

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
April 25, 1962

IN THE MATTER OF:

Application of La Plata Gathering System, Inc. for a dual completion, a non-standard gas proration unit, and an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete a gas well to be located at an unorthodox gas well location 1,980 feet from the South line and 734 feet from the East and West lines of Section 19, Township 32 North, Range 5 West, Rio Arriba County, as a dual completion (conventional) in the Blanco-Mesaverde and Basin-Dakota Gas Pools with the production of gas from the Dakota formation to be through a production of gas from the Dakota formation to be through a string of 2 1/16 inch tubing and the production of gas from the Mesaverde formation to be through a parallel string of 1 1/2 inch tubing. Applicant further seeks the establishment of a 355.25 acre non-standard gas proration unit in the afore-said pools comprising all of Sections 18 and 19, in said township to be didicated to the above described well.

CASE
2542

BEFORE:

Elivs A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: Case 2542.

MR. MORRIS: Application of La Plata Gathering System Inc. for a dual completion, a non-standard gas proration unit.

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and an unorthodox gas well location, Rio Arriba County, New Mexico.

MR. FEDERICI: Mr. Federici and Mr. Seth for the Applicant. We have one witness, Mr. Frank Barnes.

MR. UTZ: Let the record show that he has been previously sworn. Let the record show that there are no further appearances.

FRANK C. BARNES, called as a witness, having been previously sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. FEDERICI:

Q Would you state your name, please, Mr. Barnes, and profession?

A Frank C. Barnes, consulting geologist, Santa Fe, New Mexico.

Q Are you familiar with the application of La Plata in this case 2542?

A Yes, sir, I am.

Q Would you tell the Examiner, please, briefly what the application is for?

A In this case the operator, La Plata Gathering System, is requesting an unorthodox gas well location and a non-standard gas proration unit consisting of 355.25 acres. The operator further requests approval of a conventional dual completion in a Mesaverde formation at an estimated depth of



5,400 feet, and in the Dakota sandstone at 7,880 feet.

Q Do you have a plat showing the proposed location of the well?

A Yes, sir, I do.

(Whereupon, Applicant's Exhibit 1 marked for identification)

Q This has been marked Exhibit Number 1, is this the plat that you are referring to, too?

A Yes, sir.

Q Tell us briefly, if you would, what this plat shows?

A This plat shows the proposed location and the outline of the acreage in the non-standard proration unit in Sections 18 and 19, of Township 32, Range 5 West.

Q Why is a non-standard unit requested in this situation?

A The non-standard unit is requested in this situation because of non-standard sections. The Colorado State line cuts across the top of this township and eliminates the upper tier of sections from New Mexico and the Western tier of sections is only a little over a quarter of a mile wide although they are approximately the standard one mile length, that is north-south direction.

MR. UTZ: May I ask a question?

MR. FEDERICI: Excuse me.

MR. UTZ: I believe to expedite the situation I should state that the Commission has already considered

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establishing non-standard units throughout this area and has already established this partial Section 18 and 19 as a non-standard unit.

Q I was going to ask him for a case number.

A As a matter of fact, the first two items in this request were actually approved under the Commission Order R-2046, Case Number 2327, which was approved in August 14, 1961. The location and acreage in question being Tract J, Sections 18 and 19, Township 32 North, Range 5 West of this Order. The proposed location is actually the only one possible within the narrow sections that exist.

Q That being considered both the non-standard unit and the unorthodox location, is that correct?

A That's correct.

Q Covered both features of it?

A Correct.

Q Any further reference to those hearings?

A To correct that, that being covered the non-standard proration units in the irregular section, but I don't believe it actually covers the unorthodox location.

Q Why is this unorthodox under the rules?

A The unorthodox location, or the proposed location in this case is the only one that is possible within the narrow section that exists, 734 feet from the East and West lines places the proposed location in the approximate center of the

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section and 1,980 feet North of the South line places it in the South half of Section 19. This conforms to the Northeast, Southeast spacing pattern that's used in the general area and in the 32-5 unit.

Q This would be a normal location were it not too close to the section lines?

A That's correct. If it wasn't confined by the narrow section, it would be an orthodox location.

Q Would you tell us about the dual completion aspect of the case? Do you have a diagrammatic sketch?

(Whereupon, Applicant's Exhibit 2 marked for identification)

Q This has been marked Exhibit Number 2, is this the sketch that you are referring to?

A Yes, sir, it is.

Q Would you discuss this exhibit?

A This sketch, Exhibit 2, shows the proposed well the way it is proposed to drill and complete the well. This is a perfectly normal completion for the area and, as a matter of fact, there is a Southwest diagonal offset to this location which is drilled by the operator and completed in this same manner. The operator --

Q Describe the completion.

A -- the operator proposes to use 8 and 5/8 inch surface casing which would probably be set at a depth of 600 feet plus



or minus, with 250 to 300 sacks of cement which would be circulated to the surface. The operator proposed to set a 5½ inch production string which would be set at approximately 8,100 feet with four hundred sacks of cement. The operator then proposes to set a packer above the Dakota sandstone and produce the Dakota sandstone through the 2 and 1/16 inch tubing and then to produce the Mesaverde formation which is the next producing zone up the hole through 1½ inch tubing. The 2 and 1/16 inch tubing in the packer would be set at approximately 7,775 feet, and 1½ inch tubing would be set at approximately 5,800 feet.

Q Does this exhibit show the perforations in the two zones, the depth of the perforations?

A Yes, it does. It shows the perforations, but it doesn't show the depth, these perforations would probably occur at an estimated depth for Mesaverde formation, 5,400 to 5,870 feet, and an estimated depth and interval for the Dakota sandstone of 7,910 feet to 8,080 feet. That would be subject to correction depending on the actual surface location of the well.

Q Is this a type of completion that is relatively common in this area?

A Yes, it is.

Q Have the operators had satisfactory experience with this?

A Yes, they have.



Q And the packer is of a typical type?

A That's right. It's a Baker packer of standard type that's used in the area and in other fields.

Q Would you anticipate any serious mechanical problems involved?

A No, there would be no reason to expect any unusual or serious mechanical problems of any kind in this completion or in this well.

Q Would the completion program be such as to prevent comingling between the two?

A Yes, sir, it would.

Q Do Exhibit 1 and 2 accurately represent the material they purport to show?

A Yes, they do.

MR. FEDERICI: I would like to offer Exhibit 1 and 2.

MR. UTZ: Without objection Exhibit 1 and 2 will be entered into the record.

(Whereupon, Applicant's Exhibits 1 and 2 were admitted to the record.)

MR. FEDERICI: That's all the questions we have.

CROSS EXAMINATION

BY MR. UTZ:

Q Was the 400 sacks that you proposed lined the five and a half inch casing contained in both stages of the cementing?

I notice they have a two stage collar between the packer and the



base of the Mesaverde.

A That would be the total probably. The total amount of cement that would be used in both stages and it is anticipated that the cement job would bring the top of the cement above the Mesaverde formation some distance up into the Lewis shale and sufficient distance to protect any formation either above or below it.

MR. UTZ: Are there other questions? The witness may be excused.

(Witness excused)

MR. UTZ: Any statements in this case? The case will be taken under advisement.

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