

THE OHIO OIL COMPANY

MAIN OFFICE OCC

1958 JUL 17 AM 9:20

July 14, 1958

NSP
Due Ref - to
439
Aug 16, 1958
643

C

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 Proration Unit Creating One 160-Acre Unit and One 480-Acre Unit, Eumont Gas Pool, within Section 13, T-22-S, R-36-E, Lea County, New Mexico.

O

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

P

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.

Y

The Ohio further respectfully requests that, contingent upon the success of the proposed dual completion, the Commission cancel the 640-acre Eumont Gas Proration 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 Proration Units as described below:

THE OHIO OIL COMPANY

New Mexico Oil Conservation Commission

- 2 -

July 14, 1958

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. 673.

C
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 east lines of Section 13.

O
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.

P
Y
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.

THE OHIO OIL COMPANY

New Mexico Oil Conservation Commission

- 3 -

July 14, 1958

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

Yours very truly,

THE OHIO OIL COMPANY

By *Coe S. Mills*
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 14th day of July, A. D. 1958, to certify which witness my hand and seal of this office.

Lloyd C. Hudman, Jr.
Notary Public in and for
Midland County, Texas LLOYD C. HUDMAN, JR

C

O

P

Y

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

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

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

Gulf Oil Corporation
P. O. Box 2167
Hobbs, New Mexico

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

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

Rowan Oil Company
P. O. Box 98
Eunice, New Mexico

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

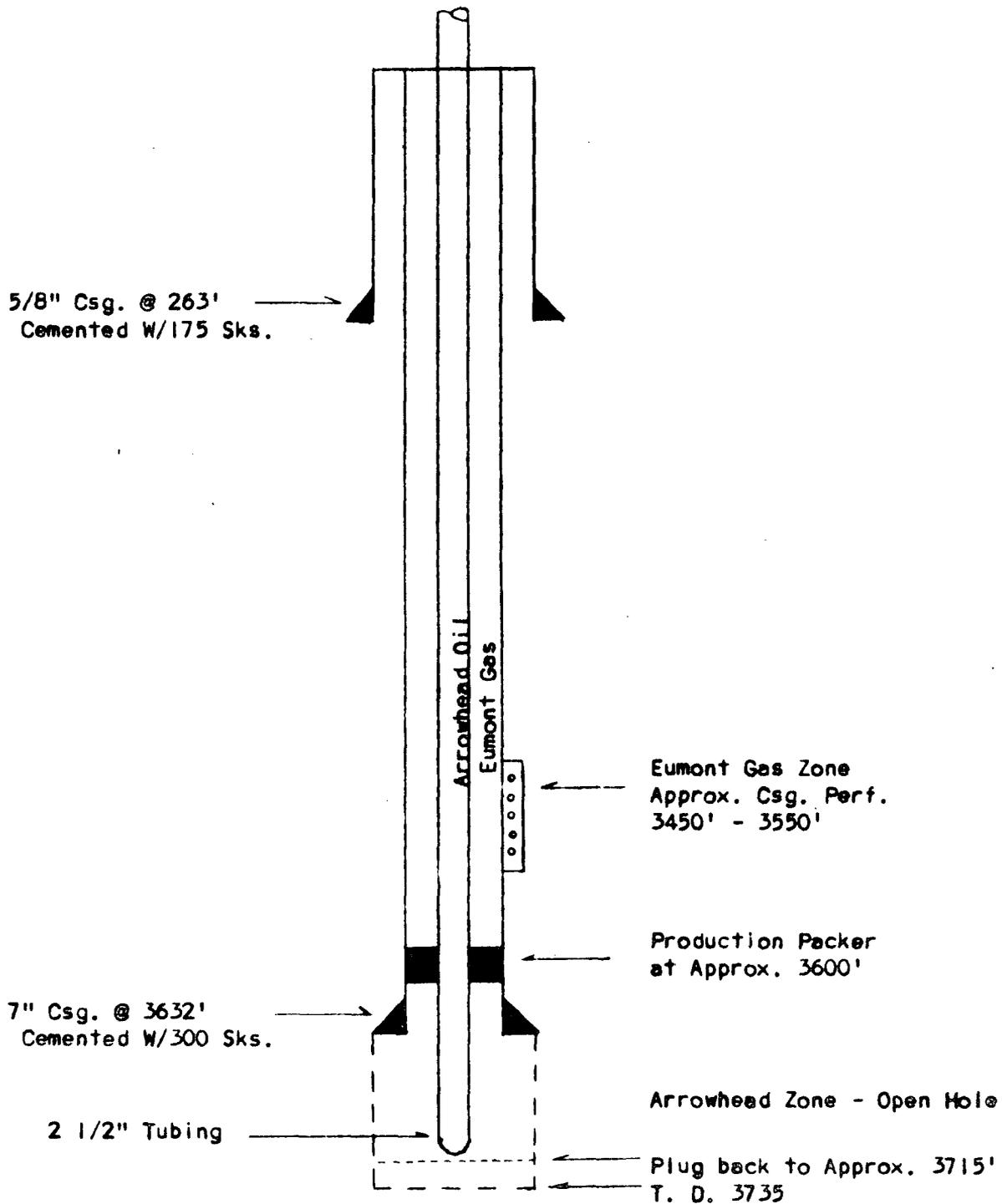
Sinclair Oil and Gas Company
P. O. Box 1470
Midland, Texas

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

Western Natural Gas Company
823 Midland Tower
Midland, Texas

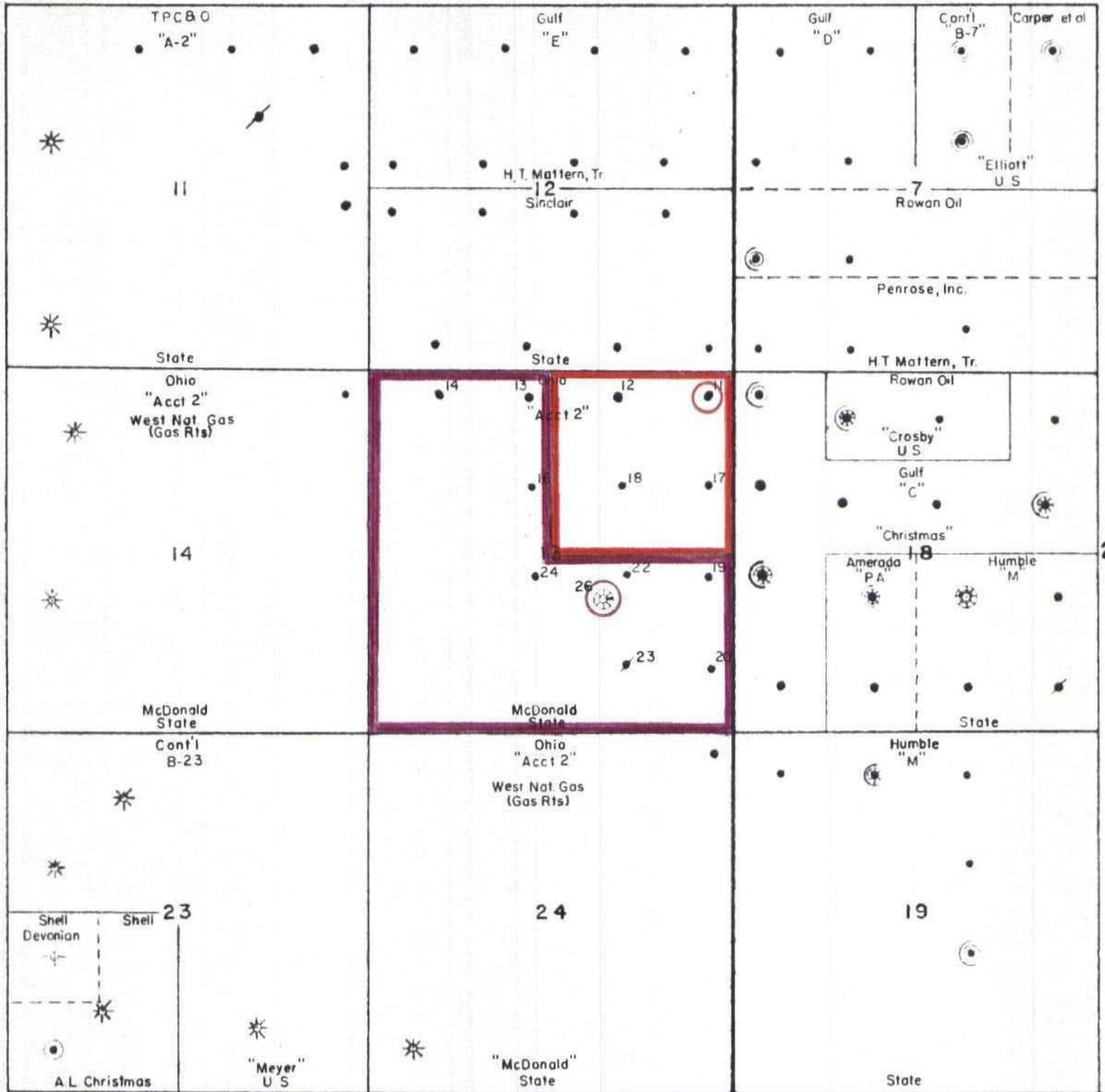
cc: NMOCG Orig + 2 ✓

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



R36E

R37E



T 22 S

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

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

-  Eumont Oil Well
-  South Eunice Oil Well
-  Arrowhead Oil Well
-  Penrose-Skelly Oil Well
-  Jalmat Gas Well
-  Eumont Gas Well
-  Dual-Arrowhead Oil - Eumont Gas Well