Lase Number 11/2

Application

Trascripts

Small Exhibits

ETC

dearnley, meier & mc cormick

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PROCEEDINGS

MR. NUTTER: The hearing will come to order, please. The next case is 4778.

MR. HATCH: Case 4778, application of David Fasken for a dual completion and amendment of Order No. R-4297, Eddy County, New Mexico.

MR. LOPEZ: Mr. Examiner, my name is Owen Lopez with the firm of Montgomery, Federici, Hannahs and Morris, Santa Fe. I have one witness.

MR. ROBERT H. ANGEVINE

having been first duly sworn according to law, upon his oath, testified as follows:

DIRECT EXAMINATION

BY MR. OWEN LOPEZ:

- Q Would you please state your name, address and occupation?
- A Robert H. Angevine, Midland, Texas, engineer with Henry Engineering acting as an agent for David Fasken.
- Q Are you familiar with the application of David Fasken, case number 4778?
- A I am.
- Q Have you previously testified before the Commission and had your qualifications accepted?
- A Yes, I have.

MR. LOPEZ: Mr. Examiner, are his qualifications

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MR. NUTTER: Yes, they are.

what the application in case number 4778 proposes to do?

A It proposes to seek approval for a conventional dual on the David Fasken Arco "9" Morrison Well Number 1. By

Order Number R-4297 a dual was approved on this well but it was with a cross-over device.

(By Mr. Lopez) Mr. Angevine, would you please explain

- Q Turning to Exhibit Number 1, is this where the wall is located?
- A Right. The well is six sixty from the north line, 1980 feet from the east line in Section 9, Township 19 South, Range 25 East of Eddy County.
- Q Turning to Exhibit Number 2, as I understand, the previous order of the Commission R-4297 approved this type of dual completion which is non-conventional; is that correct?
- A That's correct.
- Q As I understand it, now turning to Exhibits 3 and 4, it is your intention to convert to conventional completion?
- A That is right. Form C-103 was filed back in May, May 30 after the operator experienced a casing leak and this leak occurred at thirty-eight sixty-eight which was squeezed with cement and the casing was tested to 2500 pounds and at that time it was decided to leave the lower

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pressure zone, the Cisco zone, which is also the upper zone in the tubing casing annulus because the shut-in bottom-hole pressure of the Cisco is on the order of 3460 pounds and would not, on a flowing basis, exceed the pressure test on the casing after our patch job, and by the same token with the conventional completion Morrow the lower zone, also the higher pressure zone will be flowed at the tubing.

MR. NUTTER: What is the pressure on the Morrow? THE WITNESS: Shut-in static is a little in excess of thirty-four fifty. I believe it is thirty-four sixty-eight MR. NUTTER: That is on surface?

THE WITNESS: That is static bottom-hole pressure.

MR. NUTTER: Well, didn't you mention the thirty-four sixty on the Cisco too?

THE WITNESS: If I did, it was a mistake. 25--originally it was twenty-five thirty-seven and the last pressure test we had on it it was something on the order of twenty-four fifty. I don't have the exact figure.

(By Mr. Lopez) Do you have anything further to offer?

I believe not. This is a conventional dual and it is equipped with just the one packer, the same packer that was in there on the previous order, the same bottom packet at eighty-eight thirty-two. The upper packer was removed at the time of the casing leak.

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Q	As I understand	it, the	need	for	reconverting	is	because
	of the casing le	eak?					*

- Right, to reasonably assure we won't have the higher pressure zone in on the casing again.
- is it your opinion that if your application and the Q amendment to the previous order of the Commission is granted that it will protect correlative rights and prevent waste?
- Yes, it will.
- Were Exhibits 1 through 4 prepared by you or under your supervision?
- Yes, sir.
- At this time I would like to offer Exhibits 1 through 4 in evidence.

MR. NUTTER: Applicant's Exhibits 1 through 4 will be admitted into evidence.

MR. LOPEZ: That's all we have.

MR. NUTTER: Mr. Angevine, I believe that this is the well in which you detected the casing leak because some mud started flowing up through the production casing; is that correct?

> THE WITNESS: That's right.

MR. NUTTER: Now, since you got this squeezed off, do you have any liquid problems with the Morrow zone?

THE WITNESS: There are no liquid problems with the

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Morrow zone, it being relatively dry, three barrels per million at the maximum.

MR. NUTTER: So you feel that you will be able to produce it without any trouble through the annulus area?

THE WITNESS: No. The Morrow is coming up the tubing now.

MR. NUTTER: So, how about the Cisco zone?

THE WITNESS: That is a real problem. The fact is, it is just barely alive. It is choked off with fluid in the casing and it is producing approximately 200 MCF a day, but we feel it will be better to sacrifice that and leave it this way than to run the danger of a blow-out.

MR. NUTTER: Does it produce this 200 MCF a day?

THE WITNESS: Yes, sir, it does produce but it won't

lift any fluid out at that rate.

MR. NUTTER: Do you have to blow the wall down or anything like that?

two weeks, but we find we don't gain anything by it. We can blow some condensate to the area but the well produces maybe nearly 400,000 for the first night and then it is back down to where it was. We are better off just leaving it on stream.

MR. NUTTER: That is your intention to continue to produce it in that manner?

THE WITNESS: Yes, sir.

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MR. NUTTER: What size casing is in the well? THE WITNESS: Four and a half casing and two and

three-eighths inch tubing.

only well in the area producing from the Cisco.

MR. NUTTER: Does that leave room to put a one inch bleeder string or anything in there if you find it necessary? THE WITNESS: No, sir, it will not. This is the

MR. NUTTER: Are there any further questions of Mr. Angevine? He may be excused.

> Do you have anything further, Mr. Lopez? MR. LOPEZ: No, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in case 4778? We will take the case under advisement and we will call the next case, 4779.

MR. HATCH: Case 4779, application of Merrior and Bayless for a non-standard proration unit, San Juan County, New Mexico.

The applicant has requested that the case be continued to the hearing held on August 23rd.

MR. NUTTER: Case Number 4779 upon request of applicant will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock A. M. August 23rd, 1972. We will next call case number 4739.

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3	MR. ROBERT H. ANGEVIN	E	Í				
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dearnley, meier & mc cormick

STATE OF NEW MEXICO) : ss. 2 COUNTY OF BERNALILLO 3 I, MARCIA J. HUGHES, Court Reporter, do hereby certify that the above and foregoing pages are a true and correct cranscript of the proceedings had before the New Mexico Oil 6 Conservation Commission on Wednesday, July 26, 1972. Marcia Hughes 8 10 11 12 209 SIMMS BLDG. # P.O. BOX 1092-PHONE 249-6691-#ALBUQUERQUE, NEW MEXICO 87108 1216 FIRST NATIONAL BANK BLDG. EAST-#ALBUQUERQUE, NEW MEXICO 87108 13 14 15 16 17 18 19 20 21 22 t do bereby cortify that the foregoing is s coupless runted of the proceedings in the fractiver hearing of these so. 9778 nearly pr no on 1/26 1972 23 1972 24 New Mexica Oil Consorvation Considerion 25

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 8750I

August 8, 1972

GOVERNOR BRUCE KING CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

My Ores Taga	Re:	Case No.	4778
Mr. Owen Lopez Montgomery, Federici, And	lrews, Hann	Order No.	R-4360
& Morris Attorneys at Law	\$ 	Applicant:	
Post Office Box 2307 Santa Fe, New Mexico	•	DAVID F	ASKEN
Samed re, wen Mexico			
	•	;	
Dear Sir:			
Enclosed herewith are two Commission order recently	_		
	Very tru	ly yours, Porter	, G.
		ORTER, Jr.	gr.
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ALP/ir		•	
Copy of order also sent t	.0:	-	
Hobbs OCC X			
Artesia OCC X			
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. 4778 Order No. R-4360

APPLICATION OF DAVID FASKEN FOR A DUAL COMPLETION AND AMENDMENT OF ORDER NO. R-4297, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 26, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of August, 1972, 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, David Fasken, seeks authority to complete his Arco "9" Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from an undesignated Cisco gas pool through the casing-tubing annulus and gas from the Boyd-Morrow Gas Pool through tubing.
- (3) That Order No. R-4297 authorized the completion of the above-described well in such a manner as to produce the Cisco gas through tubing and the Morrow gas through the Casingtubing annulus; that the applicant was unable to so complete the well due to mechanical problems.
- (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 prevent waste and protect correlative rights, provided the Cisco zone is not "blown-down" without permission of the Commission.

-2-Case No. 4778 Order No. R-4360

IT IS THEREFORE ORDERED:

(1) That the applicant, David Fasken, is hereby authorized to complete his Arco "9" Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from an undesignated Cisco gas pool through the casing-tubing annulus and gas from the Boyd-Morrow Gas Pool through tubing.

PROVIDED HOWEVER, that the applicant shall not "blow-down" the Cisco zone of the subject well without permission of the Supervisor of the Artesia office of the Commission;

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 packerleakage tests upon completion and annually thereafter during the Annual Shut-in Test Period for the Boyd-Morrow Gas Pool.

- (2) That Order No. R-4297 is hereby superseded.
- (3) 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 herein-above designated.

SEAL

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

J. ARMIJO, Member

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

(Case 4775 continued)

Applicant further seeks to extend the vertical limits of the Blinebry Pool down to the top of the Tubb Pool.

Also to be considered by the Commission on its own motion will be amendment of the special rules and regulations to require that intermediate or low-pressure gas be charged against a well's allowable; elimination of the requirement to conduct bottom-hole pressure, gas-oil ratio, and gas-liquid tests; and to require that all gas production be reported on Form C-111.

CASE 4778:

Application of David Fasken for a dual completion and amendment of Order No. R-4297, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Order No. R-4297, to permit the dual completion (conventional) of his Arco "9" Morrison Well No. 1 located in Unit B of Section 9, Township 19 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Cisco gas pool through the casing-tubing annulus and gas from the Boyd-Morrow Gas Pool through tubing.

CASE 4779:

Application of Merrion & Bayless for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the SE/4 of Section 35, Township 30 North, Range 12 West, within one mile of Flora Vista-Mesaverde Pool, San Juan County, New Mexico, to be dedicated to its Carnahan Well No. 1 located in Unit P of said Section 35.

CASE 4739: (Continued from the June 28, 1972, Examiner Hearing)

Application of Texas Pacific Oil Company for rededication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dedicate the 160-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 of Section 1, Township 23 South, Range 36 East, Lea County, New Mexico, simultaneously to its Emery King "NW" Wells Nos. 1 and 4 located, respectively, in Units E and F of said Section 1 and to produce the allowable for the unit from either well in any proportion.

CASE 4783:

Application of Texas Pacific Oil Company, Inc., for three non-standard proration units and rededication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of the following-described non-standard gas proration units in Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico:

1. A 480-acre unit comprising the NE/4 NW/4, and SW/4 of Section 11, to be dedicated to its State "A" A/1 Wells Nos. 16, 29, and 34;

HENRY ENGINEERING

Petroleum Engineers 807 FIRST NATIONAL BANK BUILDING MIDLAND, TEXAS 79701

June 14, 1972

Mr. Elvis Utz New Mexico Oil Conservation Commission P 0 Pos 371 Santa Fe, New Mexico 87501

> Re: Dual Completion David Fasken Arco "9" Morrison No. 1 Boyd Morrow and Undesignated Cisco Gas Pools, Eddy County, New Mexico Your Order No. R-4297

> > Core 4698

Dear Mr. Utz:

The subject well was completed as a dual gas Morrow-Cisco zone producer in accordance with Order No. R-4297, and in the exact manner specified on May 15, 1972.

However, on May 15, 1972, a casing leak was detected and the well killed, and all tubing and the upper packer removed as outlined on the C-103 dated May 30, 1972.

Early testing of the subject well indicated a decrease in reservoir pressure in the Cisco zone of approximately 190 psi from the time of the drill stem test until completion of the open flow potential. Therefore, we must conclude that the Cisco is a limited reservoir of small volume. The Morrow zone on extended tests produces approximately 8 B.W.P.D. and 4 barrels of condensate at a gas rate of 3000 MCF of gas per day.

In view of the small reservoir indicated from the Cisco and the higher than anticipated fluid production from the Morrow, we elected to dually complete the well as a one packer installation following repair of the casing leak. This will allow our prime producing zone (Morrow) zone to be produced thru the tubing affording it optimum producing conditions. We believe this procedure will afford the maximum ultimate recovery of hydrocarbons from this well. We further believe this will protect all correlative rights since offsetting leases are producing from the Morrow and there are no offsetting leases producing from the Cisco.

Fruls Ch Come Sq

Mr. Elvis Utz June 14, 1972

OIL CONSERVATION CONS.

As of today, the Morrow zone is producing 3100 MCF of gas per day, 4 barrels of condensate and 8 barrels of water with a FTP of 1010 psig. The Cisco zone is producing 500 MCF of gas per day at line pressure.

We hereby request your approval of the revised dual completion procedure as outlined on Form C-103 dated May 30, 1972.

Yours very truly,

HENRY ENGINEERING

James B. Henry

JBH:bh cc: Mr. W. A. Gressett

1115 PROFILE OF TAXOK

DANGE TRISCON

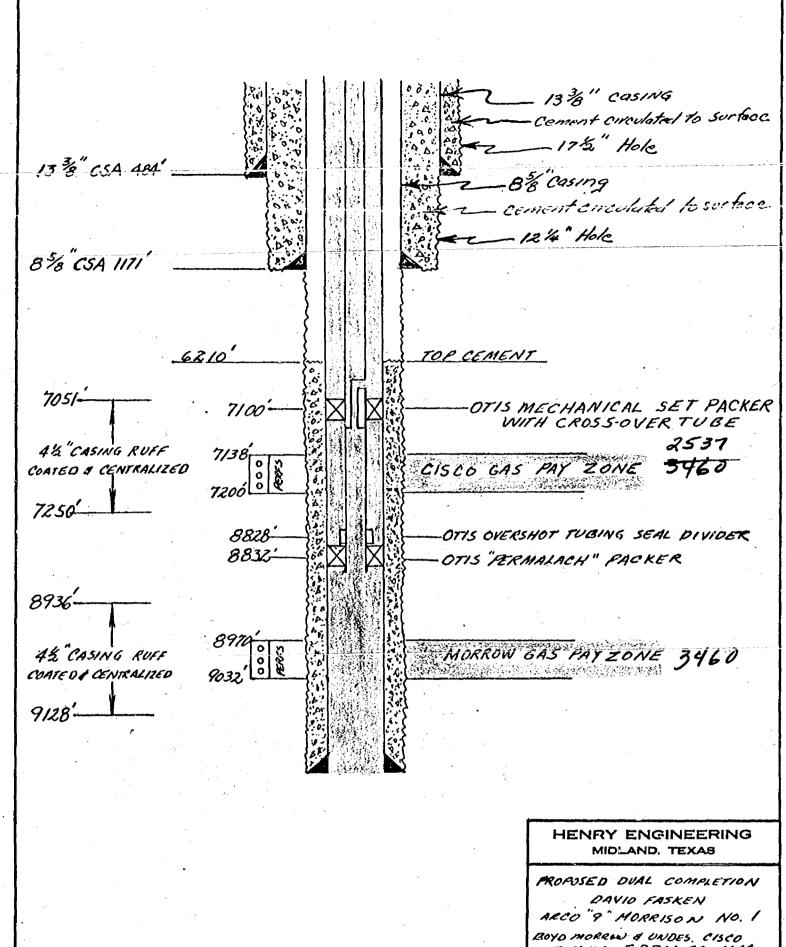
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.... It may certify that the information above is true and complete to the best of my knowledge and belief.

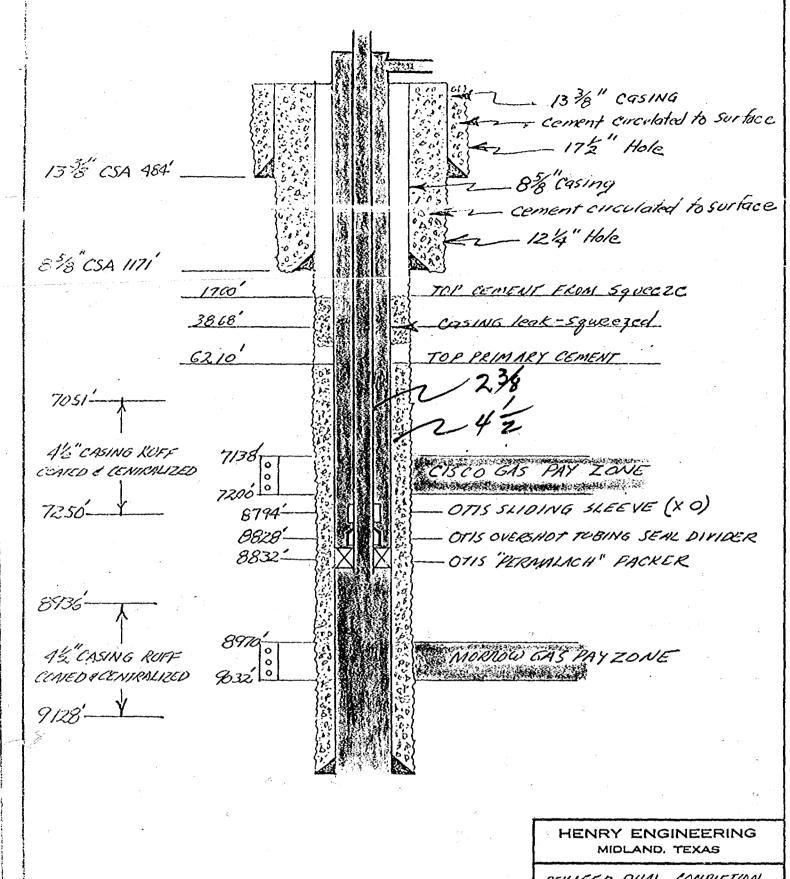
May 30, 1972

Orig & 5 copies mailed to MR. Gressett- CC-Mailed to All Interest Owners, 5-30.72

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REVISED DUAL COMPLETION

DAVID FASKEN

ALCO "9" MORRISON NO. 1

BOYD MORRIOW A URDES, CISCO

FIELDS EDDY CO. N.M.

MAY 25, 1972

GMH/dr



BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

My

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

O.L.P.

CASE NO. 4778 Order No. R 4360

APPLICATION OF DAVID FASKEN FOR A DUAL COMPLETION AND AMENDMENT OF ORDER NO. R-4297, EDDY COUNTY, NEW MEXICO.

.....

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 26, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this ______day of July, 1972, 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, David Fasken, seeks authority to complete his Arco "9" Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, and also seeks an amendment of Order No. R-4297 to permit a dual completion (conventional) to produce gas from an undesignated Cisco gas pool through the casing-tubing annulus and gas from the Boyd-Morrow Gas Pool through tubing.

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

(3) Het Order NO. R-4297 authorized the Completion? the voore described well in such a morning on to product the Ceses got through tubi, and the morning you through the Cosing-tubi, amelies; that the opplicant was weakle to so complete the well dere to melionical problems.

-2-CASE NO. 4778 Order No. R-

(#) That approval of the subject application will prevent waste, and protect correlative rights, provided the Cisco your is not blown down without processing the Commission.

IT IS THEREFORE ORDERED:

(1) That the applicant, David Fasken, is hereby authorized to complete his Arco "9" Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico, and also seeks an amendment of Order No. R-4297 to permit, a dual completion (conventional) to produce gas from an undesignated Cisco gas pool through the casing-tubing annulus and gas from the Boyd-Morrow Gas Pool through 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 insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take

zone segregation packer-leakage

tests upon completion and annually thereafter

during the Annual

Gas Oil Ratio Test Period Deliverability Test Period

for the

Boul Manay 4-2 Pool.

(R) Shall Ardin No. 14297 in head suffered of 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.

not "blow down" the cises zone of the subject well without first permission of the Superior of the arteria Office of the Commission.