

CASE 3724: Application of EL PASO
NATURAL GAS CO. FOR A DUAL
COMPLETION, RIO ARriba COUNTY.

Case No.

3724

Application, Transcript,
Small Exhibits, Etc.

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

P. O. BOX 2088
SANTA FE

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

March 25, 1968

Mr. Sumner Buell
Montgomery, Federici, Andrews, Hannahs
and Morris
Attorneys at Law
Post Office Box 2307
Santa Fe, New Mexico

Re: Case No. 3724
Order No. R-3390
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

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC

Aztec OCC X

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. 3724
Order No. R-3390

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR A DUAL COMPLETION, RIO
ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 20, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of March, 1968, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, seeks
authority to complete its San Juan 27-4 Unit Well No. 30 (GD)
located 800 feet from the South line and 1450 feet from the West
line of Section 32, Township 27 North, Range 4 West, NMPM, Rio
Arriba County, New Mexico, as a dual completion (conventional)
to produce gas from an undesignated Gallup gas pool through
2 3/8-inch tubing and the Basin-Dakota Gas Pool through the
casing-tubing annulus by means of a cross-over assembly, with
separation of zones by packers set at approximately 8100 feet
and 7461 feet.

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

-2-

CASE No. 3724

Order No. R-3390

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is hereby authorized to complete its San Juan 27-4 Unit Well No. 30 (GD), located 800 feet from the south line and 1450 feet from the West line of Section 32, Township 27 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, as a dual completion (conventional) to produce gas from an undesignated Gallup gas pool through 2 3/8-inch tubing and the Basin-Dakota Gas Pool through the casing-tubing annulus by means of a cross-over assembly, with separation of zones by packers set at approximately 8100 feet and 7461 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Basin-Dakota Gas Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


David F. Cargo
DAVID F. CARGO, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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

csr/

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

3124

Operator El Paso Natural Gas Company		County Rio Arriba	Date January 18, 1968
Address Box 990, Farmington, New Mexico		Lease San Juan 27-4 Unit	Well No. 30 (GD)
Location of Well N	Unit 32	Township 27N	Range 4W

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO _____ See memo #18-58, Order #R-1214
2. If answer is yes, identify one such instance: Order No. _____; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation Gallup			Dakota
b. Top and Bottom of Pay Section (Perforations) 7486-7706			8158-8348
c. Type of production (Oil or Gas) Gas			Gas
d. Method of Production (Flowing or Artificial Lift) Flowing			Flowing

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

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and 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.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
<input type="checkbox"/>	<input checked="" type="checkbox"/>	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.

Northwest Production Company, Box 1796, El Paso, Texas

Consolidated Oil & Gas Company, 1700 Broadway, Denver, Colorado

DATE OF FILING

68 JAN 22 AM 8

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 **1-18-68**.

CERTIFICATE: I, the undersigned, state that I am the Petroleum 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.

DOCKETED

Date **3-7-68**

Signature

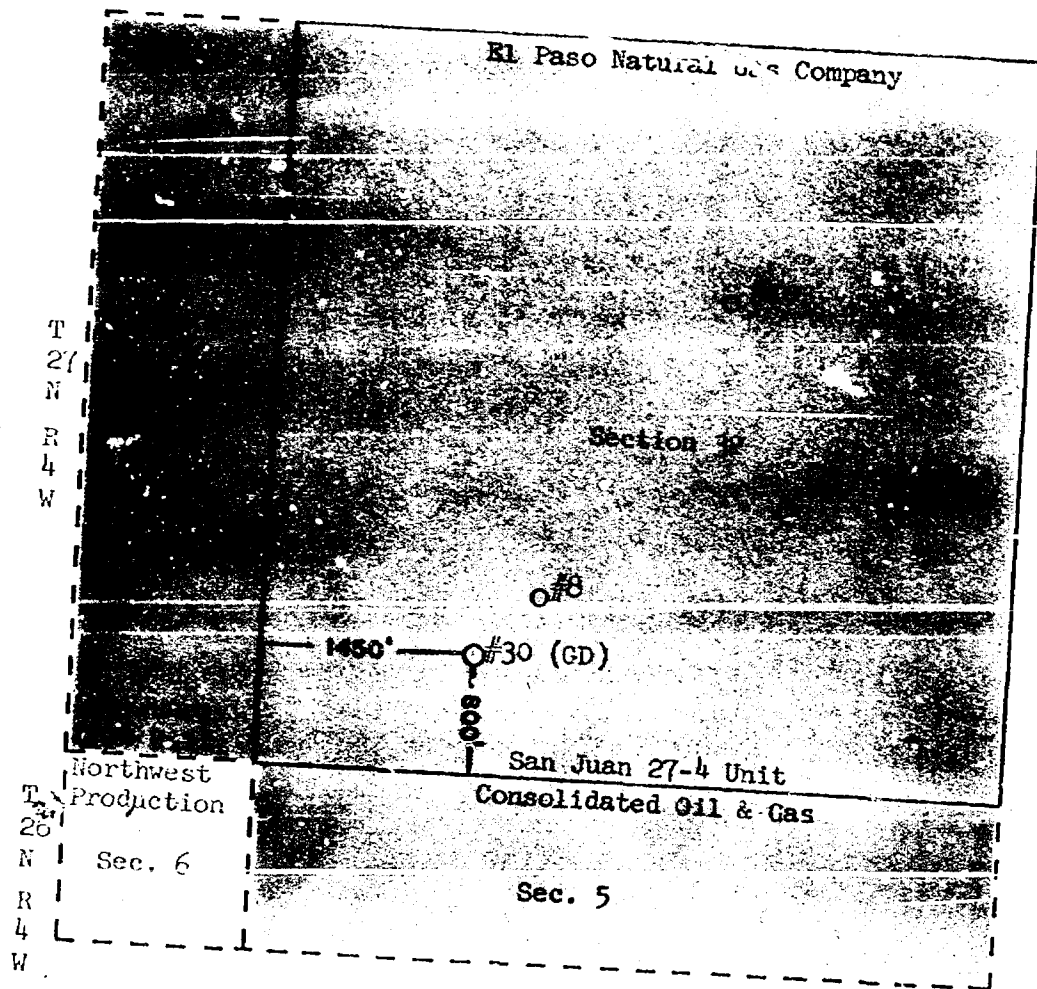
Date **2-15-68**

*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 multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

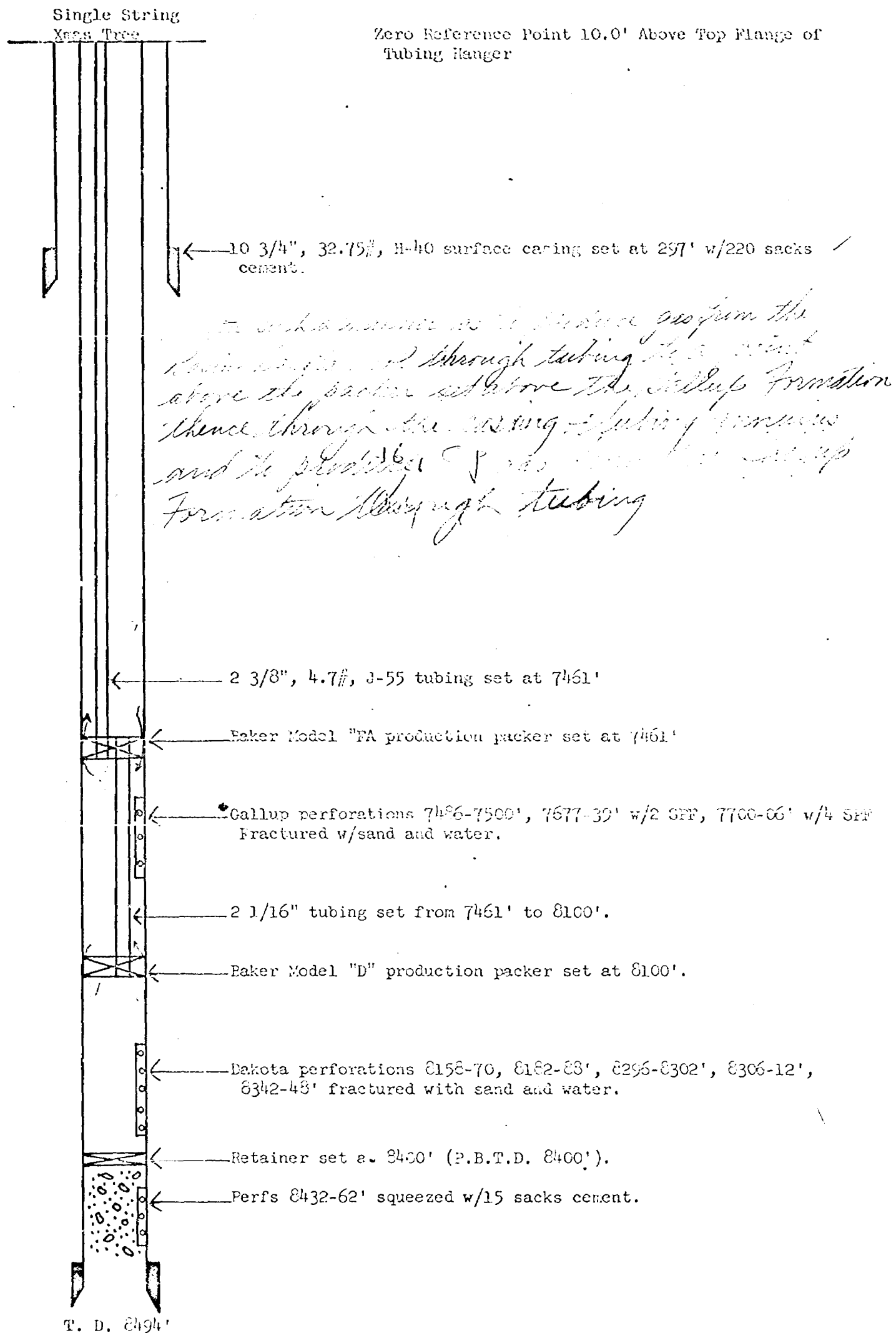
Case 3724

PLAT SHOWING LOCATION OF IDEALLY COMBINED
El Paso Natural Gas Co. San Juan 27-4 Unit #30 (GD)
and Offset Acreage



Case 3124

SCHEMATIC DIAGRAM OF HOLES COMPLETED
El Paso Natural Gas Co. San Juan 27-4 Unit #30 (GB)
SW/4 Sec. 32, T-27-N, R-4-W



Case 3724

Adopted
1-1-65

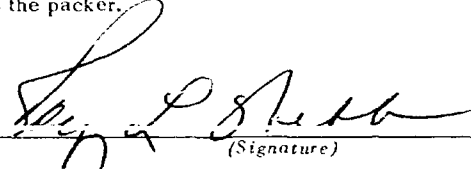
NEW MEXICO OIL CONSERVATION COMMISSION
PACKER SETTING REPORT

I, Roy L. Webb, being of lawful age and having full
Name of party making report
knowledge of the facts hereinbelow set out do state:

That I am employed by El Paso Natural Gas Company in the capacity of
Regional Drilling Supervisor, that on December 5, 1967

I personally supervised the setting of a Baker Model "D"
Make & type of packer
in El Paso Natural Gas Company, San Juan 27-4 Unit,
Operator of well Lease name
Well no. 30 (GD) located in the Basin Dakota & Undesignated Gallup field,
Rio Arriba county, state of New Mexico, at a subsurface depth of
8100 feet, said depth measurement having been furnished me by
P.G.A.C. Wireline;

That the purpose of setting this packer was to effect a seal in the annular space between two strings of pipe where the packer was set so as to prevent the commingling, in the bore of this well, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer; that this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as that it prevented any movement of fluids across the packer.


(Signature)
Regional Drilling Supervisor
(Title)
January 18, 1968
(Date)

Case 3724

Adopted
1-1-65

NEW MEXICO OIL CONSERVATION COMMISSION
PACKER SETTING REPORT

I, Roy L. Webb, being of lawful age and having full
Name of party making report
knowledge of the facts hereinbelow set out do state:

That I am employed by El Paso Natural Gas Company in the capacity of
Regional Drilling Supervisor, that on December 5, 19 67

I personally supervised the setting of a Baker Model "FA"
Make & type of packer

in El Paso Natural Gas Company, San Juan 27-4 Unit,
Operator of well Lease name Gallup

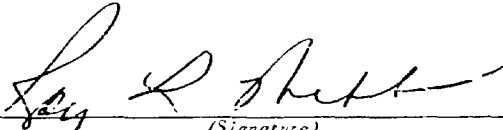
Well no. 30 (GD) located in the Basin Dakota & Undesignated field,

Rio Arriba county, state of New Mexico, at a subsurface depth of

7461' feet, said depth measurement having been furnished me by

P. G. A. C. Wireline;

That the purpose of setting this packer was to effect a seal in the annular space between two strings of pipe where the packer was set so as to prevent the commingling, in the bore of this well, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer; that this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as that it prevented any movement of fluids across the packer.


(Signature)
Regional Drilling Supervisor
(Title)
January 18, 1968
(Date)

Case 3724

OIL CONSERVATION COMMISSION
3 DISTRICT

OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

DATE 1-24-68

Re: Proposed NSP _____

Proposed NWU _____

Proposed NSL _____

Proposed NFO _____

Proposed DC ✓

Gentlemen:

I have examined the application dated 1-18-68
for the El Paso Natural Gas Co San Juan 27-4 Unit # 30 N-32-27-4
Operator Lease and Well No. S-T-R

and my recommendations are as follows:

Approved _____ MAIN OFFICE OF O

_____ '68 JAN 25 AM 8 34

Yours very truly,

Ernest C. Givens

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Case 3724

Operator El Paso Natural Gas Company		County Rio Arriba	Date January 10, 1968
Address Box 990, Farmington, New Mexico		Lease San Juan 2/-4 Unit	Well No. 30 (GD)
Location of Well Unit N	Section 32	Township 27N	Range 4W

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO _____ See memo #18-58, Order #R-1214
2. If answer is yes, identify one such instance: Order No. _____ ; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Gallup		Dakota
b. Top and Bottom of Pay Section (Perforations)	7426-7706		8158-8348
c. Type of production (Oil or Gas)	Gas		Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

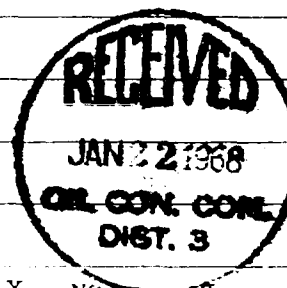
4. The following are attached. (Please check YES or NO)

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and 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.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	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.
<input type="checkbox"/>	<input checked="" type="checkbox"/>	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
<input type="checkbox"/>	<input checked="" type="checkbox"/>	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.

Northwest Production Company, Box 1796, El Paso, Texas

Consolidated Oil & Gas Company, 1700 Broadway, Denver, Colorado



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 1-18-68

CERTIFICATE: I, the undersigned, state that I am the Petroleum 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.

[Signature]
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 multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 28, 1968

9 A.M. - OIL CONSERVATION COMMISSION, CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, Alternate Examiner:

CASE 3714: (Continued from the January 24, 1968, Examiner Hearing)

Application of Continental Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its State "O" Well No. 1 located in Unit F of Section 16, Township 17 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of gas from the perforated interval 3140 to 3160 feet, Maljamar-Queen Gas Pool, and the injection of water for secondary recovery purposes into the Grayburg-San Andres formations in the interval from 3700 to 4050 feet through parallel strings of 2-inch tubing.

CASE 3724: Application of El Paso Natural Gas Company for a dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its San Juan 27-4 Unit Well No. 30 (GD) located in Unit N of Section 32, Township 27 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the Gallup formation and the Basin-Dakota Pool through tubing and the casing-tubing annulus, respectively, by means of a cross-over.

CASE 3725: Application of Continental Oil Company for two non-standard gas proration units and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following two non-standard gas proration units in the Jalmat Gas Pool:

A 160-acre unit comprising the E/2 E/2 of Section 1, Township 25 South, Range 36 East, Lea County, New Mexico, to be dedicated to its Wells B-1 Well No. 1 located 660 feet from the North and East lines of said Section 1; and a 200-acre unit comprising the W/2 E/2 and NE/4 NW/4 of said Section 1 to be dedicated to its Wells B-1 Well No. 3 located at an unorthodox location 660 feet from the North line and 1650 feet from the West line of said Section 1.

February 26, 1968, Examiner Hearing

CASE 3726: Application of John Yeronka and Robert Chandler for compulsory pooling, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order force-pooling all mineral interests from the surface down to a depth of 7400 feet underlying the E/2 SW/4 of Section 7, Township 22 South, Range 38 East, Lea County, New Mexico, to form two 40-acre proration units for Drinkard, Paddock, Blinbry, Tubb or other oil production to be dedicated to two wells to be drilled in Units K and N of said Section 7, or to form an 80-acre non-standard gas proration unit in the event gas production is encountered in the Tubb Gas Pool. Also to be considered will be the costs of drilling said wells and a charge for the risk involved, and a provision for the allocation of actual operating costs and the establishment of charges for supervision of said wells.

CASE 3727: Application of Monsanto Company for an unorthodox gas well location, a non-standard proration unit, a dual completion, and temporary special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Rock Tank Unit Well No. 1 located 550 feet from the North line and 920 feet from the West line of Section 7, Township 23 South, Range 25 East, Eddy County, New Mexico, said well to be dedicated to the proposed non-standard proration unit comprising the W/2 of said Section 7 and the E/2 of Section 12, Township 23 South, Range 24 East. Applicant also seeks approval of the dual completion (conventional) of said well to produce gas from the Upper Morrow and Lower Morrow formations through the casing-tubing annulus and the tubing, respectively. Applicant further seeks the creation of Upper Morrow and Lower Morrow gas pools for said well and the promulgation of temporary special rules therefor, including a provision for 640-acre spacing.

CASE 3728: Application of Tenneco Oil Company for an amendment to Order No. R-3127, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-3127 for the expansion of the Grayburg-Jackson West Cooperative Unit Area by some 400 additional acres of State land in Section 16, Township 17 South, Range 29 East, Eddy County, New Mexico.

CASE 3729: Application of Pan American Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to

February 28, 1968, Examiner Hearing

CASE 3729: (Continued from Page 2)

drill a well at an unorthodox location 510 feet from the South line and 1830 feet from the East line of Section 15, Township 24 South, Range 37 East, Fowler-Ellenburger Pool, Lea County, New Mexico, in exception to the pool rules that require that wells be drilled in the NW/4 or the SE/4 of the quarter section.

CASE 3730: Application of Tamarack Petroleum Company, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the South Pearl Queen Unit Area comprising 1523 acres, more or less, of Fee and Federal lands in Township 20 South, Range 35 East, Lea County, New Mexico.

CASE 3731: Application of Tamarack Petroleum Company, Inc., for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Queen formation through 14 wells in its South Pearl Queen Unit, Township 20 South, Range 35 East, Pearl-Queen Pool, Lea County, New Mexico.

CASE 3732: Application of Weier Drilling Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formations through its V. L. Foster Well No. 6 located 2310 feet from the North line and 1650 feet from the East line of Section 17, Township 17 South, Range 31 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

CASE 3733: Application of Daryl Davis to re-enter a well, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the State "A" Well No. 1 located 1980 feet from the South and West lines of Section 1, Township 4 South, Range 26 East, Chaves County, New Mexico, and attempt to complete said well as a producer from the San Andres formation.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAUGHT COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 28, 1968

EXAMINER HEARING

In the Matter of:

Application of El Paso Natural
Gas Company for a dual completion,
Rio Arriba County, New Mexico.

Case No. 3724

BEFORE: Daniel A. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 3724.

MR. HATCH: Application of El Paso Natural Gas Company
for a dual completion, Rio Arriba County, New Mexico.

MR. NUTTER: El Paso is evidently not here, so we
will jump down to Case 3729.

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 6th day of March, 1968.

John Kearney
NOTARY PUBLIC

My Commission Expires:

June 19, 1971.

I do hereby certify that the foregoing is a true and correct copy of the proceedings at the aforesaid hearing of Case No. 3724 held by me on 2/28, 1968.

New Mexico Oil Conservation Committee

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 28, 1968

EXAMINER HEARING

IN THE MATTER OF:

The application of El Paso Natural
Gas Company for a dual completion,
Rio Arriba County, New Mexico.

Case No. 3724

BEFORE: DANIEL S. NUTTER, EXAMINER

TRANSCRIPT OF HEARING

3
2

MR. NUTTER: The Hearing will come to order, please.
The first case this afternoon will be Case 3724.

MR. HATCH: Application of El Paso Natural Gas
Company for a dual completion, Rio Arriba County, New Mexico.
The Commission has received a request from the Applicant that
the case be continued to March 20th, received by telephone.

MR. NUTTER: Case Number 3724 will be continued to
the Examiner Hearing at 9:00 o'clock a.m., March 20th, same
place.

* * *

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

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 11th day of March, 1968.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1971.

I do hereby certify that the foregoing is
a true and correct copy of the transcript in
the regular hearing of Case No. 3724.
dated at Santa Fe, N.M. 2/28/68

[Signature], Secretary
New Mexico Oil Conservation Commission

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1072 • PHONE 243-6491 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 20, 1968
EXAMINER HEARING

IN THE MATTER OF:

Application of El Paso Natural Gas
Company for a dual completion, Rio
Arriba County, New Mexico.

Case 3324

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date MARCH 20, 1968TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
SUMNER G. Bae II	Montgomery, Edwards, Andrews Harris, & Harris	Santa Fe
Charles J. Malone	Atwood & Malone Pan. Amer.	Rowell
David M. Wight	Pan Am Ref Corp	Fort Worth
John D. Russell	Esso Pacific	Rowell
Charles F. Hume	Am. Indian Oil Co.	Rowell
Bon Freels	Texas Pacific Oil Co.	Dallas, Texas
J. E. Sperling	Motrol Syman Spry et al	Albuquerque
E. R. Manning	El Paso Natural Gas Co.	El Paso, Texas
Neva DuHaine	KW Syman	Santa Fe
Jason Kellaher	Kellaher & Co.	Santa Fe
Alton C. Goodrich	Southland Property Co.	Midland, Texas
M. R. Perry	Southland Property Co.	Midland, Texas
M. Carroll Eaton	Coastal States Gas. Ref. Co.	Midland, Texas
Robert H. Anderson	David M. Hume	Midland, Texas
Jack R. Anderson	Coastal States Gas. Ref. Co.	Midland, Texas
UFB of New		Corpus Christi, Tex

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARINGSANTA FE, NEW MEXICOHearing Date MARCH 20, 1968 TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
J W VIDRINE	AMERICAN TRADING	MIDLAND
J DICKERSON	PROD. CORP	
W. J. LeMay	N.M. Salt Water Disposal	TEX Roswell
Pete Porter	Co. & LeMay & Stevens N.M.O.C.C.	Santa Fe Santa Fe

MR. NUTTER: Hearing will come to order. The first case will be Case 3724.

MR. HATCH: Case 3724, Continued from the February 28, 1968, Examiner Hearing. Application of El Paso Natural Gas Company for a dual completion, Rio Arriba County, New Mexico.

MR. BUELL: Mr. Examiner, Sumner Buell appearing on behalf of the Applicant, El Paso Natural Gas Company. We will have one witness, Mr. Manning, and ask that he be sworn.

(Witness sworn)

E. R. MANNING

Called as a witness, having been first duly sworn was examined and testified as follows:

DIRECT EXAMINATION

BY MR. BUELL:

Q Would you state your name, please?

A E.R. Manning. Sr.

Q By whom are you employed, where, and in what capacity?

A By El Paso Natural Gas in the capacity of Senior Proration Engineer.

Q Where are you employed?

A In El Paso, Texas.

Q Have you previously testified before an Examiner or the Commission?

A No, sir, I have not.

Q Would you give the Examiner a brief resume of your educational and professional background?

A I was graduated from Texas Technological College in 1949 with a B.S. in Petroleum Engineering. I subsequently went to work for Stanlon Oil and Gas Company and worked for them from 1949 to 1956. From 1956 until 1964 I was a consultant in all phases of the petroleum industry in Kermit, Texas and was concerned primarily with the Permian Basin. From 1964 to 1967 I was employed as a Senior Reservoir Engineer for El Paso Natural Gas Company in El Paso, during which time I was responsible for certain reserve studies in the San Juan Basin and in other areas of our operations. From April 1967 to the present I have been employed as Senior Proration Engineer in their Proration Department.

Q Your employment with Stanlon and as a consultant, this was as a Petroleum Engineer?

A That is correct.

MR. BUELL: Are the witness's qualifications

acceptable?

MR. NUTTER: They are.

Q Are you familiar with what the Applicant seeks in this Case Number 3724?

A Yes, sir, I am.

Q Would you briefly outline what is sought?

A El Paso is seeking approval of a dual completion of its San Juan 27-4 Unit, Well Number 30 in the Basin-Dakota and the Gallup in an undesignated Gallup Pool, to produce gas from the Gallup and Dakota Formations. This well is located 1,450 feet from the west line and 800 feet from the south line of Section 32, Township 27 North, Range 4 west in Rio Arriba County, New Mexico. Now, we propose to produce this well through a crossover type packer such that the Dakota will be producing through the tubing casing annulus and the Gallup will be producing through the two and three-eighths tubing.

(Whereupon, Applicant's Exhibit
1 marked for identification)

Q Mr. Manning, refer to what has been marked for identification as Applicant's Exhibit Number 1, would you explain to the Examiner what this exhibit shows?

A This is a plat surrounding, or showing the location

of the dually completed San Juan Unit 27-4 Well No. 30 and the offset acreage. It shows that the Well No. 30 is located 800 feet from the south line and 1,450 feet from the west line of Section 32. It also shows that Consolidated Oil and Gas owns the acreage immediately south of the section, Northwest Production owns the acreage on the southwest offset and that El Paso Natural Gas owns the acreage immediately to the west.

(Whereupon. Applicant's Exhibit 2 marked for identification.)

Q Referring you to what has been marked Applicant's Exhibit 2, would you testify as to what this exhibit shows?

A Yes, sir. This is a schematic diagram of the dually completed well in San Juan Unit 27-4 Well No. 30. This diagram shows that the subject well was drilled to 8,494 feet. Two and three-quarter inch 32.75 H40 Surface Casing was set at 297 feet with 200 sacks of cement and the cement circulated. The four and a half inch 11.6 pounds per foot N80 and 10.5 pounds per foot J55 Casing was set at 8,482 feet with three stages of cement. The total cement used was 605 sacks. Now, the top of the cement by temperature survey was found to be at 3,225 feet. It also shows that the lower part of the Dakota was perforated from 8432 to 8462 feet and tested.

It was found to be non-commercial and cement retainer was set at 8,400 feet and squeezed with 15 sacks of cement. Then the Dakota Formation was perforated from 8,158 feet at various intervals to 8,348 feet and fractured with sand and water and at this time the tubing was run in the well and the Dakota gas producer was completed. Subsequently a Baker Model D Production Packer was set at 8,100 feet and a Baker Model FA Production Packer was set at 7,461 feet. The Gallup Formation was perforated at various intervals from 7,486 to 7,706 and fractured with sand and water and tested and it was found to be commercial.

Then two and one sixteenth inch tubing was set from 7,461 feet to 8,100 feet on the parallel flow tube which was set into the Baker Model FA Packer and allowed to cross over into the tubing casing annulus. Then two and three-eighths inch tubing was run to the surface and set at 7,461 feet. This arrangement permits the Dakota Formation or the lower perforations to produce into the casing annulus and it permits the Gallup Formation or the upper perforations to produce through the two and three-eighths inch tubing.

Q Mr. Manning, were any pressure tests run on the two formations involved in this completion?

A Yes sir. A packer leakage test was conducted and it was submitted to the New Mexico Oil and Gas Commission's

representative in Aztec, New Mexico on January 24, 1968.

Q What were the results of that packer leakage test?

A The packer leakage test showed there were no communications between the packers or between the formations.

Q Were any shut-in pressures taken on the Dakota and Gallup Formations?

A Yes, sir. On the Dakota a shut-in pressure of 1,126 pounds PSIG was obtained and a flowing pressure of 91 pounds PSIA was obtained and a volume of 106 MCF per day. On the Gallup shut-in tubing pressure was 1,302 pounds PSIG with a flowing pressure of 142 pounds PSIA and a volume of 759 MCF per day.

Q Mr. Manning, would you explain briefly the difference between this type of dual completion and the standard dual completion?

A The main difference in this type of completion and a standard dual completion is that in the case of the standard dual completion the lower perforations, and in this case which would be the Dakota, are usually produced through the tubing while the upper perforations, and in this case would be the Gallup perforations, would be produced through the tubing annulus, and this is accomplished by the setting of a

packer between the two perforations.

Q Why did El Paso Natural Gas chose this type of completion rather than a standard dual completion?

A Well, we chose this type of completion because it was felt that subsequently there would be large volumes of liquid that would need to be produced from the Gallup perforations and it would be much easier to remove these liquids by artificial means should the two and three-eighths inch tubing, or should the Gallup perforations produce through the two and three-eighths inch tubing and not through the casing annulus.

Q Mr. Manning, is it your opinion that the granting of this application would tend to prevent waste and protect correlative rights?

A Yes, sir, it is.

Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A Yes, sir, they were.

MR. BUELL: At this time I offer Exhibits 1 and 2 in evidence.

MR. NUTTER: Applicant's Exhibits 1 and 2 will be admitted in evidence.

(Whereupon Applicant's Exhibits 1 and 2 were offered and admitted in evidence.)

MR. BUELL: I have nothing further.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Manning, at the present time is the Gallup making any liquids?

A Yes, sir, it is.

Q At what rate were the liquids produced?

A On our test we have been unable to -- the well is shut in now, as you know. we are not producing the Dakota nor the Gallup and on the test the only note that we had was, "This well unloaded a heavy spray of water and distillate throughout test."

Q So you don't have the volume measurement?

A No, sir, we do not have a volume measurement.

Q Can you tell at this time whether this is going to be a gas well or an oil well in the Gallup?

A We cannot tell at this time; however, we feel that there is a possibility that it may subsequently turn to an oil well.

Q But this note there says distillate rather than oil?

A Yes, sir, it did.

Q No measure of the gravity?

A No, sir, this was to the atmosphere and they had no measure of gravity and this distillate had a greenish color to it.

Q How about the Dakota, does it make liquids?

A It makes a slight amount of -- or prior to the workover the well made just distillate.

Q What about that packer leakage test? There is a place on the packer leakage form for the reporting of the liquids that are produced on the test.

A No, sir, I do not have the packer leakage test. I have the open flow potential test and the information was taken from this to fill out the packer leakage test.

Q But the Commission has received your packer leakage test?

A Yes, sir, they received it on January 24, 1968.

Q We might have a copy somewhere in our files, we'll look for it. Was a blast joint installed in this tubing opposite those Gallup perforations?

A No, sir, to my understanding there was not a blast joint installed.

MR. NUTTER: Are there any other questions of Mr. Manning? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr.

Buell?

MR. BUELL: No, sir.

MR. NUTTER: Does anyone have anything they wish
to offer in Case 3724? We will take the case under
advisement.

[illegible]


I, KAY EMBREE Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 27th day of March, 1968.

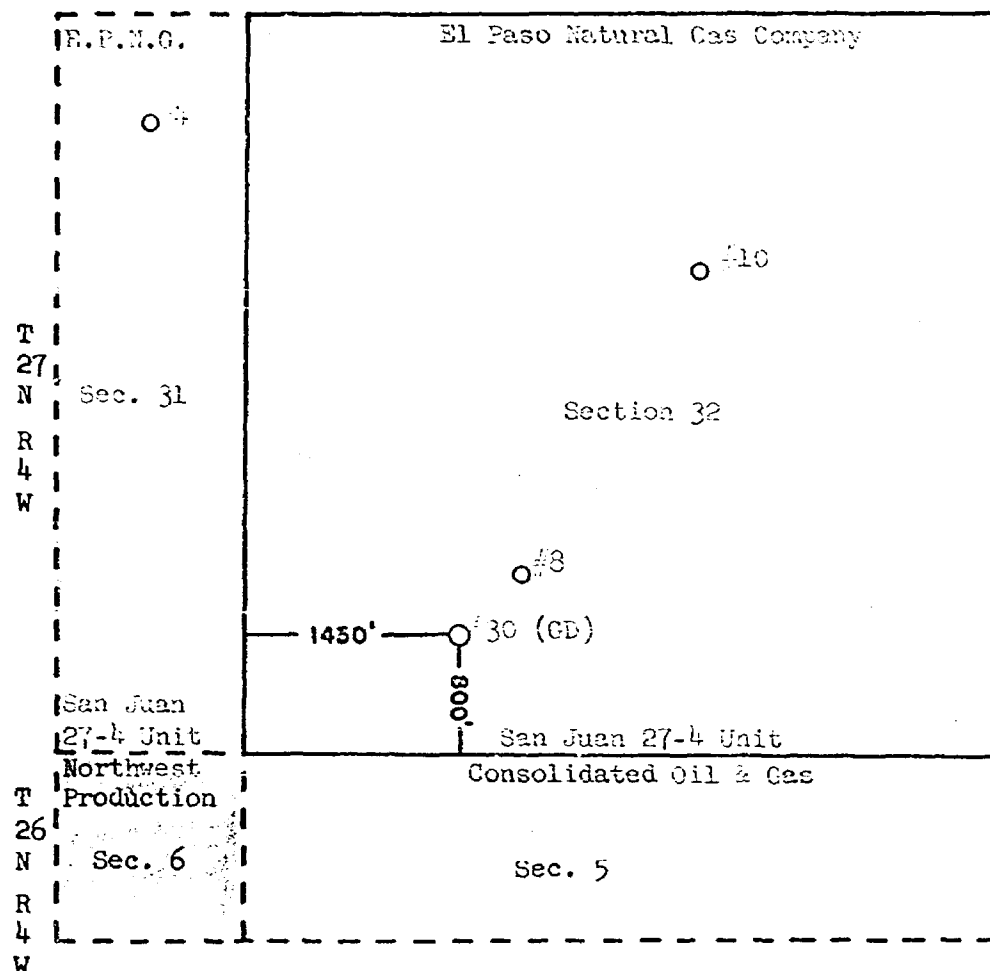
Key Emilee
NOTARY PUBLIC

My Commission Expires:

November 19, 1971

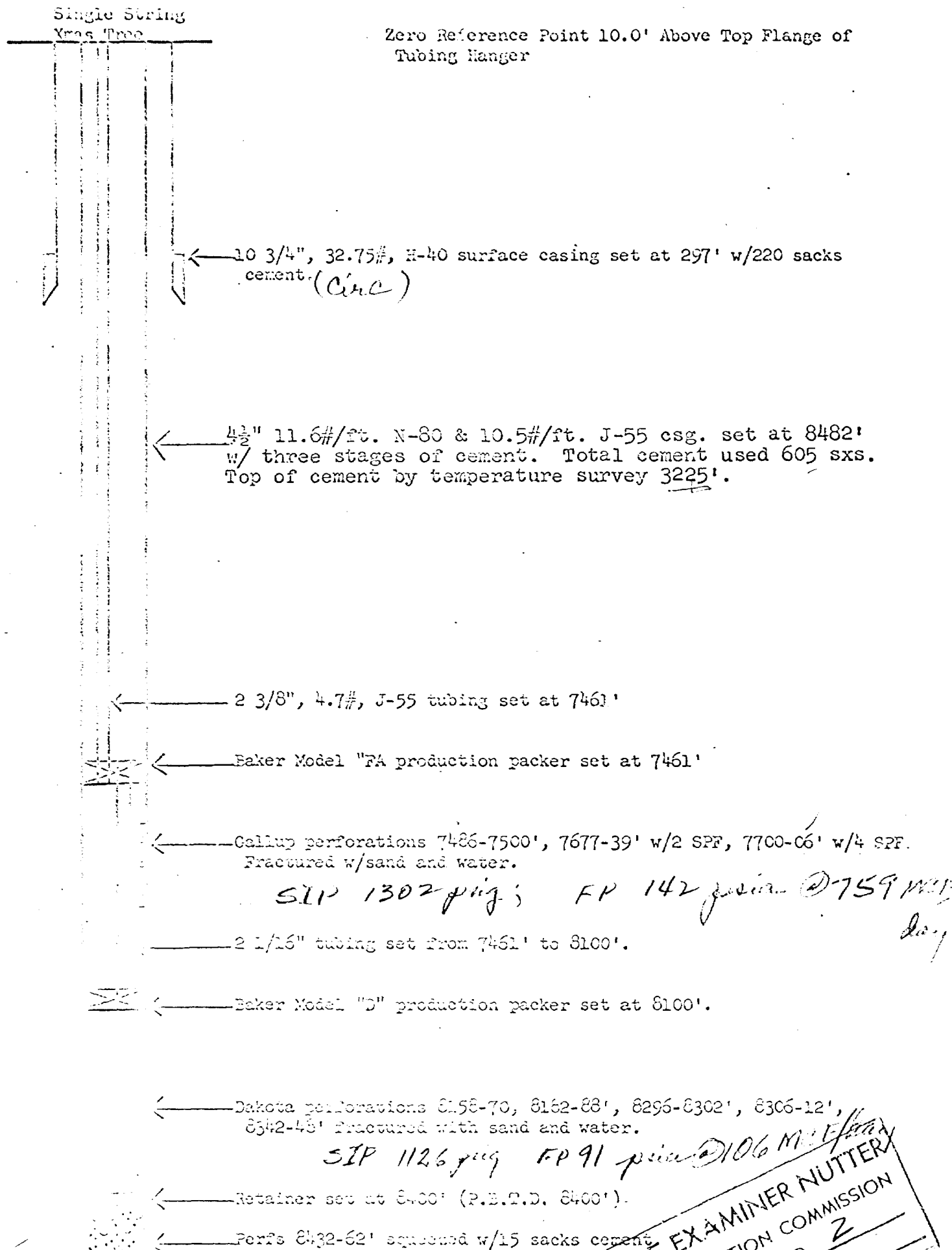
I do hereby certify that the foregoing is
a true and correct record of the proceedings in
the above hearing of Case No. **3724**,
held on the 3/20 day of 68.
 , Examiner
New Mexico Oil Conservation Commission

PLAT SHOWING LOCATION OF DUALY COMPLETED
El Paso Natural Gas Co. San Juan 27-4 Unit #30 (GD)
and Offset Acreage



BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
App EXHIBIT NO. 1
CASE NO. 3124

SCHEMATIC DIAGRAM OF DUALY COMPLETED
El Paso Natural Gas Co. San Juan 27-4 Unit #30 (CD)
SW/4 Sec. 32, T-27-N, R-4-W



BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
App'l. EXHIBIT NO. 2
CASE NO. 3724