

CASE 1143: Stanolind Oil & Gas application for  
permission to complete 2 wells, Hogback-Dako-  
ta Field, without use of producing tubing.

Case No.

1143

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Application, Transcript,  
Small Exhibits, Etc.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 28, 1956

C  
O  
P  
Y

Mr. C. L. Kelley  
Stanolind Oil & Gas Company  
P.O. Box 829  
Roswell, New Mexico

Dear Sir:

We enclose a copy of Order R-886 issued September 27, 1956,  
by the Oil Conservation Commission in Case 1143, which was heard  
on September 6th at Hobbs.

Very truly yours,

A. L. Porter, Jr.  
Secretary - Director

brp  
Encl.

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. 1143  
Order No. R-886

THE APPLICATION OF STANOLIND OIL  
AND GAS COMPANY FOR AN ORDER  
GRANTING PERMISSION TO COMPLETE  
IN THE HOGBACK-DAKOTA POOL, SAN  
JUAN COUNTY, NEW MEXICO, WITHOUT  
THE USE OF PRODUCING TUBING IN  
EXCEPTION TO RULE 107 (c) OF THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
RULES AND REGULATIONS, ITS USG SECTION  
19-29-16 WELL NO. 15, LOCATED 1600'  
FROM THE NORTH LINE AND 2374' FROM THE  
EAST LINE OF SECTION 19, TOWNSHIP 29  
NORTH, RANGE 16 WEST, NMPM, AND ITS  
PROPOSED USG SECTION 18-29-16 WELL  
NO. 16 LOCATED 900 FEET FROM THE SOUTH  
LINE AND 1750 FEET FROM THE EAST LINE  
OF SECTION 18, TOWNSHIP 29 NORTH, RANGE  
16 WEST, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock a.m.  
on September 6, 1956, at Hobbs, New Mexico, before Warren W.  
Mankin, Examiner duly appointed by the New Mexico Oil Conservation  
Commission, hereinafter referred to as the "Commission," in accord-  
ance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 27<sup>th</sup> day of September, 1956, the Com-  
mission, a quorum being present, having considered the application,  
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 case and the subject  
matter thereof.

(2) That applicant proposes to drill two wells in the  
Hogback-Dakota Pool, said wells to be known as USG Section 19-29-16  
Well No. 15, located 1600 feet from the North line and 2374 feet  
from the East line of Section 19, and USG Section 18-29-16 Well  
No. 16 located 900 feet from the South line and 1750 feet from the  
East line of Section 18, all in Township 29 North, Range 16 West,  
NMPM, San Juan County, New Mexico.

(3) That all oil production in the Hogback-Dakota Pool is operated entirely by the applicant.

(4) That applicant proposes to utilize 3 1/2" tubing as the producing oil string and to complete without the use of the producing tubing string for the above-mentioned wells.

(5) That equipment to be used is adequate to properly flow said wells to depletion without the use of tubing.

IT IS THEREFORE ORDERED:

That the application of Stanolind Oil and Gas Company for an order granting permission to complete in the Hogback-Dakota Pool, San Juan County, New Mexico, by utilizing 3 1/2" tubing as the producing oil string and without the use of producing tubing string for its USG Section 19-29-16 Well No. 15, located 1600 feet from the North line and 2374 feet from the East line of Section 19, and its proposed USG Section 18-29-16 Well No. 16 located 900 feet from the South line and 1750 feet from the East line of Section 18, all in Township 29 North, Range 16 West, NMPM, San Juan County, New Mexico, be and the same is hereby granted.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JOHN F. SIMMS, Chairman

  
E. S. WALKER, Member

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



BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1143

**TRANSCRIPT OF PROCEEDINGS**

September 6, 1956  
**DEARNLEY-MEIER AND ASSOCIATES**  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 3-6691  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
HOBBS, NEW MEXICO  
September 6, 1956

----- :  
IN THE MATTER OF: :

CASE NO. 1143: Application of Stanolind Oil and Gas :  
Company for an order granting permission :  
to complete two wells in the Hogback- :  
Dakota Field, San Juan County, New Mexico, :  
without the use of producing tubing in :  
exception to Rule 107 (c) of the New :  
Mexico Oil Conservation Commission Rules :  
and Regulations. Applicant, in the :  
above-styled cause, proposes to utilize :  
3½ inch tubing as the production casing :  
string and to complete, without the use :  
of a producing tubing string, its :  
proposed USG Section 19-29-16 Well No. :  
15 located 1600 feet from the North :  
line and 2374 feet from the East line :  
of Section 19, Township 29 North, Range :  
16 West, and its proposed USG Section :  
18-29-16 Well No. 16 located 900 feet :  
from the South line and 1750 feet from :  
the East line of Section 18, Township :  
29 North, Range 16 West, all in San :  
Juan County, New Mexico. :  
----- :

BEFORE:

Warren W. Mankin, Examiner

T R A N S C R I P T     O F     P R O C E E D I N G S

MR. MANKIN: The next case, and the last case, is Case  
1143.

MR. GURLEY: Application of Stanolind Oil and Gas  
Company for an order granting permission to complete two wells  
in the Hogback-Dakota Field, San Juan County, New Mexico, with-  
out the use of producing tubing in exception to Rule 107 (c) of  
the New Mexico Oil Conservation Commission Rules and Regulations.

MR. NEWMAN: I am Kirk Newman, with Atwood and Malone, Roswell, representing Stanolind Oil Company. We have one witness, J. W. Meek. (Witness is sworn.)

J. W. M E E K

called as a witness on behalf of the applicant, having been first duly sworn on oath, testified as follows:

DIRECT EXAMINATION

BY MR. NEWMAN:

MR. NEWMAN: We have these exhibits we will offer later.

Q Will you state your name, please?

A J. W. Meek.

Q By whom, and in what capacity are you employed?

A I am employed by the Stanolind Oil and Gas Company in their District office in Roswell, New Mexico, as a Petroleum Engineer.

Q Have you previously testified as an expert before this Commission?

A Yes, I have.

MR. NEWMAN: Are the witness' qualifications accepted?

MR. MANKIN: They are acceptable.

Q (By Mr. Newman) Are you familiar with the application in this case?

A Yes, I am.

Q Will you please state the purpose of this application?

A The purpose of this application is to obtain an exception to Rule 107 (c) in order to drill two slim holes on the Hogback-Dakota Field well to be completed without the use of tubing.

Q Have the limits of the Hogback-Dakota Pool been defined by the Oil Conservation Commission?



A Yes, the New Mexico Conservation Commission defined the Hogback-Dakota Pool as South half of Section 18, all of Section 19, Township 29 North, Range 16 West, San Juan County, New Mexico.

Q Do you have there a plat of the Hogback-Dakota Pool showing the area covered by the leases owned by the Stanolind Oil Company?

A Yes, I do. The acreage shown on the plat, the Stanolind acreage on the plat is shown by the cross hatching.

Q Is the entire Hogback Pool as now constituted in all tracts continuous with the pool covered by the leases owned by the Stanolind Oil Company?

A Yes.

Q Is it all common under oil of the Stanolind leases in the pool?

A It is common in the Hogback Pool.

Q Would you explain to the Commission the meaning of the contour line on the plat showing the acreage of the Stanolind stating the formation of the contour?

A The contour line shown on the map represents the structural interpretation as determined from the sample logs on the wells drilled in the area. The contour interval is ten feet.

Q Would you give us, briefly, the history of the Hogback Pool and its development?

A The Hogback-Dakota Pool was discovered in 1922 and development proceeded. As you can see on the map, from 1923 through 1925, several wells were drilled in the area, but only seven were successfully completed during that time. This constituted the extent of the development until 1953, USG 19-14 was successfully completed to comprise the eight in the field.

There are currently eight wells producing in the field now, which produce some 230 to 240 barrels of oil per day. All the wells flow and the field is known as non-prorated. The producing formation, which is the Dakota, is found in this field in relatively shallow depths, some six to eight hundred feet, depending on the surface terrain, as the topography is rugged. The recovery mechanics is extremely active water drive. The bottom hole pressure was estimated 455 and the pressure survey taken on two wells in 1953 -- the average of those two pressures was 430 pounds at a datum of plus 4300. The field well indicates that there has been little or no pressure declined. As mentioned previously, all the wells in the field flow and it is anticipated that they will flow to depletion, due to the active water drive in the present reservoir with the exception of well No. 14 all the wells were initially drilled with cable tools and during, oh, about the first twenty years of the field life they were produced by flowing through their casings. In the year 1944 a remedial program was initiated in the field to install packers, run tubing and install packing to protect the old casing strings that were in those original wells. We did that in order to protect the old pipe that was used on those original wells. The pipe was old and somewhat inferior grade of casings compared to what we now have available. And that was done on all but one well in the field. The Hogback-Dakota field is considered rather unique by virtue of the strong water drive and the fact that there is no measurable gas produced. In fact, from an operational standpoint, in the early years of the producing life of the field, it was necessary for us to purchase

coal for use in the lease house and we continued with that practice until the advent of LPG, which is currently in use on the lease. I believe that is all.

Q Do you have a cross section drawing of the proposed casing program for the wells included in this application?

MR. GURLEY: Do you wish this to be your Exhibit 1?

MR. NEWMAN: I will offer this, and the others will be our last Exhibit, will be Exhibit 2.

Q The question was, do you have a section drawing of the proposed casing program of the wells included in this application?

A Yes, I do.

Q Will you explain to the Commission how Stanolind proposes to drill and complete the well in this application?

A If you will refer to this sketch we propose to drill a ten inch hole to approximately 60 feet and set a seven inch surface string which will be cemented to the surface. Drill out from underneath the surface string 5 1/8 inch hole to the top of the Dakota. We will then set a 3 1/2 inch oil string, which again will be cemented to the surface, drill out the shoe, take a minimum penetration to complete in the Dakotas and complete the well flowing through this 3 1/2 inch oil spring casing.

Q From the point of view of the conservation of oil or of the conservation of reserve reservoir energy, is there any reason why tubing will be needed in the new wells in this pool?

A No, due to the strong nature of the water drive present in the reservoir, the fact that we have no gas in the solution and since we anticipate that the wells will flow to depletion

there is no need for tubing in these slim hole completions.

Q Will you state the reason that some of the wells in this pool do have both casing and tubing?

A Well, I think I mentioned previously that most of the tubing strings were run to set packers to remedial measures, to protect the old casing which was set during the original completion.

Q Are there any wells in the pool still producing through the casing?

A Yes, we have one well in the pool which is now flowing through the casing, but we have a new string of casing which was run inside the old string.

Q If, for any reason, good old field practices require the running of tubing in the proposed well, could tubing be run?

A Yes, we could run a  $1\frac{1}{4}$  inch tubing string.

Q Did you state that the tubing in the well would serve no useful purpose? Are there any reasons why the tubing is undesirable?

A Well, first, we consider the use of tubing as unnecessary, as an unnecessary use of steel, and, secondly, due the size limitations, they probably would require special equipment in the event, during the completion, it was necessary to swab the well through the small  $1\frac{1}{4}$  inch tubing.

Q Have you made an estimate of the cost under the slim hole program as opposed to -- as compared to the cost of a normal operation with a large hole in both casing and tubing runs?

A Yes, it is estimate it would cost approximately \$5800

for the proposed slim hole completions as compared to something in excess of twice that amount for the conventional completion utilizing 5 $\frac{1}{2}$  inch casing and 2 inch tubing.

Q Have you made any economic study to determine whether it is economically feasible to drill a well at the lower cost or whether it is economically feasible to drill a well at the higher cost?

A We have determined drilling the lower cost well economically feasible; however, we have been unable to determine to our satisfaction how the drilling of a higher cost well would be justified.

Q Where is the oil from this pool marketed?

A The oil from this pool is marketed at Continental Refinery in Farmington, N. M., which was specifically designed to handle the high gasoline content produced from the Hogback, Rattlesnake and Table.

Q Do you have a request for additional oil production from this pool?

A Yes, we do. We have a request for an additional 100 barrels per day from the Hogback.

Q Could this additional oil be produced from the existing wells in the pool?

A No, from our experience, over thirty years, in over thirty years of operating in the field we have determined the most efficient rate to produce each well, which we are doing, the wells are individually rate sensitive, where the field is not.

Q Would the correlative rights be affected by the granting of

this order?

A No, they would not.

Q Would the granting of this order permit production of additional oil without, thereby, preventing underground waste?

A Yes, it would.

Q Would the granting of this order prevent economic waste unless casing and tubing would be required to drill the wells?

A Yes, it would.

Q Were the exhibits, these plats and cross sections of the proposed completion prepared by you or under your direction?

A They were.

MR. NEWMAN: I would like to submit these exhibits, 1 and 2, as a cross section of the proposed completion procedure.

MR. MANKIN: Is there any objection to entering Exhibits 1 and 2 in this case? If not, it will be so entered.

MR. GURLEY: I have one question. You stated that all the ownership was common under this land. Is that the Navaho Tribal lands?

A Yes.

MR. MANKIN: Any further questions of the witness? If not, the witness may be excused.

(Witness is excused.)

MR. MANKIN: Is there any statement to be made in this case? If not, we will take the case under advisement. The hearing is adjourned.

## REPORTER'S CERTIFICATE

I, LOUIS R. GUEVARA, do hereby certify that the foregoing and attached Transcript of Proceedings, pages numbered 2 through 9, were reported by me in Stenograph at the time and place aforesaid; that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings to the best of my knowledge, skill and ability.

DATED this 17th day of September, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Louis R. Guevara  
LOUIS R. GUEVARA, COURT REPORTER





DOCKET: EXAMINER HEARING SEPTEMBER 5, 1956

Oil Conservation Commission 9:00 a.m. Mabry Hall, State Capitol, Santa Fe

The following cases will be heard before Warren W. Mankin, Examiner:

CASE 1085: (Readvertisement)

Application of Shell Oil Company for an order amending the Carson Unit Agreement as established by Commission Order R-828. Applicant, in the above-styled cause, seeks an order amending the Carson Unit Agreement in the following particulars:

- (a) To eliminate from the Unit Area All of Sections 3, 4, 9, 10, 15, 16, 21, 22, 27, 28, 33 and 34 of Township 25 North, Range 12 West, San Juan County, New Mexico.
- (b) To reduce the number of wells to be drilled under the agreement from five to four.
- (c) To consider any well commenced subsequent to July 15, 1956, within the amended area to have been drilled in accordance with the requirements of the Unit Agreement and as fulfilling part of the drilling requirements.

CASE 1138:

Application of P. E. Jackson for an order pooling all oil and gas interests in certain acreage in the Aztec-Pictured Cliffs Gas Pool, San Juan County, New Mexico, in accordance with Section 65-3-14 (c) New Mexico Statutes Annotated (1953). Applicant, in the above-styled cause, seeks an order pooling the rights and interests of all persons having the right to drill for, produce, or share production of oil, gas and liquid hydrocarbons, or any of them, underlying the SW/4 of Section 28, Township 29 North, Range 10 West, Aztec-Pictured Cliffs Gas Pool, San Juan County, New Mexico. The above-described quarter section is presently dedicated to the Bruington Pooled Unit Well No. 1 which is operated by Frances L. Harvey and located in the SW/4 SW/4 of said Section 28.

CASE 1139:

Application of Lowry, et al, Operating Account, for an order granting approval of a non-standard drilling and gas spacing unit in the South Blanco-Dakota Gas Pool, Rio Arriba County, New Mexico, in exception to Rule 104 (d) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting approval of a 160 acre non-standard drilling and gas spacing unit in the South Blanco-Dakota Gas Pool consisting of the S/2 of the NE/4 and the N/2 of the SE/4 of Section 16, Township 26 North, Range 6 West, Rio Arriba County, New Mexico; said unit to be assigned to applicant's State Well No. D-268 located 1980 feet from the North line and 660 feet from the East line of said Section 16.

DOCKET: EXAMINER HEARING SEPTEMBER 6, 1956

New Mexico Oil Conservation Commission 10:00 a.m. Hobbs, New Mexico

Oil Conservation Commission Office, 1000 W. Broadway, Hobbs, New Mexico

The following cases will be heard before Warren W. Mankin, Examiner:

CASE 1140: Application of Magnolia Petroleum Company for an order granting approval of its proposed Tres Ranchos Unit Agreement embracing 1200 acres, more or less, in Eddy County, New Mexico, in accordance with Rule 507 of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting approval of its proposed Tres Ranchos Unit Agreement embracing 1200 acres, more or less, of State lands described as:

Township 19 South, Range 23 East

All Section 10

W/2 W/2 Section 11

W/2 NW/4 Section 14

N/2 Section 15 (All in Eddy County, New Mexico)

CASE 1141: Application of Tom Boyd and Jack Plemons for an order granting permission to commingle oil in exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting permission to commingle oil from the Grayburg-Jackson and the Grayburg-Keeley Pools; said oil to be produced from applicant's Continental State 27 Well No. 4 located in the NW/4 NW/4 of Section 27, Township 17 South, Range 29 East, Grayburg-Keeley Pool, Eddy County, New Mexico, with oil production from applicant's Wells No. 1, 2 and 3 in the Grayburg-Jackson Pool.

CASE 1142: Application of Amerada Petroleum Corporation for an order granting permission to convert its non-productive H. C. Posey "A" No. 2 Well in the East Caprock Devonian Pool, Lea County, New Mexico, into a salt water disposal well in compliance with Rule 701 of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting permission to recomplete as a salt water disposal well its H. C. Posey "A" No. 2 Well located in the NE/4 of the SE/4 of Section 11, Township 12 South, Range 32 East, Lea County, New Mexico. Said well is located 1980 feet from the South line and 660 feet from the East line of said Section 11. Applicant proposes to inject salt water into the Dewey Lake formation at an interval between 1300 and 1450 feet through casing perforations.

ir/

No. 30-56

SUPPLEMENTAL DOCKET: EXAMINER HEARING SEPTEMBER 6, 1956

CASE 1143: Application of Stanolind Oil and Gas Company for an order granting permission to complete two wells in the Hogback-Dakota Field, San Juan County, New Mexico, without the use of producing tubing in exception to Rule 107 (c) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, proposes to utilize 3 1/2 inch tubing as the production casing string and to complete, without the use of a producing tubing string, its proposed USG Section 19-29-16 Well No. 15 located 1600 feet from the North line and 2374 feet from the East line of Section 19, Township 29 North, Range 16 West, and its proposed USG Section 18-29-16 Well No. 16 located 900 feet from the South line and 1750 feet from the East line of Section 18, Township 29 North, Range 16 West, all in San Juan County, New Mexico.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

*Just better how  
approval*

August 24, 1956

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Y

Mr. C. L. Kelley  
Stanolind Oil & Gas Company  
P.O. Box 829  
Roswell, New Mexico

Dear Mr. Kelley:

With reference to your application for an examiner hearing in the matter of slim hole drilling, the case has been set for hearing before Mr. Warren W. Mankin at Hobbs on September 6th. We will, however, be unable to approve your request for advance approval contingent upon the results of the hearing, since we have had no previous hearings on the matter and have no precedent to follow.

Yours very truly,

A. L. Porter, Jr.  
Secretary - Director

ALP:brp

# STANOLIND OIL AND GAS COMPANY

Roswell, New Mexico  
August 23, 1956

File: P-1-986.510.1

Subject: Application for Exception to Rule  
107 (c), Casing and Tubing Requirements,  
Hogback Dakota Pool.

New Mexico Oil Conservation Commission (3)  
P. O. Box 871  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Gentlemen:

Flowing oil production is encountered at approximately 800' in the Hogback Dakota Pool which is 100% operated by Stanolind Oil and Gas Company. Seven of the eight producing wells in this pool were drilled in the years 1923 through 1925. The remaining well was drilled in 1953. This pool is an active water driven reservoir which Stanolind has produced in a very prudent manner since it was discovered. We have made every effort possible to assure maximum, efficient recovery. We are now considering drilling additional wells in this pool. One will be an in-fill well and the other will be on the northern flank of the pool.

A recent investigation of Slim Hole drilling methods for use in this pool pointed out the benefits to be derived from such a program. We, therefore, are hereby making application for an exception to Rule 107(c) for our USG Section 19 Well No. 15 to be located 1600' from North line and 2374' from the East line of Section 19, and also, a similar exception for our U.S.G. Section 18 Well No. 16 to be located 1750' from the East line and 900' from the South line of Section 18, both of which are in T29N, R16W, San Juan County, New Mexico.

The attached sketch shows the Slim Hole as it would be drilled and completed. Briefly stated, a 10" surface casing hole would be drilled to a depth of 60' and 7" casing run and cemented to surface. A 5-1/8" hole would be drilled to the top of the Dakota pay and 3-1/2" tubing run to this depth and cemented to surface. The pay will be drilled with a 2-7/8" bit to a total depth a few feet below the 3 1/2" casing seat and the completion made in open hole.

The attached map shows the location of existing Stanolind wells in this pool. All wells except No. 13 are producing from the Dakota Formation. Well No. 13 is a Hogback Pennsylvanian Pool well. As can be seen from the acreage as shown on this map, Stanolind is the only operator in the pool and, consequently, no offset operators will be affected by this application.

It is respectfully requested that our application be scheduled for hearing before a Commission Examiner, preferably at Hobbs, New Mexico, at the earliest possible date. In order that we can commence drilling operations at the earliest possible date, we further respectfully request that advance approval be granted

*Case # 1143*

*Sent copy of Docket to Mr. Kelly on 9/23/56*

*Also sent copy of Docket & application to Mr. [unclear] on 9/24/56*

Rowsell, N. M.

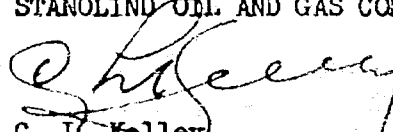
- 2 -

August 23, 1956

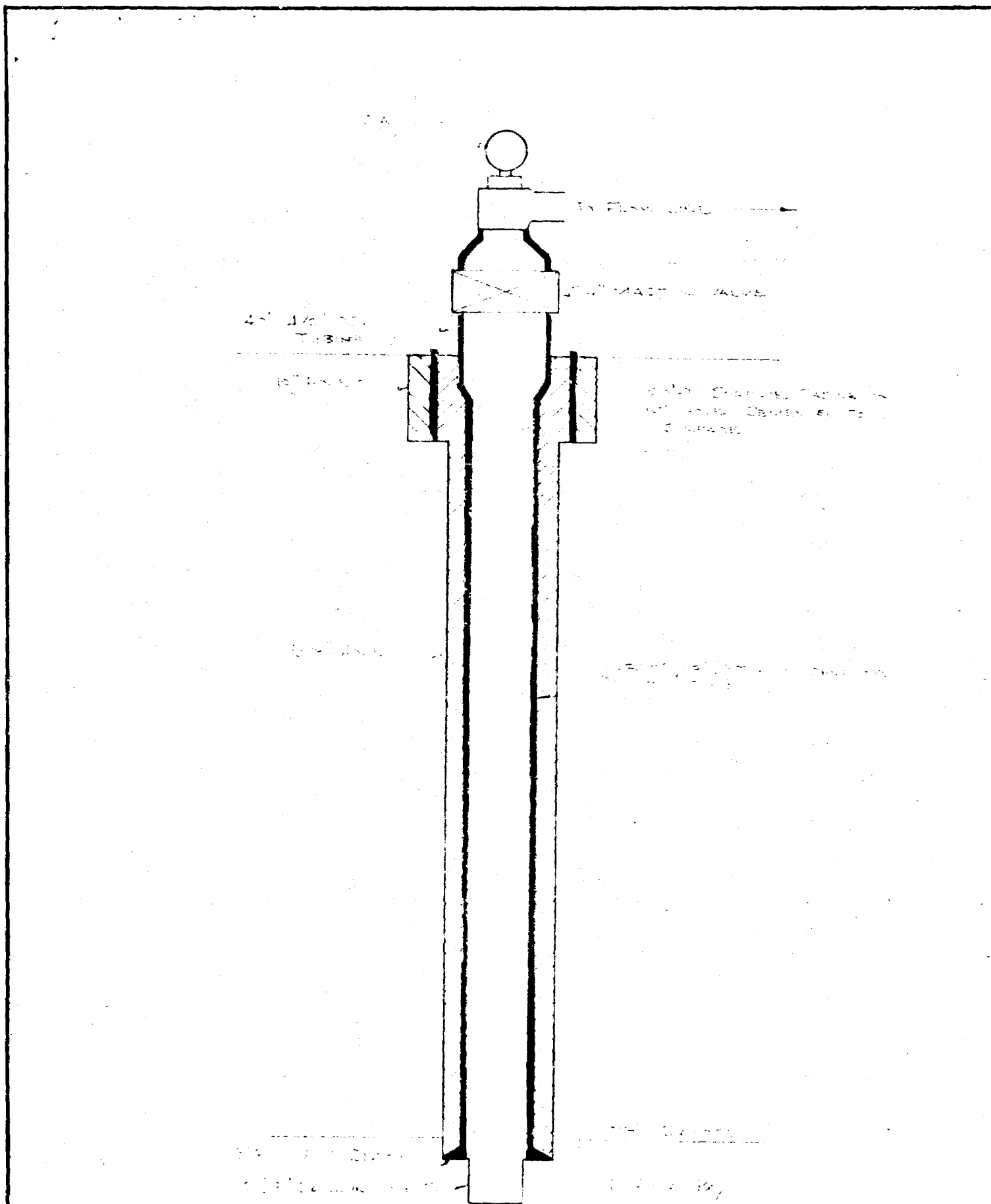
on our application contingent on the results of the hearing. An additional item for your consideration is the fact that both of our above proposed wells will be located on Indian lands and we have been advised that the USGS would approve our Notice of Intention to Drill the above wells in the manner proposed.

Yours very truly,

STANOLIND OIL AND GAS COMPANY

  
C. D. Kelley  
District Superintendent

RP/dc  
Attachment



STANOLIND OIL AND GAS COMPANY

SCALE: 1/2" = 1'-0"

DATE: 5/2/56

DRG.  
No.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

Case #1143  
File

September 10, 1956

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Stanolind Oil & Gas Company  
P.O. Box 829  
Roswell, New Mexico

ATTN: Mr. C. L. Kelley, District Superintendent

Re: Case No. 1143

Gentlemen:

Reference is made to your application dated August 23, 1956, for exception to Rule 107 (c) for your USG Section 19 Well No. 15 and USG Section 18 Well No. 16 in Sections 19 and 18, Township 29 North, Range 16 West, San Juan County, New Mexico. Your application requested permission prior to the hearing on September 6, 1956, of approval for exception, but this was not possible prior to the hearing.

You are hereby given authority to not run tubing on the two above wells in exception to Rule 107 (c) as heard in Case No. 1143 on September 6, 1956. A formal order will follow soon.

Yours very truly,

A. L. Porter, Jr.  
Secretary - Director

W&P-ALP:brp

CC-USGS, Farmington  
OCC, Aztec

BC-Well Files

OF SERVICE  
 ■ fast message  
 as deferred char-  
 is indicated by the  
 symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1220  
 (R 11-54)

SYMBOLS  
 DL = Day Letter  
 NL = Night Letter  
 IT = International  
 Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

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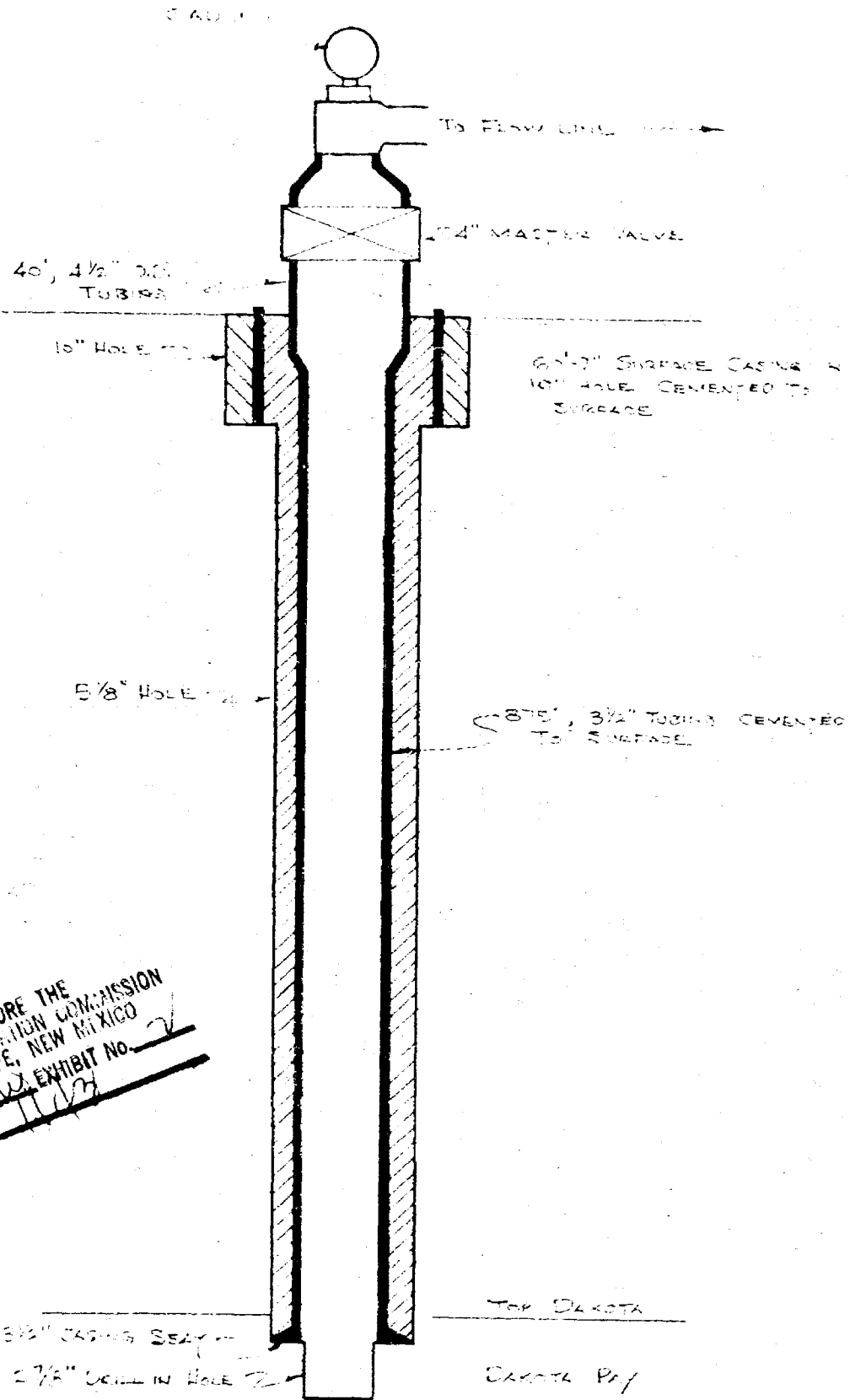
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 MAIN OFFICE UCC  
 NEW MEXICO OIL CONSERVATION COMMISSION=

~~STANOLIND OIL AND GAS CO~~

STANOLIND OIL AND GAS CO HEREBY MAKES APPLICATION FOR AN  
 EXCEPTION TO RULE 107 (C) FOR ITS USG SECTION 19 WELL NUMBER  
 15 TO BE LOCATED 1600 FEET FNL AND 2374<sup>7</sup> FEL SECTION 19,  
 T29N, R16W AND FOR ITS USG SECTION 18<sup>24-16</sup> WELL NUMBER 16 TO BE  
 LOCATED 1750<sup>7</sup> FEL AND 900<sup>7</sup> FSL SECTION 18 T29N, R16<sup>7</sup>W. BOTH  
 OF THESE WELLS ARE TO BE LOCATED IN THE HOGBACK DAKOTA FIELD,  
 SAN JUAN COUNTY NEW MEXICO. AN EXCEPTION TO RULE 107C IS  
 NECESSARY FOR THESE WELLS AS IT IS PROPOSED TO DRILL THE  
 WELLS BY SLIM HOLE METHOD UTILIZING 3 1/2" TUBING AS THE  
 PRODUCTION CASING STRING AND TO COMPLETE AND PRODUCE THE  
 WELLS WITHOUT THE USE OF A PRODUCING TUBING STRING. IT IS  
 REQUESTED THAT THIS APPLICATION BE SET FOR HEARING BEFORE  
 A COMMISSION EXAMINER PREFERABLY AT HOBBS NEW MEXICO AT THE  
 EARLIEST POSSIBLE DATE IN ORDER THAT COMMENCEMENT OF DRILLING  
 OPERATIONS CAN OCCUR AS SOON AS POSSIBLE. LATTER LETTER  
 DETAILING THE PROPOSED DRILLING AND COMPLETION PROGRAM  
 FOLLOWS=

STANOLIND OIL AND GAS CO C L KELLEY DISTRICT/SUPERINTENDENT  
 ROSWELL NMEX=





BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
CASE 1147 EXHIBIT No. 2

STANOLIND OIL AND GAS COMPANY	SCALE: NONE
PROMISED SLIM HOLE HOSBACH-DAROTA WELLS	3/2/56 J.M.C.
	DRG. NO.