



United States Department of the Interior

GEOLOGICAL SURVEY
Conservation Division
P. O. Box 26124
Albuquerque, New Mexico 87125

APR 20 1977

Amoco Production Company
Attention: Mr. A. R. Reed
P. O. Box 3092
Houston, Texas 77001

Gentlemen:

Your letter of April 1, 1977, requesting approval of the items listed below concerning the Old Indian Draw unit agreement, Eddy County, New Mexico, was approved on this date, subject to like approval by the New Mexico Oil Conservation Commission.

The items included in this approval consist of the following:

1. The fourth revision of the Delaware participating area which adds 112.40 acres described as lot 8, lot 12, and the SE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 18, T.22S., R.28E., N.M.P.M., enlarging the participating area to 308.58 acres. Such revision is based on the completion of unit wells No. 7, 8, and 9 as commercial unit wells pursuant to the terms of the unit agreement. Unit well No. 7 in lot 8 sec. 18 was completed on May 4, 1976, for an initial potential of 81 barrels of oil per day. Unit well No. 8 in lot 12 sec. 18 was completed on May 17, 1976, for an initial potential of 30 barrels of oil per day. Unit well No. 9 in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 18 was completed on May 16, 1976, for an initial potential of 91 barrels of oil per day. The fourth revision is effective as of May 1, 1976.
2. The fifth revision of the Delaware participating area which adds 36.38 acres described as lot 5 sec. 18, T.22S., R.28E., N.M.P.M., and is effective as of July 1, 1976. Such revision is based on the completion of unit well No. 10 in lot 5 sec. 18 on July 21, 1976, for an initial potential of 126 barrels of oil per day.

3. The sixth revision of the Delaware participating area which adds 74.43 acres described as the NE $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 19, and lot 7 sec. 18, T.22S., R.28E., N.M.P.M., and is effective as of August 1, 1976. Such revision is based on the commercial completion of unit wells No. 11 and 12. Unit well No. 11 in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 19 was completed on August 9, 1976, for an initial potential of 27 barrels of oil per day. Unit well No. 12 in lot 7 sec. 18 was completed on August 10, 1976, for an initial potential of 145 barrels of oil per day.

4. The seventh revision of the Delaware participating area which adds 74.32 acres described as lot 6 sec. 18, and the SE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 7, T.22S., R.28E., N.M.P.M., enlarging the participating area to 498.78 acres, effective as of January 1, 1977. Such revision is based on the completion of unit wells No. 13 and 14. Unit well No. 13 in lot 6 sec. 18 was completed on January 7, 1977 for an initial potential of 70 barrels of oil per day. Unit well No. 14 in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 7 was completed on January 7, 1977, for an initial potential of 100 barrels of oil per day.

5. A 1977 plan of development proposing the drilling of three additional Delaware unit wells.


Copies of your approved letter of April 1, 1977, are being distributed to the appropriate Federal offices and one approved copy is returned herewith. You are requested to furnish all interested parties with appropriate evidence of this approval.

Sincerely yours,

(ORIG. SGN.) JAMES W. BOWENLAND

Area Oil and Gas Supervisor

Enclosure

cc: BLM, Santa Fe (ltr. only)
NMOCC, Santa Fe (ltr. only)  The Sup.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

May 13, 1977

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Attention: Mr. A. R. Reed

Re: Delaware Participating Expansions
and 1977 Plan of Development,
Old Indian Draw Unit, Eddy County,
New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the Fourth, Fifth, Sixth and Seventh expansions of the Delaware Participating Area and the 1977 Drilling Program for the Old Indian Draw Unit, Eddy County, New Mexico, subject to like approval by the United States Geological Survey.

Two approved copies of the application dated April 1, 1977, are returned herewith.

Very truly yours,

JOE D. RAMEY
Secretary-Director

JDR/JEK/og

cc: United States Geological Survey
Roswell, New Mexico



Amoco Production Company

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

A. B. Reed
District Supervisor
S. J. Reed

April 1, 1977

File: REO-1155-WF

Re: Delaware Participating Area Expansions
and 1977 Plan of Development
Old Indian Draw Unit
Eddy County, New Mexico

Mr. Carl C. Traywick (3)
Acting Area Oil and Gas Supervisor
United States Department of the Interior
Geological Survey
P. O. Drawer 1857
Roswell, NM 88201

Mr. James E. Kapteina (3)
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, NM 87501

Gentlemen:

This has reference to the United States Department of Interior letter of March 24, 1977. Amoco Production Company, as operator of the Old Indian Draw Unit, Eddy County, New Mexico, hereby requests your approval of the Fourth, Fifth, Sixth and Seventh Expansions of the Delaware Participating Area which are outlined on an attached sheet. The appropriate participating schedules after each expansion are attached. Attached is a map which graphically portrays these expansions. Also requested is your approval of the 1977 Plan of Development.

Three of the recommended four expansions were initially requested by our letter, File: REO-3498-LF, October 22, 1976. However, the United States Department of Interior letter of November 16, 1976, returned unapproved these three applications to provide us additional time in which to determine whether Unit Wells Nos. 8 and 11 should be included in the expansions. Since then, we have obtained sufficient performance on Wells Numbers 8 and 11 to substantiate that they are capable of producing in paying quantities. Therefore, Wells Nos. 8 and 11 are now included in the recommended Fourth and Sixth Delaware Participating Acreage Expansions, respectively.

File: REO-1155-WF

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April 1, 1977

In addition to these earlier recommendations, we are now recommending the Seventh Expansion of the Delaware Participating Acreage.

Recommendation of the Seventh Expansion is based on the completion of Well No. 13 in Lot No. 6 on January 7, 1977, pumping 75 barrels of oil and 5 barrels of water per day. It is also based on the completion of Well No. 14 in SE/4, SW/4 of Section 7 on January 7, 1977, pumping 130 barrels of oil and 24 barrels of water per day. Both wells have performed satisfactorily since their completion.

Wells Nos. 15 and 16 have recently been completed. Pending further performance of these two wells, revisions of the Delaware Participating Area will be submitted when the wells are determined to be capable of producing in paying quantities. Well No. 17 was completed as a dry hole in January, 1977.

We respectfully request that a 1977 Plan of Development be approved calling for at least three Delaware tests. As you are aware, we are actively expanding and developing the productive acreage in this unit. We are hopeful that we will be able to drill additional locations in 1977, but these additional wells are contingent on the success of the wells in our requested 1977 Plan of Development. For your information, the 1977 recommended Plan of Development does not include wells which were spudded in the last quarter of 1976 and completed in 1977 (Wells Nos. 13, 14, 15, 16, and 17).

We will appreciate your favorable consideration of the foregoing.

Yours very truly,

ORIGINAL FILED IN
REO-1155-WF

BAL:fjc
5/0301

Attachment

Approved *May 13* 1977
J. A. Ramirez
Secretary-Director
NEW MEXICO OIL CONSERVATION COMMISSION

OLD INDIAN DRAW UNIT (NO. 522059)

FOURTH EXPANSION OF THE DELAWARE PARTICIPATING AREA
EFFECTIVE MAY 1, 1976

UNIT TRACT NO.	ACREAGE DESCRIPTION	LEASE NUMBER	NO. ACRES	WELL NOS. INVOLVED
3	Lot 8, Lot 12, and SE/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	112.40	7, 8, 9
FIFTH EXPANSION OF THE DELAWARE PARTICIPATING AREA EFFECTIVE JULY 1, 1976				
3	Lot 5, Section 18, T22S, R28E	NM-0415688-A (USA)	36.38	10
SIXTH EXPANSION OF THE DELAWARE PARTICIPATING AREA EFFECTIVE AUGUST 1, 1976				
2	NE/4 NE/4, Section 19, T22S, R28E	NM-0415461 (USA)	40.00	11
3	Lot 7, Section 18, T22S, R28E	NM-0415688-A (USA)	34.43	12
SEVENTH EXPANSION OF THE DELAWARE PARTICIPATING AREA EFFECTIVE JANUARY 1, 1977				
3	Lot 6, Section 18, T22S, R28E	NM-0415688-A (USA)	34.39	13
6	SE/4 SW/4, Section 7, T22S, R28E	Fee-unsigned royalty	40.00	14

OLD INDIAN DRAW UNIT (NO. 522059)

DELAWARE PARTICIPATING ACREAGE SCHEDULE
AFTER FOURTH EXPANSION EFFECTIVE MAY 1, 1976

<u>UNIT TRACT NO.</u>	<u>ACREAGE DESCRIPTION</u>	<u>LEASE NUMBER</u>	<u>NO. ACRES</u>	<u>PARTICIPATION PERCENT-DECIMAL</u>
3	NW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.129626
3	SW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.129626
2	NW/4 NE/4, Section 19, T22S, R28E	NM-0415461 (USA)	40.00	.129626
3	SW/4 NE/4, and Lot 9, Section 18, T22S, R28E	NM-0415688-A (USA)	76.18	.246873
3	Lot 8, Lot 12, and SE/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	112.40	.364249
	TOTAL		308.58	1.000000

JVM/cjb
3/4409

OLD INDIAN DRAW UNIT (NO. 522059)

DELAWARE PARTICIPATING ACREAGE SCHEDULE
AFTER FIFTH EXPANSION EFFECTIVE JULY 1, 1976

UNIT TRACT NO.	ACREAGE DESCRIPTION	LEASE NUMBER	NO. ACRES	PARTICIPATION PERCENT-DECIMAL
3	NW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.115955
3	SW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.115955
2	NW/4 NE/4, Section 19, T22S, R28E	NM-0415461 (USA)	40.00	.115955
3	SW/4 NE/4, and Lot 9, Section 18, T22S, R28E	NM-0415688-A (USA)	76.18	.220838
3	Lot 8, Lot 12, and SE/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	112.40	.325835
3	Lot 5, Section 18, T22S, R28E	NM-0415688-A (USA)	36.38	.105462
	TOTAL		344.96	1.000000

OLD INDIAN DRAW UNIT (NO. 522059)

DELAWARE PARTICIPATING ACREAGE SCHEDULE
AFTER SIXTH EXPANSION EFFECTIVE AUGUST 1, 1976

UNIT TRACT NO.	ACREAGE DESCRIPTION	LEASE NUMBER	NO. ACRES	PARTICIPATION PERCENT-DECIMAL
3	NW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.095377
3	SW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.095377
2	NW/4 NE/4, Section 19, T22S, R28E	NM-0415461 (USA)	40.00	.095377
3	SW/4 NE/4, and Lot 9, Section 18, T22S, R28E	NM-0415688-A (USA)	76.18	.181644
3	Lot 8, Lot 12, and SE/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	112.40	.268008
3	Lot 5, Section 18, T22S, R28E	NM-0415688-A (USA)	36.38	.086745
2	NE/4 NE/4, Section 19, T22S, R28E	NM-0415461 (USA)	40.00	.095377
3	Lot 7, Section 18, T22S, R28E	NM-0415688-A (USA)	34.43	.082095
	TOTAL		419.39	1.000000

OLD INDIAN DRAW UNIT (NO. 522059)

DELAWARE PARTICIPATING ACREAGE SCHEDULE
AFTER SEVENTH EXPANSION EFFECTIVE JANUARY 1, 1977

UNIT TRACT NO.	ACREAGE DESCRIPTION	LEASE NUMBER	NO. ACRES	PARTICIPATION PERCENT-DECIMAL
3	NW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.081008
3	SW/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	40.00	.081008
2	NW/4 NE/4, Section 19, T22S, R28E	NM-0415461 (USA)	40.00	.081008
3	SW/4 NE/4, and Lot 9, Section 18, T22S, R28E	NM-0415688-A (USA)	76.18	.154278
3	Lot 8, Lot 12, and SE/4 SE/4, Section 18, T22S, R28E	NM-0415688-A (USA)	112.40	.227632
3	Lot 5, Section 18, T22S, R28E	NM-0415688-A (USA)	36.38	.073677
2	NE/4 NE/4, Section 19, T22S, R28E	NM-0415461 (USA)	40.00	.081008
3	Lot 7, Section 18, T22S, R28E	NM-0415688-A (USA)	34.43	.069727
3	Lot 6, Section 18, T22S, R28E	NM-0415688-A (USA)	34.39	.069646
6	SE/4 SW/4, Section 7, T22S, R28E	Fee-unsigned royalty	40.00	.081008
	TOTAL		493.78	1.000000