Case 514

AMERADA PETROLEUM CORPORATION P. O. BOX 212 MIDLAND, TEXAS

February 13, 1953

Oil Conservation Commission State of New Mexico Santa Fe, New Mexico

Re: Application to Dually Complete Amerada State "O" 1, Monument Field, Lea County, New Mexico

Gentlemen:

By this letter of application the Amerada Petroleum Corporation wishes to state the following:

(a) That Amerada Petroleum Corporation State "O" No. 1 located in NW/4 of NE/4, Section 30, Twp. 19-S, Rge. 37-E, Lea County, was completed April 14, 1936 at a total depth of 3975 feet. The attached Exhibit A shows the location of this and other wells on the Amerada State "O" Lease together with the locations of all offset wells.

(b) That the subject well has 6 5/8 inch casing set at 3860 feet and cemented with 100 sacks of cement. The well is an oil well producing from the interval from 3860 to 3975 feet in the Grayburg formation.

(c) That the applicant proposes to dually complete the well to produce oil from the Grayburg and gas from the Seven Rivers - Queen formation in the following manner:

- (1) Perforate the 6 5/8 inch casing within the approximate interval of 3100 to 3560 feet opposite the Seven Rivers - Queen formation.
- (2) Set a production type packer below these perforations at approximately 3570 feet to separate the two pay zones.
- (3) Produce the Grayburg oil through the tubing and the Seven Rivers -Queen gas through the tubing - casing annulus.

(d) That the granting of this application for permission to produce the well as a dual completion with gas from the Seven Rivers - Queen formation and oil from the Grayburg formation is in the interest of conservation and the protection of correlative rights.

(e) That the applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission to maintain separations of production from the two pay zones.

(f) That the manner and method of the proposed dual completion is mechanically feasible and practical.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission set a certain day upon which this application may be heard and after said hearing to grant permission in order that the applicant may dually complete the subject well as proposed in this application.

Respectfully Submitted,

AMERADA PETROLEUM CORPORATION