



**High Angle/Horizontal Drilling Pilot
Project**

Van Hook LS #1 Well

Blanco Mesaverde Pool

San Juan County, New Mexico

NMOCD Case 10902

Amoco Production Company

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January 3, 1994

HAND-DELIVERED

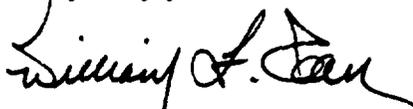
William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: Application of Amoco Production Company for a High Angle/Horizontal
Drilling Pilot Project Area and Special Operating Rules Therefor, San Juan
County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Amoco Production Company in the above-referenced case as well as a copy of a legal advertisement. Amoco Production Company respectfully requests that this matter be placed on the docket for the February 3, 1994 Examiner hearings.

Very truly yours,



WILLIAM F. CARR

WFC:mlh
Enclosures

cc: ✓ Bill Hawkins (w/enclosures)
Amoco Production Company
Post Office Box 800
Denver, CO 80201

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

IN THE MATTER OF THE APPLICATION
OF AMOCO PRODUCTION COMPANY
FOR A HIGH ANGLE/HORIZONTAL
DIRECTIONAL DRILLING PILOT PROJECT AREA
AND SPECIAL OPERATING RULES THEREFORE,
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

AMOCO PRODUCTION COMPANY ("Amoco"), through its undersigned attorneys, hereby makes application for approval of a high angle/horizontal directional drilling pilot project area and special operating rules therefore and in support thereof states:

1. Amoco is the operator of the Mesaverde formation, Blanco-Mesaverde Pool, underlying the S/2 of Section 27, Township 32 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, hereinafter referred to as the "Project Area."

2. Within the Project Area, Amoco seeks authority to:

- (a) reenter its Van Hook L.S. Well No. 1 located at a surface location 800 feet from the South line and 1090 feet from the West line (Unit M) of Section 27, Township 32 North, Range 11 West;
- (b) run a fracture orientation log on the Mesaverde formation;
- (c) use medium-radius drilling techniques to drill a high angle/horizontal well in the Mesaverde formation in a direction and lateral distance to be determined by Amoco;

- (d) traverse quarter-quarter section lines within the Project Area by its proposed wellbore; and
- (e) drill the proposed horizontal wellbore to within 790 feet of the outer boundary of the Project Area.

3. Horizontally drilling within the Project Area should result in the recovery of significant volumes of oil and gas which was not recovered by the existing conventional vertical wellbores, thereby preventing waste.

4. Approval of this application will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Amoco Production Company requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on February 3, 1994, and, after notice and hearing as required by law, the Division enter its Order granting this application.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR AMOCO PRODUCTION
COMPANY

CASE _____:

Application of Amoco Production Company for a high angle/horizontal directional drilling pilot project area and special operating rules therefore, San Juan County, New Mexico. Applicant seeks authority to institute a horizontal directional drilling project in the Blanco-Mesaverde Pool in the S/2 of Section 27, Township 32 North, Range 11 West. Applicant proposes to reenter its Van Hook L.S. Well No. 1 at a surface location 800 feet from the South line and 1090 feet from the West line (Unit M); kicking off from vertical, build angle a medium radius curve and continue drilling in said pool. Applicant further seeks special rules and provisions within the project area including authorization to cross quarter and quarter-quarter section lines and the designation of a prescribed area for the wellbore limiting the horizontal displacement of any drainhole to within 790 feet of the boundary of the project area. Said project area is located approximately _____ miles _____ of _____, New Mexico.

Amoco Production Company

Offset Operator Plat

Van Hook LS #1

T32N - R11W, Sec. 27

800 FSL & 1090 FWL

Blanco Mesaverde Formation

	21		22		23
			1		1
	28	1	27		26
			 Van Hook LS #1		1
			1		1
	33	1	34		35

1. Amoco Production Company