

Case No.

439

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Application, Transcript,  
Small Exhibits, Etc.

REPORT OF  
THE JURY  
IN THE CASE OF  
THE STATE OF NEW MEXICO  
VS. JAMES EARL RAY

NOV 3 1952  
ALBUQUERQUE, N.M.

OFFICE OF THE CLERK

NOV 20 1952

November 20, 1952.

E. E. GRESSON  
ADA DEARNLEY  
COURT REPORTERS  
BOX 1302  
PHONES 5-9422 AND 5-9546  
ALBUQUERQUE, NEW MEXICO

REPORT OF THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

November 20, 1942

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In the Matter of:

Application of E. F. Moran, Inc., for  
dual completion of its Owen No. 2 well,  
NW NW 14-21S-37E (in the Drinkard Pool)  
to permit production of oil from Drinkard,  
gas from Blinebry.

Case No. 439

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(Notice of Publication read by Mr. Graham.)

MR. GIRAND: For the record I am W. D. Girand, Box 1326,  
Hobbs, New Mexico, appearing on behalf of the E. F. Moran, In-  
corporated.

J. W. ROGERS

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. GIRAND:

Q State your name, please.

A J. W. Rogers.

Q Where do you live?

A Hobbs, New Mexico.

Q What company are you connected with?

A E. F. Moran.

Q What capacity?

A Superintendent.

Q At Hobbs?

A At Hobbs.

Q What is your territory, what territory do you cover as Superintendent?

A Oh, New Mexico, Texas and Oklahoma. Also Kansas.

Q You filed the application for E. F. Moran and for the dual completion of the E. F. Moran Owens No. 2 well?

A That is right.

(Exhibit No. 1 Marked for Identification)

Q Mr. Rogers, I hand you here a map marked Exhibit No. 1 and ask you to explain what that map shows?

A Well, it shows the location that we propose to make a dual completion in Section 14, Township 21 South, Range 37.

Q Is the well designated by legend?

A Yes, it is designated by black mark with a red inside.

Q Mr. Rogers, does that map show any other wells which are now being produced under a dual completion such as you have applied for here?

A Yes.

Q Will you give the location of those wells in relation to the Owen well No. 2?

A The wells that were dually completed are the Blinbry gas-oil.

Q Blinbry gas wells?

A Yes.

Q Where are they located?

A Section 23, Section 22, Section 10.

Q In other words in the surrounding sections to the section in which the Owens No. 2 well is located there have been other dually completed wells authorized by the Commission?

A That is right.

(Exhibit No. 2 Marked  
for Identification)

MR. GIRAND: We would like to offer the Exhibit No. 1 in evidence.

MR. SPURRIER: Without objection it will be received.

Q Mr. Rogers, I hand you here an instrument marked Exhibit No. 2 and ask you to tell the Commission what that instrument shows?

A Well, it shows the well that we want to dually complete.

Q Doesn't it outline how it will be completed?

A Well, by setting a Packer between the Blinbry and the Drinkard and separating the two sections and during the time we are bringing in the Blinbry and keep them separated during the life of the well.

Q That is a true report of the method of completion?

A That is right.

MR. GIRAND: We would like to offer it in evidence as Exhibit No. 2.

MR. SPURRIER: Without objection it will be received.

(Exhibit No. 3 Marked for  
Identification)

Q Mr. Rogers, I hand you here an instrument marked exhibit No. 3, purported to be a Schlumberger technical survey of the well, is that right?

A That is right.

Q That was furnished to you by the Schlumberger people?

A That is right.

Q Mr. Rogers, do you have a market for the gas?

A Well, the gas is marketable in that area.

Q There is a demand for gas in that area?

A Yes, there is a demand for gas.

Q And in your installation of your dual completion you will take such precautions and use such methods as will guarantee that the two zones will not be co-mingled?

A That is right.

MR. GIRAND: Does the Commission have any question?

MR. SPURRIER: Your Exhibit No. 3 will be received without objection. Does anyone have any questions of the witness?

MR. GRAHAM: Are you familiar with the type of orders heretofore issued by the Commission?

A Yes.

MR. GRAHAM: You have been informed in all respects?

A Yes.

MR. GRAHAM: That is all.

MR. SPURRIER: If no further questions the witness may be excused.

(Witness excused.)

MR. SPURRIER: Are there any comments for this case? If not the case will be taken under advisement and we will take up Case 440. I presume that Humble would also like to consider 441 and 442 at the same time.

MR. SHAVER: He would.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO )

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Case No. 439 before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on November 20, 1952, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this \_\_\_\_\_ day of November.

\_\_\_\_\_  
REPORTER

ADA DEARNLEY & ASSOCIATES  
COURT REPORTERS  
ROOM 105-106, EL CORTEZ BLDG.  
PHONES 7-9545 AND 5-9546  
ALBUQUERQUE, NEW MEXICO



E. C. GREESON  
ADA DEARNLEY  
COURT REPORTERS  
BOX 1303  
PHONES 5-9422 AND 5-7546  
ALBUQUERQUE, NEW MEXICO



6-24-1952  
L. H. G. 1952

THE STATE OF NEW MEXICO  
COUNTY OF SANTIAGO  
I, the undersigned, Clerk of the County Court,  
do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears in the records of the County Court of the County of Santiago, New Mexico.

WITNESSED my hand and the seal of the County Court at Albuquerque, New Mexico,

CLERK OF COUNTY COURT

November 20, 1952.

E. E. GREESON  
ADA DEARNLEY  
COURT REPORTERS  
BOX 1302  
PHONES 5-9422 AND 5-9546  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

November 20, 1952

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Application of E. F. Moran, Inc., for  
dual completion of its Owen No. 2 well,  
NW NW 14-21S-37E (in the Drinkard Pool)  
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A Superintendent.

ADA DEARNLEY & ASSOCIATES  
COURT REPORTERS  
ROOM 105 106 EL CORTEZ BLDG  
PHONES 7-9645 AND 6-9046  
ALBUQUERQUE, NEW MEXICO

Q At Hobbs?

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(Witness excused.)

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MR. SHAVER: We would.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO )

I HEREBY CERTIFY that the foregoing and attached transcript of hearing in Case No. 439 before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on November 20, 1952, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this \_\_\_\_\_ day of November.

\_\_\_\_\_  
REPORTER

ADA DEANNEY & ASSOCIATES  
204 N. 10TH ST.  
ROOM 105405 EL CORTEZ BLDG  
P.O. BOX 7-0144 AND 8-0010  
ALBUQUERQUE, NEW MEXICO

E. E. GREESON  
ADA DEARNLEY  
COURT REPORTERS  
BOX 1302  
PHONES 5-9422 AND 5-9546  
ALBUQUERQUE, NEW MEXICO

C 2 Case 431

(over)

N. W. K. P. L. C.

Case No. 2-11

Casing and Cement Program

Surface Casing - April 2, 1950  
170' DPM 12 3/8" OD 11/150 sacks cement

Intermediate Casing - April 17, 1950  
2220' DPM 6 5/8" OD 11/101 sacks 6% gel;  
200 sacks West Cement

Temperature Survey 1250'

Oil String - June 3, 1950  
7610' DPM 5 1/2" OD  
1 St. Stage Cement Job  
6710'-5500' 11/250 sacks 11% gel  
2nd Stage Cement Job  
5500'-3150' 11/525 sacks 11% gel

Bridging plug - Baker Model "W" Set at 6800' - 15 sacks  
cement on top of plug - top of cement 6730'

Perforations

6660-6620' 40' 3 shots per ft. 120 holes  
6620-6610' 10' 3 shots per ft. 30 holes

Backer Seat 6620'-6630'



*10/28/52*

OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

October 28, 1952

C  
O  
P  
Y

Mr. J. W. Rodgers, Agent  
E. F. MORAN, INC.  
Hobbs, N. M.

Dear Sir:

Your application for permission to dually complete the  
E. F. Moran, Inc. - Owen No. 2 well, NW NW 14-21S-37E, has  
been set up as Case 439 and scheduled for hearing on November  
20, 1952, at 9 a.m. at Mabry Hall, State Capitol, Santa Fe,  
New Mexico.

Yours very truly,

W. B. Macey  
Chief Engineer

WBM:nr

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. 439  
ORDER No. R-228

THE APPLICATION OF E. F. MORAN,  
INC., FOR AN ORDER GRANTING  
PERMISSION TO DUALY COMPLETE  
AND PRODUCE ITS OWEN, NO. 2 WELL,  
LOCATED IN THE NW/4 NW/4 OF  
SECTION 14, TOWNSHIP 21 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 November 20, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this *28<sup>th</sup>* day of *November* 1952, 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 applicant's Owen No. 2 Well, NW/4 NW/4 Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, was completed in June, 1950 as an oil well producing from the Drinkard formation through casing perforations 6560-6640, having drilled through the Blinbry gas zone at an approximate depth of 5620-5724.

(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, E. F. Moran, Inc., be, and it hereby is authorized to dualy complete and produce its Owen, No. 2 Well, NW/4 NW/4 Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Blinbry formation may be produced through the annular space between the casing and tubing, and oil from the Drinkard formation through the tubing by proper perforations and the installation of a proper packer or packers;

CASE NO. 439 - - - ORDER NO. R-228

PROVIDED, HOWEVER, That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within 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.

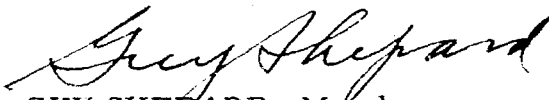
IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order 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



EDWIN L. MECHEM, Chairman



GUY SHEPARD, Member



R. R. SPURRIER, Secretary

S E A L

OIL CONSERVATION COMMISSION

P. O. BOX 871  
SANTA FE, NEW MEXICO

December 1, 1952

C  
O  
P  
Y

Mr. J. W. Rodgers, Agent  
E. F. MORAN, INC.  
Box 1718  
Hobbs, New Mexico

Dear Sir:

We enclose two copies of Order No. R-228 issued in Case 439  
on the application of your client, E. F. Moran, Inc.

Yours very truly,

W. B. Macey  
Chief Engineer

WBM:nr

*November*

E. F. MORAN, INC.

National Bank of Tulsa Bldg.

TULSA, OKLAHOMA

*Case 439*

Hobbs, New Mexico  
October 20, 1952

State of New Mexico  
Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Gentlemen:

An application for dual completion of E. F. Moran, Inc.,  
Oven No. 2 Well, Drinkard Pool, NW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 14, Township 21 South,  
Range 37 East, NMPM, Lea County, New Mexico, together with electric  
log, and map showing the location of Blinebry Gas Wells, and wells  
dually completed in the Blinebry Zone, are enclosed for your con-  
sideration.

Although we have not dually completed any wells in  
the past, from the experience of other operators in this area, it  
is economically profitable and within the principles of sound con-  
servation. We are familiar with the Rules and Regulations of the Oil  
Conservation Commission, and of the proper equipment to insure  
seperation of the Drinkard and Blinebry Zones.

Please address all correspondence concerning this  
application to E. F. Moran, Inc., Box 1718, Hobbs, New Mexico.

Respectfully Submitted,

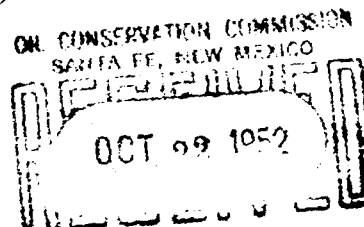
E. F. Moran, Inc.

By *J. W. Rodgers*

J. W. Rodgers

JWR/gb

Enc./3



October 27, 1952

IN THE MATTER OF APPLICATION  
OF E. F. MORAN, INC. FOR AN  
ORDER GRANTING PERMISSION TO  
DUALY COMPLETE AND PRODUCE  
THEIR OWEN NO. 2 WELL, DRINKARD  
POOL, LOCATED IN NW $\frac{1}{4}$  NW $\frac{1}{4}$   
SECTION 14, TOWNSHIP 21 SOUTH,  
RANGE 37 EAST, NMPM, LEA  
COUNTY, NEW MEXICO

Case 739

APPLICATION

COMES NOW, E. F. Moran, Inc., a corporation, operating in the State of New Mexico from a field office in Hobbs, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico, that they have completed their Owen No. 2 well, located in the center of the NW $\frac{1}{4}$  NW $\frac{1}{4}$  Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico: that the aforesaid well is presently producing from the Drinkard formation from perforated interval 6560 feet to 6640 feet; and that the well is equipped with 5 $\frac{1}{2}$  inch casing set at 7510 feet and two stage cemented from 5728-7610 feet with 350 sacks and 5728-3153 feet with 525 sacks of cement. A Baker Model "K" bridging plug is set at 6800 feet and cemented with 15 sacks of cement and 2 inch tubing hung at 6690 feet.

Applicant further represents that a high pressure gas zone exists in the Blinebry formation in the area of Applicant's well, that such zone is producing gas from other dually completed wells in this area.

Applicant further represents that it is practical and economically feasible to dually complete its Owen No. 2 well to produce oil from the Drinkard formation through the tubing, and gas from the Blinebry gas formation through the tubing-casing annulus with proper packing and wellhead connections, and in such manner that there will be no commingling of fluids between the two reservoirs.

Wherefore, applicant respectfully requests that this matter be set down for hearing; that notice thereof be given as requested by law and the regulations of the Commission; and that upon final hearing this Commission enter an order authorizing Applicant to dually complete said well in accordance with the foregoing petition and the rules and regulations of the Commission.

Attached hereto are (1) a plat showing the location of the well proposed for dual completion with request to other wells in the vicinity, and (2) a diagram showing the electrical log characteristics of the Blinebry and Drinkard pays and the proposed method of dual completion.

Done at Hobbs, New Mexico on this the 27 day of October, 1952.

Respectfully submitted,

E. F. Moran, Inc.

By: J. W. Rogers  
J. W. Rogers - Agent