JOH CONSERVATION COMMISSION

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1949 **GULF OIL CORPORATION**

GYPSY DIVISION

P.O. BOX 661 · TULSA 2, OKLAHOMA May 11, 1949

Mr. R. R. Spurrier Oil Conservation Commission Santa Fe, New Mexico

Dear Sir:

Attached please find three copies of an application to dually complete Gulf's Holt "B" No. 1 located 660 from the east line and 1980' from the south line of Section 36-23S-36E, Lea County, New Mexico. It is proposed to produce from the Queen formation at an approximate depth of 3550 through the tubing and produce from the Yates formation at an approximate depth of 2930 through the annulus through tubing and casing. It is further proposed that packer be set on tubing in conventional manner in order to segregate production from these two zones.

We will be pleased to hear from you regarding date for the hearing.

Yours very truly,

Sanderson

Manager of Production

EWB:wh

Att1d.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF GULF OIL CORPORATION for an order to dually complete and produce from the Queen formation and the Yates formation from a single well bore in the J. R. Holt "B" No. 1, located 660' from east line and 1980' from south line of Section 36, Township 23 South, Range 36 East, Lea County, New Mexico.:



APPLICATION

COMES NOW THE GULF OIL CORPORATION, hereinafter called the applicant, and shows to the Honorable Oil Conservation Commission of the State of New Mexico that:

- 1. Gulf Oil Corporation is incorporated in the State of Pennsylvania and is duly authorized to do business in the State of New Mexico.
- 2. Gulf Oil Corporation is actively engaged in the exploration, development and production of oil and gas in the State of New Mexico, and that Gulf Oil Corporation is one of the larger producers of crude oil in that state.
- 3. Gulf Oil Corporation is the operator of an oil and gas lease covering the east half of the southeast quarter of Section 36-23S-36E, Lea County, New Mexico, and other acreage not here involved.
- 4. The J. R. Holt "B" No. 1 is located 660° from the east line and 1980° from the south line of Section 36-23S-36E. The top of the Yates formation is expected at approximately 2930° and 5-1/2" S.S. casing will be set at approximately 3450° and cemented with 750 sacks of cement. Open hole will be drilled to approximately 3600° in the Queen formation which should be topped at approximately 3550°.
- 5. The Queen producing section will be shot with sufficient solidified nitroglycerin to induce natural flow. Then this well will be tested through tubing to ascertain its oil producing rate.
- 6. This well will be dually completed by perforating the 5-1/2" casing in the Yates section from 2930' to 3100' with 340 jet holes and a Baker production type packer set at approximately 3400'. In the tubing string immediately above the packer, an Otis side door choke will be run which will permit obtaining bottom hole pressure data in either zone.

- 7. Applicant proposes to produce the Queen formation through tubing and to produce the Yates gas section through the annular space between tubing and casing in the manner shown above. This manner of production will prevent commingling within the well bore of hydrocarbons from separate strata.
- 8. Applicant further proposes to test the well after dually completing and at periodic intervals thereafter in accordance with previous orders of the Commission to assure that communication does not exist between the two zones.
- 9. This well is in the vicinity of other wells dually completed in the Langlie-Mattix Pool, Lea County, New Mexico.

Wherefore your applicant prays that this Honorable Commission promulgate an order that will permit dual completion of the Queen oil section and the Yates gas section in Holt "B" No. 1.

Respectfully Submitted,

JULA OIL CORPORATION

S. G. Sanderson

Manager of Production