

CASE 1930: Application of E. P.
CAMPBELL for unorthodox oil well
location & approval of "slim-hole
completion. Allison No. 1.



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Casa No.

1930

Application, Transcript,
Small Exhibits, Etc.

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	<input checked="" type="checkbox"/>
DAY LETTER	<input type="checkbox"/>
NIGHT LETTER	<input type="checkbox"/>

WESTERN UNION

1206 10-51

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	<input type="checkbox"/>
LETTER TELEGRAM	<input type="checkbox"/>
SHIP RADIOGRAM	<input type="checkbox"/>

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
			COLLECT	

Send the following message, subject to the terms on back hereof, which are hereby agreed to

APRIL 8, 1960

**MR. GUY SWARTZ
PETROLEUM BUILDING
ROSWELL, NEW MEXICO**

ORDER IN CASE 1930 APPROVED THIS DATE.

**A. L. PORTER, Jr.
Oil Conservation Commission**

ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the un-repeated message rate is charged in addition. Unless otherwise indicated on its face, this is an un-repeated message and paid for as such, in consideration whereof it is agreed between the sender of the message and the Telegraph Company as follows:

1. The Telegraph Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the un-repeated message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Telegraph Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of such message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated message rate is paid or agreed to be paid and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.

3. The Telegraph Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Telegraph Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: in cities or towns of 5,000 or more inhabitants where the Telegraph Company has an office which, as shown by the filed tariffs of the Telegraph Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Telegraph Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Telegraph Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Telegraph Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Telegraph Company does not undertake to make delivery but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Telegraph Company is located.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for that purpose as the agent of the sender.

6. The Telegraph Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Telegraph Company, (a) within ninety days after the message is filed with the Telegraph Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Mexico, or St. Pierre-Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Telegraph Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 416 of the Communications Act of 1934, as amended.

7. It is agreed that in any action by the Telegraph Company to recover the toll for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Telegraph Company is authorized to vary the foregoing.

5-52

CLASSES OF SERVICE

DOMESTIC SERVICES

FULL RATE TELEGRAM

A full rate expedited service.

DAY LETTER (DL)

A deferred service at lower than the full rate.

NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

INTERNATIONAL SERVICES

FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

LETTER TELEGRAM (LT)

Overnight plain language messages. Minimum charge for 22 words applies.

SHIP RADIOGRAM

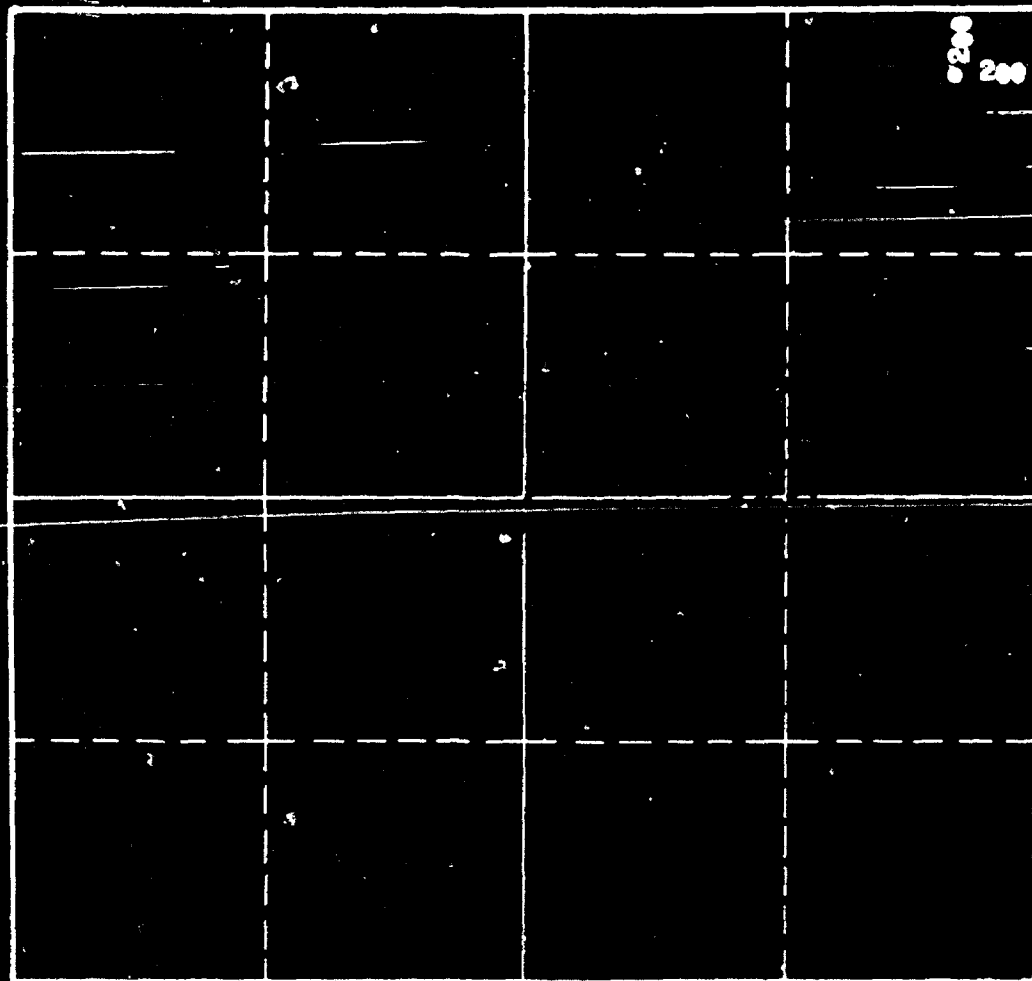
A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

Oil Well No. _____
 Location _____
 County _____
 Name _____

1. Is the well being drilled through oil-bearing strata outlined on the plat below?
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes _____ No _____. If answer is "yes," state of consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below.

Owner	Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Cities Service Oil Company
 (Operator)
Ernest Williams
 (Representative)

Box 868 Roswell, N. Mex.
 Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: 4/25/59
Alfred L. ...
 Registered Professional
 Engineer and/or Land Surveyor

Certificate No. 1557

(See instructions for completing this form on the reverse side)




in

well

the
the plan

the boundaries of
is needed for listing owners and their respective
interests required in question 3, Section A, please use space below

* "Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1953 Comp.)

MOBIL	CITIES SERVICE	CITIES SERVICE	CITIES SERVICE	SINCLAIR
Parsons	Hoke		<div style="border: 2px solid black; padding: 5px; transform: rotate(-5deg);"> <p>BEFORE EXAMINER NUTTER OIL CONSERVATION COMMISSION <i>Appl</i> EXHIBIT NO. <u>2</u> CASE NO. <u>1930</u> Bowman</p> </div>	
DEKALB	CITIES SERVICE	CITIES SERVICE		
G. E. Fouts	Vickers	Kiper & Rhodes	Langenenger	Edna Rice
 CITIES SERVICE  Konigmacher	Proposed location 		CITIES SERVICE	CITIES SERVICE
ERVING WOLF	MARION W. HARRIS	CITIES SERVICE	Edna S. Rice	J. P. Miller
Mathes	U.S.	Mitchell	<div style="border: 1px solid black; padding: 2px;"> Cities Service </div>	CITIES SERVICE Hanulik Van Nys

TOWNSHIP 14 SOUTH, RANGE 25 EAST
CHAVES COUNTY, NEW MEXICO

DOCKET: EXAMINER HEARING APRIL 6, 1960

Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

The following cases will be heard before Daniel S. Nutter, Examiner, or A. L. Porter, Jr., Secretary-Director

CASE 1929: Application of Rice Engineering and Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its E-M-E SWD Well No. M-33 to be located 165 feet from the South and West lines of Section 33, Township 20 South, Range 37 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water into the San Andres formation in the interval from 4500 feet to 5100 feet.

CASE 1930: Application of E. P. Campbell for an unorthodox oil well location and for approval of a "slim-hole" completion. Applicant, in the above-styled cause, seeks permission to reenter a stratigraphic test and attempt a "slim hole" completion. Said well is the Cities Service Allison Well No. 1, located 200 feet from the North and East lines of Section 15, Township 14 South, Range 25 East, Chaves County, New Mexico.

CASE 1931: Application of E. P. Campbell for an unorthodox gas well location and for approval of a "slim-hole" completion. Applicant, in the above-styled cause, seeks permission to deepen a Dayton-Abo Pool well and attempt a "slim-hole" completion in the Atoka-Pennsylvanian Gas Pool. Said well is the E. P. Campbell Kleeman Well No. 1, located 660 feet from the South line and 330 feet from the East line of Section 27, Township 18 South, Range 26 East, Eddy County, New Mexico.

CASE 1932: Application of Great Western Drilling Company for approval of an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of automatic custody transfer facilities to handle the Caprock-Queen Pool production from all wells on its Rock Queen Unit, Lea and Chaves Counties, New Mexico.

CASE 1933: Application of Ambassador Oil Corporation for a special allowable on a temporary basis for one well offsetting a capacity waterflood project in the Caprock-Queen Pool, Lea and Chaves Counties, New Mexico. Said well in the Ambassador Oil Corporation State "O" Well No. 1, located in the SW/4 SW/4 of Section 36, Township 12 South, Range 31 East, Chaves County, New Mexico.

pj/

E. P. CAMPBELL
1503 BROADWAY
LUBBOCK, TEXAS

March 7, 1960

TELEPHONE
PD 2-0586

Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter

Dear Mr. Porter:

Application is hereby made for an exception to Rule 104-B and Rule 107E-2 of the New Mexico Oil Conservation Commission Rules and Regulations. This application is made concerning the re-entering of a stratigraphic test designated as the Cities Service Oil Company No. 1 Allison et al, located in Unit A, Section 15, Township 14 South, Range 25 East, Chaves County, New Mexico. This test is further located 200 feet from the north line and 200 feet from the east line. Eight and one-quarter inch hole was drilled to 690 feet, where upon 5-1/2" casing was set and 4-3/4" hole was drilled to a total depth of 1175 feet. In view of several existing oil shows encountered in this particular well, E. P. Campbell proposes to re-enter and attempt completion by slim-hole method, utilizing 2-7/8" tubing as the final oil string.

Inasmuch as this test is located 200 feet from the boundary line of the tract, and exception is requested to Rule 104-B which states, "any well classified as a wildcat shall not be located not closer than 330 feet to any boundary line of such tract". The accompanying plat shows the ownership of the adjacent tracts. Inasmuch as Cities Service is the owner of the adjacent tracts, as well as being the original lessee of the tract underlying this test, an approval of this plan was obtained from Cities Service Oil Company.

Because of the limiting hole size of the 5-1/2" casing and 4-3/4" hole between 690 feet and 1175 feet, it is felt that 2-7/8" tubing would afford a more practical oil string. Rule 107E states "The Commission's District Supervisors or their representatives shall have the authority to approve slim-hole completions without the

*1. To file on test
test record, therefore
test test was apparently
not approved as per NSL.
2. Amount of pay per well is
projected to be \$1000
w.c.
Reason for both
exceptions.*

Case 1930

*Robert
Miles
3-22-60
RM*

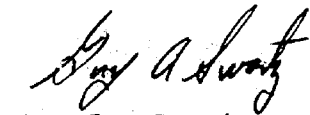
Oil Conservation Commission
Santa Fe, New Mexico
February 22, 1960
Page -2-

necessity for administrative approval or notice in hearing when the following conditions exist: (2) This well is not a wildcat. At the present time, it is felt that the existing shows in the Cities Service No. 1 Allison et al warrent a completion attempt by slim hole method but do not justify the drilling of a new well.

It is requested that this application be given consideration either administratively or by commission hearing at the earliest date.

Very truly yours,

E. P. CAMPBELL



Guy A. Swartz
GAS/bs

Mobil	Cit Serv.	Cit Serv.	Cities Service	Siclair
Parsons	Hoke		Bowman	
De Kalb	Cities Service	Cities Service		
G.E. Fouts	Vickers	Kiper/Thales	Langeanger	Edna Rice
	Cities Service		Cities Service	Cities Service
	Konigsmacher		Edna S Rice	J.P. Miller
Erving Wolf	Marian V Harris	Cities Service	Cities Service	
Mathes	U.S.	Mitchell	Cit Serv.	Haulik Van Mys

TOWNSHIP 14 SOUTH, RANGE 25 EAST

CHAVES COUNTY, NEW MEXICO

Case 1930

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 4-7-60

CASE

1930

Hearing Date

4-6-60

DSN 9am @ SF

My recommendations for an order in the above numbered cases are as follows:

Enter an order authorizing applicant to re-enter old stratigraphic test-hole and attempt to complete as a slim-hole with 2 7/8" casing set and cemented at 1174 feet.

Provide that applicant shall take necessary steps to ensure that cement is circulated to surface on the 5 1/2" surface string.

Also approve unorthodox location of subject well, Allison et al Well No 1, 200 ft from North line + 250 ft from East line, Sec 15, Twp 14 South, Rge 25 East, Chaves Co., N. Mex.


Staff Member

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1930
Order No. R-1648

APPLICATION OF E. P. CAMPBELL
FOR AN UNORTHODOX OIL WELL
LOCATION AND FOR APPROVAL OF A
"SLIM-HOLE" COMPLETION IN SEC-
TION 15, TOWNSHIP 14 SOUTH,
RANGE 25 EAST, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 6, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 8th day of April, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant is the operator of the Cities Service Allison Well No. 1, located 200 feet from the North line and 200 feet from the East line of Section 15, Township 14 South, Range 25 East, NMPN, Chaves County, New Mexico.
- (3) That the applicant proposes to recomplete the subject well, which was originally completed as a stratigraphic test, as a "slim-hole" completion to be drilled to a total depth of less than 5000 feet.
- (4) That the unorthodox oil well location will not impair correlative rights and should be approved inasmuch as the operator owning all the acreage offsetting the proposed "slim-hole" completion has waived objection.
- (5) That the mechanics of the proposed "slim-hole" completion

-2-

CASE No. 1930
Order No. R-1648

are acceptable and should be approved, provided that the applicant takes all necessary steps to ensure that the cement is circulated to the surface on the 5-1/2 inch surface casing, and provided further that the cement outside the 2-7/8 inch tubing is circulated back into the 5-1/2 inch surface casing.

IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location for the Cities Service Allison Well No. 1, located 200 feet from the North line and 200 feet from the East line of Section 15, Township 14 South, Range 25 East, NMPM, Chaves County, New Mexico, be and the same is hereby approved.

(2) That the applicant, be and the same is hereby authorized to recomplete the said Cities Service Allison Well No. 1 as a "slim-hole" completion with a total depth of approximately 1174 feet.

PROVIDED HOWEVER, That the applicant shall take every necessary step to ensure that the cement is circulated to the surface on the 5-1/2 inch surface casing.

PROVIDED FURTHER, That the cement outside the 2-7/8 inch tubing shall be circulated back into the 5-1/2 inch surface casing.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



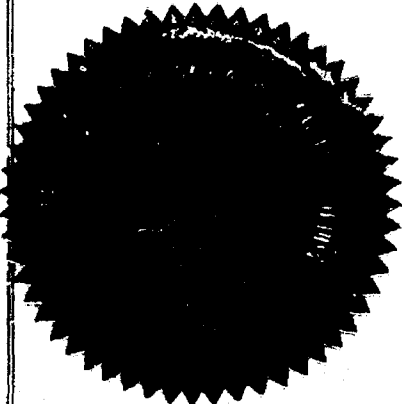
JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member



A. L. PORTER, JR., Member & Secretary



SEE/

DRAFT
OEP:esr
April 7

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 1930

Order No. R-1648

APPLICATION OF E. P. CAMPBELL
FOR AN UNORTHODOX OIL WELL
LOCATION AND FOR APPROVAL OF A
"SLIM-HOLE" COMPLETION IN SEC-
TION 15, TOWNSHIP 14 SOUTH,
RANGE 25 EAST, CHAVES COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on _____, 1960, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this _____ day of _____, 1960, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

This cause came on for hearing at 9 o'clock a.m. on April 6, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of April, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant is the operator of the Cities Service Allison Well No. 1, located 200 feet from the North line and 200 feet from the East line of Section 15, Township 14 South, Range 25 East, NMPM, Chaves County, New Mexico.

(3) That the applicant proposes to recomplete the subject well, which was originally completed as a stratigraphic test, as a "slim-hole" completion to be drilled to a total depth of less than 5000 feet.

(4) That the unorthodox oil well location will not impair correlative rights and should be approved inasmuch as the operator owning all the acreage offsetting the proposed "slim-hole" completion has waived objection.

(5) That the mechanics of the proposed "slim-hole" completion are acceptable and should be approved, provided that the applicant takes ^{all} necessary steps to ensure that the cement is circulated

to the surface on the 5-1/2 inch surface ~~string~~ casing, and provided further that the cement outside the 2 7/8 inch tubing is circulated back into the 5 1/2 inch surface casing.
IT IS THEREFORE ORDERED: 8

(1) That an unorthodox oil well location for the Cities Service Allison Well No. 1, located 200 feet from the North line and 200 feet from the East line of Section 15, Township 14 South, Range 25 East, NMPM, Chaves County, New Mexico, be and the same is hereby approved.

(2) That the applicant, be and the same is hereby authorized to recomplete the said Cities Service Allison Well No. 1 as a "slim-hole" completion with a total depth of approximately 1174 feet.

PROVIDED HOWEVER, That the applicant shall take every necessary step to ensure that the cement is circulated to the surface on the 5-1/2 inch surface ~~string~~ casing.

DONE at Santa Fe, New Mexico, -----

PROVIDED FURTHER, That the cement outside the 2 7/8 inch tubing ~~is~~ shall be circulated back into the 5 1/2 inch surface casing.



CITIES SERVICE OIL COMPANY

LEGGETT BUILDING
MIDLAND, TEXAS

March 8, 1960

Oil Conservation Commission
Santa Fe, New Mexico

RE: Request for Permission to Drill in
Section 15-14S-25E, Chaves County, New Mexico.

Gentlemen:

Mr. Len Mayer and Mr. Henry Etz of Roswell, New Mexico, propose to drill a San Andres test at a location 200 feet FNL and 200 feet FEL of Section 15-14S-25E, Chaves County, New Mexico. Since this is not a standard location, it is our understanding that approval for the drilling of the well must be obtained from you. We have been advised that before such approval can be granted, the owners of the leases offsetting the drillsite must consent to the location. Cities Service Oil Company is the owner of all such offsetting leases and hereby consents to the well location set out above.

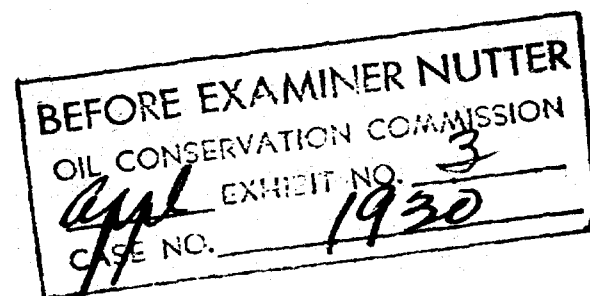
Very truly yours,

CITIES SERVICE OIL COMPANY

E. J. Gemmill

E. J. Gemmill
Exploration Manager
Southwestern Division
Leggett Building
Midland, Texas

CC: Mr. Len Mayer and Mr. Henry Etz
P. O. Box 5613
Roswell, New Mexico



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APRIL 6, 1960

IN THE MATTER OF: :
: :
: :

CASE 1930 Application of E. P. Campbell for an unorthodox :
gas well location and for approval of a "slim- :
hole" completion. Applicant, in the above- :
styled cause, seeks permission to deepen a Day- :
ton-Abo Pool well and attempt a "slim-hole" :
completion in the Atoka-Pennsylvanian Gas Pool. :
Said well is the E. P. Campbell Kleeman Well :
No. 1, located 660 feet from the South line and :
330 feet from the East line of Section 27, Town- :
ship 18 South, Range 26 East, Eddy County, New :
Mexico. :
: :

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: We will take Case 1930.

MR. PAYNE: Case 1930. Application of E. P. Campbell for
an unorthodox gas well location and for approval of a "slim-hole"
completion.

MR. KELLAHIN: Jason Kellahin, Kellahin & Fox, Santa Fe;
appearing for the Applicant, and we will have one witness, Mr.
Swartz.

(Witness sworn)

GUY A. SWARTZ,

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A My name is Guy A. Swartz, Roswell, New Mexico.

Q By whom are you employed and in what position, Mr. Swartz?

A I am employed by Mr. E. P. Campbell of Lubbock, Texas as a consultant-geologist.

Q Have you previously testified before this Commission as a consultant-geologist and had your qualifications accepted?

A Yes, sir, I have.

Q MR. KELLAHIN: Are the qualifications of the witness acceptable?

MR. NUTTER: Yes, sir. Please proceed.

Q (By Mr. Kellahin) Now, Mr. Swartz, are you familiar with the application in Case 1930?

A Yes, sir. I filed this application personally on March 7, 1960.

Q What factors require a hearing of this application?

A Inasmuch as this test is located 200 feet from the boundary line of the forty-eight acre tract, an exception is requested to Rule 104-B, which states: "Any well classified as a wildcat shall not be located, or shall be located not closer than three hundred thirty feet to any boundary line in such tract." Further,

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6681

ALBUQUERQUE, NEW MEXICO



Rule 107-E states: "The Commission's District Supervisor or their representatives shall have the authority to approve "slim-hole" completions without notice for administrative approval or notice of hearing, when the following conditions exist:" And one of these conditions is that this well is not a wildcat.

Q Is this well so located in relation to other production that it is classified as a wildcat under the Rules and Regulations of the Commission?

A Yes, sir. It is located further than one mile from any existing production.

Q And, now, do you have a plat showing the location of the well?

A Exhibit No. 1 is a surveyor's plat which was furnished by the Cities Service Oil Company concerning the location of this well.

Q Now, who owns the adjacent properties to the location of this well?

A Exhibit No. 2 is a lease plat which shows the proposed location, and the lease owners for approximately one mile around this location. In this case, Cities Service owns or is the lease owner of all offset locations.

Q Now, does Cities Service Oil Company have any objection to the "slim-hole" completion as proposed in this application?

A No, sir. Exhibit No. 3 is a letter from Cities Service Oil Company to the Oil Conservation Commission authorizing a Mr.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



Etz and Mr. Mayer, who are reassigning the Cities Service acreage to Mr. E. P. Campbell. They are authorizing the reentry of the subject well.

Q Now, what is the lateral distance of the well from the normal location?

A The distance, different from a normal location, would be one hundred eighty-four feet.

Q Now, do you have an electric log of the well, Mr. Swartz?

A Yes, sir.

Q That is marked as Exhibit No. 4, is it not?

A Yes.

Q Now, referring to the log and other information which you have, would you discuss the history of this well?

A Cities Service drilled the No. 1 Allison as a Cortez, and plugged and abandoned same on 5/22/59. Eight and a quarter inch hole was drilled to six hundred ninety feet, and five and a half inch casing was mudded at that point. Now, four and three-quarters inch hole was drilled and cored to a total depth of eleven seventy-four feet. A drill stem test was taken at total depth and recovered oil and water. The cores were analyzed and found to be potentially productive of oil.

Q Now, as I understand you, a surface string was run and mudded in; is that correct?

A That's correct.

Q And the four and three-quarters hole has been open hole;

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

is that correct?

A That's true.

Q And is that the present status of the well?

A Yes, sir.

Q And, in fact, it has been plugged?

A Yes, sir.

Q Now, how have you proposed to complete the well if permission is granted in this application?

A It is proposed to drill out the plugs, set between one hundred and fifty feet in total depth; cement the five and one half inch casing with sufficient cement to circulate to the surface; run an oil string of two and seven-eighths inch J-55 new tubing to bottom; and cement with sufficient cement to circulate back to the surface. It is further proposed to perforate and test.

Q Now, is this method any different than that formerly followed in areas of proven production for "slim-hole" completions?

A No, sir.

Q It conforms with the present practices which have been practiced and passed by this Commission?

A Yes, sir.

Q Are there any abnormal or high pressure areas that would be encountered in this well?

A No, sir. A bottom hole thirty minute shut-in pressure, taken on the drill stem was one hundred eighty-five pounds per square inch.



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Q Is this proposed method of completion, in your opinion, in the best interest of conservation?

A Yes, sir.

Q For what reason?

A Inasmuch as, without a more complete evaluation in production tests of this particular zone, there is too high a risk element to warrant drilling a new well in this area.

Q Would you, on the basis of your experience, recommend to your clients that a normal well be completed at a normal location in this area at the present time?

A No, sir.

Q If the Commission grants this application, in your opinion, will correlative rights be impaired?

A No, sir.

Q Will the completion as proposed by you adequately protect any fresh water zones or producing areas that may be encountered in this area?

A Yes, sir. For that reason, additional cement is proposed to be run to cement the oil string back to the surface.

Q Were Exhibits 1 through 4, inclusive, prepared by you or under your direction and supervision?

A They were.

MR. KELLAHIN: I would like to offer in evidence Exhibits 1 through 4.

MR. NUTTER: Applicant's Exhibits 1 through 4 will be ad-



mitted.

(Thereupon, Applicant's Exhibits Nos. 1 through 4 were received in evidence.)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: No.

MR. NUTTER: Does anyone have any questions of the witness?

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Swartz, how much five and a half inch did you say you were going to run?

A The five and a half inch casing was set and cemented, according to the Cities Service Oil Company records, at six hundred ninety feet.

MR. NUTTER: It was cemented or mudded?

A Mudded, I'm sorry. However, the electric log had to be indicated at seven hundred and ten feet, there is a discrepancy in that point.

Q (By Mr. Utz) You are going to circulate cement behind the five and a half?

A Yes, sir, inasmuch as the San Andres irrigation water zone does have to be protected in this instance.

Q How much two and seven-eighths are you going to set?

A Eleven hundred seventy-four feet at the bottom.

Q That will be circulated?

A Yes, sir, that would be circulated.

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Q And what formations would you go into at pay?

A That would be the Slaughter zone of the San Andres.

MR. UTZ: That's all I have.

QUESTIONS BY MR. NUTTER:

Q Mr. Swartz, was Exhibit No. 1 the sur--

A The surveyor's plat.

Q And Exhibit No. 2 was the lease plat. Now, how do you propose to circulate cement behind this five and a half inch pipe, Mr. Swartz?

A By pumping and plug method.

Q Do you think you will be able to get circulation there?

A Yes, sir, I believe so. The formation there is--Although it's in a controlled irrigation district, there are no strong waters in that area, and I believe that--Well, let me say this. In the event that we don't get circulation by pump and plug method, we would attempt to pump down from the surface.

Q You will take whatever measures are necessary to establish a complete sheath of cement around that pipe?

A That's true.

Q Now, your proposed producing interval is the same interval that Cities Service drill stem tested?

A Yes, sir.

Q And you wouldn't drill below that depth?

A No, sir.

Q Now, do you know what procedure Cities Service went through



in order to drill this stratigraphic test?

A To my knowledge, they just made application to the Commission to drill it as a Cortez, and not as an oil well.

Q Now, you are going to file all the forms that would be necessary for completion of an oil well?

A As if this were a new well, yes, sir.

Q Even though Cities Service, when they originally drilled the well, might not have filed those forms?

A That's true. It will be treated as a new well.

Q Is this in the horizontal limits of any oil pool?

A No, sir.

Q What is the nearest oil pool for this same pay?

A Probably the Red Lake Pool. That would be approximately twenty-five miles away.

Q Is E. P. Campbell aware that there is a possibility that at some future date the Commission would have the right to adjust the allowable, if necessary, on account of this unorthodox location?

A I don't believe he is aware of that, no.

Q You are aware of it, aren't you?

A Yes.

MR. NUTTER: Does anyone else have any questions of Mr. Swartz? You may be excused.

(Witness excused)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

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MR. KELLAHIN: Nothing further, Mr. Nutter.

MR. NUTTER: Does anyone have anything further for this case? Take the case under advisement.

(Whereupon, the hearing was recessed at 12:04 P.M.)

* * * *

STATE OF NEW MEXICO)
) SS
COUNTY OF BERNALILLO)

I, THOMAS T. TOMKO, Court Reporter, 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 machine shorthand and reduced to typewritten transcript by me, 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 16th day of April, A.D. 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


Thomas T. Tomko
Notary Public

My Commission Expires:

Jan 7, 1964

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. _____
CASE NO. _____

I do hereby certify that the foregoing is a complete record of the proceedings in the hearing and trial of case No. 1722 heard by me on 4-6, 1960.

Arthur, Examiner
New Mexico Oil Conservation Commission 

DEARNLEY-MEIER REPORTING SERVICE, Inc.

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