



AE Order Number Banner

Report Description

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App Number: pDD00000152002

DD - 15

MWJ PRODUCING CO

1/7/2011



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

September 4, 1987

MWJ Producing Company
400 West Illinois Suite 1100
Midland, TX 79701

Attention: John Schlagal
Production Superintendent

ADMINISTRATIVE ORDER DD-15

Dear Mr. Schlagal:

Under the provisions of Rule 111 (C) and (D), MWJ Producing Company made application to the New Mexico Oil Conservation Division on September 4, 1987, for permission to directionally drill and complete for Saunders Permo Upper Pennsylvanian Pool production the Saunders "16" State Well No. 1.

The Division Director Finds That:

(1) The application has been duly filed under the provisions of Rule 111 (D) of the Division Rules and Regulations;

(2) Satisfactory information has been provided that all offset operators have been duly notified and waivers from each have been obtained.

(3) The applicant, MWJ Production Company, is the owner and operator of the Saunders "16" Well No. 1 located at a standard surface location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 16, Township 14 South, 33 East, NMPM, Saunders Permo Upper Pennsylvanian Pool, Lea County, New Mexico.

(4) The applicant seeks to plug back and directionally drill said well by kicking off from the vertical at a depth of approximately 6000 feet and drilling

in such a manner as to penetrate said pool within a standard subsurface location no closer than 2310 feet from the South line and 330 feet from the East line (Unit I) of Section 16.

(5) The NE/4 SE/4 of Section 16 should be dedicated to the well.

(6) The applicant should be required to determine the subsurface location of the bottom of the hole by means of a continuous multi-shot directional drilling survey conducted subsequent to said directional drilling, if said well is to be completed as a producing well.

(7) Approval of the subject application will prevent the drilling of unnecessary wells, avoid 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 THAT:

(1) The applicant, MWJ Producing Company is hereby authorized to plug back and directionally drill its Saunders "16" State Well No. 1 in the manner described in the Findings above.

PROVIDED HOWEVER THAT prior to the above-described directional drilling, the applicant shall establish the location of the kick-off point by conducting a continuous multi-shot directional survey of the well.

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, 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 87504-2088, and the operator shall notify the Division's Hobbs District Office of the date and time said survey is to commence.

(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.

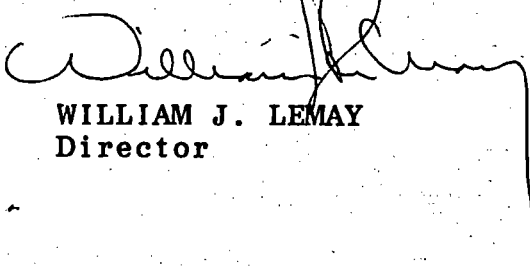
(3) The NE/4 SE/4 (Unit I) of said Section 16 shall be dedicated to the subject well.

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(4) Jurisdiction of the 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

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director

S E A L