

Case No.

282

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Application, Transcript,  
Small Exhibits, Etc.

SEE NOTICES OF PUBLICATION RECORD IN CASE 281:

Santa Fe New Mexican  
Hobbs Daily News-Sun  
Artesia Advocate

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 282  
ORDER NO. R-83

THE MATTER OF APPLICATION OF  
S. E. CONE FOR AN ORDER AUTHORIZING  
THE DUAL COMPLETION OF ANDERSON  
NO. 1 IN THE DRINKARD POOL LOCATED  
IN NE/4 SE/4 SECTION 21, TOWNSHIP 21  
SOUTH, RANGE 37 EAST, NMPM, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 o'clock A. M., on June 21, 1951 at Santa Fe, New Mexico before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 19th day of July 1951, but effective as of June 21, 1951, the Commission having considered the record and the evidence adduced at said hearing, 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, the persons and subject-matter thereof.

2. That although recent experiments tend to show that mechanical packers and other devices are ordinarily available for successful dual completions, particularly gas-gas, and gas-oil; the Commission, however is unconvinced of the soundness of such dual completions as a general practice in New Mexico without specific control over each such project.

3. That the subject well, located in NE/4 SE/4, Section 21, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico is producing oil from the Drinkard formation from intervals between 6510' and 6628' and penetrates high pressure gas from the tubb sand at approximately 6150' depth, both of which may be economically produced by dual completion.

IT IS THEREFORE ORDERED:

That effective June 21, 1951, the applicant herein, S. E. Cone, be and he hereby is authorized to dually complete and produce his Anderson No. 1 Well located in the NE/4SE/4, Section 21, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico (Drinkard Pod) in such a manner that gas from the Tubb sand (approximately 6150') may be produced through the annular space between the casing and tubing and oil from the Drinkard

formation (6510'-6628') through the tubing by proper perforations and packer installations;

PROVIDED HOWEVER, That said well for dual completion and production purposes shall be equipped in such a way that reservoir pressures may be determined separately for each of the two separate strata, and further be equipped with all necessary connections required to permit recording meters to be installed and used at any time as may be required by the Commission or its representatives in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and

PROVIDED FURTHER, That the applicant-operator shall make any and all tests, including segregation tests but not excluding other tests and/or determinations at any convenient time and in such reasonable manner as deemed necessary by the Commission. The original and all subsequent tests shall be witnessed by a representative of the Commission and by representatives of off-set operators, if any there be, at their election and the results of each test properly attested to by the applicant herein, and all witnesses, and shall be filed with the Commission in Santa Fe, New Mexico within ten (10) days after the completion of any such test; and

PROVIDED FURTHER, that prior to the time said well is dually completed the applicant-operator shall furnish the Commission for its approval a drawing showing the proposed method or manner of completion; together with an electric log showing the location and extent of each separate stratum yielding production, and the proposed perforations; and

PROVIDED FURTHER, that upon the actual dual completion of the subject well, the applicant-operator shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to produce the seal between the zones or strata and a special report of production, gas-oil ratio and reservoir pressure determinations of each producing zone or stratum immediately following final completion.

IT IS FURTHER ORDERED, that jurisdiction of this case be and the same hereby is retained by the Commission for such further Order or Orders as may seem necessary to the Commission for the purpose of preventing waste as defined by statute or in protection of correlative rights, and, upon failure of applicant-operator to comply with any requirement of this Order or any subsequent reasonable order issued hereunder, then, and in that event the Commission may terminate the authority hereby granted after proper notice and hearing.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Edwin L. Mechem*

EDWIN L. MECHEM, Chairman

*Guy Shepard*  
GUY SHEPARD, Member

*R. R. Spurr*  
R. R. SPURR, Secretary

BEFORE THE  
OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO

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TRANSCRIPTION OF HEARING

CASE NO. 282

21 June 1951  
(DATE)

E. E. GREESON  
ADA DEARNLEY  
COURT REPORTERS  
BOX 1302  
PHONE 2-4547  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO

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Case 282: In the matter of the application of S.E. Cone for an order authorizing dual completion of his Anderson No. 1 well, Drinkard Pool, NESE 21-21S-37E, N1PM.  
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MR. SPURRIER: We will proceed now with the next case, Case 282.

(Mr. Graham reads notice of publication.)

MR. SPURRIER: Mr. Cone.

MR. CONE: Yes, sir.

MR. SPURRIER: Are you the S.E. Cone that has made this application?

MR. CONE: No, sir. I am a brother, J. R. Cone, who looks after his business in New Mexico.

MR. SPURRIER: Will you swear him, George?

(Mr. Cone sworn.)

MR. SPURRIER: Mr. Cone, go ahead and explain this matter in your own words.

MR. CONE: There is two Tubb sand wells completed, one diagonal and one direct offset to our forty acres. And we tried to unitize our forty acres with the Continental. At that time, they didn't see fit to unitize, so we are asking the Commission to allow us a dual completion in the Tubb sand for a fourth of the allowable to operate our No. 2 Anderson on a gas lift. The No. 1 Anderson well is located in NESE, 21-21S-37E, Lea County. This well has produced from the Drinkard formation with the perforation interval extending from 6510 to 6628. It is equipped with 2" upset tubing and 5½" casing set at 6640. Our application further represents that a high pressure gas zone exists in the approximate depth of 6150 in the Tubb sand section of the Earl Anderson No. 1 well as evidenced by gas production from the

Tubb section in the west offset and the northwest diagonal offset to said well. And the drillstem test yielded 4301.4MCF of gas per day from the Tubb section in the No. 2 Anderson; which is 1650 feet from the south and 330 feet from the east line of Section 21-21S-37E; and that it is practical and economically feasible to dual complete this well and produce liquid hydrocarbons through the tubing and gas through the annulus between the casing and the tubing with proper packed and wellhead connections. Therefore, we are asking for the granting of the dual completion of this well.

MR. SPURRIER: Does anyone have any questions?

MR. GUERNSEY: I am with Shell Oil Co. I understand, Mr. Cone, your efforts to unitize your forty-acre tract into a normal 160-acre gas and proration unit were not successful. Is that correct?

MR. CONE: That is right.

MR. GUERNSEY: I don't know if you realize, but you recall that recently I believe the Gulf Oil Corporation has submitted data to the Commission here to define the Tubb gas pool, and the Commission now has that matter under advisement. And also that pending, or if this pool is so designated, then state-wide rule 104 provides that the allowable from the gas well on a fractional proration unit will be correspondingly reduced in proportion to its acreage?

MR. CONE: That's right.

MR. GUERNSEY: Well, pending such proration in the Tubb gas pool, if it is set up as such, how do you propose to produce your dual well?

MR. CONE: Well, produce it on a fourth of the basis of 160 acres.

MR. GUERNSEY: You mean that -- of course, there is no allowable now -- but you mean when such allowable would be set up you will assign your well one-quarter of the allowable?

MR. CONE: That's right.

MR. GUERNSEY: I'm sorry, I guess you didn't understand the question. I meant how do you plan to produce the well during the period between now and such time as we do have gas

proration in that pool.

MR. CONE: Well, what we are interested in is in getting enough gas from this well to gas-lift our No. 2, and we didn't think we were entitled to more than one-fourth of the allowable on 160 or what they are producing from.

MR. GUERNSEY: In other words, until such time as there was a Tubb gas pool so designated, you would produce from your dual completion only that amount of gas that is reasonably necessary to gas-lift your Anderson No. 2?

MR. CONE: Well, we intend to try to, if it is permitted, to not produce more than one-fourth of what the offset wells are producing.

MR. GUERNSEY: I see. You mean until such time as there is gas well proration in this pool you would expect to withdraw from this well about one-quarter of the amount of gas that is being withdrawn from the other Tubb gas wells in the immediate vicinity?

MR. CONE: That's right.

MR. GUERNSEY: Now, if the Commission chose to grant your allowable on that basis, would that be acceptable to you?

MR. CONE: That's right.

MR. GUERNSEY: That is all the questions I have.

MR. GRAHAM: Is that state, federal, or fee?

MR. CONE: It is fee-owned land.

MR. SPURRIER: Does anyone have a question? Mr. Morrell.

MR. GRAHAM: Is that a gas-oil or gas-gas?

MR. CONE: Gas-oil.

MR. SPURRIER: In a Bradenhead operation.

MR. CONE: In a Bradenhead operation.



MR. GRAHAM: Do you have any information on the corrosiveness of the gas?

MR. CONE: No. The only thing is that offset operators are producing their's, and due to the fact that I tried to unitize mine with them and they wouldn't, so I am asking for a dual completion in mine.

MR. GRAHAM: What kind of mechanical installation do you propose to make?

MR. CONE: Set a packer at 6300, perforate it from about 6120 to 6150, and produce the gas through the casing and produce the Drinkard below 6300 to 6640.

MR. SPURRIER: Are there any more questions?

MR. GUERNSEY: I would like to add one statement or possibly request. I don't have another question of Mr. Cone.

MR. SPURRIER: If there are no further questions, the witness will be excused. Mr. Guernsey.

MR. GUERNSEY: The Shell Oil Company's concern in this matter is because we have an oil and gas lease on the 320-acre half section immediately east of the 40-acre tract on which Mr. Cone proposes to make his dual completion. And pending delineation of the Tubb gas pool, and the advent of proration in this pool, we would naturally develop our wells in accord with the state-wide rule 104, which provides for one well on a 160-acre tract. This rule, of course, will permit the drilling on the Shell lease of only one well to meet the offset condition posed by the two wells in the adjoining 160-acre tracts. And for that reason, the Shell Oil Company would like to urge that the Commission in case they do grant this dual completion, that they provide for gas well proration at least in the Tubb gas pool as early as feasible.

MR. SPURRIER: Are there any other comments? If not, we will proceed to Case 283.

STATE OF NEW MEXICO  
COUNTY OF BERNALILLO

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I HEREBY CERTIFY That the foregoing transcript is a  
true record of the matters therein contained.

DONE at Albuquerque, N. M., July 5, 1951.

E. G. Gerson  
My Commission Expires: Aug. 4, 1952.



*June 21 hearing*

(2)

*#10-282*

April 24, 1951.

IN THE MATTER OF THE APPLICATION OF  
S. E. CONE FOR AN ORDER GRANTING  
PERMISSION TO DUALY COMPLETE ANDERSON #1  
DRINKARD POOL, NE/4 SE/4 Section 21, Township  
21 South, Range 37 East, N.M.P.M., LEA COUNTY,  
NEW MEXICO.

APPLICATION

COMES NOW, S. E. Cone, an individual, operating in New Mexico from a field Office in Lubbock, Texas, and respectfully represents to the OIL CONSERVATION COMMISSION of the State of New Mexico that he has completed the Anderson #1 well, located in the NE/4 SE/4 Sec. 21, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico. This well is presently producing from the Drinkard formation through perforated intervals extending from 6510 feet to 6628 feet and is equipped with 2" upset tubing, 5 1/2 inch casing is set at 6640 feet.

Applicant further represents that a high pressure gas zone exists at an approximate depth of 6150 feet in the Tubbs Sand Section of the Earl Anderson #1 well as evidenced by gas production from the Tubb section in the West offset and the Northwest diagonal offset said wells and a drill-stem test yielding 4301.4 MCF gas per day. Tubb section in the #2 Anderson, 1650 feet from the South East, and that it is practical and economically feasible to complete this well to produce liquid hydrocarbons through the

*June 21 hearing*

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*# Case 282*

April 24, 1951.

IN THE MATTER OF THE APPLICATION OF  
S. E. CONE FOR AN ORDER GRANTING  
PERMISSION TO DUALY COMPLETE ANDERSON #1  
DRINKARD POOL, NE/4 SE/4, Section 21, Township  
21 South, Range 37 East, N.M.P.M., LEA COUNTY,  
NEW MEXICO.

APPLICATION

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tubing and gas through the annulus between the casing and the tubing with proper packer and wellhead connections.

WHEREFORE, applicant asks that permission be granted to recomplet to said well to produce oil from the Brinard formation and gas from the Tubb formation.

Attached hereto is (1) plat showing well to be dually completed and other wells in the vicinity and (2) diagram showing proposed method of dual completion. Copies of this application with attached plat and diagram have been furnished to all offset operators.

DONE at Lubbock, Texas on this the 25<sup>th</sup> day of April, 1951.

Respectfully submitted,

E. E. CONE

By: J. R. Cone

JRG:GL  
Incls.

cc: Oil Conservation Commission,  
Santa Fe, New Mexico

Oil Conservation Commission,  
Hobbs, New Mexico.

C.G. Staley,  
Hobbs, New Mexico.

Trinity Drilling Co.,  
Dallas, Texas.

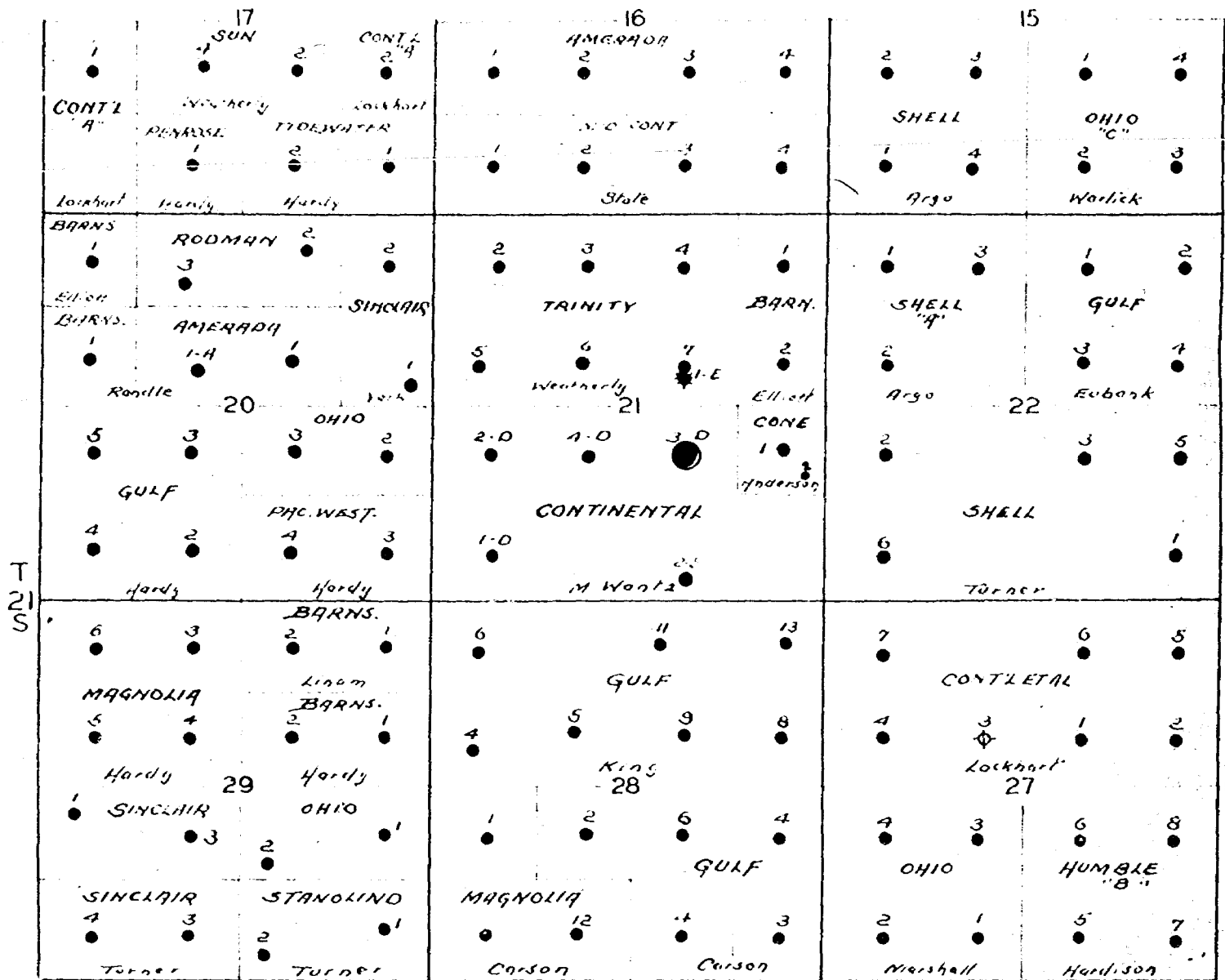
Barnsdall Oil Co.,  
Spencer Bldg., Houston, Texas.

Shell Oil Company,  
Hobbs, New Mexico.

Gulf Oil Corporation,  
Hobbs, New Mexico.

Continental Oil Company  
Attention: L.L. Shafer, Hobbs, N.M.

R-37-E



S. E. CONE - OPERATOR

ANDERSON #1

&

Offset Wells.

Scale - 1 inch - 2000'.

PROPOSED METHOD OF DUAL COMPLETION

