

CASE NO. 5391: DAVID FASKEN FOR
DOWNHOLE COMMINGLING, EDDY COUNTY

CASE No.

5391

Application,
Transcripts,
Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 8, 1975

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Application of David Fasken for down-)
hole commingling, Eddy County, New)
Mexico.)
)
)

Case No.
5391

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Bldg.
Santa Fe, New Mexico

For the Applicant:

Sumner Buell, Esq.
MONTGOMERY, FEDERICI,
ANDREWS, HANNAHS &
BUELL
350 E. Palace Avenue
Santa Fe, New Mexico

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MR. STAMETS: Call the next case, Case 5391.

MR. CARR: Case 5391. Application of David Fasken for downhole commingling, Eddy County, New Mexico.

MR. BUELL: I'm Sumner Buell, Montgomery, Federici, Andrews, Hannahs & Buell, appearing on behalf of the Applicant. We have one witness.

MR. STAMETS: Any other appearances in this Case? The Witness will stand and be sworn, please.

(Witness sworn.)

JAMES B. HENRY

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. BUELL:

Q Would you please state your name, by whom you are employed and in what capacity and where?

A I'm James B. Henry, Consulting Engineer of Midland with the firm of Henry Engineering, appearing for David Fasken.

Q Have you previously testified before this Commission or one of its Examiners and had your qualifications accepted as a matter of record?

A Yes, I have.

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Q Are you familiar with what is sought in this Application No. 5391?

A Yes, I am.

Q Would you briefly explain what is sought here?

A We are seeking permission to downhole commingle the Cisco Zone and the Morrow Zone in the David Fasken Arco 9 Morrison No 1 Well located in Section 9 of Township 19 South, Range 2nd East.

Q Referring you to what has been marked as Exhibit 1, would you please explain what that is?

A Exhibit 1 is a map of the Boyd Fields. The areas outlined in yellow are the existing proration units for the 6 Morrow wells in the field and the one Morrow-Cisco dual. The Morrow-Cisco dual has an identical proration unit. The dry holes are depicted by the open circles and there are two of these on the south end of the field and two on the north and the rest of the area was not worked. This is just the immediate field area.

Q Referring you to what has been marked as Exhibit 2, would you please explain that?

A Exhibit 2 is a diagrammatic sketch showing the manner in which the well is dually completed pursuant to Order R-4360 approved in 1972, August the 7th.

Q And could you give the Examiner some brief production history and the current status of this well?

A This well is a single packer installation with the Cisco Zone being produced up the annulus. It was never a success; the well showed a very large amount of depletion on drill-stem testing in the Cisco. We nevertheless attempted a completion in it, stimulated it, and it has produced to date the New Mexico pressure base 76,492 mcf of gas. It produced most of this during the first two months. It has been shut-in and temporarily abandoned for most of the time; we did remove the surface gas production equipment from it late in '72 and the zone was shut in. We have since pulled the sliding sleeve to the open position and retested the well, commingled with the Morrow, and we found an approximate 1/2 barrel per day increase in condensate and no increase in gas that we could measurably detect in this test period, and we would at this time like to leave the well in that condition and continue to produce it as a commingled zone. There is very little condensate at stake; the biggest thing would be the expense of going back and closing the sleeve.

Q Do you believe that the granting of this Application

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would prevent waste and protect correlative rights?

A Yes, I believe it would. We would be allowed to recover this indicated 1/2 barrel of condensate per day additional. This is the only Cisco well in the Boyd-Cisco Field; there are no other Cisco producers; it is a very limited reservoir, and the Boyd-Morrow Pool gas wells are all being produced at capacity and are floating on the line.

Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A Yes, they were.

MR. BUELL: I move their introduction, Mr. Examiner.

MR. STAMETS: Exhibits 1 and 2 will be admitted.

(Whereupon, Fasken's Exhibits

1 and 2 were admitted into evidence.)

MR. BUELL: I have nothing further.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Henry, do you remember what the production on the Cisco Zone was in say the last month's production?

A Zero.

Q Did you just gradually decline to nothing?

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A It declined, we could blow it to the air, it would come on the line and produce for a few hours and then the line pressure would kill it and we thought possibly it was loaded up, we opened the sleeve to be sure it was not a case of being loaded with liquids, or trying to tell whether it were loaded with liquids or depleted, and it turned out to be essentially depleted.

Q What is the current production from the Morrow Zone?

A The Morrow Zone is producing during November 13,804 mcf for the month and some 6 barrels of condensate. A comparable well, the Johnston 9 Federal No. 1 in the south half of that section produced 25,045 mcf of gas and 25 barrels of condensate, so you can see this well is producing approximately 2 barrels of condensate per million and the other well is producing 1 barrel of condensate per million. Cumulatively this Morrison -- Arco 9 Morrison No. 1, the subject of this Application -- is produced 1.31 barrels per million. In October it was up to 2, so that's a .69 increase in barrels per million.

Q What date was the sleeve opened on this, approximately?

A I would say approximately -- and I don't have

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that date with me -- I believe it was in May of this year. May of last year, excuse me, May of '74.

Q The well was producing before that time and was back on the line after that time?

A From the Morrow. It produced continuously from the Morrow.

Q I see. With the sleeve open now it has been producing from the Cisco as well since May?

A Yes, sir.

Q If you picked up any significant amount of extra gas it would be reflected in the production from that well before May and after May?

A Right.

Q Based on what you've seen would you recommend allocating any of the production to the Cisco Zone or just allocate all of it to the Morrow?

A From our point of view we don't see any reason to allocate it. If the Commission would like, we can make an allocation of it.

Q There is no difference in the royalty interest or working interest between those two zones?

A No. The two proration units are identical.

Q If the same thing you are requesting here could

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be achieved by extending the vertical limits of the pool to include the Cisco for that particular well, that would be an adequate solution?

A Yes. There is an abandoned Canyon oil zone intervenes between them in Section 3.

Q This is the only well producing from the Upper Pennsylvanian in the immediate area?

A We made two completion attempts in the Canyon. One of them produced about 10,000 barrels of oil and the other one about -- oh -- less than 1000 barrels, and they were both abandoned.

MR. STAMETS: Any other questions of the Witness?
He may be excused. Anything further in this Case?
We will take the Case under advisement.

STATE OF NEW MEXICO)
)
COUNTY OF SANTA FE) SS.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5391 heard by me on 1-8-1979.


New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

January 22, 1975

Re: CASE NO. 5391 and 5392

Mr. Sumner Buell
Montgomery, Federici, Andrews, Hannahs
and Buell
Attorneys at Law
Post Office Box 2307
Santa Fe, New Mexico

ORDER NO. R-4945 and R-4946

Applicant:

David Fasken

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>x</u>
Artesia OCC	<u>x</u>
Aztec OCC	

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5391
Order No. R-4945

APPLICATION OF DAVID FASKEN
FOR DOWNHOLE COMMINGLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 8, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 22nd day of January, 1975, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, David Fasken, is the owner and operator of the Arco 9 Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

(3) That the applicant seeks authority to commingle Boyd-Cisco and Boyd-Morrow production within the wellbore of the above-described well.

(4) That from the Boyd-Cisco zone, the subject well is capable of low marginal production only.

(5) That from the Boyd-Morrow zone, the subject well is capable of producing less than 1,000 MCF of gas per day.

(6) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

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CASE NO. 5391
Order No. R-4945

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Artesia district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, six percent of the commingled production should be allocated to the Boyd-Cisco zone, and 94 percent of the commingled production to the Boyd-Morrow zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, David Fasken, is hereby authorized to commingle Boyd-Cisco and Boyd-Morrow production within the wellbore of the Arco 9 Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

(2) That six percent of the commingled production shall be allocated to the Boyd-Cisco zone and 94 percent of the commingled production shall be allocated to the Boyd-Morrow zone.

(3) That the operator of the subject well shall immediately notify the Commission's Artesia district office any time the well has been shut-in for 7 consecutive days and shall concurrently present to the Commission a plan for remedial action.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

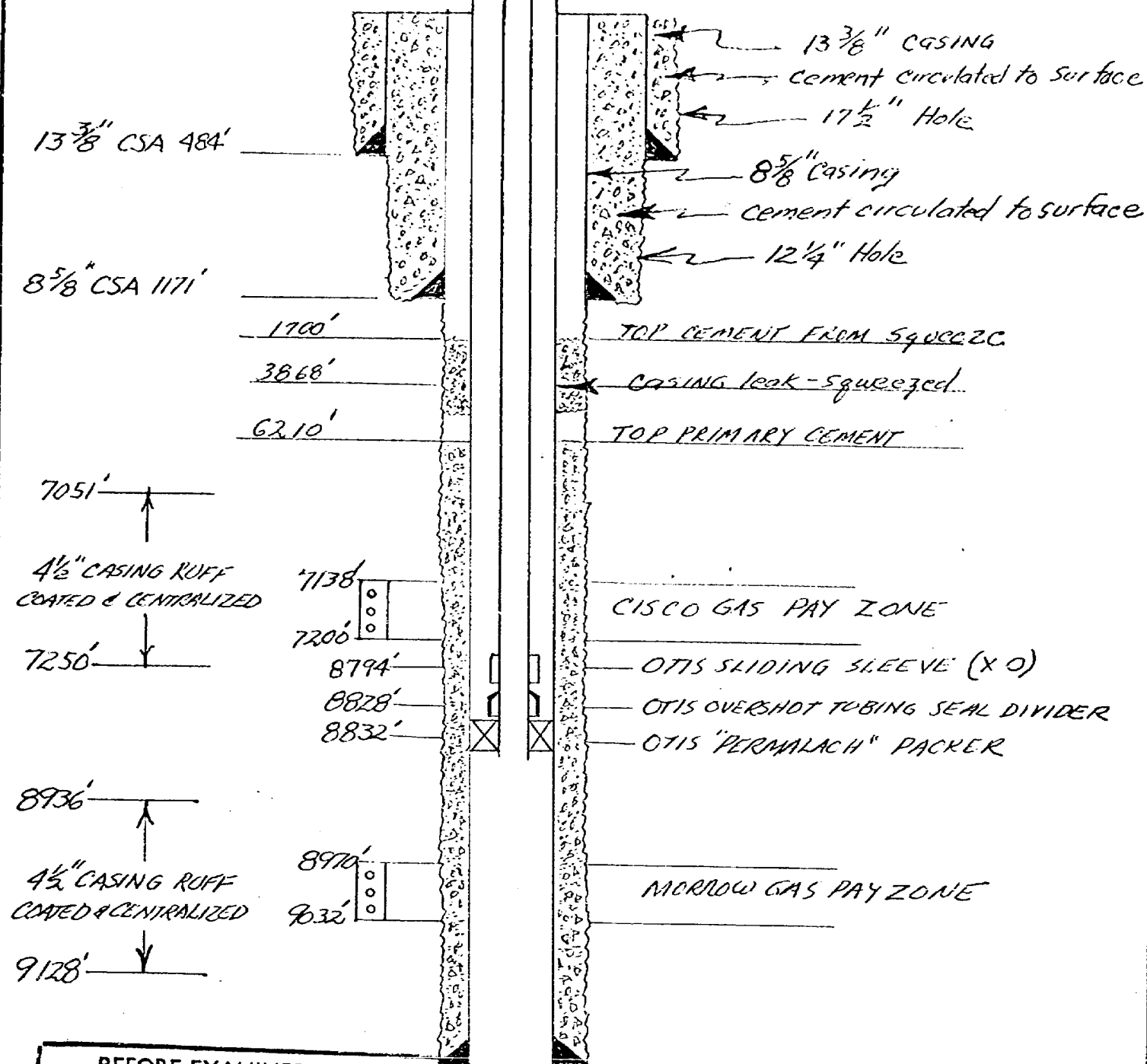
Phil R. Lucero
PHIL R. LUCERO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

jr/

[illegible]



BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 2
CASE NO. 5391

Submitted by Fasken
Hearing Date Jan 8, 1975

HENRY ENGINEERING
MIDLAND, TEXAS

REVISED DUAL COMPLETION
DAVID FASKEN
ARCO "9" MORRISON NO. 1
BOYD MORROW & UNDES. CISCO
FIELDS EDDY CO. U/M

MAY 25, 1972

(Case 5389 continued from Page 3)

Range 37 East, Tubb Gas Pool, Lea County, New Mexico, to be dedicated to a well to be dually completed at a standard location in Unit F of said Section 3.

CASE 5390: Application of El Paso Natural Gas Company for extension of Order No. R-4342, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the provisions of Order No. R-4342, which order authorized the applicant to produce certain non-marginal wells in the San Juan 32-9 Unit Area, Blanco-Mesaverde Pool, San Juan County, New Mexico, at full capacity while conducting tests, making up such overproduction by underproducing other non-marginal wells within the participating area.

CASE 5391: Application of David Fasken for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Boyd-Cisco and Boyd Morrow production in the wellbore of its Arco 9 Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, Eddy County, New Mexico.

CASE 5392: Application of David Fasken for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a gas well to be drilled in the NE/4 of Section 2, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, at a point 1980 feet from the North line and 660 feet from the East line of said Section 2, the N/2 of the Section to be dedicated to the well.

CASE 5393: Application of Getty Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry, Tubb-Drinkard, and Montoya production in the wellbore of its Coates "C" Well No. 14, located in Unit G of Section 24, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico.

CASE 5394: Application of Dugan Production Corporation for amendment of special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Rule 2 of the Special Rules and Regulations for the Slick Rock-Dakota Oil Pool, San Juan County, New Mexico, to allow the drilling of wells to within 25 feet of quarter-quarter section lines when the offset acreage is owned by the party drilling the well.

CASE 5395: Application of Sun Oil Company for two dual completions and two tubing exceptions, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Lynch Wells Nos. 1 and 3, located in Units K and M, respectively, of Section 1, Township 22 South, Range 37 East, Lea County, New Mexico, to produce oil from the Drinkard and Wantz-Granite Wash Pools through parallel strings of tubing. Applicant further seeks approval to utilize 1.315 O.D. tubing for the lower 1800 feet of its Drinkard production string in said Well No. 1, and for the lower 1303 feet of its Drinkard production string in said Well No. 3.

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF)
DAVID FASKEN FOR DOWNHOLE COMMINGLING OF)
THE FASKEN ARCO 9, MORRISON No. 1,)
LOCATED IN SECTION 9, TOWNSHIP 19 SOUTH,)
RANGE 25 EAST, EDDY COUNTY, NEW MEXICO.)

No. _____

APPLICATION

Comes now the applicant, David Fasken, through his attorneys and applies to the New Mexico Oil Conservation Commission for an Order as follows:

1. Applicant is the operator of the Fasken Arco 9, Morrison No. 1 well located in Section 9, Township 19 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.

2. The above well is presently completed in both the Boyd-Morrow Zone and the Boyd-Cisco Zone and applicant requests that it be permitted to downhole commingle gas production from the two zones.

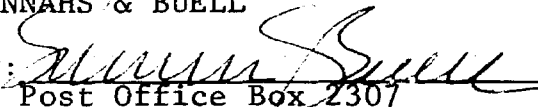
3. The granting of this application would prevent waste and protect correlative rights.

4. There are no other interested parties to this application to applicant's knowledge except the Commission and its staff.

WHEREFORE, applicant asks that the Commission set this matter for a hearing before one of its examiners or the Commission as the Commission may desire.

Respectfully submitted,

MONTGOMERY, FEDERICI, ANDREWS,
HANNAHS & BUELL

By: 
Post Office Box 2307
Santa Fe, New Mexico 87501
Attorneys for the Applicant

DOCKET MAILED

Date 12-26-74

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5391

Order No. R-4945

APPLICATION OF DAVID FASKEN
FOR DOWNHOLE COMMINGLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of January, 1975, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, David Fasken, is the owner and
operator of the Arco 9 Morrison Well No. 1, located in Unit B
of Section 9, Township 19 South, Range 25 East, NMPM, Eddy
County, New Mexico.

(3) That the applicant seeks authority to commingle Boyd-Cisco and Boyd-Morrow production within the wellbore of the above-described well.

(4) That from the Boyd-Cisco zone, the subject well is capable of low marginal production only.

(5) That from the Boyd-Morrow zone, the subject well is capable of ~~low marginal production only~~ *producing less than 1,000 MCF of gas per day.*

(6) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Artesia district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, ~~25~~ *six* percent of the commingled ~~25~~ production should be allocated to the Boyd-Cisco zone, and ~~25~~ *694* percent of the commingled ~~25~~ production to the Boyd-Morrow zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, David Fasken, is hereby authorized to commingle Boyd-Cisco and Boyd-Morrow production within the wellbore of the Arco 9 Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

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Case No. 5391
Order No. R-

(2) That ^{SIX}~~12~~ percent of the commingled ~~22~~ production shall be allocated to the Boyd-Cisco zone and 94 percent of the commingled ~~22~~ production shall be allocated to the Boyd-Morrow zone.

(3) That the operator of the subject well shall immediately notify the Commission's Artesia district office any time the well has been shut-in for 7 consecutive days and shall concurrently present to the Commission a plan for remedial action.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.