

well file copy



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

2040 S. PACHECO  
SANTA FE, NEW MEXICO 87505  
(505) 827-7131

December 1, 1994

Phillips Petroleum Company  
4001 Penbrook  
Odessa, Texas 79762

Attention: L. M. Sanders

**AMENDED**  
***Administrative Order DD-101 (NSBHL)***

Dear Mr. Sanders:

Reference is made to your letter of application dated November 18, 1994, under the provisions of General Rules 111 (C), (D) and (E) and 104 (F), to amend Administrative Order DD-101, issued by the Division on November 15, 1994 for authorization to directional drill the East Vacuum Grayburg/San Andres Unit Well No. 388, Lea County, New Mexico.

At this time the Division Director finds that:

- (1) The amended application has been duly filed under the directional drilling provisions of Rules 111 (D) and (E) of the Division General Rules and Regulations;
- (2) Under the provisions of Division General Rule 104.F(1) the applicant further requests that the bottom-hole location be unorthodox for the purpose of completing an efficient injection/production pattern within the East Vacuum Grayburg/San Andres Unit Pressure Maintenance Project Area;
- (3) The proposed well and its dedicated acreage is within the applicant's East Vacuum Grayburg/San Andres Unit Area;
- (4) No notification was required in this instance; and,
- (5) The applicant has presented satisfactory evidence that all requirements prescribed in General Rule 111 have either been or will be met.

**IT IS THEREFORE ORDERED THAT:**

(1) The applicant, Phillips Petroleum Company, is hereby authorized to directionally drill its proposed East Vacuum Grayburg/San Andres Unit Well No. 388, the surface which shall be 349 feet from the South line and 414 feet from the West line (Unit M) of Section 27, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, by kicking-off from vertical in a southeasterly direction and drilling in such a manner as to bottom in the ~~Vacuum~~ **Grayburg-San Andres Pool within 50 feet of a target point located 295 feet from the South line and 255 feet from the West line** (Unit M) of said Section 27, being an unorthodox bottom-hole oil well location for said formation.

**PROVIDED HOWEVER THAT** prior to commencing directional drilling operations into said wellbore, the applicant shall establish the location of the kick-off point by means of a directional survey acceptable to the Division.

**PROVIDED HOWEVER THAT** during or upon completion of said directional drilling operations, the applicant shall conduct an accurate wellbore survey from the kick-off point to total depth in order that the subsurface bottomhole location, as well as the wellbore's true depth and course, may be determined.

(2) The applicant shall notify the supervisor of the Hobbs district office of the Division of the date and time said wellbore surveys are to be conducted so that they may be witnessed. The applicant shall further provide a copy of said wellbore surveys to the Santa Fe and Hobbs offices of the Division upon completion.

(3) Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.

(4) Said well shall be dedicated to an existing standard 40- acre oil spacing and proration unit comprising the SW/4 SW/4 of said Section 27.

(5) The previous Division Administrative Order DD-101, dated November 15, 1994, shall be superseded by this amended order and placed in abeyance until further notice.

(6) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

*Administrative Order DD-101 (NSBHL)*

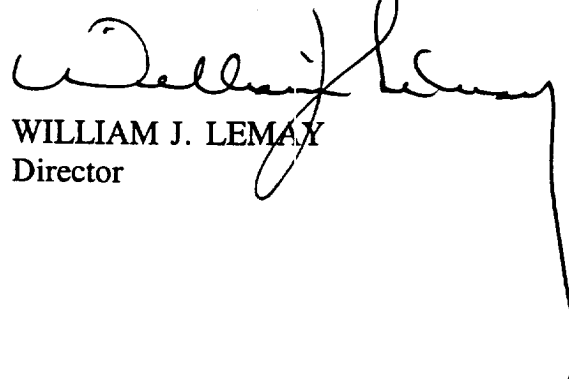
*December 1, 1994*

*Page No. 3*

---

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the printed name and title. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the name.

WILLIAM J. LEMAY  
Director

S E A L

WJL/MES/kv

cc: Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe