STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

ANITA LOCKWOOD CABINET SECRETARY

February 8, 1993

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

Pogo Producing Company c/o Hinkle, Cox, Eaton, Coffield & Hensley Attention: James Bruce P.O. Box 2068 Santa Fe, NM 87504-8623

Administrative Order DD-75

Dear Mr. Bruce:

Under the provisions of General Rule 111 (c), (d) and (e), Pogo Production Company made application to the New Mexico Oil Conservation Division on January 8, 1993, for authorization to directionally drill its proposed Mobil Federal Well No. 3, Eddy County, New Mexico.

The Division Director Finds That:

- (1) The application has been duly filed under the provisions of Rule 111(d) and (e) of the Division General Rules and Regulations;
- (2) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 will be met; and,
- (3) The only off-set operator, other than the applicant, submitted a waiver of objection to the subject application.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, Pogo Producing Company, is hereby authorized to directionally drill its Mobil Federal Well No. 3, the surface location of which shall be 480 feet from the North line and 660 feet from the East line (Unit A) of Section 29, Township 23 South, Range 31 East, NMPM, Undesignated West Sand Dunes-Delaware Pool, Eddy County, New Mexico, by kicking off from the vertical at a depth of approximately 2200 feet, and drilling in such a manner as to penetrate the entire Brushy Canyon member of the Delaware

Administrative Order DD-75 Pogo Producing Company February 8, 1993 Page No. 2

formation (top expected to be found at approximately 6342 feet TVD) within the window established by Division General Rule 104.C(1)(a) considered to be a standard oil well location within the 40-acre tract comprising the NW/4 NE/4 (Unit B) of said Section 29.

PROVIDED HOWEVER THAT prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

<u>PROVIDED HOWEVER THAT</u> during or upon completion of directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

- (2) The applicant shall notify the supervisor of the Artesia district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Artesia offices of the Division upon completion.
- (3) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.
- (4) The NW/4 NE/4 (Unit A) of said Section 29 shall be dedicated to the well forming a standard 40-acre oil spacing and proration unit for the subject pool.
- (5) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY

Director

WJL/MES/amg

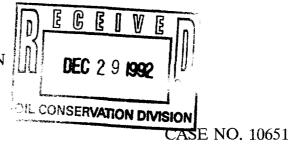
cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad

BEFORE THE

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF POGO PRODUCING COMPANY FOR DIRECTIONAL DRILLING AND AN UNORTHODOX OIL WELL LOCATION, EDDY COUNTY, NEW MEXICO.



ENTRY OF APPEARANCE

COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby enters its appearance in the above referenced case on behalf of Kaiser-Francis Oil Company.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR KAISER-FRANCIS
OIL COMPANY

CERTIFICATE OF MAILING

I hereby certify that I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to:

James Bruce, Esq. Hinkle, Cox, Eaton, Coffield & Hensley Post Office Box 2068 Santa Fe, New Mexico 87504

William F. Carr

STATE OF NEW MEXICO



ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING GOVERNOR

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POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87504 (505) 827-5800

March 11, 1993

HINKLE, COX, EATON, **COFFIELD & HENSLEY** Attorneys at Law P. O. Box 2068 Santa Fe, New Mexico 87501

Attn: James Bruce

RE: CASE NO. 10651

ORDER NO. R-9852

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

Sally Leichtle Sally E. Leichtle

Administrative Secretary

cc:

BLM - Carlsbad William Carr