

Case No.

196

Application, Transcript,
Small Exhibits, Etc.

November 2, 1949

Mr. A. Gackle
Clay and Gackle Contracting Company
1304 Fair Building
Fort Worth 2, Texas

Dear Mr. Gackle:

We enclose herewith, signed copy of Case No. 196, Order No. 838,
in connection with the hearing held in Santa Fe, on September 20,
1949.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

November 2, 1949

Mr. Foster Morrell
United States Geological Survey
P. O. Box 997
Roswell, New Mexico

Dear Mr. Morrell:

We enclose herewith, signed copy of Case No. 196, Order No. 838,
in connection with the hearing held in Santa Fe, on September 20,
1949.

This is for your records.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

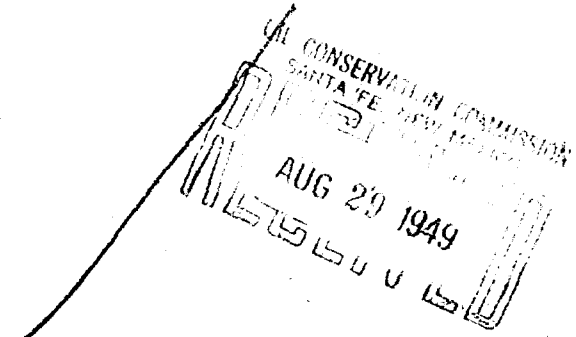
RRS:bw
encl.

CLAY & GACKLE CONTRACTING COMPANY

RUFUS G. CLAY
FORT WORTH, TEXAS
ALBERT GACKLE
HOBBS, NEW MEXICO

1804 FAIR BUILDING
FORT WORTH 2 TEXAS

IN THE MATTER OF THE APPLICATION OF
RUFUS G. CLAY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE "GEO.
ETZ WELL #1", COOPER JAL POOL, SWSW
SEC. 27, T. 23S, R. 36E, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



APPLICATION

COMES NOW Rufus G. Clay, an individual, of Fort Worth, Texas, operating in New Mexico from field office in Hobbs, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico that he has completed the Geo. Etz Well #1, in the SWSW Sec. 27, T. 23S, R. 36E, N.M.P.M. Lea County, New Mexico. This well is producing from the Seven Rivers Formation from an interval 3373' through 3393', through tubing with packer set at 3364'. 5 1/2" casing is set at 2990'.

Applicant further represents that a high pressure gas zone exists at an approximate depth of 301C' in the Yates Formation which gas is at present separated from the producing oil zone by formation packer, and that it is practical and economically feasible to produce this gas through the annulus between casing and tubing with proper casing head connection.

WHEREFORE, applicant ask that permission be granted to re-complete this well to produce from both the Yates Gas Zone and the Seven Rivers Oil Zone.

Plat is attached hereto showing location of wells in vicinity, copy of which plat and this application has been furnished to all offset operators.

Done at Hobbs, New Mexico, on this 22nd day of August, 1949.

Respectfully Submitted

RUFUS G. CLAY

By A. Gackle

September 12, 1949

Mr. Glenn Staley
Lea County Operators Committee
Drawer I
Hobbs, New Mexico

Dear Glenn:

We enclose herewith copy of application of Rufus G. Clay for an order granting permission to dually complete Geo. Stz Well No. 1 in the SW $\frac{1}{4}$ Sec. 27, T. 23 S., R. 36 E., N.M.P.M., in the Cooper-Jal pool, Lea County, New Mexico.

This is in connection with Case No. 196, to be heard at our September 20th hearing.

Very truly yours,

R. R. Spurrer
Secretary-Director

RUS:bw
encl.

September 12, 1949

Mr. Foster Morrell
United States Geological Survey
P. O. Box 997
Roswell, New Mexico

Dear Mr. Morrell:

In reply to your letter of September 9th, we enclose herewith copy of application of Rufus G. Clay for an order granting permission to dually complete Etz Well No. 1 in the ~~S. 27~~ sec. 27, T. 23 S., R. 36 E., N.M.P.M., in the Cooper-Jal pool, Lea County, New Mexico.

Very truly yours,

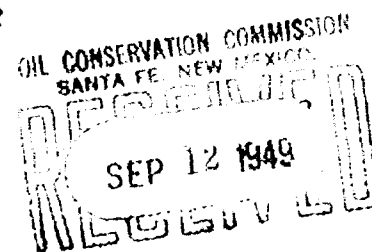
R. R. Spurrier
Secretary-Director

RRS:bw
encls.



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P.O. Box 997
Roswell, New Mexico
September 9, 1949



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

Dear Mr. Spurrier:

Reference is made to your Notice of Publication of hearing to be held on September 20, 1949 including Case 196 involving an application of Rufus G. Clay for an order granting permission to dually complete Etz Well No. 1 in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 27, T. 23 S., R. 36 E., N.M.P.M., in the Cooper-Jal pool, Lea County, New Mexico.

The well referred to in Case 196 is a direct north and east offset to Federal oil and gas leases operated by Continental Oil Company. Accordingly, we are directly interested and concerned with respect to the proposed dual completion of the Etz Well No. 1. Will you kindly furnish this office with a copy of the application in order that we may properly consider the nature and manner in which the dual completion is proposed.

It seems unfortunate that announcement of the hearing to be held September 20 was not made during the hearing held in Santa Fe on September 7 and 8 so that interested parties who were in Santa Fe at that time would be informed.

Very truly yours,

Foster Morrell
Foster Morrell,
Oil and Gas Supervisor.

*Received in Roswell
Sept. 7*

September 1, 1949

HOBBS NEWS SUN

Hobbs, New Mexico

Re: Case 196
Notice of Publication

Please publish the enclosed notice once, immediately. Please proof read the notice carefully and send a copy of the paper carrying such notice to this office.

UPON COMPLETION OF THE PUBLICATION SEND PUBLISHER'S AFFIDAVIT IN DUPLICATE.

For payment please submit statement in duplicate, and sign and return the enclosed voucher.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RUS:bw
encl.

September 26, 1949

Mr. W. D. Girard, Jr.
Neal & Girard
Neal Building
Hobbs, New Mexico

Dear Mr. Girard:

In reply to your letter of September 22nd, we wish to advise that the order you mention has not yet been written, due to the fact that we have not yet received the transcript of the hearing, from our court reporter.

As soon as the transcript is received, we will immediately write up the order, forwarding a copy to you, as per your request.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw

C. MELVIN NEAL
W. D. GIRAND, JR.

Mr. Graham

NEAL & GIRAND
LAWYERS
NEAL BUILDING
HOBBS, NEW MEXICO

September 22, 1949

New Mexico Oil Conservation Commission,
Box 871,
Santa Fe, New Mexico.
Attention: Mr. R. R. Spurrier, Director.

Dear Dick:

I would appreciate it very much if you would furnish us with a copy of the Commissioner's Order entered in the Matter of the Application of Rufus G. Clay For A Duel Completion of Geo. Etz Well #1 Cooper-Jal Pool, SW $\frac{1}{4}$ SW $\frac{1}{4}$ S. 27, T. 23N., R. 36E., N.M.P.M., Lea County, New Mexico.

Thanking you, I remain

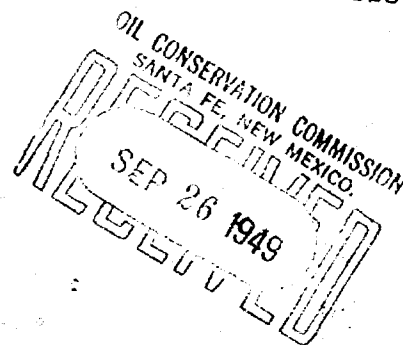
Very truly yours,
NEAL & GIRAND,

BY: *W. D. Girand*

G/lis

Case 196

TELEPHONE: 54 & 854
P. O. Box 1326



C O P Y

IN THE MATTER OF THE APPLICATION OF
RUFUS G. CLAY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE "GEO.
ETZ WELL #1", COOPER JAL POOL, SWSW
SEC. 27, T. 23S, R. 36E, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

COMES NOW Rufus G. Clay, an individual, of Fort Worth, Texas, operating in New Mexico from field office in Hobbs, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico that he has completed the Geo. Etz Well #1, in the SWSW Sec. 27, T. 23S, R. 36E, N.M.P.M., Lea County, New Mexico. This well is producing from the Seven Rivers Formation from an interval 3373' through 3393' through tubing with packer set at 3364'. 5-1/2" casing is set at 2990'.

WHEREFORE, applicant ask that permission be granted to re-complete this well to produce from both the Yates Gas Zone and the Seven Rivers Oil Zone.

Done at Hobbs, New Mexico, on this 22nd day of August, 1949.

RUFUS G. CLAY

C O P Y

C O P Y

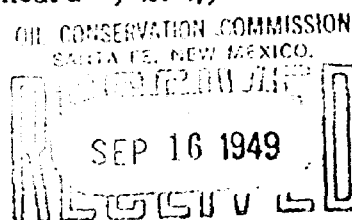
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C O P Y

CLAY & GACKLE CONTRACTING COMPANY
1804 Fair Building
Fort Worth 2, Texas

IN THE MATTER OF THE APPLICATION OF
RUFUS G. CLAY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE "GEO.
ETZ WELL #1", COOPER JAL FCOL, SWSW
SEC. 27, T. 23S, R. 36E, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

CASE 196
To be heard 9-20-49



APPLICATION

COMES NOW Rufus G. Clay, an individual, of Fort Worth, Texas, operating in New Mexico from field office in Hobbs, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico that he has completed the Geo. Etz Well #1, in the SWSW Sec. 27, T. 23S, R. 36E, N.M.P.M., Lea County, New Mexico. This well is producing from the Seven Rivers Formation from an interval 3373' through 3393' through tubing with packer set at 3364'. 5-1/2" casing is set at 2990'.

Applicant further represents that a high pressure gas zone exists at an approximate depth of 3010' in the Yates Formation which gas is at present separated from the producing oil zone by formation packer, and that it is practical and economically feasible to produce this gas through the annulus between casing and tubing with proper casing head connection.

WHEREFORE, applicant ask that permission be granted to re-complete this well to produce from both the Yates Gas Zone and the Seven Rivers Oil Zone.

Plat is attached hereto showing location of wells in vicinity, copy of which plat and this application has been furnished to all offset operators.

Done at Hobbs, New Mexico, on this 22nd day of August, 1949.

Respectfully submitted

RUFUS G. CLAY

By: A. Gackle

C O P Y

LEA COUNTY OPERATORS COMMITTEE
HOBBS, NEW MEXICO
September 13, 1949

C O P Y

CLAY & GACKLE CONTRACTING COMPANY
1804 Fair Building
Fort Worth 2, Texas

CASE 196
To be heard 9-20-49

IN THE MATTER OF THE APPLICATION OF
RUFUS G. CLAY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE "GEO.
ETZ WELL #1", COOPER JAL POOL, SWSW
SEC. 27, T. 23S, R. 36E, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

APPLICATION

COMES NOW Rufus G. Clay, an individual, of Fort Worth, Texas, operating in New Mexico from field office in Hobbs, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico that he has completed the Geo. Etz Well #1, in the SWSW Sec. 27, T. 23S, R. 36E, N.M.P.M., Lea County, New Mexico. This well is producing from the Seven Rivers Formation from an interval 3373' through 3393' through tubing with packer set at 3364'. 5-1/2" casing is set at 2990'.

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WHEREFORE, applicant ask that permission be granted to re-complete this well to produce from both the Yates Gas Zone and the Seven Rivers Oil Zone.

Plat is attached hereto showing location of wells in vicinity, copy of which plat and this application has been furnished to all offset operators.

Done at Hobbs, New Mexico, on this 22nd day of August, 1949.

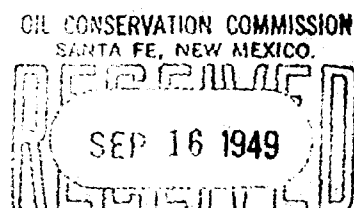
Respectfully submitted

RUFUS G. CLAY

By: A. Gackle

C O P Y

LEA COUNTY OPERATORS COMMITTEE
HOBBS, NEW MEXICO
September 13, 1949



NOTICE OF ADJUDICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice, pursuant to law, of the following public hearings to be held September 20, 1949, beginning at 10:00 o'clock A.M., on that day in the City of Santa Fe, New Mexico in the Senate Chambers.

STATE OF NEW MEXICO 10:

All named parties in the following cases, and notice to the public:

Case 195

In the matter of the application of Slick-Moorman Oil Company, a co-partnership of San Antonio, Texas, for an order approving the Huorano Unit Agreement, covering 63,122.05 acres in Township 25 North, Ranges 9 and 10 West; Township 26 North, Ranges 9, 10 and 11 West; Township 27 North, Ranges 9, 10 and 11 West, in San Juan County, New Mexico.

Case 196

In the matter of the application of Rufus G. Clay, an Individual of Fort Worth, Texas for an order granting permission to dually complete Geo. Etz. Well No. 1, in SW/4SW/4 Section 27, Township 23 South, Range 36 East, N.M.P.M. in the Cooper-Jal pool, Lea County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico at Santa Fe, New Mexico, on September 1, 1949.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrick
R. R. SPURRICK, SECRETARY



UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P.O. Box 997
Roswell, New Mexico

September 14, 1949

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



Dear Mr. Spurrier:

Reference is made to the application of Rufus G. Clay for an order granting permission to dually complete Etz Well No. 1 in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 27, T. 23 S., R. 36 E., N.M.P.M. in the Cooper-Jal pool, Lea County, New Mexico. Public hearing on this application is scheduled to be heard under Case 196 on September 20, 1949.

I wish to acknowledge receipt and thank you for your letter of September 12 furnishing me with a copy of the application of Rufus G. Clay. It appears that the proposal provides for a dual completion to separate by formation packer, gas well gas from the Yates formation and oil production from the Seven Rivers formation. This office is interested in the proposed work as the well is an east and north offset to Federal leases.

The proposed dual completion is similar to several such completions recently made in sec. 36, T. 23 S., R. 36 E. under the authority of Commission Orders 750, 801, 810 and 829 in the Langlie-Mattix pool.

This is to advise that this office offers no objection to dual completion of Etz Well No. 1 as requested by Mr. Clay providing requirements are made for adequate testing to assure prevention of commingling of gas and fluid hydrocarbons from the two different producing reservoirs.

Very truly yours,

Foster Morrell

Foster Morrell,
Oil and Gas Supervisor.

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea

I, Robert L. Summers

Of the Hobbs Daily News-Sun, a
daily newspaper published at Hobbs,
New Mexico, do solemnly swear that
the clipping attached hereto was
published once a week in the regular
and entire issue of said paper, and
not in a supplement thereof for a

period of One weeks.

beginning with the issue dated September 4, 1949

and ending with the issue dated September 4, 1949

Robert L. Summers
Publisher.

Sworn and subscribed to before me

this 6 day of September, 1949

Betty Bear
Notary Public.

My commission expires January 25, 1949

(Seal)

This newspaper is duly qualified
to publish legal notices or ad-
vertisements within the mean-
ing of Section 3, Chapter 167,
Laws of 1937, and payment of
fees for said publication has
been made.

LEGAL NOTICE
Sept. 4 1949

NOTICE OF PUBLICATION

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The State of New Mexico by
its Oil Conservation Commission
hereby gives notice, pursuant to
law, of the following public hear-
ing to be held September 20,
1949, beginning at 10:00 o'clock
A. M., on that day in the City
of Santa Fe, New Mexico in the
Senate Chambers.

STATE OF NEW MEXICO

TO:

All named parties in the
following case, and
notice to the public:

Case 196—

In the matter of the application
of Rufus G. Clay, an Individ-
ual, of Fort Worth, Texas for
an order granting permission
to dually complete Geo. Etz
Well No. 1, SW 1/4 SW 1/4
Section 27, Township 23 South,
Range 36 East, N. M. P. M.,
in the Cooper-Jal pool, Lea
County, New Mexico.

GIVEN under the seal of the
Oil Conservation Commission of
New Mexico at Santa Fe, New
Mexico, on September 1, 1949.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

R. R. SPURRIER,
Secretary.

(Seal)

NOTICE OF PUBLIC HEARING
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice, pursuant to law, of the following public hearings to be held September 20, 1949, beginning at 10:00 o'clock A.M., on that day in the City of Santa Fe, New Mexico in the Senate Chamber.

STATE OF NEW MEXICO

All named parties in the following cases, and notice to the public:

Case 195

In the matter of the application of Chick-Borren Oil Company, a co-partnership of San Antonio, Texas, for an order approving the Huertano Unit Agreement, covering 63,122.05 acres in Township 25 North, Ranges 9 and 10 West; Township 26 North, Ranges 9, 10 and 11 West; Township 27 North, Ranges 9, 10 and 11 West, in San Juan County, New Mexico.

Case 196

In the matter of the application of Rufus G. Gray, an individual of Fort Worth, Texas for an order granting permission to dually complete Sec. 12, Well No. 1, in SW/4th/4 Section 27, Township 23 South, Range 36 East, N.M.P.M. in the Cooper-Jal pool, Lea County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico at Santa Fe, New Mexico, on September 1, 1949.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. SPURRIER, SECRETARY

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 196
ORDER NO. 838

THE APPLICATION OF RUFUS G. CLAY, AN
INDIVIDUAL OF FORT WORTH, TEXAS, FOR AN
ORDER GRANTING PERMISSION TO DUALY
COMPLETE GEO. ETZ. WELL NO. 1, IN
SOUTHWEST QUARTER SOUTHWEST QUARTER
SECTION 27, TOWNSHIP 23 SOUTH, RANGE
36 EAST, N.M.P.M. IN THE COOPER-JAL
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 10:00 o'clock a.m. on the 20th day of
September 1949 at Santa Fe, New Mexico, before the Oil Conservation
Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 19th day of October 1949, the Commission having before it for
consideration the testimony adduced at said hearing and being fully advised
in the premises,

FINDS:

1. That due public notice having been given, as provided by law, the
Commission has jurisdiction of this cause and the subject matter thereof.
2. That although recent experiments tend to show that mechanical
packers and other devices are now available for engineeringly successful
dual completions, the Commission is not convinced of the soundness of dual
completions as a general practice in New Mexico without specific controls
over each such project.

IT IS THEREFORE ORDERED:

That effective September 20, 1949, Rufus G. Clay, an individual, the applicant
herein, be and he hereby is granted permission to dually complete and pro-
duce his Geo. Etz Well No. 1, located in the southwest quarter southwest
quarter section 27, T.23 S, R.36 E, N.M.P.M., Lea County, New Mexico, in such
manner that gas from the Yates sand through the annulus and oil from the
Seven Rivers formation through the tubing by means of packer control, and

PROVIDED that said wells shall be completed and produced in such a manner
that there will be no commingling within the well bore of the well of gas or
oil and gas produced from the two separate strata, and

PROVIDED FURTHER that said well must be equipped in such a manner that
reservoir pressures may be determined on each of the two specified strata
separately, and further, that said well must be equipped with all
necessary connections required to permit recording meters to be installed and
used at any time so that when such meters are installed all natural gas,
oil, and/or oil and gas from each separate stratum may be accurately measured
and the gas-oil ratio determined, and

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PROVIDED FURTHER that the operator shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any time and in such manner as deemed necessary the the Commission. The original and all subsequent tests shall be witnessed by a representative of the Commission and by representatives of offset operators, if any there be, and the results of each test properly attested to by the applicant herein and all witnesses and shall be filed with the Commission within ten days after the actual completion of each such test, and,

PROVIDED FURTHER that prior to the time said well is dually completed the applicant shall supply the Commission for its approval with plat or drawing showing the proposed method and manner of completion, together with an electrical or radioactive log showing the location and extent of each separate stratum and the proposed perforations, and,

PROVIDED FURTHER that upon the dual completion of the well the applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to produce the seal from both zones or strata, showing tube and location of packers, other devices used, location and extent of perforations, name and depth of each producing zone or stratum, and special report of production, gas-oilratio and reservoir pressure determinations of each horizon or stratum at the time of completion.

IT IS FURTHER PROVIDED and so ordered by the Commission that upon failure of applicant to comply with any provision or provisions of the order then the authority hereunder shall immediately terminate.

IT IS FURTHER ORDERED that jurisdiction in the case is hereby retained by the Commission for such further order or orders in the premises as may seem necessary or convenient to the Commission, and the case shall not be considered as establishing a precedent of authorizing general dual completions in the Cooper-Jal pool.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


THOMAS J. MABRY, CHAIRMAN


GUY SHEPARD, MEMBER


R. R. SPURRIER, SECRETARY