

Case No.

514

Application, Transcript,
Small Exhibits, Etc.

NO
CASE 514: Amerada Petroleum Corporation
Dual Completion State 'O' Well No. 1
NW NE 30-19S-37E Lea County

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. 514
Order No. R-303

THE APPLICATION OF AMERADA
PETROLEUM CORPORATION FOR AN
ORDER GRANTING PERMISSION TO
DUALY COMPLETE AND PRODUCE
ITS STATE 'O', WELL NO. 1 LOCATED
IN THE NW/4 NE/4 OF SECTION 30,
TOWNSHIP 19 SOUTH, RANGE 37 EAST,
NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, herein after referred to as the "Commission".

NOW, on this 31st day of *MARCH*, 1953, the Commission, a quorum being present, having considered the records and the testimony adduced, and being fully advised in the premises,

FINDS:

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

(2) That the applicant's State 'O', Well No. 1, NW/4 NE/4 Section 30, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, was completed in April 1936 as an oil well producing from the Grayburg formation of the Eunice-Monument Pool in the open-hole interval 3860-3975, having drilled through the Seven Rivers-Queen formation of the Eumont Gas Pool at an approximate depth of 3100-3560.

(3) That although recent experiments tend to show that mechanical packers and other devices are ordinarily available for successful dual/multiple completions of oil - gas wells, the Commission is unconvinced of the soundness as a waste-prevention practice, of such dual/multiple completions as a general practice in New Mexico without specific controls over each such project.

IT IS THEREFORE ORDERED:

That the applicant herein, Amerada Petroleum Corporation, be, and it hereby is authorized to dually complete and produce its State 'O', Well No. 1, NW/4 NE/4 Section 30, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Seven Rivers-Queen formation of the Eumont Gas Pool may be produced through the annular space between the casing and the tubing, and oil from the Grayburg formation of the Eunice-Monument Pool through the tubing by proper perforations and the installation of a proper packers;

PROVIDED, HOWEVER, That upon the actual dual completion of such subject well applicant shall submit to the District Office of the Commission in which the subject well is located Form C-103, Form C-104, Form C-110 and Form C-122 outlining the information required on these forms by existing Rules and Regulations.

PROVIDED, HOWEVER, That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling with- in the well bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata, and,

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and,

PROVIDED FURTHER, That the operator applicant shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem

EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

R. R. Spurrier
R. R. SPURRIER, Secretary

S E A L

Case 514
AMERADA PETROLEUM CORPORATION
P. O. BOX 312
MIDLAND, TEXAS

February 13, 1933

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application to Dually Complete
Amerada State "O" 1, Monument Field,
Lea County, New Mexico

Gentlemen:

By this letter of application the Amerada Petroleum Corporation wishes to state the following:

(a) That Amerada Petroleum Corporation State "O" No. 1 located in NE/4 of SE/4, Section 30, Twp. 19-S, Rce. 37-E, Lea County, was completed April 14, 1936 at a total depth of 3975 feet. The attached Exhibit A shows the location of this and other wells on the Amerada State "O" Lease together with the locations of all offset wells.

(b) That the subject well has 6 5/8 inch casing set at 3860 feet and cemented with 100 sacks of cement. The well is an oil well producing from the interval from 3860 to 3975 feet in the Grayburg formation.

(c) That the applicant proposes to dually complete the well to produce oil from the Grayburg and gas from the Seven Rivers - Queen formation in the following manner:

- (1) Perforate the 6 5/8 inch casing within the approximate interval of 3100 to 3560 feet opposite the Seven Rivers - Queen formation.
- (2) Set a production type packer below these perforations at approximately 3570 feet to separate the two pay zones.
- (3) Produce the Grayburg oil through the tubing and the Seven Rivers - Queen gas through the tubing - casing annulus.

(d) That the granting of this application for permission to produce the well as a dual completion with gas from the Seven Rivers - Queen formation and oil from the Grayburg formation is in the interest of conservation and the protection of correlative rights.

(e) That the applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission to maintain separations of production from the two pay zones.

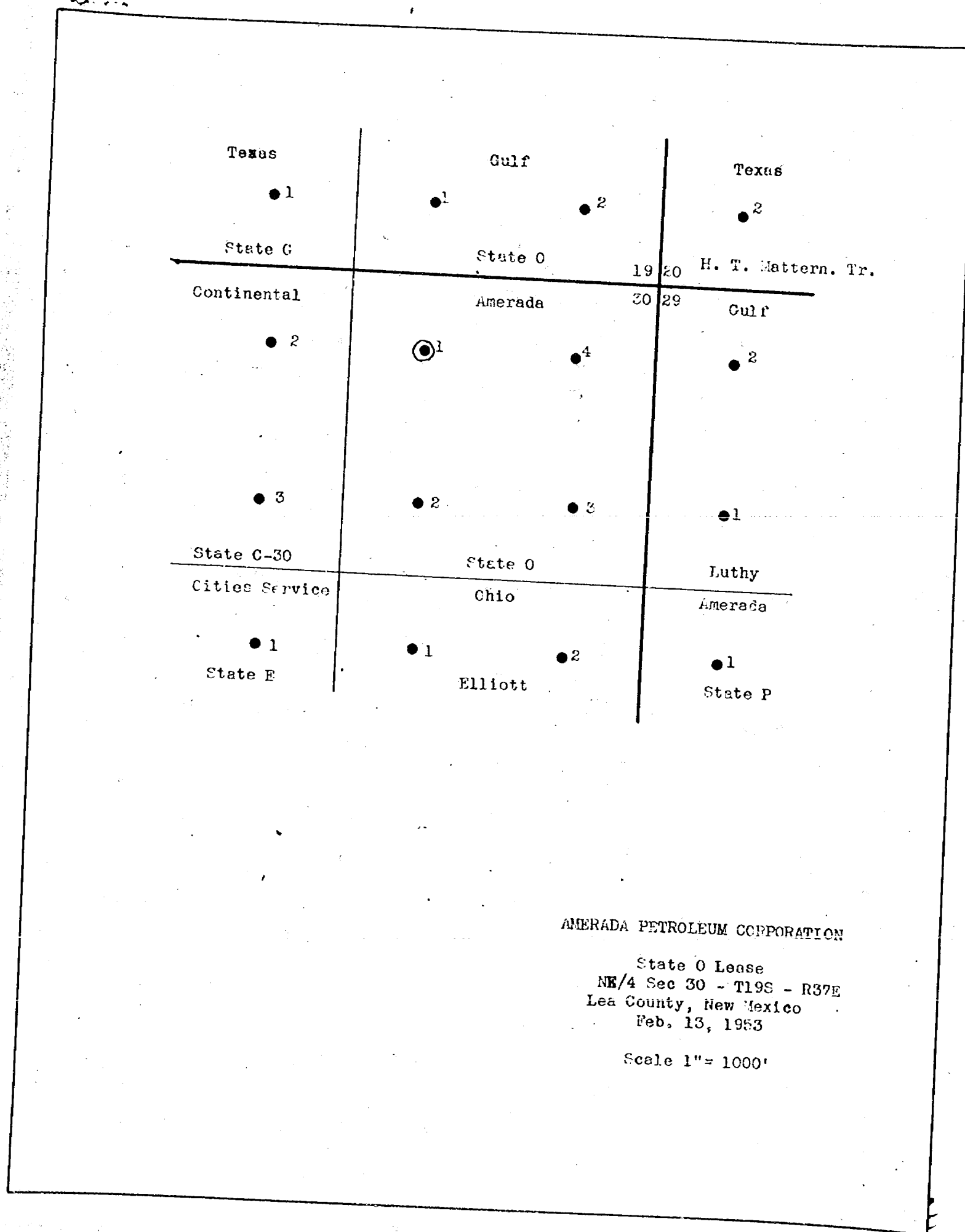
(f) That the manner and method of the proposed dual completion is mechanically feasible and practical.

Therefore, Amerada Petroleum Corporation requests that the Oil Conservation Commission set a certain day upon which this application may be heard and after said hearing to grant permission in order that the applicant may dually complete the subject well as proposed in this application.

Respectfully Submitted,

AMERADA PETROLEUM CORPORATION

By: *J. C. Blackwood*
J. C. Blackwood



AMERADA PETROLEUM CORPORATION

State O Lease
NE/4 Sec 30 - T19S - R37E
Lea County, New Mexico
Feb. 13, 1953

Scale 1" = 1000'

Case 514

SCHEMATIC DIAGRAM OF PROPOSED DUAL COMPLETION AMERADA PETROLEUM CORPORATION

