

50 YEARS



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



1935 - 1985

TONEY ANAYA
GOVERNOR

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

September 8, 1986

Texaco USA
P. O. Box 728
Hobbs, New Mexico 88240

Attention: L. J. Seeman

Administrative Order TX-166

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 and cement a 2 7/8" liner feet in the following well:

Well Name and Number: Perry Federal Well No. 3

Location: Unit K, Sec. 29, T-15-S, R-30-E, NMPM,
Chaves County, New Mexico

Remarks: In order to test casing integrity, this well shall be shut-in for a 72-hour period and a fluid movement tracer survey run. This test shall be performed every two years and appropriate notice shall be given to the Hobbs District office in order that OCD personnel may witness this survey.

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Very truly yours,

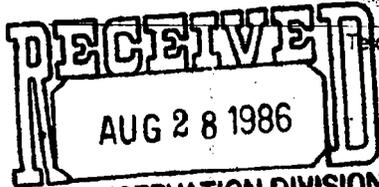
A handwritten signature in black ink, appearing to read "R. L. Stamets".

R. L. STAMETS,
Division Director

RLS/RJ/h

cc: Oil Conservation Division - Hobbs

PVZ 2005135973



Texaco USA

P O Box 730
Hobbs NM 88240
505 397 3571

OIL CONSERVATION DIVISION
SANTA FE

August 18, 1986

New Mexico Oil Conservation Division
Attn: Mr. Jerry Sexton
P.O. Box 1980
Hobbs, New Mexico 88240

Mr. Sexton:

Texaco has proposed the recompletion of our Peery Federal No. 3 well from the Little Lucky Lake Devonian to the Little Lucky Lake Morrow Gas zone as a 2 7/8" tubingless completion. As a stipulation for approval, the NMOCD has requested that Texaco also propose a method of testing the casing integrity once every 2 years.

In order to test the casing integrity, Texaco proposes that this well be shut-in for 72 hours and a fluid movement tracer survey be ran. If fluid movement is found, then the leak should be isolated and repaired. As previously mentioned, Texaco proposed to schedule and perform this procedure once every 2 years.

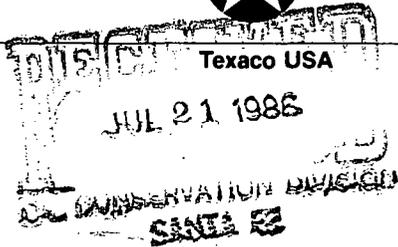
Your approval of this procedure is requested. If further information is required, please contact D. Westover at 397-3571.

James A. Head
Hobbs Area Superintendent

DOW/clp

cc: LDR-Hobbs District
PAK-Hobbs Area

Verbal ok per conversation with Eddie Seay 8-25-86. DOW



PO Box 728
Hobbs NM 88240
505 393 7191

July 16, 1986

State of New Mexico
Department of Energy & Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets
Director

RE: TUBINGLESS COMPLETION
Peery Federal Well No. 3
Unit K, Sec. 29, T-15-S, R-30-E
Chaves County, New Mexico

Gentlemen:

Texaco Inc. respectfully requests administrative approval to complete the referenced well tubingless. The well was drilled in 1959 to a total depth of 11,250 feet. In September of 1985, work was begun to recomplete the well in the Morrow. The well was plugged back to 10,502' with 50 sacks of Class "H" cement. Work was then halted because the 5-1/2" casing failed a pressure test. Due to the fact that the well has had a history of casing leaks, it is felt that running a 2-7/8" liner is a better alternative than trying to repair the casing.

Additional data required by Rule 107(e) is as follows:

- 1.) The completion interval will be from 9962' - 9977'.
- 2.) The well is not a wildcat. Well Nos. 2 & 4 on this lease, and located in the same section, are completed in the Morrow.

July 16, 1986

- 3.) No known corrosive or pressure problems exist which might make this method of completion undesirable. The gas produced will be sweet. It is believed that previous casing leaks are due to the fact that the pipe is unprotected. The 2-7/8" liner will be cemented to the surface. (See attached schematic).
- 4.) The well will not be a dual completion.
- 5.) The liner will be 2-7/8" OD as required.

If additional information is required, please contact Mr. Dennis Wehmeyer of this office.

Yours very truly,



L. J. Seeman
District Petroleum Engineer

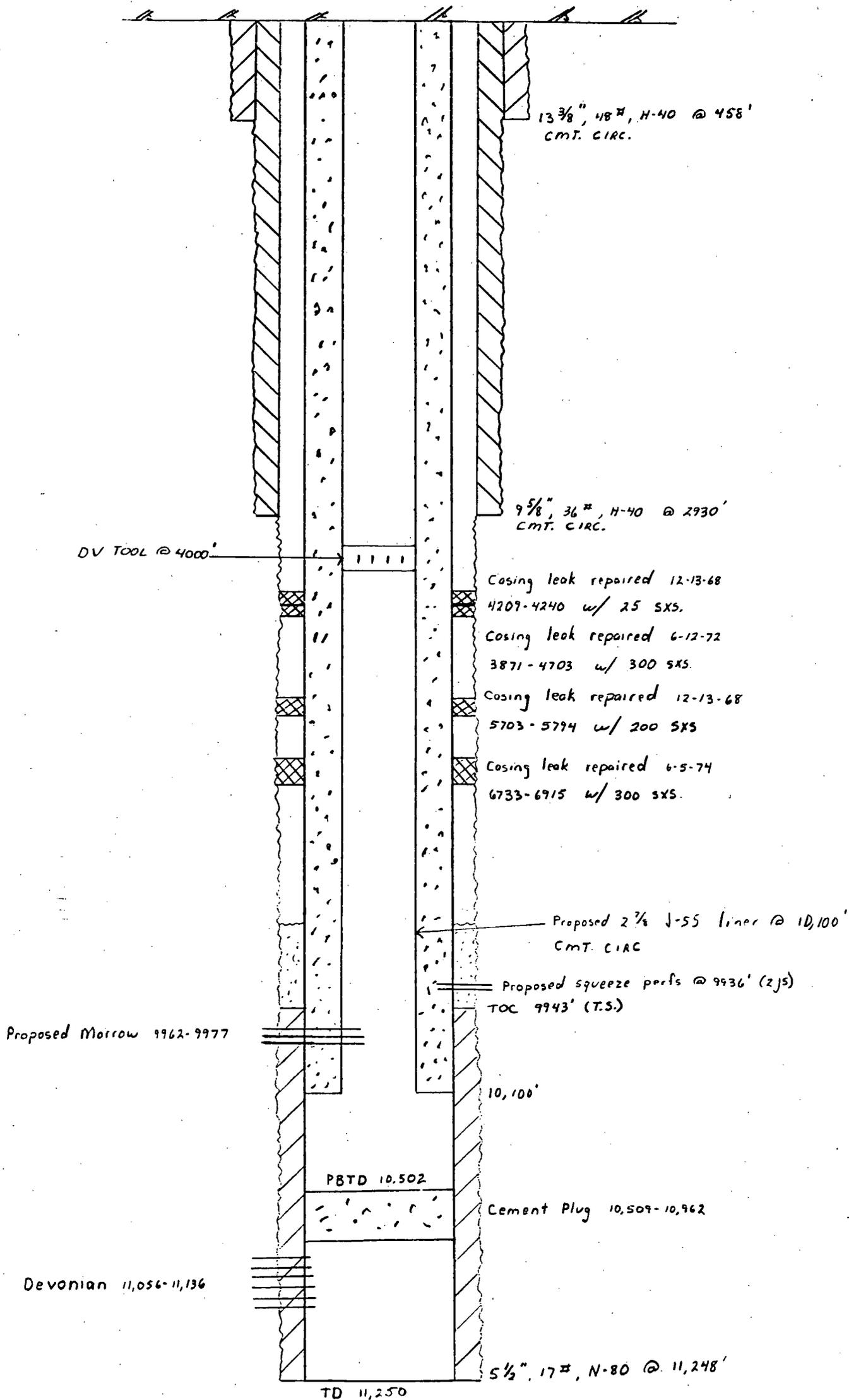
LDR:JRB

Attachment

cc: NMOCD
P. O. Box 1980
Hobbs, New Mexico 88240

Bureau of Land Management
P. O. Box 1857
Roswell, New Mexico 88201

PEERY FEDERAL #3
 PROPOSED COMPLETION SCHEMATIC



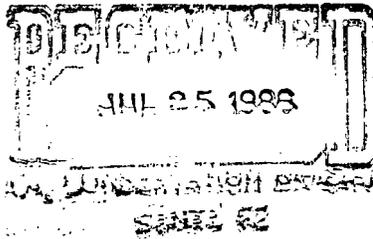


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 HOBBS DISTRICT OFFICE

TONY ANAYA
 GOVERNOR

July 18, 1986

POST OFFICE BOX 1980
 HOBBS, NEW MEXICO 88240
 (505) 393-6161



OIL CONSERVATION DIVISION
 P. O. BOX 2088
 SANTA FE, NEW MEXICO 87501

RE: Proposed:

- MC _____
- DHC _____
- NSL _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Tubingless Completion X

Gentlemen:

I have examined the application for the:

Texaco Inc.	Peery Federal #3-K	29-15-30
Operator	Lease & Well No.	Unit S-T-R

and my recommendations are as follows:

Needs some safety assurance against casing failure since it could not be detected from surface.

Yours very truly,

Jerry Sexton
 Jerry Sexton
 Supervisor, District 1

/mc

*Require to submit a proposal for testing every other year.
 24hr. notice*