

122. INVESTIGATION OF GULF OF  
MEXICO AND  
MAY 1969.

CASE No.

5174

Application,  
Transcripts,  
Small Exhibits

ETC.

**BEFORE THE**

**IN THE MATTER OF:**

Case No.  
5174

**BEFORE: Daniel S. Nutter, Examiner**

**Thomas Derryberry, Esq.  
Legal Counsel for the  
Commission  
State Land Office Bldg.  
Santa Fe, New Mexico**

Daniel W. McAllen, III.  
Midland, Texas  
Appearing through  
James E. Sperling, Esq.  
MODRALL, SPERLING, ROEHL,  
HARRIS & SISK  
8th Floor  
Public Service Building  
Albuquerque, New Mexico

CASE 5174

Page.....2

I N D E X

CHARLES F. KALTEYER

Page

Direct Examination by Mr. McAllen

3

Cross Examination by Mr. Nutter

13

E X H I B I T S

Marked

Admitted

Gulf's Exhibits 1 through 12

13

13

KALTEYER-DIRECT

MR. DERRYBERRY: Case No. 5174, Application of Gulf Oil Corporation for three dual completions and for the amendment of Order No. R-2909, Lea County, New Mexico.

MR. McALLEN: Daniel W. McAllen, III, from Midland, Texas, appearing on behalf of Gulf Oil Corporation through James E. Sperling of Albuquerque, and I'll have one witness.

MR. NUTTER: The record will show that Mr. Kalteyer is under oath.

CHARLES F. KALTEYER

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. McALLEN:

Q Would you please state your name, by whom you're employed and in what capacity you're employed?

A Charles F. Kalteyer, employed by Gulf Oil Corporation as District Proration Engineer in the Midland office.

Q Mr. Kalteyer, have you previously testified before the New Mexico Oil Conservation Commission?

A Yes, sir.

Q And had your qualifications accepted by this

KALTEYER-DIRECT

CASE 5174

Page.....4

body?

A Yes, sir.

Q Mr. Kalteyer, will you please explain what Gulf Oil Corporation is seeking in its Application?

A Gulf is seeking three things in this Application:

(1) To add one additional injection well to the Central Drinkard Unit Waterflood Project within the project area, i.e., the Central Drinkard Unit Well No. 119 WIW currently identified as Gulf's H.T. Mattern (NCT-B) Well No. 8.

(2) To dually complete three wells in the Central Drinkard Unit for water injection into the Drinkard zone and for production from other horizons as follows:

CDU No. 119 WIW - H.T. Mattern (NCT-B) No. 8  
Un. I, Sec. 30 - Blinbry  
Oil Pool

CDU No. 125 WIW - J.N. Carson (NCT-A) No. 4  
Un. O, Sec. 28 - Blinbry  
Gas Pool

CDU No. 131 WIW - W.T. McComack No. 13 in  
Un. A, Sec. 32 in the Tubb  
Gas Pool.

(3) We request that Order R-2909 which authorized the Central Drinkard Unit Waterflood Project be amended to provide for administrative approval of additional

KALTEYER-DIRECT

CASE 5174

Page..... 5

multiple injection and production wells in said project area should the occasion arise.

Q Mr. Kalteyer, I show you an Exhibit marked No. 1, and ask you if you would please explain what is shown by that Exhibit?

A Yes, sir. Exhibit No. 1 is a plat of the Central Drinkard Unit Project Area outlined by hachures which depicts the location of injection and production wells together with wells located on adjacent lands. The wells which are circled are current Drinkard completions and those which are enclosed in squares are former Drinkard completions. The wells colored in blue are Phase I injection wells and those colored in yellow are proposed Phase II injection wells. The well circled in red, in blue and red, in Section 32, is a cooperative injection well owned by Wiser Oil Company to which the Unit furnishes pressurized injection water. The wells colored in green are proposed future cooperative injection wells.

Q When was the Central Drinkard Unit Waterflood Project authorized?

A The Central Drinkard Unit was authorized by the Commission May 6, 1965, by Order No. 2904 in Case No. 3240 and the Waterflood Project was approved May 10, 1965, by

THE NYE REPORTING SERVICE  
STATE-WIDE DEPOSITION NOTARIES  
223 JOHNSON STREET  
SANTA FE, NEW MEXICO 87501  
TEL. (505) 982-0386

KALTEYER-DIRECT

Order No. 2909 under Case 3241.

Q And when did you begin water injection in this project and what were the results?

A Water injection began in the six pilot wells in September of 1967 on an 80-acre 5-spot pattern. You will note on Exhibit 1 that these injection wells in the pilot area are connected by a blue line. The pilot project succeeded in recovering a significant amount of additional oil thereby proving that the successful water flooding of the Drinkard Formation with produced water and brackish San Andres water was feasible.

Q Okay. As a result of your successful pilot project, what did Gulf do in 1972?

A On February 8, 1972, the Commission by Order R-4256 in Case No. 4652 authorized the expansion of the project to include fifteen additional water injection wells as Phase I of the project. This expansion work has now been completed.

Q Has Gulf seen any significant response to its Phase I Expansion Program?

A Actually it's a little early to expect any significant response. We have, however, seen some decline in the average gas-oil ratio. Oil production has increased



KALTEYER-DIRECT

CASE 5174

Page 7

a modest amount of some 50 barrels per day and there has been some increase in water production from approximately 300 barrels per day to 450 barrels per day.

Q How many injection wells do you now have in service in the Central Drinkard Project and at what rates are you injecting water?

A There are now 22 injection wells in service and receiving an average of 525 barrels of water per day at pressures ranging from vacuum to 1550 psi.

Q Have any additional wells been authorized for injection?

A Yes, sir, in addition to those already mentioned, on January 5, 1974, the Commission by Administrative Order WFX-409 approved the use of Unit Well No. 160 for injection service in Unit E of Section 29. This well is colored orange in Exhibit 1.

Q For which additional well is Gulf seeking authority for injection service at this Hearing and will you please explain why?

A Gulf is seeking authority to place Unit Well No. 119 on injection service in Section 30, in order to close the pattern for center producer Unit Well No. 163 and also to provide for a three-way "push" for Unit Well No. 120,

KALTEYER-DIRECT

CASE 5174

Page..... 8

also in Section 30. Originally Unit Well No. 119 was to be converted to injection service as a part of Phase II which was to be undertaken after cooperative arrangements were made with offset operators. However, further study in this area revealed that offset wells have been very poor producers with oil cumulatives of approximately 35,000 barrels per well as compared to recoveries for Unit Wells No. 160 and 163 of 170,000 to 197,000 barrels. The Offset wells in Section 30 are now completed in other horizons while others in the immediate area are now marginal producers. Due to the poor pay quality underlying the offset leases in the immediate area of Unit Wells No. 119 and 160, we do not plan to arrange for cooperative line injection and see no reason to delay conversion of Unit Well No. 119 to injection service. Waivers from offset operators, McDonald Oil Corporation and Texaco, Inc., in Section 30 are on file with the Commission for this conversion.

Q What is the current status of Unit Well No. 119 and how do you propose to complete it?

A Unit Well No. 119 is currently producing by rod pump as a single completion from the Blinebry Oil Pool as Gulf's H.T. Mattern (NCT-B) Well No. 8. We propose to drill out a bridge plug at 6500 feet and deepen the well

KALTEYER-DIRECT

CASE 5174

Page 9

from its present total depth of 6558 feet to approximately 6630 feet in the Drinkard. We then propose to dually complete the well through separate tubing strings for injection service in the Drinkard and oil production from the Blinebry.

Q Mr. Kalteyer, do you have the Exhibits covering this proposed work?

A Yes, sir. As Exhibit 2 I have an electric log of Central Drinkard Unit Well No. 119. You'll note that the Blinebry completion interval and the proposed Drinkard open-hole interval is indicated on that log.

As Exhibit 3 I have a schematic diagram of the proposed dual completion and as Exhibit 4 I have Commission Form C-107 "Application for Multiple Completion."

Q Okay. Now, Mr. Kalteyer, if you will move your attention across the Unit to Unit Well No. 125 Water Injection Well, what do you propose for this well?

A Unit Well No. 125 WIW in Section 28, the black arrow, is currently in service as a water injection well. We propose a dual completion of this well as a Blinebry Gas producer as Gulf's J.N. Carson (NCT-A) Well No. 4 and as a Drinkard injector.

Q Do you have any Exhibits covering this proposal?

KALTEYER-DIRECT

CASE 5174

Page.....10

A Yes, sir. As Exhibit 5 I have an electric log of CDU Well No. 125 WIW with the Drinkard completion interval indicated and the Blinebry gas perforation interval indicated.

As Exhibit 6 I have a schematic diagram of the proposed dual completion with a single tubing string for injection into the Drinkard and annulus production of the Blinebry Gas Pool.

As Exhibit 7 I have an alternate diagram of the proposed dual completion with two strings of tubing in the event we are unable to effect an annulus producer of the Blinebry.

As Exhibit 8 I have Commission Form C-107 "Application for Multiple Completion."

Q Okay, Mr. Kalteyer, I believe there is presently a case pending before the Commission concerning the J.N. Carson Well No. 4 heard earlier today, is that right?

A That is Case No. 5128 previously heard today Gulf has requested the simultaneous dedication of a non-standard 160-acre gas proration unit for this well and Gulf's J.N. Carson (NCT-A) Well No. 9.

Q Mr. Kalteyer, would you please explain your proposal concerning Well No. 131 in the middle of the unit marked by the solid black arrow?

A Gulf is seeking multiple completion authority for Central Drinkard Unit Well No. 131 WIW as an injection well into the Drinkard Pool and as a gas pool producer as Gulf's W.T. McComack Well No. 13.

Q Okay, and do you have Exhibits covering this Application?

A Yes, sir, as Exhibit 9 I have an electric log of Central Drinkard Unit Well No. 131 indicating the Drinkard completion interval and the Tubb gas interval.

As Exhibit 10 I have a schematic diagram of the dual completion with two tubing strings. The long string is set in a Model "D" Packer for injection into the Drinkard Pool and the short string is suspended at 6271 for production from the Tubb Gas Pool.

As Exhibit 11 I have Commission Form C-107 "Application for Multiple Completion."

As Exhibit 12 I have an unnumbered Commission Form for Southeast New Mexico Packer Leakage Test conducted on this well January 14th, 15th and 16th, 1974, together with the surface pressure charts.

Q What is Gulf seeking with regard to future applications for multiple completion of Central Drinkard Unit injection wells and other producing horizons in this area?

KALTEYER-DIRECT

CASE 5174

Page 12

A Gulf is requesting the amendment of Order R-2909 which authorized the Central Drinkard Waterflood Unit Project to provide for administrative approval of additional multiple injection-production wells in said unit area in a manner set out in Statewide Rule 112-A.

Q Mr. Kalteyer, I'll ask you to resummairize what Gulf is seeking in this Application, please.

A In three parts, Gulf is seeking to:

(1) Add one additional injection well to the Central Drinkard Unit Waterflood Project, i.e., Central Drinkard Unit Well 119 WIW currently identified as Gulf's H.T. Mattern (NCT-B) Well No. 8.

(2) We are asking authority to dually complete three wells in the Central Drinkard Unit for water injection into the Drinkard horizon and for production from the other horizons as follows: Central Drinkard Unit Well No. 119 WIW, and the second completion, the H.T. Mattern (NCT-B) No. 8 Unit I, Section 30, in the Blinbry group; the second well we are asking for is the Central Drinkard Unit 125 WIW, and its second completion interval, the J.N. Carson (NCT-A) Well No. 4 in Unit 0, Section 28, Blinbry Gas Pool; the third dual we propose is the Central Drinkard Unit 131 WIW, and the second completion in that well is

KALTEYER-DIRECT-CROSS

CASE 5174

Page..... 13

referred to here as the W.T. McComack No. 13 in Unit A, Section 32 in the Tubb Gas Pool.

(3) We request the amendment of Order No. R-2909 which authorized the Central Drinkard Unit Waterflood Project to provide for administrative approval of additional multiple injection and production wells in said project areas should the need arise.

Q Mr. Kalteyer, did you prepare Exhibits Nos. 1 through 12 or have them prepared under your direction and supervision?

A Yes, sir.

MR. McALLEN: Mr. Examiner, I move that Exhibits 1 through 12 be admitted into evidence.

MR. NUTTER: Gulf Exhibits Nos. 1 through 12 will be admitted into evidence.

(Whereupon, Gulf's Exhibits 1 through 12 were marked for identification and admitted into evidence.)

MR. McALLEN: That will conclude my direct testimony of this witness.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Kalteyer, actually these wells are each

KALTEYER-CROSS

carrying two designations then aren't they; one as the producing horizon and one as the unit well?

A That's correct.

Q So they have two names and two numbers each?

A Yes, sir.

MR. NUTTER: Are there any further questions of Mr. Kalteyer?

You may be excused.

Do you have anything further Mr. McAllen?

MR. McALLEN: Nothing further

MR. NUTTER: Does anyone have anything to offer in Case No. 5174?

We will take this case under advisement.



STATE OF NEW MEXICO )  
 )  
COUNTY OF SANTA FE ) ss.

I, RICHARD L. NYE, Court Reporter, do hereby  
certify that the foregoing and attached Transcript of  
Hearing before the New Mexico Oil Conservation Commission  
was reported by me, and the same is a true and correct  
record of the said proceedings, to the best of my knowledge,  
skill and ability.

*Richard L. Nye*  
COURT REPORTER

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 5174  
heard by me on 2/27, 1974

*[Signature]* Examiner  
New Mexico Oil Conservation Commission



## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

March 18, 1974

GOVERNOR  
**BRUCE KING**  
CHAIRMAN

LAND COMMISSIONER  
**ALEX J. ARMJO**  
MEMBER

STATE GEOLOGIST  
**A. L. PORTER, JR.**  
SECRETARY - DIRECTOR

Mr. Don McAllen  
Gulf Oil Corporation  
Post Office Drawer 1150  
Midland, Texas 79701

Re: Case No. 5174  
Order No. R-2909-A  
Applicant:

Gulf Oil Corporation

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X  
Artesia OCC         
Aztec OCC       

OTHER       

Mr. James E. Sperling

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5174  
Order No. R-2909-B

APPLICATION OF GULF OIL  
CORPORATION FOR THREE DUAL  
COMPLETIONS, LEA COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 27, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of March, 1974, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Gulf Oil Corporation, seeks to complete certain of its wells in its Central Drinkard Unit, all in Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, as dual completions as follows: its H. T. Mattern (NCT-B) Well No. 8, located in Unit I of Section 30, to produce oil from the Blinebry formation and to inject water into the Drinkard formation through parallel strings of tubing; its W. T. McCormack Well No. 13, located in Unit A of Section 32, to produce gas from the Tubb formation and to inject water into the Drinkard formation through parallel strings of tubing; and its J. N. Carson (NCT-A) Well No. 4, located in Unit O of Section 28, to produce gas from the Blinebry formation through the casing-tubing annulus and to inject water into the Drinkard formation through tubing.

(3) That the applicant further seeks a procedure whereby the subject waterflood project may be expanded by the dual completion of additional wells within the project area without the necessity for notice and hearing.

-2-

Case No. 5174

Order No. R-2909-B

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

(5) That the operator should take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to complete the three wells described below, all located in Township 21 South, Range 37 East, NMPM, Central Drinkard Unit, as dual producing and injection wells in the following manner: its H. T. Mattern (NCT-B) Well No. 8, located in Unit I of Section 30, to produce oil from the Blinebry formation and to inject water into the Drinkard formation through parallel strings of tubing; its W. T. McCormack Well No. 13, located in Unit A of Section 32, to produce gas from the Tubb formation and to inject water into the Drinkard formation through parallel strings of tubing; and its J. N. Carson (NCT-A) Well No. 4, located in Unit O of Section 28, to produce gas from the Blinebry formation through the casing-tubing annulus and to inject water into the Drinkard formation through tubing.

(2) That the applicant shall complete, operate and produce said wells in accordance with the provisions of Rules 112-A, 701, 702, and 703 of the Commission Rules and Regulations insofar as said rules are not inconsistent with the provisions of this order.

(3) That injection into the subject wells shall be through internally plastic-lined tubing set in a packer which shall be located as near as practicable to the casing shoe.

(4) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

(5) The applicant shall take such tests as may be practicable to detect leakage in the casing, tubing, or packer

-3-  
Case No. 5174  
Order No. R-2909-B

upon completion and annually thereafter during the annual Gas-Liquid Ratio Test for the Blinebry oil and gas pool or the Tubb gas pool, whichever is applicable.

(6) That Order (2) of Commission Order 2909, entered May 10, 1965, is hereby amended to read in its entirety as follows:

"That the subject waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

"PROVIDED HOWEVER, that the Secretary-Director of the Commission may approve expansion of the subject waterflood project to include such additional injection wells in the area of said project as may be necessary to complete an efficient injection pattern; that said wells may be approved as dual completions for injection into the Drinkard pool and production from the Blinebry Oil and gas pool or the Tubb gas pool."

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



*I. R. Trujillo*  
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

*A. L. Porter Jr.*  
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 27, 1974

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

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

CASE 5173: (Continued from the February 13, 1974, Examiner Hearing)

Application of Mobil Oil Corporation 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 W/2 of Section 3, Township 23 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to its Maude Rickman Com Well No. 1 located in Unit L of said Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5128: (Continued from the January 30, 1974, Examiner Hearing)

Application of Gulf Oil Corporation for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, both in Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its J. N. Carson Wells Nos. 4 and 9 located in Units O and K, respectively, of Section 28.

CASE 5174: Application of Gulf Oil Corporation for three dual completions and for the amendment of Order No. R-2909, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete three wells for water injection into its Central Drinkard Unit Waterflood Project in Township 21 South, Range 37 East, Lea County, New Mexico, and for production as follows:

H. T. Mattern Well No. 8, Unit I, Section 30: Blinebry Oil Pool;

W. T. McCormack Well No. 13, Unit A, Section 32: Tubb Gas Pool;

J. N. Carson Well No. 4, Unit O, Section 28: Blinebry Gas Pool;

Applicant further seeks the amendment of Order No. R-2909, which authorized said waterflood project, to provide for administrative approval of additional dual injection-production wells in said unit area.

CASE 5055: (Reopened)

In the matter of Case No. 5055 being reopened pursuant to the provisions of Order No. R-4651 to permit the applicant, Merrion and Bayless, to appear and present evidence as to the method for allocating oil production to the Devils Fork-Gallup Oil Pool and to an undesignated Greenhorn Oil Pool, and gas to the Basin-Dakota Pool in its Canada Mesa Well No. 3 located in Unit A of Section 14, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, said production having been commingled in the wellbore under authority of said Order No. R-4651.

CASE 5175: Application of Flag-Rodfern Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to the West Sawyer-San Andres special pool rules, authority to drill a well at an unorthodox location 1980 feet from the South line and 660 feet from the East line of Section 23, Township 9 South, Range 37 East, Lea County, New Mexico.

CASE 5176: Application of R. Q. Silverthorne for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates formation in the perforated interval from 2485 feet to 2506 feet in his Kenwood Well No. 4 located in Unit K of Section 30, Township 18 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.

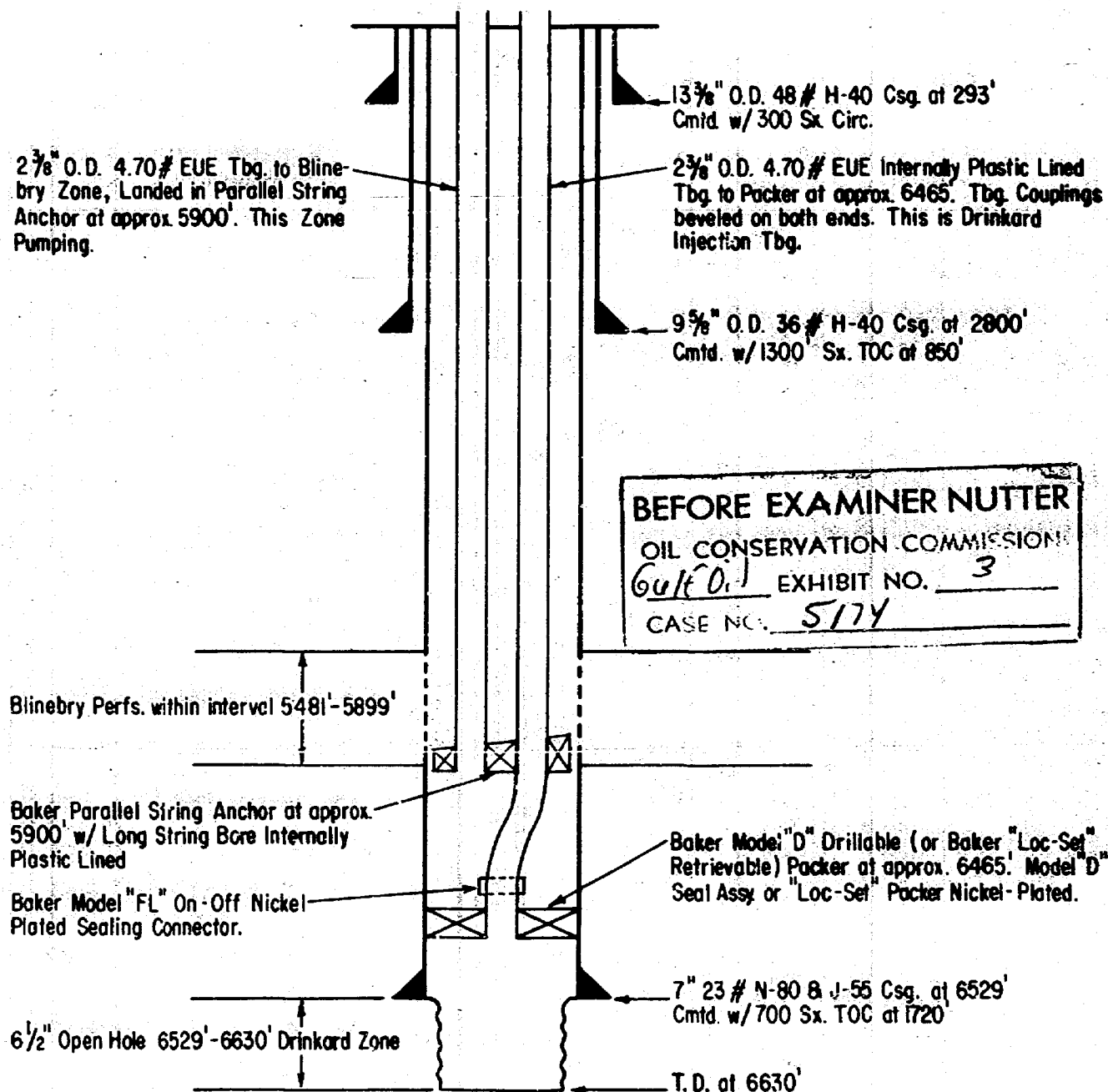
CASE 5177: Application of Atlantic Richfield Company for the amendment of Order No. R-4549, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4549, which order established project rules for the Empire-Abo Pressure Maintenance Project, Eddy County, New Mexico, to raise the maximum project allowable from the present 40,192 barrels per day to 40,555 barrels per day because of additional lands committed to the unit, and to provide for administrative approval for water injection wells in said project, and for inclusion of a reservoir voidage replacement credit for water injected into the Abo reservoir; applicant further seeks the amendment of Order No. R-4549 to provide that the maximum project allowable of 40,555 barrels per day would be achieved upon injection of "all available residue gas" rather than "70% of the produced gas", as now provided in the project rules. Applicant further seeks the establishment of a gas injection credit "bank", against which injection credit could be drawn in order to maintain full allowables during such times as injection plant shut-downs, etc.

CASE 5178: Application of El Paso Natural Gas Company for the amendment of Order No. R-1670 and Order No. R-333-F-1, San Juan Basin, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Rules 8(C)3 and 10(B)2 and 3 of the Northwest New Mexico Gas Proration Rules as prescribed by Order No. R-1670, as amended, and Section 1 B of Chapter I of the Gas Well Testing Rules for Northwest New Mexico as prescribed by Order No. R-333-F-1, as amended, to provide for a 90-day period within which to conduct deliverability tests on newly completed wells. Applicant further seeks the amendment of the gas well testing rules to provide a production penalty for delinquency in testing non-prorated wells in the same manner as such penalty is currently applied to delinquency in testing prorated wells. Applicant further seeks clarification for the classification of exempt-marginal status for wells upon which tests are not required.

**SCHEMATIC DIAGRAM OF PROPOSED COMPLETION**

**CENTRAL DRINKARD UNIT NO. 119-WIW**

DUALLED w/ GULF'S H.T. MATTERN (NCT-B) NO. 8-BLINERY OIL  
LOCATION: 330' FEL, 2160' FSL, SEC. 30, T-21-S, R-37-E  
LEA COUNTY, NEW MEXICO





BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

Gulf Oil EXHIBIT NO. 4  
CASE NO. 5174NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
APPLICATION FOR MULTIPLE COMPLETIONForm C-107  
5-2-61

|                                                          |                   |                                                                |                                 |
|----------------------------------------------------------|-------------------|----------------------------------------------------------------|---------------------------------|
| Operator<br><b>Gulf Oil Corporation</b>                  |                   | County<br><b>Lea</b>                                           | Date<br><b>January 30, 1974</b> |
| Address<br><b>P. O. Box 670, Hobbs, New Mexico 88240</b> |                   | Lease<br><b>H.T. Mattern (NCT-B)<br/>Central Drinkard Unit</b> | Well No.<br><b>8<br/>119</b>    |
| Location of Well<br><b>I</b>                             | Unit<br><b>30</b> | Township<br><b>21-S</b>                                        | Range<br><b>37-E</b>            |

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                        | <b>Blinberry Oil</b> |                   | <b>Drinkard Injection</b>    |
| b. Top and Bottom of Pay Section (Perforations)      | <b>5481 - 5899'</b>  |                   | <b>6529' - 6630' Open Ho</b> |
| c. Type of production (Oil or Gas)                   | <b>Oil</b>           |                   | <b>Water Injection</b>       |
| d. Method of Production (Flowing or Artificial Lift) | <b>Pump</b>          |                   | <b>Injection</b>             |

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

- |                                     |                                     |                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yes                                 | No                                  |                                                                                                                                                                                                                                                                                                                                                                                                 |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 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.                                                                                                                                                                                                         |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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.*                                                                                                                                                                                                            |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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.

**Texaco, Inc., Box 738, Midland, Texas 79701**

**Mobil Oil Corporation, Box 633, Midland, Texas 79701**

**McDonald Oil Corporation, 1210 Western United Life Bldg., Midland, Texas 79701**

**ARCO, Box 1710, Hobbs, New Mexico 88240**

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

CERTIFICATE: I, the undersigned, state that I am the Area Engineer of the Gulf Oil Corporation (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.

*K.J. Breazeale*  
K.J. BREAZEAL Signature Area Engineer

\*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.

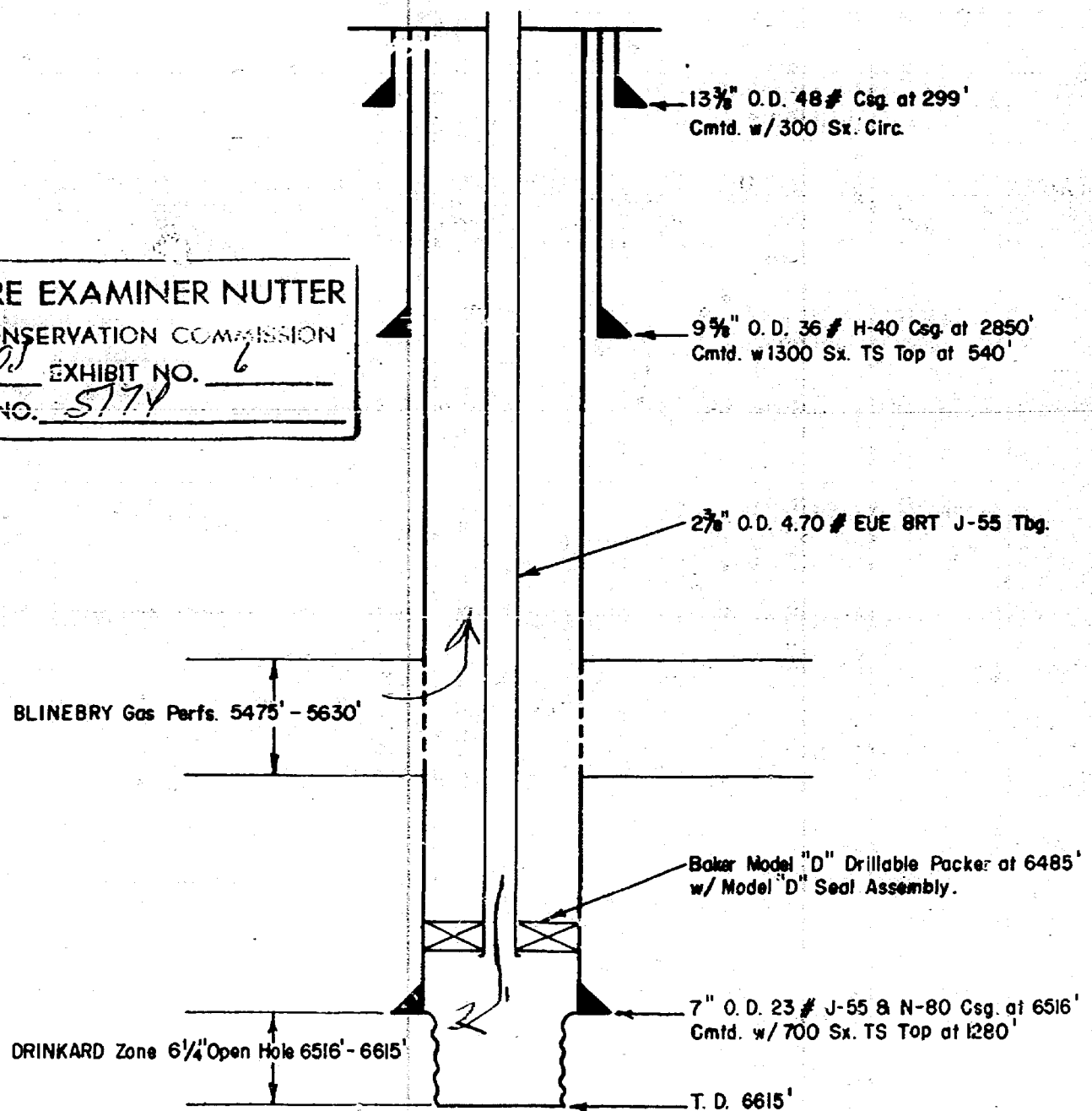
NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

SCHEMATIC DIAGRAM OF PROPOSED MULTIPLE COMPLETION

CENTRAL DRINKARD UNIT NO. 125-WIW

DUALLED w/ GULF'S J. N. CARSON (NCT-A) NO. 4 - BLINEBRY POOL  
UNIT O, SEC. 28, T-21-S, R-37-E  
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
*Gulf Oil* EXHIBIT NO. 6  
CASE NO. 5174

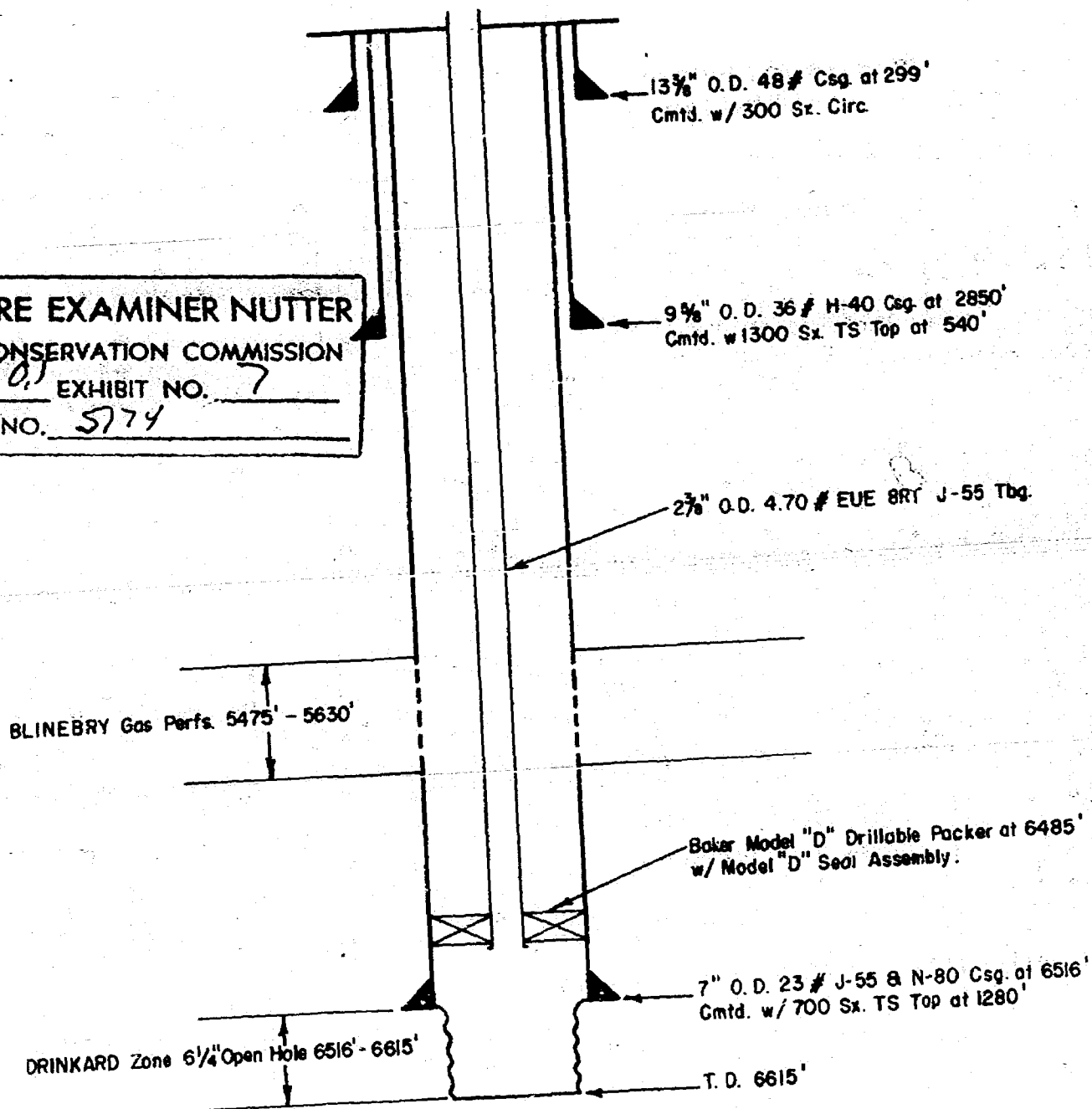


SCHEMATIC DIAGRAM OF PROPOSED MULTIPLE COMPLETION

CENTRAL DRINKARD UNIT NO. 125-WIW

DUALLED w/ GULF'S J. N. CARSON (NCT-A) NO. 4 - BLINEBRY POOL  
UNIT O, SEC. 28, T-21-S, R-37-E  
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
64170 EXHIBIT NO. 7  
CASE NO. 5774



SCHEMATIC DIAGRAM OF ALTERNATE PROPOSED MULTIPLE COMPLETION

CENTRAL DRINKARD UNIT NO. 125-WIW

DUALLED w/ GULF'S J. N. CARSON (NCT-A) NO. 4 - BLINEBRY POOL  
UNIT O, SEC. 28, T-21-S, R-37-E  
LEA COUNTY, NEW MEXICO

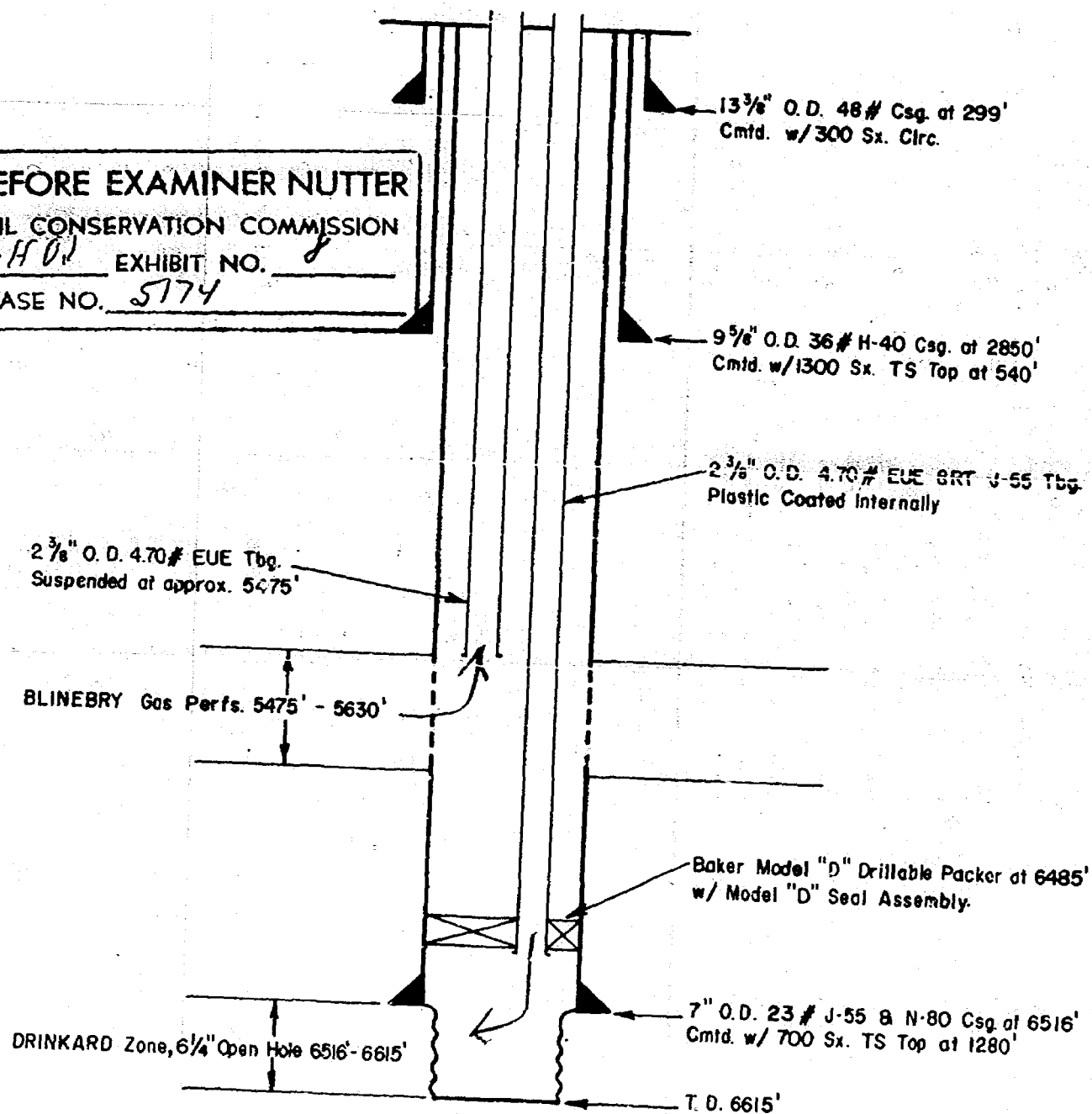
BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

64 H 01

EXHIBIT NO. 8

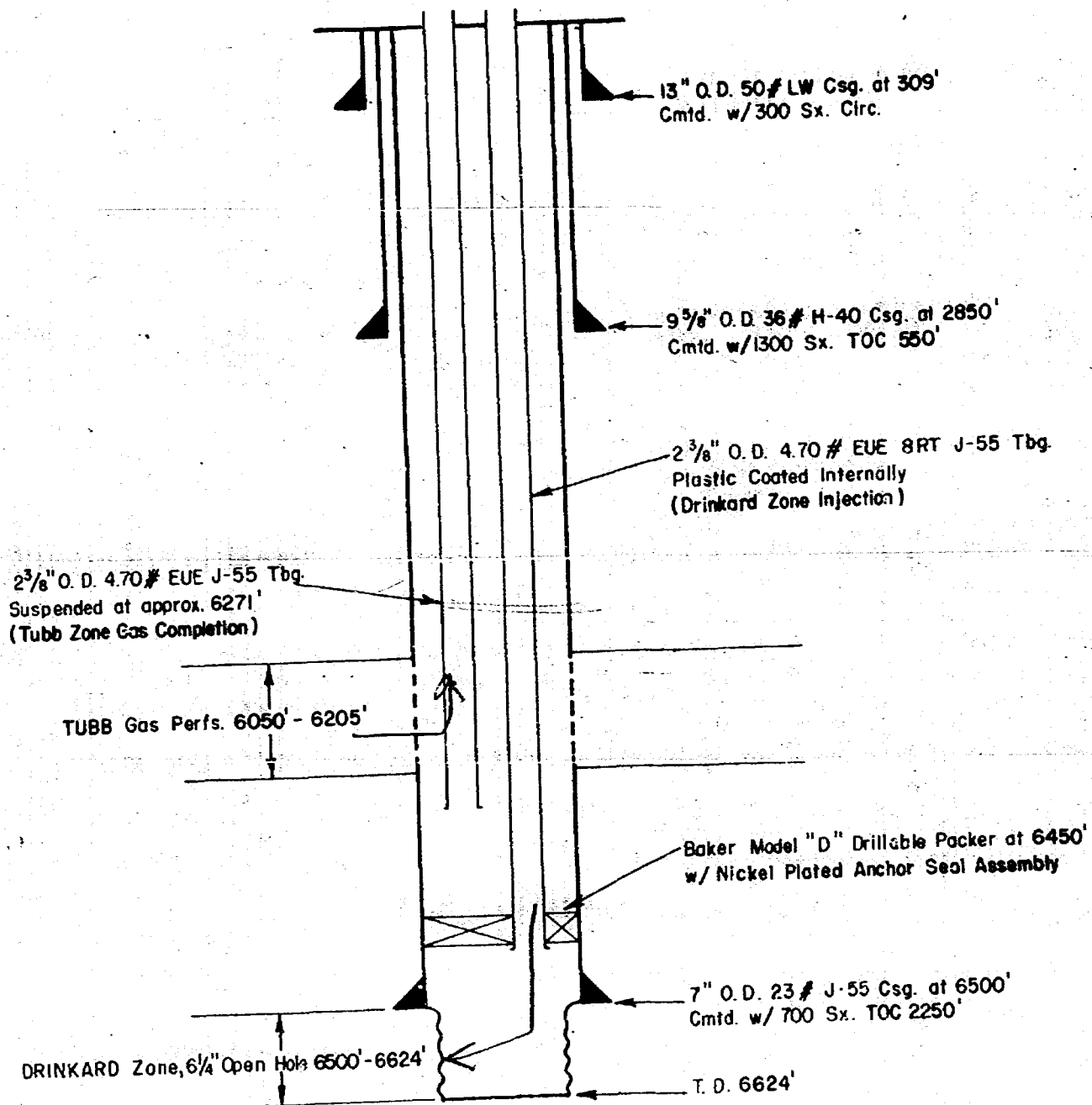
CASE NO. 5774



**SCHEMATIC DIAGRAM OF COMPLETION**

**CENTRAL DRINKARD UNIT NO. 131-WIW**

DUALLED w/ GULF'S W. T. McCORMACK NO. 13 - TUBB GAS POOL  
 LOCATION: UNIT A, 554' FNL & 766' FEL SEC. 32, T-21-S, R-37-E  
 LEA COUNTY, NEW MEXICO



**BEFORE EXAMINER NUTTER**  
 OIL CONSERVATION COMMISSION  
 GULF OI EXHIBIT NO. 10  
 CASE NO. 5174

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Form C-107  
8-1-61

BEFORE EXAMINATION APPLICATION FOR MULTIPLE COMPLETION

OIL CONSERVATION COMMISSION

Gulf Oil EXHIBIT NO. 11

|                                                    |                                      |                              |                                 |
|----------------------------------------------------|--------------------------------------|------------------------------|---------------------------------|
| Operator<br><b>Gulf Oil Corporation</b>            | Case No.<br><b>3774</b>              | County<br><b>Lea</b>         | Date<br><b>January 30, 1974</b> |
| Address<br><b>Box 670, Hobbs, New Mexico 88240</b> | Leaseholder<br><b>W. T. McComack</b> | Well No.<br><b>13</b>        |                                 |
| Location of Well<br>Unit<br><b>A</b>               | Section<br><b>32</b>                 | Township<br><b>21-S</b>      | Range<br><b>37-E</b>            |
|                                                    |                                      | <b>Central Drinkard Unit</b> |                                 |

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                        | <b>Tubb</b>          |                   | <b>Drinkard Injection</b>      |
| b. Top and Bottom of Pay Section (Perforations)      | <b>6050' - 6205'</b> |                   | <b>6500' - 6624' Open Hole</b> |
| c. Type of production (Oil or Gas)                   | <b>Gas</b>           |                   | <b>Injection</b>               |
| d. Method of Production (Flowing or Artificial Lift) | <b>Flow</b>          |                   | <b>Injection</b>               |

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

- |                                     |                                     |                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yes                                 | No                                  |                                                                                                                                                                                                                                                                                                                                                                                                 |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 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.                                                                                                                                                                                                         |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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.*                                                                                                                                                                                                            |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 112-2)                                                                                                                                  |

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

**Amoco Production Co., P. O. Box 3092, Houston, TX 77001**

**Mobil Oil Corporation, Box 633, Midland TX 79701**

**Amerada Hess Corporation, P. O. Box 591, Midland, Texas 79701**

**Atlantic Richfield Company, P. O. Box 1610, Midland, TX 79701**

**Wiser Oil Company, 110 Gihls Tower East, Midland, TX 79701**

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

CERTIFICATE: I, the undersigned, state that I am the Area Engineer of the Gulf Oil Corporation (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.

*K. J. Breazeale*  
K. J. BREAZEALE, Area Engineer

\*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.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of

This form is not to be used for reporting packer leakage tests in Northwest New Mexico

NEW MEXICO OIL CONSERVATION COMMISSION  
SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST

BEFORE EXAMINER NOTED

OIL CONSERVATION COMMISSION

Gulf Oil EXHIBIT NO. 12

CASE NO. 5174

|                                  |           |           |                                                 |                                  |                              |                 |  |
|----------------------------------|-----------|-----------|-------------------------------------------------|----------------------------------|------------------------------|-----------------|--|
| Operator<br>Gulf Oil Corporation |           |           | Lease<br>H. T. McCrack<br>Central Drinkard Unit |                                  |                              | Well<br>No. 131 |  |
| Location<br>of Well              | Unit<br>A | Sec<br>32 | Twp<br>21S                                      | Rge<br>37E                       | County<br>Lea                |                 |  |
| Name of Reservoir or Pool        |           |           | Type of Prod<br>(Oil or Gas)                    | Method of Prod<br>Flow, Art Lift | Prod. Medium<br>(Tbg or Csg) | Choke Size      |  |
| Upper<br>Compl                   | Tubb      |           | Gas                                             | Flow                             | Tbg.                         | —               |  |
| Lower<br>Compl                   | Drinkard  |           | Water Injection Well                            |                                  | Tbg.                         | —               |  |

FLOW TEST NO. 1

Both zones shut-in at (hour, date): 10:45 a.m., 1-14-74

Well opened at (hour, date): 10:45 a.m., 1-15-74

|                                                          | Upper<br>Completion                                      | Lower<br>Completion |
|----------------------------------------------------------|----------------------------------------------------------|---------------------|
| Indicate by ( X ) the zone producing.....                | X                                                        |                     |
| Pressure at beginning of test.....                       | 757                                                      | 1560                |
| Stabilized? (Yes or No).....                             | Yes                                                      | Yes                 |
| Maximum pressure during test.....                        | 757                                                      | 1560                |
| Minimum pressure during test.....                        | 356                                                      | 1475                |
| Pressure at conclusion of test.....                      | 356                                                      | 1530                |
| Pressure change during test (Maximum minus Minimum)..... | 401                                                      | 85                  |
| Was pressure change an increase or a decrease?.....      | Decr.                                                    | Decr.               |
| Well closed at (hour, date): 10:45 a.m., 1-16-74         | Total Time On<br>Production 2 1/2 hrs                    |                     |
| Oil Production<br>During Test: 1 bbls; Grav. 42.6        | Gas Production<br>During Test: 1044.0 MCF; GOR 1,440,000 |                     |
| Remarks                                                  |                                                          |                     |

FLOW TEST NO. 2

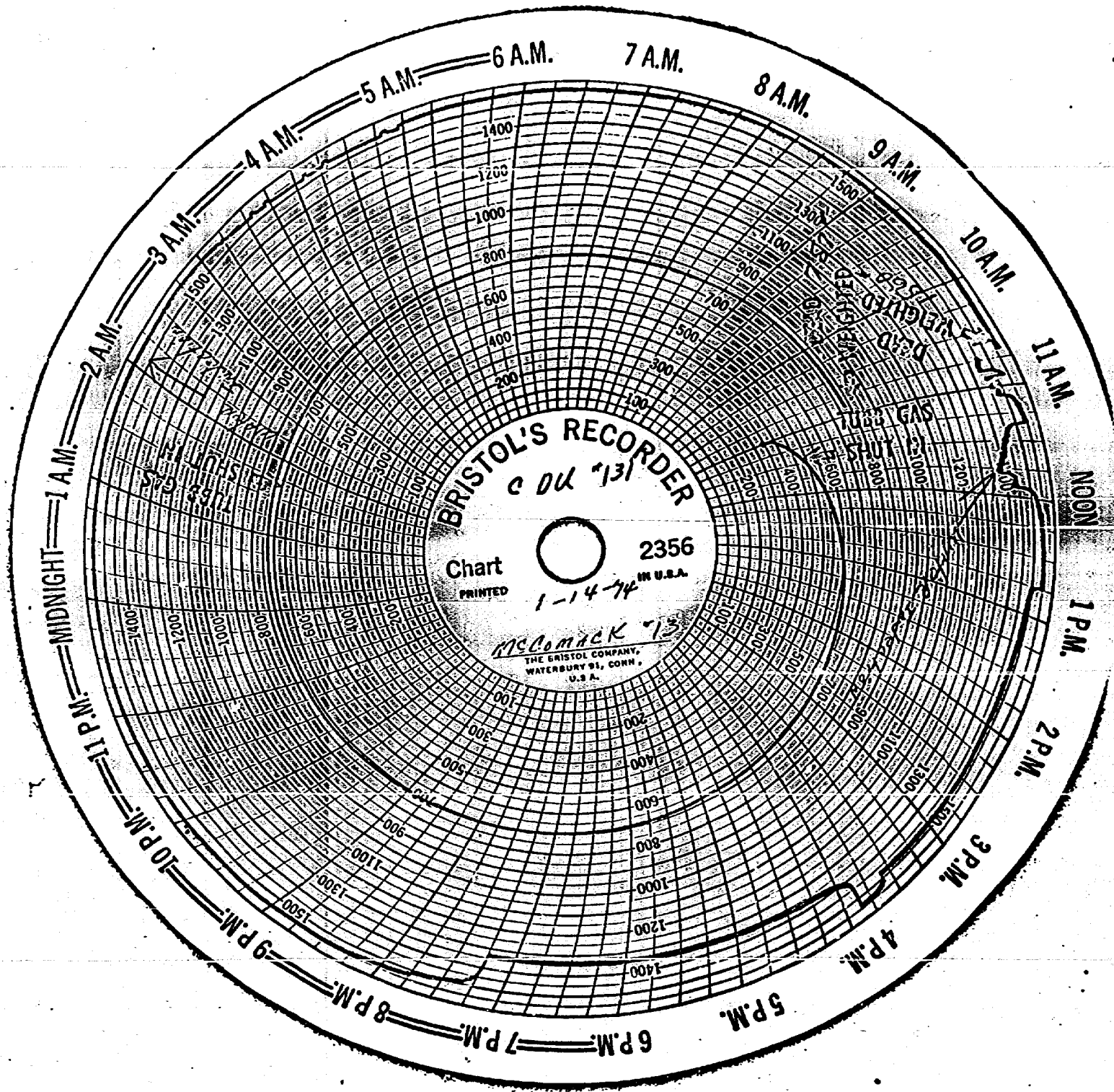
|                                                          | Upper<br>Completion                     | Lower<br>Completion |
|----------------------------------------------------------|-----------------------------------------|---------------------|
| Well opened at (hour, date):                             |                                         |                     |
| Indicate by ( X ) the zone producing.....                |                                         |                     |
| Pressure at beginning of test.....                       | 775                                     | 1375                |
| Stabilized? (Yes or No).....                             |                                         |                     |
| Maximum pressure during test.....                        |                                         |                     |
| Minimum pressure during test.....                        |                                         |                     |
| Pressure at conclusion of test.....                      |                                         |                     |
| Pressure change during test (Maximum minus Minimum)..... |                                         |                     |
| Was pressure change an increase or a decrease?.....      |                                         |                     |
| Well closed at (hour, date)                              | Total time on<br>Production             |                     |
| Oil Production<br>During Test: bbls; Grav. ;             | Gas Production<br>During Test: MCF; GOR |                     |
| Remarks                                                  |                                         |                     |

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

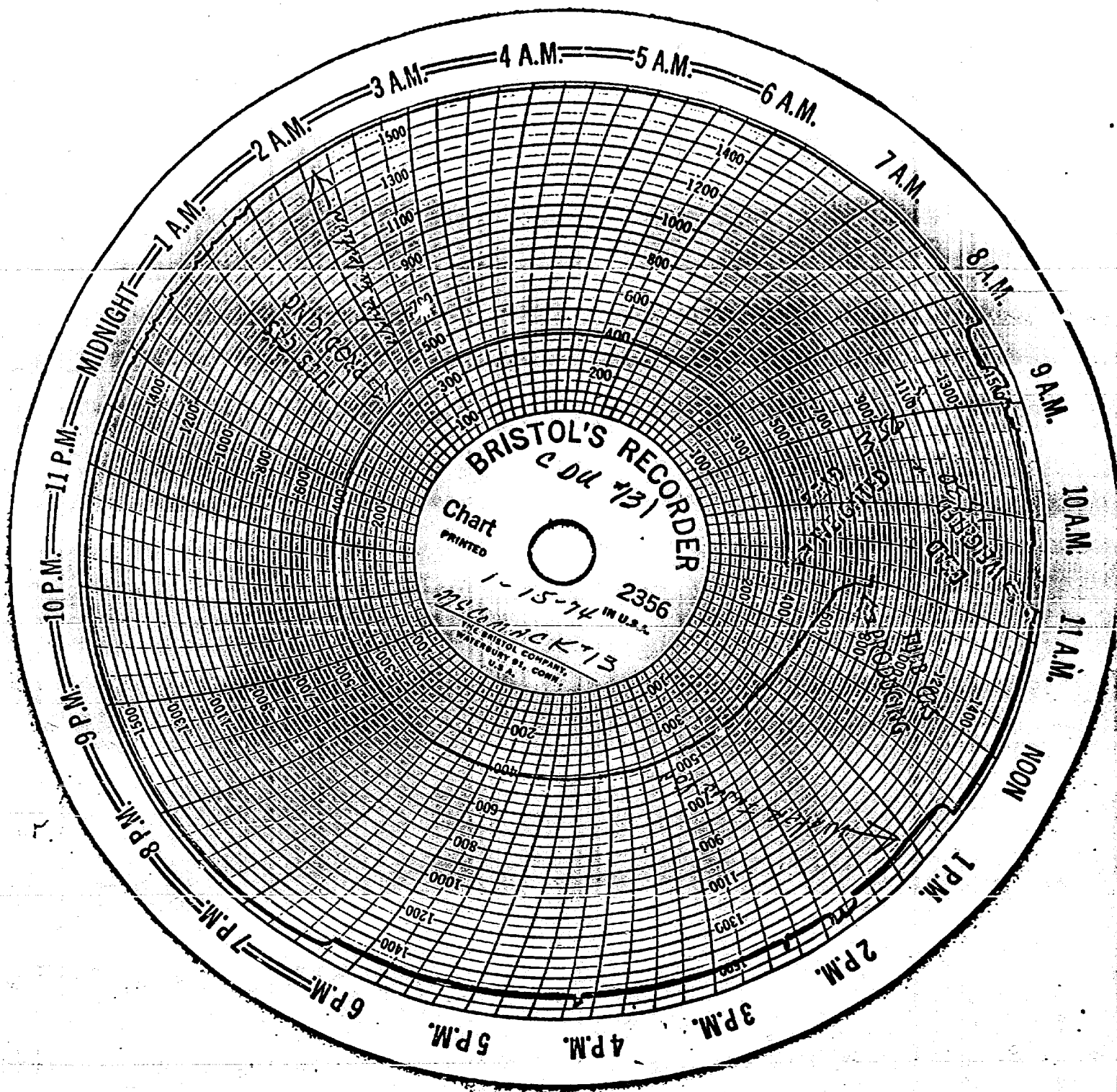
Approved \_\_\_\_\_ 19  
New Mexico Oil Conservation Commission  
By \_\_\_\_\_  
Title \_\_\_\_\_

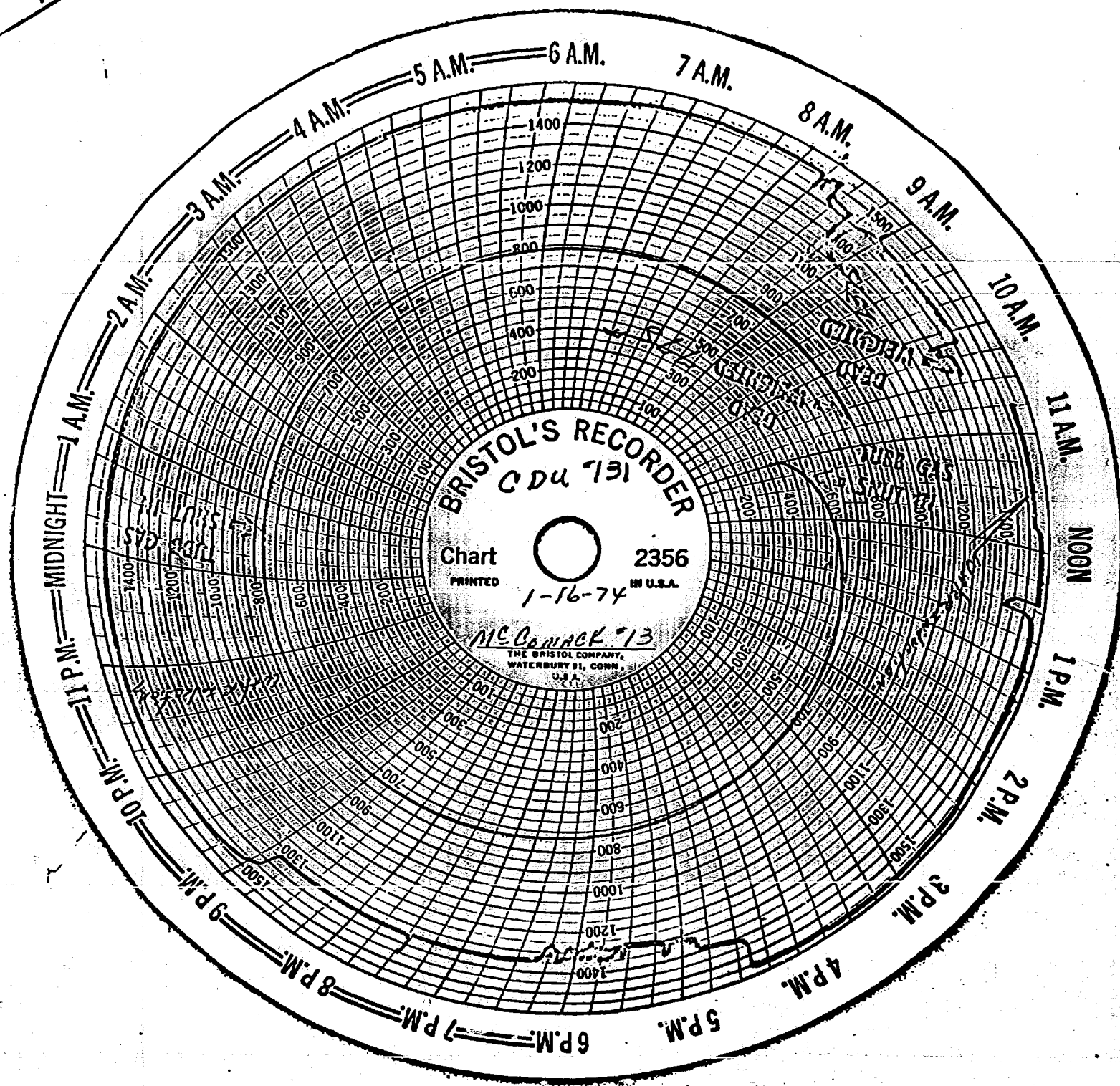
Operator Gulf Oil Corporation  
By \_\_\_\_\_  
Title Well Tester  
Date 1-18-74











# Gulf Oil Company - U.S.

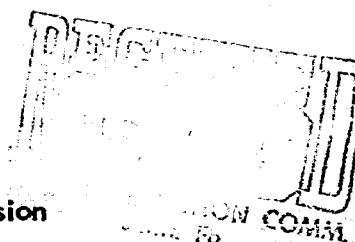
PRODUCTION DEPARTMENT  
MIDLAND DISTRICT

February 1, 1974

W. B. Hopkins  
DISTRICT PRODUCTION MANAGER  
J. L. Pike  
DISTRICT OPERATIONS MANAGER  
M. B. Moseley  
DISTRICT SERVICES MANAGER  
A. J. Evans, Jr.  
DISTRICT ENVIRONMENTAL & SAFETY MANAGER  
J. C. Howard  
DISTRICT EMPLOYEE RELATIONS MANAGER

P. O. Drawer 1150  
Midland, Texas 79701

Case  
5-174



Mr. A. L. Porter, Jr. (3)  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Case No. 5128

Gentlemen:

Gulf Oil Corporation respectfully requests a continuance of Case 5128 to your February 27, 1974 Examiners Hearing Docket and expansion of our application to:

1. Reinstatement of authority for a non-standard location for our J. N. Carson (NCT-A) Well No. 4 in Unit O, Section 28, T-21S, R-37E, Blinebry (Gas) Pool, Lea County, New Mexico.
2. Simultaneous dedication of a 160 acre non-standard gas proration unit in the Blinebry (Gas) Pool for said Well No. 4 and the presently producing J. N. Carson (NCT-A) Well No. 9 at a non-standard location in Unit K, Section 28, T-21S, R-37E, Lea County, New Mexico.
3. Multiple completion authority to produce the Blinebry gas zone in the J. N. Carson (NCT-A) Well No. 4 while injecting water into the Drinkard zone which is known as Central Drinkard Unit Well No. 125 WIW.

Enclosed is Oil Conservation Commission Form C-107, Application for Multiple Completion, and a plat depicting the location of wells on the lease and wells on offset leases.

Yours very truly,

  
J. L. PIKE

CFK:jm  
Attachments



A DIVISION OF GULF OIL CORPORATION

DOCKET MAILED

Date 2/15/74

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

Form C-107  
5-1-61

*Case 5174*

|                                                    |                   |                                                              |                                 |
|----------------------------------------------------|-------------------|--------------------------------------------------------------|---------------------------------|
| Operator<br><b>Gulf Oil Corporation</b>            |                   | County<br><b>Lea</b>                                         | Date<br><b>January 29, 1974</b> |
| Address<br><b>Box 670, Hobbs, New Mexico 88240</b> |                   | Lease<br><b>J.N.Carson (NCT-A)<br/>Central Drinkard Unit</b> | Well No.<br><b>4</b>            |
| Location of Well<br><b>0</b>                       | Unit<br><b>28</b> | Township<br><b>21-S</b>                                      | Range<br><b>37-E</b>            |

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                        | <b>Blinberry</b>   |                   | <b>Drinkard Injection</b>    |
| b. Top and Bottom of Pay Section (Perforations)      | <b>5475 - 5630</b> |                   | <b>6516 - 6615 Open Hole</b> |
| c. Type of production (Oil or Gas)                   | <b>Gas</b>         |                   | <b>Injection</b>             |
| d. Method of Production (Flowing or Artificial Lift) | <b>Flow</b>        |                   | <b>Injection</b>             |

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

- |                                     |                                     |                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yes                                 | No                                  |                                                                                                                                                                                                                                                                                                                                                                                           |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 diameters and setting depth, location and type of packers and side door chokes, and such information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 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.                                                                                                                                                                                                   |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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.*                                                                                                                                                                                                      |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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.

**Mobil Oil Corporation, Box 633, Midland TX 79701**

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

CERTIFICATE: I, the undersigned, state that I am the Area Engineer of the Gulf Oil Corporation (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.

*K. J. Breazeale*  
K. J. BREAZEAL, Area Engineer

\*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.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

J. R. MODRALL  
JAMES E. SPERLING  
JOSEPH E. ROEHL  
GEORGE T. HARRIS, JR.  
DANIEL A. SISK  
LELAND S. SEGBERRY, JR.  
ALLEN C. DEWEY, JR.  
FRANK M. ALLEN, JR.  
JAMES P. SAUNDERS, JR.  
JAMES A. PARKER  
JOHN R. COONEY  
KENNETH L. HARRIGAN  
PETER J. ADAMS  
DALE W. EK  
DENNIS J. FALK  
ARTHUR D. MELENDRES  
BRUCE D. BLACK  
CHARLES J. NOYA  
JOE R. O. FULCHER  
MEL E. YOST  
JAMES P. HOUGHTON  
GEORGE J. HOPKINS

LAW OFFICES OF  
MODRALL, SPERLING, ROEHL, HARRIS & SISK

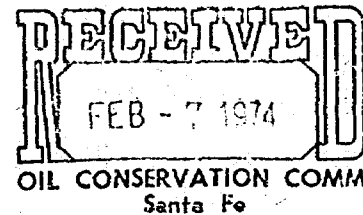
PUBLIC SERVICE BUILDING  
P. O. BOX 2166  
ALBUQUERQUE, NEW MEXICO 87103

JOHN F. SIMMS (1885-1954)  
AUGUSTUS T. SEYMOUR  
(1907-1966)

TELEPHONE 243-4811  
AREA CODE 505

February 5, 1974

Case 5-174



Mr. A. L. Porter  
Secretary-Director  
Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Application of Gulf Oil Corporation  
for a Dual Completion and Additional  
Injection Wells in Central Drinkard  
Unit Waterflood Project Area,  
Lea County, New Mexico

Dear Mr. Porter:

Enclosed is Entry of Appearance on behalf of the  
Applicant, Gulf Oil Corporation, in the above-  
captioned application, which has been requested  
for docketing at the Examiner's hearing on  
February 27, 1974.

Very truly yours,

James E. Sperling

DOCKET MAILED

Date 2/15/74

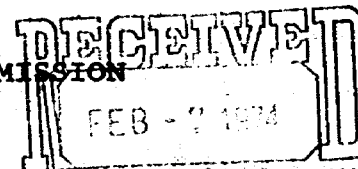
/jv

Enclosure

cc: Mr. Robert W. Fuller, w/encl.  
Divisional Attorney  
Law Department  
Gulf Oil Company - U.S.  
P. O. Box 1150  
Midland, Texas 79701

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO



OIL CONSERVATION COMM.  
Santa Fe

IN THE MATTER OF THE APPLICATION  
OF GULF OIL CORPORATION FOR A  
DUAL COMPLETION AND ADDITIONAL  
INJECTION WELLS IN CENTRAL  
DRINKARD UNIT WATERFLOOD PROJECT  
AREA, LEA COUNTY, NEW MEXICO

Case No. 5174

ENTRY OF APPEARANCE

The undersigned, Modrall, Sperling, Roehl, Harris & Sisk, of Albuquerque, New Mexico, hereby enter their appearance herein for the Applicant, Gulf Oil Corporation, with its house counsel of Midland, Texas.

MODRALL SPERLING ROEHL HARRIS & SISK

By: 

Attorneys for Gulf Oil Corporation  
P. O. Box 2168  
Albuquerque, New Mexico 87103



# Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT  
MIDLAND DISTRICT

February 1, 1974

P. O. Drawer 1130  
Midland, Texas 79701

W. B. Hopkins  
DISTRICT PRODUCTION MANAGER  
J. L. Pike  
DISTRICT OPERATIONS MANAGER  
M. B. Moseley  
DISTRICT SERVICES MANAGER  
A. J. Evans, Jr.  
DISTRICT ENVIRONMENTAL & SAFETY MANAGER  
J. C. Howard  
DISTRICT EMPLOYEE RELATIONS MANAGER

Oil Conservation Commission (3)  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: A. L. Porter, Jr.

Re: Application for Dual Completions and  
Additional Injection Wells in Central  
Drinkard Unit Waterflood Project Area

Gentlemen:

Gulf Oil Corporation respectfully requests that a hearing be set on your February 27, 1974 Docket to consider our application for dual completion and utilization of additional water injection wells within the project area of the Central Drinkard Unit as set out below:

- 1) Central Drinkard Unit Well No. 119 - Drinkard Injection and H. T. Mattern (NCT-B) Well No. 8 - Blinbry Oil producer, Unit I, Section 30, T-21S, R-37E, Lea County, New Mexico.
- 2) Central Drinkard Unit Well No. 131-WIW Drinkard Injection and W. T. McComack Well No. 13 - Tubb Gas producer, Unit A, Section 32, T-21S, R-37E, Lea County, New Mexico.

Gulf further seeks to amend Order No. R-2909 which authorized the Central Drinkard Unit Waterflood Project to establish a procedure for administrative approval of dual completions for injection wells.

Enclosed are Commission Forms C-107 and location plat concerning the two wells specified in this application.

Yours very truly,

*J. L. Pike*  
J. L. PIKE

CFK:jm  
Attachments



A DIVISION OF GULF OIL CORPORATION

DOCKET MAILED

Date 2/15/74

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

Form C-107  
5-1-61

*Case 5774*

|                                                    |                   |                                                             |                      |                                   |
|----------------------------------------------------|-------------------|-------------------------------------------------------------|----------------------|-----------------------------------|
| Operator<br><b>Gulf Oil Corporation</b>            |                   | County<br><b>Lea</b>                                        |                      | Date<br><b>January 1974</b>       |
| Address<br><b>Box 670, Hobbs, New Mexico 88240</b> |                   | Locality<br><b>W. T. McComack<br/>Central Drinkard Unit</b> |                      | Well No.<br><b>13<br/>131-WIW</b> |
| Location of Well<br><b>A</b>                       | Unit<br><b>32</b> | Section<br><b>21-S</b>                                      | Range<br><b>37-E</b> |                                   |

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                        | <b>Tubb</b>          |                   | <b>Drinkard Injection</b>      |
| b. Top and Bottom of Pay Section (Perforations)      | <b>6050' - 6205'</b> |                   | <b>6500' - 6624' Open Hole</b> |
| c. Type of production (Oil or Gas)                   | <b>Gas</b>           |                   | <b>Injection</b>               |
| d. Method of Production (Flowing or Artificial Lift) | <b>Flow</b>          |                   | <b>Injection</b>               |

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

- |                                     |                                     |                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yes                                 | No                                  |                                                                                                                                                                                                                                                                                                                                                                                                 |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 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.                                                                                                                                                                                                         |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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.*                                                                                                                                                                                                            |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 112A.)                                                                                                                                  |

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

**Amoco Production Co., P. O. Box 3092, Houston, TX 77001**

**Mobil Oil Corporation, Box 633, Midland TX 79701**

**Amerada Hess Corporation, P. O. Box 591, Midland, Texas 79701**

**Atlantic Richfield Company, P. O. Box 1610, Midland, TX 79701**

**Wiser Oil Company, 110 Gihls Tower East, Midland, TX 79701**

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

CERTIFICATE: I, the undersigned, state that I am the Area Engineer of the Gulf Oil Corporation (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.

*K. J. Breazeale*  
K. J. BREAZEALE, Area Engineer

\*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.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



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

Form C-167  
5-1-61

*Case 5174*

|                                                          |                      |                                                                |                                 |
|----------------------------------------------------------|----------------------|----------------------------------------------------------------|---------------------------------|
| Operator<br><b>Gulf Oil Corporation</b>                  |                      | County<br><b>Lea</b>                                           | Date<br><b>January 30, 1974</b> |
| Address<br><b>P. O. Box 670, Hobbs, New Mexico 88240</b> |                      | Lease<br><b>H.T. Mattern (NCT-B)<br/>Central Drinkard Unit</b> | Well No.<br><b>8<br/>119</b>    |
| Location of Well<br><b>I</b>                             | Section<br><b>30</b> | Range<br><b>21-S</b>                                           | <b>37-E</b>                     |

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                        | <b>Blinberry Oil</b> |                   | <b>Drinkard Injection</b>      |
| b. Top and Bottom of Pay Section (Perforations)      | <b>5481' - 5899'</b> |                   | <b>6529' - 6630' Open Hole</b> |
| c. Type of production (Oil or Gas)                   | <b>Oil</b>           |                   | <b>Water Injection</b>         |
| d. Method of Production (Flowing or Artificial Lift) | <b>Pump</b>          |                   | <b>Injection</b>               |

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

- |                                     |                                     |                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Yes                                 | No                                  |                                                                                                                                                                                                                                                                                                                                                                                                 |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | 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.                                                                                                                                                                                                         |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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.*                                                                                                                                                                                                            |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | 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 112A.)                                                                                                                                  |

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

**Texaco, Inc., Box 738, Midland, Texas 79701**

**Mobil Oil Corporation, Box 633, Midland, Texas 79701**

**McDonald Oil Corporation, 1210 Western United Life Bldg., Midland, Texas 79701**

**ARCO, Box 1710, Hobbs, New Mexico 88240**

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

CERTIFICATE: I, the undersigned, state that I am the **Area Engineer** of the **Gulf Oil Corporation** (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.

*K. J. Breazeale*  
**K. J. BREAZEALE** Signature **Area Engineer**

\*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.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

DRAFT  
jr/

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

APPLICATION OF GULF OIL CORPORATION  
FOR THREE DUAL COMPLETIONS, LEA  
COUNTY, NEW MEXICO.

CASE NO. 5174

Order No. R-2909-B

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 27, 1974  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of March, 1974, the Commission,  
a quorum being present, 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 Commission has jurisdiction of this cause and the subject  
matter thereof.

(2) That the applicant, Gulf Oil Corporation, seeks to complete certain  
of its wells in its Central Drinkard Unit, all in Township 21 South, Range 37  
East, NMPM, Lea County, New Mexico; as dual completions as follows: its H. T.  
(NCT-B)  
Mattern Well No. 8, located in Unit I of Section 30, to produce oil from the  
Blaine formation and to inject water into the Drinkard formation through  
parallel strings of tubing; its W. T. McCormack Well No. 13, located in Unit  
A of Section 32, to produce gas from the Tubb formation and to inject water  
into the Drinkard formation through parallel strings of tubing; and its J. N.  
(NCT-A)  
Carson Well No. 4, located in Unit 0 of Section 28, to produce gas from the  
Blaine formation through the casing-tubing annulus and to inject water into

-2-  
CASE NO. 5174  
Order No. R-

the Drinkard formation through tubing.

(3) That ~~the~~ applicant further seeks a procedure whereby ~~the~~ subject waterflood project may be expanded by the dual completion of additional wells within the project area without the necessity for motion and hearing. (see under)

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to

complete <sup>the</sup> three wells described below, all located in Township 21 South, Range 37 East, NMPM, Central Drinkard Unit, as dual producing and injection wells in the following manner:

(see under)

(2) That the applicant shall complete, operate and produce said wells in accordance with the provisions of Rules 112-A, 701, 702, and 703 of the Commission Rules and Regulations insofar as said rules are not inconsistent with the provisions of this order.

(3) That injection into the subject wells shall be through internally plastic-lined tubing, set in a packer which shall be located as near as practicable to the casing shoe, ~~and that the casing tubing annulus of each well~~ dually-completed with parallel strings of tubing shall be loaded with an inert fluid and equipped with an approved pressure gauge or other attention-attracting

~~3~~

CASE NO 5174  
Order No. R-

leak-detection device.

(4) That the operator shall immediately notify the supervisor of the Commission's Hobbs district office of the failure of the tubing or packer in any of said injection wells, the leakage of water or oil from around any producing well, or the leakage of water or oil from any plugged and abandoned well within the project area and shall take such timely steps as may be necessary or required to correct such failure or leakage.

*such tests as may be practicable to detect leakage in the casing, tubing, or packer*  
(5) The applicant shall take ~~packer leakage tests~~ upon completion and annually thereafter during the annual Gas-Liquid Ratio Test for ~~the~~ Blinberry oil and gas pool or the Tubb gas pool, whichever is applicable.

(6) That Order (2) of Commission Order 2909, entered May 10, 1965, is hereby amended to read in its entirety as follows:

"That the subject waterflood project shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations;

~~PROVIDED HOWEVER~~ That the Secretary-Director of the Commission may approve expansion of the subject waterflood project to include such additional injection wells in the area of said project as may be necessary to complete an efficient injection pattern; that said wells may be approved as dual completions for injection into the Drinkard pool and production from the Blinberry oil and gas pool or the Tubb gas pool." (all underlined)