

Case No.

1242

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

April 23, 1957

IN THE MATTER OF
CASE NO. 1242

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - METER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE - SANTA FE
3-6691 2-2211

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BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
April 23, 1957

IN THE MATTER OF:

Application of Gulf Oil Corporation for permission to effect a gas-oil dual completion for its Alice Paddock No. 3 Well in the Blinebry Oil Pool and Tubb Gas Pool, Lea County, New Mexico, in accordance with Rule 112-A of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Alice Paddock No. 3 Well in the Blinebry Oil Pool and Tubb Gas Pool located 660 feet from the South line and 660 feet from the East line of Section 1, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce said well by means of parallel strings of tubing.

CASE NO.
1242

BEFORE:

Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: Next case on the Docket is Case No. 1242.

MR. COOLEY: Case 1242. Application of Gulf Oil Corporation for permission to effect a gas-oil dual completion for its Alice Paddock No. 3 Well in the Blinebry Oil Pool and Tubb Gas Pool, Lea County, New Mexico, in accordance with Rule 112-A of the Commission Rules and Regulations.

MR. KASTLER: My name is Bill Kastler and I am from the Law Department of Gulf Oil Corporation at Roswell, New Mexico, and we

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have as our witness, Mr. Bumpass.

CHARLES BUMPASS

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. KASTLER:

Q Mr. Bumpass, will you please state your full name and your place of residence?

A Charles Bumpass, Hobbs, New Mexico.

Q By what company are you employed, and what is your position?

A Gulf Oil Corporation, my position is area petroleum engineer.

Q Have you testified previous before the New Mexico Oil Conservation Commission, or any of its hearing officers?

A No, sir, I have not.

Q What technical degree do you have, and where was your schooling taken?

A I was graduated from the Agricultural and Mechanical College of Texas, and received a Bachelor of Science degree in Petroleum Engineering.

Q What has been your experience since leaving school? Have you been continually engaged in the petroleum industry?

A I have. Initially, I was employed by Gulf in 1947, and from that date until this date, I have been employed by Gulf. The previous, the first four years, I was in Gulf's employment in the Permian Basin, in Texas, Counties of Clay, Winkler and Andrew.

Q What were you doing there Mr. Bumpass?

A Engineering work. In April of '51, I was transferred to Hobbs and have been in Lea County since that day.

Q And your present position is what again?

A Area Petroleum Engineer.

Q All right. As the engineer, petroleum engineer, for the area, are you familiar with the techniques and devices used, and the well history of Gulf's Alice Paddock Well No. 3, connected with this proposal?

A I am.

MR. KASTLER: Does the Commission have any further questions pertaining to the qualifications of the witness?

MR. NUTTER: No, sir, the witness's qualifications are acceptable.

Q (By Mr. Kastler) Mr. Bumpass, will you briefly state what Gulf Oil Corporation is seeking in its application in Case 1242?

A Gulf Oil Corporation is seeking approval to effect a gas-oil dual for its Alice Paddock Well No. 3 in order that we may produce the Tubb Gas Zone, and the oil from the Blinebry Zone.

Q I see. Is there anything unusual about this application?

A The fact that we have oil, above the gas.

Q Have you prepared an Exhibit, or a location map, which would show the lease and other facts, and ownership, pertinent to Gulf's Alice Paddock No. 3?

A It was prepared at my direction, yes, sir.

MR. KASTLER: May this be marked as Exhibit No. 1, in Case 1242?

MR. NUTTER: It may.

Q (By Mr. Kastler) Mr. Jumpass will you explain please, what is shown by this map, Exhibit No. 1, and what the Township and Range is?

A This Exhibit shows the Gulf Oil Corporation's Alice Paddock Lease, which is comprised of the East Half of Section 1, Township 22 South, Range 37 East. It further shows the location of the subject well as being located in the Southeast Quarter of the Southeast Quarter of this Section, Township, and Range.

Q Is this a state or a fee lease?

A It is a fee lease.

Q Is Gulf the operator under this lease, and the owner or substantially all the operating rights?

A It is.

Q Have the surrounding owners been given notice of the application of this case? A Yes, sir.

Q Do you have a well log now which will show the producing intervals and the proposed completion zones involved in this plan?

A Yes, sir.

MR. KASTLER: We desire this electrical log to be marked as Exhibit No. 2 in Gulf Oil Corporation's Case 1242.

Q (By Mr. Kastler) Using this log, will you outline all you know about the well? Would you briefly outline the well's history of the subject well?

A Yes, sir. This log, Schumberjay E. Z. electric log. On

this log is shown some formation tops. Those of particular interest in this case is the Blinebry and Tubb Formations. In addition to these formation tops, it is also illustrated the perforated intervals bought in the Tubb and the Blinebry Formations.

Q When was the well originally completed, and would you go into that aspect of the case, please?

A Yes, sir. This well was originally projected to the Drinkard Formation for the purpose of testing that zone. The Drinkard proved to be a non-commercial producer, and the well was plugged back and completed in the Tubb Gas Zone. It has been produced as a Tubb Gas Well since that approximate time. This well was completed sometime in, early in 1946 as a Tubb Gas Well.

In Gulf's application, submitted around June of 1956, Gulf was seeking approval for a gas-gas dual in the Tubb and Blinebry Zones. That application was approved under Commission Order DC-318, and work was commenced on July the 7th, 1956, to effect this dual gas-gas well.

As shown on this log, the perforated intervals -- there were three distinct intervals within the interval 5,545 to 5,760 in the dual completion, or attempted completion of this Blinebry Gas Zone.

Each of these three sections were tested selectively; treated selectively and tested subsequent to the treatment selectively, and so forth, to obtain gas in commercial quantities. This work was ineffective in obtaining a commercial gas well, and we had a

very small show of gas from these three zones. And, around July the 3rd, and in further effort to obtain what we were seeking, the well was fractured, treated with eighteen thousand gallons of sand-oil, and subsequent to recovering load oil, amounting to around a thousand barrels, or water load in the neighborhood of four hundred barrels. This load had been recovered. By August the 24th and the well was capable of flowing, by heading flow, approximately forty-two barrels of oil and twelve barrels of water in a twenty-four period with three quarter inch corrugond with very small tubing pressure, and the pressure was approximately 900 pounds.

In a further effort to evaluate and determine what we had, since the gas was still a very small amount, too small to be considered a commercial gas well, we installed test pumping equipment, and produced the well during the approximate period of September 26th, 1956, through November the 3rd, 1956. The purpose of this test was to determine how the well would respond after a prolonged period of testing. The result was that the well was capable of producing approximately twenty-nine barrels of oil per day and around eleven barrels of water per day. The gas-oil ratio was in the neighborhood of twenty-eight hundred, which would be a gas volume daily of approximately eighty-four thousand cubic feet per day.

Q Do you have a diagram of it?

A I might add that this well in the Blinebry zone, has been, not been produced since this time. We had an advance allowable granted to us by the Commission for this test, and after testing was

completed, the casing side of the Blinebry Zone was closed in, and we have continued to produce the Tubb gas through the tubing.

Q I see. Is that hooked up to any pipeline at the present time?

A No, sir, we are utilizing that gas for lift purposes on the Alice Paddock Lease.

Q Now, do you have a diagram prepared under your direction or by you, which shows the proposed method for the requested dual gas-oil completion?

A Yes, sir.

MR. KASTLER: May these three exhibits be marked as Gulf's Exhibits No. 3 in Case 1242.

Q (By Mr. Kastler) Mr. Pumpass, will you please outline the proposed completion now, as shown on Exhibit No. 3?

A Yes, sir. The diagram, particular sketch here, shows, in the left column, the present condition of the well, which shows merely the Tubb perforations, the Baker Model "D" Packer, the circulating valve that is used in the dual completion, and the total back depth, in addition to the casing pattern, which is composed of 13, composed of 13 and 3/8, 9 and 5/8, and 7 inch casing strings.

The drawing to the right is the proposed dual completion drawing, showing the approximate mechanical equipment that we propose to use. It differs from the drawing on the left in that, primarily, this is two strings of tubing, or called parallel strings of tubing.

In red is shown the Tubb Gas Zone of production, which is

6,150 to 6,250. That production will be produced through the tubing up through the Baker Packer to the surface.

The Blinebry perforation is illustrated, Blinebry's producing Zone is illustrated in light green, and is in the interval 5,545 to 5,760, and it will also be produced by or through a separate string of two inch tubing. This well, as previously mentioned, will be pumped, will be equipped with rod, rods and sub-surface pump, and of course a surface pumping unit.

Q I see. Is this type of packer used, Baker Model "D" Packer, successfully and has it been used to any extent in the field in Southeastern New Mexico?

A Yes, sir, the use of this packer by Gulf, in particular Southeast New Mexico, is almost exclusive, and it has been accepted by the industry as a suitable and desirable packer.

Q In your opinion, will the proposed method of dual completion adequately separate the two producing zones?

A It will.

Q Can adequate tests be performed to insure complete separation of the respective zones and to measure separately the reserves and determine the gas-oil ratio, and so forth, could all that be done?

A It will.

Q Will Gulf comply with such further operating tests and reports required by the Commission if the application is granted?

A Yes, sir.

MR. KASTLER: I move to admit the introduction of Exhibits Nos.

1, 2 and 3, which were prepared at the direction of Mr. Bumpass?

MR. NUTTER: Without objection, Gulf's Exhibits 1 through 3 will be admitted in Case 1242.

MR. KASTLER: I have nothing further.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Bumpass, I note that Exhibit 3 portrays the string of tubing to the Elinebry Formation as two inch High Drill and that the application mentions two strings of two and three-eighths inch of tubing. Is there any discrepancy there? The Exhibits also shows two inch internal --

A In, you have limitations in using sizes of tubing string. It might even be impossible at the time we propose to do this work, to obtain High Drill. You can even run two string of two inch EUE, with turndown collar or coupling.

MR. WALKER: May I say one word? I wrote the application and helped make the study, so the application is wrong. Exhibit No. 1 is right.

MR. NUTTER: The Exhibit is the mechanical installation.

A I think it would be well to say that our intention is to use two strings of two inch tubing, whether it be High Drill or EUE, or what have you, Mr. Nutter. Whether or not we will be able to get the High Drill at that time, we do not know. We hope we may be able to.

Q It will be two inch tubing regardless?

A We will have to turn down couplings which will be somewhat of an expense to us.

Q You will use two inch tubing?

A Yes, sir, two inch tubing.

Q I have one more question, Mr. Bumpass. You have 40-acres dedicated to the Blinebry Oil Well. Is that 40-acres unit dedicated to any Blinebry Gas Well?

A No, sir, I believe not. Our intention in this thing, you know, was to obtain a Blinebry Gas, but --

Q Yes, sir.

A -- by circumstances we were unable to get any kind of a gas well. Time will tell whether we were fortunate enough in getting an oil well.

Q It will be possible to pump the Blinebry Formation?

A That's true, with this particular mechanical hook-up here. It will be very little different than a commercial installation in a small completion, in that you will have a string of two inch tubing through which your production will be derived through the mechanics of rods, accentuated by the bottom hole pump, and the casing annulus, of course, will allow the exhaust of the gas from the oil zone, which should improve to a maximum extent the efficiency of the bottom hole equipment we have, which is a very desirable feature in pumping wells.

Q Does anyone else have any questions?

MR. KASTLER: I just want to ask if it is appropriate to

request that we amend, or that the application be amended so that in place of two and three eighths inch tubing, there will be substituted a request to complete this with two inch High Drill tubing?

MR. NUTTER: If you wish, Mr. Kastler, you can merely amend your application to conform with the Exhibits and the testimony offered at the Hearing.

MR. KASTLER: Right. Do you wish that to be done in writing.

MR. NUTTER: No, sir, you can just make a verbal request that the application be so amended.

MR. KASTLER: May I request that the application be amended to conform with the evidence brought out in the hearing?

MR. NUTTER: Yes, sir. Mr. Mankin.

BY MR. MANKIN:

Q Mr. Mumpass, what is the latest test that you have on the Tubb Formation in this particular well?

A Mr. Mankin, I think the latest test we have on record, on official record, is a test on November '53, absolute open flow of a thousand and seventy MCF's per day.

Q How much liquid does that well produce?

A We would have to furnish you that, sir, we do not have a representative test, other than one that was conducted back in 1950, and it was only a two hour testing, which I do not believe would be representative.

MR. NUTTER: You can furnish that test to the Commission?

A Well, yes, sir.

Q (By Mr. Mankin) There has been no test taken since 1953?

A I am sure there has been on this, by Order R-64, but I just do not have those figures here with me. I can furnish you those with some information we have. I think we have that Tubb pamphlet in our hotel room, but we can furnish you that.

Q So will have that as a matter of record --

A Sure.

Q -- that's the reason I asked. Is there any separation equipment on the wells in which you could collect the liquids, if they are produced from the Tubb?

A Yes, sir, we have. I believe I am correct in saying that we have had, for a long time, a high pressure separator, and a tank battery for this well.

Q How about the low pressure gas, is the low pressure gas sold?

A I believe that it is. I couldn't verify that exactly at this time, but I believe it is.

Q You have no knowledge then, as to whether this is making any great amount of liquid concentrate from the Tubb?

A Not readily, no, sir.

Q Do you have knowledge that the off-set well, which is the Sinclair's Rogers Number 2, in the Northeast of the Northeast of Section 12, is a Tubb Oil Well?

A Where was that location, sir?

Q Northeast, Northeast of Section 12, a direct south off-set

to this well?

A No, sir, I was not aware of that.

Q That's the reason for my question. That is a Tubb Oil Well, and I wondered if you had knowledge of what this well was making in the way of liquids?

A No, sir. I think I can supply you that information, in the time it would take to get that pamphlet -- I mean my records of the Tubb Committee Report. That's in my hotel, I didn't bring it with me.

Q Is there a gas-oil contact in the Tubb in this area?

A I do not think I know about that, sir.

Q That's the reason I wondered if this was below or right at the gas-oil contact, if you had knowledge of that?

A I do not have knowledge of that, sir.

Q Is it not true that in this particular area, that most of these wells are below the gas-oil contact in the Blinebry.

A Well, that, sir, I do not think I could say. All I know is that we must be below it because it is not there.

Q Is it not true that there are a considerable number of Blinebry Oil Well in this immediate area?

A I know of the Texas Company's Blinebry 7, I believe it is. It's not too far in distance from this well, and I know that our Haygens, which is down in 38, was a similar case. We went in there with intentions of making it a Blinebry Drinkard Gas-Oil dual, but we, the gas did not develop, and we have a Blinebry Oil Well.

Q Is not the Southeast Well; Southwest Southeast off-set to this well in Section 7, a Blinebry Oil Well, which is the Penrose Oil Well No. 1 in the Northwest Northwest of Section 7?

A I don't know of that, it very likely is.

Q And also directly, the Penrose Roger's No. 2, two locations South of your well, is that not a Blinebry Oil Well and also the Hinton well just directly South of that, No. 4? In other words, is there any --

A It may be as you relate there. I am sure it is.

Q It is noted on your Exhibit 2, that some of the perforations in the Blinebry are shown about the Blinebry top. Will you explain that particularly -- In other words, perforation 5,548, 5,600, some of those are above the top of the Blinebry?

A That's right, that's 5,545, I believe. In lieu of 5,548. I believe we are still within the Blinebry what is defined as the Blinebry vertical limits.

Q In other words, that "B" is the Blinebry marker then. In other words the "B" depicted on the number 5,585 is the Blinebry marker?

A Yes, sir, that's correct.

Q So that's presently assigned then, is that correct?

A Yes, sir, that's my understanding, yes, sir.

Q Your Exhibit No. 1, shows a 320-acre unit, that is only the lease, is it not, Mr. Bumpass?

A That's correct, yes, sir.

Q There is presently assigned to that well a standard 160-acre unit?

A Yes, sir.

Q All the other wells on the particular lease, which are Wells Nos. 1, 2 and 4, are they not Paddock Wells?

A That's correct, yes, sir.

Q So there is no dual dedication of acreage, either Blinebry or Tubb, is that correct?

A That's correct.

Q This particular well is, in both cases, within the vertical horizontal limits of the Blinebry Oil Pool and the Tubb Gas Pool, is that correct?

A I didn't get the first part of your question.

Q Is this particular well within both, the Blinebry Oil Pool and the Tubb Gas Pool?

A Yes, sir, it is.

MR. MANFIE: That's all.

MR. NUTTER: Anyone else? Mr. Utz.

BY MR. UTZ:

Q Mr. Bumpass, do you consider Gulf fortunate or unfortunate in getting an oil well rather than a gas well in the Blinebry?

A Well, time will tell. This I know, that we have expended a considerable amount of money in trying to accomplish our original goal at the outset, and we have ended up with something like a twenty-nine barrel oil well that's going to entail further and considerable expenditure to effect this dual completion, and in addition, we are going to have to be out a considerable expenses

for an additional battery for the storage of this production from the reserve estimates on it. There is a chance that we can make some money, considering salvage of Class "B" equipment, both surface producing and storage. Have I answered the question?

MR. UTZ: Yes, you have. It if had been a top allowable, you would have been fortunate, would you not?

A Yes, sir.

MR. UTZ: That is all.

MR. NUTTER: You dilligently tried to complete a gas well though, didn't you?

A Just before we gave up, we got it.

MR. MANKIN: I have one question. Mr. Bumpass, your application here seeks today a Blinebry Oil Well and a Tubb Gas Well. If this particular well should go to Tubb oil, you are aware that this application as sought here today, would not cover that particular situation, are you not?

A Yes, sir, that's correct.

MR. NUTTER: Anyone else have any questions of the witness? If not, the witness may be excussed.

MR. NUTTER: Anyone else have anything further to offer in Case 1242? If not, we will take the case under advisement, and take a 15 minute recess.

C E R T I F I C A T E

STATE OF NEW MEXICO)
: ss
COUNTY OF BERNALILLO)

I, J. A. TRUJILLO, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing was reported by me in Stenotype at the time and place hereinbefore set forth; that same was thereafter transcribed into typewritten transcript by me; and that same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 9th day of May, 1957,
in the City of Albuquerque, County of Bernalillo, State of New Mexico.

J. A. Trujillo
NOTARY PUBLIC

My Commission Expires:

October 5, 1960.

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE - SANTA FE
3-6691 2-2211

ALICE FANCOCK NO. 3 (H1 Oil - Tubb Gas)

Abandon Hlinebry & Recondition Tubb Gas

MAIN OFFICE 000

1964 AUG 23 AM 7 59

Location: 6600 FSAEL Sec. 1-22S-37E, Lea County, New Mexico.

Comp: 8-26-64 Tubb Gas

11-3-56 Hlinebry

IP: 30 bo + 1400 MCF Tubb

39 bo + 38 bw Hlinebry

Com. Prod: 1811 MCF Tubb Gas thru 12-31-63

21,603 bo thru 12-31-63 Hlinebry Oil

Present Status: 0 Gas - Tubb

7 bo 3 bw Hlinebry

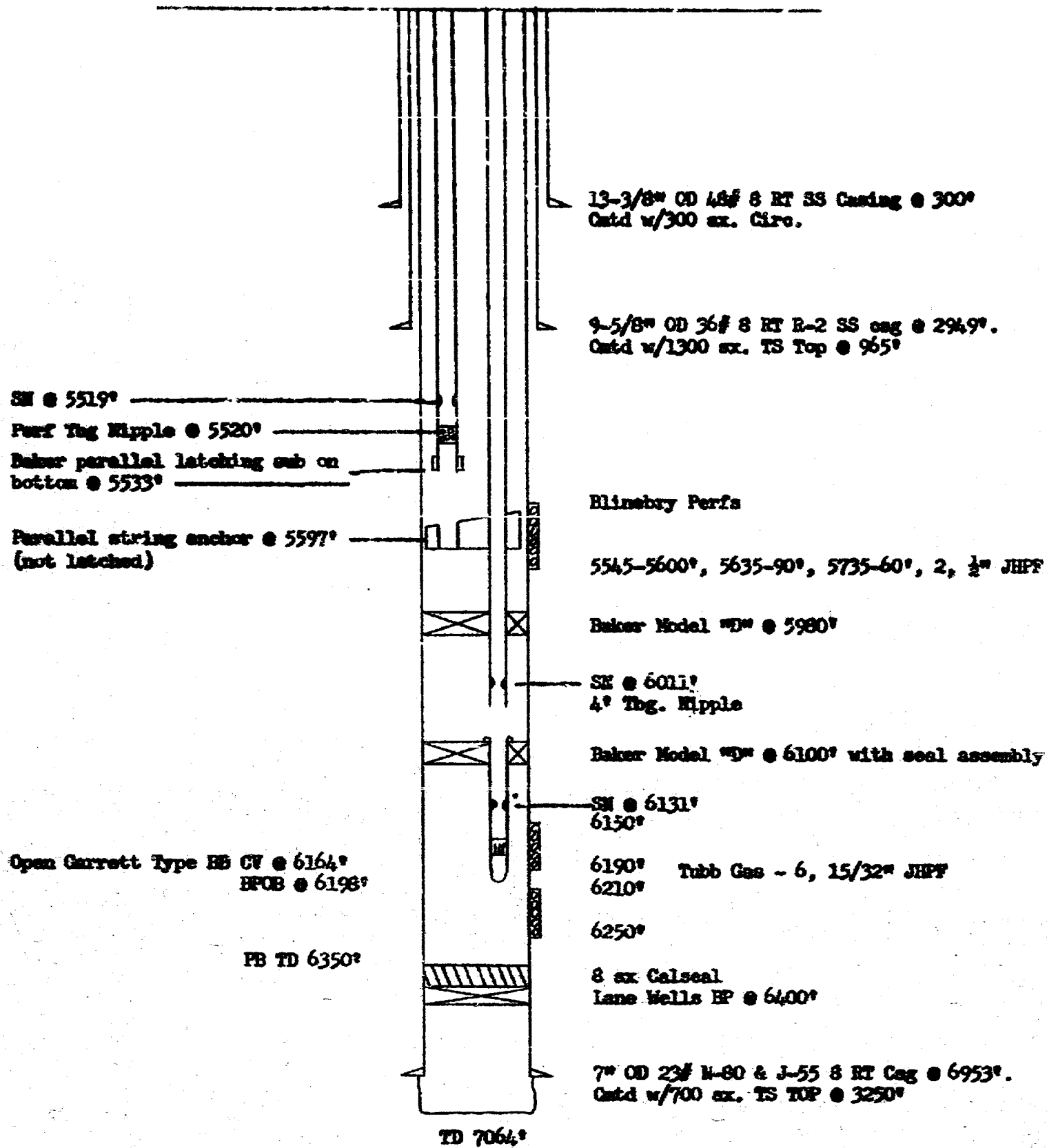
SUGGESTED PROCEDURE

1. Kill well with no bloc.
2. Pull short and long strings of tubing.
3. Run Baker Model CB milling tool with DCs on tubing, mill out and retrieve Model "D" packer at 5980'.
4. If possible, fish tail pipe from Model "D" packer set at 6100'. Inspect the packing assembly to determine whether or not the Model "D" packer can be used for production purposes again.
 - a. Providing packer can be used, run in hole with tubing open ended and wash down below bottom of Tubb Gas perfs at 6250'. POH & run tbg w/receptacle seal assembly and tail pipe.
 - b. If packer cannot be used again, mill out and retrieve Model "D" packer at 6100' with Baker Model CC or CB milling tool, type depending on whether tail pipe is recovered. Then run in hole with tubing open ended and wash down below bottom of Tubb Gas perforations at 6250'. POH and run in hole with retrievable packer to be used for acidizing as specified in Step No. 5.
5. After determining the usability of the Model "D" packer and washing down to the bottom of the Tubb perforations, acidize the Tubb Gas zone as follows: Spot 500 gals 15% HCl across perfs and let soak on perforations. Then squeeze remaining acid into formation.
6. Shut and test.
7. Run one (1) joint 2-3/8" tubing on short string side (Hlinebry) and shut in.
8. Place Tubb Gas zone on production and run packer leakage test as required.

PHC:ptg
Hobbs, H.M.
8-21-64

ALICE PADDOCK NO. 3 (Hill Oil - Tubb Gas) 000

TH = 9' CH = 7' Gr. Elev - 3320' AUG 20 AM 7 59



PBC:ptg, 8-21-64

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

HOBBS OFFICE O. C. C.

6-2-56
JUN 4 3 33 PM '56

PACKER SETTING AFFIDAVIT
(Dual Completions)

R-1000

Case #1242

STATE OF New Mexico

County of Lea

A. W. Robinson, being first duly sworn according to law, upon his oath deposes and says:

That he is of lawful age and has full knowledge of the facts herein below set out.

That he is employed by Gulf Oil Corporation in the capacity of Production Foreman and as such is its authorized agent.

That on June 2, 19 64, he personally supervised the setting of a Baker Model B production packer in Gulf Oil Corporation's
(Make and Type of Packer) (Operator)

Allen Padgett Well No. 3, located in Unit
(lease)
Letter P, Section 1, Township 22S, Range 37E, NMPN,
Lea County, New Mexico.

That said packer was set at a subsurface depth of 5280 feet,
said depth measurement having been furnished by Lane Wells.

That the purpose of setting this packer was to effect a seal in the annular space between the two strings of pipe where the packer was set so as to prevent the comingling, within the well-bore, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer. That this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as that it prevented any movement of fluids across the packer.

*Blind by Oil
Test Gas*

Gulf Oil Corporation
(Company)

[Signature]
(its Agent)

Subscribed and sworn to before me this the 2nd day of June, AD,
19 64.

[Signature]
Notary Public in and for the County
of Lea, New Mexico

My Commission Expires MY COMMISSION EXPIRES AUGUST 21 1968

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

Case # 1242

July 25, 1937

C
O
P
Y

Oil Corporation
P. O. Box 2237
Santa Fe, New Mexico

Re: Cancellation of EC-313

Attention: Mr. G. F. Taylor

Sir:

Reference is made to your Form G-304 dated July 9, 1937, in your A. F. Smith Well No. 2, located in the NW 1/4 of Section 1, Township 21 North, Range 27 East, Lea County, New Mexico, showing oil pool and tubs on pool.

Reference to this date Administrative Order EC-313 is hereby cancelled due to the fact that you obtained oil in the primary, secondary and tertiary well with parallel tubing design per Order G-304.

Very truly yours,

A. L. FENNER, Jr.
Secretary-Treasurer

Oil Conservation Commission, Santa Fe
New Mexico Oil & Gas Engineering Committee, Santa Fe
New Oil Survey, P. O. Box 2237, Santa Fe, New Mexico

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

May 14, 1957

Mr. W. V. Kantler
Gulf Oil Corporation
P.O. Box 669
Roswell, New Mexico

Dear Sir:

We enclose two copies of Orders R-997 and R-1000 issued May 14, 1957, by the Oil Conservation Commission in Cases 1241 and 1242, respectively, which were heard on April 23rd at Santa Fe.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

by
Encs.

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**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

**CASE NO. 1242
Order No. N-1000**

**APPLICATION OF GULF OIL CORPORATION
FOR AN ORDER AUTHORIZING AN OIL-GAS
DUAL COMPLETION OF THE ALICE PADDOCK
NO. 3 WELL IN THE BLINNEY OIL POOL
AND THE TUBB GAS POOL, SAID WELL IS
LOCATED IN THE NE/4 SE/4 OF SECTION 1,
TOWNSHIP 23 SOUTH, RANGE 27 EAST,
HUGH, LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 23, 1937, at Santa Fe, New Mexico, before Daniel S. Hutter, Examiner, duly appointed by the Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 10th day of May, 1937, the Commission, a quorum being present, HAVING considered the application, the evidence adduced, the recommendations of the Examiner, Daniel S. Hutter, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Gulf Oil Corporation, is the owner and operator of the Alice Paddock No. 3 Well, presently completed in the Tubb Gas Pool, and located 660 feet from the South line and 660 feet from the East line of Section 1, Township 23 South, Range 27 East, HUGH, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-mentioned Alice Paddock No. 3 Well in the Blinney Oil Pool and the Tubb Gas Pool, and to produce the aforementioned common reservoir of supply through parallel strings of tubing.

(4) That the proposed dual completion will not cause waste nor impair correlative rights.

(5) That the mechanics of the proposed dual completion are feasible and consistent with good conservation practices.

IT IS THEREFORE ORDERED:

That the applicant, Gulf Oil Corporation, be and the same is hereby authorized to dually complete its Alice Paddock No. 3 Well, located 600 feet from the South line and 600 feet from the East line of Section 1, Township 22 South, Range 37 East, NMPN, Lea County, New Mexico, in the Blinshry Oil Pool and the Tubb Gas Pool, and to produce the well by means of parallel strings of tubing.

PROVIDED HOWEVER, That upon the actual dual completion of said subject well, applicant shall submit to the district office of the Commission in which the subject well is located, Form C-103, Form C-104, Form C-110 Form C-122, outlining the information required on these forms by existing Rules and Regulations.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well bore either within or outside the casing of gas, oil and gas, or oil produced from the separate strata, and

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata and further be equipped with all necessary connections required to permit the recording meters to be installed and used at any time as may be required by the Commission or its representatives in order that natural gas, or oil and gas from each separate stratum may be accurately measured and the gas-oil or gas-liquid ratio thereof determined and

PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests and packer leakage tests upon completion and annually thereafter during the First Half GOR test period for the Blinshry Oil Pool commencing in the year 1958, and whenever the packer is disturbed, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of offset operators if any there be at their election, and the results of each test properly attested to by the applicant herein, and all witnesses, and shall be filed with the Commission within fifteen (15) days after the completion of such tests and further that applicant shall file with the Commission in duplicate a packer-setting affidavit, which affidavit shall be due within 15 days of the dual completion or whenever the packer is disturbed.

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata and a special report of the production gas-oil or gas-liquid ratio and reservoir pressure for each producing zone or stratum immediately following completion.

-2-
Case No. 1242
Order No. N-1000

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights. Upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. McQueen

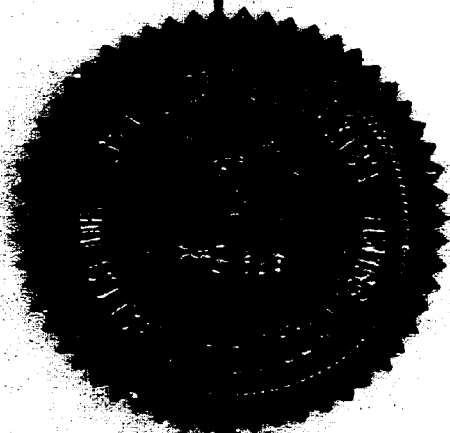
EDWIN L. MCQUEEN, Chairman

Murray E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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





PETROLEUM AND ITS PRODUCTS

GULF OIL CORPORATION

P.O. DRAWER 1290 FORT WORTH 1, TEXAS

B. E. THOMPSON
DIVISION PRODUCTION MANAGER

March 27, 1957

Case 1242
Ex Hg
@ SF @ 9am
on 4/23/57

FORT WORTH
PRODUCTION DIVISION

before DSA

Packet sent to
Walker 4-8-57
BP

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

Re: Application to Dually Complete Gulf's Alice Paddock
No. 3 so as to Produce from the Blinebry Oil Pool
and the Tubb Gas Pool

Gentlemen:

Gulf Oil Corporation respectfully submits application for per-
mission to dually complete subject well, and requests that the Commis-
sion set this matter for earliest hearing at an early date.

12-29-57
used for
lift

The following facts are offered in support of this applica-
tion:

- (1) Gulf Oil Corporation's Alice Paddock Well No. 3, located in the center of the SE/4 of the SE/4 of Section 1, T-22-S, R-37-E, was originally completed on March 17, 1946, at a total depth of 7064 feet. However, on August 26, 1946, this well was plugged back to 6350 feet and recompleted as a Tubb Zone gas well in what is now known as the Tubb Gas Pool. Subject well and the location of all offset wells are shown on the attached plat.
- (2) Seven-inch casing in subject well was set at 6953 feet and cemented with 700 sacks. The Tubb interval is perforated from 6150-6190 feet and 6210-6250 feet. The Blinebry interval, which is now shut-in, has been perforated and tested from 5545-5600 feet, 5635-5690 feet, and 5735-5760 feet.
- (3) In dually completing the well, applicant pro-
poses to run two strings of 2-3/8-inch tubing
and set packer at approximately 6100 feet
between the Blinebry and Tubb Formations to
separate the pays.

11-53
647.06-1070 TV

are all
within
limits of
the two
pays

any
Blinebry
in all

oil - Gas Ind

parallel

String
42-60
12-29-57
147
11-29-57

2" key bit
or ELL E turned
down

March 27, 1957

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 separation of production from the two pays.

By copy of this letter of application, all offset operators are notified of the proposed dual completion.

Respectfully submitted,

GULF OIL CORPORATION

By B. E. Thompson
Division Production Manager

cc: Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

Humble Oil and Refining Company
P. O. Box 1600
Midland, Texas

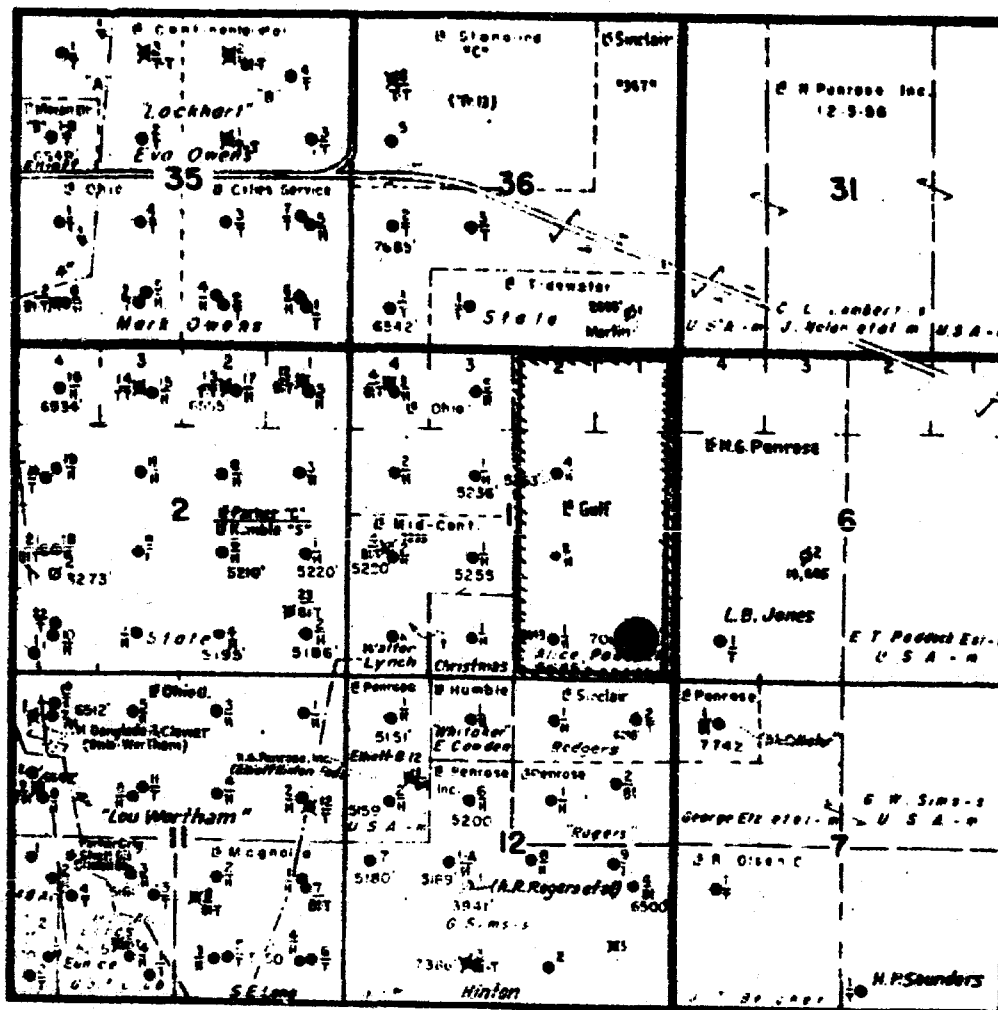
The Ohio Oil Company
P. O. Box 552
Midland, Texas

N. G. Penrose, Inc.
1815 Fair Building
Fort Worth, Texas

Sinclair Oil and Gas Company
P. O. Box 1470
Hobbs, New Mexico

Sunray Mid-Continent Oil Company
P. O. Box 128
Hobbs, New Mexico

Tidewater Oil Company
P. O. Box 1404
Houston, Texas



**GULF'S ALICE PADDOCK LEASE
LEA COUNTY, NEW MEXICO**

Legend

Blinberry Oil Unit 40 Ac.

Tubb Gas Unit 160 Ac.

Proposed Oil over Gas Dual
completion

**GULF OIL CORPORATION
CASE NO.**

**SCALE 1"=3,000'
MARCH 22, 1957**

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 4/26/57

CASE 1242

Hearing Date 9 am 4/23/57 DSN @ SF

My recommendations for an order in the above numbered cases are as follows:

Enter an order approving Gulf's application.
Standard dual completion in every
respect except the oil is above the
gas. However dual strings of tubing
are to be used so no reason to
not grant the request.

Kenneth D. Miller
Staff Member
Examiner

DSN -
please give
slip on this
as Examinee

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 9/24/57
@ SF before DSN
Hearing Date 9/23/57 @ 9 AM

CASE

1242

My recommendations for an order in the above numbered cases are as follows:

OK to approve ^{Dual} using
Parallel Strings of tubing

Warren W. Mauter
Staff Member

DOCKET: EXAMINER HEARING APRIL 23, 1957

Oil Conservation Commission 9:00 a.m. Mabry Hall, State Capitol, Santa Fe

The following cases will be heard before Daniel S. Nutter, Examiner

- CASE 1240: Application of Leslie Frank Hale, dba Hale Production Company, for approval of an unorthodox oil well location in Section 22, Township 21 South, Range 34 East, Lea County, New Mexico, in exception to Rule 104 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the unorthodox location of its Sanders State Well No. 1, at a point 2,386 feet from the South line and 670 feet from the West line of Section 22, Township 21 South, Range 34 East, Lea County, New Mexico; said location is within one mile of the boundary of the West Wilson Pool.
- CASE 1241: Application of Gulf Oil Corporation for approval of a 234-acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, in exception to Rule 5 (A) of the Special Rules and Regulations for said pool. Applicant, in the above-styled cause, seeks an order authorizing a 234-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 SW/4 Section 6 and the NW/4 Section 7, Township 22 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's H. T. Mattern "D" Well No. 6 located 660 feet from the South line and 1980 feet from the West line of said Section 6.
- CASE 1242: Application of Gulf Oil Corporation for permission to effect a gas-oil dual completion for its Alice Paddock No. 3 Well in the Blinebry Oil Pool and Tubb Gas Pool, Lea County, New Mexico, in accordance with Rule 112-A of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Alice Paddock No. 3 Well in the Blinebry Oil Pool and Tubb Gas Pool located 660 feet from the South line and 660 feet from the East line of Section 1, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce said well by means of parallel strings of tubing.
- CASE 1243: Application of Rowan Oil Company for approval of a 160-acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, in exception to Rule 5 (A) of the Special Rules and Regulations for said Pool. Applicant, in the above-styled cause, seeks an order authorizing a 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 S/2 Section 7, Township 22 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Rowan Oil Company and Neville G. Penrose, Inc. H. T. Mattern No. 1 Well located 1650 feet from the South line and 330 feet from the West line of said Section 7.

CASE 1244: Application of Amerada Petroleum Corporation for an order authorizing an oil-oil dual completion in the Penrose-Skelly Pool and the Paddock Pool in Lea County, New Mexico, in compliance with Rule 112-A of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, proposes to dually complete, by means of parallel tubing strings, its Baker Well No. 2, located in SE/4 SE/4 of Section 10, Township 22 South, Range 37 East, Lea County, New Mexico, to produce oil from both the Penrose-Skelly and the Paddock Pools.

CASE 1245: Application of Geror Oil Corporation for an order granting an exception to Rule 309 (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the movement of oil before being measured from its State B-8318 lease in the SW/4 NW/4 of Section 23, from its State B-8605 lease in the NW/4 SW/4 of Section 22, and from its State B-10418 lease in the SE/4 SW/4 of Section 22 to a central tank battery on its B-10418 lease in the NE/4 SE/4 Section 22, all in Township 13 South, Range 31 East, Chaves County, New Mexico, and the commingling of the oil produced from the Caprock-Queen Pool underlying said separate leases in common tankage at the central battery.

CASE 1246: Application of Claud E. Aikman for a 160-acre non-standard drilling and proration unit or, in the alternative, for a 120-acre non-standard drilling and proration unit, in the Fulcher Kutz-Pictured Cliffs Gas Pool in exception to Rules 2, 3, and 6 (A) of the Special Rules and Regulations for said pool as set forth in Order R-565-C. Applicant, in the above-styled cause, seeks an order establishing a 160-acre non-standard drilling and gas proration unit in the Fulcher Kutz-Pictured Cliffs Pool comprising the N/2 NE/4, SE/4 NE/4, and NE/4 SE/4 of Section 24, Township 29 North, Range 12 West, San Juan County, New Mexico, or in the alternative, a 120-acre non-standard drilling and gas proration unit comprising the N/2 NE/4 and SE/4 NE/4 of said Section 24; the acreage in either non-standard unit is to be dedicated to a well to be drilled 990 feet from the North and East lines of said Section 24.

CASE 1247: Application of Pan American Petroleum Corporation for an order authorizing the drilling of a salt water disposal well in the Hobbs Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the drilling of a salt water disposal well at a point 1650 feet from the North line and 840 feet from the West line of Section 15, Township 19 South, Range 38 East, Hobbs Pool, Lea County, New Mexico. Applicant proposes to inject salt water in the lower San Andres formation, below the oil-water contact of the Hobbs Pool.

CASE 1248:

Application of Moran Oil Producing and Drilling Corporation for an order authorizing an unorthodox location and 80-acre non-standard gas proration unit in the Tubb Gas Pool, Lea County, New Mexico, for its Lineberry No. 1 Well and further, authorizing a gas-oil dual completion for said well in the Tubb Gas Pool and Drinkard Oil Pool. Applicant, in the above-styled cause, seeks an order authorizing the unorthodox location of its Lineberry No. 1 Well at a point 2240 feet from the North line and 1980 feet from the East line of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico. Applicant proposes to effect a gas-oil dual completion for said well in the Tubb Gas Pool and Drinkard Oil Pool. Applicant further proposes to establish an 80-acre non-standard gas proration unit for the Tubb Gas Pool to be dedicated to said well; said unit consists of the S/2 NE/4 of said Section 29.

lr/

