

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

September 11, 1962

EXAMINER HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

IN THE MATTER OF:

Application of General American Oil
Company of Texas for a waterflood
project, Eddy County, New Mexico.
Applicant, in the above-styled cause,
seeks approval of a pilot waterflood
project in the Grayburg zone of the
San Andres formation, Grayburg-
Jackson Pool, Eddy County, New Mexico,
by the injection of water into its
Keeley "C" Well No. 25, located in
Unit 0, Section 25, Township 17
South, Range 29 East.

CASE NO. 2640

BEFORE:

Elvis A. Utz, Examiner



TRANSCRIPT OF HEARING

MR. UTZ: Case Number 2640.

MR. DURRETT: Application of General American Oil Company of Texas for a waterflood project, Eddy County, New Mexico.

MR. RUSSELL: John F. Russell, of Campbell & Russell, Roswell, New Mexico, appearing on behalf of the Applicant. We have one witness who has previously been sworn on the two preceding cases. We have one witness and may the record show he was sworn in Case 2633?

MR. UTZ: The record will so show.

(Whereupon Applicant's Exhibit No. 1 was marked for identification.)

RAYMOND MILLER

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

DIRECT EXAMINATIONBY MR. RUSSELL:

Q Will you state your name, address, your occupation and your position with your employer?

A Raymond Miller, Artesia, New Mexico, General American Oil Company of Texas. I am the New Mexico District Engineer.

Q And you have previously qualified to testify before the Commission?

A I have.

Q Are you familiar with the Application filed in Case Num-



ber 2640?

A I am.

Q Will you briefly explain what you seek by this Application?

A This goes back to the inter vivos one and it is in the nature of one well injectivity test. It's in a different formation than the other type formations, but a different zone in the San Andres.

Q I will refer you to Exhibit No. 1 and ask you to identify that and explain what it shows?

A It is initially the same plat used in the previous case. It shows the location of the proposed injection well, shows the location of all wells within a two-mile radius in the formation or formations from which they are producing or have produced.

Q Will you give the location of the proposed injection well?

A It's the Keeley "C" Well No. 25 and it is located 660 from the south line and 1980 from the east line of Section 25, Township 17 South, Range 29 East.

Q What area is covered by this Application?

A We are asking that it cover Section 25, all of Section 25, I believe.

Q That is Township 17 South, Range 29 East?

A Yes, sir.

(Whereupon Applicant's Exhibit No.



2 was marked for identification.)

Q I refer you now to Exhibit No.2 and ask you what that is?

A That is a log of the well as originally filed upon completion with the USGS. It shows the casing proposal in the well and the formations encountered during drilling; the second sheet is a record, it's a supplementary log as to where the well was drilled, the depth, the original total depth was 3,285 to 3,482 and subsequently plugged back to 3,370.

Q This acreage is not within a federal unit, is it?

A It's within the limits of the Grayburg Cooperative and the unit agreement which is, insofar as it pertains to the Grayburg-Jackson zones, not completely unitized. It's a cooperative.

(Whereupon Applicant's Exhibit No. 3 was marked for identification.)

Q I will refer you to Exhibit No. 3 and ask you if you will identify it?

A It's a status sheet showing the location of the well and present status, the casing program, geologic tops and proposed conversion program. It is an outline plat of our casing program and it shows clean out to plug back depth 3,270 internal plasticated coating a prime book well packer and a hydrolic chlorinator. The depth is 3,130 and commences injection into the Grayburg zones and the San Andres.

Q What is the source of the water for this project?

A We're going to deliver pressurized water from the



waterflood plant in Loco Hills, that location is approximately one mile southwest of this well.

Q Where do you acquire the water?

A From the Caprock water tank.

Q That is fresh water, is it not?

A It is.

Q What zones and formations and in what depths do you propose to flood?

A We will flood the Grayburg of the San Andres from 3,170 to 3,270. We will use seven inch casing and it will be set at 3,170.

Q Do you have a record of the production of these wells in Section 25?

A These are the wells on the pro-ration unit W4 under the previous order 802 issued by the Commission which consists of portions of Section 25 and also 80 acres in 24. They are all within the one pro-ration unit.

Q What is the average production?

A 2.8.

Q The top producing well?

A It runs about 6 barrels a day and --

Q And drops to what?

A Some are making less than a barrel per day. The average was ten barrels last month.

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Q Before that, what is the lowest?

A They are all low.

Q Were Exhibits 1, 2 and 3 prepared by you or under your supervision?

A They were.

Q MR. RUSSELL: We will offer them at this time.

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

(Whereupon Applicant's Exhibits No. 1, 2, and 3 were admitted in evidence.)

Q (By Mr. Russell) In your opinion, would the granting of this agreement prevent waste and protect correlative rights?

A It will.

Q As I understand it, Mr. Miller, Case Number 2640 is very similar to 2639 in that it intends to determine the feasibility of the flood as the first step, is that correct?

A Yes, sir.

Q And if it proves feasible, you will make application for a regular pilot project?

A We will, yes, sir.

Q Do you feel that the one year would give you sufficient time to determine the feasibility of this project?

A I believe it would.

Q You would like after that to be permitted to apply for an extension, however?



A That is correct.

Q MR. RUSSELL: That is our case, Mr. Examiner.

MR. UTZ: Are there other questions of the witness? The witness may be excused. Are there any other statements?

MR. RUSSELL: In connection with Case 2639 and 2640, as the witness has testified to that, they have asked for this one well a real injectivity test to determine the feasibility of a project. When it has been determined, we would like to come back in and ask for a pilot project which I believe under the application of the rules would probably, could be handled by an administrative procedure. And as indicated, the time we feel would be one year in which to determine the feasibility and agree to that time as satisfactory one way or the other, at that point, we suggest that we be permitted to apply for an extension until the feasibility can be determined.

MR. UTZ: Are there any other statements? We will take the case under advisement.

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STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I, Michael Rice, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 11th day of October 1962, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Michael Rice
Notary Public

My Commission Expires:
May 11, 1966

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2649 heard by me on 9-11- 1962.
[Signature], Examiner
New Mexico Oil Conservation Commission

