



PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P. O. DRAWER 1290 · FORT WORTH 1, TEXAS 33

H. P. REARDON
DIVISION
PETROLEUM ENGINEER

FORT WORTH
PRODUCTION DIVISION

October 29, 1959

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

Re: Application for Approval to Complete Gulf Oil Corporation's G. G. Travis No. 1 as a Gas-Oil Dual, Undesignated Abo Gas and Teague Oil Pools, and for Exception to Rule 309 to Permit Commingling of Distillate from Undesignated Abo Gas and Oil Production from Teague Pools, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation respectfully submits application to gas-oil dually complete subject well and requests that the Commission set this matter for Examiner Hearing at an early date. Hearing is being requested for this gas-oil dual since this is the first dual completion of this type. At the hearing Gulf will also request an exception to Rule 309 to commingle distillate production from the Undesignated Abo Gas Pool with McKee oil production from the Teague Pool.

The following facts are offered in support of this application:

- (1) Gulf Oil Corporation is the owner and operator of 80-acre G. G. Travis Lease which consists of the N/2 of the SE/4 of Section 21, T-23-S, R-37-E, Lea County, New Mexico. Subject well is located 660 feet from the east line and 1980 feet from the south line of said Section 21.
- (2) The 13-3/8" casing in this well was set at 316 feet and cement circulated with 300 sacks; 9-5/8" casing was set at 2900 feet and cemented with 1300 sacks, top of cement being at 1115 feet; 7" casing was set at 9661 feet and cemented with 700 sacks, top of cement being at 5400 feet.
- (3) Subject well was originally completed November 25, 1948 in the Teague Field at a total depth of 9555 feet, plugged back from 9662 feet. Subsequently this well was plugged back to 9486 feet and recompleted in the Teague Pool, producing through perforations 9412-9483 feet. This pay is presently closed in awaiting approval of this dual completion application.

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- (4) On September 17, 1959, 7" casing was perforated at intervals from 6764 to 7200 feet, opposite the Abo formation. This pay was acidized on 9-23-59 and on 15-minute OCC test ending 7:15 A. M., 9-24-59, flowed 2602 MCF of gas. It is estimated that distillate production will amount to approximately 18 barrels per day.
- (5) If approved, the subject well will be dually completed as shown on the diagrammatic sketch attached hereto. The Teague McKee oil will be produced through the long tubing string by means of gas lift, using the Abo gas from this well for the lifting mechanism. The Abo gas will be produced through the casing-tubing annulus and at the surface will be reinjected down the short string to gas-lift the McKee oil. The remaining Abo gas will be utilized for gas-lift operations on another lease. The two producing intervals will be separated by means of a Baker Retrievable Packer set at approximately 7250 feet, which is capable of withstanding any differential in pressures expected to be encountered between the two producing formations.
- (6) There is no diversity of royalty or working interests underlying the above-described lease.
- (7) The existing storage and testing facilities on this lease are adequate to handle production from the two formations and to take all required tests, from which the oil and distillate production from each pay will be estimated.

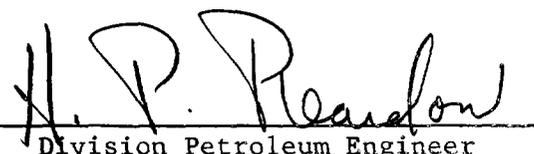
The manner and method of the proposed dual completion is mechanically feasible and practical, and the granting of this application is in the interest of conservation and the protection of correlative rights. Applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission to maintain underground separation of the production from the two pays. The approval of the commingling application will result in substantial savings in steel, reduce the cost of operation and maintenance, prevent waste, and also protect correlative rights.

By copy of this letter of application, the only offset operator is being notified of this proposed dual completion and commingling request.

Respectfully submitted,

GULF OIL CORPORATION

By


Division Petroleum Engineer

cc: Oil Conservation Commission
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