

CASE 7003: EL PASO NATURAL GAS COMPANY .
OR DIRECTIONAL DRILLING, SAN JUAN
COUNTY, NEW MEXICO

CASE NO.

7003

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

EL PASO NATURAL GAS COMPANY

DEVIATION REPORT

Name of Company EL PASO NATURAL GAS COMPANY		Address BOX 289, FARMINGTON, NEW MEXICO	
Lease Farmington A	Well No. 1E	Well Letter O	Section 1
Pool Basin Dakota	Tie-rod 29N		Range 13W
		County San Juan	

DEPTH	DEVIATION	DEPTH	DEVIATION	DEPTH	DEVIATION	DEPTH
322'	1/4°	1757'	6 1/4°	2670'	10 1/4°	3784'
511						
839'	1°	1820'	8 1/4°	2702'	11 1/2°	3877'
828						
1368'	3/4°	1851'	9°	2735'	12 3/4°	4003'
176						
1544'	1°	2040'	10 1/4°	2765'	15°	4160'
1570'	0°	2072'	10 1/4°	2826'	15 3/4°	4226'
32						
1602'	1 1/4°	2180'	9 3/4°	2888'	16°	4322'
1664'	3 3/4°	2244'	9 1/4°	2980'	17 3/4°	4382'
1633'	2 1/2°	2304'	9 1/2°	3104'	19°	4410'
1664'	3 3/4°	2370'	9 3/4°	3188'	19°	4441'
1689'	4 1/2°	2471'	10°	3313'	18°	4475'
1691'	4 1/2°	2553'	10°	3438'	17 1/2°	4514'
1723'	5 1/4°	2614'	10°	3534'	18°	4556'
				3650'	17 1/2°	4621'

I, the undersigned, certify that I, acting in my capacity as Petroleum Engineer, El Paso Natural Gas Company, was authorized by said Company to make this report that this report was prepared by me or under my supervision and directions and the facts stated therein are true to the best of my knowledge and belief.

RECEIVED
APR 22 1981
Subscribed and sworn to before me this 7th day of April, 1981
OIL CONSERVATION DIVISION
SANTA FE

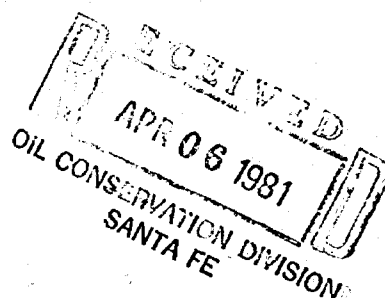
RECEIVED
APR 8 1981
OIL CON. COM.
DIST. 3

Notary Public in and for San Juan County, New Mexico

My commission expires October 5, 1984

El Paso EXPLORATION
COMPANY

P. O. BOX 289
FARMINGTON, NEW MEXICO 87401
PHONE: 505-325-2841



April 1, 1981

Mr. Joe Ramey
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Enclosed is a multi-shot directional survey of the shot points from Eastman Whipstock, and a location plat for El Paso Natural Gas Company's well, the Farmington A #1E, in accordance with Order #R-6460. The said well was drilled from a surface location which was 590' from the South line and 2400' from the East line of Section 1, T-29-N, R-13-W, NMPM, San Juan County, New Mexico, with the bottom of the wellbore located 961' from the South line and 1801' from the West line of said Section 1. The wellbore is within 175' of the target total depth of 990' from the South line and 1650' from the West line of Section 1.

If there are any further questions about the survey or any additional information needed, please contact me.

Yours truly,

A handwritten signature in dark ink, appearing to read "G. W. Brink".

G. W. Brink
Project Drilling Engineer

GWB:pb

encs.

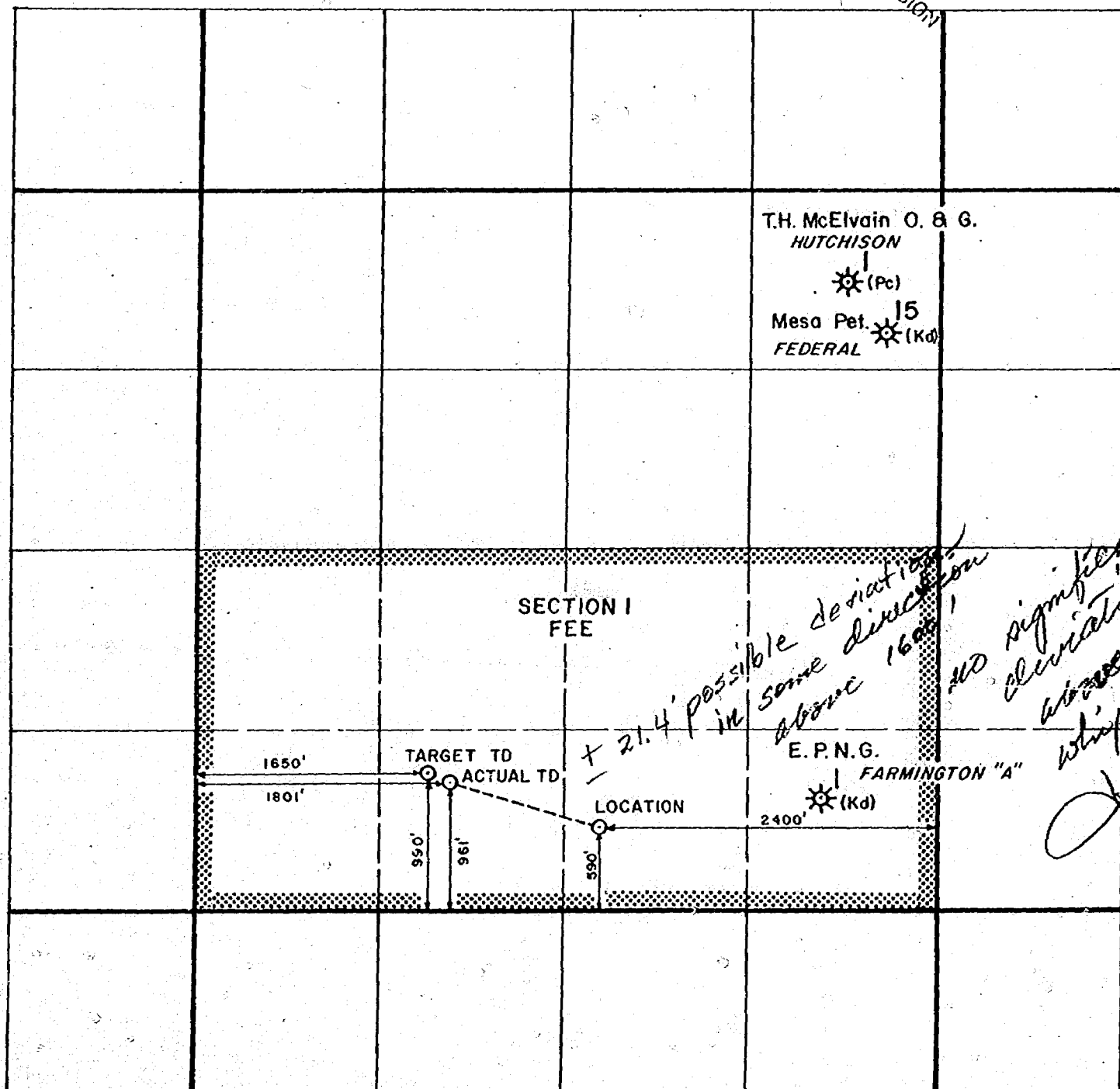
cc: Frank Chavez, New Mexico Oil Conservation Division, Aztec

Don:

Had Frank Chavez call to see what they have for the first 1600'. Please check with him about Wednesday 4/8/81 & see what he found out. JAR

E. P. N. G.
 FARMINGTON "A" NO. 1
 San Juan County, New Mexico
 Sec. 1, T29N-R13W
 590' FSL, 2400' FEL
 BASIN DAKOTA

RECEIVED
 APR 09 1981
 OIL CONSERVATION DIVISION
 SANTA FE



**REPORT
of
SUB-SURFACE
DIRECTIONAL
SURVEY**

EL PASO NATURAL GAS COMPANY
COMPANY

FARMINGTON A NO. 1E
WELL NAME

SAN JUAN COUNTY, NEW MEXICO
LOCATION

JOB NUMBER

RM281-D0749

TYPE OF SURVEY

MAGNETIC SINGLE SHOT

DATE

3/20/81

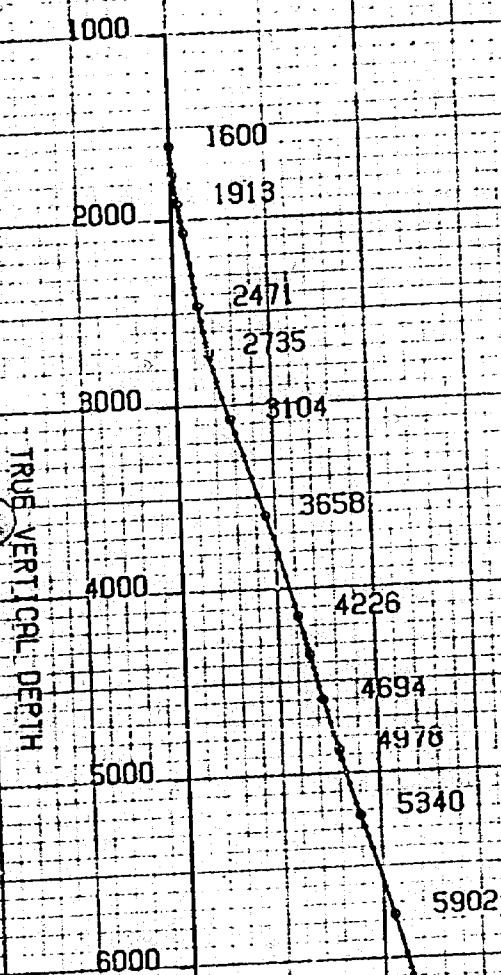
SURVEY BY
BILL WOMACK, JR.

OFFICE
ROCKY MOUNTAIN 410

EL PASO NATURAL GAS COMPANY
WELL NO.: FARMINGTON A NO. 1E
LOCATION: SAN JUAN COUNTY, NEW MEXICO

EASTMAN WHIPSTOCK, INC.

VERTICAL PROJECTION
SCALE 1 IN. = 1000 FEET



11.41' TOTAL DEVIATION

VERTICAL SECTION
CLOSURE 1141.02 N 71° 2' 23" W

EL PASO NATURAL GAS COMPANY
WELL NO.: FARMINGTON A NO. 1E
LOCATION: SAN JUAN COUNTY, NEW MEXICO

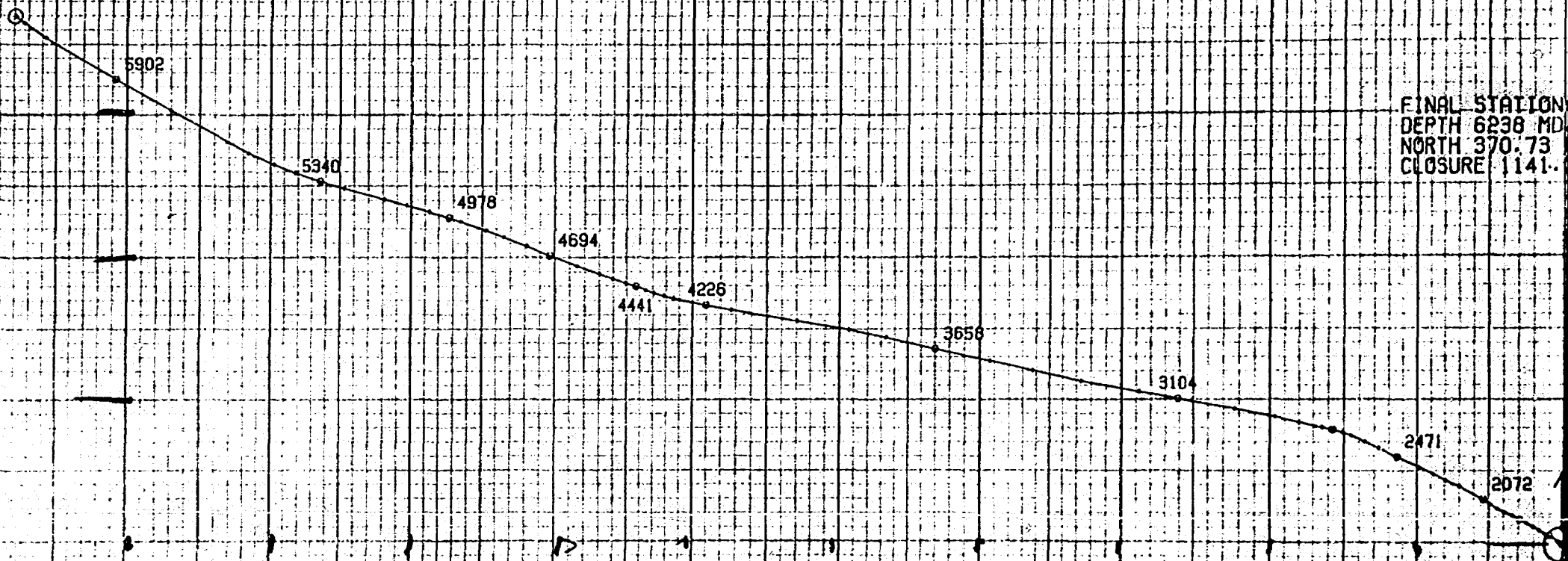
EASTMAN WHIPSTOCK, INC.

HORIZONTAL PROJECTION

SCALE 1 IN. = 100 FEET
DEPTH INDICATOR, MD

FINAL STATION
DEPTH 6238 MD
NORTH 370.73
CLOSURE 1141.

370 N
1080 W

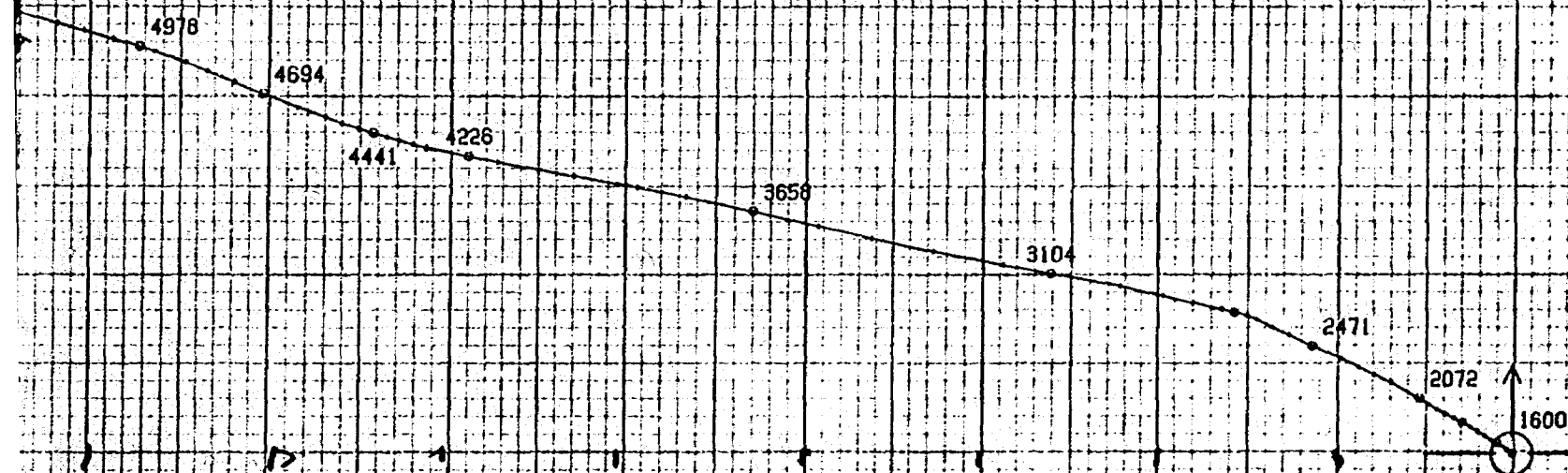


NY
IE
NEW MEXICO

HORIZONTAL PROJECTION

SCALE 1 IN. = 100 FEET
DEPTH INDICATOR: MD

FINAL STATION
DEPTH 6238 MD 6083.56 TVD
NORTH 370.73 WEST 1079.12
CLOSURE 1141.02 N 71.23 W



EL F. D. NATURAL GAS COMPANY
WELL NO.: FARMINGTON A NO. 1E
LOCATION: SAN JUAN COUNTY, NEW MEXICO
FILE NO.: D1-6
JOB NO.: RM281-D0749
DATE: 20 MARCH 1981
TYPE: MAGNETIC SINGLE SHOT
SECTION BEARING: N71 59 00W
DECLINATION: 13 EAST
SURVEYOR: BILL WOMACK

(COMPLETION REPORT)

VERTICAL SECTION CALCULATED IN PLANE OF PROPOSAL
DIRECTION: N 71 DEG. 59 MIN. W

WINDSTOCK
A PETROLEUM COMPANY
RECORD OF SURVEY

RADIUS OF CURVATURE METHOD

EL PASO NATURAL GAS COMPANY
WELL NO. FARMINGTON A NO. 1E
LOCATION: SAN JUAN COUNTY, NEW MEXICO

(COMPLETION REPORT)

COMPUTATION
TIME DATE
40:49:16 19-MAR-81

PAGE NO.

TRUE											
MEASURED DEPTH FEET	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH FEET	VERTICAL DEPTH FEET	VERTICAL SECTION FEET	RECTANGULAR COORDINATES FEET		CLOSURE DISTANCE FEET		DOGLE DIRECTION D M	SEVERI DG/100
1600.00	0 0	0 0	0.0	1600.00	0.00	0.00	0.00	0.00	0 0	0.00	
1633.00	2 30	N 56 0 W	33.0	1632.99	0.69	0.40 N	0.60 W	0.72	N 56 0 W	7.58	
1664.00	3 45	N 45 0 W	31.0	1663.94	2.26	1.48 N	1.90 W	2.40	N 52 9 W	4.45	
1689.00	4 30	N 46 0 W	25.0	1688.88	3.87	2.74 N	3.18 W	4.20	N 49 18 W	3.01	
1723.00	5 15	N 57 0 W	34.0	1722.75	6.57	4.53 N	5.44 W	7.08	N 50 12 W	3.52	
1757.00	6 15	N 65 0 W	34.0	1756.58	9.92	6.18 N	8.42 W	10.44	N 53 42 W	3.76	
1789.00	7 15	N 61 0 W	32.0	1788.36	13.63	7.89 N	11.77 W	14.17	N 56 10 W	3.45	
1820.00	8 15	N 57 0 W	31.0	1819.08	17.70	10.04 N	15.35 W	18.34	N 56 48 W	3.66	
1851.00	9 0	N 59 0 W	31.0	1849.73	22.21	12.51 N	19.29 W	22.99	N 57 3 W	2.61	
1882.00	9 30	N 60 0 W	31.0	1880.32	27.08	15.03 N	23.58 W	27.97	N 57 29 W	1.69	
1913.00	9 45	N 62 0 W	31.0	1910.89	32.17	17.55 N	28.12 W	33.14	N 58 2 W	1.35	
1945.00	10 0	N 63 0 W	32.0	1942.41	37.58	20.08 N	32.98 W	38.62	N 58 40 W	0.95	
1977.00	10 15	N 66 0 W	32.0	1973.91	43.16	22.50 N	38.06 W	44.22	N 59 25 W	1.82	
2009.00	10 15	N 60 0 W	32.0	2005.40	48.78	25.09 N	43.13 W	49.90	N 59 49 W	3.33	
2040.00	10 15	N 57 0 W	31.0	2035.91	54.14	27.97 N	47.84 W	55.41	N 59 41 W	1.72	
2072.00	10 15	N 54 0 W	32.0	2067.40	59.60	31.19 N	52.53 W	61.07	N 59 18 W	1.67	
2180.00	9 45	N 67 0 W	108.0	2173.76	77.94	40.41 N	68.82 W	79.80	N 59 35 W	2.14	
2242.00	9 15	N 64 0 W	62.0	2234.91	88.11	44.65 N	78.13 W	89.99	N 60 15 W	1.13	
2304.00	9 30	N 63 0 W	62.0	2296.08	98.10	49.16 N	87.16 W	100.07	N 60 35 W	0.48	
2370.00	9 45	N 66 0 W	66.0	2361.15	109.03	53.91 N	97.12 W	111.08	N 60 58 W	0.85	
2471.00	10 0	N 66 0 W	101.0	2460.65	126.26	60.95 N	112.95 W	128.34	N 61 39 W	0.28	
2553.00	10 0	N 63 0 W	82.0	2541.41	140.38	67.08 N	125.80 W	142.56	N 61 56 W	0.64	
2614.00	10 0	N 65 0 W	61.0	2601.48	150.87	71.72 N	135.32 W	153.15	N 62 4 W	0.57	
2670.00	10 15	N 64 0 W	56.0	2656.61	160.63	75.96 N	144.20 W	162.99	N 62 13 W	0.55	
2702.00	11 30	N 72 0 W	32.0	2688.03	166.64	78.22 N	149.80 W	168.99	N 62 26 W	6.12	
2735.00	12 45	N 76 0 W	33.0	2720.30	173.57	80.13 N	156.46 W	175.78	N 62 53 W	4.56	
2765.00	15 0	N 77 0 W	30.0	2749.42	180.74	81.81 N	163.45 W	182.73	N 63 25 W	7.54	
2826.00	15 45	N 77 0 W	61.0	2808.23	196.85	85.45 N	179.21 W	198.54	N 64 30 W	1.23	
2888.00	16 0	N 77 0 W	62.0	2867.87	213.75	89.27 N	195.74 W	215.13	N 65 29 W	0.40	
2980.00	17 45	N 79 0 W	92.0	2955.91	240.30	94.82 N	221.86 W	241.27	N 66 52 W	2.00	

EL PASO NATURAL GAS COMPANY
WELL NO: FARMINGTON A NO. 1E
LOCATION: SAN JUAN COUNTY, NEW MEXICO

(COMPLETION REPORT)

COMPUTATION PAGE NO.
TIME DATE
40:49:16 19-MAR-81

MEASURED DEPTH FEET	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH FEET	TRUE DEPTH FEET	VERTICAL SECTION FEET	RECTANGULAR COORDINATES FEET	CLOSURE DISTANCE FEET	DIRECTION D M	DOGLE SEVERITY DG/100
3104.00	19 0	N 80 0 W	124.0	3073.58	279.06	101.94 N 260.29 W	279.54	N 68 37 W	1.04
3188.00	19 0	N 79 0 W	84.0	3153.00	306.17	106.93 N 287.18 W	306.44	N 69 35 W	0.39
3313.00	18 0	N 79 0 W	125.0	3271.54	345.53	114.49 N 326.11 W	345.63	N 70 39 W	0.80
3433.00	17 30	N 78 0 W	120.0	3385.83	381.88	121.79 N 361.96 W	381.90	N 71 24 W	0.49
3534.00	18 0	N 77 0 W	101.0	3482.02	412.53	128.45 N 392.02 W	412.53	N 71 51 W	0.58
3658.00	17 30	N 77 0 W	124.0	3600.12	450.18	136.95 N 428.85 W	450.19	N 72 17 W	0.40
3784.00	17 15	N 78 0 W	126.0	3720.37	487.64	145.10 N 465.59 W	487.67	N 72 41 W	0.31
3877.00	17 0	N 79 0 W	93.0	3809.25	514.84	150.56 N 492.42 W	514.92	N 73 0 W	0.42
4003.00	17 0	N 81 0 W	126.0	3929.74	551.32	156.95 N 528.70 W	551.51	N 73 28 W	0.48
4160.00	15 30	N 79 0 W	157.0	4080.46	594.82	164.58 N 571.96 W	595.17	N 73 57 W	1.02
4226.00	15 30	N 79 0 W	66.0	4144.06	612.33	167.95 N 589.28 W	612.74	N 74 6 W	0.00
4322.00	14 30	N 78 0 W	96.0	4236.79	637.01	172.90 N 613.62 W	637.52	N 74 16 W	1.08
4352.00	14 45	N 77 0 W	30.0	4265.82	644.55	174.54 N 621.02 W	645.08	N 74 18 W	1.18
4382.00	14 30	N 71 0 W	30.0	4294.85	652.12	176.63 N 628.30 W	652.65	N 74 18 W	5.12
4410.00	14 15	N 73 0 W	28.0	4321.97	659.07	178.73 N 634.91 W	659.60	N 74 16 W	1.99
4441.00	14 15	N 73 0 W	31.0	4352.02	666.70	181.01 N 642.20 W	667.23	N 74 16 W	0.00
4475.00	14 0	N 73 0 W	34.0	4384.99	674.99	183.43 N 650.14 W	675.52	N 74 15 W	0.74
4515.00	14 0	N 72 0 W	40.0	4423.80	684.67	186.34 N 659.37 W	685.19	N 74 13 W	0.60
4556.00	14 30	N 70 0 W	41.0	4463.54	694.76	189.63 N 668.91 W	695.27	N 74 10 W	1.71
4621.00	15 0	N 69 0 W	65.0	4526.40	711.29	195.42 N 684.41 W	711.76	N 74 4 W	0.86
4694.00	15 30	N 68 0 W	73.0	4596.83	730.46	202.46 N 702.27 W	730.88	N 73 55 W	0.77
4757.00	15 30	N 67 0 W	63.0	4657.54	747.24	208.90 N 717.83 W	747.61	N 73 46 W	0.42
4822.00	15 15	N 69 0 W	65.0	4720.21	764.44	215.36 N 733.81 W	764.76	N 73 39 W	0.90
4875.00	15 0	N 70 0 W	53.0	4771.37	778.25	220.20 N 746.76 W	778.55	N 73 34 W	0.68
4947.00	15 15	N 72 0 W	72.0	4840.88	797.04	226.32 N 764.52 W	797.32	N 73 31 W	0.80
4978.00	15 0	N 73 0 W	31.0	4870.81	805.12	228.75 N 772.24 W	805.41	N 73 30 W	1.17
5036.00	14 45	N 74 0 W	58.0	4926.86	820.01	232.98 N 786.51 W	820.30	N 73 30 W	0.62
5102.00	14 30	N 75 0 W	66.0	4990.72	836.65	237.43 N 802.57 W	836.96	N 73 31 W	0.54
5166.00	15 0	N 75 0 W	64.0	5052.61	852.93	241.65 N 818.31 W	853.24	N 73 33 W	0.78
5277.00	15 30	N 74 0 W	111.0	5159.71	882.10	249.45 N 846.44 W	882.44	N 73 35 W	0.51

EL PASO NATURAL GAS COMPANY
WELL NO. FARMINGTON-A NO. 1E
LOCATION: SAN JUAN COUNTY, NEW MEXICO

(COMPLETION REPORT)

COMPUTATION PAGE NO.
TIME DATE
40:49:16 19-MAR-81

MEASURED DEPTH FEET	DRIFT ANGLE D M	DRIFT DIRECTION D M	COURSE LENGTH FEET	TRUE VERTICAL DEPTH FEET	VERTICAL SECTION FEET	RECTANGULAR COORDINATES FEET	CLOSURE DISTANCE FEET	DIRECTION D M	DOGLE SEVERITY DG/100
5340.00	16 30	N 75 0 W	63.0	5220.26	899.44	254.09 N 863.18 W	899.80	N 73 36 W	1.65
5406.00	17 0	N 68 0 W	66.0	5283.46	918.45	260.12 N 881.20 W	918.80	N 73 33 W	3.15
5462.00	17 30	N 70 0 W	56.0	5336.94	935.03	266.08 N 896.71 W	935.35	N 73 28 W	1.39
5531.00	17 30	N 64 0 W	69.0	5402.75	955.69	274.18 N 915.80 W	955.96	N 73 20 W	2.61
5745.00	16 0	N 58 0 W	214.0	5607.67	1016.21	304.06 N 969.71 W	1016.27	N 72 35 W	1.07
5902.00	16 15	N 61 0 W	157.0	5758.49	1058.78	326.19 N 1007.28 W	1058.78	N 72 3 W	0.55
6118.00	14 45	N 58 0 W	216.0	5966.63	1115.13	355.49 N 1057.01 W	1115.19	N 71 25 W	0.79
6200.00	12 0	N 54 0 W	82.0	6046.39	1133.36	366.09 N 1072.73 W	1133.48	N 71 9 W	3.54

THE NEXT STATION IS PROJECTED

6238.00 12 0 N 54 0 W 38.0 6083.56 1140.88 370.73 N 1079.12 W 1141.03 N 71 2 W 0.00

FINAL CLOSURE - DIRECTION: N 71 DEGS 12 MINS 23 SECS W
DISTANCE: 1141.03 FEET

A PETROLEUM COMPANY

40:49:16

19-MAR-81

FILE NUMBER: 6

EL PASO NATURAL GAS COMPANY
WELL NO.: FARMINGTON A NO.1E

(COMPLETION REPORT)

LOCATION: SAN JUAN COUNTY, NEW MEXICO

CONVERSATIONAL SURVEY PROGRAM V02.11

Handwritten: 40:49:16
Stamp: RECEIVED
Stamp: MARCH 19 1981
Stamp: EL PASO NATURAL GAS COMPANY
Stamp: FARMINGTON A NO.1E
Stamp: SAN JUAN COUNTY, NEW MEXICO
Stamp: COMPLETION REPORT
Stamp: V02.11
Stamp: 19-MAR-81
Stamp: 6



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

September 12, 1980

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. Dave Burleson, Attorney
El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

Re: CASE NO. 7883
ORDER NO. R-6460

Applicant:

~~El Paso Natural Gas Company~~

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7003
Order No. R-6460

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR DIRECTIONAL DRILLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 20, 1980,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of September, 1980, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, El Paso Natural Gas Company, seeks
authority to directionally drill a well, the surface location of
which is 590 feet from the South line and 2400 feet from the
East line of Section 1, Township 29 North, Range 13 West, NMPN,
Basin-Dakota Pool, San Juan County, New Mexico, in such a manner
as to bottom said well at a standard location within 175 feet
of a point 990 feet from the South line and 1650 feet from the
West line of said Section 1.

(3) That the directional drilling is necessitated in order
to avoid structures, highways, and other surface features at a
standard location in the SE/4 SW/4 of said Section 1.

(4) That the applicant should be required to determine the
subsurface location of the kick-off point prior to directional
drilling, and to determine the subsurface location of the bottom
of the hole by means of a continuous multi-shot directional

-2-
Case No. 7003
Order No. R-6460

survey conducted subsequent to said directional drilling, if said well is to be completed as a producing well.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is hereby authorized to directionally drill a well, the surface location of which is 590 feet from the South line and 2400 feet from the East line of Section 1, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico, in such a manner as to bottom said well within 175 feet of a point 990 feet from the South line and 1650 feet from the West line of said Section 1.

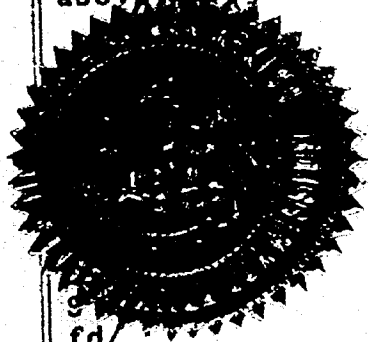
PROVIDED HOWEVER, that prior to directional drilling, the operator shall determine the subsurface location of the kick-off point; and

PROVIDED FURTHER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the kick-off point with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, P. O. Box 2088, Santa Fe, New Mexico, and that the operator shall notify the Division's Aztec District Office of the date and time said survey is to be commenced.

(2) That Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.

(3) That 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 herein-
above designated.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
20 August 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of El Paso Natural Gas
Company for directional drilling, San
Juan County, New Mexico.

CASE
7003

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

David W. Burleson, Esq.
El Paso Natural Gas Company
El Paso, Texas

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I N D E X

PAUL W. BURCHELL

Direction Examination by Mr. Burleson 3

E X H I B I T S

Applicant Exhibit One, Plat 5

Applicant Exhibit Two, Map 6

Applicant Exhibit Three, Permits 8

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 MR. STAMETS: We'll call next Case 7003.

2 MR. PADILLA: Application of El Paso
3 Natural Gas Company for directional drilling, San Juan County,
4 New Mexico.

5 MR. STAMETS: Call for appearances in
6 this case.

7 MR. BURLESON: David T. Burleson of El
8 Paso Natural Gas Company, in association with Montgomery and
9 Andrews. I have one witness to be sworn.

10
11 (Witness sworn.)

12
13 PAUL W. BURCHELL
14 being called as a witness and having been duly sworn upon
15 his oath, testified as follows, to-wit:

16
17 DIRECT EXAMINATION

18 BY MR. BURLESON:

19 Q Please state your name and where you re-
20 side for the record, please?

21 A My name is Paul W. Burchell and I reside
22 in El Paso, Texas.

23 Q By whom are you employed and in what
24 capacity?

25 A I'm employed by The El Paso Natural Gas

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Santa Fe, New Mexico 87501
Phone (505) 455-7409

1 Company as Senior Proration Engineer.

2 Q As a proration engineer have you previous-
3 ly testified before the Division and had your credentials
4 accpeted at that time?

5 A Yes, I have.

6 Q Are you familiar with El Paso's applica-
7 tion in this case, Case 7003?

8 A Yes, I am.

9 Q Would you --

10 MR. BURLESON: Mr. Examiner, are the
11 witness' qualifications acceptable?

12 MR. STAMETS: They are.

13 Q Would you please describe what that ap-
14 plication concerns?

15 A Yes, sir. We are seeking permission to
16 drill a deviated hole in El Paso Natural Gas Company's pro-
17 posed Farmington "A" No. 1-E Well. This request for per-
18 mission is required by Rule 111-B of the State of New Mexico,
19 Oil Conservation Division Rules and Regulations of statewide
20 application.

21 El Paso further requests an exemption to
22 the extent necessary from the special rules and regulations
23 for the Basin Dakota Gas Pool well location requirements.
24 This is Rule 2-A, Order R-1670-W.

25 Q Is El Paso the operator of the unit on

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1 which this well would be located, Mr. Burchell?

2 A Yes. We will be the operator.

3 Q Have you prepared an exhibit showing
4 the proposed location of the well?

5 A Yes, I have.

6 Q Would you please turn to that exhibit
7 and describe what is depicted on it?

8 A It is Exhibit Number One. It is a loca-
9 tion plat and it has been marked as El Paso Natural Gas Com-
10 pany's Exhibit Number One.

11 The exhibit identifies offset lease owners
12 and it shows the surface location for the Farmington "A" No.
13 1-E Well, which is marked in red on the exhibit, and it is
14 located 590 feet from the south line and 2400 feet from the
15 east line. This would be Unit O of Section 1, Township 29
16 North, Range 13 West, San Juan County, New Mexico.

17 El Paso is seeking the Division's approval
18 to bottom the hole in a predetermined location by directional
19 drilling methods.

20 The subsurface location, which is shown
21 in blue on the exhibit, would be within a 175-foot radius
22 of a point at 990 feet from the south line and 1650 feet from
23 the west line. This would be Unit M of the same section.

24 Now the surface location for the Farmington
25 "A" No. 1-E Well, which is a Basin Dakota infill well is not

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1 in conformance with the Basin Dakota Gas Pool rules covering
2 well locations; however, its subsurface location would be
3 in compliance with the rules.

4 Q. Why does El Paso desire to drill this
5 well in a deviated manner?

6 A. Accessibility, Mr. Examiner, is the main
7 reason. The inadequate access road and the presence of
8 private businesses in the area which directly overlies the
9 proposed wellbore location in the Dakota formation makes it
10 impractical to drill this well from a surface location in
11 this area.

12 Therefor, the well will be located at the
13 surface within the confines of the El Paso Natural Gas Com-
14 pany's pipeyard, which is in the City of Farmington townsite.

15 Q. Have you prepared an exhibit indicating
16 the location of the well within the Farmington township?
17 Town site?

18 A. Yes, I have.

19 Q. Would you turn to that exhibit, please,
20 and tell us what that shows?

21 A. Mr. Examiner, it is a map of part of
22 Farmington's townsite, which has been marked El Paso's Ex-
23 hibit Number Two, and that particular exhibit is all of
24 Section 1 and each one of the squares outlined there is ap-
25 proximately 40 acres.

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1 The exhibit shows the surface location
2 of the Farmington "A" No. 1-E Well marked in red and the
3 well's subsurface location marked in blue.

4 The surface location of the well is zoned
5 M-1 while the area above the surface -- subsurface location
6 within the Dakota formation is zoned C-2.

7 The M-1 zone classification is for heavy
8 industrial use, which is where the surface location is, and
9 the C-2 zone classification is for light businesses, and that
10 is shown in the blue.

11 If you notice, Mr. Examiner, the subsur-
12 face location marked in blue is also almost on the boundary
13 of a C-2 zoning and an R-1-B zoning. The R-1-B is for resi-
14 dential use.

15 Also like to point out to your attention
16 that the United States Highway Number 550, which is also
17 referred to in the city as East Main Street, overlies the
18 vicinity of the projected wellbore in the Dakota formation.
19 El Paso would like to avoid the heavy traffic on and about
20 this highway.

21 Q And locating it within the pipeyard
22 would, of course, accomplish that.

23 A Yes.

24 Q Would it not?

25 A Yes.

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1 Q Has the City of Farmington been asked
2 for any authorizations or permits to permit the drilling of
3 the well within the township?

4 A Yes. Mr. Examiner, I have marked the
5 special use permit granted by the Farmington City Council on
6 July the 22nd, 1980, and attached to it the permit and
7 license, dated August the 17th, 1980, by the City of Farming-
8 ton as El Paso's Exhibit Number Three for your convenience.

9 Q Mr. Burchell, I believe you said August
10 the 17th. I think it's really August the 7th, is it not?

11 A Let's see.
12 August 7, 1980?

13 Q I'm sorry, yes, it's dated August the
14 7th.

15 Q Is there anything that you would like to
16 call to the Examiner's attention that's contained on that
17 exhibit?

18 A No, I think that is pretty much self-
19 explanatory.

20 Q Who will supervise the drilling of the
21 well?

22 A It will be a representative of both the
23 El Paso Natural Gas Company and the Eastman Whipstock Company.
24 They have been contracted to do this proposed work.

25 Q What will be the additional cost that

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1 will be incurred in drilling this well by reason of it being
2 directionally drilled?

3 A The deviated hole will add an approxi-
4 mately \$19,165 to the total cost of drilling and completing
5 the well.

6 Q Would you describe briefly the way the
7 well will be drilled?

8 A Yes, sir. No new access roads will be
9 needed, since the well is located within the El Paso's pipe-
10 yard.

11 No new materials will be needed to build
12 the proposed location, and the reserve pit will be steel pits
13 or tanks, and this in order to prevent any leakage.

14 Now following completion of the project
15 the steel tanks will be emptied and the material therein
16 hauled away. All trash will be placed in a fenced pit and
17 it also will be hauled away to the nearest sanitary landfill.
18 All water used for the project will be either hauled from
19 the El Paso's yard or pumped from the Animas River.

20 All diesel powered rig motos will have
21 high quality mufflers in order to minimize noise.

22 Now following completion of the well it
23 will be tied into existing gas gathering lines of the El
24 Paso Natural Gas Company.

25 Q Have the offsetting lease owners been

1 notified of El Paso's proposal which is the subject of this
2 application?

3 A Yes, they have been notified of the time
4 and place of this hearing, and as a matter of fact, El Paso
5 has received waivers from all of the offset lease owners, in-
6 dicating no objection from any of them.

7 Q Could you name those offsetting lease
8 owners, please, who have granted waivers?

9 A Yes, sir. They're shown on Exhibit Num-
10 ber ONE.

11 Exhibit Number One is the offset lease
12 owners are numbered from one to five, and on the bottom of
13 the exhibit the various numbers are attached to the -- to the
14 lease owner.

15 Number one is Mesa Petroleum Company,
16 and I just noticed petroleum is spelled wrong.

17 Number Two is Pioneer Production Company.

18 Number Three is the Amoco Production
19 Company.

20 Number Four is Tenneco Oil Company.

21 And Five is the Sun Oil Company.

22 Q In your opinion would the granting of
23 this application be consistent with correlative rights and
24 the prevention of waste?

25 A Yes, sir.

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1 Q Do you have anything further to present
2 in this case?

3 A No, I do not.

4 Q Were Exhibits One and Two prepared under
5 your supervision, and was Exhibit Number Three marked under
6 your direction?

7 A Yes, they were.

8 MR. BURLESON: Mr. Examiner, we ask that
9 Exhibits One, Two, and Three be accepted in evidence in the
10 case, and that concludes our direct examination.

11 We tender the witness for your examination.

12 MR. STAMETS: The exhibits are admitted.
13 Are there any questions of the witness? He may be excused.

14 Anything further in this case?

15 The case will be taken under advisement.

16
17 (Hearing concluded.)
18
19
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25

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd C.S.R.

SALLY W. BOYD, C.S.R.

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Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7003, heard by me on 8-29 1980.

Richard L. Starn, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
20 August 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of El Paso Natural Gas)
Company for directional drilling, San)
Juan County, New Mexico.)

CASE
7003

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

David W. Burleson, Esq.
El Paso Natural Gas Company
El Paso, Texas

SALLY W. BOYD, C.S.R.

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I N D E X

PAUL W. BURCHELL

Direction Examination by Mr. Burleson 3

E X H I B I T S

Applicant Exhibit One, Plat 5

Applicant Exhibit Two, Map 6

Applicant Exhibit Three, Permits 8

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1 MR. STAMETS: We'll call next Case 7003.

2 MR. PADILLA: Application of El Paso
3 Natural Gas Company for directional drilling, San Juan County,
4 New Mexico.

5 MR. STAMETS: Call for appearances in
6 this case.

7 MR. BURLESON: David T. Burleson of El
8 Paso Natural Gas Company, in association with Montgomery and
9 Andrews. I have one witness to be sworn.

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11 (Witness sworn.)
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13 PAUL W. BURCHELL
14 being called as a witness and having been duly sworn upon
15 his oath, testified as follows, to-wit:
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18 BY MR. BURLESON:

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22 in El Paso, Texas.

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1 Company as Senior Proration Engineer.

2 Q As a proration engineer have you previous-
3 ly testified before the Division and had your credentials
4 accpeted at that time?

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6 Q Are you familiar with El Paso's applica-
7 tion in this case, Case 7003?

8 A Yes, I am.

9 Q Would you --

10 MR. BURLESON: Mr. Examiner, are the
11 witness' qualifications acceptable?

12 MR. STAMETS: They are.

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1 which this well would be located, Mr. Burchell?

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20 this highway.

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22 would, of course, accomplish that.

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4 A Yes. Mr. Examiner, I have marked the
5 special use permit granted by the Farmington City Council on
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2 directionally drilled?

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14 Now following completion of the project
15 the steel tanks will be emptied and the material therein
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19 the El Paso's yard or pumped from the Animas River.

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22 Now following completion of the well it
23 will be tied into existing gas gathering lines of the El
24 Paso Natural Gas Company.

25 Q Have the offsetting lease owners been

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1 notified of El Paso's proposal which is the subject of this
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4 and place of this hearing, and as a matter of fact, El Paso
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19 Company.

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21 And Five is the Sun Oil Company.

22 Q In your opinion would the granting of
23 this application be consistent with correlative rights and
24 the prevention of waste?

25 A Yes, sir.

1 Q Do you have anything further to present
2 in this case?

3 A No, I do not.

4 Q Were Exhibits One and Two prepared under
5 your supervision, and was Exhibit Number Three marked under
6 your direction?

7 A Yes, they were.

8 MR. BURLESON: Mr. Examiner, we ask that
9 Exhibits One, Two, and Three be accepted in evidence in the
10 case, and that concludes our direct examination.

11 We tender the witness for your examination.

12 MR. STAMETS: The exhibits are admitted.
13 Are there any questions of the witness? He may be excused.

14 Anything further in this case?

15 The case will be taken under advisement.

16
17 (Hearing concluded.)
18
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

SALLY W. BOYD, C.S.R.

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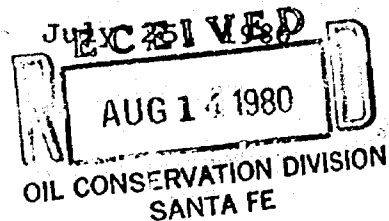
I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

Case 7003

El Paso EXPLORATION
COMPANY

P. O. BOX 289
FARMINGTON, NEW MEXICO 87401
PHONE: 505-325-2841



Mesa Petroleum
Pioneer Production
Amoco Production
Tenneco Oil Company
Sun Oil Company

Re: Non-Standard Gas Well Location

Gentlemen:

El Paso Natural Gas Company has requested administrative approval to drill a deviated hole in its proposed Farmington A #1E. This is a non-standard surface location; however, the subsurface location will be a standard location in the Basin Dakota pool.

It is intended to locate the El Paso Natural Gas Company's Farmington A #1E location at 590' from the South line and 2400' from the East line and the projected subsurface location will be approximately 1650' from the West line and 990' from the South line of Section 1, T-29-N, R-10-W, San Juan County, New Mexico. The proposed surface location is in El Paso Natural Gas Company's warehouse yard, which is readily accessible and away from private business located near the subsurface location.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operators of an offsetting proration unit, of our application for administrative approval for the aforementioned non-standard gas well location. Enclosed are three copies of this letter. If there is no objection to this location, please sign and return one copy to the New Mexico Oil Conservation Division, Post Office Box 2088, Santa Fe, NM 87501; one copy to El Paso; and keep one copy for your files.

A plat showing the proposed gas well location and offsetting Dakota lease ownership is attached, along with a plat showing the proposed surface location and subsurface location plotted on a city map.

Yours truly,

Don Read

D. R. Read

Approved: _____

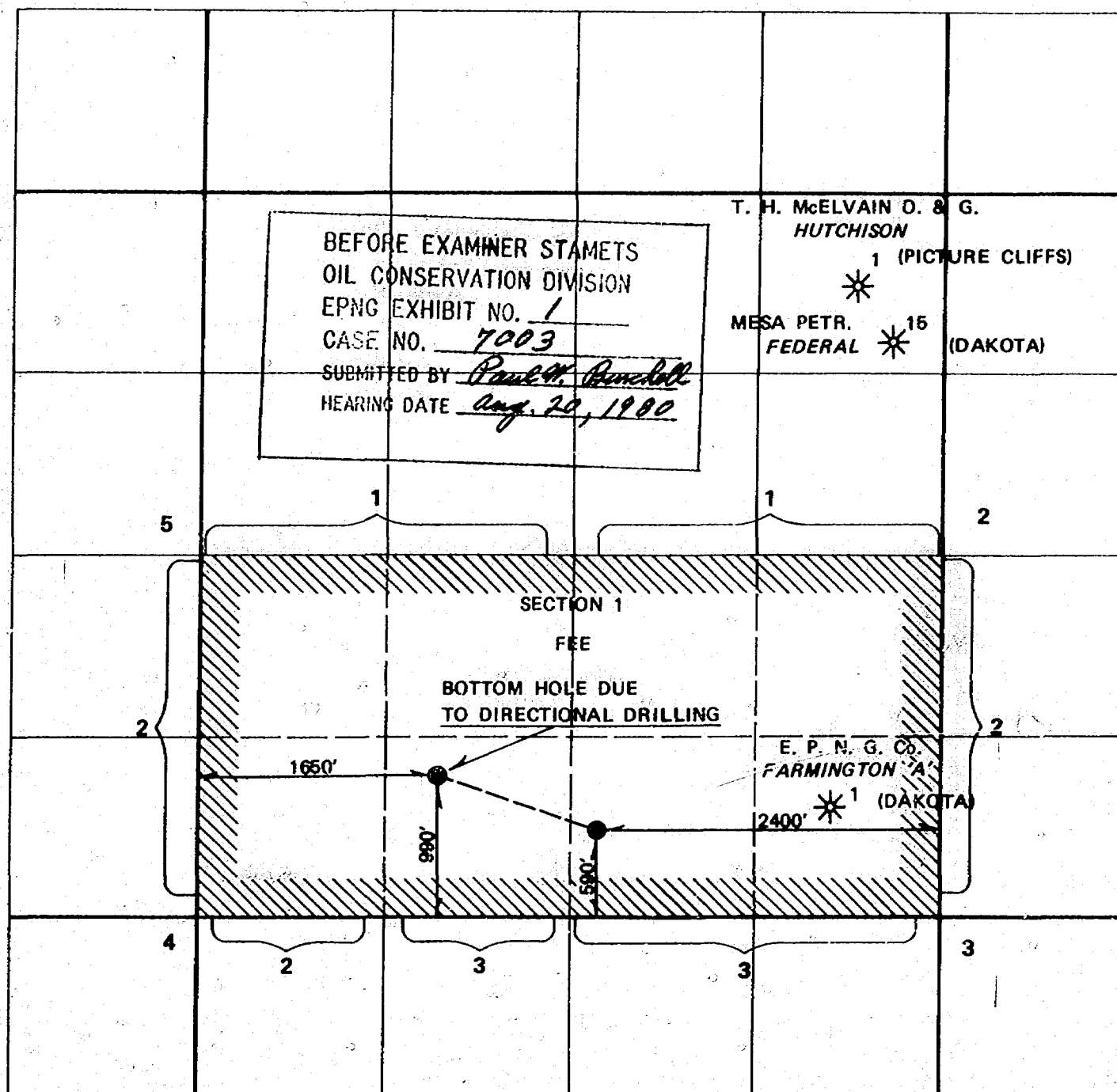
Jed W. Lommens
Jed W. Lommens
Division Land Manager

EL PASO NATURAL GAS COMPANY
WELL LOCATION PLAT
EXHIBIT NO. 1

WELL NAME: FARMINGTON A NO. 1 - E BASIN DAKOTA
FOOTAGE ----- 590' FLS, 2400' FEL

APPLICATION FOR NON-STANDARD LOCATION

COUNTY: SAN JUAN STATE: NEW MEXICO SECTION 1 TOWNSHIP 29-N RANGE 13-W

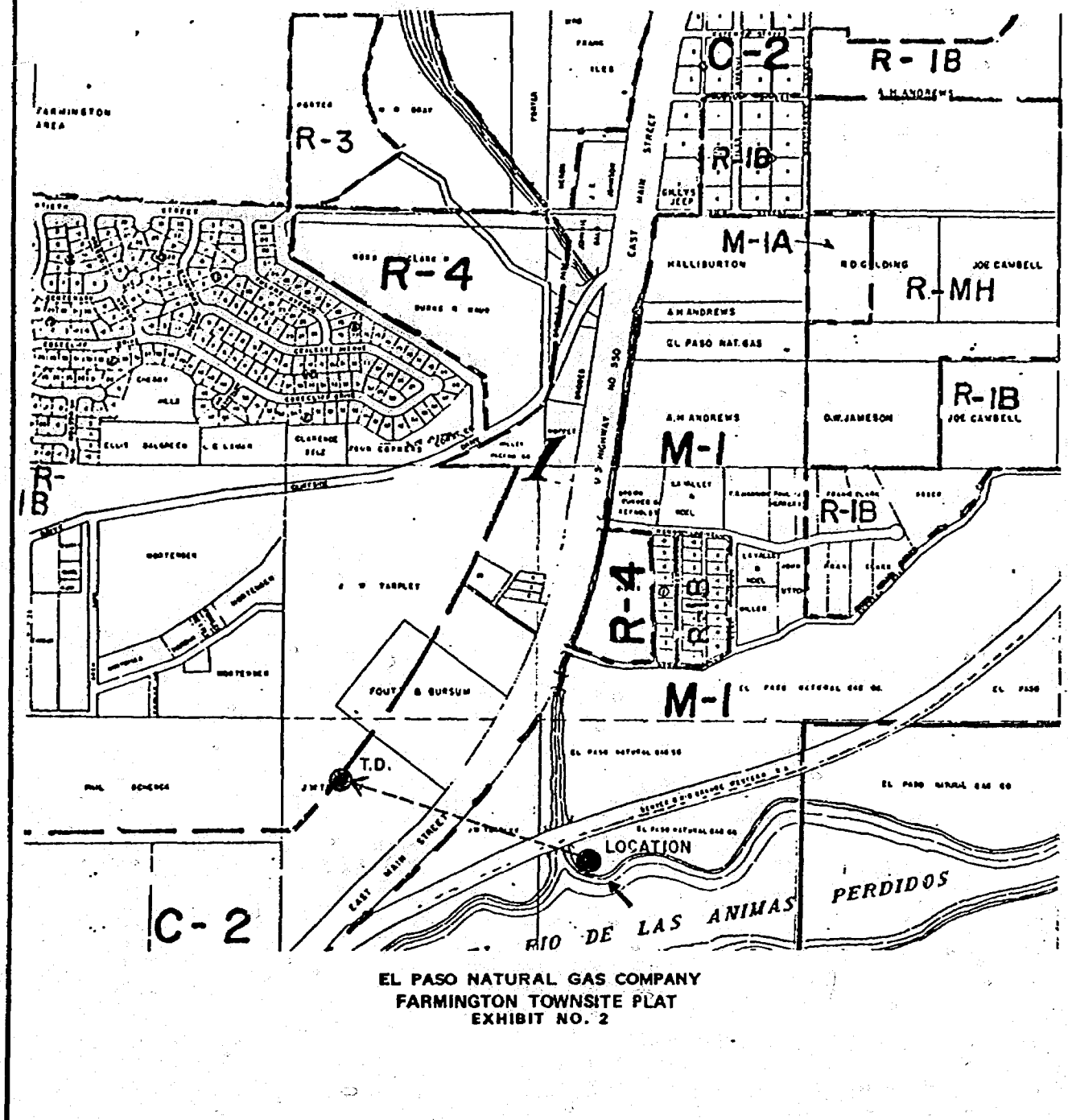


REMARKS:

- (1) MESA PETROLEUM COMPANY
- (2) PIONEER PRODUCTION COMPANY
- (3) AMOCO PRODUCTION COMPANY
- (4) TENNECO OIL COMPANY
- (5) SUN OIL COMPANY

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EPNG EXHIBIT NO. 2
CASE NO. 7003

SUBMITTED BY Paul H. Randall
HEARING DATE Aug. 20, 1980



PERMIT AND LICENSE

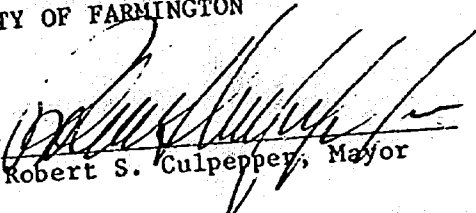
Date: August 7, 1980

That subject to the provisions and conditions contained in Chapter 22 of the Farmington City Code and subject to compliance with the conditions of the Special Use Permit granted by the City Council on July 22, 1980, El Paso Natural Gas Company, a corporation, is hereby granted a permit and license to drill a well in search of oil and/or gas to the Dakota formation on the following location:

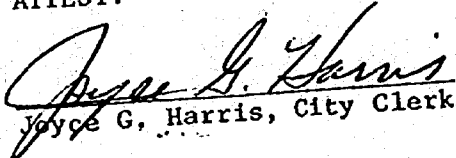
590 feet from the South Line and 2,400 feet from the East Line of Section 1, Township 29 North, Range 13 West, San Juan County, New Mexico Principal Meridian, to an approximate depth of 6,238 feet.

This permit shall be valid for a period of one year and so long thereafter as oil or gas shall be produced or until such time as the permittee has abandoned operations. Providing, however, no operations shall be commenced until the permittee shall have filed with the City Clerk an Indemnity Bond and insurance documents, in compliance with Chapter 22 of the Farmington City Code, approved by the City Attorney.

CITY OF FARMINGTON

By 
Robert S. Culpepper, Mayor

ATTEST:


Joyce G. Harris, City Clerk

EL PASO NATURAL GAS COMPANY

By Don Read
Title: Project Engineer

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EPNG EXHIBIT NO. 3

CASE NO. 7003

SUBMITTED BY Paul W. Burchell

HEARING DATE Aug. 20, 1980

RECOMMENDATIONS FROM THE PLANNING AND ZONING COMMISSION

- (1) Approval of Petition No. 643 from Equipment Renewal Company, requesting a Special Use Permit in a C-2, General Commercial District to allow outside storage at 953 East Main Street, subject to the landscaping being installed within six months from the date of approval and the screening and landscaping being properly maintained.

Motion by Councilman Carpenter seconded by Councilman Johnson to approve a Special Use Permit to allow outside storage at 953 East Main Street, subject to the conditions recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (2) Approval of Petition No. 645 from the Shriners requesting a Special Use Permit to allow a circus on September 8, 1980 at Ricketts Park west of Fairgrounds Road and south of Vine Avenue, subject to:
 - (a) proper security being provided;
 - (b) a representative of the Shrine Club contacting the Sanitation Department before September 1, 1980, to finalize plans for sanitation service, as recommended by the Sanitation Department.

Motion by Councilman Carpenter seconded by Councilman Johnson to approve a Special Use Permit to allow a circus on September 8, 1980 at Ricketts Park, as set forth in Petition No. 645, subject to conditions (a) and (b) as recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (3) Approval of Petition No. 646 from El Paso Natural Gas Company, requesting a Special Use Permit to allow the drilling of a gas well in an M-1, Light Industrial District at 3621 East Main Street (590 feet FSL and 2400 feet FEL of T29N, R13W, San Juan County), subject to:
 - (a) Compliance with Chapter 22 including submission of plans and permit application for review by the Oil and Gas Inspector (Building Inspector) as provided for in Chapter 22;
 - (b) Compliance with Chapter 20A or a variance being secured from the City Council;
 - (c) Compliance with all other applicable City codes and ordinances, including Chapter 12;
 - (d) Compliance with all applicable State and Federal regulations including the NFPA Life Safety Code Pamphlet 101 and approval by the State Fire Marshall's office;
 - (e) Petitioner being responsible for keeping adjacent City streets free of dirt and mud from the well site;
 - (f) Posting of a performance bond in an amount of \$10,000 to insure compliance with all City Codes and Ordinances;
 - (g) Approval by the City Engineer of plans indicating the exact location and layout of the proposed drilling pad, in regard to compliance with the City's Flood Damage Prevention Ordinance (Chapter 12A) prior to issuance of a drilling permit.

Motion made by Councilman Carpenter and seconded by Councilman Johnson to approve a Special Use Permit to allow the drilling of a gas well at 3621 East Main, subject to conditions (a) through (g) as recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (4) Approval of the preliminary plat from NGR Corporation, represented by San Juan Engineering, for Westland Park Subdivision No. 5 containing 8 lots on 2.85 acres located in an R-3, Multiple Family Residential district west of Westland Park Drive and north of LaHabra Street, subject to:

EL PASO NATURAL GAS COMPANY
WELL LOCATION PLAT
EXHIBIT NO. 1

WELL NAME: FARMINGTON A NO. 1 - E
FOOTAGE ----- 590' FLS, 2400' FEL
APPLICATION FOR NON-STANDARD LOCATION
COUNTY: SAN JUAN STATE: NEW MEXICO SECTION 1 TOWNSHIP 29-N RANGE 13-W

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EPNG EXHIBIT NO. 1

CASE NO. 7003

SUBMITTED BY Paul W. Baralatt

HEARING DATE Aug. 20, 1980

T. H. McELVAIN O. & G.
HUTCHISON

1 (PICTURE CLIFFS)

MESA PETR.
FEDERAL

15

(DAKOTA)

SECTION 1

FEE

BOTTOM HOLE DUE
TO DIRECTIONAL DRILLING

E. P. N. G. Co.
FARMINGTON "A"

1

(DAKOTA)

REMARKS:

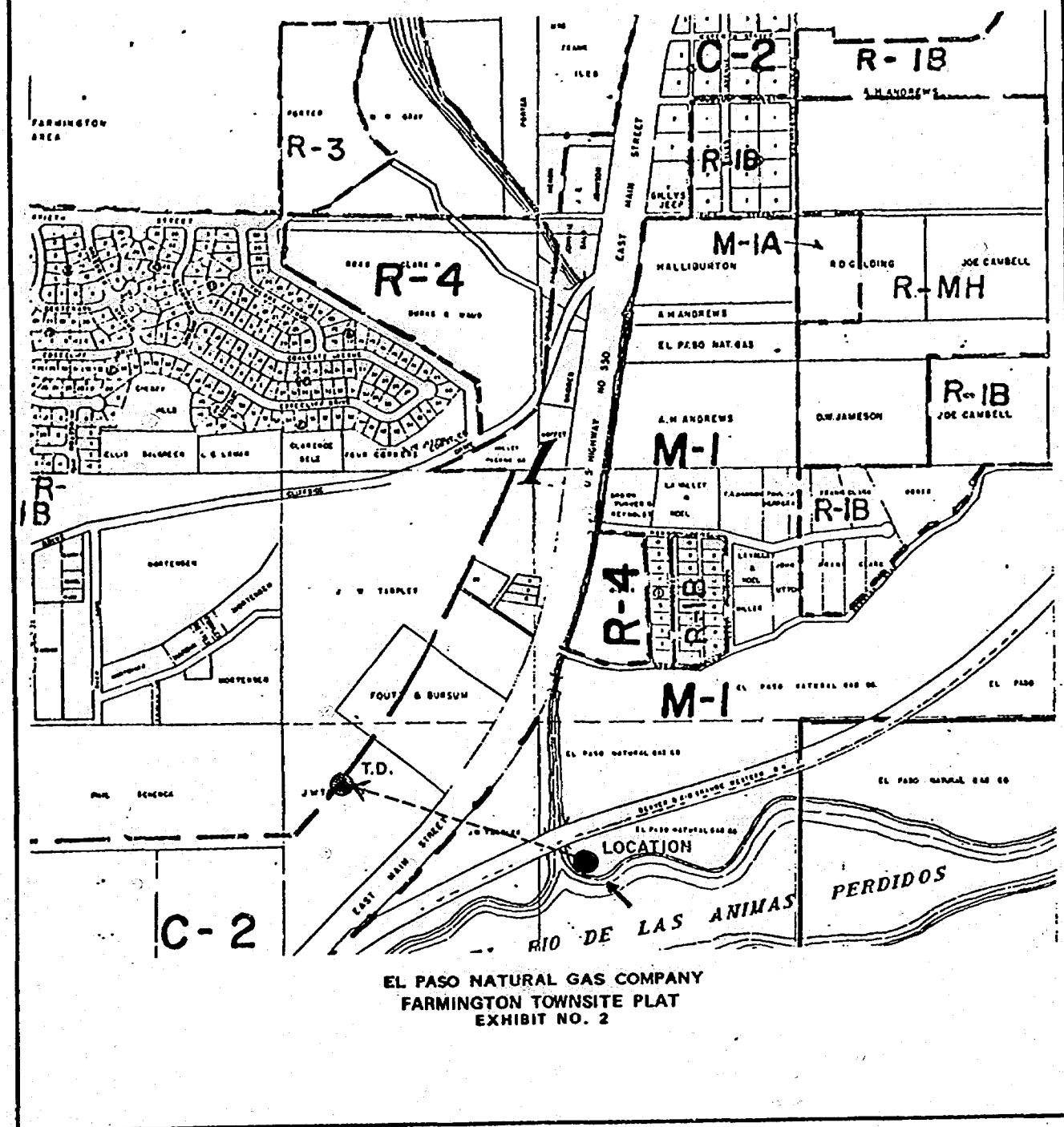
- (1) MESA PETROLEUM COMPANY
- (2) PIONEER PRODUCTION COMPANY
- (3) AMOCO PRODUCTION COMPANY
- (4) TENNECO OIL COMPANY
- (5) SUN OIL COMPANY

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EPNG EXHIBIT NO. 2

CASE NO. 7003

SUBMITTED BY Paul W. Burdett

HEARING DATE Aug. 20, 1980



PERMIT AND LICENSE

Date: August 7, 1980

That subject to the provisions and conditions contained in Chapter 22 of the Farmington City Code and subject to compliance with the conditions of the Special Use Permit granted by the City Council on July 22, 1980, El Paso Natural Gas Company, a corporation, is hereby granted a permit and license to drill a well in search of oil and/or gas to the Dakota formation on the following location:

590 feet from the South Line and 2,400 feet from the East Line of Section 1, Township 29 North, Range 13 West, San Juan County, New Mexico Principal Meridian, to an approximate depth of 6,238 feet.

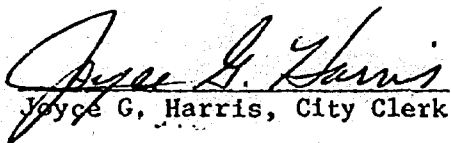
This permit shall be valid for a period of one year and so long thereafter as oil or gas shall be produced or until such time as the permittee has abandoned operations. Providing, however, no operations shall be commenced until the permittee shall have filed with the City Clerk an Indemnity Bond and insurance documents, in compliance with Chapter 22 of the Farmington City Code, approved by the City Attorney.

CITY OF FARMINGTON

By



Robert S. Culpepper, Mayor

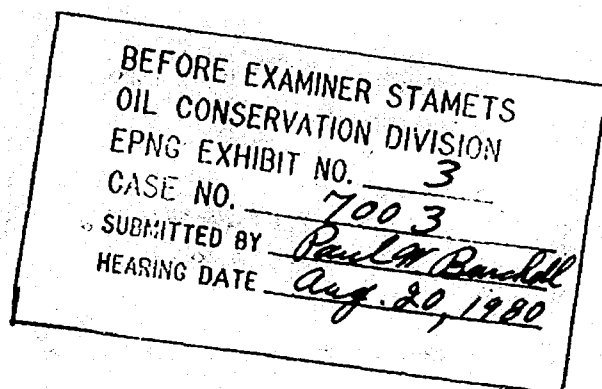
ATTEST:


Joyce G. Harris, City Clerk

EL PASO NATURAL GAS COMPANY

By


Title: Project Engineer



RECOMMENDATIONS FROM THE PLANNING AND ZONING COMMISSION

- (1) Approval of Petition No. 643 from Equipment Renewal Company, requesting a Special Use Permit in a C-2, General Commercial District to allow outside storage at 953 East Main Street, subject to the landscaping being installed within six months from the date of approval and the screening and landscaping being properly maintained.

Motion by Councilman Carpenter seconded by Councilman Johnson to approve a Special Use Permit to allow outside storage at 953 East Main Street, subject to the conditions recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (2) Approval of Petition No. 645 from the Shriners requesting a Special Use Permit to allow a circus on September 8, 1980 at Ricketts Park west of Fairgrounds Road and south of Vine Avenue, subject to:
 - (a) proper security being provided;
 - (b) a representative of the Shrine Club contacting the Sanitation Department before September 1, 1980, to finalize plans for sanitation service, as recommended by the Sanitation Department.

Motion by Councilman Carpenter seconded by Councilman Johnson to approve a Special Use Permit to allow a circus on September 8, 1980 at Ricketts Park, as set forth in Petition No. 645, subject to conditions (a) and (b) as recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (3) Approval of Petition No. 646 from El Paso Natural Gas Company, requesting a Special Use Permit to allow the drilling of a gas well in an M-1, Light Industrial District at 3621 East Main Street (590 feet FSL and 2400 feet FEL of T29N, R13W, San Juan County), subject to:
 - (a) Compliance with Chapter 22 including submission of plans and permit application for review by the Oil and Gas Inspector (Building Inspector) as provided for in Chapter 22;
 - (b) Compliance with Chapter 20A or a variance being secured from the City Council;
 - (c) Compliance with all other applicable City codes and ordinances, including Chapter 12;
 - (d) Compliance with all applicable State and Federal regulations including the NFPA Life Safety Code Pamphlet 101 and approval by the State Fire Marshall's office;
 - (e) Petitioner being responsible for keeping adjacent City streets free of dirt and mud from the well site;
 - (f) Posting of a performance bond in an amount of \$10,000 to insure compliance with all City Codes and Ordinances;
 - (g) Approval by the City Engineer of plans indicating the exact location and layout of the proposed drilling pad, in regard to compliance with the City's Flood Damage Prevention Ordinance (Chapter 12A) prior to issuance of a drilling permit.

Motion made by Councilman Carpenter and seconded by Councilman Johnson to approve a Special Use Permit to allow the drilling of a gas well at 3621 East Main, subject to conditions (a) through (g) as recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (4) Approval of the preliminary plat from MGR Corporation, represented by San Juan Engineering, for Westland Park Subdivision No. 5 containing 8 lots on 2.85 acres located in an R-3, Multiple Family Residential district west of Westland Park Drive and north of LaHabra Street, subject to:

EL PASO NATURAL GAS COMPANY
WELL LOCATION PLAT
EXHIBIT NO. 1

WELL NAME: FARMINGTON A NO. 1 - E

BASIN DAKOTA

FOOTAGE ----- 590' FLS, 2400' FEL

APPLICATION FOR NON-STANDARD LOCATION

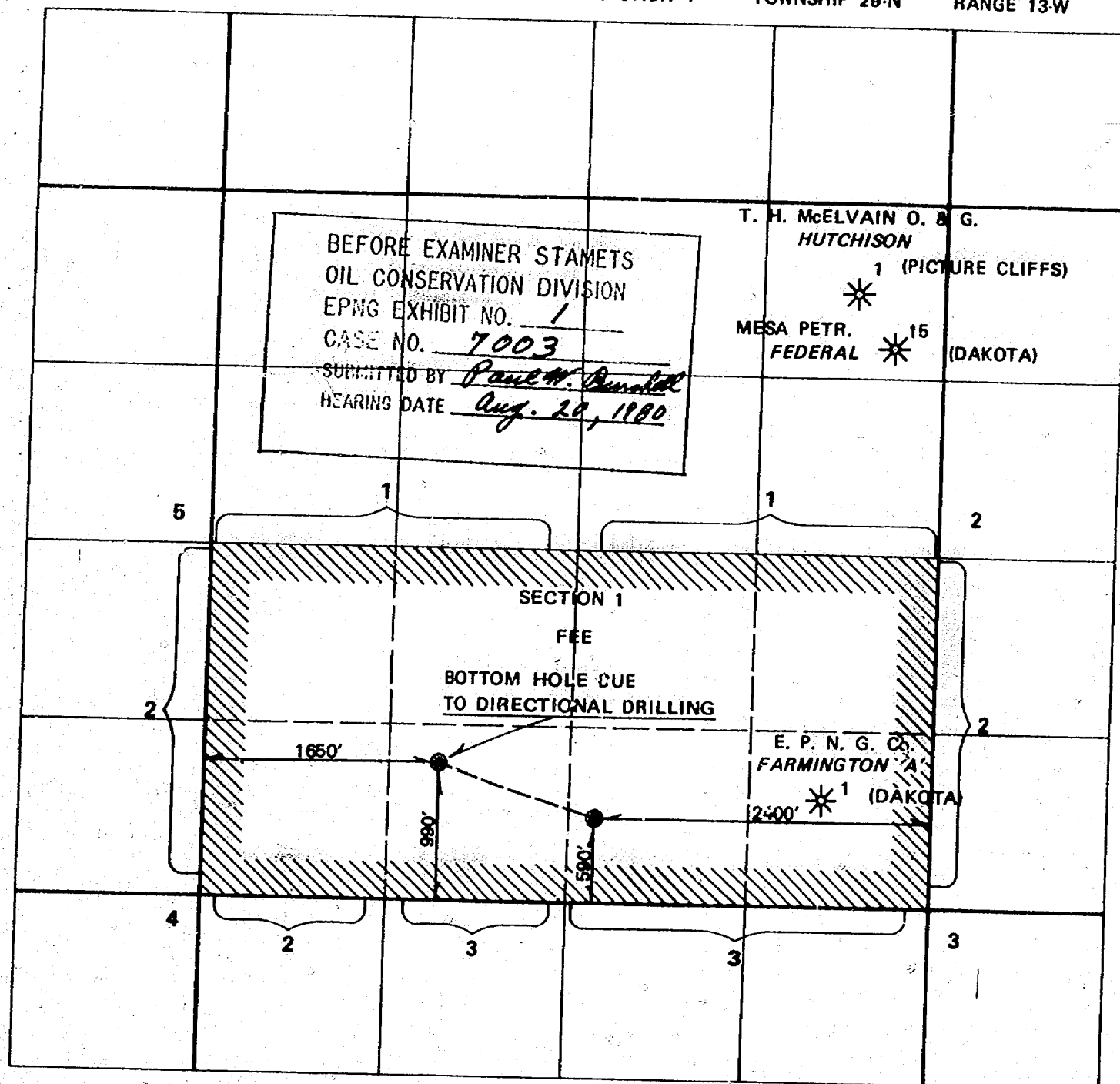
COUNTY: SAN JUAN

STATE: NEW MEXICO

SECTION 1

TOWNSHIP 28-N

RANGE 13-W



REMARKS:

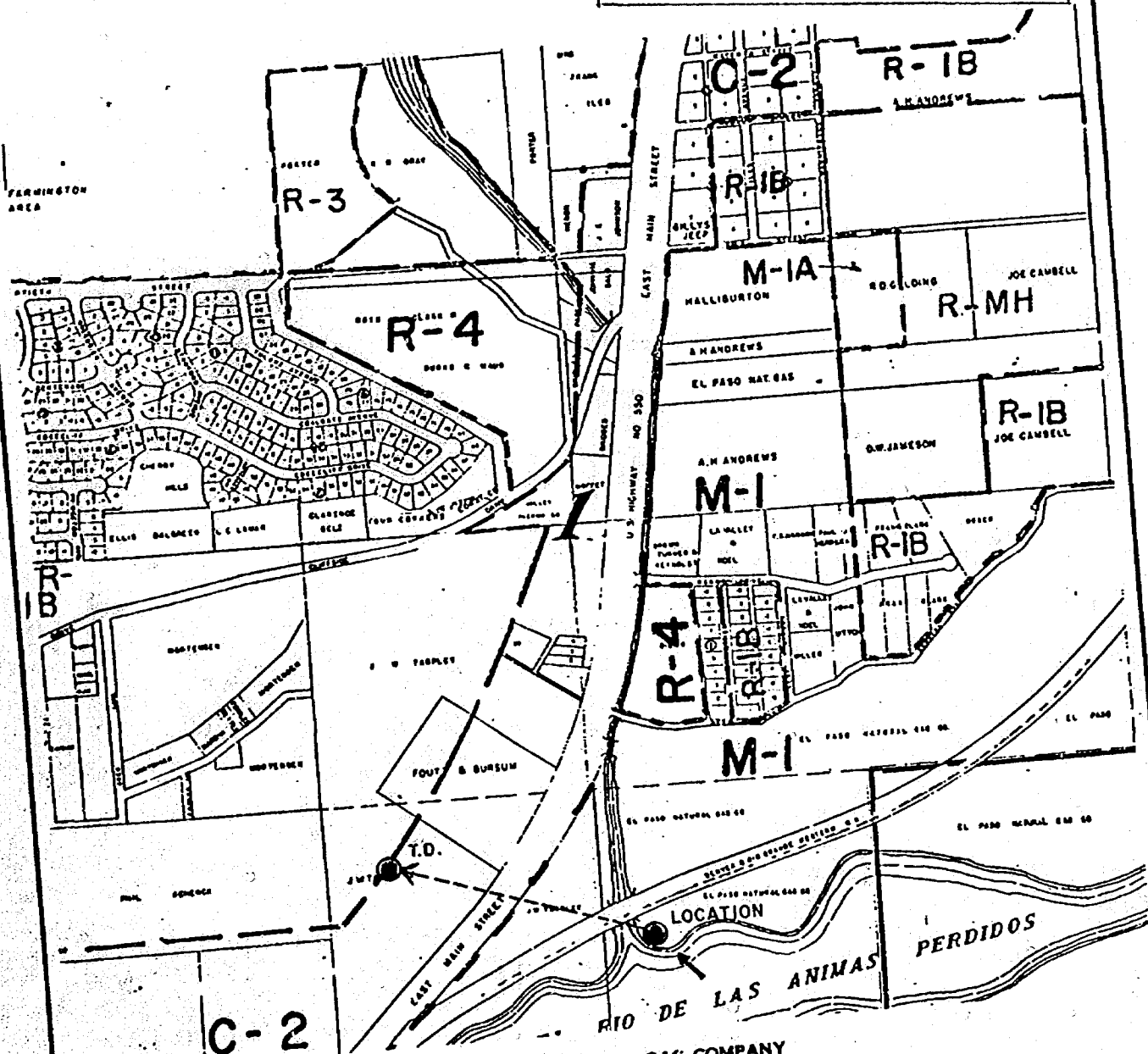
- (1) MESA PETROLEUM COMPANY
- (2) PIONEER PRODUCTION COMPANY
- (3) AMOCO PRODUCTION COMPANY
- (4) TENNECO OIL COMPANY
- (5) SUN OIL COMPANY

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EPNG EXHIBIT NO. 2

CASE NO. 7003

SUBMITTED BY Paul W. Churchill

HEARING DATE Aug. 20, 1980



EL PASO NATURAL GAS COMPANY
FARMINGTON TOWNSITE PLAT
EXHIBIT NO. 2

PERMIT AND LICENSE

Date: August 7, 1980

That subject to the provisions and conditions contained in Chapter 22 of the Farmington City Code and subject to compliance with the conditions of the Special Use Permit granted by the City Council on July 22, 1980, El Paso Natural Gas Company, a corporation, is hereby granted a permit and license to drill a well in search of oil and/or gas to the Dakota formation on the following location:

590 feet from the South Line and 2,400 feet from the East Line of Section 1, Township 29 North, Range 13 West, San Juan County, New Mexico Principal Meridian, to an approximate depth of 6,238 feet.

This permit shall be valid for a period of one year and so long thereafter as oil or gas shall be produced or until such time as the permittee has abandoned operations. Providing, however, no operations shall be commenced until the permittee shall have filed with the City Clerk an Indemnity Bond and insurance documents, in compliance with Chapter 22 of the Farmington City Code, approved by the City Attorney.

CITY OF FARMINGTON

By

Robert S. Culpepper, Mayor

ATTEST:

Joyce G. Harris
Joyce G. Harris, City Clerk

EL PASO NATURAL GAS COMPANY

By

Don Read

Title:

Project Engineer

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EPNG EXHIBIT NO. <u>3</u>
CASE NO. <u>7003</u>
SUBMITTED BY <u>Paul A. Bonalton</u>
HEARING DATE <u>Aug. 20, 1980</u>

RECOMMENDATIONS FROM THE PLANNING AND ZONING COMMISSION

- (1) Approval of Petition No. 643 from Equipment Renewal Company, requesting a Special Use Permit in a C-2, General Commercial District to allow outside storage at 953 East Main Street, subject to the landscaping being installed within six months from the date of approval and the screening and landscaping being properly maintained.

Motion by Councilman Carpenter seconded by Councilman Johnson to approve a Special Use Permit to allow outside storage at 953 East Main Street, subject to the conditions recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (2) Approval of Petition No. 645 from the Shriners requesting a Special Use Permit to allow a circus on September 8, 1980 at Ricketts Park west of Fairgrounds Road and south of Vine Avenue, subject to:
 - (a) proper security being provided;
 - (b) a representative of the Shrine Club contacting the Sanitation Department before September 1, 1980, to finalize plans for sanitation service, as recommended by the Sanitation Department.

Motion by Councilman Carpenter seconded by Councilman Johnson to approve a Special Use Permit to allow a circus on September 8, 1980 at Ricketts Park, as set forth in Petition No. 645, subject to conditions (a) and (b) as recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (3) Approval of Petition No. 646 from El Paso Natural Gas Company, requesting a Special Use Permit to allow the drilling of a gas well in an M-1, Light Industrial District at 3621 East Main Street (590 feet FSL and 2400 feet FEL of T29N, R13W, San Juan County), subject to:
 - (a) Compliance with Chapter 22 including submission of plans and permit application for review by the Oil and Gas Inspector (Building Inspector) as provided for in Chapter 22;
 - (b) Compliance with Chapter 20A or a variance being secured from the City Council;
 - (c) Compliance with all other applicable City codes and ordinances, including Chapter 12;
 - (d) Compliance with all applicable State and Federal regulations including the NFPA Life Safety Code Pamphlet 101 and approval by the State Fire Marshall's office;
 - (e) Petitioner being responsible for keeping adjacent City streets free of dirt and mud from the well site;
 - (f) Posting of a performance bond in an amount of \$10,000 to insure compliance with all City Codes and Ordinances;
 - (g) Approval by the City Engineer of plans indicating the exact location and layout of the proposed drilling pad, in regard to compliance with the City's Flood Damage Prevention Ordinance (Chapter 12A) prior to issuance of a drilling permit.

Motion made by Councilman Carpenter and seconded by Councilman Johnson to approve a Special Use Permit to allow the drilling of a gas well at 3621 East Main, subject to conditions (a) through (g) as recommended by the Planning and Zoning Commission, and upon voice vote the motion carried unanimously.

- (4) Approval of the preliminary plat from MGR Corporation, represented by San Juan Engineering, for Westland Park Subdivision No. 5 containing 8 lots on 2.85 acres located in an R-3, Multiple Family Residential district west of Westland Park Drive and north of LaHabra Street, subject to:

J. O. SETH (1883-1983)

A. K. MONTGOMERY
FRANK ANDREWS
SETH D. MONTGOMERY
FRANK ANDREWS III
OWEN M. LOPEZ
VICTOR R. ORTEGA
JEFFREY R. BRANNEN
JOHN B. POUND
GARY R. KILPATRICK
THOMAS W. OLSON
WALTER J. MELENDRÉS
BRUCE L. HERR
MICHAEL W. BRENNAN
ROBERT P. WORCESTER
JOHN B. DRAPER
NANCY M. ANDERSON
RUDOLPH B. SACKS, JR.
W. CLINT PARSLEY
JANET MCL. MCKAY

MONTGOMERY & ANDREWS
PROFESSIONAL ASSOCIATION
ATTORNEYS AND COUNSELORS AT LAW
325 PASEO DE PERALTA
POST OFFICE BOX 2307
SANTA FE, NEW MEXICO 87501

TELEPHONE 505-982-3873

TELECOPY 505-982-4289

August 20, 1980

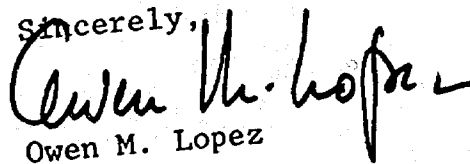
New Mexico Energy and
Minerals Department
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87503

Re: NMOCC Case No. 7003 - Application of El Paso
Natural Gas Company for directional drilling,
San Juan County, New Mexico.

Gentlemen:

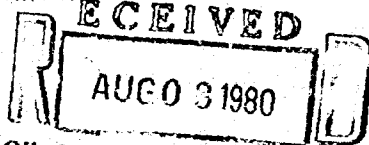
Please be advised that David T. Burleson of the Office
of General Counsel of El Paso Natural Gas Company, El Paso,
Texas, is associated with our firm for the presentation of
evidence and argument in the above-referenced case.

Sincerely,


Owen M. Lopez

OML:to

El Paso EXPLORATION
COMPANY



P.O. BOX 208
FARMINGTON, NEW MEXICO 87401
PHONE: 765-320-0841

July 25, 1980

Mesa Petroleum
Pioneer Production
Amoco Production
Tenneco Oil Company
Sun Oil Company

Case 7003
P.L.

Re: Non-Standard Gas Well Location

Gentlemen:

El Paso Natural Gas Company has requested administrative approval to drill a deviated hole in its proposed Farmington A #1E. This is a non-standard surface location; however, the subsurface location will be a standard location in the Basin Dakota pool.

It is intended to locate the El Paso Natural Gas Company's Farmington A #1E location at 590' from the South line and 2400' from the East line and the projected subsurface location will be approximately 1630' from the West line and 990' from the South line of Section 1, T-29-N, R-10-W, San Juan County, New Mexico. The proposed surface location is in El Paso Natural Gas Company's warehouse yard, which is readily accessible and away from private business located near the subsurface location.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operators of an offsetting proration unit, of our application for administrative approval for the aforementioned non-standard gas well location. Enclosed are three copies of this letter. If there is no objection to this location, please sign and return one copy to the New Mexico Oil Conservation Division, Post Office Box 2088, Santa Fe, NM 87501; one copy to El Paso; and keep one copy for your files.

A plat showing the proposed gas well location and offsetting Dakota lease ownership is attached, along with a plat showing the proposed surface location and subsurface location plotted on a city map.

Yours truly,

Don Read

Dr. R. Read

Approved:

R.B. Giles
Amoco Production Company
8/5/80

Dockets Nos. 27-80 and 28-80 are tentatively set for September 3 and 17, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 20, 1980

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for September, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for September, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6998: Application of Monsanto Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Back Basin Unit Area, comprising 1,920 acres, more or less, of State and Federal lands in Township 23 South, Range 34 East.

CASE 6999: Application of Gulf Oil Corporation for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a previously approved 320-acre non-standard proration unit comprising the N/2 of Section 36, Township 21 South, Range 36 East, Eumont Gas Pool, to its Harry Leonard NCT-C Well No. 9 located in Unit B, and its No. 8, at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 36.

CASE 7000: Application of Cavalcade Oil Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its McClay Well No. 11 2385 feet from the South line and 1834 feet from the West line of Section 33, Township 18 South, Range 30 East, the NE/4 SW/4 of said Section 33 to be dedicated to the well.

CASE 7001: Application of McClellan Oil Corporation for three unorthodox oil well locations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for three following unorthodox locations for wells to be drilled in Section 24, Township 14 South, Range 29 East, Double L Queen Associated Pool: 1155 feet from the North line and 2145 feet from the East line; 1155 feet from the North and East lines; and 1650 feet from the North line and 1155 feet from the East line; the respective 40-acre tract would be dedicated to each well.

CASE 7002: Application of Orville Slaughter for the amendment of Order No. R-5947, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5947 to provide for the commingling of Oswell-Farmington production from his Sangre de Cristo Well No. 1 with undesignated Fruitland production from Wells Nos. 2 and 2S, all in Section 34, Township 30 North, Range 11 West.

CASE 7003: Application of El Paso Natural Gas Company for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill a well, the surface location of which is 590 feet from the South line and 2400 feet from the East line of Section 1, Township 29 North, Range 13 West, in such a manner as to bottom it within 175 feet of a point 990 feet from the South line and 1650 feet from the West line of said Section 1.

CASE 7004: Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp-Morrow formations underlying the N/2 of Section 12, Township 19 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 6938: (Continued from June 25, 1980, Examiner Hearing)

Application of Anadarko Production Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Dalport Federal Well No. 1 660 feet from the South and West lines of Section 20, Township 13 South, Range 31 East, Southeast Chaves Queen Gas Area, the W/2 of said Section 20 to be dedicated to the well.

CASE 6939: (Continued from June 25, 1980, Examiner Hearing)

Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests at a depth from 2400 feet to 5000 feet below the surface, Turkey Track Field, underlying the NE/4 SE/4 of Section 10, Township 19 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

*El Paso
EHP*

July 30, 1980

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Case 7003

Mr. D. R. Read
El Paso Exploration Company
P. O. Box 289
Farmington, New Mexico 87401

Dear Mr. Read:

Your request for approval of the unorthodox location of the El Paso Farmington A Well No. 1E in Section 1, Township 29 North, Range ~~18~~¹³ West, San Juan County has been received.

As the well is to be directionally drilled this matter must be set for hearing before approval may be granted. Before such a hearing will be docketed it will be necessary for you to advise us that you wish to set the same.

Sincerely,

R. L. STAMETS
Technical Support Chief

RLS/og

cc: Frank Chavez
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico

El Paso EXPLORATION
COMPANY

P. O. BOX 289
FARMINGTON, NEW MEXICO 87401
PHONE: 505-325-2841



July 25, 1980

Mr. Joe Ramey
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 7003

Dear Mr. Ramey:

This is a request for administrative approval to drill a deviated non-standard surface gas well location to a standard subsurface total depth in the Basin Dakota pool.

It is intended to locate the El Paso Natural Gas Company's Farmington A #1E surface location at 590' from the South line and 2400' from the East line, and projected subsurface location will be approximately 1650' from the West line and 990' from the South line of Section 1, T-29-N, R-~~10~~-W, San Juan County, New Mexico.

13

The proposed surface gas well location is in El Paso Natural Gas Company's warehouse yard which is readily accessible and away from private business located near the subsurface location.

All operators of proration units offsetting the proposed non-standard gas well location have been notified of this application by certified mail.

Plats showing the proposed gas well location, ownership plat, and a city map are enclosed.

Yours truly,

A handwritten signature in cursive script that reads "Don Read".

D. R. Read
Project Drilling Engineer

DRR:pb

El Paso EXPLORATION
COMPANY

RECEIVED
JUL 29 1980
P. O. BOX 289
FARMINGTON, NEW MEXICO 87401
PHONE: 505-325-2841
OIL CONSERVATION DIVISION
SANTA FE
July 25, 1980

Mesa Petroleum
Pioneer Production
Amoco Production
Tenneco Oil Company
Sun Oil Company

Re: Non-Standard Gas Well Location

Gentlemen:

El Paso Natural Gas Company has requested administrative approval to drill a deviated hole in its proposed Farmington A #1E. This is a non-standard surface location; however, the subsurface location will be a standard location in the Basin Dakota pool.

It is intended to locate the El Paso Natural Gas Company's Farmington A #1E location at 590' from the South line and 2400' from the East line and the projected subsurface location will be approximately 1650' from the West line and 990' from the South line of Section 1, T-29-N, R-10-W, San Juan County, New Mexico. The proposed surface location is in El Paso Natural Gas Company's warehouse yard, which is readily accessible and away from private business located near the subsurface location.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operators of an offsetting proration unit, of our application for administrative approval for the aforementioned non-standard gas well location. Enclosed are three copies of this letter. If there is no objection to this location, please sign and return one copy to the New Mexico Oil Conservation Division, Post Office Box 2088, Santa Fe, NM 87501; one copy to El Paso; and keep one copy for your files.

A plat showing the proposed gas well location and offsetting Dakota lease ownership is attached, along with a plat showing the proposed surface location and subsurface location plotted on a city map.

Yours truly,

Don Read

D. R. Read

Approved: _____

EL PASO NATURAL GAS COMPANY

Well Name Farmington A #1 E

Basin Dakota

Footage - - - 590' FSL, 2400' FEL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan

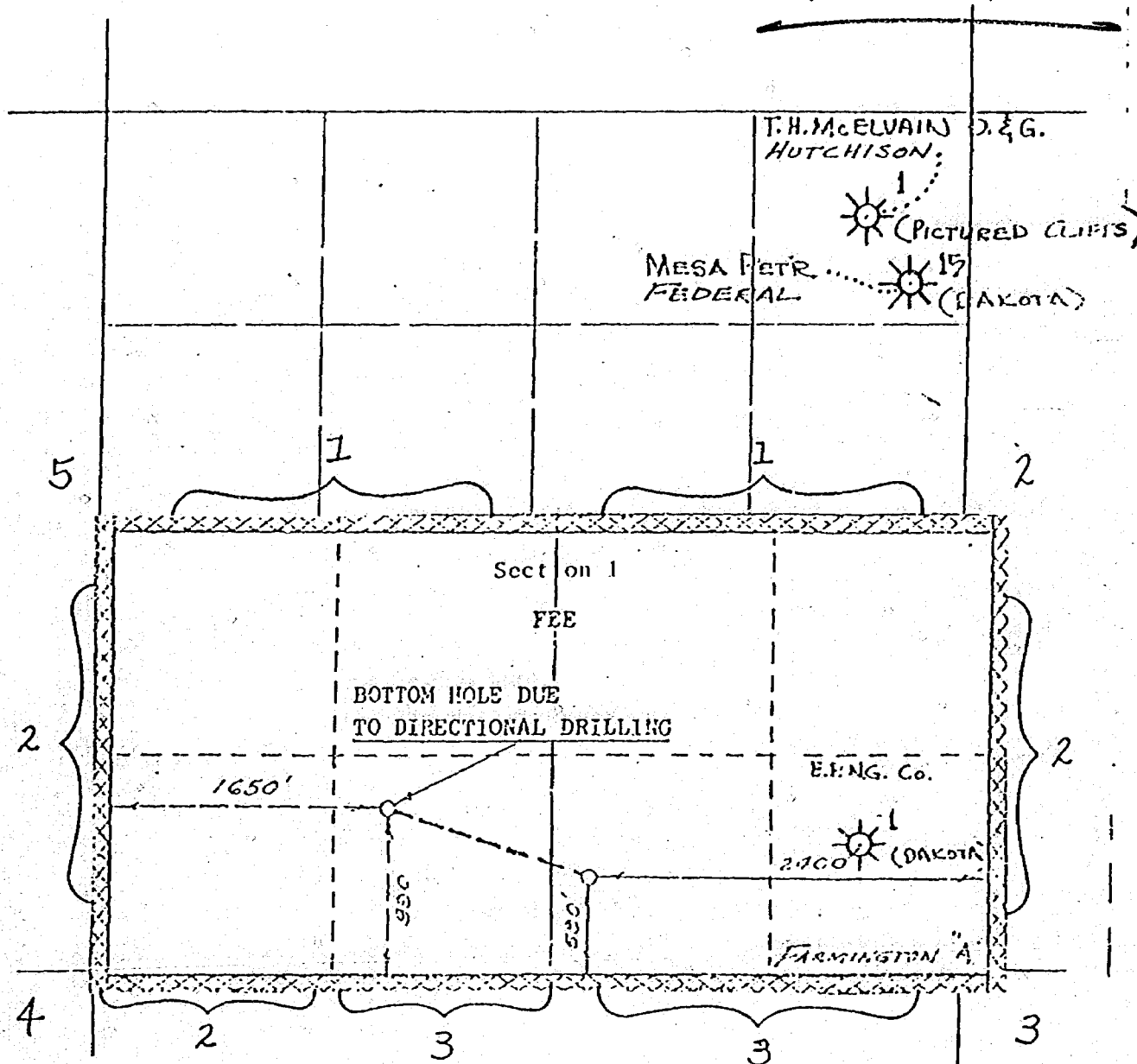
State New Mexico

52-1110 1

Towship

29-N

13-W



REMARKS:

- (1) Mesa Petroleum Company
- (2) Pioneer Production Company
- (3) Amoco Production Company
- (4) Tenneco Oil Company
- (5) Sun Oil Company

Ed

EL PASO NATURAL GAS COMPANY

Well Name Farmington A #1 E

Basin Dakota

Footage---- 590' FSL, 2400' FEL

APPLICATION FOR NON-STANDARD LOCATION

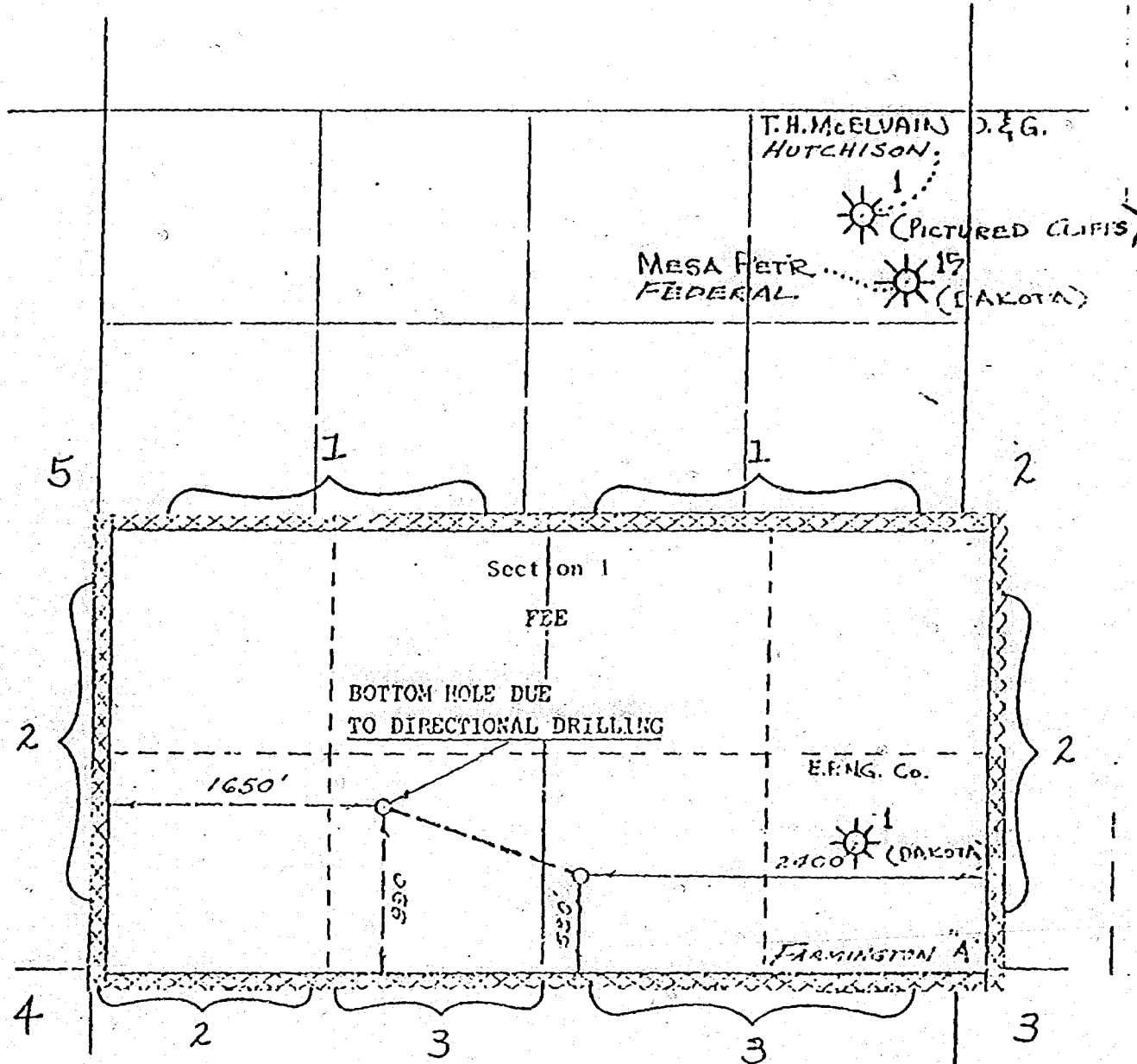
County San Juan

State New Mexico

Section 1

Township 29-N

Range 13-W



REMARKS:

- (1) Mesa Petroleum Company
- (2) Pioneer Production Company
- (3) Amoco Production Company
- (4) Tenneco Oil Company
- (5) Sun Oil Company

(Signature)

N MEXICO OIL CONSERVATION COMMISS
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65
OIL CONSERVATION DIVISION
JUL 29 1980
RECEIVED

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

Operator EL PASO NATURAL GAS COMPANY		Lease FARMINGTON A		(FEE)	
Unit Letter 0	Section 1	Township 29-N	Range 13-W	County SAN JUAN	
Actual Footage Location of Well: 590		feet from the SOUTH		line and 2400	
Ground Level Elev. 5366		Producing Formation DAKOTA		Pool BASIN DAKOTA	
		feet from the EAST		line 320.00	
				Dedicated Acreage: 320.00	
				Acres	

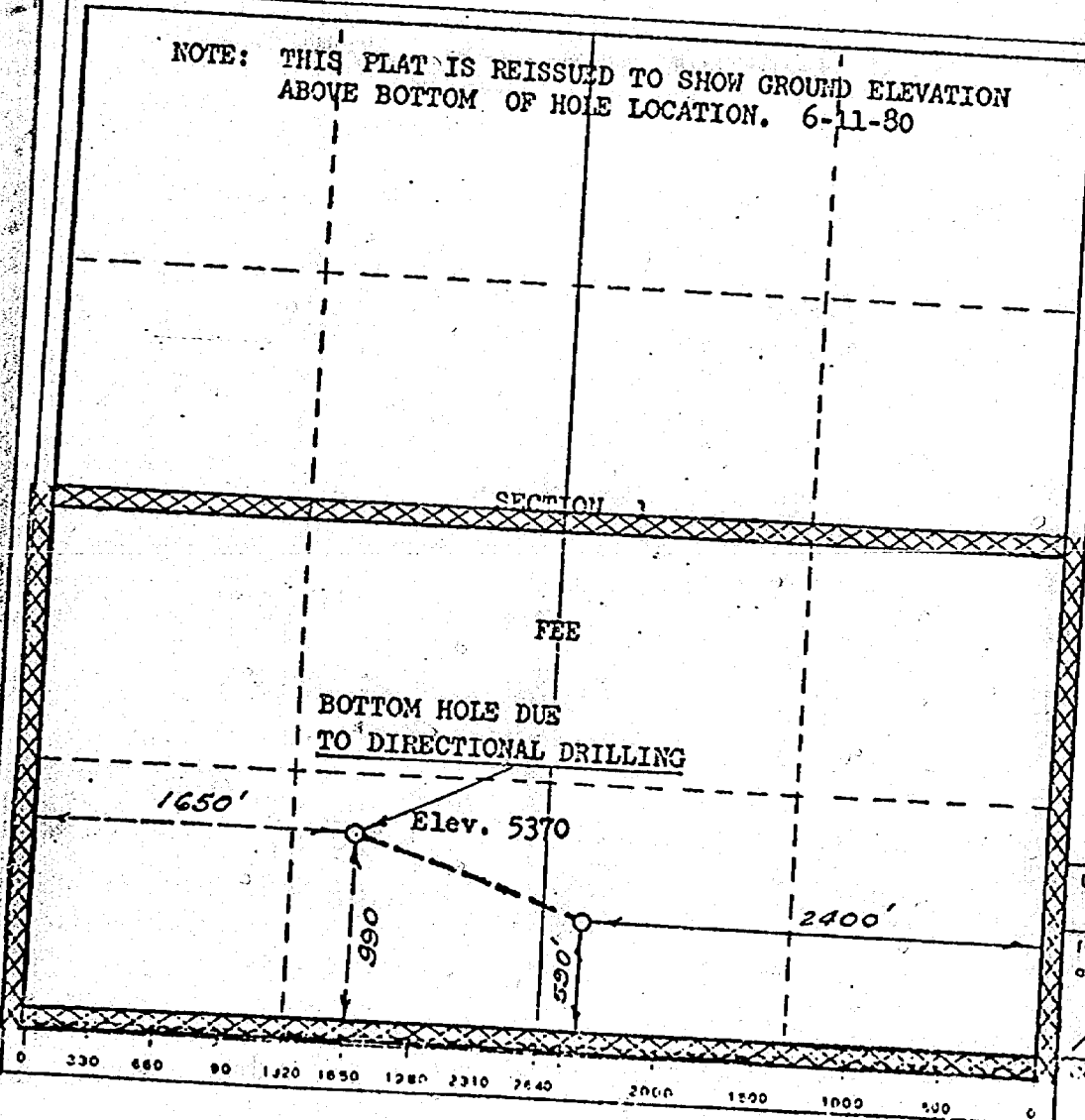
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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.) _____

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.

NOTE: THIS PLAT IS REISSUED TO SHOW GROUND ELEVATION ABOVE BOTTOM OF HOLE LOCATION. 6-11-80



CERTIFICATION

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

Name _____

Position _____

Company _____

Date _____

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
FEBRUARY 7, 1980

Registered Professional Engineer
and/or Land Surveyor

Michael J. Miller
Certificate No. **1760**

N MEXICO OIL CONSERVATION COMMISS
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 EL PASO NATURAL GAS COMPANY		Lease FARMINGTON A		Well No. 12
Unit Letter 0	Section 1	Township 29-N	Range 13-W	County SAN JUAN
Actual Footage Location of Well: 590 feet from the SOUTH line and 2400 feet from the EAST line				
Ground Level Elev. 5366	Producing Formation DAKOTA	Pool BASIN DAKOTA	Dedicated acreage: 320.00 Acres	

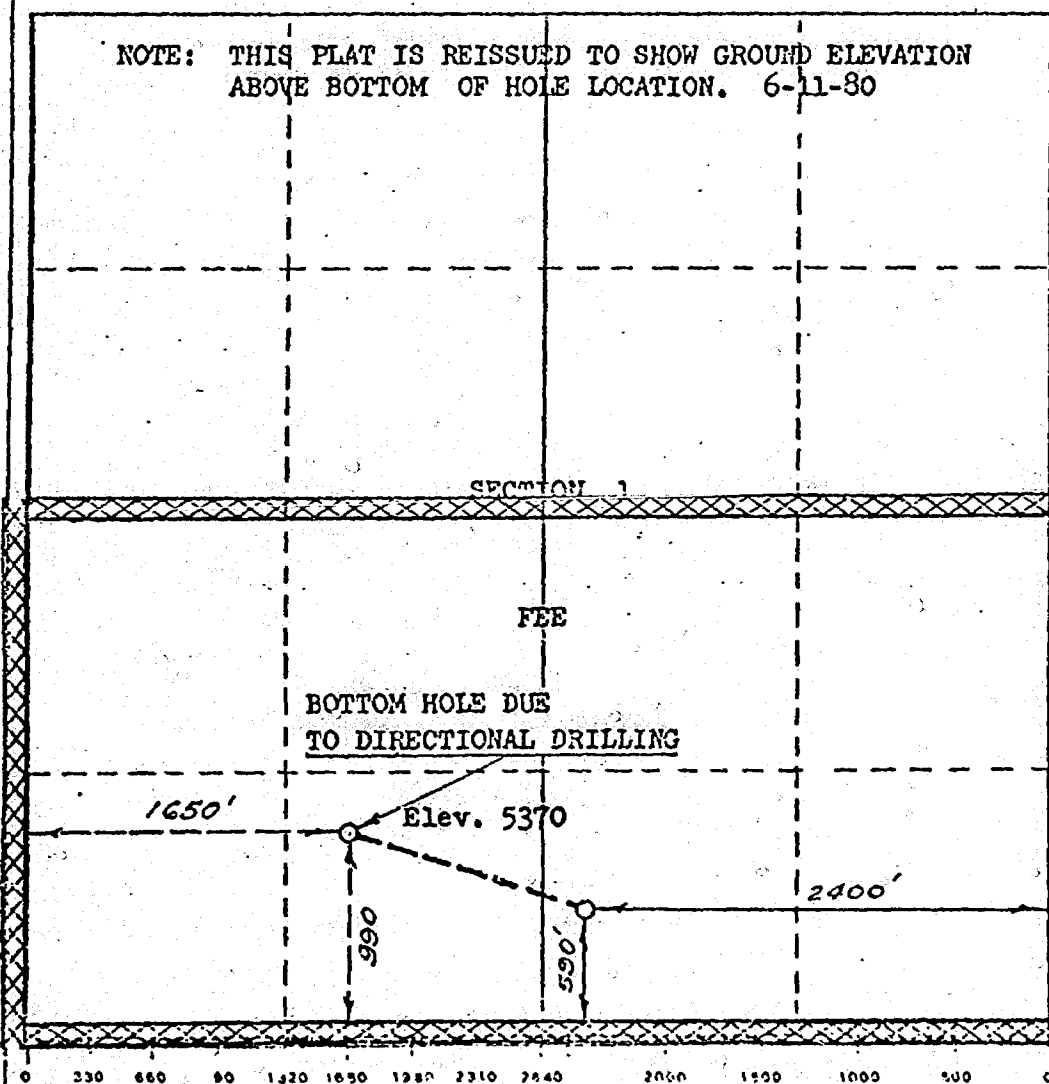
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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.) _____

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.

NOTE: THIS PLAT IS REISSUED TO SHOW GROUND ELEVATION ABOVE BOTTOM OF HOLE LOCATION. 6-11-80



CERTIFICATION

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

Name _____

Position _____

Company _____

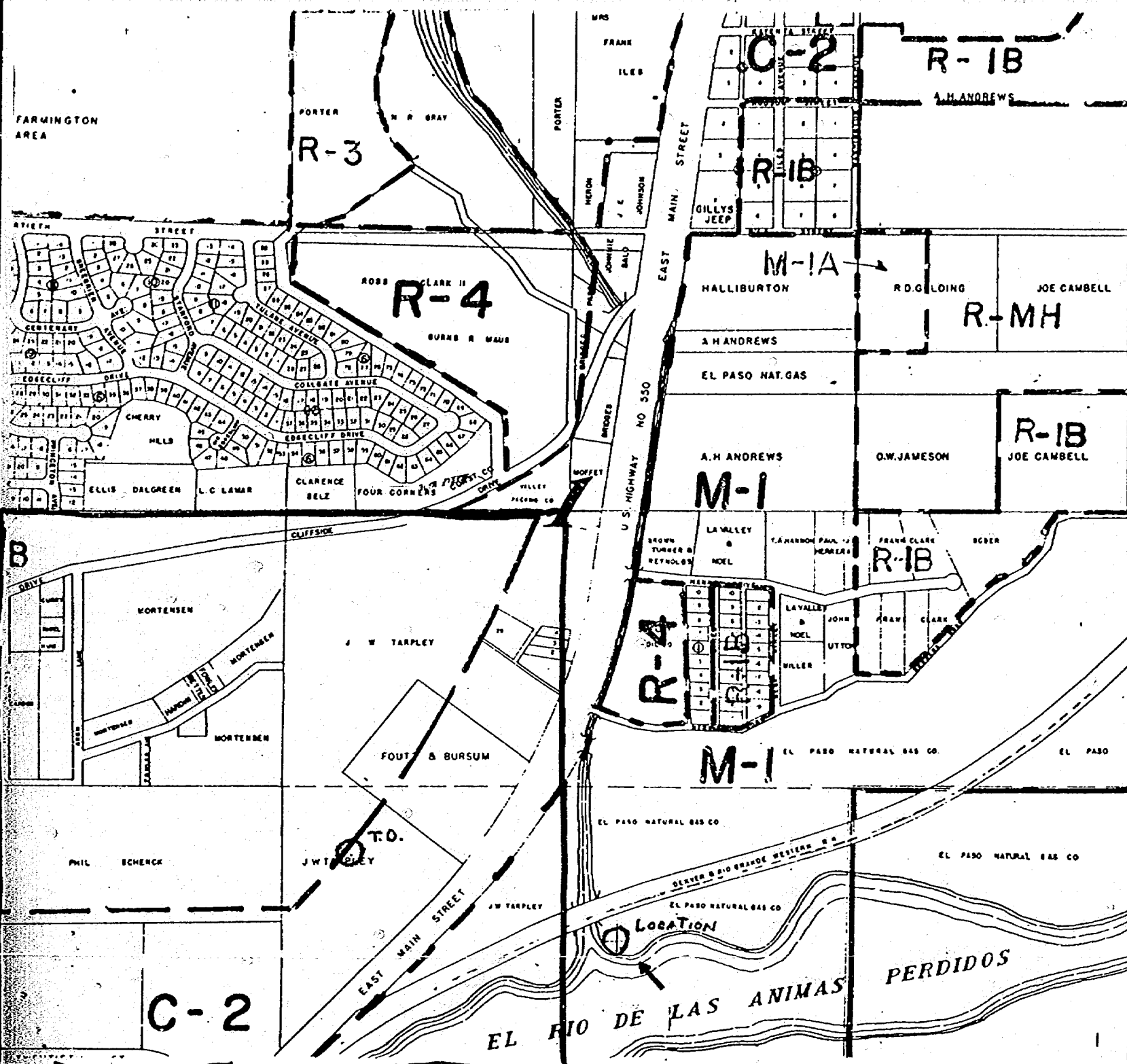
Date _____

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
FEBRUARY 7, 1980

Registered Professional Engineer
 and/or Land Surveyor

[Signature]
 Certificate No. **1760**

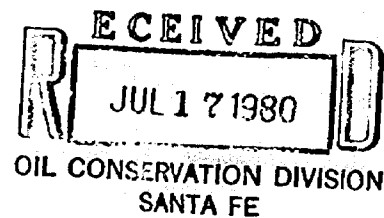


El Paso NATURAL GAS
COMPANY

P. O. BOX 1492
EL PASO, TEXAS 79978
PHONE: 915-543-2600

July 11, 1980

New Mexico Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501



Gentlemen:

Case 7003

El Paso Natural Gas Company respectfully requests a hearing be set before an examiner to consider granting El Paso Natural Gas Company permission to drill a deviated hole in its proposed Farmington A 1E Well. This request for permission is required by Rule III-C (b) of the State of New Mexico Oil Conservation Division Rules and Regulations of statewide application. It would be appreciated if the hearing could be set for August 20, 1980.

The surface location for the Farmington A 1E Well is 590' FSL and 2400' FEL, Unit 0 of Section 1, T29N-R13W, San Juan County, New Mexico. El Paso Natural Gas Company is seeking the Division's approval to bottom the hole in a pre-determined location by directional drilling methods. The subsurface location would be within a 175' radius of 990' FSL and 1,650' FWL, Unit N of the same section.

El Paso Natural Gas Company further requests an exemption from the Special Rules and Regulations for the Basin-Dakota Gas Pool well location requirements, Rule 2(A), Order R-1670-W. The surface location for the Farmington A 1E Well is not in conformance with the Basin-Dakota Gas Pool Rules governing well locations. However, the deviated subsurface location will be in compliance.

If there are any questions concerning this matter, please call.

Very truly yours,

E. R. Manning
E. R. Manning

ERM:rs

cc: John F. Eichelmann, Jr.
David T. Burleson
L. G. Truby
Carl E. Matthews
W. D. Dawson
D. N. Canfield
R. H. Nordhausen
Dayne Adams

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7003

Order No. R-6460

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR DIRECTIONAL DRILLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 20
19 80, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this _____ day of August, 1980, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, El Paso Natural Gas Company, seeks
authority to directionally drill a well, the surface location of

(3) That the directional drilling is necessitated in order to avoid ~~surface~~ structures, highways, -2- and other surface features at a standard location in the SE/4 SW/4 of said Section 1,

which is 590 feet from the South line and 2400 feet from the East line of Section 1, Township 29 North, Range 13 West, in such a manner as to bottom ~~at~~ ^{said well at a standard location} within 175 feet of a point 990 feet from the South line and 1650 feet from the West line of said Section 1. Mexico, NMPM, Basin-Dakota Pool, San Juan County, New

(4) That the applicant should be required to determine the subsurface location of the kick-off point prior to directional drilling, and to determine the subsurface location of the bottom of the hole by means of a continuous multi-shot directional survey conducted subsequent to said directional drilling, if said well is to be completed as a producing well.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is hereby authorized to directionally drill a well, the surface location of which is 590 feet from the South line and 2400 feet from the East line of Section 1, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico, in such a manner as to bottom ~~at~~ ^{said well} within 175 feet of a point 990 feet from the South line and 1650 feet from the West line of said Section 1.

PROVIDED HOWEVER, that prior to directional drilling, the operator shall determine the subsurface location of the kick-off point; and

PROVIDED FURTHER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous ~~multi~~-shot directional survey shall be made of the wellbore from total depth to the kick-off point with shot points not more than 100 feet apart; that the operator shall cause the

surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, P. O. Box 2088, Santa Fe, New Mexico, and that the operator shall notify the Division's Aztec District Office of the date and time said survey is to be commenced.

(2) That Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.

(3) That 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.