

November 13, 1957

Mr. A. L. Porter, Jr. Secretary
New Mexico Oil Conservation Commission
P.O. Box 271
Santa Fe, New Mexico

Dear Sir:

J. W. Peery hereby petitions the New Mexico Oil Conservation Commission for administrative approval to dual complete his Hardy well No. 3 as a gas well in the Eumont Gas Pool and as an oil well in the Penrose-Skelly Oil Pool, and to establish an eighty (80) acre non-standard gas proration unit as provided in Order R-520, dated August 1, 1954, and in support thereof states as follows:

1. The J. W. Peery Hardy lease contains 80 acres. This land is described as follows:

S/2 SE/4 of Section 19, T-21-S, R-37-E,
HMPM, Lea County, New Mexico.

This acreage is located in the Eumont Gas Pool and the Penrose-Skelly Oil Pool.

2. Well No. 3 is located 1650 feet West of the East line and 660 feet North of the South line of Section 19, T-21-S, R-37-E. Application to drill this well is enclosed herewith.
3. Notice of intention to dual complete this well in the Eumont Gas Pool and Penrose-Skelly Oil Pool and to assign 80 acres to the well for gas allowable purposes were sent by registered mail to The Texas Company, Pan American, Amerasia Petroleum Co., Gulf Oil Corporation, and Magnolia Petroleum Company. Return receipts are attached.
4. Well No. 3 will be drilled to a total depth of approximately 3800 feet with 7" casing set at 3700 feet and cemented. Casing will be perforated 3550 to 3590 opposite the Queen Sand for completion as a gas well. Penrose-Skelly oil production will be from open hole 3700 to 3800 feet. The above perforations are within the vertical limits of the Eumont Gas Pool and the open hole is within the vertical limits of the Penrose-Skelly Oil Pool.

[illegible][illegible]

1. The first step in the process of the investigation is the identification of the problem. This is done by the investigator who is responsible for the study. The investigator must first identify the problem and then determine the scope of the study. The next step is to design the study. This involves determining the research objectives, the research questions, and the research hypotheses. The investigator must also determine the appropriate research methods and the data collection techniques. The third step is to collect the data. This involves the actual collection of the data from the subjects of the study. The fourth step is to analyze the data. This involves the use of statistical methods to analyze the data and to draw conclusions from the results. The final step is to report the results. This involves the preparation of a report or a paper that describes the findings of the study and the conclusions that were drawn from the results.

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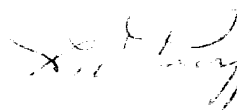
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5. By appropriate conventional dual completion equipment, the gas from theumont Gas Pool can be produced through the casing-tubing annulus, and the oil from the Rose-Shelly Oil Pool through the tubing. The separately produced zones will be in conformance with Oil Conservation Commission policies and specifications pertaining to dual completions in the State of New Mexico.
6. In order to produce this lease without incurring the cost of additional drilling and to protect all correlative rights, a non-standard gas production unit of 80 acres is requested for the J. W. Peery No. 3 well in theumont Gas Pool. The entire acreage consists of consecutive quarter quarter sections completely situated in Section 19, T-21-S, R-37-E, and the length does not exceed 5280 feet.
7. The well will produce from the Rose band on adjacent sections, and it is reasonable to assume that the entire 80 acres is protective of gas and that well No. 3 is so located as to recover the gas reserves underlying the 80 acres.
8. All surrounding leasehold operators of the proposed unit are being furnished a copy of this application by registered mail.
9. Properly completed Form O-301a, and 125 in quintuplet are attached, as is diagrammatic sketch of proposed dual. Copies are also being furnished the operators receiving a copy of this petition.

J. W. Peery requests that in the event of an objection and to protect the correlative rights, the Commission, Joint Landowners have approval of this petition.

Very truly yours,



J. W. Peery

U. S. 8242

operator:

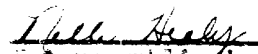
STATE OF TEXAS

COUNTY OF BROWN

BEFORE ME, the undersigned authority, on this day personally appeared J. A. FINE, known to me to be the person whose name is subscribed to the attached instrument, who being by me duly sworn on oath states that he is duly authorized to make the attached report and that he has knowledge of the facts stated therein and that said report is true and correct.



SUBSCRIBED AND SWORN to before me, this 15th day of November, 1957


Belle Healy (Belle Healy)
Notary Public in and for BROWN
County, Texas

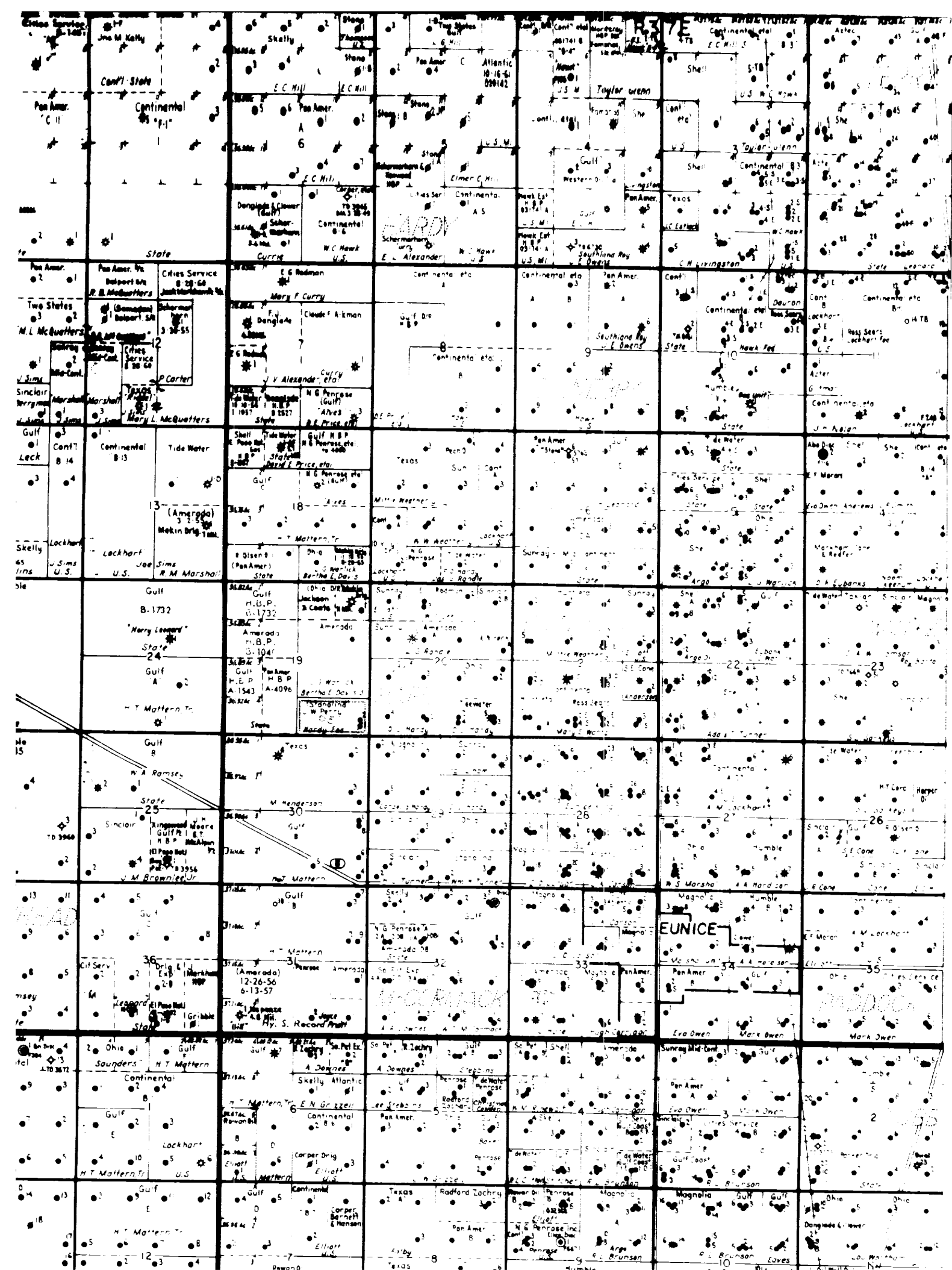
The Texas Company
P.O. Box 1270
Midland, Texas

Tex American Petroleum Corporation
P.O. Box 899
Roswell, New Mexico

Amherst Petroleum Corporation
P.O. Box 312
Midland, Texas

Oil Corporation
P.O. Box 962
Roswell, New Mexico

Magnum Petroleum Company
P.O. Box 201
Roswell, New Mexico



DUAL COMPLETION SKETCH - Proposed
J. W. PEERY

Field Eumont and Penrose-Skelly
County Lea County, New Mexico

Lease Hardy
Well No. 3

All Measurements from Rotary Drive

UPPER PAY

Top of Pay 3475 $\pm$ -

Name of Reservoir

Queen Sand

Bottom of Pay 3675 $\pm$ -

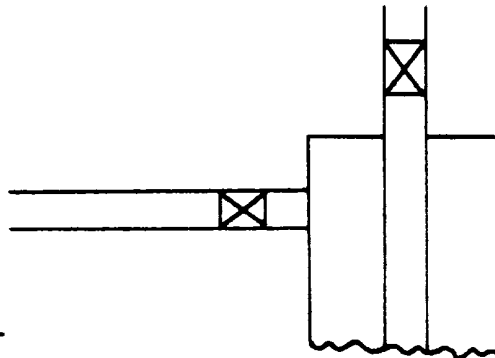
LOWER PAY

Top of Pay 3735 $\pm$ -

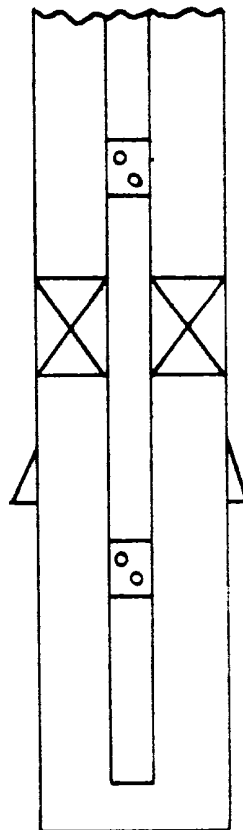
Name of Reservoir

Grayburg

Bottom of Pay 3800 $\pm$ -



2" Tubing to 3775



Perforated 3550-3595 $\pm$ -

Produces gas through annulus

Garrett Type "B" circulating valve
Depth 3550 $\pm$ -

Baker Type "D" packer
Depth 3680 $\pm$ -

7" O.D. Casing at 3700

Garrett Type "BB" circulating valve
Depth 3725 $\pm$ -

Open hole 3700 - 3800

Total Depth 3800