

Entered June 1, 1976
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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. 5678
Order No. R-5221

APPLICATION OF AMOCO PRODUCTION
COMPANY 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 May 12, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 1st day of June, 1976, 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, Amoco Production Company, is the owner and operator of the State "E" Tract 18 Well No. 15, the surface location of which is 330 feet from the North line and 2310 feet from the West line of Section 1, Township 17 South, Range 36 East, NMPM, Lovington-Abo Pool, Lea County, New Mexico.
- (3) That said well has developed certain mechanical problems which render its recompletion in the Abo formation or its replacement by another well drilled to the Abo formation on the same 40-acre tract advisable.
- (4) That it appears that the most beneficial and economical method of restoring production on the subject 40-acre tract is to plug the aforesaid State "E" Tract 18 Well No. 1 back from the Abo formation and directionally re-drill said well into the Abo formation some distance away from its present bottom-hole location, which is approximately 30.51 feet WSW of the surface location.

(5) That the applicant, Amoco Production Company, seeks authority to plug said well back from its present total depth to a depth of approximately 4600 feet, and then to directionally drill in a southerly direction to a true vertical depth of approximately 8500 feet bottoming said well in the Abo formation within 100 feet of a point 600 feet from the North line and 2310 feet from the West line of the aforesaid Section 1.

(6) That approval of the application is in the interest of conservation, inasmuch as it may result in the recovery of otherwise unrecoverable oil, thereby preventing waste, and will not impair correlative rights, provided that the applicant should be required to determine the subsurface location of the bottom of the hole by means of a continuous multi-shot directional survey conducted subsequent to directional drilling, if said well is to be completed as a producing well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to re-enter its State "E" Tract 18 Well No. 1, the surface location of which is 330 feet from the North line and 2310 feet from the West line of Section 1, Township 17 South, Range 36 East, NMPM, Lovington-Abo Pool, Lea County, New Mexico, and to set a whipstock at approximately 4600 feet and directionally drill said well in a southerly direction to a true vertical depth of approximately 8500 feet, bottoming the well in the Lovington-Abo Pool within 100 feet of a point 600 feet from the North line and 2310 feet from the West line of said Section 1.

PROVIDED HOWEVER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore 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.

(2) 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.

(3) That the NE/4 NW/4 of said Section 1 shall be dedicated to the subject well.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

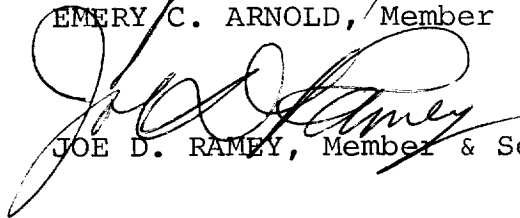
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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