

CASE 7067: CONOCO INC. FOR A DUAL COM-
PLETION, EDDY COUNTY, NEW MEXICO

CASE NO.

7067

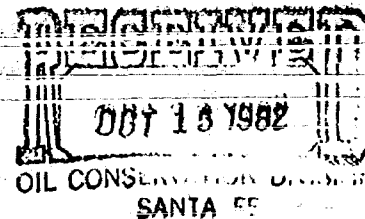
APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.



Mark K. Mosley
Division Manager
Production Department
Hobbs Division
North American Production

Conoco Inc.
P. O. Box 480
726 E. Michigan
Hobbs, NM 88240
(505) 393-4141

October 11, 1982



New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. Dan Nutter

Gentlemen:

Order R-6514, dated November 6, 1980

On October 29, 1980, Conoco Inc. requested permission to dually complete its Dagger Draw Com Well No. 4 in Unit J, Section 25, T-19S, R-24E, Eddy County, New Mexico, by Case No. 7067. An order (R-6514) was subsequently issued by the NMOCD, approving this request.

Because Conoco Inc. was unable to obtain title to the acreage involved, we now request that the subject order be cancelled. It is our intent to drill the Dagger Draw Com Well No. 4 in Unit L, Section 19, T-19S, R-25E, Eddy County, New Mexico, as a Cisco single completion.

Yours very truly,

HAI:mhe

File

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Conoco, Inc., for
a dual completion, Eddy County,
New Mexico.

CASE
7067

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

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RANDALL DARR

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MR. NUTTER: We'll call Case 7067.

MR. PEARCE: Application of Conoco, Inc.,
for dual completion, Eddy County, New Mexico.

MR. KELLAHIN: Tom Kellahin of Santa Fe,
New Mexico, appearing on behalf of the applicant, and I have
one witness to be sworn.

(Witness sworn.)

RANDALL DARR

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Darr, would you please state your
name and occupation?

A My name is Randall Darr and I work for
Conoco, Incorporated, in Hobbs, New Mexico, as an area
engineer for the Dagger Draw Area.

Q Do you spell your last name D-A-R-K?

A Yes, that's correct.

Q Mr. Darr, have you previously testified
before the Division as an engineer?

1

2

A. No, I have not.

3

Q

Would you explain to Mr. Nutter when and where you obtained your degree in engineering?

5

6

A

I graduated with a BS in petroleum engineering from Montana Tech in December of 1978.

7

8

Q

Subsequent to graduation where have you been employed in the capacity of a petroleum engineer?

9

10

A

I went to work for Conoco in Hobbs in March of '79.

11

12

Q

Does your area of responsibility include the preparation of exhibits and testimony for this case?

13

14

A

Yes, it does.

15

16

Q

Have you done so?

17

A

Yes.

18

19

MR. KELLAHIN: We tender Mr. Darr as an expert petroleum engineer.

20

21

MR. NUTTER: Mr. Darr is qualified.

How do you spell your last name, please?

22

23

A

D-A-R-R.

24

MR. NUTTER: Thank you.

25

Q

What's Conoco seeking to accomplish by this application?

26

27

A

Exhibit -- we are seeking a dual completion of a Cisco-Morrow well in Eddy County in the Dagger

28

1
2 Draw Field.

3 Q And this well has not yet been drilled,
4 has it?

5 A No, it is a proposed well.

6 Q Would you refer to Exhibit Number One
7 and identify that for us?

8 A Exhibit One is a well location and
9 acreage dedication plat for the Dagger Draw Com Well No. 4.

10 Conoco wishes to drill and --

11 MR. NUTTER: Tom, do we have some exhibits?

12 MR. KELLAHIN: I'm sorry.

13 A Okay, Exhibit Number One is a well loca-
14 tion and acreage dedication plat for the Dagger Draw Com Well
15 No. 4. Conoco wishes to drill and dually complete this well
16 in the North Dagger Draw Upper Penn and undesignated Morrow
17 Pools, at a standard location 1980 feet from the south line
18 and 1650 feet from the east line of Section 25, Township 19
19 South, Range 24 East in Eddy County.

20 Q Excuse me, the spacing for the Morrow
21 portion of the well is 320 acres?

22 A That's correct.

23 Q And your Cisco dedication is on --

24 A Is 160.

25 Q -- 160 acres? All right, sir.

1

2

A. And, let's see --

3

Q. Exhibit Number Two, why don't you tell

4

us what that is?

5

6

A. Okay. Exhibit Number Two is an area map showing the location for the Dagger Draw Well in relation to the other wells in the area. This will be the first dually completed well in either of these reservoirs.

7

8

9

10

Q. All right, sir, Exhibit Number Three.

11

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14

15

16

A. Exhibit Three is an application for multiple completion, showing the estimated depths of the Cisco and Morrow formations. These are estimated depths based on other wells in the area and structure and Isopach maps to be introduced later.

17

Q. All right, sir, Exhibit Number Four.

18

19

20

21

22

A. Exhibit Four is a schematic of the down-hole equipment planned for this well. It shows all of the casing strings, setting depths, cementing data, packer, proposed perforations, and et cetera.

23

24

25

The procedure complies with the standards set by the NMOCD. We feel that it is sufficient to provide separation between the two zones.

26

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28

Q. Were there any particular problems with this dual completion?

A. The only problem we foresee is the high

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2 water volumes produced from the Cisco and the corrosive nature
3 of the Cisco formation in this area.

4 Q How do you propose to handle the cor-
5 rosive nature of the Cisco formation gas?

6 A The string of tubing to produce the
7 Morrow formation through will have 2-3/8ths inch C-75 CSCB
8 high drill external -- externally monel-coated blast joint
9 across the Cisco perforations.
10

11 Q And what about your tubing?

12 A It will be internally plastic-coated,
13 on both formations, both tubing strings.
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15 Q Talk about the Cisco gas being corrosive,
16 in what way?

17 A The Cisco is highly corrosive due to the
18 sour nature of the -- the gas production in this area. It has
19 a high H₂S content.

20 Q In your opinion as an engineer, are the
21 proposed methods of completion of this well adequate to pro-
22 tect the well and its equipment from corrosion?

23 A Yes, I feel that the blast joint will
24 sustain a life of in excess of twenty years.
25

26 Q You indicated high volumes of water
27 produced out of the Cisco, was it?

28 A Yes.

Q All right, how are you going to handle the water?

A We have two disposal wells operating in this area, and we have, we feel, sufficient capacity to handle the water volumes.

Q Tell me how you're going to produce the Morrow?

A The Morrow will be produced naturally and hopefully flow, be relatively dry, sweet gas.

Q Do you have any pressure information on the Morrow formation?

A We have some estimated pressures in the area and --

Q On what are those estimates based?

A Wells, recently drilled wells in the area, and other wells that we have drill stem tests off of.

Q Do you have an estimate of the pressure to be encountered in the Morrow formation at this depth?

A We are estimating between 4000 and 4500 psi.

Q What, if any, pressure information do you have on the Cisco formation?

A We have pressure build-up -- build-ups on our Dagger Draw No. 1 Well, which is shown on the next ex-

hibit, which is a structure map on the Cisco, and our Dagger Draw 1 is located in the northwest of the northwest of Section 30 of Township 19 South, 25 East. and its pressure build-up is in the range of 1700 psi.

Q What do you anticipate to be the pressure differential between the two zones?

A Approximately 2300 to 2800 psi.

Q Is the wellbore equipment and the packer that you anticipate installing adequate to handle that type of pressure differential?

A Yes, it is.

Q Would you turn to Exhibit Number Five and identify that?

A Exhibit Number Five is a structure map on the top of the Cisco formation and in this area we feel that structure is -- plays a relatively small significance in the production from these formations.

Q The nearest Cisco well to which you've just testified, is that well indicated on this exhibit in the northwest corner of Section 30?

A Yes, it is.

Q And what is the closest Morrow well?

A The closest Morrow well would be the D State, operated by Conoco, in Section 36, one mile directly

1
2 south of the proposed well.

3 Q Are there any other dual completed wells
4 in the area?

5 A There is a dually completed Morrow-
6 Atoka, I think it is.

7 Q I believe it's Strawn, isn't it?

8 A A Morrow-Strawn, yes, operated by Yates
9 Petroleum in Section 23, and it is named the Roden "GD" Federal
10 No. 1.

11 Q Exhibit Number Five is a structure map
12 on top of the Cisco?

13 A Yes, it is.

14 Q In your opinion, Mr. Darr, does structure
15 play a significance in the production in either the Cisco or
16 the Morrow formation here?

17 A No, I feel it does not.

18 Q All right, sir. Exhibit Number Six,
19 would you identify that?

20 A Exhibit Six is a structure map on top
21 of the Pennsylvanian-Mississippian unconformity, which would
22 be the base of the Morrow in this area.

23 Q Again, is structure a significant factor
24 in determining well locations or productivity in -- in this
25 Morrow structure map?

1
2 A. No, I feel it is not.

3 Q. Exhibit Number Seven.

4 A. Exhibit Number Seven is a Cisco Canyon
5 "B" Zone net porosity Isopach map, and I feel that an Isopach
6 of the Cisco defines the productive areas more precisely than
7 a structure map.
8

9 MR. NUTTER: Are these wells that are
10 clustered in Sections 17 and 18 up here Cisco wells?

11 A. Yes, they are. They're operated --

12 MR. NUTTER: And you have this other
13 structure to the southwest of that and you've got one Cisco
14 well on it.
15

16 A. One producing Cisco well, that's right.

17 MR. NUTTER: The Dagger Draw No. 1.

18 A. Yes.

19 Q. What's the purpose of this exhibit, Mr.
20 Darr?

21 A. We feel this shows more clearly our
22 purpose for drilling a well in this area, on this location.
23

24 Q. Sir, Exhibit Number Eight.

25 A. Exhibit Number Eight is a Middle Morrow
26 gross sand Isopach map and it, again, I feel, shows more
27 clearly our reason for drilling the well at the proposed
28 location.

1
2 Q Mr. Darr, were Exhibits One through
3 Eight prepared by you or prepared under your direction and
4 supervision?
5

6 A Yes, they were.

7 Q And in your opinion will approval of
8 this application be in the best interests of conservation,
9 the prevention of waste, and the protection of correlative
10 rights?

11 A Yes, it really does.

12 MR. KELLAHIN: We move the introduction
13 of Exhibits One through Eight.
14

15 MR. NUTTER: Exhibits One through Eight
16 will be admitted in evidence.
17

18 CROSS EXAMINATION

19 BY MR. NUTTER:

20 Q Mr. Darr, since this Cisco gas is so
21 sour, is there a pipeline in the vicinity that's prepared to
22 handle this type of gas?
23

24 A Conoco operates an amine treating plant
25 in the area, and we treat the gas down to pipeline specifi-
26 cations.
27

28 Q I see, so you're treating your own gas.

A Right. The other wells that you referred

1
2 to on Exhibit Number Eight are also operated by Conoco, and
3 we produce gas and oil from those wells.

4 Q This is the old

5 A Roger Hanks.

6 Q -- Roger Hanks wells.

7 A Yes.

8 Q And you've acquired them from Roger
9 Hanks?
10

11 A Correct, yes, sir.

12 Q And you treat that gas and put it in
13 the pipeline?
14

15 Now, the well that's immediately south
16 of your proposed well here, that Yates well, it's an Atoka
17 well, I believe, isn't it?

18 A Yes, it is.

19 Q Do you know whether they had any Cisco
20 in that well or not?

21 A I personally have not looked at this
22 log. I do not feel that they had Cisco production. If they
23 did, it was very shallow; not very extensive.
24

25 MR. NUTTER: Are there any further
26 questions of Mr. DArr? He may be excused.

27 Do you have anything further, Mr. Kel-
28 lahin?

MR. KELLAMIN: No, sir.

MR. NUTTER: Does anyone have anything
they wish to offer in Case Number 7067?

We'll take the case under advisement.

(Hearing concluded.)

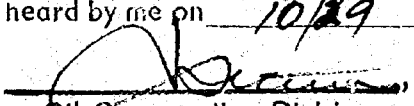
C E R T I F I C A T E

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. 7067, heard by me on 10/29 1980.

 Examiner
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2000
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

November 10, 1980

Mr. Thomas Kollahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 7067
ORDER NO. R-6514

Applicant:

Conoco Inc.

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/fd

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. 7067
Order No. R-6914

APPLICATION OF CONOCO INC. FOR A
DUAL COMPLETION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 29,
1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of November, 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, Conoco Inc., seeks authority to
complete its Dagger Draw Com Well No. 4, located in Unit J of
Section 25, Township 19 South, Range 24 East, NMPM, Eddy County,
New Mexico, as a dual completion (conventional) to produce oil
from the North Dagger Draw-Upper Penn Pool and gas from an
undesignated Morrow pool through parallel strings of tubing with
separation of the zones achieved by means of a packer set at
approximately 8900 feet.

(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.

Case No. 7067
Order No. R-6514

IT IS THEREFORE ORDERED:

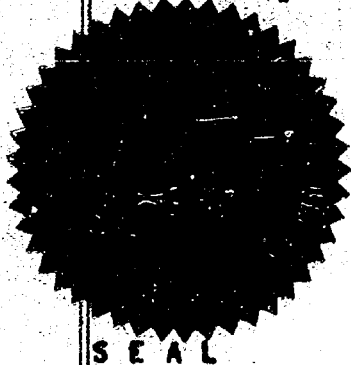
(1) That the applicant, Conoco Inc., is hereby authorized to complete its Dagger Draw Com. Well No. 4, located in Unit J of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce oil from the North Dagger Draw-Upper Penn Pool and gas from an undesignated Morrow pool through parallel strings of tubing.

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 Well Shut-in Pressure Test Period for the Morrow gas zone.

(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

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

EXAMINER HEARING

IN THE MATTER OF:

Application of Conoco, Inc., for) CASE
a dual completion, Eddy County,) 7067
New Mexico.)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division:	W. Perry Pearce, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501
For the Applicant:	W. Thomas Kellahin, Esq. KELLAHIN & KELLAHIN 500 Don Gaspar Santa Fe, New Mexico 87501

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I N D E X

RANDALL DARR

Direct Examination by Mr. Kellahin

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Cross Examination by Mr. Nutter

12

E X H I B I T S

Applicant Exhibit One, Plat

5

Applicant Exhibit Two, Plat

6

Applicant Exhibit Three, Application

6

Applicant Exhibit Four, Schematic

6

Applicant Exhibit Five, Structure Map

9

Applicant Exhibit Six, Structure Map

10

Applicant Exhibit Seven, Isopach

11

Applicant Exhibit Eight, Isopach

11

MR. NUTTER: We'll call Case 7067.

MR. PEARCE: Application of Conoco, Inc.,
for dual completion, Eddy County, New Mexico.

MR. KELLAHIN: Tom Kellahin of Santa Fe,
New Mexico, appearing on behalf of the applicant, and I have
one witness to be sworn.

(Witness sworn.)

RANDALL DARR

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Darr, would you please state your
name and occupation?

A My name is Randall Darr and I work for
Conoco, Incorporated, in Hobbs, New Mexico, as an area
engineer for the Dagger Draw Area.

Q Do you spell your last name D-A-R-R?

A Yes, that's correct.

Q Mr. Darr, have you previously testified
before the Division as an engineer?

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A. No, I have not.

3

Q Would you explain to Mr. Nutter when and where you obtained your degree in engineering?

5

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A. I graduated with a BS in petroleum engineering from Montana Tech in December of 1978.

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8

Q Subsequent to graduation where have you been employed in the capacity of a petroleum engineer?

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A. I went to work for Conoco in Hobbs in March of '79.

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Q Does your area of responsibility include the preparation of exhibits and testimony for this case?

14

15

A. Yes, it does.

16

Q Have you done so?

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A. Yes.

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MR. KELLAHIN: We tender Mr. Darr as an expert petroleum engineer.

20

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MR. NUTTER: Mr. Darr is qualified. How do you spell your last name, please?

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A. D-A-R-R.

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MR. NUTTER: Thank you.

25

26

Q What's Conoco seeking to accomplish by this application?

27

28

A. Exhibit -- we are seeking a dual completion of a Cisco-Morrow well in Eddy County in the Dagger

1
2 Draw Field.

3 Q And this well has not yet been drilled,
4 has it?

5 A No, it is a proposed well.

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7 and identify that for us?

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18 Pools, at a standard location 1980 feet from the south line
19 and 1650 feet from the east line of Section 25, Township 19
20 South, Range 24 East in Eddy County.
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22 Q Excuse me, the spacing for the Morrow
23 portion of the well is 320 acres?

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25 Q And your Cisco dedication is on --

26 A Is 160,

27 Q -- 160 acres? All right, sir.
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A. And, let's see --

Q. Exhibit Number Two, why don't you tell us what that is?

A. Okay. Exhibit Number Two is an area map showing the location for the Dagger Draw Well in relation to the other wells in the area. This will be the first dually completed well in either of these reservoirs.

Q. All right, sir, Exhibit Number Three.

A. Exhibit Three is an application for multiple completion, showing the estimated depths of the Cisco and Morrow formations. These are estimated depths based on other wells in the area and structure and isopach maps to be introduced later.

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2 water volumes produced from the Cisco and the corrosive nature
3 of the Cisco formation in this area.

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23 A Yes, I feel that the blast joint will
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Q All right, how are you going to handle the water?

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hibit, which is a structure map on the Cisco, and our Dagger Draw 1 is located in the northwest of the northwest of Section 30 of Township 19 South, 25 East, and its pressure build up is in the range of 1700 psi.

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1 south of the proposed well.

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4 in the area?

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13 on top of the Cisco?

14 A Yes, it is.

15 Q In your opinion, Mr. Darr, does structure
16 play a significance in the production in either the Cisco or
17 the Morrow formation here?

18 A No, I feel it does not.

19 Q All right, sir. Exhibit Number Six,
20 would you identify that?

21 A Exhibit Six is a structure map on top
22 of the Pennsylvanian-Mississippian unconformity, which would
23 be the base of the Morrow in this area.

24 Q Again, is structure a significant factor
25 in determining well locations or productivity in -- in this
26 Morrow structure map?
27
28

1

2

A No, I feel it is not.

3

Q Exhibit Number Seven.

4

A Exhibit Number Seven is a Cisco Canyon "B" Zone net porosity Isopach map, and I feel that an Isopach of the Cisco defines the productive areas more precisely than a structure map.

5

6

7

8

9

10

MR. NUTTER: Are these wells that are clustered in Sections 17 and 18 up here Cisco wells?

11

A Yes, they are. They're operated --

12

13

MR. NUTTER: And you have this other structure to the southwest of that and you've got one Cisco well on it.

14

15

16

A One producing Cisco well, that's right.

17

MR. NUTTER: The Dagger Draw No. 1.

18

A Yes.

19

Q What's the purpose of this exhibit, Mr.

20

Darr?

21

A We feel this shows more clearly our purpose for drilling a well in this area, on this location.

22

23

Q Sir, Exhibit Number Eight.

24

A Exhibit Number Eight is a Middle Morrow gross sand Isopach map and it, again, I feel, shows more clearly our reason for drilling the well at the proposed location.

25

26

27

28

1
2 Q Mr. Darr, were Exhibits One through
3 Eight prepared by you or prepared under your direction and
4 supervision?

5 A Yes, they were.

6 Q And in your opinion will approval of
7 this application be in the best interests of conservation,
8 the prevention of waste, and the protection of correlative
9 rights?
10

11 A Yes, it really does.

12 MR. KELLAHIN: We move the introduction
13 of Exhibits One through Eight.

14 MR. NUTTER: Exhibits One through Eight
15 will be admitted in evidence.
16

17
18 CROSS EXAMINATION

19 BY MR. NUTTER:

20 Q Mr. DARR, since this Cisco gas is so
21 sour, is there a pipeline in the vicinity that's prepared to
22 handle this type of gas?

23 A Conoco operates an amine treating plant
24 in the area, and we treat the gas down to pipeline specifi-
25 cations.
26

27 Q I see, so you're treating your own gas.

28 A Right. The other wells that you referred

1
2 to on Exhibit Number Eight are also operated by Conoco, and
3 we produce gas and oil from these wells.

4 Q This is the old --

5 A Roger Hanks.

6 Q -- Roger Hanks wells.

7 A Yes.

8 Q And you've acquired them from Roger
9 Hanks?
10

11 A Correct, yes, sir.

12 Q And you treat that gas and put it in
13 the pipeline?
14

15 Now, the well that's immediately south
16 of your proposed well here, that Yates well, it's an Atoka
17 well, I believe, isn't it?

18 A Yes, it is.

19 Q Do you know whether they had any Cisco
20 in that well or not?

21 A I personally have not looked at this
22 log. I do not feel that they had Cisco production. If they
23 did, it was very shallow; not very extensive.
24

25 MR. NUTTER: Are there any further
26 questions of Mr. Darr? He may be excused.

27 Do you have anything further, Mr. Kel-
28 lahin?

MR. KELLAHIN: No, sir.

MR. NUTTER: Does anyone have anything
they wish to offer in Case Number 70672

We'll take the case under advisement.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

SALLY W. BOYD, C.S.R.
Rt. 1 Box 195-B
San Fe, New Mexico 87501
Phone (505) 435-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7067
heard by me on 10/29 1980.
[Signature] Examiner
Oil Conservation Division

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

EXHIBIT NO. 1

Form C-102
Supersedes C-128
Effective 1-1-85

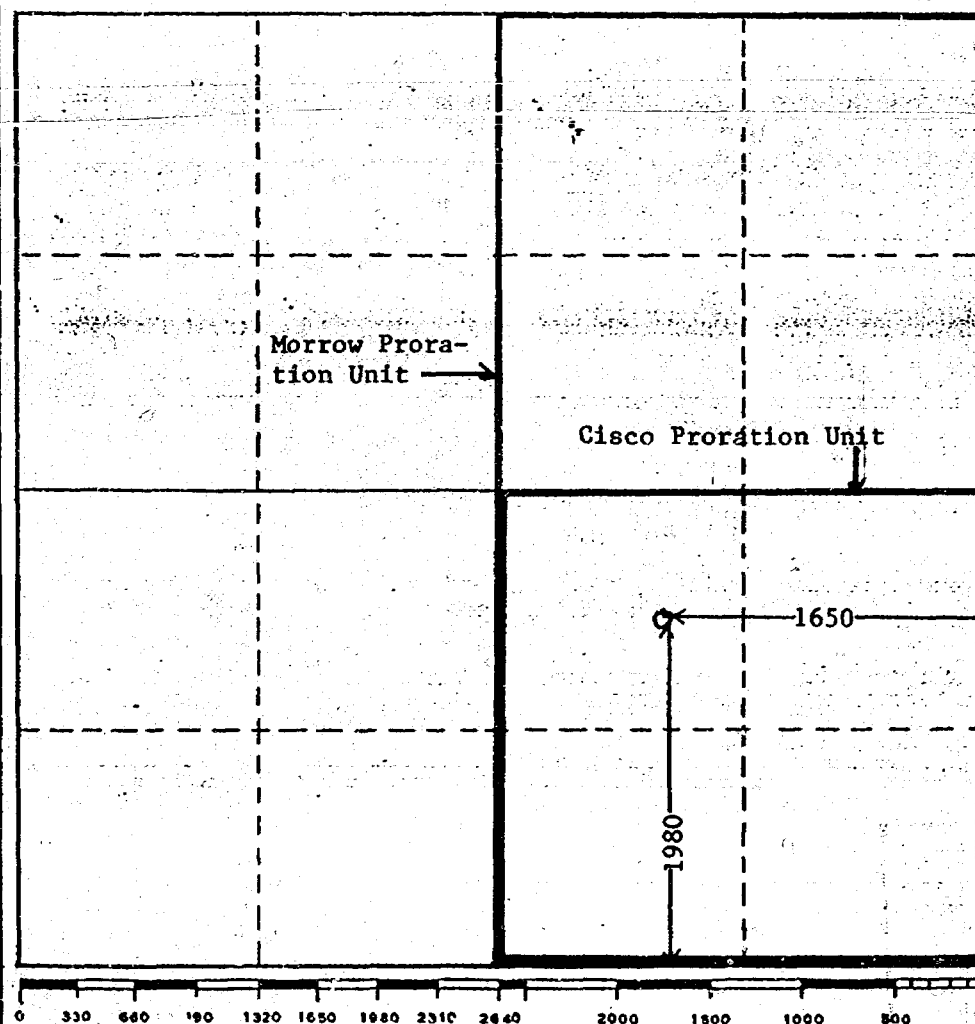
All distances must be from the outer boundaries of the Section.

Operator Conoco Inc.			Lease Dagger Draw		Well No. 4
Unit Letter J	Section 25	Township 19 South	Range 24 East	County Eddy	
Actual Footage Location of Well:					
1980 feet from the South		1650 feet from the East			
Ground Level Elev. 3541.6	Producing Formation Cisco Morrow	Pool No. Dagger Draw Upper Penn. Undesignated Cemetery Morrow Gas	Dedicated Acreage 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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	Hugh A. Ingram
Position	Conservation Coordinator
Company	CONOCO INC.
Date	October 3, 1980
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	Sept. 16, 1980
Registered Professional Engineer and/or Land Surveyor	
Certificate No.	

NEW MEXICO OIL CONSERVATION COMMISSION

Exhibit No. 3

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator	Conoco Inc.	County	Eddy	Date	October 1, 1980
Address	P.O. Box 460, Hobbs, NM 88240	Lease	Dagger Draw Com.	Well No.	4
Location or Well	Unit J	Section 25	Township 19S	Range	24E

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	Cisco		Morrow
b. Top and Bottom of Pay Section	(Est.) 7540' - 8050'		(Est.) 8750' - 9120'
c. Type of production (Oil or Gas)	Oil		gas
d. Method of Production (Flowing or Artificial Lift)	artificial lift		flowing

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

- No 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 diameter and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- Yes b. Plot 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.
- No 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.*
- No 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.

Yates Petroleum

207 S. 4th

Artesia, New Mexico 88210

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

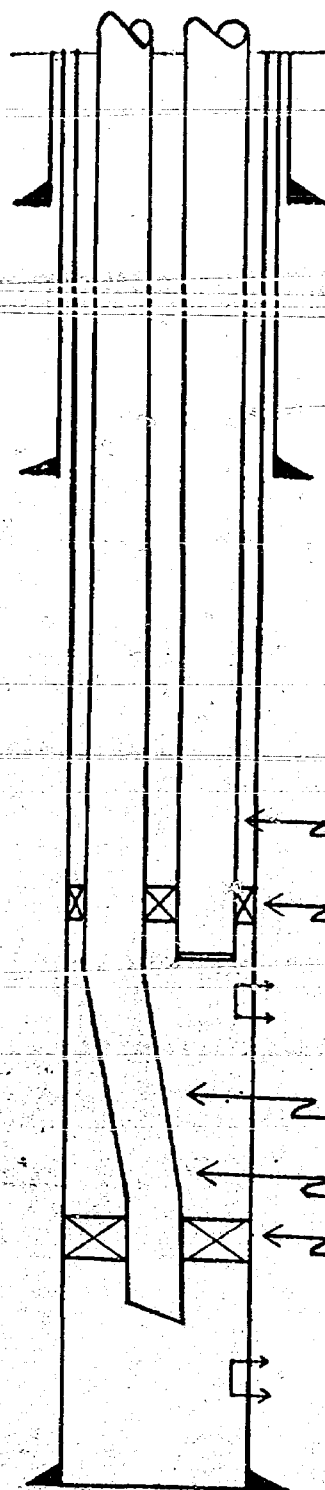
CERTIFICATE: I, the undersigned, state that I am the Division Manager of the Hobbs Division CONOCO INC. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

[Signature]
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 increase in production, the applicant must file a separate application for a permit to increase production.

1980' FSL & 1650' FEL Section 25, T-19S, R-24#
EDDY COUNTY, NM



13-3/8" 54# STC K-55 set at 500' with 430 sx. cement circulated
5 centralizers spaced 100' apart

9-5/8" 36# STC K-55 set at 1200' with 593 sx. cement circulated
12 centralizers spaced 100' apart

2-3/8" CSCB Hydril 4.6# C-75. Internally plastic coated.

Baker Model 'A-5' Dual Hydrostatic retrievable packer @ 7500'

Proposed Cisco perforations @ approximately 7700'. To be produced
by gas lift.

100' of 2-3/8" Monel coated blast joint.

2-3/8" CSCB Hydril 4.6# C-75. Internally plastic coated.

Baker Model 'DB' packer @ 8900' with mill out extension, Model 'P'
SN. 1 joint 2-3/8" tubing, Model 'P' SN & a Mule shoe production
tube.

Proposed Morrow perforations at approximately 9000'.

7" 26# K-55 BTRC & N-80 LTC set @ 9433' w/750 sx. TOC est. @ 5200'.
36 centralizers spaced 40' apart. 30 scratchers spaced 15' apart.

PROPOSED WELLBORE

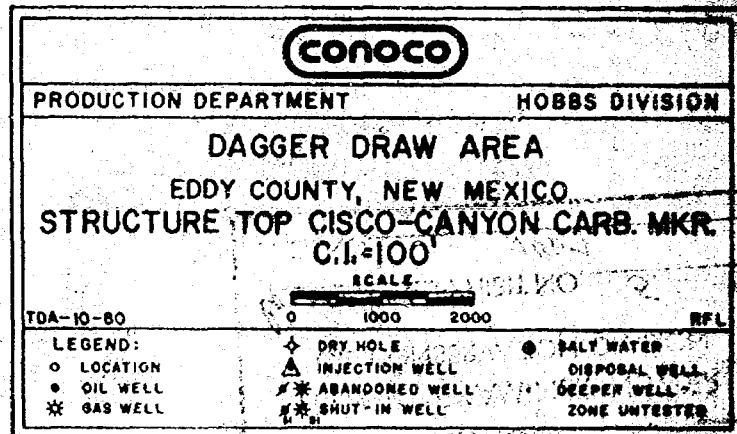
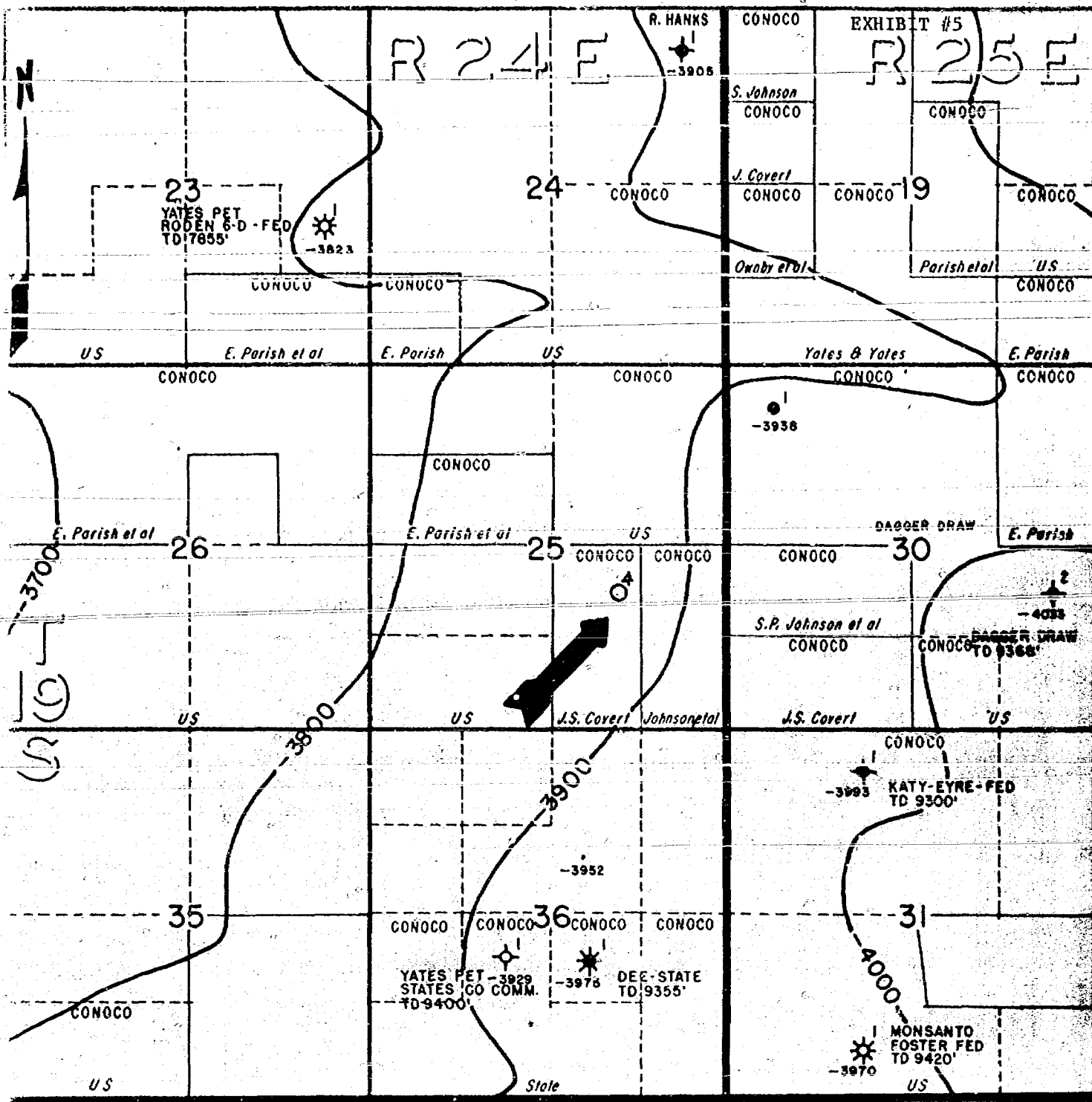
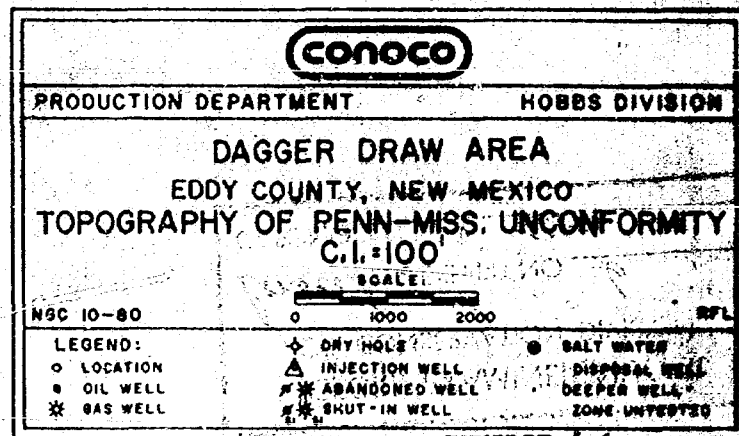
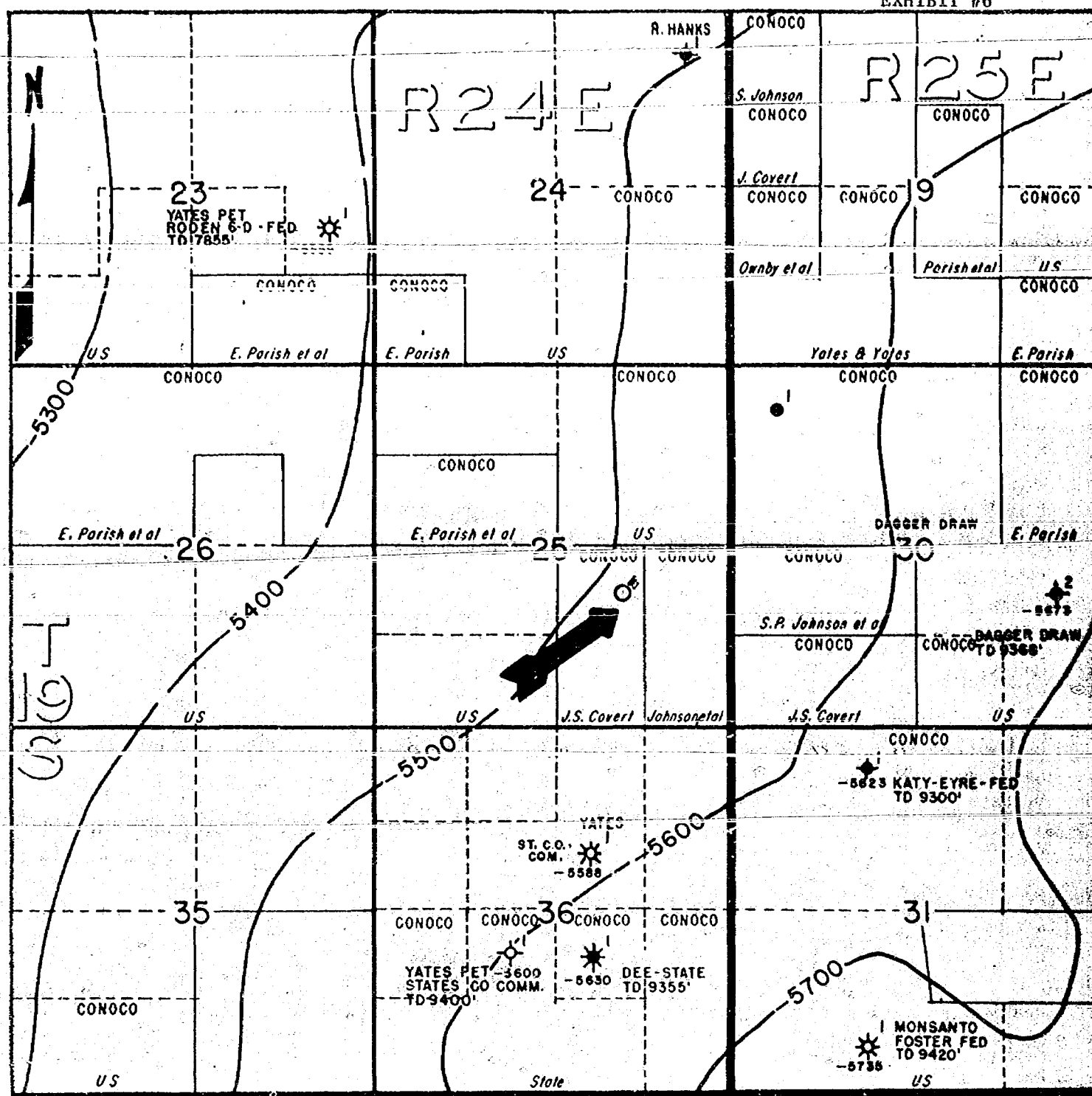
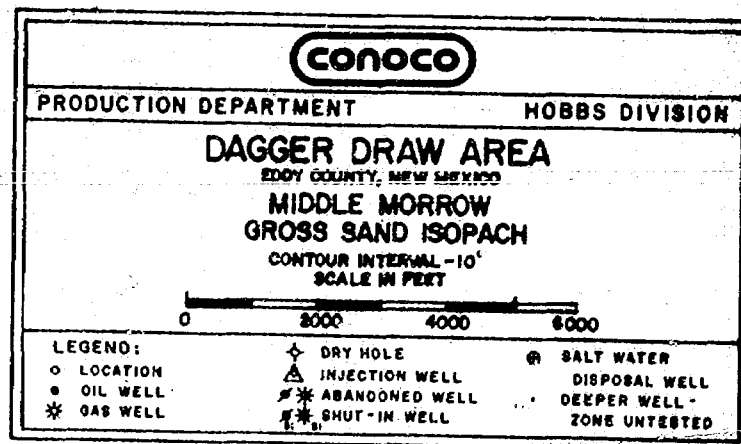
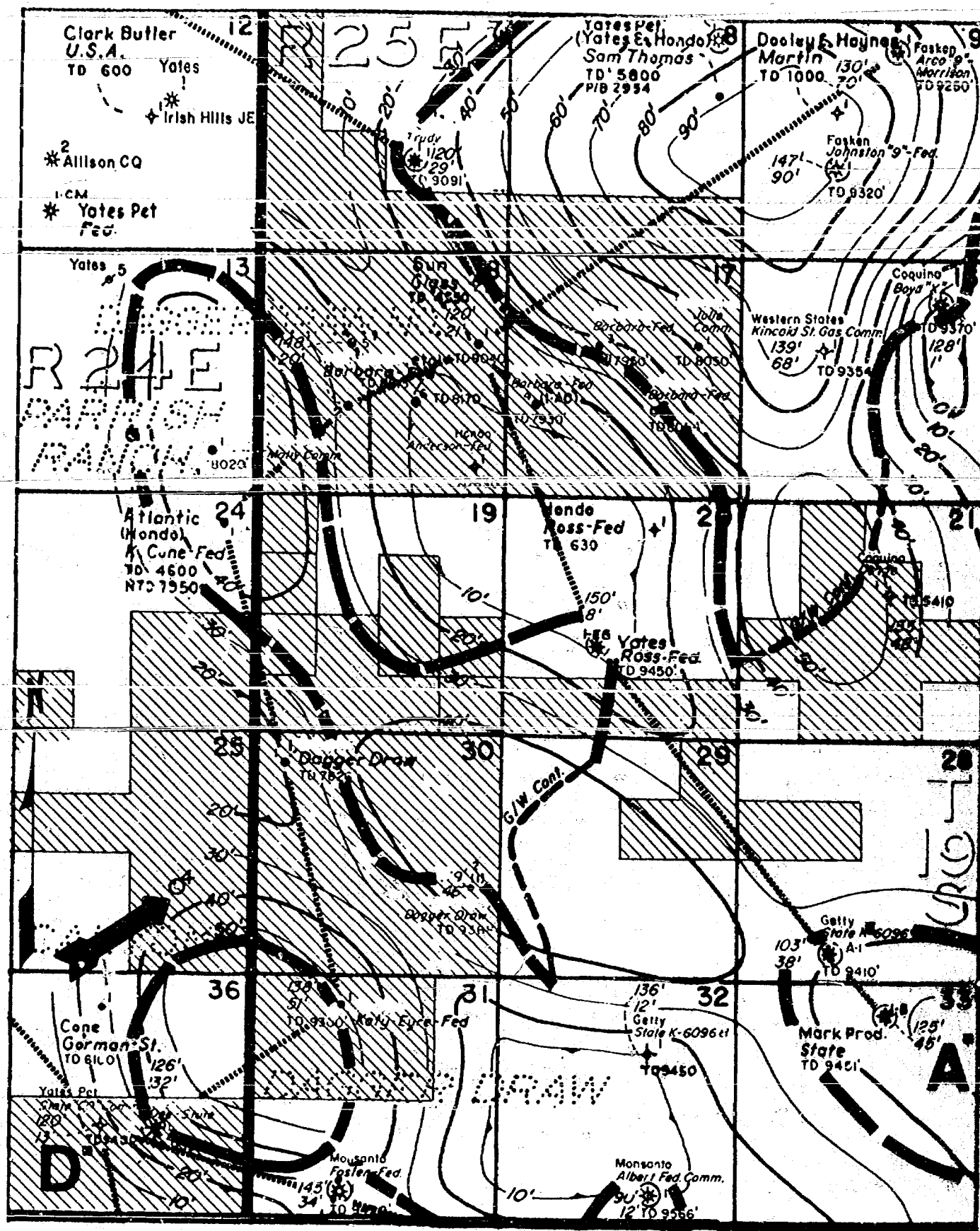


EXHIBIT #5





NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Exhibit No. 1

Form C-102
Supersedes C-128
Effective 1-1-55

All distances must be from the outer boundaries of the Section.

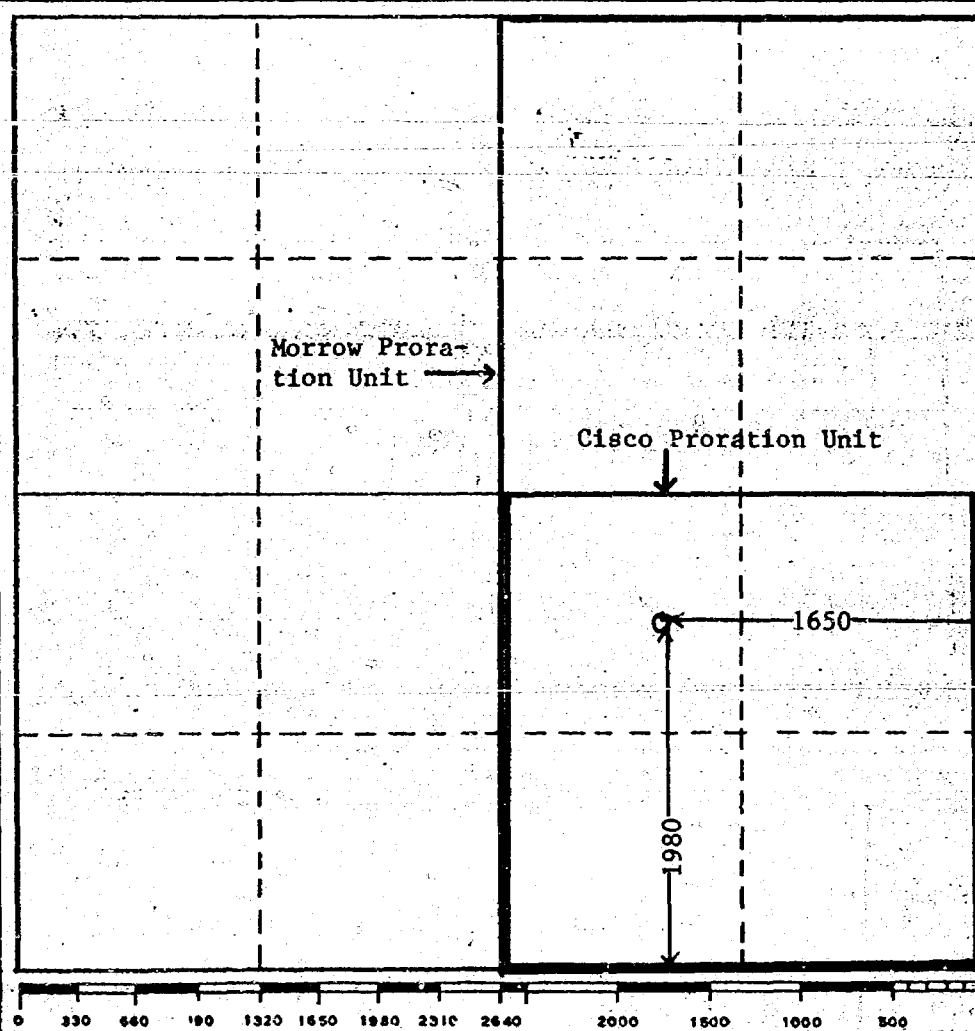
Operator Conoco Inc.			Lease Dagger Draw		Well No. 4
Unit Letter J	Section 25	Township 19 South	Range 24 East	County Eddy	
Actual Footage Location of Well:					
1080 feet from the South line and		1650 feet from the East line			
Ground Level Elev. 3591.6	Producing Formation Cisco Morrow	Pool No. Dagger Draw Upper Penn. Undesignated Cemetery Morrow	Dedicated Acreage: 160 Gas 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

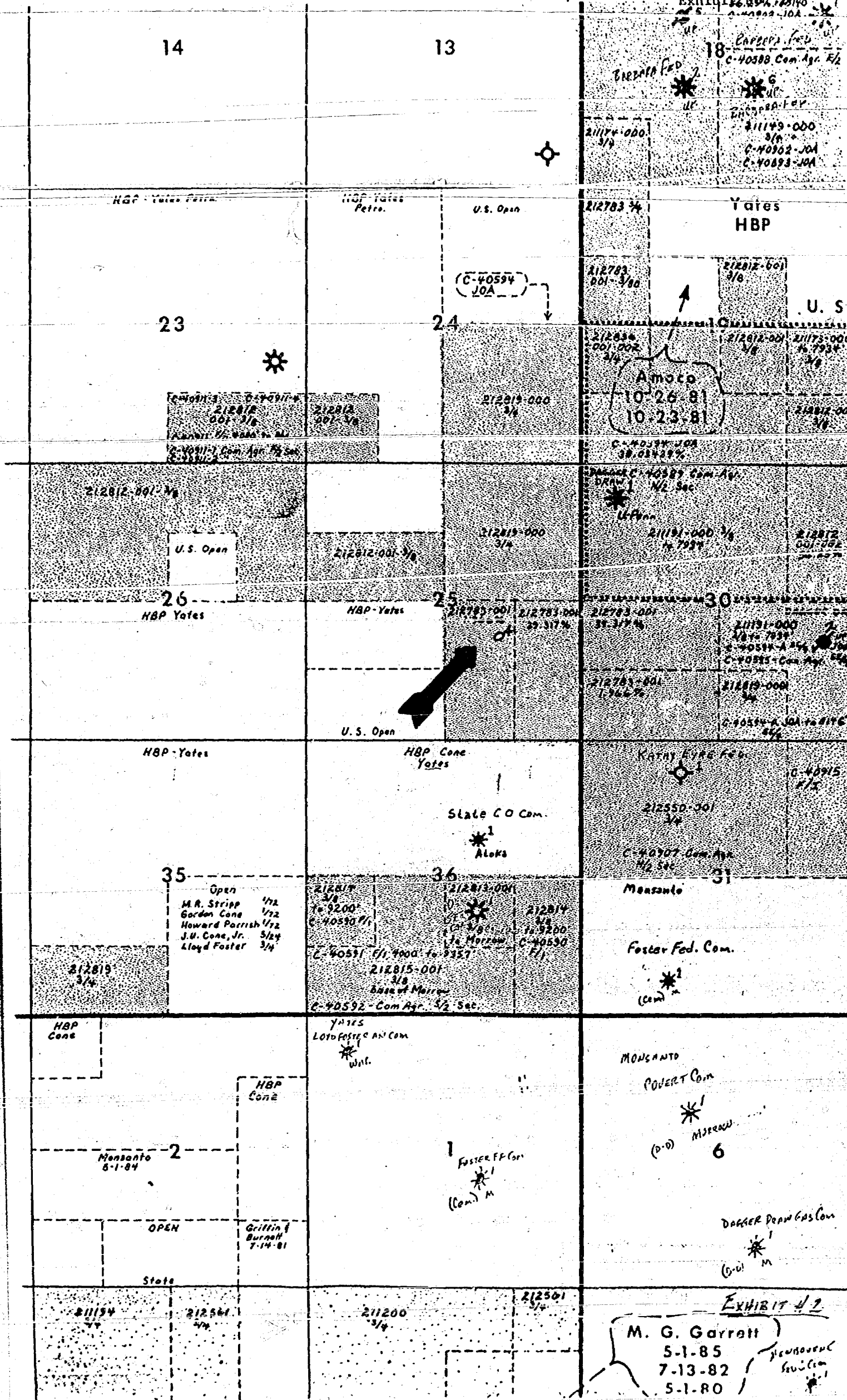
Name
Hugh A. Ingram
Position
Conservation Coordinator
Company
CONOCO INC.

Date
October 3, 1980

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
Sept. 16, 1980
Registered Professional Engineer and/or Land Surveyor

Certificate No.



SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator Conoco Inc.		County Eddy		Date October 1, 1960
Address P.O. Box 460, Hobbs, NM 88240		Lease Dagger Draw Com.		Well No. 4
Location or Well	Unit J	Section 25	Township 19S	Range 24E

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	Cisco		Morrow
b. Top and Bottom of Pay Section	(Est.) 7540' - 8050'		(Est.) 8750' - 9120'
c. Type of production (Oil or Gas)	oil		gas
d. Method of Production (Flowing or Artificial Lift)	artificial lift		flowing

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

- No 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 diameter and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- Yes 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.
- No 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.*
- No 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.

Yates Petroleum

207 S. 4th

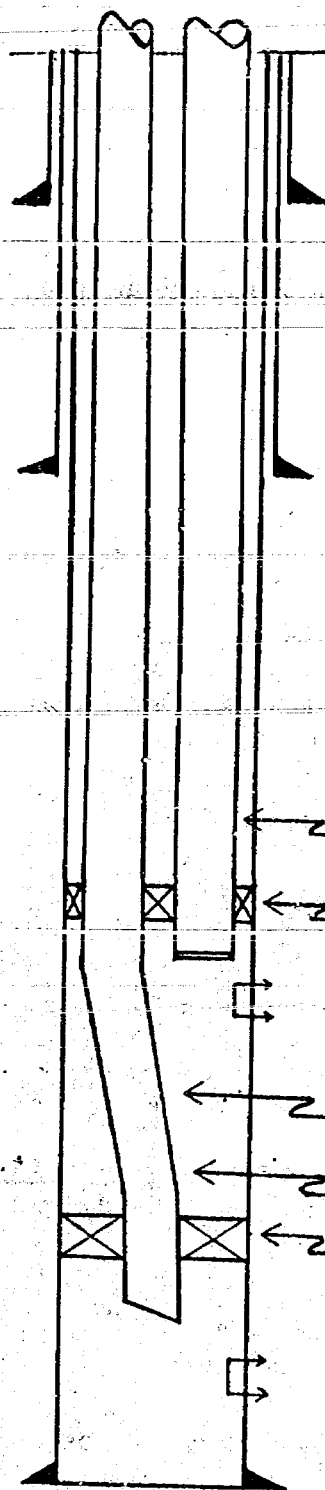
Artesia, New Mexico 88210

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

CERTIFICATE: I, the undersigned, state that I am the Division Manager of the Hobbs Division CONOCO INC. (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]
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 a new well being drilled, the application will be processed as a new well application.



13-3/8" 54# STC K-55 set at 500' with 430 sx. cement circulated
5 centralizers spaced 100' apart

9-5/8" 36# STC K-55 set at 1200' with 593 sx. cement circulated
12 centralizers spaced 100' apart

2-3/8" CSCB Hydril 4.6# C-75. Internally plastic coated.

Baker Model 'A-5' Dual Hydrostatic retrievable packer @ 7500'

Proposed Cisco perforations @ approximately 7700'. To be produced
by gas lift.

100' of 2-3/8" Monel coated blast joint.

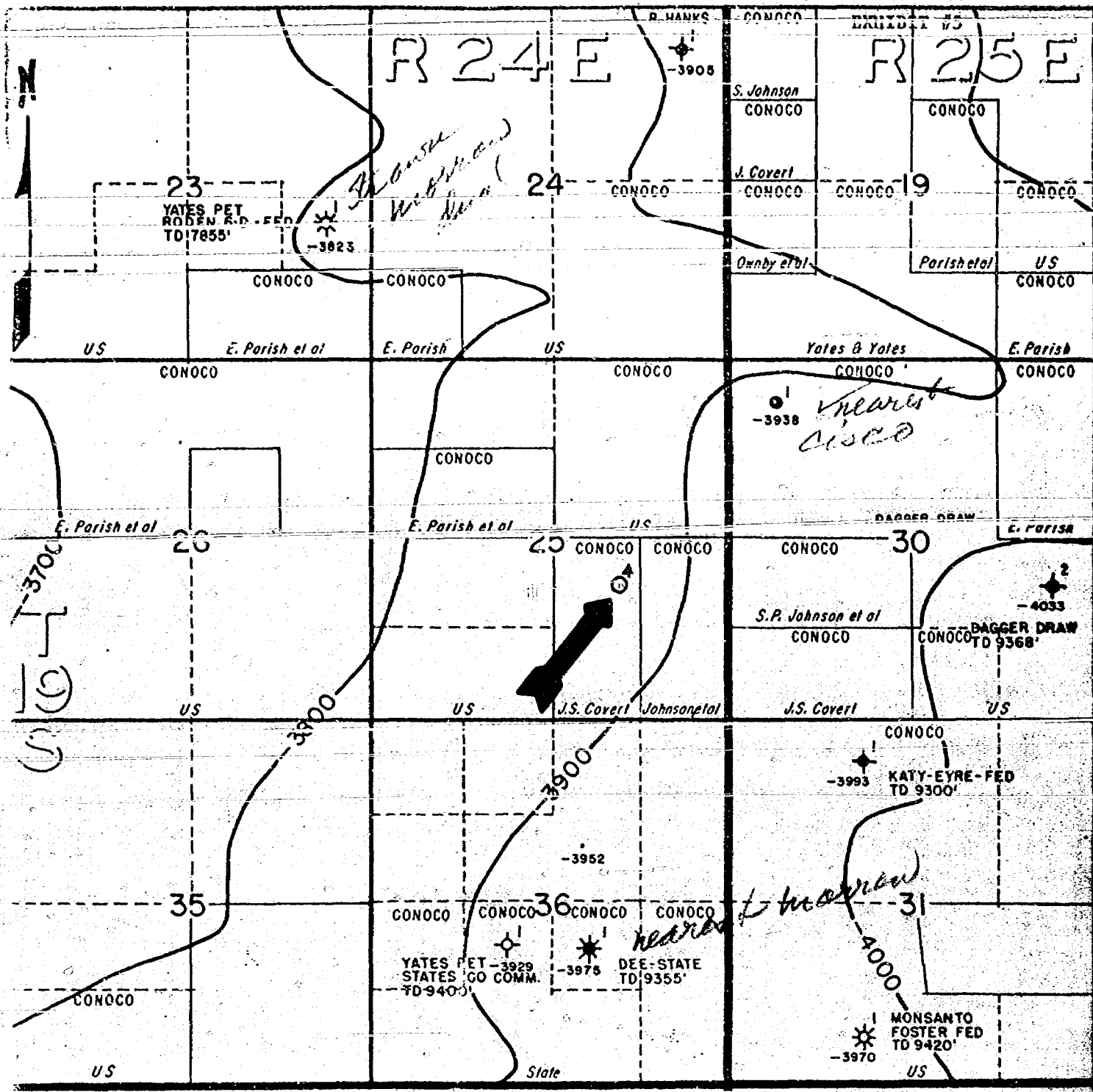
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SN. 1 joint 2-3/8" tubing, Model 'F' SN & a Mule shoe production
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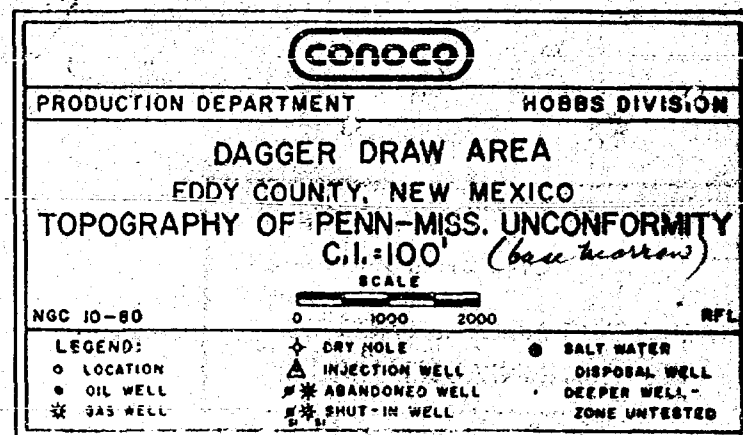
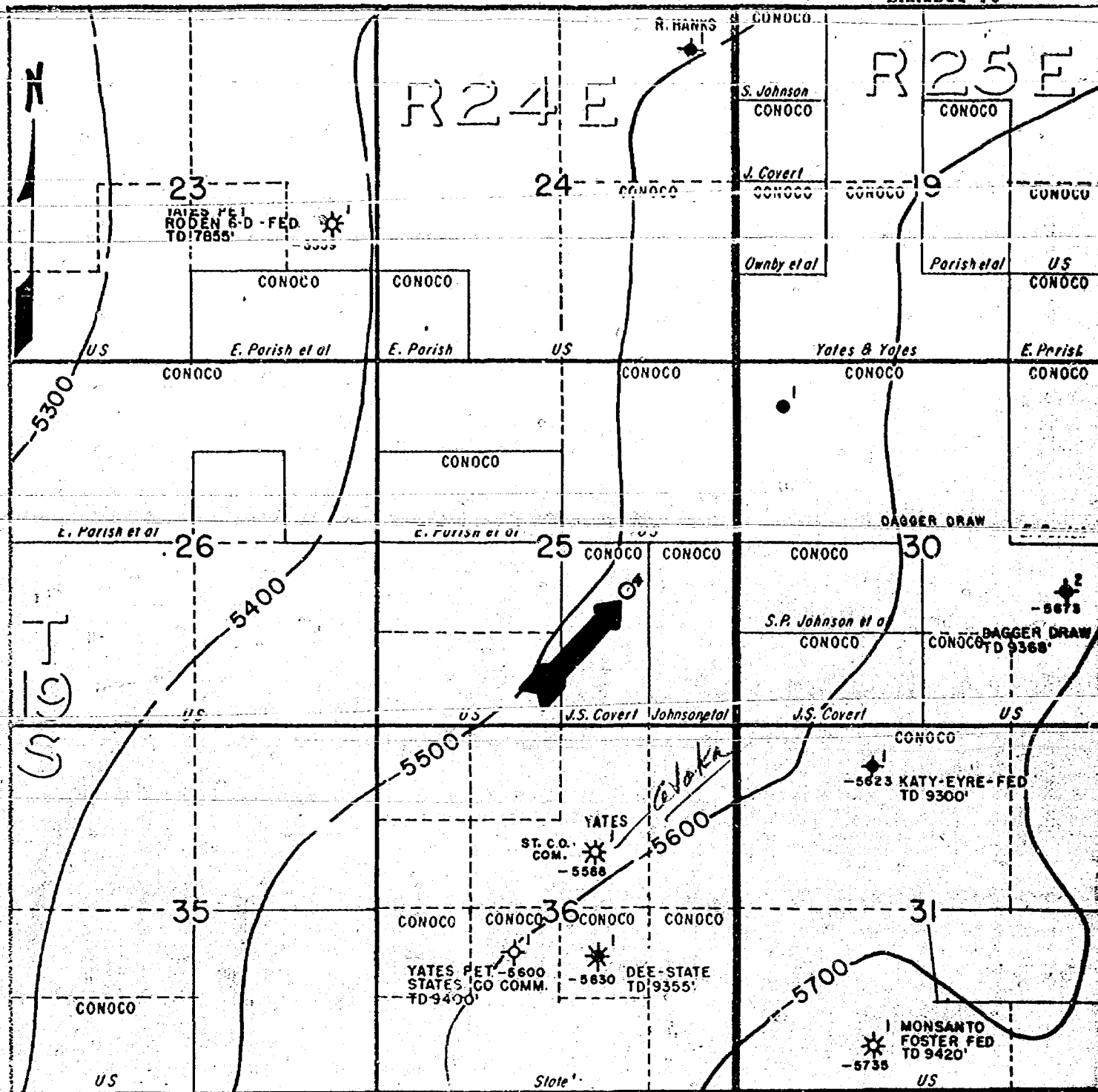
Proposed Morrow perforations at approximately 9000'.

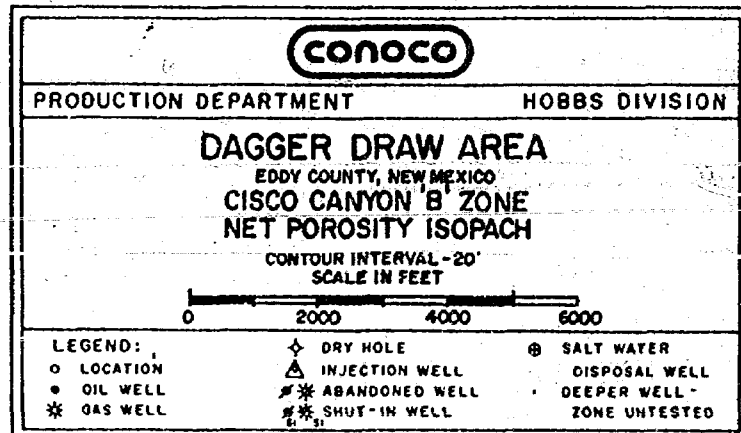
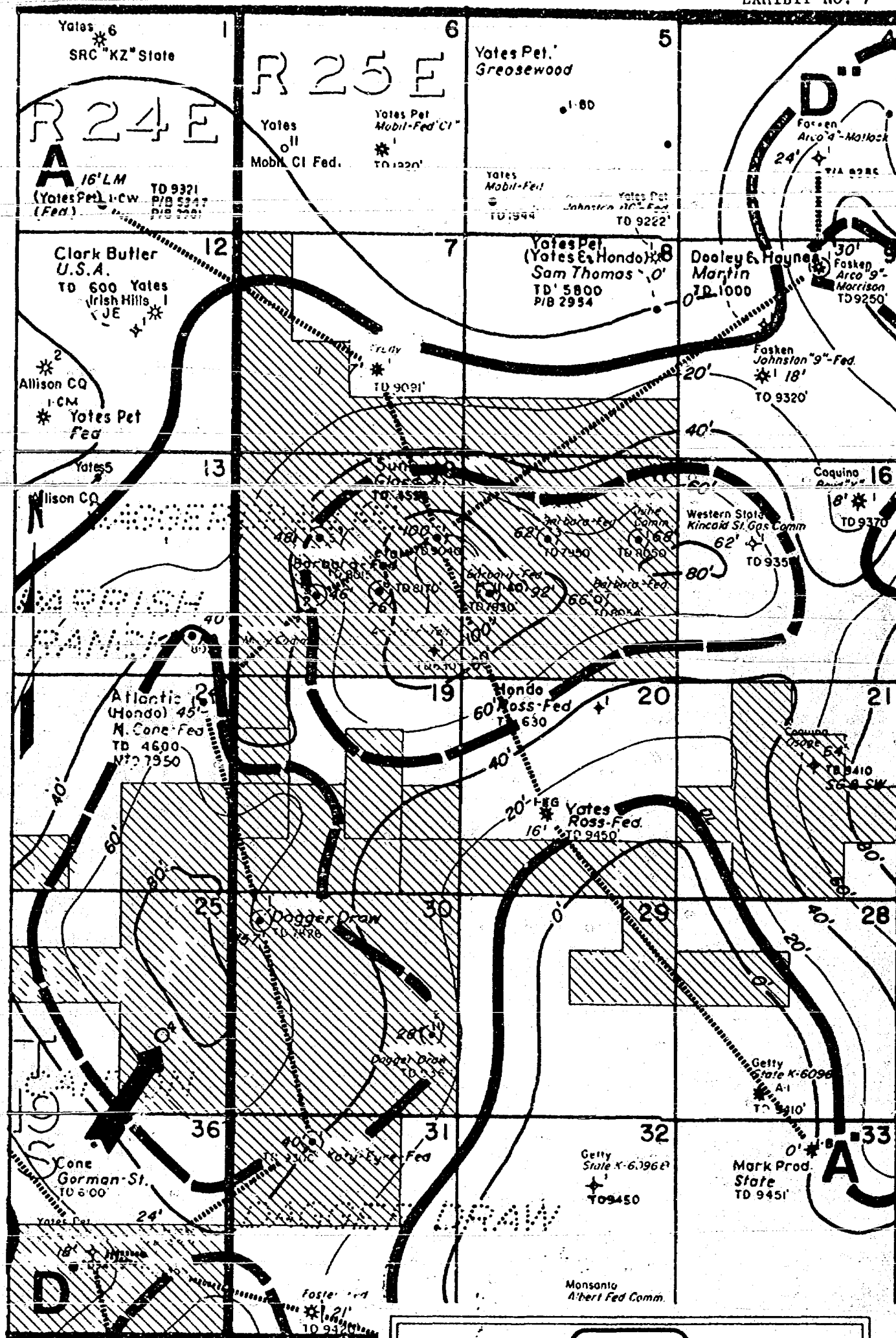
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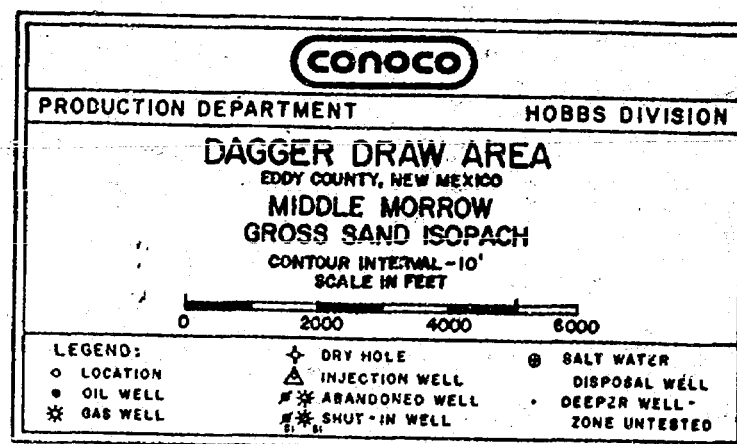
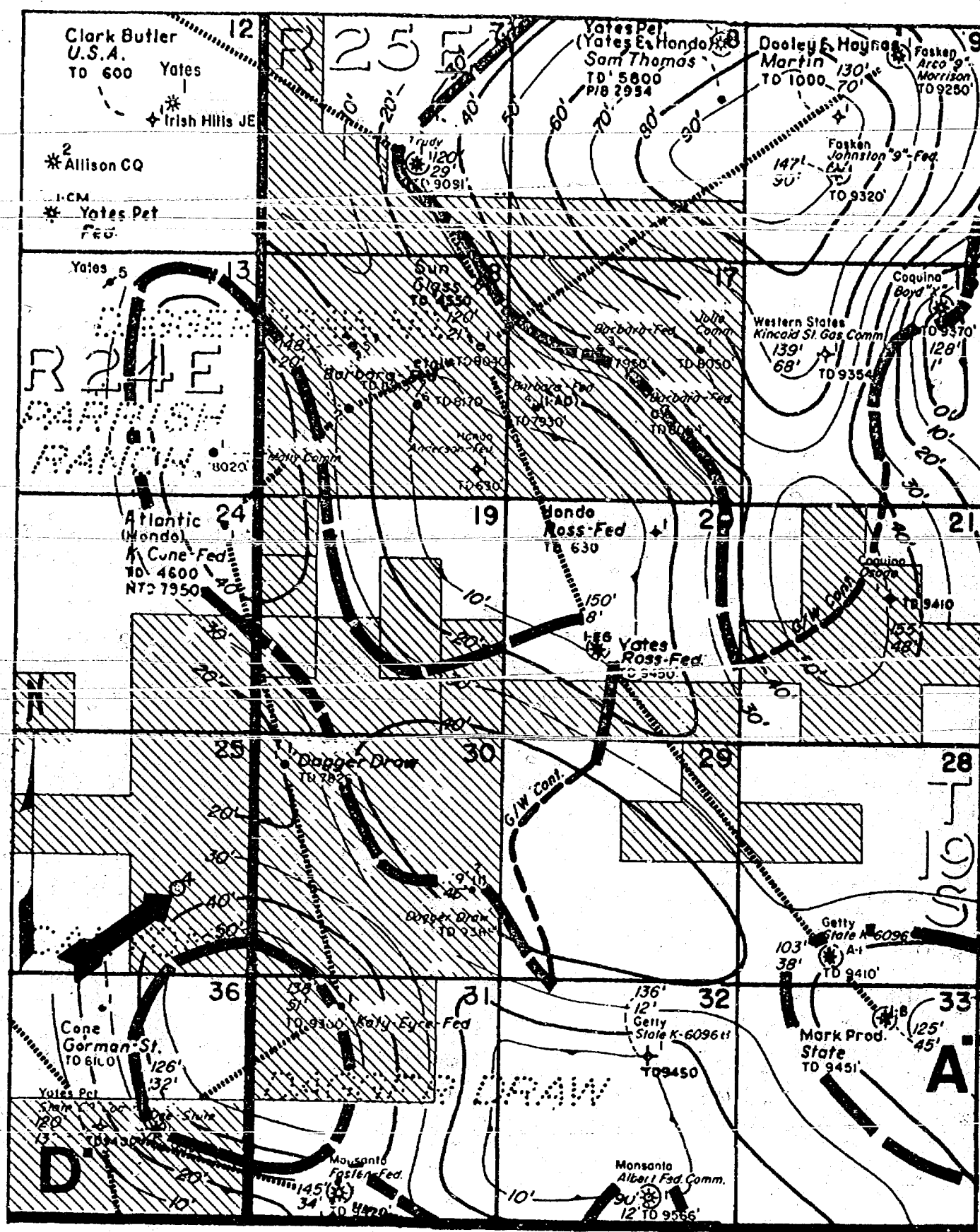
PROPOSED WELLBORE



CONOCO	
PRODUCTION DEPARTMENT	HOBBS DIVISION
DAGGER DRAW AREA EDDY COUNTY, NEW MEXICO STRUCTURE TOP CISCO-CANYON CARB. MKR. C.I. = 100'	
SCALE 0 1000 2000 RFL	
TD-10-80	
LEGEND:	
○ LOCATION ● OIL WELL ✱ GAS WELL	✧ DRY HOLE ▲ INJECTION WELL ✱ ABANDONED WELL ✱ SHUT-IN WELL
	● SALT WATER DISPOSAL WELL ● DEEPER WELL ● ZONE UNTESTED







**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Exhibit No. 1

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

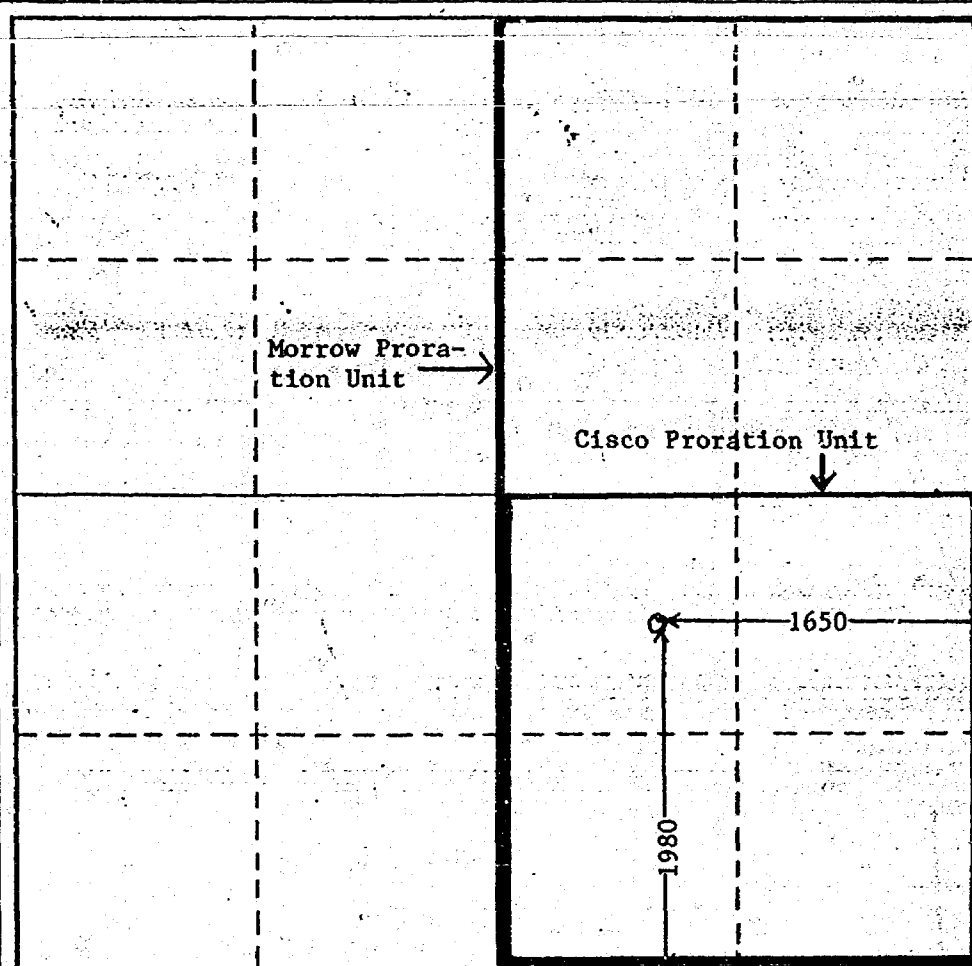
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Unit Letter J	Section 25	Township 19 South	Range 24 East	County Eddy	
Actual Footage Location of Well:					
1980 feet from the South line and		1650 feet from the East line			
Ground Level Elev: 3591.6	Producing Formation CISCO Morrow	Pool No. Dagger Draw Upper Penn. Undesignated Cemetery Morrow Gas	Dedicated Acreage: 160 320 Acres		

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

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CERTIFICATION

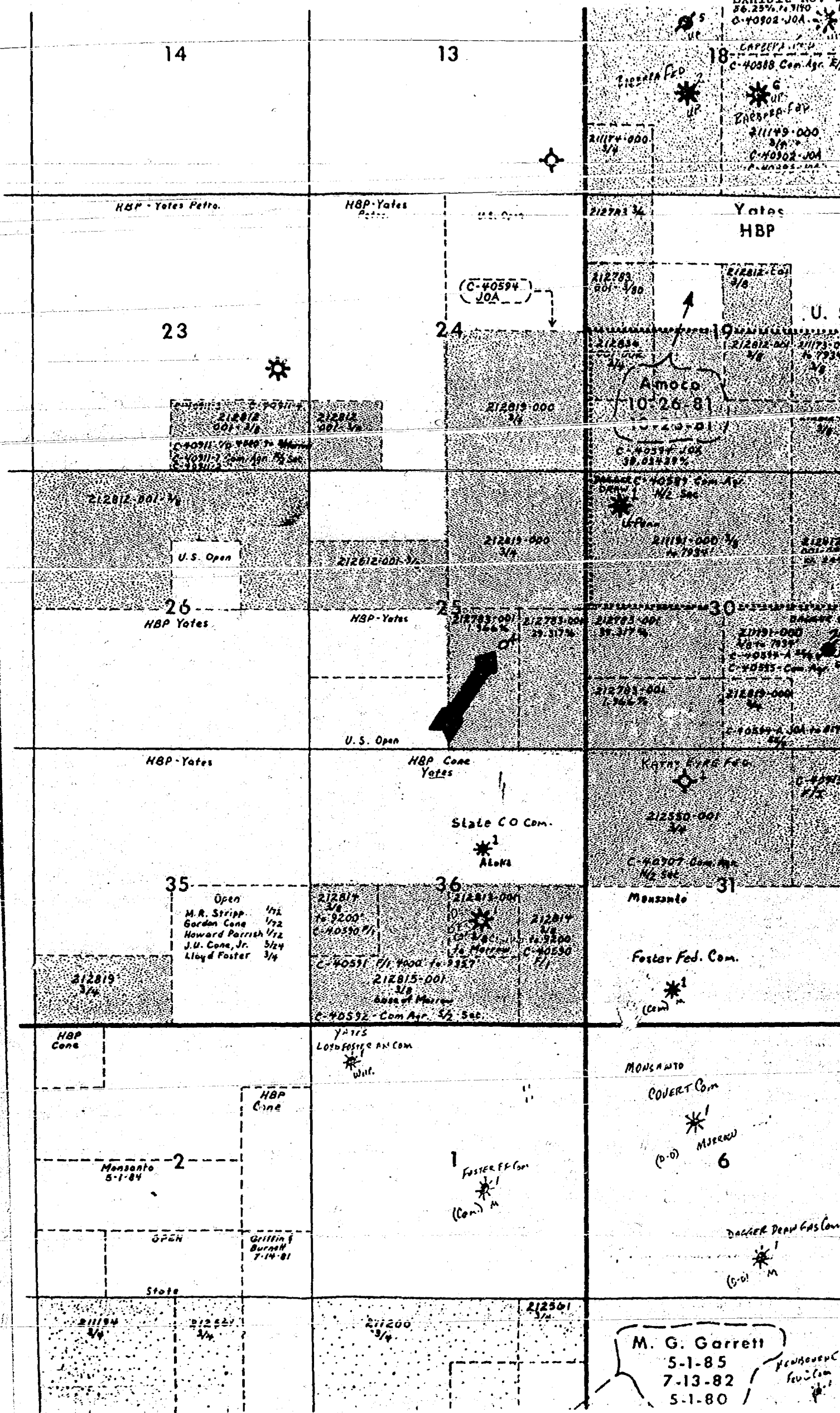
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Hugh A. Ingram
Position
Conservation Coordinator
Company
CONOCO INC.
Date
October 3, 1980

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
Sept 16, 1980
Registered Professional Engineer
and/or Land Surveyor

Certificate No. _____



NEW MEXICO OIL CONSERVATION COMMISSION

Exhibit No. 3

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator		CONOCO INC.		County	Eddy	Date	October 1, 1960
Address		P.O. Box 460, Hobbs, NM 88240		Lease	Dagger Draw Com.	Well No.	4
Location of Well	Unit	Section	Township	Range			
	J	25	19S	24E			

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	Cisco		Morrow
b. Top and Bottom of Pay Section	(Est.) 7540' - 8050'		(Est.) 8750' - 9120'
c. Type of production (Oil or Gas)	oil		gas
d. Method of Production (Flowing or Artificial Lift)	artificial lift		flowing

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

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Yates Petroleum

207 S. 4th

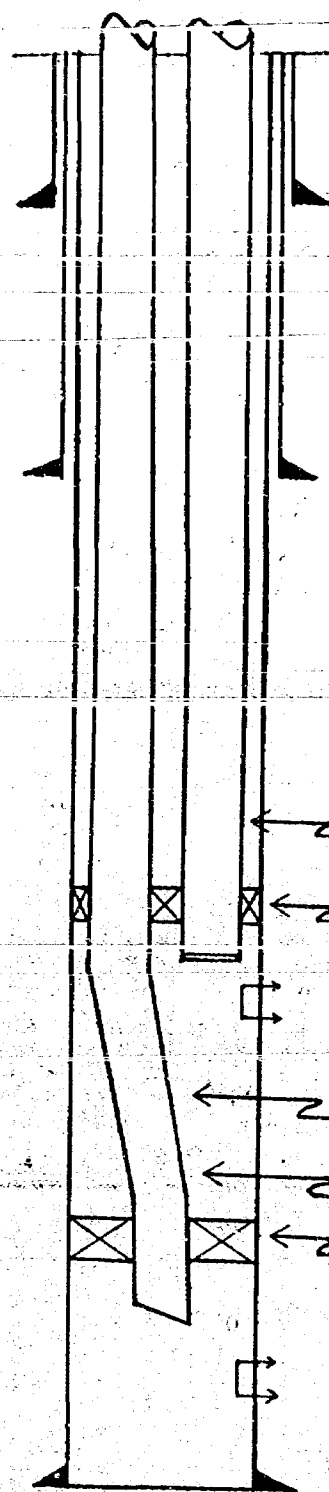
Artesia, New Mexico 88210

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CERTIFICATE: I, the undersigned, state that I am the Division Manager of the Hobbs Division CONOCO INC. (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]
Signature

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100' of 2-3/8" Monel coated blast joint.

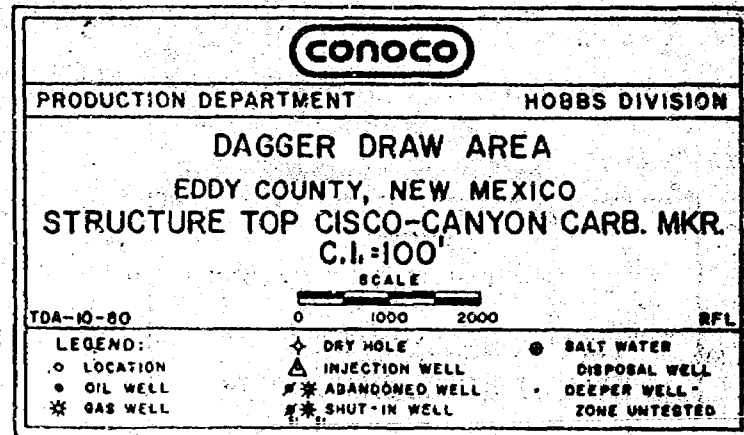
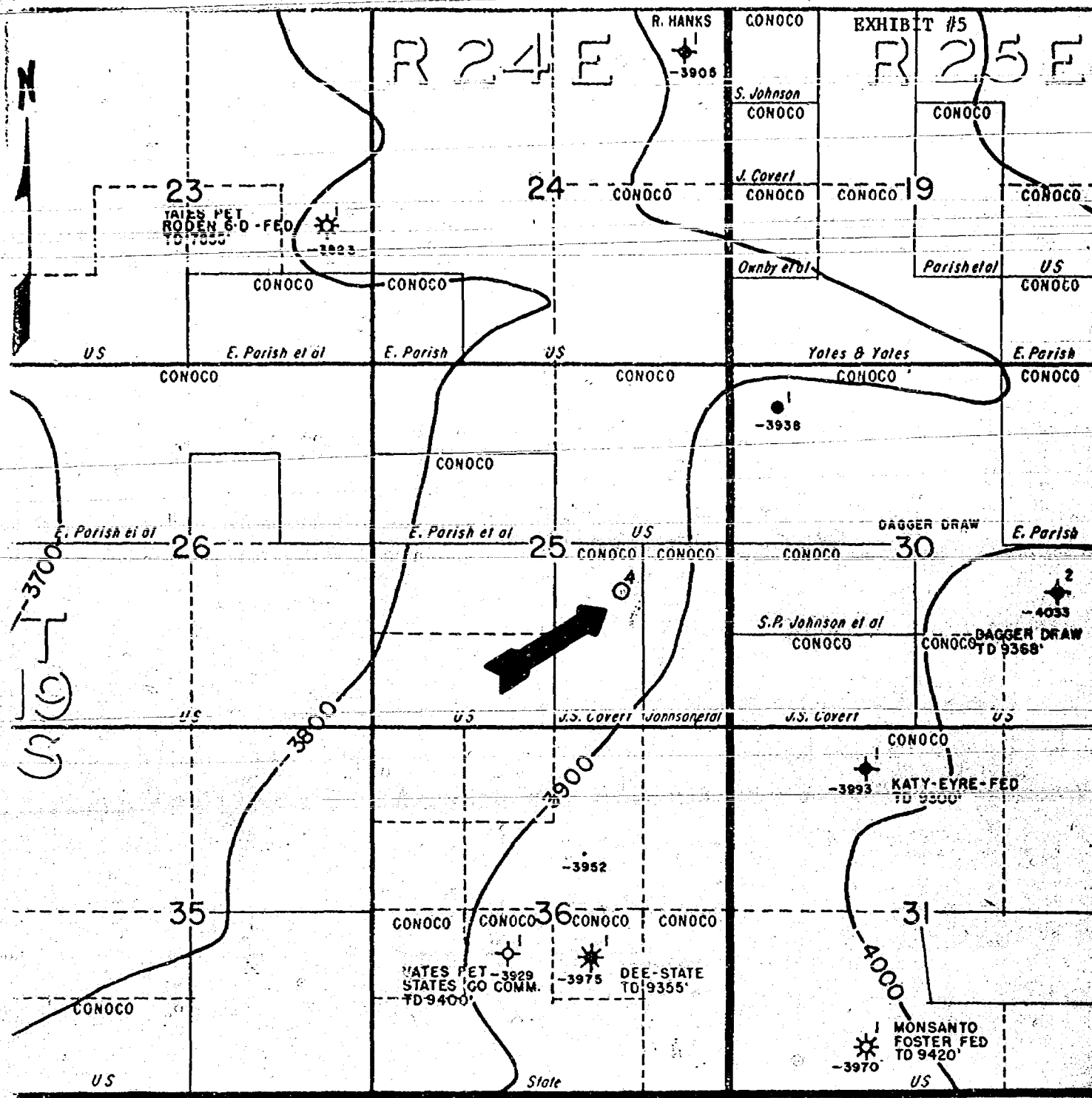
2-3/8" CSCB Hydril 4.6# C-75. Internally plastic coated.

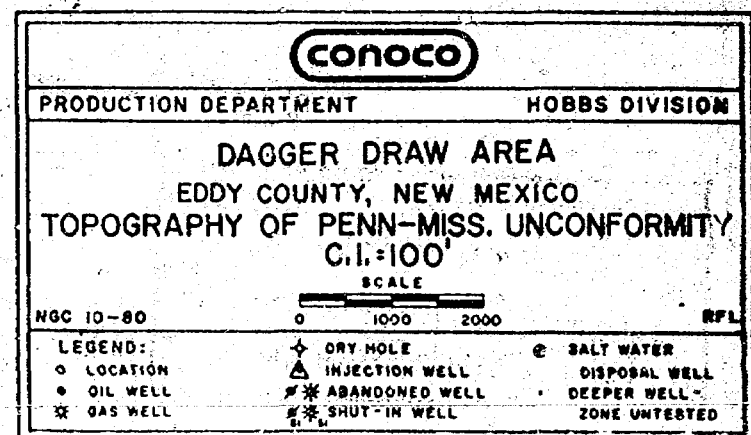
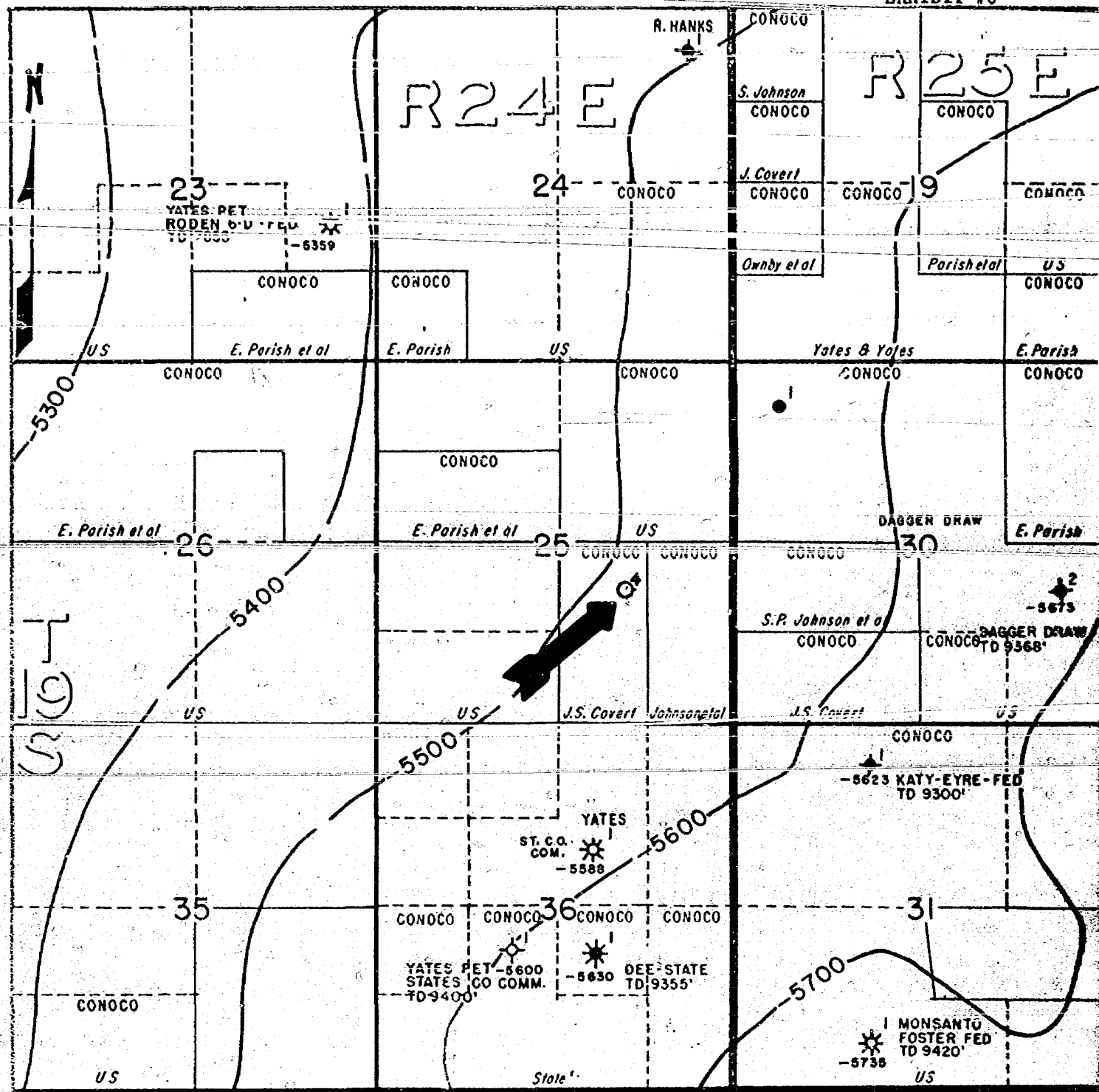
Baker Model 'DB' packer @ 8900' with mill out extension, Model 'F'
SN. 1 joint 2-3/8" tubing, Model 'F' SN & a Mule shoe production
tube.

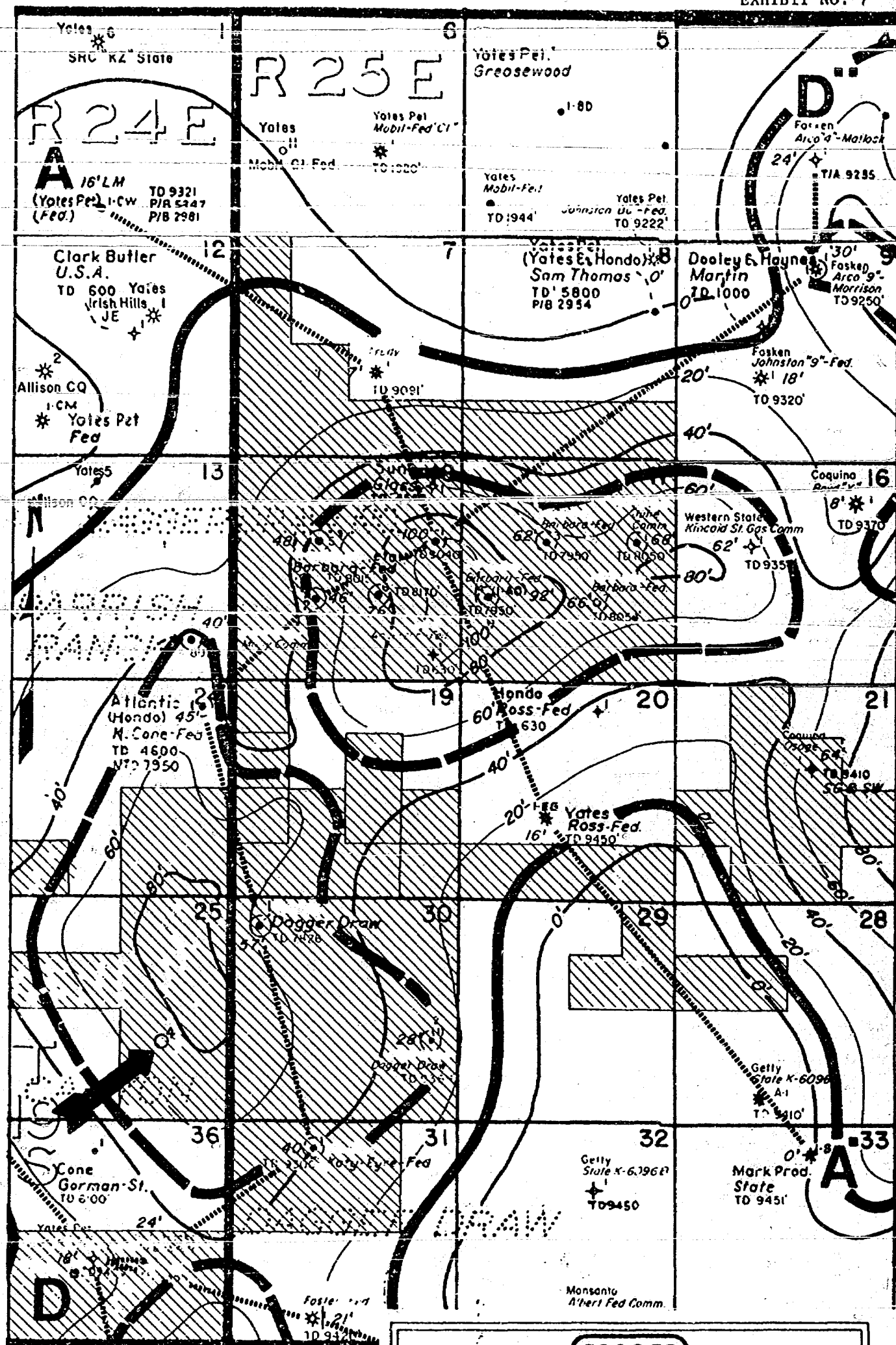
Proposed Morrow perforations at approximately 9000'.


7" 26# K-55 BTRC & N-80 LTC set @ 9433' w/750 sx. TOC est. @ 5200'.
36 centralizers spaced 40' apart. 30 scratchers spaced 15' apart.

PROPOSED WELLBORE







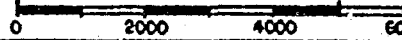


CONOCO

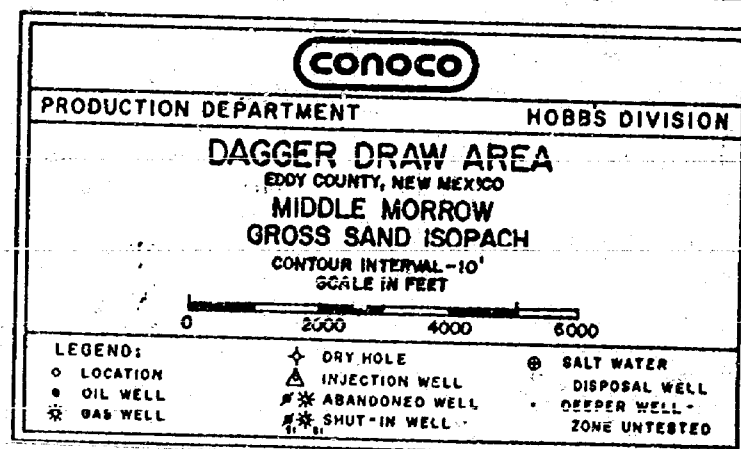
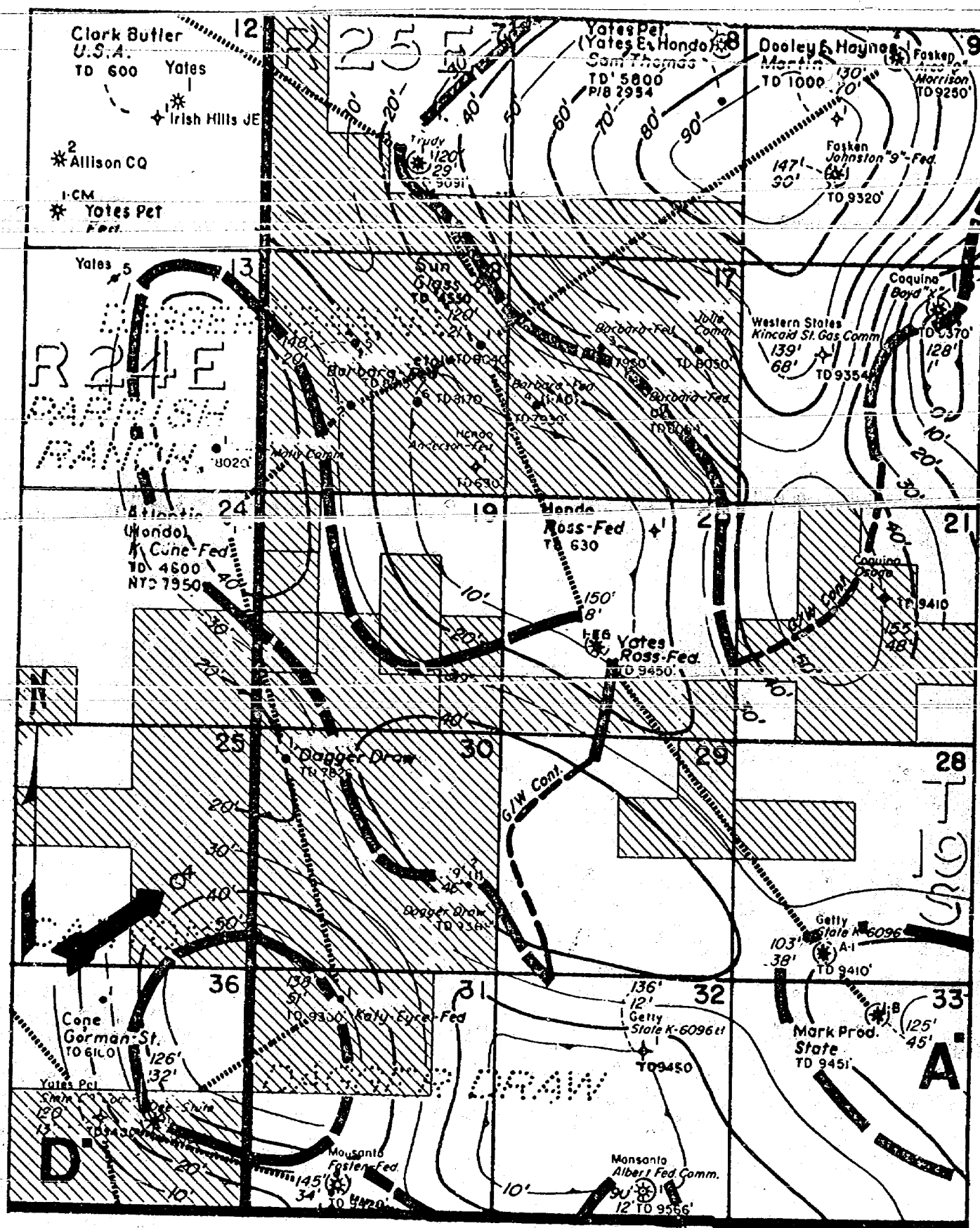
PRODUCTION DEPARTMENT

HOBBS DIVISION

DAGGER DRAW AREA
 EDDY COUNTY, NEW MEXICO
CISCO CANYON 'B' ZONE
 NET POROSITY ISOPACH
 CONTOUR INTERVAL - 20'
 SCALE IN FEET



<p>LEGEND:</p> <p>○ LOCATION</p> <p>● OIL WELL</p> <p>* GAS WELL</p>	<p>⬆ DRY HOLE</p> <p>⬆ INJECTION WELL</p> <p>⬆ ABANDONED WELL</p> <p>⬆ SHUT-IN WELL</p>	<p>⊕ SALT WATER</p> <p>⊕ DISPOSAL WELL</p> <p>⊕ DEEPER WELL -</p> <p>⊕ ZONE UNTESTED</p>
--	---	--



- CASE 7065:** Application of El Paso Natural Gas Company for twelve non-standard proration units, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the establishment of eight non-standard proration units for Pictured Cliffs wells to be drilled in the W/2 of partial Sections 6, 7, 18, 19, 30 and 31 of Township 30 North, Range 4 West, and four non-standard proration units for Pictured Cliffs wells in partial Sections 7, 8, and 9 of Township 28 North, Range 4 West.
- CASE 7066:** Application of Conoco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Drive "B" Well No. 27 located in Unit G of Section 15, Township 20 South, Range 37 East, to produce oil from the Weir-Drinkard or an undesignated Blinebry pool and an undesignated Abo pool.
- CASE 7067:** Application of Conoco Inc. for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Dagger Draw Com. Well No. 4 located in Unit J of Section 25, Township 19 South, Range 24 East, to produce oil from the North Dagger Draw-Upper Penn Pool and gas from an undesignated Morrow pool.
- CASE 7068:** Application of Conoco Inc. for a dual completion and an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Penny Federal Com. Well No. 2 at an unorthodox location 1650 feet from the North line and 1980 feet from the East line of Section 23, Township 20 South, Range 24 East, to produce oil from the South Dagger Draw-Upper Penn Pool and gas from an undesignated Morrow pool.
- CASE 7069:** Application of Anadarko Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the South and East lines of Section 4, Township 19 South, Range 25 East, the S/2 of said Section 4 to be dedicated to the well.
- CASE 7070:** Application of Tesoro Petroleum Corporation for a pilot caustic flood project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a one-acre pilot caustic flood project in the Hospah Field by the injection of caustic fluid into the Seven Lakes Sand of the Upper Hospah Field at an approximate depth of 300-500 feet through four injection wells in Unit K of Section 1, Township 17 North, Range 9 West.
- CASE 7071:** Application of Jake L. Hamon for an unorthodox well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a 640-acre proration unit comprising all of Section 17, Township 20 South, Range 36 East, North Osado-Morrow Pool, to its Amerada Federal Well No. 2 located in Unit F and its Amerada Federal Well No. 3, to be drilled at an unorthodox location 1650 feet from the South line and 660 feet from the East line of said Section 17.
- CASE 6668:** (Reopened and Readvertised)
- In the matter of Case 6668 being reopened pursuant to the provisions of Order No. R-6139 which order promulgated temporary special rules and regulations for the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, including a provision for 80-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 40-acre spacing units.
- CASE 7005:** (Continued from September 17, 1980, Examiner Hearing)
- Application of Sol West III for an NCPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the Morrow formation for his Turkey Track-Morrow Sand Well No. 1 in Unit I of Section 26, Township 18 South, Range 28 East.
- CASE 7072:** Application of Enserch Exploration, Inc. for pool creation and special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Pennsylvanian oil pool for its Enserch Amoco State Well No. 1 located in Unit L of Section 16, Township 4 South, Range 33 East, and the promulgation of special pool rules therefor, including a provision for 80-acre spacing.
- CASE 7073:** Application of Enserch Exploration, Inc. for pool creation, temporary special pool rules, and assignment of a discovery allowable, Chaves County, New Mexico. Applicant, in the above styled cause, seeks the creation of a new Fusselman oil pool for its J. G. O'Brien Well No. 1 located 1980 feet from the North line and 660 feet from the West line of Section 31, Township 7 South, Range 29 East, with special rules therefor, including provisions for 80-acre spacing, a limiting gas-oil ratio of 3000 to one and special well location requirements providing for the drilling of wells within 150 feet of the center of a quarter-quarter section. Applicant further seeks approval of a 74.24-acre proration and spacing unit and a discovery allowable for said J. G. O'Brien Well No. 1.



L. P. Thompson
Division Manager

John R. Kemp
Assistant Division Manager

Production Department
Hobbs Division
North American Production

Conoco Inc.
P.O. Box 460
1001 North Turner
Hobbs, NM 88240
(505) 393-4141

October 3, 1980

New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Case 7067

Attention Mr. Dan Nutter

Gentlemen:

Application For Approval to Dually Complete - Dagger Draw Com. Well No. 4,
Section 25, T-19S, R-24E, Eddy County, New Mexico.

Attached are three copies of the subject application. Please schedule this case on the first available Examiner Docket.

Very truly yours,

HAI:rej
Enc
CC
Tom Kellahin
Vic Lyon

BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONOCO INC. FOR APPROVAL TO DUALLY
COMPLETE ITS DAGGER DRAW COM. WELL
NO. 4 IN THE NORTH DAGGER DRAW UPPER
PENN AND UNDESIGNATED MORROW POOLS TO
BE LOCATED 1980' FSL AND 1650' FEL IN
UNIT J OF SECTION 25, T-19S, R-24E,
EDDY COUNTY, NEW MEXICO

Case 7067

A P P L I C A T I O N

Applicant, CONOCO INC., respectfully requests authority to dually complete its Dagger Draw Com. Well No. 4, located in Unit "J" of Section 25, T-19S, R-24E, Eddy County, New Mexico, in the North Dagger Draw Upper Penn pool and the Undesignated Morrow pool, and in support thereof will show:

1. Applicant is operator and co-owner of the Dagger Draw Lease, which in addition to other lands includes the E/2 of Section 25, T-19S, R-24E, Eddy County, New Mexico.
2. Applicant intends to complete in the North Dagger Draw Upper Penn (Cisco) pool and the Undesignated Morrow pool its Dagger Draw Com. Well No. 4, located in Unit "J" of said Section 25 on said lease, and to dedicate the SE/4 to the Cisco and the E/2 to the Morrow.
3. That dual completion in the above named pools will recover reserves that would not otherwise be recovered.
4. That no other well is known to have produced simultaneously from these two zones in these reservoirs.
5. That the granting of this application will prevent waste and will not impair the correlative rights of any party.

WHEREFORE, applicant respectfully requests that this application be set for hearing before the Division's duly appointed examiner, and upon hearing, an order be entered authorizing the dual completion of the Dagger Draw Com. Well No. 4, as described above.

Respectfully submitted,

CONOCO INC.

By


L. F. THOMPSON

Division Manager of Production
Hobbs Division

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

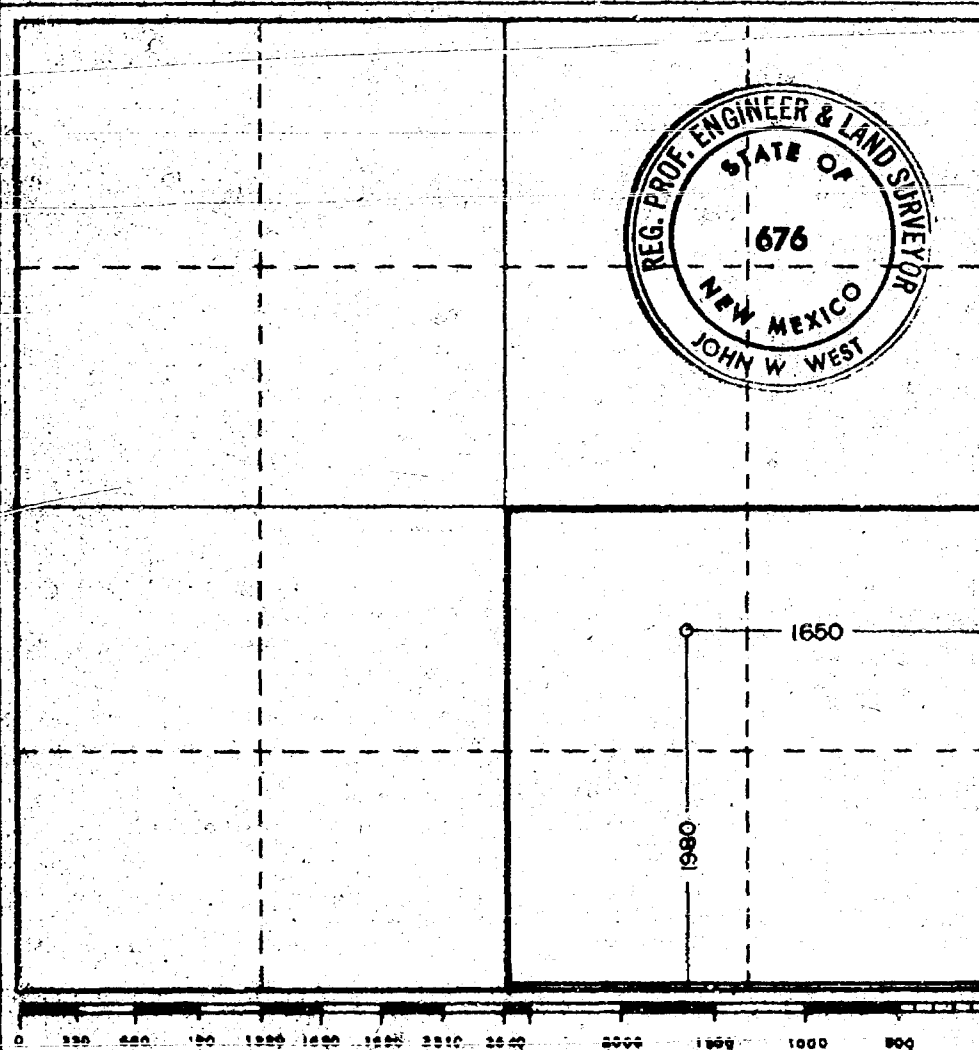
Operator Conoco Inc.		Lesse Dagger Draw		Well No. 4
Unit Letter	Section 25	Township 19 south	Range 24 east	County Eddy
Actual Footage Location of Well: 1750 feet from the south line and 1650 feet from the west line				
Ground Level Elev. 3591.6	Producing Formation Cisco	Pool North Dagger Draw Upper Penn	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

[Signature]
Name
H. A. Ingram

Position
Conservation Coordinator

Company
CONOCO INC.

Date
October 3, 1980

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

9-14-80

Registered Professional Engineer and/or Land Surveyor

[Signature]
Certification No. **JOHN W. WEST** **676**
PATRICK A. ROMERO **6688**
ROBERT J. EIDSON **3258**

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102
 Superseded O-101
 Effective 1-1-55

All distances must be from the outer boundaries of the Section

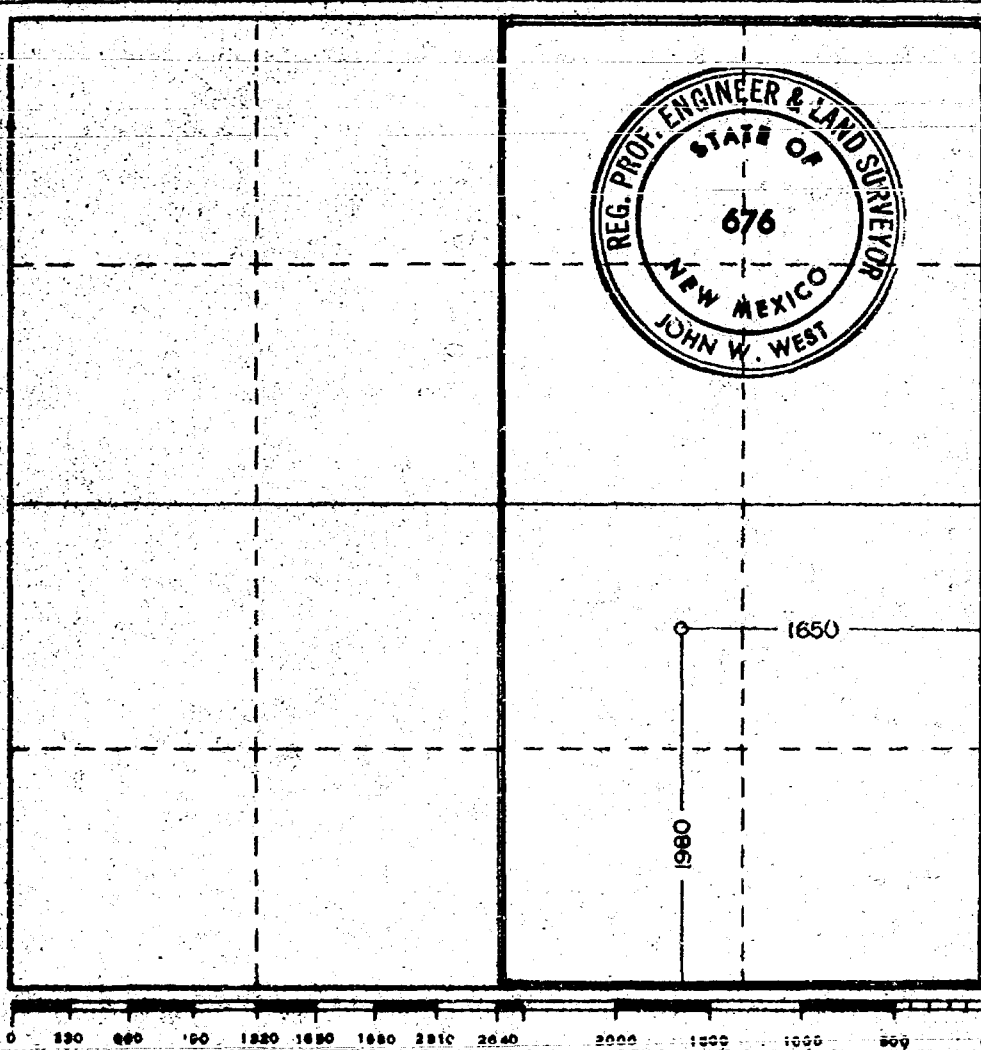
Operator Conoco Inc.			Lease Dagger Draw		Well No. 4
Unit Letter 1	Section 25	Township 19 south	Range 24 east	County Eddy	
Actual Footage Location of Well:					
1980 feet from the south line and		1650 feet from the east line			
Ground Level Elev. 3271.6	Producing Formation Morrow	Pool Undesignated Cemetery Morrow Gas	Dedicated Acreage: 320 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.) _____

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CERTIFICATION

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[Signature]
 Name

H. A. Ingram

Position
Conservation Coordinator

Company
CONOCO INC.

Date
October 3, 1980

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
9-16-80

Registered Professional Engineer and/or Land Surveyor

[Signature]
 Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6888
Harold J. Eldson 3238

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator	Conoco Inc.	County	Eddy	Date	October 1, 1960
Address	P.O. BOX 460, HOBBS, NM 88240	Lease	Dagger Draw Com.	Well No.	4
Location of Well	Unit J	Section 25	Township 19S	Range	24E

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	Cisco		Morrow
b. Top and Bottom of Pay Section (Perforations)	7540'		8750'
c. Type of production (Oil or Gas)	oil		gas
d. Method of Production (Flowing or Artificial Lift)	artificial lift		flowing

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

- No a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbochargers 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.
- Yes 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.
- No 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.*
- No 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.

Yates Petroleum

207 S. 4th

Artesia, New Mexico 88210

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

CERTIFICATE: I, the undersigned, state that I am the Division Manager of the Hobbs Division CONOCO INC. (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]
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 a significant increase in production, the Commission will require a separate application for a permit to drill.

BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONOCO INC. FOR APPROVAL TO DUALY
COMPLETE ITS DAGGER DRAW COM. WELL
NO. 4 IN THE NORTH DAGGER DRAW UPPER
PENN AND UNDESIGNATED MORROW POOLS TO
BE LOCATED 1980' FSL AND 1650' FEL IN
UNIT J OF SECTION 25, T-19S, R-24E,
EDDY COUNTY, NEW MEXICO

Case 7067

A P P L I C A T I O N

Applicant, CONOCO INC., respectfully requests authority to dualy complete its Dagger Draw Com. Well No. 4, located in Unit "J" of Section 25, T-19S, R-24E, Eddy County, New Mexico, in the North Dagger Draw Upper Penn pool and the Undesignated Morrow pool, and in support thereof will show:

1. Applicant is operator and co-owner of the Dagger Draw Lease, which in addition to other lands includes the E/2 of Section 25, T-19S, R-24E, Eddy County, New Mexico.
2. Applicant intends to complete in the North Dagger Draw Upper Penn (Cisco) pool and the Undesignated Morrow pool its Dagger Draw Com. Well No. 4, located in Unit "J" of said Section 25 on said lease, and to dedicate the SE/4 to the Cisco and the E/2 to the Morrow.
3. That dual completion in the above named pools will recover reserves that would not otherwise be recovered.
4. That no other well is known to have produced simultaneously from these two zones in these reservoirs.
5. That the granting of this application will prevent waste and will not impair the correlative rights of any party.

WHEREFORE, applicant respectfully requests that this application be set for hearing before the Division's duly appointed examiner, and upon hearing, an order be entered authorizing the dual completion of the Dagger Draw Com. Well No. 4, as described above.

Respectfully submitted,

CONOCO INC.

By


L. F. THOMPSON

Division Manager of Production
Hobbs Division

HAI:rej
10/2/80

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-122
Effective 1-1-65

All distances must be from the outer boundaries of the Section

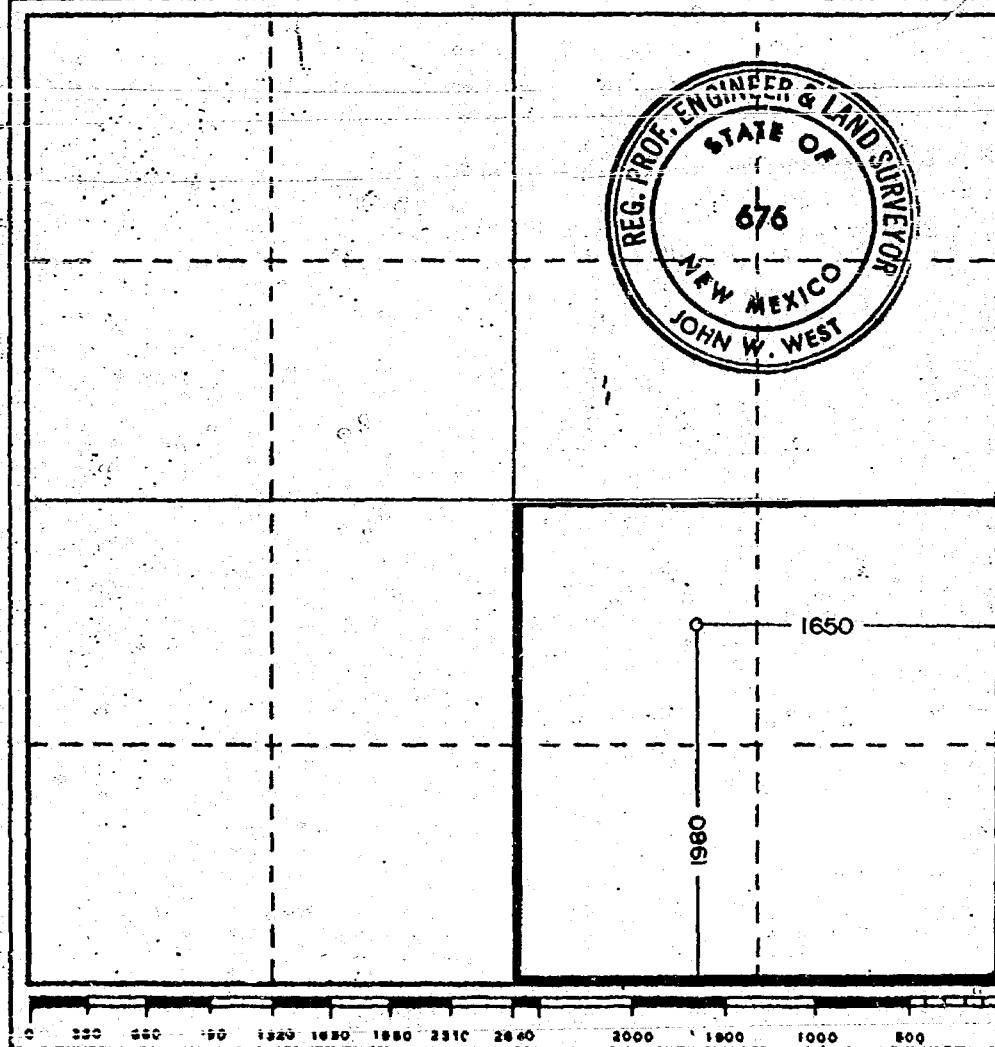
Operator Conoco Inc.		Lease Dagger Draw		Well No. 4
Unit Letter J	Section 25	Township 19 south	Range 24 east	County Eddy
Actual Postage Location of Well: 1980 feet from the south 1650 feet from the east				
Ground Level Elev. 3591.67	Producing Formation Cisco	Pool North Dagger Draw Upper Penn		Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

H. A. Ingram
Name

H. A. Ingram
Position
Conservation Coordinator

CONOCO INC.
Company

October 3, 1980
Date

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.

9-16-80
Date Surveyed

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. JOHN W. WEST 676

PATRICK A. ROMERO 6065
Ronald L. Elders 7239

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-122
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

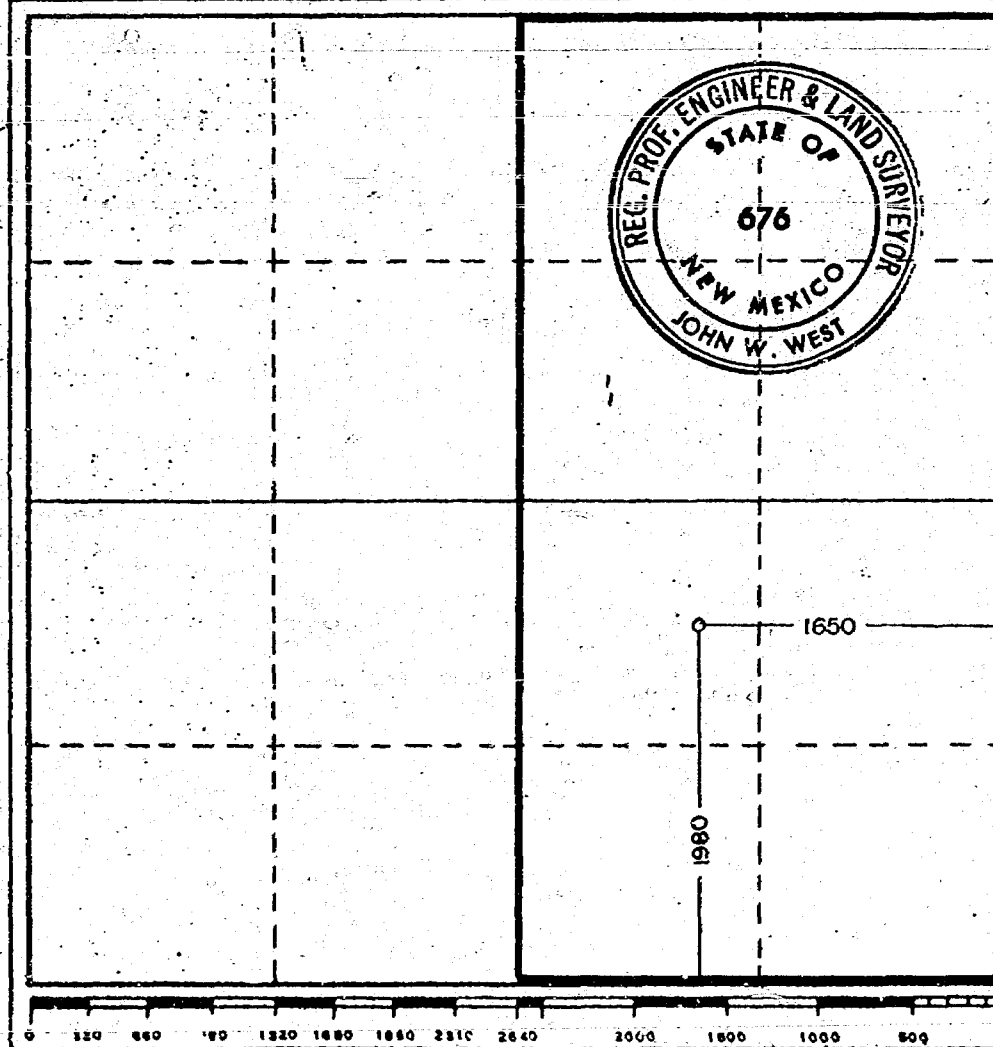
Operator Conoco Inc.			Lease Dugger Draw		Well No. 4
Unit Letter	Section 25	Township 19 south	Range 24 east	County Eddy	
Actual Footage Location of Well: 1980 feet from the south line and 1650 feet from the east line					
Ground Level Elev. 3591.6	Producing Formation Morrow		Pool Undesignated Cemetery Morrow Gas		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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☐ Yes ☐ No If answer is "yes," type of consolidation _____

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

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Name
H. A. Ingram

Position
Conservation Coordinator

Company
CONOCO INC.

Date
October 3, 1980

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Date Surveyed
9-16-80

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6688
Ronald J. Eldson 3239

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator	Conoco Inc.	County	Eddy	Date	October 1, 1980
Address	P.O. Box 460, Hobbs, NM 88240	Lease	Dagger Draw Com.	Well No.	4
Location or Well	Unit: J	Section: 25	Township: 19S	Range: 24E	

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	Cisco		Morrow
b. Top and Bottom of Pay Section (Perforations)	7540'		8750'
c. Type of production (Oil or Gas)	Oil		gas
d. Method of Production (Flowing or Artificial Lift)	artificial lift		flowing

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

No

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.

Yes

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.

No

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.*

No

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.

Yates Petroleum

207 S. 4th

Artesia, New Mexico 88210

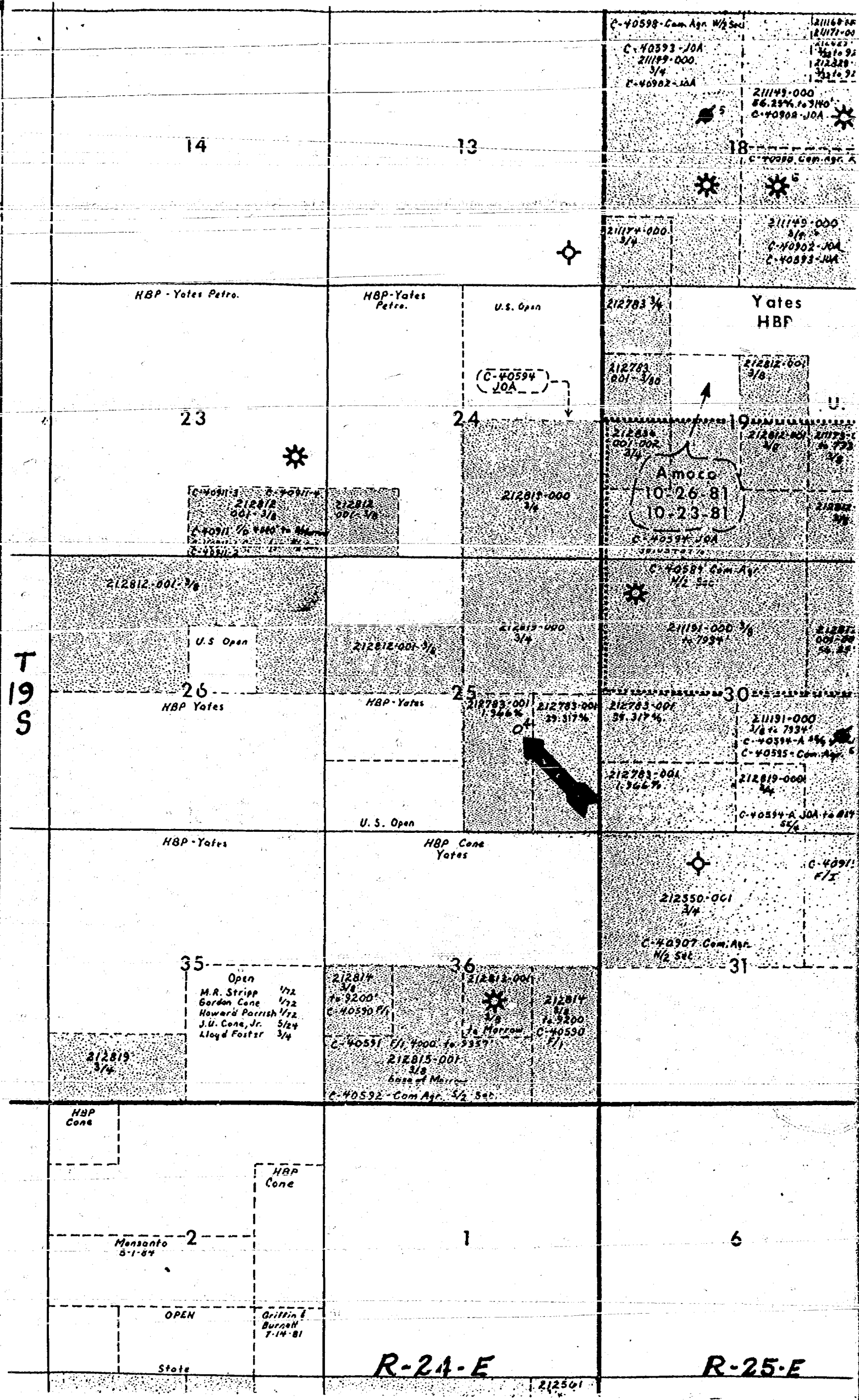
6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO _____. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the Division Manager of the Hobbs Division CONOCO INC. (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]
Signature

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NOTE: If the proposed multiple completion will result in a net increase in production, the application will be processed.



14

13

18

HBP - Yates Petro.

HBP - Yates Petro.

U.S. Open

212783 3/4

Yates HBP

23

24

(C-40594)
JOA

212783
001-3/8

212812-001
3/8

Amoco
10-26-81
10-23-81

C-40591-3
212812
001-3/8
C-40591-4
212812
001-3/8
C-40591-5
212812
001-3/8
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001-3/8
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C-40591-12
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U.S. Open

212812-001-3/8

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3/4

211191-000 3/8
to 7934

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S

26

25

HBP Yates

HBP Yates

212783-001
1.946%

212783-001
29.317%

212783-001
29.317%

U.S. Open

HBP - Yates

HBP Cone
Yates

212350-001
3/4

C-40597 Com. Agr.
N/2 Sec.

35

36

Open
M.R. Stripp 1/2
Gordon Cone 1/2
Howard Parrish 1/2
J.U. Cone, Jr. 5/24
Lloyd Foster 3/4

212814
3/8
to 9200
C-40590 P/1
C-40591 P/1 4200 to 9357
212815-001
3/8
base of Morrow
C-40592 - Com Agr. 5/2 Sec.

212815-001
3/8
to Morrow
C-40590 P/1

HBP
Cone

HBP
Cone

Monsanto
5-1-84

OPEN

Griffin &
Burdett
7-14-81

State

R-24-E

R-25-E

212561

BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONOCO INC. FOR APPROVAL TO DUAALLY
COMPLETE ITS DAGGER DRAW COM. WELL
NO. 4 IN THE NORTH DAGGER DRAW UPPER
PENN AND UNDESIGNATED MORROW POOLS TO
BE LOCATED 1980' FSL AND 1650' FEL IN
UNIT J OF SECTION 25, T-19S, R-24E,
EDDY COUNTY, NEW MEXICO

Case 7067

A P P L I C A T I O N

Applicant, CONOCO INC., respectfully requests authority to dualy
complete its Dagger Draw Com. Well No. 4, located in Unit "J" of Section 25,
T-19S, R-24E, Eddy County, New Mexico, in the North Dagger Draw Upper Penn
pool and the Undesignated Morrow pool, and in support thereof will show:

1. Applicant is operator and co-owner of the Dagger Draw Lease, which
in addition to other lands includes the E/2 of Section 25, T-19S, R-24E,
Eddy County, New Mexico.
2. Applicant intends to complete in the North Dagger Draw Upper Penn
(Cisco) pool and the Undesignated Morrow pool its Dagger Draw Com. Well No. 4,
located in Unit "J" of said Section 25 on said lease, and to dedicate the
SE/4 to the Cisco and the E/2 to the Morrow.
3. That dual completion in the above named pools will recover reserves
that would not otherwise be recovered.
4. That no other well is known to have produced simultaneously from these
two zones in these reservoirs.
5. That the granting of this application will prevent waste and will not
impair the correlative rights of any party.

WHEREFORE, applicant respectfully requests that this application be
set for hearing before the Division's duly appointed examiner, and upon hearing,
an order be entered authorizing the dual completion of the Dagger Draw Com.
Well No. 4, as described above.

Respectfully submitted,

CONOCO INC.

By


L. P. THOMPSON

Division Manager of Production
Hobbs Division

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

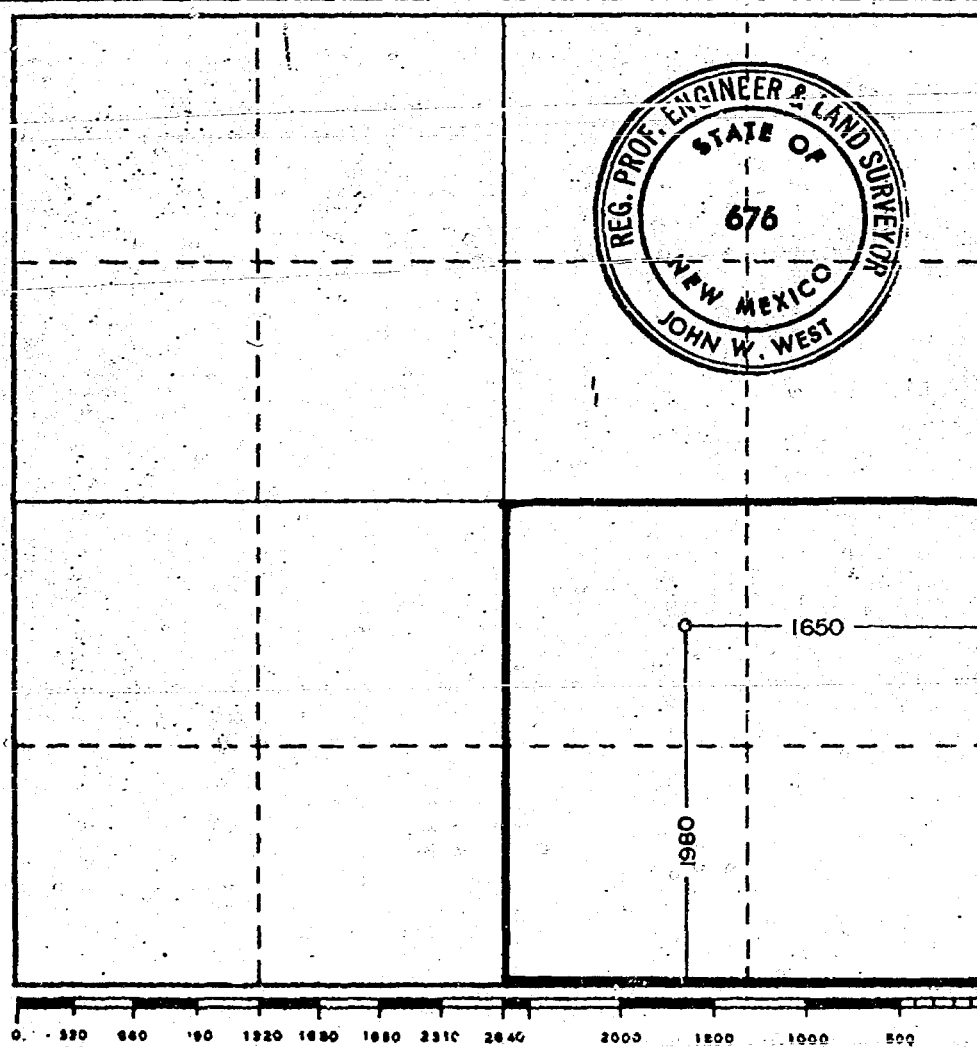
Operator CONOCO inc.		Lease Dagger Draw		Well No. 4
Unit Letter J	Section 25	Township 19 south	Range 24 east	County Eddy
Actual Footage Location of Well: 1700 feet from the south line and 1650 feet from the east line				
Ground Level Elev. 3591.67	Producing Formation Cisco		Pool North Dagger Draw Upper Penn	Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

H. A. Ingram
Name
H. A. Ingram

Position
Conservation Coordinator

Company
CONOCO INC.

Date
October 3, 1980

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
9-16-80
Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6883
Ronald J. Edison 3239

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-63

All distances must be from the outer boundaries of the Section

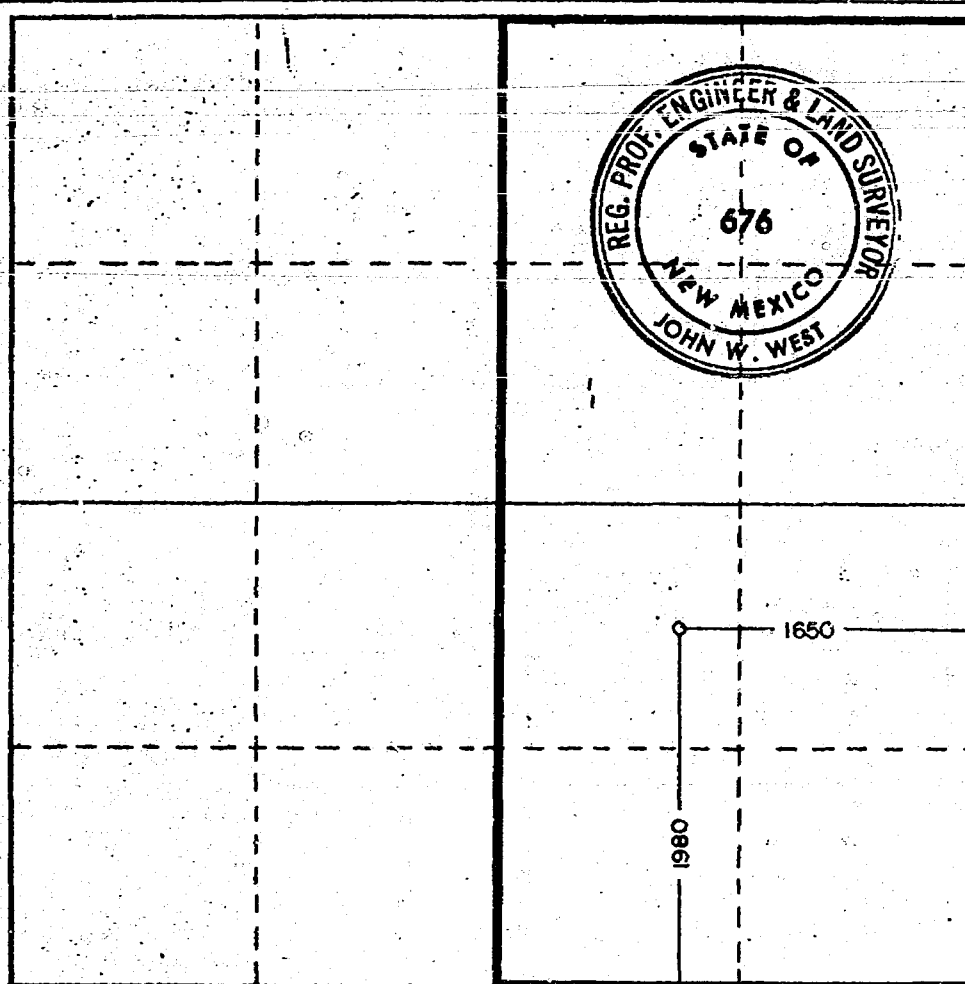
Operator Conoco Inc.		Lease Dagger Draw		Well No. 4
Unit Letter 1	Section 25	Township 19 south	Range 24 east	County Eddy
Actual Postage Location of Well: 1980 feet from the south line and 1650 feet from the west line				
Ground Level Elev. 3591.6'	Producing Formation Morrow	Pool Undesignated Cemetery Morrow Gas	Dedicated Acreage: 320 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
H. A. Ingram

Position
Conservation Coordinator

Company
CONOCO INC.

Date
October 3, 1980

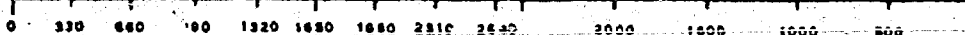
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

9-16-80

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6863
Harold J. Elston 3239



NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator Conoco Inc.		County Eddy		Date October 1, 1980
Address P.O. Box 460, Hobbs, NM 88240		Lease Dagger Draw Com.		Well No. 4
Location or Well J	Unit J	Section 25	Township 19S	Range 24E

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	Cisco		Morrow
b. Top and Bottom of Pay Section (Perforations)	7540'		8750'
c. Type of production (Oil or Gas)	oil		gas
d. Method of Production (Flowing or Artificial Lift)	artificial lift		flowing

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

- No 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 slide door chokes, and such other information as may be pertinent.
- Yes 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.
- No 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.*
- No 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.

Yates Petroleum

207 S. 4th

Artesia, New Mexico 88210

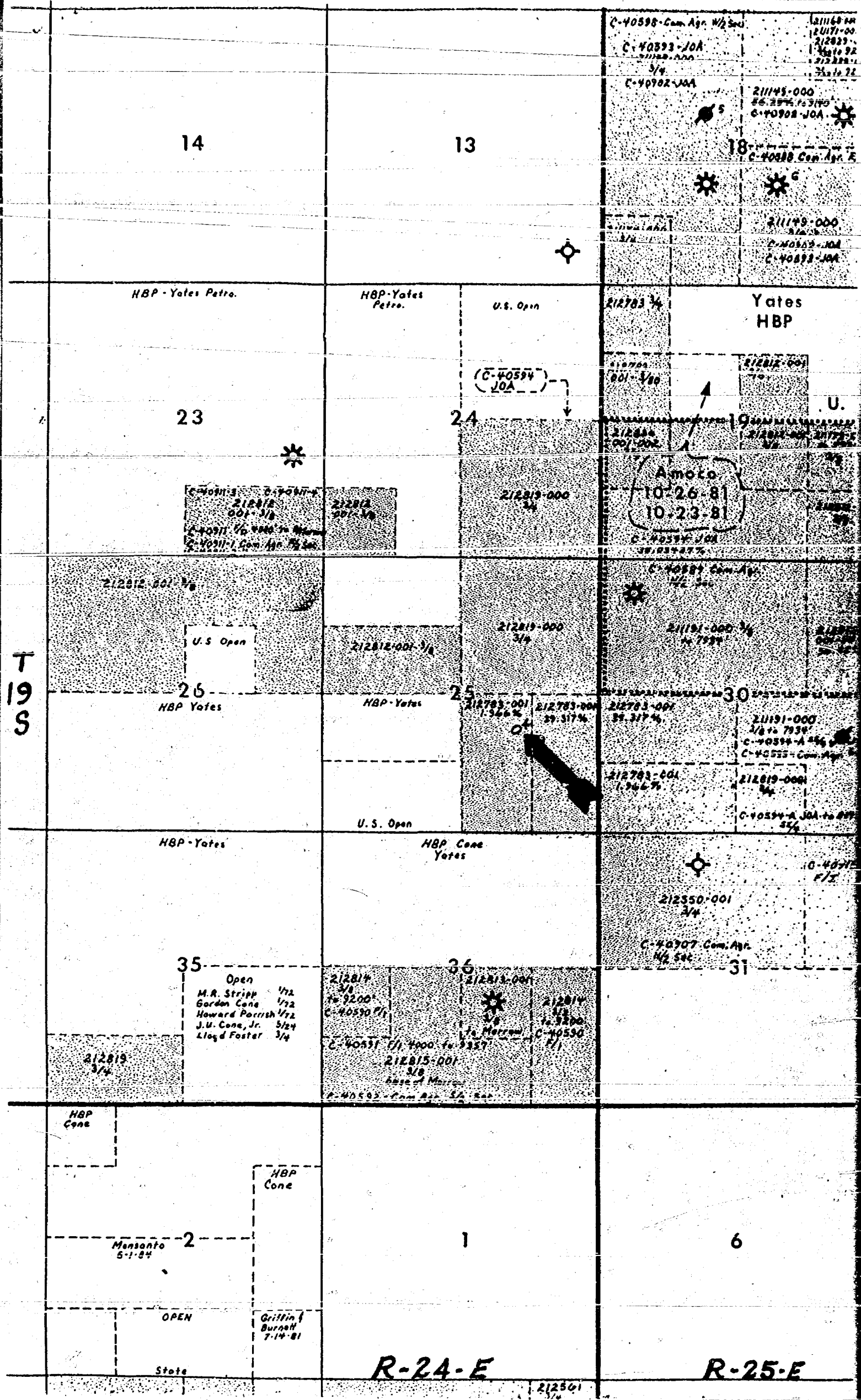
6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO _____. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the Division Manager of the Hobbs Division CONOCO INC. (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]
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 any material change in the status of the well, the applicant must file a separate application for a change of status.



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. 7067

Order No. R- 6514

APPLICATION OF CONOCO INC.

FOR A DUAL COMPLETION, EDDY

COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on
October 29, 19 80, at Santa Fe, New Mexico, before
Examiner Daniel S. Nutter.

NOW, on this day of 19 80, 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, Conoco Inc.,
seeks authority to complete its Dagger Draw Com Well No. 4
~~Well No. 4~~, located in Unit 1 of Section 25, Town-
ship 19 South, Range 24 East, NMPM, Eddy
County, New Mexico, as a dual completion (conventional) to
(combination)
(tubingless)

oil
produce gas from the North Dagger Draw-Upper Penn Pool and

gas from an undesignated Morrow pool through parallel
strings of tubing with separation of the zones
achieved by means of a packer set at approximately
8900 feet.

(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, Conoco Inc., is hereby authorized to complete its Dagger Draw Com. Well No. 4, located in Unit J of Section 25, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) ~~(combination)~~ ~~(tubingless)~~

oil to produce ~~gas~~ from the North Dagger Draw-Upper Penn Pool and gas from an undesignated Morrow pool through parallel

strings of tubing

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 leakoff tests upon completion and annually thereafter during the Annual gas well Shut-in Pressure Test Period for the Morrow gas zone.

(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.