CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING ROSWELL, NEW MEXICO

WM. A. MEAD
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

November 13, 1959

Mr. A. L. Porter, Jr. New Mexico Oil Conservation Commission Post Office Box 871 Santa Fe, New Mexico

Re: Continental Oil Company's Application for 240-acre NSP Unit for its Hawk B-8 No. 3 in Section 8, T-21S, R-37E, NMPM, Lea County, New Mexico

Dear Mr. Porter:

This letter confirms the conversation between Mr. Oliver Payne of the New Mexico Oil Conservation Commission and Mr. J. A. Queen of this office. The subject request for administrative approval of the NSP application is a duplicate of one issued by the Commission on October 14, 1958, under Administrative Order NSP 445. Order NSP 445 assigned a 240-acre non-standard gas proration unit covering the SE/4, E/2 SW/4 Section 8-21S-37E.

It is therefore respectfully requested that the application dated October 9, 1959, be withdrawn.

By copy of this letter, all of the companies receiving a copy of the application will be notified that the approved

Mr. A. L. Porter, Jr. Page 2

Administrative Order NSP 445 is in effect and covers the requested acreage under application of October 9, 1959.

Yours very truly,

Wm. a. Mead

WAM-BR

cc: HLJ HGD JRP FILE JWK

Pan American Petroleum Corp. Box 68 Hobbs, New Mexico

The Texas Co., Engr. Dept. Box 1270 Midland, Texas

N. G. Penrose, Inc. Box 988 Eunice, New Mexico

Pech Oil Co. Phillips Bldg. Odessa, Texas MAIN OFFICE OCC

how to Oller NY for NSP plat expection

CONTINENSTAL OIL COMPANY 825 PETROLEUM BUILDING

R. L. ADAMS DIVISION SUPERINTENDENT OF PRODUCTION NEW MEXICO DIVISION

September 15, 1958

ROSWELL, NEW MEXICO

New Mexico Oil Conservation Commission Box 871 Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Continental Oil Company Application for authority to effect a Drinkard oil -Eumont gas dual completion on its Hawk B-8 Well No. 3, located in Section 8, T-215, R-37E, Lea County, New Mexico; and for approval of 240-acrenon-standard gas proration unit consisting of the SE/4 and E/2 SW/4 Section 2, T-21S

Gentlemen:

Please refer to the subject application which was forwarded to you on September 5, 1958. Through an oversight, the existing Eumont gas proration units around the proposed gas proration unit were shown incorrectly on the plat furnished with this application. Attached is a corrected plat which it is requested be substituted for the plat originally furnished with our application.

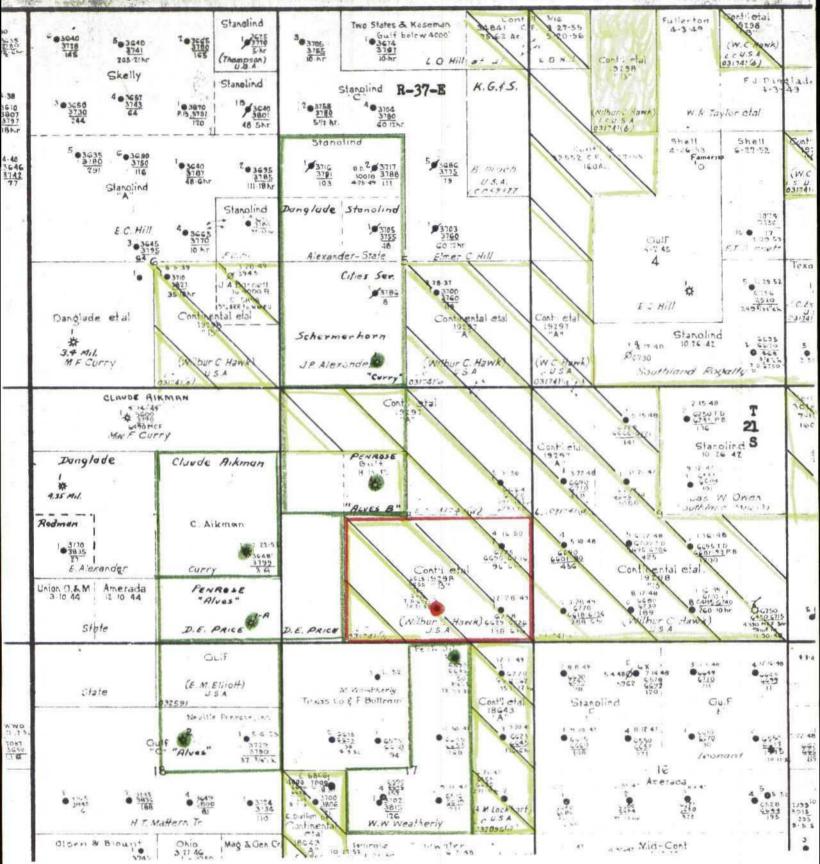
RLA-JC Enc.

PIONEERING I N PROGRESS SINCE PETROLEUM

New Mexico Oil Conservation Commission Page 2

cc: NMOCC - Hobbs (1)
HLJ - (2)
JRP - (1)
File - (1)

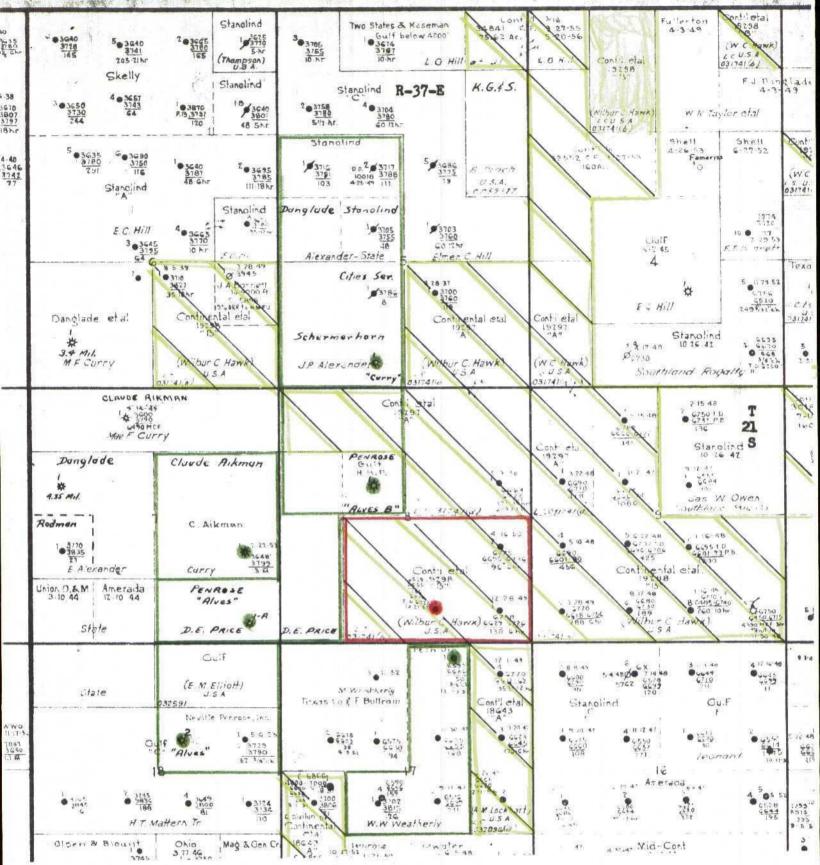
Pech Oil Company, 310 Phillips Building, Odessa, Texas Neville G. Penrose, Inc., 1813 Fair Building, Fort Worth, Texas The Texas Company, P. O. Box 458, Hobbs, New Mexico Pan American Petroleum Corporation, Petroleum Bldg., Roswell, N.M.



Scale: 1" - 2,000'

LEGEND

Proposed Gas Well Offset Gas Well Offset Gas Unit — Offset Gas Unit —



Scale: 1" - 2,000"

LEGEND

Proposed Gas Well Offset Gas Well Proposed Gas Unit — Offset Gas Unit —

CONTINENTAL OTIABOMPANY

September 5, New Mexico

September 5, 1958

Contact Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: Continental Oil Company

Application for authority to effect a December 1958

Eumont Eumont gas dual completion on its Hawk B-8 Well No. 3, D located in Section 8, T-21S, R-37E, Lea County, New Mexico; and for approval of 240-acre non-standard gas proration unit consisting of the SE/4 and E/2 SW/4 Section 8, T-21S, R-37E.

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of statewide Rule 112-A of the Rules and Regulations of the New Mexico Oil Conservation Commission to dually complete in the Drinkard oil pool and Eumont gas pool its Hawk B-8 well No. 3, located 660 feet from the south line and 1980 feet from the east line of Section 8, T-21S, R-37E, NMPM, Lea County, New Mexico, and in support thereof states:

- Applicant is co-owner and operator of the Hawk B-8 lease consisting of the E/2, the N/2 NW/4 and the E/2 SW/4 of Section 8, T-21S, R-37E.
- 2. Applicant drilled and completed on October 10, 1952, its Hawk B-8 Well No. 3 as an oil well in the Drinkard formation. Said well is in the defined limits of the Drinkard Oil Pool.
- Applicant proposes to perforate selected intervals from 3565 to 3695 feet for the production of Eumont gas through the casing-tubing annulus while producing Drinkard oil through two-inch EUE tubing. Separation of fluids from the two pools will be effected by means of a permanent type production packer to be set at 3730 feet. A diagrammatic sketch of the dual completion and a copy of the well radicactivity log are attached hereto, showing all information pertinent to the dual completion.
- That the intervals to be perforated for the production of Eumont gas in said well are in the defined limits of the Eumont Gas Pocl.
- That the well will be equipped in such a manner that there will be no commingling of fluids from the two common sources of supply and each productive zone will be tested separately in the well, as required by the Commission.

New Mexico Oil Conservation Commission Page 2

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- 6. That approval of the proposed dual completion is in the interest of conservation and will serve to prevent waste and protect correlative rights.
- 7. That by copy of this letter of application, all off-set operators are notified of this application.

We further respectfully request approval under the provisions of Rule No. 5 (b) of the Special Rules and Regulations for the Eumont Gas Pool of Order No. R-520 of a 240-acre non-standard gas proration unit consisting of the SE/4 and E/2 SW/4 of the said Section 8, to be allocated to the said well No. 3. In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rule 5 (b) in all respects as follows:

- 1. Said proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.
- 2. Said proposed non-standard gas proration unit lies wholly within a single governmental section.
- 3. The entire proposed non-standard gas proration unit may be reasonably presumed to be productive of gas.
- 4. The length or width of said proposed non-standard gas proration unit does not exceed 5,280 feet.
- 5. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1,500 feet of said well.

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the No. 3 well and other wells on the lease, offset wells and ownership thereof.

The granting of this application is in the interest of preventing waste and the protection of correlative rights.

In view of the facts set out herein, it is respectfully requested that the Commission enter an order approving the proposed dual completion and non-standard proration unit both as described above.

Yours very truly,

R. L. ADAMS

Division Superintendent

of Production

New Mexico Division

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New Mexico Oil Conservation Commission Page β

STATE OF NEW MEXICO)
COUNTY OF CHAVES)

R. L. Adams, upon being duly sworn, deposes and says that he is the Division Superintendent of Production for Continental Oil Company, and as such is authorized to file the foregoing application, that he has read said Application and knows the contents thereof, and that the statements made therein are true, as he is credibly informed and believes.

Subscribed and sworn to before me this 574 day of September, 1958.

Louis B. Houston
Notary Public

My Commission expires:

5-25-60

cc: NMOCC - Santa Fe (4)
 NMOCC - Hobbs (3)
 HLJ - (2)
 JRP - (1)
 File - (1)

REGISTERED MAIL TO:

Pech Oil Company 310 Phillips Building Odessa, Texas

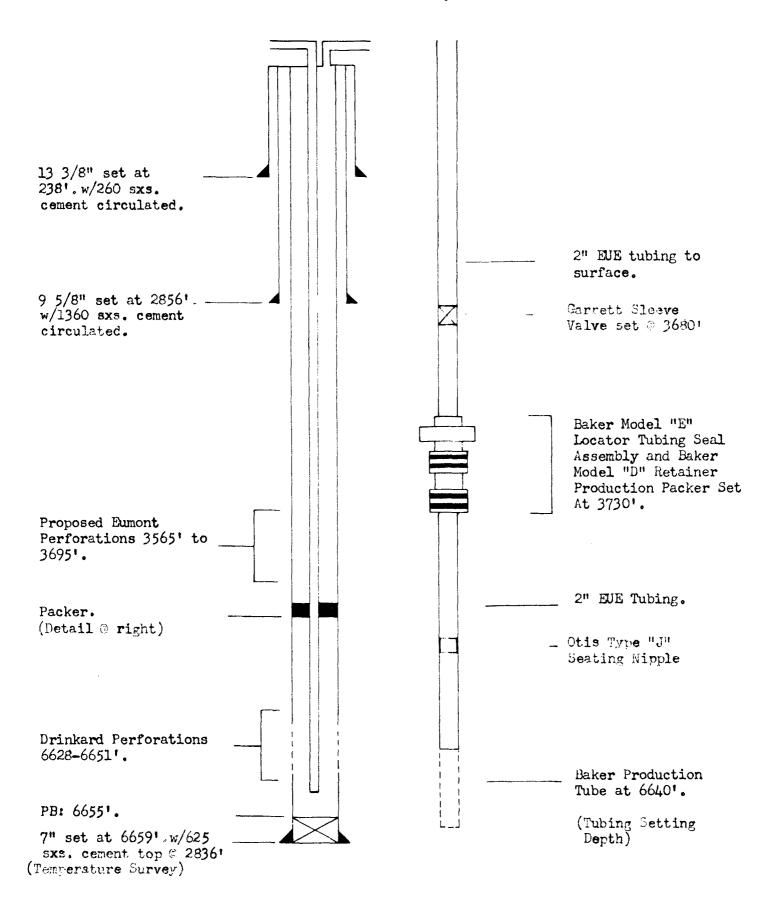
Texas Company P. O. Box 458 Hobbs, New Mexico Penrose, Neville G. Inc. 1813 Fair Building Fort Worth, Texas

Pan American Petroleum Corporation Petroleum Building Roswell, New Mexico

CONTINENTAL OIL COMPANY

PROPOSED METHOD OF DUAL COMPLETION

HAWK B-8 NO. 3



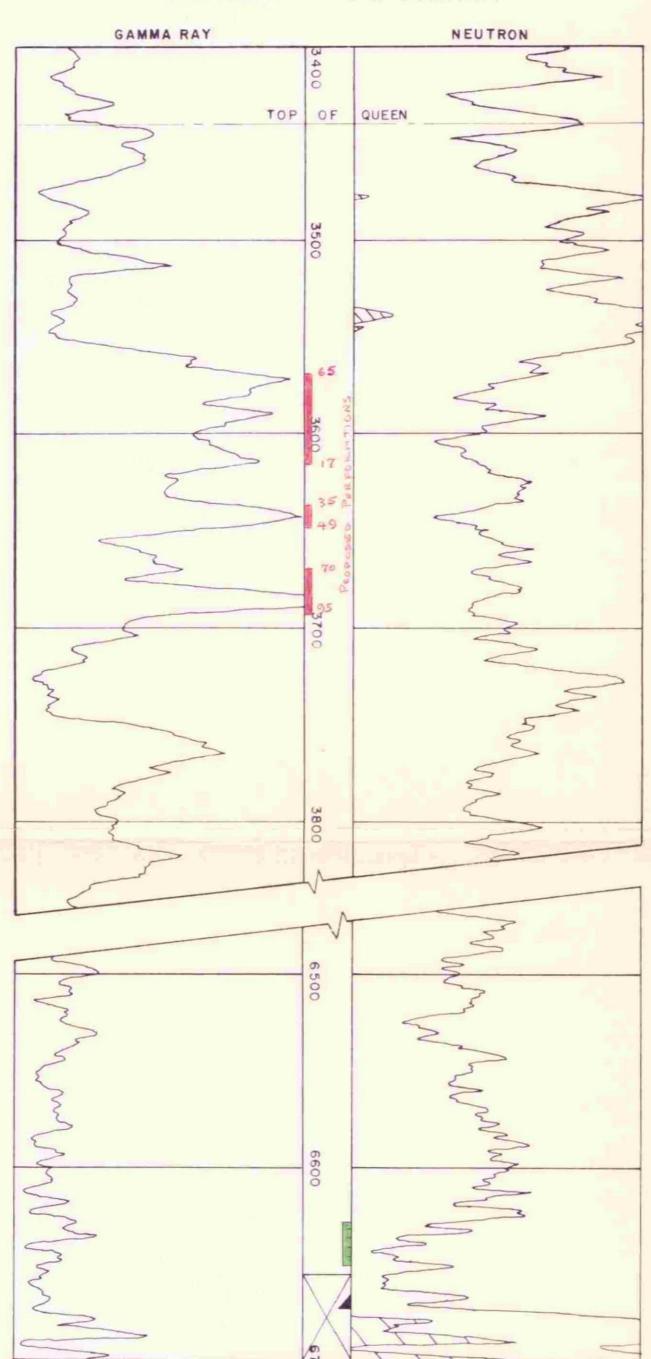
HAWK B-8 NO. 3

660' FSL - 1980' FEL

Sec. 8, T-21S, R-37E

Elev. 3503'

CONTINENTAL OIL COMPANY



Set 13 3/8" csg. @ 238' w/260 sx (circ.), using 2 centralizers. Set 9 5/8" csg. @2856' w/1200 sx 4% Gel, 100 sx neat and 60 Strata-Crete (circ), using 4 centralizers, 50 scratchers. Set 7" csg. @ 6659' w/500 sx 4% Gel, 100 neat, and 25 Perlite (cement to 2836'), using 17 centralizers, 79 scratchers.

Swabbed thru open hole 1.5 bbls salt water, found to be produced from interval 6673'-6677'. Set retainer @ 6655' and squeezed off open hole section w/100 ax cement.

Perforated csg. 6628-6651' with packer at 6596' swabbed 35 BO and 14 Bbl salt wtr/12 hours. Acidized w/1000 gals.

Completed for IP of 196 BOPD and 7 BWPD, based on 6-hour test, flowing thru 3/4" choke on 2" tubing with 85.3 MCF gas, GOR 435.

Pay Drinkard from 6628' to 6655'.

Markers:	Top	of	Brown Lime	-	28201
	Top	of	Clorieta	-	52301
	Top	of	Blinebry	-	56751
	Top	of	Tubb	-	62031
	Top	of	Drinkard		65021

Completed: 10-12-52.