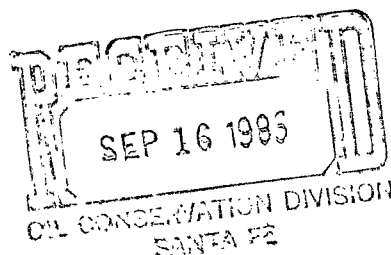


Release Oct 7, 1985

By Dec



3 locations

September 11, 1985

NSL-2167
RULE-104(AZ)

File: SGH-1762-416

Re: Application for Unorthodox Locations
and Directionally Drilled Wells
South Hobbs (GSA) Unit Westside Development
Hobbs Grayburg-San Andres Pool
Lea County, New Mexico

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

Amoco Production Company hereby requests administrative approval to develop the westside of the South Hobbs Unit Pressure Maintenance Project by drilling six Grayburg-San Andres producers. Of these six wells, three are located at unorthodox locations and three will be directionally drilled. This application contains the request for approval of three unorthodox locations and three directionally drilled exceptions.

Exhibit "A" is a tabulation of the six proposed drilling locations. The three wells which will be drilled at unorthodox locations within the unit are so noted. On the three wells which will be directionally drilled, the proposed bottom hole location, kick-off point, and projected bottomhole deviation are listed. Ground elevation is listed for each well. A South Hobbs (GSA) Unit map is included with the proposed drilling sites (both surface and bottomhole) shown. Also, we have included a copy of the individual well plats (C-102).

The availability of suitable surface locations for three South Hobbs (GSA) Unit wells are very limited. To obtain the necessary bottomhole locations, these wells must be directionally drilled from the closest available property. See Exhibit "B" for specific reasons.

South Hobbs
GSA Unit

40 Acres deed.
NW1/4 NE1/4 - SHU No. 199 1028' FNL x 2310' FEL,
Sec. 6, T-19-S, R-38-E

40 Acres deed.
SE1/4 NE1/4 - SHU No. 201 2310' FNL x 1028' FEL,
Sec. 6, T-19-S, R-38-E

40 Acres deed.
NW1/4 SW1/4 - SHU No. 203 1568' FSL x 248' FWL,
Sec. 5, T-19-S, R-38-E

- Lea
County

September 11, 1985
File: SGH-1762-416
Page 2

Unorthodox surface locations are required to obtain optimum pattern geometry. This optimum geometry is necessary to most efficiently develop and produce the Grayburg-San Andres along the westside of the Unit.

Required notice of this application has been served by certified mail to each operator of proration or spacing units offsetting the unit for which directional drilling exceptions and unorthodox locations are sought. Each party shown on the attached service list has been furnished a copy of this letter complete with all attachments.

If you have any questions concerning this application, please contact Charles Herring in our Hobbs District Office, (505) 393-1781, Extension 252.

Original Signed By
L.R. Smith

CMH/sh
APRD04-AAA

Enclosures

cc: State of New Mexico
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

SERVICE LIST
SOUTH HOBBS (GSA) UNIT
WESTSIDE DEVELOPMENT

Offset Operators

Gulf Oil Exploration & Prod. Co.
P. O. Box 1150
Midland, TX 79702

Shell Western E&P, Inc.
P. O. Box 991
Houston, TX 77001

CMH/sh
APRD04-AAA(2)

EXHIBIT "A"

SOUTH HOBBS (GSA) UNIT

<u>Well Name</u>	<u>Surface Location</u>	<u>Bottomhole Location</u>	<u>Kick-Off Point Below Surface</u>	<u>Bottomhole Deviations</u>	<u>Elevation (Ground Level)</u>
SHU No. 197	2030' FSL x 860' FWL, Sec. 34, T-18-S, R-38-E	2600' FSL x 689' FWL, Sec. 34, T-18-S, R-38-E	Approx. 1700'	595'	3625.2'
SHU No. 198	749' FNL x 1981' FWL, Sec. 6, T-19-S, R-38-E	990' FNL x 1622' FWL, Sec. 6, T-19-S, R-38-E	Approx. 1700'	432'	3637.1'
SHU No. 199	1028' FNL x 2310' FEL, Sec. 6, T-19-S, R-38-E	Same as surface			3630.2'
SHU No. 201	2310' FNL x 1028' FEL, Sec. 6, T-19-S, R-38-E	Same as surface			3628.5'
SHU No. 202	1650' FSL x 1100' FEL, Sec. 6, T-19-S, R-38-E	1650' FSL x 990' FEL, Sec. 6, T-19-S, R-38-E	Approx. 3000'	110'	3617.3'
SHU No. 203	1568' FSL x 248' FWL, Sec. 5, T-19-S, R-38-E	Same as surface			3615.5'

EXHIBIT "B"

REASONS FOR DIRECTIONALLY DRILLING AND/OR
UNORTHODOX LOCATIONS

<u>Well Number</u>	<u>Reason for Deviation</u>
SHU No. 197	Surface location is in the middle of a residential area within the Hobbs City limits. Proposed location is on the corner of Leech and Taylor Streets.
SHU No. 198	Bottomhole location is directly beneath a state-owned caliche pit.
SHU No. 199	Optimum pattern geometry.
SHU No. 201	Optimum pattern geometry.
SHU No. 202	Too close to buried high pressure gas lines.
SHU No. 203	Optimum pattern geometry.

**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.

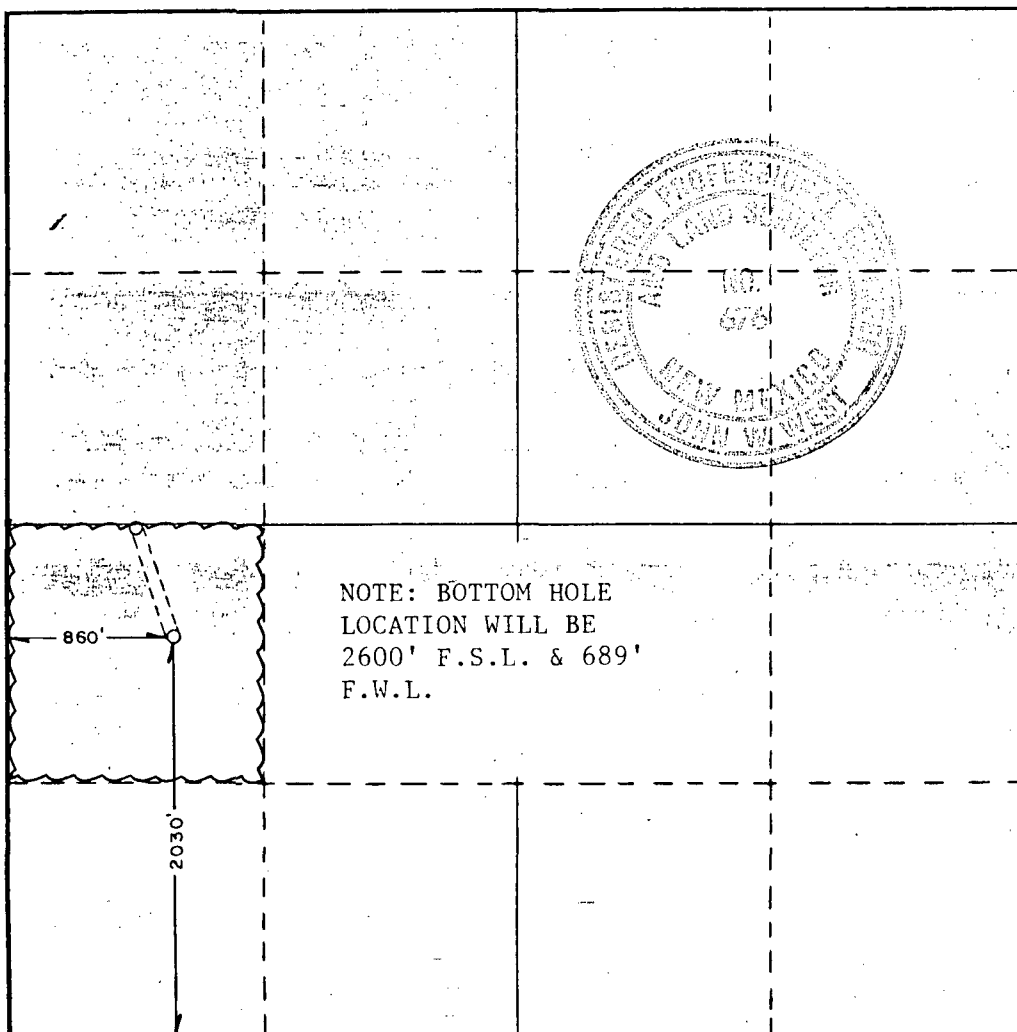
Operator AMOCO PRODUCTION COMPANY			Lease SOUTH HOBBS GRAYBURG SAN ANDRES UNIT		Well No. 197
Unit Letter L	Section 34	Township 18 SOUTH	Range 38 EAST	County LEA	
Actual Footage Location of Well: 2030 feet from the SOUTH line and 860 feet from the WEST line					
Ground Level Elev. 3625.2'	Producing Formation Grayburg-San Andres		Pool Hobbs GSA		Dedicated Acreage: 40 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.

Name *Charles M. Lanning*
 Position Administrative Analyst (80)
 Company Amoco Production Company
 Date September 11, 1985

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
AUGUST 15, 1985

Registered Professional Engineer
and/or Land Surveyor

John W. West

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

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

Form C-102
Supersedes C-128
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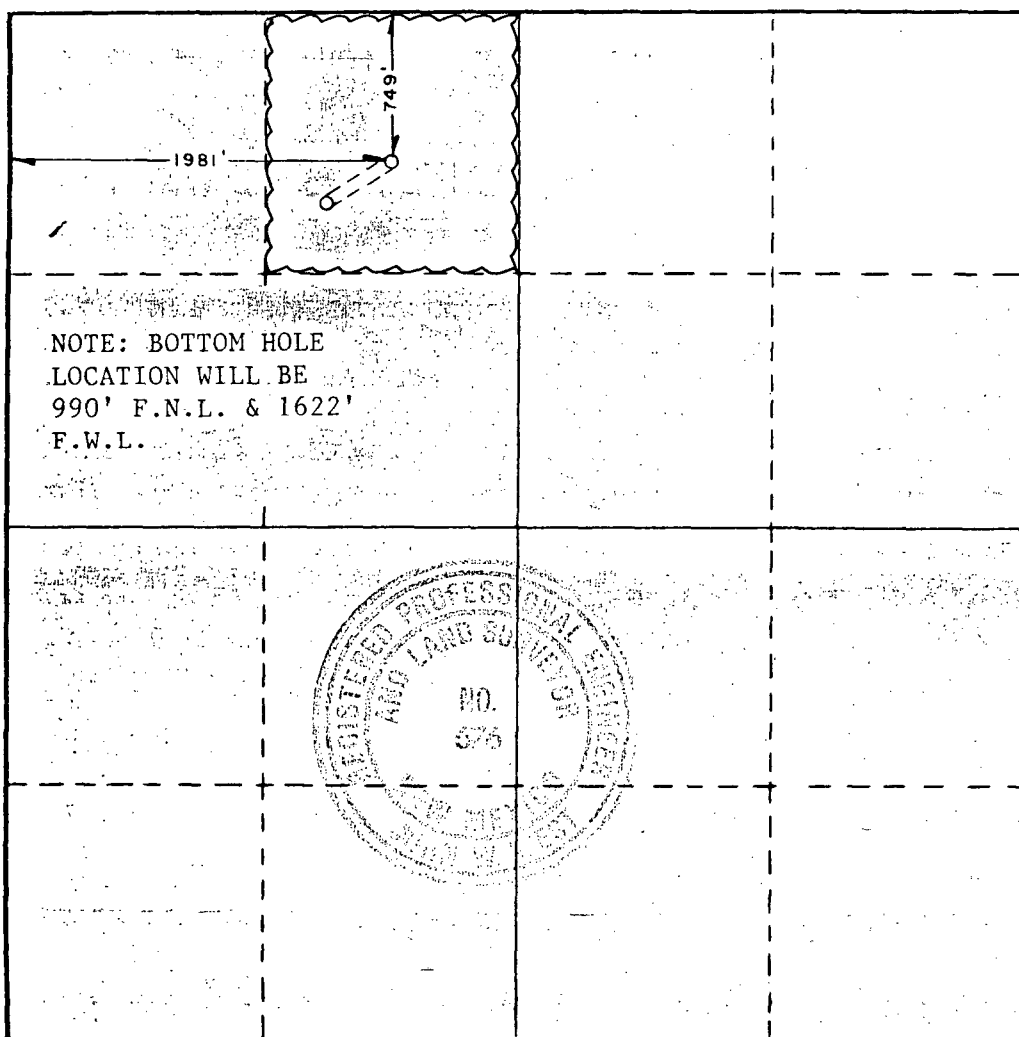
Operator AMOCO PRODUCTION COMPANY		Lease SOUTH HOBBS GRAYBURG SAN ANDRES UNIT		Well No. 198
Unit Letter C	Section 6	Township 19 SOUTH	Range 38 EAST	County LEA
Actual Footage Location of Well: 749 feet from the NORTH line and 1981 feet from the WEST line				
Ground Level Elev. 3637.1'	Producing Formation Grayburg-San Andres	Pool Hobbs GSA	Dedicated Acreage: 40 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.) _____

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CERTIFICATION

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

Name: *Charles M. Lerry*
 Position: **Administrative Analyst (SG)**
 Company: **Amoco Production Company**
 Date: **September 11, 1985**

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
AUGUST 28, 1985

Registered Professional Engineer
and/or Land Surveyor

John W. West
 Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

**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

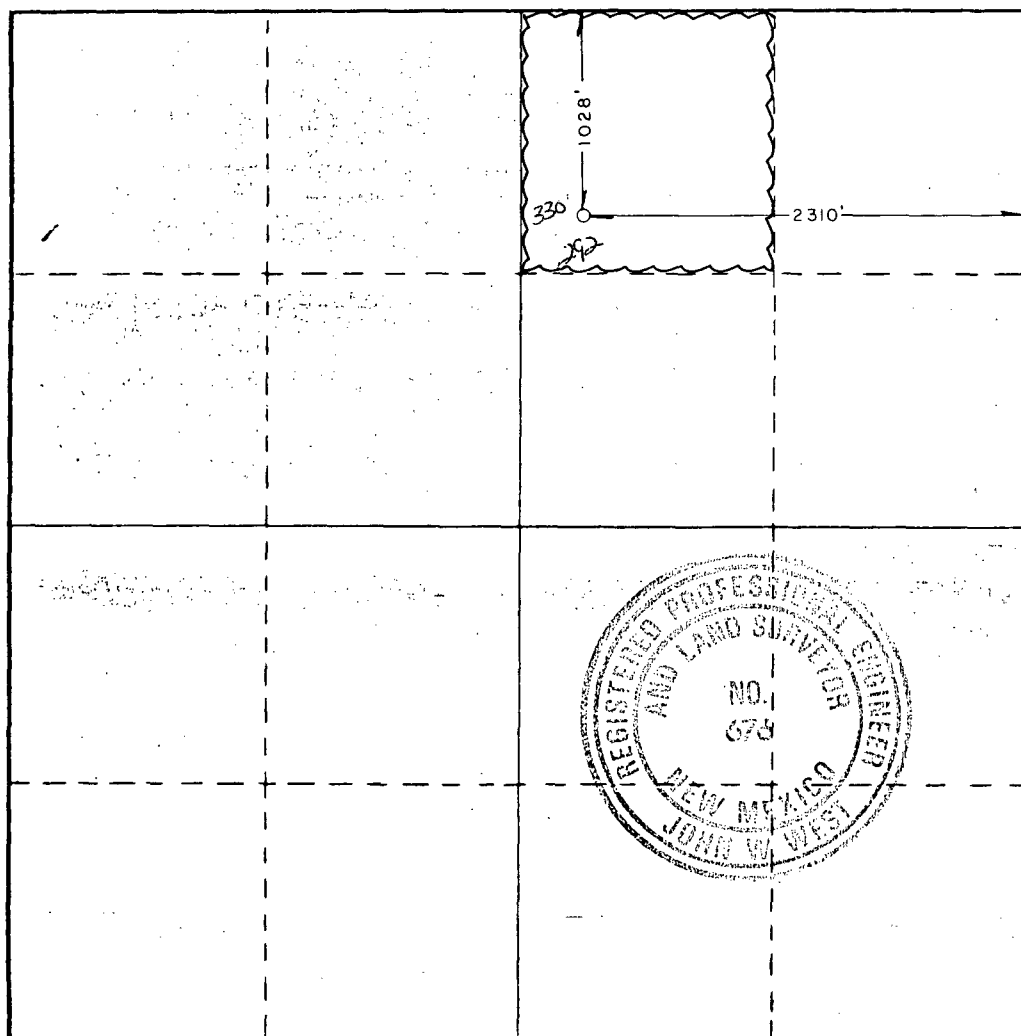
Operator AMOCO PRODUCTION COMPANY			Lease SOUTH HOBBS GRAYBURG SAN ANDRES UNIT		Well No. 199
Unit Letter B	Section 6	Township 19 SOUTH	Range 38 EAST	County LEA	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 1028 feet from the NORTH line and 2310 feet from the EAST line </div>					
Ground Level Elev. 3630.2'	Producing Formation Grayburg-San Andres		Pool Hobbs GSA	Dedicated Acreage: 40 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 _____

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

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CERTIFICATION

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

Charles M. Herring
Name
Position

Administrative Analyst (SG)

Company
Amoco Production Company

Date
September 11, 1985

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
AUGUST 16, 1985

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

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

Form C-102
Supersedes C-128
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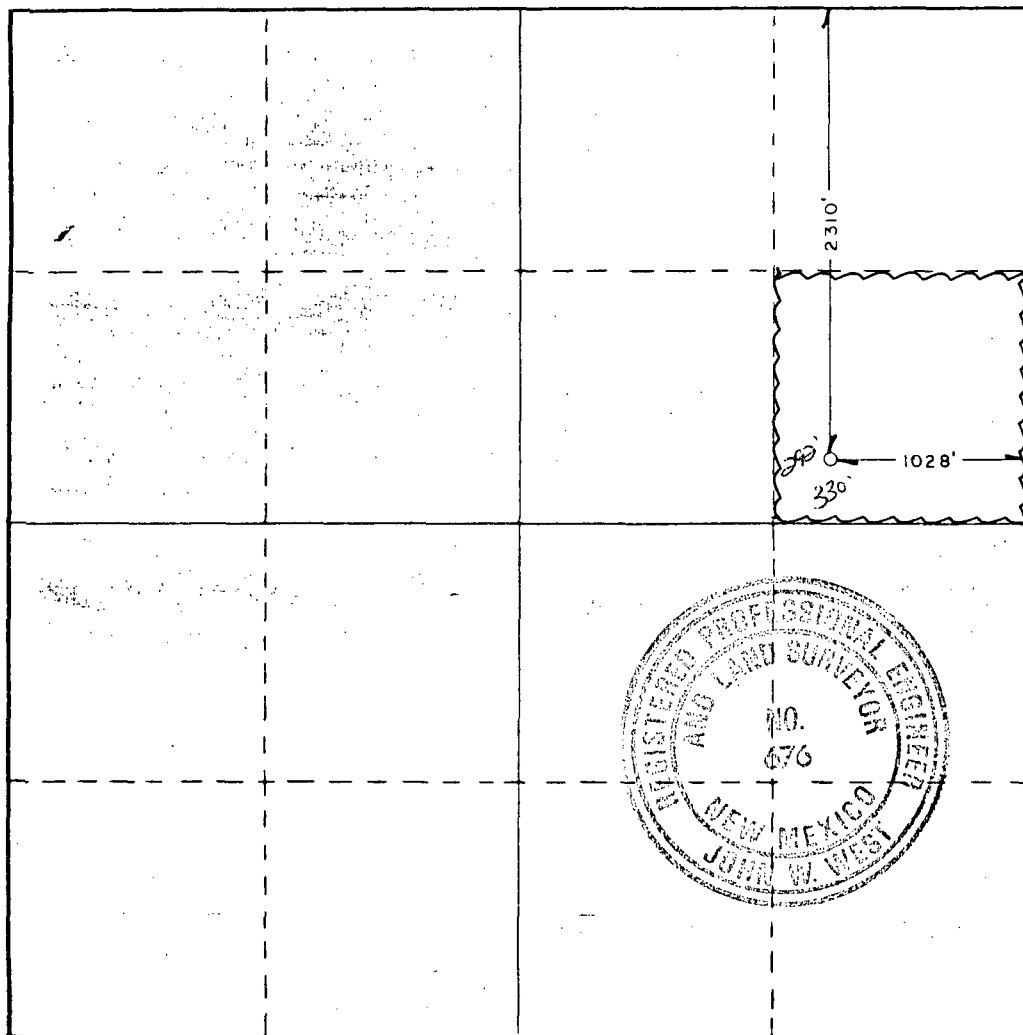
Operator AMOCO PRODUCTION COMPANY		Lease SOUTH HOBBS GRAYBURG SAN ANDRES UNIT		Well No. 201
Unit Letter H	Section 6	Township 19 SOUTH	Range 38 EAST	County LEA
Actual Footage Location of Well: 2310 feet from the NORTH line and 1028 feet from the EAST line				
Ground Level Elev. 3628.5'	Producing Formation Grayburg-San Andres	Pool Hobbs GSA	Dedicated Acreage: 40 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).
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CERTIFICATION

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

Charles M. Lerring
Position
Administrative Analyst (SG)

Company
Amoco Production Company

Date
September 11, 1985

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
AUGUST 16, 1985

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

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**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 COMPANY			Lease SOUTH HOBBS GRAYBURG SAN ANDRES UNIT		Well No. 202
Unit Letter I	Section 6	Township 19 SOUTH	Range 38 EAST	County LEA	
Actual Footage Location of Well: 1650 feet from the SOUTH line and 1100 feet from the EAST line					
Ground Level Elev. 3617.3'	Producing Formation Grayburg-San Andres		Pool Hobbs GSA		Dedicated Acreage: 40 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).
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CERTIFICATION

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

Charles M. Sebring

Name
Administrative Analyst (SG)

Position
Amoco Production Company

Company
September 11, 1985

Date

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

AUGUST 16, 1985

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

**NEW MEXICO OIL CONSERVATION COMMISSION
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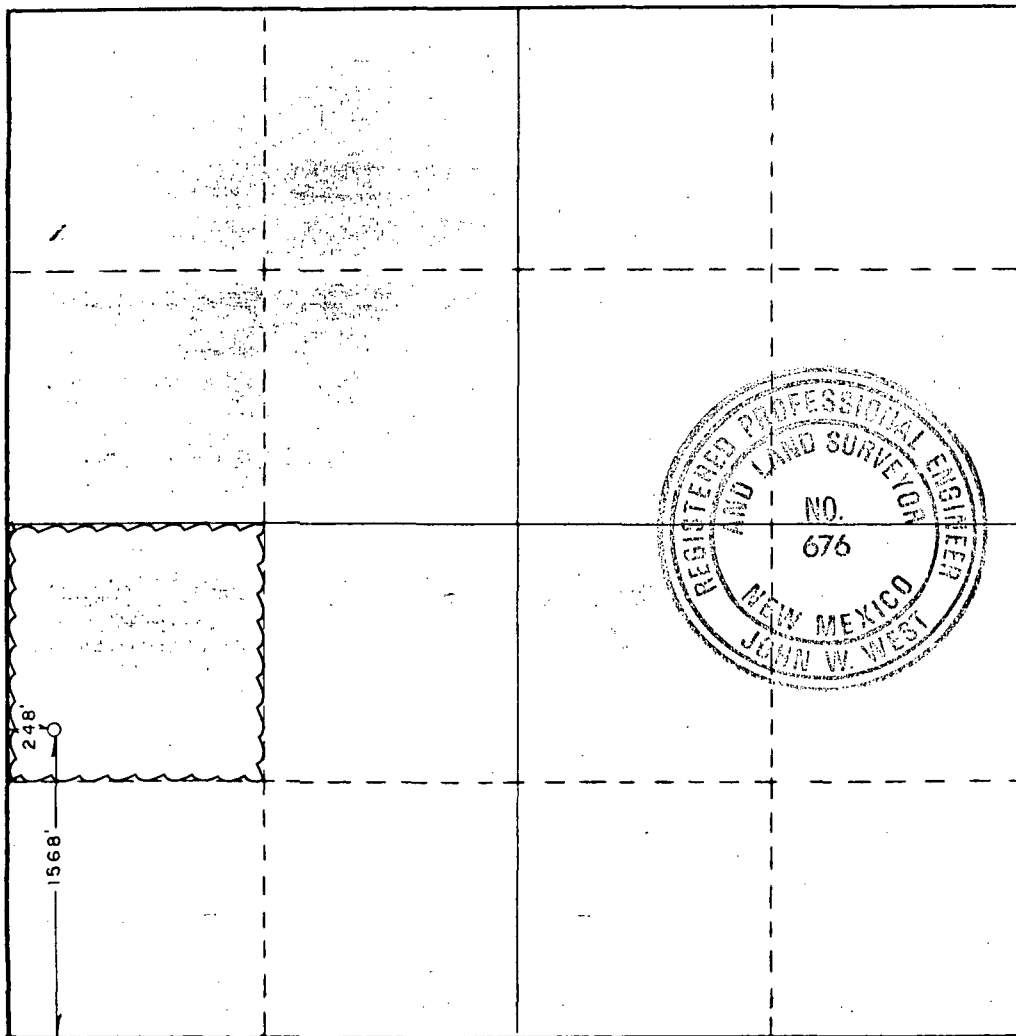
Operator AMOCO PRODUCTION COMPANY		Lease SOUTH HOBBS GRAYBURG SAN ANDRES UNIT		Well No. 203
Unit Letter L	Section 5	Township 19 SOUTH	Range 38 EAST	County LEA
Actual Footage Location of Well: 1568 feet from the SOUTH line and 248 feet from the WEST line				
Ground Level Elev. 3615.5'	Producing Formation Grayburg-San Andres	Pool Hobbs GSA	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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CERTIFICATION

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

Name *Charles M. Larrut*
Position
Administrative Analyst (SG)
Company
Amoco Production Company
Date
September 11, 1985

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
AUGUST 19, 1985

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

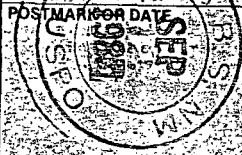
P 267 162 750

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL—
(See Reverse)

SENT TO		Shell Western E&P, Inc.	
STREET AND NO.		P.O. Box 991	
P.O., STATE AND ZIP CODE		Houston, TX 77001	
POSTAGE		\$.73	
CERTIFIED FEE		.75	
SPECIAL DELIVERY		.00	
RESTRICTED DELIVERY		.00	
SHOW TO WHOM AND DATE DELIVERED		.70	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY		.00	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		.00	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		.00	
TOTAL POSTAGE AND FEES		\$ 2.18	

PS Form 3800, Apr. 1976



P 267 162 749

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL—
(See Reverse)

SENT TO		Gulf Oil Explorations & Prod. Co.	
STREET AND NO.		P.O. Box 1150	
P.O., STATE AND ZIP CODE		Midland, TX 79702	
POSTAGE		\$.73	
CERTIFIED FEE		.75	
SPECIAL DELIVERY		.00	
RESTRICTED DELIVERY		.00	
SHOW TO WHOM AND DATE DELIVERED		.70	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY		.00	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY		.00	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY		.00	
TOTAL POSTAGE AND FEES		\$ 2.18	

PS Form 3800, Apr. 1976

