BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

EXAMINER HEARING

IN THE MATTER OF:
Application of Texaco Inc. for a triple completion, Lea County, New Mexico.

CASE NO. 2400

TRANSCRIPT OF HEARING

October 4, 1961

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EXAMINER HEARING

IN THE MATTER OF: Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its C. H. Weir "A" Well No. 7, located in Unit L, Section 12, Township 20 South, Range 37 East, Lea County, New Mexico, as a triple completion in the Eumont Gas, Skaggs-Glorieta, and Skaggs-Drinkard Pools, with production of oil from the Drinkard and Glorieta zones to be through parallel strings of 2 3/8 inch tubing and the production of gas from the Eumont Gas Pool through the tubing-casing annulus.	CASE NO. 2400

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

EXAMINER UTZ: We call Case No. 2400.

MR. MORRIS: Application of Texaco Inc. for a triple completion, Lea County, New Mexico.

MR. KELLY: Booker Kelly, Gilbert, White & Gilbert, appearing for Texaco. We have one witness, Mr. C. R. Black.

MR. UTZ: Let the record show the witness was sworn in the previous case.

C. R. BLACK,

called as a witness, having been previously duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLY:

Q Would you state your name, please?

A C. R. Black, employed by Texaco, Inc.

Q You have previously testified in front of this Commission?

A Yes, sir.

Q Could you tell us what Texaco seeks by their application?

A This is the application of Texaco, Inc., for a triple completion. It will be an oil-oil-gas triple completion in the Drinkard, Glorieta, and Penrose formations. These three zones are designated as the Skaggs-Drinkard Pool, the Skaggs-Glorieta Pool, and the Eumont Gas Pool. Production from the two oil zones will be two independent strings of tubing and production from the gas zone will be under the annulus between the tubing and the casing.

Q What is the current status?

A This well has reached a total depth and all three zones have been operated upon completion. The well is currently--we are currently conducting bottom-hole pressure tests and running a packer linkage test on the subject well.

Q Would you refer to Exhibit 1 and explain that?

A Exhibit 1 is a plat showing the location of the C. H. Weir "A" Well No. 7. This well is located 1980 feet from the South line and 660 feet from the West line of Section 12, Township 20 South, Range 37 East, Lea County, New Mexico. The limits of the Weir "A" lease are shown by the yellow lines. The location is circled in red. Also shown on this exhibit are the offset operators and mailing addresses of the offset operators. Each offset operator is shown with the appropriate field designation being shown and indicated under each well and this can be determined from the legend at the bottom of the exhibit.

Q Now, again referring to Exhibit 1, does Texaco have another triple that's shown on this plat?

A Yes, we do; the C. H. Weir "B" 4 is a triple completion in the same three zones and this triple completion was approved by Order No. R-1860, dated February 2nd, 1961.

Q You have basically the same conditions in the same installations in your proposed triple?

A Yes, sir.

Q Now, would you explain Exhibit 2 to the examiner?

A Yes, sir. Exhibit 2 is a diagrammatic sketch of the triple completion installation. This sketch was prepared actually before the well, after the well reached total depth and before any other zones were perforated. There will be some changes that will need to be made to the exhibit.

MR. KELLY: Does the Commission desire the exhibit be amended by the witness's testimony as he goes through it?

EXAMINER UTZ: With regard to what?

THE WITNESS: The actual perforations and actual packer setting depth, such as that.

EXAMINER UTZ: Yes, sir.

(Answer) Exhibit 2 is a diagrammatic sketch. A 13 3/4 inch hole was drilled to 1399 feet. At that point 10 3/4 inch casing was run and cement was circulated to the surface. A 9 7/8 inch hole was drilled to 5474 feet and at that point a string of 7 5/8 inch casing was set and cemented with the top of the cement coming up in the annulus to 800 feet.

A 6 3/4 inch hole was drilled to a total depth of 6900 feet and 5 1/2 inch liner from 5415 feet to 6899 feet. The bottom of the liner was cemented with one hundred sacks of cement and the top was squeezed with another hundred sacks of cement. The Drinkard formation was perforated from 6787 to 6792. This will be a difference from what is shown on the exhibit.

EXAMINER UTZ: This was which formation?

THE WITNESS: The Drinkard formation. It was perforated from 6787 to 6792; 6798 to 6804; 6810 to 6824; and 6828 to 6840.

The production from this zone will be an intermediate sweetcrude with an API gravity of 41 degrees. It is anticipated 2500 psi with a GOR of 11,800 cubic foot per barrel. It is

estimated that this zone will flow five to seven years. On potential test dated September 9, 1961, this zone flowed 30 barrels oil, no water, in six hours through a 24/60 inch choke with a GOR of 11,800 to one. The twenty-four-hour rate was 120 barrels oil per day.

The Glorieta zone was perforated from 5280 to 5296. The Glorieta zone crude will be a sour crude with an API gravity of approximately 39 degrees. The estimated bottom hole pressure is 1600 psi. The GOR is too small to measure and this zone will be pumped initially. The latest test in the Glorieta was on September 26, at which time 70 barrels oil were swabbed in twelve hours. The GOR was too small to measure.

The Penrose formation was perforated from 3612 to 3650 and 3668 to 3684. Production from this formation will be dry gas. The estimated bottom hole pressure will be 500 psi. It is estimated that this zone will be capable of producing 2,000 mcf per day and will flow for the entire life of this zone. A test of September 28 in the Eumont zone showed the well flowed twelve hours, flowing at a rate of 1800 mcf per day. Casing pressure was 600 lbs. and a floor tubing pressure of 450 lbs. Production was dry gas production with no oil.

EXAMINER UTZ: No liquid of any kind?

THE WITNESS: No liquid of any kind.

Q (by Mr. Kelly) Do you anticipate any corrosion or paraffin problem?

A In the Drinkard and Penrose formations, we do not anticipate any corrosion or paraffin problems. However, in the Glorieta there will be mild corrosion or mild paraffin. To combat this, we are steel-coating it up 1,000 feet of the Glorieta tubing. This is for paraffin control and if it becomes necessary, we can treat for corrosion by the squeeze-treatment method; and also, opposite the Penrose formation, the two extremes of tubing will be glassed wrapped from 3600 feet to 3700 feet. This is in the event any sand is produced along with the gas.

Q I think you said it will flow from five to seven years. Do you think this zone can be pumped when necessary?

A Yes, sir. Both zones can be pumped simultaneously when it becomes necessary and also, if it becomes necessary we can run a third string of tubing to flow the Eumont gas zone if this becomes necessary.

Q Do you have anything else to say about Exhibit 2?

A I might briefly run through the down hole equipment that we ran in the well. The Drinkard tubing is 2 3/8 inch OD buttress tubing and it was run through 6822 feet instead of 6750 feet as shown on the exhibit. The Glorieta tubing was 2 3/8 inch OD buttress tubing and it was run to 5250 feet. There is an Otis sliding door in the Glorieta tubing. This is in the event we have to swab and kick off the Eumont zone. This is located 5208 feet. There is a seeding nipple in the Glorieta tubing located at 5175 feet. A packer Model FA packer was set

at 5250 feet and a packer, Model F packer set at 5351 feet. The seeding nipple in the Drinkard zone was set a 6812 feet.

That is all the bottom down hole equipment we have in the well.

Q Do you have a log for this well?

A We have a radioactive log which is Exhibit 3. The intervals are marked in red on the log.

Q Is there anything else you would like to say to the Commission on this?

A I have nothing further.

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

A Yes, they were.

MR. KELLY: We move the introduction of Exhibits 1 through 3 as amended by the witness' testimony.

EXAMINER UTZ: Without objection, Exhibits 1, 2 and 3 will be entered into the record of this case.

MR. KELLY: I believe that's all.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Black, on your No. 4 well, which is I believe offset to the west, there is an annular flow on this well?

A Yes.

Q You haven't any liquid problem in that well?

A There is no difficulty at all with this well whatsoever.

Q I am speaking of the Number 4?

A That's right. This well has been on production approximately six months and we have not yet encountered any problems.

Q Now, on your twelve-hour test on the No. 7 well, did you check the flow rate during this test or just at the end of the test?

A During the first part of the test, prior to the twelve-hour test, the well did flow back some load oil that was used in treating the well. However, during the test the figures 1800 mcf per day is an average of the production rate during the twelve-hour test.

Q So, you don't know for sure whether it has a tendency to decrease?

A No, sir. The indication that I had was it was tending to increase at the end of the test. We were interested in going ahead and tapping the well and we expected to run the four point back pressure test to determine the back pressure flow.

EXAMINER UTZ: Are there any other questions of the witness?

The witness may be excused.

(Witness excused.)

EXAMINER UTZ: Are there any other statements in this case?

We will take the case under advisement.

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STATE OF NEW MEXICO)
) ss.
COUNTY OF SAN JUAN)

I, THOMAS F. HORNE, Notary Public in and for the County of San Juan, State of New Mexico, do hereby certify that the foregoing and attached transcript of hearing was reported by me in Stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 20 day of October, 1961, in the City of Farmington, County of San Juan, State of New Mexico.

Thomas F. Horne
Notary Public

My commission expires:

11-2-61

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2400, heard by me on Oct. 4, 1961.

New Mexico Oil Conservation Commission, Examiner