

CASE 1875: Application of AMERAM
FOR APPROVAL of an oil-oil deal of
its STATE LN "T" WELL NO. 5.

Case No.

1975

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 1, 1960

EXAMINER HEARING

IN THE MATTER OF:)

Application of Amerada Petroleum Corporation)
for approval of an oil-oil dual completion.)
Applicant, in the above-styled cause, seeks)
an order authorizing the dual completion of)
its State LM "T" Well No. 5, Located in Unit)
A, Section 36, Township 23 South, Range 36)
East, Lea County, New Mexico, in such a man-)
ner as to permit the production of oil from)
the Jalmat Gas Pool and the production of)
oil from the Langlie-Mattix Pool through)
parallel strings of 1-inch tubing and)
2-3/8 inch tubing respectively, utilizing)
a retrievalbe type packer to separate the)
two producing horizons.)

Case 1975

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 1975.

MR. PAYNE: Application of Amerada Petroleum Corporation
for approval of an oil-oil dual completion.

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, Santa
Fe, New Mexico, appearing on behalf of the applicant. We will
have one witness, Mr. Snyder.

(Witness sworn.)

A. E. SNYDER

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

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PHONE: CH 3-6691

ALBUQUERQUE, NEW MEXICO



follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

(Marked Amerada's Exhibits Nos.
1, 2 & 3, for identification.)

Q Would you state your name, please?

A A. E. Snyder.

Q By whom are you employed and what position?

A District Engineer with Amerada Petroleum Corporation.

Q Mr. Snyder, have you ever testified before this Commission?

A No, I haven't.

Q Are you a petroleum engineer?

A Yes, sir.

Q Would you state briefly what your educational background and experience has been as a petroleum engineer?

A I received a degree in petroleum engineering from the University of Tulsa in 1950 and worked four years with Pan American Petroleum Company and six years with Amerada.

Q Has your experience been in New Mexico with Amerada?

A Some of it has, yes, sir.

Q How long have you been in the district where you are now employed?

A I have just been here two months.

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Q Is the well which is the subject of this application within your district?

A Yes, sir.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. UTZ: Yes, sir, they are.

Q Are you familiar with the application in Case 1975, Mr. Snyder?

A Yes, sir.

Q Would you state briefly what is proposed in this application?

A We propose to dually complete a well in the Langlie-Mattix oil zone and the Jalmat oil zone.

Q This well is presently dually completed, is it not?

A Yes, sir.

Q Would you discuss the history of the well and showing the reason for the present application?

A This well we are considering is Amerada's State LM "T" No. 5. It's located in the Northeast Northeast Section 36, Township 23 South, Range 36 East, Lea County, New Mexico. This well was completed as an oil well in the Langlie-Mattix zone in April of 1949. In March of 1953 Amerada made an application to the Commission to dually complete the well in the Langlie-Mattix oil and the Jalmat gas zone. This application was granted by



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Commission Order 5295, the well was actually actually completed in February, 1954, and the method of completion was the oil was producing through a 2-3/8 inch tubing string and the gas, Jalmat gas zone was producing through the casing annulus.

In August of 1959 we fracked the Jalmat zone in an attempt to increase its capacity, and after the frack job the gas-oil ratio of the well decreased to less than 100,000 to 1, which automatically classifies it as an oil well.

We secured additional testing time permission from the Commission to test the well to see if the ratio would go back up. It never has. It seems to have settled down to around 55,000. So we're asking permission to produce the Jalmat gas zone through one inch tubing string and we would like to do that without pulling the present completion there, the present packer and 2-3/8 inch tubing string.

Q Now, referring to what has been marked as Exhibit No. 1, will you state what that shows?

A Exhibit 1 is a plat of the area in question, the Amerada State LM "TW" Lease is outlined in red, and Well No. 5 is circled in red.

Q Now, referring to what has been marked as Exhibit No. 2, would you discuss that exhibit, please?

A Exhibit No. 2 is a diagramatic sketch of the equipment that is presently in the well and we have added diagramatically



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the one inch string of tubing. This sketch shows the 8-5/8 inch surface casing set at 307 feet, the 5 1/2 inch production casing set at 3485 feet with cement top at 2200 feet. It shows the Brown Duo-Pac Packer set at 3468 feet with 2-3/8 inch tubing at 3572. The Langlie-Mattix zone is producing through open hole below the casing from 3485 to 3600. The Jalmat top perforations are 2835 and the base perforations are 3420.

Q The Brown Duo Packer, is that the packer that was installed pursuant to the authority granted by Order R-295 to which you have referred?

A Yes, sir.

Q And it has been in there since that date?

A Yes, sir.

Q What has been your experience with that packer, Mr. Snyder?

A We have had no problem with the packer. We take our packer leakage test, the last one we took in February of this year and we still have experienced no problems with the packer, it is still holding good.

Q What is the pressure between the two zones, if you know?

A I don't know exactly. I failed to check that. But the two zones I believe are pretty close together, probably within a couple hundred pounds of each other.

Q Do you know anything about the gravities of the fluid



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being produced from the two zones?

A The gravity from the Jalmat zone, the fluid is about 35 degrees API and the Langlie-Mattix zone is 33.9.

Q And how about the gas-oil ratios in the two zones?

A The gas-oil ratio in the Langlie-Mattix zone is about 9,000 and in the Jalmat zone it's 55,000.

Q You'd propose to produce the two zones and measure the products thereof separately, do you not?

A I believe not. I checked and we have, currently have authority to commingle those, the production from those two zones.

Q That has already been approved by the Commission?

A Yes.

Q How about the gas production from the two zones?

A The gas production will be kept separate.

Q Referring to what has been marked as Exhibit No. 3, is that the log of the subject well?

A Yes. This is the electric log of the well in question. On this exhibit I have marked the top of the Jalmat zone and the intervals that are perforated, the top of the Langlie-Mattix zone and shown that we are producing the Langlie-Mattix from open hole 3485 to 3600.

Q What is your reason for wanting to make the type of completion you are proposing here, Mr. Snyder?

A Economics actually are the basis of this application.



If we have 5½ inch casing in the well and if we go to run two parallel strings of tubing that are permissible according to Commission rules and regulations, it would necessitate pulling one we have or run two strings of hydril tubing, which is pretty expensive pipe, so we would propose to run the one inch string because of economics. We can do it about \$6,000 cheaper by pulling the present pipe and running the two strings of expensive tubing.

Q The present completion has proved satisfactory since 1954, as I understand your testimony?

A Yes, sir.

Q In your opinion is this type of completion, will it achieve effective separation of the two producing zones?

A Yes, sir.

Q In your opinion is it in the interest of conservation and the prevention of waste to approve this application?

A Yes, sir.

Q Were Exhibits 1, 2 and 3 prepared by you or under your supervision?

A Yes, they were.

MR. KELLAHIN: We would like to offer in evidence Exhibits 1, 2 and 3.

MR. UTZ: Without objection Exhibits 1, 2 and 3 will be entered into the record.



MR. KELLAHIN: That's all I have, Mr. Utz.

CROSS EXAMINATION

BY MR. UTZ:

Q Would you tell us a little bit about the Brown Duo Packer?
What sort of a packer is it?

A The Brown Duo-Pac Packer is a retrievable packer, you run it in on tubing, set it with water on it, set it with the tubing in compression. It has, besides the regular sealing element it has a rubber cup looking up and another cup looking down that help act as a seal to prevent movement of fluid either up or down the hole.

Q That is in addition to the regular packer?

A Yes.

MR. PAYNE: When was this packer installed, Mr. Snyder?

A In 1954.

MR. PAYNE: Did you have permission to install the retrievable type packer?

A Yes, sir.

MR. PAYNE: After hearing?

A Yes, sir.

Q (By Mr. Utz) Where is the cement on the 8-5/8ths?

A We have the top of the cement on the 8-5/8ths, it was probably circulated or came close to the top. We used 175 sacks on 307 feet.

Q That ought to be close to circulation?



A Yes, sir.

Q This packer, how much pressure is it designed to withstand?

A I don't recall the exact pressure design on the packer, but I know it is used many times for a treating packer for fracking or acidizing.

Q It stands up to how much pressure? How much pressure do you use to treat with?

A Varying amounts.

Q You go up to around 5,000 pounds, don't you?

A Yes.

MR. UTZ: Any other questions?

BY MR. PAYNE:

Q Which zone are you producing now?

A We are presently producing only the Langlie-Mattix zone. On February 24 we shut in the Jalmat zone at the end of our testing period that had been granted.

Q What did the Jalmat zone test at?

A It tested about 15 barrels of oil by a gas-oil ratio of 55,000.

Q So you feel that one inch tubing will be adequately able to handle that oil production?

A Yes, sir, with the way the allowable will be set up. The allowable will be lower than that, we will not be able to produce it at that rate.



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Q It will be a penalized well?

A Yes.

MR. PAYNE: Thank you.

MR. UTZ: Any other questions? If not, the witness may
(Witness excused.)

be excused.

MR. UTZ: Any other statements in this case? If there are
none, the case will be taken under advisement.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

I, ADA DEARNLEY, Court Reporter, do hereby certify that the
foregoing and attached transcript of proceedings before the New
Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a
true and correct record to the best of my knowledge, skill and
ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal
this 8th day of June, 1960.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:
June 19, 1963.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 1975
heard by me on June 1, 1960.
[Signature] Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

June 10, 1960

Mr. Jason Kellishin
Box 1713
Santa Fe, New Mexico

Dear Sir:

On behalf of your client we enclose two copies
of Order R-1692 in Case 1975 issued by the Oil
Conservation Commission this date.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

lr/

Carbon copy of Order R-1692 sent to:

Oil Conservation Commission
Hobbs, New Mexico

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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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1975
Order No. R-1692

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN OIL-OIL DUAL
COMPLETION IN THE JALMAT GAS POOL
AND THE LAGLIE-MATTIX POOL, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 1, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

Now, on this 10th day of June, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Amerada Petroleum Corporation, is the owner and operator of the State LM "T" Well No. 5, located in Unit A, Section 36, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the said State LM "T" Well No. 5 in such a manner as to permit the production of oil from the Jalmat Gas Pool and the production of oil from the Langlie-Mattix Pool through parallel strings of 1-inch tubing and 2-3/8 inch tubing respectively.

(4) That 1-inch tubing should be capable of efficiently producing the oil from the Jalmat Gas Pool, and thus the mechanics of the proposed dual completion are feasible and in accord with sound conservation practices.

-2-
CASE No. 1975
Order No. 2-1492

IT IS THEREFORE ORDERED:

That the applicant, Amerada Petroleum Corporation, be and the same is hereby authorized to dually complete its State LM "T" Well No. 5, located in Unit A, Section 36, Township 23 South, Range 36 East, NMPN, Lea County, New Mexico, in such a manner as to permit the production of oil from the Jalnet Gas Pool and the production of oil from the Langlie-Mattix Pool through parallel strings of 1-inch tubing and 2-3/8 inch tubing respectively.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the gas-oil ratio test period for the Langlie-Mattix Pool.

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 the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

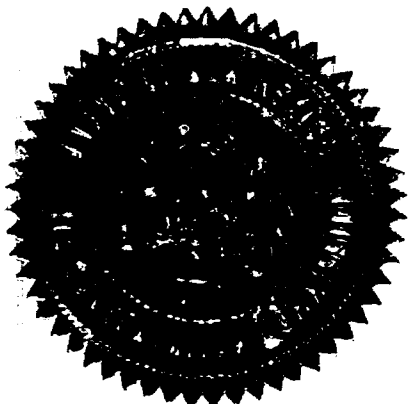
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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



esr/

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 6-2-20

Hearing Date 6-2-20

CASE 1975

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

1. Grant Amerada's request for oil and gas for this state & M.T. # 5 NW 1/4 NE 36-23-36 Jalmat - (Yale - San River) and Langley Matter (Lucas).
2. Has Jalmat Oil from 1", Langley Matter Oil from 2 3/8".
3. Retrivable packer.
4. Std. Seal Order otherwise.

Frank M. [unclear]

BEFORE OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
AMERADA PETROLEUM CORPORATION FOR AN)
EXEMPTION TO RULE 112-A, PERMITTING)
THE DUAL COMPLETION OF THE STATE)
LM "T" WELL NO. 5, LOCATED IN SECTION)
36-23S-36E, LEA COUNTY, NEW MEXICO.)

CASE NO. 4715

APPLICATION

APPLICANT AMERADA PETROLEUM CORPORATION STATES THAT:

1. Applicant is owner and operator of the State LM "T" Well No. 5, located in Section 36-23S-36E, Lea County, New Mexico.
2. Applicant proposes to dually complete the well in the Jalmat and Langlie-Mattix oil pools in order to produce:
 - a) The Jalmat oil through 1 inch tubing set at 3435 feet; and
 - b) The Langlie-Mattix oil through 2-3/8 inch tubing set at 3572 feet.
3. The proposed dual completion will prevent waste without abusing correlative rights.
4. This application replaces a prior application for administrative approval filed March 16, 1960, and subsequently dismissed verbally by applicant.

APPLICANT AMERADA PETROLEUM CORPORATION REQUESTS THAT this matter be set for hearing, that notice thereof be given as required by law and that, upon conclusion of the hearing, the Commission enter its order authorizing the proposed dual completion.

KELLAHIN AND FOX

By Jason W. Kellahin
Jason W. Kellahin

AMERADA PETROLEUM CORPORATION

By Thomas W. Lynch
Thomas W. Lynch

(Attorneys for Applicant)

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name Jalant - Langlie Mattix		County Lea		Date April 28, 1960
Operator Amerada Petroleum Corporation		Lease State LM "T"		Well No. 5
Location of Well	Unit A	Section 36	Township 23-S	Range 36-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same zones within one mile of the subject well? YES ☒ NO ☐

2. If answer is yes, identify one such instance: Order No. **DC-253**; Operator, Lease, and Well No.:

Gulf Oil Corporation; Holt "B" Well No. 2; SE/4 SE/4 Section 36-23S-36E

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	Yates and Seven Rivers	Queens
b. Top and Bottom of Pay Section (Perforations)	2835-2860 ft. 3235-3260 ft. 2995-3100 ft. 3300-3320 ft. 3150-3175 ft. 3400-3420 ft.	Open hole 3485-3600 ft.
c. Type of production (Oil or Gas)	Oil	Oil
d. Method of Production (Flowing or Artificial Lift)	Flowing	Flowing

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

Yes a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, 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.

Yes 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.

No c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. *

No 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.

Cities Service Oil Company:	Box 97, Hobbs, New Mexico
Ralph Lowe:	Box 382, Midland, Texas
Skelly Oil Company:	Box 38, Hobbs, New Mexico
Gulf Oil Corporation:	Box 2167, Hobbs, New Mexico
Texaco, Incorporated:	V. & J. Tower Bldg., Midland, Texas
Albert Gackle:	Box 2076, Hobbs, New Mexico
Continental Oil Company:	Box 427, Hobbs, New Mexico
Western Natural Gas Company:	823 Midland Tower Bldg., Midland, Texas
Baker and Taylor Drilling Company:	Box 1611, Odessa, Texas

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☒ NO ☐ . If answer is yes, give date of such notification **April 28, 1960**

CERTIFICATE: I, the undersigned, state that I am the **Petroleum Engineer** of the **AMERADA PETROLEUM CORPORATION** (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.

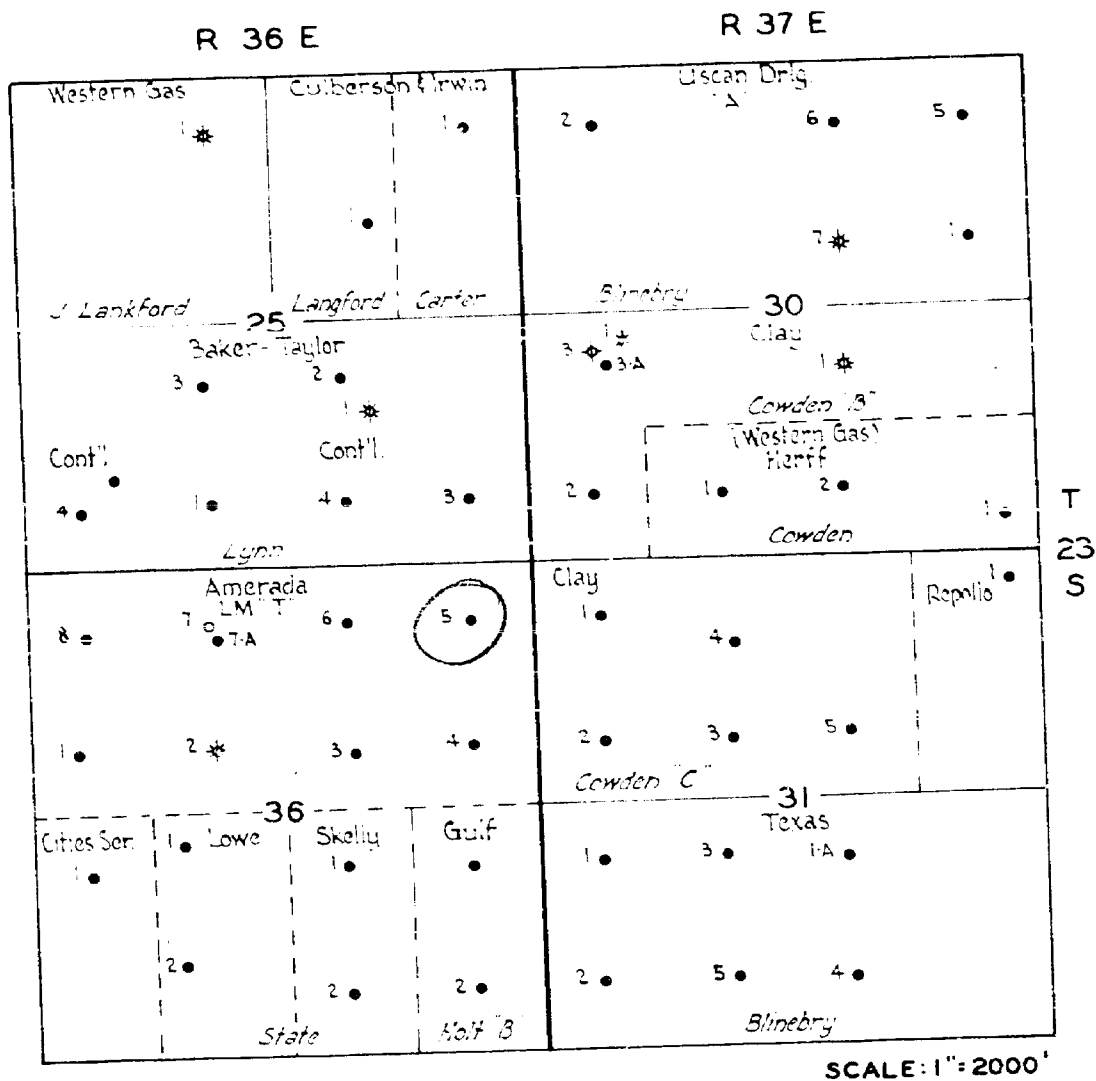
Robert D. Miller

Signature

* 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 dual completion will result in an unorthodox well location and/or non-standard perforation unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

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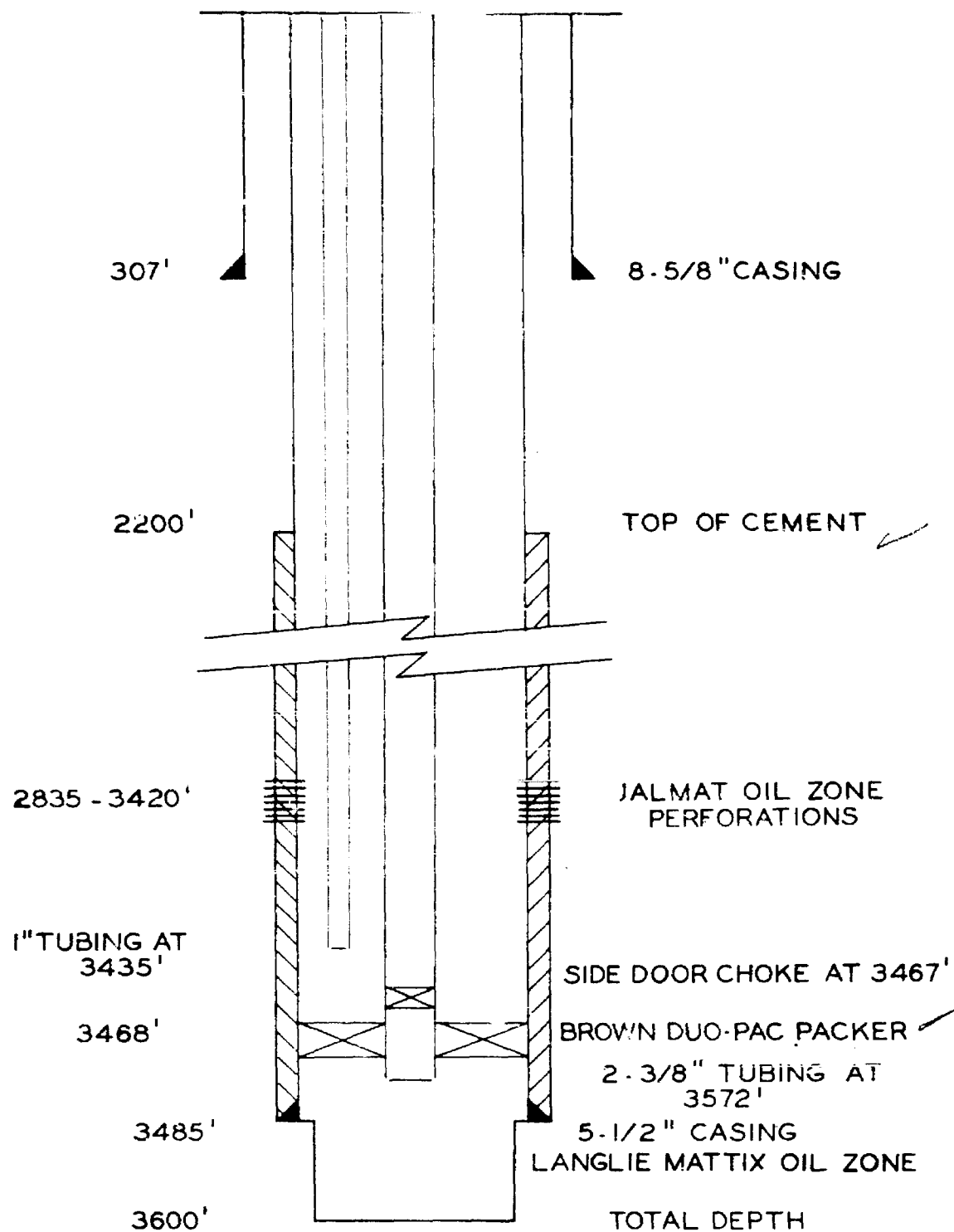


AMERADA PETROLEUM CORPORATION

JALMAT AREA

LEA COUNTY, NEW MEXICO

CASE NO. _____ EXHIBIT NO. _____



AMERADA PETROLEUM CORPORATION
STATE LM" T" 3
OIL - OIL DUAL

Chart 1975

No. 15-60

DOCKET: EXAMINER HEARING JUNE 1, 1960

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, N.M.
The following cases will be heard before Elvis A. Utz, Examiner, or Oliver E. Payne, Attorney, as alternate Examiner:

- CASE 1970: Application of Gulf Oil Corporation for approval of a gas-oil dual completion. Applicant, in the above-styled cause, seeks permission to dually complete its Lea-State "AQ" Well No. 8, located in Unit E of Section 32, Township 19 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the East Pearl-Seven Rivers Gas Pool and the production of oil from the Pearl Queen Pool through the casing-tubing annulus and 2-3/8 inch tubing respectively, utilizing a retrievable type packer to separate the two producing horizons.
- CASE 1971: Application of Gulf Oil Corporation for permission to commingle the production from two separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry oil production with the Tubb gas condensate from all wells presently completed or hereafter drilled on its Evelyn Lineberry lease, consisting of the N/2 SW/4 of Section 29, Township 22 South, Range 38 East, Lea County, New Mexico, after separately metering the Blinebry oil production.
- CASE 1972: Application of Gulf Oil Corporation for permission to commingle the production from several separate pools. Applicant, in the above-styled cause, seeks permission to commingle the Blinebry oil production with the Blinebry gas condensate and Tubb gas condensate from all wells on its T. R. Andrews lease comprising the E/2 of Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, after separately metering the Blinebry oil production.
- ASE 1973: Application of Graridge Corporation for approval of the unorthodox locations of three water injection wells. Applicant, in the above-styled cause, seeks approval of an unorthodox location for three water injection wells to be located in the SE/4 NE/4 of Section 28, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.

- CASE 1974: Application of C. T. Robertson for an order authorizing a water flood project. Applicant, in the above-styled cause, seeks an order authorizing him to institute a water flood project in the Coyote-Queen Pool, Chaves County, New Mexico, by the injection of water into the Queen formation through six wells located in Sections 11 and 14, Township 11 South, Range 27 East.
- CASE 1975: Application of Amerada Petroleum Corporation for approval of, an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its State LM "T" Well No. 5, located in Unit A, Section 36, Township 23 South, Range 36 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Jalmat Gas Pool and the production of oil from the Langlie-Mattix Pool through parallel strings of 1-inch tubing and 2-3/8 inch tubing respectively, utilizing a retrievable type packer to separate the two producing horizons.
- CASE 1976: Application of Caulkins Oil Company for approval of a gas-gas dual completion and for the establishment of a non-standard gas unit. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Reuter PC-297 well in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Gas Pool and the production of gas from the Dakota Producing Interval through parallel of 1 1/4-inch and 2 3/8 inch tubing respectively. Applicant further seeks an order establishing a non-standard gas unit to be dedicated to the subject well in the Dakota Producing Interval consisting of the SW/4 of Section 15 and the NW/4 of Section 22, Township 26 North, Range 6 West, Rio Arriba County, New Mexico.
- CASE 1977: Application of Hondo Oil & Gas Company for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the production from the Empire-Abo Pool from all wells presently completed or hereafter drilled on the Hondo-Western-Yates State 647 lease, which lease consists of acreage in Sections 25, 26, 34, 35, and 36, all in Township 17 South, Range 28 East, Eddy County, New Mexico.

- CASE 1978: Application of Shell Oil Company for an order authorizing two salt water disposal wells. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its State ETA Well No. 1, located in the NE/4 NE/4 of Section 8, Township 16 South, Range 35 East, Lea County, New Mexico, with the injection to be in the Wolfcamp formation in the interval from 10,365 feet to 10,463 feet. Applicant further seeks an order authorizing the disposal of produced salt water through its State EDA Well No. 2, located in the SW/4 SW/4 of Section 7, Township 16 South, Range 35 East, Lea County, New Mexico, with injection to be in the Wolfcamp formation in the interval from 10,712 feet to 10,734 feet.
- CASE 1979: Application of The Atlantic Refining Company for an order authorizing a water injection project in the Horseshoe-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the injection of water, for purposes of pressure maintenance and/or secondary recovery, into the Horseshoe-Gallup Oil Pool through 15 wells located in Sections 19, 20, 29, 30 and 31, Township 31 North, Range 16 West, San Juan County, New Mexico. Applicant further requests that special rules and regulations be promulgated governing the operation of this water injection project including the assignment of a project allowable.
- CASE 1980: Application of Hudson and Hudson for nine unorthodox locations. Applicant, in the above styled cause, seeks an order authorizing the drilling of wells at nine 5-spot locations on its Puckett "A" Lease, Maljamar Pool, Lea and Eddy Counties, New Mexico, said wells to be located in the 40-acre units hereinafter described, and within 100 feet of the indicated corner thereof.
- SW Corner Unit O, Section 13, and the following wells in Section 24:
- | | |
|-------------------|-------------------|
| SE Corner Unit D; | SE Corner Unit F; |
| NW Corner Unit C; | NE Corner Unit G; |
| SW Corner Unit B; | NW Corner Unit K; |
| NW Corner Unit A; | NW Corner Unit I; |
- all in Township 17 South, Range 31 East, Eddy County.

- CASE 1981: Application of El Paso Natural Gas Company for an order amending the special pool rules for the Blanco-Mesaverde Gas Pool. Applicant, in the above-styled cause, seeks an order amending the special pool rules for the Blanco-Mesaverde Gas Pool, Rio Arriba and San Juan Counties, New Mexico, to authorize district supervisors to approve "slim hole" completions in the Blanco-Mesaverde Gas Pool, regardless of depth.
- CASE 1982: Application of Otto Reynolds for an unorthodox oil well location. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for his Wood Well No. 1, located 330 feet from the South line and 1629 feet from the West line of Section 14, Township 29 North, Range 11 West, San Juan County, New Mexico.
- CASE 1983: Application of Ralph Lowe for permission to commingle the production from several separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from an undesignated Delaware pool from several separate leases comprising the N/2 NW/4 of Section 17 and the E/2 NE/4 and the E/2 NW/4 of Section 18, Township 25 South, Range 30 East, Eddy County, New Mexico.
- CASE 1984: Application of Mountain States Petroleum Corporation for an unorthodox gas well location and for a 183-acre non-standard gas unit. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for a well to be drilled 1050 feet from the North line and 750 feet from the West line of partial Section 31, Township 26 North, Range 2 West, Rio Arriba County, New Mexico. Applicant further seeks the establishment of a 183-acre non-standard gas unit in the Pine Lakes-Pictured Cliffs Gas Pool consisting of all of said partial Section 31 to be dedicated to the subject well.
- CASE 1985: Application of Charles Loveless, Jr. for a 280-acre non-standard gas unit. Applicant, in the above-styled cause, seeks the establishment of a 280-acre non-standard gas unit in the Atoka-Pennsylvanian Gas Pool consisting of the NE/4 NE/4, W/2 NE/4, NW/4 of Section 11, Township 18 South, Range 26 East, or in the alternative to force pool all mineral interest owners in the SE/4 NE/4 of said Section 11 in the Atoka-Pennsylvanian Gas Pool with the interests of those in the above-described non-standard unit in said pool. Said unit is to be dedicated to a well to be drilled 1650 feet from the North and West lines of said Section 11, Township 18 South, Range 26 East, Eddy County, New Mexico.

-5-

Docket No. 15-60

CASE 1986:

Application of J. M. Welch for a gas-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of his Etz Well No. 3, located in the NE/4 SE/4 of Section 13, Township 16 South, Range 30 East, Eddy County, New Mexico, in such a manner as to produce gas from the Penrose sand of the Queen formation and to produce oil from the Lovington sand of the San Andres formation in the Henshaw (San Andres) Pool, through the casing-tubing annulus and 2-inch tubing respectively, utilizing a retrievable type packer to separate the two producing horizons.

Rec 1975

KELLAHIN AND FOX

ATTORNEYS AT LAW

54 1/2 EAST SAN FRANCISCO STREET
POST OFFICE BOX 1713
SANTA FE, NEW MEXICO

JACON W. KELLAHIN
ROBERT C. FOX

YUCCA 3-9396
YUCCA 2-2991

April 29, 1960

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

Gentlemen:

Enclosed is original and two copies, together with exhibits, of an application for an oil-oil dual completion for production of Jalmat oil and Langlie-Mattix oil from Amerada Petroleum Corporation's State 1M "T" Well No. 5.

It will be appreciated if this application can be set for hearing on the same date as the application filed on behalf of Amerada seeking permission to commingle McKee Condensate with Grayburg oil on the J. R. Phillips lease, NE 1/4 Sec. 1-20S-36E. This application was forwarded to the Commission under date of April 25.

When the hearing date is determined would you please advise me?

Yours very truly,

Jason W. Kellahin

Jason W. Kellahin

JWK:ss
Encl.

Robert C. Fox
1-11

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. 506
Order No. R-295

THE APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER GRANTING
PERMISSION TO DUALLY COMPLETE AND
PRODUCE ITS STATE LMT, WELL NO. 5, LOCATED
IN THE NE/4 NE/4 OF SECTION 36, TOWNSHIP 23
SOUTH, RANGE 36 EAST, NMPM, 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 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 31st day of March, 1953, the Commission, a quorum being present, having considered the records and the testimony adduced, and being fully advised in the premises,

FINDS:

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

(2) That applicant's State LMT, Well No. 5, NE/4 NE/4 Section 36, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, was completed in March 1949 as an oil well producing from the Queen formation of the Langlie-Mattix Pool in the open-hole interval 3485-3600, having drilled through the Tansill-Yates-Seven Rivers formation of the Langmat Gas Pool at an approximate depth of 2835-3420.

(3) That although recent experiments tend to show that mechanical packers and other devices are ordinarily available for successful dual/multiple completions of oil - gas wells, the Commission is unconvinced of the soundness as a waste-prevention practice, of such dual/multiple completions as a general practice in New Mexico without specific controls over each such project.

IT IS THEREFORE ORDERED:

That the applicant herein, Amerada Petroleum Corporation, be, and it hereby is authorized to dually complete and produce its State LMT, Well No. 5, NE/4 NE/4 Section 36, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Tansill-Yates-Seven Rivers formation of the Langmat Gas Pool may be produced through the annular space between the casing and the tubing, and oil from the Queen formation of the Langlie-Mattix Pool through the tubing by proper perforations and the installation of a proper packer;

PROVIDED, HOWEVER, That upon the actual dual completion of such 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 and 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 either or both of 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 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, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and,

PROVIDED FURTHER, That the operator applicant shall make any and all tests, including segregation tests, 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 the Commission and 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 ten (10) days after the completion of such test, and,

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 production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

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.

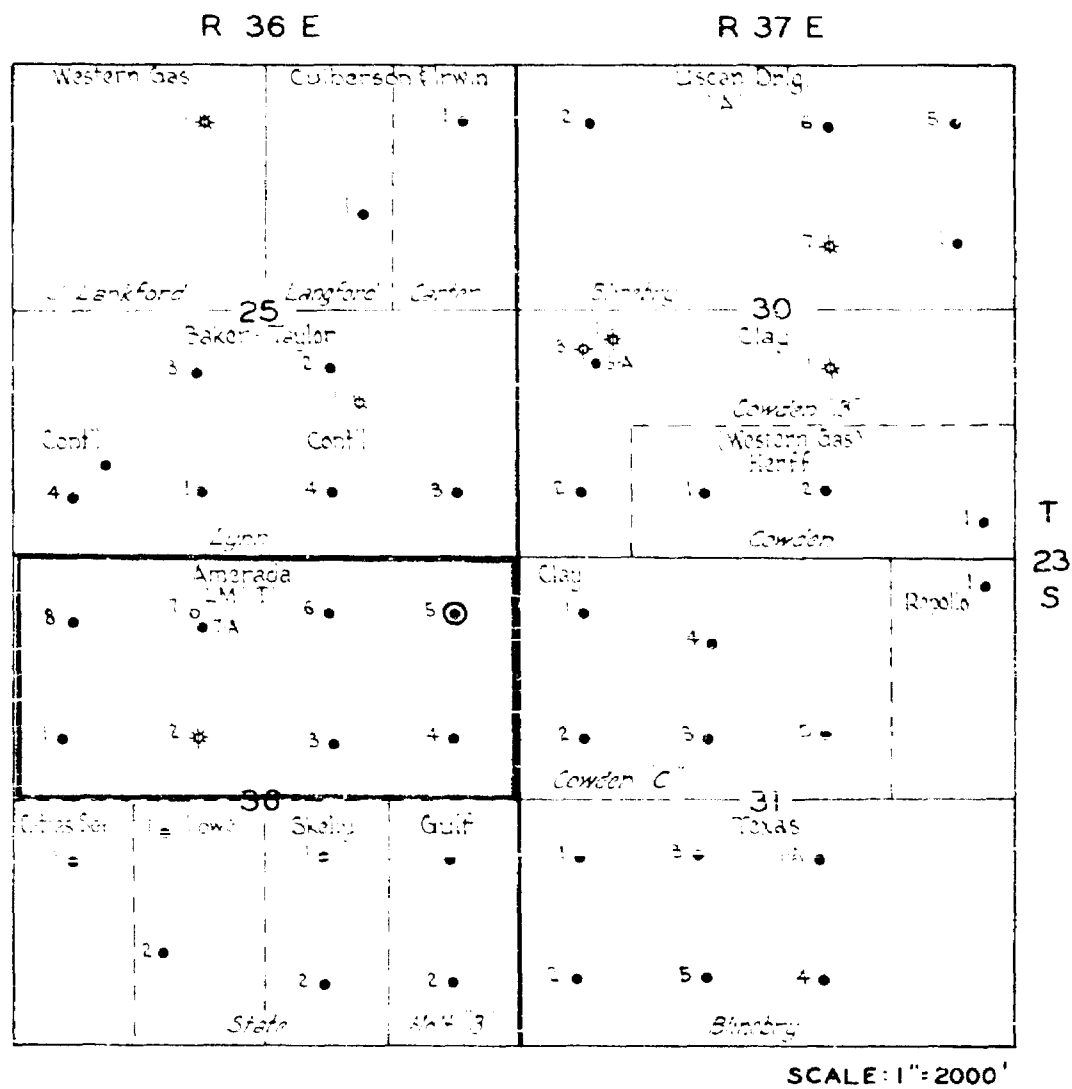
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

E. S. Walker, Member

R. R. Spurrier, Secretary

S E A L



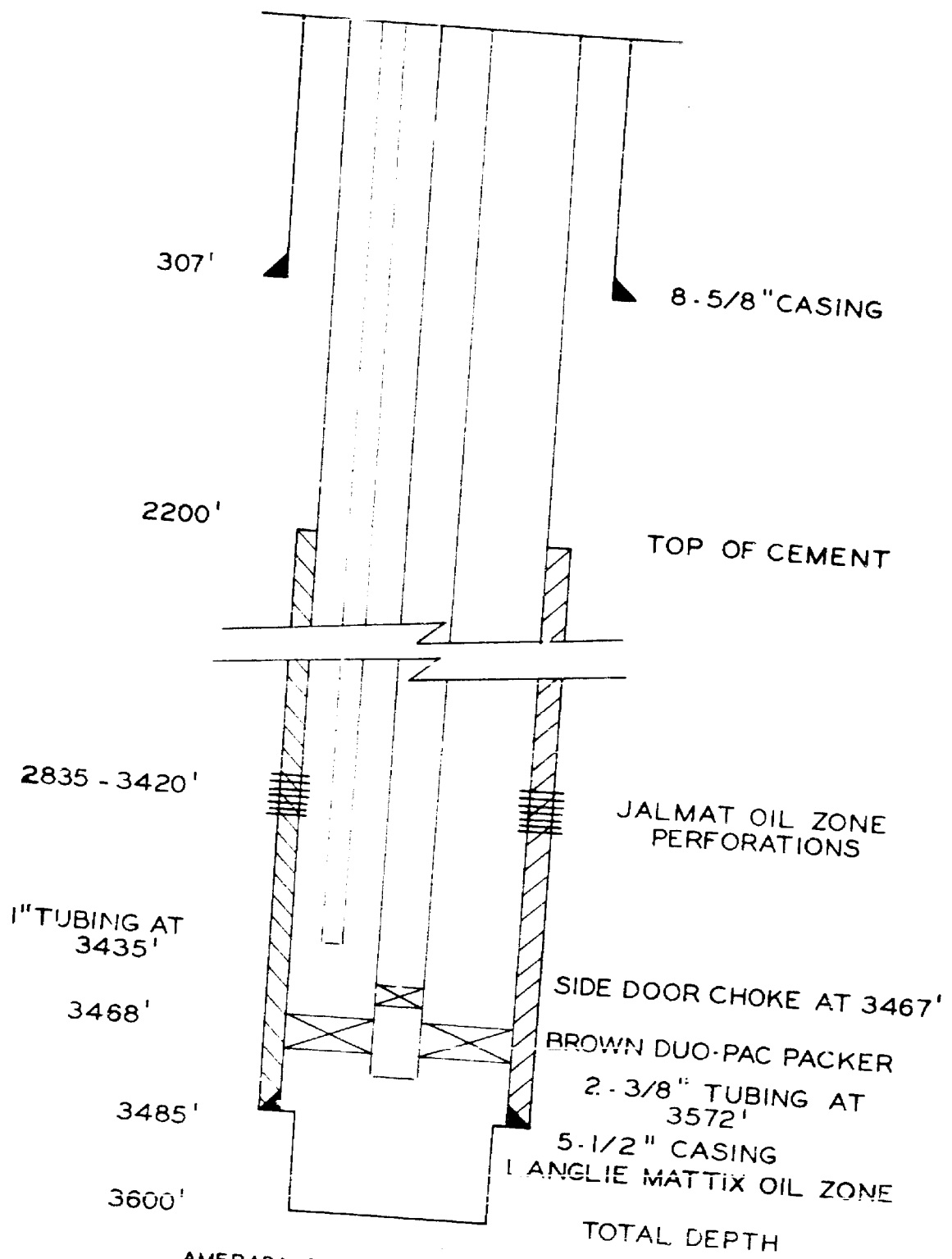
AMERADA PETROLEUM CORPORATION

JALMAT AREA

LEA COUNTY, NEW MEXICO

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
Agap	EXHIBIT NO. 1
CASE NO.	1975

CASE NO. _____ EXHIBIT NO. _____



AMERADA PETROLEUM CORPORATION
 STATE LM"T"5
 OIL - OIL DUAL

BEFORE EXAMINER UTZ
 OIL CONCESSION COMMISSION
 EXAMINER NO. 2
 CASE NO. 1975