

HOBBS OFFICE COPY
MORAN OIL PRODUCING & DRILLING CORPORATION

Box 1718 1962 DEC 11 AM 10 01
HOBBS, NEW MEXICO

GENERAL OFFICES
903 WEST MARLAND
HOBBS, NEW MEXICO

DECEMBER 10, 1962

PHONE
EXPRESS 3-2571
EXPRESS 3-2417

MR. A. L. PORTER, JR.
NEW MEXICO OIL CONSERVATION COMMISSION
Box 871
SANTA FE, NEW MEXICO

SUBJECT: OIL - OIL DUAL COMPLETION
OWEN No. 2

DEAR SIR:

PLEASE REFER TO OUR LETTER OF NOVEMBER 21, 1962, AND MR. PORTER'S LETTER OF DECEMBER 3, 1962, CONCERNING AN AMMENDMENT TO THE PRESENT DUAL ORDER R-228 ON THE ABOVE SUBJECT WELL.

AS YOU STATED A COMMISSION ORDER DESIGNATED BY AN R-NUMBER CANNOT BE AMMENDED EXCEPT BY NOTICE AND HEARING. WE THEREFORE MAKE APPLICATION FOR A DUAL COMPLETION TO BE GRANTED BY ADMINISTRATIVE APPROVAL AS SET FORTH IN COMMISSION RULE R-112A.

ATTACHED ARE COPIES OF OUR "APPLICATION FOR DUAL COMPLETION", A DIAGRAMMATIC SKETCH OF THE DOWN HOLE EQUIPMENT, A PLAT OF THE APPLICANTS LEASE AND OFFSET LEASES AND A GAMMA RAY-NUETRON LOG.

PLEASE NOTE THAT WE ARE MAKING APPLICATION FOR A CONVENTIONAL OIL - OIL DUAL COMPLETION UTILIZING TWO PARALLEL STRINGS OF 2 1/16" OD TUBING INSIDE THE 5 1/2" CASING.

THE OIL - OIL DUAL WILL RESULT BY OUR PERFORATING AND FRACTURING THE BLINEBRY ZONE BELOW THE GAS-OIL CONTACT. AT THE PRESENT TIME THE OWEN No. 2 BLINEBRY GAS UNIT CONSISTS OF A 40 ACRE UNIT, NAMELY THE SW/4 OF NW/4 OF SECTION 14, T21S, R37E. THE REMAINDER OF THE ACREAGE, WHICH WAS ASSIGNED TO THIS WELL, HAS BEEN WITHDRAWN AS BLINEBRY OIL WELLS WERE COMPLETED, THEREBY ELIMINATING ANY DUAL DEDICATION OF THE BLINEBRY OIL AND BLINEBRY GAS ZONES. WHEN THIS APPLICATION IS APPROVED AND WE ARE GRANTED A BLINEBRY OIL ALLOWABLE ON THIS WELL, WE WILL THEN COMPLETELY ABANDON THE BLINEBRY GAS UNIT AND HAVE NO BLINEBRY GAS ALLOWABLE. WE DO NOT PROPOSE TO CONTINUE TO PRODUCE THE BLINEBRY GAS ZONE. IT WILL BE SHUT-IN AND SEPARATED FROM THE OIL ZONE BY MEANS OF A PACKER. WE CAN CONFIRM THE SEGREGATION OF THE DRINKARD OIL, BLINEBRY OIL AND BLINEBRY GAS WHEN CONDUCTING A PACKER LEAKAGE TEST.

MR. A. L. PORTER, JR.

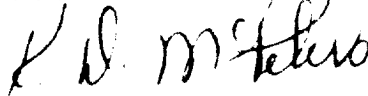
- 2 -

DECEMBER 10, 1962

WE RESPECTIVELY SUBMIT THAT THE BLINEBRY OIL ZONE IS OF THE GAS SOLUTION TYPE RESERVOIR AND OUR COMPLETION IS AN EFFECTIVE AND EFFICIENT METHOD OF PRODUCING THIS ZONE. BY GRANTING THIS APPLICATION THE COMMISSION WILL PREVENT WASTE AND PROTECT CORRELATIVE RIGHTS.

YOURS VERY TRULY,

MORAN OIL PRODUCING & DRILLING CORP.



K. D. MCPETERS

KDMC/EH

ATTACHMENTS

CC: NEW MEXICO OIL CONSERVATION COMMISSION - HOBBS, NEW MEXICO (2)
CONTINENTAL OIL CO. - ROSWELL, NEW MEXICO
MARKHAM, CONE & RIDEFERN - LUBBOCK, TEXAS
SHELL OIL COMPANY - ROSWELL, NEW MEXICO
MARATHON OIL CO. - HOBBS, NEW MEXICO
TIDEWATER OIL CO. - MIDLAND, TEXAS
THE ATLANTIC REFINING CO. - ROSWELL, NEW MEXICO

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name DRINKARD - BLINEBRY		County LEA		Date DECEMBER 10, 1962
Operator MORAN OIL PROD. & DRLG. CORP.		Lease OWEN		Well No. 2
Location of Well D	Unit 14	Section 21-S	Range 37-E	

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO _____

2. If answer is yes, identify one such instance: Order No. R-2322; Operator, Lease, and Well No.:

MORAN OIL PROD. & DRLG. CORP. - OWEN NO. 1 E-14-21-37 *B/T on Dr*

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	BLINEBRY OIL	DRINKARD OIL
b. Top and Bottom of Pay Section (Perforations)	5802 - 5846	6510 - 6538
c. Type of production (Oil or Gas)	OIL	OIL
d. Method of Production (Flowing or Artificial Lift)	FLOW	FLOW

4. The following are attached. (Please mark YES or NO)

YES a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.

YES b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.

NO c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. *

YES d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

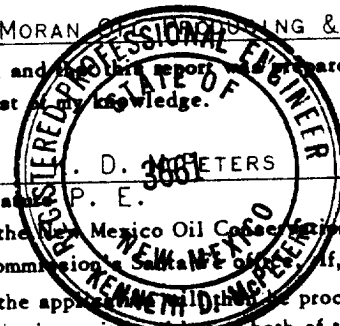
5. List all offset operators to the lease on which this well is located together with their correct mailing address.

CONTINENTAL OIL COMPANY	Box 1377	ROSWELL, NEW MEXICO
MARKHAM, CONE & REDFERN	GREAT PLAINS LIFE BLDG.	LUBBOCK, TEXAS
SHELL OIL COMPANY	Box 1858	ROSWELL, NEW MEXICO
MARATHON OIL COMPANY	Box 2107	HOBBS, NEW MEXICO
TIDEWATER OIL COMPANY	Box 1231	MIDLAND, TEXAS

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification DECEMBER 10, 1962.

CERTIFICATE: I, the undersigned, state that I am the VICE PRESIDENT of the MORAN OIL PRODUCING & DRILLING CORP. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

K. D. McElroy
Signature



* Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application shall be processed.

NOTE: If the proposed dual completion will result in an unorthodox well location and/or a non-standard perforation unit in either of both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

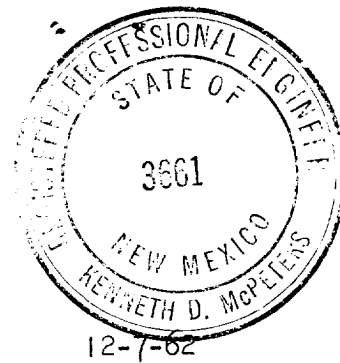
AN OIL PRODUCING & DRILLING CO

OWEN No. 2 D-14-21-37

DIAGRAMMATIC SKETCH OF DOWNHOLE EQUIPMENT

APPLICATION FOR DUAL COMPLETION

BLINEBRY OIL - DRINKARD OIL



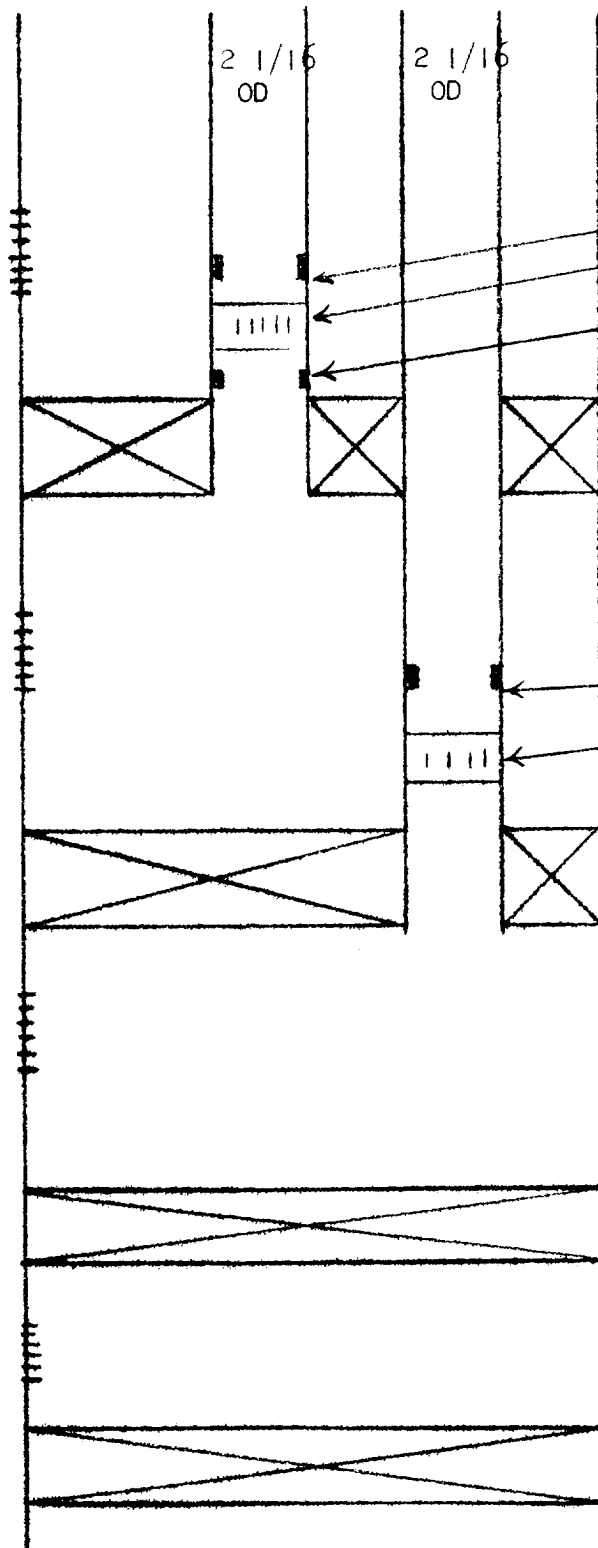
OLD BLINEBRY GAS PERFS.
5590 - 5715

NEW BLINEBRY OIL PERFS.
5802 - 5846

NEW DRINKARD PERFS.
6510 - 6538

OLD DRINKARD PERFS.
6560 - 6640

PBTD 6720
5 1/2" 17#



NEW BRIDGE PLUG
6555

OLD BRIDGE PLUG
6720

See sketch of 4/1/62