

Case No.

1741

Application, Transcript,
Small Exhibits, Etc.

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. 1741
Order No. R-1486

APPLICATION OF EL PASO NATURAL
GAS COMPANY FOR AN ORDER AUTHORIZ-
ING A GAS-GAS DUAL COMPLETION IN
THE AZTEC-PICTURED CLIFFS POOL
AND IN THE BLANCO-MESAVERDE POOL,
SAN JUAN COUNTY, NEW MEXICO, UTILIZ-
ING A RETRIEVABLE-TYPE PACKER

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 19, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 14th day of September, 1959, the Commission, a quorum being present, having considered the application the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, El Paso Natural Gas Company, is the owner and operator of the Hancock Well No. 4, located in the SW/4 SW/4 of Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

(3) That the applicant proposes to dually complete said Hancock Well No. 4 in such a manner as to produce gas from the Aztec Pictured Cliffs Pool and to produce gas from the Blanco-Mesaverde Pool through the casing-tubing annulus and through 2-inch EUE tubing, respectively, effecting separation of the zones in the well bore by means of a Baker Model "EGJ" retrievable-type packer to be set at 3401 feet.

Case No. 1741
Order No. R-1485

(4) That the temperature expected to be encountered at 3401 feet in said Hancock Well No. 4 is approximately 103 Fahrenheit, and the proposed packer should be able to efficiently withstand a temperature of this magnitude.

(5) That the pressure differential between the two producing zones in the subject well is approximately 272 psi, which differential the Baker Model "EGJ" packer should be able to withstand; further, that said differential should be adequate to actuate the hydraulic hold-down buttons on said packer.

(6) That the weight of the tubing string above the proposed packer setting-depth should be adequate to hold said packer in place.

(7) That while said packer is not of a drillable nature, it can be milled out, which operation the applicant has expressed a willingness to undertake should the necessity arise.

(8) That the testimony indicates that the producing characteristics of each zone in the proposed dual completion are such that there will be no significant tubing movement which would tend to unseat said packer.

(9) That packer-leakage tests should be conducted on the subject well semi-annually.

IT IS THEREFORE ORDERED:

That the applicant, El Paso Natural Gas Company, be and the same is hereby authorized to dually complete its Hancock Well No. 4, located in the SW/4 SW/4 of Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Aztec-Pictured Cliffs Pool and the production of gas from the Blanco-Mesaverde Pool through the casing-tubing annulus and through 2-inch EUE tubing respectively, effecting separation of the Zones in the well bore by means of a Baker Model "EGJ" retrievable-type packer to be set at 3401 feet.

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

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Deliverability Test Period for the Blanco-Mesaverde Pool. Applicant shall also take packer-leakage tests semi-annually midway between the aforesaid Deliverability Test Periods.

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Case No. 1741
Order No. R-1485

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.

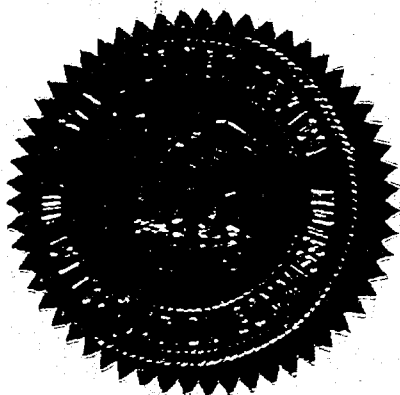
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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



lcr/

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

September 15, 1959

Mr. Oliver Seth
Box 828
Santa Fe, New Mexico

Dear Mr. Seth:

On behalf of your client, El Paso Natural Gas Company,
we enclose two copies of Order No. R-1485 issued by
the Oil Conservation Commission on September 14, 1959
in Case No. 1741.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

lr/

enclosures

*Copy to
Hobbs & Aztec*

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DOCKET: EXAMINER HEARING AUGUST 19, 1959

Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

The following cases will be heard before Daniel S. Nutter, Examiner, or A. L. Porter, Jr., Secretary-Director.

CONTINUED CASE

CASE 1683: (Continued)
Application of Gulf Oil Corporation for a non-standard gas proration unit and for an order force pooling the interests therein. Applicant, in the above-styled cause, seeks the establishment of a 477-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 and the SE/4 of Section 19, Township 19 South, Range 37 East, Lea County, New Mexico, to be dedicated to applicant's B. V. Culp "A" Well No. 3, located 1980 feet from the North and West lines of said Section 19. Applicant further seeks an order force pooling the interests of those in said non-standard gas proration unit who have gas rights within the vertical limits of the Eumont Gas Pool.

NEW CASES

CASE 1739: Application of Shell Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Henshaw Deep Unit Agreement comprising 4824 acres, more or less, of Federal and State lands in Township 16 South, Ranges 30 and 31 East, Eddy County, New Mexico.

CASE 1740: Application of Shell Oil Company for two salt water disposal wells. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water into the Queen Formation through its Allen Estate Well No. 3, located in the SE/4 SE/4 of Section 27 and through its Record Well No. 1, located in the NW/4 SW/4 of Section 26, both in Township 19 South, Range 35 East, Lea County, New Mexico. The proposed injection interval in said Allen Estate Well No. 3 is from 4900 feet to 4918 feet and the proposed injection interval in said Record Well No. 1 is from 4870 feet to 4884 feet.

CASE 1741: Application of El Paso Natural Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Hancock Well No. 4 in the SW/4 SW/4 of Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico, in such a manner as to produce gas from the Aztec-Pictured Cliffs Pool and to produce gas from the Blanco-Mesaverde Pool through the casing-tubing annulus and tubing respectively. Applicant proposes to utilize a retrievable-type packer in said well.

CASE 1742: Application of El Paso Natural Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its San Juan 27-4 Unit Well No. 21, located in the NW/4 NE/4 of Section 30, Township 27 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to produce gas from the Tapacito-Pictured Cliffs Pool and to produce gas from the Blanco-Mesaverde Pool through the casing-tubing annulus and the tubing respectively. Applicant proposes to utilize a retrievable-type packer in said well.

- CASE 1743: Application of Newmont Oil Company for an unorthodox water injection well location. Applicant, in the above-styled cause, seeks an order authorizing it to reopen and utilize for water injection a well located on an unorthodox location at a point 1620 feet from the North line and 1020 feet from the West line of Section 32, Township 16 South, Range 31 East, Square Lake Pool, Eddy County, New Mexico.
- CASE 1744: Application of Cities Service Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Drickey Queen Sand Unit embracing 5242 acres, more or less, of Federal, State and fee lands in Townships 13 and 14 South, Range 31 East, Caprock-Queen Pool, Lea and Chaves Counties, New Mexico.
- CASE 1745: Application of Phillips Petroleum Company for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to transfer the custody of oil produced on the West Ranger Unit comprising certain acreage in Township 12 South, Range 34 East, Ranger Lake-Pennsylvanian Pool, Lea County, New Mexico.
- CASE 1746: Application of Skelly Oil Company for an oil-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Mexico-Fed. "A" Well No. 1, located 1650 feet from the South line and 990 feet from the East line of Section 1, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, in such a manner as to produce oil from an undesignated Gallup pool and to produce gas from an undesignated Dakota pool through parallel strings of tubing.
- CASE 1747: Application of George L. Buckles Company for a non-standard oil proration unit. Applicant, in the above-styled cause, seeks the establishment of a 49.82-acre non-standard oil proration unit in an undesignated Delaware pool consisting of lots 1 and 2 of section 34, Township 26 South, Range 32 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Elliott-Federal Well No. 1, located 330 feet from the South and East lines of said Section 34.
- CASE 1748: Application of Magnolia Petroleum Company for an automatic custody transfer system and for permission to produce more than 16 wells in a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to transfer custody of oil from all Horseshoe-Gallup oil wells on its Navajo "A" Lease comprising certain acreage in Township 31 North, Range 17 West, San Juan County, New Mexico.

MAIN OFFICE *El Paso* Natural Gas Company *Aug 19*
EX Arg

1959 JUL 22 PM 1:15

El Paso, Texas

July 20, 1959

Case 1741

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

Gentlemen:

As soon as possible, please set for hearing our application for dual completion in the Pictured Cliffs and Mesa Verde producing intervals El Paso Natural Gas Company's Hancock No. 4, M-23, 28 North, 9 West.

The form, "Application for Dual Completion," and the diagrammatic sketch of the mechanical facilities in the well have been forwarded to you by our Farmington Office. This application is for dual completion with a retrievable type Baker Model EGJ production packer.

If there is any further information that you need prior to the hearing, please advise me.

Yours very truly,

D. H. Rainey

D. H. RAINEY
Administrative Assistant
Proration Department

DHR:jmh

12-5-59
8-4-59
llk

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO.

IN THE MATTER OF:
CASE 1741

TRANSCRIPT OF HEARING

AUGUST 19, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1741 Application of El Paso Natural Gas Company :
for a gas-gas dual completion. Applicant, in: :
the above-styled cause, seeks an order auth- :
orizing the dual completion of its Hancock :
Well No. 4 in the SW/4 SW/4 of Section 23, :
Township 28 North, Range 9 West, San Juan :
County, New Mexico, in such a manner as to :
produce gas from the Aztec-Pictured Cliffs :
Pool and to produce gas from the Blanco-Mesa- :
verde Pool through the casing-tubing annulus :
and tubing respectively. Applicant proposes :
to utilize a retrievable-style packer in said :
well. :

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: The hearing will come to order, please.
We will take next Case 1741.

MR. PAYNE: Case 1741 Application of El Paso Natural
Gas Company for a gas-gas dual completion.

MR. SETH: Mr. Garrett Whitworth, Mr. Oliver Seth
for El Paso.

MR. WHITWORTH: We have one witness, Mr. John Mason,
to be sworn.

(Witness sworn)

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

DIRECT EXAMINATION

BY MR. WHITWORTH:

Q Please state your name, by whom and in what capacity you are employed.

A John Mason, employed by the El Paso Natural Gas Company as a proration engineer.

Q Mr. Mason, have you previously testified before this Commission as an expert proration engineer?

A Yes, sir, I have.

MR. WHITWORTH: We ask that the witness' qualifications be accepted.

MR. NUTTER: Yes, sir.

Q You are familiar with El Paso Natural Gas Company's Hancock No. 4 Well and the application in this case, are you not?

A Yes, sir, I am.

Q What does El Paso seek by this application?

A El Paso seeks permission to use a retrievable-type packer in its Hancock No. 4 Well, which is actually completed in the Aztec-Pictured Cliffs and the Blanco-Mesaverde Gas Pools.

(Thereupon, El Paso's Exhibit No. 1 was marked for identification.)

Q I hand you a document which has been marked as El Paso's

Exhibit No. 1, and ask you to state what it is?

4

A Exhibit 1 is a plat showing the location of the Hancock No. 4. It shows the location to be 990 feet from the West line, 1090 feet from the South line in Section 23 of Township 28 North, Range 9 West.

Q Will you identify offset operators on that plat?

A El Paso Natural Gas is the offset operator in all instances surrounding this well.

(Thereupon, El Paso's Exhibit No. 2 was marked for identification.)

Q I hand you another document which has been marked as El Paso's Exhibit No. 2 and ask you to state what that is?

A Exhibit 2 is a schematic diagram of the equipment in the Hancock No. 4 Well. This diagram shows that the well is completed in this manner. It is 10 $\frac{3}{4}$ inch surface casing set at 174 feet, 7 $\frac{5}{8}$ inch production strings set at 3387. The 5 $\frac{1}{2}$ inch liner set from 3317 to 5716; shows the Pictured Cliffs formation to be perforated at various intervals between 3244 and 3302. Production from the Pictured Cliffs is through the casing-tubing annulus. There is 1 $\frac{1}{4}$ inch tubing landed at 3242 as a siphon string. Production from the Mesaverde is from perforations at various intervals between 5500 and 5636. Production is through 2 inch tubing which is landed at 5596. There is a Baker Model "EGJ" retrievable-type production packer set at 3401.

Q Now, what two zones are producing?

A The Pictured Cliffs and the Mesaverde.

Q Will you explain how this well is completed?

A The well is completed with the equipment as described in the schematic diagram, which is shown to be Exhibit No. 2.

Q Now, you've mentioned the Baker Model "EGJ" packer. What would you say are the advantages of this retrievable-type packer over a permanent type packer?

A Well, I might say in distinguishing between a permanent type packer and retrievable-type packer that the permanent type packer has two sets of slips within the packer body. These slips are so designed as to hold the packer in place against forces acting either from above or below. As the name implies, the permanent type packer becomes virtually a part of the casing itself and can be removed only by drilling out, and this idea of nonretrievability of the permanent type packer is a disadvantage in itself. Also the initial cost of a permanent type packer is greater than that on a retrievable packer.

Q Is this Baker "EGJ" type retrievable packer effective to prevent communication of gas between the two zones?

A It has been the experience of El Paso in the application of this packer and the wells it has been used in that it has performed very satisfactorily in segregating the two zones.

Q This type of packer has been used by El Paso in a number of instances before?

A Yes, sir, it has. I don't know the exact number, but

it has been used to quite some extent.

Q As to cost, to your knowledge, what is the advantage of this retrievable-type packer?

A I might say first, that the Baker Model "D" permanent type packer costs approximately nine hundred dollars to run it on a wire line. To run this same packer on tubing, the cost is approximately six hundred forty dollars. The Baker Model "EGJ" costs five hundred and seventy-eight dollars complete.

Q Now, does this retrievable-type packer work -- actually, would you explain that?

A This packer as used by El Paso embodies some of the same features of the permanent type packer in that it has a set of lower slips which prevent movement of the packer in the event of dominant forces from above the packer. Also it has a hydraulic button, hydraulic holddown assembly which is run in conjunction with the packer which prevents the upward movement of the packer in the event of downward dominant forces from the bottom. Differential pressure in favor of the tubing or in favor of the lower zone will accuate these buttons and prevent movement of the packer, prevent an upward movement of the packer.

Q This is set to be a retrievable-type packer. How is it retrieved?

A It is run in the casing string. In removing the packer there is a circulating valve run above the hydraulic holddown, and there is a sheering within the circulating valve in order to re-

move it, the packer weight is picked up on the tubing and thus sheering the sheering ring and circulating valves. That permits equalizations of pressures between the tubing and the casing which will in turn release the holddown buttons. Then by rotating the tubing at the surface, the slips may be withdrawn from the casing and in turn the packer retrieved in that manner.

Q Do you have any pressure temperature data with respect to this particular well?

A Yes, sir, I do. I have calculated bottom hole pressures for the Pictured Cliffs and for the Mesaverde formations, and also have temperatures of those zones. The calculated bottom hole pressure for the Pictured Cliffs is 840 PSI with a temperature of 101 degrees Fahrenheit. For the Mesaverde it is 1112 PSI with a 136 degrees Fahrenheit temperature. The temperature at the packer is 133 degrees. With these bottom hole pressures for the Pictured Cliffs and Mesaverde, we have a differential between those two pressures of 272 pounds. I might add that in order for the hydraulic holddown bottoms to effectively hold against the casing and prevent upward movement, a differential of 85 to 100 pounds is required.

Q Do you have potential pressure data?

A Yes, sir, I do. On the Pictured Cliffs formation tested on a three hour with 3/4 inch tested 3,197 MCF per day, with a calculated absolute open flow of 3,596 MCF per day. It had a shut-in pressure at the wellhead of 773 PSI. The Mesaverde tested

on three hours with three-quarter inch choke tested 3,677 MCF per day. Calculated open flow was 5,694 MCF per day, that had a shut-in pressure at the wellhead of 845 PSIA.

Q Do you have a log on this well?

A Yes, sir, I do.

MR. WHITWORTH: Will you mark that as El Paso's Exhibit No. 3?

(Thereupon, El Paso's Exhibit No. 3 was marked for identification.)

Q Will you explain to the Examiner what this log shows?

A This is a standard electrical log of the Hancock No. 4 Well, which shows the tops and the bottoms of the pay zones and perforated intervals within the pay zones.

Q In your opinion, would the granting of this application prevent waste?

A Yes, sir, it would.

Q Would it violate or prejudice correlative rights?

A No, sir.

Q Were El Paso's Exhibits 1, 2 and 3 prepared by you or under your supervision?

A Exhibits 1 and 2 were prepared by our Farmington Engineering Office at my request. Exhibit 3 is an electrical log that was run by Schlumberger

MR. WHITWORTH: We ask that El Paso's Exhibits 1, 2 and 3 be admitted in evidence.

~~MR. NUTTER: El Paso's Exhibits 1, 2 and 3 will be~~

entered.

(Thereupon, El Paso's Exhibits Nos. 1, 2 and 3 were received in evidence.)

Q In the event that this application is granted, would El Paso be willing to conduct whatever tests the Commission determines appropriate and necessary?

A Yes, sir, we would, and I might add that this well is equipped to -- so that we can conduct any tests desired.

Q Is there anything else that you would like to add to your testimony, Mr. Mason?

A No, sir.

MR. WHITWORTH: That's all we have.

MR. NUTTER: Any questions of Mr. Mason?

MR. PAYNE: Yes, sir.

MR. NUTTER: Mr. Payne.

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Mason, how do you decide what type packer you are going to use in a dual and who decides?

A The decision is usually made by our drilling superintendent, I believe, in our Farmington office.

Q Do you know what he takes into consideration in determining what type packer he feels is best for the particular well?

A Well, yes. I'm sure that he takes into consideration the pressures that they expect to encounter, the pressures and

the temperatures and then on that basis determines whether or not the packer -- what packer he can use at the cheapest cost to effectively provide for separation between the two zones. Now, of course, his decision, too, is based on what the packer people recommend under certain circumstances.

Q Well, now, in view of your last statement there, does Baker recommend this "EGJ" packer to be used in dual completions?

A Yes, sir, they do.

Q And their literature indicates that it effectively separates the two producing horizons?

A I'm not sure there is any special reference or particular reference in their literature as to separation. I believe their literature states that packer with a holddown buttons is to be used -- is recommended for use where below packer pressure is higher than below packer pressure is to be encountered.

Q Is it pressure differential that activates the hold-down buttons?

A That is correct.

Q What happens if the pressure equalizes?

A Well, in that event the force is acting upward and downward, then the packer itself will become equal and then the weight of the tubing itself will hold the packing element in compression and hold the packer down.

Q So that even if there is no pressure differential between the two zones, the packer will still effectively separate

the two zones?

A That is correct. I might add here that the tubing weight required to expand the packing element on the "EGJ" is approximately 6,000 pounds. We usually set down on that weight, on the packer with approximately 12,000 to 14,000 pounds, which should keep the packing element in compression and afford the seal that is required.

Q Do you have any problem with the tubing moving in the casing?

A No, sir, there has been, to my knowledge, no problems.

Q Now, does Baker in their literature -- do they set a specific temperature --

A I'm not sure the literature specified a temperature, but their representative in Farmington has told me that they do not recommend the use of this packer at temperatures over 200 degrees Fahrenheit.

Q Over 200?

A And El Paso in the past has been limited to temperatures not in excess of 120 degrees.

Q And this one is 103 degrees Fahrenheit at the packer?

A Yes, sir, that is correct.

MR. PAYNE: That's all. Thank you.

MR. NUTTER: Any further questions of Mr. Mason?

QUESTIONS BY MR. NUTTER:

Q Now, Mr. Mason, you said when you go to withdraw this

retrievable packer from the well, that you sheer off this pin and then you rotate your tubing to remove the tubing, right?

A I say that you will sheer the pin in the circulating valve which will permit circulation between the casing tubing.

Q And that releases the hydraulic holddown buttons?

A That is correct.

Q And these lower slips, how are they --

A They are released by locating the tubing at the surface.

Q What direction do you rotate the tubing?

A I believe it is to the right.

Q And you've experienced no tubing movements with the flow of gas from the Pictured Cliffs or Mesaverde?

A To my knowledge, they have not.

Q Now, you stated that a Model "D" cost nine hundred dollars on a wire line or six hundred forty dollars run on tubing, is that correct?

A Yes, sir.

Q And "EGJ"?

A "EGJ" five seventy-eight.

Q Five seventy-eight complete?

A Yes, sir.

Q What is the difference between those two costs?

A Well, to run on the tubing and on the wire line, I mean on the tubing, the difference would be about fifty-two dol-

lars. That is the initial cost there.

Q And how much does one of these dual completions cost total?

A I think the dual completion in the Mesaverde runs somewhere in the neighborhood of a hundred thousand dollars. I am not positive about that. That does appear to be an insignificant amount. However, the company has experienced the necessity of working over these two zones in the basin quite a bit, and the difference in the price to workover a well is substantial or the company feels that there is a considerable difference in having to move a rig and drill out a permanent type packer or to move a pulling unit merely to pull the tubing with the packer.

Q What kind of workovers are generally required? Aren't some of these workovers, a large percentage of them, of a nature that could be performed right through the packer?

A I'm sure they are, some of them. It is likely they could be performed through the packer.

Q So in many instances you probably wouldn't have to drill off that packer to work the lower zone?

A That is possible, that's true.

QUESTIONS BY MR. PAYNE:

Q Mr. Mason, does Guiberson make a permanent type packer?

A I believe they do, yes, sir.

Q Do you know the cost of that?

A No, sir, I don't.

Q As a matter of company policy -- let me ask you this first. Most of the difficulties you encounter with a packer, you encounter initially, don't you?

A Not necessarily. It might be at a later date when you attempt to pull a packer or attempt a workover operation, there may be the necessity of pulling packers at that time, and then you may encounter some difficulty.

Q Now, when you retrieve some of these packers, as a matter of company policy, do you put in what I'll call new stuffing?

A Yes, sir, they do. As a matter of policy, they re-dress these packers.

MR. PAYNE: Thank you.

QUESTIONS BY MR. NUTTER:

Q What would you do in the event one of these retrievable packers wouldn't retrieve?

A Well, it can be milled out. I mean it is not made of drillable packer, but it can be milled out, and it is my understanding that the company is willing to do that should the necessity arise.

Q I see.

MR. NUTTER: Any further questions of Mr. Mason? He may be excused.

(Witness excused)

MR. NUTTER: Do you have anything further, Mr. Whitworth?

MR. WHITWORTH: Not in this case.

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
Phone CHapel 3-6691

MR. WHITWORTH: Not in this case.

MR. NUTTER: Does anyone have anything to offer in Case 1741? We will take the case under advisement and take Case 1742.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 5th day of September 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Joseph A. Trujillo
NOTARY PUBLIC

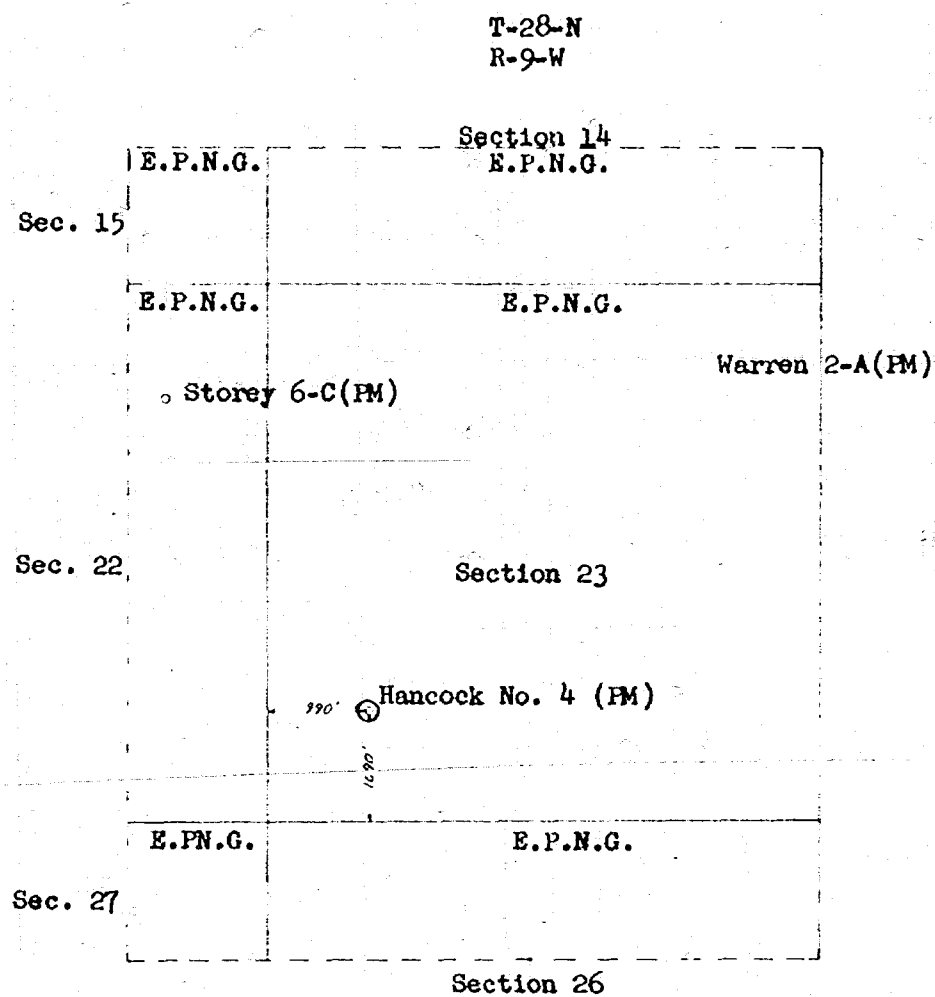
My Commission Expires:

October 5, 1960

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1741 heard by me on 8-19, 1959.

[Signature]
New Mexico Oil Conservation Commission

PLAT SHOWING LOCATION OF DUALY COMPLETED
El Paso Natural Gas Co. Hancock No. 4 (FM)
and Offset Acreage



BEFORE EXAMINER NUTTER
CONSERVATION COMMISSION
EPNG EXHIBIT NO. 1
CASE NO. 1741

FORM 7-132R (10-56)

EL PASO NATURAL GAS COMPANY EL PASO, TEXAS		
SCALE	DATE	No. EX. 1
DRAWN BY	CHECKED BY	

Schematic Diagram of Dual Completion
El Paso Natural Gas Co. Hancock No. 4 (PM)
SW/4 Section 23, T-28-N, R-9-W

Dual String
Xmas Tree

Zero Reference Point 10.0' Above top Flange
of Tubing Hanger.

10 3/4", 32.75#, S. W. casing set at 174' with 120 sacks cement
circulated to surface.

Top of cement by temperature survey at 2635'.

1 1/4", 2.4# tubing landed at 3242' as a siphon with seating nipple
at 3208'.

Pictured Cliffs perforations 3244-3254; 3270-3284; 3292-3302 (2 SPF)
fractured with water and sand.

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2P
CASE NO. 1741

2", 4.7#, J-55 tubing landed at 5596' with tubing perforations at
5561-5564'.

Top of 5 1/2" liner hanger at 3317'. Top of cement at 3317'. Top
of liner squeezed with 100 sacks cement.

7 5/8", 26.40#, J-55 casing set at 3387' with 114 sacks cement.

Baker "EGJ" Production packer set at 3401'.

Point Lookout perforations 5500-5510; 5524-5534; 5574-5584; 5592-5606;
5624-5636 (2 SPF) fractured with water and sand.

5 1/2", 15.50# J-55 liner set from 3317' to 5716' with 309 sacks
cement.

T.D. 5737'