

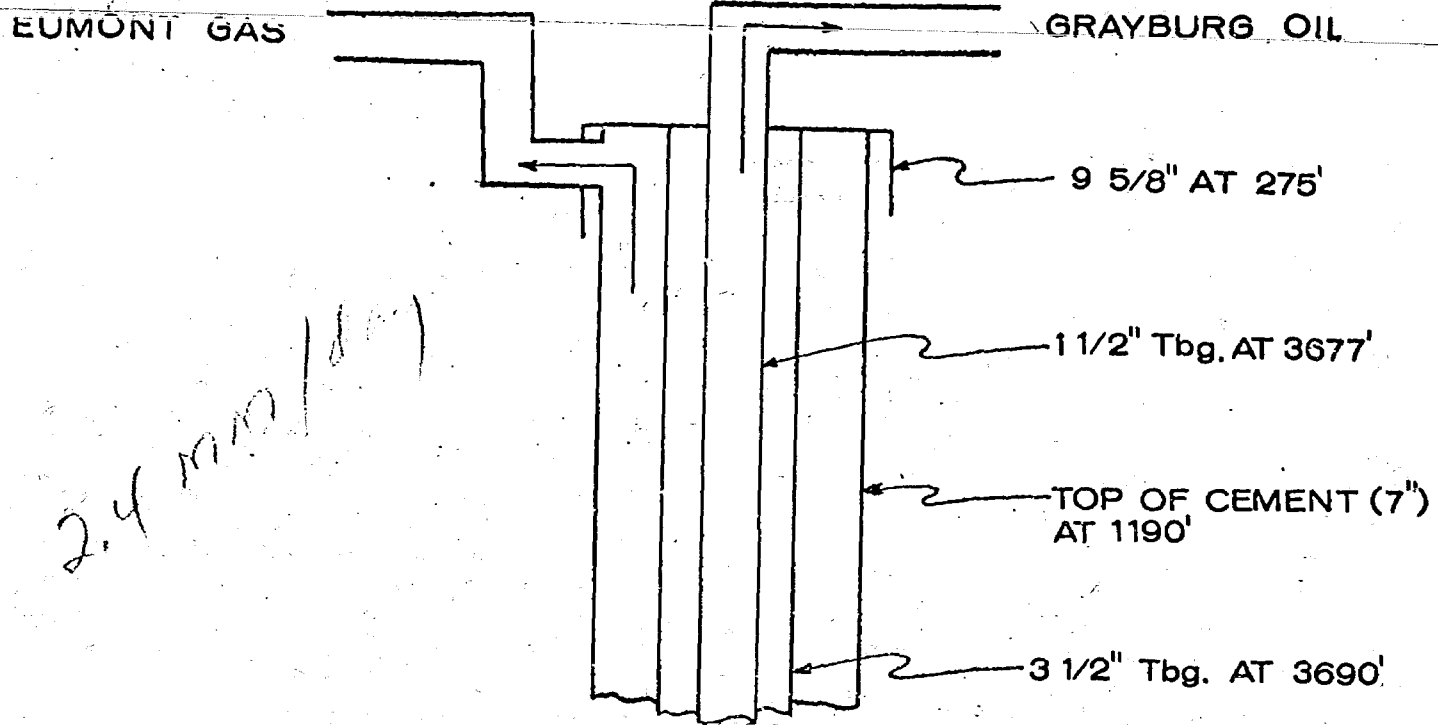
CASE 3306: Application of AMERADA  
for a dual completion and a non-  
standard gas proration unit.

CASE No.

~~3306~~

Application,  
TRANSCRIPTS,  
SMALL Exhibits  
ETC.

DIAGRAMMATIC SKETCH  
AMERADA PETROLEUM CORPORATION  
FRED TURNER, JR. "A" NO. 2  
SKAGGS FIELD, LEA CO., N. M.



EUMONT GAS  
PERFS  
3145'  
3148'

3218'  
3237'  
3267'  
3298'  
3330'  
3352'  
3361'  
  
3389'  
3414'  
  
3453'  
  
3494'

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
*Amer* EXHIBIT NO. 3  
CASE I 3306

PSI SLIDING SLEEVE  
AT 3684'

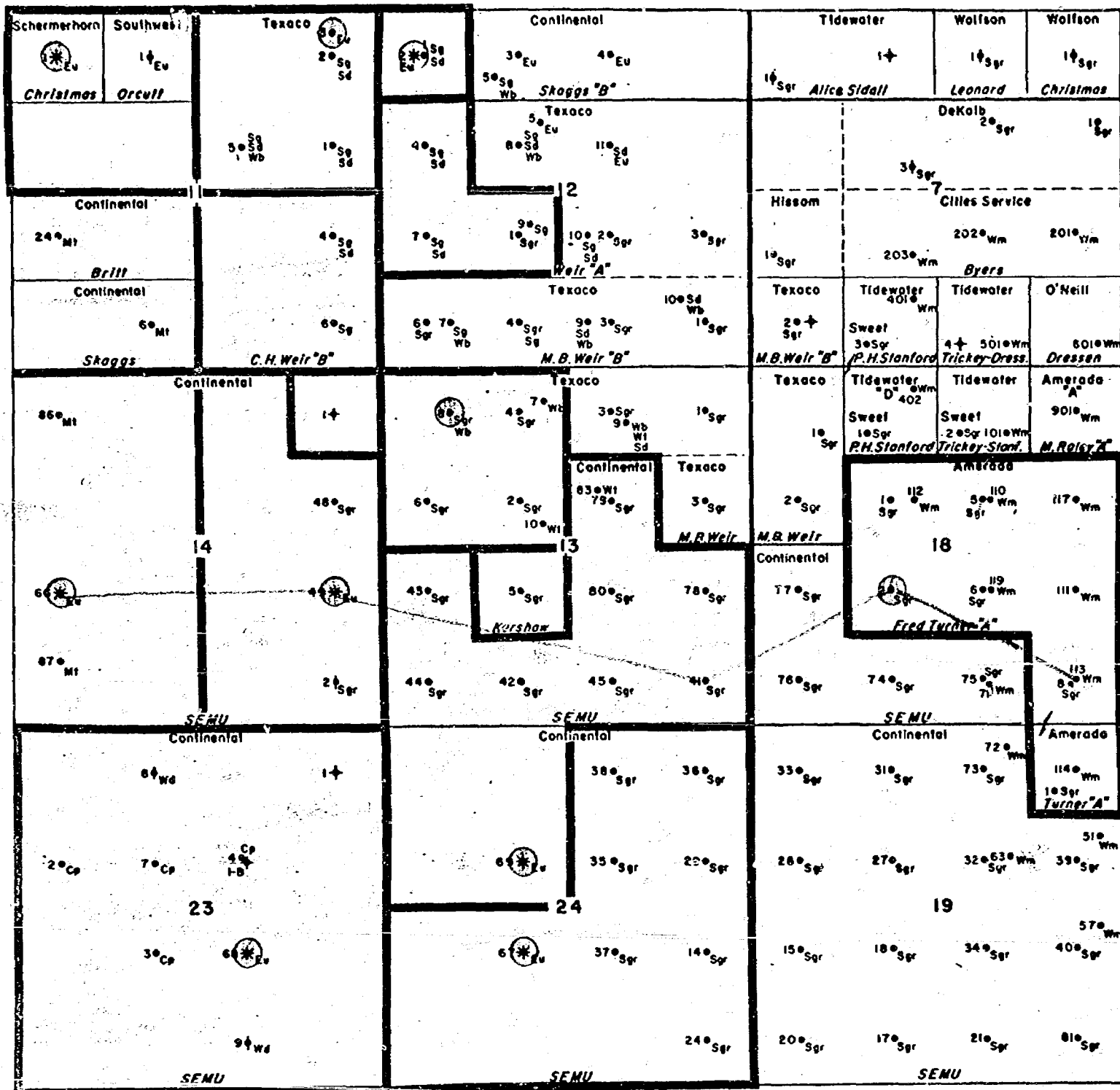
BAKER MODEL "D" PACKER  
AT 3690'

7" AT 3703'

SKAGGS GRAYBURG  
OPEN HOLE 3703' - 3915'

R 37 E

R 38 E



## LEGEND:

Eu Eumont  
Sgr Skoggs, Grayburg  
Sg Skoggs, Glorietta  
Wb Weir, Blinberry  
MI Monument, Tub  
Sd Skoggs, Drinkard  
Wd Weir, Drinkard  
Cp Cass, Pennsylvania  
Wm Warren, McKee

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

EXHIBIT NO. 1

CASE NO. 3306

WARREN McKEE AREA  
Lea County, New Mexico

EUMONT GAS PRORATION UNITS

PROPOSED NON STANDARD GAS PRORATION UNIT

EUMONT GAS WELLS

DRAFT  
JMD/esr

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:

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

CASE No. 3306

Order No. R-2974

APPLICATION OF AMERADA PETROLEUM CORPORATION  
FOR A DUAL COMPLETION AND A NON-STANDARD GAS  
PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
September 22, 1965, at Santa Fe, New Mexico, before Examiner  
Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of September, 1965, 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, Amerada Petroleum Corporation,  
seeks authority to complete its Fred Turner, Jr., "A" Well No. 2  
located in Unit K of Section 18, Township 20 South, Range 38 East,  
NMPM, Lea County, New Mexico, as a dual completion (conventional)  
(to produce oil from the Skaggs Grayburg-San Andres Oil Pool  
through 1 1/2-inch tubing) and to produce gas from the Eumont Gas  
Pool through the casing-tubing annulus, and with separation of zones  
by a packer set at approximately 3690 feet.

(3) That the applicant also seeks approval of a 320-acre

non-standard gas proration unit in the Eumont Gas Pool comprising the SE/4 NW/4, S/2 NE/4, NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 18, and the NE/4 NE/4 of Section 19, ~~all in~~ Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, to be dedicated to its Fred Turner, Jr., "A" Well No. 2.

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

(5) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject well.

(6) That approval of the proposed dual completion will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

(7) That approval of the proposed non-standard gas proration unit will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amerada Petroleum Corporation, is hereby authorized to complete its Fred Turner, Jr., "A" Well No. 2 located in Unit K of Section 18, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) (to produce oil from the Skaggs Grayburg-San Andres Oil Pool through 1 1/2-inch tubing) ~~and~~ <sup>and</sup> to produce gas from the Eumont Gas Pool through the casing-tubing annulus, with separation of zones by a packer set at approximately 3690 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 Annual Gas-Oil Ratio Test Period for the Stagg Grayburg-San Andres Oil ~~Eumont Gas~~ Pool.

(2) That a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SE/4 NW/4, S/2 NE/4, NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 18, and the NE/4 NE/4 of Section 19, ~~all in~~ Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Amerada Petroleum Corporation Fred Turner, Jr., "A" Well No. 2.

(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.

GENERAL OFFICE  
Box 2040  
TULSA 2, OKLA.

AMERADA PETROLEUM CORPORATION

Box 668  
HOBBS, NEW MEXICO

August 25, 1965

65 AUG 30 AM

New Mexico Oil  
Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

Amerada Petroleum Corporation respectfully requests administrative approval of the attached dual completion application on the Fred Turner, Junior "A" No. 2 located in Unit letter K, Section 18, Township 20 South, Range 38 East, Lea County, New Mexico. This well has recently been completed as a gas-oil dual in the Eumont gas and Skaggs Grayburg-San Andres oil. Eumont gas production will be through the casing-tubing annulus and Skaggs Grayburg-San Andres oil production will be through the tubing.

Copies of the electric log and schematic diagram of the well are attached with the application.

Yours very truly,

*D.C. Capps*  
D. C. Capps  
District Superintendent  
Amerada Petroleum Corporation

DCC/JVS/jh

cc: N. M. O. C. C.  
Continental Oil Company  
Mr. Bill Sweet  
Texaco, Inc.  
Mr. R. L. Hocker  
Mr. T. W. Lynch  
Mr. J. O. Hathaway  
Mr. O. C. McBryde, Jr.  
Midland  
Monument  
File

P. O. Box 1980  
P. O. Box 460  
619 E. Mesa Dr.  
P. O. Box 728

Hobbs, New Mexico (2)  
Hobbs, New Mexico  
Hobbs, New Mexico  
Hobbs, New Mexico

*Don't Mail  
10-9-65  
JC*

*Not suitable for ad. app.  
Tubing too small and too high  
Case  
3306*



## NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

## APPLICATION FOR DUAL COMPLETION

Field Name <u>Skaggs - Eumont</u>		County <u>Lea</u>	Date <u>August 26, 1965</u>
Operator <u>Amerada Petroleum Corporation</u>		Lease <u>Fred Turner, Junior "A"</u>	Well No. <u>2</u>
Location of Well <u>K</u>	Unit <u>18</u>	Section <u>20-S</u>	Range <u>38-E</u>

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. DC 341; Operator, Lease, and Well No.:

Continental Oil Company, SEMU No. 46

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	<u>Eumont</u>	<u>Grayburg-San Andres</u>
b. Top and Bottom of Pay Section (Perforations)	<u>3145' - 3494'</u>	<u>Open hole 3703' - 3915'</u>
c. Type of production (Oil or Gas)	<u>Gas</u>	<u>Oil</u>
d. Method of Production (Flowing or Artificial Lift)	<u>Flowing</u>	<u>Pumping</u>

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.
- No c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. \*
- Yes d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

<u>Continental Oil Company</u>	<u>P. O. Box 460</u>	<u>Hobbs, New Mexico</u>
<u>Texaco, Inc.</u>	<u>P. O. Box 728</u>	<u>Hobbs, New Mexico</u>
<u>Mr. Bill L. Sweet</u>	<u>619 E. Mesa Dr.</u>	<u>Hobbs, New Mexico</u>

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 August 26, 1965

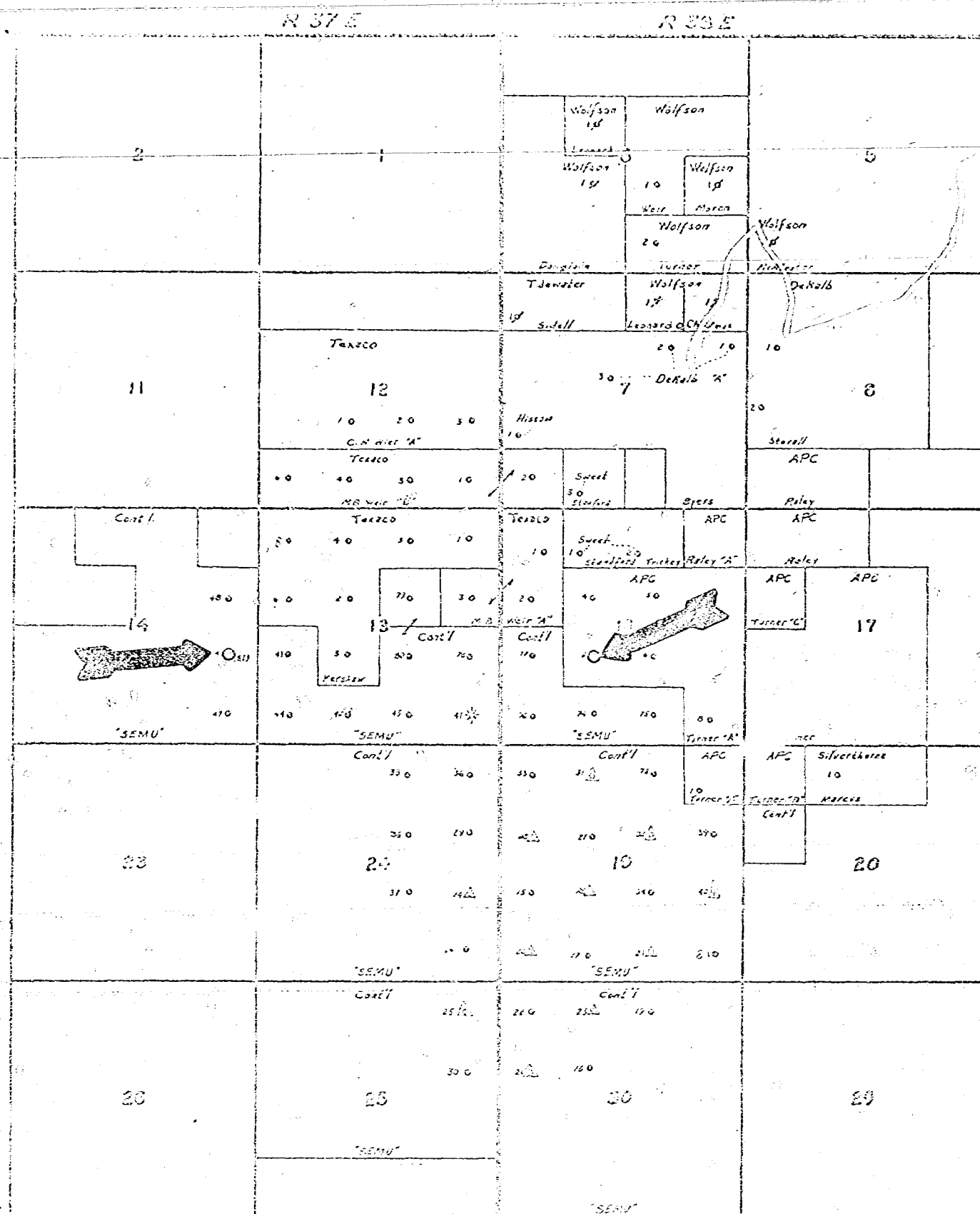
CERTIFICATE: I, the undersigned, state that I am the District Superintendent of the Amerada Petroleum Corporation (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

D. C. Capps

D. C. Capps

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.



Dual Eumont Gas and Skaggs  
O San Andres-Grayburg Oil Well.

San Andres-Grayburg Oil Well.

SHAGS GRAYHERN FIELD  
6 - LRA CO., P.N.

LEA CO., N.Y.

\* Eumont Gas Well.

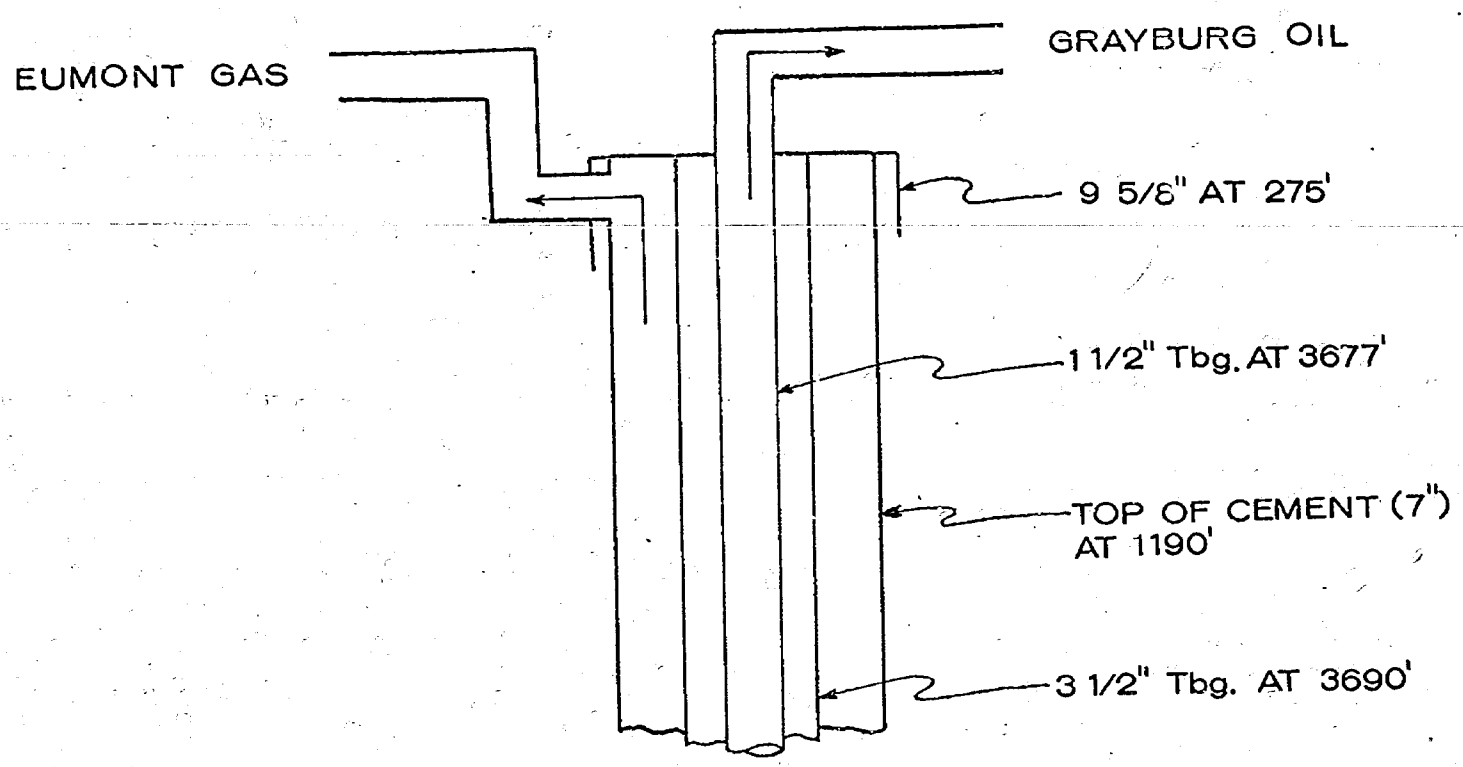
Case 3306

SECRET

### Acknowledgments

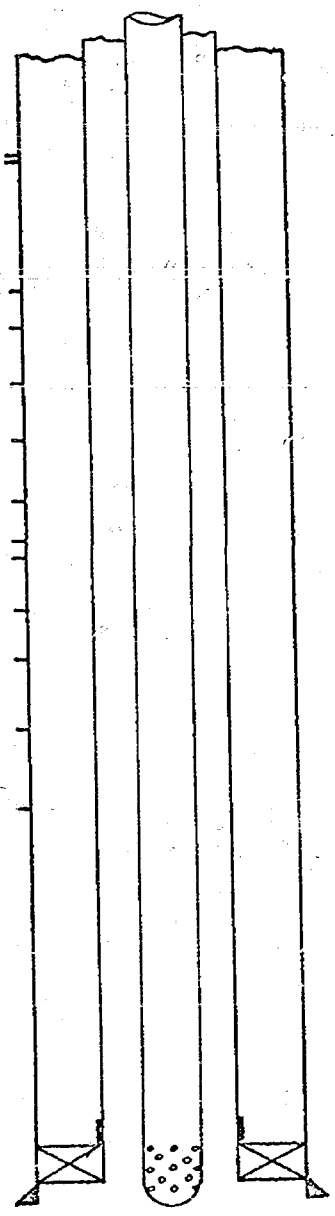
Case 3306

DIAGRAMMATIC SKETCH  
AMERADA PETROLEUM CORPORATION  
FRED TURNER, JR. "A" NO. 2  
SKAGGS FIELD, LEA CO., N. M.



EUMONT GAS PERFS

- 3145'
- 3148'
- 3218'
- 3237'
- 3267'
- 3298'
- 3330'
- 3352'
- 3361'
- 3389'
- 3414'
- 3453'
- 3494'



PSI SLIDING SLEEVE  
AT 3684'

BAKER MODEL "D" PACKER  
AT 3690'

7" AT 3703'

SKAGGS GRAYBURG

August 26, 1965

MAILED

65 AUG 30 AM

IN THE MATTER OF THE APPLICATION  
OF AMERADA PETROLEUM CORPORATION  
FOR AN ORDER FOR A 320 ACRE NON-  
STANDARD GAS PRORATION UNIT IN  
THE EUMONT POOL, CONSISTING OF  
THE SE/4 OF NW/4, S/2 OF NE/4,  
NE/4 OF SW/4, N/2 OF SE/4, AND  
SE/4 OF SE/4 OF SECTION 18,  
TOWNSHIP 21 SOUTH, RANGE 38 EAST,  
AND NE/4 OF NE/4 OF SECTION 19,  
TOWNSHIP 21 SOUTH, RANGE 38 EAST,  
LEA COUNTY, NEW MEXICO.

CASE NO. 3306

APPLICATION

Applicant, Amerada Petroleum Corporation states That:

1. Applicant is the operator and part owner of the Fred Turner, Junior "A" lease described as the SE/4 of NW/4, S/2 of NE/4, NE/4 of SW/4, N/2 of SE/4 and SE/4 of SE/4 of Section 18, Township 21 South, Range 38 East, and NE/4 of NE/4 of Section 19, Township 21 South, Range 38 East, Lea County, New Mexico.
2. Applicant proposes the creation of a 320 acre non-standard gas proration unit, consisting of SE/4 of NW/4, S/2 of NE/4, NE/4 of SW/4, N/2 of SE/4, and SE/4 of SE/4 of Section 18, Township 20 South, Range 38 East, and NE/4 of NE/4 of Section 19, Township 20 South, Range 38 East, for the Eumont completion in subject well.
3. Attached is a plat of the area.

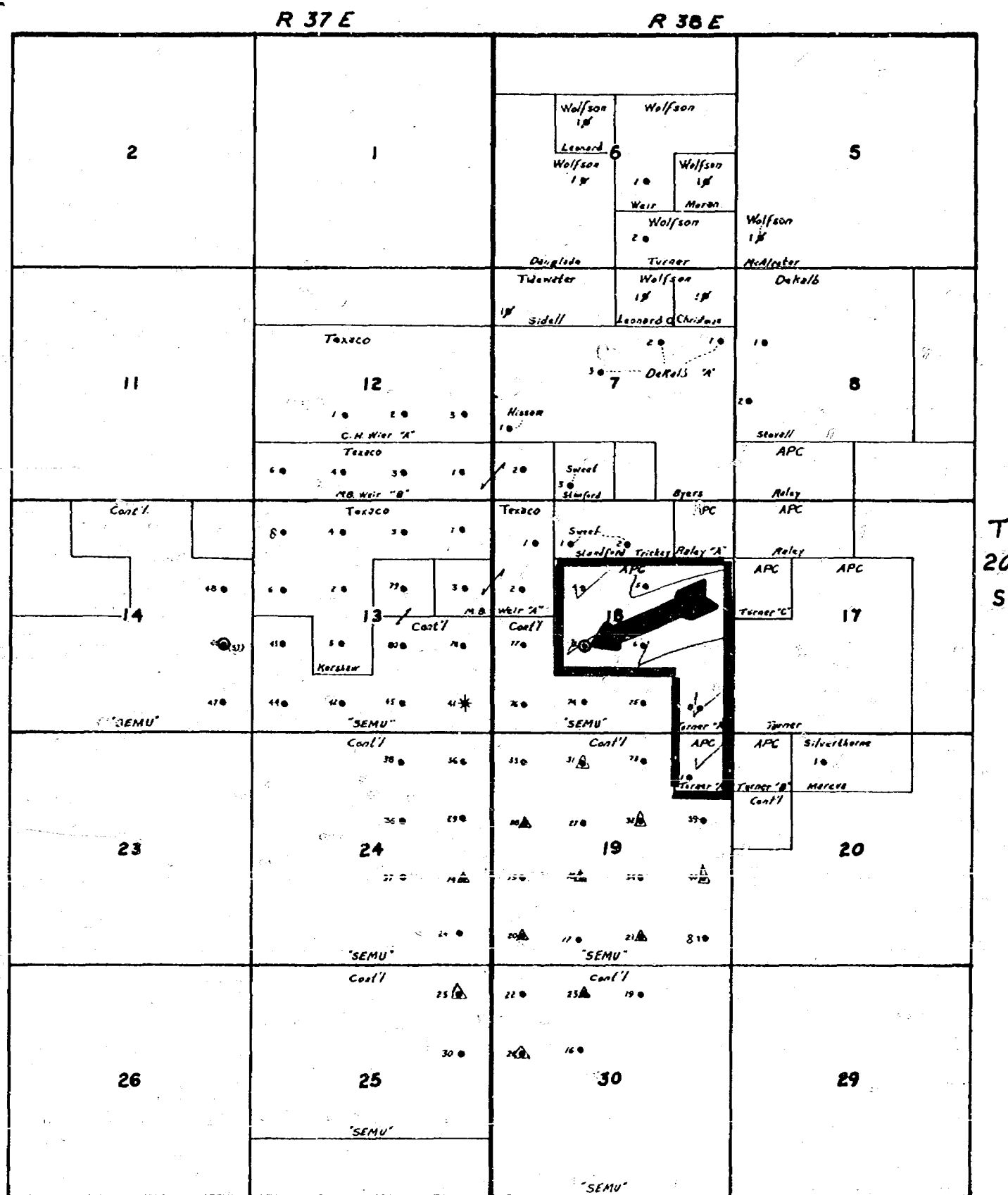
Applicant requests that this matter be set for hearing, that notice of the hearing be given as required by law, and that upon conclusion of the hearing, the Commission issue its order authorizing the above proposals.

Respectfully Submitted

AMERADA PETROLEUM CORPORATION

BY Jason W. Kellahin  
KELLAHIN & FOX  
P. O. Box 1713  
Santa Fe, New Mexico

Attorneys for Applicant



○ Dual Eumont Gas and Skaggs  
○ San Andres-Grayburg Oil Well.

\* Eumont Gas Well.

Proposed 320 Acre Non-Standard  
Gas Proration Unit.

SKAGGS GRAYBURG FIELD  
LEA CO., N.M.

0 1000' 3000' 5000'  
SCALE IN FEET

▲ Injection Well

Plan 3306

JASON W. KELLAHIN  
ROBERT E. FOX

KELLAHIN AND FOX  
ATTORNEYS AT LAW  
54½ EAST SAN FRANCISCO STREET  
POST OFFICE BOX 1769  
SANTA FE, NEW MEXICO 87501

Aug. 28, 1965

MAILED

'65 AUG 30 AM 7:10

TELEPHONE 982-4315  
AREA CODE 505

*Case 3306*

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

Gentlemen:

Enclosed, in triplicate, is the application of Amerada Petroleum Corporation for approval of a non-standard proration unit for its Fred Truner, Junior "A" No. 2 well, located in the Eumont Gas Pool, Lea County, New Mexico

We request that this application be set for hearing at the next examiner hearing, which I understand will be on September 22.

Yours very truly,

*Jason W. Kellahin*  
Jason W. Kellahin

JWK:ss  
Encl.

*Two applications  
Consolidated*

DOCKET MAILED

Date 9-10-65

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 22, 1965

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 3294: (Continued from the August 25 and September 8, 1965 Examiner Hearings)

*Case 3294  
11-22*  
In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Harold J. Sechler, dba S. & S. Oil Producers, and all other interested parties to show cause why the Bond Well No. 1 located in the SW/4 NE/4 of Section 17, Township 9 North, Range 14 West, Valencia County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 3295: (Continued and Readvertised from the August 25th Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. C. Powers and J. E. Marshall, dba Powers Marshall Company, and all other interested parties to show cause why the Powers-Marshall Company Well No. 1, a/k/a the W. Perry Smith Well No. 1 located in the NW/4 SE/4 of Section 34, Township 21 North, Range 30 East, Harding County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.

CASE 3304: Application of Amerada Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Warren-McKee Unit Area comprising 1800 acres, more or less, of Fee lands in Township 20 South, Range 38 East, Lea County, New Mexico.

*Case 3304  
Lea County  
Warren-McKee Unit  
Darden Hunt*  
CASE 3305: Application of Amerada Petroleum Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Warren-McKee Unit by the injection of water into the McKee formation through four wells located in Sections 7 and 8, Township 20 South, Range 38 East, Warren-McKee Pool, Lea County, New Mexico.

*Case 3306  
Lea County  
Fred Turner, Jr.*  
CASE 3306: Application of Amerada Petroleum Corporation for a dual completion and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Fred Turner, Jr., "A" Well No. 2 located in Unit K of Section 18, Township 20 South, Range 38 East, Lea County, New Mexico, to produce oil from the Skaggs Grayburg-San Andres Oil Pool and gas from the Eumont Gas Pool through 1 1/2 inch tubing and through the casing-tubing annulus respectively. Applicant further seeks the creation of a 320-acre non-standard Eumont gas proration unit comprising the SE/4 NW/4, S/2 NE/4, NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 18, and the NE/4 NE/4 of Section 19, all in Township 20 South, Range 38 East, Lea County, New Mexico, to be dedicated to said well.

September 22, 1965 Examiner Hearing

- CASE 3307: Application of Arwood Stowe & Company for the creation of a pool, special pool rules, and a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the creation of an oil pool for Mesaverde production in Section 33, Township 18 North, Range 3 West, Sandoval County, New Mexico, and the establishment of special pool rules governing well spacing of less than 40 acres and special well locations; or in the alternative, for the extension of the San Luis-Mesaverde Pool to include portions of said Section 33. Applicant further seeks authority to institute a waterflood project in said Section 33 by the injection of water into the Mesaverde formation through four wells.
- CASE 3308: Application of Continental Oil Company for an administrative procedure, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of an administrative procedure whereby low marginal production from dually completed Gallup-Dakota oil wells in Rio Arriba County, New Mexico, may be commingled in the well bore by means of a dual-flow downhole choke assembly.
- CASE 3309: Application of Consolidated Oil & Gas, Inc. for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its McIntyre Well No. 1 at an unorthodox location 1730 feet from the North line and 1450 feet from the West line of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico. Said well is planned as a Mesaverde-Dakota dual completion.
- CASE 3310: Application of Cima Capitan, Inc., Ryder-Scott Management Company, Stallworth Oil and Gas Company, and Newmont Oil Company for a waterflood project, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to conduct a cooperative waterflood project by the injection of water into the Grayburg-San Andres formations through 18 injection wells to be drilled at unorthodox locations in Sections 25 and 36, Township 16 South, Range 30 East, and Sections 30, 31 and 32, Township 16 South, Range 31 East, Square Lake Pool, Eddy County, New Mexico.
- CASE 3311: Application of Martin Yates III & S. P. Yates for the creation of an oil pool and for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of an oil pool for Seven Rivers production in Section 12, Township 20 South, Range 26 East, Eddy County, New Mexico, and the establishment of special pool rules governing well spacing of less than 40 acres and special well locations.
- CASE 3312: Application of Sinclair Oil & Gas Company for a non-standard unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the SE/4 of Section 18 and the NE/4 of Section 19, Township 23 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to its Duthie-Andrews Well No. 1 located 1980 feet from the South and East lines of said Section 18.



OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 9/23/65

CASE NO. 3306

HEARING DATE 8am 9/22/65  
DSN @ SF

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

Enter an order authorizing the dual completion (conventional) of Amerasia Field Turner Jr "A" well no 2, located in unit K of Sec 18 T20S R38E to produce gas from the Sumant gas pool through the casing tubing annulus and to produce oil from the Skaggs Gasfield Pool through 12 inch tubing, separation of zones by release of a packer set at 3690'.

320-ure  
Also approve a non-standard Sumant gas production unit comprising the SE/4 NW/4, S/2 NE/4, NE/4 SW/4, N/2 SE/4, & SE/4 SE/4 of Sec 18 T20S R38E and NE/4 NE/4 of Sec 19 T20S R38E to be dedicated to said Turner A #2

  
Staff Member

GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

State of New Mexico  
Oil Conservation Commission



LAND COMMISSIONER  
GUYTON B. HAYS  
MEMBER

P. O. BOX 2088  
SANTA FE

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

October 4, 1965

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

Re: Case No. 3306  
Order No. R-2974  
Applicant:

Amerada Petroleum Corporation

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       

OTHER Mr. Tom W. Lynch

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. 3306  
Order No. R-2974

APPLICATION OF AMERADA PETROLEUM CORPORATION  
FOR A DUAL COMPLETION AND A NON-STANDARD GAS  
PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 22, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 4th day of October, 1965, 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, Amerada Petroleum Corporation, seeks authority to complete its Fred Turner, Jr., "A" Well No. 2 located in Unit K of Section 18, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas from the Eumont Gas Pool through the casing-tubing annulus and to produce oil from the Skaggs Grayburg-San Andres Oil Pool through 1 1/2-inch tubing, with separation of zones by a packer set at approximately 3690 feet.

(3) That the applicant also seeks approval of a 320-acre non-standard gas proration unit in the Eumont Gas Pool comprising the SE/4 NW/4, S/2 NE/4, NE/4 SW/4, N/2 SE/4, and SE/4 SE/4 of Section 18, and the NE/4 NE/4 of Section 19, Township 20 South,

-2-

CASE No. 3306  
Order No. R-2974

Range 38 East, NMPM, Lea County, New Mexico, to be dedicated to its Fred Turner, Jr., "A" Well No. 2.

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

(5) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject well.

(6) That approval of the proposed dual completion will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

(7) That approval of the proposed non-standard gas proration unit will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amerada Petroleum Corporation, is hereby authorized to complete its Fred Turner, Jr., "A" Well No. 2 located in Unit K of Section 18, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas from the Rumont Gas Pool through the casing-tubing annulus and to produce oil from the Skaggs Grayburg-San Andres Oil Pool through 1 1/2-inch tubing, with separation of zones by a packer set at approximately 3690 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 Annual Gas-Oil Ratio Test Period for the Skaggs Grayburg-San Andres Oil Pool.

(2) That a 320-acre non-standard gas proration unit in the Rumont Gas Pool comprising the SE/4 NW/4, S/2 NE/4, NE/4 SW/4,

-3-

CASE No. 3306

Order No. R-2974

N/2 SE/4, and SE/4 SE/4 of Section 18, and the NE/4 NE/4 of Section 19, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Amerada Petroleum Corporation Fred Turner, Jr., "A" Well No. 2.

(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*

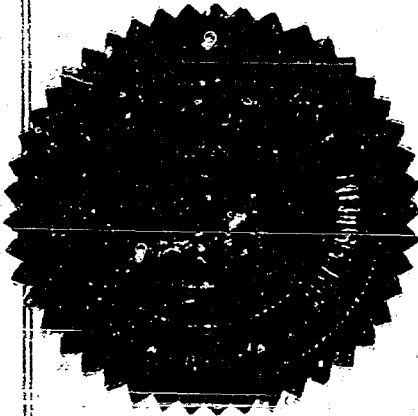
JACK M. CAMPBELL, Chairman

*Guntton B. Hays*

GUNTTON B. HAYS, Member

*A. L. Porter Jr.*

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



esr/

NEW MEXICO OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

OCT 18 8 52 AM '65  
6-1-56

PACKER-SETTING AFFIDAVIT  
(Dual Completions)

STATE OF NEW MEXICO )  
County of LEA ) ss

D. C. Capps, being first duly sworn according to law, upon his oath deposes and says:

That he is of lawful age and has full knowledge of the facts herein below set out.

That he is employed by Amerada Petroleum Corporation in the capacity of District Superintendent and as such is its authorized agent.

That on August 12,, 19 65, he personally supervised the setting of a Baker Model "D" Packer in Amerada's  
(Make and Type of Packer) (Operator)

F. Turner Jr. "A" Well No. 2, located in Unit  
(lease)  
Letter K, Section 18, Township 20S, Range 38E, NMPM,  
Lea County, New Mexico.

That said packer was set at a subsurface depth of 3690' feet,  
said depth measurement having been furnished by Welex wire line measurements.

That the purpose of setting this packer was to effect a seal in the annular space between the two strings of pipe where the packer was set so as to prevent the commingling, within the well-bore, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer. That this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as that it prevented any movement of fluids across the packer.

AMERADA PETROLEUM CORPORATION  
(Company)

D.C. Capps  
(its Agent)

Subscribed and sworn to before me this the 14th day of October, AD, 19 65.

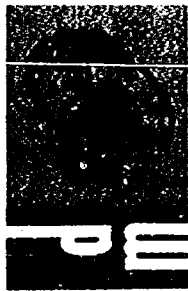
Notary Public  
Notary Public in and for the County of Lea.

My Commission Expires 10-28-66.

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PAGE 1

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
September 22, 1965

EXAMINER      HEARING

IN THE MATTER OF:

Application of Amerada Petroleum  
Corporation for a dual completion  
and a non-standard gas proration  
unit, Lea County, New Mexico.

Case No. 3306

BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

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PAGE 2

MR. NUTTER: Case 3306.

MR. DURRETT: Application of Amerada Petroleum Corporation for a dual completion and a non-standard gas proration unit, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, I ask that the record show the same appearances as in the preceding cases. We will have one witness I would like to have sworn, please.

(Witness sworn.)

(Whereupon, Amerada's Exhibits Nos. 1, 2, and 3 marked for identification.)

JOHN H. SWENDIG

called as a witness herein, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A John H. Swendig.

Q By whom are you employed and in what position, Mr. Swendig?

A By Amerada Petroleum Corporation as Petroleum Engineer at its District Office in Hobbs, New Mexico.

Q Mr. Swendig, have you ever testified before the Oil Conservation Commission of New Mexico?

A No, I have not.



Q For the benefit of the Examiner, would you state briefly your education and experience as a Petroleum Engineer?

A I graduated from Texas A & M with a B.S. Degree in Geological Engineering. I worked for Amerada as a Field Engineer in Midland, Texas, Tioga, North Dakota, and Petroleum Engineer in our Tulsa office.

Q Do your present duties include the area which is the subject matter of this application?

A Yes, it does.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. NUTTER: Yes, sir, they are.

Q (By Mr. Kellahin) Are you familiar with the application of Amerada Petroleum Corporation in Case 3306?

A Yes, I am.

Q Would you state briefly what Amerada proposes in this application?

A Amerada proposes to dually complete its Fred Turner "A" No. 2 as a Eumont gas well and as a Skaggs Grayburg oil well, and we ask that the Turner "A" lease be included as a gas proration unit totaling 320 acres.

Q Would that be for production from the Eumont Gas Pool?

A Yes, for the Eumont Gas Pool.

Q Do you know what the normal proration unit is in the Eumont?

A 640 acres.

Q This would be 320, is that right?

A Yes.

Q Referring to what has been marked as Exhibit No. 1, would you identify that exhibit and discuss the information shown on it?

A This is a plat showing a portion of the Eumont Gas Pool. The area outlined in red is the unit that Amerada asks be considered for a Eumont proration unit. The other units are Eumont proration units in the area, and shows the wells that are producing on these units.

Q Now is the subject lease included within the boundaries of the Eumont Gas Pool?

A No, sir, it is not.

Q Is it within a mile of the exterior boundary of that pool?

A Yes, sir.

Q Would it be practical, Mr. Swendig, to communitize the acreage involved here to form a standard unit, in your opinion?

A No, sir, I don't believe it would.

Q Now referring to what has been marked as Exhibit

No. 2, would you identify that exhibit and discuss it?

A This is a cross section from the west to east, going from the west, two wells that are producing in the Eumont Gas Pool, one well is a temporarily abandoned Eumont gas well, Amerada's Fred Turner "A"-2 and Amerada's Fred Turner "A" No. 3, to show continuity of the section from the Eumont Gas Pool into the acreage that is being considered.

Q Does that include the wells which are located immediately to the west of the Fred Turner "A" No. 1 Well?

A The wells that have been completed in the Eumont, yes, sir.

Q The No. 2 Well?

A Yes, sir.

Q What does this indicate, Mr. Swendig, in your opinion?

A It indicates that the Fred Turner "A"-2 is completed in the Eumont gas section, and that the lease is reasonably productive of Eumont gas.

Q Referring to what has been marked as Exhibit No. 3, would you identify that exhibit, please?

A Exhibit 3 is a schematic of the well, showing the casing and tubing perforations and completion of the well.

Q Now is that completion of the type that has been approved by the Commission before?

A Yes, sir, this is a conventional dual completion.

Q It does have, however, a one and one-half inch tubing, rather than the larger size, is that correct?

A Yes, sir.

Q What is the reason for that?

A The tubing in the well is the optimum that we feel that could be produced efficiently both from the gas zone and from the oil zone.

Q Would it be possible to use a larger size tubing in this well?

A It is probably possible but it would be probably impractical.

Q Were Exhibits 1 through 3 prepared by you or under your supervision?

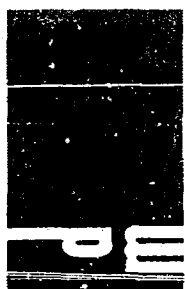
A Yes, sir, they were.

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

MR. NUTTER: Amerada Exhibits 1 through 3 will be received in evidence.

(Whereupon, Amerada's Exhibits Nos. 1, 2, and 3 offered and received in evidence.)

Q (By Mr. Kellahin) Mr. Swendig, will the approval of this application for the non-standard unit and dual completion of the Fred Turner, Jr., "A" Well No. 2 be in the interest of conservation and prevention of waste?



A Yes, sir, I believe it would be.

Q Would it avoid the drilling of an unnecessary well, in your opinion?

A Yes, sir.

MR. KELLAHIN: At this time I submit the witness for cross examination.

MR. NUTTER: Are there any questions of Mr. Swendig? Mr. Durrett.

CROSS EXAMINATION

BY MR. DURRETT:

Q Mr. Swendig, has Amerada made any effort to communitize their acreage in Section 18 with Continental acreage in Section 18, or any other acreage in that section?

A No, sir, we have not.

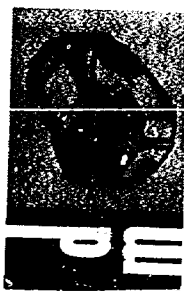
Q Have you talked to Continental or any of these other operators about your proposal to create the non-standard unit you seek to create here today?

A They were notified of the application but we have not contacted them directly, had conversation with them.

Q You mean they were notified by mail?

A Yes, sir.

Q I assume it's your opinion that your Fred Turner "A" Well No. 2 will drain this non-standard unit efficiently and economically?



A Yes, sir.

Q Do you think that well will drain on a radial basis?

A I would assume so, yes, sir.

Q Do you think that the production from that well would have any effect on oil and gas that might be underlying the Northwest Quarter of the Southwest Quarter of 18, or the Southwest of the Southwest of 18, the Southeast of the Southwest of 18, or the Southwest of the Southeast of 18?

A It would have some effect on its acreage, yes.

Q If it drained your acreage in Section 19, it's going to drain that acreage, isn't it, Mr. Swendig?

A Yes, sir.

MR. DURRETT: That's all I have. Thank you.

BY MR. NUTTER:

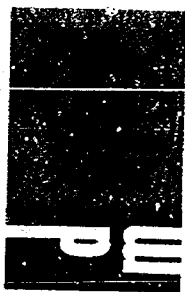
Q What evidence do you have that the east portion of your proposed proration unit is productive of gas from the Eumont Gas Pool?

A Only to the continuity of the formation as shown on the cross section.

Q You have the cross section which is labeled, the well on the right-hand side is labeled the Fred Turner, Jr., Well No. 3 on your cross section?

A Yes, sir.

Q Here on your Exhibit No. 1, we have a well called



the No. 13 and the No. 8. Where is the No. 3 there, or is there a third well there in that 40?

A The well labeled 113 and the Fred Turner "A"-3 are the same well. This map was taken from the Warren McKee Unit map.

Q So that the Unit well number is 113, but that's the old Turner No. 3?

A Yes. It is a Warren McKee completion.

Q Do you know if any tests were made in the Eumont formation when that well was drilled?

A No, sir, there were no tests made on that well.

Q Are there any Eumont wells anywhere in this vicinity, other than the red circles that you have shown on this map?

A There was one other well that was completed as the Eumont well but was not produced; it is not shown.

Q Where is that?

A It would be Continental No. 41 SEMU in the Southeast Southeast of Section 13, but it did not produce from the Eumont.

Q That's one of the wells that's on your cross section?

A Yes, sir.

Q Has this well been perforated in the Eumont yet?

A Number 41?

Q No, your Number 2, the proposed dual completion.

A Has it been perforated?

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Q Yes, sir.

A Yes, sir, it has been completed.

Q What was the potential in the Eumont?

A About 2.4 million a day.

Q Now you've got two and a half inch tubing set in the packer and one and a half inch tubing inside that tubing, is that right?

A Yes, sir.

Q And the Eumont would come up the annulus between the --

A Seven-inch and three and a half.

Q -- seven-inch and three and a half. Now with this one and a half inch tubing in this well, is it going to be possible to artificially lift the Skaggs-Grayburg if that is necessary?

A Yes, sir. This is the reason for the one and a half inch tubing, because the Skaggs-Grayburg is pumping.

Q You have a rod pump in this one and a half inch tubing?

A Yes, sir.

MR. NUTTER: Are there any further questions of Mr. Swendig? Mr. Irby.

BY MR. IRBY:

Q Mr. Swendig, what method will be used to determine the deterioration of the seven-inch above the 1190 feet?

A As a result of corrosion, sir?



Q Yes, sir.

A This is sweet gas. We are not anticipating any corrosion from the gas.

Q Does this mean you will not make any examination to determine?

A Not unless there's some indication of a problem, we will not examine it. The casing was tested prior to completion.

Q When was that?

A The well was completed in August and it was tested during the completion.

Q August of what year?

A This past year, I mean this present year, August, '65.

MR. IRBY: I have no further questions.

MR. NUTTER: Are there any other questions?

MR. KELLAHIN: I am just going to ask the witness one question, if I may.

REDIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Swendig, are you familiar with the ownership, what's shown here as Continental Southeast Monument Unit? Have you had any occasion to deal with the Southeast Monument Unit?

A No, sir.

MR. KELLAHIN: Thank you, that's all.

MR. NUTTER: The witness may be excused.

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(Witness excused.)

MR. KELLAHIN: That's all we have.

MR. NUTTER: Does anyone have anything they wish to offer in Case 3306? We'll take the case under advisement and call a fifteen minute recess.

(Whereupon, a short recess was taken.)

\* \* \* \*

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO ) ss

I, ADA DEARNLEY, Court Reporter - Notary Public, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 12th day of October, 1965.

*Ada Dearnley*  
Court Reporter - Notary Public

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. 3306 dated by me on 9/22, 1965.

*James*  
Examiner  
New Mexico Oil Conservation Commission

*Heuring*  
*Serv*

OIL CONSERVATION COMMISSION  
I DISTRICT

*3306*  
MAIN OFFICE  
SEP 16 1965

OIL CONSERVATION COMMISSION  
BOX 871  
SANTA FE, NEW MEXICO

DATE Sept. 14, 1965

Re: Proposed NSP \_\_\_\_\_  
Proposed NWU \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed NFO \_\_\_\_\_  
Proposed DC X

Gentlemen:

I have examined the application dated 8/30/65  
for the Amerada Pet. Corp. Fred Turner, Jr. "A" #2 18-20-38  
Operator Lease and Well No. S-T-R  
and my recommendations are as follows:

O.K.---E.F.E.

O.K.---J.W.R.

Yours very truly,

