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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 20, 1959

EXAMINER HEARING

IN THE MATTER OF:

Case 1674

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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 20, 1959

EXAMINER HEARING

IN THE MATTER OF:

Application of Continental Oil Company for
 a gas-oil dual completion. Applicant, in
 the above-styled cause, seeks an order
 authorizing the dual completion of its
 M. E. Wantz Well No. 4-A located in the
 SW/4 SE/4 of Section 21, Township 21
 South, Range 37 East, Lea County, New
 Mexico, in such a manner as to permit the
 production of gas from the Blinebry Gas
 Pool and the production of oil from the
 Wantz-Abo Pool through the casing-tubing
 annulus and the tubing respectively.

Case 1674

BEFORE:

Mr. E. J. Fischer, Examiner

TRANSCRIPT OF HEARING

MR. FISCHER: The next case is 1674.

MR. PAYNE: "Application of Continental Oil Company
for a gas-oil dual completion."

MR. KELLAHIN: Jason Kellahin of Kellahin and Fox,
Santa Fe, New Mexico, appearing for the applicant. We have one
witness.

(Witness sworn.)

VICTOR T. LYON

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A Victor T. Lyon.

Q By whom are you employed and in what position, Mr. Lyon?

A By Continental Oil Company as District Engineer in Eunice District, in Eunice, New Mexico.

Q Have you previously testified before the Oil Conservation Commission of New Mexico as a petroleum engineer and had your qualifications accepted?

A Yes, sir, I have.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. FISCHER: They are.

Q Are you familiar with the application in this case?

A Yes, sir.

Q What was proposed in this application?

A This is the application of Continental Oil Company for permission to dually complete our Wantz No. L-A well in the Wantz-Abo Pool and the Elinebry Gas Pool.

Q That would be for the production of oil from the Abo and gas from the Elinebry Pool?

A Yes, sir.

(Marked Continental Oil Company's Exhibit No. 1, for identification.)

Q Referring to what has been marked as Exhibit No. 1, would you state what that shows?

A Exhibit No. 1 is a location and ownership plat showing the Wantz lease, which is shown outlined in red and consists of the Southwest Quarter, the West Half of the Southeast Quarter, and the Southeast Quarter of the Southeast Quarter of Section 21, Township 21 South, Range 37 East.

It also shows the leases and wells in the immediately surrounding area. The Wantz 4-A well, which is the subject of this hearing, is shown circled in red.

Q According to that exhibit, what acreage would you propose to dedicate for Blinebry gas production?

A Well, it isn't shown on the exhibit, but we do propose to locate 120 acres consisting of the West Half of the Southeast Quarter and the Southeast of the Southeast Quarter.

Q What would be the result as to the Cone-Anderson 40 acre tract shown on the exhibit?

A It is my understanding that Mr. Cone is completing his own well for Blinebry gas production.

Q Does the exhibit show the presently producing Wantz-Abo oil and Blinebry gas wells?

A They are not designated specifically in that manner

except for the Wantz-Abo wells which have a, a suffix after the number. There are four such wells, the 1-A, 2-A, 3-A and 4-A. The Blinebry wells are shown, well, we have one Blinebry well on the lease which is the No. 2-D, a Drinkard-Blinebry dual completion, but it's completion as a Blinebry well is not shown on the exhibit.

(Marked Continental Oil Company's Exhibit No. 2, for identification.)

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

A Exhibit No. 2 is a copy of the radioactivity log on the subject well Wantz 4-A, and it shows the Blinebry marker, the proposed Blinebry perforations.

Q How are they shown?

A The perforations are shown as a block colored in red. It shows the lower limit of the Blinebry Pool, the top of the Tubb, the top of the Drinkard, the top of the Abo, and the present Abo perforations. Also the base of the Permian. Now, on the bottom of the exhibit is shown a brief resume of the history of the well.

(Marked Continental Oil Company's Exhibit No. 3, for identification.)

Q Now, referring to what has been marked as Exhibit No. 3, will you discuss the proposed method of dual completions?

A Exhibit No. 3 is a schematic drawing of the proposed

dual completion. On the left is a schematic of the casing and tubing overall, it shows the surface casing set at 2416 feet, nine and five inches, intermediate casing set at 2740; shows the proposed Blinebry perforations, the approximate location of the packer, the Abo perforations, and then the casing seat or depth of the seven inch production string.

On the right the tubing installation is shown schematically, and as shown, we intend to run two and a half inch "EUE" tubing to the top of the packer and then below that two inch "EUE" tubing with an Otis Type J seating nipple and a Baker production tube on the bottom.

Q Will that have a sleeve?

A There's a garrett sleeve which will be located above the packer so that the Blinebry zone can be unloaded by swabbing, and then the sleeve closed to maintain separation of the zone.

Q In your opinion will this type of completion adequately produce the two producing horizons involved?

A Yes, sir.

Q Is it a type of completion that has heretofore been approved by this Commission?

A Yes, sir, on numerous occasions.

Q In your opinion is approval of this application in the interest of conservation and the prevention of waste?

A Yes, it is; although it isn't shown on Exhibit No. 1,

this acreage is entirely surrounded by Blinebry gas producers, and unless a Blinebry completion is made to which this acreage can be allocated, the acreage will continue to suffer drainage from the Blinebry Gas Pool.

Q Were Exhibits 1 and 3 prepared by you or under your direction and supervision?

A Yes, sir.

Q And Exhibit No. 2, is that an authentic copy of the radioactivity log on the subject well?

A That is a direct tracing of the gamma ray neutron curves, and it was prepared under my supervision also.

MR. KELLAHIN: At this time we would like to offer Exhibits 1, 2 and 3.

MR. FISCHER: Without objection they will be accepted.

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

MR. FISCHER: Any questions of Mr. Lyons?

MR. PAYNE: Yes, sir.

CROSS EXAMINATION

BY MR. PAYNE:

Q Have you received administrative approval yet, Mr. Lyons, for this non-standard 120 unit in the Blinebry?

A No, sir, we have not applied for it yet, feeling that it would be more proper to get our completion and then in the interim between the completion and the connection of the well

we would have adequate time to secure our non-standard unit.

Q Mr. Cone, do you know if he has started this Blinbry well?

A No, sir, I do not.

Q The packer that you propose to utilize is a permanent type packer, is it not?

A Yes.

Q As opposed to a retrievable?

A Yes, it is a Baker, 415-D Baker retainer production packer.

BY MR. FISCHER: How old is this well, Mr. Lyons?

A I believe it was completed originally in the Ellenburger formation on October 28, 1948.

Q Have you started any work towards this dual completion yet?

A No, we have completed in the Abo only.

Q Have you had any recent test of your pipe in this well, pressure test?

A No, I don't believe so.

MR. FISCHER: Any other questions? If not the witness may be excused. The case will be taken under advisement.

(Witness excused.)

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this *3rd* day of June, 1959.

Ada Dearnley
Notary Public-Court Reporter

My Commission Expires:
June 19, 1959.

BEFORE EXAMINER FISCHER
OIL CONSERVATION COMMISSION
Conbee Exhibit No. *1674*
Case No. *E. J. Fischer*

