

Case No.

187

Application, Transcript,
Small Exhibits, Etc.

June 29, 1949

Mr. Glenn Staley
Lea County Operators Committee
Drawer I
Hobbs, New Mexico

Dear Mr. Staley:

We enclose herewith, signed copy of Case No. 187, Order No. 828, in connection with the hearing held by the Oil Conservation Commission, on June 28, 1949.

This is for your records and distribution. May we please have two or three extra copies of the mimeographed forms? Thank you.

Very truly yours,

R. R. Spurrier
Secretary and Director

RRS:bw
encl.

July 14, 1949

Mr. Glenn Staley
Lea County Operators Committee
Drawer I
Hobbs, New Mexico

Dear Mr. Staley:

Enclosed please find transcript of the hearing held by the Oil Conservation Commission on June 23, 1949, concerning Case No. 187 and Case No. 188.

This is for your records.

Very truly yours,

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

July 14, 1949

Oil Conservation Commission
P. O. Box 1545
Hobbs, New Mexico

Gentlemen:

Enclosed please find transcript of the hearing held by the Oil Conservation Commission on June 28, 1949, in regard to Case No. 187 and Case No. 188.

Very truly yours,

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

July 14, 1949

Oil Conservation Commission
205 Booker Building
Artesia, New Mexico

Gentlemen:

Enclosed please find transcript of the hearing held by the Oil Conservation Commission, in regard to Case No. 187 and Case No. 188, on June 28, 1949.

This is for your records.

Very truly yours,

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

ATTENDANCE AT JUNE 28 HEARING

Paul C. Evans	Box 1667, Hobbs	Gulf
E. W. Brake	Tulsa	Gulf
L. O. Storm	Box 1457, Hobbs	Shell
Glenn Staley	Lea County Operators	Hobbs
Frank C. Barnes	OCC	Santa Fe
William J. Wright	Artesia	Mr. C. R. A.
E. E. Kinney	Artesia	Bureau Mines
Marshal Rowley	Artesia	Carper Drlg
John E. Cochran, Jr.	Artesia	Carper
Elvis Utz	OCC	Santa Fe

NAME	ADDRESS	REPRESENTING
Paul Evans	Box 1667, Hobbs	Gulf Oil
E. A. Brink	Tulsa, Okla	" "
L. O. Storm	Box 1457, Hobbs	Shell Oil Co. Inc.
Glenn Staley	Lea County, Oklahoma	Hobbs
Frank C. Barnes	Oil Commission	Santa Fe
William J. Knight	Artesia, N. M.	N. C. R. R.
E. J. Kinney	Artesia, N. M.	N. M. Bur. Mines
Marshall Lewis	Artesia, N. M.	Casper Oil Co. Inc.
JOHN E. COCHRAN, JR.	ARTESIA, N. M.	SARPER DRILLING CO. INC.
Elmer A. W. G.	Santa Fe, N. M.	Oil Comm.

Oil Conservation Commission
July 28 Hearing

AFFIDAVIT OF PUBLICATION

State of New Mexico,
County of Lea

Thomas G. Summers
Publisher

Of the Hobbs Daily News-Sun, a daily newspaper published at Hobbs, New Mexico, do solemnly swear that the clipping attached hereto was published once a week in the regular and entire issue of said paper, and not in a supplement thereof for a

period of One weeks.

beginning with the issue dated June 15, 1949

and ending with the issue dated June 15, 1949

Thomas G. Summers
Publisher.

Sworn and subscribed to before me

this 15 day of

June, 1949.
Betty Bene
Notary Public.

My commission expires

January 25, 1953
(Seal)

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937, and payment of fees for said publication has been made.

June 15, 1949
LEGAL NOTICE

NOTICE OF PUBLICATION, STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice, pursuant to law, of the following public hearing to be held June 28, 1949, beginning at 10:00 A. M. on that day in the City of Santa Fe, New Mexico, in the Senate Chambers, STATE OF NEW MEXICO TO:

All named parties in the following case, and notice to the public:

Case 187

In the matter of the application of Carper Drilling Company, Incorporated, for an order granting permission to drill unorthodox location, designated as Well No. 8N, on that portion of its Simon "A" lease, described as the SW/4 of the SE/4 of Section 29, Township 17 South, Range 32 East, N.M.P.-M. in the Maljamar Field of Lea County, New Mexico.

Case 188

In the matter of the application of Gulf Oil Corporation for an order to dually complete and produce from the Queen formation and the Yates formation from a single well bore in the J. R. Holt "B" No. 1, located 660' from east line and 1980' from south line of Section 36, Township 23 South, Range 36 East, Lea County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on June 12, 1949.

STATE OF NEW MEXICO
OIL CONSERVATION
COMMISSION

R. R. SPURRIER,

(Seal)

Secretary



*Filed
Case 187*

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice, pursuant to law, of the following public hearing to be held June 28, 1949, beginning at 10:00 A. M. on that day in the City of Santa Fe, New Mexico, in the Senate Chambers.

STATE OF NEW MEXICO TO:

All named parties in the following case,
and notice to the public:

Case 187

In the matter of the application of Carper Drilling Company, Incorporated, for an order granting permission to drill unorthodox location, designated as Well No. 9N, on that portion of its Simon "A" lease, described as the SW/4 of the SE/4 of Section 29, Township 17 South, Range 32 East, N.M.P.M. in the Maljamar Field of Lea County, New Mexico.

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In the matter of the application of Gulf Oil Corporation for an order to dually complete and produce from the Queen formation and the Yates formation from a single well bore in the J. R. Holt "B" No. 1, located 660' from east line and 1980' from south line of Section 36, Township 23 South, Range 36 East, Lea County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on June 13, 1949.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrer
R. R. SPURRER, Secretary

June 13, 1949

Mr. Glenn Staley
Lea County Operator's Committee
Drawer 1
Hobbs, New Mexico

Dear Mr. Staley:

You will find enclosed Notice of Publication, in connection with the hearing to be held on June 28, 1949.

This is for your records and distribution.

Very truly yours,

Secretary and Director

RRS:bw
encl.

June 13, 1949

SANTA FE NEW MEXICAN
Santa Fe, New Mexico

RE: Cases 187 and 188, Notice of Publication

Gentlemen:

Please publish the enclosed notice once, immediately. Please proof-read the notice carefully and send a copy of the paper carrying such notice, to this office.

UPON COMPLETION OF THE PUBLICATION SEND PUBLISHER'S AFFIDAVIT IN DUPLICATE.

For payment please submit statement in duplicate, and sign and return the enclosed voucher.

Very truly yours,

Secretary and Director

RHS:bw
encl.

June 13, 1949

SANTA FE NEW MEXICAN
Santa Fe, New Mexico

RE: Cases 187 and 188, Notice of Publication

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Please publish the enclosed notice once, immediately. Please proof-read the notice carefully and send a copy of the paper carrying such notice, to this office.

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Very truly yours,

Secretary and Director

RRS:bw
encl.

June 13, 1949

HOBBS DAILY NEWS SUN
Hobbs, New Mexico

RE: Cases 187 and 188, Notice of Publication

Gentlemen:

Please publish the enclosed notice once, immediately. Please proof-read the notice carefully and send a copy of the paper carrying such notice, to this office.

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DUPLICATE.

For payment please submit statement in duplicate, and sign and return
the enclosed voucher.

Very truly yours,

Secretary and Director

RRS:lw
encl.

LAW OFFICES
JOHN E. COCHRAN, JR.
CARPER BUILDING
ARTESIA, NEW MEXICO

Case 187

Graham

June 4, 1949

Oil Conservation Commission
State of New Mexico
State Capitol Bldg.
Santa Fe, New Mexico

Attn: Mr. R. R. Spurrier

Gentlemen:

Enclosed herewith is Application, in triplicate, of Carper Drilling Company, Inc., for an Order, granting permission to drill one Unorthodox Five Spot Location on its Simon "A" Lease, located in Section 29, Township 17 South, Range 32 East, N.M.P.M., in Lea County, New Mexico. At your earliest convenience, will you please set a date for hearing this Application and advise me the date set for this hearing.

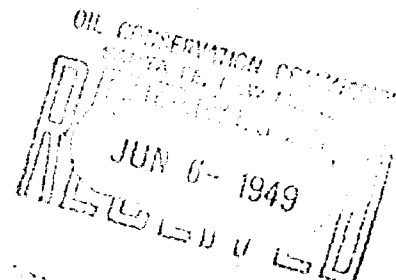
The land upon which this location is desired is embraced in a Federal Oil and Gas Lease, and therefore, a copy of this Application is being furnished Mr. Foster Morrell, Supervisor of the United States Geological Survey at Roswell, New Mexico.

Very truly yours,

John E. Cochran, Jr.

JEC:jh
enc

cc: Mr. Foster M. Morrell
Supervisor,
U.S. Geological Survey
Roswell, New Mexico



NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
The State of New Mexico by its Oil
Conservation Commission, hereby gives
notice, pursuant to law, of the following
public hearing to be held June 28, 1949,
beginning at 10:00 A.M. on that day in
the City of Santa Fe, New Mexico, in the
Senate Chambers.
STATE OF NEW MEXICO TO:
All named parties in the following
case, and notice to the public:
Case 187
In the matter of the application of
Carper Drilling Company, Incorporated, for
an order granting permission to drill un-
orthodox location, designated as Well No.
9N, on that portion of its Simon "A"
lease, described as the SW/4 of the
SE/4 of Section 29, Township 17 South,
Range 32 East, N.M.P.M., in the Maljamar
Field of Lea County, New Mexico.
Case 188
In the matter of the application of Gulf
Oil Corporation for an order to dually
complete and produce from the Queen
formation and the Yates formation from
a single well bore in the J. R. Holt "B"
No. 1, located 890' from east line and
1940' from south line of Section 36, Town-
ship 23 South, Range 36 East, Lea County,
New Mexico.
Given under the seal of the Oil Con-
servation Commission of New Mexico, at
Santa Fe, New Mexico, on June 13, 1949.
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION
R. A. SPURRIER, Secretary
Pub: June 13, 1949.

Affidavit of Publication

State of New Mexico }
County of Santa Fe } ss.

I, Will Harrison, being first duly sworn,
declare and say that I am the (~~Business Manager~~) (Editor) of the Santa Fe
New Mexican, a daily newspaper, published in the English
Language, and having a general circulation in the City and County of Santa Fe, State of
New Mexico, and being a newspaper duly qualified to publish legal notices and adver-
tisements under the provisions of Chapter 167 of the Session Laws of 1937; that the
publication, a copy which is hereto attached, was published in said paper ~~once each week~~
for one time ~~once each week, and on the same day of each week in~~
the regular issue of the paper during the time of publication, and that the notice was
published in the newspaper proper, and not in any supplement, ~~once each week~~ for
one time ~~once each week, and on the same day of each week in~~ publication being on the
15th day of June, 1949, and the last publica-
~~tion of said paper~~ ~~on the same day of each week in~~ ~~publication~~; that payment
for said advertisement has been (duly made), or (assessed as court costs); that the
undersigned has personal knowledge of the matters and things set forth in this affidavit.

PUBLISHER'S BILL

40 lines, one time at \$ 4.00
____ lines, _____ times, \$ _____
Tax \$ 4.00
Total \$ _____

Received payment, _____

By _____

Will Harrison
Editor-Manager

Subscribed and sworn to before me this 16th
day of June, A.D., 1949
Anna K. Ormsbee
Notary Public

My Commission expires

June 14, 1953

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO FOR THE PURPOSE OF
CONSIDERING

CASE NO. 187
ORDER NO. 828

THE APPLICATION OF CARPER DRILLING COM-
PANY, INC., FOR AN ORDER GRANTING PER-
MISSION TO DRILL UNORTHODOX LOCATION,
DESIGNATED AS WELL NO. 9-N, ON THAT
PORTION OF ITS SIMON "A" LEASE, DESCRIB-
ED AS THE SW/4 OF THE SE/4 OF SECTION
29, TOWNSHIP 17 SOUTH, RANGE 32 EAST,
N.M.P.M. IN THE MALJAMAR FIELD OF LEA
COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at 10 o'clock A. M.
on the 28th day of June, 1949 at Santa Fe, New Mexico, before
the Oil Conservation Commission of New Mexico, hereinafter
referred to as the "Commission".

NOW, on this 28 day of June, 1949,
the Commission, having before it for consideration the
testimony adduced at said hearing and being fully advised
in the premises,

FINDS:

1. That due public notice having been given, as
provided by law, the Commission has jurisdiction of this
cause.
2. That the acreage involved in the Application
is Federally owned and the Supervisor of the United States
Geological Survey interposes no objections to the Application.
3. That the lease covering the following described
land is owned by Carper Drilling Company, Inc.:

SIMON "A" Lease. Las Cruces Serial No. 029410(a) described as E/2 NE/4, NW/4 and S/2 of Section 29, Township 17 South, Range 32 East, N.M.P.M.

4. That said tract hereinabove described is located in what is known as the Maljamar Pool of Lea County, New Mexico and that said lease covering the land hereinabove described is within the boundaries of and has been committed to the Maljamar Cooperative Repressuring Agreement.

5. That there has been drilled on said tract of land a total of thirteen wells which are producing from the Maljamar Pay, encountered at an approximate depth of 4,000 feet. That in addition to the thirteen wells producing from the Maljamar Pay, there have been drilled two additional wells to the Maljamar Pay upon said above described tract of land, which wells are designated as Input Well No. 3 and Input Well No. 13, which are being used at the present time as gas injection wells, through which gas is returned to the Maljamar reservoir.

6. That Input Well #3 on the Simon "A" Lease is located in the center of the SW/4 of the SE/4 of Section 29, Township 17 South, Range 32 East, N.M.P.M. and that although said Input Well #3 was originally drilled and completed as a producing well on August 28, 1941, a short time thereafter on April 11, 1942, this well was converted from a producing well to a gas injection well, and has been used for the purpose of returning gas to the reservoir and is being used as a gas injection well at the present time.

7. That the lease hereinabove described being located within the boundaries of and committed to the Maljamar Cooperative Repressuring Agreement the Operators in the Maljamar Cooperative Repressuring Agreement are not allowed to make up, from other wells located upon the lease, the allow-

able production lost by reason of the conversion of a well from a producing well to a gas injection well.

8. That Input Well #3 is the only well located upon the SW/4 of the SE/4 of said Section 29, and that there is no producing well on this 40 acre tract at the present time.

9. That a well drilled in the SW/4 of the SE/4 of said Section 29 to be located 1295 feet from the South Line and 1345 Feet from the East Line of said Section 29, N.M.P.M. to the Maljamar Pay, in all probability will be capable of producing substantial quantities of oil and that the drilling of said well at this location would be in the interest of conservation and would prevent waste in that the drilling of said well would enable Applicant to recover a substantial quantity of oil which would not otherwise be recovered.

IT IS THEREFORE ORDERED BY THE COMMISSION,
That the Application of Carper Drilling Company, Inc., for an order granting permit to drill one unorthodox "Five Spot" location to be drilled to the Maljamar Pay be, and the same is hereby granted and approved. The number and location of said well to be drilled, being as follows:

SIMON WELL NO. 9-N to be located 1345 feet from the East Line and 1295 feet from the South Line of Section 29, Township 17 South, Range 32 East, N.M. P.M.

IT IS FURTHER ORDERED That Simon Well No. 9-N hereinabove authorized, when completed as a producing well, shall be produced in accordance with the Allocation of Production Plan in effect and applicable to leases committed to the Maljamar Cooperative Repressuring Agreement, producing from the Maljamar Pay.

IT IS FURTHER ORDERED That the Applicant shall
file with the Commission copy of Federal Location Notice
for the hereinabove described location after approval there-
of by the Oil and Gas Supervisor.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

CHAIRMAN

Guy Shipard
MEMBER

R. R. Gurr
SECRETARY

BEFORE THE
OIL CONSERVATION COMMISSION
State of New Mexico

PROCEEDINGS

The following matters came on for consideration before a hearing of the Oil Conservation Commission of the State of New Mexico pursuant to legal notice, at Santa Fe, New Mexico, on June 28, 1949, at 10: A. M.

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice, pursuant to law, of the following public hearing to be held June 28, 1949, beginning at 10:00 A.M. on that day in the City of Santa Fe, New Mexico, in the Senate Chambers.

STATE OF NEW MEXICO TO:

All named parties in the following case,
and notice to the public

Case 187

In the matter of the application of Carper Drilling Company, Incorporated, for an order granting permission to drill unorthodox location, designated as Well No. 9N, on that portion of its Simon "A" lease, described as the SW/4 of the SE/4 of Section 29, Township 17 South, Range 32 East, N.M.P.M. in the Maljamar Pool of Lea County, New Mexico.

Case 188

In the matter of the application of Gulf Oil Corporation for an order to dually complete and produce from the Queen formation and the Yates formation from a single well bore in the J. R. Holt "B" No. 1, located 660' from east time and 1980' from south line of Section 36, Township 23 South, Range 36 East, Lea County, New Mexico.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on June 13, 1949.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

/s/ R. R. Spurrier
R. R. SPURRIER, Secretary

SEAL

BEFORE:

Guy Shephard, Presiding, Commissioner, (New Mexico)
R. R. Spurrier, Secretary, (New Mexico)

REGISTER:

Paul C. Evans
Hobbs, New Mexico
For the Gulf Oil Corporation

E. W. Brake
Tulsa, Oklahoma
For the Gulf Oil Corporation

L. O. Storm
Hobbs, New Mexico
For the Shell Oil Co., Inc.

Glenn Staley
Hobbs, New Mexico
For the Lea County Operators

Frank C. Barnes
Santa Fe, New Mexico
For the Oil Conservation Commission

William J. Wright
Artesia, New Mexico
For the M. C. R. A.

E. E. Kinney
Artesia, New Mexico
For the New Mexico Bureau of Mines

Marshall Rowley
Artesia, New Mexico
For the Carper Drilling Company, Inc.

John E. Cochran, Jr.
Artesia, New Mexico
For the Carper Drilling Co., Inc.

Elvis A. Utz
Santa Fe, New Mexico
For the Oil Conservation Commission

COMMISSIONER SHEPHARD: The first case to come before the meeting is: Case 187 "In the matter of the application of Carper Drilling Company, Incorporated, for an order granting permission to drill unorthodox location, designated as Well No. 9N, on that portion of its Simon "A" lease, described as the SW/4 of the SE/4 of Section 29, Township 17 South, Range 32 East, N.M.P.M. in the Maljamar Pool of Lea County, New Mexico."

MR. COCHRAN: If the Commission please, this is the application of Carper Drilling Company, Incorporated, to drill Well No. 9N on its Simon "A" lease. Its witness is Marshall Rowley.

(Witness sworn.)

EXAMINATION BY MR. JOHN COCHRAN:

Q. Will you state your name?

A. Marshall Rowley.

Q. By whom are you employed?

A. Carper Drilling Company.

Q. In what capacity?

A. I am employed as vice-president.

Q. As vice-president are you in charge of Carper Drilling Company's production?

A. Yes, sir.

Q. You are familiar with what is described as Simon "A" lease?

A. Yes, sir.

Q. Is that lease in the Maljamar Pool of Lea County, New Mexico?

A. It is.

Q. What is the legal description of that lease.

A. All of Section 29 except the west half of northeast quarter.

Q. How many wells have been drilled on Simon "A" lease?

A. Fifteen.

Q. How many of those wells are producing wells?

A. Thirteen.

Q. From what depth are they producing?

A. From the Maljamar Pay.

Q. What are the other two?

A. Gas injection wells.

Q. Where are those gas injection wells located?

A. On the Simon "A" lease. One of them is in about the center of the section; the other one is in the southwest quarter

of the southeast quarter.

Q. Is that the only well on that 40-acre subdivision?

A. It is.

Q. There are no producing wells on that tract?

A. No, sir.

Q. In your application you ask that you be permitted to drill on that 40-acre legal subdivision?

A. Yes, sir.

Q. Is it your opinion that the drilling of such a well would be in the interests of conservation?

A. Yes, sir.

Q. Do you feel that by drilling that well a substantial quantity of oil would be produced that would not otherwise be produced?

A. I do.

Q. The well which you propose to drill is designated as No. 9N, is that correct?

A. It is.

Q. What is the exact location of that well?

A. It is located 1345 feet from the East Line and 1295 feet from the South Line of Section 29, Township 17 South, Range 32 East.

Q. Is the Simon lease a federal lease?

A. It is.

Q. Is it committed to the Maljamar Cooperative Repressuring Agreement?

A. It is.

Q. Mr. Rowley, under the provisions of the Maljamar Cooperative Repressuring Agreement, as I understand it, you are not permitted to make up allowable from other wells for allowable that may be lost by reason of using of a well for a gas injection well, is that correct?

A. That is correct.

Q. If you are permitted to drill the proposed well No. 9N, located on the Simon lease, do you propose to produce the daily allowable for the forty acre unit upon which said well is located, in accordance with and as determined by the Allocation of Production Plan in use for proration units comprising leases within the boundaries of and committed to the Maljamar Cooperative Repressuring Agreement?

A. Yes, sir.

MR. COCHRAN: If the Commissioner, please, I have a letter I would like to offer, which is dated June 7, 1949, addressed to John E. Cochran, Jr., from Foster Morrell, oil and gas supervisor of the United States Geological Survey, in which he states that his office has no objection to the granting of permission to drill the proposed well at the location specified. The drilling of the well is encouraged.

(Letter received by Commission)

THE COMMISSIONER: If there are no further questions, we will take up the next case. (Reading)

Case 188. "In the matter of the application of Gulf Oil Corporation for an order to dually complete and produce from the Queen formation and the Yates formation from a single well bore in the J. R. Holt "B" No. 1, located 660' from east line and 1980' from south line of Section 36, Township 23 South, Range 36 East, Lea County, New Mexico."

Who is representing the Gulf Oil Corporation?

MR. PAUL C. EVANS: Present.

(Witness sworn)

MR. EVANS: I will read the Gulf Oil Corporation case.

(Handed copies to Commissioner and Reporter)

MR. EVANS: "The Gulf Oil Corporation will present evidence to show the Commission cause whereby they should be allowed to dually complete the Gulf Holt "B" No. 1, located 660 feet from

the east line and 1980 feet from the south line of Section 36-23S-36E, Lea County, New Mexico.

"The witness for the Gulf Oil Corporation is Mr. Paul C. Evans, District Engineer, Hobbs, New Mexico. Mr. Evans has previously qualified as a witness before the New Mexico Oil Conservation Commission. He graduated from Texas A. & M. College in 1937 with a B. S. degree in Petroleum Production Engineering. He obtained 3-1/2 years of engineering experience with the Gulf Oil Corporation as training engineer and production engineer in various phases in New Mexico, Oklahoma, Illinois, and Indiana. Then, he was transferred to Michigan as District Engineer for 1/2 year prior to entering military service where he served in the Field Artillery for 4 years. He has been employed as District Engineer for Gulf in New Mexico for the past 4 years. He is registered professional engineer and land surveyor in the State of New Mexico."

(Mr. Evans handed copies of "RadioActivit Log, Lane Wells Company" to the Commissioner; also copies of "Dual Completion Equipment to be Installed at Holt B No. 1)

"Stafford and McVay Drilling Company's rotary tools were rigged up and drilling operations commenced on April 23, 1949. The 9-5/8" OD, 36#, H-40, S.S. casing was set at 322 feet and cemented with 200 sacks of cement which circulated to the surface. The Yates sand was encountered at 2960 feet and extended to 3245 feet to the top of the Seven Rivers formation. The offset information and geological data indicated the commercial gas producing possibilities of this section. The 5-1/2" OD, 17#, S.S. casing was set at 3450 feet in the Seven Rivers formation and cemented with 750 sacks of cement. A temperature survey indicated the top of the cement behind the 5-1/2" casing to be at 1650 feet. Prior to running casing, this well was drilled to a total depth of 3610 feet in the Queen sand. A

A Lane Wells radio-activity survey was run from total depth to 2300 feet and three copies of this log are submitted to the Commission for their information. A drill stem test with a hookwall packer set at 3420 feet was taken with total depth of 3610 feet. The Halliburton tool was left open for 4 hours and we received 400 feet of oil and gas cut mud and 1200 feet of clean oil. The flowing pressure was 800 psi and the 15 minute build-up pressure was 930 psi. This information indicated that the exposed Seven Rivers and Queen formations needed to be shot with nitroglycerin to obtain maximum production. The rotary rig was dismantled and cable tools were rigged up.

"Two hundred quarts of special oil well explosive No. 1, solidified nitroglycerin, was placed from 3610 feet to 3501 feet. A proper solid stem was placed above the explosive and it was stemmed to the surface with oil. After cleaning out to total depth after the shot exploded, this well flowed 137 barrels of oil in 12 hours and is now producing its daily allowable to the lease stock tanks in a normal manner.

"After permission is obtained to dually complete this well, it is planned to "kill" the well with oil base mud on bottom and water to the surface and pull the 2-7/8" OD tubing. The Yates sand section from 2940 feet to 3120 feet will be perforated with 360 jet holes. Then, a permanent type 5-1/2" x 2-7/8" Baker model "L" retainer production packer will be set at 3420 feet. The tubing string will then be run from bottom up as follows:

1. Standard perforated anchor with 2-7/8" tubing from 3605 feet to 3420 feet.
2. Baker packing element to set in permanent type packer at 3420 feet.
3. 2-7/8" x 6' tubing nipple
4. 2-7/8" OD Otis type "L" side door choke with landing nipple at 3412 feet.
5. 2-7/8" OD tubing to the surface

The attached schematic drawing shows the intended producing equipment to be installed in Holt "B" No. 1.

The Otis side door choke will be run which will shut-off the lower oil producing Queen sand and expose the Yates gas sand to the tubing through perforations in the landing nipple. The Yates gas sand will be produced through the tubing until it cleans up. Then, the Otis side door choke will be pulled and re-run to allow the Yates gas sand to be segregated from the tubing and the oil producing Queen sand section to be produced through the tubing. This installation will now allow the Yates gas sand to be produced through the casing and the Queen oil section to be produced through the tubing without commingling of fluids.

"Segregation tests will then be obtained in the following manner:

1. Both zones will be shut-in until maximum tubing and casing pressures are observed. A dual pressure recorder will be installed so that both tubing and casing pressure can be recorded on the same chart and at the same time.

2. Prior to opening the casing, a bottom hole pressure recording instrument will be run in the tubing to record the static BHP of the oil producing zone. With the BHP gauge in the tubing, the Yates gas will be flowed through the casing at a reasonable rate. The dual recorder will still be installed to obtain casing and tubing pressures during this operation.

3. If there is no evidence of communication on the above test, the casing will be shut-in until maximum casing pressure is obtained.

4. Then, the oil zone will be flowed through the tubing with the casing shut-in, and the dual recorder will record the tubing and casing pressures. The oil and gas produced through the tubing will be measured.

5. The dual recording pressure charts, static BHP of the oil zone, and measured volumes of fluid from each zone will be reported to the Commission.

"The oil that will be produced from the Queen section will be stored in tanks on the lease. There will be a separate line from the tubing to the lease storage tanks through a low pressure separator. A commercial market will be obtained for the gas that will be produced through a separate line from the casing. The gas produced from the Yates section is classified as "sweet" gas and the oil produced from the Queen formation is slightly corrosive. There is no doubt that the two above described zones are each definite and distinct reservoirs.

To date, permission has been granted by the Commission to produce the two zones described above through a single well bore on three other wells in this immediate area. The attached plat shows the location of Gulf Holt "B" No. 1 with respect to the other dual completed wells in the immediate area."

(Plat submitted)

This covered all we have to offer.

THE COMMISSIONER: Any questions, Mr. Staley?

(Mr. Staley shook his head)

THE COMMISSIONER: Anybody have any questions. Well, if not, it will be granted. If there is nothing further before this meeting, it will stand adjourned.

C E R T I F I C A T E

Before me appeared Margaret Powell who swore that the foregoing transcript is a true and complete record of the proceedings before the Oil Conservation Commission of the State of New Mexico to the best of her knowledge, skill, and ability.

DATED this 12th day of July 1949.

Asen Rono
Notary Public

My Commission expires:
July 2, 1952

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF APPLICATION OF
CARPER DRILLING COMPANY, INC.,
FOR ORDER GRANTING PERMISSION TO
DRILL UNORTHODOX LOCATION, DESIGN-
ATED AS WELL NO. 9N, ON THAT
PORTION OF ITS SIMON "A" LEASE,
DESCRIBED AS THE SW/4 OF THE SE/4
OF SECTION 29, TOWNSHIP 17 SOUTH,
RANGE 32 EAST, N.M.P.M. IN THE
MALJAMAR FIELD OF LEA COUNTY, NEW
MEXICO

Cash
NO. 187

APPLICATION

CARPER DRILLING COMPANY, INC., Applicant herein,
is a New Mexico Corporation, with its principle office at
Artesia, New Mexico, and in connection herewith, respect-
fully shows to the Commission:

1. That Applicant is the owner and operator of
Federal Oil and Gas Lease, bearing Las Cruces Serial
No. 029410(a), covering the following described land,
situated in Lea County, State of New Mexico, to-wit:

E/2 NE/4, NW/4 and S/2 of Section 29,
Township 17 South, Range 32 East,
N.M.P.M.

2. That said tract of land hereinabove described
is located in what is known as the Maljamar Pool of Lea
County, New Mexico; that there have been drilled on said
tract of land a total of thirteen wells which are pro-
ducing from the Maljamar Pay, encountered at an approximate
depth of 4,000 feet. That in addition to the fifteen wells
producing from the Maljamar Pay, there have been drilled
two additional wells to the Maljamar Pay upon said above

described tract of land, which wells are designated as Input Well No. 3 and Input Well No. 13, which are being used at the present time as gas injection wells, through which gas is returned to the Maljamar reservoir.

3. That Input Well #3 on the Simon "A" Lease is located in the center of the SW/4 of the SE/4 of Section 29, Township 17 South, Range 32 East, N.M.P.M. and that although said Input Well #3 was originally drilled and completed as a producing well on August 28, 1941, a short time thereafter on April 11, 1942, this well was converted from a producing well to a gas injection well, and has been used for the purpose of returning gas to the reservoir and is being used as a gas injection well at the present time.

4. That the lease hereinabove described is located within the boundaries of and is committed to the Maljamar Cooperative Repressuring Agreement, and that Operators in the Maljamar Cooperative Repressuring Agreement are not allowed to make up, from other wells located upon the lease, the allowable production lost by reason of the conversion of a well from a producing well to a gas injection well.

5. That Applicant, upon the basis of geological information, is advised and is of the opinion and belief that a well drilled on the tract of land hereinabove described, to be located 1345 feet from the East Line and 1295 feet from the South Line of Section 29, Township 17 South, Range 32 East, N.M.P.M. to the Maljamar Pay, when completed, would be capable of producing a substantial quantity of oil; that said location is shown on the map

attached hereto, marked Exhibit "A", and by reference made a part hereof, and that the drilling of such location would be in the interest of conservation and would prevent waste, in that the drilling of said well would enable Applicant to recover a substantial quantity of oil which would not otherwise be recovered.

6. That Applicant desires to drill this additional well, to be numbered and located as follows:

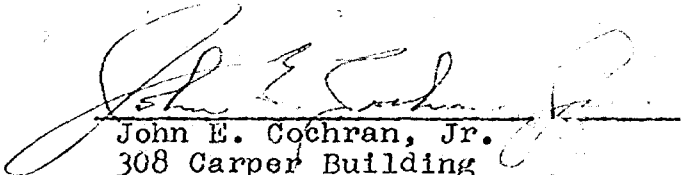
SIMON WELL No. 9-N, to be located 1345 feet from the East Line and 1295 feet from the South Line of Section 29, Township 17 South, Range 32 East, N.M.P.M.,

the location of such well being shown on the map attached hereto, marked Exhibit "A".

7. That in the event a permit is granted Applicant to drill said well, upon completion of the same as a producing well, that the Oil Conservation Commission of New Mexico permit said well to produce the daily allowable for the forty acre unit upon which said well is located, in accordance with and as determined by the Allocation of Production Plan in use for proration units comprising leases within the boundaries of and committed to the Maljamar Cooperative Repressuring Agreement.

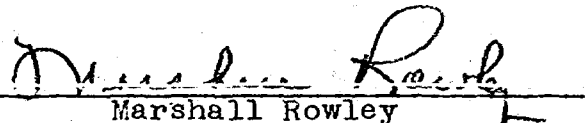
WHEREFORE, Applicant prays that it be granted permission to drill said well at the location hereinabove described; that the Commission set a date for hearing this Application, in accordance with its rules and regulations, and that upon presentation of this Application, that an Order be entered granting permission to Applicant to produce a daily allowable from the forty acre proration unit upon which said well is located, in accordance with the

Allocation of Production Plan in effect and applicable to leases within the Maljamar Cooperative Repressuring Agreement.


John E. Cochran, Jr.
308 Carper Building
Artesia, New Mexico
Attorney for
Carper Drilling Company, Inc.

STATE OF NEW MEXICO)
 : ss.
COUNTY OF EDDY)

MARSHALL ROWLEY, being first duly sworn upon his oath, deposes and states: That he is Vice-President of Carper Drilling Company, Inc., applicant herein, that he has read the within and foregoing Application, and from personal knowledge knows the matters therein contained to be true and correct, except such statements as are alleged upon information and belief, and as to those, he verily believes them to be true.


Marshall Rowley

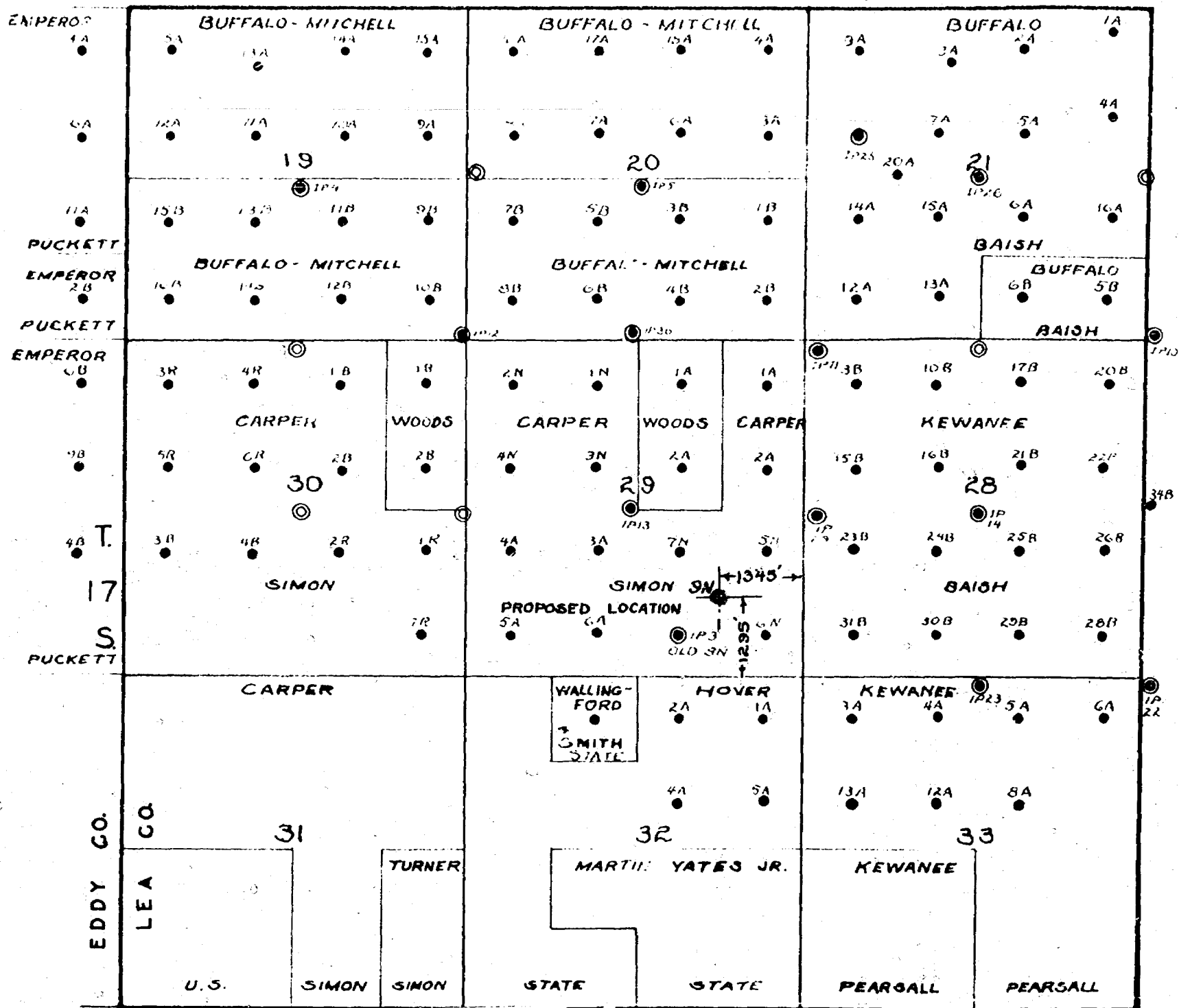
SUBSCRIBED AND SWORN TO before me this 4th day of June, 1949.


Notary Public

My commission expires:

May 12, 1953

R. 32 E.



A PART OF THE MALJAMAR POOL

LEA COUNTY, N. M.

SCALE: 1 INCH = 2000 FT.

- PRODUCING WELL
- ② GAS INJECTION WELL

EXHIBIT A