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MARY LYNN BOGLE ERNEST L. CARROLL JOEL M. CARSON JAMES E. HAAS JOHN M. WYLIE

OF COUNSEL

A. J. LOSEE

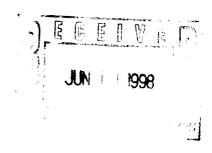
311 WEST QUAY AVENUE P. O. BOX 1720

ARTESIA, NEW MEXICO 88211-1720

TELEPHONE (505) 746-3505

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June 9, 1998



Mr. Michael Stogner, Hearing Examiner New Mexico Oil Conservation Division 2040 S. Pacheco Santa Fe. New Mexico 87504

Application of Bass Enterprises Production Co. for Unorthodox Re: Bottomhole Oil Well Location, Eddy County, New Mexico

Dear Mr. Stogner:

Enclosed, please find an original colored duplicate of the map attached to the application faxed and mailed on Friday for your file.

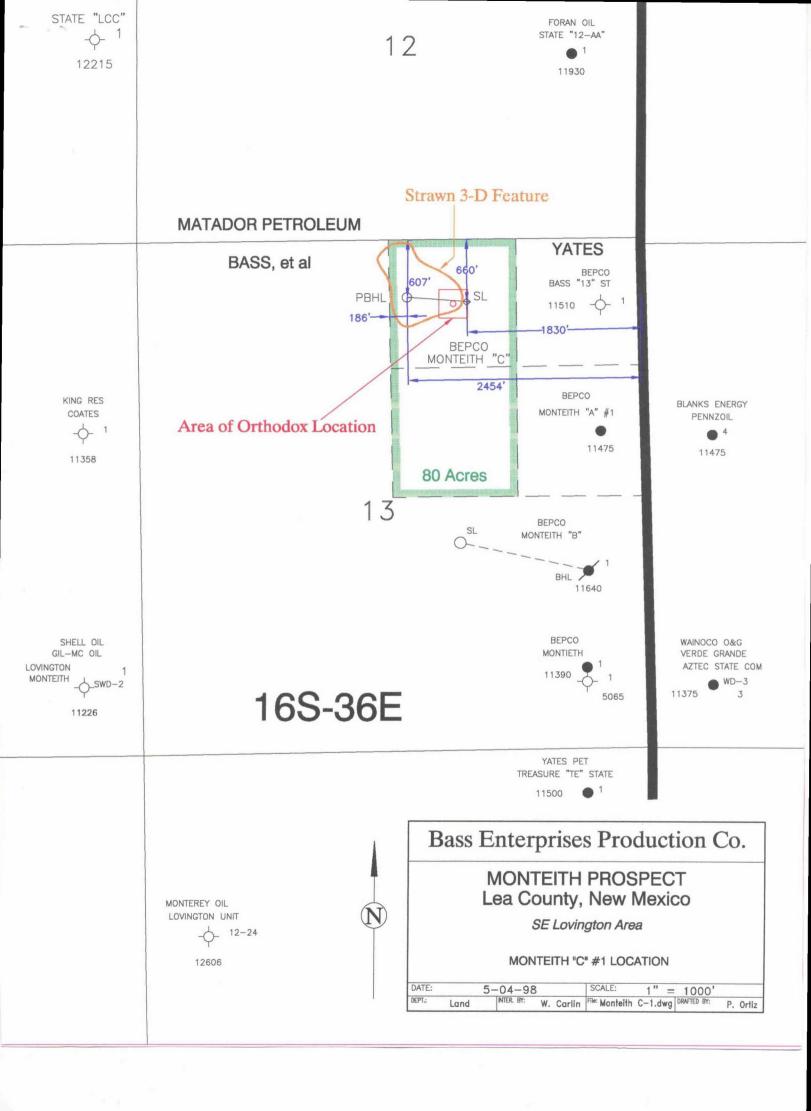
Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

Count Z Could

Ernest L. Carroll

ELC:kth Encl.



NSL States

LAW OFFICES

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ARTESIA, NEW MEXICO 88211-1720

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June 5, 1998

JUN - 8 1998

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. Michael Stogner, Hearing Examiner New Mexico Oil Conservation Division 2040 S. Pacheco Santa Fe, New Mexico 87504 Case 12010

Re: Application of Bass Enterprises Production Co. for Unorthodox

Bottomhole Oil Well Location, Eddy County, New Mexico

Dear Mr. Stogner:

JOHN M. WYLIE

OF COUNSEL

Pursuant to our conversation on Wednesday, I am submitting herewith the Application I described to you, plat attached, for filing. I am also enclosing directional well data herewith for your information.

If you have any questions concerning this application, do not hesitate to give me a call.

Very truly yours,

LOSEE, CARSON, HAAS & CARROLL, P.A.

ment I Carol

Ernest L. Carroll

ELC:kth

xc w/encl: Mr. Chris Williams, NMOCD, Hobbs District (by fax)

Mr. J. Wayne Bailey (by fax)

Tarly.

Anadrill Schlumberger STRUCTURE Monteith "C" #1 Lea County, NM

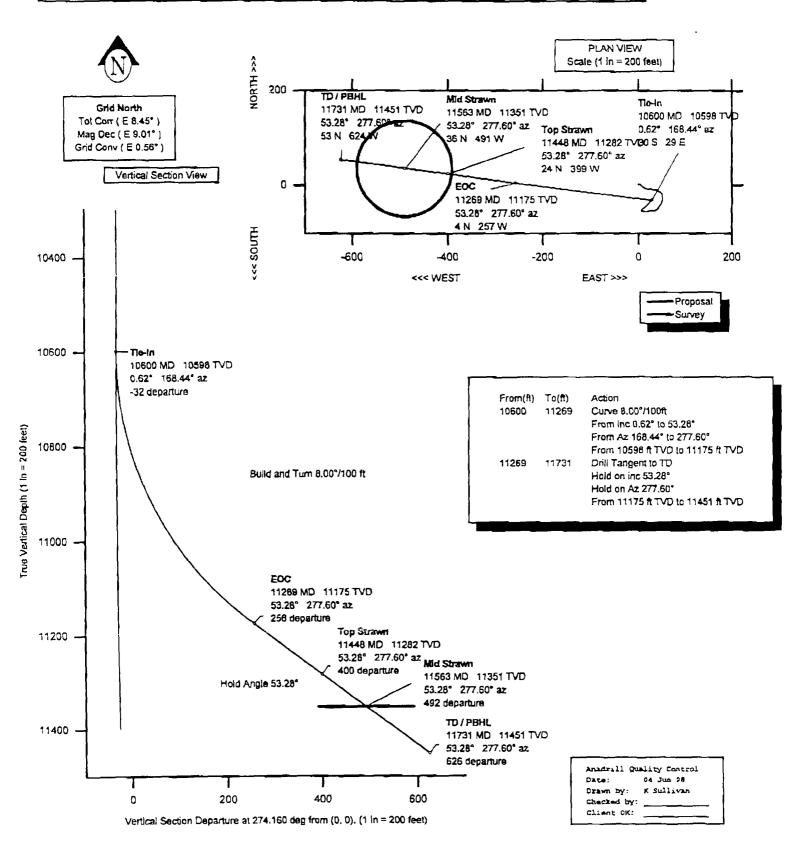


图 6/4/98-12:08 ⁶

Proposed Well Profile

Schlumberger

: Minimum Curvature : 274.160° DLS Computation Method : Lubinski Vertical Section Azimuth Survey Computation Method Structure: Bass Enterprises Prod. Co. Client: Bass Enlerprises Prod. Co. Fleid: Lea County, NM

Well: Monteith 'C'#1 Borehole: New Borehole

Date : June 04, 1998

API#:

Grid Convergence Angle : 0.55914217°

Scale Factor : 1.00002315

Vertical Section Origin: TVD Reference

N 0.000 ft, E 0.000 ft

50454.721 nT 9.00% Total Fleid Strength: Magnetic Declination

Declination Date: June 03, 1998 Dip : 61.253°

Magnetic Declination Model

North Reference : Grid North

Coordinate Reference To: Well Head

: NAD27 New Mexico State Planes, Eastern Zone, US Feet

Coordinate System

N 702724.300 flus, E 815600.800 flus

Location : N 32 55 39.475, W 103 18 17.215

Station ID	윺	luci	Azlm	DVT	VSec	Ni-S	E/∙₩	Closure	at Azlm	ors	TF
	(tt)	(,)	(,)	(M)	(H)	(ff)	(H)	(II)	(,)	("/100H)	(3)
Tie-In	10600.00	O	168.4	10598.10	-31.53	- 29.98	29.43	42.01	135.53	0.00	-82.4MTF
	10700.00	7	273.8	10697.79	-24.86	- 30.08	22.74	37.70	142.89	8.00	4.3
	10800.00		276.0	10795.60	-4.42	- 28.20	2.39	28.30	175.16	8.00	2.1
	10900.00	23	276.7	10889.61	29,40	- 24.42	- 31.25	39.66	232.00	8.00	1.4
	11000.00	31	277.1	10978.00	75.94	- 18.80	- 77.51	79.75	256.37	8.00	1.1
	11100.00		277.3	11059.04	134.30	- 11.45	- 135.49	135.97	265.17	9.00	0.9
	11200.00	47.79	277.5	11131.17	203.34	- 2.51	- 204.06	204.07	269.29	8.00	0.8
EOC	11268.62	53.28	277.6	11174.76	256.21	4.45	- 256.56	256.60	270.99	8.00	0.0
Top Strawn	11448.33	53.28	277.6	11282.20	400.00	23.50	- 389.35	400.04	273.37	00.0	0.0
Mid Strawn	11563.41	53.28	277.6	11351.00	492.09	35.70	- 490.79	492.09	274.16	0.00	0.0
TD / PBHL	11730.68	53.28	277.6	11451.00	625.93	53.43	- 623.70	625.98	274.90	00.0	0.0



OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR AN UNORTHODOX BOTTOMHOLE OIL WELL LOCATION, EDDY COUNTY, NEW MEXICO

CASE NO. /20/0

APPLICATION

COMES NOW BASS ENTERPRISES PRODUCTION CO., by and through its attorneys, Losee, Carson, Haas & Carroll, P. A. (Ernest L. Carroll) and in support hereof, respectfully states:

- 1. Applicant is the operator of the Strawn formation underlying the W/2 of the NE/4 of Section 13, Township 16 South, Range 36 East, NMPM, Eddy County, New Mexico. Applicant has already submitted an Application for Permit to Drill ("APD") its Monteith "C" No.1 Well at a surface location 660 feet from the north line and 1830 feet from the east line of said Section 13. The APD was approved on February 5, 1998, by Chris Williams, District Supervisor of the Oil Conservation Division, Hobbs District.
- 2. Said well was drilled to a true vertical depth of 11,476'. Said well is located in the Lovington Northeast (Penn) field. The applicable pool rules require that to be an orthodox well, said well must be drilled no farther than 150' from the center of the 40-acre spacing block upon which the well is drilled. The special pool rules permit 80-acre spacing.
- 3. The well, after having been tested, has been determined to be nonproductive. Applicant has determined that it missed the center of the Strawn feature it had targeted by 492'. Applicant now seeks an exception to the well location requirements of the special pool

rules of the Lovington Northeast (Penn) field in order to permit the locating of the bottom-hole location 2454' from the east line of said Section 13.

- 4. Said bottom-home location would still be within the 80-acre proration unit, being approximately 186' from the nearest boundary line of said proration unit.
- 5. Said drilling shall be accomplished by deviating the present wellbore at 10,600' below the surface and drilling said well in a westerly direction to a total depth of 11,451' total vertical depth, which will be arrived at at a point 492' west of the original bottom-hole location.
- 6. An 80-acre oil proration unit comprising the W/2 of the NE/4 of said Section 13 should be dedicated to such well.
- 7. The approval of this application will afford applicant the opportunity to produce its just and equitable share of oil, will prevent economic loss 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.
- 8. Attached hereto is a plat showing the surface location, bottom hole, proration unit and Strawn feature.

WHEREFORE, Applicant prays:

- A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.
 - B. That upon hearing the Division enter its order granting applicant permission to bottom the Monteith "C" Well No. 1 at a location 607' from the north line and 2454' from the east line of said Section 13, which is reasonably presumed to be productive of oil from the Strawn formation.
 - C. And for such other relief as may be just in the premises.

BASS ENTERPRISES PRODUCTION CO.

Ernect I Carroll

LOSEE, CARSON, HAAS & CARROLL, P.A. P. O. Box 1720 Artesia, New Mexico 88211-1720

Attorneys for Applicant

Case /20/0

PROPOSED ADVERTISEMENT

Applicant seeks an order granting applicant permission to bottom the Monteith "C" Well No. 1 at a location 607' from the north line and 2454' from the east line of said Section 13, which is reasonably presumed to be productive of oil from the Strawn formation. Said unit is located approximately 2 miles east of Lovington, New Mexico

