

January 24, 1975

File: RCJ-49-LF

Re: Revision of Delaware
Participating Area
Old Indian Draw Unit
Eddy County, New Mexico

Mr. Carl C. Traywick (3)
United States Department of the Interior
P. O. Drawer 1857
Roswell, NM 88201

Mr. James E. Kaptaina ✓
New Mexico Oil Conservation Commission
P. O. Box 2068
Santa Fe, NM 87501

Gentlemen:

Amoco Production Company as Operator of the Old Indian Draw Unit, Eddy County, New Mexico, respectfully requests that a first revision to the Delaware Participating Area be approved.

The area to be added is the SW/4 of the SE/4 of Section 18, T22S, R28E, Eddy County, New Mexico. This 40-acre tract is the proration unit for Well No. 2, which was completed in the Delaware on November 27, 1974, pumping at the rate of 275 barrels oil and 8 barrels water per day. Well No. 2 is essentially comparable structurally to the first well which had produced 34,226 barrels oil and 5011 barrels water to 1-1-75 and is presently capable of producing top discovery allowable of 103 barrels oil per day. The No. 2 well also had produced 3064 barrels oil and 174 barrels water by 1-1-75. During December, it produced at top allowable rate of 80 barrels oil per day and is deemed a "commercial" well.

Attached is a summary of interests and acreage involved in the initial and first revision to the participating area. Also attached is a map showing the unit and participating areas. Further, a cross section of the recent wells in this area is included.

Yours very truly,

ORIGINAL SIGNED:
G. L. CHRISTENSEN

JVM:db
5/952-558

Attachments

Old Indian Draw Unit Delaware
Eddy County, New Mexico

Initial Delaware Participating Area

Unit Tract No. = 3
Lease No. = NM-0415688-A
Participating Acres = 40.00 (Well No. 1 proration unit)
Description = NW/4, SE/4, Section 18-T22S-R28E
Royalty = USA all (12.5%)
Effective Date = 12-15-73

Working Interest until Well No. 1 payout

Amoco Prod. Co. 74.43467% *
Perry R. Bass 6.39133% *
Bass Enterprises 19.17400% *
Total 100.00000%

* Subject to payment of proportionate part of 19.70704%
of 1/16 of 8/8 ORR until payout of Well No. 1.

First Revision of Delaware Participating Area

Unit Tract No. = 3
Lease No. = HM-0415688-A
Added Area = 40 acres (Well No. 2 proration unit)
Description = SW/4, SE/4, Section 18-T22S-R28E
Royalty = USA all (12.5%)
Revision Date = 11-1-74 (Well No. 2 completed 11-27-74)

Working Interest Participation in First Revision Area and in
Initial Participating Area after Well No. 1 pay out.

Amoco Prod. Co.	59.54504%
Marathon	6.56902%
Perry R. Bass	5.971485%
Bass Enterprises	<u>17.914455%</u>
Total	100.000000%

All Amoco Production Company interest subject to \$750 per acre production payment out of 2% to Robert N. Enfield and wife, Mona L. Enfield. Also subject to \$750 per acre production payment out of 3% to Anita L. Berger and husband, Henry Berger.

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