

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 6, 1960

Tennessee Gas and Oil Company
P. O. Box 307
Hobbs, New Mexico

Attention: Mr. D. W. Coffey

Gentlemen:

Reference is made to your letter of May 4, 1960, in which you request that the Oil Conservation Commission cancel Administrative Order No. DC-296 and Administrative Order No. NSP-262 inasmuch as the dual completion was never effected nor a gas well completion made.

As per your request Administrative Order No. DC-296 and Administrative Order No. NSP-262 are hereby cancelled.

Very truly yours,

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

ALP/DSN/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

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TENNESSEE GAS AND OIL COMPANY

DIVISION OF TENNESSEE GAS TRANSMISSION COMPANY

P. O. BOX 307 · HOBBS, NEW MEXICO

May 4, 1960

*Ollie & Jim
I wrote a letter
canceling both
the NSP and the
DC.
Law*

Mr. A. L. Porter, Jr.
Secretary Director
Oil Conservation Commission
Santa Fe, New Mexico

Subject: Cancellation of Administrative Order No. DC-296 and No. NSP-262
for Tennessee Gas Transmission Company to Effect Dual Completion
of the Bay USA No. 2 and to Establish a 160-Acre Non-standard
Gas Proration Unit

Dear Mr. Porter:

Tennessee Gas Transmission Company wishes to cancel Administrative Order No. DC-296 to dually complete the Bay USA No. 2, located 1980' F&W lines and in the SE/4 NW/4 of Section 35, T-20-S, R-36-E, NMPM, Lea County, New Mexico, in the Eumont Gas Pool.

Tennessee Gas Transmission Company also wishes to cancel Administrative Order No. NSP-262 to form a 160-acre non-standard gas proration unit in the Eumont Gas Pool, which consists of the NW/4 of Section 35, T-20-S, R-36-E, Lea County, New Mexico.

The Bay USA No. 2 was originally completed in the Queens Oil Zone. In 1956, Tennessee Gas Transmission Company attempted a dual completion in the Eumont Gas Zone and the Queens Oil Zone. The Eumont Gas Zone was found to be nonproductive. The two zones were separated with a Brown BP-4 Bridging Plug Packer and the well was placed back on production, producing from the Queens Zone only. Since 1956, the well has continued to produce from the Queens Oil Zone.

Tennessee Gas Transmission Company plans to remove the packer and produce the well with the Eumont Gas Zone and the Queens Oil Zone open together. Commission Order No. R-520 states that the vertical limits of the Eumont Gas Pool shall extend from the top of the Yates Formation to the base of the Queens Formation, thereby including all of the Yates Seven Rivers and Queens Formations.

Very truly yours

TENNESSEE GAS TRANSMISSION COMPANY

D. W. Coffey
D. W. Coffey
District Production Superintendent

PDL/lm

cc: W. T. Wells, Jr.
L. B. Plumb
Oil Conservation Commission, Hobbs, N.M.