

CASE 2631: Application of MORAN
OIL CO. to triple complete its
OWEN WELL NO. 1.

2631

fiction, Transcript,

Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF MORAN OIL PRODUCING
AND DRILLING CORPORATION FOR A
TRIPLE COMPLETION, LEA COUNTY, NEW
MEXICO.

CASE No. 2631
Order No. R-2322-A

NUNC PRO TUNC ORDER

BY THE COMMISSION:

It appearing to the Commission that due to clerical error, Order No. R-2322, issued in Case No. 2631 on October 3, 1962, does not completely set out the findings of the Commission,

IT IS THEREFORE ORDERED:

(1) That Finding No. (2) in Order No. R-2322 shall read in its entirety as follows:

(2) That the applicant, Moran Oil Producing and Drilling Corporation, seeks an order authorizing the triple completion (conventional) of its Owen Well No. 1, located in Unit E of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to produce Blinbry oil through 2 1/16-inch tubing, Tubb gas through 2 1/16-inch parallel tubing, and Drinkard oil through 2 3/8-inch parallel tubing.

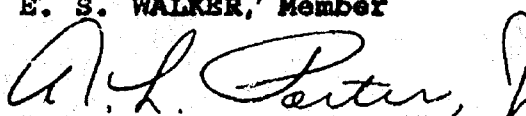
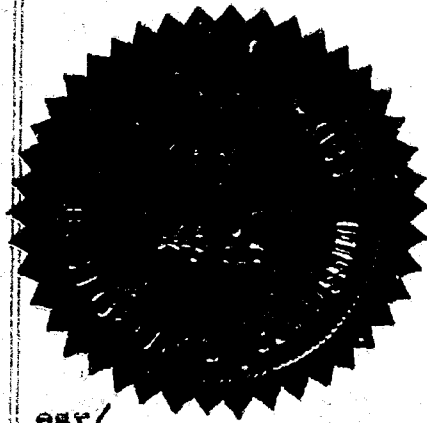
(2) That the correction set forth above shall be effective nunc pro tunc as of October 3, 1962.

DONE at Santa Fe, New Mexico, on this 14th day of November, 1962.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman


E. S. WALKER, Member
A. L. PORTER, Jr., Member & Secretary

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



P. O. BOX 871
SANTA FE

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

November 14, 1962

Mr. James T. Jennings
Attorney at Law
Box 1180
Roswell, New Mexico

2631
Re: Case No. R-2322-A
Order No. _____
~~MORAN OIL~~ PRODUCING & DRLG. CORP.

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC _____

Artesia OCC _____

Aztec OCC _____

OTHER _____

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



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

P. O. BOX 871
SANTA FE

October 3, 1962

Mr. James T. Jennings
Attorney at Law
Box 1180
Roswell, New Mexico

Re: CASE NO. 2631
ORDER NO. R-2322
APPLICANT:
Moran Oil Producing & Drilg. Corp.

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, JR.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC

OTHER Mr. K. D. McPeters
Moran Oil Producing & Drilg. Corp.
Box 1718 - Hobbs, New Mexico

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. 2631
Order No. R-2322

APPLICATION OF MORAN OIL PRODUCING
AND DRILLING CORPORATION FOR A
TRIPLE 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 September 11, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, 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 3rd day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Moran Oil Producing and Drilling Corporation, seeks an order authorizing the triple completion (conventional) of its Owen Well No. 1, located in Unit E of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to produce Blinberry oil through 2 1/16-inch parallel tubing, and Drinkard oil through 2 3/8-inch parallel tubing.

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

(4) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Moran Oil Producing and Drilling Corporation, is hereby authorized to complete its Owen Well No. 1, located in Unit E of Section 14, Township 21 South, Range 37 East,

-2-

CASE No. 2631
Order No. R-2322

NMPM, Lea County, New Mexico, as a triple completion (conventional) in such a manner as to produce Blinbry oil through 2 1/16-inch tubing, Tubb gas through 2 1/16-inch parallel tubing, and Drinkard oil through 2 3/8-inch parallel tubing.

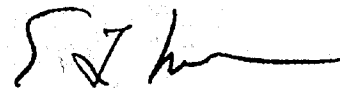
PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations.

PROVIDED FURTHER, That the applicant shall conduct packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Drinkard formation, and at such other times as the Secretary-Director of the Commission may prescribe.

(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



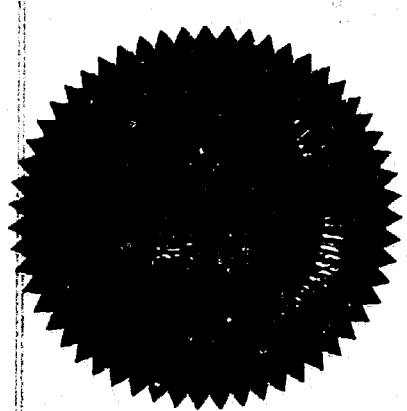
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



esr/

Case # 31

Heard 9-11-62

Rec. 9-21-62

Grant Morans request for
a triple completion for ~~these~~
Oreana #1, 1980/5, 16 50/W lines. 14/215-37E
Said Triple (conventional) will
be completed in the Blinery, Tubbs
Druckard. The Blinery will be Gas.
other zones Oil.

7" shall be cements from T.D. to
approx. 4190.

Usual Triple or as otherwise.

E. A. W.

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator MORAN OIL PROD. & DRG. CORP.		County LEA	Date 8-21-62
Address Box 1718, HOBBS, NEW MEXICO		Lease OWENS	Well No. 1
Location of Well Unit E	Section 14	Township 21S	Range 37E

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.:

REQUEST HEARING

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	BLINEBRY	TUBB	DRINKARD
b. Top and Bottom of Pay Section (Perforations)	5774 - 5828	6100 - 6310	6515 - 6555
c. Type of production (Oil or Gas)	OIL	GAS	OIL
d. Method of Production (Flowing or Artificial Lift)	FLOW	FLOW	FLOW

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

- YES 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.
- 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 multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- YES 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.

SHELL OIL COMPANY	Box 1858	ROSWELL, NEW MEXICO
CONTINENTAL OIL CO.	Box 1377	ROSWELL, NEW MEXICO
JACK MARKHAM	GREAT PLAINS LIFE BLDG.	LUBBOCK, TEXAS
GULF OIL CORP	Box 1938	HOBBS, NEW MEXICO
TIDEWATER OIL Co.	Box 1231	MIDLAND, TEXAS

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

CERTIFICATE: I, the undersigned, state that I am the VICE-PRESIDENT of the MORAN OIL PROD. & DRG. CORP. (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.

K. D. McPeters

- K. D. MCPETERS

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 either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

Van - Complete application to follow. Please get up our hearing on 11th of Sept if possible. K.D.M.

DOCKET: EXAMINER HEARING - TUESDAY - SEPTEMBER 11, 1962

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, alternate examiner:

CASE 2612 (Continued)

Application of Texaco Inc. for a tubing exception, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to produce its C. C. Fristoe (b) NCT-2 Well No. 6, located in Unit H of Section 35, Township 25 South, Range 37 East, Lea County, New Mexico, North Justis-Devonian Pool, through a string of 1 1/2-inch OD tubing run with a packer inside of a 2 7/8-inch OD casing.

CASE 2626: Application of La Plata Gathering System, Inc., for a dual completion at an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a Basin Dakota-Blanco Mesaverde dual completion at an unorthodox location 1680 feet from the South line and 734 feet from the East line of Section 19, Township 32 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 2627: Application of La Plata Gathering System, Inc., for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Blanco Mesaverde well location 1,790 feet from the North line and 790 feet from the East line of Section 24, Township 32 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 2628: Application of Marathon Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Atoka-Pennsylvanian Gas Pool at a point 990 feet from the North line and 990 feet from the East line of Section 30, Township 18 South, Range 26 East, Eddy County, New Mexico.

CASE 2629: Application of S. P. Yates Drilling Company for approval of a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pecos River Deep Unit Agreement comprising 17,257.82 acres, more or less, of State, Federal and Fee lands in Township 19 South, Ranges 26 and 27 East, and Township 20 South, Range 26 East, Eddy County, New Mexico.

Docket No. 26-62

Examiner Hearing September 11, 1962

CASE 2630: Application of Gulf Oil Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Graham State (NCT-I) Well No. 1, located in Unit M of Section 19, Township 21 South, Range 37 East, Lea County, New Mexico, as a triple completion (conventional) in the Paddock, Blinebry and Drinkard Oil Pools with the production of oil from all three zones to be through parallel strings of tubing.

CASE 2631: Application of Moran Oil Producing and Drilling Corporation for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the triple completion (conventional) of its Owen Well No. 1, located in Unit E, Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to produce Blinebry oil, Tubb gas, and Drinkard oil through parallel strings of tubing.

CASE 2632: Application of Humble Oil & Refining Company for an order establishing special rules and regulations for the Four Lakes-Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing special rules and regulations for the Four Lakes-Pennsylvanian Pool, Lea County, New Mexico, to include provisions for 80-acre oil proration units therein.

CASE 2633: Application of General American Oil Company of Texas for expansion of a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks expansion of its waterflood project in the Loco Hills Pool by the conversion to water injection of its Beeson F Well No. 10, located in Unit B of Section 31, Township 17 South, Range 30 East, Eddy County, New Mexico.

CASE 2634: Application of Ambassador Oil Corporation for approval of a unit agreement and waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a waterflood project in the Grayburg-Jackson Pool, with the initial injection of water to be through six wells located in Sections 22, 23, and 26, Township 17 South, Range 30 East, Eddy County, New Mexico, said project to be governed by Rule 701. Applicant further seeks approval of the Grayburg-Jackson Unit Agreement embracing 1600 acres, more or less, of federal and State lands in Township 17 South, Range 30 East, Eddy County, New Mexico.

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Docket No. 26-62

Examiner Hearing September 11, 1962

CASE 2635: Application of L. R. French, Jr. for an order creating a new pool and establishing temporary rules or extension of the South Lane Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order creating a new pool for Pennsylvanian production; the discovery well for said pool is the Gulf-State Well No. 1, located in Unit A of Section 18, Township 11 South, Range 34 East, Lea County, New Mexico, completed in the Bough "C" zone of the Pennsylvanian formation. Applicant further seeks establishment of special rules and regulations governing said pool, including 80-acre proration units. As an alternative, applicant seeks extension of the South Lane Pennsylvanian Pool to include said Gulf-State Well No. 1.

CASE 2639: Application of General American Oil Company of Texas for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a pilot waterflood project in the Upper San Andres formation, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into its Keeley "B" Well No. 13, located in Unit H, Section 26, Township 17 South, Range 29 East.

CASE 2640: Application of General American Oil Company of Texas for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a pilot waterflood project in the Grayburg zone of the San Andres formation, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into its Keeley "C" Well No. 25, located in Unit O, Section 25, Township 17 South, Range 29 East.

CASE 2641: Application of Continental Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 80-acre gas proration unit, Blinebry Gas Pool, Lea County, New Mexico, said unit to comprise the NW/4 NW/4 and SE/4 NW/4 of Section 10, Township 21 South, Range 37 East, and be dedicated to applicant's State 10 Well No. 1, located in the NW/4 NW/4 of said Section 10.

ir/

MORAN OIL PRODUCING & DRILLING CORPORATION

Box 1718

HOBBS, NEW MEXICO

SEPTEMBER 13, 1962

GENERAL OFFICES
903 WEST MARLAND
HOBBS, NEW MEXICO

PHONE
EXPRESS 3-2571
EXPRESS 3-2417

SUBJECT: CASE 2631 - MORAN OIL
PROD. & DRG. CORP.
OWEN No. 1, TRIPLE
COMPLETION APPLICATION

MR. ELVIS A. UTZ
NEW MEXICO OIL CONSERVATION COMMISSION
P. O. Box 871
SANTA FE, NEW MEXICO

DEAR SIR:

THIS REFERS TO OUR HEARING OF SEPTEMBER 11, 1962, CONCERNING OUR APPLICATION FOR TRIPLE COMPLETION ON THE OWEN No. 1, LOCATED IN SECTION 14, T21S, R37E, LEA COUNTY, NEW MEXICO.

I AM ENCLOSING SCHLUMBERGER "CEMENT BOND LOG" DATED 7-29-62. THIS SURVEY INDICATES THE TOP OF CEMENT BEHIND THE 7" CASING AT 4190'.

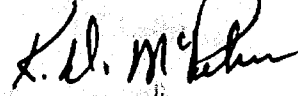
THE 9 5/8" WAS SET ON AUGUST 24, 1949, AT 2732' AND CEMENTED WITH 600 SACKS CEMENT. A TEMPERATURE SURVEY INDICATED THE TOP OF CEMENT AT 1414'.

THE 13 3/8" SURFACE WAS SET ON AUGUST 17, 1949, AT 164' AND CEMENTED WITH 125 SACKS NEAT CEMENT. THE CEMENT WAS CIRCULATED TO THE SURFACE ON THIS JOB.

I HOPE THIS ADDITIONAL INFORMATION WILL BE SUFFICIENT FOR AN EARLY APPROVAL OF OUR APPLICATION.

YOURS VERY TRULY,

MORAN OIL PRODUCING & DRILLING CORP.



K. D. MCPETERS

KDMC/EH
cc: MR. J. T. JENNINGS
Box 1180
ROSWELL, NEW MEXICO

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
September 11, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Moran Oil Producing
and Drilling Corporation for a triple
completion, Lea County, New Mexico.
Applicant, in the above-styled cause,
seeks an order authorizing the triple
completion (conventional) of its Owen
Well No. 1, located in Unit E, Section
14, Township 21 South, Range 37 East,
Lea County, New Mexico, in such a
manner as to produce Blinebry oil, Tubb
gas, and Drinkard oil through parallel
strings of tubing.

Case 2631

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Case 2631.

MR. DURRETT: Application of Moran Oil Producing and
Drilling Corporation for a triple completion, Lea County, New
Mexico.

MR. JENNINGS: I'm James T. Jennings of Roswell, appear-
ing on behalf of Moran Oil Producing and Drilling Corporation.
We have one witness, Mr. McPeters.

(Witness sworn.)



MR. UTZ: Are there any other appearances in this case?

You may proceed.

KENNETH McPETERS

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

DIRECT EXAMINATION

BY MR. JENNINGS:

Q Would you state to the Examiner your name, residence and occupation?

A Kenneth McPeters, Vice President for Moran Oil Producing and Drilling Corporation of New Mexico.

Q Mr. McPeters, have you on numerous occasions testified before this Commission?

A I have.

Q What is your profession?

A Petroleum engineer.

MR. JENNINGS: Mr. Examiner, do you wish me to further qualify the witness?

MR. UTZ: No, sir, the witness has qualified before the Commission previous to this time.

Q Mr. McPeters, are you familiar with the application filed on behalf of Moran Oil Producing and Drilling Corporation in this matter?

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
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DEARNLEY-MEIER REPORTING SERVICE, Inc.

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PHONE 243-6691

A Yes.

Q Tell the Examiner briefly the nature of the application.

A The applicant requests permission to triple complete its Owen No. 1, located in Section 14, 21, 37, Lea County, New Mexico from the Blinebry Oil, Tubb gas and Drinkard oil through three parallel strings of tubing. The Drinkard zone will be produced through 2-3/8 OD tubing, the Tubb and Blinebry each through 2-1/16 OD tubing.

Q What is the present status of this well?

A It is at the present time classified as a Drinkard oil-Tubb gas dual. The only new zone involved in this application is the Blinebry oil zone.

(Whereupon, Applicant's Exhibits 1 & 2 were marked for identification.)

Q I hand you here what has been marked Applicant's Exhibit No. 1 and ask you to identify it and tell just what it is.

A Exhibit 1 is a plat of the Drinkard area indicating the location of the applicant's Owen No. 1 in Section 14, Township 21, Range 37, Lea County, New Mexico. The well in question, or the Owen No. 1 is shown in a red circle. The Owen lease is delineated in red. The proposed triple is located 1980 feet from the north line and 660 feet from the west line of Section 14. Also shown on the plat are the offset wells. There are several



duals indicated on this plat, however, there's no triple in the immediate vicinity of this plat.

Q Are there any duals in any of the pools in which this well was located?

A There are some triples, have been some triples approved in Sections 3 and 4, namely Shell Livingston 11 and 12, which are tubingless completions and Continental's well on the Hog lease.

Q I hand you what has been marked as Exhibit 2 and ask you to identify that please, and tell what it is to the Examiner.

A Exhibit 2 is a diagrammatic sketch of the down hole equipment of our proposed triple 13-38, is set at 164 feet with 125 sacks, 9-5/8 intermediate set at 2732 with 600 sacks; 7" casing is set at 6600 feet with 500 sacks, an open hole, 6-1/4" open hole has been drilled below the 7" to a depth of 6643. We have placed a permanent cast iron bridge plug as indicated on the sketch at 6590; Drinkard zones 1 and 2 are shown perforated from 6515 to 6555, two shots per foot. Drinkard oil is produced up the 2-3/8" casing string to the surface through a Brown B-P4 packer. Immediately above this packer there is a psi circulating sleeve. The purpose of this is to circulate any sand or debris off the top of the packer, if it becomes necessary to retrieve this packer, and the sleeve can also be used to kill the Tubb zone.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3371

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1162SANTA FE, N. M.
PHONE 983-3971ALBUQUERQUE, N. M.
PHONE 243-6691

Immediately above this sleeve there is a conventional 125-32" seating nipple located at 6444. The Drinkard oil shown on the diagrammatic sketch is isolated between the cast iron bridge plug and the B-P4 packer. The Tubb zone is produced, well, it's separated first by means of the B-P4 previously mentioned at 6455 and a TIW, HSDL snap set packer at 6,025. This TIW snap set packer was run in on the long string and set by the second string of 2/16 tubing which is landed in the top of this packer. The Blinebry oil is produced through 2/16 tubing to the surface, immediately above the packer there is another sliding sleeve, psi sliding sleeve at 6,018. The purpose of this sleeve is the same as the one below it, to circulate off debris above the packer.

Above this sleeve there is a 2/16 by 1½" seating nipple, 6015. Below this sliding sleeve there's a 2/16 by 1-3/8" landing nipple, 6020. The purpose of these different size landing nipples is to isolate any leaks or actually test your tubing, decide if you do have a leak you can decide where it's at without pulling your packer.

The Blinebry zone is produced up through the 2/16" tubing landed at 5800 to the surface above the TIW snap set packer. It has on the bottom of it 2/16 by 1½" seating nipple, and it is landed open ended so we might lower it and also circulate off the top of this top packer.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182SANTA FE, N. M.
PHONE 983-3971ALBUQUERQUE, N. M.
PHONE 243-6691

Q Mr. McPeters, is the manner in which you have outlined the completion of this well in accordance with accepted oil field practices?

A Yes, there has been some triples equipped identically to this one.

Q Have you had any recent production tests on the different zones?

A Yes. The Blinebry, of course, we don't have an allowable on and on the 22nd of August, after recovering all load oil, we produced 38 barrels of oil in three hours on a 17/64 choke, flowing tubing pressure of 450 pounds, a gas-oil ratio of 14/60, 39 API gravity oil. The Tubb, most recent test on it, it flowed 168 MCF per day on a 16/64 choke, flowing tubing pressure of 900 pounds. During this test we flowed 48 barrels of load oil which we're still recovering from this zone after fracturing.

The Drinkard zone flowed 78 barrels of oil in twelve hours, 12/64" choke, flowing tubing pressure of 825; gas-oil ratio, 1860, 39 degree API oil, and the MCF on that was 145 MCF in twelve hours. That would be the gas-oil ratio.

Q Have you recently had this well logged?

A Yes.

Q By whom?

A Schlumberger.

(Whereupon, Applicant's Exhibit 3 was marked for identification.)



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

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PHONE 243-6691

A Our Exhibit 3 is a Schlumberger gamma ray neutron log, and on this log we have indicated the formation tops, the perforated intervals, and the bridge plugs and etcetera.

Q That was logged by Schlumberger at your instruction?

A Yes.

Q Have you made application for administrative approval to commingle the Blinebry and the Drinkard oil contingent upon this application being approved?

A Yes, we received on September 5th administrative Order PC-93, approval to commingle the Drinkard oil with the Blinebry oil on this lease contingent upon this hearing.

Q Do you have anything further to add?

A That's all I have.

Q Mr. McPeters, were applicant's Exhibits 1, 2 and 3 -- by whom were they prepared?

A By me.

MR. JENNINGS: We offer applicant's Exhibit 1, 2 and 3.

MR. UTZ: Without objection, applicant's Exhibits 1, 2 and 3 will be entered into the record.

(Whereupon, Applicant's Exhibits 1, 2 and 3 were entered into the record.)

MR. UTZ: Do you have anything further?

MR. JENNINGS: No, sir.



CROSS EXAMINATIONBY MR. UTZ:

Q Mr. McPeters, this psi sliding sleeve, is there any danger of those things leaking?

A No, as far as I know, I never heard of one leaking. If it were leaking it would show up immediately on your packer leakage test. I am saying if it were, I don't think they will. And you can go in and close it, all except the bottom one, we have no way of isolating the sleeve and testing it, but the upper we do.

Q You don't think these sleeves are susceptible to sand or dirt or anything in the seating arrangement?

A My experience with them, Mr. Examiner, is that you normally have trouble opening them after, in ten years we go back and try to open them we might have difficulty, but usually we don't have difficulty with them leaking.

Q On your 7" casing, how high do you estimate the 500 sacks will bring it?

A We ran a cement log at the time we ran the Schlumberger gamma ray neutron, I hope I have one with me. I don't have a bond log with me, Mr. Examiner, but it brought the cement up well above any producing formations I would guess 3,000 foot or so. We ran a cement bond log and we could submit it to you, if you

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want it.

Q In your opinion, as you recall, the bond log shows that the 500 sacks brought it up to around 3,000 feet?

A Yes, it was high enough above our uppermost perforations that we weren't worried by communication. Incidentally, it showed an exceptionally good bond for an old well.

Q How about the 600 sacks on the 9-5/8, did that circulate?

A I really don't know, I would have to check my records.

Q The same question on the 125 sacks.

A I know the surface circulated.

Q The surface circulated?

A Yes.

Q You feel that the 600 sacks went up inside the 13-3/8?

A I would guess it did. No temperature survey was run on the 9-5/8, so it would be supposition on my part to say that it was, but I'm assuming that it did.

Q Do you have any information that would indicate whether or not it did?

A I could check the old well records and see what they reflected.

Q I wonder if you would check that and report that to the

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Commission by letter?

A Let me check here. I have the old day by day records here. Unfortunately these records don't go back to the drilling of the well. They just start at the completion. I will get that information and submit it to you.

Q Did you have a GOR for the Tubb?

A Yes, of course, you realize this is on load oil. The gas-oil ratio of the Tubb that I reported to you here, this 168 MCF, and 48 barrels of oil would be 3500 to 1. It was a gas well before we fracked it.

Q How about the Blinebry, do you have any indication of whether it will be gas or oil?

A This test was taken very close after the recovering of the load oil and we had to store this on the well site, of course, having no allowable. The ratio is low, 1461, and Conn, who has a lease immediately south of us, has some Blinebry oil production and their ratios have always been low. They're several years old, so I would guess that it would definitely be an oil well.

MR. UTZ: Any other questions of the witness? The witness may be excused.

(Witness excused.)

MR. UTZ: Any statements in this case? The case will be taken under advisement. The hearing will be adjourned until 1:30.



STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 1st day of October, 1962.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2631, heard by me on *Sept. 11* 1962.
Shirley A. [Signature] Examiner
New Mexico Oil Conservation Commission

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MORAN OIL PRODUCING & DRILLING CORP.

WELL NO. 1

DIAGRAMMATIC SKETCH OF DOWN HOLE EQUIPMENT
TRIPLE COMPLETION - BLINEBRY OIL
TUBB GAS
DRINKARD OIL

