

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 27, 1960

IN THE MATTER OF:

APPLICATION OF VAL R. REESE & ASSOCIATES, INC.,
for a dual completion. Applicant, in the above
styled cause seeks an order authorizing the
dual completion of its Lybrook Well No. 1-19,
located in Unit C, Section 19, Township 24
North, Range 6 West, Rio Arriba 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.

CASE NO.
1874

BEFORE:

ELVIS A. UTZ - EXAMINER

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: Case No. 1874.

MR. PAYNE: Application of Val R. Reese & Associates,
Inc., for a dual completion.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

I N D E XWITNESSPAGE

LEWIS C. JAMESON

Direct Examination by Mr. Errebo 3

Questions by Mr. Utz 8

Questions by Mr. Payne 9

Questions by Mr. Utz 10

E X H I B I T SNUMBEREXHIBITMARKED

1 Ownership Plat

11

2 Electric Log

11

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



MR. ERREBO: Burns Harris Errebo, of Albuquerque, appearing on behalf of the applicant. I have a witness and he may be sworn.

(Witness sworn)

MR. UTZ: Are there any appearances to be made in this case?

(No response)

MR. ERREBO: This is an application which is made necessary by virtue of the fact that the zones duly completed are not contained within the limits of the pool or pools. Actually, there's been a Dakota discovery in the lower zone and the upper zone well just went in one-half mile of the Escreto-Gallup.

LEWIS C. JAMESON

a witness, called by and on behalf of the Applicant, having been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. ERREBO:

Q Will you state your name, please?

A Lewis C. Jameson.

Q With whom are you associated?

A Val R. Reese & Associates, Inc., Albuquerque, New Mexico.

Q What is your relation with them?

A Geologist.

Q Have you ever testified before this Commission as



an expert witness?

A No, I have not.

Q Would you state what your educational background is?

A I graduated from Sul Ross State College, in Alpine, Texas in 1954 with a B.S. Degree in Geology.

Q Now, would you briefly outline to the Examiners the experience that you have had since leaving school?

A Immediately after graduating, I went to work for Delta Company in Tyler, Texas as a geologist and assistant chief geologist and my work consisted of sub-service studies and preparation of material for preparation for the Texas Railroad Commission and all phases of exploration geology. In May, 1955, I joined Pacific Northwest Pipeline Corporation as geological engineer and while with Pacific Northwest, my duties consisted of calculation of the gas reserves owned by or dedicated to Pacific Northwest Pipeline for presentation before the Federal Power Commission. I continued to work after joining the subsidiary of Pacific Northwest in June of 1956. In June of 1957, I left Northwest Production Corporation to join Val R. Reese & Associates, Inc. as a geological consultant, the firm of which I am Vice-President. I have worked preparing exhibits and worked for Federal Power Commission and the Security Exchange Commission.

Q Now, Mr. Jameson, in connection with your work in Val R. Reese, do you have occasion to work in the design and the installation of oil and gas producing equipment and surface facili-

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



ties as well as other equipment?

A Yes, we handle all the work for building the location to fencing the pits.

Q Actually, do you yourself do that type of work?

A Yes.

Q In other words, what we are interested in doing is informing the Commission concerning your background and knowledge concerning the testimony which you will give in this hearing and you actually have had then, a considerable amount of this experience in equipping of wells?

A Yes, I have.

MR. ERREBO: Are his qualifications acceptable?

MR. UTZ: Yes, sir, they are.

QUESTIONS BY MR. ERREBO:

Q Will you refer to the first exhibit, Exhibit No. 1, and briefly identify it?

A Exhibit No. 1 is an ownership plat of No. 1-19 Lybrook Well, the location of the well has been circled in red on the exhibits. The well is located in Section 19, Township 24 North, Range 6 West.

Q That is the well which is subject to this application, isn't it?

A Yes, it is.

Q Will you state to the Examiner why it is necessary that the hearing be held?

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



A The completion in the Dakota is of a walk-out nature, the nearest dock producer being approximately 6 miles to the north-east and the well is a gas completion.

Q That is a discovery well?

A Yes, it is, and in the Gallup formation, the well is a gas completion, the location is approximately one-half mile northeast of the limits of the Escreto-Gallup Field.

Q Now, will you refer to Exhibit No. 2 and identify it briefly?

A Exhibit No. 2 is an electric log of the Number 1-19 well, the top and the base of the Gallup and Dakota formations have been formed.

Q What is the approximate footage interval between the bottom of the Gallup and the top of the Dakota?

A The top of the Dakota is at 6297 and the base of the Gallup is at 5568, which would be a little over 700 feet.

Q Now, will you refer to your Exhibit No. 3?

A Exhibit No. 3 is a diagrammatic drawing of the mechanics for producing the Number 1-19 well through parallel strings of tubing with a permanent type Baker Model D production packer set at 6340 to separate the two zones.

Q Will you give the results of either the initial or any recent production tests from these two zones?

A The initial potential of the Gallup section was for 3476, calculated as open flow and from the Dakota, 1,342,000



calculating open flow.

Q What was the gas-oil ratio?

A Both zones produced a very small amount of liquids. The Gallup section was produced through a separator, however, the separator didn't dump during the tests and the liquids from the Dakota are even of less magnitude.

MR. UTZ: How long was that test?

A Three hours.

QUESTION BY MR. ERREBO:

Q Have you taken a segregation in packer leakage tests and has that form and the results of that test been filed with the Commission?

A Yes, we did, and it has.

Q I don't recall that you gave the pressures countering in the zone. If you did not, will you please give them?

A The shut-in pressure on the Gallup, after 7 days was 1636 pounds on the tubing, 1654 pounds on the casing and on the Dakota the shut-in tubing pressure also after 7 days, was 2123 pounds.

Q What do you estimate to be the differential across the packer?

A It would be approximately 600 pounds.

Q Is there any question in your mind but what this packer will effectively separate under the pressure differential?

A No, there is not.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



Q Is it your opinion that the granting of this application will result in a prevention of waste?

A Yes, it will.

Q You do not know any instances in which the correlative rights will be violated?

A No, I do not.

MR. ERREBO: That's all we have.

QUESTIONS BY MR. UTZ:

Q Do you have a gravity zone?

A The specific gravity of the gas?

Q Yes, sir.

A The gas on the Gallup is .68 and the gas on the Dakota is .63

Q Are they both sweet gases?

A Yes, they are.

Q Referring to Exhibit 2, which of these Gallup zones do you feel correlate with the Escreto-Gallup?

A Val R. Reese & Associates have completed the Number 1-21 County Well in Section 21, 24, 7, in all three zones and the Killarney-Brown and the Number 1-24 zone is completed in all the zones. I believe there's possibly one or two other wells completed in more than one zone.

Q This Killarney-Brown Well, is that a gas well?

A Yes.

Q Is that within the limits of the Escreto-Gallup pool?



A Yes, sir.

Q And it is completed in all three of these zones?

A Yes, sir.

Q And I take it that all three of these zones are definitely gas bearing zones?

A Yes, sir, we cannot separate which zone is producing gas and which would be producing oil. The reservoir characteristics of all three zones are very similar.

Q Do you know how much liquid was in the Killarney-Brown Well?

A Yes, on a back-pressure test, the liquids recoverable were 10 barrels during the production of 750 MCF, I believe that's about 13 barrels per MCF.

MR. UTZ: Any other questions?

QUESTIONS BY MR. PAYNE:

Q Did I understand you to say, Mr. Jameson, that you have a gas well in the Gallup within the Escreto-Gallup oil pool?

A Yes, sir, the Killarney well was completed for initial potential of 1870 MCF calculated and sent open flow. During the initial potential testing it made 7 barrels of oil in three hours.

Q But is classified as an oil well?

A Yes, however, it was potentialized as a gas well.

Q Now, this well might very well -- under our present classification of the Escreto-Gallup pool which I realize there is



an application pending to change that classification in some respects, assuming that were not done, your Gallup completion here might very well subsequently be treated as an oil well, might it not?

A We have no objection to it being classified as an oil well. However, I would like to point out that the Redfern and Herd Well in Section 18, it is their No. 1 Largo Spur Well, according to the information given to us by Redfern, is producing 5000 MCF per day.

Q If it were, the classification were changed to an oil well, in all probability it would be a penalized probability?

A Yes, it would be under present rules.

QUESTIONS BY MR. UTZ:

Q Are you familiar with the Redfern and Herd?

A Yes, I am.

Q Is it completed in the same three zones?

A No, sir, they figured that the production they were going to get out of the Mary Zone would be all they would need for a pretty nice well.

Q The Mary Zone is completed in the well in question and also in the Killarney?

A Yes. I would like to add one thing. The Redfern and Herd No. 2 well in Section 13, Township 24 North, Range 7 West, has been potentialized for 14,370,000 MCF, calculated as an open flow.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

Q Which Section was that in, now?

A Section 13, Township 24 North, Range 7 West.

Q You don't show that on your Exhibit?

A It is a very recent completion. In fact, we are only aware of that since yesterday, having talked to the geologist employed by Redfern and Herd.

MR. PAYNE: Do you feel that the Gallup completion is a gas cap well?

A No, sir.

MR. ERREBO: Mr. Jameson, actually what study have you made to determine whether or not there is a gas cap present there?

A We have made cross sections in the area and made studies of all the cored wells in the area. The reservoir characteristics shown by core analysis are all very similar.

MR. UTZ: You may be excused.

(Witness excused.)

(Thereupon the documents above referred to were marked Applicant's Exhibits No. 1 and 2 for identification.)

The case will be taken under advisement.



STATE OF NEW MEXICO)
) SS
 COUNTY OF BERNALILLO)

I, LAURA MORENO, Court Reporter, 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 under my personal supervision and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my hand this 6 day of February, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Laura Moreno
 Laura Moreno, Court Reporter.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1874, heard by me on Jan 27, 1960.

Edward H. W., Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

