

RECEIVED

MAY 0.2 1991

OIL CONSERVATION DIVISION

501 WestLake Park Boulevard Post Office Box 3092 Houston, Texas 77253

May 1, 1991

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: W. J. LeMay, Director

File: KWB-618-WF

Application for Approval to Directionally Drill South Hobbs (GSA) Unit No. 225 and 228 Hobbs Grayburg - San Andres Pool Lea County, New Mexico

Amoco Production Company, as operator of the South Hobbs (Grayburg-San Andres) Unit, Lea County, New Mexico, hereby applies for administrative approval to directionally drill the subject wells at the attached surface and bottomhole location. These wells are being drilled in order to permit the completion of an efficient production and injection pattern within our secondary recovery project. (See Attachment I for location.)

Required notice of this application has been served by certified mail to each operator of proration or spacing units offsetting the unit for which these directional drilling exceptions are requested. Each party shown on the attached service list has been furnished a copy of this letter complete with all attachments.

If there are any questions concerning this application, please contact Kim Colvin (713/596-7686).

Yours very truly,

K. W. Brand

Administrative Services Manager

HIB/avd

Attachments

cc: State of New Mexico
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240



501 WestLake Park Boulevard Post Office Box 3092 Houston, Texas 77253

May 1, 1991

City of Hobbs 300 N. Turner Hobbs, New Mexico 88240

Attention: City Manager

File: KWB-169-WF

Townsite Drilling
South Hobbs (GSA) Unit No. 225 and 228
Lea County, New Mexico

RECEIVED

MAY 0 9 1991

OIL CONSERVATION DIVISION

Amoco Production Company, as operator of the South Hobbs (GSA) Unit, hereby notifies you that we have made application to the Director of the New Mexico Oil Conservation Division for an exception to State Rule 111 to directionally drill the subject oil wells within the townsite of Hobbs, New Mexico. We propose to drill Well No. 225 at Leech and White Streets and Well No. 228 at Highway 62-180.

We anticipate starting operations June 1, 1991. It is expected that drilling and completion operations will last approximately 20-30 days.

Due to the known hazards of drilling through H<sub>2</sub>S bearing zones, Amoco has developed contingency plans for drilling townsite wells. The plans will be given to you at our meeting scheduled for 10:00 a.m. on May 22, 1991. We will notify your office when drilling operations begin.

Should you have any questions concerning the drilling of these wells, please contact either Jesse Lopez 713/556-3996 or Kim Colvin 713/596-7686.

Yours very truly,

K. W. Brand

Administrative Services Manager

HIB/avd

cc: Bryan Gourlay Rm. 17.132



501 WestLake Park Boulevard Post Office Box 3092 Houston, Texas 77253

May 1, 1991

Oryx Energy Company Box 2880 Dallas, TX 77221-2880

File: KWB-170-WF

Request for Waiver to Directionally Drill South Hobbs (GSA) Unit No. 228
Lea County, New Mexico

Amoco Production Company, as operator of the South Hobbs (GSA) Unit, hereby notifies you that we have applied to the NMOCD for administrative approval to directionally drill the subject well at the attached surface and bottomhole location.

If you have no objections to the directional drilling of this well, please sign below and forward one copy to the NMOCD in Santa Fe, one copy to the NMOCD in Hobbs, one copy to this office, and retain a copy for your file. Addressed, stamped envelopes have been provided for your convenience.

If there are any questions concerning this application, please contact Kim Colvin 713/596-7686.

Yours very truly,

| K.W. Brand                                     |          | APPROVAL |
|--|----------|----------|
| 75   | Company: |          |
| K. W. Brand<br>Administrative Services Manager | By:      |          |
| HIB/avd  | Date:    |          |
| Attachments                                    |          |          |



501 WestLake Park Boulevard Post Office Box 3092 Houston, Texas 77253

May 1, 1991

Shell Western E & P, Inc. P. O. Box 576 Houston, TX 77001-0576

File: KWB-170-WF

Request for Waiver to Directionally Drill South Hobbs (GSA) Unit No. 228
Lea County, New Mexico

Amoco Production Company, as operator of the South Hobbs (GSA) Unit, hereby notifies you that we have applied to the NMOCD for administrative approval to directionally drill the subject well at the attached surface and bottomhole location.

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If there are any questions concerning this application, please contact Kim Colvin 713/596-7686.

Yours very truly,

| K. W. Brand                     |          | APPROVAL |
|---------------------------------|----------|----------|
| K. W. Brand                     | Company: |          |
| Administrative Services Manager | By:      |          |
| HIB/avd                         | Date:    |          |



501 WestLake Park Boulevard Post Office Box 3092 Houston, Texas 77253

May 1, 1991

Shell Western E & P, Inc. P. O. Box 576 Houston, TX 77001-0576

File: KWB-170-WF

Request for Waiver to Directionally Drill South Hobbs (GSA) Unit No. 225
Lea County, New Mexico

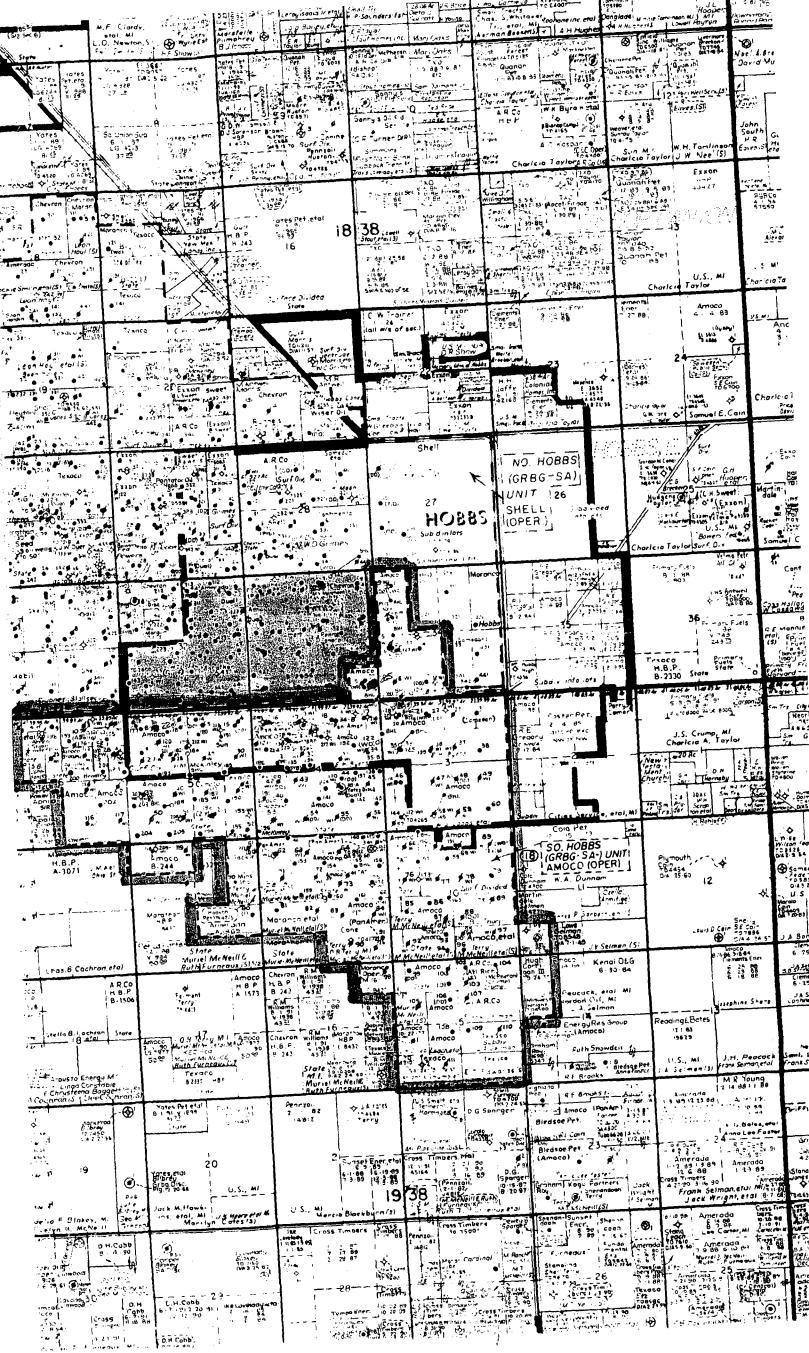
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If there are any questions concerning this application, please contact Kim Colvin 713/596-7686.

Yours very truly,

| K. W. Brand                     |          | APPROVAL |
|---------------------------------|----------|----------|
| K. W. Brand                     | Company: |          |
| Administrative Services Manager | Ву:      |          |
| HIB/avd                         | Date:    |          |



# ATTACHMENT I

| SHU No. 228 Producing                                | SHU No. 225  | Well Name                |
|--|--|--------------------------|
| Producing  | Producing  | Type of Well             |
| Unit D, 660' FNL X 1140' FWL, Sec. 5, T-19-S, R-38-E | Unit P, 541' FWL X 647' FSL, Sec. 34, T-18-S, R-38-E | Surface Location         |
| 660' FNL X 1270' FWL,<br>Sec. 5, T-19-S, R-38-E      | 15' FEL X 660' FSL,<br>Sec. 33, T-18-S, R-38-E       | Bottomhole Location      |
| 3624.6   | 3620.2   | Elevation (Ground Level) |

Note: Reason for direction drilling wells is due to surface obstruction (i.e. buildings, streets, etc.)

#### NOTICE REQUIREMENTS

South Hobbs (GSA) Unit

#### WELL NO.225

Shell Western E & P, Inc. P. O. Box 576 Houston, TX 77001-0576

#### WELL NO. 228

Shell Western E & P, Inc. P. O. Box 576
Houston, TX 77001-0576

Oryx Energy Company Box 2880 Dallas, TX 75221-2880



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#### **Amoco Production Company**

501 WestLake Park Boulevard Post Office Box 3092 Houston, Texas 77253

May 1, 1991

Shell Western E & P, Inc. P. O. Box 576 Houston, TX 77001-0576

File: KWB-170-WF

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Lea County, New Mexico

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If there are any questions concerning this application, please contact Kim Colvin 713/596-7686.

Yours very truly,

K.W. Bran

K. W. Brand

Administrative Services Manager

HIB/avd

Company:

Date:

5/7/91

SHELL WESTERN E&P INC.



OIL CONSERVE FOR DIVISION

RECE VED

**Amoco Production Company** 

'91 MAY 13 MM 9 36 To 1 West Lake Park Boulevard Houston, Texas 77253

May 1, 1991

Oryx Energy Company Box 2880 Dallas, TX 77221-2880

File: KWB-170-WF

Request for Waiver to Directionally Drill South Hobbs (GSA) Unit No. 228

Lea County, New Mexico

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If there are any questions concerning this application, please contact Kim Colvin 713/596-7686.

Yours very truly,

K.W. Brand

Company:

K. W. Brand Administrative Services Manager

- 51

B. Manoochehri

HIB/avd

Date:

## Submit to Appropriate District Office State Lease — 6 copies Fee Lease — 5 copies

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

### State of New Mexico Energy, Minerals and Natural Resources Department

Form C-101 Revised 1-1-89

#### **OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

| API | NO. ( assign  | ed by OCD on | New | Wells) |  |
|-----|---------------|--------------|-----|--------|--|
|     |               |              |     |        |  |
| ~   | Indicate Type | of Lesse     |     |        |  |

| Miran.   | · , p | - ~ - | _     |   |    |   |
|----------|-------|-------|-------|---|----|---|
|          |       |       | STATE | F | EE | X |
| <b>a</b> | 0:1   |       |       |   |    |   |

| DISTRICT III<br>1000 Rio Brazos Rd., Azie  | c, NM 87410               |                              |                         | 6. State Oil             | & Gas Lease l         | No.                                   |
|--|---------------------------|------------------------------|-------------------------|--------------------------|-----------------------|---------------------------------------|
| APPLICAT                                   | TION FOR PERMIT           | TO DRILL, DEEPEN, C          | R PLUG BACK             |                          |                       |                                       |
| la. Type of Work:                          |                           |                              |                         | 7. Lease No              | une or Unit Ag        | reement Name                          |
| DRILI b. Type of Well: OIL GAS WELL X WELL | RE-ENTE                   | SINGLE                       | PLUG BACK MULTIPLE ZONE | South                    | Hobbs Un              | it                                    |
| 2. Name of Operator                        |                           |                              |                         | 8. Well No               | •                     |                                       |
| Amoco Product                              | ion Company               |                              |                         |                          | 228                   | · · · · · · · · · · · · · · · · · · · |
| 3. Address of Operator                     |                           |                              | <u></u>                 | 9. Pool nan              | ne or Wildcat         |                                       |
| P. O. Box 3092                             | , Houston, TX             | 77253                        |                         | Hobbs                    | Grayburg              | -S Andres                             |
| 4. Well Location SL/BE Unit Letter         | ) : <u>660/660</u> Feet I | From The North               |                         | 140/1270 Feet            | From The              | West Line                             |
|  |                           |                              |                         |                          |                       |                                       |
|  |                           | 10. Proposed Depth           |                         | 11. Formation San Andres |                       | 12 Rotary or C.T.<br>Rotary           |
| 13. Elevations (Show wheth<br>3624.6 GL    | er DF, RT, GR, etc.)      | 14. Kind & Status Plug. Bond | 15. Drilling Cont       | ractor                   | 16. Approx. [<br>5/10 | Date Work will start<br>1/91          |
| 17.  | P                         | ROPOSED CASING AN            | ID CEMENT PR            | OGRAM                    |                       |                                       |
| SIZE OF HOLE                               | SIZE OF CASING            | WEIGHT PER FOOT              | SETTING DEP             | TH SACKS OF              | CEMENT                | EST. TOP                              |
| 14-3/4"                                    | 10-3/4"                   | 40.5 # K55                   | 1600'                   | 1000                     |                       | Surface                               |
| 9-7/8''                                    | 7"                        | 23 # K55                     | 4307'                   | 1300                     |                       | Surface                               |
|  |                           |                              |                         |                          |                       |                                       |
|  |                           |                              |                         |                          |                       |                                       |
| D 4. 1                                     | 11                        | -11 to A1. O. A              |                         |                          |                       | MD 1                                  |

Propose to drill and equip well in the San Andres formation. After reaching TD, logs will be run and evaluated. Perforate and/or stimulate as necessary in attempting commercial production.

Mud Program:

0 - 1600' Native/Spud

1600' - 3800'

Saturated/Brine

3800' - TD \*

Salt Gel/Starch

\*Add mud materials as necessary to reduce fluid loss.

CONDITIONS OF AFTROVAL, IF ANY:

| IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: # FROPOSED PROGRAM: # FROPOSED PROGRAM: # ANY.                   | BAL IS TO DEEPEN OR FLUG BACK, GIVE DATA ON PRESENT PRODUCTIV | VE ZONE AND PROPOSED NEW PRODUCTIVE |
|--|---|-------------------------------------|
| I hereby certify that the information above is true and complete to the best of my SKINATURE Kim A. Column | knowledge and balief.  TITLE Asst. Admin. Analyst             | DATE 4/9/91                         |
| TYPEOR PRINT NAME Kimberly A. Colvin   |   | TELEPHONE NO 596-7686               |
| (This space for State Use)   |   |                                     |
| APPROVED BY  | TITLE   | DATE                                |

## STATE OF NEW MEXICO

#### OIL CONSERVATION DIVISION P. O. BOX 2088

Form C-102 Revised 10-1-7 ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501

|   |   | All distances must be   | trom the edits boundaries c  | 1 IVe RECTION | 78.   |  |
|---|---|---|--|---------------|---|--|
| Operator<br>Amoc  | o Production C                            | omapny  | South Hob  | ns Unit       |   | Well No. 228   |
| Unit Letter   | Section                                   | Township  | Honge  | County        |   |  |
| D   | 5   | 19 South  | 38 East  |               | Lea   |  |
| Actual Fastage Lo   | M   | orth 400 mg   | 1270   |               | West  | <b>.</b> .   |
| Ground Level Elev   | 1666 HOW THE                              | line did  | Pool   | ot from the   |   | line<br>dicated Acreages   |
| 3624.6  | Graybu                                    | rg-S  | Hobbs Field  |               |   | 40 Acre  |
| 2. If more t  |   |   | ell by colored pencil  |               |   | plat below.<br>eof (both <b>as to</b> workin                                       |
| dated by Yes If answer this form No allowa                                      | No If ar is "no," list the if necessary.) | nitization, force-poolinswer is "yes;" type of tract descent owners and tract descent to the well until all | ng. etc?  f consolidation  riptions which have a  interests have been      | ctually be    | en consolidated   | d. (Use reverse side o   |
| (a) 37.98   | 130 340                                   | 40 6) 3   | 9.40   | 7992          | 1   | ERTIFICATION -   |
| Surf. 228  1140' 1276)  AMOCO 538660  Ameter F South Hickory 370 Years  Hills H | 150 feed                                  | Sevih<br>52 -<br>1342 -<br>5,000<br>14066<br>Pron   | Predation 1. 16445 65A Unit 592 202 - 416 665 642 - 7254 1013184 4119 4411 | ruce          | kim A: ( Name Asst. Adw Position  | is true and complete to the owledge and belief. Columnian. Analyst oduction Compan |
|   |   | PEGISTANA PROBLEMENTAL  | NO. 11013  | -             | shown on this notes of actu under my supe is true and a knowledge and Pale Surveyed Februar Registered Land | y 20, 1991   |
|   |   |   |  |               | Certificate No.   |  |
| 0 330 660   | 90 1320 1650 1980                         | 2310 2640 2000  | 1500 1000 5  | 0             | 1101/   |  |