

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
12 OCTOBER 1983

EXAMINER HEARING

IN THE MATTER OF:

Application of Morris R. Antweil
for reclassification of the North
San Simon-Yates Pool as an asso-
ciated pool, Lea County, New Mexico.

CASE
7976

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

William F. Carr, Esq.
CAMPBELL, BYRD, & BLACK P.A.
Jefferson Place
Santa Fe, New Mexico 87501

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I N D E X

R. M. WILLIAMS

Direct Examination by Mr. Carr	3
Cross Examination by Mr. Stamets	7

E X H I B I T S

Applicant Exhibit One, Plats	5
Applicant Exhibit Two, Completion Form	5
Applicant Exhibit Three, Section	5
Applicant Exhibit Four, Data	6

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3 MR. STAMETS: We'll call next
4 Case 7976.

5 MR. PEARCE: That case is on
6 the application of Morris R. Antweil for reclassification of
7 the North San Simon-Yates Pool as an associated pool, Lea
8 County, New Mexico.

9 MR. CARR: May it please the
10 Examiner, my name is William F. Carr, with the law firm
11 Campbell, Byrd, and Black, P. A., of Santa Fe, appearing on
12 behalf of Morris R. Antweil.

13 I have one witness.

14 MR. PEARCE: Are there other ap-
15 pearances?

16 (Witness sworn.)

17 R. M. WILLIAMS,

18 being called as a witness and being duly sworn upon his
19 oath, testified as follows, to-wit:

20 DIRECT EXAMINATION

21 BY MR. CARR:

22 Q Will you state your name and place of re-
23 sidence?

24 A R. M. Williams from Hobbs, New Mexico.

25 Q By whom are you employed and in what cap-

1
2 acity?

3 A Employed by Morris R. Antweil as an engi-
4 neer.

5 Q Mr. Williams, have your credentials as a
6 petroleum engineer been accepted by this Commission and made
7 a matter of record?

8 A Yes, they are.

9 Q Are you familiar with the application
10 filed in this case on behalf of Mr. Antweil?

11 A Yes, I am.

12 Q Are you familiar with the subject area?

13 A Yes, I am.

14 MR. CARR: Are the witness'
15 qualifications acceptable?

16 MR. STAMETS: Yes, they are.

17 Q Would you please briefly state what Mr.
18 Antweil seeks with this application?

19 A Yes. Morris Antweil requests the reclas-
20 sification of the North San Simon-Yates Pool as an asso-
21 ciated pool in Lea County, New Mexico.

22 We have one well in the pool and we would
23 -- that is a gas well, that we would like to have 160 acres
24 dedicated to.

25 Q And you would be dedicating 160 acres un-
der Order R-5353.

A That's correct.

Q Would you now refer to what has been marked

1
2 for identification as Exhibit Number One, identify this, and
3 explain what it shows?

4 A Exhibit One is a land plat of the North
5 San Simon-Yates Pool. The existing wells in the pool are
6 designated with a green circle. The -- our gas well that we
7 have drilled in the pool, the No. 1 Diamond Well, is desig-
8 nated by a red circle, and the 160 acres that we request to
be dedicated to that well has been colored yellow.

9 Q Will you now refer to Exhibit Number Two?

10 A Exhibit Number Two is the completion form
11 for our No. 1 Diamond Well, that was completed in the North
12 San Simon-Yates Pool. As you can see from the production
13 data, the well tested 261 Mcf of gas and no liquids. It's a
14 dry gas well.

15 Q Will you now review Exhibit Number Three
16 for Mr. Stamets?

17 A Exhibit Number Three is a correlation
18 section, showing Antweil's two wells in the North San
Simon-Yates Pool.

19 The well on the right is our No. 1
20 Coquina State in Section 19 of 21 South, 35 East, and it was
21 completed, the perforated interval is shown from 3761 to
22 3777 feet, in what they call in that area the Middle Yates
23 Sand, and it was completed as an oil well, and is still pro-
24 ducing as an oil well.

25 The well on the right is Antweil's No. 1
Diamond, located in Section 20 of 21 South, 35 East.

1
2 Indicated on there is our first set of perfora-
3 tions from 3755 to 3824. This is a comparable interval to
4 our No. 1 Coquina State Well, and we tested water from this
5 interval.

6 We plugged back and perforated the Upper
7 Yates Sands, perforations 3671 to 3702, completed in this
8 interval for 261 Mcf of gas, dry gas.

9 On the correlation section, the top of
10 the Yates is indicated across both wells. These, the Upper
11 and Middle Yates Sands intervals are both open in many of
12 the wells in the reservoir.

13 Q Will you now review Exhibit Four?

14 A Exhibit Four is some statistical data on
15 the North San Simon-Yates Field. Shown there is the oil --
16 oil production, and if you would, make a correction. The
17 second column should read "gas" production, was mis-labeled
18 "oil".

19 The three columns would be "oil produc-
20 tion", "gas production", and "cumulative oil".

21 They show the oil production, gas produc-
22 tion, and cumulative oil for the past ten years. The July,
23 1983 field production, 23 producing wells, produced 1034
24 barrels of oil, 13,029 Mcf of gas. This is a field-wide
25 producing gas/oil ratio of 12,600 cubic feet per barrel.

From individual wells in the field the
gas/oil ratios range as high as 400,000 cubic feet per

1 barrel, but there is oil production with those wells.

2 Our well is a dry gas well.

3 Q Mr. Williams, will granting your applica-
4 tion impair correlative rights of any operator?

5 A Not that we can see.

6 Q Will granting this application prevent
7 the drilling of unnecessary wells, thereby preventing waste?

8 A Yes, sir.

9 Q Were Exhibits One through Four prepared
10 by you or under your direction and supervision?

11 A They were.

12 MR. CARR: At this time, Mr.
13 Stamets, we would offer Antweil Exhibits One through Four.

14 MR. STAMETS: Exhibits One
15 through Four will be admitted.

16 MR. CARR: That concludes our
17 direct.

18 CROSS EXAMINATION

19 BY MR. CARR:

20 Q Mr. Williams, you indicated that there
21 are other wells in this area which are completed in the Up-
22 per Yates Sand, as well.

23 A Yes, it's common for -- for both sands to
24 be -- to be opened. Many of the early wells were drilled
25 with cable tool and this entire interval was opened.

Q Are those wells high GOR wells or is this

just a freak?

A I don't have a correlation between what intervals were open in individual wells and the gas/oil ratio. In reviewing the field wells there are some wells with extremely high gas/oil ratios in the field.

MR. STAMETS: Any other questions of the witness? He may be excused.

Anything further in this case?

MR. CARR: Nothing further, Mr. Stamets.

MR. STAMETS: The case will be taken under advisement and we'll recess the hearing until 1:15.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY
CERTIFY that the foregoing Transcript of Hearing before the
Oil Conservation Division was reported by me; that the said
transcript is a full, true, and correct record of the
hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7976
heard by me on 10-17-83 19 83
Richard D. Hammett Examiner
Oil Conservation Division