

Carl 1384

Drawer D
Monument, New Mexico
January 28, 1958

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Application to Dually Complete
Amerada State BT"O" No. 1,
Bagley Pennsylvanian Pool,
Lea County, New Mexico

Gentlemen:

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

- A. That the Amerada State BT"O" No. 1 is located 990 feet FSL and 2310 feet FEL of Section 34, Township 11 South, Range 33 East, Lea County, New Mexico. This well is located in the SW/4 of the SE/4 of Section 34, and was completed December 15, 1957 at a total depth of 9975 feet. The attached Exhibit "A" shows the location of this well on the Amerada State BT"O" Lease together with the location of all offset wells.
- B. That the subject well has 5-1/2" casing set at 9975 feet with 900 sacks of cement. The top of the cement behind the 5-1/2" casing is at 6336 feet.
- C. That the applicant ~~has~~ dually completed the subject well in the following manner:
 - (1) Perforated the 5-1/2" casing within the approximate interval of 8774' to 8798' and 8808' to 8834' in the Bagley Pennsylvanian Oil Zone.
 - (2) Perforated the 5-1/2" casing within the approximate interval of 9766' to 9820' in the Bagley-Lower Pennsylvanian Gas Zone.
 - (3) Ran two strings of 2-1/16" OD Hydril tubing with Baker Model "D" production packer set at 9740 feet and 12 - 2-1/16" G.O.T. Type SSC flow valve mandrels on upper oil string.
 - (4) Produced the Bagley-Lower Pennsylvanian Gas - Zone through the lower 2-1/16" OD tubing and the Bagley Pennsylvanian Oil Zone through the upper 2-1/16" OD tubing with flow valve mandrels.

oil

gas

upper Pennsylvanian

January 28, 1958

The attached Exhibit "B" is a diagrammatic sketch of the dual completion.

- D. That the granting of this application to produce this well as a dual completion with gas from the Bagley-Lower Pennsylvanian formation and oil from the Bagley Pennsylvanian 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 separation of production from the two pay zones.
- F. That the manner and method of dually completing the subject well is mechanically feasible and practical.
- G. That by copy of this letter of application all offset operators are notified of this dual completion by registered mail.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission grant administrative approval to produce the subject well as a dual completion as set forth in this application.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By *D. C. Capps*
D. C. Capps
District Superintendent

PJP/vh

STATE OF NEW MEXICO }
COUNTY OF Lea }

Before me, the undersigned authority, on this day personally appeared D. C. Capps, known to me to be the person whose name is subscribed to this instrument, who after being by me duly sworn on oath, states that he has knowledge of all facts stated above and that the same is a true and correct statement of the facts therein recited.

Subscribed and sworn to before me on this the 28th day of January, 1958.

My Commission Expires 8-30-61

Howard E. Smith
Notary Public in and for
Lea County, New Mexico

cc: Texas Pacific Coal & Oil Company
Box 1688, Hobbs, New Mexico

Gulf Oil Corporation
Box 1667, Hobbs, New Mexico

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF AMERADA)
 PETROLEUM CORPORATION FOR AN ORDER AMENDING)
 EXISTING ORDERS, FOR PROMULGATING RULES AND)
 REGULATIONS RELATING TO GAS POOL DELINEATION,)
 GAS PRORATION, AND OTHER RELATED MATTERS AFFECT-)
 ING THE POOL OR POOLS UNDERLYING THE S/2, S/2)
 N/2 Sec. 33; S/2, NW/4, NE/4 Sec. 34; SW/4 Sec.)
 35-11S-33E; N/2, N/2 SE/4 Sec. 4; N/2, N/2 SW/4,)
 SE/4 SW/4, SE/4 Sec. 3; NW/4, W/2 SW/4 Sec. 2;)
 NE/4 Sec. 10; W/2 NW/4 Sec. 11-12S-33E; All in)
 Lea County, New Mexico.)

CAUSE NO.

1220APPLICATION

Comes now, Amerada Petroleum Corporation, Tulsa, Oklahoma, and alleges and states:

1. That Applicant has drilled and dually completed the J.T.Caudle Well #7, (located in the center of the NE/4 NW/4 Sec. 3-12S-33E,) Lea County, New Mexico, and tested gas in paying quantities in two separate sources of supply, the first in what is commonly known as the 9800 feet Pennsylvanian zone with the top encountered at 9756 feet and the base at 9925 feet; and in the 8600 feet zone, called the Permo-Penn, the top of which is at 8589 feet and the base at 8645 feet.

2. That other wells in this area, as shown on the attached plat, are completed and producing from the two separate sources referred to above, said wells including:

- (a) Shell-Amerada State Well A-1, located in SE/4 SE/4 Sec. 33-11S-33E, ~~completed in and producing from the 9800 foot zone on an~~ 160-acre unit comprising the SE/4 of Sec. 33;
- (b) The Texas Pacific Coal & Oil Company Well #C-1, located in the NE/4 NE/4 Sec. 4-12S-33E, completed in the 9800 foot zone, capable of producing in paying quantities, and believed to be on an 160-acre unit comprising the NE/4 of Sec. 4;
- (c) The Amerada-Mathers #2 Well, located in SE/4 SE/4 Sec. 3-12S-33E, ~~classified as an oil well but now producing gas and distillate from the 8600 foot Permo-Penn zone.~~

3. That Applicant has knowledge that other wells located in this area and completed in the Devonian encountered one or both of the reservoirs referred to herein.

4. That the 9800 feet Pennsylvanian zone underlies all or a substantial portion of the S/2, S/2 N/2 Sec. 33; S/2, S/2 NW/4, NE/4 Sec. 34; SW/4 Sec. 35-11S-33E; and N/2 NW/4, SE/4 NW/4, NE/4, N/2 SE/4 Sec. 4; N/2, N/2 SW/4, SE/4 SW/4, SE/4 Sec. 3; NW/4, W/2 SW/4 Sec. 2-12S-33 E, Lea County, New Mexico.

5. That the 8600 feet Permo-Penn zone underlies all or a substantial portion of the SW/4 SW/4, E/2 SW/4, SE/4, SE/4 NE/4 Sec. 33; S/2, S/2 N/2 Sec. 34; in 11S-33E; and the N/2, N/2 SE/4 Sec. 4; N/2, N/2 SW/4, SE/4 Sec. 3; W/2 SW/4 Sec. 2; NE/4 Sec. 10; W/2 NW/4 Sec. 11-12S-33E, Lea County, New Mexico.

6. That one well in each of the two reservoirs may efficiently and economically drain a minimum area of 640 acres.

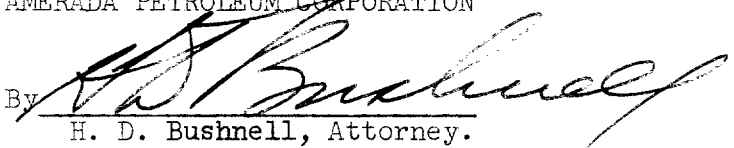
7. That in order to properly develop the two sources of supply to prevent waste and avoid the completion of unnecessary wells and to protect correlative rights of interested parties therein, it is necessary and proper for the Commission to enter its order defining the vertical and horizontal limits of each of the separate reservoirs, to allocate and prorate the gas production among the several wells in each reservoir and to enter such other special rules as the Commission may deem necessary.

WHEREFORE, Applicant respectfully requests that the Commission set this application for public hearing at the time and place to be fixed by the Commission, that due and proper notice be given as required by law, and at the conclusion of said hearing the Commission make and enter its order defining the proper productive limits of the two separate reservoirs, referred to above, and enter such other rules and regulations as the Commission deems necessary for the purposes herein stated.

DATED, this 11th day of February, 1957.

AMERADA PETROLEUM CORPORATION

By


H. D. Bushnell, Attorney.