

CASE 5788: AMOCO PRODUCTION COMPANY FOR
A DUAL COMPLETION, LEA COUNTY, NEW MEXICO

CASE NO.

6788

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
16 January 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Amoco Production) CASE
Company for a dual completion, Lea) 6788
County, New Mexico.)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant: John D. Maxwell, Esq.
Amoco Production Company
Post Office Box 3092
Houston, Texas 77001

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Phone (505) 455-7409

I N D E X

J. C. ALLEN

Direct Examination by Mr. Maxwell 3

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E X H I B I T S

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Applicant Exhibit Three, Log 9

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MR. NUTTER: We'll call next Case Number 6788.

MR. MAXWELL: John Maxwell for Amoco Production Company, and I have one witness, Mr. Examiner, who needs to be sworn.

MR. PADILLA: And this is the application of Amoco Production Company for a dual completion, Lea County, New Mexico.

(Witness sworn.)

J. C. ALLEN

being called as a witness and having been duly sworn upon his oath, testifies as follows, to-wit:

DIRECT EXAMINATION

BY MR. MAXWELL:

Q. Would you please state your name, where you're employed, and in what capacity?

A. My name is James C. Allen. I'm employed by Amoco Production Company in Houston, Texas, as a Senior Petroleum Engineering Supervisor.

Q. And have you testified before this Conservation Division before?

A. Yes, sir.

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1 Q And are your qualifications a matter of
2 public record?

3 A Yes, sir.

4 MR. MAXWELL: Mr. Examiner, we'd like
5 for you to accept this witness as an expert, qualified to
6 testify in this matter.

7 MR. NUTTER: Mr. Allen is qualified.

8 MR. MAXWELL: Thank you, sir.

9 Q How many exhibits do you plan to intro-
10 duce?

11 A I have three exhibits.

12 Q Were these exhibits prepared by you or
13 at your direction and under your supervision?

14 A Yes, sir.

15 Q Now, I'd like to direct your attention
16 now to Exhibit Number One. What is Exhibit Number One?

17 A Exhibit Number One is a map of the Amoco
18 operated South Mattix Unit in the Fowler area of Lea County,
19 New Mexico.

20 Q Now, I notice on the map there is some
21 data beside each well spot. Does this data have any bearing
22 on the application of Amoco in this today?

23 A No, sir, this is production data for
24 the Upper Yeso completions and does not figure into our
25 hearing this morning.

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1 Q I do notice that there are different
2 patterns of yellow coloring on the map. What do these dif-
3 ferent patterns indicate?

4 A The color coding here is to indicate
5 the percentage ownership that Amoco holds in various leases.

6 The cross hatched area is the South
7 Mattix Unit. The area outlined or bordered in yellow is
8 that in which we own a working interest. The solid area is
9 leases where Amoco holds 100 percent working interest.

10 Q I also notice on the map that there are
11 a lot of colored dots. What do these dots indicate?

12 A Yes, sir, this is in an area of multi-
13 pay horizons. The color coding indicates the horizon in
14 which the well is active at this time.

15 Q Now, is the well which is the subject
16 matter of this application today shown on this exhibit,
17 and if so, where and how?

18 A Yes, sir, it's shown in Unit F and it's
19 highlighted with a red arrow.

20 Q I've noticed that there are two over-
21 lapping colored circles there, indicating what?

22 A This indicates a dual completion in the
23 Upper Paddock and Drinkard.

24 Q I also notice that in the north half
25 of Section 22 there is another well which has overlapping

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1 yellow dots just like this 35 Well. What does that indicate?

2 A Yes, sir, this is our South Mattix Unit
3 Well No. 36, which is in the process of completion, and it's
4 also a proposed Upper Paddock and Drinkard completion.

5 Q Now, if -- if Amoco's application in
6 this case today is approved, does Amoco plan to seek admini-
7 strative approval to dually complete Well No. 36?

8 A Yes, sir.

9 Q Is there -- is there any other activity
10 in Section 15 in the vicinity of Well No. 35?

11 A Yes, sir, in Unit G to the east, Amoco
12 is currently drilling the South Mattix Well No. 39, and we
13 have -- this well is identified by a conventional well
14 location symbol, a small circle, and in Unit A we have the
15 South Mattix Unit No. 38 location, which will be drilled
16 following Well No. 39.

17 Q In these two wells, will they penetrate
18 the Upper Paddock and Drinkard and will those zones be
19 potentially productive?

20 A Yes, sir. Current plans are to TD in
21 the Drinkard.

22 Q Are there any other wells in the vicinity
23 of the subject well that have been completed in the Upper
24 Paddock and Drinkard dually?

25 A No, sir.

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1 Q Do you have anything else you want to
2 add this before we go on to Exhibit Number Two?

3 A I don't believe so, no, sir.

4 Q All right. I'll direct your attention
5 to Exhibit Number Two. What is Exhibit Number Two?

6 A Exhibit Number Two is a wellbore sketch
7 of the Amoco South Mattix Unit Well No. 35. It shows the
8 mechanical completion of the well at this time.

9 Q Would you describe what sort of set-up
10 you have in this well?

11 A Yes, sir. This indicates that the 7-inch
12 production casing is set at 6400 feet; top of cement based
13 on temperature survey, at 1177 feet.

14 This also illustrates that this is a con-
15 ventional dual tubing string completion with two strings of
16 2-3/8ths inch tubing; a Baker Model A-5 dual packer is set
17 at 4809 feet; a Baker Model D production packer is set at
18 6202 feet.

19 Q Now would you describe the perforations
20 in this well?

21 A Yes, sir. Three zones were perforated
22 in this well. The uppermost is the Upper Paddock, 4846 to
23 4901 overall. The second set of perforations shown here are
24 the Tubbs at 5944 to 5997 overall. These perforations tested
25 dry with only a small show of gas and have been abandoned by

1 squeeze cementing.

2 The lowermost perforations are the
3 Drinkard at 6246 to 6318 overall.

4 Q And have you conducted any production
5 tests in these two perforations that are remaining open?

6 A Yes, sir. The upper zone, the Upper
7 Paddock initial potential was 1.7-million cubic feet of gas
8 a day; no condensate; 67 barrels of water with a flowing
9 tubing pressure of 195 pounds and a shut-in pressure of 1320.

10 The oil zone, the Drinkard, potentialized
11 pumping for 3 barrels of oil a day; 35 barrels of water;
12 35 Mcf gas, for a gas/oil ratio of 11,667.

13 I might add that during production
14 testing of the Drinkard the maximum production that we ever
15 recorded in any 24-hour period was about 11 barrels of oil
16 a day.

17 Q Will you classify this as a marginal
18 well?

19 A Definitely.

20 Q In the Drinkard, then? Now, you men-
21 tioned the packers here and described them. Are these
22 standard production-type packers?

23 A Yes, sir, they are.

24 Q All right. Do you have anything else
25 you want to add here before we go on and talk about Exhibit

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1 Three, Mr. Allen?

2 A No, sir.

3 Q Let's look at Exhibit Number Three, then,
4 please, sir. What is Exhibit Number Three? Would you de-
5 scribe it?

6 A Exhibit Number Three is a copy of the
7 density neutron log run on the South Mattix Unit No. 35.
8 On this log I've added the tops of various geological forma-
9 tions and have indicated the exact perforated intervals that
10 we tested, or were perforated in the Paddock, Tubbs, and
11 Drinkard formations.

12 Q All right, Mr. Allen, if approval is
13 granted by the Division to dually complete this Well No. 35,
14 and it is completed as shown on Exhibit Number Two, in your
15 opinion can hydrocarbons from the Drinkard and the Upper
16 Paddock be safely and efficiently produced through parallel
17 strings of tubing?

18 A In my opinion, yes, sir.

19 Q And will the production-type packers
20 to be used effectively prevent communication between all
21 productive zones in the well?

22 A Yes, sir.

23 MR. MAXWELL: I respectfully submit Ex-
24 hibits One , Two, and Three, and the testimony of Mr. Allen
25 as evidence to support Amoco's application, and pass the

1 witness, Mr. Examiner.

2 Do you have any questions?

3 MR. NUTTER: Exhibits One through Three
4 will be admitted into evidence.

6 CROSS EXAMINATION

7 BY MR. NUTTER:

8 Q Mr. Allen, you mentioned the potential
9 in the Drinkard as being 3 barrels of oil and 35 Mcf of gas
10 and a GOR of 11,667.

11 Would you give the GOR and potential in
12 the Lower Paddock again, please?

13 A In the Upper Paddock?

14 Q Yeah.

15 A Yes, sir, there was no condensate re-
16 ported. It was all gas and water. The gas potential was
17 1700 MCFD.

18 Q That's dry gas, then.

19 A Yes, sir. On this test we reported no
20 condensate.

21 Q Okay, now you gave us a flowing tubing
22 pressure. Do you have any idea what the bottom hole pres-
23 sure is in the Drinkard?

24 A This, based on the shut-in tubing pres-
25 sure, it extrapolates to a bottom hole pressure of -- in

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the order of about 1480 pounds.

Q Now that's probably the Paddock you're talking about.

A That is the Upper Paddock, yes, sir.

Q Do you have any idea of the pressure in the Drinkard?

A No, it would be quite low, though, based on 3 barrels a day. It was not measured.

Q This is a pumping well?

A Yes, sir, it is pumping. I might add that the Drinkard potential was actually kicked off by the drilling last August of our Well No. 37, which is located in Unit I, I believe, in Section 15, and that potentialized in excess of 50 barrels of oil a day.

And so based on this, the wells in which we are drilling, we do plan to penetrate and evaluate the Drinkard.

Q I see.

MR. NUTTER: Are there any other questions of Mr. Allen? He may be excused.

Do you have anything further, Mr. Maxwell?

MR. MAXWELL: We have nothing further.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 6788?

We'll take the case under advisement.

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,
DO HEREBY CERTIFY that the foregoing and attached Transcript
of Hearing before the Oil Conservation Division was reported
by me; that the said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6788,
heard by me on 1/16 1980.

[Signature], Examiner
Oil Conservation Division

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
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(505) 827-2434

February 12, 1980

Mr. John Maxwell, Attorney
Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Re: CASE NO. 6788
ORDER NO. R-6260

Applicant:

Amoco Production Company

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD _____ X
Artesia OCD _____ X
Aztec OCD _____

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6788
Order No. R-6260

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR A DUAL COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on January 16, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of February, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Amoco Production Company, seeks authority to complete its South Mattix Unit Well No. 35, located in Unit F of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas from the Fowler-Upper Paddock Pool and oil from the Fowler-Drinkard Pool through parallel strings of tubing, with separation of the zones to be achieved by means of a packer set at approximately 6202 feet.

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

(4) That approval of the subject application will prevent waste and protect correlative rights.

-2-

Case No. 6788
Order No. R-6260

IT IS THEREFORE ORDERED:

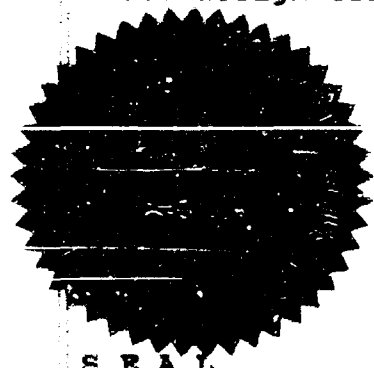
(1) That the applicant, Amoco Production Company, is hereby authorized to complete its South Mattix Unit Well No. 35, located in Unit F of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas from the Fowler-Upper Paddock Pool and oil from the Fowler-Drinkard Pool through parallel strings of tubing, with a packer set at approximately 6202 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division 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 Fowler-Drinkard Pool.

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

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
16 January 1980

EXAMINER HEARING

IN THE MATTER OF:)
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BEFORE: Daniel S. Nutter

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I N D E X

J. C. ALLEN

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E X H I B I T S

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4 Production Company, and I have one witness, Mr. Examiner,
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9
10 (Witness sworn.)

11
12 J. C. ALLEN
13 being called as a witness and having been duly sworn upon
14 his oath, testifies as follows, to-wit:

15
16 DIRECT EXAMINATION

17 BY MR. MAXWELL:

18 Q Would you please state your name, where
19 you're employed, and in what capacity?

20 A My name is James C. Allen. I'm employed
21 by Amoco Production Company in Houston, Texas, as a Senior
22 Petroleum Engineering Supervisor.

23 Q And have you testified before this Con-
24 servation Division before?

25 A Yes, sir.

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1 Q And are your qualifications a matter of
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4 MR. MAXWELL: Mr. Examiner, we'd like
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6 testify in this matter.
7 MR. NUTTER: Mr. Allen is qualified.
8 MR. MAXWELL: Thank you, sir.
9 Q How many exhibits do you plan to intro-
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11 A I have three exhibits.
12 Q Were these exhibits prepared by you or
13 at your direction and under your supervision?
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15 Q Now, I'd like to direct your attention
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21 data beside each well spot. Does this data have any bearing
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23 A No, sir, this is production data for
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4 A The color coding here is to indicate
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6 The cross hatched area is the South
7 Mattix Unit. The area outlined or bordered in yellow is
8 that in which we own a working interest. The solid area is
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16 matter of this application today shown on this exhibit,
17 and if so, where and how?

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23 Upper Paddock and Drinkard.

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13 have -- this well is identified by a conventional well
14 location symbol, a small circle, and in Unit A we have the
15 South Mattix Unit No. 38 location, which will be drilled
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19 potentially productive?

20 A Yes, sir. Current plans are to TD in
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22 Q Are there any other wells in the vicinity
23 of the subject well that have been completed in the Upper
24 Paddock and Drinkard dually?

25 A No, sir.

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1 Q Do you have anything else you want to
2 add this before we go on to Exhibit Number Two?

3 A I don't believe so, no, sir.

4 Q All right. I'll direct your attention
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A. Definitely.

Q In the Drinkard, then? Now, you mentioned the packers here and described them. Are these standard production-type packers?

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witness, Mr. Examiner.

Do you have any questions?

MR. NUTTER: Exhibits One through Three will be admitted into evidence.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Allen, you mentioned the potential in the Drinkard as being 3 barrels of oil and 35 Mcf of gas and a GOR of 11,667.

Would you give the GOR and potential in the Lower Paddock again, please?

A In the Upper Paddock?

Q Yeah.

A Yes, sir, there was no condensate reported. It was all gas and water. The gas potential was 1700 MCFD.

Q That's dry gas, then.

A Yes, sir. On this test we reported no condensate.

Q Okay, now you gave us a flowing tubing pressure. Do you have any idea what the bottom hole pressure is in the Drinkard?

A This, based on the shut-in tubing pressure, it extrapolates to a bottom hole pressure of -- in

SALY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 435-7409

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the order of about 1400 pounds.

Q Now that's probably the Paddock you're talking about.

A That is the Upper Paddock, yes, sir.

Q Do you have any idea of the pressure in the Drinkard?

A No, it would be quite low, though, based on 3 barrels a day. It was not measured.

Q This is a pumping well?

A Yes, sir, it is pumping. I might add that the Drinkard potential was actually kicked off by the drilling last August of our Well No. 37, which is located in Unit I, I believe, in Section 15, and that potentialized in excess of 50 barrels of oil a day.

And so based on this, the wells in which we are drilling, we do plan to penetrate and evaluate the Drinkard.

Q I see.

MR. NUTTER: Are there any other questions of Mr. Allen? He may be excused.

Do you have anything further, Mr. Maxwell?

MR. MAXWELL: We have nothing further.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 6788?

We'll take the case under advisement.

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter,
DO HEREBY CERTIFY that the foregoing and attached Transcript
of Hearing before the Oil Conservation Division was reported
by me; that the said transcript is a full, true, and correct
record of the hearing, prepared by me to the best of my
ability.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6788.
heard by me on 1/16 1980.
Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.
Rt. 1 Box 191-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409



Amoco Production Company

ENGINEERING CHART

SHEET NO. OF

FILE

APPN

DATE 1-3-80

BY BW

SUBJECT SOUTH MATTHEW UNIT FLD. #35

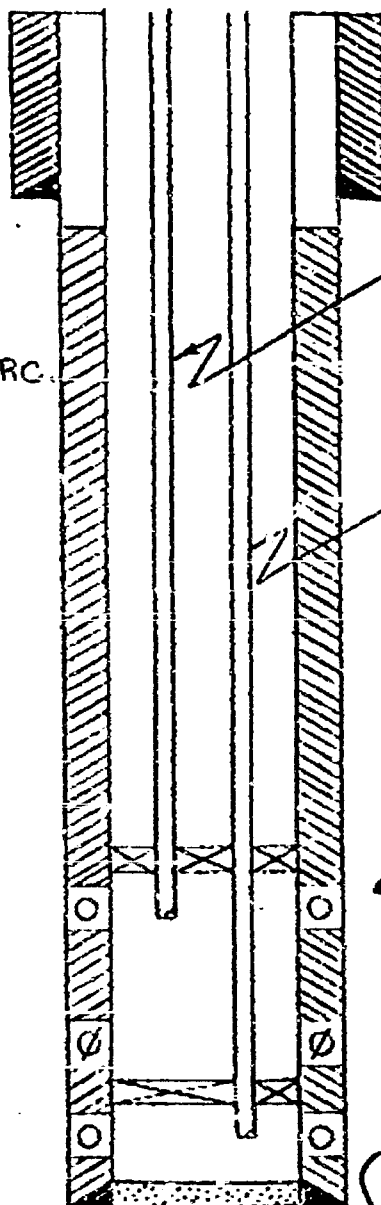
DEERKARD AND UPPER PADDOCK

1650' FNL & 1650' FWL, SEC. 15, T-24-S, R-37-E
LFA COUNTY, NEW MEXICO

ELEVATION: 3246 G.L.

COMPLETED:

9⁵/₈" CSA 1064'
36" K-55
32" K-55
30" K-55
CMT 1/550 SXS. CIRC.
12¹/₄" HOLE.



2³/₈" TUBING LANDED IN A-5 HYDRO-STATIC PACKER SET AT 4809'

2³/₈" TUBING LANDED IN BAKER, MODEL D PACKER SET AT 6202'

gas well:
195 FTP
1320 SITP
no cond
1700 MCF

DN
3809D
35' w/2
35' MCF
1166760R

7" CSA 6400'
20" N-80 ST4C
23" K-55 ST4C
CMT 1/1270 SXS.
TCMT 1177'
8³/₄" HOLE.

TD - 6400'
FBD - 6350'

Appended:

PERFS: 4846' - 53', 4865' - 74', 4883' - 90', 4892' - 901' w/2JSPF.

To
PERFS: 5944' - 58', 5985' - 97' w/2JSPF
SQUEEZED w/150 SXS. CLASS H, 1800#
PERFS: 6246' - 60', 6267' - 80', 6294' - 300 6312' - 18' w/2JSPF.

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

Amoco EXHIBIT NO. 2

CASE NO. 6788



Amoco Production Company

ENGINEERING CHART

SHEET NO. OF

FILE

APPN

DATE 1-2-80

BY RW

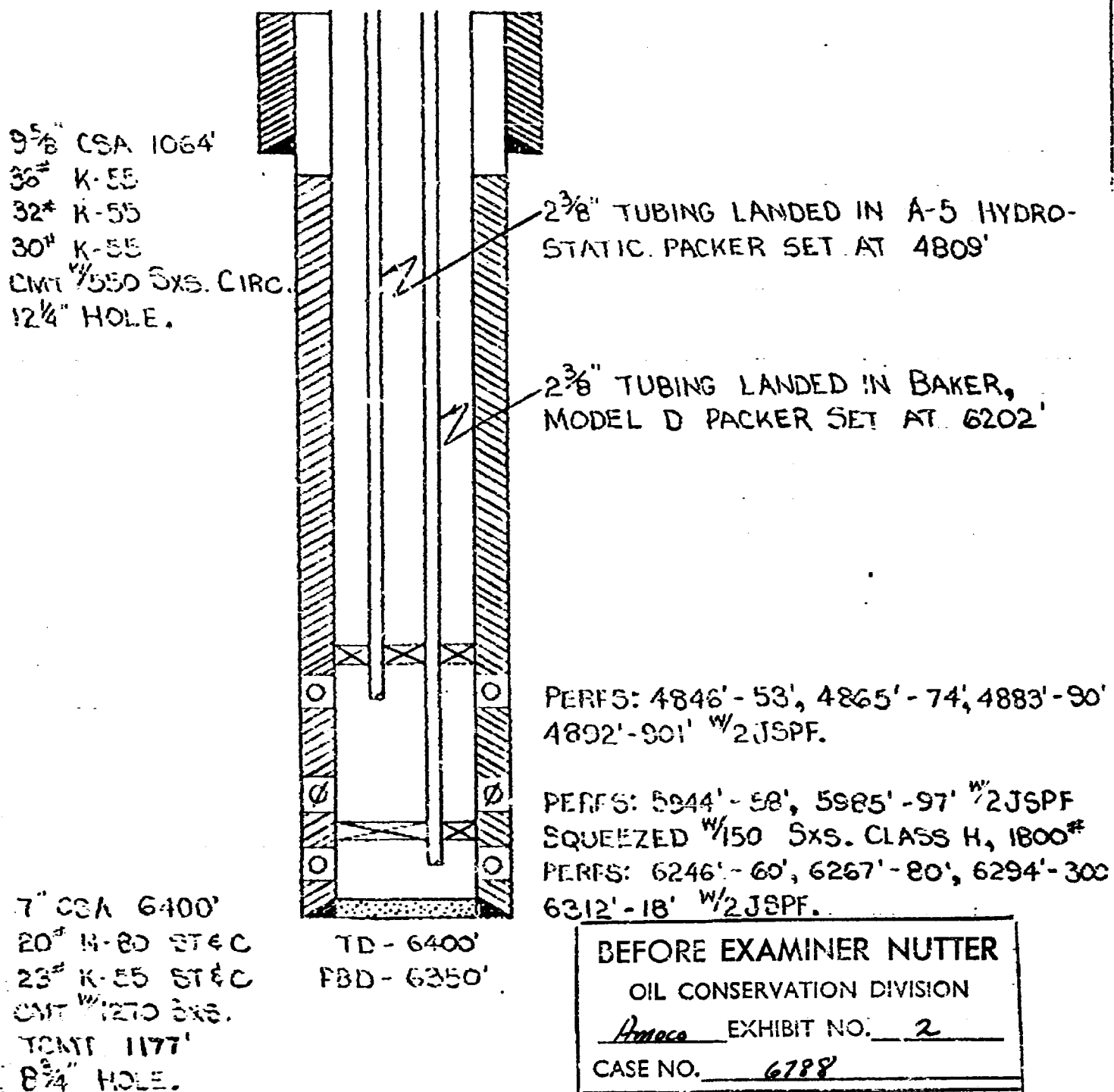
OBJECT SOUTH MATTIX UNIT FED. # 35

DEERWARD AND UPPER PADDOCK

1650' FNL & 1650' FWL, SEC. 15, T-24-S, R-37-E
LEA COUNTY, NEW MEXICO

ELEVATION: 3246 G.L.

COMPLETED:





Amoco Production Company

ENGINEERING CHART

SHEET NO. OF

FILE

APPN

DATE 1-3-80

BY BW

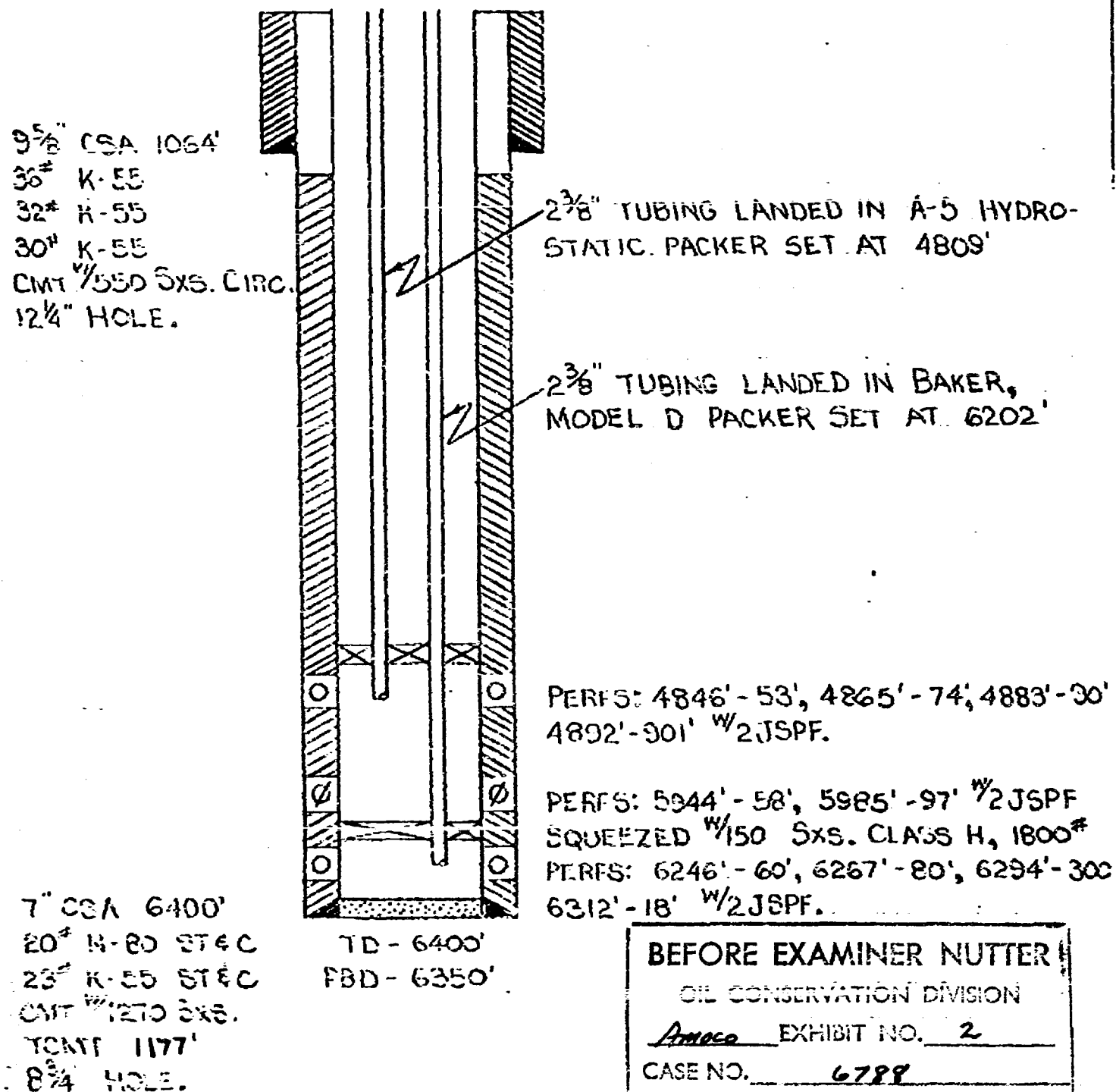
SUBJECT SOUTH MATTHEW UNIT FED. #35

DEWEY AND UPPER FADEOCK

1650' FNL & 1650' FWL, SEC. 15, T-24-S, R-37-E
LEA COUNTY, NEW MEXICO

ELEVATION: 3246 G.L.

COMPLETED:



ATWOOD, MALONE, MANN & COOTER

A PROFESSIONAL ASSOCIATION
LAWYERS

JEFF D. ATWOOD [1883-1960]
ROSS L. MALONE [1910-1974]

P O DRAWER 700
SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO 88201
[305] 622-6221

RECEIVED
JAN 10 1980
OIL CONSERVATION DIVISION
SANTA FE
CHARLES F. MALONE
RUSSELL A. MANN
PAUL A. COOTER
JOE F. TUNNEY
JOHN W. HASETT
ROBERT A. SABIN
BRIAN M. COLE
RANDAL M. ROBERTS
STEVEN L. BELL
WILLIAM R. LYNCH

January 10, 1980

Mr. Joe Ramy
Secretary-Director
Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Examiner Hearing - Wednesday, January 16, 1980
Cause No. 6788

Dear Mr. Ramy:

Please file the enclosed Entry of Appearance for
Amoco Production Company in the above captioned No. 6788.

Very truly yours,


Charles F. Malone

CFM:grt

Enclosure

cc: Guy Buell, Esquire (w/enc.)

RECEIVED
JAN 10 1980
OIL CONSERVATION DIVISION
SANTA FE

BEFORE THE OIL CONSERVATION DIVISION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF AMOCO PRODUCTION COMPANY FOR)
DUAL COMPLETION, SOUTH MATTIS UNIT)
WELL NO. 35, UNIT F, SECTION 15,)
TOWNSHIP 24 SOUTH, RANGE 37 EAST,)
FOWLER-UPPER PADDOCK AND FOWLER-)
DRINKARD.)

No. 6788

ENTRY OF APPEARANCE

The undersigned hereby enter their appearance on
behalf of Amoco Production Company with John Maxwell of
Houston, Texas.

ATWOOD, MALONE, MANN & COOTER, P.A.

By Charles Malone
Post Office Drawer 700
Roswell, New Mexico 88201

Dockets Nos. 3-80 and 4-80 are tentatively set for January 30 and February 13, 1980. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 16, 1980

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

The following cases will be heard before Daniel S. Mitter, Examiner, or Richard L. Stamets, Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1980, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for February, 1980, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6787: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the approval of 12 non-standard proration units ranging in size from 261.51 acres to 334.24 acres for 320-acre spaced pools, and 19 non-standard proration units ranging in size from 162.65 acres to 207.57 acres for 160-acre spaced pools, all of the aforesaid units being in and resulting from the irregular size and shape of Sections 1 thru 7 and 18, 19, 30, and 31 along the North and West sides of Township 28 North, Range 3 West, Rio Arriba County.

CASE 6788: Application of Amoco Production Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its South Mattix Unit Well No. 35 located in Unit F of Section 15, Township 24 South, Range 37 East, to produce gas from the Fowler-Upper Paddock Pool and oil from the Fowler-Drinkard Pool thru parallel strings of tubing.

CASE 6789: Application of Knox Industries, Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the well location requirements of the Scharb-Bone Springs Pool as promulgated by Order No. R-2589 to permit its New Mexico State Well No. 2 to be drilled in Unit H of Section 1, Township 19 South, Range 34 East, the E/2 NE/4 of said Section 1 to be dedicated to the well.

CASE 6790: Application of Merrion & Bayless for gas well commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to temporarily commingle certain of its Pictured Cliffs gas wells in Sections 1, 2, 3, 9, 10, and 11, Township 26 North, Range 13 West, in a common gathering system and meter the entire lease output through the purchaser's sales meter located in Unit M of said Section 7.

CASE 6784: (Continued from January 3, 1980, Examiner Hearing)

Application of Merrion & Bayless for a non-standard proration unit and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 640-acre non-standard gas proration unit comprising the W/2 of Section 18 and the W/2 of Section 19, Township 32 North, Range 14 West, Barker Creek-Paradox Pool, to be dedicated to its Ute Well No. 7 at an unorthodox location 1685 feet from the South line and 3335 feet from the East line of said Section 19.

In the alternative, applicant seeks an order force pooling all of said Section 19 to form a standard 640-acre unit.

CASE 6791: Application of Holly Energy, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State 30 Well No. 1, a Morrow test to be drilled 660 feet from the North line and 840 feet from the East line of Section 30, Township 17 South, Range 28 East, the N/2 of said Section 30 to be dedicated to the well.

CASE 6792: Application of Florida Exploration Company for a non-standard gas proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 324.25-acre non-standard gas proration unit comprising Lots 1 and 2 and N/2 NE/4 of Section 33 and Lots 2, 3, and 4 and NW/4 NE/4 and N/2 NW/4 of Section 34, all in Township 26 South, Range 30 East, Ross Draw Area, to be dedicated to a well to be drilled at a standard location thereon.

CASE 6793: Application of Meadco Properties, Ltd. for an exception to Order No. R-111-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the casing-cementing rules of Order No. R-111-A to permit a proposed well in Unit E of Section 4, Township 21 South, Range 29 East, to be completed by setting surface casing at 550 feet and production casing at total depth and cementing both casing strings to the surface.

CASE 6794: Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tocito Gallup and Dakota production in the wellbore of its Breech "D" Well No. 140 located in Unit A of Section 11, Township 26 North, Range 6 West.

Carl Ulvog

Reference order (R-2344) is for
a triple completion Gas-Gas-Oil
in Paddock-Tubb & Bismarck

Can't find a Paddock-Drummond
Duel in vicinity - thus we
need a hearing



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

November 1, 1979

File: VES-986.51-958

Re: Application for Multiple Completion
South Mattix Unit Federal Well No. 35

Oil Conservation Division of
The New Mexico Department of
Energy and Minerals
P. O. Box 2088
Santa Fe, New Mexico 88240

Gentlemen:

Amoco Production Company requests your approval for multiple completion of our South Mattix Unit Federal Well No. 35 located 1650' FNL and 1650' FWL, Unit F, Section 15, Township 24 South, Range 37 East, Lea County, New Mexico. The multiple completion will be made in the Fowler Paddock (Upper Zone) as a gas well and in the Fowler Drinkard (Lower Zone) as an oil well. The methods of production will be flowing for the gas zone and artificial lift for the oil zone.

We have notified the offset operators, by certified mail, requesting their consent for this multiple completion. Enclosed is a diagrammatic sketch of the multiple completion, a plat containing all pertinent information, and certified mail receipts showing that the offset operators have been contacted. Your favorable response to this application would be greatly appreciated.

Yours very truly,

V. E. Staley

RECEIVED
NOV 15 1979
S. J. Ekerson
Houston, TX
OIL CONSERVATION DIVISION
SANTA FE

NMOCD
P. O. Box 1980
Hobbs, NM 88240

*Case 6788
Fowler Drinkard*

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Case 6788

Operator Amoco Production Company		County Lea	Date 11-1-79
Address P. O. Box 68, Hobbs, NM 88240		Lease South Mattix Unit	Well No. 35
Location of Well F	Unit 15	Township 24	Range 37

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple 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. **NA**; Operator Lease, and Well No.: **Amoco Production Company - South Mattix Unit Federal #14**

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Fawler Upper Und. Paddock		Fawler Lower Und. Drinkard
b. Top and Bottom of Pay Section (Perforations)	4846'-4901'		6246'-6318'
c. Type of production (Oil or Gas)	Gas		Oil
d. Method of Production (Flowing or Artificial Lift)	Flowing		Artificial Lift

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

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and 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.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
<input checked="" type="checkbox"/>	<input type="checkbox"/>	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 112A.)

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

Gulf Oil Company - P. O. Box 1150, Gulf Bldg. Midland, TX 79702

ARCO - P. O. Box 1710, Hobbs, NM 88240

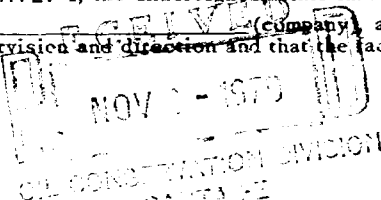
Conoco, Inc. - P. O. Box 460, Hobbs, NM 88240

Exxon Company - P. O. Box 1600, Midland, TX 79702

Shell Oil Company - Box 2463, Houston, TX 77001

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 **11-1-79**.

CERTIFICATE: I, the undersigned, state that I am the **Administrative Supervisor** of the **Amoco Production** (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.



Lay Cox
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 multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



Amoco Production Company

ENGINEERING CHART

SHEET NO. OF

FILE

APPN

SUBJECT

South Matlix Unit Fed. #35

DATE 10/30/79

Wellbore Sketch

BY M.G.O.

elev.: 3246.0 GR

2 3/8" TBG SA 4755'
BAKER PACKER SA 4688' (Model D)

PERFS: 4846'-53'; 65'-74'; 83'-90';
92'-94'; w/2DPJSPF

PERFS: 5944'-58'; 85'-97' w/2JSPF

PERFS: 6246'-60'; 67'-80';
94'-300'; 6312'-18'
w/2JSPF

TD 6412'

9 5/8" 36", 32", 30" K-55
BRD SA 1064'. CMTX
400 SX C/C CMT w/Additives
TAILED 150 SX C/C w/2% CACL
TCMT 1177'

2 3/8 TBG SA 6320'
BAKER PACKER SA 6084' (A-5)

7" 20# 23# N-80 K-55 ST&C
SA 6412'. CMT w/880 SX
CL C w/Add. TAILED w/390
SX CL C.

MATIX UNIT

GETTY (OPER)

24-37

LANGLIE JACK UNIT

MEYERS UNIT

WOLLARHIDE UNIT

WOLLARHIDE UNIT

AMERADA (OPER)

WOLLARHIDE UNIT

HUMPHREY ON UNIT

STUART UNIT



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

October 30, 1979

File: VES-986.51-943

Re: Waivers Consent for Multiple Completion
South Mattix Unit Federal Well No. 35

Shell Oil Company
Box 2463
Houston, TX 77001

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our South Mattix Unit Federal Well No. 35, 1650' FNL and 1650' FWL, Section 15, T-24-S, R-37-E, Lea County, New Mexico. We have filed, with the NMOCD in Santa Fe, an application for multiple completion in the Fowler Paddock (Upper Zone) as a gas well and in the Fowler Drinkard (Lower Zone) as an oil well. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

APPROVED: _____

BY: _____

DATE: _____

Enclosures

RECEIVED
NOV 2 - 1979
CONSERVATION DIVISION
SANTA FE

cc: NMOCD
P. O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

October 30, 1979

File: VES-986.51-943

Re: Waivers Consent for Multiple Completion
South Mattix Unit Federal Well No. 35

Exxon Company
P. O. Box 1600
Midland, TX 79702

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our South Mattix Unit Federal Well No. 35, 1650' FNL and 1650' FWL, Section 15, T-24-S, R-37-E, Lea County, New Mexico. We have filed, with the NMOCD in Santa Fe, an application for multiple completion in the Fowler Paddock (Upper Zone) as a gas well and in the Fowler Drinkard (Lower Zone) as an oil well. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

APPROVED: _____

BY: _____

DATE: _____

Enclosures

cc: NMOCD
P. O. Box 2088
Santa Fe, NM 87501

RECEIVED
NOV 1 - 1979
S. J. Okerson
Houston, TX
OIL CONSERVATION DIVISION
SANTA FE



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

October 30, 1979

File: VES-986.51-943

Re: Waivers Consent for Multiple Completion
South Mattix Unit Federal Well No. 35

Conoco, Inc.
P. O. Box 480
Hobbs, NM 88240

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our South Mattix Unit Federal Well No. 35, 1650' FNL and 1650' FWL, Section 15, T-24-S, R-37-E, Lea County, New Mexico. We have filed, with the NMOCD in Santa Fe, an application for multiple completion in the Fowler Paddock (Upper Zone) as a gas well and in the Fowler Drinkard (Lower Zone) as an oil well. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

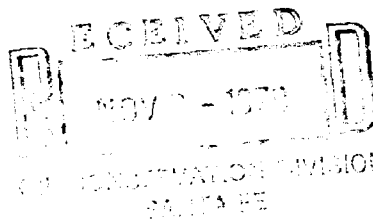
Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

Enclosures

cc: NMOCD
P. O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX



APPROVED: _____

BY: _____

DATE: _____



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

October 30, 1979

File: VES-986.51-943

Re: Waivers Consent for Multiple Completion
South Mattix Unit Federal Well No. 35

ARCO
P. O. Box 1710
Hobbs, NM 88240

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our South Mattix Unit Federal Well No. 35, 1650' FNL and 1650' FWL, Section 15, T-24-S, R-37-E, Lea County, New Mexico. We have filed, with the NMOCD in Santa Fe, an application for multiple completion in the Fowler Paddock (Upper Zone) as a gas well and in the Fowler Drinkard (Lower Zone) as an oil well. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

RECEIVED
ORIGINAL SIGNED
BY V. E. STALEY
NOV 1 1979
OIL CONSERVATION DIVISION
SANTA FE
Enclosures

APPROVED: _____

BY: _____

DATE: _____

cc: NMOCD
P. O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX



Amoco Production Company

Post Office Box 66
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

October 30, 1979

File: VES-986.51-943

Re: Waivers Consent for Multiple Completion
South Mattix Unit Federal Well No. 35

Gulf Oil Company
P. O. Box 1150
Gulf Building
Midland, TX 79702

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our South Mattix Unit Federal Well No. 35, 1650' FNL and 1650' FWL, Section 15, T-24-S, R-37-E, Lea County, New Mexico. We have filed, with the NMOCD in Santa Fe, an application for multiple completion in the Fowler Paddock (Upper Zone) as a gas well and in the Fowler Drinkard (Lower Zone) as an oil well. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

APPROVED: _____

BY: _____

DATE: _____

Enclosures

cc: NMOCD
P. O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX

RECEIVED
NOV 1 - 1979
OIL CONSTRUCTION DIVISION
SANTA FE

P00 2884453

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Exxon Company	
STREET ADDRESS		P. O. Box 1600	
P.O. STATE AND ZIP CODE		Midland, TX 79702	
POSTAGE		.41	
CERTIFIED FEE		.80	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	.45	
TOTAL POSTAGE AND FEES		\$1.66	
POSTMARK OR DATE		JUN 1 1976	

PS Form 3800, Apr. 1976

P00 2884460

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		ARCO	
STREET ADDRESS		P. O. Box 1710	
P.O. STATE AND ZIP CODE		Hobbs, NM 88240	
POSTAGE		.41	
CERTIFIED FEE		.80	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	.45	
TOTAL POSTAGE AND FEES		\$1.66	
POSTMARK OR DATE		JUN 1 1976	

PS Form 3800, Apr. 1976

P00 2884461

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Gulf Oil Company	
STREET ADDRESS		P. O. Box 1150	
P.O. STATE AND ZIP CODE		Gulf Building	
Midland, TX 79702			
POSTAGE		.41	
CERTIFIED FEE		.80	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	.45	
TOTAL POSTAGE AND FEES		\$1.66	
POSTMARK OR DATE		JUN 1 1976	

PS Form 3800, Apr. 1976

P00 2884459

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Conoco, Inc.	
STREET ADDRESS		P. O. Box 460	
P.O. STATE AND ZIP CODE		Hobbs, NM 88240	
POSTAGE		.41	
CERTIFIED FEE		.80	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	.45	
TOTAL POSTAGE AND FEES		\$1.66	
POSTMARK OR DATE		JUN 1 1976	

PS Form 3800, Apr. 1976

P00 2884457

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		Shell Oil Company	
STREET ADDRESS		Box 2463	
P.O. STATE AND ZIP CODE		Houston, TX 77001	
POSTAGE		.41	
CERTIFIED FEE		.80	
SPECIAL DELIVERY			
RESTRICTED DELIVERY			
CONSULT POSTMASTER FOR FEES			
OPTIONAL SERVICES	RETURN RECEIPT SERVICE	.45	
TOTAL POSTAGE AND FEES		\$1.66	
POSTMARK OR DATE		JUN 1 1976	

PS Form 3800, Apr. 1976

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Case 6788

Operator Amoco Production Company		County Lea		Date 11-1-79
Address P. O. Box 58, Hobbs, NM 88240		Lease South Mattix Unit		Well No. 35
Location of Well	Unit F	Section 15	Township 24	Range 37

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple 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. NA; Operator Lease, and Well No.: Amoco Production Company - South Mattix Unit Federal #14

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	<u>Und. Paddock</u>		<u>Und. Drinkard</u>
b. Top and Bottom of Pay Section (Perforations)	<u>4846'-4901'</u>		<u>6246'-6318'</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>Artificial Lift</u>

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

- | Yes | No | |
|-------------------------------------|--------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and 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. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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.

Gulf Oil Company - P. O. Box 1150, Gulf Bldg. Midland, TX 79702

ARCO - P. O. Box 1710, Hobbs, NM 88240

Conoco, Inc. - P. O. Box 460, Hobbs, NM 88240

Exxon Company - P. O. Box 1600, Midland, TX 79702

Shell Oil Company - Box 2463, Houston, TX 77001

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 11-1-79.

CERTIFICATE: I, the undersigned, state that I am the Administrative Supervisor of the Amoco Production (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.

Lay Cox
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 multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

October 30, 1979

File: VES-986.51-943

Re: Waivers Consent for Multiple Completion
South Mattix Unit Federal Well No. 35

Exxon Company
P. O. Box 1600
Midland, TX 79702

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our South Mattix Unit Federal Well No. 35, 1650' FNL and 1650' FWL, Section 15, T-24-S, R-37-E, Lea County, New Mexico. We have filed, with the NMOCD in Santa Fe, an application for multiple completion in the Fowler Paddock (Upper Zone) as a gas well and in the Fowler Drinkard (Lower Zone) as an oil well. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

V. E. Staley

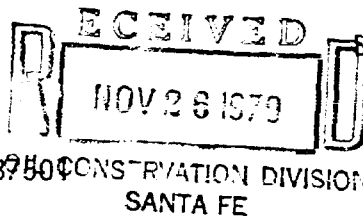
APPROVED:

BY:

Enclosures

cc: NMOCD
P. O. Box 2088
Santa Fe, NM 87504

S. J. Okerson
Houston, TX

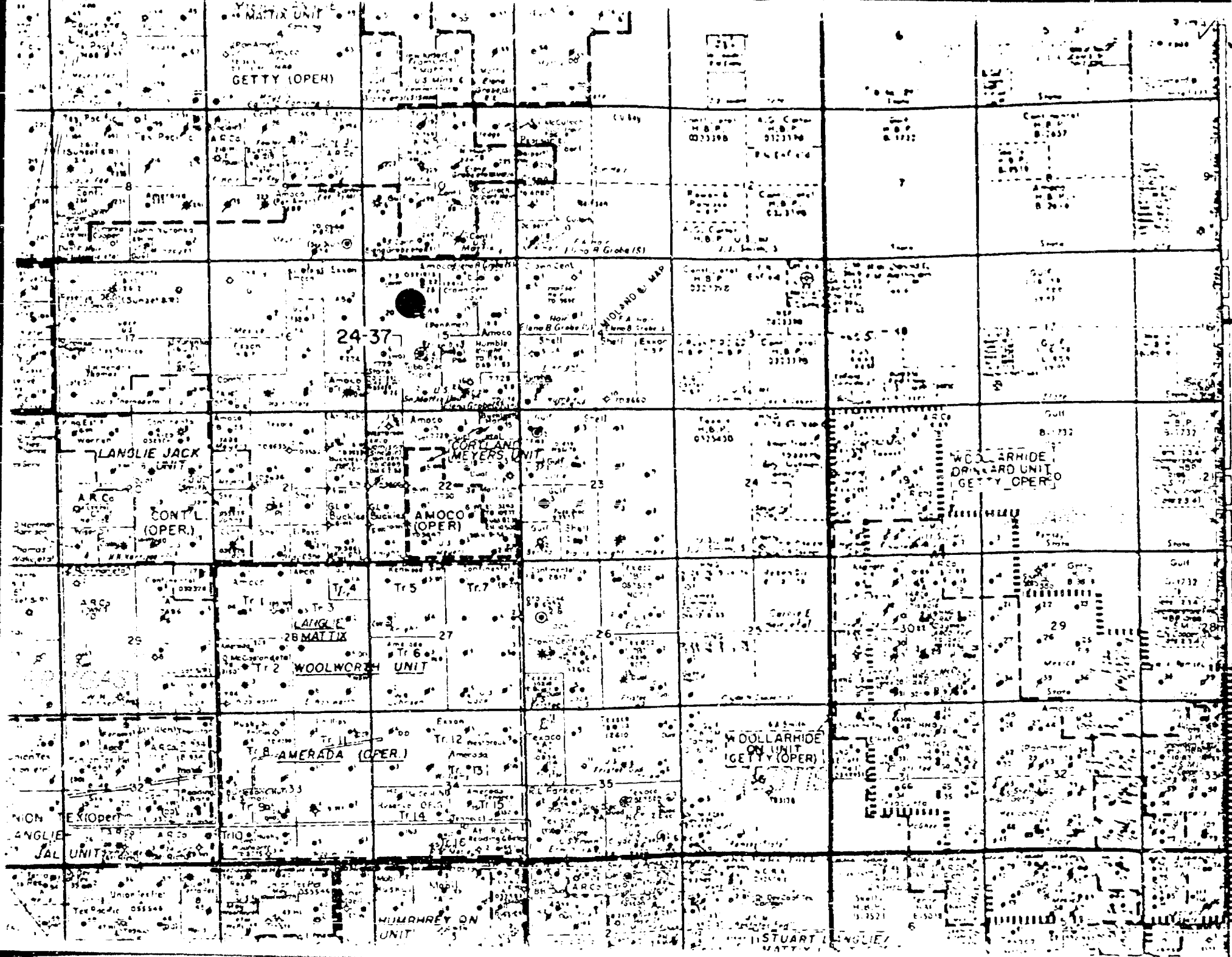


DATE:

EXXON CORPORATION

BY *[Signature]*
ATTORNEY-IN-FACT

DATE November 19, 1979





Amoco Production Company

ENGINEERING CHART

SHEET NO.

OF

FILE

APPN

SUBJECT

South Mattix Unit Fed. #35

Wellbore Sketch

DATE 10/30/19

BY M.G.O.

elev.: 3246.0 GR

2 3/8" TBG SA 4755'
BAKER PACKER SA 4688' (Model D)

PERFS: 4846'-53'; 65'-74'; 83'-90';
92'-90'; W/2DPJS PF

PERFS: 5944'-56'; 85'-97' W/2JS PF

PERFS: 6246'-60'; 67'-80';
94'-300'; 6312'-18'
W/2JS PF

TD 6412'

9 5/8" 36, 32, 30" K-55
ERD SA 1064'. CMTX
400 SX C/C CMT W/Additives
TAILED 150 SX C/C W/2% CACL
T CMT 1177'

2 3/8 TBG SA 6320'
BAKER PACKER SA 6084' (A-5)

7" 20# 23# N-80 K-55 ST&C
SA 6412'. CMT W/880 SX
CH C W/Add. TAILED W/390
SX CH C.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator Amoco Production Company		County Lea	Date 11-1-79
Address P. O. Box 68, Hobbs, NM 88240		Lease South Mattix Unit	Well No. 35
Location of Well F	Unit 15	Township 24	Range 37

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple 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. NA; Operator Lease, and Well No.: Amoco Production Company - South Mattix Unit Federal #14

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	<u>Und. Paddock</u>		<u>Und. Drinkard</u>
b. Top and Bottom of Pay Section (Perforations)	<u>4846'-4901'</u>		<u>6246'-6318'</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>Artificial Lift</u>

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

- | | | |
|-------------------------------------|--------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and 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. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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.

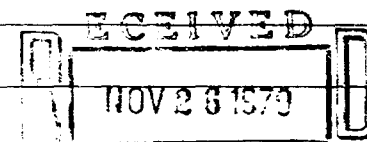
Gulf Oil Company - P. O. Box 1150, Gulf Bldg. Midland, TX 79702

ARCO - P. O. Box 1710, Hobbs, NM 88240

Conoco, Inc. - P. O. Box 460, Hobbs, NM 88240

Exxon Company - P. O. Box 1600, Midland, TX 79702

Shell Oil Company - Box 2463, Houston, TX 77001



OIL CONSERVATION DIVISION
SANTA FE

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 11-1-79.

CERTIFICATE: I, the undersigned, state that I am the Administrative Supervisor of the Amoco Production (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.

Lay Cox
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 multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

OIL CONSERVATION DIVISION
DISTRICT I

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DATE November 9, 1979

RE: Proposed MC X
Proposed DHC _____
Proposed NSL _____
Proposed NSP _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application for the:

Amoco Production Co. South Mattix Unit #35-F 15-24-37
Operator Lease and Well No. Unit, S - T - R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,

James S. Seltzer
Jmc

RECEIVED
NOV 13 1979
OIL CONSERVATION DIVISION
SANTA FE

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6788

Order No. R- 6260

APPLICATION OF AMOCO PRODUCTION COMPANY

FOR A DUAL COMPLETION, LEA

COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on
January 16, 19 80, at Santa Fe, New Mexico, before
Examiner Daniel S. Nutter.

NOW, on this day of January, 19 80, the
Division Director, 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 Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Amoco Production Company,
seeks authority to complete its South Mattix Unit
Well No. 35, located in Unit F of Section 15, Town-
ship 24 South, Range 37 East, NMPM, Lea
County, New Mexico, as a dual completion (conventional) to
(combination)
(tubingless)

oil-
produce gas from the Fowler-Upper Paddock Pool and oil from
the Fowler-Drinkard Pool through parallel strings of tubing,

with separation of the zones to be achieved by means
of a packer set at approximately 4202 feet.

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

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to complete its South Mattix Unit Well No. 35, located in Unit F of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) ~~-(combination)-~~ ~~-(tubingless)-~~

~~-oil-~~
to produce gas from the Fowler-Upper Paddock Pool and oil from the Fowler-Drinkard Pool through parallel strings of tubing, with a packer set at approximately 6202 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division 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 Fowler-Drinkard Pool.

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

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