

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

FEB 28 1994

CASE NO. 10924

APPLICATION OF GECKO, INC. FOR DIRECTIONAL
DRILLING AND AN UNORTHODOX SURFACE AND BOTTOMHOLE
OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by GECKO, INC.
as required by the Oil Conservation Division.

APPEARANCE OF PARTIES

APPLICANT

GECKO, Inc.
310 West Wall Street
Midland, Texas 79701
Attn: Mr. Steve L. Thomson
(915) 686-0121

ATTORNEY

W. Thomas Kellahin
KELLAHIN AND KELLAHIN
P.O. Box 2265
Santa Fe, NM 87504
(505) 982-4285

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OPPOSITION OR OTHER PARTY ATTORNEY

None

STATEMENT OF CASE

APPLICANT

Gecko Inc. is the proposed operator for and a working interest owner in the Gecko State "35" Well No. 1 previously drilled at an unorthodox oil well location 434 FNL and 1762 feet FEL (Unit B) of Section 35, T16S, R37E, NMPM, Undesignated Casey-Strawn Pool, Lea County, New Mexico.

Gecko Inc. proposes to reenter this well at its unorthodox surface location, establish a kickoff point estimated to be approximately 9,000 measured depth and to drill directionally in a southerly direction to penetrate the base of the Strawn formation, at a true vertical depth of approximately 11,750 feet and within a 100 foot radius of a subsurface location 1762 feet FEL and 934 feet FNL of Section 35 being an unorthodox subsurface location for production from the Strawn formation of the Casey-Strawn Pool.

The Strawn formation at this location is within the Casey-Strawn Pool which provides, among other things, for 80-acre proration and spacing units for oil production with wells located within 150 feet of the center of a governmental quarter-quarter section.

Gecko Inc. also requests exceptions to Division General Rule 111 concerning this proposed intentional deviation and the size of the radius for the bottom hole target.

Based upon geological considerations and in order to maximize the opportunity to encounter the Strawn formation at its most favorable location in this spacing unit, Gecko Inc. proposes to locate the well in the Strawn formation at an unorthodox bottom hole location.

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Approval of a 100 foot radius bottom hole target will provide an economic savings to the cost bearing interest owners involved in this well.

The direction of encroachment is towards the S/2NE/4 of said Section 35 which involves the same owners with the same percentages as those who will participate in the subject well.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Steve L. Thomson (petroleum engineer)	20 min.	Est. 4-5
Benny Barton (geologist)	20 min.	Est. 3

PROCEDURAL MATTERS

None applicable at this time.

KELLAHIN AND KELLAHIN

By: 

W. Thomas Kellahin
P.O. Box 2265
Santa Fe, New Mexico 87504
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