

CASE 824: Application of ATLANTIC  
for exception to Rule 104 (c) to  
recomplete in Denton Wolfcamp Pool  
its Federal Jones Well No. 3.

Case No.

1824

Large Exhibit

OIL CONSERVATION COMMISSION

P. O. BOX 871  
SANTA FE, NEW MEXICO

December 17, 1959

C  
O  
P  
Y

Mr. Howard Bratton  
Hervey, Dow & Hinkle  
Box 547  
Roswell, New Mexico

Dear Mr. Bratton:

On behalf of your clients, Cabot Carbon Company and Atlantic Refining Company, we enclose two copies of Order No. R-1550 in Case 1804 and Order No. R-1556 in Case No. 1824 issued by the Oil Conservation Commission on December 16, 1959.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ir/

Enclosures: (4)

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. 1824  
Order No. R-1556

APPLICATION OF THE ATLANTIC  
REFINING COMPANY FOR PERMISSION  
TO RECOMPLETE IN THE DENTON-  
WOLFCAMP POOL A WELL WHICH IS  
LOCATED CLOSER THAN 660 FEET TO  
A PRODUCING WELL IN THE SAME  
COMMON SOURCE OF SUPPLY IN LEA  
COUNTY, NEW MEXICO, IN EXCEPTION  
TO RULE 104 (c) OF THE COMMISSION  
RULES AND REGULATIONS

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 11, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 16th day of December, 1959, 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 is the operator of the Federal Jones Well No. 2, a Denton (Devonian) oil well located 330 feet from the South line and 330 feet from the East line of Section 34, Township 14 South, Range 37 East, NMPM, Lea County, New Mexico, which well has reached the economic production limit in the Devonian formation.

(3) That the applicant seeks an exception to Rule 104 (c) of the Commission Rules and Regulations in order to recomplete the said Federal Jones Well No. 2 in the Denton-Wolfcamp Pool, which well is located closer than 660 feet to another Denton-Wolfcamp well operated by the applicant on the same 40-acre tract (SE/4 SE/4 of said Section 34).

-2-

Case No. 1824

Order No. R-1556

(4) That in view of the fact that if the application is approved, the applicant will not crowd the acreage of any offset operator, approval of the subject application will not impair correlative rights.

(5) That approval of the subject application will not cause waste.

IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to recom-  
plete in the Denton-Wolfcamp Pool the Federal Jones Well No. 2, located 330  
feet from the South line and 330 feet from the East line of Section 34, Town-  
ship 14 South, Range 37 East, NMPL, Lea County, New Mexico, in exception to  
Rule 104 (c) of the Commission Rules and Regulations.

PROVIDED HOWEVER, That the total monthly production from all wells  
on the 40-acre unit (SE/4 SE/4 of said Section 34) shall not exceed a 40-acre  
allowable for said Denton-Wolfcamp Pool.

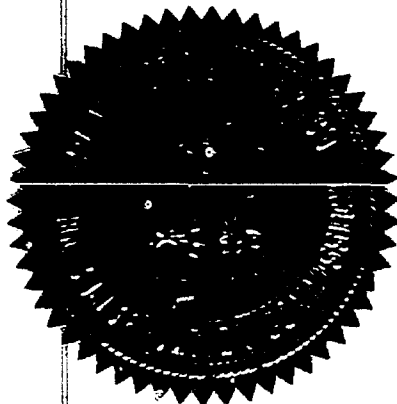
DONE at Santa Fe, New Mexico, on the day and year hereinabove desig-  
nated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John Burroughs*  
JOHN BURROUGHS, Chairman

*Murray E. Morgan*  
MURRAY E. MORGAN, Member

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



ven/

December 11, 1959.

FRANKLYN J. ROY & ASSOCIATES  
GENERAL CIVIL ENGINEERS  
ALBUQUERQUE, NEW MEXICO  
Phone CHapel 3400

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
December 11, 1959

EXAMINER HEARING

IN THE MATTER OF:

Application of The Atlantic Refining Com-  
pany for an exception to Rule 104 (c) of  
the Commission Rules and Regulations.  
Applicant, in the above-styled cause,  
seeks an exception to Rule 104 (c) so  
that it may recomplete in the Denton  
Wolfcamp Pool its Federal Jones Well No.  
2, located 330 feet from the South and  
East lines of Section 34, Township 14  
South, Range 37 East, Lea County, New  
Mexico, said well being located closer  
than 660 feet to a well producing from  
the same common source of supply.

Case 1824

BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. PAYNE: "Application of The Atlantic Refining  
Company for an exception to Rule 104 (c) of the Commission Rules  
and Regulations."

MR. BRATTON: Howard Bratton, Hervey, Dow and Hinkle,  
Roswell, appearing on behalf of the Applicant, The Atlantic  
Refining Company. We have one witness, Mr. Tomlinson, and ask  
that he be sworn.

(Witness sworn.)

W. P. TOMLINSON



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

DIRECT EXAMINATION

BY MR. BRATTON:

Q Please state your name, by whom you are employed and in what capacity.

A W. P. Tomlinson. I work in Roswell for The Atlantic Refining Company as Petroleum Engineer.

Q You have appeared before this Commission as an expert witness, Mr. Tomlinson?

A Yes, sir.

Q You are familiar with the area of the application in question?

A Yes, sir.

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

MR. NUTTER: Yes, sir. Please proceed.

Q Will you refer to Exhibit No. 1, Mr. Tomlinson, and from that explain the nature of this application?

A The Exhibit No. 1 is a plat of the area near The Atlantic Refining Company Federal Jones Lease in the Denton Field. We show on it producing wells in the Devonian and Wolfcamp reservoirs in that vicinity, offset operators and the lease names. The Devonian producers are shown as a dot with a circle around them. The Wolfcamp producer is shown with a dot without a circle.

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You'll notice that on the Federal Jones Lease we have shown the distance from lease lines for the Federal Jones No. 2 and 4 and also the distance between those two wells. You'll notice that they're only 330 feet apart. Each of them is at least 330 feet from the nearest lease line. Now, the Federal Jones No. 2 is a former Devonian producer. It has been temporarily abandoned since December of 1958 and we carried on extensive remedial work in that well, and after a lengthy period of low production it ceased to be economical.

The Federal Jones No. 4 is a Wolfcamp producer. It's producing in the order of 55 barrels of oil per day from the Wolfcamp at the present time. We would like to utilize the Federal Jones No. 2 as a Wolfcamp producer, and that is the reason we need the exception to Rule 104 for the plug back. I believe that rule states that we should be 660 feet from another Wolfcamp producer.

Q That's the only part of the rule from which you need an exception?

A Yes, sir.

Q These wells were 660 feet apart, you would not need the exception?

A We would not need the exception if they were at least 660 feet apart.

Q You say the present production from the No. 4 well is



55 barrels a day?

A It's in the order of 55. Some months it makes about 50, others about 55.

Q What's the Wolfcamp allowable?

A Of course that varies from month to month, but it runs in the order of 125 to 130 barrels per day.

Q Is there anything you further desire to say about Exhibit No. 1 before turning to Exhibit No. 2?

A No.

Q Referring to Exhibit No. 2, Mr. Tomlinson, will you explain what that is?

A This is a chronological history of Atlantic Refining Company's Federal Jones No. 2 in the Denton-Devonian Pool. It's a summary of the workover operation in that well to date in the Devonian formation. It's all fairly self-explanatory I believe. I think the significant thing from this exhibit is that we made every effort we could to continue production in the Devonian pay and we actually spent a total of \$491,000 in drilling and completing a workover to get only 141,000 barrels of oil. We feel that it's, further money expended in the Devonian formation there is not justified.

Q The utilization of this Wolfcamp, in order to come closer to your allowable, would help you recoup something on your investment?

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A Yes, sir. We would like to obtain some of our Wolfcamp oil earlier, and by recompletion we can do that. It seems logical that as long as we have the hole in the ground, to go ahead and use it rather than let it sit idle.

Q Is there anything further you care to say about the history of the Jones No. 2 well?

A No. That's the history to the present. I might just go over briefly the next exhibit, which is Exhibit 3. It is an electrolog of the Federal Jones No. 2. Now, that well had pipe set at 12,536 feet, 750 sacks of cement. Now, the top of the cement has been indicated by a temperature survey at 8310 feet, which would be above the interval that we plan to perforate in the Wolfcamp.

On the Exhibit 3 is shown the general interval that we plan to complete in. It is the interval that produces in probably 90% of the Wolfcamp producers in the Denton Field. In the event the application is granted, of course, we would not like to be restricted to the proposed perforations that we show on the log, because sometimes some changes are necessary in the intervals.

It shows nothing unusual in the pay, that makes us think we couldn't make a completion there. We would set a plug at 9600 feet, which is below any expected production in the Wolfcamp formation. The water-oil contact most commonly observed in the Denton Field runs about 9500 feet, so I think we would be below

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that and could perforate any additional pays necessary. That's about all there is to say on Exhibit 3.

Q Referring to Exhibit No. 4, the log of the Jones No. 4 well. Will you explain what it shows?

A This is an electrolog for the Federal Jones 4. It shows the present perforation in intervals 9338 to 9388 feet. It shows a liner was set at 9500 feet with 400 sacks of cement. This is by placing the log for the Federal Jones No. 2 and No. 4 alongside each other, you can see that the interval that we're planning on completing in is approximately the same, corresponds very closely.

Q Is there anything further you care to state in connection with this application?

A I would say that the purpose of it is to utilize a well that is now standing idle in order to help us obtain some oil sooner.

Q In your opinion will the granting of this application be in the interest of conservation and the protection of correlative rights?

A Yes, sir.

Q Were Exhibits 1 through 4 prepared by you or under your supervision?

A Yes, sir.

MR. BRATTON. We would like to introduce Exhibits 1 through 4 in evidence.

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MR. NUTTER: The Atlantic Refining Company Exhibits 1 through 4 will be entered.

MR. BRATTON: We have nothing further to offer at this time.

MR. NUTTER: Does anyone have any questions of Mr. Tomlinson?

MR. PAYNE: Yes, sir.

CROSS EXAMINATION

BY MR. PAYNE:

Q You don't feel it would be economical to dually complete this Jones well No. 2, I take it?

A With the Devonian?

Q Yes, sir.

A No, sir. We tried to get all the oil we could out of the Devonian. I don't believe that we could do anything else.

Q If this exception is granted you will only be crowding yourself, will you not?

A Yes, sir.

Q You are aware that you would only get one 40-acre allowable for the two wells?

A Yes, sir.

MR. PAYNE: Thank you.

BY MR. NUTTER:

Q Mr. Tomlinson, your exhibit, the chronological history

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of the well, I think it is Exhibit 2?

A Yes.

Q In the fourth paragraph here, the date that the workover was completed, is that supposed to be April 14, 1959 or some other year?

A It should be April 14, 1954. I'm glad you called my attention to that, it's a typographical error.

Q Do I read this exhibit correctly in seeing here that there has only been a total of 141,000 barrels of oil from the Devonian?

A Yes, sir.

Q This well hasn't paid out then?

A No, sir.

Q This is strictly a salvage operation?

A Yes, sir. I might break this down just a little bit. If you take drilling and completion costs from the total costs shown at the bottom, the drilling and completion costs shown in the second paragraph on Exhibit 2, you will see we spent over a hundred thousand dollars attempting to maintain production.

Q What was the last producing capability of the well prior to the time it was shut in, do you know?

A Well, sir, I don't have a figure at hand, but I do know that several times we observed that we couldn't produce it much below ten barrels a day economically, and I would imagine

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when it got down to that point we had to quit producing it.

Q What kind of pumping equipment did this well have on it?

A It had Cobb equipment at the time. The limitation on the Cobb normally in this well was that we couldn't get enough fluid to produce it without breaking the pump in the bottom of the well. The place that we plugged back, as far as we could in the Devonian to eliminate water, and the place we were completed in would not give up large volumes of fluid as it will further on down in the Devonian.

Q Is this on the edge of the pool insofar as the Devonian formation is concerned?

A Yes, it is very low on the west flank. Down on the edge.

Q Do you expect to increase the recovery, as far as this 40 acre tract is concerned, from the Wolfcamp formation by completing another well here?

A As far as this 40-acre tract is concerned I think the recovery would be increased.

MR. NUTTER: Does anyone have any further questions of Mr. Tomlinson? He may be excused.

(Witness excused.)

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

MR. BRATTON: No, sir.

MR. NUTTER: Does anyone have anything further for Case 1824? I beg your pardon. Mr. Webb.

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MR. WEBB: Tom Webb, from the Ohio Oil Company.

The Ohio is an operator in the Denton-Wolfcamp and Denton-Devonian Pools. The Ohio recognizes that in some other areas and at some future time in the Denton Field it may be feasible and reasonable to permit operations such as Atlantic has proposed in this case. However, if Atlantic's application is granted at this time, Atlantic will in effect be given an opportunity to produce more than Atlantic's proportionate part of the oil and gas in the Denton-Wolfcamp Pool by means of increasing its rate of production at a time when other operators in the field do not have a similar opportunity to protect their correlative rights by increasing their respective rates of production.

The effect of the exception sought by Atlantic would be to encourage other operators to prematurely abandon Denton-Devonian wells in order to protect and prevent damage to their correlative rights in the Wolfcamp Pool. Such premature abandonment could cause underground waste by reducing the ultimate recovery otherwise expected from the Denton-Devonian Pool.

If the tentative proposal to water flood the Wolfcamp Pool should prove feasible after further study, the recompletion of Devonian wells in the Wolfcamp at this time could also interfere with and complicate efforts to negotiate an agreement for water flooding the Wolfcamp Pool.

Denial of Atlantic's request at this time will maintain the

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balance of the correlative rights of the Denton-Wolfcamp operators on the present basis of equal opportunity for all. Atlantic's correlative rights will not be injured for it will still have the same opportunity now available to all other operators in the pool.

Denial of the application will not cause waste, but it may prevent waste. At some time in the future when the Devonian Pool has been more fully depleted, so that other operators can without waste recomplete their Devonian wells and have an equal opportunity to protect their correlative rights in the Wolfcamp Pool, Atlantic's proposal may prove acceptable and feasible as a salvage operation in the Denton Field. For these reasons the Ohio has found it necessary to object to the granting of Atlantic's application at this time.

MR. NUTTER: Is the Ohio of the opinion that is being prematurely abandoned in the Devonian?

MR. WEBB: I don't believe we're of the opinion that Atlantic's well in this case would be prematurely abandoned.

MR. NUTTER: You don't want to see other wells prematurely abandoned, is that right?

MR. WEBB: Right.

MR. NUTTER: I see. Thank you very much. If there is nothing further in this case we'll take the case under advisement.

MR. BRATTON: We would just like to point to the

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Atlantic's Exhibit No. 1, plat of ownership, and point out, as Mr. Payne pointed, is that the only one Atlantic is crowding is Atlantic, and that that is the only occasion for this exception, is the fact that these two wells happen to be 330 instead of 660. On the same lease, if they were 660 feet on the same lease we would just start producing them from the Wolfcamp. We see no indication for Ohio's objection or anybody's objection for that matter.

MR. NUTTER: Is there anything further in Case 1824? We'll take the case under advisement and take 1825.

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 18<sup>th</sup> day of December, 1959.

*Ada Dearnley*  
Notary Public - Court Reporter

I do hereby certify that the foregoing is a true and correct record of the proceedings in the last hearing of Case No. 1824, heard by me on 12-11-59.  
My commission expires June 19, 1963.

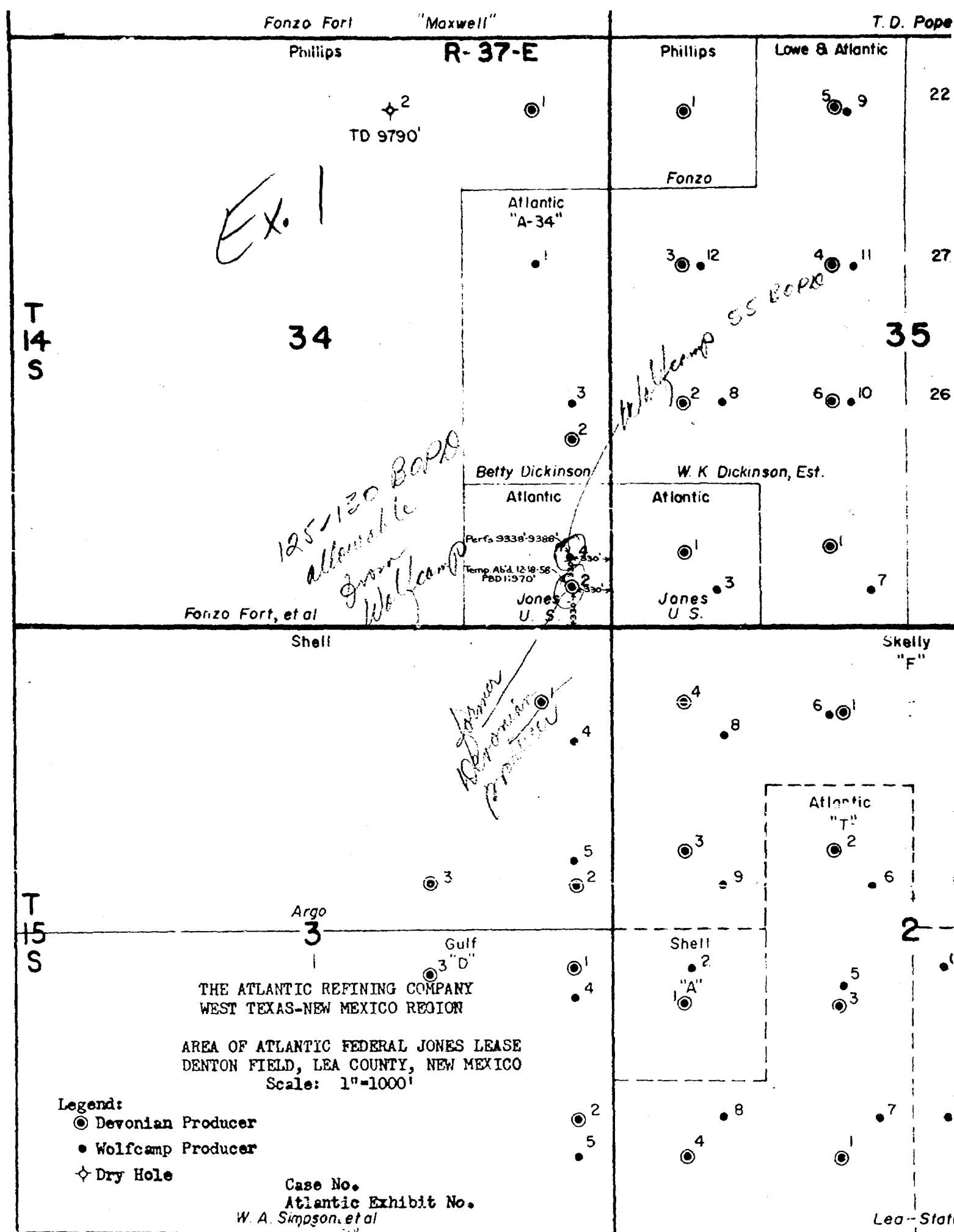
*Walter H. Nutter*  
Examiner  
New Mexico Oil Conservation Commission



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ALBUQUERQUE, NEW MEXICO



CHRONOLOGICAL HISTORY OF ATLANTIC OIL COMPANY'S  
FEDERAL JONES NO. 2  
DENTON (DEVONIAN) POOL

Atlantic's Federal Jones No. 2 is located 330' FSL and 330' FEL of Section 34, T-14S, R-37E, NMPM. It was spudded on June 24, 1952. Surface pipe is set at 324.8' with 350 sacks of cement. Cement circulated to surface. Intermediate casing of 9-5/8" is set at 4753.77' with 3000 sacks of cement. Top of cement is at 1970', behind 9-5/8" casing. Seven inch casing is set at 12,536' with 750 sacks of cement. Top of cement is at 8310'.

Original completion interval 12,536' to 12,600', open hole. The initial potential was 1436 BOPD with no water. It was completed on January 1, 1953. Drilling and completing costs were \$379,969.

On March 2, 1954, a workover was started to plug wall back 10' to 12,590' in an effort to shut-off water. Water production at that time was in excess of 70%. Well was plugged back to 12,591' but results were unsuccessful. Cost of workover was \$6,621.

On April 2, 1954, a workover to squeeze open hole with diesel-oil cement and perforate from 12,468-518' was commenced. This workover was completed on April 14, 1954. The well produced 236 BOPD with 44% water. This gave only temporary water shut off. On April 30, 1954, another series of cement squeezes and perforatings commenced which resulted in a completion interval of 12,468'-12,513' with the well on pump. The well potentialled for 33 BOPD and 77 BWPD on November 23, 1956, immediately after completion of workover. This workover cost \$88,982 including pumping equipment.

On January 14, 1958, work commenced to repair pump and acidize well with 10,000 gallons of acid. This work was completed on February 20, 1958, and the well tested 10 BOPD and about 735 BWPD. Cost of workover was \$6,128.

Other minor workovers consisting of small acid jobs and pump repairs amounted to \$8310.

Cost of setting bridge plug at 11,980' and temporarily abandoning was \$1802. Well was temporarily abandoned on December 18, 1958.

|  |           |
|--|-----------|
| Total drilling, completing, and workover costs | \$491,812 |
| Total Devonian oil production, barrels         | 141,224   |

EX 2

DOCKET: EXAMINER HEARING DECEMBER 11, 1959

OIL CONSERVATION COMMISSION - 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico.

The following cases will be heard before Daniel S. Nutter, Examiner, or A. L. Porter, Jr., Secretary:

CASE 1804:

(Continued)

Application of Cabot Carbon Company for an oil-oil dual completion and for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Howard Fleet Well No. 1, located 1980 feet from the South line and 660 feet from the East line of Section 35, Township 13 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Pennsylvanian oil pool and the production of oil from the King-Devonian Pool through parallel strings of 1½-inch tubing. Applicant further seeks permission to commingle the Devonian and Pennsylvanian production from said Howard Fleet Well No. 1.

NEW CASES

CASE 1824:

Application of The Atlantic Refining Company for an exception to Rule 104 (c) of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an exception to Rule 104 (c) so that it may recomplete in the Denton Wolfcamp Pool its Federal Jones Well No. 2, located 330 feet from the South and East lines of Section 34, Township 14 South, Range 37 East, Lea County, New Mexico, said well being located closer than 660 feet to a well producing from the same common source of supply.

CASE 1825:

Application of Continental Oil Company for an amendment of Order R-1440. Applicant, in the above-styled cause, seeks an order amending Order R-1440 to permit the commingling of Tubb and Blinebry production on its Lockhart A-17 lease in Section 17, Township 21 South, Range 37 East, Lea County, New Mexico, without separate measurement.

CASE 1826:

Application of Continental Oil Company for an amendment of Order R-1445. Applicant, in the above-styled cause, seeks an amendment of Order R-1445 to permit the installation of automatic custody transfer equipment to handle the Delaware production from its Wilder, Payne and Bradley leases in Sections 25, 26 and 35, Township 26 South, Range 32 East, and in Sections 30 and 31, Township 26 South, Range 33 East, Lea County, New Mexico, and for permission to produce more than 16 wells in a common tank battery.

CASE 1827:

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 Learcy McBuffington Well No. 5, located 1650 feet from the South line and 1980 feet from the East line of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Paddock pool and the production of oil from the Justis-Blinebry Pool through parallel strings of tubing.

- CASE 1828: Application of Francis L. Harvey for an exception to Rule 104 of the Commission Rules and Regulations and for certain exceptions to well completion requirements. Applicant, in the above-styled cause, seeks an order establishing 2 $\frac{1}{2}$ -acre spacing for Mesaverde oil wells in Sections 10, 11, 21, 22, 23 and 33 of Township 18 North, Range 3 West, Sandoval County, New Mexico, in exception to Rule 104. Applicant further proposes certain exceptions to well completion requirements.
- CASE 1829: Application of John M. Kelly for an exception to the overproduction shut-in provisions of Order R-520, as amended by Order R-967, for one well in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing its Shahan Well No. 3 in the SW/4 NE/4 of Section 33, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to compensate for its overproduced status without being completely shut-in in order to prevent possible waste.
- CASE 1830: Application of Texaco Inc. for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its United Royalty "A" Well No. 3 located in Unit F, Section 19, Township 24 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Dollarhide-Queen Pool and the production of oil from the Dollarhide-Drinkard Pool through parallel strings of tubing.
- CASE 1831: Application of Texaco Inc. for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its United Royalty "A" Well No. 4, located in Unit K, Section 19, Township 24 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Dollarhide-Queen Pool and the production of oil from the Dollarhide-Drinkard Pool through parallel strings of tubing.
- CASE 1832: Application of Jal Oil Company for an exception to the overproduction shut-in provisions of Order R-520, as amended by Order R-967, for one well in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing the following-described well in the Jalmat Gas Pool to compensate for its overproduced status without being completely shut-in in order to prevent possible waste:

Watkins Well No. 2, SE/4 NE/4 of Section 25,  
Township 24 South, Range 36 East, Lea County,  
New Mexico.

*Case 1829*

J. M. HERVEY 1874-1953  
HIRAM M. DOW  
CLARENCE E. HINKLE  
W. E. BONDURANT, JR.  
GEORGE H. HUNKER, JR.  
HOWARD C. BRATTON  
S. B. CHRISTY IV  
LEWIS C. COX, JR.  
PAUL W. EATON, JR.  
ROBERT C. BLEDSOE

LAW OFFICES  
HERVEY, DOW & HINKLE  
HINKLE BUILDING  
ROSWELL, NEW MEXICO

TELEPHONE MAIN 2-6510  
POST OFFICE BOX 547

November 5, 1959

*Set for  
hearing*

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Mr. Porter:

Enclosed herewith please find three copies of an Application by Atlantic Refining Company for an exception to Rule 104(c) as to certain wells in the Denton Pool.

Please schedule the enclosed Application for hearing before an Examiner at the earliest available date. Atlantic already has one case scheduled for hearing before an Examiner on November 24, and if the enclosed Application could be heard that same date it would be appreciated.

Very truly yours,

HERVEY, DOW & HINKLE

By *Howard C. Bratton*

HCB:db  
Enclosure

cc: Mr. A. B. Tanco  
The Atlantic Refining Company  
P. O. Box 2819  
Dallas, Texas  
cc: Mr. Phil Tomlinson  
The Atlantic Refining Company  
P. O. Box 6640  
Roswell, New Mexico

*Packet  
mailed  
11-30-59*

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF THE ATLANTIC  
REFINING COMPANY FOR AN EXCEPTION  
TO THE PROVISIONS OF RULE 104(c)  
TO ALLOW THE COMPLETION OF A WELL  
IN THE SE $\frac{1}{4}$ SE $\frac{1}{4}$  OF SECTION 34, TOWN-  
SHIP 14 SOUTH, RANGE 37 EAST,  
N.M.P.M., IN THE DENTON WOLFCAMP  
OIL POOL CLOSER THAN 660 FEET TO  
ANOTHER WELL PRODUCING FROM THE  
SAME POOL IN THE SAME 40-ACRE SUB-  
DIVISION

CASE NO. 1824

To: Mr. A. L. Porter, Jr.  
New Mexico Oil Conservation Commission  
Santa Fe, New Mexico

The Atlantic Refining Company hereby applies for an exception to the provisions of Rule 104(c) to permit the recompletion of its Federal Jones No. 2 Well located 330 feet from the south and 330 feet from the east lines of Section 34, T. 14 S., R. 37 E., N.M.P.M., Lea County, in the Wolfcamp Oil Pool.

(1). The Atlantic Refining Company is the Operator of Federal Jones No. 2 Well located 330 feet from the south and east lines of Section 34, T. 14 S., R. 37 E., N.M.P.M., Lea County. This well was completed in the Devonian formation, but is no longer producing from said formation. It is proposed to recomplete this well in the Wolfcamp formation.

(2). The Applicant is the Operator of its Federal Jones No. 4 Well located 660 feet from the south and 660 feet from the east lines of Section 34, T. 14 S., R. 37 E., N.M.P.M., Lea County. This well is completed in the Wolfcamp formation, and for August of 1959 it averaged 53 BOPD.


There is attached hereto and made a part hereof a plat of the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 34, T. 14 S., R. 37 E., N.M.P.M., showing the location of the wells involved in this Application, and data as to completion intervals.



WHEREFORE, Applicant prays for an exception to the provisions of Rule 104(c) to allow the recompletion of its Federal Jones No. 2 Well in the Wolfcamp formation.

Respectfully submitted,

THE ATLANTIC REFINING COMPANY

By   
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