

CASE NO. 5383: UNION TEXAS PET-
ROLEUM CORP. FOR DUAL COMPLETION,
LEA COUNTY, NEW MEXICO

CASE No.

5383

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 8, 1975

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Application of Union Texas Petroleum)
Corporation for a dual completion, Lea)
County, New Mexico.)
)
)

Case No.
5383

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Bldg.
Santa Fe, New Mexico

For the Applicant:

Paul Eaton, Esq.
HINKLE, BONDURANT, COX
& EATON
Hinkle Building
Roswell, New Mexico

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MR. STAMETS: Call the next case, Case 5383.

MR. CARR: Case 5383. Application of Union Texas Petroleum Corporation for a dual completion, Lea County, New Mexico.

MR. EATON: Paul Eaton of the firm of Hinkle, Bondurant, Cox & Eaton, representing the Applicant. We have one witness to be sworn.

MR. STAMETS: Are there any other appearances in this case? The Witness will stand and be sworn, please.

(Witness sworn.)

NORMAN MASON

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

DIRECT EXAMINATION

BY MR. EATON:

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

A My name is Norman Mason, Sr., employed as a Petroleum Engineer by Union Texas Petroleum, Midland, Texas.

Q Have you previously testified before the New Mexico Oil Conservation Commission?

A No, I have not.

Q Will you please give us the background of your

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educational and work experience?

A I have my Bachelor of Science in Chemical Engineering Degree from the University of Arkansas; I have been employed as Petroleum Engineer since August, 1955, the majority of that time by Texaco, and since the latter part of September, 1974, by Union Texas Petroleum. During that time I have been responsible for the engineering supervision and responsibilities and a number of phases of petroleum engineering work.

Q Are you familiar with the property involved in this case?

A Yes

Q What does Union Texas seek by its Application?

A Union Texas Petroleum seeks permission to dually complete the Crosby Deep No. 3.

Q Would you give the history of this well?

A Yes. This well was initially drilled in April, 1958, by El Paso Natural Gas Company and was completed and produced in the Crosby Devonian Field. In 1963 Union Texas Petroleum acquired the well and certain rights from El Paso Natural Gas and they later acquired the deep rights below the total depth of the well which did not come with the initial purchase of the well. Then, in

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April, 1974, work was initiated on the well to deepen and to test the lower pay and the result of the testing was that the Fusselman and the McKee zones were found productive and desired for dual completion. The well is presently completed and equipped to produce as a dual completion. However, only the Fusselman has an allowable and only the Fusselman is being produced. The McKee is shut-in as per the Oil Conservation Commission's instructions awaiting approval of a dual completion.

Q All right. Now, Mr. Mason, directing your attention to what has been marked for identification as Exhibit 1, the land plat, would you please state what that Exhibit shows?

A This is a portion of Lea County, New Mexico, which shows all property ownership and wells that exist in the area with the subject well identified in red and noted as a multiple completion.

Q All right. Now, does that Exhibit also show the offset operators?

A Yes, it does.

Q Now, do you have an Exhibit 2 which lists those offset operators?

A Yes, we do.

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Q Has notice of your Application or a copy of your Application been sent to the offset operators?

A Yes. A copy and notice of the Application was sent to all the offset operators listed.

Q Have you received any objection to the Application?

A No.

Q Now, directing your attention to what has been marked for identification as Exhibit 3, would you please state what that Exhibit shows?

A This is a diagrammatic sketch of the well as it exists. It shows the casing, cement, and the completion equipment. The original well had 13-3/8-inch casing set at 496 feet, cemented with 500 sacks of cement, cement circulated, had 9-7/8-inch casing set at 3894 feet cemented with 858 sacks of cement circulated, had 7-inch casing set at 8262 feet cemented with 700 sacks and the top of the cement located at 3295. Union Texas Petroleum subsequently drilled the well deeper, set a 4-1/2-inch liner at 10,102 feet cemented with 250 sacks, the top of the liner being located at 7917 feet and cement covering the entire portion of the line. We have a set of perforations in the McKee 9641 to 9720 and a set of perforations

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in the Fusselman, 8647 to 8695; we have a packer set at 9600 feet and 4-1/2-inch liner; we have a dual packer set at 7800 feet and 7-inch casing and 2 strings of 2-3/8-inch tubing.

Q Now, your Exhibit shows the bottom of the tubing for the Fusselman pay to be more than 210 feet above the pay zone for the Fusselman, is that correct?

A That's correct.

Q Approximately what is that distance?

A The distance is in excess of 900 feet.

Q Now, what is the explanation for that?

A The 4-1/2-inch liner is not large enough to allow the running of both strings down inside it so the Fusselman string is necessary to set it up in 7-inch casing above the top of the 4-1/2-inch liner.

Q Is that going to have any effect upon the recovery of the Fusselman oil?

A No. We will be able to produce the Fusselman zone efficiently to depletion because the nature of production that we have experienced here has shown that the Fusselman increases in water-cut so that our limit of production here will be experienced by the well going to an uneconomical water-cut rather than pressure

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depletion. When the well was initially completed it had approximately a 10 percent water-cut and now the well is experiencing approximately 80 percent water-cut with still sufficient reservoir pressure to feed the pump at this level, so we would anticipate the well going to a 100 percent water or extremely high water-cut rather than pressure depletion.

Q As a consequence does Union Texas Petroleum request that it be granted an exception from the requirements of Rule 107-D-3?

A Yes, we do.

Q Have any packer leakage tests been made at this time?

A No, there have been no packer leakage tests run.

Q If the Application is approved, will such tests be made?

A Yes. Such tests will be run in accordance with the rules and regulations.

Q And affidavits will be filed?

A Correct.

Q Have you made any pressure tests of the casing?

A Pressure tests were made during working over the well and a number of points, however, this information

has not been submitted to the Commission and this necessary information will be submitted along with the other information.

Q What was the results of the tests?

A The result of the test was that the casing was found to be satisfactory and there were no casing leaks determined.

Q Has the well been four-pointed?

A Yes.

Q And what were the results of that?

A The McKee gas zone has had a four-point test run on it and the result was that it had a calculated absolute open flow of 11,400 mcfb.

Q Is the well equipped so that reservoir pressures may be determined for each formation and meters may be installed to measure production and GOR?

A Yes.

Q In your opinion, Mr. Mason, can the oil from the Fusselman and the gas from the McKee be produced safely and efficiently through the two parallel strings of tubing?

A Yes, certainly can.

Q In your opinion, would approval of the Application

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result in the prevention of waste and be in the interest of conservation?

A Yes.

Q Did you prepare the Exhibits?

A No.

Q Have you verified by your studies the accuracy of the Exhibits?

A Yes, I have.

MR. EATON: We offer Exhibits 1, 2, and 3 into evidence, Mr. Examiner.

MR. STAMETS: These Exhibits will be admitted into evidence.

(Whereupon, Union Texas'

Exhibits 1, 2, and 3 were admitted into evidence.)

MR. EATON: We have no further questions.

MR. STAMETS: Any questions of the Witness?

Mr. Nutter?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Mason, as I understand it, you have a 4-1/2-inch liner, the top of which is at 7917, is this correct?

A Yes, sir.

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Q And your uppermost Fusselman perforation is at 857 feet?

A That's correct.

Q So you would have an interval there of annular flow of approximately 857 feet?

A Yes, sir.

Q The difference between the 7800 and the -- The packer and the dual flow tube is at 7800 -- so the difference between the 7800 and the 8657 would be 857 feet?

A That is correct.

Q What is the normal limit that the Commission has imposed upon the setting depth insofar as the uppermost perforation is concerned?

A I'm not familiar with that?

Q You are not aware that the Commission's limit has been 250 feet?

A I'm aware of this rule in the regulation of 250 feet, yes.

Q Are you aware of any completions in which the Commission has allowed annular flow in excess of that 250 feet?

A No, sir. However, this well, as it will be

produced hydraulically will have annular flow throughout the entire interval of the well.

Q But it will be pumped from the Kobe Pump which is set immediately above the packer?

A That's correct.

Q So natural flow through the annulus would be some 857 feet?

A That's right.

Q And an artificial flow above that point?

A That's correct.

Q Have you made any calculations as to the pressure drop or the friction loss as that fluid comes up through that annulus from 8657 to 7800 feet?

A I've made no calculations as to the friction loss, however, the pressure drop due to the static head would probably be somewhere around 400 pounds.

Q And in the event the water-cut should get excessive and the oil column would not rise up to your Kobe Pump there would be no way to lift this would there?

A Well, the oil and the water are produced from the reservoir together, and so that as the water becomes excessive it would become excessive at the perforations or above them and it would not affect the amount of oil

coming into the well; it would not be affected by the height of the oil above it.

Q Well, if the column were to become too heavy to reach the Kobe Pump it would be impossible to pump the well, wouldn't it?

A That's correct.

Q That's what I meant. Have you considered the possibility of running one-inch tubing from the packer on down to the perforations?

A No. We have not considered that possibility with the present Kobe Pump assembly. I believe the size of it would prohibit that even if the tubing were smaller.

Q How would this be?

A Well, the Kobe Pump assembly itself that we have in the well is larger than the OD of the 2-3/8th-inch tubing.

Q Well, I'm talking about a tail pipe, a one-inch tail pipe below the packer.

A Oh, just below --

Q (Interrupting) To cover this 857-foot interval, or, if you please, just the 607 feet which would be the amount of --

A (Interrupting) I see. No, we haven't considered

that possibility and, in my opinion, it would not effectively improve the productivity of the well as to what we're trying to do here or our ability to efficiently deplete the well.

Q But that type of completion would be in conformance with long-established Commission policy, is that correct?

A It would be in conformance with this Rule, yes, sir.

Q And you don't know of exceptions to this rule that have been granted over the years?

A No, I'm not directly familiar with any exceptions to this Rule.

Q You stated that the Commission had approved an allowable for the Fusselman zone of the well pending approval of the dual completion?

A It has approved an allowable for the Fusselman which is currently being produced; it has withheld allowable of the McKee pending the approval of the dual completion.

Q Did you advise the Commission on your Form C-104 when you filed that form or on your Form C-105 -- well no, it's the Federal Form 9330, when you filed that form

that you were producing this well through the annulus for 800 and some feet?

A As far as I know that information was not in the original data submitted. It was submitted as a flowing well, and the only time this information has been submitted, to my knowledge, was with the application to dually complete.

Q So, in assigning the allowable to the well in the Fusselman zone the Hobbs District Office was not aware that the well was flowing through the annulus, is that correct?

A To my knowledge.

Q Because it would have to be on the Forms, and is it on the Forms?

A Not to my knowledge.

MR. NUTTER: I believe that's all I have. Thank you.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Mason, the water-cut now is 80 percent?

A Yes, sir. The latest test that we have, taken on January 6, 1975, showed the well to be producing at a rate of 1 barrel of oil and 4 barrels of water per hour, which is 80 percent water-cut.

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Q What do you predict as the life of this well?

A I've made no prediction as to the life of this well, but based on what we have seen we could say intuitively that it would not have a long life.

Q A year, six months?

A A year possibly. If the water-cut continues to increase at this rate, certainly it would be less than a year.

Q Has this a water-drive reservoir?

A I don't believe we could necessarily say it was a water-drive reservoir in the terms that we have an aquafer, but what we would have is a low-permeability reservoir that resulted -- you have a lot of water produced with the oil itself -- however, our experience has been in this well that the water-cut has continued to increase.

Q What's the gas-oil ratio on the well?

A The original gas-oil ratio appears to be approximately 3000 to 1, and I do not have a test later than that on gas-oil ratio.

Q The Commission would appreciate it if you would file a more recent gas-oil ratio for our analysis.

A We certainly can do this.

Q You made a test to determine what the height of

a standing fluid column is in this well?

A No, we have not made such a test. We did have a drill-stem test across the zone when the well was being deepened that showed it had a bottomhole pressure of 3207 psi, but this is the best pressure information that we have regarding this.

MR. STAMETS: Are there any other questions of the Witness?

FURTHER CROSS EXAMINATION

BY MR. NUTTER:

Q Yes, how much has the well produced to date from the Fusselman?

A Cumulative?

Q Yes?

A I don't have that information.

Q You said it was producing one barrel of oil per hour at the present time; that would be 24 barrels per day approximately, right?

A That's correct.

Q And the test that was taken in August it was making 195 barrels of oil per day?

A That's correct.

Q And that's when that 3000-to-1 ratio was determined?

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A That's correct.

MR. NUTTER: That's all.

REDIRECT EXAMINATION

BY MR. EATON:

Q Mr. Mason, if the proposed completion -- or I should say if the exception to Rule 107-D-3 is not approved, what effect will that have upon the operation of this well? What would you do in other words?

A We would probably have to produce the well as a single either from the McKee or the Fusselman unless it was required that we run a string of tail pipe in order to achieve this -- conform to this Rule -- and at that time a decision would have to be made as to what was economically justifiable to do in this Case.

MR. EATON: Mr. Examiner, I would call the Commission's attention to Case No. 4950, Order No. R-4516, where the bottom of tubing was some 438 feet above Morrow perforations and that distance was approved.

MR. NUTTER: That was a gas well, is that correct?

MR. EATON: That was a gas well, yes, sir.

MR. NUTTER: I don't want the record to indicate that I had said there were no exceptions insofar as gas

wells are concerned.

MR. STAMETS: Any other questions of the Witness?

He may be excused. Anything further in this Case?

MR. EATON: No, sir.

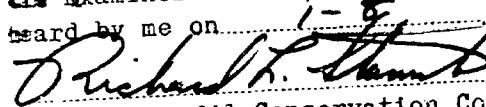
MR. STAMETS: We will take the case under advise-
ment.

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STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5383 heard by me on 1-8-75, 1975.
, Examiner
New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

STAT : OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
PHIL R. LUCERO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY -- DIRECTOR

February 11, 1975

Mr. Paul Eaton
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: CASE NO. 5383
ORDER NO. K-4962

Applicant:

UNION TEXAS PETROLEUM

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. H. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x
Artesia OCC _____
Aztec OCC _____

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5383
Order No. R-4962

APPLICATION OF UNION TEXAS PETROLEUM
CORPORATION FOR A DUAL COMPLETION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 8, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 11th day of February, 1975, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Union Texas Petroleum Corporation, seeks authority to complete its Crosby Deep Well No. 3, located in Unit J of Section 33, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Fusselman formation and gas from the McKee formation through parallel strings of tubing.

(3) That the Fusselman tubing string will be set approximately 850 feet above the uppermost perforations.

(4) That the reservoir characteristics of the Fusselman zone are such that the well can be produced to depletion in this manner without waste.

(5) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(6) That approval of the subject application will prevent waste and protect correlative rights.

-2-
CASE NO. 5383
Order No. R-4962

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Texas Petroleum Corporation, is hereby authorized to complete its Crosby Deep Well No. 3, located in Unit J of Section 33, Township 25 South, Range 37 East, NMPM, Crosby Field, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Fusselman formation through 2 3/8-inch tubing set in a packer at approximately 7800 feet and gas from the McKee formation through 2 3/8-inch tubing set in a packer at approximately 9600 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Crosby-Fusselman Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman.

Phil R. Lucero
PHIL R. LUCERO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

SEAL

jr/

- CASE 5381: Application of Mobil Oil Corporation for temporary special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of temporary special pool rules for the Eunice-San Andres Pool, Lea County, New Mexico, including a provision for a limiting gas-oil ratio of 5,000 to 1.
- CASE 5382: Application of Belco Petroleum Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Los Medanos-Atoka Gas Pool, Eddy County, New Mexico, to provide for 320-acre spacing rather than 160 acres. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Pennsylvanian Gas Pools rather than the present 160-acre spacing.
- CASE 5383: Application of Union Texas Petroleum Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Crosby Deep Well No. 3, located in Unit J of Section 33, Township 25 South, Range 37 East, Crosby Field, Lea County, New Mexico, in such a manner as to produce oil from the Fusselman formation and gas from the McKee formation through parallel strings of tubing.
- CASE 5384: Application of Atlantic Richfield Company for a non-standard gas proration unit, three unorthodox gas well locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 240-acre non-standard gas proration unit comprising W/2 NE/4, W/2 SE/4, SE/4 SE/4, and SE/4 SW/4 of Section 32, Township 24 South, Range 37 East, Lea County, New Mexico, to be simultaneously dedicated to its State 157-E Well No. 1, located 2310 feet from the North and East lines, its State 157-C Com Well No. 1, located 330 feet from the South line and 2310 feet from the East line, and its State 157-C Well No. 2, located 990 feet from the South line and 330 feet from the East line, all unorthodox gas well locations in said Section 32.
- CASE 5385: Application of Yates Petroleum Corporation for pool creation and special pool rules and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the High Hope-Abo Gas Pool in Section 13, Township 17 South, Range 23 East, Eddy County, New Mexico, and the promulgation of special pool rules therefor, including a provision for 320-acre spacing and proration units. Applicant further seeks approval for the unorthodox location of its High Hope DJ Federal Well No. 1, located 690 feet from the North line and 480 feet from the West line of Section 13, Township 17 South, Range 23 East, Eddy County, New Mexico, the W/2 of said Section 13 to be dedicated to the well.
- CASE 5386: Application of Yates Petroleum Corporation for four dual completions and one unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following dual completions in Township 17 South, Range 25 East, Eddy County, New Mexico:

Dan:

11-19-74

I called Union Texas on this. They will reconsider - maybe go for 1" tubing to top of Furman pay; may want conference with us before deciding whether or not to ask for hearing; or might decide to forget whole thing.

Carl

P.S. No record of a Fuss-M. Kee deal before.

DAN NUTTER

11/19

Watch for
letter re-
questing a
hearing
for this deal

They said
they will want
to be on the
Jan 8
docket
Also.



Union Texas Petroleum Division

ALLIED CHEMICAL CORPORATION

1300 WILCO BUILDING • MIDLAND, TEXAS 79701

915, 682-0515

January 28, 1975

New Mexico Oil Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. R. L. Stamets

Re: Union Texas Petroleum
Crosby Deep No. 3
Case No. 5383
Docket 1-75

Gentlemen:

As requested at the hearing of January 8, 1975, concerning Case No. 5383, a current well test has been obtained for Union Texas Petroleum's No. 3 Crosby Deep for the Fusselman formation. Tabulated below are data from the current test along with data from the initial test.

	<u>CURRENT TEST</u>	<u>INITIAL TEST</u>
DATE:	1/17/75	8/7/74
OIL:	30 BPD	195 BPD
WATER:	240 BPD	20 BPD
GOR:	2664 (Current Average)	3077
METHOD:	Pumping	Flowing

In addition, a subsurface pressure test was run on the well to compare to a previous pressure test. Pertinent data for the two tests are as follows:

DATE:	1/24/75	8/28/74
STATUS OF WELL:	Shut In	Shut In
DEPTH OF BOMB:	7754	7754
RECORDED PRESSURE:	2521 psi	2531 psi

It is noted from the above data that (1) the pressure is not significantly changed, (2) that the GOR has been slightly reduced, and (3) that the water cut has increased from 9.3 percent to 88.9 percent. It is concluded that production will continue to increase in water cut until an uneconomical oil rate is reached, and that during this period sufficient reservoir pressure will be experienced to

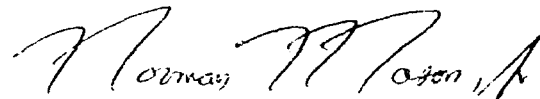
New Mexico Oil Commission
Mr. R. L. Stamets
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supply the subsurface pump located at approximately 7770 feet; further, that no modification of the subsurface producing equipment such as running a reduced diameter tailpipe below the packer down to the perforations, or completing the well as a single completion and lowering the pump to the perforations, would improve the ability of the producing equipment to recover the available oil and gas reserves which may be obtained through this completion.

Therefore, it is respectfully requested that approval be granted to dually complete the well as stated in the original application and that an exception be granted to Rule No. 107 (d)(3) requiring that "...tubing perforations shall not be more than 250 feet above the top of the pay" under the provisions of Rule No. 107 (d)(4) which allows exceptions "...provided waste will not be caused thereby", with the data provided in the original hearing and subsequent data provided herein as evidence that with the proposed completion no waste will occur.

Yours very truly,

UNION TEXAS PETROLEUM CORPORATION

A handwritten signature in cursive script, appearing to read "Norman Mason, Jr.", is written over the typed name.

Norman Mason, Jr.

NM:cr

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator Union Texas Petroleum Corporation		County Lea	Date 11-15-74
Address 1300 Wilco Building, Midland, Texas		Lease Crosby Deep	Well No. 3
Location of Well "J"	Section 33	Township 25-S	Range 37-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____; Operator Lease, and Well No.: _____

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Fusselman	-	McKee Sand
b. Top and Bottom of Pay Section (Perforations)	8657' to 8695'	-	9641' to 9720'
c. Type of production (Oil or Gas)	Oil	-	Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing	-	Flowing

4. The following are attached. (Please check YES or NO)

Yes	No	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
<input checked="" type="checkbox"/>	<input type="checkbox"/>	d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Gulf Oil Corporation P.O. Box 1150 Midland, Texas 79701	El Paso Natural Gas Co. 1800 Wilco Building Midland, Texas 79701	Major, Giebel, & Forster 1126 Vaughn Building Midland, Texas 79701
Amoco Production Company P.O. Box 3092 Houston, Texas 77001	Culbertson & Irwin P.O. Box 1071 Midland, Texas 79701	Amerada Hess P.O. Box 2040 Tulsa, Oklahoma 74102
Texas Pacific Oil Company, Inc. P.O. Box 4067 Midland, Texas 79701	Atlantic Richfield Co. P.O. Box 1610 Midland, Texas 79701	

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification: 11-15-74

CERTIFICATE: I, the undersigned, state that I am the Gas Measurement Analyst of the Union Texas Petroleum Corporation (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

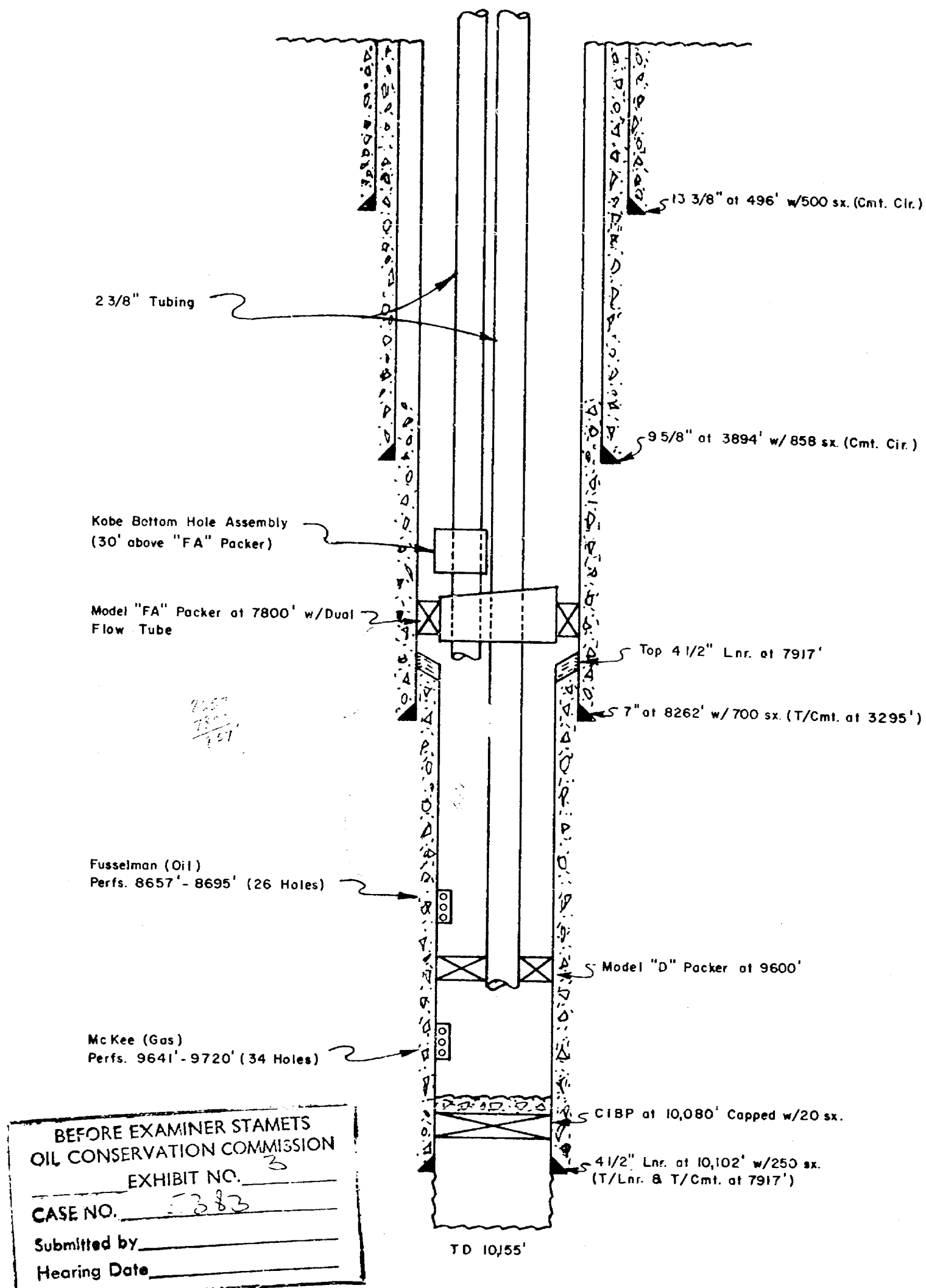
DOCKET MAILED

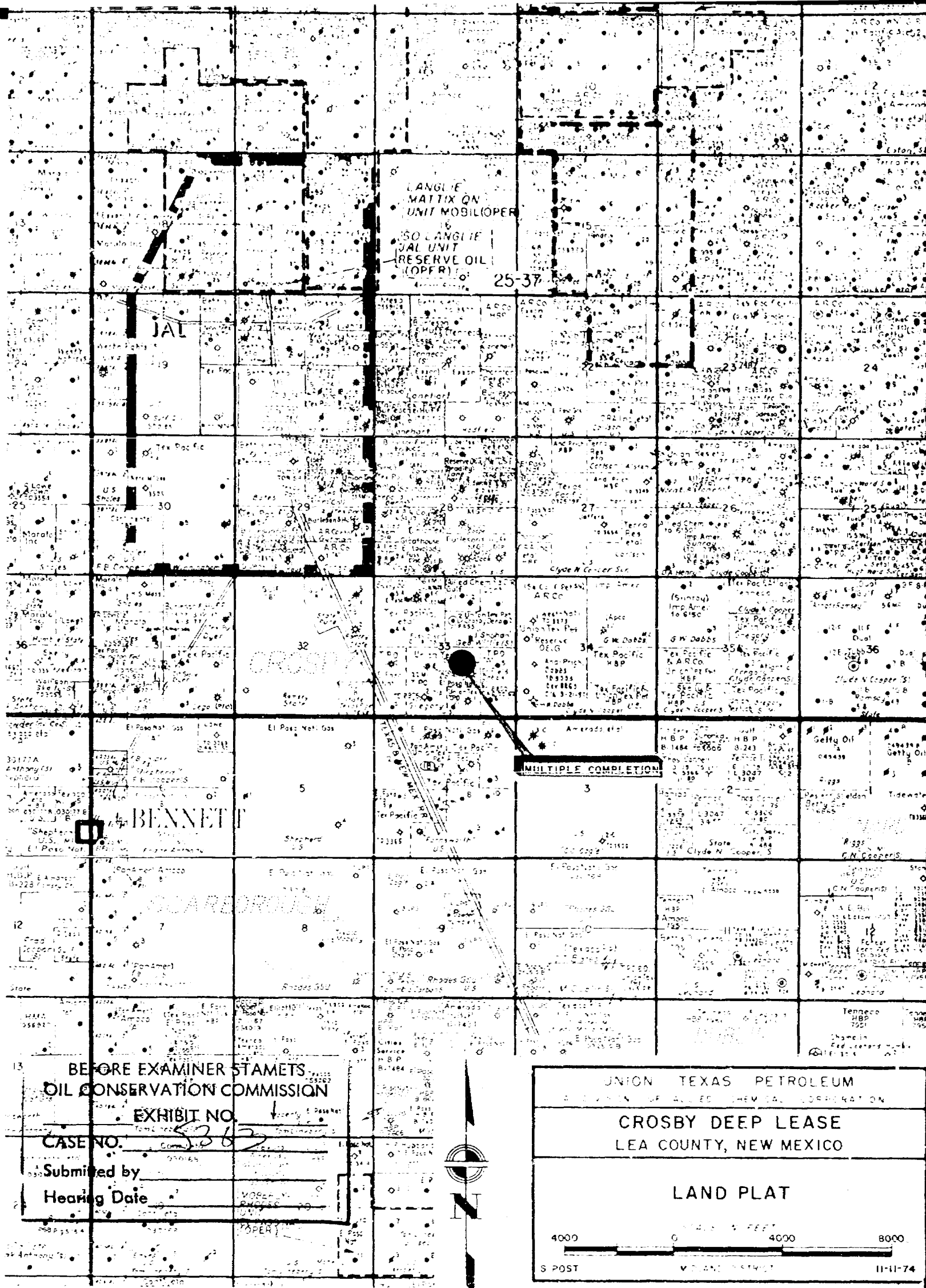
Stanley A. Post
Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

UNION TEXAS PETROLEUM
CROSBY DEEP NO. 3
CROSBY FIELD
LEA COUNTY, NEW MEXICO





OFFSET OPERATORS
CROSBY DEEP LEASE
LEA COUNTY, NEW MEXICO

GULF OIL CORPORATION
P. O. Box 1150
Midland, Texas 79701

AMOCO PRODUCTION COMPANY
P. O. Box 3092
Houston, Texas 77001

TEXAS PACIFIC OIL COMPANY, INC.
P. O. Box 4067
Midland, Texas 79701

EL PASO NATURAL GAS COMPANY
1800 Wilco Building
Midland, Texas 79701

CULBERTSON & IRWIN
P. O. Box 1071
Midland, Texas 79701

ATLANTIC RICHFIELD COMPANY
P. O. Box 1610
Midland, Texas 79701

MAJOR, GIEBEL & FORSTER
1126 Vaughn Building
Midland, Texas 79701

AMERADA HESS
P. O. Box 2040
Tulsa, Oklahoma 74102

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2
CASE NO. 5383
Submitted by _____
Hearing Date _____

Case 5593



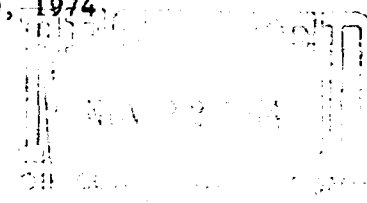
Union Texas Petroleum Division

ALLIED CHEMICAL CORPORATION

1300 WILCO BUILDING • MIDLAND, TEXAS 79701

915, 682-0515

November 20, 1974



Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Re: Crosby Deep Lease
Crosby Deep #3 Well
Unit "J", Sec. 33,
T-25-S, R-37-E
Lea County, New Mexico

Gentlemen:

In reference to our Application for Multiple Completion of subject well, since this can not be handled administratively, please set it for hearing.

Should you need additional information, please contact me at your convenience.

Very truly yours,

UNION TEXAS PETROLEUM CORPORATION

Stanley A. Post

Stanley A. Post
Gas Measurement Analyst

SAP:hb

W. H. Russellman
Crosby meter

DOCKET MAILED

Date 12-26-74

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE November 18, 1974

RE: Proposed MC X
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

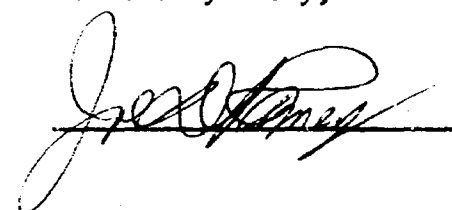
Gentlemen:

I have examined the application dated _____
for the Union Texas Pet. Corp. Crosby Deep #3-J 33-25-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

No similar dual within 1 mile. Hearing required.---J.D.R.

Yours very truly,



DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 5383

Order No. R- 1762

APPLICATION OF UNION TEXAS PETROLEUM CORPORATION
FOR A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
January 8, 1965, at Santa Fe, New Mexico, before Examiner
Richard L. Stamets.

NOW, on this February day of January, 1965, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Union Texas Petroleum Corporation,

seeks authority to complete its Crosby Deep

Well No. 3, located in Unit J of Section 33, Township

25 South, Range 37 East, NMPM, Lea County, New
~~XXXX~~ ~~West~~

Mexico, as a dual completion (conventional) oil
(~~combination~~) to produce ~~gas~~
(~~tubingless~~)

~~from the~~ Pool through

Fusselman formation and gas from the McKee formation through parallel
strings of tubing.

(3) That the Fusselman tubing string will be
set approximately 850 feet above the uppermost
perforations.

(4) That the reservoir characteristics of the Fusselman Zone are such that the well ^{can} ~~may~~ be produced to depletion ~~without waste with the tubing set~~ in this manner without waste.

(5) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(6) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Texas Petroleum Corporation, is hereby authorized to complete its Crosby Deep Well No. 3, located in Unit J of Section 33, Township 25 ~~South~~ ^{North}, Range 37 ~~East~~ ^{West}, NMPM, / Crosby Field, Lea County, New Mexico, as a dual completion ^(conventional) ~~combination~~ to produce ^{oil} ~~gas~~ ~~xxxxxxx~~ ~~(tubingless)~~

from the Fusselman formation Pool through 2 3/8-inch tubing set in a packer at approximately 7800 feet ~~Fusselman formation~~ and gas from the McKee formation through ~~parallel strings of tubing~~ 2 3/8-inch tubing set in a packer at approximately 7600 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Crosby-Fusselman Pool. ~~Deliverability~~ ~~none-segregation~~

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.