

BEFORE THE
OIL CONSERVATION COMMISSION
FEBRUARY 25, 1959

IN THE MATTER OF:

APPLICATION OF EL PASO NATURAL GAS COMPANY, CASE 1606

TRANSCRIPT OF PROCEEDINGS

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IN THE MATTER OF:)

Application of El Paso Natural Gas)
Company for an oil-gas dual completion.)
Applicant in the above-styled cause, seeks)
an order authorizing the dual completion)
of its Huerfano Unit Well No. 104 located)
in the SE/4 SE/4 of Section 17, Township)
26 North, Range 10 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 undesignated Dakota gas pool)
through parallel strings of 2" tubing.)

CASE 1606

BEFORE:

E. J. Fischer, Examiner.

TRANSCRIPT OF HEARING

MR. FISCHER: The next case on the Docket will be
Case 1606.

MR. PAYNE: Case 1606: Application of El Paso Natural
Gas Company for an oil-gas dual completion.

MR. SETH: Garrett Whitworth and Oliver Seth for
El Paso Natural. We have one witness to be sworn.

(Witness sworn.)

MR. FISCHER: Any other appearances to be made in
this case?

D A V I D H. R A I N E Y, a witness called by and on behalf
of the Applicant, being first duly sworn, testified as
follows:

BY MR. WHITWORTH:

Q State your name, in what capacity and by whom are you employed?

A David H. Rainey, Administrative Assistant in the Proration Department of El Paso Natural Gas Company.

Q Have you testified before this Commission before as an expert witness?

A Yes, sir.

MR. WHITWORTH: We ask the witness' qualifications be accepted.

MR. FISCHER: They are.

Q (By Mr. Whitworth) Are you familiar with El Paso Natural's application in this case?

A Yes. This is an application for a dual completion authorization in the Gallup oil zone and the Dakota gas zone in the Huerfano Unit area on El Paso Natural Gas' Huerfano Unit 104 Well located in Section 17, Township 26 North, Range 10 West.

Q Who is the operator of the Huerfano Unit?

A El Paso Natural Gas Company.

Q Now, have you prepared a map of the plat submitted with the application showing all the wells on the lease involved?

A Yes, sir, I have a plat showing the wells in the general area. Both of these completions are wildcat completions. There are no wells completed in either horizon within a one mile limit of the subject well.

Q Do you want to designate this plat you filed with the application as El Paso Exhibit One?

A Yes, sir.

(Whereupon the document above referred to was marked El Paso Exhibit One for identification.)

Q Do you have an exhibit showing, diagrammatic sketch, showing the method of completion of this well?

A Yes, sir. We have a diagrammatic sketch of the mechanical completion of the well. The surface casing is 10 3/4 inch surface casing set at 363 feet with 300 sacks of cement circulated to the surface, completed with two strings of 2 inch EUE 55 tubing. The string for the Gallup completion is landed at 5878 on a Baker dual string tubing anchor. The Gallup interval is perforated, the Gallup horizon is perforated at various intervals from 5580 to 5874 with two shots per foot and fracked with oil and sand.

The Dakota tubing string is set at 5966 with perforations at various intervals from 6516 to 6636. This horizon was also fracked with oil and sand.

Q Now, this well is capable of producing oil in what formation?

A This well produces oil from the Gallup formation and the well has a potential, the official potential test has not been filed. I discussed the matter with our Farmington office yesterday. They advised me the well, the Gallup side potential had

a rate of 364 barrels a day, and the Dakota gas produced with absolute open flow 6800 MCF per day.

Q Do you have an exhibit showing the well log?

A Yes, sir. We have a well log of the well showing the perforations and the intervals, perforated intervals, in both the Gallup and Dakota sections.

Q That is El Paso Exhibit Number Three?

A Yes.

(Whereupon the document above referred to was marked El Paso Exhibit Number 3 for identification.)

Q Is this well within the defined limits of any gas pool?

A No, sir, it rates a wildcat well in both zones.

Q To your knowledge, should this application be granted, would there be a violation of correlative rights?

A No, sir.

Q Would it prevent waste?

A Yes, sir.

Q Do you have anything else you would like to add to your testimony?

A I might add the well is fitted such that the bottom hole pressures or any packer leakage test or any test the Commission might require may be taken without any trouble.

Q Were all the exhibits, El Paso Exhibits One, Two and Three prepared by you or under your supervision?

A Exhibit One was prepared under my supervision.

Exhibit Two, the diagrammatic sketch, was drawn by our Engineering Department in Farmington, and I have discussed the thing in detail with them. Of course, the copy of the inductional electric log is a standard Slumberjay print of that log.

MR. WHITWORTH: We ask these exhibits be admitted.

MR. FISCHER: Without objection, they will be entered.

MR. WHITWORTH: That is all.

MR. FISCHER: Any questions of the witness? Mr. Nutter.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Rainey, what is the pressure of the Gallup zone?

A I don't have any pressure information with me. I was given to understand they had run a packer leakage test on the thing day before yesterday, I believe it is, and the, when they were producing the Dakota interval, there was no pressure change whatever in the Gallup interval. In producing the Gallup interval over a period of about 14 hours, there was a slow, steady build up in the Dakota, and during the day when the temperature came up a little bit there was a ten pound drop on the Dakota and apparently there is communication. I don't have any specific pressures. I understand they are prepared to file that packer leakage test, and they should do that this week.

Q How about the GOR in the Gallup?

A I don't have that either. I have not gotten copies of the test yet.

MR. NUTTER: That is all.

A To my understanding, the Gallup in that particular location is fairly low GOR.

MR. FISCHER: Any other questions of the witness?

EXAMINATION BY MR. FISCHER:

Q Mr. Rainey, do you know offhand how much tail pipe you have underneath that packer?

A No, sir, I don't. I can find that information out if you think it is necessary.

Q I think this: On your diagrammatic sketch, Exhibit Two, this Baker dual string tubing anchor is depicted wrong in that it does not touch the casing; in other words, it does not fit flush to the side of the casing.

A That is right.

Q Is this a short string of tubing; it has a stringer assembly that fits into that?

A Yes, sir.

Q There is communication from the top of the packer there at 5909 to those perforations in the Gallup?

A Yes, sir.

MR. FISCHER: Any statements to be made in this case?

The witness may be excused. We will take the case under advisement.

