

Case No.

501

Application, Transcript,
Small Exhibits, Etc.

CASE 501: Continental Oil Company
Dual Completion: A. E. Meyer B-4 Well No. 7
NW SE 4-21S-36E
Lea County

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

TRANSCRIPT OF HEARING

CASE NOS. 501 through 505 (CONSOLIDATED)

OIL CONSERVATION
COMMISSION
SANTA FE, N.M.

MAR 30 1953

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

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

In the Matter of:

Continental Oil Company's applications
for permission to dually complete the
following (gas - oil) wells:

A. E. Meyer B-4 Well No. 7, NW SE,
4-21S-36E, Eunice-Monument Pool, Lea Co.

Case Nos.

501

A. E. Meyer A-8 Well No. 3, SW SW,
8-21S-36E, Eunice-Monument Pool, Lea Co.

502

A. E. Meyer B-9 Well No. 1, NE SW,
9-21S-36E, Eunice-Monument Pool, Lea Co.

503

A. E. Meyer A-17 No. 4 Well, NE SW,
17-21S-36E, Eunice-Monument Pool, Lea Co.

504

A. E. Meyer B-8 Well No. 4, NW NW,
8-21S-37E, Eunice-Monument Pool, Lea Co.

505

Consolidated

TRANSCRIPT OF HEARING

MR. SPURRIER: Case No. 501.

(Notice of Publication read by Mr. Graham.)

MR. DAILEY: Homer Dailey with the Continental Oil Company.
I wondered if Cases 501, 502, 503, 504, and 505, since they are
all practically identical, wondered if they could be combined?

MR. SPURRIER: Yes, for the purpose of the taking of testi-
mony.

(Notices of Publications in Cases 502, 503, 504 and 505
read by Mr. Graham.)

MR. DAILEY: Case 501, the application to dually complete
Continental Oil Company Meyer B-4 No. 7. The well is presently

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

completed as an oil well in the Eunice-Monument Pool, producing from the Grayburg Horizon. The oil string of casing set on the top of the pay. It is the intention to set a Baker Model D Production Packer in the base of the casing and perforate the upper 200 feet of the Queen and portions of the Seven Rivers and possibly Yates formations between the interval of 2,680 and 3,600 feet for gas production. Upon completion of the work tubing would be installed in the well and the oil from the Grayburg would be produced through the tubing and gas would be produced through the annulus. I do not have an exact bottom hole pressure on the well. However, in all cases, in all these five cases the bottom hole pressure will vary between three and six hundred pounds while the pressure on the gas zone will vary between eleven hundred and thirteen hundred pounds. It will be impossible to secure a differential across the packer of more than 1,300 pounds.

I have two exhibits in this case. One a map of the area and the other a diagram of the well as it is completed at the present and as it will be upon completion of this report.

MR. GRAHAM: That represents a multiple completion, does it not?

MR. DAILEY: I would call it a dual. There are only two zones. As the Eumont Gas Pool is presently set up I believe that all those zones are included within the pool, the vertical extension of the pool.

Case 502 is a similar situation on the Continental Oil Company Meyer A-8 No. 3. Again I have two exhibits, a map and a diagram of the proposed work.

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

Case 503 concerns Continental Oil Company Meyer B-9 No. 1.
Here again are two similar exhibits.

Case No. 504 --

MR. GRAHAM: (Interrupting) What is the land ownership?

MR. DAILEY: Federal land. Case 504, Continental Meyer
A-17 No. 4, map and diagram showing how we intend to do the work.

505 concerns the application of Continental Oil Company Meyer
B-8 No. 4. In this case we have three exhibits. One is a map of
the area, one is a sketch of the well in its present condition and
in the condition in which we intend to leave it and in the third
is a copy of a radio-activity survey on the well. In the other
four wells we do not have radio-activity surveys at the present
time. However, it is our intention to run one at the time the
work is performed on the well. That is all I have.

MR. SPURRIER: Do you offer all these exhibits, Mr. Dailey?

MR. DAILEY: That is correct.

MR. SPURRIER: Without objection they will be received.
Are there any questions of the witness in any of these cases?

MR. GRAHAM: You are familiar with the type of order we
usually issue in each of these cases.

MR. DAILEY: That is correct.

MR. SPURRIER: Any further questions of the witness? If
not, the witness may be excused. We will take the cases under
advisement and take a five minute recess.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS.

I, ADA DEARNLEY, hereby certify that the above and foregoing transcript of proceedings in Cases Nos. 501 through 505, taken before the Oil Conservation Commission on March 17, 1953, at Santa Fe, New Mexico, is a true and correct record.

Dated in Albuquerque, New Mexico, this 24th day of March, 1953.

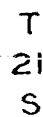
Ada Dearnley
Notary Public

My Commission Expires:
June 19, 1955.

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

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9645 AND 8-9546
ALBUQUERQUE, NEW MEXICO

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JAN. 28, 1953

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. 501
Order No. R-290

THE APPLICATION OF CONTINENTAL
OIL COMPANY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE AND
PRODUCE ITS MEYER B-4, WELL NO. 7,
LOCATED IN THE NW/4 SE/4 OF SECTION 4,
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 March 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 31st day of *MARCH*, 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 Meyer B-4, No. 7 Well, NW/4 SE/4, Section 4, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, was completed in April, 1936, as an oil well producing from the Grayburg formation of the Eunice-Monument pool in the open-hole interval 3750-3873, having drilled through the Yates-Seven Rivers-Queen formation of the Eumont Gas Pool at an approximate depth of 2680-3600.

(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, Continental Oil Company, be, and it hereby is authorized to dually complete and produce its Meyer B-4, No. 7 Well, NW/4 SE/4, Section 4, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Yates-Seven Rivers-Queen formation of the Eumont Gas Pool may be produced through the annular space between the casing and the tubing, and oil from the Grayburg formation of the Eunice-Monument Pool through the tubing by proper

Case No. 501
Order No. R-290

perforations and the installation of a proper packer;

PROVIDED HOWEVER, That this approval shall be subject to like approval by the United States Geological Survey and that upon the actual dual completion of such subject well applicant shall submit to the District Office of the Commission in which the well is located an approved copy of the appropriate Federal Government form showing the actual work done, plus copies of Oil Conservation Commission Form C-104, Form C-110, and Form C-122 outlining the information required on those forms by existing Rules and Regulations.

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

E. L. Mechem
EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member
R. R. Spurr
R. R. SPURR, Secretary

SEAL

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

April 2, 1953

C
O
P
Y
Mr. C. S. Wilson
District Superintendent
Continental Oil Company

Dear Sir:

We enclose two signed copies each of the orders issued in Continental dual completion cases heard at the March 17 hearing of the New Mexico Oil Conservation Commission, as follows:

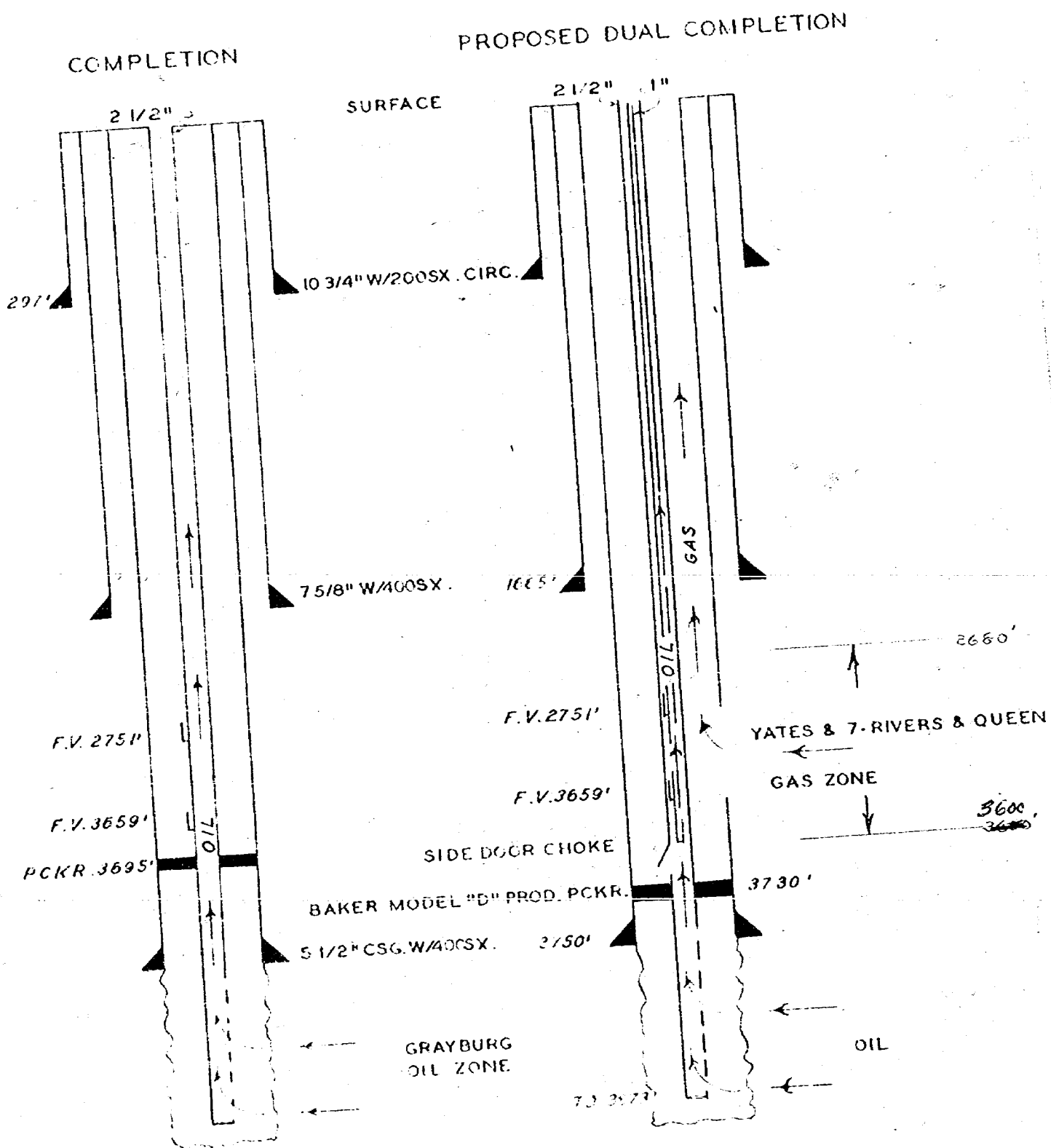
Order R-290	in Case	301
" R-291	"	302
" R-292	"	303
" R-293	"	304
" R-294	"	305

Very truly yours,

W. B. Macey
Chief Engineer

WB:mr

CONTINENTAL OIL COMPANY
MEYER B-4 110.7



EX #1 CARD 501-~~501~~

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AN ORDER
GRANTING IT PERMISSION TO DUALY COMPLETE
A. E. MEYER B-4 NO. 7 WELL, EUNICE POOL,
NW/4 SE/4, SECTION 4, T.21S, R.36E,
N.M.P.M. LEA COUNTY, NEW MEXICO

CASE NO. 501

A P P L I C A T I O N

Comes now CONTINENTAL OIL COMPANY, a Delaware corporation, herein-
after called "Applicant", and respectfully requests the Oil Conservation
Commission of the State of New Mexico to issue an order authorizing Applicant
to dualy complete its A. E. Meyer B-4 No. 7 well, located 1980 feet North
of the South line and 1980 feet West of the East line of the SE/4, Section
4, T.21S, R.36E, N.M.P.M., Lea County, New Mexico, in the Grayburg formation
and the Yates, Seven Rivers, and Queen formations, and in support thereof
would show the following:

Said well was completed April 19, 1936 in the Grayburg formation
as an oil well and Applicant now desires to complete the same in the Yates,
Seven Rivers, and Queen formations as a gas well also, and Applicant
represents that it is practical and economically feasible to so dualy
complete said well in such a manner as that there will be no commingling of
fluids between the oil and gas reservoirs.

Attached to this Application is a plat showing the location of
the subject well and surrounding wells and leaseholds.

WHEREFORE, Applicant respectfully requests that this matter be
set down for hearing on due notice and that upon final hearing the Oil
Conservation Commission of the State of New Mexico enter its order authoriz-
ing Applicant to dualy complete said well in accordance with the foregoing
application and rules and regulations of the Commission.

DONE at Hobbs, New Mexico, this 26th day of January, 1953.

CONTINENTAL OIL COMPANY

By C. C. Wilson
C. C. WILSON
Dist. Supt., New Mexico Dist.
West Texas-New Mexico Divn.
Production Department

