



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**BETTY RIVERA**  
Cabinet Secretary

August 19, 2002

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Occidental Permian Limited Partnership**  
**P. O. Box 4294**  
**Houston, Texas 77210-4294**  
**Attention: Richard E. Foppiano**  
***Rick\_Foppiano@oxy.com***

*AMENDED Administrative Order NSL-4646 (BHL)*

Dear Mr. Foppiano:

By Division Administrative Order NSL-4646 (BHL), dated September 26, 2001, authorization was given Occidental Permian Limited Partnership ("Occidental Permian") to directionally drill its South Hobbs (GSA) Unit Well No. 244 and North Hobbs G/SA Unit Well No. 843 to unorthodox subsurface oil well locations along the "lease-line" that separates Occidental Permian's North Hobbs Grayburg-San Andres Unit and South Hobbs Grayburg-San Andres Unit Pressure Maintenance Projects within the Hobbs-Grayburg-San Andres Pool (31920) in Township 18 South, Range 38 East, NMPM, Lea County, New Mexico. The South Hobbs (GSA) Unit Well No. 244 (API No. 30-025-35724) was permitted to be directionally drilled from a surface location 2246 feet from the North line and 597 feet from the West line (Unit E) of Section 34, Township 18 South, Range 38 East, NMPM, Lea County, New Mexico, to an unorthodox bottomhole Grayburg/San Andres oil well location within a standard 40-acre oil spacing and proration unit that comprises the SW/4 NW/4 (Unit E) of Section 34 2006 feet from the North line and 67 feet from the West line of Section 34.

Reference is now made to your letter of application (*application reference No. pKRV0-221135134*) with attachments that was submitted to the Santa Fe office of the New Mexico Oil Conservation Division ("Division") on July 29, 2002 and to the Division's well file and records, whereby an amendment should be issued in this order to indicate that the targeted bottomhole location for the South Hobbs (GSA) Unit Well No. 244 was missed and to accurately reflect the actual bottom-hole location of this wellbore.

**The Division Director Finds That:**

- (1) Division Administrative Order NSL-4646 (BHL) was originally approved under the provisions of Division Rules 104.F (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, and 111.C (2);

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- (2) This request to amend the bottomhole location for the South Hobbs (GSA) Unit Well No. 244 has been duly filed under the provisions of Division Rules 104.F, as revised, and 111.C (2);
- (3) Because of an apparent misunderstanding between Occidental Permian's field and regulatory personnel the wellbore missed its intended bottomhole location by 64 feet; and
- (4) The actual bottomhole location is 1976 feet from the North line and 10 feet from the west line (Unit E) of Section 34, which is 57 feet closer to the common boundary line between the two Units than was allowed by the order.


**It Is Therefore Ordered That:**

(1) Division Administrative Order NSL-4646 (BHL), dated September 26, 2001, is hereby amended to properly reflect the actual bottomhole location of the South Hobbs (GSA) Unit Well No. 244 (API No. 30-025-35742), as indicated in the findings above.

(2) All other provisions of Division Order NSL-4646 (BHL) not in conflict with this change shall remain in full force and effect until further notice.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Lori Wrotenberg  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
Tom Kellahin, Legal Counsel for Occidental Permian Limited Partnership - Santa Fe  
File: NSL-4646 (BHL)