

Application of Exxon Corporation for an Unorthodox Gas Well location and a Non-Standard Gas Production Unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 525 ~~ft~~ feet from the West line of Section 7, Township 17 South, Range 29 East, Undesignated South Empire-Morrow <sup>Gas</sup> Pool, the NE $\frac{1}{4}$ , E $\frac{1}{2}$  NW $\frac{1}{4}$ , and Lots 1 and 2 of said Section 7 to be dedicated to said well forming a 292.32-acre non-standard gas spacing and production unit.

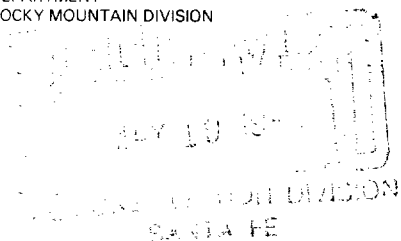
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**EXXON** COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

May 15, 1986

PRODUCTION DEPARTMENT  
SOUTHWEST/ROCKY MOUNTAIN DIVISION



Request for Approval of an  
Unorthodox Location/Non-Standard Unit  
P.P.C. State Fed Com #1  
Undesignated South Empire-Morrow  
Eddy County, New Mexico

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

*Case 8913*

Attention: Mr. Richard L. Stamets

Gentlemen:

Attached is Form C-101, Application for Permit to Drill, Deepen or Plug Back, and Form C-102, Well Location and Acreage Dedication Plat for P.P.C. State Fed Com, Well No. 1, Undesignated South Empire-Morrow, Eddy County, New Mexico.

Statewide Rule 104 C.II.(a) states that each gas well drilled shall be located not closer than 660 feet to the nearest side boundary of such tract nor closer than 1980 feet to the nearest end boundary of such tract nor closer than 330 feet to any quarter-quarter section or subdivision inner boundary. The subject well is located 1980' from the side boundary and 525' from the end boundary in the North half of Section 7.

This unorthodox location is being requested because our best geological interpretation indicates a gas well in the requested location will encounter 91' of pay. A gas well in a regular location will encounter only 35' of pay. Drilling in the requested location will greatly improve the chances of establishing economic production. Enclosed are attachments which support this irregular location.

In addition Statewide Rule 104 C.II.(a) states that each gas well drilled shall be located on a designated drilling tract consisting of 320 surface contiguous acres, more or less. The subject unit is located in a tract only containing 292.32 acres, and thus is a non-standard unit.

We request administrative approval to this non-standard gas unit as the unorthodox size of this unit is necessitated by a variation in the legal subdivision of the U. S. Public Land Surveys. As required in Statewide Rule 104 D.II our unit consists of quarter sections or lots that are contiguous by a common bordering side, our unit lies wholly within a single governmental half section in a formation for which 320 acres is the standard unit size, and we are requesting waivers from all offset operators and from all operators owning interests in the half section.

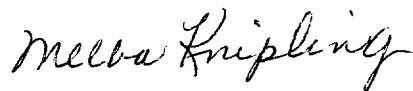
P. P. C. State Fed Com #1  
Unorthodox Location/Non-Standard Unit  
May 15, 1986  
Page 2

The offset operators are being notified by certified mail of the application to complete this well as an unorthodox location in a non-standard unit. If you as an offset operator have no objection to this application, you are requested to execute the attached waiver and forward a copy to the New Mexico Oil Conservation Commission, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one copy to this office.

The offset operators and operators owning interest in the half section are as follows:

Phillips Petroleum Company, Frank Phillips Bldg., Bartlesville, OK 74004  
Santa Fe Energy, 1616 South Voss, Ste. 1000, Houston, TX 77057  
Felmont Oil Company, P. O. Box 2266, Midland, TX 79702  
Conoco, Inc., 5 Greenway Plaza East, Houston, TX 77046  
Bert M. Jones, 407 Bullock, Artesia, NM 88210  
Amoco Production Company, P. O. Box 3092, Houston, TX 77210  
Tenneco Oil Company, P. O. Box 2511, Houston, TX 77001  
Frostman Oil Corporation, P. O. Box 161, Artesia, NM 88210  
Yates Petroleum Corporation, 207 S. Fourth St., Artesia, NM 88210  
Kincaid and Watson Drilling Company, Box 498, Artesia, NM 88210  
Partco, Inc., c/o Stephen L. Elliott, P. O. Box 1355, Roswell, NM 88201  
Harvey E. Yates Co., Box 1933, Roswell, NM 88201

Sincerely,



Melba Knipling  
Section Head, NGPA & Permits

MK:dm

Attachments

cc: New Mexico Oil Conservation Commission, Drawer DD, Artesia, NM 88210  
Bureau of Land Management, P. O. Box 1778, Carlsbad, NM 88220

WAIVER

Case 8913

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

This is to advise that the undersigned has been given due notice that Exxon Corp. has made an application for an unorthodox location and non-standard unit for the P.P.C. State Fed Com., Well No. 1 to be completed as a gas well in the Undes. South Empire Field.

We hereby waive any objection to the granting of this application for the above referenced well to be located:

1980' FNL and 525' FWL of Sec. 7, T17S, R29E, Eddy County, New Mexico

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

Company \_\_\_\_\_

By \_\_\_\_\_

NOTE TO OPERATORS: Please return one copy to the Oil Conservation Division and one copy to Exxon. Stamped addressed envelopes are enclosed.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☐      DEEPEN ☐      PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☐      GAS WELL ☒      OTHER ☐      SINGLE ZONE ☐      MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Exxon Corporation      Attn: Melba Knipling

3. ADDRESS OF OPERATOR

P. O. Box 1600, Midland, TX 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface  
1980' FNL & 525' FWL of Sec. 7 (SW NW)  
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

8.5 mi. NW of Loco Hills

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

292.32

17. NO. OF ACRES ASSIGNED TO THIS WELL

292.32

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

10650

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3690' GL

22. APPROX. DATE WORK WILL START\*

5. LEASE DESIGNATION AND SERIAL NO.

NM E-741

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

P.P.C. State Fed Com

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT Undes. South Empire-  
Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 7, T17S, R29E

12. COUNTY OR PARISH

Eddy

13. STATE

NM

| 23. PROPOSED CASING AND CEMENTING PROGRAM |                |                 |               |                    |
|-------------------------------------------|----------------|-----------------|---------------|--------------------|
| SIZE OF HOLE                              | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
| 17-1/2                                    | 13-3/8         | 54.5            | 300           | 300 <sup>3</sup>   |
| 12-1/4 or 11                              | 8-5/8          | 24, 32          | 2650          | 1600 <sup>3</sup>  |
| 7-7/8"                                    | 5-1/2          | 15.5, 17        | 10650         | 1400 <sup>3</sup>  |

An unorthodox location and non-standard unit are being requested.

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.  
SIGNED Melba Knipling      TITLE Section Head      DATE 5-15-86  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

Federal Lse. No. \_\_\_\_\_

**All distances must be from the outer boundaries of the Section.**

|                                                                                                   |                               |                                   |                                    |                |
|---------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------------|------------------------------------|----------------|
| Operator<br>Exxon Corporation                                                                     |                               | Lease<br>P. P. C. STATE FED. COM. |                                    | Well No.<br>1  |
| Unit Letter<br>LOT 2                                                                              | Section<br>7                  | Township<br>17 S                  | Range<br>29 E                      | County<br>EDDY |
| Actual Footage Location of Well:<br>1980 feet from the NORTH line and 525 feet from the WEST line |                               |                                   |                                    |                |
| Ground Level Elev.<br>3690                                                                        | Producing Formation<br>MORROW | Pool<br>UNDES. SOUTH EMPIRE       | Dedicated Acreage:<br>292.32 Acres |                |

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 Communitization Pending

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.

|                                                                                                                                                                                                                           |                                                                                                                |                                                                                               |                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <p>LOT 1</p> <p>Phillips<br/>NM-14847</p> <p style="text-align: center;">1980'</p>                                                                                                                                        | <p style="text-align: center;">C</p> <p style="text-align: center;">Exxon<br/>NM E-741</p>                     | <p style="text-align: center;">B</p> <p style="text-align: center;">Exxon<br/>NM E-741</p>    | <p style="text-align: center;">A</p> <p style="text-align: center;">Exxon<br/>NM E-741</p>             |
| <p>LOT 2</p> <p>Phillips<br/>NM-14847</p> <p style="text-align: center;">525'</p> <p style="text-align: center;">To Lse. Line</p> <p style="text-align: center;">660'</p> <p style="text-align: center;">To Lse. Line</p> | <p style="text-align: center;">F</p> <p style="text-align: center;">Phillips<br/>NM-14847</p>                  | <p style="text-align: center;">G</p> <p style="text-align: center;">Phillips<br/>NM-14847</p> | <p style="text-align: center;">H</p> <p style="text-align: center;">Phillips<br/>USA LC-028480 (B)</p> |
| <p>LOT 3</p>                                                                                                                                                                                                              | <p style="text-align: center;">K</p> <p style="text-align: center;">J</p> <p style="text-align: center;">I</p> |                                                                                               |                                                                                                        |
| <p>LOT 4</p>                                                                                                                                                                                                              | <p style="text-align: center;">N</p> <p style="text-align: center;">O</p> <p style="text-align: center;">P</p> |                                                                                               |                                                                                                        |

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

**CERTIFICATION**

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

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Name Melba Knippling

Position **UNIT HEAD**

Company **Exxon Corporation**

Box 1600 Midland, Texas

Date 5-15-86

BRUCE R. PENNELL

NEW MEXICO

REGISTERED PROFESSIONAL LAND SURVEYOR

9062

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.

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Date Surveyed 5-6-86

Registered Professional Engineer and/or Land Surveyor

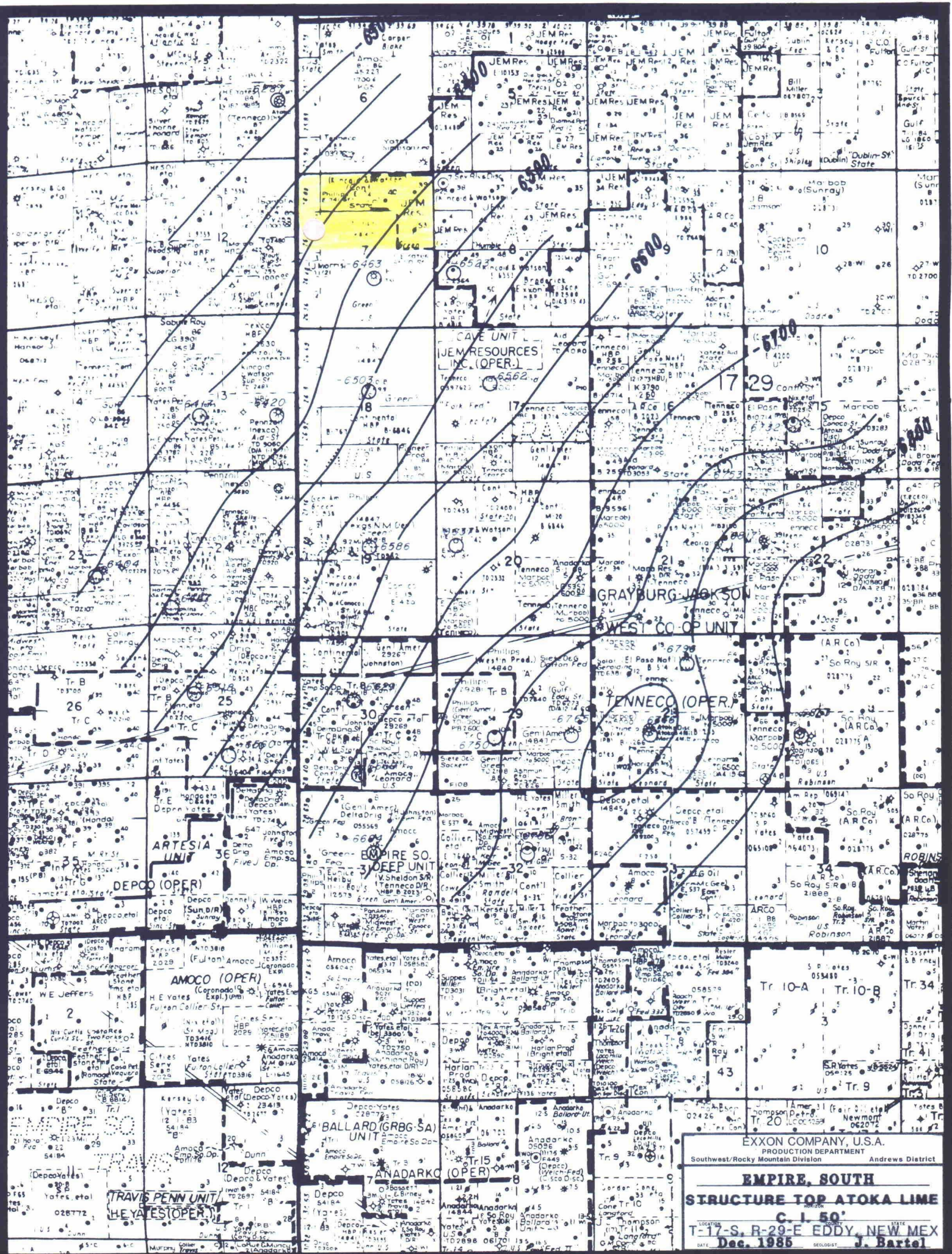
Bruce R. Pennell

Certificate No. 9062

8.5 miles NW of LOCO HILLS

New Mexico

121-A-9775



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