

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

11 July 1984

EXAMINER HEARING

IN THE MATTER OF

Application of Alpha Twenty-One  
Production Company for hardship  
gas well classification, Lea  
County, New Mexico.

CASE  
8254

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

For the Applicant:

Robert H. Strand  
Attorney at Law  
ATWOOD, MALONE, MANN & TURNER  
P. O. Drawer 700  
Roswell, New Mexico 88201

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I N D E X

ROBERT WAYNE LANSFORD

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3 MR. STAMETS: We'll call next  
4 Case 8254, in the application of Alpha Twenty-One Production  
5 Company for hardship gas well classification, Lea County,  
6 New Mexico.

7 MR. STRAND: Mr. Examiner,  
8 Robert H. Strand of the firm of Atwood, Malone, Mann and  
9 Turner of Roswell, appearing for the applicant.

10 And Mr. Lansford will be our  
11 only witness. He has previously been sworn and qualified.

12 MR. STAMETS: Fine.

13 ROBERT WAYNE LANSFORD,  
14 being previously sworn upon his oath, testified as follows,  
15 to-wit:

16 DIRECT EXAMINATION

17 BY MR. STRAND:

18 Q Mr. Lansford, are you familiar with the  
19 application in Case Number 8254?

20 A Yes, I am.

21 Q And has Alpha Twenty-One Production Com-  
22 pany previously filed an administrative application for  
23 hardship classification for this well, dated May 31st, 1984?

24 A Yes, sir, we have.

25 Q Was that application prepared by you or  
under your supervision?

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A Yes, sir, it was.

Q Would you please state for the record the purpose of this application?

A Alpha Twenty-One Production Company seeks an order designating its Lansford No. 1 well as a hardship gas well pursuant to Commission Order No. R-7453.

Q Please state for the record the location of this well.

A Unit N, Section 21, Township 21 South, Range 37 East, of Lea County, New Mexico.

Q Would you state for the record from what formation this well produces and also from what pool?

A It produces from the San Andres formation from the Hare-San Andres Gas Pool.

Q Who is the gas purchaser and transporter of gas produced from this well?

A El Paso Natural Gas Company.

Q Mr. Lansford, would you describe in some detail the current status of the well as to equipment thereon and any problems resulting from shutting in of the Lansford No. 1 Well or curtailing it below its ability to produce?

A Okay, the Lansford No. 1 Well is presently a flowing well. It flows at the present time 3400 barrels of water a month plus 100 Mcf a day of gas. And that's a minimal volume that we're able to produce without the well going ahead and logging itself off, and even at 100 Mcf a

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day we are having to go out there on a weekly basis and drop in soap sticks to keep the water flowing.

Q Mr. Lansford, at that production rate of 3400 barrels of water per day, how long do you think the well would have to be shut in before it would cause serious problems?

A One day.

Q Has the well in fact been shut in at all?

A No, it has not.

Q So you have no information then as to -- specific information as to production loss that might occur if the well was shut in.

A No, I do not.

Q But is it your opinion that in fact if it was that you might well lose the well?

A Yes, sir, it is.

Q Mr. Lansford, are there any chemical treatments that might be done to the water that might alleviate this problem of formation damage?

A No, sir, there is not.

Q And could any chemical treatment be carried out if the well was not in fact shut in?

A No, sir.

Q You've provided as part of your administrative application a sketch of the wellbore of this particular well and the equipment therein.

Do you, in your opinion, feel there is

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any type of mechanical equipment that could be installed on this well that might alleviate a problem if it was shut in?

A Yes, sir, there's one other step I'd like to take and that would be to install a RETA downhole pump to move high volumes of water.

Q Okay, if you did install such, as you termed it, a RETA pump, would that alleviate a problem if you shut in the well?

A No, it would not alleviate a problem if I installed it.

Q Even if you did want to put this pump in, what you're saying is that you still do not feel you could shut in the well.

A No, I do not.

Q And that the only purpose of such a pump would be simply to move the water faster.

A Yes, sir.

Q I refer you to what we've designated as Exhibit Number One. Will you please describe that?

A Exhibit Number One is the computer data showing the reserves and economics involved on the Lansford No. 1.

Q Would you please state for the record the conclusions you've drawn as to the possible loss of reserves from Exhibit Number One?

A Yes, sir. We concluded that showing -- taking the ultimate production less the cumulative produc-

tion and less the estimated production would show a 308-million cubic feet loss.

Q Mr. Lansford, is there any type of minimum flow or logoff test or similar procedure that you might be able to utilize on this well?

A No, sir. Any lower rate would log off the well. I have lost it when it went below 100 Mcf and we were able to swab it back (not clearly audible) four hours.

Q Do you feel if in fact that the well was shut in that you would be able to get it back on a consistent basis?

You've testified that it was shut in once and you were able to get it back.

A It was shut in for a matter of just a couple of hours.

Q If it was shut in for a longer period of time, up to one or two days, do you feel at that point you'd be able to swab the well and bring it back?

A I don't know. I'd be afraid to.

Q Would you like to take a chance on doing that?

A I wouldn't like to take a chance.

Q Mr. Lansford, as part of your administrative application have you also attached a production summary for this well?

A Yes, sir, I have.

Q And further have you also attached a sum-

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mary of water production?

A Yes, sir, I have.

Q Mr. Lansford, am I correct that this well does not produce from a prorated pool?

A No, it does not.

Q And you are therefore able to produce it at whatever rate is possible?

A Yes.

Q Has notice of this application been given to all offset operators and to El Paso Natural Gas Company as transporter and gas purchaser?

A Yes, it has.

Q Mr. Lansford, is it your opinion that in the event this application is not granted and the well was shut in for any period of time that underground waste could well occur?

A Yes, sir, it is.

Q Is it further your opinion that granting of this application will promote conservation, prevent waste and protect correlative rights?

A Yes.

Q Was Exhibit Number One prepared by you or under your supervision or does it reflect material from the applicant's files?

A Yes, it does.

MR. STRAND: Mr. Examiner, I move the admission of Exhibit Number One.



MR. STAMETS: Exhibit Number One will be admitted.

MR. STRAND: And further request that administrative notice be taken of the prior application and the contents thereof.

MR. STAMETS: We will so note.

MR. STRAND: I have no further questions.

#### CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Lansford, you indicated you had lost the well at 100 Mcf a day rate. When was that?

A I believe that was in February.

That was due to fluctuation of the line pressure and the rate dropped just a little below that 100 Mcf mark and I have a supervisor that goes by and checks that well every day to make sure that we're able to maintain that flow rate.

Q How long was the well off the line?

A I don't believe it was off any longer than two to four hours at the most.

Q And you were able to get a swabbing unit out there and get it back on.

A Yes.

Q And did you notice any difference in the well after it had gone back on the line?

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A No, sir.

Q What's the nature of the San Andres formation in this well?

Is it a limestone, sandstone?

A It's a very dirty sandstone. Has a lot of migration of formation fines.

Q What would be in your opinion the nature of any formation damage which might occur due to the shut-in of the well?

A Scaling tendencies and migration of formation fines, plugging the formation.

Q Have any of the wells in this pool been shut in with resulting formation damage?

A I think I'm the only one producing out of it at that kind of rate in that area.

Q Is your rate higher or lower?

A Higher.

Q As far as what, the water volume is concerned?

A Yes, sir.

Q Now you talked about shutting the well in to install a RETA pump. I presume that would involve killing the well.

A Yes. That would be my last alternative and I wouldn't want to attempt that unless I could produce that well, you know, after I put it on, you know, as quickly as possible.

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Q How long would that take you?

A I hope it wouldn't take over three days maximum.

Q Probably wouldn't have to kill the well, would you, if you just shut the valves off on it?

A Well, that would be rather tricky, you know, when it's producing that much water.

Q Yeah. Do you have or can you get the charts from the time in February when it logged off I think it was --

A I probably could. I'd have to get that from El Paso.

Q See if you can get those.

A Okay.

Q It also would be very helpful if you could find evidence of formation damage in any San Andres formation which is equivalent to this as a result of shut-in.

A Well, that may be hard to do.

Q It may be hard to do but --

MR. STRAND: We will attempt to get that.

MR. STAMETS: Okay, it's a little -- you're getting into the area almost of voodoo engineering when you start talking about it might happen, and with no more evidence than that, it's difficult to make a determination that yes, it would happen here.

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That's not any reflection on  
you, sir.

A Well, I know that.

MR. STAMETS: You can see my  
problem.

A Right.

MR. STAMETS: Are there any  
other questions of this witness?

Aside from the El Paso state-  
ment is there anything anybody else wishes to offer in this  
case?

The case will be taken under  
advisement.

(Hearing concluded.)

## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. \_\_\_\_\_, heard by me on \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division