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NEW MEXICO OIL CONSERVATION COMMISSION

Santa Fe, New Mexico

June 25, 1969

EXAMINER HEARING

IN THE MATTER OF:

Application of Anadarko)
Production Company for an amend-)
ment of Order No. R-3628, Eddy)
County, New Mexico.)

Case 4152

BEFORE: ELVIS A. UTZ, Examiner



TRANSCRIPT OF HEARING

MR. HATCH: Case 4152, application of Anadarko Production Company for an amendment of Order No. R-3628, Eddy County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin, Kellahin and Fox, appearing for the Applicant, in association with Mr. Robert E. Anderson, member of the Texas Bar. I have one witness I would like to have sworn.

(Thereupon, Applicant's Exhibits 1 and 2 were marked for identification.)

CLARENCE STUMHOFFER

called as a witness by the Applicant, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

- Q Will you state your name, please?
- A Clarence Stumhoffer.
- Q By whom are you employed and in what position?
- A I am employed by Anadarko Production Company as Superintendent of the Second Recovery Division.
 - Q Where are you located?
 - A In Fort Worth, Texas.
- Q Have you testified before the Oil Conservation Commission, and made your qualifications a matter of record?

A Yes, I have.

MR. KELLAHIN: Are the witness's qualifications acceptable?

MR. UTZ: Yes, they are.

- Q Mr. Stumhoffer, are you familiar with the application of Anadarko Production Company in Case 4152?
 - A Yes, I am.
 - Q What is proposed by Anadarko in this Case?
- A In this Case, Anadarko proposes to request approval to amend Order No. R-3628, which authorized a waterflood development of Anadarko's Far West Loco Hills Sand Unit, a secondary recovery project in the Loco Hills field of Eddy County, New Mexico.
- Q Do you also seek a procedure whereby additional injection wells may be approved by administrative procedure?
- A Yes. In this Order, the OCC approved the reentry of two wells, and drilling of one well at an unorthodox location as injection wells.
- Q Have you prepared a diagrammatic sketch of how these wells would be completed?
 - A Yes.
- Q Refer to Exhibit 1. Would you discuss that exhibit?
 - A Exhibit 1 is a diagrammatic sketch of a typical

water injection completion in the Far West Loco Hills Sand
Unit project, showing the proposed casing program, and
the tubing and packer program, and the proposed method
of completing the well for injection.

- Q You will use an internally coated tubing, is that correct?
 - A Yes.
 - Q Set in a packer?
 - A Yes.
 - Q Do you fill the casing tubing annulus with fluid?
 - A Yes, we do.
 - O Do you use a pressure gauge at the surface?
- A No, we don't. But we leave it open to check for communication.
 - Q You leave it open?
 - A Yes.
- Q And that is the type of completion you have used in other injection wells in this project, is that correct?
 - A Yes.
- Q Have you found this a satisfactory completion for that purpose?
 - A Yes, sir.
- Q Referring to Exhibit 2, would you identify that exhibit?
 - A Exhibit No. 2 is a map of the Far West Loco Hills

Sand Unit, and the area surrounding it, showing the development in the area.

- Q Now, are the subject wells located in this map?
- A Yes.
- Q Would you identify them, please?

A The three wells that we propose to delete from the original Order are tract No. 1, Well No. 1, a proposed injection well that was prepared to drill. It is not shown on this plot. It has been removed from the plot, but it was at an unorthodox location, located 1,330 feet from the south line and 2,630 from the east line of Section 4. This was a proposed well to be drilled. It has been removed from the plot.

And then the other well that was proposed for reentry as an injection well was tract 8, Well No. 1. We proposed to delete these three wells from the original Order and substitute for these three wells, three new injection wells at the following locations: On Tract 1, Well No. 29 to be drilled 2,460 from the north line, and 180 feet from the east line of Section 4, which is an unorthodox location.

On Tract 8, Well No. 34, to be drilled 1,980 from the south line, 1980 from the west line of section 4.

And on Tract 8, also, Well No. 35, to be drilled ten feet from the south line and 1,650 feet from the west

line of Section 4.

- Q Has all this area been unitized?
- A Yes, it has.
- Q What is the reason for the change in the well locations?

A In the development that had been done to date along the common boundary between Andarko's Unit and the Eumont-West Loco Hills-Grayburg Sand Unit -- a part of our unit indicates that we have a reached the productive limits, and we proposed to change this, make the proposed changes to obtain a more efficient waterflood pattern, and to obtain more recovery of water fluid oil.

Q You say reached productive limit. How is that determined?

A By the fact that we have drilled wells of the zone that we are waterflooding, which is the Loco Hills Sand. The wells we have drilled, with modern logs we have determined that the reservoir limits are near the western edge of the Far Western Hills Loco Sand Unit.

- Q You feel that the proposed location will you give a better waterflood pattern?
 - A That's right.
- Q For what reason do you need an administrative procedure whereby additional wells can be approved?
 - A We make this request to allow us to make

adjustments as we drill the wells along the western edge of this reservoir, to make adjustments in any locations as we find the sand to be thinning, and we wish to be able to request administrative approval to make changes in these locations.

- Q Do you have anything further to add, Mr. Stumhoffer?
- A No.
- Q Were Exhibits 1 and 2 prepared by you or under your supervision?

A Yes.

MR. KELLAHIN: At this time, I would like to offer in evidence Exhibits 1 and 2.

MR. UTZ: Without objection, Exhibits 1 and 2 will be entered into the record of this Case.

(Thereupon, Applicant's Exhibits 1 and 2 were received in evidence.)

MR. KELLAHIN: That completes the direct testimony.

CROSS EXAMINATION

BY MR. UTZ:

- Q Mr. Stumhoffer, what are you going to coat the tubing with?
 - A It will be plastic coated with the PVC liner.
- Q Are these locations given in your application correct?

- A Yes. The new locations?
- O Yes.
- A Yes.

MR. UTZ: Any other questions?

THE WITNESS: They are the locations that we propose at this time. As we drill the new wells, and we find that we are getting — we may have to move some of them in. This is the reason we are requesting permission to have administrative approval.

MR. UTZ: That could be taken care of at the time it happens, but for the purposes of writing this Order, these locations are what you want?

THE WITNESS: Right, this is what we want at the present time.

MR. UTZ: The Case will be taken under advisement.

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

I, SAMUEL MORTELETTE, Court 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 the said proceedings, to the best of my knowledge, skill and ability.

Samuel B. Mortelette

My Commission Expires:

December 2, 1972

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