

(Mr. Graham reads the notice of publication.)

MR. COLLISTON: Appearances for Continental Oil Company: Paul N. Colliston, Houston, Texas, and Homer Dailey, Midland, Texas.

HOMER DAILEY, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. COLLISTON:

Q Mr. Dailey, will you state your name and position and by whom you are employed?

A Homer Dailey, division engineer with the Continental Oil Company, located at Midland, Texas.

Q And the Monument field is within the area under your supervision?

A That is correct.

Q You have testified before this Commission before as an expert witness?

A I have.

MR. COLLISTON: Are there questions as to Mr. Dailey's qualifications?

MR. SPURRIER: Mr. Dailey has been qualified before.

MR. COLLISTON: This is an application of the Continental Oil Company to dually complete its H. M. Britt B-10 No. 1 in Sec. 10, T. 20S- R. 37E, Lea County, N. M. This dual will be oil from the Graberg and gas from the Queen. I would like to introduce as Continental's Exhibit 1 the structure map of the

Monument area with the Britt B-10 well marked in red.

Q Mr. Dailey, will you explain and describe to the Commission what Continental Oil Company proposes to do, and how we intend to dually complete the Britt B-10 No. 1?

A The Continental Oil Company's Britt B-10 No. 1 is located 330 ft. from the west and 660 ft. from the south lines of Sec. 10, T. 20S-R. 37E, and was initially completed November 18, 1937, for an initial potential of 1,000 barrels of oil per day and 920 barrels of water per day, with a gas-oil ratio of 802 to 1. Production was obtained from the Grayberg formation between the 5½ inch oil string set at 3,679 ft. with 425 sacks of cement, and the total depth of 3,921 ft. During approximately the past year a west offset has been completed, the Skelly Van Ett No. 10, as a gas well. The Continental Oil Company recompleted its Britt B-15 No. 3 approximately one mile south of the Britt B-10 No. 1 as a gas well from the Queen formation.

MR. COLLISTON: We would like to introduce as Continental's Exhibit No. 2 a compilation of well logs of Continental's Britt B-10 No. 1 and Continental's Britt B-15 No. 3.

A The Exhibit No. 2 shows our interpretation as to the top of the Queen in the Britt B-15 No. 3, and the Britt B-10 No. 1. It also shows the perforations in the Britt B-15 No. 3 from which we are producing gas. In addition it shows the proposed interval we are perforating in the Britt B-10 No. 1.

MR. COLLISTON: I would like to introduce as Applicant's Exhibit 3 the proposed method of dual completion of Continental Oil Company's Britt B-10 No. 1.

MR. SPURRIER: These exhibits 1 to 3 will be accepted without objection.

A It is proposed to dually complete the Britt B-10 No. 1 in the following manner: Pull the tubing and run radio activity logs, perforate and test the Queen formation after correlating with the Britt B-15 No. 3, set a Baker Model D production packer between the base of the perforations and the casing set, re-run the tubing and complete the well with the Grayberg oil producing through the tubing and the Queen gas through the annulus, and make the necessary communication tests. The Grayberg will be flowed through the tubing.

Q And the Queen gas will be produced in the annulus?

A Through the annulus, that is correct.

Q You are familiar with the general type of order the Commission issues in this type of case?

A That's right.

Q And are quite prepared to follow the provisions of that order with any test or such test as may be required by the Commission?

A That's right.

MR. COLLISTON: That is all we have.

MR. SPURRIER: Any questions of this witness? If not,

the witness may be excused. Do you have another witness?

MR. COLLISTON: That is all.

MR. SPURRIER: The case will be taken under advisement.


STATE OF NEW MEXICO

ss

COUNTY OF BERNALILLO

I HEREBY CERTIFY That the foregoing transcript is a true record of the matters therein contained.

DONE at Albuquerque, N. M., March 23, 1952


Notary Public

My Commission Expires: 8-4-52