

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
May 10, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco Inc. for a triple
completion, Lea County, New Mexico.
Applicant, in the above-styled cause,
seeks an amendment to Order R-2181 to
permit the triple completion (conven-
tional) of its C. H. Weir "B" Well No.
5, located in Unit G of Section 11,
Township 20 South, Range 37 East, Lea
County, New Mexico, in the Skaggs-
Glorieta and Skaggs-Drinkard Oil Pools
and in an undesignated Blinebry Oil
pool with the production of oil from
the Glorieta and Drinkard zones to be
through parallel strings of 2 1/16-inch
tubing and the production of oil from
the Blinebry zone to be through a dual
zone flow tube and a string of 1-inch
tubing.

Case 2553

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

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

The next case will be 2553.

MR. MORRIS: Application of Texaco Inc. for a triple
completion, Lea County, New Mexico.



MR. WHITE: May the record show the same appearances as the previous Texaco cases and also the same witness?

MR. NUTTER: Yes, sir.

MR. WHITE: And that he has been duly sworn?

MR. NUTTER: Yes, sir.

(Whereupon, Texaco's Exhibits Nos. 1 through 4 were marked for identification.)

C. R. BLACK

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

DIRECT EXAMINATION

BY MR. WHITE:

Q Will you briefly state what Texaco is seeking in the subject application?

A This is the application of Texaco Inc. for a conventional oil, oil, oil triple completion for its C. H. Weir "B" Well No. 5. This well is completed in the Skaggs-Drinkard, Skaggs-Glorieta and undesignated Blinebry pools. Texaco is also asking for permission to flow the Blinebry zone up a string of 1" tubing. This is an exception to Rule 112-A, the tubing requirement.

Q Will you refer to what has been marked Exhibit No. 1 and state the location?

A Exhibit No. 1 is a plat showing the immediate area



surrounding the Texaco C. H. Weir "B" Lease. The lease is bordered in yellow and the well is circled in red. The location of the well footagewise is 1980 feet from the north line and 1650 feet from the east line of Section 11, Township 20 South, Range 37 East.

Also shown on the plat are the offset operators and their wells with the appropriate field designation being shown below each well. At the base of the exhibit is a list of the offset operators with their mailing addresses.

Q What's the status of this well at the present time, Mr. Black?

A At the present time this well has reached total depth and has been completed in each of the three mentioned zones and is producing from these three zones under a temporary order pending the outcome of this hearing.

Q Have any previous orders been issued by the Commission in regard to the method of the completion of this well?

A Yes, sir, Order No. R-2181 dated February 12, 1962 approved Texaco's application for a triple completion in the Drinkard oil, Glorieta oil and Blinebry gas zones.

Q Was the well so completed?

A It was completed as a Drinkard and Glorieta oil producer; however, the anticipated gas zone actually turned out to be an



oil zone when actual completion practices were completed.

Q Production of this oil would require the hearing today, is that not true?

A It is our understanding that to amend an order issued by hearing it requires another hearing.

Q The present Order 2181 refers to the production of gas only, is that correct?

A That is correct, gas only from the Blinebry formation.

Q Do you have a proposed amendment that you would like to submit to the Examiner and the Commission for their review?

A Yes, sir, I do. The Exhibit 2 is our proposed amendment to the order itself. This is sub paragrap 1 extracted from the order. The amendment is underlined and it consists of the last three sentences stating that if the Commission, the Examiner will desire, I'll read the entire exhibit or the amendment as stated.

Q The amendment is underlined?

A Or the production of oil from the undesignated Blinebry Pool through a string of 1-inch tubing.

Q The only change in the order would be the permission for you to produce the oil from the Blinebry Pool?

A That would be true.

Q What is the status of the well at the present time?



A The well has reached total depth and all three zones are completed.

Q Will you give the well history as actually completed?

A Exhibit No. 3 is a diagrammatic sketch of the well as it was actually completed. An 11-inch hole was drilled to 1429 feet. At that point we set 8-5/8 OD surface casing and cemented with a total of 600 sacks cement which did circulate to the surface. We then continued to 3927 feet with a 7-7/8-inch hole and then at that point we reduced oil to 6 3/4-inches and continued on to the total depth of 6937 feet. We set a string of 5 1/2-inch casing at 6937, cemented it with a total of 1050 sacks of cement and found that the top of the cement was at 2525 as per temperature survey.

Q Will you now give the crude characteristics of these formations?

A We perforated the Skaggs-Drinkard formation of 6870 to 6880, and 6885 to 6890; on potential test ending March 16, 1962 this zone pumped 14 barrels of oil plus 60 barrels of water with a gas-oil ratio too small to measure. We found that this was an intermediate sweet crude with a gravity of 34.6 degrees. The gas-oil ratio was too small to measure. The bottom hole pressure was 2430 psi at a minus 3276.

The Blinebry formation was perforated through various

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perforated intervals from 5814 to 5896. These intervals are listed on the exhibit. On potential test ending February 18, 1962 this zone flowed 30 barrels of oil in twenty-four hours through a 28/64-inch choke with a GOR of 22,000 to 1. It was an intermediate sweet crude with a gravity of 42.9 degrees.

The Glorieta formation was perforated from 5310 to 5318, and on potential test ending March 9th, 1962 this zone pumped 33 barrels of oil plus 27 barrels of water in twenty-four hours. The gas-oil ratio was too small to measure in this zone also. This is a sour crude with a gravity of 39 degrees and the bottom hole pressure was 1459 at a minus 1666 feet.

Q What measures have you taken to prevent corrosion or paraffin?

A We do expect mild corrosion and paraffin in the Glorieta, and we have plastic coated the upper 1500 feet of the Glorieta tubing string to control paraffin, and we will take periodic coupon surveys to determine if excessive corrosion is occurring, and certainly if it is we'll take the necessary steps to eliminate this problem.

Q Now, will you review the downhole equipment?

A We set a Baker Model "D" packer at 6740 feet, we set a Baker Model "F-A" packer at 5352 feet. We then ran a string of 2 1/16 tubing to 6807, and on this string there was a



dual zone flow tube which was set in the Baker Model "F-A" packer at 5352, and there were a Baker parallel anchor set at 5288. We then ran a string of 1-inch tubing for the Blinebry zone and latched it into the dual zone flow tube. We then followed with a string of 2 1/16 tubing and latched it into the parallel anchor, this string being used for the Glorieta production.

Q The Blinebry is producing oil through the 1-inch tubing?

A Yes, sir, it is.

Q Have any production tests been taken?

A Yes, sir. Exhibit No. 4 is a tabulation of the most recent production test on this well. These tests cover an eight-day period from April 30 to May 8. The test included the tabulation of the date, the oil, the water and the gas with the GOR, the time or period of the test, the gravity of the oil, the tubing pressure, the choke size, and then it calculated twenty-four hour rate for oil, water and gas.

Q Have you drawn any significant conclusions from these tests?

A From these tests it is evidenced where you have two days of the same choke size that the tubing pressure is relatively constant, that the oil production is reasonably constant, and that the actual gas production is very close and could be considered constant. We haven't experienced any slugging of oil



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production from this zone, actually what we're producing is a fine mist of oil and gas. With these gas-oil ratios which have remained reasonably stable throughout the test period and the volumes of oil that are being produced, and the tubing pressures under which we're producing, we feel that we're getting efficient flow through this string of 1-inch tubing.

Q Have you previously submitted a log?

A Yes, sir, a packer leakage test and a log have been submitted on this well.

Q Does that conclude your testimony in this case?

A Yes, sir, I believe it does.

Q Were these exhibits prepared by you or under your direction and supervision?

A Yes, sir, they were.

MR. WHITE: At this time we offer Exhibits 1 through 4 in evidence and we ask that the Examiner take judicial notice of the log that has previously been filed.

MR. NUTTER: Texaco's Exhibits 1 through 4 will be admitted in evidence and we will take notice of the previous case, Mr. White.

(Whereupon, Texaco's Exhibits 1 through 4 were admitted in evidence.)

MR. WHITE: That concludes our testimony.

MR. NUTTER: Any questions of Mr. Black?

MR. MORRIS: Yes, sir.



CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Black, how far is your proposed triple completion from the horizontal limits of the Blinebry Oil Pool?

A It's approximately eight to ten miles from the Blinebry Pool itself. This well is approximately eight to ten miles north of the City of Eunice and Blinebry production. We do have some Blinebry production on the Henderson Lease immediately west of the city limits. As far as I know, this is the first Blinebry oil production to this well.

Q There's no indication at the present time, at least, that this well would eventually be connected up with the Blinebry oil?

A No, sir, there certainly is not.

MR. MORRIS: I believe that's all.

MR. PORTER: I have one question.

BY MR. PORTER:

Q Mr. Black, do you know how far the well is from the recent discovery by Continental on their Meyer Lease in the Blinebry pay? I think that would be east of ours.

A No, sir, I'm not familiar with that discovery. I would have no idea as to actually how far it would be.

MR. PORTER: That's all I have.



BY MR. NUTTER:

Q What is the gravity of the fluid produced here in the Blinebry, Mr. Black?

A The crude oil or the fluid that is produced?

Q In the Blinebry?

A 39 degrees-- 42.9, excuse me, Mr. Nutter.

Q 42.9?

A 42.9 is the crude gravity from the Blinebry.

Q Now, Mr. Black, did Texaco receive a letter from the Commission authorizing the temporary production of this well as an oil well and requesting that Texaco conduct tests on the well?

A Yes, sir, we did.

Q Do you have the date of that letter?

A That letter was March 22.

Q How much has this well produced from the Blinebry?

A From the Blinebry we have produced approximately 850 barrels.

Q During that 850-barrel productive life of the well there hasn't been any appreciable change in GOR in the well, is that correct?

A Well, the original GOR on the potential test was 22,000 to 1. The latest gas-oil ratio on May the 8th was 40,000. We have seen a gradual trend of an increasing gas-oil ratio and

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we eventually feel that this well will be classified as a gas well. That is the reason that we would prefer not to have the provision for producing this well as a gas well deleted from the previous order.

MR. NUTTER: Any further questions.

BY MR. PORTER:

Q Is this 850 production exclusive of load oil or frac oil?

A Yes, sir, this is new oil that has been produced from the formation.

Q So the load oil and frac oil would have had no influence on your gas-oil ratio?

A No, sir, the original gas-oil ratio, we were very careful to check that and make sure that we did have all load oil back since it was at 22,000, and was below what we anticipated, but we had recovered all of our load oil and had actually produced some new oil prior to that potential test.

MR. PORTER: That's all.

BY MR. NUTTER:

Q The gas from the Blinebry zone is being marketed?

A No, at the present time it is not. We expect a gas connection in the very near future, though.

Q Is there a connection at the battery for any of the gas?



A There is a connection at the battery for Glorieta and Drinkard gas, and we expect to sell this as casinghead gas as soon as we can get approval and negotiate a contract to sell this gas.

Q What is the current allowable assigned to the well?

A The current allowable is 30 barrels of oil per day. This is not in an allocated pool and the allowable has been assigned by special supplements issued each month.

MR. NUTTER: Any further questions?

BY MR. PORTER:

Q Mr. Black, I take it since the allowable is 30 barrels a day that the gas-oil ratio has not been put into effect?

A Yes, sir, that is apparently correct. The supplements that have been issued have been issued for 30 barrels a day, which is in accordance with the original potential test of 30 barrels of oil, and apparently is neglecting the gas-oil ratio.

Q In other words, you have from 30 to 60 days to file your first official gas-oil ratio test and comparison during that period?

A Yes, sir.

MR. PORTER: That's all.

MR. NUTTER: It will be noted that the 60 days were up yesterday. If there are no further questions of Mr. Black



he may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. White.

MR. WHITE: No, sir.

MR. NUTTER: Does anyone have anything further? If there is nothing further in this case, we will take the case under advisement and call Case 2554.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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 4th day of June, 1962.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1963.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2553, heard by me on 5/10, 1962.

[Signature]
Examiner
New Mexico Oil Conservation Commission

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