BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico April 27, 1960 EXAMINER HEARING IN THE MATTER OF: Application of Trice Production Company for approval of a "slim-hole" completion. Applicant, in the above-styled cause, seeks an Case 1949 order authorizing the "slim-hole" completion of its Four Lakes State Well No. 1. located in the NE/4 NW/4 of Section 11, Township 12 South, Range 34 East, Lea County, New Mexico, to be completed in either the Pennsylvanian or Wolfcamp formation at a minimum total depth of 10,000 feet. BEFORE: Elvis A. Utz, Examiner TRANSCRIPT OF HEARING MR. UTZ: Case 1949. MR. PAYNE: Application of Trice Production Company for appri al of a "slim-hole" completion. MR. MCKENNA: Tom McKenna, McKenna & Sommer, Santa Fe, on behalf of the applicant. Case involves a request for exception to Rule 107-E. I have one witness, Mr. Trice, for the applicant. (Witness sworn) CLYDE LEWIS TRICE, called as a witness, having been previously duly sworn, testified as follows:



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#### DIRECT EXAMINATION

### BY MR. McKENNA:

Q Mr. Trice, what is your full name, please?

A Clyde Lewis Trice.

Q For whom are you employed?

A Trice Production Company, Midland, Texas.

Q In what capacity do you work?

A I work as Production Superintendent, West Texas Division

Q Have you ever testified before this Commission?

A I have not.

Q Have you testified before any other Commissions, Conservation Commissions?

A Texas.

Q Can you tell the Commission something of your background and experience?

A Well, I was first employed in oil fields in 1953 by Trans Texas Oil Company; my duties were to aid in the production, and also the completion, of wells. Then I was moved in 1955, employed by Trice Production Company, Midlands, Texas, as the Production Superintendent, West Texas Division. During that time I have completed some 85 to 90 wells, direct drilling, also completion of those wells.

MR. McKENNA: Mr. Examiner, may the qualifications of this gentleman be accepted?



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MR. UTZ: Yes, sir.

Q (By Mr. McKenna) Mr. Trice, did you examine the application on behalf of Trice Production Company; are you familiar with the application?

A Yes, I am.

Q Where is this well located?

A This well is in Section 11, 12 South, 34 East, Lea County, New Mexico.

Q And what is your request of the Commission; what are you here for?

A My main purpose is to request from the Commission that we be allowed attempt at completion through 2 7/8 tubing.

Q Will this well be a dual completion?

A No.

Q Has any problem of corrosion or pressure been encountered in the drilling of this well?

A Not in the drilling of the well. We wouldn't know about corrosion from the drilling, but the history of the wells in the area do not indicate corrosion.

Q Are you familiar with this well, particularly?

A Yes.

Q I hand you what has been marked as Exhibit No. 1. Are you personally familiar with that plat or schematic design?

A Yes.



PHONE CH 3-6691 DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW MEXICO Q Did you prepare it yourself, or was it prepared at your direction?

A At my direction.

Q Will you explain to the Examiner and Commission just what it shows?

A The sketch shows we have already set 13 3/8 inch at 365 feet, with cement to the strainer pipe; 9 5/8 inch set at 4200 feet with cement to the surface. Then we show the proposed tubing completion of running 2 7/8 inch tubing to 10,500 feet after cleanout, with a thousand feet of centralizers, bringing our cement top back to approximately 9500 feet.

Q And where do you plan to attempt to secure the first production; at what level or at what interval?

A The first interval we plan to test would be from 10260 to 10275; I'm sorry, 10254 to 10276.

Q And if you are not successful there, where would you then attempt to perforate?

A We would then attempt to perforate at 1012 to 1027; 10,012 to 10,027.

Q Why do you wish this exception to Rule 107-E?

A Well, the well is doubtful if it will be a commercial producer, and if we attempt to make completion economically we can save in the neighborhood of \$30,000.

Q Do you think that the proposed method which you have

indicated to the Examiner and Commission will be able to efficiently and properly produce such oil?

A Definitely we could produce our oil.

Q Do you know of anything which would be in opposition to the interests of conservation?

A None whatsoever.

Q Do you know of anything that would impair correlative rights in the proposition which you propose to the Commission?

A No.

MR. McKENNA: I believe that is all I have for the time being.

#### CROSS-EXAMINATION

BY MR. UTZ:

Q How much hole do you have in this well at the present time?

A We have 12,000; 6355 is bottom driller.

Q And what size is that hole?

A 8 3/4.

Q You intend to circulate the cement back to -- you intend to plug back to 10,500?

A Plugs are now set at ten five.

Q Do you intend to circulate the cement from ten five to nine five?

A Yes, sir.



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Q What formations are between ten five and forty-two hundred?

A I'd rather you asked our geologist that question.

Q Do you know of any oil or gas shows in this interval?

A There was none on our well. There was an oil log reading on most of the hole.

Q Have you made any DST's on these pay zones?

A Yes, we did stem test those pay zones. We had a drillstem test from 10260 to 10275; open four hours, gas to surface in thirteen minutes; recovered 925 feet of fluid, being 600 feet of free oil, 315 feet of heavily oil and gas cut mud plus ten feet water, 40 filtrate and 60 per cent formation water.

Q Did you get a pressure?

A Yes, we had an initial shut-in pressure 3757, final shutin, 3239. The initial flow pressure 41, final flow pressure 292.

Q Is that the only interval you drillstem tested in?

A The other interval we were to test, if this one does not prove commercial, 10,001 to 10,027. Open four hours, gas to surface in ten minutes; fair flow throughout the test. Reversed out 15 barrels of oil plus 11 barrels of salt water and 120 feet of water below the sub.

Q Did you have the pressure?

A Initial shut-in pressure, 3470, one hour and twenty-five minutes; final shut-in pressure, 2855; initial flow pressure 365

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and final flow pressure 1410.

Q It appears you have considerable pressure in that last zone. Do you think 500 feet of cement above that zone is enough?

A I believe it would be adequate; 500 feet of cement should give you adequate protection.

Q You intend to run a temperature survey to be sure of your cement?

A Yes, we do.

MR. UTZ: Any other questions of the witness? BY MR. PAYNE:

Q What pool is this in?

A Well, our geologist has classified this lower one as the Canyon.

MR. UTZ: It isn't designated by the Commission.

A No, it isn't designated by the Commission.

Q Is this within a mile of a designated pool?

A I'd rather you asked those questions of the geologist.

Q All right.

MR. UTZ: Any other questions? If not the witness may be excused.

MR. McKENNA: Mr. Jack Nottingham.

(Witness sworn)

#### JACK WAYNE NOTTINGHAM,

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



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as follows:
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## DIRECT EXAMINATION

# BY MR. MCKENNA:

Q What is your full name?

A Jack Wayne Nottingham.

Q And what is your position with the Trice Company?

A District Geologist, West Texas-New Mexico area, three years.

Q Have you ever testified before this Commission?

A No.

Q Can you give the Commission a brief outline of your education and experience?

A Graduated in 1950 from the University of Oklahoma; worked one year with Bayroid Well Logging Service; approximately four years with Midcontinent Petroleum Corporation; approximately two years with Larial Oil and Gas, and the remaining time with Trice Production, approximately three years.

MR. McKENNA; Mr. Examiner?

MR. UTZ: Yes, his qualifications are accepted.

Q (By Mr. McKenna) Mr. Nottingham, this well is within a mile of what pool?

A Four Lakes Field, New Mexico.

MR. PAYNE: Four Lakes, Pennsylvanian and Devonian. Q (By Mr. McKenna) Now, as to the question asked earlier



PHONE CH 3-6691 DEARNLEY-MEIER REPORTING SERVICE, Inc. ALBUQUERQUE, NEW MEXICO by the Examiner, as to the formation, would you --

A I didn't understand his question. Would you please repeat that?

MR. UTZ: Yes. What formation is possibly productive, formations, between 9500 and 4200?

A Cisco and the Canyon; that is as designated by Humble geologists in this field there.

Q Do those zones have any shows of any nature?

A You are speaking of the two zones we are planning to perforate?

MR. UTZ: No, I am speaking of the zones between 9500 or the top of the proposed --

A There are no shows; no, sir.

MR. PAYNE: What has been the experience generally in the Four Lakes Devonian and Four Lakes Pennsylvanian relative to pressure?

A Not excessive; they have no excessive pressure problems. Of course, we are not concerned with the Devonian since we do not go to the Devonian, and the pressures are not excessive in the Pennsylvania completions. Also, I might add, the zone is also equivalent to the same producing zone in the Ranger Lake Field approximately two miles to the south. They have, also, no corrosive problems or undue pressure problems.

MR. UTZ: How much cement do you calculate it will take



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A Four hundred sacks.

MR. UTZ: Any other questions? If not, the witness may be excused. Any statements in this case?

MR. McKENNA: Mr. Examiner, I would like to have this received in evidence, Exhibit No. 1.

MR. UTZ: Without objection the exhibit is received. Case will be taken under advisement.

STATE OF NEW MEXICO ) ) COUNTY OF BERNALILLO )

SS

I, the 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.

**Ø**ourt Reporter I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of C se No. 1.949 heard by me on. 19 <u>60</u> Examiner New Mexico Oil Conservation Commission



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