

CASE 5229: Application of TEXAS
INTERNATIONAL FOR A DUAL COMPLE-
TION, EDDY COUNTY, NEW MEXICO.

CASE No.

5229

Application,
Transcripts,

Small Exhibits

ETC.

BEFORE THE
CO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 8, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas International
Petroleum Corporation for a dual com-
pletion, Eddy County, New Mexico.

Case No.
5229

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission

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

For the Applicant:

Tom Kellahin, Esq.
Kellahin & Fox
500 Don Gaspar
Santa Fe, New Mexico

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I N D E X

PAGE

GERALD MURPHY

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

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E X H I B I T S

Marked

Admitted

Applicant's Exhibits Nos.
1 through 6

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MR. STAMETS: We'll call next Case 5229.

MR. DERRYBERRY: Case 5229. Application of Texas International Petroleum Corporation for a dual completion, Eddy County, New Mexico.

MR. STAMETS: Call for appearances in this Case.

MR. KELLAHIN: Tom Kellahin of Kellahin & Fox, Santa Fe, New Mexico, appearing on behalf of the Applicant, Texas International Petroleum Corporation, and I have one witness to be sworn.

MR. STAMETS: Are there any other appearances?
The Witness will be sworn, please.

(Witness sworn.)

GERALD MURPHY

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

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

A My name is Gerald Murphy, I'm employed by Texas International Petroleum Corporation as Division Engineer.

Q Mr. Murphy, have you previously testified before this Commission?

A No, I have not.

Q Would you state briefly your educational background and your employment experience?

A I graduated from the University of Texas at Austin in 1958. I've had 16 years experience with major oil companies as a Petroleum Engineer in the areas of drilling, production and reservoir. I have been associated with Chevron Oil Company, Oasis Oil Company of Lybia and Lyon, Incorporated, prior to joining Texas International.

Q Have you examined and are you familiar with the facts surrounding this particular Application?

A I am.

MR. KELLAHIN: If the Examiner please, are the Witness' qualifications as an expert acceptable?

MR. STAMETS: What was the nature of your degree in '58?

MR. MURPHY: Bachelor of Science in Petroleum Engineering.

MR. STAMETS: The Witness is qualified.

BY MR. KELLAHIN:

Q Would you please state briefly what the Applicant is seeking?

A Texas International is seeking approval for dual

completion, conventional dual completion, completion of its Lowe-Federal Well No. 1 located in Unit H of Section 31, Township 20 South, Range 30 East, of the Golden Lane Field in Eddy County, New Mexico.

Q Would you please refer to what has been marked as Applicant Exhibit No. 1 and explain what that is?

A This is an application for a multiple completion in the Strawn formations and the upper Morrow formations.

Q Would you please refer to Exhibit No. 2 and identify it?

A This is the location of the Well in question, Lowe-Federal No. 1, showing its relationship and Section 31.

Q What acreage will be dedicated to this Well?

A The acreage as described here, Section 31, the east half.

Q Please refer to Exhibit No. 3 and identify it and explain what information it contains?

A This is a diagrammatic sketch of the well assembly. We ran 5-1/2 and 5 inch casing to TD of 12,620; plug back total depth of 12,540; the casing was cemented back to a depth of 9400 feet. Two strings of tubing were run, the long string consisting of 2-1/16th inch IJN-80 tubing

the short string consisted of 2-1/16th 2-inch buttress and inch-and-a-half tubing.

Q Okay. What type of pressure information do you have on this Well?

A We have additional shut-in pressure on the Morrow, the long string of 4500 psi, on the Strawn is on short string of 3600 psi.

Q How is this Well presently completed?

A The Well is presently completed with a Baker lock set packer set above the Morrow zone perforations at approximately 12,110 feet, a Baker 5-1/2 inch dual-hydraulic set packer at approximately 11,060 feet.

Q This Well was initially drilled as a dual completion was it not?

A Yes, it was.

Q It's never produced from either zone?

A No.

Q What type of production do you anticipate from the Strawn?

A From the Strawn, gas and condensate.

Q And from the Morrow?

A Dry gas.

Q Now, I note with regard to your tubing and your

MURPHY-DIRECT

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Morrow production that the perforations in the tubing are in excess of 250 feet above the perforations for the Morrow zone. Why have you completed it in this manner?

A We encountered difficulty in trying to run the production packer below the depth at which it was set.

Apparently there is heavy-wall casing there which we had not anticipated, were not aware of, and we were unable to run the packer below this depth.

Q Are you specifically asking for an exception to Rule 107-D-3?

A Yes.

MR. STAMETS: I'm not clear on this point. We show the Morrow purse at 12,147 and the packer at 12,110, which is 37 feet difference.

MR. MURPHY: Excuse me, we have the wrong Exhibit here.

MR. KELLAHIN: Which one are we looking at?

MR. MURPHY: I think that I picked up the wrong one. This is the prior Exhibit that approximates. I think we submitted the wrong Exhibit, excuse me. This is the one that we want to refer to.

(Whereupon, a discussion was held off the record.)

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MR. MURPHY: If I may I would like to correct the depths.

BY MR. KELLAHIN:

Q Would you please refer to Exhibit No. 3A and make the corrections that are contained on that Exhibit in relation to the Exhibit No. 3.

A Yes. The Baker 5-inch lock-set packer is set at 11,628 feet. The Baker 5-1/2-inch dual-hydraulic set packer is set at 11,068 feet.

Q Okay. In your opinion, Mr. Murphy, does the method of completion conform to good engineering practices so that there will be no communication between the two zones?

A Yes, it does.

Q Is this type of conventional dual completion adequate to handle the pressure differential between the two zones?

A Yes, it is.

Q Please refer to what has been marked as Applicant's Exhibits Nos. 4 and 5 and identify them.

A These are waivers executed by Pennzoil Company and by Medco properties offering no objections to this multiple completion of the Lowe-Federal.

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Q I note that Harvey Yates Company is also an off-set operator adjacent to this particular well. Have you also received a waiver from the Yates Company?

A Yes, we have.

Q Is that on file with the Commission?

A That has been filed with the Commission.

Q Would you please refer to what has been marked as Applicant's Exhibit No. 6 and identify it.

A Yes, that is a well log of the Well.

Q Does the well log have the perforations marked upon it with regard to the Morrow and Strawn perforations?

A Yes, it does.

Q Mr. Murphy, do you anticipate taking a packer leakage test?

A Yes, we will.

Q When will you do that?

A That will be within the next two weeks.

Q On completion of the test, will you file a copy of the test results with the Commission?

A Yes, we will.

Q In your opinion, Mr. Murphy, will approval of this Application be in the best interests of conservation, the prevention of wastes, the protection of correlative

MURPHY-DIRECT
CROSS

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rights, and it will not result in waste?

A That is correct.

Q Were Exhibits 1 through 6 either prepared by you or prepared under your direction and supervision?

A Yes they were.

MR. KELLAHIN: If the Examiner please, we move the introduction of the Exhibits 1 through 6.

MR. STAMETS: Exhibits 1 through 6 will be admitted, including Exhibit No. 3A.

MR. KELLAHIN: Yes, sir.

(Whereupon, Applicant's Exhibits Nos. 1 through 6 were admitted into evidence.)

MR. STAMETS: That concludes your direct examination?

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Murphy, I take it from your direct testimony that it was your intention to complete the well as you showed on Exhibit No. 3?

A That is correct.

Q But because of a tight spot in the casing you couldn't get the packer that low. Have you been able to

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test the packer there to determine that you have a good seal at that point?

A Yes, we have.

Q You said that the Morrow gas is dry. Do you mean absolutely dry or --

A (Interrupting) No condensate.

Q No condensate at all, so there would be no flow problems whatsoever, it should be this short space of 5-inch casing. This is 5 inch and 5-1/2 that is tied together by a swage rather than a 5-inch line or anything like that?

A That is correct.

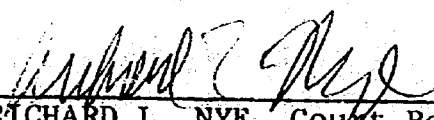
MR. STAMETS: Are there any other questions of this Witness?

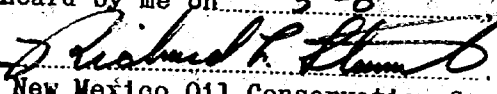
MR. KELLAHIN: Nothing further.

MR. STAMETS: He may be excused. If there is nothing further, this Case will be taken 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. 5229 heard by me on 5-8, 1974.
 Examiner
New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

May 28, 1974

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

Re: CASE NO. 5229
ORDER NO. R-4793
Applicant:
Texas International

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.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>x</u>
Artesia OCC	<u>x</u>
Aztec OCC	

Other _____

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. 5229
Order No. R-4793

APPLICATION OF TEXAS INTERNATIONAL
PETROLEUM CORPORATION FOR A DUAL
COMPLETION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 28th day of May, 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, Texas International Petroleum
Corporation, seeks authority to complete its Lowe-Federal Well
No. 1, located in Unit H of Section 31, Township 20 South,
Range 30 East, NMPM, Eddy County, New Mexico, as a dual comple-
tion (conventional) to produce gas from an undesignated Strawn
Gas Pool and an undesignated Morrow gas pool through parallel
strings of tubing with separation of the zones achieved by
means of a packer set at approximately 11,628 feet.

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas International Petroleum
Corporation, is hereby authorized to complete its Lowe-Federal
Well No. 1, located in Unit H of Section 31, Township 20 South,
Range 30 East, NMPM, Eddy County, New Mexico, as a dual comple-
tion (conventional) to produce gas from an undesignated Strawn
gas pool and an undesignated Morrow gas pool through parallel

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Case No. 5229
Order No. R-4793

strings of 2 1/16-inch tubing set in packers at approximately 11,068 feet and 11,628 feet.

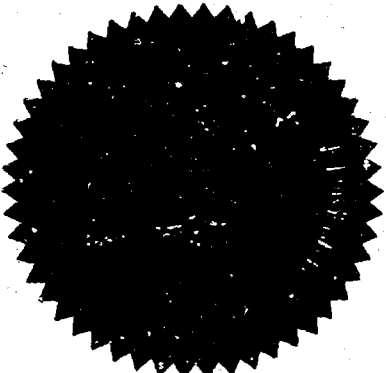
PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas Well Shut-In Pressure Test Period for Southeast New Mexico Gas Wells.

(2) 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/

5229

Texas International Deal

Under Strawn Geo

Under Morrow Geo

OK as shown on Exhibit 3A

- CASE 5233: Application of Burleson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Queen formation underlying the SW/4 of Section 29, Township 25 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to be dedicated to its Jenkins Well No. 3 located 760 feet from the South line and 1980 feet from the West line of said Section 29. Also to be considered will be the cost of recompleting and equipping 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 recompleting and equipping said well.
- CASE 5234: Application of Atlantic Richfield for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the S/2 of Section 14, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its McDonald WN State Wells Nos. 1 and 27 located in Units L and O, respectively, of said Section 14.
- CASE 5235: Application of Atlantic Richfield 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 9, Township 21 South, Range 26 East, Eddy County, New Mexico, to form a standard 320-acre unit to be dedicated to a well to be drilled at a standard location for said unit, and pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of said Section 9 to form a standard 320-acre unit to be dedicated to a well to be drilled at a standard location for said unit, if it is determined that said Section 9 should be developed on 320-acre spacing. Applicant further seeks a provision in said order that would pool all mineral interests in the Pennsylvanian formation underlying all of said Section 9 to form a standard 640-acre unit to be dedicated to a well to be drilled at a standard location for said unit if it is determined that said Section 9 should be developed on 640-acre spacing. Also to be considered will be the cost of drilling and completing said well, or wells, 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, or wells, and a charge for risk involved in drilling said well, or wells.
- CASE 5236: Application of Atlantic Richfield Company for five unorthodox oil well locations and an administrative procedure, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of five oil wells in the Horseshoe-Gallup Oil Pool in Township 31 North, Range 16 West, San Juan County, New Mexico, to be drilled at the following points:

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 8, 1974

9 A.M. - OIL CONSERVATION COMMISSION 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 4790: (Reopened) (Continued from April 10, 1974, Examiner Hearing)

In the matter of Case No. 4790 being reopened pursuant to the provisions of Order No. R-4370, which order established temporary rules for the Dublin-Ellenburger Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 5220: (Continued from the April 25, 1974, Examiner Hearing)

Application of Atlantic Richfield Company for an unorthodox gas well location and non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its McDonald State WN Well No. 24 located 1780 feet from the North line and 660 feet from the West line of Section 25, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to a 320-acre non-standard gas proration unit comprising the N/2 of said Section 25.

CASE 5229: Application of Texas International Petroleum Corporation for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Lowe-Federal Well No. 1 located in Unit H of Section 31, Township 20 South, Range 30 East, Golden Lane Field, Eddy County, New Mexico, in such a manner as to produce Strawn and Morrow gas through parallel strings of tubing.

CASE 5230: Application of Gulf Oil Corporation for the amendment of Order No. R-4079, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4079 which authorized the commingling of Hobbs Grayburg-San Andres and Hobbs-Blinberry production from its W. D. Grimes "A" and "B" leases in Sections 32 and 33, Township 18 South, Range 38 East, Lea County, New Mexico, to include in said commingling authority Bowers-Seven Rivers production.

CASE 5231: Application of Mesa Petroleum Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Nash Unit Area comprising 5,124 acres, more or less, of State, Federal and fee lands in Township 23 South, Ranges 29 and 30 East, Eddy County, New Mexico.

CASE 5232: Application of Texas Pacific Oil Company, Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Phantom Draw Unit Area comprising 8,465 acres, more or less, of Federal, State and fee lands in Township 26 South, Range 31 East, Eddy County, New Mexico.

(Case 5236 continued from Page 1)

1975 feet from the North line and 890 feet from the West line of Section 28; 150 feet from the North line and 1375 feet from the East line of Section 33; 2580 feet from the South line and 295 feet from the West line of Section 35; 2605 feet from the North line and 2580 feet from the East line of Section 32; and 2540 feet from the South line and 2570 feet from the East line of Section 30.

Applicant further seeks an administrative procedure for the approval without notice and hearing of additional unorthodox locations for infill wells to be drilled within the Atlantic Horseshoe-Gallup Unit Area.

CASE 5237: Application of General American Oil Company of Texas for sixteen unorthodox oil well locations and an administrative procedure, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of sixteen oil wells in the Grayburg-Jackson Pool, Eddy County, New Mexico, to be drilled at the following points: 1295 feet from the South line and 1345 feet from the East line of Section 13; 1345 feet from the North line and 25 feet from the East line, 1295 feet from the North line and 2615 feet from the East line, 1295 feet from the North and East lines, 1295 feet from the South line and 2615 feet from the West line, 1345 feet from the South line and 25 feet from the East line, and 2615 feet from the South line and 1345 feet from the East line of Section 23; 1345 feet from the North and West lines, 2615 feet from the South line and 25 feet from the West line, 2615 feet from the South line and 1295 feet from the West line, 2615 feet from the South and West lines, 1345 feet from the South line and 2615 feet from the East line, and 1295 feet from the South line and 1345 feet from the West line of Section 24; and 25 feet from the North line and 2615 feet from the East line of Section 26, all in Township 17 South, Range 29 East, and 1295 feet from the North line and 2665 feet from the East line and 25 feet from the North line and 2615 feet from the East line of Section 30, Township 17 South, Range 30 East.

Applicant further seeks the adoption of an administrative procedure whereby additional infill wells at unorthodox locations could be drilled on its leases in this area without notice and hearing.

CASE 5238: Application of Yates Petroleum Corporation for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the indicated perforated interval of the following wells in Township 17 South, Range 25 East, Eagle Creek-San Andres Pool, Eddy County, New Mexico: from 1286 feet to 1456 feet in its Federal BZ Well No. 6 located in Unit N of Section 21; from 1270 feet to 1440 feet in its Ingram Jackson BV Well No. 2 located in Unit D of Section 26; and from 1295 feet to 1372 feet in its Gissler AV Well No. 1 located in Unit C of Section 23. Applicant further seeks an administrative procedure for approval of additional salt water disposal into the San Andres formation in the subject pool without notice and hearing.

CASE 5239: Southeastern nomenclature case calling for the creation and extension of certain pools in Lea and Eddy Counties, New Mexico.

(a) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Ojo Chiso-Morrow Gas Pool. The discovery well is the Brunson & McKnight, Inc. Ojo Chiso Unit Well No. 1 located in Unit E of Section 23, Township 22 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 23: W/2

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Delaware production and designated as the Washington Ranch-Delaware Gas Pool. The discovery well is the Black River Corporation BK 4 Federal Well No. 3 located in Unit H of Section 4, Township 26 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM
Section 4: NE/4

(c) Extend the West Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All
Section 2: E/2
Section 12: All

(d) Extend the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 12: W/2

(e) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 27: S/2
Section 35: W/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 7: All
Section 11: All

(f) Extend the Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 35: W/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 11: All

- (g) Extend the Cabin Lake-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 11: N/2

- (h) Extend the Crossroads-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 26: NE/4

- (i) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 6: SE/4

- (j) Extend the Fowler-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 10: NE/4

- (k) Extend the Indian Basin-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 31: All
Section 32: All

- (l) Extend the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 12: NW/4

- (m) Extend the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 17: E/2

- (n) Extend the Rocky Arroyo-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 7: E/2
Section 8: SW/4

- (o) Extend the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 26: NW/4 SE/4

- (p) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 1: NE/4

- (q) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 13: NE/4

- (r) Extend the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 26: NE/4

- (s) Extend the Washington Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM
Section 12: N/2

- (t) Extend the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 17: All

- (u) Extend the Wilson-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 13: E/2

- (v) Extend the Winchester-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2

Examiner Hearing - Wednesday - May 8, 1974

Dockets Nos. 12-74 and 13-74

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(w) Extend the Winchester-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2

CASE 5208: (Continued from the April 25, 1974, Examiner Hearing)

Application of S. P. Yates for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-3221, as amended, authority to dispose of produced salt water in an unlined surface pit on its Federal LC 065598 lease in the SW/4 SW/4 of Section 4, and the NE/4 of Section 5, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.

Docket No. 13-74

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 15, 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:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for June, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for June, 1974.

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

Form C-107
5-1-61

Case 5229

Operator Texas International Petroleum Corporation		County Eddy	Date April 1, 1974
Address 1720 Wilco Building, Midland, Texas 79701		Lease Lowe-Federal	Well No. 1
Location of Well	Unit H	Section 31	Township 20S
			Range 30E

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	Undesignated (Strawn)		Undesignated (Morrow)
b. Top and Bottom of Pay Section (Perforations)	11,105 11,110		12,147 12,262
c. Type of production (Oil or Gas)	Gas - Cond.		Gas
d. Method of Production (Flowing or Artificial Life)	Flowing		Flowing

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

- | | | |
|-------------------------------------|--------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input 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.

Meadco Properties, 407 West Wall, Midland, Texas 79701 (Attn: Mr. Bill Cotner)

Pennzoil Company, P. O. Box 1828, Midland, Texas 79701 (Attn: Mr. Buddy Davidson)

Harvey E. Yates Company, 112 North First Street, Artesia, New Mexico 88210 (Attn: George Yates)

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
Tex INT EXHIBIT NO. 1
CASE NO. 5229
murphy

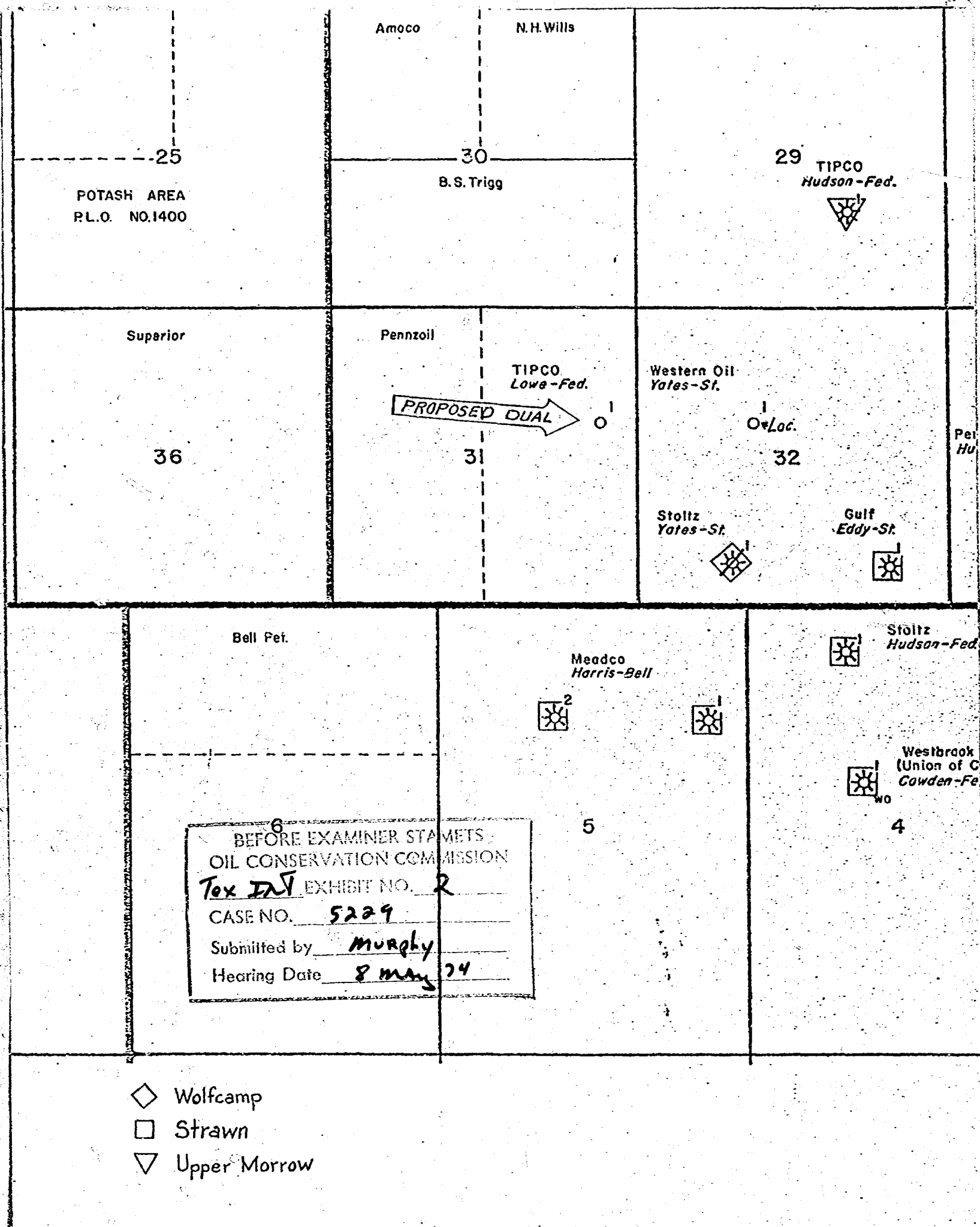
6. Were all operators listed Submittees notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification April 1, 1974
Hearing Date 8 May 74

CERTIFICATE: I, the undersigned, state that I am the Division Engineer of the Texas International Petroleum 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.

Dr. Helm
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.

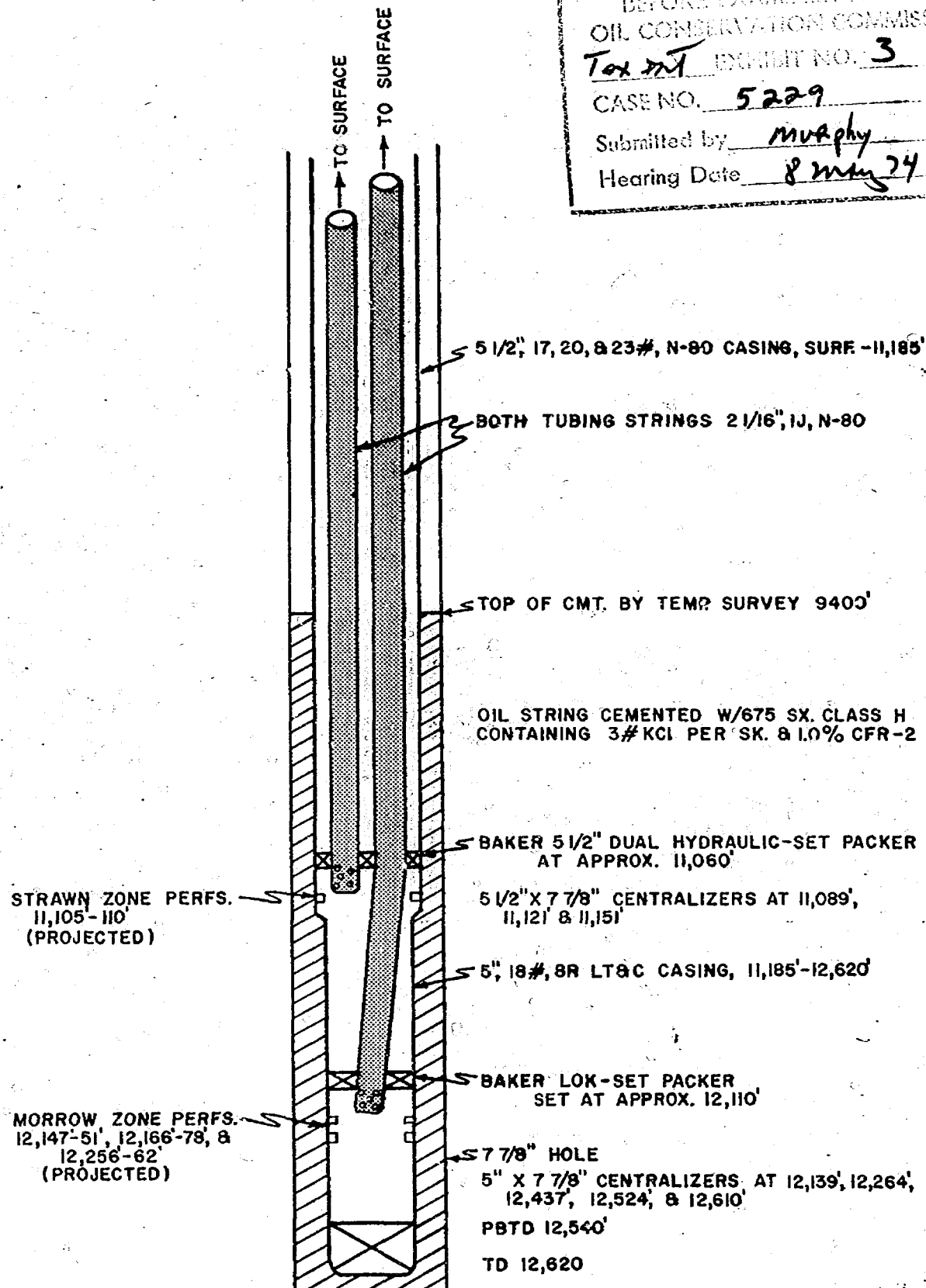
NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



PROPOSED DUAL COMPLETION STRAWN AND MORROW ZONES

TEXAS INTERNATIONAL PETR. CORP.
NO. 1 LOWE-FEDERAL
1980 FNL & 760' FEL
SEC. 31, T-20-S, R-30-E
EDDY CO., NEW MEXICO

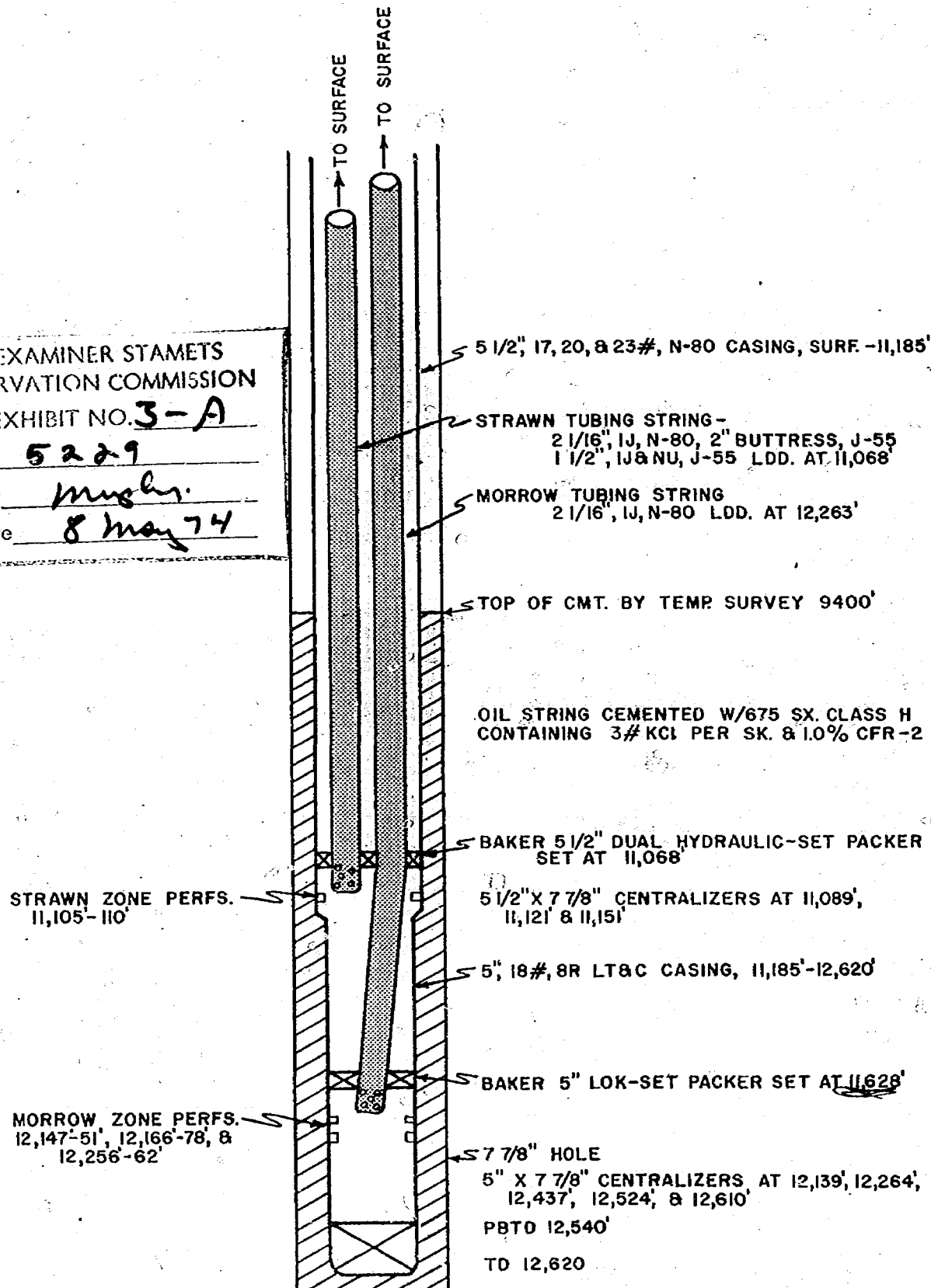
BEFORE EXAMINER STAMPED
OIL CONSERVATION COMMISSION
Texas EXHIBIT NO. 3
CASE NO. 5229
Submitted by Murphy
Hearing Date 8 May 74



DUAL COMPLETION STRAWN AND MORROW ZONES

TEXAS INTERNATIONAL PETR. CORP.
NO. 1 LOWE-FEDERAL
1980 FNL & 760 FEL
SEC. 31, T-20-S, R-30-E
EDDY CO., NEW MEXICO

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
Toy in EXHIBIT NO. **3-A**
CASE NO. **5229**
Submitted by *Mugh*
Hearing Date **8 May 74**



W A I V E R

The undersigned hereby waives any objections to the multiple completion by Texas International Petroleum Corporation of its Lowe-Federal #1 well located in Unit H, Section 31, T20S-R30E, Eddy County, New Mexico. Said well is to be completed in both the Strawn and Morrow formations and the undersigned does hereby consent to multiple completion in said formations.

MEADCO PROPERTIES, LTD.

BY: B. R. C. C. C. C.

BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
Tex. Int.	EXHIBIT NO. <u>4</u>
CASE NO.	<u>5229</u>
Submitted by	<u>Murphy</u>
Hearing Date	<u>8 May 74</u>

W A I V E R

The undersigned hereby waives any objections to the multiple completion by Texas International Petroleum Corporation of its Lowe-Federal #1 well located in Unit H, Section 31, T20S-R30E, Eddy County, New Mexico. Said well is to be completed in both the Strawn and Morrow formations and the undersigned does hereby consent to multiple completion in said formations.

PENNZOIL COMPANY

BY: WC Hays

Agent and Attorney in Fact

April 2, 1974

DEPT. OF LAND & NATURAL RESOURCES	UNIT NO. <u>5</u>
OIL COMPLETION DIVISION	
Case No. <u>5229</u>	
Submitted by <u>Murphy</u>	
Hearing Date <u>8 May 74</u>	

REGISTERED NO.

781

POSTMARK OF

Value \$ <i>N.V.</i>	Special Delivery \$
Reg. Fee \$ <i>95</i>	Return Receipt \$ <i>15</i>
Handling Charge \$	Restricted Delivery \$
Postage \$ <i>20</i>	<input type="checkbox"/> AIRMAIL

POSTMASTER (By)

FROM

Tenn. Dist. Post Corp.
1720 Wilcox Bldg.
Midland, Tenn.

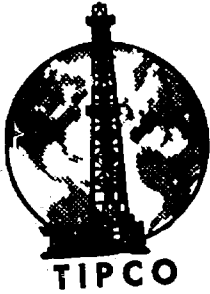
TO

Harvey E. Yates Co.
112 N. 1st St.
Antesca, New Mex.



MAILING OFFICE

★ U. S. P. O. 11975-905-110

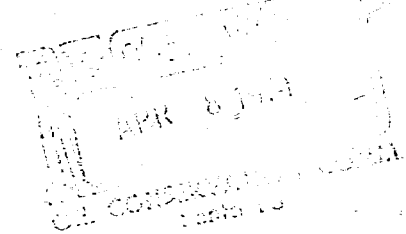


TEXAS INTERNATIONAL PETROLEUM CORPORATION

1720 WILCO BUILDING
MIDLAND, TEXAS 79701
PHONE 915-682-9741

April 4, 1974

Case 5229



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

Attention: Mr. A. L. Porter, Jr.

Re: Application for Dual Completion
Lowe-Federal #1 Well
E/2 Section 31, T20S-R30E
Eddy County, New Mexico

Gentlemen:

With reference to the captioned application for dual completion, we are enclosing herewith original and three copies of a waiver of consent from the Harvey E. Yates Company. As mentioned in our letter to you of April 2nd, this letter was not available at the time we mailed the application to your office.

Yours very truly,

Late Brown
(Mrs.) Tate Brown
for
D. C. Helm, Division Engineer

Enclosure 0+ 3

DOCKET MAILED

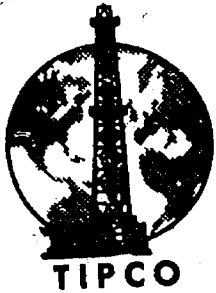
Date 4-25-74

W A I V E R

The undersigned hereby waives any objections to the multiple completion by Texas International Petroleum Corporation of its Lowe-Federal #1 well located in Unit H, Section 31, T20S-R30E, Eddy County, New Mexico. Said well is to be completed in both the Strawn and Morrow formations and the undersigned does hereby consent to multiple completion in said formations.

HARVEY E. YATES COMPANY

BY:  _____



TEXAS INTERNATIONAL PETROLEUM CORPORATION

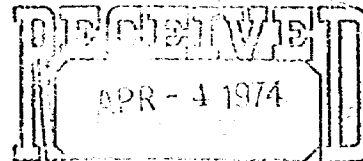
1720 WILCO BUILDING

MIDLAND, TEXAS 79701

PHONE 915-682-9741

Case 5229

April 2, 1974



OIL CONSERVATION COMM.
Santa Fe

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

Attention: Mr. A. L. Porter, Jr.

Re: Application for Dual Completion
Lowe-Federal #1 well
E/2 Section 31, T20S-R30E
Eddy County, New Mexico

Gentlemen:

We are forwarding the enclosed Form C-107 pertaining to our Lowe-Federal #1 well at the location referenced above. All required items are attached to the application with the exception of a consenting waiver from Harvey E. Yates Company. It is anticipated this will be forwarded to your office in the immediate future.

It is requested that you place this request on your docket for hearing at the earliest date possible. Please contact this office if there are any questions pertaining to the application or to the submissions.

Yours very truly,

D. C. Helm
D. C. Helm
Division Engineer

DCH:tb

Enclosures

DOCKET MAILED

Date 4-25-74

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

Form C-107
5-1-61

Operator Texas International Petroleum Corporation		County Eddy	Date April 1, 1974
Address 1720 Wilco Building, Midland, Texas 79701		Lease Low-Federal	Well No. 1
Location of Well H	Unit 31	Township 20S	Range 30E

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	Undesignated (Strawn)		Undesignated (Morrow)
b. Top and Bottom of Pay Section (Perforations)	11,105 11,110		12,147 12,262
c. Type of production (Oil or Gas)	Gas - Cond.		Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

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

Yes	No	
<input checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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 checked="" type="checkbox"/>	<input 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.

Meadco Properties, 407 West Wall, Midland, Texas 79701 (Attn: Mr. Bill Cotner)

Pennzoil Company, P. O. Box 1828, Midland, Texas 79701 (Attn: Mr. Buddy Davidson)

Harvey E. Yates Company, 112 North First Street, Artesia, New Mexico 88210 (Attn: George Yates)

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification April 1, 1974.

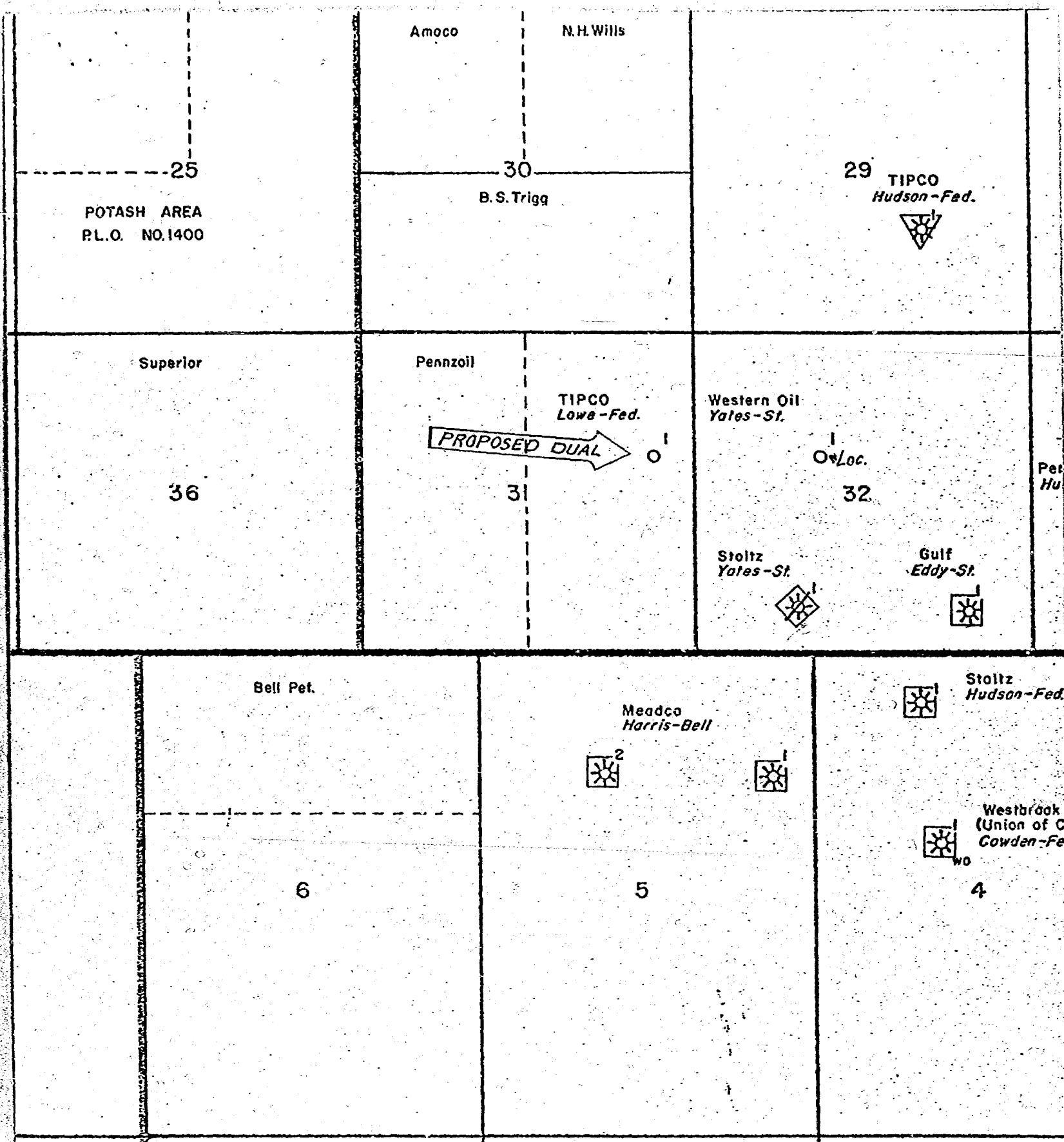
CERTIFICATE: I, the undersigned, state that I am the Division Engineer of the Texas International Petroleum Corporation (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true,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

[Signature]

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.

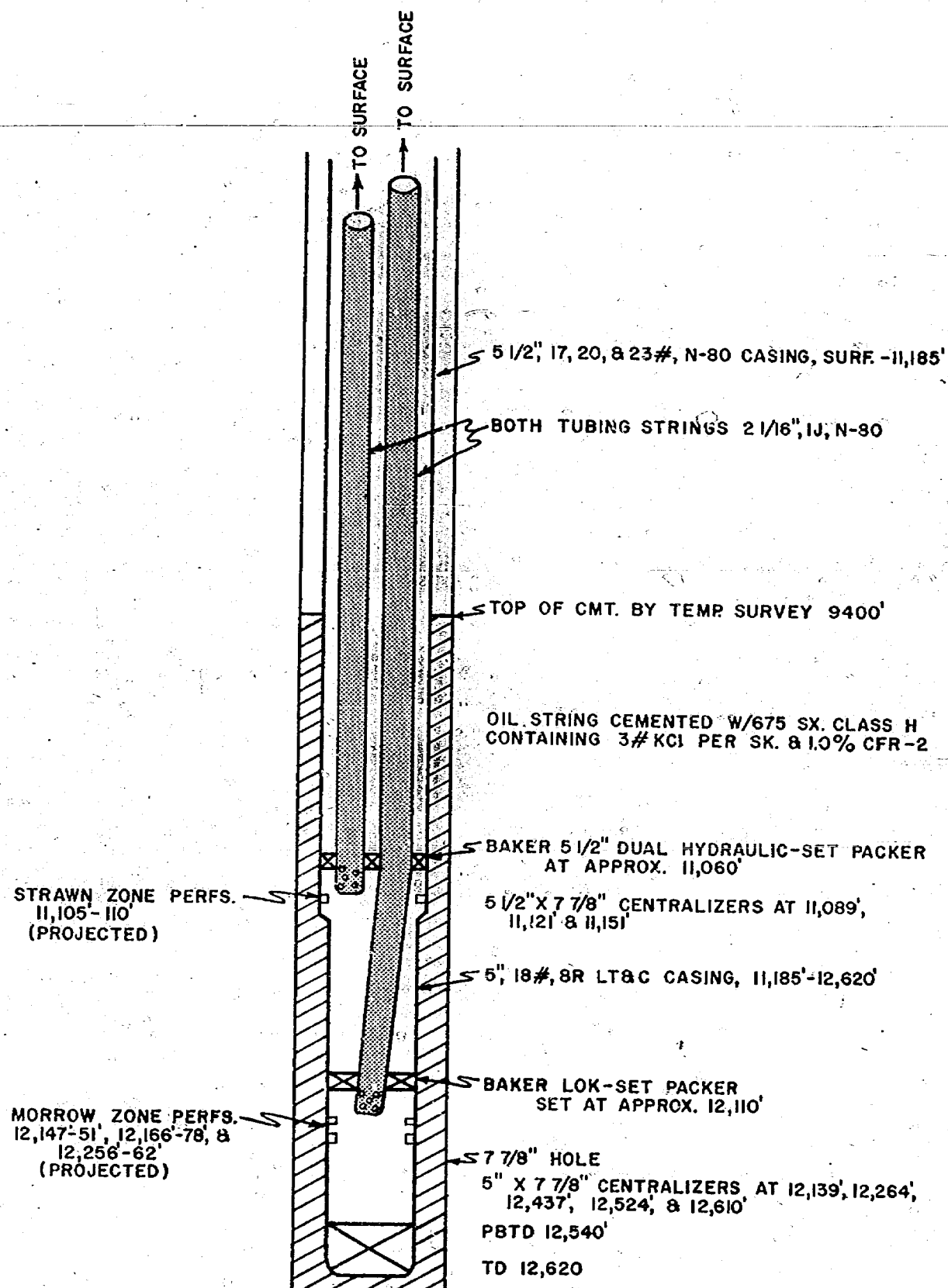
NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



- ◇ Wolfcamp
- Strawn
- ▽ Upper Morrow

PROPOSED DUAL COMPLETION STRAWN AND MORROW ZONES

TEXAS INTERNATIONAL PETR. CORP.
NO. 1 LOWE-FEDERAL
1980' FNL & 760' FEL
SEC. 31, T-20-S, R-30-E
EDDY CO., NEW MEXICO



W A I V E R

The undersigned hereby waives any objections to the multiple completion by Texas International Petroleum Corporation of its Lowe-Federal #1 well located in Unit H, Section 31, T20S-R30E, Eddy County, New Mexico. Said well is to be completed in both the Strawn and Morrow formations and the undersigned does hereby consent to multiple completion in said formations.

PENNZOIL COMPANY

BY: WC Hays

Agent and Attorney in Fact

April 2, 1974

W A I V E R

The undersigned hereby waives any objections to the multiple completion by Texas International Petroleum Corporation of its Lowe-Federal #1 well located in Unit H, Section 31, T20S-R30E, Eddy County, New Mexico. Said well is to be completed in both the Strawn and Morrow formations and the undersigned does hereby consent to multiple completion in said formations.

MEADCO PROPERTIES, LTD.

BY: Bill C. Cotner

REGISTERED NO. 981

POSTMARK OF

Value \$ 7.20	Special Delivery \$
Reg. Fee \$ 95	Return Receipt \$ 15
Handling Charge \$	Restricted Delivery \$
Postage \$ 20	<input type="checkbox"/> AIRMAIL
POSTMASTER (By) 4	



FROM Texas Int. Pet. Corp.
1720 Wilco Blvd.
Midland, Texas

TO Harvey E. Yates Co.
112 N. 1st St.
Artesia, New Mex.

★ U.S. P.O. 1951-505-110

DRAFT

fr/

in

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. 5229
Order No. R- 4293

APPLICATION OF TEXAS INTERNATIONAL
PETROLEUM CORPORATION FOR A DUAL
COMPLETION, EDDY COUNTY, NEW MEXICO.

all

[Handwritten signatures]

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 19 74,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of May, 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, Texas International Petroleum Corpor-
ation seeks authority to complete its Lowe-Federal Well No. 1,
located in Unit H of Section 31, Township 20 South, Range 30
East, NMPM, Eddy County, New Mexico, as a dual completion (conven-
tional) to produce gas from an undesignated Strawn Gas Pool and
an undesignated Morrow gas pool through parallel strings of
tubing with separation of the zones achieved by means of a packer
set at approximately ~~12,110~~ feet.

11,628

-2-

CASE NO. 5229

Order No. R-

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas International Petroleum Corporation, is hereby authorized to complete its Lowe-Federal Well No. 1, located in Unit H of Section 31, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from an undesignated Strawn gas pool and an undesignated Morrow gas pool through parallel strings of 2 1/16-inch tubing set in packers at approximately 11,068 feet and ~~11,110~~ feet.

~~11,628~~
PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission 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 Well Shut-In Pressure Test Period for ~~the~~ Southeast New Mexico Gas Wells.

(2) 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.