STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

August 6, 1984

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

Attention: Betty Gildon

Administrative Order TX-140

Gentlemen:

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

Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to set tubing at 12,739 feet in the following well:

Well Name and Number: Dillon 31, Well No. 1

Location: Unit I, Sec. 31, T-24S, R-34E, NMPM,
Lea County, NM

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/MES/dp

cc: Oil Conservation Division - Hobbs

PVEV2005037562

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

July 23, 1984

Oil Conservation Division
P. O. Box 2088
State Land Office Bldg.
Santa Fe, NM 87501

Attn: Mr. Joe D. Ramey
Division Director

In Re: Dillon 31, Well No. 1
2080' FSL & 660' FEL, Sec. 31, T24S, R34E
Lea County, New Mexico

Dear Mr. Ramey:

Tubing for the above-named well has been set at 12,739 feet, and casing perforated from 15,087 feet to 15,139 feet.

This office requests administrative exception to Rule 107d.

Very truly yours,

HNG OIL COMPANY

Betty Gildon

Betty Gildon
Regulatory Analyst

bg

enclosures

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

July 23, 1984

Oil Conservation Division
P. O. Box 2088
State Land Office Bldg.
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey
Division Director

Dear Mr. Ramey:

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

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

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

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

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

The Polish Bore Receptacle is run on the top of the liner. 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

George M. Hover
Petroleum Engineer III

GMH/bg

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OPERATOR		

Form C-105
Revised 11-1-58

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

5a. Indicate Type of Lease: State ☐ Fee ☒

5. State Oil & Gas Lease No.

1a. TYPE OF WELL

b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEPEN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ OTHER

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER

7. Unit Agreement Name

8. Farm or Lease Name: Dillon 31

2. Name of Operator: HNG OIL COMPANY

9. Well No.: 1

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

10. Field and Pool, or Wildcat: Pitchfork Ranch /Morrow

4. Location of Well: UNIT LETTER I LOCATED 2080 FEET FROM THE south LINE AND 660 FEET FROM THE east LINE OF SEC. 31 TWP. 24S RGE. 34E NMPM

12. County: Lea

15. Date Spudded	16. Date T.D. Reached	17. Date Compl. (Ready to Prod.)	18. Elevations (DF, RKB, RT, GR, etc.)	19. Elev. Cashinghead
3-29-84	6-24-84	7-2-84	3442.2' GR	3442.2'

20. Total Depth	21. Plug Back T.D.	22. If Multiple Compl., How Many	23. Intervals Drilled By	Rotary Tools	Cable Tools
15, 275	15,206		→	X	

24. Producing Interval(s), of this completion — Top, Bottom, Name: 15087 - 15138 (Morrow)

25. Was Directional Survey Made: No

26. Type Electric and Other Logs Run: Comp. Neutron-Formation Density, Dual Induction

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"	61#	600'	17-1/2"	300 Lite & 300 Cl C	Circulated
9-5/8"	36# & 40#	5164'	12-1/4"	2000 Lite & 475 Cl C	Circulated
7"	26#	13214'	8-3/4"	1050 Lite & 450 Cl H	-

29. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
4-1/2"	12860'	15275'	375 Cl H	-

30. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-7/8"	12739'	PBR 12739'

31. Perforation Record (Interval, size and number)

15,087 - 15,139 (.32" 20)

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
15087 - 15139	Spot acid at 7600 psi at 3.3 PBM
	Ave 7000 psi @ 3.4 PBM ISIP 6100
	psi.

33. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping — Size and type pump)	Well Status (Prod. or Shut-in)
7-1-84	Flowing	Shut-in

Date of Test	Hours Tested	Choke Size	Prod'n. For Test Period →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Gas — Oil Ratio
7-1-84	5-1/2	9/64"					363

Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate →	Oil — Bbl.	Gas — MCF	Water — Bbl.	Oil Gravity — API (Corr.)
6100	Sealed		12	4350	0	49.0

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

Test Witnessed By

35. List of Attachments: Logs, C-104

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

SIGNED Betty Gildon (Betty Gildon) TITLE Regulatory Analyst DATE 7/23/84

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	6502	T. Ojo Alamo		T. Penn. "B"	
T. Salt		T. Strawn		T. Kirtland-Fruitland		T. Penn. "C"	
B. Salt		T. Atoka	13866	T. Pictured Cliffs		T. Penn. "D"	
T. Yates		T. Miss		T. Cliff House		T. Leadville	
T. 7 Rivers		T. Devonian		T. Menefee		T. Madison	
T. Queen		T. Silurian	Morrow Lime 14234	T. Point Lookout		T. Elbert	
T. Grayburg		T. Montoya	Morrow Clastics 14492	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	5252	T. Entrada		T.	
T. Abo		T. Bone Springs	9228	T. Wingate		T.	
T. Wolfcamp	12218	T. Rustler 1152'		T. Chinle		T.	
T. Penn.		T. Leonard 9070'		T. Permian		T.	
T Cisco (Bough C)		T.		T. Penn. "A"		T.	

OIL OR GAS SANDS OR ZONES

No. 1, from Morrow 15,087 to 15,138 — 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	1428	1428	Redbeds, Anhy				
1428	5074	3646	Anhy, Salt				
5074	5500	426	Anhy, Lime				
5500	9610	4110	Shale, Sand, Lime				
9610	11994	2384	SHale, Lime				
11994	13194	1200	Lime, Sand, Shale				
13194	13626	432	100% Shale				
13626	13870	244	Shale, Lime, Chert				
13870	14678	808	Lime, Shale, Sand				
14678	14700	22	Lime, Chert				
14700	15275	575	Shale, Lime, Sand				