

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

IN THE MATTER OF:

APPLICATION OF THE BRITISH AMERICAN OIL
PRODUCING COMPANY for an order authoriz-
ing the "slim-hole" completion of its
Fullerton Well No. 7, located 1850 feet
from the South and West lines of Section
11, Township 27 North, Range 11 West,
Dakota Producing Interval, San Juan
County, New Mexico, utilizing 2 7/8-inch
tubing as casing.

CASE
NO. 2026

BEFORE:

Hon. Daniel S. Nutter, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: The hearing will come to order, please.

Next case will be Case 2026.

MR. PAYNE: Case 2026. Application of The British
American Oil Producing Company for an order authorizing the "slim-
hole" completion of its Fullerton Well Number 7.

MR. ERREBO: Burns H. Errebo of Modrall, Seymour, Sperling,
Roehl and Harris, appearing for the applicant. We will have one
witness.

(Witness sworn.)

F R A N K R E N A R D, a witness, called by the Applicant, hav-

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ing been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. ERREBO:

Q Would you state your name, please?

A Frank Renard.

Q Mr. Renard, where are you located, in what position, and who do you work for?

A I work for British American Oil Company. I am a Field Engineer, and I am in Farmington.

Q Mr. Renard, have you ever testified before this Commission?

A No, sir.

Q Would you give the staff a brief resume of your education and your experience?

A I received my B.S. degree from the University of Tulsa in Petroleum Engineering. I worked for Sunray for four years on well completion work, and general engineering duties. I worked for two years for Forrest Oil Corporation on well completion work and general engineering duties. I have worked approximately four years for British American as a Field Engineer doing reservoir engineering work and some well completion work.

MR. ERREBO: Are the witness' qualifications acceptable?

MR. NUTTER: Yes. Please proceed.

Q (By Mr. Errebo) Mr. Renard, are you familiar with the application which is being heard here today?



A Yes, sir.

Q Has this well commenced its drilling?

A No, sir, it has not.

Q This is the Fullerton Number 7, is that correct?

A Yes, sir.

(Whereupon, Applicant's Exhibits
1 and 2 marked for identifica-
tion.)

Q (By Mr. Errebo) Will you refer to your Exhibit Number
1, and state what it shows?

A Exhibit Number 1 is a plat showing the location of the
proposed slim-hole completions; it also shows locations of all
wells within a 1-mile radius of this proposed slim-hole completion.

Q In what Pool, if any, is this well located?

A It's undesignated in the field.

Q Now, refer to Exhibit Number 2, if you will, please, and
state what this exhibit depicts?

A Exhibit 2 is a schematic drawing showing our proposed
completion procedure of this Fullerton Number 7.

Q Actually, your procedure is as commonly known as a slim-
hole completion, is it not?

A Yes, sir.

Q Where will the base of your uppermost string of casing
be set?

A We will set surfacing -- it will be set at approximately
300 feet.



Q How many sacks of cement, or how much cement will be used?

A Sufficient cement to circulate cement to the surface.

Q What else does this exhibit reflect, which is pertinent to your application here today?

A We propose to utilize 2 7/8 OD tubing for our casing string. We propose to drill 7 7/8 inch hole down to the approximate top of the Dakota formation, reduce the hole size to 6 1/4 inch, drill through the Dakota pay, set 2 7/8 tubing to within a few feet of bottom, cement with sufficient cement there to bring, to protect the Gallup formation. Then we will have a second stage cement job through a stage collar located approximately 50 feet below the Pictured Cliffs formation. Sufficient cement will be used there to protect the Pictured Cliffs formation.

Q This being a Dakota completion, and you planning to set your -- to put cement opposite some of the upper formations, do you have any plans for the use of centralizers?

A We have. We will definitely use centralizers through the Dakota formation. If the Gallup formation shows productive possibilities within this interval, centralizers will be used there also.

Q You are familiar, are you not, with the policy rules applicable to this hearing here today?

A Yes, sir.

Q And actually the rule which requires the hearing is that



any slim-hole completions below a depth, I believe, of 5,000 feet do require a hearing on that administrative approval, is that correct?

A Yes, sir.

Q Have you calculated what, if any, saving will be accomplished by the granting of this application?

A The saving should be approximately 20 percent, or roughly \$15,000.00 over what it would cost if we ran 5 1/2 inch casing.

Q Do you have anything further with regard to your application which you desire to state to the Commission at this time?

A No, sir.

MR. ERREBO: That is all we have from this witness.

MR. NUTTER: Anyone else have any questions of Mr. Renard?

CROSS-EXAMINATION

BY MR. PAYNE:

Q Do you anticipate any pressure problems that would make the slim-hole pressures undesirable in this area?

A No, sir.

Q Do you have anticipation of corrosion problems?

A No, sir.

MR. PAYNE: Thank you.

QUESTIONS BY MR. NUTTER:

Q Mr. Renard, you have no plans to attempt to produce the Gallup from this well, in the event it was productive in the area,



do you?

A That is one reason for drilling the 7 5/8 hole down as far as the top of the Dakota. After we get onto TD to run our logs, if the Gallup shows productive possibility, we will probably ask for a dual completion hearing, and recommend the Dakota -- recommend that it be 7 7/8, and run 5 1/2 inch casing.

Q If you did encounter that in the Group here, you would effect a standard type dual completion?

A Yes, sir.

Q Now, I think you stated that the stage cementer would be some 50 feet below the base of the Pictured Cliffs?

A Yes, sir.

Q It would appear there is a discrepancy there. The base of the Pictured Cliffs is 1950, and the stage cementer at 2050.

A Yes, sir. I had not noticed the economic interval on this. Our standard completion out there, we run our stage collar approximately 50 feet below the base.

Q So this cementer, this stage 2, maybe is about 2,000?

A These depths are all approximate.

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

(No response.)

MR. NUTTER: You may be excused.

MR. ERREBO: Just a moment, I would like to ask a question.

REDIRECT EXAMINATION



BY MR. ERREBO:

Q I would like to ask if these exhibits were prepared by you, or under your direct supervision, or if you know the information shown thereon is true and correct?

A The exhibits were not prepared by me, but they are correct.

MR. ERREBO: I would like to offer them into evidence at this time.

MR. NUTTER: British American Exhibits 1 and 2 will be entered into evidence. You may be excused.

Does anyone else have anything further for Case 2026?

(No response.)

MR. NUTTER: We will take the case under advisement.

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STATE OF NEW MEXICO)
) ss.
 COUNTY OF BERNALILLO)

I, LLEWELYN NELSON, 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, 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 1st day of August, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Llewellyn F. Nelson
 NOTARY PUBLIC.

My Commission Expires:

June 14, 1964.

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 2026
 heard by me on 7/27, 1960.
Ascan, Examiner
 New Mexico Oil Conservation Commission

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I N D E XWITNESSPAGE

FRANK RENARD

Direct Examination by Mr. Errebo

1

Cross Examination by Mr. Payne

5

QUESTIONS by Mr. Nutter

5

Redirect Examination by Mr. Errebo

6

<u>NUMBER</u>	<u>EXHIBIT</u>	<u>MARKED FOR IDENTIFICATION</u>	<u>OFFERED</u>	<u>RECEIVED</u>
App.1	Plat	3	7	7
App.2	Drawing	3	7	7

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