

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF RESLER AND SHELDON FOR APPROVAL
OF A MULTIPLE ZONE COMPLETION IN
SECTION 33, TOWNSHIP 23 SOUTH,
RANGE 37 EAST, LEA COUNTY,
NEW MEXICO.

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO:

The Petitioners, Dale Resler and Vilas P. Sheldon operating as Resler and Sheldon, herein appearing by Vilas P. Sheldon of Artesia, New Mexico, hereby make application for an order approving a multiple zone completion for a well located 2310' South of the North line and 990' East of the West line of Section 33, Township 23 South, Range 37 East, Lea County, New Mexico; said well to produce gas from the annulus between the 2" EUE tubing and the 7" casing; and to produce oil through the 2" EUE tubing from a depth below 3490', and in support thereof respectfully states as follows:

1. That the well for which permission is requested for a multiple zone completion was drilled in 1938 and completed at a depth of 3481' as a gas well, the gas being produced from a Queen sand between the depths of 3415' and 3472'

2. That gas from such well has been sold as dry gas since the completion of the well, and that El Paso Natural Gas Company has a connection to the well and drew gas from such well up to the time that workover operations on the well were started. That El Paso Natural Gas Company did purchase gas from the well in September of 1950.

3. That workover operations were started on this well on September 23th, 1950, the well being deepened to 3620'. Oil was found between 3510' and 3620'. A string of 2" EUE tubing with a Lane Wells control-head formation packer was run, the packer being set between 3480' and 3490'. Testing indicated an effective seal and the well is capable of flowing oil through the tubing, and the producing ability of the gas sand above the formation

packer is relatively unchanged.

4. That the production and sale of gas by this well is a matter of long precedent and that the conditions concerning gas production have not been changed.

5. That nearby wells; namely the Eastland Oil Company, Davis #1 in the SE 1/4 SW 1/4, and the Western Gas Company, Davis #1 in the SW 1/4 SE 1/4, both in Section 33, Township 23 South, Range 37 East, have produced oil for a number of years, and that the formation from which said wells produce oil is the same formation that produces oil in the well that we herewith seek authority to make a multiple zone completion.

6. That the packer installation has perfected a seal between the two zones.

In consideration of the foregoing statements, your Petitioner respectfully requests that the Commission give notice as required by the rules and regulations of the Commission; that a hearing on this matter be held; that the Petitioner be permitted to offer proof of the facts herein stated, and that the Commission make the following finding and order, to wit:

A. That the Commission find that the subject well has produced and sold dry gas for over ten years, that the well has been deepened and re-completed in such manner as to leave unchanged the gas producing zones, that through 2" EUE tubing the well is capable of producing oil from the same formation that produces oil in nearby oil wells; that the gas well and the oil well are separated by a packer; therefore executing an order authorizing a multiple zone completion in the location as herein stated.



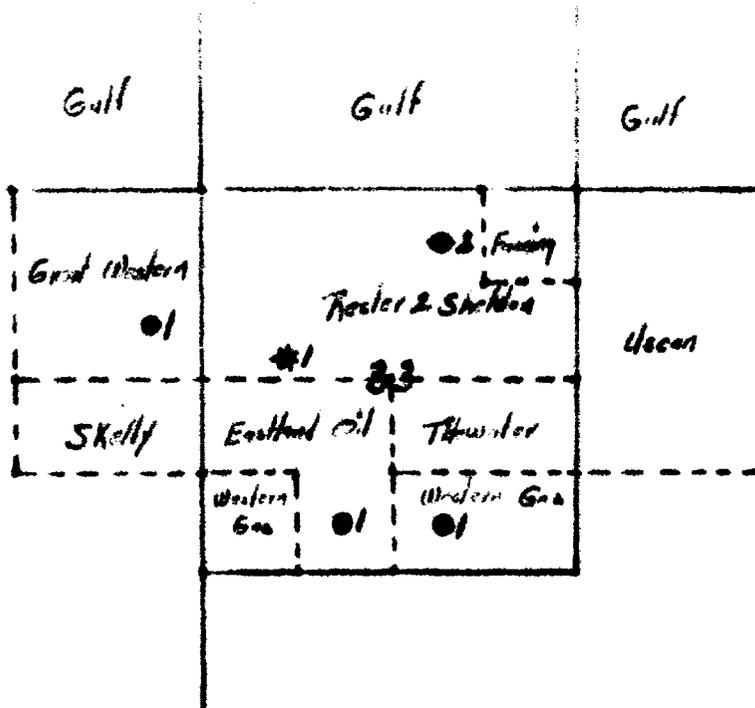
Vilas P. Sheldon
Representative of Resler and Sheldon

Dated: October 20th. 1950

Plot showing Resler and Sheldon Fanning Lease

Section 33, Township 29 South, Range 37 East and the adjacent lease owners and also the well in the immediate area.

This lease is on patented land and the royalty is not owned by either the State of New Mexico or the United States of America.



NOTE:

The Great Western well in Section 32, and the Eastland Oil Company and Western Gas Company in Section 33, produce oil from identical sands as those from which we propose to develop oil production in the Resler and Sheldon well.

December 8, 1950

Mr. A. L. Porter, Jr.
Oil Conservation Commission
P. O. Box 1545
Hobbs, New Mexico

Dear Mr. Porter:

We enclose herewith, signed copy of Order No. R-36, issued in connection with Case No. 240, heard in Santa Fe, New Mexico, on November 21, 1950.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw
encl.

December 8, 1950

Mr. Vilas P. Sheldon
Carper Building
Artesia, New Mexico

Dear Mr. Sheldon:

We enclose herewith, signed copy of Order No. R-36, issued in connection with Case No. 240, heard in Santa Fe, New Mexico, on November 21, 1950.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

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HRS:bw
encl.

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	SERIAL
DAY LETTER	NIGHT LETTER

WESTERN UNION

1206

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate	
FULL RATE	DEFERRED
CODE	NIGHT LETTER

W. P. MARSHALL, PRESIDENT

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			OIL CONSERVATION COMMISSION	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Case 240

SANTA FE, NEW MEXICO
 NOVEMBER 10, 1930

MR. R. S. BLYNN
 OIL CONSERVATION COMMISSION
 P. O. BOX 1545
 MORGAN, NEW MEXICO

APPROXIMATELY 110 AND C-104 FOR WELL 2310 FT. ~~2310 FT.~~
 FROM SURFACE AND 990 FT. FROM WEST. SECTION 33-236-37E. MORGAN TEXAS-
 NEW MEXICO PIPE LINE COMPANY.

OIL CONSERVATION COMMISSION/37E

STRAIGHT RATE

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeatable message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeatable message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

1. The Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeatable-message rate beyond the sum of five thousand dollars, nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated-message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond its actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater valuation is shown in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.

3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: in cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.

5. No responsibility attaches to this Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the agent of the sender.

6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelou Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 90 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 413 of the Communications Act of 1934.

7. It is agreed that in any action by the Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Company is authorized to vary the foregoing.

1-49

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

SERIAL (SER)

Messages sent in sections during the same day.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in cipher.

CODE (CDE)

A fast message service consisting of code words not exceeding 5 letters each. Minimum charge for 5 words applies.

DEFERRED (LC)

Plain language messages, subordinated to full rate and code messages. Minimum charge for 5 words applies.

NIGHT LETTER (NLT)

Overnight plain language messages. Minimum charge for 25 words applies.

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	SERIAL
DAY LETTER	NIGHT LETTER

WESTERN UNION

1206

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise this message will be sent at the full rate	
FULL RATE	DEFERRED
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			OIL CONSERVATION COMMISSION	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Case 240

SANTA FE, NEW MEXICO
NOVEMBER 10, 1950

MR. VILAS P. SHELDON
CARPER BUILDING
ARTESIA, NEW MEXICO

COPY OF WIRE SENT TO R. S. BLYNN, OIL CONSERVATION COMMISSION HOBBS, NEW MEXICO:
APPROVE RESLER AND SHELDON C-110 AND C-104 FOR WELL 2310 FT. FROM NORTH AND
990 FT. FROM WEST. SECTION 33-238-37E. PHONE TEXAS-NEW MEXICO PIPE LINE
COMPANY.

OIL CONSERVATION COMMISSION/SPURRIER

STRAIGHT WIRE

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeated message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and this Company as follows:

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2. In any event the Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or of otherwise innocent third parties, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, in the absence of a special valuation by the sender thereof at the time the message is tendered for transmission, and unless the repeated-message rate is paid or agreed to be paid, and an additional charge equal to one-tenth of one percent of the amount by which such valuation shall exceed five thousand dollars.
3. The Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.
4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: in cities or towns of 5,000 or more inhabitants where the Company has an office which, as shown by the filed tariffs of the Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Company does not undertake to make delivery, but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Company is located.
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6. The Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Company, (a) within sixty days after the message is filed with the Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Labrador, Mexico, Newfoundland and St. Pierre & Miquelon Islands on the other hand, or between a point in the United States and a point at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934.
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NIGHT LETTER (NLT)

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10-16-50

October 16, 1950

Mr. Vilas F. Sheldon
Carper Building
Artesia, New Mexico

Dear Mr. Sheldon:

This is in reply to your letter of October 4.

Since this well is apparently nothing more nor less than a dual completion, a hearing is indicated and if an application submitted in triplicate, is received in this office before October 22, your case may be heard on November 11, 1950.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier
Secretary-Director

RRS:bw

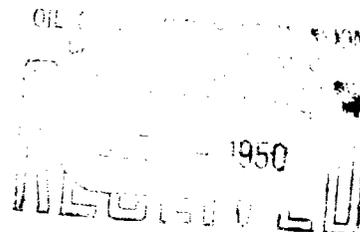
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VILAS P. SHELDON

CONSULTING GEOLOGIST AND REGISTERED LAND SURVEYOR
VALUATIONS, APPRAISALS, GEOLOGICAL REPORTS, SURVEYS

CARPER BUILDING
ARTESIA, NEW MEXICO

October 4, 1950



G. Spurrer
Mr. Richard Spurrer,
Oil Conservation Commission,
Santa Fe, New Mexico.

Dear Mr. Spurrer:

Reisler and Sheldon have recently acquired a 280 acre lease in the N 1/2 of Section 33, Township 23 South, Range 37 East, which places it within the Mattix Oil Pool. One well located 990' East of the West, and 2310' South of the North line of the Section has produced dry gas for over ten years and such gas is currently being taken by the El Paso Natural Gas Company under regular dry gas contract.

The gas is produced from 3450' to 3472' in depth and comes from a sand located in the top of the Queen formation. A production string of 7" casing is set at 3250' and cemented with 150 sacks. It is quite probable that oil production can be developed from other Queen sand zones between the depths of 3510' and 3630'. We propose to deepen the well to a depth of 2630' and to attempt completion as an oil producer.

It is presumed that it will be necessary to have a special hearing before the Commission to secure permission to make a dual completion, although there is some doubt in my mind concerning the regulations as in this case both sands are in the Queen formation. I am therefore writing you this letter and should a hearing be indicated, we will appreciate your setting a date and handling the necessary advertisements. Also, it will be appreciated if you will advise what sort of information the Commission will want.

It is our proposal to make the dual completion by setting a packer on 2" tubing, the packer being set between 3480' and 3490'. The oil will be produced through the 2" tubing and the gas will be produced from the annulus between the 2" and the 7" Casing.

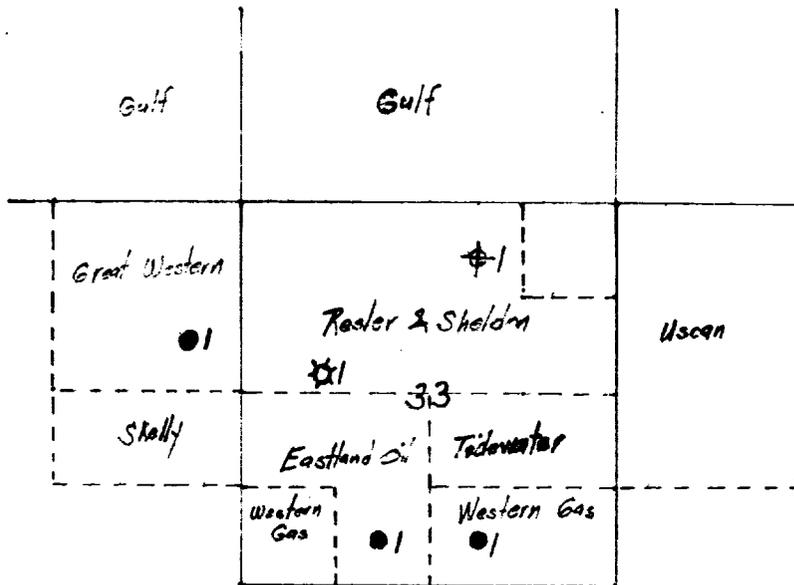
Yours very truly,

Vilas P. Sheldon
VILAS P. SHELDON

Plot showing Resler and Sheldon Fanning Lease

Section 33, Township 23 South, Range 37 East and the adjacent lease owners and also the well in the immediate area.

This lease is on patented land and the royalty is not owned by either the State of New Mexico or the United State of America.



NOTE:

The Great Western well in Section 32, and the Eastland Oil Company and Western Gas Company in Section 33, produce oil from identical sands as those from which we propose to develop oil production in the Resler and Sheldon well.