

CASE 4678: Application of HNG OIL
CO. FOR A DUAL COMPLETION, LEA
COUNTY, NEW MEXICO.

Case Number

4678

Application

Transcripts

Small Exhibits

ETC.

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

EXAMINER HEARING

Application of Chaparral
Service, Inc., for an oil
treating plant, Lea County,
New Mexico

No. 4657
Dismissed

Hearing called by the Oil Conservation Commission on its own motion to permit Charles B. Read and all other interested persons to appear and show cause why the Charles B. Read Sinclair State Well No. 1 should not be equipped and operated as required by Commission Order No. R-3797.)

No. 4677
Dismissed

Application of HNG Oil Company for a
dual Completion, Lea County, New
Mexico.

No. 4678

TRANSCRIPT OF HEARING

dearnley-meier reporting service

1 MR. NUTTER: We will call Case No. 4657.

2 MR. HATCH: Case 4657, Application of
3 Chaparral Service, Inc., for an oil treating plant,
4 Lea County, New Mexico. Mr. Nutter, that case
5 has been dismissed.

6 MR. NUTTER: Case No. 4657 has been
7 dismissed?

8 MR. HATCH: Yes, sir.

9 MR. NUTTER: We will call the next case,
10 No. 4677.

11 MR. HATCH: Case No. 4677, In the
12 Matter of the Hearing called by the Oil Conservation
13 Commission on its own motion to permit Charles B.
14 Read and all other interested persons to appear
15 and show cause why the Charles B. Read Sinclair
16 State Well No. 1, should not be equipped and
17 operated as required by Commission Order No.
18 R-3797, and the Commission Staff recommended
19 that the case be dismissed.

20 MR. NUTTER: Case No. 4677 will be
21 dismissed. We will call the next case, No. 4678.

22 MR. HATCH: Case 4678, Application of
23 HNG Oil Company for a dual completion, Lea County,
24 New Mexico.
25

dearnley-meier reporting service

1 MR. JENNINGS: My name is James T.
2 Jennings, Jennings, Christy and Copple, Roswell,
3 and I have one witness, Mr. Jack Lorette of HNG
4 Oil Company.

5 (Whereupon, the witness was sworn.)

6 (Whereupon, Exhibits 1, 2 and 3
7 were marked for identification.)

8 W. L. "JACK" LORETTE

9 A Witness, having been first duly sworn, was examined
10 and testified as follows:

11 DIRECT EXAMINATION

12 BY MR. JENNINGS:

13 Q Would you state your name and occupation, please
14 sir?

15 A W. L. "Jack" Lorette, District Superintendent of
16 HLG Oil Company.

17 Q Mr. Lorette, how long have you been so employed
18 by HNG Oil Company?

19 A For eleven years.

20 Q What is your educational and professional training?

21 A I'm a Mechanical Engineer from Oklahoma State
22 University, or Oklahoma A & M it was at that time. Now,
23 it's Oklahoma State University.

24 Q Before you were employed by HNG Oil Company, by
25

dearnley-meier reporting

1 whom were you employed, Mr. Lorette?

2 A Shell Oil Company.

3 Q Where and in what capacity?

4 A I was production foreman in charge in South
5 Louisiana.

6 MR. JENNINGS: Are the witness's
7 qualifications acceptable?

8 MR. NUTTER: Yes, they are.

9 Q Mr. Lorette, are you familiar with the application
10 that has been filed herein, in cause No. 4678 by HNG Oil
11 Company?

12 A Yes, sir.

13 Q Basically, what is the nature of this application?

14 A To dual complete our Elliott Federal "31" Well
15 No. 1 in the Ellenburger and Fusselman zones.

16 Q Where is that well located, Mr. Lorette?

17 A In Unit A, Section 31, Township 24 South, Range
18 38 East.

19 Q When was it completed?

20 A February 15, 1972.

21 Q I hand you what has been marked as Exhibit No. 1,
22 Mr. Lorette. Would you just tell us briefly what that is?

23 A This is a location map of the general area of the
24 well in question.
25

dearnley-meier reporting service

1 Q Does it reflect the offset operators?

2 A Yes, sir.

3 Q Who are the offset operators?

4 A Skelly Oil Company, Arco and Amoco Production
5 Company.

6 Q These companies have been furnished with copies
7 of your application?

8 A Yes, they have.

9 Q Have you heard anything from them, one way or
10 the other?

11 A I have not, any more than by telephone from Arco,
12 who we obtained the farmout from. Of course they approved
13 verbally.

14 Q What pool is this in, Mr. Lorette?

15 A It's in the West Dollarhide.

16 Q What formation is the West Dollarhide, generally?

17 A The Queens and the Tubb Drinkard. There is one
18 Devonian Well in the West Dollarhide.

19 Q Mr. Lorette, I hand you what has been marked as
20 Exhibit 2 and ask you to state what that is and explain it
21 briefly.

22 A This is a schematic drawing of the well as
23 completed, showing a Baker Model D packer at 10,000 feet
24 which was set and tested. It was set on an electric wire
25

dearnley-meier reporting

1 line and tied in with the formation log to ascertain that
2 it was exactly at 10,000 feet. And it was tested for leaks,
3 found not to leak at 2,000 pounds. The Ellenburger is
4 perforated at 10,228 to 10,244; the Fusselman is perforated
5 from 8656 to 66, 8794 to 16, 8776 to 82. We have a Baker
6 Model D parallel string anchor at 8780, with a seat nipple
7 in the Ellenburger string at 7969, and a seat nipple in
8 the Fusselman string at 6982.

9 Q What is the case and program in this well?

10 A Well, 13 3/8 casing was set at 572, cement was
11 circulated; 9 5/8 casing was set at 3790, cement was
12 circulated; 5 1/2 casing was set at 10,250, cement was
13 brought back to 4300 feet, determined by temperature survey.

14 Q What is the nature of the production from each
15 of the zones in which you perforated?

16 A The Fusselman swab tested approximately 250 barrels
17 a day. The pump capacity is 175. That is approximately
18 what it is producing at this time.

19 The Ellenburger swab tested approximately 200
20 barrels a day, the pump tested 86 barrels a day. There is
21 probably some formation damage. We may have to retreat,
22 but it is now shut in waiting on the outcome of this hearing.

23 Q Mr. Lorette, are the mechanics of the proposed
24 dual completion feasible and in accordance with good
25

dearnley-meier reporting service

1 conservation and oil field practice?

2 A We feel that they are.

3 Q Will the approval of this application in a
4 dual completion of this well be in the interest of con-
5 servation, prevent waste and protect correlative rights?

6 A I feel like it will.

7 Q As a matter of fact, have you not completed
8 another well in the immediate vicinity, Mr. Lorette?

9 A Yes, sir, we have completed the Elliott Federal
10 "31" No. 2 in both the Ellenburger and the Fusselman.
11 The Ellenburger in that well flowed at the rate of 120 barrels
12 a day. The Fusselman swab tested approximately 300 barrels
13 a day.

14 Q Mr. Lorette, do you have a log of this well?

15 A Yes, sir, I do.

16 Q By whom was it prepared?

17 A Schlumberger.

18 Q Mr. Lorette, were Exhibits 1 and 2 prepared by
19 you or under your supervision?

20 A Yes, they were.

21 Q Was Exhibit No. 3 prepared by the Schlumberger
22 Services?

23 A Yes.

24 MR. JENNINGS: We would offer Exhibits
25

1 1, 2 and 3.

2 MR. NUTTER: HNG Exhibits 1, 2 and 3
3 will be admitted in evidence.
4

5 (Whereupon, Exhibits 1, 2 and 3 offered
6 and admitted in evidence.)

7 CROSS EXAMINATION

8 BY MR. NUTTER:

9 Q Mr. Lorette, you mentioned that No. 2 had also
10 been completed in dual in the Ellenburger and the Fusselman?

11 A Yes, sir.

12 Q Is that the well that's directly west of this
13 subject well?

14 A Yes, it is.

15 Q And they are both identified by blue marks on
16 Exhibit 1?

17 A Yes, and if you will notice south, there is a
18 No. 4 and a No. 3 that are identified with a half blue.
19 Those -- No. 4 is now drilling, the No. 3 has reached T.D.,
20 has not been tested or completed.

21 Q Will an attempt be made to complete both of those
22 wells in the same formation?

23 A Yes, sir.

24 Q So if successful, you will have four duals in these
25 two zones?

dearnley-meier reporting 337-23

dearnley-meier reporting

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A Yes, sir.

Q Have you made application for administrative approval for the No. 2 well?

A No, we haven't.

Q After the approval of this first one, of course, the second well would be eligible?

A Yes, sir, we were waiting for the outcome of this hearing, before we submitted our application.

Q Now, could you give me something on the gravity and the bottom hole pressures?

A The bottom hole pressures are in the neighborhood of 2250 on the Fusselman and 2350 on the Ellenburger. The gravity of both sections are in the range of 41.5. They will vary some.

Q How about GOR?

A GOR on the Fusselman is 475 and the Ellenburger No. 1 is 525, I believe, in that range. On the No. 2, the Ellenburger was a little higher, in the range of 1,000, which indicates by a flow in which the other one didn't do.

Q You have a bottom hole differential there of about a hundred pounds. Is the Baker Model D packer sufficient to withstand that?

A Oh, yes, sir, it's designed for 7500 pound of differential.

dearnley-meier reporting service

1 Q And the manner in which the well is equipped will
2 enable you to artificially lift the zones?

3 A Yes, sir, we have two strings of 2 1/16th tubing;
4 we have rod and pumps on both sides with dual pumping units.

5 Q So you would expect to be able to produce the
6 well sufficiently to depletion with this dual completion?

7 A Yes, sir.

8 MR. NUTTER: Are there further questions
9 of Mr. Lorette? You may be excused.

10 (Whereupon, the witness was excused.)

11 MR. NUTTER: Do you have anything further
12 Mr. Jennings?

13 MR. JENNINGS: No, sir.

14 MR. NUTTER: Does anyone have anything
15 they wish to offer in this case, No. 4678?
16 We will take the case under advisement.
17
18
19
20
21
22
23
24
25

dearnley-meier reporting services

1
2 STATE OF NEW MEXICO)
3) SE
4 COUNTY OF SANTA FE)

5 I, BETTY J. LANPHERE, a Notary Public in and for the
6 County of Santa Fe, State of New Mexico, do hereby certify
7 that the foregoing and attached Transcript of Hearing
8 before the New Mexico Oil Conservation Commission was
9 reported by me; and that the same is a true and correct
10 record of the said proceedings, to the best of my knowledge,
11 skill and ability.

12
13 Betty J. Lanphere
Notary Public

14 My Commission Expires:

15 March 22, 1975
16
17
18
19
20
21

22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in 4678
24 the Examiner Hearing of Case No. 4667 4677
25 heard by me on 3/15 1972
Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

**GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR**

March 17, 1972

Mr. James T. Jennings
Jennings, Christy & Copple
Attorneys at Law
Post Office Box 1180
Roswell, New Mexico 88201

Re: Case No. 4678
Order No. R-4282
Applicant:

HNG Oil Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

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

ALP/ir

Copy of order also sent to:

Hobbs OCC _____ x
 Artesia OCC _____
 Aztec OCC _____
 Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4678
Order No. R-4282

APPLICATION OF HNG OIL COMPANY
FOR A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 15, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of March, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, HNG Oil Company, seeks authority to complete its Elliott Federal "31" Well No. 1, located in Unit A of Section 31, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Dollarhide-Fusselman and Dollarhide-Ellenburger Pools through parallel strings of 2 1/16-inch tubing, with separation of zones by a packer set at approximately 10,000 feet.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights.

-2-

CASE No. 4678
Order No. R-4282

IT IS THEREFORE ORDERED:

(1) That the applicant, HNG Oil Company, is hereby authorized to complete its Elliott Federal "31" Well No. 1, located in Unit A of Section 31, Township 24 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Dollarhide-Fusselman and Dollarhide-Ellenburger Pools through parallel strings of 2 1/16-inch tubing, with separation of zones by a packer set at approximately 10,000 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Dollarhide-Ellenburger Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

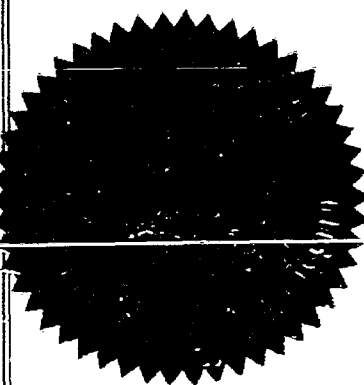
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Bruce King
BRUCE KING, Chairman

Alex J. Armijo
ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary



ear/

(Case 4677 continued)

water disposal well, located in Unit S of Section 2, Township 21 South, Range 33 East, Lynch Pool, Lea County, New Mexico, should not be equipped and operated as required by Commission Order No. R-3797.

CASE 4678: Application of HNG Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Elliott Federal "31" Well No. 1 located in Unit A of Section 31, Township 24 South, Range 38 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Dollarhide Fusselman and Dollarhide Ellenburger Pools through parallel strings of tubing.

CASE 4679: Application of Burk Royalty Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formations in the perforated interval from 3705 feet to 3714 feet in its Neal Well No. 3 located in the NW/4 NE/4 NE/4 of Section 35, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.

CASE 4681: Application of Anadarko Production Company for a waterflood expansion and for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the expansion of its Langlie-Mattix Penrose Sand Waterflood Project, Langlie-Mattix Pool, Lea County, New Mexico, by the injection of water into the Penrose Sand through seven directionally drilled wells which would be drilled in lieu of and/or in addition to those wells authorized by Commission Order No. R-4225. Surface locations of the seven proposed wells, all in Township 22 South, Range 37 East, would be: Well No. 1-2, 1220 feet from the South and West lines of Section 14; Well No. 8-5, 290 feet from the North and West lines of Section 21; Well No. 7-4, 55 feet from the North line and 2630 feet from the East line of Section 21; Well No. 6-2, 55 feet from the North line and 90 feet from the East line of Section 21; Well No. 5 A-3, 55 feet from the North line and 2550 feet from the West line of Section 22; Well No. 2-2, 980 feet from the North line and 1250 feet from the West line of Section 23; and Well No. 40-1, 1610 feet from the South line and 1220 feet from the West line of Section 23. Each of the above wells would be



P. O. BOX 767, MIDLAND, TEXAS 79701 (915) 683-4871

RECEIVED

FEB 23 1972

Oil CONSERVATION COMM.
SANTA FE

Don't please

February 22, 1972

Case 4678

New Mexico Oil Conservation Commission
P. O. Box 1980
Santa Fe, New Mexico 87501
Attn: Mr. D. S. Nutter

Re: Form C-107, Application for
Multiple Completion, on the
Elliott Federal "31" Well No.
1, Section 31, T-24-S, R-38-E,
Lea County, New Mexico

Unit A

Dear Mr. Nutter:

As per our telephone conversation of Tuesday, February 22, 1972, please
find enclosed one xerox copy of Form C-107.

Our witness will have with him, on the day of hearing, numerous copies of
the field plat (showing wells and their productive zones) and the schematic
of well bore.

Very truly yours,

HNG Oil Company

George R. McBride

George R. McBride
Admin. Ass't. to Dist. Supt.

GM/dm
Encl.

RECEIVED
Date 2-3-72

1cc - Mr. James T. Jennings ✓
1cc - Mr. Jim Highsmith

DO NOT MARK

Date 3-3-72

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

RECEIVED

FEB 23 1972

Operator HNG Oil Company County Lea CONSERVATION COMM. SANTA FE
Address P. O. Box 767, Midland, Texas 79701 Lease Elliott Federal "31" Well No. 1
Location of Well Unit "A" Section 31 Township 24-S Range 38-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X _____
2. If answer is yes, identify one such instance: Order No. _____; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	<u>Fusselman</u>		<u>Ellenburger</u>
b. Top and Bottom of Pay Section (Perforations)	<u>8656' - 8782'</u>		<u>10228' - 10244'</u>
c. Type of production (Oil or Gas)	<u>Oil</u>		<u>Oil</u>
d. Method of Production (Flowing or Artificial Lift)	<u>Artificial Lift</u>		<u>Artificial Lift</u>

4. The following are attached. (Please check YES or NO)

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

- Atlantic Richfield Company, P. O. Box 1610, Midland, Texas 79701
- AMOCO Production Company, P. O. Box 68, Hobbs, New Mexico 88240
- Skelly Oil Company, P. O. Box 1351, Midland, Texas 79701

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification February 18, 1972.

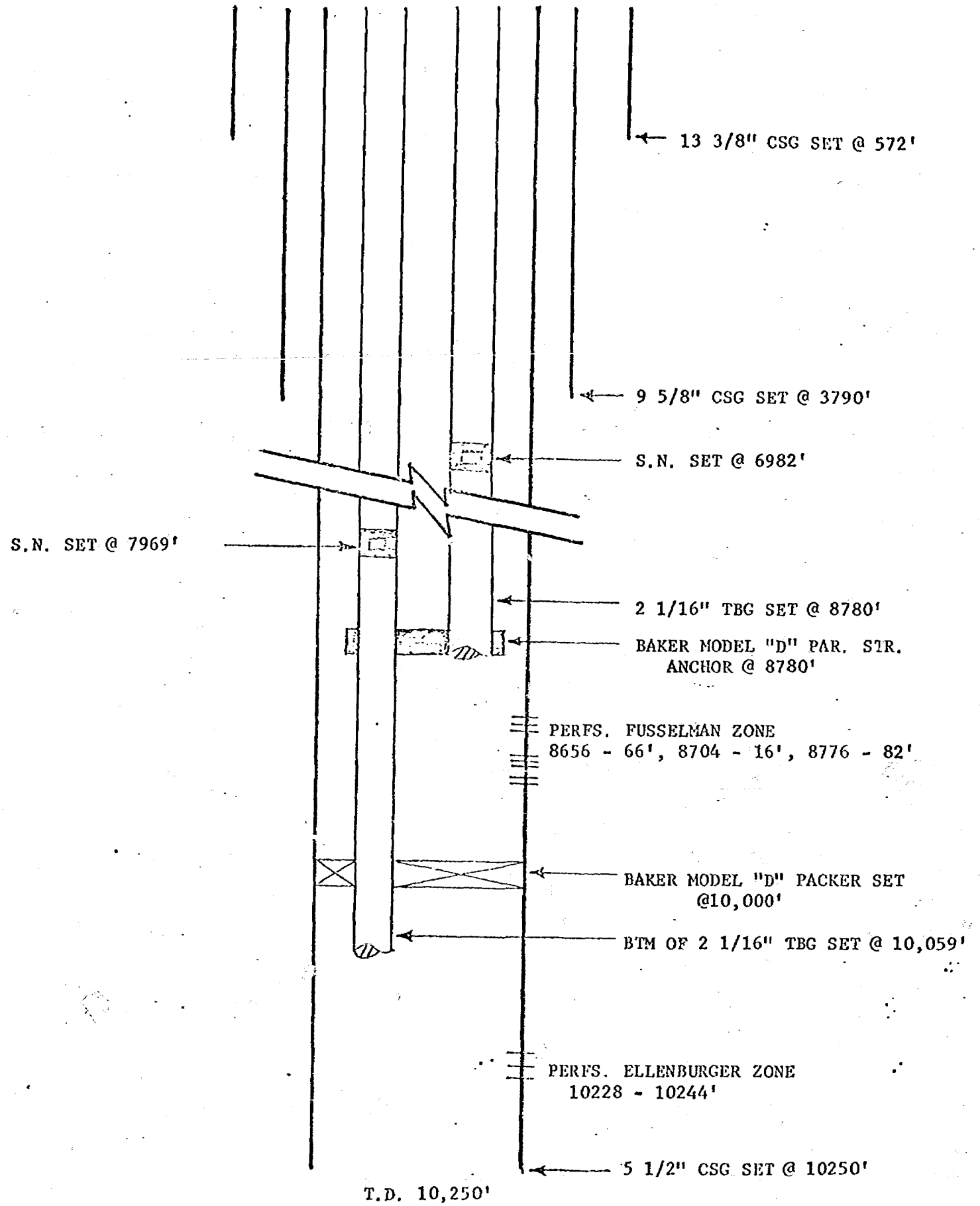
CERTIFICATE: I, the undersigned, state that I am the Admin. Ass't. to Dist. Supr of the HNG Oil Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

George R. McBride
Signature (George R. McBride)

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

ELEVATION - 3126'



OIL CONSERVATION COMMISSION
I DISTRICT

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

DATE Feb. 24, 1972

Re: Proposed NSP _____
Proposed Triple _____
Proposed NSL _____
Proposed NFO _____
Proposed DC X

RECEIVED
FEB 28 1972
OIL CONSERVATION COMM.
SANTA FE

Gentlemen:

I have examined the application dated 2/22/72
for the HNG Oil Co. Elliott 31 Federal #1-A 31-24-38
Operator Lease and Well No. S-T-R

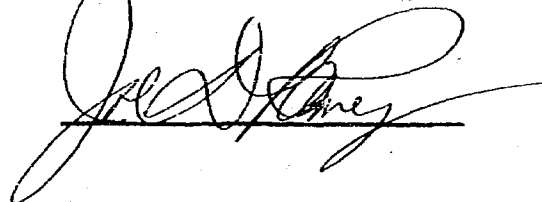
and my recommendations are as follows:

Mechanically O.K. First dual between these zones in this pool.

Hearing required.---J.D.R.

Geologically O.K.---J.W.R.

Yours very truly,



NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

See following Case 4678

Operator HNG Oil Company		County Lea	Date February 18, 1972
Address P. O. Box 767, Midland, Texas 79701		Lease Elliott Federal "31"	Well No. 1
Location of Well "A"	Unit 31	Township 24-S	Range 38-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Fusselman	Edy Hollander	Ellenburger
b. Top and Bottom of Pay Section (Perforations)	8656' - 8782'		10228' - 10244'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift

4. The following are attached. (Please check YES or NO)

- | Yes | No | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

- Atlantic Richfield Company, P. O. Box 1610, Midland, Texas 79701
- AMOCO Production Company, P. O. Box 68, Hobbs, New Mexico 88240
- Skelly Oil Company, P. O. Box 1351, Midland, Texas 79701

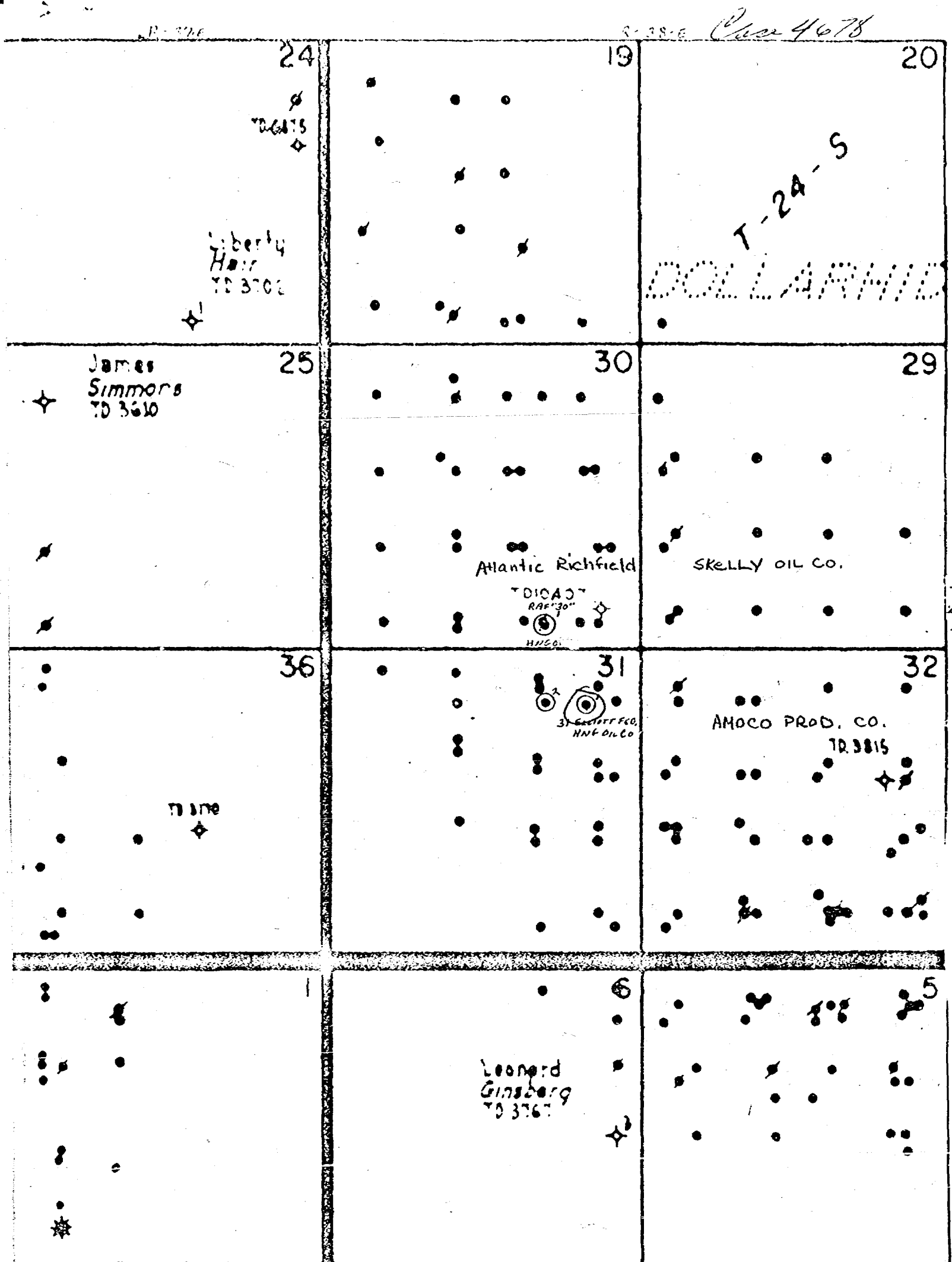
6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification February 18, 1972.

CERTIFICATE: I, the undersigned, state that I am the Admin. Ass't. to Dist. Supr the HNG Oil Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

George R. McBride
Signature (George R. McBride)

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



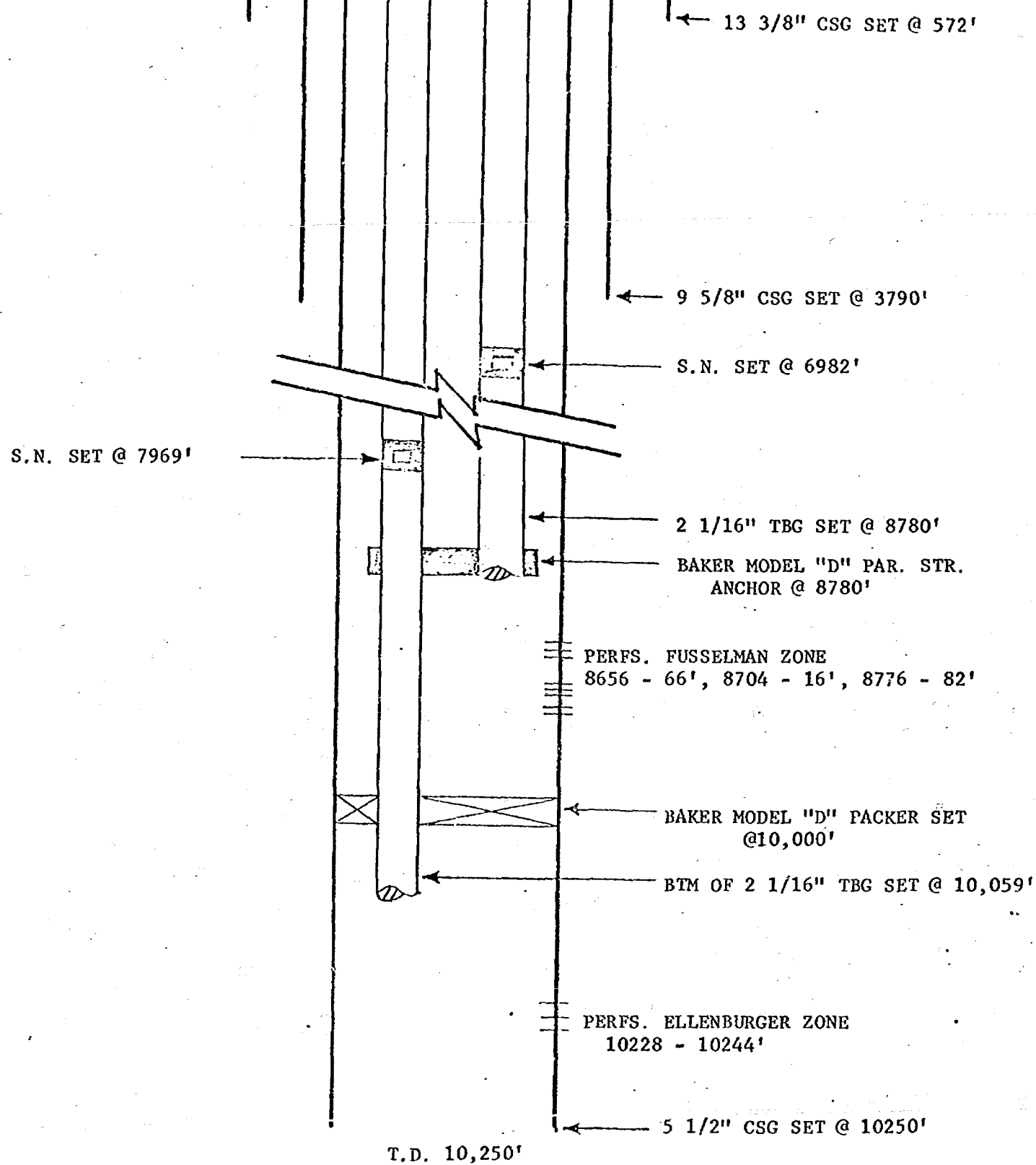
HNG OIL COMPANY

W. DOLLARHIDE FIELD MAP

SCALE 1" = 2000'

SCHEMATIC OF WELL BORE

ELEVATION - 3126'



NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator HNG Oil Company		County Lea	Date February 18, 1972
Address P. O. Box 767, Midland, Texas 79701		Lease Elliott Federal "31"	Well No. 1
Location of Well "A"	Unit 31	Township 24-S	Range 38-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Fusselman		Ellenburger
b. Top and Bottom of Pay Section (Perforations)	8656' - 8782'		10228' - 10244'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift

4. The following are attached. (Please check YES or NO)

- | | | |
|-------------------------------------|-------------------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.) |

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

1. **Atlantic Richfield Company, P. O. Box 1610, Midland, Texas 79701**

2. **AMOCO Production Company, P. O. Box 68, Hobbs, New Mexico 88240**

3. **Skelly Oil Company, P. O. Box 1351, Midland, Texas 79701**

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification **February 18, 1972**.

CERTIFICATE: I, the undersigned, state that I am the Admin. Ass't. to Dist. Supt. of the HNG Oil Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

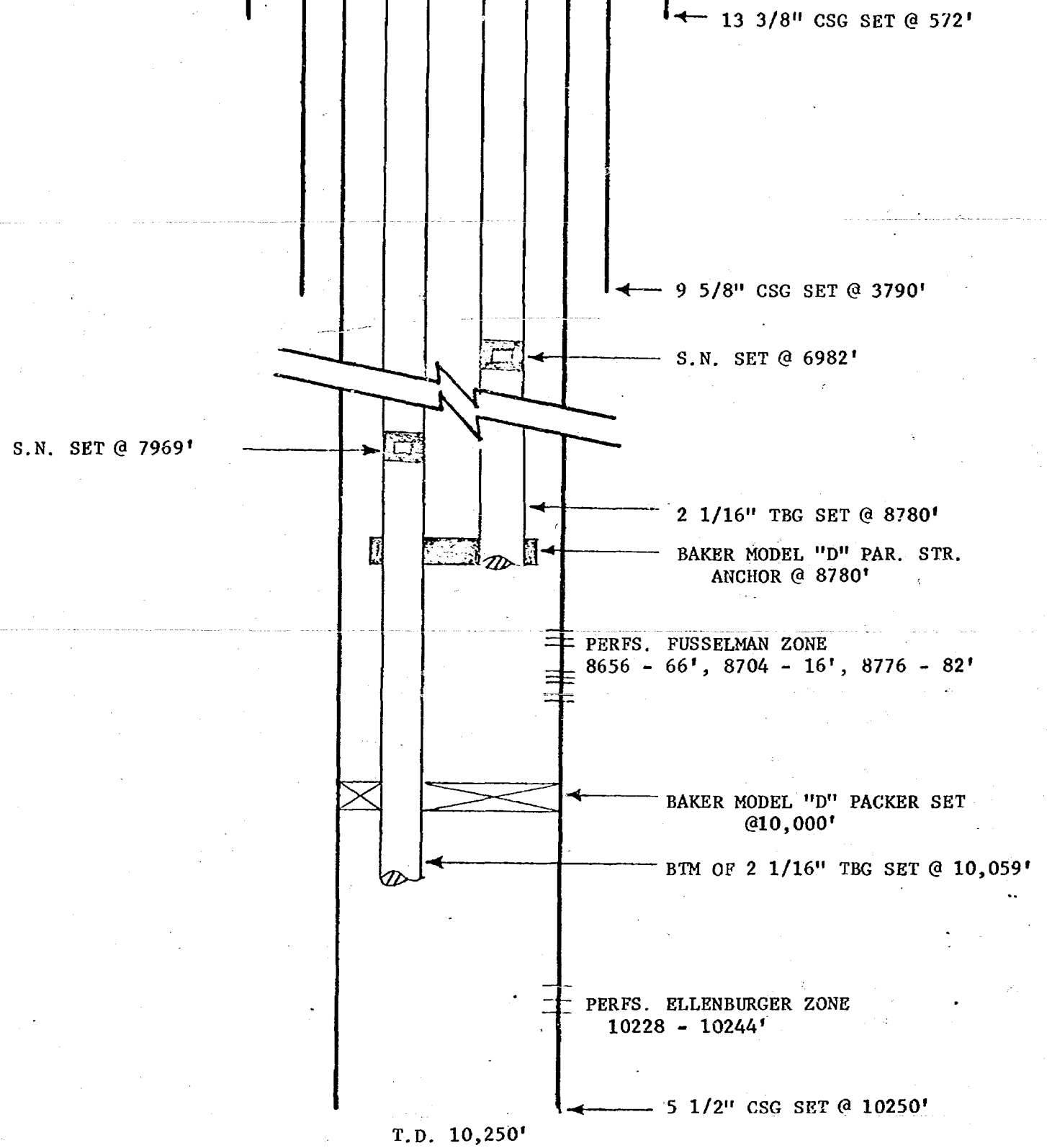

Signature (George R. McBride)

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

SCHEMATIC OF WELL BORE

ELEVATION - 3126'



Completion Interval
D - Devonian
E - Ellenburger
F - Fusselman
Q - Queen
T - Tubb Drinkard

Hearing Date

← 13 3/8" CSG SET @ 572' ✓

9 5/8 SET @ 3790'

S.N. SET @ 5982'

S.N. SET @ 7969'

2 1/16" TBG SET @ 8780'

BAKER MODEL "D" PAR. STR.
ANCHOR @ 8780'

PERFS. FUSSELMAN ZONE
8656 - 66', 8704 - 16', 8776 - 82'

BAKER MODEL "D" PACKER SET
@10,000'

BTM OF 2 1/16" TBG SET @ 10,059'

PERFS. ELLENBURGER ZONE
10228 - 10244'

5 1/2" CSG SET @ 10250'

T.D. 10,250'

DRAFT

GMH/esr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4678

Order No. R-4282

APPLICATION OF HNG OIL COMPANY
FOR A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
March 15, 1972, at Santa Fe, New Mexico, before Examiner
Daniel S. Nutter.

NOW, on this day of March, 1972, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, HNG Oil Company,
seeks authority to complete its Elliott Federal "31"
Well No. 1, located in Unit A of Section 31, Township

24 South, Range 38 East, NMPM, Lea County, New
Mexico, as a dual completion (conventional) oil
(combination) to produce gas
(tubingless)

from the Dollarhide-Fusselman and Dollarhide-Ellenburger Pools
through parallel strings of 2 1/16 -inch tubing, with separation
of zones by a packer set at approximately 10,000
feet.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, HNG Oil Company, is hereby authorized to complete its Elliott Federal "31" Well No. 1, located in Unit A of Section 31, Township 24 ~~South~~ North, Range 38 ~~East~~ West, NMPM, Lea County, New Mexico, as a dual completion ^(conventional) ~~(combination)~~ to produce ^{oil} ~~gas~~ _(tubingless) ~~from the~~ Pool ~~through~~ from the Dollarhide-Fusselman and Dollarhide-Ellenburger Pools through parallel strings of 2 1/2 -inch tubing, with separation of zones by a packer set at approximately 10,000 feet

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take ~~(zone segregation)~~ packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Dollarhide-Ellenburger Pool. ~~Deliverability~~

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

CASE 4679: Application of BURK
ROYALTY CO. FOR SALT WATER
DISPOSAL, LEA COUNTY, NEW MEXICO.