

CASE 5804: STEVENS OIL CO. FOR A DUAL
COMPLETION, CHAVES COUNTY, NEW MEXICO

CASE NO.

5804

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 10, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Stevens Oil Company for
a dual completion, Chaves County,
New Mexico.

CASE
5804

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Lynn Teschendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Donald G. Stevens, Esq.
Attorney at Law
214 Old Santa Fe Trail
Santa Fe, New Mexico

sid morrish reporting service

General Court Reporting Service
825 Calle Mojia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 2

I N D E X

Page

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Donald G. STEVENS

Direct Testimony

3

EXHIBIT INDEX

Offered Admitted

Applicant's Exhibit One, Plat

3

8

Applicant's Exhibit Two, Log

4

8

Applicant's Exhibit Three, Schematic Diagram

5

8

1 MR. STAMETS: We will call at this time Case 5804.

2 MS. TESCHENDORF: Case 5804, application of Stevens
3 Oil Company for a dual completion, Chaves County, New Mexico.

4 MR. STEVENS: Mr. Examiner, I am Don Stevens, attorney
5 in Santa Fe, New Mexico, representing the applicant in this
6 case. I'm also the owner and expert witness of Stevens Oil
7 Company and as such I would like to be sworn.

8 (THEREUPON, the witness was duly sworn.)

9 MR. STEVENS: My name is Don Stevens, I'm the owner
10 of Stevens Oil Company in Santa Fe, New Mexico.

11 I have previously testified before this Commission
12 and had my qualifications accepted as an owner and I think as
13 an expert witness and would request the Commission to accept
14 my qualifications in this case.

15 MR. STAMETS: The witness' qualifications are
16 accepted.

17 MR. STEVENS: Basically this case is a request of
18 Stevens Oil Company for a dual completion of its Stevens Oil
19 Company O'Brien "C" Well No. 2 located in Unit D of Section 1,
20 Township 9 South, Range 28 East, Chaves County.

21 It's a dual completion from the San Andres formation
22 and the Devonian formation.

23 Referring to what has been marked as Applicant's
24 Exhibit Number One, this is an area plat of the Twin Lakes Oil
25 Field, showing the wells and operators therein. There is only

1 one operator within the subject area and there are three
2 Devonian wells in this field, the remainder being San Andres
3 wells.

4 The subject well is marked in red in the northwest
5 quarter of the northwest quarter of Section 1, 9 South, 28 East.
6 The other two Devonian wells in the field are in the northwest
7 quarter of the southwest quarter of Section 1 and southwest
8 quarter southwest quarter of Section 1 and the remainder of the
9 wells are San Andres oil wells.

10 Referring to what has been marked as Exhibit Number
11 Two, this is a compensated neutron log of the subject well and
12 in the large scale of this log, marked in red, are the perfora-
13 tions in the San Andres formation which are from twenty-five
14 hundred, sixty-four feet to twenty-five hundred, ninety-two
15 feet.

16 Further down in the log are shown the other perfora-
17 tions in the Devonian formation which are from seven thousand
18 two hundred and forty-nine feet to fifty-five feet and seven
19 thousand, two hundred and sixty-four feet to seventy-two feet.

20 I mentioned this well is set up as a dual and was
21 completed with a gas-oil ratio -- the gas-oil ratio in the
22 San Andres formation was three, point, seventy-four barrels
23 of oil per day, plus thirty-seven, point, four barrels --
24 pardon me, that's the Devonian I'm talking about. It's
25 three barrels of oil per day, sixty-six barrels of water per

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 981-9212

1 day with a gas-oil ratio of eighteen hundred to one,
2 approximately.

3 The San Andres potential for three, point, seventy-
4 four barrels of oil per day, thirty-seven, point, four barrels
5 of water per day with a gas-oil ratio of thirteen hundred, fifty
6 cubic feet of gas per barrel of oil.

7 These two zones are segregated in the wellbore as
8 will be borne out by the Exhibit Number Three which I will now
9 address myself to. This is a schematic diagram of the dual
10 completion as it is currently completed. It is an unusual
11 dual completion in that you have got two separate strings of
12 tubing and in effect, two separate wellbores. The history
13 of the well might explain why its unusual nature and then I will
14 explain the actual mechanical setup itself. The well was
15 drilled as a Devonian well in 1950 to approximately seventy-two,
16 ninety-five. It was cased with seven inch casing with a DB
17 tool run in the well and cement coming back up to approximately
18 twenty-nine hundred feet. This well was produced for some
19 fourteen years and then it was abandoned in the Devonian. The
20 seven inch casing was cut off at twenty-seven hundred, twenty-
21 six feet and the well was completed in the San Andres formation
22 from approximately twenty-five, sixty-four to approximately
23 twenty-six, twenty and this was effected by putting a bridge
24 plug or a cement plug in the seven inch casing below twenty-
25 seven, twenty-six and perforating the nine-and-five-eighths

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

sid morrison reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 intermediate string in the intervals just stated. That well
2 was then acidized and was on production sporadically for a
3 number of years. It was decided that an attempt could be made
4 to recomplete the Devonian well and the San Andres well, so
5 with this in mind the perforations in the San Andres were
6 squeezed, one of the reasons being to shut off gyp which
7 seemed to be coming from the lower formation. This then was
8 drilled out, the seven inch casing was drilled out to TD, the
9 old TD, and at this point five-and-a-half casing was run
10 down to twenty-seven hundred, forty-nine feet inside the seven
11 inch casing and was hung inside that seven inch casing with a
12 Brown oil tool liner hanger, in effect a packer, to effect a
13 shut off between the San Andres formation above there and the
14 nine-and-five-eighths and the Devonian formation below. At that
15 point, inch-and-a-half tubing was run between the five-and-a-
16 half inch casing and the nine-and-five-eighths casing down to
17 twenty-six hundred feet and rods and a pump run inside that
18 inch-and-a-half and that was placed upon a beam pump and pumped
19 the potential previously stated.

20 The Devonian, then, a completion was effected by
21 running two-and-three-eighths tubing through five-and-a-half
22 casing down to seventy-two hundred feet where a Lynes
23 expandable packer was used to shut off the Devonian perfora-
24 tions and also to effect a seal between the gas lift valves
25 which were run on that tubing. This well then was gas lifted

sid morish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 7

1 through gas lift valves on the two-and-three-eighths tubing
2 with the potentials as shown.

3 The wells are poor wells, as you can tell from the
4 potentials, but they may ultimately make some money and so
5 in that respect we would like to have this dual completion
6 approved.

7 We did run a gas-oil ratio, as pointed out on the
8 San Andres and at the completion of that gas-oil ratio test,
9 and while this gas-oil ratio test was going on, the annulus of
10 the five-and-a-half was pressured up from previous gas-lift
11 testing to seven hundred and seventy pounds. At the end of
12 the gas-oil ratio test on the San Andres side, the gas-oil
13 ratio tester was left on, the annulus of the five-and-a-half
14 was pressured up, under pressure, and increased in pressure
15 until it started gas lifting normally. The pressure went to
16 seven hundred and ninety pounds during this interval and then
17 broke back to its normal operating level of about seven hundred
18 and seventy-five pounds.

19 While this was going on the gas-oil ratio tester on
20 the San Andres side was running and no additional gas was
21 shown on the gas-oil ratio chart, which to us indicates a
22 shut off between the two zones.

23 Of particular interest in that respect also, the
24 San Andres formation when it did produce a number of years
25 ago had a gas-oil ratio bearing between, I think four thousand

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 and six thousand cubic feet of gas per day per barrel of oil.
2 The current gas-oil ratio, after squeezing and re-acidizing,
3 was either sixteen, fifty or -- it's one thousand, three hundred
4 and five cubic feet of gas per barrel of oil. That indicates
5 two things, one, the reservoir has changed since it previously
6 produced, or, we have shut off some of the gas that did previously
7 produce in the well but it also gives further evidence of the
8 shut off between the five-and-a-half and seven inch of the gas
9 lift well in the Devonian and the tubing set up and casing set
10 up on the San Andres production.

11 We think it is a reasonable dual completion, though
12 conventional in that the two zones are completely segregated
13 and would prefer that it be approved. We think it will tend
14 to prevent waste and protect correlative rights.

15 These Exhibits One, Two, Three were prepared by me
16 or under my supervision and at this time I would like to offer
17 them into evidence.

18 MR. STAMETS: These exhibits will be admitted.

19 (THEREUPON, Applicant's Exhibits One, Two and
20 Three were admitted into evidence.)

21 MR. STEVENS: I have no further direct testimony at
22 this time.

23 MR. STAMETS: Assuming that you keep this particular
24 set up for a period of time, your packer leakage test won't
25 follow the standard procedures?

1 MR. STEVENS: No, sir, it will not and we would
2 anticipate the field rules of the San Andres provide a semi-
3 annual gas-oil ratio test, we would anticipate running that
4 in the same manner that it was run this time to make sure there
5 is no leakage. Of course, we will monitor the well's
6 production and if any leakage should occur it will be immediately
7 obvious, but certainly there will be a semi-annual test on this.

8 MR. STAMETS: Any other questions of the witness?
9 He may be excused.

10 (THEREUPON, the witness was excused.)

11 MR. STAMETS: If there is nothing further this
12 case will be taken under advisement and the hearing is
13 adjourned.

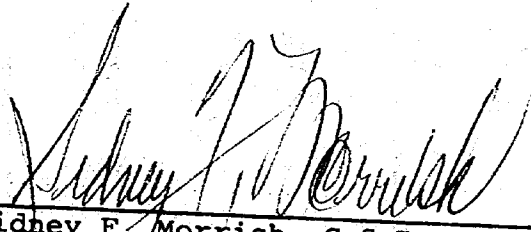
sid morrish reporting service

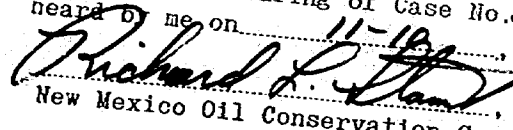
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5804
heard by me on 11-18-76, 1976.
, Examiner
New Mexico Oil Conservation Commission

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. 5804
Order No. R-5326

APPLICATION OF STEVENS OIL COMPANY
FOR A DUAL COMPLETION, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 10, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of November, 1976, 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, Stevens Oil Company, seeks authority to complete its O'Brien "C" Well No. 2, located in Unit D of Section 1, Township 9 South, Range 28 East, NMPM, Chaves County, New Mexico, as a dual completion (conventional) to produce oil from the San Andres and Devonian formations 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, Stevens Oil Company, is hereby authorized to complete its O'Brien "C" Well No. 2, located in Unit D of Section 1, Township 9 South, Range 28 East, NMPM, Chaves County, New Mexico, as a dual completion (conventional) to produce oil from the San Andres formation through 1 1/2-inch tubing installed between the 5 1/2-inch and 9 5/8-inch casing strings and oil from the Devonian formation through 2 3/8-inch tubing installed in a packer within the 5 1/2-inch casing at an approximate depth of 7,200 feet.

-2-

Case No. 5804
Order No. R-5326

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;

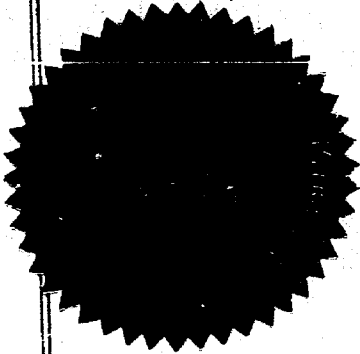
PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Twin Lakes-San Andres Pool.

(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

PHIL R. LUCERO, Chairman



Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

Docket No. 31-76

Dockets Nos. 32-76 and 33-76 are tentatively set for hearing on November 23 and December 15, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 10, 1976

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

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

ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.

(2) Consideration of the allowable production of gas for December, 1976, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5796: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Hixon Development Company, National Surety Corporation, and all other interested parties to appear and show cause why the Central Bisti Unit Wells Nos. 41, 46, 47, 49 and 50 located in Units D, I, K, M, and O, respectively, of Section 16, Township 25 North, Range 12 West, Bisti-Lower Gallup Pool, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5798: Application of Exxon Corporation for a unit agreement, Sierra and Dona Ana Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the Prisor Unit Area comprising 24,910 acres, more or less, of State, Federal, and fee lands in Townships 16 and 17 South, Ranges 1 East and 1 West, Sierra and Dona Ana Counties, New Mexico.

CASE 5799: Application of Gulf Oil Corporation for an unorthodox gas well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, Township 21 South, Range 37 East, Tubb Gas Pool, Lea County, New Mexico, to be dedicated to applicant's J. N. Carson Well No. 9 located at an unorthodox location 1874 feet from the South line and 2086 feet from the West line of said Section 28.

CASE 5809: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Drinkard, Tubb, and Blinebry production in the wellbore of its Manda "B" Well No. 1, located in Unit C of Section 28, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 5800: Application of Yates Petroleum Corporation for salt water disposal well, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Morrow formation through the perforated interval from 8983 feet to 9129 feet in its Bob Gushwa Well No. 1 located in Unit J of Section 21, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico.

CASE 5801: Application of Atlantic Richfield Company for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 275-acre non-standard gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's State 176 Wells Nos. 3 and 6 located, at unorthodox locations in Units J and C, respectively, of said Section 19.

CASE 5802: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle South Blanco-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its San Juan 28-7 Unit Well No. 75 located in Unit L of Section 15, Township 28 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 5803: Application of El PamCo., Inc., for downhole commingling and simultaneous dedication, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Fruitland and Pictured Cliffs gas production in the wellbore of its Valdez "A" Well No. 1, located in Unit P of Section 24, Township 29 North, Range 11 West, San Juan County, New Mexico. Applicant further seeks approval for the simultaneous dedication of the SE/4 of said Section 24 to said well and its Valdez Well No. 1 located in Unit I of said Section 24.

CASE 5804: Application of Stevens Oil Company for a dual completion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its O'Brien "C" Well No. 2 located in Unit D of Section 1, Township 9 South, Range 28 East, Chaves County, New Mexico, to produce oil from the San Andres and Devonian formations through parallel strings of tubing.

- CASE 5805: Application of Morris R. Antweil 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 Wolfcamp and Morrow formations underlying the N/2 of Section 3, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location in Unit G of said Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5806: Application of Anadarko Production Company for two unorthodox well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Artesia State Unit Well No. 9-5 to be drilled 1270 feet from the North line and 50 feet from the East line of Section 23 and its Artesia State Unit Well No. 2-3 to be drilled 50 feet from the South line and 1270 feet from the West line of Section 13, both in Township 18 South, Range 27 East, Artesia Queen-Grayburg-San Andres Pool, Eddy County, New Mexico.
- CASE 5797: Application of C&K Petroleum, Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Dallas Ranch Unit Area comprising 5746 acres, more or less, of State, Federal, and fee lands in Township 9 South, Range 26 East, Chaves County, New Mexico.
- CASE 5807: Application of C&K Petroleum, Inc., for compulsory pooling and a non-standard unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the N/2 of Section 13, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to form a non-standard 336.6-acre unit to be dedicated to a well located 1680 feet from the North line and 1980 feet from the East line of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5808: Application of C&K Petroleum, Inc., for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down to and including the Pennsylvanian formation underlying the SE/4 SE/4, NE/4 SE/4, NW/4 SE/4, and SW/4 SE/4 of Section 21, Township 16 South, Range 37 East, Lea County, New Mexico, to form four 40-acre oil proration units, the first to be dedicated to a well to be drilled at a point 660 feet from the South and East line of said Section 21 to test the Strawn formation and each of the others to a well subsequently drilled thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.
- CASE 5785: (Continued from October 27, 1976 Examiner Hearing)
- Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen formation underlying the NE/4 NE/4, NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4 of Section 19, Township 24 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to form four 40-acre proration units to be dedicated to four oil wells to be drilled at standard locations on said tracts. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.
- CASE 5790: Application of Dome Petroleum Corporation for pool creation and assignment of a discovery allowable, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Entrada production and the assignment of approximately 58,770 barrels of oil discovery allowable to the discovery well, being the Federal 21 Well No. 1 located in Unit K of Section 21, Township 20 North, Range 5 West, McKinley County, New Mexico.
- CASE 5776: (Continued from October 27, 1976, Examiner Hearing)
- Application of Continental Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its James Ranch Unit Well No. 8 to be drilled at a point 1980 feet from the North line and 660 feet from the West line of Section 31, Township 22 South, Range 31 East, Los Medanos-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 31 to be dedicated to the well.

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF STEVENS OIL COMPANY FOR A DUAL
COMPLETION (UNORTHODOX) IN NW/4
NW/4 SECTION 1, TOWNSHIP 9 SOUTH,
RANGE 28 EAST, CHAVES COUNTY,
NEW MEXICO

A P P L I C A T I O N

COMES NOW, Stevens Oil Company and applies to the Oil Conservation Commission of New Mexico for an order providing authority to applicant to complete its O'Brien "C" Well #2, located in Unit D of Section 1, Township 9 South, Range 28 East, N.M.P.M., Chaves County, New Mexico as a dual completion to permit production of oil from the Twin Lakes San Andres pool and the Twin Lakes Devonian pool, and in support thereof Applicant would show:

1. Applicant is the owner of the right to produce oil and gas from the following described acreage: N/2 NW/4 of Section 1, Township 9 South, Range 28 East, N.M.P.M., Chaves County, New Mexico.

2. Applicant has completed its O'Brien "C" #2 Well located 660 feet from the north and west lines of said Section 1 as a dual completion in the Twin Lakes San Andres and Devonian pools, as shown by schematic diagram attached hereto.

3. Applicant's proposed dual completion is unconventional in that Devonian oil and gas will be produced by gas lift through 2 3/8" tubing set at 7200' with gas lift valves inside 5 1/2" casing to 2749' and 7" casing to 7295'. Applicant proposes to produce the San Andres formation through 1 1/2" tubing set between the 5 1/2" casing and 9 5/8" intermediate casing at a depth of 2600'.

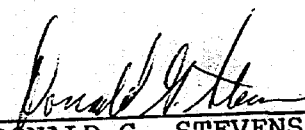
4. Approval of this application will result in recovery of oil and gas that would not otherwise be recovered, will prevent waste, and correlative rights of other owners in the area will

be protected.

WHEREFORE, Applicant respectfully requests that the Commission set this matter 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 an unorthodox dual completion for the Stevens Oil Company #2 O'Brien "C" located in NW/4 NW/4 of Section 1, Township 9 South, Range 28 East, Chaves County, New Mexico, and for further orders as may be proper in the premises.

Respectfully submitted,

STEVENS OIL COMPANY

By 

DONALD G. STEVENS

P.O. Box 1797

Santa Fe, New Mexico 87501

ATTORNEY FOR APPLICANT

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

Case 5804

Form C-107
5-1-61

Operator Stevens Oil Company		County Chaves	Date 10-20-76
Address Box 1797, Santa Fe, New Mexico 7501		Lease O'Brien "C"	Well No. 2
Location of Well D	Unit 1	Township 9 South	Range 28 East

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 X
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	Twin Lakes San Andres		Twin Lakes Devonian
b. Top and Bottom of Pay Section (Perforations)	2564-92		7249-72
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Beam Pump		Artificial Gas Lift

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

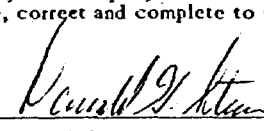
Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing 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. Not applicable 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 112-A.)

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

No offset operators other than this operator

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

CERTIFICATE: I, the undersigned, state that I am the owner of the Stevens Oil 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.


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

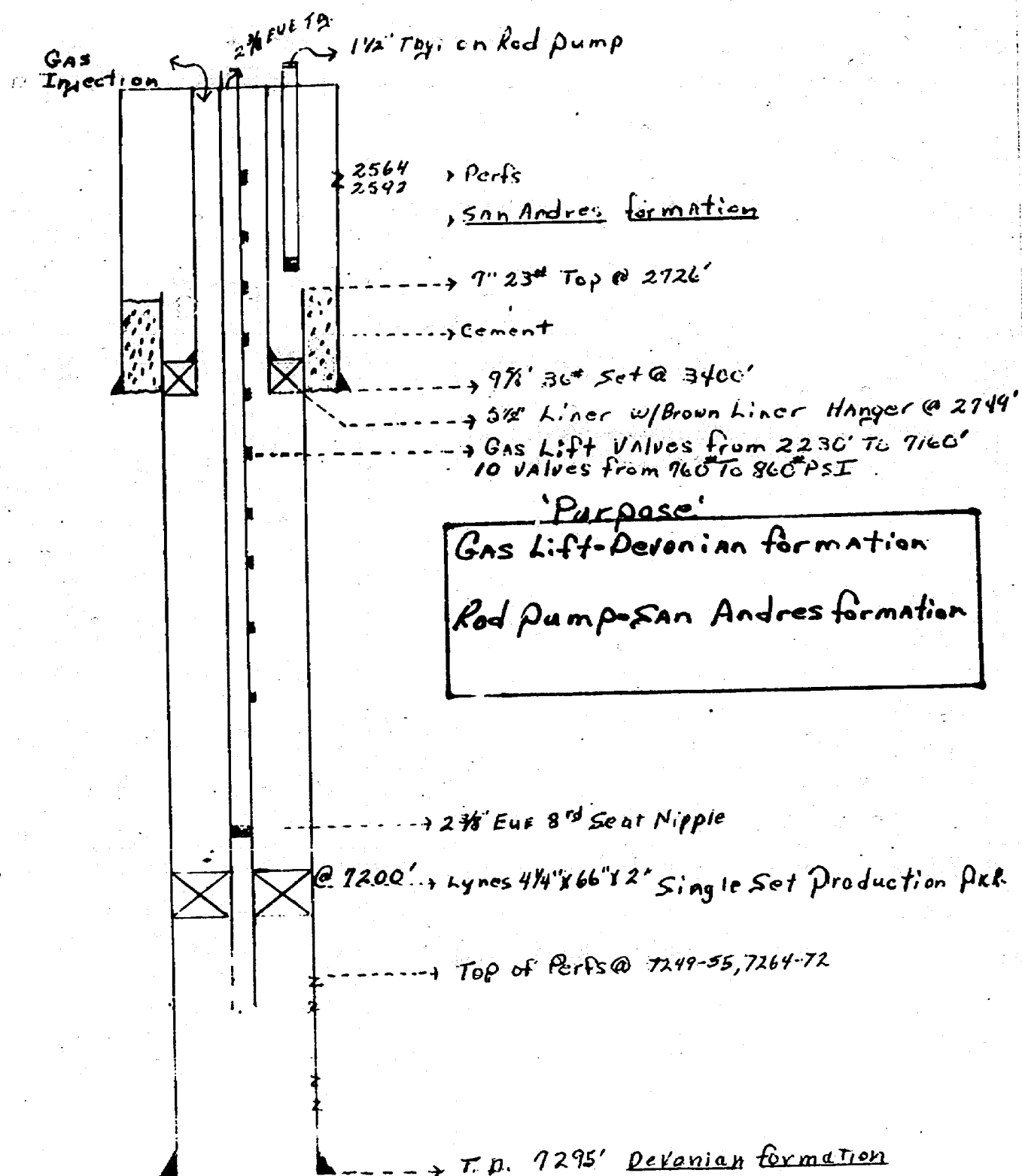
[illegible]

Case 5804

STEVENS OIL COMPANY

SCHEMATIC DIAGRAM

Stevens Oil Company #2 O'Brien "C", Dual Completion



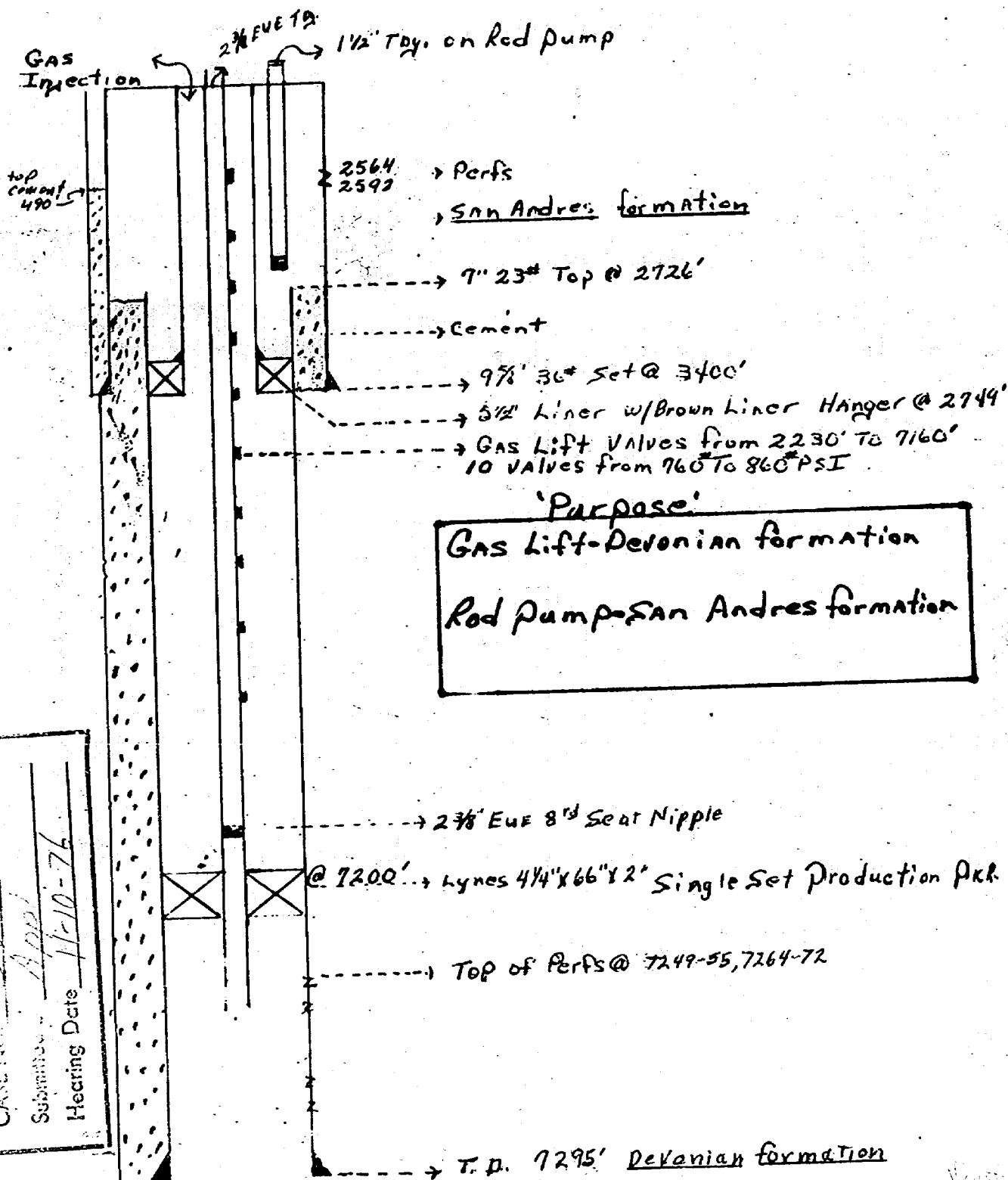
Exhibits 1 through 3
Complete Set

<p>U.S.</p> <p>29</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>28</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>27</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>26</p> <p>Stevens Oil 2-29-78</p>	<p>25</p> <p>Stevens Oil 2-29-78</p>	<p>24</p> <p>Stevens Oil 2-29-78</p>	<p>23</p> <p>Stevens Oil 2-29-78</p>	<p>22</p> <p>Stevens Oil 2-29-78</p>	<p>21</p> <p>Stevens Oil 2-29-78</p>	<p>20</p> <p>Stevens Oil 2-29-78</p>
<p>U.S.</p> <p>32</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>33</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>34</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>35</p> <p>Stevens Oil 2-29-78</p>	<p>36</p> <p>Stevens Oil 2-29-78</p>	<p>37</p> <p>Stevens Oil 2-29-78</p>	<p>38</p> <p>Stevens Oil 2-29-78</p>	<p>39</p> <p>Stevens Oil 2-29-78</p>	<p>40</p> <p>Stevens Oil 2-29-78</p>	<p>41</p> <p>Stevens Oil 2-29-78</p>
<p>U.S.</p> <p>42</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>43</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>44</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>45</p> <p>Stevens Oil 2-29-78</p>	<p>46</p> <p>Stevens Oil 2-29-78</p>	<p>47</p> <p>Stevens Oil 2-29-78</p>	<p>48</p> <p>Stevens Oil 2-29-78</p>	<p>49</p> <p>Stevens Oil 2-29-78</p>	<p>50</p> <p>Stevens Oil 2-29-78</p>	<p>51</p> <p>Stevens Oil 2-29-78</p>
<p>U.S.</p> <p>52</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>53</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>54</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>55</p> <p>Stevens Oil 2-29-78</p>	<p>56</p> <p>Stevens Oil 2-29-78</p>	<p>57</p> <p>Stevens Oil 2-29-78</p>	<p>58</p> <p>Stevens Oil 2-29-78</p>	<p>59</p> <p>Stevens Oil 2-29-78</p>	<p>60</p> <p>Stevens Oil 2-29-78</p>	<p>61</p> <p>Stevens Oil 2-29-78</p>
<p>U.S.</p> <p>62</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>63</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>64</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>65</p> <p>Stevens Oil 2-29-78</p>	<p>66</p> <p>Stevens Oil 2-29-78</p>	<p>67</p> <p>Stevens Oil 2-29-78</p>	<p>68</p> <p>Stevens Oil 2-29-78</p>	<p>69</p> <p>Stevens Oil 2-29-78</p>	<p>70</p> <p>Stevens Oil 2-29-78</p>	<p>71</p> <p>Stevens Oil 2-29-78</p>
<p>U.S.</p> <p>72</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>73</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>74</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>75</p> <p>Stevens Oil 2-29-78</p>	<p>76</p> <p>Stevens Oil 2-29-78</p>	<p>77</p> <p>Stevens Oil 2-29-78</p>	<p>78</p> <p>Stevens Oil 2-29-78</p>	<p>79</p> <p>Stevens Oil 2-29-78</p>	<p>80</p> <p>Stevens Oil 2-29-78</p>	<p>81</p> <p>Stevens Oil 2-29-78</p>
<p>U.S.</p> <p>82</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>83</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>84</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>85</p> <p>Stevens Oil 2-29-78</p>	<p>86</p> <p>Stevens Oil 2-29-78</p>	<p>87</p> <p>Stevens Oil 2-29-78</p>	<p>88</p> <p>Stevens Oil 2-29-78</p>	<p>89</p> <p>Stevens Oil 2-29-78</p>	<p>90</p> <p>Stevens Oil 2-29-78</p>	<p>91</p> <p>Stevens Oil 2-29-78</p>
<p>U.S.</p> <p>92</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>93</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>94</p> <p>Franklin, Astor & Fair 12-1-84 14472</p>	<p>95</p> <p>Stevens Oil 2-29-78</p>	<p>96</p> <p>Stevens Oil 2-29-78</p>	<p>97</p> <p>Stevens Oil 2-29-78</p>	<p>98</p> <p>Stevens Oil 2-29-78</p>	<p>99</p> <p>Stevens Oil 2-29-78</p>	<p>100</p> <p>Stevens Oil 2-29-78</p>	<p>101</p> <p>Stevens Oil 2-29-78</p>

STEVENS OIL COMPANY

SCHEMATIC DIAGRAM

Stevens Oil Company #2 O'Brien "C", Dual Completion



BEFORE EXAMINER STAMETS
OIL COMMISSION
Appl. EXHIBIT NO. 3
CASE NO. 5804
Submitted: Appl.
Hearing Date 11-10-76

BEFORE THE
OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF STEVENS OIL COMPANY FOR A DUAL
COMPLETION (UNORTHODOX) IN NW/4
NW/4 SECTION 1, TOWNSHIP 9 SOUTH,
RANGE 28 EAST, CHAVES COUNTY,
NEW MEXICO

A P P L I C A T I O N

COMES NOW, Stevens Oil Company and applies to the Oil Conservation Commission of New Mexico for an order providing authority to applicant to complete its O'Brien "C" Well #2, located in Unit D of Section 1, Township 9 South, Range 28 East, N.M.P.M., Chaves County, New Mexico as a dual completion to permit production of oil from the Twin Lakes San Andres pool and the Twin Lakes Devonian pool, and in support thereof Applicant would show:

1. Applicant is the owner of the right to produce oil and gas from the following described acreage: N/2 NW/4 of Section 1, Township 9 South, Range 28 East, N.M.P.M., Chaves County, New Mexico.
2. Applicant has completed its O'Brien "C" #2 Well located 660 feet from the north and west lines of said Section 1 as a dual completion in the Twin Lakes San Andres and Devonian pools, as shown by schematic diagram attached hereto.
3. Applicant's proposed dual completion is unconventional in that Devonian oil and gas will be produced by gas lift through 2 3/8" tubing set at 7200' with gas lift valves inside 5 1/2" casing to 2749' and 7" casing to 7295'. Applicant proposes to produce the San Andres formation through 1 1/2" tubing set between the 5 1/2" casing and 9 5/8" intermediate casing at a depth of 2600'.
4. Approval of this application will result in recovery of oil and gas that would not otherwise be recovered, will prevent waste, and correlative rights of other owners in the area will


Case 5804

be protected.

WHEREFORE, Applicant respectfully requests that the Commission set this matter 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 an unorthodox dual completion for the Stevens Oil Company #2 O'Brien "C" located in NW/4 NW/4 of Section 1, Township 9 South, Range 28 East, Chaves County, New Mexico, and for further orders as may be proper in the premises.

Respectfully submitted,

STEVENS OIL COMPANY

By 

DONALD G. STEVENS

P.O. Box 1797

Santa Fe, New Mexico 87501

ATTORNEY FOR APPLICANT

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

Case 5804
Form C-107
5-1-61

Operator Stevens Oil Company		County Chaves		Date 10-20-76
Address Box 1797, Santa Fe, New Mexico 7501		Lease O'Brien "C"		Well No. 2
Location of Well D	Unit 1	Section 9 South	Township 28 East	Range

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 X
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	Twin Lakes San Andres		Twin Lakes Devonian
b. Top and Bottom of Pay Section (Perforations)	2564-92		7249-72
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Beam Pump		Artificial Gas Lift

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

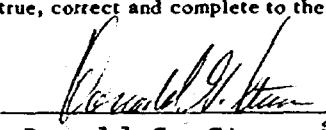
Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing 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. Not applicable 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 112-A.)

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

No offset operators other than this operator

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

CERTIFICATE: I, the undersigned, state that I am the owner of the Stevens Oil 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.


Donald G. Stevens 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.

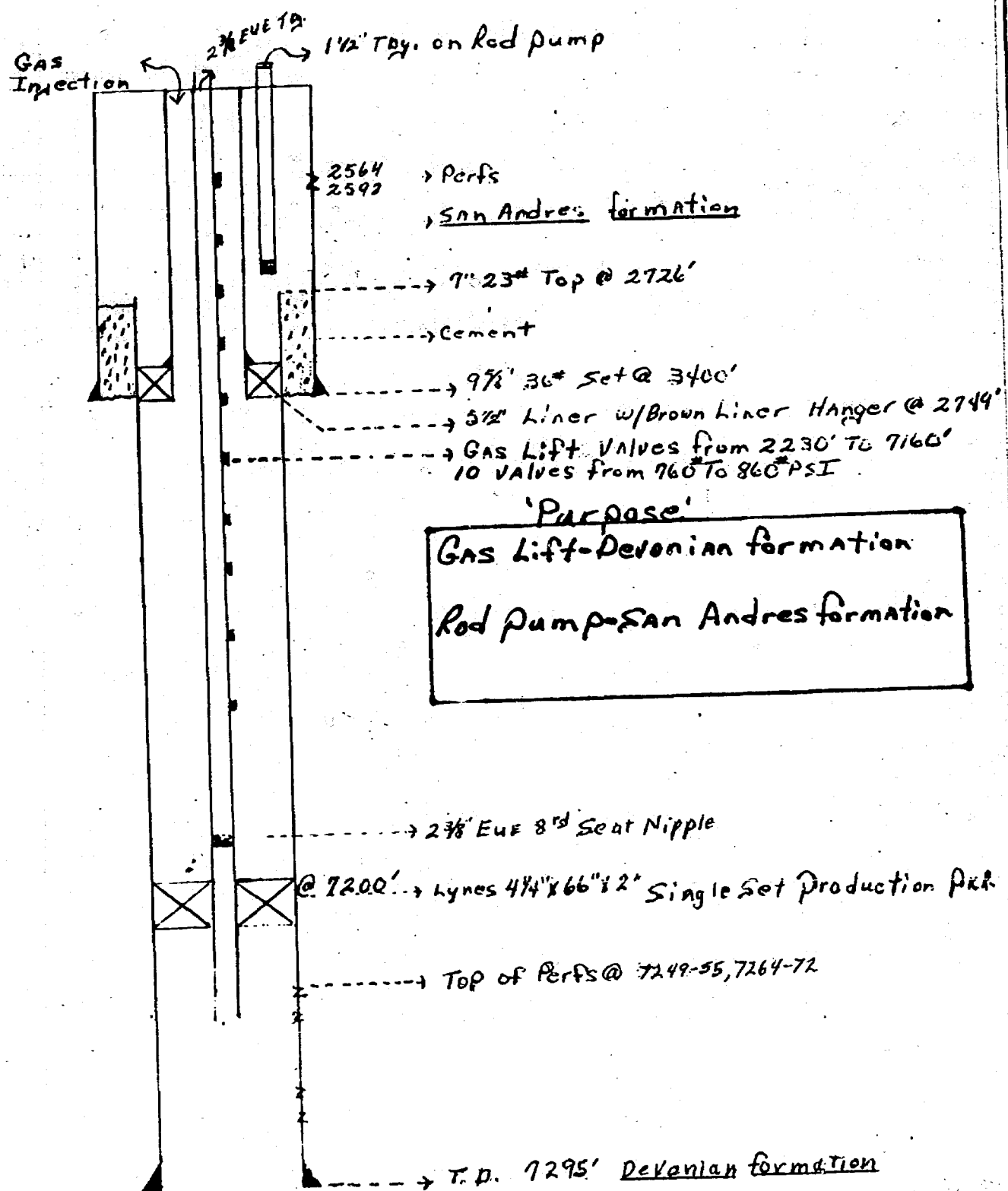
NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

Case 5804

STEVENS OIL COMPANY

SCHEMATIC DIAGRAM

Stevens Oil Company #2 O'Brien "C", Dual Completion



DRAFT

dr/

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. 5804

Order No. R- 5326

APPLICATION OF STEVENS OIL COMPANY
FOR A DUAL COMPLETION, CHAVES
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
November 10, 1976, at Santa Fe, New Mexico, before
Examiner Richard L. Stamets.

NOW, on this day of November, 1976, 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, Stevens Oil Company,
seeks authority to complete its O'Brien "C" Well No. 2
~~well~~, located in Unit D of Section 1, Township
9 South Range 28 East NMPM, Chaves County, New
Mexico, as a dual completion ^(conventional) ~~combination~~ to produce ^{oil} ~~gas~~
~~tubingless~~
from the San Andres and Devonian formations through parallel
strings of tubing.

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

Send copy of exhibit
3 to Bill Gressett
5804

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Stevens Oil Company,
is hereby authorized to complete its O'Brien "C" Well No. 2
~~Well No. 2~~, located in Unit D of Section 1, Township
9 ~~South~~ South Range 28 ~~East~~ East NMPM, Chaves County, New
Mexico, as a dual completion ~~(conventional)~~ (combination) to produce ~~gas~~ oil

see
under
from the San Andres formation ~~through a string of~~
~~1 1/2-inch tubing installed between~~
the 5 1/2-inch and 9 5/8-inch casing strings
and oil from the Devonian formation
through ~~2 3/8-inch tubing installed~~
in a packer within the 5 1/2-inch casing
at an approximate depth of 7,200 feet.

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 Twin Lakes-San Andres Pool.
~~deliverability~~

(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.