Entered February 8, 19>>

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. 5834 Order No. R-5363

APPLICATION OF SUN OIL 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 February 2, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1977, 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, Sun Oil Company, is the owner and operator of its Dessie Sawyer Well No. 2, located 2310 feet from the South line and 2310 feet from the West line of Section 27, Township 9 South, Range 36 East, NMPM, Crossroads Siluro-Devonian Pool, Lea County, New Mexico.
- (3) That the applicant proposes to re-enter the subject well and to directionally drill said well in such a manner as to bottom it in the Siluro-Devonian formation within 50 feet of a point 2310 feet from the South line and 2540 feet from the West line of said Section 27.
- (4) 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 said directional drilling, if said well is to be completed as a producing well.

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(5) 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, Sun Oil Company, is hereby authorized to re-enter its Dessie Sawyer Well No. 2, the surface location of which is 2310 feet from the South line and 2310 feet from the West line of Section 27, Township 9 South, Range 36 East, NMPM, Crossroads Siluro-Devonian Pool, Lea County, New Mexico, and to directionally drill said well in such a manner as to bottom it in the Siluro-Devonian formation within 50 feet of a point 2310 feet from the South line and 2540 feet from the West line of said Section 27.

PROVIDED HOWEVER, that prior to the above-described directional drilling, the applicant shall establish the location of the whipstock point by conducting a continuous multi-shot directional survey of the well.

PROVIDED FURTHER, 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 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.

- (2) That Form C-105 shall be filed in accordance with Commission Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.
- (3) That the NE/4 SW/4 of said Section 27 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 hereinabove 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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