

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

November 29, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Amerada Petroleum Corporation for a dual completion and a 160-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its State DA Well No. 1 located in Unit L, Section 16, Township 21 South, Range 37 East, Lea County, New Mexico, as a dual completion (conventional) in the Eumont Gas Pool and the Drinkard Pool, with the production of oil from the Drinkard zone to be through a string of 2 3/8-inch tubing and the production of gas from the Eumont zone to be through the tubing-casing annulus. Applicant further seeks the establishment of a 160-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the N/2 S/2 of said Section 16, said unit to be dedicated to said State DA Well No. 1.

CASE NO.
2434

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

EXAMINER NUTTER: The Hearing will come to order, please. We will call Case No. 2434.

MR. WHITFIELD: Application of Amerada Petroleum Corporation for dual completion and a 160-acre non-standard gas proration unit, Lea County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin & Fox, representing the Applicant. We will have one witness, Mr. Snyder.



A. E. SNYDER,

called as a witness, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please.

A A. E. Snyder.

Q By whom are you employed and in what position?

A I am employed by the Amerada Petroleum Corporation as a district engineer in Hobbs, New Mexico.

Q Mr. Snyder, have you testified before the Oil Conservation Commission and made your qualifications a matter of record?

A Yes, sir.

MR. KELLAHIN: Are the witness's qualifications acceptable?

EXAMINER NUTTER: Yes, sir.

Q (by Mr. Kellahin) Are you familiar with the application of Amerada in Case No. 2434?

A Yes, sir.

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

A Briefly, this application covers the oil well that was completed in 1947, our State DA No. 1 located in Unit L, Section 16, Township 21 South, Range 37 East. This well has produced from the Drinkard zone for some 14 years and Amerada is asking permission

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to dually complete the well in the Eumont Gas Zone and we are asking for a 160-acre non-standard gas proration unit for the Eumont zone.

(Applicant's Exhibit 1 marked.)

Q (by Mr. Kellahin) Referring to Exhibit 1, would you discuss the information shown on that exhibit?

A Exhibit 1 is a plat of the area showing all the wells surrounding this particular lease, showing their completed zones. The lease in question, Amerada's State DA lease, is outlined in red. It comprises the North half of the South half of Section 16, Township 21 South, Range 37 East. The location of Well No. 1 is also outlined in red.

(Applicant's Exhibit 2 marked.)

Q (by Mr. Kellahin) Referring to Exhibit 2, would you discuss the information on that exhibit?

A Exhibit 2 is a schematic diagram of the proposed installation in this dually-completed well. It shows all of the casing strings that have been set, the amount of cement used, the top of the cement, where known, the perforations at 3552 to 3594 in the Eumont zone and the zone that's been selectively perforated from 6565 to 6649 in the Drinkard oil zone.

Q This well has already been dually completed, Mr. Snyder?

A Yes, sir.



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Q Is it being produced at the present time?

A No.

Q Is the Drinkard zone being produced?

A Yes, sir.

Q And the Eumont zone is not being produced?

A That's right.

Q Have you run any tests on the Eumont zone?

A Yes. We potentialled the Eumont gas zone about a month ago and have shut the well in since then.

(Applicant's Exhibit 3
marked.)

Q Referring to Exhibit No. 3, would you discuss the information shown on that exhibit?

A Exhibit No. 3 is an electric log of the State DA No. 1 well. On this log I have marked the top of the Pembrose sand at 3565. The Pembrose sand is in the base of the Queen, which is part of the Eumont producing interval. It shows the perforations from 3552 to 3594. On down near the bottom of the plat we have marked the top of the Drinkard at 6278 and show the Drinkard perforated interval from 6565 to 6649.

Q Do those perforations include a zone aside from the Drinkard in other pools? Is there any zone perforated that is not included in the Drinkard?

A I don't understand your question.

Q Is the Tubb zone shown on there?



A No, not the Tubb, on this.

(Applicant's Exhibit No. 4
marked.)

Q (by Mr. Kellahin) Referring to Exhibit No. 4, would you discuss the information shown on that exhibit?

A Exhibit 4 is a west-east cross section, crossing the Amerada State DA lease. Well No. 1, being the well in question, is on the left and the Pembrose sand is shown colored in red all the way across the 160-acre lease. You will notice that the thickness of the sand is just about the same all the way across and on the extreme right, which would be No. 4 well, on the east end of the lease, we have 28 feet of sand there. The sand is not quite as good on the east as it is on the west. However, calculations indicate that it does have porosity. The permeable tops on the Penrose sands are also marked on the log, showing a slight dip in an easterly direction.

Q Do you have a structure map showing this area, too?

A Yes, sir.

(Applicant's Exhibit No. 5
marked.)

A Exhibit No. 5 is a structure map contoured on top of the Pembrose sand. It shows the Amerada State DA lease outlined in red with the tops of the sand in the various wells shown. The purpose of this particular exhibit is to show that the area is relatively flat and that there are other wells producing from the

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Eumont zone.

Q Can you point out some of the other wells on there?

A Yes. The Sharmer-Horne-Currie No. 1 in Section 6, Township 21 South, 37 East, has a red arrow toward it. The top of the Penrose is at a sub-C depth of 118 and the Amerada State DA No. 5 located in Unit I, Section 16, Township 21 South, Range 37 East, the sub-C depth there is 121, so our entire lease -- from this we could conclude that the entire lease would be gas productive. It should not be in the water zone.

Q On the basis of the information available to you and the exhibits 4 and 5, in your opinion, is all of the area productive of gas in the Eumont zone?

A Yes, sir.

Q Do you have anything further to add, Mr. Snyder?

A No, I believe not.

Q Were Exhibits 1 through 5 prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: I'd like to offer in evidence Exhibits 1 through 5.

MR. NUTTER: Exhibits 1 through 5 will be entered into evidence.

MR. KELLAHIN: That's all we have.

MR. NUTTER: Are there any questions of Mr. Snyder?

CROSS EXAMINATION

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BY MR. MORRIS:

Q Mr. Snyder, did you point out the other Eumont wells in this area?

A I didn't designate these any particular way except they have an E by them on this exhibit.

Q Are there any Eumont wells immediately offsetting the proposed proration unit? I see one of Continental's immediately to the west.

A That's the only direct offset to the lease.

Q Then, the South half of the South half of Section 16 has not been established as a non-standard unit in the Eumont, has it?

A No, sir.

Q Do you know whether or not Sunray, who owns the South half of the South half of that section, has any plans to dually complete any of its wells in the Eumont?

A They are dually completing this No. 1 which is a direct south offset. Our management and their management have discussed this together forming a 320-acre non-standard unit. So far, they haven't reached an agreement on it.

Q Sunray has not voiced any opposition to the formation of the unit as you have proposed it today?

A No, sir.

MR. MORRIS: I believe that's all.

CROSS EXAMINATION

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BY MR. NUTTER:

Q Are there any Eumont gas wells in Exhibit 1 or Exhibit 5?

A Yes, sir. The Eumont gas well that you just mentioned in Section 17 directly west is an offset to our wells.

Q That would be Continental's Lockhart A 17 No. 2?

A Yes, sir.

Q That's a gas well?

A Yes, sir. In Section 21, the Hunt Weatherly No. 5 in the Southwest Northwest of Section 21 is a Eumont gas well. Then, in the Northwest Southwest Continental's Wantz No. 2 is a Eumont gas well and also their No. 1 in the Southwest Southwest of Section 21 is a Eumont gas well.

Q Are there any Eumont oil wells in the neighborhood?

A I don't believe there are, sir.

Q What does your No. 2 well produce from?

A It is a Drinkard oil well.

Q How about the No. 3?

A Number 3 is a Tubb gas well and a Drinkard oil well dualled.

Q How about No. 4?

A That is a Drinkard oil well and a Blinebry oil well. No. 5 is a Hare oil pool.

Q None of these are producing from the Eumont?

A No, sir.

Q You mentioned that this well had been potentialled about

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a month ago. What was that potential, Mr. Snyder?

A Flow potential was 1,618,000 cubic feet per day.

Q How about liquids?

A No liquids.

Q Absolute open flow?

A Yes, sir.

MR. NUTTER: Are there any further questions of Mr. Snyder?

He may be excused.

(Witness excused.)

Does anyone have anything they wish to offer in Case No. 2434? The case will be taken under advisement.

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EXAMINER HEARING - DANIEL S. NUTTER

SANTA FE, NEW MEXICO

REGISTER

HEARING DATE NOVEMBER 29, 1961 TIME: 9 A.M.

NAME:	REPRESENTING:	LOCATION:
Jason Kellahin Robert D. Fitting	Reliance for Pearson Sibert Oil Co.	Santa Fe Midland Texas
Jerry Hudson W. B. Perry	El Paso Natural Gas Co. W. B. Perry	El Paso, Tex.
Burns H. Erbe A. E. Snyder W. B. Perry	Modrall et al Amerada Petroleum Amerada Petr	Albuquerque Hobbs Hobbs
JOE A. COLEMAN Dorsett Whitworth	J. C. WILLIAMSON El Paso Nat. Gas	HOBBS El Paso.
Dete Jester E. J. Wotta	O.C.C. Cities Service Petr Co.	Santa Fe, N.M. Hobbs
J. E. ROBINSON, Jr.	TEVACO INC	MIDLAND
Ome Buchhoff	-	-
Ralph L Gray	Hudson & Hudson	Artesia, N.M.
J. Hoover	Gulf Oil Corp	Roswell N.M.
WV Kastler	-	-
H. C. Patis	Water Flood Committee, Inc	Artesia N.M.
F. Norman Standuff	El Paso Natural Gas Co.	El Paso.

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NAME:	REPRESENTING:	LOCATION:
E. W. Pease	Sunray	Denver
N. E. ^{Proctor} Sweta Jr.	"	"
E. H. Ramsey	"	Farmington
Frankie Holt	Aztec	Dallas
Ben H. Means	Aztec Oil & Gas Co	Farmington, N. Mex
Kenneth A. Swanson	aztec	Dallas
Walter Wolf	Navajo Tribe	Window Rock Ariz
P. M. Barry	Mobil Oil Co.	Durango, Colo.
R. C. Mills	" " "	" " "
Van Thompson	aztec oil	Dallas
Gene J. King	Benson Mountain Service & Southwestern Prod	Farmington
V. C. Wederkehr	Southwest Production Co	Farmington
Jack D. Jones	Southwest Prod. Co.	" "

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NAME:	REPRESENTING:	LOCATION:
<i>James A. Kelley</i>	<i>Humble Oil & Refining Co</i>	<i>Denver, Colo.</i>