

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 29, 1963

Mr. J. M. Welch
P. O. Box 296
Artesia, New Mexico

Dear Mr. Welch:

Reference is made to your letter of March 2, 1963, and our reply of March 13, regarding possible consolidation of the Henshaw Queen Gas Pool and the Henshaw San Andres Oil Pool.

We are docketing a case on our April 17 docket to consider this consolidation. If approved, this would abolish the Henshaw Queen Gas Pool and extend the vertical limits of the Henshaw Oil Pool to include the Queen, Grayburg, and San Andres formations. Thus your No. 3 Etz could be produced as a single completion.

It is our staff's intention to recommend this consolidation at the hearing provided adequate pressure information is available to indicate that no waste would result as the result of severe pressure differential between the two zones. You are therefore requested to take bottom hole pressures of the Queen and San Andres zones after a 48-hour shut-in period, and to report these pressures directly to the Santa Fe office of the Commission as soon as possible, attention the writer. Please notify our Artesia office of the date and hour you propose to shut the well in and when you will take the pressures.

Very truly yours,

DANIEL S. NUTTER
Chief Engineer

DSN/og

cc: Mr. M. L. Armstrong
Oil Conservation Commission
Artesia, N. Mex.

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J. M. Welch
Oil Producer and Operator

P. O. Box 296
Artesia, New Mexico

MARCH 2, 1963 11:18 AM

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Re: J. M. WELCH ETZ #3 WELL
UNIT I, SECTION 13-16S-30E
HENSHAW POOL, EDDY COUNTY
NEW MEXICO

GENTLEMEN:

THE ABOVE WELL IS A DUAL COMPLETION, PRODUCING DRY GAS FROM THE PENROSE SAND AT 2700 FEET AND OIL FROM THE LOVINGTON SAND AT 3250 FEET. THE GAS PRESSURE AND VOLUMN FROM THE PENROSE GAS SECTION HAS DECREASED CONSIDERABLY SINCE COMPLETION OF THIS WELL APPROXIMATELY THREE YEARS AGO. THE LOVINGTON PAY HAS BEEN FLOWING OIL THROUGH TUBING AND IS NOW MAKING APPROXIMATELY 10 BARRELS PER DAY. THE VOLUMN OF GAS IN THE LOWER ZONE HAS DECREASED IN VOLUMN TO THE EXTENT THAT IT HAS BEEN NEARLY IMPOSSIBLE TO MAKE THE WELL FLOW FOR THE PAST TWO MONTHS. I HAVE SPENT APPROXIMATELY \$1,500.00 THE PAST TWO MONTHS TRYING TO KICK THE WELL OFF AND KEEP IT FLOWING BUT THE RESULTS HAVE NOT BEEN SUCCESSFUL.

I WOULD LIKE TO TAKE THIS WELL OFF AS A DUAL COMPLETION AND USE THE UPPER GAS TO CONTINUE FLOWING THE WELL. THIS IS THE ONLY DUAL COMPLETION WELL IN THIS AREA.

AM ENCLOSING A PLAT SHOWING SURROUNDING AREA AND THE PRODUCING ZONES OF EACH WELL. AS YOU CAN SEE FROM THE ENCLOSED MAP THERE IS NO NEAR PRODUCTION OUT OF THE PENROSE SAND. TO PUT THIS WELL ON A PUMP AND KEEP IT AS A DUAL COMPLETION WOULD COST BETWEEN FOUR AND FIVE THOUSAND DOLLARS WHICH IS NOT ECONOMICALLY ADVISABLE.

I WOULD LIKE TO HAVE ADMINISTRATIVE APPROVAL TO HAVE THE QUEEN SECTION INCLUDED IN THE HENSHAW FIELD WHICH IS FROM THE SAN ANDRES (LOVINGTON) PRODUCTION. THERE ARE ONLY FOUR SHALLOW PRODUCING WELLS IN THE HENSHAW FIELD ACCORDING TO YOUR PRORATION SHEET.

MARCH 2, 1963

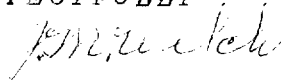
OIL CONSERVATION COMMISSION

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THIS IS A FEDERAL LEASE AND THE OWNERSHIP OF BOTH
OIL AND GAS IS THE SAME.

IF THERE IS ANY ADDITIONAL INFORMATION WHICH I CAN
FURNISH YOU, PLEASE ADVISE.

RESPECTFULLY

A handwritten signature in cursive script, appearing to read "J. M. Welch", written in dark ink.

J. M. WELCH

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 13, 1963

**Mr. J. M. Welch
P. O. Box 296
Artesia, New Mexico**

Dear Mr. Welch:

We have received your letter of March 2, 1963, wherein you have requested administrative approval to include the Queen formation in the Henshaw (San Andres) Pool.

Such change cannot be made Administratively, only after notice and hearing.

Our staff is studying this situation and we will advise you in the near future as to whether it will be necessary for you to request the hearing and carry the case or whether it could be called on the motion of the Commission, in which case our staff would carry the case.

Very truly yours,

**Daniel S. Nutter
Chief Engineer**

DSN/dag

**cc: Mr. M. L. Armstrong
Oil Conservation Commission
Artesia, New Mexico**

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OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

April 11, 1963

Mr. Joe D. Ramey
Supervisor, District No. I
Oil Conservation Commission
P. O. Box 2045
Hobbs, New Mexico

Dear Joe:

We have just noticed that the legal advertisement published in the Santa Fe New Mexican for the April 17 regular hearing is defective in that the West Allison-Pennsylvanian Pool, the Milnesand-San Andres Pool, and the South Prairie-Pennsylvanian Pool are described as being located in Lea County, New Mexico.

As this error on the part of the newspaper will make the advertisement legally defective, it will be necessary to dismiss that portion of the Southeast New Mexico nomenclature case concerning the above pools and to re-advertise extension of the pools for the next regular hearing.

Very truly yours,

J. M. DURRETT, Jr.,
Attorney

JMD/esr

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J. M. Welch
Oil Producer and Operator
P. O. Box 296
Artesia, New Mexico
APRIL 10, 1963

File
2791

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
P. O. Box 871
SANTA FE, NEW MEXICO

ATTENTION: MR. DANIEL S. NUTTER
CHIEF ENGINEER

GENTLEMEN:

AS PER YOUR LETTER OF MARCH 29, 1963 REGARDING
CONSOLIDATION OF THE HENSHAW QUEEN GAS POOL AND THE
HENSHAW SAN ANDRES OIL POOL, WE ARE ENCLOSING HEREWITH
THE FOLLOWING:


NEW MEXICO OIL CONSERVATION COMMISSION FORM
C-I24, BOTTOM HOLE PRESSURES.

JOHN W. WEST ENGINEERING COMPANY, BOTTOM HOLE
PRESSURE SURVEY REPORT.

YOURS VERY TRULY

J. M. WELCH

BY


GLENN COLLARD
OFFICE MANAGER