



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

10-6-86

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 393-6161

TX-167

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

TX X

Gentlemen:

I have examined the application for the:

NNY oil & Gas Co. Diamond 5 Fed #3-2 5-25-34
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/mc



P. O. BOX 2267, MIDLAND, TEXAS 79702 (915) 686-3600

October 2, 1986

Oil Conservation Division
P. O. Box 2088
State Land Office Bldg.
Santa Fe, NM 87501

Attn: Mr. R. L. Stamets
Division Director

In Re: Diamond 5 Federal, Well No. 3
660' FNL & 2230' FWL of Section 5, T25S, R34E
Lea County, New Mexico
NM 14497

Dear Mr. Stamets:

Tubing for the above-named well has been set at 13,071 feet,
and casing perforated from 13,961 to 13,969 feet.

This office requests administrative exception to Rule 107d.

Very truly yours,

HNG OIL COMPANY

A handwritten signature in cursive script that reads "Betty Gildon".

Betty Gildon
Regulatory Analyst

bg

enclosures

RECEIVED
OCT 3 1986
HOBBS OFFICE



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October 2, 1986

Oil Conservation Division
P. O. Box 2088
State Land Office Bldg.
Santa Fe, New Mexico 87501

Attn: Mr. R. L. Stamets
Division Director

Re: Diamond 5 Federal, Well No. 3

Dear Mr. Stamets:

There are several reasons why we feel that completions utilizing a TIW Polish Bore Receptacle or Insert Seal Assembly is the most advantageous method to complete a well.

1. The inside diameter of the seal assembly is the same as the diameter of the tubing. Therefore, there is no restriction that would reduce the size of wireline tools that could be run in the hole.
2. The Polish Bore Receptacle has a full bore opening to the liner below it. This allows us to run bridge plugs, retainers, or bits into the liner if necessary.
3. The seal assembly - PBR hook-up allows for tubing movement while treating the well. It will withstand higher treating pressures during stimulation than would be possible with most other production packers.
4. In most of the wells drilled in this area there are several zones of interest. By having the seal assembly stung into the PBR, the lowest zone can be tested and if non-productive, squeezed. The next zone of interest can then be perforated, acidized and tested. All this can be accomplished without pulling the tubing. This can save a considerable amount of time and money.

The Polish Bore Receptacle is run on the top of the liner. The Insert Seal Assembly sets in the tie back sleeve at the top of the liner.

We feel that this Packer system not only saves us a considerable amount of time and money, but also is the most reliable Packer system available. Of the several hundred wells in which HNG Oil Company has utilized this system over the past years, we have had very few failures. If you have any questions, please feel free to give me a call.

Very truly yours,

George M. Hover

George M. Hover *lig*
Petroleum Engineer III

GMH/bg

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OCT 3 1986

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HOBBS OFFICE