

Entered February 23, 1983
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7796
Order No. R-7215

APPLICATION OF BELCO PETROLEUM CORP.
FOR DIRECTIONAL DRILLING AND AN
UNORTHODOX LOCATION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 16, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 23rd day of February, 1983, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Belco Petroleum Corporation, seeks authority to directionally drill its James Ranch Well No. 14 from an unorthodox surface location 100 feet from the South line and 1980 feet from the West line of Section 6, Township 23 South, Range 31 East vertically to a depth of approximately 8360 feet and then directionally to a location within the Atoka and Morrow formations within 100 feet of a point 660 feet from the North line and 1980 feet from the West line of Section 7, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the N/2 of said Section 7 would be dedicated to the well.
- (4) That the applicant should be required to determine the subsurface location of the bottom of the hole and of the hole within the Atoka and Morrow formations 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 the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Belco Petroleum Corporation, is hereby authorized to directionally drill its James Ranch Well No. 14 from an unorthodox surface location 100 feet from the South line and 1980 feet from the West line of Section 6, Township 23 South, Range 31 East vertically to a depth of approximately 8360 feet and then directionally to a bottom hole location in the Atoka and Morrow formations within 100 feet of a point 660 feet from the North line and 1980 feet from the West line of Section 7, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico.

(2) That the N/2 of said Section 7 is hereby dedicated to the well.

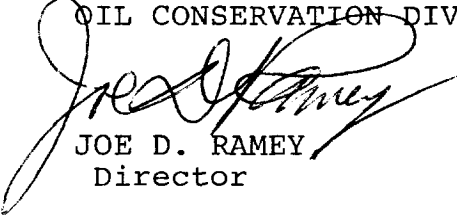
PROVIDED HOWEVER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the kick-off point with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, P. O. Box 2088, Santa Fe, New Mexico, and that the operator shall notify the Division's Artesia District Office of the date and time said survey is to be commenced.

(3) That Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths, and the bottom hole location of the well.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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