CASE 5915: C.W. TRAINER FOR DIRECTIONAL DRILLING, LEA COUNTY, NEW MEXICO

Lase Number 5915

Application
Trascripts

Small Exhibits

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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico May 25, 1977

### EXAMINER HEARING

IN THE MATTER OF:

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Application of C. W. Trainer for directional drilling, Lea County, New Mexico.

CASE 5915

BEFORE: Richard L. Stamets, 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

For the Applicant:

George H. Hunker, Jr., Esq.

HUNKER-FEDRIC, P.A. Attorneys at Law 210 Hinkle Building Roswell, New Mexico

For Noranda Exploration:

Jeffery Fornaciari, Esq.

OLMSTED & COHEN Attorneys at Law

237 East Palace Avenue Santa Fe, New Mexico

### INDEX

Page 3 C. W. TRAINER Direct Examination by Mr. Hunker 5 GLEN HARBERT 6 Direct Examination by Mr. Hunker 11 7 Cross Examination by Mr. Stamets 16 8 Cross Examination by Mr. Ramey 18 Redirect Examination by Mr. Hunker 25 JOHNNY W. MULLOY 10 Direct Examination by Mr. Hunker 19 12 13

### EXHIBIT INDEX

	Offered	Admitted
Applicant Exhibit One, Plat	5	26
Applicant Exhibit Two, Build Up Schedule	12	26
Applicant Exhibit Three, Plat	13	26
Applicant Exhibit Four, Drilling Procedur	ce 14	26
Applicant Exhibit Five, Inclination Surve	ey 26	26

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MR. STAMETS: At this time we will call Case Number 5915.

MS. TESCHENDORF: Case 5915, application of C. W. Trainer for directional drilling, Lea County, New Mexico.

MR. HUNKER: George H. Hunker, Jr. Roswell, New Mexico, representing C. W. Trainer in this case and I have three witnesses to be sworn.

MR. STAMETS: Let's have all of the witnesses stand and be sworn at this time, please.

(THEREUPON, the witnesses were duly sworn.)

MR. FORNACIARI: Excuse me, Mr. Examiner, my name is

Jeffery Fornaciari, Santa Fe, New Mexico with the law firm of

Olmsted & Cohen and I'm appearing on behalf of Noranda Explora
tion, Incorporated which is the owner-holder of the potassium

or potash lease covering Section 24 and we have arranged to get

copies of the exhibits from Mr. Hunker.

### C. W. TRAINER

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

### DIRECT EXAMINATION

BY MR. HUNKER:

0. Mr. Trainer, will you give for the record your correct name, address and occupation?

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- A. I'm C. W. Trainer, I live at 8201 Espanola, E-s-p-a-n-o-l-a, Austin, Texas, 78737.
  - Q. What is your occupation?
  - A. I'm an independent oil producer.
- Q Have you drilled and operated a number of wells in the State of New Mexico?
- A. I imagine more than a hundred. I never worked anywhere else.
- Q You are the applicant in this case, describe, if you
  will, the nature of what you propose to do?
- A. Well, we propose to produce our Morrow gas under the north half of Section 24 and we are suggesting that we locate the well up in Section 13 near the old well, Flag-Redfern Hanson State Well which was my deal a couple of years ago and directly drill our well and put the bottom a half a mile south at a legal location in the north half of Section 24.
  - Q Is the Section 13 acreage State of New Mexico land?
  - A Yes, it's State land.
- Q And the Section 24 acreage, what kind of land is that?
  - A United States government.
- Q Do you have an interest in the Federal tract embracing
  the north half of Section 24 in 20 South, 32 East?
  - A. Yes.
  - 0 What is the nature of that interest?

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A. Well, my partner and I own a quarter of the thing as record owners and then we have farmouts from the other owners for the drilling of this well.

- Q Do you have permission from the owner of the tract involving the surface location to locate your well at the point that you have located it?
- A Yes, and I have worked with him to be sure that everybody is happy about it.
- Q Why do you propose to drill the well upon the State of New Mexico tract, Mr. Trainer, in the proximity of the old well referred to as the Flag-Redfern Hanson State No. 1?
- A In this area the potash companies have prevented the drilling of a number of wells, as a matter of fact, one on this north half of 24 about a year ago and so it was my idea that if we didn't waste any of the potash, if we get up there by Redfern's well where it is already wasted, then we wouldn't spoil anything and we all could go ahead and drill, so it is an obvious attempt to get to drill my well without interference from the potash people.
- Q Have you prepared a surface plat showing the locations of the Boyd No. 1 Well, which is your new well, and as it relates to the Flag-Redfern Hanson State No. 1?
  - A Yes, I have and it is marked Exhibit One.
  - Q Is that plat drawn to scale?
  - A Yes, the scale of one inch is equal to one hundred

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feet.

Approximately how far north and east of the old well is the No. 1 Boyd?

It's about a hundred and seventy some feet away from it.

Why did you locate it north of the well instead of Q. south of the well, south of the Flag-Redfern well?

Of course, if I had located it south of the well, without considering that pipeline there, my reserve pit could only come up about to their pad and I would be moving a long way from it and spoil more potash. Now, when I first located east, that's where I wanted, due east, but when we surveyed that location we found this pipeline across there that we couldn't drill on top of so I had to move to dodge the pipeline and I was trying to stay as close to my circle where the potash was there. In other words, I was trying not to spoil any unnecessary potash.

In connection with the potash that occurs in this area, at what depth does this occur?

It's in the Salado section or the salt section between about twelve hundred and twenty-four hundred feet, I believe.

And how deep does it go? Q.

Well, you are out of it at about twenty-four hundred.

Out of it at twenty-four hundred feet?

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- A. Now, they required me to set the thirteen and threeeighths casing at twenty-three hundred feet to be well below it in this well.
- When you say, "they" required that you do this,
   whose requirement was this?
- A. This was both the Oil Conservation Commission and the USGS.
  - Q The district engineer?
  - A. Yes, in Hobbs.
  - Q The district engineer in Hobbs?
  - A Right.
- Q And you say that an attempt was made within the last year to drill a test well on the north half of Section 24, is that correct?
- A. Yes, Flag-Refern staked the location and filed the form and got some protest, I don't believe it came to hearing.
  - Q There was an arbitration, however?
- A I just saw copies of the paperwork, I'm not for certain what happened. I got a title opinion from the lawyer that represented them when they got through but that's all I really know for a fact.
  - Q And what did the opinion indicate?
- A. It indicated that we couldn't drill there. It suggested that we might do this, that's where I got the idea from.

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- So you propose to drill your No. 1 Boyd directionally to an orthodox location in the north half of Section 24, is that correct?
  - That is correct.
- Have you employed experts to assist you in the drilling of this intentionally deviated well?
  - Yes, I couldn't do it without them.
  - Who have you employed?
- I have employed Foy Boyd and Associates of Midland, Texas, who are consulting engineers and they will drill the whole well for me, supervise the whole thing and they will be working with a directional surveying company called Directional 13 Investment Guidance, Inc., DIG. I love that name DIG but 14 I've known Glen Harbert, the President, for fifteen years and 15 I know that he knows what he is doing.
- Will you describe the prognosis for the well that 17 has been recommended to you by DIG?
- Well, we are going to drill straight to about sixty-six hundred and fifty feet and then start building the 20 angle to as shown on the plat there and at about a thousand feet I believe he will have it up to twenty-four degrees and then just hold it on until he gets where he is going.
  - Let me emphasize again, you plan to drill the well vertically to about sixty-six hundred feet?
    - Yes.

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- Q And at that point you will have gone through the potash ore body, is that correct?
  - A Oh, yes, we will be way below it.
- Q So at sixty-six hundred and fifty feet you will deviate the well in a southerly direction, is that correct?
  - A. That is correct.
- Q To bottom the hole nineteen hundred and eighty feet from the west and nineteen hundred and eighty feet from the north line of Section 24, is that correct?
- A That is correct, that's the plan. Now, we have also planned the job so that our Bone Springs zone at ten thousand and two hundred feet, we'll penetrate it under the Federal lease. We couldn't produce it under the State lease because it is already produced.
  - Q Why are you interested in the Bone Springs?
- A. Well, it's a flowing oil well in the offset, it might produce.
- Q In other words, the Flag-Redfern is producing from the Bone Springs?
  - A. Yes.
- Now, did you take preliminary steps a month or more
  ago with regard to the Commission's requirements as regards

  potash under Rule R-111 as amended?
- A Yes, we filed a notice of intention to drill this well with all of this business we are talking about here and

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at the same time sent copies out to all of the owners of potash leases within one mile of our well as you set out in R-lll-A, registered mail, return receipt requested and all of the receipts came back and at the end of the ten-day time there were no protests.

Q. Did the Commission office in Hobbs advise you of this fact?

A. Yes, they did, in fact they wrote me a short letter saying they had no protests.

MR. HUNKER: I would like the Examiner to take notice of the fact that the office in Hobbs has notified Mr. Trainer that no notice was received in response to the notices of intention to drill that he sent out.

MR. STAMETS: We will so note.

- Q (Mr. Hunker continuing.) Will the drilling of the No. 1 Boyd, Mr. Trainer, in the manner that you've proposed and as recommended by your consultant, prevent waste, protect correlative rights and assure the maximum conservation of oil, gas and potash and at the same time permit economic recovery of these minerals?
  - A. I believe it surely will.

MR. HUNKER: I have no further questions of this witness.

MR. STAMETS: I presume you will have an expert on directional drilling?

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MR. HUNKER: Yes, sir, I will and we will recall
Mr. Trainer if we need anything else.

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

(THEREUPON, the witness was excused.)

MR. HUNKER: Mr. Harbert.

### GLEN HARBERT

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

### DIRECT EXAMINATION

BY MR. HUNKER:

- Q For the record will you please state your name and your address?
- A. My name is Glen Harbert, I live at 3208 Camarie, Midland, Texas.
- Q And your name is spelled G-l-e-n, H-a-r-b-e-r-t, is that correct?
  - A Yes, sir.
  - Q What is your occupation?
- A. I'm President of Directional Investment Guidance, Inc.
  and we are in the directional drilling business.
  - Q How long have you been associated with DIG?
  - A Since its inception in December of 1975.

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۱	0.	Now,	with	what	company	were	you	associated	prior	to
	time?	?								

- A. Eastman Whipstock, I was Regional Vice President for Eastman Whipstock.
- Q How long have you been working in the area of intentionally deviated wells, Mr. Harbert?
  - A Since 1955.
  - Q About how many have you supervised or planned?
  - A. It would be in excess of a thousand.
- Q Have you made a study of C. W. Trainer's proposed No. 1 Boyd Well and the hole that is to be intentionally deviated?
  - A. Yes, sir.
- Q I would like for you to turn to what has been marked as Applicant's Exhibit Number Two and explain to the Examiner what basic facts were given to you and what materials you had in the preparation of that exhibit?
- A. Well, Exhibit Two is a two degrees per one hundred foot angle build up schedule and it was derived by the information that was given to us. This number one is the surface location of the Boyd Well No. 1 and also the bottom-hole location of the Boyd Well No. 1 and we had bit records and daily drilling reports in the Flag-Redfern Hanson State No. 1 that we utilized in drawing up this angle build up schedule and also we were given a secondary target or another target at

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ten thousand two hundred foot vertical depth which is in the Bone Springs. This is an additional target to the Morrow.

- Q I would like for you to turn now to the exhibit that is marked Number Three, being a plat, and I will ask you if you prepared this plat in connection with the proposed deviated hole?
  - A. Yes, sir.
- Q Looking to the left-hand side of that plat, will you tell the Examiner what that projection shows?
- A The left-hand side of Exhibit Three is a vertical view of our proposed course that we will drill the well and it shows the rate of angle increase which is up to twenty-four degrees and twenty minutes average and it shows the displacement from the surface location in Section 13 on where the placement of the wellbore will be at ten thousand two hundred vertical depth and it also shows the bottom-hole location placement at thirteen thousand five hundred true vertical depth.
- Q Referring to the center part of that same plat what does that projection depict?
- A. That reflects the surface location of the Boyd No. 1, the target area at ten thousand two hundred feet true vertical depth and the target area at thirteen thousand true vertical depth in relation to the section lines.
  - Referring to the right-hand projection will you

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explain to the Examiner what this projection shows?

A Well, basically in the right-hand side of the plat we have a -- it's a horizontal projection or horizontal view of the surface location and the two target areas and it also shows the placement of the surface old location of the Flag-Redfern Hanson State and there is a slashed circle around the Flag-Redfern well that designates the maximum displacement that this well could have from the surface location at a depth of seventy-six hundred and fifty foot. And it also shows the section line, Section 13 and Section 24 section line.

MR. STAMETS: Excuse me, now, did you calculate that by just projecting all of the Totco's in one direction?

A. Yes, sir, this is how the slashed circle was arrived at was from the drilling records of the Flag-Redfern well and just the inclination surveys that were taken on it.

Q (Mr. Hunker continuing.) Did you also prepare an exhibit referred to as Number Four wherein you recommended certain directional drilling procedures?

A Yes, sir.

Q Will you describe briefly to the Examiner what those recommended procedures are?

A Exhibit Four is just a brief condensed recommended directional drilling procedure atalking at the surface and carrying on through to 'ID and it's just a brief summary of recommendations on single-shot surveying on the upper portion

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of the hole down to our kickoff point and then our deflecting assemblies and drilling assemblies from that point on down to TD.

- Q Will continuous surveys be made of this hole as it is drilled if these recommendations are approved?
- A There will be continuous single-shot surveys taken as the well is drilled, whereas we will know where the wellbore is at any point.
- Q You have recommended that the well be drilled vertically to a depth of sixty-six hundred and fifty feet, is that correct?
  - A. Correct.
- Q Would you make a comparison, please, as between the Flag-Redfern well, the well that has already been drilled and the Boyd No. 1 Well, will those two wells proceed in substantially the same manner, in other words the deviation, will the deviation remain about the same for both wells that are drilled
  - A. Yes, sir, in my opinion it will.
- Q. Where is the most dangerous point at, what point, in other words, could you come the closest to encountering the wellbore of the No. 1 Hanson State?
- A. Without a directional survey on the Hanson well you really can't pick a point which will be the most dangerous point. I will say from calculations of the inclination survey and our projection on the Boyd directional well, that when we

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reach the depth in the directional well of seventy-six fifty we would be past the point where there would be any danger whatsoever of encountering the Hanson well, the Flag-Redfern well.

- Q. Is the possibility very remote?
- A. Very remote. In my opinion it would be almost impossible. I would hate to drill a relief well if the Hanson well were blowing out and we had a need to get twenty to thirty feet from it.
- Q Well, as you drill the first seventy-five hundred feet of this Boyd No. 1 Well and as you are taking the continuous survey, in the event that you found that you were not going in the proper direction, could you correct the hole at that time?
  - A. Yes, sir.
- Q And would you immediately recommend that it be corrected?
  - A. Yes, sir.

MR. HUNKER: I have no further questions of this witness, Mr. Examiner.

### CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Harbert, when will the survey be run on the kickof point?

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A. My	y proposal i	s to after	the conduc	tor pipe	is set or
surface pipe	e, I should	say, is se	et, the well	will be	monitored
with a non-	magnetic dri	ll collar	in the hole	as it is	drilled
with single-	-shots taken	at interv	vals down to	the kick	coff point

- The normal order that the Commission issues in a case like this requires that the kickoff point be determined by a continous multi-shot survey as well as the final bottom-hole but you will know on your way down where you are from, what, thirty-one fifty, is that right? You will start your single-shots at thirty-one fifty?
  - A. Yes, sir.
  - Q I believe I'm wrong, I believe it says here --
  - A Well, now, this is where the casing is set, below the surface pipe and on my notes here, I don't have or on the recommended procedure I don't have the depth of the surface pipe.
    - Q Okay.
    - A. But below the surface pipe.
  - Q Okay, you have indicated that you would run a continuous survey from the total depth to the surface following completion of the well?
    - A. Yes, sir.
  - Q You feel that is sufficient, will all of these tests be sufficient so you can hit this two hundred foot target area?
    - A. Yes, sir, the single-shot surveys will be accurate

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enough so that there would be very little deviation from the gyro survey or the continuous multi-shot survey that would be the multi-shot gyro survey that would be run at TD.

- Q. As a rule of thumb, how close can you safely drill to another well?
- A. I have been involved in a number where the surface locations were just a few feet apart with one well going, not having a directional survey on it, still here again working on the assumption that any straight hole unless there is a fault between the two wellbores that the placement of the wellbore at any depth will be basically the same distance.
  - Q A few feet, twenty-five feet or less?
  - A Yes, sir, twenty-five foot or less.
- Q Now in this particular well how severe is that twenty-four degree angle, is it quite severe or moderately severe in your experience?
- A. That's not severe, it's a minor amount of angle.

  MR. STAMETS: Any other questions of the witness?

  Mr. Ramey.

### CROSS EXAMINATION

BY MR. RAMEY:

Q Assuming you have, say, a twelve thousand foot well and you want to set a surface location within a hundred feet of that and directionally drill perhaps two twelve thousand

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foot to vertical depth wells and you don't have a directional survey on the original well, would you consider that a safe operation?

- A I would say -- you mean getting within this limitations of the --
- Q You've got a hundred foot surface location and the other two wells you are going to drill from the existing vertical well?
- A. Yes, sir, that would be very safe with two hundred foot, yes, sir.

MR. RAMEY: Thank you.

MR. STAMETS: Any other questions? The witness may be excused.

(THEREUPON, the witness was excused.)

MR. STAMETS: Let's go off the record a minute.

(THEREUPON, a discussion was held off

the record.)

MR. STAMETS: Go back on the record.

### JOHNNY W. MULLOY

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

#### DIRECT EXAMINATION

BY MR. HUNKER:

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Ī		Q.	Will	you	state	your	name	and	address,	please,	for
	the	recor	d, Mr.	. Mu	lloy?						

- A. Johnny W. Mulloy, 2503 Camarie, Midland, Texas.
- Q What is your occupation?
- A I'm a Petroleum Engineer.
- Q What is your scholastic background?
- A. I have a degree in petroleum engineering from Texas

  Tech University and I'm a registered professional engineer in

  the State of Texas.
- Q For whom did you work when you first got out of college?
- A I worked for Texaco five years in Hobbs, New Mexico and two years in Texas for Texaco. I left Texaco and went to Coastal States for four years where I was the operations engineer. I left them and went to American Trading where I was Operations Manager for three years. For the last three years I have been Manager of all of the operations for Foy Boyd and Associates, a consulting engineering firm that special izes basically in drilling and completion and prepare planning and drilling completions of oil and gas wells.
- Q And have you had a good deal of experience with Foy Boyd in the area of intentionally deviated wells?
- A. In about the last two or three years we have deviated several wells, four of which I have a specific record here of, several others that were minor and uncontrolled. The

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most recent well that we supervised was in conjunction with
the previous witness, Mr. Harbert, Transwestern's Winfield "D"
No. 2, Pecos County. We had a kickoff point at eighteen
thousand two fifty and we built a maximum angle of thirty-three
degrees and fifteen minutes at a measured depth of twenty-one
thousand three hundred and twenty-four feet. We had built to a
thirty-three degree angle. Our true vertical depth at the
completion of the well was twenty-two thousand five hundred
and thirty-one and a measured depth of twenty-three thousand
one hundred and fifty feet. That was a horizontal displacement
of nineteen hundred and twenty-one feet from the surface
location to the bottom of the hole.

Two other wells we drilled for Mid-American Oil and Gas, both in Pecos County, one we kicked off at forty-three hundred and forty-nine feet, built only to a maximum angle of eleven degrees. We continued to drill this well to a true vertical depth of twenty-two thousand, six hundred and twenty-eight and a measured depth of twenty-two six ninety. The horizontal displacement was eight hundred and eighty-one feet and on the Sibley No. 1 also in Pecos County, we kicked off at sixteen four and built to an angle of about eighteen degrees. I don't have that in my notes, I'm not sure what that was for a horizontal displacement of nine hundred and eighty-five feet.

25 have been associated with was for an operator, Dalton H. Cobb,

Probably the most outstanding deviation job that we

looked like we were crooked enough that there was actually a possibility of getting off the lease. The geological information indicated that it would have been very convenient had the well been staked some distance to the north and east of where it was staked so the decision was made to deviate the well, we dropped angle and turned it back under itself and almost reversed its direction one hundred and eighty degrees.

We ended up with a maximum angle of forty-eight degrees. The true vertical depth of that well was twenty-two thousand two hundred and twenty feet and the measured depth was twenty-eight eleven. We achieved a horizontal displacement of thirteen hundred and fourteen feet and we were probably close

surface location.

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1 on his Foote Paine No. 1, also in Pecos County. This well

had deviated itself in a southeasterly direction and had

3 become deviated to a critical point. At the same time we

decided we were going to have to straighten up the hole

5 mechanically to be able to actually stay on the lease. It

Several other wells have been unintentionally deviated around junk, generally around some piece of junk. There were all intentionally deviated to reach a more opportune position on the structure.

to seven or eight hundred feet in the wrong direction when

we started the deviation. That actual deviation is from the

Will Foy Boyd supervise the engineering in connection

with Trainer's No. 1 Boyd Well?

- A. Yes, sir.
- Q. During the drilling of that well, will you as the supervising engineer be furnished with the survey data that is developed as the well is drilled?
  - A. Yes.

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- Q What do you do with that data, do you plot it or --
- A plot, a copy of this actual plat will be kept in our office and on the rig. Normally on the morning report, sometimes you may not make a check on where you are every day, it depends on the footage you made and the condition of the hole but each time a point comes in you plot it actually on this plat as a representation of how close you are to what you plan to do, both horizontally and vertically. You have a north-south direction here and a true vertical depth and a displacement here that allows you to put a point where you are in the vertical plane and the horizontal plane at all times. Very seldom would you drill over fifty feet, maybe more, maybe a hundred feet, without having that type of information.
- Q Have you reviewed the recommended directional drilling procedures prepared by Mr. Harbert?
  - A. Yes, sir, I have.
- Q. Are you familiar with the procedures that he has recommended?

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A.	Yes.	I am.
м.	IES.	L alle.

- Q For example, you are familiar with the rock bits and the dyna-drills and those devices that are used in deviating holes?
  - A. Yes, sir.
- Q And based on your experience in this area, in your opinion can Mr. Trainer's goal be accomplished in this particular well?
  - A. Yes, sir.

MR. STAMETS: I don't believe you qualified your witness but the Examiner after hearing everything at this point considers him well qualified.

MR. HUNKER: I appreciate that.

- Q (Mr. Hunker continuing.) Have you reviewed the maximum horizontal displacement calculations made by Mr. Harbert in connection with those recommendations?
- A. Yes, I have. I have not duplicated his calculations.

  I assume his calculations are mathematically correct but his

  maximum displacement is well within the range of what his

  angle build up program would permit.
- Q. Were you furnished with copies of the daily drilling log in connection with the Flag-Redfern well?
  - A Yes, I was.
- Q. Do you anticipate any difficulty at all will be encountered in drilling the Boyd No. 1 Well as regards the

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borehole of the	Flag-Redfern	well?
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- A. No.
- Q Do you feel that the procedures that have been recommended can safely be followed by the operator in this particular instance?
  - A. Yes, sir.
- 7 Q Are you aware of wells that have been drilled in 8 Alaska or in offshore locations where the wellbores are located 9 relatively close to each other?
  - A. By hearsay only. Personally I have not been associated with any of that type.
    - Q But you know it's done?
    - A. I know it's done, yes, sir.

MR. HUNKER: I have no other questions of this witness. I neglected to cover one exhibit with my other witnes, though, Mr. Harbert, and I would like to recall him, but you may examine Mr. Mulloy.

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

(THEREUPON, the witness was excused and Mr. Harbert was recalled.)

### GLEN HARBERT

recalled as a witness, having been previously sworn, was examined and testified as follows:

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### REDIRECT EXAMINATION

BY MR. HUNKER:

Q Mr. Harbert, did you prepare an inclination survey based on the Hanson State No. 1 Well?

- A. Yes, sir.
- Q. And is that Exhibit Number Five?
- A. Yes.
- Q Is there anything unusual about that particular well that you would like to call the Examiner's attention to, the deviations, in other words, are they relatively normal?
- A. Normal of a field top well from the records that I have looked at in that area.

MR. HUNKER: We would like to offer into evidence

Applicant's Exhibits One through Five and we have nothing further

to offer at this time.

MR. STAMETS: These exhibits will be admitted.

(THEREUPON, Applicant Exhibits One through

Five were admitted into evidence.)

MR. STAMETS: Is there anything further in this case? The case will be taken under advisement.

### 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 it do nereny certify the proceedings a couplete record of the proceedings

New Mexico Oil Conservation Commission

## BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico May 11, 1977

### EXAMINER HEARING

IN THE MATTER OF:

Application of C. W. Trainer for directional drilling, Lea County, New Mexico.

CASE 5915

BEFORE: Richard L. Stamets, 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

sid morrish reporting service General Court Reporting Service 825 Calls Mella, No. 122, Sants Fe, New Mexico

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MR. STAMETS: We will call next Case 5915.

MS. TESCHENDORF: Case 5915, application of C. W. Trainer for directional drilling, Lea County, New Mexico.

The applicant in this case has asked that we continue the case to the May 25th Examiner Hearing.

MR. STAMETS: Case 5915 will be so continued.

Page	3	

### 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.

sid morrish reporting servica General Court Reporting Service 25 Calle Mejis, No. 122, Santa Fe, New Mexico Phose (\$05) 962-9212

t do nereby certify that the foregoing is too, place record of the product in the Examiner hearing of Case No. 59/5.

New Mexico Oil Conservation Commission



DIRECTOR

JOE D. RAMEY

### **OIL CONSERVATION COMMISSION**

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

LAND COMMISSIONER
PHIL R. LUCERO

June 9, 1977



STATE GEOLOGIST EMERY C. ARNOLD

Mr. George Hunker Munker-Fedric	CASE NO. 5915 ORDER NO. R-5438
Attorneys at Law Post Office Box 1837 Roswell, New Mexico 88201	Applicant:
	C. W. Trainer
Dear Sir:	
	copies of the above-referenced entered in the subject case.
Yours very truly,	
DOE D. RAMEY	
bilector	
JDR/fd	
Copy of order also sent to	): D:
Hobbs OCC *	
Artesia OCC X	
Aztec OCC	· .

Other Jeff Fornaciari

### 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. 5915 Order No. R-5438

APPLICATION OF C. W. TRAINER 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 May 25, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of June, 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, C. W. Trainer, seeks approval for the directional drilling of his Boyd Well No. 1, the surface location of which would be 830 feet from the South line and 2130 feet from the West line of Section 13, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to vertically drill said well to a depth of from 5100 feet to 7900 feet and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit P of Section 24, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico.
- (4) That the N/2 of said Section 24 is to be dedicated to the well.
- (5) That the proposed directional drilling will permit said well to penetrate the 3alt section in proximity to an existing well thereby minimizing the risk to potash mining operations in the area, and the loss of mineable potash reserves.

-2-Case No. 5915 Order No. R-5438

- (6) 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.
- (7) That approval of the subject application will permit the drilling of the proposed well without unduly reducing the total quantity of commercially recoverable potash reserves in the area and will otherwise prevent waste and protect correlative rights.

### IT IS THEREFORE ORDERED:

(1) That the applicant, C. W. Trainer, is hereby authorized to directionally drill his Boyd Well No. 1 at a surface location 830 feet from the South line and 2130 feet from the West line of Section 13, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico, and to vertically drill said well to a depth of from 5100 feet to 7900 feet and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico.

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 surface 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 N/2 of said Section 24 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. 5915 Order No. R-5438

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

EMBRY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL

CASE 5888: (Continued from April 20, 1977 Examiner Hearing)

Application of Dalport Oil Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its A. L. Christmas Well No. 3 to be drilled 330 feet from the South line and 2310 feet from the East line of Section 25, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

CASE 5910: (Continued from April 20, 1977 Examiner Hearing)

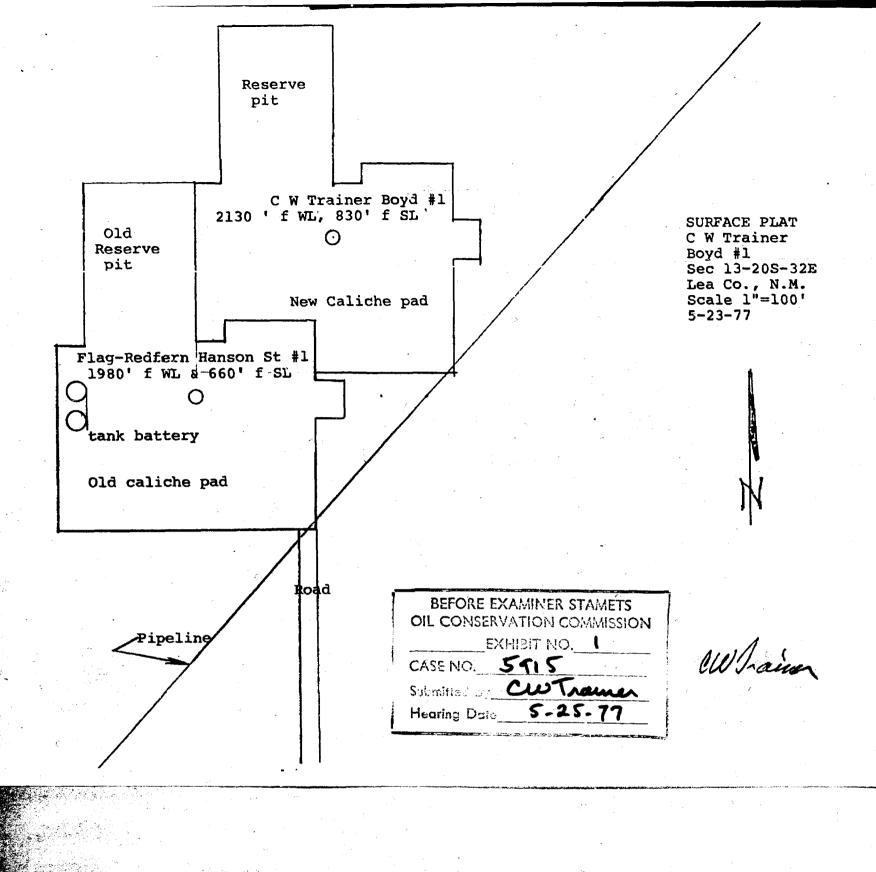
Application of Yates Petroleum Corporation for gas pool creations and downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of three Pennsylvanian gas pools in Townships 17 and 18 South, Ranges 24, 25, and 26 East, Eddy County, New Mexico, including the Richard Knob- and East Eagle Creek-Lower Penn Gas Pools with provisions in each for commingling Strawn, Atoka, and Morrow production in the wellbores of wells drilled therein, and the Eagle Creek Permo-Penn Gas Pool with provision for commingling Wolfcamp, Cisco, Canyon, and Strawn production in the wellbores of wells drilled therein.

CASE 5915: (Continued from May 11, 1977 Examiner Hearing)

Application of C. W. Trainer for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of his Boyd Well No. 1, the surface location of which would be 830 feet from the South line and 2130 feet from the West line of Section 13, Township 20 South, Range 32 East, Lea County, New Mexico. Applicant proposes to vertically drill said well-to a depth of from 5100 feet to 7900 feet and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East. The N/2 of said Section 24 would be dedicated to the well.

CASE 5917: (Continued from May 11, 1977 Examiner Hearing)

Application of Hanagan Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Round Mountain Well No. 1, to be located 2310 feet from the North line and 660 feet from the East line of Section 34, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, all of said Section 34 to be dedicated to the well.





# 2° PER 100' ANGLE BUILD-UP SCHEDULE

Mr. C.W. Trainer C.W. Trainer

Boyd Well No. 1 Lea County, New Mexico

Measured Depth	Angle	True Vertical Depth	Total Horizontal: Displacement		
6650	ASSUM	ED VERTICAL			
6750	2.	6749.98	1.75		
6850	4 •	6849.84	6.98		
6950	6°	6949.46	15.70		
7050	8.	7048.71	27.89		
7150	10°	7147.48	43.53		
7250	12•	7245.64	62.61		
7350	14° .	7343.08	85.11		
7450	16•	7439.67	110.99		
7550	18•	7535.30	140.23		
7650	20°	7629.85	172.79		
7750	22*	7723.21	208.63		
7850	240	7815.26	247.70		
10,467	24°21'	10,200.00	1326.88		
14,088	24°20'	13,500.00	2819.02 5		

Surface location: 830' FSL & 2130' FWL of Sec. 13

Bottom Hole location: 1980' FNL & 1980' FWL OF Sec. 24

Closure: 2819.02' S 3°3: W

Averaging Method Used In Calculations.

Submitted by CASE NO.



## RECOMMENDED DIRECTIONAL DRILLING PROCEDURES (Condensed)

Mr. C.W. Trainer C.W. Trainer

Boyd Well No.1 Lea County, N.M.

- 1) Drill surface hole with conventional drilling assembly. Keep hole straight. Run surface pipe & w.o.c.
- 2] Drill out surface pipe with 7 3/4" OD non-magnetic drill collar, running single shot survey @ 200' intervals to 3150' . Run intermediate casing & w.o.c.
- 3] Drill out intermediate casing with 7 3/4"QD non-magnetic drill collar running single shot surveys @ 300' intervals to 5000' Run casing & w.o.c.
- 4] Drill out of casing with 6 1/2"OD non-magnetic drill collar in drilling assembly. Run single shot surveys @ 200'± intervals to 6650' k.o.p. Keep hole straight.
- 5] Run 8 1/2"OD Rock Bit, 6 1/2"OD Dyna Drill, 2° Bent sub, 6 1/2" OD Non-Magnetic drill collar & steel collars. Orient toward proper direction. Drill to 6700' P.O.H.
- 6] Run 8 1/2"OD Rock Bit, extension sub, 8 1/2" OD B.H. reamer, 6 1/2"OD Non-Magnetic drill collar & steel drill collar's. Drill and increase angle @ 2° per 100' to désired angle. Run Dyna Drill if needed for angle and/or direction correction. After desired angle is achieved, run proper drilling assembly to maintain angle and direction. Drill to casing point of 11,150'± T.V.D. Care should be taken in having well bore on target before getting casing point. Run casing & w.o.c.
- 7] Vary weight on bit, rotary speed, and drilling assemblies as needed to drill into the target @ 13,500' ± T.V.D. Run Gyro Survey on wireline from surface to 13,500' ± T.V.D.

BEFORE EXAMINER TAMETS OIL CONSERVATION COMMISSION
EXHIBIT NO. 4
Submitted by CW Traus
Hearing Date 5-25-77

Directional Drilling a Surveying a Instrument & Tool Rentals

## INCLINATION SURVEY

Flag-Redfern Oil Company

Hanson State #1 Lea County, N.M.

	•				country, N.M.
Depth	Angle	Displacement	Depth	Angle	Displacement
100	1/2°	.87	3150	1/2°	56.10
250	1/4°	1.52	3342	3/4°	58.61
434	1/2°	3.13	3907	1 1/2°	76.02
760	2°	11.02	4090	1 1/4°	77-83
824	2 1/4°	13.53	4260	1 3/4°	83.02
1005	2 1/2°	21.43	4620	1°	89.30
1098	2 1/2°	25.49	5325	1 1/2°	107.68
1130	2 1/4°	26.75	5531	3/4°	110.38
1279	1 3/4°	28.25	5929	1° -	117.33
1405	1 1/4°	31.00	6462	3/4°	124.31
1720	1°	36.50	7120	10	en e
1942	3/4°	39.41	7600	1°	135.79
2163	1°	43.27	8122		144.17
2321	1°	46.03		1 1/4°	155.56
2479	1/4°	•	8615	2 1/4°	174.92
, ·	-	46.72	8831	2 1/4°	183.40
2627	1/4°	47.37	8989	2 1/2°	190.29
3105	1°	55.71	9113	2 1/2°	195.70
	€	• •	9265	2 1/2°	202.33
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BEFORE EXAMINER STAMETS OIL CONSERVATION COMMISSION

EXHIBIT NO. 5 CASE NO. 5913

Submitted by\_\_\_

5-25-7 Hearing Date\_\_\_

LAW OFFICES OF

HUNKER-FEDRIC, P.A.

210 HINKLE BUILDING POST OFFICE 30X 1837

ROSWELL, NEW MEXICO 88201

RECEIVED

MAY 1 9 1977

TELEPHONE 622-2700 AREA CODE 505

OIL CONSERVATION COMMISSION

May 18, 1977

Mr. J. D. Ramey Director New Mexico Oil Conservation Commission P.O. Box 2088 Santa Fe, New Mexico 87501

Re: C. W. Trainer

Case #5915 Directional Drilling Lea County, New Mexico

Dear Mr. Ramey:

GEORGE H. HUNKER, JR.

ROBERT I. WALDMAN

DON M. FEDRIC

In connection with the above matter and your Docket 17-77 we hand you herewith C. W. Trainer's formal application for approval of Directional Control Procedures for the drilling of his Boyd #1 Well located in Lea County, New Mexico. Will you please cause this application to be properly filed.

Sincerely yours,

HUNKER-FEDRIC, P.A.

George H. Hunker, Jr.

GHH/rp Enc.

# BEFORE THE OIL CONSERVATION COMMISSION 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. 5915 Order No.

APPLICATION OF C.W. TRAINER FOR DIRECTIONAL DRILLING, LEA COUNTY, NEW MEXICO.

## APPLICATION

COMES NOW C.W. Trainer, by and through his Attorneys,
Hunker-Fedric, P.A., P.O. Box 1837, Roswell, New Mexico 88201,
and makes application (pursuant to Rule 111(a)) to intentionally
deviate through directional drilling his Boyd No. 1 Well, the
surface location of which would be 830 feet from the South line and
2,130 feet from the West line of Section 13, Township 20 South,
Range 32 East, N.M.P.M., Lea County, New Mexico, to bottom said well
in Unit F, Section 24, Township 20 South, Range 32 East, and in
support of said application, states:

- 1. That Applicant is one of the working interest owners of the oil and gas leasehold estate and has authority from the operator representing the other owners to locate a test well for oil and gas at a surface location 830 feet from the South line and 2,130 feet from the West line of Section 13, Township 20 South, Range 32 East, N.M.P.M., Lea County, New Mexico, which surface location is a distance of 150 feet East from the Flag-Redfern Hanson State Well on said quarter section and which said well is a Bone Springs oil well located 660 feet from the South line and 1,980 feet from the West line.
- 2. That the Applicant is the owner of a working interest and is the designated Operator of a tract composed of the N½ of Section 24, Township 20 South, Range 32 East, embraced in Federal

Oil and Gas Leases NM 16640 and NM 25878, and has the right to drill and develop the Morrow gas formation (and other formations not material to this Application) underlying said tract.

- 3. That Applicant proposes to intentionally deviate the Boyd #1 Well from the surface location in the following manner. Applicant proposes to vertically drill said well to a depth of from 5,100 feet to 7,900 feet; and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East. That the bottom hole location will be an orthodox location for the N2 of Section 24, which tract will be dedicated to the well. Applicant agrees that an Affidavit will be filed with the Commission showing that all directional surveys have been filed before seeking the assignment of an allowable.
- 4. That Sections 13 and 24, Township 20 South, Range 32
  East, are within the limits of the Potash Oil area as defined in
  Crder R-111 as amended. In this connection, Applicant states
  that a Notice of Intention to Drill, with a plat showing the
  location of Applicant's Boyd #1 Well and the prognosis for the well,
  has been filed in the office of the Commission, and copies have
  been sent to all potash operators holding potash leases within a
  radius of one mile of the proposed well. Proof of service has
  been filed. The Commission has advised Applicant that no objection
  to the location of the proposed well has been made by a potash
  operator. That Applicant will obtain approval from the United States
  Geological Survey representatives to bottom said well under the
  subject federally leased lands.
- 5. That the drilling of the test well in the manner proposed by Applicant will prevent waste, protect correlative

rights, and assure maximum conservation of the oil, gas and potash resources of New Mexico, and will permit the economic recovery of the oil, gas and potash minerals underlying said lands.

> Respectfully submitted, HUNKER - FEDRIC, P.A.

George H. Hunker P.O. Box 1837

Roswell, New Mexico 88201 Telephone (505) 622-2700

Attorneys for Applicant, C.W. Trainer 8201 Espanola Austin, Texas 78749

MAY 1 9 1977

# BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

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

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Oil and Gas Leases NM 16640 and NM 25878, and has the right to drill and develop the Morrow gas formation (and other formations not material to this Application) underlying said tract.

- 3 That Applicant proposes to intentionally deviate the Boyd #1 Well from the surface location in the following manner. Applicant proposes to vertically drill said well to a depth of from 5,100 feet to 7,900 feet; and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East. That the bottom hole location will be an orthodox location for the N½ of Section 24, which tract will be dedicated to the well. Applicant agrees that an Affidavit will be filed with the Commission showing that all directional surveys have been filed before seeking the assignment of an allowable.
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  Order R-Ill as amended. In this connection, Applicant states
  that a Notice of Intention to Drill, with a plat showing the
  location of Applicant's Boyd #1 Well and the prognosis for the well,
  has been filed in the office of the Commission, and copies have
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  to the location of the proposed well has been made by a potash
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  subject federally leased lands.
- 5. That the drilling of the test well in the manner proposed by Applicant will prevent waste, protect correlative

rights, and assure maximum conservation of the oil, gas and potash resources of New Mexico, and will permit the economic recovery of the oil, gas and potash minerals underlying said lands.

> Respectfully submitted, HUNKER - FEDRIC, P.A.

George H. Hunker, Jr. P.O. Box 1837 Roswell, New Mexico 88201 Telephone (505) 622-2700

Attorneys for Applicant, C.W. Trainer 8201 Espanola Austin, Texas 78749

MAY 19 1977

OH CONSERVATION COMMISSION.

# BEFORE THE OIL CONSERVATION COMMISSION 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. 5915 Order No.

APPLICATION OF C.W. TRAINER FOR DIRECTIONAL DRILLING, LEA COUNTY, NEW MEXICO.

### APPLICATION

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  operator. That Applicant will obtain approval from the United States.
  Geological Survey representatives to bottom said well under the
  subject federally leased lands.
- 5. That the drilling of the test well in the manner proposed by Applicant will prevent waste, protect correlative

Case 5915 LAW OFFICES OF HUNKER - FEDRIC, P.A. 210 HINKLE BUILDING POST OFFICE BOX 1837 ROSWELL, NEW MEXICO 88201 TELEPHONE (505) 622-2700 % April 19, 1977 Mr. Dan Nutter, Chief Engineer New Mexico Oil Conservation Commission P.O. Box 2088 Santa Fe, New Mexico 87501 Re: C.W. Trainer Application for Directional Drilling 20-S, 32-E, Lea County, N.M. Dear Mr. Nutter: Mr. Hunker asked me to send you a copy of his proposed Application for Directional Drilling on behalf of C.W. Trainer. Thank you. Sincerely yours, Delores Downs, Secretary to George H. Hunker, Jr. dd Enc.

rights, and assure maximum conservation of the oil, gas and potash resources of New Mexico, and will permit the economic recovery of the oil, gas and potash minerals underlying said lands.

> Respectfully submitted, HUNKER - FEDRIC, P.A.

George H. Hunker, P.O. Box 1837

Roswell, New Mexico 88201 Telephone (505) 622-2700

Attorneys for Applicant, C.W. Trainer 8201 Espanöla Austin, Texas 78749

LAW OFFICES OF

#### HUNKER-FEDRIC, P.A.

210 HINKLE BUILDING POST OFFICE BOX 1837

GEORGE H. HUNKER, JR DON M. FEDRIC ROBERT I. WALDMAN

ROSWELL, NEW MEXICO 88201

TELEPHONE 622-2700 AREA CODE 505

May 10, 1977

New Mexico Oil Conservation Commission P.O. Box 2088

Santa Fe, New Mexico 87501

Attention: Ms. Lynn Teschendorf,

General Counsel

Re: C.W. Trainer Application for

Directional Drilling

T-20-S, R-32-E, Lea County, N.M.

Case No. 5915

Docket 15-77 Case No. 5915

#### Gentlemen:

This letter will confirm the request made by us last week to have the above styled case continued until the hearing of May 25, 1977. We have had illness and death in the families of the principals, and we have found it necessary to ask you to continue the hearing until later in the month.

We appreciate very much your helpful understanding.

Sincerely yours,

HUNKER - FEDRIC, P.A.

George H. Hunker, Jr.

GHH:dd

cc: Mr. C.W. Trainer

Dockets Nos. 17-77 and 18-77 are tentatively set for hearing on May 25 and June 8, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - THURSDAY - MAY 5, 1977

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

CASE 5912: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the establishment of categories of plugging bonds, including blanket bonds not exceeding \$50,000, and one-well bonds in amounts determined sufficient to reasonably pay the cost of plugging the wells covered by each bond. Also to be considered will be the exclusion from future bond forms of provisions conditioning performance on recompense for damages to livestock, range, water, crops or tangible improvements. Also to be considered will be the amendment of Rule 101 of Commission Rules and Regulations concerning the above provisions.

Docket No. 16-77

#### DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 11, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM STATE LAND OFFICE BUILDING, SANTA 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 June, 1977, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for June, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 5913: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Kent Shannon, American Employers' Insurance Company, and all other interested parties to appear and show cause why the following wells in Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

Hi Lonesome Well No. 1, located in Unit D of Section 32, Township 8 South, Range 27 East; El Paso Well No. 1, located in Unit M of Section 36, Township 10 South, Range 26 East; and Karma Well No. 1, located in Unit O of Section 16, Township 10 South, Range 27 East.

CASE 5914: Application of Atlantic Richfield Company for an uncrthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Wimberly WN Well No. 11, to be located 990 feet from the North line and 1490 feet from the West line of Section 24, Township 25 South, Range 37 East, Justis-Fusselman Pool, Lea County, New Mexico.

CASE 5915:

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- Application of C. W. Trainer for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of his Boyd Well No. 1, the surface location of which would be 830 feet from the South line and 2130 feet from the West line of Section 13, Township 20 South, Range 32 East, Lea County, New Mexico. Applicant proposes to vertically drill said well to a depth of from 5100 feet to 7900 feet and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East. The N/2 of said Section 24 would be dedicated to the well.
- CASE 5916: Application of Marathon Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of North Vacuum-Abo, Vacuum-Wolfcamp and Vacuum Upper-Pennsylvanian production in the wellbore of its McCallister State Well No. 7 located in Unit N of Section 25, Township 17 South, Range 34 East, Lea County, New Mexico.
- CASE 5917: Application of Hanagan Pet. Corp. for an unorthodox gas well location, Eddy County, New Mexico.

  Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Round

  Mountain Well No. 1, to be located 2310 feet from the North line and 660 feet from the East line

  of Section 34, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New

  Mexico, all of said Section 34 to be dedicated to the well.
- CASE 5918: Application of Marbob Energy Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its NG Phillips State Well No. 10 located 2645 feet from the South line and 1325 feet from the East line of Section 27, Township 17 South, Range 28 East, Artesia Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.

CASE NO. 5915

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Application of C.W. Trainer for Directional Drilling to a Standard Gas Well Proration Unit. Lea County, New Mexico. Applicant, in the above styled case, seeks approval for the directional drilling of the Trainer #1 Boyd, a 13,500-foot Morrow test well from a drilling site at a surface location of 2,130 feet from the West Line and 830 feet from the South line of Section 13, Township 20 South, Range 32 East, N.M.P.M., Potash-Oil Area as defined in NMOCC Order R-111-A, Lea County, New Mexico. Applicant proposes to vertically drill said well to a depth of at least 5,100 feet and to no greater depth than 7,900 feet, to there set a whipstock and to then directionally drill said well in a southerly direction, bottoming said well at approximately 13,500 feet TVD within a radius of 200 feet of a point 1,980 feet from the North line and 1,980 feet from the West line of Section 24, Township 20 South, Range 32 East, Potash-Oil Area, Lea County, New Mexico. Applicant would dedicate the N'z of Section 24, Township 20 South, to said standard gas well spacing unit for Morrow formation. target area

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

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CASE NO. 5915 Order No. R- 5438

APPLICATION OF C. W. TRAINER 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 May 25, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of , 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, C. W. Trainer, seeks approval for the directional drilling of his Boyd Well No. 1, the surface location of which would be 830 feet from the South line and 2130 feet from the West line of Section 13, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to vertically drill said well to a depth of from 5100 feet to 7900 feet and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico.

(4) that the N/2 of said Section 24 is to be dedicated to the well.

(5) That the proposed directional drilling will permit said well to penetrate the salt sections in penetrate the salt sections in proximity to an existing well thereby minimizing the risk to potosh mining operations in the area and the loss of minable potash reserves.

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- 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.
- the drilling of uncolstant 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:

to directionally drill his Boyd Well No. 1 the surface location of which would be 830 feet from the South line and 2130 feet from the West line of Section 13, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico, and to vertically drill said well to a depth of from 5100 feet to 7900 feet and to then directionally drill in a southerly direction, bottoming said well in the Morrow formation at a true vertical depth of approximately 13,500 feet within 200 feet of the center of Unit F of Section 24, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico.

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 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 N/2 of said Section 24 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 Fc, New Mexico, on the day and year hereinabove designated.