

CASE 3225: Application of HAROLD
L. RUNNELS for directional drill-
ing, Lea County, New Mexico

CASE No.

3225

Application,
Transcripts,
Small Exhibits
ETC.

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. 3225
Order No. R-2918

APPLICATION OF HAROLD L. RUNNELS
FOR DIRECTIONAL DRILLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 26, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of June, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 the applicant, Harold L. Runnels, seeks authority to re-enter and directionally drill his Millard Eidson B Well No. 3 which has a surface location 660 feet from the South line and 1980 feet from the East line of Section 26, Township 16 South, Range 35 East, NMPM, Shoebar Field, Lea County, New Mexico.

(3) That the subject well was projected to the Permo-Pennsylvanian formation; that junk was lost in the hole during drilling; and that said well cannot be completed in the Permo-Pennsylvanian formation by conventional drilling.

(4) That the applicant proposes to set a whipstock at approximately 6800 feet and directionally drill in a north-northwesterly direction to bottom said well in the Permo-Pennsylvanian formation at a true vertical depth of approximately

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CASE No. 3225
Order No. R-2918

10,400 feet, not nearer than 330 feet to the North and West lines of the NW/4 SE/4 of said Section 26.

(5) That approval of the subject application will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights, provided the NW/4 SE/4 of said Section 26 is dedicated to the well, and provided that the well is bottomed no nearer than 330 feet to the boundaries of the NW/4 SE/4 of said Section 26.

IT IS THEREFORE ORDERED:

(1) That the applicant, Harold L. Runnels, is hereby authorized to set a whipstock at approximately 6800 feet in his Millard Eidson B Well No. 3 and directionally drill in a north-northwesterly direction to bottom said well in the Permo-Pennsylvanian formation at a true vertical depth of approximately 10,400 feet in the NW/4 SE/4 of Section 26, Township 16 South, Range 35 East, NMPM, Shoebar Field, Lea County, New Mexico.

(2) That the subject well shall be bottomed no nearer than 330 feet to the boundaries of the NW/4 SE/4 of said Section 26.

(3) That the NW/4 SE/4 of said Section 26 shall be dedicated to the subject well.

(4) That a continuous multi-shot directional survey shall be made of the entire well bore with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe Office of the Commission, Box 2088, Santa Fe, New Mexico; and that the operator shall notify the Commission's Hobbs District Office of the date and time said survey is to commence.

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

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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CASE No. 3225

Order No. R-2918

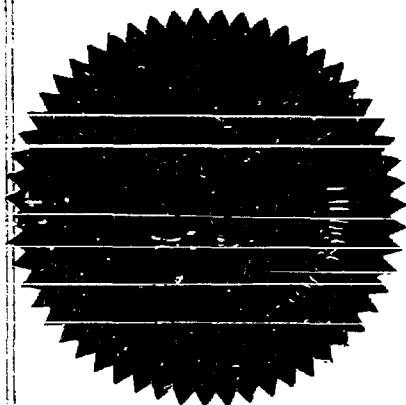
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary



esr/

State of New Mexico
Oil Conservation Commission



P. O. BOX 2088
SANTA FE

HAROLD L. RINNELS

OTHER _____

HAROLD L. RUNNELS
LEA COUNTY

HOME ADDRESS:
P.O. BOX 937
LOVINGTON, NEW MEXICO

HOME TELEPHONE
396-2232 OR 396-3663



New Mexico State Senate
Santa Fe

March 12, 1965

COMMITTEES:

MEMBER:
FINANCE
PUBLIC AFFAIRS

Mr. A. L. Porter, Jr.
Secretary and Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: E/2 Sec. 26, T16S, R35E,
W/2 Sec. 25, T16S, R35E,
W/2 NW/4 and E/2 SW/4
Sec 36, T16S, R35E, Lea
County, New Mexico

Dear Mr. Porter:

I am requesting a hearing by an examiner on April 7, 1965,
for the following:

I am the owner and operator of the Millard Eidson B-3
located 1,980 feet from the east line and 660 feet from the
south line of Section 26, Township 16 South, Range 35 East,
Lea County, New Mexico, which is in the Shoebar Field. It
is my intention to set a whipstock at 6,800 feet and direc-
tionally drill in a northwesterly direction to a depth of
10,400 TVD or 10,697 measured depth, which will bottom the
well in the Permo-Pennsylvanian pay which is at a depth of
10,342 feet to 10,484 feet.

Yours very truly,

Harold L. Runnels
Harold Runnels

HR/pb

DOCKET MAILED

Date 3/24/65

DOCKET MAILED

Date 5-12-65

3225
will whipstock
and will bottom
the hole in the
Permian formation
not nearer
than 2,000'
to the outer
boundary
of
the
quarter-
quarter
section

MAY 26, 1965 EXAMINER HEARING

CASE 3255: Application of Socony Mobil Oil Company, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the E-K Queen Unit Area comprising 2,895 acres, more or less, of Federal and State lands in Township 18 South, Ranges 33 and 34 East, Lea County, New Mexico.

CASE 3256: Application of Socony Mobil Oil Company, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the E-K Queen Pool, Lea County, New Mexico, in its E-K Queen Unit Area by the injection of water into the Queen formation through twenty-six wells in Sections 13, 14, 23, and 24, Township 18 South, Range 33 East, and Sections 18 and 19, Township 18 South, Range 34 East.

CASE 3257: Application of Skelly Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Skelly Penrose "B" Unit Area comprising 2,612 acres, more or less, of State and fee lands in Townships 22 and 23 South, Range 37 East, Lea County, New Mexico.

CASE 3258: Application of Midwest Oil Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its State "C" Well No. 1 located in Unit K of Section 32, Township 13 South, Range 34 East, Lea County, New Mexico, to produce oil from the Upper and Lower Pennsylvanian formations through parallel strings of tubing.

CASE 3259: Application of Midwest Oil Corporation for the creation of two new oil pools, and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of two new oil pools for Pennsylvanian production for its dually completed State "C" Well No. 1 located in Unit K of Section 32, Township 13 South, Range 34 East, Lea County, New Mexico, and for the establishment of special pool rules, including a provision for 80-acre proration units.

CASE 3225 (Readvertised from April 7, 1965 Examiner Hearing):

Application of Harold L. Runnels for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill his Millard Eidson B Well No. 3, the surface location which is 660 feet from the South line and 1980 feet from the East line of Section 26, Township 16 South, Range 35 East, Shoebar Field, Lea County, New Mexico. Applicant proposes to set a whipstock at 6800 feet and directionally drill in a northwesterly direction bottoming said well at a true vertical depth of approximately 10,400 feet in the Permo-Pennsylvanian pay at the point not closer than 330 feet to the North and West lines of the NW/4 SE/4 of said Section 26.

Docket No. 15-65

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 26, 1965

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, Alternate Examiner:

- CASE 3250: Application of Amerada Petroleum Corporation for special rules for the Goodwin-Abo Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Goodwin-Abo Pool, in Sections 30 and 31, Township 18 South, Range 37 East, Lea County, New Mexico, including a provision for 80-acre proration units.
- CASE 3251: Application of Continental Oil Company for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Rattlesnake Dakota Pool, San Juan County, New Mexico, by the injection of water into the upper and middle zones of the Dakota formation, through three injection wells in Sections 12 and 13, Township 29 North, Range 19 West.
- CASE 3252: Application of Harvey E. Yates and Yates Drilling Company for the creation of a new gas pool and for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Pennsylvanian gas pool comprising all of Section 13, Township 20 South, Range 26 East, and all of Sections 7 and 18, Township 18 South, Range 27 East, Eddy County, New Mexico, and the promulgation of special pool rules for said pool, including a provision for 640-acre spacing and proration units.
- CASE 3253: Application of Kennedy Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Square Lake Pool by the injection of water into the Grayburg and San Andres formations through one or two proposed injection wells, the DOB A Well No. 3 located in Unit M of Section 21 and the Kennedy Federal Well No. 3 to be located in Unit C of Section 28, Township 16 South, Range 31 East, Eddy County, New Mexico. Applicant further seeks the designation of the SW/4 SW/4 of Section 21 and the N/2 NW/4 of Section 28 as a waterflood buffer zone offsetting a capacity-type waterflood to the West and South.
- CASE 3254: Application of Dixon & Yates Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Loco Hills Pool by the injection of water into the Grayburg formation through one well located in Unit D of Section 14, Township 18 South, Range 29 East. Applicant further seeks the designation of the N/2 NW/4 of said Section 14 as a waterflood buffer zone offsetting a capacity-type waterflood to the North and West.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date

5/22/65

CASE

3225

Hearing Date

9am 4/7/65 & again

My recommendations for an order in the above numbered cases are as follows:

From 5/22/65

JSN@SF

Enter an order authorizing Harold L. Rummels to re-enter his Millard Edison B Well no 3, located 660' FSL & 1980' FEL of Sec 26, T16S, R35E, Shoshone Field, Lea Co N. Mex and set a whipstock at approximately 6800 feet. Then to directionally drill in a north-northwesterly direction bottoming said hole in the Permian-Pennsylvanian pay at a true vertical depth of approximately 10,400 feet in the NW 1/4 SE 1/4 of said Section 26. Provided however that the ^{total} horizontal deflection ~~from the surface~~ ^{in a north-northwesterly direction} shall not exceed 1683 feet from the surface location of the well, and provided further, that the bottom-hole location shall not be closer than 330 feet to the north and west lines of the NW 1/4 SE 1/4 of said Section 26.

Use ~~the~~ Order no R-2773 as a guide for the directional survey etc requirements to be put in this order.

Case 3225

Heard 4-7-65

Rec. 4-7-65

1. Grant Harold Runnels
request to whipstake hoo. Millard
Ehlson B #3 located 1980/E & 660/S
line of sec. 26-165-35E. to a point
not closer than 330 from the
N + W ~~1/4 1/4 sec. 26~~ 1/4 1/4 sec line of the
NWSE of said sec. 26. or no farther
than 990/S or 2310 from E. line
of sect. 26. *Thrust. R.*

1320
330/S
990/S
1320/E
2310

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1162

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 7, 1965

EXAMINER HEARING

IN THE MATTER OF:

APPLICATION OF HAROLD L. RUNNELS FOR
DIRECTIONAL DRILLING, LEA COUNTY, NEW
MEXICO

Case No. 3225

BEFORE:

ELVIS A. UTZ

TRANSCRIPT OF HEARING



MR. UTZ: Case Number 3225.

MR. DURRETT: Application of Harold L. Runnels for directional drilling, Lea County, New Mexico.

MR. RUNNELS: Could I give you the courses to which I plan to directionally drill this well, and the history of it. I have my 5½ cutoff at 9,000 feet. My 5½ is bottomed at 10, - 200 in the original well and in the bottom of the 5½ is a Baker plug which I cannot get out of the bottom of the 5½, and I ask permission to--

MR. UTZ: Excuse me. Would you identify yourself, please.

MR. RUNNELS: Excuse me--Harold Runnels.

MR. UTZ: You are representing yourself?

MR. RUNNELS: Yes, sir.

MR. UTZ: All right, sir. Proceed.

MR. RUNNELS: I propose to set a whipstock at 6,800 feet and directionally drill, as you can see on the plan, in a northwest direction at bottom hole, 330 feet from each line, and I think the vertical course and total vertical depth and all has been checked thoroughly and is correct.

MR. UTZ: The status of the well now is that you have some junk in the hole?

MR. RUNNELS: Yes, sir.

MR. UTZ: At what depth?

MR. RUNNELS: I have a 5½ cutoff at 9,000 feet, but at 10,160 feet I have a Baker retrievable plug at the bottom which I cannot retrieve. When I run the 5½ to 10,200 I'm within approximately 200 feet of the goal which I seek.

MR. UTZ: Which is the Pennsylvanian--Upper Penn?

MR. RUNNELS: Yes, sir.

MR. UTZ: This well is in the Shoebar?

MR. RUNNELS: Yes, sir.

MR. UTZ: And it's because of the plug in the hole that you want to perform the whipstocking operation?

MR. RUNNELS: Yes, sir.

MR. UTZ: Who owns the acreage to the west of you?

MR. RUNNELS: The mineral owner is the same mineral owner which I have, which is Millard Eidson. The lease is owned jointly by Sinclair and Shell. The bottom of this well will be a direct offset to the Sinclair Eidson A-3, which was originally completed as a Devonian producer and was recompleted on July 1, 1961 from the Pennsylvanian. This well has produced in excess of 200,000 barrels, and is now a top allowable well, still flowing on 850-pound tubing pressure. This is also one reason I seek to go to the 330 location rather than drill a new hole and try to salvage what hole I already have.

MR. UTZ: This 200,000 barrels is from the Shoebar Penn?

MR. RUNNELS: Yes, sir. There are only two wells in the field that have been plugged. I tried to plug back on the original Eidson B-3--it was drilled to the Devonian; and as I say, I did not fit the 5½ deep enough, and now that I have a bigger retrievable plug in the bottom and have tried unsuccessfully to get it out, this is another reason I ask permission to directionally drill.

MR. UTZ: A 330 location on the 40-acre tract would be a standard location, would it not, for an oil well in this pool?

MR. RUNNELS: Yes, sir. There are no other rules other than the standard rules for the Shoebar.

MR. UTZ: Regardless of whether you whipstock or drill a vertical hole in that location?

MR. RUNNELS: That's correct.

MR. UTZ: Did you receive any correspondence from Sinclair in this regard?

MR. RUNNELS: None whatever, unless they're in the room, present today.

MR. UTZ: I didn't ask for appearances in this case. Do we have any? ... Apparently there are none. Are there other questions of the witness?

MR. PORTER: Yes, sir. This well location was 330, originally?

MR. RUNNELS: No, sir--the original well on the B-3

is 660.

MR. PORTER: Where do you propose to bottom this?

MR. RUNNELS: At 330.

MR. PORTER: That's all I have.

MR. UTZ: Are there other questions? ... The witness is excused. Are there any other statements in this case? The case will be taken under advisement.

* * *

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ELIZABETH K. HALE, Notary Public and Court Reporter, do hereby certify that proceedings in the foregoing case were taken and transcribed by me, and that the foregoing is a true and correct transcript of proceedings to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, my hand and seal of office this 8th day of April, 1965.

Elizabeth K. Hale
Notary Public

My commission expires

May 23, 1968.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3225 heard by me on April 7, 1965.
Shirley L. [Signature]
Examiner
New Mexico Oil Conservation Commission

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 26, 1965

EXAMINER HEARING

IN THE MATTER OF:

APPLICATION OF HAROLD L. RUNNELS FOR
DIRECTIONAL DRILLING, LEA COUNTY, NEW
MEXICO

Case No. 3225

BEFORE:

DANIEL S. NUTTER

TRANSCRIPT OF HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FAIRBANKS, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-1871

ALBUQUERQUE, N. M.
PHONE 243-6691



MR. NUTTER: We will call Case Number 3225.

MR. DURRETT: Application of Harold L. Runnels for directional drilling, Lea County, New Mexico.

MR. NUTTER: Let the record show that Case Number 3225 was originally heard on April 7, 1965. However, the tract under which the well was proposed to be bottomed was different than the advertisement--the advertisement of the original case was to bottom the hole not closer than 330 feet to the outer boundary of the quarter-quarter section in which the surface location is, being the southwest quarter of the southeast quarter of Section 26, Township 16 South, Range 35 East. It developed at the hearing that the proposed bottom hole location of the directionally drilled well would be not nearer than 330 feet to the north and west boundaries of the northwest quarter of the southeast quarter of Section 26. Subsequently, the case was re-advertised, giving the correct location.

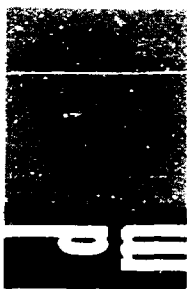
Are there any appearances to be made in Case Number 3225, for the amended location of the bottom of the hole? If there is no appearance, the record in Case Number 3225, heard April 7th, 1965, will be incorporated in the record of this case today, and the case will be taken under advisement.

The hearing is adjourned.

dearnley-meier 13901103 881779

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PAGE 3

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ELIZABETH K. HALE, Notary Public and Court Reporter,
do hereby certify that the proceedings in the foregoing case
were taken and transcribed by me, and that the foregoing is a
true and correct transcript of proceedings to the best of my
knowledge, skill and ability.

IN WITNESS WHEREOF, my hand and seal of office this 7th
day of June, 1965.

Elizabeth K. Hale
Notary Public

My commission expires
May 23, 1968.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 3225
heard by me on 5/26, 1965.

[Signature] Examiner
New Mexico Oil Conservation Commission

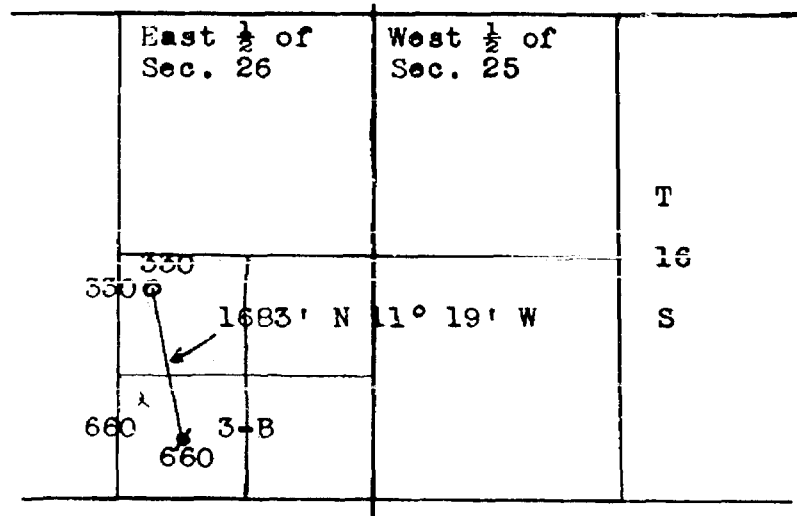
WHIPSTOCK INC.

NEW IBERIA, LA.
RT. 1 BOX 352-B
EM 4-5866

P. O. BOX 5577
MIDLAND, TEXAS

OKLAHOMA CITY, OKLA.
RT. 6, BOX 230-F
MU 5-3633

R 35 E



Approximate Angle Build-up Schedule

Eidson R-3 Sho Bar Field, Lea Co., New Mexico

Measured Depth	Angle	Course Length	Vertical Course	T.V.D.	Course Def.	Total Def.
6800				6800.00		
6900	3 1/2°	100	99.81	6899.81	6.10	6.10
7000	5	100	99.62	6999.43	8.72	14.82
7100	6 1/2	100	99.36	7098.79	11.32	26.14
7200	8	100	99.03	7197.82	13.92	40.06
7300	9 1/2	100	98.63	7296.45	16.50	56.56
7400	11	100	98.16	7394.61	19.08	75.63
7500	12 1/2	100	97.63	7492.24	21.64	97.27
7600	14	100	97.03	7589.27	24.19	121.46
7700	15 1/2	100	96.36	7685.63	26.72	148.18
7800	17	100	95.63	7781.26	29.24	177.42
7900	18 1/2	100	94.83	7876.09	31.73	209.15
8000	20	100	93.97	7970.06	34.20	243.35
8100	21 1/2	100	93.04	8063.10	36.65	280.00
8200	23	100	92.05	8155.15	39.07	319.07
8300	24 1/2	100	91.00	8246.15	41.47	360.54
8400	26	100	89.88	8336.03	43.86	404.40
8500	27 1/2	100	88.70	8424.73	46.17	450.57
8600	29	100	87.46	8512.19	48.48	499.05
10,800	30	2200	1905.00	10,417.19	1100.00	1599.05

Mem
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