

CASE 7267: CONOCO INC. FOR A DUAL
COMPLETION AND UNORTHODOX LOCATION, LEA
COUNTY, NEW MEXICO

Case No.

7267

Application

Transcripts

Small Exhibits

ETC



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

June 29, 1981

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. Jason Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 7267
ORDER NO. B-671U

Applicant:

Conoco Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD _____ X
Artesia OCD _____ X
Aztec OCD _____

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7267
Order No. R-6710

APPLICATION OF CONOCO INC.
FOR A DUAL COMPLETION AND
UNORTHODOX LOCATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 5, 1981,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of June, 1981, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Conoco Inc., seeks authority to
complete its SEMU Permian Well No. 107 at an unorthodox location
2615 feet from the South line and 2615 feet from the East line
of Section 19, Township 20 South, Range 38 East, NMPM, Lea
County, New Mexico, as a dual completion (conventional) to pro-
duce oil from the Skaggs-Grayburg Pool and an undesignated Paddock
pool through parallel strings of tubing.

(3) That the mechanics of the proposed dual completion
are feasible and in accord with good conservation practices.

(4) That a well at said unorthodox location results from
recompletion following a failed secondary recovery project infill
well attempt.

(5) That no offset operator objected to the proposed un-
orthodox location.

-2-
Case No. 7267
Order No. R-6710

(6) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Conoco Inc., is hereby authorized to complete its SEMU Permian Well No. 107 at an unorthodox location, hereby approved, 2615 feet from the South line and 2615 feet from the East line of Section 19, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Skeggs-Grayburg Pool and an undesignated Paddock pool through parallel strings of 2 3/8-inch tubing with separation of the zones to be achieved by means of a packer set at approximately 4050 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the undesignated Paddock pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
3 June 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Conoco, Inc.. for a
ducal completion and unorthodox
location, Lea County, New Mexico.

CASE
7267

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Jason Kellahin Esq
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe New Mexico 87501

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I N D E X

GARY W. FONAY

Direct Examination by Mr. Kellahin

Cross Examination by Mr. Stamets

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E X H I B I T S

Applicant Exhibit One, Plat

Applicant Exhibit Two, Map

Applicant Exhibit Three, Log

Applicant Exhibit Four, Log

Applicant Exhibit Four-A, Log

Applicant Exhibit Five, Schematic

Applicant Exhibit Six, Application

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MR. STAMETS: We'll call next Case 7267.

MR. PADILLA: Application of Conoco, Inc., for a dual completion and unorthodox well location, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please. Jason Kellahin representing the applicant.

We have one witness to be sworn.

(Witness sworn.)

GARY W. FONAY

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A Gary W. Fonay.

Q Would you spell that, please?

A G-A-R-Y W. F-O-N-A-Y.

Q By whom are you employed and in what position, Mr. Fonay?

A By Conoco, Incorporated, in Hobbs, New Mexico, as Supervising Production Engineer.

1
2 Q Have you ever testified before the Oil
3 Conservation Division or one of its examiners?

4 A No, sir.

5 Q For the benefit of the Examiner, would
6 you briefly outline your education and experience?

7 A I graduated from the Colorado School
8 of Mines with a BS in petroleum engineering in May of 1976.
9 Immediately following that I joined Conoco as Production
10 Engineer in New Orleans, Louisiana. I worked there for ap-
11 proximately a year and a half; then moved to Lake Charles,
12 Louisiana, as Drilling Engineer; was there for approximately
13 two and a half years; then worked there as a reservoir en-
14 gineer for approximately one year.

15 And in January of this year I moved to
16 Hobbs, New Mexico, as Supervising Production Engineer, and
17 am currently there.

18 MR. KELLAHIN: Are the witness' quali-
19 fications acceptable?

20 MR. STAMETS: They are.

21 Q Mr. Fornay, are you familiar with the
22 application of Conoco in Case Number 7267?

23 A Yes, sir, I am.

24 Q What does the applicant propose in
25 this case?

1
2 A What we're proposing in this case is
3 dually completion of the SEMU Well No. 107.

4 If the Examiner will refer to Exhibit
5 Number One, it is a plat of the subject well, showing the
6 proration unit it will share with Well No. 34.

7 Conoco wishes to dually complete this
8 well in the Skaggs Grayburg and Undesignated Paddock Pools.

9 This well was drilled at an unorthodox
10 location of 2615 feet from the south and 2615 feet from the
11 east in Section 19 of 20 South, 38 East, in Lea County.

12 We propose to dedicate the 40 acres, as
13 shown, which consists of the northwest quarter of the south-
14 east quarter, to each producing horizon.

15 Q Now were these zones the target of the
16 well when it was drilled?

17 A No, sir, they were not. We had originally
18 planned to complete the well in the Blinebry Oil and Gas Pool
19 and the Skaggs Drinkard Pool under the name of SEMU Burger
20 No. 107.

21 Q That's S-E-M-U?

22 A S-E-M-U Burger No. 107.

23 Due to the change of producing zones,
24 we propose to change the name to the S-E-M-U Permian No. 107.

25 Q Now was a Blinebry-Drinkard completion

1
2 attempted?

3 A. The Drinkard was tested and produced
4 100 percent water. No completion attempt was made in the
5 Blinebry zone, as a log analysis indicated the interval to be
6 nonproductive.

7 Q. Now did you have authority to drill at
8 the nonstandard location where this well was drilled?

9 A. Yes, sir. It was drilled by the author-
10 ity of Order Number R-6307, dated April 15th of 1980.

11 Q. Now would you refer now to Exhibit
12 Number Two and identify that exhibit?

13 A. Yes, sir. Exhibit Number Two is a map
14 of the Southeast Monument Unit, showing the Grayburg wells
15 in the waterflood area. Well No. 107 is designated by an
16 arrow.

17 Q. Now do you have a map showing the
18 Paddock wells?

19 A. No, sir, the nearest Paddock production
20 is more than two miles away.

21 Q. Now would you refer to the next three
22 exhibits, Number Three, Number Four, and Number Four-A, and
23 explain them?

24 A. Yes, sir. Exhibit Three is a copy of
25 the compensated neutron log across the Grayburg zone. It

1
2 shows the top and bottom of the Grayburg interval and shows
3 the gross perforated interval of that zone from 3912 feet to
4 3933 feet.

5 Exhibit Number Four is a duolateral log
6 and Exhibit Four-A, a compensated neutron formation density
7 across the Paddock formation, also indicating top and bottom
8 of that formation and the gross interval perforated, which
9 is from 5703 to 5755.

10 Q Now would you refer now to Exhibit
11 Number Five and identify that exhibit?

12 A Yes, sir. Exhibit Five is the downhole
13 schematic showing casing string, sizes, setting depth,
14 cementing data, proposed packers, and other pertinent data,
15 all of which is in compliance with standards of the NMOCD.

16 Q Now other dual completions have been
17 completed in this same fashion with approval of the Commission?

18 A Yes, sir, other duals in the same
19 fashion, not in the exact same zone.

20 Q I see. Would you expect any problems
21 in maintaining separation between these two zones with the
22 type of downhole assembly you are using, as shown on this
23 exhibit?

24 A No, sir, not at all. Paddock formation
25 will be virgin pressure, approximately 2400 psi. The Gray-

1
2 burg in that area is a bottom hole pressure of approximately
3 1600 psi, for a differential of approximately 800 psi.

4 The proposed equipment in this well is
5 designed to withstand much greater differential pressure
6 than that.

7 Q Now would you refer now to Exhibit
8 Number Six and discuss that exhibit?

9 A Yes. Exhibit Six is an application for
10 multiple completion, showing other pertinent data of the
11 subject well.

12 Q This is a standard Commission form of
13 application, is that correct?

14 A Yes, sir.

15 Q Have you tested the two zones for pro-
16 duction?

17 A Yes, sir. We've swab tested both inter-
18 vals separately. Based on these the Paddock formation should
19 pump about 36 barrels of oil per day at an estimated GOR of
20 about 5 - 6000.

21 The Grayburg should pump about 20
22 barrels of oil per day with minimal gas.

23 Q Will approval of this application in
24 your opinion result in the prevention of waste and the re-
25 covery of oil or gas that would not otherwise be recovered?

1
2 A. Yes, sir.

3 Q. Will the correlative rights of any
4 offset operator be impaired?

5 A. No, sir, not at all.

6 Q. Were Exhibits One through Six prepared
7 by you or under your supervision?

8 A. Yes, they were.

9
10 MR. KELLAHIN: At this time we offer
11 Exhibits One through Six, inclusive.

12 MR. STAMETS: These exhibits will be
13 admitted.

14 MR. KELLAHIN: That's all I have, Mr.
15 Stamets.

16 CROSS EXAMINATION

17 BY MR. STAMETS:

18 Q. Is the --- looking back at Exhibit Number
19 Two, it would appear as though the well 107 is located near
20 the center of the section and that that whole section is one
21 basic lease, is that correct?

22 A. That's -- that's true with the exception
23 of the far northwest northwest quarter -- northeast northeast
24 quarter.

25 Q. Right. Okay, so the only person being

1
2 crowded there is Continental.

3 A. Yes, sir.

4 Q. Okay.

5 MR. STAMETS: Are there any other ques-
6 tions of this witness? He may be excused.

7 Anything further in this case?

8 The case will be taken under advisement.

9
10 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____,
heard by me on _____ 19____.

_____, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
3 June 1981

EXAMINER HEARING

IN THE MATTER OF:

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CASE
7267

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For the Applicant:

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I N D E X

GARY W. FONAY

Direct Examination by Mr. Kellahin	3
Cross Examination by Mr. Stamets	9

E X H I B I T S

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22 barrels of oil per day with minimal gas.

23 Q Will approval of this application in
24 your opinion result in the prevention of waste and the re-
25 covery of oil or gas that would not otherwise be recovered?

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A. Yes, sir.

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Q Will the correlative rights of any
offset operator be impaired?

5

A. No, sir, not at all.

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Q Were Exhibits One through Six prepared
by you or under your supervision?

8

A. Yes, they were.

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MR. KELLAHIN: At this time we offer
Exhibits One through Six, inclusive.

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MR. STAMETS: These exhibits will be
admitted.

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Stamets.

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CROSS EXAMINATION

17

BY MR. STAMETS:

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Q Is the -- looking back at Exhibit Number
Two, it would appear as though the well 107 is located near
the center of the section, and that that whole section is one
basic lease, is that correct?

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A. That's -- that's true with the exception
of the far northwest northwest quarter -- northeast northeast
quarter.

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Right. Okay, so the only person being

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crowded there is Continental.

A. Yes, sir.

Q. Okay.

MR. STAMETS: Are there any other questions of this witness? He may be excused.

Anything further in this case?

The case will be taken under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7267 heard by me on 6-3 1981.

Richard L. Stamm, Examiner
Oil Conservation Division

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

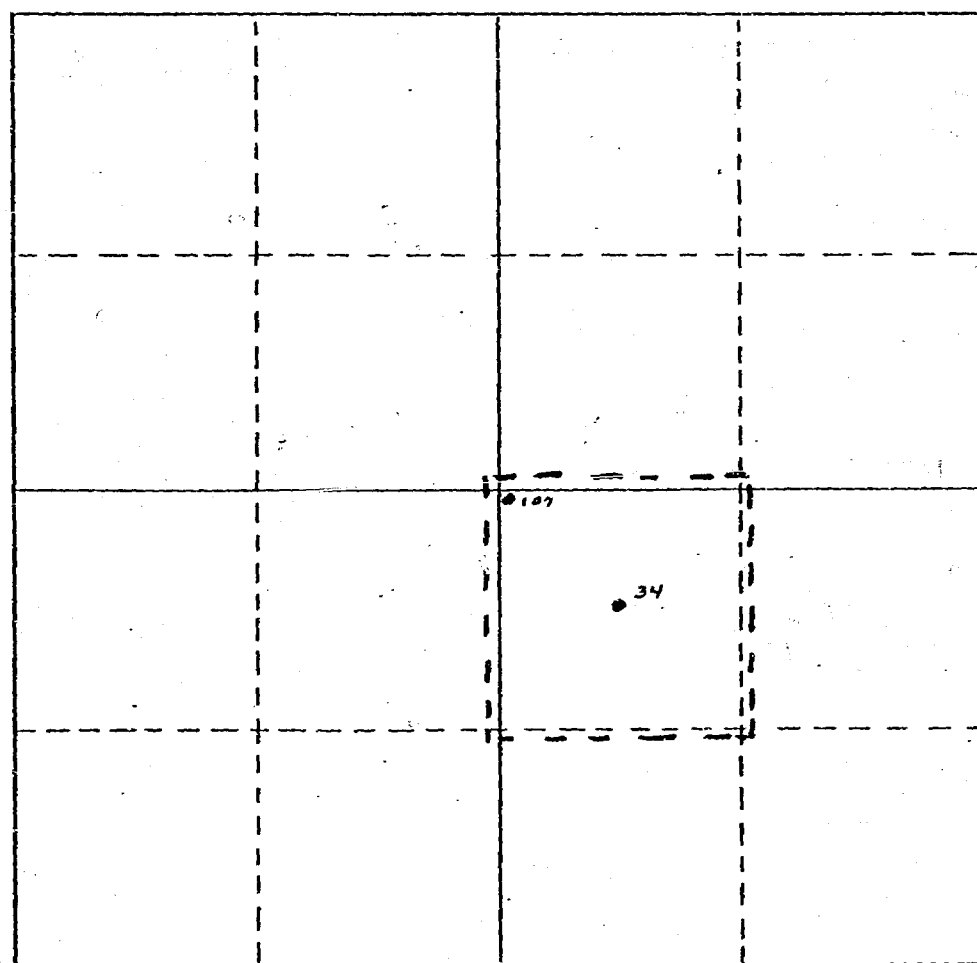
Operator Conoco Inc.			Lease SEMU Permian		Well No. 107
Unit Letter J	Section 19	Township 20 South	Range 38 East	County Lea	
Actual Footage Location of Well: 2615 feet from the South line and 2615 feet from the East line					
Ground Level Elev. 3536.7	Producing Formation Grayburg Paddock		Pool Skaggs Grayburg/Undesignated Paddock		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
S/ W.A. Butterfield

Position
Adm. Supervisor

Company
Conoco Inc.

Date
2/21/80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
January 12, 1979

Registered Professional Engineer and/or Land Surveyor

S/ John West

Certificate No.

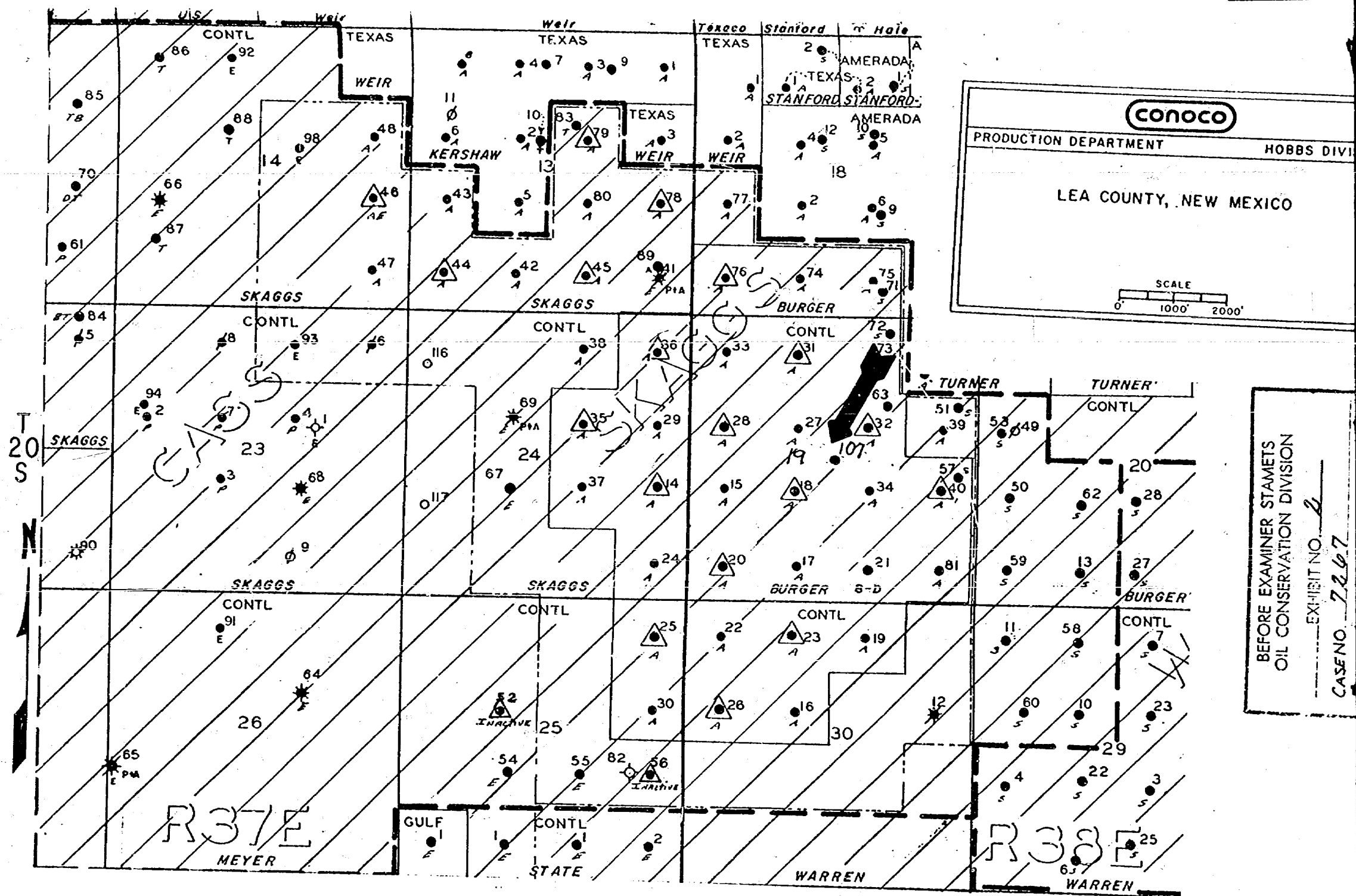
BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

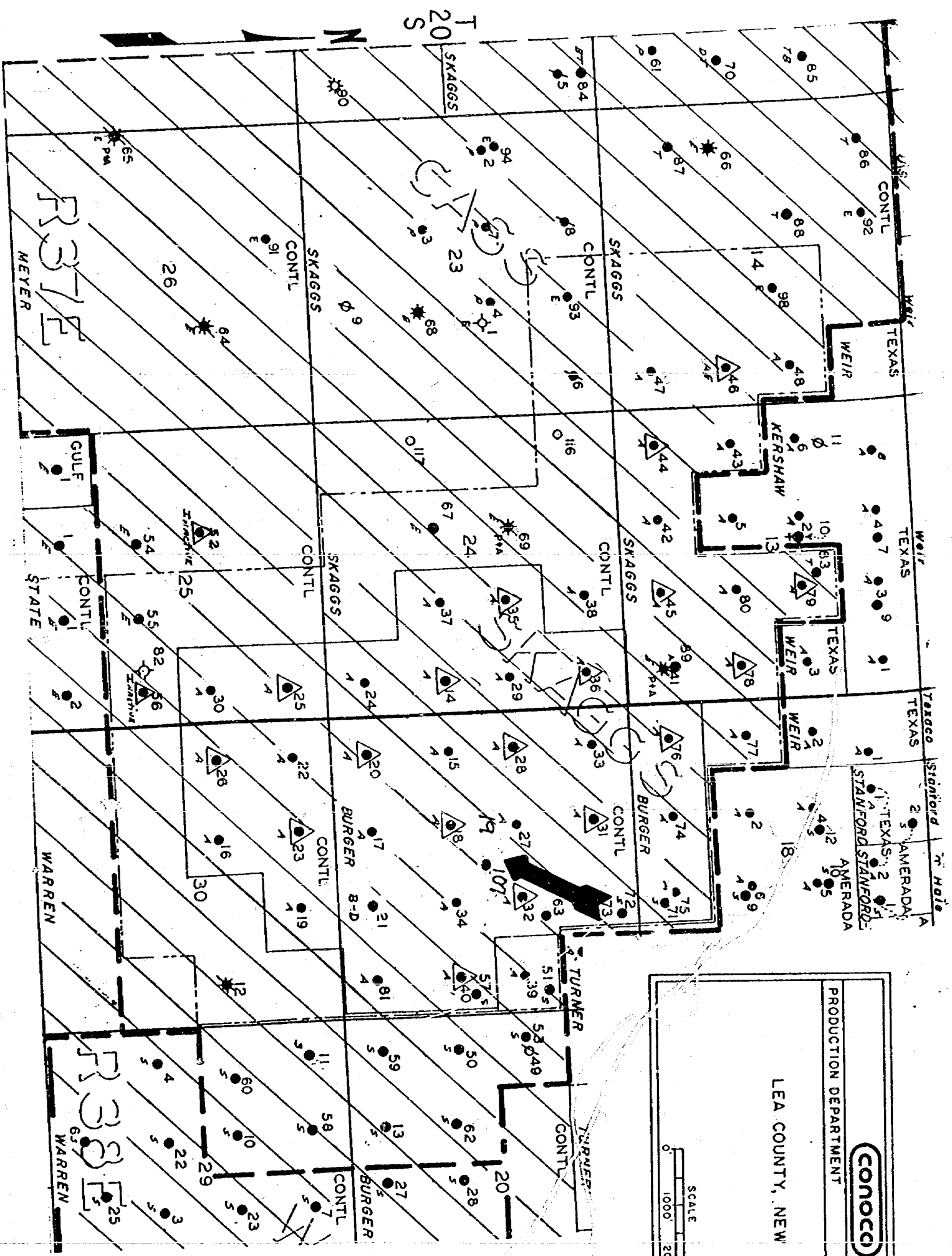
EXHIBIT NO. 1

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81





CONOCO	
PRODUCTION DEPARTMENT	HOBBS DIVISION
LEA COUNTY, NEW MEXICO	

SCALE
0 1000' 2000'

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 21

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #3

QUEEN

3500

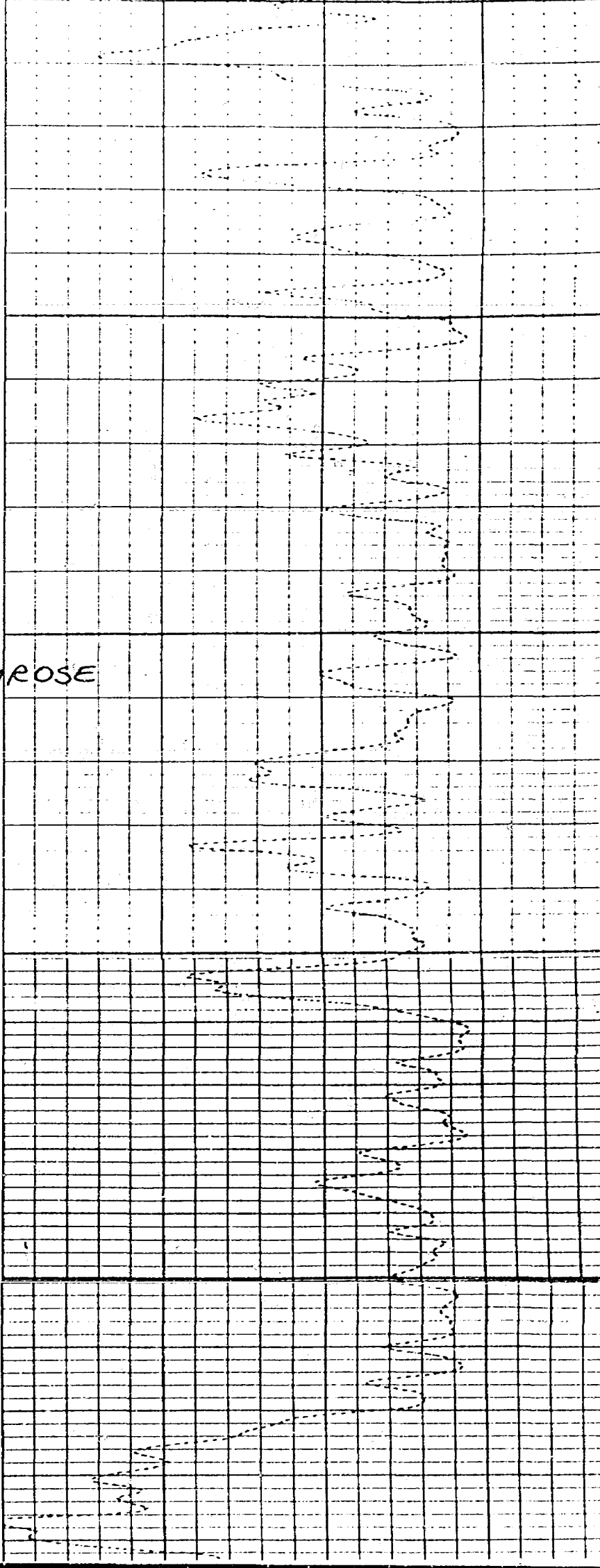
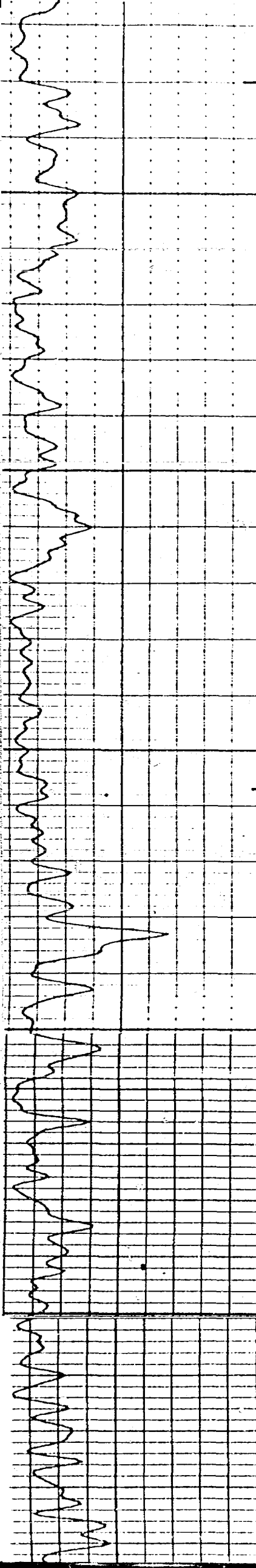
CNL-FDC

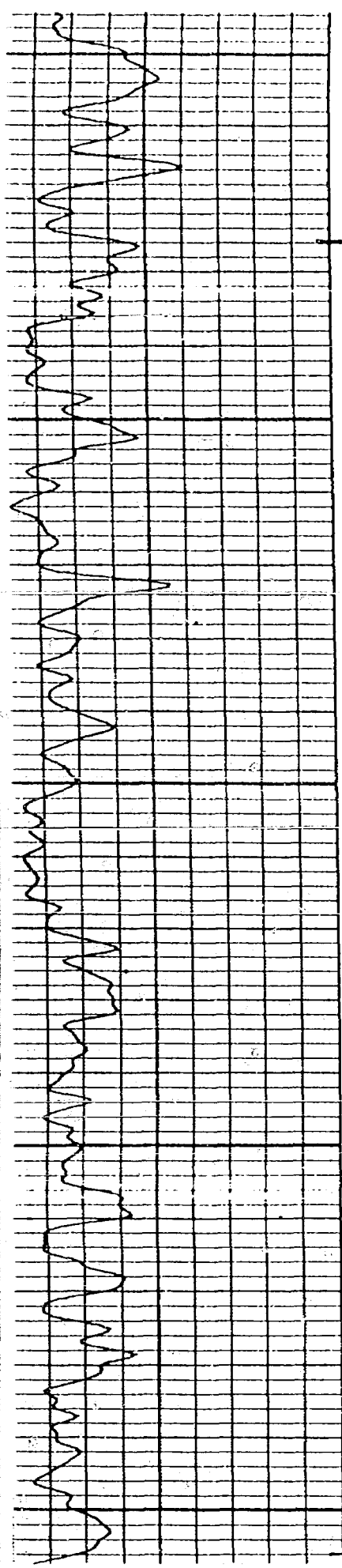
Run 3-4-81

3600

PENROSE

3700



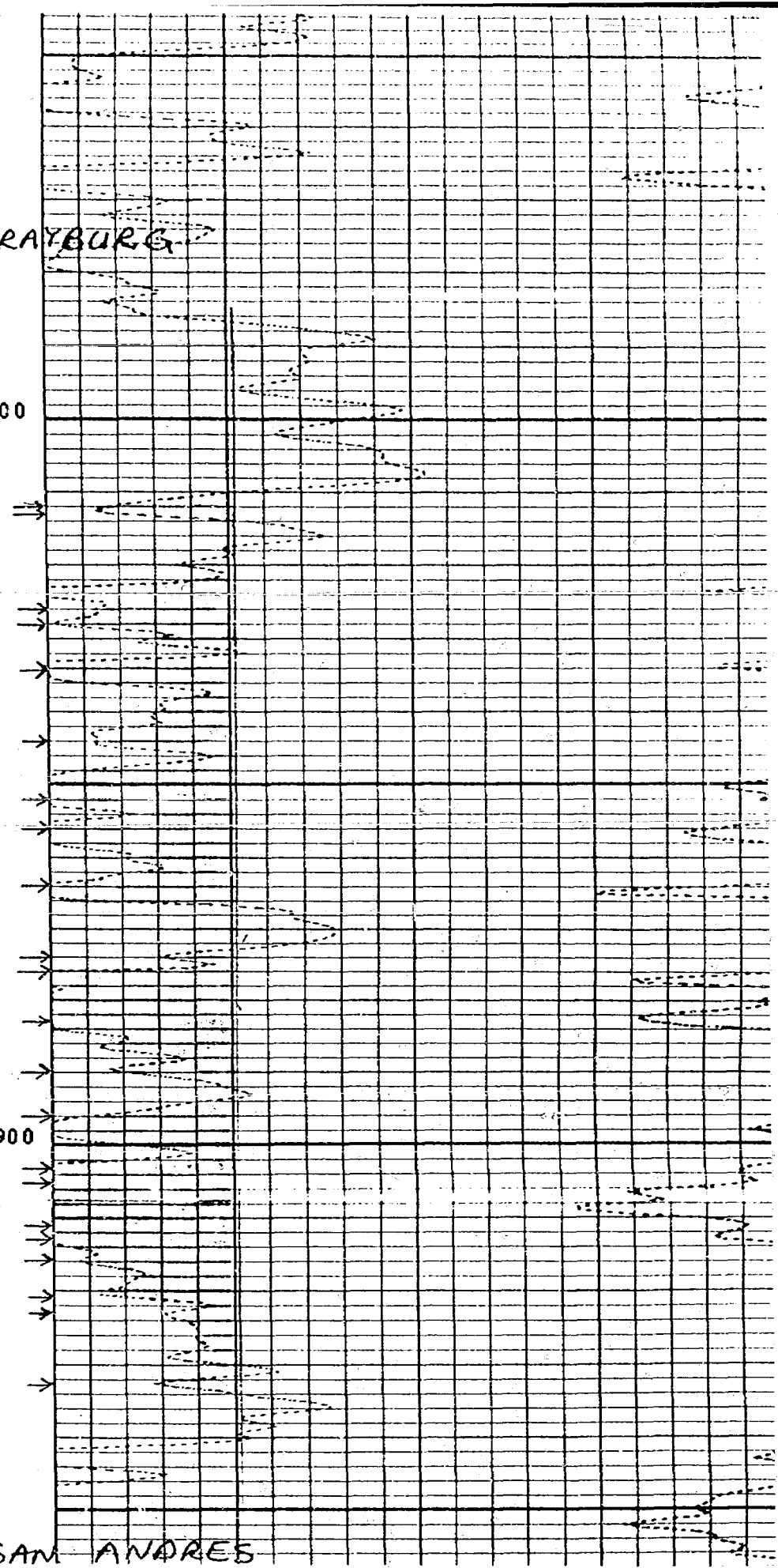


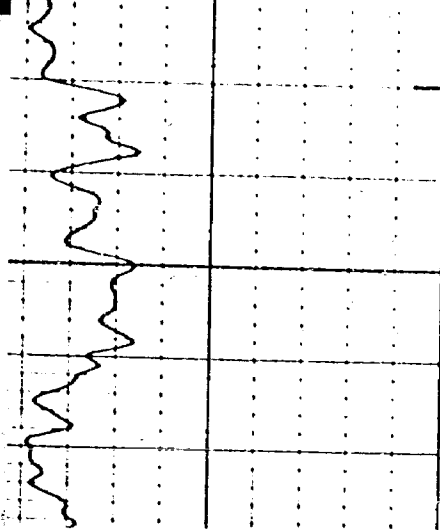
GRAYBURG

3800

3900

SAN ANDRES





QUEEN

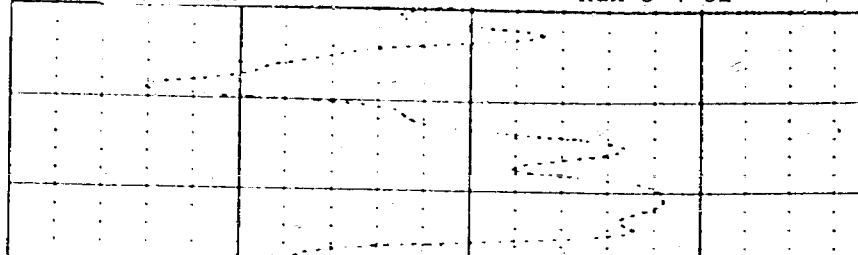
SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #3

3500

CNL-FDC

Run 3-4-81



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 3

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4

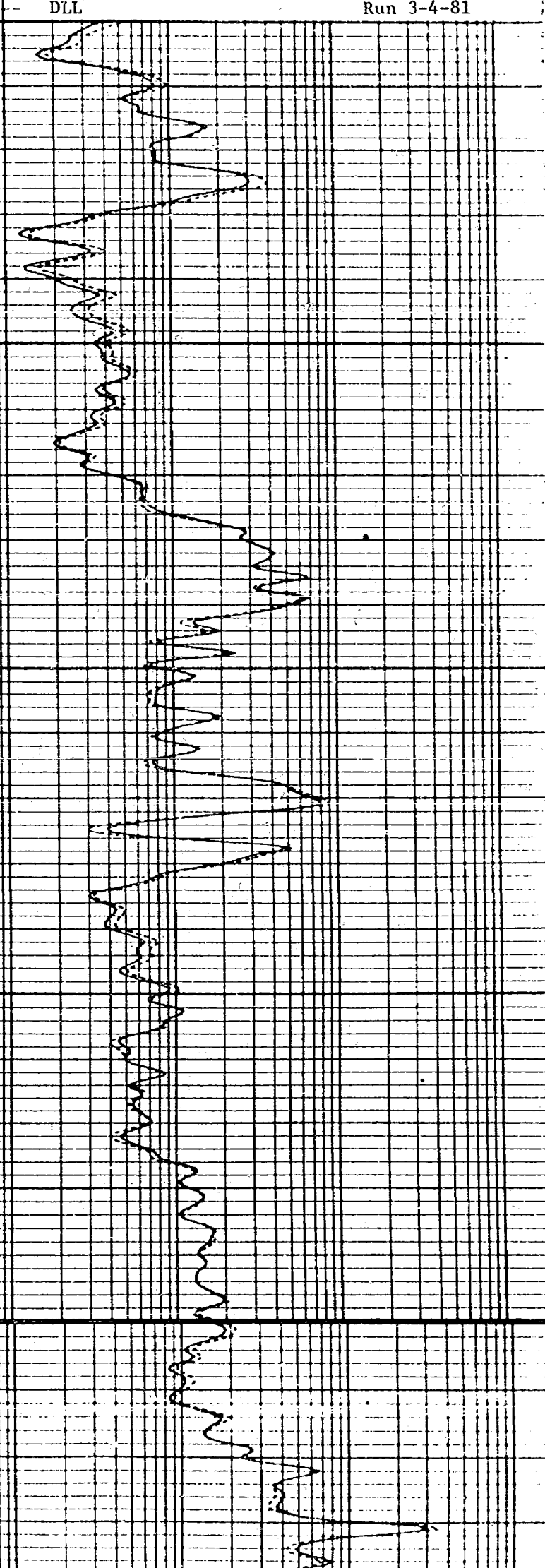
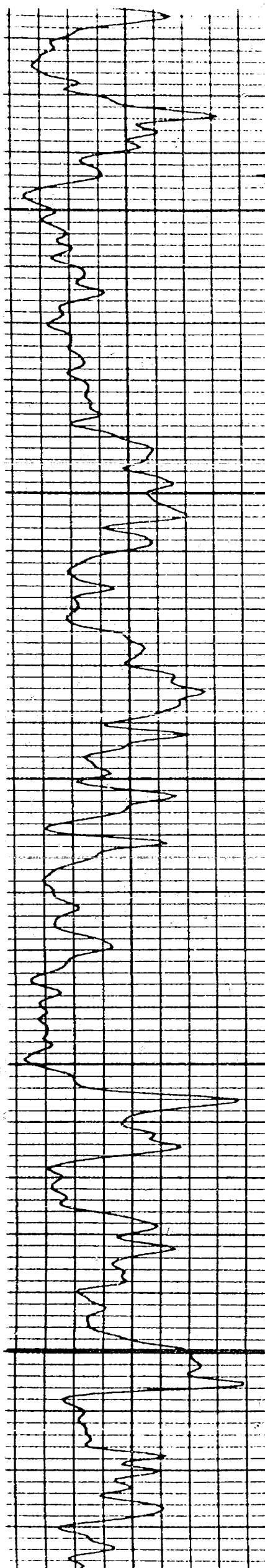
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F110
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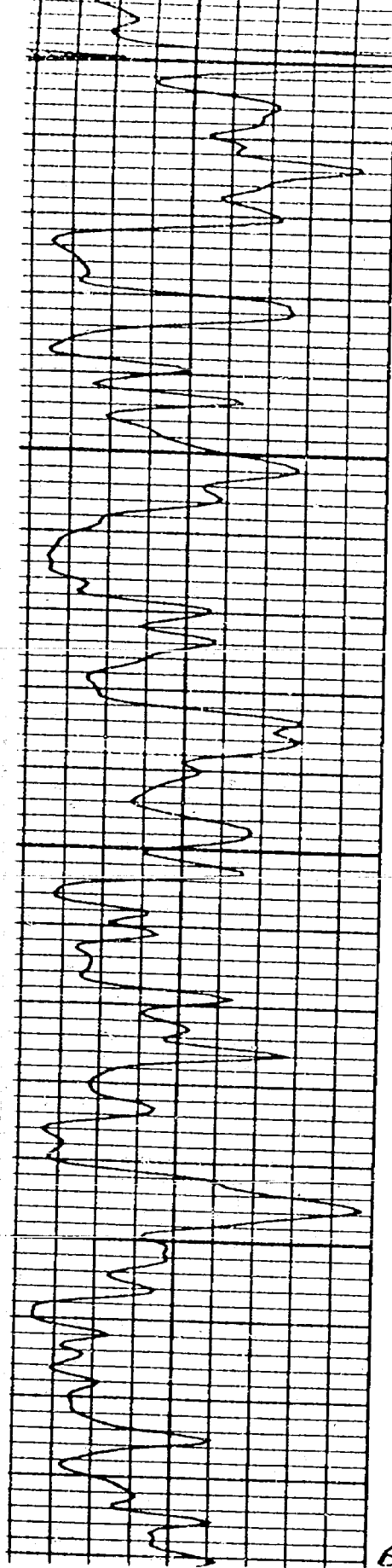
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Run 3-4-81

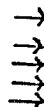
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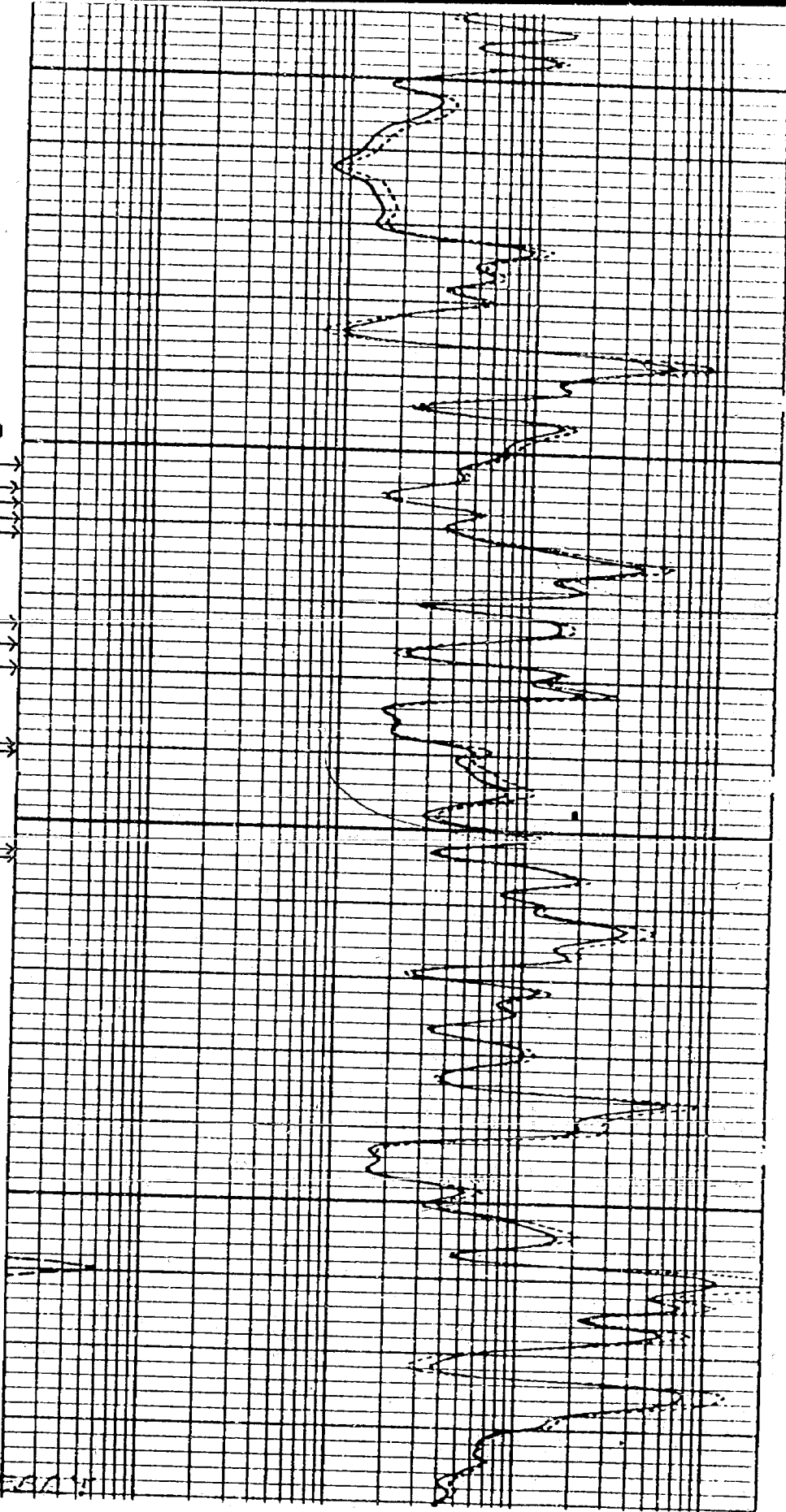
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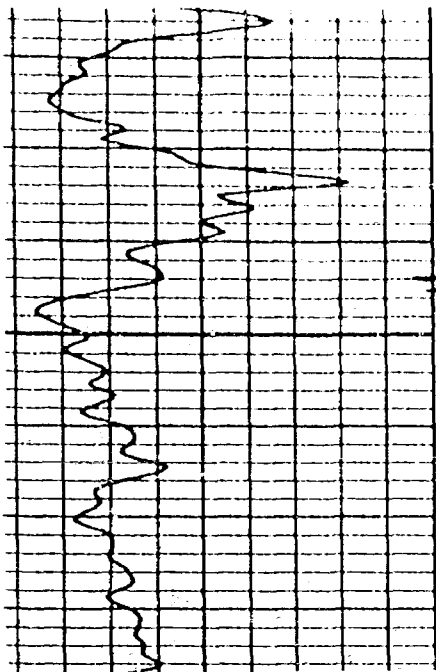


5800

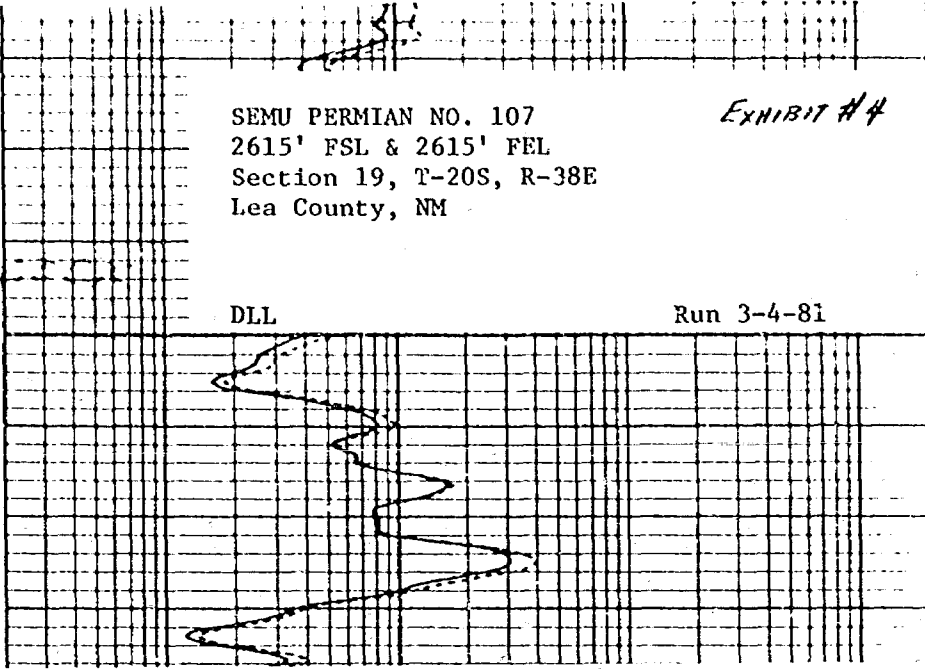


BLINERAST





TOP
5400



SEMUR PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4

DLL

Run 3-4-81

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 4

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4A

Top
PADDOCK

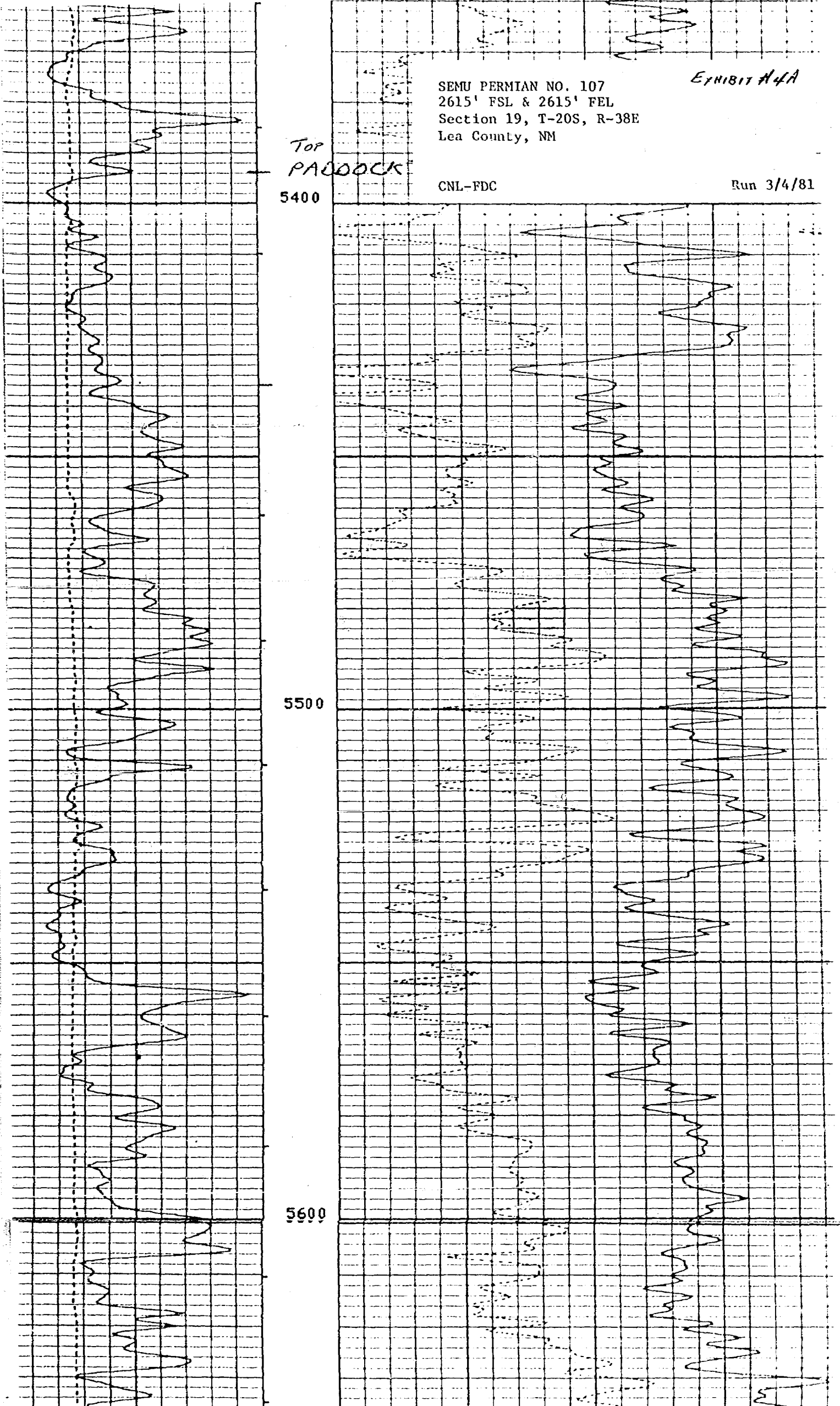
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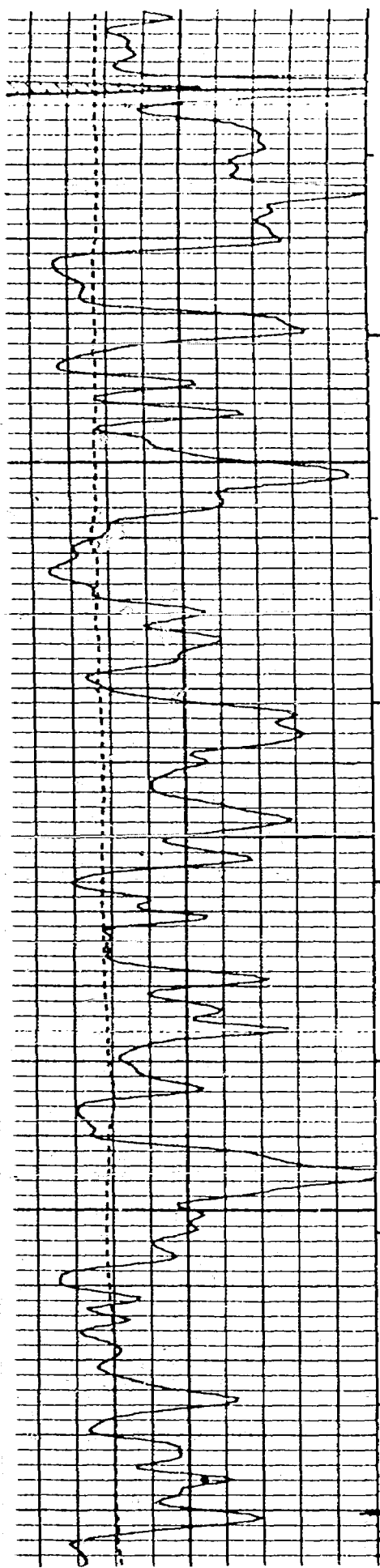
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Run 3/4/81

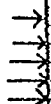
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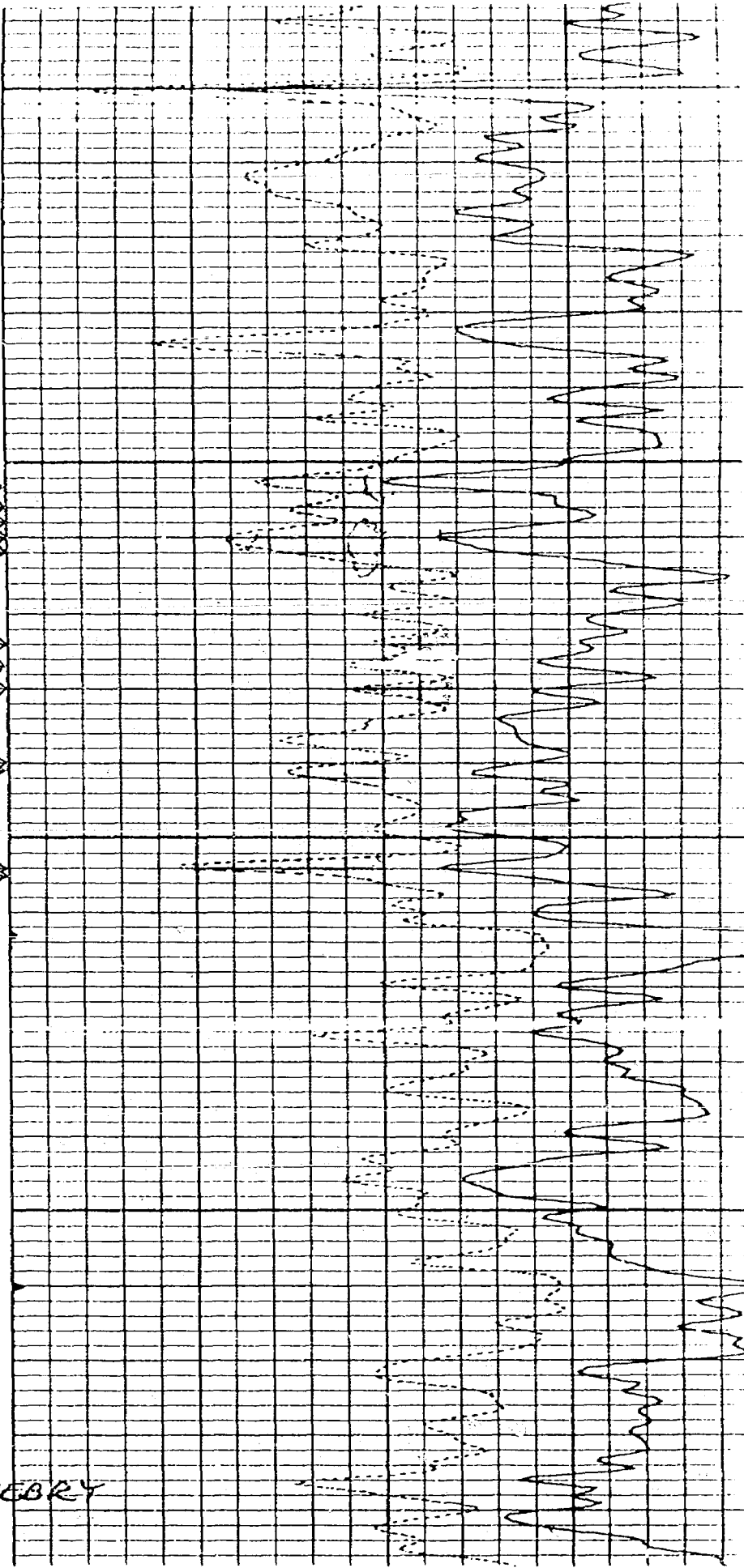


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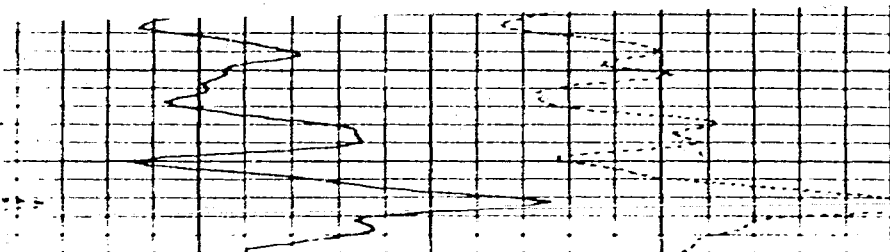


5800

BLINEORY



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 4A
CASE NO. 7267
Submitted by Conoco Inc.
Hearing Date 6-3-81



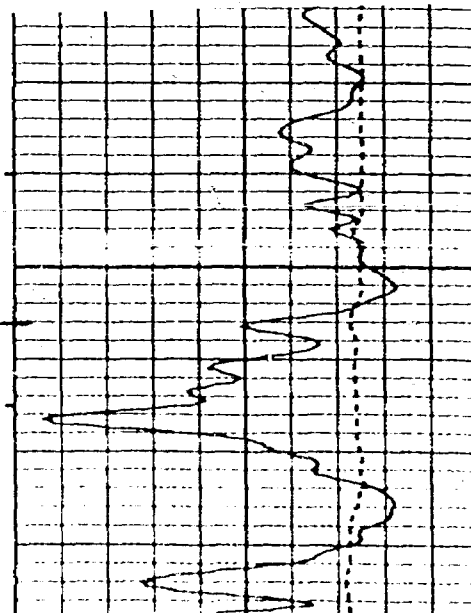
Run 3/4/81

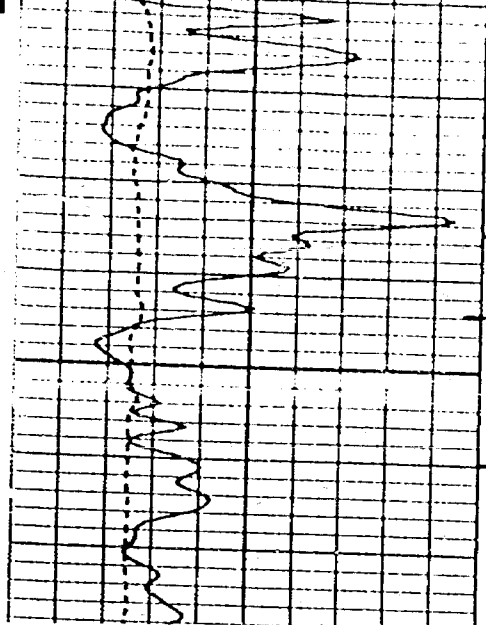
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SENU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM
EXHIBIT #4A

5400

PA000CK
Top





Top
Paddock

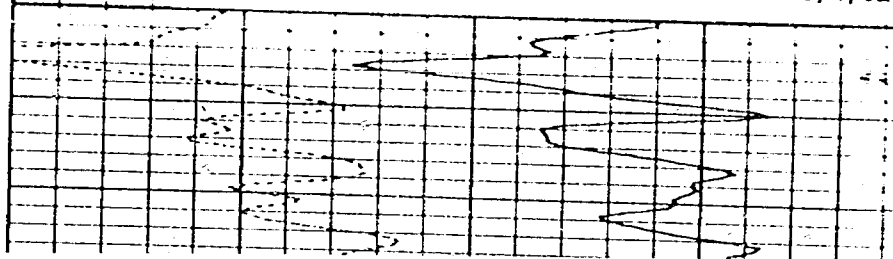
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SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4A

CNL-FDC

Run 3/4/81



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 4A

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

WELLBORE DIAGRAM
SEMU PERMIAN NO. 107

2615' FSL & 2615' FEL
SEC. 19, T-20-S, R-38-E
Lea County, New Mexico
Elev. - 3537'
KBM - 18' AGL

1 1/4" - 2.1#, J-55,
IJ Vent String @ 4050'

2 3/8" - 4.6#, J-55,
Eve Btttrc. Tbg. (Paddock)
@ 5800'

2 3/8" - 4.6#, J-55, Eve
Btttrc. Tbg. (Grayburg) @ 3980'

Grayburg Perfs @ 3812', 13', 26',
28', 34', 44', 52', 56', 64',
74', 76', 83', 90', 96', 3903',
05', 11', 13', 16', 21', 23',
& 3933' w/15SDF (22 Holes)

Triple String Parallel
Anchor @ 3980' (estimate)

Paddock Perfs @ 5703', 06', 08',
10', 12', 24', 27', 30', 40', 41',
54', & 5755' (12 Holes)

- 20' - 30" Conductor Pipe

-11 JTS. 20", 94#, K-55 ST & C
@ 408' KB CMT w/ 708 SX.

- 72 JTS. 13 3/8", 61#, K-55 ST & C
@ 2800' KB CMT w/ 3642 SX.

DV Tool @ 2710' KB ECP 1 Joint
Below DV Tool @ 2750' KB

102 JTS. 9 5/8", 47#, N-80, LT & C,
@ 4210' KB CMT w/ 3760 SX. Circ.

TOL @ 4004'

Baker Model 'FA' Perm. PKR. w/vent
head and Seal Assembly @ 4050'

CIBP @ 6375' w/ 8 1/2" CMT. on top
64 JTS. 7", 26#, K-55, LT & C,
w/Hanger and Tieback Sleeve CMT
w/500 SX.

PBTD - 7005' KB

TD - 7052' KB

SEMU PERMIAN NO. 107
WELLBORE DIAGRAM (Proposed)

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 5
CASE NO. 7267
Submitted by CONOCO INC.
Hearing Date 6-3-81

NEW MEXICO OIL CONSERVATION COMMISSION

Exhibit No. 4

SANTA FE, NEW MEXICO

5-1-6

APPLICATION FOR MULTIPLE COMPLETION

Operator	Conoco Inc.		County	Lea	Date	May 27, 1981
Address	P. O. Box 460 Hobbs, N. M. 88240		Lease	SEMU Permian	Well No.	107
Location or Well	Unit I	Section 19	Township	20-S	Range	37-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X

2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Skaggs Grayburg		Undesignated Paddoc
b. Top and Bottom of Pay Section (Perforations)	3812-3933'		5703-5755'
c. Type of production (oil or Gas)	Oil		Oil
d. Method of Production (Flowline or Artificial Lift)	Artificial Lift		Artificial Lift

4. The following are attached. (Please mark YES or NO)

- _____ a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralize and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameter and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- _____ b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- _____ c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- _____ d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO _____. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the Ass't Division Manager of the Conoco Inc. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

* Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 6

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

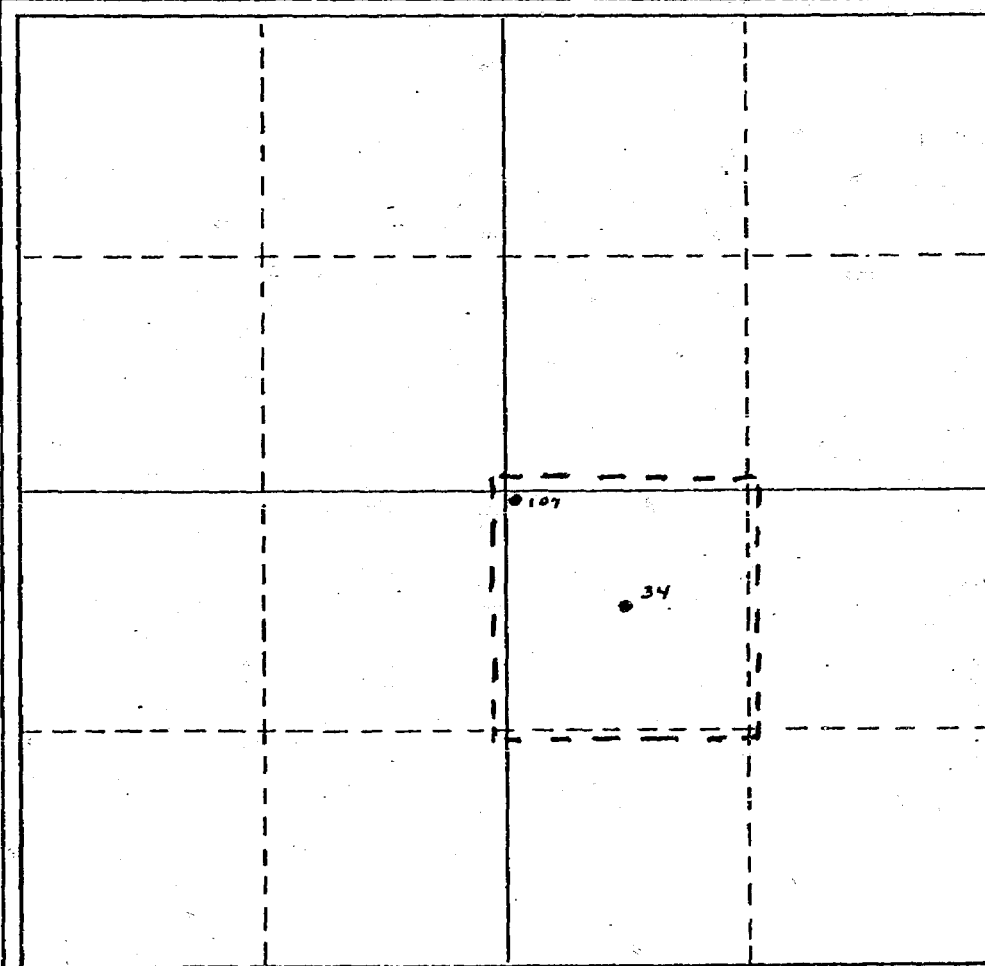
Operator Conoco Inc.			Lease SEMU Permian		Well No. 107
Unit Letter J	Section 19	Township 20 South	Range 38 East	County Lea	
Actual Footage Location of Well: 2615 feet from the South line and 2615 feet from the East line					
Ground Level Elev. 3536.7	Producing Formation Grayburg Paddock		Pool Skaggs Grayburg/Undesignated Paddock		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
S/ W.A. Butterfield

Position
Adm. Supervisor

Company
Conoco Inc.

Date
2/21/80

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
January 12, 1979

Registered Professional Engineer and/or Land Surveyor
S/ John West.

Certificate No. _____

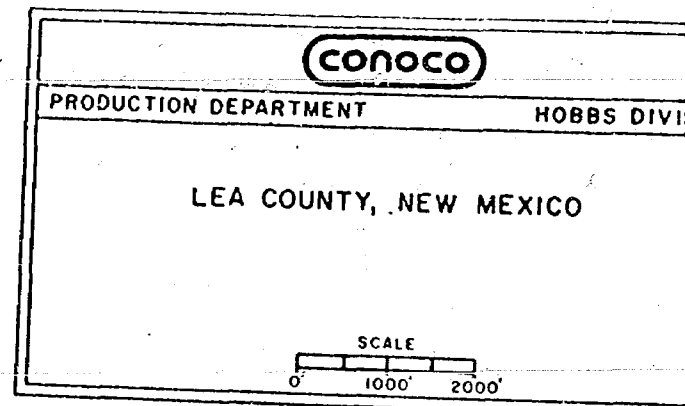
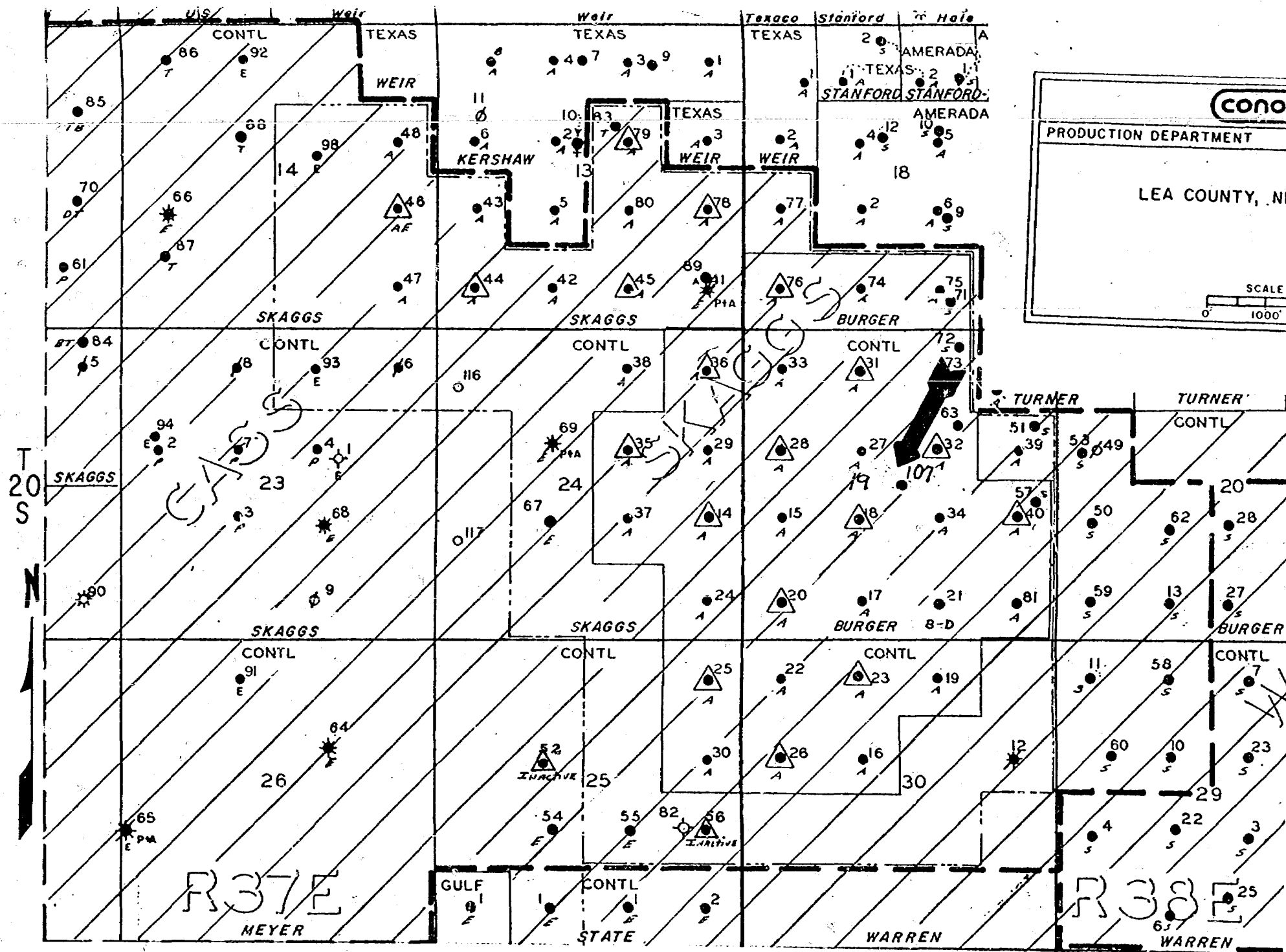
BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 1

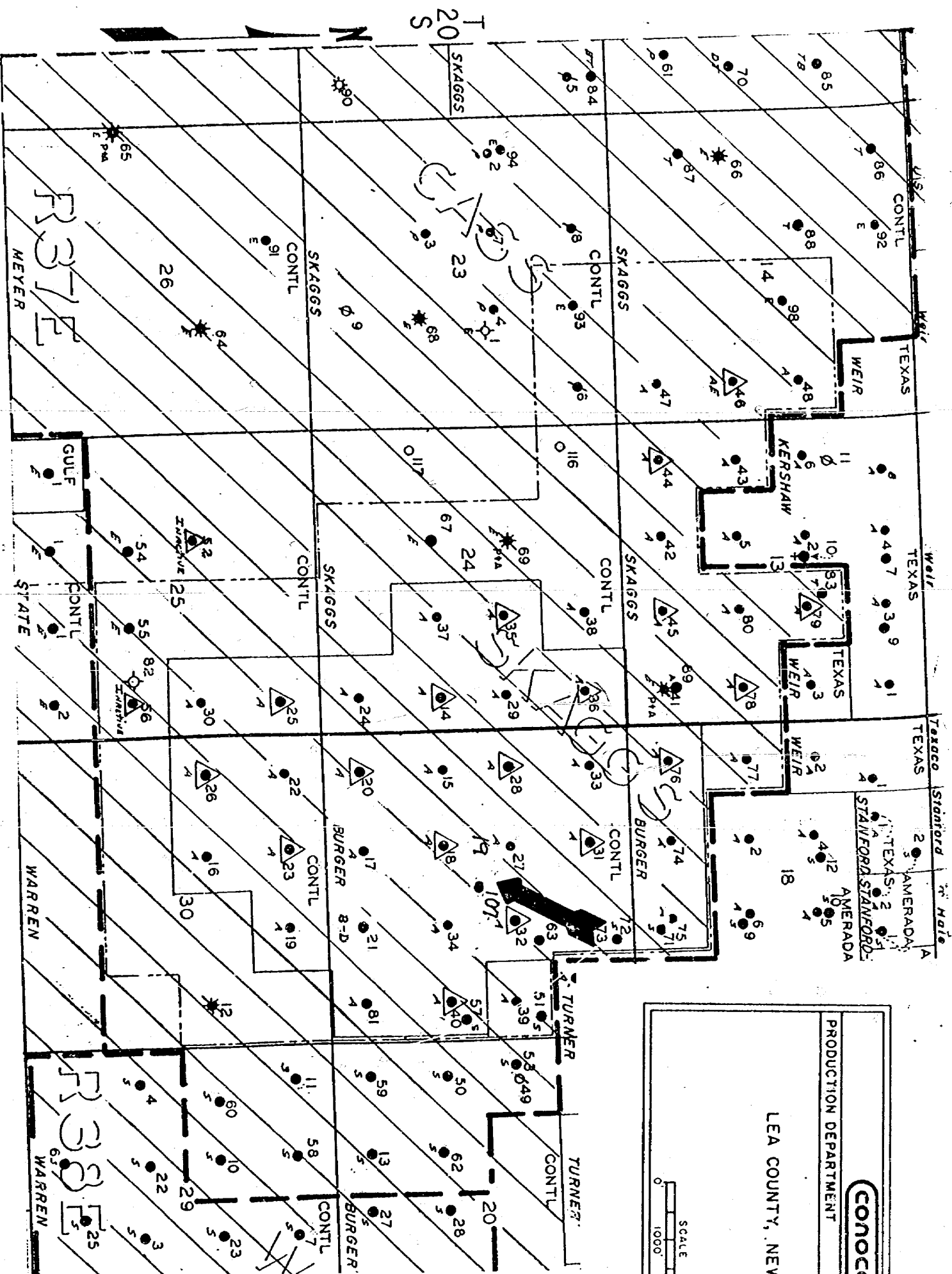
CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 2
CASE NO. 7267



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

EXHIBIT #3

QUEEN

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

3500

CNL-FDC

Run 3-4-81

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 3

CASE NO. 72167

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EMBIT #3

QUEEN

3500

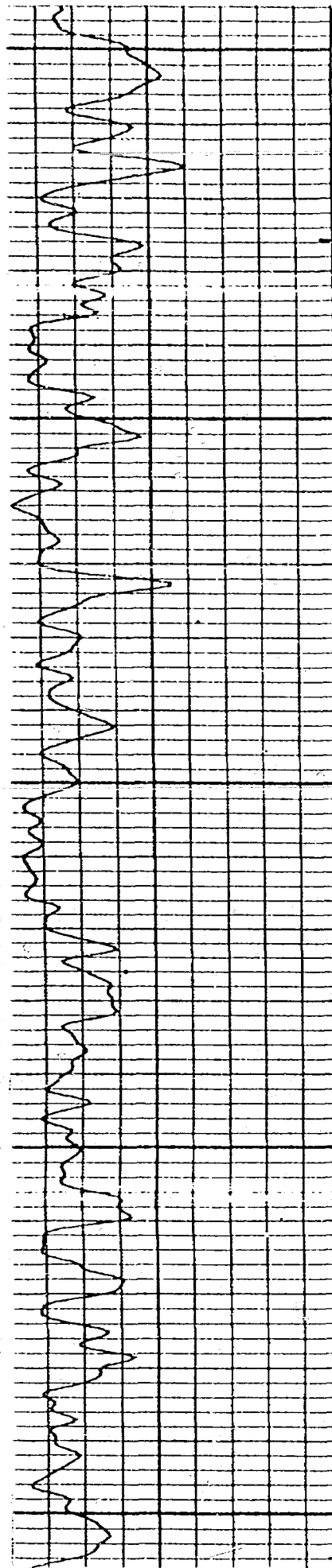
CNL-FDC

Run 3-4-81

3600

PENROSE

3700

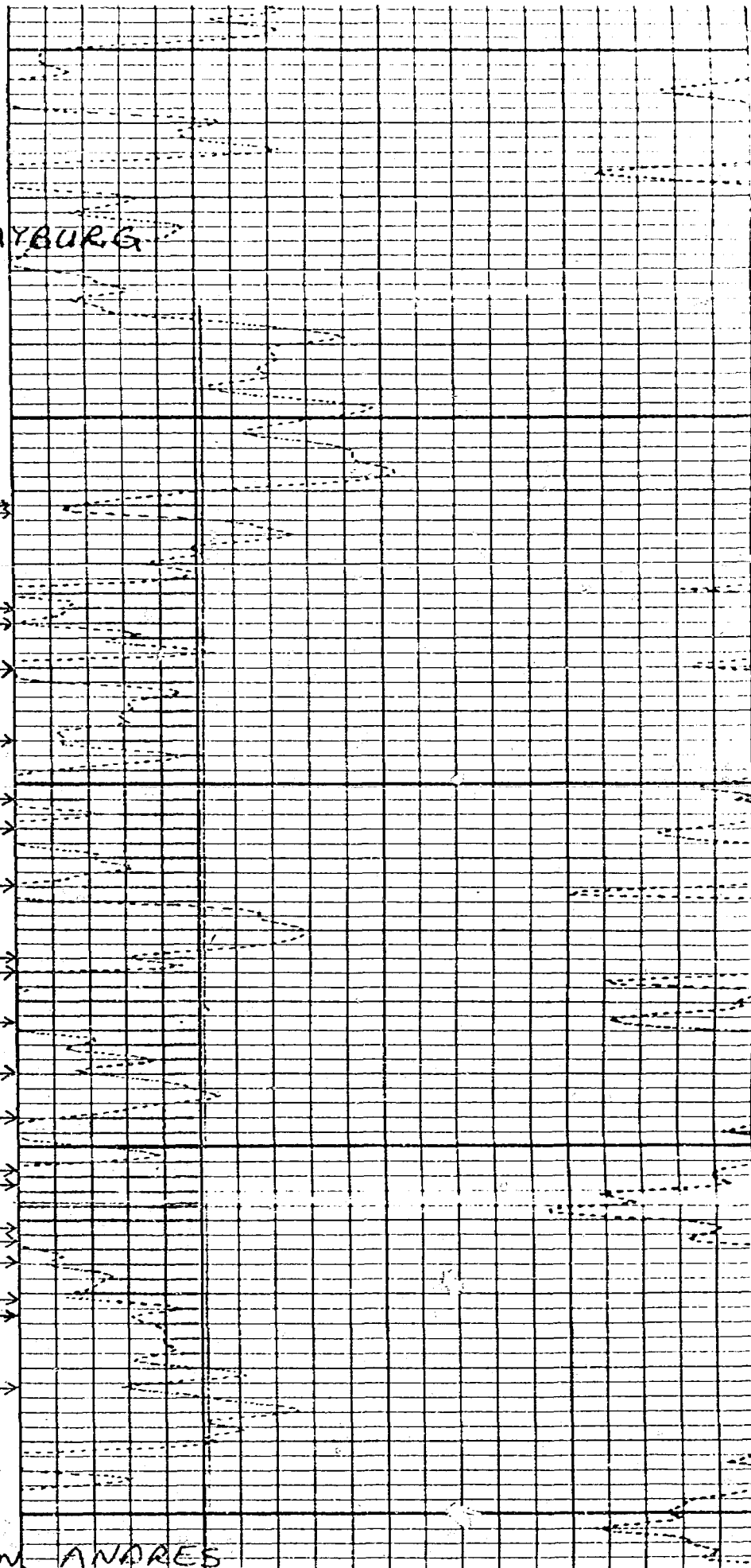


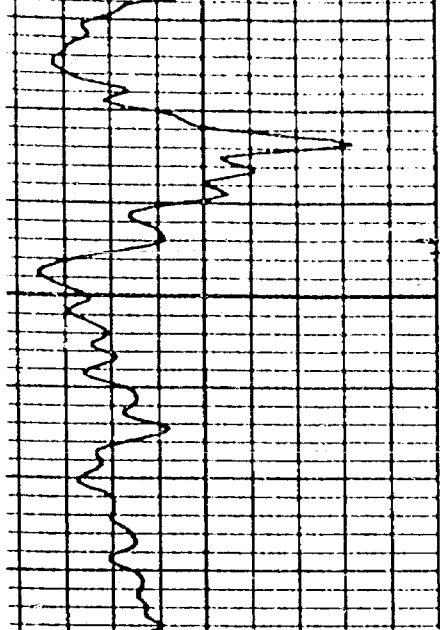
GRAYBURG

3800

3900

SAN ANDRES





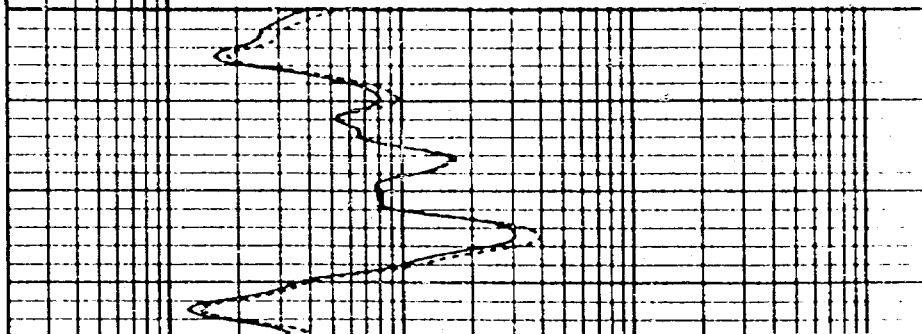
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TOP
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SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4

DLL

Run 3-4-81



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 4

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4

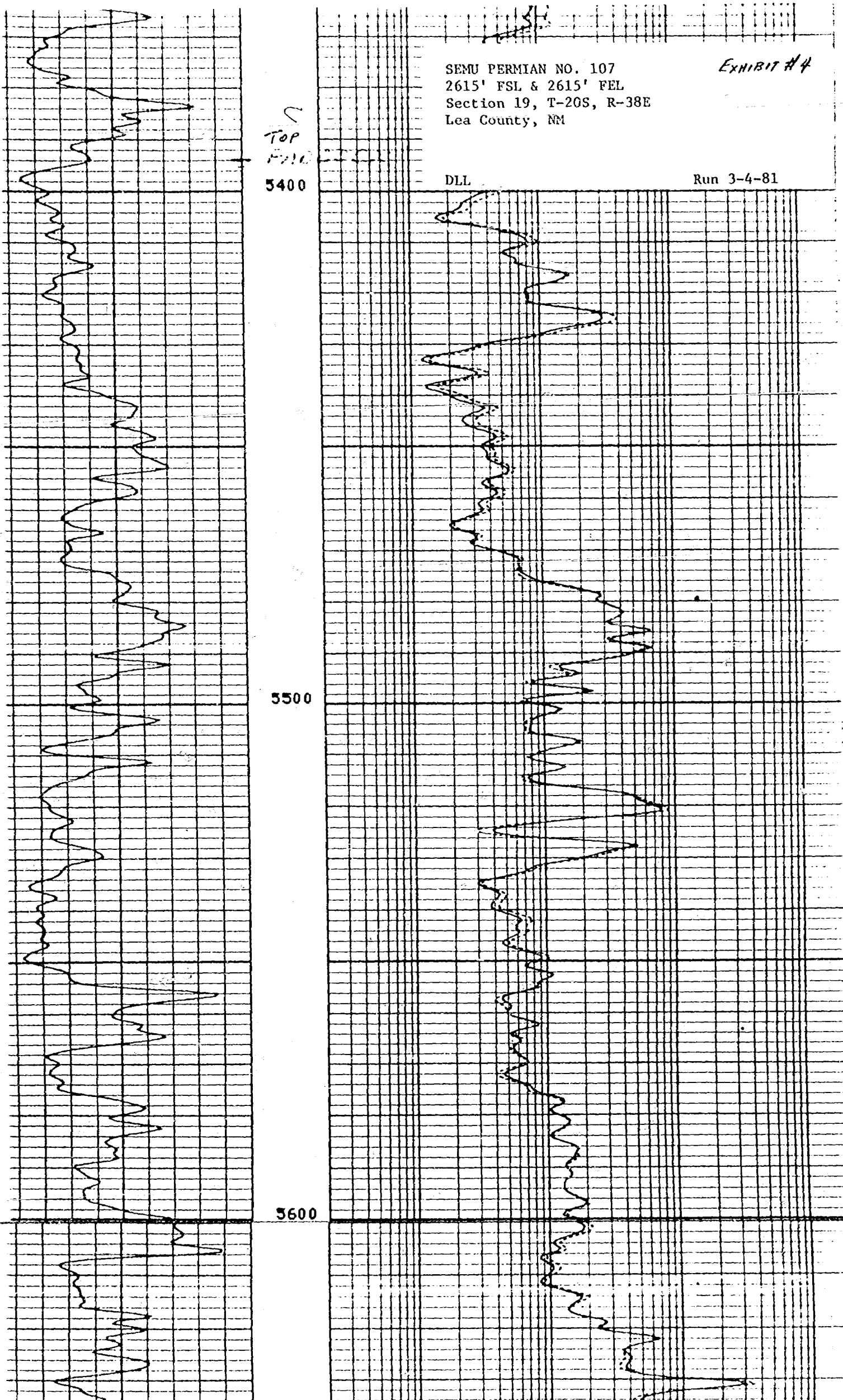
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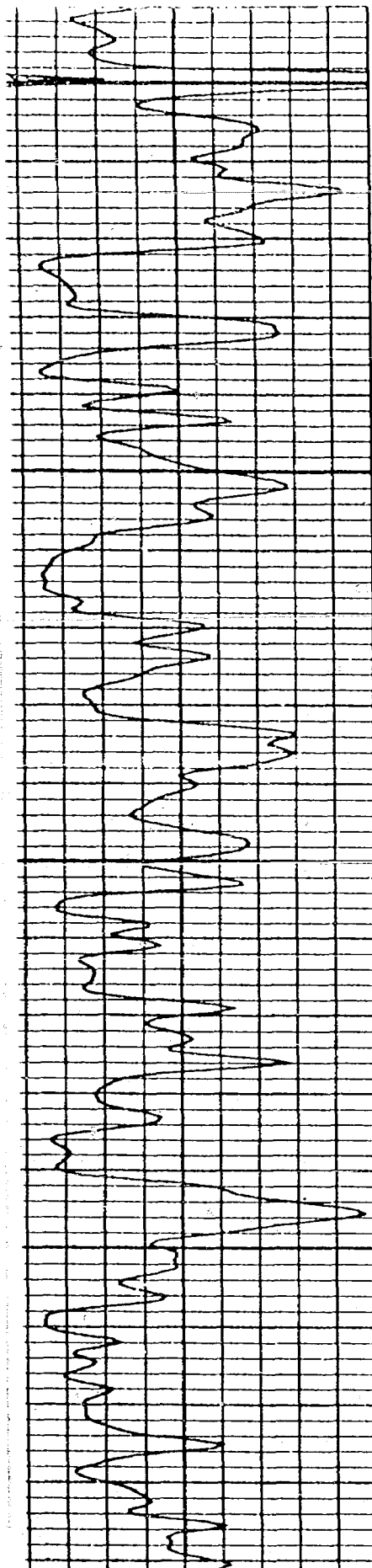
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Run 3-4-81

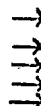
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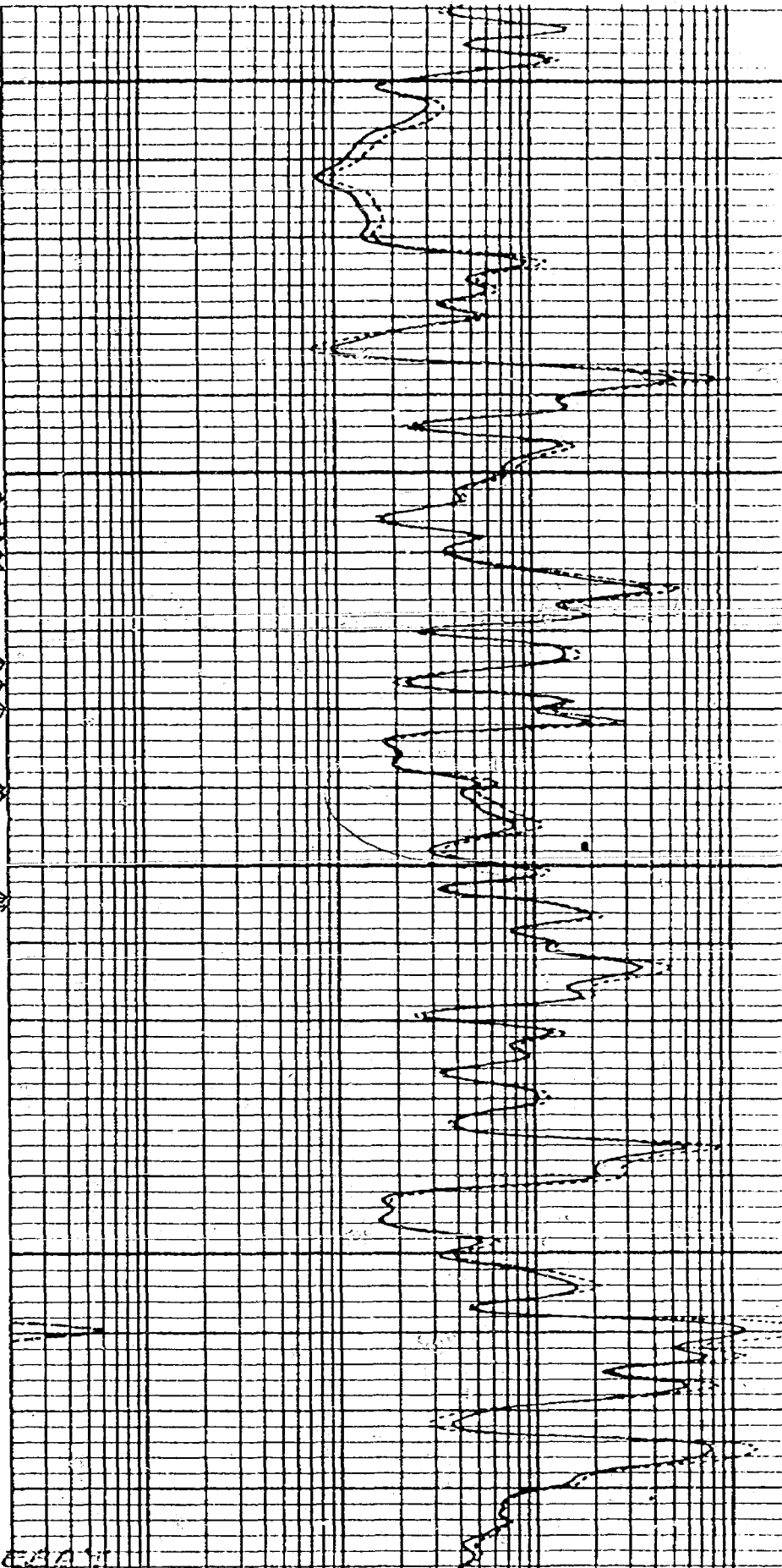


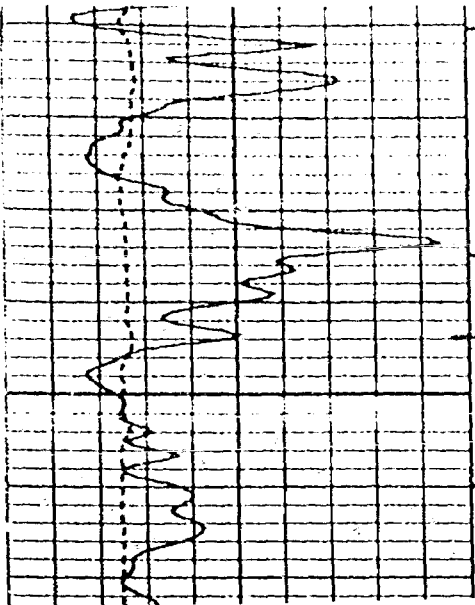
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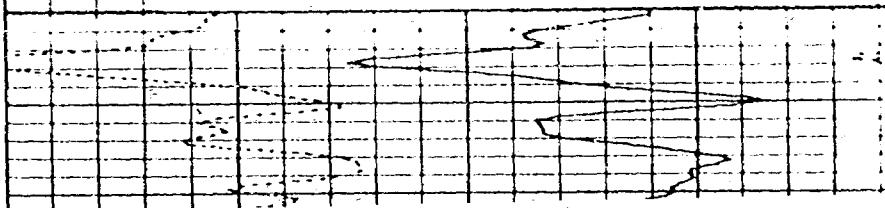
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SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT A4A

CNL-FDC

Run 3/4/81



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 4A

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT A4A

TOP
PADDOCK

CNL-FDC

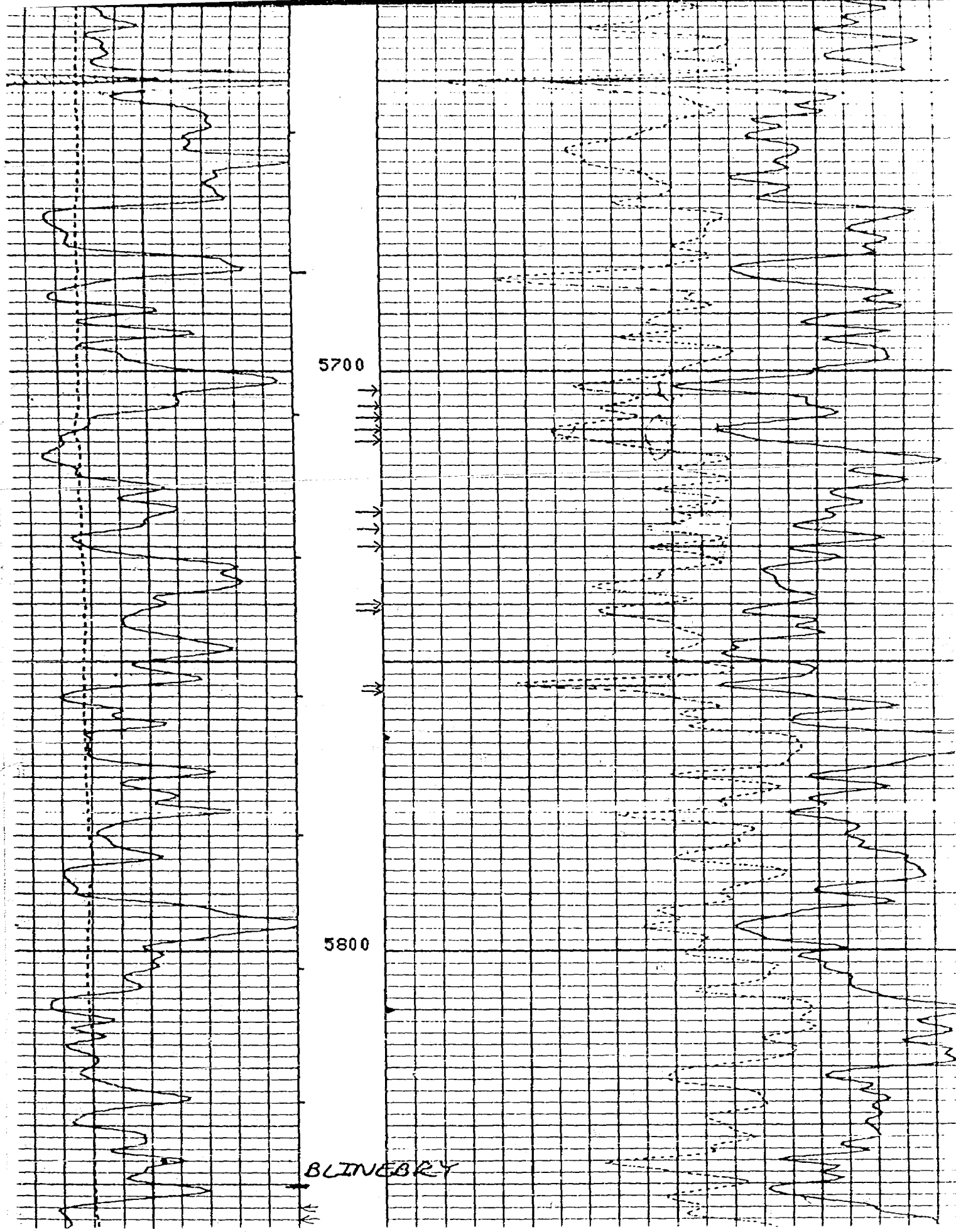
Run 3/4/81

5400

5500

5600

7.4



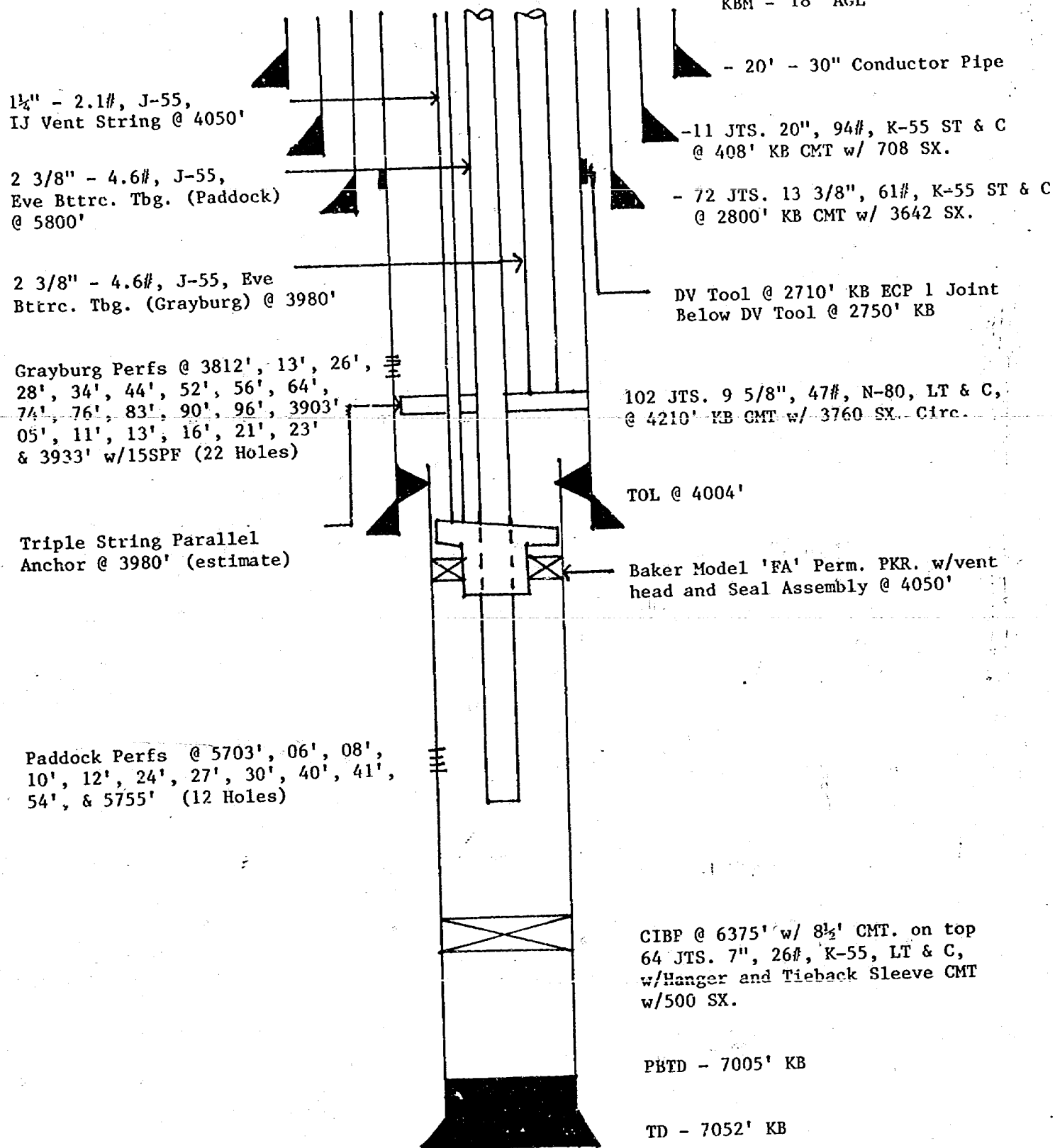
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5800

BLINEBRY

WELLBORE DIAGRAM
SEMU PERMIAN NO. 107

2615' FSL & 2615' FEL
SEC. 19, T-20-S, R-38-E
Lea County, New Mexico
Elev. - 3537'
KBM - 18' AGL



SEMU PERMIAN NO. 107
WELLBORE DIAGRAM (Proposed)

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 5

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Exhibit No. 6
5-1-6

Operator Conoco Inc.		County Lea	Date May 27, 1981
Address P. O. Box 460 Hobbs, N. M. 88240		Lease SEMU Permian	Well No. 107
Location or Well I	Section 19	Township 20-S	Range 37-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Skaggs Grayburg		Undesignated Paddoc
b. Top and Bottom of Pay Section (Perforations)	3812-3933'		5703-5755'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift

4. The following are attached. (Please mark YES or NO)
- _____ a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameter and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
 - _____ b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
 - _____ c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
 - _____ d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)
5. List all offset operators to the lease on which this well is located together with their correct mailing address.

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO _____. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the Ass't Division Manager of the Conoco Inc. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

* Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 6
CASE NO. 7267
Submitted by CONOCO INC.
Hearing Date 6-3-81

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

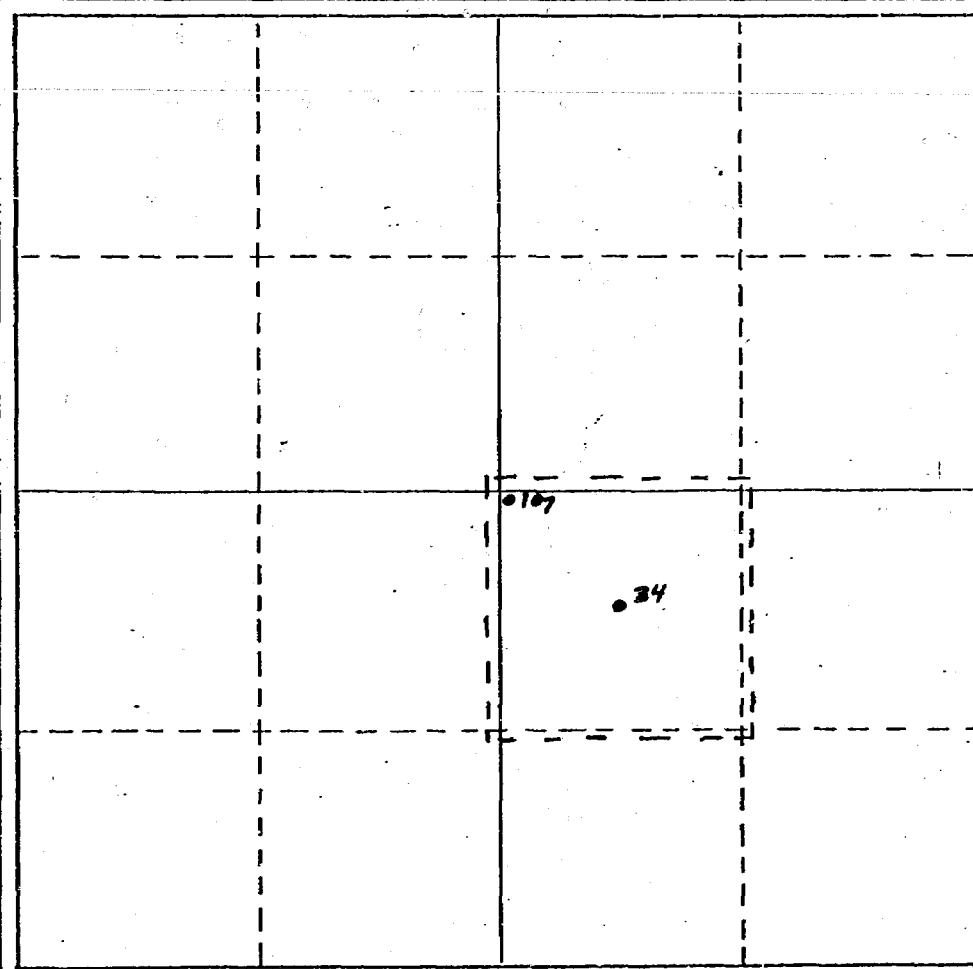
Operator Conoco Inc.		Lease SEMU Permian		Well No. 107
Unit Letter J	Section 19	Township 20 South	Range 38 East	County Lea
Actual Footage Location of Well: 2615 feet from the South line and 2615 feet from the East line				
Ground Level Elev. 3536.7	Producing Formation Grayburg Paddock	Pool Skaggs Grayburg/Undesignated Paddock	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
S/ W.A. Butterfield

Position
Adm. Supervisor

Company
Conoco Inc.

Date
2/21/80

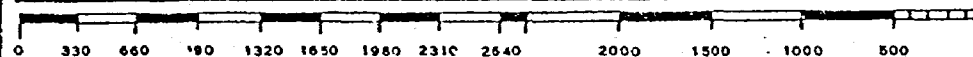
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
January 12, 1979

Registered Professional Engineer and/or Land Surveyor

S/ John West

Certificate No.



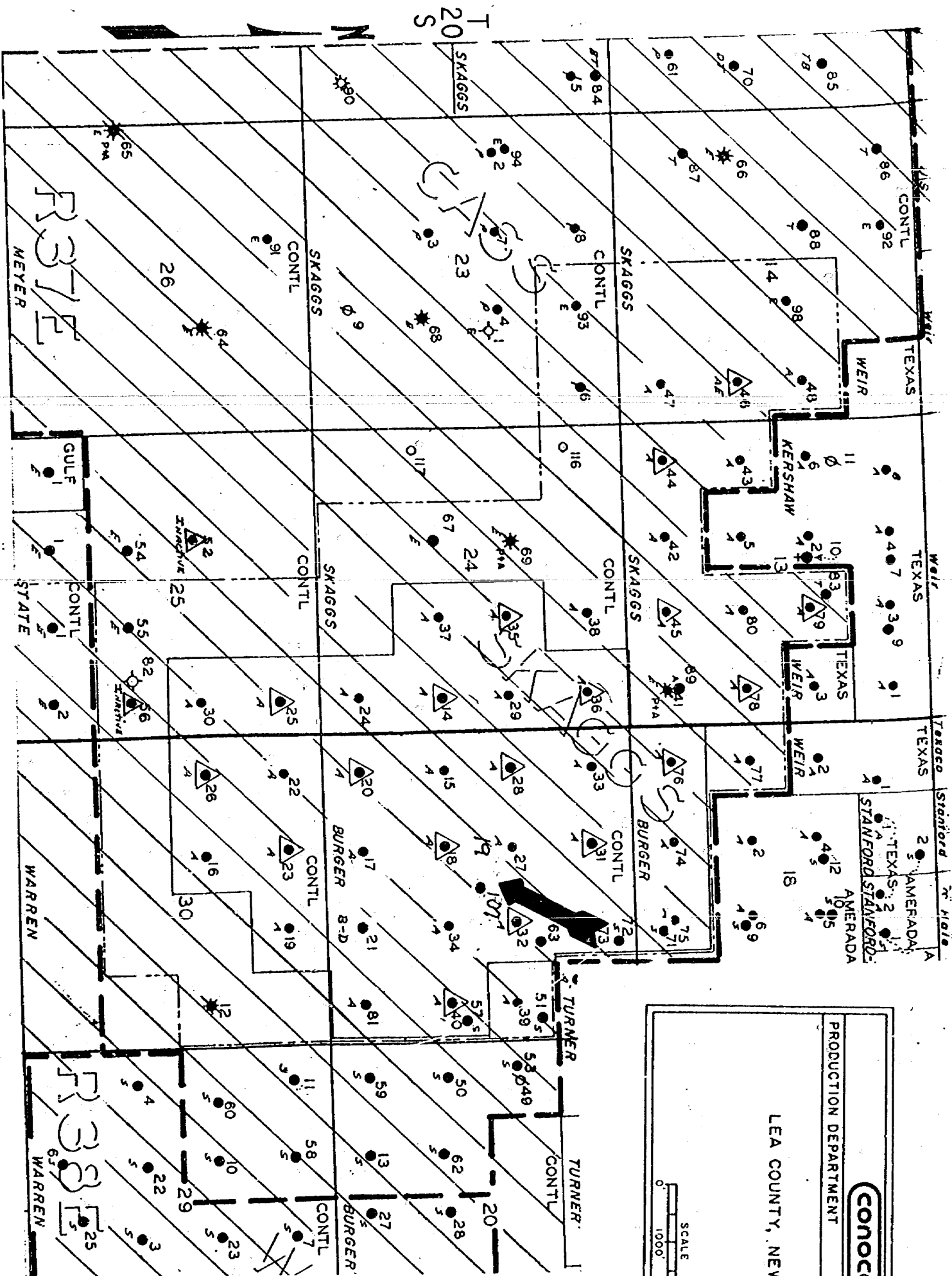
BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. **1**

CASE NO. **7267**

Submitted by **CONOCO INC.**

Hearing Date **6-3-81**



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 2

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

CONOCO

PRODUCTION DEPARTMENT

HOBBS DIVISION

LEA COUNTY, NEW MEXICO

SCALE
0 1000 2000'

EXHIBIT #3

QUEEN

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

3500

CNL-FDC

Run 3-4-81

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 3

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #3

QUEEN

3500

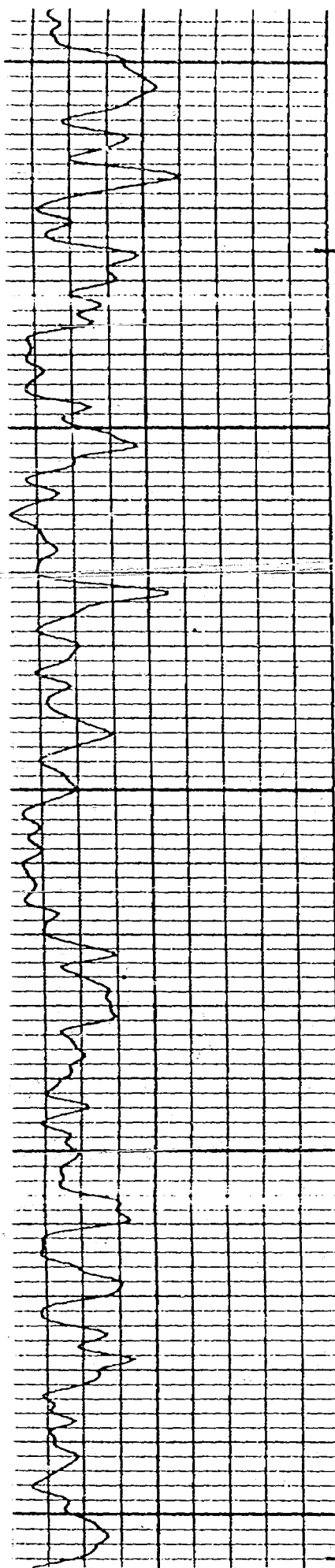
CNL-FDC

Run 3-4-81

3600

PENROSE

3700

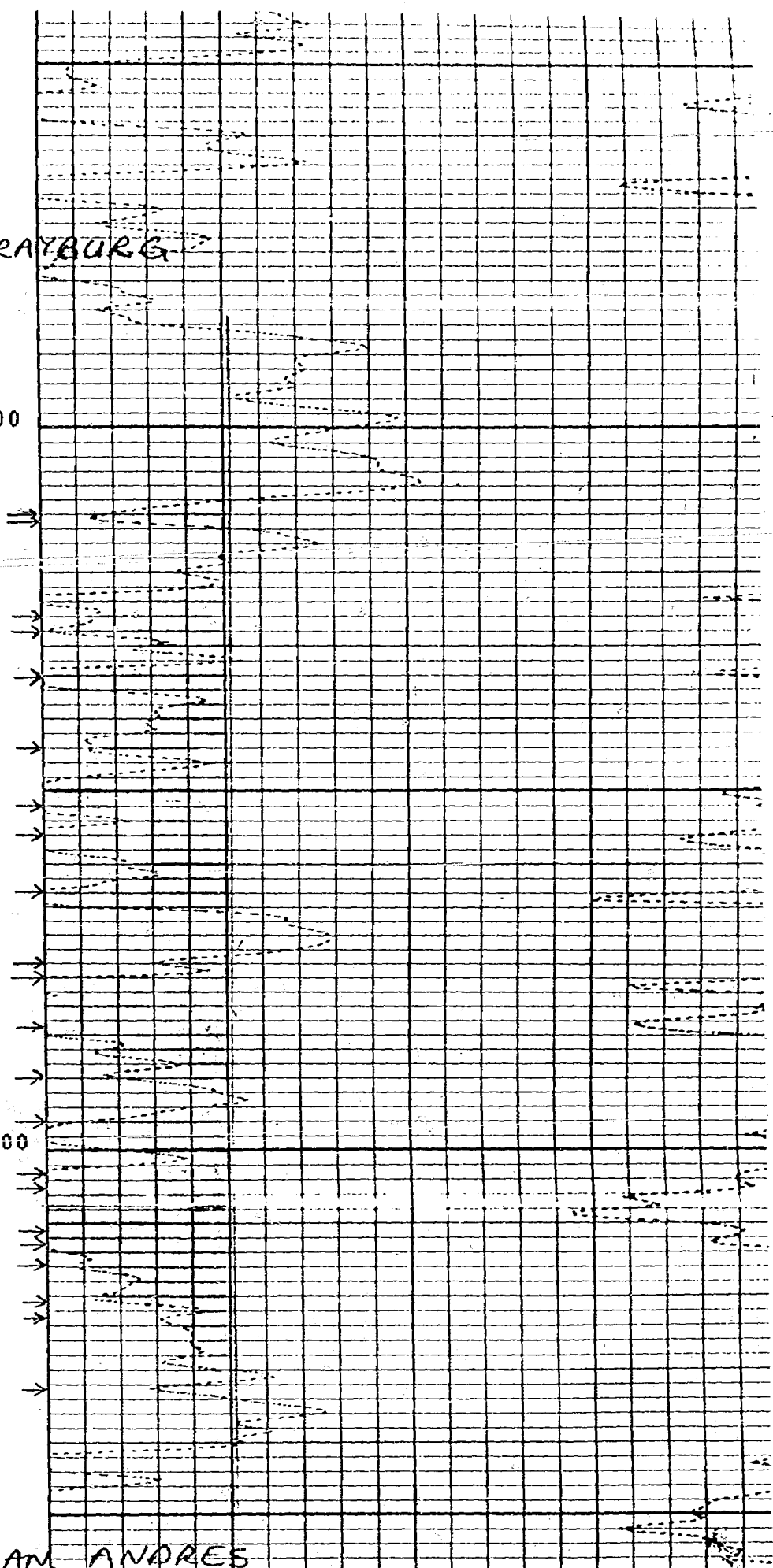


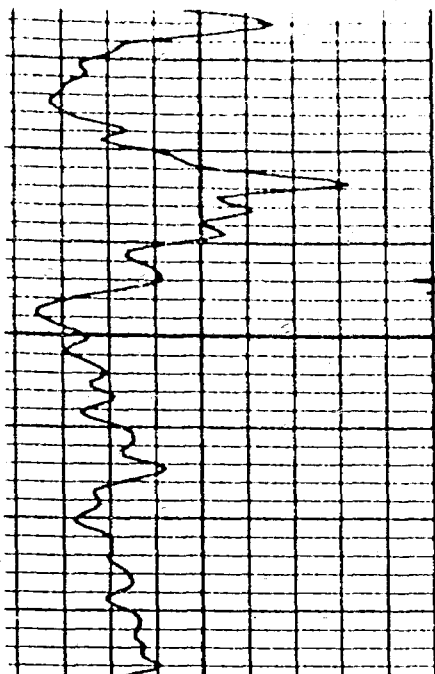
GRAYBURG

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3900

SAN ANDRES





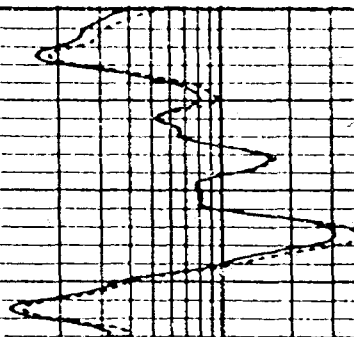
TOP
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5400

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4

DLL

Run 3-4-81



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 4

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4

TOP
FILL

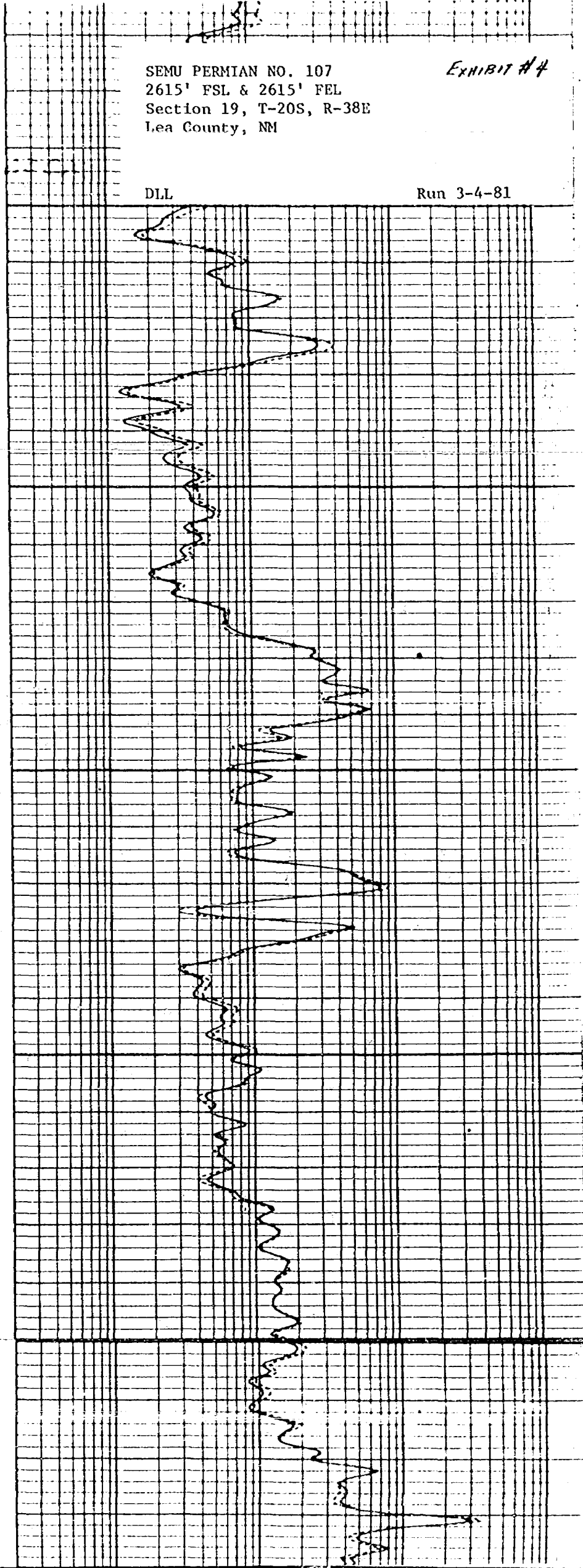
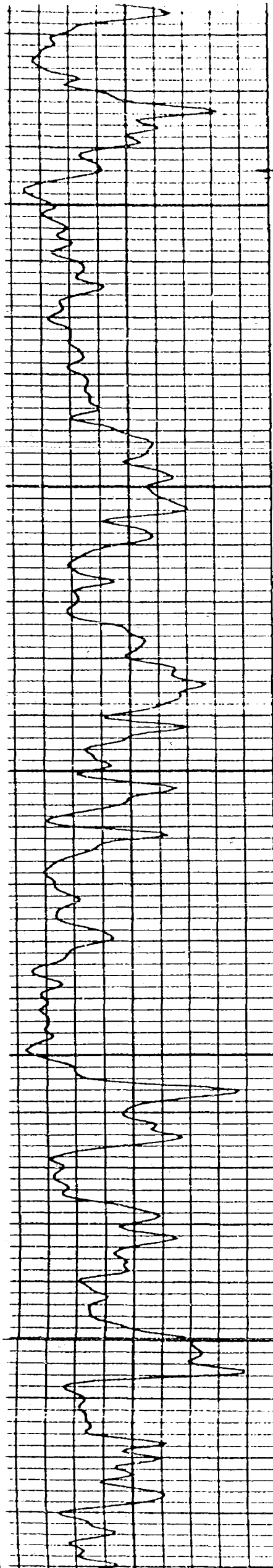
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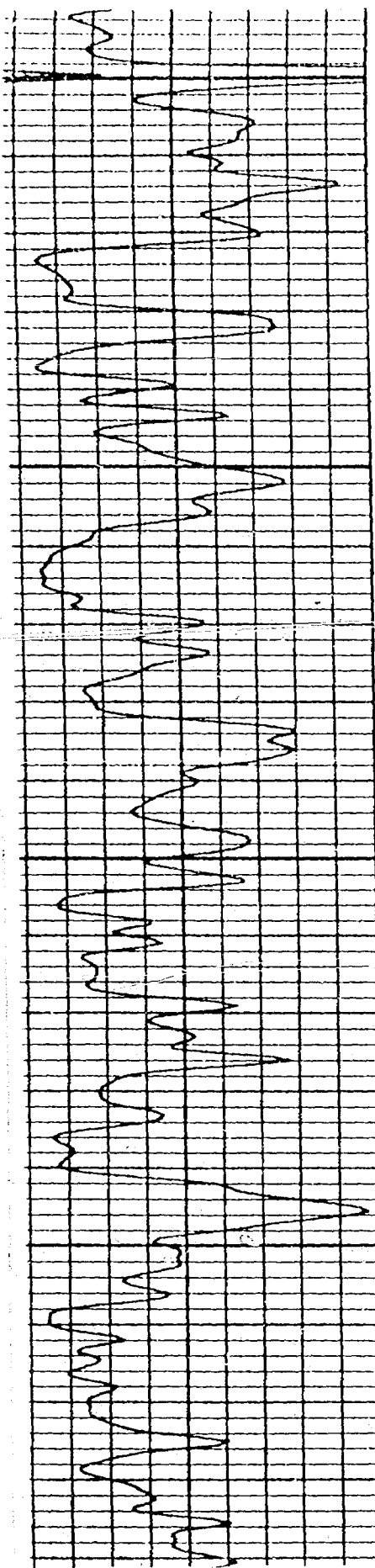
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Run 3-4-81

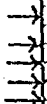
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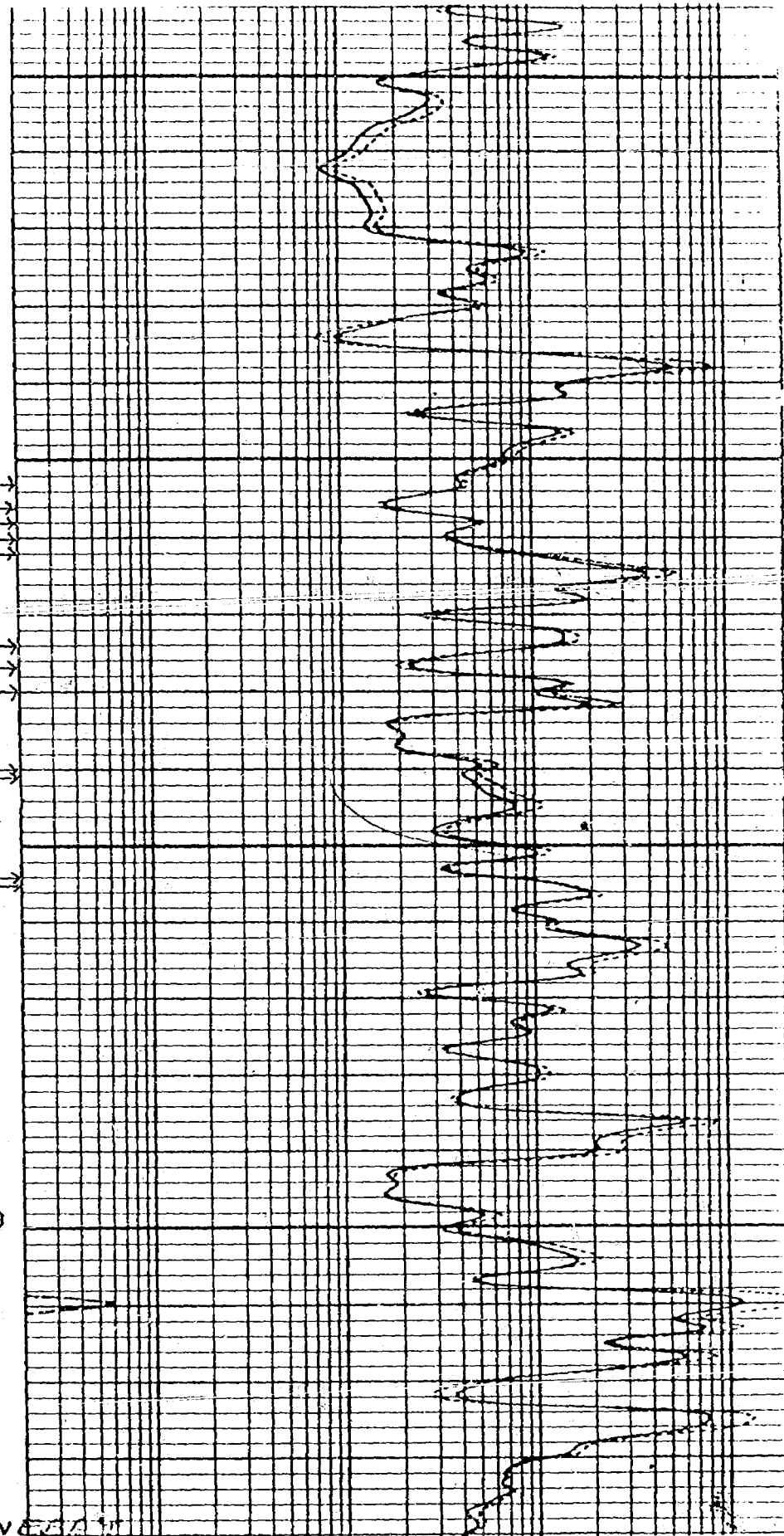


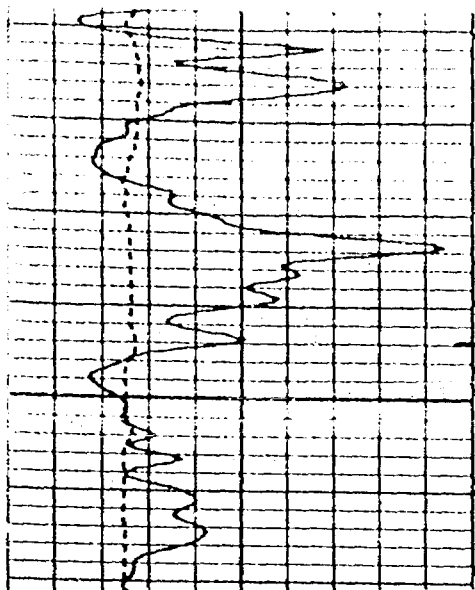
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5800

BLINER





SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT A4A

CNL-FDC

Run 3/4/81

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 4A

CASE NO. 7267

Submitted by CONOCO INC.

Hearing Date 6-3-81

SEMU PERMIAN NO. 107
2615' FSL & 2615' FEL
Section 19, T-20S, R-38E
Lea County, NM

EXHIBIT #4A

Top
PADDOCK

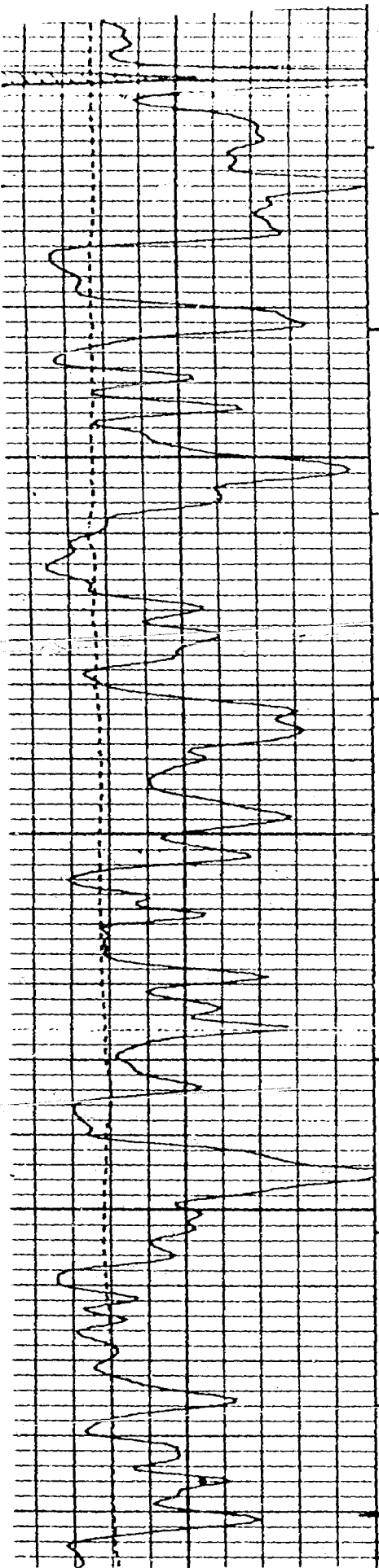
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Run 3/4/81

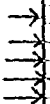
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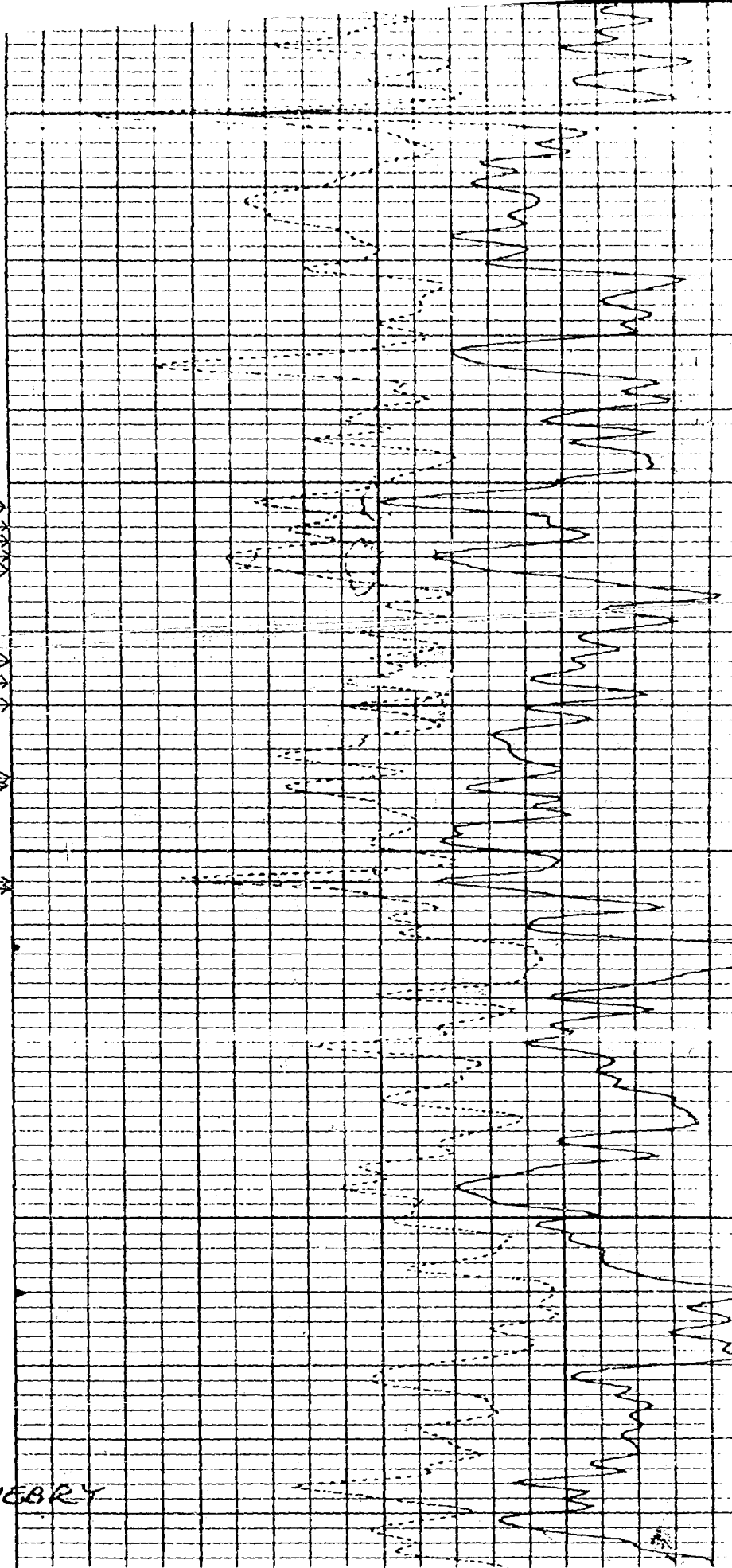


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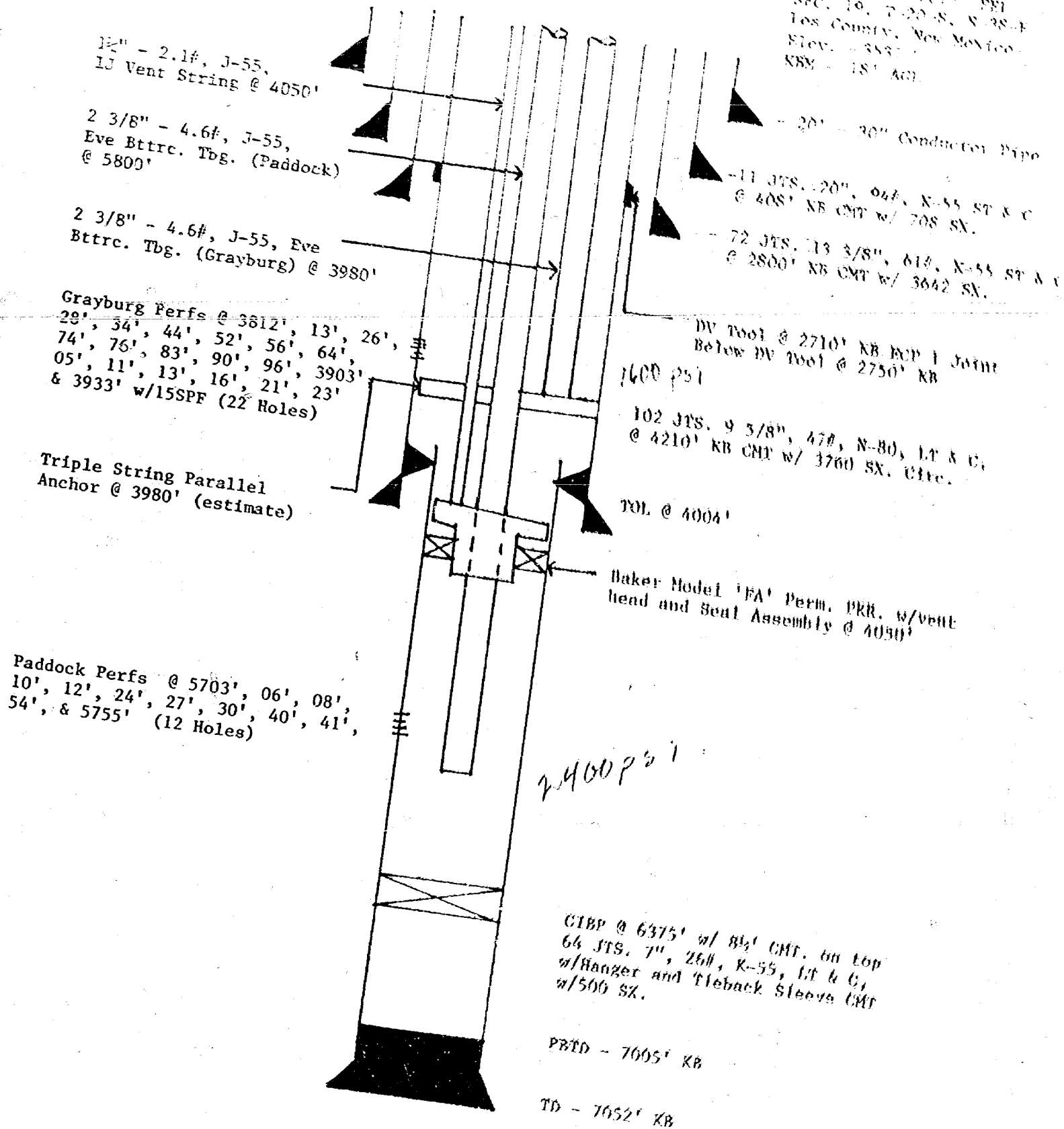
5800

BLINEARY



WELLBORE DIAGRAM
SEMI PERMIAN NO. 107

2615' YSL & 2615' PFI
SEC. 10, T. 20-S, R. 38-E
Los County, New Mexico
Elev. - 3537'
SBM - 18' AGI



SEMI PERMIAN NO. 107
WELLBORE DIAGRAM (Proposed)

BEFORE EXAMINED STAMETS
OIL CONSERVATION DIVISION
EXHIBIT NO. 2
CASE NO. 7267
Submitted by Conoco
Banding

NEW MEXICO OIL CONSERVATION COMMISSION

Exhibit No. 6

SANTA FE, NEW MEXICO

5-1-6

APPLICATION FOR MULTIPLE COMPLETION

Operator <u>Conoco Inc.</u>		County <u>Lea</u>	Date <u>May 27, 1981</u>
Address <u>P. O. Box 460 Hobbs, N. M. 88240</u>		Lease <u>SEMU Permian</u>	Well No. <u>107</u>
Location or Well	Unit <u>I</u>	Section <u>19</u>	Township <u>20-S</u>
			Range <u>37-E</u>

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	<u>Skaggs Grayburg</u>		<u>Undesignated Paddoc</u>
b. Top and Bottom of Pay Section (Perforations)	<u>3812-3933'</u>		<u>5703-5755'</u>
c. Type of production (Oil or Gas)	<u>Oil</u>		<u>Oil</u>
d. Method of Production (Flowing or Artificial Lift)	<u>Artificial Lift</u>		<u>Artificial Lift</u>

4. The following are attached. (Please mark YES or NO)

- _____ a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameter and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- _____ b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- _____ c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- _____ d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO _____. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the Asst Division Manager of the Conoco Inc. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

- * Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 6CASE NO. 7267Submitted by CONOCO INC.Hearing Date 6-3-81

Docket No. 17-81

Dockets Nos. 19-81 and 20-81 are tentatively set for June 17 and July 2, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 3, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 7261: Application of Robert N. Enfield for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Pecos River Bluff Unit Area, comprising 4789 acres, more or less, of State and Federal lands in Township 13 South, Range 27 East.
- CASE 7262: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Berry State Unit Area, comprising 2,228 acres, more or less, of State lands in Township 21 South, Ranges 33 and 34 East.
- CASE 7263: Application of Yates Petroleum Corporation for amendment of Order No. R-5527, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-5527, which approved an unorthodox Morrow location, to permit the recompletion of its Blevins "IK" Well No. 1 in Unit D of Section 35, Township 17 South, Range 26 East, as an unorthodox gas well location in all Wolfcamp and Pennsylvanian formations.
- CASE 7238: (Continued from May 6, 1981, Examiner Hearing)
- Application of Holly Energy, Inc. for directional drilling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Salt Lake South Deep Well No. 1, the surface location of which is 2189 feet from the North line and 500 feet from the East line of Section 6, Township 21 South, Range 32 East, South Salt Lake-Morrow Gas Pool, in a northerly direction to bottom it within 150 feet of the center of Unit A (Lot 1) of said Section 6, Lots 1 thru 8 to be dedicated to the well.
- CASE 7217: (Continued and Readvertised)
- Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Wolfcamp-Pennsylvanian location of its Travis Ohio State Com Well No. 1 to be drilled 760 feet from the South line and 660 feet from the West line of Section 13, Township 18 South, Range 28 East, the S/2 of said Section 13 to be dedicated to the well.
- CASE 7251: (Continued from May 6, 1981, Examiner Hearing)
- Application of Southern Union Exploration Company of Texas for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying all of Section 36, Township 24 North, Range 1 West, to be dedicated to its Mobil Federal Well No. 1 drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7264: Application of Cities Service Company for a salt water disposal well, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Entrada formation at a depth of 5200 feet to 5350 feet in its Federal "E" Well No. 2 in Unit H of Section 28, Township 19 North, Range 5 West.
- CASE 7265: Application of Tenneco Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2310 feet from the North line and 990 feet from the West line of Section 13, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, the N/2 of said Section 13 to be dedicated to the well.
- CASE 7266: Application of Tenneco Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the North line and 1650 feet from the East line of Section 14, Township 21 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, the N/2 of said Section 14 to be dedicated to the well.

CASE 7237: (Continued and Readvertised)

Application of Conoco Inc. for a dual completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its State "F-1" Well No. 10 located in Unit V of Section 1, Township 21 South, Range 36 East, to produce oil from the Hardy-Blinebry Pool and commingled Hardy-Drinkard and undesignated Tubb production.

CASE 7267: Application of Conoco Inc. for a dual completion and unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its SENU Burger Well No. 107 to produce oil from the Skaggs-Grayburg and an undesignated Paddock Pool at an unorthodox location 2615 feet from the South and East lines of Section 19, Township 20 South, Range 38 East.

CASE 7268: Application of Conoco Inc. for pool extension and contraction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the upward extension of the vertical limits of the Skaggs-Grayburg Pool to include the lowermost 100 feet of the Queen formation underlying all of Section 13, the E/2 of Section 24, and NE/4 of Section 25, Township 20 South, Range 37 East, and the W/2 of Section 18, all of Section 19, NW/4 of Section 29, and N/2 of Section 30, Township 20 South, Range 38 East. Applicant also proposes the contraction of the vertical limits of the Eumont Pool by deletion of the lowermost 100 feet of the Queen formation underlying the NW/4 of Section 13 and E/2 of Section 24, Township 20 South, Range 37 East, and the W/2 of Section 18 and W/2 of Section 19, Township 20 South, Range 38 East.

CASE 7248: (Continued from May 6, 1981, Examiner Hearing)

Application of Inxco Oil Company for pool creation, special pool rules, and an oil discovery allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Federal 10 State Com. Well No. 1 located in Unit L of Section 10, Township 21 South, Range 26 East, and the promulgation of special rules therefor, including provisions for 160-acre spacing. Applicant further seeks the assignment of approximately 42,290 barrels of discovery allowable to the aforesaid well.

CASE 7269: Application of Alpha Twenty-One Production Company for an unorthodox gas well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard proration unit comprising the E/2 SW/4 and the SW/4 SE/4 of Section 21, Township 21 South, Range 37 East, Eumont Gas Pool, to be dedicated to its Lansford Well No. 4 at an unorthodox location 810 feet from the South line and 1880 feet from the East line of said Section 21.

CASE 7270: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 21, Township 19 South, Range 27 East, to be dedicated to its Pecos River Federal 21-A Com Well No. 1 drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7250: (Continued from May 6, 1981, Examiner Hearing)

Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7271: Application of Morris R. Antweil for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from the surface down through the Drinkard formation underlying the NW/4 SE/4 of Section 5, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7086: (Continued from May 20, 1981, Examiner Hearing)

Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Pictured Cliffs formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

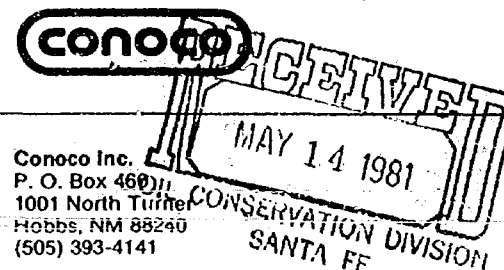
Application of Conoco, Inc for a dual completion,
and unorthodox location, ~~and pool extension and~~
~~contraction~~, Lea County, New Mexico.

Applicant in the above styled cause, seeks
authority to dually complete its SEMU Burger
Well No 107 to produce oil from the Skaggs
Grayburg and ^{an} undersignated Podlock Pool at an
unorthodox location 2615 feet from the South
and East lines of Section 19, Township 20 South,
Range 38 East.

Application of Conoco Inc for pool extension
and contraction, Lea County, New Mexico

Applicant, in the above styled cause seeks the upward
extension of the vertical limits of the Skaggs Gray-
burg Pool to include the lowermost 100 feet of
the Queen formation underlying ~~the~~ All of Section
13, the E/2 of Section 24, and NE/4 of Section
25, Township 20 South Range 37 East, and the W/2
of Section 18, All of Section 19, NW/4 of Section 20, and
N/2 of Section 30 Township 20 South, Range 38
East. Applicant proposes also to contract the vertical
limits of the Summit Pool by deletion of the lowermost
100 feet of the Queen formation underlying the
NW/4 of Section 13 and E/2 of Section 24, Township 20
South, Range 37 East and the W/2 of Section 18 and
W/2 of Section 19, Township 20 South, Range 38 East.

Production Department
Hobbs Division
Western Hemisphere Petroleum Division
L. P. Thompson
Division Manager



Conoco Inc.
P. O. Box 4600
1001 North Turner
Hobbs, NM 88240
(505) 393-4141

May 8, 1981

Case 7267

New Mexico Oil Conservation Division
Department of Energy and Minerals
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Dick Stamets

Gentlemen:

Application For Approval to Dually Complete Semu Burger No. 107 Skaggs
Grayburg and Undesignated Paddock And For Vertical Extension of the Skaggs
Grayburg Pool.

Attached are three (3) copies of the subject application. Please schedule
this for Examiner Hearing on June 3, 1981 docket, if possible.

Yours very truly,

J. L. Walker
for L. P. Thompson
Division Manager

HAI/aa

enclosure

cc-w/attach: Tom Kellahin
Vick Lyon

BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONOCO INC. FOR APPROVAL TO DUALY
COMPLETE ITS SEMU BURGER WELL NO. 107
AT A NON-STANDARD LOCATION 2615' FSL
AND 2615' FEL OF SECTION 19, T-20-S,
R-38-E, LEA COUNTY, NEW MEXICO, IN THE
SKAGGS GRAYBURG AND UNDESIGNATED PADDOCK
POOLS AND FOR EXTENSION OF THE VERTICAL
LIMITS OF THE SKAGGS GRAYBURG POOL
WITHIN THE AREA OF THE SKAGGS
WATERFLOOD PROJECT, TO INCLUDE
THE BOTTOM 100' OF THE QUEEN FORMATION
IN PORTIONS OF SECTIONS 13, 24, AND
25, T-20-S, R-37-E, AND PORTIONS OF
SECTIONS 18, 19, 20, 29, AND 30,
T-20-S, R-38-E, LEA COUNTY,
NEW MEXICO

Case 7267

A P P L I C A T I O N

Applicant, Conoco Inc., respectfully requests authority to dualy
complete in the Skaggs Grayburg and Undesignated Paddock Pools its
Semu Burger Well No. 107 at an unorthodox location 2615' FSL and 2615'
FEL, Section 19, T-20-S, R-38-E, Lea County, New Mexico, and for extension
of the vertical limits of the Skaggs Grayburg Pool within the waterflood
are to include the bottom 100' of the Queen Formation found to be pro-
ductive of hydrocarbons in wells located within the Skaggs Grayburg
Waterflood Project, and in support thereof will show:

1. Applicant is operator and co-owner of the Southeast Monument
Unit, which in addition to other lands includes NW/4 SW/4, S/2 SW/4,
SW/4 NE/4, SE/4 of Section 13; all Section 24; N/2, N/2 S/2 Section 25,
T-20-S, R-37-E and NW/4 SW/4, S/2 SW/4, SW/4 SE/4 Section 18; all Section
19 except NE/4 NE/4; SW/4 NW/4, SW/4 Section 20; NW/4 Section 29; N/2,
N/2 S/2 Section 30, T-20-S, R-38-E, Lea County, New Mexico.

APPROVAL TO DUALLY

WELL NO. 107

MAY 12, 1981

2. Applicant wishes to dually complete in the Skaggs Grayburg and Undesignated Paddock Pools its Semu Burger Well No. 107, which has been drilled at an unorthodox location 2615' FSL and 2615' FEL of Section 19, T-20-S, R-38-E, Lea County, New Mexico.

3. Applicant further wishes to extend the vertical limits of the Skaggs Grayburg Pool within the area at the waterflood project to include the bottom 100' of the Queen Formation.

4. That subject well was proposed and drilled with the intent of dually completing in the Blinebry Oil and Gas and Drinkard Pools, and that both these zones were found to be non-productive of hydrocarbons in paying quantities.

5. That authority to drill at the non-standard location was obtained by Order No. R-6307 dated April 15, 1980.

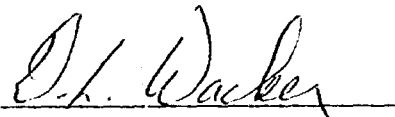
6. That completing this well in the manner of this application will prevent waste and will not impair the correlative rights of any party.

WHEREFORE, applicant respectfully requests this application be set for hearing before the Division's duly appointed examiner and, upon hearing an order be entered authorizing the dual completion of said well and the vertical extension of the Skaggs Grayburg Pool to include the bottom 100' at the Queen Pool.

Respectfully submitted,

CONOCO INC.

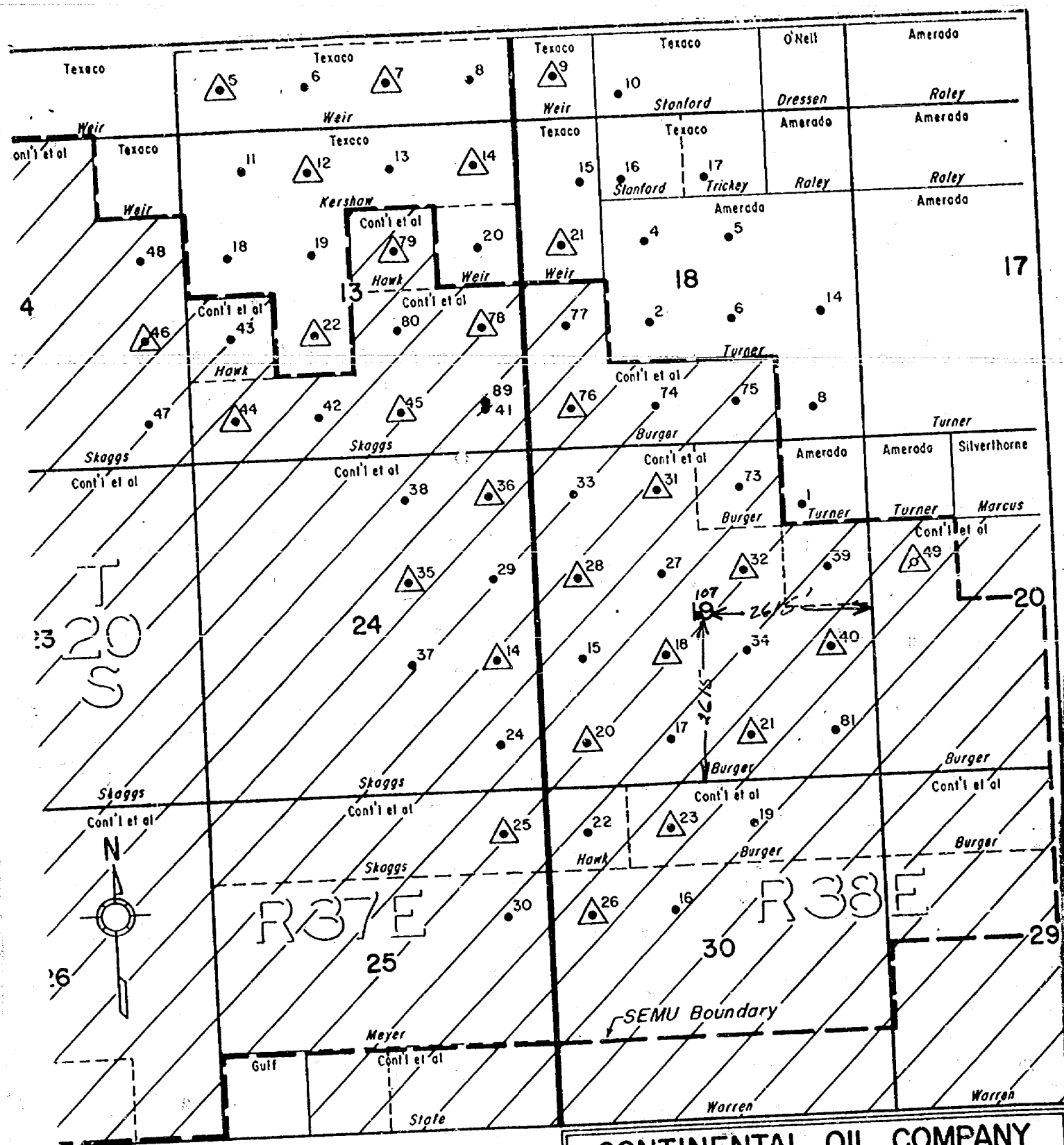
By



for L. P. Thompson

Division Manager of Production

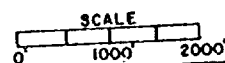
Hobbs Division



CONTINENTAL OIL COMPANY

PRODUCTION DEPARTMENT—HOBBS DISTRICT

SKAGGS POOL
SEMU PERMIAN LEASE
LEA COUNTY, NEW MEXICO



BLJ

BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONOCO INC. FOR APPROVAL TO DUALY
COMPLETE ITS SEMU BURGER WELL NO. 107
AT A NON-STANDARD LOCATION 2615' FSL
AND 2615' FEL OF SECTION 19, T-20-S,
R-38-E, LEA COUNTY, NEW MEXICO; IN THE
SKAGGS GRAYBURG AND UNDESIGNATED PADDOCK
POOLS AND FOR EXTENSION OF THE VERTICAL
LIMITS OF THE SKAGGS GRAYBURG POOL
WITHIN THE AREA OF THE SKAGGS
WATERFLOOD PROJECT, TO INCLUDE
THE BOTTOM 100' OF THE QUEEN FORMATION
IN PORTIONS OF SECTIONS 13, 24, AND
25, T-20-S, R-37-E, AND PORTIONS OF
SECTIONS 18, 19, 20, 29, AND 30,
T-20-S, R-38-E, LEA COUNTY,
NEW MEXICO

Case 7267

A P P L I C A T I O N

Applicant, Conoco Inc., respectfully requests authority to dualy
complete in the Skaggs Grayburg and Undesignated Paddock Pools its
Semu Burger Well No. 107 at an unorthodox location 2615' FSL and 2615'
FEL, Section 19, T-20-S, R-38-E, Lea County, New Mexico, and for extension
of the vertical limits of the Skaggs Grayburg Pool within the waterflood
are to include the bottom 100' of the Queen Formation found to be pro-
ductive of hydrocarbons in wells located within the Skaggs Grayburg
Waterflood Project, and in support thereof will show:

1. Applicant is operator and co-owner of the Southeast Monument
Unit, which in addition to other lands includes NW/4 SW/4, S/2 SW/4,
SW/4 NE/4, SE/4 of Section 13; all Section 24; N/2, N/2 S/2 Section 25,
T-20-S, R-37-E and NW/4 SW/4, S/2 SW/4, SW/4 SE/4 Section 18; all Section
19 except NE/4 NE/4; SW/4 NW/4, SW/4 Section 20; NW/4 Section 29; N/2,
N/2 S/2 Section 30, T-20-S, R-38-E, Lea County, New Mexico.

APPROVAL TO DUALY

WELL NO. 107

MAY 12, 1981

2. Applicant wishes to dually complete in the Skaggs Grayburg and Undesignated Paddock Pools its Semu Burger Well No. 107, which has been drilled at an unorthodox location 2615' FSL and 2615' FEL of Section 19, T-20-S, R-38-E, Lea County, New Mexico.

3. Applicant further wishes to extend the vertical limits of the Skaggs Grayburg Pool within the area at the waterflood project to include the bottom 100' of the Queen Formation.

4. That subject well was proposed and drilled with the intent of dually completing in the Blinebry Oil and Gas and Drinkard Pools, and that both these zones were found to be non-productive of hydrocarbons in paying quantities.

5. That authority to drill at the non-standard location was obtained by Order No. R-6307 dated April 15, 1980.

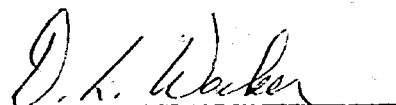
6. That completing this well in the manner of this application will prevent waste and will not impair the correlative rights of any party.

WHEREFORE, applicant respectfully requests this application be set for hearing before the Division's duly appointed examiner and, upon hearing an order be entered authorizing the dual completion of said well and the vertical extension of the Skaggs Grayburg Pool to include the bottom 100' at the Queen Pool.

Respectfully submitted,

CONOCO INC.

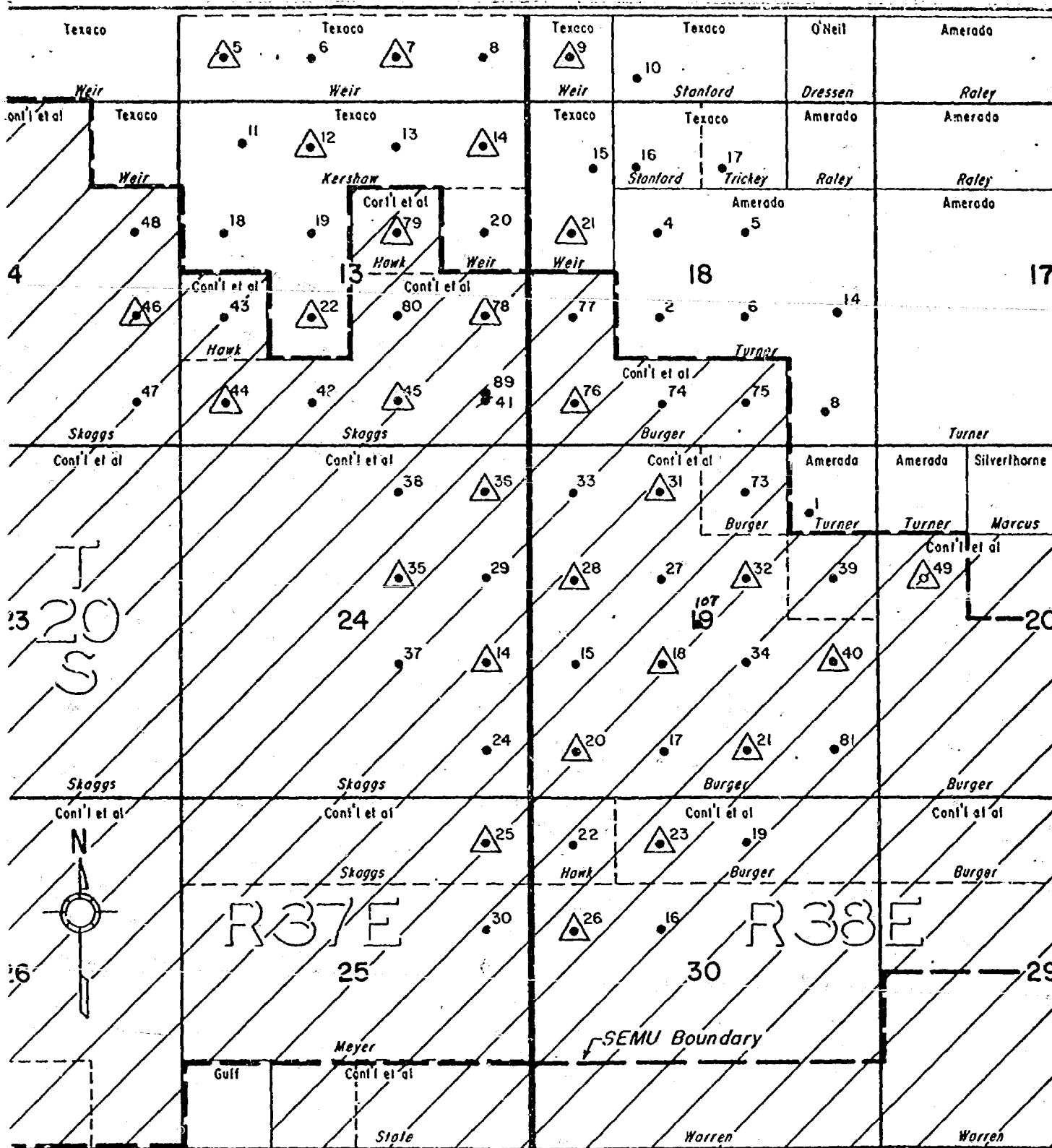
By



for L. P. Thompson

Division Manager of Production

Hobbs Division



CONTINENTAL OIL COMPANY

PRODUCTION DEPARTMENT—HOBBS DISTRICT

SKAGGS POOL
SEMU PERMIAN LEASE
LEA COUNTY, NEW MEXICO

SCALE
0 1000 2000'

BLJ

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7267

Order No. R- 6210

APPLICATION OF CONOCO INC.
FOR A DUAL COMPLETION, AND UNORTHODOX LOCATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on
June 3, 19 81, at Santa Fe, New Mexico, before
Examiner Richard L. Stamets.

NOW, on this day of June, 19 81, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Conoco Inc.,
seeks authority to complete its SEMU Burger Peruvian
at an unorthodox location 2615 feet from the South line and 2615 feet
Well No. 107/ located in Unit of Section 19, Town
from the East line of Section 19, Town-
ship 20 South, Range 38 East, NMPM, Lea
County, New Mexico, as a dual completion (conventional) to
(combination)-
(tubingless)
oil
produce gas from the Skaggs-Grayburg and an undesignated Paddock
Pool. Through parallel strings of tubing

(3) That the mechanics of the proposed dual completion
are feasible and in accord with good conservation practices.

(4) That a well at said unorthodox location will better
results from recompletion following fail secondary recovery
enable applicant to produce the gas underlying the proration unit.
without infill well attempt.

(6) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED: *hereby approved*

(1) That the applicant, Conoco Inc.,

is hereby authorized to complete its SEMU Burger *Perruian*
at an unorthodox location 2615 feet from the South line and 2615 feet from the
Well No. 107 /, located ~~in Unit~~ ~~of Section~~ ~~XXXXXXXXXXXXXXXXXXXX~~
East line of Section 19,
Township 20 South, Range 38 East, NMPM, Lea

County, New Mexico, as a dual completion (conventional)
(~~combination~~)
(~~tubingless~~)

oil ^{Pool}
to produce gas from the Skaggs-Grayburg and an undesignated
Paddock Pool

*Through parallel strings of 2 3/8-inch
tubing with separation of the zones to be achieved by
means of a packer set at approximately 4050 feet.*

PROVIDED HOWEVER, that the applicant shall complete, operate,
and produce said well in accordance with the provisions of Rule
112-A of the Division Rules and Regulations insofar as said rule
is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take

packer leakage tests upon completion and
annually thereafter during the Annual *Packer Gas-Oil Ratio*
Test Period for the *undesignated Paddock* Pool.

(2) That jurisdiction of this cause is retained for the
entry of such further orders as the Division may deem necessary.

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