

CASE NO.

6607

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2436

Mr. William F. Carr
Campbell & Black
Attorneys at Law
Post Office Box 2208
Santa Fe, New Mexico

Re: CASE NO. 6607
ORDER NO. R-6087

Applicant:

Getty Oil Company

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6607
Order No. R-6087

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 25, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 28th day of August, 1979, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Getty Oil Company, seeks authority to complete its Getty 36 State Well No. 1, located in Unit F of Section 36, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Wolfcamp formation and gas from the Morrow formation through parallel strings of 2 3/8-inch tubing, with separation of the zones achieved by means of a packer set at approximately 12,000 feet.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices although the tubing string for each zone is set more than 250 feet above the uppermost perforation in said zone.

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

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Case No. 6607
Order No. R-6087

IT IS THEREFORE ORDERED:

(1) That the applicant, Getty Oil Company, is hereby authorized to complete its Getty 36 State Well No. 1, located in Unit F of Section 36, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Wolfcamp formation and gas from the Morrow formation through parallel strings of 2 3/8-inch tubing.

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

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Shut-in Pressure Test Period for the East Grama Ridge-Morrow Gas Pool.

(2) That an exception to the provisions of Division Rule 107(d)3 is hereby approved for the subject well to permit the tubing for the Wolfcamp zone to be set at approximately 10,505 feet and that for the Morrow zone to be set at approximately 12,010 feet.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director


S E A L

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
25 July 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Getty Oil Company for a
dual completion, Lea County, New Mexico,
and

CASE
6607

Application of Getty Oil Company for pool
creation and special pool rules, Lea
County, New Mexico.

CASE
6608

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant:

William F. Carr, Esq.
CAMPBELL AND BLACK P. A.
Jefferson Place
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3310 Plaza Blanca (SOS) 471-2492
Santa Fe, New Mexico 87501

I N D E X

H. W. TERRY

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Cross Examination by Mr. Nutter 11

E X H I B I T S

Applicant Exhibit One, Plat 5

Applicant Exhibit Two, Log 5

Applicant Exhibit Three, Sketch 6

Applicant Exhibit Four, Report 6

Applicant Exhibit Five, Cross Section 8

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SSE) 471-2402
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1020 Plaza Blanca (S.S.) 471-2492
Santa Fe, New Mexico 87501

1 MR. NUTTER: We'll call next Case Number
2 6607.

3 MR. PADILLA: Application of Getty Oil
4 Company for a dual completion, Lea County, New Mexico.

5 MR. CARR: Mr. Examiner, inasmuch as this
6 and the following case involve the same well and the testi-
7 mony would overlap, we would request that the cases be
8 consolidated for the purpose of testimony.

9 MR. NUTTER: At this time we'll call Case
10 Number 6608.

11 MR. PADILLA: Application of Getty Oil
12 Company for pool creation and special pool rules, Lea
13 County, New Mexico.

14 MR. NUTTER: Cases Numbers 6607 and 6608
15 will be consolidated for purposes of hearing.

16 Please proceed.

17 MR. CARR: Mr. Examiner, I'd like the
18 record to reflect that the witness is the same witness who
19 testified in the previous hearing and that he is under
20 oath.

21 MR. NUTTER: Mr. Terry is still under oath.

22
23 H. W. TERRY
24 being called as a witness and having been duly sworn upon
25 his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. CARR:

Q Will you state your full name?

A My name is Herman W. Terry.

Q And you are the same Mr. Terry who testified in the previous case.

A Yes, I am.

Q Are you familiar with the application in the cases which have been consolidated in this hearing?

A Yes, I am.

MR. CARR: Mr. Examiner, are the witness' qualifications acceptable?

MR. NUTTER: Yes, they are.

Q (Mr. Carr continuing.) Will you briefly state, Mr. Terry, what Getty is seeking with these applications?

A It's seeking approval for dual completion in our Getty 36 State Com Well No. 1 in the Morrow and Wolfcamp formations, creation of a new Wolfcamp oil pool and special temporary pool rules for the Wolfcamp, which include 160-acre spacing for the Wolfcamp.

Q Mr. Terry, will you refer to what has been marked for identification as Getty's Exhibit Number One and explain to the Examiner what this is and what it shows?

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
1010 Plaza Blanca (666) 411-4462
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (602) 471-2462
Santa Fe, New Mexico 87501

1 A This is a plat of a portion of the Grama
2 Ridge East Field, showing the wells in the area. It's been
3 contoured on the top of the Wolfcamp marker.

4 Q And does this plat reflect the location
5 of the subject well?

6 A Yes, it does. The well is located 1980
7 feet from the north line, 1650 feet from the west line,
8 Section 36, Township 21 South, Range 34 East.

9 Q Mr. Terry, are there other Wolfcamp wells
10 or pools in the area?

11 A No, there are not.

12 Q Are there other dual completions in the
13 area?

14 A Yes, there are other dual completions but
15 not in the Wolfcamp and the Morrow.

16 Q Are there other wells in the immediate
17 vicinity which are completed in the same zones as the two
18 zones in the GETty 36?

19 A Not in the same two zones. No.

20 Q Will you now refer to what has been marked
21 as Exhibit Number Two and review this for the Examiner?

22 A This is a compensated neutron formation
23 density for the Getty 36 State Com Well No. 1. The per-
24 forations in both the Wolfcamp and the Morrow have been
25 marked. It shows good porosity through the Wolfcamp zone.

1 Q Now will you refer to Getty's Exhibit Num-
2 ber Three and review this for the Examiner?

3 A This is a diagrammatic sketch of our Getty
4 36 State Com Well No. 1, showing the completion of the
5 well. We have -- we have two tubing strings, both 2-3/8ths.
6 We have a Baker Model DD packer set at 12,000 feet; five
7 20-foot blast joints. Our multiple perforations are shown
8 at 12,940 to 950. The short string side, the Wolfcamp per-
9 forations are at 11,320 to 11,335. We have a Baker Model
10 AL-5 dual packer set at 10,505. We have a 4-1/2 inch 11.6
11 pound S-95 liner set at 13,349, cemented with 255 sacks.

12 Q In your opinion does this completion con-
13 form to good engineering practices and will it effectively
14 prevent communication between the zones?

15 A Yes, it will.

16 MR. NUTTER: What is the depth of that
17 liner again?

18 A 13,349.

19 MR. NUTTER: Thank you.

20 Q Mr. Terry, in your opinion is the method
21 of completion the best way to complete this well for the
22 recovery of the hydrocarbons in the two zones involved?

23 A It's the most economical way.

24 Q Will you now refer to what has been marked
25 for identification as Exhibit Number Four and review this

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2021 Plaza Blanca (955) 471-2402
Santa Fe, New Mexico 87501

1 for the Examiner?

2 A Exhibit Number Four is a bottom hole pres-
3 sure report for bottom hole pressure test that we ran in
4 the Wolfcamp. We flowed the Wolfcamp approximately 3-1/2
5 hours. The well had been shut in for approximately an hour
6 when the bomb was set at 10,450.

7 It shows a bottom hole pressure of 7057
8 at this depth and it gives an indication of excellent
9 permeability in the Wolfcamp.

10 Q Did you take other tests on the well?

11 A We flow tested the well. The Wolfcamp
12 produced at a rate of 4,232,000 cubic feet of gas per day
13 and 685 barrels of oil per day.

14 Q What sort of a GOR does this give?

15 A This is approximately a 6000-to-1.

16 Q Mr. Terry, are you convinced that you have
17 an oil reservoir here?

18 A No, we're not convinced that it is oil.

19 Q And that is the reason you are requesting
20 that the rules be temporary.

21 A We are requesting that the rules be tempo-
22 rary and the case be re-opened in December after we've
23 obtained more data on the reservoir.

24 Q At the present time, based on the informa-
25 tion you've been able to gain from the tests you've run on

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3021 Plaza Blanca (S.E.) 471-4493
Santa Fe, New Mexico 87501

1 the Wolfcamp, what conclusions can you reach about it?

2 A The Wolfcamp appears to have good perme-
3 ability and porosity. It appears to be very evident that
4 one well will drain 160 acres.

5 Q Have you run any tests on the Morrow?

6 A The Morrow was flow tested. It flowed at
7 a rate of 1,662,000 cubic feet of gas per day; 36 barrels
8 of condensate per day.

9 Q Will Getty run tests to assure that there
10 is no communication between the zones in this well and
11 report those tests to the Commission?

12 A Yes, we will.

13 Q Will the well be produced to assure no
14 commingling of the hydrocarbons?

15 A Yes, it will.

16 Q Are you planning to meter each zone separ-
17 ately?

18 A Yes, we will.

19 Q And it will be equipped so that the pres-
20 sure of each of the separate reservoirs may be determined?

21 A Yes, it will.

22 Q Will you refer to what has been marked as
23 Exhibit Number Five, and review this for the Examiner?

24 A This is Stepco cross section of the East
25 Grama Ridge Field, showing the Getty State 36 Com Well NO.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (988) 471-2462
San Antonio, Texas 78201

1 and several other wells in the area.

From this, this indicates that there aren't any other wells completed in the Wolfcamp in this area.

Q This also contains a log of the Getty 35 State Well, is that correct?

A That's correct.

Q And it shows the Bone Springs completion in that well.

A Yes, sir.

MR. NUTTER: Now which are the 36 State and the 35 State in this exhibit?

A Right up at the top.

MR. NUTTER: Well, it's too far away. I can't read it.

A Okay, the 36 State is the -- the 36 is the fourth one from the left; the 35 is the third one from the left.

MR. NUTTER: Okay.

A And the perforations in both wells are marked.

Q Mr. Terry, what area are you requesting be included in this new pool?

A The northwest quarter section of Section 36.

Q And this acreage in the Wolfcamp has been

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2110 Plaza Blanca (SOS) 471-4463
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2010 Plaza Blanca (S.E.) 471-2482
Santa Fe, New Mexico 87501

1 proven productive of hydrocarbons, is that correct?

2 A We feel that it has from the flow tests.

3 Q Do you believe that granting this applica-
4 tion will avoid the drilling of unnecessary wells and also
5 reduce the risk of drilling an excessive number of wells?

6 A Yes, it will.

7 Q Do you have a recommendation to make to
8 the Examiner as to the spacing of wells in the nex pool?

9 A That any well be not closer than 660
10 feet to a quarter section line, nor closer than 330 feet
11 to a quarter quarter section line.

12 Q And, Mr. Terry, in your opinion will
13 granting this application be in the interest of conservation,
14 the prevention of waste, and the protection of correlative
15 rights?

16 A Yes, sir.

17 Q Were Exhibits One through Five prepared
18 by you or under your direction and supervision?

19 A Yes, they were.

20 MR. CARR: At this time, Mr. Examiner, I
21 would offer into evidence Getty Exhibits One through Five.

22 MR. NUTTER: Getty Exhibits One through
23 Five will be admitted in evidence.

24 Now, Mr. Terry -- are you through?

25 MR. CARR: Yes, sir, I am.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
305 Plaza Blanca (606) 471-2442
Santa Fe, New Mexico 87501

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Terry, on this cross section it appears that the lower producing interval is the exact equivalent in each of the two wells.

A Yes, sir, in the Morrow.

Q Then when you look at the upper zone that is dually completed, the 35 - 1 is up there in the Bone Springs, I believe it is.

A Yes, sir, that's correct.

Q And you're completed here in the Wolfcamp formation.

Now, that one in the Bone Springs is definitely an oil well, isn't it?

A It's definitely an oil well. There's no question about it.

Q And this Wolfcamp may or may not be an oil well or a gas well. You haven't decided yet.

A We haven't. We're not sure either way.

Q Well, your GOR is 6000-to-1. What is the gravity of this 685 barrels per day that you're producing?

A The gravity is 49.4. It's a clear liquid.

Q It would have the appearance of a condensate.

A Yes, sir.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3010 Plaza Blanca (666) 471-2462
Santa Fe, New Mexico 87501

1 Q Even though the gravity may not indicate
2 it.
3 A Yes, sir. That's -- that's what's got us
4 puzzled.
5 Q Have you had sufficient production from
6 the well to see if there's been any change in GOR?
7 A No, sir, this well is shut in pending a
8 sales line. We've flowed -- we've only had the 3-1/2 hour
9 flow test. We hope to have it on the line within three
10 weeks and we'll gather more data.
11 Q Do you have any indication yet whether
12 the liquids are in a gaseous or a liquid state in the re-
13 servoir?
14 A No, sir, we don't.
15 Q And when do you expect to get it connected?
16 A Within three to four weeks, hopefully.
17 Q I see. Is the Morrow connected yet?
18 A No, sir.
19 Q And you're seeking temporary oil reservoir
20 rules --
21 A Temporary --
22 Q -- based on 160.
23 A Yes, sir.
24 Q And you'd seek that this case be re-opened
25 when, then?

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A In December of this year.

Q So that would actually be less than six months in duration, or maybe the rules would be in effect approximately six months.

A That's right.

Q Does either zone make water, Mr. Terry?

A Very little. It would be -- the Morrow made just a slight amount. The Wolfcamp was almost too small to measure.

MR. NUTTER: Are there any further questions of Mr. Terry?

He may be excused.

Do you have anything further, Mr. Carr?

MR. CARR: Nothing further, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 6607 and 6608?

We'll the cases under advisement.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (660) 411-4102
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 6607-6608 heard by me on 7/25 19 79.
[Signature], Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3126 Plaza Blanca (999) 471-7462
Santa Fe, New Mexico 87501

Dockets Nos. 29-79 and 31-79 are tentatively set for hearing on August 8 and 22, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - JULY 24, 1979

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6596: Application of Harvey E. Yates Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Upper Pennsylvanian gas pool to be designated as the Southeast Indian Basin-Upper Pennsylvanian Gas Pool for its Southeast Indian Basin Well No. 1 located in Unit A of Section 23, Township 22 South, Range 23 East, and special pool rules therefor including 320-acre gas well spacing.

CASE 6597: Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Southeast Indian Basin Well No. 2, an Upper Pennsylvanian well to be drilled 660 feet from the North and West lines of Section 24, Township 22 South, Range 23 East, with the N/2 or all of said Section 24 to be dedicated to the well, depending on the outcome of Case No. 6596.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 25, 1979

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

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

CASE 6545: (Continued from June 27, 1979, Examiner Hearing)

in the matter of the hearing called by the Oil Conservation Division on its own motion to permit Corinne Grace, Travelers Indemnity Company, and all other interested parties to appear and show cause why the Kuklah Baby Well No. 1 located in Unit G of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6598: Application of Gulf Oil Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Otero-Gallup and Basin-Dakota production in the wellbores of its Apache Federal Wells No. 8 located in Unit C of Section 8 and No. 9 located in Unit D of Section 17, both in Township 24 North, Range 5 West.

CASE 6599: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fusselman and Montoya production, North Justis Field, in the wellbore of its W. A. Ramsay Well No. 4 located in Unit M of Section 36, Township 24 South, Range 37 East.

CASE 6600: Application of Mesa Petroleum Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 10, Township 16 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6601: Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Mississippian formations underlying the E/2 of Section 8, Township 14 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6602: Application of Tenneco Oil Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal 33 C No. 2 Well 1010 feet from the North line and 1710 feet from the West line of Section 33, Township 17 South, Range 29 East, South Empire-Wolfcamp Pool, the E/2 NW/4 of said Section 33 to be dedicated to the well.

CASE 6603: (This case will be continued to the August 8 hearing.)

Application of Conoco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Penrose Skelly and Eumont production in the wellbore of its Hawk B-1 Well No. 12 located in Unit O of Section 8, Township 21 South, Range 37 East.

CASE 6604: Application of Cities Service Company for rescission of Division Order No. R-5921, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the rescission of Order No. R-5921 which order provided for the compulsory pooling of all of the mineral interests in the Pennsylvanian formation underlying the S/2 of Section 8, Township 23 South, Range 28 East.

CASE 6605: Application of Estoril Producing Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 15, Township 20 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North and West lines of said Section 15. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6564: (Continued and Readvertised)

Application of Herndon Oil & Gas Co. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its O. A. Woody Well No. 1 to be drilled 2310 feet from the North line and 330 feet from the West line of Section 35, Township 16 South, Range 38 East, Knowles-Devonian Pool.

CASE 6606: Application of Getty Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Yates formation in the open-hole interval from 3810 feet to 4169 feet in its State "AA" Well No. 1 located in Unit I of Section 35, Township 21 South, Range 34 East.

CASE 6607: Application of Getty Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Getty 36 State Well No. 1 located in Unit F of Section 36, Township 21 South, Range 34 East, to produce oil from the Wolfcamp formation and gas from the Morrow formation through parallel strings of tubing.

CASE 6608: Application of Getty Oil Company for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Wolfcamp oil pool for its Getty 36 State Well No. 1 located in Unit F of Section 36, Township 21 South, Range 34 East, and special rules therefor, including 160-acre oil well spacing.

CASE 6609: Application of Napco Inc. for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn oil pool for its Benson Deep Unit Well No. 1 located in Unit O of Section 33, Township 18 South, Range 30 East, and special rules therefor, including 160-acre spacing and standard well locations.

CASE 6610: Application of Koch Industries, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the Rustler formation through the perforated interval from 1190 feet to 1210 feet in its Wills "A" Well No. 7 located in Unit E of Section 35, Township 26 South, Range 37 East, Rhodes Field.

CASE 6611: Application of Cabot Corp. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the disposal of produced salt water in the Devonian formation through the perforated interval from 12,156 feet to 12,574 feet in its Reed Well No. 1 located in Unit H of Section 35, Township 13 South, Range 37 East, King Field.

CASE 6487: (Continued from May 23, 1979, Examiner Hearing)

Application of El Paso Natural Gas Company for approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Shell E State Com Well No. 2 located in Unit N of Section 6, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6471: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Freeman Well No. 1-A to be located in Unit C of Section 11, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6472: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Jenny Well No. 1-A to be located in Unit P of Section 13, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6473: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its McIntyre Well No. 1-A to be located in Unit K of Section 11, Township 26 North, Range 4 West, Basin-Dakota Pool, Rio Arriba County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6474: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Williams Well No. 1-A to be located in Unit C of Section 24, Township 31 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6475: (Continued from May 23, 1979, Examiner Hearing)

Application of Consolidated Oil & Gas, Inc. for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well-spacing requirements and a finding that the drilling of its Montoya Well No. 1-A to be located in Unit I of Section 35, Township 32 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico, is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well.

CASE 6535: (Continued from June 13, 1979, Examiner Hearing)

Application of Torreon Oil Company for a waterflood project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the San Luis-Mesaverde Pool by the injection of water into the Menefee formation through two wells located in Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico.

CASE 6579: (Continued from June 27, 1979, Examiner Hearing)

Application of R. N. Hillin for an unorthodox well location and approval of infill drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a waiver of existing well spacing requirements and a finding that the drilling of a Morrow gas well at an unorthodox location 800 feet from the South line and 2000 feet from the East line of Section 34, Township 19 South, Range 28 East, is necessary to effectively and efficiently drain that portion of the E/2 of said Section 34 which cannot be so drained by the existing well.

CASE 6580: (Continued from June 27, 1979, Examiner Hearing) (This case will be continued to the August 22 hearing.)

Application of Continental Oil Company for a carbon dioxide injection project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a pilot carbon dioxide injection project in the Grayburg-San Andres formation in Units H and I of Section 20, Township 17 South, Range 32 East, Maljamar Pool, for tertiary recovery purposes.

CASE 6270: (Continued from July 11, 1979, Examiner Hearing)

In the matter of Case 6270 being reopened pursuant to the provisions of Order No. R-5771 which order created the South Peterson-Fusselman Pool, Roosevelt County, New Mexico, and provided for 80-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 6590: (Continued from July 11, 1979, Examiner Hearing)

Application of Grace Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Lots 9, 10, 15, and 16 and the SE/4 of Section 6, Township 21 South, Range 32 East, to be dedicated to a well to be drilled at an unorthodox location 4650 feet from the South line and 660 feet from the East line of said Section 6. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

OIL CONSERVATION COMMISSION
HOBBS DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE July 5, 1979

RE: Proposed MC X
Proposed DHC
Proposed NSL
Proposed SWD
Proposed WFX
Proposed PMX

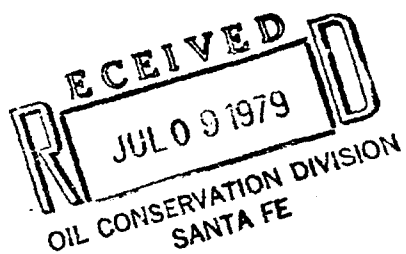
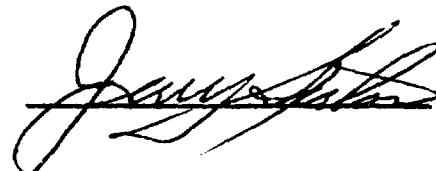
Gentlemen:

I have examined the application dated _____
for the Getty Oil Company Getty 36 State Com #1-F 36-21-34
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.--If Wolfcamp is gas, however, must have approval of Director to set
tubing more than 250' above top of pay---J.S.

Yours very truly,



COMPLETION PROCEDURE

GETTY "36" STATE COM.
WELL NO. 1
LEA COUNTY, NM

1. Run 4 1/2", 11.6#, S-95 liner from TD to 10,800', approximately 300' overlap. Centralize bottom 3 jts. and across the Morrow and Wolfcamp pay zones. Also centralize the overlap section.
2. Reciprocate, establish circulation, and set liner. Cement as recommended by Dowell (Drilling Program).
Note: Test mix water in lab and batch-mix cement.
3. After WOC at least 24 hrs., run 6 1/8" bit and dress off liner top, and test liner top to 2500#.
4. Trip out of hole with 6 1/8" bit. Run 3 7/8" mill. Clean and drill out inside liner to PBTD (PBTD to be decided after running logs).
5. Rig up Schlumberger and run PFC, NCT, and CBL from PBTD to 200' above liner top.
6. If bond looks okay, displace hole with 10# brine containing Exxon's corrosion inhibitor Corexit 7720 (20 gals./100 bbls. fluid or 5000 ppm).
7. Lay down drill pipe and tools. Run gauge ring on wireline passed 12,000'.
8. By wireline, set Baker Model DB 4 1/2" packer at approximately 12,000'. A 6' mill-out extension, 10' pup jt., 1.81 "F" nipple, and 10' mill shoe will be made up below the packer before running it.
9. Pick up 2 3/8" long string with Baker Model "E" seal assembly and 1.87 ER tubing seal receptacle with 1.87 Model "F" profile.
10. Space out tubing and displace it with N₂ to 9000'. Install 10,000# tree on top of rotary table.
11. Bleed off N₂. Perforate Morrow zone using 1 11/16" Hyper Dome II gun with 1 spf as selected from open hole logs.

Note: Examine guns after perforating for shape of holes. Ask Schlumberger to collect and save the debris from the gun for Getty's examination.

Page 2

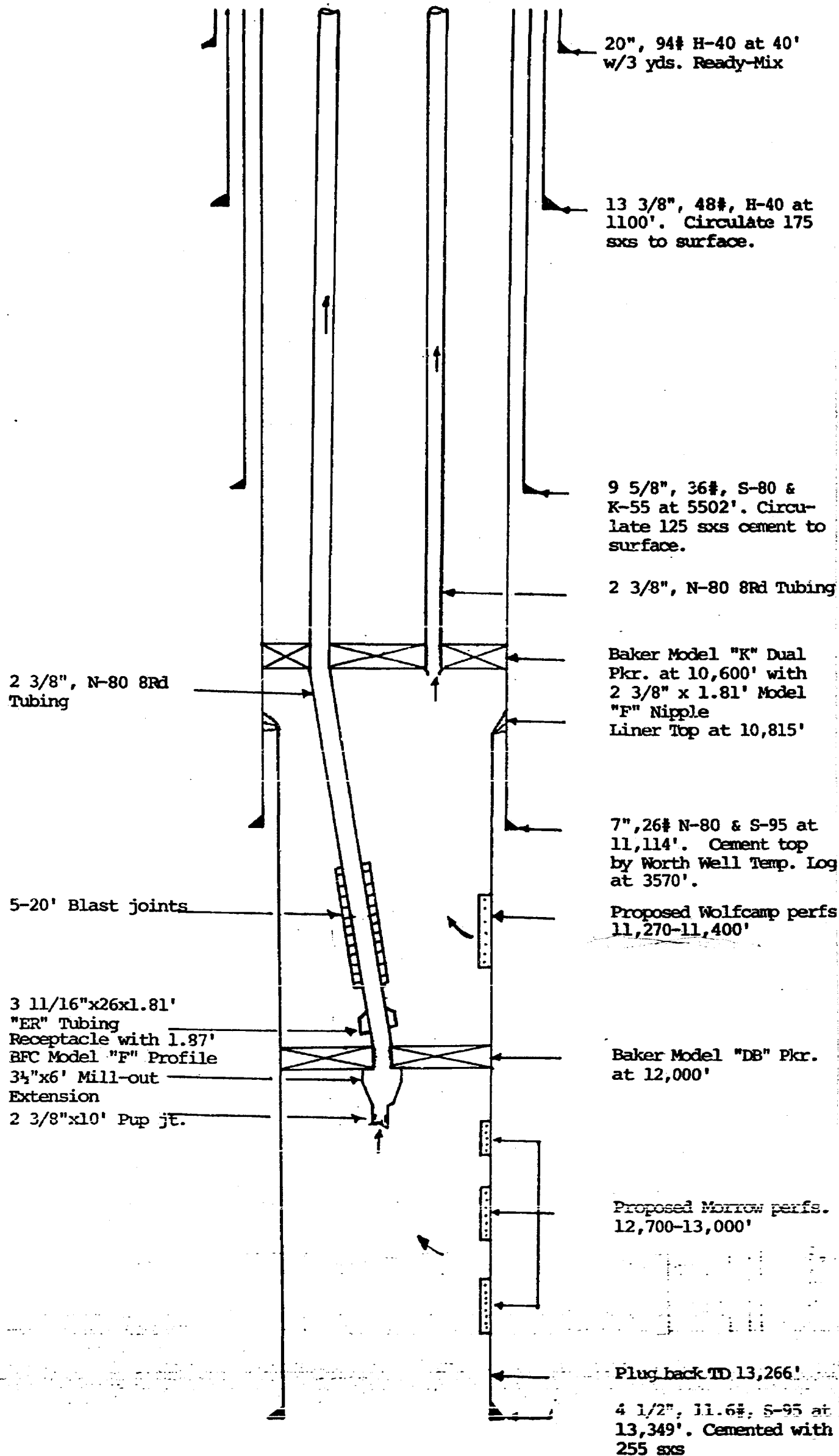
Getty "36" State Com. Well No. 1
Completion Procedure

12. Flow and test Morrow perforations. Treat if necessary. Treating procedure will be submitted after initial test results are evaluated.
13. Rig up wireline truck and set plug in "F" nipple.
14. Take off christmas tree.
15. Unlatch tubing. Displace hole with 12.6# mud.
16. Pull 2 3/8" tubing.
17. Rig up Schlumberger and perforate Wolfcamp using 3 3/8" casing gun (Hyperjet II) as selected from logs. Hole size 0.38" and penetration 9.73" in Berea Sandstone.
18. Run 2 3/8" long string with Model "K" dual packer. Set dual packer at 10,600'.
19. Space out long string. Latch tubing into Model "D" packer. Displace tubing to 10,000' with N₂.
20. Run short string of 2 3/8" tubing. Space out and sting into packer at 10,600'. Displace tubing to 8,000' with N₂.
21. Rig up wireline. Pull plug and return Morrow zone to production.
23. Return Wolfcamp zone to production. Use N₂ if necessary.
24. Rig down rotary.

Approved by:

David C. Gray

36-21-34

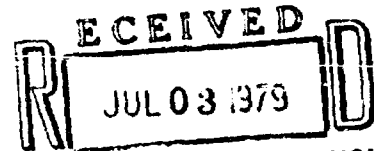


BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION
OF GETTY OIL COMPANY FOR POOL
CREATION, SPECIAL POOL RULES, AND
DUAL COMPLETION, LEA COUNTY,
NEW MEXICO.

Case No. 6607

APPLICATION



OIL CONSERVATION DIVISION
SANTA FE

Comes now GETTY OIL COMPANY, by their undersigned attorneys, and hereby makes application for an order designating a new pool as a result of the discovery of oil in the Wolfcamp formation in its Getty 36 State No. 1 Well located 1980 feet from the North line and 1650 feet from the West line in Unit F of Section 36, Township 21 South, Range 34 East, Lea County, New Mexico and for promulgation of special pool rules, including (1) 160-acre oil spacing or pro-ration units in the Wolfcamp formation on a permanent basis or, in the alternative, on a temporary basis and (2) the dedication of all of the northwest quarter of said Section 36 to the Getty 36 State No. 1 Well. Applicant further seeks authorization to dually complete the subject well in the Wolfcamp and Morrow formations and in support of this application would show the commission:

1. That Getty Oil Company is the owner and operator of the Getty 36 State No. 1 Well.

2. That while drilling said well to test the Morrow formation, Applicant discovered oil in paying quantities in the Wolfcamp formation.

3. That Applicant believes that the following described lands are reasonably proven to be productive of oil in paying quantities from the Wolfcamp formation and should be included in the original definition of a new pool to be created because of said

discovery:

Township 21 South, Range 34 East, N.M.P.M.

Section 36: NW/4

4. That in order to avoid economic loss caused by the drilling of unnecessary wells, to avoid augmentation of risk arising from the drilling of an excessive number of wells and to otherwise prevent waste and protect relative rights, special pool rules and regulations providing for 160-acre spacing units in the Wolfcamp should be promulgated for the new pool.

5. That Applicant desires to complete its said well as a dual completion: to produce oil from the Wolfcamp formation from the interval between 11,320 feet and 11,335 feet, and to produce gas from the Morrow formation from the interval between 12,940 feet and 12,950 feet. The said oil to be produced through 2-3/8 inch tubing set at 10,600 feet and the gas to be produced through 2-3/8 tubing set at 12,000 feet.

6. That a Baker Model K Dual Packer has been set at 10,600 feet and a Baker Model D Packer has been set at 12,000 feet.


7. That the granting of this application will avoid waste, allow the recovery of oil and gas which might not otherwise be recovered, and will not violate correlative rights.

WHEREFORE, GETTY OIL COMPANY, requests that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division on July 25, 1979, that notice be given as required by law and the rules of the Division, and that the application be approved.

Respectfully submitted,

CAMPBELL AND BLACK, P.A.
Attorneys for Applicant
Post Office Box 2208
Santa Fe, New Mexico 87501

By


William F. Carr

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6607

Order No. R- 6082

APPLICATION OF GETTY OIL COMPANY

FOR A DUAL COMPLETION, LEA

COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on
July 25, 1979, at Santa Fe, New Mexico, before

Examiner Daniel S. Nutter.

NOW, on this day of 1979, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

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

(2) That the applicant, Getty Oil Company,
seeks authority to complete its Getty 36 State
Well No. 1, located in Unit F of Section 36, Town-
ship 21 South, Range 34 East, NMPM,
County, New Mexico, as a dual completion (conventional) to
(combination)
(tubingless)

oil
produce gas from the Wolfcamp formation and gas from the Morrow
formation through parallel strings of tubing, with separation of

the zones achieved by means of a packer set at approximately
12,000 feet

- (3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices *although the tubing string for each zone is set more than 250 feet above the upper*
- (4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Getty Oil Company, is hereby authorized to complete its Getty 36 State Well No. 1, located in Unit F of Section 36, Township 21 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) ~~(combination)~~ ~~(tubingless)~~ oil to produce ~~gas~~ from the Wolfcamp formation and gas from the Morrow formation through parallel strings of 2 3/8 - inch tubing.

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

PROVIDED FURTHER, that the applicant shall take Backer leakage tests upon completion and annually thereafter during the Annual Shut-in Pressure Test Period for the East Grama Ridge-Morrow Gas Pool.

→ (3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

(2) That an exception to the provisions of Division Rule 107(d) 3 is hereby approved for the subject well to permit the tubing for the Wolfcamp zone to be set at approximately 10,505 feet and that for the Morrow zone to be set at approximately 12,010 feet.