

Case No.

1521

Application, Transcript,
Small Exhibits, Etc.

SALES 1930: 10-218-475
10-218-475
10-218-475

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1521

TRANSCRIPT OF HEARING

OCTOBER 2, 1958

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6671

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
OCTOBER 2, 1953

IN THE MATTER OF:

CASE 1521 Application of Humble Oil and Refining
Company for an oil-oil dual completion.
Applicant, in the above-styled cause, seeks:
an order authorizing the dual completion
of its New Mexico State "V" Well No. 1,
located 660 feet from the South and West
lines of Section 10, Township 21 South,
Range 37 East, Lea Coutny, New Mexico, in
such a manner as to permit the production
of oil from the Blinebry Oil Pool and the
Drinkard Pool through parallel strings of
1½ inch tubing.

BEFORE:

Mr. Elvis A. Utz, 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. UTZ: Case 1521

MR. COOLEY: Case 1521. Application of Humble Oil and
Refining Company for an oil-oil dual completion.

MR. HINKLE: I am Clarence Hinkle, representing Humble
Oil and Refining Company. We have one witness to be sworn, please.

MR. UTZ: Any other appearances to be made in this
case? If not, you may proceed.

(Witness sworn)

B. K. BEVILL,

called as a witness, having been first duly sworn on oath. testified

as follows:

DIRECT EXAMINATION

BY MR. HINKLE:

Q State your name, please.

A B. K. Bevill.

Q By whom are you employed, Mr. Bevill?

A Humble Oil and Refining Company.

Q In what capacity?

A District engineering, Hobbs District.

Q Are you a graduate engineer?

A Yes.

Q What school?

A Louisiana State University.

Q What year did you graduate?

A 1936.

Q Have you been with Humble since your graduation?

A Since graduation.

Q How long have you been in the engineering department
of Humble?

A Twenty-one years.

Q How long have you been in New Mexico?

A A little over a year.

Q Are you familiar with their operations in Southeastern
New Mexico?

A Yes, sir.

MR. HINKLE: Are the witness' qualifications acceptable?

MR. UTZ: They are.

Q Mr. Bevill, are you familiar with Humble's State "V" Well No. 1, which is located 660 feet from the South and West lines of Section 10, Township 21 South, Range 37 East, Lea County?

A Yes, sir.

Q Have you prepared yourself or had your staff under your direction prepare a plat showing the location of this well?

A Yes, sir.

Q I refer to Humble's Exhibit 1 and ask you to explain to the Commission what it shows?

A Exhibit 1 shows Humble's State "V" Lease, and it also shows the Blinebry gas participation encircling that Lease. And you will note that the southwest one quarter of Section 10 has no gas participation on the Blinebry.

Q All the rest of the wells shown are Blinebry gas wells?

A All the other wells shown on that particular lease are Blinebry gas wells.

Q Refer to Humble's Exhibit 2 and explain what that shows.

A Exhibit No. 2 is like Exhibit 1. It shows Humble's participation in the Drinkard Oil Pool as compared to surrounding offset leases in the Drinkard.

Q Does it show all the wells surrounding the Humble acreage?

A Yes, sir.

Q That's the same acreage as referred to on plat 1?

A Yes, sir.

Q And all of those are oil wells?

A All are oil wells. You'll note there that Humble's No. 1 -- State "V" No. 1 is encircled in red. It actually is completed in the Drinkard, but it is now shut in, and it has been shut in since --

Q Give the Commission a brief history of State "V" No. 1 -- Humble's State "V" No. 1.

A State "V" No. 1 was completed in 1948 as a Drinkard oil well, and it remained as such until July, 1957, when we received a permit to dually complete this well as a Drinkard oil well and Blinebry oil well. There was no reason in the world why we shouldn't suspect that the well would make a good Blinebry gas well, but in so doing, instead of making a gas well, we came up with an oil well which gave us a dual oil-oil, which at that particular time was not permissible. So we plugged the Blinebry and maintained completion in the Blinebry gas.

Q Did you plug it completely or --

A Mechanically plugged, temporarily plugged.

Q Have you prepared a plat which shows the manner in which it has been plugged temporarily?

A Yes, sir.

Q Refer to Exhibit 3, Humble's Exhibit 3, and explain what that shows.

A Exhibit 3 shows how the well is now. equipped mechanically. It has one string of two inch tubing, Baker Model "D" packer set at 6,552 which is in between the Drinkard zone and the Blinebry zone. Below the packer is a circulating sleeve. There is a PSI blanking plug above that. There is a tubing receptacle right along the packer, and then on up into the tubing string there is another circulating sleeve at 6,484, which allows Blinebry production to come down through the upper circulating sleeve and out through the tubing, leaving the Drinkard zone shut in.

Q What is the interval between the Blinebry and Drinkard zones, the perforations?

A Approximately 900 feet.

Q Now, you are familiar, of course, with this application which has been filed by Humble, and state to the Commission the purposes of the application -- of this application.

A This application is for the purpose of running two parallel strings of inch and a half tubing to allow us to produce the Drinkard zone, place it back on production, and also produce the Blinebry oil zone.

Q In other words, to dually complete both oil zones?

A Yes, sir.

Q Now, have you prepared yourself or under your direction a plat showing the manner in which you propose to dually complete these two oil zones?

A Yes, sir.

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Q Refer to Humble's Exhibit 4, and explain to the Commission what it shows.

A In Exhibit 4 you will notice two strings of tubing. The one I will refer to as a long string runs down through the Baker Model "D" packer which we will leave in place at 6552. And below that is a circulating sleeve valve which we can open or close, and above that a tubing receptacle. Immediately above the tubing receptacle there will be a setting nipple. And immediately above the Blinebry zone at approximately 5,680 feet, we will have a dual string tubing anchor. It will be an integral part of the long string, and the short string, which will produce from the Blinebry zone, will be anchored to the dual string anchor. The two tubing strings we propose to be one and a half inch non-upset tubing.

Q In your opinion, can the two zones be effectively and efficiently produced by this method?

A Yes, sir.

Q Is this a method which has been generally accepted and used in the oil industry?

A Yes, sir.

Q And has been effectively used?

A Yes, sir.

Q And there is very little chance of commingling of the two zones?

A It can be effectively sealed. There is some possibility.

but you, of course, eliminate that by a packer test.

Q There is something that can be done mechanically?

A Yes, sir.

Q Is there anything else you would like to state to the Commission with respect to this proposed dual completion?

A No, sir, only that it will work.

MR. HINKLE: That's all. I would like to offer Exhibits 1 through 4 inclusive.

MR. UTZ: Without objection, they will be received. Are there questions of the witness?

CROSS EXAMINATION

BY MR. FISCHER:

Q Mr. Bevill, could you give us the gas-oil ratio of each zone, if you have them?

A The gas-oil ratio in the Drinkard in No. 1 is 10,540 in the last test. The gas-oil ratio in the Blinbry, the last test was 1,974.

Q Do you contemplate that you will have to be pumping both of these zones to start with?

A That is one of the reasons we are running this tubing anchor, dual string tubing anchor and sitting nipples. We do not contemplate that we will have to artificially lift these wells, but in case we do, we will be prepared.

Q What type of artificial lift would you use, if you had to?

A Rod pumping.

Q Is that feasible in one and one-half inch tubing?

A It can be done.

Q What size rods do you think you will --

A We can use five-eighths rods with turned down couplings.

Q Would you think that you'd need a gas anchor on both those pumps?

A Under the circumstances, it would be almost impossible to run a gas anchor in the lower zone. However, we, as I said before, we don't ever expect to have to pump these wells.

MR.FISCHER: Thank you.

MR. UTZ: Any other questions of the witness?

QUESTIONS BY MR. COOLEY:

Q Mr. Bevill, on your Exhibit No. 1 you show the offsetting Blinebry units. Are any of those oil producing units?

A No, sir, they are all gas units. If I understand your question right, what they represent on this particular plat.

Q Well, are the offsetting wells oil wells or gas wells?

A They are gas wells on that chart, Exhibit No. 1.

Q Then Humble's State "V" No. 1 is the only oil well in the immediate area completed in the Blinebry?

A That is right.

Q Your State "V" Lease is not dedicated to any well in the Blinebry at the present time, is it?

A The W/2 of it is.

Q Which would that be?

A That would be our Blinebry Tubb gas unit No. 1 there.

Q Oh, excuse me. That's the SE/4 of 10?

A Yes, sir.

Q I was looking at the Humble State "V" Lease as comprising only the SW/4. The SW/4 is not dedicated to a gas well, is it?

A Right.

Q Assuming for the purpose that it were not possible to dually complete these wells, which zone would you produce then?

A Blinebry.

Q Produce the Blinebry?

A Yes, sir.

Q Why is that true?

A Actually, the Drinkard is -- you might classify it as sorry -- I mean as a whole. This well with a gas-oil ratio of 10,540 will give us an allowable of approximately 12 barrels, whereas in the Blinebry we are enjoying full allowable.

Q What stage of depletion did you say the Drinkard zone was in?

A Beg pardon?

Q What stage of depletion is the Drinkard zone in at the present time in your Humble State "V" No. 1?

A I would say that it is possibly between 60 and 70 percent depleted. It is a gas expansion type reservoir.

Q If you are required to leave the Drinkard shut in, what will happen to you with the Drinkard?

A Well, in order to participate in Drinkard production, it is not worth drilling. A Drinkard well will cost somewhere in the neighborhood of \$90,000.

Q You are offset by Drinkard production by other companies, are you not?

A We are, if you will note to the north in several spots. However, I would like to make note that the Humble drilled one dry hole to the Drinkard. Actually, if you look on Exhibit No. 2, it is to the east of the Tidewater State Lease, that little 40-acre lease there. There was a well drilled to the Drinkard and tested dry and was plugged and abandoned. And then to the north in one of the -- our deeper wells, the Drinkard was tested, and it was very unsatisfactory. There is a possibility that at some later date we might come back and try to recomplete there.

Q The Tidewater No. 1 Well is immediately south of the subject well, isn't it?

A Yes, sir.

Q Is it a dual completion, the Tidewater No. 1 Well?

A No, sir, I don't think so.

Q Do you have any calculations as to what friction loss would be using one and a half inch tubing as compared with standard two and three-eighths?

A No, sir, I don't have any.

Q There would be some, wouldn't there?

A One and a half against two inch tubing, nominal two and three-eighths?

Q Yes, sir.

A There would be some. However, we have in the past used small strings of tubing to maintain natural flow on sluggish wells. Due to less leakage you get better efficiency out of your gas.

Q Would the Drinkard zone -- the present characteristics on the Drinkard completion in this well lend itself to this small type of tubing?

A I would think so.

Q The quantities of liquid produced will be rather small?

A There will be no restrictions that I could see. About 10 or 12 barrels a day.

Q Now, going to the Blinebry zone, what will be your normal expectant flow through that string of tubing?

A Actually, we have no idea. This is a rather freak Blirebry well that has been producing very strongly for over a year, and actually the gas-oil ratio has been gradually creeping up. It may go on to excessive rates. We don't anticipate ever having to pump it.

Q What is your present daily allowable on your Blinebry completion?

A Blinebry, I believe, is 47 barrels.

Q Producing that quantity from the depth of which you are

working there, would result in a material reduction in efficiency, flow efficiency due to the size of the tubing?

A I don't think so, no, sir.

MR. COOLEY: That's all the questions I have.

RECROSS EXAMINATION

BY MR. FISCHER:

Q How is your Drinkard zone presently closed off, Mr. Bevill?

A It is shut off in two ways. The circulating valve is closed, and we also have a plug in it.

Q With your experience with the Drinkard Pool, do you think it is just as easy or just as economical to deplete the Drinkard zone by allowing it to flow to depletion rather than attempt to pump it under a packer?

A I see no reason for trying to pump it if it will flow. As a matter of fact, I don't see how you could.

Q I mean for cost of the pumping equipment, if it ceased to flow, do you think it would be economical to put that pumping equipment in?

A Considering salvage value, yes.

MR. FISCHER: Thank you. That's all.

QUESTIONS BY MR. UTZ:

Q Mr. Bevill, I take it that you feel that the flow efficiency through the inch and a half tubing will be better than it would be through two and three-eighths?

A Under certain circumstances. Now, you will be restricted as to volume, but the flow efficiency will be increased.

Q Due to the lack of slippage?

A Yes, sir.

Q Lessening of slippage --

A Yes.

Q -- and friction loss which would be due to the smaller diameter tubing, would it affect you on making your allowables on these wells?

A No, sir, not unless we produce large quantities of water along with the oil, and we don't anticipate that.

Q Did you give the gravity and pressure of each of these zones?

A Strange as it may seem, the gravity of the Drinkard and the Blinebry zones are both very -- almost the same; run from 38 to 40. What was the other question?

Q Pressures -- bottom hole pressures, if you have them.

A The bottom hole pressure in the Blinebry, the latest bottom hole pressure was 1,760 pounds, and I don't have it on the Drinkard, but it is around 970 pounds.

Q And you would be willing to run any tests to determine separation of these zones in any manner the Commission prescribes, would you not?

A Yes, sir.

MR. UTZ: Are there any other questions of the witness?

MR. COOLEY: Just one other question. Is it possible to get into these zones through this inch and a half tubing to heat it or treat it, if necessary?

A Yes, sir.

MR. COOLEY: That's all.

MR. UTZ: Any other questions? If not, the witness may be excused.

(Witness excused)

MR. UTZ: Any other statements to be made in this case? If not, the case will be taken under advisement, and the hearing is adjourned.

C E R T I F I C A T E

STATE OF NEW MEXICO)

: ss

COUNTY OF BERNALILLO)

I, J. A. TRUJILLO, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript by me and/or under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the 9th day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

J. A. Trujillo
Notary Public

My Commission Expires:

October 5, 1960.

I do hereby certify that the foregoing is a correct and true transcript of the proceedings in the case of Case No. 1521, heard on 10-3-58, 1958.
James H. Smith, Examiner
New Mexico Oil Conservation Commission

R-37-E			
Pan Am 2 1 6 Sou Royalty A	Conoco 3 2 State 10	Conoco 1 Hawk B-10 10 Humble	Aztec 1 Lauron Rodgers 1 Hawk B-10
Conoco 2 8 Hawk B-9	State V 1		8 Tidewater State
Gulf 3 1 2 Leonard K	Tidewater 1 3 State S Cities Service 1 2 State S		
		Shell 1 2 State 15	

BEFORE EXAMINER UTZ
 OIL CONSERVATION COMMISSION
Humble EXHIBIT NO. 2
 CASE NO. 1521

DRINKARD FIELD WELLS
 OFFSETTING HUMBLE'S
 STATE V LEASE

Exhibit No. 2

© Dual w/ Blinbry Gas

T-21-8

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

October 28, 1958

C
O
P
Y

Mr. Clarence Hinkle
Hervey, Dow & Hinkle
P.O. Box 547
Roswell, New Mexico

Dear Mr. Hinkle:

On behalf of your client, Humble Oil & Refining Company, we enclose two copies of Order R-1264 issued October 25, 1958, by the Oil Conservation Commission in Case 1521, which was heard on October 2nd at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encs.

**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. 1521
Order No. E-1264**

**APPLICATION OF HUMBLE OIL AND
REFINING COMPANY FOR AN ORDER
AUTHORIZING AN OIL-OIL DUAL
COMPLETION IN THE BLINDBRY OIL
POOL AND IN THE DRINKARD POOL
IN LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 2, 1958, at Santa Fe, New Mexico, before Elvis A. Uitz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 25th day of October, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Uitz, 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, Humble Oil and Refining Company, is the owner and operator of the New Mexico State "V" Well No. 1, located 660 feet from the South line and 660 feet from the West line of Section 10, Township 21 South, Range 37 East, NMPL, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-described New Mexico State "V" Well No. 1 in such a manner as to permit the production of oil from the Blinsbry Oil Pool and the production of oil from the Drinkard Pool through parallel strings of 1½-inch non-upset tubing.

(4) That in this particular instance the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

-2-

Case No. 1521
Order No. R-1264

(5) That approval of the subject application will not cause waste nor impair correlative rights.

(6) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Humble Oil and Refining Company, be and the same is hereby authorized to dually complete its New Mexico State "V" Well No. 1, located 660 feet from the South line and 660 feet from the West line of Section 10, Township 21 South, Range 37 East, NMPN, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinbry Oil Pool and the production of oil from the Drinkard Pool through parallel strings of 1½-inch non-upset tubing.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Drinkard Pool.

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 interests of conservation.

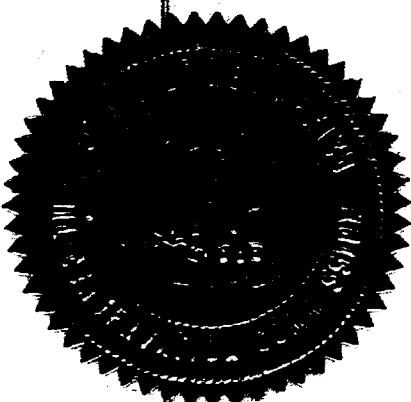
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
EDWIN L. MECHEM, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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



1r/

Cael 1521

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS

MAIN OFFICE OCC

September 11, 1958

1958 SEP 12 PM 1:47

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

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

Re: Application for Dual Completion
New Mexico State "V" Well #1
Blinbry & Drinkard Fields
Lea County, New Mexico

Gentlemen:

By this letter Humble Oil & Refining Company respectfully requests that the Oil Conservation Commission set for examiner hearing our Application for a Dual Oil-Oil Completion in the subject fields. In support of this application we submit the following information:

1. The New Mexico State "V" No. 1 well is located 660' from the South and West lines of Section 10, T-21-S, R-37-E, Lea County, New Mexico.
2. The subject well was dually completed in July 1957. The Blinbry Zone was perforated and it was thought that gas production would result; however, the formation was oil bearing. The Drinkard Zone was completed as an oil producing formation and shut in. An allowable was assigned to the Blinbry Zone of the well and has been produced continuously.
3. We propose to dually complete the well by removing the existing 2" string of tubing and re-running parallel strings of 1½" non-upset tubing. Sufficient flow area will be provided by the 1½" tubing to produce both wells to depletion either by natural flow or artificial lift.
4. The dual completion of this well will be in the interest of conservation and the mechanics of the dual are feasible and practical.
5. Approval of the subject application will not cause waste nor impair correlative rights.
6. The production from each zone will be produced and stored separately and the well head connections will be labeled in such a manner that the producing formation can be easily determined.
7. The Oil Conservation Commission by Order No. R-1236 approved a similar installation for Aztec Oil and Gas Company for a dual oil-oil completion.

September 11, 1958

8. This application is further supported by a diagrammatic sketch, revised Form C-128 (Acreage Dedication Plat), Electric logs, unit plat showing all off-set operators, application for dual completion, and a copy of letter to all off-set operators.
9. All off-set operators were notified on September 11, 1958 by certified mail of Humble's application.

I hereby certify that the information given above is true and correct to the best of my knowledge and belief.

Very truly yours,

HUMBLE OIL & REFINING COMPANY

R. R. McCarty

R. R. MCCARTY

Subscribed and sworn to before me this 11 day of September, 1958.

Betty Ann Weathers
Notary Public in and for
Midland County, Texas.
Betty Ann Weathers

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name <u>Blinchry (oil) & Drinkard (oil)</u>		County <u>Lea</u>	Date <u>8-29-58</u>
Operator <u>Humble Oil & Refining Company</u>		Lease <u>New Mexico State "V"</u>	Well No. <u>1</u>
Location of Well <u>"M"</u>	Unit <u>"M"</u>	Section <u>10</u>	Township <u>21-South</u>
		Range <u>37-East</u>	

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO _____
2. If answer is yes, identify one such instance: Order No. R-1236; Operator, Lease, and Well No.: Aztec Oil & Gas Company's South "BD"-36 Well No. 1.

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	<u>Blinchry</u>	<u>Drinkard</u>
b. Top and Bottom of Pay Section (Perforations)	<u>5710-5760 & 5780-5850</u>	<u>6625-6635 & 6642-6658</u>
c. Type of production (Oil or Gas)	<u>Oil</u>	<u>Oil</u>
d. Method of Production (Flowing or Artificial Lift)	<u>Flowing</u>	<u>Flowing</u>

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

- yes a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, 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.
- yes 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.
- yes c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- yes 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.

Continental Oil Company, Box 431, Midland, Texas

Aztec Oil & Gas Company, Box 847, Hobbs, New Mexico

Tidewater Oil Company, Box 1231, Midland, Texas

Gulf Oil Corp., Box 1150, Midland, Texas

Pan American Petroleum Corp., Box 1540, Midland, Texas

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 8-29-58.

CERTIFICATE: I, the undersigned, state that I am the Assistant Div. Supt. of the Humble Oil & Refining Co. (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.

H. P. Henderson
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 dual completion will result in an unorthodox well location and/or a non-standard production unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS

September 11, 1958

Continental Oil Company
Box 431
Midland, Texas

Gulf Oil Corporation
Box 1150
Midland, Texas

Aztec Oil & Gas Company
Box 847
Hobbs, New Mexico

Pan American Petroleum Corporation
Box 1540
Midland, Texas

Tidewater Oil Company
Box 1231
Midland, Texas

Gentlemen:

Please find attached Humble Oil & Refining Company's request that the Oil Conservation Commission set for Examiner Hearing our Application for a Dual Oil-Oil well in the Blinebry and Drinkard zones for our New Mexico State "V" Well No. 1.

This application is given in accordance with the New Mexico Oil Conservation Commission rule that all off-set operators must be notified of our intention to dually complete said well.

Very truly yours,

R. R. McCarty
R. R. MCCARTY

JEP:bw

Enc.

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date July 10, 1957

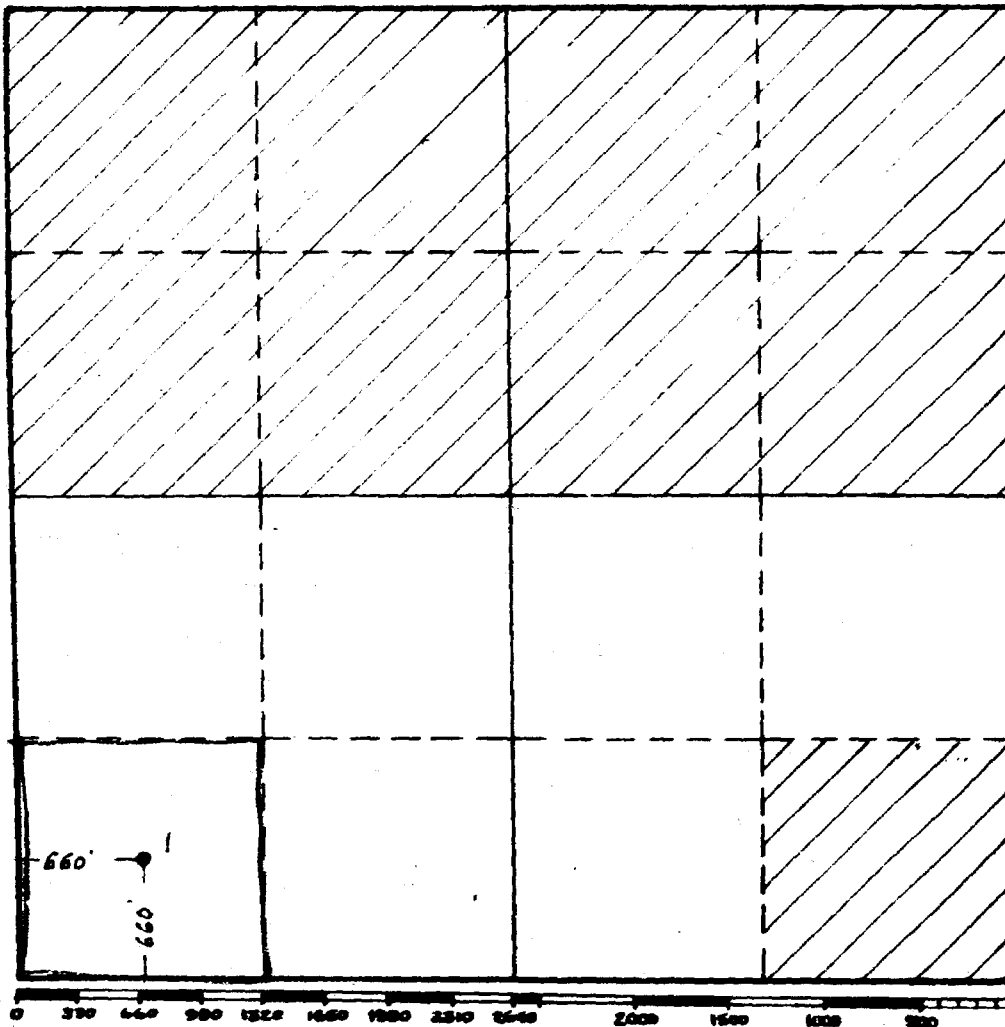
Operator Humble Oil & Refining Co Lease New Mexico State "Y"
Well No. 012 Unit Letter M Section 10 Township 21-South Range 37-E NMPM
Located 660 Feet From South Line, 660 Feet From West Line
County Lea G. L. Elevation _____ Dedicated Acreage 40 Acres
Name of Producing Formation Blinberry & Drinkard Oil Pool Blinberry-Drinkard

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No _____
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Humble Oil & Refining Co.
(Operator)

Henry E. Headman
(Representative)
Asst. Division Supt.
Box 1600 Midland, Texas
Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

L. H. Harris
Registered Professional
Engineer and/or Land Surveyor.

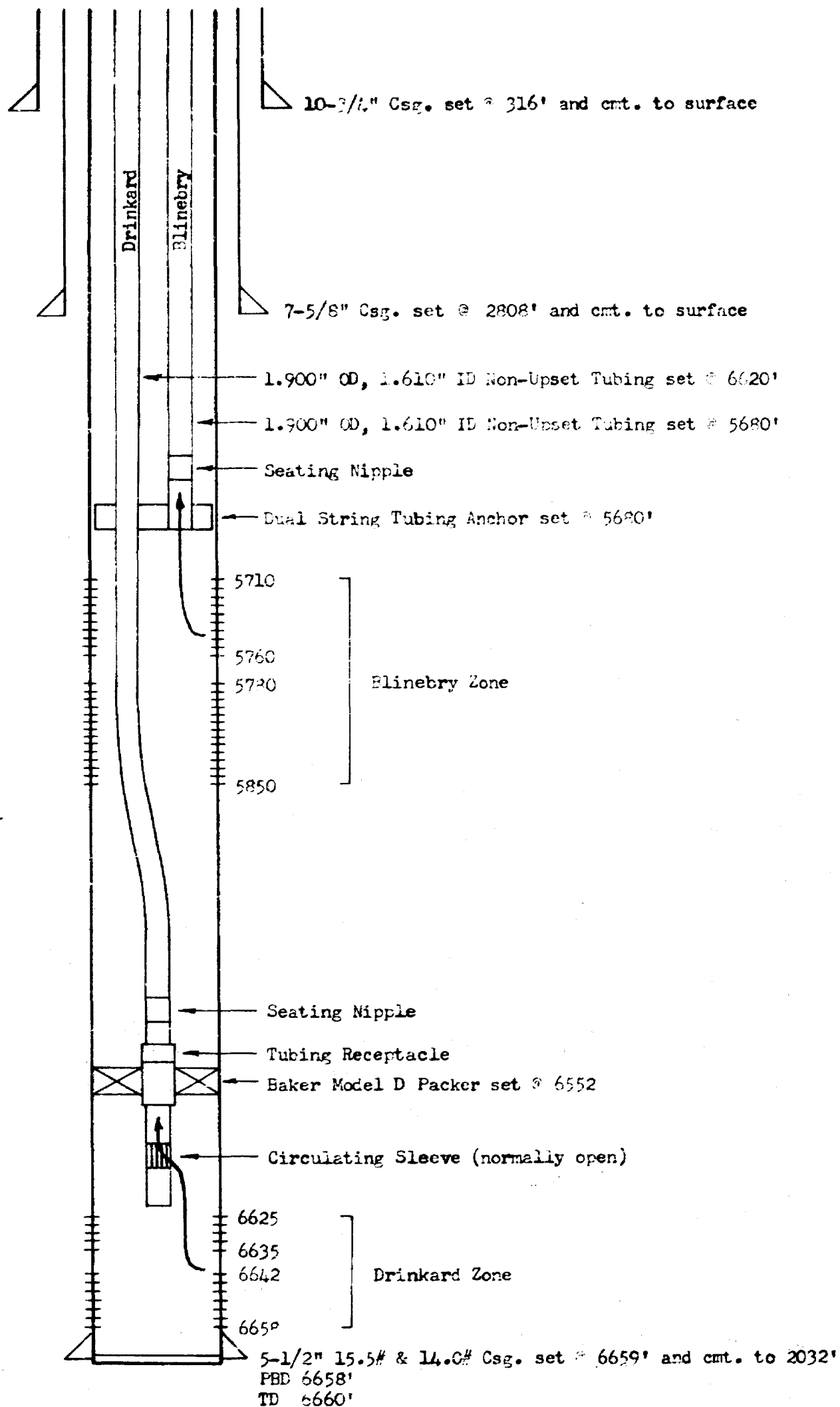
Certificate No. 1513

(See instructions for completing this form on the reverse side)
Humble Lse. Number 37722 File Number W-A 759

DIAGRAMMATIC SKETCH OF DUAL COMPLETION

Operator Humble Oil & Refining Company
 Lease and Well No. N.Y. State V-1
 Fields Blinebry (Oil) and Drinkard

Exhibit No. _____



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 10-3-58

CASE NO. 1521

HEARING DATE 10-2-58

My recommendations for an order in the above numbered case(s) are
as follows:

1. Grant application as requested for Dual
completion for Humble N.M. State V-1, 660/S, 660/W, Leno.
215 & 37E.
2. upper completion in Blinby - Oil
Lower " " Drinkard - Oil.
3. 2 strings of 1½ ~~in~~ non upset tubing
will be used.
4. Write usual D.C. order for oil-oil.

Charles H. Hef

Staff Member

DOCKET: EXAMINER HEARING OCTOBER 2, 1958

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

The following cases will be heard before Elvis A. Utz, Examiner:

CASE 1225: Application of Moab Drilling Company for authority to expand its water flood project in the High Lonesome Pool, Eddy County, New Mexico, and for approval of certain unorthodox well locations therein. Applicant, in the above-styled cause, seeks an order authorizing the expansion of its water flood project in the High Lonesome Pool, Eddy County, New Mexico, to include its Davis-Federal Well No. 11-W, a proposed water injection well to be drilled on an unorthodox location 1310 feet from the North line and 2630 feet from the West line of Section 15, Township 16 South, Range 29 East. Applicant further seeks an administrative procedure for the future expansion of said water flood project to include the following proposed water injection wells to be drilled on unorthodox locations.

Davis-Federal No. 1-W; 10 feet from the North line and 2630 feet from the West line of Section 15.

Davis-Federal No. 2-W; 10 feet from the North line and 1310 feet from the West line of Section 15.

Skelly-State No. 15-W; 1310 feet from the North line and 2630 feet from the West line of Section 16.

Skelly-State No. 25-W; 2630 feet from the North line and 2630 feet from the West line of Section 16.

All in Township 16 South, Range 29 East.

CASE 1511: Application of Newmont Oil Corporation for an order authorizing a pilot water flood project. Applicant, in the above-styled cause, seeks an order authorizing it to institute a pilot water flood project in the Loco Hills Pool in Eddy County, New Mexico. Applicant proposes to inject water into the Grayburg formation through one well in Section 1, Township 18 South, Range 29 East, and through five wells in Section 6, Township 18 South, Range 30 East, all in Eddy County, New Mexico.

CASE 1512: Application of Humble Oil & Refining Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Bandana Point Unit Agreement embracing approximately 14,293 acres of Federal, state and fee acreage in Township 22 South, Range 23 East, and Township 23 South, Ranges 23 East and 24 East, all in Eddy County, New Mexico.

CASE 1513: Application of Drilling and Exploration Company, Inc. for an exception to the casing requirements for the potash-oil area in Lea and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing an exception to the shallow-zone casing requirements for the potash-oil

CASE 1513 continued

area as set forth in Order No. R-111-A for its Ballard No. 1 Well located 1980 feet from the North and West lines of Section 27, Township 20 South, Range 34 East, Lea County, New Mexico. Applicant proposes to drill with cable tools to an approximate depth of 3,700 feet adjacent to the Lynch Pool. Applicant proposes to use the following casing program in lieu of the program prescribed for cable tool holes by Order R-111-A:

- (1) 13 3/8 inch casing to be cemented at approximately 70 feet.
- (2) 10 3/4 inch casing to be landed at approximately 700 feet.
- (3) 8 5/8 inch casing to be landed at approximately 1250 feet.
- (4) 5 1/2 inch casing to be cemented at the top of the producing formation with 50 sacks cement for testing purposes.
- (5) 10 3/4 inch casing and 8 5/8 inch casing to be pulled.
- (6) In the event commercial production is obtained, 5 1/2 inch casing to be perforated and cement circulated to surface.

CASE 1514: Application of Continental Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Tonto Deep Unit Agreement embracing 2,000 acres, more or less, of Federal and state lands in Township 18 South, Range 34 East, Lea County, New Mexico.

CASE 1515: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the S/2 Section 22, Township 22 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Meyer B-22 Well No. 1 located 1650 feet from the South line and 990 feet from the East line of said Section 22.

CASE 1516: Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 SW/4 and the SW/4 SW/4 of Section 4, Township 25 South, Range 37 East, said unit to be dedicated to the applicant's Wells Federal No. 3 Well located 1980 feet from the South and West lines of said Section 4. Applicant further seeks the establishment of a 200-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the SE/4

CASE 1516 continued

SW/4 of Section 4 and the NW/4 of Section 9, Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Wells Federal No. 11 Well located 430 feet from the South line and 2317 feet from the West line of said Section 4. Applicant further seeks approval of the unorthodox gas well location of the said Wells Federal No. 11 Well.

CASE 1517: Application of Amerada Petroleum Corporation for a dual completion. Applicant in the above-styled cause, seeks an order authorizing the dual completion of its State BT "M" Well No. 2, located in the SE/4 NE/4 of Section 33, Township 11 South, Range 33 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the upper Pennsylvanian formation adjacent to the Bagley-Upper Pennsylvanian Gas Pool, and the production of oil from the lower Pennsylvanian formation adjacent to the Bagley-Lower Pennsylvanian Gas Pool through the casing-tubing annulus and the tubing respectively.

CASE 1518: Application of Magnolia Petroleum Company for permission to commingle production from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Wantz-Abo (oil) Pool and Terry-Blinbry Oil Pool on its Stephens Estate Lease comprising the SW/4 of Section 24, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 1519: Application of Sunray Mid-Continent Oil Company and British American Oil Producing Company for an order authorizing a secondary recovery project. Applicants in the above-styled cause, seek an order authorizing a secondary recovery project in the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico. Applicants propose to inject liquefied petroleum gas and dry gas into the Gallup formation through the British American Marye Well No. 2 located in the NE/4 NE/4 of Section 12, Township 25 North, Range 13 West, and the Sunray Mid-Continent Federal "C" Well No. 20 located in the SW/4 NW/4 of Section 7, Township 25 North, Range 12 West, all in San Juan County, New Mexico.

CASE 1520: Application of Phillips Petroleum Company for permission to commingle oil produced from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced on its Santa Fe Lease from the Yates formation adjacent to the Vacuum Yates Pool with the oil produced from the Vacuum (San Andres) Pool in four separate existing tank batteries located in Sections 26, 27, 28, and 33, Township 17 South, Range 35 East, Lea County, New Mexico.

CASE 1521:

Application of Humble Oil and Refining Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its New Mexico State "V" Well No. 1, located 660 feet from the South and West lines of Section 10, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinebry Oil Pool and the Drinkard Pool through parallel strings of $1\frac{1}{2}$ inch tubing.

CLASS OF SERVICE
This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

TELEGRAM

(47) 1958
W. P. MARSHALL, President

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

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

LA112 SSG199

L RWA069 LONG PD=WUX ROSWELL NMEX 1 140PM=

Case 1521

A L PORTER JR: NEW MEX OIL CONSVN COMM=

PO BOX 871 SANTA FE NMEX=

RE CASE NO. 1521, NMOCC DOCKETT EXAMINERS HEARING
OCTOBER 2, 1958, HUMBLE OIL AND REFINING COMPANY'S
APPLICATION OIL OIL DUAL COMPLETION NEW MEXICO STATE
"V" WELL NO. 1, SW/4 SECTION 10, T=21=S, R=37=E,
LEA COUNTY, AS DUAL BLINEBRY OIL AND DRINKARD OIL
WELL WITH PARALLEL 1-1/2" TUBING STRING. COMPLETION
AND OPERATION OF DUAL WELL WITH 1-1/2" TUBING STRING
MECHANICALLY FEASIBLE AND WILL PERMIT MORE ECONOMICAL
PRODUCTION FROM BOTH FORMATION. GRANTING THIS APPLICATION
WOULD TEND TO PROTECT CORRELATIVE RIGHTS AND PREVENT
WASTE, THEREFORE, PAN AMERICAN RESPECTFULLY URGES THE
COMMISSION TO ENTER A FAVORABLE ORDER IN THIS CASE.=

C L KELLEY PAN AMERICAN PET CORP.=

MAIN OFFICE OCC

1958 OCT 1 PM 2:19

1521 NMOCC 2 1958 "V" 2 SW/R 10 T=21=S R=37=E 1-1/2" 1-1/2"