

CASE 5664: MESA PETROLEUM COMPANY FOR ,  
A DUAL COMPLETION, EDDY COUNTY,  
NEW MEXICO

CASE NO.

5664

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
April 14, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Mesa Petroleum Company  
for a dual completion, Eddy County,  
New Mexico.

CASE  
5664

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William F. Carr, Esq.  
Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant: Don Dent, Esq.  
Legal Counsel for Mesa Petroleum  
Amarillo, Texas

HINKLE, BONDURANT, COX & EATON  
Hinkle Building  
Roswell, New Mexico

sid morrish reporting service  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

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MICHAEL P. HOUSTON

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5	Cross Examination by Mr. Nutter	7
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2 MR. CARR: Application of Mesa Petroleum Company  
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4 MR. DENT: Mr. Examiner, my name is Don Dent, I'm  
5 general attorney for Mesa Petroleum in Amarillo. I believe  
6 in your file you should have a notice of appearance filed on  
7 my behalf by the Hinkle firm, through Mr. Clarence Hinkle.

8 MR. NUTTER: Yes, sir, we do.

9 MR. DENT: I have one witness to be sworn.

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13 called as a witness, having been first duly sworn, was  
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18 Q Would you please state your name?

19 A Michael P. Houston.

20 Q Mr. Houston, by whom are you employed and in what  
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22 A I'm employed by Mesa Petroleum in the capacity of  
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20 A. Okay, this is the location plat and in the lower  
21 right center portion of Section 18 of 23 South, 30 East you see  
22 the well entitled Mesa Petroleum Company No. 2 Nash Unit.  
23 This is the well in which we are making the application. To  
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25 Q Is the No. 1 well a dual well also?

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1 A. Approval was given for a dual completion of the  
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3 zone subsequently gave us problems by making too much water  
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11 well?

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13 the original application. It merely points out the top of the  
14 Atoka zone at twelve, three, thirty-four and the proposed  
15 perfs in the Atoka zone.

16 Q. Did you also prepare a similar plat or exhibit  
17 showing the Morrow zone which is marked as Exhibit Three?

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19 thirteen, four, oh, eight, which is some eleven hundred feet  
20 difference approximately than the Atoka.

21 Q. Do you also show on that exhibit the perforations?

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23 Q. And they are marked in green. I hand you what has  
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1 A. With this exhibit we have tried to indicate the  
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12 Q In your opinion will this type of dual completion  
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24 A. I would guess right off the top of my head roughly  
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2 and for instance, cement needs to be circulated on the seven-  
3 and-five-eighths strings set at eleven thousand feet. This  
4 would be quite expensive if we had to drill a twin well.

5 Q Mr. Houston, were these exhibits prepared by you  
6 or under your supervision?

7 A Yes, they were.

8 MR. DENT: Mr. Examiner, I would like at this time  
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10 MR. NUTTER: Mesa's Exhibits One through Four will  
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12 (THEREUPON, Mesa's Exhibits One through  
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REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,  
do hereby certify that the foregoing and attached Transcript  
of Hearing before the New Mexico Oil Conservation Commission  
was reported by me, and the same is a true and correct record  
of the said proceedings to the best of my knowledge, skill and  
ability.

*Sidney F. Morrish*  
Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 5664  
heard by me on 4/14, 1976.  
*[Signature]* Examiner  
New Mexico Oil Conservation Commission

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*Sidney F. Morrish*  
Sidney F. Morrish, C.S.R.

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I do hereby certify that the foregoing is  
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*[Signature]*, Examiner  
New Mexico Oil Conservation Commission

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. 5664  
Order No. R-5207

APPLICATION OF MESA PETROLEUM  
COMPANY FOR A DUAL COMPLETION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 14, 1976, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 27th day of April, 1976, 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, Mesa Petroleum Company, seeks authority to complete its Nash Unit Well No. 2, located at a previously approved unorthodox location 1350 feet from the North line and 1980 feet from the West line of Section 18, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Atoka and Morrow formations through parallel strings of 2 3/8-inch tubing, with separation of the zones achieved by means of a packer set at approximately 13,150 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, Mesa Petroleum Company, is hereby authorized to complete its Nash Unit Well No. 2, located 1350 feet from the North line and 1980 feet from the West line of Section 18, Township 23 South, Range 30 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from

-2-

Case No. 5664  
Order No. R-5207

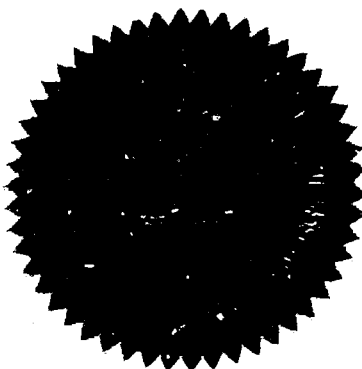
the Atoka and Morrow formations through parallel strings of 2 3/8-inch tubing with separation of the zones achieved by means of a packer set at 13,150 feet.

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 Shut-In Pressure Test Period for the Nash Draw-Morrow Gas 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

*Phil R. Lucero*  
PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

*Joe D. Ramey*  
JOE D. RAMEY, Member & Secretary

S E A L

jr/

Dockets Nos. 13-76 and 14-76 are tentatively set for hearing on April 28 and May 12, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 14, 1976

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stanets, Alternate Examiner:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for May, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for May, 1976, from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

**CASE 5663:** Application of Anne Burnett Tandy dba Windfohr Oil Company for 12 unorthodox oil well locations and an administrative procedure, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of 12 oil wells to be drilled to the San Andres formation at the following locations in the Grayburg-Jackson Unit, Township 17 South, Range 30 East, Eddy County, New Mexico:

in Section 13: extreme SE/corner of Units E and O, the extreme SW/corner of Unit N, the extreme NE/corner of Units J and K, and the extreme NW/corner of Units M, N, O, and P;

in Section 14: the extreme SE of Unit H;

in Section 24: the extreme SW/corner of Unit C and extreme NW/corner of Unit D.

Applicant further seeks the establishment of an administrative procedure whereby the above wells could be relocated and other similar unorthodox locations approved without notice and hearing.

**CASE 5664:** Application of Mesa Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Nash Unit Well No. 2, located in Unit F of Section 18, Township 23 South, Range 30 East, Eddy County, New Mexico, to produce gas from the Atoka and Morrow formations through parallel strings of tubing.

**CASE 5665:** Application of Howard Boatwright Company, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation through the open-hole interval from 2979 to 3180 feet in its State CS Well No. 1 located in Unit L of Section 17, Township 21 South, Range 27 East, Burton Flats Field, Eddy County, New Mexico.

**CASE 5666:** Application of Belco Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and below the Pennsylvanian formation underlying the E/2 of Section 7, Township 22 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled 2410 feet from the North line and 560 feet from the East line of said Section 7. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

**CASE 5667:** Application of Belco Petroleum Corporation for approval of an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the North line and 1480 feet from the West line of Section 19, Township 21 South, Range 35 East, Osudo-Morrow Gas Pool, Lea County, New Mexico, the N/2 of said Section 19 to be dedicated to the well.

**CASE 5443:** (Reopened)

In the matter of Case 5443 being reopened pursuant to the provisions of Order No. R-4994, which order established special rules and regulations for the Fast Lusk-Bone Spring Oil Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre spacing units.

**CASE 5446:** (Reopened)

In the matter of Case 5446 being reopened pursuant to the provisions of Order No. R-4992, which order established special rules and regulations for the Casey-Strawn Pool, Lea County, New Mexico, including a provision for 80-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.



CLARENCE E. HINKLE  
W. E. BONDURANT, JR. (1914-1973)  
LEWIS C. COX, JR.  
PAUL W. EATON, JR.  
CONRAD E. COFFIELD  
HAROLD L. HENSLEY, JR.  
STUART D. SHANOR  
C. D. MARTIN  
PAUL J. KELLY, JR.  
  
JAMES H. BOZARTH  
RONALD G. HARRIS  
JAMES H. ISBELL  
DOUGLAS L. LUNSFORD

LAW OFFICES  
HINKLE, BONDURANT, COX & EATON

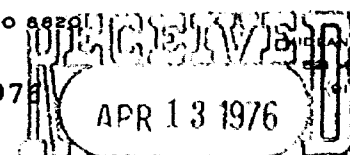
600 HINKLE BUILDING  
POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

TELEPHONE (505) 622-6510

MR. ISBELL LICENSED  
IN TEXAS ONLY

April 12, 1976



OIL CONSERVATION COMM.  
Santa Fe

Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

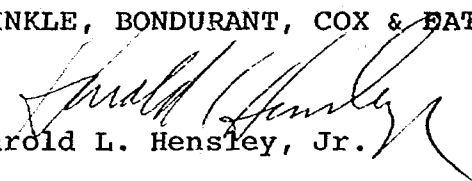
Re: Mesa Petroleum Co.  
Case No. 5664

Gentlemen:

Enclosed please find Notice of Appearance on behalf of  
Mesa Petroleum Co. by and through D. D. Dent and the undersigned  
attorneys in the above referenced case.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

  
Harold L. Hensley, Jr.

HLH/jw  
Enclosure

cc: Mr. D. D. Dent

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF MESA PETROLEUM )  
CO. FOR A DUAL COMPLETION, )  
EDDY COUNTY, NEW MEXICO )

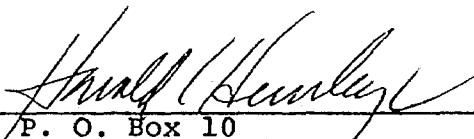
Case No. 5664

NOTICE OF APPEARANCE

Applicant, Mesa Petroleum Co., appears in this action by  
and through D. D. Dent and by the undersigned attorneys, as local  
counsel.

HINKLE, BONDURANT, COX & EATON

By



P. O. Box 10

Roswell, New Mexico 88201

Attorneys for Mesa Petroleum Co.



# SKELLY OIL COMPANY

March 17, 1976

DOMESTIC EXPL. & PROD. DEPARTMENT  
MIDLAND E. & P. DISTRICT

F. L. FRANZ, DISTRICT PRODUCTION MANAGER  
M. J. EKMAN, DISTRICT ENGINEER  
C. F. BOSECKER, LEAD RESERVOIR ENGINEER  
F. J. PETRO, LEAD PRODUCTION ENGINEER

File: Forty Niner Ridge Unit 1  
Lease No. 08002  
Eddy County, New Mexico

Case 5664  
MAR 22 1976  
ADDRESS REPLY TO:  
P. O. BOX 1381  
MIDLAND, TEXAS 79701

Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Attn: Mr. Joe D. Ramey, Secretary - Director

Gentlemen:

This is to advise that we have no objection to Mesa Petroleum Company's request for permit to dually complete their Nash Unit No. 2 located 1350' FNL, 1980' FWL, Unit F, Section 18, T23S, R30E, Eddy County, New Mexico.

Yours very truly,

Leland Franz  
District Production Manager

BOB/ss

cc: Mesa Petroleum Company  
Gihls Tower West  
Suite 904  
Midland, Texas 79701  
Attn: Michael P. Houston

March 15, 1976

Application of Mesa Petroleum Co. For  
Multiple Completion of Atoka and Morrow  
Zones at Nash Unit #2, Located 1350' FNL  
and 1980' FWL, Unit F, Sec 18, T23S, R30E,  
Eddy County, New Mexico, in Accordance with  
Rule 112-A.

---

Mesa Petroleum Co. hereby makes application for multiple completion at Nash Unit #2 located in Unit F, Sec 18, T23S, R30E, of Eddy Co., New Mexico. The proposed multiple completion will utilize two parallel strings of tubing for production from the Morrow and Atoka zones.

A schematic diagram of the proposed downhole equipment installation is enclosed. Also included is a plat depicting the subject well, along with offset operators. Mesa Petroleum Co. is the operator of the Nash Unit.

The well will be completed and produced in such a manner that there will be no commingling of hydrocarbons from the individual zones. This will be confirmed with packer leakage tests run shortly after the completions have been finalized. Also, annual reservoir bottom hole pressures will serve to confirm that the two zones remain isolated.

Produced hydrocarbon liquids will be kept in separate storage tanks. This will permit accurate measurement.

Mesa Petroleum Co.

*Michael P. Houston*

Michael P. Houston  
Division Engineer

Enclosure

MPH/ld

March 15, 1976

Case 5664

Application of Mesa Petroleum Co. For  
Multiple Completion of Atoka and Morrow  
Zones at Nash Unit #2, Located 1350' FNL  
and 1980' FWL, Unit F, Sec 18, T23S, R30E,  
Eddy County, New Mexico, in Accordance with  
Rule 112-A.

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Mesa Petroleum Co. hereby makes application for multiple completion at Nash Unit #2 located in Unit F, Sec 18, T23S, R30E, of Eddy Co., New Mexico. The proposed multiple completion will utilize two parallel strings of tubing for production from the Morrow and Atoka zones.

A schematic diagram of the proposed downhole equipment installation is enclosed. Also included is a plat depicting the subject well, along with offset operators. Mesa Petroleum Co. is the operator of the Nash Unit.

The well will be completed and produced in such a manner that there will be no commingling of hydrocarbons from the individual zones. This will be confirmed with packer leakage tests run shortly after the completions have been finalized. Also, annual reservoir bottom hole pressures will serve to confirm that the two zones remain isolated.

Produced hydrocarbon liquids will be kept in separate storage tanks. This will permit accurate measurement.

Mesa Petroleum Co.

*Michael P. Houston*

Michael P. Houston  
Division Engineer

Enclosure

MPH/ld

Case 5664

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

Form C-107  
5-1-61

Operator <b>Mesa Petroleum Co.</b>		County <b>Eddy</b>	Date <b>March 15, 1976</b>
Address <b>904 Gihls Tower West</b>		Lease <b>Nash Unit</b>	Well No. <b>2</b>
Location of Well <b>F</b>	Unit <b>18</b>	Township <b>23S</b>	Range <b>30E</b>

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	<b>Undesignated Atoka</b>		<b>Nash Draw Morrow</b>
b. Top and Bottom of Pay Section (Perforations)	<b>12,432'-12,441'</b>		<b>13,416'---13,654'</b>
c. Type of production (Oil or Gas)	<b>Gas</b>		<b>Gas</b>
d. Method of Production (Flowing or Artificial Lift)	<b>Flowing</b>		<b>Flowing</b>

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 checked="" type="checkbox"/> | <input 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.

**Skelly Oil Company - P. O. Box 1351 - Midland, TX 79701**

**Sun Oil Company - P. O. Box 1861 - Midland, TX 79701**

**R. G. Barton - P. O. Box 978 - Hobbs, NM 88240**

**Hanagan Petroleum Corp - P. O. Box 1731 - Roswell, NM 88201**

**Texaco Oil - P. O. Box 3109 - Midland, TX 79701**

**Bass Enterprises Production Company - P. O. Box 2760 - Midland, TX 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 **March 15, 1976**.

CERTIFICATE: I, the undersigned, state that I am the Division Engineer of the Mesa Petroleum Co. (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.

*Michael P. Houston*

1-JLF, 1-MEC, 1-LMC, 1-RHN, 6-Offsetting Operators, 10-WI Partners - <sup>Signature</sup> **6-NMOCC - 1-USGS**

\*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.

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

Case 5664  
Form C-107  
5-1-61

Operator <b>Mesa Petroleum Co.</b>		County <b>Eddy</b>	Date <b>March 15, 1976</b>
Address <b>904 Gihls Tower West</b>		Lease <b>Nash Unit</b>	Well No. <b>2</b>
Location of Well <b>F</b>	Unit <b>18</b>	Township <b>23S</b>	Range <b>30E</b>

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	Undesignated Atoka		Nash Draw Morrow
b. Top and Bottom of Pay Section (Perforations)	12,432' - 12,441'		13,416' --- 13,654'
c. Type of production (Oil or Gas)	Gas		Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

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CERTIFICATE: I, the undersigned, state that I am the Division Engineer of the Mesa Petroleum Co. (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.

*Michael P. Houston*

1-JLF, 1-MEC, 1-LMC, 1-RHN, 6-Offsetting Operators, 10-WI Partners - <sup>Signature</sup> 6-NMOC - 1-USGS

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

Case 5664

Form C-107  
5-1-61

Operator <u>Mesa Petroleum Co.</u>		County <u>Eddy</u>	Date <u>March 15, 1976</u>
Address <u>904 Gihls Tower West</u>		Lease <u>Nash Unit</u>	Well No. <u>2</u>
Location of Well <u>F</u>	Unit <u>18</u>	Township <u>23S</u>	Range <u>30E</u>

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

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Bass Enterprises Production Company - P. O. Box 2760 - Midland, TX 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 March 15, 1976.

CERTIFICATE: I, the undersigned, state that I am the Division Engineer of the Mesa Petroleum Co. (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.

Michael P. Houston

1-JLF, 1-MEC, 1-LMC, 1-RHN, 6-Offsetting Operators, 10-WI Partners - 6-NMOCC - 1-USGS

\*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.

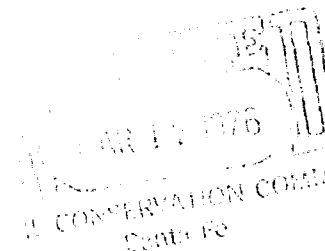
NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



Case 5664



March 15, 1976



Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey, Secretary-Director

Re: Multiple Completion of Nash Unit #2  
1350' FNL & 1980' FWL  
Sec 18, T23S, R30E  
Eddy County, New Mexico

Gentlemen:

Attached are four copies of application for multiple completion for the Nash Unit #2, Sec 18, T23S, R30E, Eddy County. There is a gas sales line in the immediate area (approximately 2720' to the southwest at Nash Unit #1) and a timely hookup would be appealing. It is requested that this application be processed administratively. It should be noted that the offset well, Nash Unit #1, was approved for multiple completion in the Strawn and Morrow. Approval was granted March 11, 1975 by the Commission with order number R-4982.

The Atoka and Morrow will be dual completed in the Nash Unit #2. If it is unable to grant approval administratively, it is requested that the application be entered for hearing on the earliest possible docket, ie; March 31, 1976.

The two zones will be produced through parallel strings of tubing. Liquid hydrocarbon production will be measured and stored separately. The dual completion will be operated in accordance with Rule 112-A.

Sincerely,

*Michael P. Houston*

Michael P. Houston  
Division Engineer

MPH/1d

March 15, 1976

Application of Mesa Petroleum Co. For  
Multiple Completion of Atoka and Morrow  
Zones at Nash Unit #2, Located 1350' FNL  
and 1980' FWL, Unit F, Sec 18, T23S, R30E,  
Eddy County, New Mexico, in Accordance with  
Rule 112-A.

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Mesa Petroleum Co. hereby makes application for multiple completion at Nash Unit #2 located in Unit F, Sec 18, T23S, R30E, of Eddy Co., New Mexico. The proposed multiple completion will utilize two parallel strings of tubing for production from the Morrow and Atoka zones.

A schematic diagram of the proposed downhole equipment installation is enclosed. Also included is a plat depicting the subject well, along with offset operators. Mesa Petroleum Co. is the operator of the Nash Unit.

The well will be completed and produced in such a manner that there will be no commingling of hydrocarbons from the individual zones. This will be confirmed with packer leakage tests run shortly after the completions have been finalized. Also, annual reservoir bottom hole pressures will serve to confirm that the two zones remain isolated.

Produced hydrocarbon liquids will be kept in separate storage tanks. This will permit accurate measurement.

Mesa Petroleum Co.

*Michael P. Houston*

Michael P. Houston  
Division Engineer

Enclosure

MPH/ld

DRAFT

dr/

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. 5664

Order No. R-5207

APPLICATION OF MESA PETROLEUM COMPANY  
FOR A DUAL COMPLETION, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
April 14, 1976, at Santa Fe, New Mexico, before  
Examiner ~~Richard S. Nutter~~. Daniel S. Nutter.

NOW, on this day of April, 1976, 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, Mesa Petroleum Company,  
seeks authority to complete its Nash Unit  
at a previously approved unorthodox location 1350  
Well No. 2, located ~~in the~~ Section 18, Township  
23 South Range 30 East NMPM, Eddy County, New  
Mexico, as a dual completion ~~(conventional)~~ to produce gas  
from the Atoka and Morrow formations through parallel strings  
of 2 7/8-inch tubing, with separation of the zones achieved by means  
of a packer set at approximately 13,150 feet.

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

feet from the North line and 1980 feet from the West line of

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Mesa Petroleum Company,  
is hereby authorized to complete its Nash Unit  
1350 feet from the North line and 1980 feet from the West line  
Well No. 2, located in            of Section 18, Township  
23 South ~~XXXXX~~ Range 30 East ~~XXXXX~~ NMPM, Eddy County, New  
Mexico, as a dual completion (conventional) ~~(combination)~~ XXXXX to produce gas  
~~(tubingless)~~  
from the Atoka and Morrow formations through parallel strings  
2 1/2-inch  
of tubing with separation of the zones achieved by means of  
a packer set at 13,150 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  
~~zone segregation~~  
tests upon completion and annually thereafter during the Annual  
Shut-In Pressure  
~~Gas-Oil Ratio~~ Test Period for the Nash Draw-Morrow ~~Pool~~ 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.