CASE 1212: BASS ENTERPRISES PRODUCTION CO. FOR A DUAL COMPLETION, EDDY COUNTY, NEW MEXICO

CASE NO.

7212

APPlication, Transcripts, Small Exhibits,

ETC.

standing of the unit.

One moment please.

cords and find that all of the acreage within the Poker Lake

Unit boundary is committed to the unit but participation is

on a well-by well basis, dependent upon the proration unit

selected for each well.

In this particular case that you mention

That is to say that Bass Enterprises

Mr. Examiner, we've consulted our re-

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in the south half of Section 33, should Pauley decide to parti-

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cipate, they would have one quarter of their own acreage to

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be contributed to the well to be located in the south half

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of Section 33.

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Production Company and Perry R. Bass do not own working inter-

est rights or mineral rights under the Pauley tract.

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Let's go off the record a minute.

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(There followed discussion off the record.)

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Okay, we're back on the record.

Are there any other questions of this

witness? He may be excused.

Mr. Coffield, if you can supply us with

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a waiver from the interest owners to the north, being the interest owner in the west half of the southeast quarter of Section 33, we will be able to take this case under advisement without readvertising, and I would expect that waiver in here by the middle of next week; otherwise we will readvertise the case and set it for hearing, that would be the 6th of May.

MR. COFFIELD: All right, Mr. Examiner.

I feel confident we can obtain such a waiver and we'll have it to you timely.

MR. STAMETS: Upon the receipt of that waiver the case will be taken under advisement.

(Hearing concluded.)

CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. heard by me on_ , Examiner Oll Conservation Division

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Page ____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
8 April 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Bars Enterprises)
Production Company for a dual)
Completion, Eddy County, New Mexico.)

7212

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501

For the Applicanc:

Conrad E. Coffield, Esq.
HINKLE, COX, EATON, COFFIELD &
HENSLEY
P. O. Box 3850
Midland, Texas 79702

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15		Exhibit T						5
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1		Exhibit F				: 1 p4		5 4.
	8 Applicant	- Fyhibit I	rive, Schem	atic			* 3.	6
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prises Production Company for a dual completion, Eddy County,

MR. COFFIELD: Conrad Coffield, with the

MR. STAMETS: WE'll call now Case 7212.

MR. PADILLA: Application of Bass Enter-

Hinkle Law Firm in Midland, Texas, appearing on behalf of the applicant, and I have one witness.

Before you swear the witness, Mr. Examiner, I must take note of the fact that the advertisement and the application in this case are wrong with respect to the actual location of the well. They indicate it's located in Unit C of Section 4, and actually the well is located in Unit B of Section 4.

We would respectfully request permission to present the case and have it readvertised, if the Examiner please.

MR. STAMETS: And is the name of the operator Perry R. Bass rather than Bass Enterprises?

MR. CUNNINGHAM Yes, sir, that's correct. The name of the operator is Perry R. Bass. Bass Enterprises Production Company is the designated contract operator for Perry R. Bass.

MR. STAMETS: Okay. We will certainly allow you to go ahead and put on the evidence today and it's

2 conceivable that we might decide to go ahead and issue an 3 order on this basis. MR. COFFIELD: All right, and I have ----MR. STAMETS: Make that determination. MR. COFFIELD I have one witness to be 7 sworn. (Witness sworn.) 10 11 BOB CUNNINGHAM being called as a witness and being duly sworn upon his oath, 12 13 testified as follows, to-wit: 14 15 DIRECT EXAMINATION 16 BY MR. COFFIELD: 17 Mr. Cunningham, for the record would 18 you please state your name, address, occupation and employer? 19 I live in My name is Bob Cunningham. A. Midland, Texas, and work in the capacity of a Senior Production 20 Engineer for Bass Enterprises Production Company. 21 22 Have you previously testified before 23 the Division as a petroleum engineer? Yes, sir, I have. 25 Are you familiar with Bass' application

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A. Exhibit One is an expanded copy of the Schlumberger compensated neutron formation density log covering the Wolfcamp interval above 13-000 feet.

Also included on this expanded copy of the log is a well plat showing the location of the well.

Exhibit Number Two again a Schlumberger porosity log, showing the Atoka interval above 14,000, again with a plat showing the location of the well.

Exhibit Number Three is a copy of the electric log, being a Schlumberger duolatero log micro SFL, covering the Wolfcamp interval previously described.

Exhibit Number Four, again a Schlumberger electric log covering the Atoka interval above 14 000.

all four of the first exhibits, are consistent with respect
to the Wolfcamp and the Atoka, and indicate those intervals which
we desire to perforate and dually complete.

Next let's go to Exhibit Five and explain that to the Examiner, please.

a Exhibit Number Five is a wellbore schematic of our Poker Lake Unit Well No. 50, and shows the packer setting arrangement and flow diagram as we propose it in the dual application, with the Atoka gas production confined to the tubing and the Wolfcamp gas production in the

this well in compliance with statewide regulations?

 F_{λ} Yes, sir, we will. 3 Would you please tell the Examiner what is the current status of this well? -5 The current status of this well is cur-A. 6 rently shut-in in the Morrow zone. The Morrow was perforated 7 initially and tested yielding noncommercial amounts of gas 8 and large volumes of water. 9 The basic plan is to isolate with cement 10 plugging the Mcrrow and dually completing the Atoka/Wolfcamp 11 as we seek in our advertisement. 12 Accordingly, then, Mr. Cunningham, 13 with the status of the well being what it is as you just 14 described it, are you therefor requesting this matter be 15 handled expeditiously as possible? 16 Yes, sir, we are. We currently have 17 equipment which is difficult to find on standby right now at 18 Bass' expense awaiting a favorable decision for a dual com-19 pletion in this well. 20 Do you have anything further? 21 No, sir. 22 To add here? 23 No. sir, I do not. 24 Were these exhibits One through Six prepared by you or under your direct supervision?

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2	A. Yes, si On In your this application by Bass be	r opinion would	the approval of of conservation
4 5 6 7	and the prevention of waste: A. Yes, be in protection of correla	sir, the applicative rights and	tion by Bass would
``1	9 MR. 6 10 the admission of Exhibits MR.	One through Six.	\
	13 further on direct.		
	16	OSS EXAMINATION	ave you tested the
	19 Wolfcamp ŏrrAtoka zones	in this well at	no tests in either of mud logs and well logs
	these zones. We have that these zones are possible we were required to retain a balance.	roductive	ght in the well to main-
	a	In what older	

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will? Would you attempt to complete and test each zone separately and then install dual completion equipment?

A. Yes, sir, in this particular light, the packer arrangement that we've decided to use in the bottom zone is an Otis WB type permanent wireline set packer.

The well — the packer will be set in the well, tubing run into the well, and the perforations in the Atoka zone made.

The Atoka zone will be tested separately off the tubing.

Then a plug would be set in the permanent packer, the tubing removed, and rerun with an additional retrievable Otis MH-2 type packer, perforation of the Wolfcamp treatment of the Wolfcamp, and separate testing of the Wolfcamp through tubing.

would be killed with load fluids from the annulus and the tubing arrangement reseated in the WB packer such that the Atoka gases would be confined to the tubing and the Wolfcamp gases allowed to flow up the tubing-casing annulus.

n If the Wolfcamp should turn out to produce any significant liquids, would you have the ability to run two strings of tubing in this well?

A. Yes, sir, we do have the ability to run two strings of tubing in this well. The way that we would do that would be again to set the plug in the Atoka WB packer, remove the tubing from the well after killing the

Wolfcamp side, run in with a dual 7-inch packer to be set above the lap, and dual from underneath the WB with the Acon again through the tubing and the Wolfcamp up the dual parallel

The arrangement that we have the well-bore diagram permits us the least expense with the most flexibility should the Wolfcamp make liquids.

**Mould Bass have any problem with con-

aniting with the District Supervisor and presenting the well?

Sulting with the productivity of the Wolfcamp zone and make evidence as to the productivity of the Wolfcamp zone efficiently suitable and make and with the productivity of the Wolfcamp zone and make antitude with the productivity of the Wolfcamp zone and make suitable production of the Well?

up the annular space before final completion of the well?

Referring to Exhibit Number One, Bass's

screage is colored in yellow, is that correct?

A. That is correct.

% And who is the owner, then, of the west

This is inside the Poker Lake Unit, Is

half of the southeast quarter of Section 33 immediately to

the north?

A. Pauley Petroleum Company, They have

a small working interest in the Bass Enterprises Well No. 50,

that Pauley acreage not participating in the unit?

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2 Wolfe	amp side, run in with a dual 7-inch packer to be set the lap, and dual from underneath the MB with the Atoka the lap, and dual from underneath up the dual parallel
	the lan, and dual from underneas.
3 abov	tubing and the Wolfcamp up the
4 agai	the lap, and dual from underneath the the lap, and dual from underneath the the dual parallel through the tubing and the Wolfcamp up the dual parallel
1	ng string.
5 tub:	ng string. The arrangement that we have the well.
6	e diagram permits us the least expense with the most
a hor	e diagram permits us the liquids.
7 box	e diagram permits do
8 fl	exibility should the Wolfcamp make any problem with con-
9	and presenting
	with the District Supervisor
10 51	the productivity of the Wollton.
11 e	Iting with the District Supervisor and Parallel Superv
40	demonstration that it tous
12 a	the annular space before final complete. No, sir, Bass has no objection to that. No, sir, Bass has no objection to that.
13	the annutar in the sir, Bass has no object.
14	No, sir, Bass Made Number One, Bass' Referring to Exhibit Number One, Bass'
1	Referring to The Referr
15	acreage is colored in yellow, is that correct?
16	acreage is colored In I
	And who is the owner, then, of the west
17	And who is the Owner
18	warter of Section 33 immediately
19	half of the southeast quarter of Section 33 immediately to
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20	1 1.6 A 1105, C** '
21	A. Bass Enterprises not
	1 1 1 MINES +** 2 . BAVAL SIM!
22	This is inside the
2	in the unit
4	that Pauley acreage not participating in the unit? I believe that that acreage is out
	A. I believe that the
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LARRY KEHOE SECRETARY

Mr. Conrad Coffield

JDR/fd

Hobbs OCD Artesia OCD Aztec OCD

Other

Copy of order also sent to:

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

May 1, 1981

POST OFFICE BOX CORE STATE LAND OFFICE BOXID VIS SANTA FE, NEW MEXICO 87501 (505) 827-2434

Hinkle, Cox, Eaton, Co & Hensley Attorneys at Law P. O. Box 3580	offield Applica	int:	
Midland, Texas 79702	Rage Ent	erprises Produ	uction Co.
Dear Sir:			<i>i</i> •
Enclosed herewith are Division order recent!			ad
Yours very truly,			
JOE D. RAMEY Director			
green (green)			
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Re: CASE NO.

ORDER NO.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
8 April 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of Bass Enterprises)
Production Company for a dual)
Completion, Eddy County, New Mexico.)

CASE 7212

BEFORE: Richard I. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel to the Division State Land Office Bldg. Santa Fe, New Mexico 87501

For the Applicant:

Conrad E. Coffield, Esq.
HINKLE, COX, EATON, COFFIELD &
HENSLEY
P. O. Box 3850
Midland, Texas 79702

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5	BOB CUNNINGHAM		
6	Direct Examination by Mr. Coffield		
7 7	Cross Examination by Mr. Nutter		4
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13	EXHIBITS		
14			
15	Applicant Exhibit One Log		5
16	Applicant Exhibit Two, Log		5
17	Applicant Exhibit Three, Log		
18	Applicant Exhibit Four, Log		5
19	Applicant Exhibit Five, Schematic		5
20	Applicant Exhibit Six, Graph		6
24	Graph		7
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MR. STAMETS: WE'll call now Case 7212.

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MR, PADILLA: Application of Bass Enter-

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prises Production Company for a dual completion, Eddy County

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New Mexico.

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MR. COFFIELD: Conrad Coffield, with the

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Hinkle Law Firm in Midland, Texas, appearing on behalf of the

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applicant, and I have one witness.

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Before you swear the witness, Mr. Examiner,

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I must take note of the fact that the advertisement and the

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application in this case are wing with respect to the actual

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location of the well. They indicate it's located in Unit C

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of Section 4, and actually the well is located in Unit B of

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Section 4.

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We would respectfully request permis-

Examiner please,

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MR. STAMETS: And is the name of the operator Perry R. Bass rather than Bass Enterprises?

sion to present the case and have it readvertised, if the

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ass facuer fram pass purefatraes:

MR. CUNNINGHAM: Yes, sir, that's

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correct. The name of the operator is Perry R. Bass. Bass Enterprises Production Company is the designated contract

operator for Perry R. Bass.

MR. STAMETS: Okay, We will certainly

Liew you to go ahead and put on the evidence today and it's

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conceivable that we might decide to go ahead and issue an
     order on this basis.
                           MR. COFFIELD: All right, and I have --
                           MR. STAMETS: Make that determination.
                           MR. COFFIELD: I have one witness to be
 7
     sworn.
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                           (Witness sworn.)
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                             BOB CUNNINGHAM
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     being called as a witness and being duly sworn upon his oath,
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     testified as follows, to-wit:
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                           DIRECT EXAMINATION
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     BY MR. COFFIELD:
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                           Mr. Cunningham, for the record would
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     you please state your name, address, occupation, and employer?
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                           My name is Bob Cunningham, I live in
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     Midland, Texas, and work in the capacity of a Senior Production
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     Engineer for Bass Enterprises Production Company.
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                           Have you previously testified before
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23
     the Division as a petroleum engineer?
                           Yes, sir, I have.
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                 A.
                           Are you familiar with Bass' application
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in this case? Yes, sir, I am. And likewise, are you familiar with the property and the proposed well location? Yes, sir. MR, COFFIELD: Do you have any questions of the witness? MR. STAMETS: No, the witness is quali-10 fied. 11 For the record, Mr. Cunningham, would 12 you once again state who is the operator of this well? 13 The operator of this well is Perry R. 14 The contract operator is Bass Enterprises Production 15 Company from Perry R. Bass. 16 What is it that Bass seeks by this 17 application? 18 Bass seeks approval for the dual com-19 pletion of its Poker Lake Unit No. 50, located in Unit B of 20 Section 4, 25, 31, Eddy County, to produce the Atoka and

Wolfcamp gas through tubing and tubing annulus -- tubing-

marked as Exhibit One, Two, Three, and Four and please ex-

Would you please refer to what we've

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plain what these four exhibits represent?

casing annulus, respectively.

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Schlumberger compensated neutron formation density log covering the Wolfcamp interval above 13.000 feet.

Also included on this expanded copy of the log is a well plat showing the location of the well.

Exhibit One is an expanded copy of the

Exhibit Number Two again a Schlumberger porosity log, showing the Atoka interval above 14,000, again with a plat showing the location of the well.

Exhibit Number Three is a copy of the electric log, being a Schlumberger duolatero log micro SFL, covering the Wolfcamp interval previously described.

Exhibit Number Four, again, a Schlumberger electric log covering the Atoka interval above 14,000.

Perforations shown on all four copies,

all four of the first exhibits, are consistent with respect
to the Wolfcamp and the Atoka, and indicate those intervals which
we desire to perforate and dually complete.

Q Next let's go to Exhibit Five and explain that to the Examiner, please.

A. Exhibit Number Five is a wellbore schematic of our Poker Lake Unit Well No. 50, and shows the packer setting arrangement and flow diagram as we propose it in the dual application, with the Atoka gas production confined to the tubing and the Wolfcamp gas production in the

ichi d

2 tubing-casing annulus. 3 Let's go on then now finally to the 4 last Exhibit, Exhibit Number Six, and explain that one. 5 Exhibit Number Six is a graph that relates the internal yield pressures of the casings in the well with respect to pressure at depth. The main thing to notice on this particular exhibit is the the minimum yield strength of the 10 casing is not exceeded by the maximum shut-in bottom hole 11 pressure of the Wolfcamp zone, that zone which would be ex-12 posed to the casing wall. 13 Have you done any economic studies on 14 this particular project? 15 Yes, sir, I have. 16 What were the results of your study 17 on that subject? 18 Basically, in order to drill an additional well for either the Wolfcamp or the Atoka zones, we're looking expenditures near three-quarters of a million dollars. With the dual granted that cost is reduced to in the range of \$150,000, and this helps us prevent economic waste and produce gases which may not otherwise be produced. Will you pressure test the casing in this well in compliance with statewide regulations?

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2	A. Yes, sir, we will.
3	Q. Would you please tell the Examiner what
4	is the current status of this well?
5	A. The current status of this well is cur-
6	rently shut-in in the Morrow zone. The Morrow was perforated
7	initially and tested yielding noncommercial amounts of gas
8	and large volumes of water.
9	The basic plan is to isolate with cement
10	plugging the Morrow and dually completing the Atoka/Wolfcamp
11	as we seek in our advertisement.
12	Q Accordingly, then, Mr. Cunningham,
13	with the status of the well being what it is as you just
14	described it, are you therefor requesting this matter be
15	handled expeditiously as possible?
16	A. Yes, sir, we are. We currently have
17	equipment which is difficult to find on standby right now at
18	Bass' expense awaiting a favorable decision for a dual com-
19	pletion in this well.
20	Q Do you have anything further?
21	A. No, sir.
22	Q. To add here?
23	A. No, sir, I do not.
24	Q Were these exhibits One through Six
15	prepared by you or under your direct supervision?

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2	A.	Yes, sir, they were.
3	Q	In your opinion would the approval of
4	this application by	Bass be in the interest of conservation
5 .	and the prevention	of waste?
6	A.	Yes, sir, the application by Bass would
7	be in protection of	correlative rights and the prevention of
8	economic and hydroca	arbon waste.
9		MR. COFFIELD: Mr. Examiner, I move
10	the admission of Exl	nibits One through Six.
1		MR. STAMETS: These exhibits will be
12	admitted.	
13		MR. COFFIELD; And we have nothing
14	further on direct.	
15		
6.		CROSS EXAMINATION
7	BY MR. STAMETS:	
8	Q	Mr. Cunningham, have you tested the
9		ones in this well at this time?
20	А.	No, sir, we have no tests in either of
1		ve indications from mud logs and well logs
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		productive, and in the Atoka interval
3		raise the mud weight in the well to main-
4	tain a balance.	•

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In what order will you complete this

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will? Would you attempt to complete and test each zone separately and then install dual completion equipment?

packer arrangement that we've decided to use in the bottom zone is an Otis WB type permanent wireline set packer. The well -- the packer will be set in the well, tubing run into the well, and the perforations in the Atoka zone made. The Atoka zone will be tested separately off the tubing. Then a plug would be set in the permanent packer, the tubing removed, and rerun with an additional retrievable Otis MH-2 type packer, perforation of the Wolfcamp, treatment of the Wolfcamp, and separate testing of the Wolfcamp through tubing.

Yes, sir, in this particular light, the

All right, at this point the Wolfcamp would be killed with load fluids from the annulus and the tubing arrangement reseated in the WB packer such that the Atoka gases would be confined to the tubing and the Wolfcamp gases allowed to flow up the tubing-casing annulus.

If the Wolfcamp should turn out to produce any significant liquids, would you have the ability to run two strings of tubing in this well?

Yes, sir, we do have the ability to run two strings of tubing in this well. The way that we would do that would be again to set the plug in the Atoka WB packer, remove the tubing from the well after killing the

Wolfcamp side, run in with a dual 7-inch packer to be set above the lap, and dual from underneath the WB with the Atoka again through the tubing and the Wolfcamp up the dual parallel tubing string.

The arrangement that we have the well-bore diagram permits us the least expense with the most flexibility should the Wolfcamp make liquids.

Q. Would Bass have any problem with consulting with the District Supervisor and presenting their evidence as to the productivity of the Wolfcamp zone and make a demonstration that it could or could not produce efficiently up the annular space before final completion of the well?

A. No, sir, Bass has no objection to that.

Q. Referring to Exhibit Number One, Bass' acreage is colored in yellow, is that correct?

A. That is correct.

Q. And who is the owner, then, of the west half of the southeast quarter of Section 33 immediately to the north?

A. Pauley Petroleum Company. They have a small working interest in the Bass Enterprises Well No. 50.

Q This is inside the Poker Lake Unit. Is

A. I believe that that acreage is out-

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standing of the unit.

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One moment please.

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Mr. Examiner, we've consulted our records and find that all of the acreage within the Poker Lake Unit boundary is committed to the unit but participation is on a well-by-well basis, dependent upon the proration unit selected for each well.

In this particular case that you mention in the south half of Section 33, should Pauley decide to participate, they would have one quarter of their own acreage to be contributed to the well to be located in the south half of Section 33.

That is to say that Bass Enterprises

Production Company and Perry R. Bass do not own working interest rights or mineral rights under the Pauley tract.

Let's go off the record a minute.

(There followed discussion off the record.)

Okay, we're back on the record.

Are there any other questions of this

witness? He may be excused.

Q.

Mr. Coffield, if you can supply us with

a waiver from the interest owners to the north, being the interest owner in the west half of the southeast quarter of Section 33, we will be able to take this case under advisement without readvertising, and I would expect that waiver in here . by the middle of next week; otherwise we will readvertise the case and set it for hearing, that would be the 6th of May. MR. COFFIELD: All right, Mr. Examiner. I feel confident we can obtain such a waiver and we'll have it to you timely. MR. STAMETS: Upon the receipt of that waiver the case will be taken under advisement. (Hearing concluded.)

CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Jaly W. Boyd CSR.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 72/2 heard by me on 4-8 196/.

Lichard L. Raminer Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (305) 455-7409

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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 7212 Order No. R-6651=A

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR A DUAL COMPLETION, EDDY COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-6651, dated April 14, 1981, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED:

- (1) That Finding (5) on Page 1 of Order No. R-6651 is hereby corrected to read in its entirety as follows:
 - "(5) That the applicant should supply all of the supervisor of the Division's district office at Artesia."
- (2) That Order (2) on Page 2 of Order No. R-6651 is hereby corrected to read in its entirety as follows:
 - "(2) That the applicant shall supply all of the Wolfcamp zone productivity test data to the super-visor of the Division's district office at Artesia."
- (3) That this order shall be effective nunc pro tunc as of April 14, 1981.

DONE at Santa Fe, New Mexico, on this 30th day of April,

STATE OF NEW MEXICO
ON CONSERVATION DIVISION

JUE D. RAMEY

Director

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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) 827-2434

April 15, 1981

	Re:	CASE NO.
Mr. Conrad Coffield		ORDER NO.
Hinkle, Cox, Eston, Coffield		The second secon
& Hensley		
Attorneys at Law		Applicant:
P. O. Box 3580		
Midland Tayes 79702		

Bass Enterprises Production Co.

NO. R-665]

Dear Sir:

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

Yours very tr	ruly,
Joe XX	Ciney
JOE D. RAMEY Director	

JDR/fd

Copy of order also sent to:

Other.

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 7212 Order No. R=6651

APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR A DUAL COMPLETION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on April 8, 1981, at Senta Fe. New Mexico, before Examiner Richard L. Stameta.

NOW, on this 14th day of April, 1981, 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, Bass Enterprises Production Co., is the operating agent for Perry R. Bass.
- (3) That the applicant seeks authority to complete the Perry R. Bass Poker Lake Unit Wall No. 50, located in Unit B of Section 4, Township 25 South, Range 31 East, MMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Ateka and Wolfcamp formations through the tubing and casing-tubing annulus, respectively, or through parallel strings of tubing.
- (4) That prior to dually completing said well, the applicant should test the Wolfcamp zone for a period sufficient to determine its productive petential for both gas and liquids.
- (5) That the applicant should supply all of the Wolfcamp zone productivity test data to the supervisor of the Division's district office at Hobbs.

-2-Case No. 7212 Order No. R-6651

- (6) That based upon the forementioned Holfcamp zone test data, acid supervisor should determine whether tubing should be required for Wolfcamp production.
- (7) That the mechanics of the proposed dual completion as provided above are feasible and in accord with good conservation practices.
- (8) That approval of the subject application will prevent waste and protect correlative rights.

17 IS THEREFORE ORDERED ...

(1) That the applicant, Bass Enterprises Production Co., is hereby authorized to complete the Perry R. Bass Poker Lake Unit Holl No. 50, located in Unit B of Section 4, Township 25 South, Range 31 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Atoka and Hollowip Formations through the tubing and casing-tubing annulus. respectively, or through parallel strings of tubing, with separation of the zones to be achieved by means of a packer set at approximately 13,900 feet.

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 gas wells in Southeast New Mexico.

IT IS FURTHER ORDERED:

- (1) That prior to dually completing said well, the applicant shall test the Wolfcamp zone for a period sufficient to determine its productive potential for both gas and liquids.
- (2) That the applicant shall supply all of the Wolfcamp zone productivity test data to the supervisor of the Division's district office at Hobbs.
- (3) That based upon the forementioned Holfcamp zone test data, said supervisor shall determine whether tubing shall be required for Wolfcamp production.

| 3-| Case No. 7212 | Order No. R-6651

(4) 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 herein-

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY Director

4/

OIL CONSTRUCTION DIVISION SANTA FE

LAW OFFICES

HINKLE, COX, EATON, COFFIELD & HENSLEY

1000 FIRST NATIONAL BANK TOWER

POST OFFICE BOX 3580 MIDLAND, TEXAS 79702 (915) 683-4691

ROSWELL, NEW MEXICO OFFICE 600 HINKLE BUILDING (505) 622-6510

AMARILLO, TEXAS OFFICE 1701 AMERICAN NATIONAL BANK BUILDING (606) 372-5569

"NOT LICENSED IN

April 17, 1981

Mr. Dick Stamets Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

> Oil Conservation Division Re: Case No. 7212 heard April 8, 1981

Dear Dick:

W. E. BONDURANT, JR

OF COURSEL CLARENCE E. HINKLE'

LEWIS C. COX JR.*

LEWIS C. COX, JR.*
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.*
STUART D. SHANOR*
C. D. MARTIN
PAUL J. KELLY, JR.*
JAMES H. BOZARTH
DOUGLAS L. LUNSFORD*
PAUL M: BOHANNON
ERNEST R. FINNEY, JR.
J. DOUGLAS FOSTER

K. DOUGLAS PERRIN

K. DOUGLAS PERRIN'
C. RAY ALLEN
T. CALDER EZZELL, JR.'
WILLIAM B. BURFORD
JOHN S. NELSON'
RICHARD E. OLSON'
ANDERSON CÂRTER, II
STEVEN D. ARNOLO
JEFFREY L. BOWMAN
JOHN C. HARRISON'

In connection with the above referenced case, you will recall that we indicated, on behalf of Bass, that we would be able to obtain waivers from the offset working interest owners in connection with the area involved in the above referenced case. Thus, the offset owners would consent to the hearing and the entry of an order, notwithstanding the fact that in the advertisement for the case the well location was inadvertently and incorrectly described as being located in Unit C of Section 4. The well is, of course, located in Unit B of that Section.

It is my understanding that Bass requested the various offset working interest owners to advise you by wire of their respective waivers, and I assume that by this time such have been received in your office.

Further in connection with this matter, I have now received from Bass a copy of Exhibit "A" to a Joint Operating Agreement dated as of June 30, 1980 between Bass Enterprises Production Company as Operator and Pauley Petroleum, Inc., et al as Non-Operators. A copy of that Exhibit with an accompanying plat is enclosed herewith for your information and further handling, as appropriate. You will note that the lands subject to the

Agreement of June 30, 1980 include not only the Section 4 acreage which was involved in the above referenced case, but also all of the offsetting acreage. By virtue of this Joint Operating Agreement, the interest owners on offsetting acreage, relative to Unit B of Section 4 include not only Bass Enterprises Production Company and Perry R. Bass, but also the other parties named in this Exhibit.

If anything further is needed in connection with this particular matter, please let me know.

Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Conrad E. Coffield

CEC:rh Enclosure

xc: Mr. J. E. Pullig
xc: Mr. Bob Cunningham

EXHIBIT A
TO JOINT OPERATING AGREEMENT DATED EFFECTIVE
JUNE 30, 1980, BETWEEN
BASS ENTERPRISES PRODUCTION CO., AS OPERATOR,
AND PAULEY PETROLEUM, INC., et al, AS NON-OPERATORS

- I. Lands Subject to the Agreement. All of Sections 4, 5, 8 & 9, the W/2 of Section 3, and the W/2 of Section 10, T25S, R31E; and, Section 33, the E/2 of Section 32, and the W/2 of Section 34, T24S, R31E, all in Eddy County, New Mexico.
- II. Restrictions as to Depths or Formations. This Agreement applies to the Morrow and all shallower formations.

III. Interest of the Parties:

A. As to Section 4, the E/2 of Section 5, and the W/2 of Section 3, T25S, R31E, and Section 33, the E/2 of Section 32, and the W/2 of Section 34, T24S, R31E, Eddy County, New Mexico, the following:

	Before Payout * of Article VI.A. well	After Payout * of Article VI.A. well and all other wells.**
BEPCO	48.6075%	48.6075%
Perry R. Bass	16.2025%	16.2025%
Superior	8.4000%	8.4000%
Amoco	1.6400%	1.6400%
Tenneco	25.1500%	18.8625%
Pauley	ZERO%	6.2875%

*as defined in the Farmout Agreement between BEPCO and Pauley of even date.

**this column only applies if Pauley elects to exercise its right under such Farmout Agreement to convert its retained overriding royalty interest to a working interest.

B. As to Sections 8 & 9, the W/2 of Section 5, and the W/2 of Section 10. T25S P31F Edd. Communication

Amoco Production Company Post Office Box 3092 Houston, Texas 77001

Pauley Petroleum, Inc. 10000 Santa Monica Boulevard Los Angeles, California 90067 Attn: Mr. Bob Beckstrom

Tenneco Oil Company

Attn:

EXHIBIT A

TO JOINT OPERATING AGREEMENT DATED EFFECTIVE JUNE 30, 1980, BETWEEN

BASS ENTERPRISES PRODUCTION CO., AS OPERATOR, AND PAULEY PETROLEUM, INC., et al, AS NON-OPERATORS

- I. Lands Subject to the Agreement. All of Sections 4, 5, 8 & 9, the W/2 of Section 3, and the W/2 of Section 10, T25S, R31E; a.d., Section 33, the E/2 of Section 32, and the W/2 of Section 34, T24S, R31E, all in Eddy County, New Mexico.
- II. Restrictions as to Depths or Formations. This Agremeent applies to the Morrow and all shallower formations.

III. Interest of the Parties:

A. As to Section 4, the E/2 of Section 5, and the W/2 of Section 3, T25S, R31E, and Section 33, the E/2 of Section 32, and the W/2 of Section 34, T24S, R31E, Eddy County, New Mexico, the following:

Before Payout * of Article VI.A. well	After Payout * of Article VI.A. well and all other wells.**
20750	48.6075%

	48.6075%	48.60736
REPCO		16.2025%
Perry R. Bass	16.2025% 8.4000%	8.4000%
Superior	1.6400%	1.6400%
Amoco	25.1500%	. 18.8625%
Tenneco	ZERO%	6.2875%
Pauley	BENOT	

*as defined in the Farmout Agreement between BEPCO and Pauley of even date.

**this column only applies if Pauley elects to exercise its right under such Farmout Agreement to convert its retained overriding royalty interest to a working interest.

As to Sections 8 & 9, the W/2 of Section 5, and the W/2 of Section 10, T25S, R31E, Eddy County, New Mexico, the following:

*These interests apply only 59.3775% if the Farmoutee under such BEPCO 19.7925% Farmoutee Agreement earns the Perry R. Bass 15.6225% * interests provided in such Tenneco 5.2075% * agreement. Pauley

IV. All oil and gas leases, or other oil and gas interests of the parties respecting lands within the areas described in I., above, are included in this Agreement.

Addresses of Parties for Notices:

Bass Enterprises Production Co. 3300 Fort Worth National Bank Building Fort Worth, Texas 76102 Attp: Mr. Jens Hansen

Perry R. Bass 3200 Fort Worth National Bank Building Fort Worth, Texas 76102 Attn: Mr. Jens Hansen

The Superior Oil Company 204 West Illinois Midland, Texas 79702 Attn: Mr. Gene Wentworth



On CONSTRUCTION SANTA FOR POST OFFICE BOX 3092
Houston Fees 77001

File 7212 Core 7212

Richard E. Ogden Regional Engineering Menager

April 13, 1981

File: JCA-986.51NM-547

Re:

Waiver Notice Dual Completion Application Poker Lake Unit Well No. 50

Eddy County, New Mexico

State of New Mexico Energy and Minerals Department

Oil Conservation Division P. O. Box 2088 Santa Fe, NM 87501

Attention: Mr. R. L. Stamets

Gentlemen:

We hereby acknowledge receipt of notice of the Examiner's Hearing before the MMOCD Case No. 7212, the application of Bass Enterprises Production Company for dual completion of its Poker Lake Unit Well No. 50, which is located in Unit B, Section 4, T-25-S, R-31-E. We hereby consent to the hearing of the application on April 8, 1981 not withstanding that the well was inaccurately described in the public notice of hearing as being located in Section C of Section 4, we hereby consent to the change in notice of the hearing and waive any claim of prejudice caused by the erroneous description and any right to demand rehearing or to claim invalidity of the hearing held on the application on April 8, 1981.

Yours very truly,

SPS/rw

Bass Enterprises
P. O. Box 2760
Midland, TX 79702

WU AGENT SANA

WI MOD ABQ

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21387 95000 TOMT LOS ANGELES CA 125 04-10 0527P EST

PMS NEW MEXICO OIL CONSERVATION DIVISION RPT DLY MGM, DLR

SANTA FE NM

WAIVER: WE HEREBY ACKNOWLEDGE RECEIPT OF NOTICE OF THE EXAMINERS
HEARING BEFORE THE NMCCD CASE NO 7212. THE APPLICATION OF BASS
ENTERPRISES PRODUCTION COMPANY FOR DUAL COMPLETION OF ITS POKER LAKE
UNIT WELL NO 50. WHICH IS LOCATED IN UNIT B OF SECTION 4. T255. R31E.
WE HEREBY CONSENT TO THE HEARING OF THE TTLICATION ON APRIL 8 1981
NOTWITHSTANDING THAT THE WELL WAS INACCURATELY DESCRIBED IN THE
PUBLIC NOTICE OF HEARING AS BEING LOCATED IN SECTION C OF SECTION 4.
WE HEREBY CONSENT TO THE CHANGE IN THE NOTICE OF THE HEARING AND
WAIVE ANY CLAIM OF PREJUDICE CAUSED BY THE ERRONFOUS DESCRIPTION. AND
RESENT TO DEMAND REHEARING OR TO CLAIM INVALIDITY OF THE HEARING
WE THE APPLICATION ON APRIL 8 1981.

LEVIL INC R L BECKSTROM LAND MANAGER

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MAILGRAM SERVICE CENTER MIDDLETOWN, VA. 22645

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4-0388718099 04/09/81 ICS IPMBNGZ CSP ABAB 5127348161 MGM TDBM SAN ANTONIO TX 149 04-09 6346P EST APR 10 1981 OIL OCIE THE LANDINISION

MR STAMETS HEW MEXICO OIL CONSERVATION DIVISION PO BOX 2088 SANTA FE MM 87501

WAIVER: WE HEREBY ACKNOWLEDGE RECEIPT OF NOTICE OF THE EXAMINERS HEARING BEFORE THE MMOCD CASE NUMBER 7212. THE APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY FOR DUAL COMPLETION OF 13'S POXER LAKE UNIT WELL NUMBER 50 WHICH IS LOCATED IN UNIT B OF SECTION 4, 7255, 1981 NOT WITHSTANDING THAT THE WELL WAS INACCURATELY DESCRIBED IN THE PHRITC METTER OF MEADING AS RETHE LOCATED IN SECTION C. OF SECTION A PUBLIC MOTICE OF HEARING AS BEING LOCATED IN SECTION C OF SECTION 4. WE HEREBY CONSENT TO THE CHANGE IN THE NOTICE OF THE MEARING AND WAIVE ANY CLAIM OF PREJUDICE CAUSED BY THE ERRONGOUS DESCRIPTION AND ANY RIGHT TO DEMAND REMEARING ON TO CLAIM INVALIDITY OF THE HEARING HELD ON THE APPLICATION ON APRIL 8 1981.

JOHN & PARRISH DIVISION SEGLOGIST TENNECO OIL EXPLORATION AND

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STATE OF NEW MEXICO ATTENTION MR R L STAMETS ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NN 87501

FILE: JCA-986.51 NM-347

RE

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WAIVER NOTICE
DUAL COMPLETION APPLICATION
POKER LAKE UNIT WELL NO. 50
EDDY COUNTY, NEW MEXICO

GENTLEMEN:

WE HERERY ACKNOWLEDGE RECEIPT OF NOTICE OF THE EXAMINER'S HEARING BEFORE THE NMOCD CASE NO. 7212, THE APPLICATION OF BASS ENTERPRISES PRODUCTION COMPANY FOR DUAL COMPLETION OF ITS POKER LAKE UNIT WELL NO. 50, WHICH IS LOCATED IN UNIT B, SECTION 4, I-25-S, R-31-E. WE HEREBY CONSENT TO THE KEARING OF THE APPLICATION ON APRIL 8, 1981 NOT VITHSTANDING THAT THE WELL WAS IMACCURATELY DESCRIBED IN THE PUBLIC MOTICE OF HEARING AS BEING LOCATED IN SECTION G OF SECTION 4, WE HEREBY CONSENT TO THE CHANGE IN NOTICE OF THE HEARING AND WAIVE ANY CLAIM OF PREJUDICE CAUSED BY THE ERRONEOUS DESCRIPTION AND ANY RIGHT TO DEMAND RECEATING OR TO CLAIM INVALIDITY OF THE HEARING HELD ON THE APPLICATION ON APRIL 8, 1981.

YOURS VERY TRULY.

R. E. OGDEN A MOCO PRODUCTION COMPANY HOUSTON, TEXAS

CC: BASS ENTERPRISES
P. O. BOX 2760
MIDLAND, TX 79702

TO REPLY BY MAILGRAM, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

PAGE 2

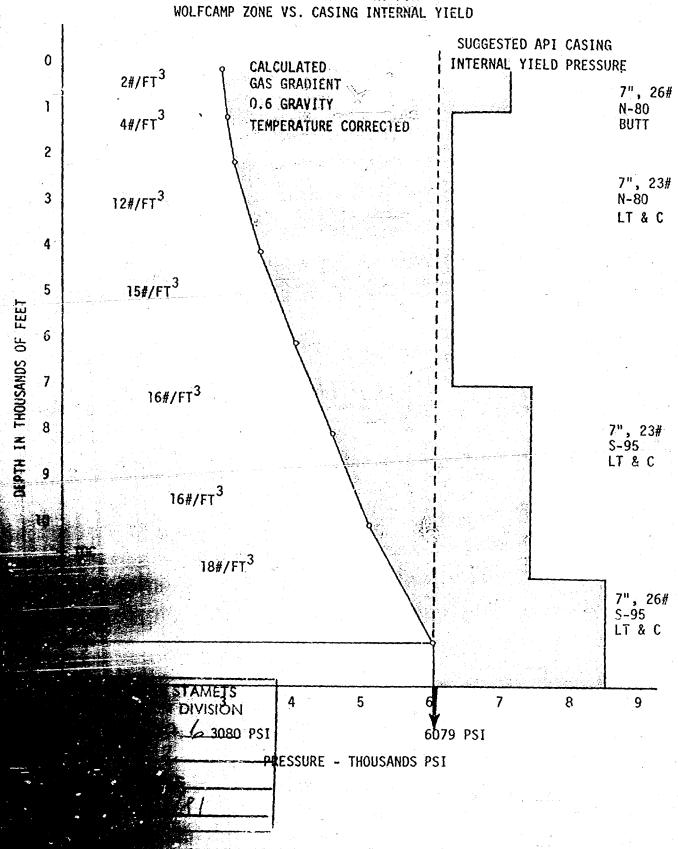
western union Mailgram 3



TO REPLY BY MAILGRAM, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

BASS ENTERPRISES PRODUCTION CO. WEST TEXAS DIVISION

PRESSURE GRADIENT FOR



Docket No. 12-81

Dockets Nos. 14-81 and 15-81 are tentatively set for April 22 and May 6, 1981. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - 1 L 8, 1981

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

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

CASE 7086: (Continued from the January 14, 1981, Examiner Hearing)

Application of Blackwood & Nichols Company, Ltd. for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Pictured Cliffs formation underlying portions of Townships 30 and 31 North, Ranges 6, 7, and 8 West, containing 33,500 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

- CASE 7210: Application of Gulf Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the East Hat Mesa Unit Area, comprising 2197 acres, more or less, of State and Federal lands in Township 21 South, Range 33 East.
- CASE 7211: Application of Gulf Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Rock Lake State Unit Area, comprising 2880 acres, more or less, of State land in Township 22 South, Range 35 East.
- CASE 7212: Application of Bass Enterprises Production Co. for a dual completion, Eddy County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the dual completion of its Poker Lake

 Unit Well No. 50 located in Unit C of Section 4, Township 25 South, Range 31 East, to produce gas from the Atoka and Wolfcamp formations through the tubing and casing-tubing annulus, respectively.
- CASE 7213: Application of Exxon Company USA for a dual completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its J. L. Greenwood Well No. 13 located in Unit L of Section 9, Township 22 South, Range 37 East, to produce oil from the Brunson-Fusselman Pool through tubing and commingled Blinebry and Tubb production through the casing-tubing annulus.
- CASE 7214: Application of Pioneer Production Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Basin-Dakota production in the wellbore of its Dustin Well No. 1E located in Unit J of Section 6, Township 29 North, Range 12 West.
- CASE 7215: Application of Amoco Production Company for an unerthodox gas well location, Eddy County, New Mexico. Applicant, in the above styled cause, seeks approval for the unorthodox Welfcamp-Tenn location of its Willow Lake Unit Well No. 4Y to be drilled 1980 feet from the South line and 660 feet from the West line of Section 14, Township 24 South, Range 28 East, the S/2 of said Section 14 to be dedicated to the well.
- CASE 7216: Application of Amoro Production Company for downhole commingling, Rio Arriba County, New Mexico.

 Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Chacon-Dakota production in the wellbore of its Jicarilla 396 Well No. 1 located in the NE/4 of Section 8, Township 23 North, Range 3 West.
- CASE 7217: 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 Morrow location of its Travis Ohio State Com Well No. 1 to be drilled 660 feet from the South and West lines of Section 13, Township 18 South, Range 28 East, the S/2 of said Section 13 to be dedicated
- CASE 7218: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Wolfcamp-Penn location of its Federal "BQ" Well No. 7 to be drilled 660 feet from the North line and 990 feet from the West line of Section 27, Township 17 South, Range 25 East, the N/2 of said Section 27 to be dedicated to the well.

CASE 7165: (Readvertised)

Application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Ellenburger, Strawn, McKee, and Devonian formations, Langley Field, underlying the N/2 of Section 33, Township 22 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, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

Page 3 Examiner Hesring - Wednesday - April 8, 1981

Docket No. 12-81

(i) EXTEND the Bowers-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM Section 4: SE/4

(j) EXTEND the Boyd-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM Section 11: E/2 Section 14: N/2

(k) EXTEND the Brunson-Fusselman Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 9: SW/4

(1) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM Section 11: E/2 Section 12: W/2

(m) EXTEND the Carson-Morrow Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 31 EAST, NMPM Section 10: S/2
Section 15: N/2

(n) EXTEND the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM Section 18: NE/4

(o) EXTEND the Chaveroo-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM Section 27: SW/4

(p) EXTEND the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NHPM Section 22: SW/4

(q) EXTEND the South Corbin-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 33: W/2 and SE/4

(r) EXTEND the Crooked Creek-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM Section 17: N/2

(a) EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM Section 19: S/2 Section 30: W/2

(t) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM Section 13: NW/4

(u) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM Section 13: S/2 Section 24: E/2

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Page 5 Examiner Hearing - Wednesday - April 8, 1981

Docket No. 12-81

(ii) EXTEND the West Sand Dunes-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH; RANGE 31 EAST, NMPM Section 21: S/2 Section 28: N/2

(jj) EXTEND the 3coggin Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NNPM Section 3: W/2
Section 4: All Section 10: W/2

(kk) EXTEND the East Terry-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM Section 31: N/2

(11) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM Section 19: SW/4

(mm) EXTEND the Tom Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM Section 29: SW/4

(nn) EXTEND the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM Section 20: N/2

(oo) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM Section 35: All. Section 36: S/2

(pp) EXTEND the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM Section 19: SW/4 Section 29: NM/4 Section 30: N/2

Docket No. 13-8).

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 15, 1981

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:

ALLOWABLE: (1) Consideration of the allowable production of gas for May, 1981, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for May, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

LAW OFFICES

W. E. BONDURANT, JR. (1914-1973)

OF COUNSEL
CLARENCE E, HINKLE*
ROBERT A, STONE
LEWIS C, COX, JR.*
PAUL W, EATON, JR.
CONRAD E, COFFIELD
HAROLO L, HENSLEY, JR.*
STUART D, SHANOR*
C, D, MARTIN
PAUL J, KELLY, JR.*
JAMES H, BOZARTH
DOUGLAS L, LUNSFORD*
PAUL M, BOHANNON
ERNEST R, FINNEY, JR.
J, DOUGLAS FOSTER
K, FOUGLAS PERRIN* (1914-1973) J. DOUGLAS FOSTER
K. FOUGLAS PERRIN®
C. RAY ALLEN
T. CALDER EZZELL, JR.®
WILLIAM B. BURFORD
JOHN S. NELSON®
RICHARD E. OLSON®
ANDERSON CARTER, IL
STEVEN D. ARNOLD
JEFFREY L. BOWMAN
JOHN C. HARRISON® HINKLE, COX, EATON, COFFIELD & HENSLEY 1000 FIRST NATIONAL BANK TOWER

POST OFFICE BOX 3580 MIDLAND, TEXAS 79702

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*NOT LICENSED IN TEXAS

Case 7212

March 26, 1981

Mr. Dan Nutter Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

Bass Enterprises Production Company Application for Aprīl 8, 1981 Docket

Dear Dan:

I am transmitting herewith, executed in triplicate, copies of a Bass Application for Dual Completion affecting NEANWA Section 4, Township 25 South, Range 31 East, N.M.P.M., Eddy County, New Mexico. You will recall that my secretary telephoned the information relating to this application to you last week in order that the same could be placed on the April 8, 1981 docket.

If anything in addition to the above is needed, please advise.

very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Conrad E. Coffield

CEC: rh Enclosures

xc/enc: Mr. J. E. Pullig xc/enc: Mr. Steve Rowland

BEFORE THE OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO

APPLICATION BY BASS ENTERPRISES PRODUCTION COMPANY FOR DUAL COMPLETION EDDY COUNTY, NEW MEXICO

Case 7212

APPLICATION FOR HEARING

COMES NOW the undersigned as attorney on behalf of Bass Enterprises Production Company and files this written Application for Hearing to be set on the docket for April 8, 1981. In connection therewith, the undersigned, on behalf of Bass Enterprises Production Company, submits the following data:

- 1. Name of Applicant: Bass Enterprises Production Company
- 2. Area Affected by the Order Sought:

Township 25 South, Range 31 East, N.M.P.M Eddy County, New Mexico

Section 4: NEWNW

- 3. General Nature of Order Sought: Applicant seeks authority to dually complete its Poker Lake Unit No. 50 Well located in Unit C of said Section 4 with said dual completion to be as to the Atoka and Wolfcamp formations, producing gas and gas liquids therefrom with production to be from a dual completion conventional.
- 4. Other Matters to be Noted in Connection with Order Sought: The production from the Atoka formation will be by tubing and from the Wolfcamp formation will be by annulus. The offset acreage is owned by Bass Enterprises Production Company.

Dated this 26th day of March, 1980.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD & HENSLEY

By:

Conrad E. Coffield Attorney for Bass Enterprises

Production Company

BEFORE THE OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO

OIL CONS PANTA FE D. ISION

APPLICATION BY BASS ENTERPRISES PRODUCTION COMPANY FOR DUAL COMPLETION EDDY COUNTY, NEW MEXICO

Case >212

APPLICATION FOR HEARING

COMES NOW the undersigned as attorney on behalf of Bass Enterprises Production Company and files this written Application for Hearing to be set on the docket for April 8, 1981. In connection therewith, the undersigned, on behalf of Bass Enterprises Production Company, submits the following data:

- 1. Name of Applicant: Bass Enterprises Production Company
- 2. Area Affected by the Order Sought:

Township 25 South, Range 31 East, N.M.P.M Eddy County, New Mexico

Section 4: NEWNWY

- 3. General Nature of Order Sought: Applicant seeks authority to dually complete its Poker Lake Unit No. 50 Well located in Unit C of said Section 4 with said dual completion to be as to the Atoka and Wolfcamp formations, producing gas and gas liquids therefrom with production to be from a dual completion conventional.
- 4. Other Matters to be Noted in Connection with Order Sought: The production from the Atoka formation will be by tubing and from the Wolfcamp formation will be by annulus. The offset acreage is owned by Bass Enterprises Production Company.

Dated this 26th day of March, 1980.

Respectfully submitted,

HINKLE, OX, EATON, COFFIELD HENSLEY

Bv:

Conrad E. Coffield Attorney for Bass Enterprises

Production Company

BEFORE THE OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY AND MINERALS

STATE OF NEW MEXICO

OIL CONSTRUMEN DIVISION SANTA FE

APPLICATION BY BASS ENTERPRISES PRODUCTION COMPANY FOR DUAL COMPLETION EDDY COUNTY, NEW MEXICO

Case 7212

APPLICATION FOR HEARING

COMES NOW the undersigned as attorney on behalf of Bass Enterprises Production Company and files this written Application for Hearing to be set on the docket for April 8, 1981. In connection therewith, the undersigned, on behalf of Bass Enterprises Production Company, submits the following data:

- Name of Applicant: Bass Enterprises Production Company
- Area Affected by the Order Sought:

Township 25 South, Range 31 East, N.M.P.M Eddy County, New Mexico

Section 4: NEWNW4

- 3. General Nature of Order Sought: Applicant seeks authority to dually complete its Poker Lake Unit No. 50 Well located in Unit C of said Section 4 with said dual completion to be as to the Atoka and Wolfcamp formations, producing gas and gas liquids therefrom with production to be from a dual completion conventional.
- 4. Other Matters to be Noted in Connection with Order Sought: The production from the Atoka formation will be by tubing and from the Wolfcamp formation will be by annulus. The offset acreage is owned by Bass Enterprises Production Company.

Dated this 26th day of March, 1980.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD & HENSLEY

Conrad E. Coffield Attorney for Bass Enterprises

Production Company

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Case 72/2 - The well is probably
Case 72/2 - The well is probably
in Unit B Mot C, Operator Maybe
Pary R B665
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Called in ley Courant Coffields Secretary pass Enterprises Production Co dual completion Poker Lake Unit Well no 50 Unit C Sec 4 Twp 25'S Rge 31 E Eddy Co atoka and walframp conventional +69 à Weaun Exxan Co USA downhale comme & dual comp JEL Greenwood WELL no 13 Unik L Sec 9 Two 223 Rge 37 East Comme Bl& The Buselly comme zone wy Fusal man parallel strings

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. 7212
	Order No. R- (2(05)
	APPLICATION OF BASS ENTERPRISES PRODUCTION CO. FOR A DUAL COMPLETION, EDDY
	COUNTY, NEW MEXICO.
	ORDER OF THE DIVISION
	BY THE DIVISION:
	This cause came on for hearing at 9 o'clock a.m. on
	April 8 , 19 81 , at Santa Fe, New Mexico, before
	Examiner Richard L. Stamets
	NOW, on this day of April , 1981 , the
	Division Director, having considered the testimony, the record,
	and the recommendations of the Examiner, and being fully advised
	in the premises,
	<u>FINDS</u> :
	(1) That due public notice having been given as required by
	law, the Division has jurisdiction of this cause and the subject
	matter thereof.
	1) that the opplicant Boss Enterprises
	To duction Company, is the operating
•	sunt for Petry R. Boss.
	(3) 121 That the applicant come interpress Production Co.
	seeks authority to complete its Poker Lake Unit Well
	We'll No. 50 , located in Unit B of Section 4 , Town-
	ship 25 South , Range 31 East , NMPM, Eddy
	County, New Mexico, as a dual completion (conventional) to (combination) (tubingless)
	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
	the tubing and casing-tubing annulus, respectively, or through
	purallel other string consecont strong thoing
	of tubing as berges

(4) That prior to dually completing said well, the applicant should test
The Wolf camp zone for a period
sufficient to determine its productive
potential forbigus and liquids. (5) That the applicant should supply test duto to the supervisor of the Division's district office at Hobbis supervisor to determine with it 6) That based upon the Longention of Wolf camp some test data, soil supervisor should determine wheather posts tubing should be required for Wolf camp production

(7) That the mechanics of the proposed dual completion as provided above are feasible and in accord with good conservation practices. (8) the That approval of the subject application will prevent waste and protect correlative rights. IT IS THEREFORE ORDERED: That the applicant, Bass Enterprises Production Co. is hereby authorized to complete Poker Lake Unit Well No. 50, located in Unit β of Section Township 25 South _, Range 31 East Eddy , NMPM, completion (conventional) County, New Mexico, as a (combination) (tubingless) xx**&&cx**x to produce gas from the Atoka and Wolfcamp formations through the tubing and casing-tubing annulus respectively, or Throng 7 means of a 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 tests upon completion and annually thereafter during the Annual Shut - In Pressure Test Period for the Las Wells in

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IT IS FURTHER ORDERED:

<i>A</i>	VI
(1)	(9) That prior to dually completing said
	well, the applicant shell test
	The Wolf camp some for a period
	potential forbyes and liquids.
	potential forbigus and liquids,
(2)	(shut the applicant shall supply
	all of the Wolking some productions
	test duto to the supervisor of the
	Division's district office at Hobbs
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	supervisor to determine alle it
(3)	(that beset upon the formen son of
	Wolf camp some test data, soil
	supervisor shall determine wheather
	protes tubing shall be required for
	Wolf cump production.
	[12] 소프트리 마리 전 마음을 가입하는 것이 하는 사람들은 사람들은 사람들이 가는 사람들이 함께 함께 함께 함께 하는 사람은 눈을 모르는데

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.

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STATE OF NEW MEXICO ENERGY AND MINERALS DEFARTMENT OIL CONSERVATION DIVISION

CASE NO	7212		81,0	_
Order No.	R- 6651	- A		

APPLICATION OF BASS ENTERPRISES PRODUCTION

CO. FOR A DUAL COMPLETION, EDDY COUNTY,

XXXXXXX, NEW MEXICO.

NUNC PRO TUNC ORDER

John

BY THE DIVISION:

It appearing to the Division that Order No. R- 6651

dated April 14 , 1981 , does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED:

- (1) That Finding (5) on Page 1 of Order No. R-6651 is hereby corrected to read in its entirety as follows:
 - "(5) That the applicant should supply all of the Wolfcamp zone productivity test data to the supervisor of the Division's district office at Artesia."
- (2) That Order (2) on Page 2 of Order No. R-6651 is hereby corrected to read in its entirety as follows:
 - "(2) That the applicant shall supply all of the Wolfcamp zone productivity test data to the supervisor of the Division's district office at Artesia."
- (3) That this order shall be effective nunc pro tunc as of April 14, 1981.

DONE at Santa Fe, New Mexico, this _____ day of April, 1981.