

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1687

TRANSCRIPT OF HEARING

JUNE 3, 1959

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BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
JUNE 3, 1959

IN THE MATTER OF: :

CASE 1687 Application of Continental Oil Company for a :
gas-oil dual completion. Applicant, in the :
above-styled cause, seeks an order authorizing: :
the dual completion of its Britt B-15 Well No.: :
9, located in the NW/4 SE/4 of Section 15, :
Township 20 South, Range 37 East, Lea County, :
New Mexico, in such a manner as to permit the :
production of gas from the Tubb formation and :
the production of oil from the Drinkard forma- :
tion through parallel strings of tubing. :

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: Take next Case 1687.

MR. PAYNE: Case 1687. Application of Continental Oil
Company for a gas-oil dual completion.

MR. KELLAHIN: Jason Kellahin, Kellahin & Fox, Santa Fe,
New Mexico, representing the applicant. We have one witness, Mr.
McWilliams.

(Witness sworn)

RONALD McWILLIAMS,

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Will you state your name, please?

A Ronald McWilliams.

Q By whom are you employed and in what position, Mr. McWilliams?

A I am employed by Continental Oil Company as their district engineer in Hobbs.

Q Mr. McWilliams, have you ever testified before the Oil Conservation Commission of New Mexico?

A No, I have not.

Q Would you state for the benefit of the Examiner your education and experience and qualifications as a petroleum engineer?

A Yes, sir. I have a Master's degree in petroleum and natural gas engineering from the Pennsylvania State University, and I have been employed for approximately seven years by various oil companies.

Q Now, when did you secure your Master's degree?

A In December, 1958.

Q How long have you occupied your present position, Mr. McWilliams?

A Approximately five months.

Q And where are you located at the present time?

A At Hobbs.

Q Have you made any study of the area involved in this appli-

cation?

A Yes, sir.

Q And have you become familiar with the Britt B-15 Well No. 9?

A Yes, I have.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. NUTTER: Yes, sir, they are. Please proceed.

Q Mr. McWilliams, are you familiar with the facts in this case?

A Yes, sir.

Q Will you state briefly what is proposed in this application?

A Yes, sir. Our Britt B-15 No. 9 Well was originally completed in the Pennsylvania pay of the Case pool as an oil well in March, 1957. And the well went to a hundred percent water. We drilled unsuccessfully to work it over, and we feel that the reserves in the Pennsylvania pay are depleted. We had some drill stem tests in the Drinkard and Tubb formations that indicated that these might possibly be productive, so we decided to test these formations.

Q Now, how close is the nearest production in the Tubb and Drinkard formations to the subject well?

A The nearest Drinkard production is located in the Weier Pool, approximately a mile and a half southeast, and the nearest Tubb production is in the Warren Tubb Pool approximately five miles

southeast of the subject well.

Q Would it be possible to determine whether these sources are productive in the Britt B-15 No. 9 without any actual tests?

A No, sir.

Q Have tests been made of the Tubb and Blinebry zones in the well?

A Yes, sir. We have tested the Tubb zone. It flowed. The Drinkard zone --

Q I said Blinebry, I mean Drinkard. Pardon me.

A A test on the Drinkard zone flowed at the rate of 192 barrels per day with a gas-oil ratio of 792. And the Tubb zone, we got a calculated open flow potential of 14,600 MCF gas per day with 117 barrels of 53 gravity distillate.

Q Well then, the Drinkard zone is oil productive, and the Tubb zone is gas productive?

A Yes, sir. Under the Commission's rules for the Tubb and the Warren Tubb Pools, an oil well in the Tubb zone is defined as a well producing hydrocarbons with a gravity of less than 45 degrees API. Since our gravity is 53, we feel that we have a gas well.

Q Assuming that the Commission approves this application, would you have any objection to the rules for the Tubb Gas Pool being applied to the well?

A No, sir. We have no objection.

Q Now, referring to what has been marked as Exhibit No. 1, would you state what is shown on that Exhibit?

A Exhibit No. 1 is a plat of the dual completion equipment in the well.

Q Would you briefly describe that completion?

A Well, sir, we have used a standard completion technique which is approved for administrative approval; consists of separating the two zones with a permanent type packer and equipping the well with two strings of two inch tubing.

Q Is that a type of completion which has heretofore been approved by this Commission?

A Yes, sir.

Q In your opinion, will it achieve complete separation of the two producing horizons?

A Yes, sir, it will.

Q Will it be possible for you to make the necessary tests required by the Commission in regard to packer leakage?

A Yes, sir.

Q Will it enable you to do any necessary treating or working of the two zones involved?

A Yes.

Q Now, referring to what has been marked as Exhibit No. 2, would you state what that is?

A Exhibit No. 2 is a location plat of the area -- general area in the area of Britt B-15 No. 9, showing the subject well circled in red, and showing all offset operators.

Q Now, Mr. McWilliams, when the application was filed, a

plat was attached to the application showing a proposed unit in the SE/4 of the section. The present plat does not coincide with that, does it?

A No, it doesn't. The original plat was in error, and at this time we would like to distribute this new plat showing the amended proposed completion.

Q You understand it will be necessary to have a hearing to approve the unit as proposed on Exhibit No. 2, do you not?

A Yes, sir. We plan to apply for a separate hearing for this well.

Q Now, do you have a copy of the log of this well?

A Yes, I do.

MR. KELLAHIN: Would you have that marked as Exhibit No. 3, please?

Now, referring to Exhibit No. 3, what points have you marked on that Exhibit?

A We've shown the top of the Tubb and Drinkard formations, the perforations of the two zones.

Q Now, in your opinion, will the granting of this application result in the protection of correlative rights and prevention of waste?

A Yes, it will.

Q Were Exhibits 1, 2 and 3 prepared by you or under your direction and supervision?

A Yes, sir.

MR. KELLAHIN: At this time we would like to offer Exhibits 1, 2 and 3.

MR. NUTTER: Without objection, Continental's Exhibits 1, 2 and 3 will be admitted.

MR. KELLAHIN: That's all the questions I have.

MR. NUTTER: Anyone have any questions of Mr. McWilliams?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. McWilliams, what is the calculated gas-oil ratio or gas distillate ratio on the Tubb completion?

A I haven't run it out exactly, but it is in the neighborhood of 120,000 to 1. Based on these figures, --

Q And you stated the GOR in the Drinkard was 1795?

A That's right.

Q What do you have dedicated to the Drinkard completion? The 40 acres where the well is located, I presume.

A That's right.

Q And you are going to request a hearing to dedicate the 120 acres that you have outlined on Exhibit No. 2 to the Tubb completion?

A Yes, sir.

Q Mr. McWilliams, are you familiar with what the vertical limits of the Tubb Gas Pool as defined by Order No. 586 are?

A No, I am not.

Q Do you know if this well is completed, the Tubb portion

of this well is in the same vertical limits as the vertical limits for the Tubb Gas Pool?

A I haven't checked that.

Q It is actually immaterial. However, I believe you stated that you would be willing for the Tubb Pool rules to apply to this well?

A Yes, sir.

Q Do you have any knowledge of the pressures to be encountered in these two zones?

A We haven't run any bottom hole pressures as yet. I believe that the Tubb zone, however, will run somewhere in the neighborhood of two thousand pounds. Now, that is just a guess.

MR. NUTTER: Any further questions of Mr. McWilliams?

Q (By Mr. Nutter) Do you have the gravity on that Drinkard production?

A No, I don't.

MR. NUTTER: If there are no further questions, the witness may be excused.

(Witness excused)

MR. NUTTER: Anyone have anything further in Case 1687? Take the case under advisement and take next Case 1684.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings 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, the 10th day of June, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph G. Ingalls
NOTARY PUBLIC

My Commission Expires:
October 5, 1960

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 1687,
heard by me on 6-3, 1959.

....., Examiner
New Mexico Oil Conservation Commission