

Case No.

932

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Application, Transcript,  
Small Exhibits, Etc.

Case 922: Application of El Paso Natural  
Gas for 320-acre non-standard Gas pro-  
duction, Jalmat, M. L. Parker #2

BEFORE THE  
Oil Conservation Commission

SANTA FE, NEW MEXICO

July 14, 1955

IN THE MATTER OF:

CASE NO. 931 and 932

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES

COURT REPORTERS

605 SIMMS BUILDING

TELEPHONE 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 14, 1955

IN THE MATTER OF:

Application of El Paso Natural Gas Company  
for approval of a 440-acre non-standard gas  
proration unit in the Jalmat Gas Pool, Lea  
County, New Mexico, to consist of S/2, S/2  
NW/4, NW/4 NW/4 of Section 33, Township 25  
South, Range 37 East, and to be dedicated  
to applicant's Gregory Federal No. 1 Well  
located in the NW/4 SE/4 of said Section 33.

No. 931

IN THE MATTER OF:

Application of El Paso Natural Gas Company  
of approval of a 320-acre non-standard gas  
proration unit in the Jalmat Gas Pool, Lea  
County, New Mexico, to consist of W/2  
Section 29, Township 26 South, Range 37 East  
and to be dedicated to applicant's M. L.  
Parker No. 2 Well, NW/4 NW/4 of said Section  
29.

No. 932

BEFORE:

Honorable John F. Simms  
Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next cases on the docket are Cases 931 and  
932. Mr. Howell.

MR. HOWELL: If it please the Commission, the El Paso  
Natural Gas Company, the proponent, would like to ask for a contin-  
uance of these cases to the August hearing.

In Case 931 there has been a well completed by another operator  
within this 440-acre area and we could not have the completion data

which we think we should have before us in order to present it to the Commission; and in the other case, we have some question of notice we would like to resolve. We move for continuance in both cases.

MR. MACEY: Is there objection to continuance of Cases 931 and 932? If not, they will be heard at the August 17 hearing.

\* \* \* \* \*

STATE OF NEW MEXICO     )  
                              : ss  
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 19th day of July, 1955.

*Ada Dearnley*  
Notary Public, Court Reporter

My commission expires:

June 19, 1959.

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
August 17, 1955

IN THE MATTER OF:

CASE NO. 932

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 3-6691  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
August 17, 1955

IN THE MATTER OF:

Application of El Paso Natural Gas Company  
for approval of a 320-acre non-standard gas  
proration unit in the Jalmat Gas Pool, Lea  
County, New Mexico, to consist of W/2  
Section 29, Township 26 South, Range 37  
East, and to be dedicated to applicant's M.  
L. Parker No. 1 Well, NW/4 NW/4 of said  
Section 29.

Case No. 932

BEFORE:

Honorable John F. Simms  
Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 932.

MR. HOWELL: We have two witnesses to be sworn.

(Witnesses sworn.)

J. J. BOWDEN,

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

DIRECT EXAMINATION

By MR. HOWELL:

Q Mr. Bowden, will you state your name for the record?

A J. J. Bowden.

Q What is your connection with El Paso Natural Gas Company?

A Area land man for the Lease Department of El Paso.

Q Are you familiar with the ownership of gas rights in Section

29, Township 26 South, Range 37 East, where this M. L. Parker No. 1 Well is located?

A I am.

Q Will you state to the Commission who is the owner of gas rights to a depth of 4,000 feet in the west half of the west half of that section?

A El Paso Natural Gas Company.

Q As to the east half of the west half, who is the owner of all rights in there?

A El Paso Natural Gas Company.

Q Both oil and gas?

A Yes.

Q So that, as to the entire west half of Section 29, El Paso Natural Gas Company owns all gas rights to a depth of 4,000 feet?

A That is right.

MR. HOWELL: I think that is all for this witness.

MR. MACEY: Any questions of the witness?

(Witness excused.)

L A R R Y C. Z I N K ,

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

DIRECT EXAMINATION

By MR. HOWELL:

Q Mr. Zink, will you state your name for the record?

A Larry C. Zink.

Q You have testified before the Commission before as an engineer, have you not?

A I have never testified before this Commission, no, sir.



Q Will you state to the Commission your training, professional training?

A I am a graduate engineer of Texas College of Mines and Metallurgy, with a degree in Master of Science and Mining Engineer, and Geology optional.

Q What experience have you had?

A I have had six years as Division Geologist for El Paso Natural Gas.

Q Are you registered as an engineer in the State?

A Yes, sir.

Q Have you supervised drilling operations for El Paso Natural Gas Company in the Lea County area?

A Yes, sir.

Q Have you prepared, or had prepared under your supervision, a plat showing the west half of Section 29, Township 26 South, Range 37 East in Lea County?

A Yes, sir.

Q Do you have copies?

A Yes, sir.

MR. HOWELL: Will you please mark this as Exhibit 1?

(Marked El Paso Natural Gas Company's Exhibit No. 1, for identification.)

Q Referring to Exhibit 1, will you state to the Commission what is reflected on that plat?

A It shows the location of the El Paso Natural Gas Parker No. 1, including the offset wells to the west and also to the north, and with no wells being offset to the south.

Q Are there any other wells at all located on the Section 29?

A No, sir.

Q You have shown on this plat the location of wells in offset sections?

A Yes, sir.

Q What was the date of completion of the El Paso Natural Gas Company's Parker No. 1?

A This well was completed April 14, 1935.

Q Has it been producing some 20 years?

A Yes, sir.

Q Have you made, or had made under your supervision, a study as to the number of acres which could reasonably be drained by this well?

A Yes, sir, we have.

Q State to the Commission the basis of the study, the known figures that you used and the assumptions that you made.

A Based upon the production history on this well, the amount of gas that it has produced with the pressure, and making a volumetric study through January, 1954, this well had produced 8,580,463,000 cubic feet. Based on the volume study and the pressure decline, we have estimated the amount of gas that was originally in place, assuming a pay thickness of 50 feet, based upon --

Q (Interrupting) Let me interrupt just a minute. Why did you assume a pay thickness of 50 feet?

A That was based on the study of surrounding wells and the producing section that was indicated in the logs and the study of the surrounding wells.

Q You have a log of the Parker No. 1?

A No, sir, we do not.

Q There was no log made at the time it was drilled and completed in 1935?

A No, sir, nothing other than a sample log. Based upon that figure, on our estimates, the Parker would drain in excess of 587 acres.

Q State whether or not in your opinion, the entire 320 acres in the west half of Section 29 may reasonably be presumed to be productive of gas?

A I think, based upon the production history and our studies, plus the geological studies, that this well would drain the 320 acres.

MR. HOWELL: I think that is all.

MR. MACEY: Any questions of the witness? Mr. Nutter?

CROSS EXAMINATION

By MR. NUTTER:

Q Perhaps I should have asked Mr. Howell's first witness this question, but, as I understand it, this well is plugged back to 3,043 feet.

A That is correct.

Q El Paso owns the gas rights in the west half of the west half of Section 29, down to a depth of 4,000 feet?

A That is right.

Q They own all the gas and oil rights, regardless of depth, in the east half of the west half?

A That is right.

Q Therefore, no communitization of the property is necessary to give this well the 320-acre allowable?

A That is correct.

MR. NUTTER: That is all.

MR. MACEY: Anyone else have a question of the witness? If not the witness may be excused.

(Witness excused.)

MR. HOWELL: That is all our evidence in Case 932.

MR. MACEY: Mr. Howell, did you offer that exhibit in evidence?

MR. HOWELL: I did not. I would like to offer Exhibit No. 1 in evidence.

MR. MACEY: The exhibit will be received. If nothing further we will take the case under advisement.

STATE OF NEW MEXICO )  
                              : SS.  
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 18th day of August, 1955.

  
Notary Public, Court Reporter

My Commission Expires:

June 19, 1959.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 932  
Order No. R-683

THE APPLICATION OF EL PASO NATURAL  
GAS COMPANY FOR AN ORDER GRANTING  
APPROVAL OF AN EXCEPTION PURSUANT  
TO RULE 5 (a) OF THE SPECIAL RULES AND  
REGULATIONS FOR THE JALMAT GAS POOL  
OF ORDER NO. R-520 IN ESTABLISHMENT OF  
A NON-STANDARD GAS PRORATION UNIT OF  
320 ACRES CONSISTING OF THE W/2 OF SECTION  
29, TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m. on July 14, 1955, and on August 17, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 15<sup>th</sup> day of September, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, El Paso Natural Gas Company, is the owner of gas rights down to a depth of 4000 feet in W/2 of W/2 of Section 29, Township 26 South, Range 37 East, NMPM, in Lea County, New Mexico, and oil and gas rights under the E/2 W/2 of Section 29, Township 26 South, Range 37 East, containing 320 acres more or less.

(4) That applicant, El Paso Natural Gas Company, has a producing well on the aforesaid lease known as M. L. Parker Well No. 1, and situated 660' from the North line and 660' from the West line of Section 29, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That the aforesaid well was completed and in production on April 14, 1935, prior to August 12, 1954, the effective date of Order No. R-520, and is located within the horizontal and vertical limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 320 acres.

IT IS THEREFORE ORDERED:

(1) That the application of El Paso Natural Gas Company, for approval of a non-standard proration unit consisting of the following described acreage:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM  
W/2 of Section 29

be and the same is hereby approved.

(2) That applicant's well, M. L. Parker Well No. 1, located in the Jalmat Gas Pool, shall be granted an allowable in the proportion that the above described 320 acre unit bears to the standard or orthodox proration unit for said pool, all until further order of the Commission.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. Simms*

JOHN F. SIMMS, Chairman

*E. S. Walker*

E. S. WALKER, Member

*W. B. Macey*

W. B. MACEY, Member and Secretary



OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

September 20, 1955

Mr. R. L. Hamblin  
El Paso Natural Gas Company  
P.O. Box 1492  
El Paso, Texas

Dear Sir:

We enclose a copy of Order R-683 and Order R-687 issued September 15, 1955, by the Oil Conservation Commission in Cases 932 and 931 respectively, which were heard at the July 14th and August 17th hearings.

Very truly yours,

W. B. Macey  
Secretary - Director

WBM:brp  
Encls. 2

C  
O  
P  
Y

# Memo

From Dan Kuten

To Jack Gurling

Re case 932

- OK to approve — 1. applicant will be deprived of this opportunity to recover his just and equitable share of the gas in the Jalmat gas pool.
2. Approval of this application is in the interest of the prevention of waste and the protection of correlative rights.



BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

In the Matter of the Application of El Paso Natural Gas Company for an Exception to Rule 5 (a) and 5 (B) of the Special Rules for the Jalmat Gas Pool, Lea County, New Mexico, for its M. L. Parker #1 Well, NW/4 NW/4 Section 29, Township 26 South, Range 37 East, N. M. P. M., Lea County, New Mexico

Comes now El Paso Natural Gas Company and requests the Commission to grant an exception to Rule 5 of the Special Rules of the Jalmat Gas Pool for its M. L. Parker #1 Well, and for its grounds therefor states:

1. Applicant seeks an unorthodox gas proration unit consisting of the W/2 of Section 29, Township 26 South, Range 37 East, N.M.P.M., containing 320 acres, more or less, and the allocation of an appropriate gas allowable to said unit.
2. The well to which applicant seeks to have the allowable granted to is its M. L. Parker #2 Well and is situated 660 feet from the North line and 660 feet from the West line of said Section 29.
3. That said well was completed on April 14, 1935, to a total depth of 3248 feet but was plugged back to 3043 feet. An initial potential was taken on October 1, 1937, of 4,572 MCF PD. On October 7, 1937, first delivery was made to El Paso Natural Gas Company.
4. That said well was completed and on production prior to August 12, 1954, the effective date of Order No. R-520, and is located within the limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.
5. The proposed unorthodox gas proration unit consists of contiguous quarter-quarter sections.
6. The proposed unorthodox gas proration unit lies wholly within a single governmental section.
7. The entire proposed unorthodox gas proration unit may reasonably be presumed to be productive of gas.
8. The length of width of the unorthodox gas proration unit does not exceed 5280 feet.
9. There is attached hereto a plat showing the acreage to be dedicated to the unorthodox gas proration unit, the location of the well, and the offset ownership.
10. The granting of the exception requested herein will not adversely affect the correlative rights of any offset owner and will protect the correlative rights of applicant, will prevent waste, will avoid the drilling of unnecessary wells and is in the interest of conservation.

Wherefore, applicant requests the commission to set this matter down for hearing, to publish notice as required by law and to issue its order granting applicant an exception to the rules of the commission noted herein for its M. L. Parker #1 well, and allocating to the said well a 320 acre gas proration unit consisting of the W/2 of Section 29, Township 26 South, Range 37 East, N.M.P.M.

Above mentioned plat is on file in OCC office, Santa Fe, New Mexico

EL PASO NATURAL GAS COMPANY

R. L. Hamblin

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

In the Matter of the Application of El Paso Natural Gas Company for an Exception to Rule 5 (a) and 5 (b) of the Special Rules for the Jalmat Gas Pool, Lea County, New Mexico, for its M. L. Parker #1 Well, NW/4 NW/4 Section 29, Township 26 South, Range 37 East, N.M.P.M., Lea County, New Mexico

CASE NO. \_\_\_\_\_

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4. That said well was completed and on production prior to August 12, 1954, the effective date of Order No. R-520, and is located within the limits of the pool heretofore delineated and designated as the Jalmat Gas Pool.
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6. The proposed unorthodox gas proration unit lies wholly within a single governmental section.
7. The entire proposed unorthodox gas proration unit may reasonably be presumed to be productive of gas.
8. The length or width of the unorthodox gas proration unit does not exceed 5280 feet.
9. There is attached hereto a plat showing the acreage to be dedicated to the unorthodox gas proration unit, the location of the well, and the offset ownership.

10. The granting of the exception requested herein will not adversely affect the correlative rights of any offset owner and will protect the correlative rights of applicant, will prevent waste, will avoid the drilling of unnecessary wells and is in the interest of conservation.

Wherefore, applicant requests the commission to set this matter down for hearing, to publish notice as required by law and to issue its order granting applicant an exception to the rules of the commission noted herein for its M. L. Parker #1 Well, and allocating to the said well a 320 acre gas proration unit consisting of the W/2 of Section 29, Township 26 South, Range 37 East, N.M.P.M.

EL PASO NATURAL GAS COMPANY

By R. L. Hamblin  
R. L. Hamblin

THE STATE OF TEXAS

COUNTY OF EL PASO

On the 24th day of June, 1955, before me personally appeared R. L. Hamblin, to me known to be the person who executed the foregoing application and states that the foregoing statements are true to the best of his knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year first above written.

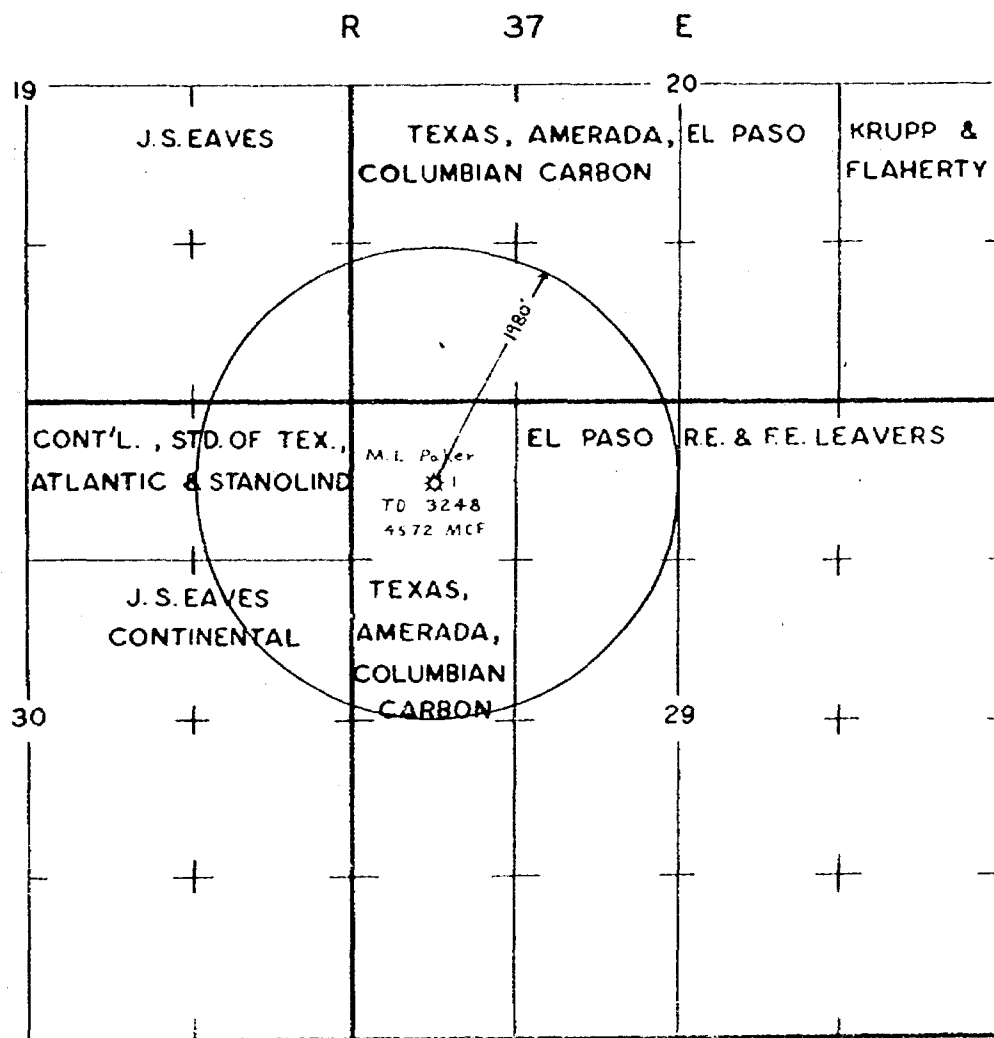
My commission expires:

June 1, 1957

Mary T. Saxon  
Notary Public in and for the  
County of El Paso, State of Texas  
MARY T. SAXON

Notary Public, in and for El Paso County, Texas  
My Commission Expires June 1, 1957

Card 932

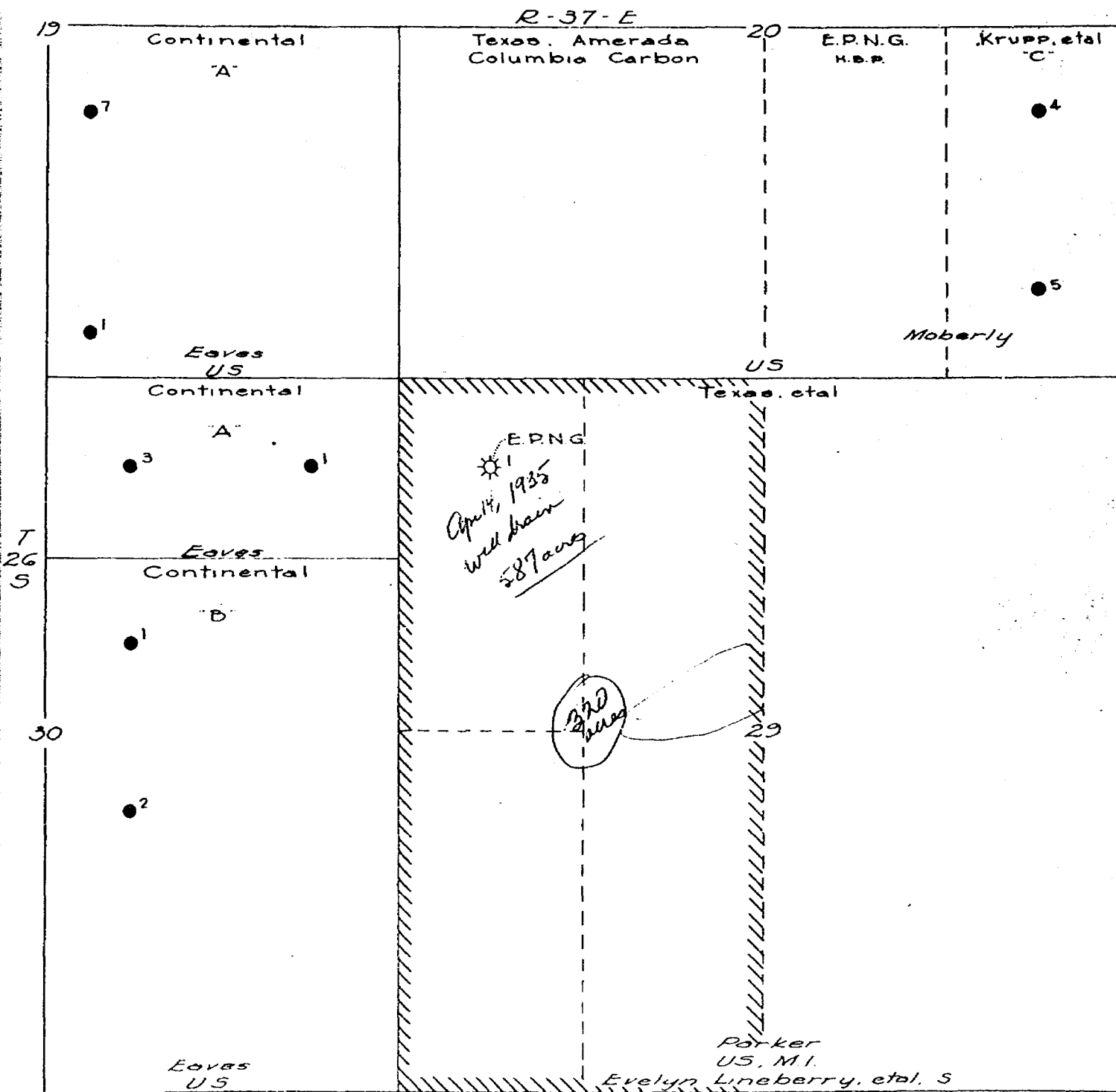


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OWNERSHIP AND LOCATION PLAT  
 ILLUSTRATING THE PROBATION UNIT  
 REQUESTED  
 FOR THE  
 EL PASO NATURAL GAS CO.  
 PARKER FEDERAL #1



SCALE. 1" = 1000 FT.

**Memo**

From

Wam

7/10/55

Re: Case # 932

To JWD

Case continued to 8/17/55  
But should be readvised to show  
as well #1 Not well #2.

Gut

Wam

Case # 932

Continued

Production #1  
net #2

① OK.

② No Log in file

TD. 3248  
PRB 3045

7" Cng. @ 3012'

Top pay 2950'

Perf. ? where ?

Y & SR ?

O.F. run ?

OF 7/15/50 @ 885 MCF

Deliv. C-122-C

732 MCF/D

7/31/54

@ 50,926 B1

Static 8578 PSI

Pay N Mortgage Com 1954 Vol. 1 Report

Deliv  
mcf/d

1950

1951

1952

1953

1954 (89)

6885

2880

2876

2550

732

SIP

682-696

657-641

623-521

624-515

672

1954 Prod.

109,1107 MCF

Count

8,365,883 MCF

# EPNG Park #1

1954

Allow Prod.

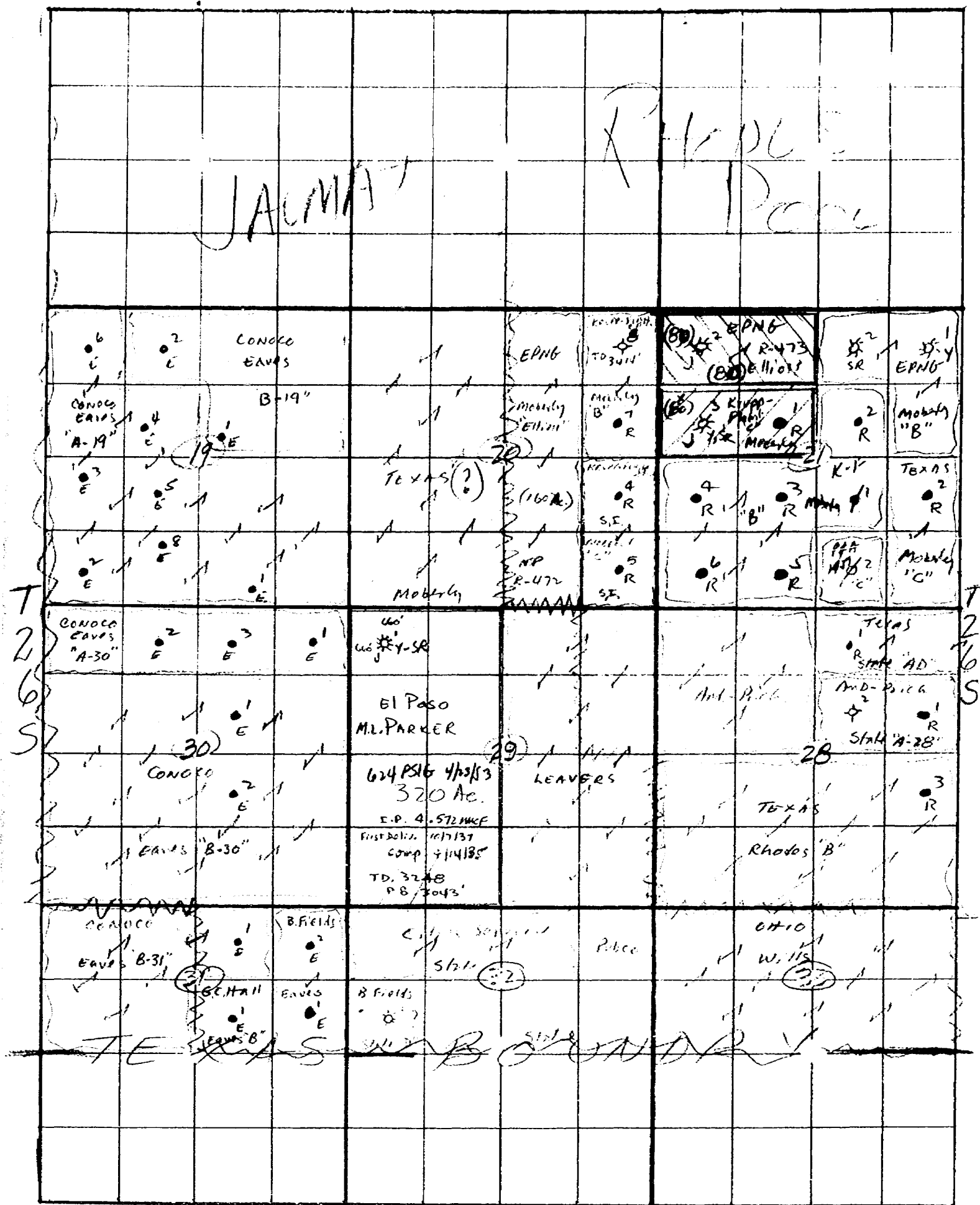
J - 18,211 - 9,132  
 F - 15,179 - 13,918  
 M - 12,617 - 7,017  
 A - 2,535 - 5,194  
 M - 2,189 - 2,966  
 J - 2,347 - 5,618 under 9,233 MCF  
 J - 8,283 - 1,966  
 A - 12,715 - 9,476  
 S - 7,548 - 4,278  
 O - 6,098 - 12,180  
 N - 7,419 - 21,329 cancel 2,109 under  
 D - 17,419 - 16,035

under 3,495 MCF  
cancel 2,109  
Net 1,386 MCF

1955

J 11,251 15,122  
 F 12,655 14,512  
 M 10,558 1,619  
 A 6,617 1,511 under 11,812 MCF  
 M 3,370  
 J 8,521





R 31E

J = JACINT (T, SR)  
 R = RHO (Y, SR)  
 E = EAVES (Y, SR)

Case # 932

7/14/55