

New Mexico
OIL CONSERVATION COMMISSION

GOVERNOR EDWIN L. MECHEM
CHAIRMAN
LAND COMMISSIONER E.S. WALKER
MEMBER
STATE GEOLOGIST R.R. SPURRIER
SECRETARY AND DIRECTOR



P.O. BOX 2045
HOBBS, NEW MEXICO

September 1, 1954

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

EXHIBIT No. 2
CASE 888

DIRECTIVE

TO: All Operators in the Drickey-Queen Area

FROM: Oil Conservation Commission-Hobbs-S.J. Stanley, Engineer

SUBJECT: Casing program in the Drickey-Queen Area

The New Mexico Oil Conservation Commission has completed a study of the Drickey-Queen area pertaining to a casing program for the protection of potable waters and the isolation of the salt section. Hereafter, wells drilled in this area shall set pipe as follows:

AREA 1 - WELLS DRILLED ON TOP OF THE CAPROCK

Surface pipe must be set and sufficient cement used to circulate to the surface. The surface pipe must be set at a sufficient depth to penetrate the red-bed section. Geological correlation of the red-bed section on top of the Caprock is approximately 265 ft., therefore surface pipe must be set at a minimum approximate depth of 275 to 300 ft.

AREA 2 - WELLS DRILLED BELOW THE CAPROCK

(1) Surface pipe must be set and sufficient cement used to circulate to the surface. The surface pipe must be set at a sufficient depth to penetrate the red-bed section. Geological correlation of the top of the red-bed section below the Caprock is approximately 145 ft., therefore the surface pipe must be set at a minimum approximate depth interval of 155 to 180 ft.

(2) In Lieu of Paragraph (1) above, the operator may exclude the setting of surface pipe below the Caprock provided that:

- (a) In cementing the oil string the operator will use sufficient cement to completely cover the salt section or utilize a two-stage cementing tool with a minimum of 50 sax around the bottom of the casing and 50 sax at the top of the salt, or,
- (b) In the absence of setting surface pipe as outlined in sub-paragraph above, the operator in addition will state on Form C-103 that there is no surface water in the immediate area of the location, occasioned by the Drilling of a dry water well.

OIL CONSERVATION COMMISSION


Stanley J. Stanley
Engineer

Case 887 YBm

NEVILLE G. PENROSE, INC.

FAIR BUILDING

FORT WORTH 2, TEXAS

April 7, 1955

New Mexico Oil Conservation Commission
Santa Fe, New Mexico

Attention: Mr. W. B. Macey

Re: Proposed Name Change, Drickey-Queen Pool

Gentlemen:

It has been brought to our attention that at the April 20 hearing in Santa Fe the Commission will present evidence in favor of changing the name of the Drickey-Queen Field to the Caprock-Queen, the idea being that eventually the Caprock and Drickey Pools will merge into one.

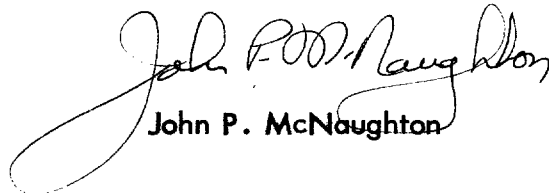
We realize, of course, that in many oil provinces it is not unusual to see pools eventually merge, but in some cases they have been allowed to maintain their identity with the boundaries being described by the state regulatory body. In regard to the Drickey Field we feel that some recognition is due to Mr. Paul Drickey and the people with whom he is associated because of the work they did in working up the geology prior to the time the discovery well, the Neville G. Penrose, Inc. Zimmerman #1, was drilled. At the time this wildcat was drilled there was no production within several miles of the area, and there seemed to be no question, of course, that a new oil field had been discovered. The field to date has developed far beyond the limits which were originally expected and, of course, it is possible that it now may actually merge into the southwest part of the Caprock Field; however, the characteristics of the oil production are somewhat different from those in the Caprock Field, and at this time there is considerably more oil being produced from the Drickey-Queen Field than from the Caprock Field.

We are very much in favor of seeing the pool maintain its identity and continue being known as the Drickey-Queen Pool; however, if it seems in the best interest of those concerned, we have no serious objection to consolidating the pools, but if such does take place, we very earnestly feel that the name "Drickey" should be included in some manner in the pool name. A suggested name for a consolidated pool might be the "Drickey-Caprock Pool".

At the hearing in Santa Fe on April 20 it is our further understanding that evidence will be presented to support the present casing program being used in the field. We would like to take this opportunity to go on record as stating that we are in accord with the present regulations

governing casing and cementing procedures and do not see the necessity for a change. Previously we have expressed our opinion that it is unnecessary to set surface pipe in many areas of the Drickey Field, and we are still of that accord. At the time our discovery well was drilled our contractor drilled five wells seeking water to drill with and finally found it necessary to truck water in. In view of the absence of water, permission was obtained to set and cement only one string of pipe. Apparently considerable concern was expressed by the U.S.G.S. at this operation, and although we are in complete disagreement with the necessity for setting surface pipe in most instances in this area, we are willing to abide by the present ruling.

Very truly yours,

A handwritten signature in cursive script, reading "John P. McNaughton". The signature is written in dark ink and is positioned above the printed name.

John P. McNaughton

mb

cc: Mr. S. J. Stanley
New Mexico Oil Conservation Commission
Hobbs, New Mexico

WESTERN UNION

MAIN OFFICE 000

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=Int'l Letter Telegram

VLT=Int'l Victory Ltr.

Note:
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Case 888

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W B MACEY, DIRECTOR

NEW MEXICO OIL CONSERVATION COMM SANTA FE NMEX

REQUEST FOLLOWING STATEMENT READ INTO RECORD CASE 888
CAPROCK QUEEN WE URGE COMMISSION TO ADOPT NAME OF
DRICKEY QUEEN FOR ENTIRE AREA WE FEEL IT IS WASTEFUL TO
COVER SALT SECTION WITH CEMENT WILL ACCEPT COMMISSION
RECOMMENDATION WITHIN REASON

MORRIS R ANTWEIL

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

WBM

New Mexico
OIL CONSERVATION COMMISSION



Box 2045
HOBBS, NEW MEXICO

April 25, 1955

GOVERNOR JOHN F. SIMMS

CHAIRMAN

LAND COMMISSIONER E. S. WALKER

MEMBER

STATE GEOLOGIST W. B. MACEY

SECRETARY & DIRECTOR

Mr. W. B. Macey
Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: GOR tests Caprock and Drickey-Queen

Dear Mr. Macey:

The 1955 Gas Oil Ratio survey schedule requires that the tests in the Drickey-Queen pool be taken in May and the results reported on Form C-116 by June 15th. As you know, the wells in the present Caprock pool are exempt from Gas Oil Ratio tests. In view of the fact that we propose to combine these pools as a result of the testimony presented at the April hearing, I believe that the survey period will have to be extended at least through the month of June, in order that the wells now in the Caprock pool may be tested; and it may be necessary to extend the period further, depending of course, upon the date on which the order is written.

I realize that this case is being held open for twenty days from April 20th, but it was my opinion that you might want to include the Gas Oil Ratio survey period in the order.

Yours very truly,

OIL CONSERVATION COMMISSION

A. L. Porter, Jr.

A. L. Porter, Jr.
Proration Manager

ALP/hs

Ch. 888

SINCLAIR OIL & GAS COMPANY

FAIR BUILDING

FORT WORTH, TEXAS

P. C. BROOKE
VICE-PRES. & DIVISION MANAGER
FLOYD BRETT
ASSISTANT DIVISION MANAGER

April 26, 1955

LOREN WARE
DIVISION EXPLORATION SUPT.
J. T. REEVES
DIVISION PRODUCTION SUPT.
R. E. DOSSER
DIVISION GAS & GAS PRODUCTS SUPT.

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. W. B. Macey

Gentlemen:

Sinclair Oil & Gas Company did not offer any evidence or submit a statement at the regular hearing of Case No. 888 which was concerned with the consolidation of the North Caprock-Queen Pool, Caprock Pool, Drickey-Queen Pool, and the South Drickey-Queen Pool into one pool to be designated the Caprock-Queen Pool, and the establishing of pool rules for the so designated pool.

Sinclair is in accord with the proposed casing program which was offered at the hearing requiring surface casing to the Red Beds and the producing casing to the top of the Queen pay or below with a minimum of 100 sacks of cement. We are also in accord with a limiting gas-oil ratio of 2,000 cubic feet per barrel for the field.

We do object to the proposed no flare rule for the field. Sinclair's producing property in this area is still in the process of being developed. The closest gas gathering system is in excess of fifteen miles from the area and present gas volumes do not justify extension of this gathering line. It is believed that the limiting gas-oil ratio provision would provide sufficient control for any high gas-oil ratio wells which do exist within the field limits.

Yours very truly,



P. C. Brooke

PCB:CDG:ew
cc: Neville G. Penrose, Inc.
Att: Mr. John P. McNaughton
Fair Building
Fort Worth, Texas

Mailed
4/20/55
A.L. Porter, Jr.

File
Wm.

NEW MEXICO OIL CONSERVATION COMMISSION
BOX 2045
HOBBS, NEW MEXICO

April 27, 1955

SUBJECT: POSTPONEMENT OF GAS OIL RATIO TESTS IN THE DRICKEY QUEEN POOL

TO: ALL OPERATORS IN THE DRICKEY QUEEN AREA

Pending the outcome of Case #888 which was heard April 20, 1955, proposing the consolidation of the Caprock, Drickey Queen, South Drickey Queen and North Caprock pools, the Gas Oil Ratio Survey scheduled which was to begin May 1, 1955 in the Drickey Queen Pool is hereby postponed until further notice.

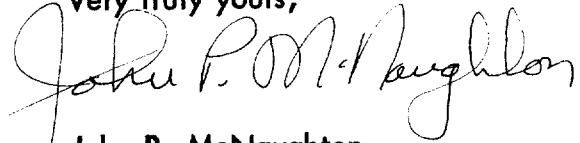
OIL CONSERVATION COMMISSION

A. L. Porter, Jr.
Proration Manager

ALP/cd

small way affects the discovery and development of oil pools in New Mexico, it should be brought to your attention.

Very truly yours,

A handwritten signature in cursive script, reading "John P. McNaughton". The signature is written in dark ink and is positioned above the printed name.

John P. McNaughton

mb

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

August 15, 1955

Mr. John P. McNaughton
Leville G. Penrose, Inc.
Fair Building
Fort Worth 2, Texas

Re: Case No. 888, Order No. R-660

Dear John:

Reference is made to your letter of August 12 pertaining to the above-captioned case and order pertaining to the Caprock-Queen Oil Pool. I certainly realize your position in this matter and if there had been any way which we could have named this pool the Drickey-Queen, we would have taken that course. However, for many years this Commission has been confronted with the problem of naming pools after living persons, and several years ago a very heated controversy arose over this matter. At that time it was deemed advisable to refrain from naming any pool after a living person who is in the oil industry.

We have attempted to name pools after ranchers owning surface rights in the area to give them a little recognition. When the original Drickey-Queen Pool was named a year or so ago, it was the Commission's thought that the name Drickey was the name of a rancher in the area. Had we known that Mr. Drickey was affiliated with the industry, the pool would never have received his name. We get numerous requests to name pools after people in the industry, but we refrain from doing so solely to avoid any serious controversy. I feel sure that in the event the Commission ever changes its rule, the Caprock-Queen name could be changed to include Mr. Drickey's name.

Sincerely,

W. B. Macey
Secretary - Director

WBM:brp

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