



OIL CONSERVATION DIVISION
RECEIVED

Amoco Production Company

'90 MAR 19 AM 9:40

50 Westlake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

March 15, 1990

State of New Mexico
Energy and Mineral Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: W. J. LeMay, Director

File: WDF-5082-WF

Gentlemen:

Application for Administrative Approval
Unorthodox Gas Well
Hondo Federal Gas Com. Well No. 1
Logan Draw-Wolfcamp
Eddy County, New Mexico

Amoco Production Company hereby makes application for administrative approval of an unorthodox gas well location under the provision of Statewide Rule 104(F). Amoco plans to recomplete this well from the Logan Draw-Morrow to the Logan Draw-Wolfcamp.

Amoco hereby certifies that on March 16, 1990, notice of this application was forwarded by certified mail to the operators offsetting this proration unit. (See attached list)

If there are any questions concerning this application, please contact Brian Taylor at (713) 584-7301 or Howard Black at (713) 584-7213.

Yours very truly,

W.D. Fisher
HB

W. D. Fisher
Administrative Services Manager

HIB/djh
A:HIB-5082

Attachments

State of New Mexico
P. O. Drawer DD
Artesia, NM 88210



Amoco Production Company

501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

March 15, 1990

Offset Operators
(See Attached List)

File: WDF-5083-WF

Gentlemen:

Notice of Application for Administrative Approval
Unorthodox Gas Well Location
Hondo Federal Gas Com. Well No. 1
Logan Draw-Wolfcamp
Eddy County, New Mexico

Amoco Production Company has made application to the New Mexico Oil Conservation Division for the administrative approval of an unorthodox gas well location under Statewide Rule 104(F). Amoco seeks approval to recomplete the subject well from the Logan Draw-Morrow to the Logan Draw-Wolfcamp.

We have attached a copy of our application submitted to the Bureau of Land Management. If you have any questions regarding this matter, please contact Brian Taylor at (713) 584-7301 or Howard Black at (713) 584-7213.

Yours very truly,

W.D. Fisher
HB

W. D. Fisher
Administrative Services Manager

HIB/djh
A:HIB-5083

Attachments

State of New Mexico
Energy and Mineral Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

OFFSET OPERATORS

Maralo, Inc.
4600 Post Oak Place, Suite 307
Houston, Texas 77027-9792

Santa Fe Energy Operating Partnership
500 W. Illinois, Suite 500
Midland, Texas 79701

Arco Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Hondo Oil and Gas Company
P. O. Box 2208
Roswell, New Mexico 88201

Mesa Petroleum Company
Vaugh Building, Suite 1000
Midland, Texas 79701

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Amoco Production Company

3. ADDRESS OF OPERATOR
 P. O. Box 3092 Houston, Texas 77253

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface 1650 FSL X 2310 FEL Sec. 27 (Unit J, NW/4, SE/4)
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

10. DISTANCE FROM PROPOSED*
 LOCATION TO NEAREST
 PROPERTY OR LEASE LINE, FT.
 (Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
 TO THIS WELL
 320

18. DISTANCE FROM PROPOSED LOCATION*
 TO NEAREST WELL, DRILLING, COMPLETED,
 OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
 9778'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3492' RDB

22. APPROX. DATE WORK WILL START*
 4-2-90

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	32#	1792	835 SX
7 7/8"	5 1/2"	15.5-17#	9778	375 SX

- Rig up service unit and pull out of hole with production equipment.
- Set cast iron bridge plug at 9250 feet and cap with 35 feet cement.
- Run pipe recovery log to determine top of cement.
- Perforate at approximately 7000 feet and attempt to establish circulation. If unable to circulate, will perforate at approximately 6000 feet to circulate cement around perforations.
- Run in hole with workstring and cement retainer to 6900 feet.
- Establish circulation.
- Cement with class H cement to bring cement top to approximately 5000 feet. Pull out of retainer and cap with cement and clear tubing and pull out of hole.
- Perforate 6550'-6570', 6680'-6710', and 6716'-6723' at 4 jet shots per foot with casing gun.
- Run in hole with production tubing and packer and shear disk to 6530 feet. Run tubing dry.
- Drop bar to shear disk.
- If well does not flow, acidize with 3000gallons 15% NEFE HCL with ball sealers. Flush tubing volume plus 15 barrels 2% KCL Water.
- Swab to clean up and test. Return to production.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

Room 20.164 713-584-7213

24. SIGNED: H. I. Black (H.I. Black) TITLE Staff Administrative Analyst DATE 3-14-90

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-4-65

All distances must be from the outer boundaries of the Section.

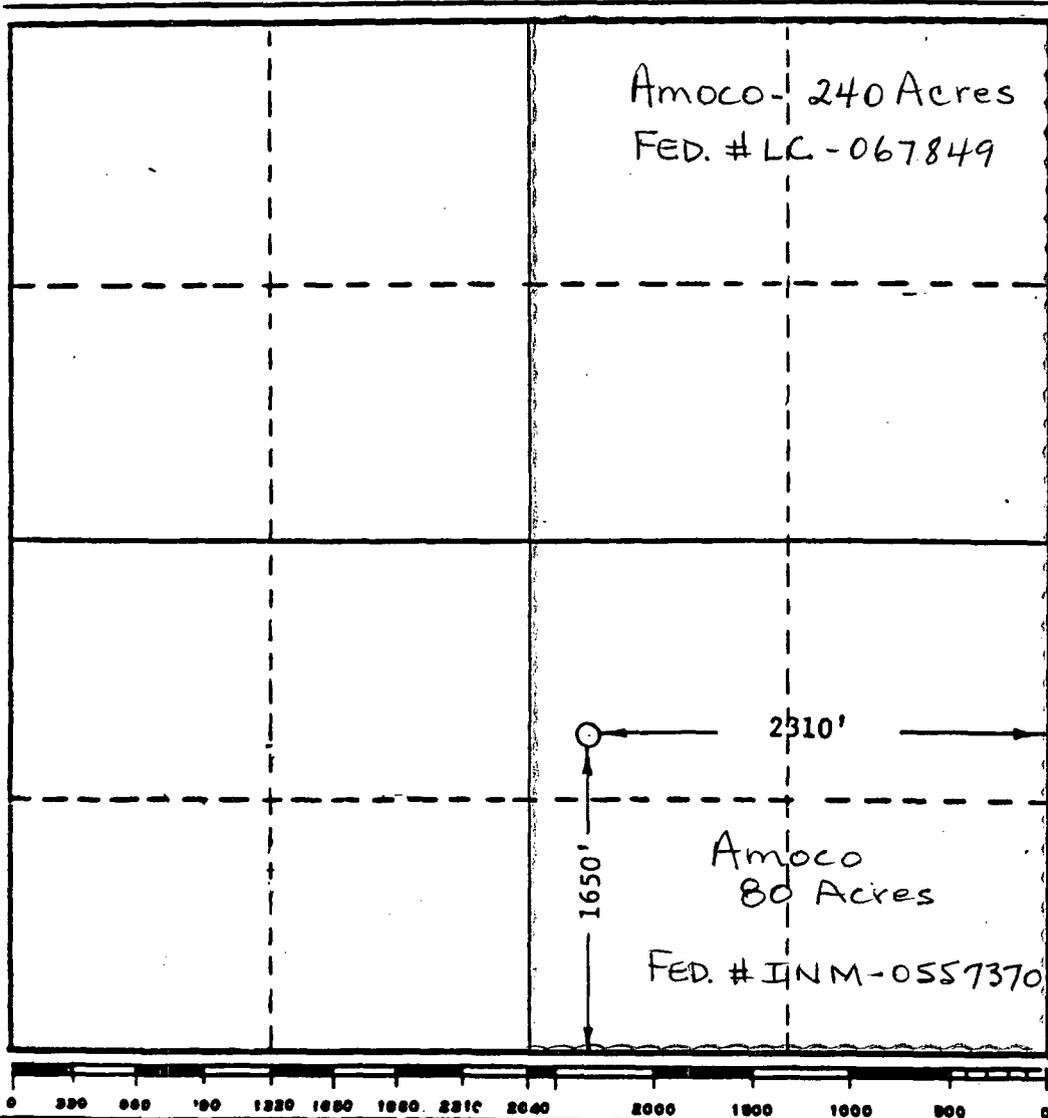
Operator AMOCO PRODUCTION COMPANY		Lease HONDO FEDERAL GAS COM.		Well No. 1
Unit Letter J	Section 27	Township 17 SOUTH	Range 27 EAST	County EDDY
Actual Footage Location of Well: 1650 feet from the SOUTH line and 2310 feet from the EAST line				
Ground Level Elev. 3878.2'	Producing Formation WOLFECAMP	Pool LOGAN DRAW-WOLFECAMP	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

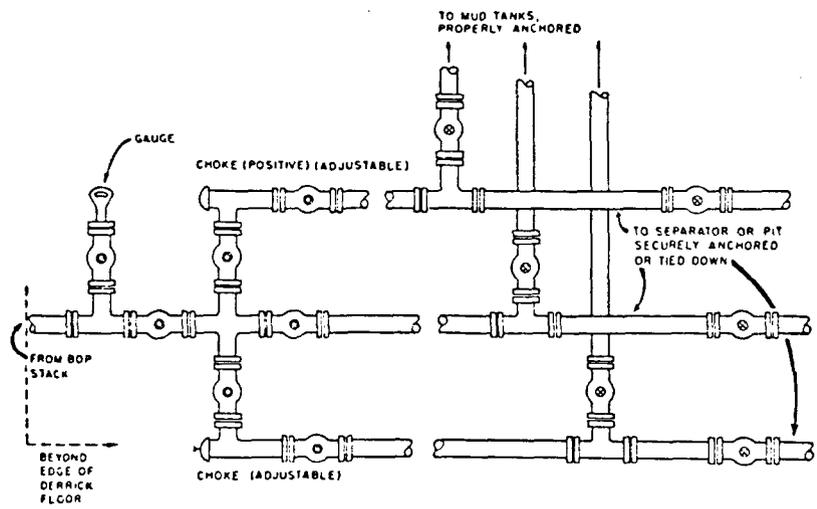
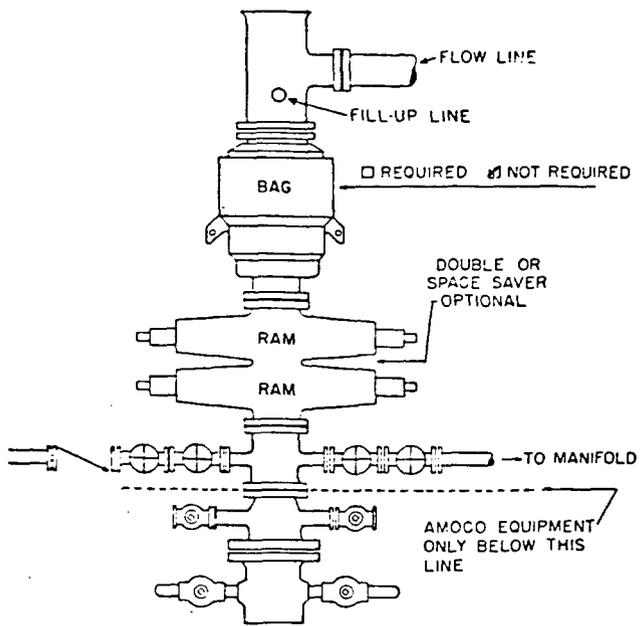
Yes No If answer is "yes;" type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	H. J. Blum
Position	Stf. Admin. Analyst
Company	Amoco Production
Date	January 12, 1990
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed	
Registered Professional Engineer and/or Land Surveyor	
Certificate No.	676





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

GARREY CARRUTHERS
 GOVERNOR

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87504
 (505) 827-5800

March 19, 1990

Bureau of Land Management
 Carlsbad Resources Office
 P.O. Box 1778
 Carlsbad, NM 88220

Attention: Barry Hunt

RE: Amoco Production Company, Application for administrative approval of an unorthodox gas well location, Hondo Federal Gas Com No. 1, 1650' FSL - 2310' FEL (Unit J), 27-T17S-R27E, Undesignated Logan Draw Wolfcamp Gas Pool, Eddy County, New Mexico

Dear Mr. Hunt:

Enclosed please find a copy of an unorthodox gas well location request that the NMOCDD received on March 19, 1990. This information is being provided to you for your records since the well is within your jurisdiction. Should you have any comments or suggestions, please contact me.

Sincerely,

Michael E. Stogner
 Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Artesia
 Amoco Production Company - Houston

*Left Word For
 Brian Taylor
 to call me back
 about off-sites
 Buspar®
 in Unit*

In the event gas production is encountered in a well which was projected to an oil-producing horizon and which is located accordingly but does not conform to the above gas well location rules, it shall be necessary for the operator to bring the matter to a hearing before approval for the production of gas can be given.

III. All counties except Lea, Chaves, Eddy, Roosevelt, San Juan, Rio Arriba, and Sandoval

Any wildcat well which is projected as an oil well in any county other than Lea, Chaves, Eddy, Roosevelt, San Juan, Rio Arriba, and Sandoval shall be located on a tract consisting of approximately 40 surface contiguous acres substantially in the form of a square which is a legal subdivision of the U. S. Public Land Surveys, or on a governmental quarter-quarter section or lot and shall be located not closer than 330 feet to any boundary of such tract.

Any wildcat well which is projected as a gas well to a formation and in an area which, in the opinion of the Division representative approving the application to drill, may reasonably be presumed to be productive of gas rather than oil shall be located on a drilling tract consisting of 160 surface contiguous acres, more or less, substantially in the form of a square which is a quarter section, being a legal subdivision of the U. S. Public Land Surveys, and shall be located not closer than 660 feet to any outer boundary of such tract nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary.

C. ACREAGE AND WELL LOCATION REQUIREMENTS FOR DEVELOPMENT WELLS

I. Oil Wells, All Counties

Unless otherwise provided in special pool rules, each development well for a defined oil pool shall be located on a tract consisting of approximately 40 surface contiguous acres substantially in the form of a square which is a legal subdivision of the U.S. Public Land Surveys, or on a governmental quarter-quarter section or lot, and shall be located not closer than 330 feet to any boundary of such tract nor closer than 330 feet to the nearest well drilling to or capable of producing from the same pool, provided however, only tracts committed to active secondary recovery projects shall be permitted more than four wells.

II. Gas Wells

(a) Lea, Chaves, Eddy, and Roosevelt Counties

Unless otherwise provided in special pool rules, each development well for a defined gas pool in a formation younger than the Wolfcamp formation, or in the Wolfcamp formation which was created and defined by the Division prior to November 1, 1975, or in a Pennsylvanian age or older formation which was created and defined by the Division prior to June 1, 1964, shall be located on a designated drilling tract consisting of 160 surface contiguous acres, more or less, substantially in the form of a square which is a quarter section being a legal subdivision of the U. S. Public Land Surveys, and shall be located not closer than 660 feet to any outer boundary of such tract nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary nor closer than 1320 feet to the nearest well drilling to or capable of producing from the same pool.

Unless otherwise provided in the special pool rules, each development well for a defined gas pool in the Wolfcamp formation which was created and defined by the Division after November 1, 1975, or of Pennsylvanian age or older which was created and defined by the Division after June 1, 1964, shall be located on a designated drilling tract consisting of 320 surface contiguous acres, more or less, comprising any two contiguous quarter sections of a single

governmental section, being a legal subdivision of the U. S. Public Land Surveys. Any such well having more than 160 acres dedicated to it shall be located not closer than 660 feet to the nearest side boundary of the dedicated tract nor closer than 1980 feet to the nearest end boundary nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary. (For the purpose of this rule, "side" boundary and "end" boundary are as defined in Section B I(a) of this rule.)

(b) San Juan, Rio Arriba, and Sandoval Counties

Unless otherwise provided in special pool rules, each development well for a defined gas pool shall be located on a designated drilling tract consisting of 160 surface contiguous acres, more or less, substantially in the form of a square which is a quarter section, being a legal subdivision of the U. S. Public Land Surveys, and shall be located not closer than 790 feet to any outer boundary of the tract nor closer than 130 feet to any quarter-quarter section line or subdivision inner boundary.

(c) All Counties except Lea, Chaves, Eddy, Roosevelt, San Juan, Rio Arriba, and Sandoval

Unless otherwise provided in special pool rules, each development well for a defined gas pool shall be located on a designated drilling tract consisting of 160 surface contiguous acres, more or less, substantially in the form of a square which is a quarter section, being a legal subdivision of the U. S. Public Land Surveys, and shall be located not closer than 660 feet to any outer boundary of such tract nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary nor closer than 1320 feet to the nearest well drilling to or capable of producing from the same pool.

D. ACREAGE ASSIGNMENT, COMPLETED WELLS

I. Well Tests and Classification

It shall be the responsibility of the operator of any wildcat gas well or development gas well to which more than 40 acres has been dedicated to conduct a potential test within 30 days following completion of the well and to file the same with the Division within 10 days following completion of the tests. (See Rule 401.)

Date of completion for a gas well shall be the date a Christmas tree is installed or 30 days following conclusion of active completion work on the well, whichever date comes first.

Upon making a determination that the well should not properly be classified as a gas well, the Division will reduce the acreage dedicated to the well.

Failure of the operator to file the aforesaid tests within the specified time will also subject the well to such acreage reduction.

II. Non-Standard Units

Any completed gas well which does not have the required amount of acreage dedicated to it for the pool or formation in which it is completed may not be produced until a standard unit for the well has been formed and dedicated or until a non-standard unit has been approved.

The Division Director may grant administrative approval to non-standard gas units without notice and hearing when an application has been filed for a non-standard unit and the unorthodox

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

August 28, 1973

Amoco Production Company
P. O. Box 68
Hobbs, New Mexico 88240

Attention: Mr. J. E. York

Administrative Order NSL-615

Gentlemen:

Reference is made to your application for approval of a gas well location for your Hondo Federal Gas Com Well No. 1 to be located 1650 feet from the South line and 2310 feet from the East line of Section 27, Township 17 South, Range 27 East, NMPM, Logan Draw-Morrow Field, Eddy County, New Mexico.

Waivers of objection have been received from offsetting operators and the waiting period prescribed by Rule 104 F may be dispensed with in this instance.

Therefore, by authority granted me by the provisions of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

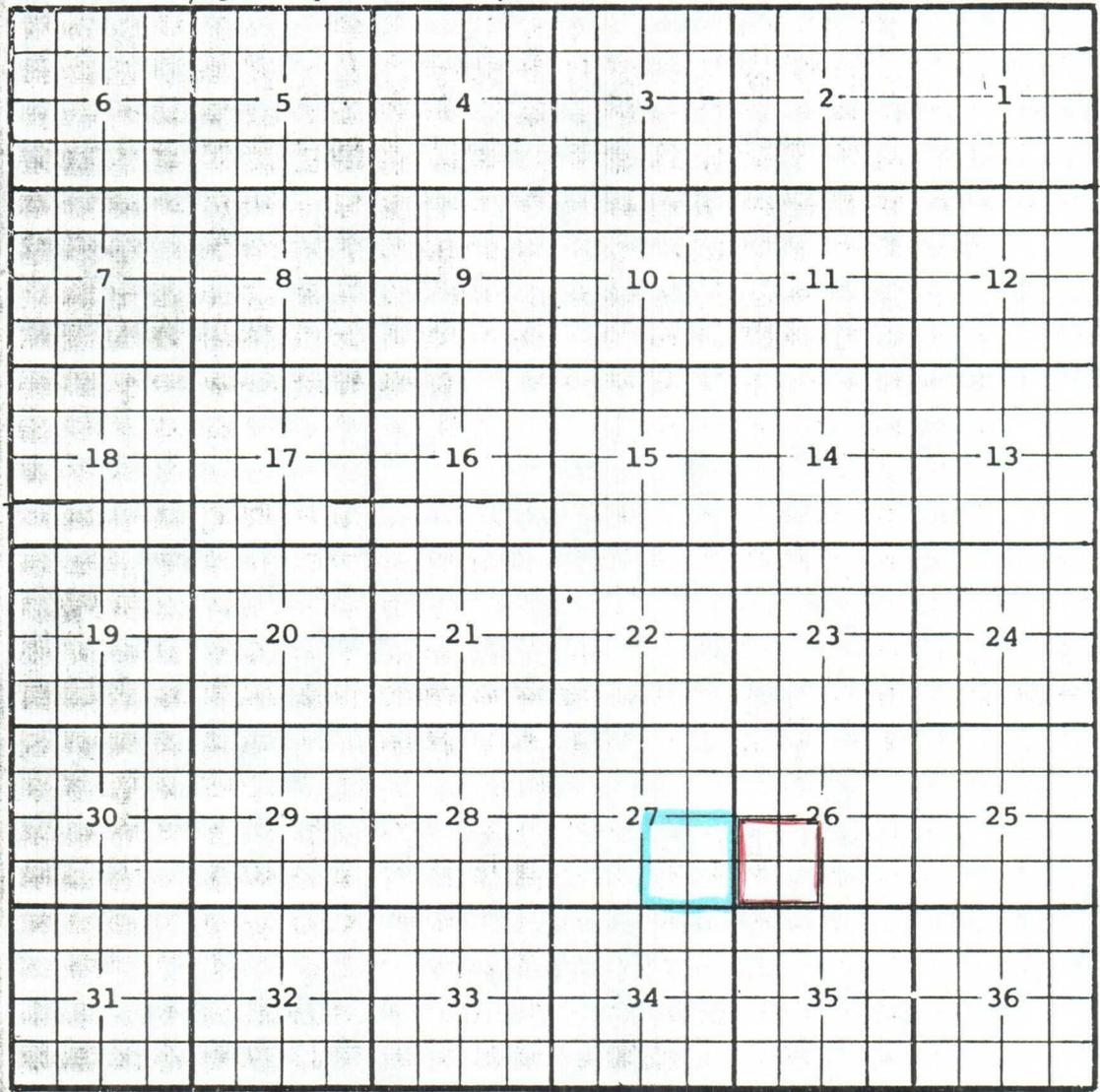
ALP/JEK/dr

cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Artesia

C
O
P
Y

COUNTY Eddy POOL Logan Draw - Wolfcamp Gas

TOWNSHIP 17 South RANGE 27 East NMPM



Description: $\frac{SW}{4}$ Sec 26 (R-4809, 6-18-74)

Facsimile Transmission

Addressee's Teletypewriter Phone 505-827-5741		Date 5-21-90	Page 1 of 3
To: MIKE STOREGNER	Company NEW MEXICO OIL CONV. DIV.	Location SANTA FE, NM	Mail Code/Room
From: HOWARD BLACK	Company Amoco Production	Location HOUSTON, TX	Mail Code/Room
Initiated By	Approved By	<input type="checkbox"/> Call _____ for pickup. <input type="checkbox"/> Return to _____	

MIKE,

HERE IS THE INFO YOU REQUESTED ON HONDO FEDERAL GAS COM. WELL NO.1.

THX,

HOWARD

713-584-7213

Amoco Production Company

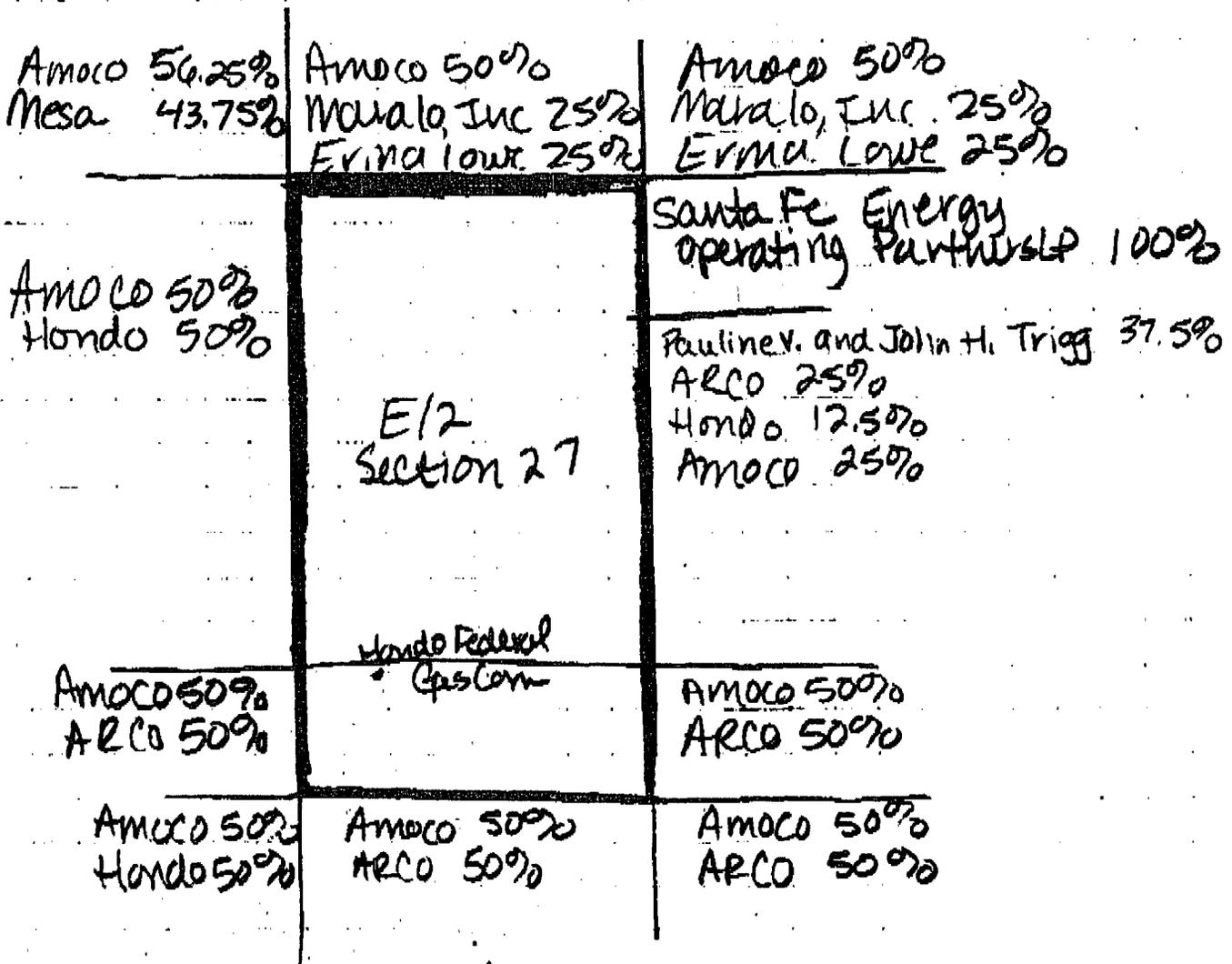
ENGINEERING CHART

SUBJECT HONDO FEDERAL Gas Com. Offsets
DWH 3-14-90

SHEET NO. _____ OF _____
FILE _____
APPN _____
DATE _____
BY _____

Rights Below 3000'

505-827-5811
MIKE STOREGHEIN



E/2 Section 27, T-17-S, R-27-E

Amoco Production Company

ENGINEERING CHART

SHEET NO.

OF

FILE _____

APPN _____

DATE _____

BY _____

SUBJECT _____

Addresses of the Parties

Maralo, Inc.
4600 Post Oak Place, Suite 307
Houston, Texas 77027-9792

OPERATOR ✓

Erma Lowe
c/o Maralo, Inc.
P.O. Box 2923
Houston, TX 77252

NON-OPERATOR

Santa Fe Energy Operating Partnership
500 W. Illinois, Suite 500
Midland, Texas 79701

OPERATOR

Pauline V. and John H. Trigg
P.O. Box 520
Roswell, New Mexico 88202

NON-OPERATOR

ARCO Oil and Gas Company
P.O. Box 1610
Midland, Texas 79702

OPERATOR

Hondo Oil and Gas Company
P.O. Box 2708
Roswell, New Mexico 88201

OPERATOR

Mesa Petroleum Company
Vaugh Building, Suite 01000
Midland, Texas 79701

OPERATOR

Facsimile Transmission

Addressee's Teletypewriter Phone

505-827-5741

Date

3-21-90

Page

1 of 3

To:	Company	Location	Mail Code/Room
MIKE STOREGHEIMER	NEW MEXICO OIL CONG. DIV.	SANTA FE, NM	
From:	Company	Location	Mail Code/Room
HOWARD BLASK	Amoco Production	HOUSTON, TX	
Initiated By	Approved By	<input type="checkbox"/> Call _____ for pickup. <input type="checkbox"/> Return to _____	

MIKE,

HERE IS THE INFO YOU REQUESTED ON HONDO FEDERAL
GAS CON. WELL NO. 1.

THK,

HOWARD

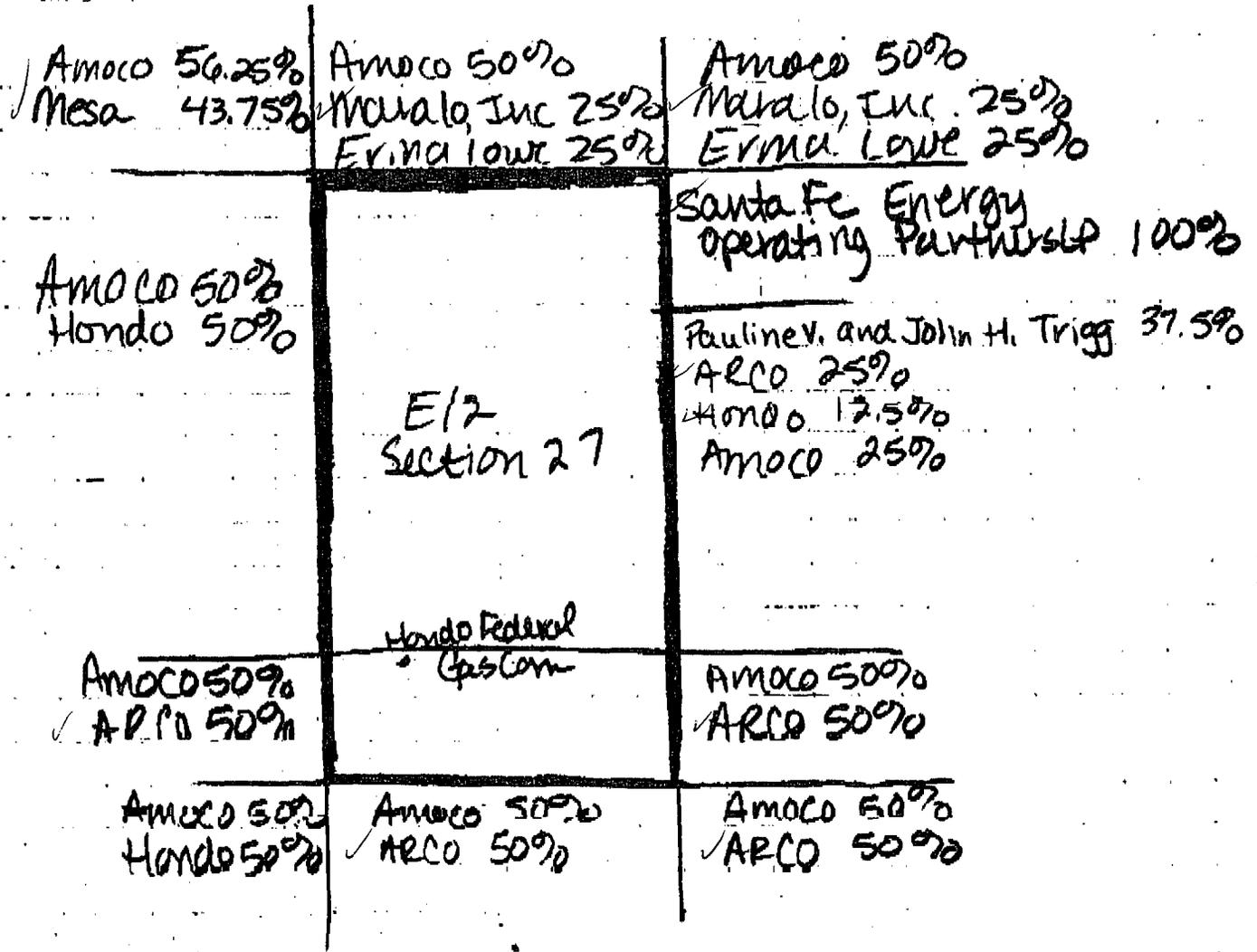
713-584-7213

Amoco Production Company
 ENGINEERING CHART

SUBJECT HONDO FEDERAL GAS Com. Offsets
DWIT 3-14-90

Rights Below 3000'

505-827-5811
 MIKE STOREYNEEL



E12 Section 27, T-17-S, R-27-E



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

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 10, 1990

Amoco Production Company
P.O. Box 3092
Houston, TX 77253

Attention: W.D. Fisher, Administrative Services Manager

Amended Administrative Order NSL-615

Dear Mr. Fisher:

Reference is made to your application dated March 15, 1990 to amend Division Administrative Order NSL-615, which authorized a non-standard gas well location in the Logan Draw-Morrow Gas Pool for the Hondo Federal Gas Com Well No. 1 located 1650 feet from the South line and 2310 feet from the East line (Unit J) of Section 27, Township 17 South, Range 27 East, NMPM, Eddy County, New Mexico.

It is our understanding that the Morrow zone will be plugged back in the subject well and recompleted in the Undesignated Logan Draw Wolfcamp Gas Pool, which pursuant to General Rule 104.C.II.(a) is located at an unorthodox gas well location for said pool. Also, the SE/4 of said Section 27 shall be dedicated to said well forming a standard 160-acre gas spacing and proration unit for said pool, pursuant to General Rule 104.A. and 104.C.II.(a).

By the authority granted me under the provisions of General Rule 104 (I), said Order NSL-615 shall be amended and the above-described unorthodox gas well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Artesia