OIL CONSERVATION COMMISSION

P. O. BOX 871 SANTA FE, NEW MEXICO

January 12, 1961

Tennessee Gas and Oil Company P. O. Box 307 Hobbs. New Mexico

Attention: Mr. A. W. Lang

Re: Administrative Order TX-4

Gentlemen:

Reference is made to your letter of November 14, 1960, wherein you state that due to high fluid level and excessive water production, you had found it desirable to set the pump in your State Western "A" Well No. 3 at approximately 6000 feet. You further stated that due to stress reversals and to avoid tubing fatigue and failure, you found it desirable to raise the tubing to approximately 6000 feet.

Inasmuch as it would seem that no waste will be caused by the proposed installation, Tennessee Gas and Oil Company is hereby authorized to raise the tubing in its State Western "A" Well No. 3, Kemnitz Wolfcamp Pool, Lea County, New Mexico, to approximately 6000 feet.

The Commission does, however, reserve the right to review the authority herein granted at any time, particularly if corrosive problems, cement failure, or production losses indicate that waste may be resulting.

Very truly yours,

A. L. PORTER, Jr., Secretary-Director

ALP/DSN/og
cc: Mr. Joe Ramey
Oil Conservation Commission - Hobbs

TENNESSEE GAS AND OIL COMPANY

DIVISION OF TENNESSEE GAS TRANSMISSION COMPANY



MAIN OFFICE GCC

P. O. BOX 307 · HOBBS, NEW MEXICO

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November 14, 1960

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Mr. A. L. Porter, Jr., Secretary Director New Mexico Oil Conservation Commission P. O. Box 871 Sante Fe, New Mexico

Dear Mr. Porter:

Tennessee Gas Transmission Company requests administrative exception to Subparagraph 3, Option 2 of Rule 107, Casing and Tubing Requirements, which requires that tubing be set within 250' of the top of the pay, for the State Western "A" No. 3, Kemnitz Wolfcamp Field, Lea County, New Mexico. Tennessee Gas requests permission to raise the tubing in the State Western "A" No. 3 from 10,588' to approximately 6000'. No waste will occur if this request is granted. The State Western "A" No. 3 is a single completion producing from the Lower Wolfcamp formation.

We have recently completed remedial work on the State Western "A" No. 3 which involved squeezing and reperforating the Lower Wolfcamp formation in an attempt to shut off the water production. Extensive swab testing after reperforating has shown that the well is not capable of sustaining flowing production because of the high water production of 54%. A 228 D pumping unit is being installed on the well. It is intended to place the pump at approximately 6000' with no tubing below the pump. The swab tests on the well indicated that the fluid level stabilized at approximately 4000'. In the future, the pump will be lowered as the fluid level drops in order to sustain top allowable production from this well.

Tennessee Gas Transmission Company has experienced tubing failures which were caused by excessive amount of tail pipe below the pump. We have found that stress reversals during pumping operations promote fatigue on the tubing when several thousand feet of tubing are below

the pump depth. In eliminating mechanical failures such as this, we feel that operating expenses can be held to a minimum and that subsequently, more oil can be produced at an economical rate.

We appreciate your consideration on this request.

Very truly yours

TENNESSEE GAS TRANSMISSION COMPANY

A. W. Lang

District Production Superintendent

MDW/tlj

cc: Joe Ramey

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