

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
November 20, 1957

IN THE MATTER OF
CASE NO. 1351

TRANSCRIPT OF PROCEEDINGS

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3-6691 2-2211

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
November 20, 1957

 IN THE MATTER OF:)
)
 Application of Amerada Petroleum Corp-)
 oration for approval of a 240-acre non-)
 standard gas proration unit in the Eum-)
 ont Gas Pool, Lea County, New Mexico.)
 Applicant, in the above-styled cause,)
 seeks an order establishing a 240-acre)
 non-standard gas proration unit in)
 the Eumont Gas Pool consisting of the)
 SE/4 of Section 34, and the N/2 SW/4)
 of Section 35, all in Township 20)
 South, Range 36 East, Lea County, New)
 Mexico, said unit to be dedicated to)
 the applicant's L. W. White No. 1)
 Well located 660 feet from the South)
 line and 660 feet from the East line of)
 said section 34.)

CASE NO.
1351

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Next case on the docket will be Case 1351.

MR. COOLEY: Case 1351. Application of Amerada Petroleum Cor-
poration for approval of a 240-acre non-standard gas proration
unit in the Eumont Gas Pool, Lea County, New Mexico.

MR. KELLAHIN: I am Jason Kellahin of Kellahin and Fox, rep-
resenting the applicant. We have one witness, Mr. McBryde.

O. C. McBRYDE, JR.

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Will you state your name, please?

A I am. O. C. McBryde, Jr.

Q How do you spell that, Mr. McBryde?

A Capital Mc, Capital B-r-y-d-e.

Q By whom are you employed, Mr. McBryde?

A I am employed by Amerada Petroleum Corporation.

Q In what position? A Petroleum engineer.

Q And what district are you in, Mr. McBryde?

A Monument district.

Q And is that in the area covered by this application?

A Yes, sir.

Q Have you previously testified before the Oil Conservation Commission and had your qualifications as an expert witness accepted?

A Yes.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. UTZ: They are acceptable.

Q Mr. McBryde, are you familiar with the application in Case No. 1351?

A Yes, sir, I am.

Q Now, referring to what has been marked as Exhibit No. 1, will you state what that shows?

A Exhibit 1 is an ownership map of a portion of the Eumont Gas Pool in Lea County, New Mexico. On that exhibit we have shown contours on top of what we call Zone 1, which is about 40 feet

below the top of the Yates. We have also circled all of the gas wells located on this plat, and with the solid red line I have shown the existing gas unit, and with the dashed red line I have shown the gas, the area that we propose to dedicate to the well.

Q Now, based upon the location of offsetting gas wells and the contours, Mr. McBryde, have you formed a conclusion as to whether all of the acreage which you propose to dedicate to your well may be presumed to be productive of gas?

A Yes, I think that all of the area is productive of gas.

Q Now, in connection with the ownership of offsetting acreage, was notice of this hearing sent to all of them by Amerada?

A Yes, sir, it was.

Q Now, referring to what has been marked as Exhibit No. 2, would you state what that is?

A Exhibit 2 is a west-east electric log cross section of a portion of the Eumont Gas Pool.

Q Are those the wells which are shown connected by a dash line on Exhibit No. 1 within the proposed unit?

A That is right.

Q And what wells are included in the proposed unit?

A On the left hand side of Exhibit 2 we have Amerada's L. W. White's No. 1, the next well is Amerada's Ida White No. 2, and the last well on the right hand side is Amerada's Ida White No. 1.

Q Now, in connection with Exhibit No. 2, will you describe the completion of the L. W. White Well No. 1?

A L. W. White No. 1 was originally a dual completion, dual oil and gas completion within the Eumont Pool. The gas was produced out of the upper first Seven Rivers and the oil out of the lower first Seven Rivers and the upper part of the second Seven Rivers. The oil completion, however, has been abandoned, it is no longer producing. The gas completion though, is still producing.

Q Now, what is the completion of the Ida White Well No. 1 and 2?

A The Ida White No. 2, which is the center well on Exhibit No. 2, is an oil completion in the -- primarily in the Queen formation, although part of the perforations are in the lower second Seven Rivers. The Ida White No. 1 is an oil completion in the Queen formation.

Q Now, does Exhibit No. 2 show the perforations within the Eumont Pool in the L. W. White No. 1 Well?

A Are you speaking of the gas?

Q Yes, sir, the gas.

A Yes, sir, the gas zone is the upper part of the first Seven Rivers of the L. W. White No. 1.

Q And that well is completed, insofar as the gas is concerned, wholly within the limits of Eumont Pool? A Yes, sir.

Q Now, based upon the information available to you in connection with this Exhibit No. 2, can it be presumed that the entire acreage would be reasonably presumed to be productive of gas?

A Yes, I think so. If you will note, the zone correlates really

well across the area involved here, and I think from the logs we can see plainly that the area under the Ida White lease would be productive of gas in the upper First Seven Rivers zone.

Q And what is the separation between the gas zone and the oil zone in this area?

A It is several hundred feet, varies in both of the wells, it is more than a hundred feet.

Q It is more than a hundred feet in all of the wells, is that correct?

A Yes, sir.

Q Now, in your opinion, is the L. W. White Well capable of producing a 240-acre allowable under present proration allowables?

A Yes, sir, it is.

Q On what do you base that?

A We have an open flow potential which was taken in 1956, I believe, that showed the well capable of producing around eight million cubic feet of gas per day absolute potential.

Q Now, Mr. McBryde, in your opinion, would it be economical to dual one of the wells on the Ida White lease?

A I don't think it would be too economic.

Q Would it be economical if you have any other well to which that acreage can be dedicated?

A A No, sir, it would not. It would be much more economical to dedicate the acreage to the Ida White No. 1.

Q Would correlative rights of offset operators be impaired by dedicating this acreage, in your opinion?

A No, sir, I don't think so.

MR. KELLAHIN: That's all the questions I have.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. McBryde, your Ida White's Nos. 1 and 2 in the N/2 of the SW/4 of Section 35, did you say there were completed in the Eumont Gas Pool vertical limits?

A Yes, sir, they are within the vertical limits of the Eumont Gas Pool. However, they are oil wells.

Q You have 40 acres dedicated to each well?

A Yes, sir, that's right.

Q That would be to the two wells, then?

A Yes, sir.

MR. UTZ: Are there any other questions, Mr. Nutter?

BY MR. NUTTER:

Q Mr. McBryde, on your Exhibit No. 2, the L. W. White No. 1 indicates a packer at 3740, is that correct?

A That is right. We have seven inch casing in that well and three inch tubing. The gas completion is now producing through the annulus between that three inch tubing and seven inch casing, and when we were producing the oil completion, we had one and a half inch tubing inside the three inch tubing with a packer set at the place that I have marked. But right now, the oil completion is shut in. It is abandoned.

Q At what point is the well abandoned, at the packer?

A Below the packer.

Q Below the packer? A Yes, sir.

Q These old perforations in the lower part of the First Seven Rivers zone are now completely isolated and shut off, is that right?

A Yes, sir, that's right.

MR. NUTTER: Thank you.

MR. UTZ: Any further questions?

BY MR. COOLEY:

Q Mr. McBryde, if you can't answer this question, just say so. Do you have any idea whether Amerada intends to communitize these two leases for Eumont gas production?

A The Ida White and L. W. White?

Q Yes.

A We own all of working interest.

Q I understand that, but the royalty ownership is not common?

A No, it is not common, but we will communitize that, I am certain.

MR. COOLEY: Thank you, that's all.

MR. UTZ: Are there any further questions? The witness may be excused.

(Witness excused)

MR. UTZ: Are there any statements in Case 1351? If not, the case will be taken under advisement, and the hearing is adjourned.

