

DOCKET: EXAMINER HEARING AUGUST 20, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

The following cases will be heard before Elvis A. Utz, Examiner:

- CASE 1494: Application of Sinclair Oil and Gas Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order authorizing the establishment of a 280-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the W/2 E/2, E/2 NW/4, and NW/4 NW/4 of Section 19, Township 21 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Sinclair State 176 Well No. 3, located 2310 feet from the South line and 1650 feet from the East line of said Section 19.
- CASE 1495: Application of Continental Oil Company for permission to commingle oil from two separate pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced from the Skaggs-Drinkard Oil Pool and an undesignated Glorieta oil pool through its dually completed Skaggs B-12 No. 1 Well, located 660 feet from the North and West lines of Section 12, Township 20 South, Range 37 East, Lea County, New Mexico.
- CASE 1496: Application of Tidewater Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. B. Coates "C" No. 14 Well, located 1650 feet from the North line and 2310 feet from the East line of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Drinkard Pool and an undesignated Montoya oil pool through parallel strings of tubing.
- CASE 1497: Application of Ambassador Oil Corporation for approval of a lease automatic custody transfer system and for permission to commingle the production from more than sixteen wells. Applicant, in the above-styled cause, seeks an order authorizing it to install a lease automatic custody transfer system utilizing positive displacement meters to handle the production from all wells producing from the Caprock-Queen Pool within the limits of the North Caprock Queen Unit No. 2 in Chaves and Lea Counties, New Mexico, and to commingle the production from all wells within the said North Caprock Queen Unit No. 2.

*Exam hearing  
for commingling  
portion of application  
(Dual granted by DC No 647)*



MAIN OFFICE OCC

CONTINENTAL OIL COMPANY

Roswell, New Mexico  
July 15, 1958

Case 1495

*See Co will  
R-1165*

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

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

We forward herewith in triplicate our application for permission to effect a dual completion of the Skaggs Drinkard Oil Zone and an Undesignated Glorieta Oil Zone in the Continental operated Skaggs B-12 No. 1, located in Section 12, T-20S, R-37E, NMPM, Lea County, New Mexico, and for permission to commingle production from the two separate pools. We would appreciate your placing these matters for hearing before an examiner at the earliest convenient date.

Yours very truly,

*J. A. Moore*

J. A. Moore  
Acting Division Superintendent

JAM-JC

cc: HLJ, FTE

*Robert [unclear]  
6-17-58*

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

MAIN OFFICE OCC  
MAIN OFFICE OCC

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IN THE MATTER OF THE APPLICATION OF  
CONTINENTAL OIL COMPANY FOR PERMISSION  
TO EFFECT A DUAL COMPLETION OF THE  
SKAGGS-DRINKARD OIL ZONE AND AN UN-  
DESIGNATED GLORIETA OIL ZONE FOUND  
IN ITS SKAGGS B-12 NO. 1 WELL LO-  
CATED IN SECTION 12, T-20S, R-37E,  
NMPM, LEA COUNTY, NEW MEXICO, AND  
FOR PERMISSION TO COMMINGLE PRODUCTION  
FROM TWO SEPARATE POOLS.

APPLICATION

Comes now Continental Oil Company, a Delaware Corporation, hereinafter referred to as "Applicant", and petitions the Commission for authority to effect an oil-oil dual completion in the Skaggs-Drinkard Oil Zone and an Undesignated Glorieta Oil Zone in its Skaggs B-12 No. 1, and for permission to commingle production from the two separate oil pools and in support thereof would show:

1. Applicant is co-owner and operator of the Skaggs B-12 Lease consisting of the N/2 of the NW/4 and the NW/4 of the NE/4 of Section 12, T-20S, R-37E, NMPM, Lea County, New Mexico.
2. Applicant drilled and completed on May 30, 1954, its No. 1 well as an oil well in the Drinkard formation at a location 660 feet from the North line and 660 feet from the West line of said Section 12 and that the well is producing through perforations from 6900 feet to 6922 feet. Said well is in the defined limits of the Skaggs Drinkard Oil Pool.
3. That the attached plat depicts the location of Drinkard and Glorieta wells on this lease and the ownership and location of such wells on offset leases.
4. Applicant proposes to dual complete the well in the Drinkard oil formation presently open and in the Glorieta formation from various intervals between 5272 feet and 5304 feet. The proposed dual completion will be accomplished by utilizing parallel tubing strings and such packers and other equipment that is necessary and adequate to maintain separation of the fluids produced from each of the two producing formations. The fluids from the two said formations will be produced through separate strings of 2 1/16 inch OD Hydril tubing in the manner depicted by the attached schematic diagram. The attached copy of the radioactivity log of the subject well shows the top of the Drinkard formation, the top of the Glorieta formation, the current perforations in the Drinkard formation and the proposed perforations in the Glorieta formation.
5. The Glorieta oil formation, proposed for dual completion with the Drinkard oil formation in said well is located in a presently undesignated Glorieta Oil Pool.
6. The well will be equipped in such a manner that there will be no commingling of fluids from the two sources of supply within the well bore; however, permission is requested to commingle the fluid in common storage. Production from each formation will be accurately

measured separately before entering common storage. Said measuring devices will be provided with equipment that will provide a means of taking accurate tests of the individual formations and measurement of the production therefrom as required by the Commission.

7. That the dual completion of said well as proposed is mechanically and economically feasible and is in the interest of conservation of oil and protection of correlative rights.

Wherefore, applicant respectfully requests that this matter be set for hearing by the examiner at Hobbs, New Mexico, on due notice, and upon hearing, the Oil Conservation Commission enter its order authorizing applicant to dual and produce said well in accordance with foregoing application.

Respectfully submitted,

CONTINENTAL OIL COMPANY

By J. A. Moore