

CASE 5483: PHILLIPS PETROLEUM COMPANY
FOR A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO.

CASE No.

5483

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

BEFORE: Daniel S. Nutter, Examiner.

For the New Mexico Oil Conservation Commission:	William F. Carr, Esq. Legal Counsel for the Commission State Land Office Building Santa Fe, New Mexico 87501
---	---

For the Applicant, Phillips Petroleum Company:	Tom Kellahin, Esq. KELLAHIN & FOX 500 Don Gaspar Santa Fe, New Mexico 87501
--	--

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

I N D E X

Testimony of William J. Mueller

Direct Examination by Mr. Kellahin 3

Questions by Mr. Nutter 9

E X H I B I T S

Exhibits One through Six 9

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

MR. NUTTER: Case 5483.

MR. CARR: Case 5483. Application of Phillips Petroleum Company for a dual completion, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, I'd like the record to reflect the same appearance, the same witness, that he continues as an expert and is still under oath.

MR. NUTTER: Same appearance, and so forth.

WILLIAM J. MUELLER,

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Mueller, would you please refer to what's been marked as Applicant's Exhibit Number One, identify it, and state briefly what Phillips is seeking?

A Applicant's Exhibit Number One is New Mexico Oil Conservation Form C-107, Application for Multiple Completion. This form refers to our Lusk Deep Unit "A" Well Number 12, located in Unit G, Section 20, 19 South, 32 East. Phillips proposes here to perforate and test the Wolfcamp oil zone at approximately 10,680 to 710, and produce it concurrently with the Lusk-Morrow current

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

completion through perforations 12,684 to 96. The gas zone to be produced from under a packer, up the tubing and the oil zone to be produced in the casing tubing annulus, if possible.

Q Please refer to Exhibit Number Two and identify it.

A I might get confused here. Exhibit Number Two in this one is identical to Exhibit Number Two in the last one. It is again a plat of the Lusk Field area showing the Strawn-Morrow completions and denoting with a purple arrow our Lusk Deep Unit "A" Number 12 located there in the northeast quarter of Section 20, 19 South, 32 East. The proposed Wolfcamp zone that we want to test in the Lusk Deep Unit "A" Number 12 is currently a similar Wolfcamp zone that is producing over in the Sun Shearn Federal located in Section 15, approximately two miles to the northeast. The Sun Shearn Federal there had a Wolfcamp discovery of significant magnitude and went on stream in October of 1973 and through the first eighteen months has cumulative, approximately, 100,000 barrels of oil out of that zone. The attempt to a lease offset Sun Well by Cleverock recovered only small Wolfcamp oil and I believe it's a Bone Springs producer now, as is the Sun Jennings.

Excuse me, the Cleverock Well is the west offset and the Sun Jennings is the east offset of their own Sun Well. And there again no Wolfcamp production was obtained, so the Wolfcamp appears to be highly spotty and, as normal for this area, a lot of southeast New Mexico, I guess, the Wolfcamp is known as a ninety day wonder. We, in drilling the Lusk Deep Unit "A" Number 12, encountered a substantial drilling break and had a good show of oil and gas on the bits at 10,700 feet.

Q What would be the acreage dedicated to the well?

A If an oil zone is obtained, it would be the 40-acre statewide spacing around Number 12.

Q Please refer to Exhibit Number Three, is it?

A Exhibit Number Three is an oil compensated sonic log of Phillips Petroleum Company's Lusk Deep Unit "A" Number 12 showing the Wolfcamp zone we propose to perforate and test at 10,680 to 10,710. The zone is colored in red and the top of the Wolfcamp in this wellbore being at 10,484. It's marked in the log, too. The lower portion of the log shows the Morrow zone that's currently completed in this well at 12,684 to 96, colored in green. It shows the top of Morrow limestone at approximately 12,020. Our geologists call the top of the Morrow sand, approximately

12,300. We currently have a Baker production packer set in the well at 12,200.

Q Please refer to Exhibit Number Four and identify it.

A Exhibit Number Four is a diagrammatic sketch of the Lusk Deep Unit "A" Number 12 showing our 13 and 3/8ths inch surface casing set at 819; cement circulated. We have 8 and 5/8ths inch casing set at 4482 with the top cement, 1350. We have 5 and 1/2 inch casing cemented at 12,814 with the top of cement at 8625. The proposed Wolfcamp perforations, 10,680 to 710 are shown and the current Morrow perforations are already in the well at 12,084 to 696 are indicated. The Baker packer at 12,200 is in the well now. A sliding sleeve is not currently in the tubing stream. That would be installed with the multiple completion in the Wolfcamp.

Q Why have you recommended -- why are you requesting the production of the oil zone up the annulus?

A We feel that the Wolfcamp is worth testing and we do not feel, though, that it will probably justify multiple tubing strings. We feel that if the thing is perforated and tested and capable of producing up the annulus, this would substantially increase our current

income from this well; benefit to us in additional reserves; that should the zone not be able to produce up the annulus but be of sufficient magnitude to justify it, we could run a one inch gas slip gas stream into this well and possibly utilize either the high pressure gas zone energy source here in the lower zone or from a residue gas plant there inject gas for gas lift purposes.

Q Does this method of completion conform to good engineering practices to insure the separation and no communication between the two zones?

A It would insure, yes, separation and no communication.

Q In your opinion will this particular manner of dual completion be the most optimum from which to recover the oil and gas?

A Yes, most economical.

Q Yes.

A To install crossovers then and set two packers, we have found that the Morrow zone does give us a lot of scaling tendencies, and to put crossover chokes onto a high capacity Morrow gas well could severely restrict it and give you mechanical problems to go with it.

Q Please refer to Exhibit Number Five and identify

it.

A Exhibit Number Five was a measured bottom hole pressure test run in the Morrow zone of the subject well. It shows our bottom stops. It shows at the depth of 12,700 feet we measured a bottom hole pressure of 5444 psi; that we had no liquid in the hole; it was a dry gas by the gradient there of 0.16. We had a shut-in tubing pressure of 3692 at the end of 48 hours at the time the pressure was run. I have no bottom hole pressure data on the Wolfcamp, of course, since we've not perforated it yet, but I do know that a normal grading pressure for the Wolfcamp at its depth would be approximately 4500 to 4700 and we did drill and complete this well successfully with ten pound brine, so I know its pressure could not be over 5000, which would be the equivalent weight of ten pound brine at the Wolfcamp depth.

Q In your opinion can this manner of dual completion handle that type of pressure differential?

A Yes.

Q Please refer to Exhibit Number Six and identify it.

A Exhibit Number Six is the packer setting affidavit required by the New Mexico Oil Conservation Commission

in multiple completions showing that we did set, or McCollough set, a Baker FD-1 packer at 12,210 on January 17, 1975, of this year. We do have a 2 and 1/2 inch tail-pipe extension below the packer of 51 feet with multiple seating nipples.

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

A Yes.

Q Were Exhibits One through Six either prepared by you directly or under your direction and supervision?

A Yes, sir.

MR. KELLAHIN: If the Examiner please, we would move the introduction of Exhibits One through Six.

MR. NUTTER: Phillips Exhibits One through Six will be admitted in evidence.

MR. KELLAHIN: That concludes our direct examination.

QUESTIONS BY MR. NUTTER:

Q Mr. Mueller, you say on account of scaling problems and so forth that you've ruled out the desirability of using crossover equipment in this well? You are aware that there are numerous dual completions in southeast New Mexico in the Morrow formation which utilize cross-

over assemblies?

A Yes.

Q To bring the Morrow production up the annulus?

Do you have any -- does Phillips have any?

A No. We have, in the South Carlsbad area, we have seen scale build up in several of those dry wells to where we completely lost severe productivity; counting on Morrow and go in there and find the scale always built up to where we have some type of restriction in our tubing, either seating nipple or sliding sleeve tubing, and this is with 2 and 7/8ths inch tubing in those wells.

Q So you have a scale problem, you're likely to have a scale problem from the Morrow even with the completion you're proposing?

A Yes.

Q If you get scale in the tubing?

A The scale will form where the pressure drops, we're sure of that.

Q Now, you don't have any idea what you're going to get insofar as the Wolfcamp is concerned there, whether it will be a big oil well with a low ratio or a high ratio oil well or maybe even a gas well in the Wolfcamp?

A That is right. The only thing I know, Dan, rela-

tive to that, the Sun Shearn Federal Wolfcamp, I tabulated their monthly production and about June it appears they had -- prior to that the gas lines looked ridiculous, 18 and 15 GORs, but about June I think they must have lined out. In June their gas-oil pressure was 2290 and in February this year they reported producing gas-oil ration of 5892. The Wolfcamp, I think, even if it were to come on low ratio, would in a short while be high ratio.

Q And on the Cleverock Well immediately west of that was completed as a Wolfcamp well originally, wasn't it?

A IPed it for 22 barrel swab and then abandoned it to the Bone Springs, didn't they?

Q It had a very brief producing history, I think, in the Wolfcamp and was recompleted then in the Bone Springs, is my recollection, but you have a considerable difference as far as the Wolfcamp formation is concerned between those two locations, is the point that I'm considering.

A Yes.

Q Are you aware, Mr. Mueller, of any dual completions involving gas wells in other zones and Wolfcamp oil producing ones in southeast New Mexico in which the

Commission has approved production up the annulus?

A No, sir.

Q From the oil zone?

A No, sir.

Q Have you made any study, Mr. Mueller, as to the efficiency of flow of Wolfcamp oil up the annulus in this particular well?

A Efficiency study, of course, if you're speaking of this would be a producing gas-oil ratio or the outflow of gas to lift oil.

Q I might summarize what the Commission's position over the years has been on this type of dual completion, Mr. Mueller. The Commission has always felt the annular flow was not efficient flow; that the cross sectional area of the annulus exceeded what you would normally include in the cross sectional area of tubular flow and that also you would have friction on two surfaces, on the inside of the casing and on the outside of the tubing; also that you would have an effect on the flow efficiency as the annular flow came up and passed over the various collars as it came up the hole, and the Commission years ago established the policy of not approving this type of dual completion for oil flow up the annulus with those con-

siderations in mind. I wonder if you had a study that would show that this Commission policy was in error and should be reversed in this case?

A No, I have not made a study that would show that the policy would be in error, but I do know I would be sacrificing some efficiency in lifting these liquids.

MR. KELLAHIN: Mr. Mueller, would there be any way for you to test the Wolfcamp and determine which would be the most efficient way?

A In the multiple completion work of this well we would acidize and test the Wolfcamp first up 2 and 7/8ths inch tubing and then reset the tubing in the packer and we could see what type of annular flow we got. We could do a test of this, yes.

Q But with 2 and 7/8ths inch tubing at the present time to the Morrow formation and the casing ID with 5 and 1/2 inch casing is not such as to permit running normal size tubing to the Wolfcamp, is that correct?

A That is right. To even put a 1 inch domino string in there we'd have to switch out the 2 and 3/8ths string.

Q And remove your 2 and 7/8ths inch?

A Yes.

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

Q Now you don't have an IP yet on the Morrow zone but you said, I believe, in earlier testimony that you had a test that looked like about 3 million barrels or 3 million cubic feet and you anticipated CAOF of about 500 barrels?

A Right.

Q Now, in the event that the Wolfcamp were completed as you propose here, as an oil well, and it wouldn't flow, you would use a one-inch power oil string and install a hydraulic pump?

A No, what we would plan, I think, Dan, we would look at first, economics permitting, would be a gas lift installation to run one-inch string in the annulus and inject gas down there and lift the Wolfcamp with the gas lift.

Q I see.

A I believe that's the only method we have of lifting this Wolfcamp from this depth in a multiple completion.

Q There would be no way to use a cope pump in an installation like this?

A Everything then would have to be deferred to the abandonment of the Morrow, so it's a question, you know, do we -- for 17,000 if we poke some holes in the Wolfcamp

now and see what we've got and see if we can get something to the surface out of it, or do we just automatically sit down and say, well, we have to wait five years to see if the zone's economical to develop or do anything else.

Q I see. Do you have anything else of Mr. Mueller?

MR. KELLAHIN: No, sir.

MR. NUTTER: Do you have anything further, Mr. Mueller?

A No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case 5483?

(No response.)

MR. NUTTER: We'll take the case under advisement, and the hearing is adjourned.

(Hearing concluded.)

STATE OF NEW MEXICO)
) SS REPORTER'S CERTIFICATE
 COUNTY OF SANTA FE)

I, Sally Walton Boyd, Notary Public and General Court Reporter, Santa Fe, New Mexico, DO HEREBY CERTIFY that the facts stated in the caption hereto are true and correct; that I reported the captioned proceedings; that the foregoing 15 pages, numbered 1 through 15 inclusive, is a full, true and complete transcript, prepared by me to the best of my ability.

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

Sally Walton Boyd
 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. 5483, heard by me on 5/14, 1975.
[Signature], Examiner
 New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
 STATE-WIDE DEPOSITION NOTARIES
 225 JOHNSON STREET
 SANTA FE, NEW MEXICO 87501
 TEL. (505) 982-0386



OIL CONSERVATION COMMISSION

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

May 27, 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. 5483
ORDER NO. R-5033

Applicant:

Phillips Petroleum Co.

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

Multiple Completion.
Case 5245 - good Q's.

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. 5483
Order No. R-5033

APPLICATION OF PHILLIPS PETROLEUM
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 27th 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, Phillips Petroleum Company, seeks
authority to complete its Lusk Deep Unit "A" Well No. 12,
located in Unit G of Section 20, Township 19 South, Range 32 East,
NMPM, Lea County, New Mexico, as a dual completion (conventional)
to produce oil from the Wolfcamp formation through the casing-
tubing annulus and gas from the Lusk-Morrow Gas Pool through
tubing.

(3) That the proposed Wolfcamp perforations in said well
would be from approximately 10,680 feet to 10,710 feet.

(4) That the flow of oil through 10,680 feet of annular
space would result in the consumption of an excessive amount
of reservoir energy, would cause waste, and might impair
correlative rights.

(5) That the flow of oil through the annulus of dually
completed oil wells is contrary to the principle of maximum
utilization of reservoir energy and to the Commission's long-
established policy of permitting the production of oil from
dually completed wells through tubing only, and should be
denied.

-2-

Case No. 5483

Order No. R-5033

IT IS THEREFORE ORDERED:

(1) That the application of Phillips Petroleum Company for authority to dually complete its Lusk Deep Unit "A" Well No. 12, located in Unit G of Section 20, Township 19 South, Range 32 East, NMPM, 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 is hereby denied.

(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/

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

Phillips EXHIBIT NO. 1
CASE NO. 5483

Operator Phillips Petroleum Company		County Lea		Date April 25, 1975
Address Room 711 Phillips Bldg, Odessa TX 79761		Lease Lusk Deep Unit "A"		Well No. 12
Location of Well	Unit G	Section 20	Township 19-S	Range 32-E

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 _____ NO XX
2. If answer is yes, identify one such instance: Order No. _____; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Undesignated-Wolfcamp-Oil		Lusk Morrow-Gas
b. Top and Bottom of Pay Section (Perforations)	Top pay 10,486' Perfs 10,680-710' bottom pay 11,362'		Top pay 12,018' Perfs 12,684-96' Bottom 12,759' PBTD
c. Type of production (Oil or Gas)	Oil		Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

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

- | | | |
|-------------------------------------|-------------------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | 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. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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 112A.) |

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

Amoco Production Company, Box 68, Hobbs, New Mexico 88240
Anadarko Production Company, Box 9317, Ft Worth, Texas 76107
Clinton Oil Company, 30-D West Industrial Loop Midland, Texas 79701
Llano Inc. Box 1320, Hobbs, New Mexico 88240
R. L. McKay, - Address Unknown
Tenneco Oil Company, Box 2410, Denver, Colorado 80201

Yates Petroleum Corporation, 207 South 4th Street, Artesia, New Mexico 88210

Texas International Petroleum Corporation, 1720 Wilco Bldg. Midland, Texas 79701

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification April 25, 1975.

CERTIFICATE: I, the undersigned, state that I am the Senior Reservoir Engineer of the Phillips Petroleum Company (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.

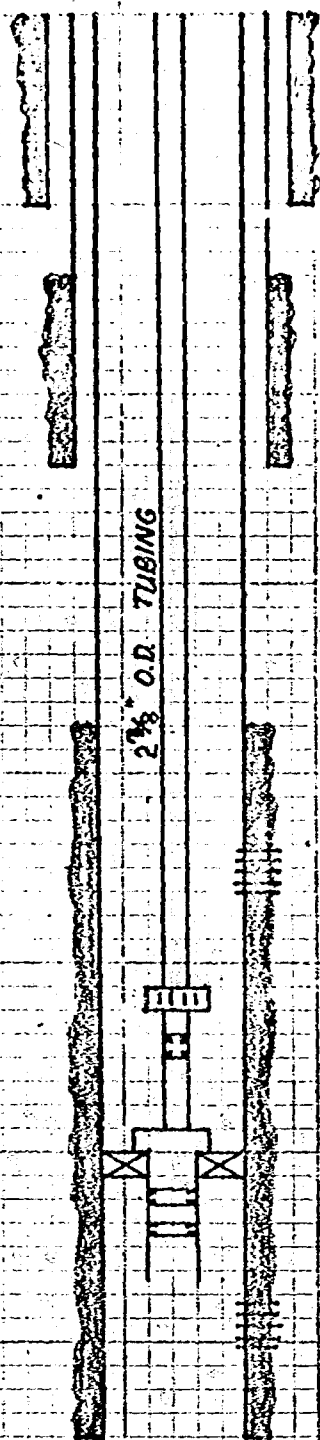


W. J. Mueller

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 proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



819', 13 1/8" O.D. CSG, CEMENTED w/700 sz, CIRC. 240 sz

1350', TOC BY TEMP. SURVEY

4482', 8 5/8" O.D. CSG, DV TOOL 2805'

1ST STAGE 500 sz CIRC. 175 sz

2ND STAGE 1550 sz TOC 1350'

8625', TOC BY TEMP. SURVEY

10,680' - 710' WOLFCAMP* PERFORATIONS

10,800' SLIDING SLEEVE

12,200', PACKER w/ TBG. ANCHOR SEAL ASSY. ON TOP AND
2 - 2.31" PROFILE SEATING NIPPLES ON BOTTOM

12,251', 2 7/8" O.D. TUBING OPEN ENDED

12,684' - 696' MORROW PERFORATIONS

12,814', 5 1/2" O.D. CSG, CEMENTED w/750 sz, TOC 8625'

CENTRALIZERS AT: 12,814; 12,750; 12,650; 12,570; 12,465

12,350; 12,124; 12,024; 11,754; 11,570

11,470; 11,276; 11,050; 10,850; 10,650

10,450; 10,250; 9,970; 9,890; 9,786

NOTE*

POSSIBLE SIPHON STRING
FOR WOLFCAMP 1" NOMINAL
TUBING

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 4
CASE NO. 5483

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS	PHILLIPS PETROLEUM COMPANY			AFE NO.	FILE CODE
FOR APPR	BARTLESVILLE, OKLAHOMA				
FOR CONST	LUSK DEEP UNIT A- 12 WELL No. 12			SCALE	
DESIGN	PROPOSED DUAL COMPLETION			UNLESS OTHERWISE NOTED	
DRAWN ECW	LEA COUNTY, NEW MEXICO			DWG NO.	
CHECKED				SH NO.	
APP'D					

BOTTOM HOLE PRESSURE AND PRODUCTIVITY INDEX TESTS

LEASE Lusk Deep Unit "A"
 WELL NO. 12
 FIELD Lusk Morrow
Lea County, New Mexico

RKD ELEVATION 3595'
 REFERENCE POINT GROUND, ELEV. 3581'
 DATUM -910 1/4' SUBSEA, OR 12,685' FROM G.L.

PRODUCING ZONE Morrow Sand
 TOP 12,684' perf.
 BOTTOM 12,690' perf.

Date	Depth	B.H.P.	Liquid Level	B.H. Temp.	Surface Pressures		Hours S.I.	PRODUCTION TEST					Prod. Index D/D/Lb. or Ft.	REMARKS
					Tbg.	Csg.		Wrs.	Choke	Oil D/D	Wtr. D/D	GOR CF/D		
1-21-75	8,000'	4692	Grad. 0.125				3692# 200# 48 hrs.							
	9,000'	4852	0.16											
	10,000'	5012	0.16											
	11,000'	5172	0.16											
	12,000'	5332	0.16											
	12,700'	5444	0.16											

$$\frac{BIP}{SITP} = \frac{5444}{3692} = 1.475$$

$$\frac{BIP}{\text{Depth}} = \frac{5444}{12700'} = 0.429$$

BEFORE EXAMINER NOTED
 OIL CONSERVATION COMMISSION
 EXHIBIT NO. 5
 CASE NO. 5483

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 42-R1424.

6. LEASE DESIGNATION AND SERIAL NO.

LC065710A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL ☐ GAS ☒ OTHER ☐

2. NAME OF OPERATOR

Phillips Petroleum Company

3. ADDRESS OF OPERATOR

Room 711, Phillips Building, Odessa, Texas 79761

4. LOCATION OF WELL. (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface

(Unit G) 1660' FN and 2300' FE lines

7. UNIT AGREEMENT NAME

Lusk Deep Unit A

8. FARM OR LEASE NAME

Lusk Deep Unit A

9. WELL NO.

12

10. FIELD AND POOL, OR WILDCAT

Lusk Morrow

11. SEC., T., R., OR BLK. AND
SURVEY OR AREA

20, 19-S, 32-E

12. COUNTY OR PARISH 13. STATE

Lea New Mexico

14. PERMIT NO.

Apprvd. 9-26-74

15. ELEVATIONS (Show whether DF, RT, CR, etc.)

3581' Gr., 3594' DF

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Set packer

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

X

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any
proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones perti-
nent to this work.)*

1-17-75: McCullough set Baker FB-1 packer at 12,200' w/2-1/2" tail pipe at 12,251',
F stg npl at 12,223' and 12,212'. Ran 2-7/8" tbg string and latched into
packer at 12,200'.

18. I hereby certify that the foregoing is true and correct

SIGNED

W. J. Mueller

TITLE Senior Reservoir Engineer

DATE 1-21-75

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

*See Instructions on Reverse Side

BEFORE EXAMINER NUTTER
ON CONSERVATION COMMISSION
EXHIBIT NO. 6
CASE NO. 5483

(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 5483

County _____ Pool _____

TOWNSHIP 19 RANGE 32 NEW MEXICO PRINCIPAL MERIDIAN

6	5	4	3	2	1
		<input type="checkbox"/> Lusk WC			
7	8	9	10	11	12
18	17	16	15	14	13
		<input type="checkbox"/> EL Lusk WC			
19	20	21	22	23	24
30	29	28	27	26	25
		<input type="checkbox"/> S Lusk WC			
31	32	33	34	35	36

(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 O 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

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

- 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 Blinebry 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 Cemetery-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:

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)

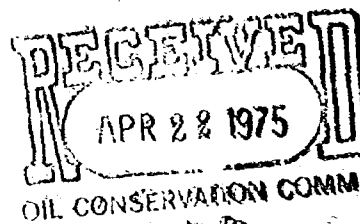
In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. E. Medlock and Reliance Insurance Company and all other interested parties to appear and show cause why the Queen Ridge No. 1 Well located in Unit M of Section 36, Township 10 South, Range 26 East, Chaves 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 Blinbry 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 R 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 5483



BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
PHILLIPS PETROLEUM COMPANY FOR
DUAL COMPLETION, LEA COUNTY,
NEW MEXICO

A P P L I C A T I O N

COMES NOW PHILLIPS PETROLEUM COMPANY and applies to the Oil Conservation Commission of New Mexico for approval of a dual completion of its Lusk Deep Unit "A" Well No. 12 located in Unit G, Section 20, Township 19 South, Range 32 East, Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant is the owner of the right to drill and develop the oil and gas minerals in the area involved in this application.
2. Applicant proposes to dually complete subject well in a conventional manner for Lusk-Wolfcamp Oil production at an interval between 10,680 feet and 10,710 feet through the casing tubing annulus and the Lusk-Morrow Gas production at an interval between 12,684 feet and 12,696 feet through the tubing from under a packer set at 12,200 feet.
3. Applicant believes that the well dually completed as indicated above will recover oil and gas that would not otherwise be recovered, is in the best interest of conservation, would not damage the producing formations if completed

DOCKET MAILED

Date 5-2-75


as proposed and the correlative rights of no offset operator will be impaired.

WHEREFORE applicant prays that this application be set for hearing before the Commission's duly appointed examiner, and that after notice and hearing as required by law the Commission enter its order approving the application as prayed for.

Respectfully submitted,

PHILLIPS PETROLEUM COMPANY

BY



KELLAHIN & FOX

Post Office Box 1769

Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

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. 5483

Order No. R- 5033

APPLICATION OF PHILLIPS PETROLEUM 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, Phillips Petroleum Company,
seeks authority to complete its Lusk Deep Unit "A"
Well No. 12, located in Unit G of Section 20, Township
19 South XXXXX, Range 32 East XXXXX, NMPM, Lea County, New
Mexico, as a dual completion (conventional) oil
(combination) to produce gas
(tubingless)
from the Wolfcamp formation through the casing-tubing annulus
and gas from the Lusk-Morrow Gas Pool through tubing.

(3) That the proposed Wolfcamp perforations in said well would be from approximately 10,680 feet to 10,710 feet.

(4) That the flow of oil through 10,680 feet of annular space would result in the consumption of an excessive amount of reservoir energy, would cause waste, and might impair correlative rights.

(5) That the flow of oil through the annulus of dually completed oil wells is contrary to the principle of maximum utilization of reservoir energy and to the Commission's long-established policy of permitting the production of oil from dually completed wells through tubing only, and should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Phillips Petroleum Company for authority to dually complete its Lusk Deep Unit "A" Well No. 12, located in Unit G of Section 20, Township 19 South, Range 32 East, NMPM, 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 is hereby denied.

(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.