



S. J. Okerson
District Superintendent

March 3, 1982

File: SJ0-986.51 X WF-335

Re: Request for Administrative Approval for
Unorthodox Location, Nonstandard Proration Unit
and Simultaneous Dedication *South Empire Morrow*
Empire South Deep Unit #22
Eddy County, New Mexico

Amoco Production Company (USA)

Post Office Box 68
Hobbs, New Mexico 88240

Oil Conservation Division of
The New Mexico Department of
Energy and Minerals
P. O. Box 2088
Santa Fe, NM 87502

Gentlemen:

Amoco Production Company requests administrative approval for an unorthodox location, nonstandard proration unit, and simultaneous dedication for our Empire South Deep Unit No. 22. The well is located 888 FNL x 1980 FWL, Section 31, T-17-S, R-29-E, Eddy County, New Mexico. The unorthodox location is resultant from the well site being 289.89 feet from the quarter-quarter section line. The half-section in question is less than 320 acres (297.49 acres) resulting in the less than 330 feet distance between proposed well site and quarter-quarter section line. A plat is enclosed showing the ownership of leases offsetting the unorthodox location and also all wells completed thereon.

The necessity of the nonstandard proration unit arises, as mentioned above, from the fact that the north half of the section consists of only 297.49 acres. This nonstandard proration unit was approved by Administrative order NSP-983, December 23, 1974, for our Empire South Deep Unit #5.

Approval of simultaneous dedication is required since the subject well shares acreage with our Empire South Deep Unit #5, located 1980' FNL, 2180 FEL, Section 31, T-17-S, R-29-E.

1502
NSL
w/lf comp Penn fm
Rule 104 F
Immediate
No offsets
Also simultaneous
dedication of approved 297-acre
previously (NSP 983)
NSP
with well No 5

#5
NSP 983

w/lf comp?
Penn

505
393-2167

Rec'd
3-23-82

March 3, 1982
File: SJO-986.51 X WF-335
Page 2

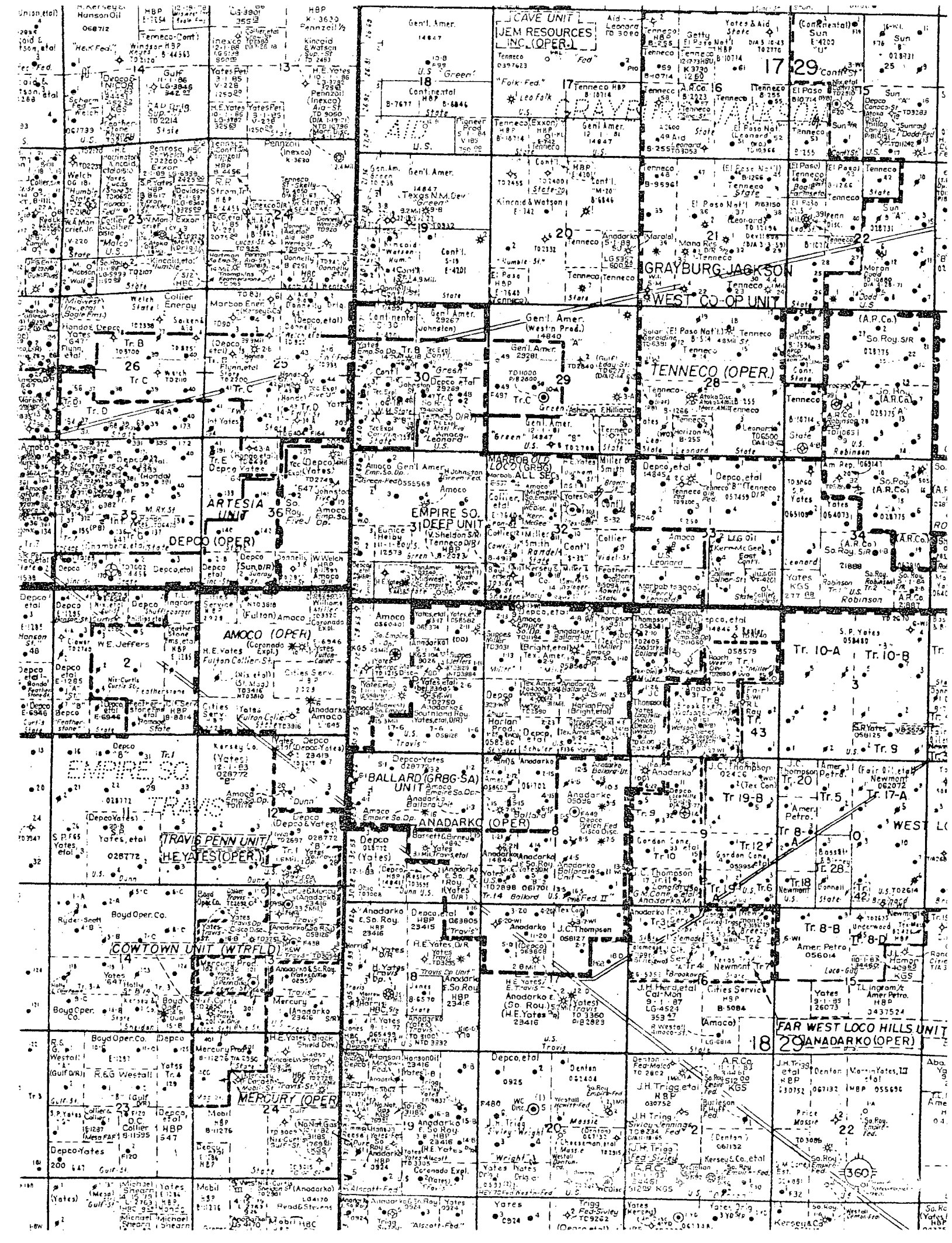
All offset operators have been notified by registered mail and receipts are attached.

Yours very truly,

S. J. Akerson *ESR*
Dave Royburn

Attachments

cc: NMOCD-Artesia, NM
USGS-Roswell, NM



PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
☒ Show to whom and date delivered..... *66c*
☐ Show to whom, date and address of delivery..... \$
☐ RESTRICTED DELIVERY
 Show to whom and date delivered..... \$
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery \$ ____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
*General American Oil
 Meadows Bldg.
 Dallas, Tx 75206*

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
P335767523

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
[Signature]

4. DATE OF DELIVERY *5-8-82* POSTMARK *DALLAS TEX 1982 MAY 8*

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: INITIALS *[Initials]*

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO : 1979-288-848

PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
☒ Show to whom and date delivered..... *66c*
☐ Show to whom, date and address of delivery..... \$
☐ RESTRICTED DELIVERY
 Show to whom and date delivered..... \$
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery \$ ____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
*Depco
 1025 Petroleum Club Bldg.
 Denver, CO 80202*

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
P335767525

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
[Signature]

4. DATE OF DELIVERY *MAY 6 1982* POSTMARK *DENVER CO 1982 MAY 6*

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO : 1979-288-848

PS Form 3811, Jan. 1979

SENDER: Complete items 1, 2, and 3.
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1. The following service is requested (check one.)
☒ Show to whom and date delivered..... *66c*
☐ Show to whom, date and address of delivery..... \$
☐ RESTRICTED DELIVERY
 Show to whom and date delivered..... \$
☐ RESTRICTED DELIVERY.
 Show to whom, date, and address of delivery \$ ____

(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:
*Nondo
 Box 1610
 Midland, Tx 79701*

3. ARTICLE DESCRIPTION:
 REGISTERED NO. CERTIFIED NO. INSURED NO.
P335767524

(Always obtain signature of addressee or agent)

I have received the article described above.
 SIGNATURE ☐ Addressee ☐ Authorized agent
[Signature]

4. DATE OF DELIVERY POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: CLERK'S INITIALS *[Initials]*

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

☆ GPO : 1979

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

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

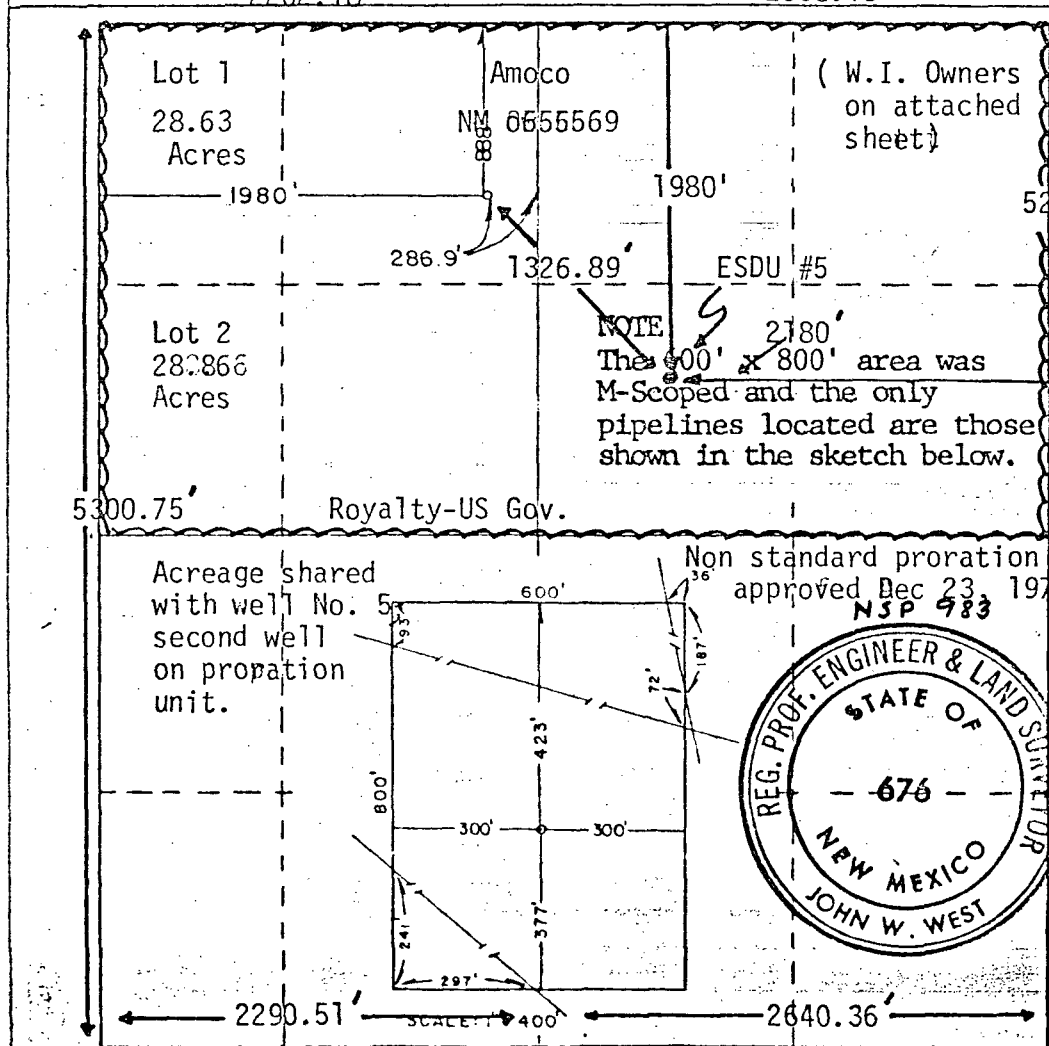
Operator AMOCO PRODUCTION Co.			Lease EMPIRE SOUTH DEEP UNIT		Well No. 22
Unit Letter C	Section 31	Township 17 SOUTH	Range 29 EAST	County EDDY	
Actual Footage Location of Well: 888 feet from the NORTH line and 1980 feet from the WEST line					
Ground Level Elev. 3656.7	Producing Formation Morrow	Pool South Empire Morrow	Dedicated Acreage: 297.49 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Unitization

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. 2262.18' 2638.13'



CERTIFICATION

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

Name Mark Randolph
Position Assist. Admin. Analyst
Company Amoco Production Company
Date 2-11-82

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed 2-8-82
Registered Professional Engineer and/or Land Surveyor
John W. West
Certificate No. JOHN W. WEST 676
PATRICK A. ROMERO 8868
Ronald J. Fiddes 8230



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

May 6, 1982

Amoco Production Company (USA)
P. O. Box 68
Hobbs, New Mexico

Re: Withdrawal of
Administrative Order NSL-1502

Gentlemen:

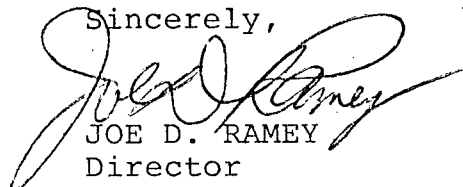
By Administrative Order No. NSL-1502 a non-standard gas well location 888 feet from the North line and 1980 feet from the West line of Section 31, Township 17 South, Range 29 East, NMPM, was approved for your Empire Deep Unit Well No. 22.

This application received immediate approval based upon a map interpretation that there was no offset operator. On March 29, 1982, an objection to the location was received from Hondo Oil and Gas Company, who claims to be an offset operator. A review of the application and the map of the area does not clearly establish that Hondo Oil and Gas is an offset operator as contemplated by the regulations.

However, as Amoco has given notice by its letter of April 30, 1982, that it does not plan to drill this well, final determination of the status of Hondo as an offset operator is not now necessary.

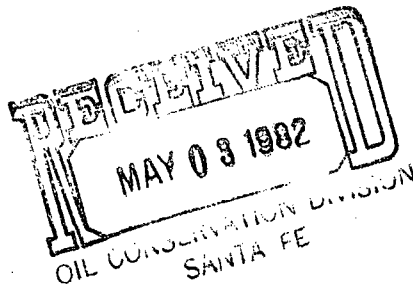
Pending clarification of the offset operator issue and reapplication of Amoco to drill the Empire South Deep Unit Well No. 22, the approval for an unorthodox gas well location granted by Administrative Order No. NSL-1502 is hereby withdrawn.

Sincerely,



JOE D. RAMEY
Director

JDR/RLS/og
cc: Bill Gressett



Amoco Production Company (USA)

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

April 30, 1982

File: JCA-986.51NM-080

Re: Request for Unorthodox Location
Non Standard Proration Unit
Dedication of Acreage
Empire South Deep Unit Well No. 22
Eddy County, New Mexico

Hondo Oil and Gas Company
Box 1610
Midland, TX 79701

Attention: Mr. J. L. Tweed, District Engineer

Gentlemen:

Reference is made to your letter of March 24, 1982 addressed to our Hobbs District Office concerning the above captioned subject. We do not agree with your position a second well on a proration unit is prohibited by Statewide Rules. This is simply not true. Statewide Rules in New Mexico permit more than one well and simultaneous dedication of acreage on a gas proration unit unless field rules specifically provide otherwise.

However, due to changed economic conditions, Amoco does not plan to drill the ESDU Well No. 22. Working Interest Owners have been advised by separate correspondence.

By copy of this letter we are advising the Oil Conservation Division no further action to drill the subject well will be taken.

Yours very truly,

D. M. Basinger
D. M. Basinger
Division Operations Superintendent

JCA/fp

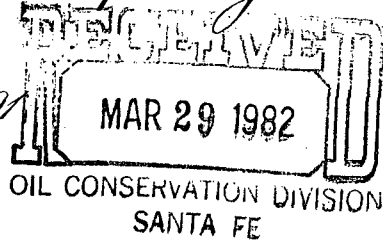
cc: State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. R. L. Stamets

Hondo Oil & Gas Company

Box 1610

Midland, Texas 79701



March 24, 1982

Amoco Production Company (USA)
P.O. Box 68
Hobbs, New Mexico 88240

Gentlemen:

RE: Requested Waiver of Consent for Unorthodox Location,
Nonstandard Proration Unit, and
Simultaneous Dedication
Empire South Deep Unit #22
Eddy County, New Mexico

As a direct offset operator to the subject proration unit, we must object to the drilling of a second well in the N/2 Section 31, T-17-S, R-29-E, Eddy County, New Mexico. Statewide Rules specify that there will be one well per proration unit, and this proration unit is assigned to the Empire South Deep Unit No. 5. We believe that the addition of a second well to this proration unit would be a violation of our correlative rights as working interest owner in the South Empire (Morrow) Field.

Very truly yours,

J. L. Tweed
District Engineer

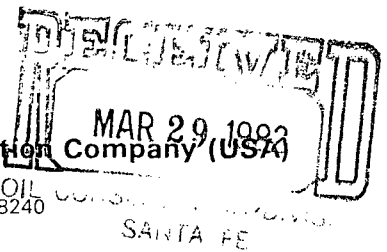
CMT:JLT:cn

cc: Depco, Inc.
Husky Oil Co.
H. E. Yates
NMOCD-Artesia/Santa Fe



Amoco Production Company (USA)

Post Office Box 68
Hobbs, New Mexico 88240



S. J. Okerson
District Superintendent

March 3, 1982

File: SJ0-986.51-337

Re: Waivers Consent for Unorthodox Location,
Nonstandard Proration Unit, and
Simultaneous Dedication
Empire South Deep Unit #22
Eddy County, New Mexico

Hondo
P. O. Box 1610
Midland, TX 79701

Gentlemen:

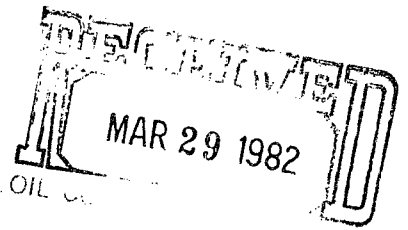
Amoco requests your approval, as an offset operator, for unorthodox location, nonstandard proration unit, and simultaneous dedication for our Empire South Deep Unit #22. The well is located 888 FNL x 1980 FWL, Section 31, T-17-S, R-29-E, Eddy County, New Mexico.

The unorthodox location is resultant from the well site being 289.89 feet from the quarter-quarter section line. The half section in question is less than 320 acres (297.49) resulting in the less than 330 foot distance between proposed well site and quarter-quarter section line.

The necessity of the nonstandard proration unit arises, as mentioned above, from the fact that the north half of the section consists of only 297.49 acres. This nonstandard proration unit was approved by Administrative order NSP-983, December 23, 1974, for our Empire South Deep Unit #5.

The simultaneous dedication is necessary since the subject well shares acreage with our Empire South Deep Unit #5, located 1980' FNL, 2180 FEL, Section 31, T-17-S, R-29-E.

March 3, 1982
File: SJ0-986.51-337
Page 2



We request that you approve and return signed copy of this letter to our office and to the NMOCD in Santa Fe. Self-addressed, stamped envelopes are enclosed.

Yours very truly,

Enclosures

cc: USGS-Roswell
NMOCD-Artesia



1502 NSL-

Amoco Production Company (USA)

Post Office Box 68
Hobbs, New Mexico 88240

S. J. Okerson
District Superintendent

March 3, 1982

File: SJO-986.51-336

Re: Waivers Consent for Unorthodox Location,
Nonstandard Proration Unit, and
Simultaneous Dedication
Empire South Deep Unit #22
Eddy County, New Mexico



General American Oil
Meadows Bldg.
Dallas, TX 75206

Gentlemen:

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Yours very truly,

S. J. Okearson
ESK

Enclosures

cc: USGS-Roswell
NMOCD-Artesia

General American Oil Company of Texas

APPROVED:

R. L. Crow

TITLE:

Western Region Manager

DATE:

3/9/82

lc
3/9/82