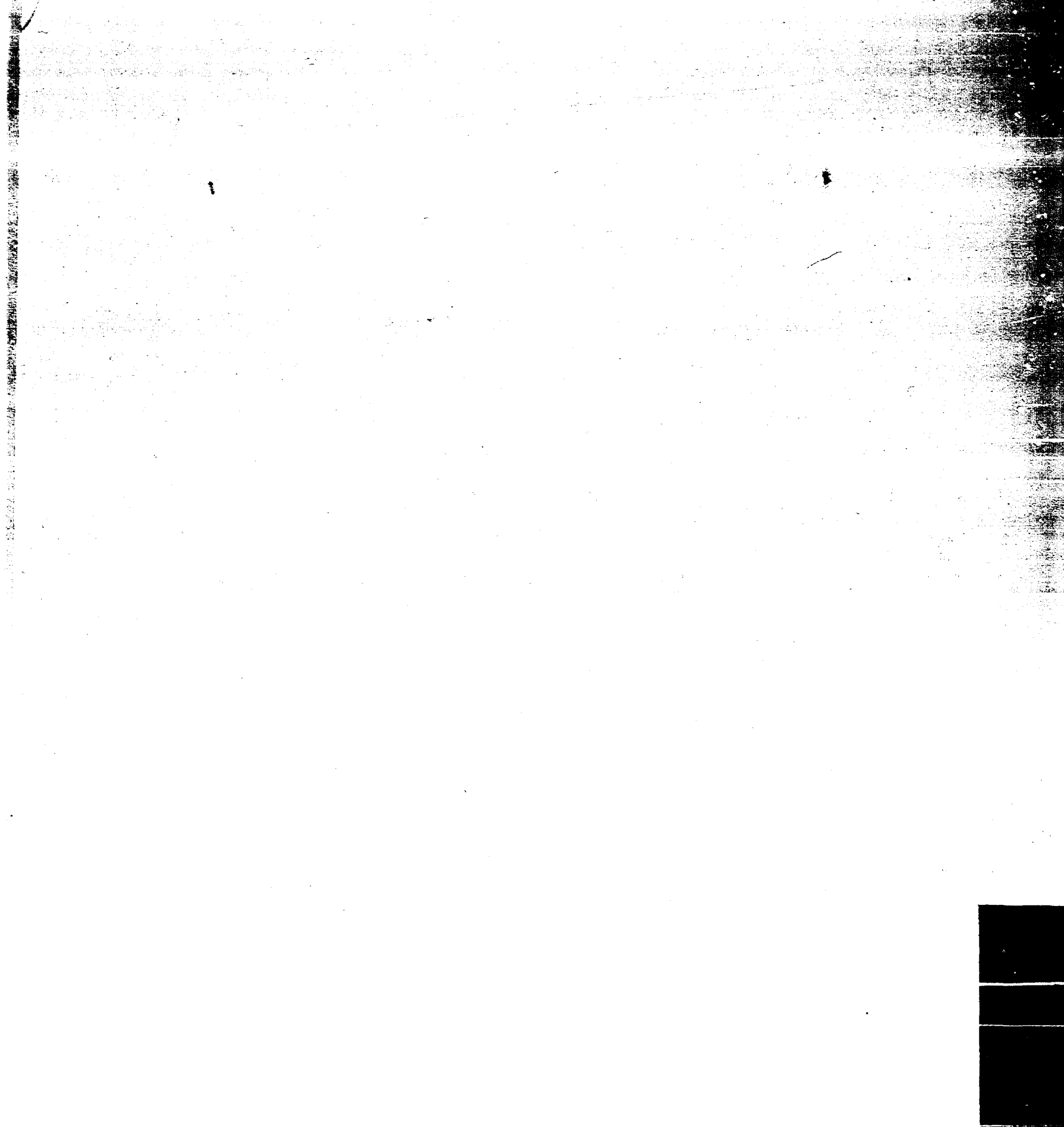


Case No.

1396

Application, Transcript,
Small Exhibits, Etc.



**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

**CASE NO. 1296
Order No. B-1146**

**APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN ORDER AUTHORIZING
A DUAL COMPLETION IN THE TERRY
BLINEBRY OIL POOL AND THE TUBB
GAS POOL IN LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 19, 1938, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 3rd day of April, 1938, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Continental Oil Company, is the co-owner and operator of the Hawk B-3 Well No. 4, located 1800 feet from the North line and 909 feet from the East line of Section 3, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Hawk B-3 Well No. 4 in such a manner as to permit the production of oil from the Terry Blinebry Oil Pool and the production of either gas or oil from the Tubb Gas Pool through parallel strings of tubing.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (5) That the proposed mechanical installation is such that efficient production of the well as an oil-oil dual completion or an oil-gas dual completion can be obtained.
- (6) That the approval of the subject application will not cause waste nor impair correlative rights.

(7) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Continental Oil Company, be and the same is hereby authorized to dually complete its Bush D-3 Well No. 4, located 1500 feet from the North line and 600 feet from the East line of Section 8, Township 21 South, Range 37 East, N.W. 1/4, Lea County, New Mexico, in such a manner as to permit the production of oil from the Terry Blinbry Oil Pool and the production of either gas or oil from the Tubb Pool through parallel strings of tubing.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well-bore, either within or outside the casing, of gas, oil and gas, or oil produced from either or both of the separate strata,

PROVIDED HOWEVER, That prior to the actual dual completion the operator shall make pressure tests of the casing to prove that no casing leaks exist. In the event a casing leak is apparent the operator shall take appropriate steps to adequately repair the leak. The results of these tests shall be reported to the Commission on Form C-103.

PROVIDED FURTHER, That upon the actual dual completion of such subject well applicant shall submit to the appropriate District Office of the Commission copies of Oil Conservation Commission Form C-103, Form C-104, Form C-110, and Form C-122, outlining the information required on these forms by existing Rules and Regulations, and two copies of the electric log of the well.

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used at any time as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil or gas-liquid ratio thereof determined, and

PROVIDED FURTHER, That the operator shall make any and all tests, including segregation and packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Terry Blinbry Oil Pool, commencing in the year 1959, and whenever the packer is disturbed, but not excluding any other tests and/or determinations as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of offset operators if any there be at their election, and the results of each test, properly attested

-3-
Case No. 1396
Order No. E-1146

to by the applicant hereina and all witnesses, shall be filed with the Commission within fifteen (15) days after the completion of such tests, and further, that applicant shall file with the Commission in duplicate a packer-setting affidavit, which affidavit shall be due within fifteen (15) days of the dual completion or whenever the packer is disturbed, and

REPAIRING PACKERS. That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the well between the strata, and a special report of production, gas-oil ratio or gas-liquid ratio, and reservoir pressure determination for each producing well or stratum immediately following completion.

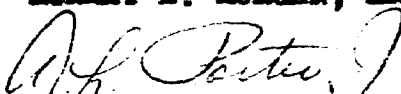
IT IS FURTHER ORDERED. That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

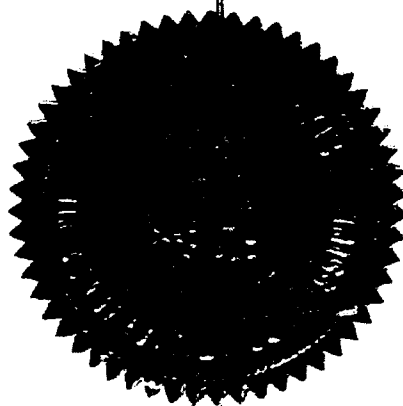
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


EDWIN L. MECHEM, Chairman


MURRAY E. MORGAN, Member


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



OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date March 20, 1958

CASE NO. 1396

9 am
HEARING DATE 3/19 Santa Fe: DSN

My recommendations for an order in the above numbered case(s) are as follows:

Enter an order approving the dual completion of the applicant's Hawk B-3 Well No. 4 located in Unit 8, Section 3, Township 21 South, Range 31 East, Applicant is reasonably sure of production of oil from the Terry Blinbry Pool, but is not sure whether oil or gas will be obtained upon completion of the well in the Tubb pool. However, the proposed mechanical installation is such that the efficient production of the well as an oil-oil dual or oil-gas dual can be obtained.

[Signature]
Staff Member
Examiner

DOCKET: EXAMINER HEARING MARCH 19, 1958

Oil Conservation Commission 9 a.m. Mabry Hall, State Capitol, Santa Fe, N. M.

The following cases will be heard before Daniel S. Nutter, Examiner:

CASE 1368: Application of Ambassador Oil Corporation for an order amending Order No. R-1110. Applicant, in the above-styled cause, seeks an order amending Order No. R-1110 to substitute the Vickers-Etz Well No. 2, NE/4 NE/4 Section 30, and the Vickers-Etz Well No. 3, SW/4 NE/4 Section 30, as water injection wells in lieu of the Carper Wheatley Well No. 1, SW/4 SE/4 Section 29, and Texas Trading State Well No. 3, NE/4 NW/4 Section 32, all in Township 16 South, Range 31 East, Eddy County, New Mexico.

CASE 1395: Application of Graridge Corporation for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its North Caprock-Queen Unit for purposes of secondary recovery in the Caprock-Queen Pool in Lea and Chaves Counties, New Mexico. Said unit comprises 2,887 acres, more or less, of State of New Mexico and patented lands located in Township 12 South, Range 31 East, Chaves County, New Mexico, and Township 12 South, Range 32 East, and Township 13 South, Range 32 East, Lea County, New Mexico.

CASE 1396: Application of Continental Oil Company for a dual completion. Applicant, in the above-styled cause seeks an order authorizing the dual completion of its Hawk B-3 Well No. 4 located 1980 feet from the North line and 660 feet from the East line of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Terry-Blinebry Oil Pool and gas from the Tubb Gas Pool through parallel strings of tubing.

CASE 1397: Application of Warren-Bradshaw Exploration Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the production of more than eight wells into a common tank battery and authorizing the commingling of production from two basic State of New Mexico leases, comprising the W/2 NW/4, W/2 SW/4, and SE/4 SW/4 of Section 21, and the NE/4 of Section 29, respectively, Township 17 South, Range 33 East, Lea County, New Mexico.

CASE 1398: Application of Sinclair Oil & Gas Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard gas proration unit in the Tubb Gas Pool comprising the W/2 SW/4, SE/4 SW/4, and SW/4 SE/4 of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's J. R. Cone "A" Well No. 1 located 660 feet from the South and West lines of said Section 26.

CASE 1399:

Application of Sinclair Oil & Gas Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard gas proration unit in the Blinebry Gas Pool comprising the W/2 SW/4, SE/4 SW/4, and SW/4 SE/4 of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's J. R. Cone "A" Well No. 2 located 1980 feet from the South line and 660 feet from the West line of said Section 26.

CASE 1400:

Application of Gulf Oil Corporation for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Naomi Keenum Well No. 2 located 660 feet from the South line and 1980 feet from the East line of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Terry-Blinebry Oil Pool and to permit the production of gas from the Tubb Gas Pool through parallel strings of tubing.

CASE 1401:

Application of Gulf Oil Corporation for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its T. R. Andrews Well No. 3 located 1980 feet from the South and East lines of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Paddock oil pool through tubing and to permit the production of gas from the Tubb Gas Pool through tubing up to the Paddock oil zone and thence through a crossover assembly into the casing-tubing annulus to the surface.

CASE 1402:

Application of Neville G. Penrose, Inc. for an exception to the No-Flare Order No. R-553 for an oil well in the Tubb Gas Pool. Applicant, in the above-styled cause, seeks an order granting an exception to No-Flare Order No. R-553 for its McCallister Well No. 1, located 660 feet from the North line and 660 feet from the West line of Section 7, Township 22 South, Range 38 East, Tubb Gas Pool, Lea County, New Mexico.



CONTINENTAL OIL COMPANY

Elmwood, New Mexico
Box 68
March 20, 1958

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

Attention: Mr. D. S. Nutter

Gentlemen:

In connection with our application on case No. 1396 on which hearing was held March 19, 1958, you requested some information on the tubing to be used in the dual completion of our Hawk B-3 No. 4. As presented in my testimony the long string of tubing will consist of regular 2" EUE tubing which has an outside diameter of 2.375" and an inside diameter of 1.995" and drift diameter of 1.901". The coupling has an OD of 3.063". The short string was originally designed to employ 2" N-80 Hydril "FJ" tubing which has an outside diameter of 2.375" and an inside diameter of 1.995". No coupling would be used. We have changed our well plan to utilize for the short string regular 2 3/8" OD tubing with a turned down-bevelled collar. This tubing has the same internal-external dimensions as the long string but the couplings have an outside diameter of 2.910".

The casing is 7" OD 23# J-55 and N-80 combination having an ID of 6.366" and drift diameter of 6.241".

Please let us know if we can be of further assistance.

Yours very truly,

V. T. Lyon
Acting District Engineer

VTL-BLF

CC: Jason Kellahin - RLA

P I C N E E R I N G I N P E T R O L E U M P R O G R E S S S I N C E 1 8 7 5

Case 1346

NEW MEXICO
OIL CONSERVATION COMMISSION
P. O. Box 871
Santa Fe, New Mexico

Date February 18, 1958

Continental Oil Company
625 Petroleum Building
Boswell, New Mexico

ATTENTION: R. L. Adams

Gentlemen:

Your application for ~~permission to dually complete your No. 1 well No. 1~~
~~in Section 3, Township 21 South, Range 37 East, Lea County, New Mexico~~

dated February 12, 1958 has been received, and has been tentatively
scheduled for hearing before an Examiner on
March 19, 1958

A copy of the docket will be forwarded to you as soon as the matter is
advertised.

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.,
Secretary-Director

ga

*Docket mailed
3-6-58 BP*



CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING
ROSWELL, NEW MEXICO

R. L. ADAMS
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

February 12, 1958

Case 1396
MAIN OFFICE OCC
RECEIVED FEB 15 PM 12:54

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

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

Gentlemen:

Attached is Continental Oil Company's application, in triplicate, for permission to effect a Terry Blinebry oil and Tubb oil or gas dual completion in its Hawk B-3 Well No. 4, located in Section 3, T21S, R37E, N.M.P.M., Lea County, New Mexico. It is requested that this matter be set for hearing before an examiner in Hobbs, New Mexico at the earliest convenient date.

Yours very truly,

R. L. Adams

RLA-MH

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF CONTINENTAL OIL COMPANY FOR
AUTHORITY TO EFFECT A TERRY BLINEBRY
OIL AND TUBB OIL OR GAS DUAL COMPLE-
TION IN ITS HAWK B-3 WELL NO. 4
LOCATED IN SECTION 3-T21S-R37E, NMPM,
LEA COUNTY, NEW MEXICO.

APPLICATION

Comes now applicant, Continental Oil Company, and respectfully petitions the Commission for an order authorizing applicant to effect a Blinebry-Tubb dual completion in its Hawk B-3 well No. 4 located in Sec. 3-T21S-R37E, NMPM, Lea County, New Mexico, for the purpose of producing oil from the Terry Blinebry pool and oil or gas from the Tubb pool and in support thereof would show:

1. That applicant is co-owner and is the operator of a lease designated as the Hawk B-3 lease which covers, in addition to other lands, lots 1, 2, 3, 4, 7 and 8 of Sec. 3-T21S-R37E, NMPM.
2. That applicant drilled and completed on June 3, 1950, well No. 4 on the subject lease as a Drinkard oil well located 1980 feet from the North line and 660 feet from the East line of the said Sec. 3.
3. That the said well is currently shut in and applicant desires to abandon the Drinkard formation.
4. That conditions appear favorable for Blinebry and Tubb production from said well and applicant proposes to plug back and dually complete the said well in the Blinebry formation for oil production from the Terry Blinebry pool and the Tubb formation for oil or gas from the Tubb pool.
5. That the proposed dual completion will be accomplished by utilizing parallel tubing strings and adequate packers to assure that the fluids produced from each formation will be completely segregated in the well and separately measured and stored on the surface.
6. That the dual completion proposed for the subject well is mechanically and economically feasible and will neither cause waste nor violate correlative rights and will promote the conservation of oil and gas.
7. The equipment proposed to be used will permit the taking of individual tests as required by the Commission on either or both of the formations open to production in the well.

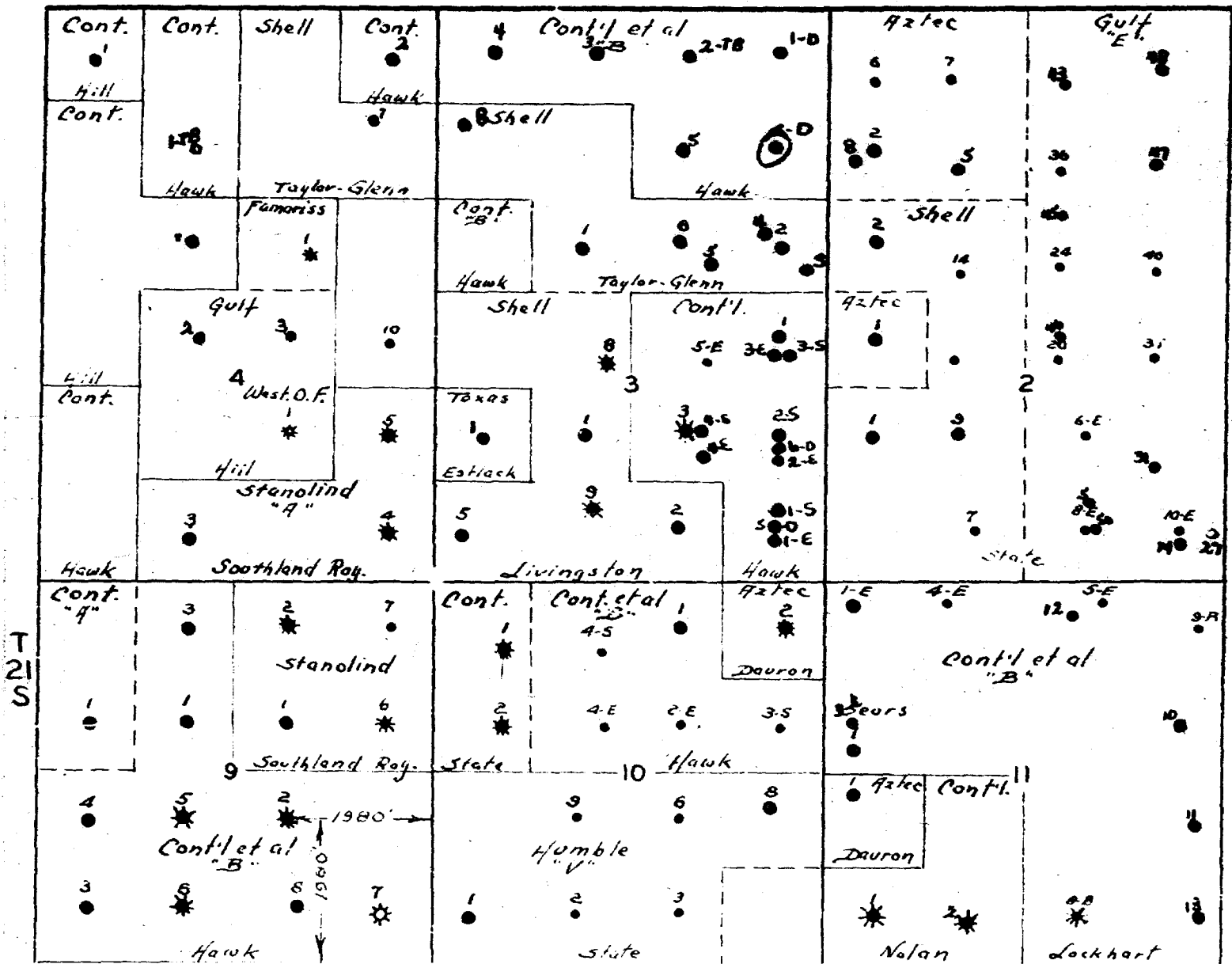
Wherefore, applicant respectfully prays that this application be set for hearing before the Commission's duly appointed examiner at Hobbs, New Mexico, that due notice thereof be given and that upon hearing, an order be entered granting applicant authority to effect a dual completion of its Hawk B-3 No. 4 as described above.

Respectfully submitted,
CONTINENTAL OIL COMPANY

By R. L. Adams

Date 2-12-58

R-37-E



CONTINENTAL OIL COMPANY
 AREA OF HAWK B-3 LEASE
 TUBB AND TERRY BLINEBRY POOLS

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

March 19, 1958

TRANSCRIPT OF HEARING

Case 1396

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE - SANTA FE
3-6691 2-2211

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

March 19, 1958

IN THE MATTER OF:

Application of Continental Oil Company for a dual :
completion. Applicant, in the above-styled cause :
seeks an order authorizing the dual completion of :
its Hawk B-3 Well No. 4 located 1980 feet from : Case No.
the North line and 660 feet from the East line of : 1396
Section 3, Township 21 South, Range 37 East, Lea :
County, New Mexico, in such a manner as to permit :
the production of oil from the Terry-Blinebry Oil :
Pool and gas from the Tubb Gas Pool through para- :
llel strings of tubing. :

BEFORE: Mr. Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. PAYNE: Application of Continental Oil Company for a
dual completion.

MR. KELLAHIN: If the Commission please, Jason Kellahin,
Kellahin and Fox, Santa Fe, New Mexico, representing the applicant,
Continental Oil Company. We will have one witness, Mr. V. T. Lyon.

(Witness sworn.)

V. T. LYON

called as a witness, having been first duly sworn, testified as
follows:

DIRECT EXAMINATION

By MR. KELLAHIN:

Q Would you state your name, please?

A V. T. Lyon.

Q By whom are you employed? A Continental Oil Company.

Q In what position? A Acting District Engineer.

Q For what district?

A Eunice District, located in Eunice, New Mexico.

Q Mr. Lyon, have you previously testified before this Commission as an expert engineer and had your qualifications accepted?

A Yes, sir.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. NUTTER: They are.

Q Are you familiar with the application in Case 1396?

A Yes, sir.

Q What is proposed in that application?

A This is Continental's application for authority to dually complete our Hawk B-3 No. 4 Well located in Section 3, Township 21 South, Range 37 East, Lea County, New Mexico.

Q Now, referring to what has been marked as Exhibit No. 1, will you state what that is?

A Exhibit No. 1 is a plat of the Hawk B-3 lease and the immediately surrounding area. The plat is prepared on a scale of one inch to two thousand feet. It shows the lease outlined in red, the lease incidently consists of three separate tracts; the tract which we are presently concerned with is the northern tract

4

which consists of lots 1, 2, 3, 4, 7 and 8. The plat also shows the No. 4 Well circled in red. It shows the contours of the Blinebry marker contoured on an interval of 25 feet. Terry-Blinebry oil wells are shown by the usual oil well symbol. Blinebry gas wells are shown by the gas well symbol.

Q Where is the Hawk B-3 No. 4 located?

A It is located 1980 feet from the North line, 660 feet from the East line of Section 3, Township 21 South, Range 37 East.

Q Now, referring to Exhibit No. 1, does that indicate that the Hawk B-3 Well No. 4 is favorably located for the production from the Terry-Blinebry Oil Pool?

A Yes, sir.

Q Now, referring to Exhibit No. 2, will you state what that is?

A Exhibit No. 2 is a plat showing approximately the same area and on the same scale as Exhibit No. 1. It shows the lease outlined in red, the No. 4 Well circled in red, it shows the contours of the Tubb marker on the contour interval of 10 feet. It also shows the location of other wells in the area and Tubb producing wells are circled in green.

Q Now, is that well located favorably for Tubb production in your opinion?

A We believe that it is.

Q Do you know what characteristics of production you might find in the Tubb?

A Well, we believe that it will be oil or gas.

Q Then you want an order that would be broad enough to allow

the production by dual completion of either oil or gas from the Tubb, is that correct?

A Yes, sir.

Q Now, with the proposed method of completion, will both zones be produced sufficiently?

A Yes, sir. We propose to complete the well with parallel tubing strings so that each zone will be produced through tubing, which we believe is as efficient as if the wells were single completions.

Q Referring to Exhibit No. 3, would you state what that is?

A Exhibit No. 3 is a copy of the radioactivity log on this well and shows the present perforations in the Drinkard Formation, the proposed perforations in the Tubb, and the proposed perforations in the Blinebry. It also has indicated on it the Blinebry marker, the Tubb marker and the top of the Drinkard Formation.

Q Now, are those perforations so located that they will be within the defined vertical limits of the Tubb Gas Pool and the Terry-Blinebry Oil Pool?

A Yes, sir, they are.

Q Referring back to Exhibits Nos. 1 and 2, is the well located and the acreage to be dedicated thereto located within the horizontal limits of the two pools involved?

A Yes, sir.

Q Now, referring to Exhibit No. 4, would you state what that is?

A Exhibit No. 4 is a schematic diagram showing the present

condition of the well and the proposed dual completion. At present the well is perforated in the Drinkard, but the well is dead and is shut in. It has been shut in for some time. On the right the schematic diagram indicates that a cement retainer will be set at approximately 6580 and the present perforations will be squeezed. We propose then to perforate the Tubb in the interval shown and treat and test. We will then set a retrievable bridge plug above the plug perforating the Drinkard in the interval shown, treat and test the Drinkard.

Q You say the Drinkard. You mean the Blinebry?

A Pardon me, the Blinebry. We will then remove the retrievable bridge plug, run a Baker Model 415 D packer at approximately 6280, run two inch tubing through the packer and then a short string of tubing which will be either hydril or tubing with turndown couplings alongside, swab both zones off and place on production.

Q The type of production packer you contemplate using, is it such that it will achieve complete separation between the two zones?

A Yes, sir.

Q There is no danger of communication?

A No, sir. Of course a packer leakage test will be run and we will be assured there is no leakage across the packer.

Q With that type of completion is it possible for you to make all the tests that may be required by the Oil Conservation Commission?

A Yes, sir.

Q Referring to Exhibit No. 5, will you state what that is?

A Exhibit No. 5 is a drawing of the tubing hanger and well head assembly which we propose to use on this well. The proposed equipment is adequate to maintain complete separation of the fluids produced from both zones and will enable us to take all tests required by the Commission.

Q Will there be separate production and measurement of the fluids from the two zones with this type of completion?

A Yes, sir.

Q In your opinion will this proposed dual completion result in the economical recovery of oil or gas or both from these zones?

A Yes, sir.

Q And would it be economical to produce both zones with a single completion?

A Well, since we haven't tested the Tubb, it would be difficult to say, but in my opinion economic recovery of the Tubb would be extremely doubtful.

Q Is this proposed dual completion in the interest of the prevention of waste and the protection of correlative rights?

A Yes, sir.

MR. KELLAHIN: At this time we would like to offer in evidence Exhibits 1 through 5 inclusive.

MR. NOTTER: Is there an objection to the introduction of Continental's Exhibits 1 through 5? If not they will be admitted.

Q Do you have anything further you want to add?

A I believe not.

MR. KELLAHIN: That completes our case.

MR. NUTTER: Any questions of the witness? Mr. Cooley.

CROSS EXAMINATION

By MR. COOLEY:

Q Mr. Lyons, Section 3 in which the subject well is located is a correctional section of some sort, is it not?

A Yes, sir.

Q What is the acreage contained in that portion of the Hawk lease to the extreme northeast of the lease which would square off this area?

A You mean Lots 5 and 6?

Q It's difficult for me to tell. A The Shell lease.

Q It has four oil wells in that area.

MR. NUTTER: How would you define the acreage containing the four - forty acre tracts in the northeast part of Section 3, Mr. Lyon?

A Lots 1, 2, 7 and 8 would be equivalent to the Commission's designation of A, B, G and H.

Q Lots 1, 2, 7 and 8 contain 160 acres?

A Approximately.

Q Is there another Tubb completion in this area?

A No, sir. The nearest Tubb well is in Lot 16. That is our

Continental Hawk B-3 No. 1-T which is in the southern or southwestern tract of the lease.

MR. NUTTER: Mr. Lyon, in Exhibit No. 1 there are several wells on the plat that are indicated as Nos. 1, 2, 3, 4 and so forth.

A Yes.

MR. NUTTER: With the suffix TB, does that indicate Tubb or Terry-Blinebry?

A Terry-Blinebry.

Q Then this completion would constitute your last developmental well on that portion of the Hawk lease in the Terry-Blinebry?

A That's correct.

MR. COOLEY: No further questions. Thank you.

MR. NUTTER: Any further questions?

By MR. NUTTER:

Q Mr. Lyon, as I understand it, you want an order broad enough to provide for the dual completion of an oil well in the Terry-Blinebry Pool and a gas well or an oil well in the Tubb Pool?

A Whichever we find in there we would like to have permission to produce.

Q Which do you feel is the more likely production to obtain?

A The Tubb is quite erratic. I'm afraid I would be sticking my neck out too far to make a prediction as to which it would be. We drillstem tested the Tubb when the well was drilled, and it produced a small quantity of gas. However, upon stimulation it very well could produce oil. We just don't know.

Q Do you feel that this proposed dual completion is efficient as a gas-oil or gas-gas dual completion, either one?

A Yes, sir.

Q I mean as an oil-oil or an oil-gas.

A I feel whether you produce oil or gas from either zone, that it is equally efficient as a single completion.

Q Very good. I notice, Mr. Lyon, on your Exhibit No. 4 that you propose to use in the dual completion two inch "EUE" tubing and two inch hydril.

A Yes, that is the way the schematic indicates it. However, we may substitute turndown couplings for the two inch hydril.

Q Is this the normal size of the two inch or would that be two and sixteen inch?

A The normal sized OD is two inch.

Q For the hydril?

A I am not sure.

Q What type of joint hydril tubing would this be?

A The normal hydril joint.

Q CS joint?

A You have got me there. I'm not sure.

Q The tubing wouldn't be any smaller than two inch, however?

A No. Actually this is twenty-three pound seven inch casing and there is room for the couplings on full size two inch EUE tubing to pass. However, for ease in running we propose to use hydril or turndown couplings.

Q Is the Drinkard Formation in this well completed?

A Yes, sir.

Q And when was it shut in?

A It is indicated on the bottom of Exhibit No. 3 I think.
No, it isn't. It has been shut in for several months at least.

Q It was shut in as a result of 100% water production, is that correct?

A Correct.

Q Mr. Lyon, would the internal diameter of the two inch hydril tubing be the same as the internal diameter on the two inch EUE tubing?

A I don't believe I have that information with me, but I'm reasonably certain there is not a great deal of variation.

Q Would you furnish us with the actual size and type of tubing strings that may be inserted in this well at your earliest convenience?

A The ones that possibly may be or the ones we proposed?

Q Yes, the actual internal diameter of the two inch hydril and the internal diameter of the two inch EUE which you suggest may be used as an alternative.

A Yes, sir, we will do it.

MR. NUTTER: Any further questions of Mr. Lyon? Does anyone have anything further to offer in Case 1396? If not we'll

take Case 1396 under advisement and proceed to 1397.

(Witness excused.)

C E R T I F I C A T E

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 28th day of March, 1958.

Ada Dearnley

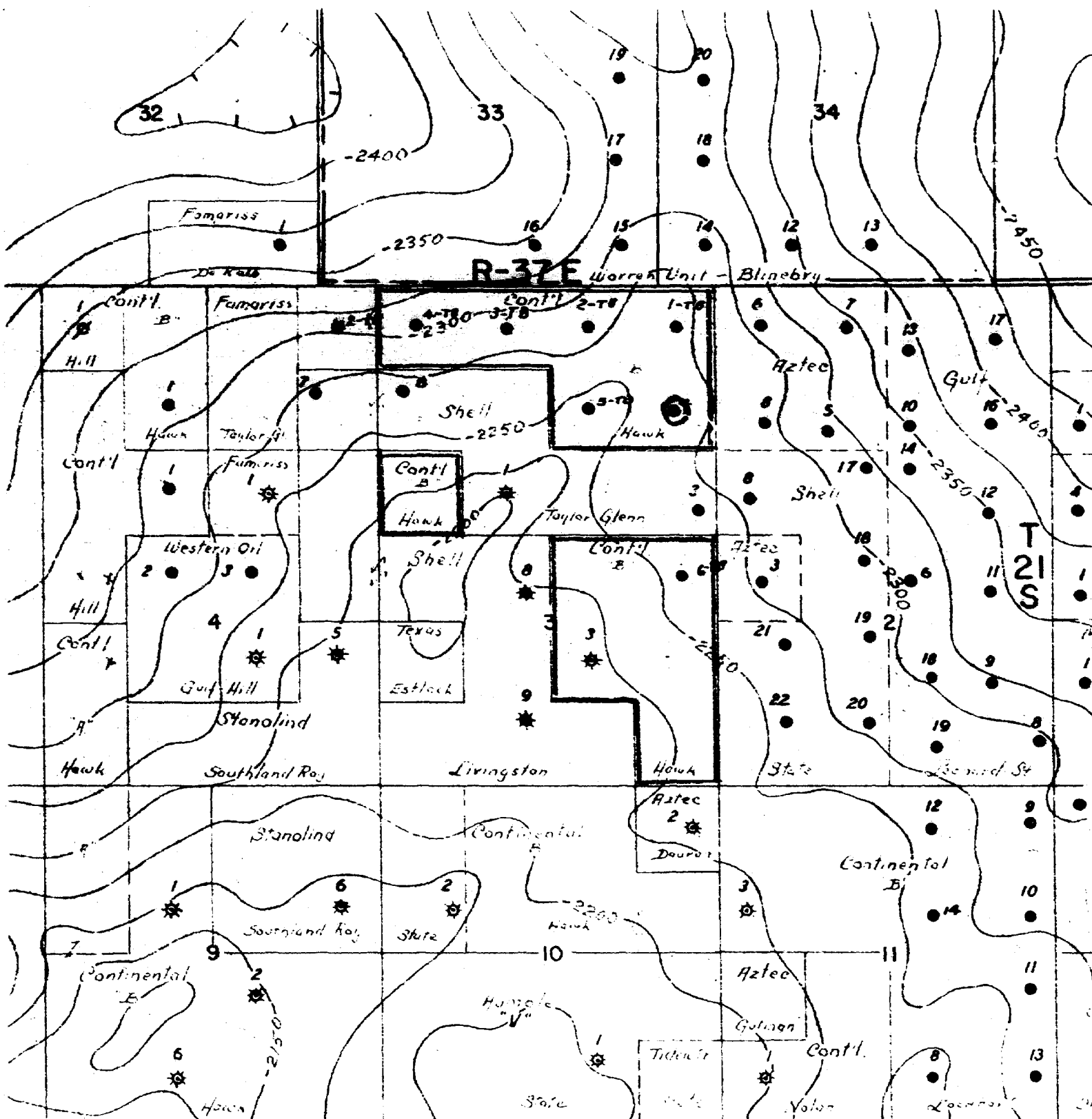
Notary Public-Court Reporter

My commission expires:

June 19, 1959.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1396 heard by me on 3-19 1958.

Arthur, Examiner
New Mexico Oil Conservation Commission



STRUCTURE PLAT
T-21S, R-37E, L. COUNTY, NEW MEXICO
SEE TOWED ON TOP OF BLINBRY MARKER
CONTOUR INTERVAL: 25' Scale: 1" = 2000'

Legend

- Hawk B-3 No. 4 Well
- Terry-Blinbry Pool Well
- ✱ Blinbry Gas Pool Well

Before Examiner Hutton

Oil Conservation Commission

L Exhibit Case No. 1396

San Jose District Office
February 27, 1958

Case No. 1396

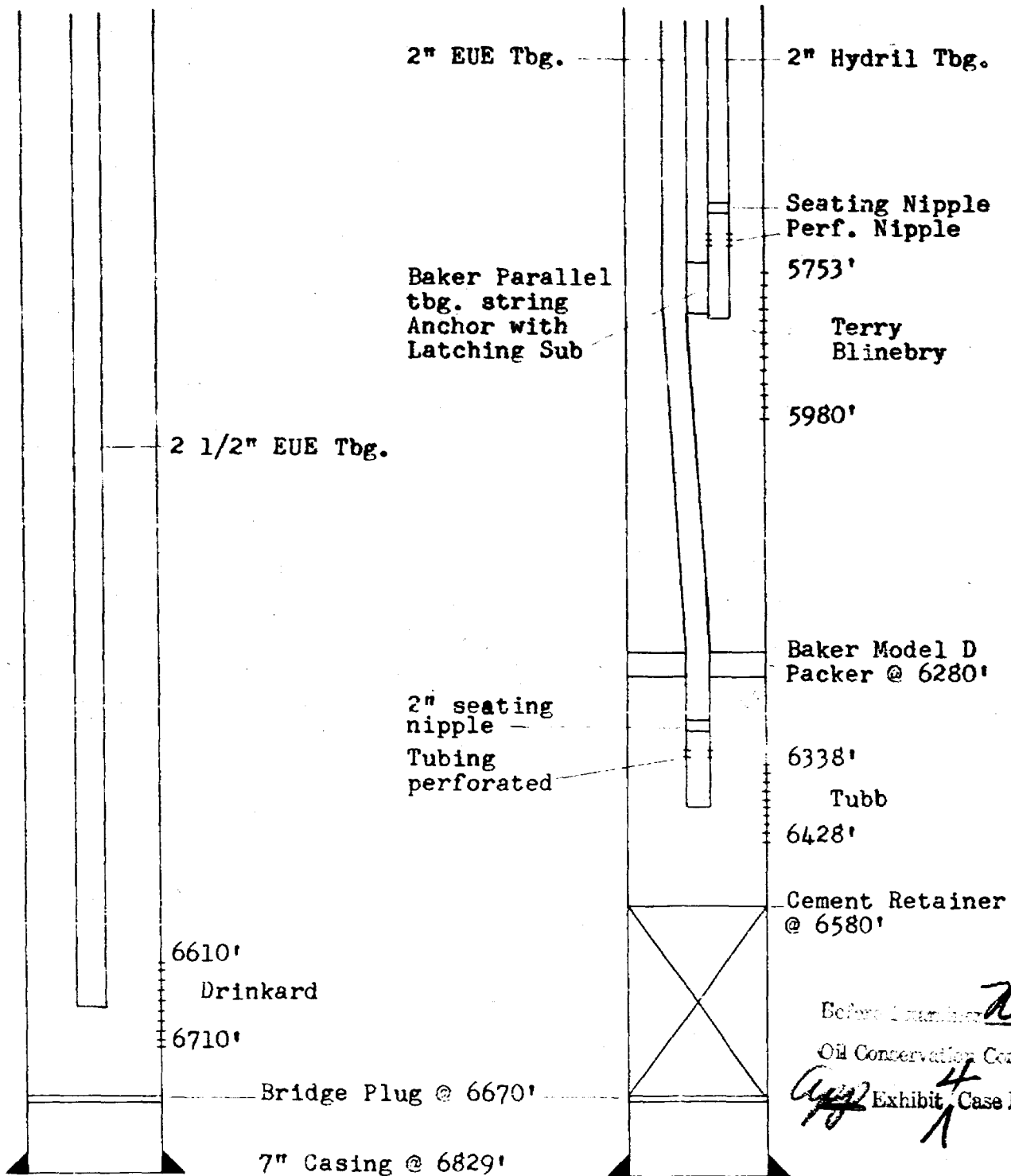
Exhibit No. 1

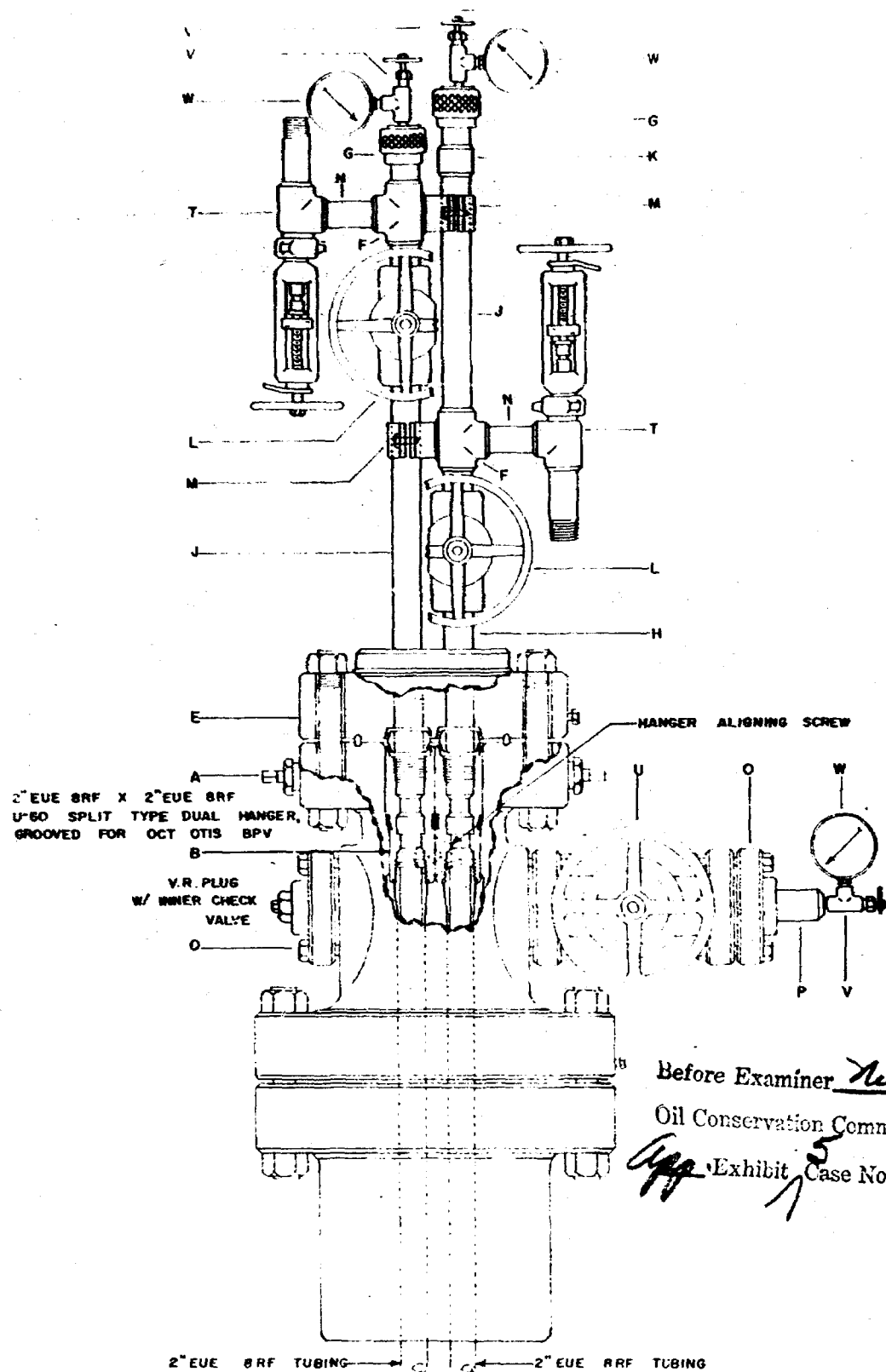
CONTINENTAL OIL COMPANY

Hawk B-3 No. 4

Present
Condition

Proposed
Dual Completion





Before Examiner *Nutter*

Oil Conservation Commission

App Exhibit *5* Case No. *1396*

DUAL TUBING SUSPENSION ASSEMBLY	OIL CENTER TOOL CO. INC.	
NO. X-1971-P REV. 1	12-5-56 P.W. H.F.	X
CONTINENTAL OIL CO.	1971-P REV. 1	