



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

Carl J. Christensen
Assistant Division
Production Manager

September 18, 1974

File: RCJ-2514-WF

Re: Plan of Development and
Delaware Participating Area
Old Indian Draw Unit
Eddy County, New Mexico

Mr. James E. Kapteina
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, NM 87501

Dear Sir:

Attached for your approval are copies of our letters of July 17 and 18, 1974, recommending a participating area and 1974 plan of development to the USGS for the Amoco operated Old Indian Draw Unit in Indian Draw Delaware Field, Eddy County, New Mexico. Copies of the USGS replies are also attached. Please advise your concurrence or comments on these matters.

Yours very truly,

C. J. Christensen

JVM/jw
3/4271

cc: Mr. J. A. Atkinson

United States Department of the Interior

GEOLOGICAL SURVEY

Drawer 1357
Roswell, New Mexico 88201

August 5, 1974

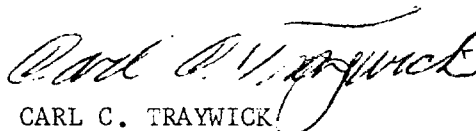
Amoco Production Company
Attention: Mr. Carl J. Christensen
P.O. Box 3092
Houston, Texas 77001

Gentlemen:

One approved copy of your 1974 plan of development for the Old Indian Draw unit area, Eddy County, New Mexico, proposing the drilling of one Delaware development well, is enclosed. Such plan was approved on this date subject to like approval by the appropriate officials of the State of New Mexico.

Subsequent plans of development require three copies for proper handling by this office.

Sincerely yours,



CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

PRODUCING DEPT.			
AUG 9 '74			
	T. C. B.		
	C. J. C.		
	J. C. B.		
	E. E. M.		
1	J. M. E.		
	W. R. S.		
	C. G. F.		
2	RCS	7	
3	JVM	7	
FILE DESTROY			



Amoco Production Company

601 Jefferson Building
P.O. Box 6092
Houston, Texas 77001

Carl A. Christensen
Assistant Division
Production Manager

July 17, 1974

File: RCJ-2214-LF

Re: Plan of Development
Old Indian Draw Unit
Eddy County, New Mexico

Mr. N. O. Frederick
United States Department of
the Interior
P.O. Drawer 1857
Roswell, NM 88201

U.S. DEPARTMENT OF THE INTERIOR
ROSWELL, NEW MEXICO

Dear Sir:

This letter is to provide you with additional data on the Plan of Development for the subject unit which we discussed in our letter of June 5, 1974, File: JRB-1798-LF.

Among other things this letter concluded that the initial well in the Old Indian Draw Unit was a "commercial" well in the Delaware. It was completed December 15, 1973 pumping 108 barrels oil and 5 barrels water per day from perforations 3260-90' in the Delaware Sand. This well was drilled to a total depth of 12,450' and penetrated all of the potentially productive Pennsylvanian sands. Some 8 drill stem tests were taken with only small shows being obtained. Well log analysis confirmed that only the Delaware Sand was worthy of further testing and the well was completed in this zone.

Attached is a map of Old Indian Draw Unit showing the initial well which is located in the NW/4 of the SE/4, Section 18, T-22-S, R-28-E, Eddy County, New Mexico. No Delaware structure lines are shown as the area is monoclinical in nature dipping slowly to the east. Structure is not believed to have any significant role in the production. Delaware fields in this area are not usually large and we believe it can best be evaluated by drilling 40 acre extension wells. The Esperanza Field some 3.7 miles northwest has one excellent Delaware well surrounded by 3 dry 40-acre offsets.

Mr. N. O. Frederick
Page 2
July 17, 1974

We therefore propose that one Delaware well be drilled during the remainder of 1974. This test would be located in the SW/4 of SE/4, Section 18, T-22-S, R-28-E. Current rig and pipe shortages are causing us to limit our drilling from what we would ordinarily propose.

Your approval of the above is respectfully requested.

J. Christensen

JVM/jw
3/360-236

APPROVED AUG 05 1974
David C. Wappler
ACTING Area Oil & Gas Supervisor
U. S. Geological Survey

Subject to like approval by the
appropriate State officials.



United States Department of the Interior

GEOLOGICAL SURVEY

Drawer 1857
Roswell, New Mexico 88201

RECEIVED WTD LAND HOUSTON	JUL 29 1974	July 24, 1974									
		MAK	FL								
		JDA	RKR	JWD	DT	JSD	WDM	KO	Pis. Handls	Fin.	Ret.

Amoco Production Company
P.O. Box 3092
Houston, Texas 77001

Gentlemen:

Your application of July 18, 1974, requesting approval of the initial Delaware participating area for the Old Indian Draw unit agreement, Eddy County, New Mexico, was approved on July 24, 1974, by the Acting Area Oil and Gas Supervisor, U. S. Geological Survey, effective as of December 15, 1973.

The initial Delaware participating area, consisting of 40 acres described as the NW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 18, T. 22 S., R. 28 E., is based on the completion of unit well No. 1. The well, located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ sec. 18, T. 22 S., R. 28 E., was completed on December 15, 1973, for 108 barrels of oil per day from the Delaware interval from 3,260 feet to 3,290 feet. It has produced 19,867 barrels of oil to July 1, 1974, for a daily average of approximately 108 barrels of oil per day.

Copies of the approved application are being distributed to the appropriate Federal offices, and one approved copy is being returned herewith. You are requested to furnish the State of New Mexico and all other interested parties with appropriate evidence of this approval.

Sincerely yours,

CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

Carl J. Christensen
Assistant Division
Production Manager

18
July 87, 1974

File: RCJ-2213-LF

Re: Delaware Participating Area
Old Indian Draw Unit
Eddy County, NM

Mr. N. O. Frederick
United States Department of the Interior
P. O. Drawer 1857
Roswell, NM 88201

JUL 1 1974
U. S. GEOLOGICAL SURVEY
ROSWELL, N.M. 88201

Dear Sir:

This letter is to provide you with additional data on the recommended Delaware Participating Area of the subject unit which we discussed in our letter of June 5, 1974, File: JRB-1798-LF.

The initial well on this Unit was completed as a "commercial" Delaware oil producer from perforations 3260'-3290' on December 15, 1973. The well has produced to July 1, 1974, a total of 19,867 barrels oil and 2813 barrels water. Gas production has averaged only 150 cubic feet per barrel of oil and it is all used on the lease. Attached is a map showing the unit, initial well location, and proposed participating area.

Most Delaware production in Southeast New Mexico is from relatively small fields. For example, the Esperanza Delaware Field some 3.7 miles northwest has one good 40 acre Delaware oil producer which has been offset by 3 dry holes. The structure of the area does not seem to bear directly on production or the lack of same. The Delaware in this area is monoclinial and dips slightly to the east. We presently believe any 40 acre proration unit cannot be assumed as reasonably productive until a well has been successfully completed thereon.

File: RCJ-2213-LF

Page 2

July 18, 1974

We therefore propose that the Initial Delaware Participating Area comprise 40 acres being the NW/4 of the SE/4 of Section 18, T22S, R28E, Eddy County, New Mexico. All production from the initial well should be allocated to this tract. Our records show this tract as having 12.5% USA royalty ownership with the lessee of record being Amoco Production Company. The tract is burdened with an overriding royalty to Robert N. Enfield and wife Mona L. Enfield in the amount of \$750 per acre production payment out of 2%, and an overriding royalty to Anita L. Berger and husband, Henry Berger in the amount of \$750 per acre production payment out of 3%.

Your favorable consideration of the above is respectfully requested.

Very truly yours,

G. Christensen

GJM/dgh
4/096

Attachment

Approved JUL 24 1974

Effective DEC 15 1973

Paul A. Trogner
ACTING Area Oil & Gas Supervisor
U. S. Geological Survey



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

June 4, 1976

File: RCJ-1550-LF

Re: 1976 Plan of Development
Old Indian Draw Unit
Eddy County, New Mexico

Mr. Carl C. Traywick (3)
Acting Area Oil and Gas Supervisor
United States Department of the Interior
Geological Survey
P.O. Drawer 1857
Roswell, NM 88201

Mr. James E. Kapteina (3)
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, NM 87501

Gentlemen:

By our letter of December 15, 1975, File: RCJ-4250-LF, we made various recommendations regarding the subject unit one of which was a recommended 1976 Plan of Development calling for at least three Delaware tests. You each subsequently approved our recommendations. We believe this plan permits the drilling of additional wells over three but to be sure we wish to advise you of current operations and our plans for the rest of this year.

We have already drilled three Delaware wells and completed them as producers. We are now observing their performance to determine if they are commercial wells. Meanwhile we have staked three more Delaware locations and are certain that at least two of them will be drilled. The third one is contingent upon what we find at one of the other two wells.

File: RCJ-1550-LF

Page 2

June 4, 1976

We are also aware of the fact that a Delaware test may soon be drilled directly offsetting the unit. If it is completed as a good well and performs satisfactorily we may wish to drill a compensating well inside the unit as soon as possible late this year.

We trust the above meets with your approval.

Yours very truly,

ORIGINAL SIGNED

A. R. REED

BY JLM

JVM/js

5/254-262



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

A. R. Reed
Division Operations
Superintendent

June 4, 1976

File: RCJ-1550-LF

Re: 1976 Plan of Development
Old Indian Draw Unit
Eddy County, New Mexico

Mr. Carl C. Traywick (3)
Acting Area Oil and Gas Supervisor
United States Department of the Interior
Geological Survey
P.O. Drawer 1857
Roswell, NM 88201

Mr. James E. Kapteina (3) ✓
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, NM 87501

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File: RCJ-1550-LF
Page 2
June 4, 1976

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We trust the above meets with your approval.

Yours very truly,

JVM/js
5/254-262



Amoco Production Company

500 Jefferson Building
P.O. Box 3092
Houston, Texas 77001

A. R. Reed
Division Operations
Superintendent

June 4, 1976

File: RCJ-1550-LF

Re: 1976 Plan of Development
Old Indian Draw Unit
Eddy County, New Mexico

Mr. Carl C. Traywick (3)
Acting Area Oil and Gas Supervisor
United States Department of the Interior
Geological Survey
P.O. Drawer 1857
Roswell, NM 88201

Mr. James E. Kapteina (3) ✓
New Mexico Oil Conservation Commission
P.O. Box 2088
Santa Fe, NM 87501

Gentlemen:

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We have already drilled three Delaware wells and completed them as producers. We are now observing their performance to determine if they are commercial wells. Meanwhile we have staked three more Delaware locations and are certain that at least two of them will be drilled. The third one is contingent upon what we find at one of the other two wells.

File: RCJ-1550-LF

Page 2

June 4, 1976

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We trust the above meets with your approval.

Yours very truly,

JVM/js

5/254-262



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer 1857
Roswell, New Mexico 88201

July 1, 1976

5 - 9

Amoco Production Company
Attention: Mr. A. R. Reed
P. O. Box 3092
Houston, Texas 77001

Gentlemen:

The June 4, 1976 supplement to your 1976 plan of development for the Old Indian Draw unit area, Eddy County, New Mexico, advises of your plans to drill additional Delaware wells and protect the unit area from drainage from outside the unit area. Such supplement is hereby approved subject to like approval by the appropriate State officials.

One approved copy is enclosed.

Sincerely yours,

(ORIG. SGD.) CARL C. TRAYWICK

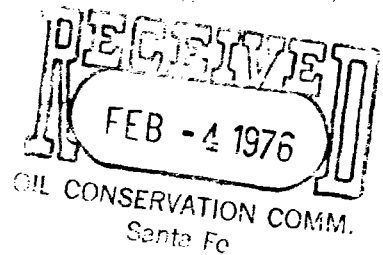
CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

cc:

Artesia (w/cy of plan)
NMOCC, Santa Fe (ltr. only) ← This Copy for
Com. Public Lands, Santa Fe (ltr. only)

JAGillham:dlk

P. O. Drawer 1857
Roswell, New Mexico 88201



January 30, 1976

Amoco Production Company
Attention: Mr. A. R. Reed
P. O. Box 3092
Houston, Texas 77001

Gentlemen:

Your letter of December 15, 1975, requesting favorable consideration of four recommendations for the Old Indian Draw unit agreement, Eddy County, New Mexico, has been approved on this date by the Acting Area Oil and Gas Supervisor, U. S. Geological Survey. Such approval is subject to like approval by the New Mexico Oil Conservation Commission.

The four recommendations approved are:

1. The second revision adding 40 acres described as the NW $\frac{1}{4}$ NE $\frac{1}{4}$ sec. 19, T. 22S., R. 28E., N.M.P.M., which enlarges the Delaware participating area to 120 acres effective as of May 1, 1975. Such revision is based on the completion of unit well No. 3, located in this same 40 acres, as a paying well pursuant to Section 9 of the unit agreement.
2. The third revision adding 76.18 acres described as the SW $\frac{1}{4}$ NE $\frac{1}{4}$ and lot 9 of sec. 18, T. 22S., R. 28E., N.M.P.M., further enlarging the Delaware participating area to 196.18 acres effective as of September 1, 1975. Such revision is based on the completion of unit wells No. 5, located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of sec. 18, and No. 6, located in lot 9 of sec. 18, as paying wells pursuant to Section 9 of the unit agreement.
3. A determination that unit well No. 4, located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of sec. 18, T. 22S., R. 28E., N.M.P.M., is not capable of producing unitized substances in paying quantities from the Delaware. Such well, completed June 1, 1975, rapidly declined to all water with the recovery of 945 barrels of oil.
4. A 1976 plan of development wherein you propose the drilling of three additional unit Delaware wells.

Copies of your approved letter of recommendations are being distributed to the appropriate Federal offices and one approved copy is returned herewith. You are requested to furnish all interested parties with appropriate evidence of this approval..

Sincerely yours,

[ORIG. SIGNED] CARL C. TRAYWICK

CARL C. TRAYWICK
Acting Area Oil and Gas Supervisor

Enclosure

cc:

BLM, Santa Fe (ltr only)
NMOCC (letter only) ← This Copy for
Artesia (w/cy recommendations)
(3) File copies
1) Delaware Part. Area
2) Non-Com. Delaware
3) Plan of Development

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

June 5, 1975

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Attention: Mr. D. R. Currens

Re: First Revision, Delaware Participating
Area,
Old Indian Draw Unit, Eddy County,
New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the First Revision to the Delaware participating Area for the Old Indian Draw Unit, Eddy County, New Mexico, subject to like approval by the United States Geological Survey.

Very truly yours,

Joe D. Ramey
Secretary-Director

JDR/JEK/rs

cc: United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

June 5, 1975

C
O
P
Y

Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Attention: Mr. D. R. Currens

Re: 1975 Plan of Development,
Old Indian Draw Unit,
Eddy County, New Mexico.

Gentlemen:

This is to advise that the New Mexico Oil Conservation Commission has this date approved the 1975 Plan of Development, dated January 24, 1975, for the Old Indian Draw Unit, Eddy County, New Mexico, subject to like approval by the United States Geological Survey.

Very truly yours,

Joe D. Ramey
Secretary-Director

JDR/JEK/rs

cc: United States Geological Survey
Drawer 1857
Roswell, New Mexico 88201