



**Amoco Production Company** 

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

R. E. Ogden Regional Engineering Manager

June 2, 1986

File: JCA-986.51TX-2263

Re: Unorthodox Location and Non-Standard Unit P.P.C. State Federal Com. No. 1 Section 7-T29E-R29E Eddy County, New Mexico

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

Dear Mr. Stamets:

This is to advise that Amoco Production Company has been given due notice that Exxon Corporation has made application for administrative approval of an unorthodox location and non-standard unit for the P.P.C. State Federal Com. Well No. 1, undesignated South Empire Field.

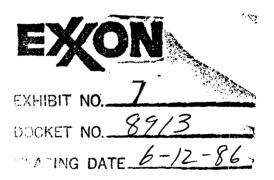
We hereby waive any objections to the granting of the application for the above well which will be located:

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

Yours very truly,

HLC/rr

cc: Exxon Corporation P. O. Box 1600 Midland, Texas 79702



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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, T175, R29E, Eddy County, New Mexico

day of June 6 ,1986. Executed this

ARCO Oiland Gas Co. Company

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

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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.

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Dany Frostman Oil Corp Nauny Found Company\_\_\_

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

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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, T175, R29E, Eddy County, New Mexico Executed this 28 day of May ,1986.

Attest:

Company Kincaid & Watson Drilling Company

Secretary-Treasurer Nancy

By <u>JB. Udamson</u> J. B. Adamson - Vice President



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PHILLIPS PETROLEUM COMPANY

BARTLESVILLE, OKLAHOMA 74004 918 661-6600

EXPLORATION AND PRODUCTION GROUP

302 TRW Building

May 20, 1986

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

Exxon Company, USA Attn: Melba Knipling P. O. Box 1600 Midland, TX 79702-1600

Gentlemen:

Receipt is acknowledged of your Certified Letter dated May 15, 1986, received in this office this date, relative to the subject.

By copy of this letter, we are forwarding your letter and attachments to Mr. Glenn Smith, Permian Basin Region Operations, for his further handling. Future correspondence regarding this subject should be directed to Mr. Smith at the address indicated below.

Yours very truly,

M. D. Williams

Birda Kyles

By:

Linda Kyles

MDW:1k File (RC)

cc: Phillips Petroleum Company Attn: Glenn Smith (w/a) 4001 Penbrook Odessa, TX 79762

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

Gentlemen:

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1980' FNL and 525' FWL of Sec. 7, T17S, R29E, Eddy County, New Mexico 28th day of May ,1986. Executed this

Company Phillips Petroleum

M By

G. R. Smith Director, Reservoir Engineering

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

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1980'FNL and 525' FWL of Sec. 7, T17S, R29E, Eddy County, New Mexico Executed this  $28^{\text{th}}$  day of May, 1986.

Company Tenneco Dil

By <u>Staver 1 Mueller</u> Div. Geol. Eng.

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

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

YATES PETROLEUM CORPORATION Company m B

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

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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 20th day of May ,1986.

Company HARVEY E. YATES COMPANY

By A. J. Deans, Vice-President

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

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

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Executed this  $\frac{19t}{1}$  day of  $\frac{1111}{1}$ ,1986.

Company

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Show to whom, date and address of delivery. 447-845 2. Bestricted Delivery. 447-845 2. Restricted Delivery. 3. Article Addressed to: 3. Article Addressed to Santa Fe Energy mo 4 2 4. Type of Service: Article Number 4. Type of Service: Article Number D Insured \$186303 832 P186303828 Insured COD Registered Registered Certified Express Mail 4 Certified Express Mail Always obtain signature of addressee or agent and DATE DELIVERED. Always obtain signature of addressee o DATE DELIVERED. and TXHA MIN. 5. Signature - Addr 5. Signature - Addresser 9861 DOMESTIC DOMESTIC 0 Х Х 6. Signature - Agent 6. Signature Ъ Х  $\mathcal{A}$ Х 20 Star Street EXHIBIT G RETURN **RETURN RECEIPT** 7. Date of Dalivary 7. Date of Dalivary NO. SPO 6 5-5 0 8. Addresses's Address (DUCK K Equeping and see paid) 8913 8. Addressee's Address (ONLY if requested and ise paid) RECEIPT 6 HEARING DATE.

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## MORROW RISKED RESERVES

## PROPOSED LOCATION

			Based on an	erayes in Area
	Investment	Gross <u>Reserves</u>	Probability	Net Risked Reserves
Case I - High Side	\$960,000	2.0 BCF 42 MBO	20%	300 MMCF 6.1 MBO
Case II - Median	\$960,000	1.5 BCF 30 MBO	50%	550 MMCF 11.2 MBO
Case III - Dry Hole	\$811,000		30%	
Aggregate	\$915,300	1.2 BCF 23.4 MBO	100%	850 MMCF 17.3 MBO

## ORTHODOX LOCATION

	Investment	Gross Reserves	Probability	Net Risked Reserves
Case I - High Side	\$960,000	2.0 BCF 42 MBO	5%	75 MMCF 1.5 MBO
Case II - Median	\$960,000	1.5 BCF 30 MBO	45%	495 MMCF 10.1 MBO
Case III - Dry Hole	\$811,000		50%	
Aggregate	\$885,500	675 MMCF 15.6 MBO	100%	570 MMCF 11.6 MBO



EXHIBIT	NO	9	
DOCKET	NO	8913	
HEARING	DATE.	6/12	186