

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1533

TRANSCRIPT OF HEARING

October 22, 1958

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BEFORE THE
OIL CONSERVATION COMMISSION
October 22, 1958

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IN THE MATTER OF: :

Application of El Paso Natural Gas Products :
Company for a dual completion. Applicant, in :
the above-styled cause, seeks an order authoriz- :
ing it to dually complete its Frontier No. 1-B :
Well, located 890 feet from the South line and :Case 1533
890 feet from the East line of Section 9, Town- :
ship 27 North, Range 11 West, San Juan County, :
New Mexico, in such a manner as to permit the :
production of oil from an undesignated Gallup :
oil pool and the production of gas from an un- :
designated Dakota gas pool through parallel :
strings of tubing. :

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Mabry Hall
Santa Fe, New Mexico

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The next case on the docket will be Case 1533.

MR. PAYNE: Case 1533, "Application of El Paso Natural
Gas Products Company for a dual completion."

(Witness sworn in).

MR. WALSH: My name is Ewell N. Walsh, Division Petroleum
Engineer, El Paso Natural Gas Products Company. I will be the
only witness and we have no legal counsel.

EWELL N. WALSH

called as a witness, having been first duly sworn, testified as
follows:

DIRECT EXAMINATION

BY MR. PAYNE:

Q Please state your full name and position again, Mr. Walsh?

A Ewell N. Walsh, Division Petroleum Engineer, Farmington, New Mexico, El Paso Natural Gas Products Company.

Q Mr. Walsh, have you previously testified before this Commission and have your qualifications been accepted?

A Yes, I have.

Q Are you generally familiar with the application of El Paso Natural Gas Products Company in this case?

A I am.

MR. PAYNE: Are the witness' qualifications acceptable?

MR. UTZ: Yes, he was qualified previously.

Q (By Mr. Payne) Please proceed.

A We have three exhibits. Referring to Exhibit 1, that is a plat showing the location of our dually completed well, Frontier Number 1-B, and the offset leases to the well in Sections 9, 10, 15 and 16, Township 27 North, Range 11 West. This well is located 890 feet from the south line, 890 feet from the east line, Section 9, Township 27 North, Range 11 West, San Juan County, New Mexico. This well is not located within one mile of a similarly dually completed well or within one mile of a defined pool with a similarly dually completed well.

This well was supeed on March 25, 1958 and completed on

June 4, 1958 with new oil production from the Gallup formation on July 9, 1958. The Gallup formation potentialized for thirty barrels of oil per day on a 32/64" choke with a gas-oil ratio of 25,589 cubic feet of gas per barrel of oil.

The Dakota formation was tested on July 25, 1958 for 2,834 MCF on a 3/4" choke with a calculated absolute open flow of 3,002 MCF. This well was drilled by and completed by setting a 10 and 3/4" surface casing at 173 feet with cement circulated to the surface. A mud drilled hole was drilled to 4765 and a 7 and 5/8" intermediate casing set at that depth. A hundred and fifty sacks of cement were used on bottom stage with a calculated cement top of approximately 3943. A two-stage cementing tubing was placed in casing string at 2166 feet. One hundred sacks of cement were calculated through this across the Pictured Cliffs formation in order to protect it from contamination. The top of the cement was temperature surveyed at 1455 feet. A 6 and 3/4" hole was drilled with gas from under the intermediate casing to a total depth of 6770 feet. A 5 and 1/2" liner was set from 4597 to 6762 with four hundred sacks of cement being circulated behind the liner and out the top. After setting the liner, the casing top of the liner was tested at over a thousand pounds and it held pressure easily.

MR. UTZ: Was that the top of the liner?

A Around the top.

MR. UTZ: Around the top.

A The Lower Dakota was perforated from 6612 to 6648 and sandwater fractured. The Upper Dakota was perforated from 6553 to 6589 and sandwater fractured. You may refer to Exhibit Number 2 where the Graneros was perforated from 6509 to 6524 and sand water fractured and each of the three individual zones were fractured separately.

A retrievable bridge plug was set below the Gallup formation and the Lower Gallup perforated from 5916 to 5938 and sand-oil fractured. The Upper Gallup was perforated from 5818 to 5868 and sandoil fractured. These two zones were individually sand-oil fractured. Two-inch tubing with a Packer Model EGJ Production Packer was run to 6608, the Production Packer being set at 6413. This string is used to produce the Dakota through, and a second string of tubing, two-inch tubing, was run and set at 4563, this string being used to produce the Gallup formation.

According to the New Mexico Oil Conservation Rules and Regulations, the packer leakage test was run and the production packer was found to be performing satisfactorily. The results of this packer leakage test were furnished with the original application.

The offset operator, R & G Drilling Company, in the southwest quarter of Section 10, Township 27 North, Range 11 West was notified of our dual completion and we requested and received approval from the R & G Drilling Company. Two copies of this approval have been forwarded to the Conservation Commission.

The southeast quarter of Section 9 is dedicated to the Dakota formation; the southeast of the southeast quarter of Section 9 is dedicated to the Gallup formation.

The Gallup formation produced, has produced through September the 30th, 1958, 1551 barrels of new oil, the gas is being vented to the atmosphere due to no pipeline connection; the Dakota formation has been shut in since being tested.

The El Paso Natural Gas Products Company has received permission from the Federal Power Commission to sell the Dakota gas to the El Paso Natural Gas Company, and requests the Oil Conservation Commission to approve this dual completion as soon as possible to that this Dakota formation gas may be sold.

That's all the testimony I have.

MR. UTZ: Do you wish to offer your exhibits, 1 to 3?

A They were prepared under my supervision and I offer them.

MR. UTZ: Without objection, they will be received.

Are there questions of the witness?

MR. FISCHER: Is that EGJ Packer a permanent-type packer?

A It is a hook wall packer with a hydraulic holddown on it and on the packers run, I believe the Commission requires permanent packers, do they?

MR. FISCHER: Yes. That's all.

MR. PAYNE: Mr. Walsh, that well would have been offered for administrative approval if it had been within a mile of where

there was a dually completed well?

A Yes, Mr. Payne.

MR. PAYNE: That's all.

MR. UTZ: Mr. Walsh, did I understand you to say the EGJ Packer was a permanent type packer?

A Well, it's a hook wall packer with a hydraulic hold-down on it.

MR. FISCHER: And you can retrieve it?

A You can retrieve it, yes.

MR. PAYNE: And you use that type packer in wells in this area?

A Yes, sir.

MR. UTZ: How much weight is it capable of holding?

A I have been told by the Service Company that it is upward of ten thousand pounds. We have only got it up to approximately a thousand pounds.

MR. FISCHER: A thousand pounds?

A A thousand pounds is all.

MR. FISCHER: That would be from the upper, would it not?

A In the lower zone.

MR. FISCHER: The lower pressure zone?

A Yes, sir.

CROSS EXAMINATION

BY MR. UTZ:

Q What is the Gallup gravity and the Dakota gravity on the

oil you have there?

A We tested the Dakota and we tested for gas. We have not recognized much liquid from it and the Gallup gravity would run approximately thirty-eight degrees.

Q And if you get any liquids from the Dakota, it will undoubtedly be much lighter than that?

A It will most likely be distillate. We have installed a tank installation so that the Gallup oil and the Dakota liquids will be gathered and measured separately.

Q What was the top of the Pictured Cliffs in this hole, do you have that information?

A Yes, I have. The top of the Pictured Cliffs was 1978 feet.

Q And what would be the base?

A Pardon?

Q What is the base? What is the base of the Pictured Cliffs?

A 2120.

Q 2120?

A Yes, sir.

Q So that your cement did --

A Did cover the Pictured Cliffs.

Q Did cover the Pictured Cliffs?

A Yes, sir.

Q Do you have the top of the Gallup?

A On this log, your tops are marked in the Gallup.

Q Marked from the base?

A From the base of the seven and five eighths down.

Q All right.

A And it also shows the perforations.

Q Do you know how far you went into the Dakota?

A We went approximately five feet into the Morrison, and went all through the Dakota into the Morrison.

Q Is the top of the Morrison easy to pick in this area?

A According to our geologist, they have been very successful in picking the top of the Morrison from samples.

Q In all areas or just this area?

A I would like to confine it to this area.

MR. UTZ: Any other questions of the witness?

(No response).

MR. UTZ: If not, the witness may be excused.

(Witness excused).

MR. UTZ: Any other statements, or any statement to be made in this case?

(No response).

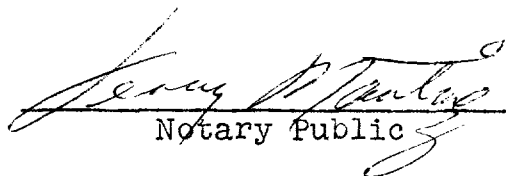
MR. UTZ: If not, the case will be taken under advisement and the hearing will be adjourned until one-thirty.

(Noon recess).

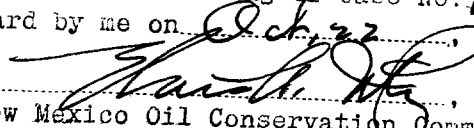
STATE OF NEW MEXICO)
 : ss
 COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, 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 in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record, to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 25th day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


 Notary Public

My Commission Expires:
 January 24, 1962

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1533 heard by me on Oct. 22, 1958.

 _____, Examiner
 New Mexico Oil Conservation Commission