

CASE 3230: Application of BRITISH-  
AMERICAN for an unorthodox loca-  
tion & non-standard gas unit.

CASE No.  
3230

Application,  
TRANSCRIPTS,  
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 NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 3230  
Order No. R-2907

APPLICATION OF THE BRITISH-AMERICAN  
OIL PRODUCING COMPANY FOR AN UNORTHODOX  
LOCATION AND A NON-STANDARD GAS UNIT,  
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 7, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of May, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, The British-American Oil Producing Company, seeks approval of an unorthodox location for its North Wilson Deep Unit Well No. 1 which is located 660 feet from the South line and 1980 feet from the East line of Section 31, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, and completed as a wildcat Morrow gas well.

(3) That the applicant also seeks approval of a Morrow wildcat 320-acre non-standard gas proration unit comprising the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, to be dedicated to the subject well.

(4) That the subject well was drilled as a Devonian wildcat oil well at a standard Devonian oil well location and encountered

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CASE No. 3230

Order No. R-2907

production in the Upper and Lower Bone Spring formations but said zones subsequently became uneconomic to produce and the well was recompleted as a Morrow wildcat.

(5) That the proposed non-standard proration unit can be efficiently and economically drained and developed by the subject well.

(6) That approval of the unorthodox location will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

(7) That approval of the proposed non-standard gas proration unit will afford the applicant the opportunity to produce its just and equitable share of the gas in the undesignated Morrow gas pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox Morrow wildcat gas well location is hereby approved for The British-American Oil Producing Company North Wilson Deep Unit Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 31, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That a Morrow wildcat 320-acre non-standard gas proration unit comprising the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to The British-American Oil Producing Company North Wilson Deep Unit Well No. 1.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*Guyton B. Eays*  
GUYTON B. EAYS, Member

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

esr/

State of New Mexico  
Oil Conservation Commission



STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

**May 10, 1965**

Re: Case No. 3230  
Order No. R-2907  
Applicant:

The British-American Oil  
Producing Company

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

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

Carbon copy of order also sent to:

OTHER \_\_\_\_\_

Case. 3280.

Heard. 4-7-65

Rec. 4-27-65

1. Grant British American a non-~~ind.~~  
unit for their A. Wilson Deep unit #1  
located 6601 S + 1950' E 31-205-36 E.

The unit consists of SE/4 sec. 31 SW/4,  
sec. 32, 205-36 E.

Trust. H. J.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 7, 1965

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

The following cases will be heard before Elvis A. Utz, Examiner,  
or A. L. Porter, Jr., Alternate Examiner:

- CASE 3225: Application of Harold L. Runnels for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill his Millard Eidson B Well No. 3, the surface location of which is 660 feet from the South line and 1980 feet from the East line of Section 26, Township 16 South, Range 35 East, Shoebar Field, Lea County, New Mexico. Applicant proposes to set a whipstock at 6800 feet and directionally drill in a northwesterly direction bottoming said well at a true vertical depth of approximately 10,400 feet in the Permo-Pennsylvanian pay at a point not closer than 330 feet to the North and West lines of the SW/4 SE/4 of said Section 26.
- CASE 3226: Application of Skelly Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg Jackson Pool in its Dow Unit Area, by the injection of water into the Premier (Grayburg) and San Andres formations through six wells located in Section 22, Township 17 South, Range 31 East, Eddy County, New Mexico.
- CASE 3227: Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (combination) of its C. H. Weir "B" Well No. 6 located in Unit P of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, to produce oil from the Skaggs Glorieta Pool through 2 7/8 inch casing, gas from the Skaggs Drinkard Pool through 1.61 inch ID tubing installed in a parallel string of 2 7/8 inch casing, and gas from the East Weir Blinbry Pool through the tubing-casing annulus, both strings of 2 7/8 inch casing being cemented in a common well-bore.
- CASE 3228: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Skaggs Pool by the injection of water into the Grayburg formation through nine wells in Sections 7, 12, and 13, Township 20 South, Range 37 East, Lea County, New Mexico.

Examiner Hearing - April 7, 1965

CASE 3229: Application of Pan American Petroleum Corporation for a dual completion and a non-standard gas production unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its South Mattix Unit Well No. 18 located in Unit G of Section 22, Township 24 South, Range 37 East, Lea County, New Mexico, to produce gas from the Lower Paddock formation and oil from the Blinbry formation, Fowler field, through parallel strings of tubing. Applicant, further seeks approval of a Fowler-Lower Paddock non-standard gas production unit for said well, comprising the NE/4, E/2 NW/4, and N/2 SE/4, of said Section 22.

CASE 3002: In the matter of Case No. 3002 being reopened pursuant (Reopened) to the provisions of Order No. R-2684, which order established temporary 320-acre spacing for the Fowler-Lower Paddock Gas Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre spacing units.

CASE 3230: Application of The British-American Oil Producing Company for an unorthodox location and a non-standard gas unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its North Wilson Deep Unit Well No. 1 located 550 feet from the South line and 1980 feet from the East line of Section 31, Township 20 South, Range 36 East; applicant further seeks approval of a non-standard Morrow gas unit to be dedicated to said well, said unit comprising the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, Lea County, New Mexico.

CASE 3231: Application of Vilas P. Sheldon for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Old Loco Unit Area comprising 720 acres, more or less, of State lands in Sections 31 and 32, Township 17 South, Range 29 East, Eddy County, New Mexico.

CASE 3232: Application of Vilas P. Sheldon for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg Jackson and Loco Hills Pools in the Old Loco Unit Area by the injection of water into the Lovington and Grayburg formations through six injection wells in Section 32, Township 17 South, Range 29 East, Eddy County, New Mexico.



Examiner Hearing - April 7, 1965

CASE 3233: Application of Tidewater Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East Eumont Unit Area comprising 5,535 acres, more or less, of Federal, State and Fee lands in Townships 18, 19, and 20 South, Range 37 East, Lea County, New Mexico.

CASE 3234: Application of Tidewater Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Eumont Pool, Lea County, New Mexico, in its East Eumont Unit Area by the injection of water into the Yates, Seven Rivers and Queen formations through 69 wells in said unit area.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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PAGE 1

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 7, 1965

EXAMINER HEARING

IN THE MATTER OF:

APPLICATION OF THE BRITISH-AMERICAN OIL  
PRODUCING COMPANY FOR AN UNORTHODOX  
LOCATION AND A NON-STANDARD GAS UNIT, LEA  
COUNTY, NEW MEXICO

Case No. 3230

BEFORE:

ELVIS A. UTZ

TRANSCRIPT OF HEARING

MR. UTZ: Case Number 3230.

MR. DURRETT: Application of The British-American Oil Producing Company for an unorthodox location and a non-standard gas unit, Lea County, New Mexico.

MR. SPERLING: J. E. Sperling, appearing for the applicant, British-American Oil Producing Company. We have one witness; request that he be sworn.

\* \* \*

J E R R Y B E N T O N, the witness, having been duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. SPERLING:

Q Will you state your name, please, and by whom you are employed and in what capacity, and your residence.

A Name, Jerry Benton; staff engineer for British-American Oil Producing Company in Midland, Texas.

Q Have you testified before the Oil Conservation Commission on previous occasions?

A I have.

Q And your qualifications have been accepted?

A Yes, sir.

Q Mr. Benton, are you familiar with the application of your company in this matter?

A I am.

Q Would you outline briefly for the Examiner what is sought by the application.

A We seek an exception to the wide Rule Number 104, Part B, as amended by Order Number 104, which was effective May 25, 1964. This order requires that a well completed in Pennsylvanian age or older should be located no closer than 660 feet to the nearest side boundary, or closer than 1980 feet from the nearest in boundary. The North Wilson B unit is located 1980 feet from the east line and 660 feet from the south line of Section 31, Township 20 South, Range 30 East, and since it is a Morrow sand completion it is now an unorthodox location.

Q Please refer to what has been marked for identification Exhibit 1, and explain the information shown on that plat.

A On this plat is shown the outline of the North Wilson Deep unit by the hatched lines. This unit covers the Delaware formation down through the Devonian, and is a drilled and productive unit. Participation is shared on an acreage basis.

Q There is shown on the plat an area, and within that area apparently are the hatched lines you have spoken of, and this represents the unit outline, is that correct?

A That is correct.

Q And the particular area covered by the application is indicated in red?

A Yes.

Q You stated this is a unit, and I assume that the unit agreement covers the Morrow production therefrom, as unitized?

A Yes, sir, it is included within the interval unitized.

Q Who are the interest owners within this unit?

A British-American of course is the operator; Amerada, Gulf, Phillips, Wilson Oil Company and Wyoming Oil Company.

Q What about the royalty ownership? Is it common or diverse?

A It is common. All acreage within the unit is administered by the State of New Mexico.

Q It would appear from Exhibit 1 that not only is the unit area all State royalty, but the area designated on the plat as the area of responsibility, is that correct?

A That is correct, sir. All offsetting acreage shown on the map is State royalty.

Q To put it another way, it might be stated as follows: That all of the acreage offsetting the unit area itself as well as that offsetting the acreage covered by the appli-

cation is State leased land?

A That is true.

Q Are there any other Morrow gas wells completed within this unit or within the area shown on the plat?

A Not on this plat. Exhibit 3, which is a structure map of the Morrow, shows the Pure Unit Number 1 in Section 13 as a Morrow gas producer, but on Exhibit 1 there is no other Morrow gas.

Q All right--we will proceed to Exhibit 2, which appears to be a collection of certain information. Will you review that, please.

A Exhibit 2 is a brief summary of well history on the North Wilson Deep Unit Number 1. This well was spudded on January 1, 1964 and reached a total depth of 12,725 on April 22, 1964. The well was initially completed in the Upper and Lower Bone Spring in May and June of 1964 and by November both of these zones were uneconomic. Production from the Upper Bone Spring was about 6 barrels of oil per day, with no water, and the Lower Bone Spring had gone to 100% water. In November the Morrow gas sand was perforated and the calculated open flow rate was 10,700 MCF per day. The initial shut-in bottom hole pressure was measured at 6884 PSI at the Morrow sand and during December Phillips Petroleum started taking gas from this well. Since the well was on an unorthodox location,

British-American requested and received administrative approval for a 160-acre non-standard proration unit, and this was granted on January 13th...on January 16th, and since that time approximately 207,928 MCF gas and 2809 of condensate have been produced. I failed to mention also that Warren Petroleum takes gas from this well--in other words, there's two gas purchasers.

Q Is there any other comment you want to make about Exhibit 2, before we proceed to Number 3?

A One other comment I might make is that shut-in bottomhole pressure was taken on March 28, 1965 and measured pressure was 5830 PSI, which is a considerable drop from the initial, and presently it indicates to us that the reserves we have assigned this well may not be as great as we initially thought.

Q If you will refer to Exhibit 3, please, and tell us what is shown by that exhibit.

A Exhibit 3 is a map contoured on a Morrow marker which is above the first Morrow sand. This map was contoured based on three wells which have penetrated the Morrow sand, and dip meter indications from logging surveys and estimations from two Wolfcamp wells.

Q Would you point out the location of the two Morrow wells to which you referred in the early part of your testimony, please.

A The British-American Northwest and Deep Unit 1, and the Pure Oil Company Wilson Deep Unit Number 1 in section 13, and the Hammond State E Number 1 in Section 4, Range 35 East; I believe that's Township 21 South. This well penetrated the Morrow but flowed only 461 MCF per day on a drill stem test, and wasn't commercial.

Q Your application seeks to dedicate to this Morrow well a total of 320 acres, consisting of the southeast of Section 31 and the southwest of Section 32, Township 20 South, Range 36 East--that is correct, is it not?

A That is correct.

Q Can you tell us why it is proposed that this unit be formed on an east-west basis?

A Presently it appears that the Morrow sand is probably deposited on the northwestern flank of the Devonian structure which is reflected on the Morrow contour map on Exhibit 3, and since the Hammond State E Number 1 showed indications of pinch-out of the West Morrow sand, we feel that the best possibilities for development will be on the northwest side of this structure shown on Exhibit 3.

Q Do you have an opinion at this time as to how extensive this reservoir may be?

A The buildup test taken in March on the North Wilson Deep unit indicated a reservoir drain area of about 400 acres,



but we're not real confident of the information we got from this buildup survey. We plan to take other surveys after further production.

Q Do you contemplate additional development in this area in the Morrow?

A Yes, we plan to drill at least one more well in Section 5, Range 35 East, Township 21 South.

Q Is it your opinion, Mr. Benton, that the granting of this application is in the interest of conservation and protection of correlative rights and prevention of waste?

A Yes, sir, it is.

Q Do you have anything further to add with reference to any of the exhibits, or independently of them?

A No, sir, I don't believe I do.

MR. SPERLING: I'd like to offer at this time, Mr. Examiner, Exhibits 1 through 3.

MR. UTZ: Without objection, Exhibits 1 through 3 will be entered into the record of this case.

MR. SPERLING: If the Examiner please, we have available a single copy of the log.

MR. BENTON: I have other copies.

MR. SPERLING: It might be well to include this as part of the record. Mr. Benton, would you identify Exhibit 4 for the record.

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MR. BENTON: Exhibit 4 is a dual induction log, one of the primary set of logs run on the Northwest Deep Unit Number 1.

MR. SPERLING: I offer Exhibit 4 at this time.

MR. UTZ: Exhibit 4 will also be made a part of the record.

MR. SPERLING: That's all I have at this time, Mr. Examiner.

CROSS-EXAMINATION

MR. UTZ: Referring to Exhibit 1, I notice the quarter-section in which the Number 1 North Wilson Deep unit was drilled is not dotted. What status would that acreage have as far as the unit is concerned?

A The dotted acreage represents the acreage British-American originally had a working interest in. The quarter-section zone indicated as Gulf's was acreage they contributed to the unit--in other words, the acreage within the unit still shows the original owner designation, although it has been unitized.

Q This quarter-section, then, is committed to the unit?

A Yes, sir, it is.

Q The location of the well being 1980 feet from the west line of the unit, is the standard location from

that direction, is it not?

A Yes, sir.

Q And so the 660 location is crowding the unit acreage only?

A Yes.

Q Can you explain, in view of Rule 104, why this well was drilled 660?

A At that time we contemplated a Devonian oil producer, and it was drilled as such.

Q And the two quarter-sections which you request to be made a non-standard unit are both dedicated to the unit, are they?

A Yes, sir.

MR. UTZ: Are there other questions?

MR. DURRETT: I'm having a little trouble with Exhibit 1. Do I understand correctly that all of Section 31 and Section 32 in 20 South, 36 East are part of the unit?

A No, sir, they are not. Only the east half of Section 31 and the west half of Section 32 are part of the unit.

Q Have you had any communication with Texaco concerning this well location?

A The only communication we have had with them is that we obtained waivers of objection from both Sinclair and

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Texaco when we asked for the 160-acre non-standard proration unit.

Q They did give you waivers?

A Yes, sir.

Q And this well will be located 660 out of the southwest corner of this proration unit, is that correct-- 660/660?

A Yes, sir.

MR. DURRETT: Thank you. I think that's all.

MR. UTZ: What evidence can you give as to the productivity of the southwest quarter of Section 32?

A We have none at this time. The only indication that the sand might go that way is the Hammond State E Number 1 down in Section 4, which had a small section of Morrow sand.

Q That's the well you contoured on 7509--minus 7509?

A Yes, sir, that's correct. That well flowed 461 MCF per day on a drill stem test of the Morrow.

Q Do you intend to drill any more wells in Section 31 or Section 32?

A Not at this time. If further information shows that these wells will be economical, we will probably consider drilling.

Q How much section do you have in the Morrow in the Number 1 Wilson?



A Twenty-five feet.

Q Are there any prospects for anything to the north of this?

A Yes, sir, possibly.

MR. DURRETT: One other question. Do I understand correctly that, based upon the geological information you have, it is your opinion that the southwest quarter of 31 and the southeast quarter of 32 are non-productive in the Morrow?

A No, sir, I don't know that that is true. If I understood you correctly, you said the southwest quarter of Section 31?

Q Yes.

A No, sir. We think it would probably be productive.

Q That's a Texaco acreage?

A Yes, sir.

Q What about the southeast of 32? Do you think it's productive?

A We think it's a very good chance that it will not be commercial. It is the opinion of our geologists that the deposit of Morrow sand in this particular area seems to be on the westerly flank of these structures.

Q Do you know if Texaco has any plans for drilling in the southwest of 31 to the Morrow?

A I know that at one time they had planned to drill

a well in that southwest quarter, but they stopped operations to observe our well. I might point out that Amerada is presently drilling a well in the southeast quarter of Section 32.

Q To the Morrow?

A Yes, sir, it's going to the Morrow.

MR. UTZ: At what state of drilling is this Amerada well?

A They're at approximately 10,000 feet.

Q So it will be some time before that well will give any information?

A Probably two weeks, at least.

MR. UTZ: Are there further questions? The witness may be excused. Are there any further statements to be made in this case? The case will be taken under advisement.

\* \* \*

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STATE OF NEW MEXICO )  
 ) SS  
COUNTY OF BERNALILLO )

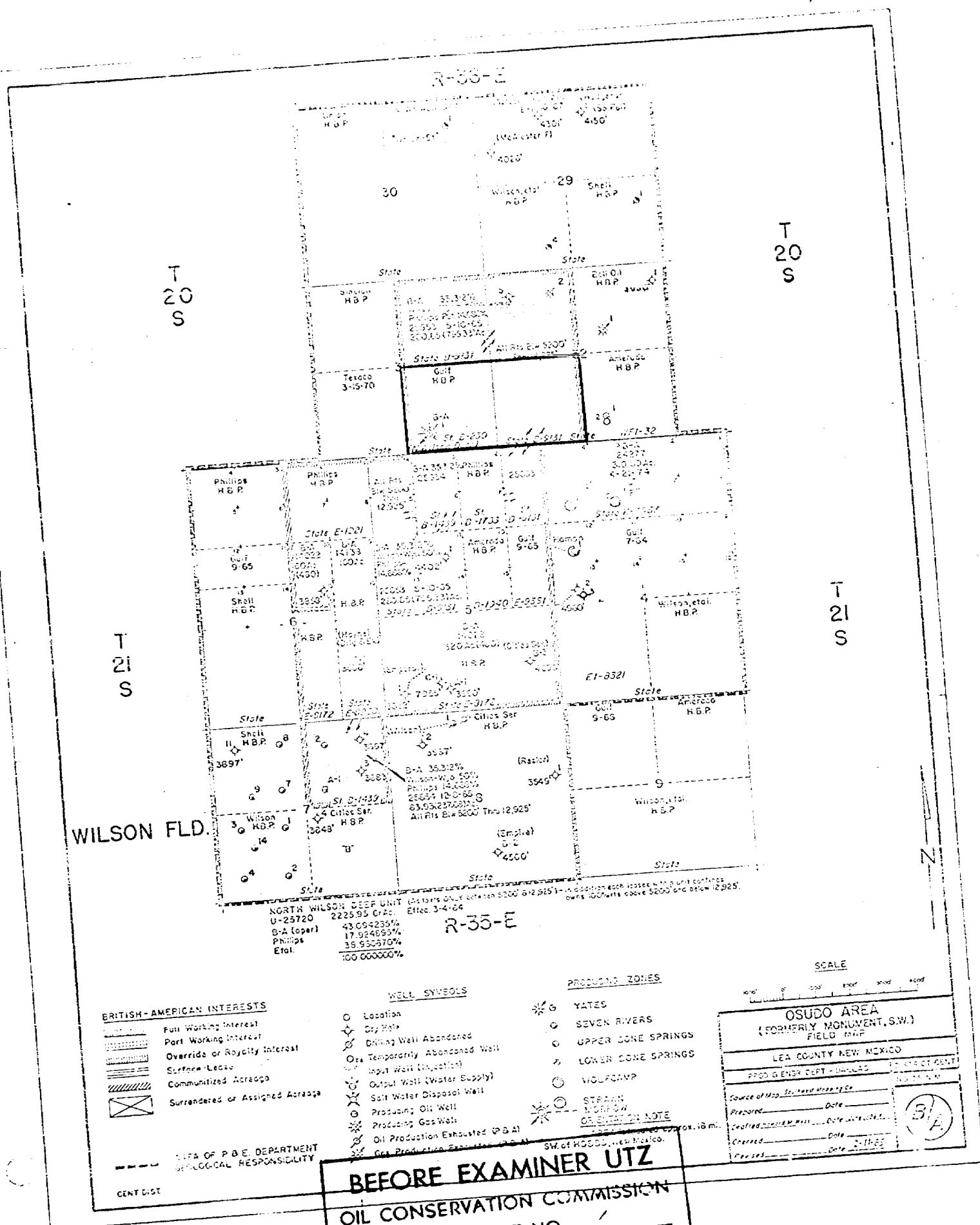
I, ELIZABETH K. HALE, Notary Public and Court Reporter,  
do hereby certify that proceedings in the foregoing case were  
taken and transcribed by me, and that the foregoing is a true  
and correct transcript of proceedings to the best of my  
knowledge, skill and ability.

IN WITNESS WHEREOF, my hand and seal of office this  
9th day of April, 1965.

*Elizabeth K. Hale*  
Notary Public

My commission expires  
May 23, 1968.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 3230,  
heard by me on *April 7*, 19*65*.  
*Charles R. [Signature]* Examiner  
New Mexico Oil Conservation Commission





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1  
CAMEL FIELD

NO. 1 WILSON UNIT NO. 1

LOCATION: 663' FSL & 1980' FHL, Section 31, T-25-S, R-36-E, Lea County,  
New Mexico.

SPUDDED: 10:30 p.m., 1-1-64. Elevation: 3653' NB; 3634' GL

CASING:

13-3/8" set at 316' and cemented with 325 sx. Cement circulated.  
9-5/8" set at 5394' and cemented with 4957 ft<sup>3</sup>. T/cement at 500'.  
1" set at 11,985' and cemented with 1165 sx. T/cement at 5830'.

Note: While drilling at 11,372' in sand and shale, hole started  
unloading 10.6 ppg drilling mud.

TOTAL DEPTH: TD of 12,725' in the Devonian was reached on 4-22-64.

PEED: 11,784'

COMPLETION

LOWER BONE SPRING: Perforated 10,994 - 10,122'. Acidized with 2,000 gals.  
reg. acid. 6-3-64, 96 hr. SIBHP: 4107 psi. On potential test, 5-29-64,  
pumped 64 BO and 172 BW in 24 hrs. GOR: 1255.

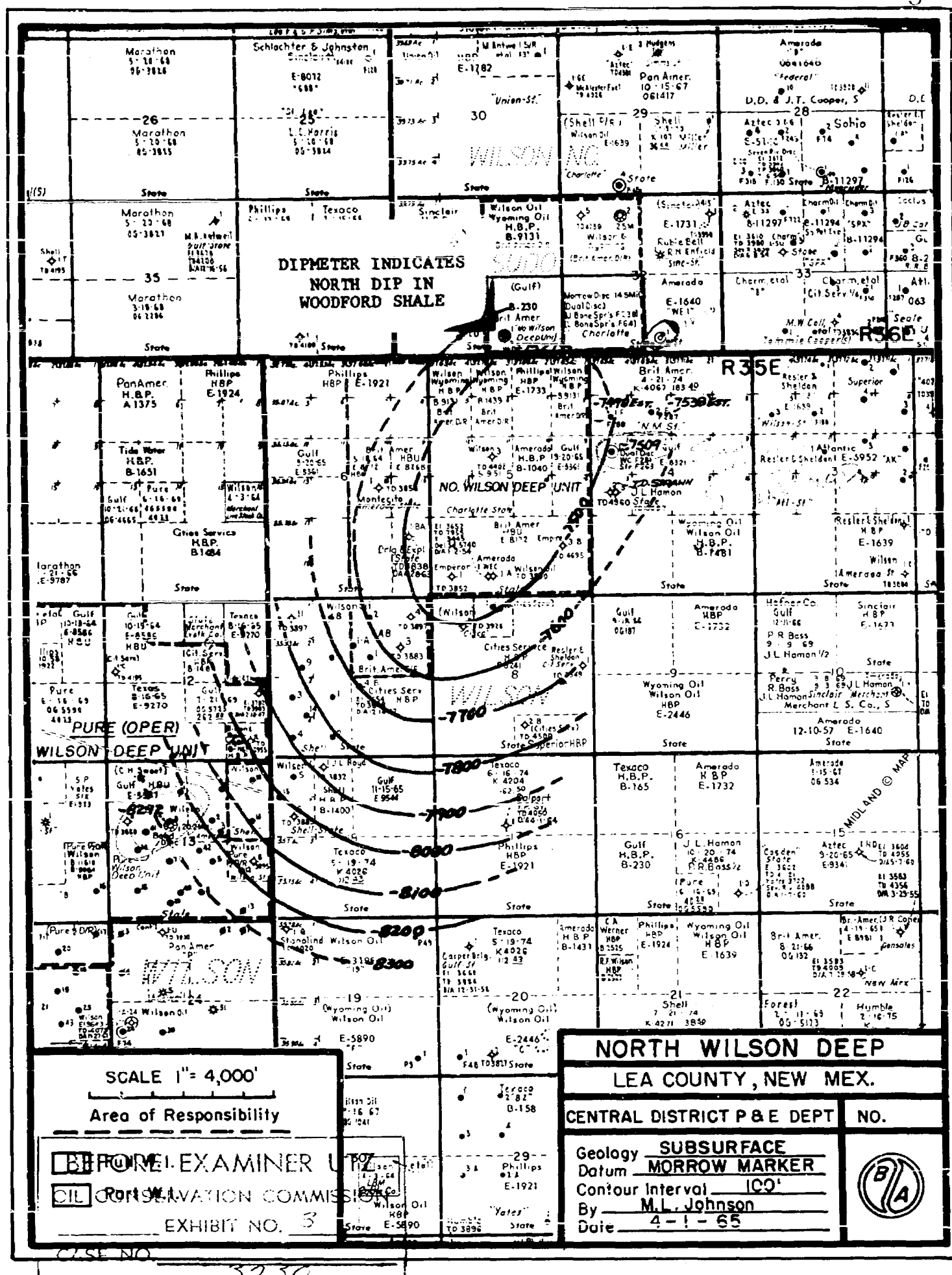
UPPER BONE SPRING: Perforated 7888 - 7901'. Acidized with 2,000 gals. reg.  
acid. 6-3-64, 70 hr SIBHP: 1723 psi. On potential test, 6-10-64, pumped  
238 BO and 0 BW in 24 hrs. GOR: 268. 6-23-64, 74 hr. SIBHP: 740 psi.

By November, 1964, the Upper Bone Spring was pumping 6 BO and 0 BW per  
day and the Lower Bone Spring had gone to 100% SW. Cumulative oil pro-  
duction from the Upper Bone Spring was 7281 BO and from the Lower Bone  
Spring was 979 BO. By 11-19-64, both these zones had been squeezed off.

MORROW SAND: On 11-22-64, the Morrow was perforated 11,353 - 11,376'. 34  
hr. SITP: 5487 psi. Calculated open flow rate was 10,700 MCFPD. Con-  
densate yield was 15 Bbls./MCF. Gravity: 48° API. Gas Gravity: 0.605.  
On 11-29-64, 114 hr. SIBHP: 6884 psi at 11,365'.

A 60 hr. SIBHP, measured 3-28-65, was 5830 psi. Cumulative production at  
this time was approximately 267,926 MCF of gas and 2,809 barrels of con-  
densate. Gas purchasers are Phillips and Warren

BEFORE EXAMINER UTZ  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 2  
CASE NO. 3230



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF THE BRITISH-AMERICAN OIL PRO-  
DUCING COMPANY FOR APPROVAL OF  
THE UNORTHODOX LOCATION OF ITS  
NORTH WILSON DEEP UNIT WELL NO.  
1, SE/4 OF SECTION 31, TOWNSHIP  
20 SOUTH, RANGE 36 EAST, NMPM,  
LEA COUNTY, NEW MEXICO.

3730

APPLICATION

1. The British-American Oil Producing Company is an owner and the operator of that certain gas well known as the North Wilson Deep Unit Well No. 1, located 660 feet from the South line and 1980 feet from the East line of Section 31, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

2. That said well was completed on June 6, 1964 as a dual oil producer from the upper and lower Bone Springs Formation and that following depletion of the reservoirs in which said well was originally completed, the well was re-completed in November of 1964 in the Morrow gas sand and that said well is presently producing from said sand from perforations at 11,353 feet to 11,376 feet; that under the provisions of Commission Rule 104, as amended by Order No. R-2707, the location of said well is unorthodox in that it is presently completed in a formation of Pennsylvanian Age and is located 660 feet from the nearest end boundary.

3. That the Commission, by its Administrative Order NSP-702, approved a 160 acre non-standard gas proration unit for this well. Applicant now desires to dedicate the SE/4 of Section 31 and the SW/4 of Section 32, Township 20 South, Range 36 East, NMPM, to its well. There is attached hereto