

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 2, 1960
Examiner Hearing
Case No. 2116

IN THE MATTER OF:)

Application of Westates Petroleum Company)
for an oil-oil dual completion. Applicant, in)
the above-styled cause, seeks an order authorizing)
the dual completion of its Carlson B 26, Well No.)
7, located in unit J, Section 26, Township 25)
South, Range 37 East, Lea County, New Mexico, in)
such a manner as to permit the production of oil)
from an undesignated Paddock Pool and the produc-)
tion of oil from the Justis-Blinebry Pool through)
parallel strings of 2 3/8-inch tubing.)

BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 2116.

MR. MORRIS: Case 2116. Application of Westates
Petroleum Company for an oil-oil dual completion.

MR. RUSSELL: John F. Russell, Campbell & Russell,
Roswell, New Mexico, representing the Applicant. I have two
witnesses, Mr. Miller and Mr. Watson.

(Witnesses sworn.)

MR. UTZ: Are there other appearances in this case?

MR. RUSSELL: Mr. Miller, will you take the stand?

CHARLES P. MILLER

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

DIRECT EXAMINATION

BY MR. RUSSELL:

Q Please state your name, residence and occupation.

A Charles P. Miller; I reside in Hobbs, New Mexico; my occupation is Petroleum Geologist.

Q And are you employed by Westates Petroleum Company in connection with the dual completion, Carlson B 26, 7?

A In connection with the drilling of it.

Q Mr. Miller, will you refer to Exhibit No. 1 there?

A That is the map.

Q Now, does it reflect the location of the Applicant's lease?

A Yes, it does.

Q And how does it show it?

A No. 7 well, the location is in the southeast quarter of 26, Township 25 South, Range 37 East, specifically located 2310 feet from the South line, 1600 feet from the east line.

Q And is the lease itself shown in yellow?

A The Exhibit I am looking at here is not colored in yellow; it should be.

MR. RUSSELL: For the record, I will swap with you.

A Yes, it is colored in yellow.

Q Mr. Miller, does that Exhibit show all of the wells



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located on this lease?

A Yes, it does.

Q Does it also show the location of the offset wells and the operators of that?

A Yes, it does.

Q Mr. Miller, referring to Exhibit No. 2 which is the sonic log, have you made a study of that log?

A Yes, I have made a study of it.

Q And is it a log of the well in question here?

A That is right.

Q From the data contained in that log, were you able to locate the top of the Paddock zone?

A Yes, sir. From this log and in connection with the sample analysis, I have located the top of what I call the Paddock.

Q And where did you locate it?

A I have located the Paddock at 5000 feet.

Q That is the top of the Paddock?

A Top of the Paddock formation, yes.

Q And were you also able to locate the top of the Blinebry?

A Yes, sir, from the sample and log I have located the top of the Blinebry at 5105.

Q Mr. Miller, do you have any further statement which you would like to make in connection with the geology of these formations and this application to dually complete in the Blinebry and Paddock?



A Perhaps the few statements I have to make, Mr. Russell, might simplify the statements which would follow.

The Paddock in this area has been determined to have a rather constant interval from the top of the Glorietta which, in this case, is approximately 275 feet. The Paddock itself is separated from the presently defined Justis Gas Field by shale breaks, thin shale, and they do not show up particularly well in samples, but the evidence is there that there are shale breaks, black shale breaks. The lower boundary of the Justis Gas Field was determined and set by an order of the Commission; in fact, Order No. R-586-E confirmed by Order R-1670. The base of that is established at 240 feet from the top of the Glorietta, which, in this case of this particular well, would make the base of the Justis Gas Field at a depth of 4965 feet, leaving an interval of 35 feet, the low of the base of the Justis Gas Field to the top of what I call my Paddock formation.

Q Now, does that Exhibit 3 show the intervals at which the perforations have been made, or not?

A Well, unfortunately, I am working from a work sheet. They did not furnish us the necessary completed copy, so I will have to refer to this report. The Exhibits which the gentlemen have here do show the perforations, yes. But let me read here to confirm this. Bear with me just a moment. May I refer to yours there just a moment?

MR. UTZ: This?



THE WITNESS: Yes. I have it here, but it would take me a little longer to find it here.

The perforations are shown on these Exhibits by the little red circles on the left of the center of the log, and the Paddock. Let me be specific and find the exact points here. Well, I don't turn to them right quickly.

Q (By Mr. Russell) But they are reflected in the Exhibit?

A Yes. I will give them to you, approximately, if you want, and the man following me testifying will have these exact points, I am sure.

MR. RUSSELL: I have no further questions.

THE WITNESS: I can give you the points now, if you wish.

Q (By Mr. Russell) You are now referring to what has been marked as Exhibit 3?

A I will give you the perforations as shown on Exhibit 2, if that is satisfactory. The perforations in the Paddock section, 5042.5 to 5048.5; from 5054 to 5060 are the two intervals in the Paddock section which were perforated.

Q In connection with the other log which you have there, is there any additional data which you would like to present to the Commission from that log?

A No. At this moment, unless the Examiner wishes to ask some questions, I have nothing in particular that needs to be added at this time.



MR. RUSSELL: That is the Gamma Ray Log which will be identified as Exhibit 4. Does the Commission have any questions?

MR. UTZ: Yes, when I get my Exhibits straightened out. I lost an Exhibit somewhere. This is Exhibit No. 1?

MR. RUSSELL: No. 1, 2, 3 and 4.

CROSS-EXAMINATION

BY MR. UTZ:

Q All right.

A I certainly shall be glad to try and answer any questions you may have.

Q Both of these are in the Justis Pool, Justis Paddock, Blinebry?

A That is right. I may call to your attention the perforations of the Paddock here were well into the Paddock section, which I might classify as lower Paddock. We have that characteristic developed up in the Eunice area, but it is not developed so prominently in the Justis Field, but I think on this flank well, we are developing, probably, two portions of the Paddock pay.

Q The engineering witness will take up the details as to the mechanical?

A That is right.

MR. UTZ: Any other questions?

THE WITNESS: We will furnish you with a third copy of this Exhibit, if you wish. We only have two copies at the present time.



MR. UTZ: Two copies will be plenty at this time.

MR. RUSSELL: Mr. Watson, will you take the stand?

DEWEY WATSON

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

DIRECT EXAMINATION

BY MR. RUSSELL:

Q Will you state your name, residence, occupation and employer?

A Dewey Watson; Denver, Colorado, and I am employed by Westates Petroleum, Regional Engineer.

Q Have you previously testified before this Commission as an expert witness?

A Yes, sir, I have.

MR. RUSSELL: Are his qualifications satisfactory?

MR. UTZ: Yes, sir, they are.

Q (By Mr. Russell) Mr. Watson, you are presently employed by Westates Petroleum Company?

A Yes, sir.

Q And are familiar with this application for dual completion?

A Yes, sir, I am.

Q Now, referring to Exhibit No. 3, was it prepared under your direction or to your specifications as recommended by you?

A Yes, sir.

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Q Now, will you briefly explain to the Commission the data which is shown on this Exhibit relating to the manner in which the tubing was set and the well completed, and so forth?

A Well, this Exhibit is a diagrammatic sketch of dual completion as it is now proposed, and it shows the surface casing, the oil string, the perforations in the Paddock and the Blinebry and the packer setting, depth of tubing on both strings and shows the TD and amount of cement used on the seven-inch casing.

Q Now, one tubing is set in the Paddock zone and the other in the Blinebry, is that correct?

A Yes, sir, it is.

Q And what was done to prevent communication between those two zones?

A There is a Model D Baker permanent packer set at 5088 feet with the receive receptacle.

Q And are you familiar with the initial test of both of these completions?

A Yes, sir I am.

Q What was the result of those tests?

A Well, the initial test on the Paddock was a swabbing test, 24 barrels of oil and 2 barrels of water in two hours, and on a twenty-four-hour basis, it would be 200 oil, 66 barrels of water, and the gravity of the oil was 37.8, and it, at present, is shut in, and the No. 2 test on the Blinebry was 23 barrels of oil and 4 barrels of water in two hours, which, on the twenty-four-



hour basis, is 276 barrels of oil and 48 barrels of water per day, and the gravity was 37.9, and the pump -- the well Blinebry was -- test of 9-29-60 was 112 barrels of oil per day and 16 barrels of water.

Q Mr. Watson, has your company made application to the Commission for administrative approval to commingle the oil from these two zones?

A Yes, sir.

Q And is it your proposed plan to separately meter the production from each of these zones?

A That is correct.

Q In your opinion, Mr. Watson, are the mechanics of the proposed dual completion feasible and in accordance with good conservation practices?

A Yes, sir, they are.

Q And, in your opinion, will the approval of this application either impair correlative rights, or create waste?

A No, sir.

MR. RUSSELL: No further questions.

CROSS-EXAMINATION

BY MR. UTZ:

Q Do you have any bottom-hole pressure information on these two zones?

A No, sir, we don't.

Q GOR?



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A No, there hasn't been any GOR taken on it, due to the swab test.

Q Do you have the gravity on the Paddock zone?

A Yes, sir, it was 27.8.

Q 37.9, the Blinebry?

A The Blinebry, yes, sir.

Q Do you have any opinion as to what the bottom-hole pressures are going to be?

A Well, due to the fact the wells aren't flowing, I assume it is pretty low. I don't have any guesses on what it is. I do know the gas-oil ratio is very low, there is not much gas with either zone.

Q You wouldn't have any opinion as to what the differential between the two zones might be?

A No, sir.

Q Have you any other wells near this location?

A Do you mean, producing Paddock?

Q Yes.

A The closest Paddock production is approximately two miles to the northeast, Gulf No. 5, and the Western Petroleum No. 5 Well, and those are circled on our map in red.

MR. RUSSELL: Exhibit No. 1?

THE WITNESS: Yes, sir, on the north end of the field, up here.

Q (By Mr. Utz) How much differential will the packer hold?



A Well, it will certainly hold enough to keep a pair of pumping wells separated, and I don't have the figures that they give, but it is a lot higher than hydrostatic head on either one of them will be.

MR. UTZ: Do you have any questions?

MR. PORTER: Mr. Watson, this would be a discovery well in the Paddock in this particular well, then?

THE WITNESS: Yes, sir.

MR. PORTER: That is all the questions I have.

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

Are there statements in this case?

MR. RUSSELL: I would like to move the introduction of Exhibits 1 through 4.

MR. UTZ: Without objection, they will be entered into the record.

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I, LAWRENCE HOLMES, JR., Certified Shorthand 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 this 3rd
day of November, 1960.

Louise M. Palmer
CERTIFIED SHORTHAND REPORTER

CERTIFIED SHORTHAND REPORTER

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing Case No. 3116,
heard by me on Nov. 14, 1960.
James G. Mc..., Examiner
New Mexico Oil Conservation Commission



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