

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
September 16, 1954

IN THE MATTER OF:

Regular Hearing

CASE NO. 759

TRANSCRIPT OF PROCEEDINGS

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO



A W. A. Daniel.

Q By whom are you employed, Mr. Daniel?

A Magnolia Petroleum Company as District Engineer in Kermit, Texas.

Q How long have you been at Kermit?

A Approximately two years.

Q I would like to have his qualifications to testify in any opinion testimony --

MR. MACEY: Qualifications are acceptable.

Q Mr. Daniel, are you acquainted with Magnolia Brunson Argo No. 1 Well?

A I am.

Q Will you state, put it this way, what formation was that well initially completed?

A The well was initially completed in the Drinkard zone, the well went to high ration limited capacity, uneconomic production and in June of 1954 Magnolia made application for dual gas-gas completion in the Blinebry and the Tubb formations. This application was approved by the Commission under Order DC-129, dated June 29, 1954. The work performed in order to make this completion was to ~~squeeze~~ the Drinkard zone through perforation, 6538 to 54 with the packer retainer set at 5468, we decreased 25 sacks, of 4,500 pounds.

We then perforated the Tubb from 6133 to 80, fractured the formation with 5,000 gallons of fracture, with one pound of sand. Following this we acidized with 1,000 gallons at 15 percent

~~acidized at initial pressure of 2,500, followed by a final pressure~~

of 500. We then perforated the Blinebry zone from 5536 to 66 and acidized with two stages of acid. The first being 3,000, the second being 6,000; pressures were 2,500 down to 2,000. Following this we tested Blinebry, which we obtained 41 barrels of oil with no water on a 24/64th choke. The surface pressures during this test were 260 pounds on the Blinebry, which was brought through the casing and 350 pounds on the Tubb, which was in the tubing and shut in.

This we considered as indication of failure of the packer seal rings and the tubing was pulled and the seal rings we dressed and reinstalled.

Following this we tested the well September 3rd at the rate of 20 barrels of oil a day, 170 MCF of gas, a ratio of 82/83 on a 12/64th choke with 250 pounds tubing pressure. During this test pressure recorders were installed on both the tubing and the casing. The tubing pressure of the Tubb zone built up during the 24-hour test period from 1325 to 1600 pounds surface pressure and was continuing to increase at the end of the 24-hour test period of the Blinebry zone.

During the test of the Blinebry flowing through the casing, the surface pressure was constant at 250 pounds. This is indication that no communication between the two zones exist, either behind the pipe or within the well bore.

The Brunson Argo No. 1 is located in the northwest quarter of the northeast quarter of Section 9, Township 22 South, Range 37 east. This location is within the defined limits of the Blinebry Gas Pool. The location is on the west edge of the present gas

production, the closest Blinebry gas well being approximately one mile east, a mile and a half southeast and one mile northeast. So far as I have been able to determine there is no other oil being produced from the Blinebry in this immediate vicinity.

Recognizing New Mexico Oil Conservation Commission's Rule Number 107, Section C, requiring that all flowing wells be tubed, Magnolia makes application for exception to this rule for a six-month test period, in order to evaluate the Blinebry oil production. It is my opinion that the oil rate will be limited and that the production of this oil will not be sustained. For that reason we do not feel that a single completion of the Blinebry zone is justified.

MR. AIKMAN: That is all.

MR. MACEY: Any questions of the witness? Mr. Daniel, as I understand it, it is your intention to produce the Blinebry zone through the casing tubing into the Tubb zone, through the tubing for a temporary six-months period, is that correct?

A That is right.

MR. MACEY: Now, what do you contemplate regarding the final disposition of the well?

A That will depend on the results of the test. If we have oil production, then by the New Mexico Rule 112, Section C, requiring that the upper zone of a dual completion be gas, we will have to comply with that, or take exception.

MR. MACEY: In other words, you are either going to re-complete the well in one zone or the other, either the Tubb or Blinebry, or ask for a permanent exception to the rule?

A Yes, sir.

MR. MACEY: All right. Any further questions? If not the witness may be excused.

(Witness excused.)

MR. MACEY: Are there any further comments or statements in the case? Are you through, Mr. Aikman?

MR. AIKMAN: Yes, sir.

MR. MACEY: If there is no comment in the case we will take the case under advisement.

STATE OF NEW MEXICO )  
                                  : SS.  
COUNTY OF BERNALILLO )

I, MARIANNA MEIER, 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 23rd day of September, 1954.

*Marianna Meier*  
\_\_\_\_\_  
Notary Public, Court Reporter

My Commission Expires:  
April 8, 1956