

Case No.

507

Application, Transcript,
Small Exhibits, Etc.

NO
CASE 507: Amerada Petroleum Corporation
Dual Completion - State JA Well No. 2
SN NM 27-268-37E Lea County

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. 507
ORDER No. R-296

THE APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE AND
PRODUCE ITS STATE JA, WELL NO. 2,
LOCATED IN THE SW/4 NW/4 OF SECTION 27,
TOWNSHIP 26 SOUTH, RANGE 37 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, herein-after 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 JA, Well No. 2, SW/4 NW/4 Section 27, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico, was completed in July 1943 as an oil well producing from the Seven Rivers formation of the Rhodes Pool in the open-hole interval 3126-3320, having drilled through the Tansill-Yates formation at an approximate depth of 2825-3100.

(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 JA, Well No. 2, SW/4 NW/4 Section 27, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Tansill-Yates formation may be produced through the annular space between the casing and the tubing, and oil from the Seven Rivers formation of the Rhodes Pool through the tubing by proper perforations and the installation of a proper packer;

CASE NO. 507 - ORDER No. R-296

PROVIDED HOWEVER, 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 said 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. Spurrier
R. R. SPURRIER, Secretary

S E A L

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

Case 507
February 10, 1953

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

Re: Application to Dually Complete
Amerada State "JA" 2, Rhodes 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 JA No. 2 located in SW/4 of NW/4, Section 27, Twp. 26-S, Rge. 37-E, Lea County, was completed July 31, 1943 at a total depth of 3320 feet. The attached Exhibit A shows the location of this and other wells on the Amerada State JA Lease together with the locations of all offset wells.

(b) That the subject well has 7 inch casing set at 3126 feet and cemented with 250 sacks of cement. The well is an oil well producing from the interval from 3126 to 3320 feet in the Seven Rivers formation.

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

- (1) Perforate the 7 inch casing within the approximate interval of 2825 to 3100 feet opposite the Tansill-Yates formation.
- (2) Set a production type packer below these perforations at approximately 3110 feet to separate the two pay zones.
- (3) Produce the Seven Rivers oil through the tubing and the Tansill-Yates 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 formation and oil from the Seven Rivers 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

SCHEMATIC DIAGRAM OF PROPOSED DUAL COMPLETION AMERADA PETROLEUM CORPORATION

