CASE 5857: UNION OIL CO. OF CALIF. FOR DIRECTIONAL DRILLING, LEA COUNTY, NEW MEXICO

CASE NO.

5857

APPlication,
Transcripts,
Small Exhibits,

ETC.

Page1

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico March 9, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Union Oil Company of California for directional drilling, Lea County, New Mexico.

CASE 5857 (Cont'd.)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil Conservation Commission:

Lynn Teschendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

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General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 8750
Phone (505) 982-9212

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MR. NUTTER: We will call Case Number 5857.

MS. TESCHENDORF: Case 5857, application of Union Oil

Company of California for directional drilling, Lea County,

New Mexico.

MR. NUTTER: Case Number 5857 has also been previously heard but was readvertised due to an error in the advertisement

Are there now any appearances to be made in Case Number 5857? If not, we will take the case under advisement.

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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is a convicte record of the proceedings in the Examiner hearing of Case No. 5857, heard by me on 399, 1977.

New Mexico Oil Conservation Commission

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1	BEFO	RE THE
2	1	SERVATION COMMISSION New Mexico
3	id	y 16, 1977
4		R HEARING
5	And that the time that time that the time th	
6	IN THE MATTER OF:)
7	Application of Union Oil California for direction	
8	Lea County, New Mexico.))
9		
10	BEFORE: Richard L. Stamets, E	xaminer
11	TRANSCRIP	T OF HEARING
12	арр в а	ARANCES
13	-1	1
14	For the New Mexico Oil Conservation Commission:	Lynn Teschendorf, Esq. Legal Counsel for the Commissio State Land Office Building
15		Santa Fe, New Mexico
16	For the Applicant:	Sumner G. Buell, Esq. JASPAR & BUELL
17	* -	Attorneys at Law
18		111 North Jefferson Santa Fe, New Mexico
19		

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4	Direct Examination by Mr. Buell	e de la companya de	3
5	Cross Examination by Mr. Stamets		7
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EXHIBIT INDEX

	Offered	Admitte
Union's Exhibit One, Plat	4	8
Union's Exhibit Two, Survey	5	8
Union's Exhibit Three, Schematic	5	8

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MR. STAMETS: At this time we will call Case 5857. MS. TESCHENDORF: Case 5857, application of Union Oil Company of California for directional drilling, Lea County, New Mexico.

MR. BUELL: Mr Examiner, I'm Sumner Buell of the firm of Jaspar and Buell appearing on behalf of the applicant and I have one witness.

> MR. STAMETS: Will you stand and be sworn, please? (THEREUPON, the witness was duly sworn.) MR. STAMETS: You may proceed.

JIMMIE R. HUGHES

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. BUELL:

- Would you state your name, please, by whom you are employed, in what capacity and where?
- I'm Jimmie R. Hughes, employed by Union Oil Company of California in Midland, Texas as District Drilling Superintendent.
- Mr. Hughes, have you previously testified before the Commission or one of its examiners and had your qualifications accepted as a matter of record?

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I have. A.

And are you familiar with what is sought in this Q. application, Number 5857?

A. Yes.

Basically what does Union Oil Company seek here?

We seek to reenter and directionally drill a previously abandoned well and complete as a Lower Morrow producer.

Could you outline briefly for the Examiner the present status of this well, the field that it's in and some history of the well?

The well was originally drilled in 1960, completed in the Lower and Middle Morrow in the Quail Ridge-Morrow Field, produced for approximately one year with an accumulative production of about a hundred million feet of gas, about three thousand barrels of condensate and then plugged and abandoned in 1962.

It was the only well drilled in the Quail Ridge-Morrow Field.

Is it presently the only well in the North Quail Ridge-Morrow Gas Pool?

Yes, it is.

Now, referring you to what has been marked as Exhibit Number One, would you briefly outline what that shows?

Okay, Exhibit One is a surface plat showing the A.

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proposed three hundred and twenty acre unit with the original well location, nineteen eighty from the north and nineteen eighty from the east.

The plat also shows the bottom-hole locations at twelve four of the present well, which is our proposed kick off point, as A, which is twenty-five feet west of the original location and it also shows our proposed total depth location at point B, which will be at thirteen thousand, six hundred feet, or TD. It shows the two windows at the surface, legal windows that we can drill in in this three hundred and twenty acres.

- Q Okay, referring you to what has been marked as Exhibit Number Two, would you explain what that shows?
- A. Okay, Exhibit Number Two is a Sperry-Sun Survey which is a continuous gyro survey of the old hole to a depth of twelve thousand, nine hundred feet and it shows the direction the old hole took and on the last page it gives a planned diagram of the traverse of the old hole from the original location to the location of the well at twelve thousand four hundred feet which is our planned kick off point.
- Q Okay, and referring you to Exhibit Number Three, would you briefly explain what is shown in that exhibit?
- A. This is another planned view of the traverse of the well from the original location to the point at twelve thousand four hundred feet or the kick off point and our proposed bottom-

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hole location at thirteen thousand, six hundred feet and the course we plan to take from our kick off point, which is a hundred feet south to TD. It also shows a vertical view of what we propose to do from twelve four to TD of thirteen thousand six hundred feet as far as the inclination is concerned.

- Q This vertical view is shown on the left-hand side of this diagram?
- A. Yes, on the left, on the extreme left. It shows the deviations that we think we will attain in getting one hundred feet from the old hole at TD.
- Q How does Union intend to drill this well from the kick off point at twelve thousand, four hundred feet?
- A. We plan to orient a whipstock at twelve thousand, four hundred feet inside the present seven inch casing, cut a window and directionally drill due south one hundred feet to TD at thirteen thousand, six hundred feet.
- A. Who is the offset operator to the west of this three hundred and twenty acre proration unit?
- A. Union has acreage in the west half of Section 7 and Pennzoil has the east half of the offset in Section 7 to the west.
- Q Okay. Is it your opinion that the granting of this application would prevent waste and protect correlative rights?
 - A. It is.

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Q. And why would it prev	event waster
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A. It would save money by using this old hole instead of drilling a new hole from the surface and it will allow us to produce the reserves in the Morrow that we think exist that were left in the ground.

- Q. And why is it important to you to avoid the old bottom-hole location?
- A. Because we believe it was damaged from drilling mud on the original completion. When they had a mechanical problem they dumped the drilling mud on the interval and were unable to attain the gas rates they previously had.
- Q. Were Exhibits One, Two and Three prepared by you or at your direction?
 - A. Yes, they were.

MR. BUELL: I have nothing further, Mr. Examiner?

CROSS EXAMINATION

BY MR. STAMETS:

Q. Mr. Hughes, your point A I believe you said was twenty-five feet west of the surface location, is that correct?

A. That's right, that's the point we plan to kick off, that's at twelve thousand, four hundred feet.

Q And then point B is your intended bottom-hole location, one hundred feet directly south?

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A.	That's	right.

All right now, if I have added this correctly, your intended final bottom-hole location is two thousand and five feet from the east line and two thousand and eighty feet from the north line and I got that by adding twenty-five to nineteen eighty and adding one hundred to nineteen eighty.

- A. That's right.
- Q Now, if the Commission granted you a standard target of one hundred feet around that point would it be sufficient for your purposes in this case?
 - A. Yes.

MR. STAMETS: Any other questions of the witness?
Have you offered your exhibits?

MR. BUELL: If I haven't I do.

MR. STAMETS: And if I haven't accepted them, I do. (THEREUPON, Union's Exhibits One through

Three were admitted into evidence.)

MR. STAMETS: Any other questions of the witness?
He may be excused.

(THEREUPON, the witness was excused.)

MR. STAMETS: Anything further in this case?

MR. BUELL: No, sir.

MR. STAMETS: The case will be taken under advise-

24 ment.

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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Sidney F. Morrish, C.S.R.

New Mexico Oil Conservation Commission

	Page	1
1	BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION	
2	Santa Fe, New Mexico March 9, 1977	
3	EXAMINER HEARING	
4		
5	IN THE MATTER OF:	
6 7	Application of Union Oil Company of) California for directional drilling,) Lea County, New Mexico.)	CASE 5857 (Cont'd.)
8)	(conc u.)
9	BEFORE: Daniel S. Nutter, Examiner	
1	TRANSCRIPT OF HEARING	
2		
3	APPEARANCES	
۱ ۲	For the New Mexico Oil Lynn Teschendorf, E	sq.
4	Conservation Commission: Legal Counsel for t	

State Land Office Building Santa Fe, New Mexico

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MR. NUTTER: We will call Case Number 5857.

MS. TESCHENDORF: Case 5857, application of Union Oil Company of California for directional drilling, Lea County, New Mexico.

MR. NUTTER: Case Number 5857 has also been previously heard but was readvertised due to an error in the advertisement

Are there now any appearances to be made in Case Number 5857? If not, we will take the case under advisement.

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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

I do hereby certify that the foregoing is a complete record of the proceedings in the Exeminer hearing of Case No. 5857 neard by me on 3997.

Examiner New Mexico Oil Conservation Commission

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5857 Order No. R-5390

APPLICATION OF UNION OIL COMPANY OF CALIFORNIA FOR DIRECTIONAL DRILLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 9, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of March, 1977, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Union Oil Company of California, is the owner and operator of its Pipeline Deep Unit Federal Well No. 3, located 1980 feet from the North line and 1980 feet from the East line of Section 7, Township 19 South, Range 34 East, NMPM, Quail Ridge-Morrow Gas Pool, Lea County, New Mexico.
- (3) That the applicant proposes to re-enter the subject well and to directionally drill said well in a southerly or easterly direction in such a manner as to bottom it in the Morrow formation within 100 feet of a point 2080 feet from the North line and 2005 feet from the East line of said Section 7 and no closer than 330 feet to the outer boundary of the proration unit.

-2-Case No. 5857 Order No. R-5390

- (4) 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.
- (5) That approval of the subject application will prevent the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company of California, is hereby authorized to re-enter its Pipeline Deep Unit Federal Well No. 3, the surface location of which is 1980 feet from the North line and 1980 feet from the East line of Section 7, Township 19 South, Range 34 East, NMPM, Quail Ridge-Morrow Gas Pool, Lea County, New Mexico, and to directionally drill said well in a southerly or easterly direction in such a manner as to bottom it in the Morrow formation within 100 feet of a point 2080 feet from the North line and 2005 feet from the East line of said Section 7 and no closer than 330 feet to the outer boundary of the proration unit.

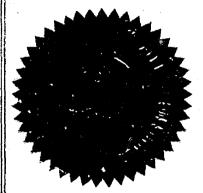
PROVIDED HOWEVER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the whipstock point with shot points not more than 100 feet apart; that the operator shall cause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

- (2) That Form C-105 shall be filed in accordance with Commission Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.
- (3) That the E/2 of said Section 7 shall be dedicated to the subject well.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-Case No. 5857 Order No. R-5390

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY CARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL

Memo

D. S. NUTTER

To

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501

LAND COMMISSIONER

Re: CASE NO.___

March 16, 1977



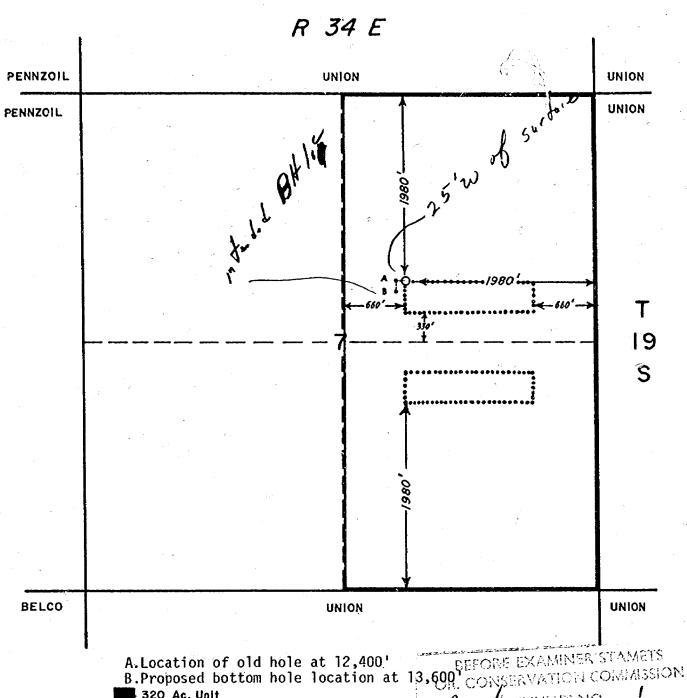
STATE GEOLOGIST EMERY C. ARNOLD

5857

DIRECTOR PHIL R. LUCERO JOE D. RAMEY

Mr. Summer Buell	ORDER NO. R-5390
Jasper & Buell Attorneys at Law Post Office Box 1626 Santa Fe, New Mexico 87501	Applicant:
	Union Oil Company of Californ
Dear Sir:	
Enclosed herewith are two co Commission order recently en	opies of the above-referenced ntered in the subject case.
Yours very truly, JOE D. RAMEY Director	
JDR/fd	
Copy of order also sent to:	
Hobbs OCC x Artesia OCC x Aztec OCC	

Pipeline Deep Unit-Federal Well No. 3 LEA COUNTY, NEW MEXICO



320 Ac. Unit Scale 1"=1000"

CASE NO. 585 Submitted by Unuin Hearing Date 2 - 16 - 77 Dockets Nos. 8-77 and 9-77 are tentatively set for hearing on March 9 and March 23, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - FRIDAY - FEBRUARY 11, 1977

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

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

CASE 5872: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the suspension of Rules 15(A) and 15(B) of the General Rules for Provated Gas Pools as promulgated by Order No. R-1670, as amended, to permit overproduced wells to continue to produce gas during the present severe weather conditions without danger of being shut in for overproduction.

Docket No. 6-77

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 16, 1977

9 A.M. - OIL CONSERVATION COMMISSION 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for March, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for March, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
 - (3) Consideration of purchaser's nominations for the one-year period beginning April 1, 1977, for both of the above areas.
- CASE 5856: Application of Amoco Production Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Elliott Gas Com "F" 1-R Well No. 1A to be drilled 1244 feet from the South line and 820 feet from the East line of Section 33, Township 30 North, Range 9 West, Blanco Mesaverde Pool, San Juan County, New Mexico.
- CASE 5857: Application of Union 011 Company of California for directional drilling, Lea County, New Mexico.
 Applicant, in the above-styled cause, seeks authority to re-enter its Pipeline Deep Unit Federal Well
 No. 3, the surface location of which is 1980 feet from the North and East lines of Section 7, Township 19 South, Range 34 East, Lea County, New Mexico, and to directionally drill said well in a
 southerly or easterly direction and complete it in the Morrow formation at a point no closer than
 330 feet to the outer boundary of the proration unit, the E/2 of said Section 7.
- Application of Union Oil Company of California for 320-acre spacing, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks the adoption of 320-acre spacing and proration units for the North Quail Ridge-Morrow Gas Pool, Lea County, New Mexico. In the absence of objection, the Commission will adopt such 320-acre spacing.
- CASE 5859: (This case will be continued and readvertised.)

Application of Caulkins 011 Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Basin-Dakota and Blanco-Mesaverde production in the wellbore of its Breech D Well No. 307 located in Unit M of Section 13, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 5860: Application of Rice Engineering & Operating, Inc. for salt water disposel, Lea County, New Mexico.

Applicant; in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the open hole interval from 4176 feet to 5500 feet of its Hobbs SWD Well No. P-16, located in Unit P of Section 16, Township 19 South, Range 38 East, Hobbs Field, Lea County, New Mexico.

Dockets Nos. 9-77 and 10-77 are tentatively set for hearing on March 23 and April 6, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 9, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROCM STATE LAND OFFICE BUILDING, SAMTA FE, NEW MEXICO

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for April, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for April, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5863: (Continued & Readvertised)

Application of Amerada Ness Corporation for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla Apache "B" Well No. 16, completed as an oil well in the Dakota formation at a point 1850 feet from the South line and 1500 feet from the West line of Section 29, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, said well having been projected as a Basin-Dakota gas well at a standard gas well location for said pool.

CASE 5357: (Continued & Readvertised)

Application of Union Oil Company of California for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its Pipeline Deep Unit Federal Well No. 3, the surface location of which is 1980 feet from the North and East lines of Section 7, Township 19 South, Range 34 East, Lea County, New Mexico, and to directionally drill said well in a southerly or easterly direction and complete it in the Morrow formation at a point no closer than 330 feet to the outer boundary of the proration unit, the E/2 of said Section 7.

- CASE 5873: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rule 1115 of the Commission Rules and Regulations to provide for the filing of information required on Form C-115, Operator's Monthly Report, in the manner and sequence prescribed by the Commission.
- Application of Texaco Inc. for salt water disposel, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres formation through the perforated interval from 5926 to 5946 feet of its New Mexico "R" State Well No. 5, located in Unit B of Section 2, Township 18 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico.
- CASE 5866: (Continued from February 16, 1977, Examiner Hearing)

Application of Union Texas Petroleum for an exception to casing and cementing requirements of Order No. R-111-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing and cementing requirements of Order No. R-111-A to eliminate the salt protection string in a well it proposes to drill in Unit D of Section 33, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 5048: (Reopened) (Continued from January 19, 1977, Examiner Hearing)

In the matter of Case 5048 being reopened pursuant to the provisions of Order No. R-4637-A, which order extended the temporary special pool rules for the South Dagger Draw-Upper Pennsylvanian Associated Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said temporary special pool rules should not be rescinded.

CASE 5117: (Reopened) (Continued from February 2, 1977, Examiner Hearing)

In the matter of Case 5117 being reopened pursuant to the provisions of Crder No. R-4691-A, which order extended the temporary special pool rules for the North Degger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico. All interested parties may appear and show cause why said North Degger Draw-Upper Pennsylvanian Pool should not be developed on less than 160-acre proration units and why the special depth bracket allowable should be retained.

ry-sur

J. A. Fouché President

FIELD: Wildcat LEASE: Pipeline Doep Unit

WELL: No. 3

February 7, 1977

Union Oil of California P.O. Box 671 Midland, TX 79701

Gentlemen:

The enclosed film and five folders contains the results of our Gyruscopic Multishot survey job no. SU3-6655, on the Pipeline Deep Unit lease, well no. 3, Wildcat field, in Lea County, New Mexico on February 3, 1977. This survey was from surface to a depth of 12,900 feet.

One of these folders contains the original of the field data sheets, and computation sheets.

The operator on this survey was Bob Cates. It has been a pleasure to perform this survey for you.

Very truly yours,

SPERRY-SUN, INC.

Tom Hamlin District Manager

TH/jp enclosures UNION O'LL OF CALIFORNIA
PIPCLIF DEEP UNIT WELL NO. 3
WILDCAL
LEA COUNTY. NEW MEXICO
SURWEL GYROSCOPIC SURVEY

DATE OF SURVEY TESTU TEST

--- VERTICAL SECTION DIRECTION CLOSURE

SPERRY- SUN THE

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	2400	2333.98	2339.96	C 2C	\$ 65 3 E	.12	.57 S	13,45 🖽	-13,34
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	2800	2799.95	2799.95	C 30	S 85 13 E	+67	1.33 5	16.23	-18.04
	3000	2939.93	2999, 93	0.50	N 67 33 E	•23	1.02 5	18.53 5	-18.36
	3200	3199.31	3199.91	0 50	N 73 25 E	• C4	.cs s	21.27 🖺	-21.18
:	3400	3399.89	3399.89	G 40	N 70 20 E	.09	: . 76 N	23,76 5	-23.73
	38GC	3599.83	3599.80	C-45	N 71 48 E		1.57 N	26.10-E	-28.13.
	3800	3799.88	3799.86	C 45	N 69 41 E	.01	2.43 N	28.57 E	-28.67
	4000	3999.85	3999.85	0 25	N 69 37 E	.17	3.14 N	3C.43 [-30.64
*	4200	4199.85	4199.85	G 25	N 76 34 E	•03	3.50 N	31.87 5	-32.06
	4400	4399.84	4399.84	C 25	N 51 34 E	•03	4.25 N	33.18	-33.42
ं । उडके 747	4GCC	4599-83	4599.83	C_3C	N 3C 35 C		5.4C N	34.23 5	-39.57
	4800	4799.83	4799.83	C 2G	N 25 37 E	• C3	6.63 N	34.91 %	-35.37
	5000	4999.83	4999.83		N 33 41 E	82.	7.45 N	35.34 5	-35.87
	5200	5199.82	5199.32	0 25	N 29 46 E	.13	8.31 N	35.83	-35 -48
	5480	5399.82	5399.82	C 2C	N 22 7 5	- €5	9.43 N	30.45 7	-37.15
	56CC	5593.82	5599.82	C_2C	N_66_13_C	13	1C.32 N	37.2E E_	-38.03
	รสถก	5799.81	5799.81	0.25	N 19 20 F	. 15	11.28 N	33.15 5	~33.01

UNION POR OF CALIFORNIA
PIRELIAL DEEP UNIT WELL NO. 3
NILDCAT
LEA COUNTY: NEW MEXICO
SURNEL GYROSCOPIC SURVEY

PAGE 2

\$113-685E

SPERRY-SUN INC.

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				CORO OF SORA				
	IRUS	sus	COURSE	COURSE	034-000 C		[A L	
MEASURED	VERTICAL	SEA	INCLINATION	DIRECTION	SEV	RESTANCULAR	COORDINATES	VERTICAL
DEPTH	DEPTH	CVT	DEG MIN	DEG MIN	DE6/100	NORTH/SCUTH	EAST/WEST	SECTION
6000	5999.81	5.999.81	o-se	- N- 52-27-E-		12.34.N-	38-92 €	-39.86
6200	6133.81	6199.81	C 15	N 63 33 E	• 🖰 🖰	12.33 N	39.78 €	-40.77
6400	6399.80	639 9. 80	C 5	N 25 41 E	.10	13.30 N	4C.13 E	-41.22
	6693 - 80	6599-86-		N-27-13-W				-41-24
EBCC	6799.80	6799.80	O 15	N 31 & W	• C B	14.10 N	39.90 E	-41.DD
7000	5999.80	6932.80	0 10	Nº 43 1 H	. CE	14.60 N	39.47 E	-40.62
7325	7199.80	7199.80	C 2C	N 20 32 W	•10	15,42 8	39.01 5	-40.22
7400	7399.73	7/399.79	લ્ દ 35	N 12 25 W	· • 13	5 15.35 N	38.55 0	-33.91
76CC	75.99.75	7599.79	C_25	N8_17_K		16.E.7N	38.24 □	-3C.75
7800	7799.78	7793.78	C 25	N 51 11 W	•15	19.97 N	37.52 E	-39.14
2008	7993.73	7399,78	C 25	N 70 4 W	• ¢7	20.85 N	36.25 E	-37.95
8200	8199.77	8199.77	€ 35	N 75 59 W	• 0.8	21.10 7	34.58 5	· -36.33
8400	8399.75	8399.75	1 C	S 86 7 W	. 24	21.40 N	31.83 🖫	-33.61
3038	8599.72	8:09.72	C_5C	S. 75.13.W.	12	2C.28 N	28.67 5	-30.42
3800	8799.71	8799.71	0 40	S 57 19 W	.10	20.04°N	25.13 E	-27.37
9000	2939.69	8999.69	0 5C	5 69 22 K	.09	18.97 N	23.80 5	-25.4C
3200	9199.67	9199.67	C 45	S 57 44 W	•€5	17.85 N	21.28 [-22.73
9400	9399.65	9399,65	C 5D	S 64 48 W	.05	16.74 N	18.75 5	-20.18
3&CC	9593.63	3593.63	C_55	S 52 55-W		15.16 N	15.13 5	-17.42
98CC	9799.6C	9799.60	1 5	S 56 2 W	63.	13.13 N	17.29 5	-14.41
10000	9999.56	9999.56	1 10	S 61 6 W	• C6	11.03 N	9.94 [-10.89
10200	10199.51	10199.51	1 20	S 55 16 W	•10	8.78 N	6.24 5	-6.93
10400	10399.47	10399.47	0 50	S 46 24 W	. 28	6.39 N	3.30 5	-3.36
10600	-10598.4€	10699.46	G-4E	- 5 51 32 N		4.77 N	1.67.5	-1-40
10800	1.0799.43	10799.43	1 6	S 75 42 W	.16	3.65 N	1.77 W	1.44
11000	10999.40	10999-40	C 55	S 83 49 H	.08	3.05 N	5.07 W	4.77
11200	11199.38	11199.38	1 C	S 84 27 W	64	2.72 N	8.39 W	8.12
11400	11399.34	11399.34	1 5	S 76 36 W	• C8	2.12 N	11.98 W	11.74
LLECO	11599.30	11599.3C	1_1C	S_32 ₍₊ EC_k_	C 7	1.42 N	15.84 H	15.65
11800	11779-27	11799.27	0.50	S 31 S W	-17	. 93 N	13.30 W	19.14

UNION ON OF CALIFORNIA
PIPELINE DEEP UNIT WELL YO. 3
WILDCAI
LEA COUNTY. NEW MEXICO

SURWEL GYROSCOPIC SURVEY

PAGE 3
DATE OF SURVEY FEBRUARY 3. 1977
VERTICAL SECTION DIRECTION CLOSURE

SU3-6655

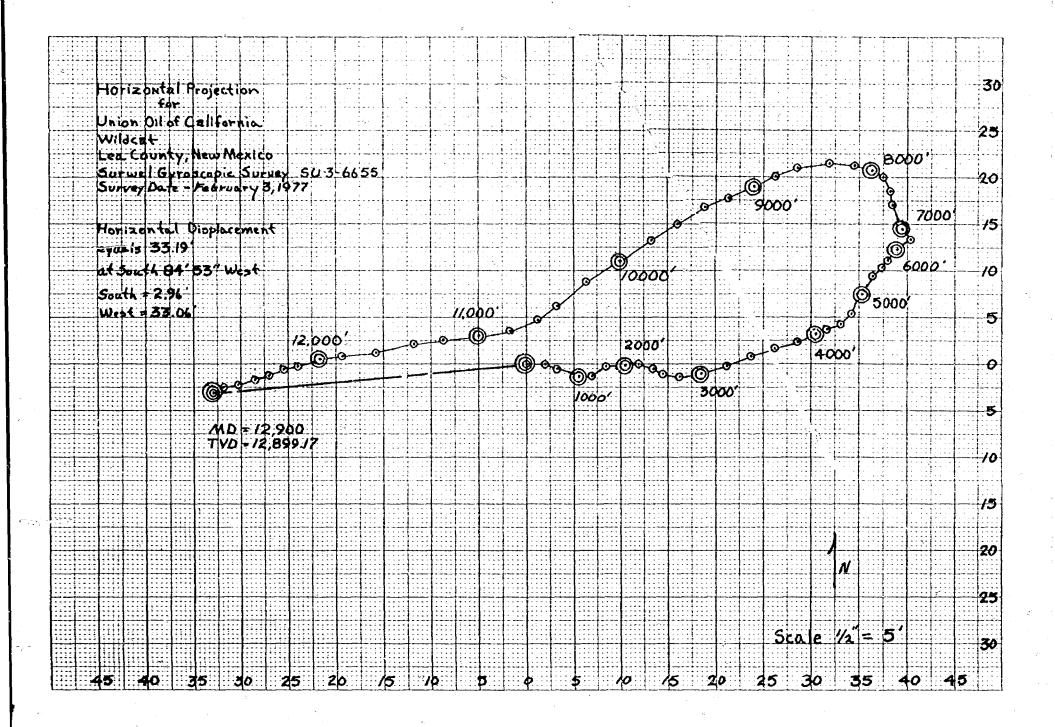
SPERRY-SUN INC.

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and who which is the property and specific management with the size of the contract of the con	IRUS	Su3	COURSE	COURSE	DOGHLEG	ICT	A.	
MEASURED DEPTH	VERTICAL DEPTH	SEA CVT		DIRECTION DEG MIN	SEV DEG/100	RECTANGULAR NORTH/SOUTH	EAST/WEST'S	RTICAL ECTION
12000	11999.26							21.6C
12100	12099.28	12799.25	C 25	S 74 35 W	• 1,7	.23 N	22.58 H	22.47
12200	-12199.25	12199.25	C 2C	S 75 51 K	• Ú 8 ∴	.12 N	23.21 W	22.11
12300	12299.25	12033-25		5.76 9 W			24.C5 N	_23.97
12460	12399.24	12389.24	i C	S 68 27 K	•35	.59 \$	25.45 N	25.33
1250C	12499.22	12499.22	<u>, , , , , , , , , , , , , , , , , , , </u>	S 67 41 W	•C1	1.13 \$	27.07 N	27.06
12600	12599.21	12599.21	0 55	5 77 2 W	.18	1.63 \$	28.66 N	28.70
12700	12633.13	12639.13	1 6	S 74 12 W	.10	2,11 \$	30.28 W	30.35
128CC	12799-18	12799.18	C_5C	5 72 43 W	1.7	2.56 5	31.81 4	31.92
12900	12899.17	12399.17	0 40	S 72 16 W	.17	2,35 S	33.06 ¥	33.19

** THE CALCULATIONS ARE BASED ON THE AVERAGE ANGLE METHOD **

HORIZONTAL DISPLACEMENT = 33.19 FEET AT SOUTH 84 DEG. 53 MIN. WEST (TRUE)



W.

JAN 1 9 1977

" CONSERVATION COMM.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSING

IN THE MATTER OF THE APPLICATION
OF THE UNION OIL COMPANY OF
CALIFORNIA TO DEVIATE ITS PIPELINE
DEEP UNIT FEDERAL NO. 3 WELL LOCATED
IN SECTION 7, TOWNSHIP 19 SOUTH,
RANGE 34 EAST, N.M.P.M., LEA COUNTY,
NEW MEXICO.

No. 5857

APPLICATION

Comes now the Union Oil Company of California, by its attorneys, Jasper & Buell, and applies to the Commission for an order allowing it to deviate a Morrow gas well designated as the Pipeline Deep Unit Federal No. 3 and in support of this application states:

- 1. Applicant is the present operator of the Pipeline Deep Unit Federal No. 3 that is located 1980 feet from the north line and 1980 feet from the east line of Section 7, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico.
- 2. Said well was originally drilled as the El Paso Mescalero Unit No. 1 and applicant has filed with this Commission an application to re-enter this well designating the well as the Pipeline Deep Unit Federal No. 3.
- 3. Applicant proposes to re-enter the well and at 12,500 feet directionally drill to a depth of 13,600 feet in the Morrow formation and complete the well at a point approximately 100 feet south of the present down hole location.
- 4. Applicant does not know of any other interested parties other than the Commission and its staff.

Refinitive Belinter Section

- 5. This matter may be set before the Commission or one of its examiners as may be convenient.
- 6. The granting of this application will prevent waste and protect correlative rights.

JASPER & BUELL

Sumner G. Buel

Attorney for Applicant Post Office Box 1626

Santa Fe, New Mexico 87501

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSING

IN THE MATTER OF THE APPLICATION OF THE UNION OIL COMPANY OF CALIFORNIA TO DEVIATE ITS PIPELINE DEEP UNIT FEDERAL NO. 3 WELL LOCATED IN SECTION 7, TOWNSHIP 19 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

No. 5857

APPLICATION

Comes now the Union Oil Company of California, by its attorneys, Jasper & Buell, and applies to the Commission for an order allowing it to deviate a Morrow gas Well designated as the Pipeline Deep Unit Federal No. 3 and in support of this application states:

- 1. Applicant is the present operator of the Pipeline
 Deep Unit Federal No. 3 that is located 1980 feet from the
 north line and 1980 feet from the east line of Section 7,
 Township 19 South, Range 34 East, N.M.P.M., Lea County, New
 Mexico.
- 2. Said well was originally drilled as the El Paso Mescalero Unit No. 1 and applicant has filed with this Commission an application to re-enter this well designating the well as the Pipeline Deep Unit Federal No. 3.
- 3. Applicant proposes to re-enter the well and at 12,500 feet directionally drill to a depth of 13,600 feet in the Morrow formation and complete the well at a point approximately 100 feet south of the present down hole location.
- 4. Applicant does not know of any other interested parties other than the Commission and its staff.

- 5. This matter may be set before the Commission or one of its examiners as may be convenient.
- 6. The granting of this application will prevent waste and protect correlative rights.

JASPER & BUELL

Sumner G. Buell

Attorney for Applicant Post Office Box 1626

Santa Fe, New Mexico 87501

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSING

IN THE MATTER OF THE APPLICATION OF THE UNION OIL COMPANY OF CALIFORNIA TO DEVIATE ITS PIPELINE DEEP UNIT FEDERAL NO. 3 WELL LOCATED IN SECTION 7, TOWNSHIP 19 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO.

No. 5857

عليه بدورة فيهوا والمرواني أأأراع الموضيح فيمواطره وروايكم

APPLICATION

Comes now the Union Oil Company of California, by its attorneys, Jasper & Buell, and applies to the Commission for an order allowing it to deviate a Morrow gas Well designated as the Pipeline Deep Unit Federal No. 3 and in support of this application states:

- 1. Applicant is the present operator of the Pipeline Deep Unit Federal No. 3 that is located 1980 feet from the north line and 1980 feet from the east line of Section 7, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico.
- 2. Said well was originally drilled as the El Paso Mescalero Unit No. 1 and applicant has filed with this Commission an application to re-enter this well designating the well as the Pipeline Deep Unit Federal No. 3.
- 3. Applicant proposes to re-enter the well and at 12,500 feet directionally drill to a depth of 13,600 feet in the Morrow formation and complete the well at a point approximately 100 feet south of the present down hole location.
- 4. Applicant does not know of any other interested parties other than the Commission and its staff.

- 5. This matter may be set before the Commission or one of its examiners as may be convenient.
- 6. The granting of this application will prevent waste and protect correlative rights.

JASPER & BUELL

Summer G. Buell
Attorney for Applicant
Post Office Box 1626

Santa Fe, New Mexico 87501

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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 5857 Order No. R- 5390

APPLICATION OF UNION OIL COMPANY OF CALIFORNIA FOR DIRECTIONAL DRILLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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This cause came on for hearing at 9 a.m. on February 16, 1977 at Santa Fe, New Mexico, before Examiner Richard L. Stamet

day of February, 1977, the Commission, NOW, on this a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Union Oil Company, is the owner and operator of its Pipeline Deep Unit Federal Well No. 3, located 1980 feet from the Mankk North line and 1980 feet from the East line of Section 7, Township 19 South, Range 34 East, Pool, Lea County, New Mexico.
- (3) That the applicant proposes to re-enter the subject well and to directionally drill said well in a southerly or easterly direction in such a manner as to bottom it in the (Within 100 Feat of formation point no closer than

330 feet to the outer boundary of the proration unit, the E/2

2080 feet from the North line and

2-		•	
Case No.	5857		
Order No	. R-		

- (4) 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.
- (5) That approval of the subject application will prevent the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Oil Company, is hereby authorized to re-enter its Pipeline Deep Unit Federal Well No. 3, the surface location of which is 1980 feet from the North line and 1980 feet from the East line of Section 7, Township 19 South, Range 34 East, NMPM, Quai Ridge Morrow Gres

Pool, Lea County, New Mexico, and to directionally drill said well in a southerly or easterly direction in such a manner as to bottom it in the Morrow formation

within 100 feet of a point 2000 feet from the North line and 2005 feet from the Cart line of Foid Section 7 and

Arretional survey of the well.

provided 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 whipstock 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 Commission, Box 2088, Santa Fe, New Mexico, and that the operator shall notify the Commission's Hobbs District Office of the date and time said survey is to be commenced.

-3-Case No. 5857 Order No. R-

- (2) That Form C-105 shall be filed in accordance with Commission Rule 1105 and the operator shall indicate thereon true vertical depths in addition to measured depths.
- (3) That the $\cancel{\mathcal{E}/\mathcal{V}}$ of said Section 7 shall be dedicated to the subject well.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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