Case No.

497

Application, Transcript, Small Exhibits, Etc.

CASE 497: Skelly Oil Company - application for permission to drill directional hole Bacico T-1 Well, SE SE 2-12S-32E

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

TRANSCRIPT OF HEARING

CASE NO. 497

OIL CONSERVATION COMMISSION
SANTA FE
MAR 30 1953

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1303
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

In the Matter of: Application of Skelly Oil Company granting permission to directionally drill its Mexico "T" Well No. 1, SE SE, Sect. 2, Twp. 12 S, Rge. 32 E, for reasons of geologic implication; said well-bore to be deviated to the west to a position equivalent to a surface location of 550' from the South and East lines of Section 2, through methods of controlled directional drilling.	Case No. 497

TRANSCRIPT OF HEARING

(Notice of publication read by Mr. Graham.)

MR. SPURRIER: Is there anyone to appear in Case 497? If not I will read a letter I had from the attorney for Skelly.

"Please continue Case 497 to April 16th hearing, from March 17th as originally requested. The well is drilling and will not be completed by March 17th, hence reports could not be filed at the hearing. Signed George W. Sellinger, Skelly Oil Company."

Are there any objections to Mr. Sellinger's motion? If not we will continue the case to April 16th.

STATE OF NEW MEXICO)
: SS.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, hereby certify that the above and foregoing transcript of proceedings in Case 497, taken before the Oil Conservation Commission on March 17, 1953, at Santa Fe, New Mexico, is a true and correct record.

Dated in Albuquerque, New Mexico, this 24th day of March, 1953.

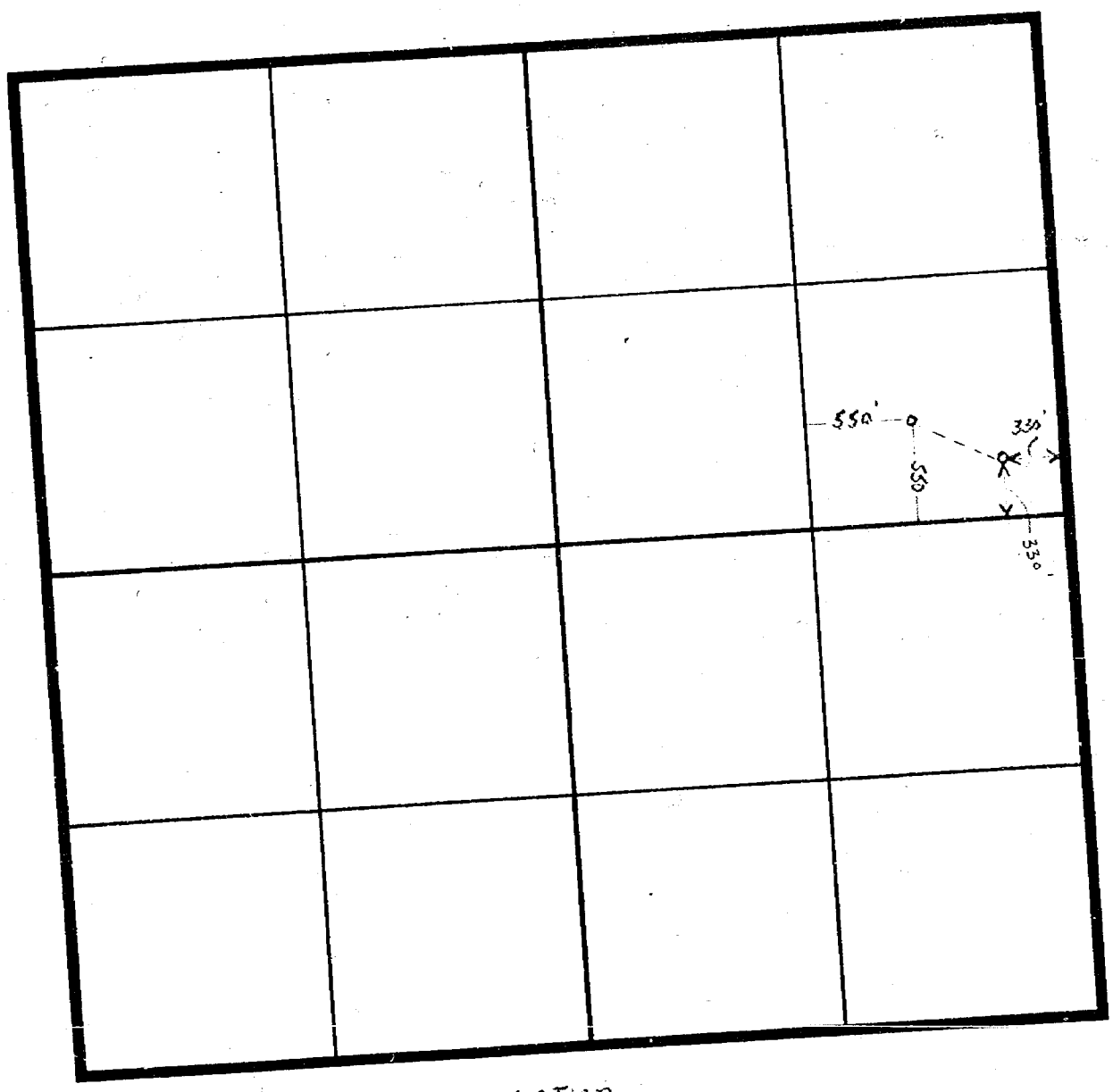
Ada Dearnley
Notary Public

My Commission Expires:
June 19, 1955.

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1303
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Case 417

Sec. 2 Township No. 12 of Range No. 32



- - - - Proposed Deviation
o Surface Location
o Proposed Sub-Surface Location

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.
RECEIVED
JUN 22 1953

CASE 497: (Readvertised)

In the matter of the application of Skelly Oil Company for an order granting permission to directionally drill its Mexico 'T' Well No. 1, SE/4 SE/4 NE/4, Section 2, Township 12 South, Range 32 East, NMPM, for reasons of geologic implication; said well-bore to be deviated to the northwest to an approximate position equivalent to a surface location of 550 feet from the south and west lines of the SE/4 NE/4 of Section 2, through methods of controlled directional drilling.

TRANSCRIPT OF HEARING

June 16, 1953
Date

BEFORE: Honorable Ed. L. Mechem, Governor
Honorable E. S. Walker, Land Commissioner
Honorable R. R. Spurrier, Director, OCC

STATE OF NEW MEXICO)
ss
COUNTY OF BERNALILLO)

I HEREBY CERTIFY That the within transcript of proceedings before the Oil Conservation Commission is a true record of the same to the best of my knowledge, skill, and ability.

DONE at Albuquerque, N. M., this 20th day of June 1953.

E. E. Greeson

My Comm. Ex.:
August 4, 1956

E. E. Greeson
Notary - Reporter

COM. SPURRIER: The next case on the docket is Case 497.

(Mr. Graham reads the advertisement.)

MR. SELINGER: For the applicant Skelly Oil Company, George W. Selinger. We have one witness, Mr. Max Curry, which we would like to have sworn.

MAX E. CURRY

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. SELINGER:

Q State your name.

A Max E. Curry.

Q And you are associated with Skelly Oil Company?

A Petroleum engineer.

Q Where are you located, Mr. Curry?

A Hobbs, N. M.

Q Are you familiar with the Skelly Oil Company's Mexico 'T' lease?

A I am.

Q Is that in the East Caprock Field of Lea County, New Mexico?

A It is in the East Caprock-Devonian Field.

Q I hand you what has been marked as Skelly's Exhibit 1. Is that a plat of a portion of the East Caprock Field which contained the Mexico "T' lease of Skelly Oil Company?

A It is.

Q It shows the No. 1 well marked on its surface and at the bottom of the old location, is that correct?

A That is correct.

Q Now, upon completion of the well, did you have a survey run to indicate the exact location of the bottom of the hole?

A There was.

Q Does that survey indicate the deviation from surface?

A It does.

Q The surface of the location was 330 ft. from the south and 330 ft. from the east edges of the lease?

A That is correct.

Q And it has been shipstocked to the west area of the lease at approximately what distance from the south line and what distance from the west line of the lease?

A 343.48 ft. from the south line, and 437.20 ft. from the west line.

Q I hand you what has been marked as Skelly Exhibit 2. Is that a copy of the survey report from Eastman Oil Well Survey Company showing the surface location and the bottom of the hole location, and the deviation therefrom?

A That is correct, it does.

Q This well was originally started for a Wolfcamp

or Pennsylvanian producer and was switched to the deviation for the purpose of securing production from the Devonian, is that correct?

A That is correct.

Q And you are filing the survey report in compliance with Rule 111 of the general state-wide rules?

A That is correct.

Q Prior to the actual whipstocking of this well, did you not contact the Oil and Gas Conservation Commission and secure permission, subject to the compliance with Rule 111, for such whipstocking?

A That was done, yes.

MR. SELINGER: We would like to offer in evidence Skelly's Exhibits 1 and 2. And that is all we have.

COM. SPURRIER: Without objection, they will be admitted. Are there any questions of the witness?

MR. GRAHAM: What is the land status? Who owns that land?

A That is a state lease.

COM. SPURRIER: If there are no further questions, the witness may be excused.

Is there anyone else to be heard in this case? If not, we will take it under advisement and move on to Case 521, which is consolidated with Case 245.

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR THE
PURPOSE OF CONSIDERING:

CASE NO. 497
ORDER NO. R-345

THE APPLICATION OF SKELLY OIL COMPANY
FOR AN ORDER GRANTING PERMISSION TO
DIRECTIONALLY DRILL ITS MEXICO 'T' WELL
NO. 1, SE/4 SE/4 NE/4 SECT. 2, TWP. 12
SOUTH, RGE. 32 E, NMPM, FOR REASONS OF GEOLOGIC
IMPLICATION; SAID WELL BORE TO BE DEVIATED TO
THE NORTHWEST TO AN APPROXIMATE POSITION
EQUIVALENT TO A SURFACE LOCATION OF 550'
FROM THE SOUTH AND WEST LINES OF THE SE/4
NE/4 OF SAID SECTION 2 THROUGH METHODS OF CON-
TROLLED DIRECTIONAL DRILLING.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on regularly for hearing on March 17, 1953, April 16, 1953, and June 16, 1953, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the 'Commission.'

NOW, on this 16th day of July, 1953, the Commission, a quorum being present, having considered the testimony adduced and exhibits introduced, and being fully advised in the premises,

FINDS:

1. That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

2. That under the circumstances of the case, authority to whipstock or directionally drill the Applicant's Mexico 'T' Well No. 1, SE/4 SE/4 NE/4 of Section 2, Twp. 12 South, Rge. 32 East, NMPM, to bottom in the Devonian formation at a position equivalent to a vertical surface location of approximately 550' from the south and west lines of the SE/4 NE/4 of said Section 2 (2983.48' from south line and 3077.20' from the west line of said Section 2) should be granted as an exception to the limitations of Rule 111 of the Rules and Regulations of the Commission.

IT IS THEREFORE ORDERED:

That the application of Skelly Oil Company to whipstock or directionally drill its Mexico 'T' Well No. 1, in the SE/4 SE/4 NE/4 of Section 2, Twp. 12 South, Rge. 32 East, NMPM (East Caprock-Devonian Pool) Lea County, New Mexico, to bottom in the Devonian formation at a position equivalent to a vertical surface location approximating 550' from the south and west lines of the SE/4 NE/4 of Section 2, Twp. 12 South, Rge. 32 East, NMPM (2983.43' from the south and 3077.20' from the west lines of said Section 2) be and the same hereby is approved as an exception to Rule 111 of the Rules and Regulations and the special limitations contained therein.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

E. S. Walker, Member

R. R. Spurrier, Secretary

S E A L

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

July 21, 1953

Mr. George Selinger
Legal Department
Skelly Oil Company
Box 1650
TULSA, OKLAHOMA

Dear Mr. Selinger:

We enclose two signed copies of Order R-345 issued by the Commission in Case 497, heard upon your company's application at the June 16 (and preceding) hearings.

Very truly yours,

W. B. Macey
Chief Engineer

WBM:nr

COPY

REPORT
and
PLAN
of
SUB-SURFACE COMBINATION SURVEY

SKELLY OIL COMPANY

MEXICO "T" Nº 1

E. CAPROCK FIELD, N. M.

WT-25953
JOB NO. WT-25953A

FEBRUARY 10, 1953
DATE FEB. - MAY, 1953

EASTMAN OIL WELL SURVEY COMPANY

DENVER, COLORADO LONG BEACH, CALIFORNIA HOUSTON, TEXAS

SURVEY BY ODESSA OFFICE

FORM D-302

RECORD OF SURVEY

The field data for this survey from readings 1 thru 25 was obtained by E. L. ADAMS, field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

E. A. Adams
EASTMAN OFFICE ENGINEER

JOB NO. WT 25953 DATE 2-11-53

	MEASURED DEPTH		DRIFT ANGLE	TRUE VERTICAL DEPTH		COURSE DEVIATION		DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH		SOUTH		EAST		WEST		REMARKS
1	87	32	0° 15'			0	38	N 47° E	0	26			0	28			
2	175	08	0° 20'			0	51	N 84° E	0	31			0	79			
3	261	88	0° 25'			0	63	S 68° E	0	07			1	37			
4	349	76	0° 30'			0	76	S 40° E			0	51	1	86			
5	436	60	0° 20'	436	60	0	50	S 47° E			0	85	2	23			
6	523	54	0° 30'			0	76	S 35° E			1	47	2	67			
7	619	07	0° 15'			0	42	S 29° E			1	84	2	87			
8	712	95	0° 00'			0	00	VERTICAL			1	84	2	87			
9	806	64	0° 00'			0	00	VERTICAL			1	84	2	87			
10	900	50	0° 00'	900	50	0	00	VERTICAL			1	84	2	87			
11	993	30	0° 00'			0	00	VERTICAL			1	84	2	87			
12	1087	16	0° 15'			0	41	N 32° E			1	49	3	09			
13	1179	90	0° 15'			0	41	N 31° W			1	14	2	88			
14	1271	35	0° 15'			0	40	N 18° W			0	76	2	76			
15	1363	71	0° 15'	1363	71	0	41	N 53° W			0	51	2	43			
16	1457	44	0° 15'			0	41	N 52° W			0	26	2	11			
17	1551	30	0° 15'			0	41	N 68° W			0	11	1	73			
18	1644	04	0° 20'			0	54	N 81° W			0	03	1	20			
19	1737	16	0° 30'			0	81	N 83° W	0	07				40			
20	1828	61	0° 30'	1828	61	0	80	S 73° W			0	16				37	
21	1921	00	0° 40'			1	07	S 73° W			0	47			1	39	
22	2013	20	1° 00'			1	61	S 78° W			0	80			2	96	
23	2104	19	1° 10'			1	86	S 79° W			1	15			4	79	
24	2196	58	1° 00'			1	62	S 75° W			1	57			6	35	
25	2287	53	1° 00'	2287	44	1	59	S 70° W			2	11			7	84	

RECORD OF SURVEY

The field data for this survey from readings 26 thru 50 was obtained by F. L. ADAMS, field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

F. L. Adams
EASTMAN OFFICE ENGINEER

JOB NO. WT 25953 DATE 2-11-53

	MEASURED DEPTH		DRIFT ANGLE	TRUE VERTICAL DEPTH		COURSE DEVIATION		DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH		SOUTH		EAST		WEST		REMARKS
26	2380	35	0° 50'			1	35	S 79° W			2	37			9	17	
27	2473	57	0° 40'			1	08	S 77° W			2	61			10	22	
28	2567	32	0° 30'			0	82	NORTH			1	79			10	22	
29	2658	92	0° 30'			0	80	N 77° E			1	61			9	44	
30	2750	61	1° 00'	2750	48	1	60	N 65° E			0	93			7	99	
31	2842	61	1° 00'			1	61	N 73° E			0	46			6	45	
32	2936	05	1° 00'			1	64	N 66° E	0	21					4	95	
33	3028	45	0° 45'			1	21	N 61° E	0	80					3	89	
34	3122	21	0° 40'			1	09	N 59° E	1	36					2	96	
35	3214	04	0° 40'	3213	84	1	07	S 82° E	1	21					1	90	
36	3306	42	0° 30'			0	80	S 80° E	1	07					1	11	
37	3396	77	0° 30'			0	79	S 74° E	0	85						35	
38	3488	45	0° 30'			0	80	EAST	0	85				45			
39	3579	81	0° 20'			0	53	N 74° E	1	00				96			
40	3672	59	0° 15'	3672	39	0	41	N 74° E	1	11			1	35			
41	3765	54	0° 20'			0	54	N 49° E	1	46			1	76			
42	3857	86	0° 15'			0	41	N 51° E	1	72			2	08			
43	3951	56	0° 15'			0	41	N 33° E	2	06			2	30			
44	4043	42	0° 15'			0	40	N 03° W	2	46			2	28			
45	4131	10	0° 20'	4135	90	0	40	N 32° W	2	92			1	99			
46	4227	75	0° 15'			0	40	N 31° W	3	26			1	78			
47	4321	00	0° 15'			0	41	N 42° W	3	56			1	51			
48	4411	97	0° 25'			0	66	N 43° W	4	04			1	06			
49	4504	66	0° 30'			0	81	N 57° W	4	48				38			
50	4597	46	0° 35'	4597	25	0	95	N 79° W	4	66						55	

RECORD OF SURVEY

The field data for this survey from readings 51 thru 75 was obtained by E. L. ADAMS, field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

E. L. Adams
EASTMAN OFFICE ENGINEER

JOB NO. WT-25953 DATE 2-11-53

	MEASURED DEPTH		DRIFT ANGLE	TRUE VERTICAL DEPTH		COURSE DEVIATION		DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH		SOUTH		EAST		WEST		REMARKS
51	4689	97	0° 30'			0	80	S 88° W	4	63					1	35	
52	4783	81	0° 40'			1	09	S 80° W	4	44					2	42	
53	4877	69	0° 30'			0	82	S 80° W	4	30					3	23	
54	4969	99	0° 30'			0	80	N 84° W	4	38					4	03	
55	5061	92	0° 45'	5061	69	1	20	S 87° W	4	32					5	23	
56	5155	13	0° 45'			1	22	S 82° W	4	15					6	44	
57	5246	09	0° 40'			1	06	S 82° W	4	00					7	49	
58	5339	89	0° 40'			1	09	N 85° W	4	10					8	58	
59	5430	85	0° 30'			0	79	N 85° W	4	17					9	37	
60	5523	64	0° 25'	5523	38	0	68	WEST	4	17					10	05	
61	5615	52	0° 20'			0	53	S 85° W	4	12					10	58	
62	5709	40	0° 15'			0	41	S 55° W	3	88					10	92	
63	5800	90	0° 15'			0	40	S 81° W	3	82					11	32	
64	5893	20	0° 30'			0	80	N 80° W	3	96					12	11	
65	5987	11	0° 30'	5986	85	0	82	N 85° W	4	03					12	93	
66	6079	81	0° 30'			0	81	S 80° W	3	89					13	73	
67	6169	55	0° 20'			0	52	N 80° W	3	98					14	24	
68	6260	95	0° 15'			0	40	WEST	3	98					14	64	
69	6353	27	0° 15'			0	41	N 35° W	4	32					14	88	
70	6444	66	0° 15'	6444	40	0	40	N 30° W	4	67					15	08	
71	6535	89	0° 30'			0	79	N 45° W	5	23					15	64	
72	6629	20	0° 40'			1	08	N 50° W	5	92					16	47	
73	6719	65	0° 40'			1	05	N 42° W	6	70					17	17	
74	6811	32	0° 40'			1	06	N 38° W	7	54					17	82	
75	6901	75	0° 30'	6901	46	0	79	N 45° W	8	10					18	38	

RECORD OF SURVEY

The field data for this survey from readings 76 thru 100 was obtained by E. L. ADAMS, field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

E. L. Adams
EASTMAN OFFICE ENGINEER

JOB NO. WT 25953 DATE 2-11-53

	MEASURED DEPTH		DRIFT ANGLE	TRUE VERTICAL DEPTH		COURSE DEVIATION		DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH		SOUTH		EAST		WEST		REMARKS
76	6995	00	0° 30'			0	81	N 47° W	8	65					18	97	
77	7087	14	0° 30'			0	80	N 55° W	9	11					19	63	
78	7180	03	0° 30'			0	81	N 80° W	9	25					20	43	
79	7270	43	0° 20'			0	52	N 73° W	9	40					20	93	
80	7362	96	0° 15'	7362	67	0	41	N 73° W	9	52					21	32	
81	7455	29	0° 15'			0	41	N 37° W	9	85					21	57	
82	7546	52	0° 30'			0	79	N 42° W	10	44					22	10	
83	7638	04	0° 20'			0	53	N 42° W	10	83					22	45	
84	7730	82	0° 30'			0	81	N 78 W	11	00					23	24	
85	7823	52	0° 40'	7823	22	1	08	N 81° W	11	17					24	31	
86	7915	92	0° 45'			1	21	S 78° W	10	92					25	49	
87	8006	84	0° 40'			1	05	S 66° W	10	49					26	45	
88	8100	02	0° 45'			1	22	S 58° W	9	84					27	48	
89	8191	25	1° 00'			1	60	S 63° W	9	11					28	91	
90	8281	05	1° 10'	8280	68	1	83	S 57° W	8	11					30	44	
91	8373	04	1° 10'			1	88	S 58° W	7	11					32	03	
92	8464	64	1° 00'			1	60	S 58° W	6	26					33	39	
93	8556	34	0° 55'			1	47	S 56° W	5	44					34	61	
94	8647	06	1° 00'			1	59	S 63° W	4	72					36	03	
95	8737	40	1° 05'	8736	94	1	71	S 63° W	3	94					37	55	
96	8829	14	0° 45'			1	20	S 77° W	3	67					38	72	
97	8920	40	0° 45'			1	20	S 84° W	3	54					39	91	
98	9014	03	0° 50'			1	36	S 61° W	2	88					41	10	
99	9106	41	0° 45'			1	21	S 48° W	2	07					42	00	
100	9199	56	0° 40'	9199	05	1	08	S 45° W	1	31					42	76	

FORM D-303 COLD. PHOTO-LITHO

RECORD OF SURVEY

The field data for this survey from readings 101 thru 108 was obtained by E. L. ADAMS, field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

E. L. Adams
EASTMAN OFFICE ENGINEER

JOB NO. VT 25953 DATE 2-11-53

	MEASURED DEPTH		DRIFT ANGLE	TRUE VERTICAL DEPTH		COURSE DEVIATION		DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH		SOUTH		EAST		WEST		REMARKS
101	9291	46	0° 40'			1	07	S 55° W		70					43	64	
102	9381	29	0° 45'			1	22	S 68° W		24					44	77	
103	9474	67	0° 55'			1	45	S 81° W		01					46	70	
104	9565	42	0° 40'			1	05	N 85° W		10					47	25	
105	9657	25	0° 30'	9656	70		80	S 80° W				04			48	04	
106	9749	55	0° 30'				80	S 80° W				18			48	83	
107	9842	35	0° 30'				81	S 85° W				25			49	64	
108	9909	00	0° 30'	9908	45		58	N 35° W		23					49	97	
				CLOSURE		49	97'	N 89° 44' W									

FORM D-303 COLO. PHOTO-LITHO

The field data for this survey from readings 90A thru 114A was obtained by BILL WILEY field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

E. L. Adams
EASTMAN OFFICE ENGINEER

RECORD OF SURVEY

JOB NO. WT 25953A

DATE Feb. to May 1953

	MEASURED DEPTH	DRIFT ANGLE	TRUE VERTICAL DEPTH	COURSE DEVIATION	DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH	SOUTH	EAST	WEST	REMARKS
									30 24	Whipstock#1
90A	8269	1° 10'	8268 63	1 59	S 57° W	8 24			31 15	
91A	8297	2° 00'		98	N 68° W	8 61			32 64	
92A	8329	3° 00'		1 67	N 63° W	9 37			34 23	
93A	8366	3° 00'		1 94	N 55° W	10 48			37 56	
94A	8421	4° 00'		3 84	N 60° W	12 40			40 37	
95A	8467	4° 30'	8466 25	3 61	N 51° W	14 67				
									43 80	
96A	8516	5° 15'		4 48	N 50° W	19 55			45 67	
97A	8545	5° 45'		2 91	N 50° W	19 78			52 97	
98A	8630	6° 15'		9 26	N 52° W	25 48			57 05	B.S.# 2
99A	8676	6° 45'	8674 08	5 41	N 49° W	29 03			60 36	
100A	8704	7°		3 41	N 76° W	29 85				
									68 71	
101A	8766	7° 45'		8 36	N 88° W	30 14			78 89	
102A	8837	8° 15'		10 19	N 88° W	30 50			90 78	
103A	8913	9° 00'		11 89	WEST	30 50			103 09	
104A	8984	10° 00'		12 33	N 87° W	31 14			114 83	
105A	9050	10° 15'	9043 51	11 74	N 89° W	31 35				
									125 15	
106A	9108	10° 15'		10 32	N 89° W	31 53			135 06	
107A	9160	11°		9 92	N 88° W	31 88			150 14	
108A	9245	10° 15'		15 12	N 86° W	32 94			171 01	
109A	9355	11°	9343 24	20 99	N 84° W	35 13			187 24	
110A	9435	11° 45'	9421 56	16 29	N 85° W	36 55				
									200 48	
111A	9499	12°	9484 16	13 31	N 84° W	37 94			214 30	
112A	9563	12° 30'	9546 64	13 85	N 86° W	38 91			223 73	
113A	9605	13° 00'	9587 56	9 45	N 86° W	39 57			235 36	
114A	9655	13° 30'	9636 18	11 67	N 85° W	40 59				

FORM D-303 COLO. PHOTO-LITHO

RECORD OF SURVEY

The field data for this survey from readings 115 A thru 130 A was obtained by BILL WILEY, field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

E. L. Adams
EASTMAN OFFICE ENGINEER

JOB NO. WT 25953A **DATE** Feb. to May 1953

	MEASURED DEPTH	DRIFT ANGLE	TRUE VERTICAL DEPTH	COURSE DEVIATION	DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH	SOUTH	EAST	WEST	REMARKS
115A	9707	13° 15'	9686 80	11 92	N 85° W	41 63			247 23	
116A	9770	12° 30'	9748 31	13 63	N 82° W	43 53			260 73	
117A	9838	12° 15'	9814 76	14 43	N 84° W	45 04			275 08	
118A	9884	12° 00'	9859 75	9 56	N 83° W	46 21			284 57	
119A	9941	12° 30'	9915 40	12 33	N 82° W	47 93			296 78	
120A	10021	12° 15'	9993 58	16 98	N 82° W	50 29			313 60	
121A	10079	12° 00'	10050 31	12 06	N 80° W	52 38			325 48	
122A	10125	12° 00'	10095 30	9 56	N 74° W	55 01			334 67	
123A	10173	11° 45'	10142 29	9 77	N 73° W	57 87			344 01	
124A	10243	11°	10211 00	13 36	N 72° W	62 00			356 72	
125A	10375	11° 00'	10340 57	25 19	N 72° W	69 78			380 68	WS. # 3
126A	10440	11° 15'	10404 32	12 68	N 85° W	70 89			393 28	WS#4@10,400
127A	10485	11° 15'	10448 14	8 78	S 85° W	70 12			402 02	W.S.# 5.
128A	10518	11° 15'	10480 83	6 44	S 85° W	69 56			408 44	WS#6@10,498
129A	10548	11°	10510 27	5 72	S 80° W	68 51			414 07	
130A	10620	10° 30'	10580 82	13 12	S 77° W	65 62			426 85	
131A	10665	11°	10624 99	8 59	S 79° W	63 98			435 28	
132A	10702	11° 15'	10661 28	7 22	S 82° W	62 98			442 43	
133A	10753	11° 45'	10711 21	10 39	S 82° W	61 53			452 72	
134A	10765	12° 30'	10722 92	2 60	S 84° W	61 26			455 31	
135A	10779	12° 30'	10736 59	3 03	S 84° W	60 94			458 32	WS # 7
136A	10798	12°	10755 17	3 95	S 76° W	59 98			462 15	
137A	10815	12° 30'	10771 77	3 68	S 73° W	58 91			465 67	
138A	10835	12° 30'	10791 30	4 33	S 73° W	57 64			469 81	
139A	10846	12° 30'	10802 04	2 38	S 74° W	56 98			472 10	
140A	10860	12° 45'	10815 69	3 09	S 73° W	56 08			475 05	

FORM 0-303 COLO. PHOTO-LITHO

RECORD OF SURVEY

The field data for this survey from readings 131A thru 157A was obtained by BOB DOCKREY, field engineer for Eastman Oil Survey Co., and is supported by signed field records. The computation and drafting of this report was done under my supervision and is true and correct to the best of my knowledge.

E. H. Adams
EASTMAN OFFICE ENGINEER

JOB NO. Wt 25953A

DATE Feb. to May 1953

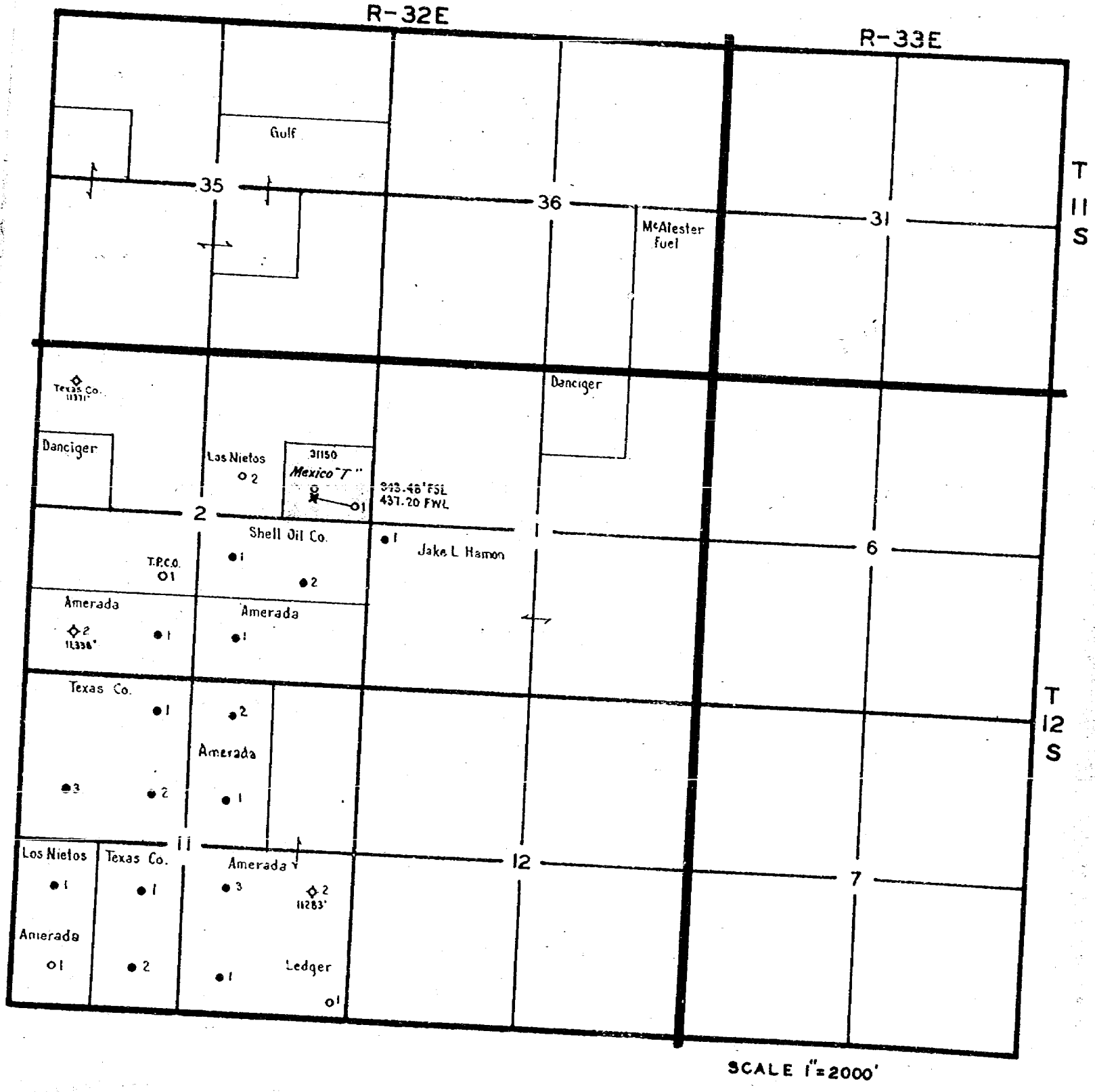
	MEASURED DEPTH	DRIFT ANGLE	TRUE VERTICAL DEPTH	COURSE DEVIATION	DRIFT DIRECTION	RECTANGULAR COORDINATES NORTH	SOUTH	EAST	WEST	REMARKS
141A	10882	12° 45'	10837 15	4 86	S 68° W	54 26			479 56	
142A	10904	12° 30'	10858 63	4 76	S 67° W	52 40			483 94	
143A	10910	12° 45'	10864 48	1 32	S 65° W	51 85			485 14	
144A	10922	12° 45'	10876 18	2 65	S 67° W	50 81			487 58	
145A	10926	12° 45'	10880 08	88	S 68° W	50 48			488 40	
146A	10952	12° 45'	10905 44	5 74	S 63° W	47 87			493 51	
147A	10969	12° 45'	10922 02	3 75	S 61° W	46 05			496 79	
148A	10989	12° 45'	10941 53	4 41	S 60° W	43 84			500 61	
149A	11013	12° 45'	10964 94	5 30	S 60° W	41 19			505 20	
150A	11039	12° 30'	10990 32	5 63	S 61° W	38 46			510 12	
151A	11079	12° 00'	11029 44	8 32	S 60° W	34 30			517 33	
152A	11104	11° 30'	11053 94	4 99	S 61° W	31 88			521 69	
153A	11141	11° 45'	11090 16	7 53	S 60° W	28 11			528 21	
154A	11178	11° 45'	11126 38	7 53	S 60° W	24 34			534 73	
155A	11220	11° 45'	11167 50	8 55	S 60° W	20 06			542 13	
156A	11242	11° 45'	11189 04	4 48	S 59° W	17 75			545 97	
157A	11280	12° 15'	11226 17	8 06	S 58° W	13 48			552 80	
			CLOSURE	552.97'	N 88° 36' W					

FORM D-303 COLD PHOTO-LITHO

Ex #1 Case 2197

LEA COUNTY NEW MEXICO

DATE 6/16/53



SCALE 1"=2000'

SKELLY OIL COMPANY

PRODUCTION DEPARTMENT
J. S. FREEMAN
VICE PRESIDENT
E. A. JENKINS
GENERAL SUPERINTENDENT

TULSA 2, OKLAHOMA

March 10, 1953

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER
G. W. SELINGER
PRORATION ATTORNEY
J. H. McCULLOCH
CHIEF CLERK

Re: Case No. 497

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. Macey

Dear Sir:

Please continue Case No. 497 to the April 16th hearings from March 17, as originally requested.

The well is drilling and will not be completed by March 17th, hence reports could not be filed at the hearing.

Yours very truly,

George W. Selinger

George W. Selinger

GWS:dd

MAR 12 1953

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

Case 497
Order No. R-345

THE APPLICATION OF SHELLY OIL COMPANY FOR AN ORDER GRANTING PERMISSION TO DIRECTIONALLY DRILL ITS MEXICO "T" WELL No. 1. SE¼SE¼NE¼ SECTION 2, T. 12S, R 32E NMPM, FOR REASONS OF GEOLOGICAL IMPLICATION; SAID WELL BORE TO BE DEVIATED TO THE NORTH WEST TO AN APPROXIMATE POSITION EQUIVALENT TO A SURFACE LOCATION OF 550' FROM THE SOUTH AND WEST LINES OF THE SE¼NE¼ OF SAID SECTION 2 THROUGH METHODS OF CONTROLLED DIRECTIONAL DRILLING.

ORDER OF THE COMMISSION.

BY THE COMMISSION:

THIS CAUSE CAME ON REGULARLY FOR HEARING ON MARCH 17, 1953, APRIL 16, 1953, AND JUNE 16, 1953, BEFORE THE OIL CONSERVATION COMMISSION OF NEW MEXICO, HEREINAFTER REFERRED TO AS THE "COMMISSION"

NOW, ON THIS ___ DAY OF JULY, 1953, THE COMMISSION, A QUORUM BEING PRESENT, HAVING CONSIDERED THE TESTIMONY ADDUCED AND EXHIBITS INTRODUCED, AND BEING FULLY ADVISED IN THE PREMISES, BE AND THE SAME HEREBY

FINDS

1. That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2)

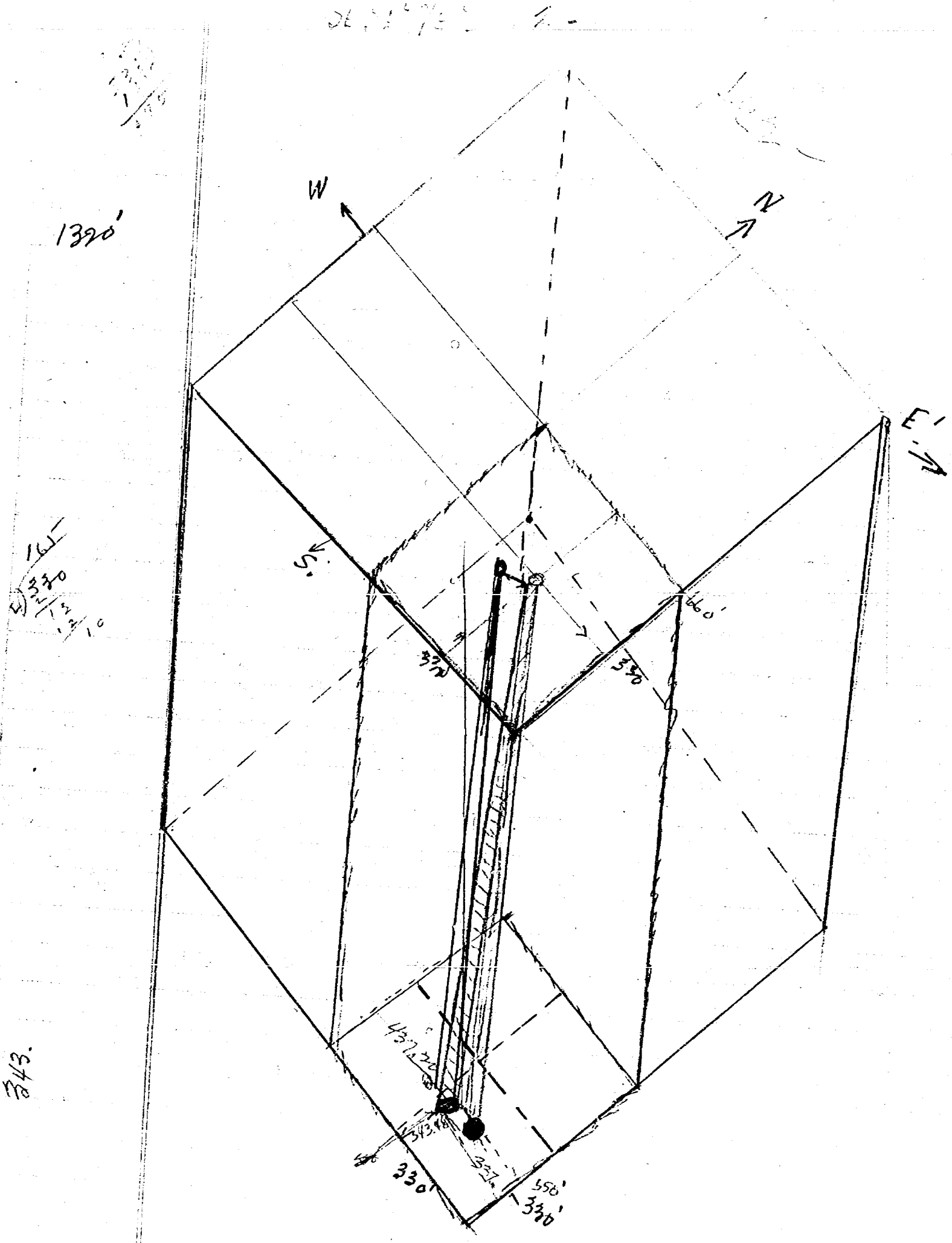
That under the circumstances of the case, authority to whipstock or directionally drill the Applicant's Mexico "T" Well No. 1, SE¼SE¼NE¼ of Section 2, T. 12 S. R. 32 E N.M.P.M., to bottom in the Devonian formation at a position equivalent to a vertical surface location or approximately 550' from the South and West lines of the SE¼NE¼ of said Section 2. (2983.48' from South line and 3077.20' from the West line of said Section 2) should be granted as an exception to the limitations of Rule 111, of the Rules and Regulations of the Commission.

IT IS THEREFORE ORDERED

That the application of Skelly Oil Company to whipstock or directionally drill its Mexico "T" Well No. 1, in the SE¼SE¼NE¼ of Section 2, Twp. 12 S. Range 32 E, N.M.P.M. (East) Caprock Devonian Pool, Lea County, New Mexico, to bottom in the Devonian formation at a position equivalent to a vertical surface location approximating 550' from the South and West lines of the SE¼NE¼ of Section 2, Twp. 12 S. Range 32 E N.M.P.M. (2983.48 from the South and 3077.20' from the West lines of said Section 2) [illegible]

APPROVED, AS AN EXCEPTION TO RULE 111 OF THE RULES AND REGULATIONS AND THE SPECIAL LIMITATIONS CONTAINED THEREIN.

STATE OF NEW MEX
OCC
EL
EDW
KRS



343.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

April 16, 1953

CASE 497 - Application of Skelly Oil Company for permission to drill directionally its Mexico T-1 Well, SE SE Section 2, Township 12S, Range 32E, NMPM, said well-bore to be deviated to the west to a position equivalent to a surface location of 550' from South and East lines of Section 2 through methods of controlled directional drilling.

MR. SELINGER: George W. Selinger representing Skelly Oil Company. This well is still in process of being drilled and we would like to have that case set over to the June 16th hearing. I might also point out that the description of this notice, although our application is correct, is incorrect to the extent that the Mexico T-1 well is located in the approximate center of the SE SE NE of Section 2. The notice inadvertently left out the NE.

MR. WHITE: The application is correct?

MR. SELINGER: Yes.

MR. SPURRIER: Is there any objection to grant the motion to continue the case until the June 16th hearing?

MR. SELINGER: Mr. Spurrier, I might also say that the notice is also incorrect as to its being 550 feet from the South and East lines of Section 2. That is not correct. It is going to be 550 feet from the South and East lines of the lease which is to be from the NE quarter of Section 2. The notice/indicates that it should be 550 feet from the South and East lines of the NE quarter of Section 2.

MR. SPURRIER: How does that come out as to distance from the Section lines?

MR. SELINGER: Let me see - - -

MR. SPURRIER: I thought you had it.

MR. SELINGER: No.

MR. SPURRIER: That's all right.

MR. SELINGER: The well will be 770' from the East line and 2,090' from the North line of Section 2.

MR. SPURRIER: If there are no objections, the Commission will continue the case until June 16th. The next case on the docket is 522.

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I hereby certify that the foregoing and attached transcript of hearing in the Case 497 before the Oil Conservation Commission on April 16, 1953, at Santa Fe, is a true record of the same to the best of my knowledge, skill and ability.

DATED at Santa Fe, this 28th day of April, 1953.

Audrey M. Berrickson

My commission expires September 20, 1955.

Case 497

SKELLY OIL COMPANY

Box 38

Hobbs, New Mexico

February 12, 1953

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
FEB 16 1953

Ref: Skelly Oil Company
Mexico "T" #1
2-12-32
330' FEL & 2330' FNL

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

ATTENTION: Mr. R. R. Spurrier, State Geologist

Dear Sir:

In reference to our telephone conversation of February 11, 1953, concerning the directional drilling of Skelly Oil Company's Mexico "T" No. 1 well in the East Caprock Field, further details are hereby submitted.

This well is located 330' from each the East and South lines of the 40-acre unit. The Wolfcamp formation was tested in this well at 8300' and found to be non-productive, making it desirable to extend the well to the Devonian pay at approximately 11,100' in an attempt to make a commercial producer from which both Skelly Oil Company and the State of New Mexico may expect to profit.

From information obtained from the wells already drilled in this field, our geological department is convinced that a fault of early Pennsylvanian age is present between the Jake L. Hammon, Chambers No. 1 well, a diagonal south-east offset to our well, and the producing wells in the field. To avoid this fault, our well must be completed as near the southwest corner of the unit as possible.

This well is being drilled on an expired State of New Mexico lease, making it impossible for a new well to be started in the desired location in the southwest corner of the unit. Therefore, in order to minimize the risk of drilling a dry hole in the Devonian pay, we are requesting permission to direct the well bore to a position equivalent to a surface location of 550' from both the south and west lines of the unit.

Through the use of Eastman Well Survey Company's methods of controlled directional drilling, this well will not, at any point, be closer than 330' to any unit line. We plan to set a cement plug and whipstock at approximately 8250', where the well survey indicates the well bore to be 32' west and 7' north of the surface location. At this depth the hole is in gage and in excellent shape to permit the best possible point to establish a new direction by whipstocking.

We are asking Mr. Selinger, from our Tulsa office, to file for a hearing on this work.

Very truly yours,

SKELLY OIL COMPANY

J. N. Dunlavey

J. N. Dunlavey

JND/MEC/ab

cc: Mr. G. W. Selinger
Skelly Oil Company
Tulsa, Oklahoma

Case 497

SKELLY OIL COMPANY

PRODUCTION DEPARTMENT
J. S. FREEMAN
VICE PRESIDENT
E. A. JENKINS
GENERAL SUPERINTENDENT

TULSA 2, OKLAHOMA

February 16, 1953

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER
G. W. SELINGER
PRORATION ATTORNEY
J. H. McCULLOCH
CHIEF CLERK

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
RECEIVED
FEB 18 1953

Re: Mexico "T" Well No. 1
Section 2-12S-32E
Lea County, New Mexico

Mr. R. R. Spurrier
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

Confirming the telephone conversation of February 11 from our Mr. Dunlavey and copy of his letter of February 12 with respect to deviating from vertical beyond the present restriction of Rule 111, we respectfully request temporary approval on this well which is now being drilled so that there will be no loss of time while the tools are on location, pending a hearing which we are herewith requesting for formal approval by the New Mexico Oil Conservation Commission.

The well is located 330' from each the east and south lines of the 40 acre unit. The Wolfcamp formation was tested in this well at 8300' and found to be non-productive, making it necessary for us to continue drilling this well to the Devonian at approximately 11,100'. There is some geological consideration in deviating the well to the west to a position equivalent to a surface location of 550' north of the south line and 550' east of the west line of the unit. Through the use of Eastman Well Survey methods of controlled directional drilling, this well will not at any point be closer than 330' to our unit line. We are setting cement plug and whipstock at approximately 8250', where the well survey indicates the well bore to be 32' west and 7' north of the surface location, or 337' north of the south line and 362' west of the east line of our unit.

Therefore, formal approval in compliance with Rule 111 of the statewide rules is requested for completion of the well off the normal vertical line.

Yours very truly,

George W. Selinger

George W. Selinger

GWS:dd

cc: Mr. Dunlavey

SKELLY OIL COMPANY

PRODUCTION DEPARTMENT
J. S. FREEMAN
VICE PRESIDENT
E. A. JENKINS
GENERAL SUPERINTENDENT

TULSA 2, OKLAHOMA

March 2, 1953

W. P. WHITMORE
CHIEF PETROLEUM ENGINEER
G. W. SELINGER
PRORATION ATTORNEY
J. H. McCULLOCH
CHIEF CLERK

Re: Mexico "T" Well No. 1
Section 2-12S-32E
Lea County, New Mexico

Mr. R. R. Spurrier
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

Supplementing our letter of February 16, we wish to advise that the formal hearing when called should be called for the April 16th hearings rather than the March 17th hearings, since the drilling and compilation of the reports will not be ready for the March 17th hearing.

Therefore, please do not call the hearing on this matter until the April 16th hearings.

Yours very truly,

George W. Selinger

George W. Selinger

GWS:dd

cc: Mr. Dunlavey

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
RECEIVED
MAR 4 1953

Letter Can be called

March 6, 1953

Mr. George Selinger, Proration Attorney
Skelly Oil Company
Tulsa 2 - Oklahoma

Dear Mr. Selinger:

We have your letter of March 2 with regard to your desire to schedule the hearing on your Mexico "T" Well No. 1 for the April 16 hearing rather than for March 17 as originally requested.

Unfortunately our legal notices had already been distributed when your letter arrived, so the case has been advertised. If you are present for the hearing, you may of course request postponement, or, if you do not plan to be in Santa Fe, written request will suffice. It is set up as Case 497.

Very truly yours,

W. B. Macey
Chief Engineer

WBM:nr

F