

CASE 7332: BASS ENTERPRISES PRODUCTION
COMPANY FOR DIRECTIONAL DRILLING AND
POSSIBLE UNORTHODOX LOCATION, EDDY
COUNTY, NEW MEXICO

m Co.

Case No.

7332

Application

Transcripts.

Small Exhibits

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Case 7332

SPERRY-SUN INCORPORATED
EDDY COUNTY, NEW MEXICO

SEP 27 1982

PAGE 1

BASS ENTERPRISES
JAMES RANCH WELL NO. 13

6 235-312 Eddy Co.

O. C. D.
ARTESIA, OFFICE SU175-6120
SEPTEMBER 10, 1982

TOTAL DEPTH	DIRECTION DEG MIN	ANGLE DEG MIN	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
0	N 0 0 E	0 0	0.00	0.00 N	0.00 E	0.00	0.00
100	N 80 20 E	0 25	100.00	0.06 N	0.36 E	0.14	0.42
200	S 70 0 E	0 40	199.99	0.09 S	1.26 E	0.20	0.37
300	S 75 13 E	1 25	299.98	0.60 S	3.01 E	0.07	0.76
400	S 66 23 E	2 10	399.93	1.67 S	5.93 E	-0.35	0.80
500	S 62 30 E	2 0	499.86	3.24 S	9.21 E	-1.16	0.22
600	S 62 52 E	2 0	599.80	4.84 S	12.31 E	-2.06	0.01
700	S 62 4 E	2 0	699.74	6.45 S	15.41 E	-2.97	0.03
800	S 61 11 E	2 10	799.67	8.18 S	18.61 E	-3.97	0.17
900	S 63 16 E	2 25	899.59	10.04 S	22.15 E	-5.02	0.26
1000	S 63 20 E	2 20	999.51	11.90 S	25.85 E	-6.04	0.08
1100	S 62 29 E	2 20	1099.42	13.76 S	29.47 E	-7.07	0.03
1200	S 62 29 E	2 25	1199.34	15.67 S	33.15 E	-8.14	0.08
1300	S 63 29 E	2 25	1299.25	17.59 S	36.90 E	-9.20	0.04
1400	S 62 28 E	2 30	1399.16	19.54 S	40.72 E	-10.28	0.09
1500	S 62 25 E	2 30	1499.06	21.55 S	44.59 E	-11.42	0.00
1600	S 62 20 E	2 30	1598.97	23.58 S	48.46 E	-12.56	0.00
1700	S 62 17 E	2 25	1698.87	25.57 S	52.25 E	-13.69	0.08
1800	S 61 3 E	2 25	1798.78	27.57 S	55.96 E	-14.84	0.05
1900	S 57 1 E	2 0	1898.71	29.54 S	59.27 E	-16.06	0.44
2000	S 59 59 E	2 0	1998.65	31.37 S	62.25 E	-17.37	0.10
2100	S 56 58 E	2 0	2098.59	33.19 S	65.22 E	-18.33	0.11
2200	S 49 34 E	2 0	2198.53	35.27 S	68.01 E	-19.77	0.26
2300	S 56 2 E	2 0	2298.47	37.38 S	70.79 E	-21.22	0.23
2400	S 59 4 E	2 0	2398.40	39.25 S	73.73 E	-22.42	0.11
2500	S 51 16 E	2 0	2498.34	41.24 S	76.59 E	-23.74	0.27
2600	S 48 20 E	1 45	2598.29	43.35 S	79.09 E	-25.26	0.27
2700	S 45 49 E	1 40	2698.24	45.38 S	81.27 E	-26.77	0.11
2800	S 42 28 E	1 50	2798.20	47.57 S	83.40 E	-28.46	0.20
2900	S 35 32 E	1 30	2898.15	49.81 S	85.24 E	-30.25	0.39
3000	S 40 35 E	1 20	2998.12	51.76 S	86.76 E	-31.83	0.21
3100	S 53 44 E	2 0	3098.08	53.68 S	88.92 E	-33.23	0.76
3200	S 65 45 E	3 0	3197.98	55.79 S	92.71 E	-34.47	1.12
3220	S 60 46 E	3 10	3217.96	56.27 S	93.67 E	-34.74	1.58
3800	S 70 0 E	1 0	3797.54	65.83 S	112.41 E	-40.03	0.38
3900	S 77 0 E	1 0	3897.52	66.32 S	114.08 E	-40.15	0.12
4000	S 87 0 E	1 0	3997.51	66.56 S	115.80 E	-40.02	0.17
4100	S 87 0 E	1 0	4097.49	66.66 S	117.54 E	-39.73	0.00
4200	N 89 0 E	1 0	4197.47	66.69 S	119.29 E	-39.38	0.07
4300	N 85 0 E	1 0	4297.46	66.59 S	121.03 E	-38.92	0.07

BASS ENTERPRISES
JAMES RANCH WELL NO. 13

SU175-6120
SEPTEMBER 10, 1982

TOTAL DEPTH	DIRECTION DEG MIN	ANGLE DEG MIN	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
4400	N 84 0 E	1 0	4397.44	66.43 S	122.77 E	-38.38	0.02
4500	N 77 0 E	1 0	4497.43	66.14 S	124.49 E	-37.73	0.12
4600	N 69 0 E	0 45	4597.41	65.71 S	125.95 E	-36.99	0.28
4700	N 66 0 E	0 45	4697.40	65.21 S	127.16 E	-36.24	0.04
4800	N 59 0 E	0 45	4797.39	64.40 S	128.31 E	-35.40	0.09
4900	N 71 0 E	1 0	4897.37	63.98 S	129.70 E	-34.50	0.31
5000	N 68 0 E	1 0	4997.36	63.37 S	131.33 E	-33.55	0.05
5100	N 62 0 E	1 0	5097.34	62.64 S	132.91 E	-32.49	0.10
5200	N 64 0 E	1 0	5197.32	61.84 S	134.47 E	-31.39	0.03
5300	N 60 0 E	0 45	5297.31	61.13 S	135.82 E	-30.40	0.26
5400	N 61 0 E	0 45	5397.30	60.49 S	136.94 E	-29.52	0.01
5500	N 53 0 E	1 0	5497.28	59.65 S	138.23 E	-28.43	0.28
5600	N 48 0 E	0 45	5597.27	58.68 S	139.41 E	-27.23	0.26
5700	N 48 0 E	0 45	5697.25	57.81 S	140.38 E	-26.16	0.00
5800	N 64 0 E	1 0	5797.24	56.99 S	141.65 E	-25.09	0.35
5900	N 27 0 E	0 30	5897.23	56.22 S	142.64 E	-24.12	0.67
6000	N 42 0 E	0 30	5997.22	55.50 S	143.13 E	-23.32	0.13
6100	N 38 0 E	0 45	6097.22	54.66 S	143.82 E	-22.35	0.25
6200	N 27 0 E	0 30	6197.21	53.76 S	144.42 E	-21.34	0.28
6300	N 15 0 E	0 30	6297.20	52.95 S	144.73 E	-20.48	0.10
6400	N 13 0 E	0 30	6397.20	52.10 S	144.95 E	-19.61	0.02
6500	N 40 0 W	0 30	6497.20	51.34 S	144.76 E	-18.91	0.45
6600	N 42 0 W	0 15	6597.19	50.85 S	144.34 E	-18.51	0.25
6700	N 40 0 W	0 15	6697.19	50.52 S	144.05 E	-18.25	0.01
6800	N 35 0 E	0 15	6797.18	50.17 S	144.04 E	-17.92	0.30
6900	N 75 0 W	0 15	6897.18	49.94 S	143.95 E	-17.71	0.41
7000	N 17 0 E	0 15	6997.18	49.67 S	143.80 E	-17.48	0.36
7100	S 80 0 W	0 10	7097.17	49.49 S	143.72 E	-17.32	0.36
7200	S 65 0 W	0 5	7197.17	49.54 S	143.51 E	-17.42	0.09
7300	S 75 0 W	0 15	7297.16	49.63 S	143.24 E	-17.56	0.17
7400	S 45 0 W	0 10	7397.16	49.79 S	142.92 E	-17.79	0.13
7500	N 10 0 E	0 0	7497.16	49.89 S	142.82 E	-17.91	0.17
7600	N 43 15 E	4 55	7597.03	46.77 S	145.76 E	-14.23	4.92
7700	N 36 25 E	6 30	7696.53	39.09 S	152.06 E	-5.37	1.72
7800	N 25 21 E	7 10	7795.82	28.90 S	158.09 E	5.88	1.47
7900	N 20 31 E	6 45	7895.09	17.76 S	162.82 E	17.78	0.72
8000	N 20 20 E	7 0	7994.36	6.54 S	167.00 E	29.63	0.25
8100	N 26 34 E	7 25	8093.57	4.96 N	172.00 E	41.93	0.88
8200	N 32 13 E	8 35	8192.59	17.04 N	178.86 E	55.21	1.41
8300	N 35 46 E	9 45	8291.31	30.23 N	187.79 E	70.01	1.30

BASS ENTERPRISES
JAMES RANCH WELL NO. 13

SU175-6120
SEPTEMBER 10, 1982

TOTAL DEPTH	DIRECTION DEG MIN	ANGLE DEG MIN	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
8400	N 41 20 E	11 5	8389.66	44.32 N	199.09 E	86.21	1.67
8500	N 44 5 E	13 15	8487.41	59.77 N	213.41 E	104.38	2.24
8600	N 44 34 E	14 55	8584.40	77.17 N	230.42 E	125.04	1.67
8700	N 46 20 E	16 55	8680.56	96.39 N	249.98 E	148.03	2.06
8800	N 45 19 E	18 30	8775.82	117.59 N	271.78 E	173.43	1.61
8900	N 43 28 E	19 40	8870.32	140.96 N	294.64 E	201.18	1.31
9000	N 38 51 E	20 25	8964.27	166.76 N	317.16 E	231.23	1.75
9100	N 31 14 E	20 15	9058.05	195.15 N	337.07 E	263.24	2.65
9200	N 25 45 E	20 20	9151.85	225.60 N	353.60 E	296.54	1.90
9300	N 17 14 E	20 25	9245.61	257.91 N	366.31 E	330.84	2.96
9400	N 10 47 E	22 25	9338.71	293.31 N	375.05 E	367.29	3.09
9500	N 4 32 E	24 35	9430.42	332.73 N	380.31 E	408.97	3.26
9600	N 1 46 W	26 45	9520.57	376.02 N	381.30 E	449.40	3.52
9700	N 4 10 W	29 35	9608.71	423.15 N	378.81 E	494.88	3.05
9800	N 7 33 W	32 0	9694.62	474.04 N	373.53 E	543.44	2.97
9900	N 8 55 W	33 10	9778.88	527.33 N	365.81 E	593.81	1.38
10000	N 9 53 W	33 45	9862.30	581.73 N	356.80 E	644.98	0.79
10100	N 10 0 W	34 10	9945.24	636.75 N	347.16 E	696.63	0.42
10200	N 9 42 W	34 0	10028.07	691.96 N	337.58 E	748.48	0.24
10300	N 10 1 W	32 45	10111.58	746.16 N	328.17 E	799.38	1.26
10400	N 10 23 W	32 15	10195.91	799.04 N	318.66 E	848.96	0.54
10500	N 5 14 W	30 0	10281.52	850.20 N	311.57 E	897.33	3.48
10600	N 4 49 E	28 55	10368.65	899.22 N	311.32 E	945.19	5.05
10700	N 11 42 E	28 40	10456.30	946.81 N	318.22 E	993.15	3.33
10800	N 17 29 E	29 10	10543.85	993.54 N	330.41 E	1041.42	2.84
10900	N 21 23 E	27 30	10631.87	1038.29 N	346.15 E	1088.51	2.49
11000	N 20 23 E	27 10	10720.71	1081.19 N	362.52 E	1133.93	0.57
11100	N 19 33 E	27 0	10809.74	1123.93 N	378.07 E	1179.06	0.42
11200	N 19 49 E	26 50	10898.91	1166.61 N	393.31 E	1223.98	0.21
11300	N 18 57 E	27 5	10988.03	1209.37 N	408.36 E	1268.97	0.46
11400	N 18 9 E	26 55	11077.13	1252.40 N	422.81 E	1314.11	0.40
11500	N 17 27 E	25 30	11166.85	1294.45 N	436.31 E	1358.08	1.15
11600	N 17 28 E	24 35	11257.45	1334.83 N	449.01 E	1400.25	0.92
11700	N 16 25 E	22 15	11349.21	1372.84 N	460.61 E	1439.87	2.37
11800	N 20 9 E	19 10	11442.73	1406.41 N	471.62 E	1475.03	3.35
11900	N 24 40 E	16 50	11537.83	1434.99 N	483.32 E	1505.45	2.72
12000	N 21 9 E	17 30	11633.38	1462.17 N	494.79 E	1534.47	1.24
12100	N 18 37 E	17 45	11728.68	1490.64 N	505.08 E	1564.48	0.80
12200	N 19 52 E	18 35	11823.70	1520.07 N	515.36 E	1595.44	0.92
12300	N 18 10 E	20 15	11918.00	1551.50 N	526.17 E	1628.46	1.76

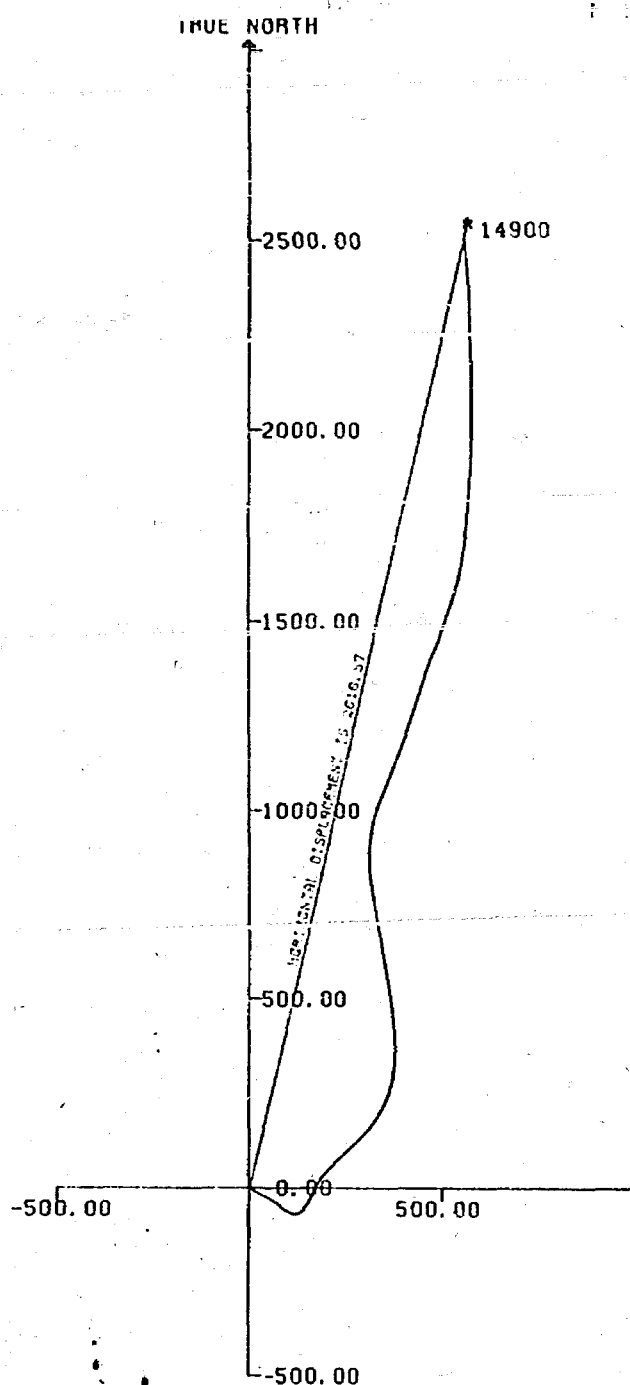
BASS ENTERPRISES
JAMES RANCH WELL NO.13

SU175-6120
SEPTEMBER 10, 1982

TOTAL DEPTH	DIRECTION DEG MIN	ANGLE DEG MIN	VERTICAL DEPTH	LATITUDE FEET	DEPARTURE FEET	VERTICAL SECTION	DOG LEG
12400	N 17 1 E	20 55	12011.62	1585.01 N	536.79 E	1663.48	0.78
12500	N 12 7 E	23 40	12104.14	1621.72 N	546.23 E	1701.35	3.32
12600	N 9 9 E	26 30	12194.71	1663.38 N	554.00 E	1743.71	3.10
12700	N 7 33 E	31 55	12281.96	1711.64 N	561.03 E	1792.35	5.47
12800	N 4 28 E	30 45	12367.37	1763.34 N	566.49 E	1844.01	1.99
12900	N 4 3 E	30 10	12453.57	1813.89 N	570.26 E	1894.19	0.62
13000	N 3 35 E	29 55	12540.14	1863.84 N	573.59 E	1943.63	0.34
13100	N 2 42 E	29 30	12626.99	1913.33 N	576.30 E	1992.59	0.60
13200	N 1 36 E	27 0	12715.07	1960.62 N	578.10 E	2039.15	2.55
13300	N 0 7 E	27 10	12804.10	2006.14 N	578.78 E	2083.75	0.70
13400	N 0 21 W	26 30	12893.34	2051.27 N	578.69 E	2127.80	0.70
13500	N 1 38 W	25 20	12983.28	2094.97 N	577.94 E	2170.31	1.30
13600	N 0 57 W	24 0	13074.15	2136.69 N	576.99 E	2210.85	1.36
13700	N 2 12 W	24 10	13165.44	2177.48 N	575.87 E	2250.43	0.53
13800	N 2 44 W	24 0	13256.74	2218.25 N	574.11 E	2289.86	0.27
13900	N 1 6 W	22 30	13348.61	2257.70 N	572.77 E	2328.09	1.63
14000	N 1 21 W	21 10	13441.44	2294.88 N	571.98 E	2364.23	1.34
14100	N 1 38 W	20 10	13534.99	2330.16 N	571.06 E	2398.48	1.00
14200	N 2 50 W	19 45	13628.98	2364.26 N	569.73 E	2431.50	0.59
14300	N 5 0 W	19 25	13723.20	2397.70 N	567.45 E	2463.65	0.80
14400	N 7 14 W	20 0	13817.34	2431.22 N	563.84 E	2495.61	0.95
14500	N 5 12 W	18 15	13911.82	2463.79 N	560.27 E	2526.64	1.87
14600	N 0 31 W	15 30	14007.50	2492.75 N	558.73 E	2554.58	3.07
14700	N 3 18 E	12 45	14104.47	2517.13 N	559.25 E	2578.50	2.90
14800	N 7 1 E	11 5	14202.31	2537.69 N	561.06 E	2598.97	1.83
14900	N 14 36 E	9 15	14300.75	2555.01 N	564.26 E	2616.57	2.27

THE DOGLEG SEVERITY IS IN DEGREES PER ONE HUNDRED FEET.
THE VERTICAL SECTION WAS COMPUTED ALONG N 12 27 E

BASED UPON MINIMUM CURVATURE TYPE CALCULATIONS. THE BOTTOM HOLE
DISPLACEMENT IS 2616.57 FEET, IN THE DIRECTION OF N 12 27 E
BOTTOM HOLE DISPLACEMENT IS RELATIVE TO WELLHEAD.
VERTICAL SECTION IS RELATIVE TO WELLHEAD.
SU175-6032, SU175-6120, MS-6039



HORIZONTAL PROJECTION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

26 August 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises
Production Company for directional
drilling and possible unorthodox
location, Eddy County, New Mexico.

CASE
7332

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Conrad E. Coffield, Esq.
HINKLE, COX, EATON, COFFIELD &
HENSLEY
P. O. Box 3580
Midland, Texas 79701

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2

I N D E X

JACK R. GEVECKER

Direct Examination by Mr. Coffield 3

Cross Examination by Mr. Stamets 9

E X H I B I T S

Applicant Exhibit One, Map 5

Applicant Exhibit Two, Document 6

Applicant Exhibit Three, Map 6

1
2 MR. STAMETS: Call next Case 7332.

3 MR. PEARCE: Application of Bass Enter-
4 prises Production Company for directional drilling and possible
5 unorthodox location, Eddy County, New Mexico.

6 MR. COFFIELD: Conrad Coffield, with the
7 Hinkle Law Firm, Midland, Texas, and I have one witness to be
8 sworn.

9
10 (Witness sworn.)

11
12 JACK GEVECKER
13 being called as a witness and being duly sworn upon his oath,
14 testified as follows, to-wit:

15
16 DIRECT EXAMINATION

17 BY MR. COFFIELD:

18 Q Mr. Gevecker, would you please state
19 your name, address, occupation, and employer?

20 A My name is Jack R. Gevecker. I'm a
21 Senior Production Engineer with Bass Enterprises Production
22 Company, Box 2760, Midland, Texas, 79702.

23 Q Are you familiar with the application of
24 Bass Enterprises Production Company in this case?

25 A Yes, I am.

1
2 Q And are you familiar with the property
3 involved here and the proposed directionally drilled well
4 involved?

5 A Yes, I am.

6 Q Have you previously testified before the
7 Division as a petroleum engineer?

8 A Yes, I have.

9 Q And were your qualifications accepted
10 and made a matter of record?

11 A Yes, they were.

12 MR. COFFIELD: Is the witness considered
13 qualified, Mr. Examiner?

14 MR. STAMETS: He is.

15 Q Mr. Gevecker, would you please explain
16 first before we start into the case, the relationship between
17 Bass Enterprises Production Company and, say, the operator
18 of record relative to the lease involved?

19 A Perry R. Bass is the operator of record
20 for James Ranch Unit in this area. Bass Enterprises does the
21 actual operation of that.

22 Q Would you please explain what it is that
23 Bass Enterprises seeks by its application in this case?

24 A Bass Enterprises seeks permission to
25 directionally drill a well, known as James Ranch Unit Number

1
2 13, to the base of the Morrow formation. The well will have
3 a surface location of 660 from the south line, 1340 from the
4 east line, in Section 36, Township 22 South, Range 30 East,
5 and a bottom hole location no closer than 660 feet from any
6 lease line or proration unit line in the south half of Section
7 31, Township 22 South, Range 31 East, both in Eddy County,
8 New Mexico.

9 This application also seeks approval to
10 complete the well in the Pennsylvanian formation at an unorthodox
11 location so long as it falls no closer than 660 feet
12 to the outer boundary of the lease or proration unit.

13 Q Okay, Mr. Gevecker, refer to what we've
14 marked as Exhibit One and explain that exhibit to the Examiner.

15 A Exhibit One is a map of the area surrounding
16 the proposed well site in Section 31 and 36. The
17 Bass acreage is highlighted in yellow. The Waste Isolation
18 Pilot Project area, or WIPP area, is the blue outline with a
19 portion condemned from the surface to 6000 feet, being the
20 cross hatched outline.

21 The R-111-A, as amended, potash area is
22 outlined in green. In general it falls to the west of this
23 line.

24 Q Where does Bass directionally drill this
25 well?

1
2 A Bass proposes to directionally drill
3 this well so that oil and gas reserves located on Bass acreage
4 below the WIPP area may be recovered. Without directionally
5 drilling, these reserves would not be recovered; therefor,
6 drilling this well will not only protect correlative rights
7 but also prevent economic waste.

8 Q In connection with this directional hole,
9 would you explain just how Bass proposes to drill it?

10 A Okay, I refer to Exhibit Two. Bass in-
11 tends to drill a conventional straight hole to approximately
12 7500 feet, then kick off at the rate of 1-1/2 degrees per 100
13 feet until a maximum angle of approximately 28 degrees is
14 obtained. We will follow this path to the target area, which
15 will have a total depth of approximately 15,041 feet, and a
16 true vertical depth of approximately 14,300 feet.

17 Exhibit Two is a well sketch showing
18 horizontal displacement versus depth of the proposed well.

19 Q You've spoken of your target area, Mr.
20 Gevecker, would you please define what you refer to as the
21 target area?

22 A Okay. Exhibit Three is a map of Section
23 31, Township 22 South, Range 31 East, in Eddy County. The
24 yellow line outlines the 320-acre proration unit for this
25 well. The target area is the cross hatched area in the center

1
2 of the proration unit. Drawn on the map are the bore hole
3 locations at the top of each horizon below the Pennsylvanian
4 through which the well will pass. Please note that these are
5 potentially productive zones at their estimated location.

6 Bass is requesting a target area of this
7 size because of the difficulty and uncertainty involved in
8 drilling a directional well. This will allow us adequate
9 leeway from the proposed target to drill and should be allowed
10 to make a completion. The greater the precision in directionally
11 drilling, the greater the cost. The additional cost to
12 directionally drill and complete this well versus the straight
13 hole cost, is approximately \$632,000, or 48 percent more than
14 a conventional straight hole.

15 As the target size is reduced, the
16 drilling costs increase dramatically. An example is Belco's
17 James Ranch Unit 11, located in Section 36. Belco originally
18 planned to directionally drill this well to a true vertical
19 depth of 14,600 feet and were given a 100-foot target area,
20 100 foot radius as a target area. They estimated the cost
21 to drill this well directionally would be \$1,833,000.

22 After drilling this well the closest
23 they came to the target was 255 feet and spent \$3,052,000,
24 overspending the original estimate by 66 percent.

25 I'd also like to point out that the

1
2 difference horizontally between the surface location and the
3 bottom hole location of James Ranch Unit 11 is approximately
4 1840 feet.

5 Bass' James Ranch Unit 13 will have a
6 displacement of approximately 3150 feet.

7 Q Does the proposed well lie within the
8 R-111 potash area as currently amended?

9 A No, neither the surface location nor the
10 bottom hole location lies within the R-111, as amended, potash
11 area.

12 Q Will Bass run a multipoint directional
13 survey for locating the position of the bit?

14 A We're planning on such a survey, yes.

15 Q And in your opinion, Mr. Gavecker, will
16 the drilling of this well in this fashion, as sought in this
17 application, prevent waste and protect correlative rights?

18 A Yes, it will.

19 Q Were Exhibits One through Three prepared
20 by you or under your supervision?

21 A Exhibits One and Two were prepared by
22 me or under my supervision, and Exhibit Three was prepared
23 by our Land Department.

24 Oh, excuse me. May I make a correction
25 in my exhibits?

1
2 Exhibits Two and Three were prepared by
3 me or under my supervision, and Exhibit One was prepared by
4 our Land Department.

5 MR. COFFIELD: Mr. Examiner, I move the
6 admission of Exhibits One through Three.

7 MR. STAMETS: These exhibits will be ad-
8 mitted.

9
10 CROSS EXAMINATION

11 BY MR. STAMETS:

12 Q Mr. Gevecker, referring to Exhibit Three,
13 it would appear as though you intend to drill this well toward
14 a total depth location of 1316 from the south line and 1760
15 from the west line, but what you're seeking is to be able to
16 complete this well in any Pennsylvanian formation so long as
17 that formation at the completion depth location is no closer
18 than 660 feet to the outer boundary of the south half of
19 Section 31?

20 A Yes, sir, that is correct.

21 Q Okay

22 MR. STAMETS: Are there any further
23 questions of this witness? He may be excused.

24 Is there anything further in this case?

25 The case will be taken under advisement.

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

BEFORE EXAMINE
OIL CONSERVATION

EXHIBIT NO. 3

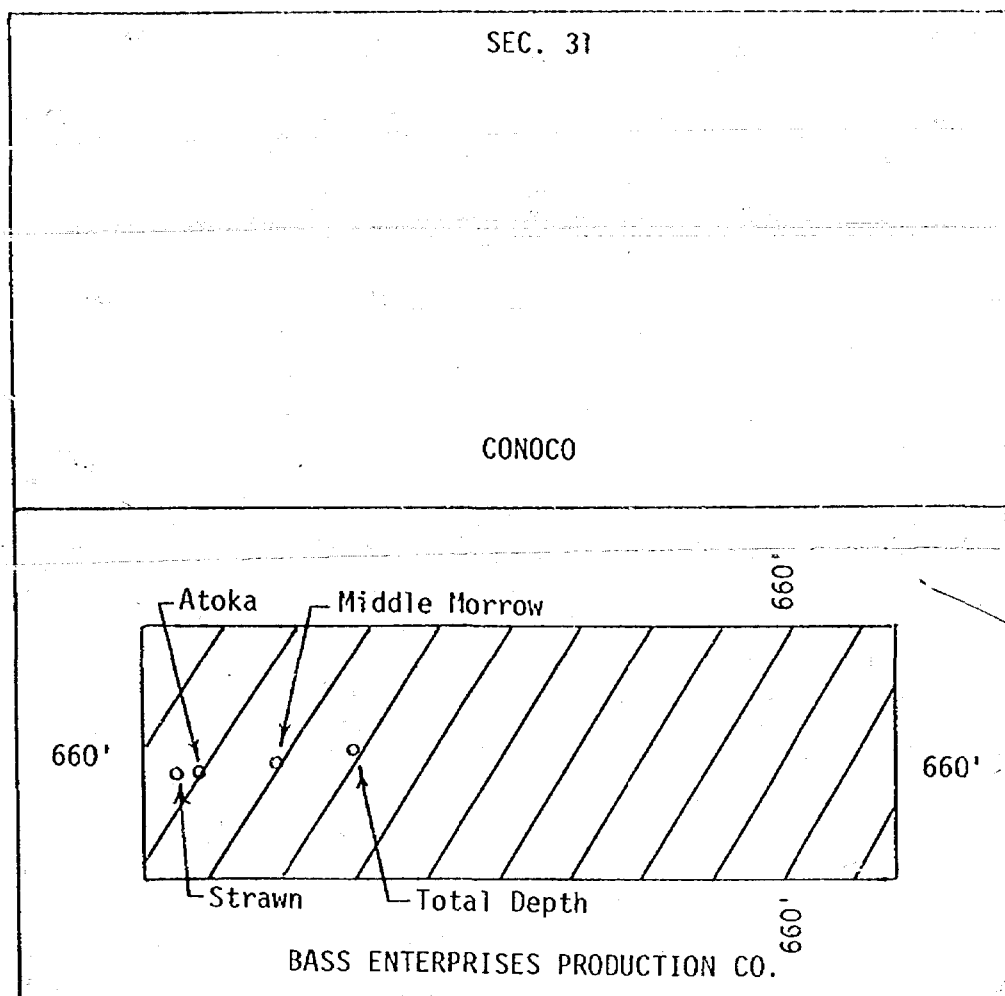
CASE NO. 7332

Submitted by Case

Hearing Date 8/26/81

EXHIBIT NO. 3
JAMES RANCH UNIT NO. 1
SECTION 31, T22S, R31E
EDDY COUNTY, NEW MEXICO
BASS ENTERPRISES PRODUCTION COMPANY
CASE NO. 7332

1" = 1000'



Strawn	1220' FSL	848' FWL	12,580' TVD
Atoka	1231' FSL	954' FWL	12,780' TVD
M. Morrow	1284' FSL	1458' FWL	13,730' TVD
Total Depth	1316' FSL	1760' FWL	14,300' TVD

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7332
Order No. R-6776

APPLICATION OF BASS ENTERPRISES
PRODUCTION COMPANY FOR DIRECTIONAL
DRILLING AND POSSIBLE UNORTHODOX
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 26, 1981,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of September, 1981, the Division Director,
having considered the testimony, the record, and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Division has jurisdiction of this cause and the subject matter
thereof.

(2) That the applicant, Bass Enterprises Production Company,
(operator for Perry R. Bass), seeks authority to directionally drill
its James Ranch Well No. 13, from a surface location 660 feet from
the South line and 1340 feet from the East line of Section 36, Town-
ship 22 South, Range 30 East, in such a manner as to penetrate the
various pays in the Pennsylvanian formation at various distances from
the outer boundary of the proposed proration unit, being the S/2
of Section 31, Township 22 South, Range 31 East, but in no event closer
than an unorthodox location 660 feet from the outer boundary of said
unit.

(3) That the applicant should be required to determine the
subsurface location of the bottom of the hole by means of a continuous
multi-shot directional survey conducted subsequent to said directional
drilling, if said well is to be completed as a producing well.

(4) That the unorthodox location and directional drilling is
necessary to permit the applicant to drill and develop acreage within
the WIPP site.

(5) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Bass Enterprises Production Company, is
hereby authorized to directionally drill its James Ranch Well No. 13
from a surface location 660 feet from the South line and 1340 feet
from the East line of Section 36, Township 22 South, Range 30 East,

Case No. 7332
Order No. R-6776

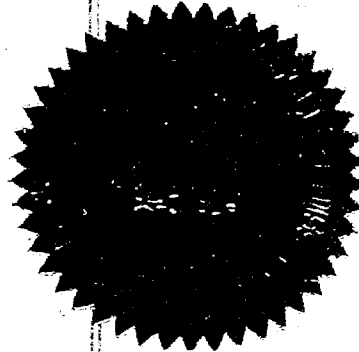
in such a manner as to penetrate and produce any of the various pays in the Pennsylvanian formation at various distances from the outer boundary of the proposed proration unit, being the 9/2 of Section 31, Township 22 South, Range 31 East, but in no event closer than an unorthodox location 660 feet from the outer boundary of said unit.

PROVIDED HOWEVER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the kick-off point with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, P. O. Box 2088, Santa Fe, New Mexico, and that the operator shall notify the Division's Artesia District Office of the date and time said survey is to be commenced.

(2) That 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, and the bottom hole location of the well.

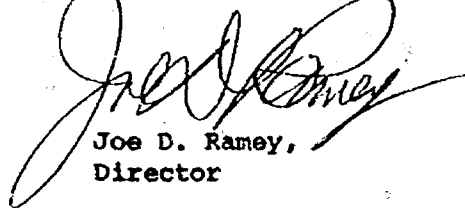
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


Joe D. Ramey,
Director

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
26 August 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises
Production Company for directional
drilling and possible unorthodox
location, Eddy County, New Mexico.

CASE
7332

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Conrad E. Coffield, Esq.
HINKLE, COX, EATON, COFFIELD &
HENSLEY
P. O. Box 3580
Midland, Texas 79701

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I N D E X

JACK R. GEVECKER

Direct Examination by Mr. Coffield 3

Cross Examination by Mr. Stamets 19

E X H I B I T S

Applicant Exhibit One, Map 5

Applicant Exhibit Two, Document 6

Applicant Exhibit Three, Map 6

MR. STAMETS: Call next Case 7332.

MR. PEARCE: Application of Bass Enterprises Production Company for directional drilling and possible unorthodox location, Eddy County, New Mexico.

MR. COFFIELD: Conrad Coffield, with the Hinkle Law Firm, Midland, Texas, and I have one witness to be sworn.

(Witness sworn.)

JACK GEVECKER

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. COFFIELD:

Q. Mr. Gevecker, would you please state your name, address, occupation, and employer?

A. My name is Jack R. Gevecker. I'm a Senior Production Engineer with Bass Enterprises Production Company, Box 2760, Midland, Texas, 79702.

Q. Are you familiar with the application of Bass Enterprises Production Company in this case?

A. Yes, I am.

Q And are you familiar with the property involved here and the proposed directionally drilled well involved?

A Yes, I am.

Q Have you previously testified before the Division as a petroleum engineer?

A Yes, I have.

Q And were your qualifications accepted and made a matter of record?

A Yes, they were.

MR. COFFIELD: Is the witness considered qualified, Mr. Examiner?

MR. STAMETS: He is.

Q Mr. Gevecker, would you please explain first before we start into the case, the relationship between Bass Enterprises Production Company and, say, the operator of record relative to the lease involved?

A Perry R. Bass is the operator of record for James Ranch Unit in this area. Bass Enterprises does the actual operation of that.

Q Would you please explain what it is that Bass Enterprises seeks by its application in this case?

A Bass Enterprises seeks permission to directionally drill a well, known as James Ranch Unit Number

1
2 13, to the base of the Morrow formation. The well will have
3 a surface location of 660 from the south line, 1340 from the
4 east line, in Section 36, Township 22 South, Range 30 East,
5 and a bottom hole location no closer than 660 feet from any
6 lease line or proration unit line in the south half of Section
7 31, Township 22 South, Range 31 East, both in Eddy County,
8 New Mexico.

9 This application also seeks approval to
10 complete the well in the Pennsylvanian formation at an unorthodox
11 location so long as it falls no closer than 660 feet
12 to the outer boundary of the lease or proration unit.

13 Q Okay, Mr. Gevecker, refer to what we've
14 marked as Exhibit One and explain that exhibit to the Examiner.

15 A Exhibit One is a map of the area surrounding
16 the proposed well site in Section 31 and 36. The
17 Bass acreage is highlighted in yellow. The Waste Isolation
18 Pilot Project area, or WIPP area, is the blue outline with a
19 portion condemned from the surface to 6000 feet, being the
20 cross hatched outline.

21 The R-111-A, as amended, potash area is
22 outlined in green. In general it falls to the west of this
23 line.

24 Q Where does Bass directionally drill this
25 well?

1
2 A. Bass proposes to directionally drill
3 this well so that oil and gas reserves located on Bass acreage
4 below the WIPP area may be recovered. Without directionally
5 drilling, these reserves would not be recovered; therefor,
6 drilling this well will not only protect correlative rights
7 but also prevent economic waste.

8 Q. In connection with this directional hole,
9 would you explain just how Bass proposes to drill it?

10 A. Okay, I refer to Exhibit Two. Bass in-
11 tends to drill a conventional straight hole to approximately
12 7500 feet, then kick off at the rate of 1-1/2 degrees per 100
13 feet until a maximum angle of approximately 28 degrees is
14 obtained. We will follow this path to the target area, which
15 will have a total depth of approximately 15,041 feet, and a
16 true vertical depth of approximately 14,300 feet.

17 Exhibit Two is a well sketch showing
18 horizontal displacement versus depth of the proposed well.

19 Q. You've spoken of your target area, Mr.
20 Gevecker, would you please define what you refer to as the
21 target area?

22 A. Okay. Exhibit Three is a map of Section
23 31, Township 22 South, Range 31 East, in Eddy County. The
24 yellow line outlines the 320-acre proration unit for this
25 well. The target area is the cross hatched area in the center

1
2 of the proration unit. Drawn on the map are the bore hole
3 locations at the top of each horizon below the Pennsylvanian
4 through which the well will pass. Please note that these are
5 potentially productive zones at their estimated location.

6 Bass is requesting a target area of this
7 size because of the difficulty and uncertainty involved in
8 drilling a directional well. This will allow us adequate
9 leeway from the proposed target to drill and should be allowed
10 to make a completion. The greater the precision in directionally
11 drilling, the greater the cost. The additional cost to
12 directionally drill and complete this well versus the straight
13 hole cost, is approximately \$632,000, or 48 percent more than
14 a conventional straight hole.

15 As the target size is reduced, the
16 drilling costs increase dramatically. An example is Belco's
17 James Ranch Unit 11, located in Section 36. Belco originally
18 planned to directionally drill this well to a true vertical
19 depth of 14,600 feet and were given a 100-foot target area,
20 100 foot radius as a target area. They estimated the cost
21 to drill this well directionally would be \$1,833,000.

22 After drilling this well the closest
23 they came to the target was 255 feet and spent \$3,052,000,
24 overspending the original estimate by 66 percent.

25 I'd also like to point out that the

1
2 difference horizontally between the surface location and the
3 bottom hole location of James Ranch Unit 11 is approximately
4 1840 feet.

5 Bass' James Ranch Unit 13 will have a
6 displacement of approximately 3150 feet.

7 Q Does the proposed well lie within the
8 R-111 potash area as currently amended?

9 A No, neither the surface location nor the
10 bottom hole location lies within the R-111, as amended, potash
11 area.

12 Q Will Bass run a multipoint directional
13 survey for locating the position of the bit?

14 A We're planning on such a survey, yes.

15 Q And in your opinion, Mr. Gevecker, will
16 the drilling of this well in this fashion, as sought in this
17 application, prevent waste and protect correlative rights?

18 A Yes, it will.

19 Q Were Exhibits One through Three prepared
20 by you or under your supervision?

21 A Exhibits One and Two were prepared by
22 me or under my supervision, and Exhibit Three was prepared
23 by our Land Department.

24 Oh, excuse me. May I make a correction
25 in my exhibits?

Exhibits Two and Three were prepared by me or under my supervision, and Exhibit One was prepared by our Land Department.

MR. COFFIELD: Mr. Examiner, I move the admission of Exhibits One through Three.

MR. STAMETS: These exhibits will be admitted.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Gevecker, referring to Exhibit Three, it would appear as though you intend to drill this well toward a total depth location of 1316 from the south line and 1760 from the west line, but what you're seeking is to be able to complete this well in any Pennsylvanian formation so long as that formation at the completion depth location is no closer than 660 feet to the outer boundary of the south half of Section 31?

A Yes, sir, that is correct.

Q Okay.

MR. STAMETS: Are there any further questions of this witness? He may be excused.

Is there anything further in this case?

The case will be taken under advisement.

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-E
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the examiner hearing of Case No. 17337
transcribed on 8-26-87.

Richard D. Ham Examiner
Oil Conservation Division

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 3

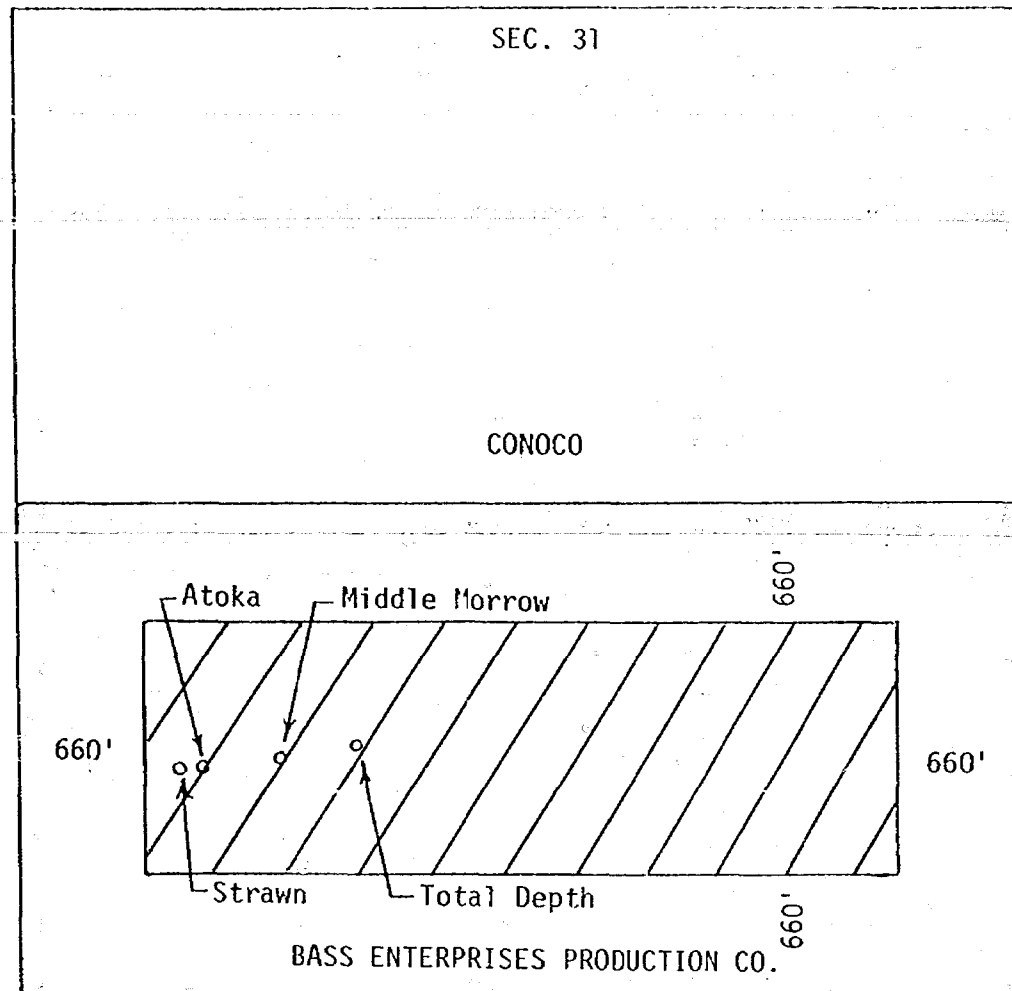
CASE NO. 7332

Submitted by Bales

Hearing Date 8/26/81

EXHIBIT NO. 3
JAMES RANCH UNIT NO. 13
SECTION 31, T22S, R31E
EDDY COUNTY, NEW MEXICO
BASS ENTERPRISES PRODUCTION COMPANY
CASE NO. 7332

1" = 1000'



Strawn	1220' FSL	848' FWL	12,580' TVD
Atoka	1231' FSL	954' FWL	12,780' TVD
M. Morrow	1284' FSL	1458' FWL	13,730' TVD
Total Depth	1316' FSL	1760' FWL	14,300' TVD

Dockets Nos. 27-81 and 28-81 are tentatively set for September 9 and September 23, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 26, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 7329: Application of Loco Hills Water Disposal Company for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit the commercial disposal of produced brine into several unlined surface pits located in the S/2 SW/4 SW/4 of Section 16, Township 17 South, Range 30 East.
- CASE 7330: Application of Union Oil Company of California for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Atoka and Morrow formations underlying the E/2 of Section 16, Township 22 South, Range 33 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7331: Application of Bass Enterprises Production Company for an unorthodox location and possible dual completion or downhole commingling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Bass State Well No. 2, a Wolfcamp test, located 554 feet from the South and East lines of Section 16, Township 7 South, Range 35 East, to be plugged back and completed in the Todd Upper and/or Todd Lower San Andres Pools. Applicant further seeks authority to dually complete said well in both of said pools or, if of similar nature, i.e., gas-gas or oil-oil, to commingle the production from said pools in the wellbore. The SE/4 SE/4 of said Section 16 would be dedicated to an oil completion and the E/2 of the section to a gas completion.
- CASE 7332: Application of Bass Enterprises Production Company for directional drilling and possible unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its James Ranch Well No. 13 from a surface location 660 feet from the South line and 1340 feet from the East line of Section 36, Township 22 South, Range 30 East, in such a manner as to penetrate the various pays in the Pennsylvania formation at various distances from the outer boundary of the proposed proration unit, being the S/2 of Section 31, Township 22 South, Range 31 East, but in no event closer than an unorthodox location 660 feet from the outer boundary of said unit.
- CASE 7333: Application of Coquina Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 14, Township 24 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7334: Application of R. A. Mendenhall Associates, Ltd. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Delaware Mountain Group formation underlying the NW/4 SE/4 of Section 10, Township 22 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7315: (Continued and Readvertised)
- Application of Rhema Oil Processing for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NE/4 NW/4 of Section 14, Township 20 South, Range 38 East.

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

W. E. BONDURANT, JR.
(1914-1973)

OF COUNSEL
CLARENCE F. HINKLE*
ROBERT A. STONE

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PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.*
STUART O. SHANOR*
C. D. MARTIN
PAUL J. KELLY, JR.*
JAMES H. BOZARTH
DOUGLAS L. LUNSFORD*
PAUL M. BOHANNON
ERNEST R. FINNEY, JR.
J. DOUGLAS FOSTER

K. DOUGLAS PERRIN*
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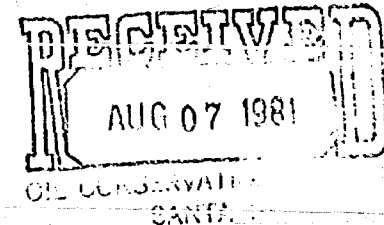
AMARILLO, TEXAS OFFICE

1701 AMERICAN NATIONAL BANK BUILDING

(806) 372-3569

*NOT LICENSED IN
TEXAS

August 4, 1981



Mr. Dan Nutter
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 7332

Re: Bass Enterprises Production
Company Application for
August 26, 1981 Docket

Dear Dan:

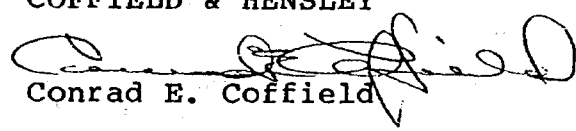
I am transmitting herewith, executed in triplicate, copies of an Application for Bass Enterprises Production Company for approval to directionally drill their James Ranch Unit No. 13 Well.

We would ask that this matter please be placed on the docket for August 26, 1981.

If any additional materials or information is required, please advise.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY


Conrad E. Coffield

CEC:rh
Enclosures

xc: Mr. Steve Rowland
xc: Mr. Jack Gevecker

BEFORE THE OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO

APPLICATION BY BASS ENTERPRISES)
PRODUCTION COMPANY FOR)
DIRECTIONAL DRILLING AND)
POSSIBLE UNORTHODOX LOCATION,)
EDDY COUNTY, NEW MEXICO)

Case 7332

APPLICATION FOR HEARING

COMES NOW the undersigned as attorneys on behalf of Bass Enterprises Production Company and files this written Application for Hearing to be set on the docket for August 26, 1981. In connection therewith, the undersigned, on behalf of Bass Enterprises Production Company, submits the following data:

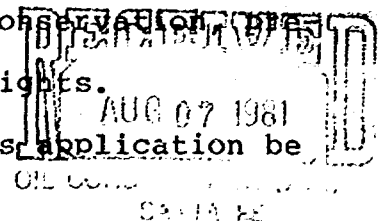
1. Applicant seeks approval for the directional drilling of its James Ranch Unit No. 13 Well, the surface location of which would be 1,340 feet from the East line and 660 feet from the South line of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Said well is to be drilled in an easterly direction to a bottom hole location no closer than 660 feet from any outer boundary of the proration unit dedicated to said well; said bottomhole location will be under the WIPP Area of Eddy County, New Mexico and may be at an unorthodox location within the area specified above.

2. Applicant further seeks authority to produce any Pennsylvanian zones encountered by Applicant within the boundary of the proration unit dedicated to said well so long as such Pennsylvanian production is taken from a point which is no closer than 660 feet from the outer boundary of the proration unit dedicated to said well. Such point from which production is taken may be at an unorthodox location within the area specified.

3. The proration unit which Applicant proposes to dedicate to said well is S $\frac{1}{2}$ Section 31, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

4. Approval of the directional drilling and possible unorthodox location will be in the interest of conservation of waste and protection of correlative rights.

5. Applicant respectfully requests that this application be



set on the August 26, 1981 Docket.

Dated this 4th day of August, 1981.

Respectfully submitted,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By: 

Conrad E. Coffield
Post Office Box 3580
Midland, Texas 79702
Attorney for Bass Enterprises
Production Company

BEFORE THE OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO

APPLICATION BY BASS ENTERPRISES)
PRODUCTION COMPANY FOR)
DIRECTIONAL DRILLING AND)
POSSIBLE UNORTHODOX LOCATION,)
EDDY COUNTY, NEW MEXICO)

APPLICATION FOR HEARING

Case 7332

COMES NOW the undersigned as attorneys on behalf of Bass Enterprises Production Company and files this written Application for Hearing to be set on the docket for August 26, 1981. In connection therewith, the undersigned, on behalf of Bass Enterprises Production Company, submits the following data:

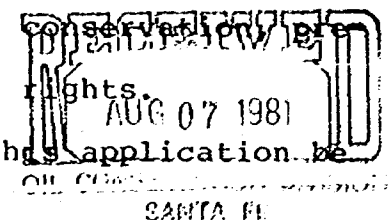
1. Applicant seeks approval for the directional drilling of its James Ranch Unit No. 13 Well, the surface location of which would be 1,340 feet from the East line and 660 feet from the South line of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Said well is to be drilled in an easterly direction to a bottom hole location no closer than 660 feet from any outer boundary of the proration unit dedicated to said well; said bottomhole location will be under the WIPP Area of Eddy County, New Mexico and may be at an unorthodox location within the area specified above.

2. Applicant further seeks authority to produce any Pennsylvanian zones encountered by Applicant within the boundary of the proration unit dedicated to said well so long as such Pennsylvanian production is taken from a point which is no closer than 660 feet from the outer boundary of the proration unit dedicated to said well. Such point from which production is taken may be at an unorthodox location within the area specified.

3. The proration unit which Applicant proposes to dedicate to said well is S $\frac{1}{2}$ Section 31, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

4. Approval of the directional drilling and possible unorthodox location will be in the interest of conservation, prevention of waste and protection of correlative rights.

5. Applicant respectfully requests that this application be



set on the August 26, 1981 Docket.

Dated this 4th day of August, 1981.

Respectfully submitted,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By: 

Conrad E. Coffield
Post Office Box 3580
Midland, Texas 79702
Attorney for Bass Enterprises
Production Company

BEFORE THE OIL CONSERVATION DIVISION
DEPARTMENT OF ENERGY AND MINERALS
STATE OF NEW MEXICO

APPLICATION BY BASS ENTERPRISES)
PRODUCTION COMPANY FOR)
DIRECTIONAL DRILLING AND)
POSSIBLE UNORTHODOX LOCATION,)
EDDY COUNTY, NEW MEXICO)

Case 7332

APPLICATION FOR HEARING

COMES NOW the undersigned as attorneys on behalf of Bass Enterprises Production Company and files this written Application for Hearing to be set on the docket for August 26, 1981. In connection therewith, the undersigned, on behalf of Bass Enterprises Production Company, submits the following data:

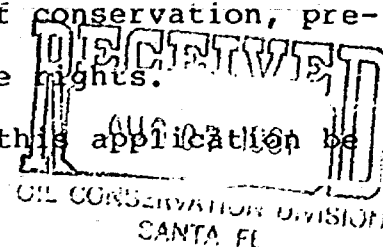
1. Applicant seeks approval for the directional drilling of its James Ranch Unit No. 13 Well, the surface location of which would be 1,340 feet from the East line and 660 feet from the South line of Section 36, Township 22 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Said well is to be drilled in an easterly direction to a bottom hole location no closer than 660 feet from any outer boundary of the proration unit dedicated to said well; said bottomhole location will be under the WIPP Area of Eddy County, New Mexico and may be at an unorthodox location within the area specified above.

2. Applicant further seeks authority to produce any Pennsylvanian zones encountered by Applicant within the boundary of the proration unit dedicated to said well so long as such Pennsylvanian production is taken from a point which is no closer than 660 feet from the outer boundary of the proration unit dedicated to said well. Such point from which production is taken may be at an unorthodox location within the area specified.

3. The proration unit which Applicant proposes to dedicate to said well is S $\frac{1}{2}$ Section 31, Township 22 South, Range 31 East, N.M.P.M., Eddy County, New Mexico.

4. Approval of the directional drilling and possible unorthodox location will be in the interest of conservation, prevention of waste and protection of correlative rights.

5. Applicant respectfully requests that this application be



set on the August 26, 1981 Docket.

Dated this 4th day of August, 1981.

Respectfully submitted,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

By: 

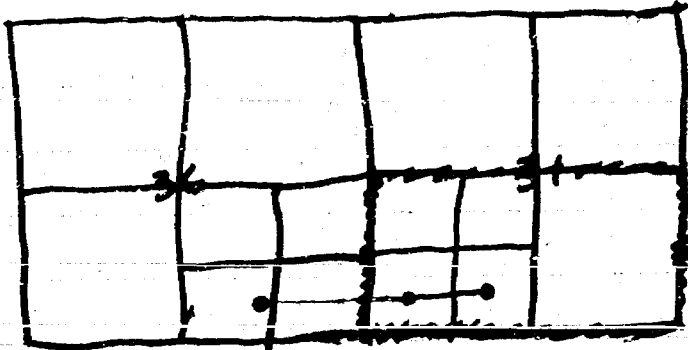
Conrad E. Coffield
Post Office Box 3580
Midland, Texas 79702
Attorney for Bass Enterprises
Production Company

Application of Bass Enterprises Production Co for directional drilling an possible under the day location, Reddy County, New Mexico.

Applicant, in the above styled cause, seeks authority to directionally drill its James Ranch well No. 13 from a surface location 660 feet from the South line and 1340 feet from the East line of Section 36, Township 22 South, Range 30 East, in such a manner as to penetrate the Pennsylvanian various pays in the Pennsylvanian formation at various distances from the outer boundary of the proposed operating unit, being the Section 31, Township 22 South, Range 31 East, but in no event closer than 660 feet from the outer boundary of said unit.

called in by Laurel Coffield 8/3/81
written appl to follow

James Launch #13 dir drlg 36



660 FSL 1340 FEL

Assoc Enter
Prod Co

22-30

22-31 Fldy Co

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7332

Order No. R-6776

APPLICATION OF BASS ENTERPRISES
PRODUCTION COMPANY FOR DIRECTIONAL
DRILLING AND POSSIBLE UNORTHODOX LOCATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 26
19 81, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this September day of 1981, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Bass Enterprises Production Company,
(Operator for Perry R Bass)
seeks authority to directionally drill its James Ranch Well No. 13,
from a surface location 660 feet from the South line and 1340 feet

(4) That the unorthodox location and directional drilling is necessary to permit the applicant to ~~develop~~ ^{develop} the acreage drill and develop acreage within the WIPP site.
-2-5) That the application should be approved

from the East line of Section 36, Township 22 South, Range 30 East, in such a manner as to penetrate the various pays in the Pennsylvanian formation at various distances from the outer boundary of the proposed proration unit, being the S/2 of Section 31, Township 22 South, Range 31 East, but in no event closer than an unorthodox location 660 feet from the outer boundary of said unit.

(3) That the applicant should be required to determine the subsurface location of the bottom of the hole by means of a continuous multi-shot directional survey conducted subsequent to said directional drilling, if said well is to be completed as a producing well.

(4) (5)
IT IS THEREFORE ORDERED:

(1) That the applicant, Bass Enterprises Production Company, is hereby authorized to directionally drill its James Ranch Well No. 13 from a surface location 660 feet from the South line and 1340 feet from the East line of Section 36, Township 22 South, Range 30 East, in such a manner as to ^{and produce any of} penetrate the various pays in the Pennsylvanian formation at various distances from the outer boundary of the proposed proration unit, being the S/2 of Section 31, Township 22 South, Range 31 East, but in no event closer than an unorthodox location 660 feet from the outer boundary of said unit.

PROVIDED HOWEVER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the kick-off point with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, P. O. Box 2088, Santa Fe, New Mexico, and that the operator shall notify the Division's Artesia District Office of the date and time said survey is to be commenced.

(2) That 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. *and the bottom hole location of the well as*

(3) That 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.