

Case No.

1405

Application, Transcript,
Small Exhibits, Etc.



EXAMINER HEARING
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 9, 1958

IN THE MATTER OF: Case No. 1405:

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

IN THE MATTER OF:

Application of Continental Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. M. Lockhart B-14 "A" No. 1-D Well, located 1980 feet from the North line and 660 feet from the East line of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Terry Blinbry Oil Pool and oil from the Drinkard Oil Pool through parallel strings of tubing.

Case 1405

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: The next case on the docket will be Case 1405.

MR. PAYNE: Case 1405: Application of Continental Oil Company for an oil-oil dual completion.

MR. KELLAHIN: We have the same witness, Mr. Lyon. I think the record shows that he has already been sworn.

MR. UTZ: Yes, it does.

VICTOR T. LYON

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

DIRECT EXAMINATION

By MR. KELLAHIN:

Q Mr. Lyon, are you familiar with the application in Case 14052

A Yes, sir.

Q What is proposed in that application?

A We propose to effect an oil-oil dual completion whereby we will produce Drinkard oil and Terry-Blinebry oil through separate strings of tubing in our Lockhart B-14 "A" Well No. 1-D.

Q Do you have a plat showing the lease location and the well location, together with offset lease ownership and wells?

A Yes, sir.

(Continental's Exhibit No. 1
marked for identification.)

Q Referring to Exhibit No. 1, will you state what that shows?

A Exhibit No. 1 is an ownership and location map showing the Lockhart B-14 "A" lease, the wells located thereon, the location and ownership of leases in the immediately surrounding area, and the wells located on those leases. It shows the Lockhart B-14 "A" lease outlined in red, the No. 1-D Well circled in red, and it shows the producing Drinkard wells in the area circled in green.

(Continental's Exhibit No. 2
marked for identification.)

Q Now, referring to what has been marked as Exhibit No. 2, will you state what that shows?

A Exhibit No. 2 is a plat showing the same area as Exhibit No. 1. It also shows structural contours of the Blinebry formation contoured on the Blinebry marker. The Lockhart B-14 "A" lease is outlined in red, and the No. 1-D is circled in red, and producing Terry-Blinebry oil wells are circled in brown.

Q Now on the basis of that exhibit, Mr. Lyon, and in your opinion as an engineer, may the acreage proposed to be dedicated to this well reasonably be presumed to be productive from the Terry-Blinebry Oil Pool?

A The well is entirely surrounded by Terry-Blinebry producers which are both structurally higher and lower and comparably located on the structure to this well, and I feel confident that it is productive of oil in the Terry-Blinebry Pool.

Q Now the well is presently completed in the Drinkard formation, is it not?

A That is correct.

Q Is it productive from the Drinkard?

A Yes, sir.

(Continental's Exhibit No. 3
marked for identification.)

Q Referring to what has been marked as Exhibit No. 3, would you state what that shows?

A Exhibit No. 3 is a tracing of the radioactive log on this well, and it shows the Blinebry marker, the top of the Drinkard, the point at which the seven-inch casing was set, the open hole interval, and in red, the proposed perforations which are from 5728 to 5748, 5755 to 5772, and 5814 to 5852.

Q Just for the record, would you also describe the open hole formation there, Mr. Lyon?

A Seven-inch casing is set at 6583, and the total depth of the

well is at 6648, so the open hole interval extends from 6588 to 6648.

Q Is that open hole interval within the defined vertical and horizontal limits of the Drinkard Pool?

A Yes, sir.

Q Are the proposed perforations in the Terry-Blinebry located within the vertical and horizontal limits of the Terry-Blinebry Oil Pool?

A Yes, sir, they are.

(Continental's Exhibit No. 4
marked for identification.)

Q Now referring to what has been marked as Exhibit No. 4, would you state what that shows?

A Exhibit No. 4 is a schematic diagram showing the present condition of the well. It shows the seven-inch casing set at 6483, packer set at 6566, two and a half inch tubing is set at 6605 within the open hole interval, and it also indicates the cement top as measured by temperature survey at 3250.

Q How is that well presently being produced?

A It is flowing from the Drinkard formation.

Q Through tubing?

A Through two and a half inch tubing.

Q Now referring to Exhibit No. 5, would you state what that shows?

(Continental's Exhibit No. 5
marked for identification.)

A Exhibit No. 5 is a schematic diagram of the proposed dual completion. It shows the casing pattern, the Blinebry marker, the proposed interval to be perforated in the Terry-Blinebry, the approximate location or proposed location of the Baker Model "D" Retained Production Packer, the top of the Tubb, the top of the Drinkard, and the seven-inch casing setting depth and the total depth. That is the information shown on the left.

On the right is shown the tubing to be installed in the well, the long string which will be run through the packer, will have Baker Locater Tubing Seal Assembly, it will be 2-inch EUE tubing. Alongside we will run a short string of tubing which will have beveled and turned-down collars to produce the Terry-Blinebry oil.

Q The tubing proposed to be used, this 2-inch tubing, is that approximately the inside diameter of the tubing?

A Approximately, yes.

(Continental's Exhibit No. 6
marked for identification.)

Q Now referring to what has been marked as Exhibit No. 6, will you state what that shows?

A Exhibit No. 6 is a drawing of the proposed wellhead equipment, showing the tubing hanger and the details of the head itself. The proposed equipment will be such that we can take any test that the Commission requires on either formation.

Q Is the equipment such that any work that may reasonably be

anticipated in this well can be performed with that equipment?

A Yes, sir, it can.

Q Is the proposed dual completion as outlined by your testimony and exhibits of a type that has heretofore been approved by this Commission for oil-oil dual completions?

A Yes, sir.

Q In your opinion, is the approval of this type of completion in the interest of conservation and the prevention of waste?

A Yes, sir, I believe it is.

Q Would correlative rights be protected by approval of this application?

A Yes, sir.

Q Is the lease ownership in both horizons common?

A Yes, it is.

MR. KELLAHIN: At this time we offer in evidence Exhibits 1 through 6, inclusive.

MR. UTZ: Is there objection to the entrance of Exhibits 1 through 6? If not, they will be accepted.

Q Do you have anything you want to add to your testimony?

A I don't believe so.

MR. KELLAHIN: That's all the questions.

MR. UTZ: Any questions of the witness? Mr. Nutter.

CROSS EXAMINATION

By MR. NUTTER:

Q Mr. Lyon, is this proposed dual completion installation

such that you would be able to pump either zone in the event such would be necessary?

A Yes, sir.

Q How many sacks of cement were used in cementing that 7-inch string of pipe, Mr. Lyon?

A 625 sacks.

Q Where is the top of the cement?

A 3250.

Q So the top of the cement is well above the proposed perforations into the Blinebry zone, is that correct?

A Yes, it is.

Q What is the GOR in the present completion in the Drinkard zone?

A I don't believe I have that information with me.

Q Do you have the bottom-hole pressure in the Drinkard zone?

A No, sir. I can supply that to you.

Q What is the anticipated GOR in the Blinebry zone?

A We hope to complete a well which will not be penalized for high gas-oil ratio, which would be less than 6,000.

Q Are the wells immediately offsetting this well which are completed in the Terry-Blinebry high GOR or low GOR wells?

A I really couldn't say.

Q Do you know what the anticipated bottom-hole pressure would be in the Terry-Blinebry?

A I anticipate it will be somewhere in the neighborhood of

2,000 pounds.

Q Could you find out what the GOR is in the Drinkard zone, and also the bottom-hole pressure, and submit that to us?

A Yes, sir.

MR. NUTTER: That's all. Thank you.

MR. UTZ: Any other questions of the witness?

MR. NUTTER: What are the gravities of the two zones that you are expecting to complete in?

A This record doesn't seem to have the gravity on here. I can get the information and furnish it to you.

MR. NUTTER: Thank you.

MR. UTZ: Any other questions? Do you have another question, Mr. Kellahin?

MR. KELLAHIN: Yes.

REDIRECT EXAMINATION

By MR. KELLAHIN:

Q Is the completion which is proposed in this application of the type which would prevent commingling of the fluid between the two common sources of supply?

A Yes, sir, there would be no commingling whatsoever.

MR. KELLAHIN: That's all.

RECROSS EXAMINATION

By MR. UTZ:

Q Did you state, Mr. Lyon, that you would comply with the required packer leakage tests at required intervals?

A I didn't state that, but we will.

MR. UTZ: Any other questions of the witness?

MR. COOLEY: Yes.

MR. UTZ: Mr. Cooley.

By MR. COOLEY:

Q Mr. Lyon, in answer to Mr. Kellahin's question, you said that the completion would be such that no commingling would be possible?

A Yes, sir.

Q Isn't it possible that there might be a packer leakage with any type of packer you would use?

A I meant by the statement that if the equipment is placed in as we would expect it to be, we would not expect any commingling of fluids.

Q At any time during the life of a dually completed well, it is possible that a packer leakage is possible?

A It is always possible.

Q Through packer leakage tests, the producing characteristics of the two zones, it is possible to determine if such a leak is present, is it not?

A That is true.

MR. COOLEY: That's all.

MR. UTZ: Any other questions? The witness may be excused.

(Witness excused.)

MR. UTZ: Any other statements in this case? If not, the

case will be taken under advisement.

C E R T I F I C A T E

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 18th day of April, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley
NOTARY PUBLIC

My commission expires:
June 19, 1959.

I do hereby certify that the foregoing is
a true and correct copy of the transcript of the
proceedings of the New Mexico Oil Conservation
Commission, held at Albuquerque, New Mexico,
April 9, 1958.
Thos. H. W., Chairman
New Mexico Oil Conservation Commission

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 4-11-58

CASE NO. 1405

HEARING DATE 4-9-58

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

Approve using the Std. Oil-Oil Seal
Order for twin strings of tubing.

Wm. H. Hef
Examiner

Staff Member

Case 1406

MAIL OFFICE
RECEIVED
MAR 14 1958
CONTINENTAL OIL COMPANY

225 PETROLEUM BUILDING
ROSWELL, NEW MEXICO

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

March 13, 1958

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

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

Gentlemen:

Attached are three copies of Continental's application for permission to effect a dual completion of the Drinkard oil and Terry Blinbry oil formations in its A. M. Lockhart B-14 "A" No. 1-D. It is respectfully requested that this matter be set for hearing at the earliest convenient date.

Yours very truly,

R. L. Adams

RLA-MM

Enc

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

R-1163

November 18, 1974

Case 1405

C
O
P
Y

Mr. L. P. Thompson
Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Subject: Oil Conservation Commission Order
No. DHC-26

Dear Mr. Thompson:

Your letter of October 2, 1974, concerning the subject order has been received and considered. In view of the circumstances described by that correspondence, your request is hereby granted, and Order No. DHC-26 (dated January 5, 1970) is cancelled. Your Lockhart B-4 "A" Well No. 1 in Unit H, Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is therefore authorized as a dual completion under the terms of Order No. R-1163.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/CU/og

**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. 1495
Order No. R-1163**

**APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN OIL-OIL DUAL COMPLETION
IN THE TERRY BLINEBRY OIL POOL AND
DRINKARD 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 April 9, 1958, at Santa Fe, New Mexico, before Elvis A. Uts, 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 22nd day of April, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Uts, 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 A. M. Lockhart B-14 "A" Well No. 1-D, located 1880 feet from the North line and 680 feet from the East line of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the said A. M. Lockhart B-14 "A" Well No. 1-D in such a manner as to permit the production of oil from the Terry Blinebry Oil Pool and to permit the production of oil from the Drinkard Pool through parallel strings of 2-inch EUE tubing.

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

(5) That approval of the subject application will not cause waste nor impair correlative rights.

(6) That the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, be and the same is hereby authorized to dually complete its A. M. Lockhart B-14 "A" Well No. 1-D, located 1980 feet from the North line and 660 feet from the East line of Section 14, Township 21 South, Range 37 East, NMM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Terry Blinshy Oil Pool and to permit the production of oil from the Drinkard Pool through parallel strings of 2-inch KUE 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 Annual Gas-Oil Ratio Test Period for the Drinkard 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 to by the applicant herein 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

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Case No. 1405
Order No. R-1163

PROVIDED FURTHER, 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 zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby vested in the Commission for such further order or orders as may seem necessary or appropriate for the production of water and/or production of correlative strata; and 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

E. L. McQueen
EDWIN L. MCQUEEN, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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





File
Case 1405

CONTINENTAL OIL COMPANY

Box 68
Eunice, New Mexico
April 11, 1958

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

Attention: Mr. Elvis Utz, Examiner

Gentlemen:

In regard to questions which were raised during the hearing April 9, 1958, on our Case No. 1405, application to dually complete our Lockhart B-14 "A" well No. 1-D, I submit the following information based on the latest available data:

<u>Well</u>	<u>Formation</u>	<u>GOR</u>	<u>Date</u>
Lockhart B-14 "A" No. 1-D	Drinkard	5192	7-9-57
Lockhart B-14 "A" No. 2-TB	Blinebry	4475 —	3-6-58
Lockhart B-14 "A" No. 3-TB	Blinebry	2667 —	2-28-58
Lockhart B-14 "A" No. 4-TB	Blinebry	4063 —	3-1-58
Shell-Smith No. 1	Drinkard	5515	Official survey
Gulf Keenum No. 2	Drinkard	Not Available	

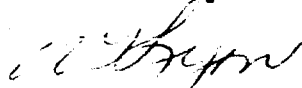
The gravity of the Drinkard crude as measured from our Lockhart B-14 "A" No. 1-D is 37°. The gravity of the Terry Blinebry crude as measured at the battery on this lease is

38°

New Mexico Oil Conservation Commission
Page 2

During my testimony I forgot to mention that the Drinkard formation will be stimulated by an acid-fracture treatment prior to opening the Blinbry pay. The GOR given above therefore may not be representative of this characteristic upon dual completion. If further information is needed please let me know.

Yours very truly,



V. T. Lyon
Acting District Engineer

VTL-BLF

CC: RLA
JW Kellahin

DOCKET: EXAMINER HEARING APRIL 9, 1958

OIL CONSERVATION COMMISSION 9 a.m. MABRY HALL, STATE CAPITOL, SANTA FE, NM

The following cases will be heard before Elvis A. Utz, Examiner:

- - -

- CASE 1356: Application of Cities Service Oil Company for an order amending Order No. R-1128. Applicant, in the above-styled cause, seeks an order amending Order No. R-1128 to authorize the transfer of allowable from water injection wells to other wells on the same basic lease, to establish a lease allowable for the applicant's Government "B" Lease, and to authorize administrative approval for additions to, or deletions from the pilot area and/or injection wells.
- CASE 1404: Application of Continental Oil Company for permission to produce more than eight oil wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing the production of a maximum of eleven oil wells in the Jalmat Gas Pool into a common tank battery. Said wells are located on the applicant's Eaves A-19 lease comprising the S/2, S/2 NW/4, and NW/4 NW/4 of Section 19, Township 26 South, Range 37 East, Lea County, New Mexico.
- CASE 1405: Application of Continental Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. M. Lockhart B-14 "A" No. 1-D Well, located 1980 feet from the North line and 660 feet from the East line of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from the Terry Blinebry Oil Pool and oil from the Drinkard Oil Pool through parallel strings of tubing.
- CASE 1406: Application of Continental Oil Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 200-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the S/2 S/2 and the NW/4 SW/4 of Section 13, Township 20 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's SEMU Permian Well No. 41 located 660 feet from the South and East lines of said Section 13.
- CASE 1407: Application of Delhi-Taylor Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 169 42-acre non-standard gas proration unit in the Aztec-Pictured Cliffs Gas Pool consisting of the SW/4 and S/2 NW/4 of Section 31, Township 29 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Prichard Well No. 4-C, located 1450 feet from the South line and 790 feet from the West line of said Section 31.

- CASE 1408: Application of Delhi-Taylor Oil Corporation for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 170.58-acre non-standard gas proration unit in the Aztec-Pictured Cliffs Gas Pool consisting of the SW/4 of Section 30 and the N/2 NW/4 of Section 31, all in Township 29 North, Range 8 West, San Juan County, New Mexico, said unit to be dedicated to the applicant's Jones Well No. 3, located 1750 feet from the South line and 1090 feet from the West line of said Section 30.
- CASE 1409: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lea State "CL" Well No. 1, located 2651 feet from the North line and 1650 feet from the East line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Anderson Ranch-Wolfcamp Pool and oil from the Anderson Ranch-Devonian Pool through parallel strings of tubing.
- CASE 1410: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lea State "R" Well No. 1, located 990 feet from the North line and 660 feet from the East line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Anderson Ranch-Wolfcamp Pool and oil from the Anderson Ranch-Devonian Pool through parallel strings of tubing.
- CASE 1411: Application of Gulf Oil Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its J. F. Janda "F" Well No. 3, located 1980 feet from the North and West lines of Section 4, Township 22 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Jalmat Gas Pool and oil from the South Eunice (Oil) Pool through parallel strings of tubing.
- CASE 1412: Application of John M. Kelly for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 240-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 SW/4, W/2 SE/4, and W/2 NE/4 of Section 16, Township 19 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Humble State No. 1 Well located 1980 feet from the South and West lines of said Section 16.
- CASE 1413: Application of Austral Oil Exploration Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from all wells completed in the Townsend-Wolfcamp Pool, Lea County, New Mexico, on the following described leases:

-4-
Docket No. 10-58

Examiner Hearing April 9, 1958

CASE 1418

Continued:

all in Township 25 North, Range 12 West, San Juan County, New Mexico. Applicant further seeks authority to commingle the production from each of said leases after separately measuring said production by means of positive displacement meters.

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CASE 1413

Continued:

W. M. Snyder "B" Lease - Township 16 South, Range 36 East
Section 6: Lots 9, 10, 15, & 16
and SE/4

W. M. Snyder "C" Lease - Township 16 South, Range 36 East
Section 5: Lot 5
Section 6: Lots 1, 7, & 8

CASE 1414:

Application of The Texas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its C. H. Weir "B" Well No. 1, located in the SE/4 NE/4 of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Skaggs-Drinkard Pool and oil from an undesignated Glorieta oil pool through parallel strings of tubing.

CASE 1415:

Application of Phillips Petroleum Company for authority to effect an oil-oil dual completion and to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Santa Fe Well No. 18, located in the NW/4 NE/4 of Section 34, Township 17 South, Range 35 East, Lea County, New Mexico, in such a manner as to produce oil from the Yates formation adjacent to the Vacuum-Yates Pool and from the Vacuum (San Andres) Pool through parallel strings of tubing. Applicant further seeks authority to commingle the oil produced from the separate reservoirs in common storage after measuring the Yates oil through dump-type meters.

CASE 1416:

Application of Aztec Oil and Gas Company for a non-standard location. Applicant, in the above-styled cause, seeks an order authorizing a non-standard gas well location for its Culpepper-Martin Well No. 9, to be located 1850 feet from the North line and 1950 feet from the West line of Section 30, Township 32 North, Range 12 West, Blanco Mesaverde Pool, San Juan County, New Mexico.

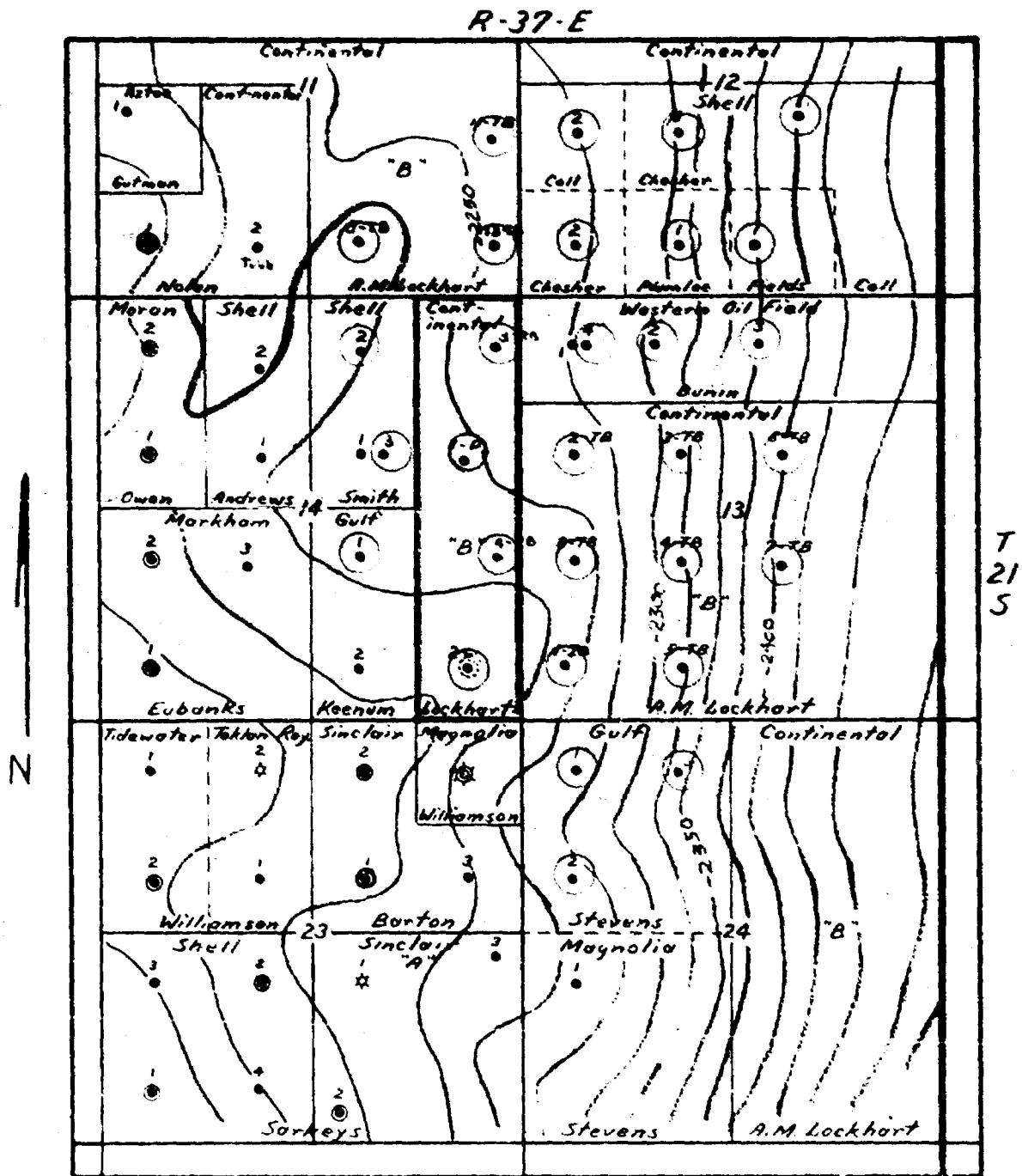
CASE 1417:

Application of Sinclair Oil and Gas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. M. York "B" Well No. 2, located in the NE/4 NE/4 Section 20, Township 21 South, Range 37 East, Lea County, New Mexico, to produce oil from the Tubb Gas Pool and from the Drinkard Oil Pool through parallel strings of tubing.

CASE 1418:

Application of Shell Oil Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the transportation, prior to measurement, of oil produced on its E. W. Mudge No. 4 Lease, comprising All of Sections 21, 28, 33, and 34, to its L. M. Phillips No. 2 Lease, comprising the S/2, NE/4, and Lots 1 and 2 of Section 4, N/2 Section 9, SW/4 and E/2 Section 10, All Section 15, N/2 and SE/4 Section 22, and W/2 Section 27,

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Case No. 1405
EXHIBIT No. 2



LEGEND

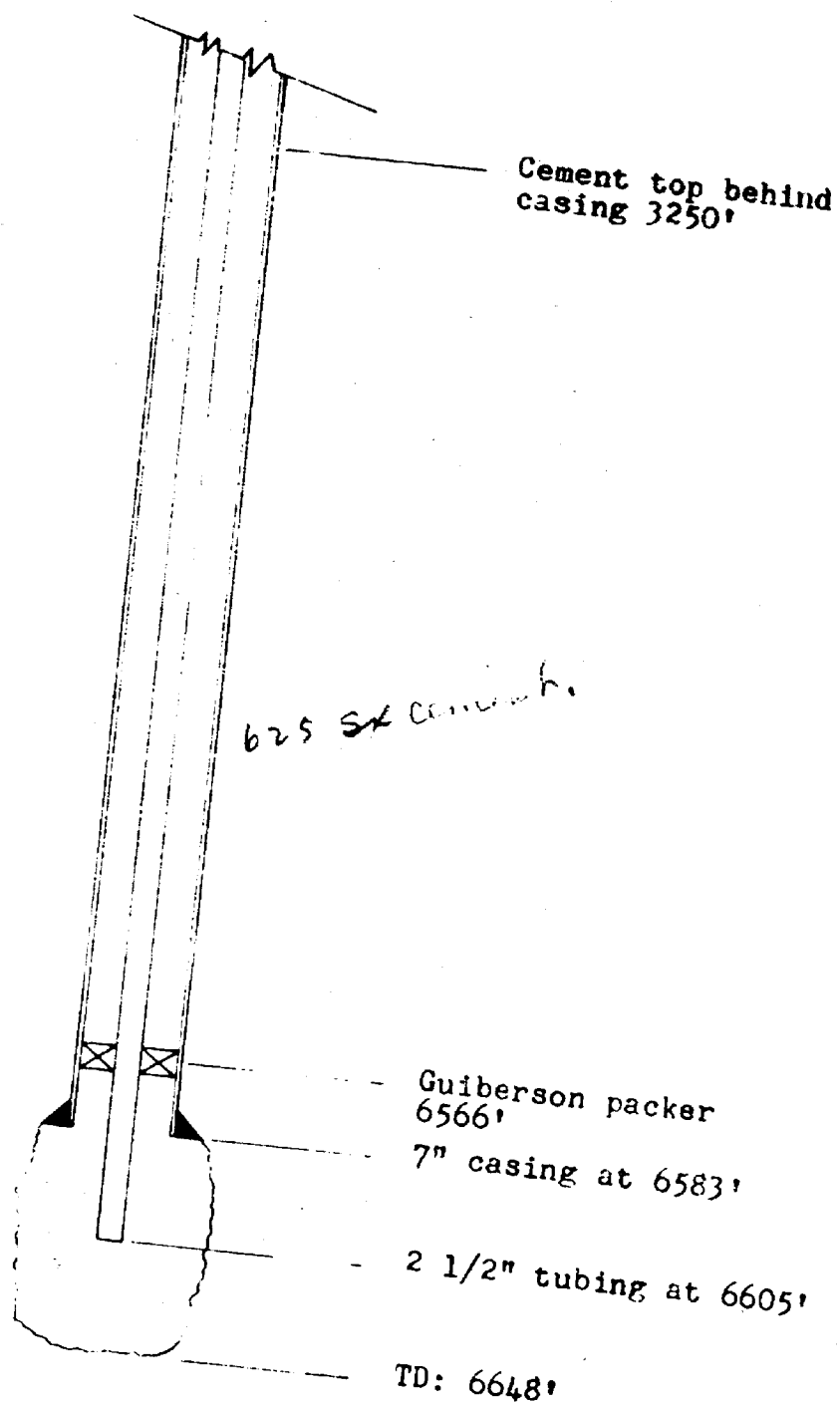
- Single Completion for Oil
- Dual Completion (Tubb gas)
- Dual Completion (Blinebry gas)
- Gas-Gas Dual (Blinebry & Tubb)
- Blinebry Gas Well
- Producing Terry Blinebry Wells
- Lockhart B-14 "A" No. 1-D
- Lockhart B-14 "A" Lease

BLINEBRY CONTOUR PLAT

Continental Oil Company
Lockhart B-14 "A" Lease
Sec. 14, T-21S, R-37E
Lea County, New Mexico

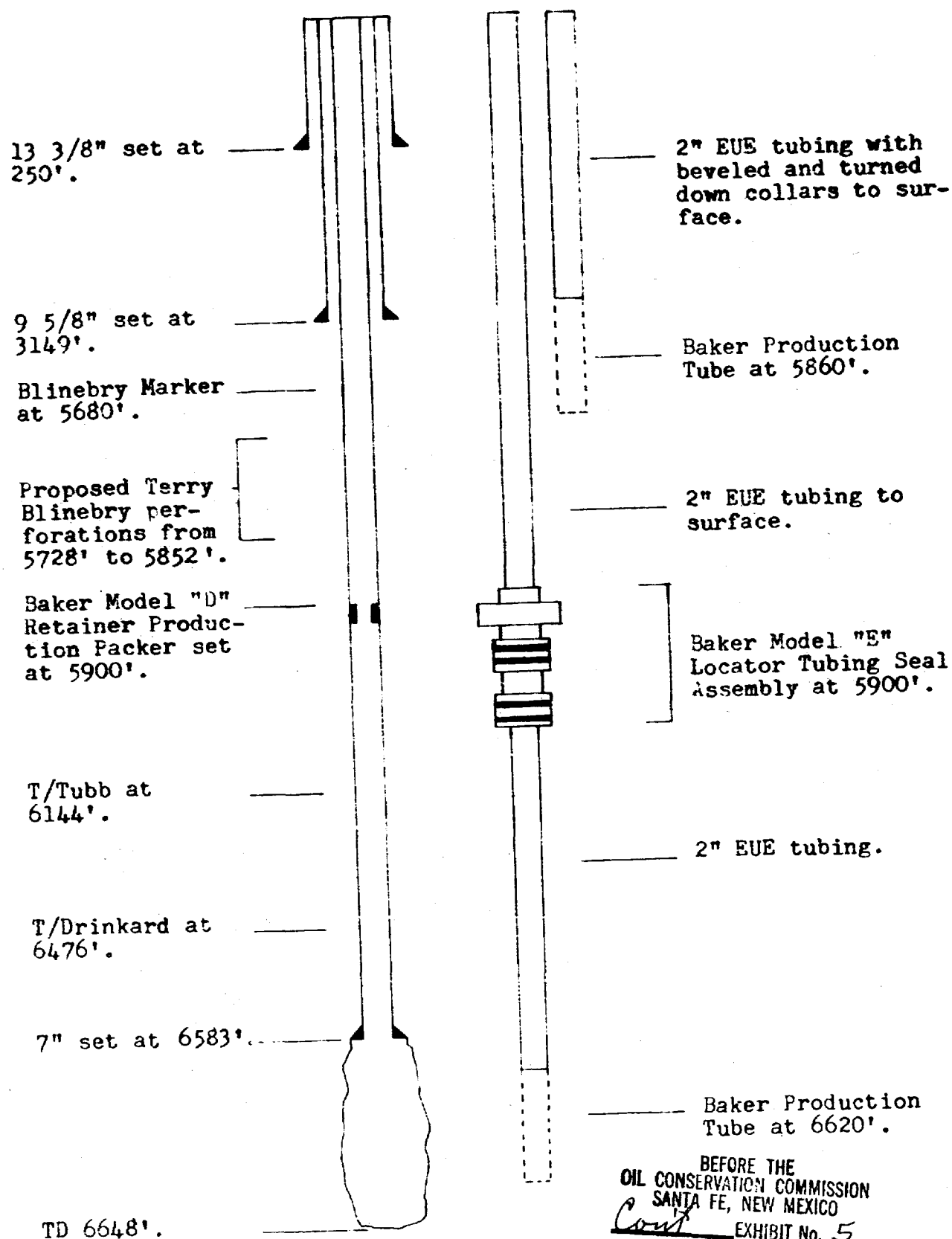
Scale: 1" = 2000' Eunice District
Contour Int. = 25' Office
January 14, 1958

CONTINENTAL OIL COMPANY
Present Condition
Lockhart B-14 "A" No. 1-D
Drinkard Pool

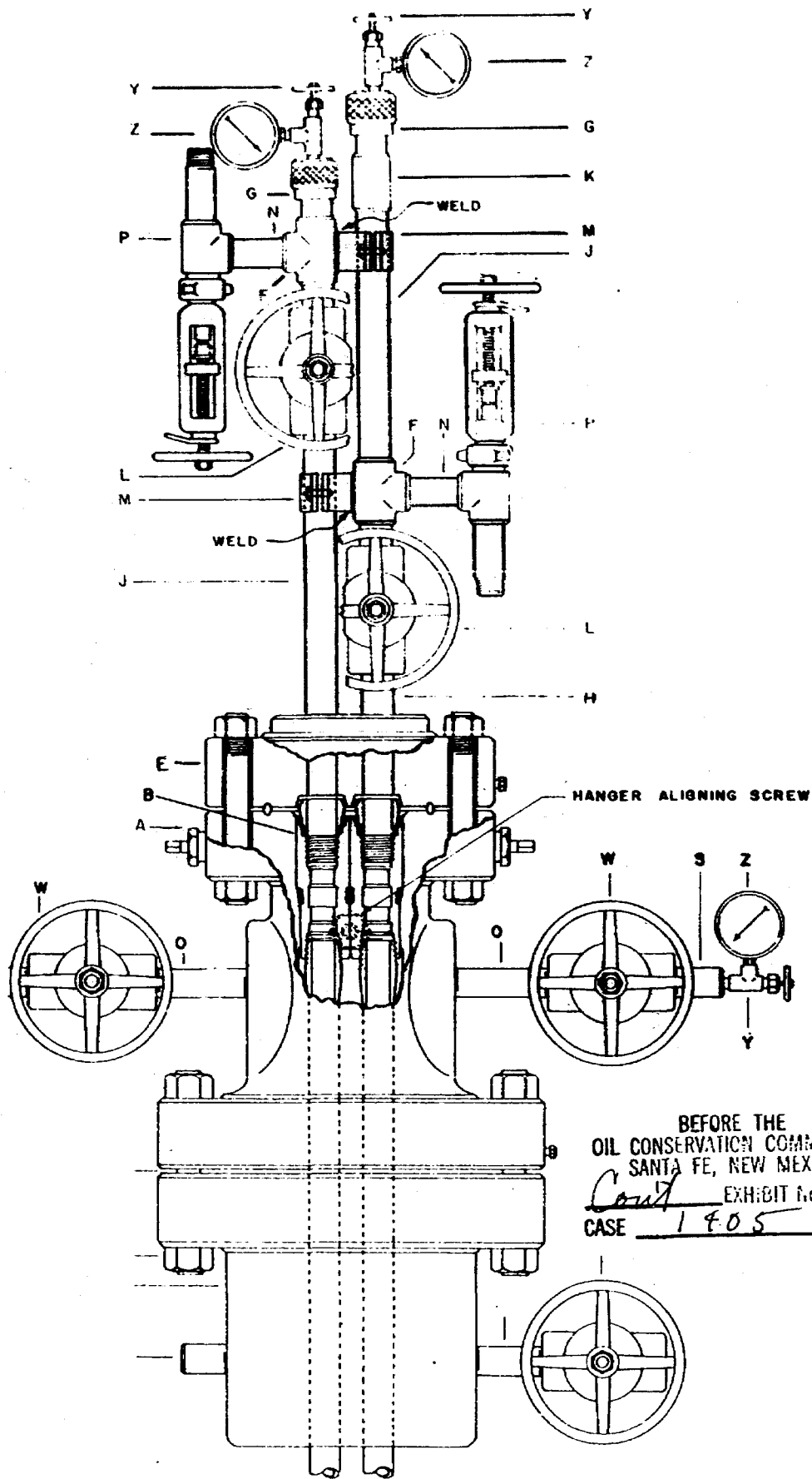


BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Cout EXHIBIT No. 4
1405

CONTINENTAL OIL COMPANY
Proposed Method of Dual Completion
Lockhart B-14 "A" No. 1-D



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Cont EXHIBIT No. 5
CASE 1405



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
Cont EXHIBIT No. 6
CASE 1405

DUAL TUBING SUSPENSION ASSEMBLY
NO X-1971-P
MATERIAL SPEC.
FOR CONTINENTAL OIL CO.

PROPERTY OF
OIL CENTER TOOL CO., INC.
HOUSTON, TEXAS
DATE 11-19-56
DRN BY ST
CHK BY
APPROV
SIZE
FILE NO
X
DWO NIL

Case 1405

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR PERMISSION
TO EFFECT A DUAL COMPLETION OF THE
DRINKARD OIL AND TERRY BLINEBRY OIL
FORMATIONS FOUND IN ITS A. M. LOCKHART
B-14 "A" NO. 1-D WELL LOCATED IN
SECTION 14, T-21-S, R-37-E, NMPM, LEA
COUNTY, NEW MEXICO

APPLICATION

Comes now Continental Oil Company, a Delaware Corporation, hereinafter referred to as "Applicant", and petitions the Commission for authority to effect an oil-oil dual completion in the Drinkard and Terry Blinebry oil formations in its A. M. Lockhart B-14 "A" well No. 1-D and in support thereof would show:

1. Applicant is co-owner and operator of the A. M. Lockhart B-14 "A" Lease consisting of E/2 E/2 Section 14, T-21-S, R-37-E, NMPM, Lea County, New Mexico.
2. Applicant drilled and completed on December 8, 1952, its No. 1-D well as an oil well in the Drinkard formation at a location 1980 feet from the North and 660 feet from the East line of said Section 14 and that the well is producing in open hole between the depths of 6583 and total depth of 6648 feet. Said well is in the defined limits of the Drinkard Oil Pool.
3. That the attached plat depicts the location of wells on this lease and the ownership and location of wells on offset leases.
4. Applicant proposes to dually complete the well in the Drinkard oil formation presently open and in the Terry Blinebry oil formation from various intervals between 5728-5852 feet. The proposed dual completion will be accomplished by utilizing parallel tubing strings and such packers and other equipment that is necessary and adequate to maintain separation of the fluids produced from each of the two producing formations. The attached schematic drawing depicts the proposed manner of the dual completion of said well and location of the packer, and the attached copy of the radioactivity log of the subject well shows the top of the Drinkard formation, the Blinebry marker, the current Drinkard open hole interval, and the proposed perforations in the Blinebry formation.
5. The Terry Blinebry oil formation, proposed for dual completion with the Drinkard oil formation in said well is located within the defined limits of the Terry Blinebry Oil Pool.
6. The well is equipped in such a manner that there will be no commingling of fluids from the two common sources of supply and the surface equipment will provide means of taking accurate tests of the individual formations and measurement of the production therefrom as required by the Commission.
7. That the dual completion of said well as proposed is mechanically and economically feasible and is in the interest of conservation of oil and protection of correlative rights.

Wherefore, applicant respectfully requests that this matter be set for hearing by the commission examiner at Hobbs, New Mexico, on due notice, and that

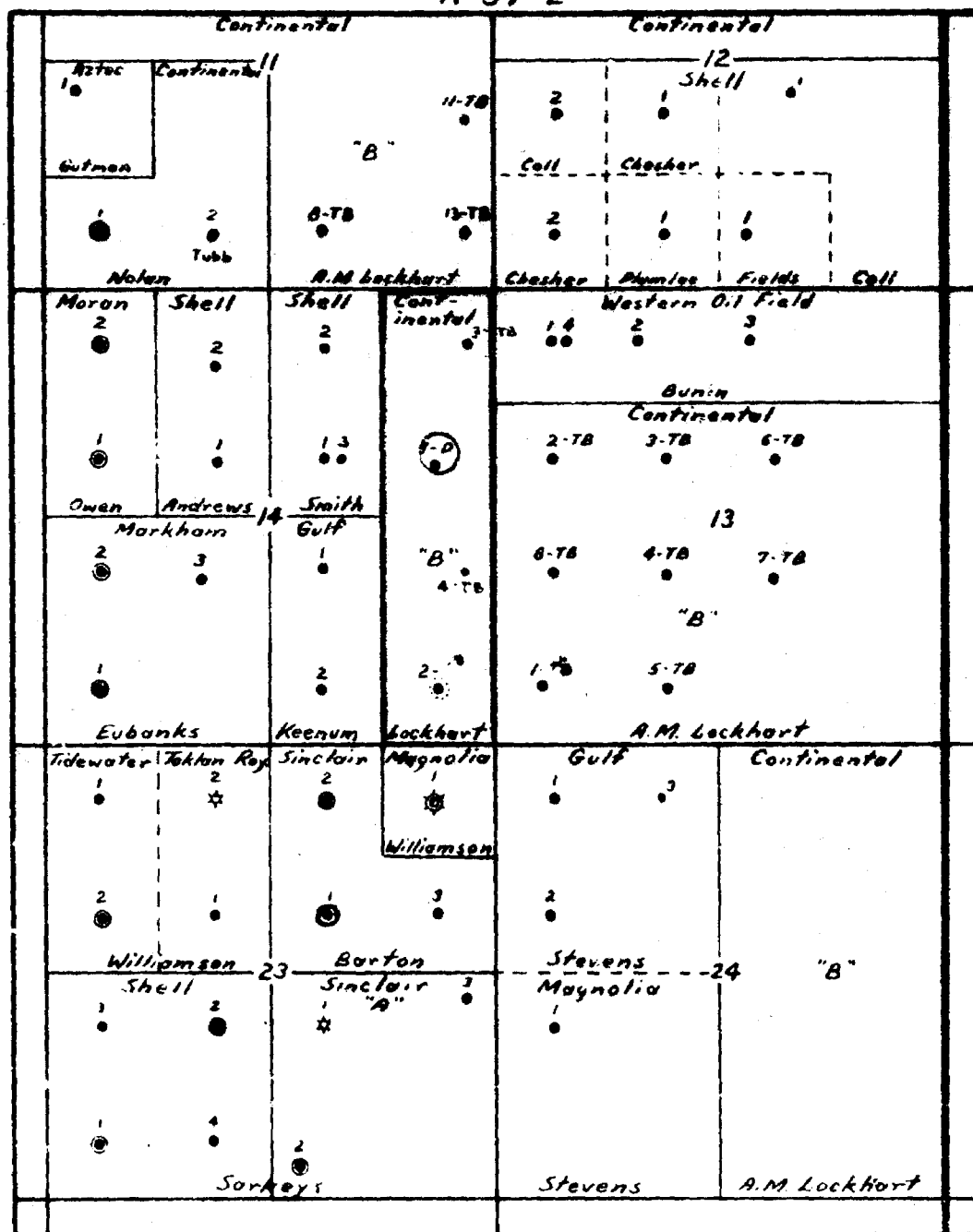
upon hearing the Oil Conservation Commission enter its order authorizing applicant to dually complete said well in accordance with the foregoing application.

Respectfully submitted,

CONTINENTAL OIL COMPANY

By R. L. Adams

R-37-E



LEGEND

- Single Completion for Oil
- Dual Completion (Tubb gas)
- Dual Completion (Blinbry gas)
- ☆ Gas-Gas Dual (Blinbry & Tubb)
- ☆ Blinbry Gas Well
- Lockhart B-14 "A" No. 1-D
- Lockhart B-14 "A" Lease

LOCATION AND OWNERSHIP PLAT

Continental Oil Company
Lockhart B-14 "A" Lease
Sec. 14, T-21S, R-37E.
Lea County, New Mexico

Scale 1" = 2000'

Bunice District
Office
January 14, 1958