

Be CASE 6240: BASS ENTERPRISES PRO- *on Co.*
DUCTION CO. FOR AN UNORTHODOX OIL
WELL LOCATION, SAN JUAN COUNTY

CASE NO.

6240

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
7 June, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises Pro-
duction Company for an unorthodox oil
well location, San Juan County, New
Mexico.

CASE
6240

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Building
Santa Fe, New Mexico 87501

For the Applicant:

Conrad E. Coffield, Esq.
HINKLE, COX, EATON, COFFIELD &
HENSLEY
600 Hinkle Building
Roswell, New Mexico

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I N D E X

STEVEN R. BREDALL

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1 MR. NUTTER: Call Case 6240.

2 MS. TESCHENDORF: Case 6240. Application of
3 Bass Enterprises Production Company for an unorthodox oil
4 well location, San Juan County, New Mexico.

5 MR. COFFIELD: Conrad Coffield, with the law
6 firm of Hinkle, Cox, Eaton, Coffield, and Hensley, ap-
7 pearing for Bass Enterprises Production Company, and I
8 have one witness.

9 (Witness sworn.)

10 STEVEN R. BREDALL

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

14 DIRECT EXAMINATION

15 BY MR. COFFIELD:

16 Q Please state your name and address.

17 A Steven R. Bredall, Englewood, Colorado.

18 Q Mr. Bredall, what is your occupation and who
19 is your employer?

20 A I'm an Exploration Geologist for Bass Enter-
21 prises Production Company.

22 MR. NUTTER: Will you spell your last name,
23 please?

24 A B-R-E-D-A-L-L.
25

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1 MR. NUTTER: Thank you.

2 Q (Mr. Coffield continuing.) Mr. Bredall, are
3 you familiar with the application of Bass Enterprises in
4 this case?

5 A Yes, I am.

6 Q And are you familiar with the property and
7 the proposed well location involved?

8 A Yes, I am.

9 Q Have you previously testified before the Oil
10 Conservation Division?

11 A No, I have not.

12 Q Please tell the Examiner your educational
13 background, first.

14 A I have a Bachelor's degree and Masters degree
15 in geology from Iowa State University.

16 Q And what about your experience as a geologist?

17 A For two years I worked for Texaco, Inc., in
18 Midland, Texas.

19 For the past four and a half years I've worked
20 for Bass Enterprises; three of those years in Ft. Worth
21 and the last year and a half in Denver.

22 MR. COFFIELD: Are Mr. Bredall's qualifications
23 acceptable?

24 MR. NUTTER: Yes, they are. Please proceed.

25 Q (Mr. Coffield continuing.) Mr. Bredall, what

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1 does Bass seek by this particular application?

2 A. Bass seeks the approval to drill an unorthodox
3 oil well location, the Bass Navajo 20 Well No. 1, a Barker
4 Creek-Pennsylvanian oil test. We propose to drill this
5 well 1190 feet from the south line and 2510 feet from the
6 east line of Section 20, Township 27 North, Range 19 West,
7 San Juan County, New Mexico, and dedicated to this well
8 would be the southwest of the southeast of Section 20.

9 Q. What is the general basis that Bass believes
10 that this proposed location would be more desirable than
11 the standard location?

12 A. Basically, it's based on the interpretation
13 of seismic data which we have in the area, as well as an
14 offset dry hole.

15 Q. Okay, would you refer to what's been marked
16 as Exhibit One and state what this reflects?

17 A. This is the lease ownership in the immediate
18 vicinity of the proposed well, which is indicated by the
19 red dot.

20 Q. That shows all the wells --

21 A. And all the wells in the immediate vicinity
22 of our proposed location.

23 Q. Are any of the wells that are noted on this
24 plat producing?

25 A. No, they are not.

1 Q Okay. Also, refer please, if you will, to
2 what's been marked as Exhibit Two and tell the Examiner
3 what -- what that shows.

4 A This shows the immediate vicinity of our
5 proposed Navajo 20 Well No. 1 in Township 27 North, 19
6 West.

7 The general topography of the area and the
8 offset or the wells in the immediate vicinity.

9 Q Okay. Here again is the well -- proposed well
10 location designated in red?

11 A Yes, it is designated in red and indicated
12 by the red arrow.

13 Q Is Bass Enterprises the leasehold owner?

14 A No, they are not.

15 Q Who is the leasehold owner?

16 A The leasehold owner is William C. Lagos.

17 Q And how does Bass have any rights with re-
18 spect to the leasehold on that particular tract?

19 A We propose to operate this well on a farm-out
20 from Mr. Lagos.

21 Q And do you have all of Sections 19 and 20
22 under such a commitment?

23 A That's correct.

24 Q What about is Bass to be the operator on
25 this particular property?

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1 A. Yes, they are.

2 Q. Mr. Bredall, do you know who the mineral land-
3 owner from whom Mr. Lagos holds his leases is?

4 A. It's the Navajo Tribe.

5 Q. And who are the owners of the tracts which
6 offset this proposed well?

7 A. William C. Lagos and immediately south of the
8 location is Navajo unleased land.

9 Q. All right. Please refer to what has been
10 marked as Exhibit Three, and would you tell the Examiner
11 what that represents?

12 A. This shows the proposed location of our well
13 with respect -- with respect to the section lines in Section
14 20.

15 Q. All right. Would you explain now where the
16 standard well location would be with respect to where the
17 requested location is?

18 A. An orthodox location would be located south-
19 east of our proposed location.

20 Q. And 330 --

21 A. 330 feet from the north and west of the quarter
22 quarter section.

23 Q. So would this proposed location that Bass
24 seeks be closer or farther away than -- to the Navajo un-
25 leased tracts, for example?

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A. It would be farther away.

Q Has Bass conferred with the Navajo Tribal representatives?

A. Yes, we have.

Q What was their response?

A. They had no objection to this location.

Q Okay. Please refer to Exhibit Four, and explain what this is, Mr. Bredall?

A. Exhibit Four shows the seismic coverage that Bass Enterprises had in the immediate area of our proposed location.

The proposed location is indicated by the bright orange dot. Immediately adjacent to that location you'll see a shot point, which is shot point 25, which we feel is necessary to be close to that shot point as we can possibly get.

The orange arrows indicate the nearest wells that have previously been drilled in this area.

Q Okay, now at the same time will you also refer to what's been marked as Exhibit Five and refer to both of these through your discussion here?

A. Exhibit Five is a structure map of the area, which is contoured on the top of the Mississippian horizon, which generally reflects the Barker Creek horizon.

Our proposed location is indicated in red on

1 Exhibit Five.

2 Q Okay, and how did you reach the conclusion
3 with respect to the structural diagram there? What's that
4 based on?

5 A The structure here is based on seismic coverage
6 we have as well as the dry holes in the area to make this
7 sub-surface map.

8 Q All right, Mr. Bredall, would you now explain
9 to the Examiner, taking into consideration the matters
10 which are reflected on these exhibits, what the relative
11 advantages and disadvantages are with respect to the loca-
12 tion you seek and a standard location?

13 A Okay. The nearest well to our proposed loca-
14 tion that's indicated on Exhibit Four by the orange arrow
15 is the Northwest Pipeline No. 1 Barbara Kay.

16 The Barker Creek section, which is our main
17 objective in that well, was cored, had hydrocarbon shows
18 in the Barker Creek, and a drill stem test was taken in
19 that interval and hydrocarbon shows were recovered under
20 drill stem test.

21 Using this information and the interpretation
22 of depositional environment from the core, as well as the
23 seismic interpretation that's been made, we feel it's
24 imperative that we drill this wildcat as close to that
25 shot point 25 as we can, to give us optimum conditions for

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1 porosity development and with respect to structure, we feel
2 that we don't want to move down dip any farther because
3 then we always have the possibility of encountering water
4 in the Barker Creek zone.

5 Q All right. Would you refer, please, now to
6 Exhibit Six? And describe for the Examiner what that
7 shows?

8 A Exhibit Six is a land survey of the proposed
9 location, showing the various elevation points around where
10 the pad would be.

11 Q Okay. With reference to that and what you
12 know about the well site itself, does the topography of
13 this proposed location present any particular problems
14 with respect to safe and proper installation of surface
15 equipment?

16 A No, it does not. It's relatively flat, this
17 area.

18 Q If the Oil Conservation Division approves
19 this unorthodox location and you drill your well at this
20 location, and your geology is confirmed, would there be
21 any expectation on your part that further development in
22 the area would require further unorthodox locations?

23 A No, I don't foresee that.

24 Q Have these exhibits been prepared by you or
25 under your supervision?

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1 A. Yes, they have.

2 Q In your opinion, will the approval of Bass'
3 application prevent the drilling of unnecessary wells and
4 otherwise prevent waste and protect correlative rights?

5 A. Yes, it will.

6 MR. COFFIELD: I move the admission of the
7 exhibits submitted.

8 MR. NUTTER: Applicant's Exhibits One through
9 Six will be admitted in evidence.

10 MR. COFFIELD: And I have no further questions
11 of the witness.

12
13 CROSS EXAMINATION

14 BY MR. NUTTER:

15 Q Mr. Bredall, the purpose of the unorthodox
16 location is solely for geological purposes, is that correct?

17 A. That's right.

18 Q And you feel by getting as close to that one
19 shot point which is favorable as possible. Now, what is
20 the proposed depth of this test?

21 A. The proposed depth is 5800 feet.

22 Q So if that geological structure is that criti-
23 cal, you're going to have to drill a pretty straight hole
24 for a mile or more, to --

25 A. That's right.

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Q -- target in on that.

MR. NUTTER: Are there any further questions of this witness? Yes, sir, Mr. Kendrick.

CROSS EXAMINATION

BY MR. KENDRICK:

Q Mr. Bredall, is it your intent to restrict this nonstandard location to the one porosity interval known as the Barker Creek formation, or Barker Creek porosity interval of the Pennsylvanian formation?

A Well, I think that we'd want to prove for any zone we encounter that there is a possibility of production.

Q Including all of the Pennsylvanian formations that you penetrate?

A That's right.

Q And all shallower formations?

A Right.

MR. KENDRICK: That's all.

MR. NUTTER: Are there any further questions for the witness? He may be excused.

Do you have anything further, Mr. Coffield?

MR. COFFIELD: No, sir, we do not.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 6240? Mr. Kendrick.

MR. KENDRICK: I'd recommend that if legally

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possible the location be approved for oil or gas for all zones penetrated by this well.

MR. NUTTER: Thank you, Mr. Kendrick.

If there is nothing further we'll take the Case Number 6240 under advisement.

(Hearing concluded.)

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REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill from my notes taken at the time of the hearing.

Sally Walton Boyd CSR
Sally Walton Boyd, C.S.R.

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6240.
heard by me on 4/7, 1978.
[Signature], Examiner
New Mexico Oil Conservation Commission



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

June 16, 1978

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. Conrad Coffield
Hinkle, Cox, Eaton,
Coffield & Hensley
Attorneys at Law
Post Office Box 3580
Midland, Texas 79702

Re: CASE NO. 6240
ORDER NO. R-5745

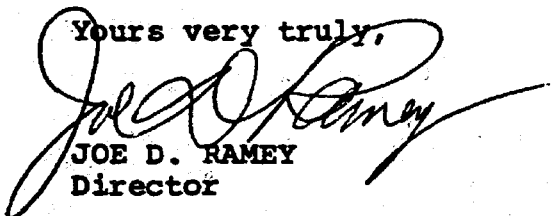
Applicant:

Bass Enterprises Production Co.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered 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 X

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 6240
Order No. R-5745

APPLICATION OF BASS ENTERPRISES PRODUCTION
COMPANY FOR AN UNORTHODOX OIL WELL LOCATION,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 7, 1978,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of June, 1978, the Division Director,
having considered the testimony, the record, and the recommenda-
tions of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, Bass Enterprises Production
Company, seeks approval of an unorthodox oil well location for
its Navajo 20 Well No. 1 to be drilled at a point 1190 feet
from the South line and 2510 feet from the East line of Section
20, Township 27 North, Range 19 West, NMPM, to test the Barker
Creek-Pennsylvanian formation, San Juan County, New Mexico.
- (3) That the SW/4 SE/4 of said Section 20 is to be dedi-
cated to the well.
- (4) That a well at said unorthodox location will better
enable applicant to produce the oil underlying the proration unit.
- (5) That no offset operator objected to the proposed
unorthodox location.
- (6) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable
share of the oil in the subject pool, will prevent the economic

-2-

Case No. 6240
Order No. R-5745

loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location for the Barker Creek-Pennsylvanian Pool is hereby approved for the Bass Enterprises Production Company Navajo Well No. 1 to be drilled at a point 1190 feet from the South line and 2510 feet from the East line of Section 20, Township 27 North, Range 19 West, NMPM, San Juan County, New Mexico.

(2) That the SW/4 SE/4 of said Section 20 shall be dedicated to the above-described well.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

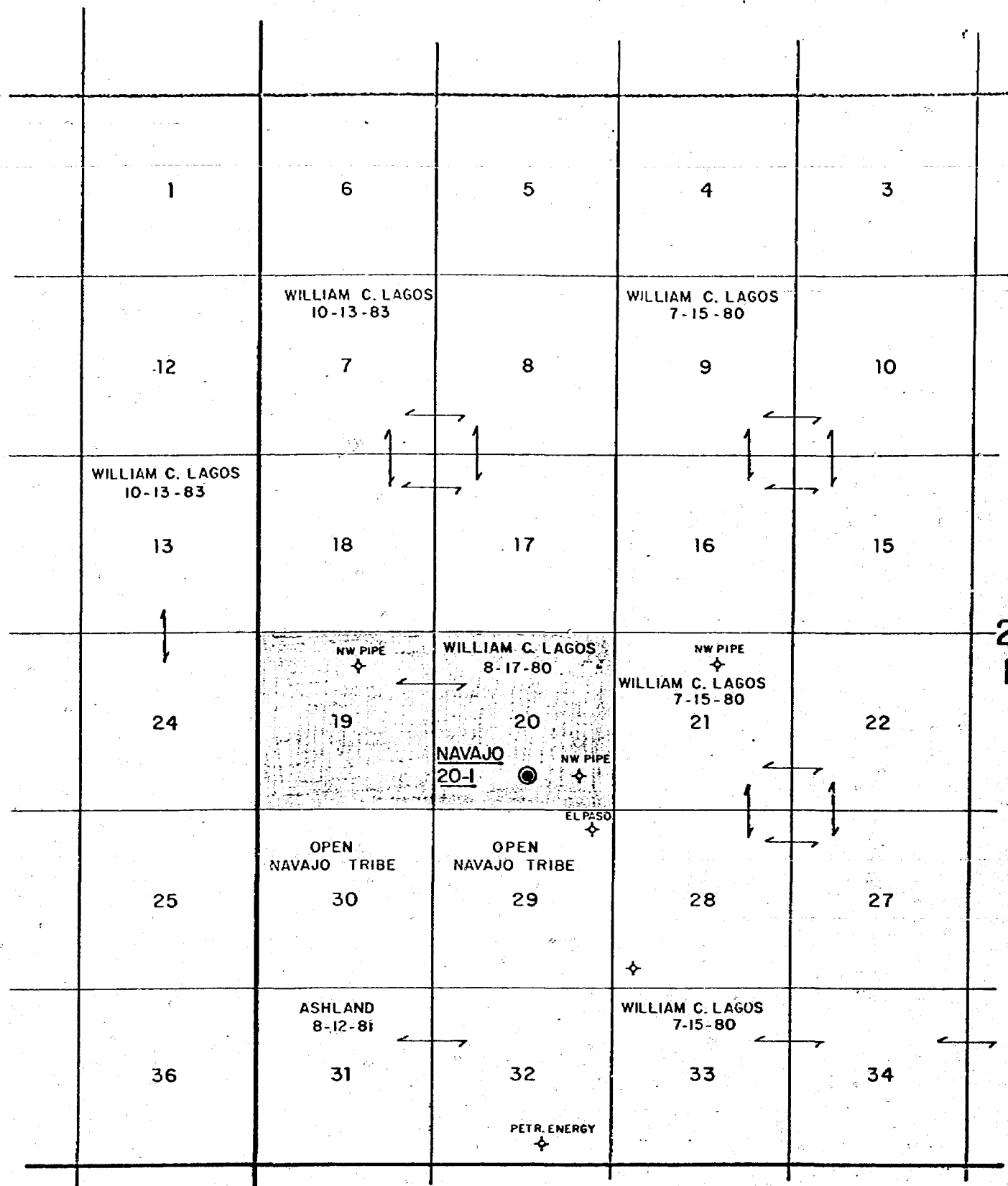

JOE D. RAMEY
Director


S E A L

fd/

R 20 W

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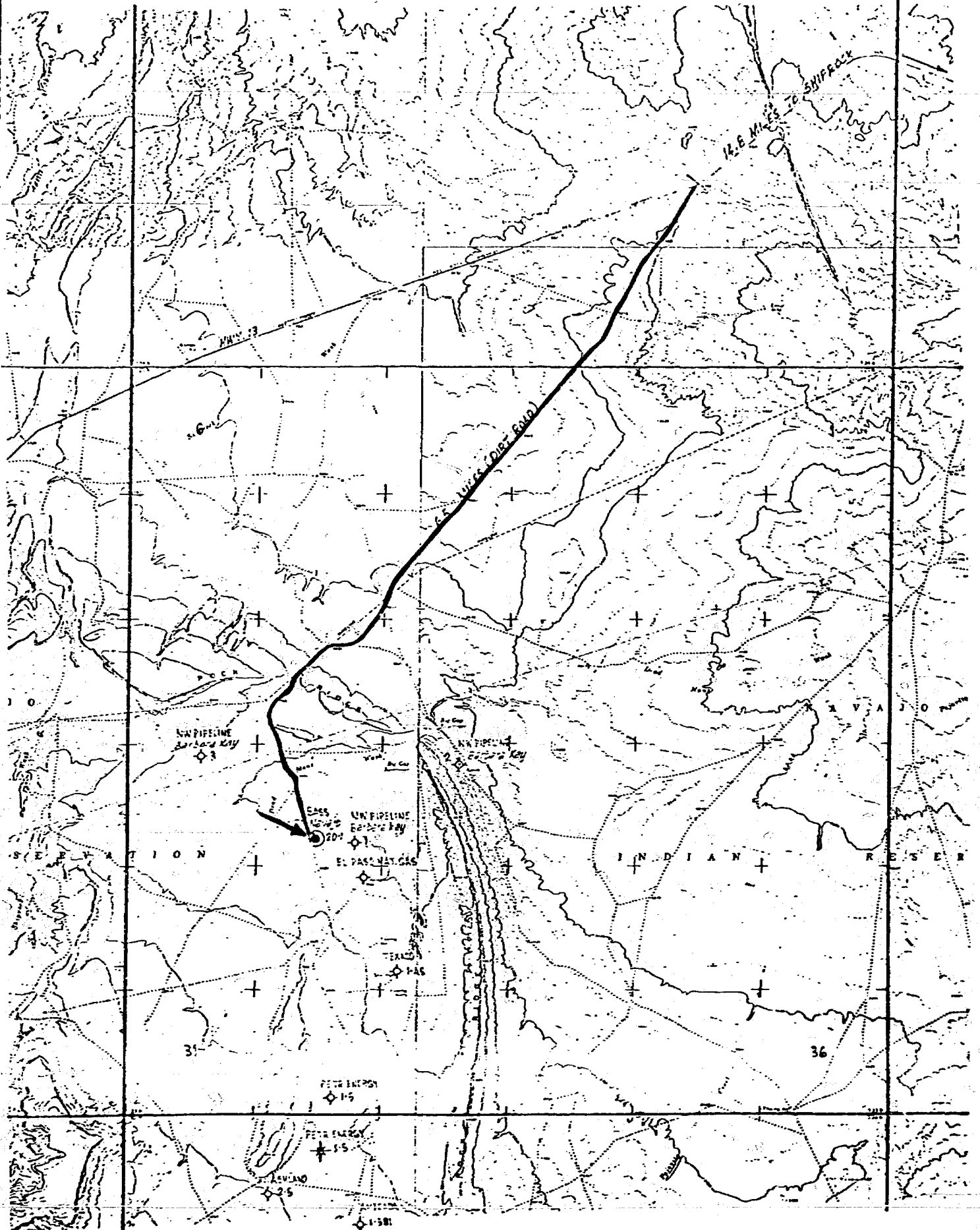


BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Appl EXHIBIT NO. 1
CASE NO. 6240

BASS ENTERPRISES PROD. CO.
BEAUTIFUL MTN.
SAN JUAN CO., NEW MEX.

LAND MAP
Scale 1" = 4000'

R 19 W



BEFORE EXAMINED NUTTER
OIL CONSERVATION COMMISSION
Appl SURV. NO. 2
CASE NO. 6240

BASS ENT. PROD. CO.
SAN JUAN CO., NEW MEXICO
PLAT SHOWING
WELL LOC. & ROADS
FIGURE II

7 MEXICO OIL CONSERVATION COMMISSION
 BEFORE EXAMINED BY THE DEPARTMENT OF THE INTERIOR
 OIL CONSERVATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-128
 Effective 1-1-65

Oil Conservation and Acreage Dedication Plat

Unit Letter: 0 Section: 20 Township: 27N Range: 19W County: San Juan

Lease: Navajo NOO-C-14-20-2976 Well No.: 20-1

Case No.: 6290 EXHIBIT NO.: 3

LESSOR: BASS ENTERPRISES PRODUCTION COMPANY

Actual Footage Location of Well:

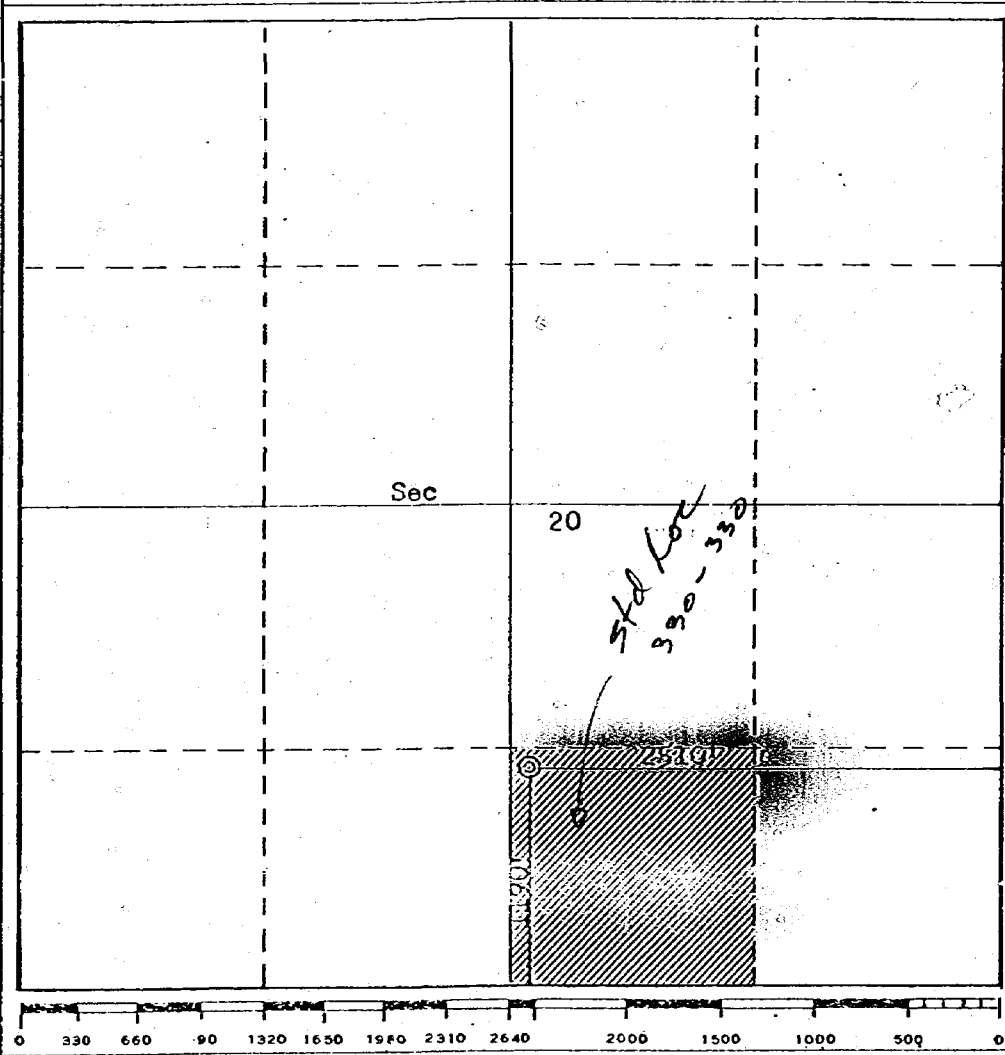
1190 feet from the South line and 2510 feet from the East line

Ground Level Elev.: 5711 Producing Formation: Barker Creek Pool: Wildcat Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
- ☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

E. B. Eubanks
 Name
 E. B. Eubanks
 Position
 Pet. Engineer
 Company
 Bass Ent. Prod. Co.
 Date
 April 20, 1978

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

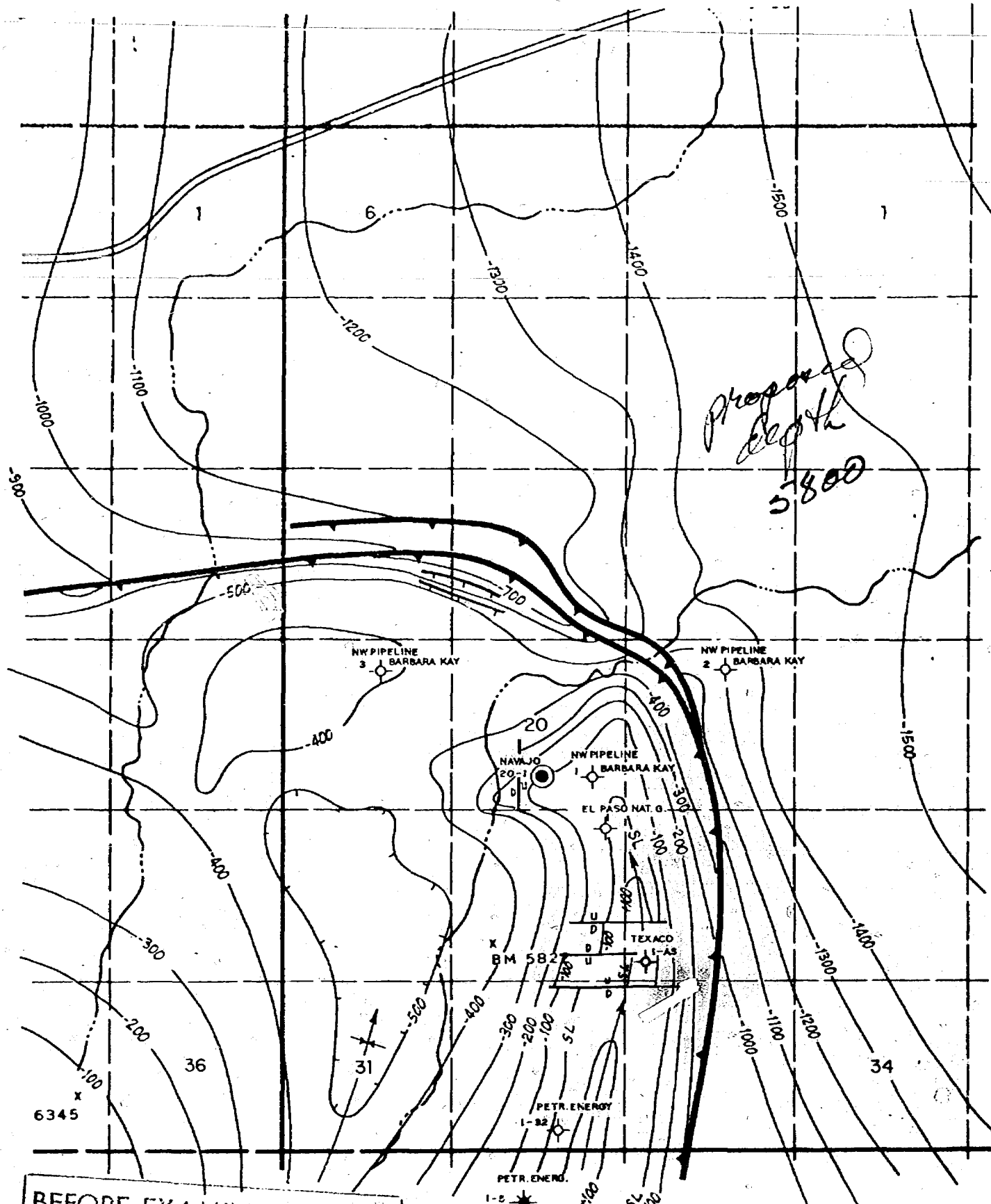
Date Surveyed: April 9, 1978
 Registered Professional Engineer and/or Land Surveyor
Fred E. Kerk, Jr.
 Certificate No. 3950

FIGURE I

R 20 W

R 19 W

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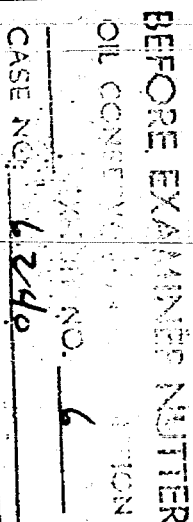
*Proposed
Depth
5800*

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27
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BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 5
CASE NO. 6240

BASS ENTERPRISES PROD. CO.
BEAUTIFUL MTN.
SAN JUAN CO., NEW MEX.
STRUCTURE TOP MISSISSIPPIAN
C.I. 100'
1" = 4000'

FIGURE III



Dockets Nos. 21-78 and 22-78 are tentatively set for hearing on June 21 and July 6, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 7, 1978

9 A.M. - OIL CONSERVATION DIVISION 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:

- CASE 6235: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Black Diamond Oil Company and all other interested parties to appear and show cause why the Well No. 1 located in Unit C of Section 27, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6236: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Bloomfield Oil & Gas Company and all other interested parties to appear and show cause why the C. Hare Well No. 3 located in Unit N of Section 15 and the H. D. Abrams Well No. 5 located in Unit E of Section 23, both in Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6237: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Finley & Johansen and all other interested parties to appear and show cause why the Hare Well No. 1 located in Unit C of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6238: Application of Barber Oil, Inc., for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Saladar Unit Area comprising 240 acres, more or less, of Federal and fee lands in Township 20 South, Range 28 East, Eddy County, New Mexico.
- CASE 6226: (Continued from May 17, 1978 Examiner Hearing)
- Application of Barber Oil, Inc. for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Saladar Unit, by the injection of water into the Yates formation through five wells located in Units K, L, N and O of Section 33, Township 20 South, Range 28 East, Saladar-Yates Pool, Eddy County, New Mexico.
- CASE 6239: Application of Robert N. Enfield for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for his North Lake McMillan Unit Area comprising 3194 acres, more or less, of Federal and fee lands in Township 19 South, Ranges 26 and 27 East, Eddy County, New Mexico.
- CASE 6240: Application of Bass Enterprises Production Company for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Navajo 20 Well No. 1, a Barker Creek oil test to be drilled 1190 feet from the South line and 2510 feet from the East line of Section 20, Township 27 North, Range 19 West, San Juan County, New Mexico, the SW/4 SE/4 of said Section 20 to be dedicated to the well.
- CASE 6241: Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Eagle Creek Permo-Penn and West Atoka-Morrow gas production in the wellbore of its Powell DG Well No. 1 located in Unit O of Section 35, Township 17 South, Range 25 East, Eddy County, New Mexico.
- CASE 6242: Application of C & E Operators, Inc., for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SE/4 of Section 32, Township 32 North, Range 10 West, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6243: Application of Caulkins Oil Company for four unorthodox gas well locations, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Breech "E" Wells Nos. 104 and 587, located in Unit P of Section 5 and Unit J of Section 4, respectively; and its Breech "A" Wells Nos. 207 and 679, located in Unit J of Sections 10 and 9, respectively, all in Township 26 North, Range 6 West, Blanco Meraverde Pool, Rio Arriba County, New Mexico.

BASS ENTERPRISES PRODUCTION CO.

P. O. BOX 2131
DENVER, COLORADO 80201
(303) 571-1314

Case 6240

April 27, 1978

State of New Mexico
Oil Conservation Division
Secretary - Director
P. O. Box 2088
Santa Fe, New Mexico 87501

1978

RE: Navajo 20 No. 1
Section 20, T-27-N, R-19-W
San Juan County, New Mexico

Gentlemen:

Please be advised that Bass Enterprises Production Company has applied for a permit to drill subject well at an unorthodox location as shown on the attached certified plat.

This location, as chosen, is the most desirable for geological reasons. It is considered critical, in order to obtain production, that porosity development in the Pennsylvanian be present. The subject well, as located, is considered to be at the most optimum surface location from geophysical interpretations.

The lessor of the lands surrounding the proposed well is the Navajo Tribal Council, with the lessees being as noted on the attached plat. Bass Enterprises Production Company will earn an interest by the drilling of this test well.

It is requested that the well location requirements as outlined under New Mexico Oil Conservation Commission Rule 104, paragraph 11 (b), be waived and that the SW/4 of SE/4 (40 acres) be assigned to the well.

A copy of this request is being forwarded to the lessees -- Wm. C. Lagos and Union Texas Petroleum -- and also to the Bureau of Indian Affairs.

Yours very truly,

BASS ENTERPRISES PRODUCTION CO.


E. B. Eubanks

EBE:d

Attachment

cc: B.I.A. - Window Rock, Arizona
Union Texas Petroleum - Denver
Wm. C. Lagos - Denver

SUITE 1340 COLORADO NATIONAL BUILDING 950 SEVENTEENTH STREET

1 / MEXICO OIL CONSERVATION COMMISS 1
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

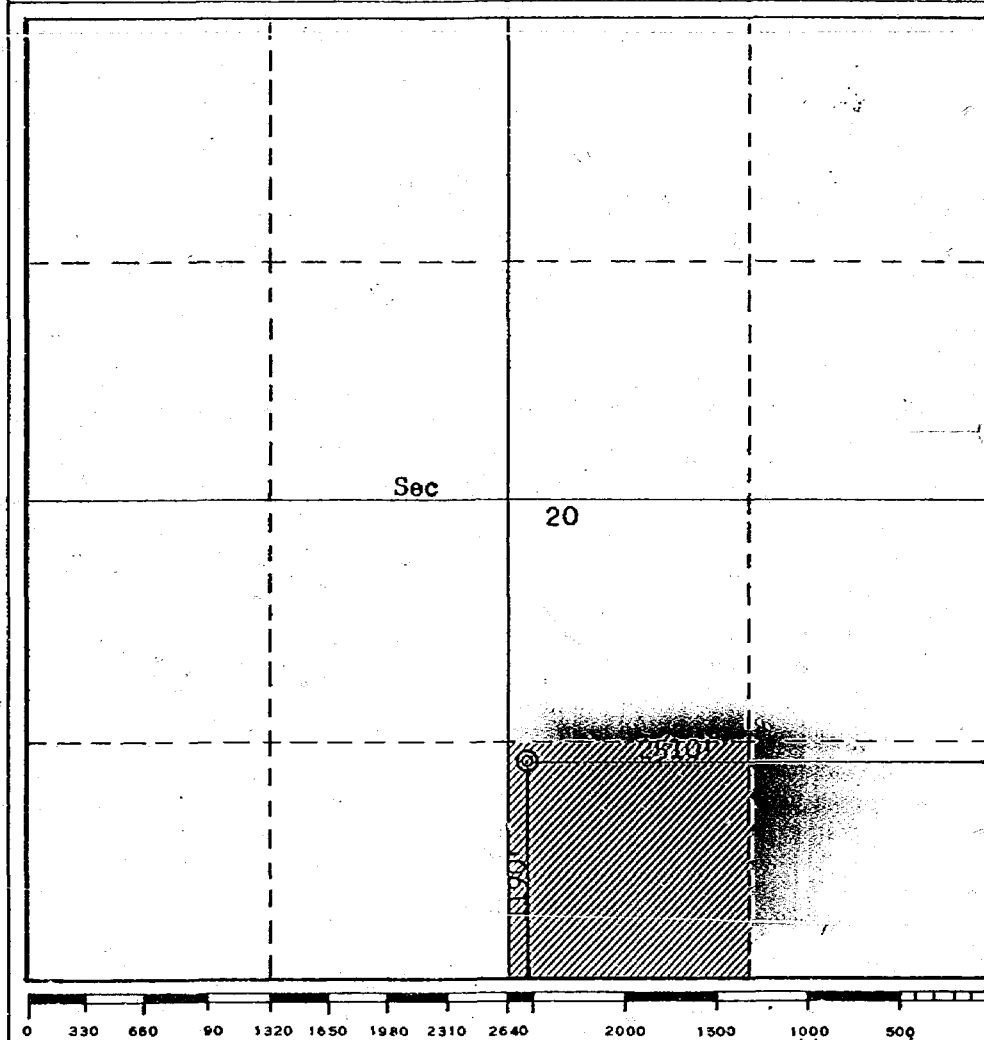
Operator BASS ENTERPRISES PRODUCTION COMPANY			Lease Navajo NOO-C-14-20-2976		Well No. 20-1
Unit Letter 0	Section 20	Township 27N	Range 19W	County San Juan	
Actual Footage Location of Well: 1190 feet from the South line and 2510 feet from the East line					
Ground Level Elev. 5711	Producing Formation Barker Creek		Pool Wildcat	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

E. B. Eubanks

Name
E. B. Eubanks
Position
Pet. Engineer
Company
Bass Ent. Prod. Co.
Date
April 20, 1978

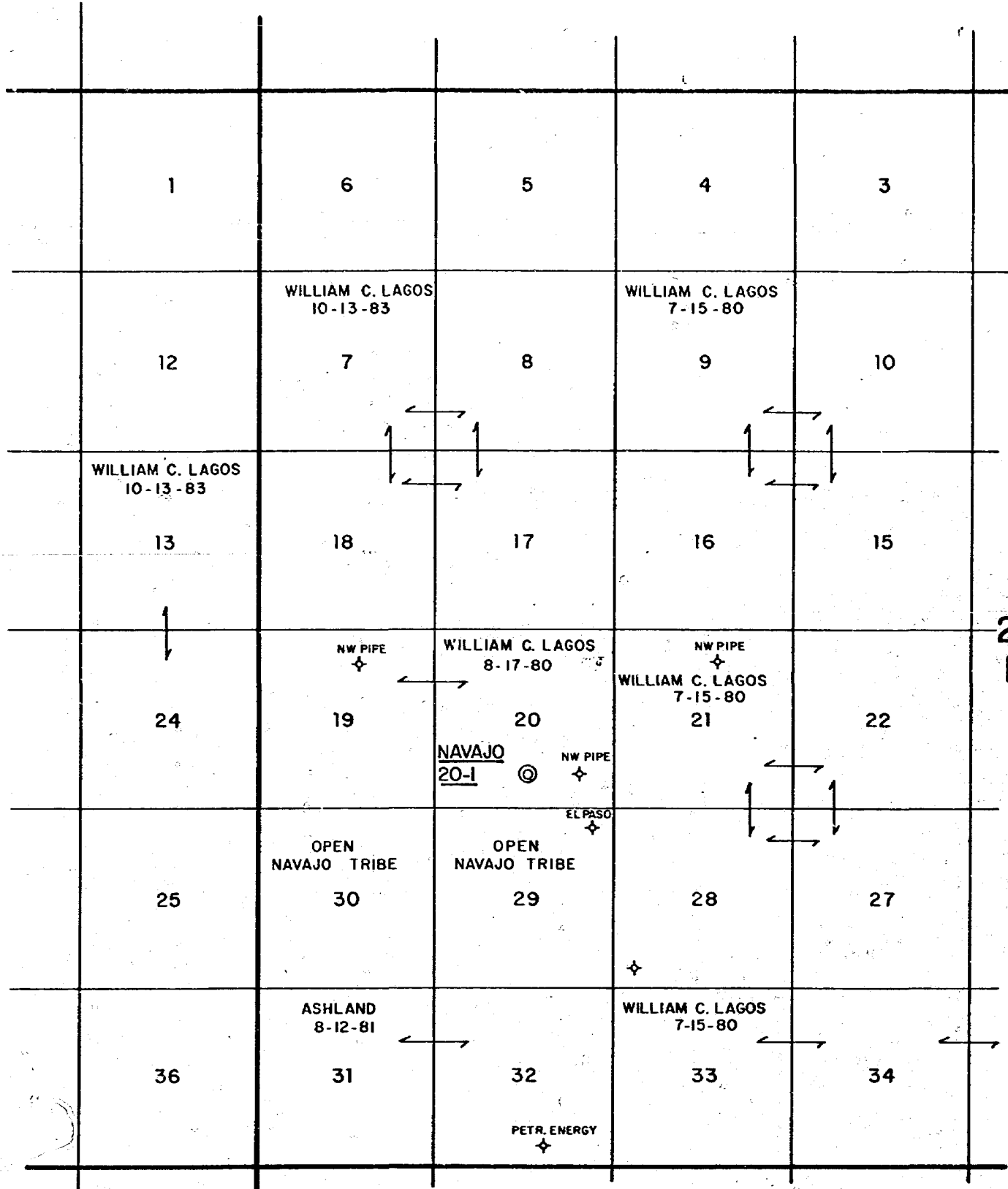
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
April 9, 1978
Registered Professional Engineer and/or Land Surveyor
Fred B. Kerk, Jr.
Certificate No. **3950**

FIGURE I

R 20 W

R 19 W



T
27
N

BASS ENTERPRISES PROD. CO.

BEAUTIFUL MTN.

SAN JUAN CO., NEW MEX.

LAND MAP

Scale 1" = 4000'

1 / MEXICO OIL CONSERVATION COMMISS 1
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator BASS ENTERPRISES PRODUCTION COMPANY			Lease Navajo NOO-C-14-20-2976		Well No. 20-1
Unit Letter 0	Section 20	Township 27N	Range 19W	County San Juan	

Actual Footage Location of Well:

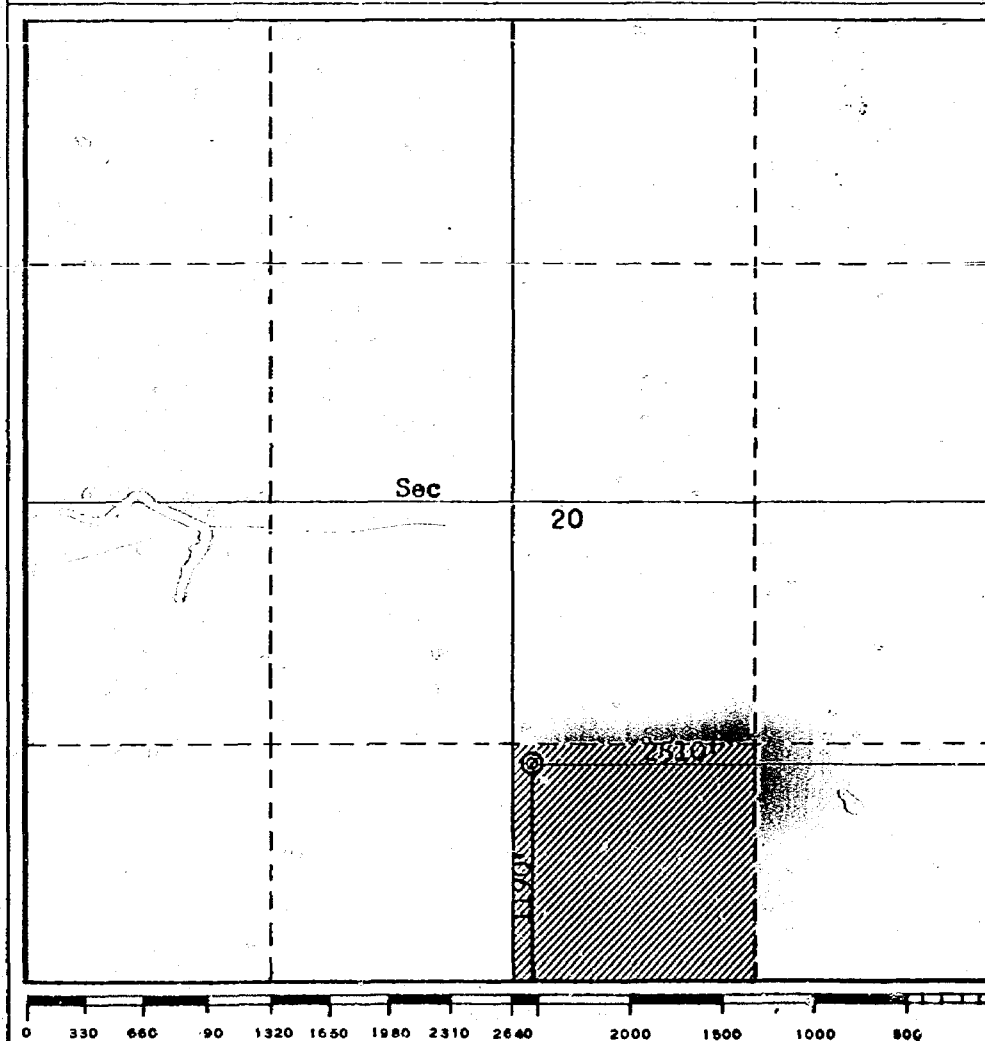
1190	feet from the South	line and	2510	feet from the East	line
Ground Level Elev. 5711	Producing Formation Barker Creek		Pool Wildcat	Dedicated Acreage: 40 Acres	

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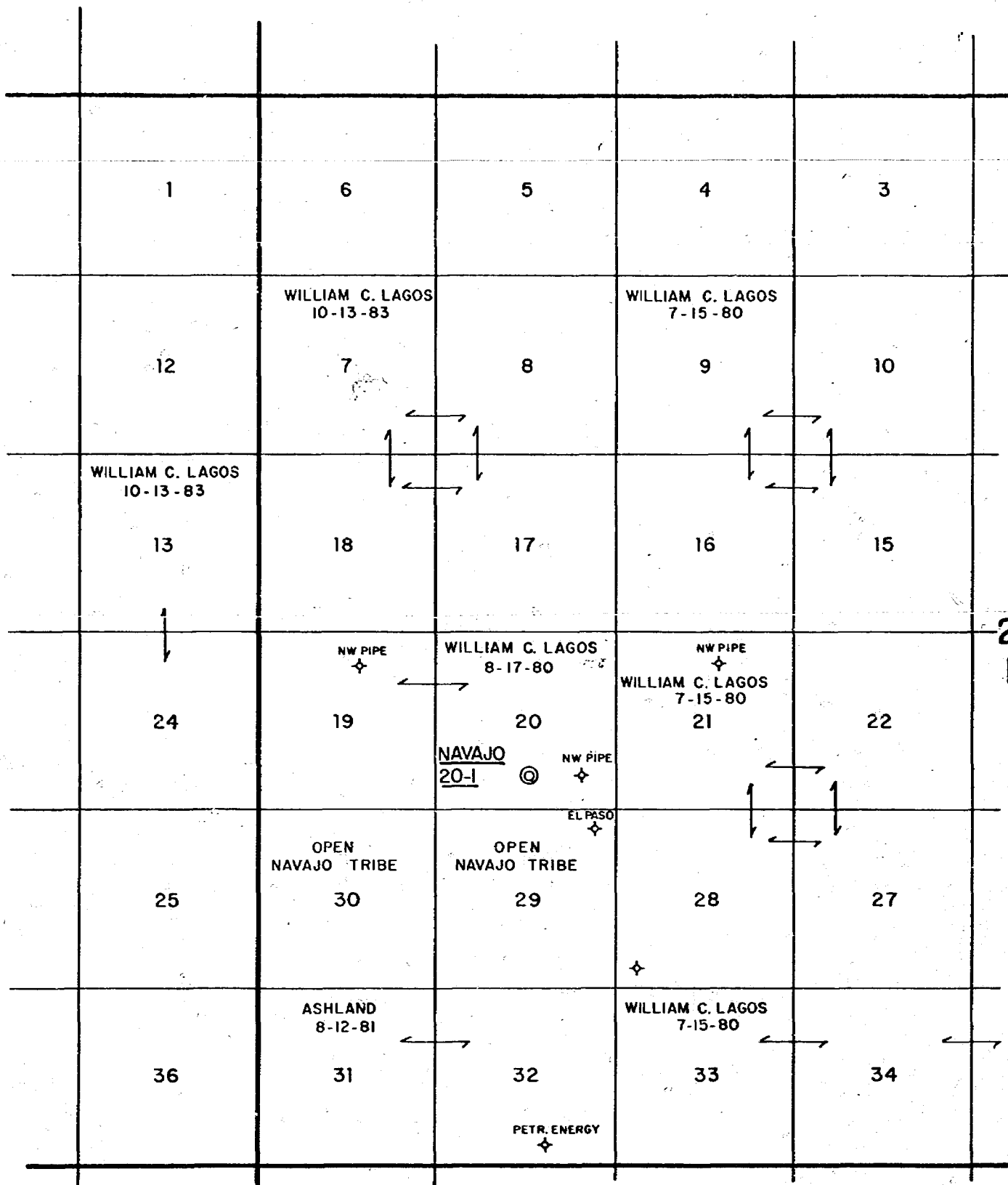
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R 20 W

R 19 W

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27
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BASS ENTERPRISES PROD. CO.

BEAUTIFUL MTN.

SAN JUAN CO., NEW MEX.

LAND MAP

Scale 1" = 4000'

BASS ENTERPRISES PRODUCTION CO.

P. O. BOX 2131
DENVER, COLORADO 80201
(303) 571-1314

April 27, 1978

APR 1 1978
OIL CONSERVATION COMMISSION

State of New Mexico
Oil Conservation Division
Secretary - Director
P. O. Box 2088
Santa Fe, New Mexico 87501

RE: Navajo 20 No. 1
Section 20, T-27-N, R-19-W
San Juan County, New Mexico

Gentlemen:

Please be advised that Bass Enterprises Production Company has applied for a permit to drill subject well at an unorthodox location as shown on the attached certified plat.

This location, as chosen, is the most desirable for geological reasons. It is considered critical, in order to obtain production, that porosity development in the Pennsylvanian be present. The subject well, as located, is considered to be at the most optimum surface location from geophysical interpretations.

The lessor of the lands surrounding the proposed well is the Navajo Tribal Council, with the lessees being as noted on the attached plat. Bass Enterprises Production Company will earn an interest by the drilling of this test well.

It is requested that the well location requirements as outlined under New Mexico Oil Conservation Commission Rule 104, paragraph 11 (b), be waived and that the SW/4 of SE/4 (40 acres) be assigned to the well.

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E. B. Eubanks
E. B. Eubanks

EBE:d

Attachment

cc: B.I.A. - Window Rock, Arizona
Union Texas Petroleum - Denver
Wm. C. Lagos - Denver

SUITE 1340 COLORADO NATIONAL BUILDING 950 SEVENTEENTH STREET

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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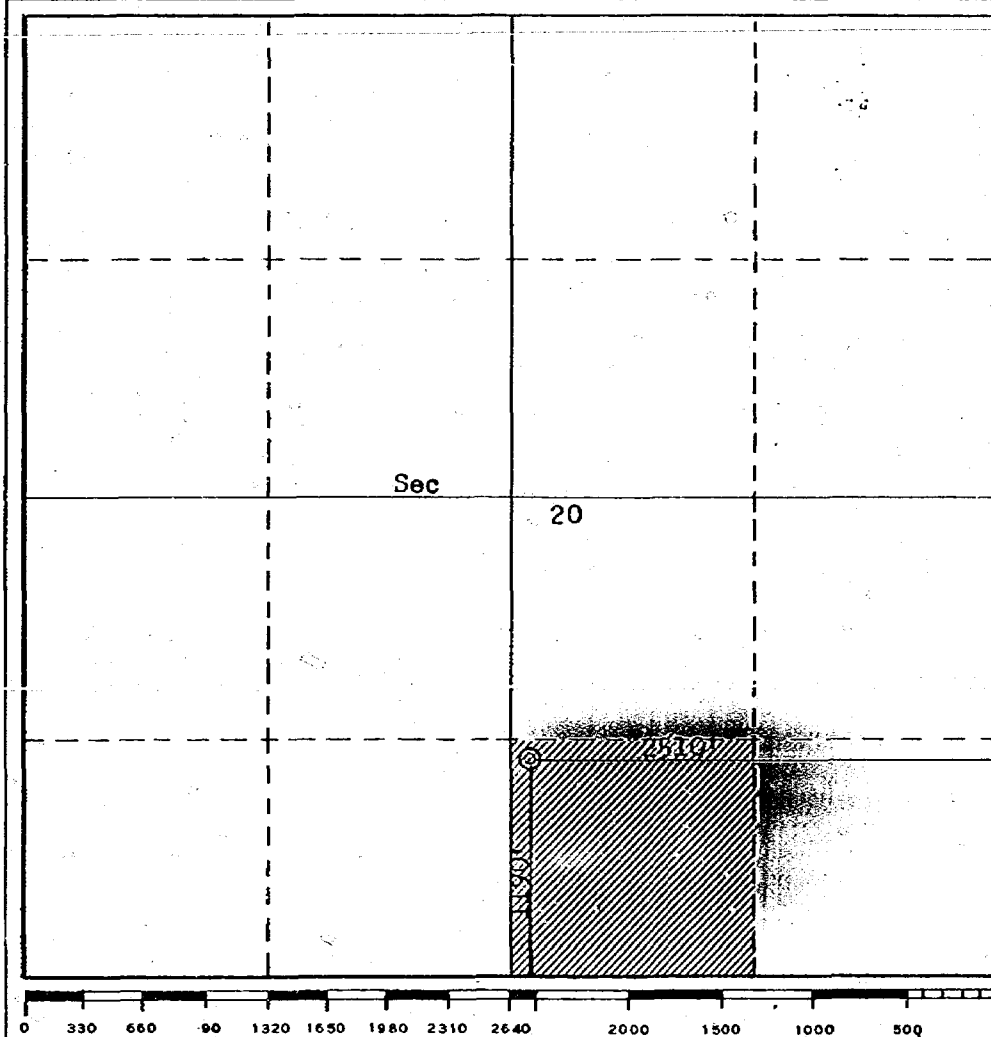
Operator BASS ENTERPRISES PRODUCTION COMPANY			Lease Navajo NOO-C-14-20-2976		Well No. 20-1
Unit Letter 0	Section 20	Township 27N	Range 19W	County San Juan	
Actual Footage Location of Well:					
1190		feet from the South	line and 2510	feet from the East	line
Ground Level Elev. 5711	Producing Formation Barker Creek		Pool Wildcat	Dedicated Acreage: 40 Acres	

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Company

Bass Ent. Prod. Co.

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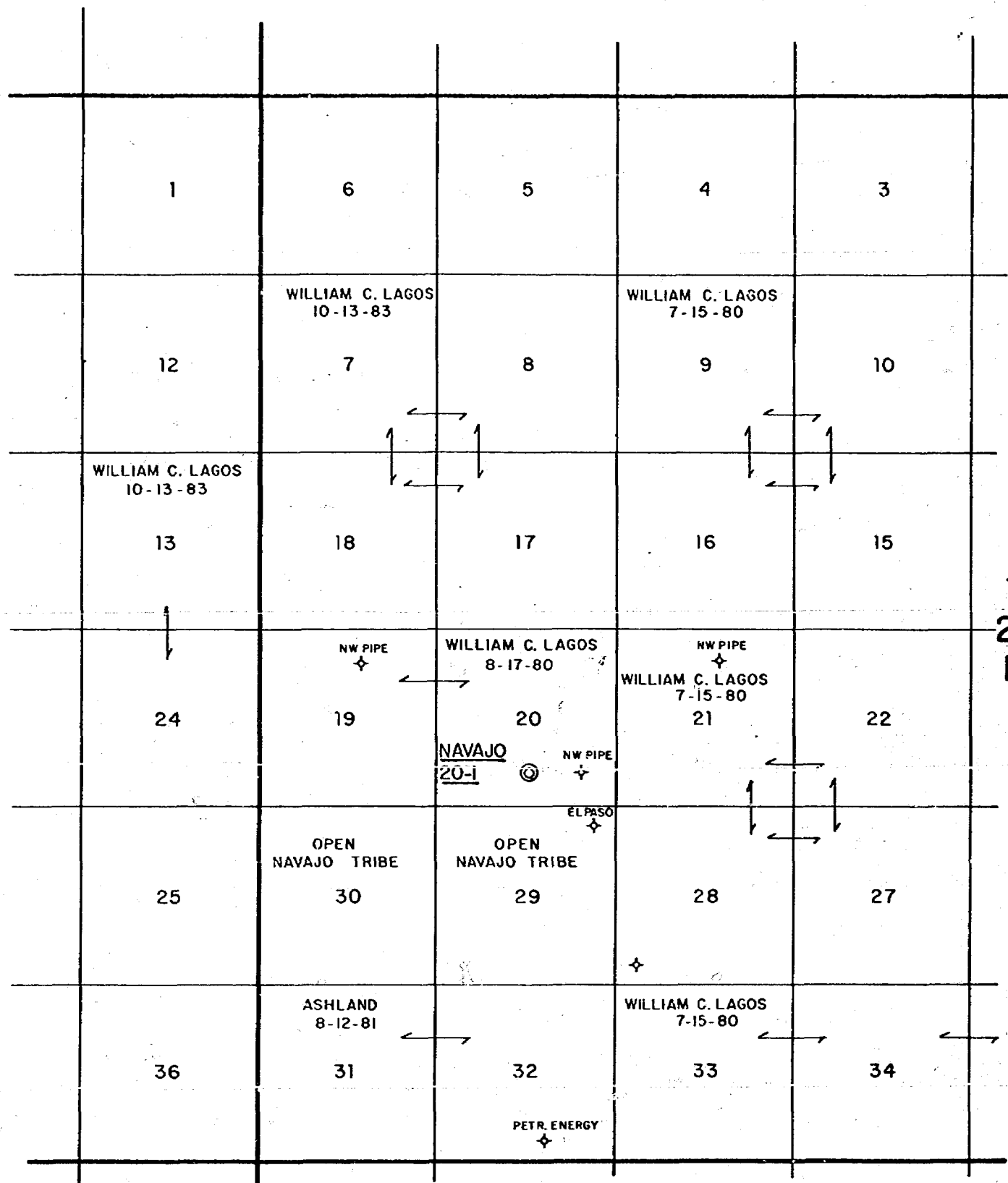
Fred B. Kettner, Jr.

Certificate No. **3950**

FIGURE I

R 20 W

R 19 W

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27
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BASS ENTERPRISES PROD. CO.
BEAUTIFUL MTN.
SAN JUAN CO., NEW MEX.

LAND MAP

Scale 1" = 4000'

1 / MEXICO OIL CONSERVATION COMMISS
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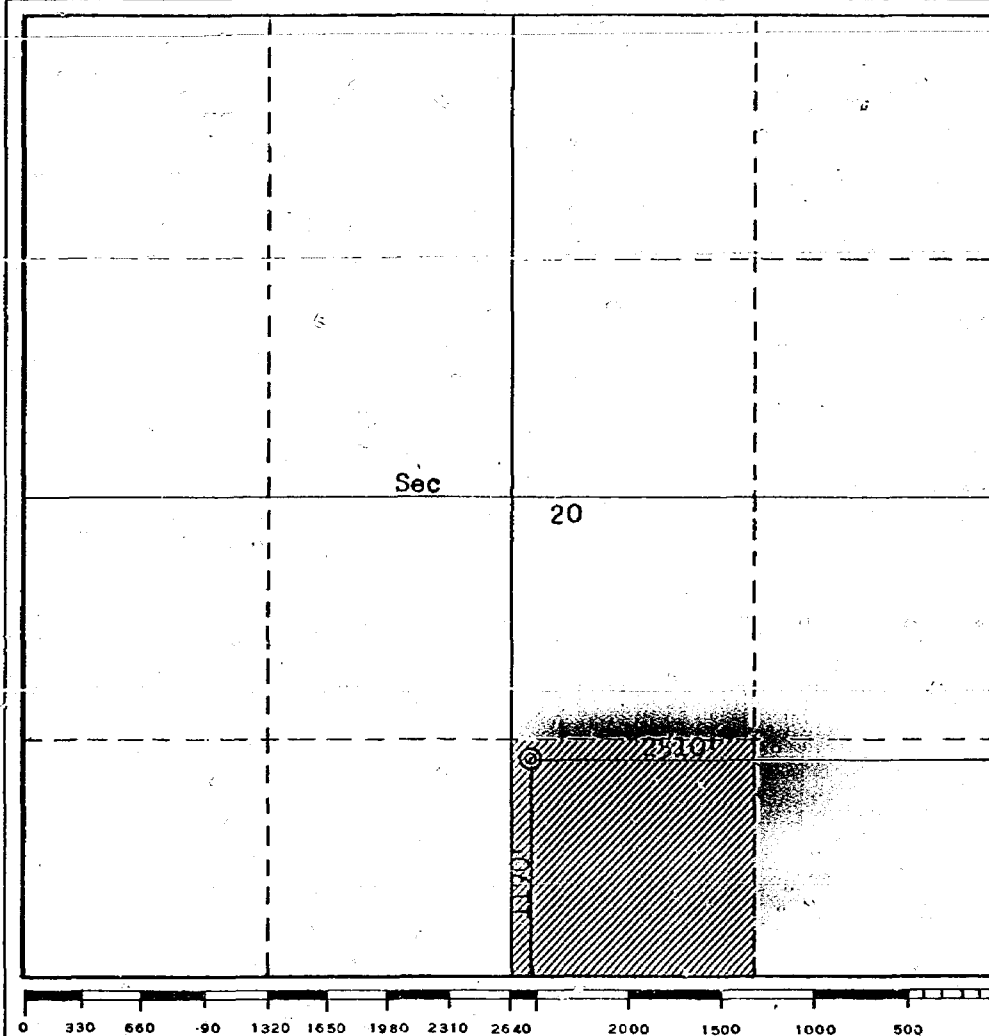
Operator BASS ENTERPRISES PRODUCTION COMPANY			Lease Navajo NOO-C-14-20-2976		Well No. 20-1
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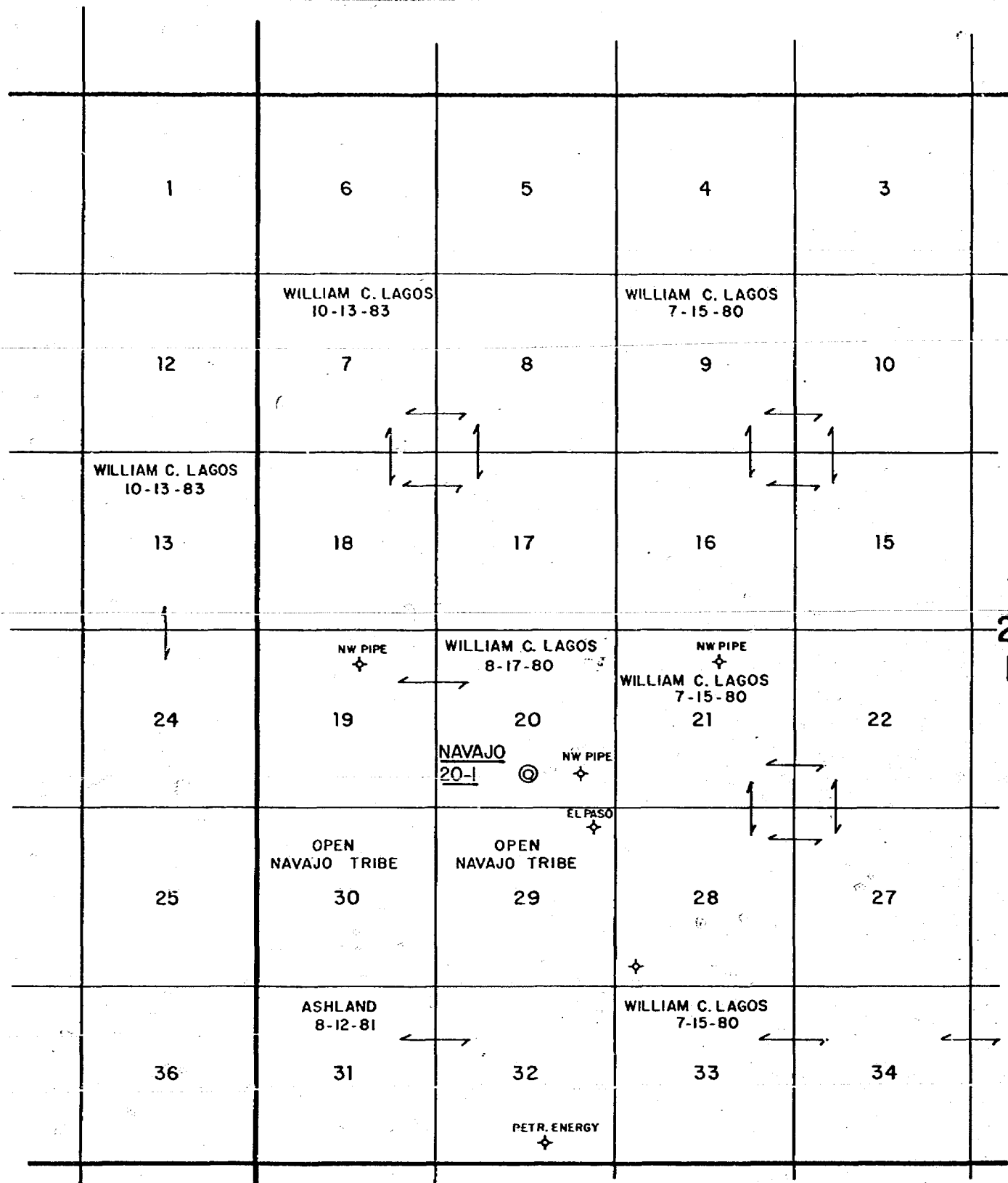
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Date Surveyed
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Fred B. Ketter
Fred B. Ketter, Jr.
Certificate No. **3950**

FIGURE I

R 20 W

R 19 W



BASS ENTERPRISES PROD. CO.
BEAUTIFUL MTN.
SAN JUAN CO., NEW MEX.

LAND MAP

Scale 1" = 4000'

DRAFT

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 6240

ORDER NO. R- 5745

APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY

FOR AN UNORTHODOX OIL WELL LOCATION,

SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 7,
19 78, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of June, 19 78, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

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

(2) That the applicant, Bass Enterprises Production Company,
oil for its Navajo 20 Well No. 1
seeks approval of an unorthodox ~~gas~~ well location/ 1190
feet from the South line and 2510 feet from the
East line of Section 20, Township 27 North
Range 19 West, NMPM, to test the Barker Creek-Pennsylvanian
formation, Pool, San Juan
County, New Mexico.

(3) That the SW/4 SE/4 of said Section 20 is to be
dedicated to the well.

(4) That a well at said unorthodox location will better
enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox
location.

-2-

Case No. _____

Order No. R- _____

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location for the Barker Creek ~~the~~ Bass Enterprises Production Company Navajo Well No. 1 ~~formation~~ ^{Pool} is hereby approved for ~~a well~~ to be drilled at a point 1190 feet from the South line and 2510 feet from the East line of Section 20, Township 27 North, Range 19 West NMPM, _____ Pool, San Juan County, New Mexico.

SW/4 SE/4
(2) That the _____ of said Section 20 shall be dedicated to the above-described well.

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

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