



United States Department of the Interior

GEOLOGICAL SURVEY

**Conservation Division
Western National Bank Building
505 Marquette, NW, Suite 815
Albuquerque, New Mexico 87102**

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

Gentleman:

Two approved copies of the August 10, 1976, supplement to your 1976 plan of development for the Old Indian Draw unit area, Eddy County, New Mexico, are enclosed. Such plan, proposing the drilling of up to six more Delaware wells depending on information developed as the wells are drilled was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Sincerely yours,

Area Oil and Gas Supervisor

cc:
Artesia (w/cy plan)
NMOCC, Santa Fe (ltr. only) ←/cc: Copy for

ARStall:dlk:11/11/76



United States Department of the Interior

GEOLOGICAL SURVEY
Conservation Division
Western National Bank Bldg.
505 Marquette NW, Room 815
Albuquerque, New Mexico 87102

November 16, 1976

NOV 19 1976

Amoco Production Company
Attention: Mr. Vic Morgan
P. O. Box 3092
Houston, Texas 77001

Gentlemen:

Pursuant to your telephone request of November 15, 1976, returned herewith unapproved are all three copies of your application for the fourth, fifth and sixth expansions of the Delaware participating area of the Old Indian Draw unit agreement, Eddy County, New Mexico. Such application is returned to provide additional time in which to determine whether unit wells No. 8 and No. 11 should be included in the expansions. Please resubmit the application with participation schedules for each expansion when the commercial status of unit wells No. 8 and No. 11 has been established.

Sincerely yours,

(ORIGINAL) JAMES W. BURNELL

Area Oil and Gas Supervisor

cc:
NMOCC, Santa Fe ← This Copy for

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

November 1, 1976

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

Attention: Mr. A. R. Reed

Re: Fourth, Fifth, and Sixth
Expansions - Delaware
Participating Area, 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 and Sixth Expansions of the Delaware Participating Area 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 are returned herewith.

Very truly yours,

JOE D. RAMEY
Secretary-Director

JDR/JEK/og

cc: United States Geological Survey
Box 1857
Roswell, New Mexico



Amoco Production Company

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

A. R. Beard
Assistant Area Oil and Gas Supervisor
United States Department of the Interior

October 22, 1976

File: REO-3498-LF

Re: Delaware Participating
Area Expansions
Old Indian Draw Unit
Eddy County, New Mexico

Mr. Carl C. Traywick (3)
Assistant 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:

Amoco Production Company, as operator of the Old Indian Draw Unit, Eddy County, New Mexico, hereby makes three recommendations concerning expansion of the Delaware Participating Area which are outlined on an attached sheet. Also included is a map which graphically portrays these expansions.

Recommendation No. 1 is based on the completion of Well No. 7 in Lot No. 8 on May 4, 1976 pumping 81 barrels oil and 31 barrels water per day. It is also based on the completion of Well No. 9 in the SE/4 SE/4 of Section 18 on May 16, 1976 pumping 91 barrels oil and 15 barrels water per day. Both wells have performed satisfactorily since their completion.

Recommendation No. 2 is based on the completion of Well No. 10 in Lot 5 on July 21, 1976 pumping 126 barrels oil and 7 barrels water per day. It has also performed satisfactorily since that time.

Recommendation No. 3 is based on the completion of Well No. 12 in Lot 7 on August 10, 1976 pumping 145 barrels oil and 3 barrels water per day. It too has performed satisfactorily since that time.

Well No. 8 was completed May 17, 1976 pumping 30 barrels oil and 95 barrels water per day. It has performed very erratically since that time with periods of nothing but water production. It will be necessary to further watch performance or possibly even repair the well before we can determine its commercial nature.

Well No. 11 was completed August 9, 1976 pumping 27 barrels oil and 46 barrels water per day. In view of the low productivity we must observe further performance on this well also.

By our letter to you of August 10, 1976, File: REO-3205-LF, we advised our tentative plans to drill up to six more Delaware tests this year. Permits to drill these wells have not yet been received and this plus the present scarcity of rigs may push completion of some of these wells into 1977. This in turn will cause us to be undesirably late with our recommended 1977 Plan of Development since such will be completely related to results obtained at these six wells.

We will appreciate your favorable consideration of the foregoing.

Yours very truly,

A handwritten signature in black ink, appearing to read "A. P. Reed". The signature is written in a cursive, flowing style with a large, prominent "A" and "R".

JVM:sam
Attachments

Recommendations On
Old Indian Draw Unit
Eddy County, New Mexico

1. The Fourth Expansion of the Old Indian Draw Unit Delaware Participating Area effective 5-1-76, to include Lot 8 and SE/4 SE/4, Section 18, T-22-S, R-28-E.
2. The Fifth Expansion of the Old Indian Draw Unit Delaware Participating Area effective 7-1-76, to include Lot 5, Section 18, T-22-S, R-28-E.
3. The Sixth Expansion of the Old Indian Draw Unit Delaware Participating Area effective 8-1-76, to include Lot 7, Section 18, T-22-S, R-28-E.

Approved For: OIL CONSERVATION COMMISSION

Approved By:

J. R. Kline Secretary-Director

Date:

November 11, 1976