Entered June 30, 1972

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. 4716 Order No. R-4328

APPLICATION OF UNION OIL COMPANY OF CALIFORNIA FOR DIRECTIONAL DRILLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 7, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of June, 1972, 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, Union Oil Company of California, is the owner and operator of the Owens Well No. 2, having a surface location in Unit I of Section 34, Township 14 South, Range 35 East, East Morton-Wolfcamp Pool, Lea County, New Mexico.
- (3) That the subject well was originally drilled to a total depth of 11,341 feet into the East Morton-Wolfcamp Pool and was plugged and abandoned as a dry hole in September, 1969.
- (4) That said well was recompleted as a salt water disposal well in January, 1970, with injection into the open hole interval from 4,635 feet to 6,102 feet.
- (5) That the applicant proposes to set a whipstock at approximately 7,200 feet and to directionally drill to bottom the well in the Wolfcamp formation within 100 feet of a point in Unit H, 1730 feet from the North line and 560 feet from the East line of said Section 34, with the E/2 NE/4 of Section 34 to be dedicated to the well.

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- (6) That the applicant proposes to determine the subsurface location of the whipstock point by means of a continuous multi-shot directional survey conducted prior to said directional drilling.
- (7) That in order to prevent the migration of salt water from the former injection zone, 4,635 feet to 6,102 feet, cement should be circulated to a point at least 100 feet into the 8 5/8-inch casing set at 4,635 feet. The top of the cement should be determined by temperature survey.
- (8) That approval of the subject application will prevent the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, is hereby authorized to set a whipstock at approximately 7,200 feet and to directionally drill to bottom the well in the Wolfcamp formation within 100 feet of a point in Unit H, 1730 feet from the North line and 560 feet from the East line of said Section 34, Township 14 South, Range 35 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, that prior to commencing the aforesaid directional drilling, a continuous multi-shot directional survey shall be made of the well bore with shot points not more than 100 feet apart in order to determine the sub-surface location of the whipstock point; 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 survey is to be commenced.

- (2) That subsequent to the above-described directional drilling, a continuous multi-shot directional survey shall be made of the well bore from total depth to the whipstock point 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 be commenced.
- (3) That Form C-105 shall be filed in accordance with Commission Rule 1108 and the operator shall indicate thereon true vertical depths in addition to measured depths.
- (4) That cement shall be circulated on the well's production casing to a point at least 100 feet into the 8 5/8-inch casing set at 4,635 feet.

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- (5) That the E/2 NE/4 of said Section 34 shall be dedicated to the subject well.
- (6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

HRUCE KING, Chairman

ARMIJO Member

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

SEAL