

Entered August 31, 1976



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. 5741
Order No. R-5263

APPLICATION OF GULF OIL CORPORATION 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 August 18, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 31st day of August, 1976, 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, Gulf Oil Corporation, seeks authority for the directional drilling of three wells on its Central Drinkard Unit, Drinkard Pool, Lea County, New Mexico, all in Section 33, Township 21 South, Range 37 East, with 40-acre proration units to be dedicated as follows:

Well No. 406, surface location 2200 feet from the South line and 1470 feet from the East line, bottom-hole location within 100 feet of a point 2390 feet from the South line and 870 feet from the East line, Unit I dedication;

Well No. 407, surface location 1475 feet from the South line and 1440 feet from the East line, bottom-hole location within 100 feet of a point 1110 feet from the South line and 700 feet from the East line, Unit P dedication and;

Well No. 420, surface location 2300 feet from the South line and 1520 feet from the East line, bottom-hole location within 100 feet of a point 1790 feet from the North line and 1030 feet from the East line, Unit H dedication.

(3) That the applicant seeks authority to directional drill said wells to permit the surface locations to be outside the Eunice city limits and more distant from occupied dwellings.

(4) That approval of the application is in the interest of conservation, inasmuch as it will minimize surface damage and fire hazard, and will not cause waste, and will not impair correlative rights, provided that the applicant should be required to determine the subsurface locations of the bottom of the holes by means of a continuous multi-shot directional survey conducted subsequent to directional drilling, if said wells are to be completed as producing wells.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to directionally drill three wells on its Central Drinkard Unit, Drinkard Pool, Lea County, New Mexico, all in Section 33, Township 21 South, Range 37 East, and with unit dedications as follows:

Well No. 406, surface location 2200 feet from the South line and 1470 feet from the East line, bottom-hole location within 100 feet of a point 2390 feet from the South line and 870 feet from the East line, Unit I dedication;

Well No. 407, surface location 1475 feet from the South line and 1440 feet from the East line, bottom-hole location within 100 feet of a point 1110 feet from the South line and 700 feet from the East line, Unit P dedication and;

Well No. 420, surface location 2300 feet from the South line and 1520 feet from the East line, bottom-hole location within 100 feet of a point 1790 feet from the North line and 1030 feet from the East line, Unit H dedication.

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

(2) That Form C-105 shall be filed in accordance with Commission Rule 1108 and the operator shall indicate thereon true vertical depths in addition to measured depths.

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

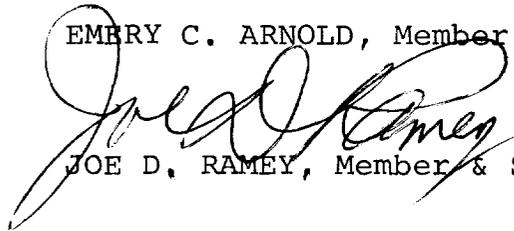
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

S E A L

jr/