BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 20, 1962

EXAMINER HEARING

IN THE MATTER OF: (Continued) Application of Shar-Alan Oil Company for an unorthodox well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill its No. 1-A Jicarilla "F" Well No. 160 at an unorthodox well location 2310 feet from the North and East lines of Section 13, Township 23 North, Range 2 West, South Blanco-Pictured Cliffs Pool, Rio Arriba County, New Mexico.	CASE 2675

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order, please. The first case will be 2675, application of Shar-Alan Oil Company for an unorthodox well location, Rio Arriba County, New Mexico.

MR. DURRETT: May it please the Examiner, the Commission has a letter in its files I would like to read into the record at this time. This letter was received on November 19 from Richard S. Hunt, Manager of Lands and Explorations for Shar-Alan Oil Company and reads as follows: "With reference to the hearing of November 20, 1962, and to Case No. 2675, being our application for an unorthodox location, I hereby request of your

office the following: Kindly remove this case from the docket inasmuch as we have not had a chance to prepare the necessary report required by the Commission in order for a decision to be made on this particular hearing. I shall, once we have prepared this report, request a hearing at a later date."

MR. UTZ: 2675 will be dismissed from the docket as requested by the applicant.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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 13th day of December, 1962.

Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2675, heard by me on Nov. 20, 1962.

, Examiner
New Mexico Oil Conservation Commission

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

REGISTER

HEARING DATE NOVEMBER 20, 1962 **TIME:** 9 A.M.

NAME:	REPRESENTING:	LOCATION:
M. J. Peyton	The Pure Oil Co.	Midland, Texas
George E. Fish	The Pure Oil Co.	Midland, Texas
R.D. Cottham	Continental Oil Co	Hobbs, N. Mex
M H [illegible]	" "	Ft. Worth Tex
[illegible] G. Creager	" "	Hobbs, New Mex.
R.L. Freeborn	— —	Roswell NMex
C. R. Appledoorn	— —	— —
W. R. HALL	— —	— —
Richard S. Morris	Seth, Montgomery, Federici & Andrews	Santa Fe
Joe Luckett	Pure Oil Co.	Midland, Texas
H G [illegible]	Pure Oil	— —
W. J. Henry	Pure Oil	— —
Wm. S. Dawe	Humble	Midland
D. G. McCarty	Humble Oil	Midland
Jack D. Jones	Southwest	Farmington
J R Murphy	Pure	Midland Tex
Frank E. Irby	State Engr. Office	Santa Fe

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

REGISTER

HEARING DATE NOVEMBER 20, 1962 **TIME:** 9 A.M.

NAME:	REPRESENTING:	LOCATION:
Jason Kellahin	Kellahin & Fox	Santa Fe
W L Armstrong	OCC	Artesia
[illegible]	SW Board 6	Farmington
[illegible]	[illegible]	Roswell
W A. Mead	Continental Oil	Roswell
E. Laughlin	Brunson & Laughlin	Hobbs.
Nolan Brunson	Brunson & Laughlin	Hobbs
John F Russell	Campbell & Russell	Roswell
Tom L Ingram	Newberry & Ingram	Roswell

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 24, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Shar-Alan Oil Company for an unorthodox well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to drill its No. 1-A Jicarilla "F" Well No. 160 at an unorthodox well location 2310 feet from the North and East lines of Section 13, Township 23 North, Range 2 West, South Blanco-Pictured Cliffs Pool, Rio Arriba County, New Mexico. CASE 2675

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The next case will be 2675.

MR. DURRETT: Application of Shar-Alan Oil Company for an unorthodox well location, Rio Arriba County, New Mexico.

MR. UTZ: Mr. Hunt, did you have a statement to make in regard to this case?

MR. HUNT: Yes, sir. I am completely unprepared. I failed to bring the proper papers and so forth, and request an extension until November.

MR. UTZ: To the last hearing in November, the last Examiner hearing?

MR. HUNT: Yes, sir.

MR. UTZ: Case 2675 will be continued to the last

Examiner Hearing in the month of November.

MR. HUNT: Thank you very much.

* * * * * *

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, 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 is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 19th day of October, 1962, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

Q Referring to what has been marked as Exhibit No. 1, would you discuss the information shown on that exhibit?

A Exhibit No. 1 is a plat of the area under question. It shows the location of Lambert No. 8 circled in red, and shows the offsetting leases and wells for a distance of one-half mile surrounding the proposed completion, and it designates the zone of completion of each of these wells.

Q Referring to what has been marked as Exhibit No. 2, is that a log of the subject well?

A Yes, sir.

Q What information have you shown on that log?

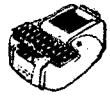
A On this log near the base of it I have shown in red the base of the San Andres or the top of the Glorieta Paddock.

Q Have there been dual completions in this same zone in the area involved here, Mr. Snyder?

A Yes, sir.

Q You stated that this was a conventional dual. Referring to what has been marked as Exhibit No. 3, would you discuss the information shown on that exhibit?

A Exhibit No. 3 is a schematic diagram of the proposed installation in the well, showing the total depth of the well, 5,715 feet, plugged back depth, 5679, and 5-inch casing set at 5665. There were three other strings of casing set. Each casing string was circulated with cement. We propose to set a permanent type packer between the two zones at 5550, run two strings of



2-3/8ths inch tubing, each string tapered to a smaller string in order to get into the 5-inch casing liner.

Q On account of this tubing, is that the reason that this dual completion does not meet the requirements for administrative approval?

A Yes, sir.

Q You expect oil to be produced from both of these zones, is that correct?

A Yes, sir.

Q Will you be able to pump the zones in the event it's necessary?

A Yes, both zones could be pumped or lifted by gas lift.

Q Do you know what the gravities of the fluids involved are?

A The gravity of fluid from the Paddock zone will be about 38 degrees, and the gravity in the Blinebry zone will be about 40 degrees.

Q Do you know what pressures are found in these two zones?

A The bottom hole pressure in the Paddock zone is about 1515 pounds per square inch, and in the Blinebry zone, 1380 pounds per square inch.

Q What about the GOR's?

A The gas-oil ratio in the Paddock completion is about 700, and in the Blinebry completion, 1150.

Q In your opinion, will this type of completion adequately

protect the two producing horizons?

A Yes, sir.

Q In your well, are all horizons protected throughout?

A Yes, sir.

Q Did the cement circulate on each of these strings as shown on the exhibit?

A Yes, sir.

Q So it's cemented from top to bottom, is that correct?

A Yes, sir, very unusual case.

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

A Yes, they were.

MR. KELLAHIN: At this time I would like to offer in evidence Exhibits 1, 2, and 3.

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

(Whereupon, Applicant's Exhibits Nos. 1, 2, & 3 admitted in evidence.)

MR. KELLAHIN: That's all the questions I have of the witness.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Snyder, how will you artificially lift the quarter-inch tubing to the Paddock zone other than gas lift?

A We could pump that with a seating nipple set in the

bottom of the 2-3/8ths inch tubing at 3643.

Q Your oil would have to raise up to the 2-3/8ths?

A Yes, sir.

Q That's 1572 feet, or 62 feet, inch and a quarter, you will have to have enough formation pressure to raise the oil up to that point?

A Yes, sir. The performance of the Paddock reservoir indicates it has a substantial water drive. We expect it will be watered out long before the pressure is so low it wouldn't lift the fluid that high.

Q It's a water drive pool?

A It's a water drive.

Q You shouldn't have any pressure problem then?

A No.

Q What was the pressure in that zone again?

A 1515.

Q What was your pressure in the Blinebry zone?

A 1380.

Q I believe you testified to the fact that the cement was circulated?

A Yes, sir.

MR. UTZ: Any other questions of the witness? The witness may be excused.

(Witness excused.)

MR. UTZ: Any other statements in this case? The case

will be taken under advisement.

* * * * * *

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings was reported by me in stenotype, and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 19th day of October, 1962, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2625, heard by me on 10-24, 1962.

....., Examiner
New Mexico Oil Conservation Commission