

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1659

TRANSCRIPT OF HEARING

MAY 6, 1959

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BEFORE THE
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IN THE MATTER OF: :

CASE 1659 Application of Tidewater Oil Company for an :
oil-oil dual completion. Applicant, in the :
above-styled cause, seeks an order authoriz- :
ing the dual completion of its A.B.Coates :
"C" Well No. 9 located in the NW/4 SE/4 of :
Section 24, Township 25 South, Range 37 :
East, Lea County, New Mexico, in such a man- :
ner as to permit the production of oil from :
the Justis-Drinkard Pool and the production :
of oil from the Justis-Ellenburger Pool :
through parallel strings of 2-3/8 inch tub- :
ing. :

BEFORE:

Elvis A. Utz, 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. UTZ: The hearing will come to order, please. The next case on the docket will be Case 1659.

MR. PAYNE: Case 1659. Application of Tidewater Oil Company for an oil-oil dual completion.

MR. FEDERICI: I am William Federici of Seth, Montgomery, Federici & Andrews, Santa Fe, New Mexico, representing Tidewater Oil Company in Case No. 1659, which is an application for an oil-oil dual completion. There are no amendments or changes to the application as filed. We have one witness and two Exhibits. This is Mr. R. N. Miller.

(Witness sworn)

MR. UTZ: Are there other appearances to be made in this case? If not, you may proceed, Mr. Federici.

ROBERT N. MILLER,

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

DIRECT EXAMINATION

BY MR. FEDERICI:

Q Will you state your name, please?

A Robert N. Miller.

Q And what is your position with Tidewater?

A Area petroleum engineer in Hobbs, New Mexico.

Q How long have you been with Tidewater?

A Nine years.

Q Have you appeared as a witness before this Commission?

A Yes, sir, I have.

Q On several occasions?

A Yes.

MR. FEDERICI: Are the witness' qualifications satisfactory?

MR. UTZ: Yes, sir, they are.

Q Are you familiar with the application in Case No. 1659?

A Yes, sir, I am.

Q And are you familiar with the area involved in the

application and the well and the drilling and production?

A Yes, sir.

Q Do you have some Exhibits?

A Yes, we have two Exhibits, one of the lease and --

Q Will you explain -- excuse me -- you want to mark those first?

MR. UTZ: Go right ahead.

Q Will you explain to the Examiner the purpose of the application and the proposed dual completion?

A The purpose of the application is to effect a dual in Tidewater's A. B. Coates "C" Well No. 9 in the Drinkard and Ellenburger pays and the Justis-Multi Pools area.

The application asked for permission to dually complete the wells using two parallel strings of 2-3/8 inch tubing. Would you like those Exhibits to be explained at this time?

Q Explain the Exhibits, yes.

A Exhibit No. 1 shows the location of Tidewater's A. B. Coates "C" lease in Section 24, Township 25 South, Range 37 East, in Lea County, the other leases within that Section and the offset operators. A square marked in red in the NW/4 of the SE/4 of Section 24 shows the 40 acres proposed to be dedicated to Tidewater's A. B. Coates "C" Well No. 9.

Q Exhibit --

A Exhibit 2 is a diagrammatic sketch of the dual completion. The well was spudded on November the 5th, 1957, and

drilled to a total depth of 8,075 feet. Drilling was completed on December 31 of '57 in the Ellenburger. It was 13 and three-eighths inch casing set at 536 feet, and cemented to the surface; 9 and five-eighths inch casing set at 3,363 and cemented to the surface; 7 inch casing set at 7,950, cemented back to 5,630. The well was completed from open hole section 7950 to 8,075 in the Ellenburger with initial potential test of 423 barrels of 43 gravity oil, no water, in six hours on a half inch choke with a gas-oil ratio of 1090 to 1. The well was then recompleted as a dual last month by perforating the Drinkard zone from 5910 to 5936, the two zones being isolated by a Baker Model D production packer set at 7697. The Drinkard tubing string is 2 and three-eighths, set in a Baker parallel tubing anchor at 6,001 feet. The natural production test of the Drinkard zone was 215 barrels with 36 degree gravity oil, no water, in twenty-four hours on a quarter inch choke with a gas-oil ratio of 650 to 1. The Ellenburger tubing is set at 8,037 feet, and the zone was not repotentialized after workover. The type packer used in this installation can effectively withstand differential in bottom hole pressure encountered, the Ellenburger being 3113 PSI, and the Drinkard being 2482 PSI, a differential of 641 pounds per square inch.

Q In your opinion, is the proposed dual completion installation in accordance with good engineering practices and principles?

A Yes, sir, it is.

Q And, in your opinion, is this a standard type dual completion used in the area in question?

A Yes, sir, it is.

Q Has this type of dual completion or dual operation proved successful in the field?

A Yes, sir. There have been a number of wells completed in the area in like manner.

Q Is the dual ~~technique~~ requested ~~in~~ ~~the~~ application recognized and accepted in general by the oil industry and other State regulatory agencies?

A Yes, sir.

Q Does this method which you request for dual completion possess any more possibility for leakage, communication or migration of the reservoir than any other accepted method?

A No, sir.

Q I think you have already stated this, but under the proposed method of dual completion, is it possible to make bottom hole pressures on each separate zone?

A Yes, sir, it is.

Q Will the proposed dual oil-oil completion promote conservation of oil and gas?

A Yes, sir, it will, and also prevent economic waste by saving in the neighborhood of sixty thousand dollars, preventing a second well.

Q And protect correlative rights?

A Yes, sir.

Q Exhibits Nos. 1 and 2, were they prepared under your supervision?

A Yes, sir, they were.

MR. KELLAHIN: We offer Exhibits 1 and 2 in evidence.

MR. UTZ: Without objection, Exhibits 1 and 2 will be accepted into the record.

(Whereupon, Tidewater's Exhibits 1 and 2 were received in evidence).

MR. FEDERICI: I believe that's all.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Miller, I believe you stated the gravities of the two zones, but I missed it.

A Yes, sir. The Ellenburger is 43 degrees API, 60. The Drinkard is 36 degrees API at 60.

Q What type of crude are these two --

A The Drinkard is sour crude, the Ellenburger is sweet, or intermediate crude.

Q Are both zones flowing?

A Yes, sir, they are.

MR. UTZ: Are there any other questions of the witness?

QUESTIONS BY MR. PAYNE:

Q Is this dual within the pool boundaries, both the

Justis and the Drinkard?

A Yes, sir, it is.

MR. PAYNE: That's all.

MR. UTZ: Any other questions of the witness? If not, the witness may be excused.

(Witness excused)

MR. UTZ: Any other statements to be made in this case? If there are none, the case will be taken under advisement.

