

CASE 2125: Application of EL PASO
For an oil-oil dual of its LUSK
DEEP UNIT WELL NO. 1.

Casa No.

2125

Application, Transcript,
Small Exhibits, Etc.

DOCKET: EXAMINER HEARING, WEDNESDAY, NOVEMBER 30, 1960

Oil Conservation Commission - 9 a.m., STATE LAND OFFICE BUILDING, Santa Fe, N.M.

The following cases will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, attorney, as alternate examiner:

- CASE 2125: Application of El Paso Natural Gas Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Lusk Deep Unit Well No. 1, located in Unit A, Section 19, Township 19 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Bone Springs pool and the production of oil from an undesignated Pennsylvanian pool through parallel strings of tubing.
- CASE 2126: Application of Tidal Oil Company for an unorthodox gas well location. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in an undesignated Pictured Cliffs pool at a point 1150 feet from the South line and 2040 feet from the West line of Section 21, Township 24 North, Range 1 West, Rio Arriba County, New Mexico.
- CASE 2127: Application of Sinclair Oil & Gas Company for permission to commingle the production from two separate pools and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the production from the Dean Devonian and Dean Permo-Pennsylvanian Pools from all wells presently completed or hereafter drilled on its State Lea 396 Lease consisting of the NE/4, S/2 NW/4, and N/2 SW/4 of Section 35, Township 15 South, Range 36 East, Lea County, New Mexico, after separately metering only the production from the Dean Permo-Pennsylvanian Pool. Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.
- CASE 2128: Application of Sinclair Oil & Gas Company for permission to commingle the production from two separate pools and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle the production from the Denton-Devonian and Denton-Wolfcamp Pools from all wells presently completed or hereafter drilled on its T. D. Pope Lease, consisting of the W/2 of Section 36, Township 14 South, Range 37 East, Lea County, New Mexico after separately metering only the Denton-Wolfcamp production. Applicant further seeks permission to install an automatic custody transfer system to handle said commingled production.

CASE 2129: Application of Sinclair Oil & Gas Company for permission to commingle the production from two separate pools from two separate leases and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to commingle, after separate measurement, the production from the Denton-Devonian and Denton-Wolfcamp Pools from all wells presently completed or hereafter drilled on the following-described leases:

Whitman "A" Lease, NE/4 of Section 26
Whitman "B" Lease, E/2 of Section 23,

both in Township 14 South, Range 37 East, Lea County, New Mexico, and for permission to install an automatic custody transfer system to handle said commingled production.

CASE 2130: Application of Redfern and Herd, Inc., for an order force-pooling a standard 320-acre gas proration unit in the Basin-Dakota Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Dakota Producing Interval in the W/2 of Section 29, Township 29 North, Range 11 West, Basin-Dakota Pool, San Juan County, New Mexico. The following are among the interested parties:

Aztec Oil & Gas Company, Summit Oil Company, Ruth Schrecht, Edwin A. Schrecht, Ella Blaise, and Sam Carson.

CASE 2131: Application of Robinson Brothers Oil Producers for the creation of a new gas pool and for the promulgation of special rules and regulations therefor. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Pennsylvanian production consisting of the N/2 of Section 22, Township 11 South, Range 31 East, Chaves County, New Mexico. Applicant further seeks the promulgation of special rules and regulations governing said pool including a provision for 320-acre gas proration units.

CASE 2132: Application of Humble Oil & Refining Company for permission to commingle the production from several pools. Applicant, in the above-styled cause, seeks permission to commingle the production from the following pools underlying the State "V" Lease consisting of the SW/4, W/2 SE/4, and NE/4 SE/4 of Section 10, Township 21 South, Range 37 East, Lea County, New Mexico: Blinebry Oil Pool, Brunson Pool, Drinkard Pool, Hare Pool, Tubb Oil Pool, Wantz Abo Pool, Blinebry Gas Pool and Tubb Gas Pool, with allocation to the various pools being based on monthly well tests except that separate metering and separation facilities would be used for oil well and gas well completions.

CASE 2133: Application of Humble Oil & Refining Company for an automatic custody transfer system and for an exception to Rule 309 (a). Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the Gallup production from an undesignated Gallup pool from all wells presently completed or hereafter drilled on its Navajo "L" Lease consisting of all or portions of Sections 25, 26, 35 and 36; Township 29 North, Range 14 West, San Juan County, New Mexico.

CASE 2134: Application of Nearburg & Ingram for a dual completion, for permission to commingle the production from two separate pools, and for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Midhurst Well No. 1, located in the NW/4 NW/4 of Section 35, Township 12 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Pennsylvanian Pool and the production of oil from the Southwest Gladiola-Devonian Pool through parallel strings of tubing. Applicant further seeks permission to commingle the production from said two common sources of supply from all wells on its Midhurst Lease consisting of the NW/4 of said Section 35 and for permission to install an automatic custody transfer system to handle said commingled production.

CASE 2135: Application of Nearburg & Ingram for an order creating a new oil pool and for the promulgation of temporary special rules and regulations therefor. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Pennsylvanian production consisting of the NW/4 of Section 35, Township 12 South, Range 37 East, Lea County, New Mexico. Applicant further seeks the promulgation of temporary special rules and regulations governing said pool including a provision for 80-acre proration units.

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH
WM. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
GEORGE A. GRAHAM, JR.

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEYS AND COUNSELORS AT LAW

301 DON GASPAR AVENUE
SANTA FE, NEW MEXICO

POST OFFICE BOX 828
TELEPHONE YU 3-7315

November 29, 1960

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, Mexico

Re: Case No. 2125
Application of
El Paso Natural Gas Co.

Gentlemen:

This letter will constitute our entry of appearance
as local counsel of applicant, El Paso Natural Gas
Company, in the above case no. 2125.

We will be associated in this proceeding with Mr.
Ben Howell, Mr. Garrett C. Whitworth and other
company attorneys of the applicant.

Very truly yours,



OS:dd

El Paso Natural Gas Company
El Paso, Texas

October 18, 1960

Case 7125

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

Attention: Mr. A. L. Porter, Jr.

Re: Lusk Deep Unit #1
A-19-19-32

Gentlemen:

Attached is an application for a dual completion on the above captioned well. All offset acreage is dedicated to the Lusk Deep Unit, of which El Paso Natural Gas Company is the operator. It is requested that this application be set for a hearing as soon as possible.

If any additional information is needed, please advise.

Very truly yours,

G. A. Hickson
G. A. HICKSON
Proration Department

GAH:mm
attachment

*Recket
Mailed
11-17-60
Jhr*

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name Wildcat		County Lea		Date October 18, 1960
Operator El Paso Natural Gas Company		Lease Lusk Deep Unit		Well No. 1
Location of Well	Unit A	Section 19	Township 19	Range 32

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____ ; Operator, Lease, and Well No.:

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	Bone Springs	Strawn
b. Top and Bottom of Pay Section (Perforations)	(8759-8777)	(11,168-11,193)
c. Type of production (Oil or Gas)	OIL	OIL
d. Method of Production (Flowing or Artificial Lift)	Flowing	Flowing

4. The following are attached. (Please mark YES or NO)

Yes a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.

Yes b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.

No c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*

No d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

El Paso Natural Gas Company (Operator of Lusk Deep Unit)

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO X. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the Proration Engineer of the El Paso Natural Gas Co. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Gerald A. Gibson
Signature

- * Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.
- NOTE: If the proposed dual completion will result in an unorthodox well location and/or a non-standard proration unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

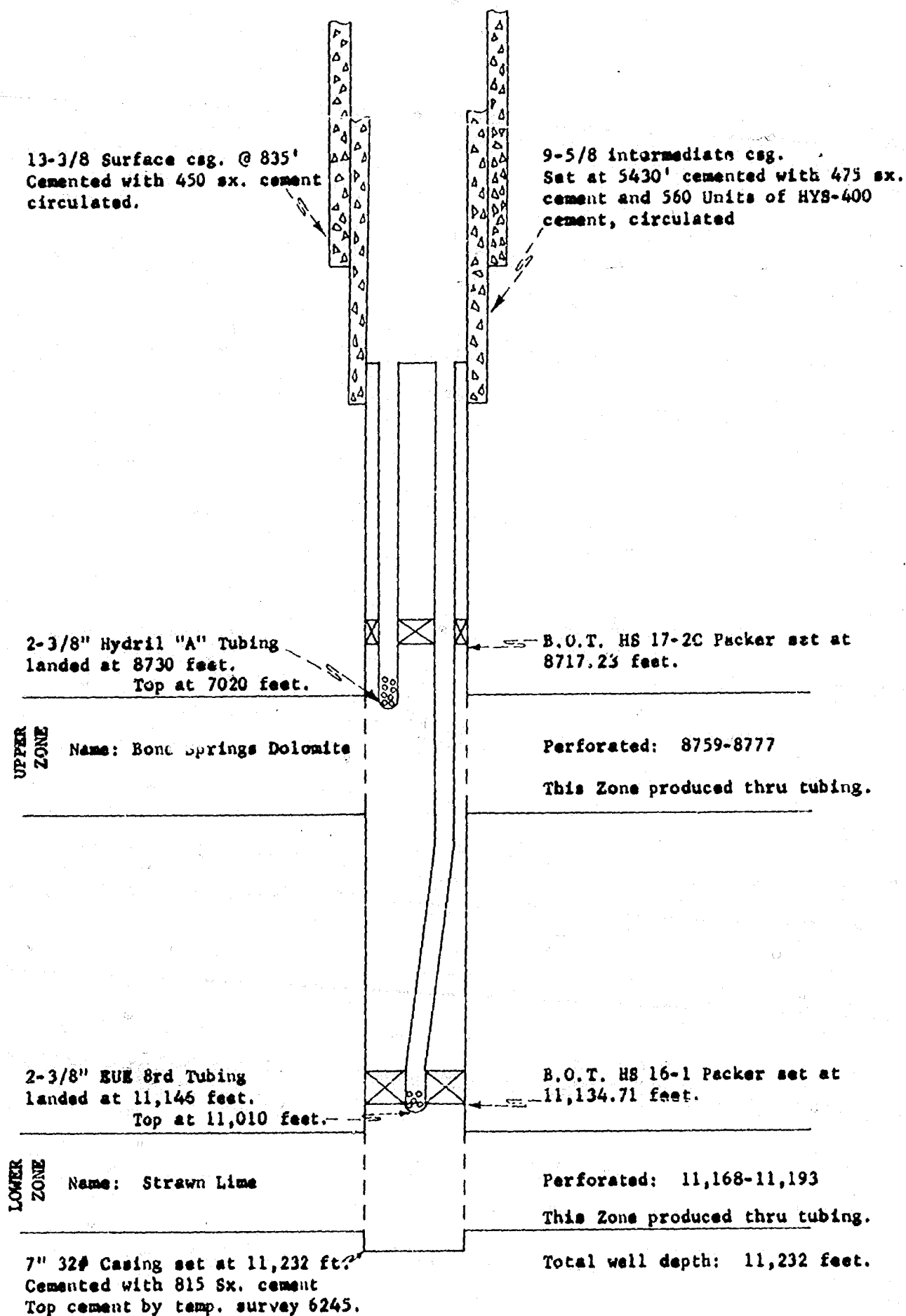
[illegible]

LUSK DEEP UNIT NO. 1
LEA & EDDY COUNTIES,
NEW MEXICO

Open
J. H. Trigg
Grant & Dorothy Peel
H. W. Jennings
Ewell H. Muse, Jr.
Southern California
Edna Hall
Phillips
Chas. E. Jones
Continental
Shell
Kerr-McGee
UNIT

DIAGRAMMATIC SKETCH SHOWING DUAL COMPLETION

INSTALLATION OF THE LUSK DEEP UNIT NO. 1



Date: October 10, 1960

OPERATOR: El Paso Natural Gas Company

Prepared by: Dale Lockett

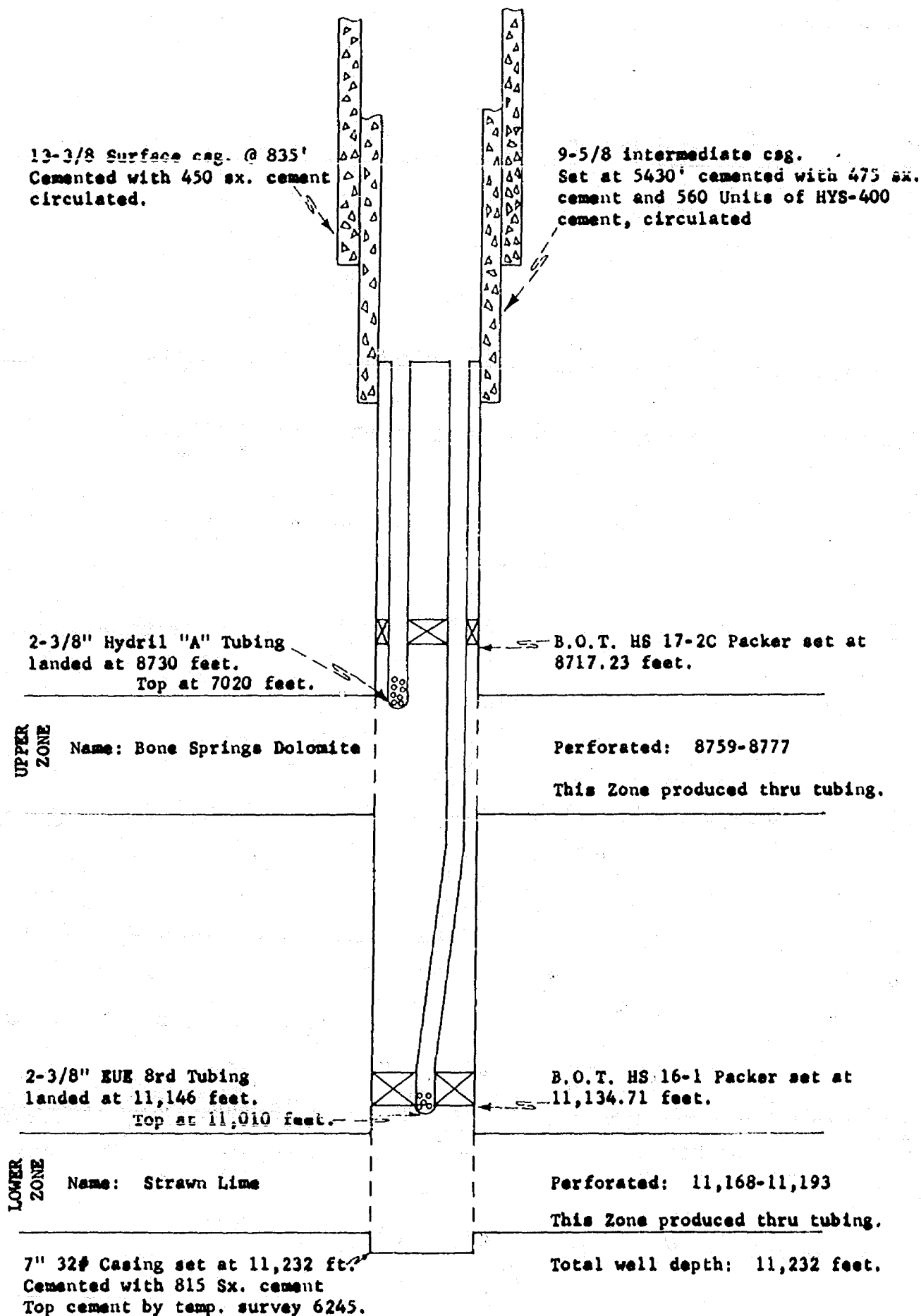
COUNTY: Lea

Drafted by: W. L. Burrows

Case 2125

DIAGRAMMATIC SKETCH SHOWING DUAL COMPLETION

INSTALLATION OF THE LUSK DEEP UNIT NO. 1



Date: October 10, 1960

OPERATOR: El Paso Natural Gas Company

Prepared by: Dale Lockett

COUNTY: Lea

Drafted by: W. L. Burrows

Case 2125

DIAGRAMMATIC SKETCH SHOWING DUAL COMPLETION

INSTALLATION OF THE LUSK DEEP UNIT NO. 1

SIP
1330

SIP 3086
Strawn

1537/1 GOR

GOR 2771/1

13-3/8 Surface csg. @ 835'
Cemented with 450 sx. cement
circulated.

9-5/8 intermediate csg.
Set at 5430' cemented with
475 sx. cement and 560 Units
of HYS-400 cement, circulated.

12.2 39.1 grow
6400 12 hrs

650B
50.1° grow

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2
CASE NO. 2125

2-3/8" Hydril "A" Tubing
landed at 8730 feet.
Top at 7020 feet.

B.O.T. HS 17-2C Packer set at
8717.23 feet.

UPPER
ZONE

Name: Bone Springs Dolomite

Perforated: 8759-8777

This Zone produced thru tubing.

2-3/8" EUE 8rd Tubing
landed at 11,146 feet.
Top at 11,010 feet.

B.O.T. HS 16-1 Packer set at
11,134.71 feet.

LOWER
ZONE

Name: Strawn Lime

Perforated: 11,168-11,193

This Zone produced thru tubing.

7" 32# Casing set at 11,232 ft.
Cemented with 815 sx. cement.
Top cement by temp. survey 6245.

Total well depth: 11,232 feet.

Date: October 28, 1960

OPERATOR: El Paso Natural Gas Company

COUNTY: Lea

Prepared by: Dale Lockett

Drafted by: W. L. Burrows

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name WILSON		County Lea	Date October 18, 1960
Operator El Paso Natural Gas Company		Lease Lusk Deep Unit	Well No. 1
Location of Well	Unit A	Section 19	Township 19
			Range 32

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO ☒ _____
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	Bone Springs	Strawn
b. Top and Bottom of Pay Section (Perforations)	(8759-8777)	(11,168-11,193)
c. Type of production (Oil or Gas)	OIL	OIL
d. Method of Production (Flowing or Artificial Lift)	Flowing	Flowing

4. The following are attached. (Please mark YES or NO)

- ☒ a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- ☒ b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- ☒ c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- ☒ d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

El Paso Natural Gas Company (Operator of Lusk Deep Unit)

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO ☒ _____. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the **Proration Engineer** of the **El Paso Natural Gas Co.** (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Gerald A. Hilson
Signature

- * Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.
- NOTE: If the proposed dual completion will result in an unorthodox well location and/or a non-standard proration unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER



P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY DIRECTOR

December 8, 1960

Mr. Oliver Seth
Attorney at Law
Box 828
Santa Fe, New Mexico

Re: Case No. 2125
Order No. 1828
Applicant:

El Paso Natural Gas Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

lr/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC

Other

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. 2125
Order No. R-1828

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN OIL-OIL DUAL COMPLETION
IN AN UNDESIGNATED BONE SPRINGS POOL
AND IN AN UNDESIGNATED PENNSYLVANIAN
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 30, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 8th day of December, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 Company, is the owner and operator of the Lusk Deep Unit Well No. 1, located in Unit A, Section 19, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Lusk Deep Unit Well No. 1 in such a manner as to permit the production of oil from an undesignated Bone Springs pool and the production of oil from an undesignated Pennsylvanian pool through parallel strings of 2 3/8-inch tubing installed within a string of 7-inch casing set at 11,232 feet.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (5) That approval of the subject application will neither cause waste nor impair correlative rights.

-2-
CASE No. 2125
Order No. R-1828

IT IS THEREFORE ORDERED:

That the applicant, El Paso Natural Gas Company, be and the same is hereby authorized to dually complete its Lusk Deep Unit Well No. 1, located in Unit A, Section 19, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Bone Springs pool and the production of oil from an undesignated Pennsylvanian pool through parallel strings of 2 3/8-inch tubing installed within a string of 7-inch casing set at 11,232 feet.

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

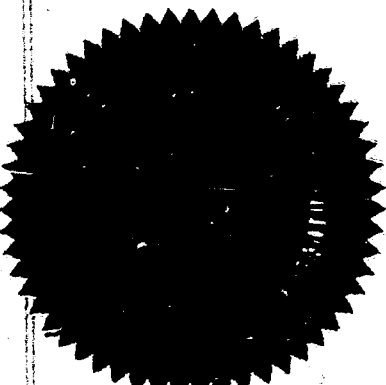
PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter, or as required by the Secretary-Director of the Commission.

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 the protection of correlative rights; upon failure of the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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

esr/

NEW MEXICO OIL CONSERVATION COMMISSION

Examiner Hearing - Daniel S. Nutter

Santa Fe, NEW MEXICOREGISTER

HEARING DATE

November 30, 1960

TIME:

9 a.m.

NAME:	REPRESENTING:	LOCATION:
R. T. WRIGHT	El Paso Natural Gas Co.	Salt, N. Mex.
GARRETT WHITWORTH	" " "	EL PASO TEXAS
Jimmie L. Olson	" " "	Midland, Texas
Jerry Hickson	" " "	EL PASO, Tex.
Lee N Perry Jr	Humble Oil & Ref Co	Hobbs, N.M.
R. M. Anderson	Swiclar	Midland, Tex
Jack M Campbell	Campbell & Russell	Roswell NM
A. C. White	Robert White & Co	Santa Fe
John Redfern Jr	Redfern & Herd	Midland Texas
Jason Kellahin	Kellahin & Fox	Santa Fe
J. T. Hollis	Hunt Oil Co.	Dallas, Texas
Chester F. Strabacz	Robinson Bros Drilling Co	Midland, Texas
A. L. Robinson	Robinson Bros Oil Producers	Midland, Texas
L. M. Anderson	Robinson Bros Drilling Co	Midland, Texas
R. F. Wadgamon	Robinson Bros Drilling Co	Hobbs
J. Don Hudson	J. Don Hudson	Hobbs, N.M.

NEW MEXICO OIL CONSERVATION COMMISSION

Examiner hearing - Daniel S. NutterSanta Fe, , NEW MEXICOREGISTERHEARING DATE November 30, 1960 TIME: 9 a.m.

NAME:	REPRESENTING:	LOCATION:
Tom L. Ingram	Nearburg & Ingram	Roswell
S. H. Williams	Mid-Continent Supply Co.	Midland
Ralph L. Gray	Nearburg & Ingram	Artesia
Eugen Ehrenburg	" "	Roswell
Earl Hartley	Sgt. Brady Lowe & Lowe Land Co.	Clavin

BEFORE THE
OIL CONSERVATION COMMISSION
STATE LAND OFFICE BLDG.
Santa Fe, New Mexico
November 30, 1960

IN THE MATTER OF:

APPLICATION OF EL PASO NATURAL GAS COMPANY
for an oil-oil dual completion. Applicant, in the
above-styled cause, seeks an order authorizing the
dual completion of its Lusk Deep Unit Well No. 1,
located in Unit A, Section 19, Township 19 South,
Range 32 East, Lea County, New Mexico, in such a
manner as to permit the production of oil from an
undesignated Bone Springs pool and the production
of oil from an undesignated Pennsylvanian pool
through parallel strings of tubing.

CASE
NO. 2125

BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: The hearing will come to order please. The first
case on the docket will be 2125.

MR. MORRIS: Application of El Paso Natural Gas Company for
an oil-oil dual completion.

MR. WHITWORTH: Garrett Whitworth, representing El Paso
Natural Gas Company. The local counsel firm of Seth, Montgomery & Federici
of Santa Fe, New Mexico, which firm has filed a written appearance in this
case. We have one witness, Mr. Gerald A. Hickson to be sworn.

(Witness sworn.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



GERALD A. HICKSON

a witness, called by and on behalf of the Applicant, having been duly sworn,
testified as follows:

DIRECT EXAMINATION

BY MR. WHITWORTH:

Q Will you please state your full name, by whom you are employed and in what capacity you are employed?

A Gerald A. Hickson, El Paso Natural Gas Company, Proration Engineer.

Q Mr. Hickson, have you qualified as an expert witness before this commission and is it a matter of record?

A Yes, sir.

MR. WHITWORTH: Are the witness's qualifications acceptable?

MR. NUTTER: Yes, sir, please proceed.

Q (By Mr. Whitworth) Are you familiar with El Paso's application in this case, Mr. Hickson?

A Yes, sir, I am.

Q What is El Paso Natural Gas seeking with this application?

A We are seeking an order authorizing the dual completion of our Lusk Deep Unit Well No. 1 in Unit A of Section 19, Township 19 South, Range 32 East, Lea County, New Mexico.

Q Is this an oil-oil dual?

A Yes, sir, it is.

Q To what zones was the well completed?

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

PHONE CH 3-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

A The lower zone is in the Strawn Lime and the upper zone was completed in the Bone Springs Dolomite.

Q The well is productive from both zones?

A Yes, sir.

Q Where is the well located?

A In Unit A, Section 19-19-32.

Q Do you have a plat showing the exact location of the well and the offset operators?

A Yes, sir, I do.

Q That would be marked as El Paso's Exhibit No. 1?

A Yes.

MR. NUTTER: This will be Exhibit No. 1, Mr. Whitworth?

MR. WHITWORTH: Right.

Q (By Mr. Whitworth) This well is located in the Federal Unit, is that right?

A Yes, sir.

Q What is the name of the unit?

A Lusk Deep Unit.

Q Who are the offset operators?

A All offset operators to this well are asking for dual completions and are in the unit.

Q Now, do you have an exhibit showing the physical equipment that has been installed in this well?

A Yes, sir. I have a diagrammatic sketch showing the dual



completion.

Q That is El Paso's Exhibit No. 2?

A Yes, sir.

Q Would you explain, Mr. Hickson, the physical equipment in this well?

A Well, this diagrammatic sketch illustrates or points out casing strings and the cement tops and the depth of the tubing and formation involved in this dual completion and the point which both packers were set.

Q Where were the packers set?

A We have two packers in this hole, hydraulic retrievable packers. 172-C which is set at 8702', which is 42' above the perforations in the Bone Springs. The lower packer which is a HS 16-1 is set at 11,134' which is 34' above the perforations in the Strawn Lime.

Q You stated the production packer is a retrievable type, exactly what is the make and model?

A The make and model of the lower packer, which is a separation packer, is HS 16-1, hydraulically set retrievable packer, made by Brown Oil Tools Incorporated.

Q Has El Paso used this type of packer before?

A Yes, sir, we have.

Q What has been the experience of El Paso as to the effectiveness of this production packer?

A We have the same packer installation set in quintuplet completions in Louisiana which has been in operation for nearly a year and have had

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

no failure as of yet.

Q In your opinion, Mr. Hickson, is this packer sufficient to separate production from the two zones in this well?

A Yes, sir, I believe it is.

Q When was the well completed?

A October 5, 1960.

Q Do you have any pressure data in this well?

A We have shut-in information taken from a packer leakage test which is filed in the District Office in Hobbs; shows the shut-in pressure of the Strawn Lime, 3086 psig and -

MR. NUTTER: 3086 pounds surface pressure.

A Yes, sir and the Bone Springs pressure of 1330 psig.

Q (By Mr. Whitworth) You stated this well is an oil well, what is the gas oil ratio?

A The gas oil ratio which was taken 6 days after completion was 2771 to 1 for the Strawn Lime and 1539 to 1 on the Bone Springs Dolomite.

Q Do you have a well log on this well?

A Yes, sir.

Q And that is El Paso's Exhibit No. 3?

A Yes, sir, it is.

Q Would you explain what that log shows?

A A composite which we determine the tops of the formation and pick the pays of the two zones that we completed in porosity and permeability.

Q You stated that the well is productive of oil, did you tell us exactly what amounts from each zone?



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A On a six hour and twenty minutes test in the Strawn, 151 barrels of 50.1 degree gravity oil and the Bone Springs produced 42.1 - 42.2 in twelve hours, gravity 39.1.

Q In your opinion, Mr. Hickson, would the granting of this application prevent waste and protect correlative rights?

A I believe it would.

Q Do you have anything you would like to add to your testimony?

A No, sir, except we have good means of finding any leaks that may occur if they do down the line because we have a very good pressure differential and we also have good difference in gravities of the two oils in the two different zones.

Q Have packer leakage tests been completed on this well?

A Yes, sir, it was.

Q When was that done?

A October 6. Correction, that would be the 10th of October.

Q What did this test show?

A It showed no leaks at the present time.

Q Were El Paso's Exhibits 1, 2 and 3 prepared by you or under your supervision?

A Yes, sir, they were.

MR. WHITWORTH: We ask that the exhibits be admitted into evidence.

MR. NUTTER: Exhibit 1 through 3 will be admitted.

MR. WHITWORTH: That is all.



MR. NUTTER: Anyone have any questions?

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Hickson, what will be the pressure differential at the packer?

A I would approximate, I would say probably about, oh, maybe close to 2000 pounds.

Q Do you have any literature or brochure on this type of Brown Oil Tool packer?

A We have one brochure here from Brown Oil Tool, if you would like to enter it as an exhibit.

MR. NUTTER: We would prefer you would, Mr. Hickson.

A All right, fine.

MR. WHITWORTH: We will enter that brochure as El Paso's Exhibit No. 4.

Q (By Mr. Payne) Mr. Hickson, the well you completed in Louisiana where you used this same type packer, is that well as deep as this one?

A Well, sir, I am not real certain of the depth of that well. I am sure they have greater pressures in that as it is an offshore well. They have extreme pressure differentials and temperatures.

Q What you have lists producing from the Strawn, is that actually part of the Pennsylvanian?

A Yes, sir.

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MR. PAYNE: Thank you.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Hickson, would you describe in your own words, I am sure the brochure probably does, would you describe in your own words the manner in which the number of slips, whether the slips are pointed upward or downward and how many rubber seals are in the packer.

A The manner in which the packer is set, it is a hydraulically set packer and lowered on the longest string, the lower string of tubing; then the upper string of tubing is ran in the hole and set in the upper packer which is 17-2-C. A bakelite ball is ran into the upper tubing, at which time the pressure which sets the upper packer, which has two slips, the upper slips of both packers, the upper and lower of the two sets of slips and rubber sealed on the outside of the slips with lead seals on the outside of the rubber seals.

Q It has two sets of slips, one set pointing upward and one pointing downward?

A Yes, sir.

Q Each set rubber?

A On the outside, yes.

Q Lead seal on the outside of the rubber seal?

A Yes, sir.

Q How is the packer released?

A The packer is released by rotating the tubing.

Q Can the packer be set again after released without removing

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it from the hole?

A Yes, sir, it could be. We can run another bakelite ball in the hole in this lower packer and pressure up on it and if we are not satisfied with the pressure that it was set at, we can pressure up on it again and then reverse out this ball; it will be set into a higher pressure.

Q Would the lead seals the first time the packer was set be disfigured, you couldn't get another set on the lead seals?

A I don't think so. They may be to a certain degree; we still have the lead seal, the protection of the rubber seal which is really for corrosive fluids that we have in this hole.

Q In other words, the lead seals are to protect the rubber seals?

A Yes, sir. The rubber seals hold and the lead seals actually protect the rubber seals from corrosive fluids. This is sweet crude in both zones.

Q The packer is set by pressuring up the tubing string on which the packer is hung?

A Yes, sir.

Q And released by rotating the tubing string?

A Yes, sir.

Q What did you say the gas oil ratio on the Strawn was?

A Six days after completion it was 2771 to 1.

Q 2771 to 1.

A Yes, sir. I understand on recent tests it has come down to somewhere between 2200 and 2300.



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Q Do you have any bottom hole pressure information on this well?

A Yes, sir, I believe we do. I believe we have one for the drill stem tests which shows it to be in the neighborhood of 5800 pounds. I don't see this right now, I am sure it is in the neighborhood of 5850.

Q I think the bottom hole pressure is indicated on the log during the drill stem test for the Strawn.

A Yes, sir.

Q Let's see if we have a bottom hole pressure on the Bone Springs.

A Yes, bottom hole pressure is given on both drill stem tests.

MR. NUTTER: Any further questions of Mr. Hickson.

(No response.)

MR. NUTTER: You may be excused. Do you wish to formally offer that Exhibit No. 4?

MR. WHITWORTH: We wish to offer El Paso's Exhibit No. 4.

MR. NUTTER: El Paso's Exhibit No. 4 will be received. Do you have any further questions?

MR. WHITWORTH: No, sir.

MR. NUTTER: Does anyone have anything further?

(No response.)

MR. NUTTER: We will take the case under advisement and call case 2126.



I N D E X

WITNESS

PAGE

GERALD A. HICKSON

Direct Examination by Mr. Whitworth

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Cross Examination by Mr. Payne

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Cross Examination by Mr. Nutter

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E X H I B I T S

<u>Number</u>	<u>Exhibit</u>	<u>Marked for Identification</u>	<u>Offered</u>	<u>Received</u>
No. 1	Plat	3	3	6
No. 2	Sketch	4	4	6
No. 3	Log	5	5	6

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STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I, LEWELLYN F. NELSON, Court Reporter, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand this *16th day of Dec 1960*, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Lewellyn F. Nelson
Lewellyn F. Nelson, Court Reporter.

The commission office
June 14, 1961

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. *2125*, heard by me on *11/30*, 19*60*.

[Signature], Examiner
New Mexico Oil Conservation Commission



DRAFT

RSM/esr
December 1

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

RSM
12/2
EP
12/2
OK 12-2-60

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2125
Order No. R-1828

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN OIL-OIL DUAL COMPLETION
IN AN UNDESIGNATED BONE SPRINGS POOL
AND IN AN UNDESIGNATED PENNSYLVANIAN
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 30, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 December, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 Company, is the owner and operator of the Lusk Deep Unit Well No. 1, located in Unit A, Section 19, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-described Lusk Deep Unit Well No. 1 in such a manner as to permit the production of oil from an undesignated Bone Springs pool and the production of oil from an undesignated Pennsylvanian pool through parallel strings of 2 3/8-inch tubing installed within a string of 7-inch casing set at 11,232 feet.

(4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(5) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, El Paso Natural Gas Company, be and the same is hereby authorized to dually complete its Lusk Deep Unit Well No. 1, located in Unit A, Section 19, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Bone Springs pool and the production of oil from an undesignated Pennsylvanian pool through parallel strings of 2 3/8-inch tubing installed within a string of 7-inch casing set at 11,232 feet.

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

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter, or as required by the Secretary-Director of the Commission.

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 the protection of correlative rights; upon failure of the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

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