

Case No.

460

Application, Transcript,
Small Exhibits, Etc.

CASE 4601 Cities Service Oil Company dual
completion State Well No. 1, SW NW
15-21S-37E (Drunkard Pool)

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. 460
ORDER No. R-253

THE APPLICATION OF CITIES SERVICE
OIL COMPANY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE AND
PRODUCE ITS STATE "S", WELL NO. 1,
LOCATED IN THE SW/4 NW/4 OF SECTION
15, TOWNSHIP 21 SOUTH, RANGE 37 EAST,
NMPM, LEA COUNTY, NEW MEXICO, IN
THE DRINKARD POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 16, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 15th day of January, 1953, 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 State "S", Well No. 1, SW/4 NW/4, Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, was completed in May, 1948, as an oil well producing from the Drinkard formation through casing perforations and open hole in the interval 6550-6669, having drilled through the Blinebry gas zone, 5560-5695.

(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, Cities Service Oil Company, be, and it hereby is authorized to dually complete and produce its State "S", Well No. 1, SW/4 NW/4, Section 15, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that gas from the Blinebry formation may be produced through the annular space between the casing and the tubing and oil from the Drinkard formation through the tubing by proper perforations and the installation of a proper packer or packers.

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. Mecham
EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

R. R. Spurrier
R. R. SPURRIER, Secretary

S E A L

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
RECEIVED
JAN 16 1953

CASE 460: Cities Service dual completion of State S-1 well, SW NW 15-21S-37E, Drinkard Pool, to produce oil from Drinkard, gas from Blinbry.

CASE 461: Cities Service dual completion of State S-2 well, SE NW 15-21S-37E, Drinkard Pool, to produce oil from Drinkard, gas from Tubb formation.

TRANSCRIPT OF HEARING

December 16, 1952

EXPOSE: Hon. Ed. Fechen, Governor and Chairman
Hon. Guy Shepard, Land Commissioner and Member
Hon. R. R. Spurrier, Director and Member

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

ss

I HEREBY CERTIFY That the within transcript of hearing in the above styled case before the Oil Conservation Commission of the State of New Mexico is a true record of the same to the best of my knowledge, skill and ability.

DONE at Albuquerque, New Mexico, December 20, 1952.

E. E. Green
E. E. Green
Reporter

(Mr. Graham reads the notice of publication.)

MR. SPURRIER: Also, Case 461, I presume, Mr. Adams?

MR. ADAMS: Yes, sir.

6 (Mr. Graham reads the notice of publication in Case 461.)

MR. ADAMS: My name is R. E. Adams with the Cities Service Oil Company.

I would like to request that the application we filed in this case be made a part of the transcript of this record.

MR. SPURRIER: Without objection, it will be done. Is there any other objection to Mr. Adams' proposal?

H. E. MASSEY,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. ADAMS:

Q Mr. Massey, you are familiar with the application that was filed in this case?

A I am.

MR. ADAMS: I forgot to qualify Mr. Massey.

Q You are division engineer for the Cities Service Oil Company?

A I am.

Q And the State S lease is under your jurisdiction and in the Hobbs area, isn't it?

A That is correct.

Q Under your supervision. You are familiar with the application which you have filed in this case to dual complete the State S No. 1 well?

A I am.

Q And the allegations made in that application, are they true, to your knowledge, and correct?

A They are with one exception. In the application to dually complete the State S No. 1 well between the Drinkard and the Blinebry, the application in Item 1 reads that "Said well is currently producing as an oil well in the Drinkard formation from 6650 to 6669." That figure is a typographical error, and should read 6550 to 6669.

Q Is there an available market for gas that could be produced from this Blinebry formation?

A Yes. The market at the present time is in the process of being supplied.

MR. ADAMS: I think that's all we have.

MR. SPURRIER: Are there any questions of this witness? Any objections to these two proposed duals?

MR. ADAMS: We just concluded the one, Mr. Spurrier.

MR. SPURRIER: Just have the one so far. All right.

Q You are also familiar, Mr. Massey, with the applica-

tion Cities Service Oil Company has filed for the dual completion of the State S-2 Well?

A I am.

Q To the best of your knowledge and belief, are the allegations made in that application true and correct?

A They are.

Q Attached to the application is the plat of the location and the diagramatic sketch of the proposed installation?

A That's right.

Q And there is also a market available for that gas?

A That is correct.

MR. ADAMS: I think that's all.

MR. SPURRIER: Is there any question of this witness in this case? If not, the witness may be excused.

If there is no further comment, the case will be taken under advisement.

____o____

CITIES
SERVICE

CITIES SERVICE OIL COMPANY

PRODUCERS-REFINERS-MARKETERS OF PETROLEUM PRODUCTS

BARTLESVILLE
OKLAHOMA

November 24, 1952

Case 460

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Attention: Mr. R. R. Spurrier

Dear Dick:

Enclosed herewith are four copies each of the application of the Cities Service Oil Company requesting authorization to dually complete State "S" No. 1 well, located in the Drinkard Pool so as to produce gas from the Blinebry and oil from the Drinkard, and an application requesting authorization to dually complete its State "S" No. 2 well so as to produce gas from the Tubbs and oil from the Drinkard.

Copies of these applications are being sent to all operators who have leases either directly or diagonally offsetting the State "S" lease of Cities Service. If it is at all possible, it will be appreciated if these two cases are set for hearing on December 16th as this will save our representatives the time and expense of an extra trip. It is, however, realized that this is short of the 30 days time required by the Commission in filing applications, but in view of the fact that we are notifying offset operators of our application, we felt that there might be a possibility of the Commission waiving its rule in this instance.

With kindest personal regards, I am

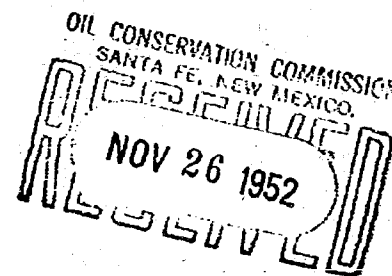
Sincerely,



R. E. Adams
Proration Engineer

REA:lk

Enc.





CITIES SERVICE OIL COMPANY

PRODUCERS-REFINERS-MARKETERS OF PETROLEUM PRODUCTS

BARTLESVILLE
OKLAHOMA

Case 460

November 24, 1952

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

Re: Application to Dually Complete
Cities Service Oil Company's
State "S" No. 1 Well, Drinkard
Field, Lea County, New Mexico

Gentlemen:

By means of this application, Cities Service Oil Company wishes to state the following:

1. That Cities Service Oil Company's State "S" No. 1 Well, located in the SW/4 of the NW/4 of Section 15, T21S, R37E, Lea County, was completed May 23, 1948, at a total depth of 6669 feet. Five and one-half inch production casing was set at 6625 feet. That said well is currently producing as an oil well in the Drinkard formation from ~~6650~~ to 6669 feet through casing perforations and open hole.
6550
2. That attached Exhibit "A" shows the location of said well, other wells on the same lease, and the ownership and location of all the offset wells to Cities Service Oil Company's State "S" lease.
3. That applicant proposes to dually complete said well to produce oil from the Drinkard formation through the tubing, and gas from the Blinebry formation through the tubing-casing annulus in the following manner:
 - a. Perforate the 5½-inch casing from 5560 to 5695 feet opposite the Blinebry formation.
 - b. Set a production type packer below the casing perforations.That the manner and method of the proposed dual completion is shown on the attached diagramatic sketch marked as Exhibit "B".
4. That an electric log of said State "S" Well No. 1 is attached hereto marked as Exhibit "C".
5. That the granting of this application for permission to produce the well as a dual completion with oil from the Drinkard formation and gas from the Blinebry formation is in the interest of conservation and the protection of correlative rights.
6. That applicant will comply with all rules and regulations of the New Mexico Oil Conservation Commission to maintain separation of production from the two pay zones.
7. That the manner and method of the proposed dual completion is

Page 2, Nov. 24, 1952

mechanically feasible and practical.

8. That copies of this application have been sent to the operators of all leases directly or diagonally offsetting the said State "S" lease of applicant.

Therefore, Cities Service Oil Company respectfully requests that the New Mexico Oil Conservation Commission set a certain day upon which this application may be heard, and after said hearing to grant permission in order that applicant may dually complete its State "S" Well No. 1 so that oil from the Drinkard formation may be produced through the tubing, and gas from the Blinebry formation through the casing-tubing annulus.

Respectfully submitted,

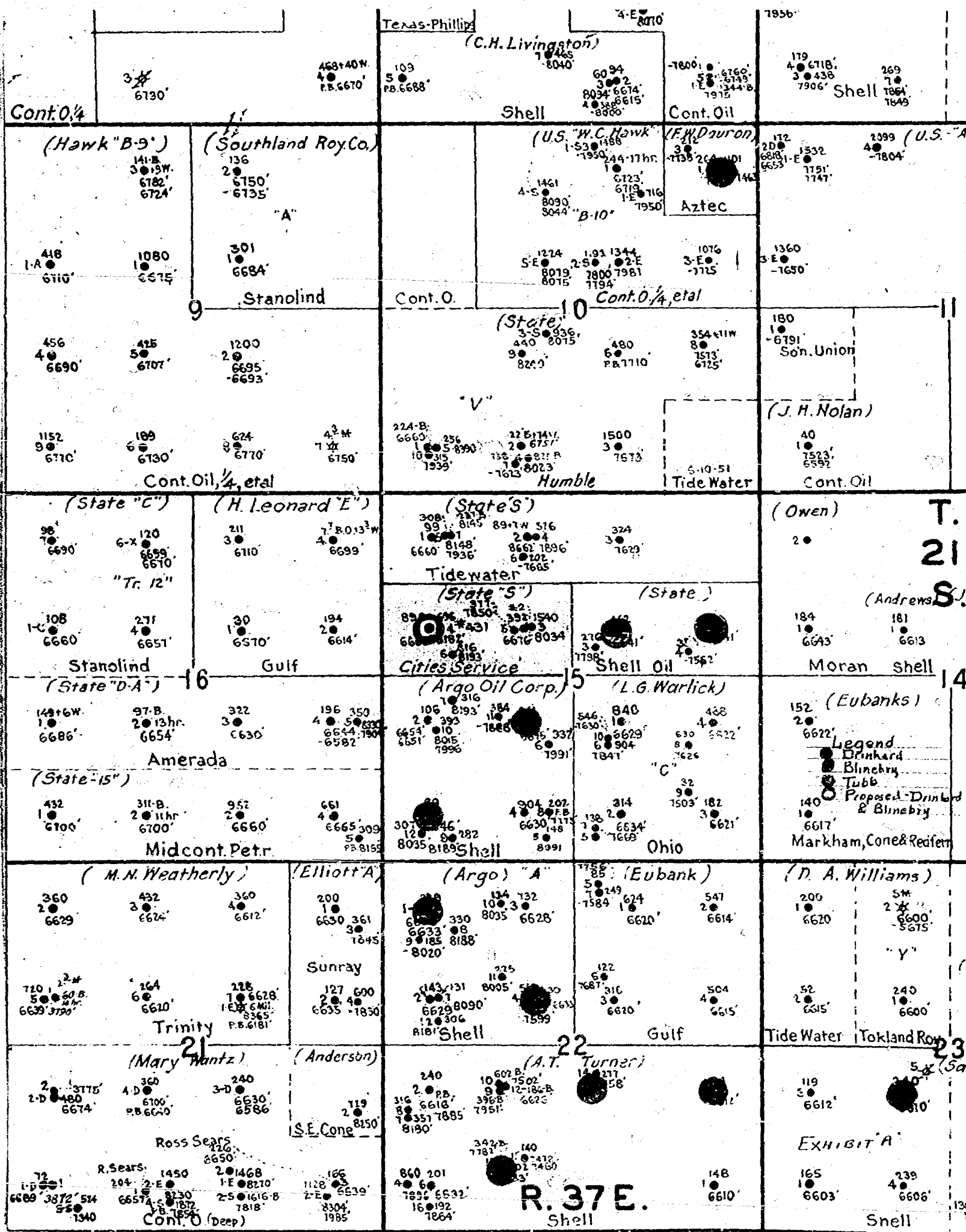
CITIES SERVICE OIL COMPANY

By



R. E. Adams
Proration Engineer

REA:lk



DIAGRAMATIC SKETCH SHOWING PROPOSED DUAL
GAS-OIL COMPLETION

COMPANY: Cities Service Oil
WELL: State "S" No. 1
GAS ZONE: Blinbry
OIL ZONE: Drinkard

Tubing set at 6665'
2" EUE to 6500'
2" Regular from 6500 to 6669'

NAME: Blinbry
PRODUCTION: Gas

Top of Drinkard Pay @ 6440'

Drinkard

Drinkard

Drinkard

TD 6669'

By Temperature survey
Top of Cement behind 5½" @ 4250'

This zone to produce through casing.
Perforate 5560' to 5695'

Otis side door choke
set @ 6495'

Baker Model D Production Packer
set at 6500'

Will produce through tubing.
Casing perforations 6550 to 6565'.

Will produce through tubing
Casing perforations 6580 to 6590'.

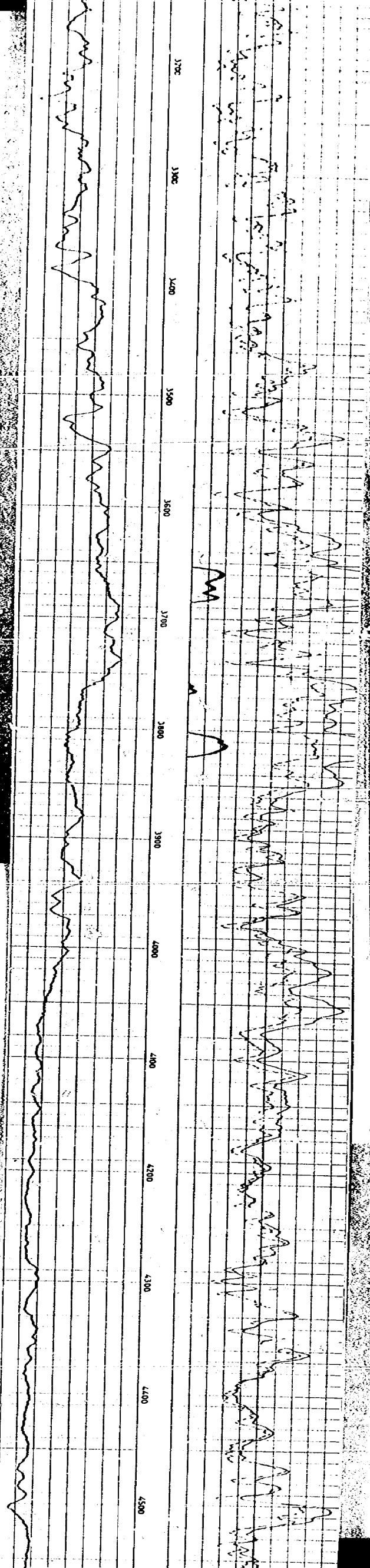
5½" casing set at 6625'

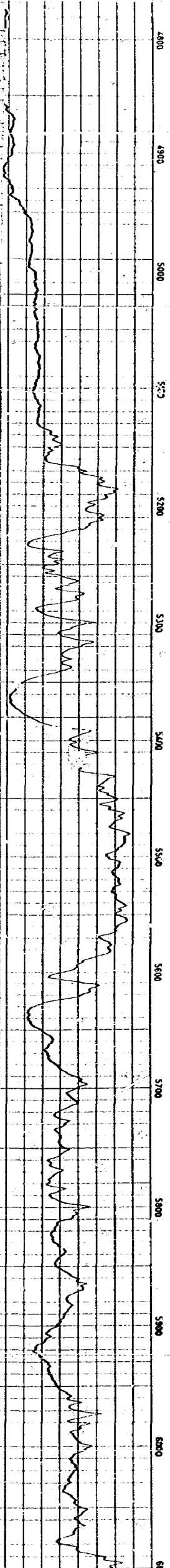
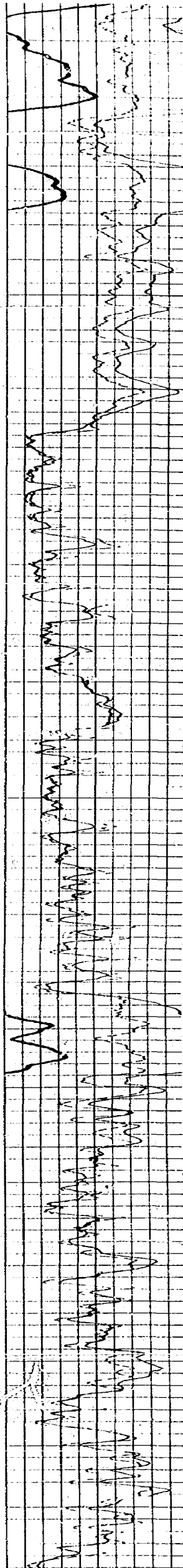
Will produce from open hole
from 6625' to 6669'

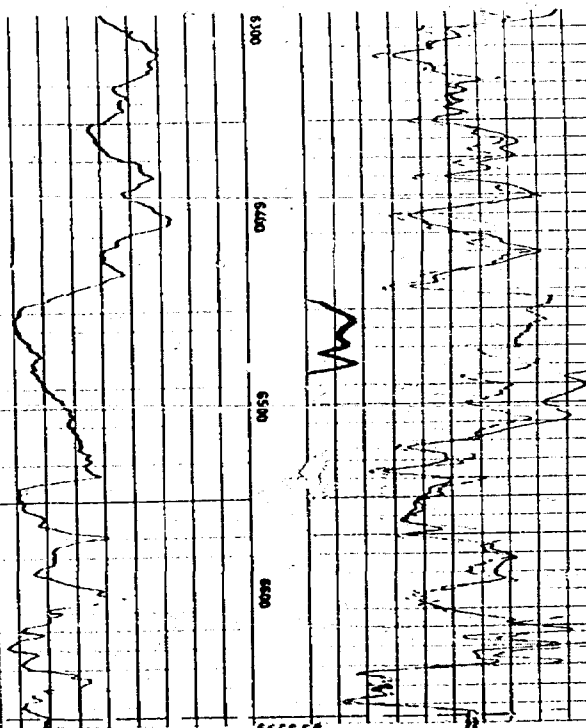
EXHIBIT B

REPRODUCED BY
WEST TEXAS ELECTRICAL LOG SERVICE
 1305 Commerce Street
 Dallas 1, Texas
 REFERENCE No. 533-D

H U M B E R G E R																																																			
WELL SURVEYING CORPORATION																																																			
Location of Well 9301 FWL 6601 FWL Sec. 15-21S-17E		COMPANY, CITIES SERVICE OIL COMPANY WELL: STATE 5 #1 RUN NO. 1 FIELD: DINEARD LOCATION: SEC 15-21S-17E COUNTY: LEA STATE: NEW MEXICO FILING No.				COUNTY: LEA FIELD: DINEARD LOCATION: SEC 15-21S-17E WELL: STATE 5 #1 COMPANY: CITIES SERVICE OIL Co.																																													
Elevation X.B. D.F.A. 3675' or O.L.																																																			
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CITIES SERVICE OIL CO.
STATE S No 1
DRINKARD FIELD
LEA CO NEW MEXICO

EXHIBIT C