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CASE 1628: Tidewater Oil Co. application
for oil-oil dual of A. B. Coates "C" Well
No. 22, 24-25S-37E, Lea County.

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No. 22, 24-25S-37E, Lea County.

Casa No.

1628

Application, Transcript,
Small Exhibits, Etc.

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name Justis Blinebry & Justis Montoya		County Lea	Date March 5, 1959
Operator Tidewater Oil Company		Lease A. B. Coates "C"	Well No. 22
Location of Well B	Unit 24	Township 25S	Range 37E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual 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	Lower Zone
a. Name of reservoir	Blinebry	Montoya
b. Top and Bottom of Pay Section (Perforations)	5314-5443	6795-6881
c. Type of production (Oil or Gas)	Oil	Oil
d. Method of Production (Flowing or Artificial Lift)	Flow	Flow

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

- Yes a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, 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.
- Yes 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.
- Yes c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- NO 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, Box 2167, Hobbs, New Mexico

Amerada Petroleum Corp., Box 312, Midland, Texas

Atlantic Refining Company, Box 871, Midland, Texas

Western Natural Gas Company, 823 Midland Tower, Midland, Texas

Texas Company, Box 1270, Midland, Texas

W. K. Byron, 817 N. Turner, Hobbs, New Mexico

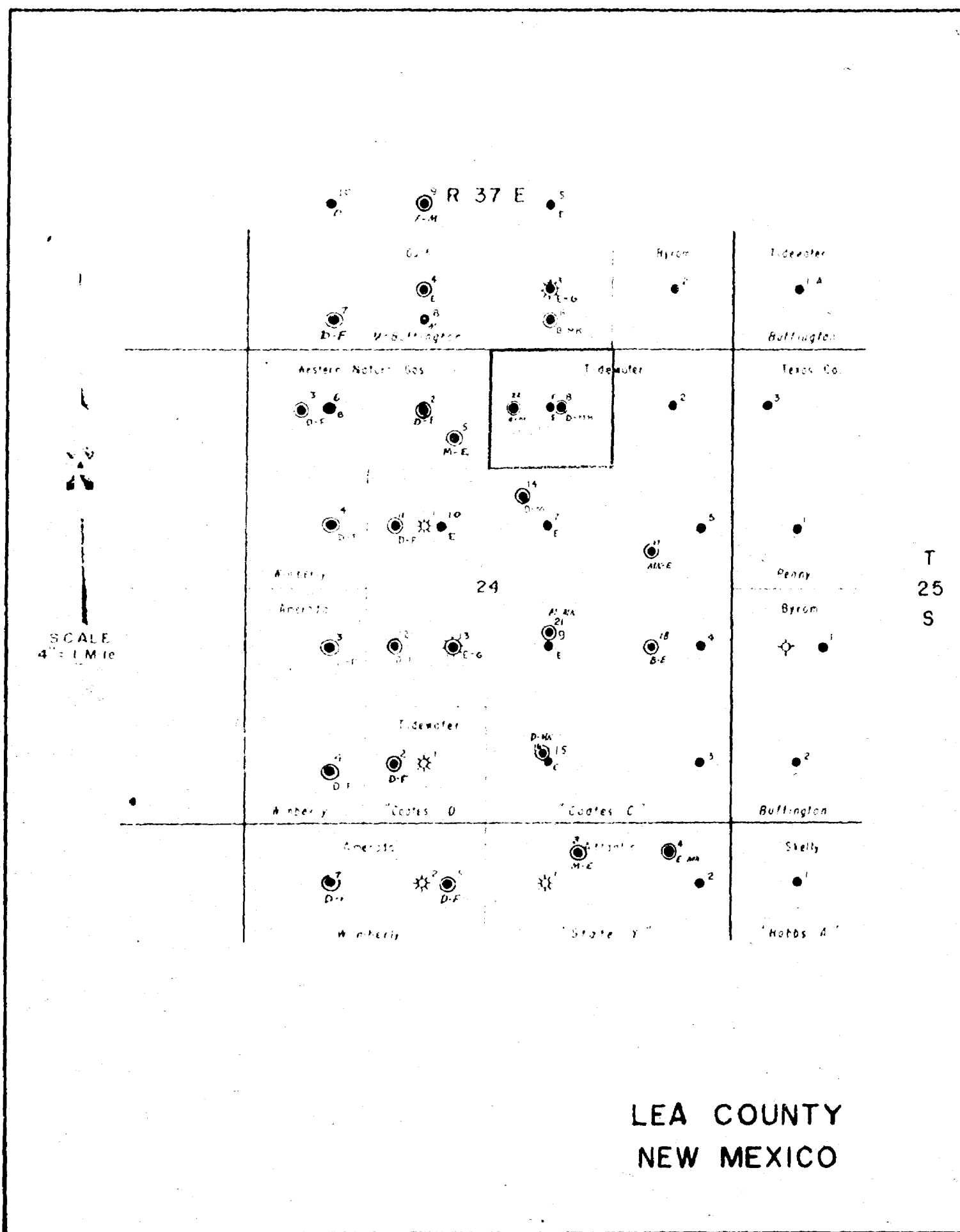
Skelly Oil Company, Box 1650, Tulsa, Oklahoma

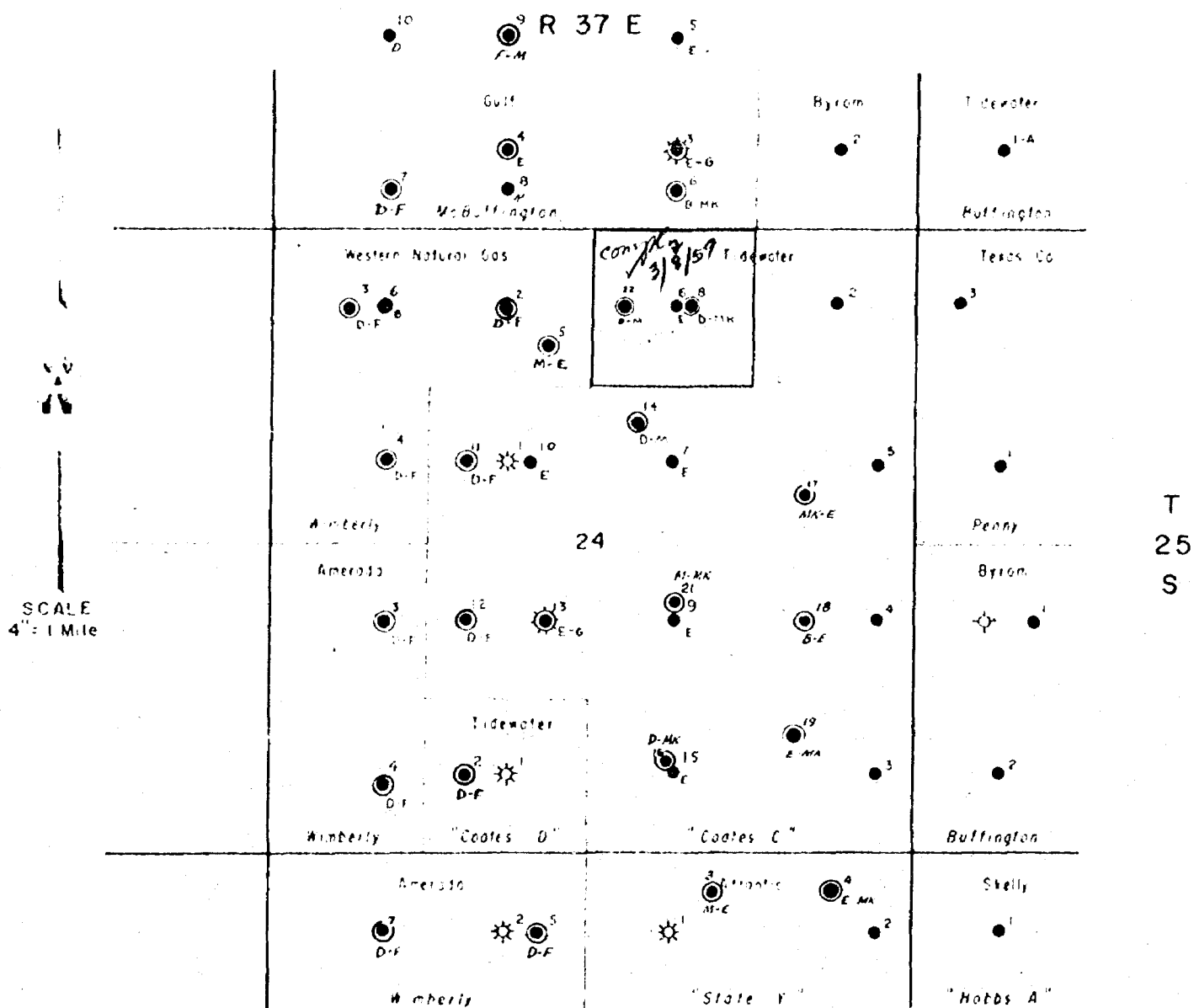
6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO ____ . If answer is yes, give date of such notification March 5, 1959

CERTIFICATE: I, the undersigned, state that I am the Area Engineer of the Tidewater Oil (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.

[Signature]
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 dual completion will result in an unorthodox well location and/or a non-standard perforation unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.





BEFORE EXAMINER FISCHER
OIL CONSERVATION COMMISSION
Exhibit No. 1
Case No. 1628

LEA COUNTY
NEW MEXICO

TIDEWATER OIL COMPANY

A. B. COATES "C" NO. 22
PARALLEL STRING, OIL/OIL
DUAL, PRESENTED IN COMPLIANCE
TO NMOCC ORDER NO.

2 $\frac{3}{8}$ " Tubing to Blinebry Section
2 $\frac{3}{8}$ " Tubing to Montoya Section

13 $\frac{3}{8}$ " Set at 533'
Cemented to Surface

9 $\frac{5}{8}$ " Set at 3306'
Cemented to Surface

Top of Perforations at 5314'
Blinebry 23 23 #
Bottom of Perforations at 5443'

Tubing for Blinebry Section Set in
Baker Parallel Tubing Anchor at 5524

Baker Model "D" Production Packer
Set at 6485

Tubing for Montoya section
Set at 6857

$\Delta P \approx 400$ #

2730 #

7" Set at 6795'
Cemented to 2845'

T. D. 6881

BEFORE EXAMINER FISCHER
OIL CONSERVATION COMMISSION
Exhibit No. 2
Case No. 1628

DOCKET: EXAMINER HEARING APRIL 8, 1959

Oil Conservation Commission Office, Room 109, State Capitol, Santa Fe

The following cases will be heard before E. J. FISCHER, Examiner:

- CASE 1420: Application of Caulkins Oil Company and El Paso Natural Gas Products Company for an amendment of Order No. R-1191, for approval to convert two wells to water injection, for establishment of an administrative procedure for extending the South Blanco water injection project and for including new wells in said project, for an unorthodox gas well location and for a dual completion. Applicants, in the above-styled cause, seek an order amending Order No. R-1191 to extend the project area of the South Blanco water injection project to include acreage in Sections 6, 7, and 8, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, and for the establishment of an administrative procedure whereby the project area may be extended and new wells included without notice and hearing. Applicants further seek permission to convert two wells located in said Sections 6 and 7 to water injection, and to dually complete the Caulkins Well No. T-123 located in the NW/4 NE/4 of said Section 7 in such a manner as to permit production from the Dakota formation and production from, or water injection into, the Tocito formation, and for approval of an unorthodox gas well location for said well.
- CASE 1624: Application of El Paso Natural Gas Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Huerfano Unit Well No. 103 located in the NE/4 NW/4 of Section 3, Township 26 North, Range 10 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Angels Peak-Gallup Oil Pool and the production of gas from the Dakota formation adjacent to the Angels Peak-Dakota Gas Pool through parallel strings of two-inch tubing.
- CASE 1625: Application of El Paso Natural Gas Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Huerfano Unit Well No. 105 located in the SE/4 SE/4 of Section 29, Township 27 North, Range 10 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation adjacent to the Angels Peak-Gallup Oil Pool and the production of gas from the Dakota formation adjacent to the Angels Peak-Dakota Gas Pool through parallel strings of two inch tubing.
- CASE 1626: Application of Pan American Petroleum Corporation for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Gallegos Canyon Unit Well No. 83 located 990 feet from the North and East lines of Section 26, Township 28 North, Range 12 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of 2-3/8 inch tubing.

- CASE 1627: Application of Pan American Petroleum Corporation for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Gallegos Canyon Unit Well No. 84 located 990 feet from the North and West lines of Section 26, Township 28 North, Range 13 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of 2-3/8 inch tubing.
- CASE 1628: Application of Tidewater Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. B. Coates "C" Well No. 22 located in the NW/4 NE/4 Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Blinebry Oil Pool and the production of oil from the Justis-Montoya Oil Pool through parallel strings of 2-3/8 inch tubing.
- CASE 1629: Application of Humble Oil & Refining Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the SE/4 of Section 18 and the NE/4 of Section 19, Township 22 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to applicant's State "M" Well No. 1 located 1980 feet from the South and East lines of said Section 18.
- CASE 1630: Application of Hill and Meeker for the creation of a new oil pool and the establishment of allowables therefor. Applicant, in the above-styled cause, seeks an order creating a new oil pool for Delaware production to be designated the El Mar-Delaware Pool and to consist of the NW/4 NW/4 of Section 36, Township 26 South, Range 32 East, Lea County, New Mexico, alleged by applicant to be an extension of the El Mar (Delaware) Field in Loving County, Texas. Applicant further seeks the promulgation of pool rules governing the establishment of allowables for said pool.

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OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date April 8, 1959

CASE NO. 1628

HEARING DATE April 8, 1959

My recommendations for an order in the above numbered case(s) ^{is} are as follows:

Recommend Approval of request for
this dual Completion of —
Tidewater Oil Co.
A.B. Coates "C" Well No. 22, located
in NW/4 NE/4 Section 24, T-25-S0,
R-37-East, Lea County, N. M.
in such a manner as to permit the
prod. of oil from the Justis-Montoya
and oil from the Justis-Blinery Pool
through parallel strings of tubing.
Per. leakage test during annual
GOK test period of the Justis-Montoya.

E. Fischer
Staff Member

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. 1628
Order No. R-1370

APPLICATION OF TIDEWATER OIL COMPANY
FOR AN ORDER AUTHORIZING AN OIL-OIL
DUAL COMPLETION IN THE JUSTIS-BLINEBRY
POOL AND IN THE JUSTIS-MONTOYA POOL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 8, 1959, at Santa Fe, New Mexico, before E. J. Fischer, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of April, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, E. J. Fischer, 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, Tidewater Oil Company, is the owner and operator of the A. B. Coates "C" Well No. 22, located in the NW/4 NE/4 of Section 24, Township 25 South, Range 37 East, NMPN, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-described A. B. Coates "C" Well No. 22 in such a manner as to permit the production of oil from the Justis-Blinebry Pool and the production of oil from the Justis-Montoya Pool through parallel strings of 2-3/8 inch tubing.

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

(5) That approval of the subject application will not cause waste nor impair correlative rights.

-2-

Case No. 1628
Order No. R-1370

IT IS THEREFORE ORDERED:

That the applicant, Tidewater Oil Company, be and the same is hereby authorized to dually complete its A. B. Coates "C" Well No. 22, located in the NW/4 NE/4 of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Blinebry Pool and the production of oil from the Justis-Montoya Pool through parallel strings of 2-3/8 inch tubing.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

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

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.

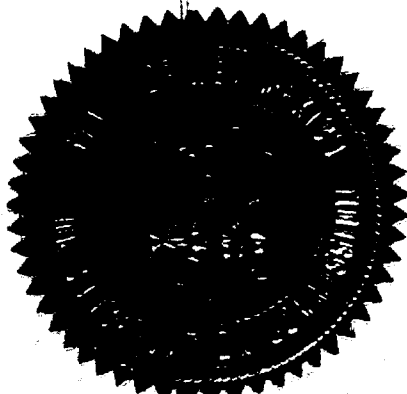
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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



ir/

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

April 14, 1959

Mr. Oliver Seth
Seth, Montgomery, Federici & Andrews
P.O. Box 828
Santa Fe, New Mexico

Dear Mr. Seth:

On behalf of your clients, El Paso Natural Gas Company and Tidewater Oil Company, we enclose two copies of each of the following orders:

Order R-1366 in Case 1624
Order R-1367 in Case 1625
Order R-1370 in Case 1628

All of these orders were issued on April 13, 1959 by the Oil Conservation Commission.

Very truly yours,

A. L. Porter, Jr.
Secretary - Director

bp
Encls.

DEARLEY - MEIER
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO

IN THE MATTER OF:

Case No. 1628

TRANSCRIPT OF HEARING

APRIL 8, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE - NEW MEXICO
Phone CHapel 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1628 Application of Tidewater Oil Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its A. B. Coates "C" Well No. 22 located in the NW/4 NE/4 Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Blinebry Oil Pool and the production of oil from the Justis-Montoya Oil Pool through parallel strings of 2-3/8 inch tubing.

Room 109
Santa Fe, New Mexico
April 8, 1959

BEFORE:

E. J. Fischer, Examiner.

TRANSCRIPT OF HEARING

MR. FISCHER: We will take up next Case 1628.

MR. PAYNE: Case 1628, "Application of Tidewater Oil Company for an oil-oil dual completion."

MR. SETH: Oliver Seth appearing for Tidewater. We have Mr. Miller as a witness.

(Witness sworn in.)

ROBERT M. MILLER

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

DIRECT EXAMINATION

BY MR. SETH:

Q Will you state your name, please, for the record, and your position with the company?

A Robert M. Miller, area petroleum engineer with Tidewater Oil Company in Hobbs, New Mexico.

Q Are you familiar with the application in this case?

A Yes, I am.

Q Have you previously testified before the Commission?

A Yes, sir.

MR. SETH: May he testify as an expert?

MR. FISCHER: Yes.

Q (By Mr. Seth) Would you state, please, to the Examiner, the location of the proposed well and the general purpose of the application?

A The purpose of the application is for Tidewater Oil Company to receive an order authorizing a dual completion of its A. B. Coates "C" Well Number 22 located 660 feet from the north line and 2310 feet from the east line of Section 24, Township 25 South, Range 37 East, in Lea County in the Blinberry and Montoya formations.

Q Do you have a plat showing the location of the--

A Yes.

Q --the well, the subject well?

A Yes, sir.

(Thereupon, the document was marked as

Applicant's Exhibit Number One for identification.)

Q (A. Mr. Seto) Would you point out, referring to Applicant's Exhibit Number One, would you state to the Examiner what the exhibit shows?

A This exhibit is a portion of the Justis multipools area showing the forty acres dedicated to the subject well outlined in red, the well being the A. S. Coates "C" No. 22.

Q The well is designated No. 22 on the exhibit, is that right?

A Yes sir, it is located in Unit B.

Q When was the well commenced and completed?

A This well was spudded on January 24th of this year and drilled to a total depth of 6881. Drilling was completed on March 8, 1959 with completions in both the Blinbry and Montoya formations.

Q Would you outline briefly the casing program that was followed on this well?

A There was --

Q Excuse me, do you have an exhibit --

A Yes.

Q --that shows that?

A Yes, sir.

(Thereupon, the document was marked as

Midwater's Exhibit
Number Two for identification.)

A There was thirteen and three eighths inch casing set at 433 feet and cemented to the surface, nine and five eighths inch casing set at 3306 and cemented to the surface and seven inch casing set at 6795 and cemented back to 2845.

Q (By Mr. Seth) Is this data shown on Exhibit Number Two?

A Yes, sir, it is.

Q Is there anything unusual about the completion or the casing program?

A No sir, there is not.

Q Also referring to Exhibit Number Two, would you describe briefly the mechanical --

A There is a Baker Model D Production Packer set at 6485, the long string of tubing was run with a Baker parallel tubing anchor at 5524, there was two and three eighths inch tubing to the Montoya Section that were set at 6357, there was two and three eighths inch OD tubing ran into the Blinbry section and latched in the Baker parallel tubing anchor at 5524. The Blinbry perforations are from various zones within the interval of 5314 to 5443. The Montoya is producing from open hole, 6795 to 6881.

Q The Blinbry zone on the completion, was that treated?

A Yes sir, it was treated with five hundred gallons

of acid and fractured with fifteen thousand gallons of lease oil and fifteen thousand pounds of sand and fifteen hundred pounds Adonite per gallon. The potential after treatment was 74.25 barrels of 37 degree oil, no water in seventeen hours on an 18/64 inch choke. The gas-oil ratio was 488 to 1.

Q Do you have some similar data on the other zone?

A Yes sir, the Montoya Section had a natural production test at 225 barrels of 39 degree gravity oil, no water in twelve hours through a 1/4 inch choke with a gas-oil ratio of 470 to 1.

Q Does this method of completion and casing and cementing program effectively separate the two zones?

A Yes, sir; if it doesn't, the packer will.

Q What approximately is the pressure difference on the packer?

A The differential is 470 pounds, the bottomhole pressure of the Blinbry is 2323 PSI and the Montoya is 2730.

Q Is that well within the limits of that packer?

A Yes sir, that's well within the designated limits of the Baker Model D Production Packer.

Q Is this a typical dual completion or is there anything unusual about it?

A No sir, it is similar to what we have in other wells.

Q Is it so arranged that tests may be run from time to time as requested by the Commission?

A Yes sir, it is.

Q In your opinion, does this type of completion at this location prevent waste?

A Yes, sir.

Q And how, in what way does it prevent waste?

A By the eliminating of an additional well and of such savings that would run sixty thousand dollars.

Q And how about its abandonment in time?

A Probably the well will be produced longer in the end because of the two zone producing from one well bore.

Q Is there any thing peculiar about the oil characteristics of the oil, is it sour or --

A No sir, both are classified as sweet or intermediate by the pipeline company, and so are both zones producing on the offsetting leases.

Q Do you have anything further you would like to present to the Examiner on this?

A No, sir.

MR. SETH: That's all our direct. We would like to offer Exhibits 1 and 2.

MR. FISCHER: Without objection, they will be accepted.

Any questions of Mr. Miller?

MR. NUTTER: Yes, sir.

MR. FISCHER: Mr. Nutter?

MR. NUTTER: Mr. Miller, you may have already stated the gravity, but would you repeat it, please?

A The gravity of the Blinebry is 37° API and the Montoya is 39.

MR. NUTTER: Thank you.

MR. FISCHER: Any other questions?

CROSS EXAMINATION

BY MR. FISCHER:

Q Do either one of these formations produce any water at the present time, Mr. Miller?

A No.

Q Do they both flow?

A Yes, sir.

Q Do you anticipate having to pump either one in the near future?

A We might have to, it's hard to tell at this early date.

Q Would you state what other formation under this 40 acres produce and is dedicated to this 40 acres?

A The formations?

Q Yes, please.

A At the present time, the Ellemberger, the Drinkard, the Blinebry, the Montoya and the Mc Kee.

Q Thank you. Are these two tubing strings bull plugged?

or pin collared or in any way connected at the bottom?

A The long string is orange peeled at the bottom, two and three quarter inch opening, and also has a pin in it. The other short string of tubing, two and three quarter inch tubing, the latching for the Baker parallel tubing anchor I believe has an ID of half an inch, so that any instruments run in either string of tubing would not pull out.

Q Are either one of these strings shaved or beveled?

A No sir, the long string is two and three eighths inch nominal, the short string is two and three eighths inch Digriffin.

Q Is that the same as--

A Slim hole.

Q The plush joints are single, is that it?

A The same as Hydrill.

MR. FISCHER: That's all. If there are no other questions, the witness may be excused.

(Witness excused.)

MR. FISCHER: The case will be taken under advisement.

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing were reported by me in Stenotype, and that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 15th day of April, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jerry Martinez
 Notary Public

My Commission Expires:

January 24, 1962

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 1628
 heard by me on Apr. 8 1959
E. J. Fischer Examiner
 New Mexico Oil Conservation Commission