

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 19, 1960

EXAMINER HEARING

IN THE MATTER OF:)

)
Application of Shell Oil Company for permis-)
sion to commingle the production from separate)
pools. Applicant, in the above-styled cause,)
seeks permission to commingle the Drinkard)
Pool and Tubb Pool production from all wells)
located in Section 4, Township 22 South, Range)
37 East, Lea County, New Mexico, after sepa-)
rately metering the production from the Tubb)
Pool only.)

Case 2104

BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. MORRIS: Application of Shell Oil Company for per-
mission to commingle the production from separate pools.

MR. FEDERICI: William Federici, of Seth and Montgomery,
appearing for Shell Oil Company. I have one witness, Bob Sumerwell.

(Whereupon, witness sworn.)

R. L. SUMERWELL

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

DIRECT EXAMINATION

BY MR. FEDERICI:

Q Would you state your name.

A R.L. Sumerwell.

Q Your residence?



A Roswell, New Mexico.

Q Who is your employer?

A Shell Oil Company.

Q Have you appeared before the Commission as a witness before?

A No, sir; I haven't.

Q Will you state your educational background?

A I have a B.S. degree in Mechanical Engineering from Texas A. and M. College, a Bachelor of Arts from Baylor University.

Q What position do you hold with Shell Oil Company?

A Mechanical Engineer.

Q And what experience have you had?

A I have been with Shell three and a half years, about six months in Kilgore and a year on the training program, and I have been in Roswell two years; the last year and a half I have been associated with automation, all types of mechanical equipment.

MR. FEDERICI: Are the qualifications of the witness as an expert acceptable?

MR. NUTTER: They are.

Q (By Mr. Federici) Are you acquainted with the application in Shell's Case 2104?

A Yes, sir; I sure am. Shell is proposing that the condensate from the Tubl's dual completion be commingled with the production from two Drinkard pools on Shell's lease in Section 4, Township 22 South, Range 37 East.

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Q I hand you what has been marked as Exhibit No. 1.

A The upper concentrated circles represent the Rinewalt, which is dually completed as a Drinkard Oil Well; the well in the lower right hand corner is a Drinkard Well and is under consideration here for commingling.

Q Where are the batteries?

A The batteries are located approximately in the middle.

Q Does it give the area involved?

A Sir?

Q The area involved, marked in red.

A Yes, sir; that is the lease in question. The 80 acres inclosed in red there.

Q Will you give the production of the wells?

A Yes, sir. The two Drinkard Wells make approximately 15.5 barrels of oil per day, and we expect approximately 2.5 barrels of oil condensate from the Tubb zone.

(Whereupon, Exhibit 2 marked for identification.)

Q (By Mr. Federici) I hand you what has been marked as Exhibit 2, and ask you to explain to the Commission what that is?

A Exhibit 2 is a sketch of the proposed mechanical installation, and with the exception of the upper separator, the Tubb metering separator, the equipment is already in place and has been serving the Drinkard. Production will not change that, all we merely propose, is to add a metering separator and sampler to



measure the Tubb condensate. The gravities of the two zones are 60 for the Tubb zone condensate, and the Drinkard is approximately 38; which will increase the gravity into the higher gravity, the commingled will be 40.4, which the increased revenue is 45 dollars through the higher gravity commingled crude.

Q Will you explain the metering separator?

A The separator we propose for the Tubb condensate is just a one barrel dump metering separator.

Q Has Shell used this method of metering before?

A Yes, sir; we sure have.

Q Has it proved satisfactory?

A Yes.

Q And with use of this facility, would this result in savings of some kind?

A Yes, we anticipate anywhere from one thousand to three thousand dollars of cost, initial cost savings through metering only one zone.

Q In your opinion, if the application is granted in Case 2104, would this be in the interest of conservation and the prevention of waste?

A I believe it would, in producing only two and a half barrels a day from the Tubb zone. The condensate would weather anywhere from twenty to thirty days before we could run a tank of oil. This would accelerate the frequency of runs from this lease.

Q Were Exhibits 1 and 2 prepared under your supervision?



A Yes, sir; they sure were.

MR. FEDERICI: We offer Shell's Exhibits No. 1 and 2.

MR. NUTTER: Shell's 1 and 2 will be admitted in evidence.

MR. FEDERICI: I think that is all.

MR. NUTTER: Does anyone have any questions?

CROSS-EXAMINATION

BY MR. MORRIS:

Q Mr. Sumerwell, I note that you plan to meter the production from the Tubb only, rather than metering the production from the Drinkard. Could you explain why you chose to meter the Tubb rather than the Drinkard, when you have more production actually coming from your Drinkard Wells?

A We chose to meter the Tubb because we don't make any water with that condensate and will be less air.

Q Do you feel that metering the Tubb then, that since in this case you are now planning to meter the Tubb, it is more preferable?

A Yes, sir; we sure do.

MR. MORRIS: That is all.

CROSS-EXAMINATION

BY MR. NUTTER:

Q Mr. Sumerwell, you stated the Tubb is making two and a half barrels per day, and the Drinkard, 15.5; is that the total from the two Drinkard Wells or an average of each?

A The total from Well No. 2, makes approximately 7 barrels



of oil, and No. 1 makes 8.5.

Q Is the lease fully developed as far as Drinkard production is concerned?

A Yes, sir; it sure is.

Q Do you anticipate drilling any more Tubb wells on this lease?

A No, sir.

Q Do you anticipate the production from either of the two zones will go up?

A No, sir; we don't expect it to, at least.

Q Shell will be willing to take another look in the event the Drinkard were able to make top allowable?

A Should it become top allowable, we would review it.

Q I note that the production from the Drinkard passes through the heater; but the Tubb, it's not necessary?

A No, sir.

Q To heater treat it?

A This is a new well and we don't expect to have to treat it. We probably wouldn't have to send it through the gun barrel.

Q Do you have ample storage facilities to handle production from the commingled zones?

A A thousand barrel storage.

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

(No response.)

MR. NUTTER: Mr. Federici?

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MR. FEDERICI: No, sir.

MR. NUTTER: If there are no further questions, he may be excused. Do you have anything further, Mr. Federici?

MR. FEDERICI: No.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2104?

(No response.)

MR. NUTTER: We will take the case under advisement and call Case 2105.

(Whereupon, the hearing was concluded.)

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STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, LEWELLYN NELSON, 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 19 day of November, 1960.

Llewellyn J. Nelson

Notary Public-Court Reporter

My commission expires:
June 14, 1964.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2104 heard by me on 10/19, 1960.

[Signature], Examiner
New Mexico Oil Conservation Commission

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