Entered Ottay 20, 1969

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 4119 Order No. R-3760

APPLICATION OF UNION OIL COMPANY OF CALIFORNIA TO DIRECTIONALLY DRILL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 7, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>20th</u> day of May, 1969, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Union Oil Company of California, is the owner and operator of the Owens Well No. 1 which has a surface location in Unit G at a point 1980 feet from the North line and 1980 feet from the East line of Section 34, Township 14 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) That the subject well was originally drilled to a total depth of 11,199 feet into the Pennsylvanian formation where it was unproductive.

(4) That the applicant seeks approval for the setting of a whipstock in the subject well at approximately 8900 feet, and the directional drilling in a southeasterly direction to bottom said well in the Lower Wolfcamp formation at a true vertical depth of approximately 10,591 feet at a point in said Unit G approximately 497 feet south 73 degrees 3 minutes east from -2-CASE No. 4119 Order No. R-3760

the aforesaid surface location in order to avoid the water encountered in the original attempt to complete.

(5) That approval of the subject application will prevent the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That approval is hereby granted the applicant, Union Oil Company of California, for the setting of a whipstock at approximately 8900 feet in its Owens Well No. 1, having a surface location in Unit G 1980 feet from the North line and 1980 feet from the East line of Section 34, Township 14 South, Range 35 East, NMPM, Lea County, New Mexico, and the directional drilling in a southeasterly direction to bottom said well in the Lower Wolfcamp formation at a true vertical depth of approximately 10,591 feet at a point in said Unit G approximately 497 feet south 73 degrees 3 minutes east from the aforesaid surface location.

(2) That Form C-105 shall be filed in accordance with Rule 1105 and the operator shall indicate thereon the 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 Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

X DAVID F. CARGO, Chairman

ALEX J ARMINO Amber PORTER, Jr.,

SEAL

Member & Secretary

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