

CASE 2124: Application of SUNRAY  
MID-CONTINENT for an oil-oil dual  
of its STATE "Y" WELL NO. 2.

Case No.

2194

Application, Transcript,  
Small Exhibits, Etc.

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

APPLICATION FOR DUAL COMPLETION

Field Name <b>N. Shugart Queen-Grayburg &amp; Undesignated Yates</b>		County <b>Eddy</b>	Date <b>January 17, 1961</b>
Operator <b>Sunray Mid-Continent Oil Company</b>		Lease <b>N. M. State "YM"</b>	Well No. <b>2</b>
Location of Well <b>B A</b>	Unit <b>32</b>	Township <b>18S</b>	Range <b>31E</b>

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 ☐
2. If answer is yes, identify one such instance: Order No. **R-1784**; Operator, Lease, and Well No.:

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	<b>Yates</b>	<b>Queen &amp; Grayburg</b>
b. Top and Bottom of Pay Section (Perforations)	<b>2600-2700</b>	<b>3200-3700</b>
c. Type of production (Oil or Gas)	<b>Oil</b>	<b>Oil</b>
d. Method of Production (Flowing or Artificial Lift)	<b>Flow</b>	<b>Artificial Lift</b>

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.\*
- \*\*\* No 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.

**Westwater Corporation, Midland Savings and Loan Bldg., Midland, Texas**

**Chambers and Kennedy, 607 Midland National Bank Bldg., Midland, Texas**

**Iverson and Welch, etal, c/o B. F. Welch, 100 Booker Bldg., Artesia, New Mexico**

**Keohane and Welch, etal, Box 915, Roswell, New Mexico**

**Gulf Oil Corporation, Box 2167, Hobbs, New Mexico**

**H. E. Yates, Box 397, Artesia, New Mexico**

**Neil Salsich, 716 First National Bank Bldg., Midland, Texas**

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐ . If answer is yes, give date of such notification **Notice given by registered mail 1-17-61.**

CERTIFICATE: I, the undersigned, state that I am the **District Engineer** of the **Sunray Mid-Continent 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.

**\*\* Utilizing two strings of 2 7/8" OD tubing in common well bore for casing.**

**\*\* Will submit log as per Rule 112-A**

**R. E. Statton** 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.

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

APPLICATION FOR DUAL COMPLETION

Case 2174  
RECEIVED  
JAN 18 1961  
N. M. O. C.  
OFFICE 7-3-58

Field Name <b>H. Shagart Queen-Grayburg &amp; Undesignated Yates</b>		County <b>Eddy</b>	Date <b>January 17, 1961</b>
Operator <b>Sunray Mid-Continent Oil Company</b>		Lease <b>N. M. State "T"</b>	Well No. <b>512</b>
Location of Well <b>B A</b>	Unit <b>32</b>	Township <b>18S</b>	Range <b>31E</b>

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 ☐
2. If answer is yes, identify one such instance: Order No. **B-1784**; Operator, Lease, and Well No.:

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	<b>Yates</b>	<b>Queen &amp; Grayburg</b>
b. Top and Bottom of Pay Section (Perforations)	<b>2600-2700</b>	<b>3200-3700</b>
c. Type of production (Oil or Gas)	<b>oil</b>	<b>oil</b>
d. Method of Production (Flowing or Artificial Lift)	<b>Flow</b>	<b>Artificial lift</b>

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 No** 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.

**Westwater Corporation, Midland Savings and Loan Bldg., Midland, Texas**

**Chambers and Kennedy, 607 Midland National Bank Bldg., Midland, Texas**

**Iverson and Walsh, et al, c/o B. F. Walsh, 200 Becker Bldg., Artesia, New Mexico**

**Kochans and Walsh, et al, Box 925, Roswell, New Mexico**

**Gulf Oil Corporation, Box 2167, Hobbs, New Mexico**

**H. E. Yates, Box 397, Artesia, New Mexico**

**Neil Saltsch, 716 First National Bank Bldg., Midland, Texas**

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐ . If answer is yes, give date of such notification **Notice given by registered mail 1-17-61.**

CERTIFICATE: I, the undersigned, state that I am the **District Engineer** of the **Sunray Mid-Continent 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.

**am Utilizing two strings of 2 7/8" OD tubing in common well here for casing.**

**we will submit log as per Rule 112-A**

**J. E. Stanton** 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.

## NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

## APPLICATION FOR DUAL COMPLETION \*\*

RECEIVED  
JAN 18 1961  
D. C. C. 7-3-58  
ARTESIA, OFFICE

Field Name <b>H. Stuart Queen-Grayburg &amp; Undesignated Yates</b>		County <b>Eddy</b>	Date <b>January 17, 1961</b>
Operator <b>Sunray Mid-Continent Oil Company</b>		Lease <b>N. M. State "Y"</b>	Well No. <b>2</b>
Location of Well <b>D 11</b>	Section <b>32</b>	Township <b>18S</b>	Range <b>11E</b>

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 ☐
2. If answer is yes, identify one such instance: Order No. **R-1704**; Operator, Lease, and Well No.:

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	<b>Yates</b>	<b>Queen &amp; Grayburg</b>
b. Top and Bottom of Pay Section (Perforations)	<b>2600-2700</b>	<b>3200-3700</b>
c. Type of production (Oil or Gas)	<b>Oil</b>	<b>Oil</b>
d. Method of Production (Flowing or Artificial Lift)	<b>Flow</b>	<b>Artificial Lift</b>

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

- ☒ 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.
- ☒ 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.
- ☒ 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.\*
- ☒ 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.

**Westwater Corporation, Midland Savings and Loan Bldg., Midland, Texas**

**Chambers and Kennedy, 607 Midland National Bank Bldg., Midland, Texas**

**Iverson and Walsh, et al, c/o B. F. Walsh, 100 Booker Bldg., Artesia, New Mexico**

**Kochers and Walsh, et al, Box 915, Roswell, New Mexico**

**Gulf Oil Corporation, Box 2167, Hobbs, New Mexico**

**N. E. Yates, Box 307, Artesia, New Mexico**

**Neil Saltsch, 716 First National Bank Bldg., Midland, Texas**

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐ . If answer is yes, give date of such notification **Notice given by registered mail 1-17-61.**

CERTIFICATE: I, the undersigned, state that I am the **District Engineer** of the **Sunray Mid-Continent 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.

**am Utilizing two strings of 2 7/8" OD tubing in common well bore for casing.**

**we will submit log as per Rule 112-A**

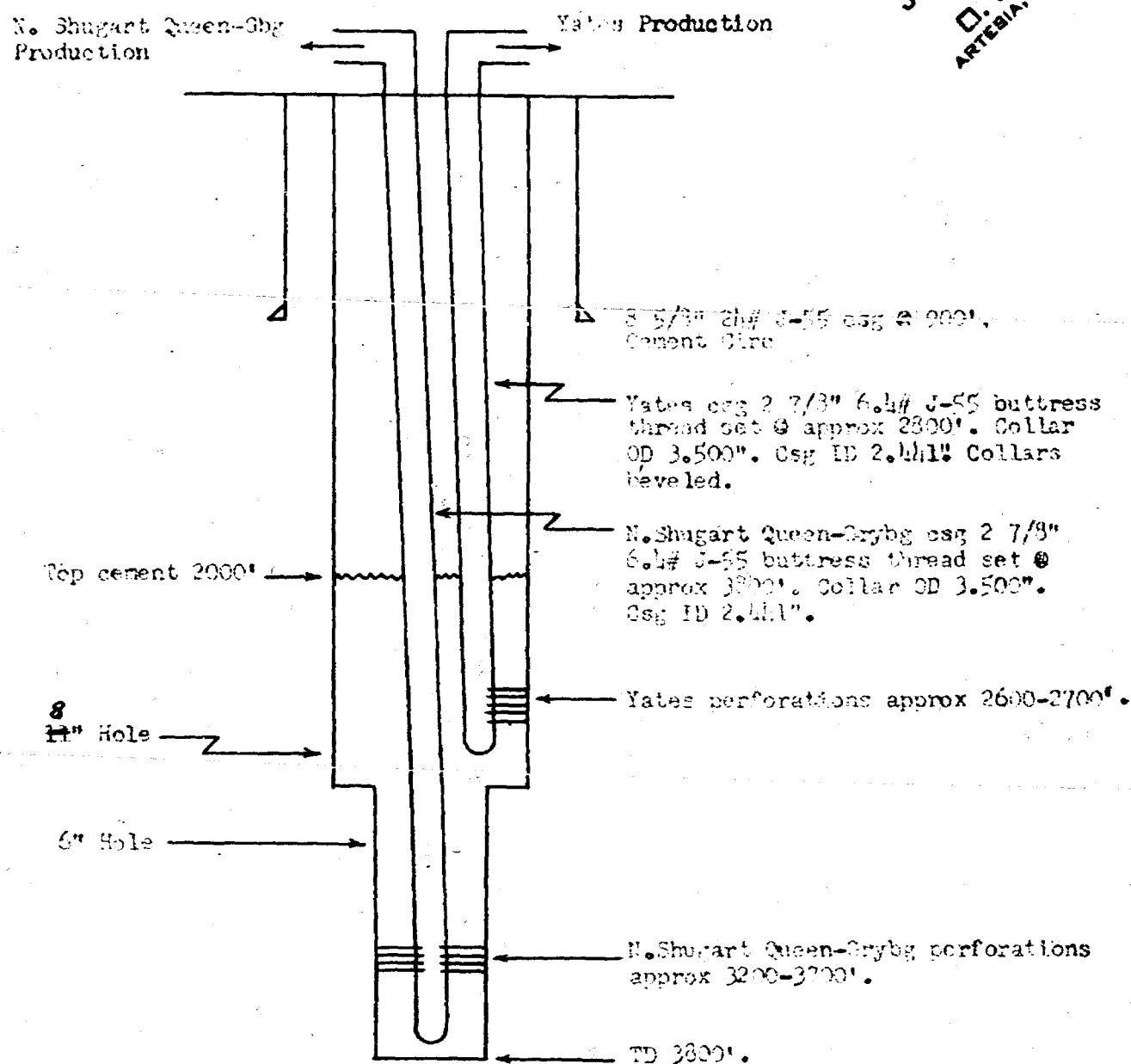
*[Signature]*  
Signature

- \* 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.

Case 2194

DIAGRAMATIC SKETCH  
 SERRAY MTD-CONTINENT OIL COMPANY N. M. STATE "W" No. 2  
 PROPOSED TURBOWIRELESS DUAL COMPLETION  
 N. SHUGART QUEEN-GRAYBURG POOL AND YATES UNDESIGNATED POOL  
 EDDY COUNTY, NEW MEXICO

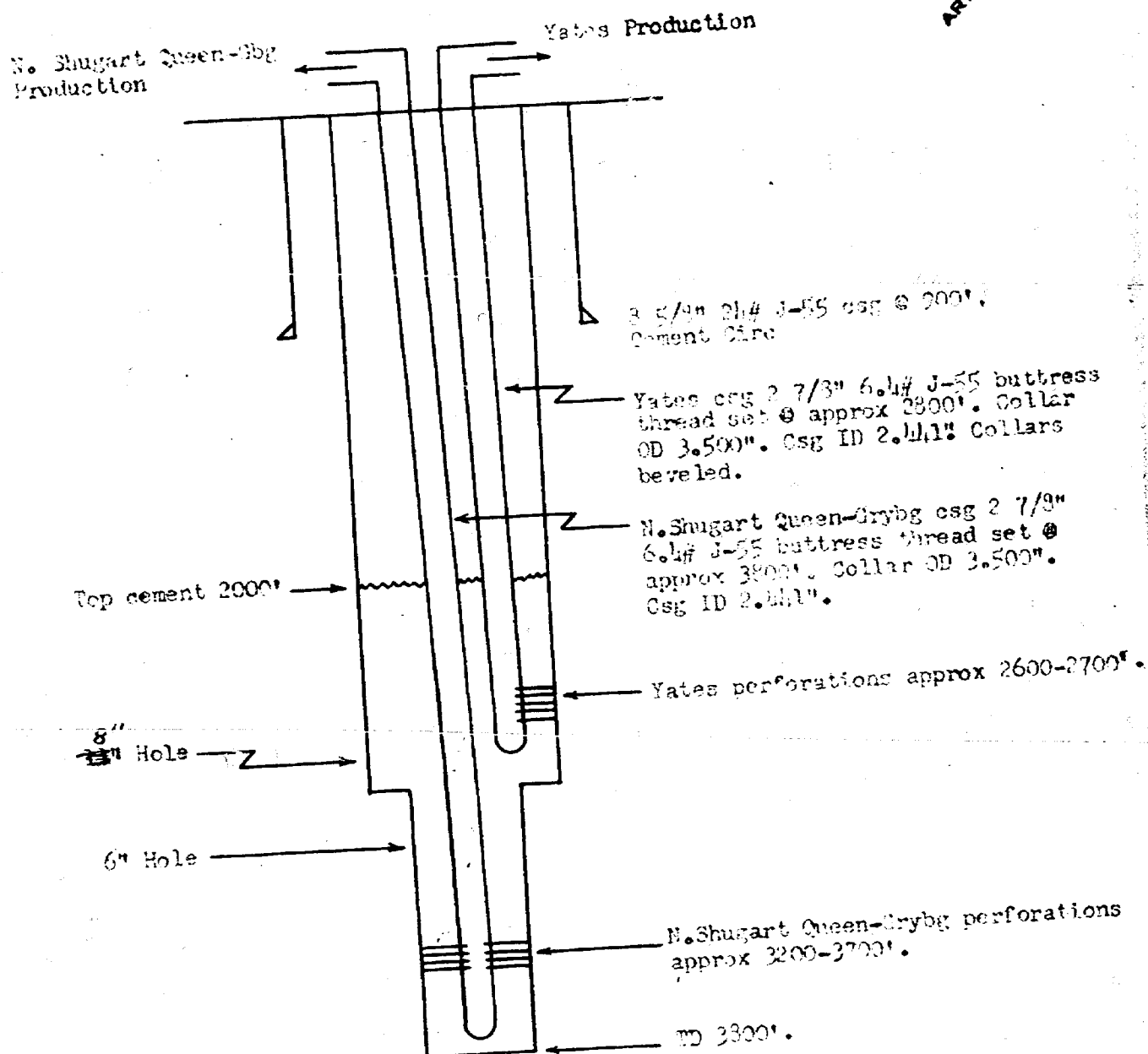
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 JAN 18 1961  
 D. C. C.  
 ARTEZIA, OFFICE



- **NOTES:**
1. Centralizers will be used on 30' spacing from TD up to 100' above Queen-Grayburg pay.
  2. Turbulizers will be used on each joint of both strings from bottom of Yates casing to 100' above Yates pay.
  3. Will cement down long string with sufficient cement to bring cement up to short string and then cement down Yates casing with sufficient cement to bring cement 600' above Yates zone.

DIAGRAMATIC SKETCH  
 SOUTHWEST CONTINENTAL OIL COMPANY M. M. STATE "W" NO. 2  
 PROPOSED TO FINISH DEEP COMPLETION  
 N. SHUGART QUEEN-GRAYBURG POOL AND YATES CORRELATION POOL  
 EDDY COUNTY, NEW MEXICO

Case 2194  
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 JAN 18 1961  
 D. C. C.  
 ARTSIA. OFFICE

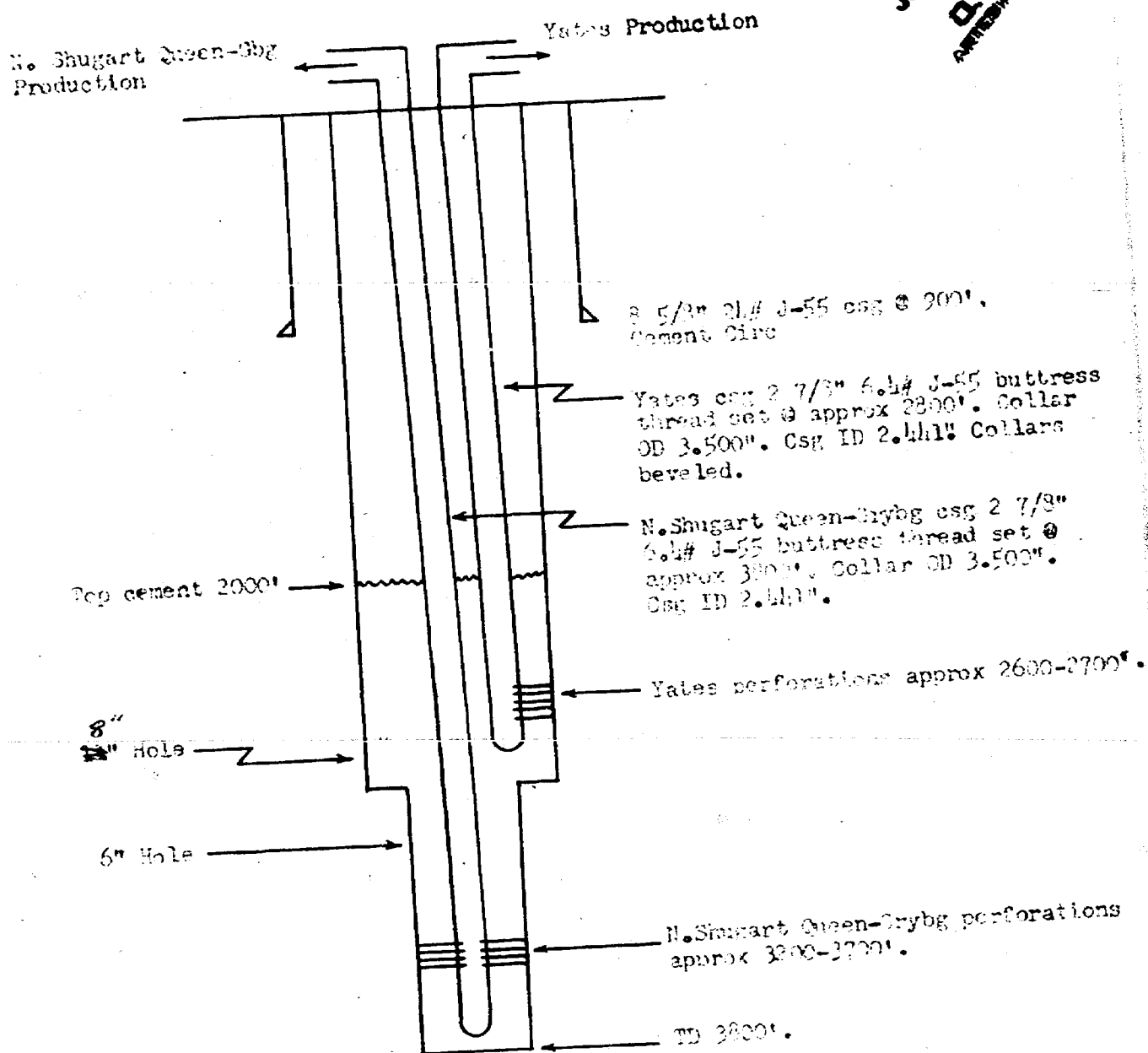


- NOTES:
1. Centralizers will be used on 30' spacing from TD up to 100' above Queen-Grayburg pay.
  2. Turbulizers will be used on each joint of both strings from bottom of Yates casing to 100' above Yates pay.
  3. Will cement down long string with sufficient cement to bring cement up to short string and then cement down Yates casing with sufficient cement to bring cement 600' above Yates zone.

(2194)

DIAGRAMATIC SECTION  
 SUNRAY-MTC-CONTINENT OIL COMPANY N. M. STATE "W" NO. 2  
 PROPOSED THINNESS DUAL COMPLETION  
 N. SHUGART QUEEN-GRAYBURG POOL AND YATES UNDESIGNATED POOL  
 EDDY COUNTY, NEW MEXICO

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 JAN 18 1961  
 D.C.C.  
 ARTIFICIAL LIFT DIVISION

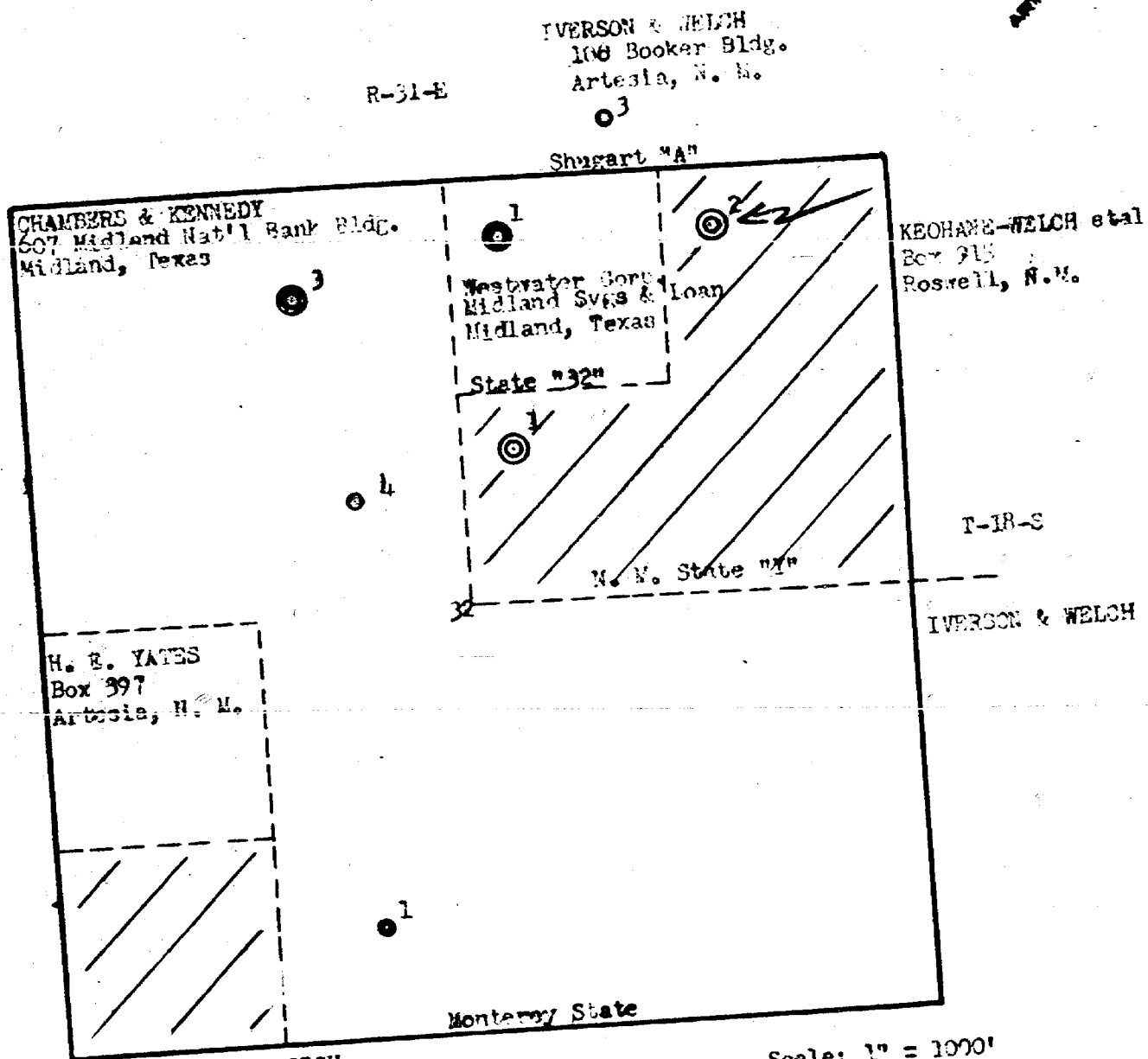


- Notes:
1. Centralizers will be used on 30' spacing from TD up to 100' above Queen-Grayburg pay.
  2. Turbulizers will be used on each joint of both strings from bottom of Yates casing to 100' above Yates pay.
  3. Fill cement down long string with sufficient cement to bring cement up to short string end then cement down Yates casing with sufficient cement to bring cement 600' above Yates zone.



LOCATION PLAT  
SUNRAY MID-CONTINENT OIL COMPANY N. M. STATE "Y" NO. 2  
PROPOSED TUBINGLESS DUAL COMPLETION  
N. SHUGART QUEEN-GRAYBURG POOL AND YATES UNDESIGNATED POOL  
EDDY COUNTY, NEW MEXICO

Case 2144  
RECEIVED  
JAN 18 1961  
D.C.C.  
ARTESIA OFFICE



NEIL SALSICH  
716 First Nat'l Bank  
Midland, Texas  
Pan Am Federal

Scale: 1" = 1000'

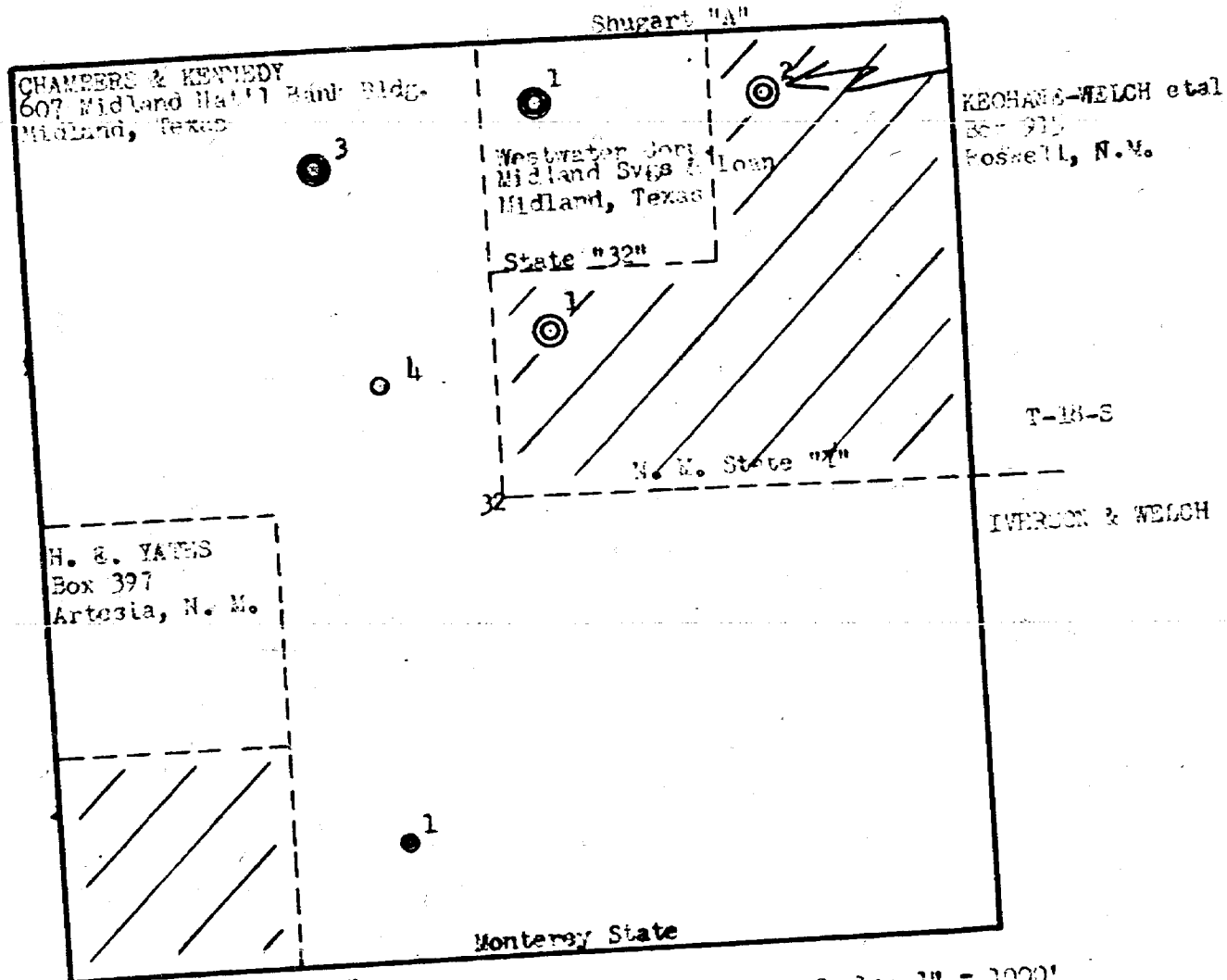
- N. Shugart Queen-Graybg Pool
- Yates Undesignated Pool
- Dual in Yates Undesignated Pool and N. Shugart Queen-Graybg Pool
- ▨ Sunray Mid-Continent Oil Co. N. M. State "Y" Lease

LOCATION PLAN  
 SUNRAY MID-CONTINENT OIL COMPANY N. M. STATE "Y" NO. 2  
 PROPOSED TUBINGLESS DUAL COMPLETION  
 N. SHUGART QUEEN-GRAYBURG POOL AND YATES UNDESIGNATED POOL  
 LEDDY COUNTY, NEW MEXICO

RECEIVED  
 JAN 18 1961  
 D. C. C.  
 ARTESIA OFFICE

R-51-E

IVERSON & WELCH  
 108 Booker Bldg.  
 Artesia, N. M.



H. E. YATES  
 Box 397  
 Artesia, N. M.

Monterey State

NEIL SALSICH  
 716 First Nat'l Bank  
 Midland, Texas  
 Pan Am Federal

Scale: 1" = 1000'

- N. Shugart Queen-Graybe Pool
- Yates Undesignated Pool
- ⊙ Dual in Yates Undesignated Pool and N. Shugart Queen-Graybe Pool
- ▨ Sunray Mid-Continent Oil Co. N. M. State "Y" Lease

Chas 2/19/61

LOCATION MAP  
SUNRAY MID-CONTINENT OIL COMPANY N. M. STATE "Y" NO. 2  
PROPOSED TUBINGLESS DUAL COMPLETION  
N. SHUGART QUEEN-GRYBORG POOL AND YATES UNDESIGNATED POOL  
ERIN COUNTY, NEW MEXICO

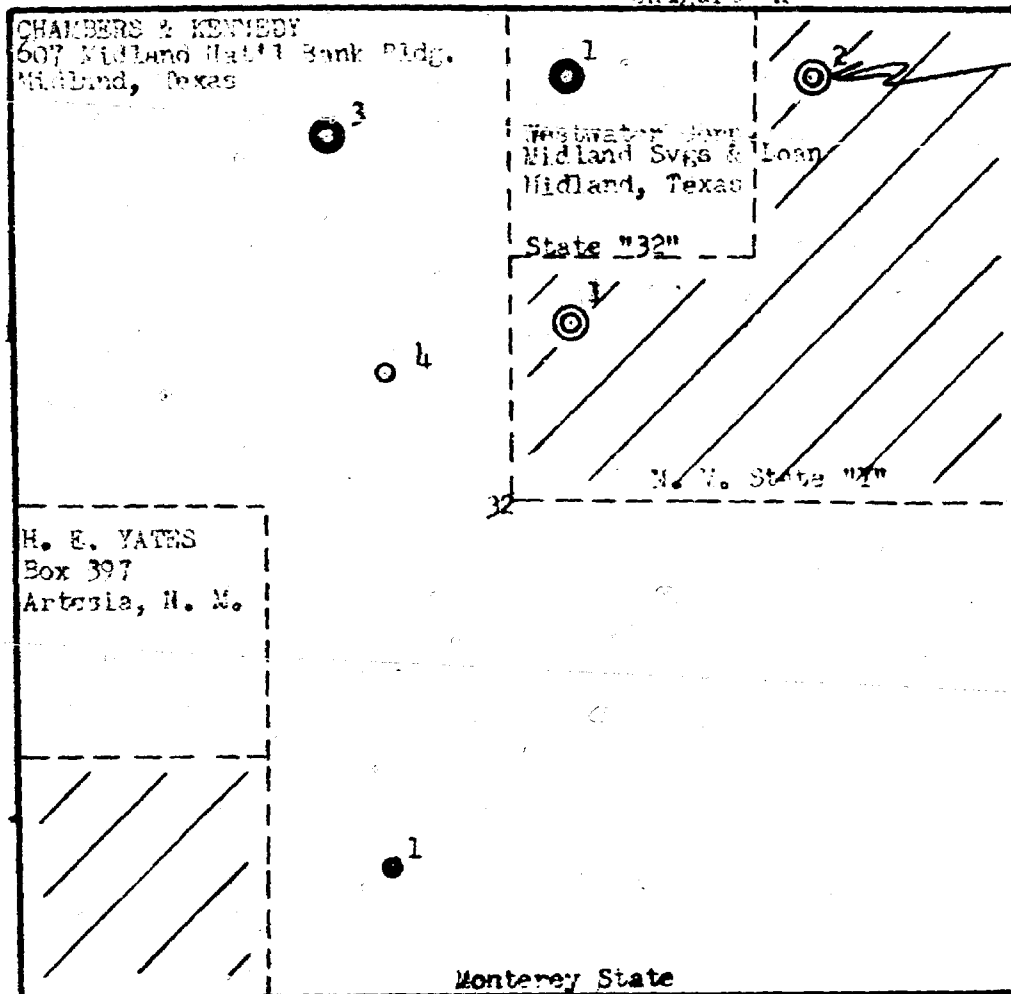
**RECEIVED**  
JAN 18 1961  
D. C. C.  
FEDERAL OFFICE

R-31-E

IVERSON & WELCH  
106 Booker Bldg.  
Artesia, N. M.

3

Shugart "A"



NEIL SALSICH  
716 First Nat'l Bank  
Midland, Texas  
Pan Am Federal

Scale: 1" = 1000'

- N. Shugart Queen-Grybg Pool
- Yates Undesignated Pool
- ⊙ Dual in Yates Undesignated Pool and N. Shugart Queen-Grybg Pool
- ▨ Sunray Mid-Continent Oil Co. N. M. State "Y" Lease

DOCKET: EXAMINER HEARING - THURSDAY, FEBRUARY 23, 1961

OIL CONSERVATION COMMISSION - 9 A.M., CONFERENCE ROOM - STATE LAND OFFICE  
BUILDING, SANTA FE, NEW MEXICO

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The following cases will be heard before Elvis A. Utz, Examiner, or Oliver E. Payne, attorney, as alternate examiner:

CASE 2193: Application of Newmont Oil Company for two unorthodox oil well locations and for one unorthodox location for an injection well. Applicant, in the above-styled cause, seeks approval for two unorthodox oil well locations, and for one unorthodox water injection well location in the Loco Hills Waterflood Project, Eddy County, New Mexico. The proposed locations for the producing wells and injection well are respectively as follows:

Yates A No. 14 Well, 1980 feet from the North line and 1310 feet from the East line of Section 6, Township 18 South, Range 30 East.

Brigham No. 5 Well, 1320 feet from the South line and 990 feet from the East line of Section 31, Township 17 South, Range 30 East.

Brigham No. 4 Well, 1320 feet from the South line and 5 feet from the East line of Section 31, Township 17 South, Range 30 East.

CASE 2187: Application of Continental Oil Company for a 400-acre non-standard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 400-acre non-standard gas proration unit in the Eumont Gas Pool comprising the W/2 W/2 of Section 26, the E/2 E/2 of Section 27, and the E/2 SE/4 of Section 22, all in Township 20 South, Range 37 East, Lea County, New Mexico. Said unit is to be dedicated to the SEMU Eumont Well No. 65, located 2363 feet from the South line and 0 feet from the West line of said Section 26.

CASE 2188: Application of Continental Oil Company for an exception to Rule 26 (a) of Order No. R-1670. Applicant, in the above-styled cause, seeks an exception to Rule 26 (a) of Order No. R-1670 for the reclassification to a Tubbs gas well of its State 10 Well No. 3-D, located 990 feet from the North line and 840 feet from the West line of Section 10, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

CASE 2189: Application of Continental Oil Company for two non-standard gas proration units. Applicant, in the above-styled cause, seeks the establishment of two non-standard gas proration units in the Eumont Gas Pool, Lea County, New Mexico, the first being a 480-acre unit consisting of the S/2 and NE/4 of Section 24 to be dedicated to the SEMU Eumont Well No. 67 located 1980 feet from the South and West lines of said Section 24 and the second being a 280-acre unit consisting of the NW/4 of said Section 24 and the S/2 and NW/4 SW/4 of Section 13 to be dedicated to the SEMU Eumont Well No. 69, located 1980 feet from the North and West lines of Section 24, all in Township 20 South, Range 37 East.

CASE 2190: Application of Continental Oil Company for a 560-acre non-standard gas proration unit. Applicant, in the above-styled cause, seeks the establishment of a 560-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the W/2 of Section 14, the E/2 E/2 of Section 15 and the E/2 NE/4 of Section 22, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit is to be dedicated to the SEMU Eumont Well No. 66, located 1980 feet from the South line and 660 feet from the West line of said Section 14.

CASE 2191: Application of Continental Oil Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the Empire-Abo Pool production from all wells presently completed or hereafter drilled on its State S-30 lease comprising in pertinent part the NW/4 and NW/4 SW/4 of Section 30, Township 17 South, Range 29 East, Eddy County, New Mexico.

CASE 2192: Application of Amerada Petroleum Corporation for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry Oil Pool production from all wells presently completed or hereafter drilled on its State "D" lease, consisting of the NW/4 and its State "H" lease, consisting of the W/2 SE/4, both in Section 1, Township 20 South, Range 36 East, Lea County, New Mexico.

CASE 2194: Application of Sunray Mid-Continent Oil Company for an oil-oil dual completion utilizing two strings of casing.

CASE 2194: (Cont.)

Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State "Y" Well No. 2, located in Unit A, Section 32, Township 18 South, Range 31 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Culwin-Yates Pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 2 7/8-inch casing cemented in a common well bore.

CASE 2195:

Application of Gulf Oil Corporation for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the production from an undesignated Abo pool from all wells presently completed or hereafter drilled on the Lea-State "LB" Lease comprising the NW/4, N/2 SW/4 and SW/4 SW/4 of Section 20, Township 17 South, Range 36 East, Lea County, New Mexico.

CASE 2196:

Application of Gulf Oil Corporation for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle, without separate metering, the production from the Drinkard and Langlie-Mattix Pools from all wells presently completed or hereafter drilled on the Ollie I. Boyd Lease, comprising the S/2 SW/4, NE/4 SW/4 and SW/4 SE/4 of Section 23, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 2197:

Application of Tennessee Gas and Oil Company for the promulgation of temporary special rules and regulations governing the Totah-Gallup Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating temporary special rules and regulations governing the Totah-Gallup Pool, San Juan County, New Mexico, including a provision for 80-acre proration units.

CASE 2198:

Application of H. S. Moss for permission to commingle the production from three separate pools and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the production from the Southwest Gladiola-Wolfcamp Pool, the Southwest Gladiola-Devonian Pool and an undesignated Pennsylvanian Pool from all wells presently completed or hereafter drilled on its D. P. Peck Lease comprising the W/2 of Section 26, Township 12 South Range 37 East, Lea County, New Mexico.

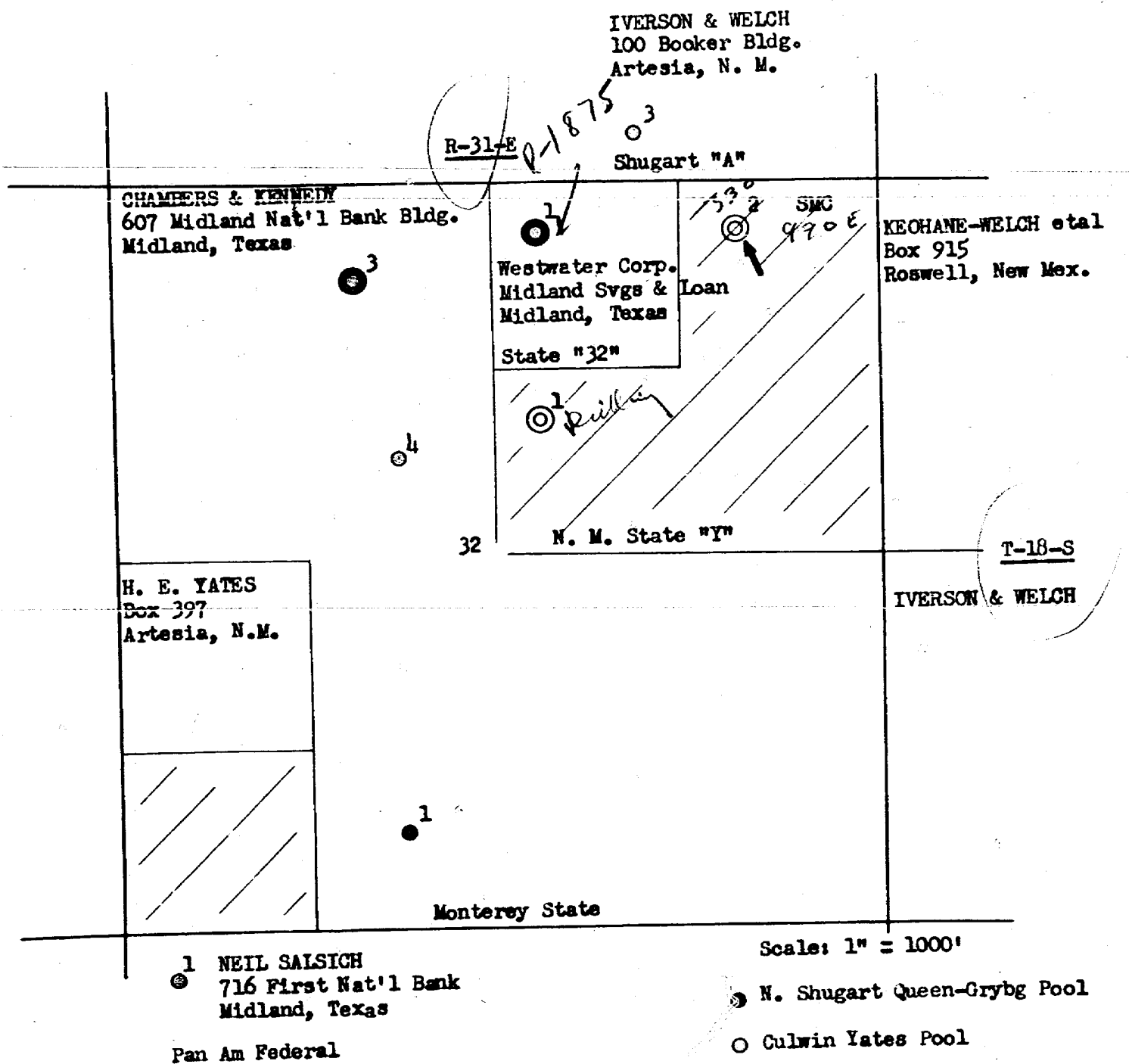
-4-

Docket No. 6-61

CASE 2198: (Cont.)

Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.

LOCATION PLAT  
SUNRAY MID-CONTINENT OIL COMPANY N. M. STATE "Y" NO. 2  
PROPOSED TUBINGLESS DUAL COMPLETION  
N. SHUGART QUEEN-GRAYBURG POOL AND CULWIN-YATES POOL  
EDDY COUNTY, NEW MEXICO



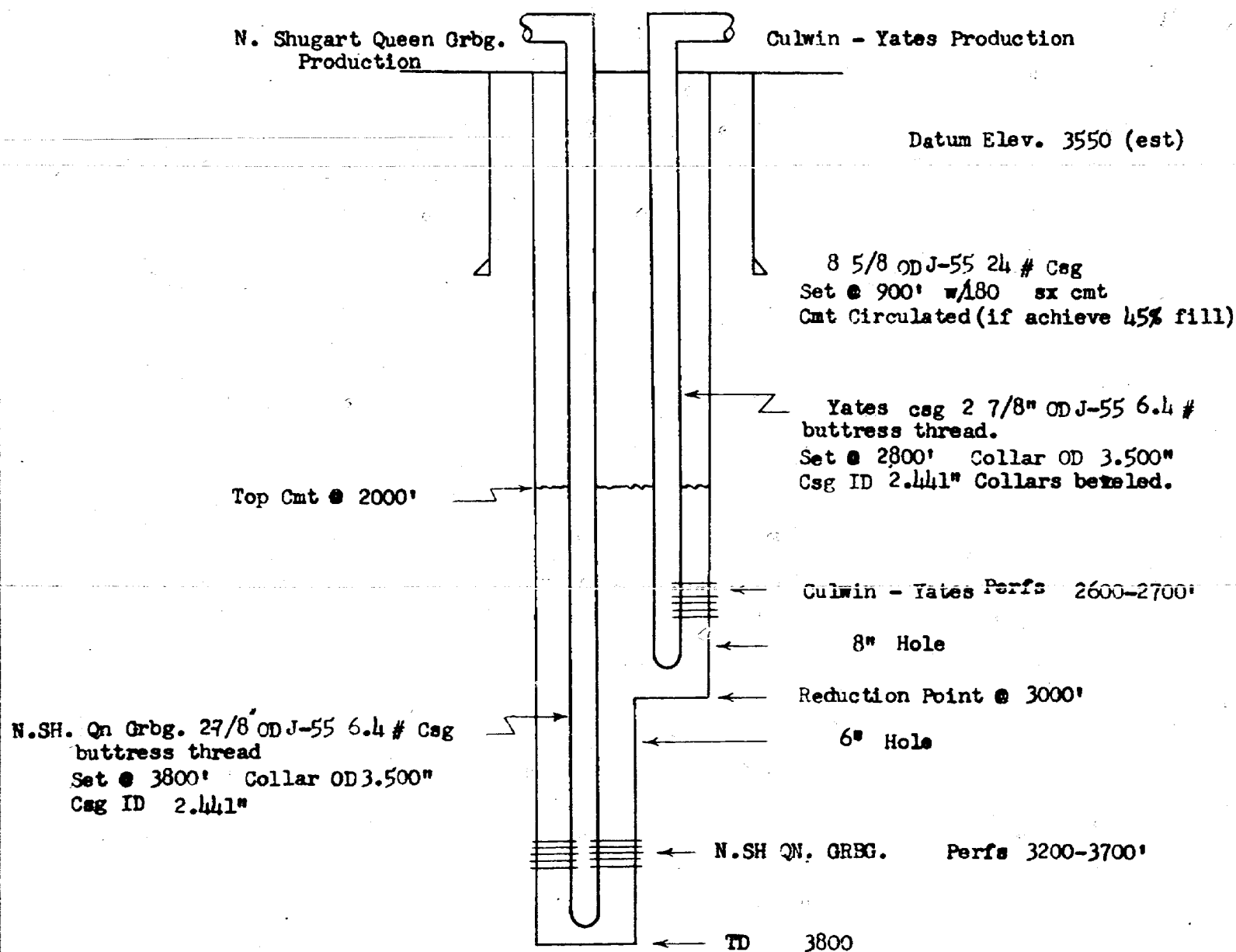
BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 1  
CASE NO. 2194



**TUBINGLESS DUAL COMPLETION**  
**Proposed Conditions**

LEASE, WELL No. 2

N. Shugart Queen-Grayburg & Culwin-Yates pools  
Eddy County, New Mexico



- NOTES: 1. Centralizers will be used on 30' spacing from TD up to 100' above Queen-Grayburg pay.
2. Turbulizers will be used on each joint of both strings from bottom of Yates casing to 100' above Yates pay.
3. Will cement down long string with sufficient cement to bring cement up to short string and then cement down Yates casing with sufficient cement to bring cement 600' above Yates zone.
- BEFORE EXAMINER UTZ

with sufficient cement to bring c  
BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 2  
CASE NO. 2194

Case 2194

Heard. 2-23-61

E-24-61

1. Grant Sun-Ray's request for a  
slim hole dual consisting of 2 strings  
of 2 7/8 inch casing.

2. Dual will be completed in the  
Culwin - Yates - upper zone  
N. Shubert - Green Knobby. Lower zone

3. Centratigen or Turboligen shall be  
used thru each producing formation  
and to a point at least 500 ft.  
above each formation.

✓ 4. The two strings shall be cemented  
from the ~~bottom~~<sup>base</sup> of the Knobby to  
a point 600 ft. above the Yates.

5. Usual ~~for~~ Dual order otherwise

Wes R. R.

OEP/esr  
March 1, 1961

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

Order No. R-1892

## ORDER OF THE COMMISSION

This cause came on for hearing at 9 o'clock a.m. on February 23, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, 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 \_\_\_\_\_ day of March, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

(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, Sunray Mid-Continent Oil Company, is the owner and operator of the State "Y" Well No. 2, located, in Unit A, Section 32, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.

(3) That the applicant proposes to dually complete the above-described State "Y" Well No. 2 in such a manner as to permit the production of oil from the Culwin-Yates Pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 2 7/8-inch tubing cemented in a common well bore.

(4) That casing centralizers or turbolizers should be installed at thirty-foot intervals throughout the producing formations and to a point at least one hundred feet above each producing formation.

(5) That the two casing strings should be ~~two-stage~~  
*cemented*  
~~cemented~~ so as to bring the cement from the base of the Grayburg formation to a point six hundred feet above the Yates formation.

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

IT IS THEREFORE ORDERED:

That the applicant, Sunray Mid-Continent Oil Company, be and the same is hereby authorized to dually complete its State "Y" Well No. 2, located in Unit A, Section 32, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Culwin-Yates Pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 2 7/8-inch tubing cemented in a common well bore.

PROVIDED HOWEVER, That casing centralizers or turbolizers shall be installed at thirty-foot intervals throughout the producing formations and to a point at least one hundred feet above each producing formation.

PROVIDED FURTHER, That the two casing strings shall be ~~two-stage~~ cemented so as to bring the cement from the base of the Grayburg formation to a point six hundred feet above the Yates formation.

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

PROVIDED FURTHER, That the applicant shall take communication tests upon completion and annually thereafter, or as otherwise prescribed by the Secretary-Director.

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 the protection of correlative rights. Upon failure of the applicant to comply

-3-

CASE No. 2194

with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

GOVERNOR  
EDWIN L. MECHEM  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**

LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER



P. O. BOX 671  
SANTA FE

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

March 7, 1961

Mr. Chas. White  
Gilbert, White & Gilbert  
Box 787  
Santa Fe, New Mexico

Re: Case No. 2194  
Order No. R-1892  
Applicant:  
Sunray Mid-Continent

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

ir/

Carbon copy of order also sent to:

Hobbs OCC X  
Artesia OCC X  
Aztec OCC       

OTHER

**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. 2194  
Order No. R-1892**

**APPLICATION OF SUNRAY MID-CONTINENT  
OIL COMPANY FOR AN OIL-OIL DUAL  
COMPLETION UTILIZING TWO STRINGS OF  
CASING, CULVIN-YATES POOL AND NORTH  
SHUGART QUEEN-GRAYBURY POOL, EDDY  
COUNTY, NEW MEXICO.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on February 23, 1961, 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 3rd day of March, 1961, 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, Sunray Mid-Continent Oil Company, is the owner and operator of the State "Y" Well No. 2, located in Unit A, Section 32, Township 18 South, Range 31 East, NEM, Eddy County, New Mexico.

(3) That the applicant proposes to dually complete the above-described State "Y" Well No. 2 in such a manner as to permit the production of oil from the Culvin-Yates Pool and the production of oil from the North Shugart Queen-Graybury Pool through parallel strings of 2 7/8-inch tubing cemented in a common well bore.

(4) That casing centralizers or turbolizers should be installed at thirty-foot intervals throughout the producing formations and to a point at least one hundred feet above each producing formation.

CASE No. 2194  
Order No. R-1892

(5) That the two casing strings should be cemented so as to bring the cement from the base of the Grayburg formation to a point six hundred feet above the Yates formation.

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

IT IS THEREFORE ORDERED:

That the applicant, Sunray Mid-Continent Oil Company, be and the same is hereby authorized to dually complete its State "Y" Well No. 2, located in Unit A, Section 33, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the production of oil from the Galvin-Yates Pool and the production of oil from the North Shugart-Queen-Grayburg Pool through parallel strings of 2 7/8-inch tubing cemented in a common well bore.

PROVIDED HOWEVER, That casing centralizers or turbolizers shall be installed at thirty-foot intervals throughout the producing formations and to a point at least one hundred feet above each producing formation.

PROVIDED FURTHER, That the two casing strings shall be cemented so as to bring the cement from the base of the Grayburg formation to a point six hundred feet above the Yates formation.

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

PROVIDED FURTHER, That the applicant shall take communication tests upon completion and annually thereafter, or as otherwise prescribed by the Secretary-Director.

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 the protection of correlative rights. Upon failure of the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.



-3-

CASE No. 2194  
Order No. R-1892

DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



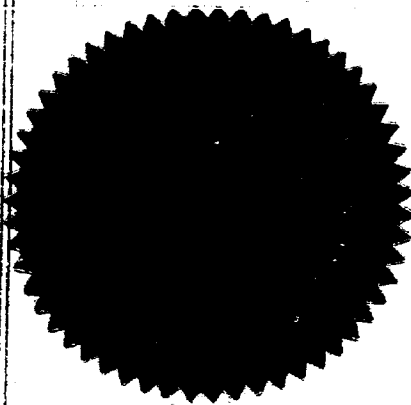
EDWIN L. HEGGEN, Chairman



E. S. WALKER, Member



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



END/

**OIL CONSERVATION COMMISSION**

P. O. BOX 871

SANTA FE, NEW MEXICO

May 15, 1961

**Sunray Mid-Continent Oil Company**  
P. O. Box 128  
Hobbs, New Mexico

Attention: Mr. C. T. McClanahan

Gentlemen:

Reference is made to your letter of April 28, 1961, wherein you point out that Sunray Mid-Continent's N. M. State "Y" Well No. 2, authorized by the Commission in Order No. B-1892 to be dually completed as a Yates and Queen-Graybury producer in the Culwin area, had been completed as a single producer in the Yates.

Inasmuch as a single string tubingless producer from the Yates is eligible for approval in this area, your single well completion is satisfactory.

Approval thereof is hereby granted.

Very truly yours,

A. L. FORNER, Jr.  
Secretary-Director

ALB/DSM/ir

cc: Mr. M. L. Armstrong  
Oil Conservation Commission  
Artesia, New Mexico

Case File No. 2194

# SUNRAY MID-CONTINENT OIL COMPANY

P. O. BOX 128  
HOBBS, NEW MEXICO

April 28, 1961

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

Attention: Mr. D. S. Nutter

Subject: Sunray Mid-Continent Oil Company  
N. M. State "Y" No. 2 Section 32-  
T18S-R31E, Eddy County, New Mexico

Gentlemen:

In accordance with the suggestion of Mr. D. S. Nutter in telephone conversation with D. E. Berry, Jr. of Sunray Mid-Continent Oil Company on April 20, 1961, we are submitting this letter concerning the completion of subject well.

This well was approved for a tubingless dual completion by Order No. R-1892 dated March 3, 1961. Upon drilling the well to total depth, it was determined that the proposed lower pay (Queen-Grayburg) was non-commercial. It was therefore necessary to use only one string of 2 7/8" OD casing to effect a single completion in the pay of the Culwin-Yates Pool.

The well has now been completed and potentialized. Details of the work are shown on the attached Forms C-103, C-105.

Please advise if any further data or procedure are necessary for approval of this well.

Sincerely,

SUNRAY MID-CONTINENT OIL COMPANY

*C. T. McClanahan*  
C. T. McClanahan  
District Manager

DEB/db

cc: District 2 NMOCC - Artesia w/attachments  
SMC - Midland, Texas w/attachments



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

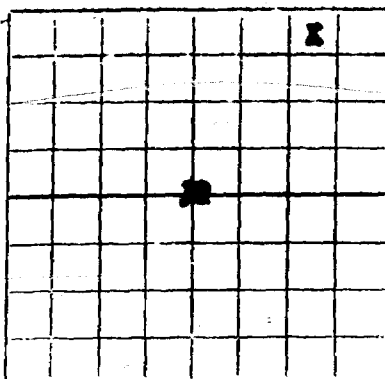
## NEW MEXICO OIL CONSERVATION COMMISSION

FORM C-103  
(Rev 3-55)

## MISCELLANEOUS REPORTS ON WELLS

(Submit to appropriate District Office as per Commission Rule 1106)

Name of Company <b>Sunray Mid-Continent Oil Company</b>		Address <b>P. O. Box 126 Hobbs, New Mexico</b>				
Lease <b>N. M. State "T"</b>	Well No. <b>2</b>	Unit Letter <b>A</b>	Section <b>32</b>	Township <b>33S</b>	Range <b>12E</b>	
Work Order No. <b>1/17/61</b>	Pool <b>Calvin Yates</b>		County <b>Sady</b>			
THIS IS A REPORT OF: (Check appropriate block)						
<input type="checkbox"/> Beginning Drilling Operations		<input checked="" type="checkbox"/> Casing Test and Cement Job		<input checked="" type="checkbox"/> Other (Explain): <b>Completion work</b>		
<input type="checkbox"/> Plugging		<input type="checkbox"/> Remedial Work				
Detailed account of work done, nature and quantity of materials used, and results obtained.						
<p>1. Drilled to 29 3/4' (6" hole to 2900' and 5 1/2" hole to 29 3/4'). Plugged hole back to 29 3/4' w/pan gravel, 29 3/4'-75' w/12" sand, and 75'-2900' w/pan gravel.</p> <p>2. Ran 2 1/2" bitstring and casing to 2911'. Used centralizers 10' spacing in up to 2900'. Cemented w/30% oil base cement 21 gal. Temperature survey showed cement @ 2845'. Plug down 500' P.M. 1/17/61.</p> <p>3. Wet 24 hrs and pressure tested casing to 2800 psi.</p> <p>4. Perforated 2 holes @ 2820-28', 2840-28', 2860-27', 2876-28', 2702-23', 2706-23'.</p> <p>5. Fractured zone with 20,000 gal refined oil and 42,000 gal sand.</p> <p>6. Well now producing.</p> <p>* Non-commercial show in Queen-Croftburg section. Therefore, we did not run 2 strings of casing as planned.</p>						
Witnessed by <b>C. W. Roberts</b>		Position <b>Drilling Foreman</b>		Company <b>Sunray Mid-Continent Oil Company</b>		
FILL IN BELOW FOR REMEDIAL WORK REPORTS ONLY						
ORIGINAL WELL DATA						
D F Elev.	T D	P B T D	Producing Interval	Completion Date		
Tubing Diameter	Tubing Depth	Oil String Diameter	Oil String Depth			
Perforated Interval(s)						
Open Hole Interval			Producing Formation(s)			
RESULTS OF WORKOVER						
Test	Date of Test	Oil Production BPD	Gas Production MCFPD	Water Production BPD	GOR Cubic feet/Bbl	Gas Well Potential MCFPD
Before Workover						
After Workover						
OIL CONSERVATION COMMISSION				I hereby certify that the information given above is true and complete to the best of my knowledge.		
Approved by				Name <b>R. L. Berry</b>		
Title				Position <b>Staff Engineer</b>		
Date				Company <b>Sunray Mid-Continent Oil Company</b>		



AREA 640 ACRES  
LOCATE WELL CORRECTLY

## NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

## WELL RECORD

Mail to District Office, Oil Conservation Commission, to which Form C-101 was sent not later than twenty days after completion of well. Follow instructions in Rules and Regulations of the Commission. Submit in QUINTUPLICATE.

**Happy Mid-Continent Oil Company** N. M. State "TX"  
(Company or Operator) (Lease)  
Well No. **2**, in **2E** 1/4 of **2E** 1/4, of Sec. **2E**, T. **24N**, R. **24E**, NMPM.  
**Culbertson** Pool, **24N** County.  
Well is **220** feet from **North** line and **720** feet from **East** line  
of Section **2E**. If State Land the Oil and Gas Lease No. is **2-20061**.  
Drilling Commenced **March 24**, 19**61** Drilling was Completed **April 21**, 19**61**.  
Name of Drilling Contractor **Academy Drilling Company**  
Address **P. O. Box 706 San Angelo, Texas**  
Elevation above sea level at Top of Tubing Head **3400** The information given is to be kept confidential until  
**can release**, 19**61**.

## OIL SANDS OR ZONES

No. 1, from **220** to **270** No. 4, from \_\_\_\_\_ to \_\_\_\_\_  
No. 2, from \_\_\_\_\_ to \_\_\_\_\_ No. 5, from \_\_\_\_\_ to \_\_\_\_\_  
No. 3, from \_\_\_\_\_ to \_\_\_\_\_ No. 6, from \_\_\_\_\_ to \_\_\_\_\_

## IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from **220** to **270** feet. **well test 1 gal water**  
No. 2, from **270** to **270** feet. **" " " "**  
No. 3, from **270** to **270** feet. **hole still water**  
No. 4, from **270** to **270** feet. **well test 1 to 2 gal water**

## CASING RECORD

SIZE	WEIGHT PER FOOT	NEW OR USED	AMOUNT	KIND OF SHOE	CUT AND PULLED FROM	PERFORATIONS	PURPOSE
<b>1 1/2"</b>	<b>25</b>	<b>New</b>	<b>271</b>	<b>Reamer Shoe</b>	<b>0</b>	<b>None</b>	<b>Start Log</b>
<b>1 1/2"</b>	<b>25</b>	<b>New</b>	<b>271</b>	<b>Reamer Shoe</b>	<b>0</b>	<b>See 2000-0700</b>	<b>Prod. Log</b>

## MUDDING AND CEMENTING RECORD

SIZE OF HOLE	SIZE OF CASING	WHERE SET	NO. SACKS OF CEMENT	METHOD USED	MUD GRAVITY	AMOUNT OF MUD USED
<b>2 1/2" &amp; 2 7/8"</b>	<b>1 1/2"</b>	<b>271</b>	<b>25</b>	<b>Pump &amp; Plug</b>	<b>Cable tool hole</b>	
				<b>Pump &amp; Plug</b>	<b>Cable tool hole</b>	

## RECORD OF PRODUCTION AND STIMULATION

(Record the Process used, No. of Qts. or Gals. used, interval treated or shot.)

**From 1/20,000 gal refined oil & 1/2,000 gal sand & AIR 22.7 LPM @ 6000 to 1750 psi using 3 Allison down 2 7/8" CD casing in 4 stages using rubber balls. Break formation down initially w/acid @ 2300 psi.**

Result of Production Stimulation **POTENTIAL for 300 BOPD, no water, on 22/61 stable @ 1500 TP**

Depth Cleaned Out **2000 inside 2 7/8" cas**

# RECORD OF DRILL-STEM AND SPECIAL TESTS

If drill-stem or other special tests or deviation surveys were made, submit report on separate sheet and attach hereto

## TOOLS USED

Rotary tools were used from 0 feet to 3743 feet, and from 0 feet to 0 feet.  
Cable tools were used from 0 feet to 0 feet, and from 0 feet to 0 feet.

## PRODUCTION

Put to Producing April 27, 1961, 19

OIL WELL: The production during the first 24 hours was 260 barrels of liquid of which 200 % was oil; 0 % was emulsion; 0 % water; and 0 % was sediment. A.P.I. Gravity 26.3° API

GAS WELL: The production during the first 24 hours was 0 M.C.F. plus 0 barrels of liquid Hydrocarbon. Shut in Pressure 0 lbs.

Length of Time Shut in 0

PLEASE INDICATE BELOW FORMATION TOPS (IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE):

Southeastern New Mexico			Northwestern New Mexico		
T. Anhy	3743		T. Devonian		T. Ojo Alamo
T. Salt			T. Silurian		T. Kirtland-Fruitland
B. Salt			T. Montoya		T. Farmington
T. Yates	3743		T. Simpson		T. Pictured Cliffs
T. 7 Rivers	3743		T. McKee		T. Menefee
T. Queen	3743		T. Ellenburger		T. Point Lookout
T. Grayburg	3743		T. Gr. Wash		T. Mancos
T. San Andres			T. Granite	3743	T. Dakota
T. Glorieta			T. Permian	3743	T. Morrison
T. Drinkard			T.		T. Penn
T. Tubbs			T.		T.
T. Abo			T.		T.
T. Penn			T.		T.
T. Miss			T.		T.

## FORMATION RECORD

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	3743	3743	Permian				
0	3743	3743	Anhy				
0	3743	3743	Salt				
0	3743	3743	Salt				
0	3743	3743	Yates				
0	3743	3743	7 Rivers				
0	3743	3743	Queen				
0	3743	3743	Grayburg				
0	3743	3743	San Andres				
0	3743	3743	Glorieta				
0	3743	3743	Drinkard				
0	3743	3743	Tubbs				
0	3743	3743	Abo				
0	3743	3743	Penn				
0	3743	3743	Miss				

ATTACH SEPARATE SHEET IF ADDITIONAL SPACE IS NEEDED

I hereby swear or affirm that the information given herewith is a complete and correct record of the well and all work done on it so far as can be determined from available records.

Company or Operator **Berry Mid-Continent Oil Co.**

Name **B. L. Berry, Jr.** *B. L. Berry Jr*

Address **P. O. Box 128 Hobbs, New Mexico**

Position or Title **Staff Engineer**

**4/28/61**  
(Date)

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
February 23, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Sunray Mid-Continent Oil Company for  
and 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 "Y" Well No. 2, located in Unit A, Sec-  
tion 32, Township 08 South, Range 31 East, Eddy  
County, New Mexico, in such a manner as to permit  
the production of oil from the Culwin-Yates Pool  
and the production of oil from the North Shugart  
Queen-Grayburg Pool through parallel strings of  
2 7/8-inch casing cemented in a common well bore.

CASE  
2194

BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

(Marked Applicant's  
Exhibits No's. 1 & 2  
for identification.)

MR. UTZ: Case 2194.

MR. PAYNE: Case 2194: Application of Sunray Mid-  
Continent Oil Company for an oil-oil dual completion utilizing two  
strings of casing.

MR. WHITE: L. C. White of Gilbert White & Gilbert,  
Santa Fe, New Mexico. We will have one witness and representing  
the Applicant will be Bill Loar of the New Mexico Bar Association.

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

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



(Witness sworn.)

D. E. BERRY, JR.,

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

## DIRECT EXAMINATION

BY MR. LOAR:

Q Will you state your name and occupation?

A D. E. Berry, Jr., Staff Engineer employed by Sunray Mid-Continent Oil Company at the Hobbs District Office.

Q Are you a graduate of an accredited engineer's school?

A Yes sir.

Q What school is that?

A University of Tulsa, 1952.

Q Since that time, except for a tour of duty in the Navy, have you been performing engineering duties for the Sunray Mid-Continent Oil Company to the present time?

A That is correct.

Q During the last year and a half, have you been in the Hobbs office doing petroleum duties?

A Yes sir.

MR. LOAR: Are his qualifications acceptable?

MR. UTZ: Yes.

Q (By Mr. Loar) Are you familiar in this case of the tub-  
ingless dual oil in the North Shugart Queen-Grayburg Pool and the  
Culwin-Yates Pool, Eddy County, New Mexico?

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO





DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

A Yes sir.

Q Would you please refer to what has been made as Exhibit Number 1 and point out what that reflects?

A Exhibit Number 1 is a plat showing the location of our proposed well, and shows the surrounding wells and our New Mexico State "Y" No. 1 which is now being drilled. Also the Sunray Mid-Continent acreage as the cross-wedged area.

Q And a thick line is Sunray's where there is an arrow pointing to it?

A Yes.

Q Has Well No. 1 received approval from the Oil Conservation Commission in Order R-1875?

A Yes sir.

Q Dated sometime this month?

A Yes.

Q What is the location of Well No. 2?

A It is 330 feet from the North line and 990 feet from the East line of Section 32, Township 18 South, Range 31 East, Eddy County, New Mexico.

Q All right, sir, have you prepared a schematic of the proposed application of this well?

A Yes sir.

Q That has been made Exhibit 2; would you proceed through that?

A Exhibit Number 2 shows our New Mexico State "Y" No. 2



## DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CN 3-6691

ALBUQUERQUE, NEW MEXICO

a proposed Tubingless Dual Completion. It is proposed to run two parallel strings of casings and cement the strings of the casing in common well bore. We will run set approximately 900 feet of eight and five-eighths casing and cement this casing with a 180 sacks of cement; an eight-inch hole will be drilled to a depth of 3,000 feet at which point the hole size will be reduced to six inches of the six inch.

Q Now, this production will occur approximately 300 feet below the Culwin-Yates?

A Yes sir.

Q Would you go ahead

A The six inch hole will be carried on to a depth of 3,800 feet, and the reason for reducing the size of the hole is to reduce the amount of cement which must be penetrated during the procedure for aiding operations on the lower zone. The lower zone will be in the North Shugart Queen-Grayburg Pool of approximately 3,200 to 3,700 feet, and the upper completion after the Culwin-Yates proble at an approximate 2,600 to 2,700 feet. The casing which we plan to use is two and seven-eighths OD buttress thread casing. Each string of casing will be set to the respective pay zones of about 70 feet. The ID of this casing is 2.441 inches and the OD is 3.50 inches on the collars which will leave a toatl clearance of one inch. The casing equipment will consist of a Phillip baffle plate -- or collar, excuse me -- to install one joint about 30 feet -- the guide shoe. The guide shoe and Phillip



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

baffle plate will be installed at each string of casing.

We will install Centralizers on 30 foot spacing from the bottom of the long strings to approximately 100 feet above the top of the lower pay. We will install Turbulizers on each joint of each string of the casing from the level at the setting point of the short string of the casing up to a point approximately 100 feet above the top of the upper pay. The cementing procedure will be to pump cement down the long string of casing, first with sufficient cement to bring the cement up to the bottom of the short string of the casing.

Then we will immediately pump cement down the short string of the casing to bring the cement on the point approximately 600 feet above the top of the upper pay. We will use latched-in type cementing plugs for this operation, and we will use separate pumps to pump the plug down to insure that we have approximately 40 feet of clean casing below the lowest anticipated perforation for each pay. We will perforate the lower zone using a conventional tubing perforator, and we will perforate the short string of the casing into the upper pay using the orientation tool to prevent perforation of the upper string of the casing.

We plan to treat both zones by fracturing, using refined oil from sand. If an artificial lift of either or both of these zones is needed, we plan on running a retrievable type shoe on the pump with conventional sucker rods. If we run into a gas interference problem in the operation of the pump, we will use hollow sucker rods.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

Q Will this type of completion save the operators a substantial sum of money?

A Yes sir.

Q Would the completion in these two zones be of doubtful examination if more familiar methods were used?

A Yes sir, they would be doubtful.

Q In your opinion, would the authorization of this type of completion prevent waste?

A Yes.

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

A Yes, they were.

MR. LOAR: I would like at this time to offer Exhibits 1 and 2.

MR. UTZ: Without objections, Exhibits 1 and 2 will be entered into the record.

# CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Berry, your turbulizers are going to be on the short string?

A No sir, on the bottom strings.

Q Up to a point of a 100 feet above the Culwin-Yates perforation?

A Yes sir.

Q But you will have Centralizers on your long strings from



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

the bottom of your short strings through the pay zone of the North Shugart Queen-Grayburg?

A No sir, we plan on running the Centralizers from the bottom of the long string to 100 feet above the top of the lower pay.

Q I see, so there will be a space from 100 feet above the North Shugart on the bottom of the short string. Will that have any Centralizers or Turbulizers?

A Yes sir.

Q That will be around 400?

A Yes sir.

MR. UTZ: Any other questions?

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Berry, do you feel that this completion method will insure that there is no commingling between the two production horizons?

A Yes sir, I do.

Q Do you also feel that it will protect all fresh water and other gas- and oil-bearing strata?

A Yes sir, the casing depth -- the eight and five-eighths -- that casing that we propose is below all known fresh water zones, and the Yates formations, both, fall within a hydrocarbon producing zone.

Q Does your completion method differ initially from Order



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A No sir, it's essentially the same.

MR. UTZ: Any other questions?

RE-DIRECT EXAMINATION

BY MR. LOAR:

Q Would you say that this well would have more cement and more protection to all zonings than the standard completions that are usually made in this area.

A Yes sir, most of the completions use less casing and less cement under more conventional types of completion.

MR. UTZ: Any other questions? The witness may be excused. (Witness excused.)

MR. UTZ: Any other statements in this case? The case will be taken under advisement.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, LA VERNE E. JAMES, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 3<sup>rd</sup> day of March, 1961.

My Commission expires:  
January 6, 1965.

*La Verne E. James*  
Notary Public Court Reporter

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ALBUQUERQUE, NEW MEXICO

