

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 24, 1962
EXAMINER HEARING

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IN THE MATTER OF: :

Application of Union Oil Company Calif- :
ornia for permission to take interference tests :
and transfer allowables, Anderson Ranch-Wolfcamp :
Pool, Lea County, New Mexico. Applicant, in the : CASE 2486
above-styled cause, seeks permission to take inter- :
ference tests and to transfer allowables between :
eight wells in the Anderson Ranch-Wolfcamp Pool :
located in Sections 28 and 33, Township 15 South, :
Range 32 East, Lea County, New Mexico. :
----- :

BEFORE:

ELVIS UTZ, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order. We will take
Case Number 2486.

MR. MORRIS: Application of Union Oil Company of
California for permission to take interference tests and transfer
allowables, Anderson Ranch-Wolfcamp Pool, Lea County, New Mexico.

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

MR. CAMPBELL: I am Jack M. Campbell of the firm of
Campbell and Russell, Roswell, New Mexico, appearing on behalf of
the applicant. I have one witness.

MR. MORRIS: Will you stand and raise your right hand,

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please? (Witness complies.) Do you solemnly swear that the testimony you are about to give will be the truth, the whole truth, and nothing but the truth, so help you God? MR. MATTIES: I do.

EGOT PETER MATTIES,

called as a witness herein, having been first duly sworn on oath, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. CAMPBELL:

Q Where do you live and by whom are you employed?

A I am with Union Oil Company of California, Central Division at the Midland,

Q State your position. A I am Petroleum Engineer.

Q Will you give the Examiner a brief resume of your educational and professional background?

A I am born and schooled in Germany. I graduated from Technical University in Germany with a diploma of engineer, equivalent to master's petroleum mining engineer. For the last three years I am employed by Union Oil of California in Midland and Permian Basin.

Q Has all your work been in the Permian Basin area?

A Yes.

Q Are you acquainted with the application of Union Oil Company of California relative to the Anderson-Wolfcamp Pool?

A Yes, sir.

(Marked Applicant's Exhibit 1 for Identification.)

Q I hand you what has been identified as applicant's



Exhibit Number 1, and ask you to state what that is, please?

A It shows the Anderson Ranch Wolfcamp and Devonian Pools. The left upper corner will show a Type Log of the Wolfcamp formation.

Q Referring to Exhibit No. 1, would you please explain to the Examiner what it is you desire to do in connection with the wells shown on this exhibit?

A Currently, with the active development Union has north of the Anderson Ranch, we are starting the Wolfcamp formation to obtain the best oil spacing and to obtain more reservoir information. We would like to have interference tests within this area. We are planning to shut in the unit Well No. 2 which is northeast of the northwest corner of Section 33 and we plan to flow the surrounding wells at very high rates to try to get interference in the No. 2. We plan to have dual 72 hour Amerada in the No. 2 to measure bottom hole pressure on the shutin well and we plan to run 24 hour pressure in the surrounding wells. We anticipate a test duration of approximately six days. To insure our success of getting interference in the No. 2, we would like to transfer some allowables within the unit area only. We plan to shut in the No. 2 and produce a Unit No. 1 which is southwest of the northwest quarter in Section 33 at approximately a thousand barrels a day. In surrounding area the rest of the wells, C No. 1 & 2 at approximately 300 barrels a day each. We have to flow the No. 1 or we are going to flow the No. 1 at a higher rate since we have LACT equipment



and at lease the production of the rest of the lease, and we anticipate some trouble trucking too much oil off it so that is why we are going to produce the surrounding wells only at about 300 or 400 barrels per day.

Q And how long a period did you say you will be involved in this testing?

A Approximately six days, six days producing, tests, and another two days for taking building up in all producing wells.

Q Do you believe that this testing can be done without causing any waste? A Yes, sir.

Q Do you believe it can be done while protecting correlative rights in the area?

A Yes, sir, we are going to transfer allowables only in the unit so we can do that, and we are going to transfer the allowables into the center well.

MR. CAMPBELL: I would like to offer Applicant's Exhibit No. 1.

MR. UTZ: Without objection Applicant's Exhibit No. 1 will be entered into the record.

(Whereupon Union Oil Company's Exhibit 1 admitted in evidence.)

MR. CAMPBELL; That is all the questions I have at this time.

MR. UTZ: Are there any questions of the witness?



MR. MORRIS: Yes.

, CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Matties, what are the horizontal limits of the Anderson Ranch Unit?

A They are marked on this exhibit, they are taken in the northwest quarter of Section 33 and the north half of the southwest quarter of Section 33 plus the northeast of the southeast quarter of Section 32 plus the east half of the northeast quarter of Section 32.

Q It is the area outlined in heavy dotted lines?

A Yes, sir.

Q So you are requesting permission to transfer the allowable from the Well No. 2 in the northeast quarter of the northwest quarter of 33 and from Well No. 3 in the northeast quarter of the southwest quarter of 33 to the other producing wells shown on your exhibit?

A Those are to the No. 1, within the No. 1.

Q Only to the No. 1?

A Yes, sir.

Q Within the Unit?

A Yes, sir.

Q So your No. 1 will be producing -- I see, your No. 1 in the southwest of the northeast would be producing the allowable from the No. 2 and the No. 3?

A Yes, sir, water or oil depending on the duration of the



days, we might have to go to nine days.

Q And none of the allowable from the No. 2 or 3 would be produced by wells outside of the Unit?

A No, sir.

Q Now, No. 3 is being shut in just in order to give the No. 1 a greater allowable?

A Yes, sir.

Q It is not going to be an observation well?

A No, sir.

MR. MORRIS: I believe that is all I have. Thank you.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Matties, what is the normal allowable for these wells, is 36 thenormal unit?

A 37, I believe -- 142, I believe, 142 barrels per day.

Q It would be around 130 some barrels?

MR. CAMPBELL: 136, 182.

Q (By Mr. Utz) Now, you will want to produce for this period of time, anywhere from 6 to 9 days, 3 allowables from No. 1, is that correct?

A Yes, sir.

Q It should be about 400 barrels per day that you are going to produce from your No. 1?

A We would like to produce, roughly, 6,000 barrels during the test duration off of No. 1.



Q You don't feel that this rate of production will be injurious to the well?

A No, sir, we have tested the well, the well was potential for 1200 barrels per day. The well is capable of making much more than that.

Q Is this a water drive pool?

A So far we have no indication of a water drive.

Q You would only want the order to run for say how long, in other words, when do you plan to complete this test?

A We would like to start as soon as the Commission approves of our test, so we are planning to do it in the very beginning of the next month.

Q And you would be through by the end of the month?

A Yes, sir, if the weather conditions permit it.

MR. UTZ: Are there any other questions?

MR. CAMPBELL: I might mention this, Mr. Examiner.

REDIRECT EXAMINATION

BY MR. CAMPBELL:

Q You intend to start the first of the month if it is approved?

A Yes, sir.

MR. CAMPBELL: We would appreciate if the Commission determines that they will approve these tests, we would appreciate a relatively early reply.

MR. PORTER: By the first of February.



MR. CAMPBELL: So that we can commence them.

MR. UTZ: Are there any other statements in this case?

Case will be taken under advisement.

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO) ss

I, KATHERINE PETERSON, 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.

Katherine Peterson
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2486, heard by me on Jan. 24, 1962.

Thos. G. [Signature], Examiner
New Mexico Oil Conservation Commission

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I N D E XWITNESSPAGE

EGOT PETER MATTIES

Direct examination by Mr. Campbell 2

Cross examination by Mr. Morris 5

Cross examination by Mr. Utz 6

Redirect examination by Mr. Campbell 7

MARKED FOR IDENTIFICATION

Applicant's Exhibit 1 2

ADMITTED IN EVIDENCE

Union Oil Company's Exhibit 1 4

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