



Reading and Bates, Inc.

DRILLING CONTRACTORS GENERAL OFFICE — PHILTOWER BUILDING TULSA 3, OKLAHOMA CABLE ADDRESS REBAT-TULSA PHONE LU 3-8525

October 3, 1961

New Mexico Oil Conservation Commission Docket No. 27-61 Examiner Hearing - October 4, 1961

Case 2397

Re: Temporary Exception to Rule 107 (d)

Reading and Bates, Inc. operator of the Simms-Federal Well No. 1 located in Section 34, Township 18 South, Range 30 East, North Benson Queen Pool, Eddy County, by letter has requested an exception to Rule 107 (d) of the Rules and Regulations to permit production of oil from the Queen formation in the Simms Well without installing tubing for a temporary period of up to six months.

Shut-in pressures averaging 550# - 600# indicate the necessity of killing the well with salt water to make it safely and mechanically possible to change from the Dowell three-way frac head through which the well is now flowing, to a conventional tubing head. It is contended that subjecting the producing formation to salt water may be detrimental to the well's producing ability and may ultimately lower the oil recovery from the reservoir.

On a recent Gas Oil Ratio test, the well produced oil through a 20/64" choke at the rate of 17.7 barrels per hour with a maximum gas/oil ratio of 1528 cubic feet per barrel. Flowing casing pressures ranged from 380# to 335#.

Maximum bottom hole pressure is indicated to be approximately 1669 pounds assuming a full column of 37° gravity oil. A hole full of 10.2# saturated salt water will exert a pressure of only 1537 pounds.

It is our contention that continued production of the well through the casing without installing tubing will not be wasteful of solution gas energy, and by postponing the installation of tubing until pressures decline somewhat, possible reservoir damage may be averted.

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At such time as it is mechanically feasible to place tubing in the well without subjecting the formation to salt water or fluids other than oil the well will be tubed.



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Well Data

Oil Gravity Pressure of 37° Grav. oil exerted per ft. Pressure of fresh water Pressure of 10.2# salt water Maximum surface pressure 2,938 ft. oil column pressure Bottom hole pressure indicated Maximum bottom hole pressure -Fresh water load Maximum bottom hole pressure -Salt water load 51/2 inch casing capacity - 2938 69.9 bbls. Daily Allowable 34 bbls.



TULSA 3. OKLAHOMA