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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
Wednesday, July 11, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Skelly Oil
Company for a waterflood
project, Roosevelt County,
New Mexico.

Case Number 5023

BEFORE: Daniel S. Nutter
Examiner

TRANSCRIPT OF HEARING

1 MR. NUTTER: Call next case 5023.

2 MR. CARR: Case 5023, application of Skelly Oil
3 Company for a waterflood project, Roosevelt County, New
4 Mexico.

5 MR. BLODGET: Mr. Examiner, we have one witness and
6 four exhibits.

7 WILLIAM T. THOMAS,
8 was called as a witness, and after being duly sworn according
9 to law, testified as follows:

10 MR. BLODGET: I'm Chester Blodget also representing
11 Skelly in this matter, and we have written entry of
12 appearance by Mr. White which has heretofore been filed
13 in this Cause.

14 DIRECT EXAMINATION

15 BY MR. BLODGET:

16 Q Would you state your name, occupation, and who you work
17 for?

18 A Bill Thomas, presently employed as Advance Production
19 Engineer, Skelly Oil Company.

20 Q Have you heretofore testified before this Commission?

21 A No, I haven't.

22 Q Mr. Thomas, would you give us a resume of your educational
23 background, higher educational background?

24 A All right. I was graduated from Texas Tech in 1955 with
25 a Bachelor of Science in Petroleum Geology, and I worked

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1 approximately two years for Core Laboratories as a
2 co-analyst in reservoir evaluations. For approximately
3 the next nine years, I was employed by Riley G. Maxwell
4 Company in similar-type capacity, and for the past
5 six-and-a-half years I've been employed by Skelly.

6 Q And in what capacity have you been employed by Skelly?

7 A As a production engineer.

8 Q And in what areas has your experience been?

9 A Southeast New Mexico. In fact, approximately fifteen
10 years of my experience has been in the Southeastern New
11 Mexico area.

12 MR. BLODGET: We move to qualify this witness.

13 MR. NUTTER: The witness is qualified.

14 MR. BLODGET: Thank you.

15 Q (By Mr. Blodget) You are familiar with the application
16 in this case, are you not, Case Number 5023?

17 A Yes.

18 Q What does Skelly seek by this application?

19 A We seek to institute a pilot waterflood in the Chaveroo-
20 San Andres Pool to evaluate the floodability of the
21 Chaveroo pay in the Southern portion of the pool.

22 Q Now, I notice that there were four exhibits attached to
23 that application, and they were designated as A, B, C,
24 and D. Were these exhibits prepared by you or under
25 your supervision?

1 A Yes, they were.

2 Q And they have been marked for the purposes of this
3 Hearing as Hearing Numbers 1, 2, 3, and 4; is that correct?

4 A Correct, right.

5 Q I call your attention to Skelly Exhibit Number 1. Would
6 you state what that is and what it tends to show?

7 A Exhibit Number 1 is a map showing the location of a
8 proposed injection well and the location of all other wells
9 within a radius of two miles from the proposed well and
10 the formation from which wells are producing or have
11 produced.

12 Q I call your attention to Exhibit Number 2. What does
13 that show?

14 A Exhibit Number 2 is a Borehole Compensated Sonic and Gamma
15 Ray Log on the proposed injection well, and existing
16 perforations are indicated on the log.

17 Q I call your attention to Skelly Exhibit Number 3. Would
18 you identify that and tell us what it shows?

19 A Exhibit Number 3 is an analysis of the water which will
20 be injected, and it indicates it's mineralized to a degree
21 that it's unsuitable for drinking purposes or agricultural
22 or irrigation usage.

23 Q I call your attention to Skelly Exhibit Number 4. What
24 is that and what does it show?

25 A Exhibit Number 4 is a diagrammatic sketch of the proposed

1 injection well showing all casing strings' diameter,
2 setting depths, quantities used and tops of cement,
3 perforated intervals, tubing string diameter and setting
4 depth, and type and location of a proposed packer.

5 Q All right. This shows the intervals through which you
6 propose to inject water?

7 A Yes. We propose to inject water over the intervals as
8 indicated from 4207 to 4418 and 4676 to 4849. Now, we
9 are presently injecting into the lower intervals, but
10 our plans are to set a packer above the upper interval
11 and inject into both intervals.

12 Q Was this a well previously approved by the Commission
13 as a disposal well for salt water?

14 A Yes. It was approved by the Commission for injection into
15 the lower interval and production from the upper interval.
16 However, it proved to be barren from the upper interval;
17 and subsequently it was equipped to inject or dispose of
18 water into the lower interval; and the upper perforations
19 presently are open above the packer.

20 Q To your knowledge have the offset operators given their
21 consent to this water injection pilot plan?

22 A Yes, they have. We have waivers of objections from the
23 three offset operators.

24 Q Which operators are they?

25 A It would be Atlantic Richfield, Sun Oil Company, and

1 Western States Producing Company.

2 Q And copies of those consents were attached to the
3 application and to the exhibits; is that correct?

4 A Yes, correct.

5 Q Do you have any opinion as to the reason you want to try
6 this pilot waterflood project and the measure of its
7 success?

8 A Yes. It's necessary that we, of course, dispose of our
9 produced water; and as we are all on the South end of
10 a pool, we would like to inject into a possible pay
11 interval and possibly recover some updip oil, because
12 we are structurally low on this well. And, of course,
13 if we are successful, we are considering requesting
14 administrative approval to extend the flood.

15 MR. BLODGET: Skelly moves the admission of Exhibits
16 1, 2, 3, and 4.

17 MR. NUTTER: Exhibits 1 through 4 will be admitted
18 into evidence.

19 MR. BLODGET: We have no further questions from this
20 witness.

21 MR. NUTTER: You had another exhibit attached here.
22 Does that one not count?

23 MR. BLODGET: That's just decoration. That's just
24 got color on it.

25 * * * * *

CROSS-EXAMINATION

BY MR. NUTTER:

Q State what that shows.

A It was just for reference, just an additional plat.
Skelly's leases are colored in yellow.

Q Mr. Thomas, referring to Exhibit Number 4 --

A Yes.

Q I note the old Model "D" Packer down here at 4644. You will just pull that tubing out of the packer and inject through it; is this correct?

A Right. Yes, sir, just purely in an economic standpoint we are going to leave it in; and, of course, if necessary, we could always put a plug in the packer.

Q It's a Model "D", so to remove it, you would have to drill it out?

A Yes, sir. That's a permanent-type packer.

Q Now, your exhibit does state that you will internally coat the tubing. What about the casing tubing annulus? Will that be loaded with an inert fluid?

A Yes, sir. It will be loaded with an inert fluid and equipped with a pressure gauge where we can detect any packer leakage.

MR. NUTTER: Are there any further questions of Mr. Thomas? He may be excused. Do you have anything further, Mr. Blodget?

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MR. BLODGET: No, sir.

MR. NUTTER: Does anyone have anything further they wish to offer in Case 5023? The case will be taken under advisement.


* * * * *

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I, JANET RUSSELL, a Certified Shorthand Reporter, in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of said proceedings to the best of my knowledge, skill and ability.


CERTIFIED SHORTHAND REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. **5023**, heard by me on **7/11**, 19 **73**.

, Examiner
New Mexico Oil Conservation Commission

I N D E XWITNESSPAGE

WILLIAM T. THOMAS

Direct Examination by Mr. Blodget

3

Cross-Examination by Mr. Nutter

8

E X H I B I T SOFFEREDADMITTED

Applicant's Exhibit #1

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Applicant's Exhibit #2

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Applicant's Exhibit #3

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Applicant's Exhibit #4

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