

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
October 31, 1956

* * * * *
IN THE MATTER OF: *
CASE 1167 *
* * * * *

TRANSCRIPT OF PROCEEDINGS

NEW MEXICO OIL CONSERVATION COMMISSION

1,000 BroadwayHobbs, NEW MEXICOREGISTERHEARING DATE October 31, 1956TIME: 9:00 a.m.

NAME:	REPRESENTING:	LOCATION:
W. G. Abbott	Amerada Pet Corp	Monument, N. Mex
J. M. Mc Cague	Shell Oil Co	Hobbs, N. M.
A. Duwall	Shell Oil Co	Hobbs, N. Mex.
Best Plummer	OCC	Artesian
J. W. Rungtson		Hobbs
C. M. Zieder	OCC	✓
W. S. Marshall	Schermhorn Oil Corp	Hobbs
J. H. Moore	Schermhorn Oil Co.	Hobbs
Geo. Hinchfield	N. Mex. Oil & Gas Engr. Comm	✓
Neil H. Mills	SELF	Carlsbad, N. M.
John F. Harrison	KOWANES OIL CO.	MALAMITO, N. M.
Frank E. Luby	State Engineer	Santa Fe, N. M.
Fred Hennighausen	State Engineer	Roswell, N. M.
Oley J. Karnik, Jr	Beck Oil Co	Odessa, Tex
Joe H. Campbell	E. G. RODMAN et al	MIDLAND, " "

NEW MEXICO OIL CONSERVATION COMMISSION

 _____, NEW MEXICO

REGISTER

HEARING DATE _____ TIME: _____

NAME:	REPRESENTING:	LOCATION:

BEFORE THE
OIL CONSERVATION COMMISSION
Hobbs, New Mexico
October 31, 1956

IN THE MATTER OF:

The application of Plemons and Hewitt for an order granting permission to commingle oil in exception to Rule 303 of the New Mexico Oil Conservation Commission Rules and Regulations. Applicants, in the above-styled cause, seek an order granting permission to produce oil from the Fren Pool and Premier Pool into common tankage; said oil to be produced from applicants' Friess No. 1 Well in the Eddy County, New Mexico, and the Friess No. 2 Well in the SE/4 NW/4 of said Section 30 (Fren Pool).

CASE NO. 1167

BEFORE:

Warren W. Mankin, Examiner

TRANSCRIPT OF HEARING

EXAMINER MANKIN: The hearing will come to order. The first case on the Docket today is Case No. 1167.

GURLEY: Case 1167, the application of Plemons and Hewitt for an order granting permission to commingle oil in exception to Rule 303 of the New Mexico Oil Conservation Commission's Rules and Regulations.

JACK PLEMONS

having first been duly sworn, testified as follows:

By Mr. A. J. Losee

Q. Will you state your name please?

A. Jack Plemons.

Q. Where do you live Mr. Plemons?

A. In Artesia.

Q. Are you and Mr. Elton L. Hewitt the owners of the Federal Oil and Gas Lease LCO 65015?

A. We are.

Q. Is that an 80-acre lease?

A. Yes.

Q. Its granted that the E/2 NW of Section 30, Township 17 South, Range 31 East, Eddy County?

A. Yes.

Q. Is that lease subject to certain overriding royalties out of production?

A. Yes.

Q. Are those overriding royalties out of production the same on each 40-acre tract?

A. Yes.

Q. When did you acquire this property? When did you and Mr. Hewitt acquire this property?

A. This year.

Q. In March of this year of 1956?

A. Yes.

Q. Was there any production on the property at the time you acquired it?

A. Yeah, three wells.

Q. Were there three wells?

A. Yes.

Q. What were they designated as?

A. Fren No. 1, yeah, No. 2 and 3.

Q. How much oil were they making at the time, approximately?

A. About 6-7 barrels.

Q. All three wells?

A. Yeah.

Q. They were producing out of what Pool?

A. Fren.

Q. Are you still producing the Fren No. 3?

A. No.

Q. Have you plugged it?

A. No.

Q. Now, has it been abandoned?

A. No, its just been shut in.

Q. Did you deepen any of these wells?

A. Wait a minute, we plugged No. 3, did you say 3 or 2?

Q. Yes.

A. We plugged No. 3.

Q. No. 2 is the one that is shut in?

A. Thats shut in.

Q. Did you deepen the No. 1 Well?

A. Yes.

Q. To what Pool?

A. To the Premier.

Q. Did you obtain production in the Premier?

A. Yes.

Q. Approximately how much oil are you producing out of the Premier in this Well No. 1?

A. From 18 to 25 barrels.

Q. And your No. 2 Well is the Fren Well that is shut in at this time?

A. Yes.

Q. Why is that well shut in?

A. Well, it just was'nt making enough oil to set a battery there, so we shut it in.

Q. What would you have to do to produce the No. 2?

A. Set a battery there.

Q. Would you have to run flow lines?

A. Yeah, about 800 feet of flow line.

Q. Mr. Plemons, I hand you what has been marked as Applicants' Exhibit 1

and ask you what that is?

A. Yeah, this is the production.

Q. A record of the production from these Fren Wells - - - Fren 1 and Fren No. 2 Wells?

A. Yeah, previous to '55.

Q. On the Fren No. 2?

A. Yeah.

Q. What was the annual production from the Fren No. 2 during 1955? For the year?

A. Well, it would be 705 barrels, but that was going together, so I guess that was the allowable, that was before I obtained the lease.

Q. Well, that would be somewhat around 2 barrels a day?

A. Yeah, yeah.

Q. Has the well, up til the time you temporarily abandoned it in this year, is that about the production record?

A. Yeah.

Q. Now, about your Fren No. 1 which is producing out of the Premier, what about is the average production of it?

A. Well, its fallen off now, but I have been running from 18 to 25 barrels.

LOSEE: This is a record of the production on this exhibit, applicant offers this as Exhibit No. 1.

EXAMINER MANKIN: Do you have any other exhibits?

LOSEE: No.

EXAMINER MANKIN: Is there objection to Exhibit No. 1 in this case, if not, it will be so entered.

GURLEY: If it please the Examiner, you prepared these figures yourself, did you Mr. Plemons?

PLEMONS: The bookkeeper prepared them.

GURLEY: They were prepared under your direction?

PLEMONS: Beg your pardon?

GURLEY: They were prepared under your supervision?

PLEMONS: No, he just took it off the oil runs off the daily gauge tickets.

LOSEE: Mr. Plemons, what do you request the Commission in this application to accomplish?

PLEMONS: To run the oil together.

LOSEE: From the Fren Pool - - - - -

PLEMONS: And the Premier Pool.

LOSEE: And the Premier Pool.

LOSEE: If you were not allowed to run this Fren No. 2, a 2-barrel well, what would happen to that well?

PLEMONS: We would apply for relief as quick as we can.

LOSEE: For the present - - - - -

LOSEE: I believe thats all I have of Mr. Plemons. I would like the record to show with reference to notification that the USGS and the three offset operators, Three States Natural Gas, Southern Production, and Fren Oil Company were forwarded a copy of the application by myself on October the 10th.

EXAMINER MANKIN: Mr. Plemons, presently Well No. 2 is a very small well, is that correct?

PLEMONS: Yes.

EXAMINER MANKIN: You do not feel from an economic standpoint, that you could set another tank battery to measure separately the production from the No. 2 Well?

A. No.

EXAMINER MANKIN: However, the No. 1 Well is in the neighborhood of 18 to 25 barrels a day production?

A. Yes.

EXAMINER MANKIN: In the Premier Pool?

A. Yes.

EXAMINER MANKIN: Whereas the No. 2 Well is in the Fren Pool at shallower depth?

A. Yes.

EXAMINER MANKIN: The No. 1 Well, how has it been producing since June, into a temporary tank battery?

A. No, in the same old tank battery, but we just abandoned the No. 2, It went into the old Fren tank battery.

EXAMINER MANKIN: Oh, I see. The No. 2 has been temporarily abandoned waiting to obtain results from this hearing.

A. Yes.

EXAMINER MANKIN: And the No. 1 has been produced in the Premier Pool at a greater depth, an 18 to 25 barrel well.

A. Yes.

EXAMINER MANKIN: Is there further question of the witness in this case, Mr. Reider?

REIDER: Mr. Plemons, would you mind telling us how you propose to maintain some control of the well? In other words, what will you have in the way of other battery equipment?

PLEMONS: Do you mean to test them?

REIDER: Yes, sir. In other words it would be necessary to perform regular tests. I wondered what you had in mind in the order of battery and equipment to do that.

PLEMONS: I don't get your question.

REIDER: How are you going to be able to tell which well is producing what?

PLEMONS: Well, you just have to shut one down and then produce the other and then produce them a week and then shut the other one down, and test it up, in other words, get the natural production.

REIDER: It would be necessary then to shut in the other wells.

PLEMONS: Yes.

REIDER: These wells are marginal and could not make up the under-production while shut down.

PLEMONS: Well, they all make up. I've never seen one that didn't.

REIDER: It would make up?

PLEMONS: Yes, however it would make up for two or three days, or possibly a week, but they wouldn't make up, of course, for sixty days.

EXAMINER MANKIN: So for purposes of gas-oil ratio tests or production test, you couldn't - - - - -

PLEMONS: You could just shut one down and produce, test the one that you were pumping every day.

EXAMINER MANKIN: Is there further question of the witness? If not, the witness may be excused and we will take the case under advisement.

STATE OF NEW MEXICO)
 :
COUNTY OF SANTA FE) ss

I, Doris Arnold, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Commission examiner at Hobbs, New Mexico, is a true and correct record, to the best of my knowledge, skill and ability.

Dated at Santa Fe, New Mexico this 7th day of January, 1957.

Doris Arnold