

Case No.

424

Application, Transcript,
Small Exhibits, Etc.

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. 405
ORDER NO. R-196

THE APPLICATION OF TIDE WATER
ASSOCIATED OIL COMPANY FOR AN
ORDER GRANTING PERMISSION TO
DUALY COMPLETE AND PRODUCE
ITS STATE 'A', NO. 4 WELL, IN THE
EUNICE POOL, LOCATED IN THE NE/4
NE/4 SECTION 8, TOWNSHIP 21 SOUTH,
RANGE 36 EAST, NMPM, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 16, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 20th day of October, 1952, the Commission, a quorum being present, having considered the records and the testimony adduced, and being fully advised in the premises,

FINDS:

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

(2) That applicant's State 'A' No. 4 well, NE/4 NE/4 Section 8, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, was completed in April, 1935 as an oil well producing from the Grayburg-San Andres formation in the open-hole interval 3790'-3887', having drilled through the Yates-Seven Rivers gas zone, at an approximate depth of 3000 feet.

(3) That although recent experiments tend to show that mechanical packers and other devices are ordinarily available for successful dual/multiple completions of oil - gas wells, the Commission is unconvinced of the soundness, as a waste-prevention practice, of such dual/multiple completions as a general practice in New Mexico without specific controls over each such project.

IT IS THEREFORE ORDERED:

That the applicant herein, Tide Water Associated Oil Company, be, and it hereby is authorized to dualy complete and produce its State 'A', No. 4 well, NE/4 NE/4 Section 8, Township 21 South, Range 36 East, NMPM, in the Eunice Pool, Lea County, New Mexico, in such a manner that gas from the Yates-Seven Rivers formation may be produced through the annular space between the casing and the tubing,

AMERADA BOTTOM-HOLE PRESSURE-TEMPERATURE REPORT

CODE

R.P.G. 3 NO. 10775 CLOCK NO. 64740 SPEED 3 HR. LEASE A. M. Lee WELL NO. 1
 ELEMENT NO. 11315 RANGE 0-2300 CORR. TO F. LOCATION Moore Devonian Pool, Lea Co., N. M.
 RUN BY JRE/RHA CALCULATED BY JRE REPORTED BY RHA DATE RUN 11/15/52 10:00AM PULLED 11/15/52 TIME 12:15PM

WELL DATA

POTENTIAL: CHOKE 3/4 1/2 268.94 WATER 77.08 G.O.R. 23 ZONE Devonian TOP BOTTOM T.D. 10,685
 HOW PRODUCED Gas Lift P.I. CASING 5 1/2 DEPTH 10,604 TUBING 2" DEPTH 10,675
 HOURS CHUT IN WELL HEAD PRESS.: CAS. TUB TOP LINER PERFORATIONS
 LAST RESERVOIR PRESSURE DEPTH DATE ELEVATION 4349 ft GRAVITY OF OIL SP. GR. OF GAS

TEST RECORD

PURPOSE OF TEST To determine point of gas injection

TIME	DEPTH	WELL PRESSURE	Grad. #/100		REMARKS
10:38A	2442				Arrive
10:48A	2442	131			Leave
10:54A	3737		7.80		Arrive
11:04A	3737	232			Leave
11:07A	4914		13.02		Arrive
11:17A	4914	384			Leave
11:20A	5708		10.58		Arrive
11:30A	5708	468			Leave
11:32A	6532		13.45		Arrive
11:42A	6532	579			Leave
11:43A	6884		44.00		Arrive
12:13P	6884	734			Leave
Calculated flowing bottom hole pressure @ 10,549 (-6200) 2352 psi.					

EXPLANATIONS OR CHART

Well was closed in for a period of 18 minutes to rig up equipment preparatory to running this test. Well was produced for 15 minutes with gauge in the lubricator to allow well to approach normal producing conditions. With the well producing, six stops were made opposite gas lift valves. Gas injection was by time cycle for a period of 1 min. 15 sec. out of 2 min. 30 sec.. Input line pressure was 700 #, casing pressure was 600 # with injection being made through a 22/64 positive choke. Flowing tubing pressure ranged from 35-75# on 1 1/2 open choke. Trap pressure was 25-40#.

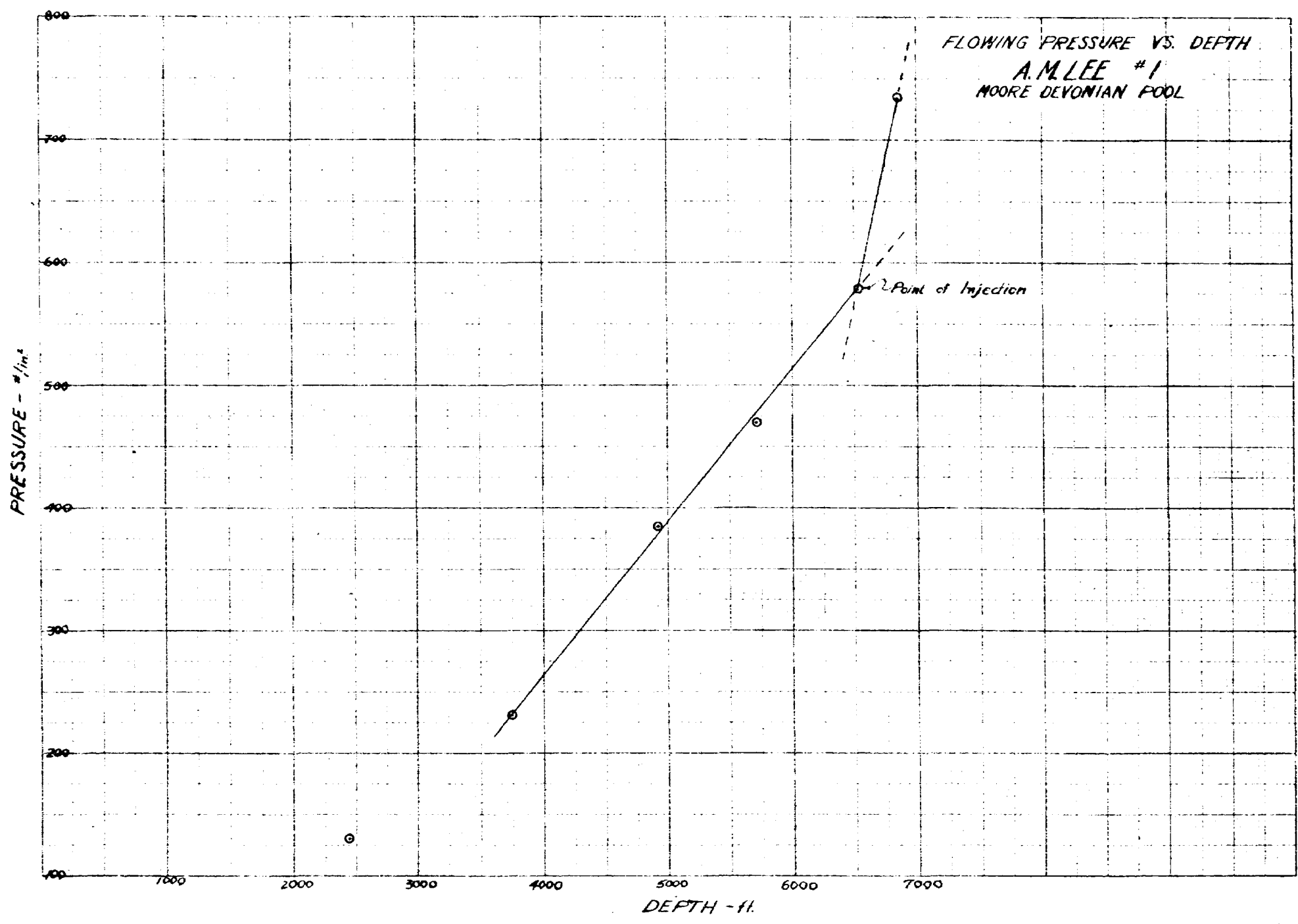
MAKE FURTHER EXPLANATIONS ON BACK OF SHEET

GAS LIFE INSTALLATION

Valve No.	Type	Port	Depth
1	OCF	8/64	1431
2	OCF	8/64	2442
3	OCF	8/64	3203
4	OCF	8/64	3737
5	OCF	9/64	4118
6	OCF	10/64	4532
7	OCF	10/64	4914
8	OCF	11/64	5326
9	OCF	12/64	5708
10	OCF	13/64	6120
11	OCF	14/64	6533
12	O	3/8	5884

All valves are 700# valves except #12 which is a 650# valve. From the pressures and the attached curve it can be seen that at the time of the test run gas was being injected through valve #11 @ 6533'. Well produces an average of 72 barrels of oil and 133 barrels of water daily.

NO. 1000 DIETZEN BROAD LEAF
2.00 PER INCH



AMERADA PETROLEUM CORPORATION
P. O. BOX 2040
TULSA 2, OKLAHOMA

Qx 3 Case 424
Amada

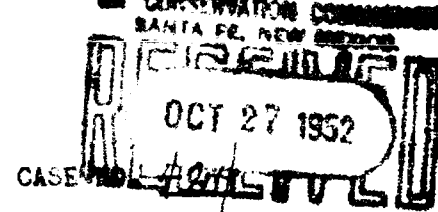
PRODUCTION DATA

STATE M¹A" #1
(Wolfcamp)

<u>MONTH</u>	<u>GAS</u> <u>MCF</u>	<u>DISTILLATE</u> <u>BBL.</u>
August 1952	22,178	775
September 1952	25,732	398
October 1952	32,508	778
TOTALS	<u>80,418</u>	<u>1,951</u>

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
AMERADA PETROLEUM CORPORATION FOR AN)
EXCEPTION TO RULE 404 RELATING TO THE)
PRODUCTION OF GAS FROM ITS STATE "MA")
WELL NO. 1, MOORE DEVONIAN FIELD,)
LEA COUNTY, NEW MEXICO.)



APPLICATION FOR EXCEPTION

Comes now Amerada Petroleum Corporation and alleges and states:

1.

That Amerada Petroleum Corporation has heretofore drilled a well in the Moore Devonian Pool, Lea County, New Mexico, known as the State "MA" No. 1 well, located in the center of the Southwest Quarter (SW/4) of the Southwest Quarter (SW/4) of Section 24, Township 11 South, Range 32 East.

2.

That said State "MA" No. 1 well has been dually completed so as to produce gas from the Wolfcamp formation and oil from the Devonian formation.

3.

That Amerada Petroleum Corporation has heretofore drilled in said pool an oil well known as Allie M. Lee No. 1 well, located in the center of the Northeast Quarter (NE/4) of the Southeast Quarter (SE/4) of Section 23, Township 11 South, Range 32 East.

4.

That said Allie M. Lee No. 1 well is a limited capacity well with insufficient energy to cause it to flow naturally; that some form of artificial lift is necessary to obtain the production; that the recovery of oil may not be in such quantities as to pay for the cost of pumping equipment and that gas lift is the most economical means of producing said well.

5.

That in order to prevent waste, applicant should be granted an exception to Rule 404 in order to produce gas from the State "MA" No. 1 well in quantities sufficient for gas lift operations on the Allie M. Lee No. 1 well.

WHEREFORE, applicant respectfully requests the Commission to set this application for hearing and that due and proper notice be given as required by law and at the conclusion of said hearing, the Commission enter its order granting applicant an exception to Rule 404, authorizing the production of gas from the State "MA" No. 1 well, referred to above, in sufficient quantities to carry on gas lift operations for the purpose of lifting oil from the Allie M. Lee No. 1 well, or any other limited capacity well heretofore completed in the said Moore Devonian Pool.

Attached hereto is a plat showing the location of the two subject wells.

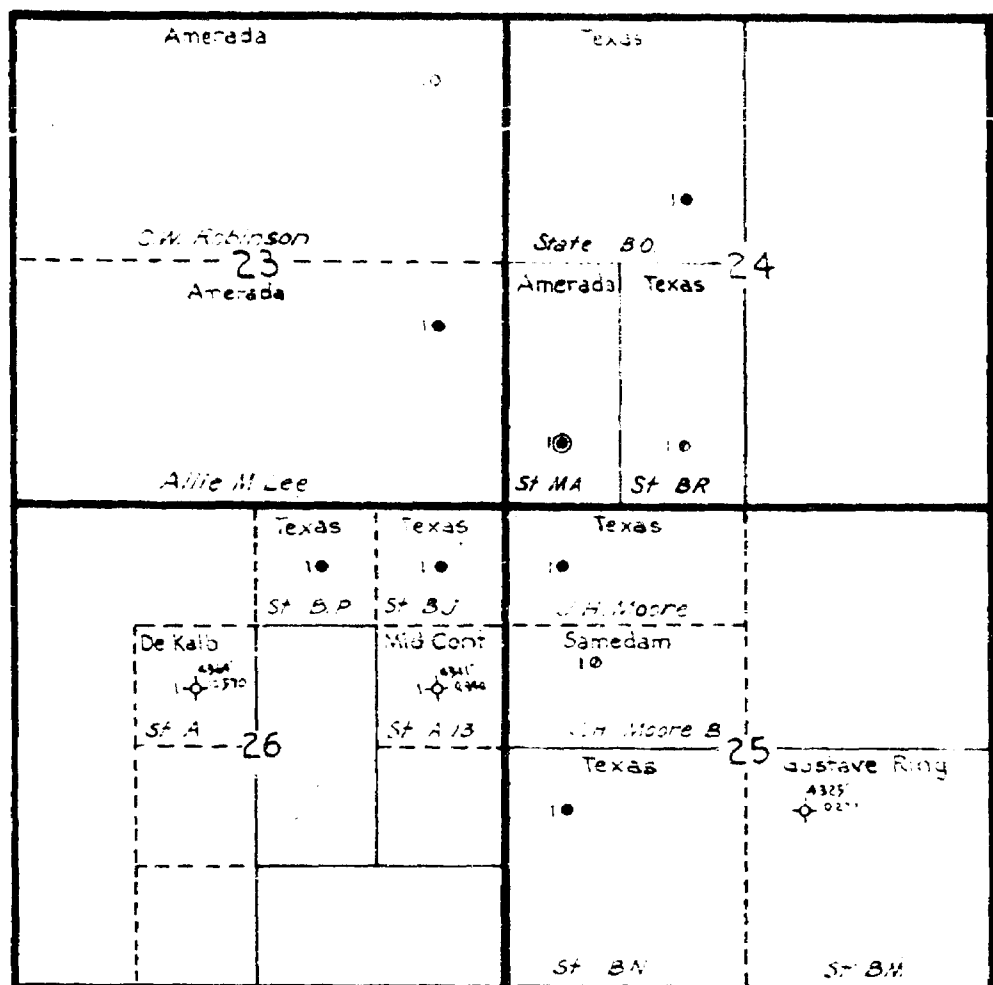
Done at Tulsa, Oklahoma, this 29th day of September, 1952.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By R. S. Christie
R. S. Christie

R 32 E



● Dual Completion

MOORE DEVONIAN POOL

LEA COUNTY NEW MEXICO

SCALE: 1 INCH= 2000 FT.



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. 424
ORDER NO. R-232

THE APPLICATION OF AMERADA
PETROLEUM CORPORATION FOR AN
ORDER GRANTING AN EXCEPTION TO
RULE 404 OF THE OIL CONSERVATION
COMMISSION'S RULES AND REGULATIONS
RELATING TO THE PRODUCTION OF GAS
FROM ITS STATE "MA", WELL NO. 1,
MOORE-DEVONIAN POOL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., November 20, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this ²⁴12 day of December, 1952, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

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

(2) That applicant's State "MA", Well No. 1, SW/4 SW/4, Section 24, Township 11 South, Range 32 East, NMPM, Lea County, New Mexico, was completed as an oil well producing from the Devonian formation and,

That under the provisions of Commission Order No. R-182, Amerada Petroleum Corporation was granted authorization to dually complete and produce the well as an oil-gas dual completion, the oil being produced from the Devonian formation and the gas from the Wolfcamp formation.

(3) That the gas produced from the Wolfcamp formation by the State "MA", Well No. 1, is to be used to gas-lift the fluid produced by the Amerada Petroleum Corporation's No. 1 Lee, NE/4 SE/4, Section 23, Township 11 South, Range 32 East, NMPM, Lea County, New Mexico, and that after the gas-lift gas returns to the surface it is to be flared, there being no available market for the gas.

(4) That the Amerada Petroleum Corporation's State "MA" Well No. 1 is offset by The Texas Company, J. H. Moore, Well No. 1, NW/4 NW/4, Section 25, Township 11 South, Range 32 East, NMPM, Lea County, New Mexico.

(5) That during the drilling of The Texas Company, J. H. Moore Well No. 1, a drill-stem test of the Wolfcamp formation revealed that that zone is productive of gas at approximately the same depth as the gas zone in the Wolfcamp formation which is productive in the State "MA" Well No. 1.

(6) That there is no available market for the gas in the area and that if this application were granted The Texas Company could not protect its offset acreage from drainage.

IT IS THEREFORE ORDERED:

That the application of the Amerada Petroleum Corporation be, and it hereby is, denied.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Edwin L. Mechem, Chairman



Guy Shepard, Member



R. R. Spurrier, Secretary

1007
DEC 4 1932
RECEIVED

THE STATE OF NEW MEXICO
COUNTY OF SANTA FE, ss.
I, the undersigned, Clerk of the County Court, do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears in the files of the County Court.

TRANSCRIPTION OF RECORD

FILE NO. 124

November 20, 1932

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1303
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

November 20, 1952

In the Matter of:

Amerada's application for order
granting exception to Rule 404 of
the Commission's Rules and Regula-
tions relating to production of gas
from State "MA" No. 1, Moore-
Devonian Pool, Lea County, New
Mexico.

Case No. 424

(Notice of Publication read by Mr. White.)

MR. SPURRIER: The meeting will come to order, please.

The next case on the Docket is 424.

MR. CHRISTIE: R. S. Christie, Amerada Petroleum Corpor-
ation. Do you accept my qualifications, Mr. Spurrier?

MR. SPURRIER: Yes, sir.

MR. RAY: I would like the record to show the appearance
of C. H. Ray for the Texas Company in this case.

MR. CHRISTIE: Request is made to produce our State "MA"
No. 1, a gas well completed in the Wolfe-Camp formation as an
exception to the Statewide Rule 404 production therefrom to be
used for the gas lift operation on our A. M. Lea well No. 1.
The Lea well is located in the center of the northeast quarter
of the southeast quarter Section 23, Township 11 south, Range
32 east. This well was completed in the Devonian through

perforations at 19,644 to 19,649 feet. On potential test September 19, 1952, well produced 269 barrels of oil, 77 barrels of water and 1.2 percent N.G. with a gas-oil ratio of 22 cubic feet per barrel. On 24 hour test taken October 29, 1952, the well produced 80 barrels of oil and 136 barrels of water on gas lift with a gas fluid ratio of 2988 cubic feet per barrel. The first 15 days of November the well averaged approximately 72 barrels daily. The well has a low producing fluid level which would require a large pumping unit to lift an equivalent amount of fluid. Therefore, we expect fully to request the Commission grant us permission to use gas from our State "MA" No. 1 Well for gas lift operations on our Lea No. 1 and especially until we can determine the approximate future recovery by the decline curve on our A. M. Lea No. 1. We feel in this particular instance a gas lift is more economical, a greater ultimate recovery may be obtained and certainly less steel required to recover the oil.

MR. SPURRIER: What do you intend to do with the gas after you lift the oil?

MR. CHRISTIE: The gas will be used for lease operations and the majority of it will be flared. We have a treater that we are treating the oil with and of course that will require a very small amount of the gas that is being used for gas lift. The remainder will be flared.

MR. SPURRIER: Anyone else have a question of this witness?

MR. RAY: Mr. Christie, what is the location of your

State "NA" in regard to the Texas Company's No. 1 Moore Well?

MR. CHRISTIE: The State "NA" is north of and to the Texas Company State 1 Four No. 1.

MR. RAY: Do you know whether the Wolfe-Camp Section from which you produce gas in your "NA" would be present in the Moore, The Texas Company Moore Well?

MR. CHRISTIE: No, I do not. As far as I know there has been no other, there has been no oil found in Wolfe-Camp in that area. I believe that several of the other wells have tested gas.

MR. RAY: You have no specific knowledge, though, that the Texas Company Moore Well tested gas?

MR. CHRISTIE: No, sir, I haven't the information.

MR. RAY: And you say that the gas which would be used in gas lifting the Lea Well would be flared predominately?

MR. CHRISTIE: The majority of it would be because we have to operate at low separator pressures and we can't maintain enough pressure on it to use it for drilling purposes on rigs in the immediate area.

MR. RAY: Would it be possible to produce the A.M. Lea Well by pumping?

MR. CHRISTIE: Yes, it would be.

MR. RAY: That is all.

MR. SPURRIER: Anyone else? If not the witness may be excused.

MR. CHRISTIE: I have a couple of Exhibits that I would like to present if I may. The Exhibit No. 1 shows the daily production of the Lea No. 1.

(Amerada's Exhibit No. 1
Marked for Identification.)

Exhibit No. 2 is the bottom hole pressure test showing the pressure and fluid under flowing conditions.

(Amerada's Exhibit No. 2
Marked for Identification.)

Exhibit No. 3 shows the production of gas and distillate from our State "MA" No. 1.

(Amerada's Exhibit No. 3
Marked for Identification.)

MR. GRAHAM: Is there any sort of a market, possible market for such gas out of the Wolfe-Camp?

A The only market at the present time is for the local drillings rigs in that area and we are furnishing gas to some of these rigs from our State "MA" No. 1.

MR. GRAHAM: That is of the leases?

A Yes, sir. I would like to enter those in evidence as part of the testimony.

MR. SPURRIER: Is there any objection to these Exhibits? If not they will be received. Anyone else have a comment in this case?

MR. RAY: I would like to make a statement on behalf of the Texas Company. The drill stem test taken in Texas Company's Moore Well No. 1 shows that gas to be present in the Wolfe-Camp horizon at the approximate depth from that that the Amerada "MA" produces gas. The witness has stated that the Lea Well can be produced by pumping. He has further stated that the gas used to gas lift this well will be flared. Therefore, the

Texas Company requests that this application be denied in that such a use of this gas would constitute waste and would drain the reservoir from which there is no commercial market and therefore we could not protect our properties from offset drainage.

MR. SPURRIER: Anyone else? If not we will move on and take this case under advisement. The next case is 425.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

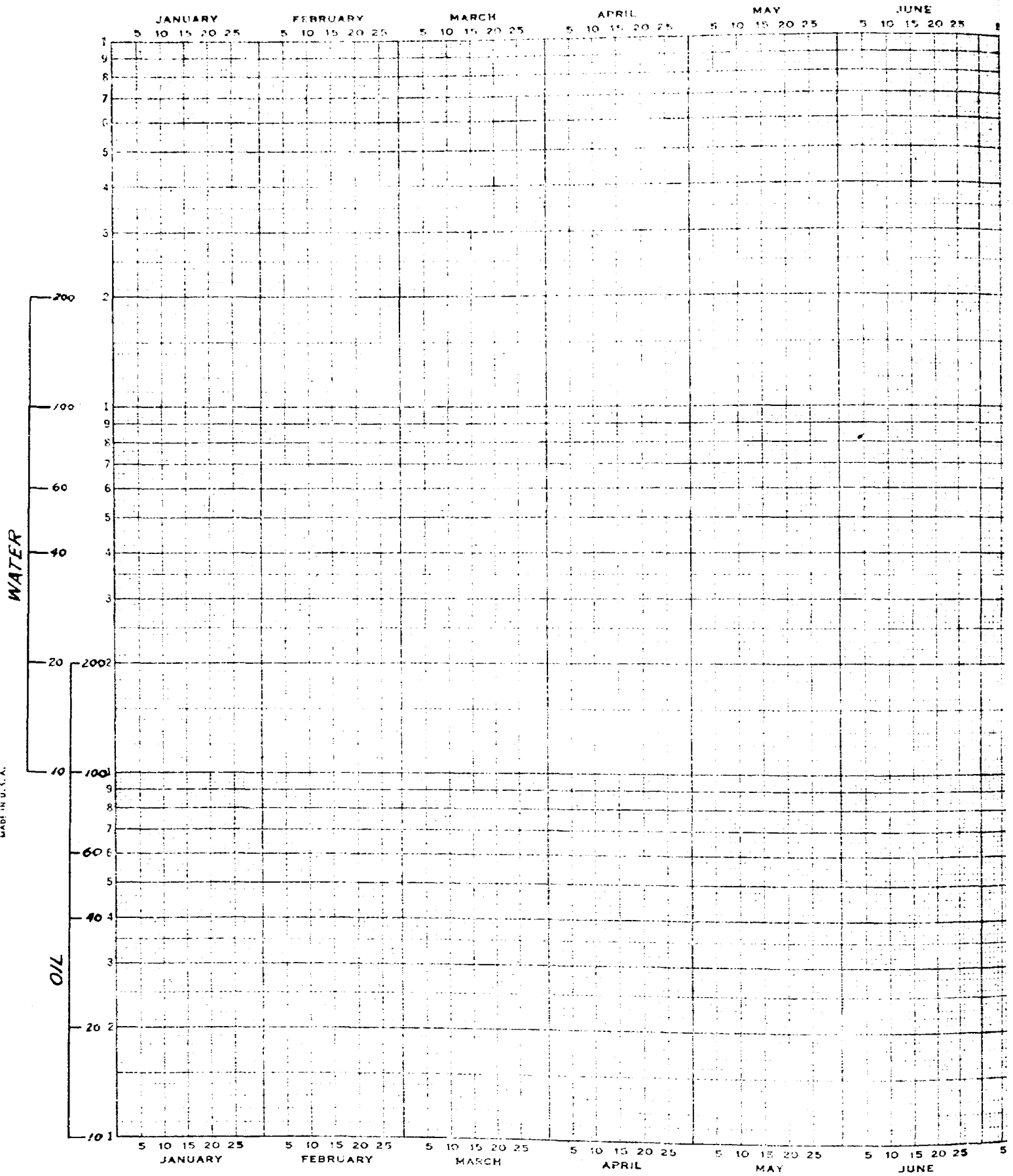
I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Case No. 424 before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on November 20, 1952, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 29th day of November.

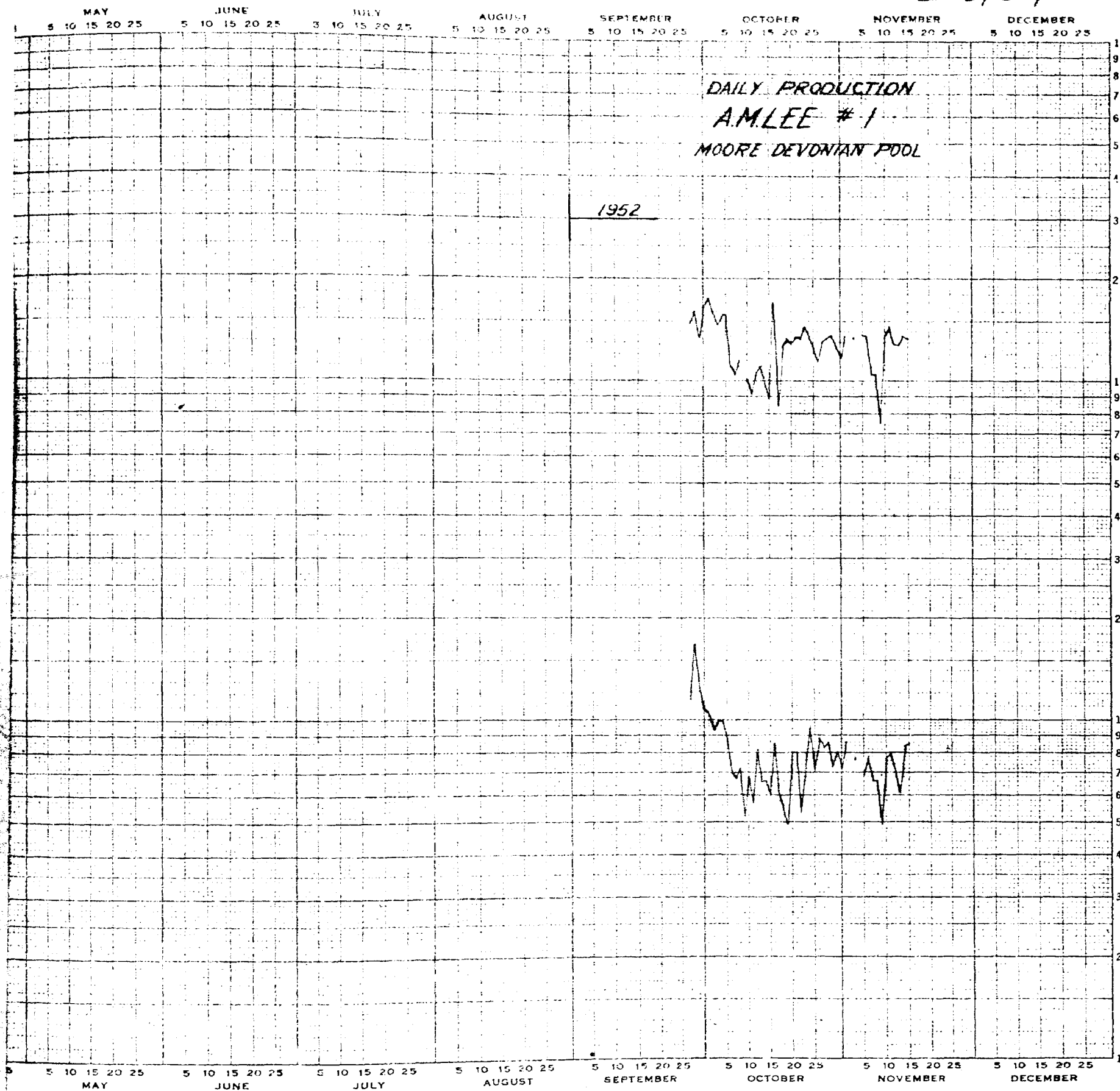

REPORTER

E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1303
PHONES 5-9422 AND 5-7545
ALBUQUERQUE, NEW MEXICO

KEUPPEL & KERN CO., N. Y., NO. 389-1514
One Year by Days, Calendar Year.
Small Transmittable, 3 Cycles X 300 days.
MADE IN U. S. A.



Amesda
Ex 1 Case 424



DAILY PRODUCTION

A. M. LPE #1

MOORE DEVONIAN POOL

DATE	OIL BBL.	WATER BBL.	REMARKS	DATE	OIL BBL.	WATER BBL.	REMARKS
9-19-52	268.94	77.08		11-1-52	85.56	136.62	
9-20	34.78	14.90	4 hours	11-2	24.84	28.98	Gas line Parted
9-21	0	0	Shut in				
9-22	18.63	0	13 hours	11-3	77.28	133.86	
9-23	108.68	36.22	13 hours	11-4	35.27	41.40	Choke froze
9-24	26.00	106.00	11 hours	11-5	69.00	138.00	
9-25	13.00	116.95	9 hours	11-6	77.00	137.00	
9-26	44.81	62.08	7 hours	11-7	66.00	104.00	
9-27	116.23	148.73	18 hours	11-8	66.24	104.00	
9-28	165.60	160.60		11-9	49.68	74.52	
9-29	121.44	136.80		11-10	77.28	133.86	
9-30	108.21	163.11		11-11	79.98	146.79	
10-1	106.95	176.66		11-12	71.52	129.35	
10-2	93.84	160.08		11-13	60.72	129.03	
10-3	99.36	147.62		11-14	84.00	136.62	
10-4	99.36	158.70		11-15	85.56	133.86	
10-5	88.32	157.32					
10-6	70.38	110.40					
10-7	66.93	104.88					
10-8	71.78	115.23					
10-9	52.44						
10-10	67.62	100.74					
10-11	57.27	92.46					
10-12	81.42	106.26					
10-13	66.24	110.40					
10-14	66.24	97.38					
10-15	60.72	88.32					
10-16	85.00	171.00					
10-17	60.32	85.91					
10-18	55.60	126.96					
10-19	49.68	132.84					
10-20	80.04	129.72					
10-21	80.04	133.86					
10-22	53.82	132.84					
10-23	78.97	146.79					
10-24	95.22	135.24					
10-25	71.52	125.58					
10-26	88.32	115.92					
10-27	82.80	131.10					
10-28	85.56	133.86					
10-29	73.14	135.24					
10-30	80.00	127.00					
10-31	72.28	118.68					

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF)
AMERADA PETROLEUM CORPORATION FOR AN)
EXCEPTION TO RULE 404 RELATING TO THE)
PRODUCTION OF GAS FROM ITS STATE "MA")
WELL NO. 1, MOORE DEVONIAN FIELD,)
LEA COUNTY, NEW MEXICO.)

CASE NO. 427

APPLICATION FOR EXCEPTION

Comes now Amerada Petroleum Corporation and alleges and states:

1.

That Amerada Petroleum Corporation has heretofore drilled a well in the Moore Devonian Pool, Lea County, New Mexico, known as the State "MA" No. 1 well, located in the center of the Southwest Quarter (SW/4) of the Southwest Quarter (SW/4) of Section 24, Township 11 South, Range 32 East.

2.

That said State "MA" No. 1 well has been dually completed so as to produce gas from the Wolfcamp formation and oil from the Devonian formation.

3.

That Amerada Petroleum Corporation has heretofore drilled in said pool an oil well known as Allie M. Lee No. 1 well, located in the center of the Northeast Quarter (NE/4) of the Southeast Quarter (SE/4) of Section 23, Township 11 South, Range 32 East.

4.

That said Allie M. Lee No. 1 well is a limited capacity well with insufficient energy to cause it to flow naturally; that some form of artificial lift is necessary to obtain the production; that the recovery of oil may not be in such quantities as to pay for the cost of pumping equipment and that gas lift is the most economical means of producing said well.

5.

That in order to prevent waste, applicant should be granted an exception to Rule 404 in order to produce gas from the State "MA" No. 1 well in quantities sufficient for gas lift operations on the Allie M. Lee No. 1 well.

WHEREFORE, applicant respectfully requests the Commission to set this application for hearing and that due and proper notice be given as required by law and at the conclusion of said hearing, the Commission enter its order granting applicant an exception to Rule 404, authorizing the production of gas from the State "MA" No. 1 well, referred to above, in sufficient quantities to carry on gas lift operations for the purpose of lifting oil from the Allie M. Lee No. 1 well, or any other limited capacity well heretofore completed in the said Moore Devonian Pool.

Attached hereto is a plat showing the location of the two subject wells.

Done at Tulsa, Oklahoma, this 29th day of September, 1952.

Respectfully submitted,

AMFRADA PETROLEUM CORPORATION

By R. S. Christie
R. S. Christie

GENERAL OFFICES
120 BROADWAY NEW YORK

*November
Hearing*

AMERADA PETROLEUM CORPORATION

BEACON BUILDING
P. O. BOX 2040

TULSA 2, OKLA.

September 29, 1952

Case 424

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier,
Secretary and Director.

Gentlemen:

Attached please find an application for a permit to produce our State "MA" No. 1 well as an exception to Statewide Rule 404. We would appreciate temporary authorization allowing us to produce the Allie M. Lee No. 1 well on gas lift, pending the outcome of a hearing on the matter, which we assume cannot be set until the November docket.

This interval should allow us time to determine the productive capacity of the well, and obtain pertinent data to present at the hearing.

Very truly yours,

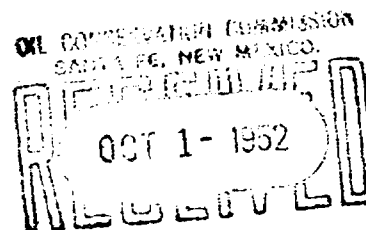
AMERADA PETROLEUM CORPORATION

By

R. S. Christie
R. S. Christie

RSC/mm

Enclosure



OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

October 28, 1952

C
O
P
Y

Mr. R. S. Christie
Amerada Petroleum Corporation
Box 2040
Tulsa, Oklahoma

Dear Sir:

As requested in your letter of September 29, 1952, your application for exception to Rule 404 has been scheduled for hearing on November 20, 1952. It is set up as Case 424.

Yours very truly,

W. B. Macey
Chief Engineer

WBM:ar

Case No.

425

Application, Transcript,
Small Exhibits, Etc.

CASE 425: Greenbrier Oil Co. application
for exception to Order 799 - on 280-acre
unit Mesaverde test in 23-31N-12W, Sd County