

Release Oct. 28, 1985



By DRC

Donald W. Johnson
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

Received 10-7-85?

September 26, 1985

NSL-2178
RULE-104 F(II)

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

Undesignated Morrow Pool
320' Bone deduction
S/2 Section 22, T-18S, R-34E.

Attention Mr. Dick Stamets, Director

Gentlemen:

Request for Unorthodox Location - EK Deep No. 1, 715' FSL and 990' FWL,
Section 22, T-18S, R-34E, Lea County, New Mexico

Conoco Inc. respectfully requests administrative approval to drill the subject well at an unorthodox location in Unit letter M, 715' FSL and 990' FWL of Section 22, T-18S, R-34E, Lea County, New Mexico. The previous location was 660' FSL and 660' FWL, Section 22, T-18S, R-34E, Lea County, New Mexico. The request for the unorthodox location is based upon the location's geology and the proximity of an existing pipeline. The E-K Deep No. 1 is proposed as a dual oil well completion to the Bone Spring and Wolfcamp horizons, with an exploratory tail to the Morrow for testing purposes. If the Morrow proves commercial, it will be dually completed with either the Wolfcamp or the Bonespring.

Based on the attached isopach maps, (Exhibits #1-3) the successful testing of all three zones is greatly dependent on sand thickness and porosity development at the proposed unorthodox location. As can be seen from the Morrow sand thickness isopach (Exhibit #1), sand thickness pinches out rapidly east of the proposed location. Therefore, a standard location of 1980' FWL of Section 22 would result in a loss of pay thickness in the Morrow sand. As can be seen on the Wolfcamp porosity isopach (Exhibit #2) and the Bone Spring porosity isopach (Exhibit #3), a location of 1980' FWL of Section 22 would favor porosity development in both zones, however, would place our well within 150' of the Tonto Deep #1 well (Unit letter N, Section 22, T-18S, R-34E) and, because of deep invasion by drilling mud in the Tonto Deep #1, we believe Wolfcamp and Bone Spring drainage would be impaired by reduced formation permeability. Since the radial flow rate into the wellbore is directly proportional to permeability, it is imperative that each of the zones be penetrated at a location which has ample permeability to obtain commercial production rates.

Remarks: This well will also be permitted for the Undesignated Bone Springs and Undesignated Wolfcamp Pools, which are both standard locations. The average deduction for both of these pools shall be the SW/4 SW/4, Section 22, T-18S, R-34E.

Page 2

The enclosed well location plat (Form C-102) reflects that the location meets the requirements for administrative approval because it is not closer than 660' to the nearest side boundary, nor closer than 990' to the nearest end boundary of the designated 320 acre lay down proration unit.

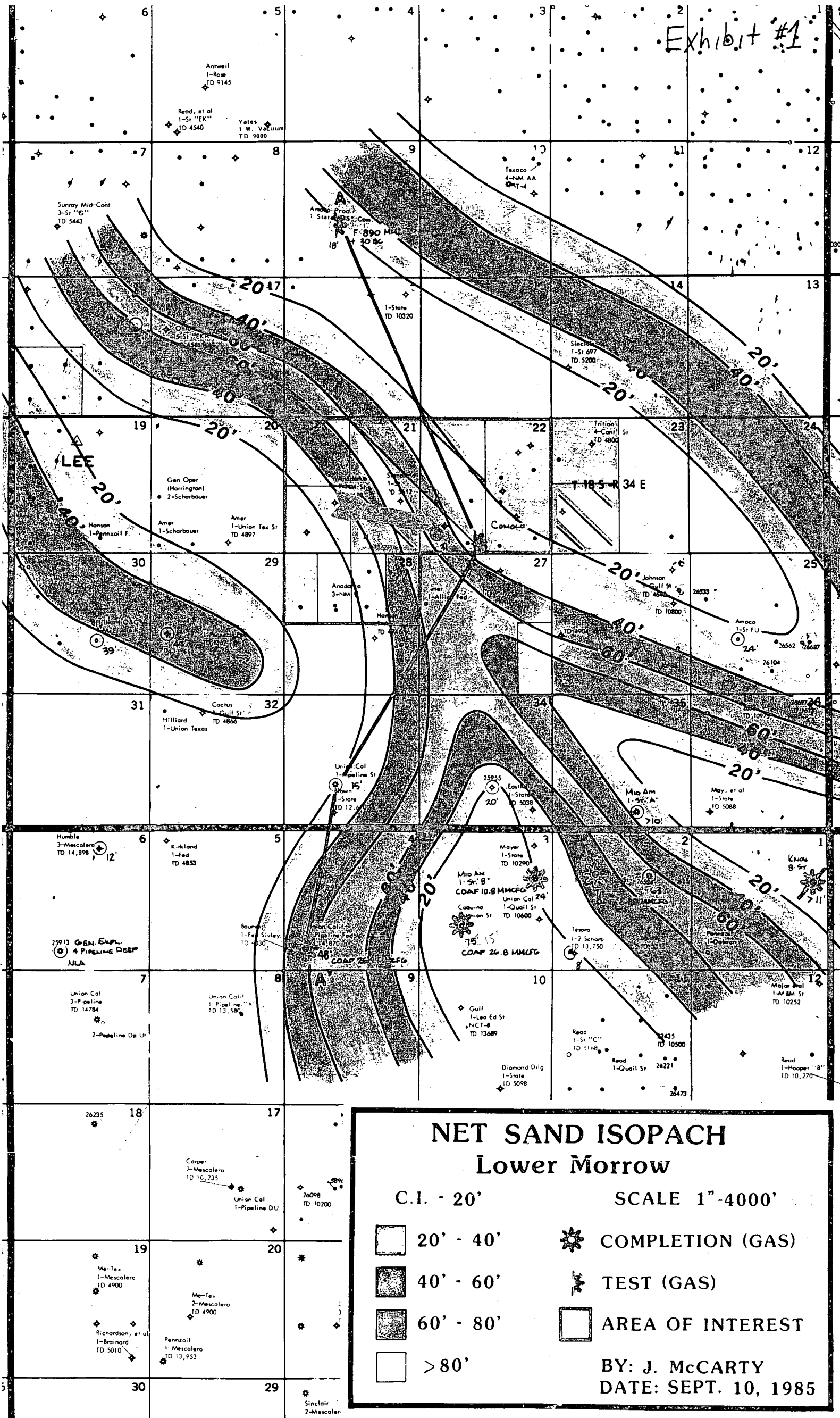
Also enclosed, a surface map showing offset operators, a listing of offset operators and their addresses, and a copy of the waiver letter sent to offset operators.

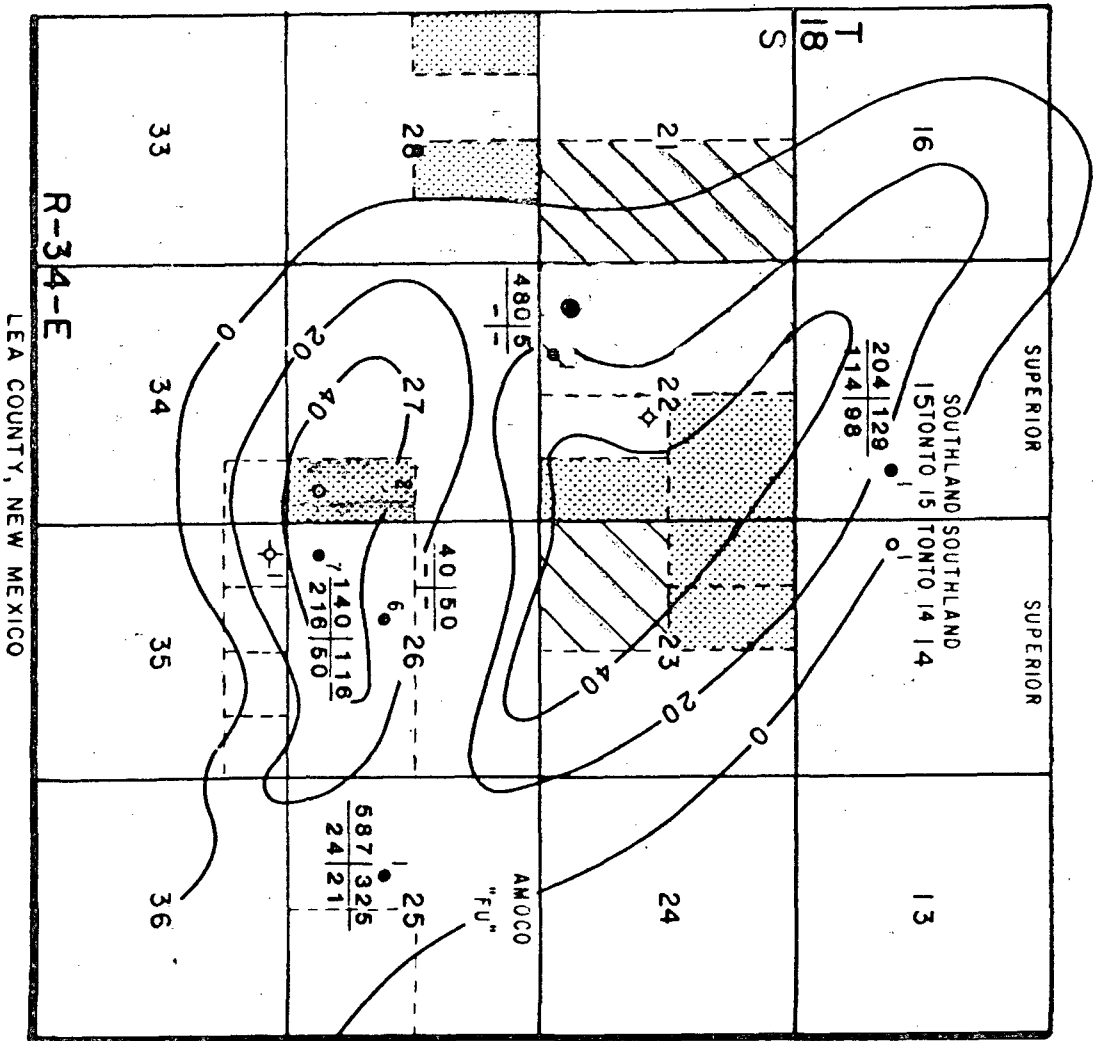
Yours very truly,

Donald W. Johnson
DWJ

ELK:jr

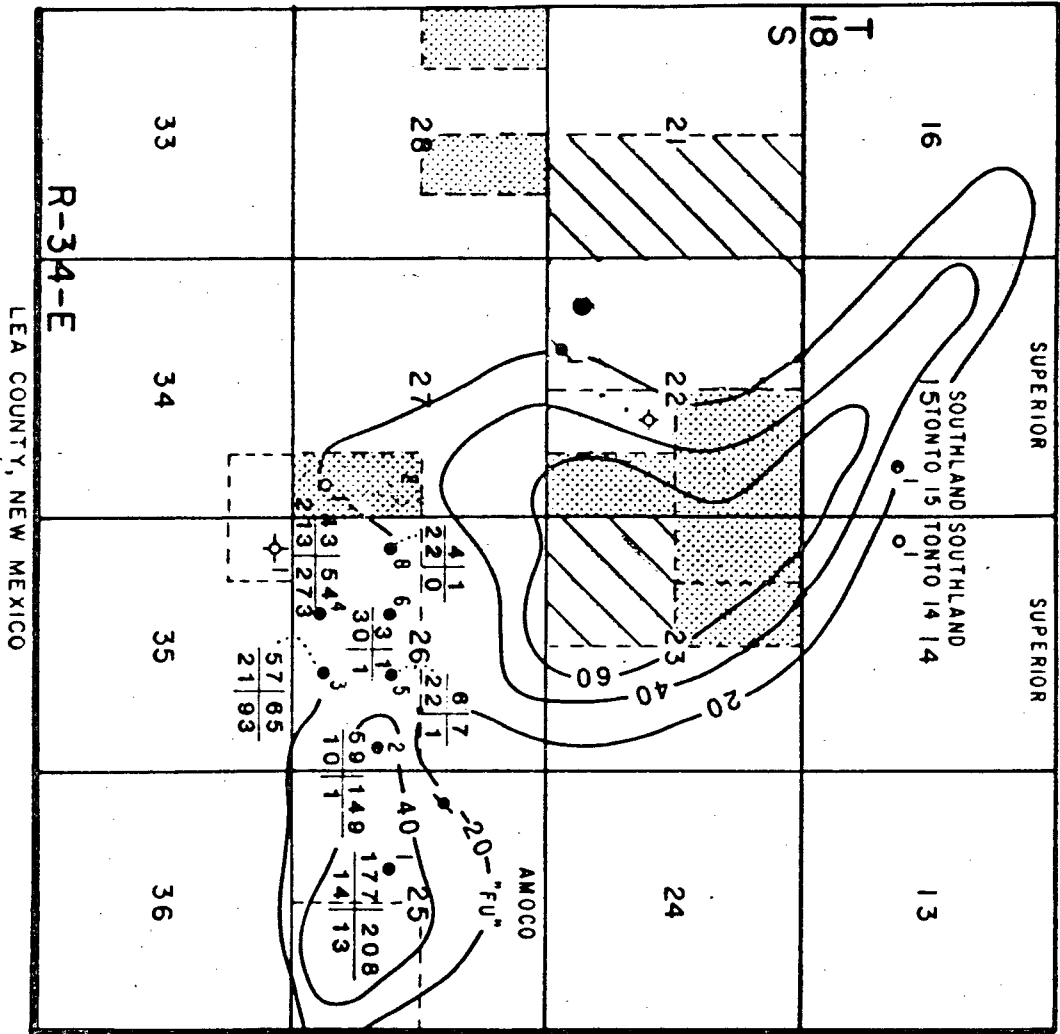
Exhibit #1





PRODUCTION DEPARTMENT	CONOCO	HOBBS DIVISION
<p>EK DEEP UNIT UPPER WOLFCAMP Porosity Isopach 5% CUTOFF LEA COUNTY, NEW MEXICO</p>		
BAH 5/85		SB

BOPD IP | MCFPD IP
BOPD | MCFPD



PRODUCTION DEPARTMENT	CONOCO	HOBBS DIVISION
EK DEEP UNIT 2ND BONE SPRING CARBONATE Porosity Isopach 5% ϕ CUTOFF LEA COUNTY, NEW MEXICO		
BAH 5/85	SB	

CUM. MBO	CUM. MMCF
BOPD	MCFPD

**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.

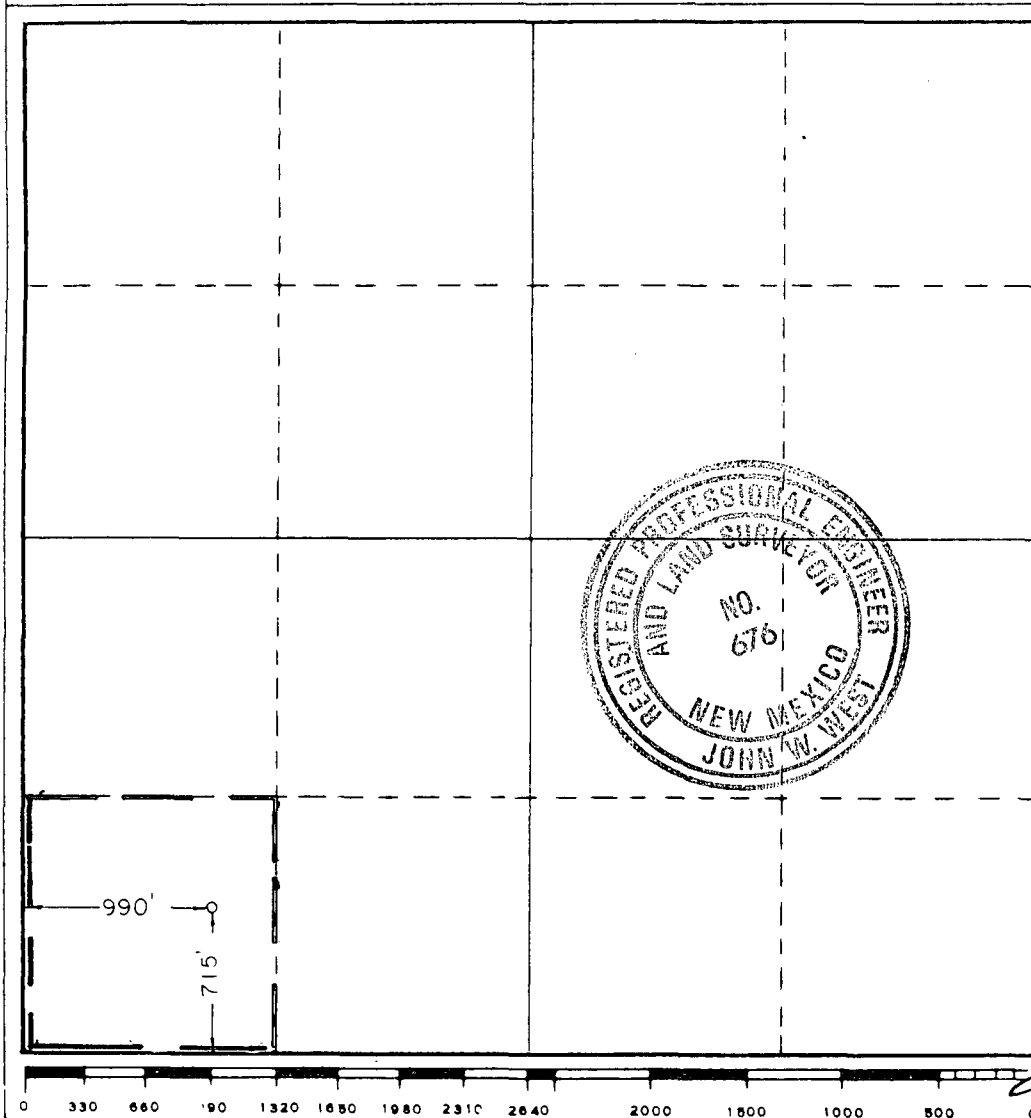
Operator Conoco Inc.			Lease EK Deep		Well No. 1
Unit Letter N	Section 22	Township 18S	Range 34E	County Lea	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 715 feet from the South line and 990 feet from the West line </div>					
Ground Level Elev. 4008.2'	Producing Formation Wolf camp		Pool Undesignated Wdfcamp		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 _____

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 *John L. Vogel*
Position *Administrative Supervisor*
Company *CONOCO INC.*
Date *9-26-85*

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
SEPTEMBER 19, 1985
Registered Professional Engineer
and/or Land Surveyor

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

**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.

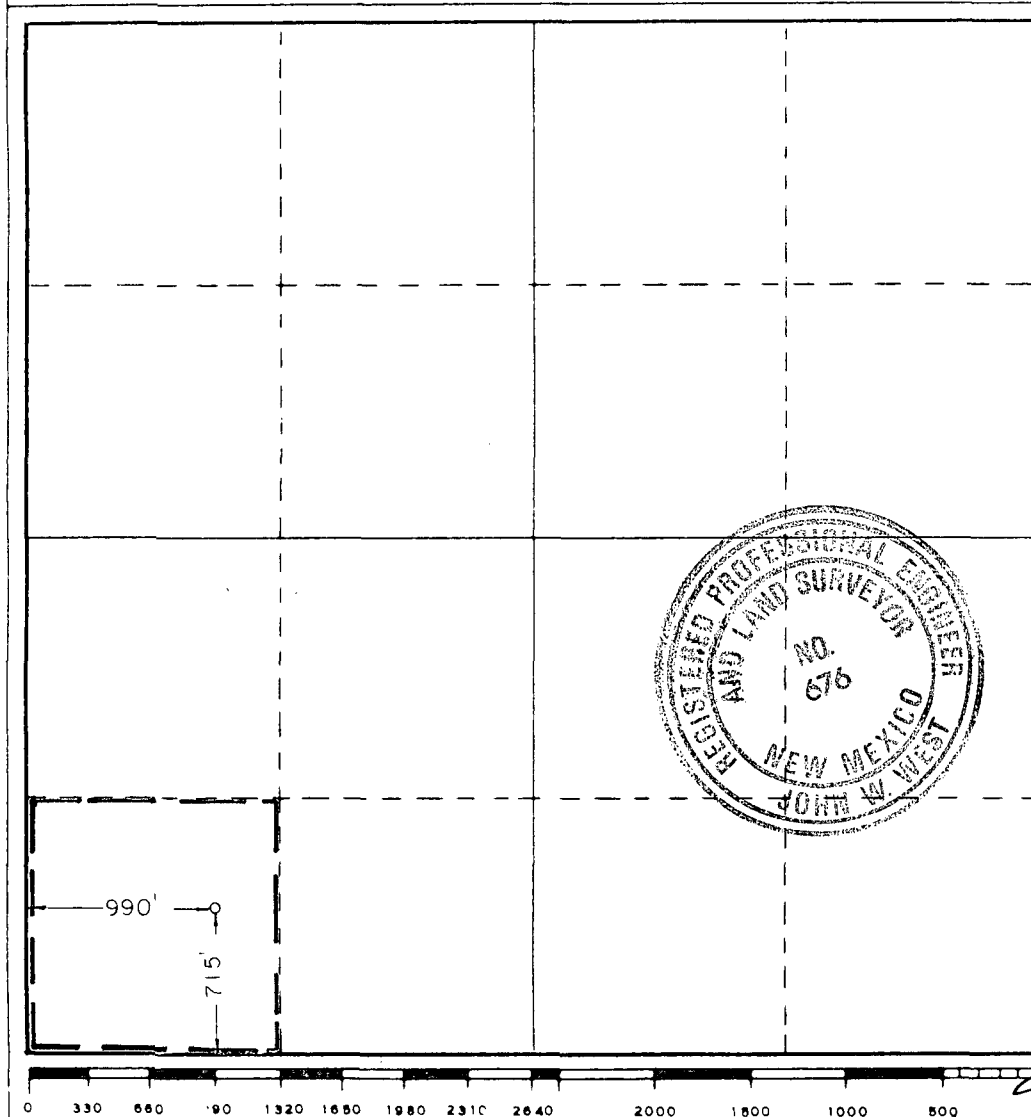
Operator Conoco Inc.			Lease EK Deep		Well No. 1
Unit Letter M	Section 22	Township 18S	Range 34E	County Lea	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 715 feet from the South line and 990 feet from the West line </div>					
Ground Level Elev. 4008.2'	Producing Formation Bone Spring		Pool Undesignated Bone Spring		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?

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CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name *Kevin L. Vogel*
 Position *Administrative Supervisor*
 Company *CONOCO INC.*

Date *9-26-85*

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Date Surveyed
SEPTEMBER 19, 1985

Registered Professional Engineer and/or Land Surveyor

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Certificate No. **JOHN W. WEST, 676**
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WELL LOCATION AND ACREAGE DEDICATION PLAT**

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

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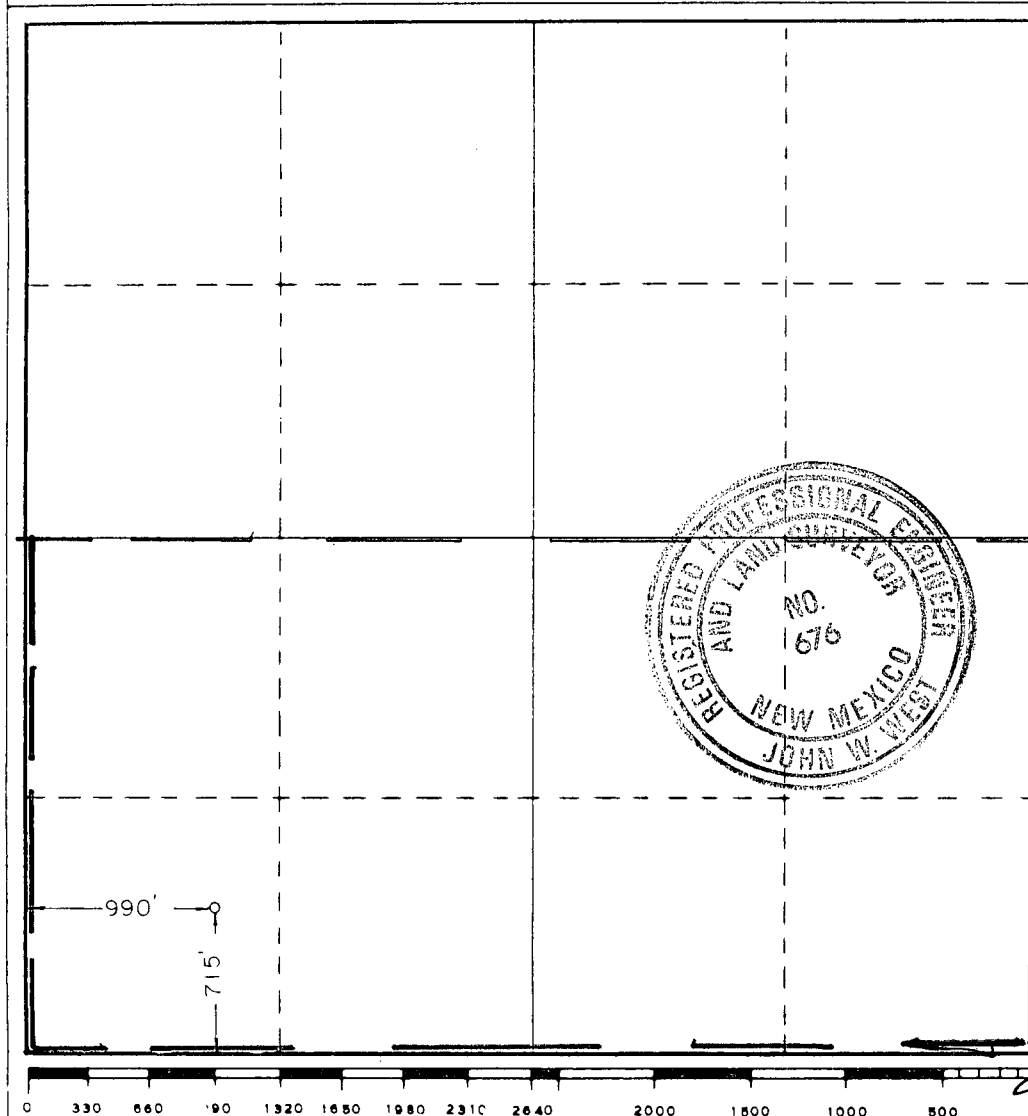
Operator Conoco Inc.			Lease EK Deep		Well No. 1
Unit Letter M	Section 22	Township 18S	Range 34E	County Lea	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 715 feet from the South line and 990 feet from the West line </div>					
Ground Level Elev. 4008.2'	Producing Formation Morrow	Pool Undesignated Morrow		Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.) _____

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CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name **Kevin L. Vogel**
 Position **Administrative Supervisor**
 Company **CONOCO INC.**

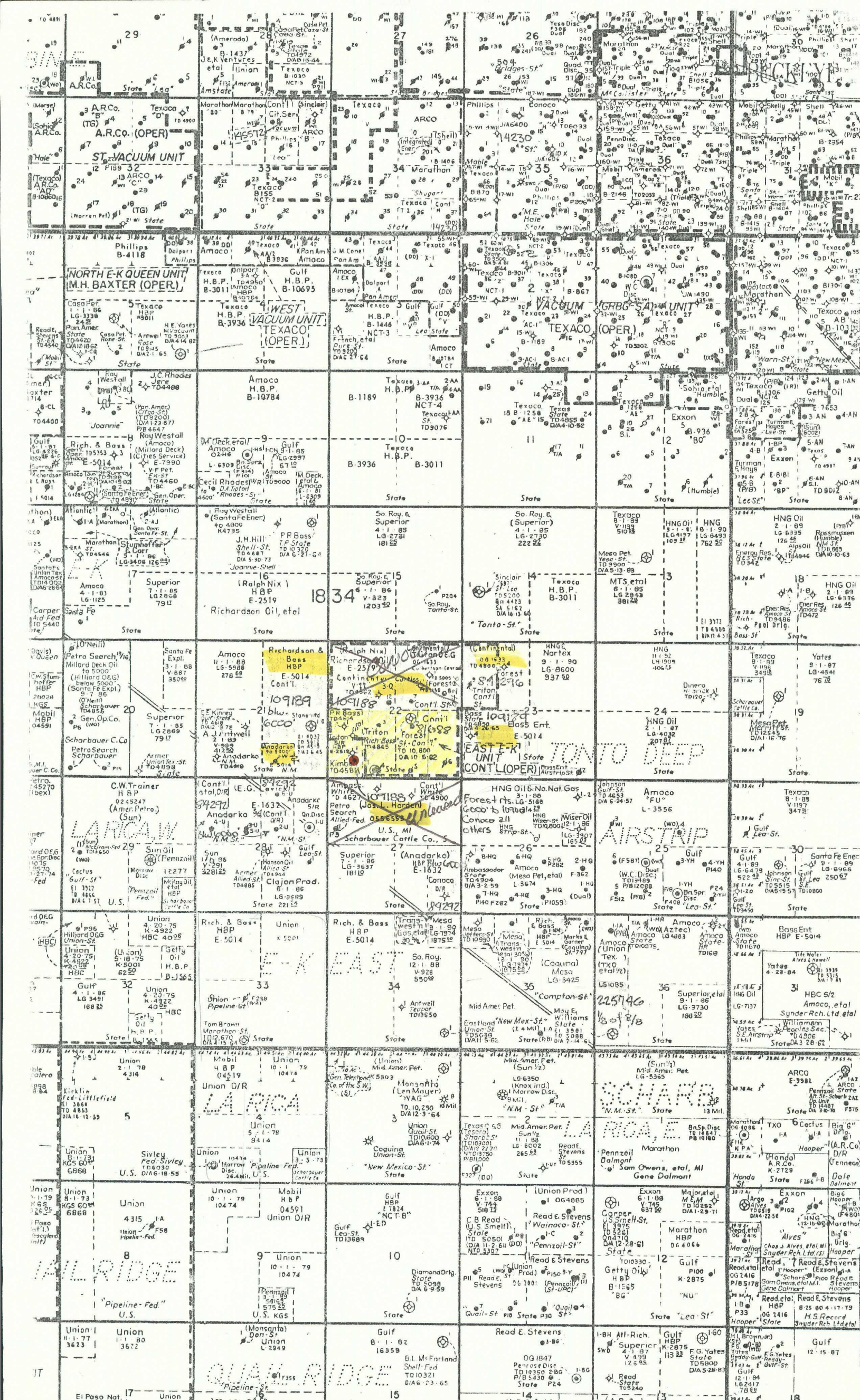
Date **9-26-85**

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 **SEPTEMBER 19, 1985**

Registered Professional Engineer and/or Land Surveyor

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



Offset Operators
E-K Deep No. 1

Anadarko Petroleum
P. O. Box 2497
Midland, TX 79702

Bass Enterprises Prod.
3700 Claydesta National Bank
P. O. Box 2760
Midland, TX 79702



Donald W. Johnson
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

September 26, 1985

Offset Operators
E-K Deep No. 1
SW/4 Section 22, T-18S, R-34E
Lea County, New Mexico

Gentlemen:

Conoco Inc. wishes to drill a dually completed oil well in the Bone Spring and Wolfcamp formations with an exploratory tail to the Morrow formation at an unorthodox location. This location is 715' FSL and 990' FWL, Section 22, T-18S, R-34E, Lea County, New Mexico. The unorthodox location may be approved administratively providing no offset operator objects. Conoco Inc. hereby request your waiver of objection to its unorthodox location.

If you have no objection, please execute one copy of this letter and return it in the enclosed self-addressed, stamped envelope. The second copy may be retained for your files.

Thank you for your cooperation in this matter.

Yours very truly,

Donald W. Johnson
mm

ELK:jr

Executed the _____ day of _____, 1985.

By _____

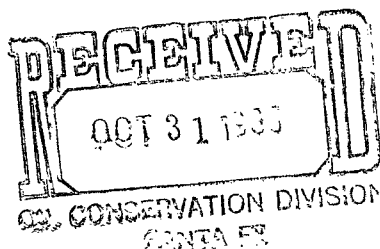
Company _____



Donald W. Johnson
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

NSL-2178



RECEIVED HOBBS DIVISION	
OCT 23 1985	
Div. Mgr.	1 ✓ <i>[Signature]</i>
Asst. Mgr.	
Asst. Asst. Mgr.	
Div. Eng.	2 ✓ <i>[Signature]</i>
Asst. Div. Eng.	
Asst. Div. Eng. - H&D	
Asst. Div. Eng. - E&I	
Asst. Div. Eng. - C&D	3 ✓ <i>[Signature]</i>
Asst. Div. Eng. - T&C	
Asst. Div. Eng. - P&N	
Asst. Div. Eng. - P&N	5 ✓ <i>[Signature]</i>
Asst. Div. Eng. - E&I	4 ✓ <i>[Signature]</i>
Asst. Div. Eng. - C&D	
Asst. Div. Eng. - T&C	

September 26, 1985

Offset Operators
E-K Deep No. 1
SW/4 Section 22, T-18S, R-34E
Lea County, New Mexico

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Thank you for your cooperation in this matter.

Yours very truly,

Donald W. Johnson
[Signature]

ELK:jr

Executed the 21st day of October, 1985.

By *[Signature]*
J. E. Pullig, Division Manager
Company Bass Enterprises Production Co.

*This waiver is granted by the undersigned provided the party or parties seeking the non-standard location by acceptance of this waiver do hereby agree that the said undersigned may drill an offsetting well at a like non-standard location without penalty if the said undersigned deems the drilling of such a well necessary to protect correlative rights.



Donald W. Johnson
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
726 East Michigan
Hobbs, NM 88240
(505) 393-4141

ELK
RECEIVED
HOBBS DIVISION
OCT 14 1985

September 26, 1985

Offset Operators
E-K Deep No. 1
SW/4 Section 22, T-18S, R-34E
Lea County, New Mexico

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Thank you for your cooperation in this matter.

Yours very truly,

Donald W. Johnson
DMJ

ELK:jr

Executed the 11th day of October, 1985.

By Richard G. Eickert

Company Anadarko Petroleum Corp.