

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
December 6, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Consolidated Oil & Gas, Inc.
for an unorthodox location, Rio Arriba County,
New Mexico. Applicant, in the above-styled
cause, seeks approval of an unorthodox location
for its Champlin Well No. 2-35, located 1800
feet from the South line and 1680 feet from the
East line of Section 35, Township 27 North,
Range 4 West, Rio Arriba County, New Mexico.
Said Well is proposed as a Pictured Cliffs
Blanco Mesaverde dual completion and is off-
pattern for the Blanco Mesaverde Gas Pool.

CASE 2717

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case 2717.

MR. DURRETT: Application of Consolidated Oil & Gas,
Inc. for an unorthodox location, Rio Arriba County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin and Fox, appear-
ing on behalf of the Applicant. I have one witness I would like
to have sworn, please.

(Witness sworn.)

(Whereupon, Applicant's Exhibit
No. 1 marked for identification.)

GEORGE FARMER

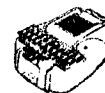
called as a witness, having been first duly sworn on oath, testi-
fied as follows:

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DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A George Farmer.

Q By whom are you employed and in what position?

A Consolidated Oil and Gas, Inc. as Assistant to the President.

Q Have you previously testified before the Oil Conservation Commission as an expert engineer and had your qualifications made a matter of record?

A Yes.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. NUTTER: Yes, sir, they are.

Q (By Mr. Kellahin) Are you familiar with the application of Consolidated Oil and Gas Company in this case?

A Yes.

Q What does Consolidated propose?

A Consolidated Oil and Gas proposes that their No. 2-35 Champlin Well, located 1800 feet from the South line and 1680 feet from the East line of Section 35, Township 27 North, Range 4 West, Rio Arriba County, New Mexico, be completed as a dual Pictured Cliff-Mesaverde completion. This is a non-standard pattern in respect to the Mesaverde.

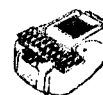
The well was originally scheduled as a Pictured Cliff-

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Dakota test, and the East Half of Section 35 was dedicated to the Dakota zone and Southeast Quarter to the Pictured Cliff. However, during the drilling difficulties developed that prevented this well being carried to the Dakota. I'll briefly summarize them.

After drilling the Pictured Cliff formation with mud, casing was cemented at 4,075 feet through the Pictured Cliffs formation. Drilling was commenced at that point with gas. Upon reaching a depth of 5736 feet, water was encountered. By the time the well had drilled to a depth of 5810, water had become such a problem as to cause grave concern, and never got below 5841, at which point it was impossible to drill with gas. The well was then mudded up and lost circulation was encountered at a depth of 6242, where 1500 barrels of mud were pumped in with no returns at all. The drill pipe was then stuck at 6172, attempting to come out of the hole, leaving 16 drill collars and one joint of drill pipe in the hole. Twelve days of fishing ensued, during which this was washed over and recovered. During this fishing period, there was still considerable lost circulation problems and it was elected that further drilling could not be prudently attempted. 5-1/2 inch casing was then run to a total depth of 6199. This is in the form of a liner, the top of which was at 3982. This was cemented with 240 sacks of cosmic cement, and temperature survey was run to find the top of the cement at 4700 feet. This casing is through the Mesaverde formation and it is therefore proposed to complete this as a dual Mesaverde-Pictured



Cliff test.

Q Have you prepared a plat showing the location of the well and the offsetting ownership, Mr. Farmer?

A Exhibit No. 1 indicates the offset owners, El Paso Natural Gas and Southern Union Gas Company.

Q Is there any other way that this well could be salvaged other than making the dual completion which you propose?

A It seemed inadvisable to attempt to drill to the Dakota through the 5-1/2 inch casing. We had one very disastrous experience in attempting to do that previously, and we feel that the only practical thing to do is to make the Mesaverde location at this point irregular, and we propose to drill another well in the South Half of Section 35, in the Southwest Quarter, to test the Dakota.

Q Have the offset operators been notified of this case?

A The offset operators have been notified, and we have received copies of letters to the New Mexico Oil and Gas Conservation Commission indicating they do not have any objection.

Q Was Exhibit 1 prepared by you, Mr. Farmer?

A Yes, it was.

MR. KELLAHIN: At this time I would like to offer in evidence Exhibit 1.

MR. NUTTER: Consolidated Exhibit No. 1 will be admitted in evidence.

(Whereupon, Applicant's Exhibit No. 1 admitted in evidence.)

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MR. KELLAHIN: We do have a summary of the history of the well, if you care to have a copy of it.

MR. NUTTER: I would like to have a copy of it.

MR. KELLAHIN: I don't think it will be necessary to put it in as an exhibit. That completes the direct examination of the witness.

MR. NUTTER: Any questions of Mr. Farmer?

CROSS EXAMINATION

BY MR. NUTTER:

Q This Exhibit No. 1, does it show all of the Mesaverde wells in that area?

A That is the only one that is in the area. The closest other Mesaverde well is one of ours in Section 6 of the township diagonally southeast in 3 North, 26 West.

Q What would you dedicate to the well if it's produced as a Mesaverde well?

A Well, a dedication was made of the South Half of Section 35 for the Mesaverde.

Q Although you had contemplated the East Half for the Dakota?

A This was simply because we were obligated to drill this other well in the Southwest Quarter and to test the Dakota; and therefore we made that the Dakota test. The other alternative would be to drill the Dakota well in the Northeast Quarter.

However, we do contemplate drilling a Mesaverde well up there,



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which would be on pattern.

Q Has any test been made of the Mesaverde in this well yet?

A Not as yet, no. We have electric log, if you care for a copy of it at this point.

Q Do you think the Mesaverde is productive?

A The Mesaverde is not as well developed as we would like to have it. However, we will go ahead and test it. I cannot say how it will turn out.

Q The liner has been set through it?

A The liner has been set and cemented.

MR. NUTTER: Are there any other questions of Mr. Farmer? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all, Mr. Nutter.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2717?

MR. DURRETT: If the Examiner please, the Commission has received two letters, one from El Paso Natural Gas Company and one from Southern Union Production Company. Both of these letters state that they have no objection to approval of the application. I would like to ask the Examiner to take administrative notice of their full contents.

MR. NUTTER: Very well. Does anyone have anything



further in Case 2717? We will take the case under advisement and recess the hearing until 1:15.

(Whereupon, the hearing was recessed.)

* * * * *

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 18th day of December, 1962.

Ada Dearnley
NOTARY PUBLIC

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. 2717, heard by me on 12-6, 1962.

[Signature]
_____, Examiner
New Mexico Oil Conservation Commission

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