

well file

**AUSTRAL OIL COMPANY
INCORPORATED**

(713) 228-9461
cable-AUSTROIL

2700 Exxon Building Houston, Texas 77002

P. O. Box 259
Lamesa, Texas
June 26, 1975



New Mexico Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attention: Mr. E. C. Arnold, Supervisor

Re: Packer Leakage Test
Bunny Well No. 1
Dual--Mesa Verde &
Dakota Zones,
San Juan County,
New Mexico

Dear Sir:

Please accept my apology for filing the attached Packer Leakage Test late.

The Test indicates communication between the Mesa Verde and Dakota Zone tubing strings. We have requested a State-Wide hearing by the Commission for authority to commingle the zones downhole. A copy of our letter is attached for your convenience.

Please advise the writer at area code 806-462-5055 or P. O. Box 259, Lamesa, Texas, 79331 if this action does not meet with your approval.

Yours very truly,

AUSTRAL OIL COMPANY INCORPORATED

Travis King
District Superintendent

TK/th
Attachments
cc: Mr. C. R. Geffs
Dugan Production
File (2)

Approved

AUSTRAIL OIL COMPANY
INCORPORATED

(713) 228-9481
cable-AUSTROIL

2700 Exxon Building Houston, Texas 77002
P. O. Box 259
Lamesa, Texas
June 19, 1975

New Mexico Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501



Re: Request for authority to commingle downhole gas production from a hole in Bunny #1-10, Basin Dakota and Blanco Mesa Verde Reservoirs, San Juan County, New Mexico

Gentlemen:

Austral Oil Company Incorporated requests authority to commingle downhole, the gas production from separate gas reservoirs in its Bunny # 1-10, in the Basin Dakota and the Blanco Mesa Verde Reservoirs in San Juan County, New Mexico.

The subject well is located 1190 feet from the East Line and 1040 feet from the South Line of Section 10, T-27-N, R-9-W, San Juan County, New Mexico.

Bunny #1-10 was drilled and completed in 1964. The lower producing interval, the Basin-Dakota zone, is perforated 6432-50', 6502-27', 6534-40', 6564-72', 6578-84', 6590-6600', 6608-14', 6618-40', and 6662-72 with 2 jets per foot. The Blanco Mesa Verde interval is perforated 4357-65', 4367-74', 4378-84', 4389-99', 4405-17', and 4475-43' with 2 jets per foot.

The well is presently dually completed with a Baker Model D-1 wireline packer set at 6400 feet.

Production is now through dual tubing strings. The Basin Dakota is produced through a string of 1 1/4" 2.1 #J-55, 10 round thread non-upset electric weld tubing which is set in the Baker Packer. This string is equipped with 6 blast joints to protect it from erosion effects from gas entering the 4 1/2" casing through the Mesa Verde perforations. The Mesa Verde produces through a string of 1 1/4" 2.1 #J-55 10 round thread non-upset tubing which is bottomed at 4325 feet. The attached sheet shows the dual completion.

Communication now exists between the two zones.

During 1974 the well was worked over to eliminate a similar problem. Six days of pulling unit time were required to pull and rerun the parallel tubing strings. The well was vented to the atmosphere while the work was performed and some risk of fire was accepted. The cost of this work was approximately \$4100. Due to inflation we estimate that a similar repair at this time could cost as high as \$6000.

Production from Bunny #1 is marginal. During May, 1975, the following volumes were sold from this well:

	<u>Gas, MCF</u>	<u>Oil, Barrels</u>
Basin Dakota	3411	76
Blanco Mesa Verde	<u>6599</u>	<u>161</u>
	10010 MCF	237 BO

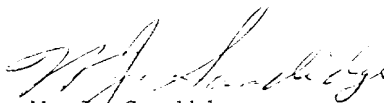
Because of the Marginal producing status of the well, the high estimated cost for repair, the waste of gas which would occur during a workover, and the possible fire hazard, Austral feels that another workover is unwarranted, hence our application to commingle.

If this application is approved, we propose to allocate production to each reservoir based upon current production, i.e:

	<u>Gas</u>	<u>Oil</u>
Basin Dakota	34.1%	32.1%
Blanco Mesa Verde	65.9%	67.9%

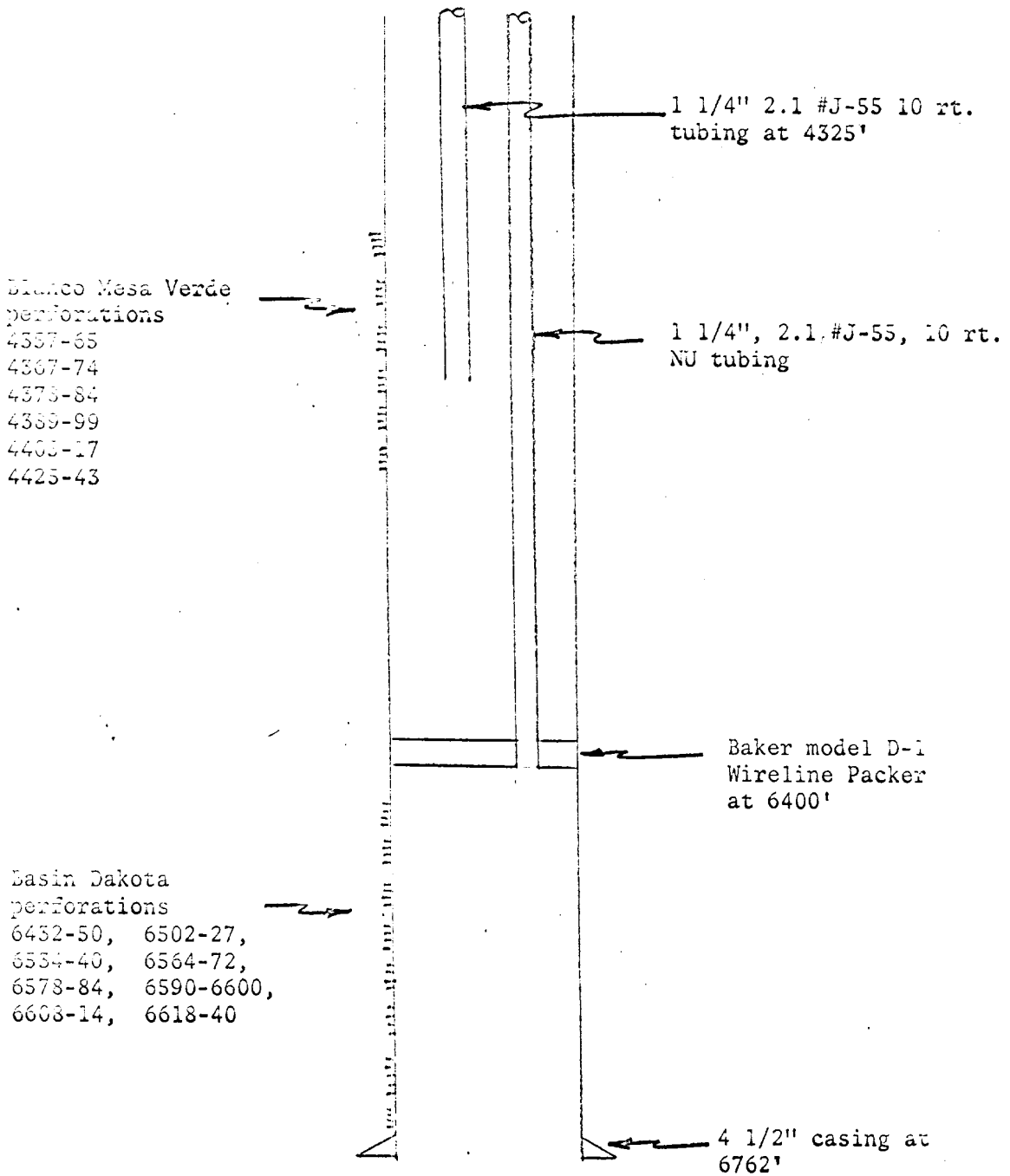
Yours very truly,

AUSTRAL OIL COMPANY INCORPORATED


W. J. Sandidge
District Engineer

WJS/th
Attachments

SCHEMATIC DRAWING
BUNNY #1-10



NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator AUSTREAL Oil Co. Lease BUNNY et al Well No. 1
Location _____
of Well: Unit P Sec. 10 Twp. 27 N. Rge. 9 W. County SAN JUAN
Name of Reservoir or Pool _____ Type of Prod. _____ Method of Prod. _____ Prod. Medium _____
(Oil or Gas) (Flow or Art. Lift) (Tbg. or Csg.)

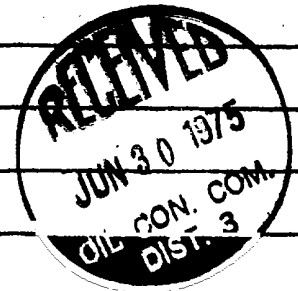
Upper Completion	<u>Mesavirde</u>	<u>GAS</u>	<u>Flow</u>	<u>Tbg.</u>
Lower Completion	<u>DAKOTA</u>	<u>GAS</u>	<u>Flow</u>	<u>Tbg.</u>

PRE-FLOW SHUT-IN PRESSURE DATA

Upper Hour, date	<u>11:00 A.M.</u>	Length of	SI press.	Stabilized?
Compl	<u>Shut-in 5-17-75</u>	time shut-in	<u>psig 325</u>	<u>(Yes or No)</u>
Lower Hour, date	<u>11:00 A.M.</u>	Length of	SI press.	Stabilized?
Compl	<u>Shut-in 5-17-75</u>	time shut-in	<u>psig 346</u>	<u>(Yes or No)</u>

FLOW TEST NO. 1

Commenced at (hour, date)*	<u>12:11:00</u>	<u>5-20-75</u>	Zone producing (Upper or Lower):		
Time	Lapsed time	Pressure		Prod. Zone	Remarks
(hour, date)	since*	Upper Compl.	Lower Compl.	Temp.	
<u>5-21-75</u>	<u>1 day</u>	<u>296</u>	<u>220</u>		
<u>5-22-75</u>	<u>2 days</u>	<u>286</u>	<u>219</u>		



Production rate during test

Oil: 1.68 BOPD based on _____ Bbls. in _____ Hrs. _____ Grav. _____ GOR _____
Gas: 320 MCFPD; Tested thru (Orifice or Meter): _____

MID-TEST SHUT-IN PRESSURE DATA

Upper Hour, date		Length of	SI press.	Stabilized?
Compl	<u>Shut-in</u>	time shut-in	<u>psig</u>	<u>(Yes or No)</u>
Lower Hour, date		Length of	SI press.	Stabilized?
Compl	<u>Shut-in</u>	time shut-in	<u>psig</u>	<u>(Yes or No)</u>

FLOW TEST NO. 2

Commenced at (hour, date)**		Zone producing (Upper or Lower):			
Time	Lapsed time	Pressure		Prod. Zone	Remarks
(hour, date)	since **	Upper Compl.	Lower Compl.	Temp.	

Production rate during test

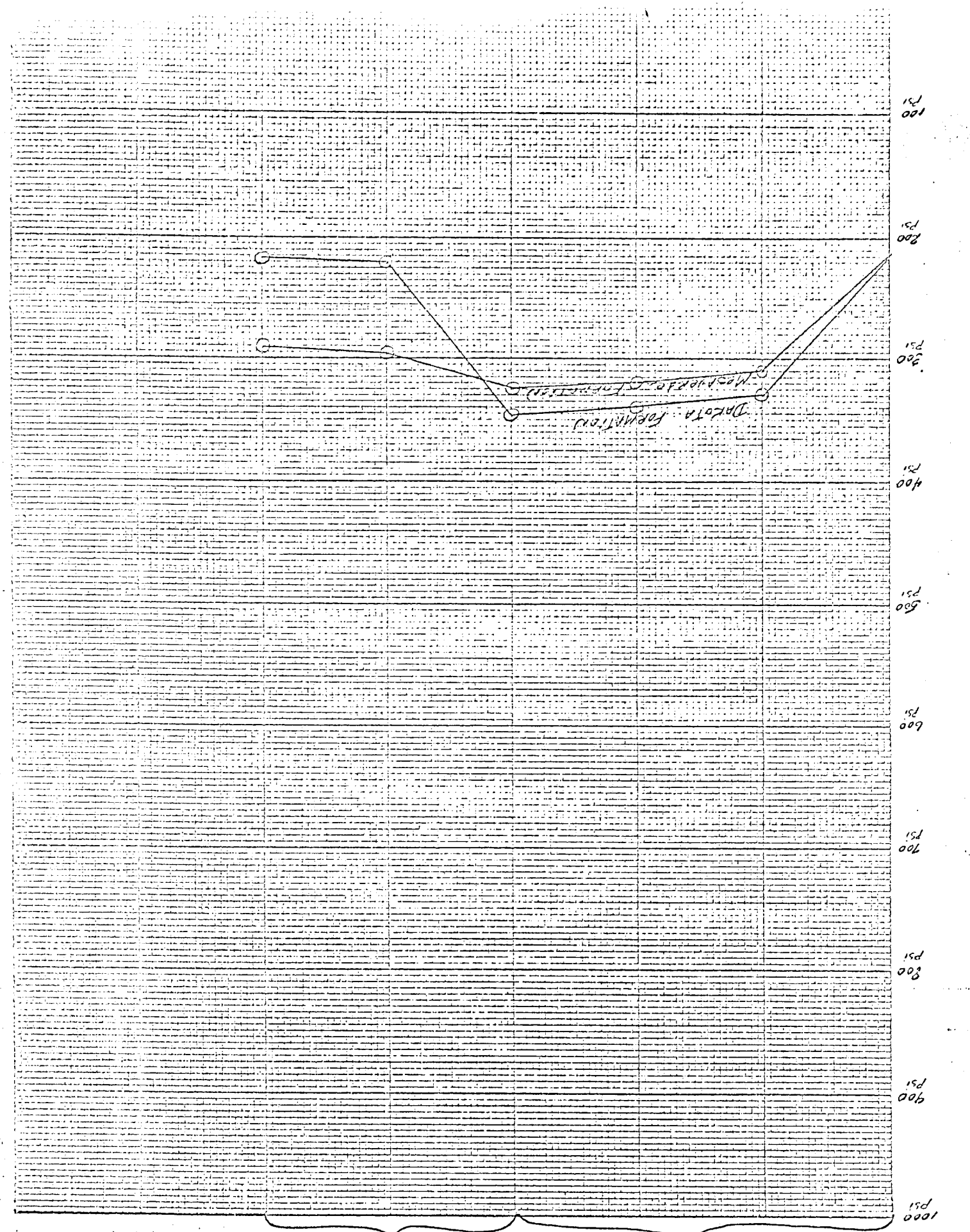
Oil: _____ BOPD based on _____ Bbls. in _____ Hrs. _____ Grav. _____ GOR _____
Gas: _____ MCFPD; Tested thru (Orifice or Meter): _____

REMARKS: _____

I hereby certify that the information herein contained is true and complete to the best of my knowledge.

Approved: _____ 19 _____
New Mexico Oil Conservation Commission

Operator AUSTREAL Oil Co.
By Melinda Wheeler
Title Agent



Both Zones Shut-in
Lower Zone Flow

3. The packer leakage test shall commence when both zones of the dual are shut-in until the well-head pressure is such that stabilization, provided, however, that they need not remain shut-in more than seven days.

4. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. When the shut-in zone is to be produced, the well shall be shut-in for a period of 10 minutes and the well-head pressure shall be recorded. The well shall then be produced at the normal rate of production and the well-head pressure shall be recorded. This procedure shall be repeated for each zone of the dual completion.

5. In accordance with Paragraph 3 above, the well shall again be shut-in during Flow Test No. 1, except that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced.

6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1.

7. The results of the above-described tests shall be stated in the completion report. These key pressure changes should also be tabulated on the front of the Packer Leakage Test Form.

8. The results of the above-described tests shall be stated in the completion report. These key pressure changes should also be tabulated on the front of the Packer Leakage Test Form.