

# The Ohio Oil Co.

P. O. BOX 552  
MIDLAND, TEXAS  
July 14, 1958

NSL - 160  
(Hold until  
Aug. 16)

RE: Application for Authority to Dually Complete The Ohio Oil Company's State McDonald A/C 2 Well No. 11, Arrowhead Oil Pool, for Approval of the location as a Eumont Gas Pool Well and for Revision of Existing Standard Gas Production Unit Grant One 160-Acre Unit and One 540-Acre Unit, Eumont Gas Pool, within Section 13, T-22-S, R-36-E, Lea County, New Mexico.

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

The Ohio Oil Company respectfully requests that the Oil Conservation Commission grant this application of The Ohio for authority to dually complete its State McDonald A/C 2 Well No. 11, located in the NE/4 NE/4 of Section 13, T-22-S, R-36-E, Lea County, New Mexico, now producing oil from the Arrowhead Oil Pool. The Ohio desires to dually complete this well in the Eumont Gas Pool in such a manner as to produce gas through the annulus between the casing and tubing and to continue producing oil from the Arrowhead Oil Pool through the tubing. The Ohio intends to install an efficient packer between the two zones and to perform the completion so as to prevent waste in each reservoir. A schematic diagram showing the proposed method for dual completion is attached. Subsequent to the completion of the work, The Ohio will present to the Commission data showing the detail completion program as well as plans for future testing which will be made regularly to determine that waste is not occurring in either reservoir.

The Ohio further respectfully requests that; contingent upon the success of the proposed dual completion, the Commission cancel the 640-acre Eumont Gas Production Unit (Section 13, T-22-S, R-36-E) presently assigned to our State McDonald A/C 2 Well No. 26 and subdivide said 640 acres into two non-standard Gas Production Units as described below:

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A 160-acre non-standard Gas Proration Unit in the Eumont Gas Pool consisting of the NE/4 of Section 13, T-22-S, R-36-E, Lea County, New Mexico, on which is located the State McDonald A/C 2 Well No. 11 which we are proposing to dual with the present Arrowhead Oil Zone. This well is located 330 feet from the north and east lines of Section 13, and was completed in the Arrowhead Oil Pool prior to the effective date of Order R-520 in Case No. 675.

A 480-acre non-standard Gas Proration Unit in the Eumont Gas Pool consisting of the NW/4 and S/2 of Section 13, T-22-S, R-36-E, Lea County, New Mexico, on which is located the State McDonald A/C 2 Well No. 26, which is presently a gas well in the Eumont Gas Pool with a 640-acre Standard Gas Proration Unit assigned to it. This well is located 1980 feet from the south and west lines of Section 13.

Approval of the location of each of the wells for the purpose of production from the respective units described above is also requested.

The Ohio owns the oil and gas leasehold estate on the acreage included in the proposed units and the two wells which are described above. The entire acreage covered by these two proposed units falls within the limits of the Eumont Gas Pool and is reasonably presumed to be productive of gas from that pool.

Unless the proposed dual completion, well locations and revision of proration units are approved, The Ohio will be deprived of a fair opportunity to produce its just and equitable share of the natural gas in the Eumont Gas Pool. Our Well No. 11 was selected for this proposed dual completion because it is the highest well structurally in the NE/4 of Section 13, and it is the only well that contains large enough casing (7" O.D.) to permit the running of another casing string inside of it. The proposed completion in the Eumont Gas Zone will increase the life of this well to an extent where the life of the present casing may be exceeded. The use of Well No. 11 will permit us to remedy this situation, if it should occur. The granting of the relief sought by this application will protect correlative rights and will not cause, but will prevent waste.

A plat is attached hereto which indicates the location of the proposed units, the wells, and the location of the surrounding tracts. A copy of this application with diagram and plat attached has been sent by registered mail to each of the operators named on the attached list.

The Ohio therefore requests that the Commission grant the necessary authority for the dual completion and, contingent upon successful dual completion of Well No. 11, that the Commission approve the location of the wells, cancel the existing standard unit and create the two non-standard proration units as described above, all without further notice or hearing and pursuant to the provisions of the applicable rules and regulations.

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Each and all of the foregoing statements are true and correct.

Yours very truly,

THE OHIO OIL COMPANY

By \_\_\_\_\_  
Coe S. Mills, District Manager

THE STATE OF TEXAS     |  
COUNTY OF MIDLAND    |

Subscribed and sworn to before me, the undersigned authority, by COE S. MILLS, on this the \_\_\_\_\_ day of July, A. D. 1958, to certify which witness my hand and seal of this office.

\_\_\_\_\_  
Notary Public in and for  
Midland County, Texas

OFFSET OPERATORS TO  
THE SHIO OIL COMPANY  
STATE NATIONAL AND LEASE  
LLA COUNTY, NEW MEXICO

Amerade Petroleum Corporation  
P. O. Box 312  
Midland, Texas

Continental Oil Company  
P. O. Box 427  
Hobbs, New Mexico

Gulf Oil Corporation  
P. O. Box 2117  
Hobbs, New Mexico

Humble Oil and Refining Company  
P. O. Box 2347  
Hobbs, New Mexico

N. G. Penrose, Inc.  
1018 N. Linden  
Hobbs, New Mexico

Rowan Oil Company  
P. O. Box 96  
Eunice, New Mexico

Shell Oil Company  
P. O. Box 1509  
Midland, Texas

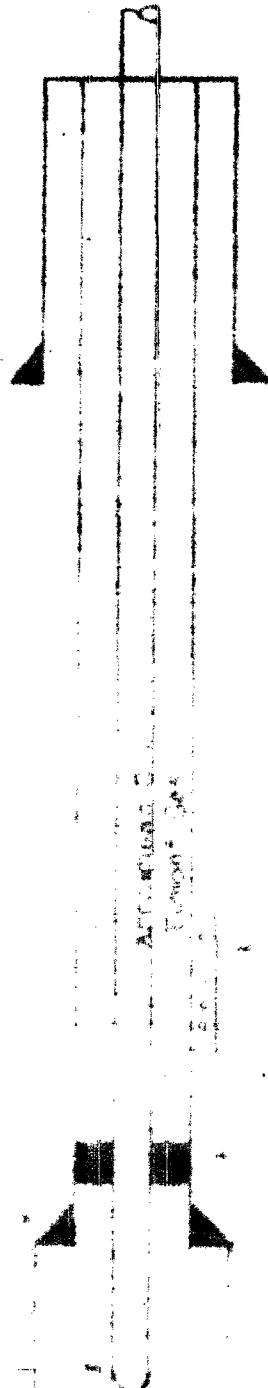
Sinclair Oil and Gas Company  
P. O. Box 1470  
Midland, Texas

Texas Pacific Coal and Oil Company  
P. O. Box 4067  
Midland, Texas

Western Natural Gas Company  
823 Midland Tower  
Midland, Texas

THE OHIO OIL COMPANY  
 State McDonald A/C 2 Well No. 11  
 Proposed Dual Completion  
 Eumont Gas - Arrowhead Oil

5/8" Csg. @ 263'  
 Cemented w/ 175 Sks.



Eumont Gas Zone  
 Approx. 3450' - 3550'

Production Wells  
 at Arrowhead

Arrowhead Oil Zone

Plug set at Arrowhead  
 C. D. 1956

5/8" Csg. @ 263'  
 Cemented w/ 175 Sks.

5/8" Tubing

THE OHIO OIL COMPANY  
STATE McDONALD A/C 2 LEASE  
LEA COUNTY, NEW MEXICO

160-Acre Proposed Eumont Gas Proration  
Unit  
180-Acre Proposed Eumont Gas Proration  
Unit

- Eumont Oil Well
- South Eumont Oil Well
- Axtelwood Oil Well
- Eumont Gas Well
- Eumont Gas Well
- Eumont Gas Well
- Eumont Gas Well



NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

July 6, 1999

**Marathon Oil Company**  
**P. O. Box 2490**  
**Hobbs, New Mexico 88240**  
**Attention: Thomas P. Kacir**

*Administrative Order SD-99-8*

Dear Mr. Kacir:

Reference is hereby made to your application dated June 25, 1999. Marathon Oil Company ("Marathon") is hereby authorized to simultaneously dedicate Eumont Gas Pool production to the previously approved non-standard 160-acre gas spacing and proration unit ("GPU") comprising the NE/4 of Section 13, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico (see Division Administrative Order NSP-439, dated August 19, 1958), from the two following described wells:

- the original McDonald State "A/C-2" Well No. 11 (API No. 30-025-08897) located at an unorthodox gas well location 330 feet from the North and East lines (Unit A) of Section 13 (approved by Division Administrative Order NSL-160, dated August 28, 1958); and
- the existing McDonald State "A/C-2" Well No. 31 (API No. 30-025-25932), recently recompleted up-hole from the Drinkard Pool and located at a standard gas well location 1800 feet from the North line and 1650 feet from the East line (Unit G) of Section 13.

Marathon is permitted to produce the allowable assigned this non-standard 160-acre unit from both wells in any proportion.

Sincerely,

Lori Wrottenbery  
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs  
New Mexico State Land Office - Santa Fe  
Files: NSP-439  
NSL-160 ✓