

SECRET

Case No.

1694

Application, Transcript,
Small Exhibits, Etc.

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. 1694
Order No. R-1436

APPLICATION OF TEXAS CRUDE OIL
COMPANY FOR AN OIL-OIL DUAL
COMPLETION IN AN UNDESIGNATED
TANSILL POOL AND IN AN UNDESIG-
NATED DELAWARE POOL, EDDY COUNTY,
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:00 o'clock a.m. on June 24, 1959, at Santa Fe, New Mexico, before Elvis A. Uts, 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 7th day of July, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Uts, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Texas Crude Oil Company, is the operator of the Big Eddy Unit 1-30 Well, located 330 feet from the South line and 330 feet from the East line of Section 30, Township 20 South, Range 31 East, N30°W, Eddy County, New Mexico.

(3) That the applicant proposes to dually complete the above-described Big Eddy Unit 1-30 Well in such a manner as to permit the production of oil from an undesignated Tansill pool and the production of oil from an undesignated Delaware pool through parallel strings of 2-inch KUE tubing.

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

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

-2-

Case No. 1694
Order No. R-1436

IT IS THEREFORE ORDERED:

That the applicant, Texas Crude Oil Company, be and the same is hereby authorized to dually complete its Big Eddy Unit 1-30 Well, located 330 feet from the South line and 330 feet from the East line of Section 30, Township 20 South, Range 31 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the production of oil from an undesignated Tansill pool and the production of oil from an undesignated Delaware pool through parallel strings of 2-inch EUE tubing.

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

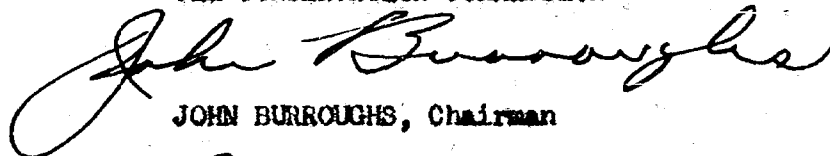
PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter on the anniversary date of the well's completion.

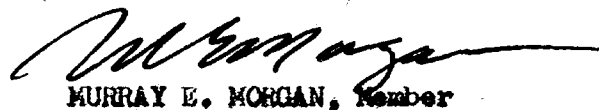
IT IS FURTHER ORDERED:

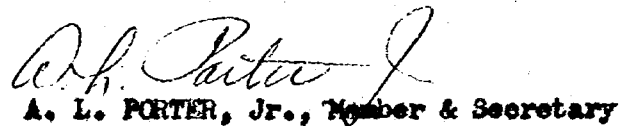
That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order, after proper notice and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

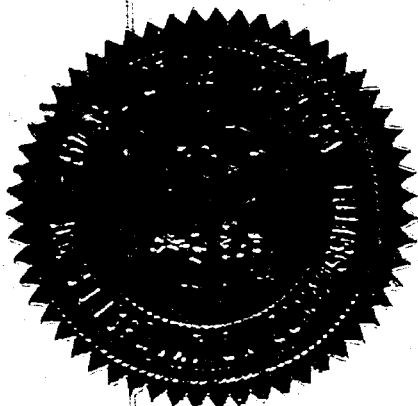
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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



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BEFORE THE
OIL CONSERVATION COMMISSION
EXAMINER HEARING
Santa Fe, New Mexico
June 24, 1959

IN THE MATTER OF: Case No. 1694

TRANSCRIPT OF HEARING

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A Joe R. Howard.

Q By whom are you employed?

A Texas Crude Oil Company.

Q In what position?

A Assistant District Engineer.

Q Have you ever testified before the Oil Conservation Commission or an Examiner?

A No, sir.

Q Would you state for the benefit of the Examiner your education and experience and qualifications as an engineer?

A I am a 1950 graduate of Texas A and M. I have been employed by Texas Crude since I graduated.

Q What positions have you held with Texas Crude?

A Oh, everything from production engineer up to assistant superintendent.

Q How long have you been in your present position?

A I am in the process of moving from Abilene to take over those duties.

Q Are you familiar with Case 1694?

A Yes.

Q Will you state what is proposed by Texas Crude Oil Company?

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PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



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A We're asking permission to dual complete a well that is known as our Big Eddy Unit 1-30 located in the Southeast Quarter of the Southeast Quarter of Section 30, Township 20 South, Range 31 East. It will be in such a manner that we will produce oil separately from an undesignated Tansil Pool and from an undesignated Delaware Pool through parallel strings of tubing.

Q In connection with this application, did you attach any exhibits to the application, Mr. Howard?

A Yes, sir, we did when we sent it in.

Q What were those exhibits?

A One was a plat showing the location of the well, and one was a sketch outlining the proposed dual completion.

Q For the purpose of the record, is it your wish to refer to the plats attached to the application in connection with your testimony?

A Yes, I have one extra here that the Examiner can have if he would like.

(Applicant's Exhibits 1 and 2 marked for identification.)

Q Now, Mr. Howard, referring to what has been marked as Exhibit No. 1, being a plat of the area involved, would you state briefly what that shows?

A It shows the surrounding area and the location of the well, and as I said before, it's 330 from the East and South line of Section 30.



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Q Does the plat also show the offsetting ownership?

A Well, the fact most of that acreage is in a unit, and I believe that it's not all shown here as a unit, but it is a unit.

Q It is in a unit agreement?

A Yes, sir.

Q Now referring to what has been marked as Exhibit No. 2, would you state what that shows?

A This shows the casing program and the proposed dual completion practice that will be put into effect.

Q Before you describe the proposed completion, state what is the present status of the well.

A The present status of the well is that we had intended to set a Model "D" Baker production packer at 6750 after we tested the lower zone, but when they were going in the oil, the production packer set premature at 3275, and at the present --

Q That is not shown on the exhibit at the correct location then?

A No, sir, the plug is actually at 3275.

Q Is that well now being produced?

A Yes, sir, we havenow applied for and received an allowable on the upper zone, the Tansil zone.

Q And you are presently producing the Tansil?

A Yes.

Q What about the lower formation?



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A The lower formation is being separated from the upper through the use of the Model "D" Baker production packer.

Q Referring to the exhibit, would you outline first the casing program and then the proposed dual completion?

A Well, we set a string of 13 3/8 casing at 649 and cemented it, circulated the cement. Then a salt string was set at 2,096 of 9 5/8 inch casing, and then we set a string of 7/8 inch at 7356 and it was cemented.

Q Then the cementing program is reflected on the exhibit, is it not?

A Yes, sir.

Q How do you propose to complete the dual completion?

A Well, first we tested the Delaware sand perforation at 6786 to 6836, and through seating, after we established that we did have a commercial well in that zone, we set a temporary bridging plug below 2244 and tested the upper perforations at 2228 to 2244. Then we removed the bridging plug and came up the hole and tested the perforation at 2179 and 2199 and established the commercial production and then removed the removable bridging plug, and that is when we went in the hole with the Model "D" Baker plug and it set on us premature. The tubing is now in the upper zone.

Q You propose to remove it and run the lower zone and rerun the tubing in the upper zone?

A Yes.



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Q Is that a type of dual completion that has heretofore been approved by the Commission?

A I couldn't say for sure. I assume it is, it is just a standard dual completion.

Q Standard dual completion in your experience?

A Yes.

Q Is there separation between the two producing horizons?

A Yes, sir, there's about 4500 feet.

Q In your opinion is that type of completion adequate to protect the two horizons from communication?

A Yes, sir.

Q Are you familiar with the fluid characteristics in the two zones?

A Yes.

Q Would you state what that is?

A The upper zone is a 19 to 20 gravity crude oil and it has a high hydrogen sulphide content. The Delaware zone is 37 to 38 gravity oil and light crude. There is a remarkable difference in the two crudes.

Q Are either of the zones making water?

A Yes, the lower zone makes water.

MR. KELLAHIN: Did I interrupt you?

MR. UTZ: I was going to ask him if it was considered a sweet crude.

A Yes, I believe the lower zone is, but the upper is a



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sour crude.

Q In the event communication occurred, would the difference in the fluid characteristics enable you to detect that promptly?

A Yes, very easily.

Q Will the production be produced into separate tank batteries?

A Yes, sir.

Q What is the situation as to the gas-oil ratios in the two zones?

A The lower zone ratio varies from 12 to 1400 to 1, and the upper zone has no gas at all.

Q It is being pumped?

A Yes, sir.

Q Now are you able to pump the two zones through the tubing in this type of completion?

A Yes, sir.

Q What is the situation as to the pressures in the two producing zones?

A Well, the upper zone -- you mean the pressure that would exist above and below the production packer?

Q Yes.

A In my opinion, I don't believe it would ever exceed 500 pounds because the upper zone has no pressure and the lower you would be pumping it, and it would be able to escape through



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your tubing.

Q Can you make the communication test or packer leakage test required by this Commission?

A Yes, sir.

Q Were Exhibits 1 and 2 prepared by you or under your direction and supervision?

A Yes, sir.

MR. KELLAHIN: At this time we would like to offer Exhibits 1 and 2.

MR. UTZ: Without objection they will be admitted.

Q (By Mr. Kellahin) Do you have a log of the well?

A Yes, sir.

MR. KELLAHIN: Could we have that marked as Exhibit No. 3?

A Here is a micro-log and a production electro-log.

MR. UTZ: Do you want these marked 3 and 4?

MR. KELLAHIN: Yes, sir.

(Applicant's Exhibits Nos. 3 and 4 marked for identification.)

Q (By Mr. Kellahin) Referring to what has been marked as Exhibits 3 and 4, would you state what those are?

A They are electrolog and a micro-log that is run by Schlumber-J, and they have the intervals that we are now producing marked on the log.

Q Are those intervals marked on the log?



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A Yes.

Q From which log did you select your perforation in the zones?

A The upper zone from microlog and lower zone was from drill stem test.

MR. KELLAHIN: We would like to offer Exhibits 3 and 4.

MR. UTZ: Without objection they will be admitted.

Q (By Mr. Kellahin) In your opinion, Mr. Howard, is the approval of this application in the interest of conservation and the prevention of waste?

A Yes, sir.

Q Will correlative rights be protected?

A Yes, sir.

Q Have you secured waivers from any of the offset operators?

A We secured waivers from three, and we have sent copies of those to the Commission.

Q What three?

A One was from Gulf Oil, and Richards and Bass, and Kerr McGee.

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

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Howard, did you say that Tansil had no bottom hole



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pressure?

A No, sir, you can swab it down, I believe the fluid will build up about seven or eight hundred feet after about an hour, and then it will swab on down.

Q Did you get a bottom hole pressure for the Delaware?

A Well, we could never swab it below four, five thousand feet from the surface. It always had about thirty-five hundred feet of fluid in the hole. We could never swab it down. We swabbed about 198 barrels in eight hours out of it. It makes about 55 percent water, while the upper zone makes no water at all.

MR. UTZ: Any other questions of the witness?

BY MR. PORTER:

Q What do you think the potential of the Tansil might be?

A It's our opinion it's just a matter of finding a porosity. We have completed another well four miles east of there which didn't have as big a zone, but is just as good a well.

MR. UTZ: Mr. Nutter.

BY MR. NUTTER:

Q When you were running that Model "D" packer, were you running it on wire line or tubing?

A No, sir, we were running it on tubing.

Q When it was prematurely set, did you determine whether or not it had set opposite a casing collar?

A No, we couldn't actually determine any reason for it to set, other than it was just a faulty packer.



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Q Have you checked your casing collar to find out if it is set on a collar or not?

A No, it is not set on a collar.

Q It is definitely not on a collar?

A No.

Q Have tests been run to determine it is set properly?

A Other than the fluid from the bottom zone builds up above that, and we have no fluid coming --

Q You have no pressure in the upper zone when you do in the lower zone?

A No, sir.

MR. NUTTER: I believe that's all. Thank you.

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.



STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing was reported by me in Stenotype, and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill, and ability.

DATED this 30th day of June, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

 NOTARY PUBLIC

My Commission Expires:

June 1, 1960.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1684 heard by me on June 24, 1959.

James L. H. H. Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 6-29-59

CASE NO. 1694

HEARING DATE 6-24-59

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

1. approve Texas Cude & Co's. application for a dual completion in the Zancil and. Delaware.
2. Two strings of 2" EUE will be used.
3. A Baker Model "D" permanent type Parker will separate the two zone set at 3275 ft.
4. Usual Dual order otherwise.

Thos. H. [Signature]

Staff Member

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

July 7, 1959

Mr. Jason Kellahin
Box 1713
Santa Fe, New Mexico

Dear Mr. Kellahin:

On behalf of your clients, Cities Service Oil Company
and Texas Crude Oil Company, we enclose Order No. E-1128-B
and Order No. E-1436, issued July 7, 1959, by the Oil
Conservation Commission.

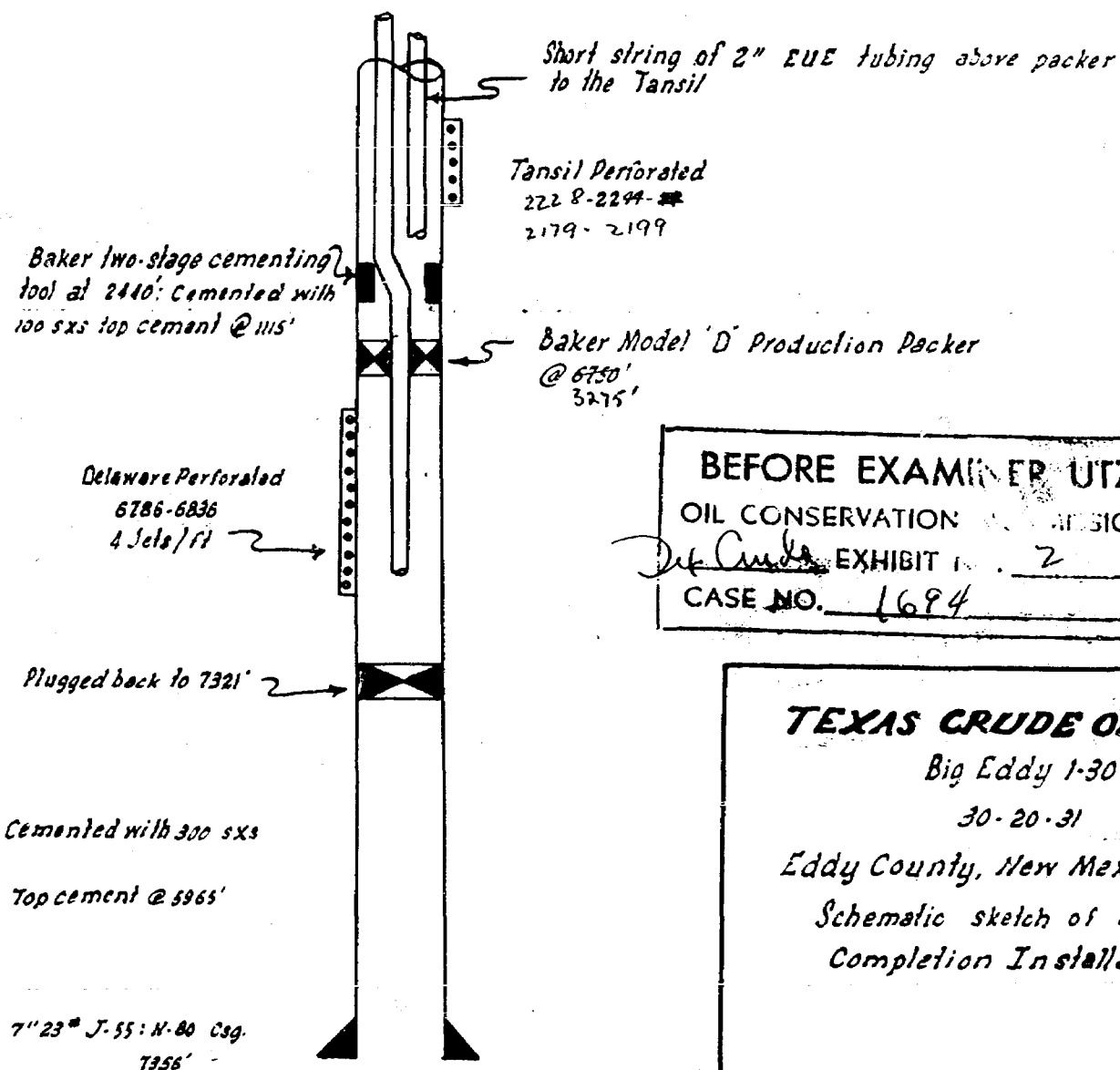
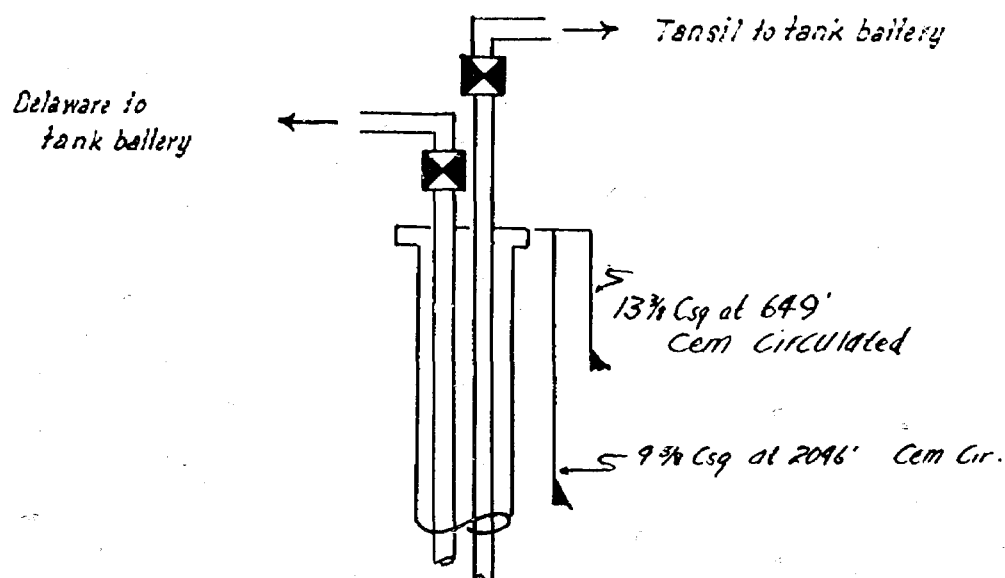
Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Enclosures

C
O
P
Y



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
De Cade EXHIBIT NO. 2
CASE NO. 1694

TEXAS CRUDE OIL CO.

Big Eddy 1-30

30-20-31

Eddy County, New Mexico

Schematic sketch of Dual
Completion Installation

5-5-59

DOCKET: EXAMINER HEARING JUNE 24, 1959

OIL CONSERVATION COMMISSION - 1120 CERRILLOS ROAD, HIGHWAY DEPARTMENT
AUDITORIUM, 8 a.m., SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary-Director.

CONTINUED CASE

CASE 1666: Application of Sunray Mid-Continent Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Central Bisti-Lower Gallup Sand Unit embracing approximately 7389 acres of federal, state, and allotted Indian lands in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

NEW CASES

CASE 1692: Application of Continental Oil Company for the establishment of a non-standard gas proration unit in the Tubb Gas Pool. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool consisting of lot 15, the N/2 SE/4 and the SE/4 SE/4 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's Hawk B-3 Well No. 2-T, located 1650 feet from the South and East lines of said Section 3.

CASE 1693: Application of Amerada Petroleum Corporation for three non-standard oil proration units. Applicant, in the above-styled cause, seeks an order establishing three 43.7 acre non-standard oil proration units for Mississippian production in the SE/4 of Section 11, Township 13 South, Range 38 East, Lea County, New Mexico. Applicant further seeks approval of one unorthodox oil well location.

CASE 1694: Application of Texas Crude Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Big Eddy Unit 1-30 Well, located in the SE/4 SE/4 of Section 30, Township 20 South, Range 31 East, Eddy County, New Mexico, in such a manner as to produce oil from an undesignated Tansil pool and to produce oil from an undesignated Delaware pool through parallel strings of tubing.

CASE 1695: Application of Texaco, Inc. for a triple completion, for permission to commingle the production from three separate pools, and for the establishment of two non-standard gas proration units. Applicant, in the above-styled cause, seeks an order authorizing it to triple complete its A. H. Blinebry NCT-4 Well No. 1, located in the SE/4 SE/4 of Section 31, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit production from the Blinebry formation, production of gas from the Tubb Gas Pool, and production of oil from the Drinkard Pool through tubing, the annulus via cross-over, and tubing respectively. Applicant further seeks the establishment of a 160-acre non-standard gas proration unit in both the Tubb Gas Pool and Blinebry Gas Pool each consisting of the S/2 S/2 of said Section 31. Applicant further seeks permission to commingle the liquid production from the Blinebry, Tubb, and Drinkard formations underlying said acreage.

- CASE 1696: Application of Caulkins Oil Company for a triple completion. Applicant, in the above-styled cause, seeks an order authorizing it to triple complete its Breech "F" Well No. PMD-8, located in the NE/4 NE/4 of Section 34, Township 27 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to produce gas from the South Blanco-Pictured Cliffs Pool, gas from the Mesaverde formation, and gas from the Dakota formation through parallel strings of tubing.
- CASE 1697: Application of Universal Oil Corporation for the creation of a new oil pool for Gallup production, and for an exception to Rules 104 and 107 for wells in said pool. Applicant, in the above-styled cause, seeks an order creating a new pool for Gallup production to be designated the Shiprock-Gallup Oil Pool and located in Sections 16 and 17, Township 29 North, Range 18 West, San Juan County, New Mexico. Applicant further seeks the promulgation of pool rules to permit wells in said pool to be located closer than 660 feet to the nearest producing well in exception to Rule 104, and to permit certain exceptions to the casing requirements of Rule 107 of the Commission Rules and Regulations.
- CASE 1698: Application of Shell Oil Company for an exception to Rule 502 I (a). Applicant, in the above-styled cause, seeks an order which would exempt all wells in the Carson Unit Area and all other Shell wells in Township 25 North, Ranges 11 and 12 West, Bisti-lower Gallup Oil Pool, San Juan County, New Mexico, from the daily tolerance provisions of Rule 502 I (a) of the Commission Rules and Regulations.
- CASE 1195: Application of Graridge Corporation for capacity allowables for certain wells in a water flood project. Applicant, in the above-styled cause, seeks an order authorizing capacity allowables for three wells in the project area of its water flood in the Caprock-Queen Pool in Lea and Chaves Counties, New Mexico.
- CASE 1196: Application of Graridge Corporation for an order amending Order No. R-966. Applicant, in the above-styled cause, seeks an order amending Order No. R-966 to establish administrative procedures for development of its Artesia Water Flood Projects No. 2 and 3, Artesia Pool, Eddy County, New Mexico, and for approval of unorthodox locations for 27 wells in said projects, for authority to convert six wells in said projects to water injection, and for capacity allowables for five wells in said projects.
- CASE 1185: Application of Graridge Corporation for an order amending Order No. R-952. Applicant, in the above-styled cause, seeks an order amending Order No. R-952 to establish administrative procedures for development of its Artesia Water Flood Project No. 1, Artesia Pool, Eddy County, New Mexico, and for approval of unorthodox locations for fifteen wells in said project, and for capacity allowables for five wells in said project.
- CASE 1699: Application of J. W. Brown 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 Brown Pool, Chaves County, New Mexico, by the injection of water into the Queen formation through four wells located in the SE/4 NW/4 of Section 26, Township 10 South, Range 26 East, Chaves County, New Mexico.

- CASE 1337: Application of Gulf Oil Corporation for an order amending Order No. R-1093-A. Applicant, in the above-styled cause, seeks an order amending Order No. R-1093-A to permit the commingling of Paddock production with the commingled Blinebry, Drinkard, and Langlie-Mattix production from its Learcy McBuffington lease consisting of the S/2 of Section 13, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico.
- CASE 1700: Application of Gulf Oil Corporation for permission to commingle the production from two separate leases: Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the East Millman Queen-Grayburg Pool from two separate non-contiguous leases in Township 19 South, Range 28 East, Eddy County, New Mexico.
- CASE 1703: Application of Tidewater Oil Company to commingle the production from several separate oil pools from two separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the intermediate grade crudes produced from its Coates "D" Lease comprising the SE/4 SW/4 of Section 24, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico, with the commingled production of all intermediate grade crudes produced from its Coates "C" Lease comprising the E/2, SE/4 NW/4, and the NE/4 SW/4 of said Section 24 and to pass such commingled production through its automatic custody transfer system.
- CASE 1704: Application of Cities Service Oil Company for capacity allowables for nine wells in a water flood project and for establishment of administrative procedure for expansion of said project. Applicant, in the above-styled cause, seeks an order authorizing capacity allowable for nine wells in the project area of its water flood project in the Caprock-Queen Pool, Chaves County, New Mexico. Said capacity allowables would be in exception to Order R-1128-A. Applicant further seeks establishment of an administrative procedure to expand said water flood project.
- CASE 1705: Application of Neville G. Penrose, Inc., for a capacity allowable for one well. Applicant, in the above-styled cause, seeks an order authorizing a capacity allowable for its Alston Well No. 2, located in the NW/4 NW/4 of Section 11, Township 14 South, Range 31 East, Caprock Queen Pool, Chaves County, New Mexico, due to a response from the adjoining Cities Service Oil Company water flood project. Said capacity allowable would be in exception to Order R-1128-A.

NEW MEXICO OIL CONSERVATION COMMISSION

Docket No. 23-59-a

In addition to the cases listed on Docket No. 23-59, the following cases will also be heard June 24, 1959, before Elvis A. Utz, Examiner, or A. L. Porter, Jr., Secretary-Director:

- CASE 1701: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Learcy McBuffington Well No. 5, located in the NW/4 SE/4, Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from an undesignated Paddock Pool and oil from the Justis-Ellenburger Pool through parallel strings of tubing.
- CASE 1702: Application of Humble Oil & Refining Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its South Four Lakes Unit Well No. 6, located in the SW/4 SE/4, Section 2, Township 12 South, Range 34 East, Lea County, New Mexico, in such a manner as to produce oil from a Four Lakes-Pennsylvanian Pool extension and gas from a Four Lakes-Devonian Gas Pool extension through parallel strings of tubing.
- CASE 1706: Application of Sunray Mid-Continent Oil Company for an order amending Order No. R-1414. Applicant, in the above-styled cause, seeks an order amending Order No. R-1414 to include the following additional acreage: NW/4 NW/4 of Section 6, Township 25 North, Range 12 West, and the SW/4 SW/4 of Section 31, Township 26 North, Range 12 West, San Juan County, New Mexico.

Place of hearing will be Highway Department Auditorium, 1120 Cerrillos Road, Santa Fe, New Mexico.

Time of hearing will be 8:00 o'clock a.m.

Waiver
PAN AMERICAN PETROLEUM CORPORATION *Hearing File*

OIL AND GAS BUILDING

FORT WORTH, TEXAS

ALEX CLARKE, JR.
DIVISION ENGINEER

May 25, 1959

File: GWK-4220-986.510.1

Subject: Waiver of Objection
Dual Completion of Texas
Crude and Shell Oil Company's
Big Eddy Unit 1-30, Eddy
County, New Mexico

New Mexico Oil Conservation Commission
Capitol Annex Building
Santa Fe, New Mexico

Gentlemen:

The undersigned, being an authorized representative of the offset operator, has been duly informed by Texas Crude and Shell Oil Company of their application for a permit to dually complete their Big Eddy Unit 1-30 in the Tansil and Delaware Zones, Eddy County, New Mexico, and hereby waives all objections to the granting of a permit for this purpose.

It is our understanding that this well is located in the SE/4 of the SE/4 of Section 30, T-20-S, R-31-E, Eddy County, New Mexico.

Very truly yours,

Alex Clarke, Jr.

RVC:lj

cc: Texas Crude Oil Company
6100 Camp Bowie Boulevard
P. O. Box 9846
Fort Worth 7, Texas

*Noted Mailed
6-12-59
JHC*



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. DRAWER 669 — ROSWELL, NEW MEXICO

May 21, 1959

FORT WORTH
PRODUCTION DIVISION

ROSWELL DISTRICT

W. A. SHELLSHEAR
District Manager

E. S. GREAR
District Exploration Manager

M. I. TAYLOR
District Production Manager

G. A. PRICE
District Services Manager

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

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Texas Crude Oil Company has made application for permission to dually complete Texas Crude and Shell Oil Companies' Big Eddy Unit 1-30 in the Tansil and Delaware Pools. We hereby waive any objection to the granting of permission to dually complete this well at the following location:

SE/4 of SE/4 of Section 30,
Township 20 South, Range 31
East, Lea County, New Mexico.

Executed this 21st day of May, 1959.

Very truly yours,
GULF OIL CORPORATION

W. A. Shellshear

W. A. SHELLSHEAR

*Recket Mailed
6-12-59
JH*

Set for hearing

Texas Crude Oil Company

6100 Camp Bowie Boulevard

P. O. Box 9846

Fort Worth 7, Texas

1201 REPLY TO
TEOS V & J TOWER BUILDING
MIDLAND, TEXAS

May 19, 1959

*oil - oil
dual*

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

Gentlemen:

Enclosed in triplicate is "Application for Dual Completion" covering Shell Oil Company and Texas Crude Oil Company's Big Eddy Unit 1-30 well, located SE $\frac{1}{4}$ of SE $\frac{1}{4}$, Sec. 30, T-20-S, R-31-E, Eddy County, New Mexico.

Included with this application are location plats showing offset operators, schematic sketches of dual completion and a waiver from Richardson and Bass.

Notices of application and waivers have also been mailed to Pan American Petroleum Corporation in Fort Worth and Gulf Oil Corporation in Roswell. As soon as these are returned to our offices, we will forward them to you.

Yours very truly,

TEXAS CRUDE OIL COMPANY

J. T. Callaway

J. T. Callaway,
Division Superintendent

pf

enclosures

cc: U. S. Dept. of Interior
Geological Survey
P. O. Box 6721
Roswell, New Mexico

*Wicket Mailed
6-12-59
JH*

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name Undesignated (Big Eddy Unit)		County Eddy	Date May 19, 1959
Operator Shell Oil Co. & Texas Crude Oil Co.		Lease Big Eddy Unit	Well No. 1-30
Location of Well Unit P	Section 30	Township 20-S	Range 31-E

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 _____ NO X
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.:

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	Tansil	Delaware
b. Top and Bottom of Pay Section (Perforations)	2228'-2244'	6786'-6836'
c. Type of production (Oil or Gas)	Oil	Oil
d. Method of Production (Flowing or Artificial Lift)	Artificial Lift	Artificial Lift

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.

Gulf Oil Corporation, P. O. Box 1150, Midland, Texas.

Pan American Petroleum Corporation, Box 1540, Midland, Texas

Richardson & Bass, 404 West Illinois, Midland, Texas

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES XX NO ____ . If answer is yes, give date of such notification May 19, 1959

CERTIFICATE: I, the undersigned, state that I am the Division Superintendent of the Texas Crude Oil Company (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.

Santa Fe 2, Artesia 2, USGS 2, File 1, FW 1,
Gulf 1, Pan Am 1, R & B 1.

J. T. Ballaway
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 proration unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

Texas Crude Oil Company
6100 Camp Bowie Boulevard
P. O. Box 9846
Fort Worth 7, Texas

May 19, 1959

*Waiver
from
Richardson & Bass*

REPLY TO
1206 V & J TOWER BUILDING
MIDLAND, TEXAS

New Mexico Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

Gentlemen:

We have been informed by Texas Crude Oil Company of their
"Application For Dual Completion" covering the Texas Crude
and Shell Oil Company Big Eddy Unit 1-30, located SE/4 of
SE/4, Sec. 30, T-20-S, R-31-E, Eddy County, New Mexico.

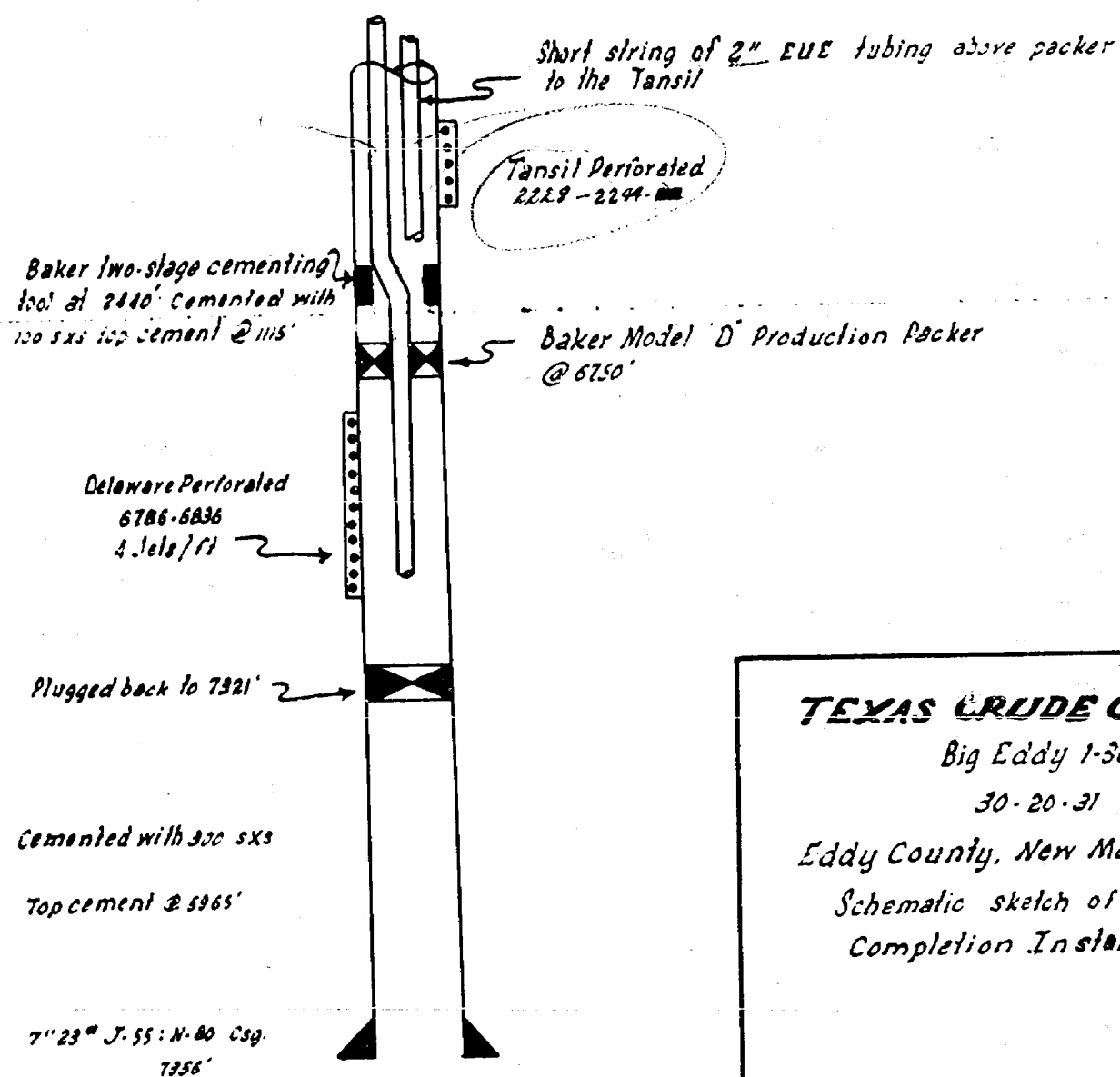
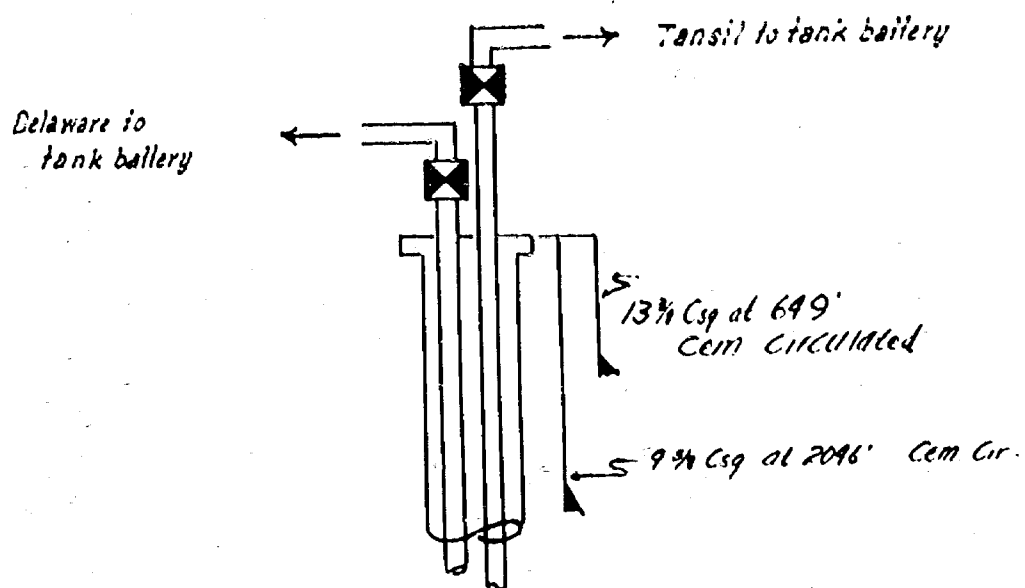
We, as operator in this area, have no objection and hereby
submit this notice of waiver to that effect.

APPROVED:

RICHARDSON & BASS

By *Bill Setzer* date *5-19-59*

[illegible]



TEXAS CRUDE OIL CO.

Big Eddy 1-30

30-20-31

Eddy County, New Mexico

Schematic sketch of Dual
Completion Installation

5-5-59