

DOCKET: EXAMINER HEARING AUGUST 22, 1956New Mexico Oil Conservation Commission 10:00 a.m., Hobbs, New MexicoOil Conservation Commission Office, 1000 W. Broadway, Hobbs, New Mexico

The following cases will be heard before Daniel S. Nutter, Examiner:

CASE 1132:

Application of Stanley L. Jones for an unorthodox location and the assignment of an allowable for the Jones and Watkins Platt Well No. 1 in the Dayton Pool, Eddy County, New Mexico, in exception to Rule 104 (c) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting an unorthodox location for the Jones and Watkins Platt Well No. 1 at a point 75 feet from the South line and 125 feet from the West line of Section 26, Township 18 South, Range 26 East, Eddy County, New Mexico, and further that said well be assigned an oil allowable. Said well was initially drilled prior to the promulgation of spacing and well location rules in the area and was later recompleted in the Dayton Pool.

CASE 1133:

Application of Ohio Oil Company for an order granting an unorthodox location and the assignment of a normal unit allowable for its proposed well in the Dean-Devonian Pool, Lea County, New Mexico, in exception to Paragraphs 3, 5 and 6 of the Special Rules and Regulations for the Dean-Devonian Pool as set forth in Order R-707. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox location for its proposed well at a point 1650 feet from the North line and 330 feet from the East line of Section 34, Township 15 South, Range 36 East, Lea County, New Mexico. Applicant further seeks authorization of full allowable for said well notwithstanding its unorthodox location.

CASE 1134:

Application of Neville G. Penrose, Inc. for permission to dually complete its Hinton No. 10 Well in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the dual completion of its Hinton No. 10 Well located in the NW/4 NW/4 of Section 13, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce oil on top from the Blinebry Oil Pool, through the casing-tubing annulus and gas on the bottom from the Tubb Gas Pool through the tubing.

CASE 1135:

Application of The Texas Company for permission to dually complete its A. H. Blinebry (NCT-1) Well No. 3 in the Blinebry Oil Pool and the Tubb Gas Pool, Lea County, New Mexico, in exception to Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order permitting the dual completion of its A. H. Blinebry (NCT-1) Well No. 3 located in the SE/4 NW/4 of Section 29, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant proposes to produce oil on top from the Blinebry Oil Pool and gas on the bottom from the Tubb Gas Pool by means of parallel strings of tubing.

CASE 1136:

Application of Amerada Petroleum Corporation for permission to dually complete its Cagle "C" No. 1 Well as a gas-gas dual in the Jalmat Gas Pool and the Langlie-Mattix Pool, Lea County, New Mexico, in compliance with Rule 112-A (a) of the New Mexico Oil Conservation Commission Rules

and Regulations. Applicant, in the above-styled cause, seeks an order authorizing a gas-gas dual completion for its Cagle "C" No. 1 Well located 990 feet from the North and West lines of Section 3, Township 26 South, Range 37 East, Lea County, New Mexico; said well is to have gas production from the Yates and Upper Seven Rivers formations of the Jalmat Gas Pool and gas production from the Lower Seven Rivers formation of the Langlie-Mattix Pool. A small portion of the uppermost perforations in the lower gas pay falls within the vertical limits, of the Jalmat Gas Pool as well as the Langlie-Mattix Pool.

CASE 1137:

Application of Humble Oil and Refining Company for permission to convert its State "A" Well No. 2 into a salt water disposal well in the San Andres formation of the Hobbs Pool in accordance with New Mexico Oil Conservation Commission Statewide Rule 701. Applicant, in the above-styled cause, seeks an order granting permission to convert its previously abandoned State "A" Well No. 2 into a salt water disposal well; said well is located 330 feet from the South and East lines of Section 25, Township 18 South, Range 37 East, Lea County, New Mexico. Applicant proposes to inject salt water below the oil-water contact of the San Andres formation in the Hobbs Pool.

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9/19/56

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO

IN THE MATTER OF: _____ }
CASE NO. 1135

TRANSCRIPT OF PROCEEDINGS

August 22, 1956

DEARNLEY-MEIER AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO
August 22, 1956

IN THE MATTER OF: :
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CASE NO. 1135: Application of The Texas Company for :
 permission to dually complete its A. H. :
 Blinebry (NCT-1) Well No. 3 in the :
 Blinebry Oil Pool and the Tubb Gas Pool, :
 Lea County, New Mexico, in exception to :
 Rule 112-A (a) of the New Mexico Oil :
 Conservation Commission Rules and :
 Regulations. Applicant, in the above- :
 styled cause, seeks an order permitting :
 the dual completion of its A. H. :
 Blinebry (NCT-1) Well No. 3 located in :
 the SE/4 NW/4 of Section 29, Township 22 :
 South, Range 37 East, Lea County, New :
 Mexico. Applicant proposes to produce :
 oil on top from the Blinebry Oil Pool :
 and gas on the bottom from the Tubb Gas :
 Pool by means of parallel strings of :
 tubing. ----- :

BEFORE:

Daniel S. Nutter, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. NUTTER: The next case will be Case No. 1135.

MR. GURLEY: Application of The Texas Company for
permission to dually complete its A. H. Blinebry (NCT-1) Well
No. 3 in the Blinebry Oil Pool and the Tubb Gas Pool, Lea
County, New Mexico, in exception to Rule 112-A (a) of the
New Mexico Oil Conservation Commission Rules and Regulations.

(Witness is sworn.)

H. W. W A D E

called as a witness on behalf of the applicant, having been first

duly sworn on oath, testified as follows:

MR. NUTTER: Before we get started, I want to make a notation that the docket indicates the location of the well to be the SE/4 of the NW/4 of Section 29, Township 22 South, Range 37 East. That correctly should read Range 38 East, I believe.

MR. WADE: That is right. This is an application of the Texas Company for an order approving the dual completion in the Blinebry Oil Pool, Tubb Gas Pool in compliance with Rule 112-A of the New Mexico Oil Conservation Commission State-wide Rules and Regulations. My name is H. W. Wade. I would like to hand you our Exhibit 1. Our Exhibit 1 is a plat of the area showing our Blinebry (NCT-1), Blinebry No. 3, located 1,980 from the north and west lines of Section 29, Township 22 South, Range 38 East. This well was completed February 8, 1946, at a total depth of 6,995 feet, tested for 99 barrels of oil and 3 barrels of water in six hours; a flowing potential test of a Drinkard pay. Seven inch casing was set at 6,893 and cemented with 500 sacks. We have calculated the top of the cement is above 5,000 feet. The Drinkard zone, from which this well is presently producing produces approximately two barrels per day which we feel is bordering on the economic limits for the zone. Poor results have been obtained in remedial operation to stimulate the Drinkard zone in this area and we feel that we could not pick up the production any by remedial work. It is planned to use bridging plugs in confining the Drinkard's pay, therefore, that zone will not be contaminated during any -- in any manner during the plug back operations prior to the proposed dual completion. It is

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planned to open the Tubb gas zone through perforations from 6,152 to 6,190 feet. The Blinebry oil zone is to be perforated 5,655 to 5,695 feet. Oil production is expected from the Blinebry zone since the top of this zone is approximately 15 feet low to our recently completed Blinebry Well No. 7, which is located in Section 19, Township 22 South, Range 38 East, which is producing oil from the Blinebry, and it is 50 feet low from the Gulf-Vivian No. 4 on SE/4 NE/4 Section 30, Township 22, Range 38, which is producing gas, from the Blinebry. It is expected that the Tubb formation will produce gas with some distillate. Since the intervals to be opened for production will be in the Blinebry and Tubb formations they fall within the vertical delineation of the Tubb oil and gas pool respectively. I hand you what is our Exhibit 2. The Applicant's Exhibit 2 is a diagrammatic sketch of the proposed dual completion for well No. 3. I believe that the sketch itself is explanatory; however, it will be noted that the two zones will be separated by production packers to be set at 6,100 feet and that two strings of tubing will be utilized to produce the two zones and two inch strings will be set through the packer to produce the Tubb formations and a two inch Hydrill tubing string will be set or swung above the packer from which the Blinebry oil production will be produced. We believe that the proposed dual of the Blinebry No. 3 is mechanically and geologically feasible and will prevent co-mingling from the fluids of the Tubb zone. The granting of this application to dually complete these two separate sources of supply is recognized in the rules and regulations for these two fields and will be in the

interest of conservation and will promote correlative rights and we therefore suggest that the Commission enter an order allowing us dual completion as proposed. That is all.

MR. NUTTER: Any questions of the witness? Mr. Wade, I believe you stated that your No. 3 well is 50 feet low with respect to the Gulf-Vivian No. 4, is that correct?

A Yes, sir, that is approximately correct.

Q What is the position of the well with reference to the Higgins Well? Let's see, it is, I guess, the Gulf-Higgins Lease B and T No. 1 which is in the NW of the SW/4 of that section.

A Yes, sir, it is approximately 20 feet high to the Blinebry zone in that well, as I remember. I believe that well is producing oil.

Q It is an oil well?

A Yes, sir, from the Blinebry.

Q Now, on your Exhibit No. 2, your upper zone you say topped at 5,550 and the bottom at 5,733. What are those figures referring to? Are those the tops of the oil zone or what?

A No, that would be the top of our -- that would be the top of the Blinebry zone as interpreted by our geological department and it is not necessarily beneath pay. That would be available for opening there.

Q Where are your present perforations in the well?

A In where?

Q Where are your present perforations?

A In the Drinkard. The Drinkard is presently producing from 6,893 -- no, it is 6,995.

Q And is that productive at all?

A Yes, it is producing approximately two barrels per day.

MR. NUTTER: Any questions of the witness, if not, the witness may be excused. Do you wish to offer these?

A Yes, I would like to offer these.

MR. NUTTER: Without objection, the Texas Company Exhibits No. 1 and 2 will be received in evidence. Any further statements in this case by anyone? If not we will take the case under advisement and the hearing is adjourned.

REPORTER'S CERTIFICATE

I, LOUIS R. GUEVARA, do hereby certify that the foregoing and attached Transcript of Proceedings, pages numbered 2 through 6, were reported by me in Stenograph at the time and place aforesaid; that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings to the best of my knowledge, skill and ability.

DATED this 31st day of August, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Louis R. Guevara
LOUIS R. GUEVARA, Court Reporter

CONFIDENTIAL

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