

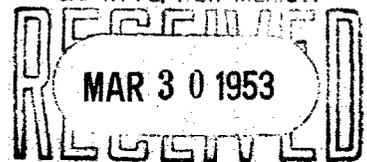
BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

TRANSCRIPT OF HEARING

CASE NO. 518

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO



ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 12, CROMWELL BLDG.
PHONES 7-9648 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

In the Matter of:

Tide Water Associated Oil Company's appli-
cation for permission to dually complete
its State "S" Well No. 2, NE NW, 15-21S-37E,
Lea County to permit production of oil or
gas from the Tubb zone and gas from the
Blinebry.

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TRANSCRIPT OF HEARING

(Notice of Publication read by Mr. Graham.)

MR. HOLLOWAY: J. B. Holloway, representing Tide Water
Associated Oil Company.

Tide Water's State "S" Well No. 2 is located in the NE/4 of
the NW/4 of Section 15, Township 21 South, Range 37 East, N. M. P.
M., Drinkard Pool, Lea County, New Mexico. It was completed in
November, 1948, as an oil well, producing from the Drinkard forma-
tion, from open hole (6630-6662') and from casing perforations
(6565-6615'). Five and one-half inch casing was set at 6630 feet
and cemented with 500 sacks. The well drilled through the
Blinebry Gas Zone (5585-5720') and the Tubbs Gas Zone (6115'-6270').

After being acidized with 3500 gallons the well on initial
potential test, flowed at the rate of 158 barrels of oil per day.
Within a week the well was capable of producing only 27 to 30
barrels of oil daily. At this time the well produces, by heading,
approximately 190 barrels of oil per month, which is all the oil
that comes into the well. There appears to be a very poor devel-

opment of productive Drinkard formation in this immediate area. Humble Oil and Refining Company's State "V" No. 2, the direct north offset, was never successfully completed for Drinkard production, and was plugged and abandoned. Humble recently by Order No. R-247 was authorized to re-enter this well and dually complete it for production of oil or gas from the Tubbs zone and gas from the Blinebry. It is a similar authorization that we are seeking here.

In our opinion the continued operation of a well of this depth for a production of 6 or 6½ barrels of oil a day is hardly economic. Revenue for both the royalty interest and the operator can be increased substantially by recompleting the well for production and sale of gas.

We propose to set a cement plug and seal off and abandon the oil production from the Drinkard zone, then to dually complete the well for production of gas or oil from the Tubbs gas zone through the tubing, and gas from the Blinebry formation through the annular space between the casing and tubing. We believe it is practical and feasible to do this by proper perforations and the installation of proper packer and well head connections, and in such manner that there will be no commingling of fluids between the two reservoirs.

We further represent that the granting of this application would be in the interest of conservation and correlative rights.

With our application, a copy of which was forwarded to all offset operators, we included a plat showing our State "S" lease and surrounding properties; the well proposed for dual completion;

and also indicated by color, wells in the vicinity which the Commission has authorized to be dually completed in either the Tubbs or the Blinebry. Also was included an electric log of the well and a diagrammatic sketch showing the proposed recompletion.

Upon actual dual completion we will promptly submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete the seal between the strata, and a special report of production, gas-oil ratio and reservoir pressure determination of each producing zone. We will make any and all tests required by the Commission and in all ways comply with its rules and regulations to maintain separation of production from the different pay zones.

That is all I have, Mr. Chairman, unless you would like a duplicate of these exhibits that I had attached.

MR. SPURRIER: No. Are there any questions of the witness. Any comment in the case? If not the witness may be excused. We will take the case under advisement.

STATE OF NEW MEXICO)
 : SS.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, hereby certify that the above and foregoing transcript of proceedings in Case No. 518, taken before the Oil Conservation Commission on March 17, 1953, at Santa Fe, New Mexico, is a true and correct record.

Dated in Albuquerque, New Mexico, this 25th day of March, 1953.


Notary Public

My Commission Expires:
June 19, 1955.