

Case No.

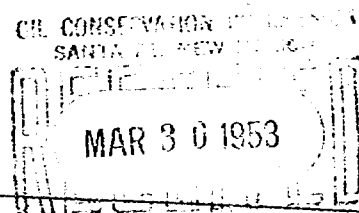
506

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

TRANSCRIPT OF HEARING
CASES NO. 506 through 516 (CONSOLIDATED)



E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1302
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:

Amerada Petroleum Corporation's applications
for permission to dually complete the
following (gas-oil) wells:

State "LMT" Well No. 5, NE NE, 36-23S-36E,
Langlie-Mattix Pool, Lea County.

State "JA" Well No. 2, SW NW, 27-26S-36E,
Rhodes Pool, Lea County.

Weir Well No. 4, SE NW, 35-19S-36E, Eunice-
Monument Pool, Lea County.

Laughlin Well No. 1, NW NW, 20-20S-37E,
Eunice-Monument Pool, Lea County.

Byrd Well No. 1, NW NE, 12-20S-36E, Eunice-
Monument Pool, Lea County.

State "V" Well No. 3, SE NE, 36-19S-36E,
Eunice-Monument Pool, Lea County.

State "U" Well No. 1, SW NW, 32-19S-37E,
Eunice-Monument Pool, Lea County.

State "P" Well No. 2, SW SW, 29-19S-37E,
Eunice-Monument Pool, Lea County.

State "IO" Well No. 1, NW NE, 30-19S-37E,
Eunice-Monument Pool, Lea County.

State "DA" Well No. 4, NE SE, 16-21S-37E,
Drinkard Pool, Lea County.

J. A. Stuart Well No. 2, SW NW, 14-25S-37E,
Langlie-Mattix Pool, Lea County.

Cases Nos.

506

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508

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516

(Consolidated.)

TRANSCRIPT OF HEARING

MR. SPURRIER: The next case on the Docket is Case 506.
It is our understanding that Cases 506 through 516 can be and
will be consolidated for the purpose of taking testimony. The

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

record will show that the notices were read.

MR. CHRISTY: Mr. W. G. Abbott, District Engineer at Hobbs will testify in the case.

(Witness sworn.)

MR. CHRISTY: Mr. Abbott has not testified before the Commission. Would you like to have him give the qualifications?

MR. SPURRIER: Please.

MR. ABBOTT: My name is W. G. Abbott. I graduated from the University of Texas, Spring of 1948, and have a bachelor of science degree in mechanical engineering and for the past five years I have been employed by Amerada Petroleum Corporation. The last year and a half I have been District Engineer for Amerada at Monument, New Mexico.

MR. SPURRIER: Very well.

MR. ABBOTT: I want to offer the applications here as evidence, also the plats. I will go through these various cases and bring out any changes in the applications or plats.

The first case, 506, is our State "LMT" Well No. 5 and that it will be dualled with the Langlie-Mattix oil pay in the Langlie-Mattix gas. We have a Slumber J Electric Log on that well.

The next case is 507, State "JA" Well No. 2, and that is the Rhodes oil pay and it is outside any gas pool, any designated gas pool. I want to offer this as Exhibit B for Case 506. This is Exhibit B for 507.

The next case is 508, the Weir Well No. 4, that will be dualled with the Monument/^{oil}pay and the gas pay in the Eumont Pool. We have a Lane Well Log on that well.

The next case is 509, Laughlin Well No. 1. That is going to be dualled with the Monument Oil Pay and the gas pay from the Eumont Gas Pool. There is one change here. On the application we have a typographical error, that is supposed to be Section 9 Township 20 South, Range 37 East instead of Section 20. On the plat submitted it is correct. Here are the plats for the last two cases. We don't have anything to show that Laughlin Well No. 1. We will run a Lane Well Gamma Ray Neutron Log.

MR. MACEY: You want to change Section 20 back to Section 9 on Laughlin No. 1?

MR. ABBOTT: Yes, sir. The next case is 510, our Byrd Well No. 1, producing the oil from the Monument Oil Pay and the gas from the Eumont Gas Pay. We do not have a log on this well and we will run the Lane Well Gamma Ray Neutron. Here is a diagram of that proposed.

Next, Case 511 is our State "V" Well No. 3. That will be dualled with the Monument Oil Pay and the gas from the Eumont Gas Pay. Here is a diagram on that.

Case 512, our State "U" No. 1, that one will also be dualled with the Monument Oil Pay and a gas pay from the Eumont Gas Pool. There is no log on that well. We will run a Lane Wells Gamma Ray Neutron. Here is a diagram of that.

Case 513, our State "P" No. 2 Well. That also will produce the oil from the Monument Pay through the tubing and the gas through the casing from the Eumont Gas Pay.. No log on that well and we will run a Lane Wells survey. Here is a sketch of it.

The next case is 514, our State "O" No. 1. That one we will produce the oil through the tubing from the Monument Oil Pay and

our gas through the casing from the Eumont Gas Pay.

Our next application, Case 515, our dual completion in our State "DA" No. 4. We have already dualled that so we can change the application slightly. We have already perforated the gas zone, the Blinebry Pay at 5,648, 5,718. We acidized with 2,000 gallons of acid dolefract with 3,000 gallons of dolefract and 1,500 pounds of sand and it flowed 197 MCF per day. We have a Brown Duro Packer at 6,033, a Sweetside Door Choke at 6,030. That well is located one location west of the Blinebry Gas Pool as designated by the Commission. If this application is granted we will extend that gas pay to include this location. Here is a sketch on that.

Case 516, J. A. Stuart No. 2, we have tested the interval, our gas interval and the gas production was non-commercial, so we would like to withdraw this dual completion.

MR. MACEY: Squeeze off the perforation?

MR. ABBOTT: Yes, sir. We respectfully request that these applications be granted in the interest of conservation and protection of correlative rights. Amerada will comply with all the rules and regulations of the Oil Conservation Commission to maintain separation of production from any two pay zones, and that the manner and method of the proposed dual completions are mechanically feasible and practical.

MR. GRAHAM: You need separate orders in each case.

MR. ABBOTT: If it is necessary. I think we will agree with the previous spacing granted by the Commission.

MR. CHRISTY: We offer in evidence Exhibit B of each of these cases.

MR. SPURRIER: Without objection they will be received. Since Case 509 was improperly advertised, being Section 9 instead of Section 20, I think that we should get a release from your off-set operators that they have no objection .

MR. ABBOTT: Yes, sir.

MR SPURRIER: If that is satisfactory with Amerada. When can we expect these logs to be submitted?

MR. ABBOTT: Do you want the logs that have not been run or the logs that we have already run?

MR. SPURRIER: Well, I notice you said you would submit, you would run electric logs.

MR. ABBOTT: Yes, sir.

MR. SPURRIER: We would like to have that.

MR. CHRISTY: We can submit the logs that have been run at this time, and as soon as the others have been run we will submit those. Would you like to have the one we have now?

MR. MACEY: I would like the file to be complete. If you have them available, or if you want to send us a copy in the near future of what you have run, that will be all right.

MR. WHITE: Do you have any data as to the bottom hole pressure of the respective wells?

MR. ABBOTT: I imagine the bottom hole pressures in the Monument Bay would be anywhere from 300 to 1,000 pounds in the oil zone. The bottom hole pressure in the gas zone will be a thousand to thirteen hundred.

MR. SPURRIER: Any other questions? If not the witness may be excused. We will take these cases under advisement.

(Witness excused.)

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS.

I, ADA DEARNLEY, hereby certify that the above and foregoing transcript of proceedings in Cases No. 506 through 516, 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 25th 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
-6-

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9645 AND 5-8546
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. 506
ORDER No. R-295

THE APPLICATION OF AMERADA
PETROLEUM CORPORATION FOR
AN ORDER GRANTING PERMISSION
TO DUALY COMPLETE AND PRODUCE
ITS STATE LMT, WELL NO. 5, LOCATED
IN THE NE/4 NE/4 OF SECTION 36,
TOWNSHIP 23 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 State LMT, Well No. 5, NE/4 NE/4 Section 36, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, was completed in March 1949 as an oil well producing from the Queen formation of the Langlie-Mattix Pool in the open-hole interval 3485-3600, having drilled through the Tansill-Yates-Seven Rivers formation of the Langmat Gas Pool at an approximate depth of 2835-3420.

(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, Amerada Petroleum Corporation, be, and it hereby is authorized to dually complete and produce its State LMT, Well No. 5, NE/4 NE/4 Section 36, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Tansill-Yates-Seven Rivers formation of the Langmat Gas Pool may be produced through the annular space between the casing and the tubing, and oil from the Queen formation of the Langlie-Mattix Pool through the tubing by proper perforations and the installation of a proper packer;

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, Form C-110, and Form C-122 outlining the information required on these 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. Mech

EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

R. R. Spurrer
R. R. SPURRIER, Secretary

S E A L

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

April 8, 1953

C
O
P
Y

Amerada Petroleum Corporation
P. O. Box 312
Midland, Texas

Attention: Mr. J. C. Blackwood

Gentlemen:

We attach two signed copies each of OCC orders issued in your dual completion cases heard at the March 17 hearing. These cover Cases 506, 507, 508, 510, 511, 512, 513, 514 and 516. The order in Case 509 is being held pending receipt of consents of offset operators, and the order in Case 515 is now being processed and will be sent to you in the near future.

Very truly yours,

For W. B. Macey
Chief Engineer

WBM:mr

March 6, 1953

Mr. J. C. Blackwood
Amerada Petroleum Corporation
P. O. Box 312
MIDLAND, TEXAS

Dear Sir:

We enclose a copy of the docket for the regular March 17
hearing of the New Mexico Oil Conservation Commission. You
will note scheduling of Amerada cases.

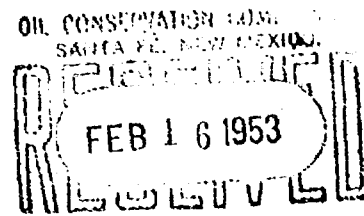
Very truly yours,

For R. R. Spurrier

RRS:mf

Ch

AMERADA PETROLEUM CORPORATION
P. O. BOX 312
MIDLAND, TEXAS



February 13, 1952

Mr. R. R. Sourrier
Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Dear Sir:

Enclosed are applications for nine dual completions in
Lea County. We would appreciate your setting these applications
for the March hearing.

Very truly yours,

AMERADA PETROLEUM CORPORATION

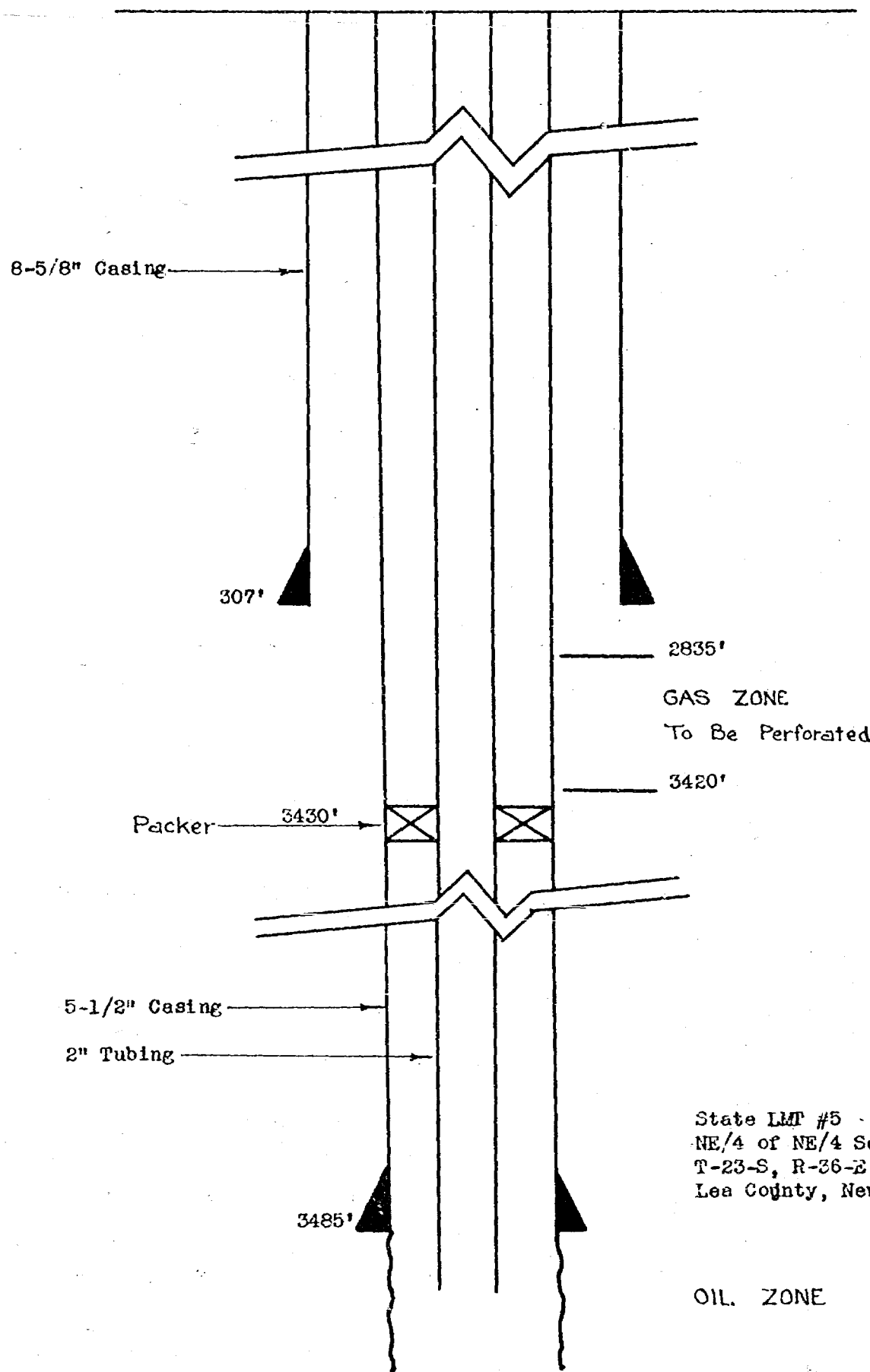
By

J. C. Blackwood
J. C. Blackwood

*Write to
advise*

Exhibit B Case 506

SCHEMATIC DIAGRAM OF PROPOSED DUAL COMPLETION AMERADA PETROLEUM CORPORATION



AMERADA PETROLEUM CORPORATION
P. O. BOX 312
MIDLAND, TEXAS

February 15, 1953

Case 506

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application to Dually Complete
Amerada State LMT 5, Langlie-Mattix Field
Lea County, New Mexico

Gentlemen:

By this letter of application the Amerada Petroleum Corporation wishes to state the following:

(a) That Amerada Petroleum Corporation State LMT No. 5 located in NE/4 of NE/4, Section 36, Twp. 23-S, Rge. 36-E, Lea County, was completed March 30, 1949 at a total depth of 3600 feet. The attached Exhibit A shows the location of this and other wells on the Amerada State LMT Lease together with the locations of all offset wells.

(b) That the subject well has 5 1/2 inch casing set at 3485 and cemented with with 500 sacks of cement. The well is an oil well producing from the interval from 3485 to 3600 feet in the Queen formation.

(c) That the applicant proposes to dually complete the well to produce oil from the Queen and gas from the Tansill-Yates-Seven Rivers formation in the following manner:

- (1) Perforate the 5 1/2 inch casing within the approximate interval of 2835 to 3420 feet opposite the Tansill-Yates-Seven Rivers formation.
- (2) Set a production type packer below these perforations at approximately 3430 feet to separate the two pay zones.
- (3) Produce the Queen oil through the tubing and the Tansill-Yates-Seven Rivers gas through the tubing - casing annulus.

(d) That the granting of this application for permission to produce the well as a dual completion with gas from the Tansill-Yates-Seven Rivers formation and oil from the Queen formation is in the interest of conservation and the protection of correlative rights.

(e) That the 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.

(f) That the manner and method of the proposed dual completion is mechanically feasible and practical.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission set a certain day upon which this application may be heard and after said hearing to grant permission in order that the applicant may dually complete the subject well as proposed in this application.

Respectfully Submitted,

AMERADA PETROLEUM CORPORATION

By: *J. C. Blackwood*
J. C. Blackwood.

CORRECTION

The preceding
documents were incorrectly
filmed. They are refilmed
following this target. Moring

