Coso/No.

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Application, Transcript, Smill Exhibits, Etc. CASE 4571 Hemble Oll & MCE. Co. Cont. Co. Trietion State "Sr No. 21, NW SW 2-228-375

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. 457 ORDER NO. R-251

THE APPLICATION OF HUMBLE OIL AND REFINING COMPANY FOR AN ORDER GRANTING PERMISSION TO DUALLY COMPLETE AND PRODUCE ITS STATE "S" WELL NO, 21 LOCATED IN THE NW/4 SW/4 OF SECTION 2, TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO, IN THE DRINKARD POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 16, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 5 day of January, 1953, the Commission, a quorum being prevent, having considered the records and the testimony adduced, and being fully advised in the premises,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of the case and the persons and subject matter thereof.
- (2) That Applicant's State "S" Well No. 21, NW/4 SW/4, Section 2, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, was completed in May, 1950, as an oil well producing from the Drinkard formation through casing perforations 6460'-6490', having drilled through the Blinebry gas zone, 5450'-5580'.
- (3) That although recent experiments tend to show that mechanical packers and other devices are ordinarily available for successful dual-multiple completions of oil gas wells, the Commission is unconvinced of the soundness as a waste-prevention practice, of such dual/multiple completions as a general practice in New Mexico without specific controls over each such project.

IT IS THEREFORE ORDERED:

That the applicant herein, Humble Oil and Refining Company, be, and it hereby is authorized to dually complete and produce its State "S", Well No. 21, NW/4 SW/4, Section 2. Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Blinebry formation may be produced through the annular space between the casing and the tubing and oil from the Drinkard formation through the tubing by proper perforations and the installation of a proper packer or packers.

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PROVIDED, HOWEVER, That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within the well bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata, and,

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio! thereof determined, and,

PROVIDED FURTHER, That the operator applicant shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any convenient time and in such manner as deamed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant thall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

E. S. Walker, Member

R. R. Spurrier, Secretary

Jb.

Case 457

Midland, Texas November 10, 1952

File: 6-1

Re: Application to Dually Complete
Humble New Mexico State S-21,
Drinkard Pool, Lea County,
New Mexico

Oil Conservation Commission State of New Mexico Santa Fe, New Mexico

Gentlemen:

By means of this application, Humble Oil & Refining Company wishes to state the following:

- (a) Humble Oil & Refining Company New Mexico State S-21, located in the NW/4 of the SW/4 of Section 2, T22S, R37E, Lea County, was completed May 18, 1950 at a total depth of 6520 feet. The 5-1/2-inch OD production casing was set and cemented at 6519 feet.
- (b) Exhibit A, attached, shows the location of subject well, other wells on the subject lease and all offset wells.
- (c) The subject well was completed as an oil well producing from the Drinkard pay through casing perforations from 6460 to 6490 feet. Exhibit B, attached, is a schematic diagram of the current completion status of the subject well.
- (d) The applicant proposes to dually complete the well to produce oil from the Drinkard pay through the tubing and gas from the Blinebry formation through the tubing-casing annulus in the following manner:
 - (1) Perforate the 5-1/2-inch casing within the approximate interval between 5450 and 5580 opposite the Blinebry pay.
 - (2) Set a production type packer below the above perforations at approximately 5650 feet to separate the two producing zones.

The manner and method of the dual completion is shown in the schematic diagram as Exhibit C.

- (e) Granting of this application for permission to produce the subject well as a dual completion as proposed is in the interest of conservation and protection of correlative rights.
- (f) The applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission to maintain separation of production from the two pay zones.

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(g) The manner and method of the proposed dual completion is mechanically feasible and practical.

Therefore, Humble Oil and Refining Company requests that the New Mexico Oil Conservation Commission set a certain day upon which this application may be heard and after said hearing to grant permission in order that the applicant may dually complete the subject well as proposed in their application.

Respectfully Submitted,

HUMBLE OIL & REFINING COMPANY

J. W. HOUSE Division Superintendent

JEG/J1

Encl. Exhibit A - Plot showing all wells on Humble New Mexico State S-21 lease and offset leases.

Exhibit B - Schematic Diagram of Current Completion, Humble New Mexico State S-21.

Exhibit C - Schematic Diagram of Proposed Dual Completion, Humble New Mexico State S-21.

Exhibit D - Radioactive Log of Humble New Mexico State S-21.

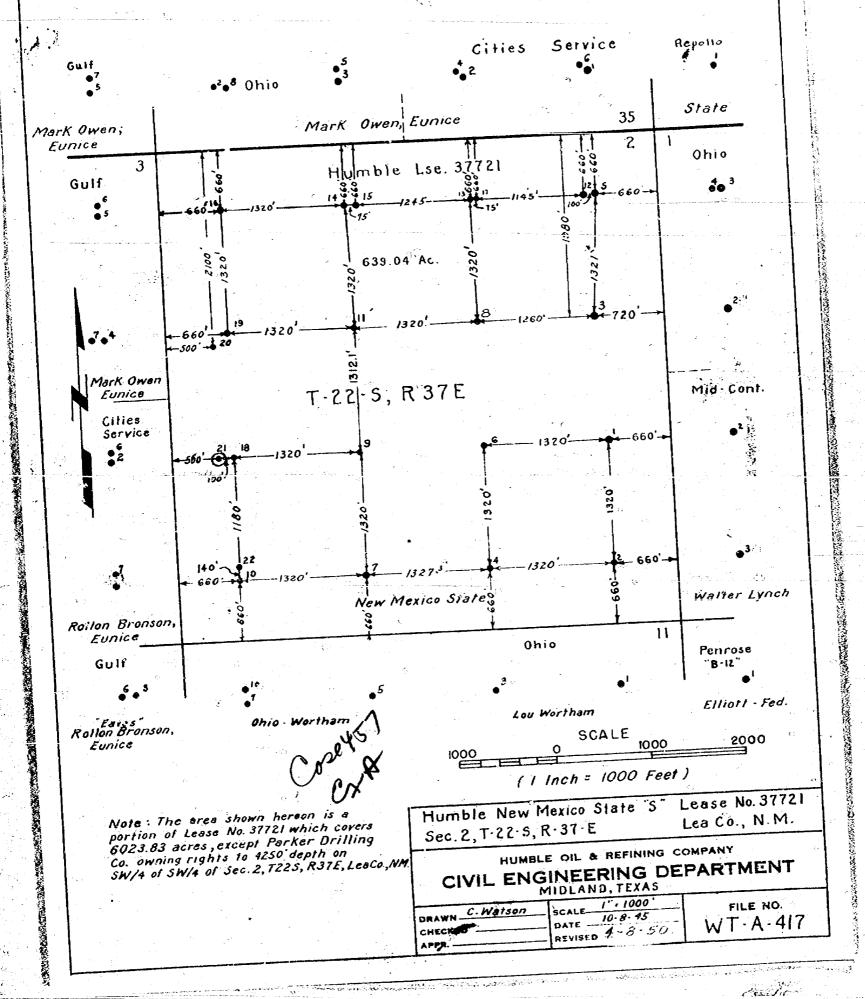


EXHIBIT B: SCHEMATIC DIAGRAM OF CURRENT COMPLETION STATUS - HUMBLE NEW MEXICO STATE S

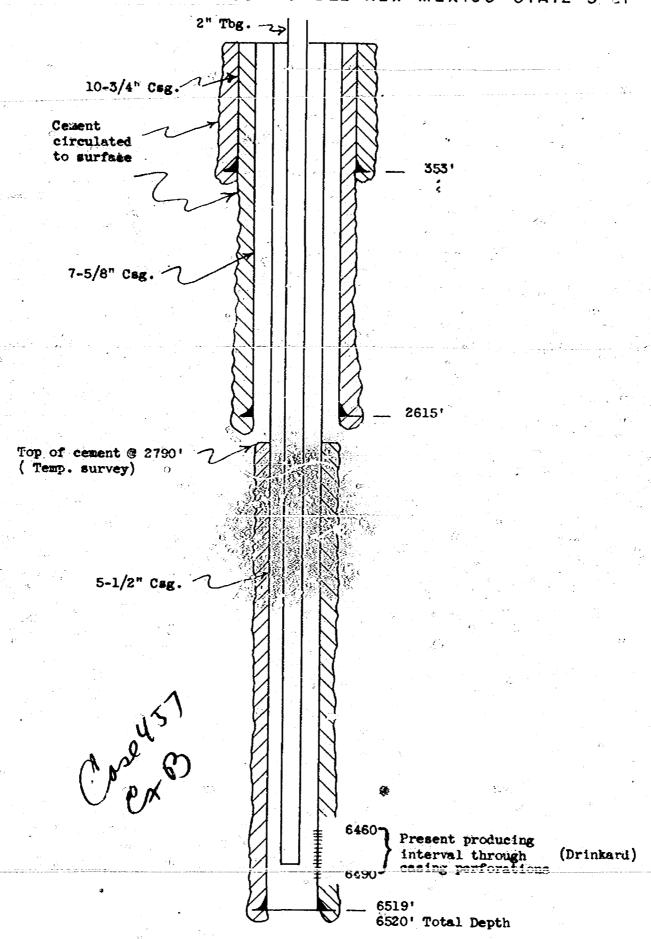


EXHIBIT C: SCHEMATIC DIAGRAM OF PROPOSED DUAL COMPLETION - HUMBLE NEW MEXICO STATE S-21

