Caso, Mo.

461

Replication, Transcript,
Small Exhibits, Etc.

completion State '5' Well No. 2, SE NW. 15-215-37E, Frinkard Pocl.

JAN 1 6 1953

REPORE THE

OIL COMBERVATION COUNTSSICE

STATE OF NEW MEXICO

C/11 1601

Cities Service dual completion of State S-1 well, SW NW 15-218-37E, Drinkers Pool, to produce oil from Drinkers, gas from Elimobry.

CALE MAIL

Gition Service dual completion of State 8-2 well, SE MU 15-218-37E, Brinkerd Pool, to produce oil from Drinkerd, gas from Tubb formation.

SPANSCRIPT OF BRAKING

December 16, 1952

Hen, M. Hechen, Severner and Chairman Hen, Say Shepard, Land Countesioner and Hember Hen, R. H. Spurrier, Mirector and Hember

STATE OF HIM HELLING

COMPET OF BEHINDLING

I MARRIY CHRESTY That the within transcript of hearing in the above styled case before the Bil Genearvation Commission of the State of Now Mexico is a true recand of the same to the best of my knowledge, skill and ability.

Bolli at Albuquerque, Fou Hexies, December 10.

1952.

E. E. Greecen

Reperter

(Mr. Graham reads the notice of publication.)
MR. SPURRIER: Also, Case 461, I presume, Mr.

Adams?

MR. ADAMS: Yes, sir.

(Mr. Graham reads the notice of publication in Case 461.)

MR. ADAMS: My name is R. E. Adams with the Cities Service 011 Company.

I would like to request that the application we filed in this case be made a part of the transcript of this record.

Is there any other objection to Mr. Adams' proposal?

H. E. MASSEY.

having been first duly sworn, testified as follows:
DIRECT EXAMINATION

BY MR. ADAMS:

Q Mr. Massey, you are familiar with the application that was filed in this case?

A I am.

MR. ADAMS: I forgot to qualify Mr. Massey.

Q You are division engineer for the Cities Service
Oil Company?

A I am.

Q And the State S lease is under your jurisdiction and in the Hobbs area, isn't it?

That is correct.

Under your supervision. You are familiar with the application which you have filed in this case to dual complete the State S No. 1 well?

I am.

And the allegations made in that application, are they true, to your knowledge, and correct?

They are with one exception. In the application to qually complete the State S No. 1 well between the Drinkard and the Blinebry, the application in Item 1 reads. that "Said well is currently producing as an oil well in the Drinkard formation from 6650 to 6669." That figure is a typographical error, and should read 6550 to 6669.

Is there an available market for gas that could be produced from this Blinebry formation?

Yes. The market at the present time is in the process of being supplied.

MR. ADAMS: I think that's all we have.

MR. SPURRIER: Are there any questions of this witness? Any objections to these two proposed duals?

MR. ADAMS: We just concluded the one, Mr. Spurrier. MR. SPURRIER: Just have the one so far. All right. You are also familiar, Mr. Massey, with the application Cities Service Oil Company has filed for the dual completion of the State S-2 Well?

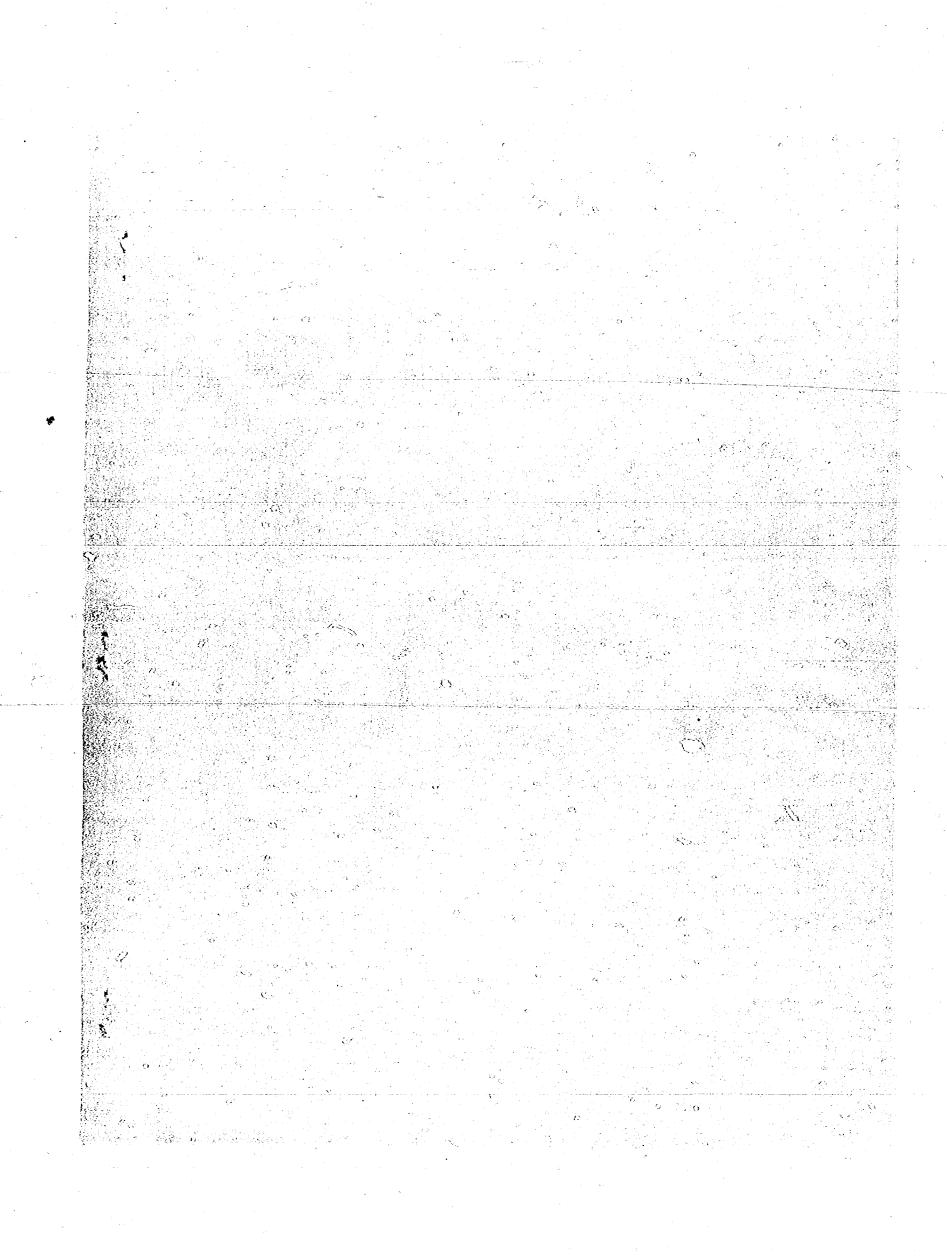
- I am.
- To the best of your knowledge and belief, are the allegations made in that application true and correct?
 - They are.
- Attached to the application is the plat of the location and the diagramatic sketch of the proposed installation?
 - That's right.
 - And there is also a market available for that gas?
 - That 1s correct.

MR. ADAMS: I trink that's all.

MR. SPURRIER: Is there any question of this wit-

ness in this case? If not, the witness may be excused.

If there is no further comment, the case will be taken under advisement.



Case 461

CITIES

CITIES SERVICE OIL COMPANY

PRODUCERS - REFINERS - MARKETERS OF PETROLEUM PRODUCTS

BARTLESVILLE OKLAHOMA

Hovesber 24, 1952

Oil Conservation Commission State of New Harden Santa Fo, Hen Henden

Application to Dually Complete office Service Oil Company's State and No. 2 Well, Drinkard Field, Les County, New Mexico

Gentlesent!

By meens of this application, Cities Service Oil Company Mishes to

state the following:

That Cities Service Oil Company's State MSH No. 2 well located in the SR/L of the Nu/L of Section 15, 7218. Rays. Les County was That Cities Service Oil Company's State "S" No. 2 well located in the SE/A of the RW/A of Section 15, T218, R37E, Lea County, and the SE/A of the RW/A of Section 15, tepth of 6676 feet. That said one-half inch prediction easing was set at 5565 feet. That company the set at 6565 feet.

- cre-half inch prediction easing was set at 5565 feet. That said real is currently producing as an oil wall in the Drinkerd through from 6586 feet to a plugged back total depth of 6655 feet through one hale. That attached Exhibit WAW shows the location of gald well, other That attached immibit "A" grove the location or said well, other wells on the same lease, and the ownership and location of all the offered wells on the same lease, and the ownership and location of all the offered wells on the same lease.
 - offset wells to Cities Service Oil Company's State 45" lease.
 - That applicant proposes to dually complete said well to produce out from the Drinkard formation through the tubing and gas from the Tubb formation through the tubing—coasing ammine in the following managers Perforate the 52-inch coming from 6060-6245 feet opposite
 - the Tubb formation.

 b. Set a production type packer below the caming perforations.

 That the manner and method of the proposed dual completion is shown on the attached discrements absolute analysis as limitate all the proposed as limitate all the proposed as limitate and the proposed as a limitate and the proposed and the proposed as a limitate and the proposed and the following masters on the attached diagramatic sketch marked as Exhibit ugn.
 - That an electric leg of said State "S" Well No. 2 is attached hereto marked as Emilist HCB.
 - marked as Eshibit "C".
 - That the greating of this application for permission to produce the well as a dual second stion with oil from the fluinkand formation with THE THE GREATING OF THE APPLICATION FOR THE Drinkerd Comments and well as a dual completion with oil from the Drinkerd Comments on the formation and WELL as a dual completion with oil from the Drinkard rossesion and gas from the Tubb formation is in the interest of commercation and the resolution of second atting wights.
 - That applicant will compared in Comming on the maintain assessed on the New March on (1) Commandation Comming on the maintain assessed on the the protection of correlative rights. That applicant will come y with all rules and regulations of the New Mexico Oil Conservation Commission to maintain separation of
 - That the manner and method of the proposed dual completion is production from the two pay sones.

Page 2 - Nov. 24, 1932

mechanically feasible and practical.

8. That copies of this application have been sent to the operators of all leases directly or diagonally offsetting the said State "S" lease of applicant.

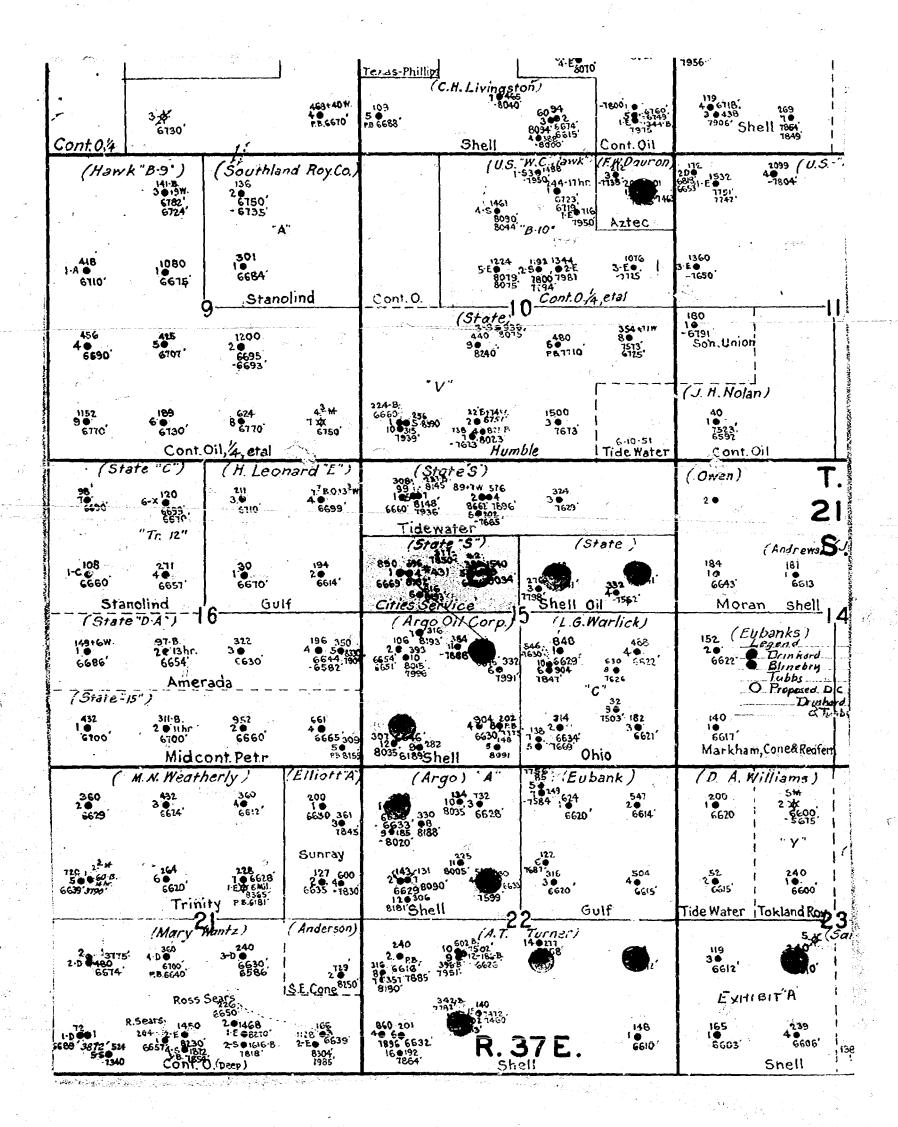
Therefore, Cities Service Oil Company respectfully requests that the New Mexico Oil Conservation Commission set a certain day upon which this application may be heard, and after said hearing to grant permission in this applicant may dually complete its State "S" Well No. 2 so that oil order that applicant may dually complete its State "S" well No. 2 so that oil order that applicant may dually complete its State "S" well No. 2 so that oil order that applicant may dually complete its State "S" well No. 2 so that oil order that applicant may be produced through the tubing and gas from the Tubb formation through the ensing-tubing annulus.

Respectfully submitted,

CITIES SERVICE OIL COMPANY

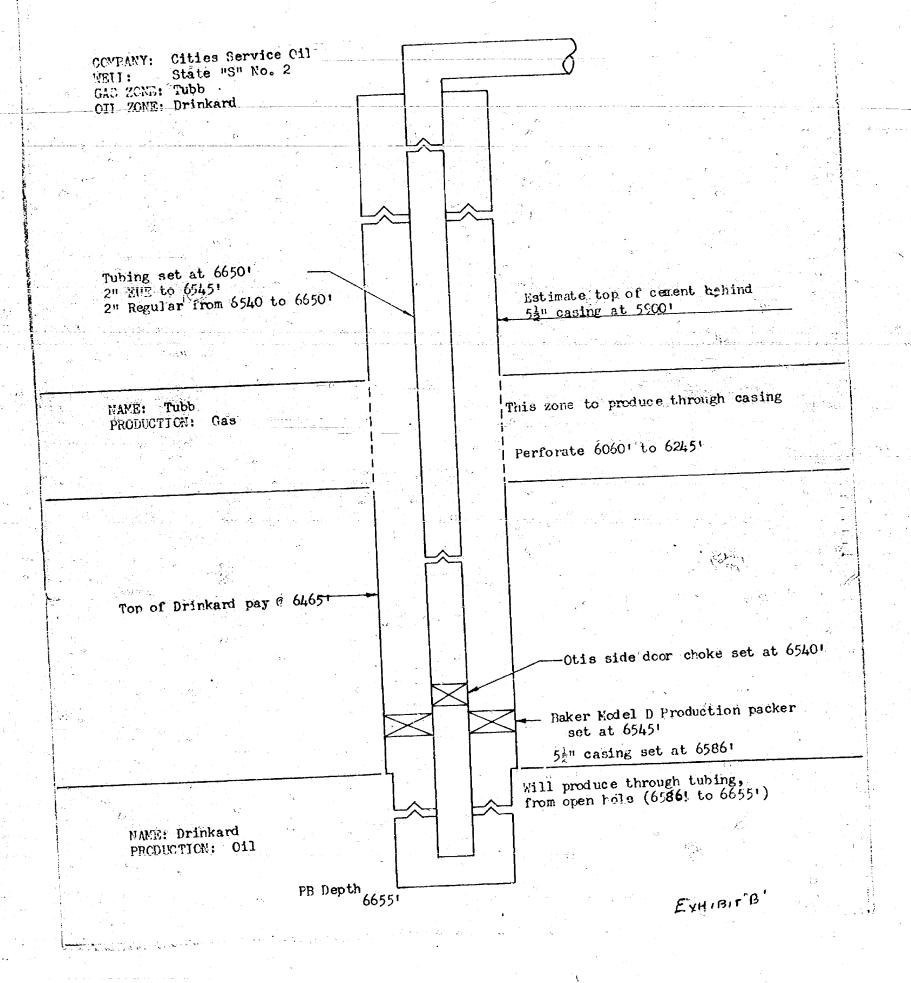
R. E. Adams Proration Engineer

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DIAGRAMATIC SKETCH SHOWING PROPOSED DUAL

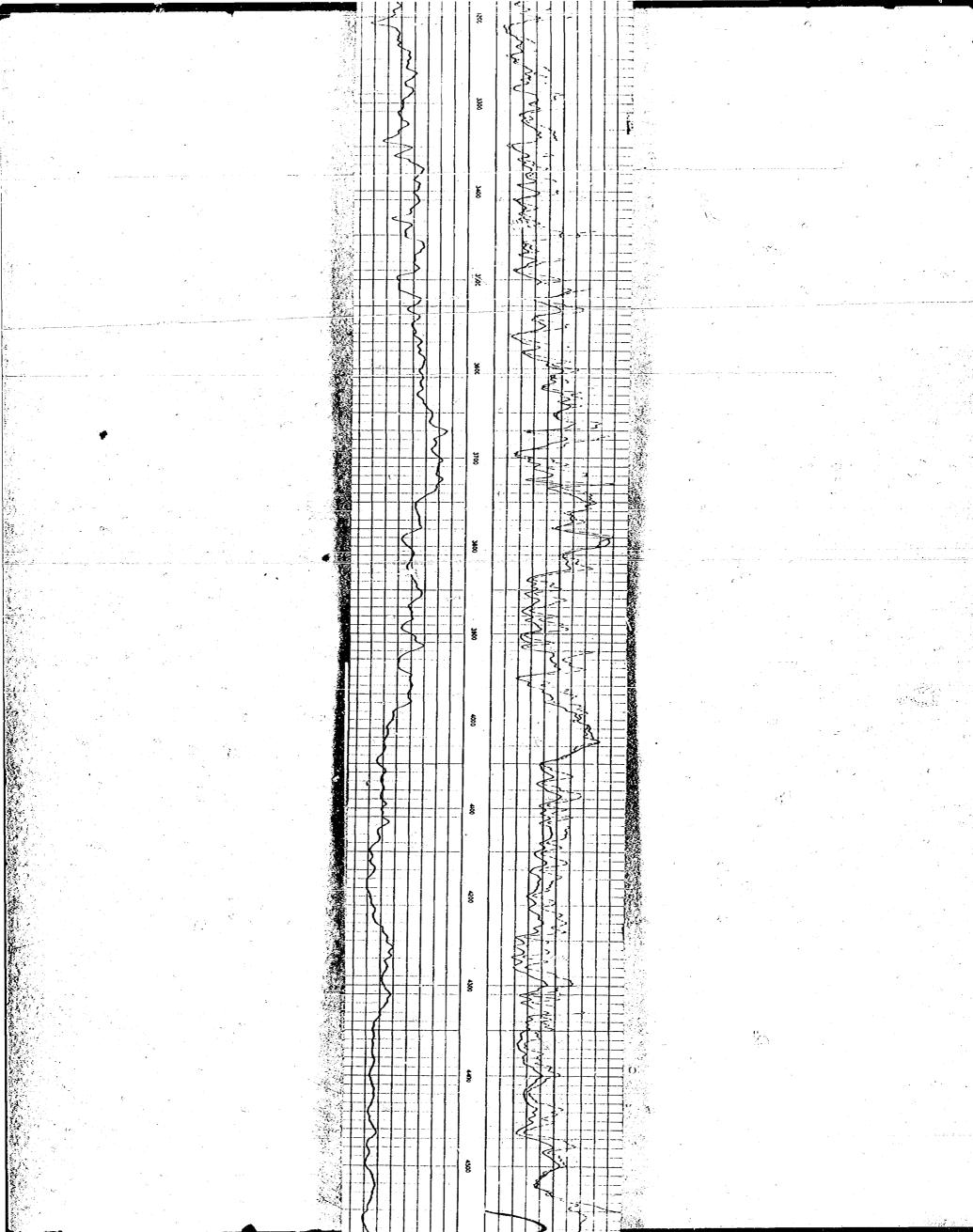
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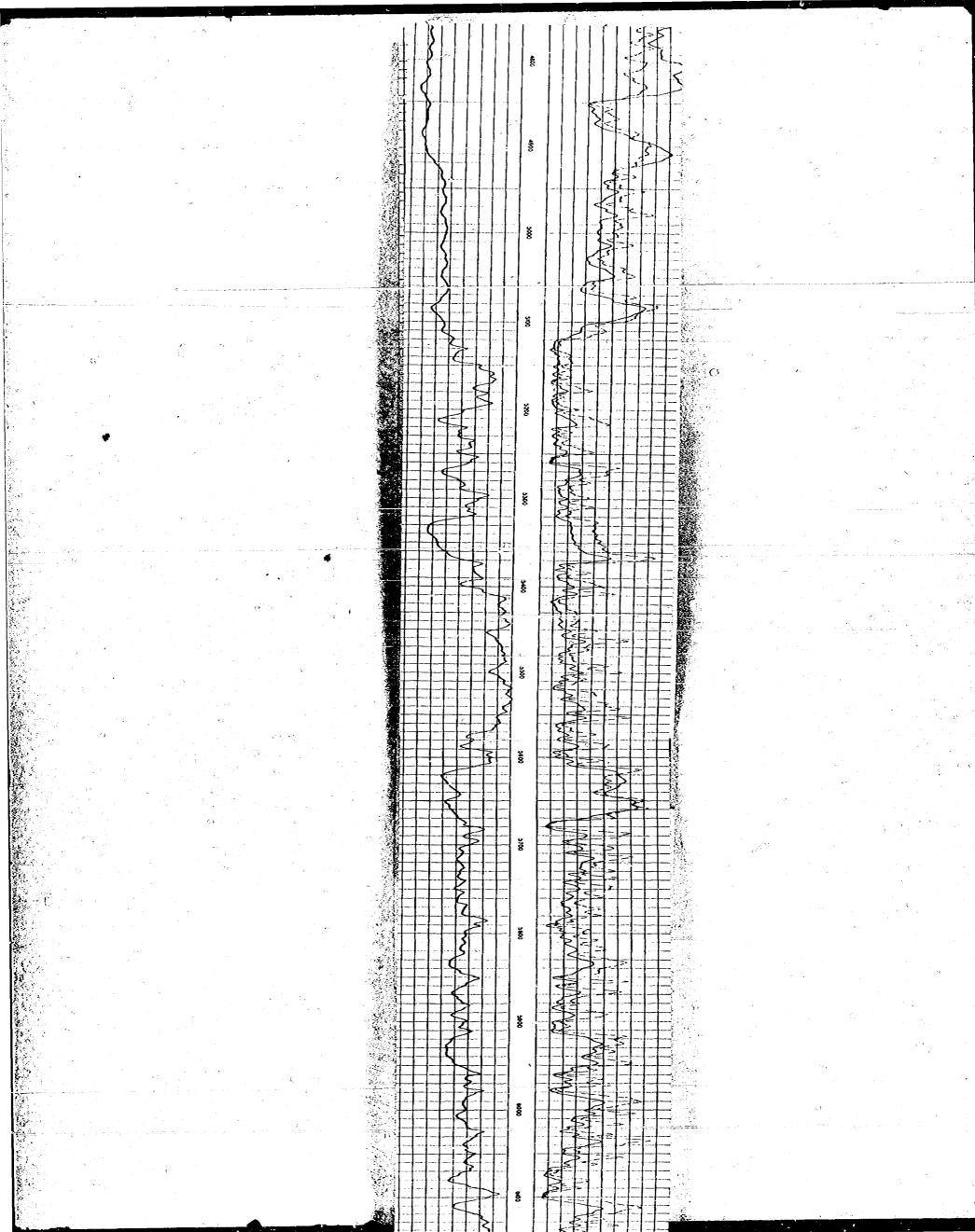


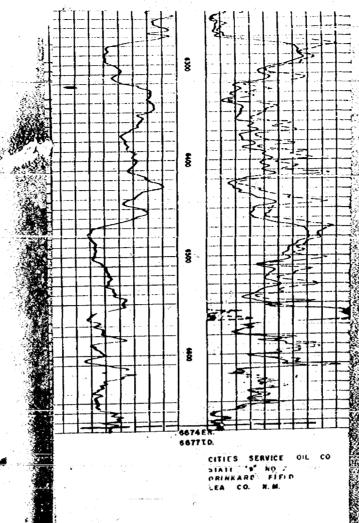
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CITIES SERVICE OIL COMPANY

PRODUCERS-REFINERS-MARKETERS OF PETROLEUM PRODUC'S

BARTLE SVILLE OKLAHOMA

November 24, 1952

Case 461

Oil Conservation Commission State of New Mexico Santa Fe, New Mexico Re: Application to Dually Complete Cities Service Cil Company's State "S" No. 2 Well, Drinkard Field, Lea County, New Mexico

Gentlemen:

By means of this application, Cities Service Oil Company wishes to state the following:

- 1. That Cities Service Oil Company's State "S" No. 2 well located in the SE/4 of the NW/4 of Section 15, T21S, R37E, Lea County, was completed July 7, 1948, at a total depth of 6676 feet. Five and one-half inch production casing was set at 6586 feet. That said well is currently producing as an oil well in the Drinkard formation from 6586 feet to a plugged back total depth of 6655 feet through open hole.
- 2. That attached Exhibit "A" shows the location of said well, other wells on the same lease, and the ownership and location of all the offset wells to Cities Service Oil Company's State "S" lease.
- 3. That applicant proposes to dually complete said well to produce oil from the Drinkard formation through the tubing and gas from the Tubb formation through the tubing-casing annulus in the following manner:
 - a. Perforate the $5\frac{1}{2}$ -inch casing from 6060-6245 feet opposite the Tubb formation.
 - b. Set a production type packer below the casing perforations. That the manner and method of the proposed dual completion is shown on the attached diagramatic sketch marked as Exhibit "B".
- 4. That an electric log of said State "S" Well No. 2 is attached hereto marked as Exhibit "C".
- 5. That the granting of this application for permission to produce the well as a dual completion with oil from the Drinkard formation and gas from the Tubb formation is in the interest of conservation and the protection of correlative rights.
- 6. That 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.
- 7. That the manner and method of the proposed dual completion is

Page 2 - Nov. 24, 1952

mechanically feasible and practical.

8. That copies of this application have been sent to the operators of all leases directly or diagonally offsetting the said State "S" lease of applicant.

Therefore, Cities Service Oil Company respectfully requests that the New Mexico Oil Conservation Commission set a certain day upon which this application may be heard, and after said hearing to grant permission in order that applicant may dually complete its State "S" Well No. 2 so that oil from the Drinkard formation may be produced through the tubing and gas from the Tubb formation through the casing-tubing annulus.

Respectfully submitted,

CITIES SERVICE OIL COMPANY

Rules

R. E. Adams Proration Engineer

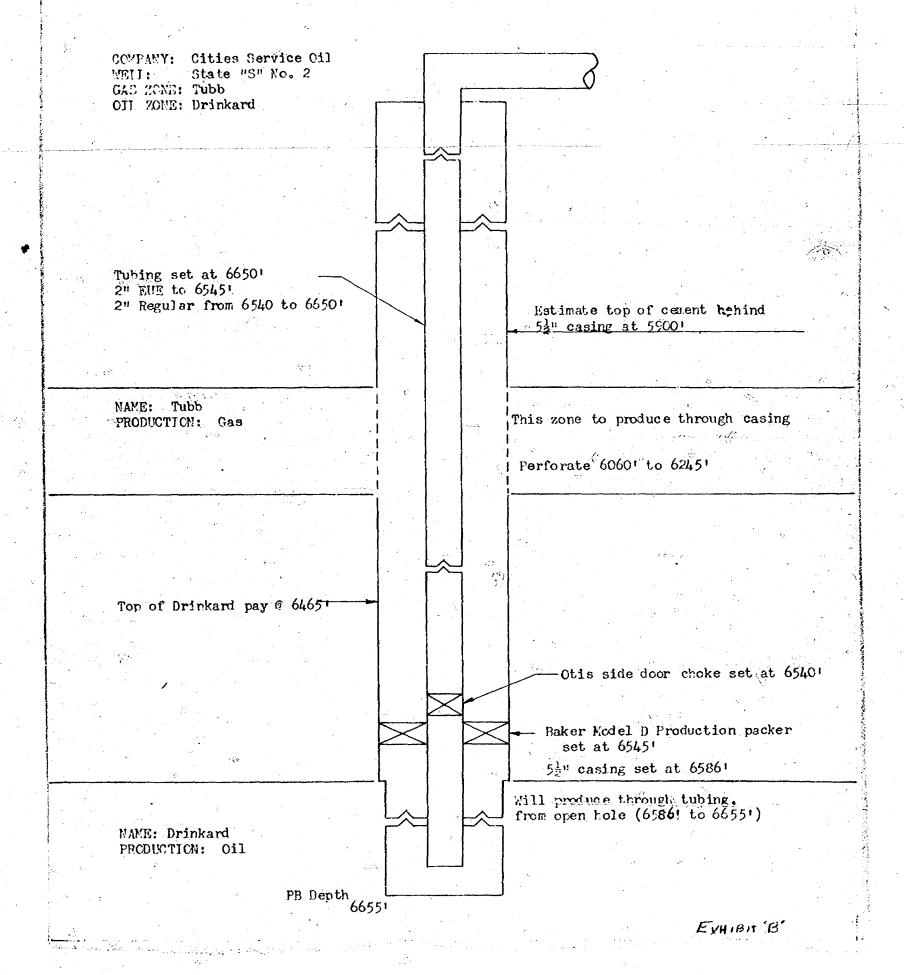
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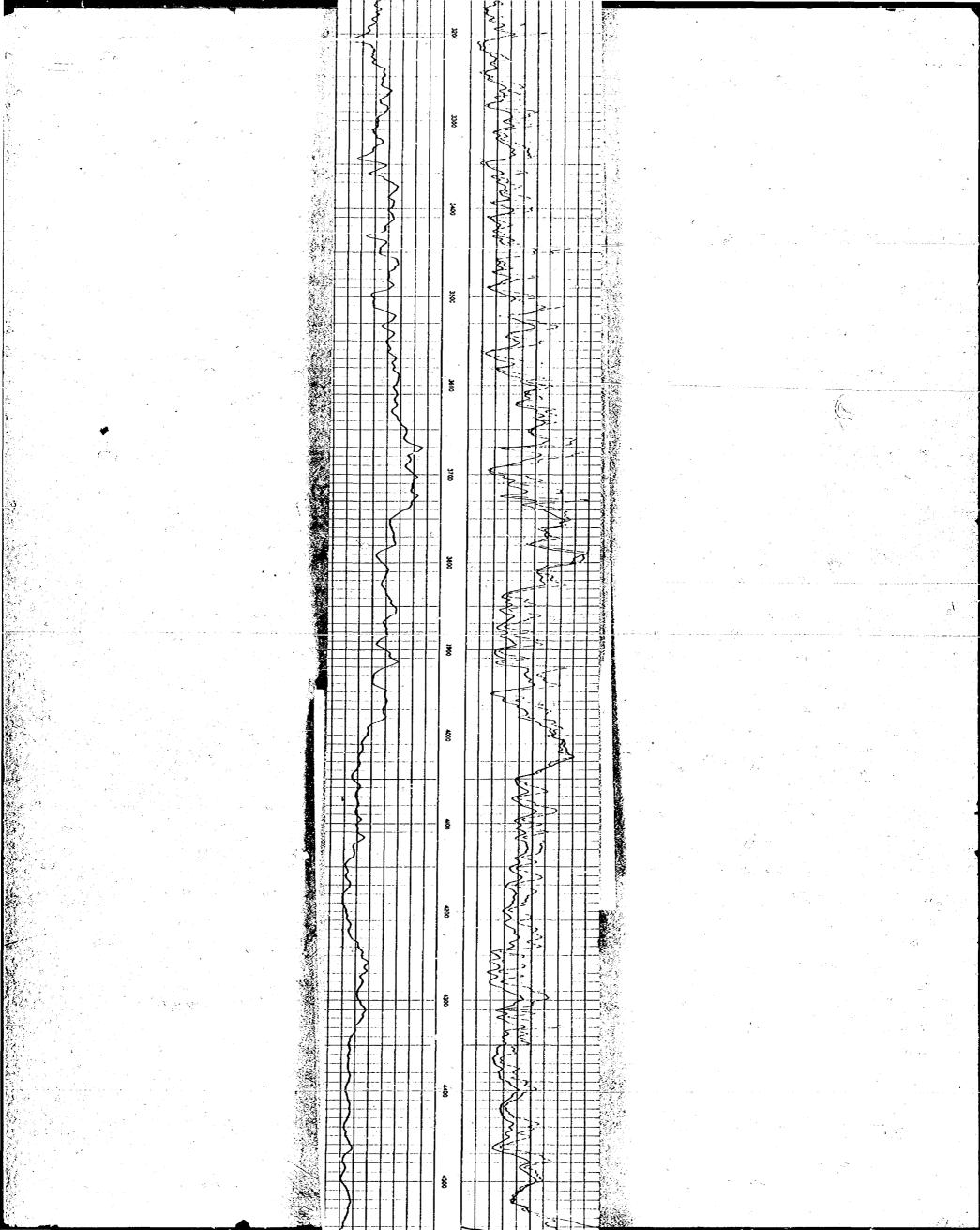
DIAGRAMATIC SKETCH SHOWING PROPOSED DUAL

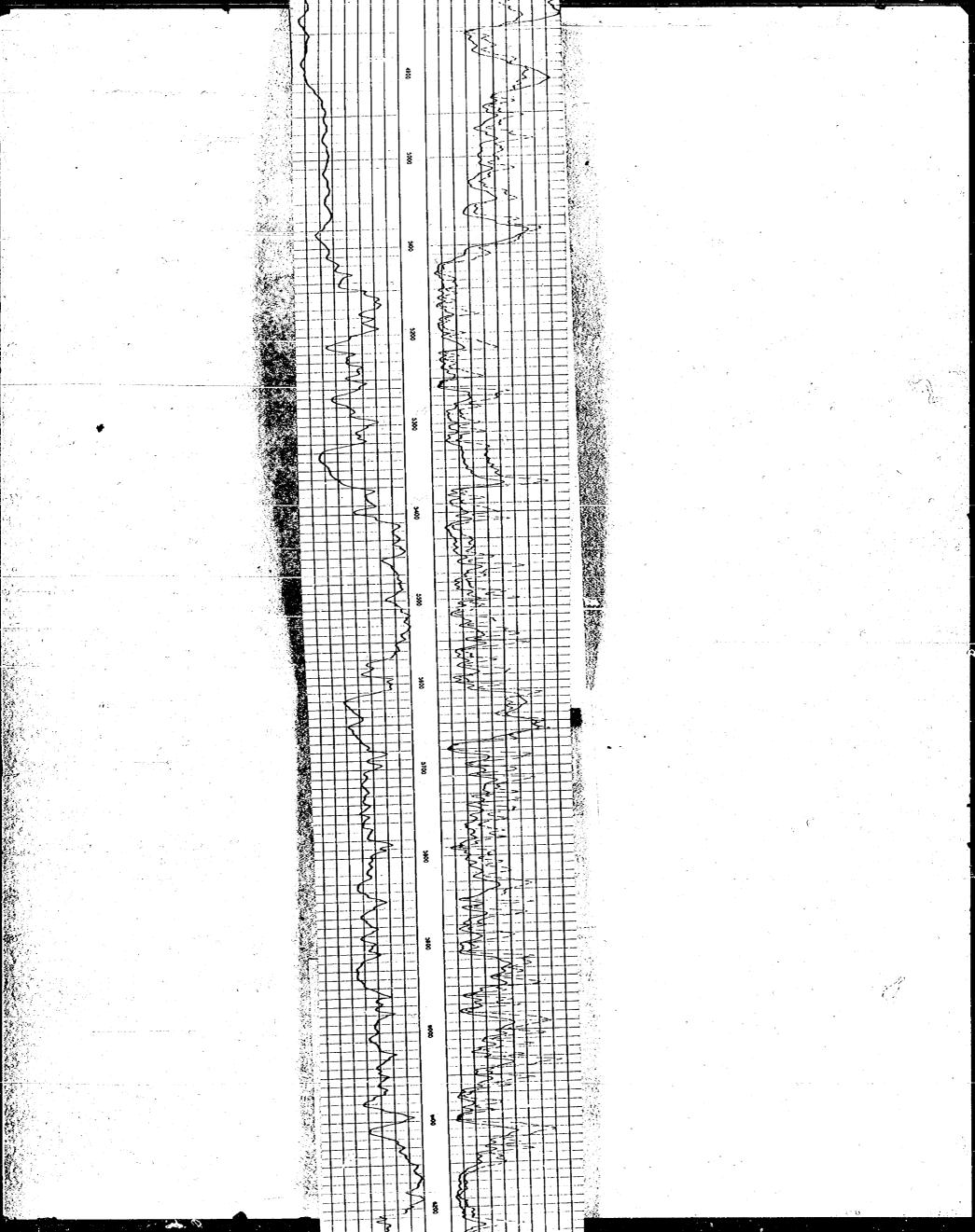
GAS-OIL COMPLETION

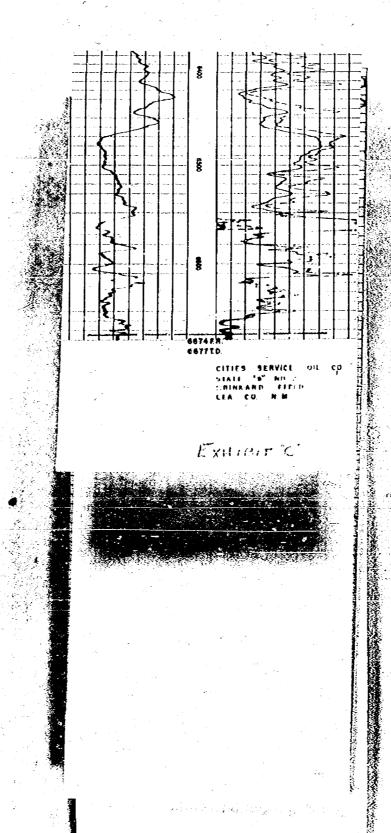


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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 461 ORDER NO. R-254

THE APPLICATION OF CITIES SERVICE OIL COMPANY FOR AN ORDER GRANTING PERMISSION TO DUALLY COMPLETE AND PRODUCE ITS STATE "S", WELL NO. 2, LOCATED IN THE SE/4 NW/4 OF SECTION 15, TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO, IN THE DRINKARD POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this / day of January, 1953, 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 "S", Well No. 2, SE/4 NW/4, Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, was completed in July, 1948, as an oil well producing from Drinkard formation in the open-hole interval 6586-6655, having drilled through the Tubb gas zone, 6060-6245.
- (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, Cities Service Oil Company, be, and it hereby is authorized to dually complete and produce its State "S", Well No. 2, SE/4 NW/4, Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Tubb formation may be produced through the annular space between the casing and the tubing and oil from the Drinkard formation through the tubing by proper perforations and the installation of a proper packer or packers.

PROVIDED, HOWEVER, That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within the well bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata, and,

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and,

PROVIDED FURTHER, That the operator applicant shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM. Chairman

Eswalker Member

R. R. SPURKLER, Secretary