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Q SB Application, Transcript, Smill Exhibits, Etc.

DRAFT

RSM/esr January 30

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

MM IN CA 131 CO

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

> CASE No. 2161 Order No. <u>R- /860</u>

APPLICATION OF TEXACO, INC. FOR A TRIPLE COMPLETION IN THE EUMONT GAS POOL, THE SKAGGS-GLORIETA POOL AND THE SKAGGS-DRINKARD 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 January 25, 1961, 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 <u>Jehuary</u>, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, <u>Elvis A.</u> 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, Texaco Inc., is the operator of the C. H. Weir "B" Well No. 4, located in Unit I, Section 11, Township 20 South, Range 37 East, NMPM, Loa County, New Mexico.

(3) That the applicant seeks an order authorizing the triple completion of said C. H. Weir "B" Well No. 4 in such a manner as to permit the production of gas from the Eumont Gas Fool, the production of oil from the Skaggs-Glorieta Pool, and the production of oil from the Skaggs-Drinkard Pool. proposes to produce the Skaggs-Drinkard Pool production through 2 3/8-inch tubing, the Skaggs-Glorieta Pool production through a dual zone flow-tube and 2 3/8-inch tubing, and the Eumont Gas Pool production through the annulus between the strings of tubing and 7 5/8-inch casing.

with an indiant

Service Office Contracts

-2-CASE No. 2161

(4) That an additional string of tubing should be installed to handle Eumont production in the event (a) oil rather than gas is encountered in the Eumont or (b) a four-point back pressure indicates the Eumont of (b) a four-point ba

(5) That packer-leakage tests should be taken on completion of the well and annually thereafter or as required by the Secretary-Director of the Commission.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., be and the same is hereby authorized to complete its C. H. Weir "B" Well No. 4 located in Unit I, Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, as a triple completion in such a manner as to permit the production of gas from the Eumont Gas Pool, the production of oil from the Skaggs-Glorieta Pool and the production of oil from the Skaggs-Drinkard Pool. The Skaggs-Drinkard Pool production shall be produced through 2 3/8-inch tubing; the Skaggs-Glorieta Pool production shall be produced through a dual-zone flow-tube and 2 3/8-inch tubing; and the Eumont Gas Pool production shall be produced through the annulus between the strings of tubing and 7 5/8-inch casing.

PROVIDED HOWEVER, That an additional string of tubing shall be installed to handle the Eumont production in the event (a) oil . rather than gas is encountered in the Eumont, or (b) a four-point *indicatis the production of Eamont gas three the annual* back pressure test taken through the annulus<u>A is pressive to</u> back pressure test taken through the annulus<u>A is pressive to</u> the Eumont is a gas will. <u>PROVIDED FURTHER</u>, That packer-leakage tests shall be taken on completion of the well 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 -3-CASE No. 2161

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 dual zone or regular single-zone production in the interest of conservation.

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

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

2 the 2/6/ 7-3-58

APPLICATION FOR DIME COMPLETION H DEFICE OCC

ield Name	Skaggs (Glo	cieta)		County	1.60 [200	Date	
S	kaggs (Drinkar	i), Eumon	t (Gas)	Lea		December_	12, 1960
perator			Lease			Well No. 5 17	
-	TEXACO Inc.		С. Н	. Weir "B"		44	
ocation	Unit	Section		Township		Range	
of Well	I	11		20-S		37-E	

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same triple zones within one mile of the subject well? YES_____ NO_____

; Operator, Lease, and Well No.: 2. If answer is yes, identify one such instance: Order No.

The following facts are submitted:	Upper Zone	Middle Zone	Lower Zone	
o. Name of reservoir	Penrose	Glorieta	Drinkard	
b. Top and Bottom of Pay Section (Perforations)	36001 = 37001	52701-52901	6800'-6900'	
c. Type of production (Oil or Gas)	Gas	011	0i1	
d. Method of Production (Flowing or Artificial Lift)	Flowing	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.

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 No 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. Continental Oil Company, P. O. Box 68, Eunice, New Mexico

Cities Service Oil Company, P. O. Box 97, Hobbs, New Mexico

Gulf Oil Corp., P. O. Drawer 669, Roswell, New Mexico

Humble Oil and Ref. Co., P. O. Box 2347, Hobbs, New Mexico

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: 1, the undersigned, state that I am the Div. Proration Engr. of the TEXACO Inc.

_ (company), and that I am authorized by said company to make this report; and that this report was prepared supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge. mder

E. Robinson, Jr.Signature

bould 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 not 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 protation unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



Plat of TEXACO Inc. C. H. Weir "B" Lease and Offset Leases Lea County, New Mexico Scale: 1" = 2000' LMF --12-12-60

LEGEND (Pools)	OFFSET OPERATORS
S - Skaggs	Continental Oll Co., Box 68, Eunice, N. Mex.
S(D) - Skaggs Drinkard S(G) - Skaggs Glorieta	Cities Service Oil Co., Box 97, Hobbs, N. Mex.
S(G) - Skagga Glorieta	Gulf Oil Corp., Drawer 669, Roswell, N. Mex.
E = Eumont Gas	Humble 011 & Ref. Co., Box 2347, Hobbs, N. Mex.
E(O) - Eumont Oil	



DIAURAMMATIC SKETCH OF TRIPLE COMPLETION INSTALLATION



Docket No. 3-61

CASE 2168:

Application of Continental Oil Company for permission to shut-in one well and transfer its allowable to other wells. Applicant, in the above-styled cause, seeks permission to shut-in its Wilder Well No. 20, located 1980 feet from the shut-in and East lines of Section 26, Township 26 South, South and East lines of Section 26, Lea County, New Mexico, Range 32 East, El Mar-Delaware Pool, Lea County, New Mexico, and transfer its allowable to the following offset wells in said Section 26: Wilder Lease Well Nos. 17, 18, 22 and 25.

CASE 2169:

Application of Gulf Oil Corporation for a salt water disposal well. 'Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water into the Grayburg and San Andres formations through water into the Grayburg and San Andres formations through its J. F. Janda "F" Well No. 17, located in Unit A, Secits J. F. Janda "F" Well No. 17, located in Unit A, Seciton 4, Township 22 South, Range 36 East, Lea County, New tion 4, Township 22 South, Range 36 East, Lea County, New Mexico, with the proposed injection interval from 3999 feet to 5650 feet.

CASE 2170:

Application of Amerada Petroleum Corporation for an amendment of Order R-1750. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1750, which authorized the triple completion of its Wimberly Well No. 13, located in Unit M, Section 24, Township 25 South, No. 13, located in Unit M, Section 24, Township 25 South, an undesignated oil pool, probably Paddock, for the Langliean undesignated oil pool, probably Paddock, for the Langlie-Mattix which was previously authorized. Applicant also proposes to use three parallel strings of tubing rather than two as provided in Order R-1750. Docket No. 3-61

CASE 2165:

Application of Pan American Petroleum Corporation for two unorthodox oil well locations and a non-standard oil proration unit. Applicant, in the above-styled cause, seeks approval of two unorthodox oil well locations in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico, said locations to be as follows:

Navajo Tribal "E" Well No. 7, to be located 250 feet from the South line and 800 feet from the West line of Section 16.

Navajo Tribal "G" Well No. 5, to be located 1830 feet from the South line and 885 feet from the East line of Section 18, both in Township 29 North, Range 14 West.

Applicant also seeks an 88.7-acre non-standard oil proration unit in said pool comprising that portion of the SW/4 of Section 16, within the Navajo Reservation lying South of the mid-channel of the San Juan River, Township 29 North, Range 14 West, to be dedicated to said Navajo Tribal "E" Well No. 7.

CASE 2166:

Application of Pan American Petroleum Corporation for permission to take interference tests and transfer allowables. Applicant, in the above-styled cause, seeks permission to take interference tests in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico, by shutting in its Navajo Tribal "E" Well No. 3, located in the NE/4 SW/4 of Section 21, Township 29 North, Range 14 West and transferring the allowable of said well in equal parts to the other five wells on the said Navajo "E" Lease.

CASE 2167:

Application of Chambers & Kennedy for a 200-acre nonstandard gas proration unit and for an unorthodox gas well location. Applicant, in the above-styled cause, seeks the establishment of a 200-acre non-standard gas proration unit in the Eumont Gas Pool, Lea County, New Mexico, comprising the NE/4 NE/4, S/2 NE/4, and the N/2 SE/4 of Section 34, Township 19 South, Range 37 East. Said unit is to be dedicated to the Monument State Well No. 1, located on an unorthodox location at a point 1649 feet from the South line and 2197 feet from the East line of said Section 34.

-3-

Docket No. 3-61

CASE 2161:

Application of Texaco, Inc. for a triple completion. Applicant, in the above-styled cause, seeks an order authorizing the triple completion of the C. H. Weir "B" Well No. 4, located in Unit I, Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the Eumont Gas Pool, the production of oil from the Skaggs-Glorieta Pool and the production of oil from the Skaggs-Drinkard Pool through the casing-tubing annulus, through 2 3/8inch tubing, and through 2 3/8-inch tubing respectively.

CASE 2162:

Application of The Atlantic Refining Company for an automatic custody transfer system. Applicant, in the abovestyled cause, seeks permission to install an automatic custody transfer system to handle the commingled Justis Tubb-Drinkard and Justis-Blinebry production from the following-described leases:

Langlie Federal Lease, N/2 SE/4 of Section 14 Langlie Federal "A" Lease, S/2 NE/4 of Section 14 Langlie Federal "B" Lease, N/2 NE/4 of Section 14

all in Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 2163:

Application of Yates Drilling Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks permission to install an automatic custody transfer system to handle the Pennsylvanian formation production from all wells presently completed or hereafter drilled on Federal Lease NM 03283, comprising the W/2 of Section 31, Township 8 South, Range 37 East, Roosevelt County, New Mexico.

CASE 2164:

Application of Hudson and Hudson for an exception to Rule 506 (A) of the Commission Rules and Regulations and for permission to transfer allowables. Applicant, in the above-styled cause, seeks an exception to Rule 506 (A) by increasing the limiting gas-oil ratio for the West Tonto Yates Seven Rivers Pool, Lea County, New Mexico, from 2,000 to 6,000 cubic feet of gas per barrel of oil. Applicant further seeks permission to shut-in one well in said pool and transfer its allowable to another well.

No. 3-61

DOCKET: EXAMINER HEARING - WEDNESDAY, JANUARY 25, 1961 OIL CONSERVATION COMMISSION - 9 a.m., CONFERENCE ROOM - STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

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

CASE 2159:

Application of Continental Oil Company for three non-standard gas proration units. Applicant, in the above-styled cause, seeks the establishment of the following-described nonstandard gas proration units in the Jalmat Gas Pool, Lea County, New Mexico:

A 320-acre non-standard gas proration unit consisting of the W/2 E/2 and E/2 W/2 of Section 19, Township 25 South, Range 37 East, to be dedicated to the Sholes B-19 Well No. 1, located in the center of the SE/4 SW/4 of said Section 19.

A 320-acre non-standard gas proration unit consisting of the E/2 and NE/4 NW/4 of Section 1, Township 25 South, Range 36 East, to be dedicated to the Wells B-1 Well No. 1, located in the center of the NE/4 NE/4 of said Section 1.

A 360-acre non-standard gas proration unit consisting of the SE/4, E/2 W/2 and SW/4 SW/4 of Section 29, Township 22 South, Range 36 East, to be dedicated to the Meyer A-29 Well No. 3, located in the center of the SE/4 SW/4 of said Section 29.

CASE 2160:

Application of Continental Oil Company for a quadruple completion. Applicant, in the above-styled cause, seeks an order authorizing the quadruple completion of its Northeast Haynes-Apache 9 No. 1 Well, located in the NW/4 SW/4 of Section 9, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of hydrocarbons from the Greenhorn formation through a string of 2 7/8-inch casing, the production of hydrocarbons from the Dakota formation through 2 3/8-inch tubing installed within a string of $4 \frac{1}{2}$ -inch casing, the production of hydrocarbons from the Mesaverde formation through the 2 3/8 x 4 1/2-inch annulus of the latter casing string, and the production of hydrocarbons from the Gallup formation through 2 3/8-inch tubing installed within a second string of 4 1/2inch casing, the three strings of casing being cemented in a common well bore.





216/ Keard 1-25-61 1-27-61 1. Sumt Desaco's request for a triple completion for their Wier"B" # 41 2044/5,660/E 11,205-37E. in the Eccural Has, this, Skagge Glorietta oil, and skagge Amikard oil. 2. The Dimkard is to produce then 2 30 tubing, The flowella lkm a dual zone flow take and 2 'r tubing. 3 The applicants shall install tuting in the 7 1/8 × 27/8×27 anulus y he is unable to obtain a 4 point Backs pressure test with good point point alignment satisfactory to the commidsion when testing them the annulus. My 4. Parker tests as usualowken athe 5.7. testo are remon the Eunon. and on completion of Driple. minth. W.

DEFORE THE OIL COMSERVATION 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 COMBIDERING:

> CASE No. 2161 Order No. R-1860

APPLICATION OF THEACO INC. FOR A TRIPLE COMPLETION IN THE SUMONT GAS POOL, THE SHAGS-GLORIETA FOOL AND THE SKAGGS-DRINKARD FOOL, LEA COUNTY, HEW MERICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 25, 1961, at Santa Fe, New Mexico, before Elvis A. Uts, Remniner duly appointed by the Gil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Bule 1214 of the Commission Bules and Regulations.

NOW, on this 2nd day of February, 1961, the Coumission, a quorum being present, having considered the application, the swidence adduced, and the recommendations of the Examiner, Elvis A. Uts, and being fully advised in the premises,

TIEDS:

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

(2) That the applicant, Texaco Inc., is the operator of the C. H. Weir "B" Well No. 4, logated in Unit I, Section 11, Township 20 South, Range 37 East, MEPH, Los County, New Maxico.

(3) That the applicant seeks an order authorizing the triple completion of said C. H. Wair "B" Well No. 4 in such a memory as to production of gas from the Remont Gas Foel, the production of oil from the Skapys-Glorietz Poel, and the production of oil from the Skapys-Drinkard Pool. Applicant proposes to produce the Skapys-Drinkard Pool production through 2 3/8-inch taking, the Skapys-Glorietz Pool production through a dual-some flow-tube and 2 3/8-inch taking, and the Namout Gas Pool production through the annulus between the strings of taking and 7 5/8-inch gasing.

(4) That an additional string of tubing should be installed to handle Eunout production in the event (a) oil rather than gas is encountered in the Eunomt, or (b) a four-point back pressure test taken through the annulus indicates the production of Eunomt gas through said annulus is inefficient. -2-CASE No. 2161 Order No. R-1860

(5) That packer-leakage tests should be taken on completion of the well and annually thereafter or as required by the Secretary-Director of the Commission.

(6) That approval of the subject application will meither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texado Inc., be and the same is hereby authorized to complete its C. H. Weiz "B" Hell Mo. 4. losated in Unit I, Section 11, Township 20 South, Range 37 East, MNPM, Lee County, New Mexico, as a triple completion in such a meaner as to permit the production of gas from the Eumont Gas Pool, the production of oil from the Skaggs-Clorietz Pool and the production of oil from the Skaggs-Drinkard Pool. The Skaggs-Drinkard Pool production shall be produced through 2 3/S-inch tubing; the Skaggs-Glorietz Pool production shall be produced through a deal-zone flow-tube and 2 3/S-inch tubing; and the Bumont Gas Pool production shall be produced through the annulus between the strings of tubing and 7 3/S-inch casing.

<u>PROVIDED HONNIVER</u>. That an additional string of tubing shall be installed to handle the Eumont production in the event (a) oil rather than gas is encountered in the Eumont, or (b) a four-point back pressure test taken through the annulus indicates the production of Eumont gas through the annulus is inefficient. Such a test shall be taken if the completion in the Eumont is a gas well.

<u>PROVIDED FURTHER</u>, That packer-leakage tests shall be taken on completion of the well and annually thereafter or as required by the Secretary-Director of the Commission.

IT IS FURTHER ORBERED:

That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seen 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 dupl-zone or regular single-some production in the interest of conservation. -3-CARE No. 2161 Order No. R-1860

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DOWN at Santa Fe, New Maxico, on the day and year herein-above designated.

STATE OF NEW MEXICO OIL COMBERVATION COMMISSION

ENVIR L. MACHEN, Chairman

Eller here h.

BOCCOURTY 1

GOVERNOR JOHN BURROUGHS State of New Mexico 1.01 Gil Conservation Commission STATE GEOLOGIST LAND COMMISSIONER A. L. PORTER, JR. SECRETARY DIRECTOR MURRAY E. MORGAN OX 871 SANTA FE Pebruary 2, 1961 2161 Case No. r. Booker Kelly Re: 2-1889 Order No. Cilbert, White P. O. B a 787 Applicant: Banta Fe, New Mex100 Texaco Inc. 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 ir/ Carbon copy of order also sent to: Hobbs OCC Artesia OCC Aztec OCC Other

PAGE 1

r	BEFORE THE
	OTL CONSERVATION COMMISSION
	Santa Fe, New Mexico
	January 25, 1961
	EXAMINER HEARING
)
-	
I	N THE MATTER OF:)
	Application of Texaco, Inc. for a triple completion.) Applicant, in the above-styled cause, seeks an order) Applicant, in the triple completion of the C. H. Weir)
	Applicant, in the above-styles cause, seeks H. Weir) authorizing the triple completion of the C. H. Weir) Case
	authorizing the triple completion of entron 11, Town-) Case "B" Well No. 4, located in Unit I, Section 11, Town-) 2161
	ship 20 South, Range 57 Has it the production of gas)
	in such a manner as to point production of oil from)
	from the Eumont Gas Pool, the production of oil) the Skaggs-Glorieta Pool and the production of oil)
	the Skaggs-Glorieta Pool and the production sing-tube) from the Skaggs-Drinkard Pool through the casing-tube)
	annulue through 2 3/0-min cuomes and)
	inch tubing respectively.
	BEFORE:
	Blvin A. Utz, Examiner
	TRANSCRIPT OF HEARING
	MR. PAYNE: Application of Texaco, Inc. for a triple
1	completion.
	MR. KELLY: Booker Kelly, Gilbert, White & Gilbert, of
Ŷ	Santa Fe, appearing on behalf of Texaco. We have one witness.
	(Witness sworn.)
	MR. PAYNE: Are there an other appearances?
	MR. UTZ: No appearances.
	J. E. ROBINSON, JR.
	called as a witness, having been previously duly sworn, testific
	as follows:

DIRECT EXAMINATION BY MR. KELLY: Will you state your name, employer, and position, pleased J. E. Robinson, Jr. I am employed by Texaco, Inc. as Q A Proration Engineer in our Midland Division, in Texas. Would you tell the Commission what Texaco is seeking by 0 this application? A We are seeking the approval from the Commission to triple complete our C. H. Weir "B" No. 4 by producing the Skaggs-Drinkard and the Skaggs-Glorieta through two separate strings of tubing, and by flowing the Eumont gas through the casing-tubing annulus. Does Texaco have any similar triples in New Mexico? We have two other triples in New Mexico. However, each Q one of these varies from this proposed triple. One of the triples used three strings of tubing, and the other uses two strings of tubing with the gas flowing up the annulus. However, in this particular triple the gas is the middle zone, and it is crossed over into the annulus above the upper zone. What is the present status of the Weir "B" No. 4? ALBUQUERQUE, NEW MEXICO Q The well has reached T.D., and the casing strings have been set and comented, and we have presently perforated the Dakota and are attempting a completion in this zone. MR. NUTTER: The Dakota?

> Yes, sir. A

3-6691

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Inc. PHONE CV

DEARNLEY-MEIER REPORTING SERVICE,

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PAGE 2

	·	
		A I am sorry, the Drinkard.
		A I am sorry, one Q (By Mr. Kelly) Now, referring to what has been marked
	E	whibit 1, would you explain that to the Commission?
. 💻		the plat of the area while a
4 3-669	c	A Exhibit No. 1 13 chorp . H. Weir "B" No. 4 circled in red, which is the proposed well to . H. Weir "B" No. 4 circled in red, which is the proposed well to
C. PHONE CH 3-6691		Taraco's lease is bordered in journal
INC.	1	Lalf of Section 11, Township 20 bound
ĽĽ,		a show on this Exhibit all walls on one and
SERVICE,		the their designation as to whether the
SEI		offsetting wells with their others pools they are completed in. We also show all offset operators and
NG		
REPORTING		Q Are all the zones in which you propose to complete pro-
POI		1
RE		The Drinkard, the Glorieta, and the Bundle
ER		C H. Weir "B" lease. Well No. 1 on the
Y-MEIER		The new lease is a dual Drinkard and Glorieta world
V- Х.		and wall No. 3 is a sumont gas well
DEARNLE		O Referring to what has been marked sufficient
AR	MEXICO	in detail to the Commission?
DE	NEW .	a diagrammatic sketch of the p
	ALBUQUERQUE, NEW MEXICO	Surface pipe consisting of the and
	ALBUQ	and comented at 1,402 1000;
		with the coment circulating on the
		mba 7 and 5/8-inch casing was set -
		of the ground. The Fand of the survey indicated that the 2,455 sacks of coment, and a temperature survey indicated that the

104 194

.

1 1

top of the cement behind the 7 and 5/8-inch string was at 1.810 feet. After the 7 and 5/8-inch casing was set the whole size was reduced and the well drilled to a T.D. of 6,915. At that depth a 4 and 1/2-inch liner was set from 5,381, which is inside the 7 and 5/8-inch casing to the T.D. of 6,915. We cemented the liner with a hundred sacks of cement around the bottom of the liner, and we squeezed 200 sacks around the top of the liner.

PAGE 4

The Prinkard, the lowermost zone, has been perforated from 6,897 to 6,909 with two jet shots per foot. Originally we had expected this well to flow in the Drinkard from the past experience from other wells in the immediate vicinity. However, our first reports from this zone indicate that we may have to pump the Drinkard formation. The bottomhole pressure in the zone is approximately 2,400 PSI, which was established by drillstom tests. The crude is a sweet type crude with a gravity of 33 degrees, and the zone will not propose any paraffin or corrosion problems.

What type of gas-oil ratio do you expect from the Drinkard? Q

That is rather hard to say at this time. In February, 1960, on our Weir "B" No. 1, we had a gas-oil ratio of 5743, and our well No. 2 on this lease had a gas-oil ratio of 4521. We expect a lower gas-oil ratio than these wells from the first report, especially if the well will require being pumped.

Q If this zone must be pumped, can this be done with your proposed completion?

Yes, sir. The Baker dual zone flow tube is a full open-

HONE CH 3-669 DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW

MEXI

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ALBUQUERQUE;

ing tube which would permit you to run a pump through the flow tube to be seated down opposite your perforations, and you could pump the Prinkard if it becomes necessary. The Glorieta, the middle zone, will be perforated from approximately 5,270 to 5,290. The bottomhole pressure in the Glorieta is estimated to be approximately 1450 pounds per square inch, with an estimated gas-oil ratio of 390. This is based on other Glorieta wells in the immediate vicinity which all have low gas-oil ratios. The gravity of the Glorieta is 41 degrees, and the crude is a sweet crude. The Glorieta production will pass through the flow tube and will be pumped through a second string of tubing. The Glorieta is sweet; we do not expect any corrosion problems, and have no difficulty with any paraffin problems.

The upper zone, the Penrose formation in the Eumont, will be perforated from approximately 3,600 to 3,700 and will be produced through the casing-tubing annulus. This annulus is equal to a pipe having an internal diameter of 3.07 inches. The zones will be segregated by a Baker Model D packer set at 5,350, and a Baker Model DA packer set at 5,200. The dual zone flow tube will be latched into the DA packer set at 5,200. The dual zone flow tube will be made up on the long string, and we will have proper spacing nipples and seals on the lower part of the long string that will effectively seal off, through the Baker Model D packer, the Drinkard and the Glorieta and the seal arrangements on the Baker flow tube ill seal off the Glorieta and the Penrose formation through the

PAGE 6 Model PA packer set at 5,200. We will then run our short string of 2 and 3/8-inch tubing and it will be latched into the packer flow tube with both strings of tubing being standard 2 and 3/8-inch Referring back again to Exhibit No. 1, it shows that both Eumont oil and Eumont gas wells are in the area. Will the Penrose tubing. 3-6691 , Inc. It will produce gas. This well, our Well No. 4, ran 48 formation produce gas or oil? feet high to our Weir "B" No. 3, which is a Bumont gas well. Giving a little bit of history on the Weir "B" No. 3, it was completed in DEARNLEY-MEIER REPORTING SERVICE, December, 1956, as an oil well with a gas-oil ratio of 17,628, and by July, 1957, approximately seven months after the well was completed the gas-oil ratio had increased to 157,333. At that time the well was reclassified as a gas well, and in an attempt to obtain a better gas well we opened up an additional section in August of 1958. This remedial work resulted in lowering of the gas-oil ratio back down to 26,666, and then in January, 1959, the ratio had increased back to 146,400, and in July, 1959, the ratio increased to 196,800, and the well is now reclassified as a gas well, and it is shut in waiting pipeline connection. So, with this well, our No. 4. MEXICO running 48 feet high to our well No. 3, we have reason to believe ALBUQUERQUE. Under your proposed completion, and with the expected it will be a gas well. results of the Penrose, do you think you will have efficient flow ţ.ŝ 13 1 by producing up the casing-tubing annulus? **1**3

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Yes, sir, I believe we will.

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Q If the Penrose produces oil, will you be able to run a third string of tubing?

A Yes. If we do get an oil well in the Penrose formation, or, perhaps, a fairly low gas-oil ratio well, we can run a third string of 2 and 3/8-inch tubing to produce the Penrose formation through. We can run the third string, and we will have a tolerance of .16 of an inch between the three strings. We have done this before inside 7 and 5/8-inch casing, and you can do it. However, we do not believe it will be necessary since we are expecting a gas completion. However, if we do not obtain an efficient flow well we can then run the third string to produce the Eumont through. Q Do you believe the mechanics of the proposed triple com-

pletion are feasible and in accordance with good conservation practices?

A Yes, I do.

Q Upon the completion of the well will you submit all necessary packer leakage tests and a log of the well with all perforations, with tops marked?

A Yes, sir, we will, and in addition to that we will also include a corrected diagrammatic sketch to show the actual perforations. The Glorieta and Penrose are estimated perforations at this time.

MR. KELLY: I forgot earlier to ask if the witness's qualifications are acceptable?

PAGE 7



MR. UTZ: Yes, they are. (By Mr. Kelly) Were these Exhibits 1 and 2 made by you or Q under your direction? 3-6691 A Yes, sir, they were. Đ MR. KELLY: I move Exhibits land 2 be accepted in evidende. PHONE Inc. MR. UTZ: Without objection Exhibits 1 and 2 in this case DEARNLEY-MEIER REPORTING SERVICE, will be accepted into the record. MR. KELLY: That is all we have: MR. UTZ: Any questions of the witness? BY MR. PAYNE: What is the footage description of the subject well? Q The footage? 0 Yes, sir. It was drilled to a T.D. of --I mean the location? It is drilled 2,044 feet from the south line, and 660 feet from the east line of the section. Assuming you get a Eumont gas well, what do you propose to dedicate to it? ALBUQUERQUE, We will dedicate the southeast quarter of this section to At the present time we have 160 acres dedicated to our well it. No. 3. Which is shut in? Which is shut in, yes, sir. At the present time there is ▲ intermodiate gas line in the area. El Paso has a high pressure

line in there and Warren has a low pressure line that they take casinghead gas from the other wells in the area, but those are the only two lines in the area.

Q Is this Baker Model DA packer a permanent type packer? A Yes, sir. Both the DA and Model D are both permanent packers.

Q Most of the wells in this area, completed in the Eumont, do produce liquids, do they not?

A Yes, sir, they do.

Q But notwithstanding that you feel you can have efficient flow through the casing-tubing annulus?

A Yes, sir, as long as we don't get a great deal of liquids. Of course, if we do and can't prove an efficient flow we will then run the third string, but if it is dry gas, or a high ratio well and we can show that we can have efficient flow through the casingtubing annulus we would like to produce it that way.

Q How do you determine whether you have efficient flow or not? A By taking back pressure tests and, if upon taking the back pressure test you show there is no restriction in the flow, that is

good proof that you have efficient flow.

MR. PAYNE: Thank you.

BY MR. UTZ:

Q Bo you have an opinion on about what GOR you would have to have in order to have this efficient flow? In other words, the breaking point between efficient and non-efficient flow in an effect-

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NEW MEXICO

ALBUQUERQUE,

		A No, sir. I haven't figured that out. Any figure I would
5	gi	ve you would have to be an estimate. I would sup the set would have to be an estimate. I would sup the set of
C. PHONE CH 3-6691		00,000 to one, we would certainly have barrels of liquid a day.
In		had a flow of less than
RVICE.	1	Q If you had a first thing like a 50,000 GOR you might possibly have trouble? A I would think it would all depend upon the volume of gas
Y-MEIER REPORTING SERVICE,	1	A I would think it would did would be producing a that we would be producing a day. If you would be producing a million cubic feet a day with a gas-oil ratio of 50,000 to one, you
PORTI		would have more efficient flow than if your and any. It would all depend
GR RE		on the potential of the well and the under-
Y-MEII		mining if you would have efficient liest
VLE	XICO	that correct?
DEA	ALBUQUERQUE, NEW MEXICO	 A les, sir, and a lowables won't be too high? Q So your allowables won't be too high? A That is right. We will only have 160 acres dedicated to
	ALB	it. MR. UTZ: Any other questions?
		BY MR. NUTTER:

	nlat and quite a number of
E	Sumont gas wells depicted on your plat, and quite a number of
P	Sumont oil wells. What would the structure look like in your
	structure map drawn here?
-	A Well, our well No. 4 ran 48 feet high to our woll not
3-6691	MR. UTZ: Which 3 is that?
PHONE CH 3-6691	A That is well No. 3 that is located up in the northeast
Ť	part of the Weir lease.
í	MP UT7: C. H. Weir "B" rather than the Mary Wall
	A That is correct. The structure would be rising to the
	south.
5	south. Q (By Mr. Nutter) How does this Cities Service Eumont oil
	well compare with your No. 3 well?
KEPUKITNO	A Cities Service AR in Section 2?
	Q Yes.
EIEA	 A I don't have the tops on that, Mr. Nutter. Q What are the ratios of these wells north of your No. 3
N-	
LEY	well, have you gone into that? No. I understand that most of the ratios are high, and
DEARNLEY-MEIER niw mixico	A No. I understant that some of these wells are penalized wells, but I don't have a tabulation
DE	on the ratios of the wells.
DE ALBUQUERQUE, NEW	on the ratios of the well Q Your No. 3 well started out with a ratio of 17,000 and
YUBUK	went to 157,000 in seven months?
	 A Yes, sir. Q Then you worked it over and dropped the ratio to 26,000.
	What did you do, open a lower zone?

		A No, sir. We came up and opened a higher point in this	
		No sir. We came up and opened a night i	
	well		
		You opened a higher zone and lowered the ratio?	
		A Yes, sir, we did.	
16		A Yes, sir, we did. Q If that is the case, being 48 feet high to this No. 3	
H 3-6	н -	Q If that is a surance you would have a fight	
C. PHONE CH 3-6691	wei	Q If that is the case, being 48 1960 have a higher ratio Il wouldn't be necessarily assurance you would have a higher ratio	
Inc.		11? that we will.	
	Me	A That is true. We don't have any used owever, in case that we do have a gas well or a high gas-oil ratio have the approval to flow it up the casing-	
ICI		A mee	
RV	He	owever, in case that we the approval to flow it up the casing	
SE		all we would like to have the sur No. 3 as an oil well wo	
5		would rum the tubing string. This is just a proposal that we are	
LIN	1	the tubing string.	
REPORTING SERVICE,	1	would run the tusing requesting in case we do get a gas well.	
PC		requesting in case we do get a gas wolld Q This proposal is in the event you get a gas well? Q This proposal is in the event you get a gas well?	
RE		Q This proposal is in don't we will run the third string q-	
GR		Q This proposal is in the event you good by Q This proposal is in the event you good by A Yes, sir, in case we don't we will run the third string of	
ELER		tuce this from.	
W-		have a log of the seen logged	•
EY		Q No you had not a log of the well. The well had	
N		A I tried to get a sur final prints of it, and we only	
DE ARNLEY-M	MEXICO	A I tried to get a log of the weilt However, we had not received our final prints of it, and we only had a field copy which has been marked up quite a bit, and that had a field copy which has been marked up quite a bit, and that	
DF.	N	field copy which has been marked of	
	RQŬĒ.	had a field copy where they had in the office.	
•	ALBUQUERQŬE, NEW	was the only one they had in the office. Q Will you provide the Commission with a log of this well	
· · · · · · · · · · · · · · · · · · ·	P		i
- .		when you get one? A Yes, sir. We will provide a log, and have all tops and	
1		A Yes, sir. We will provide a st	ا
		perforations marked on it.	
1 f		periorecione	

13 PAGE Is there any likelihood, Mr. Robinson, of unseating the dual zone flow tube in the DA packer in the event you have to pump No, sir. Let me see if I understand you. You asked if the Drinkard? there was any possibility of unseating the flow tube in the DA , Inc. packer if you pump the lower zone? Yes, sir, in the event you had to seat your pump down below that, or in the event you had to seat a pump in that tubing DEARNLEY-MEIER REPORTING SERVICE, string to the Drinkard? You are depending on an adequate seat of the flow tube No . A in the packer to separate the Eumont from the Glorieta? Yes, sir, that is correct. However, this flow tube will be latched into the DA packer, and in order to retrieve it, then it An up and down motion wouldn't unseat it? must be turned. No, sir. It would be latched in, the same way the flow Q tube will be latched into the NA packer, and then the short string from which we will be producing the Glorieta will also be latched in. MEXICO Is this a J-type of a latch? Roughly, yes. It has to be turned. It is really not a ALBUQUERQUE, NEW Q J-type. It is a thread arrangement that, as you place it in, it latches in, and then in order to release it you have to turn it a quarter around to get it loose. MR. NUTTER: I believe that is all. Thank you.

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	BY MR. UTZ:						
1	Q Mr. Robinson, in regard to this third string of tubing,						
	would you believe that a provision in the order written in this ca						
	providing for a back pressure test with the four points in proper						
	alignment would be a reasonable test to determine whether or not						
	your string of tubing should be run?						
	A Yes, sir. I think that would be a reasonable test.						
	MR. UTZ: Other questions? The witness may be excused.						
	Other statements in this case?						
	Case will be taken under advisement.						
	STATE OF NEW MEXICO)) ss COUNTY OF BERNALILLO)						
	I, JUNE PAIGE, 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.						
	IN WITNESS WHEREOF I have affixed my hand and notarial seal						
	this 31st day of January, 1961.						
	June Paize						
1	Notary Public - Court Report						



DEARNLEY-MEIER REPORTING SERVICE. Inc.

