

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1672

TRANSCRIPT OF PROCEEDINGS

May 14, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
Phone CHapel 3-6691

Order, a fifteen-day shutin period, due to work that was being done on the refinery which was purchased by Continental Oil Company from Malco Refineries. The emergency Order, as I understand it, would expire at seven a.m. Saturday morning. Normally, production and pipeline runs are not handled on Saturday and Sunday, and we are informed that the refineries and pipeline takes will be ready to go back on operation, and we should be back on Monday. Under those circumstances, we do not feel there is any necessity for an extension of this Order. Therefore, we move that the case be dismissed.

MR. PORTER: Any objection to counsel's motion for dismissal of Case 1672? Case 1672 will be dismissed.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, J. A. Trujillo, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this, the 29th day of May, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


NOTARY PUBLIC

My Commission Expires:

October 5, 1960

COMMISSION
Mexico
LONG

OCIATES
MEXICO

NEW MEXICO OIL CONSERVATION COMMISSION

Examiner Hearing (E. J. Fischer)

Santa Fe , NEW MEXICO

REGISTER

HEARING DATE May 20, 1959 TIME: 9 a.m.

[illegible]

NEW MEXICO OIL CONSERVATION COMMISSION

Examiner Hearing (E. J. Fischer)

Santa Fe , NEW MEXICO

REGISTER

HEARING DATE May 20, 1959

TIME: 9 a.m.

NAME:	REPRESENTING:	LOCATION:
W. E. Long Superintendent	State Engr. Office Don. ...	San Jo. de ...

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 20, 1959

EXAMINER HEARING

IN THE MATTER OF:)

Application of Standard Oil Company of)
Texas for an amendment of Order Nos.)
R-1067 and R-1124. Applicant, in the)
above-styled cause, seeks an amendment) Case 1673
of Order Nos. R-1067 and R-1124 to)
permit the utilization of dump type)
meters in lieu of positive displace-)
ment meters on certain leases in the)
Atoka Pool, Eddy County, New Mexico.)

BEFORE:

Mr. E. J. Fischer, Examiner

TRANSCRIPT OF HEARING

MR. FISCHER: The hearing will come to order, please.
The first case on the docket will be Case 1673.

MR. PAYNE: "Application of Standard Oil Company of
Texas for an amendment of Order Nos. R-1067 and R-1124."

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox,
Santa Fe, New Mexico representing the Applicant. We will have
one witness.

C. F. DWYER

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

DIRECT EXAMINATION

(Marked Standard Oil Company of Texas' Exhibits 1 & 2 for identification.)

BY MR. KELLAHIN:

Q Would you state your name, please?

A C. F. Dwyer.

Q By whom are you employed, Mr. Dwyer?

A Standard Oil Company of Texas.

Q What is your position?

A District Engineering Ward, Hobbs District, located in Monahans.

Q Have you ever testified before this Commission before?

A No, sir.

Q Would you state your educational background and experience as a petroleum engineer?

A Graduated from Texas A.¹M. and with a Bachelor of Science, petroleum engineering in 1940. I have been with Standard Oil Company of Texas for six and a half years.

Q What positions have you held during the six and a half years with Standard Oil Company of Texas?

A Engineer for approximately three and a half years, and District Engineer for two and a half years.

Q Are you familiar with the application in the case now before the Commission?

A Yes, sir.

Q What is the purpose of this case?

A The purpose is to make application to amend Order No. R-1067 and R-1124 to permit utilization of dump type meters in lieu of positive displacement meters in certain leases in the Atoka Pool.

Q With what is R-1067 concerned, Mr. Dwyer?

A R-1067 concerns the McNatt-Vandergrift battery.

Q Referring to what has been marked Exhibit No. 1, will you state the location of that battery?

A All right, the battery is located in the Southeast Quarter of the Southeast Quarter of Section 14. There are two wells entering that battery off of different leases, the McNatt-Vandergrift No. 1 and the Vandergrift No. 1. These two wells, Vandergrift No. 1 makes about ten barrels of oil and eight barrels of water per day, and the McNatt-Vandergrift makes about nineteen barrels of oil and four barrels of water per day.

Q With what is Order R-1124 concerned?

A Order R-1124 concerns the Higgins lease battery located in the East Half of the Southwest Quarter of Section 12. This battery also has two wells going into it, the Higgins 1-2 which makes three barrels of oil and thirteen barrels of water per day; the Higgins 1-1 which makes seven barrels of oil and eight barrels of water per day.

Q Are these two wells on the same lease?

A The Higgins 1-1 and 1-2?

Q Yes.

A No.

Q Then they also require separate metering?

A That's right.

Q Does the plat also show another battery?

A Yes, sir. We have included the Leavitt battery, which is in Section 13, and the battery itself is located in the Northwest Quarter of the Northeast Quarter of Section 13.

Q What type of meters are you using on that battery?

A We are using the dump type meters on this battery. The purpose of having them on this battery is that although it's the same lease, we have production from two separate zones and therefore we need to meter each zone separately.

Q Have you found the operation of the dump type meter satisfactory on the Leavitt lease?

A Yes, sir.

Q For what reason does the Standard Oil Company of Texas request the use of the dump type meters on the Higgins and the McNatt-Vandergrift batteries?

A Well, the meters on these leases, the positive displacement meters from normal operating wear had to be replaced, and it was a question of either replacing them with the same type of positive displacement meter, for which we already have approval, or with dump type meters. Due to our particular

situation on these leases with this limited or slow production, it's felt that dump type meters are more adaptable from an operating standpoint.

Dump type meters are not as delicate. They have very few moving parts, and we feel that they most likely operate a longer period of time without trouble. They can be easily repaired in the field whereas a positive displacement meter sometimes has to be taken into the shop, and that generally covers the situation.

Q Does the dump type meter operate more accurately in your opinion in slow production or low rates of production than the positive displacement meter?

A That could be a matter of opinion. I would say on very low production where you have low rates of flow through your meter that the dump type meter would possibly be a little more accurate. However, they are both 99% plus sufficient.

Q The degree of accuracy would not be important in your position?

A Yes.

Q Is it your opinion that the positive displacement is not a satisfactory type of meter?

A No, the positive displacement is a satisfactory type of meter.

Q But for this particular operation you feel the dump

type meter is better?

A That's right.

Q Do you have an exhibit showing the operation of the dump type meter?

A Yes, Exhibit 2. It explains the operation of the dump type meter. It is very, very similar. It consists of a chamber, and in this particular chamber, which is a Sivalis tank meter thirteen and seventeenth inches in the sight glass, which you see off the side there on the left-hand side, is supposed to represent one barrel. This thing fills up, when it fills up and has one barrel in it, it dumps. Now, to keep fluid from coming in while it is dumping, you'll notice on the right-hand side of the drawing is a little valve marked, well, it's not very clear on this one, but it should be "oil outlet" on the lower right-hand side.

On the left side, sort of behind this little counter box, is another valve. That's the inlet valve. Those are gas-operated valves so that when the fluid comes all the way up to the top and you have one barrel in your meter, the outlet valve opens and the inlet valve closes both simultaneously at the same time. Then the meter dumps the one barrel and as soon as it has dumped the barrel, the two valves, simultaneously, one opens and the other closes.

It might be asked what happens during the period of time

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that the meter is dumping. Well, the heater treater, or your separator is filling up at that time. The way that the number of barrels is counted is simply by a counter, just a little mechanical counter inside of this box that's on the left-hand side. It just counts in barrels.

Q Were Exhibits 1 and 2 prepared by you or under your direction and supervision?

A Exhibit 1, the information was given to the Houston Office on a small plat and they drew this and colored it. So you might say it was under my supervision.

Q And Exhibit No. 2, was that a diagrammatic sketch furnished by the manufacturer of the equipment?

A Yes, it is.

MR. KELLAHIM: At this time we would like to offer in evidence Exhibits 1 and 2.

(The documents heretofore marked
Standard Oil of Texas' Exhibits
1 and 2 were offered in evidence.)

MR. PAYNE: The exhibits will be received.

MR. FISCHER: Any questions of the witness?

MR. PAYNE: Yes, sir.

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Dwyer, do you plan to coat this dump type meter with plastic or some kind of a corrosion resistant element?

A Yes, they have already been plasticapped. They have already been coated with plasticab. In other words, they have that in there. They were plasti-coated before we put them in.

Q That was one of the big troubles that you had with the other meter, was it not, corrosion was causing them to be inaccurate?

A To some extent. Actually it's just a case of wear and tear on the positive displacement meters. You have a corrosion problem but usually the corrosion problem occurs only when you have oil and water together to some degree.

MR. PAYNE: I believe that's all.

BY MR. FISCHER:

Q What type of a positive displacement meter?

A Pittsburgh Piston type.

Q Could you give us an idea of your average rate of fluid production into each battery at this time, what would be going through your other type of meter, your dump meter?

A Going through the dump meter?

Q Yes.

A Well, the rate of production would be what I gave earlier. Take, for example, well, just say the Higgins Unit 1-1, that one there has a dump meter that handles only that well. That well makes an average of seven barrels of oil per day and eight barrels of water per day. The rate of flow through them,

you see, is very, very slow.

Q Are they pumping-- A Yes, sir.

Q -- or are they flowing?

A Yes, sir, they are mostly pumping.

Q The gas that you operate these inlet and outlet oil valves with is the casinghead gas off your wells?

A Right, it comes right off the separator, approximately twenty-five pounds.

MR. FISCHER: Any other questions of the witness?
The witness may be excused.

(Witness excused.)

Any statements to be made? If not, the case will be taken under advisement.

MR. PAYNE: It might be, might it not, Mr. Kellahin, that at some future date the Applicant will wish to go back to the positive displacement meters?

MR. KELLAHIN: That's possible.

MR. PAYNE: The preferable way to do it would be to have in the alternative?

MR. KELLAHIN: In the alternative as the present orders are being written. That's our difficulty here, we had no choice.

C E R T I F I C A T E

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 2nd day of June, 1959.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1959.

BEFORE EXAMINER FISCHER

OIL CONSERVATION COMMISSION

of 4 Feb Exhibit No. 1673
Case No. E. J. Fischer

