

CASE 6872: AMOCO PRODUCTION COMPANY FOR
A DUAL COMPLETION, LEA COUNTY, NEW
MEXICO

CASE NO.

6872

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.



May 14, 1980

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Re: CASE NO. 6872
ORDER NO. R-6340

Mr. James M. Appelt, Attorney
Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

Applicant:

Amoco Production Company

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/1a

Copy of order also sent to:

Hobbs OCD	<u>X</u>
Artesia OCD	<u>X</u>
Aztec OCD	

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6872
Order No. R-6340

APPLICATION OF AMOCO PRODUCTION
COMPANY FOR A DUAL COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 23, 1980,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of May, 1980, the Division Director,
having considered the testimony, the record, and the recommenda-
tions of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Amoco Production Company, seeks
authority to complete its State "HQ" Well No. 1, located in
Unit P of Section 26, Township 18 South, Range 34 East, NMPM,
Lea County, New Mexico, as a dual completion (conventional) to
produce Bone Springs and Wolfcamp oil through parallel strings
of tubing.

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby
authorized to complete its State "HQ" Well No. 1, located in Unit
P of Section 26, Township 18 South, Range 34 East, NMPM, Lea
County, New Mexico, as a dual completion (conventional) to produce

-2-

Case No. 6872
Order No. R-6340

Bone Springs and Wolfcamp oil through parallel strings of tubing with separation of the zones to be achieved by means of a packer set at approximately 10,580 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the undesignated Wolfcamp pool.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



Joe D. Ramey
JOE D. RAMEY
Director

2d/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
23 April 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Amoco Production
Company for a dual completion, Lea
County, New Mexico.

CASE
6872

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

James M. Appert, Esq.
Amoco Production Company
P. O. Box 3092
Houston, Texas 77001

SALLY W. BOYD, C.S.R.

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Santa Fe, New Mexico 87501
Phone (505) 455-7409

I N D E X

J. C. ALLEN

Direct Examination by Mr. Appelt

3

E X H I B I T S

Applicant Exhibit One, Map

4

Applicant Exhibit Two, Sketch

8

Applicant Exhibit Three, Log

10

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Phone (505) 455-7479

1 MR. STAMETS: We'll call next Case 6872.

2 MR. PADILLA: Application of Amoco Pro-
3 duction Company for a dual completion, Lea County, New
4 Mexico.

5 MR. APPELT: My name is James Appelt.
6 I'm appearing for Amoco Production Company. This is Case
7 6872. In this case Amoco Production Company requests Divi-
8 sion approval to dually complete its State "HQ" Well No. 1
9 located in Unit P of Section 26, Township 18 South, Range 34
10 East, Airstrip Field, Lea County.

11 Said well is to produce Upper Bone Springs
12 and Wolfcamp oil through parallel strings of tubing.

13 I have one witness, Mr. Jim Allen, and
14 he needs to be sworn.

15
16 (Witness sworn.)

17
18 J. C. ALLEN
19 being called as a witness and having been duly sworn upon
20 his oath, testified as follows, to-wit:

21
22 DIRECT EXAMINATION

23 BY MR. APPELT:

24 Q Mr. Allen, will you please state your
25 name, where you're employed?

SALLY W. BOYD, C.S.R.

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Santa Fe, New Mexico 87501
Phone (505) 435-7409

1 A My name is James C. Allen. I'm a Senior
2 Petroleum Engineer and Supervisor with Amoco Production
3 Company in Houston, Texas.

4 Q Mr. Allen, have you ever testified before
5 this Commission before?

6 A Yes, sir.

7 Q Are your qualifications a matter of pub-
8 lic record?

9 A Yes, sir.

10 MR. APPELT: Mr. Examiner, will you accept
11 Mr. Allen as an expert, qualified to testify in this matter?

12 MR. STAMETS: Yes, the witness is qual-
13 ified. And in case I missed it, we do have a letter in here
14 from Atwood and Malone filing their entry of appearance in
15 this case.

16 MR. APPELT: Okay, thank you.

17 Q Mr. Allen, how many exhibits do you plan
18 to introduce?

19 A Three exhibits.

20 Q Mr. Allen, were these exhibits prepared
21 by you or under your direction and supervision?

22 A Yes, sir, they were.

23 Q Okay, Mr. Allen, I now direct your atten-
24 tion to Exhibit Number One. Mr. Allen, what is Exhibit One?

25 A Exhibit Number One is a map of a portion

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1 of Lea County, New Mexico, with Amoco's El Tonto working
2 interest unit located essentially in the center of this map.

3 Q And how is it designated?

4 A The El Tonto Unit is shown with a hatched
5 heavy border around the working interest unit.

6 Q I notice that in addition to the particular
7 field there are two other areas of colored dots shown on this
8 map. What are those?

9 A This map was introduced as Exhibit Number
10 One in a hearing held before the Commission on December the
11 12th, 1979. It was Case Number 6756, in which Amoco requested
12 contraction of the Airstrip Bone Springs and the establish-
13 ment of the Lower Bone Springs interval. I thought, therefor,
14 that this map would be appropriate for this hearing.

15 But the locations in the northwest and
16 southeast have no bearing on today's application.

17 Q Okay, and the Airstrip Field, I notice
18 that there are eight wells with colored symbols on them.

19 What would you describe what these symbols mean?

20 A Yes, sir. We've used them to identify
21 the Airstrip Field. The orange dots are the Airstrip Upper
22 Bone Springs producing horizons. The red dots identify
23 Wolfcamp completions and the green dots are wells completed
24 in the Airstrip Lower Bone Springs.

25 Q Would you briefly describe the historical

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1 pattern of development for this field?

2 A Yes, sir. The Wolfcamp horizon was dis-
3 covered with the Amoco State "FU" Well No. 1, located in the
4 northeast southwest of Section 25 in 1975.

5 In 1979 Gulf discovered the Bone Springs
6 Pool with their State "YH" Well No. 1 in the southwest of
7 the southeast quarter of Section 25, and Amoco discovered the
8 Lower Bone Springs horizon in its State "FU" Well No. 2 in
9 September of 1979. That well is located in the southeast
10 southwest of Section 25.

11 Q Okay. Is the subject matter of this
12 hearing indicated on this map?

13 A Yes, sir, it is identified -- the well
14 in question is identified with a heavy red arrow.

15 Q Okay, Mr. Allen, you've indicated the
16 meaning of the symbols with colored dots in this area, but
17 I notice there are other symbols in this area with no colored
18 dots. What do they represent?

19 A These are additional development underway
20 with Amoco at this time. The well located in the northeast
21 quarter of Section 25, the "FU" Well No. 4, is currently
22 drilling at approximately 9000 feet; to 10,800 to test the
23 two Bone Springs horizons in the Wolfcamp.

24 In addition we have three other locations
25 that have been staked, these being the No. 2 "HR" Well in

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1 the northeast northeast of Section 36, and the No. 1 "IA"
2 Well in the northwest northwest of Section 36, in addition
3 to the No. 2 State "HQ" Well located in the northeast
4 southeast of Section 26.

5 Q Okay. I notice that the 1 "FU" and 2
6 "FU" Wells have symbols that appear to represent dual com-
7 pletions. Are they dually completed?

8 A No, sir, they're not dually completed.
9 They are -- have been plugged back to the Upper Bone Springs;
10 however, both the Wolfcamp and the Lower Bone Springs are
11 productive in these two wells. They're isolated with a
12 bridge plug at the present time.

13 Q Okay, then there are no present dual
14 completions in this field?

15 A Not in the instant field at this time.

16 Q Okay. Does Amoco intend to seek admini-
17 strative approval to dually complete other wells in this
18 field?

19 A Yes, sir, the plans are to set 7-inch
20 casing, if it is indicate, in the No. 4 Well, and of course,
21 with three other locations other possibilities of dual com-
22 pletions in any two of these three horizons do present them-
23 selves.

24 Q Okay. Concerning this exhibit do you
25 have anything further?

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Page 9

1 A No, sir.

2 Q Okay, Mr. Allen, I now direct your at-
3 tention to Exhibit Number Two. What is Exhibit Two?

4 A It is a wellbore sketch of the State
5 "HQ" Well No. 1, which is showing the tubular goods downhole
6 in this well.

7 Q Okay. What kind of casing program have
8 you got?

9 A As shown on this sketch, we have 13-3/8ths
10 surface casing set at 300 feet with cement circulated;

11 (Tape failure here briefly.)
12 TD set at 10,850 feet. The top of cement is calculated at
13 5610 feet.

14 Q Okay, would you briefly describe your
15 tubing program?

16 A Yes, sir, it is our plan to produce this
17 well through two strings of tubing, both being 2-3/8ths
18 inch tubing. They are also identified on this plat.

19 Q Okay, would you describe the perfora-
20 tions in this well?

21 A Yes, sir. The Upper Bone Springs oil
22 zone was perforated 9288 to 9337, noncontiguous. The Wolf-
23 camp interval is perforated 10,626 to 694 feet, nonconti-
24 guous, and a production packer is set to isolate the two
25 zones at 10,580 feet.

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1 Q Okay. Mr. Allen, were centralizers used
2 in this well?

3 A Yes, sir, they were, on the 7-inch casing
4 string 18 centralizers, commencing at 9000 feet, at appro-
5 ximately 100-foot intervals from there to 10,850 feet, were
6 used.

7 Q Okay, have you run any production tests
8 on this well?

9 A Yes, sir, we have. The upper zone, or
10 the Upper Bone Springs initially potentialed flowing 359
11 barrels of oil a day, 34 barrels of water, with a gas/oil
12 ratio of 1103 cubic feet per barrel, with a tubing flowing
13 pressure of 500 psi.

14 The Wolfcamp horizon also initially
15 potentialed flowing for 30 barrels a day, 18 barrels of
16 water, with a gas/oil ratio of 1212 cubic feet per barrel;
17 however, tubing pressure flowing was only 50 pounds in this
18 zone and it's my opinion artificial lift will be required.

19 Q Okay. Where is the production type
20 packer in this well set?

21 A At 10,580 feet, between the two horizons.

22 Q Okay, Mr. Allen, is there anything else
23 you'd like to add to Exhibit Two?

24 A No, sir.

25 Q Mr. Allen, I now direct your attention

1 to Exhibit Number Three. What is it?

2 A Exhibit Number Three is a copy of the
3 compensated neutron formation density log run on the State
4 "HQ" Well No. 1. On this log I have identified the top of
5 the three Airstrip Fields; that is, the Upper Bone Springs,
6 Lower Bone Springs, and Wolfcamp. In addition, the exact
7 perforated interval for the Wolfcamp and Upper Bone Springs
8 has been added to this log.

9 Q Okay. If approval is granted by the
10 Division to dually complete this well and it is thus com-
11 pleted, in your opinion can hydrocarbons from the Upper Bone
12 Springs and Wolfcamp intervals be safely and efficiently
13 produced through parallel strings of tubing?

14 A In my opinion, yes, they can be.

15 Q Okay. Will the production type packer
16 to be used effectively prevent communication between all
17 productive zones in the subject well?

18 A Yes, sir.

19 MR. ARRELL: Mr. Examiner, I respectfully
20 submit Exhibits One, Two, and Three, and the testimony of
21 Mr. Allen as evidence to support Amoco' application, and
22 pass the witness.

23 MR. STAMETS: The Exhibits will be ad-
24 mitted.

25 Are there any questions of the witness?

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1 He may be excused.

2 Anything further in this case?

3 The case will be taken under advisement.

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5 (Hearing concluded.)

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REPORTER'S CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

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I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6872
heard by me on 4-23 1980.

Richard L. Hunt, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
23 April 1980

EXAMINER HEARING

IN THE MATTER OF:

Application of Amoco Production
Company for a dual completion, Lea
County, New Mexico.

CASE
6872

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
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Ernest L. Padilla, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

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Amoco Production Company
P. O. Box 3092
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I N D E X

J. C. ALLEN

Direct Examination by Mr. Appelt

3

E X H I B I T S

Applicant Exhibit One, Map

4

Applicant Exhibit Two, Sketch

6

Applicant Exhibit Three, Log

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Page 3

1 MR. STAMETS: We'll call next Case 6872.

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3 duction Company for a dual completion, Lea County, New
4 Mexico.

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6 I'm appearing for Amoco Production Company. This is Case
7 6872. In this case Amoco Production Company requests Divi-
8 sion approval to dually complete its State "HQ" Well No. 1
9 located in Unit P of Section 26, Township 18 South, Range 34
10 East, Airstrip Field, Lea County.

11 Said well is to produce Upper Bone Springs
12 and Wolfcamp oil through parallel strings of tubing.

13 I have one witness, Mr. Jim Allen, and
14 he needs to be sworn.

15
16 (Witness sworn.)

17
18 J. C. ALLEN

19 being called as a witness and having been duly sworn upon
20 his oath, testified as follows, to-wit:

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24 Q Mr. Allen, will you please state your
25 name, where you're employed?

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Page 4

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2 Petroleum Engineer and Supervisor with Amoco Production
3 Company in Houston, Texas.

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5 this Commission before?

6 A Yes, sir.

7 Q Are your qualifications a matter of pub-
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12 MR. STAMETS: Yes, the witness is qual-
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15 this case.

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18 to introduce?

19 A Three exhibits.

20 Q Mr. Allen, were these exhibits prepared
21 by you or under your direction and supervision?

22 A Yes, sir, they were.

23 Q Okay, Mr. Allen, I now direct your atten-
24 tion to Exhibit Number One. Mr. Allen, what is Exhibit One?

25 A Exhibit Number One is a map of a portion

1 of Lea County, New Mexico, with Amoco's El Tonto working
2 interest unit located essentially in the center of this map.

3 Q And how is it designated?

4 A The El Tonto Unit is shown with a hatched
5 heavy border around the working interest unit.

6 Q I notice that in addition to the particular
7 field there are two other areas of colored dots shown on this
8 map. What are those?

9 A This map was introduced as Exhibit Number
10 One in a hearing held before the Commission on December the
11 12th, 1979. It was Case Number 6756, in which Amoco requested
12 contraction of the Airstrip Bone Springs and the establish-
13 ment of the Lower Bone Springs interval. I thought, therefor,
14 that this map would be appropriate for this hearing.

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16 southeast have no bearing on today's application.

17 Q Okay, and the Airstrip Field, I notice
18 that there are eight wells with colored symbols on them.
19 What -- would you describe what these symbols mean?

20 A Yes, sir. We've used them to identify
21 the Airstrip Field. The orange dots are the Airstrip Upper
22 Bone Springs producing horizons. The red dots identify
23 Wolfcamp completions and the green dots are wells completed
24 in the Airstrip Lower Bone Springs.

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3 covered with the Amoco State "FU" Well No. 1, located in the
4 northeast southwest of Section 25 in 1975.

5 In 1979 Gulf discovered the Bone Springs
6 Pool with their State "YH" Well No. 1 in the southwest of
7 the southeast quarter of Section 25, and Amoco discovered the
8 Lower Bone Springs horizon in its State "FU" Well No. 2 in
9 September of 1979. That well is located in the southeast
10 southwest of Section 25.

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12 hearing indicated on this map?

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14 in question is identified with a heavy red arrow.

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16 meaning of the symbols with colored dots in this area, but
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20 with Amoco at this time. The well located in the northeast
21 quarter of Section 25, the "FU" Well No. 4, is currently
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25 that have been staked, these being the No. 2 "HR" Well in

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10 however, both the Wolfcamp and the Lower Bone Springs are
11 productive in these two wells. They're isolated with a
12 bridge plug at the present time.

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14 completions in this field?

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16 Q Okay. Does Amoco intend to seek admini-
17 strative approval to dually complete other wells in this
18 field?

19 A Yes, sir, the plans are to set 7-inch
20 casing, if it is indicate, in the No. 4 Well, and of course,
21 with three other locations other possibilities of dual com-
22 pletions in any two of these three horizons do present them-
23 selves.

24 Q Okay. Concerning this exhibit do you
25 have anything further?

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Page 8

1 A No, sir.

2 Q Okay, Mr. Allen, I now direct your at-
3 tention to Exhibit Number Two. What is Exhibit Two?

4 A It is a wellbore sketch of the State
5 "HQ" Well No. 1, which is showing the tubular goods downhole
6 in this well.

7 Q Okay. What kind of casing program have
8 you got?

9 A As shown on this sketch, we have 13-3/8ths
10 surface casing set at 300 feet with cement circulated;

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12 TD set at 10,850 feet. The top of cement is calculated at
13 5610 feet.

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15 tubing program?

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17 well through two strings of tubing, both being 2-3/8ths
18 inch tubing. They are also identified on this plat.

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20 tions in this well?

21 A Yes, sir. The Upper Bone Springs oil
22 zone was perforated 9288 to 9337, noncontiguous. The Wolf-
23 camp interval is perforated 10,626 to 694 feet, nonconti-
24 guous, and a production packer is set to isolate the two
25 zones at 10,580 feet.

1 Q Okay. Mr. Allen, were centralizers used
2 in this well?

3 A Yes, sir, they were, on the 7-inch casing
4 string 18 centralizers, commencing at 9000 feet, at approx-
5 imately 100-foot intervals from there to 10,850 feet, were
6 used.

7 Q Okay, have you run any production tests
8 on this well?

9 A Yes, sir, we have. The upper zone, or
10 the Upper Bone Springs initially potentialized flowing 359
11 barrels of oil a day, 34 barrels of water, with a gas/oil
12 ratio of 1103 cubic feet per barrel, with a tubing flowing
13 pressure of 500 psi.

14 The Wolfcamp horizon also initially
15 potentialized flowing for 30 barrels a day, 18 barrels of
16 water, with a gas/oil ratio of 1212 cubic feet per barrel;
17 however, tubing pressure flowing was only 50 pounds in this
18 zone and it's my opinion artificial lift will be required.

19 Q Okay. Where is the production type
20 packer in this well set?

21 A At 10,580 feet, between the two horizons.

22 Q Okay, Mr. Allen, is there anything else
23 you'd like to add to Exhibit Two?

24 A No, sir.

25 Q Mr. Allen, I now direct your attention

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1 to Exhibit Number Three. What is it?

2 A Exhibit Number Three is a copy of the
3 compensated neutron formation density log run on the State
4 "HQ" Well No. 1. On this log I have identified the top of
5 the three Airstrip Fields; that is, the Upper Bone Springs,
6 Lower Bone Springs, and Wolfcamp. In addition, the exact
7 perforated interval for the Wolfcamp and Upper Bone Springs
8 has been added to this log.

9 Q Okay. If approval is granted by the
10 Division to dually complete this well and it is thus com-
11 pleted, in your opinion can hydrocarbons from the Upper Bone
12 Springs and Wolfcamp intervals be safely and efficiently
13 produced through parallel strings of tubing?

14 A In my opinion, yes, they can be.

15 Q Okay. Will the production type packer
16 to be used effectively prevent communication between all
17 productive zones in the subject well?

18 A Yes, sir.

19 MR. APPELT: Mr. Examiner, I respectfully
20 submit Exhibits One, Two, and Three, and the testimony of
21 Mr. Allen as evidence to support Amoco' application, and
22 pass the witness.

23 MR. STAMETS: The Exhibits will be ad-
24 mitted.

25 Are there any questions of the witness?

1 He may be excused.

2 Anything further in this case?

3 The case will be taken under advisement.

4

5 (Hearing concluded.)

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Rt. 1 Box 190-B
Santa Fe, New Mexico 87501
Phone (505) 435-7409

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

SALLY W. BOYD, C.S.R.

**Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409**

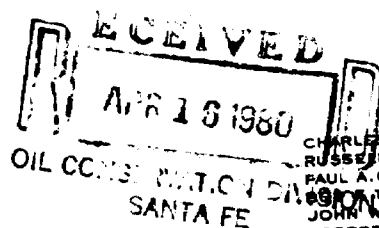
I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____ 19____,
_____, Examiner

ard by me on _____, Examiner

ATWOOD, MALONE, MANN & COOTER
A PROFESSIONAL ASSOCIATION
LAWYERS

JEFF D. ATWOOD [1883-1960]
ROSS L. MALONE [1910-1974]

P. O. DRAWER 700
SECURITY NATIONAL BANK BUILDING
ROSWELL, NEW MEXICO 88201
[505] 622-6221



CHARLES F. MALONE
RUSSELL D. MANN
PAUL A. COOTER
JOHN W. TURNER
JOHN W. BASSETT
ROBERT E. SABIN
BRIAN W. COPPLE

RANDAL W. ROBERTS
STEVEN L. BELL
WILLIAM P. LYNCH

April 15, 1980

Mr. Joe D. Ramey, Director
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Examiner Hearing April 23

Dear Mr. Ramey:

Please file the enclosed Entry of Appearance in
Case No. 6872 in behalf of Amoco Production Company.

Thank you and with regards,

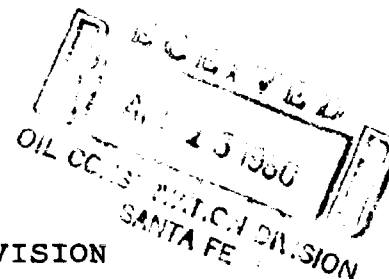
Very truly yours,


Charles F. Malone

CFM:grt

Enclosure

cc: Guy Buell, Esquire
(with enclosure)



BEFORE THE OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF AMOCO PRODUCTION COMPANY FOR)
DUAL COMPLETION, STATE "HQ" WELL) Case No. 6872
NO. 1, UNIT P, SECTION 26,)
TOWNSHIP 18 SOUTH, RANGE 34 EAST,)
LEA COUNTY, NEW MEXICO.)

ENTRY OF APPEARANCE

The undersigned hereby enter appearance in behalf
of Amoco Production Company with Guy Buell, Esquire and
Jim Attelt, Esquire of Houston, Texas.

ATWOOD, MALONE, MANN & COOTER, P.A.

By Charles F. Malone
Post Office Drawer 700
Roswell, New Mexico 88201
Attorneys for Amoco Production Co.

RECEIVED
APR 15 1960
OIL CONSERVATION DIVISION
SANTA FE

BEFORE THE OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION)
OF AMOCO PRODUCTION COMPANY FOR)
DUAL COMPLETION, STATE "HQ" WELL) Case No. 6872
NO. 1, UNIT P, SECTION 26,)
TOWNSHIP 18 SOUTH, RANGE 34 EAST,)
LEA COUNTY, NEW MEXICO.)

ENTRY OF APPEARANCE

The undersigned hereby enter appearance in behalf
of Amoco Production Company with Guy Buell, Esquire and
Jim Attelt, Esquire of Houston, Texas.

ATWOOD, MALONE, MANN & COOTER, P.A.

By Charles F. Malone
Post Office Drawer 700
Roswell, New Mexico 88201
Attorneys for Amoco Production Co.



Amoco Production Company
ENGINEERING CHART

SHEET NO.

OF

FILE

APPN

DATE 4-14-80

BY JEA

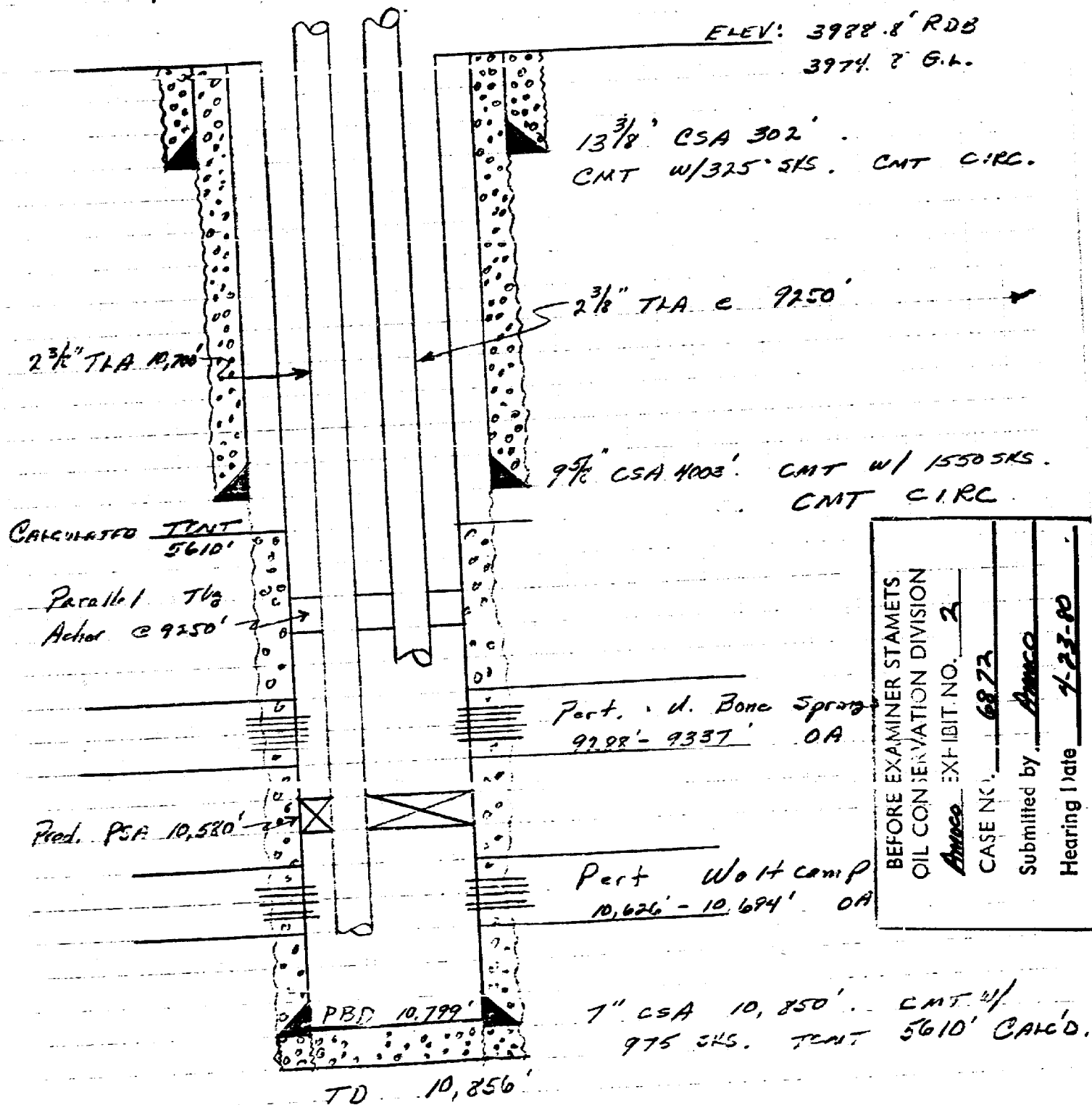
SUBJECT

STATE "HQ" No. 1

AIR STRIP - Upper Bone Springs

Woitcamp FIELDS, Lea Co., New Mexico

Loc. 960' FSL; 330' FEH, Sec. 26, T-18-S, R-34-E



BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

Amoco EXHIBIT NO. 2

CASE NO. 6873

Submitted by Amoco

Hearing Date 4-23-80



Amoco Production Company
ENGINEERING CHART

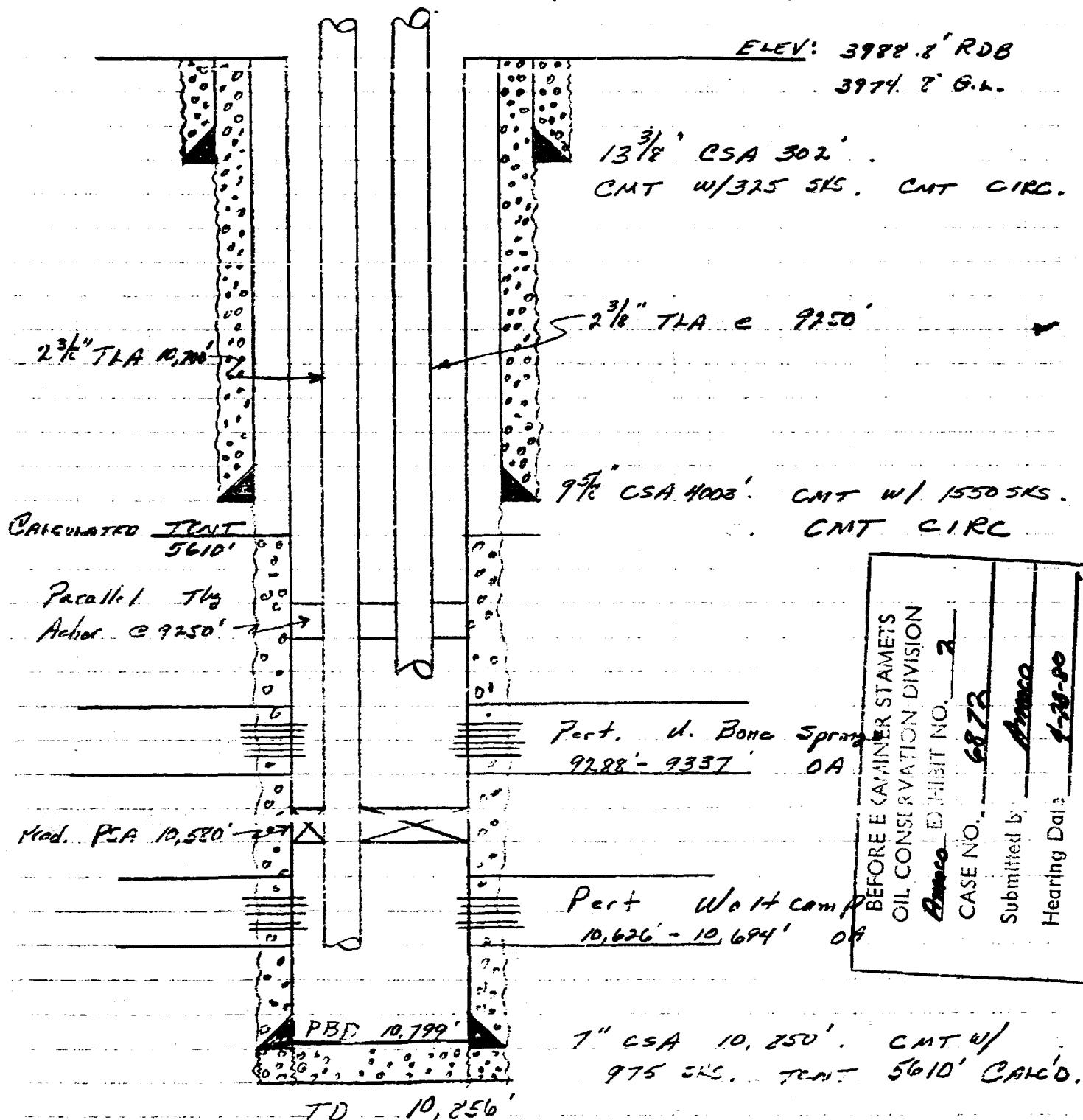
SHEET NO. _____ OF _____
FILE _____
APPN _____
DATE 4-14-80
BY JCA

SUBJECT STATE "H" "No. 1"

AIR STRIP - Upper Bone Springs

Woitcamp FIELDS, Lea Co., New Mexico

Loc. 960' FSL; 330' FEL, Sec. 26, T-18-S, R-31-E



BEFORE EXAMINER STAMETS OIL CONSERVATION DIVISION Amoco EXHIBIT NO. <u>2</u>
CASE NO. <u>6872</u>
Submitted by <u>Amoco</u>
Hearing Date <u>4-29-80</u>



Amoco Production Company

ENGINEERING CHART

SHEET NO.

OF

FILE

APPN

DATE 4-14-80

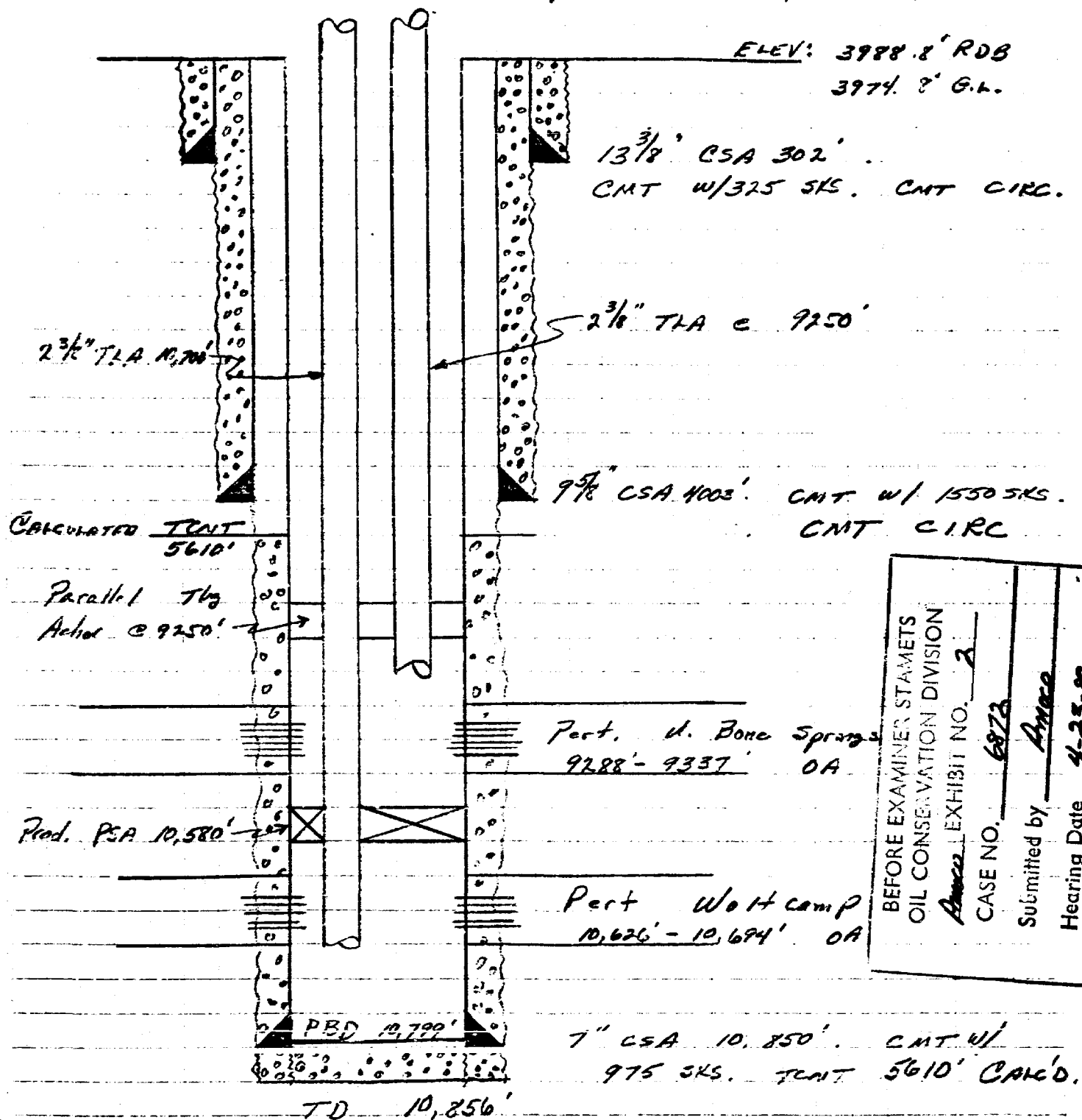
BY JCA

SUBJECT STATE "HQ" No. 1

AIR STRIP - Upper Bone Springs

Wotcamp Fields, Lea Co., New Mexico

Loc. 960' FSL; 330' FEL, Sec. 26, T-18-S, R-31-E



Form 371 277

Santa Fe, New Mexico

Oil Conservation

I told Amoco this would have to go for hearing; and earliest date is 4/23.

They thought that would be OK but will call back.

Carl



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

March 11, 1980

File: VES-986.51-327

Case 6872

Re: Application for Multiple Completion
State "HQ" Well No. 1

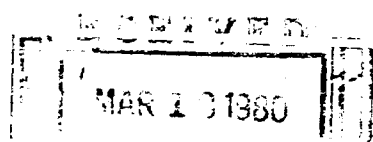
Oil Conservation Division of
The New Mexico Department of
Energy and Minerals
P. O. Box 2088
Santa Fe, NM 87501

Gentlemen:

Amoco Production Company requests administrative approval for multiple completion of our State "HQ" Well No. 1. The subject well is located 960' FSL and 330' FEL, Unit P, Section 26, T-18-S, R-34-E, Lea County, New Mexico. The multiple completion will be made in the Undesignated Airstrip Bone Springs (Upper Zone) and in the Undesignated Airstrip Wolfcamp (Lower Zone) both as oil wells. The methods of production will be flowing for the upper zone and artificial lift for the lower zone.

We have notified the offset operators by certified mail requesting their consent for this multiple completion. Enclosed is a diagrammatic sketch of the multiple completion, a plat, and certified mail receipts showing that the offset operators have been contacted. Your favorable response to this application would be greatly appreciated.

Yours very truly,



OIL CONSERVATION DIVISION
SANTA FE

Attachments

cc: Mr. S. J. Okerson
Houston, TX

NMOCB
P. O. Box 1980
Hobbs, NM 88240

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

Form C-107
5-1-61

Operator Amoco Production Company		County Lea	Date March 12, 1980
Address P. O. Box 68 - Hobbs, NM 88240		Lease State "HQ"	Well No. 1
Location of Well P	Unit 26	Township 18-S	Range 34-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

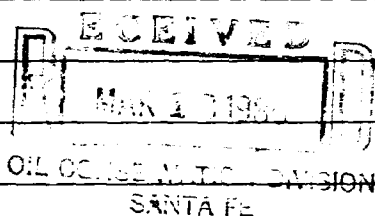
3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Bone Springs		Wolfcamp
b. Top and Bottom of Pay Section (Perforations)	9288' - 9337'		10626' - 10694'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Flowing		Artificial Lift

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

- | | | |
|-------------------------------------|-------------------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

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

See Attachment



6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification **March 12, 1980**.

CERTIFICATE: I, the undersigned, state that I am the District Superintendent of the Amoco Production Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

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

✓ Bass and Richardson
Vaughn Bldg.
P. O. Box 2760
Midland, TX 79702

✓ Coquina Oil Corporation
P. O. Drawer 2960
Midland, TX 79702

Texas Oil & Gas Corporation
900 Wilco Bldg.
Midland, TX 79701

Gulf Oil Corporation
P. O. Box 670
Hobbs, NM 88240

✓ Anadarko Production Company
P. O. Box 2497
Midland, TX 79702

✓ The Wiser Oil Company
1610 C & I Building
Houston, TX 77002

✓ HNG Oil Company
P. O. Box 2267
Midland, TX 79702

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

Form C-107
5-1-61

Operator Amoco Production Company		County Lea	Date March 12, 1980
Address P. O. Box 68 - Hobbs, NM 88240		Lease State "HQ"	Well No. 1
Location of Well P	Section 26	Township 18-S	Range 34-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO ☒ _____ ; Operator Lease, and Well No.: _____
2. If answer is yes, identify one such instance: Order No. _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Bone Springs		Wolfcamp
b. Top and Bottom of Pay Section (Perforations)	9288' - 9337'		10626' - 10694'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Flowing		Artificial Lift

4. The following are attached. (Please check YES or NO)
- | | | |
|---|-------------------------------------|---|
| Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

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

See Attachment

6. Were all operators listed in Item 5 above notified and furnished copies of this application? YES ☒ NO _____. If answer is yes, give date of such notification **March 12, 1980**

CERTIFICATE: I, the undersigned, state that I am the **District Superintendent** of the **Amoco Production Company** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

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

Bass and Richardson
Vaughn Bldg.
P. O. Box 2760
Midland, TX 79702

Coquina Oil Corporation
P. O. Drawer 2960
Midland, TX 79702

Texas Oil & Gas Corporation
900 Wilco Bldg.
Midland, TX 79701

Gulf Oil Corporation
P. O. Box 670
Hobbs, NM 88240

Anadarko Production Company
P. O. Box 2497
Midland, TX 79702

The Wiser Oil Company
1610 C & I Building
Houston, TX 77002

HNG Oil Company
P. O. Box 2267
Midland, TX 79702



Amoco Production Company

ENGINEERING CHART

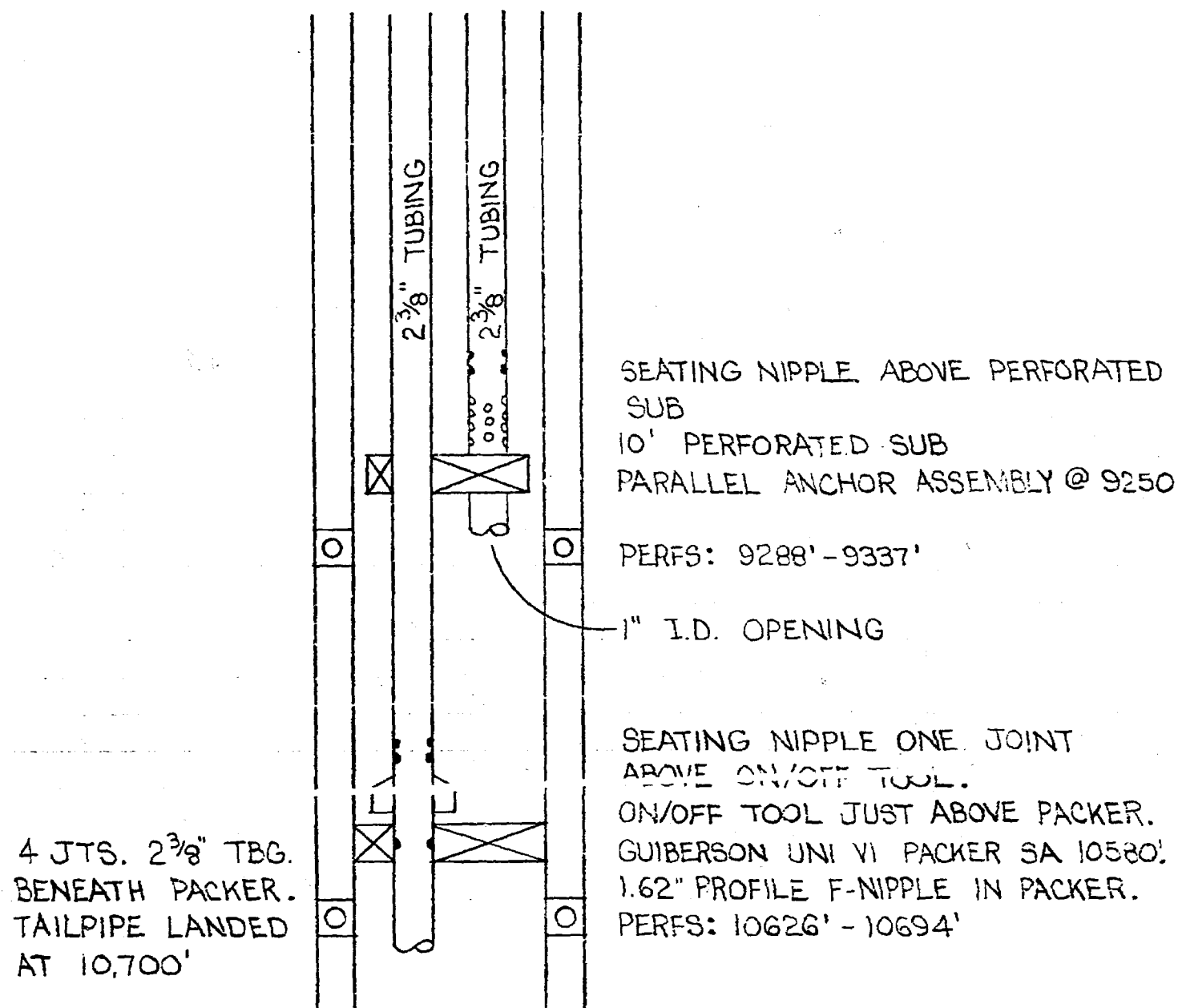
SHEET NO. _____ OF _____
FILE _____
APPN _____
DATE 2-15-80
BY R.W.

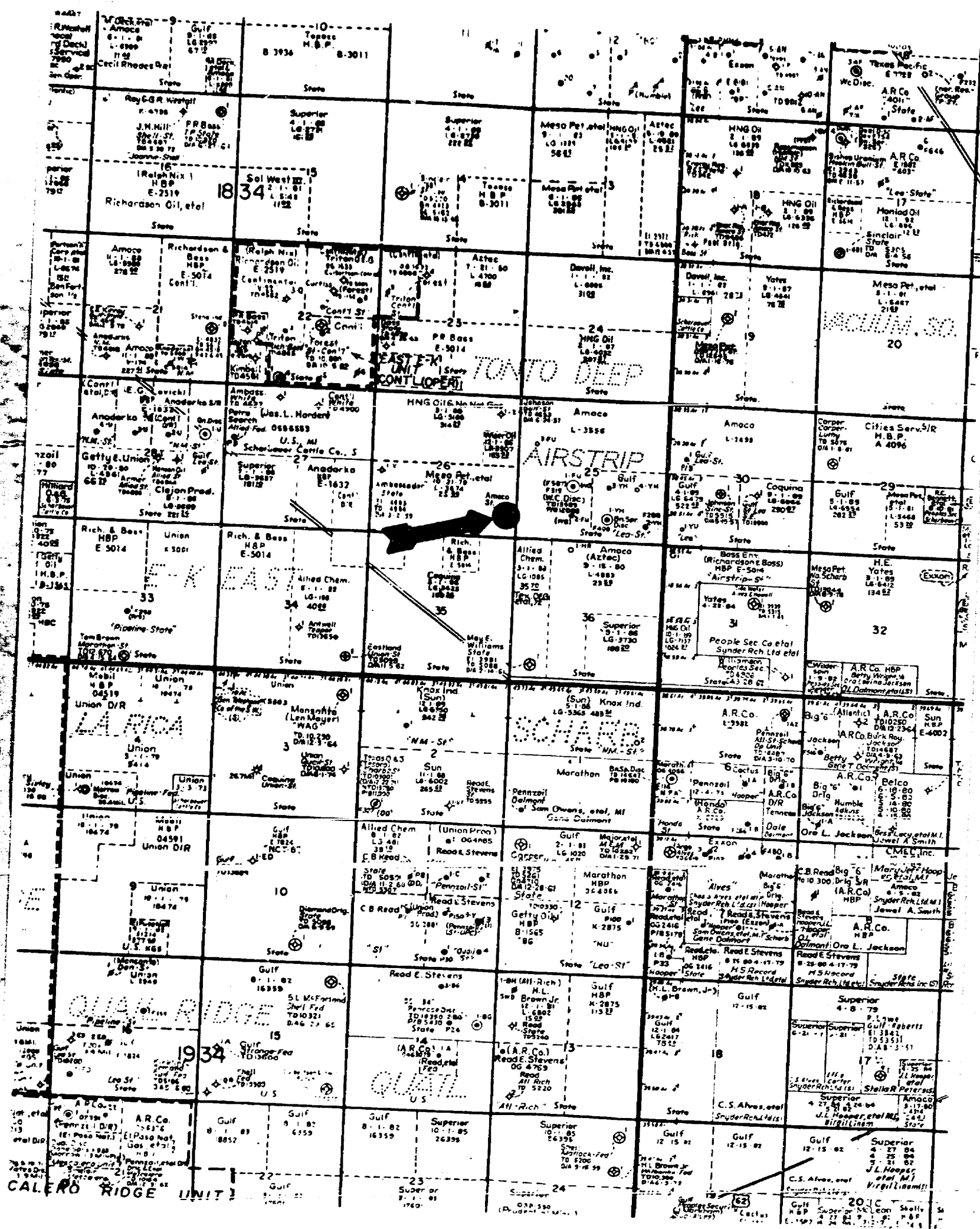
SUBJECT STATE "HQ" No. 1
AIRSTIP FIELD

960' FSL & 330' FEL, SEC. 26, T-18-S, R-34-E
LEA COUNTY, NEW MEXICO

ELEVATION: 3988.8' R.D.B.
3974.8' C.L.

DUAL COMPLETION PROCEDURE





NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-174
Supersedes O-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

AMOCO Production Co.			State HQ		Well No. 1
Alt. Letter P	Section 26	Township 13 South	Range 34 East	County Lea	
Actual Well Location of Well:					
760 feet from the South line and		330 feet from the East line			
Ground Level Elev. 3974.8	Producing Formation Wolfcamp	Pool Und. Airstrip Wolfcamp		Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Ray Cox
Position Administrative Supervisor
Company Amoco Production Company
Date 9-26-79

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
September 24, 1979

Registered Professional Engineer and Land Surveyor

John W. West
Certificate No. John W. West 676
Ronald J. Eidson 3239

P00 2884534

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
Texas Oil & Gas Corp.	
STREET AND NO.	
900 Wilco Building	
P.O. STATE AND ZIP CODE	
Midland, TX 79701	
POSTAGE	\$ 41¢
CERTIFIED FEE	80 ¢
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
RETURN RECEIPT SERVICE	45 ¢
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.66
POSTMARK OR DATE	

PS Form 3800, Apr. 1976



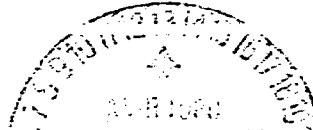
P00 2884535

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
Coquina Oil Corporation	
STREET AND NO.	
P. O. Drawer 2960	
P.O. STATE AND ZIP CODE	
Midland, TX 79702	
POSTAGE	\$ 41¢
CERTIFIED FEE	80 ¢
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
RETURN RECEIPT SERVICE	45 ¢
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.66
POSTMARK OR DATE	

PS Form 3800, Apr. 1976



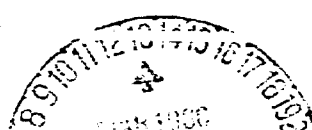
P00 2884536

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
Bass and Richardson	
STREET AND NO.	
Vaughn Bldg, P.O. Box 2760	
P.O. STATE AND ZIP CODE	
Midland, TX 79702	
POSTAGE	\$ 41¢
CERTIFIED FEE	80 ¢
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
RETURN RECEIPT SERVICE	45 ¢
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.66
POSTMARK OR DATE	

PS Form 3800, Apr. 1976



P00 2884537

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
HNG Oil Company	
STREET AND NO.	
P. O. Box 2267	
P.O. STATE AND ZIP CODE	
Midland, TX 79702	
POSTAGE	\$ 41¢
CERTIFIED FEE	80 ¢
CONSULT POSTMASTER FOR FEES	
OPTIONAL SERVICES	
SPECIAL DELIVERY	
RESTRICTED DELIVERY	
RETURN RECEIPT SERVICE	45 ¢
SHOW TO WHOM AND DATE DELIVERED	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	
TOTAL POSTAGE AND FEES	\$ 1.66
POSTMARK OR DATE	

PS Form 3800, Apr. 1976



P00 2884533

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
Gulf Oil Corporation	
STREET AND NO.	
P. O. Box 670	
P.O. STATE AND ZIP CODE	
Hobbs, NM 88240	
POSTAGE	\$ 41¢
CERTIFIED FEE	80 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	45 ¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 1.66
POSTMARK OR DATE	

PS Form 3800, Apr. 1976



P00 2884532

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
Anadarko Production Co.	
STREET AND NO.	
P. O. Box 2497	
P.O. STATE AND ZIP CODE	
Midland, TX 79702	
POSTAGE	\$ 41¢
CERTIFIED FEE	80 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	45 ¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 1.66
POSTMARK OR DATE	

PS Form 3800, Apr. 1976



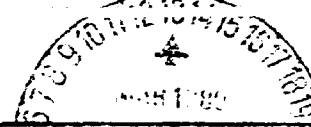
P00 2884531

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO	
The Wiser Oil Company	
STREET AND NO.	
1610 C & I Building	
P.O. STATE AND ZIP CODE	
Houston, TX 77002	
POSTAGE	\$ 41¢
CERTIFIED FEE	80 ¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED	45 ¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 1.66
POSTMARK OR DATE	

PS Form 3800, Apr. 1976





V. E. Staley
District Superintendent

March 11, 1980

File: VES-986.51-334

Re: Waivers Consent for Multiple Completion
State "HQ" Well No. 1

HNG Oil Company
P. O. Box 2267
Midland, TX 79702

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our State "HQ" Well No. 1, 960' FSL and 330' FEL, Section 26, T-18-S, R-34-E, Lea County, New Mexico. We have filed with the NMOCD in Santa Fe an application for multiple completion in the Undesignated Airstrip Bone Springs (Upper Zone) and in the Undesignated Wolfcamp (Lower Zone) both as oil wells. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

Approved: HNG Oil Company

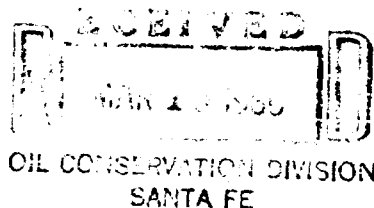
By: [Signature]

Date: 3-14-80

ENCLOSURES

cc: NMOCD
P.O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

V. E. Staley
District Superintendent

March 11, 1980

File: VES-986.51-329

Re: Waivers Consent for Multiple Completion
State "HQ" Well No. 1

Coquina Oil Corporation
P. O. Drawer 2960
Midland, TX 79702

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our State "HQ" Well No. 1, 960' FSL and 330' FEL, Section 26, T-18-S, R-34-E, Lea County, New Mexico. We have filed with the NMOCD in Santa Fe an application for multiple completion in the Undesignated Airstrip Bone Springs (Upper Zone) and in the Undesignated Wolfcamp (Lower Zone) both as oil wells. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

Approved: J. B. Taylor

By: E. D. Gruber

Date: March 14, '80

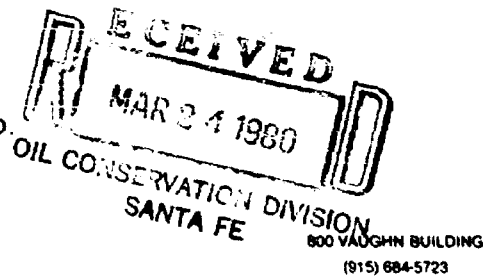
Enclosures

cc: NMOCD
P.O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX

BASS ENTERPRISES PRODUCTION CO.
DIVISION PRODUCTION OFFICE
P. O. BOX 2780
MIDLAND, TEXAS 79702

March 18, 1980



Re: Request for Waiver of Objection
for Multiple Completion
Amoco Production Company
State HQ Well No. 1
Airstrip (Bone Springs) Pool
Undesignated (Wolfcamp) Pool
Lea County, New Mexico
File: Outside Operated

New Mexico Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

Bass Enterprises Production Company, as offset operator to the
captioned well, hereby waives objection to administrative approval
for multiple completion as described below and in the attachments:

Amoco Production Company, State HQ Well No. 1
960' FSL and 330' FEL, Section 26, T18S, R34E
Lea County, New Mexico
Zones for multiple completion: Airstrip (Bone Springs),
Undesignated (Wolfcamp),
Both as oil wells.

Very truly yours,

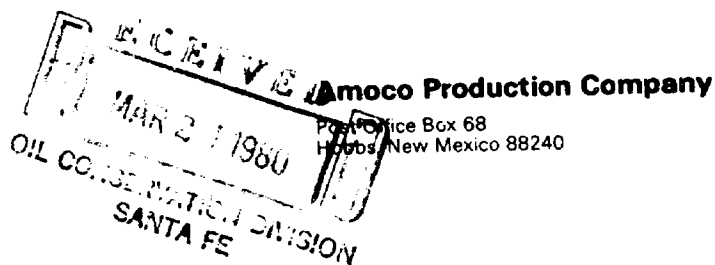

J. E. Pullig
Division Manager

JEP:RMC/gp

CC: Amoco Production Co.
Jim Greve, Ft. Worth



V. E. Staley
District Superintendent



March 11, 1980

File: VES-986.51-332

Re: Waivers Consent for Multiple Completion
State "HQ" Well No. 1

Anadarko Production Company
P. O. Box 2497
Midland, TX 79702

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our State "HQ" Well No. 1, 960' FSL and 330' FEL, Section 26, T-18-S, R-34-E, Lea County, New Mexico. We have filed with the NMOCD in Santa Fe an application for multiple completion in the Undesignated Airstrip Bone Springs (Upper Zone) and in the Undesignated Wolfcamp (Lower Zone) both as oil wells. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

Approved: Anadarko Production Co.

By: D. Staley

Date: 3/16/80

Enclosures

cc: NMOCD
P.O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX



V. E. Staley
District Superintendent

March 11, 1980

File: VES-986.51-333

Re: Waivers Consent for Multiple Completion
State "HQ" Well No. 1

The Wiser Oil Company
1610 C & I Building
Houston, TX 77002

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our State "HQ" Well No. 1, 960' FSL and 330' FEL, Section 26, T-18-S, R-34-E, Lea County, New Mexico. We have filed with the NMOCD in Santa Fe an application for multiple completion in the Undesignated Airstrip Bone Springs (Upper Zone) and in the Undesignated Wolfcamp (Lower Zone) both as oil wells. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

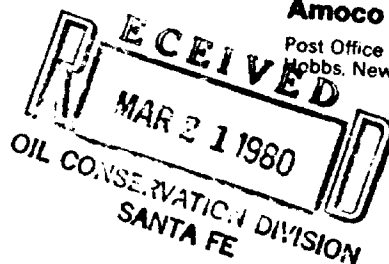
Enclosures

cc: NMOCD
P.O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX

Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240



THE WISER OIL COMPANY

Approved: [Signature]

By: _____

Date: 3-18-80

OIL CONSERVATION DIVISION
DISTRICT I

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

DATE March 17, 1980

RE: Proposed MC X
Proposed DHC _____
Proposed NSL _____
Proposed NSP _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

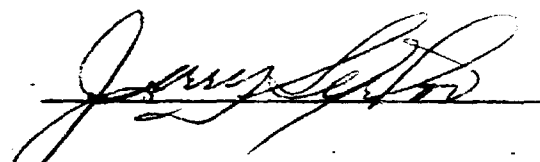
I have examined the application for the:

Amoco Production Co
Operator
Lease and Well No. 26-18-34
Unit, S - T - R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,


/mc



V. E. Staley
District Superintendent



Amoco Production Company

Post Office Box 68
Hobbs, New Mexico 88240

March 11, 1980

File: VES-986.51-330

Re: Waivers Consent for Multiple Completion
State "HQ" Well No. 1

Texas Oil & Gas Corporation
900 Wilco Building
Midland, TX 79701

Gentlemen:

We are requesting your approval, as an offset operator, for the multiple completion of our State "HQ" Well No. 1, 960' FSL and 330' FEL, Section 26, T-18-S, R-34-E, Lea County, New Mexico. We have filed with the NMOCD in Santa Fe an application for multiple completion in the Undesignated Airstrip Bone Springs (Upper Zone) and in the Undesignated Wolfcamp (Lower Zone) both as oil wells. Please approve and return a signed copy of this letter to this office and one to the NMOCD in Santa Fe. Self-addressed envelopes are enclosed.

Yours very truly,

ORIGINAL SIGNED
BY V. E. STALEY

Approved: 

By: 

Date: 3/19/80

Enclosures

cc: NMOCD
P.O. Box 2088
Santa Fe, NM 87501

S. J. Okerson
Houston, TX

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6872

Order No. R- 63940

APPLICATION OF AMOCO PRODUCTION COMPANY
FOR A DUAL COMPLETION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on
April 23, 1980, at Santa Fe, New Mexico, before
Examiner Richard L. Stamets.

NOW, on this _____ day of _____, 1980, the
Division Director, 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 Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Amoco Production Company,
seeks authority to complete its State "HQ" Well No. 1
~~Well No. 1~~, located in Unit P of Section 26, Town-
ship 18 South, Range 34 East, LEA

County, New Mexico, as a dual completion (conventional) to
(combination)
(tubingless)

~~well~~
produce ~~gas~~ from the Bone Springs and Wolfcamp oil through
parallel strings of tubing.

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to complete its State "HO" Well No. 1, located in Unit P of Section 26, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) ~~-(combination)-~~ ~~---(tubingless)---~~

~~oil~~ to produce ~~gas from the~~ Bone Springs and Wolfcamp oil

through parallel strings of tubing. *with separation of*

The zones to be achieved by means of a packer set at approximately 10,580 feet

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the undesignated Wolfcamp Pool ~~Pool~~

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

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