

CASE 1000, Sunray Mid-Continent Oil Co.
application for approval of a dual completion _____
& 80 acre non-standard gas proration unit.

Case No.

1041

Application, Transcript,
Small Exhibits, Etc.

10:00 AM
3-28

SUNRAY MID-CONTINENT OIL COMPANY

R. E. FOSS, VICE PRESIDENT

C. L. ERWIN, SUPERINTENDENT,
PRODUCTION DIVISION

R. W. GRIFFITH, GENERAL MANAGER
CAS-GASOLINE DIVISION

P.O. BOX 2030
BADA 2, OILMAN

PRODUCTION DEPARTMENT

February 27, 1956

J. H. DOUMA, MANAGER
JOINT OPERATIONS DIVISION

M. A. PATTON, JR., MANAGER
ENGINEERING DIVISION

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Gentlemen:

Enclosed is an original and four copies of our application to
dually complete Sunray Mid-Continent's Elliott "A" Well No. 1,
in the Drinkard Formation and Blinebry Formation, and for the
approval of a non-standard proration unit in the Blinebry Gas
Pool, Lea County, New Mexico.

Please set this application for hearing either before the
Commission or Examiner at your convenience.

Yours very truly,

SUNRAY MID-CONTINENT OIL COMPANY

William R. Loar
William R. Loar

WPL:dc



D-X SUNRAY OIL COMPANY IS A WHOLLY-OWNED REFINING & MARKETING SUBSIDIARY

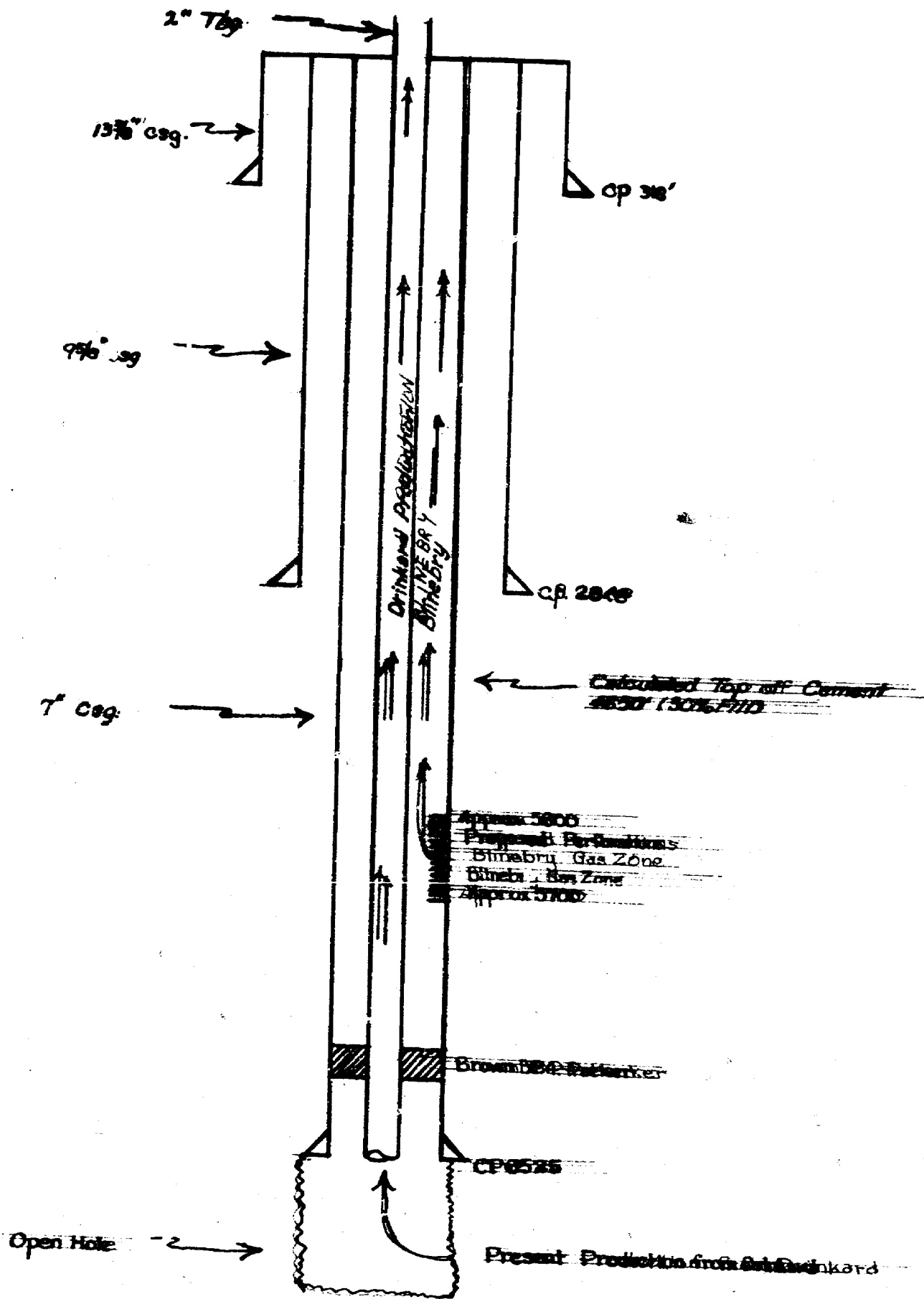
*Send Copy
to
Bureau
3/19/56*

Case 1041

SCHEMATIC DIAGRAM OF PROPOSED DUAL COMPLETION

SUNSHINE MID-CONTINENT OIL COMPANY

Field 7th Lease Well #1



06/17/06 630'

Case 1041

INTER-OFFICE TRANSMITTAL SLIP

TO JWG
FROM WWM 6/6/56

Re: Case #1041

- () For Approval
- () For Signature
- () Note and Advise
- () Note and Return
- () For Your Files

Heard before
WWM @ Hobbs
@ 10 AM on
March 28

- (✓) For Your Handling — ① Deny DC
② Deny 80 Ac NSP

Remarks:

Find: ① That the DC should be denied at this time
due to the fact that
to allow the applicant and an object
operator an opportunity to form standard
units in the Blending, the tool and
operator, and the desire to find another
well for blending the production.
② That applicant can later request
administrative approval for the dual
after the acreage units are established.
③ That the 80 Ac NSP should be denied
and applicant attempt to form a
standard 160 Ac Unit in Blending, the tool
and operator. ① Deny DC & 80 Ac NSP.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE
OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
SUNRAY MID-CONTINENT OIL COMPANY FOR
AUTHORITY TO DUALY COMPLETE IN THE
DRINKARD FORMATION AND THE BLINEBRY
FORMATION, THE ELLIOTT "A" WELL NO. 1,
LOCATED IN THE NE/4 NE/4 OF SECTION
21, AND FOR THE APPROVAL OF A NON-
STANDARD PRORATION UNIT CONSISTING OF
THE E/2 NE/4 OF SECTION 21, TOWNSHIP
21 SOUTH, RANGE 37 EAST, BLINEBRY GAS POOL
LEA COUNTY, NEW MEXICO.

CASE 1041

APPLICATION

COMES NOW Sunray Mid-Continent Oil Company and respectfully shows as follows:

1. That the Applicant is the owner and operator of an oil and gas lease covering the E/2 of the NE/4 of Section 21, Township 21 South, Range 37 East, Lea County, New Mexico, known as its Elliott "A" Lease.
2. Attached hereto and made a part hereof is a plat showing the location of the subject well described in the caption hereof, and the offset leases and wells, and the outline of the proposed 80-acre Blinebry gas proration unit.
3. Applicant's Elliott "A" Well No. 1 located in the NE/4 NE/4 of Section 21, Township 21 South, Range 37 East, is presently completed as an oil well in the Drinkard formation found between the approximate depths of 6,525 feet and 6,630 feet; that the Drinkard formation in this well is within the defined limits of the Drinkard Oil Pool. The Blinebry is encountered at the approximate depth of 5,600 feet to 5,700 feet; that the Blinebry formation in this well is within the defined limits of the Blinebry Gas Pool.
4. That Applicant now desires that permission be granted for the dual completion of said well in the Drinkard formation and the Blinebry formation by perforating opposite the Blinebry formation and installing adequate packers and equipment. The oil and gas from the Drinkard formation and the gas from the Blinebry formation will be separated in the well bore so that the oil and gas from the Drinkard formation will be produced through the tubing and the gas from the Blinebry formation will be produced through the tubing-casing annulus.
5. Applicant requests that permission be granted to assign the above described 80-acre Elliott "A" Lease as the gas proration unit for the Blinebry completion. Elliott "A" No. 1 is located 660 feet from the lease lines. Rule 2 of Order R-372-A provides for the establishment of 160-acre gas proration units in the Blinebry gas pool; that Applicant believes that it is impractical to unitize this 80-acre tract with the acreage adjacent so as to form a 160-acre quarter section gas unit.
6. So far as is known to Applicant, the following constitute the only offset operators and are being notified by registered mail of this proposed dual completion and non-standard gas proration unit by the mailing of a copy of this application to them:

CASE 1041 - CONT'D.

Shell Oil Company; Box 1509; Midland, Texas
S. E. Cone; Lubbock, Texas
Continental Oil Company; Fair Building; Fort Worth 2, Texas
N. B. Hunt; 700 Mercantile Bank Building; Dallas, Texas

WHEREFORE, Applicant requests that in the interest of conservation and the protection of correlative rights, that this matter be set for hearing before the Commission or an Examiner; that notice thereof be given as required by law; and that upon final hearing, the Oil Conservation Commission enter its order approving a proration unit consisting of the E/2 NE/4 of Section 21, Township 21 South, Range 37 East, as an exception to the provisions of Order No. R-372-A in Blinebry Gas Pool and that Applicant be authorized to dually complete this No. 1 Elliott "A" Well, NE/4 NE/4 Section 21, in the Drinkard and Blinebry Zones in accordance with this application and the rules and regulations of the Oil Conservation Commission of the State of New Mexico.

Dated this 28th day of February, 1956.

SUNRAY MID-CONTINENT OIL COMPANY

William R. Loar

NEW MEXICO OIL & GAS ENGINEERING COMMITTEE
HOBBS, NEW MEXICO
March 12, 1956

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 25, 1956

C
O
P
Y

Mr. John D. Cassett
Surrey Mid-Continent Oil Company
P. O. Box 2039
Tulsa 2, Oklahoma

Dear Sir:

We enclose copies of Order R-816 in Case 1049 heard on April 3rd, Order R-818 in Case 1058 heard on April 25th, and Order R-821 in Case 1041 heard on March 28th. These Orders were issued June 18, 1956, by the Oil Conservation Commission and heard at Hobbs, New Mexico.

Very truly yours,

A. L. PORTER, Jr.
Secretary - Director

ga
Encl.

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
March 28, 1956

IN THE MATTER OF:

CASE NO. 1041

TRANSCRIPT OF PROCEEDINGS

NEW MEXICO OIL CONSERVATION COMMISSION
MABRY HALL - STATE CAPITOL
SANTA FE, NEW MEXICO

REGISTER

HEARING DATE March 28, 1956 TIME: 10:00 a.m.

NAME:	REPRESENTING:	LOCATION
William R Loar	Sunray Mid-continent	Borzo, Tulsa
Robert E Statton	Sunray Mid-continent	Midland, Tex
Victor T Lyon	Continental Oil Co.	Ft. Worth, Texas
Paul Thornton	Continental Oil Co.	Hobbs, Texas
Charles R. Smith	" " "	Edmore, N.M.
Clarence E. Smith	Continental Oil Co.	Hobbs, Texas
R. F. Heald Jr	" "	Hobbs
A. P. Phillips	" "	Hobbs, Texas
R. S. Dewey	✓	Midland Texas
N. G. Sufort	U.S. GS	Hobbs
R. F. Montgomery	OCC	Hobbs
R. E. Cook	CONOCO	Hobbs
W. T. Wheeler Jr	CONOCO	Edmore, N.M.
W. S. Marshall	Schumacher	Hobbs

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
March 28, 1956

Application of Sunray Mid-Continent Oil
Company for an order approving a dual
completion in the Drinkard Pool and the
Blinebry Gas Pool in compliance with Rule
112 (a) of the New Mexico Oil Conservation
Commission Statewide Rules and Regulations
and for an order granting an exception to Rule
5 of the Special Rules and Regulations of the
Blinebry Gas Pool as set forth in Order K-610
in establishment of an 80-acre non-standard
gas proration unit.

Applicant, in the above-styled cause, seeks
an order granting them permission to dually
complete their Elliott "A" Well No. 1 in the
Drinkard Oil Pool and the Blinebry Gas Pool,
said well being located in the NE/4 NE/4 of
Section 21, Township 21 South, Range 37 East,
Lea County, New Mexico, and in addition
applicant seeks approval of an 80-acre non-
standard gas proration unit consisting of the
E/2 NE/4 of Section 21, Township 21 South,
Range 37 East, Blinebry Gas Pool, Lea County,
New Mexico; said 80 acre to be dedicated to
applicant's Elliott "A" Well No. 1.

Case No. 1041

BEFORE:

Warren W. Mankin, Examiner

TRANSCRIPT OF HEARING

EXAMINER MANKIN: The hearing will come to order. The first case
on the docket today is Case 1041, the application of Sunray Mid-Continent Oil
Company for an order approving dual completion in the Drinkard Pool and the
Blinebry Gas Pool and for a non-standard proration unit for the Blinebry Gas Pool.
Proceed. You have one witness?

MR. LOAR: Yes, one witness.

R. E. STATTON

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

By Mr. William Loar

Q. Will you state your name and occupation?

A. R. E. Statton, Petroleum Engineer for Sunray Mid-Continent Oil Company.

Q. What is your educational background, Mr. Statton?

A. I received my B.S. Degree in Petroleum Engineering from Texas Technology College in May 1951.

Q. And since that time, except for an interval in the armed service and a short time with the PAD in Washington, have you been employed as a petroleum engineer by Sunray Mid-Continent?

A. Yes.

Q. Have your duties included petroleum engineering duties for New Mexico, including the area which is the subject of this application?

A. Yes.

MR. MANKIN: Qualifications are acceptable.

Q. This is the application of Sunray Mid-Continent Oil Company to dually complete in the Drinkard formation and the Blinebry formation its Elliott "A" No. 1, located in the NE/4 NE/4 of Section 21 and approval of a non-standard Blinebry proration unit consisting of the E/2 NE/4 of 21, 21S-37E, Lea County, New Mexico. Are you familiar with this application?

A. Yes, sir.

Q. Does this 80 acres lie wholly within a governmental quarter section?

A. Yes.

Q. And do you believe that this 80 acres is productive of Blinebry gas?

A. Yes.

Q. Why do you think so?

A. We are practically surrounded by Blinebry producers, except to the west.

Q. And that has been the subject of a recent hearing?

A. Yes, it has.

Q. Will the length or the width of this 80 acres exceed 2,640 feet?

A. No.

Q. Were the offset operators mailed a copy of this application by registered mail?

A. Yes.

Q. Is this Elliott "A" No. 1 in the Blinebry therein and the 80 acres within the horizontal and vertical limits of the Blinebry Gas Pool as defined by the New Mexico Commission?

A. Yes, it is.

Q. Why are you now seeking to form a non-standard Blinebry gas unit?

A. Well first, it is difficult to communitize and divide the royalty on federal and patented land, the royalty on our lease is federal and the royalty of the Pacific offset land is patented. Also, there would be difficulty concerning future workovers since this is a proposed dually completed well. If it would become necessary to workover the Drinkard oil zone we would have to shut-in our partner's well while we work over our 100% well. There is also the difficulty of

allocating the cost of operating expenses and investment expenses in such a partnership well. These factors were given consideration when we dually completed a Tubb well in the S/2 of this lease in February or March of 1954.

Q. And that was considered by the Commission at that time?

A. Yes, it was, and the offset operators at that time did not want to communitize.

Q. What depths are the Blinebry and Drinkard formations found?

A. The Drinkard is found at approximately 66---6,525 to 6,630 and the Blinebry is expected to be between 5,600 and 5,700 feet.

Q. Those are approximate depths, are they not?

A. Right.

Q. And both the Blinebry and the Drinkard have been declared to be separate common sources of supply by the Commission?

A. Yes.

Q. How is this Elliott "A" No. 1 presently completed?

A. Presently surface pipe, 13 3/8 was set at 318 feet with 300 sacks of cement. 9 5/8" casing is set at 2,849 with 1,000 sacks of cement. 7" casing is set at 6,525 with 500 sacks and there is 8 5/8" open hole to the total depth of 6,630.

Q. Have you calculated the fill-up on your cement? The long string.

A. Using a minimum 50% fill, the top of the cement was calculated to be at 4,650 which would put us 1,000 feet above the Blinebry zone.

Q. And that is using 50%?

A. 50% fill.

Q. How do you propose to dually complete this well, if this application is granted?

A. We plan first to spot some gel in the hole in order to kill the well, fill the hole with water, run a Brown DP-4 packer and set it, oh about 75 feet up from the casing and then pull the tubing and run a gamma-ray neutron log. I beg your pardon, we are going to run the gamma-ray neutron log first and then run our packer and set it up in the casing, test the casing and the packer, run a retrievable packer above the perforations and acidize. We will latch on to the packer then with a circulating valve open and swab in the Blinebry. The circulating valve will then be closed and the Drinkard will be swabbed in. The Drinkard will be produced through the tubing and the Blinebry will be produced through the casing-tubing annulus.

Q. With this method of dual completion, do you believe there will be any migration from one source of supply to another?

A. No.

Q. Do you feel that the granting of this application for a non-standard Blinebry unit and this application for dual completion in the Drinkard and the Blinebry will accomplish the greatest ultimate recovery of hydrocarbons and prevent waste and protect correlative rights?

A. Yes.

Q. I think that is all we have.

MR. MANKIN: Do you have a proposed diagrammatic sketch which you wish to present as an exhibit in this case?

MR. LOAR: Yes, I would like to have this marked as Exhibit 1.

MR. MANKIN: Do you have any further exhibits? I believe in your application you showed a plat-----

MR. LOAR: The plat attached to the application is a part of the application.

MR. MANKIN: It is a part of the application and not to be re-introduced.

MR. LOAR: I don't believe it is necessary.

MR. GURLEY: I would like for you to elaborate a bit on why you think that the---why it would be impractical for you to communitize your acreage with another 80 acres in the area?

A. Well, the most important thing would be that it would be very difficult to determine what part of the cost the communitized partner would pay of this dual completion. In other words should they pay all of the cost of this dual completion or should they pay for half of the cost of drilling the original well. Also there is a factor there of the royalties. There are different royalty owners, one of them is the federal government and the other is patented land.

MR. GURLEY: Have you made any approach at all to any of the adjoining owners?

A. We contacted them, I would not say-----

MR. LOAR: We have made no approach at this time. We made an approach on the----- Would you take your plat and show the Examiner that-----

A. This Tubb well here, we had a hearing on that and at that time the offset operators were contacted and the operator of this lease at that time did not want to communitize.

Q. And this is the same type of 80-acre non-standard proration unit for the Tubb as it is for this Blinbry hearing?

A. That's right.

MR. GURLEY: But you have made no effort to----

MR. LOAR: Not this time, no.

MR. MANKIN: I have another question. I notice from the diagrammatic sketch that you anticipate a normal dual completion, one packer and a single string of tubing to be set in this particular well. Do you anticipate from the producing history of the Blinebry gas in this area that this particular well will produce a great amount of liquids?

A. I anticipate that it should produce three to four hundred barrels of condensate a month.

MR. MANKIN: Three to four hundred per month. Which would amount to possibly 10 barrels a day. It is approaching, is it not, the gas-oil contact in the area where there might be more liquids produced and where there might be a problem to raise the liquids in the annulus. You don't feel in this particular case that it is more of an oil than it is a distillate and therefore that you could lift the liquids that would be produced without difficulty.

A. Yes, we do feel that we can lift the liquids.

MR. MANKIN: Do you anticipate installing a type of head in this well where the pressures could be taken on the Blinebry?

A. Yes, we would.

MR. MANKIN: So that it would be possible to take pressures of the gas zone as required by the Commission's Rules and Regulations?

A. Yes.

MR. MANKIN: Is there question of the witness in this case?

MR. LOAR: To clarify the question asked by Mr. Mankin, the Examiner, this will be a high liquid-gas ratio well, will it not, from every indication you have had herein?

A. Yes.

Q. Which would take care of the situation of lifting any liquids that might be produced with this gas?

A. Yes.

MR. MANKIN: Is there anything further in this case? Do you wish to have Exhibit 1 introduced?

MR. LOAR: I would like to have Exhibit 1, which is the dual completion diagrammatic sketch, entered.

MR. MANKIN: Is there objection to entering Exhibit 1 in evidence in this case? If not, it will be so entered. If there is nothing further, the witness may be excused. Is there any statements or anything in this particular case? If not, we will take the case under advisement.

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

I, Joan Hadley, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission Examiner at Hobbs, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

Dated this 26th day of April, 1956.

Joan Hadley

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF SUNRAY MID-CONTINENT OIL COMPANY)
FOR AUTHORITY TO DUALY COMPLETE IN)
THE DRINKARD FORMATION AND THE BLINE-)
BRY FORMATION, THE ELLIOTT "A" WELL)
NO. 1, LOCATED IN THE NE/4 NE/4 OF)
SECTION 21, AND FOR THE APPROVAL OF A)
NON-STANDARD PRORATION UNIT CONSIST-)
ING OF THE E/2 NE/4 OF SECTION 21,)
TOWNSHIP 21 SOUTH, RANGE 37 EAST,)
BLINEBRY GAS POOL, LEA COUNTY, NEW)
MEXICO.)

A P P L I C A T I O N

COMES NOW Sunray Mid-Continent Oil Company and respectfully shows as follows:

- 1) That the Applicant is the owner and operator of an oil and gas lease covering the E/2 of the NE/4 of Section 21, Township 21 South, Range 37 East, Lea County, New Mexico, known as its Elliott "A" Lease.
- 2) Attached hereto and made a part hereof is a plat showing the location of the subject well described in the caption hereof, and the offset leases and wells, and the outline of the proposed 80-acre Blinebry gas proration unit.
- 3) Applicant's Elliott "A" Well No. 1 located in the NE/4 NE/4 of Section 21, Township 21 South, Range 37 East, is presently completed as an oil well in the Drinkard formation found between the approximate depths of 6,525 feet and 6,630 feet; that the Drinkard formation in this well is within the defined limits of the Drinkard Oil Pool. The Blinebry is encountered at the approximate depth of 5,600 feet to 5,700 feet; that the Blinebry formation in this well is within the defined limits of the Blinebry Gas Pool.
- 4) That Applicant now desires that permission be granted for the dual completion of said well in the Drinkard formation and the Blinebry formation by perforating opposite the Blinebry formation and installing adequate packers and equipment. The oil and gas from the Drinkard formation and the gas from the Blinebry formation will be separated in the well bore so that the oil and gas from the Drinkard formation will be produced through the tubing and the gas from the Blinebry formation will be produced through the tubing-casing annulus.
- 5) Applicant requests that permission be granted to assign the above described 80-acre Elliott "A" Lease as the gas proration unit for the Blinebry completion. Elliott "A" No. 1 is located 660 feet from the lease lines. Rule 2 of Order R-372-A provides for the establishment of 160-acre gas proration units in the Blinebry gas pool; that Applicant believes that it is impractical to unitize this 80-acre tract with the acreage adjacent so as to form a 160-acre quarter section gas unit.
- 6) So far as is known to Applicant, the following constitute the only offset operators and are being notified by registered mail of this proposed dual completion and non-standard gas proration unit by the mailing of a copy of this application to them:

Shell Oil Company; Box 1509; Midland, Texas
S. E. Cone; Lubbock, Texas
Continental Oil Company; Fair Building; Ft. Worth 2, Texas
N. B. Hunt; 700 Mercantile Bank Building; Dallas, Texas

WHEREFORE, Applicant requests that in the interest of conservation and the protection of correlative rights, that this matter be set for hearing before the Commission or an Examiner; that notice thereof be given as required by law; and that upon final hearing, the Oil Conservation Commission enter its order approving a proration unit consisting of the E/2 NE/4 of Section 21, Township 21 South, Range 37 East, as an exception to the provisions of Order No. R-372-A in Blinebry Gas Pool and that Applicant be authorized to dually complete this No. 1 Elliott "A" Well, NE/4 NE/4 Section 21, in the Drinkard and Blinebry Zones in accordance with this application and the rules and regulations of the Oil Conservation Commission of the State of New Mexico.

Dated this 22nd day of February, 1956.

SUNRAY MID-CONTINENT OIL COMPANY

William R. Loar
William R. Loar

<p>Texas 3</p> <p>Sun 5</p> <p>Conti 4</p> <p>Stanolind 7</p> <p>Gulf 3</p> <p>Tidewater 7, 3, 6, 3</p>	<p>Weatherly 2, 1, 3</p> <p>17</p> <p>Weatherly 1, 4, 2</p> <p>Tidewater 1, 2</p> <p>Hardy 2</p>	<p>Stanolind 7</p> <p>6, 7, 6, 2, 6, X</p> <p>16</p> <p>Amerada 2, 3</p> <p>Leonard 2, 5</p>	<p>Tidewater 7, 3, 6, 3</p> <p>State Citizens Serv 1, 2, 3, 4, 5, 6, 3</p> <p>Shell 1, 2, 3, 4</p> <p>Ohio 1, 2, 3, 4, 5, 6, 7, 8, 9</p>
<p>SDX All W.I. S 17493</p> <p>Redman 1, 3</p> <p>Repolio 2</p> <p>N.B. Hunt 2, 3, 4</p> <p>SDX All W.I. S 17493</p> <p>Shell 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16</p> <p>Gulf 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16</p>	<p>Weatherly 1, 4, 2</p> <p>Tidewater 1, 2</p> <p>Hardy 2</p> <p>17</p> <p>Weatherly 1, 4, 2</p> <p>Tidewater 1, 2</p> <p>Hardy 2</p>	<p>Stanolind 7</p> <p>6, 7, 6, 2, 6, X</p> <p>16</p> <p>Amerada 2, 3</p> <p>Leonard 2, 5</p>	<p>Tidewater 7, 3, 6, 3</p> <p>State Citizens Serv 1, 2, 3, 4, 5, 6, 3</p> <p>Shell 1, 2, 3, 4</p> <p>Ohio 1, 2, 3, 4, 5, 6, 7, 8, 9</p>
<p>SDX All W.I. S 17493</p> <p>Redman 1, 3</p> <p>Repolio 2</p> <p>N.B. Hunt 2, 3, 4</p> <p>SDX All W.I. S 17493</p> <p>Shell 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16</p> <p>Gulf 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16</p>	<p>Weatherly 1, 4, 2</p> <p>Tidewater 1, 2</p> <p>Hardy 2</p> <p>17</p> <p>Weatherly 1, 4, 2</p> <p>Tidewater 1, 2</p> <p>Hardy 2</p>	<p>Stanolind 7</p> <p>6, 7, 6, 2, 6, X</p> <p>16</p> <p>Amerada 2, 3</p> <p>Leonard 2, 5</p>	<p>Tidewater 7, 3, 6, 3</p> <p>State Citizens Serv 1, 2, 3, 4, 5, 6, 3</p> <p>Shell 1, 2, 3, 4</p> <p>Ohio 1, 2, 3, 4, 5, 6, 7, 8, 9</p>
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T
21
S

DRINKARD POOL

District - North & West Texas

County - Lea

State - N.M.

A horizontal scale bar labeled "Scale in Feet". The bar has markings at 3000, 1500, 0, 1500, 3000, and 6000. The segments between 3000 and 1500, 1500 and 0, 0 and 1500, and 1500 and 3000 are shaded with diagonal lines. The segment between 3000 and 6000 is unshaded.

**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

**CASE NO. 1041
Order No. R-821**

**THE APPLICATION OF SUNRAY MID-
CONTINENT OIL COMPANY FOR AN ORDER
GRANTING THE DUAL COMPLETION OF ITS
ELLIOTT "A" WELL NO. 1, LOCATED IN
THE NE/4 NE/4 OF SECTION 21, TOWNSHIP
21 SOUTH, RANGE 37 EAST, NEPM, LEA
COUNTY, NEW MEXICO, SAID WELL TO BE
COMPLETED IN THE DRYKARD POOL AND
THE BLINERY GAS POOL. APPLICANT
FURTHER SEeks AN ORDER GRANTING THE
ESTABLISHMENT OF AN 80 ACRE NON-
STANDARD GAS PRORATION UNIT COMPRISING
THE E/8 NE/4 OF SECTION 21, TOWNSHIP
21 SOUTH, RANGE 37 EAST, NEPM, BLINERY
GAS POOL, LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on March 28, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of the Rules and Regulations of the New Mexico Oil Conservation Commission.

NOW, on this 18th day of June 1956, the Commission, a quorum being present, having considered the application and the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the dual completion of applicant's Elliott "A" Well No. 1, should be denied at this time.
- (3) That it is conducive to waste and not in the best interests of correlative rights to grant the application for an 80 acre non-standard gas proration unit in the Blinery Gas Pool.
- (4) That it would be practical for applicant to form a standard unit with additional acreage in the Blinery Gas Pool.

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Order No. R-821

IT IS THEREFORE ORDERED:

(1) That the application of Sunray Mid-Continent Oil Company for an order granting a dual completion in the Drinkard Pool and the Blinsbry Gas Pool for its Elliott "A" Well No. 1, in the NE/4 NE/4 of Section 21, Township 21 South, Range 37 East, be and the same is hereby denied.

(2) That the application of Sunray Mid-Continent for an order granting the establishment of a non-standard gas proration unit comprising the E/2 NE/4 of Section 21, Township 21 South, Range 37 East, Blinsbry Gas Pool, be and the same is hereby denied.

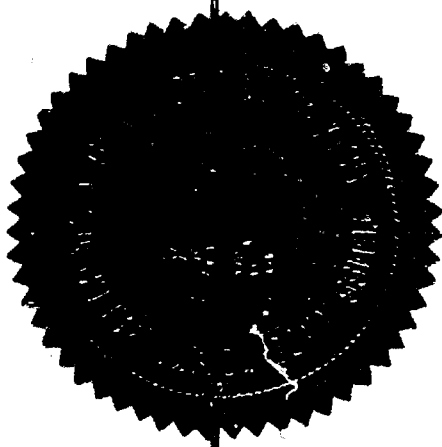
DONE at Santa Fe, New Mexico, on the day and year hereinafore designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John F. Simms
JOHN F. SIMMS, Chairman

E. S. Walker
E. S. WALKER, Member

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



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