

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1627

TRANSCRIPT OF HEARING

APRIL 8, 1959

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BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1627 Application of Pan American Petroleum Corporation for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Gallegos Canyon Unit Well No. 84 located 990 feet from the North and West lines of Section 26, Township 28 North, Range 13 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 2-3/8 inch tubing.

Room 109  
Santa Fe, New Mexico  
April 8, 1959

BEFORE:

E. J. Fischer, Examiner.

TRANSCRIPT OF HEARING

MR. FISCHER: We will take up the next case, 1627.

MR. PAYNE: Case No. 1627, "Application of Pan American Petroleum Corporation for an oil-gas dual completion."

MR. NEWMAN: We have one witness, Mr. Marshall.

MR. PAYNE: It won't be necessary to swear him again, Mr. Newman.

CHARLES R. MARSHALL

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

DIRECT EXAMINATION

BY MR. NEWMAN:

Q Are you the same Mr. Marshall that testified in the previous case?

A Yes, I am.

MR. NEWMAN: Is the identity and the qualifications as an expert of Mr. Marshall accepted?

MR. FISCHER: They are.

Q (By Mr. Newman) Would you state the nature and purpose of the application in this case?

A In this case, Pan American seeks permission to dually produce the Gallegos Canyon Unit No. 84 located 990 feet from the north line and 990 feet from the west line of Section 26, Township 28 North, Range 13 West.

(Thereupon, the document was marked as Pan American's Exhibit Number One for identification.)

Q (By Mr. Newman) Would you refer to Pan American's Exhibit Number One and explain what that shows?

A Exhibit Number One is a map of a portion of the Gallegos Canyon Unit on which I have circled in red the Gallegos Canyon Unit No. 84.

Q Is this Unit Well No. 84 located within the boundaries of any present field?

A No, it isn't.

Q Are you the operator of the well?

A Yes.

Q Pan American is the operator?

A Pan American is the operator and with the exception of Aztec Oil and Gas Company's acreage in Section 22, T 28 N, R 13 W, the unit surrounds this well.

(Thereupon, the document was marked as Pan American's Exhibit Number Two for identification.)

Q (By Mr. Newman) Would you refer to what has been marked as Pan American's Exhibit Number Two, which is the log of this well, and state what it shows, please, sir?

A Pan American's Exhibit Number Two is an electrical log of the Galloges Canyon Unit Number 84 showing the tops of formations perforated, the producing intervals and the completion information on this well. It has shown that the Gallup formation was perforated with two shots per foot, 5648 and 5730, simulated with a sand count type of oil fracture treatment. The Dakota was perforated over two intervals between 6306 and 6384 and simulated with a sand-water fracture treatment. The Gallup potential was 70 barrels of oil in twenty-four hours and the Dakota tested 2971 MCF of gas daily.

Q What's the present status of this well?

A This well is presently producing from the Gallup formation with the Dakota or lower pay shut in.

(Thereupon, the document was marked as Pan American's Exhibit Number Three for identification.)

Q (By Mr. Newman) Would you refer to what has been designated as Pan American's Exhibit Number Three and state what it shows, please, sir?

A Exhibit Number Three is a diagramatic sketch of the equipment in the Gallegos Canyon Unit No. 84, indicating that 502 feet of 9 5/8 inch, 32.3 pound surface casing was set and cemented to the surface and that seven-inch casing was set at 6433 feet and cemented and the top of the cement, by temperature survey, was found at 5105. It also indicates that a Baker Model D Production Packer is set at 6220. The Dakota formation is tubed with 6290 feet of two and three eighths inch 4.7 pound tubing and the Gallup formation is also tubed with two and three eighths inch 4.7 pound tubing set at 5748.

Q Is this a standard dual completion procedure?

A Yes, it is.

Q Will there be any communication of production from these two prospective producing horizons?

A No, there will not. A packer leakage test was conducted on this well, filed with the Aztec office, and subsequently approved.

Q Will there be any communication at the surface or

will standard equipment be used?

A A standard dual completion wellhead will be used and there will be no communication at the surface.

Q Will the dual completion of this well result in waste?

A No, it will not.

Q Will there be any saving of waste?

A The dual completion of this well will avoid economic waste by virtue of making the drilling of another well unnecessary.

Q Will correlative rights in any way be affected by this dual completion?

A No, they will not.

Q Were these exhibits prepared by you or under your direction?

A Yes, Exhibits One and Two were prepared by me and Exhibit Number Three is an electrical log from the Schlumberger Corporation.

MR. NEWMAN: That's all; we will offer Exhibits One, Two and Three in evidence.

MR. FISCHER: Without objection, they will be so accepted.

Any questions of Mr. Marshall?

CROSS EXAMINATION

BY MR. FISCHER:

Q Mr. Marshall, is that a dual stringhead on this well?

A Yes, it's a Cameron dual string.

Q Can you blank it off at the head, or do you blank it off in the head or down in the tubing?

A Well, it can be done either way there, I believe. There are two valves on the head, on either side.

Q I mean, if you ran a blanking tool in there, would it set in the head, up near the head or down in the--

A The tubing, the opening through the head is full size all the way through.

Q Are these tubing strings bull plugged or pin collared in any way that you know?

A To my knowledge--of course, there's a pump in the tubing of the Gallup and I am not sure, but I believe there is a cross pin or a bull plug in the Dakota tubing string.

Q This is upset, external upset tubing, is it not?

A Yes, with the turned down joints.

MR. FISCHER: If there are no other questions, the witness will be excused.

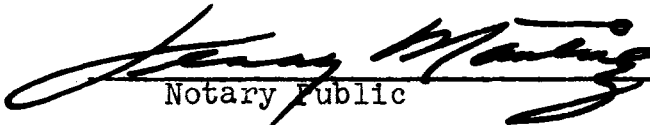
(Witness excused.)

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

STATE OF NEW MEXICO     )  
                                   )ss  
 COUNTY OF BERNALILLO    )

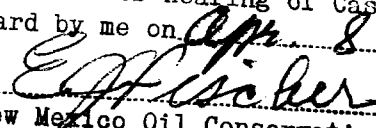
I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing were reported by me in Stenotype, and that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability,

DATED this 15th day of April, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

  
 Notary Public

My Comission 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. 1627 heard by me on Apr. 8, 19 59.  
  
 Examiner,  
 New Mexico Oil Conservation Commission

**EXAMINER**,  
 New Mexico Oil Conservation Commission  
 I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1627 heard by me on Apr. 8, 19 59.