

CASE 5478: CONTINENTAL OIL COMPANY FOR
A DUAL COMPLETION, LEA COUNTY, NEW
MEXICO.

CASE No.

5478

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
14 May 1975

EXAMINER HEARING

IN THE MATTER OF:)

Application of Continental Oil Com-)
pany for a dual completion, Lea County,)
New Mexico. Applicant, in the above-)
styled cause, seeks approval for the)
dual completion of its Warren Unit Well)
No. 31 located in Unit 0 of Section 27,)
Township 20 South, Range 38 East, Lea)
County, New Mexico, in such a manner as)
to produce oil from the Blinebry Oil and)
Gas Pool and oil from the Warren-Tubb)
Gas Pool through parallel strings of tubing.)

NO. 5478

BEFORE: Daniel S. Nutter, Examiner.

For the New Mexico Oil
Conservation Commission:

William F. Carr, Esq.
Legal Counsel for the Com-
mission
State Land Office Building
Santa Fe, New Mexico 87501

For the Applicant,
Continental Oil Co.:

Tom Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
Santa Fe, New Mexico 87501

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I N D E X

Testimony of Victor T. Lyon

Direct Examination by Mr. Kellahin

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Questions by Mr. Nutter

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E X H I B I T S

Exhibits One through Three

8

MR. NUTTER: Case 5478.

MR. CARR: Case 5478. Application of Continental Oil Company for a dual completion, Lea County, New Mexico.

MR. KELLAHIN: Tom Kellahin, Kellahin & Fox, Santa Fe, New Mexico, appearing on behalf of the applicant, Continental Oil Company, and I have one witness.

(Witness sworn.)

VICTOR T. LYON,

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you please state your name, by whom you are employed and in what capacity?

A I'm Victor T. Lyon, Conservation Coordinator for Continental Oil Company in the Hobbs Division Office located in Hobbs, New Mexico.

Q Mr. Lyon, have you previously testified before this Commission and had your qualifications as an expert witness accepted and made a matter of record?

A Yes, I have.

Q And are you familiar with the facts surrounding this particular application?

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A Yes, sir.

MR. KELLAHIN: If the Examiner please, are the witness' qualifications acceptable?

MR. NUTTER: They are.

Q (By Mr. Kellahin) Mr. Lyon, would you please refer to what has been marked as Applicant's Exhibit Number One, identify it and state briefly what Continental is seeking.

A Case 5478 is the application of Continental Oil Company for authority to drill and complete in its Warren Unit Well Number 31 as an oil-oil dual and a Blinebry oil and gas pool and a Warren-Tubb gas pool, and Exhibit Number One is a plat which shows that well circled in red at a location 660 feet from the south line and 1980 feet from the east line of Section 27, Township 20 South, Range 38 East, Lea County. The --

Q What does the blue line represent?

A The blue line is the boundary of the Warren Lease insofar as the unit is shown on this map. There is additional acreage extending to the west.

Q Please refer to Exhibit Two and identify it.

A Exhibit Number Two is a copy of those sections

of the log which are pertinent to this application. It consists of two pages. The first page shows the Blinebry formation and the perforations by the arrows with the depth of each perforation marked on it. Second page shows the Tubb formation and by the lines cutting across the center portion of the log the depth is indicated and it shows the perforations in the Tubb zone.

The overall perforations in the Blinebry are from 5807 to 5937 and in the Tubb from 6577 to 6666.

Q Please refer to Exhibit Three and identify it.

A Exhibit Number Three is a schematic diagram showing the manner in which the well will be equipped for dual completion in the two formations. The exhibit shows the casing strings which are set in the well, surface and production strings, size, setting depth, the amount of cement used. It shows cast iron bridge plug set at 6700 feet which was set after abandoning the Drinkard perforation. It is proposed to set a packer at approximately 6500 feet and to install a bypass parallel string to a parallel string anchor at 5950, which will permit the Tubb production to be pumped through the two and 3/8ths inch tubing and the gas vented through either one inch or one and one-quarter inch vent string. The

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Blinebry production will be produced through the two and 3/8ths inch tubing, which will be parallel to the other two tube strings.

Q What's the current status of the well?

A The well is presently producing from the Blinebry formation. The Tubb is isolated below a bridge plug. I might mention that this well is the first oil well to be completed in the Warren Tubb pool. The gas-oil ratios from testing during the brief period that the well was open appears to be approximately 2000 cubic feet per barrel. It was tested at rates varying from 169 down to 89 barrels per day. This was not a decline but it varies from day to day and this was the range. It averaged 109 barrels of oil per day during that period. The water production is approximately five barrels per day.

Q With regards to the Blinebry now, what is the gas-oil ratio?

A The gas-oil ratio for the Blinebry is averaging about 1000 cubic feet per barrel, and it has averaged during the preliminary testing approximately 113 barrels of oil per day and the water varies from about 5 to 10 barrels per day.

Q Is it your intention to complete production in

such a manner that the two zones can be produced on a completely segregated basis so there is no necessity for comingling?

A Yes, this is our intention and the equipment which we propose to use will accomplish this. The actual dual completion of this well and also the filing of this application has been delayed by the fact that materials, they are getting more and more difficult to obtain and this is particularly true of a triple tubing head, which we propose to use in this well. We have delayed dually completing until this head could be obtained. There had been some consideration given to a temporary dual with just two strings of tubing, but if we wait then we wouldn't have to kill the well again to install it as we propose to have it equipped permanently.

Q In your opinion will the granting of this application be in the best interests of conservation, prevention of waste, and the protection of correlative rights?

A Yes, it will.

Q Were Exhibits One, Two, and Three prepared by you directly or under your direction and supervision?

A Yes, they were.

MR. KELLAHIN: We move the introduction of Exhibits

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One, Two, and Three into evidence.

MR. NUTTER: Continental's Exhibits One through Three will be admitted in evidence.

MR. KELLAHIN: That concludes our case.

QUESTIONS BY MR. NUTTER:

Q Mr. Lyon, the well produces with a GOR averaging a thousand in the Blinebry and about two thousand in the Tubb. Now, what is the definition of an oil well and a gas well in the Blinebry oil and gas pool now?

A In the Blinebry pool I believe the -- a gas well is a well which produces with a GOR over 50,000 cubic feet per barrel.

Q So this is very clearly an oil well in the Blinebry oil and gas zone.

A Yes, it is.

Q What's the definition of an oil well or a gas well in the Warren Tubb gas pool?

A The Warren Tubb gas pool has some pool rules which are, I think, identical to those in the Tubb pool, which defines a gas well as a well which produces either all gas or liquids with a gravity above 45% API.

Q And what do you have here as far as gravity is concerned?

A As I recall, the crude here is just above 40°, a little over 41°.

Q So you have an oil well in the Tubb -- in the Warren Tubb gas pool?

A Yes.

Q Now the perforations are open in the Tubb, is that correct?

A Yes.

Q But the well has never been produced from it and as a matter of fact, this equipment is not in the hole; you've got a bridge plug above the Tubb perforations, is that correct?

A That is correct. We did test the Tubb for, I believe it was twenty days and then set the bridge plug and came up and perforated, treated, and have been testing the Blinebry.

MR. NUTTER: Are there any further questions of this witness?

(No response.)

MR. NUTTER: He may be excused. Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: No, sir.

MR. NUTTER: Does anyone have anything they wish to

offer in Case 5478?

(No response.)

MR. NUTTER: We'll take the case under advisement.

(Hearing concluded.)

§ 2

COUNTY OF SANTA FE)

WITNESS my hand this 24th day of May, 1975, at
Santa Fe, New Mexico.

Sally Walton Boyd
Notary Public and General Court
Reporter

My Commission expires:
10 September 1975

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5478 heard by me on 5/14, 1925.

[Signature] Examiner
New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

May 22, 1975

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
PHIL R. LUCERO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. Tom Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 5478
ORDER NO. R-5025

Applicant:

Continental Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X
Artesia OCC _____
Aztec OCC _____

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5478
Order No. R-5025

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A DUAL COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 14, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of May, 1975, the Commission, a
quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, and being
fully advised in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Continental Oil Company, seeks
authority to complete its Warren Unit Well No. 31, located in
Unit O of Section 27, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico, as a dual completion (conventional) to
produce oil from the Blinebry Oil and Gas Pool and oil from
the Warren-Tubb Gas Pool through parallel strings of tubing.

(3) That the mechanics of the proposed dual completion
are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent
waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is here-
by authorized to complete its Warren Unit Well No. 31, located
in Unit O of Section 27, Township 20 South, Range 38 East, NMPM,
Lea County, New Mexico, as a dual completion (conventional) to
produce oil from the Blinebry Oil and Gas Pool and oil from the
Warren-Tubb Gas Pool through parallel strings of tubing.

-2-
Case No. 5478
Order No. R-5025

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Warren-Tubb Gas Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



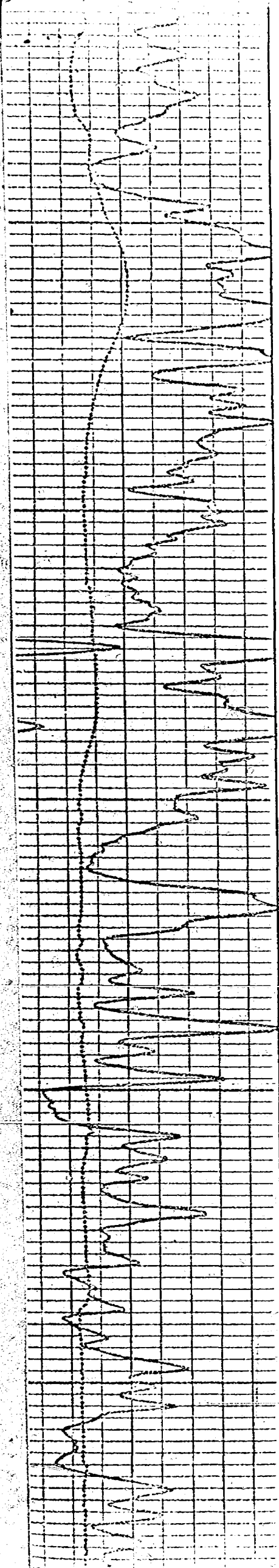
I. R. Trujillo
I. R. TRUJILLO, Chairman

Phil R. Lucero
PHIL R. LUCERO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

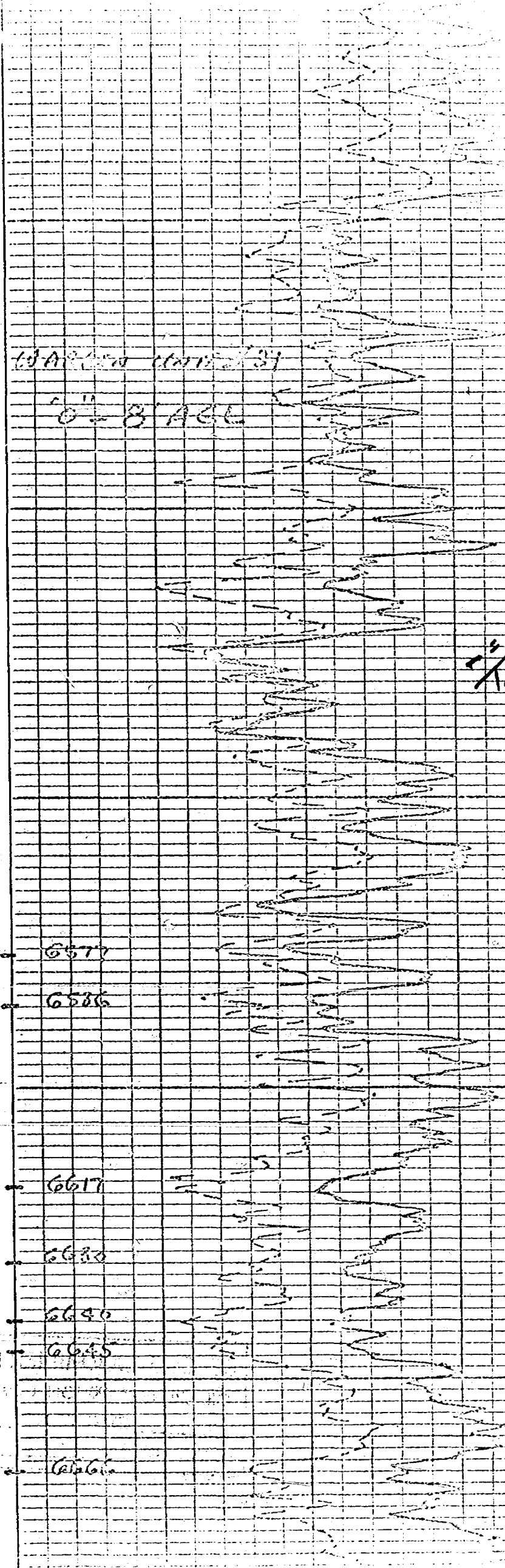
S E A L

jr/



6500

6600



WATER UNIT 31

0-8 AGL

6577

6586

6617

6630

6640

6645

6660

Full
perfs

PROPOSED MULTIPLE COMPLETION
CONTINENTAL OIL COMPANY

Warren Unit Well No. 31

Unit 'O' - 660' FSL & 1980' FEL Sec 20 - T20S - R38E
Lea County, N.M.

"O" - 8' AGL

1500' - 9 5/8" OD csg. set
w/480 sacks-circ.

Blindbry tubing - 2 3/8" OD
slim hole - 2.75" cplg.
(or Buttress)

Proposed Blindbry Perfs
(5807 - 5937' overall)

Tubb tubing - 2 3/8" OD EUE

Baker 'FA' perm. packer 6500'

Tubb Perfs
(6577 - 6666' - overall)

(Drindard Perfs
6811-52' - overall)

7050' - 7" OD - 23# 426#
casing set w/700 sack. TOC -
1600'

1" or 1 1/4" + tubing Tubb Gas
Vent String

By-pass parallel string anchor
with latching sub-at + 5950'

Parallel flow tube

(CIBP at 6700' - 1 sack cement
on top)

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Conoco EXHIBIT NO. 3
CASE NO. 5478

GOR in T_h
appears to be
about 2000/
tested from
82 to 269
ave 100
BOPD
w/1
ave
58PD

BL
Oil Prod
113 BOPD
540 BWD
GOR ave
1000

CONTINENTAL OIL COMPANY
CALCULATION SHEET

MADE BY

DESIGNED BY

DATE

PAGE

Job No.

Field

State

Dockets Nos. 12-75 and 13-75 are tentatively set for hearing on May 28 and June 11, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 14, 1975

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner.

- ALLOWABLE:
- (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico, for June, 1975.
 - (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for June, 1975.

CASE 5429: (Continued from the March 5, 1975 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Charles M. Goad and United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Charles M. Goad, State No. 1 Well located in Unit M of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5408: (Continued from the April 2, 1975 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. E. Medlock and Reliance Insurance Company and all other interested parties to appear and show cause why the Queen Ridge No. 1 Well located in Unit M of Section 36, Township 10 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5469: Application of Read & Stevens for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a well to be drilled at a point 990 feet from the South and East line of Section 7, Township 15 South, Range 28 East, Chaves County, New Mexico, in exception to the Buffalo Valley-Pennsylvanian Gas Pool Rules.

CASE 5470: Application of Maralo, Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Butler Springs Unit Area comprising 3841 acres, more or less, of state and federal lands in Townships 14 and 15 South, Range 28 East, Chaves County, New Mexico.

- CASE 5471: Application of Union Texas Petroleum for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Justis Blinebry and Justis Tubb-Drinkard production in the wellbore of its Carlson "B" Wells Nos. 1 and 2 located in Unit P of Section 23 and Unit H of Section 26, respectively, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 5472: Application of Mesa Petroleum Co. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a well to be drilled at a point 660 feet from the North and East line of Section 6, Township 26 South, Range 33 East, Red Hills Field, Lea County, New Mexico.
- CASE 5473: Application of Mesa Petroleum Co. for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Drinkard production for its West Knowles Well No. 1 located in Unit P of Section 34, Township 16 South, Range 37 East, Lea County, New Mexico, and for the promulgation of special rules therefore, including a provision for 80-acre spacing units.
- CASE 5474: Application of Gulf Oil Company for two non-standard locations and the amendment of Order Nos. R-2904 and R-2909, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Central Drinkard Unit Wells Nos. 101 and 401 located, respectively, 554 feet from the North line and 766 feet from the East line, and 660 feet from the North and East lines of Section 28, Township 21 South, Range 37 East, Drinkard Pool, Lea County, New Mexico. Applicant further seeks the amendment of Order No. R-2904 which order approved the Central Drinkard Unit Agreement to provide that the vertical limits of the unitized formation shall include the entire Drinkard formation; application further seeks the amendment of Order No. R-4909 which approved the Central Drinkard Unit Waterflood Project to provide an administrative procedure for the approval of additional unorthodox well locations.
- CASE 5475: Application of Mobil Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Siluro-Devonian formation in the open-hole interval from 12,188 feet to 12,525 feet in its Santa Fe Pacific Well No. 9, located in Unit E of Section 35, Township 9 South, Range 36 East, Crossroads Siluro-Devonian Pool, Lea County, New Mexico.
- CASE 5476: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp formation underlying the NE/4 of Section 30, Township 22 South, Range 27 East, and in the Pennsylvanian formation underlying the E/2 of said Section 30, to be dedicated to a proposed gas well to be drilled at an orthodox location for both formations. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the applicant as operator of the well and a charge for the risk involved in drilling said well.

CASE 5477: Application of Cities Service Oil Company for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 18, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location for said unit 1650 feet from the South line and 1980 feet from the West line of said Section 18. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the application as operator of the well and a charge for the risk involved in drilling said well.

CASE 5478: Application of Continental Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Warren Unit Well No. 31 located in Unit O of Section 27, Township 20 South, Range 38 East, Lea County, New Mexico, in such a manner as to produce oil from the Blinbry Oil and Gas Pool and oil from the Warren-Tubb Gas Pool through parallel strings of tubing.

CASE 5479: Application of Continental Oil Company for two non-standard gas proration units, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a non-standard gas proration unit comprising Lots 1, 2, and 3 and Lots 6 through 11 of Section 4, Township 11 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Meyer B-4 Well No. 14 located in Unit G of said Section 4. Applicant further seeks approval of a 360-acre Eumont Gas proration unit comprising Lots 14, 15, and 16 and the SE/4 and E/2 SW/4 of said Section 4 to be simultaneously dedicated to its Meyer B-4 Well No. 4 and 29 at unorthodox locations in Units S and P, respectively, of said Section 4.

CASE 5480: Application of Continental Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian formation through the perforated interval 7648 to 7690 feet in its SFMU Well No. 7 located in Unit F of Section 23, Township 20 South, Range 37 East, Cass-Pennsylvanian Gas Pool, Lea County, New Mexico.

CASE 5481: Application of Phillips Petroleum Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Carlsbad-Atoka and South Carlsbad-Morrow gas production in the wellbore of its Tidwell-A "COM" Well No. 1 located in Unit E of Section 8, Township 23 South, Range 27 East, Eddy County, New Mexico.

CASE 5482: Application of Phillips Petroleum Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Lusk Deep Unit "A" Well No. 1 located in Unit A of Section 19, Township 19 South, Range 32 East, Lusk-Morrow Gas Pool, Lea County, New Mexico, and the simultaneous dedication of said Section 19 to the above well and to applicant's Lusk Deep Unit "A" Well No. 5 located in Unit J of said Section 19.

CASE 5483: Application of Phillips Petroleum Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to dually complete its Lusk Deep Unit "A" Well No. 12 located in Unit G of Section 20, Township 19 South, Range 32 East, Lusk Field, Lea County, New Mexico, in such a manner as to produce oil from the Wolfcamp formation through the casing-tubing annulus and gas from the Lusk-Morrow Gas Pool through tubing.

CASE 5484: Southeastern New Mexico nomenclature case calling for the creation and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico and for the assignment of certain oil well discovery allowables.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the East Carlsbad-Wolfcamp Gas Pool. The discovery well is the Champlin Petroleum Co. Nix-Yates Well No. 1, located in Unit G of Section 2, Township 22 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 36: SW/4

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 1: NW/4
Section 2: NE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Cemetary-Wolfcamp Gas Pool. The discovery well is the Read & Stevens, Inc. Allirish Well No. 1, located in Unit P of Section 30, Township 20 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 30: SE/4

(c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Crooked Creek-Strawn Gas Pool. The discovery well is the C & K Petroleum Inc. Lowe State Well No. 1, located in Unit C of Section 16, Township 24 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 16: N/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Dickenson-San Andres Pool. The discovery well is the Hanson Oil Corporation Santa Fe Well No. 1, located in Unit F of Section 35, Township 10 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 35: NW/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Golden Lane-Atoka Gas Pool. The discovery well is the Meadco Properties Ltd. Harris 6 Well No. 1, located in Unit I of Section 6, Township 21 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM

Section 6: Lots 1, 2, 7, 8, 9, 10, 15, and 16

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Grayburg-Atoka Gas Pool. The discovery well is the Horizon Oil & Gas Co. of Texas State 28 Com Well No. 2, located in Unit K of Section 28, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 28: S/2

Section 29: E/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Premier production and designated as the High Nitro-Premier Gas Pool. The discovery well is the McClellan Oil Corporation Hinkle Federal Well No. 1, located in Unit A of Section 9, Township 16 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM

Section 3: SW/4

Section 4: SE/4

Section 9: NE/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Hoag Tank-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation Allison CQ Federal Well No. 1, located in Unit P of Section 22, Township 19 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 22: E/2

(i) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the N. W. Indian Basin-Morrow Gas Pool. The discovery well is the Charles A. Dean Northwest Indian Basin Well No. 1Y, located in Unit K of Section 28, Township 20 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 23 EAST, NMPM

Section 28: W/2

(j) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Lonesome-San Andres Pool. The discovery well is the Phillips Petroleum Company Luther A Well No. 1 located in Unit N of Section 18, Township 8 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM

Section 18: SW/4

(k) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the South Rocky Arroyo-Wolfcamp Gas Pool. The discovery well is the El Paso Natural Gas Co. Patterson A Well No. 1, located in Unit N of Section 20, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 20: SW/4

(l) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Sheep Draw-Atoka Gas Pool. The discovery well is the Hanagan Petroleum Corp. Mary Federal Well No. 1, located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 11: E/2

(m) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sheep Draw-Morrow Gas Pool. The discovery well is the Hanagan Petroleum Corp. Mary Federal Well No. 1 located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 11: E/2
Section 12: W/2

(n) CREATE a new pool in Lea County, New Mexico, classified as an oil pool and designated as the Shipp-Drinkard Pool and assign 41,650 barrels of discovery allowable to the discovery well, the Mesa Petroleum Company West Knowles Well No. 1, located in Unit P of Section 34, Township 16 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: SE/4

(o) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 2: All

(p) EXTEND the North Benson Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 32: N/2 NE/4

(q) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 27: SE/4

(r) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 3: N/2

(s) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 18: N/2

(t) EXTEND the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 3: W/2
Section 11: All

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 8: All
Section 17: N/2

(u) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 16: S/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 1: W/2

(v) ESTABLISH a discovery allowable in the Casey-Strawn Pool in Lea County, New Mexico, and assign 56,630 barrels of discovery allowable to the discovery well, the C & K Petroleum, Inc. Shipp "27" Well No. 1, located in Unit 0 of Section 27, Township 16 South, Range 37 East, NMPM.

(w) EXTEND the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM
Section 27: S/2 and NE/4

(x) EXTEND the East Chisum San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: NE/4 NE/4

(y) EXTEND the Double L Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 23: NE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 32: N/2 and SW/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 17: N/2

(z) EXTEND the Double X-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 27: NE/4

(aa) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 36: SW/4

(bb) EXTEND the East Empire Yates Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 34: W/2 NE/4

(cc) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 22: E/2

(dd) EXTEND the Penasco Draw-San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 30: NW/4 SW/4

(ee) EXTEND the Ranger Lake-Bough Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

(ff) EXTEND the Rock Tank-Lower Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 18: All

(gg) EXTEND the Round Tank San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4 NW/4

(hh) EXTEND the vertical limits of the Sand Hills-San Andres Pool in Lea County, New Mexico, to include the Grayburg formation.

(ii) EXTEND the Sulimar Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 18: SW/4 SW/4

(jj) EXTEND the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 5: SW/4

(kk) EXTEND the Turkey Track Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

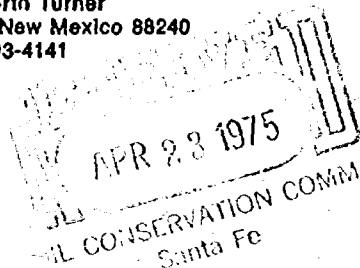
TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4 NE/4



Case 5478

L. P. Thompson
Division Manager
Production Department
Hobbs Division
Western Hemisphere Petroleum Division

Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141



April 21, 1975

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

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

Gentlemen:

Application for Authority to Dually Complete - Warren Unit Well No. 31

My letter dated April 15, 1975, forwarded the subject application. We have been advised that it will be necessary to have a hearing for approval of this dual completion. It is respectfully requested that the advertisement for this matter be expanded to include consideration of special pool rules for the Warren Tubb pool. We are agreeable to your either expanding the dual completion application or setting the special pool rules as a separate case, whichever you prefer.

Yours very truly,

VTL:reh
CC:
New Mexico Oil Conservation Commission
P. O. Box 1980
Hobbs, NM 88240

Amoco Production Company
P. O. Box 367
Andrews, TX 79714

Atlantic Richfield Company
P. O. Box 1710
Hobbs, NM 88240

Chevron Oil Company
P. O. Box 1660
Midland, TX 79701

JCC: FOH: JWK

DOCKET MAILED

Date 5-2-75



APR 16 1975

Production Department
Hobbs Division
Western Hemisphere Petroleum Division

Continental Oil Company
P.O. Box 460
1001 North Turner
Hobbs, New Mexico 88240
(505) 393-4141

CONSERVATION COMM.

Santa Fe

Case 5478

April 15, 1975

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

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

Gentlemen:

Application For Authority to Dually Complete - Warren Unit Well No. 31

Attached in duplicate is our application for approval of a Blinbry oil-Warren Tubb oil, dual completion in Warren Unit Well No. 31, located in Unit O, Section 27, T-20S, R-38E, Lea County, New Mexico. This is an inside location in the Warren Unit and there are no offset operators within one mile of this location.

Two copies are being furnished your Hobbs Office in accordance with your rules and regulations. Your early approval of this dual completion will be sincerely appreciated.

Yours very truly,

V. T. Lyon

V. T. Lyon
Conservation Coordinator

reh

Enc

CC:

New Mexico Oil Conservation Commission(2)
P. O. Box 1960
Hobbs, NM 88240

Amoco Production Company
P. O. Box 367
Andrews, TX 79714

Atlantic Richfield Company
P. O. Box 1710
Hobbs, NM 88240

Chevron Oil Company
P. O. Box 1660
Midland, TX 79701

JCC: FOH: JWK

*Call Vic Lyon
re this oil well
in gas pool
(Warren TB Gas Pool)*

*Vic will send in
an application for
pool rules. Set
this application
for hearing at
same time.*

ASU

DOCKET MAILED

Date 5-2-75

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

APPLICATION FOR MULTIPLE COMPLETION

APR 16 1975

5-1-61

OIL CONSERVATION COMM.

Santa Fe Case 5478

Operator	Continental Oil Company	County	Lea	Date	April 15, 1975
Address	P. O. Box 460, Hobbs, NM 88240	Lease	Warren Unit	Well No.	31
Location or Well	Unit 0	Section 27	Township 20S	Range	38E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO _____
2. If answer is yes, identify one such instance: Order No. R-2503; Operator, Lease, and Well No.: Continental Oil Co. Warren Unit Well No. 26

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Blainebry		Warren - Tubb
b. Top and Bottom of Pay Section (Perforations)	5807-5937		6577-6666
c. Type of production (Oil or Gas)	oil		oil
d. Method of Production (Flowing or Artificial Lift)	pump		pump

4. The following are attached. (Please mark YES or NO)

- Yes a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and /or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- Yes b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- No c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. *
- Yes d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Nearest offset operator is one mile distant.

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO _____. If answer is yes, give date of such notification not required.

CERTIFICATE: I, the undersigned, state that I am the Conservation Coordinator of the Continental Oil Co. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

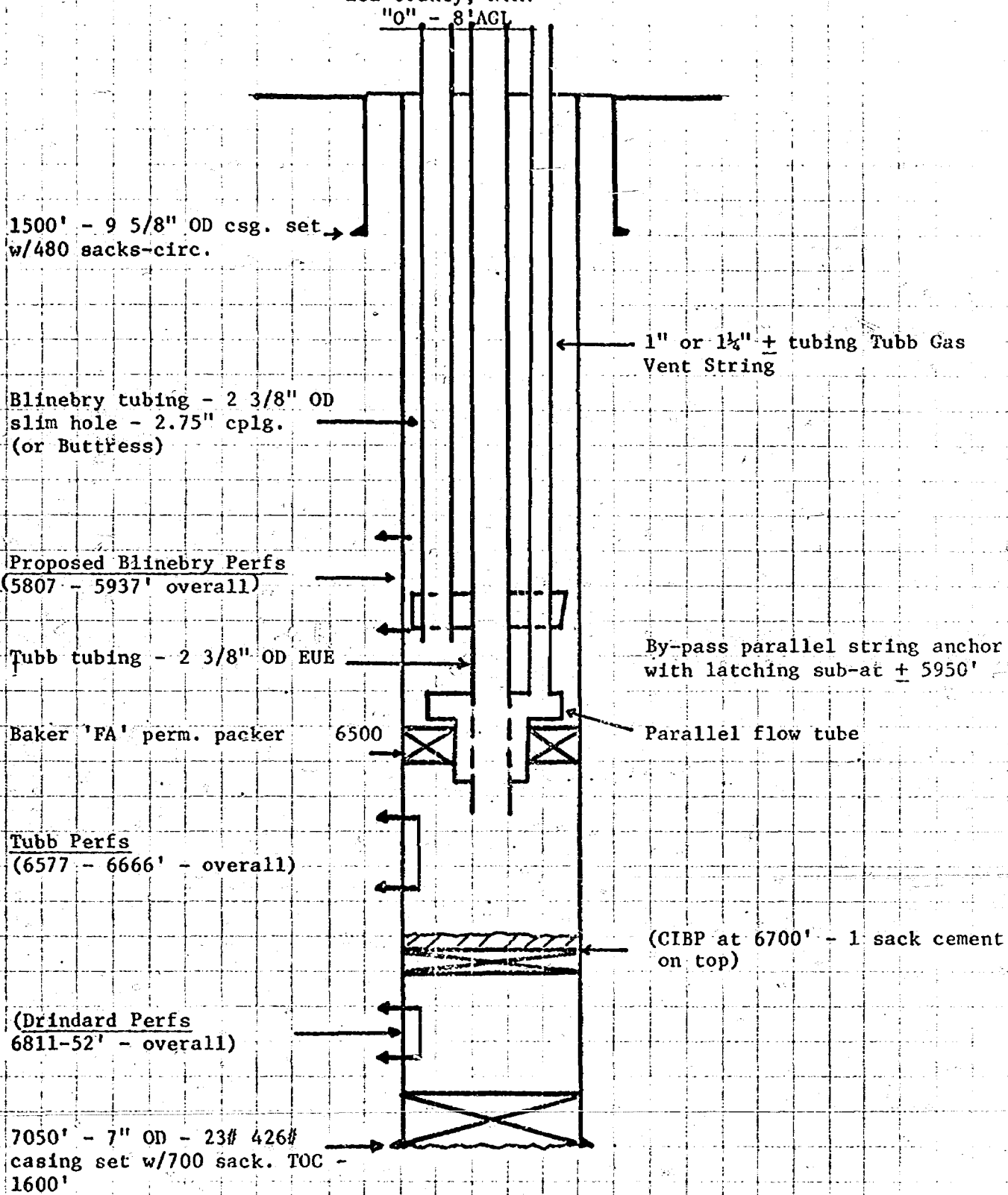
Victor J. Lynn
Signature

- * Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.
- NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard production unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

**PROPOSED MULTIPLE COMPLETION
CONTINENTAL OIL COMPANY**

(see 5-47)

Warren Unit Well No. 31
Unit 'O' - 660' FSL & 1980' FEL Sec 20 - T2OS - R38E
Lea County, N.M.



10-231-PE

MADE BY

CHECKED BY

DATE

PAGE

TITLE

CONTINENTAL OIL COMPANY
CALCULATION SHEET

JOB NO.

FIELD

STATE

5700

5723) TO BE PERF 2 USFF AND
5726) SQUEEZED BEFORE
PERF 5807-5937

WARREN UNIT No. 31
0'-8' AGL

CASING COLLARS

5800

5807

5823

5842

5847

5856

5866

5872

5885

5900

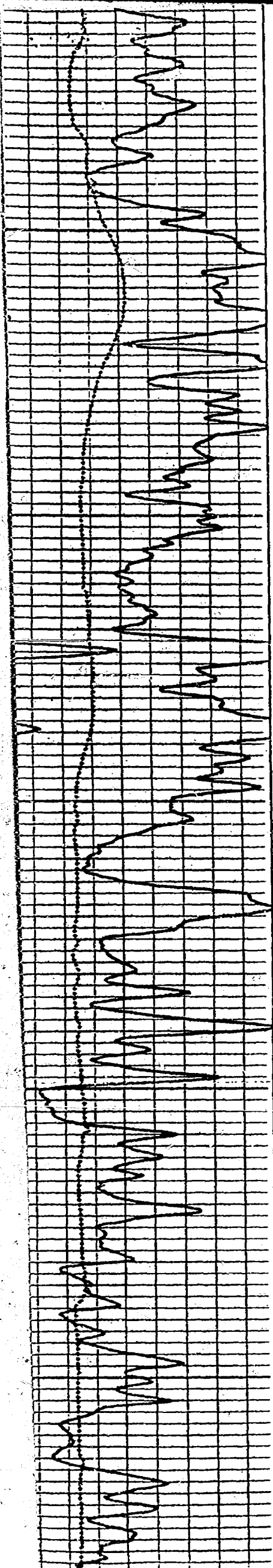
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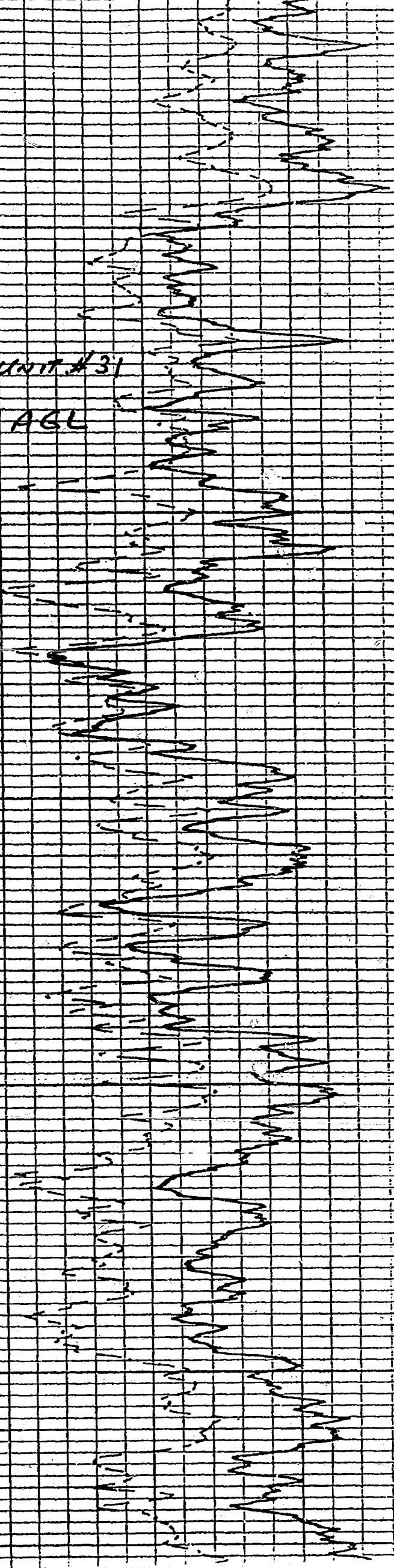


0059

WARREN UNIT #31
0"-8 AGL

0099

- 6577
- 6586
- 6617
- 6630
- 6640
- 6645
- 6666



Case 5478

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2828
Order No. R-2503

APPLICATION OF CONTINENTAL OIL
COMPANY FOR A TRIPLE COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 5, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 11th day of June, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Continental Oil Company, seeks authority to complete its Warren Unit Well No. 26, located in Unit M of Section 27, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, as a triple completion (conventional) to produce gas from the Warren-Blinbry Gas Pool and the Warren-Tubb Gas Pool through parallel strings of 2 1/16-inch tubing and to produce oil from the Warren-Drinkard Pool through a parallel string of 2 3/8-inch tubing, with separation of zones by packers set at approximately 6260 feet and 6600 feet.

(3) That the mechanics of the proposed triple completion are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights.

-2-

CASE No. 2828
Order No. R-2503

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to complete its Warren Unit Well No. 26, located in Unit M of Section 27, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, as a triple completion (conventional) to produce gas from the Warren-Blinbry Gas Pool and from the Warren-Tubb Gas Pool through parallel strings of 2 1/16-inch tubing and to produce oil from the Warren-Drinkard Pool through a parallel string of 2 3/8-inch tubing, with separation of zones by packers set at approximately 6260 feet and 6600 feet.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order.

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Warren-Drinkard Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

DRAFT
jr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5478

Order No. R-5025

APPLICATION OF CONTINENTAL COMPANY
FOR A DUAL COMPLETION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
May 14, 1975, at Santa Fe, New Mexico, before
Examiner Daniel S. Nutter.

NOW, on this day of May, 1975, the
Commission, a quorum being present, having considered the
testimony, the record, and the recommendations of the Examiner,
and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Continental Oil Company,
seeks authority to complete its Warren Unit
Well No. 31, located in Unit 0 of Section 27, Township
20 South Range 38 East
XXXX' NMPM, Lea County, New

Mexico, as a dual completion (conventional) oil
(combination) to produce gas
(tubingless)

from the Blinbry Oil and Gas Pool and oil from the Warren-
Tubb Gas Pool through parallel strings of tubing.

(3) That the mechanics of the proposed dual completion
are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company,
is hereby authorized to complete its Warren Unit
Well No. 31, located in Unit 0 of Section 27, Township
20 South Range 38 East NMPM, Lea County, New
Mexico, as a dual completion ^(conventional) ~~(combination)~~ oil
~~(tubingless)~~ to produce ~~gas~~
from the Blinebry Oil and Gas Pool and oil from the Warren-
Tubb Gas Pool through parallel strings of tubing.

PROVIDED HOWEVER, that the applicant shall complete, operate,
and produce said well in accordance with the provisions of Rule
112-A of the Commission Rules and Regulations insofar as said rule
is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take ~~non-segregation~~ packer-leakage
tests upon completion and annually thereafter during the Annual
Gas-Oil Ratio Test Period for the Warren Tubb Gas Pool Pool.
~~Warren Tubb Gas Pool~~

(2) That jurisdiction of this cause is retained for the
entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove
designated.