CASE 3649: Application of TEXAS PACIFIC OIL CO. FOR A DUAL COMPLETION, LEA COUNTY, NEW MEXICO.

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Replication, Transcript,

Small Exhibits, Etc.

1120 SIMMS BIDG. • P. O. BOX 1092 • PHONE 243-6691 • AIBUQUERQUE, HEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 6, 1967

EXAMINER HEARING

IN THE MATTER OF:

Application of Texas Pacific Oil )
Company for a dual completion, Lea )
County, New Mexico.

Case No. 3649

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING



MR. NUTTER: Case 3649.

MR. HATCH: Case 3649: Application of Texas Pacific Oil Company for a dual completion, Lea County, New Mexico.

MR. RUSSELL: John F. Russell, Roswell, New Mexico, appearing on behalf of the Applicant, Texas Pacific Oil Company.

(Witness sworn.)

(Whereupon, Applicant's Exhibits 1 through 3 were marked for identification.)

### JERRY MORITZ

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

### DIRECT EXAMINATION

### BY MR. RUSSELL:

- Q Would you please state your name, residence and name of your employer and the capacity in which you are employed?
- A Jerry Moritz, M-o-r-i-t-z. I am a petroleum engineer with Texas Pacific in Midland, Texas.
- Q You have previously qualified to give testimony before this Commission, have you not?

A Yes.

- Q Are you familiar with the application of Texas Pacific Oil Company in this case?
  - A Yes, sir.
  - Q Which is No. 3649. What is it you seek?
- A Texas Pacific is making application to complete its Ella Drinkard No. 2, located in Unit "E" of Section 25, Township 22 South, Range 37 East, Lea County, New Mexico in an undesignated Ellenburger formation and an undesignated formation being either pre-Ellenburger or Granite Wash, in a conventional manner.
- Q Referring you to what has been marked as Applicant's Exhibit 1, will you explain what that reflects?
- A This is an area plat with Texas Pacific's Ella Drinkard lease shown colored in yellow with the Ella Drinkard No. 2 shown with the red arrow.
- Q Now going to what has been marked as Applicant's Exhibit No. 2, will you explain that exhibit to the Examiner?
- A This is a schematic of the completion of the Ella Drinkard No. 2. It shows the various casing strings, the surface casing and 9-5/8ths set at 1126, the production string, the 7-inch, set at 7895. It shows the Ellenburger perforations from 7783 to 7801 and the undesignated formation perforations from 7843 to 7862, with the Model D

- A Yes, sir.
- Q Which is No. 3649. What is it you seek?
- A Texas Pacific is making application to complete its Ella Drinkard No. 2, located in Unit "E" of Section 25, Township 22 South, Range 37 East, Lea County. New Mexico in an undesignated Ellenburger formation and an undesignated formation being either pre-Ellenburger or Granite Wash, in a conventional manner.
- Q Referring you to what has been marked as Applicant's Exhibit 1, will you explain what that reflects?
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- A This is a schematic of the completion of the Ella Drinkard No. 2. It shows the various casing strings, the surface casing and 9-5/8ths set at 1126, the production string, the 7-inch, set at 7895. It shows the Ellenburger perforations from 7783 to 7801 and the undesignated formation perforations from 7843 to 7862, with the Model D

packer set to segregate these two zones. It shows the two strings of 2-3/8ths-inch tubing that we plan to produce through and the various tops encountered in this well.

Q Referring you to what has been marked as Applicant's Exhibit 3, will you explain that to the Examiner?

A This is a partially reproduced log on the Ella Drinkard No. 2, being the gamma ray sonic, consisting mainly of the Ellenburger formation and the pre-Ellenburger formation with each set of perforations designated and the location of the Model D packer.

Q Will you explain or give a little of the history of the drilling and completion of this well?

A This well was drilled in July of 1967 to a T.D. of 7895 and it was completed first in the undesignated formation through perforations 7843 to 7862. Its initial flowing test, initial potential, was 408 barrels of oil, ten barrels of water and 328 MCF with a GOR of 801 MCF to 1, 801 cubic feet to 1 barrel. The oil gravity was 40 degrees and Texas Pacific run a 72-hour bottomhole shut-in pressure and it was 2798.

We subsequently perforated the Ellenburger interval from 7783 to 7801. We had an initial flow potential of 307 barrels of oil, no barrels of water and 439 MCF for a

GOR of 1185. The measured gravity in this case was 36.1 and the 72-hour bottomhole shut-in pressure was 2635.

Did you run any tests in the completion to determine whether there was communication between these two

Yes. We have run a preliminary packer leakage formations? test mainly for our own information and we had no indication of communication.

- Between these two formations?  $\mathfrak{Q}$
- Between the two formations.

 $\{x_i\}_{i\in I}$ 

- What would it cost you to drill two wells to recover from these formations as opposed to the one?
- The cost of arilling two singles would be \$220,000.00. The cost of drilling this dual was one hundred forty thousand. We have estimated recoveries to be 85,000 barrels from the Ellenburger and a hundred thousand from the undesignated formation. This would give us a cash income from these two formations of \$358,900.00. In the case of the dual that would give Texas Pacific a return of 1.56 to 1, whereas on the drilling of two singles we would get a return of only .63 to 1.
  - And in your opinion the dual completion would prevent the economic waste of drilling an unnecessary well?

- A Yes, sir.
- Ω And also protect your correlative rights as to two formations?
  - A Yes.
- Q Were Exhibits 1 through 3 prepared by you or under your supervision and direction?
  - A Yes.

MR. RUSSELL: I offer Applicant's Exhibits l through 3 into evidence.

MR. NUTTER: The Applicant's Exhibits 1 through 3 will be admitted into evidence.

(Whereupon, Applicant's Exhibits 1 through 3 were offered and admitted into evidence.)

### CROSS EXAMINATION

### BY MR. NUTTER:

Q Mr. Moritz, you testify that you had taken the package leakage test and it indicated no man made communication. What, in your opinion, constitutes the natural separation between the two zones? It's only some 42 feet, I guess, between the perforations.

A We feel that the intervals drilled here, being the Ellenburger, first, is more of a dolomitic lime formation, which is somewhat borne out by the log here.

The drilling of the next interval, starting at approximately 7804, is of a very different character than the Ellenburger. It is an angular crystalline sand and from our drilling histroy and examination of the logs we feel that this upper part is exhibiting no porosity. I'm speaking of the intervals here about 7804 down to about 08, and 7812 to 16. There's several intervals in here that we feel do not have any porosity at all and we feel that these are sufficient to prevent a segregation on the two.

- Q Has any determination as yet been made as to just what this undesignated formation really is?
- A I can say only that we're working on it. This is as far as, I am not really qualified to speak on this, but from what I can gather, talking to our geologist, there is quite a bit of problem in defining this interval and not only from the fact that data in this area is very limited and we are experiencing some trouble in getting comparable data to other wells in the area --
- Q Well, there might be half a dozen so-called Granite Wash wells down in that general portion of Lea County. Does this resemble any of those Granite Wash wells?
- A No, I don't think it does. The closet well that we have is Mr. E. A. Hanson's well, which is located in Unit

"M" of Section 19, 22, 38; we have been unable to get any data on this well but we have hopes of being able to and we hope to be able to make a better definition of what we have then.

- Where is that well?
- It's in Section 19 of 22, 38, which is the next Α township over.
  - It wouldn't be on this plat then, would it? Q
  - Oh, yes, it is about --
- Yes, I see it here. It's more or less a mile Q and a quarter east northeast, right?
  - Right. Α ..
  - And that's a Granite Wash well? Q
- That's what it's been called on the proration Λ I can't really say because we have not had a chance to look at his samples or his log to make a comparison. schedule.
  - And Humble has a Granite Wash well or two? Q
  - Yes, in Section 2, which is off of this map. Α
- They're approximately four miles north, then, four Q or five miles north?
  - Yes, right about four.
- In your opinion is this mechanical installation such that these zones can be artifically lifted if need be?

MR. NUTTER: Are there any further questions of Yes, sir. A the witness? He may be excused.

(Witness excused.)

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

Russell?

MR. RUSSELL: I have nothing further.

MR. NUTTER: Does anyone have anything further

they wish to offer in Case 3649?

MR. HATCH: The Commission has received communications from Gulf Oil, Phillips Petroleum, Western Oil Fields, Incorporated and Union Petroleum, offering no objection to the application.

MR. NUTTER: Thank you, Mr. Hatch.

MR. RUSSELL: One Western Oil, you read that one?

MR. HATCH: Yes.

MR. NUTTER: If there's nothing further in this case we will take the case under advisement and recess the hearing until 1:30.

(Whereupon, the noon recess was taken.)

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STATE OF NEW MEXICO COUNTY OF BERNALILLO )

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 28th day of September, 1967.

NOTARY PUBLIC

My Commission Expires: June 19, 1971.

> I do hereby partify that the foregoing is a revision caused of the proceedings in the bracker hearing of tase to. 3649 the proceedings to a few the proceedings in the section of tase to. 1967. Wattutt . Exertner

Wew Kaxica Oil Conservation Commission

GOVERNOR DAVID F. CARGO CHAIRMAN

# State of New Mexico Gil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



P. O. BOX 2088 SANTA FE STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

September 11, 1967

Ar. John Russell Attorney at Law Post Office Drawer 640	Re: Case No. 3649 Order No. R-3309
Roswell, New Mexico 88201	Applicant:
	Texas Pacific

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/ir	
Carbon copy of order also sent to	į.
Hobbs OCC x	
Artesia OCC	
Aztec OCC	
Other	

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

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

> CASE No. 3649 Order No. R-3309

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

### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 6, 1967 at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <a href="lith">11th</a> day of September, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

#### PINDS:

- (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, Texas Pacific Oil Company, seeks authority to complete its Ella Drinkard Well No. 2, located in Unit E of Section 25, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from an undesignated Ellenburger pool and from another designated pool, either pre-Ellenburger or Granite Wash, through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 7832 feet.
- (3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (4) That approval of the subject application will prevent waste and protect correlative rights.

-2-CASE No. 3649 Order No. R-3309

### IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, is hereby authorized to complete its Ella Drinkard Well No. 2, located in Unit E of Section 25, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from an undesignated Ellenburger pool and from another undesignated pool, either pre-Ellenburger or Granite Wash, through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 7832 feet;

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

PROVIDED FURTHER, that the applicant shall take packerleakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the lower zone of the dual completion.

(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.

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STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chalrman

A. L. PORTER, Jr., Member

Membe

, Member & Secretary

O SIX

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

IN THE MATTER OF THE APPLICATION OF TEXAS PACIFIC OIL COMPANY FOR THE DUAL COMPLETION OF ITS ELLA DRINKARD NO. 2 WELL, LOCATED IN UNIT "E" OF SECTION 25, TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO

MAIN OFFICE DE " °67 Aug 17 AH 8 29

Case 3649

APPLICATION

COMES NOW Texas Pacific Oil Company, through its attorney, John F. Russell, and states:

- 1. Applicant is the owner and operator of its Ella Drinkard No. 2 Well, located in Unit "E" of Section 25, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
- 2. Applicant seeks to dually complete said well, in an undesignated Ellenberger Formation and an undesignated formation (either pre-Ellenberger or Granite Wash).
- 3. Applicant contemplates production from the two producing formations through parallel strings of tubing.

WHEREFORE, Applicant requests the Commission to set this matter down for hearing before one of its Examiners, to publish notice as required by law, and, after hearing, issue its Order authorizing the dual completion as applied for herein.

Respectfully submitted,

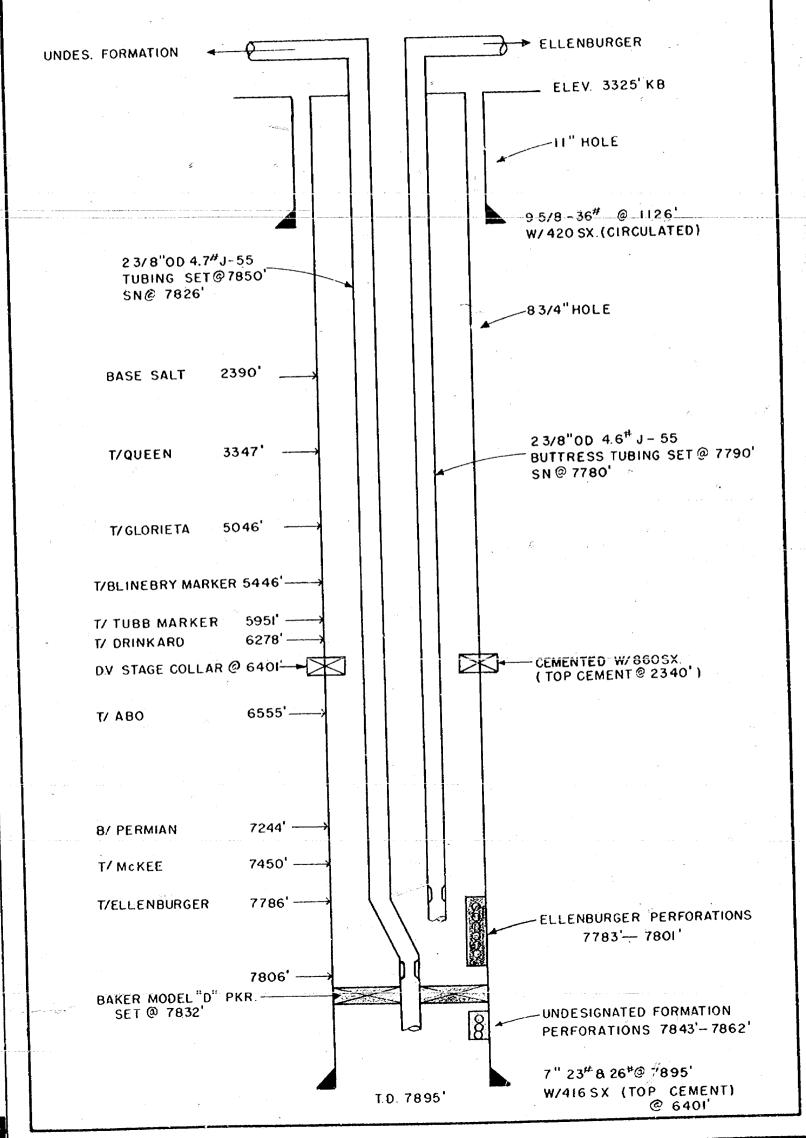
TEXAS PACIFIC OIL COMPANY

John F. Russell, P. O. Drawer 640 Its Attorney

Roswell, New Mexico 88201

# TEXAS PACIFIC OIL COMPANY ELLA DRINKARD No.2 UNIT "E" SECTION 25 T-22-S R-37-E

PROPOSED DUAL UNDESIGNATED FORMATION AND UNDESIGNATED ELLENBURGER



# UNION TEXAS PETROLEUM DIVISION



Corporation

1300 WILCO BUILDING • MIDLAND, TEXAS 70701 • AREA CODE 915, 682-0515

August 30, 1967

200 3649

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

Attn: Mr. Daniel S. Nutter

MAIN OFFICE V °67 Aug 31 AH 8 08

RE: Case 3649

Examiner Hearing September 6, 1967

Gentlemen:

This is to advise that Union Texas Petroleum, as an offset operator, supports the request made by Texas Pacific Oil Company for the dual completion of its Ella Drinkard, Well No. 2, located in Unit E of Section 25, T-22-S, R-37-E, Lea County, New Mexico.

Yours very truly,

UNION TEXAS PETROLETM

Laward

Howard Perdue District Petroleum Engineer

HP:pt

Texas Pacific Oil Co. P. O. Box 747 Dallas, Texas

CLASS OF SERVICE This is a fast message unless its deferred char-acter is indicated by the

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TELEGRAM

NL=Night Letter

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

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REFERENCE CASE NUMBER (3649) APPLICATION TEXAS PACIFIC OIL COMPANY TO DULY COMPLETE THE ELLA BRINKARD WELL NUMBER 2 IN UNIT E SECTION 25-22 SOUTH-37 EAST LEA COUNTY BETWEEN ELLENBURGER AND GRANITE WASH. WE HAVE NO OBJECTI ON=

PHILLIPS PETROLEUM CO SHOFNER SMITH=

WU1201 (R2-65)

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

# WESTERN OIL FIELDS, INC.

P. O. BOX 1137 HOBBS, NEW MEXICO 88240 EX 2-5308

August 30, 1967

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

Attention: Mr. A. L. Porter

Re: Case No. 3649

Dear Mr. Porter:

Western Oil Fields, Inc. has no objections to the approval by the Oil Conservation Commission for the completion of a conventional dual prospect in the Pre-Ellenburger and Ellenburger Zones in the Texas Pacific, Ella Drinkard No. 2 well located in Sec. 25 - T22S - R37E, Lea County, New Mexico.

The hearing on the subject well is scheduled for September 6, 1967, Case No. 3649

Sincerely yours,

WESTERN OIL FIELDS, INC.

Paul G. White Division Engineer

PGW:dw

cc: Mr. Jerry Moritz
Texas Pacific Oil Company

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MAIN OFFICE S

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EXPLORATION AND PRODUCTION DEPARTMENT-U. S. OPERATIONS

September 1, 1967

ROSWELL DISTRICT

P. O. Drawer 1938 Roswell, New Mexico 88201

W. B. Hopkins
DISTRICT MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER
F. O. Mortlock

DISTRICT EXPLORATION
MANAGER
H. A. Rankin
DISTRICT SERVICES MANAGER

Oil Conservation Commission State of New Mexico Post Office Box 2088 Santa Fe, New Mexico 87501

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

Re: Case No. 3649 Examiner Hearing September 6, 1967

Gentlemen:

Texas Pacific Oil Company has advised us of their application for a conventional dual completion for the Ella Drinkard Well No. 2, Unit E, Section 25, T22S, R37E, Lea County, New Mexico, in such a manner as to produce oil from an undesignated Ellenburger pool and from another undesignated pool, either pre-Ellenburger or Granite Wash, through parallel strings of tubing.

Please be advised that Gulf Oil Corporation has no objection to the proposed dual completion.

Yours very truly,

GULF OIL CORPORATION

M. I. Taylor

JHH:dch

cc: Texas Pacific Oil Company Post Office Box 4067 Midland, Texas 79701

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JAIN OF FIRE



LAW OFFICES OF JOHN F. RUSSELL SUITE IOIO SECURITY NATIONAL BANK BUILDING ROSWELL, NEW MEXICO 88201 Can 3649 August 18, 1967 Mr. A. L. Porter, Jr. Secretary & Director New Mexico Oil Conservation Commission State Capitol Santa Fe, New Mexico 87501 Dear Mr. Porter: Reference is made to my letter dated August 16, 1967, forwarding an application on behalf of Texas Pacific Oil Company for the dual completion of its Ella Drinkard No. 2 Well. I now transmit herewith three copies of the various exhibits which will be presented at the hearing. Very truly yours, JFR:1 Enclosures

### DOCKET: SPECIAL HEARING - WEDNESDAY - AUGUST 30, 1967

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

CASE 3644:

In the matter of the hearing called by the Oil Conservation Commission upon its own motion to consider the revision of Paragraph (1) of Order No. R-3221, to provide that the effective date for the prohibition of surface disposal of produced water from the North Bagley-Upper Pennsylvanian, North Bagley-Middle Pennsylvanian, North Bagley-Lower Pennsylvanian, North Bagley-Wolfcamp, and Northeast Bagley-Wolfcamp Pools, Lea County, New Mexico, or within one mile-thereof, be changed from November 1, 1967, to some earlier date.

NOTE: A COPY OF THIS DOCKET WAS MAILED TO ALL PRODUCERS IN THE ABOVE-MENTIONED POOLS ON AUGUST 11, 1967.

DOCKET NO. 27-67

#### DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 6, 1967

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, Alternate Examiner:

CASE 3431 (Reopened and continued from the August 9, 1967 Examiner Hearing)

In the matter of Case 3431 being reopened pursuant to the provisions of Order No. R-3100 to permit Sinclair Oil & Gas Company to show cause why its W. H. Turner Well No. 1 located in Unit L of Section 29, Township 21 South, Range 37 East, Lea County, New Mexico, a dual completion in the Drinkard and Blinebry Oil Pools, should not be completed in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations.

CASE 3645:

Application of Skelly Oil Company for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Lazy "J" Pennsylvanian Pool, including a provision for 80-acre spacing units for that area east of a line drawn through the centers of Sections 26 and 35, and south of a line drawn along the south line of Sections 33, 34, and 35, all in Township 13 South, Range 33 East, Lea County, New Mexico.

Page -2-Docket No. 27-67 September 6, 1967 Examiner Hearing

- CASE 3645: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Delaware Sand through 12 wells in the Cotton Draw Unit Participating Area and through 3 wells on off-setting leases in Sections 10, and 28, Township 25 South, Range 32 East, Paduca-Delaware Pool, Lea County, New Mexico.
- CASE 3647: Application of Tenneco Oil Company for two waterflood projects, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute two waterflood projects by the injection of water into the Delaware Sand through two wells of its State Monsanto Lease, in Section 16, and through one well on its J. D. Sena, Jr. Lease, in Section 28, both in Township 25 South, Range 32 East, Paduca-Delaware Pool, Lea County, New Mexico.
- CASE 3648: Application of Tenneco Oil Company for a dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Jicarilla "A" Well No. 8 located in Unit H of Section 17, Township 26 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of Tapacito-Gallup oil and Basin-Dakota gas through tubing, and the casing-tubing annulus, respectively, by means of a cross-over assembly.
- CASE 3649: Application of Texas Pacific Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Ella Drinkard Well No. 2 located in Unit E of Section 25, Township 22 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce oil from an undesignated Ellenburger pool and from another undesignated pool, either pre-Ellenburger or Granite Wash, through parallel strings of tubing.
- CASE 3650: Application of Albert Gackle for down-hole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Jalmat and South Eurice Pools in the well-bore of his Esmond "B" Well No. 3 located in Unit H of Section 33, Township 22 South, Range 36 East, Lea County, New Mexico, with the assignment of a single allowable to said commingled production.

Page -3-Docket No. 27-67 September 6, 1967 Examiner Hearing

# CASE 3635 (Corrected Notice):

Case 3635, Application of Cities Service Oil Company for an Exception to Order No. R-3221, Chaves County, New Mexico, was heard by the Commission on August 16, 1967. This notice is being given and the case will be reopened to correct the location of one of the surface pits which were the subject of the hearing. The correct location of said pit is Unit E of Section 2, Township 14 South, Range 31 East, Chaves County, New Mexico, rather than Unit L of Section 2 as previously advertised.

- CASE 3651: Application of Olen F. Featherstone for the creation of a new pool and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Permo-Pennsylvanian pool for his Mobil-State Well No. 1 located in Unit E of Section 32, Township 14 South, Range 35 East, Lea County, New Mexico, and for the promulgation of special rules therefor including a provision for 80-acre proration units.
  - Application of Depco, Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks CASE 3652: approval of its Artesia Unit Area comprising 2400 acres, more or less, of State lands in Townships 17 and 18 South, Range 28 East, Eddy County, New Mexico.
  - Application of Depco, Inc. for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, CASE 3653: seeks authority to institute a waterflood project in its Artesia Unit Area by the injection of water into the Grayburg formation through 15 wells, Artesia Pool, Eddy County, New Mexico.
  - Application of Mobil Oil Corporation for a waterflood expansion and for an amendment of Order No. R-1244, Lea County, CASE 3654: New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Bridges-State Waterflood Project by the conversion to water injection of its Bridges-State Wells Nos. 63 and 73 in Units K and G of Section 13; Wells Nos. 3 and 6 in Units O and E of Section 23; Well No. 47 in Unit K of Section 24; Well No. 5 in Unit C of Section 26, and Well No. 52 in Unit A of Section 27; its State G Well No. 3 in Unit G of Section 24 and State J Wells Nos. 1 and 4 in Units I and A of Section 22, all in Township 17 South, Range 34 East, Vacuum Pool, Lea County, New Mexico.

Applicant further seeks the amendment of Order No. R-1244 to provide that future operation and expansion of said project would be subject to the provisions of Rule 701-E of the Commission Rules and Regulations.

LAW OFFICES OF

### JOHN F. RUSSELL SUITE 1010 SECURITY NATIONAL BANK BUILDING P.O. DRAWER 640 ROSWELL, NEW MEXICO 88201

TELEPHONE 622-4641 AREA CODE 505

August 16, 1967

Care 3649

Mr. A. L. Porter, Jr. Secretary & Director New Mexico Oil Conservation Commission State Capitol Santa Fe, New Mexico 87501

Dear Mr. Porter:

Pursuant to my telephone conversation with Mr. D. S. Nutter, this date, I transmit herewith in triplicate the Application of Texas Pacific Oil Company for a dual completion of its Ella Drinkard No. 2 Well.

The exhibits accompanying this Application will be forwarded as soon as received by me, and a copy of the well log is being furnished to Mr. Ramey.

Very truly yours,

John F. Russell

JFR:1 **Enclosure** 

cc: Mr. Jerry Moritz Texas Pacific Oil Company P. O. Box 4067 Midland, Texas 79702 (w 2 cys of encl.)

MAIN OFFICE PAGE

18 Aug 17 AH 8 29

DOCKET MAILED

# BEFORE THE OIL CONSERVATION COMMISSION

OF THE STATE OF NEW MEXICO

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IN THE MATTER OF THE APPLICATION OF TEXAS PACIFIC OIL COMPANY FOR THE DUAL COMPLETION OF ITS ELLA DRINKARD NO. 2 WELL, LOCATED IN UNIT "E" OF SECTION 25, TOWNSHIP 22 SOUTH, RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO

Care 3649

MAIN OF

# APPLICATION

COMES NOW Texas Pacific Oil Company, through its attorney, John F. Russell, and states:

- Applicant is the owner and operator of its Ella Drinkard No. 2 Well, located in Unit "E" of Section 25, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
- 2. Applicant seeks to dually complete said well, in an undesignated Ellenberger Formation and an undesignated formation (either pre-Ellenberger or Granite Wash).
- 3. Applicant contemplates production from the two producing formations through parallel strings of tubing.

WHEREFORE, Applicant requests the Commission to set this matter down for hearing before one of its Examiners, to publish notice as required by law, and, after hearing, issue its Order authorizing the dual completion as applied for herein.

Respectfully submitted,

TEXAS PACIFIC OIL COMPANY

p/. 0. Drawer 640

Roswell, New Mexico 88201

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# TEXAS PACIFIC OIL COMPANY ELLA DRINKARD No.2 UNIT "E" SECTION 25 T-22-S R-37-E

PROPOSED DUAL UNDESIGNATED FORMATION AND UNDESIGNATED ELLENBURGER

