

CASE 2855: Application of PAN 1m.
for dual completion of SMU Well No.
1, Lea County, N. M.

Case No.

2855

Application, Transcript,
Small Exhibits, Etc.

DRAFT

JMD/esr
July 15, 1963

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. 2855

Order No. R- 2525

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A DUAL COMPLETION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
July 10, 1963 at Santa Fe, New Mexico, before Elvis A. Utz,
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 July, 1963, the Commission,
a quorum being present, having considered the application, the
evidence adduced, and the recommendations of the Examiner,
Elvis A. Utz, 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, Pan American Petroleum Corporation,
seeks authority to complete its SMU Well No. 1, located in Unit J
of Section 15, Township 24 South, Range 37 East, NMPPM, Lea County,
New Mexico, as a dual completion (conventional) to produce oil
from the Fowler-Blinbry and Fowler-Ellenburger Pools through
parallel strings of 2 3/8-inch tubing, with separation of zones
by a packer set at approximately 6200 feet.

(3) That the mechanics of the proposed dual completion are
feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent
waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to complete its SMU Well No. 1, located in Unit J of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Fowler-Blinebry and Fowler-Ellenburger Pools through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 6200 feet.

PROVIDED HOWEVER, That the applicant shall complete, operate and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order.

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Fowler-Ellenburger Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

RECORDED IN FILE 1-17

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

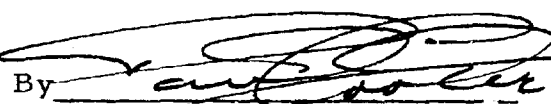
IN THE MATTER OF THE APPLICATION)
OF PAN AMERICAN PETROLEUM COR-) No. 2855
PORATION FOR DUAL COMPLETION,)
LEA COUNTY, NEW MEXICO)

ENTRY OF APPEARANCE

The undersigned, Atwood & Malone, of Roswell, New Mexico, a firm of attorneys, all of whose members are duly licensed to practice law in the State of New Mexico, hereby enters its appearance as local counsel with Guy Buell, Esquire, of the Texas Bar, appearing for Pan American Petroleum Corporation in the above styled cause.

DATED at Roswell, New Mexico, this 1st day of July,
1963.

ATWOOD & MALONE

By 

Post Officer Drawer 700
Roswell, New Mexico

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. 2855
Order No. R-2525

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A DUAL COMPLETION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 10, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, 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 17th day of July, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Pan American Petroleum Corporation, seeks authority to complete its SMU Well No. 1, located in Unit J of Section 15, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Fowler-Blinbry and Fowler-Ellenburger Pools through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 6200 feet.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to complete its SMU Well No. 1, located in Unit J of Section 15, Township 24 South, Range 37 East, NMPM, Lea

-2-

CASE No. 2855
Order No. R-2525

County, New Mexico, as a dual completion (conventional) to produce oil from the Fowler-Blinbry and Fowler-Ellenburger Pools through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 6200 feet.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order.

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Fowler-Ellenburger Pool.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

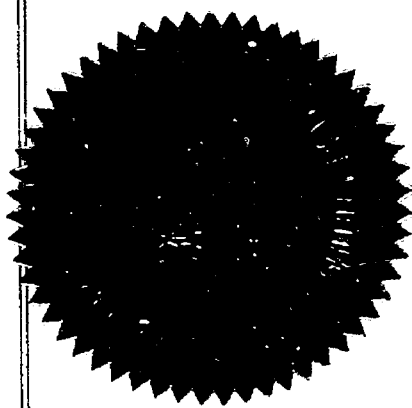
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary



esr/

CLASS OF SERVICE
This is a fast message
unless its deferred char-
acter is indicated by the
proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS
DL = Day Letter
NL = Night Letter
LT = International
Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

LA083 SSB269

RWA055 NL PD=ROSWELL NMEX 9=
NEW MEXICO OIL CONSERVATION COMMISSION=
SANTA FE NMEX:

1963 JUL 9 PM 12 21

RE CASE NO 2855 ATLANTIC SUPPORTS PAN AMERICAN IN THEIR
REQUEST TO DUAL COMPLETE THE SOUTH MATIIX UNTIL NO 1 IN
THE ELLENBURGER AND BLINBRY FORMATIONS THE PROPOSED
DUAL COMPLETION IS A GOOD MECHANICAL METHOD RECOGNIZED
BY THE OIL INDUSTRY IT WILL PROVIDE CONTINUED
DEVELOPMENT OF THE FOWLER BLINBRY POOL WITHOUT THE
UNDUE EXPENSE OF DRILLING UNNECESSARY WELLS=
W P TOMLINSON THE ATLANTIC RFG CO.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 268
Lubbock 8, Texas
June 21, 1963

Set for hearing

Case 2855

File: JET-4196-906.510.1

Subject: Application of Pan American
Petroleum Corporation For A
Conventional Dual Completion In
The Fowler (Ellenburger) and
Fowler Blinbry Oil Pools For
Its South Mattix Unit Well No. 1
Lea County, New Mexico

Mr. A. L. Porter, Jr. (3)
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Sir:

Pan American Petroleum Corporation, operator of the South Mattix Unit, respectfully requests that a hearing be docketed to consider its application for approval of a Fowler (Ellenburger) - Fowler Blinbry oil-oil dual completion for its South Mattix Unit Well No. 1, located 1980 feet from the east line and 3300 feet from the north line of Section 15, T-24-S, R-37-E, Lea County, New Mexico.

The subject well is presently completed in and producing from the Ellenburger formation and is to be conventionally dual completed with the Blinbry formation through parallel strings of tubing.

Attached is a plat of the area reflecting ownership of adjoining leases. Offset operators, as shown below, are notified of this application by copy of this letter.

Yours very truly,

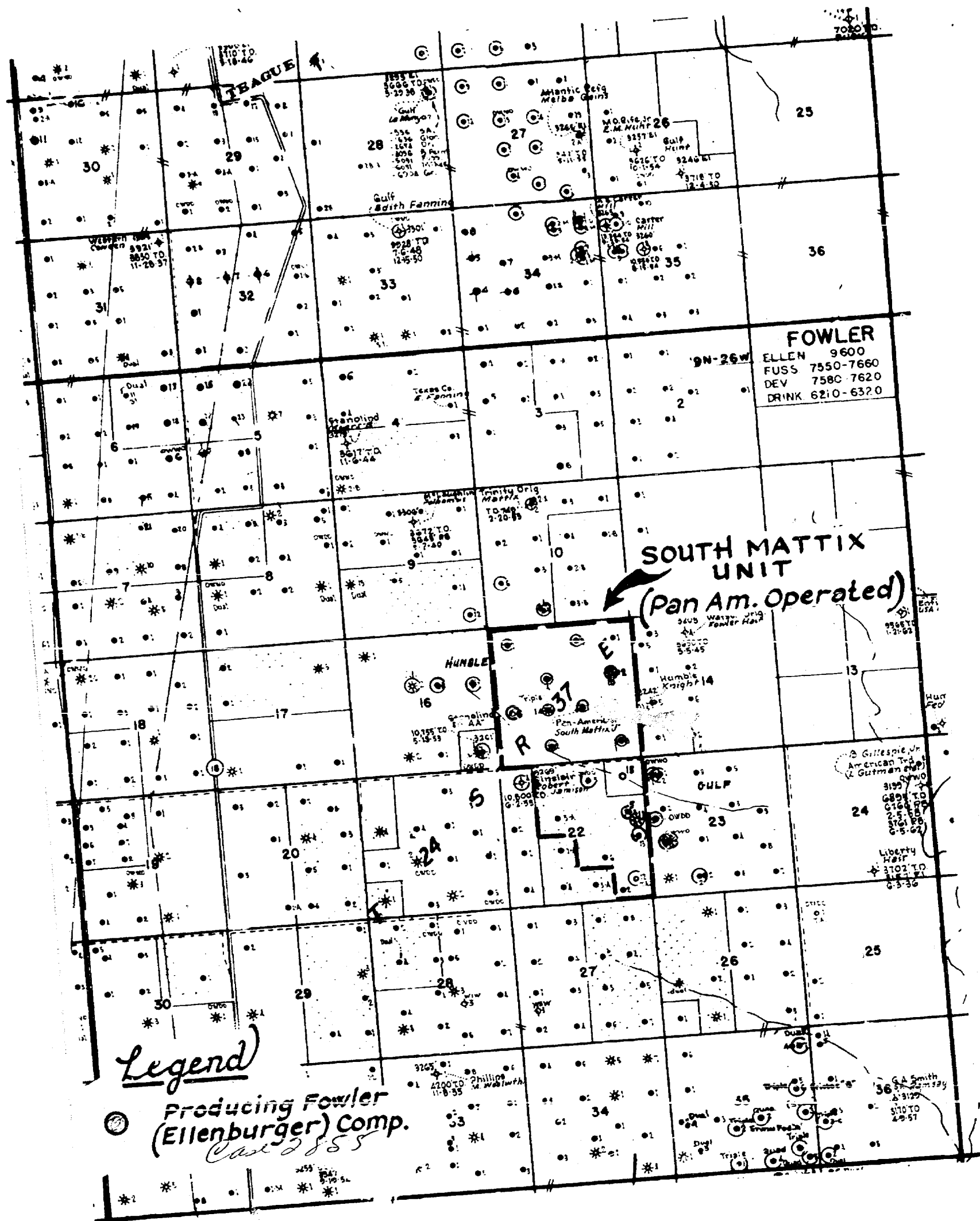
Neil S. Whitmore
Neil S. Whitmore
District Superintendent

JTR:jb:js
Attachment

cc: Mr. H. L. Hensley - Humble Oil & Refining Co., Midland, Texas
Mr. John Hoover - Gulf Oil Corporation, Roswell, New Mexico

DOCKET MAILED

Date *6/28/63*



County, New Mexico, including the conversion of additional wells to water injection.

CASE 2854:

Application of Pan American Petroleum Corporation for an unorthodox location and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its SMU Well No. 15 to produce oil from the Fowler-Blinebry and Fowler-Ellenburger Pools through parallel strings of tubing, said well to be at an unorthodox location for the Fowler-Ellenburger Pool at a point 660 feet from the North and East lines of Section 22, Township 24 South, Range 37 East, Lea County, New Mexico.

CASE 2855:

Application of Pan American Petroleum Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its SMU Well No. 1 located in Unit J of Section 15, Township 24 South, Range 37 East, Lea County, New Mexico, to produce oil from the Fowler-Blinebry and Fowler-Ellenburger Pools through parallel strings of tubing.

CASE 2856:

Application of Socony Mobil Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its State Bridges No. 97 well located in Unit O of Section 26, Township 17 South, Range 34 East, Lea County, New Mexico, to produce oil from the Blinebry and Glorieta formations, Vacuum Field, through parallel strings of 1.61 inch I.D. tubing.

CASE 2575:

(Reopened)

In the matter of Case No. 2575 being reopened pursuant to the provisions of Order No. R-2267, which order established temporary 80-acre oil proration units and 320-acre gas proration units for the Lybrook-Gallup Pool, Rio Arriba County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre gas and 40-acre oil spacing.

CASE 2857:

Application of Standard Oil Company of Texas for special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special pool rules for the Boulder-Mancos Oil Pool, Rio Arriba County, New Mexico, including provisions for 80-acre spacing therein.

CASE 2858:

Application of Standard Oil Company of Texas for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special pool rules for the La Plata-Gallup Oil Pool, San Juan County, New Mexico, including provisions for 80-acre spacing therein.

iqg/

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 10, 1963

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner:

- CASE 2848: Application of Skelly Oil Company for a unit agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of its East Bisti Unit Area comprising 17,812 acres of Federal, State and Indian lands in Townships 24 and 25 North, Ranges 9, 10, and 11 West, San Juan County, New Mexico.
- CASE 2849: Application of Skelly Oil Company for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Bisti Lower-Gallup Oil Pool, San Juan County, New Mexico, by the injection of water into the Gallup formation through 34 wells in its East Bisti Unit Area.
- CASE 2850: Application of Shell Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East Pearl-Queen Unit Area comprising 2440 acres of State and Fee lands in Township 19 South, Range 35 East, Lea County, New Mexico.
- CASE 2851: Application of Shell Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its East Pearl Queen Unit by the injection of water into the Queen formation through 29 wells in Sections 15, 21, 22, 26, 27, 34 and 35, Township 19 South, Range 35 East, Lea County, New Mexico.
- CASE 2852: Application of Amerada Petroleum Corporation for a triple completion and for commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the triple completion (combination) of its State NJ "A" Well No. 1 located in Unit A of Section 2, Township 25 South, Range 37 East, North Justis Field, Lea County, New Mexico, to produce oil from the McKee and Ellenburger zones through 1-½ inch tubing inside parallel strings of 3-½ inch casing and from the Montoya zone through 1-½ inch tubing inside 2-7/8 inch casing, all casing strings to be cemented in a common well bore. Applicant further seeks to add the Montoya zone to the commingling authority previously granted by Administrative Order No. PC-84.
- CASE 2853: Application of Humble Oil & Refining Company for an amendment to Order No. R-2154, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the expansion of its Cha Cha-Gallup Pressure Maintenance Project, San Juan

Case 2855

Heard 7-10-63

Rec. 7-11-63

1. Grant Pan' Am. authority to finally complete their S. Mattis unit well #1 located ~~1550~~ 3300/N + 1980/E lines sec. 15-24S-37E. Completion is conventional for the ~~S. Mattis~~ Fowler - Blinby and Fowler Ellenburger oil pools.

2. Use usual shut order.

Thos. W. J.

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

July 17, 1963

Mr. Guy Buell
Pan American Petroleum Corporation
Box 1410
Fort Worth, Texas

Re:

Case No. 2855

Order No. R-2525

Applicant:

Pan American Petroleum Corporation

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, JR.
Secretary-Director

ix/

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC

Astec OCC

OTHER



STANDARD OIL COMPANY OF TEXAS

A DIVISION OF CALIFORNIA OIL COMPANY
P. O. BOX 1249 • HOUSTON 1, TEXAS

July 15, 1963

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

Attention: Mr. Elvis A. Utz

Gentlemen:

This is in reference to Case 2855, New Mexico Oil Conservation Commission hearing July 10, 1963, the application of Pan American Petroleum Corporation for dual completion of the South Mattix Unit Well No. 1, Fowler Blinebry and Fowler Ellenburger Pools, Lea County, New Mexico.

Standard Oil Company of Texas, a Division of California Oil Company, concurs in Pan American Petroleum Corporation's proposal and recommends adoption of an order approving the requested dual completion.

Yours very truly,

C. N. Segnar
C. N. Segnar
Chief Engineer

GEG:ja

cc: Pan American Petroleum Corporation
P. O. Box 268
Lubbock 8, Texas
Attention: Mr. Neil S. Whitmore

EXHIBIT

**PAN AMERICAN PETROLEUM CORPORATION'S
APPLICATION FOR PERMISSION TO DUAL
COMPLETE ITS SOUTH MATTIX UNIT WELL NO. 1
IN THE FOWLER ELLENBURGER (OIL) AND FOWLER
BLINEBRY (OIL) POOLS,
LEA COUNTY, NEW MEXICO**

**EXAMINER HEARING CASE NO. ____
JULY 10, 1963**

DISCUSSION

Pan American Petroleum Corporation respectfully requests that the New Mexico Oil Conservation Commission grant permission to dual complete its South Mattix Unit Well No. 1 in the Fowler Ellenburger (Oil) and Fowler Blinebry (Oil) Pools of Lea County, New Mexico.

As shown on Attachment No. 1, the SMU No. 1 is located 3300' from the north line and 1980' from the east line of Section 15, T-24-S, R-37-E, Lea County, New Mexico. This location is a standard location for both of the subject oil pools.

The SMU No. 1 was completed as an Ellenburger discovery in May, 1949, and is still producing at top allowable flowing status. The cumulative recovery from the Ellenburger formation from the SMU No. 1 through April 1963, was 975,554 barrels of oil.

The Fowler Blinebry Pool was discovered in February 1954, by the Gulf Oil Corporation Plains Knight Well No. 2 located in Unit N, Section 23, T-24-S, R-37-E, approximately one and one-half miles southeast of the SMU No. 1. The only other completion in the Fowler Blinebry pool is the Pan American SMU No. 14 located at a standard location in Unit K, Section 15, T-24-S, R-37-E, 1320' west of the SMU No. 1. The SMU No. 14 was completed as a Fowler Blinebry Pool development well in 1962, the Blinebry being triple completed with the Paddock and Tubb formations.

Attachment II is a diagrammatic sketch showing the manner in which this well will be dually completed. This is a conventional dual completion in 7" casing with each horizon producing through separate tubing strings. The use of an Otis Type WA packer and separate tubing strings will prevent the comingling of fluids from the two horizons in the well bore and will permit the safe and efficient production of oil from both reservoirs.

Attachment III is a gamma ray-neutron log of the SMU No. 1 with the perforated intervals and formation tops marked thereon in red.

Attachment IV presents, for convenience, a completed copy of the NMOCC's application for multiple completion for the subject well.

NEW MEXICO OIL CONSERVATION COMMISSION

SANTA FE, NEW MEXICO

5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator San Antonio Petroleum Corporation		County San	Date 7/10/60
Address Box 200, Lubbock, Texas		Lease South Martin Unit	Well No. 1
Location of Well	Unit J	Section 13	Township 24-S
		Range 23-S	

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES ☐ NO ☒
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.:

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Foster Shinarump		Foster Shinarump
b. Top and Bottom of Pay Section (Perforations)	Proposed 2300-2400'		Open Hole 2400'-2500'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	To be tested		Flowing

4. The following are attached. (Please mark YES or NO)

- ☒ a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
- ☒ b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
- ☒ c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
- ☒ d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Gold Oil Corporation, P. O. Box 2000, Roswell, New Mexico

Smith Oil & Refining Company, Box 1000, Lubbock, Texas

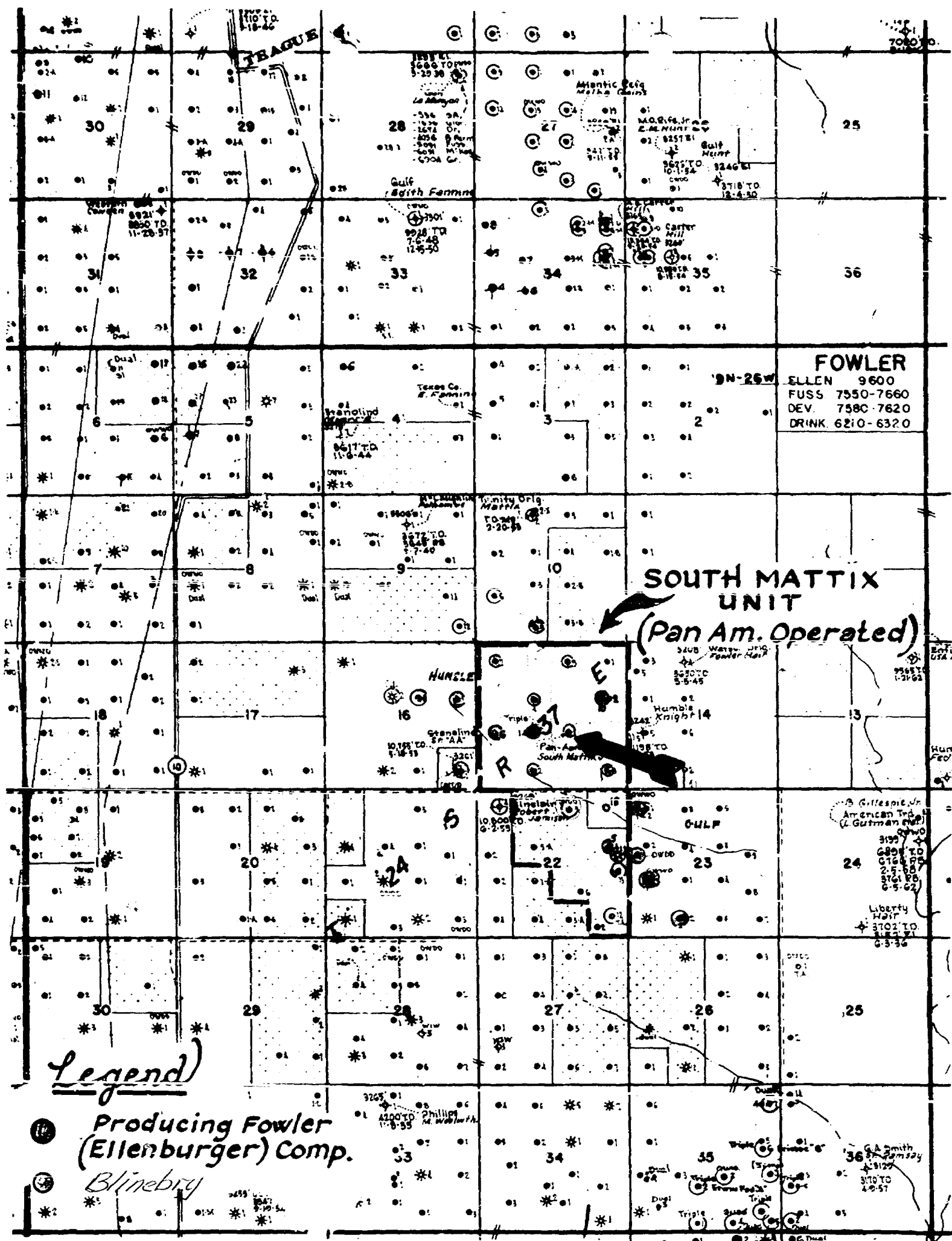
6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES ☐ NO ☒ If answer is yes, give date of such notification **They were furnished copy of letter to them regarding meeting, dated 6/21/60, File: 200-100-100, 100, 1.**

CERTIFICATE: I, the undersigned, state that I am the _____ of the _____ (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

A. J. Information

Signature **Information**

- * Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.
- NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.



2-3/8" OD (1.995" ID)
KUE Tubing @ 5508'

2-3/8" OD (1.995" ID)
KUE Tubing @ 9476'

13-3/8" CSA 284' w/ 275 sx
cement. Cement circulated

9-5/8" CSA 3803' w/ 2000 sx
cement. Top cement @ 1375'

Proposed Blinbry Perfs.
5363' - 5653'

Ogis type WA Packer set at
6200'.

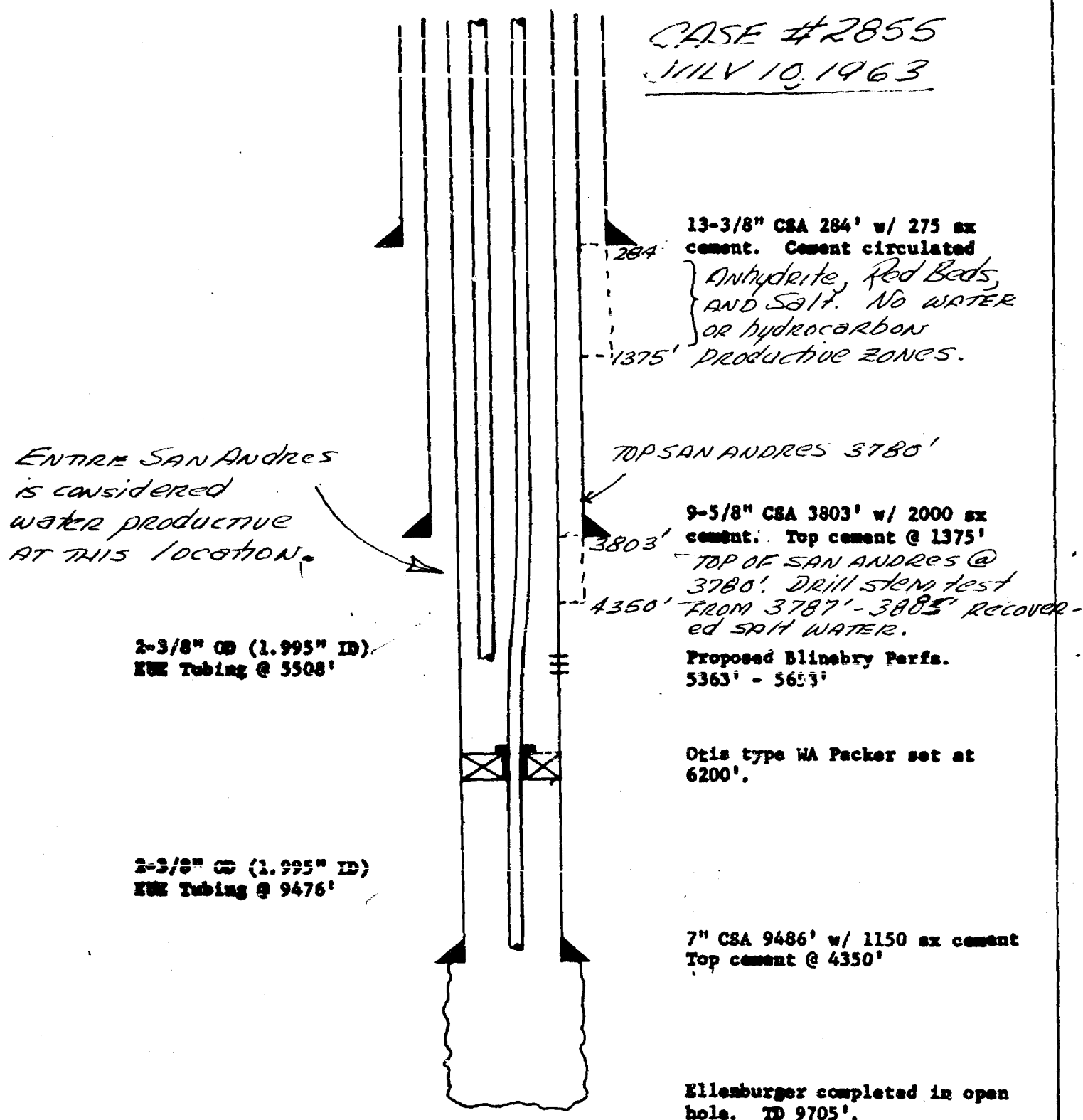
7" CSA 9486' w/ 1150 sx cement
Top cement @ 4350'

Ellenburger completed in open
hole. TD 9705'.

Pan American Petroleum Corp.

Diagrammatic Sketch - Pan American Petroleum Corporation South Mattix Unit No. 1,
Proposed Dual Completion, Fowler Ellenburger (Oil) And Fowler Blinbry (Oil) Pools,
Lea County, New Mexico

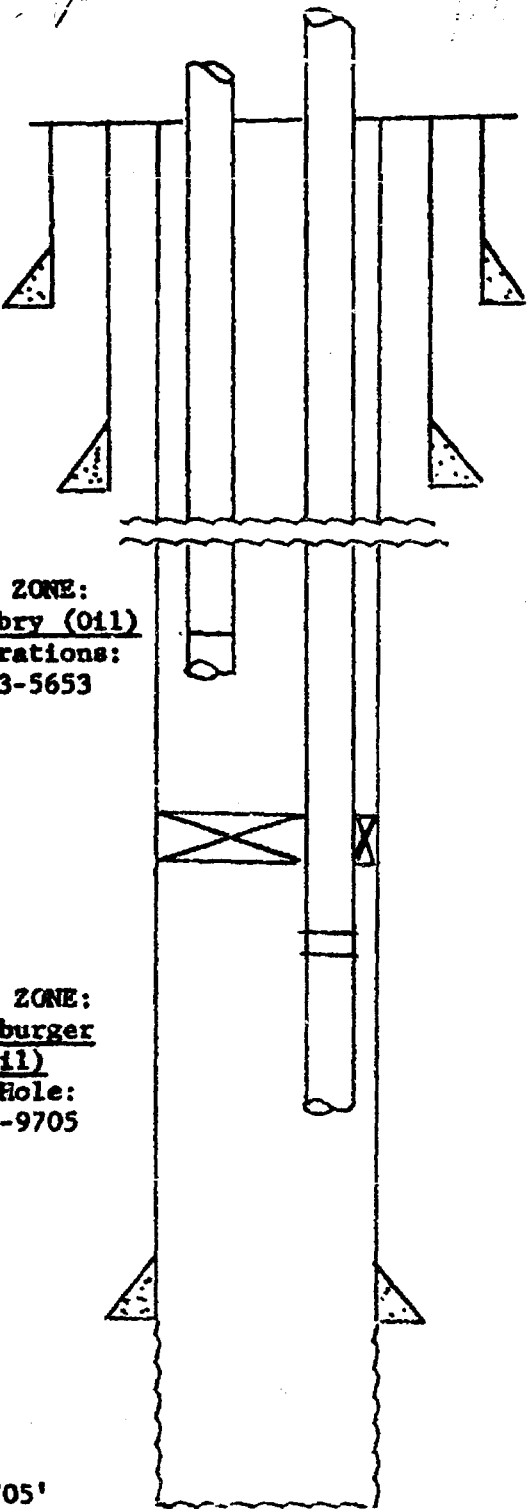
CASE #2855
JULY 10, 1963



Pan American Petroleum Corp.

Diagrammatic Sketch - Pan American Petroleum Corporation South Mattix Unit No. 1,
Proposed Dual Completion, Fowler Eilenburger (Oil) And Fowler Blinbry (Oil) Pools,
Lea County, New Mexico

15-24-37
7800
JUL 10 1950
Dual Tubing Head
DEC 5 AM 11 23
Ground Level



UPPER ZONE:
Blinebry (Oil)
Perforations:
5413-5653

LOWER ZONE:
Ellenburger
(Oil)
Open Hole:
9484-9705

TD 9705'

Dual Tubing Head

Ground Level

13-3/8" Surface Casing set at 284'.
Cement circulated.

9-5/8" Intermediate Casing set at 3803' and
cemented with 2000 sx.

2-3/8" OD Tubing (ID 1.995") set at 5653'
with seating nipple on bottom.

Otis Type WA Production Packer set at 6198'.

Seating nipple set at 8012'.

2-3/8" OD Tubing (ID 1.995") set at 9395'.

7" Oil String Casing set at 9484' and cemented
with 1050 sx.

PAN AMERICAN PETROLEUM CORPORATION

DIAGRAMMATIC SKETCH - DUAL COMPLETION INSTALLATION

SOUTH MATIX UNIT NO. 1 (J-15-24-37) LEA CO., N.M.

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 10, 1963

EXAMINER HEARING

IN THE MATTER OF:

Application of Pan American Petroleum Corpora-
tion for a dual completion, Lea County, New
Mexico. Applicant, in the above-styled cause,
seeks approval of the dual completion (con-
ventional) of its SMU Well No. 1 located in
Unit J of Section 15, Township 24 South,
Range 37 East, Lea County, New Mexico, to pro-
duce oil from the Fowler-Blinbry and Fowler-
Ellenburger Pools through parallel strings of
tubing.

CASE 2855

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order. Case 2855.

MR. DURRETT: Application of Pan American Petroleum
Corporation for a dual completion, Lea County, New Mexico.

MR. BUELL: For Pan American Petroleum Corporation,
Guy Buell. We have one witness, Mr. Rogers.

MR. DURRETT: Let the record show that Mr. Rogers was
sworn in the previous case and he's still under oath.

MR. UTZ: Any other appearances in this case? You
may proceed, Mr. Buell.

MR. BUELL: Can we also consider that his qualifica-
tions are in the record, too?

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



MR. UTZ: Yes.

MR. BUELL: Again, as we did in our previous case, we have collected all our exhibits in brochure form and they are marked as Pan American's Exhibit 1.

(Whereupon, Pan American's Exhibit No. 1 marked for identification.)

JAMES T. ROGERS

called as a witness, having been previously sworn, testified as follows:

DIRECT EXAMINATION

BY MR. BUELL:

Q State for the record the location of Pan American's SMU Well No. 1.

A It is located in the Northwest Quarter of the Southeast Quarter, Section 15, 24 South, 37 East. This well was at a standard location in both of these pools.

Q Is that well currently a completed and producing well, Mr. Rogers?

A Yes, sir. It's presently producing from the Ellenburger formation. This well was a discovery well for the Fowler- Ellenburger Pool and is still flowing top allowable.

Q The plat that's attached to Exhibit No. 1 shows the Ellenburger completions and the Blinbry completions?

A Yes, sir. The Ellenburger completions are red and the Blinbry completions are shown in green.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3871

ALBUQUERQUE, N. M.
PHONE 243-6691



Q And there are two Blinebry completions at this time in the Fowler-Blinebry Pool?

A Yes, the South Mattix Unit 14 located as a west offset to No. 1 in Section 15, and Gulf Plains Knight No. 2 located down in Section 23. We are presently attempting Blinebry completions also in our South Mattix Unit No. 3 located in Section 22.

Q Mr. Rogers, would you turn now to your diagrammatic sketch which is attached to Exhibit 1, and briefly comment on that, please?

A This sketch is our proposed equipment arrangement or procedure for dually completing this well. Currently, the Ellenburger is completed in an open hole 9705 total depth. We propose to perforate the Blinebry in an interval ranging from 5363 to 5653 feet. The zones will be separated by an Otis type WA Packer set at 6200 feet. Each zone will be produced through separate tubing strings. The surface casing in this well is set at 284 feet, 13-3/8 inch casing cemented with 275 sacks of cement and the cement circulated.

The intermediate, 9-5/8ths set at 3803 feet, cemented with 2,000 sacks of cement. The top of the cement by temperature survey is 1375 feet.

Q In your opinion, Mr. Rogers, will the mechanical installation which you have just discussed effect complete separation between the Ellenburger and the Blinebry reservoirs in this

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1122

SANTA FE, N. M.
PHONE 993-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.
 FARMINGTON, N. M. PHONE 325-1162
 SANTA FE, N. M. PHONE 983-3971
 ALBUQUERQUE, N. M. PHONE 243-6691

well?

A Yes, sir, it will.

Q Do you have also attached to Exhibit 1 a log of Well No. 1?

A Yes, our third attachment is a gamma ray neutron log on the South Mattix No. 1 well.

Q Have you made any notation on this log?

A Yes, sir. We have the proposed completion interval for the Blinebry shown in red at 5360 feet, and the top of the Blinebry is marked. We have the present open hole completion interval in the top of the Ellenburger shown down at 9486 feet. These are also shown in red on the log.

Q How much vertical separation exists between these two formations in this area?

A There's approximately 4,000 feet of vertical separation.

Q What in your opinion, Mr. Rogers, would it cost to drill a single Blinebry well?

A A single Blinebry would cost approximately \$70,000.

Q How much do you think it will cost for Pan American to effect a dual completion of its No. 1 well in the Blinebry?

A The cost estimate for our dual is 22,000, which results in a savings of \$48,000 over drilling a single Blinebry.

Q In your opinion, Mr. Rogers, will the approval of this request by the Commission prevent economic waste as well as protect the correlative rights of all the interest owners in both



pools?

A Yes, it would.

Q Do you have anything you would care to add at this time?

A No.

MR. BUELL: That's all we have by way of direct, and I would like to formally offer our Exhibit No. 1.

MR. UTZ: Without objection Exhibit No. 1 will be entered into the record of this case.

(Whereupon, Pan American's Exhibit No. 1 received in evidence.)

CROSS EXAMINATION

BY MR. UTZ:

Q In regard to your cement program, Mr. Rogers, your 13-3/8ths is circulated, right?

A Yes, sir.

Q The 9-5/8ths has the top of 1375?

A Yes.

Q That leaves from 284 down open behind the 9-5/8ths.

What zones are in this area?

A That's from what depth?

Q 1375 up to 284.

A I'm sorry, I don't know what zones are in there.

Q You don't know--

A No, sir.

Q -- whether there's a possibility of oil, gas, or water

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 925-1162

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1952

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

zones in there that might be in communication with other zones?

A No, sir, I feel certain that there's not, but I have no information available to state what is there.

Q Now your 7-inch, the top of the cement is 4350, which leaves the same condition from 3803 to 4350. Do you know what's in there?

A That would be zones above the Paddock formation. I believe the Paddock in that area would be located somewhere in the vicinity of 4000 to 4800 feet, so that the top of the cement would be up to the Paddock formation, so anything shallower than the Paddock would be between there and 3803 feet, so there's not very much interval in there. Without having information on the tops of the formations at this well, I couldn't say for sure which zone was open there.

Q Is the Paddock productive in this area?

A Yes, sir, the Paddock is productive, the Fowler-Paddock Gas Pool.

Q What is the usual thickness of the Paddock?

A Well, I'll offer a guess. I had forgotten I had this. I might be able to answer your last question now. I can give you an exact answer. The top of the Paddock is located at 4810 feet so that would place it somewhat lower than I thought it was. Actually it's down 500 feet below the top of the cement on the intermediate. The thickness of the Paddock in that well, coming to your last question now, is roughly 550 feet.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 933-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

Q Since the Paddock is below the cement, that question is a moot question now, and I redirect your attention to the area above 4350. What's in that area?

A I am back to where I started. My log goes to 4700 down, so I don't have that information down.

Q You don't know whether there's any producing zones in that open area behind the 7-inch casing?

A No, sir, I don't. I can state that we don't have any wells completed in anything in that interval, and in the vicinity of this well I don't know of any that are completed shallower than the Paddock.

Q Would you furnish the Commission with information on both of these areas, please?

A Yes, I will.

Q As soon as possible. What is the gravity of your Blinebry and Ellenburger?

A Just one second.

Q The average pressures and GOR, if you have that information.

A The gas-oil ratio on the Blinebry in the South Mattix Unit No. 14, which is the west offset to this No. 1, on potential was 1,060 to 1. That well is less than a year old and I'm sure that the GOR is still in that vicinity. In the Ellenburger, on the South Mattix Unit No. 1, our official GOR test was run the first part of this year; it was approximately 1950 to 1. So we



have a two to one ratio on the GOR. I don't have the gravities available on these crudes.

Q Do you have the approximate pressures?

A Yes, sir. The pressure in the Ellenburger is approximately 1950 psi; the pressure in the Blinbry is approximately 2250.

Q What type crudes are they?

A These are both sweet crudes.

MR. UTZ: Are there any other questions of the witness?

The witness may be excused.

(Witness excused.)

MR. UTZ: Are there any statements in this case?

MR. DURRETT: If the Examiner please, the Commission has received a communication in the form of a telegram from Mr. W. P. Tomlinson of Atlantic Refining, stating that they support Pan American in their request. I'll place it in the file if anyone would like to read it in its entirety.

MR. UTZ: The case will be taken under advisement.

* * * *

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1152

SANTA FE, N. M.
PHONE 963-3171

ALBUQUERQUE, N. M.
PHONE 243-6691



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 before the New Mexico Oil Conservation Commission was reported by me, 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 29th day of July, 1963.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:

June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2858 heard by me on *July 1, 1963*.

John C. Jolly, Examiner
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

SANTA FE, N. M.
PHONE 983-3971

ALBUQUERQUE, N. M.
PHONE 243-6691

