



OIL CONSERVATION DIVISION
RECEIVED

OXY USA INC.

'90 FEB 5 AM 9 10 Box 50250, Midland, TX 79710

February 2, 1990

Oil Conservation Division
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87504

Attention: William J. Lemay, Director

**Re: OCD Approval for Unorthodox Location
Burton Flats - Morrow Gas Pool
Eddy County, New Mexico**

OXY USA Inc. hereby requests administrative approval of an unorthodox gas well located 990 feet from the North Line and 1300 feet from the East Line of Section 28, Township 21 South, Range 27 East, NMPM, Burton Flats-Morrow Gas Pool. OXY USA Inc. further proposes to dedicate a standard 320-acre gas spacing and proration unit consisting of the N/2 of said Section 28 to the subject well. Geologic evidence indicates that the Morrow "A" and "B" sand members underlay the N/2 of Section 28 and that drilling a well at the subject location will encounter a greater amount of productive sand than a well drilled at a standard location. Drilling at the proposed location will also increase the likelihood of obtaining commercial production. This was evident from the information obtained by drilling an uneconomical well at a location off the crest of the structure, the OXY/Elizondo "A" Federal No. 1 well, located in the NE/4 of Section 28. In short, the drilling and producing of a well in the N/2 of Section 28 is necessary to recover the hydrocarbons underlying this unit and to protect the correlative rights of the Interest Owners in said unit, and the proposed unorthodox location affords the best opportunity for obtaining commercial production.

In accordance with the notice requirements of Rule 104 (F) (IV), the following Operators have been notified of this application by certified mail.

Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210

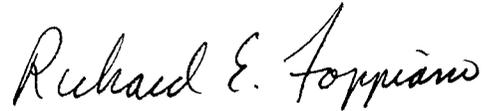
Yates Drilling Company
110 South 4th Street
Artesia, New Mexico 88210

OCD Approval for Unorthodox Location
Burton Flats - Morrow Gas Pool
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Attached to this application is an ownership plat showing the N/2 of Section 28 and offsetting units, some narrative on the geological situation, a Morrow "A" structure map and two cross-sections, A-A' and B-B'.

Your consideration of this request is appreciated. If you have any questions, I can be reached at 915/685-5913.

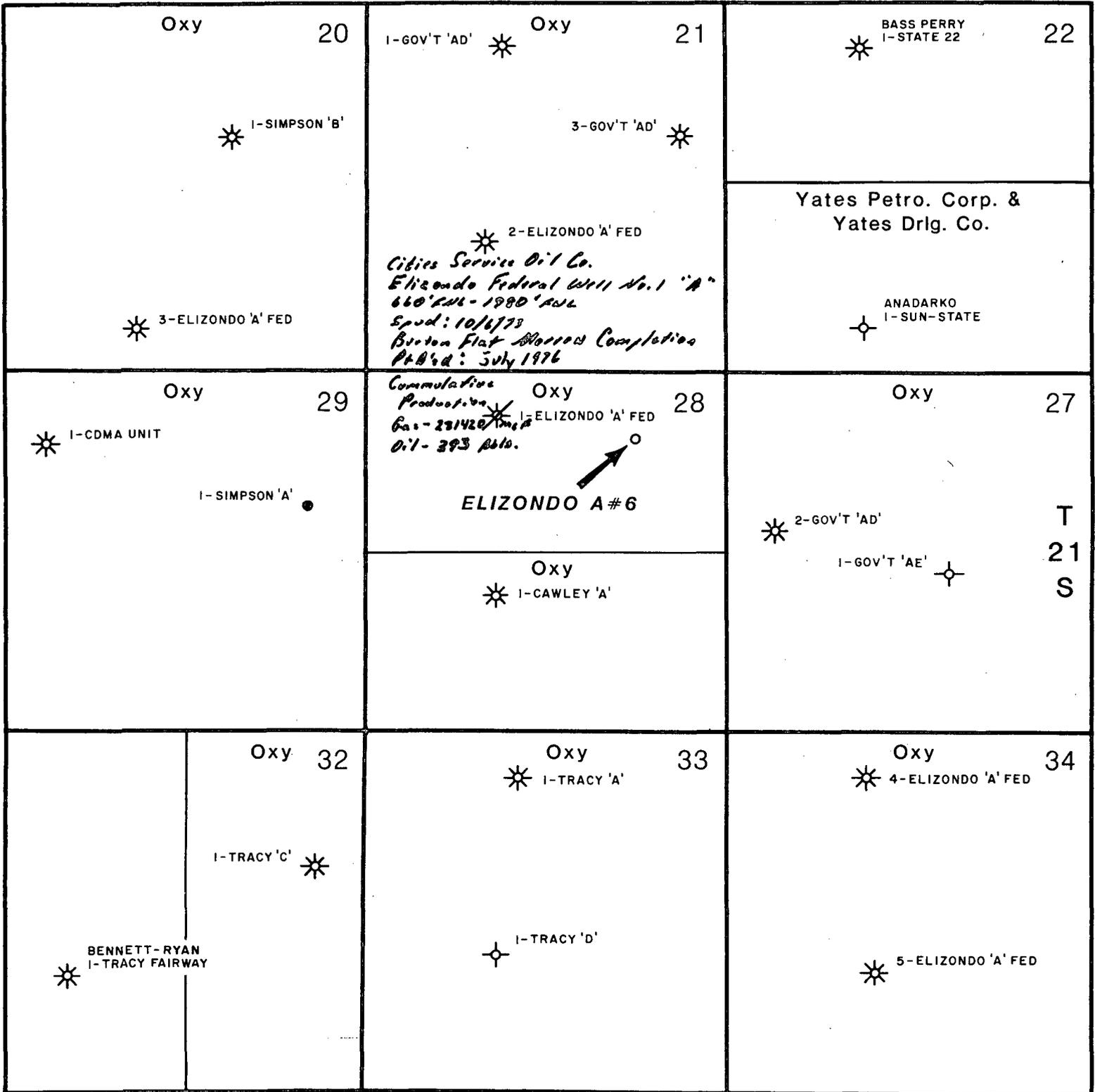
Very truly yours,



Richard E. Foppiano
Regulatory Affairs Advisor
Western Region - Midland

REF:cm
XC: File

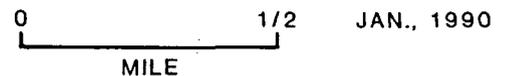
R 27 E



BURTON FLATS MORROW FIELD

EDDY CO., NEW MEXICO

LAND OWNERSHIP



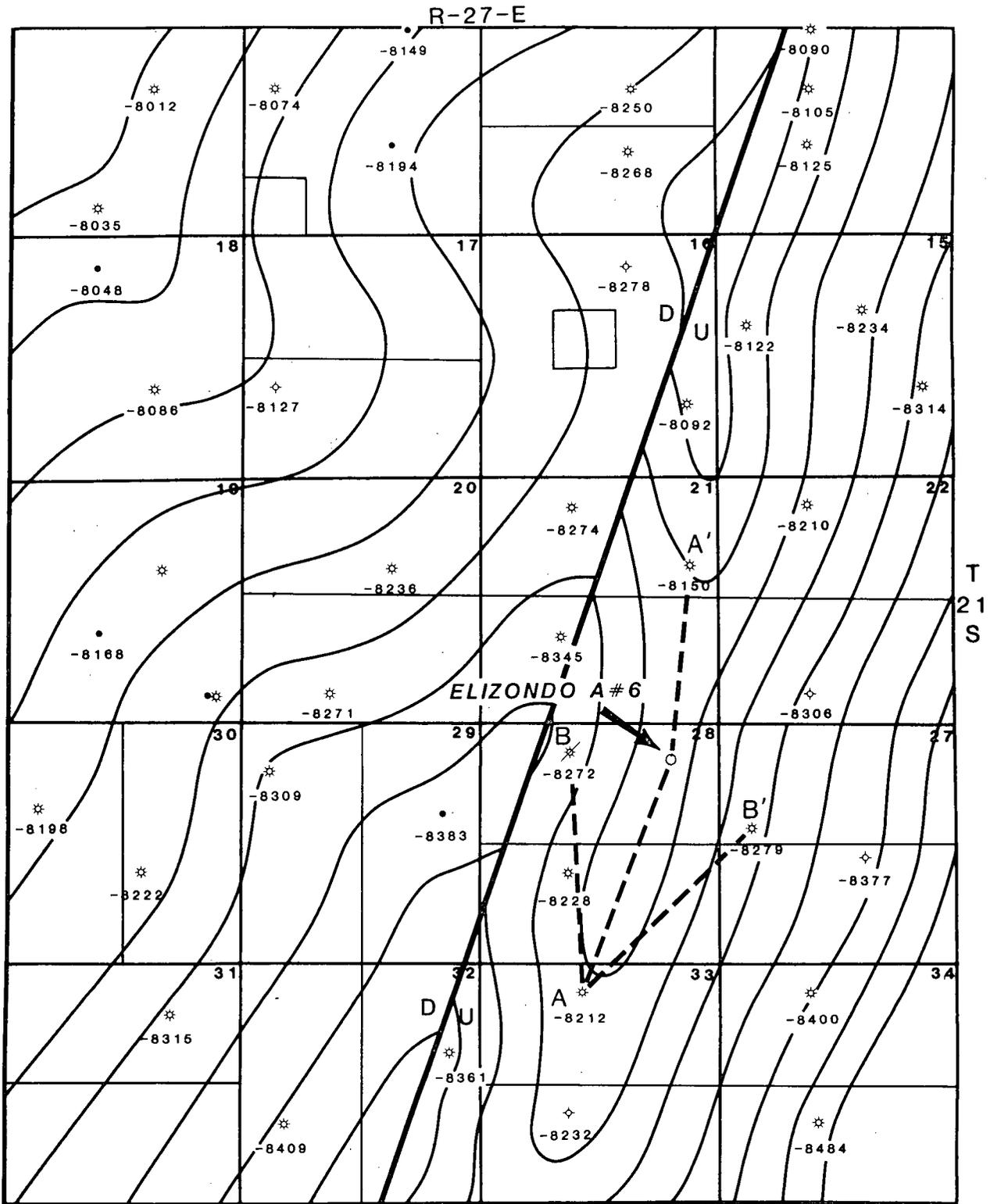
GEOLOGICAL SUMMARY
OXY USA INC. Elizando "A" No.6
990' FNL & 1300' FEL, Section 28, 21S-27E
Burton Flats - Morrow Gas Pool
Eddy County, New Mexico

The Burton Flats Morrow Gas Pool produces from Lower Pennsylvanian, Morrowan age sandstones. These sandstones were deposited as either channel bars or barrier / strandline bars in a marginal marine to marine deltaic setting.

A northeast-southwest trending fault dissects the area, with a major structural feature on the upthrown side (east) Fig. 1. It appears that movement along this fault system may have been a controlling factor in the deposition of the Morrow sands. Well developed reservoir sands are encountered along the structure on the upthrown side of the fault block (Fig. 2). Wells drilled off the structure, on the upthrown side of the fault block, have encountered poorly developed sands (Fig. 3). The proposed location is requested in order to maximize the structural position, which directly results in increased reservoir development.

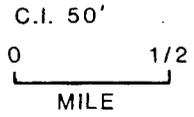
JC/dg
JC.3

Attachment



BURTON FLATS MORROW FIELD
EDDY CO., NEW MEXICO

MORROW "A" STRUCTURE



GEOL: J. CARROLL
JAN., 1990

Figure 1

A
South

A'
North

OXY USA, INC.
Govt. AD #3

PROPOSED LOCATION
OXY USA, INC.
Elizondo A #6

OXY USA, INC.
Tracy A #1

Sec. 21, T-21-S, R-27-E

Sec. 28, T-21-S, R-27-E

Sec. 33, T-21-S, R-27-E

MORROW B

MORROW A

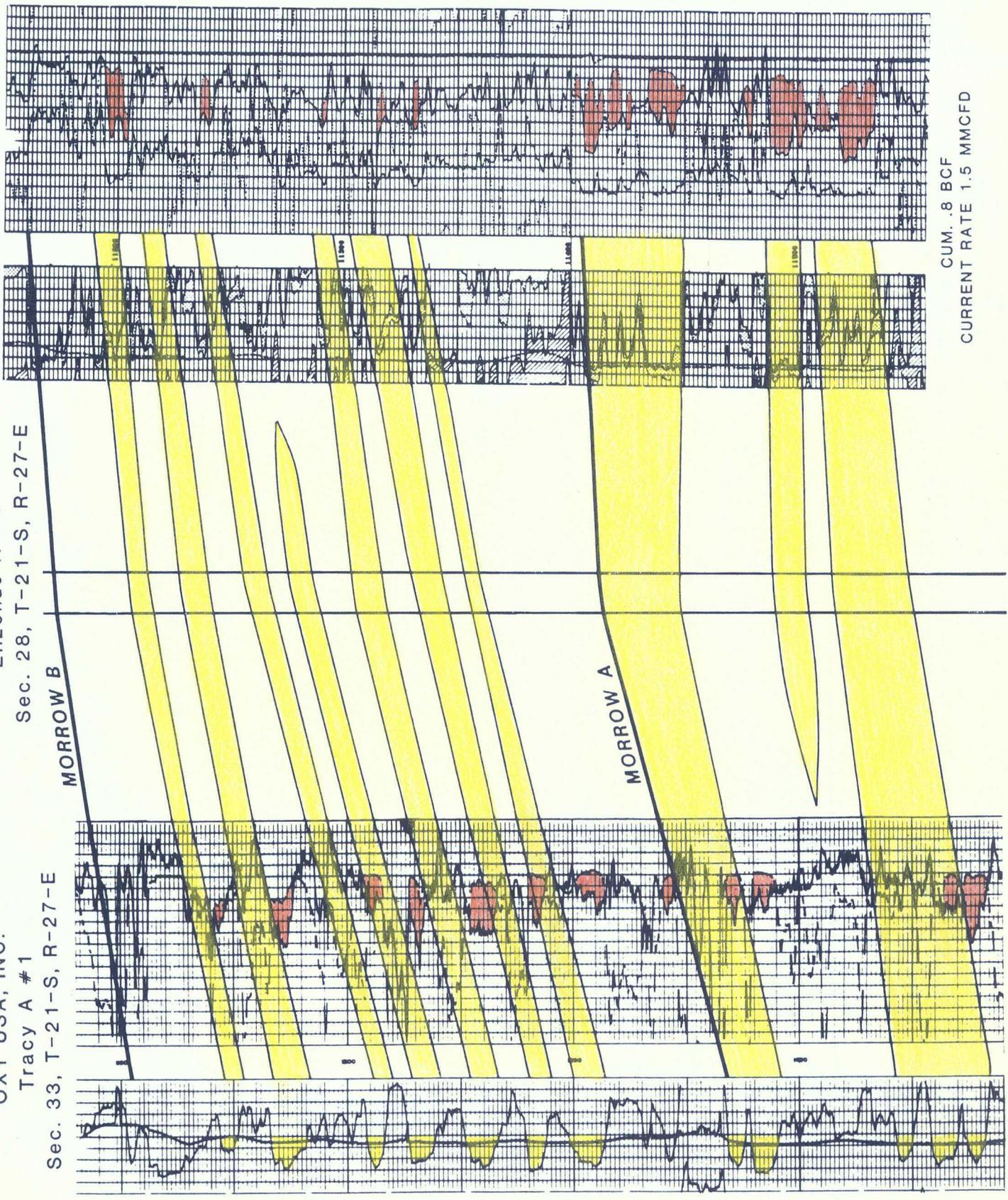
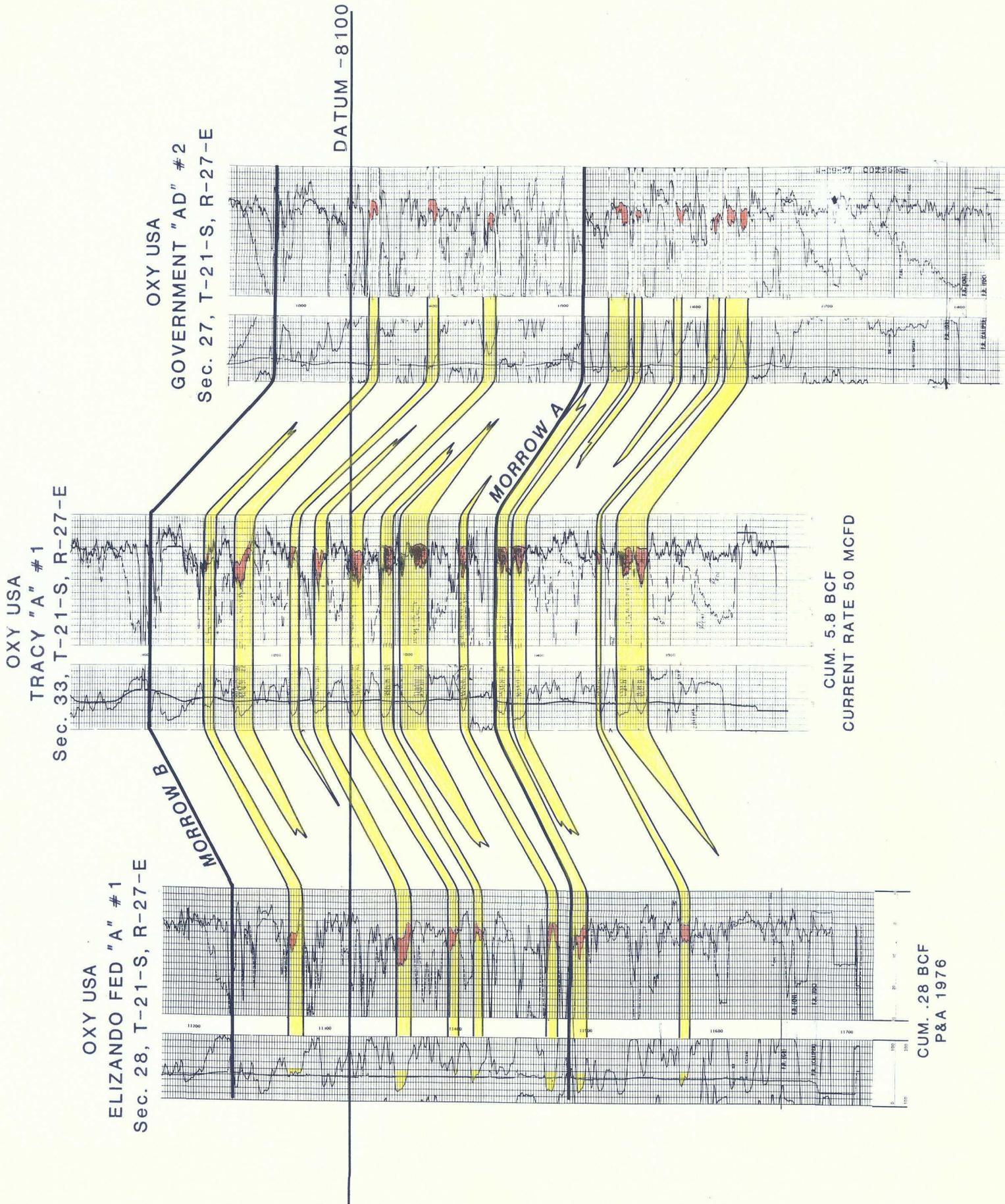


Figure 2

B
West

B'
East



NON-PRODUCTIVE

Figure 3