

CASE 3634: Application of AZTEC
OIL & GAS for the dual completion
of its Fed. "MA" Well No. 2.

548

Case Number

3634

Application
Transcripts.

Small Exhibits

ETC.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

6-1-56

PACKER-SETTING AFFIDAVIT
(Dual Completions)

STATE OF New Mexico)
County of Lea) ss

Jerry Eskew, being first duly sworn according to law, upon his oath deposes and says:

That he is of lawful age and has full knowledge of the facts herein below set out.

That he is employed by Aztec Oil & Gas Company in the capacity of District Engineer and as such is its authorized agent.

That on June 24, 1967, he personally supervised the setting of a Baker Model "D" in Aztec Oil & Gas Company's
(Make and Type of Packer) (Operator)

Federal MA Well No. 2, located in Unit
(lease)
Letter I, Section 21, Township 18-S, Range 33-E, NMPM,
Lea County, New Mexico.

That said packer was set at a subsurface depth of 13,180 K.B. feet,
said depth measurement having been furnished by Schlumberger Wireline.

That the purpose of setting this packer was to effect a seal in the annular space between the two strings of pipe where the packer was set so as to prevent the commingling, within the well-bore, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer. That this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as that it prevented any movement of fluids across the packer.

Aztec Oil & Gas Company
(Company)

Jerry Eskew
(its Agent)

Subscribed and sworn to before me this the 22nd day of August, AD,
1967.

[Signature]
Notary Public in and for the County
of Lea

My Commission Expires Oct. 24 1969.

State of New Mexico
Oil Conservation Commission



P. O. BOX 2088
SANTA FE

August 15, 1967

Re: Case No. 3634
Order No. R-3298
Applicant:
Aztec Oil & Gas Company

Dear Sir:

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

Yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

Carbon copy of order also sent to:

Hobbs OCC _____ x
 Artesia OCC _____
 Aztec OCC _____
 Other _____

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. 3634
Order No. R-3298

APPLICATION OF AZTEC OIL & GAS COMPANY
FOR A DUAL COMPLETION, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 9, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of August, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Aztec Oil & Gas Company, seeks authority to complete its Federal "MA" Well No. 2, located in Unit I of Section 21, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from an undesignated Wolfcamp pool and gas from the South Corbin-Morrow Gas Pool through parallel strings of 2 1/16-inch tubing, with separation of zones by a packer set at approximately 13,180 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.

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CASE No. 3634
Order No. R-3298

IT IS THEREFORE ORDERED:

(1) That the applicant, Aztec Oil & Gas Company, is hereby authorized to complete its Federal "MA" Well No. 2, located in Unit I of Section 21, Township 18 South, Range 33 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from an undesignated Wolfcamp pool and gas from the South Corbin-Morrow Gas Pool through parallel strings of 2 1/16-inch tubing, with separation of zones by a packer set at approximately 13,180 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 Annual Shut-in Pressure Test Period for the South Corbin-Morrow Gas Pool.

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

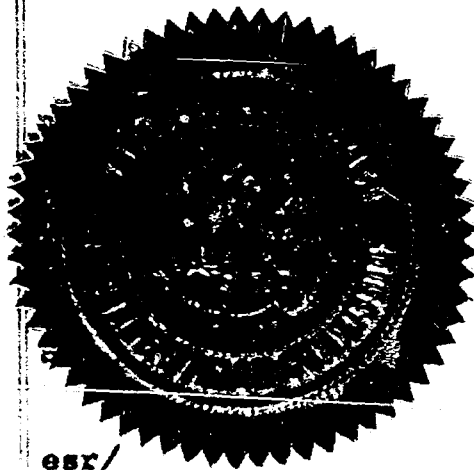
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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



esr/

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 9, 1967

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

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

*Review Case Denver
Hunt & Hollingsworth
P.E. - Denver*
CASE 3630: Application of Pan American Petroleum Corporation for special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Hogback-Dakota Pool, San Juan County, New Mexico, to permit the drilling of wells as near as 165 feet to the outer boundary of the quarter-quarter section, and as near as 300 feet to another well producing from the same formation.

*Case to
Pop 4/6/67*
CASE 3431: (Reopened) To be continued to the September 6, 1967 Examiner Hearing.

In the matter of Case 3431 being reopened pursuant to the provisions of Order No. R-3100 to permit Sinclair Oil & Gas Company to show cause why its W. H. Turner Well No. 1 located in Unit L of Section 29, Township 21 South, Range 37 East, Lea County, New Mexico, a dual completion in the Drinkard and Blinbry Oil Pools, should not be completed in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations.

*Case to
Pop 4/6/67*
CASE 3631: Application of Gulf Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Simpson formation through two wells on its C. E. La Munyon Lease in Section 22, Township 23 South, Range 37 East, Teague-Simpson Pool, Lea County, New Mexico.

*Case to
Pop 4/6/67*
CASE 3632: Application of Len Mayer for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a well at an unorthodox location no nearer than 990 feet from the North and East lines, nor nearer than 330 feet from a quarter-quarter section line, of Section 32, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, Eddy County, New Mexico, in exception to the pool rules which require that wells be drilled in the NW/4 or the SE/4 of the section.

*Case to
Pop 4/6/67*
CASE 3633: Application of V. F. Vasicek and J. M. Fullinwider, dba V-F Petroleum for compulsory pooling, Lea County, New Mexico. Applicants, in the above-styled cause, seek the force-pooling of all mineral interests in the NW/4 SW/4 of Section 6, Township 13 South, Range 37 East, Lea County, New Mexico, to be dedicated to a well to be located 2310 feet from the South line and 990 feet from the West line of said Section 6, said well being projected to the Devonian formation adjacent to the West Bronco-Devonian Pool.

*Case to
Pop 4/6/67*
*Mr. Victor F. Vasicek
H.D. Pennell
Dick Morris - Attorney & Hilliard*

August 9, 1967 Examiner Hearing

Docket No. 23-67

CASE 3634:

Wick Morris
R. M. Stevens
P.E. Aztec
Dallas

Application of Aztec Oil & Gas Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Federal "MA" Well No. 2 located in Unit I of Section 21, Township 18 South, Range 33 East, Lea County, New Mexico, to produce oil from an undesignated Wolfcamp pool and gas from the South Corbin-Morrow Gas Pool through parallel strings of tubing.

Memo

From
D. S. NUTTER
CHIEF ENGINEER

To

approve conventional
dual—
parallel strings $2\frac{1}{16}$ " Hg
parker @ 13,180'
produce oil from an
undesignated wellcamp
oil pool and
produce gas from
S. Carbon Marrow
gas pool

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 9, 1967

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

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- CASE 3632: Application of Len Mayer for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a well at an unorthodox location no nearer than 990 feet from the North and East lines, nor nearer than 330 feet from a quarter-quarter section line, of Section 32, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, Eddy County, New Mexico, in exception to the pool rules which require that wells be drilled in the NW/4 or the SE/4 of the section.
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Docket No. 23-67

-2-

August 9, 1967 Examiner Hearing

CASE 3634:

Application of Aztec Oil & Gas Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Federal "MA" Well No. 2 located in Unit I of Section 21, Township 18 South, Range 33 East, Lea County, New Mexico, to produce oil from an undesignated Wolfcamp pool and gas from the South Corbin-Morrow Gas Pool through parallel strings of tubing.

LAND DEPARTMENT
KENNETH A. SWANSON, MANAGER

MAIN OFFICE

JUL 12 1967

AZTEC OIL & GAS COMPANY

2000 FIRST NATIONAL BANK BUILDING
DALLAS, TEXAS 75202

July 10, 1967

Case 3634

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Application for Multiple Completion of
Aztec Oil & Gas Company's Federal "MA"
No. 2 Well, Lea County, New Mexico

Gentlemen:

Enclosed are three copies of Aztec's "Application for Multiple Completion"
for the captioned well. Each offset operator has been furnished with a
copy of this application.

Yours very truly,

Gordon E. Coe
Gordon E. Coe

GEC:lg
Encl.

Certified Mail
Return Receipt Requested

DOCKET MAILED

Date *7-27-67*

LAND OFFICE

31 2 12 PH JUL '67

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
AZTEC OIL & GAS COMPANY FOR AN ORDER
APPROVING MULTIPLE COMPLETION OF
ITS FEDERAL "MA" NO. 2 WELL,
NE $\frac{1}{4}$ SE $\frac{1}{4}$ SECTION 21, TOWNSHIP 18
SOUTH, RANGE 33 EAST,
LEA COUNTY, NEW MEXICO

CASE NO. 2634

A P P L I C A T I O N

Aztec Oil & Gas Company (herein referred to as "Applicant") hereby makes application to the Commission for an order approving the multiple completion of its Federal "MA" No. 2 Well, located 1980 feet from the South line and 660 feet from the East line of Section 21, Township 18 South, Range 33 East, Lea County, New Mexico in the Wolfcamp formation and the South Corbin Morrow Gas Pool. In support of such application, Applicant respectfully states and shows the following:

1. There is attached hereto and made a part of this application one copy of the Commission Form C-107, Application for Multiple Completion.
2. Said well will be completed as a combination oil (Wolfcamp formation) and gas (South Corbin Morrow Gas Pool) multiple completion.
3. Segregation of the producing intervals will be accomplished by the use of a production-type packer and said well will be equipped so there can be no comingling of well fluids in producing the oil and gas through parallel strings of tubing. Said well will be equipped in such a manner that reservoir pressures may be determined for each of the

Page 2

separate strata and with the necessary surface equipment to allow the accurate measurement of the gas, oil and gas, and oil produced from each separate strata.

4. A copy of this application has been mailed to each offset operator.

Wherefore, Applicant prays that this matter be set down for hearing before an Examiner at the earliest practicable date, that notice thereof be given according to the law and the rules and regulations of the Commission, and upon hearing of this application, an order be issued approving the multiple completion of Applicant's Federal "MA" No. 2 Well.

Respectfully submitted this 10th day of July, 1967.

AZTEC OIL & GAS COMPANY

By 

Gordon E. Coe
Attorney

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Case 3634

Operator Aztec Oil & Gas Company		County Lea	Date July 10, 1967
Address 2000 First National Bank Bldg., Dallas, Tex.		Lease Federal "MA"	Well No. 2
Location of Well I	Unit 21	Township 18 South	Range 33 East

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 X
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	Wolfcamp		Morrow
b. Top and Bottom of Pay Section (Perforations)	11,052-11,217		13,218-13,424
c. Type of production (Oil or Gas)	Oil		Gas
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

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

- | | | |
|--|--------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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. |
| * <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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.* |
| ** <input checked="" type="checkbox"/> | <input type="checkbox"/> | 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 112A.) |

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

See attached list.

* Each offset operator has been furnished a copy of this application.

** The Commission has previously been furnished copies of log of subject well.

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO _____. If answer is yes, give date of such notification July 10, 1967.

CERTIFICATE: I, the undersigned, state that I am the Attorney of the Aztec Oil & Gas Company (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.

Gordon E. Coe
Gordon E. Coe Signature

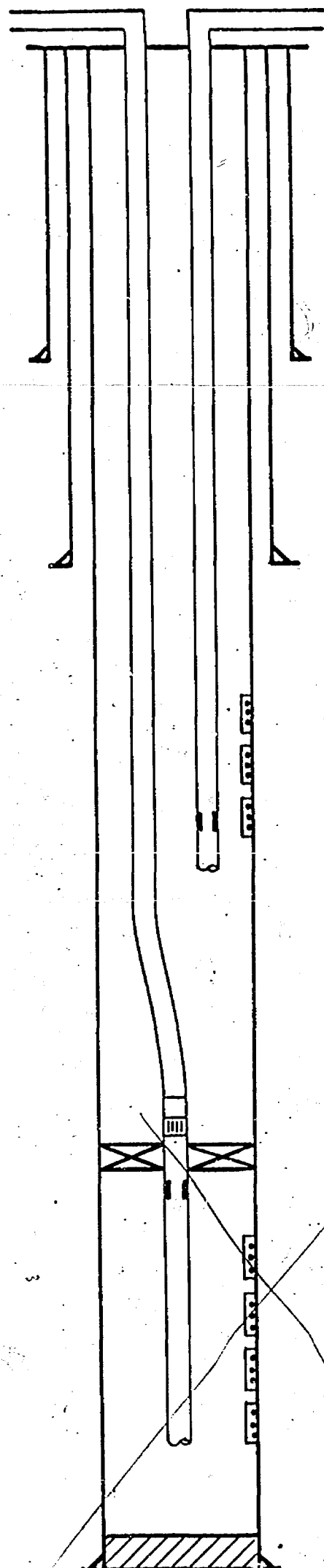
*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest 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 one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

Case 3634

AZTEC OIL & GAS COMPANY

Diagrammatic Sketch of Dual Completion
Federal "MA" #2
Section 21-18S-R33E
Lea County, New Mexico



13-3/8", 48#, N-40 Casing
Set @ 349 W/300 sacks.
Cement circ. to surface

8-5/8" 32# J-55 Casing
Set @ 4984 W/900 sacks
Top cement 2700'

Wolfcamp Perforations:

11,052-062
11,170-180
11,194-202
11,205-208
11,212-217

2-1/16" OD N-80 GST Tubing
Set @ approx. 11,220' 11,240
Tubing ID 1.750
Seating Nipple @ 11,190 11,208

Baker "ER" Tubing Receptacle @ 13,167
Baker-PSI Model "L" Sleeve @ 13,178
Baker Model "D" Packer @ 13,245 13,180
Baker-PSI Model "F" Nipple @ 13,245

Morrow Perforations

13,218-234
13,258-278
13,370-378
13,412-424

2-1/16" OD N-80 GST Tubing
Set @ 13,280
Tubing ID 1.750"

5 1/2" OD 17# & 20# N-80 Casing
Set at 13,461 W/1000 sacks
Top of Cement 9950' (by sand log)

TD 13,463
BTD 13,431

See Ex 2

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMAS BLDG. • P. O. BOX 1092 • PHONE 241-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 9, 1967

EXAMINER HEARING

IN THE MATTER OF:)

Application of Aztec Oil and Gas)
Company for a dual completion,)
Lea County, New Mexico.)

Case No. 3634

BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 3634.

MR. HATCH: Case 3634, application of Aztec Oil & Gas Company for a dual completion, Lea County, New Mexico.

MR. MORRIS: Mr. Examiner, I am Dick Morris of Montgomery, Federici and Andrews appearing for the Applicant Aztec Oil and Gas Company. I have one witness, Mr. L. M. Stevens, I ask that he be sworn, please.

(Witness sworn.)

L. M. STEVENS, called as a witness by the Applicant, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. MORRIS:

Q Mr. Stevens, will you please state your name, where you reside, by whom you are employed and in what capacity?

A I am L. M. Stevens, I live in Dallas, Texas, I am employed by the Aztec Oil and Gas Company in the capacity of Petroleum Engineer.

Q Have you previously appeared before the Commission or one of its Examiners and had your qualifications established as a matter of record?

A Yes, sir.

Q What is it that Aztec seeks by this application?

A We seek approval for conventional dual completion

of the Federal "MA" Number 2 Well, to produce oil from an undesignated Wolfcamp pool, and gas from the South Corbin Morrow Gas Pool through parallel strings of tubing.

(Whereupon, Applicant's Exhibit Number 1 was marked for identification.)

Q Would you refer to what has been marked as Exhibit Number 1 in this case, state what that exhibit is and point out the features of it?

A Yes, sir, Exhibit Number 1 is a plat of the Federal "MA" area. It shows all of the wells that are located within one mile of the Federal "MA" Number 2 and it shows all of the operators of the offset leases to the Federal "MA" lease.

Q Is there any Wolfcamp production in the area?

A No, sir.

Q Where are the other Morrow producers in this area?

A To the southwest in Section 28, the northwest quarter, there is a single Morrow completion, producing gas from the South Corbin-Morrow pool, and to the south, southwest in Section 27, the northeast quarter and in the southwest quarter, there are two dual completions. They produce -- both of these wells are dual completed in the Strawn and the Morrow. They produce oil from the South Corbin-Strawn pool and gas from the South Corbin-Morrow pool. Both produce

through parallel strings of tubing.

Q There are two oil wells shown, one in Section 27 and one in Section 28, are those shallow producers?

A Yes, sir, those are both shallow producers in the South Corbin-Queen.

Q There are two oil wells shown up in the northeast quarter of Section 16, are those likewise shallow producers?

A Yes, sir, they are also Queen wells.

Q Have any of the dry holes shown on this exhibit penetrated to the Wolfcamp or Morrow formations?

A No, sir, all of the dry holes shown are less than 5300 feet deep.

(Whereupon, Applicant's Exhibit Number 2 was marked for identification.)

Q Will you refer next to what has been marked as Exhibit Number 2, the diagrammatic sketch and point out the features of that, of your proposed dual completion?

A All right, this is a diagrammatic sketch of the Federal "MA" Number 2, showing the equipment in it that we intend to use to accomplish the dual completion. This well was drilled to a "TD" of 13,463, the present plugged back total depth is 13,436.

Q Let me interrupt there, Mr. Stevens, now this

exhibit is slightly different than the exhibit that was attached to the application, is that correct?

A Yes, sir, it is.

Q All right, will you, just in the course of your explanation, would you point out what the differences are between this exhibit and the exhibit attached to the application?

A Yes, sir.

Q All right, go ahead.

A The well has thirteen and three eighths inch surface casing, set at 349 feet, set with 300 sacks, and this cement was circulated to the surface. We have eight and five eighths intermediate casings, set at 4684. This was set with 900 sacks. We determined the top of the cement to be at 2700 feet with a temperature survey.

Both the surface and the intermediate strings were pressure tested, the surface to 800 pounds and the intermediate to 1500 pounds, and no leaks were indicated in either one of these pressure tests. Five and a half inch long string casing is set at 13,461. It was set with 1,000 sacks of cement. We determined the top of this cement to be at 9950, with a cement bond log.

These are two strings of tubing shown, parallel

strings, both strings are two and one sixteenth inch "OD" and have an "ID" of one and three quarter inch. The Wolfcamp string is set at 11,240. It has a seating nipple in it at 11,208. The Morrow string is set at 13,276 feet, we have a Baker PSI Model F nipple in this string at 13,245. Also in this string we have a Baker ER Tubing receptacle and a Baker PSI Model L Sleeve. The receptacle is at 13,167 and the sleeve is at 13,178, both immediately above our Baker Model D Packer.

The Baker Model D Packer that we will use to completely segregate the Wolfcamp from the Morrow, is set at 13,180. We also have an open packer set at 13,300. This packer wasn't shown on the -- in the original application. This packer, we intend to use later on in our production operations in the event that a water production problem develops within the Morrow. This packer presently has three joints of tailpipe set through it to hold the back pressure valve open, and it has no effect on the Morrow completion and isn't used in any way to accomplish the dual completion.

MR. NUTTER: In other words, that packer is in between the second and the third set of perforations, of these itemized perforations, right?

THE WITNESS: Yes, sir.

MR. NUTTER: It would be at thirteen three something.

THE WITNESS: 13,300.

MR. NUTTER: It comes right in there?

THE WITNESS: Yes, sir.

The Wolfcamp is perforated in five selective intervals from 11,052 feet to 11,217, and the Morrow is perforated in four selective intervals, from 13,218 to 13,424 feet.

Q (By Mr. Morris) Did you run a drillstem test on the Wolfcamp prior to completion?

A Yes, sir, we did.

Q Do you have that information available?

A Yes, I do. We recovered on this drillstem test, thirty-eight degree gravity oil, with a gas-oil ratio of 795 cubic feet per barrel and a shut-in reservoir pressure, initial, 4,419 PSI.

Q Was any drillstem test run on the Morrow?

A No, sir, not in this well.

Q Do you have any estimate as to the reservoir data that you will find in the Morrow?

A Yes, based on our information that we do have on the Morrow in this area, we anticipate that this Morrow will produce gas with the gravity of .65 to .70, and that

it will produce forty barrels per million of sixty degree gravity distillate, and that the shut-in reservoir pressure will be about 6300 pounds, or 1900 pounds higher than the Wolfcamp shut-in reservoir pressure.

Q Now, upon what have you based that estimate? What is the source of your information for saying that you believe that this is what the Morrow characteristics will be?

A Well, as pointed out on Exhibit 1, we have three other Morrow wells in the area. One of them being a diagonal offset, and our information on the Morrow is based on what we have learned from these three wells completed in the Morrow.

Q Has your well been completed in the Morrow at the present time?

A Well, the well has not been finally completed yet, so we don't have an "IP" as yet, but on a preliminary test of the Morrow, it flowed 2300 MCF a day through an eleven sixty-fourth inch choke, with a flowing tubing pressure of 3500 PSI and a twelve hour shut-in pressure of 4,000 PSI on the surface.

And the Wolfcamp, a test of it, cleaning up after an acid job, flowed 244 barrels of oil per day in heads on a twenty-four, sixty-fourth inch choke. After the well is

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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1400 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO 87108

PAGE 9

finally completed, we will of course run an IP and packer leakage and segregation test and report them to the Commission in accordance with the rules.

Q Has a log of the well previously been filed with the Commission?

A Yes, it has.

Q Were Exhibits 1 and 2 prepared by you or under your direction?

A Yes, sir.

MR. MORRIS: We offer Exhibits 1 and 2 into evidence.

MR. NUTTER: Applicant's Exhibits 1 and 2 will be admitted in evidence.

(Whereupon, Applicant's Exhibits 1 and 2 were admitted in evidence.)

MR. MORRIS: That's all I have at this time.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Stevens, do you have a potential on the Wolfcamp?

A No, sir, we -- the well hasn't been, hasn't reached the final stages of completion.

Q Well, now, when you took your drillstem test, you

said you produced thirty-eight gravity with a 795 GOR. How much production did you obtain on the DST?

A We had gas to the surface, but it didn't flow oil on the surface, the tube wasn't left open long enough. We recovered 1200 feet.

Q Twelve hundred feet of oil was all that you recovered?

A Yes, sir.

Q Now, your potential on your Morrow, you said it flowed 2300 MCF through an eleven-sixty-fourth inch choke?

A Yes, sir.

Q And what was that flowing pressure again?

A Thirty-five hundred pounds.

Q With a 4,000 pound, twenty-four hour shut-in?

A That was a twelve hour shut-in pressure --

Q Twelve hour?

A -- 4,000 pounds.

Q This is the well that blew out and caught fire, isn't it?

A Yes, sir.

Q Were both formations producing at the time of the blowout?

A Both formations were open, yes.

Q They were both open?

A Yes, sir,

MR. NUTTER: Are there any other questions of the witness? He may be excused.

(Witness excused.)

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

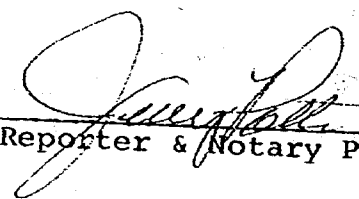
MR. MORRIS: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case 3634? We will take the case under advisement and the hearing is adjourned.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

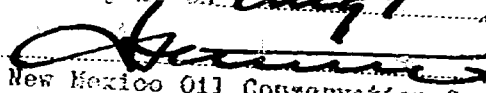
I, JERRY M. POTTS, Court Reporter and Notary Public,
do hereby certify that the foregoing and attached transcript
of the proceedings before the New Mexico Oil Conservation
Commission Examiner at Santa Fe, New Mexico, is a true
and correct record to the best of my knowledge, skill and
ability.

IN WITNESS WHEREOF I have affixed my hand and notarial
seal this 29th day of August, 1967.


Court Reporter & Notary Public

My Commission Expires:

7-10-70

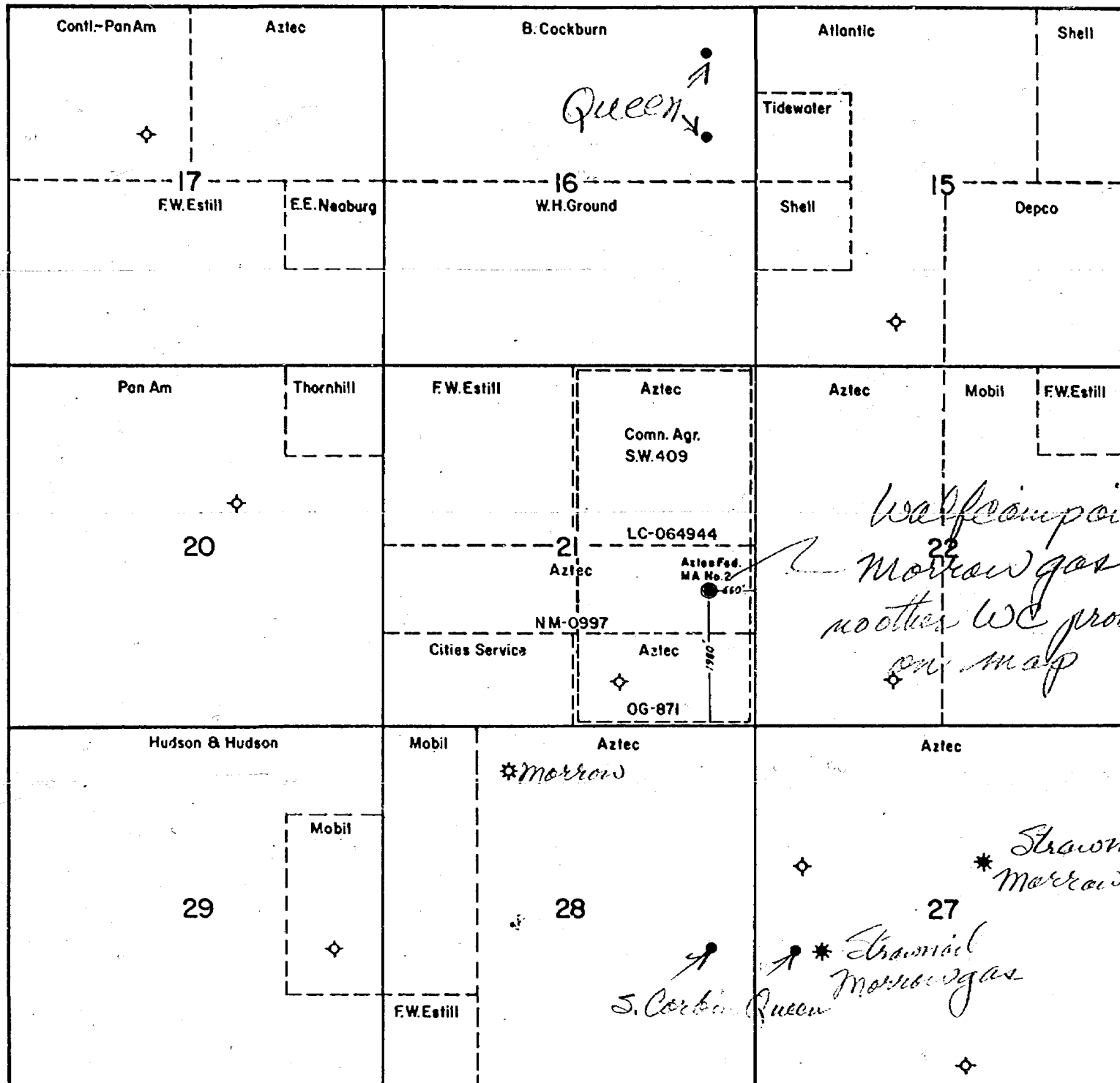
I do hereby certify that the foregoing is
a complete record of the proceedings in
the hearing of Case No. 3634
heard by me on Aug 9, 1967.

Examiner
New Mexico Oil Conservation Commission

dearnley-meier

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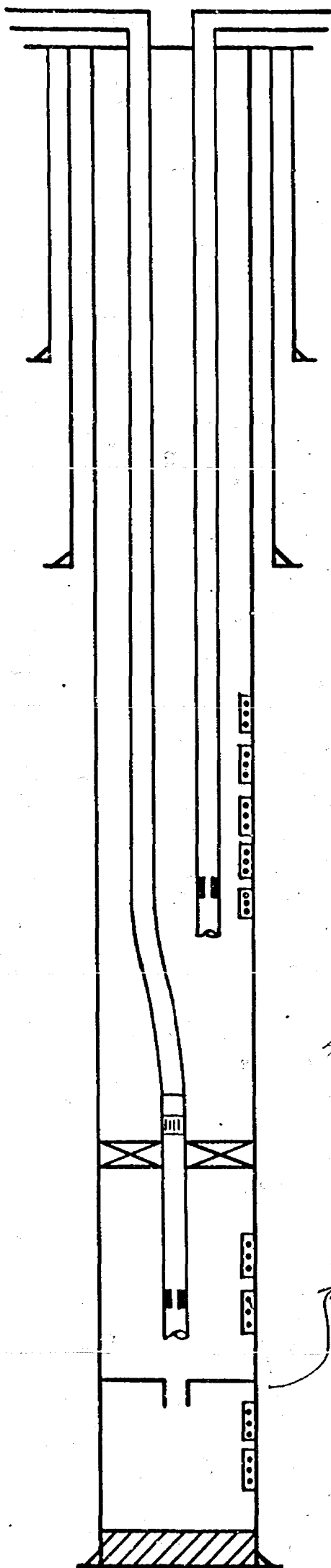
LEA COUNTY, NEW MEXICO

R-33-E



PLAT

Application of Aztec Oil & Gas Company
Before New Mexico Oil Conservation Commission
For Multiple Completion of The Aztec Federal MA No.2



AZTEC OIL & GAS COMPANY

Diagrammatic Sketch of Dual Completion
Federal "MA" #2
Section 21-18S-33E
Lea County, New Mexico

13-3/8", 48#, H-40 Casing
Set @ 349 w/300 sacks
Cement circ. to surface

8-5/8" 32# J-55 Casing
Set @ 4984 w/900 sacks
Top cement 2700

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

EXHIBIT NO. #2
CASE NO. 3634

Wolfcamp Perforations:

11,052-062
11,170-180
11,194-202
11,205-208
11,212-217

2-1/16" OD N-80 GST Tubing
Set @ 11,240
Tubing ID 1.750"
Seating Nipple @ 11,208

38° gravity
7450-OR
4419 psi SI press

*exhibit different
from the one
attached to
application*

Baker "ER" Tubing Receptacle @ 13,167
Baker PSI Model "L" Sleeve @ 13,178
Baker Model "D" Packer @ 13,180

Morrow Perforations

13,218-234
13,258-278
13,370-378
13,412-424

Open Packer @ 13,300

2-1/16" OD N-80 GST Tubing
Set @ 13,276
Tubing ID 1.750"
Baker PSI Model "F" Nipple @ 13,245

5-1/2" OD 17# & 20# N-80 Casing
Set @ 13,461 w/1000 sacks
Top Cement 9950

TD 13,463
PBTD 13,436

*(packers placed to
be able to separate
zones in event of
water prod from
lower zone)*

*2300 MOR 11/64" ch
3500 psi
12 to 4000 psi SIP*