

OIL CONSERVATION COMMISSION

BOX 2045

HOBBS, NEW MEXICO

DATE _____

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

Re: Proposed NSP _____

Proposed NSL _____

Proposed NFC _____

Proposed DC 698

Gentlemen:

I have examined the application dated 5/12/58
for the Aztec Oil & Gas Co. State BD-36 #1 36-22-37
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

O.K.---E.J.F.

O.K.---J.W.R.

Yours very truly,

OIL CONSERVATION COMMISSION

Engineer

AZTEC OIL & GAS COMPANY

920 MERCANTILE SECURITIES BLDG.

DALLAS 1, TEXAS

May 9, 1958

*DC- 576 608
Due May 22, 1958*

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. A. L. Porter, Secretary-Director
New Mexico Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application of Aztec Oil &
Gas Company for an Exception
to Rule 112-A(a) for Adminis-
trative Approval of a Gas-
Oil Dual Completion Well in
the Blinebry Gas Pool and the
Drinkard Oil Pool.

Dear Mr. Porter:

Pursuant to Rule 112-A(c), Aztec Oil & Gas Company, hereinafter referred to as "Applicant", hereby submits its application for an exception to Rule 112-A(a), and for approval of a proposed Gas-Oil Dual Completion well to be located on the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

In support of this application, Applicant respectfully states and shows the following:

1.

The proposed dual completion well is known as the State "BD-36" Well #1 and is located one thousand nine hundred and eighty feet (1980') from the South line and one thousand nine hundred and eighty feet (1980') from the East line of Section 36, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico. Applicant proposes to complete the well at an estimated total depth of 7050 feet.

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Santa Fe, New Mexico

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2.

The subject well will have 5 1/2" casing set at approximately 7,000 feet and will be cemented with 600 sacks of cement. The well is expected to be an oil well in the Drinkard Pool and will be perforated in porous oil zones from 6,680 feet to 6,950 feet and is expected to produce from the Drinkard formation.

3.

Applicant proposes to dually complete the well in the following manner:

- a. Perforate the 5 1/2" casing within the approximate intervals of 5,500 feet to 5,600 feet in the Blinebry formation. The subject well is not within the designated area of the Blinebry Gas Pool; however, it is within one-half mile of such horizontal boundaries and will therefore be under the Blinebry Gas Pool Rules as prescribed in Special Rule 1 of Order R-610;
- b. Set production type packer below these perforations at approximately 5,800 feet to separate the two pay zones;
- c. Produce the Drinkard Pool oil through the tubing with a circulating valve above the Blinebry perforations and produce Blinebry gas through casing-tubing annulus.

4.

The granting of this application for permission to produce the subject well as a dual completion as to gas from the Blinebry formation and oil from the Drinkard formation will be in the interest of conservation and the protection of correlative rights.

5.

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.

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6.

So far as is known to Applicant, the following operators or parties own mineral rights offsetting the subject well:

- a. Cities Service Oil Company
- b. The Texas Company
- c. Gulf Oil Corporation
- d. John M. Kelly
- e. Western Oil Fields, Inc.
- f. Amerada Petroleum Corporation
- g. State of New Mexico, c/o Commissioner of Public Lands

A copy of this application along with the attached exhibits has been sent to each of the above parties by certified mail requesting they send their approval of this application directly to you or to Aztec for transmittal.

7.

The attached Exhibit "A" shows the location of the subject well together with the location of offset owners of the mineral rights as listed in No. 6 above. A plat of the well location on Form C-128 showing the pooled unit committed to the well was submitted to the Commission with Form C-101, Notice of Intention to Drill, on March 25, 1958.

8.

Attached as Exhibit "B" is a proposed schematic sketch of the dual completion.

Aztec Oil & Gas Company respectfully requests that under the provisions of Rule 112-A(c), the Secretary-Director of the Commission grant an exception to Rule 112-A(a), without notice or hearing, approving the Gas-Oil Dual Completion hereinabove set forth.

AZTEC OIL & GAS COMPANY

By Quilman B. Davis

Quilman B. Davis
General Attorney

APPROVED	
Legal	<i>HL</i>
Land	
Acct.	
Eng.	
Geol.	

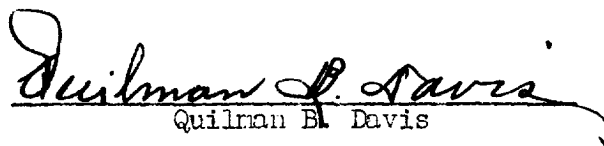
Mr. A. L. Porter
Santa Fe, New Mexico

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STATE OF TEXAS }
COUNTY OF DALLAS }

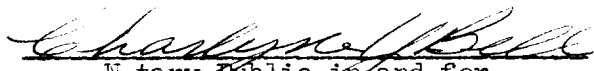
Quilman B. Davis, being first duly sworn, hereby states that he is the Attorney of Aztec Oil & Gas Company, the applicant in the foregoing application, that he has executed said application on behalf of Aztec Oil & Gas Company; that he has read said application and to the best of his knowledge, information and belief all statements of fact contained herein are true and correct.


Quilman B. Davis

Sworn to and subscribed before me the undersigned authority
this 9th day of May, 1958.

My Commission Expires:

June 1, 1959


Notary Public in and for
Dallas County, Texas