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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 8, 1967

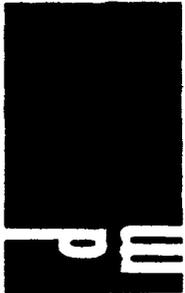
EXAMINER HEARING

IN THE MATTER OF:)

Application of Burwinkle and)
Scanlon for a waterflood project,) Case 3681
McKinley County, New Mexico.)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING



MR. NUTTER: The hearing will come to order, please. The first case on the docket will be Case 3681.

MR. HATCH: Case 3681, application of Burwinkle and Scanlon for a waterflood project, McKinley County, New Mexico.

MR. SCANLON: My name is R. J. Scanlon and I am here to represent Burwinkle and Scanlon in this application for a waterflood.

MR. NUTTER: Mr. Scanlon, would you stand and be sworn, please.

(Witness sworn)

R. J. SCANLON, a witness on his own behalf, having been first duly sworn, was examined and testified as follows:

THE WITNESS: What Burwinkle and Scanlon want to do is to have a five spot waterflood pilot plant program going in Section 28, Township 20, North, Range 9 West in McKinley County. The depth of the wells will be about 510 to 520 feet, and the original proposal is to have one water injection well in the center of four producing wells.

We will get the injection water from a well drilled by the Chaco Oil Company in Section 20 of Township 20 North, Range 9, and pipe it over to the water injection well, and this water is coming from the Hospah and Gallup zones, in this well, between, the depth between 26 and 2900 feet.

MR. NUTTER: That is the water supply?

THE WITNESS: Water supply, yes, sir. We are making a formal request for approval to put that pilot plant, waterflood project into operation. That is a copy of our application. You have seen it?

MR. NUTTER: Yes.

CROSS EXAMINATION

BY MR. NUTTER:

Q Now, Mr. Scanlon, as I understand it, it is your proposal to start this project off with just the one injection well, is that correct?

A That is correct.

Q And the location of that well would be three hundred thirty feet from the north line and three hundred thirty feet from the east line of the northeast quarter of the northwest quarter of Section 28?

A No, sir. The application is misleading. We propose to have that injection well three hundred and thirty feet from the north line, but this three hundred and thirty feet, then, would be from the center line. Actually it would be 2310 from the west line, in other words, our flood project is going to be in the northeast one-quarter of the northeast quarter of the northwest quarter.

Q Well, I think the description I gave would be the same as what you are talking about then. It is 330 from the north and 330 from the east of that forty acres.

A Correct.

Q And the forty acres is the northeast quarter of the northwest quarter --

A We are talking about the same thing, right, correct.

Q Then, you propose four producing wells around this injection well.

A Correct.

Q The first one would be 165 feet from the north line and 165 feet from the east line of that forty?

A Correct.

Q That is the Number 4?

A Right.

Q The Number 3 Well would be 165 feet from the east line --

A And 495 from the north.

Q -- and 495 from the north line?

A Right.

Q That is the Number 3 Well. The Number 2 Well would be 495 feet from the north line and 495 feet from the east line?

A That is correct.

Q -- of that forty? And, then, the Number 1 Well is 165 feet from the north line and 495 feet from the east line of the forty?

A That's correct.

Q Now, is Chaco Oil Corporation operating a water-flood in Sections 20 and 29 west of you?

A They are.

Q And they have a water supply well already drilled in Section 20?

A That is correct.

Q And what zones did you say that is, between 2600 and 2900?

A They call it the Hospah and Gallup zones.

Q Is that fresh water, Mr. Scanlon?

A No, sir, it is brackish, and we have an analysis attached to our application, of the water.

Q Apparently it has 2300 parts per million --

A That's correct.

Q -- of total dissolved solids in the water?

A Yes, sir.

Q Now, what rate do you plan to inject?

A Well, we plan to start the injection at 100 barrels

per day and increase it in increments of fifty barrels a day, up to a maximum of 300 barrels per day in that one well.

Q What rate are these people to the west of you injecting, do you know?

A They vary from 4 to 700 barrels per day.

Q Per well --

A No, --

Q -- or for their total production?

A -- per field, per total -- they have eleven injection wells.

Q I see. Now, what will the depth of the injection zone be?

A I have a little sketch in our application too, for that.

Q That would be your schematic diagram?

A Right. The injection zone would be from 508 to 22.

Q I see. And you propose to set two-inch, two and three-eighths-inch tubing at approximately 510 feet?

A That's right.

Q Then it would be cemented in the hole from top to bottom?

A Top to bottom.

Q Then, you would have an open hole interval from the casing shoe on down to about 522 or 24?

A That is correct.

Q This is the Mesaverde that you are flooding?

A We are flooding the Mesaverde.

Q Now, what about the water that is produced with the flood, Mr. Scanlon, what disposition will be made of that water?

A Well, it is not too far from a draw down there, and the water that is produced in that zone is fresh water, and we had planned as of right now to dispose of it by putting it into the Chaco Wash.

Q What does Chaco Oil Company do with the water that they produce?

A They do that now, the same thing, to my knowledge. I don't think they reinject it.

Q The Mesaverde water is fresh water, however?

A Yes, sir.

Q Now, I notice in your application, Mr. Scanlon, you make the statement that, "A copy of the application, complete with all the attachments, will be furnished to the State Engineer's Office prior to October 15th, 1967". Was a copy of this application furnished to the State Engineer's Office?

A It was.

MR. NUTTER: Are there any other questions of this witness?

MR. HATCH: I think perhaps we ought to -- do you intend for these to be entered as exhibits?

THE WITNESS: What I just gave you?

MR. HATCH: Yes. Should we mark any of these as exhibits?

MR. NUTTER: Well, they are actually a portion of the application.

THE WITNESS: It is just a copy of the application that I gave you there.

MR. NUTTER: They are a part of the record in the case, being a portion of the application.

MR. HATCH: And, I don't think Mr. Scanlon identified himself as an owner or anything in this particular case.

THE WITNESS: I am an owner.

MR. HATCH: You are representing yourself?

THE WITNESS: Myself and others, correct. I would like to submit a log of this well Number 3 in view of the fact that we do not have a log on the water injection well to supplement our application, and give everybody an idea

of what the formation is like down there.

MR. NUTTER: You can identify that as Exhibit Number 1 in this case.

(Whereupon, Applicant's Exhibit Number 1 was marked for identification.)

Q (By Mr. Nutter) This is a log of the producing well Number 3, which is shown on your plat?

A Correct.

THE WITNESS: Also this is a copy of the core analysis, as compiled by Core Laboratories of the injection well. I submit that as an exhibit.

(Whereupon, Applicant's Exhibit Number 2 was marked for identification.)

MR. NUTTER: Applicant's Exhibit 1 and 2 will be admitted in Case 3681.

(Whereupon, Applicant's Exhibits 1 and 2 were admitted in evidence.)

MR. NUTTER: Does anyone have any questions of Mr. Scanlon? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further you wish to offer in this case?

THE WITNESS: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case 3681? We will take the case under advisement.

