STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

February 19, 1991

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Merrion Oil and Gas Corporation
P.O. Box 840
Farmington, NM 87499

Attention: George Sharpe

Administrative Order TX-197

Dear Mr. Sharpe:

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 wells.

Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized for tubingless completions in the following wells:

Well Name & Number	*Unit*	*Location*
Canyon Largo Unit No. 302	J	Sec. 3, T24N, R6W
Canyon Largo Unit No. 304	C	Sec. 11, T24N, R6W
Canyon Largo Unit No. 311	F	Sec. 3, T24N, R6W
Salazar G 34-1	K	Sec. 34, T25N, R6W

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

Sincerely,

William J. LeMay
Director

WJL/REJ/ag

cc: Oil Conservation Division - Aztec

PVZV2005153438

FAX 505-326-5900

PH. 505-327-9801

MERRION OIL & GAS CORPORATION

610 REILLY AVE. • P. O. BOX 840

FARMINGTON, NEW MEXICO 87499

RECEIVED
DEC1 3 1990
OIL CON. DIV.
DIST. 3

December 12, 1990

Mr. David Catanach
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87503

RE: Request for Administrative Approval on Tubingless Completions

Dear Mr. Catanach:

We request administrative approval for tubingless completions in the following four wells:

WELL	LOCATION
Canyon Largo Unit #302	(J) Section 3, T24N, R6W
Canyon Largo Unit #304	(C) Section 11, T24N, R6W
Canyon Largo Unit #311	(F) Section 3, T24N, R6W
Salazar G 34-1	(K) Section 34, T25N, R6W

These wells have all been producing with piston lift for some time. We have recently pulled the tubing and installed a Concoyle "casing piston" in an effort to increase the production rate from the wells. We received verbal approval from the NMOCD in Aztec to install the casing pistons strictly on a test basis with the understanding that we would eventually need administrative approval from Santa Fe.

A diagram of the casing piston is attached. The main advantages of the casing piston over a tubing piston are as follows:

a) The casing piston removes all the fluid off of the perforations when it trips as opposed to just the fluid in the tubing. That decreases the back pressure on the formation and increases the flow rate.

b) There is no "annular back pressure" on the formation when the piston is up, again increasing the flow rate.

c) Because the casing piston removes more fluid per run than a tubing piston, fewer runs are required, and thus, the wells are producing down the line for more hours of the day than before.

We are excited about the potential of this new tool and have numerous other applications if the test results are positive. Because the wells will produce at higher rates, they will ultimately recover more reserves and thus, protect correlative rights.

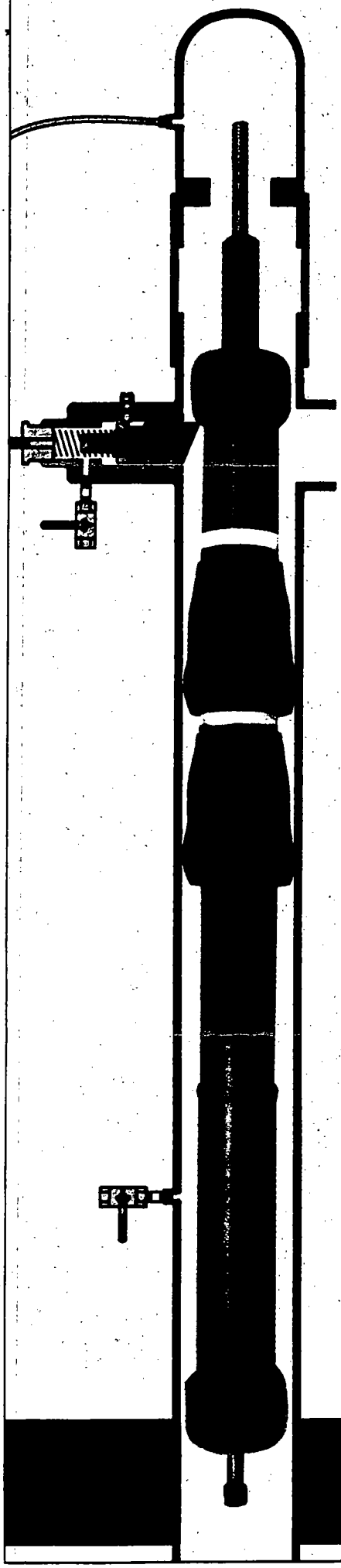
Please call me at (505) 327-9801 if you have any questions.

Sincerely,

George F. Sharpe
Engineer

Attachments

CC: ✓NMOCD-Aztec, NM
Warren Blakemore-Concoyle
Steve Dunn
Well Files



An Underground Revolution

Introducing the ConCoyle™ Production Tool From ConCoyle Oil Field Tools, Inc.

Producers in the San Juan Basin can now have their wells outfitted with the ConCoyle™ Production Tool, a highly efficient liquid lifting tool that runs in the well casing.

The ConCoyle™ Production Tool produces liquid from gas solution drive reservoirs with minimal gas volumes at low pressure differentials.

Reduced operating pressures in existing wells have been proven to dramatically increase production and extend the life of marginal wells with very little investment.

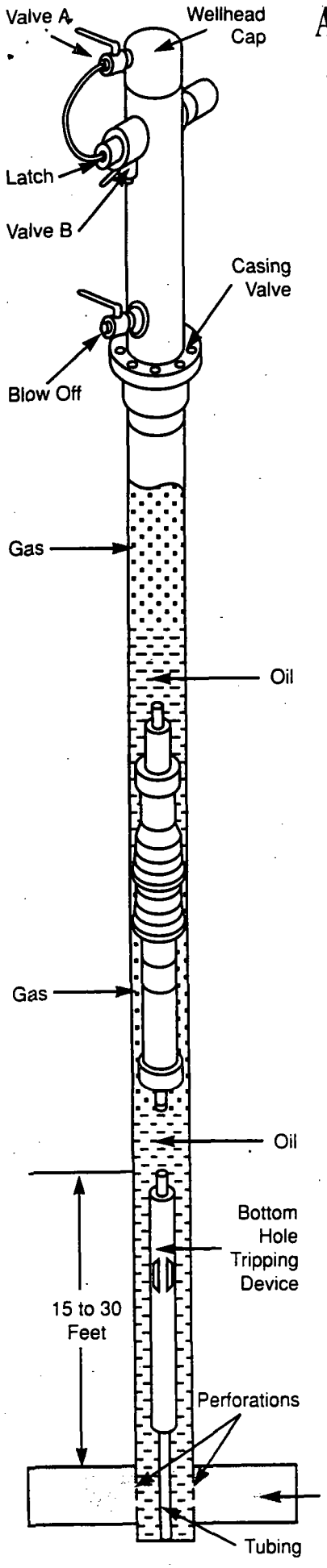
Because it is entirely self-contained within the well casing, the ConCoyle™ Production Tool eliminates the need for tubing, pumpjacks, rods, and pumps, plunger lifts, fuel, motors and electricity. This means:

- reduced capital investment
- lower operating costs
- lower maintenance costs
- reduced well-tending time

Get low pressure relief for your wells. With the revolutionary ConCoyle™ Production Tool from ConCoyle Oil Field Tools, Inc. Call 801 - 322 - 4362 for more information today.

ConCoyle Oil Field Tools, Inc.
Suite 700 Clift Building
10 West Broadway
Salt Lake City, Utah 84101

PHONE: 801-322-4362
FAX: 801-363-4337



An Inside Look At An Underground Revolution

The ConCoyle™ Production Tool has significantly improved the economic performance of wells by increasing production and eliminating waste.

Increases Production

The ConCoyle™ Production Tool operates at much lower pressures than alternative methods of production. With lower operating pressures the producing formation will release more natural gas, oil and water. This generation of additional revenue will pay for the low installation cost very quickly. In fact, it is common to experience gas production increases of 300 to 400% and liquid to double.

Eliminates Waste

The ConCoyle™ Production Tool can be utilized to eliminate many types of waste:

Natural Gas. There is no loss of gas as experienced with swabbing or bypassing to the production tank during plunger lift or tubing operations.
Capital. The investment cost is significantly lower than a pumpjack or plunger lift installation.
Time. Well tending time is greatly reduced utilizing the ConCoyle™ Production Tool.
Fuel. There is no consumption of natural gas or electricity to operate the tool.

How It Works

The ConCoyle™ Production Tool consists of an elongated barrel with external seals and an internal flow passage, which houses a valve and an actuating rod that protrudes from both ends of the tool.

During the run cycle, the tool is dropped from the wellhead and allowed to fall within the production casing. The velocity of the fall is moderated by rubber seals between the tool and the casing, and the size of the openings which allow fluids to flow through the internal chamber.
The tool descends through the gas, oil and water in the production casing with the internal valve open, until reaching the bottom hole tripping device which is set above the perforations.

When the tool reaches the tripping device, the actuating rod closes the internal valve of the tool and locks it in the closed position.

When the internal valve is closed, the tool forms a seal and traps the lifting force of the producing formation beneath the tool.

The gas pressure gradually increases beneath the tool, which forces the tool and the column of liquid above it to rise upward through the production casing.

When the tool reaches the surface, the actuating rod opens the internal valve and locks it in position. The tool is held in the wellhead by the latch. The gas trapped below the tool flows through the barrel and out the safety choke to the separator.

For More Information Call:

ConCoyle Oil Field Tools, Inc.
Suite 700 Clift Building
10 West Broadway
Salt Lake City, Utah 84101

PHONE: 801-322-4362
FAX: 801-363-4337

STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

AZTEC DISTRICT OFFICE

RECEIVED

91 FEB 5 AM 10 01

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: Feb 11, 1991

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC_____ Proposed DHC_____
Proposed NSL_____ Proposed SWD_____
Proposed WFX_____ Proposed PMX_____
Proposed NSP_____ Proposed DD_____
Tubingless Comp.

Gentlemen:

I have examined the application received on Dec. 13, 1990

for the Merrion Oil and Gas Corp. Ch 71 4 304
OPERATOR LEASE & WELL NO.

C-11-24N-6W and my recommendations are as follows:
UL-S-T-R

Approve

Yours truly,

STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: Feb. 21, 1991

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE:		
Proposed MC		Proposed DHC
Proposed NSL		Proposed SWD
Proposed WFX		Proposed PMX
Proposed NSP		Proposed DD

Tubingless Comp.

Gentlemen:

I have examined the application received on Dec. 17, 1990

for the Meridian Oil and Gas Corp. (OPERATOR) R.L.71 #311 (LEASE & WELL NO.)

F-3-24N-6W (UL-S-T-R) and my recommendations are as follows:

Approve

Yours truly,

[signature]

STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: Feb 21, 1991

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC ____ Proposed DHC ____
Proposed NSL ____ Proposed SWD ____
Proposed WFX ____ Proposed PMX ____
Proposed NSP ____ Proposed DD ____

Tubingless Comp.

Gentlemen:

I have examined the application received on Dec. 17, 1990

for the Merrion Oil and Gas Corp. (OPERATOR) C.K. 21 # 307 (LEASE & WELL NO.)

J-3-24N-6W (UL-S-T-R) and my recommendations are as follows:

Approve

Yours truly,

[signature]

STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

Date: Feb 11, 1991

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

RE: Proposed MC_____ Proposed DHC_____
Proposed NSL_____ Proposed SWD_____
Proposed WFX_____ Proposed PMX_____
Proposed NSP_____ Proposed DD_____
Tubingless Comp.

Gentlemen:

I have examined the application received on Dec. 17, 1990
for the Merrion Oil and Gas Corp. Malayan G-34 #1
OPERATOR LEASE & WELL NO.

K-34-25N-6W and my recommendations are as follows:
UL-S-T-R

Approve

Yours truly,