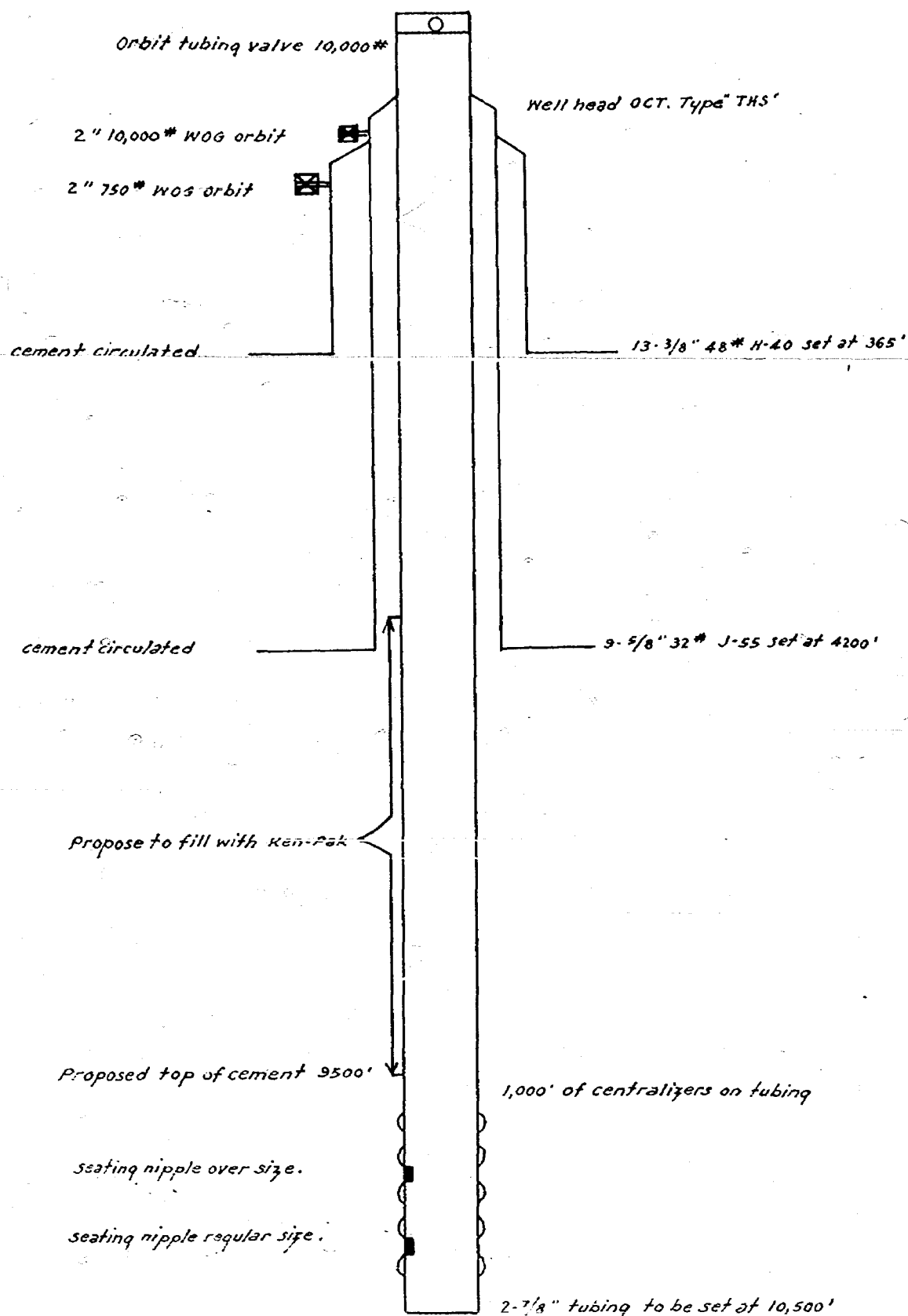


CASE 1949: Application of TRICE Prod.
Co. for approval of "SLIM-HOLE"
completion - Four Lakes State Well
No. 1 - Lea County, N.M.

Case No.

1949

Application, Transcript,
Small Exhibits, Etc.



After much study, it is our opinion
there are no corrosive fluids or
heaving formation from bottom of
9-5/8 to top of cement.

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION

EXHIBIT NO. 1
CASE NO. 1949

TRICE PRODUCTION COMPANY
LONGVIEW, TEXAS

DIAGRAM OF PROPOSED COMPLETION
TRICE PRODUCTION COMPANY
#1 FOUR LAKES STATE
LEA COUNTY, NEW MEXICO

DRAFT
OEP:esr
May 3

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. 1949

Order No. R-1662

APPLICATION OF TRICE PRODUCTION
COMPANY FOR AN EXCEPTION TO RULE
107 (e) OF THE COMMISSION RULES
AND REGULATIONS FOR ONE WELL IN
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
April 27, 1960, 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.

NOW, on this _____ day of May, 1960, 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 sub-
ject matter thereof.

-2-

CASE No. 1949

Order No. R-_____

(2) That the applicant is the owner and operator of the Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, ^{NMPM,} Lea County, New Mexico,

(3) That the subject well was originally drilled to a ^{depth in excess of 12,000 feet} and ~~was subsequently~~ ^{to a} ~~total~~ plugged back, depth of approximately 10,500 feet.

(4) That the applicant proposes to recomplete the subject well as a "slim-hole" completion in either the Pennsylvanian or Wolfcamp formations with 2 7/8-inch OD tubing set at 10,500 feet, which completion method requires an exception to Rule 107 (e) of the Commission Rules and Regulations.

(5) That the application should be approved in order to permit the applicant to utilize the presently drilled 10,500 foot hole, provided that casing centralizers are installed ~~in the~~ ^{in the} 9500-10,500 foot interval, and provided further that this interval is cemented.

(6) That all formations from 4200 feet to the surface are adequately protected under the proposed installation.

IT IS THEREFORE ORDERED:

That the applicant, Trice Production Company, be and the same is hereby authorized to recomplete its Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, ^{NMPM,} Lea County, New Mexico, as a "slim-hole" completion in either the Pennsylvanian or Wolfcamp formation with a total depth of approximately 10,500 feet, using a string of 2 7/8-inch OD tubing as casing.

PROVIDED HOWEVER, That casing-centralizers shall be set in the 9500-10,500 foot interval, and provided further that the 2 7/8-inch OD tubing in this interval shall be cemented.

DONE at Santa Fe, New Mexico,-----

^{according to the applicant's testimony,}
(7) That there are no known pressure or corrosion problems ~~not~~ anticipated in the subject area which cannot be adequately controlled.

PROVIDED FURTHER, That the applicant shall take whatever measures are necessary to properly control any pressure or corrosion problems which may be encountered in completing or producing the subject well.

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. 1949
Order No. R-1662

APPLICATION OF TRICE PRODUCTION
COMPANY FOR AN EXCEPTION TO RULE
107 (e) OF THE COMMISSION RULES
AND REGULATIONS FOR ONE WELL IN
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 27, 1960, 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.

NOW, on this 9th day of May, 1960, 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 is the owner and operator of the Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) That the subject well was originally drilled to a depth in excess of 12,000 feet and was subsequently plugged back to a depth of approximately 10,500 feet.
- (4) That the applicant proposes to recomplete the subject well as a "slim-hole" completion in either the Pennsylvanian or Wolfcamp formation with 2 7/8-inch OD tubing set at 10,500 feet, which completion method requires an exception to Rule 107 (e) of the Commission Rules and Regulations.
- (5) That the application should be approved in order to permit the applicant to utilize the presently drilled 10,500 foot hole, provided the casing centralizers are installed in the

-2-
CASE No. 1949
Order No. R-1662

9500-10,500 foot interval, and provided further that this interval is cemented.

(6) That according to the applicant's testimony, there are no known pressure or corrosion problems anticipated in the subject area which cannot be adequately controlled.

(7) That all formations from 4200 feet to the surface are adequately protected under the proposed installation.

IT IS THEREFORE ORDERED:

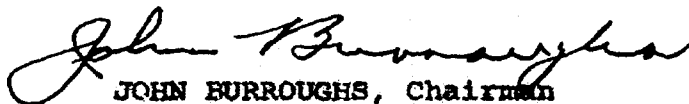
That the applicant, Trice Production Company, be and the same is hereby authorized to recomplete its Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico, as a "slim-hole" completion in either the Pennsylvanian or Wolfcamp formation with a total depth of approximately 10,500 feet, using a string of 2 7/8-inch OD tubing as casing.

PROVIDED HOWEVER, That casing centralizers shall be set in the 9500-10,500 foot interval, and provided further that the 2 7/8-inch OD tubing in this interval shall be cemented.

PROVIDED FURTHER, That the applicant shall take whatever measures are necessary to properly control any pressure or corrosion problems which may be encountered in completing or producing the subject well.

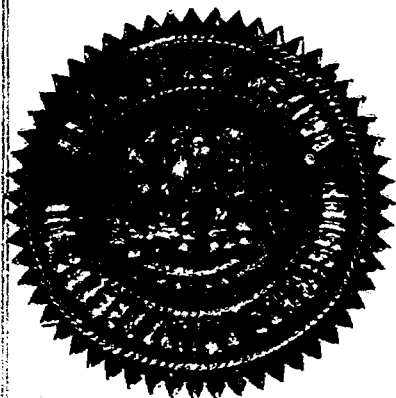
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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



esr/

BEFORE THE NEW MEXICO
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

APPLICATION BY TRICE PRODUCTION
COMPANY FOR AN EXCEPTION TO
RULE 107(e) as to its #1 FOUR
LAKES STATE OF NEW MEXICO in the
NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 11, T. 12 S.,
R. 34 E., Lea County, 1980' from
West Line and 660' from North
Line

No. 1949

A P P L I C A T I O N

Comes now, Trice Production Company, a corporation, P. O. Box 167,
Midland, Texas, and states to the Commission as follows:

I
That applicant's #1 Four Lakes State well is located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$
of Section 11, T. 12 S., R. 34 E., NMPM, 1980' from the West line and 660'
from the North line;

II
That applicant desires to complete its well as a slim hole completion
by running 2-7/8 inch No. 80 tubing to a depth of approximately 10,500 feet
and completing through tubing perforations in the what is believed
Pennsylvania Formation at the interval of approximately 10,250 to 10,275 feet,
and if there unsuccessful, in the what is believed Wolfcamp Formation through
tubing perforations at the interval of approximately 10,000 to 10,025 feet.

III
That if applicant's request is granted, such completion will be
accomplished in accordance with sound oil field practice.

IV
That no known corrosive or pressure problems exist which may make the
desired completion undesirable; that no undue drilling hazards were
encountered; that its #1 Four Lakes State is not a wildcat as such is defined
in Rule 107(e)(2); that the well will not be a dual completion.

LAW OFFICES
McKENNA & SOMMER
SANTA FE, NEW MEXICO

V

That the applicant desires a hearing at the earliest practicable time and before an Examiner if such hearing would be the earliest practicable time; that to the applicant's knowledge the only interested party is this applicant, but that ownership offsetting #1 Four Lakes State is as follows:

Humble Oil & Refining Company to the North;

Tennessee Gas & Oil Company to the East;

Southern Petroleum Exploration, Inc. to the West;

WHEREFORE the applicant requests a hearing on its application, for an exception to Rule 107(e) and permission to proceed to attempt completion as herein set forth by Order of this Commission, and such other relief as is proper.

TRICE PRODUCTION COMPANY

By J. W. Rumble

THOMAS F. MCKENNA, SR.
JOSEPH A. SOMMER

LAW OFFICES
MCKENNA & SOMMER
NASON BUILDING
302 E. PALACE AVENUE
SANTA FE, NEW MEXICO

March 28, 1960

Ida -
login for
hearing
TELEPHONE YUCCA 2-1897
YUCCA 2-1898

Con
1944

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Gentlemen:

Attn: Alan Nutter

Enclosed herewith please find application in triplicate by Trice Production Company.

If there are any questions concerning this application I would be very pleased if you might contact me. It is my understanding that we may have this hearing some time toward the latter part of April.

Yours very truly
McKenna & Sommer

Thomas F. McKenna
Thomas F. McKenna

TFMcK:b
enclosure in 3

cc-Mr. James L. Pardue
P. O. Box 1723
Midland, Texas
enclosure

Backen
Mail
4-18-60
Q2

Orbit tubing valve 10,000'

2" 10,000' WOG orbit

2" 750' WOG orbit

Well head OCT. Type THS'

cement circulated

13-3/8" 48# H-40 set at 365'

cement circulated

9-5/8" 32# J-55 set at 4200'

*Gissel
& Campbell*

Temp. surveying

Proposed top of cement 3500'

1,000' of centralizers on tubing - 9,500'
10,012
10,027
15
10,254
10,276 - 4- 1/2" 925,600 ft
10 7/8" 12-0
3747 ft
41,000 ft

seating nipple average size.

seating nipple regular size.

400'

2-7/8" tubing to be set at 10,500' P.B.

12,355, 8 3/4

After much study, it is our opinion there are no corrosive fluids or heaving formation from bottom of 9-5/8 to top of cement.

TRICE PRODUCTION COMPANY
LONGVIEW, TEXAS

DIAGRAM OF PROPOSED COMPLETION
TRICE PRODUCTION COMPANY
#1 FOUR LAKES STATE
LFA COUNTY, NEW MEXICO

DOCKET: EXAMINER HEARING APRIL 27, 1960

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

The following cases will be heard before Elvis A. Utz, Examiner, or Oliver E. Payne, Attorney, as alternate examiner:

CASE 1942: Application of Continental Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of the Jicarilla Well No. 28-1, located in the NW/4 SE/4 of Section 28, Township 25 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation and the production of oil from the Dakota formation through parallel strings of tubing.

CASE 1927: (Continued)
Application of J. W. Brown for the establishment of special rules and regulations governing the Brown Pool in Chaves County, New Mexico, to provide for 2½-acre spacing in said pool.

CASE 1943: Application of Gulf Oil Corporation for a dual completion and for an exception to the tubing requirements of Rule 107. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Apache-Federal Well No. 8, located in Unit D, Section 8, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the Otero-Gallup Oil Pool and the production of gas from the Dakota Producing Interval through the casing-tubing annulus and the tubing respectively. Applicant further seeks an exception to certain tubing requirements set forth in Rule 107 of the Commission's Rules and Regulations.

CASE 1944: Application of Great Western Drilling Company for establishment of a 200-acre non-standard gas proration unit in the Eumont Gas Pool. Applicant, in the above-styled cause, seeks an order establishing a 200-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the E/2 NE/4 of Section 32 and the E/2 NW/4 and NW/4 NW/4 of Section 33, all in Township 19 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to its Bordages Well No. 1 located 330 feet from the North line and 270 feet from the West line of said Section 32.

Docket No. 12-60

CASE 1945:

Application of Permian Oil Company for an order force-pooling the interests in a 320-acre unit in the Dakota formation. Applicant, in the above-styled cause, seeks an order force-pooling all Dakota formation mineral interests in the 320 acres comprising the E/2 of Section 5, Township 30 North, Range 13 West, San Juan County, New Mexico, the non-consenting mineral interest owners being Raymond H. Walker and Edith Walker, 1250 South Figueroa Street, Los Angeles, California, and Norman Roybark and Rose Ella Roybark, address unknown.

CASE 1946:

Application of J. R. Cone for an exception to the over-production shut-in provisions of Order R-520, as amended by Order R-967, for two wells in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing the following-described wells in the Jalmat Gas Pool to compensate for their overproduced status without being completely shut-in in order to prevent possible waste:

Mobil-Myers Well No. 4, Unit I, Section 22

Pan American-Myers Well No. 1, Unit H, Section 22

both in Township 24 South, Range 36 East, Lea County, New Mexico.

CASE 1947:

Application of Phillips Petroleum Company for the establishment of two 80-acre non-standard oil proration units and one unorthodox oil well location. Applicant, in the above-styled cause, seeks an order establishing two 80-acre non-standard oil proration units in the Kemnitz-Wolfcamp Pool, Lea County, New Mexico, each consisting of a portion of the S/2 of Section 25, Township 16 South, Range 33 East. Applicant further seeks approval of an unorthodox oil well location in said Kemnitz-Wolfcamp Pool, the location to be in the center of the NW/4 SE/4 of said Section 25.

CASE 1948:

Application of Humble Oil & Refining Company for authority to commingle the production from several separate leases and for approval of an automatic custody transfer system to handle said commingled production. Applicant, in the above-styled cause, seeks permission to commingle the Empire-Abo Pool production from certain leases in Sections 4, 8, 9, 16 and 17, Township 18 South, Range 27 East, Eddy County, New Mexico, all of such leases being in the Chalk Bluff Draw Unit. Applicant also seeks approval of an automatic custody transfer system to handle said Empire-Abo Pool production from all wells presently completed or hereafter drilled on said leases.

CASE 1949:

Application of Trice Production Company for approval of a "slim-hole" completion. Applicant, in the above-styled cause, seeks an order authorizing the "slim-hole" completion of its Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, Lea County, New Mexico, to be completed in either the Pennsylvanian or Wolfcamp formation at a minimum total depth of 10,000 feet.

CASE 1950:

Application of Sinclair Oil & Gas Company for permission to commingle the production from two separate leases. Applicant, in the above-styled cause, seeks permission to commingle the West Teas Pool production from its State Lea 886 lease consisting of the S/2 NW/4 and N/2 NE/4 of Section 16 with the West Teas Pool production from that portion of its State Lea 6019 lease consisting of the NW/4 NW/4 and SE/4 of said Section 16, all in Township 20 South, Range 33 East, Lea County, New Mexico.

CASE 1951:

Application of Texaco Inc. for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of the State "CH" Well No. 1, located in Unit H, Section 36, Township 20 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of gas from an undesignated Atoka gas pool and the production of gas from the South Salt Lake-Pennsylvanian Gas Pool through parallel strings of tubing.

CASE 1952:

Application of Texaco Inc. for establishment of a 476-acre non-standard gas proration unit in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks the establishment of a 476-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 of Section 4 and the NE/4 of Section 5, Township 24 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the E. D. Fanning Well No. 6, to be located 660 feet from the North and West lines of said Section 4.

CASE 1953:

Application of Keohane, Saunders, Welch and Iverson for an unorthodox oil well location. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its Hinkle-Federal Well No. 7-B in the Shugart Pool at a point 330 feet from the South line and 2329 feet from the East line of Section 35, Township 18 South, Range 31 East, Eddy County, New Mexico.

CASE 1954:

Application of Shell Oil Company for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the production from the Saunders (Permo-Pennsylvanian) Pool from all wells presently completed or hereafter drilled on the State A lease comprising the E/2 of Section 34, Township 14 South, Range 33 East, Lea County, New Mexico.

CASE 1955:

Application of Shell Oil Company for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the production from the Monument Pool from all wells presently completed or hereafter drilled on the State B lease comprising the NW/4 of Section 36, Township 19 South, Range 36 East, Lea County, New Mexico.

CASE 1956:

Application of Shell Oil Company for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the production from the Townsend-Wolfcamp Pool from all wells presently completed or hereafter drilled on the State ETA lease comprising all of Section 8, Township 16 South, Range 35 East, Lea County, New Mexico.

CASE 1957:

Application of Shell Oil Company for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the production from the Denton (Devonian) Pool from all wells presently completed or hereafter drilled on the Priest lease comprising the N/2 of Section 1, Township 15 South, Range 37 East, Lea County, New Mexico.

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 4-29-60

CASE

1949.

Hearing Date

4-27-60

My recommendations for an order in the above numbered cases are as follows:

Grant Trices' application to thin
hole their Four Lakes #1, NENW
Sec. 11, T2S-34E. - Lea County -

1. Shall use 7 7/8" OD set at 10,500" with
casing centralizers from 9500 to 10,500 ft.
2. Cement shall be placed from 10,500
to 9500'.
3. All formations from 4200 ft. to sur-
face are adequately protected.
4. Shall be granted only because the
hole is already drilled and the well
will probably be economically
marginal.

[Signature]

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

May 9, 1960

Mr. Tom McKenna
302 East Palace
Santa Fe, New Mexico

Dear Mr. McKenna:

On behalf of your client, Trice Production Company, we enclose two copies of Order R-1662 in Case No. 1949, issued by the Oil Conservation Commission this date.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

1r/

Enclosures: (2)

C
O
P
Y

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 27, 1960

EXAMINER HEARING

IN THE MATTER OF:

Application of Trice Production Company for approval of a "slim-hole" completion. Applicant, in the above-styled cause, seeks an order authorizing the "slim-hole" completion of its Four Lakes State Well No. 1, located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, Lea County, New Mexico, to be completed in either the Pennsylvanian or Wolfcamp formation at a minimum total depth of 10,000 feet.

Case 1949

BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 1949.

MR. PAYNE: Application of Trice Production Company for approval of a "slim-hole" completion.

MR. McKENNA: Tom McKenna, McKenna & Sommer, Santa Fe, on behalf of the applicant. Case involves a request for exception to Rule 107-E. I have one witness, Mr. Trice, for the applicant.

(Witness sworn)

CLYDE LEWIS TRICE,

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

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



DIRECT EXAMINATION

BY MR. McKENNA:

Q Mr. Trice, what is your full name, please?

A Clyde Lewis Trice.

Q For whom are you employed?

A Trice Production Company, Midland, Texas.

Q In what capacity do you work?

A I work as Production Superintendent, West Texas Division.

Q Have you ever testified before this Commission?

A I have not.

Q Have you testified before any other Commissions, Conservation Commissions?

A Texas.

Q Can you tell the Commission something of your background and experience?

A Well, I was first employed in oil fields in 1953 by Trans Texas Oil Company; my duties were to aid in the production, and also the completion, of wells. Then I was moved in 1955, employed by Trice Production Company, Midlands, Texas, as the Production Superintendent, West Texas Division. During that time I have completed some 85 to 90 wells, direct drilling, also completion of those wells.

MR. McKENNA: Mr. Examiner, may the qualifications of this gentleman be accepted?

DEARNLEY-MEIER REPORTING SERVICE, Inc.
ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



MR. UTZ: Yes, sir.

Q (By Mr. McKenna) Mr. Trice, did you examine the application on behalf of Trice Production Company; are you familiar with the application?

A Yes, I am.

Q Where is this well located?

A This well is in Section 11, 12 South, 34 East, Lea County, New Mexico.

Q And what is your request of the Commission; what are you here for?

A My main purpose is to request from the Commission that we be allowed attempt at completion through 2 7/8 tubing.

Q Will this well be a dual completion?

A No.

Q Has any problem of corrosion or pressure been encountered in the drilling of this well?

A Not in the drilling of the well. We wouldn't know about corrosion from the drilling, but the history of the wells in the area do not indicate corrosion.

Q Are you familiar with this well, particularly?

A Yes.

Q I hand you what has been marked as Exhibit No. 1. Are you personally familiar with that plat or schematic design?

A Yes.

DEARNLEY-MEIER REPORTING SERVICE, Inc.
ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6591



Q Did you prepare it yourself, or was it prepared at your direction?

A At my direction.

Q Will you explain to the Examiner and Commission just what it shows?

A The sketch shows we have already set 13 3/8 inch at 365 feet, with cement to the strainer pipe; 9 5/8 inch set at 4200 feet with cement to the surface. Then we show the proposed tubing completion of running 2 7/8 inch tubing to 10,500 feet after clean-out, with a thousand feet of centralizers, bringing our cement top back to approximately 9500 feet.

Q And where do you plan to attempt to secure the first production; at what level or at what interval?

A The first interval we plan to test would be from 10260 to 10275; I'm sorry, 10254 to 10276.

Q And if you are not successful there, where would you then attempt to perforate?

A We would then attempt to perforate at 1012 to 1027; 10,012 to 10,027.

Q Why do you wish this exception to Rule 107-E?

A Well, the well is doubtful if it will be a commercial producer, and if we attempt to make completion economically we can save in the neighborhood of \$30,000.

Q Do you think that the proposed method which you have

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



indicated to the Examiner and Commission will be able to efficiently and properly produce such oil?

A Definitely we could produce our oil.

Q Do you know of anything which would be in opposition to the interests of conservation?

A None whatsoever.

Q Do you know of anything that would impair correlative rights in the proposition which you propose to the Commission?

A No.

MR. McKENNA: I believe that is all I have for the time being.

CROSS-EXAMINATION

BY MR. UTZ:

Q How much hole do you have in this well at the present time?

A We have 12,000; 6355 is bottom driller.

Q And what size is that hole?

A 8 3/4.

Q You intend to circulate the cement back to -- you intend to plug back to 10,500?

A Plugs are now set at ten five.

Q Do you intend to circulate the cement from ten five to nine five?

A Yes, sir.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH. 3-6691

ALBUQUERQUE, NEW MEXICO



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6591

ALBUQUERQUE, NEW MEXICO

Q What formations are between ten five and forty-two hundred?

A I'd rather you asked our geologist that question.

Q Do you know of any oil or gas shows in this interval?

A There was none on our well. There was an oil log reading on most of the hole.

Q Have you made any DST's on these pay zones?

A Yes, we did stem test those pay zones. We had a drill-stem test from 10260 to 10275; open four hours, gas to surface in thirteen minutes; recovered 925 feet of fluid, being 600 feet of free oil, 315 feet of heavily oil and gas cut mud plus ten feet water, 40 filtrate and 60 per cent formation water.

Q Did you get a pressure?

A Yes, we had an initial shut-in pressure 3757, final shut-in, 3239. The initial flow pressure 41, final flow pressure 292.

Q Is that the only interval you drillstem tested in?

A The other interval we were to test, if this one does not prove commercial, 10,001 to 10,027. Open four hours, gas to surface in ten minutes; fair flow throughout the test. Reversed out 15 barrels of oil plus 11 barrels of salt water and 120 feet of water below the sub.

Q Did you have the pressure?

A Initial shut-in pressure, 3470, one hour and twenty-five minutes; final shut-in pressure, 2855; initial flow pressure 365



and final flow pressure 1410.

Q It appears you have considerable pressure in that last zone. Do you think 500 feet of cement above that zone is enough?

A I believe it would be adequate; 500 feet of cement should give you adequate protection.

Q You intend to run a temperature survey to be sure of your cement?

A Yes, we do.

MR. UTZ: Any other questions of the witness?

BY MR. PAYNE:

Q What pool is this in?

A Well, our geologist has classified this lower one as the Canyon.

MR. UTZ: It isn't designated by the Commission.

A No, it isn't designated by the Commission.

Q Is this within a mile of a designated pool?

A I'd rather you asked those questions of the geologist.

Q All right.

MR. UTZ: Any other questions? If not the witness may be excused.

MR. McKENNA: Mr. Jack Nottingham.

(Witness sworn)

JACK WAYNE NOTTINGHAM,

called as a witness, having been previously duly sworn, testified

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



as follows:

DIRECT EXAMINATION

BY MR. McKENNA:

Q What is your full name?

A Jack Wayne Nottingham.

Q And what is your position with the Trice Company?

A District Geologist, West Texas-New Mexico area, three years.

Q Have you ever testified before this Commission?

A No.

Q Can you give the Commission a brief outline of your education and experience?

A Graduated in 1950 from the University of Oklahoma; worked one year with Bayroid Well Logging Service; approximately four years with Midcontinent Petroleum Corporation; approximately two years with Larial Oil and Gas, and the remaining time with Trice Production, approximately three years.

MR. McKENNA; Mr. Examiner?

MR. UTZ: Yes, his qualifications are accepted.

Q (By Mr. McKenna) Mr. Nottingham, this well is within a mile of what pool?

A Four Lakes Field, New Mexico.

MR. PAYNE: Four Lakes, Pennsylvanian and Devonian.

Q (By Mr. McKenna) Now, as to the question asked earlier

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by the Examiner, as to the formation, would you --

A I didn't understand his question. Would you please repeat that?

MR. UTZ: Yes. What formation is possibly productive, formations, between 9500 and 4200?

A Cisco and the Canyon; that is as designated by Humble geologists in this field there.

Q Do those zones have any shows of any nature?

A You are speaking of the two zones we are planning to perforate?

MR. UTZ: No, I am speaking of the zones between 9500 or the top of the proposed --

A There are no shows; no, sir.

MR. FAYNE: What has been the experience generally in the Four Lakes Devonian and Four Lakes Pennsylvanian relative to pressure?

A Not excessive; they have no excessive pressure problems. Of course, we are not concerned with the Devonian since we do not go to the Devonian, and the pressures are not excessive in the Pennsylvania completions. Also, I might add, the zone is also equivalent to the same producing zone in the Ranger Lake Field approximately two miles to the south. They have, also, no corrosive problems or undue pressure problems.

MR. UTZ: How much cement do you calculate it will take

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to circulate from ten five to nine five?

A Four hundred sacks.

MR. UTZ: Any other questions? If not, the witness may be excused. Any statements in this case?

MR. McKENNA: Mr. Examiner, I would like to have this received in evidence, Exhibit No. 1.

MR. UTZ: Without objection the exhibit is received. Case will be taken under advisement.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, the Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

June Paige
Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1849, heard by me on *January 27*, 19*60*.

Edith M. [Signature] Examiner
New Mexico Oil Conservation Commission

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