

CASE 3140: Application of CAULKINS  
for a non-standard location and a  
dual completion, Rio Arriba County

CASE No.

3140

Application,

TRANSCRIPTS,

SMALL Exhibits

ETC.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 3140  
Order No. R-2811

APPLICATION OF CAULKINS OIL COMPANY  
FOR A NON-STANDARD LOCATION AND A  
DUAL COMPLETION, RIO ARriba COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 12, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 24th day of November, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Caulkins Oil Company, seeks an exception to the Special Rules and Regulations governing the South Blanco-Pictured Cliffs Gas Pool and the Special Rules and Regulations governing the Basin-Dakota Gas Pool to complete its Breech B Well No. PD-123 at an unorthodox location 700 feet from the North line and 1800 feet from the East line of Section 7, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

(3) That the applicant also seeks authority to complete the subject well as a dual completion (conventional) to produce gas from the South Blanco-Pictured Cliffs Gas Pool through 1 1/4-inch tubing and to produce gas from the Basin-Dakota Gas Pool.

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CASE No. 3140  
Order No. R-2811

through 2 3/8-inch tubing, with separation of zones by a packer set at approximately 6385 feet.

(4) That the subject well was completed as a water injection well in the Tocito formation pursuant to the provisions of Order No. R-1191-B but has not been an effective injection well.

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

(6) That approval of the subject application will prevent the drilling of unnecessary wells and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby granted an exception to the Special Rules and Regulations governing the South Blanco-Pictured Cliffs Gas Pool and the Special Rules and Regulations governing the Basin-Dakota Gas Pool to complete its Breech B Well No. PD-123 at an unorthodox location 700 feet from the North line and 1800 feet from the East line of Section 7, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

(2) That the applicant is hereby authorized to complete the subject well as a dual completion (conventional) to produce gas from the South Blanco-Pictured Cliffs Gas Pool through 1 1/4-inch tubing and to produce gas from the Basin-Dakota Gas Pool through 2 3/8-inch tubing, with separation of zones by a packer set at approximately 6385 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Deliverability Test Period for the Basin-Dakota Gas Pool.

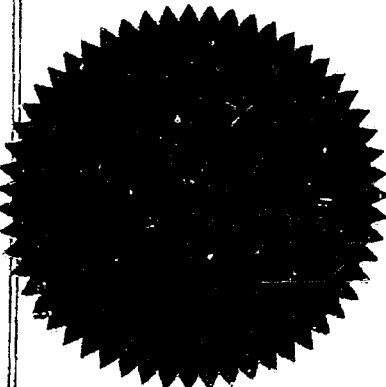
-3-

CASE No. 3140  
Order No. R-2811

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



*Jack M. Campbell*

JACK M. CAMPBELL, Chairman

*E. S. Walker*

E. S. WALKER, Member

*A. L. Porter, Jr.*

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

esr/

GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER

P. O. BOX 2088  
SANTA FE

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

November 24, 1964

Mr. Jason Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: CASE NO. 3140  
ORDER NO. R-2811  
APPLICANT CAULKINS

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                   

Aztec OCC       x      

OTHER

DRAFT

JMD/esr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

CF Subj. \_\_\_\_\_

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

CASE No. 3140

Order No. R-3811

APPLICATION OF CAULKINS OIL COMPANY  
FOR A NON-STANDARD LOCATION AND A  
DUAL COMPLETION, RIO ARRIBA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
November 12, 1964, at Santa Fe, New Mexico, before Examiner  
~~XXXXXXXXXXXXXXXXXXXX~~ Elvis A. Utz.

NOW, on this \_\_\_\_\_ day of November, 1964, the Commission,  
a quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, 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, Caulkins Oil Company, seeks an  
exception to the Special Rules and Regulations governing the  
South Blanco-Pictured Cliffs Pool to <sup>Complete</sup> ~~drill~~ its Breech B Well No.  
PD-123 at an unorthodox ~~South Blanco-Pictured Cliffs~~ location  
700 feet from the North line and 1800 feet from the East line of  
Section 7, Township 26 North, Range 6 West, NMPM, Rio Arriba  
County, New Mexico.

(3) That the applicant also seeks authority to complete  
the subject well as a dual completion (conventional) to produce

*and the Special Rules and Regulations governing  
the Basin-Blanco-Pictured Cliffs Pool*

gas from the South Blanco-Pictured Cliffs <sup>Gas</sup> Pool through 1 1/4-inch tubing and to produce gas from the Basin-Dakota Gas Pool through 2 3/8-inch tubing, with separation of zones by a packer set at approximately 6385 feet.

- (4) That the subject well was completed as a water injection well in the Sacro formation pursuant to the provisions of Order No R-1191-B but has not ~~proven to be~~ <sup>been</sup> an effective injection well.
- (5) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (6) That approval of the subject application will prevent the drilling of unnecessary wells and will otherwise prevent waste and protect correlative rights.



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CASE No. 3140

during the Reliability Test Period for the Gas-Santa  
Gas Pool.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

RECEIVED  
OCT 16 1934  
BEFORE THE OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
CAULKINS OIL COMPANY FOR APPROVAL  
OF DUAL COMPLETION OF ITS BREECH B  
WELL NO. PD-123 AND ITS BREECH C WELL  
NO. D-144 AND FOR UNORTHODOX WELL  
LOCATIONS IN THE PICTURED CLIFFS AND  
THE SOUTH BLANCO-TOCITO POOLS, RIO  
ARRIBA COUNTY, NEW MEXICO.

*200-3170*

A P P L I C A T I O N

Comes now Caulkins Oil Company and applies to the Oil  
Conservation Commission of New Mexico for the following:

1. Approval of the dual completion of its Breech B  
Well No. PD-123, located 700 feet from the North line and  
1,800 feet from the East line of Section 7, Township 26  
North, Range 6 West, N.M.P.M., for production from the South  
Blanco-Pictured Cliffs Gas Pool and the Basin Dakota Gas Pool,  
Rio Arriba County, New Mexico.
2. Approval of an unorthodox well location for the Breech  
B Well No. PD-123 for production from the South Blanco-Pictured  
Cliffs Gas Pool at the above-described location.
3. Approval of the dual completion of its Breech C Well  
No. D-144, located 990 feet from the North line and 1,090  
feet from the East line of Section 12, Township 26 North,  
Range 6 West, N.M.P.M., for production from the Basin Dakota  
Gas Pool, and the South Blanco-Tocito Pool, Rio Arriba County,  
New Mexico.
4. Approval of an unorthodox well location for the Breech  
C Well No. D-144 for production from the South Blanco-Tocito  
Pool at the above described location.

-JWK:

Conductor Oil Co  
plots & sketch requested  
in your letter of 10-15-64  
for Branch "B" PD-123

OK  
3/10

Submitted herewith are plats showing the area involved in this application, together with schematic diagrams of the proposed dual completions.

Approval of this application is in the interests of conservation and the prevention of waste.

WHEREFORE, applicant pray that this application be set for hearing before the Commission's duly appointed examiner, and that after notice and hearing as required by law, the Commission enter its order approving the application of Caulkins Oil Company in this case.

Respectfully submitted,

CAULKINS OIL COMPANY

By Jason W. Kellahin  
Kellahin & Fox  
P. O. Box 1769  
Santa Fe, New Mexico

ATTORNEYS FOR APPLICANT

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54 1/2 EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO

TELEPHONES  
933-9396  
2-2991

October 15, 1964

Oil Conservation Commission  
of New Mexico  
P. O. Box 2088  
Santa Fe, New Mexico

Gentlemen:

Enclosed find three copies of application of Caulkins Oil Company for unorthodox well locations and dual completions, as more fully set out in application, for filing. The application is being forwarded at this time so that it may be advertised in time for the November 12 examiner hearing.

The exhibits referred to in the application are not available at this time, however, they will be forwarded as soon as received.

Very truly yours,

KELLAHIN & FOX

*Jason W. Kellahin*  
Jason W. Kellahin

JWK:mas  
enclosures  
cc/enclosures: Mr. Art Holland  
Mr. Frank Gray

DOCKET MAILED

Date 10-30-64

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. 1420  
Order No. R-1191-B

APPLICATION OF CAULKINS OIL  
COMPANY AND EL PASO NATURAL GAS  
PRODUCTS COMPANY FOR AN ORDER  
AMENDING IN CERTAIN PARTICULARS  
THE SPECIAL RULES GOVERNING THE  
SOUTH BLANCO-TOCITO WATER  
INJECTION PROJECT IN RIO ARriba  
COUNTY, NEW MEXICO, AS SET FORTH  
IN ORDER R-1191, FOR PERMISSION  
TO CONVERT TWO WELLS IN SAID  
PROJECT TO WATER INJECTION, FOR  
PERMISSION TO DUALY COMPLETE A  
WELL IN SAID PROJECT AS A  
PRODUCING-INJECTION WELL AND  
FOR APPROVAL OF AN UNORTHODOX LOCA-  
TION FOR SAID WELL

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 8, 1959, at Santa Fe, New Mexico, before E. J. Fischer, Examiner duly appointed by the New Mexico Oil Conservation Commission in accordance with Rule 1214 of the Commission Rules and Regulations, and Order No. R-1191-A was entered denying the application in one respect, whereupon this case came on for hearing de novo at 9 o'clock a.m. on July 15, 1959.

NOW, on this 3rd day of August, 1959, the Commission, a quorum being present, having considered the application and the evidence adduced, 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 in the subject hearing de novo, Caulkins Oil Company, is the operator of Well No. T-123 located in the NW/4 NE/4 of Section 7, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

Case No. 1420  
Order No. R-1191-B

(3) That the applicant in the subject hearing de novo, Caulkins Oil Company, has requested that only that portion of Order No. R-1191-A dealing with the proposed dual completion of its said Caulkins Well No. T-123 be considered at this hearing.

(4) That the applicant seeks permission to deepen the said Caulkins Well No. T-123 and to dually complete it in such a manner as to permit water injection into the Tocito formation and the production of gas from the Dakota Producing Interval through parallel strings of 2-3/8 inch EUE tubing.

(5) That the maximum expected surface pressure which will be required for water injection into the Tocito formation, plus the hydrostatic head of the water column, is such as to constitute a hazard to the known gas reserves in the Dakota Producing Interval.

(6) That in order to ensure that the Dakota Producing Interval is not damaged, permission to dually complete the aforesaid Caulkins Well No. T-123 in such a manner as to permit the injection of water into the Tocito formation and the production of gas from the Dakota Producing Interval should, under the Commission's obligation to prevent the waste of oil or gas, be denied.

(7) That permission should be granted, at the operator's option, to dually complete the said Caulkins Well No. T-123 in such a manner as to permit the production of oil from the Tocito formation and the production of gas from the Dakota Producing Interval through parallel strings of tubing, or to utilize said well as a water injection well in the Tocito formation without deepening it to produce from the Dakota Producing Interval, or to singly complete the well to produce gas from the Dakota Producing Interval and neither produce from nor inject into the Tocito formation.

(8) That the unorthodox gas well location of the said Caulkins Well No. T-123 should be approved inasmuch as the operator may choose one of the above options to produce the well from the Dakota Producing Interval.

IT IS THEREFORE ORDERED:

(1) That the application of Caulkins Oil Company for permission to deepen its Well No. T-123, located in the NW/4 NE/4 of Section 7, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, and to complete said well in such a manner as to permit the injection of water into the Tocito formation and the production of gas from the Dakota Producing Interval through parallel strings of tubing be and the same is hereby denied.

-3-

Case No. 1420  
Order No. R-1191-B

(2) That the applicant be and the same is hereby authorized to complete the said Caulkins Well No. T-123 in accordance with any one of the following procedures:

(a) Complete the well as a single completion in the Tocito formation, utilizing it as a water injection well in said Tocito formation or as a producing well in said formation.

(b) Complete the well as a single completion in the Dakota Producing Interval, utilizing said well for the production of gas from the Dakota Producing Interval.

(c) Complete the well as a dual completion, utilizing said well to produce oil from the Tocito formation and to produce gas from the Dakota Producing Interval.

(3) That an unorthodox gas well location for said Caulkins Well No. T-123 in the Dakota Producing Interval be and the same is hereby approved.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

S E A L

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

vem/



DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 12, 1964

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Elvis A. Utz, Alternate Examiner.

**CASE 3129:** (Continued from the October 13, 1964 Examiner Hearing).  
Application of Shell Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West Wilson Deep Unit Area comprising 3360 acres, more or less, of State and Fee lands in Township 21 South, Range 34 East, Lea County, New Mexico.

**CASE 3138:** In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider exempting certain oil pools in Lea, Chaves, Roosevelt and Eddy Counties, New Mexico, from the gas-oil ratio testing requirements of Rule 301 of the Commission Rules and Regulations. The following pools will be considered for exemption:

ARTESIA DISTRICT

Atoka-San Andres	Leo-Queen-Grayburg, South
Atoka-Grayburg	Leslie Spring-San Andres
Benson-Yates, East	Linda-San Andres
Bitter Lake-San Andres, South	Loco Hills-San Andres, South
Bitter Lake-San Andres, West	Logan Draw-San Andres
Brown, Q. Gbr.	Malaga-Delaware
Brushy Draw-Delaware	McMillan Seven Rivers-Queen, East
Canyon-Wolfcamp	Millman-Seven Rivers, East
Carlsbad-Delaware	Palmillo-Seven Rivers
Cass Draw-Delaware	Parallel-Delaware
Cave (Gbr.)	Pecos-Delaware
Case-San Andres, West	Pecos-San Andres
Cedar Lake-Cisco	Penasco-San Andres
Chisum-Devonian	Penasco-Wolfcamp
Corral Canyon-Delaware	Quahada Ridge-Delaware
Cotton Draw-Brushy Canyon	Red Hills- Yates
Coyote-Queen	Red Lake-Queen-Grayburg, East
Dark Canyon-Delaware	Red Lake-Seven Rivers, South
Dayton-Abo	Remuda-Wolfcamp
Dayton-Grayburg, East	Round Tank-San Andres
Dayton-San Andres, West	Saladar-Yates
Diablo-San Andres	Sand Tank-Queen
Dog Canyon-Grayburg	Shugart-Bone Springs
Dos Hermanos, Yates-Seven Rivers	Shugart-Wolfcamp
Eagle Creek-San Andres	Square Lake Grayburg-San Andres, North
Empire Paddock	Sulphate Draw-Delaware
Empire-Yates-Seven Rivers, E.	Twin Lakes-Devonian
Four Mile Draw-San Andres	U. S. Delaware
Fren Paddock	Welch-Delaware
Hackberry-Seven Rivers	White Ranch Siluro-Devonian
Hackberry-Yates, North	White Ranch-Devonian, West
L. E. Ranch-San Andres	Windmill-San Andres

HOBBS DISTRICT

Baish-Wolfcamp, North	Hume-Queen, West
Baum-Wolfcamp	Jenkins-Devonian
Bishop Canyon-Queen	Jenkins-San Andres
Bowers-Seven Rivers	King-Wolfcamp
Caprock-Wolfcamp, East	Lea-Yates
CLR-San Andres	Littman-San Andres
Corbin-Queen, South	Lone-Wolfcamp
Corbin-Yates	Lovington-San Andres
Crossroads-Mississippian	Lovington-San Andres, West
Crossroads-San Andres, West	Lynch-Yates, Middle
Dollarhide-Queen	Pearl-Pennsylvanian
Dublin-Devonian	Querecho Plains-Bone Springs
Echols-Devonian, East	Querecho Plains-Delaware
Echols-Devonian, North	Querecho Plains-Yates
Edson-Pennsylvanian	Teague-Devonian
Elliott-Abo	Teague-Ellenburger
Field Ranch-Wolfcamp	Teague Simpson
Gladiola-Wolfcamp, South	Warren-Abo
Hume-Queen	Williams-Pennsylvanian, North
	Young-San Andres

CASE 3139: Application of Shell Oil Company for a dual completion and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the S/2 SW/4, NE/4 SW/4, and SW/4 SE/4 of Section 3, Township 21 South, Range 37 East, Tubb Gas Pool, Lea County, New Mexico, to be dedicated to its Livingston Well No. 7 located in Unit V of said Section 3. Applicant further seeks approval of said well as a dual completion (conventional) to produce oil from the Drinkard Pool through 2-3/8 inch tubing and to produce gas from the Tubb Gas Pool through the casing-tubing annulus.

CASE 3140: Application of Caulkins Oil Company for a non-standard location and a dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Breech B Well No. PD-123 to be located 700 feet from the North line and 1800 feet from the East line of Section 7, Township 26 North, Range 6 West, Rio Arriba County, New Mexico. Applicant further seeks authority to complete said well as a dual completion (conventional) to produce gas from the South Blanco-Pictured Cliffs Pool through 1-1/4 inch tubing and to produce gas from the Basin-Dakota Gas Pool through 2-3/8 inch tubing.

CASE 3141: Application of Caulkins Oil Company for a non-standard location and a dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Breech C Well No. D-144 to be located 990 feet from the North line and 1,090 feet from the East line of Section 12, Township 26 North, Range 6 West, Rio Arriba County, New Mexico. Applicant further seeks authority to complete said well as a dual completion (conventional) to produce oil from the South Blanco-Tocito Pool through 2-3/8 inch tubing and to produce gas from the Basin-Dakota Gas Pool through 1-1/4 inch tubing.

November 12 Examiner Hearing

CASE 3142: Application of N. B. Hunt for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 280-acre non-standard gas proration unit comprising the SW/4, W/2 SE/4, and SE/4 SE/4 of Section 21, Township 21 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to his Wantz Well No. 2 located in Unit L of said Section 21. In the event all of said acreage is not approved for said Well No. 2, applicant seeks approval of another non-standard unit comprising the remaining acreage to be dedicated to his Wantz Well No. 1 in Unit A of said Section 21.

CASE 3143: Application of Texaco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its H. H. Harris Well No. 2 located in Unit O of Section 35, Township 12 South, Range 38 East, Lea County, New Mexico, as a dual completion (combination) to produce oil from the Bronco Wolfcamp Pool through 2-7/8 inch casing and to produce oil from the Bronco Siluro-Devonian Pool through tubing in a parallel string of 3-1/2 inch casing cemented in a common well bore.

CASE 3144: Application of Texaco Inc. for force-pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Drinkard Pool underlying the SE/4 of the SW/4 of Section 17, Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 3145: Application of Sunray DX Oil Company for a dual completion and salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its State "AS" Well No. 1 located in Unit G of Section 29, Township 11 South, Range 33 East, Lea County, New Mexico, as a dual completion to produce oil from the Pennsylvanian formation through tubing and to dispose of produced salt water down the production-intermediate casing annulus into the San Andres, Glorieta, and Tubb formations from 3840 feet to 8600 feet.

CASE 2660: (Reopened and continued from the October 28th Examiner Hearing)  
In the matter of Case No. 2660 being reopened pursuant to the provisions of Order No. R-2348-A, which continued the original order establishing 80-acre proration units for the Middle Lane-Pennsylvanian Pool, Lea County, New Mexico, for an additional year. All interested parties may appear and show cause why said pool should not be developed on 40-acre proration units.

*El Paso Natural Gas Company*

*El Paso, Texas*

October 27, 1964

ADDRESS REPLY TO  
POST OFFICE BOX 990  
FARMINGTON, NEW MEXICO

Caulkins Oil Company  
P. O. Box 780  
Farmington, New Mexico

Attn: Mr. Frank O. Gray

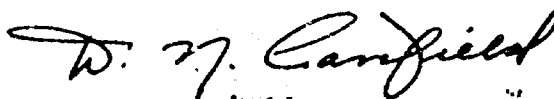
Re: Caulkins Oil Company  
Breach "B" Well No. PD-123

Gentlemen:

El Paso Natural Gas Company has no objections to your unorthodox Pictured Cliffs completion in the above-captioned well.

It is our understanding that this well is located 700 feet from the North line and 1800 feet from the East line of Section 7, Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

Very truly yours,



D. N. Canfield  
Area Manager  
Land & Geological Department

DNC:ed

Case 3140

Heard 11-22-64

Rec. 11-13-64

Grant Cullkins a dual completion  
(conventional) for their Branch 'B' PD-#123,  
700/N, 1800/E lines sec. 7-26 N-6W in the  
S. Blanco - Pictured Cliff. and Basin - Dakota  
Gas Pools.

Also grant a new well location  
for both zones. This is an old hole  
worked over & should be granted on  
that basis.

Thos A. D. G.

water injection - Location  
South Blanco - Location  
water flood project  
1141-B

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
November 12, 1964

EXAMINER HEARING

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IN THE MATTER OF: Application of Caulkins Oil )  
Company for a non-standard location and a dual )  
completion, Rio Arriba County, New Mexico. )  
Applicant, in the above-styled cause, seeks )  
approval of an unorthodox location for its )  
Breech B Well No. PD-123 to be located 700 )  
feet from the North line and 1800 feet from )  
the East line of Section 7, Township 26 North, )  
Range 6 West, Rio Arriba County, New Mexico. )  
Applicant further seeks authority to complete )  
said well as a dual completion (conventional) )  
to produce gas from the South Blanco-Pictured )  
Cliffs Pool through 1 1/4 inch tubing and to )  
produce gas from the Basin-Dakota Gas Pool )  
through 2 3/8 inch tubing. )  
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Case No. 3140

BEFORE: ELVIS A. UTZ, EXAMINER

TRANSCRIPT OF HEARING

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



1-1/4" EUE TUBING FOR PICTURED  
CLIFFS GAS

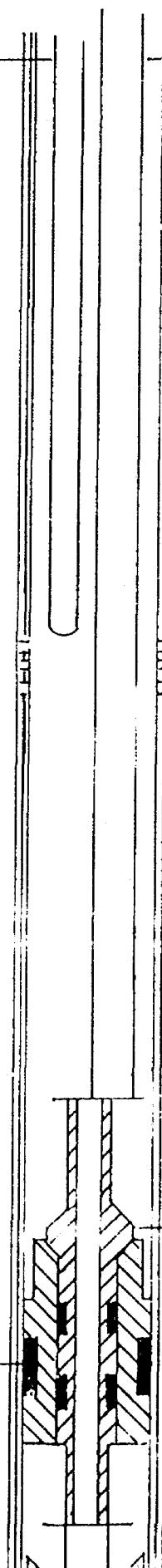
2-3/8" OD EUE TUBING LOCKED IN  
MODEL D PRODUCTION PACKER AT  
6385'. BOTTOM OF TUBING STRING  
AT 7280'

7" OD 23 & 26# J-55 CASING SET AT  
6843' AND CEMENTED THROUGH SHOE  
WITH 200 SACKS COMMON CEMENT. TOP  
OF CEMENT 5352'. THIS STRING ALSO  
PERFORATED AT 3160' AND CEMENTED  
WITH 150 SACKS, THEN SQUEEZED  
WITH 100 SACKS, THEN SQUEEZED  
AGAIN WITH 50 SACKS. FINAL  
PRESSURE 3000#

PICTURED CLIFFS PERFORATIONS  
3038' TO 3058'

BAKER LATCH TYPE SEAL ASSEMBLY  
AT 6385'

BAKER MODEL D RETAINER PRODUCTION  
PACKER SET AT 6385-8'



PERFORATIONS 3038' TO 3058'

A FULL STRING OF 4-1/2" CASING WAS RUN TO 7570' WITH ROTO SCRATCHERS FROM 7270' TO 7570' AND CENTRALIZERS AT 7568', 7475', 7381' AND 7287'. AFTER FRACTURING THE DAKOTA ZONE, THE 4-1/2" CASING WAS CUT AND PULLED FROM 6409' LEAVING A LINER 6409' TO 7570'

100% PERFORATIONS 6797' TO 6812' WERE SQUEEZE CEMENTED WITH 100 SACKS, THEN SQUEEZED AGAIN WITH 100 SACKS. FINAL PRESSURE 3000#

4-1/2" 11.6# LINER 6409' TO 7570' CEMENTED FROM 7570' TO 6490' WITH 110 SACKS. TOP OF CEMENT 6490'

DAKOTA PERFORATIONS 7284' TO 7504'

TD 7570' PBTD 7530'

BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
*Appl* EXHIBIT NO. 3  
CASE NO. 3146

PICTURED CLIFFS-DAKOTA DUAL COMPLETION  
CAULKINS OIL COMPANY  
BREECH "B" PD-123  
NW NE SECTION 7-26N-6W  
RIO ARRIBA COUNTY, NEW MEXICO



MR. UTZ: The next case will be Case 3140.

MR. DURRETT: Application of Caulkins Oil Company for a non-standard location and a dual completion, Rio Arriba County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, appearing for the Applicant. I have one witness, Mr. Frank Gray, I would like to have sworn, please.

(Witness sworn.)

(Whereupon, Applicant's Exhibits 1, 2 & 3 marked for identification.)

FRANK GRAY, called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

A Would you state your name, please?

A Frank Gray.

Q By whom are you employed and in what position?

A I am employed by Caulkins Oil Company as a Superintendant in the Farmington, New Mexico area.

Q Have you ever testified before the Oil Conservation Commission and made your qualifications a matter of record?

A Yes, I have.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. UTZ: Yes, sir, they are.

Q (By Mr. Kellahin) Mr. Gray, are you familiar with the application of Caulkins Oil Company in Case 3140?

A Yes, sir.

Q Would you state briefly what is proposed by Caulkins in this application?

A We seek approval of an unorthodox location for Pictured Cliff production in our PD-123; it is on the Breech B Lease located 750 feet from the North line and 1800 feet from the East line of Section 7, Township 26 North, Range 6 West.

We also seek approval of the dual Tocito-Pictured Cliffs completion.

Q Referring to what has been marked as Exhibit Number 1, would you identify that exhibit?

A Exhibit Number 1 is a map of the area showing the ownership of the leases adjoining Section 12, the tract on which -- Excuse me, Section 7, on which this well is located.

It also shows the acreage dedicated to the Dakota completion, also the Pictured Cliffs completion.

Q How are the two acreage dedications shown on the map?

A Acreage dedication for the Dakota is a solid red line. The Pictured Cliff acreage dedication is shown by a broken line.

Q Now, referring to what has been marked as Exhibit

Number 2, would you identify that exhibit and state what is shown on it?

A Exhibit Number 2 is a Schlumberger induction electric log showing the formation tops, also the perforating record of the Pictured Cliffs and the Dakota zones.

Q Referring to what has been marked as Exhibit Number 3, would you identify that exhibit and discuss it?

A It's a diagrammatic sketch showing the mechanical arrangement of the packers, tubing, perforations.--

Q Is this a type of --

A -- in the well.

Q Pardon me.

A It is a conventional dual completion.

Q Is it a type of completion that has been approved by this Commission before?

A Yes, it has been. This same arrangement was used in our PD-233, which was completed several years ago. PD-233 is located in Section 16, 26 North, 6 West.

Q Would you discuss the history of this well and it's present status?

A This well was drilled as a Tocito producer in 1953, with 10 3/4-inch surface casing set at 470 feet, and 7-inch casing set at 6843. The Tocito zone was perforated at that time from 6797 to 6812. It was converted to a water injection well

as part of the South Blanco-Tocito Water Injection Project, in, early in 1960, in accordance with Commission Order R- 1191B dated August 3, 1959.

It was operated as an injection well from February 26, 1960 through April 30, 1963. At that time it was a water injection, but that particular well was abandoned, and in August, 1964, the Tocito zone was squeezed off with cement and the well was deepened through the Dakota formation to a depth of 7570 which was also as provided by Order R-1191-B.

Before deepening the well the 7-inch casing was perforated at 3160 and cemented with 150 sacks of cement. These perforations were squeezed and made the hole the final pressure of 3000 pounds. The deepening operations were started.

The well was then gas-drilled to a depth of 7570 and a string of 4 1/2-inch casing run and cemented at that depth with 110 sacks. The top of the cement on this job was at 6490.

The Dakota zone was then perforated in the Dakota sand stringers, the top perforation being at 7284, the bottom-most being at 7504, and the well sand-water fractured with 180,000 pounds of sand, after which the 4 1/2-inch casing was cut and pulled from 6409.

After recovering the 4 1/2-inch casing the Pictured Cliffs sand was perforated from 3038 to 3058 and sand-water fractured with 40,000 pounds of sand.

The plugs that were used to control the fracture jobs were removed by drilling and Baker Model D Retainer Production Packer was set at 6385 to 6387. Two-inch tubing for Dakota production was then run to a total depth of 7280 and sealed off in the Model D Packer at 6385.

A parallel string of inch and a quarter tubing was run to a depth of 3,030 for Pictured Cliffs production.

The well has had a packer leakage test and there is no communication between zones indicated.

Q What occasions the need for the unorthodox location for this well?

A Pictured Cliffs spacing in the San Juan Basin requires that the wells be located 990 feet from the property line with a tolerance of 200 feet. This location lacks about 90 feet of complying with that requirement.

MR. UTZ: Which line, the North line?

A The well is located 700 from the North line and to comply it would have to be 790 from the North line.

Q (By Mr. Kellahin) Were Exhibits 1, 2 and 3 prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: At this time I would like to offer in evidence Exhibits 1, 2 and 3.

MR. UTZ: Without objection Exhibits 1, 2 and 3 will

be entered into the record of this case.

(Whereupon, Applicant's Exhibits 1, 2 & 3 were admitted in evidence.)

MR. KELLAHIN: That's all I have on direct examination.

CROSS EXAMINATION

BY MR. UTZ:

Q The Dakota will produce through the 2 3/8s?

A Yes, and on the Pictured Cliffs through an inch and a quarter.

Q I notice you have the top of the cement and the 4 1/2 inch liner at 6490. How about the cement behind your, what is your other string?

A The long string was originally 7-inch, 23 and 26 pound. The top of the cement behind that string was at 5352.

Q Then you had surface casing in the well?

A Surface casing was set at 470 feet, which is a requirement of the South Blanco-Tocito Pool, or pool rules.

Q So you got quite a bit of the 7-inch without any cement behind the casing.

A It's not cemented from 5352 back to 3160.

Q Any oil or gas production zones in that area?

A There is a remote possibility that we would have some gas production from the Point Lookout, however, it's, it would be rather scimpy from the experience we have had in other

wells around there.

The cementing program that we used was discussed and received the approval of the United States Geological Survey, and it was also discussed with the Aztec Office of the Oil Conservation Commission. They verbally approved it.

We have a weak zone in the formations either at the top of the Point Lookout or just above it that breaks down. We frequently lost circulation in that zone and we didn't want to try to raise a full column of cement from 5352 back up through the Pictured Cliffs formation, because of the possibility of the formation breaking down, and also because we felt that the efficiency of the cement job through the Pictured Cliffs zone would be impaired.

In cementing the Pictured Cliffs we washed it with MCA acid to remove the mud from the formation and to bring that MCA up through that much open hole we felt that it would become so contaminated that it would be ineffective when it reached the Pictured Cliffs zone, which was the zone of interest.

There has been no indication of corrosion problems in the area. The 150 sacks that was used on the Pictured Cliffs zone would have filled it up at least to 2400, and probably higher than that. Using 150 percent calculation would rate it to about 2400 feet, which would be as high as the other wells, as high as the cement is brought in the other wells in that area.

Q What other formation do you have open behind the hole as a possible Point Lookout production?

A The Cliffhouse is open and there's also a zone in the, I believe that's Chocra, a very thin stringer of sand that might produce gas.

Q Do you think there is any danger of sharing any thief zones with these possible producing zones?

A No, the Pictured Cliffs perforations were squeezed once after the initial 150 sack Bradenhead job, they were squeezed with 100 sacks and then again with 50 sacks. We had a final pressure of 3,000 pounds on the last squeeze job, and after drilling it out we tested it with 1800 pounds water pressure and it held the 1800 pounds for 30 minutes without loss.

The Tocito perforations are from 6797 to 6812, and the top of the cement around the 4 1/2-inch liner is 6490. That zone also was tested with 1800 pounds pressure before drilling out.

The temperature survey showed the cement at 6490 and when we prepared to pull the pipe we ran a dial log from the point and found the pipe had some movement as far down as 6535. It was cut at 6475 but could not be pulled. We cut it again then at 6409 and were successful in pulling it; but I think there's very little question but what we have the two strings cemented



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together tightly.

Q There would be a possibility, however, the Mesa Verde and the Chocra formation commingling behind the pipe, would there not?

A I think the chances are practically nil. The hole was full of ten and a half-pound mud when the well was drilled; the mud was undisturbed, not cut, and we had good circulation when we did the Bradenhead cement job on the Pictured Cliffs zone.

Q This is a standard location for a Dakota?

A No, sir, it is not. The location did have the Commission's approval on Order R-1191-B.

Q That was for an injection?

A No, sir, that was for -- We had several authorizations, we were authorized to complete the well as a single completion in a Tocito, using it as a water injection well, we had permission to complete the well as a single completion in the Dakota producing interval, utilizing said well for the production of gas from the Dakota producing interval; we had permission to complete the well as a dual completion, utilizing said well to produce oil from the Tocito and gas from the Dakota. In addition, the order granted that an unorthodox location for Caulkins Well T-123 in the 1-B, and the same is hereby approved.

MR. UTZ: Any other questions of the witness? The witness will be excused.

(Witness excused.)

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

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF BERNALILLO )

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission Examiner 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 20th day of November, 1964.

*Ada Dearnley*  
Notary Public - Court Reporter

My Commission Expires:  
June 19, 1967

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3140, heard by me on *Nov-12-64*.  
*Amelia J. [Signature]*, Examiner  
New Mexico Oil Conservation Commission

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
November 12, 1964

EXAMINER      HEARING

-----  
IN THE MATTER OF: Application of Caulkins Oil )  
Company for a non-standard location and a dual )  
completion, Rio Arriba County, New Mexico. )  
Applicant, in the above-styled cause, seeks )  
approval of an unorthodox location for its )  
Breech B Well No. PD-123 to be located 700 )  
feet from the North line and 1800 feet from )  
the East line of Section 7, Township 26 North, )  
Range 6 West, Rio Arriba County, New Mexico. )  
Applicant further seeks authority to complete )  
said well as a dual completion (conventional) )  
to produce gas from the South Blanco-Pictured )  
Cliffs Pool through 1 1/4 inch tubing and to )  
produce gas from the Basin-Dakota Gas Pool )  
through 2 3/8 inch tubing. )  
-----

Case No. 3140

BEFORE:

ELVIS A. UTZ, EXAMINER

TRANSCRIPT OF HEARING



MR. UTZ: The next case will be Case 3140.

MR. DURRETT: Application of Caulkins Oil Company for a non-standard location and a dual completion, Rio Arriba County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, appearing for the Applicant. I have one witness, Mr. Frank Gray, I would like to have sworn, please.

(Witness sworn.)

(Whereupon, Applicant's Exhibits 1, 2 & 3 marked for identification.)

FRANK GRAY, called as a witness, having been first duly sworn, was examined and testified as follows:

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BY MR. KELLAHIN:

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Q Have you ever testified before the Oil Conservation Commission and made your qualifications a matter of record?

A Yes, I have.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. UTZ: Yes, sir, they are.

Q (By Mr. Kellahin) Mr. Gray, are you familiar with the application of Caulkins Oil Company in Case 3140?

A Yes, sir.

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(Witness excused.)

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

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss.

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission Examiner 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 20th day of November, 1964.

*Ada Dearnley*  
Notary Public - Court Reporter

My Commission Expires:  
June 19, 1967

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3140, heard by me on *Nov. 12* 19 *64*.  
*Thurman J. [Signature]*, Examiner  
New Mexico Oil Conservation Commission