

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 866

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES
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ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

March 16, 1955

IN THE MATTER OF:

Application of Schermerhorn Oil Corporation for approval of a 320-acre non-standard gas proration unit in the Eumont Gas Pool: Lots 11, 12, 13 and 14 and SW/4 of Section 5, Township 21 South, Range 37 East, to be dedicated to applicant's Currie No. 1 Well, SE/4 SW/4 of said Section 5.

Case No. 866

Before: Honorable John F. Simms, E. S. (Johnny) Walker, and William B. Macey.

TRANSCRIPT OF HEARING

MR. WALKER: The next case is Case 866.

J. H. M O O R E

having first been duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. CAMPBELL:

MR. CAMPBELL: On behalf of the applicant.

Q State your name please. A J. H. Moore.

Q Where do you live, Mr. Moore? A Hobbs.

Q You testified on previous occasions before this Commission?

A Yes.

MR. CAMPBELL: Witness's qualifications acceptable to the Commission?

MR. WALKER: Yes.

Q What business are you in?

A Independent geologist.

Q As independent geologist, are you in charge of the work for Schermerhorn Oil Corporation? A Yes.

Q Are you acquainted with the application of Schermerhorn Oil Corporation in Case 866 pending before this Commission?

A Yes.

Q Will you state what the situation is with regard to the leasehold interest in lots 11, 12, 13 and 14 ^{and} in the southwest quarter of Section 5, Township 21, Range 37 east, which is the proposed gas proration unit?

A That entire tract of 320 acres is under one base lease and it is under common ownership both of the minerals and lease.

Q Will you state to the Commission where the well is located to which you wish to attribute this acreage?

A The well is located 1,980 feet from the west line and 660 feet from the south line of Section 5.

Q Will you give the Commission a brief history of this well, including the reason for its location at that particular point?

A This well was originally drilled to test the Tubb and the Blinebry zones. We put it in the southeast part of the tract because we thought that was the most advantageous position to test the Tubb and the Blinebry zones.

The well was drilled to 6400 feet and casing was set at 6,280 feet. The Tubb zone from approximately 6300 to 6500 feet was tested and was non-productive. That zone was plugged off and the Blinebry zone from approximately 5700 feet to 5900 feet was tested, was also found non-productive. The five and a half inch casing was pulled and the well was plugged back and completed from the Queen gas zone.

Q Mr. Moore, what is the present producing capacity of this well?

A This well tested after being fractured at an open flow rate of 7,200,000 m.c.f. The deliverability was measured as 3,400,000 m.c.f. against 540 pounds.

Q Based upon the average allowable being granted to gas wells in this area and upon the deliverability tests on this well, is it your opinion that if the allowable were granted 320 acres, this well could make that allowable without waste?

A Yes, I believe that it can.

Q I hand you what has been marked Exhibit A and ask you to state what that is.

A This is a subsurface contour map. It is contoured on top of the Penrose or the main Queen sand, that is the main producing gas sand in the area, this shallow gas sand. The datum points for the map are picked from radioactivity logs.

Q Did you prepare this contour map?

A Yes, I prepared the map.

Q What is reflected by the green line of gas - oil contact, Mr. Moore?

A All of the wells in the area that are bottomed higher than this well are dry gas wells. That green line extends down dip from the acreage in question. It would mean that any place on the tract you would get dry gas in the Queen zone.

Q Then I take it that based upon your interpretation of the geology in this area as reflected in Exhibit A, that it is your opinion that the entire 320 acre proposed non-standard gas proration unit would be productive of dry gas? A That is correct.

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Q In your opinion, would the correlative rights of any of the adjoining owners be adversely affected if this unit were allowed?

A I don't believe so.

Q Would it prevent or avoid the necessity of drilling unnecessary wells insofar as Schermerhorn is concerned?

A That is correct. We wouldn't have to drill another well, we could produce the two allowables here.

Q In your opinion this well, if the allowable were granted, could produce that without waste? A Yes.

MR. CAMPBELL: That is all.

I offer Exhibit A in evidence in the case.

MR. MACEY: Is there objection to the introduction of Exhibit A? If not, it will be received. Any questions of the witness?

MR. KELAHLIN: Jason Kelahin for Continental Oil Company. I have a couple of questions only.

By MR. KELAHLIN:

Q Mr. Moore, could you tell me whether that well was spudded in?

A Yes, it was spudded in September '54.

Q When was it recompleted then in the Queen?

A There was a long interval of time it was tested in the two lower zones and completed in the Queen zone during the first part of February of this year.

Q That was after the effective date of the present proration order, was it not? A Yes.

Q Are you familiar with the Commission Staff statement in regard to the radial influence of the well?

A I am not too familiar with it. I understand that they use a radius of 3700 feet.

Q That is approximately correct, 3735 I believe it is. Would you state to the Commission how far from the well to the farthest point in the proposed unit that you are proposing to create?

A Well, the entire length of the tract would be a half a mile, which would be 2800 feet I believe it is, half a mile. It would be less than 3700 feet.

Q To the farthest point from your well to the farthest point within your proposed unit?

A Well, I don't know what it would be. The entire is a mile.

Q It would be approximately 5,000 feet, would it not?

A That is right.

Q Do you know whether the Eumont Pool has been extended to include the horizontal limits of this area?

A No, we haven't made application to extend that yet.

Q It hasn't been done as yet?

A No, it hasn't been. I believe they were waiting for us to do that.

Q What evidence do you have to show that the entire area of the proposed unit is productive of gas?

A Well, as shown by Exhibit A, there is fairly close sub-surface control and by the contour maps. It shows that most all the area is above the gas-oil contact.

Q On what did you base that information?

A Radioactivity logs.

Q In the wells in adjacent areas?

A Right.

MR. KELAHIN: *That is all.*

MR. MACEY: Anyone else? Mr. Reider.

By MR. REIDER:

Q I notice that there are four dry holes on the acreage you propose to dedicate to your well.

A That is correct. Three of those wells were abandoned in the oil zone in the upper part of the Grayburg, and one of the wells is a deep test. It was drilled to test the Simpson pay and it found water in that zone, and the Queen zone was not tested in that well.

Q Was the Queen zone tested in any of the wells?

A I don't believe so. I am positive that none of the wells fractured the Queen zone. I might say that we had a well that would not make over a hundred thousand natural, but it made that potential after fracturing.

MR. MACEY: Anyone else? If not the witness may be excused.

(Witness excused.)

Do you have anything further, Mr. Campbell? Anyone have anything further in this case?

MR. TOWNSEND: Jim Townsend for Stanolind Oil and Gas Company. We own the northeast quarter of this section and we have no objection to the application made by Schermerhorn.

MR. MACEY: Anyone else? If not we will take the case under advisement.

C E R T I F I C A T E

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings in the matter of Case No. 866, was taken by me on March 16, 1955, that the same is a true and correct record to the best of my knowledge, skill and ability.

Ada Dearnley
Reporter

