

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
March 16, 1955

IN THE MATTER OF:

CASE NO. 856 - Regular Hearing

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
COURT REPORTERS
ROOMS 105, 106, 107 EL CORTEZ BUILDING
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ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 16, 1955

IN THE MATTER OF:

The application of Texas Pacific Coal and Oil Company for approval of a non-standard gas proration unit.

Applicant, in the above-styled cause, seeks approval of the creation of a 320-acre non-standard gas proration unit in exception to Rule 5(a) of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520, said unit to consist of E/2 of Section 9, Township 23 South, Range 36 East, Lea County, New Mexico, and to be dedicated to applicant's State "A" a/c-1 Well No. 12, located 660 feet from the south line and 1980 feet from the east line of said Section 9.

Case No. 856

BEFORE:

Honorable John F. Simms
Mr. E. S. (Johnny) Walker
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 856.

MR. RUSSELL: John F. Russell appearing on behalf of Texas Pacific Coal and Oil Company.

J O H N Y U R O N K A ,

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. RUSSELL:

Q State your name to the Commission.

A John Yuronka.

Q By whom employed?

A Texas Pacific Coal and Oil Company.

Q In what capacity?

A District Engineer in the Hobbs Office.

Q Have you previously qualified to testify before this Commission?

A Yes, I have.

Q Are you familiar with the Texas Pacific Coal and Oil Company application in Case No. 856 for a non-standard gas proration unit consisting of the east half of Section 9, Township 23 South, Range 36 East, Lea County, New Mexico?

A Yes.

Q What is the location of the well to which you wish to attribute the acreage?

A Well No. 12 is 660 feet from the south line and 1980 feet from the east line of said section.

Q Will you give a brief history of that well to the Commission?

A The well was completed in May of 1944, total depth of 3750, casing was set at 3743, plugged back to 3517, perforated from 3491 to 3515, and after an acid treatment of 2,000 gallons it tested 5,780 MCF per day. After a series of workovers from 1949 to 1951, the Yates was perforated from 3150 to 3345, four shots per foot and it tested 9,600 MCF per day absolute openflow.

Q Have you taken recent tests as to the capability of this well?

A Deliverability test of this well, taken in July, 1954, was

2,355 MCF per day.

Q In your opinion, if a 320-acre allowable is granted, will this well be able to produce that allowable?

A It will.

Q In your opinion, is the entire 320-acre unit sought reasonably productive of gas?

A Yes.

Q Will this well drain the entire acreage sought?

A I believe it will.

Q I believe you have an oil well producing in the gas interval in the northeast quarter of this Section 9, is that correct?

A Yes.

Q Is that well defined, or by Commission definition, an oil well?

A Yes, it is.

Q In your opinion, will the granting of the exceptions requested here, adversely effect correlative rights of any offset owner?

A No.

Q You think it will protect correlative rights of the applicant?

A Yes.

Q Do you think it will prevent waste and avoid the drilling of unnecessary well?

A It will.

MR. MACEY: Any questions of the witness? Mr. Reider.

CROSS EXAMINATION

By MR. REIDER:

Q Your No. 1 Well, what formation is that well completed to?

A Presently producing from the Yates.

Q Presently producing from the Yates?

A Yes.

Q Your Well No. 36 is also presently producing from the Yates?

A Yes, it is.

Q No. 36 is an oil well and No. 12 a gas?

A That is right.

Q Well, how could the north quarter section be productive of gas?

A Well, that is one of the mysteries of that area. That is a low in the stratographic trap, in my opinion. You will find that condition exists throughout the western flank of the Jalmat Gas Pool. For instance, the north offset of 36, Gulf Janda No. 3 is an oil well in the Yates and the well north of that, Texas Pacific State "A" a/c 1 Well No. 23, also in the Yates, is a gas well.

Q My only question is this, you are proposing to dedicate a quarter section, which is, I think there is reasonable doubt as to whether it would be productive of gas?

A In my opinion it is. From Commission records, there has been an acreage allotted in such cases where you have an oil well or, rather a gas well in, say, a 160 and there are also oil wells from the same formation and the gas well has been granted an allowable for that 160 or 320.

Q I think possibly what you are referring to would be in the Eumont where there are Queen oil, but the gas is coming from other formations within the Eumont interval.

ADA DEARNLEY & ASSOCIATES

STENOGRAPHIC REPORTERS

ALBUQUERQUE, NEW MEXICO

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In this case the two wells are not only completed in the same interval, but in the same formation. It casts serious doubt as to whether that one quarter section would be productive of gas, which is basic to the requirements of the formation of the unit.

A May I read the completion data? For this No. 36 the well was completed in February of '53 and casing was set at 3047, total depth is 3573, it tested 1,230 MCF per day. We decided, or we thought we should be able to get more gas, and we shot it with nitro, and when we did is when we got the oil.

Q What would a similar effect be on your Well No. 12? Have you performed any remedial work on it, such as fracturing?

A No, as I say, we completed it in '51 and it has been able to meet the allowable, and consequently it was economically infeasible to do any workover on the well until we could not meet the allowable.

Q Does that well make any fluid?

A To my knowledge it does not. May I also state that on this deal you stated, as to the Eumont, the condition also exists in the Jalmat Pool where you have a dually completed well given the gas allowable and oil allowable from the gas interval.

Q My only point here it is not only within the vertical limits from the pool, but further, it is from the same formational boundary. I still very seriously doubt as to whether the north-east quarter section would be productive of gas.

A Well, in my opinion it is.

MR. MACEY: Is your No. 36 well a top allowable well?

A Yes, it is.

MR. MACEY: Is it abnormally high?

A 6,500.

MR. MACEY: If you were to draw a cross section north-south from your No. 23 Well, through the Gulf Janda No. 3, and your Well No. 36, down to your Well No. 12, running north and south--

A Yes, sir.

MR. MACEY: You get a synclinal occurrence?

A There is a small low spot right in there that includes R-36 and Gulf Janda No. 3.

MR. MACEY: It doesn't extend east and west in any way?

A No.

MR. MONTGOMERY: I have contoured this particular area, it appears to me there is a possibility, there appears to be two more locations in this area that would be productive of oil from the Yates. I do not feel we should dedicate acreage to this gas well that has already been proven to be productive of oil, and we can reasonably presume that the entire east half of the northeast quarter will produce Yates oil, that they should not get that acreage dedicated to this gas well.

MR. MACEY: Mr. Reider, do you have a question?

By MR. REIDER:

Q I was going to ask, Mr. Yuronka, the wells in the west half of Section 9, are they not also oil wells in the Jalmat interval?

A No, they are all gas wells. The only oil well we have, outside of 36 in that section, is well No. 11, that is producing from the oil interval. That is in the southwest quarter. No. 10 is shut-in, it has been shut-in for about four years. We have tried to complete that as a gas well and the workover was a failure. The

other two wells in the west half are gas wells.

Q Gulf 9 and 4?

A Yes.

Q Do they show any fluid?

A To my knowledge we have never been notified by El Paso that either one has been making fluid.

Q But you do not have a separator?

A No, we do not.

MR. REIDER: That is all.

MR. MACEY: Anyone have any questions of the witness?
If not the witness may be excused.

(Witness excused.)

MR. RUSSELL: I would like to introduce Exhibit 1 in evidence.

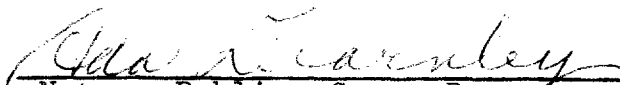
MR. MACEY: Without objection Exhibit 1 in Case 856 will be received. We will take the case under advisement.

STATE OF NEW MEXICO)
 : SS.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission 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 18th day of March, 1955.

My Commission Expires:
June 19, 1955


Notary Public, Court Reporter