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

July 26, 1983

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

Attention: Betty A. Gildon
Regulatory Clerk

Administrative Order TX-111

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 10,229 feet in the following well:

Well Name and Number: Loving 1 State Well No. 2

Location: 990' FSL and 2110' FWL of Section 1,
T-24-S, R-27-E, NMPM, Eddy County

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/RLS/h

cc: Oil Conservation Division - Artesia
Well File
Oil & Gas Division - State Land Office - Santa Fe

pVZV2005030561

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

July 11, 1983

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: Loving 1 State, Well No. 2
990' FSL & 2110' FWL
Sec. 1, T24S, R27E
Eddy County, NM

Dear Mr. Ramey:

Please find enclosed copy of a letter to Mr. Dan Nutter dated July 11, 1983, requesting an exception to the tubing-setting requirements contained in Division Rule 107(d).

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 A. Gildon
Regulatory Clerk

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enclosures

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

July 11, 1983

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

Attn: Mr. Dan Nutter

In Re: Loving 1 State, Well No. 2
990' FSL & 2110' FWL, Sec. 1, T24S, R27E
Eddy County, New Mexico

Dear Mr. Nutter:

Tubing for the above-named well has been set at 10,229 feet, and casing perforated from 12,316 to 12,430 feet.

This office requests administrative exception to Rule 107d.

Very truly yours,

HNG OIL COMPANY

Betty Gildon

Betty Gildon
Regulatory Analyst

bg

enclosure

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

July 11, 1983

Oil Conservation Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

Attn: Mr. Dan Nutter:

In Re: Loving 1 State, Well No. 2
990' FSL & 2110' FWL
Sec. 1, T24S, R27E
Eddy County, NM

Dear Mr. Nutter:

There are several reasons why we feel that completions utilizing a TIW Polish Bore Receptacle or Insert Seal Assembly is the most advantageous method to complete a well.

(1) The inside diameter of the seal ssembly 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. The Insert Seal Assembly sets in the tie back sleeve at the top of the liner.

We feel that this Packer system not only saves 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 leg

George M. Hover
Completion Engineer

GMH/bg

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LAND OFFICE		
OPERATOR		

Form C-105
Revised 11-1-78

NEW MEXICO OIL CONSERVATION COMMISSION
WELL COMPLETION OR RECOMPLETION REPORT AND LOG

RECEIVED
JUL 14 1983
OIL CONSERVATION DIVISION
SANTA FE

5a. Indicate Type of Lease: State [X] Fee [ ]
5. State Oil & Gas Lease No.: LG-23

1a. TYPE OF WELL
b. TYPE OF COMPLETION
OIL WELL [ ] GAS WELL [XX] DRY [ ] OTHER
NEW WELL [XXX] WORK OVER [ ] DEEPEN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] OTHER

7. Unit Agreement Name:
8. Farm or Lease Name: Loving 1 State
9. Well No.: 2
10. Field and Pool, or Wildcat: Black River Morrow

2. Name of Operator: HNG OIL COMPANY
3. Address of Operator: P. O. Box 2267, Midland, Texas 79702
4. Location of Well: UNIT LETTER N LOCATED 990 FEET FROM THE south LINE AND 2110 FEET FROM THE west LINE OF SEC. 1 TWP. 24S RGE. 27E NMPM
12. County: Eddy

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
3-17-83	4-25-83	6-3-83	3128' GR	3128'

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
12,840'	12,541'		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name: 12,316' - 12,430' (Morrow)
25. Was Directional Survey Made: No
26. Type Electric and Other Logs Run: Electromagnetic Propagation, LDT/CNL/ EPT, Compensated Neutron Litho Density, Dual Laterolog
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#	556'	17-1/2"	250 HLC & 250 Cl H	Circ.
9-5/8"	36#	2255'	12-1/4"	900 HLC & 45 Cl C	Circ.
7"	23#	10562'	8-1/2"	850 HLC & 525 Cl H	-

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
4-1/2"	10228	12840	425 Cl H	-

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	10,229'	ISA 10,229

31. Perforation Record (Interval, size and number)
12,655-12,662 (.40" 16)
12,316-12,430 (.29" 25)

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
12655-12662	Sq.w/40 sx. Cl H tested to 5000#
12316-12430	12,000 gal pad, 9000 gal MS frac
	6000 gal frac fluid, 45,000 gal
	apollo 50 gel, 64,800 20-40 /bauxite

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping — Size and type pump)	Well Status (Prod. or Shut-in)
6-28-83	Flowing	Shut-in

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Gas — Oil Ratio
6-29-83	24	7/64"		0	1125	0	-

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Oil Gravity — API (Corr.)
3250	Sealed					-

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

35. List of Attachments: Logs, Inclination Survey

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 TITLE Regulatory Analyst DATE 7/11/83
Betty Gildon

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Commission not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, Items 30 through 34 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico				Northwestern New Mexico			
T. Anhy		T. Cherry Canyon	3146	T. Ojo Alamo		T. Penn. "B"	
T. Salt		T. Strawn	11162	T. Kirtland-Fruitland		T. Penn. "C"	
B. Salt		T. Atoka	11321	T. Pictured Cliffs		T. Penn. "D"	
T. Yates		T. Morrow Lime	11932	T. Cliff House		T. Leadville	
T. 7 Rivers		T. Devonian	12146	T. Menefee		T. Madison	
T. Queen		T. Silurian		T. Point Lookout		T. Elbert	
T. Grayburg		T. Montoya		T. Mancos		T. McCracken	
T. San Andres		T. Simpson		T. Gallup		T. Ignacio Qtzte	
T. Glorieta		T. McKee		Base Greenhorn		T. Granite	
T. Paddock		T. Ellenburger		T. Dakota		T.	
T. Blinebry		T. Gr. Wash		T. Morrison		T.	
T. Tubb		T. Granite		T. Todilto		T.	
T. Drinkard		T. Delaware Sand	2320	T. Entrada		T.	
T. Abo		T. Bone Springs	5883	T. Wingate		T.	
T. Wolfcamp	9190	T. Cherry Canyon Marker	3328	T. Chinle		T.	
T. Penn.		T.		T. Permian		T.	
T Cisco (Bough C)		T. Brushy Canyon	4358	T. Penn. "A"		T.	

OIL OR GAS SANDS OR ZONES

No. 1, from 12,316 to 12,430 No. 4, from ..... to .....

No. 2, from ..... to ..... No. 5, from ..... to .....

No. 3, from ..... to ..... No. 6, from ..... to .....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from None to ..... feet. .....

No. 2, from ..... to ..... feet. .....

No. 3, from ..... to ..... feet. .....

No. 4, from ..... to ..... feet. .....

FORMATION RECORD (Attach additional sheets if necessary)

From	To	Thickness in Feet	Formation	From	To	Thickness in Feet	Formation
0	606	606	Surface Rock				
606	1368	762	Anhy				
1368	2119	741	Anhy, Salt				
2119	3351	1232	Anhy				
3351	4385	1034	Shale, Sand, Lime				
4385	5554	1169	Dolomite, Shale, Sand				
5554	6080	526	Sand				
6080	8354	2274	Lime, Shale				
8354	11880	3526	Lime, Sand Shale				
11880	12300	420	Chert, Lime				
12300	12840	540	Lime, Sand, Shale				