

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE 1838: Application of El Paso Natural Gas Company
for a gas-gas dual completion.

TRANSCRIPT OF HEARING

JANUARY 6, 1960

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IN THE MATTER OF:

CASE 1838: Application of El Paso Natural Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Huerfano Unit Well No. 111 (GD), located in Unit F, Section 20, Township 26 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from an undesignated Gallup pool and the production of gas from an undesignated Dakota pool through parallel strings of tubing.

BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: The hearing will come to order, please.
The next case on the docket will be Case 1838.

MR. PAYNE: Case 1838. Application of El Paso Natural Gas Company for a gas-gas dual completion.

MR. SETH: Mr. Examiner, I would like to enter my appearance in two cases, Cases 1838 and 1848, together with Mr. Garrett Whitworth.

MR. WHITWORTH: We have one witness, Mr. John Mason.

(Witness sworn.)

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JOHN MASON

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

DIRECT EXAMINATION

BY: MR. WHITWORTH

Q Please state your name, by whom and in what capacity you are employed?

A My name is John Mason, I am employed by the El Paso Natural Gas Company as proration engineer.

Q Have you previously testified before this Commission as a proration engineer?

A Yes, sir, I have.

MR. WHITWORTH: We ask that the witness' qualifications be accepted.

MR. NUTTER: They are. Please proceed.

Q (By Mr. Whitworth) Are you familiar with El Paso Natural Gas Company's Huerfano Unit No. 111 and the application in this case?

A Yes, sir.

Q What does El Paso seek by this application?

A By this application El Paso seeks an order to dual complete its Huerfano Unit No. 111 in such a manner as to produce the undesigned Gallup and undesigned Dakota formations through a parallel string of tubing.

Q Do you have a plat showing the location of this well

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and the offset operators?

A Yes, sir, I do.

MR. WHITWORTH: We ask that be marked as El Paso's Exhibit No. 1.

(Thereupon El Paso's Exhibit No. 1 was marked for identification.)

Q Now, by this plat will you explain where this well is located and identify the offset operator.

A This well is located 1550 feet from the West boundary, Section 20, Township 26 North, Range 9 West. This well is within the Huerfano unit, of which El Paso Natural Gas is the operator. This shows that there is a well. Rock Island Oil and Refining Company has a lease in Section 16 to the northeast. Within that section there is a pictured Cliffs completion, but there is no Gallup completion. That is part of the unit also.

Q Do you have any documentary evidence depicting the physical equipment in this well?

A Yes, sir. I have a schematic diagram of the physical equipment in this well.

Q Now, by this exhibit, would you explain how this well was completed?

A This is Exhibit 2, which shows the equipment that was put into this well. The was completed in this manner: Ten and three quarter inch surfacing casing was set at 334 feet and cement circulated to the surface. Seven inch production string,



combination production string set at 6786. This well was two-stage cemented; the first stage I don't believe the diagram shows it, but the first stage, the top is at 4500 feet, and the second stage is at 1590. It shows the Gallup formation to have been perforated from, at various intervals, from 5603 to 5727. This is the upper Gallup, and fractured with oil and sand. The lower Gallup perforated from 5799 to 5894, and fractured with oil and sand. Production from the Gallup formation is through two and three-eighths inch tubing, which is landed at 5934. There is a Baker dual string anchor set at 5934. The Dakota formation has been perforated in this manner: The upper Dakota was perforated from 6455 to 6471. The middle Dakota, 6548 to 6578; the lower Dakota 6628 to 6723, and fractured with water and sand. Production from the Dakota formation is through two and three-eighths inch tubing which is landed at 6730. This well has a Guiberson model "A" production packer, which is a permanent type packer set at 5998.

Q This well is a gas-gas dual completed in an undesignated Gallup pool and undesignated Dakota pool, is that correct?

A That is correct.

Q What prompted El Paso to install a permanent type production packer, do you know?

A Well, this was just one of the conditions, and it has been a practice for El Paso to use a permanent type packer in dually completing a Gallup and Dakota well. The conditions there seem



to warrant this type of packer.

Q Do you have any potential and shutin data from this well?

A Yes, sir, I do. The Gallup formation was tested in the latter part of November, 1959 and has a shutin pressure of 1181, flowing pressure of 175 psi through a three quarter inch choke, and produced a volume of 1923 MCF's per day with a calculated open flow of 2,198 MCF per day.

Q Do you have --

A I would like to complete that last question, please, sir. I have some potential information on the Dakota formation. The Dakota formation was tested in October of 1959, had a shutin pressure of 1956 psi, and flowing pressure of 297 psi. It produced a volume of 3,410 MCF per day through a three-quarter inch choke and had a calculated AOF of 3703 MCF per day.

Q Do you have any well log data concerning this well?

A No, sir, I don't have the well logs, they were not available at the time we left El Paso, and I would like to ask permission from the Commission to submit those at a later date.

MR. NUTTER: That will be satisfactory.

Q (By Mr. Whitworth) To your knowledge is there a case pending before this Commission which would include the area this well is situated in as a designated gas pool, and would render formal hearing unnecessary, to make it possible that this well could be approved as a dual completion administratively?

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A Yes, sir, there is a case that is set for the January 13th docket, nomenclature case, which would include this area in the Angels Peak Gallup and Angels Peak Dakota pool.

Q In your opinion, would the granting of this application for this dual completion prevent waste?

A Yes, sir.

Q And would it violate or prejudice correlative rights?

A No, sir.

Q How were El Paso's Exhibits 1 and 2 prepared?

A They were prepared by our Farmington engineering office at my request.

MR. WHITWORTH: We ask that these exhibits be accepted.

MR. NUTTER: El Paso's Exhibits 1 and 2 will be entered in evidence in this case.

Q (By Mr. Whitworth) Is there anything else you would like to add to your testimony, Mr. Mason?

A Only that this well is completed in such a manner that any test that the Commission might require can be conducted.

MR. WHITWORTH: That's all.

MR. NUTTER: Does anyone have any questions of Mr. Mason?

MR. PAYNE: Yes, sir.

MR. NUTTER: Mr. Payne.

CROSS EXAMINATION

BY MR. PAYNE:

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Q Mr. Mason, I take it from your testimony that this well is adjacent to the Angels Peak Gallup pool?

A Well, it is several sections removed. It is more than a mile away. Just offhand -- well, I'm not sure of what the limits of the Angels Peak pool are, the southern boundary, but it is several miles removed from that, several miles south of it.

Q There is a case on the nomenclature to include this as an Angels Peak Gallup.

A Yes, sir, I think so.

Q Mr. Mason, what leads you to believe that this will be a gas well in the Gallup rather than an oil well?

A Well, we can't say definitely. During its potential test there was a show of oil, a spray of oil, but when the well was planned, they expected to encounter gas in this portion.

Q Generally speaking, when you find a gas well in the Gallup, the oil pool is not far behind, is --

A Well, I think that has been the experience thus far.

Q That is the way the Angels Peak Oil pool was discovered, is it not?

A Yes, sir, I believe so.

Q So you are aware if this dual completion is granted, that the Gallup zone might very well become an oil well and in all probability would be a penalized well?

A Yes, sir, we are.

MR. PAYNE: Thank you. That's all.



MR. NUTTER: Any further questions of Mr. Mason?

He may be excused.

(Witness excused.)

MR. NUTTER: Does anyone have anything further they wish to offer in this case? Take the case under advisement.

STATE OF NEW MEXICO)
 (
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 13th day of January, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

J. A. Trujillo
NOTARY PUBLIC

My Commission Expires:

October 5, 1960

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1838, heard by me on 1-6, 1960.

[Signature], Examiner
New Mexico Oil Conservation Commission

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