

Casa No.

1533

Application, Transcript,
Small Exhibits, Etc.

SECRET

Expedite
EPWA needs
gas for drilling
next week.
up

**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. 1533
Order No. E-1268**

**APPLICATION OF EL PASO NATURAL GAS
PRODUCTS COMPANY FOR AN OIL-GAS DUAL
COMPLETION.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 22, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NDW, on this 28th day of October, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, El Paso Natural Gas Products Company, proposes to dually complete its Frontier No. 1-B Well, located 890 feet from the South line and 890 feet from the East line of Section 9, Township 27 North, Range 11 West, NMEW, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and gas from an undesignated Dakota gas pool through parallel strings of tubing.

(3) That the proposed mechanical installation is feasible and in accord with good conservation practices.

(4) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, El Paso Natural Gas Products Company be and the same is hereby authorized to dually complete its Frontier No. 1-B Well, located 890 feet from the South line and 890

-2-
Case No. 1533
Order No. R-1243

feet from the East line of Section 9, Township 27 North, Range 11 West, NEPM, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and gas from an undesignated Dakota gas pool through parallel strings of tubing.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Dakota completion in the subject well.


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


MURRAY E. MORGAN, Member


A. L. PORTER, Jr., Member & Secretary

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

October 29, 1958

C
O
P
Y

Mr. Ewell N. Walsh
El Paso Natural Gas Products Co.
P.O. Box 1565
Farmington, New Mexico

Dear Mr. Walsh:

We enclose two copies of Order R-1268 issued October 28, 1958, by the Oil Conservation Commission in Case 1533, which was heard on October 22nd at Santa Fe before an examiner.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 10-23-58

CASE NO. 1533

HEARING DATE 10-22-58

My recommendations for an order in the above numbered case(s) are
as follows:

1. Dual completion is satisfactory and
should be approved as requested during
the usual Dual order.
2. The well is the El Paso - Frontier # 1-B(80)
SESE 9-270-11W.
Upper Completion - Gallup (ending.)
Lower " - Dakota (ending.)

Ernest H. [Signature]

Staff Member

DOCKET: EXAMINER HEARING OCTOBER 22, 1958

Oil Conservation Commission 9 a.m. Mabry Hall, State Capitol, Santa Fe

The following cases will be heard before Elvis A. Utz, Examiner:

- CASE 962: Application of Humble Oil & Refining Company for the amendment of a unit agreement. Applicant, in the above-styled cause, seeks an order amending the South Four Lakes Unit Agreement approved by Order R-710 to enlarge the unit area to include the N/2 SW/4 of Section 1, Township 12 South, Range 34 East, Lea County, New Mexico.
- CASE 1527: Application of Tennessee Gas Transmission Company for permission to commingle the oil produced from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced from its State A. A. Kennitz "B" Well No. 5, located in the SW/4 NW/4 of Section 25, Township 16 South, Range 33 East, Lea County, New Mexico, from the Kennitz-Wolfcamp Pool and an undesignated Pennsylvanian (Cisco) pool. Applicant proposes to separately meter the production from each zone prior to commingling.
- CASE 1528: Application of Tennessee Gas Transmission Company to commingle the production from two separate oil pools from three of its state leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced from the Kennitz-Wolfcamp and Kennitz-Cisco Pools from the wells on its State "B", State "C" and State "D" Leases located in Sections 21 and 28, Township 16 South, Range 34 East, Lea County, New Mexico.
- CASE 1529: Application of Kersey & Company for permission to commingle production from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Grayburg-Jackson Pool and the Fren Pool from two wells located on the SE/4 SW/4 of Section 16, Township 17 South, Range 31 East, Eddy County, New Mexico. Applicant does not propose to meter the production from each pool.
- CASE 1530: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its E-M-E SWD Well No. A-32 to be located 1320 feet from the North and East lines of Section 32, Township 21 South, Range 36 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water into the San Andres formation in the interval from 4250 feet to 4600 feet.

- CASE 1531: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through Amerada Petroleum Corporation's Adkins Well No. 2, located 990 feet from the South line and 330 feet from the West line of Section 5, Township 20 South, Range 37 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water into the San Andres formation in the interval from 4490 feet to 4950 feet.
- CASE 1532: Application of Sunray Mid-Continent Oil Company for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Hobbs "G" Well No. 1, located 1980 feet from the North and West lines of Section 36, Township 9 South, Range 33 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water through the well bore into the Pennsylvanian formation in the interval from 9834 feet to 9865 feet.
- CASE 1533: Application of El Paso Natural Gas Products Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Frontier No. 1-B Well, located 890 feet from the South line and 890 feet from the East line of Section 9, Township 27 North, Range 11 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of tubing.
- CASE 1534: Application of Zapata Petroleum Corporation for permission to commingle production from nine non-contiguous state leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from nine separate state leases in the Vacuum Pool, all in Townships 17 and 18 South, Range 35 East, Lea County, New Mexico.
- CASE 1535: Application of Carper Drilling Company for permission to commingle the oil produced from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from three wells completed in the Corbin Pool and one well completed in the Maljamar Pool, all on its Wyatt lease in Sections 33 and 34, Township 17 South, Range 33 East, and Section 5, Township 18 South, Range 33 East, Lea County, New Mexico, and to ascertain the production from each well by means of periodic tests.
- CASE 1536: Application of Shell Oil Company for permission to commingle the oil produced from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from four separate state leases in Sections 8 and 9, Township 16 South, Range 34 East, Hume-Queen Pool, Lea County, New Mexico.

CASE 1537: Application of Pure Oil Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its South Vacuum Unit No. 2-35 Well, located 1980 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the South Vacuum-Devonian Pool and gas from an undesignated McKee gas pool through parallel strings of tubing.

CASE 1538: Application of Aztec Oil & Gas Company for the assignment of minimum allowables to certain gas wells in the Fulcher Kutz-Pictured Cliffs Gas Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order assigning minimum allowables to the following described gas wells in the Fulcher Kutz-Pictured Cliffs Gas Pool in order to prevent premature abandonment of said wells:

Cossens No. 3 and No. 4 Wells, both in Section 20, Township 29 North, Range 11 West;
Hart No. 1 Well, Section 11, Township 29 North, Range 12 West;
Holder No. 1 Well, Section 29, Township 30 North, Range 12 West;
Cornell No. 3 and No. 4 Wells, both in Section 12, Township 29 North, Range 12 West;

all in San Juan County, New Mexico.

CASE 1539: Application of T. J. Sivley for an exception to the casing requirements for the potash-oil area in Eddy and Lea Counties, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing an exception to the casing requirements for the potash-oil area as set forth in Order R-111-A for its Federal-Silver No. 1, an exploratory well to be located 1980 feet from the South and East lines of Section 28, Township 20 South, Range 34 East, Lea County, New Mexico. Applicant proposes to drill with cable tools to the Yates formation. The casing program of applicant is as follows:

13-3/8" Casing in top of red bed at approximately 70 feet.

10-3/4" Casing as cave string to about 700 feet.

8-5/8" Casing, this being the water shutoff string to approximately 1250', but in any event below water.

5-1/2" Casing to be set at a point selected by operator above pay zone expected to be encountered at 3625', but in no event to exceed a depth greater than 600 feet below the base of salt.

That the applicant should be permitted to pull all casing except the 5-1/2" production string in the event that commercial oil or gas is found.

CASE 1540: Application of E. P. Campbell for an exception to Rule 505 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting an exception to Rule 505 of the Commission Rules and Regulations and assigning an allowable proportional factor of 1.33 for the oil pool in the Abo formation discovered by applicant's Cockerham No. 1 Well, NE/4 NE/4 Section 34, Township 18 South, Range 26 East, Eddy County, New Mexico, even though the depth of the casing shoe is 4205 feet. The top of the Abo pay is at approximately 5280 feet in the above-described well.

CONTINUED CASE

CASE 1516: Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 SW/4 and the SW/4 SW/4 of Section 4, Township 25 South, Range 37 East, said unit to be dedicated to the applicant's Wells Federal No. 3 Well located 1980 feet from the South and West lines of said Section 4. Applicant further seeks the establishment of a 200-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the SE/4 SW/4 of Section 4 and the NW/4 of Section 9, Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Wells Federal No. 11 Well located 430 feet from the South line and 2317 feet from the West line of said Section 4. Applicant further seeks approval of the unorthodox gas well location of the said Wells Federal No. 11 Well.

EL PASO NATURAL GAS PRODUCTS COMPANY

EL PASO, TEXAS

September 16, 1958

Exam. Hearing
Case 1533

MAIN OFFICE OCT

SEP 16 1958 PM 1:17

ADDRESS REPLY TO
POST OFFICE BOX 1565
FARMINGTON, NEW MEXICO

Mr. A. L. Porter, Jr.
Secretary-Director
N. M. Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Subject: Application for Dual Completion

Dear Mr. Porter:

This is a request for a public hearing of a well dually completed in the Gallup and Dakota Formations. The well, our Frontier No. 1-B (GD) is located 890' from the South line and 890' from the East line of Section 9, Township 27-N, Range 11-W, N.M.P.M., San Juan County, New Mexico. The well is not located within one mile of a defined pool with a similarly dually completed or within one mile of a well similarly dually completed.

The well was drilled and completed in the following manner:

- (1) 10-3/4" surface casing set at 173' with 125 sacks of cement circulated to surface.
- (2) 7-5/8" intermediate casing set at 4765' with 100 sacks of cement on bottom stage and 100 sacks of cement through stage collar at 2166'. The cement was circulated through the stage collar in order to protect the Pictured Cliffs Formation for contamination. Top of cement on bottom stage calculated to be at 3943'. Top of cement on top stage at 1455' by temperature survey.
- (3) 5-1/2" production liner was set in gas drilled hole from 4597' to 6762'. Total depth of well 6770'. The liner was cemented with 400 sacks of cement, of which approximately 195 sacks were reversed out after circulating around the top of the liner. Top of cement was found to be at top of liner by temperature survey. After waiting twelve hours the liner and intermediate casing was tested with 1000 psi. for 30 minutes. The test was satisfactory.
- (4) The Lower Dakota (perforated 6612' to 6632' and 6638' to 6648'), Upper Dakota (perforated 6553' to 6589') and the Graneros (perforated 6509' to 6524') were perforated and sandwater fractured separately. All three zones were opened and potentialized together for 2,834 MCF per day through a 3/4" choke with an absolute open flow of 3,002 MCF per day.

Docket Mailed
10-2-58
BP

Mr. A. L. Porter, Jr.

- 2 -

September '6, 1958

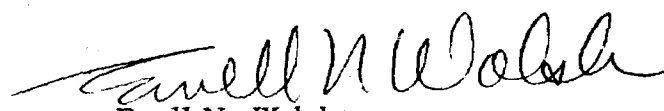
- (5) The Gallup zones (perforated 5916' to 5938' and 5818' to 5863') were perforated and sandoil fractured separately. Both zones were open and potentialized together for 30.36 bopd with 776 MCF gas through a 32/64" choke. The Gas-Oil Ratio was 25,559/1.
- (6) Separation between the Gallup and Dakota Formations was obtained by setting a Baker Model "EGJ" Production Packer on the Dakota 2" tubing string at 6413'. The Dakota tubing was set at 6608'. The Gallup 2" tubing string was set at 4563'.
- (7) Storage facilities are being constructed so that the oil from the Gallup Formation and liquids from the Dakota Formation will not be commingled and will be measured separately.

Enclosed you will find a diagrammatic sketch of the mechanical installation, plats showing location of well on lease and offset leases, results of packer leakage test, and affidavit of packer setting. The well log will be presented at the hearing.

The El Paso Natural Gas Products Company owns the lease in the NE/4 of Section 16, Township 27-N, Range 11-W and the R and G Drilling Company of Farmington, New Mexico, owns the lease in the SW/4 of Section 10, Township 27-N, Range 11-W. The R and G Drilling Company has been notified of the dual completion and we have requested by registered mail their approval of the dual completion.

The El Paso Natural Gas Products Company has recently received approval from the Federal Power Commission to sell gas from the Dakota Formation to the El Paso Natural Gas Company. The Dakota Formation is tied in and can be produced at any time. We request that the public hearing for the dual completion be as soon as possible so that the well may be put on production.

Very truly yours,



Ewell N. Walsh
Division Petroleum Engineer

ENW:EW

Enc. - 6

cc: Mr. Emery Arnold
Mr. J. C. Vandiver
R & G Drilling Co.

Case 1533

MAIN OFFICE 666

EL PASO NATURAL GAS PRODUCTS COMPANY

1958 OCT 1 AM 3:09 EL PASO, TEXAS
September 29, 1958

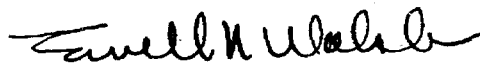
ADDRESS REPLY TO
POST OFFICE BOX 1565
FARMINGTON, NEW MEXICO

Mr. A. L. Porter, Jr.
Secretary-Director
Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

Attached you will find approval from R & G Drilling Company
of our dually completed well the Frontier No. 1-B (GD).

Very truly yours,



Ewell N. Walsh
Division Petroleum Engineer

ENW:EW
Enc: - 1

EL PASO NATURAL GAS PRODUCTS COMPANY

EL PASO, TEXAS

September 16, 1958

R & G Drilling Company
Post Office Box 1848
Farmington, New Mexico

ADDRESS REPLY TO
POST OFFICE BOX 1565
FARMINGTON, NEW MEXICO

Gentlemen:

The El Paso Natural Gas Products Company has made application to the New Mexico Oil Conservation Commission for a public hearing for approval of a dual completion. The well, our Frontier No. 1-B (GD) is located 890' from the South line and 890' from the East line of Section 9, Township 27-N, Range 11-W, N.M.P.M., San Juan County, New Mexico. The well is not located within one mile of a defined pool with a similarly dually completed or within one mile of a well similarly dually completed.

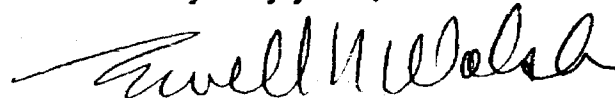
According to Order R-1214 concerning dual completions, we must have approval of the offset lease owners of the dual completion. According to our records you own the lease in the SW/4 of Section 10, Township 27-N, Range 11-W, which offsets our Frontier No. 1-B (GD) well.

Enclosed you will find a copy of the application sent to the New Mexico Oil Conservation Commission. Attached to the application is a plat showing the relationship of your lease to our Frontier No. 1-B (GD). You might also note that we are requesting a public hearing as soon as possible so that approval may be obtained from the New Mexico Oil Conservation Commission to put the Dakota Formation on production.

Would you please indicate your approval by signing two copies of this letter, the third copy is for your files, and return to the undersigned as soon as possible.

Thank you very much for your cooperation.

Very truly yours,



Ewell N. Walsh
Division Petroleum Engineer

ENW:EW
Enc.: -6

cc: Mr. A. L. Porter, Jr.
Mr. Emery Arnold
Mr. J. C. Vandiver

APPROVED: R & G DRILLING COMPANY

By: C. H. Russell
Prod. Supt.
Title

Sept. 26, 1958

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1533

TRANSCRIPT OF HEARING

October 22, 1958

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone Chapal 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
October 22, 1958

IN THE MATTER OF:

Application of El Paso Natural Gas Products Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to finally complete its Frontier No. 1-B Well, located 890 feet from the South line and 890 feet from the East line of Section 9, Township 27 North, Range 11 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of tubing. :Case 1533

Mabry Hall
Santa Fe, New Mexico

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The next case on the docket will be Case 1533.

MR. PAYNE: Case 1533, "Application of El Paso Natural Gas Products Company for a dual completion."

(Witness sworn in).

MR. WALSH: My name is Ewell N. Walsh, Division Petroleum Engineer, El Paso Natural Gas Products Company. I will be the only witness and we have no legal counsel.

EWELL N. WALSH

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. PAYNE:

Q Please state your full name and position again, Mr. Walsh?

A Ewell N. Walsh, Division Petroleum Engineer, Farmington, New Mexico, El Paso Natural Gas Products Company.

Q Mr. Walsh, have you previously testified before this Commission and have your qualifications been accepted?

A Yes, I have.

Q Are you generally familiar with the application of El Paso Natural Gas Products Company in this case?

A I am.

MR. PAYNE: Are the witness' qualifications acceptable?

MR. UTZ: Yes, he was qualified previously.

Q (By Mr. Payne) Please proceed.

A We have three exhibits. Referring to Exhibit 1, that is a plat showing the location of our dually completed well, Frontier Number 1-B, and the offset leases to the well in Sections 9, 10, 15 and 16, Township 27 North, Range 11 West. This well is located 890 feet from the south line, 890 feet from the east line, Section 9, Township 27 North, Range 11 West, San Juan County, New Mexico. This well is not located within one mile of a similarly dually completed well or within one mile of a defined pool with a similarly dually completed well.

This well was supeed on March 25, 1958 and completed on

June 4, 1958 with new oil production from the Gallup formation on July 9, 1958. The Gallup formation potentialled for thirty barrels of oil per day on a 32/64" choke with a gas-oil ratio of 25,589 cubic feet of gas per barrel of oil.

The Dakota formation was tested on July 25, 1958 for 2,834 MCF on a 3/4" choke with a calculated absolute open flow of 3,002 MCF. This well was drilled by and completed by setting a 10 and 3/4" surface casing at 173 feet with cement circulated to the surface. A mud drilled hole was drilled to 4765 and a 7 and 5/8" intermediate casing set at that depth. A hundred and fifty sacks of cement were used on bottom stage with a calculated cement top of approximately 3943. A two-stage cementing tubing was placed in casing string at 2166 feet. One hundred sacks of cement were calculated through this across the Pictured Cliffs formation in order to protect it from contamination. The top of the cement was temperature surveyed at 1455 feet. A 6 and 3/4" hole was drilled with gas from under the intermediate casing to a total depth of 6770 feet. A 5 and 1/2" liner was set from 4597 to 6762 with four hundred sacks of cement being circulated behind the liner and out the top. After setting the liner, the casing top of the liner was tested at over a thousand pounds and it held pressure easily.

MR. UTZ: Was that the top of the liner?

A Around the top.

MR. UTZ: Around the top.

A The Lower Dakota was perforated from 6612 to 6648 and sandwater fractured. The Upper Dakota was perforated from 6553 to 6589 and sandwater fractured. You may refer to Exhibit Number 2 where the Graneros was perforated from 6509 to 6524 and sandwater fractured and each of the three individual zones were fractured separately.

A retrievable bridge plug was set below the Gallup formation and the Lower Gallup perforated from 5916 to 5938 and sand-oil fractured. The Upper Gallup was perforated from 5818 to 5868 and sand-oil fractured. These two zones were individually sand-oil fractured. Two-inch tubing with a Packer Model EGJ Production Packer was run to 6608, the Production Packer being set at 6413. This string is used to produce the Dakota through, and a second string of tubing, two-inch tubing, was run and set at 4563, this string being used to produce the Gallup formation.

According to the New Mexico Oil Conservation Rules and Regulations, the packer leakage test was run and the production packer was found to be performing satisfactorily. The results of this packer leakage test were furnished with the original application.

The offset operator, R & G Drilling Company, in the southwest quarter of Section 10, Township 27 North, Range 11 West was notified of our dual completion and we requested and received approval from the R & G Drilling Company. Two copies of this approval have been forwarded to the Conservation Commission.

The southeast quarter of Section 9 is dedicated to the Dakota formation; the southeast of the southeast quarter of Section 9 is dedicated to the Gallup formation.

The Gallup formation produced, has produced through September the 30th, 1958, 1551 barrels of new oil, the gas is being vented to the atmosphere due to no pipeline connection; the Dakota formation has been shut in since being tested.

The El Paso Natural Gas Products Company has received permission from the Federal Power Commission to sell the Dakota gas to the El Paso Natural Gas Company, and requests the Oil Conservation Commission to approve this dual completion as soon as possible to that this Dakota formation gas may be sold.

That's all the testimony I have.

MR. UTZ: Do you wish to offer your exhibits, 1 to 3?

A They were prepared under my supervision and I offer them.

MR. UTZ: Without objection, they will be received.

Are there questions of the witness?

MR. FISCHER: Is that EGJ Packer a permanent-type packer?

A It is a hook wall packer with a hydraulic holddown on it and on the packers run, I believe the Commission requires permanent packers, do they?

MR. FISCHER: Yes. That's all.

MR. PAYNE: Mr. Walsh, that well would have been offered for administrative approval if it had been within a mile of where

7
there was a dually completed well?

A Yes, Mr. Payne.

MR. PAYNE: That's all.

MR. UTZ: Mr. Walsh, did I understand you to say the EGJ Packer was a permanent type packer?

A Well, it's a hook wall packer with a hydraulic hold-down on it.

MR. FISCHER: And you can retrieve it?

A You can retrieve it, yes.

MR. PAYNE: And you use that type packer in wells in this area?

A Yes, sir.

MR. UTZ: How much weight is it capable of holding?

A I have been told by the Service Company that it is upward of ten thousand pounds. We have only got it up to approximately a thousand pounds.

MR. FISCHER: A thousand pounds?

A A thousand pounds is all.

MR. FISCHER: That would be from the upper, would it not?

A In the lower zone.

MR. FISCHER: The lower pressure zone?

A Yes, sir.

CROSS EXAMINATION

BY MR. UTZ:

Q What is the Gallup gravity and the Dakota gravity on the

oil you have there?

A We tested the Dakota and we tested for gas. We have not recognized much liquid from it and the Gallup gravity would run approximately thirty-eight degrees.

Q And if you get any liquids from the Dakota, it will undoubtedly be much lighter than that?

A It will most likely be distillate. We have installed a tank installation so that the Gallup oil and the Dakota liquids will be gathered and measured separately.

Q What was the top of the Pictured Cliffs in this hole, do you have that information?

A Yes, I have. The top of the Pictured Cliffs was 1978 feet.

Q And what would be the base?

A Pardon?

Q What is the base? What is the base of the Pictured Cliffs?

A 2120.

Q 2120?

A Yes, sir.

Q So that your cement did --

A Did cover the Pictured Cliffs.

Q Did cover the Pictured Cliffs?

A Yes, sir.

Q Do you have the top of the Gallup?

A On this log, your tops are marked in the Gallup.

Q Marked from the base?

A From the base of the seven and five eighths down.

Q All right.

A And it also shows the perforations.

Q Do you know how far you went into the Dakota?

A We went approximately five feet into the Morrison, and went all through the Dakota into the Morrison.

Q Is the top of the Morrison easy to pick in this area?

A According to our geologist, they have been very successful in picking the top of the Morrison from samples.

Q In all areas or just this area?

A I would like to confine it to this area.

MR. UTZ: Any other questions of the witness?

(No response).

MR. UTZ: If not, the witness may be excused.

(Witness excused).

MR. UTZ: Any other statements, or any statement to be made in this case?

(No response).

MR. UTZ: If not, the case will be taken under advisement and the hearing will be adjourned until one-thirty.

(Noon recess).

STATE OF NEW MEXICO)
 : ss
 COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record, to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 25th day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jerry Martinez
 Notary Public

My Commission Expires:
 January 24, 1962

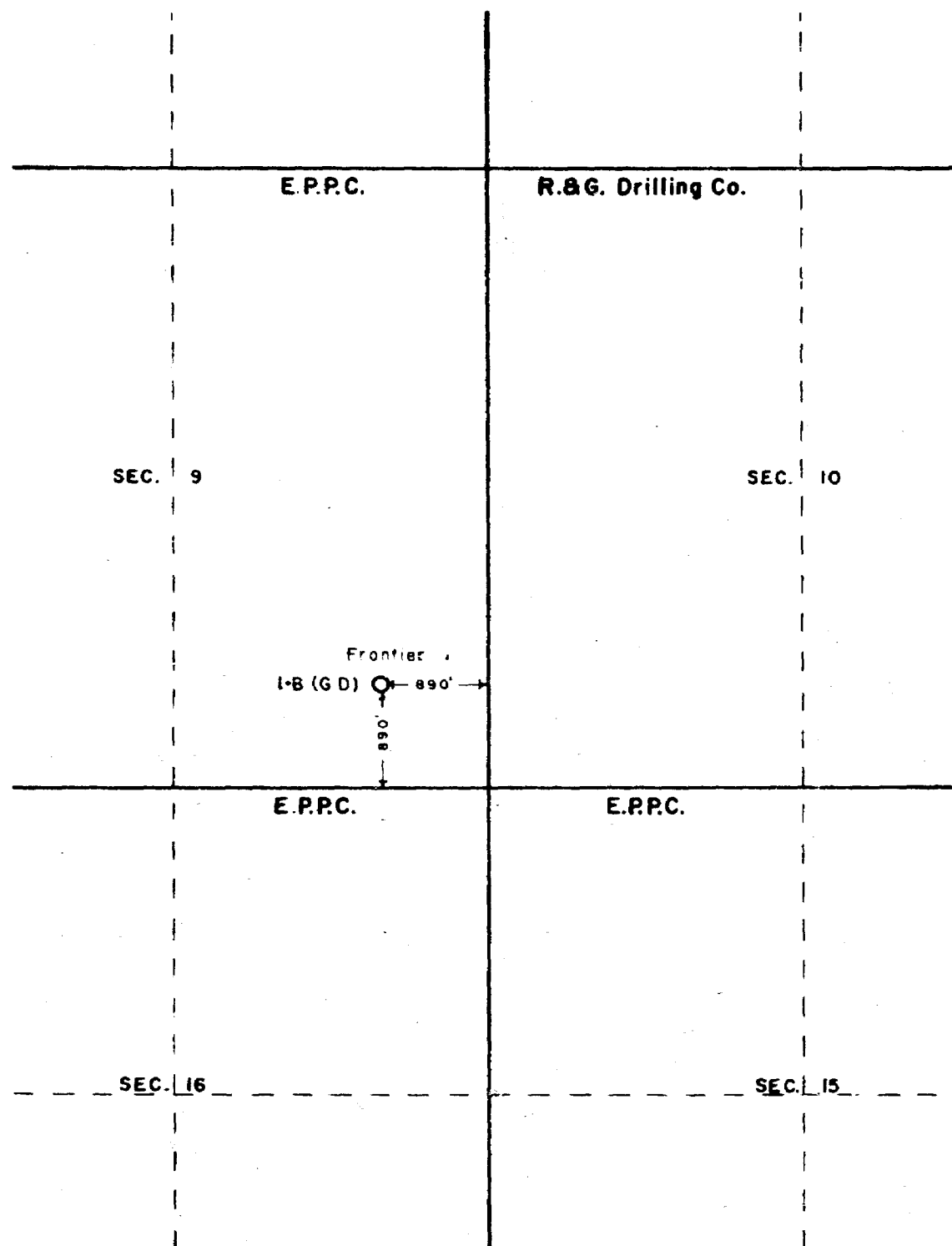
I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1533 heard by me on *Oct 22* 1958.

Harold H. [Signature], Examiner
 New Mexico Oil Conservation Commission

EL PASO NATURAL GAS PRODUCTS COMPANY

Flat Showing Offset Leases to
Frontier No. 1-B (GD)
SE SE Section 9, T-27-N, R-11-W

R 11 W



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BEFORE EXAMINER UTZ
OF CONSERVATION COMMISSION
El Paso EXHIBIT NO. 1
CASE NO. 1533

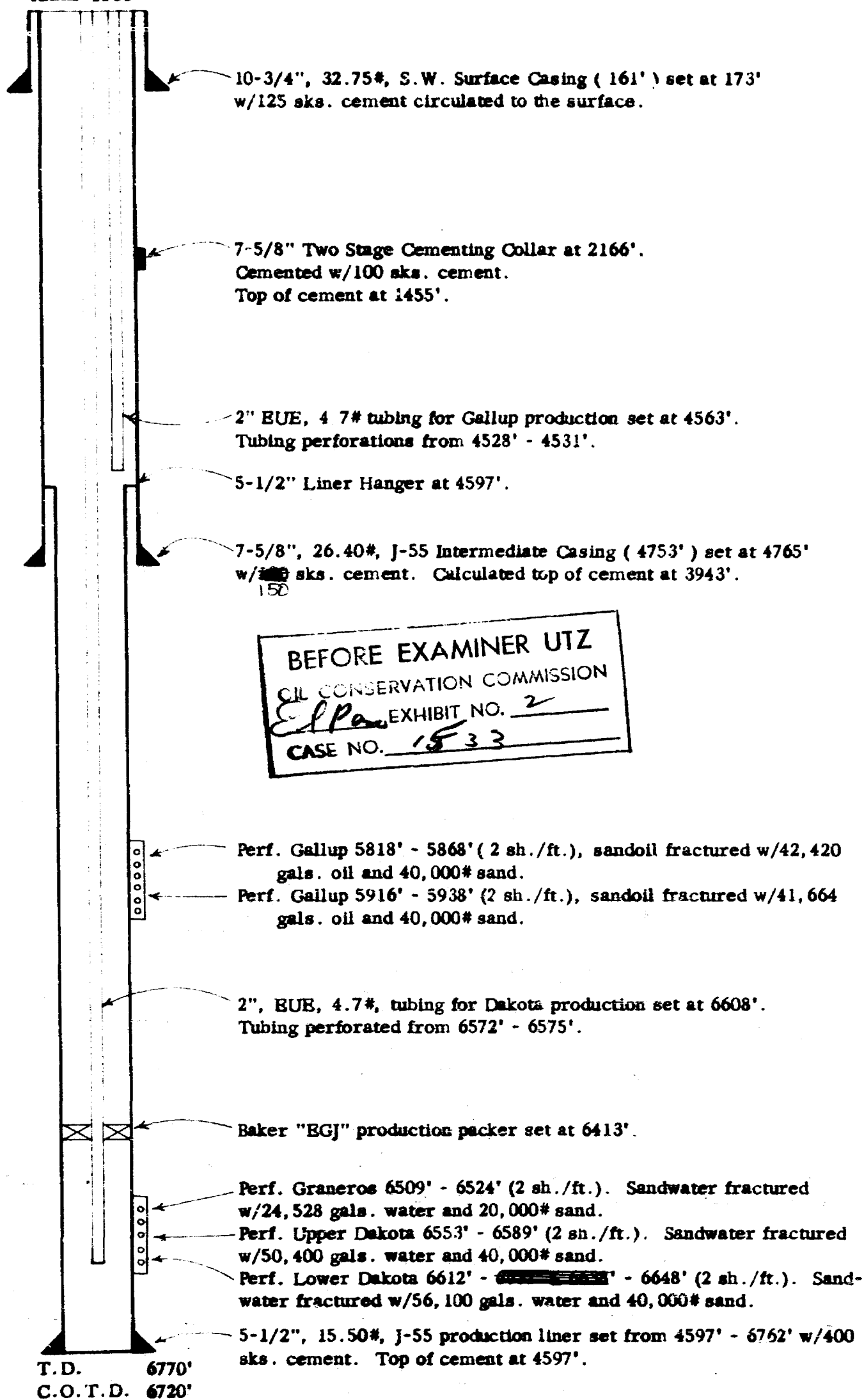
EL PASO NATURAL GAS PRODUCTS COMPANY

SCHEMATIC DIAGRAM OF DUAL COMPLETION

Frontier No. 1-B (GD)

SE SE Section 9, Township 27-N, Range 11-W

Dual String
Xmas Tree



C
O
P
Y

EL PASO NATURAL GAS COMPANY

Farmington, New Mexico

Date: July 25, 1958

Mr. E. C. Arnold
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

Re: Packer Leakage Test on the El Paso Natural Gas
Company Well, Frontier No. 1-B (GL), 890S,
890E; 9-27-11, San Juan, New Mexico
(Name - Location - County)

Dear Mr. Arnold:

The subject well was dually completed in the Gallup and Dakota zones and a packer was set at 6413 feet. The Dakota zone was tested through a 3/4" choke for three hours July 25, 1958 with the following data obtained:

G	SIPC	937	psig;)	shut-in	7	days
G	SIPT	930	psig;)			
D	SIPT	1911	psig;	shut-in	51	days

Time Minutes	(Dak) Flowing Pressure Tubing Psig	(G) SIP (C) Psig	(Dak) Working Pressure, Psig	Temp ° F
15	455	943	Calc.	68
30	384	944		69
45	347	944		70
60	329	944		74
180	247	945	511	74

The choke volume for the Dakota was 2834 MCF/D with an AOF of 3002 MCF/D.

This test indicates no leak between producing zones when the Dakota was tested. It is our understanding that there was no indication of a leak when the Gallup was tested on 7/18/58.

Witnessed by: Bill Glazener and Fred Cook

Tested by: Frank M. Clark

EL PASO NATURAL GAS PRODUCTS COMPANY

Farmington, New Mexico

Mr. E. C. Arnold
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico

Date **August 4, 1958**

Re: **Packet Leakage Test on the El Paso Natural Gas Products
Company Well, Frontier No. 1-B (GD)
890' S, 890' E; Sec. 9, T-27-N, R-11-W, San Juan, N. M.**
(Name - Location - County)

Dear Mr. Arnold:

The subject well was dually completed in the Gallup and Dakota zones and a packer was set at 6413 feet. The Gallup zone was tested through a 24/64" to 48/64" choke for 36 Days 6-12-58 to 7-18-58 with the following data obtained: (Date)

G SIPC 1237 (psig) shut-in 5 days
G SIPT 1235 (psig)
D SIPT 1874 (psig) shut-in 5 days

Time Days	(Glp.) Flowing Pressure Tubing Psig	(Dak) SIP (C) Psig	(Glp.) Working Pressure, Psig	Temp. ° F
1	340	1874		
32		1912		
36 9:30 A.M.	106	1915	298	
" 10:00 A.M.	107	"	296	
" 10:30 A.M.	106	1916	"	
" 11:00 A.M.	110	1915	295	
" 11:30 A.M.	108	"	299	
" Noon	110	1916	298	
" 12:30 P.M.	113	"	299	
Gallup was then shut-in.				
" 12:45 P.M.	367	1917	375	
" 1:00 P.M.	402	1915	408	
" 1:15 P.M.	426	"	431	
" 1:30 P.M.	444	"	449	

The choke volume for the Gallup was 776 (7-13-58)
MCF/D with an AOF of _____ MCF/D.

This test indicates no leak between producing zones when the Gallup was tested.

Witnessed by: Fred Cook

Tested by: J. E. Kreger

EL PASO NATURAL GAS PRODUCTS COMPANY
POST OFFICE BOX 1161, EL PASO, TEXAS

September 16, 1958

R & G Drilling Company
Post Office Box 1848
Farmington, New Mexico

ADDRESS REPLY TO
POST OFFICE BOX 1565
FARMINGTON, NEW MEXICO

Gentlemen:

The El Paso Natural Gas Products Company has made application to the New Mexico Oil Conservation Commission for a public hearing for approval of a dual completion. The well, our Frontier No. 1-B (GD) is located 890' from the South line and 890' from the East line of Section 9, Township 27-N, Range 11-W, N.M.P.M., San Juan County, New Mexico. The well is not located within one mile of a defined pool with a similarly dually completed or within one mile of a well similarly dually completed.

According to Order R-1214 concerning dual completions, we must have approval of the offset lease owners of the dual completion. According to our records you own the lease in the SW/4 of Section 10, Township 27-N, Range 11-W, which offsets our Frontier No. 1-B (GD) well.

Enclosed you will find a copy of the application sent to the New Mexico Oil Conservation Commission. Attached to the application is a plat showing the relationship of your lease to our Frontier No. 1-B (GD). You might also note that we are requesting a public hearing as soon as possible so that approval may be obtained from the New Mexico Oil Conservation Commission to put the Dakota Formation on production.

Would you please indicate your approval by signing two copies of this letter, the third copy is for your files, and return to the undersigned as soon as possible.

Thank you very much for your cooperation.

Very truly yours,

Ernest N. Walsh
Division Petroleum Engineer

ENW:EW

Enc.: -6

cc: Mr. A. L. Porter, Jr. ✓
Mr. Emory Arnold
Mr. J. C. Vandiver

APPROVED: R & G DRILLING COMPANY

By: _____

Title

COPY

STATE OF NEW MEXICO)
)
COUNTY OF SAN JUAN)

I, Mack Mahaffey, being first duly sworn upon
my oath depose and say as follows:

I am an employee of Baker Oil Tools, Inc., and that on June 4,
1958, I was called to the location of the El Paso Natural Gas Products Company
Frontier No. 1-B (GD) Well located in the SE SE/4
(Well Number)
of Section 9, Township 27-N, Range 11-W, N.M.P.M., for
advisory service in connection with installation of a production packer. In my
presence, a Baker Model EGJ Production Packer was set in this well at
6413 feet in accordance with the usual practices and customs of the industry.

Mack Mahaffey
Branch Manager

Subscribed and sworn to before me, a Notary Public in and for San Juan County,
New Mexico, the 17th day of September, 1958.

Jonathan R. Osborn
Notary Public in and for San Juan County,
New Mexico.

My Commission expires March 25, 1962.