



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240



L. R. Smith
District Manager

December 3, 1984

File: LRS-2469-416

Re: Application for Unorthodox Locations and Directional Drilling Exceptions

NSL - 1956
RULE 104 FI
Release Immediately

STATE & Federal leases

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

SOUTH Hobbs (Grayburg-San Andres)
Unit well No. 190
1568' FSL & 1105' FEL, Sec. 5,
T-19-S, R-38-E, Lea County

Attention: Gilbert Quintana

Amoco Production Company hereby requests administrative approval to drill four (4) South Hobbs (GSA) Unit wells. This application contains the request for approval of 4 unorthodox locations and 3 directional drilling exceptions.

Exhibit "A" is a tabulation of the 4 proposed drilling locations. The proposed bottom hole location, kick-off point, projected deviation, and ground elevation are shown for each well. A South Hobbs (GSA) Unit map is included with the proposed drilling sites (both surface and bottom hole locations shown). Also, included are copies of NMOCD Form C-102 Acreage Dedication Plats.

The availability of suitable surface locations for these South Hobbs (GSA) Unit wells is limited. As a result, the surface locations corresponding to the bottom hole locations could not be acquired in most cases. (See Exhibit B for specific reasons). To obtain the necessary bottomhole locations, these wells must be directionally drilled from the closest available property. Unorthodox surface locations are also required to minimize the degree of deviation.

The bottomhole locations for each well are determined from optimum pattern geometry. This optimum geometry is necessary to most efficiently waterflood the Grayburg-San Andres formations. Some pattern realignment is required, which will displace the new well bottomhole locations, making them more conducive to waterflooding and allowing for additional future expansion.

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Since there are no operators of proration or spacing units offsetting the unit for which the directional drilling exceptions and unorthodox locations are sought, offset operator notification is not required.

Please note that Amoco Production Company purchased and assumed operations of the Conoco State A-5 Lease located in the W/2 SE/4 Section 5, T-19-S, R-38-E. This acreage will be brought into the South Hobbs (GSA) Unit effective December 1, 1984. NMOCD order R-4934-E dated May 21, 1984 which amended the South Hobbs (GSA) Unit Pressure Maintenance Project Order, includes all of Section 5, T-19-S, R-38-E, Lea County, New Mexico.

If you have any questions concerning this application, contact Gary Clark 505/393-1781.

L. R. Smith

GCC/jat
APRD05-R

Attachment

cc: State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P.O. Box 1980
Hobbs, NM 88240

Exhibit "A"
South Hobbs (GSA) Unit

<u>Well Name</u>	<u>Surface Location</u>	<u>Bottomhole Location</u>	<u>Kick Off Point Below Surface</u>	<u>Bottomhole Deviation</u>	<u>Elevation (Ground Level)</u>
SHU No. 184	1766' FNL x 2488' FWL, Sec. 5, T-19-S, R-38-E	2630' FNL x 2630' FWL, Sec. 5, T-19-S, R-38-E	1800'	876'	3618.9'
SHU No. 185	2564' FNL x 1200' FEL, Sec. 5, T-19-S, R-38-E	2630' FNL x 1310' FEL, Sec. 5, T-19-S, R-38-E	2600'	128'	3613.4'
SHU No. 189	1685' FSL x 2475' FEL, Sec. 5, T-19-S, R-38-E	1485' FSL x 2475' FEL, Sec. 5, T-19-S, R-38-E	2600'	200'	3614.8'
SHU No. 190	1568' FSL x 1105' FEL, Sec. 5, T-19-S, R-38-E	1568' FSL x 1105' FEL, Sec. 5, T-19-S, R-38-E		0'	3610.7'

Note: All wells will be drilled at unorthodox locations and No's. 184, 185 and 189 will be directionally drilled.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

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

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

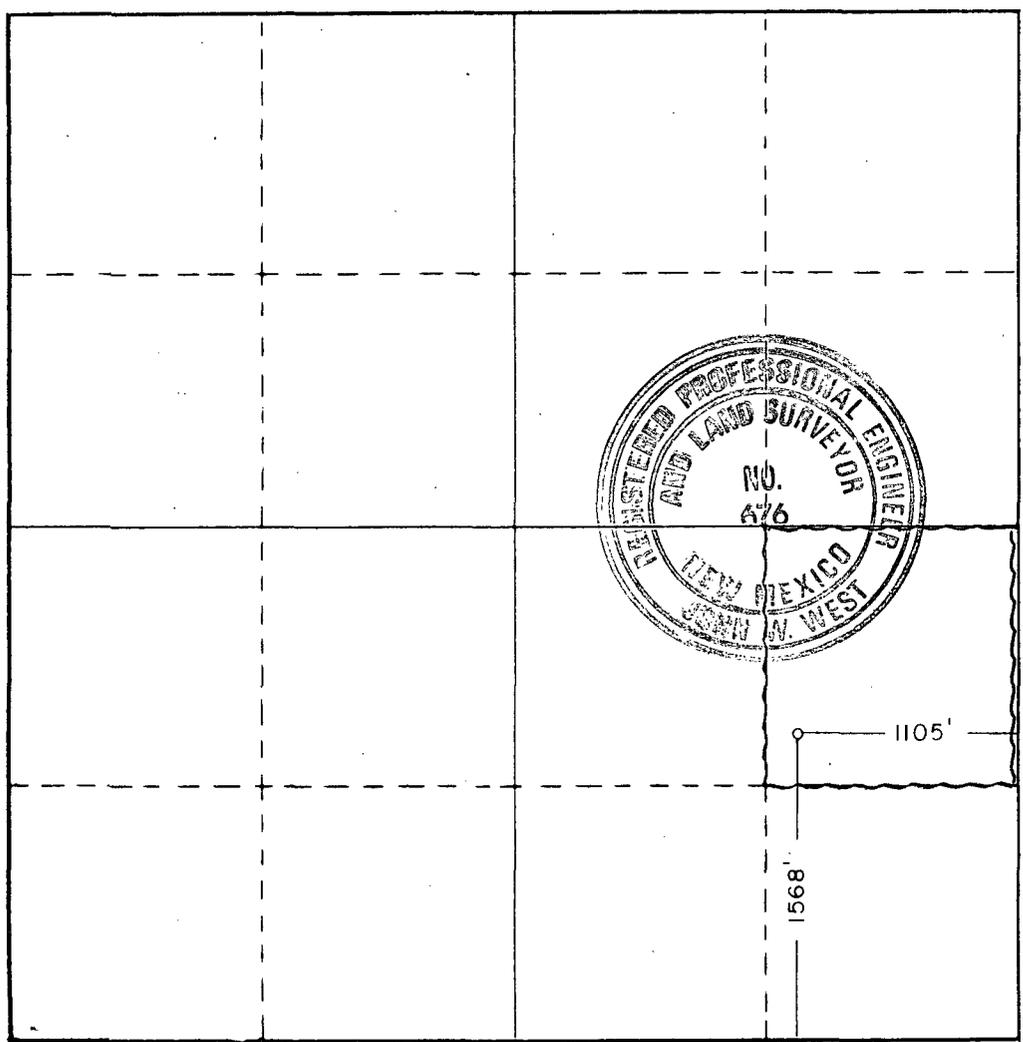
Operator AMOCO PRODUCTION COMPANY		Lease SHGSAU		Well No. 190	
Unit Letter I	Section 5	Township 19S	Range 38E	County LEA	
Actual Footage Location of Well: 1568 feet from the SOUTH line and 1105 feet from the EAST line					
Ground Level Elev. 3610.7	Producing Formation Grayburg San Andres		Pool Hobbs GSA	Dedicated Acreage: 40 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 Unitization

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 Mary C. Clark
 Position Assist. Admin. Analyst
 Company AMOCO PRODUCTION COMPANY
 Date 11-29-84

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 11/16/84
 Registered Professional Engineer and/or Land Surveyor

John W. West
 Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



DHW

Exhibit "B"

Reasons for Directionally Drilling and/or
Unorthodox Locations

Well Number

Reasons for Deviation

SHU #184

Surface location could not be acquired
from land owner.

SHU #185

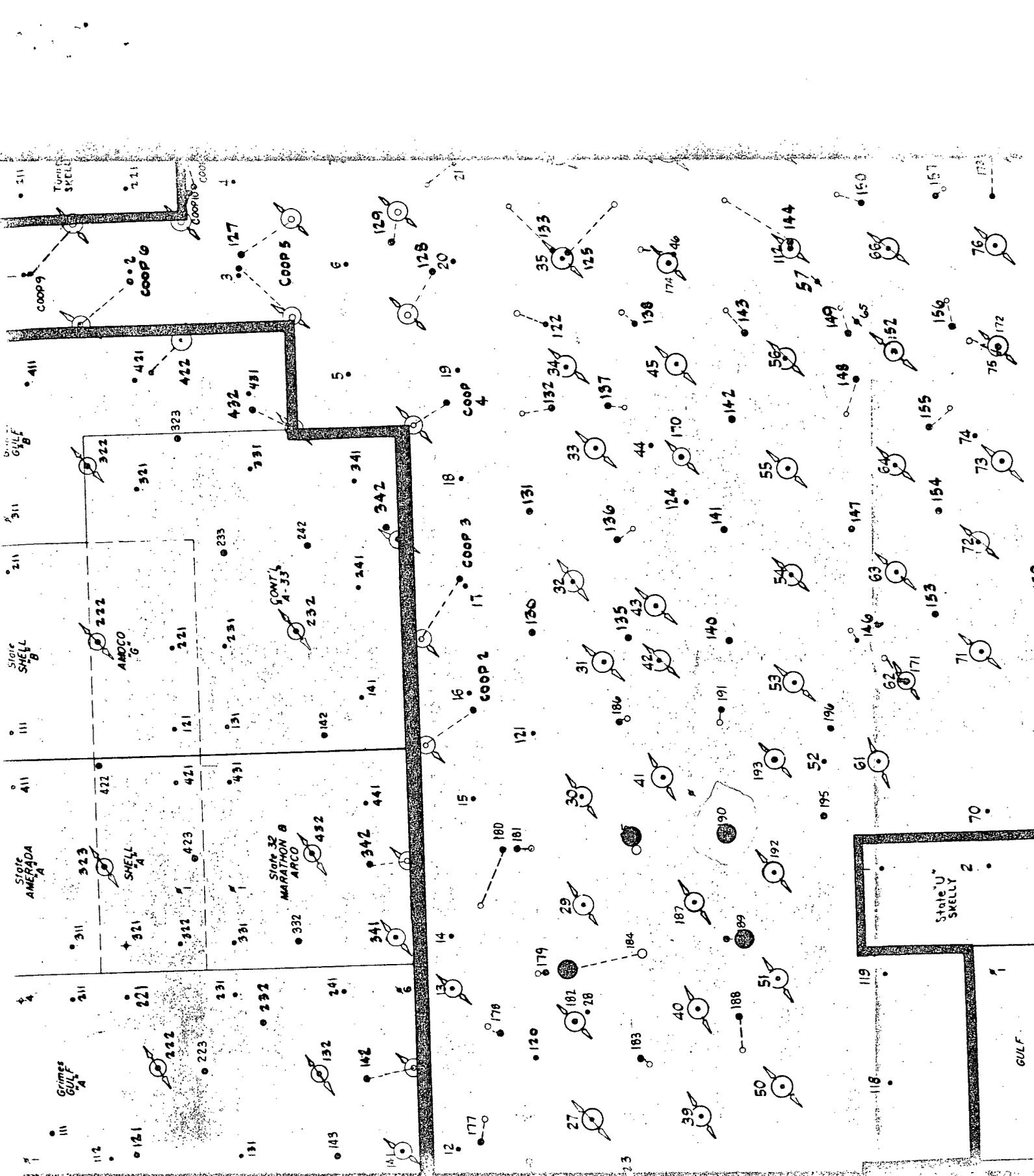
Surface location was in the middle of a
residential street

SHU #189

Too close to buried pipelines

SHU #190

Optimum pattern geometry



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