

Case No.

475

Application, Transcript,
Small Exhibits, Etc.

CASE 475: Tide water dual completion
Sarkis #3, NE NW 26-21S-37E, Drinkard
Pool (oil from Drinkard, gas from Blinberry)

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

TRANSCRIPT OF HEARING
CASES 475 and 476
CONSOLIDATED
February 17, 1953

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

February 17, 1953

In the Matter of:

Tide Water's application for permission
to dually complete its S. J. Sarkeys No.
3, NE NW 26--21S-37E (Drinkard Pool) to
permit production of oil from the Drinkard
and gas from the Blinebry.

No. 475

and

Tide Water's application for permission
to dually complete its S. J. Sarkeys No.
4, SE NW 26-21S 37E (Drinkard Pool) to
permit production of oil from the Drinkard
formation and gas from the Tubb.

No. 476

TRANSCRIPT OF HEARING

(MR. GRAHAM reads the notices of publication.)

MR. SPURRIER: The next case on the docket is 475.

MR. HOLLOWAY: I am J. D. Holloway, representing Tide
Water. Our case, 476 is similar to this, for the dual comple-
tion of another well on the same lease. It would be convenient
to the Commission and if the rules permit, to consolidate them.

MR. SPURRIER: Let's consolidate insofar as we can. I
note in one case gas is from the Blinebry and the other gas is
from the Tubb formation.

MR. HOLLOWAY: Yes.

J. D. H O L L O W A Y

Having been first duly sworn, testified as follows:

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COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

MR. GRAHAM: Go ahead.

MR. HOLLOWAY: There is very little additional information that we can add at this time to that set out in our application. Tide Water's S. J. Sarkeys Well No. 3 is located in the NE/4 of the NW/4 of Section 26, T-21S, R-37E, and was completed in July 1950, as an oil well producing from the Drinkard formation from open hole 6520'-6587'. 5½" casing was set at 6520' and cemented with 500 sacks. In this well, we drilled through the Blinebry gas zone from 5546' to 5620'.

In our opinion, it is practical and economically feasible to dually complete the well in the conventional manner by perforating the 5½" casing opposite the Blinebry formation and then separate the Blinebry from the Drinkard zone with a production type packer. The Drinkard Zone would continue to produce oil through the tubing and the Blinebry gas zone would be produced through the annulus, between the tubing and casing.

S. J. Sarkeys Well No. 4 is located in the SE/4 of the NW/4 of Section 26, T-21S, R-37E, and was completed as an oil well in May 1949. It is producing from the Drinkard formation from open hole 6515'-6586'. 5½" casing was set at 6515' and cemented with 500 sacks. The Tubbs gas zone was found to be from 6035'-6450'.

In our opinion, it is practical and will be economically feasible to dually complete Sarkeys No. 4 in the customary manner by perforating 5½" casing opposite the Tubbs Zones of permeability. A production type packer would be set to separate the two producing horizons in such manner that the Drinkard Zone would continue to be produced through the tubing and the Tubbs zone through the annular space between the tubing and casing.

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PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

We proposed to equip the wells in such way that reservoir pressures may be determined separately for each of the producing strata and further to install all necessary connections to permit recording meters to be installed and used, 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.

We will make any and all tests required by the Commission and in all ways comply with its rules and regulations to maintain separation of production from the different pay zones.

Upon actual dual completion we will submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete the seal between the strata, and a special report of production, gas-oil ratio and reservoir pressure determinations of each producing zone immediately following completion.

With our application we filed a plat showing the location of the wells and the surrounding leaseholds of the wells in the field. We have sent notices of this application to our neighbors. We also filed a diagrammatic sketch showing a proposed dual completion. This will be amended following actual dual completion. We also filed with the Commission copies of Schlumberger log of these respective wells. I believe that is about all I have to offer, Mr. Spurrier.

MR. SPURRIER: Are there any questions of the witness?

MR. GRAHAM: Mr. Holloway, have you considered the 160-acre gas spacing?

A Fortunately, this is one hundred sixty acres lease. It is the quarter section, so it will conform with what I suppose is the pending rule of the Commission.

MR. GRAHAM: You are familiar with our usual type of dually completed wells?

A Well, previously I think we have complied with dually completed wells, I think properly/^{or}at least to the satisfaction of the Commission.

MR. SPURRIER: Anyone else? If not, the witness may be excused. These two cases will be taken under advisement. We will go on to case 477 through 486.

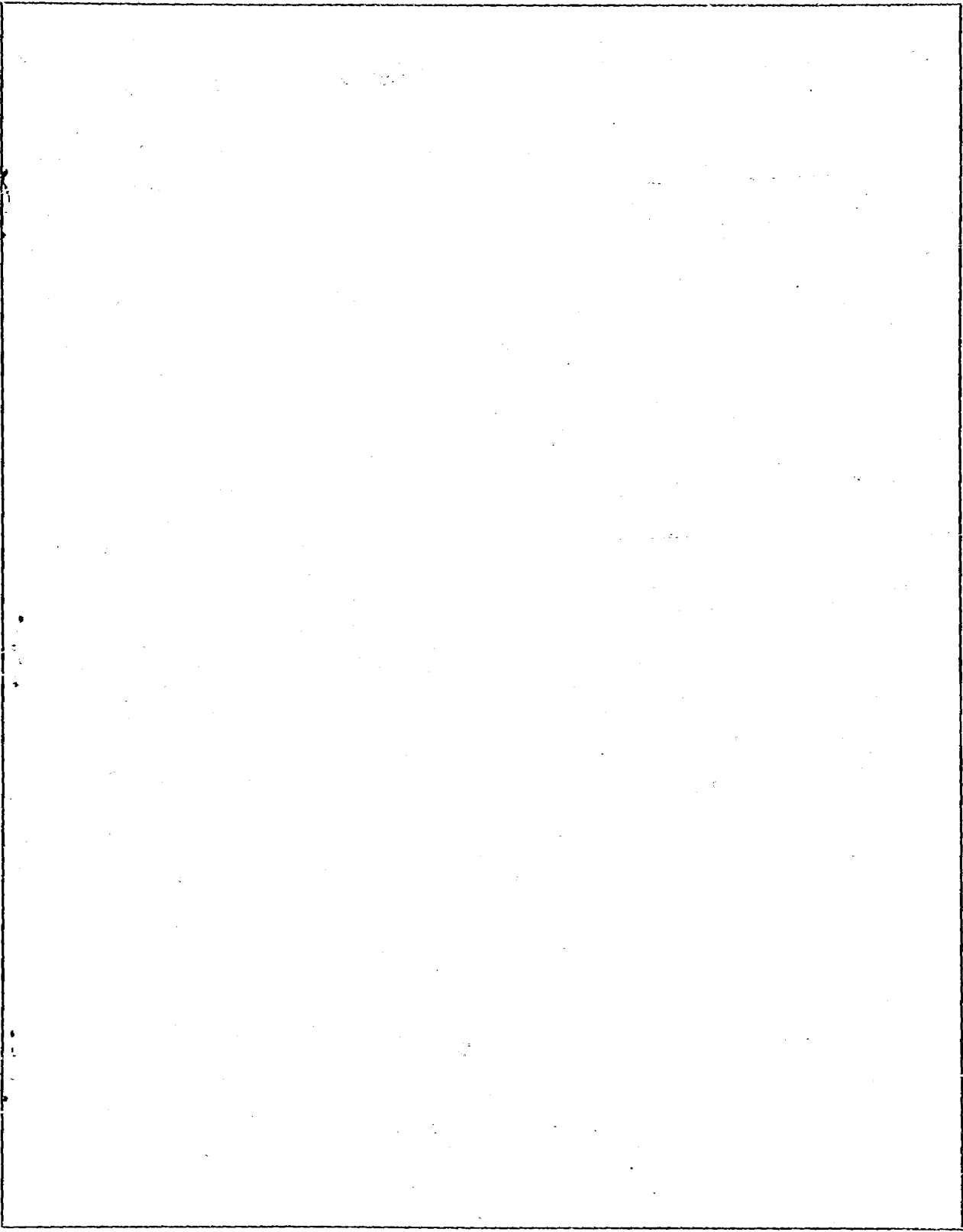
STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss.

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in case No. 475 and case No. 476, consolidated, before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on February 17, 1953, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico this 24th day of February, 1953.


REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO



E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1302
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

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. 475
ORDER No. R-266

THE APPLICATION OF TIDE WATER
ASSOCIATED OIL COMPANY FOR AN
ORDER GRANTING PERMISSION TO
DUALY COMPLETE AND PRODUCE
ITS S. J. SARKEYS, WELL NO. 3,
LOCATED IN THE NE/4 NW/4 OF
SECTION 26, 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 February 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 27th day of February, 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 S. J. Sarkeys, No. 3 Well, NE/4 NW/4, Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, was completed in July 1950, as an oil well producing from the Drinkard formation in the open-hole interval 6520-6587, having drilled through the Blinebry gas zone at an approximate depth of 5546-5620 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 S. J. Sarkeys, Well No. 3, NE/4 NW/4, Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Blinebry 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.

PROVIDED FURTHER, that upon the actual dual completion of such subject well applicant shall submit to the District Office of the Commission in which the subject well is located Form C-103, Form C-104 and Form C-110 outlining the information required on these forms by existing Rules and Regulations.

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.

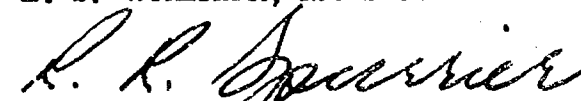
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

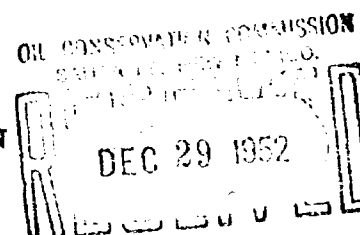


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member


R. R. SPURRIER, Secretary

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO



IN THE MATTER OF THE APPLICATION OF
TIDE WATER ASSOCIATED OIL COMPANY FOR
AN ORDER GRANTING IT PERMISSION TO DUALY
COMPLETE S. J. SARKEYS NO. 3 WELL,
DRINKARD POOL, NE/4 NW/4, SECTION 26,
TOWNSHIP 21S, RANGE 37E, N.M.P.M.,
LEA COUNTY, NEW MEXICO

CASE NO: 475

A P P L I C A T I O N

COMES NOW, Tide Water Associated Oil Company, a Delaware Corporation, operating in New Mexico from a field office in Hobbs, and respectfully represents to the Oil Conservation Commission of the State of New Mexico as follows:

1. That Tide Water Associated Oil Company's S. J. Sarkeys Well No. 3 located in the NE/4 of the NW/4 of Section 26, Township 21 South, Range 37 East, N.M.P.M., Drinkard Pool, Lea County, New Mexico, was completed in July 1950, as an oil well producing from the Drinkard formation from open hole (6520-6587'). Five and one-half inch production casing was set at 6520' and cemented with 500 sacks. The well drilled through the Blinebry gas zone (5546-5620').
2. Applicant represents that it is practical and economically feasible to dually complete the S. J. Sarkeys No. 3 well to produce oil from the Drinkard formation through the tubing and gas from the Blinebry formation through the annular space between the casing and tubing by proper perforations and installation of proper packer and well head connections, and in such manner that there will be no commingling of fluids between the two reservoirs.
3. Applicant further represents that the granting of this application for permission to produce dually, oil from the Drinkard formation and gas from the Blinebry formation is in the interests of conservation and the protection of correlative rights.
4. That attached hereto is a plat, marked Exhibit "A", showing the location of S. J. Sarkeys No. 3 well, and surrounding wells and leaseholds.
5. That applicant proposes to dually complete said well to produce oil from the Drinkard formation through the tubing, and gas through the tubing-casing annulus in the following manner:
 - a. Perforate the 5 $\frac{1}{2}$ " casing from 5550 to 5590 feet, opposite the Blinebry formation.
 - b. Set a production type packer below the casing perforations as shown on the attached diagramatic sketch marked Exhibit "B".

SUBJECT: IN THE MATTER OF THE APPLICATION
OF TIDE WATER ASSOCIATED OIL COMPANY
FOR AN ORDER GRANTING IT PERMISSION
TO DUALY COMPLETE S. J. SARKEYS NO.
3 WELL, DRINKARD POOL, NE/4 NW/4,
SECTION 26, TOWNSHIP 21S, RANGE 37E,
N. M. P. M., LEA COUNTY, NEW MEXICO

6. That an electric log of said S. J. Sarkeys No. 3 well is attached hereto marked Exhibit "G".

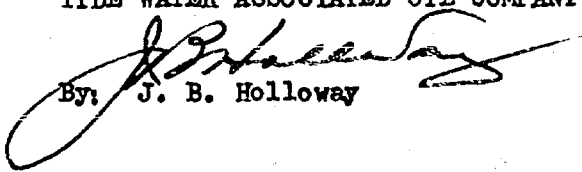
7. That copies of this application and Exhibits have been sent to the operators of all leases adjoining the said S. J. Sarkeys lease of applicant.

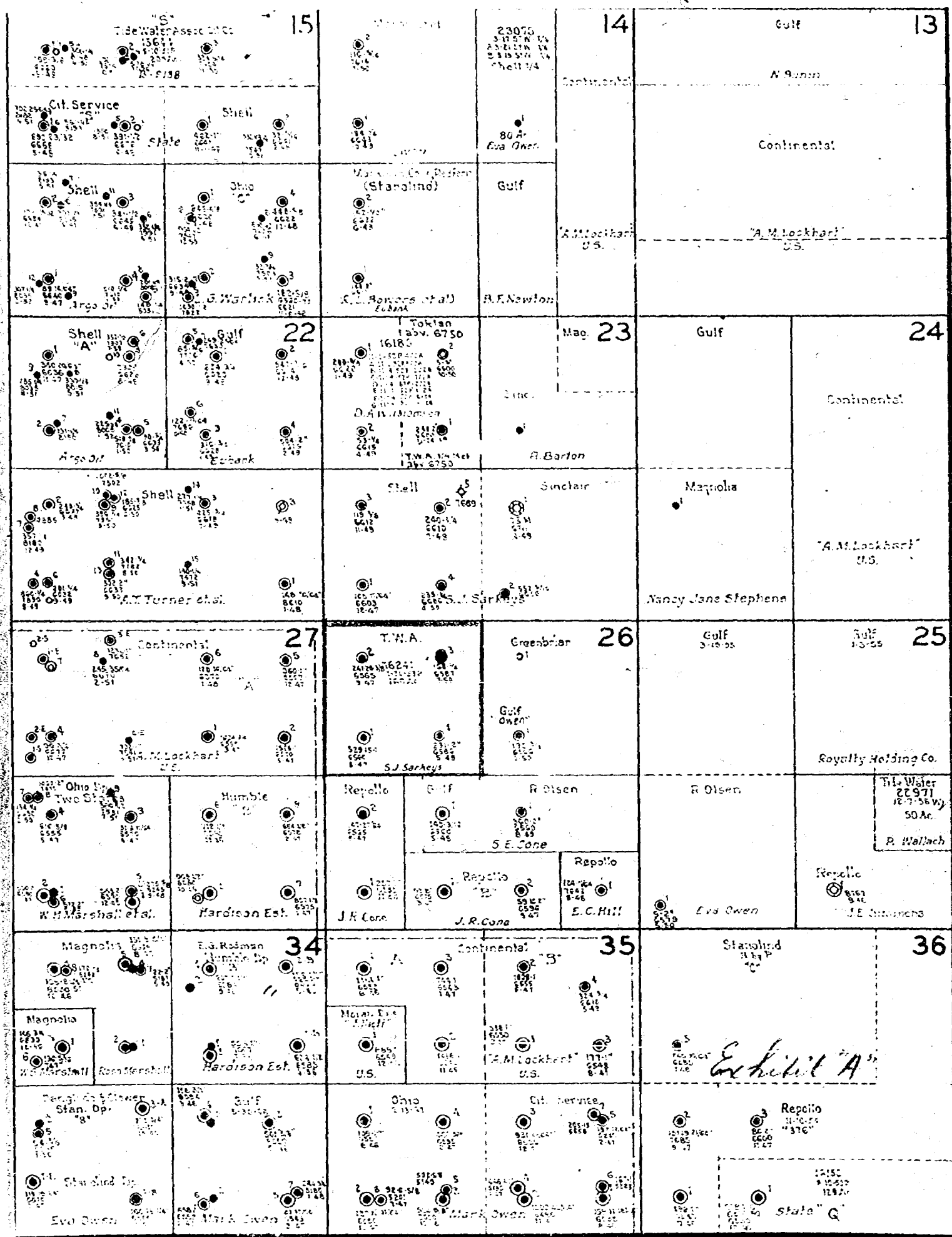
WHEREFORE, Applicant requests that this matter be set down for hearing on due notice, and that at such hearing it be authorized to dually complete said well in accordance with the foregoing petition and the rules and regulations of the Commission.

DONE at Houston, Texas, on this the 24th day of December, 1952.

Respectfully submitted

TIDE WATER ASSOCIATED OIL COMPANY

By:  J. B. Holloway



EUGENE DIETZGEN CO.
PRINTED IN U. S. A.

NO. 340-20 DIETZGEN GRAPH PAPER
20 X 20 PER INCH

TIDE WATER ASSOC OIL Co.
S. J. SARKEYS #3
GAS ZONE: BLINEBRY
OIL ZONE: DRINKARD

DIAGRAMMATIC SKETCH SHOWING
PROPOSED DUAL GAS-OIL COMPLETION

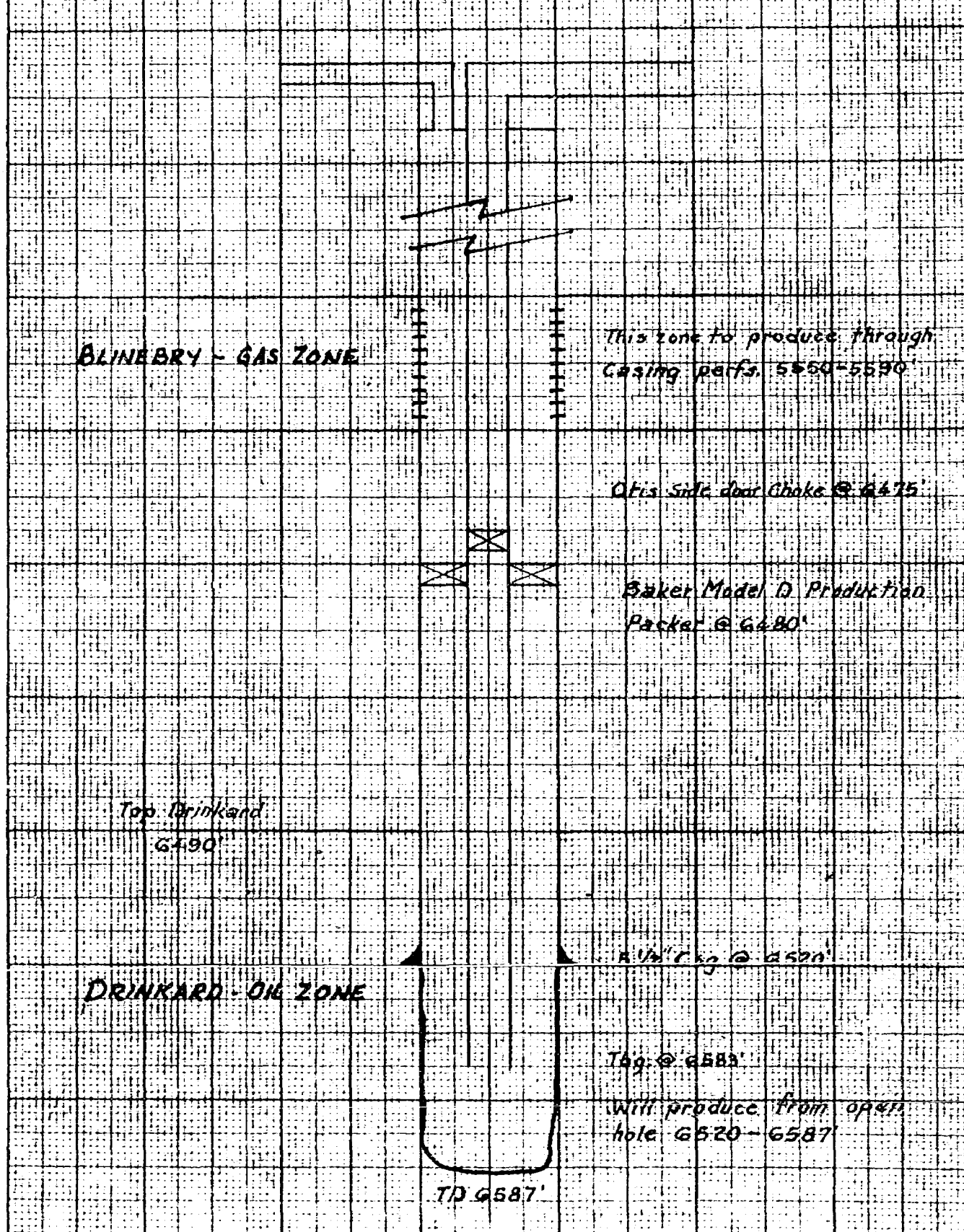


Exhibit "B"

	<p>15</p>	<p>14</p>	<p>13</p>
<p>Service</p>	<p>Shell</p>	<p>Continental</p>	<p>Gulf</p>
<p>Shell</p>	<p>Ohio</p>	<p>Gulf</p>	<p>Continental</p>
<p>Shell</p>	<p>G. Warlick</p>	<p>Continental</p>	<p>Continental</p>
<p>Shell</p>	<p>22</p>	<p>Mag 23</p>	<p>24</p>
<p>Argo</p>	<p>Eubank</p>	<p>Continental</p>	<p>Continental</p>
<p>Shell</p>	<p>Shell</p>	<p>Continental</p>	<p>Continental</p>
<p>Shell</p>	<p>Shell</p>	<p>Continental</p>	<p>Continental</p>
<p>Continental</p>	<p>27</p>	<p>26</p>	<p>25</p>
<p>Continental</p>	<p>Continental</p>	<p>Continental</p>	<p>Continental</p>
<p>Ohio</p>	<p>Humble</p>	<p>Continental</p>	<p>Continental</p>
<p>W.H. Marshall</p>	<p>Hardison Est.</p>	<p>Continental</p>	<p>Continental</p>
<p>Magnolia</p>	<p>E.J. Rodman</p>	<p>Continental</p>	<p>Continental</p>
<p>Magnolia</p>	<p>Hardison Est.</p>	<p>Continental</p>	<p>Continental</p>
<p>Daniel</p>	<p>Gulf</p>	<p>Continental</p>	<p>Continental</p>
<p>Standard</p>	<p>Standard</p>	<p>Continental</p>	<p>Continental</p>
<p>Eva Owen</p>	<p>Standard</p>	<p>Continental</p>	<p>Continental</p>