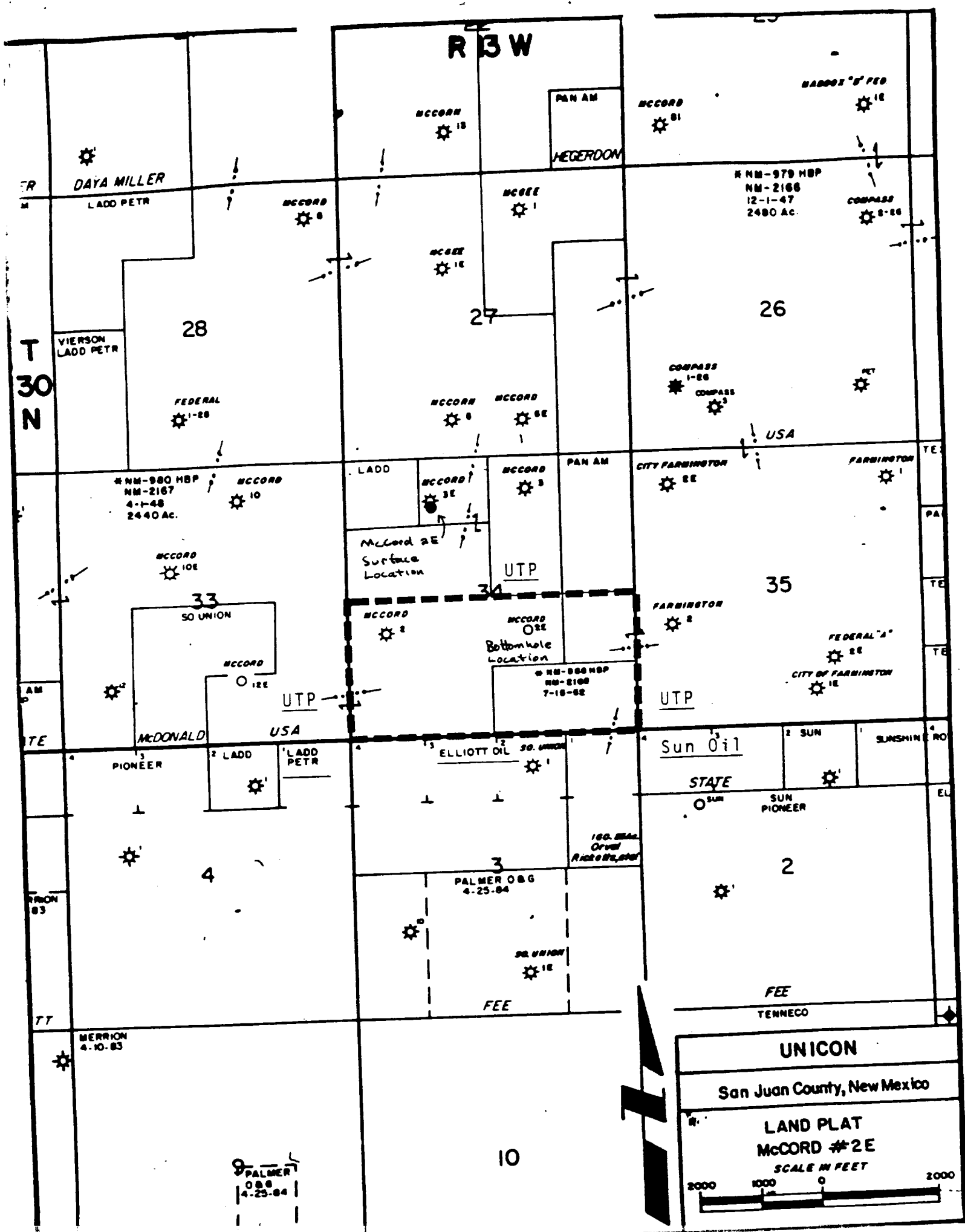
Date  
**April 14, 1988**

I hereby certify that the well location shown on this plat was plotted from field notes and is correct to the best of my knowledge and belief.

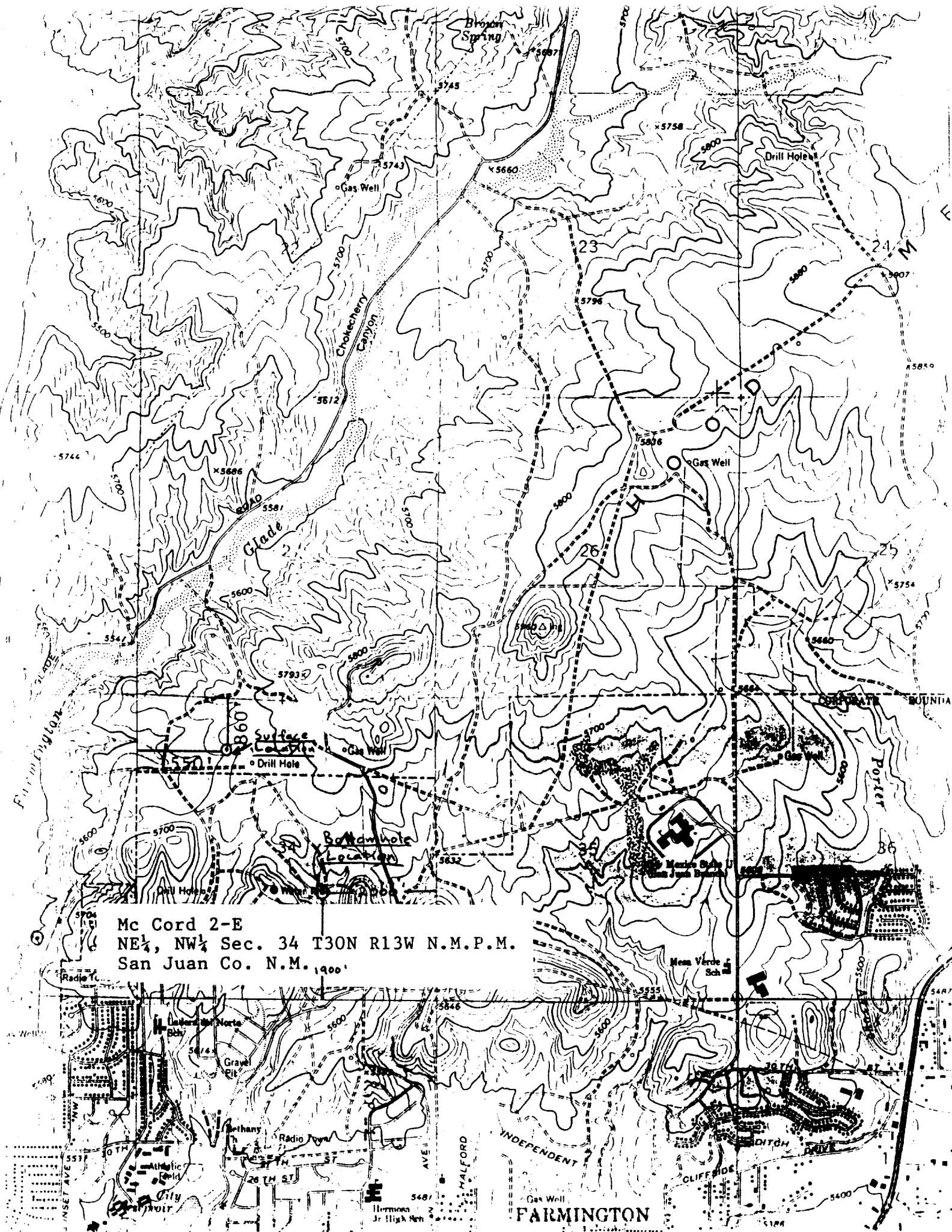
**CECIL B. TULLIS**  
REGISTERED PROFESSIONAL LAND SURVEYOR  
NEW MEXICO  
6672

Date Surveyed  
**March 23, 1988**  
Registered Professional Engineer  
and/or Land Surveyor

**Cecil B. Tullis**  
Certificate No.  
**9672**



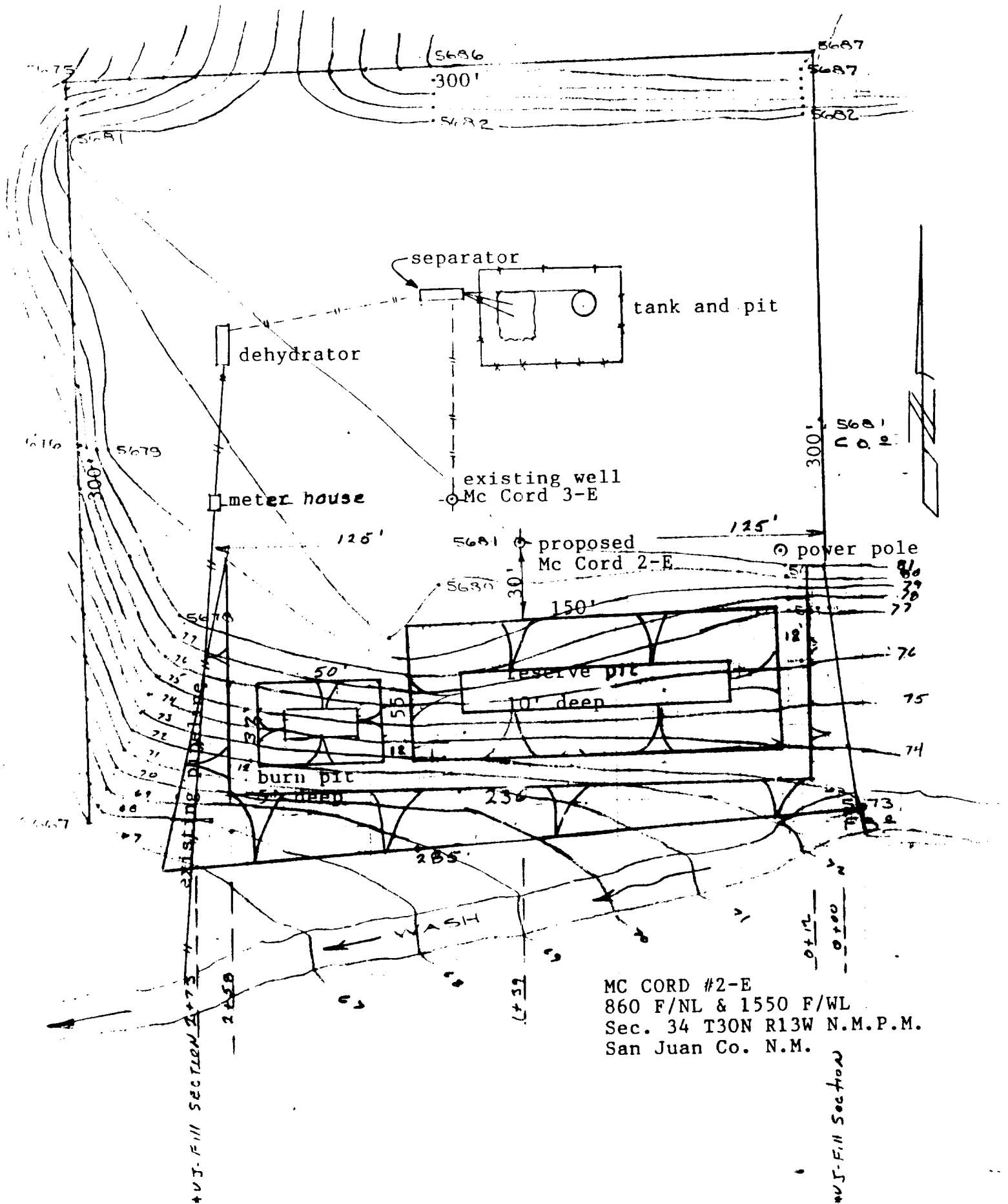
Mc Cord 2-E  
NE $\frac{1}{4}$ , NW $\frac{1}{4}$  Sec. 34 T30N R13W N.M.P.M.  
San Juan Co. N.M. 1900'





SCALE: 1" = 50'

TOPO AND PAD LAYOUT



MC CORD #2-E  
860 F/NL & 1550 F/WL  
Sec. 34 T30N R13W N.M.P.M.  
San Juan Co. N.M.