

CASE 2787: Application of CABOT CORP.
for an unorthodox location of its
WELL NO. 1

CASE No.

2287

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

DRAFT

JMD/esr
April 16, 1963

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. 2787

Order No. R- 2471

APPLICATION OF CABOT CORPORATION
FOR AN UNORTHODOX LOCATION, 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 10, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 _____ day of April, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Cabot Corporation, seeks ^{authority to} ~~approval~~ ~~of an unorthodox location for its J. R. Thompson Well No. 17500~~ ~~in the North Bagley-Wolfcamp Pool, said well being at an unorthodox location~~ ^{recomplete} ~~1980~~ feet from the South line and 330 feet from the West line of Section 23, Township 11 South, Range 33 East, NMPM, ~~North Bagley-Wolfcamp Pool~~, Lea County, New Mexico.

(3) That the subject well was originally drilled to and completed in the North Bagley-Upper Pennsylvanian Pool at a standard location under the well location requirements then in effect.

(4) That the subject well is no longer capable of producing from the Pennsylvanian formation, and that the applicant seeks

authority to set a permanent bridge plug above the Pennsylvanian formation and recomplete the well in the North Bagley-Wolfcamp Pool.

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

(6) That approval of the subject application will prevent economic waste caused by drilling unnecessary wells.

IT IS THEREFORE ORDERED:

(1) That the applicant, Cabot Corporation, is hereby authorized to recomplete its J. R. Thompson Well No. 1 in the North Bagley-Wolfcamp Pool at an unorthodox location 1980 feet from the South line and 330 feet from the West line of Section 23, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That a permanent bridge plug shall be set above the ~~Upper~~ Pennsylvanian formation.

(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

JACK M. CAMPBELL, Chairman

E. S. WALKER, Member

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

WELL HISTORY

JOHN R. THOMPSON NO. 1
CABOT CORPORATION

Location: 1980' from south line and 330' from west line Section 23, T11S, R33E, Lea County.

Completion Date: November 16, 1962

Total Depth: 9480'

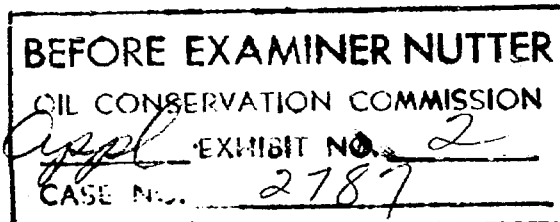
Producing Zone: Upper Pennsylvanian

Perforations: 9441-9450' and 9433-9438'

Cumulative Production: 5,861 Bbls.

Current Status: Well dead. Well ceased flowing due to excessive water production.

Proposed Work: To set a bridge plug and temporarily abandon the Upper Penn zone and complete the well in the Wolfcamp. When Wolfcamp is depleted, then the Upper Penn will be re-entered and depleted.



R33E

CABOT

DALLAS 15 14

CABOT 22 23

STATE "M"

SINCLAIR

HUMBLE-STATE

CABOT

STATE "L"

CABOT

THOMPSON

GUYE STATE

J.C. WILLIAMSON

WELL NO. 1

1980'

330'

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2787
CASE NO. 2787

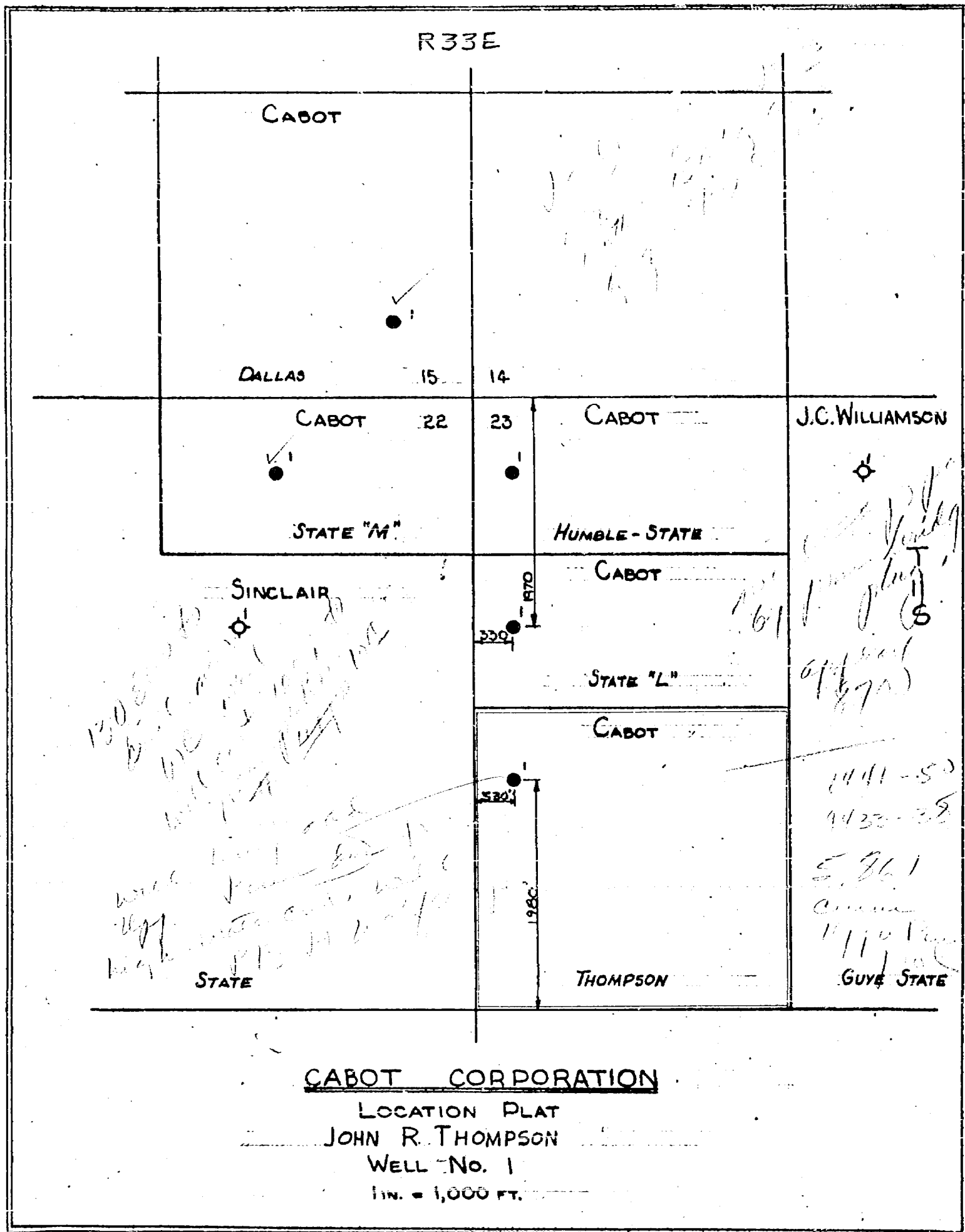
CABOT CORPORATION
LOCATION PLAT
JOHN R. THOMPSON
WELL NO. 1
1 IN. = 1,000 FT.

LOCATION	PLAT
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	
31	
32	
33	
34	
35	
36	
37	
38	
39	
40	
41	
42	
43	
44	
45	
46	
47	
48	
49	
50	
51	
52	
53	
54	
55	
56	
57	
58	
59	
60	
61	
62	
63	
64	
65	
66	
67	
68	
69	
70	
71	
72	
73	
74	
75	
76	
77	
78	
79	
80	
81	
82	
83	
84	
85	
86	
87	
88	
89	
90	
91	
92	
93	
94	
95	
96	
97	
98	
99	
100	

JOHN R. THOMPSON

WELL - No. 1

1 IN. = 1,000 FT.



MAIN OFFICE 000

1953 MAR 15 AM 8:22

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF CABOT CORPORATION FOR AN EX-
CEPTION TO RULE 3 OF THE SPECIAL
RULES AND REGULATIONS FOR THE
NORTH BAGLEY-WOLFCAMP POOL, LEA
COUNTY, NEW MEXICO

Case No. 2787

APPLICATION

COMES NOW Cabot Corporation and makes application for an exception to Rule 3 of the Special Rules and Regulations for the North Bagley-Wolfcamp Pool, Lea County, New Mexico, and in support of the application states:

1. Applicant is the owner and operator of its John R. Thompson No. 1 Well located 1980 feet from the South line and 330 feet from the West line (Unit K) Section 23, Township 11 South, Range 33 East, N.M.P.M., Lea County, New Mexico.


Previously, Applicant has drilled and completed said well in the Bagley-Pennsylvanian Pool at an approximate depth of 9446-9455 feet subsurface.

2. That Rule 3 of the Special Rules and Regulations for the North Bagley-Wolfcamp Pool require that each well completed in the pool to be located within 150 feet of the center of either quarter-quarter section in the 80-acre unit, and as stated above Applicant's well does not meet the terms and provisions of this Rule. It is stated that the well was initially drilled in conformance with the then existing rules and regulations of this Commission and that to require adherence to the rule in the present instance would result in waste, the violation of the correlative rights of interested owners including Applicant, and

would not be in the best interests of the State of New Mexico. It is stated further that the granting of an exception to such Rule in the present instance would result in the avoidance of waste, the protection of the correlative rights of all interested parties and would otherwise be just, fair and reasonable under the circumstances.

WHEREFORE, Applicant respectfully requests that this Application be set down for hearing after due notice and that upon such hearing Applicant be granted an exception for well location in the John R. Thompson No. 1 Well (Unit K) Section 23, Township 11 South, Range 33 East, N.M.P.M., Lea County, New Mexico to Rule 3 of the Special Rules and Regulations for the North Bagley-Wolfcamp Pool; and for such other further aid in the premises to which Applicant may be justly entitled.

CABOT CORPORATION

By 
S. B. Christy IV individually
for Hervey, Dow & Hinkle as
a member of the firm
P. O. Box 10
Roswell, New Mexico
Attorneys for the Applicant

J. M. HERVEY 1874-1953

HIRAM M. DOW

CLARENCE E. HINKLE

W. E. BONDURANT, JR.

GEORGE H. HUNKER, JR.

HOWARD C. BRADY

S. B. CHRISTY

LEWIS C. COX, JR.

PAUL W. EATON, JR.

CONRAD E. COFFIELD

HAROLD L. HENSLEY, JR.

LAW OFFICES

HERVEY, DOW & HINKLE

HINKLE BUILDING

ROSWELL, NEW MEXICO

March 12, 1963

TELEPHONE 622-6510

AREA CODE 505

POST OFFICE BOX 10

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

We hand you herewith triplicate counterparts of Application of Cabot Corporation for an exception to Rule 3 of the Special Rules and Regulations for the North Bagley-Wolfcamp Pool as promulgated by the Commission in Case No. 2659, Order R-2347, dated October 25, 1962. We respectfully request that the Commission set the Application down for hearing at the earliest possible Examiner's Hearing and advise us the date thereof.

Respectfully,

HERVEY, DOW & HINKLE

By

SBC:jy
Encl.

cc: Cabot Corporation
P. O. Box 1101
Pampa, Texas

DOCKET MAILED

Date 3/29/63
R

No. 11-63

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 10, 1963

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 Elvis A. Utz, as alternate Examiner:

- CASE 2780: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Petroleum Consultants and all other interested parties to appear and show cause why the State Well No. 1 located 660 feet from the South and East lines of Section 2, Township 1 North, Range 20 East, De Baca County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2781: Application of John H. Trigg Company for three water injection wells, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to convert its Federal Trigg Wells Nos. 17-9, 26-9, and 28-9, located in Units N, L, and D respectively, Section 9, Township 14 South, Range 31 East, Caprock-Queen Pool, Chaves County, New Mexico, to water injection off-setting Phillips Petroleum Company's West Caprock waterflood project.
- CASE 2782: Application of Texaco Inc., for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the E/2 SW/4, S/2 SE/4, NE/4 SE/4, E/2 NE/4, and NW/4 NE/4 of Section 12, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Roy Riddel Well No. 1 located in Unit N of Section 12.
- CASE 2783: Application of Pan American Petroleum Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Southland Royalty "A" Well No. 8, located in Unit W, Section 4, Township 21 South, Range 37 East, Lea County, New Mexico, as a triple completion (conventional) to produce oil from the Blinebry Oil Pool, Tubb Gas Pool, and Drinkard Pool through parallel strings of tubing.
- CASE 2784: Application of Continental Oil Company for authority to conduct interference tests, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to shut-in one Oil Center Blinebry well on its Meyer B-4 Lease, Section

4, Township 21 South, Range 36 East, Lea County, New Mexico, to observe pressure behavior and to transfer said well's allowable to other wells on said lease for a period not to exceed 90 days.

CASE 2785: Application of DOB Oil Properties, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Northeast Anderson Ranch Unit Area, comprising 1680 acres of State land in Township 15 South, Range 32 East, Lea County, New Mexico.

CASE 2786: Application of Apache Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Maljamar North Unit Area, comprising 1600 acres of State land in Township 16 South, Ranges 32 and 33 East, Lea County, New Mexico.

CASE 2787: Application of Cabot Corporation for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location of its John R. Thompson Well No. 1 at a point 1980 feet from the South line and 330 feet from the West line of Section 23, Township 11 South, Range 33 East, North Bagley-Wolfcamp Pool, Lea County, New Mexico.

CASE 2788: Application of Ralph Lowe for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of his Indian Basin "A" Well No. 1, located in Unit J of Section 22, Township 21 South, Range 23 East, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Indian Basin-Upper Pennsylvanian Gas Pool and the Indian Basin-Morrow Gas Pool through parallel strings of tubing.

CASE 2789: Application of Sam Boren Oil for a salt water disposal dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Robinson Well No. 1, located in Unit H, Section 23, Township 9 South, Range 33 East, Lea County, New Mexico, in such a manner as to produce oil from the Bough "C" zone of the Pennsylvanian formation and to dispose of produced salt water through the intermediate casing annulus into the open-hole interval from 4184 feet to approximately 5700 feet.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 4/15/63

CASE 2 787

Hearing Date 9am 4/10/63

DSN @ SF

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

Enter an order approving
the unacathodap location in
the H. Bagley wellcamp Pool
for Cubat Camps. John R
Thompson well no 1. located
1980' FSL & 330' FWL of Sec 23
T11S R33E, Lea Co, N.Mex.

Well is being plugged back
from a deeper formation (upper
E. Pennsylvanian) which is now
producing large quantities of water

Van Zee
Staff Engineer

State of New Mexico
Oil Conservation Commission



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

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. 2787
Order No. R-2471

APPLICATION OF CABOT CORPORATION
FOR AN UNORTHODOX LOCATION, 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 10, 1963, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 22nd day of April, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Cabot Corporation, seeks authority to recomplete its J. R. Thompson Well No. 1 in the North Bagley-Wolfcamp Pool, said well being at an unorthodox location 1980 feet from the South line and 330 feet from the West line of Section 23, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico.
- (3) That the subject well was originally drilled to and completed in the North Bagley-Upper Pennsylvanian Pool at a standard location under the well location requirements then in effect.
- (4) That the subject well is no longer capable of producing from the Pennsylvanian formation, and that the applicant seeks authority to set a permanent bridge plug above the Pennsylvanian formation and recomplete the well in the North Bagley-Wolfcamp Pool.

-2-

CASE No. 2787
Order No. R-2471

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

(6) That approval of the subject application will prevent economic waste caused by drilling unnecessary wells.

IT IS THEREFORE ORDERED:

(1) That the applicant, Cabot Corporation, is hereby authorized to recomplete its J. R. Thompson Well No. 1 in the North Bagley-Wolfcamp pool at an unorthodox location 1980 feet from the South line and 330 feet from the West line of Section 23, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That a permanent bridge plug shall be set above the Pennsylvanian formation.

(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



Jack M. Campbell

JACK M. CAMPBELL, Chairman

E. S. Walker

E. S. WALKER, Member

A. L. Porter, Jr.

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

esr/

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 10, 1963

EXAMINER HEARING

IN THE MATTER OF:

Application of Cabot Corporation for an
unorthodox location, Lea County, New
Mexico. Applicant, in the above-styled
cause, seeks approval of the unorthodox
location of its John R. Thompson Well
No. 1 at a point 1980 feet from the
South line and 330 feet from the West
line of Section 23, Township 11 South,
Range 33 East, North Bagley-Wolfcamp
Pool, Lea County, New Mexico.

Case 2787

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We'll call Case 2787.

MR. DURRETT: Application of Cabot Corporation for an
unorthodox location, Lea County, New Mexico.

MR. BRATTON: Howard Bratton on behalf of the applicant.
We have Mr. William M. Sargent, Junior.

(Witness sworn.)

(Whereupon, Applicant's
Exhibit Nos. 1 & 2 were
marked for identification.)

WILLIAM M. SARGENT, JR.

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



follows:

DIRECT EXAMINATION

BY MR. BRATTON:

Q Will you state your name, by whom you are employed?

A William M. Sargent, Junior. I'm a petroleum engineer for the Cabot Corporation, Pampa, Texas.

Q Have you previously testified before this Commission as an expert witness?

A I have.

Q Are you familiar with the matters contained in this application?

A I am.

Q What are you applying for, Mr. Sargent?

A We're applying for an exception for a well location in the North Bagley-Wolfcamp Field for our John R. Thompson No. 1 Well, located 1980 feet from the South line, 330 feet from the West line of Section 23, Township 11 South, Range 33 East, Lea County.

Q The location of that well is shown on Exhibit No. 1, is that right?

A That is right.

Q Why are you applying for an exception?

A This well was being drilled when field rules, temporary

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182SANTA FE, N. M.
PHONE 983-3371ALBUQUERQUE, N. M.
PHONE 243-6691

field rules were requested, and these field rules require the location to be not more than 150 feet from the center of a quarter, quarter section. At the time field rules were written, there was no specific exception given to this well for the Wolfcamp formation.

Q The well was drilled to the Bagley-Pennsylvanian, is that correct?

A To the North Bagley-Upper Penn.

Q All right. You want to abandon that and come out and recomplete in the Wolfcamp, is that correct?

A We wish to temporarily abandon the Upper Penn zone. This zone has ceased to flow because of high water production. We feel that at the present time we would rather temporarily abandon the Upper Penn and produce it from the flowing Wolfcamp zone.

Q Will you state the history of the well?

A The well was completed in November of 1962 in the Upper Pennsylvanian at the depth of 9441 to 50, and 9433 to 38. Cumulative production since this date has been 5,861 barrels. Currently the well is dead, it has ceased flowing. It is proposed that it be recompleted in the Wolfcamp.

Q That information is reflected on Exhibit No. 2, is that correct?



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1152

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

A Yes.

Q Would you state the economics of recompleting the well as against drilling a new Wolfcamp well?

A The cost of drilling a new Wolfcamp well is \$130,500.00. The estimated cost of recompletion is approximately \$10,000.00 in the present well bore.

Q Is anybody else producing in this pool?

A No, there is not.

Q Cabot is the sole operator?

A We are the sole operator in the North Bagley-Wolfcamp Field.

Q You had this identical situation in the well just to the north of here?

A Yes, in the State of New Mexico No. 1 Well.

Q And you presented that to the Commission and they approved similar recompletion in it?

A Yes, sir.

Q Is there anything further you care to state in connection with the application, Mr. Sargent?

A No, sir.

Q Were Exhibits 1 and 2 prepared by you?

A Yes, sir, they were.

MR. BRATTON: We would offer in evidence Applicant's



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

Exhibits 1 and 2.

MR. NUTTER: Cabot's Exhibits 1 and 2 will be admitted in evidence.

(Whereupon, Applicant's Exhibits Nos. 1 & 2 were offered and admitted in evidence.)

MR. BRATTON: We have nothing further at this time.

MR. NUTTER: Any questions of Mr. Sargent?

CROSS EXAMINATION

BY MR. NUTTER:

Q What did you say the perforated interval in the Upper Penn was?

A 9441 to 50, 9433 to 38.

Q What will be the perforated interval in the Wolfcamp?

A I'm not sure where the perforations will be. There are two zones in the Wolfcamp, and as far as I know the decision has not been made by the district office as to which zone to perforate.

Q Both of these zones are in the vertical limits of the North Bagley-Wolfcamp?

A Yes, sir, they are approximately 8700 feet.

Q You are going to temporarily abandon the well. What means will you use to separate the Upper Pennsylvania from the Wolfcamp?



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 583-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

A A permanent bridge plug.

Q Will this leave any remaining Upper Pennsylvanian wells on production?

A Yes, sir, there will still be two Upper Penn wells in this field, our State "M" Well and our Dallas No. 1.

MR. NUTTER: Any further questions of Mr. Sargent?
He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Bratton?

MR. BRATTON: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2787? We will take the case under advisement.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

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 22nd day of April, 1963.

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. 2787 heard by me on 4/10, 1963.

[Signature], Examiner
New Mexico Oil Conservation Commission

