ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
P. O. BOX 2088
Santa Fe, New Mexico 87501

October 15, 1981

HNG Oil Company
P. O. Box 2267
Midland, Texas 79702

Attention: Betty Gildon

Administrative Order TX-77

Gentlemen:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107(d)(3) for the below-named well.

Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to set tubing at 12,960 feet in the following well:

LEASE NAME	WELL NO.	UNIT	S-T-R
Vaca Draw 16 State	1	E	16-25S-33E

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Very truly yours,

JOE D. RAMEY,
Division Director

JDR/DSN/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs

PVZV2004431971

hng Oil Company
P. O. BOX 2267, MIDLAND, TEXAS 79702 (915) 683-4871

October 8, 1981

TX-77

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

Attn: Mr. Dan Nutter

In Re: Vaca Draw 16 State, Well No. 1
1980' FNL & 660' FWL, Sec. 16, T25S, R33E
Lea County, New Mexico

Dear Mr. Nutter:

Tubing for the above-named well has been set at 12,960 feet, and casing perforated from 14,248 to 14,757 feet.

This office requests administrative exception to Rule 107d.

Very truly yours,

HNG OIL COMPANY

Betty Gildon

Betty Gildon
Regulatory Analyst

bg

enclosure

Called Neal Ga 10/13 and told her TX 77 is being issued today.

HNG Oil Company
P. O. BOX 2267, MIDLAND, TEXAS 79702 (915) 683-4871

October 8, 1981

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

Attn: Mr. Joe D. Ramey
Secretary Director

In Re: Vaca Draw 16 State, Well No. 1
1980' FNL & 660' FWL, Sec. 16, T25S, R33E
Lea County, New Mexico

Dear Mr. Ramey:

Please find enclosed copy of a letter to Mr. Dan Nutter dated October 8, 1981, requesting an exception to the tubing-setting requirements contained in Division Rule 107d.

To avoid delay in placing this well on stream, temporary approval of the above-named exception is requested.

Your early attention is appreciated.

Very truly yours,

HNG OIL COMPANY

Betty Gildon

Betty Gildon
Regulatory Analyst

bg

enclosures

Betty:
A statement to the effect that you set tubing @ 12,960 with perfs at 14,248 is not sufficient. Why did you set it there? Does the well make liquids? etc.

JDR

hng Oil Company
P. O. BOX 2267, MIDLAND, TEXAS 79702 (915) 683-4871

October 14, 1981

TX 77

Oil Conservation Division
State Land Office Bldg.
Santa Fe, New Mexico 87501
Attn: Mr. Dan Nutter

Rec'd 10/15

Dear Mr. Nutter:

There are several reasons why we feel that completions utilizing a TIW Polish Bore Receptacle is the most advantages method to complete a well.

(1) The inside diameter of the seal assembly is the same as the diameter of the tubing. Therefore, there is no restriction that would reduce the size of Wireline Tools that could be run in the hole.

(2) The Polish Bore Receptacle has a full bore opening to the liner below it. This allows us to run bridge plugs, retainers, or bits into the liner if necessary.

(3) The seal assembly - PBR hook-up allows for tubing movement while treating the well. It will withstand higher treating pressures during stimulation than would be possible with most other production packers.

(4) In most of the wells drilled in this area there are several zones of interest. By having the seal assembly stung into the PBR, the lowest zone can be tested and if non-productive squeezed. The next zone of interest can then be perforated, acidized and tested. All this can be accomplished without pulling the tubing. This can save a considerable amount of time and money.

The Polish Bore Receptacle is run on the top of the liner. It is for this reason that the tubing is sometimes set a considerable distance above the productive zone.

We feel that this Packer system not only save us a considerable amount of time and money, but also is the most reliable Packer system available. Of the several hundred wells in which HNG Oil Company has utilized this system over the past years, we have had very few failures. If you have any questions please feel free to give me a call.

Very truly yours,

George M. Hover
Completion Engineer

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

Form C-105
Revised 11-1-78

NEW MEXICO OIL CONSERVATION COMMISSION

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5a. Indicate Type of Lease: State [X] Fee [ ]

5. State Oil & Gas Lease No.: L-6328

1a. TYPE OF WELL

b. TYPE OF COMPLETION: OIL WELL [ ] GAS WELL [X] DRY [ ] OTHER

NEW WELL [X] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

7. Unit Agreement Name:

8. Farm or Lease Name: Vaca Draw 16 State

2. Name of Operator: HNG OIL COMPANY

9. Well No.: 1

3. Address of Operator: P. O. BOx 2267, Midland, Texas 79702

10. Field and Pool, or Wildcat: Wildcat Atoka

4. Location of Well

UNIT LETTER E LOCATED 1980 FEET FROM THE North LINE AND 660 FEET FROM THE West LINE OF SEC. 16 TWP. 25S RGE. 33E NMPM

12. County: Lea

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
2-20-81	6-16-81	9-23-81	3416' GR	3416'

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
16,075'	14,845'		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name: 14,248' - 14,757' (Atoka)

25. Was Directional Survey Made: No

26. Type Electric and Other Logs Run: Compensated Neutron Formation Denisty and Dual Laterolog Micro-SFL

27. Was Well Cored: No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	560'	17-1/2"	300 Pacesetter Lite & 250 Cl C	Circ.
9-5/8"	36#	4924'	12-1/4"	2900 Pacesetter C Lite & 500 Cl C	Circ.
7"	26#	13253'	8-1/2"	500 Pacesetter Lite & 550 Cl H	-

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
4-1/2"	13,006'	16,072'	600 Cl H	-

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8"	12,960'	12,960'

31. Perforation Record (Interval, size and number)

15,058' - 15,718' (.32" 26)
15,471' - 15,502' (.32" 18)
14,248' - 14,757' (.32" 14)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
15058-15718	3500 gals Morflo BC Acid
15471-15502	1000 gals Morflo BC Acid
15058-15718	Squeezed w/240 sx Cl H
14248-14757	3500 gals Morflo BC Acid

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping — Size and type pump)	Well Status (Prod. or Shut-in)
9-18-81	Flowing	Shut In

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Gas — Oil Ratio
9-18-81	24	7/64"		3	2100	14	700,000

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Oil Gravity — API (Corr.)
4850	-					40.0

34. Disposition of Gas (Sold, used for fuel, vented, etc.): Vented

Test Witnessed By

35. List of Attachments: Logs, Inclination Report and C-122

rec'd 10/15

36. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief.

SIGNED Betty Gildon (Betty Gildon) TITLE Regulatory Analyst DATE October 8, 1981