

2040

Tophication, Transcript,

Transcript,

Exhibits, Etc.

OIL CONSERVATION COMMISSION P. O. BOX 871

SANTA FE. NEW MEXICO

November 9, 1960

Neville G. Penrose, Inc. Suite 417 Midland Tower Building Midland, Texas

Attention: Mr. Harold S. Winston

Re: Proposed Dual Completion Grizzel No. 1, SW/4 NE/4, Section 5, Township 22 South, Range 37 East, Lea County, New Mexico.

Gentlemen:

Reference is made to your letter of November 7, 1960, inquiring as to the testing data to be submitted that could demonstrate the feasibility of dually completing the subject well utilizing one string of tubing. The equal gas-oil ratio tests as suggested cannot be considered, but gas-oil ratio tests will be considered if both annular and tubing flow of the Tubb Zone is conducted on a 72 hour test basis with the GOR taken on the final 24 hours. Daily test data of each day tested shall also be submitted.

Very truly yours,

J. E. KAPTEINA Engineer

JEK/og

NEVILLE G. PENROSE, INC.

SUITE 417 MIDLAND TOWER BUILDING MIDLAND, TEXAS

Maria de Mariado 120121 n m 3 31

November 7, 1960

Subject: Proposed Dual Completion Neville G. Penrose, Inc., Grizzell No. 1, SW/4 NE/4, Section 5, T-22-S, R-37-E, Lea County, New Mexico

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

Attention: Mr. Elvis Utz,

Gas Engineer

Gentlemen:

During July and August of this year there were several written and verbal communications between you and Mr. John P. McNaughton of our Fort Worth office in regard to the subject proposed dual completion. We had requested Administrative approval to complete the subject well with one string of tubing, producing the Tubb (ges) zone through the casing annulus and the Drinkard (oil) zone through the tubing. You advised that Administrative approval could not be given for such a completion and a hearing was set for July 27, 1960. This hearing was subsequently continued to August 24 and then cancelled.

In declining Administrative approval for the proposed dual completion it is my understanding that you indicated that you were concerned that the Tubb (gas) zone could not be efficiently produced through the casing annulus. I also understand that there were certain data you desired to see presented in order to prove that producing the Tubb (gas) zone through the annulus would be efficient and would not cause waste. Included in this data were four-point back pressure tests, shut-in pressure build-up tests, gas-liquid ratio tests, bottom-hole sample analyses, etc.

We have completed opening the Tubb zone in the subject well and are now planning to test it. Would you consider equal gas-oil ratios obtained from the Tubb zone through both the casing annulus and the tubing to be adequate evidence of the efficiency of the annular completion? If not, what is the minimum testing program you would recommend in order to demonstrate the efficiency of the annular completion.

We are most angious to try and demonstrate the efficiency of the annular Tubb completion because the low productivity of the Drinkard zone will hardly justify running two strings of tubing.

We will sincerely appreciate your advice in this metter.

Very truly yours,

Janel & Winsten

Harold S. Winston Petroleum Engineer

HSW: Fo GOR Satmitted should be final 24 hrs of 72 hour from test.

Submit-daily precord of each day of

July 1-78 40

GOVERNOR

JOHN BURROUGHS CHAIRMAN

State of New Wexico O il Conservation Commission

LAND COMMISSIONER MURRAY E. MORGAN MEMBER



STATE GEOLOGIST A. L. PORTER, JR. SECRETARY DIRECTOR

P. O. BOX 871 SANTA FE

August 30, 1960

Mevil	ilean G le G. Buildi	Per	rose.	Izc.
Port	Worth	2,	Tozas	

Re :

Case No. 2040

Order No. R-1758

Applicant:

Neville G. Penrose, Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ir/
Carbon copy of order also sent to:

Hobbs OCC 2 Artesia OCC Aztec OCC

Other

BEFORE THE OIL COMSERVATION CONMISSION OF THE STATE OF NEW MEXICO

IN THE MASTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF COMBIDERING:

> CASE NO. 2040 Order No. R-1758

APPLICATION OF MEVILLE G. PENROSE, INC., FOR A GAS-OIL DUAL COMPLETION IN THE TUBB GAS POOL AND THE DRINKARD POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 24, 1960, at Santa Fe, New Mexico, before Daniel S. Mutter, Examiner duly appointed by the Cil Conservation Commission of New Mexico, bereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th day of August, 1960, the Commission; a quorum being present, having considered the application, and the recommendations of the knaminer, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- 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 has requested that Case No. 2040 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2040 be and the same is hereby dismissed.

DOWE at Santa Pe, New Mexico, on the day and year hereinabove designated.

> STATE OF HEW MEXICO OIL COMSERVATION COMMISSION

JOHE BURROUGHS, Chairman

Maye Door IONGMA, N TERRY E

Tartur. Number & Secretary

FORT WORTH 2. TEXAS

1989 AUD 1.1 AN 6: 21

August 18, 1960

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

Re: Case #2040 (Continuance)
Grizzell #1
Lea County, New Mexico
Dual Completion

Gentlemen:

This letter is to request that you withdraw our application for dual completion of the Neville G. Penrose, Inc. Grizzell #1 as it was originally submitted. This application requested permission to produce gas from the Tubbs Pool and oil from the Drinkard Pool through the casing annulus and 2 3/8" tubing respectively. Hearing on this application was scheduled for August 24, 1960 at the regular examiners hearing and was assigned Case #2040.

It has been decided that the method of dual completion in all probability would be made using two strings of tubing and, therefore, would not necessitate an examiners hearing. We would appreciate your withdraving our original application and canceling Case #2040. A new application will be submitted in the very near future.

Thank you for your courtesies in this matter.

Yours truly,

NEVILLE G. PENROSE, INC.

Glenn G. Neill

GGN/vs

OIL CONSERVATION COMMISSION SANTA FE, NEW MEXICO

	Date 8/24, 60
Case_	2040 Hearing Date gam 8/24/60
	My recommendations for an order in the above numbered cases are as follows:
	Dismion case. Capplicant
	har requested indefente
	Continue but dismissal
	Continue but dismissal without prejudice is justerable.

Landwey

ASS OF SERVICE

ois is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION

SYMBOLS

DL = Day Letter

NL=Night Letter

LT=International 1201 (4-60)

TELEGRAM

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

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HEW MEXICO OIL CONSERVATION COMMISSION=

BOX 8717SAHTA FE NMEX=

MR. DANIE S. MUTTER

CONFIRMING PHONE CONVERSATION MAS. RORDIGUEZ WE

REQUEST CONTINUANCE CASE HUMBER 2040 FOR AUGUST 24TH

EXABLHERS HEARING=

HEVILLE G PENROSE INC 1813 FAIR BLDG

FORT WORTH TEXAS BY GLENN G HFIII ==

-2040 24•

Mail Office MCC NEW MEXICO OIL CONSERVATION COMMISSION

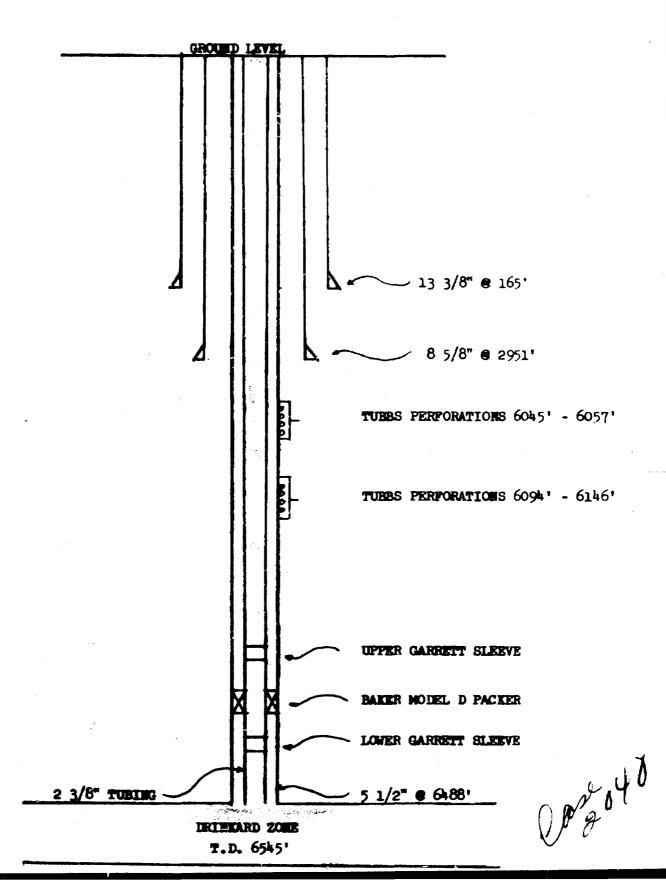
APPLICATION FOR DUAL COMPLETION

Field Name Drinkard		County Lea	Date 5/23/60		
Operator Neville G. Penrose, Inc	Lease Gr	rizzell	Well No.		
	ection	Township	Range		
of Well G	5	22-S	37-E		
1. Has the New Mexico Oil Conservation	Commission heretofore au	thorized the dual comple	ction of a well in these same pools or in the same		
zones within one mile of the subject v			-		
2. If answer is yes, identify one such in:			Lease, and Well No.:		
Skelly Oil Co., E. A.	Sticher #4, Unit	L, Sec. 4, T-22S	, R-37E, Lea County		
3. The following facts are submitted:	Upper	Zone	Lower Zone		
a. Name of reservoir	Tubbs		Drinkard		
b. Top and Bottom of			Charle may Colore		
Pay Section	Perferations:	(6492° To 6549°		
(Perforations)	6045*- 6057*	- 6094*- 6146*	Open Hole		
c. Type of production (Oil or Gas)	Gas		OII		
d. Method of Production					
(Flowing or Artificial Lift)	Flow		Flow		
4. The following are attached. (Please i	mark YES of NO)	····			
	or other acceptable log wing available at the time applon which this well is local Box 1231, Midland	ication is filed, it shall ted together with their co nd, Texas	oducing zones and intervals of perforation indicated be submitted as provided by Rule 112-A.) prect mailing address.		
Ohio Oil Co., P. O. Box	552, Midland, Te	xas			
Pan American Petroleum	Corp., P. O. Box	1540, Midland, To	≥xas		
G. R. Zachary, Box 1685	, Hobbs, New Mexi	eo			
South In Batas and Frank	oretion Inc. Wh	ita Bldg Pogra	11 New Marien		
Southern Petroleum Expl	ore notified and furnished	a convotable!	n? YES NO		
of such natification 5/23/6	O HOLLING AND IMMISHED	a copy of this applicatio	it is yes, give date		
CERTIFICATED Light undersigned, s	state that I am theAS		of the Neville G. Penrose, Inc.		
under my supervision and direction and the					
3 X21 P3 1		_ Color	me & recel		
2 X & 12		7	(Signature		
Should waivers from all offset op	erators not accompany an	application for administr	ative 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 recoffice, the application will then be processed. NOTE: If the proposed dual completion will result in an unorthodox well location and/or a pos-standard proration unit in either or both of the producing zones, then separate application for approval of the same should be filed simelepreously with this application.

GRIZZELL #1

PROPOSED DUAL COMPLETITION
SN/4, KE/4, 5-T-22S-37E
LEA COUNTY, MEN NEXICO



MEVILLE G. PERMORE, INC.

GRIZZELL #1

PROPOSED 80-ACRE TURNS GAS UNIT

8/2, NE/4, 5-T-228-37E

LEA COUNT, NEW MEXICO

NSP-solver nowallower

Pet.	R. Zachary	Gulf	
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A. Dowbe	● ²	Steb	bins
Gulf		Pennola	Pilland of
● ² A	1 3		
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Pan. Amer.		Ohio	Gulf
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		, ,	Baker
			1 1
•4	• ¹	•	Penrose
	J. W. (' Grissell	2

Dase 2040

DOCKET: EXAMINER HEARING AUGUST 24, 1960

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, Attorney, as alternate Examiner:

CASE 2053:

Application of Continental Oil Company for a triple completion utilizing three strings of casing. Applicant, in the above-styled cause, seeks an order authorizing it to triple complete its Jicarilla 22-22 Well No. 1, located in the NW/4 SE/4 of Section 22, Township 25 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation, the production of oil from the Greenhorn formation and the production of oil from the Dakota formation through parallel strings of 4½-inch, 2 7/8-inch, and 4½-inch casing respectively, cemented in a common well bore. Applicant proposes to install tubing to the Gallup and Dakota formations.

CASE 2054:

Application of Continental Oil Company for a triple completion utilizing three strings of casing. Applicant, in the above-styled cause, seeks an order authorizing it to triple complete its Jicarilla 28-27 Well No. 3, located in the NW/4 SE/4 of Section 27, Township 25 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation, the production of oil from the Greenhorn formation and the production of oil from the Dakota formation through parallel strings of 4½-inch, 2 7/8-inch, and 4½-inch casing respectively, cemented in a common well bore. Applicant proposes to install tubing to the Gallup and Dakota formations.

CASE 2055:

Application of Aztec Oil & Cas Company for a gas-gas dual completion utilizing two strings of casing. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Hanks Well No. 12-D, located in Unit H, Section 7, Township 27 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Fulcher Kutz-Pictured Cliffs Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2 7/8-inch and 4½-inch casing cemented in a common well bore. Applicant proposes to install 2 3/8-inch tubing to produce the Dakota gas.

-2--Docket No. 24-60

CASE 2056:

Application of Gulf Oil Corporation for permission to commingle the production from all wells on several leases in Townships 21 and 22 South, Range 36 East, Lea County, New Mexico, and for approval of two automatic custody transfer facilities to handle said commingled production from the Arrowhead Pool, Eumont Pool, Eunice-Monument Pool, South Eunice Pool and Jalmat Pool, all in Lea County, New Mexico.

CASE 2057:

Application of Kay Kimbell for an order force-pooling all interests in a 320-acre standard gas unit in the Dakota Producing Interval. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Dakota Producing Interval in a 320-acre standard gas unit consisting of the W/2 of Section 22, Township 29 North, Range 11 West, San Juan County, New Mexico.

CASE 2058:

Application of Anderson-Prichard Oil Corporation for a triple completion and for a 181-acre non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order authorizing the triple completion of its Western-Federal Well No. 1, located 330 feet from the North and West lines of Section 5, Township 23 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinebry Pool, the production of gas from the Tubb Gas Pool and the production of oil from the Drinkard Pool through parallel strings of 2 3/8-inch tubing, 2 1/16-inch tubing, and 2 3/8-inch tubing respectively. Applicant, further seeks the establishment of a 181-acre non-standard gas proration unit in the Tubb Gas Pool consisting of Lots 1, 2, 3, and 4 of said Section 5, to be dedicated to the said Western-Federal Well No. 1.

CASE 2059:

Application of Humble Oil & Refining Company for an oil-oil dual completion utilizing two strings of casing. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "M" Well No. 24, located in Unit O, Section 19, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Langlie-Mattix Pool and the production of oil from an undesignated Drinkard Pool through parallel strings of 2 7/8-inch and 4½-inch casing cemented in a common well bore.

-3-Docket No. 24-60

CASE 2060:

Application of Drilling and Exploration Company, Inc., for approval of a unit agreement. Applicant, in the above-styled cause seeks approval of its Mescalero Unit Agreement, which unit is to embrace approximately 4829 acres of Federal and State land in Townships 18 and 19 South, Ranges 33 and 34 East, Lea County, New Mexico.

CASE 2061:

Application of Ralph Lowe for approval of a unit agreement. Applicant, in the above-styled cause, seeks approval of its Northeast Maljamar Unit Agreement, which unit is to embrace approximately 800 acres in Townships 16 and 17 South, Range 33 East, Lea County, New Mexico.

CASE 2040:

(Continued)

Application of Neville G. Penrose, Inc., for an order authorizing the dual completion of its Grizzel Well No. 1, located in Unit G, Section 5, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Tubb Gas Pool and the production of oil from the Drinkard Pool through the casing-tubing annulus and 2 3/8-inch tubing respectively.

NEVILLE G. PENROSE, INC.

FAIR BUILDING FORT WORTH 2, TEXAS

100 CM 17 M 8 1 19 June 14, 1960

(10000)

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

Attention: Mr. J. E. Kapteina

Re: Application For Dual Completion Grizzell Well No. 1, located in the SW/4 NW/4 of Section 5, T-22-S, R-37-E, NMPM, Lea County, New Mexico

Dear Mr. Kapteina:

In addition to our May 16, 1960 application and reply to your June 7, 1960 letter, we are enclosing a revised diagrammatic sketch of the proposed dual completion of the above well. The revised sketch shows the following items which were omitted from the original:

> Top of cement outside casing strings. Length of tubing string. Location of packer. Location of side door chokes.

Also, enclosed you will find data on surrounding wells completed in the Tubbs Zone. This data covers both gas and condensate production as well as gas-oil ratio tests.

We trust this additional information will enable you to process our application for dual completion of the Neville G. Penrose, Inc. #1 Grizzell and also for an 80 acre non-standard gas proration unit,

Thank you for your attention to this matter.

Yours truly,

NEVILLE G. PENROSE, INC.

Glenn G. Neill

GGN/vs

cc: New Mexico Oil Conservation Commission Hobbs, New Mexico

MATTLE G. PHINOR, INC.

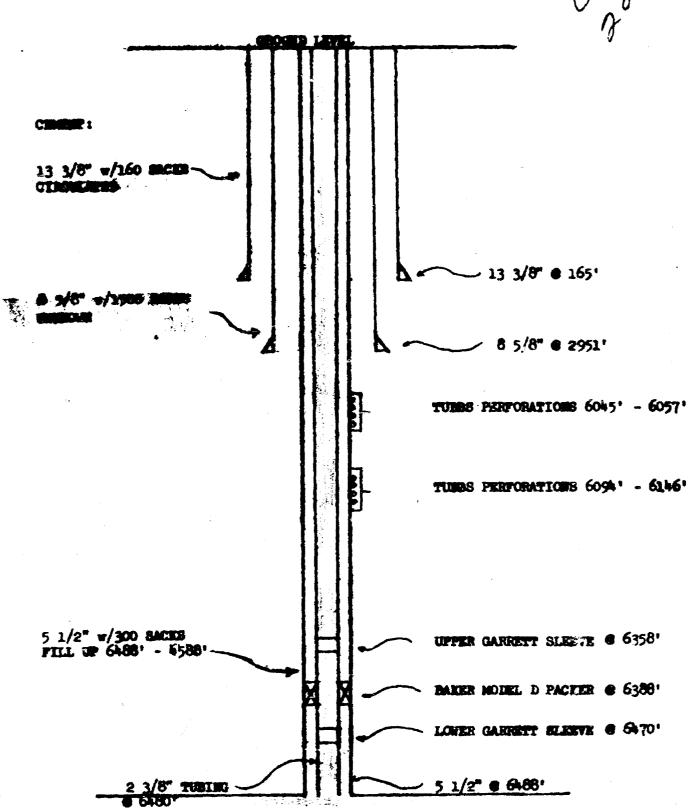
ORIGINAL \$1

PROPERTY AND CONTESTITION

MA, MA, 5-1-628-378

LBA COUNTY, MEN MEXICO

e Mod o



T.B. 6545'

NEVILLE G. PENROSE, INC.

TUBB GAS POOL

Lea County, New Mexico

Production Date - Various Wells Near Grizzell #1

June 3, 1960

i - i		March 1960		1959			Cumulative *			
ation	Well	<u>BO</u>	MCF	GOR	<u>B0</u>	MCF	GOR	<u>B0</u>	MCF	GOR
P-37	Stebbins "B" #3	34	1711	50,300	411	51,888	126,200	2223	171,687	77,250
21-37	W.T. McCormack #7	95	6545	68,800	2007	85,319	42,650	9412	457,871	48,650
21-37	W.T. McCormack #13	60	2380	39,700	135 3	113,292	83,800	4332	333,253	76,800
}2 -37	H. Corrigen #4	5 <i>2</i>	6633	127,500	959	118,054	123,000	11,640	930,903	79,800
2-37	Brunson #1	242	5024	20,790	817	30,050	36,700	(Comple	eted in 195	9)

NEVILLE G. PENROSE, INC.

TUBB GAS POOL

Lea County, New Mexico

Production Date - Various Wells Near Grizzell #1

opa

0.00				M	arch 19	60		1959
Offset Direction	Operator	Location	Well	<u>B0</u>	MCF	GOR	<u>B0</u>	MCF
N	Gulf	5-22-37	Stebbins "B" #3	34	1711	50,300	411	51,88
N	Gulf	32-21-37	W.T. McCormack #7	95	6 5 45	68,800	2007	85,31
N	Gulf	32 - 21 -37	W.T. McCormack #13	60	2380	39,700	135 3	113,29
E	Amerada	4-22-37	H. Corrigen #4	52	6633	127,500	959	118,05
SE	Sinclair	4-22-37	Brunson #1	242	5024	20,790	817	30,05
								3

^{*} To January 1, 1960

OIL CONSERVATION COMMISSION BOX 2045



HOBBS, NEW MEXICO

	DATE June 21, 1960
CIL CONSERVATION COMMISSION	Re: Proposed NSP
BOX 871 SANTA FE, NEW MEXICO	Proposed NSL
	•
	Proposed NFC
	Proposed DC X
Gentlemen:	
I have examined the application dated	5/24/60
for the N. G. Penrose, Inc. Grizzell #1-G	5-22-37
Operator Lease and Well No.	S-T-R
and my recommendations are as follows:	
O.KE.F.E. DC-914 is for Tubb-Blinebry, h	owever there are other DC fo
Tubb-Drinkard	
0.KJ.W.R.	
Yours very truly,	~3
OIL CONSERVATION CO	NAMES ON
Mi Many	

PHONE CH 3-6691

BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico August 24, 1960

IN THE MATTER OF:

Application of Neville G. Penrose, Inc., for an order)
authorizing the dual completion of its Grizzel Well No.)
1, located in Unit G, Section 5, Township 22 South,
Range 37 East, Lea County, New Mexico, in such a man-)Case 2040
ner as to permit the production of gas from the Tubb)
Gas Pool and the production of oil from the Drinkard)
Poll through the casing-tubing annulus and 2 3/8 inch)
tubing respectively.

BEFORE:

Daniel Nutter

TRANSCRIPT OF HEARING

MR. NUTTER: Case 2040.

MR. PAYNE: The applicant has asked that Case 2040 be

dismissed.

MR. NUTTER: Case 2040 will be dismissed.



STATE	OF	NEW	MEXICO)	
)	SS
COUNT	7 OI	BE	RNALILLO)	

I, LEWELLYN NELSON, 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 4th day of September, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Sewellan 9. Kelson NOTARY PUBLIC

My Commission Expires:

June 14/964

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2014 heard by me on 1944

New Mexico Oil Conservation Commission



BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico July 28, 1960.

IN THE MATTER OF:

APPLICATION OF NEVILLE G. PENROSE, INC., for an order authorizing the dual completion of its Grizzel Well No. 1, located in Unit G, Section 5, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Tubb Gas Pool and the production of oil from the Drinkard Pool through the casing-tubing annulus and 2 3/8-inch tubing respectively.

CASE

NO. 2040

BEFORE:

Hon. Daniel S. Nutter, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: Hearing will come to order, please. We will now take up Case 2040.

MR. PAYNE: The Applicant would ask this case be continued to August 24th.

MR. NUTTER: Case 2040 will be continued to the hearing on August 24, 1960.

(Whereupon, Hearing was adjourned until a later date.)



STATE OF NEW MEXICO)

COUNTY OF BERNALILLO)

I, LLEWELYN NELSON, 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 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 6th day of August, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jewellen J. Welson NOTARY PUBLIC.

My Commission Expires:

June 14, 1964.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2010, heard by me on 7128 1960.

New Mexico Oil Conservation Commission

