



AE Order Number Banner

Report Description

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App Number: pDD00000242002

DD - 24

UNION TEXAS PETROLEUM CORP.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

January 26, 1989

Union Texas Petroleum Corp.
375 U.S. Highway 64
Farmington, NM 87401.

Attention: Robert C. Frank
Permits Coordinator

Administrative Order DD-24

Dear Mr. Frank:

Under the provisions of General Rule 111 (c), (d) and (e), Union Texas Petroleum Corporation made application to the New Mexico Oil Conservation Division on April 21, 1988, for authorization to directionally drill its proposed Payne Well No. 4E, Basin-Dakota Pool, San Juan County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 11 (d) and (e) of the Division General Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and
- (4) No objections have been received within the waiting period prescribed by said rule.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Union Texas Petroleum Corporation, is hereby authorized to directionally drill its Payne Well No. 4E, the surface location of which shall be 1820 feet from the North line and 170 feet from the West line (Unit E) of Section 23, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico, by kicking off from the vertical and drilling in such a manner as to bottom said well in the Basin-Dakota Pool at a standard gas well location within Lot 3 (SW/4 NE/4 equivalent) of Section 22, Township 32 North, Range 10 West, NMPM, San Juan County, New Mexico.

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 kick-off point with shot points not more than 100 feet apart; the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, 310 Old Santa Fe Trail, Room 206, Santa Fe, New Mexico 87503, and the operator shall notify the Division's Aztec District Office of the date and time said survey is to be commenced.

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

(3) This well will be an infill well to the applicant's existing Payne Well No. 4A located at a previously approved unorthodox gas well location (Division Administrative Order NSL-1106) 1100 feet from the South line and 135 feet from the East line (Unit P) of said Section 22. Lots 1, 2, 3, 4, 5, 7 and 8 and the NE/4 SE/4 (E/2 equivalent) of said Section 22 to be dedicated to both wells forming a 302.97-acre gas spacing and proration unit for said pool.

(4) 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.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



for WILLIAM J. LEMAY
Director

S E A L

cc: Oil Conservation Division - Aztec
NM Oil and Gas Engineering Committee - Hobbs
US Bureau of Land Management - Farmington
Vic Lyon