

Rec. 11/12/92
Rel. 12/12/92



Amoco Production Company

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

November 9, 1992

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

Attn: W.J. LeMay, Director

File: KWB-WF

Gentlemen:

Application for Approval of Unorthodox Location
State-G-Well No. 6
State Lease A-1573
Unit F, Sec. 33, T-18S, R-38E
Hobbs-Lower Blinebry Pool
Lea County, New Mexico

Amoco Production Company, as operator of the State-G-Lease, hereby applies for administrative approval to recomplete subject well into the Hobbs-Lower Blinebry Pool. This well is currently completed in the Hobbs-Paddock Pool. The well is shut-in due to the high volume of water produced and has become uneconomical to operate.

Per Rule 5 of Division Order R-9696 allows for the Division Director to grant approval of the unorthodox location of wells previously drilled to a deeper horizon.

Required notice of this application has been sent by certified mail to all operators offsetting our lease. Attached is a list of the parties included in our notification.

OIL CONSERVATION DIVISION
RECEIVED
'92 NOV 12 AM 9 53

Page 2
November 10, 1992

If additional information is required, please contact Howard Black at (713) 584-7213.

Yours very truly,

K. W. Brand HB

K.W. Brand
Administrative Services Manager

KWB:hb
attachment

OFFSET OPERATORS

Amerada Hess Corporation
1201 Louisiana #700
Houston, Texas 77002

Chevron
P.O. Box 1150
Midland, Texas 79702

Conoco, Inc.
10 Desta Drive West
Midland, Texas 79705

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

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

Penroc Oil Corporation
P.O. Box 5970
Hobbs, New Mexico 88241



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

October 20, 1992

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

Amoco Production Company
Attn: H. I. Black - Room 16.108
P.O. Box 3092
Houston, TX 77253

RE: Proposed Recompletion to Hobbs Lower Blinebry Pool
State G #6, Unit F, Sec. 33, T18S, R38E

Gentlemen:

We have this date approved your intention to recomplete the above-referenced well from the Paddock to the Hobbs Lower Blinebry Pool with production from this pool being subject to approval of the unorthodox location. The Hobbs Lower Blinebry Pool has 80 acre proration units with a standard well location being within 150 feet of the center of either quarter/quarter of the proration unit.

The location of the State G #6 (1980/N and 1650/W) does not comply with this requirement and before an allowable can be assigned to the Hobbs Lower Blinebry zone you must obtain approval of the unorthodox location.

Rule 5 of Division Order R-9696 allows for the Division Director to grant approval of the unorthodox location of wells previously drilled to a deeper horizon. A copy of this rule is enclosed for your information. Please furnish the Hobbs office a copy of your application.

If you have questions concerning this matter, please contact Evelyn Downs at (505) 393-6161.

Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton

Jerry Sexton (ed)
Supervisor, District I

ed

Encl.



**SPECIAL RULES AND REGULATIONS
FOR THE HOBBS-LOWER BLINEBRY POOL**

RULE 1: Each well completed or recompleted in the Hobbs-Lower Blinebry Pool or within one mile thereof, and not nearer to or within the limits of another Blinebry oil pool, shall be spaced, drilled, operated and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2: Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2 or W/2 of a governmental quarter section; provided however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in that unit.

RULE 3: The Director of the Oil Conservation Division, hereinafter referred to as the "Division", may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a single governmental quarter-quarter section or lot, or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within thirty days after the Director has received an application.

RULE 4: Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5: The Division Director may grant an exception to the requirements of Rule 4 without hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within twenty days after the Director has received the application.

RULE 6: The allowable for a standard proration unit (79 through 81 acres) shall be subject to an 80-acre depth-bracket allowable of 222 barrels of oil per day and a limiting gas/oil ratio of 2,000 cubic feet of gas per barrel of oil which results in a casinghead gas allowable of 444 MCF per day. In the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion. The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED THAT:

(5) The applicant's request for a special gas/oil ratio limitation factor of 10,000 cubic feet of gas per barrel of oil for the newly formed Hobbs-Lower Blinebry Pool is hereby denied.

(6) The locations of any other wells presently drilling to or completed in the Hobbs-Lower Blinebry Pool or in the Blinebry formation within one mile thereof, and not nearer to or within the limits of another designated Blinebry pool are hereby approved; the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Division in writing of the name and location of the well on or before August 1, 1992.

(7) Pursuant to Paragraph A of Section 70-2-18, NMSA (1978), contained in Chapter 271, Laws of 1969, existing wells in the newly formed Hobbs-Lower Blinebry Pool shall have dedicated thereto 80 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C of said Section 70-2-18, existing wells may have non-standard spacing or proration units established by the Division and dedicated thereto.

Failure to file new Forms C-102 with the Division dedicating 80 acres to a well or to obtain a non-standard unit approved by the Division within sixty days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said sixty-day limitation, each well presently drilling to or completed in the Hobbs-Lower Blinebry Pool or in its corresponding vertical limits as described in Decretory Paragraph No. (1), above, or within one mile thereof shall receive no more than one-half of a standard allowable for the pool.

(8) This case shall be reopened at an examiner hearing in June, 1994, at which time the operators in the subject pool should be prepared to appear and show cause why the temporary special pool rules for the Hobbs-Lower Blinebry Pool should not be

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)

30-025-23334

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

A-1573

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☐

RE-ENTER ☐

DEEPEN ☒

PLUG BACK ☐

b. Type of Well:

OIL
WELL ☒

GAS
WELL ☐

OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

7. Lease Name or Unit Agreement Name

State - G -

2. Name of Operator

Amoco Production Company Rm. 16.108

8. Well No.

6

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

9. Pool name or Wildcat

Hobbs Lower Blinbry

4. Well Location

Unit Letter F : 1980 Feet From The North Line and 1650 Feet From The West Line

Section 33 Township 18-S Range 38-E NMPM Lea County

10. Proposed Depth

11. Formation

Blinbry

12. Rotary or C.T.

13. Elevations (Show whether DF, RT, GR, etc.)

3644 GL

14. Kind & Status Plug. Bond

15. Drilling Contractor

16. Approx. Date Work will start

10-19-92

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	11 3/4"	42#	420'	540 SX	Surface
11"	8 3/8"	24, 32#	3752'	370 SX	1831'
7 7/8"	5 1/2"	14#	6009'	400 SX	3500'
Liner	4"	11.34#	5815-7041	75 SX	

1. MIX RUSU. POH X PRODUCTION EQUIPT.

2. SQUEEZE PADDOCK PERFS 5334'-5380' w/ 100 SX5 C1-C-CMT X WOC X DO CMT. XTST CSG

3. DO CIBP@ 5800' X 50' CMT

4. SQUEEZE UPPER BLINEBRY PERFS 5832-44', 81-85', 90-94', 5924-28', 36-56', 6044-62' w/ 100 SX5 C1-C-CMT X WOC X DO CMT XTST CSG.

5. PERF LOWER BLINEBRY 6138'-6148', 6158'-6174', 6179'-6186', 6204'-6224' SPACING X 90 or 120 degree PHASING.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

H. I. Black

TITLE

Stf. Admin. Analyst

DATE

10-14-92

TYPE OR PRINT NAME

H. I. BLACK

TELEPHONE NO. 713-584-72

(This space for State Use)

ORIGINAL FILED BY TAY SMITH

APPROVED BY

TITLE

DATE

OCT 20 '92

CONDITIONS OF APPROVAL, IF ANY:

Approved for recompletion work only.

Hobbs Lower Blinbry production subject to approval of NSL.

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

PAGE 2

Form C-101
Revised 1-1-89

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

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

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)

30-025-23334

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☐ RE-ENTER ☐ DEEPEN ☒ PLUG BACK ☐

b. Type of Well:

OIL WELL ☒ GAS WELL ☐ OTHER ☐

SINGLE ZONE ☒ MULTIPLE ZONE ☐

7. Lease Name or Unit Agreement Name

State - G -

2. Name of Operator

Amoco Production Company

8. Well No.

6

3. Address of Operator

P.O. Box 3092 Houston, TX 77253

9. Pool name or Wildcat

Hobbs Lower Blinberry

4. Well Location

Unit Letter _____ Feet From The _____ Line and _____ Feet From The _____ Line

Section

Township

Range

NMPM

County

10. Proposed Depth

11. Formation

12. Rotary or C.T.

13. Elevations (Show whether DF, RT, GR, etc.)

14. Kind & Status Plug. Bond

15. Drilling Contractor

16. Approx. Date Work will start

17.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP

6. IF WELL DOES NOT FLOW ACIDIZE USING PPI PACKER @ 2'
SPACING X 2600 GAL 15% HCL CONTAINING 2 GAL/1000 GAL
WA-211 NITROGEN X 2 GAL/1000 GAL WA-212.

7. SWB X RD X MOSU

8. RETURN WELL TO PRODUCTION

(RECOMPLETE WELL FROM HOBBS PADDOCK TO LOWER BLINBERRY)

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE _____ TITLE _____ DATE _____

TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)

ORIGINAL SIGNED BY RAY SMITH

FIELD REP. II

APPROVED BY _____ TITLE _____ DATE OCT 20 '92

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

REVISED

Form C-102
Supersedes C-101
Effective 1-1-61

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

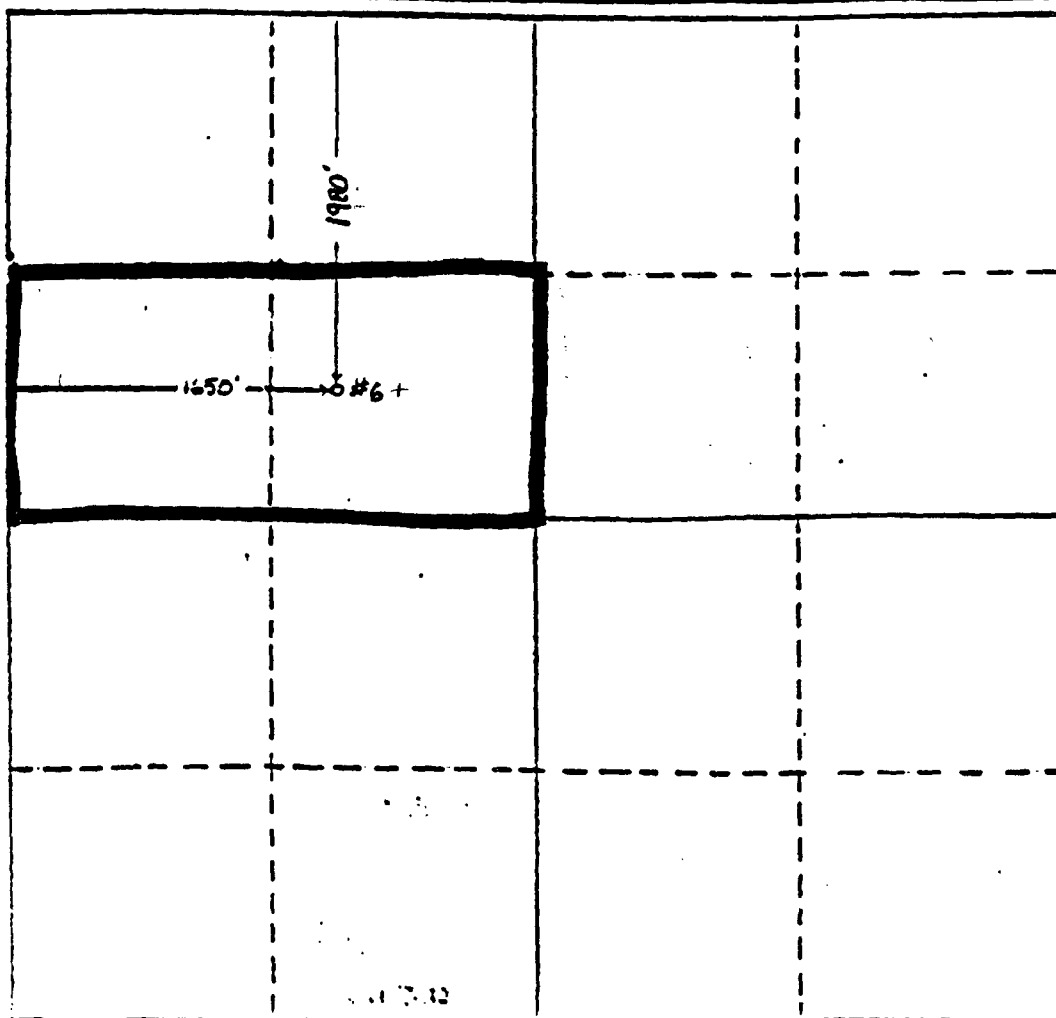
Owner Amoco Production Company			Lease State "G"		Well No. 6
Unit Letter F	Section 33	Township 18 South	Range 38 East	County Lea	
Actual Location of Well					
1980 feet from the North line and		1650 feet from the West line		Item	
Ground Level Elev. 3660' RDB		Producing Formation Lower Blinebry		Dedicated Acreage 80	

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.



CERTIFICATION

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

Name H. J. Black
Position Sff. Admin. Analyst
Company Amoco Production Company
Date 10-20-92

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 _____

Representative of Mineral Landowner and/or Land Surveyor _____

Certification No. _____



RECEIVED
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STATE OF NEW MEXICO

OIL CONSERVATION DIVISION
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

11-16-92

BRUCE KING
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL X _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Amoco Production Co. State G #6-F 33-18-38
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OS

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed