Case 2787

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M. PHONE 325-1182

PEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 10, 1963

EXAMINER HEARING

IN THE MATTER OF:

Application of Cabot Corporation for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location of its John R. Thompson Well No. 1 at a point 1980 feet from the South line and 330 feet from the West line of Section 23, Township 11 South, Range 33 East, North Bagley-Wolfcamp Pool, Lea County, New Mexico.

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

MR. NUTTER: We'll call Case 2787.

MR. DURRETT: Application of Cabot Corporation for an unorthodox location, Lea County, New Mexico.

MR. BRATTON: Howard Bratton on behalf of the applicant. We have Mr. William M. Sargent, Junior.

(Witness sworn.)

(Whereupon, Applicant's Exhibit Nos. 1 & 2 were marked for identification.)

WILLIAM M. SARGENT, JR.

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

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follows:

DIRECT EXAMINATION

BY MR. BRATTON:

- Q Will you state your name, by whom you are employed?
- A William M. Sargent, Junior. I'm a petroleum engineer for the Cabot Corporation, Pampa, Texas.
- Q Have you previously testified before this Commission as an expert witness?
 - A I have.
- Q Are you familiar with the matters contained in this application?
 - A I am.
 - Q What are you applying for, Mr. Sargent?
- A We're applying for an exception for a well location in the North Bagley-Wolfcamp Field for our John R. Thompson No. 1 Well, located 1980 feet from the South line, 330 feet from the West line of Section 23, Township ll South, Range 33 East, Lea County.
- Q The location of that well is shown on Exhibit No. 1, is that right?
 - A That is right.
 - Q Why are you applying for an exception?
 - A This well was being drilled when field rules, temporary



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field rules were requested, and these field rules require the location to be not more than 150 feet from the center of a quarter. quarter section. At the time field rules were written, there was no specific exception given to this well for the Wolfcamp formation.

- The well was drilled to the Bagley-Pennsylvanian, is that correct?
 - To the North Bagley-Upper Penn.
- All right. You want to abandon that and come out and Q recomplete in the Wolfcamp, is that correct?
- We wish to temporarily abandon the Upper Penn zone. This zone has ceased to flow because of high water production. We feel that at the present time we would rather temporarily abandon the Upper Penn and produce it from the flowing Wolfcamp zone.
 - Will you state the history of the well?
- A The well was completed in November of 1962 in the Upper Pennsylvanian at the depth of 9441 to 50, and 9433 to 38. Cumulative production since this date has been 5.861 barrels. Currently the well is dead, it has ceased flowing. It is proposed that it be recompleted in the Wolfcamp.
- That information is reflected on Exhibit No. 2, is that correct?



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- A Yes.
- Q Would you state the economics of recompleting the well as against drilling a new Wolfcamp well?

A The cost of drilling a new Wolfcamp well is \$130,500.00. The estimated cost of recompletion is approximately \$10,000.00 in the present well bore.

- Q Is anybody else producing in this pool?
- A No, there is not.
- Q Cabot is the sole operator?

A We are the sole operator in the North Bagley-Wolfcamp Field.

Q You had this identical situation in the well just to the north of here?

A Yes, in the State of New Mexico No. 1 Well.

Q And you presented that to the Commission and they approved similar recompletion in it?

A Yes, sir.

Q Is there anything further you care to state in connection with the application, Mr. Sargent?

A No. sir.

- Q Were Exhibits 1 and 2 prepared by you?
- A Yes, sir, they were.

MR. BRATTON: We would offer in evidence Applicant's



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Exhibits 1 and 2.

MR. NUTTER: Cabot's Exhibits 1 and 2 will be admitted in evidence.

> (Whereupon, Applicant's Exhibits Nos. 1 & 2 were offered and admitted in evidence.)

MR. BRATTON: We have nothing further at this time.

MR. NUTTER: Any questions of Mr. Sargent?

CROSS EXAMINATION

BY MR. NUTTER:

- Q What did you say the perforated interval in the Upper Penn was?
 - 9441 to 50, 9433 to 38. A
 - What will be the perforated interval in the Wolfcamp?
- A I'm not sure where the perforations will be. two zones in the Wolfcamp, and as far as I know the decision has not been made by the district office as to which zone to perforate.
- Both of these zones are in the vertical limits of the North Bagley-Wolfcamp?
 - Yes, sir, they are approximately 8700 feet. À
- You are going to temporarily abandon the well. means will you use to separate the Upper Pennsylvania from the Wolfcamp?



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- A A permanent bridge plug.
- Q Will this leave any remaining Upper Pennsylvanian wells on production?

A Yes, sir, there will still be two Upper Penn wells in this field, our State "M" Well and our Dallas No. 1.

MR. NUTTER: Any further questions of Mr. Sargent? He may be excused.

(Witness excused.)

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

MR. BRATTON: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case 2787? We will take the case under advisement.



STATE OF NEW MEXICO 55 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 22nd day of April, 1963.

My commission expires: June 19, 1963.

> I do hereby certify that the foregoing is a complete record of the proceeding the Examiner hearing of Case No heard by me

Examiner New Mexico Oil Conservation Commission



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