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## STATE OF NEW MEXICO

# **ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

### **OIL CONSERVATION DIVISION**

2040 S. PACHECO SANTA FE, NEW MEXICO 87505 (505) 827-7131

February 5, 1996

Enron Oil & Gas Company P. O. Box 2267 Midland, Texas 79702

Attention: Betty Gildon

Administrative Order TX-235

Dear Ms. Gildon:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107 (d) (3) for the below-named well.

Pursuant to the authority granted me by Rule 107 (d) (4), you are hereby authorized to make a tubingless completion in the following well:

Well Name and Number:

Hallwood 12 Federal Well No. 8

Location:

Section 12, Township 25 South, Range 33 East, NMPM,

Lea County, New Mexico

Remarks:

When well ceases to flow production tubing will be required.

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Sincerely,

William J. LeMa

Director

WJL/RJ/kv

cc: Oil Conservation Division - Hobbs

# Oil & Gas Company

P. O. Box 2267

Midland, Texas 79702

(915) 686-3600 GIL CONSERVE FUN DIVISION

RECEIVED

Mr.Jerry Sexton

New Mexico Oil Conservation Commission

P.O. Box 2088

Sante Fe, New Mexico 87501

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Re:

1/19/95

Hallwood 12 Federal No. 8

Sec 12, T25S, R33E

Red Hills Field

Lea County, New Mexico

Dear Mr. Sexton:

4. 12 M. L. Care

Enron Oil & Gas respectfully requests your approval to complete and produce the above-referenced well from the Bone Spring formation (perforations 12250 to 12320) without the use of production tubing. The referenced well contains the following tubulars:

<b>CASING</b>	GRADE	<b>DEPTH</b>	TOP OF CEMENT
11-3/4"	H-40	675	Circulated
8-5/8"	S-80 & J-55	4972	Circulated
5-1/2"	P-110	12542	4000

The well was fracture treated via the 5-1/2" production casing and has been allowed to flowback through that casing to achieve faster cleanup and to minimize the risk of formation damage. Our plans are to install 2-/78" production tubing when the well ceases to flow, which should occur within the first year or two of production.

We believe this "tubingless" completion technique is completely safe and effective for the following reasons:

- The well is in a known producing field
- No corrosive or pressure problems are know to exist
- The well is a single completion
- The 5-1/2" production string has been cemented into the base of the 8-5/8" casing
- The 5-1/2" is very high strength casing
- The stabilized after-frac flowing tubing pressures are low (less than 1,000 psig)
- The technique lowers the cost of the completion, thereby improving the economics of the project

Thank you for your consideration of this request. If you need additional information, please contact me.

Sincerely,

Betty A. Gildon

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