

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
March 3, 1961

IN THE MATTER OF:

Application of Union Oil Company of California for an unorthodox water injection well location. Applicant, in the above-styled cause, seeks permission to locate a water injection well in the South Caprock Queen Unit, Caprock-Queen Pool, at an unorthodox location 1325 feet from the North line and 330 feet from the East line of Section 18, Township 15 South, Range 31 East, Chaves County, New Mexico.

Case  
2211

BEFORE:

Daniel S. Nutter, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: Hearing will come to order. Next case 2211.

MR. MORRIS: Application of Union Oil Company of California for an unorthodox water injection well location.

MR. CAMPBELL: Mr. Examiner, I am Jack M. Campbell, Campbell and Russell, Roswell, New Mexico, appearing on behalf of the applicant, Union Oil Company of California. We have one witness.

(Witness sworn.)

WILLIAM D. OWENS,

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

DIRECT EXAMINATION

BY MR. CAMPBELL:

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Q Will you state your name, please?

A William D. Owens.

Q Where do you live, Mr. Owens?

A Midland, Texas.

Q By whom are you employed?

A Union Oil of California.

Q In what capacity?

A Division Engineer, Central Division.

Q Have you previously testified before this Commission or its examiners?

A Yes, sir.

Q Are you acquainted with the South Caprock-Queen Unit waterflood which Union Oil Company of California is the operator?

A Yes, sir.

Q Did you testify at the original hearing prior to the approval of this project?

A Yes, sir.

Q Are you acquainted with the application in this case?

A Yes, sir.

Q Will you state to the Examiner what you are seeking here?

A We want to move the location of our injection well No. 7, as shown on Exhibit 1, to the SE/4 of the NE/4 of Section 18, Township 15 South, Range 31 East.

Q Where is that well location presently situated?

A It is in the NE/4 of the NE/4, same section, township and



range.

Q At the time of the original hearing was it your proposal that that well be located on the quarter-quarter section line?

A Yes, sir.

Q And subsequent to that time, with the approval of the Commission, did you change the location to a location slightly north of the quarter-quarter section?

A We moved it five feet north of the line, yes, sir.

Q You are now seeking to move the location south of the line; is that correct?

A Five feet south.

Q What is the reason for that?

A The location being in the NE of the NE eliminates one diagonal waterflood allowable, and we would like to move it into the other quarter-quarter to obtain that allowable for our project.

Q Mr. Owen, this project is one in which you are starting to flood in the gas cap area on the west flank of the project, are you not?

A Yes, sir. We are attempting to build up a water bank along the west side of the field and prevent loss of the oil into the gas cap.

Q Do you believe in doing it in this manner you are going to be able, ultimately, to obtain a greater recovery of oil from this project?

A Yes, sir. Our calculations indicate two and a third

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million barrels would be lost to the gas cap if we didn't do it in this manner.

Q In doing it in this manner are you, in fact, going to greater economic expense than if you would otherwise do, than if it were on a regular five-spot pattern?

A Yes, sir. There are no wells on the west side and, of course, there are no allowables on the west side. In our initial injection it will take some time to fill up.

Q You don't expect to get a response immediately?

A No, sir.

Q You believe if you are permitted to drill this well in the SE/4 of this quarter-quarter section and get the additional allowable it will make your project more economically feasible to you?

A Yes, sir. We will have about \$500,000 in this thing before we get a drop out of it, and we want to get every barrel we can, yes, sir.

Q If you are able to operate this waterflood project on an economically feasible basis you believe that you will, therefore, obtain a greater ultimate recovery of secondary oil?

A Yes, sir.

MR. CAMPBELL: That is all the questions I have.

BY MR. NUTTER:

Q Mr. Owen, when the well was previously moved off the line it would have been just as feasible to have moved it five south as



as it was to move it five feet north. As it turned out there was an extra 40-acre tract that could be attributed if it was moved south?

A Yes, sir.

Q Did you say you expected to prevent the migration of two million barrels?

A Two and a third million barrels.

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

BY MR. PAYNE:

Q Why didn't you drill it further to the west, Mr. Owen?

A Well, we are well out in the gas cap, Mr. Payne. We have good control on that and we don't want to get way out in the gas cap. It fits in with the pattern of the other wells, and will give us the water bank we hope to build up.

MR. NUTTER: Any further questions? Mr. Owen may be excused.

MR. CAMPBELL: I would like to offer Union Oil's Exhibit No. 1 in Case 2211.

MR. NUTTER: Exhibit 1 will be admitted into evidence. Does anyone have anything further they wish to offer in 2211? Case will be taken under advisement.

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STATE OF NEW MEXICO     )  
                                  )     ss  
COUNTY OF BERNALILLO    )

I, JUNE PAIGE, 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 11th day of March, 1961.

  
Notary Public - Court Reporter

My Commission expires:

May 11, 1964.

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I N D E XWITNESSPAGE

WILLIAM D. OWENS

Direct Examination by Mr. Campbell

2

QUESTIONS by Mr. Nutter

4

QUESTIONS by Mr. Payne

5

E X H I B I T S

<u>NUMBER</u>	<u>EXHIBIT</u>	<u>IDENTIFIED</u>	<u>OFFERED</u>	<u>ADMITTED</u>
Ex.#1	Plat	2	5	5

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 2211  
heard by me on 3/3, 19 61.

[Signature], Examiner  
New Mexico Oil Conservation Commission

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