STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 10137 Order No. R-9386

APPLICATION OF C. W. TRAINER FOR DIRECTIONAL DRILLING AND AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 28, 1990, at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 7th day of December, 1990, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, C. W. Trainer, seeks authority to directionally drill from his existing Harris Federal Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 5, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico, in such a manner as to bottom the well in the Undesignated Grama Ridge-Morrow Gas Pool at a target point that is no closer than 660 feet from the South line and no closer than 660 feet from the East line (Unit P) of said Section 5, which is an unorthodox gas well location for said pool. Lots 1 and 2, S/2 NE/4, and SE/4 (E/2 equivalent) of said Section 5 is to be dedicated to said well forming a 321.36-acre gas spacing and proration unit for said pool.
- (3) Applicant's Harris Federal Well No. 1 is a vertically drilled dry hole in the Morrow formation at the existing location.
- (4) Applicant plans to clean out and repair casing in the Harris Federal No. 1 well, set a plug at approximately 9,000 feet, and mill out a section of the 7 5/8-inch casing from about 8,930 feet to 9,000 feet. The well would be deviated from the vertical in an Easterly direction, building

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angle to approximately 20 degrees from vertical so as to reach the proposed target point at a true vertical depth of approximately 13,300 feet and a measured depth of approximately 13,519 feet.

- (5) Applicant's witness presented geological evidence that both the Morrow "A" and Morrow "C" pay zones should be present at the proposed target point. These Morrow intervals are productive in wells to the East of the Harris Federal Well No. 1
- (6) Applicant's witness further testified that the proposed project would be expected to recover from 1 to 1.5 billion cubic feet of gas from the productive intervals in the Morrow formation.
- (7) No interested party appeared and objected to the applicant's requests.
- (8) The proposed project will protect correlative rights and prevent waste and should therefore be approved.

IT IS THEREFORE ORDERED THAT:

- (1) The application of C. W. Trainer for directional drilling and an unorthodox gas well location for the Harris Federal Well No. 1, Undesignated Grama Ridge-Morrow Gas Pool, Lea County, New Mexico, is hereby approved.
- (2) Surface location is 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 5, Township 22 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) Applicant is authorized to directionally drill from the Harris Federal Well No. 1 by deviating from the vertical in an Easterly direction at a depth of approximately 9,000 feet through the existing 7 5/8-inch casing to a target location approximately 1320 feet East of the surface location.
- (4) Bottomhole location of the directionally drilled well will be in the Undesignated Grama Ridge-Morrow Gas Pool at a true vertical depth of approximately 13,300 feet (measured depth of about 13,519 feet) and shall be no closer than 660 feet from the South line and 660 feet from the East line (Unit P) of said Section 5.

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- (5) Lots 1 and 2, S/2 NE/4, and SE/4 (E/2 equivalent) of said Section 5 shall be dedicated to the well forming a 321.36-acre gas spacing and proration unit for said pool.
- (6) The applicant shall conduct directional drilling surveys during drilling operations and shall notify the supervisor of the Hobbs district office of the Division of the progress of the deviated well so that operations may be witnessed.
- (7) Upon completion of drilling operations, the applicant shall file a copy of a directional survey of the entire wellbore with both the Santa Fe and the Hobbs office of the Division.
- (8) 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

WILLIAM J. LEMAY

Director

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