AMERADA HESS CORPORATION

OIL CONSERVATION Driving to "D"
More un empt, New Mexico 88265

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September 22, 1989

New Mexico Oil Conservation Commission P.O. Box 2088 Santa Fe, New Mexico 87501

RE: E. Wood #7

Request to Downhole Commingle the Tubb and Drinkard gas zones

Dear Sir:

Amerada Hess Corporation is requesting approval for an exception to rule 303-C to permit downhole commingling of the Tubb and Drinkard gas zones in the wellbore of the E. Wood #7. Presently the Drinkard zone is producing 7 mcfpd and the Tubb zone is CI due to zero production. The Tubb zone has proven uneconomical to produce due to fluid encroachment. If this application is approved, both gas zones will be turned together and placed on sucker rod pump so as to apply a continuous swabbingaction in the wellbore and permit the flow of natural gas into the wellbore from both zones at an economical rate.

In the wellbore, the Tubb zone is perforated from 5886' to 6152'and the Drinkard zone is perforated from 6220'-6288'. Bottom hole pressures were calculated with the method documented in the following attachments.

The results of these calculations were:

TUBB: 340 psia @ 6019' 24 hour shut in DRINKARD: 237 psia @ 6254' 24 hour shut in

ADJUSTED TO A COMMON DATUM

TUBB: 342 psia @ 6254' DRINKARD: 237 psia @ 6254' No formation precipitation which might damage the formation is anticipated based on previous experience. Assuming 300 mcfpd total production with 217 mcfpd allocated to the Drinkard and 83 mcfpd to the Tubb, the combined stream value of \$399/day would be equal to the two individual streams.

No secondary recovery project involving this wellbore is under consideration at this time. If future recovery projects were to be considered, no problems with this commingling prospect jeopardizing the efficiency of a secondary recovery operation is anticipated.

Amerada Hess Corporation will be the operator of the said well on Unit A, 732' FNL, 641' FEL. Sec. 22, T-22S, R-37E, Lea County, New Mexico. Amerada Hess Corporation has common ownership of both zones with a working interest of 100% and an income interest of 81.25%.

A plat of the area is attached at the end of this letter. A division form C-116 which shows the production from the Drinkard is included.

Production decline curves have been supplied for both producing formations. Since the Tubb zone has not been produced since 1978, an actual estimate of anticipated decline could not be drawn therefore, a production decline for the Tubb zone is approximated to be 10%/year based on previous experience. A combined rate was calculated at 5.8%/yr.

Offset operators have been notified of this proposal by a copy of this letter.

If there are any questions regarding this proposal, please contact me at (505) 393-0087.

Sincerely,

Denise Ward-Wann

Senior Petroleum Engineer

Emos Ward - Warner

Conoco, Inc. P.O. Box 460 Hobbs, New Mexico 88240

Exxon P.O. Box 1600 Midland, Texas 79701

Chevron P.O. Box 670 Hobbs, New Mexico 88240

Wagner & Brown P.O. Box 1714 Midland, Texas 79702

Arch 777 Taylor Street Suite II-A Ft. Worth, Texas 76102 Meridian 21 Desta Drive Midland, Texas 79705

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New Mexico Oil Conservation Commissio P.O. Box 1980 Hobbs, New Mexico 88240

Mobil Exploration & Producing U.S Inc P.O. Box 1800 Hobbs, New Mexico 88240

Doyle Hartman Oil Operators Drawer M Jal, New Mexico 88252

E. WOOD #7

Tubb Perfs - 5886'-6152' Avg. depth $(\overline{L}) = 6019'$

Drinkard Perfs - 6220'-6288' Avg. depth (\overline{L}) = 6254'

Tubb = .681

G
Drinkard = .728
G

Assume Patm = 13.2 psia
Assume temp. grad. = 0.4 F/100'
Assume avg. surface temp. = 74 degrees F

BHT = 74° F + 6019' (.4/100') = 98° F (Tubb)

BHT = $74^{\circ}F + 6254' (.4/100') = 99^{\circ}F$ (Drinkard)

Pswh = 280 + 13.2 = 293.2 psia (Tubb)

Pswh = 188 + 13.2 = 201.2 psia (Drinkard)

TUBB ZONE

SBHP

c/z

Formula: Psfs = Pwhs e

$$C = \chi g \bar{L}$$
 (.681) (6019) = 0.141
53.34 \bar{T} 53.34 (546)

Tpc =
$$380^{\circ}$$
 R

$$Tr = \overline{T} = 546/380 \approx 1.44$$

$$\overline{Tpc}$$

TRIAL & ERROR METHOD

Assume: Psfs = 340 psia
$$\overline{P} = \frac{340 + 293.2}{2} = 316.6 \text{ psia}$$

$$Pr = \overline{Ppc}$$

$$Pr = 316.6 psia/667 psia = 0.47$$

$$Tr = 1.44$$

$$z = .955$$

$$C/2$$
 Psfs = Pwhs e

.141/.955

Psfs = 340 psia

DRINKARD ZONE

$$\overline{T} = 74^{\circ} + 99^{\circ}$$
 $\frac{}{2}$ + 460° = 546°R

$$C = (.728)(6254) = .156$$

$$\overline{53.34 (546)}$$

$$Tpc = 390^{\circ} R$$

$$Tr = \overline{T}$$
 $\frac{}{Tpc} = 546/390 = 1.40$

TRIAL & ERROR METHOD

Assume: Psfs = 237 psia
$$\overline{P} = 237 + 201.2$$
 = 219 psia \overline{P} = $\frac{\overline{P}}{Ppc}$ = 219/664 = .33

$$Tr = 1.40$$

Fig. 16-4

$$Z = .962$$

$$C/2$$
Psfs = Pwhs e

TUBB SBHP @ 6019' = 340 psia DRINKARD SBHP @ 6254' = 237 psia

Adjusted to a common datum @ 6254'
.: Tubb zone SBHP needs to be adjusted 235'

$$\overline{T} = 98^{\circ} + 99^{\circ} + 460^{\circ} = 559^{\circ} R$$

Ppc = 667 psia

Tpc = 380° R

$$Tr = 559$$

$$\frac{}{380} = 1.47$$

$$C = (.681)(235) = .0054$$

$$(53.34)(559)$$

TRIAL & ERROR METHOD

Assume: Psfs = 342 psia
$$\overline{P}$$
 = 342 + 340 $\overline{2}$ = 341 \overline{P} Pr = \overline{Ppc} = 341 psia/667 psia = 0.51

$$Tr = 1.47$$

Fig. 16-4

$$Z = .952$$

Psfs = 340 e

.: Psfs = 342 psia Tubb adjusted to common datum of 6254'

TUBB ZONE SBHP = 342 psia @ 6254' DRINKARD ZONE SBHP = 237 psia @ 6254'

50% of High Pressure Zone (Tubb) = 171 psia

Since low pressure zone 237 psia is greater than 50% of high pressure zone (171) psia no cross flow problem should exist.

E.WOOD #7

GAS STREAM VALUES

Gas Price as of AUGUST 1989

Drinkard - \$1.33 /mcf *Tubb - \$1.33 /mcf

Assuming 300 mcfpd total production:

Drinkard production - (217 mcfpd)(\$1.33 mcf) = \$288.61 Blinebry production - (83 mcfpd)(\$1.33 mcf) = \$110.39

\$399.00 /day

Combined stream value = (300 mcfpd)(\$1.33 /mcf) = \$399.00 /day

Values are equal.

*Estimated price, no sales.

DRINKARD DECLINE RATE

$$Qi = 255 MCFPM$$

$$Q = 245 \text{ MCFPM}$$

$$\tilde{t} = 1 \text{ yr}$$

$$a = \overline{245}$$

$$a = .040$$
 $a = 4.0%/yr$

TUBB DECLINE RATE

$$Qi = 100 MCFPM$$

$$t = 1 yr$$

$$a = 90$$

$$a = .10.5$$

$$a = 10.5\%/yr$$

COMBINED DECLINE RATE

$$o = 335 MCFPM$$

$$t = 1 vr$$

$$a = \overline{335}$$

$$a = .579$$

$$a = 5.8%/yr$$

ALLOCATION BASES ON DECLINE RATES

If: x = Tubb
 1-x = Drinkard

a = x(a) + 1-x(a) c Tubb Drinkard

.058 = .105(x) + 1-x(.040)

.058 = .105x + .040 - .040x

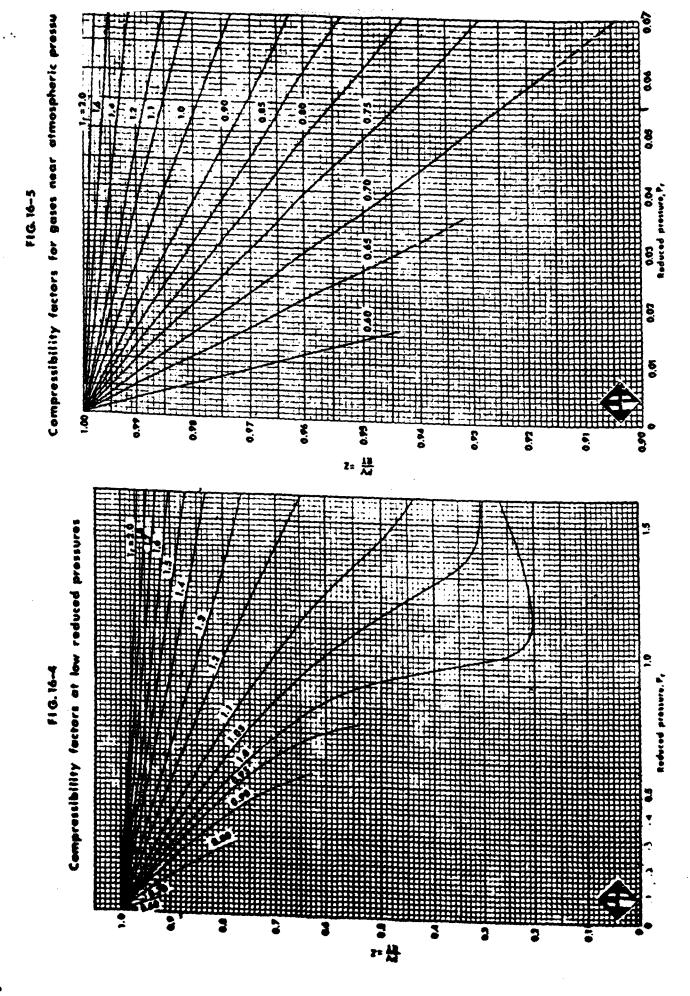
.058 - .040 = .105x - .040x

.018 = .065

x = .277

1 - x = .723

Tubb Allocation = 27.7% Drinkard Allocation = 72.3%



vapors. For example for propane at 300 psia and 140°F., turn to the Mollier chart for propane, Fig. 17-6, locate the 300 psia and 140°F point, and interpolate on the constant specific volume lines to obtain 0.33 cu ft/lb. Dividing this into 1 gives 3.03 lb/cu ft as the density, D_T. If the compressibility is required,

$$Z = \frac{MP}{10.73 TD_{\tau}}$$

Symbols have been defined previously. Then

$$Z = \frac{(44.09) (300)}{(10.73) (460+140) (3.03)} = 0.68$$

ACID GASES

Natural gases which contain H₂S and or CO₂ frequently exhibit different compressibility factor behavior than do sweet gases. Wichert and Aziz (Gas Processing, Canada, pp 20-25, January February 1971; Hydrocarbon Processing, pp 119-122, May 1972) present a simple easy to use calculational procedure to account for these differences. The method uses the standard gas compressibility factor chart (Figure 16-3) and provides accurate sour gas compressibili-

ties for gas compositions that contain as much as 80% total acid gas.

Wichert and Axiz define a "Critical temperature adjustment factor" which is a function of the concentrations of CO₂ and E₂S in the sour gas. This correction factor is then used to adjust the pseudo critical temperature and pressure of the sour gases according to the equations:

$$T_c^i = T_c - \epsilon$$

$$P_c^i = \frac{P_c T_c^i}{\{T_c + B (1-B) \epsilon\}}$$

Where:

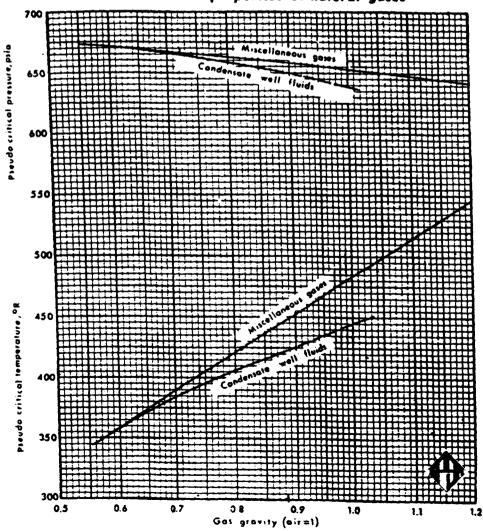
T. = Mole Fraction average pseudo critical temperature

P_r = Mole Fraction average pseudo critical pressure

T_i = Pseudo critical temperature adjusted for acid gas composition

(Text cont'd. p. 16-15)

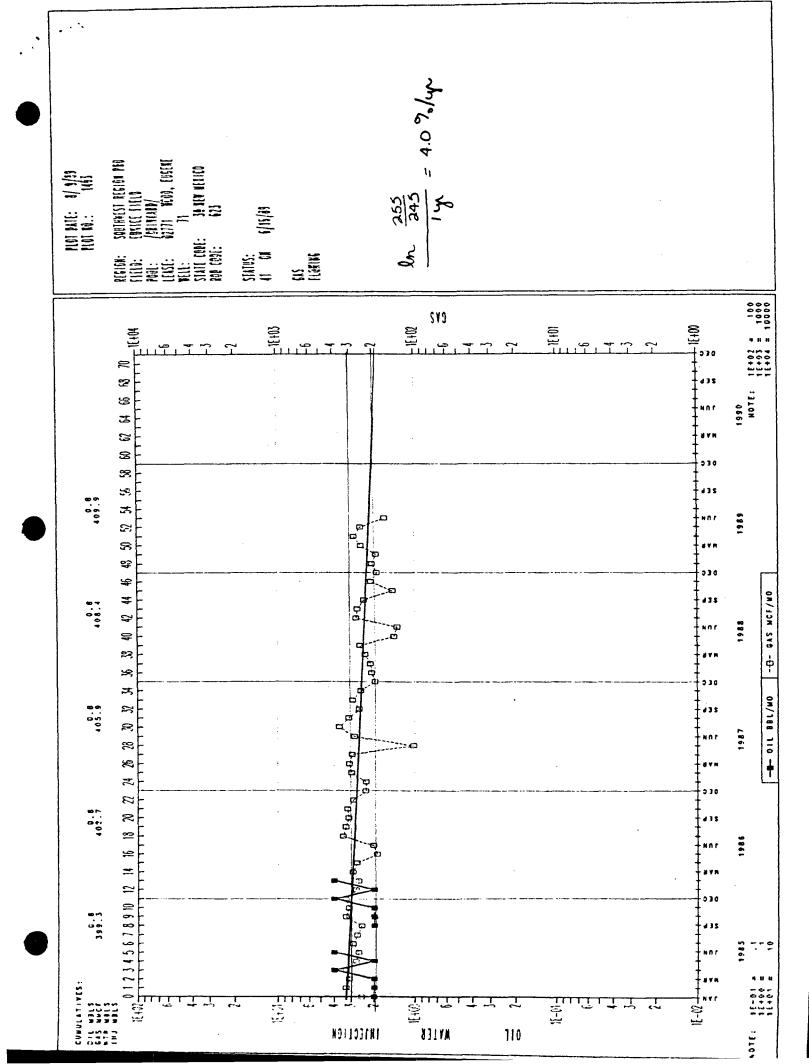
FIG.16-6
Pseudocritical properties of natural gases

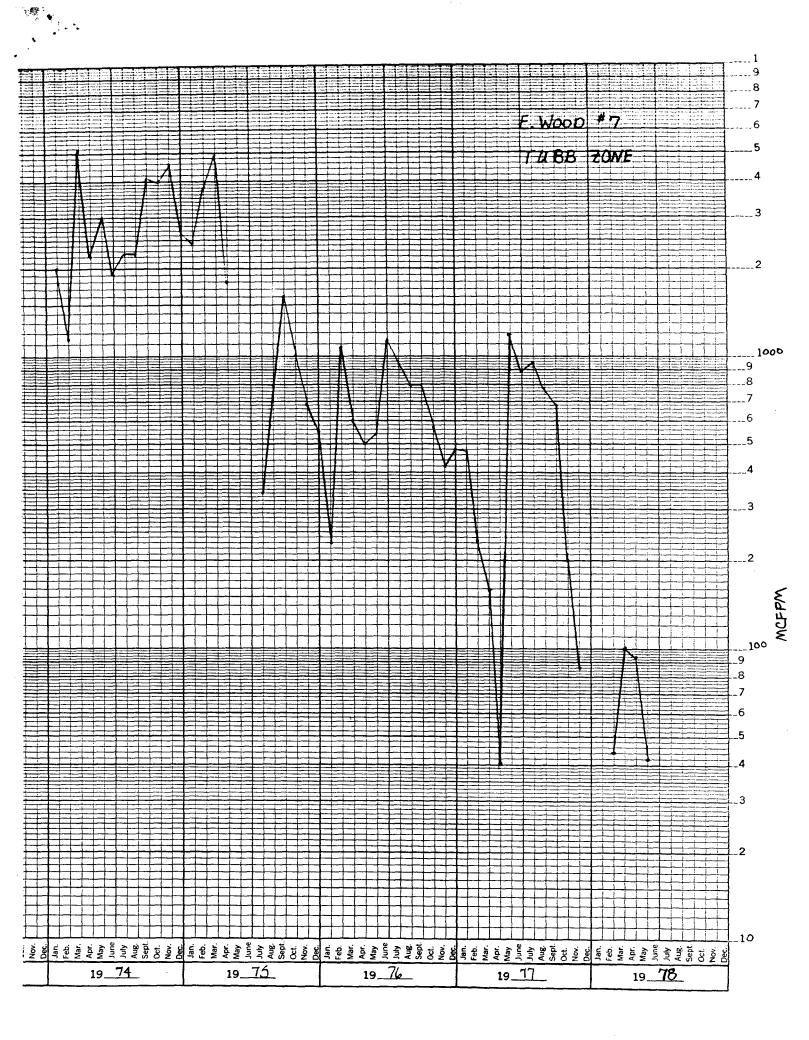


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P.O. Bon. 1980, Hobba, NM 88240

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P.O. Drawer DD, Artesia, NM 88210

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EL DESTRICT. Diam'res Office. Sahaala 2 copies to Appropriets

1000 Rio Brune Rd., Aster, NM 87410

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-116 Revised 1/1/89

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

(See Rule 301, Rule 1116 & appropriate pool rules.)		During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in the burning in the form the pool in the burning in the form the pool in the burning in the form the pool in the burning of the burning of the form the pool in the burning of		E. WOOD	LEASE NAME		Drawer D, Monument,	AMERADA HESS CORPORATION
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E

COMPLETION SCHEMATIC	E. WOO					WELL NO.
	TYPE COMPL	~	AL [OTHER		
	LOCATION Unit A	732' FNL,	641' FEL,	Sec.	22, T-22S, R-3	37E
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	NO. PROD. V	VELLS ON LSE.	FLOWING	PUN	4PING	GL
		worked on Drinkard		CUF	RENT COMPLETION ZONE	
	CSG. PERFS.	OR OH INTERVAL 5886"-6152"	Drinka	erd	6220'-6288'	
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	PRESENT AL	Low.		TOP	FIELD ALLOW.	
	GOR LIMIT			SPA	CING	
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		6110' (660	Dholes). Ac	cid 59	945'-6110' w/5	000 gals. 15%.
	3/56	Acid 6402	'-6438' w/500	O gals	6. 6%. 1/25,000 gals.	
	3/63	sand.			5152'. Acid 5	
	3,03	gals. 15%	. Acid 6128	'-6152	2' w/1000 gals	. 15%. Sand
	4/75	sand.	•		000 gals. oil	
	4//5	to +6288'	 Perfs. 627 	20'-62	ped 1-1/2 sks. 288' (38 holes) Acid w/
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		•				
	RECOMMEN	DATION AND JUSTIFICA	TION			
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	SUBMITTED	BY				

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HEA PEXICO OIL CONSERVATION CONMISSION

SOUTHEAST NEW MEXICO PACKER LEAVINGS TEST

Sperator			Lease		5 ···	Z-L			
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GARREY CARRUTHERS

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENTION DIVISION

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

RECEIVED

'89 OCT 19 AM 10 00

10-18-89

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501 Proposed: RE: MC DHC NSL NSP SWD WFX PMX Gentlemen: I have examined the application for the: Ewood #7-A 22-22-37
** Well No. Unit S-T-R Operator and my recommendations are as follows:

Jerry

Supervisor, District 1