

CASE 2662: Application of PAN AMER.
for a triple completion of its
SOUTH MATTIX UNIT WELL NO. 14.

-asa//o.

2662

plication, Transcript,

and Exhibits, Etc.

DISCUSSION

Pan American Petroleum Corporation respectfully requests that the New Mexico Oil Conservation Commission grant permission to triple complete its South Mattix Unit No. 14 in the Undesignated Tubb (gas), Fowler-Blinebry (oil), and Fowler-Paddock (gas) Pools of Lea County, New Mexico.

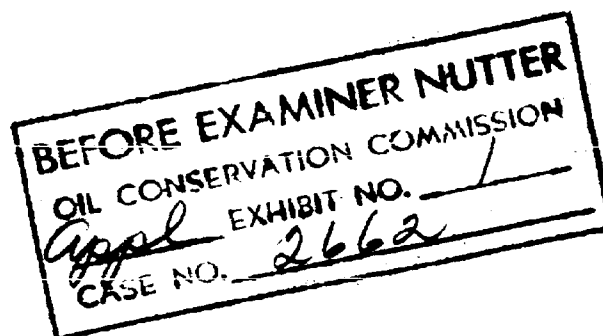
The South Mattix Unit No. 14 is 1980 feet from the south and west lines of Section 15, T-24-S, R-37-E, which is located approximately fourteen miles south of Eunice, New Mexico.

This well is to be completed from Undesignated Tubb (gas) which is the first Tubb production in the area. It will also be completed within the defined limits of the Fowler-Blinebry (oil) Field which is currently productive in only the Gulf-Plains Knight No. 2 located 1-1/2 miles south-east of the South Mattix Unit No. 14. The third zone is the Fowler-Paddock (gas) now productive from two wells in the South Mattix Unit. Subject location is offset in all directions by Fowler Ellenburger wells and will be the first multipay completion in the South Mattix Unit.

Attachment II is a diagrammatic sketch showing the mechanical aspects of the proposed triple completion. This is a "conventional" triple completion utilizing three tubing strings to produce each zone separately and packers to maintain separation in the well bore. This installation will permit safe and efficient production of oil from these three reservoirs.

Attachment III is a Gamma-Ray Neutron Log of the South Mattix Unit No. 14 with top and bottom of the producing zones and the perforated intervals marked in red.

For convenience, Attachment IV is a copy of Pan American's application for multiple completion of the South Mattix Unit No. 14. A copy of the application was furnished each offset operator.



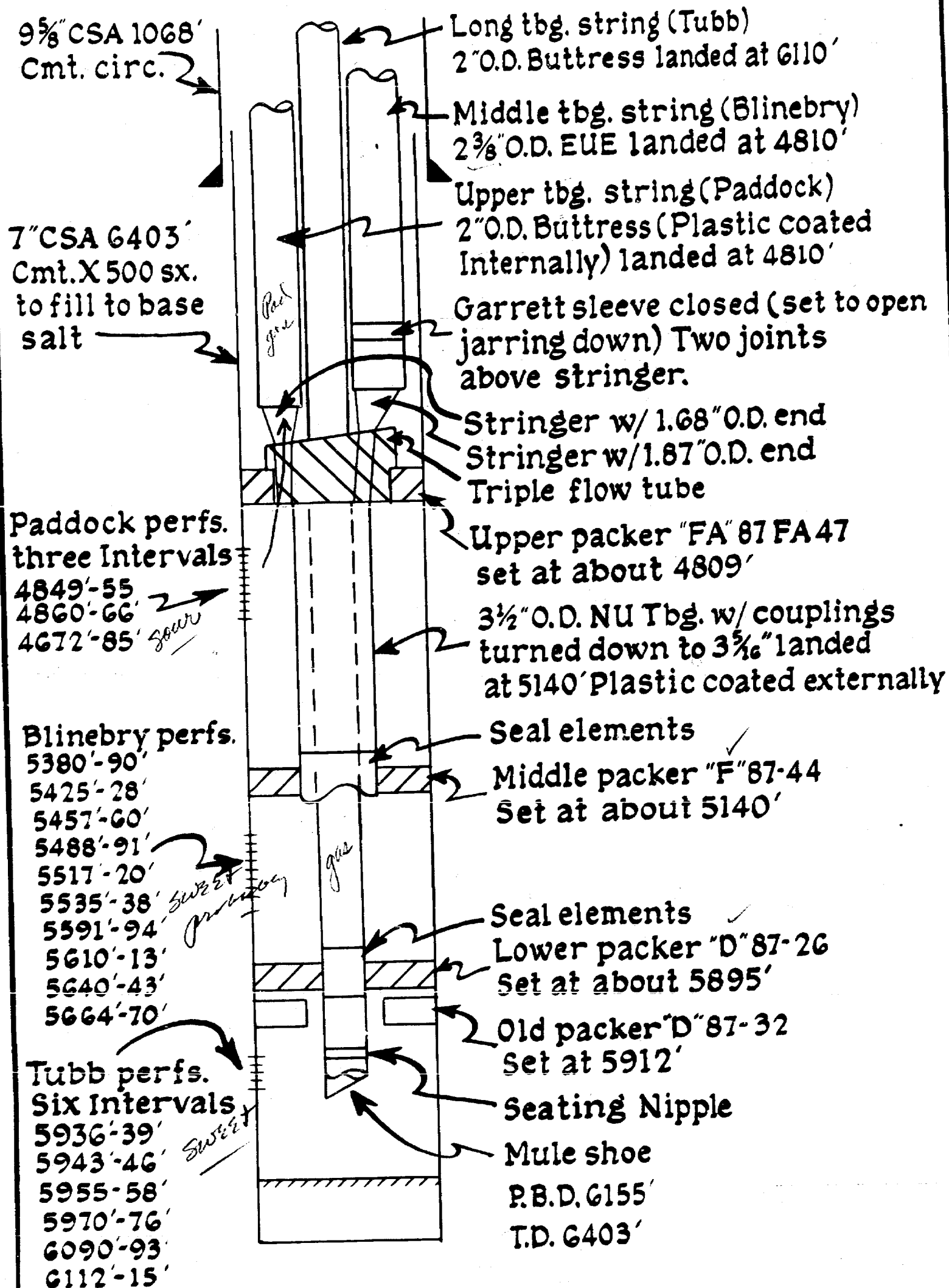
EXHIBIT

PAN AMERICAN PETROLEUM CORPORATION
APPLICATION FOR PERMISSION TO TRIPLE
COMPLETE ITS SOUTH MATTIX UNIT WELL NO. 14
UNIT "A", SECTION 15, T-24-S, R-37-E, LEA
COUNTY, NEW MEXICO, IN THE UNDESIGNATED
TUBB (GAS), FOWLER-BLINEBRY (OIL) AND
FOWLER-PADDOCK (GAS) FIELDS.

CASE 2662

October 10, 1962

Elev. 3264' R.D.B. 10' above G.L.



South Mattix Unit
No. 14

no - scale -

Attachment II

APPLICATION FOR MULTIPLE COMPLETION

| | | | |
|--|---------------|--------------------------------|--------------------------------|
| Operator Pan American Petroleum Corporation | | County Lea | Date September 11, 1962 |
| Address P. O. Box 268, Lubbock, Texas | | Lease South Mattix Unit | Well No. 14 |
| Location of Well | Unit K | Section 15 | Township 24 South |
| | | | Range 37 East |

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 X
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.:

| 3. The following facts are submitted: | Upper Zone | Intermediate Zone | Lower Zone |
|--|-----------------------|-------------------------|--------------------------|
| a. Name of Pool and Formation | Fowler Paddock | Fowler Blinberry | Tubb Undesignated |
| b. Top and Bottom of Pay Section (Perforations) | 4849 - 4885 | 5380 - 5670 | 5936 - 6115 |
| c. Type of production (Oil or Gas) | Gas | Oil | Gas |
| d. Method of Production (Flowing or Artificial Lift) | Flow | Flow | Flow |

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

- No 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.
- 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 multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- No 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 Corp., Attention: Mr. M. I. Taylor, Box 1938, Roswell, New Mexico

N. B. Hunt, 700 Mercantile Bank Bldg., Dallas, Texas

Helfson Oil Co., 504 Midland National Bank Bldg., Midland, Texas

Delhi Taylor, 823 Corrigan Tower, Dallas, Texas

Continental Oil, Attn: Mr. W. A. Mead, Box 1377, Roswell, New Mexico

Sinclair Oil & Gas Co., P. O. Box 1470, Midland, Texas

Humble Oil & Refining Co., Attn: Mr. H. I. Hensley, Box 1600, Midland, Texas.

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification September 11, 1962.

CERTIFICATE: I, the undersigned, state that I am the District Engineer of the Lubbock District of Pan American Petroleum Corp. (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.

Original

Signed By A. J. Inderriden

A. J. Inderriden 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 production unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

Attachment IV

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date Oct 15, 62

CASE 7662

Hearing Date 9am Oct 10

DSN @ SF

My recommendations for an order in the above numbered cases are as follows:

Enter an order approving Pan Am
triple sought in this case

Fowler Paddock Gas - 2.0" OD tubing
Fowler Blincoy Oil - 2 3/8" OD tubing
Undesignated Truss gas 2.0" OD tubing

Backer leakage test upon
completion and annually
thereafter during Truss potential
test.

Staff Member

Staff Member

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 10, 1962

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 2647: (Continued)

Application of Carper Drilling Company for a tubingless completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its Baetz Well No. 1, located in the SE/4 SW/4 of Section 35, Township 14 South, Range 27 East, Chaves County, New Mexico, as a tubingless gas well completion producing through perforations from 8182-8270' in 2 7/8 inch casing.

CASE 2654:

Application of Carper Drilling Company for the creation of a new gas pool and for temporary special rules and regulations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool to be designated the Buffalo Valley-Pennsylvanian Gas Pool for its Baetz Well No. 1, located in the SE/4 SW/4 of Section 35, Township 14 South, Range 27 East, Chaves County, New Mexico. Applicant, further seeks the establishment of temporary special rules and regulations governing said pool, including provisions for 320-acre gas units.

CASE 2655:

Application of Martin Yates III and S. P. Yates for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling all mineral interests in the Lusk-Strawn Pool to form a 160-acre oil proration unit comprising the NE/4 of Section 30, Township 19 South, Range 32 East, Lea County, New Mexico, to be dedicated to a well to be drilled in the NE/4 NE/4 of said Section 30.

CASE 2656:

Application of Western Development Company for a secondary recovery project, East Millman Queen-Grayburg Field, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a secondary recovery project in the East Millman Queen-Grayburg Field, with the injection of water into the Queen and Grayburg formations initially to be through 16 wells, located in Sections 11, 14, 15, 22 and 23, Township 19 South, Range 28 East, Eddy County, New Mexico, said project to be governed by the provisions of Rule 701.

CASE 2657: Application of Odessa Natural Gasoline Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks establishment of a 320-acre non-standard gas proration unit comprising the SE/4 of Section 23 and the NE/4 of Section 26, Township 25 South, Range 37 East, Justis Gas Pool, Lea County, New Mexico, to be dedicated to its Carlson "A" Well No. 1 located in Unit P of said Section 23.

CASE 2658: Application of Cabot Corporation for temporary special rules and regulations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating temporary special rules and regulations for the North Bagley-Pennsylvanian Pool, Lea County, New Mexico, including provisions for 80-acre proration units.

CASE 2659: Application of Cabot Corporation for the creation of a new oil pool and the establishment of temporary rules and regulations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool to be designated the North Bagley-Wolfcamp Pool for its Humble State Well No. 1, located in the NW/4 NW/4 of Section 23, Township 11 South, Range 33 East, Lea County, New Mexico. Applicant further seeks establishment of temporary rules and regulations governing said pool including provisions for 80-acre proration units.

CASE 2660: Application of Midwest Oil Corporation for the creation of a new oil pool and for the establishment of temporary special rules and regulations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Pennsylvanian production in the vicinity of its LLE State Well No. 1, located in the NW/4 SW/4 of Section 14, Township 10 South, Range 33 East, Lea County, New Mexico. Applicant further seeks the promulgation of temporary special rules and regulations governing said pool to include provisions for 80-acre proration units and fixed well location requirements.

CASE 2661: Application of Pan American Petroleum Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion (conventional) of its Southland Royalty "A" Well No. 2, located in Unit B of Section 9, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce

-3-

Docket No. 29-62

Examiner Hearing - Wednesday October 10, 1962

oil from the Drinkard and Blinebry formations and gas from the Tubb formation through parallel strings of tubing.

CASE 2662:

Application of Pan American Petroleum Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion (conventional) of its South Mattix Unit Well No. 14, located in Unit K of Section 15, Township 24 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce gas from the Fowler Paddock and an undesignated Tubb pool, and oil from an undesignated Blinebry pool through parallel strings of tubing.

CASE 2663:

Application of Arnold H. Bruner for permission to directionally drill, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to directionally drill his Federal Intex Well No. 1, the surface location of which is in the center of the NW/4 SE/4 of Section 8, Township 9 South, Range 37 East, Allison Pennsylvanian Pool (extension), Lea County, New Mexico. Target for said directionally drilled well would be 100 feet from the North and West lines of the NW/4 SE/4 of said Section 8.

CASE 2664:

Application of Southwest Production Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its Davis Federal Well No. 1, located in Unit L of Section 24, Township 26 North, Range 11 West, San Juan County, New Mexico, as a dual completion with production of oil from the Gallup zone and production of gas from the Dakota zone to be through parallel strings of 1 1/4-inch tubing.

iqg/

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 268
Lubbock, Texas
September 12, 1962

File: WJS-3455-986.510.1

Subject: Application for Permission to
Triple Complete the Pan American
Petroleum Corporation
South Mattix Unit Well No. 14
in the Fowler Paddock (Gas)-
~~Blaine~~ Blinebry (Oil)- and
Tubb (Gas) Undesignated Pools
Lea County, New Mexico

Mr. A. L. Porter, Jr.
Secretary Director
New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Sir:

In accordance with the provision of Statewide Rule No. 112, Pan American Petroleum Corporation respectfully requests that you schedule for an early docket a hearing to consider its application for permission to triple complete the subject well in the pools specified above. As shown on the enclosed plat, this well is located on Unit K of Section 15, T-24-S, R-37-E, Lea County, New Mexico.

In support of this application, we enclose herewith three copies of State Form, Application for Multiple Completion, and a lease plat showing the well's location and Fee names and names of offsetting operators.

This triple completion will be a "conventional" completion in 7" casing utilizing separate tubing strings for each producing zone and packers between producing zones. By copy of this letter, we are advising the offset operators of this application.

By our letter of September 11, 1962, File: WJS-3452-986.510.1, we have requested that you schedule a hearing regarding Pan American's application to triple complete its Southland Royalty "A" No. 2. As explained in this letter, we would like to have both of these hearings scheduled on the same docket.

Yours very truly,

A. J. Inderrieden
A. J. Inderrieden

WJS/jn
Attachments

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION FOR MULTIPLE COMPLETION

Case 2662 5-1-61

| | | | |
|--|---------------|-------------------------------|----------------------------|
| Operator Pan American Petroleum Corporation | | County Lea | Date September 11, 1962 |
| Address P. O. Box 268, Lubbock, Texas | | Lease South Mattix Unit 03 | Well No. 14 |
| Location of Well Unit K | Section 15 | Township 24 South | Range 37 East |

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 X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator, Lease, and Well No.:

| 3. The following facts are submitted: | Upper Zone | Intermediate Zone | Lower Zone |
|--|----------------|-----------------------------|-------------------|
| a. Name of Pool and Formation | Fowler Paddock | Fowler Blinberry | Tubb Undesignated |
| b. Top and Bottom of Pay Section (Perforations) | 4849 - 4885 | 5380 - 5670 | 5936 - 6115 |
| c. Type of production (Oil or Gas) | Gas | Oil | Gas |
| d. Method of Production (Flowing or Artificial Lift) | Flow | Flow | Flow |

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

- No 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.
- 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 multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- No 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 Corp., Attention: Mr. M. I. Taylor, Box 1938, Roswell, New Mexico

N. B. Hunt, 700 Mercantile Bank Bldg., Dallas, Texas

Wolfson Oil Co., 504 Midland National Bank Bldg., Midland, Texas

Delhi Taylor, 823 Corrigan Tower, Dallas, Texas

Continental Oil, Attn: Mr. W. A. Mead, Box 1377, Roswell, New Mexico

Sinclair Oil & Gas Co., P. O. Box 1470, Midland, Texas

Humble Oil & Refining Co., Attn: Mr. H. L. Hensley, Box 1600, Midland, Texas

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO ____ . If answer is yes, give date of such notification September 11, 1962

CERTIFICATE: I, the undersigned, state that I am the District Engineer of the Lubbock District of Pan American Petroleum Corporation, 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.

A. J. Inderrieden
A. J. Inderrieden 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 either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION FOR MULTIPLE COMPLETION

5-1-61

| | | | |
|--|---------------|--------------------------|--------------------------------|
| Operator Pan American Petroleum Corporation | | County Lea | Date September 11, 1962 |
| Address P. O. Box 268, Lubbock, Texas | | South Mattix Unit | Well No 14 |
| Location of Well | Unit K | Section 15 | Township 24 South |
| | | | Range 37 East |

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 **X**
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.:

| 3. The following facts are submitted: | Upper Zone | Intermediate Zone | Lower Zone |
|--|-----------------------|----------------------------|--------------------------|
| a. Name of Pool and Formation | Fowler Paddock | Shinarump Shinarump | Tubb Undesignated |
| b. Top and Bottom of Pay Section (Perforations) | 4849 - 4885 | 5380 - 5670 | 5936 - 6115 |
| c. Type of production (Oil or Gas) | Gas | Oil | Gas |
| d. Method of Production (Flowing or Artificial Lift) | Flow | Flow | Flow |

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

- No** 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.
- 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 multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.
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Wolfsen Oil Co., 304 Midland National Bank Bldg., Midland, Texas

Walter Taylor, 823 Corrigan Tower, Dallas, Texas

Continental Oil, Attn: Mr. W. A. Mead, Box 1377, Roswell, New Mexico

Shinclair Oil & Gas Co., P. O. Box 1470, Midland, Texas

Humble Oil & Refining Co., Attn: Mr. H. L. Hensley, Box 1600, Midland, Texas

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES **X** NO _____. If answer is yes, give date of such notification **September 11, 1962**

CERTIFICATE: I, the undersigned, state that I am the **District Engineer** of the **Lubbock District of Pan American Petroleum Corp.** (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.

A. J. Indermieden
A. J. Indermieden 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.
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NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION FOR MULTIPLE COMPLETION

5-1-61

| | | | |
|--|---------------|--------------------------------|--------------------------------|
| Operator Pan American Petroleum Corporation | | County Lea | Date September 11, 1962 |
| Address P. O. Box 268, Lubbock, Texas | | Lease South Mattix Unit | Well No 14 |
| Location of Well | Unit K | Section 13 | Township 24 South |
| | | | Range 37 East |

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 X
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| a. Name of Pool and Formation | Fowler Pothole | Fowler Blinberry | Tubb Undesignated |
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A. J. Inderschieden
A. J. Inderschieden Signature

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3170
● 4.42:8

No. 29-62

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 10, 1962

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 2647: (Continued)
Application of Carper Drilling Company for a tubingless completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its Baetz Well No. 1, located in the SE/4 SW/4 of Section 35, Township 14 South, Range 27 East, Chaves County, New Mexico, as a tubingless gas well completion producing through perforations from 8182-8270' in 2 7/8 inch casing.
- CASE 2654: Application of Carper Drilling Company for the creation of a new gas pool and for temporary special rules and regulations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool to be designated the Buffalo Valley-Pennsylvanian Gas Pool for its Baetz Well No. 1, located in the SE/4 SW/4 of Section 35, Township 14 South, Range 27 East, Chaves County, New Mexico. Applicant, further seeks the establishment of temporary special rules and regulations governing said pool, including provisions for 320-acre gas units.
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- CASE 2659:** Application of Cabot Corporation for the creation of a new oil pool and the establishment of temporary rules and regulations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool to be designated the North Bagley-Wolfcamp Pool for its Humble State Well No. 1, located in the NW/4 NW/4 of Section 23, Township 11 South, Range 33 East, Lea County, New Mexico. Applicant further seeks establishment of temporary rules and regulations governing said pool including provisions for 80-acre proration units.
- CASE 2660:** Application of Midwest Oil Corporation for the creation of a new oil pool and for the establishment of temporary special rules and regulations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Pennsylvanian production in the vicinity of its LLE State Well No. 1, located in the NW/4 SW/4 of Section 14, Township 10 South, Range 33 East, Lea County, New Mexico. Applicant further seeks the promulgation of temporary special rules and regulations governing said pool to include provisions for 80-acre proration units and fixed well location requirements.
- CASE 2661:** Application of Pan American Petroleum Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion (conventional) of its Southland Royalty "A" Well No. 2, located in Unit B of Section 9, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce

Docket No. 29-62

Examiner Hearing - Wednesday October 10, 1962

oil from the Drinkard and Blinebry formations and gas from the Tubb formation through parallel strings of tubing.

CASE 2662:

Application of Pan American Petroleum Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion (conventional) of its South Mattix Unit Well No. 14, located in Unit K of Section 15, Township 24 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce gas from the Fowler Paddock and an undesignated Tubb pool, and oil from an undesignated Blinebry pool through parallel strings of tubing.

CASE 2663:

Application of Arnold H. Bruner for permission to directionally drill, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to directionally drill his Federal Intex Well No. 1, the surface location of which is in the center of the NW/4 SE/4 of Section 8, Township 9 South, Range 37 East, Allison Pennsylvanian Pool (extension), Lea County, New Mexico. Target for said directionally drilled well would be 100 feet from the North and West lines of the NW/4 SE/4 of said Section 8.

CASE 2664:

Application of Southwest Production Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its Davis Federal Well No. 1, located in Unit L of Section 24, Township 26 North, Range 11 West, San Juan County, New Mexico, as a dual completion with production of oil from the Gallup zone and production of gas from the Dakota zone to be through parallel strings of 1 1/2-inch tubing.

PAN AMERICAN PETROLEUM CORPORATION

Lubbock, Texas
September 19, 1962

File: WJS-3472-986.510.1

Subject: Application for Permission
to Triple Complete the Pan American
South Mattix Unit Well No. 14
Lea County, New Mexico

Mr. A. L. Porter, Jr.
Secretary Director
New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Dear Sir:

By our letter of September 12, 1962, File: WJS-3455-986.510.1,
we requested that you schedule a hearing to consider Pan American's
application for permission to triple complete the subject well.

This will confirm telephone conversation request from Mr. Sandidge
to Mr. Nutter whereby we requested that this application be
advertised on the forthcoming docket for completion in the Fowler
Paddock (gas), Blinebry Undesignated (oil), and Tubb Undesignated (gas)
Pools of Lea County, New Mexico. We realize that this well is located
on acreage presently included in the Fowler Blinebry oil pool by
New Mexico Oil Conservation Commission nomenclature orders. However,
in view of the well's superior initial performance and the better log
characteristics, we would like to explore the possibility of establishing
the Blinebry section as a discovery.

Yours very truly,

A. J. Inderrieden
A. J. Inderrieden
District Engineer

WJS/lm/jn

DOCKET MAILED

Date 9/28/62

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 11, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Pan American Petroleum Corporation
for a triple completion, Lea County, New Mexico.
Applicant, in the above-styled cause, seeks an
order authorizing the triple completion (conven-
tional) of its South Mattix Unit Well No. 14,
located in Unit K of Section 15, Township 24
South, Range 37 East, Lea County, New Mexico, in
such a manner as to produce gas from the Fowler
Paddock and an undesignated Tubb pool, and oil
from an undesignated Blinbry pool through
parallel strings of tubing.

CASE 2662

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: Call Case 2662.

MR. DURRETT: Application of Pan American Petroleum
Corporation for a triple completion, Lea County, New Mexico.

MR. MALONE: May the record show the same counsel and
the same witness having remained in the chair from Case 2661?

ROBERT E. SMITH,
called as a witness, having been previously duly sworn on oath,
testified as follows:

DIRECT EXAMINATION

BY MR. MALONE:

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-9891



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

Q You are Mr. Robert E. Smith of Lubbock, Texas, senior grade petroleum engineer with the Applicant, is that correct?

A That is correct.

Q Immediately prior to this hearing, you have testified as a petroleum engineer in Case 2661, have you not?

A I have.

MR. MALONE: Would the qualifications of this witness be satisfactory?

MR. NUTTER: Yes, sir, please proceed.

(Whereupon, Applicant's Exhibit No. 1 marked for identification.)

Q (By Mr. Malone) Referring, Mr. Smith, to what was marked as the Applicant's Exhibit No. 1, was this exhibit prepared by you or under your direct supervision?

A Yes, it was.

Q Will you please describe generally and briefly what it is that the Applicant seeks in this application?

A Yes. We seek to triply complete our South Mattix Unit Well No. 14, located in Township 24 South, Range 37 East, as a Fowler Paddock gas, a Tubb, undesignated Tubb gas, and a Fowler Blinebry oil well.

Q Is this a work-over or a newly drilled well?

A No, this is a newly drilled well.

Q What did you say with respect to this gas, this Tubb gas in this area? Did you say it was the first Tubb gas?

A This is the first Tubb gas in the area. The nearest



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Tubb that I'm familiar with is in the Tubb Field proper some ten miles north of here. The Tubb is productive in the North Justis Field about two miles south, but it is oil.

Q We are dealing here with the South Mattix Unit No. 14 Well, is that well within the declared limits of the Fowler Paddock and the Blinebry Pools?

A It is.

Q Going now to your exhibit, Attachment No. 1 is a map or plat. Does the red arrow indicate the subject well?

A Yes, the red arrow points to the South Mattix 14.

Q With respect to your application, was notice of this application given to the offset operators shown on Attachment 1?

A Yes, sir, it was furnished to the offset operators. A copy of the application accompanied this notification and the offset operators are shown on the Attachment 4, which was the notice of application to the Commission.

Q As I understand you, Pan American's letter of September 12, 1962, to the Commission, making this application, was forwarded to offset operators shown on the map?

A That is right. That's my understanding.

Q Attached to the letter was the printed form required by the Commission?

A Yes.

Q That printed form appears as Attachment No. 4 in the exhibit, does it not?



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A Yes.

Q Would you now briefly discuss the matters contained in the application?

A Yes. This well has actually physically been completed. A diagrammatic sketch of the well is shown as Attachment 2. In this case the Tubb was perforated in six intervals shown on the sketch, at which time a Baker Packer type 8732, which is just a designation of the bore size, was set. We then tested ten perforations in the Blinbry and received flowing oil. We then blanked this off and tested the Paddock perforations in three intervals which flowed gas.

In this particular instance we are using three packers as noted. The reasoning for this is that the Paddock gas is sour and in order to protect the tubing and the annulus above the Paddock, we are running this 3-1/2 inch OD tubing string through the upper two Paddocks with the Tubb long string landed in the bottom packer. This center 3-1/2 inch tubing will be externally coated to protect it from this corrosive gas produced.

The Paddock gas then will flow through the 2-inch Buttress tubing on the left. The Tubb gas will come straight through and the Paddock gas will cross over into the string on the right. We've run a garrett sleeve in here with a closed position. The Paddock is currently flowing, at which time it ceases to flow we'll be able to manipulate the gas annulus, opening this garrett sleeve.



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Q Is there anything further that should be pointed out with respect to this Attachment No. 2?

A No. The 7-inch casing was set at 643, as shown, we cemented it with 500 sacks which was calculated to be sufficient to take to the base of the salt at approximately 27, 2800 feet. Temperature survey is not available. The 9-5/8 inch did have cement circulated.

Q Going now to the log which is shown as Attachment No. 3 in your exhibit, please briefly state what that shows.

A This log shows the top of the Drinkard, the base of the Tubb, and the Tubb intervals, top and bottom, Blinebry intervals, top and bottom, and the Glorieta, of which the Paddock is commonly referred; and the perforated intervals, by the way.

Q The perforated intervals --

A Are shown in red.

Q The tiny red rectangular box?

A That's true.

Q With respect to Attachment No. 4, this was furnished to the Commission with the application, is that correct?

A Yes, that is right. The log presented here is a gamma ray neutron log, since it had more details than our electrical log.

Q In a letter to the Commission dated September 12, 1962, Pan American made reference to the Blinebry as an undesignated pool at that time. Has any additional study been given to this



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matter?

A Yes. At the time we -- I believe our Mr. Sandidge contacted Mr. Nutter personally by phone and asked that this be advertised as an undesignated Blinebry Pool, since the producing characteristics of our well were superior to the only other Blinebry well existing, which is the Gulf Plains Knight located in Section 23 and shown in a yellow dot.

Q That would be the well on Attachment No. 1 which is in the far --

A The Southwest Quarter of 23, 24, 37.

Q Fine.

A This well, as indicated on the map, potentialed for 57 barrels a day. It has now declined down and produced I believe some 25 or 26,000 barrels. We feel that the tension on our well, which was 144 barrels a day flowing, and also the fact -- if you'll refer to the log of this Blinebry in the top of the Blinebry interval, you'll notice a real or a well-developed porosity zone. This interval is not present in the wells to the south, that well to the south, and we feel like it is an indication of a newer zone. It does seem to dissipate toward them, but, however, the bulk of the perforations are in the Gulf well and we no longer feel like we have a separate zone here and desire that this be classified as a Fowler Blinebry well. It is within the defined limits of the Fowler Blinebry Pool.

Q Your proposed triple well would produce Blinebry from



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the same pool in which the Gulf well is producing Blinebry?

A That is correct. We drilled a well in Section 16 in the far southeast corner on the State "D" which tested some oil in the Blinebry but was abandoned due to mechanical problems, if I remember correctly; and based on this well, the Commission placed the defined limits of the Fowler Blinebry Pool up this far.

Q Would the correlative rights of other owners in the area be adversely affected by the granting of this application?

A They would not.

Q Would the correlative rights of Pan American be protected by the granting of this application?

A Yes, we would be allowed to produce our fair share of hydrocarbons.

Q Would economic waste be prevented by the granting of this application?

A No, it would not. If we did not receive the permission to triple complete, it would be necessary to drill additional wells for these hydrocarbons which would incur additional expenditures which we feel would be unnecessary.

Q Your explanation of your answer indicates that your answer should have been, "Yes, economic waste would be prevented."

A I'm sorry, that is right.

Q Because additional drilling would be prevented, is that correct?

A That is correct.



MR. MALONE: That completes our direct, Mr. Nutter.

MR. NUTTER: Does anyone have any questions of Mr.

Smith?

GROSS EXAMINATION

BY MR. NUTTER:

Q First of all, I understand that the original application was for a Fowler Blinebry; then that was amended by a subsequent letter after telephone call to be Blinebry undesignated oil?

A That's right.

Q But now your final conclusion, after further study, is that this is Fowler Blinebry oil?

A Fowler Blinebry oil, yes, sir.

Q Now the Paddock gas is sour, you stated?

A Yes, it is sour.

Q It will come from its perforations into the annulus and then into the cross-over tool and up the --

A The upper string Paddock 2-inch OD Buttress, plastic-coated internally and landed at 4810.

Q It comes up the 2-inch plastic-coated?

A Yes, on the left there. I failed to mention a while ago that it will be internally coated tube to protect it from corrosion.

Q Now the Blinebry oil comes up the 2-3/8ths inch tubing?

A No, sir. It comes up the 2-1/2 inch or 3-1/2, I beg

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ALBUQUERQUE, N. M.
PHONE 243-6631

your pardon, and crosses over into this (indicating).

Q Well, after it crosses over it comes up the 2-3/8ths from there?

A Yes, that is right, 2-3/8ths.

Q It will be possible to artificially lift the Blinebry oil through this 2-3/8ths?

A That is correct.

Q Now the Tubb oil --

A Beg pardon, the Tubb gas.

Q The Tubb is also gas?

A Yes.

Q You have only one oil zone and it will be produced through 2-3/8ths?

A That's right.

Q Do you have any bottomhole pressures or any other data on this?

A No, sir, we do not have bottomhole pressures at this time on these zones.

Q Is the production from the Blinebry and the Tubb classified as sweet production?

A The Blinebry, the Tubb is, it is sweet, and the Blinebry to my knowledge is sweet.

Q The Paddock is definitely sour?

A The Paddock is definitely sour, yes.

Q What is the F.A. 87, F.A. 47 packer, it's the upper



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PHONE 243-6691

packer?

A These packers arrangements are just special bores to receive these seating elements.

Q Are these Baker Model "F" Packers?

A Yes, these are Baker Model "D" Packers.

Q The middle is a Model "F" and the lower is a Model "D" right?

A Yes, Baker Packers, yes, sir.

MR. NUTTER: Any further questions of Mr. Smith? He may be excused.

(Witness excused.)

MR. MALONE: We have nothing further. Move the Exhibit be admitted in evidence.

MR. NUTTER: Pan American's Exhibit No. 1 in Case 2662 will be admitted in evidence.

(Whereupon, Applicant's Exhibit No. 1 entered in evidence.)

MR. MALONE: I failed to move the admission in the first case. May I open 2661 for that purpose?

MR. NUTTER: The exhibits are also admitted in Case 2661.

(Whereupon, Applicant's Exhibit No. 1, Case 2661, entered in evidence.)

MR. NUTTER: Does anyone have anything they wish to offer in Case 2662? We'll take the case under advisement.

* * * * *



STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing was reported by me in stenotype, 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 29th day of October, 1962, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 260 heard by me on 10/11, 1962.
William, Examiner
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
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DRAFT

JMD/esr
October 19, 1962

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. 2662

Order No. R- 2344

JMD
esr
10/19/62
APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A TRIPLE COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 10, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Pan American Petroleum Corporation, is the owner and operator of the South Mattix Unit Well No. 14, located in Unit K of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks permission to complete said South Mattix Well No. 14 as a triple completion (conventional) ~~in the Fowler-Paddock Gas Pool, an undesignated Tubb gas pool and in the Fowler-Blinebry Oil Pool~~ in such a manner as to produce gas from the Fowler-Paddock Gas Pool and an undesignated Tubb gas pool through parallel strings of 2.0-inch OD tubing, and to produce oil from the Fowler-Blinebry Oil Pool through 2 3/8-inch OD Tubing.

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

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to complete its South Mattix Unit Well No. 14, located in Unit K of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a triple completion (conventional) ~~in the Fowler-Paddock Gas Pool, an undesignated Tubb gas pool and in the Fowler-Blinebry Oil Pool~~ in such a manner as to produce gas from the Fowler-Paddock Gas Pool and an undesignated Tubb gas pool through parallel strings of 2.0-inch OD tubing, and to produce oil from the Fowler-Blinebry Oil Pool through 2 3/8-inch OD tubing.

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.

PROVIDED FURTHER, That the operator shall take packer-leakage tests upon completion and annually thereafter during the ~~Potential~~ ^{Shut-In Pressure} Test Period for the Tubb Gas Pool, and at such other times as the Secretary-Director of the Commission may prescribe.

(2) 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.

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. 2662
Order No. R-2344

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A TRIPLE COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 10, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 22nd day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Pan American Petroleum Corporation, is the owner and operator of the South Mattix Unit Well No. 14, located in Unit K of Section 15, Township 24 South, Range 37 East, ~~SEPM~~, Lea County, New Mexico.
- (3) That the applicant seeks permission to complete said South Mattix Well No. 14 as a triple completion (conventional) in such a manner as to produce gas from the Fowler-Paddock Gas Pool and an undesignated Tubb gas pool through parallel strings of 2.0-inch OD tubing, and to produce oil from the Fowler-Blinebry Oil Pool through 2 3/8-inch OD tubing.
- (4) That the mechanics of the proposed triple completion are feasible and in accord with good conservation practices.
- (5) That approval of the subject application will neither cause waste nor impair correlative rights.

-2-

CASE No. 2662
Order No. R-2344

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to complete its South Mattix Unit Well No. 14, located in Unit K of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a triple completion (conventional) in such a manner as to produce gas from the Fowler-Paddock Gas Pool and an undesignated Tubb gas pool through parallel strings of 2.0-inch OD tubing, and to produce oil from the Fowler-Blinabry Oil Pool through 2 3/8-inch OD tubing.

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.

PROVIDED FURTHER, That the operator shall take packer-leakage tests upon completion and annually thereafter during the Shut-In Pressure Test Period for the Tubb Gas Pool, and at such other times as the Secretary-Director of the Commission may prescribe.

(2) 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.

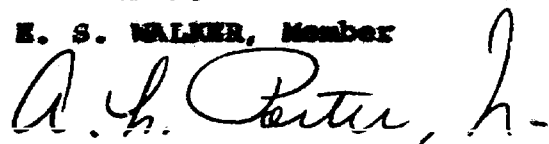
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



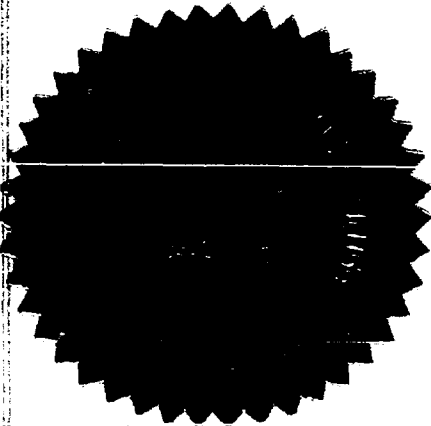
EDWIN L. NECHEM, Chairman



E. S. WALKER, Member



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



esr/

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



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

P. O. BOX 871
SANTA FE

October 23, 1962

Mr. Charles Malone
Atwood & Malone
Attorneys at Law
P. O. Drawer 700
Roswell, New Mexico

Re: Case No. 2662
Order No. R-2344
Applicant:
Pan American 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

iz/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

OTHER Mr. Guy Buell