CASE 1147: Application of OCC for order to conduct interference & pressure build-up tests & authorizing non-cancellation and/or transfer of allowables for wells in PC Pools.

Case No.

1147

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE

Oil Conservation Commission

SANTA FE, NEW MEXICO

September 13, 1956

IN THE MATTER OF:

CASE NO. 1147

TRANSCRIPT OF PROCEEDINGS

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

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 13, 1956

IN THE MATTER OF:

Application of the New Mexico Oil Conservation Commission on its own motion for an order granting permission to conduct interference and pressure build-up tests and authorizing the non-cancellation and/or transfer of allowables for wells involved in the test program in certain Pictured Cliffs Gas Pools in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause seeks an order granting permission to conduct interference and pressure build-up tests on certain wells in the following Pictured Cliffs Gas Pools in San Juan and Rio Arriba Counties: West Kutz, Aztec, South Blanco, Ballard, Canyon Largo and Otero; and providing further for the non-cancellation and/or transfer of allowables for wells involved in said tests in exception to the Special Rules and Regulations of the said Pictured Cliffs Gas Pools and West Kutz, Aztec, South Blanco and Ballard, and providing further for administrative approval of similar exceptions in the future.

Case No. 1147

BEFORE:

Mr. E. S. (Johnny) Walker
Mr. A. L. Porter

TRANSCRIPT OF HEARING

MR. PORTER: We will take up next, Case 1147.

MR. GURLEY: Application of the New Mexico Oil Conservation Commission on its own motion for an order granting permission to conduct interference and pressure build-up tests and authorizing the non-cancellation and/or transfer of allowables for wells involved in the test program in certain Pictured Cliffs Gas Pools in

San Juan and Rio Arriba Counties, New Mexico.

MR. MORRELL: If the Commission please, my name is Foster Morrell, appearing on behalf of the San Juan Gas Allowable Committee, in Case 1147. In addition to my testimony, we will have testimony from representatives of Stanolind, Humble, Amerada, Superior, Benson-Montin, and El Paso Natural Gas Company. I thought the Commission might like to swear in all the witnesses at one time.

(Witnesses sworn.)

F O S T E R M O R R E L L,

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

MR. MORRELL: My testimony in Case Number 1147 is in response to the call of the New Mexico Oil Conservation Commission on its own motion for a hearing to consider an order granting permission to operators to conduct interference and pressure build-up tests and authorizing the non-cancellation and/or transfer of allowables for wells involved in a test program in certain Pictured Cliffs gas pools in San Juan and Rio Arriba Counties, New Mexico.

A number of operators are vitally interested in this test program and have formed what is now known as the San Juan Gas Allowable Committee, of which I am chairman. The purpose of this committee is to obtain factual data to determine the degree of communication within the Pictured Cliffs reservoirs.

Meetings of the committee have been held in Albuquerque on June 29, in Farmington on July 11, and in Santa Fe on September 11, 1956,

Commission representatives were present at all meetings.

In connection with the study being conducted various operators have selected certain wells for interference or communication tests and also for pressure build-up tests in the Pictured Cliffs gas pools listed in the call for Case Number 1147, so that sufficient data may be obtained to justify to the Commission the objectives sought.

The wells presently selected for interference or communication tests include one well in the Aztec pool, two in the Ballard Pool, one in the Canyon Largo Pool, two in the Otero Pool, two in the South Blanco pool, and four in the West Kutz pool. There is also an additional interference test being conducted on one well in the Tapacito pool under outstanding Commission Order Number R-794. This is a total of thirteen wells for interference or communication test at this time, A tabulation showing the name, number and location of each well, and the operator to conduct the tests is introduced for the record as San Juan Gas Allowable Committee Exhibit Number 1.

For the benefit of the parties present, if they can see the red spots, these are the locations of the four test wells in the West Kutz, one in the Aztec, two in the Ballard, one in Canyon Largo, two in Otero and two in South Blanco and one in Tapacito. I might call attention to the Commission that the two wells in Otero Pool are located only approximately a mile apart, and it may be the wish of the operators to conduct tests on only one of those two wells.

The operators have also selected wells for pressure build-up

tests to determine present stabilized pressures in non-producing portions of presently producing pools and the original reservoir pressures in pools not yet connected to a pipeline; five of such wells in the Aztec Pool, one in the Ballard Pool, one in the Otero Pool, and one in the South Blanco Pool.

A tabulation showing the name, number and location of each pressure build-up test well and the operator to conduct the tests is introduced for the record of San Juan Gas Allowable Committee Exhibit 2.

The test wells referred to have been selected from average wells so that they may represent average conditions, rather than to conduct tests on maximum potential wells in the areas of maximum porosity and permeability.

It is the intention of the San Juan Gas Allowable Committee to fully advise the New Mexico Oil Conservation Commission and the United States Geological Survey, of all tests to be taken and the progress of the committee work, and to have each pressure test witnessed by a representative of the Commission so far as practicable.

So that the information concerning test wells and the data obtained by the tests may be furnished to the Commission in a uniform manner, the committee has prepared two forms; Form A to cover Test Well Data, and Form B for Monthly Reports of Tests. A specimen copy of each form is introduced for the record as San Juan Gas Allowable Committee Exhibits Nos. 3 and 4.

The granting of an order authorizing the non-cancellation or transfer of allowables for wells involved in the test program in the Aztec, Ballard, South Blanco and West Kutz pools will require

exceptions to the Special Rules and Regulations as set forth in Commission Orders No. R-565-C, covering proration in the Aztec and South Blanco pools, in Order No. R-846, covering proration in the Ballard pool to become effective October 1, 1956, and in Order No. R-566, covering proration in the West Kutz pool. The test in the Tapacito pool is covered by outstanding Commission Order No. R-794. The other tests are located in the Canyon Largo and Otero pools, which are presently not prorated.

The pool rules for the prorated pools provide for an initial deliverability test to be taken on each new well, within 45 days after the well is connected to a pipeline. The test is to be taken in accordance with the provisions of Commission Orders Nos. R-333 C and D. For those wells that will be placed on test upon completion, the taking of the initial deliverability test must be postponed until the test is completed. This will require granting of an exception to the applicable pool rules and Commission Order Nos. R-333 C and D, so as to: (1) permit the postponement of the initial deliverability test until completion of the test being conducted under this test program, and (2) permit the retroactive assignment of allowables to the well back to the date of connection of the well to a pipeline.

The San Juan Gas Allowable Committee recommends that the Commission grant an order as set forth in the call of the hearing under Case No. 1147, including provision for administrative approval of similar exceptions in the future for alternate or additional test wells.

The various operators involved in this test program will present

testimony to the Commission on the particular interference of pressure build-up tests of which they are the operators or the operator designated to conduct the test, and will outline to the Commission the procedure desired by each for the non-cancellation and/or transfer of allowables as to wells within prorated Pictured Cliffs gas pools.

I would like to add that there are other wells contemplated for pressure build-up tests in the area of the Lindrith and Gaveland and other non-prorated pools that are not listed on the Exhibit 2 that you have.

Now, the order of the testimony decided at the Committee meeting on September 11th was as follows; and the companies may follow it or not, as they please: Stanolind was first, Humble second, Amerada third, Superior fourth, Benson-Montin fifth, and El Paso sixth.

MR. SMITH: J. K. Smith. May it please the Commission, I have one witness, Mr. Meek, who has been sworn. I might state to the Commission, in the meantime, while the map is being put on the board, that we have joined in this study, or investigation proposed by the committee which Mr. Morrell was representing. Dividing of the work, we have selected the Gallegos Canyon Unit, West Kutz Field as the area we will conduct certain tests.

The objective of the tests is, first, so far as our present application is concerned, of important consideration to the Commission, is that we be given permission to shut in the wells and transfer the allowables to other wells capable of making it. I might state that the wells that have been suggested, and they are

four in number, they are average wells in the field. We would also like for the Commission to permit the non-cancellation of an allowable that has been transferred in the event, down towards the end of the test, it is necessary to put the well back on the stream and try to produce it to catch up. The fourth item is to provide for administrative approval of changing the location of certain of these wells as we go down the road. We may determine that additional wells should be tested, and in order to afford greater flexibility in the program, we would like for the Commission to see fit to order their rules so that the administrative approval of the change of location may be immediate. We would like to state, whatever witnessing of the test program that they may see fit to require is quite acceptable to Stanolind, and we will welcome it.

W. J. MEEK,

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

DIRECT EXAMINATION

By MR. SMITH:

Q Mr. Meek, I don't believe you have testified before the Commission before. By whom are you employed?

A I am employed by Stanolind Oil and Gas Company.

Q In what capacity?

A Petroleum Engineer.

Q Where were you educated, received your education?

A University of Oklahoma.

Q What degree?

A Bachelor of Science, Petroleum Engineer.

Q What year?

A January of 1951.

Q By whom have you been employed since then?

A Since graduation I have been employed by Stanolind Oil and Gas Company.

Q In what capacities?

A Shortly after graduation as a roustabout in West Texas, then as an engineer in West Texas, in Fort Worth, engineer in West Texas approximately two years, located in Fort Worth for about one year and since that time I have been in Stanolind District Office in Roswell.

Q What type of work have you been doing in the Roswell Office?

A In the Roswell Office I have done reservoir engineering work, some unitization, some proration and some operational work.

MR. SMITH: May I inquire if the witness's qualifications are acceptable to the Commission as an expert?

MR. PORTER: His qualifications are acceptable.

Q Now, Mr. Meek, turning to the board behind you, there is a map which reflects certain area of land in the San Juan Basin. Was that map prepared under your supervision or direction?

A Yes, sir, it was.

Q You are fully familiar with the data set forth thereon?

A Yes.

Q Will you please advise the Commission what the exhibit purports to reflect?

A This is a map of the Gallegos Canyon Unit area of the West Kutz-Pictured Cliffs field. I don't know whether you can see it

at this distance or not, but the present unit area is shown by a red outline and the present participating area by a green outline. Also shown on the map, circled in red, are the four test wells that we have selected for communication, or interference test wells in the area. Also shown, circled in various colors are the wells to which we propose to transfer the allowables of the shut-in or observation wells. In the various localities through the field we have connected the test well to the wells to which we propose to transfer the allowable. That explains the inter-connecting lines in four areas. Also shown on that map is the 1956 deliverability and percentage of the shut-in wells allowable which we propose to transfer.

Q In other words, you propose to transfer the allowable proportionately to certain specified wells from each of the observation wells?

A That is correct.

Q What was the reason for selecting the four wells that were selected?

A These wells were selected in accordance with the San Juan Gas Allowable Committee statement that we test, or gather data on average wells in these various pools.

Q In your opinion, are the wells suggested average wells in the West Kutz Field?

A Yes, sir.

Q How are they distributed geographically? How much distance is there between each of the four wells, approximately?

A Well, let's see, this was on a scale of one inch equals

2,000. Roughly, there is a mile between the test wells here and the furtherest transfer well. Here the distance would approximate one and a half to two miles, here, I think we are pretty well within the radius of a mile, and it will be less than a mile in this area here (indicating).

Q Have you prepared certain data with respect to the productivity, or the deliverability of each of the wells, that is the observation wells, and the wells to which the allowables will be transferred?

A Yes, sir, I have.

Q Do you have that tabulation with you?

A Yes, this is it.

(Marked Stanolind's Exhibits 1 and 2, for identification.)

MR. SMITH: For the record, the map concerning which Mr. Meek has just testified, has been marked for identification as Stanolind's Exhibit Number 1.

Q I show you what has been marked for identification as Stanolind's Exhibit Number 2. The data you just testified about. Turning to the first item, Gallegos Canyon Unit Well Number 7, is that one of the wells that has been selected for observation?

A Yes, that is one of the wells that has been selected.

Q Located in the northeast northeast of Section 30, Township 28, Range 12 East?

A That is correct.

Q What was the date of completion?

A The date of completion was November 1, 1951.

Q Initial potential?

A 750 MCF.

Q 1956 deliverability?

A 159 MCF.

Q That's to be transferred to what wells, the allowable, if the Commission sees fit to grant our request?

A On Test Well Number 7, we propose to transfer the allowable of Well Number 7 to Well -- Gallegos Canyon Unit Wells Number 19, 35, 36, 71 and 72 in equal percentages, 20 percent.

Q The other date concerning the location of the well, and the completion date and initial potential and deliverability is all set forth on the Exhibit for the Commission's consideration?

A That is correct.

Q Turning to the test well named Gallegos Canyon Unit Well Number 31, I notice that in the schedule there under the 1956 deliverability, you have N. A., what does that signify?

A N. A. signifies in this circumstance, that the 1956 deliverability was not available.

Q You have the initial potential of that well, however?

A Yes, sir, the initial potential was 1130 MCF, and the well was completed April, 1953.

Q In your opinion, you consider that to be an average well?

A That is correct.

Q I notice that from the exhibit, that the allowable will be transferred to four wells, the description which is set forth on the exhibit. I notice also that in the percent of allowable to be transferred to the four wells, that the Gallegos Canyon Unit

Well Number 4 is to receive 40 percent and Well Number 24 is to receive 40 percent, and the other two, ten percent, respectively. What was the reason for making the change rather than equal distribution such as was done on the wells to which the allowables were to be transferred from the first operational well?

A Well, I think this will apply to the percentage transfer on all four test wells. You notice they vary throughout the listing. We selected wells as near as possible in the vicinity of the test well and transferred the allowables in accordance to their capacity to handle additional production. So, I think that accounts for it.

Q That accounts for the variance throughout?

A Yes.

Q Do you have any further statement you care to make at this time with respect to the exhibits?

A Well, I might also point out that these percentages were developed with regard to December, 1955 nominations. In other words, we attempted to take a period of high demand and see if we could distribute the allowables to the various wells in accordance with the allowables during a higher or peak period, and I might also add that these percentages reflect that the proposed allowable reallocation constitutes not more than 80 percent of the 1956 deliverability on these wells we propose to transfer the allowables to.

Q Do you have any further statement to make in the case?

A I think that is all.

MR. PORTER: Does anyone else have a question of the witness, Mr. Utz?

CROSS EXAMINATION

By MR. UTZ:

Q Mr. Meek, I wonder, in trying to determine what percentage of underage the shut-in well will accumulate that will be transferred to offset wells, you might not be in error at the end of the test? In other words, you might have a well that by transferring that particular percent of the underage, might be substantially over-produced and another under-produced?

A Well, the percentages were developed, we used the '56 deliverability, in other words, to bring us up to date as much as possible. These deliverabilities, it is my understanding, are possibly not on file yet. We obtain them by phone call from the field. The tests have been completed, I understand, except 31 and a couple of the other wells, but they have not been filed. That was another reason we proposed to obtain administrative approval or set up machinery for that in case the wells that we have shown here do not, or are not, capable at the end of the test, to handle what we have set forth here. In other words, this is sort of a blueprint to set a pattern for us. We realize it may fluctuate.

Q Then, you are proposing that the order contain administrative approval for change in the transfer of allowables as well as possibly a change in your offset wells?

A Yes, we would like to be covered in every contingency there to avoid loss of production.

Q Are you proposing that the order contain administrative approval for setting up different tests?

MR. SMITH: You mean additional observation wells?

MR. UTZ: No, complete interference tests within the West Kutz Field

Q Within the West Kutz Field or anywhere else?

A I think if we decided to do that it would be, we would prefer to go the administrative route, but actually I don't foresee that we would plan to conduct additional tests.

By MR. NUTTER:

Q In other words, you want administrative approval for substitute wells, not additional wells?

A You mean substitute wells to transfer the allowable to?

Q Yes, sir. In case the wells that you have designated to receive the allowable can't make it --

A In other words, we could spread out the load a little thinner.

Q Is that what you meant when you said you wanted administrative assistance in the order, so you can have substitute wells rather than additional wells?

A I think we had it set up originally to go either way. I really don't see any additional interference test, as such.

MR. SMITH: It is the opinion that the four test wells, the number four are adequate and sufficient to run the tests. We would not need five or six or seven. It will be a question of adjusting production from a substitute, or another observation well, instead of one that has been selected already, or it may be necessary to transfer a percentage of the allowable or different percent to another well rather than to make an entirely new and independent test. Is that correct?

A Well, the only think I can foresee that possibly something

would go wrong with one of those tests in the immediate future, without having to have further hearing.

MR. SMITH: I might mention, that I don't think we contemplate as a result of the call of this hearing, asking for any tests in other fields than those described in the call of the hearing. That may be a question you had in your mind.

MR. UTZ: Yes, it was. In other fields as well as the West Kutz.

MR. SMITH: It would be my opinion that it would be necessary to have another call to list other fields. I don't think the call of the present docket is wide enough to permit the transfer of allowables to any fields that weren't in the notice sent out by the Commission.

MR. UTZ: Are you asking for the order to contain an administrative approval for tests in the West Kutz?

MR. SMITH: That is what we are asking. The Commission might give to entering the same type of order in other fields, that are subject to this call of the docket.

MR. PORTER: Anyone else have a question of the witness?

MR. KELLAHIN: Jason Kellahin, representing R and G Drilling Company.

By MR. KELLAHIN:

Q The test wells which you have described, are they all located in what is known as the Gallegos Canyon Unit?

A Yes, sir, that is correct. Here is the Unit boundary and the participating area.

Q That constitutes approximately half the surface area of the

West Kutz Pool, is that correct?

A Approximately correct. I think you are referring to Huerfano.

Q Yes, and the area south of the Gallegos Canyon Unit?

A Yes.

Q Is there any provision for any tests in that portion of the pool?

A No, sir, not as currently set up.

Q Do you know whether anyone of the other operators within that pool was invited to participate in these tests?

A Frankly, I couldn't answer that. Mr. Morrell --

Q (Interrrupting) As far as you are concerned, would you have any objection to other operators, with particular reference to the south portion of the pool, participating in these tests and obtaining administrative approval on the same basis as though sought by Stanolind?

A As far as I know, this is strictly a cooperative project, and anyone that wishes to participate in it would be eligible.

Q Would the Committee, or do you know, would it cooperate with anyone else that wanted to participate?

A Frankly, I am not the chairman of the Committee. I think that would have to be decided.

MR. KELLAHIN: The chairman left the stand before there was any cross examination. At the end of the hearing I would like to call him back on the stand, if the Commission please.

MR. PORTER: Yes.

MR. SMITH: I might state to Mr. Kellahin, and the Commission too, that tests, as I understand it, are matters which anyone can

run that they want to. As far as we are concerned, we would welcome any additional tests that might be made by some of the operators in the particular field. We can't speak for other people, and we were selected to make the tests in the areas where we are an operator. We have restricted our test to that area. I think the entire project is one that is open.

MR. KELLAHIN: My question was directed to his statement for the administrative approval for additional wells and certainly, anyone in any other portion of the field, I wanted to bring out there was no objection by Stanolind for their obtaining administrative approval for transfer of allowables, too.

MR. PORTER: Mr. Cooley?

By MR. COOLEY:

Q In your operations in conducting the tests, do you anticipate making up lost production in the test well purely by a method of a transfer of allowables as opposed to non-cancellation? Have you anticipated non-cancellation allowable.

A I think Mr. Smith covered that in his opening. I will repeat it.

Q I mean in your particular area?

A That is correct. That applies to our area. We wish to transfer allowables to the wells so shown on the map and the tabulation, and non-cancellation of allowables with respect to the test well, in the event it appears, toward the end of the test, or at the end of the test that the wells to which we have transferred will not be capable of making up the production.

MR. COOLEY: Thank you.

MR. PORTER: Mr. Nutter?

By MR. NUTTER:

Q What is the status of the four wells that you have proposed to test, are those wells under-produced, or over-produced at the present time?

A Just a moment, I have a notation to that effect here. Test Well Number 7 is currently under-produced; 31 under-produced; 18 under-produced -- They are all under-produced.

Q Would you also transfer the under-production available to those wells to the other wells?

A Yes, sir, we would like to, because we feel our under-production in there now is not a reflection of well status, more pipeline takes in the area at this time.

MR. NUTTER: That is all.

MR. PORTER: Mr. Utz?

By MR. UTZ:

Q Are any of those tests now underway?

A No, sir, none of the tests in West Kutz are now underway.

Q Are any of these test wells that you are proposing here the same wells that were tested previously in the 320-acre Stanolind case which was several years ago?

A Mr. Utz, I am not familiar with that case, but I think two of the wells are.

Q Two of the wells are the same ones?

A Yes, sir, to the best of my knowledge.

Q To clarify the transfer of underage on the wells that you are proposing to shut in, did I understand you to say that the

underage that is accrued as of the beginning of the test you also want to transfer that underage?

A We would like to, yes, sir. I have those volumes here if you care to hear them.

Q I think the Commission records will show the volumes, without reading them here. However, it is not my understanding that type of underage would be subject to transfer under call of this hearing, only that underage which was accrued due to taking these tests.

A Well, I believe that may be more of a legal question than factual.

MR. SMITH: It would be my opinion that if the wells that are to be used as operational wells are under-produced by reason of failure to take by the pipeline, that if you shut the wells in, that we want to be fair and equitable, that whatever underages accummulated as of that time should be transferred to the other wells. I mean, it would be the fair thing, it would seem to me, since that well will be shut in and wouldn't be able to make up the underage, by subsequent takes from the pipeline, say, six months or so from now, during the next balancing period. It would only be fair, if they are shut in for observation, that the privilege of making up the underage should go along with the transfer.

MR. NUTTER: Do you think that likewise, if any well happens to be over-produced and is shut in on those series of tests, that the over-production should be transferred to the other wells?

MR. SMITH: Yes. What you are really looking at is a legal fix. In other words, you have, the well that has been shut in is

actually producing over these other three or four wells to which the transfer allowable is made. In other words, just look at it as if the well is still producing and still on schedule, and treat the other five or four wells as if it were a part of that one well to shut in.

MR. NUTTER: Just transfer its status quo?

MR. SMITH: Its status quo, that is right.

MR. PORTER: Anyone else have a question? Mr. Mankin?

By MR. MANKIN:

Q. Mr. Meeks, is it not true that one reason for transferring the underage from the shut-in well to other wells would be to allow the wells to be produced at a greater rate so that the test may be shortened, the test time might not be shortened?

A Well, Mr. Mankin, we don't have too good an idea how long these tests will take. In other words, how long it will, how much time will be necessary before we gather the necessary data. In regard to your question, I think it's more a question of just maintaining the status quo to see we don't suffer any production loss, but on the other hand, we are not trying to obtain any unfair advantage.

Q I didn't mean it that way. Would it not be a possibility if the offset wells where the allowable was transferred to, would it not be possible, if they had higher allowables, because of this transfer of the under-production from the other wells, that time might not be shortened to be able to evaluate --

A (Interrupting) That's true, but in several instances we were forced, in other words, we weren't able to surround our wells with our transfer pattern, so we will just have to see.

MR. PORTER: Is that all, Mr. Mankin?....Mr. Utz?

By MR. UTZ:

Q I have one more question. Mr. Meeks, in your request for transfer of allowable which is underag. which is not due to the actual test procedure, do you think that this is not approaching the proposition very closely, of ~~him~~ with underage applying for transfer of an allowable on any well, whether it is due to a test or not?

A Well, no, sir, the only reason we request it here is because the well will be shut in and will not be permitted to make it up. We wouldn't be able to produce the well as long as it is shut in. All we are seeking to do is to transfer the allowable cumulated overage, or underage, in this case it is underage, to various wells. If the well was maintained on production, we would have an even chance to realize what production we could from it.

Q Would not that well have an opportunity to make that underage up after it was turned on by the fact that the underage status of the well would be the same after the test as it was before?

A Well, we don't know whether it would be able to make it up as we don't know the period of time that it will be necessary to obtain the data we are seeking. There is some question that these wells might not be able, in addition to their current allowable.

Q All these wells which you are asking transfer of allowable are in the Gallegos Canyon lease, and therefore they are on the same basic lease?

A That is correct.

MR. SMITH: I might state it is a unit, and the entire area

is a federal type unit. There is no royalty problem or leasehold problem involved.

MR. UTZ: That is all.

MR. PORTER: Mr. Nutter?

MR. NUTTER: All the wells, whether the producing well that is to be shut in, or the one that will receive the allowable, are in the participating area?

MR. SMITH: They are in the participating area.

MR. PORTER: Does anyone have a question of the witness? The witness will be excused and we will take a short recess.

(Witness excused.)

(Recess.)

MR. PORTER: The meeting will come to order. Mr. Smith?

MR. SMITH: I neglected to offer in evidence, if it please the Commission, Stanolind's Exhibits 1 and 2. I should like to offer them at this time.

MR. PORTER: Any objection to the admittance of these exhibits? They will be admitted.

MR. SMITH: I would like to make one further statement, after some reflection to whether or not the underages or overage of an observation well should be transferred along with the transfer of the allowable, I would like to state to the Commission that we would have no objection for the allowable underages or overages to stay with the location of the wells, and only that overages and underages accumulated during the test period be considered, with the one exception; I think that if that is done, the underages shouldn't be cancelled at the time of transfer. We should be given an equivalent

period of time, at the time the well is put back on the line, to make up the underage, or take care of the overage.

MR. GURLEY: What you mean is that the time should be tolled during the time it is not in production?

MR. SMITH: That is right, that the time should be tolled. I have nothing further.

MR. PORTER: Mr. Dewey?

R. S. DEWEY,

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

MR. DEWEY: If the Commission please, I am R. S. Dewey, Division Petroleum Engineer, Humble Oil and Refining Company, Midland, Texas. I am appearing in Case 1147 on behalf of Humble Oil and Refining Company to seek an order permitting Humble Oil and Refining Company to conduct a pressure interference test in the Pictured Cliffs Formation on the Jicarilla-Apache tribe of Indians J Lease, covered by Sections 5, 6, 7, 8; Township 25 North, Range 5 West, Rio Arriba County, New Mexico; and to transfer all or part of the gas allowable from their Wells Numbers 1, 3, 5, 7, to their Wells Numbers 2, 4, 6, 8, for the duration of the testing period.

It is further requested that for the duration of the test, the Commission maintain the allowable assigned to the various wells on this lease, so that there will be no cancellation of the allowable due to periodic proration adjustments. At the end of the test the individual wells and lease allowables will be adjusted to conform to the prorated gas allowables.

I have one exhibit which I request be identified as Humble Oil

and Refining Company Exhibit 1.

(Marked Humble Oil and Refining Company's Exhibit 1, for identification.)

MR. PORTER: Do you wish to introduce it at this time?

MR. DEWEY: Yes.

MR. PORTER: Without objection the exhibit will be admitted.

MR. DEWEY: This exhibit is a plat covering Sections 5, 6, 7, 8, Township 25 North, Range 5 West, Rio Arriba County, New Mexico. The above sections cover a part of Humble Oil and Refining Company's Jicarilla-Apache tribe of Indians J Lease. The plat also shows the operators owning a leasehold interest offsetting the Humble's four section lease. The location of the eight gas wells completed by Humble in the Pictured Cliffs Formation is shown on the plat. It is only recently that Humble has completed the drilling of the eight wells on this lease. The first well was completed December 9, 1955, and Well Number 8 was completed June 4, 1956. The lease is to be connected to the Southern Union Gas system and as of the present time, only the first three wells, Numbers 1, 2 and 3 have had deliverability determinations made.

Subsequent to completion of Well Number 4, it is developed that water has intruded into the wellbore which adversely effects its ability to produce. Consideration is being given at this time to working over this well to exclude the water. In anticipation of the exclusion of the water from Well Number 4, Humble proposes to produce Wells 2, 4, 6 and 8, shut in Wells 1, 3, 5 and 7 for the testing period.

Humble plans, coincident with the working over of Well Number 4,

to proceed under the existing rules and regulations of the Commission, to obtain the deliverability tests on the remaining five wells on the lease. After these deliverability tests have been obtained, it will be possible for the Commission to assign appropriate prorated allowables to each of the eight wells on the lease. After these allowables have been established, Humble plans to transfer the allowables from the four shut-in wells to the four producing wells to effect the maximum withdrawal rate from the four producing wells surrounding Well Number 7.

We will require administrative approval from the Commission to determine the amount of gas that will be transferred from one well to another in this program. As we do not know the allowables at this time, we do not feel itis advisable to ask specific allowable transfer between individual wells.

The Commission approved forms will be filled out and furnished to the Commission in order that the Commission may be kept advised of the data obtained throughout the testing period. At the conclusion of the testing period the production of the wells on the lease will be adjusted in accordance with the prorated allowables assigned to the individual wells on the lease during the time of the test. In order to avoid producing any gas from Well Number 7, it is proposed to place a padlock on the valves of this well during the testing period. It is also proposed to furnish the New Mexico Oil Conservation Commission, a pressure testing schedule in order that all pressure measurements may be witnessed by a representative of the Commission. It is proposed that the first four tests will be taken at weekly intervals with subsequent tests at bi-weekly intervals.

At the time of the first test, the bottom hole pressure instrument will be used to determine the pressure gradient in the wells. This will be followed by dead-weight testing of the surface pressures at the wellhead. The same deadweight tester will be used on all tests and periodically calibrated with a master tester belonging to El Paso Natural Gas Company in Farmington, New Mexico.

I think that is all I have, unless somebody has some questions.

MR. PORTER: Does anyone have a question of Mr. Dewey? Mr. Utz?

By MR. UTZ:

Q Mr. Dewey, this test hasn't been started as yet?

A No, sir, it has not. We do not anticipate starting the test until we have the deliverability test on all the wells on the lease and it will also be necessary to work over Well Number 4 to shut off the water that is now intruding at the well bore.

Q You are also going to take a deliverability test on Well Number 7?

A Yes, sir, we plan to do that. We realize that by so doing that the duration of the test may be prolonged longer than it would be if the Well No. 7 weren't tested for deliverability.

Q In affect, you are asking for administrative approval for transfer of underage or overage that is accrued, only for the purposesof testing?

A That is right.

MR. PORTER: Mr. Mankin?

By MR. MANKIN:

Q Mr. Dewey, when do you anticipate that the deliverability

tests will be taken on these eight wells?

A We have deliverability on the first three, Mr. Mank .., and just as soon as arrangements can be made between our District Personnel in Farmington and Southern Union to take those tests they will be taken. I might mention here that the Southern Union has connected to our last well as of September 4, 1956, so that we have connections now with Southern Union on all our wells. So, that there shouldn't be any undue delay in obtaining the deliverability tests. They probably will be obtainable within a short time after we can work over our well Number 4.

MR. MANKIN: Thank you.

MR. PORTER: Anyone else have a question of Mr. Dewey? You may be excused, Mr. Dewey.

(Witness excused.)

MR. PORTER: The next witness, please?

R. S. CHRISTIE,

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

MR. CHRISTIE: My name is R. S. Christie, appearing for Amerada Petroleum Corporation, in Case Number 1147. In connection with the proposed testing in this case, Amerada Petroleum Corporation would like to ask for authorization to shut in their Jicarilla-Apache B Number 2, for interference and communication test and also to conduct a build-up test on our Jicarilla-Apache B Well Number 8, to provide non-cancellation and transfer of allowable. I would like to submit a pla Amerada's Exhibit Number 1.

(Marked Amerada's Exhibit Number 1 for identification.)

MR. PORTER: Do you want to admit this into the record at this time?

MR. CHRISTIE: Yes, sir, please.

MR. PORTER: Without objection it will be admitted.

MR. CHRISTIE: Amerada would like to request that the allowable on the Jicarilla-Apache B-2 be transferred to wells Numbers B-1 in Section 20, and B-5 and B-6 in Section 29, both sections in Township 24 North, Range 5 West. The proposed Apache B-2 Well to be shut in is located 990 feet from the east line, 990 feet from the south line of Section 20, Township 24 North, Range 5 West. The well has an initial potential test of 1,756,000 cubic feet, based on three hour test. In connection with the request for our Apache B Number 8 as a build-up test well, it is located in the southeast quarter of the southeast of Section 30, Township 24 North, Range 5 West. Apache B Number 8 has not been connected as yet. We expect a connection sometime in the near future. I believe that is all I have.

MR. PORTER: Anyone have a question of Mr. Christie?

MR. MORRELL: To clarify the record, Mr. Christie, is this in a prorated pool?

A No, sir, it is not.

MR. PORTER: Any other questions? Go ahead, Mr. Utz, if you have a question.

CROSS EXAMINATION

By MR. UTZ:

Q Since this is not a prorated pool, is it necessary to ask for transfer of allowable?

A I don't think it is. It may be prorated by the time some

of these tests, or before they are actually completed.

Q In that instance, you do want a transfer?

A Yes, sir.

MR. PORTER: Any more questions? The witness may be excused.

(Witness excused.

S T A N L E Y J. S T A N L E Y ,

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

MR. STANLEY: My name is Stanley J. Stanley, representing Benson-Montin and Greer Drilling Corporation. Based on my experience, I request that the Oil Conservation Commission accept my qualifications as an expert witness in Case 1147.

MR. WALKER: Any objections? They are acceptable, Mr. Stanley.

(Marked Benson-Montin Exhibit No. 1 for identification.)

MR. STANLEY: I refer the Commission to what is marked as Exhibit No. 1. The exhibit shows a portion of the Ballard Pool, and the red coloration shows the relative position with respect to the Ballard Pool of our Benson-Montin and Greer Drilling Corporation's Foster-Riddle Number 1, located in the northwest quarter of Section 13, Township 25 North, Range 8 West, in San Juan County, New Mexico.

The well was completed as a Pictured Cliffs Gas Well on February 15th of 1956. I wish to reiterate that. It was completed on February 15th of 1956. Its absolute openflow potential in accordance with Oil Conservation Commission Rules and Regulations,

pertaining to testing procedures was 7,445,000 cubic feet of gas per day. If you will refer to Exhibit 1, you will see that our Foster Riddle Number 1 is one of the better producers in the east in the particular area. Our company felt that our Foster Riddle Number 1 would provide excellent and very important engineering data and information pertaining to the reservoir characteristics of the particular gas producing area in the Pictured Cliffs Formation. The well was shut in after the absolute openflow was concluded and observed pressures were recorded to study possible interference data from offset producing wells.

By June of this year, that is June of 1956, our company felt that sufficient information was obtained for engineering study. At this time, however, considerable interest was shown by the industry and the Commission Staff, for accumulation of such data for a better understanding of Pictured Cliffs reservoir characteristics; in the meantime, an industry committee was formed to accumulate and distribute such data, and the Commission Staff desired to witness such tests. Subsequently, our company decided to continue such tests, even though the El Paso Natural Gas had connected to our well on June 15th of 1956. It must be realized, that we could have sold this gas effective, somewhere, or approximately around June of 1956. Our tests are now concluded. The Committee has obtained such additional data for any interested in the San Juan Basin. The Commission, through the Aztec Office of Messrs Arnold and Kendrick, have obtained this data by actually witnessing the tests.

Benson-Montin and Greer Drilling Corporation, feels that pressure build-ups and interference tests are an integral part of gas pro-

ration and other engineering related problems in the San Juan Basin in the Pictured Cliffs Formation. Benson-Montin and Greer support the operators conducting such tests and agrees in seeking non-cancellation and/or transfer of allowables of such test wells in the prorated pools as defined in Case 1147.

The Ballard Pool is to commence proration on October 1, 1956. Benson-Montin-Greer Drilling Corporation conducted their interference test when the Ballard Pool was not prorated. Nevertheless, we lost considerable revenue from the shutting-in of our Foster-Riddle Number 1. We request that the Commission grant us an opportunity to regain a part, and only a part of the gas lost during this test. We feel that the Commission is very fair, and we have, in all fairness, contributed considerable information at our loss without possible regain. We are at the mercy of this Commission and we ask that the Commission grant us an allowable during October whereby we can regain a part of our gas.

MR. PORTER: Does anyone have a question of the witness? Mr. Utz?

CROSS EXAMINATION

By MR. UTZ:

Q Mr. Stanley, do you have any opinion as to what basis we would issue additional allowable for a period in which there were no allowables?

A Yes, sir, I do. Our Foster-Riddle Number 1 is comparable geologically in thickness of pay to our Benson-Montin Sheets Number 2. The Sheets Number 2 potentialled for 10,871,000. Referring to the record, I have stated that our Foster-Riddle Number 1

potentialled for 7,445,000. On the direct proportion, we feel that deliverability of our Foster-Riddle Number 1 will approximate 2,897,000. It must be realized that the Ballard Pool was non-prorated at that particular time. We realize that we could probably have produced from our Foster-Riddle Number 1 a maximum of approximately 2,000,000 cubic feet a day, or approximately a revenue of $200.00 a day, $6,000.00 a month, and for a period of three months, $18,000.00. We are not asking the Commission to grant us that type of an allowable. What we are requesting is that the Commission give us an allowable of a short month of October where the gas takes are not too high. Multiply our normal allowable for Foster-Riddle Number 1, based on deliverability and multiply that by three times.

Mr. Utz, we feel that the Ballard Pool has a container of gas, a certain amount of gas. The operators were very interested in obtaining that information, also, the Commission. They were willing, and we were willing to shut in the well at our loss, and we feel that we should be partly renumerated for the gas that we lost.

Q By so assigning an additional allowable to this well, would that not be taking some allowable from every other well in the pool?

A No, sir, it would not. We have lost the allowable and have lost a lot more gas than we'll ever receive.

Q During the period when proration was not in effect?

A Yes, sir, and it will have its effect down the line as the pressures decrease. Mr. Utz, if there is no objection from the operators of that particular pool, namely the Ballard Pool, where

we have a certain amount of gas remaining in the pool, and they wish to remunerate us fo the information we have received, we are willing to accept this gas.

Q Mr. Stanley, is this well an average well in the Ballard-Pictured Cliffs Pool?

A No, it is way above average. It is one of the better wells in the Ballard Pool.

Q Is that why it was selected for an interference test?

A Yes, we figured with the porosity and permeability and a very good sand that we had in that particular well, that we would obtain better engineering information for the industry and for the Commission in shutting in this well.

Q In other words, you felt that you would certainly get interference and better porosity?

A Yes, sir, and also the fact that this well was surrounded by a group of very good wells in the Pictured Cliffs-Ballard Pool.

Q Was it not the intention of the San Juan Allowable Committee to select average wells?

A Yes, sir. You must understand that this test was conducted prior to the formation of the San Juan Basin Committee and as I stated, before, we were ready to complete our tests on our behalf in June of 1956. However there was such great interest shown on behalf of the industry and the Commission itself, that even though we had a pipeline connection on June 15th of 1956, we decided for the sake of science, for the benefit of the Commission and for the benefit of the industry, to continue this test.

Q This well will be producing by October the 1st?

A Yes, sir, it will. We have concluded our test.

Q Therefore, you are not asking for any transfer of allowable at all, just for additional allowable?

A Yes, we feel that we are entitled, morally, to remuneration.

Q Do you know whether or not the operators, the other operators in the Ballard, would accept such a decrease in allowable?

A No, sir. We are asking the Commission to determine that. If there is any objection, I feel that we shouldn't receive our allowable.

MR. PORTER: Mr. Morrell?

MR. MORRELL: Foster Morrell. This is not a question of the witness, but follows along the line of the question that Mr. Utz just asked the witness. Mr. A. M. Weiderkehr, Manager of the Exploration Department of Southern Union Gas Company was unable to be at the session of this hearing today. He asked me to read a statement into the record.

MR. GURLEY: I think we should finish with the witness before any statements are read.

MR. PORTER: Does anyone else have a question of Mr. Stanley? Mr. Utz?

By MR. UTZ:

Q Do you have additional plats, Mr. Stanley, of your exhibit, or is that the only one?

A Yes, sir, I am sorry.

(Marked Benson-Montin-Greer Exhibit No. 2, for identification.)

A I have an Exhibit Number 2, showing the exact location of our

Foster-Riddle Number 2, and all the pertinent information as requested by Form A of the San Juan Gas Allowable Committee. I wish to offer Exhibit Number 2 into the record.

MR. PORTER: Is there objection to the introduction of this exhibit? If not it will be admitted. Does anyone else have a question of the witness?

MR. STANLEY: Yes, sir, I presented Exhibit Number 1 and Exhibit 2, the Number 2 being the exact location of the Riddle Number 1 and the offset operators.

MR. PORTER: Then you also want to introduce Exhibit Number 1?

A Yes, sir.

MR. PORTER: Without objection it will be introduced.

MR. COOLEY: Let the record show that is Benson-Montin-Greer Exhibits Numbers 1 and 2.

MR. PORTER: Any further questions of Mr. Stanley? You may be excused.

(Witness excused.)

MR. MORRELL: Could I enter my statement now before the next witness comes on so that it will follow Mr. Stanley's statement?

MR. PORTER: I believe so. Why don't you go ahead?

MR. MORRELL: Do you want me to repeat the introduction?

MR. PORTER: I believe it is in the record.

MR. MORRELL: The statement of Mr. A. M. Weiderkehr reads as follows: "Southern Union Gas Company, as a major operator in the Ballard Field, would like to recommend that the Commission grant Benson-Montin-Greer's request for a three month's bonus allow-

able for the Foster-Riddle Well, since the information gathered is for the benefit of the entire field. I speak for Southern Union Gas as the working interest, working interest operator only."

MR. PORTER: Before we proceed, does anyone else have another statement in connection with this particular problem of a bonus allowable for this well?

MR. GURLEY: There is some question here as to whether or not this last test is actually within the call of this hearing. We are dealing, I believe, with the non-cancellation and/or transfer of allowables for wells involved in tests, not of bonus allowables for prior tests that have been taken. I think perhaps, it is my opinion, that this is not within the scope of the hearing and should be covered by separate application and separate hearing.

MR. STANLEY: Benson-Montin-Greer Drilling Corporation is willing to accept this on separate application if the Commission sees fit.

MR. GURLEY: I think we should proceed with that which is under the scope of the hearing.

MR. PORTER: Will you proceed, please?

G E O R G E H. H U N K E R ,

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

MR. HUNKER. My name is George H. Hunker, Jr., Attorney at Law, Hervey, Dow and Hinkle, Roswell, New Mexico. I am here today representing the Superior Oil Company. In the interest of conserving time, I will present a somewhat brief statement on behalf of the Superior Oil Company.

In cooperation with the other members of the San Juan Gas Allowable Committee, the Superior Oil Company wishes to advise the New Mexico Oil Conservation Commission for its consideration and approval of an interference test now being conducted under it's direction in the Canyon Largo - Pictured Cliffs Pool, Rio Arriba County, New Mexico. For your information, the plat showing the test area is here presented and marked Superior's Exhibit Number 1.

(Marked Superior Oil Company's Exhibit Number 1, for identification.)

All wells in the immediate area of the test well are a part of the Federal approved unit operated by the Superior Oil Company. The working interests and royalty interests are common to all wells effected by the test. The Canyon Largo-Pictured Cliffs Pool is not prorated at the present time, however, the Superior Oil Company wishes to concur with the other members of the San Juan Gas Allowable Committee in seeking an order authorizing non-cancellation and/or transfer of allowables for wells involved in the test program, if and when this field is prorated.

The gas production from the wells in the test area are being measured and purchased by El Paso Natural Gas Company. The pressure measurements in the test well is being conducted by Benson and Montin. Superior's Slagle Government Number 2-19, located in the northwest quarter of the southeast quarter of Section 19, Township 25 North, Range 6 West was selected as the test well and was shut in on July the 30th, 1956 for observation and pressure test. The test well was completed in the Pictured Cliffs Formation on January 15, 1956, with a potential of 2,114 MCF per day. The deliverability at the time the well was shut in was 567 MCF per day.

As shown by the Superior's Exhibit Number 1, the offsetting wells to the test well are as follows: The northeast offset, Superior's Slagle Government 1-20, located in the southeast of the northwest of 20-25 North, 6 West. The northwest offset, Superior's Slagle Government Number 119, located in the southeast of the northwest of Section 19, 25 North, 6 West. The west offset, Superior's Hightower Government 2-24, located in the northwest of the southeast of 24, 25 North, 7 West. The southwest offset, Superior's Inabeth Phillips Government Number 1-30, located in the southeast of the northwest of Section 30, 25 North, 6 West. The south offset Superior's Inabeth Phillips Government 2-30, located in the northwest of the Southeast of Section 30, Township 25 North, Range 6 West, and the southeast offset, Superior's Inabeth Phillips Government Number 1-29, located in the southeast of the northwest of Section 29, Township 25 North, Range 6 West.

From time to time well data and the results of this interference test will be filed with the New Mexico Oil Conservation Commission on Forms A and B, which have today been previously entered in evidence. I would like to offer Superior's Exhibit Number 1, and state, that concluded my statement.

MR. PORTER: Without objection the exhibit will be admitted. Does anyone have a question of the witness? Mr, Morrell?

CROSS EXAMINATION

By MR. MORRELL:

Q Mr. Hunker, to clarify the record, where you examined your Exhibit 1, is it a map?

A Yes, sir.

Q Compare it, the location you described, compare it with the offset wells and the interference test well itself. I find in your description it requires a duplication of the second quarter to make it fit your map. So the record may show, Well Number 2-19 is the interference test well, should be in the northwest southeast, southeast.

A I think correct. The description, it is in the northwest of the southeast, but you refine it a little more and put it in the northwest of the northwest of the southeast, which is ---

Q The records of the Commission will speak for themselves, but someone reading this record should have it so they wouldn't have to refer to something else. I think the description you have given is to a 40-acre, but not to 64, because it is only, according to my record, approximately 990 feet from the south and east lines in Section 19.

A I beg your pardon. The statement is well taken. The well is located in the northwest corner of the southeast of the southeast of Section 19.

Q The same correction then goes for the other wells. I wonder if you wanted to correct those. I don't recall the first offset well, was it 1-19 or 1-20?

A It is Number 1-20.

Q It should be in the northwest of the northwest of Section 20?

A Mr. Morrell, you have caught me at my own business. I apologize. Yes, you are correct, it is in the northwest of the northwest of Section 20. The same correction should be made with respect to Number 19, it is in the northwest of the northwest of

Section 19. The west offset should be described as being in the southeast of the southeast of Section 24.

Q Being Hightower Number 2?

A The Hightower Number 2. The southwest offset should be described as being located in the northwest of the northeast of Section 30; the south offset should be shown to be located in the southeast of the southeast of Section 30; the southeast offset should be shown to be located in the northwest of the northwest of Section 29.

MR. MORRELL: That corrects the record.

MR. PORTER: Does anyone else have a question of the witness? Mr. Utz?

BY MR. UTZ:

Q The locations of the wells on your Exhibit Number 1 are correct?

A The locations are correct, yes, sir. The descriptions which I gave in my statement previously are incorrect, but have now been corrected for the record.

Q Will Superior submit to the Commission the data on Form A the pertinent data of the wells included in the interference test?

A Yes, sir, it will.

Q That is not available at the present time?

A The information, with respect to the test is not available at the present time in complete form. We can present it to you in the next day or two.

MR. PORTER: Any further questions? Mr. Monkin?

By MR. MANKIN:

Q When was the interference test started?

A The well was shut in on the 30th of July, 1956, and the test started immediately.

Q The test is still continuing?

A The test is continuing at the present time, and the field again is not prorated. Our only desire in this particular connection is to state that in the event the field becomes a prorated field that we would like to have the benefit of any order the Commission might see fit to enter with respect to the non-cancellation of the allowable, or the transfer of the allowable to the adjoining well.

MR. PORTER: Any further questions? The witness may be excused.

(Witness excused.)

MR. PORTER: The next witness, please.

MR. HOWELL: Ben Howell, representing El Paso Natural Gas Company.

F. NORMAN WOODRUFF,

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

DIRECT EXAMINATION

By MR. HOWELL:

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

A F. Norman Woodruff.

Q Have you testified before this Commission in prior times, and have you stated your qualifications as an engineer and expert witness?

A Yes, I have.

Q Will you please state briefly to the Commission the work which El Paso Natural Gas Company has done in connection with the communication, interference test, and pressure build-up test in various Pictured Cliffs Pool in the San Juan Basin?

A Yes, sir. El Paso Natural Gas Company has served on this San Juan Gas Allowable Committee, and wishes to join in the taking of the communication test, as I shall refer to them in my testimony, and in the taking of pressure build-up tests in various Pictured Cliffs Pool. It is requested that the following wells be designated as test wells, to remain shut in during communication tests: The El Paso McConnell Number 4, located in the northeast quarter of the southwest quarter of Section 24, Township 29 North, Range 9 West, Ballard Pool, San Juan County, New Mexico. The El Paso Ludwick Number 2, located in the southeast quarter of the southeast quarter, Section 19, Township 30 North, Range 10 West, Aztec Pool, San Juan County. El Paso Jicarilla 2-E, located in the southwest of the southeast, Section 19, Township 25 North, Range 4 West, South Blanco Pool, Rio Arriba County. Mike Abraham Jicarilla Number 9, located in the northeast quarter southwest quarter, Section 28, Township 24 North, Range 5 West, Otero Pool, Rio Arriba County.

Our El Paso Natural Gas Company Exhibit Number 1, will be a plat showing the location of the McConnell Number 4 Well, and offset wells in the Ballard.

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

A (Continuing) Exhibit Number 2 is a well data sheet setting out location and test data for the McConnell Number 4 Well and offset wells.

(Marked El Paso Natural Gas Company Exhibit No. 2, for identification.)

MR. HOWELL: At this point may I interrupt in connection with the application of Benson and Montin and Greer, for the bonus allowable? The point was raised by Mr. Gurley, attorney for the Commission as to the admissibility of testimony, or the matter being within the call of the hearing. I do not recall any actual ruling made by the Commission. The next exhibits which we have, and the next testimony which we had planned, covered the shut-in of our McConnell 4 Well since June of this year, which is located in the Ballard Pool, and not presently prorated, but will become prorated on the first of October. Now, if the testimony is admissible we will go ahead and put it in, if it is not, admissible, and the Commission rules it is not, we will save that time.

MR. GURLEY: Are you asking for that particular well the same as the other party?

MR. HOWELL: The principle involved is the same.

MR. GURLEY: For bonus allowable?

MR. HOWELL: To cover the period when the well has been shut in for testing procedures after well testing and after appointment of the Committee.

(Marked El Paso Natural Gas Company Exhibits 3, 4 and 5, for identification.)

MR. PORTER: The Commission rules that any testimony in relation to bonus allowables being granted as they have been referred

to here, are not within the call of the hearing, and orders that portion of Mr. Stanley's testimony having to do with bonus allowables stricken from the record, as we feel that that should be the subject of another hearing.

MR. HOWELL: May the record show then that the El Paso Natural Gas Company has tendered its Exhibits 3, 4 and 5, which are the tests for the months of June, July and August, 1956, for the McConnell Number 4 Well, and for production from the offset wells during the same months. You refuse to admit that and it will be excluded.

MR. PORTER: That is right, it will be excluded.

Q (By MR. HOWELL) Mr. Woodruff, Exhibits 3, 4 and 5, having been excluded, will you now present to the Commission the exhibits covering the location and data sheet of other wells involved in the testing procedure?

A In designating the number of the exhibit, should we start off with 6, or should we start off with the 3?

Q I would say start with 6, since 3, 4 and 5 have been identified, offered and rejected.

(Marked El Paso Natural Gas Company Exhibit No. 6, for identification.)

A Exhibit 6 is a plat showing the location of the El Paso Natural Gas Ludwick Number 2 Well and offset wells in the Aztec Pool.

(Marked El Paso Natural Gas Company Exhibits 7 & 8 for identification.)

A (Continuing) Exhibit 7 is a data sheet showing location, completion and test data for the test well and offset wells.

Exhibit Number 8 is a plat showing the location of the El Paso Natural Gas Company Jicarilla 2-E Well, and offset wells in the South Blanco Pool.

(Marked Exhibits 9, 10, 11 and 12, for identification.)

Exhibit 9 is a data sheet showing the location, completion and test data for the test well, and the offset wells. Exhibit 10 is a plat showing the location of the Abraham Jicarilla Number 9 Wel, and offset wells in the Otero Pool. Exhibit Number 11 is a data sheet showing the location and completion and test data for the test well and offset wells.

Q By exhibit number, you refer to El Paso Natural Gas Company Exhibit Numbers from 6 through 11?

A That is correct. We will have three additional exhibits with the same designation. All test wells except the Abraham Jicarilla Number 9 are presently shut in and on test. It is requested that they be permitted to remain shut in for communication tests, and that the Abraham Jicarilla Number 9 be authorized for shut-in and communication test. During the period that these wells are shut in, it is requested that they be assigned allowables which may be either accrued without cancellation, for subsequent production, and/or transferred to and produced from other wells on the same basic lease.

It is requested that accounting for the accumulation, for the accumulation of allowables without cnacellation or transfer of the allowables for the shut-in test well be made each six months on the balancing date or at the end of the test, whichever occurs first; if allowables are to be transferred, it is re-

quested that over-production from other wells on the same basic lease either in the same or adjoining sections be applied to the accrued under-production for the shut-in test well, and that a correct determination be made for the status of all wells concerned.

Q May I interrupt a minute, Mr. Woodruff? Now, which of the four wells which we have named are located in prorated pools, and which are located outside of prorated pools?

A The Ludwick Number 2 Well in the Aztec Pool is a prorated well. The Jicarilla 2-E in the South Blanco Pool is a prorated well, and our McConnell Number 4 in the Ballard will be a prorated well on October 1st.

Q What about the Jicarilla Number 9?

A The Number 9 is in the Otero Pool, and is not in a prorated pool at this time, but should it be prorated at the time of the test, we would want the same privilege of non-cancellation and transfer of allowables.

In order to obtain results in the shortest possible time the El Paso McConnell Number 4 in the Ballard and the Jicarilla Number 2-E in South Blanco Pool were shut in after initial potential test, and have remained shut in to date, except for one brief period when the McConnell Number 4 was blown to determine if there was any liquid accumulation in the wellbore. That was for a two minute interval. It is contemplated that these wells will remain shut in beyond the period specified, in Order R-333C and D and applicable file rules for testing after connection to a gas transportation facility. That is, they will remain shut in after the period that the order specifies that they should be tested.

Order R-333-C and D, sets out the gas well testing procedure for the wells in the San Juan Basin. It is requested that exemptions be given to the requirements of Order R-333-C and D, and to the applicable field rules to permit the postponement of initial deliverability test until after the well has completed its communication test, and has been placed on production.

We also ask that the assignment of allowables be made retroactive to the date of connection of the test well. The date of connection of the test well would be the date it would have been entitled to allowable, had it not been shut in for test purposes. As Pictured Cliffs development continues it may be desirable to designate additional test wells, and additional offset wells both to the wells presently being designated as test wells and for future test wells for this reason. It is recommended that the Commission provide in the order authorizing these communication tests for the addition or deletion of test and offset wells made administratively at the discretion of the Commission Staff.

In addition to those wells discussed above, for which we are requesting authorization for communication tests, we wish to request authorization for continuation of pressure build-up tests for the following Pictured Cliffs Wells: The El Paso Murphy1-D located in the southeast quarter of Section 27, 30 and 11, Aztec Pool, San Juan County; El Paso Storey B-2 located in Section 11 of 30 and 11 Aztec Pool, San Juan County; El Paso Ballard 1-10 located in the southwest quarter of Section 10, 26 and 9, Ballard Pool, San Juan County. Exhibit 12 --

Q That is El Paso Natural Gas Company Exhibit?

A Yes. El Paso Natural Gas Company Exhibit 12 is a plat showing the location of the Murphy 1-D and offset wells.

(Marked El Paso Natural Gas Company Exhibits 13 and 14, for identification.)

A El Paso Natural Gas Company Exhibit 13 is a plat showing the location of the Storey B-2 Well and offset wells. Exhibit Number 14 is a plat showing the location of the Ballard 1-10 and offset wells.

The Murphy 1-D Well in the Aztec Pool was shut in for pressure build-up April 17, 1956 at a pressure of 469 pounds at the time, and at the time of the last pressure test on September 10th had a pressure of 546 pounds. This well is building up at approximately one pound per week, and we consider is reaching a near stabilized condition.

The Storey 2-B Well was shut in on April 16, 1956, had a pressure on the first time that a pressure was taken after shut-in of 481 pounds per square inch, and on the latest test taken on September 10th had a shut in pressure of 625 pounds per square inch. The pressures on this well reflect that it is increasing in pressure about one pound per week and we consider that this well, too, is in an approximate stabilized condition.

The Ballard 1-10 Well was shut in for pressure build-up on August 9, 1956, had a pressure at the first time a pressure was taken after shut in, of 493 pounds. On September 10th it had a pressure of 930.7 pounds, and is increasing at approximately six to eight pounds per week at this time, and we think is quite a bit off from stabilization at this time.

All three test wells are presently shut in and it is requested that they be permitted to remain shut in until maximum build-up pressures are recorded. During the period that these test wells are shut in, it is requested that they be assigned allowables that may be either accrued without cancellation, for subsequent production by that well and/or transferred to and produced from other wells on the same basic lease. It is requested that an accounting for the accumulation for the allowables without cancellation or transfer of the allowables for the shut-in test wells be made on each six months on the balancing date, or at the end of the test, whichever occurs first. If the allowables are to be transferred, it is requested that over-production from other wells on the same basic lease either in the same section or the adjoining sections be applied to the accrued under-production for the shut-in test well, and that a correct determining be made of the status for all wells concerned.

It is contemplated that from time to time it may be desirable to shut in additional wells for pressure build-up tests. In the order authorizing these special build-up tests, it is recommended that the Commission provide for administrative authorization of additional pressure build-up tests at the discretion of the Commission Staff.

All wells testified to are Pictured Cliffs Wells capable of producing. We will, subsequent to this hearing, file with the Commission all test data to date, and subsequent test data as it is accrued will be filed with the Commission. As was indicated by Mr. Dewey, our wells will be padlocked so as to prevent production

during the time of test authorized by the Commission. I believe that is all I have, Mr. Howell.

MR. HOWELL: At this time, may we offer El Paso Natural Gas Company's Exhibits 1 and 2 and 6 through 14, inclusive?

MR. PORTER: Is there any objection to the admission of these exhibits? They will be admitted. Anyone have a question of Mr. Woodruff? Mr. Utz?

CROSS EXAMINATION

By MR. UTZ:

Q Mr. Woodruff, did I understand that you were asking for an adjustment or transfer of allowable each six months, or at the end of the balancing period?

A At the end of each balancing period, unless the end of the test comes before the balancing date, whichever occurs first, would be the time of accounting.

Q In other words, if the well was on test only two months before the end of the balancing period, you would want the wells balanced and the allowable transferred at that time?

A I think that it would be appropriate to handle it that way. However, in thinking, I don't see that it will be necessarily any discrimination in waiting until the balancing date if it was the desire of the Commission to do so.

Q Do you think there would be any discrimination in waiting until the completion of the build-up or pressure interference test before adjusting or transferring allowables?

A I don't believe that we could define discrimination as something which would occur. Possibly my discussion of the dis-

crimination was improper. However, I do think, Mr. Utz, in order to keep the well in the pool, as nearly in balance as possible, that the more frequent accounting would aid in that matter.

Q Do you not think that a more frequent accounting on regard of transfer of allowables might be more confusing and complicate your bookkeeping procedure?

A Actually I think not because the Commission, as I visualize, must on each balancing date, determine the status of every well and they must determine how much over-production has been accrued to that well which must be made up in the next six months period. Should we make an accounting or balancing date so as to cancel that portion of a well's over-production equivalent to that volume of under-production accrued to the shut-in well, I think that would enable us to keep the well more nearly in balance, to know what the status should be.

Q If the well went through two balancing period on the test, there would therefore be two times of accounting on the group of wells, wouldn't there?

A That is correct.

Q Whereas, if you waited until the test was over, there would be one accounting for the whole thing?

A That is correct. If we did not do that, just thinking, Mr. Utz, we would have to request for those wells on the same basic lease which might have allowables transferred to them, exception to the Commission rules which would require making up of over-production accrued as of a balancing date, otherwise a well with over-production at one balancing date would have to get

in balance during the succeeding balancing date.

Q It is my understanding, Mr. Woodruff, that is exactly what you were asking for was the non-cancellation of underage or overage.

A I don't believe that my request was for that, however, I think that I should have requested it if we were to approach it in the manner which you have outlined to me.

Q It occurs to me that it would be simpler to wait until the completion of the test in order to just group the wells on each test.

A We could live with either type of procedure.

Q It is my understanding also, Mr. Woodruff, that you are requesting the order to include the provisions for administrative approval for additional tests in the pools which are included in the call of the hearing?

A That is correct.

Q Then, in effect, that order would become a permanent order and exceptions to proration orders as well as R-333-C and D.

A I am not sure that I followed you, Mr. Utz, would you lead me through there again, please?

Q If we include in the order written on this occasion, the provisions for administrative approval of additional interference or build-up tests, then that order would, in effect, be a permanent order and a permanent exception to the testing orders, as well as the proration orders?

A That is correct, during the period of test authorized by the Commission.

Q In other words, any time from the date of the order on if you wanted to request a new test you could do so and receive it administratively?

A Yes, sir.

Q Do you believe that is a desirable feature?

A Yes, sir.

Q That would, in effect, place the Commission in the position of having to determine the feasibility of each test requested, wouldn't it?

A Yes, sir.

Q Do you think it would be additional burden, or any undue additional burden on the operators to request an examiner's hearing for additional tests?

A I would think it would be an unnecessary burden both to the operators and to the Commission.

Q Will the transfer of allowables in any of the tests from the shut-in well be to leases, basic leases on which the shut-in well was located?

A Yes, sir, that is what is proposed.

Q In other words, there will be no transfer of allowable on the basic leases, other than the wells which are shut in?

A That is correct.

MR. UTZ: That is all I have.

MR. PORTER: Mr. Arnold?

MR. ARNOLD: I would like to ask one question.

By MR. ARNOLD:

Q I think you said on these wells that you were shutting in for pressure build-up, that you wanted an exception to the testing

orders and the proration order so that you could assign a retroactive allowable to the date of connection, or any alternative transfer of the allowable, is that right?

A That is for the wells on pressure build-up?

Q Yes.

A I don't believe that my recommendations went quite that far. There again, possibly I was short-sighted. All wells that we have covered in this test, or wells that have produced and if they are in prorated pools, have received allowables. Should we subsequently wish to shut in a well, at the time of completion, prior to its having a deliverability test, we would want to request the same privilege of receiving an allowable, after the test is completed and after the deliverability test has been taken, with retroactive assignment of allowable, back to the time that the well was connected, as we requested for the well on the communication test.

Q At that time, you think you would want to choose at that time whether you wanted a retroactive allowable on that well, or whether you also wanted the privilege of transferring some of that allowable to another well at that time?

A We would want the retroactive allowable with the privilege of determining whether it should be produced by that well, or transferred to other wells on the same basic lease.

MR. PORTER: Mr. Utz?

By MR. UTZ:

Q Mr. Woodruff, you are asking for the non-cancellation or transfer of overage and underage which has accumulated on this during the period of the test, is that correct?

A As was discussed with you by Mr. Meeks of Stanolind, I think that it would be appropriate to carry forward the entire status of the well. If the underproduction accumulated was not a reflection of the well's inability to produce it's allowable, if the well could produce its allowable, then it could conceivably, during the period it was shut in, make up the underproduction that was accumulated at the time it was shut in. I do not think it would be appropriate to deny it the privilege of making that under-production.

MR. GURLEY: There again, you are just asking for the tolling of the rule during the time of the shut-in.

Q Would not that well have the privilege of making up that under-production after the test?

A As I would visualize the accounting, no, because -- or as you visualize it, possibly yes. I think it should have the privilege. That is what I am recommending to you.

Q Well, perhaps we don't understand each other. If the well began the test with, let's say, 1,000,000 underage, and, of course, during the test it would accumulate substantial underage in excess of that, at the end of the test, is it your opinion that that well should again start out the period with the 1,000,000 underage which it had before the beginning?

A I think it should start out the period with the 1,000,000, plus any accumulated underage during the test period that was not transferred to, or produced by other offset wells on the basic lease.

Q Then, in effect, you would not be transferring any allow-

able which had accrued before the test?

A I would permit the production of the accumulated underage as of the time the test started, either by offset wells during the test, or after the test, as may be determined appropriate by the operator.

Q I wonder if the call of the hearing is for transfer of allowables prior to the beginning of the test.

A I don't know that I should express myself there as to what the call --

MR. GURLEY: (Interrupting) I would suggest a ruling on that thing. I think the call of the hearing includes the non-cancellation which would include that that accrued at the time the well was shut in, in my opinion, and would therefore be within the call of the hearing.

MR. UTZ: Would it be within the call of the hearing to also transfer that amount of the underage that was accrued before the beginning of the test?

MR. HOWELL: It seems to me that the language is right clear -- It says, "Authorizing the non-cancellation and transfer of allowables for wells involved in the test program". It doesn't say of allowables during the test period. It just says, of allowables. We submit it would be within the call of the hearing.

Q (by MR. UTZ) I will make myself clear. It is my opinion that any underage that is transferred to other wells which that well could not have possibly made during the period of the test is not underage that should be transferred to any wells. It seems to me that we were approaching the situation of someone asking for

an interference test for that very purpose, because the well will not produce its allowable, but they could transfer that underage it is not capable of making to wells that can produce it.

A I believe, Mr. Utz, my recommendation was for the continuation of under production to a well only in instances where it had a capacity to have produced the allowable during the period that it was accrued.

Q By capacity, do you mean what the well would actually produce into the pipeline, or its deliverability?

A Actually what it would produce into the pipeline.

Q In other words, we would get into a proposition of accumulating production history in order to determine whether or not that well should have that transferred?

A I think that could be a matter which the operator would be required to furnish at the time that such a condition existed.

Q In other words, you are complicating these tests, as to where it is going to be quite a chore for the Commission?

By MR. KENDRICK:

Q I think it was testified before, that the other well in the Ballard-Pictured Cliffs Pool was substantially larger than the average well in the Ballard Pool, and your McConnell well is some two times, according to absolute openflow, two times as good a well. Do you know whether or not the San Juan Allowable Committee has attempted to set up tests to be taken on average wells in the Ballard-Pictured Cliffs Pool?

A First, I'll say that I did not testify in that regard. However, it was the intent of the Committee to pick average wells

where such average wells were available. The only well that I know of, of the group that we are asking authorization for tests for, that is not what you might call an average well, is the McConnell Number 4. We offered that for test, and it was accepted by the Committee, because it had just recently been completed and had not yet started on production. However, I think the evidence of the communication test on that, or a poor or average well stands on its own in regard to the type of well.

Q But, it is one of the --

A It had--

Q It had a capacity of being one of the very largest wells in the pool?

A It had a 15,000,000 plus, initial potential of the offset wells there is a 13,000,000, 11,000,000 and two, I believe, one I think about 6,000,000 and one in approximately 2,000,000 category. I can give you those figures if you are interested.

Q I believe they are on your Exhibit Number 2?

A That is correct.

Q In your opinion, is it in the areas of the large wells that that would be the most logical area for interference to be proved?

A I think interference would be evidenced normally, more rapidly, because of the ability to withdraw larger volumes of gas.

MR. KENDRICK: That is all.

MR. PORTER: Anyone else have a question. Mr. Kellahin?

By MR. KELLAHIN:

Q Mr. Woodruff, do you have any objection to filing a testing schedule with the Commission, as was proposed by Humble? That is,

the date of the test, so that they can be observed by Commission observer?

A No, it is actually our intent, and it is my understanding that we have, to date, advised the Commission Office prior to going out to take any of the tests that have been taken since this Committee was formed.

Q What office did you advise, the Aztec?

A The Aztec. I don't know whether the office here was advised or not. We will certainly be glad to advise either or both offices.

Q How long in advance of the test would you be willing to do that?

A You say, how long would we be willing to do that?

Q How long in advance of the test proposed?

A Normally it would be difficult to advise more than a day or two in advance, because of various circumstances that might prevent you from going out on a specific date.

Q You would, in your opinion, be able to give a day or two days' notice?

A I believe that is correct.

Q Mr. Woodruff, in order to conduct the test of the type which are proposed, is it necessary to have continuous production from the offset wells?

A It is not necessary, but I would think it would be desirable in that it would give results in a shorter period of time.

Q It would also give a little better result, would it not, in the sense there would be no intermittent changes from time to time?

A I don't visualize, Mr. Kellahin, that it would give any better results. It would just be time involved rather than results involved.

Q Are you in a position, or in your opinion, will it be possible to produce these offsetting wells, all of them that are involved in this test, on a fairly continuous rate?

A Not without the Commission permitting offset wells to produce, and accrue over-production without cancellation during the test period, but rather to permit the making up of any over-production at the end of the test period. Some of the wells, to explain myself, are large wells. The allowables can be produced, say, in ten days. Now, for those wells to continue producing for the whole period would require over-production.

Q Has it been the practice to produce the allowable in ten days and then shut the well in?

A Yes, sir.

Q That has been the practice?

A Yes, sir.

Q On the basis of the statement which you have just made, and if the Commission does not allow the accumulation of this over-production, have you any estimate as to how long it would take to conduct these tests?

A No, sir.

Q That would be a difficult estimate?

A It would be, as evidenced by, withdraw that the evidence was not accepted. I might state that our McConnell Well has shown a substantial pressure draw down of better than 16 pounds in

approximately a 90 day period, but I think as was brought out in Mr. Kendrick's testimony, it is a better than average well.

Q And you might find an entirely different situation in one of the other pools?

A Yes, I think we will.

Q You think you probably will?

A I think we will take more time in other pools.

MR. KELLAHIN: Thank you.

RE-DIRECT EXAMINATION

By MR. HOWELL:

Q You have just testified as to a loss of about 16 pounds pressure in the McConnell Number 4. Assuming that other wells which are shut in for interference tests also lose pressure, would the result of the loss of pressure be to make it more difficult for those wells to make up any under-production which they had at the time the test started?

A It may well be, Mr. Howell, because the reduction in pressure reflects a reduction in reserve. With reduction in reserve normally goes lower deliverability of the well reduction in pressure and reduction in reserves.

MR. HOWELL: That is all.

RE-CROSS EXAMINATION

By MR. MANKIN:

Q Mr. Woodruff, it wasn't quite clear in your original request for a retroactive allowable. Would you explain what your recommendation is in that respect again?

A For those wells that are placed on test upon completion,

you will not be able to take the deliverability tests required by the applicable rules and Order R-333 D and C, within 45 days after the well is connected to a gas transportation facility. So, my recommendation is that the operators be given exceptions, so as to permit the taking of the deliverability test after the communication test is completed, and that the allowable then be calculated based on the deliverability test taken at that time, and be made retroactive to the date that the well was connected. Then, at the time the test is over the well will have an accumulated allowable which it could produce by itself, or which may be applied to over-production accumulated during a test period from offset wells on the same basic lease, or which may be produced after the test is over, from the same wells.

Q This retroactive allowable would not be concerned with any period prior to this hearing?

A The retroactive allowable should be to the date of connection of the well, whether before or after the date of this hearing. We are requesting of the Commission acceptance and consideration of the test data accrued prior to the date of this hearing, and authorization of the test from the date that it was started.

Q What you are saying then is that instead of taking the deliverability tests upon the completion of wells, you feel that that should not be done, but should be taken at some later date, is that correct?

A In order to get the well tested in the shortest period of time, I think we should forego the deliverability test on completion because that would result in drawing down the pressure

of the well and a period of build-up prior to starting the communication test. So, if we start our communication test without taking our deliverability, we can get our results sooner.

Q Do you feel that it is in the call of this hearing to consider retroactive allowables?

A I think that it is. Certainly, Mr. Mankin, I consider we are asking exceptions to the rules existing for these wells which would require the deliverability test immediately upon completion, then only asking that the well be given what it would be entitled to had that exception not been granted.

MR. HOWELL: Might I comment a minute, as to our interpretation of the law on that point is that the day of connection to a gas transportation facility, the date determines its right to have an allowable. If you have to wait to a later date to determine the allowable, you are not in effect, giving it a retroactive allowable. You are giving it the allowable as of the date when the connection was made, when the Statute says is the time you can determine if it is to have an allowable. You are merely postponing your testing and determination of what the allowable would be until the date when you get a test of the deliverability, after the interference test has been completed, and we submit that it is not the granting of a retroactive allowable, it is merely postponing the computation of what the allowable was that the well was entitled to on the date it was connected.

MR. COOLEY: I believe granting the allowable is contingent on taking the deliverability test, is it not?

MR. HOWELL: That, of course, would be the portion that

would be waived, or the exception granted as to the deliverability test of these particular wells.

MR. COOLEY: Is it the interpretation of the law then that the allowable would date back to the time that the Commission granted the exception from taking the deliverability test?

MR. HOWELL: Well, the allowable would be to the date that the well had its connection.

MR. COOLEY: I do not have it at hand right now, I think the allowable is assigned at the time of connection if there has been a deliverability test taken.

MR. WALKER: If anybody wants to ask a question of the witness, you can argue the legal questions later.

By MR. KENDRICK:

Q Mr. Woodruff, you might clarify this matter a little as to the exceptions to the testing order. I believe the testing order is now stated: Within 45 days after connection a test will be submitted. Would it be your opinion that the variation in the order should read that within 45 days after first delivery [illegible] after your communication test that is, or within 45 days of the end of the communication test, when first delivery was made, that the deliverability test will be submitted? In other words, substitute the time after first delivery after the communication test, instead of connection for that particular well?

A I think that we should be expected to get the test in within the 45 day period after the well has initiated its production, unless we then ask for additional exception to the testing procedure.

By MR. UTZ:

Q Would it be more difficult for the shut-in wells to make up the underage itself rather than transfer it?

A Yes, it would be more difficult.

Q That is why you are asking for the transfer of allowable?

A That is one of the reason, Mr. Utz, yes.

Q On the wells that you plan to over-produce, how much in excess of a normal allowable would you say that you plan to over-produce?

A I have no figure that I would recommend, Mr. Utz.

Q How much pressure drop and shut-in well would you say, minimum pressure drop, would you say definitely proved interference?

A I would not say that either, Mr. Utz. I think it would depend on each individual test case as what we consider would be appropriate.

Q Any drop in pressure would indicate that gas was being pulled out from that particular location?

A That is correct. I think we ought to indicate enough pressure drop so as to prove that what is previously indicated as drop was correct to set up a trend.

MR. UTZ: That is all.

MR. PORTER: Anyone else have a question? Mr. Christie?

By MR. CHRISTIE:

Q I just wanted the record to show that this statement is or is not correct. If this application is granted, am I correct in saying that the El Paso will assume the burden of collecting the

information on the Amerada Wells, the B-2 and B-8 and report that information along with the other data?

A Yes, we will and have assumed the burden of collecting the data. As far as reporting it to the Commission is concerned, I think we can also do that. We will be glad to work that out between you and ourselves.

MR. PORTER: Mr. Stanley?

By MR. STANLEY:

Q I would like to clarify the record please, Mr. Woodruff. All you are asking for is an exception on retroactive or transfer of allowable to obtain scientific information, is that not correct?

A That is correct.

Q You are not asking to grab every cubic foot of gas with every 50 foot of red tape?

A I don't believe so.

MR. PORTER: Anyone else have a question of the witness? The witness may be excused.

(Witness excused.)

MR. PORTER: Anymore witnesses in this case?

MR. COOLEY: The Commission should at this time call Mr. Morrell for cross examination.

MR. PORTER: Mr. Morrell, will you resume the stand for cross examination?

FOSTER MORRELL

recalled as a witness, having been previously duly sworn, testified further as follows:

MR. MORRELL: If the Commission please, I overlooked in my

direct testimony, the offer in evidence of the San Juan Gas Allowable Committee's Exhibits 1 to 4. I would like to so offer them at this time.

MR. PORTER: Exhibits 1 through 4 of the San Juan Gas Allowable Committee. Is there objection to the admittance of the exhibits? They will be admitted.

MR. WALKER: Did you have any questions, Mr. Kellahin, of Mr. Morrell?

MR. KELLAHIN: I think the questions have been substantially answered.

MR. PORTER: Does anyone have a question? Mr. Cooley?

CROSS EXAMINATION

By MR. COOLEY:

Q I would like to summarize just one thing. Numerous things are asked for; in writing the order. I would like to catch them in one wake. The summary includes all the things which has been asked for, transfer or non-cancellation of the allowables on the test wells which are closed in; exception from the requirements of the deliverability test until such time as the well is put on --

A (Interrupting) 45 days after it is put on production.

Q (Continuing) -- Assignment of allowables of test wells, retroactive to date of connection. I think we have whipped that one over pretty well. Fourth, administrative authorization of further like tests and gas pools enumerated, and only those enumerated in the call of this hearing?

A Which I understand are seven pools.--

Q In answer to my question, that does include all of the --

A (Interrupting) together with the exceptions to the special rules and regulations effecting those pools.

MR. PORTER: Are you through, Mr. Cooley? Anyone else have a question of Mr. Morrell?

MR. MORRELL: Mr. Chairman, I have one other statement I would like to make. Humble refers to furnishing the information to the Commission on approved forms. The Committee has furnished Forms A and B, if the Commission could advise the operators that Form A and B are acceptable to the Commission, it would expedite furnishing the data for you.

MR. PORTER: Those forms, I assume, would have to be examined by the Commission Staff. We will so advise you.

MR. MORRELL: Either so advise me, or include it in the order.

MR. PORTER: Yes, sir. If no more questions of the witness, he may be excused.

(Witness excused.)

MR. PORTER: Any statements?

MR. KELLAHIN: Jason Kellahin, on behalf of R and G Drilling Company. We would like to see any order entered by the Commission include a provision that the Commission be notified of any tests to be conducted in advance of those tests, sufficiently in advance of those tests to allow a witness of the Commission to be present and, further, that the results of these tests be required to be filed with the Commission, and available to any operator in the San Juan Basin or in the effected pools. Since they are asking for a transfer of allowables, certainly I think

any operator is entitled to know the results of these tests as soon as they have been completed, within a reasonable time after that date. We would like to see the order include such a provision.

MR. PORTER: Anyone else?

MR. MORRELL: We have no objection to the inclusion of that provision.

MR. PORTER: If there is nothing further, the case will be taken 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.

WITNESS MY HAND AND SEAL this, the 29th day of September, 1956.

NOTARY PUBLIC- COURT REPORTER

My Commission Expires:
June 19, 1959

ALLOWABLE DISTRIBUTION DATA SHEET

Test Well	Location	Completion Date	Initial Potential	1956 Deliverability	Allowable Transferred To Gallegos Canyon Unit Well No.	Percent Allowable Transferred
Gallegos Canyon Unit Well No. 7	NE NE 30-28-12	11-1-51	750	159		
Transfer Allowable Wells						
Gallegos Canyon Unit Well No. 19	SE NE 20-28-12	8-25-53	3120	415	19	20%
Gallegos Canyon Unit Well No. 35	NE SE 20-28-12	9-12-53	5020	899	35	20%
Gallegos Canyon Unit Well No. 36	SE NE 19-28-12	9-12-53	4593	793	36	20%
Gallegos Canyon Unit Well No. 71	SW SW 31-28-12	9-27-55	3823	576	71	20%
Gallegos Canyon Unit Well No. 72	SW NE 36-28-13	1-27-56	3700	623	72	20%
Test Well						
Gallegos Canyon Unit Well No. 31	SW NW 34-28-12	4-3-53	1130	N.A.		
Transfer Allowable Wells						
Gallegos Canyon Unit Well No. 4	SW NE 34-28-12	11-1-51	3970	497	4	40%
Gallegos Canyon Unit Well No. 10	NE SW 33-28-12	1-23-53	2519	320	10	10%
Gallegos Canyon Unit Well No. 12	NE NE 33-28-12	1-23-53	2930	276	12	10%
Gallegos Canyon Unit Well No. 24	NW SE 34-28-12	2-6-53	3590	465	24	40%
Test Well						
Gallegos Canyon Unit Well No. 18	SE NE 21-28-12	4-3-53	2486	323		
Transfer Allowable Wells						
Gallegos Canyon Unit Well No. 6	NW SW 22-28-12	2-52	2830	303	6	10%
Gallegos Canyon Unit Well No. 17	NE NE 28-28-12	8-18-52	6035	1028	17	65%
Gallegos Canyon Unit Well No. 33	SW SW 21-28-12	9-12-53	3400	576	33	25%
Test Well						
Gallegos Canyon Unit Well No. 44	SW SW 35-29-13	12-10-53	2172	350		
Transfer Allowable Wells						
Gallegos Canyon Unit Well No. 5	SE NE 13-28-13	11-1-51	4830	750	5	10%
Gallegos Canyon Unit Well No. 21	SW SW 18-28-12	2-26-53	7672	1350	21	40%
Gallegos Canyon Unit Well No. 42	SE SW 12-28-13	11-11-53	3120	581	42	30%
Gallegos Canyon Unit Well No. 66	SW NE 35-29-13	4-27-54	2516	497	66	20%

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1147
Order No. R-939-A

APPLICATION OF THE NEW MEXICO OIL CONSERVATION COMMISSION ON ITS OWN MOTION FOR AN ORDER GRANTING PERMISSION TO CONDUCT INTERFERENCE AND PRESSURE BUILD-UP TESTS AND AUTHORIZING THE NON-CANCELLATION AND/OR TRANSFER OF ALLOWABLES FOR WELLS INVOLVED IN THE TESTING PROGRAM IN CERTAIN PICTURED CLIFFS GAS POOLS IN SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO.

NUNC PRO TUNC ORDER OF THE COMMISSION

BY THE COMMISSION:

It appearing to the Commission that, as a result of clerical error, Order R-939, dated January 16, 1957, does not correctly state the intended order of the Commission.

IT IS THEREFORE ORDERED:

1. That that portion of paragraph 1 of Order R-939, dated January 16, 1957, commencing with "SOUTH BLANCO-PICTURED CLIFFS POOL" be corrected as follows:

SOUTH BLANCO-PICTURED CLIFFS POOL
TEST #SBC1-8 - SOUTHERN UNION, OPERATOR

Shut-in Well	Transfer Wells
Humble - Jicarilla "J" #7 NWNW 8-25N-5W	Humble - Jicarilla "J" #1 NWNW 5-25N-5W
	Humble - Jicarilla "J" #2 SESE 5-25N-5W
	Humble - Jicarilla "J" #3 SWNW 6-25N-6W
	Humble - Jicarilla "J" #4 SESE 6-25N-5W
	Humble - Jicarilla "J" #5 NWNW 7-25N-5W
	Humble - Jicarilla "J" #6 SESE 7-25N-5W
	Humble - Jicarilla "J" #8 SESE 8-25N-5W

2. That that portion of paragraph 1 of Order R-939, dated January 16, 1957, concerning the West Kutz-Pictured Cliffs Pool commencing with "TEST WKC2-11 - STANOLIND, OPERATOR" be corrected as follows:

TEST WKC2-11 - STANOLIND, OPERATOR

Shut-In Well	Transfer Wells
Stanolind GCU #18 SENE 21-28N-12W	Stanolind GCU #6 NWSW 22-28N-12W
	Stanolind GCU #17 NENE 28-28N-12W
	Stanolind GCU #33 SWSW 21-28N-12W

3. That that portion of paragraph 3 of Order R-939, dated January 16, 1957, commencing with "TAPACITO PICTURED CLIFFS POOL" be corrected as follows:

TAPACITO-PICTURED CLIFFS POOL
TEST #TC1-1 - SOUTHERN UNION, OPERATOR

Shut-In Well	Transfer Wells
Southern Union - Jicarilla #2-E NESW 15-26N-4W	Southern Union - Jicarilla #3-E NWNE 15-26N-4W
	Southern Union - Jicarilla #1-E NWSE 16-26N-4W
	Southern Union - Jicarilla #4-E NENE 22-26N-4W

4. That that portion of paragraph 5 of Order R-939 dated January 16, 1957 commencing with "AZTEC-PICTURED CLIFFS POOL" be corrected as follows:

AZTEC-PICTURED CLIFFS POOL
TEST #ABU5-5 - EL PASO, OPERATOR

Shut-In Well	No Transfer Wells
El Paso - Storey #2-B NWSW 11-30N-11W	

5. That that portion of paragraph 6 of Order R-939 dated January 16, 1957, commencing with "OTERO-PICTURED CLIFFS POOL" be corrected as follows:

OTERO-PICTURED CLIFFS POOL
TEST #OBU1-7 - EL PASO, OPERATOR

Shut-In Well	Transfer Wells
Amerada - Jicarilla #8-B SESE 30-24N-5W	Amerada - Jicarilla #1-B SENW 20-24N-5W
	Amerada - Jicarilla #5-B NWNW 29-24N-5W
	Amerada - Jicarilla #6-B SESE 29-24N-5W
	Amerada - Jicarilla #3-B NWNW 19-24N-5W
	Amerada - Jicarilla #4-B SESE 19-24N-5W
	Amerada - Jicarilla #7-B NWNW 30-24N-5W

6. That that portion of paragraph 7 of Order R-939, dated January 16, 1957, commencing with "AZTEC-PICTURED CLIFFS POOL" be corrected as follows:

AZTEC-PICTURED CLIFFS POOL
TEST #ABU2-2 - STANOLIND, OPERATOR

Shut-In Well	No Transfer Wells
Stanolind - Likens Gas Unit "B" #1 SESE 24-29N-10W	

7. That that portion of paragraph 7 of Order R-939, dated January 16, 1957, commencing with "SOUTH BLANCO-PICTURED CLIFFS POOL" be corrected as follows:

SOUTH BLANCO-PICTURED CLIFFS POOL
TEST #SBBU1-8 - STANOLIND, OPERATOR

Shut-In Well	No Transfer Wells
Stanolind - Jicarilla #1-155 NWNW 30-26N-5W	

DONE at Santa Fe, New Mexico, on this 14th day of February, 1957.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

ir/

Memo

From

To

H. [illegible], 939 A. [illegible]
[illegible]

Duplicated copies of this order were sent to:
[illegible] [illegible], [illegible] 933 [illegible]
El Paso Natural
So. Union Gas, First Bldg.
Dallas 1, Tex.
Stanolind, Box 1410, Ft. Worth
Senior-Conlin, 425½
Broadway, Farmington

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1147
Order No. R-939

APPLICATION OF THE NEW MEXICO OIL CONSERVATION COMMISSION ON ITS OWN MOTION FOR AN ORDER GRANTING PERMISSION TO CONDUCT INTERFERENCE AND PRESSURE BUILD-UP TESTS AND AUTHORIZING THE NON-CANCELLATION AND/OR TRANSFER OF ALLOWABLES FOR WELLS INVOLVED IN THE TESTING PROGRAM IN CERTAIN PICTURED CLIFFS GAS POOLS IN SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on September 13, 1956, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 16th day of January, 1957, the Commission, a quorum being present, having considered the testimony and evidence 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 there is a need for the reservoir information that the proposed communication and pressure build-up tests would provide.

(3) That the proposed tests would not cause waste or violate correlative rights.

(4) That the proposed tests should be authorized.

(5) That all shut-in wells should be excepted from the requirements of Order R-333-C & D during the time that communications and pressure build-up tests are being conducted.

(6) That any shut-in well which has not been assigned an allowable prior to the effective date of this order should be assigned an allowable from the date of connection to a transportation facility, provided said date is not more than forty-five days prior to the beginning of the test.

(7) That an operator conducting a test in a prorated gas pool should be permitted to transfer the allowable which accrues to the shut-in well during the test to any other well or wells on the same basic lease; and further, that any such allowable which is not so transferred should be considered to have accrued on the date the test is completed.

(8) That the underage and overage balancing provisions of Rules 11 and 12 of Order R-565-C and R-566-D should be suspended for all affected shut-in and transfer wells until the end of the six-month proration period following the proration period during which the test is completed.

IT IS THEREFORE ORDERED:

(1) That authority be and the same is hereby granted to conduct "Communication Tests" on the wells hereinafter designated as a "Shut-in Well" and to transfer any allowable accruing to said well during the test to any of the wells designated as a "Transfer Well" for the same test, in accordance with the provisions of Paragraph 8 of this order:

AZTEC-PICTURED CLIFFS POOL
TEST # AC1-2 - EL PASO, OPERATOR

Shut-in Well	Transfer Wells
El Paso - Ludwick # 2 SE SE 19-30N-10W	El Paso - Ludwick #6 NW SW 19-30N-10W
	El Paso - Ludwick #1 NW NW 29-30N-10W

BALLARD-PICTURED CLIFFS POOL
TEST # BC2-4 - EL PASO, OPERATOR

Shut-in Well	Transfer Wells
El Paso - McConnell #4 NE SW 24-26N-9W	El Paso - McConnell #6 NE NE 25-26N-9W
	El Paso - McConnell #5 NE NW 24-26N-9W

SOUTH BLANCO-PICTURED CLIFFS POOL
TEST # SBC1-8 - SOUTHERN UNION, OPERATOR

Shut-in Well	Transfer Wells
Humble - Jicarilla "J" #7 NW NW 8-24N-5W	Humble - Jicarilla "J" #1 NW NW 5-24N-5W

SOUTH BLANCO-PICTURED CLIFFS POOL
TEST # SBC1-8 - SOUTHERN UNION, OPERATOR (Con't.)

Shut-in Well	Transfer Wells
	Humble - Jicarilla "J" #2 SW SW 5-24N-5W
	Humble - Jicarilla "J" #3 SW NW 6-24N-6W
	Humble - Jicarilla "J" #4 SE SE 6-24N-5W
	Humble - Jicarilla "J" #5 NW NW 7-24N-5W
	Humble - Jicarilla "J" #6 SE SE 7-24N-5W
	Humble - Jicarilla "J" #8 SE SE 8-24N-5W

TEST # SBC2-9 - SOUTHERN UNION, OPERATOR

Shut-in Well	Transfer Wells
El Paso - Jicarilla #2-E SW SE 19-25N-4W	El Paso - Jicarilla #1-E SE NE 19-25N-4W
	El Paso - Jicarilla # 3-E SE SW 18-25N-4W
	El Paso - Jicarilla #2 SE NW 20-25N-4W

WEST KUTZ-PICTURED CLIFFS POOL
TEST # WKC-1-10 - STANOLIND, OPERATOR

Shut-in Well	Transfer Wells
Stanolind - GCU #44 SW SW 35-29N-13W	Stanolind - GCU #5 SE NE 13-28N-13W
	Stanolind - GCU #21 SW SW 18-28N-12W
	Stanolind - GCU #42 SE SW 12-28N-13W
	Stanolind - GCU #66 SW NE 35-29N-13W

TEST WKG2-11 - STANOLIND, OPERATOR

Shut-in Well	Transfer Wells
Stanolind - GCU #18 NE NE 21-28N-12W	Stanolind - GCU #6 NW SW 22-28N-12W
	Stanolind - GCU #17 NE NE 28-28N-12W
	Stanolind - GCU #33 SW SW 21-28N-12W

TEST # WKC3-12 - STANOLIND, OPERATOR

Shut-in Well	Transfer Wells
Stanolind - GCU #7 NE NE 30-28N-12W	Stanolind - GCU #19 SE NE 20-28N-12W
	Stanolind - GCU #35 NE SW 20-28N-12W
	Stanolind - GCU #36 SE NE 19-28N-12W
	Stanolind - GCU #71 SW SW 31-28N-12W
	Stanolind - GCU #72 SW NE 36-28N-13W

TEST WKC4-13 - STANOLIND, OPERATOR

Shut-in Well	Transfer Wells
Stanolind - GCU #31 SW NW 34-28N-12W	Stanolind - GCU #4 SW NE 34-28N-12W
	Stanolind - GCU #10 NE SW 33-28N-12W
	Stanolind - GCU #12 NE NE 33-28N-12W
	Stanolind - GCU #24 NW SE 34-28N-12W

(2) That authority be and the same is hereby granted to conduct "Communication Tests" on the wells hereinafter designated as a "Shut-in Well" and to transfer any allowable accruing to said well during the test to any of the wells designated as a "Transfer Well" for the same test, in accordance with the provisions of Paragraph 8 of this order, in the event any of the pools listed herein should become prorated during the conduct of the tests:

CANYON LARGO-PICTURED CLIFFS POOL
TEST # CLC1-5 - BENSON-MONTIN, OPERATOR

Shut-in Well	Transfer Wells
Superior - Slagel #2-19 **SE SE 19-25N-6W**	Superior - Slagel #1-20 NW NW 20-25N-6W
	Superior - Slagel #1-19 **NW NW 19-25N-6W**
	Superior - Hightower #2-24 **SE SE 24-25N-7W**
	Superior - Inabeth Phillips #1-30 **NW NW 30-25N-6W**
	Superior- Inabeth Phillips #2-30 **SE SE 30-25N-6W**
	Superior - Inabeth Phillips #1-29 **NW NW 29-25N-6W**

OTERO-PICTURED CLIFFS POOL
TEST # OC1-6 - EL PASO, OPERATOR

Shut-in Well	No Transfer Wells
Abraham - Jicarilla #9 **NE SW 28-24N-5W**	

TEST # OC2-7 - EL PASO, OPERATOR

Shut-in Well	Transfer Wells
Amerada - Jicarilla # 2-B **SE SE 20-24N-5W**	**Amerada - Jicarilla # 1-B** **SE NW 20-24N-5W**
	Amerada - Jicarilla #5-B **NW NW 29-24N-5W**
	Amerada - Jicarilla #6-B **SE SE 29-24N-5W**
	Amerada - Jicarilla #3-B **NW NW 19-24N-5W**
	Amerada - Jicarilla # 4-B **SE SE 19-24N-5W**
	Amerada - Jicarilla #7-B **NW NW 30-24N-5W**

(3) That the "Communication Test" authorized by Commission Order R-794 on April 18, 1956, be and the same is hereby designated as follows, and in the event the Tapacito-Pictured Cliffs Gas Pool becomes prorated prior to the end of said test, the operator is hereby authorized to transfer any allowable which might accrue to the "Shut-in Well" to any of the wells designated as "Transfer Wells" for said test, in accordance with the provisions of Paragraph 8 of this order:

TAPACITO-PICTURED CLIFFS POOL
TEST # TC1-1 - SOUTHERN UNION, OPERATOR

Shut-in Well	Transfer Wells
Southern Union - Jicarilla #2-E NE SW 15-26N-4W	Southern Union - Jicarilla #3-E NW NE 15-26N-4W
	Southern Union - Jicarilla #1-E NW SW 16-26N-4W
	Southern Union - Jicarilla #4-E NE NE 22-26N-4W

(4) That the following "Communication Test" is approved and designated as shown below. This test shall not be subject to the allowable transfer and non-cancellation provisions of this order.

BALLARD-PICTURED CLIFFS POOL
TEST # BC1-3 - BENSON MONTIN, OPERATOR

Shut-in Well	No Transfer Wells
Benson Montin - Foster #1 NE NW 13-25N-8W	

(5) That authority be and the same is hereby granted to conduct "Pressure Build-up Tests" on the wells hereinafter designated as a "Shut-in Well" and to transfer any allowable accruing to said well during the test to any of the wells designated as a "Transfer Well" for the same test, in accordance with the provisions of Paragraph 8 of this order:

AZTEC-PICTURED CLIFFS POOL
TEST # ABU1-1 - EL PASO, OPERATOR

Shut-in Well	Transfer Wells
El Paso - Murphy #1-D SW SE 27-30N-11W	El Paso - Murphy #1-C NE NE 27-30N-11W
	El Paso - Murphy #1-E NE NE 34-30N-11W
	El Paso - Murphy #2-E NE NW 34-30N-11W

AZTEC-PICTURED CLIFFS POOL
TEST # ABU5-5 - EL PASO, OPERATOR

Shut-in Well	No Transfer Wells
El Paso - Storey #2-B SW SW 10-30N-11W	

BALLARD-PICTURED CLIFFS POOL
TEST # BBU1-6 - EL PASO, OPERATOR

Shut-in Well	Transfer Well
El Paso - Ballard #1-10 SW SW 10-26N-9W	El Paso - Ballard #2-10 SE SE 10-26N-9W

(6) That authority be and the same is hereby granted to conduct "Pressure Build-up Tests" on the wells hereinafter designated as a Shut-in Well and to transfer any allowable accruing to said well during the test to any of the wells designated as a "Transfer Well" for the same test, in accordance with the provisions of Paragraph 8 of this order, in the event any of the pools listed herein should become prorated during the conduct of the tests:

OTERO-PICTURED CLIFFS POOL
TEST # OBU1-7 - EL PASO, OPERATOR

Shut-in Well	Transfer Wells
Amerada - Jicarilla #8-B SE SE 30-24N-5W	Amerada - Jicarilla #1-B SE NE 20-24N-5W Amerada - Jicarilla #5-B NW NW 29-24N-5W Amerada - Jicarilla #6-B SE SE 29-24N-5W Amerada - Jicarilla #3-B NW NW 19-24N-5W Amerada - Jicarilla #4-B SE SE 19-24N-a5W Amerada - Jicarilla #7-B NW NW 30-24N-5W

(7) That the following "Pressure Buildup Tests" are hereby approved. These tests shall not be subject to the allowable transfer and non-cancellation provisions of this order:

AZTEC-PICTURED CLIFFS POOL
TEST # ABU2-2 - STANOLIND, OPERATOR

Shut-in Wells	No Transfer Wells
Stanolind - Likens Gas Unit "B" #1 SW SW 24-29N-11W	

TEST # ABU3-3 - STANOLIND, OPERATOR

Shut-in Well	No Transfer Wells
Stanolind - Abraham Gas Unit #1 SW SW 24-29N-10W	

TEST # ABU4-4 - STANOLIND, OPERATOR

Shut-in Well	No Transfer Wells
Stanolind - Abraham Gas Unit "A" #1 NE SE 26-29N-10W	

SOUTH BLANCO-PICTURED CLIFFS POOL
TEST # SBBU1-8 - STANOLIND, OPERATOR

Shut-in Well	No Transfer Wells
Stanolind - Jicarilla #1-155 NW NW 20-26N-5W	

(8) That any operator desiring an allowable transfer as authorized above shall submit a request for the same to the Commission setting out the amount of allowable which he proposes to transfer and the name and location of the well or wells which are to receive the same. Such transfers must be to wells on the same basic lease as the shut-in well. If the proposed transfer is approved by the Commission, the transfer shall be effected upon completion of the test or upon receipt of the deliverability test for the shut-in well, whichever date is later.

(9) That the underage and overage provisions of Rules 11 and 12 of Orders R-565-C and R-566-D be and the same are hereby suspended for all affected shut-in and transfer wells listed herein insofar as concerns any overage or underage accrued to such wells at the time a test is commenced; provided however, that said wells shall be subject to the provisions of the above Rules after the end of the six-month proration period following the proration period during which the test is completed, and further, that any allowable which accrues to a shut-in well during a test which is not transferred as provided for in Paragraph 8 above shall be considered to have accrued to said shut-in well on the date the test is completed.

(10) That any transfer well which has not been connected to a transportation facility at the beginning of the test shall have its allowable assigned in accordance with the applicable proration order.

That any shut-in well which has not been assigned an allowable prior to the effective date of this order shall be assigned an allowable from the date of connection to a transportation facility, provided said date is not more than forty-five days prior to the beginning of the test.

If, however, the shut-in well has not been connected to a transportation facility at the beginning of the test its allowable shall begin on the date when the well would have delivered gas into a transportation facility had the well not been shut-in, such date to be determined from an affidavit by the gas purchaser.

(11) That all shut-in wells be and the same are hereby excepted from the requirements of Order R-333-C and D until the date of first delivery of gas into a gas transportation facility after the completion of the test.

(12) That the Commission be and the same is hereby authorized to administratively approve the revision of wells designated to participate in any of the tests listed in this order, provided that no well shall be designated as a transfer well which is not on the same basic lease as the shut-in well.

(13) That in order to establish the starting date of any "Communication" or "Pressure Build-up" tests listed in this order, the operator shall notify the Santa Fe and Aztec offices of the Commission at the time the well is shut-in and padlocked, which date shall be the starting date of the "Communication" or "Pressure Build-up" tests. Provided, that any test started before the date of this order on which the operator can furnish adequate proof that the well has not been blown to the air or produced in any manner, may have the starting date of the test begin as of the date of the shutting-in of the test well.

(14) That the shut-in well on all tests listed in this order shall be padlocked in such a manner so as to definitely prevent the opening of any valve except during the taking of the pressure readings.

(15) That a schedule of pressure reading dates shall be submitted to the Commission's Aztec and Santa Fe offices at the time the test well is shut-in or immediately on receipt of this order, whichever date is later. Any revision to be made in this schedule shall be made at least 72 hours prior to the scheduled pressure reading date.

(16) The results of all pressure readings shall be filed with the Commission's Aztec and Santa Fe offices not later than 15 days after the readings are taken. This date shall be filed on San Juan Allowable Committee's Form "B".

(17) That immediately after receipt of this order all operators participating in subject tests shall file with the Commission's Santa Fe office:

(1) San Juan Allowable Committee's Form "A" listing the test well and all offset wells.

(2) A 2 inch to the mile scale plat showing the test well, all offset wells, and lease ownership.

Operators who filed this data at the hearing of this case shall not be required to refile.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem, Chairman

Murray E. Morgan, Member

A. L. Porte[illegible], Member & Secretary

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

September 4, 1956

S. Blanco C Jicarilla 1-E

COPY

Humble Oil and Refining Company
P. O. Box 1600
Midland, Texas

Attention: Mr. R. S. Dewey

Re: Pressure Interference Tests
San Juan Basin

Gentlemen:

Reference is made to your application dated August 1, 1956, for an Administrative Order to conduct pressure interference tests in the Pictured Cliffs Formation on your Jicarilla Apache Tribe of Indians "J" Lease in Rio Arriba County, New Mexico.

Your application can not be granted administratively, but will require a hearing. A hearing has been scheduled on September 13, 1956, at Santa Fe in Case No. 1147. This hearing was set up on the Commission's own motion after receiving an application for same from Mr. Foster Morrell in behalf of other operators in the San Juan Basin. A copy of the docket listing this case is enclosed.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ALP:jh
cc: Oil Conservation Commission, Aztec
Mr. Foster Morrell, Roswell

MAIN OFFICE OCC

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS August 1, 1956

New Mexico Oil Conservation Commission
P. O. Box 871
Sante Fe, New Mexico

Gentlemen:

By this letter, Humble Oil & Refining Company makes application for an Administrative Order permitting Humble Oil & Refining Company to conduct a pressure interference test in the Pictured Cliffs formation on their Jicarilla Apache Tribe of Indians "J" lease covered by Sections 5, 6, 7 and 8, T-25-N, R-5-W, Rio Arriba County, New Mexico, and to transfer all or a part of the gas allowable from their Wells Nos. 1, 3, 5 and 7 to their Wells Nos. 2, 4, 6 and 8 for the duration of the testing period which is estimated to cover six months.

Currently Wells Nos. 1, 2, 3 and 4 have been connected to the Southern Union Gas Company's gathering system and will be prorated in the South Blanco Gas Pool. The other wells on the lease have not as yet been connected to a gathering system.

If this application is approved, Humble proposes to leave Well No. 7 unconnected to a gathering system for the duration of the test period.

In order to avoid producing any gas from Well No. 7 prior to or during the test period, it is proposed to place a padlock on the well, and to assign a deliverability to Well No. 7 which will be the average deliverability of the other 7 wells on the lease. From this average deliverability, a computed allowable may be assigned to the well for the duration of the test.

It is proposed to furnish the New Mexico Oil Conservation Commission a pressure testing schedule in order that all pressure measurements may be witnessed by a representative of the Commission. The first four tests will be taken at weekly intervals with subsequent tests at bi-weekly intervals. At the time of the first test, a bottom-hole pressure instrument will be used to determine the pressure gradient in the well. This will be followed by dead weight testing of the surface pressures at the well head. The same dead weight tester will be used on all tests and periodically calibrated with a master tester belonging to the El Paso Natural Gas Company in Farmington, New Mexico.

A plot of the Humble Jicarilla "J" lease is attached hereto.

In the event the New Mexico Oil Conservation Commission has any additional regulations pertinent to this test, Humble Oil & Refining Company will comply with them.

Yours very truly,

HUMBLE OIL & REFINING COMPANY

APPROVED

J. W. House

RSD/jf

By: R. S. Dewey

STANO. | ANO. | OHIO

31 | 32 | 33

36

T 26 N - R 5 W

SUPERIOR | HUMBLE J | HUMBLE J | STANO.

Rincon Pard

6 | 5 | 4

12

Rincon Pard

Rincon Pard

HUMBLE J | HUMBLE J | STANO

7 | 8 | 9

12

Rincon Pard

Rincon Pard

SUPERIOR | AMERADA | AMERADA | AMERADA

T 25 N - R 5 W

18 | 17 | 16

13

HUMBLE OIL & REF. CO.
JICARILLA LEASES - J"

FORM A

SAN JUAN GAS ALLOWABLE COMMITTEE

TEST WELL DATA - _____ - PICTURED CLIFFS POOL

Report Dated: Sept. 11, 1956

NATURE OF TEST: INTERFERENCE ~~PRESSURE BUILD UP~~ (cross out one)

TEST WELL: Operator: Benson-Montin-Greer Drlg Corp. Well Name & No. Foster-Riddle #1
Location: 1065 fr. North, 1850 fr. West lines, ___¼___¼ Sec. 13 T. 25 N., R. 8 W., NMPM
TD: 2350 Casing: 2298 Tubing: 2333
Completed: 2/15/56 First Delivery: _____
Pay Zone: Open Hole Interval: 2298 - 2350 or Perforations: _____
Stimulation: 6006 gals diesel w/ 8000 lbs sand.
SIPC: 610 SIPT: _____ Days SI: _____
I.P. Test: 7445 MCF, 3 hrs. ✓ Choke: 3/4 MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____
Pipe Line connection - 6/15/56

NE OFFSET: Operator: Benson-Montin Well Name & No. Sheets #1
Location: ____fr.____, ____fr.____lines, ___¼___¼ Sec.___T.___N., R.___W., NMPM
TD: _____ Casing: _____ Tubing _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____

N OFFSET: Operator: _____ Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ___¼___¼ Sec.___T.___N., R.___W., NMPM
TD: _____ Casing _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date tested: _____

NW OFFSET: Operator: Benson-Montin Well Name & No. Sheets #2
Location: ____fr.____, ____fr.____lines, ___¼___¼ Sec.___T.___N., R.___W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I. P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____

W OFFSET: Operator: E.P.N.G. Well Name & No. Payne 1-14
Location: ____fr.____, ____fr.____lines, ___¼___¼ Sec.___T.___N., R.___W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date tested: _____

OIL CONSERVATION COMMISSION
CASE _____

Form A
San Juan Gas Allowable Commission
Test Well Data
Page 2

SW OFFSET: Operator: E.P.N.G. Well Name & No. Payne 3-14X
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs. _____ choke: _____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

SW ~~OFFSET~~: Operator: Petro-Atlas Well Name & No. Foster #1
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs. _____ Choke: _____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

SE OFFSET: Operator: Benson-Montin-Greer B.M.G. Well Name & No. Foster Riddle #7
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs. _____ Choke: _____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date Tested: _____

E. OFFSET: Operator: _____ Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs. _____ Choke: _____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

1. [illegible] until 5, 6, 7, & smoke connected and the [illegible] connected.

2. [illegible] completed [illegible]

3. [illegible] should be done after completion of [illegible].

P. O. BOX 933

DIAL MAin 2-5230
OR MAin 2-0420

FOSTER MORRELL
PETROLEUM CONSULTANT
NICKSON HOTEL BUILDING
ROSWELL, NEW MEXICO

August 23, 1956

Mr. A. L. Porter, Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

You have been informed by previous correspondence of the establishment by operators of gas rights in the San Juan Basin, New Mexico, of what is now known as the San Juan Gas Allowable Committee.

The purpose of this committee is to obtain factual data for presentation to the New Mexico Oil Conservation Commission looking to increased allowables for Pictured Cliffs gas wells on a 320-acre basis. In connection with this study interference or communication tests and also pressure build-up tests will be conducted in various Pictured Cliffs pools.

The undersigned, as chairman of the committee, at the direction or concurrence of the operators participating in the tests, respectfully petitions the Commission to call a hearing on its own motion at the regular hearing on September 13, 1956, for consideration and approval of interference or communication tests presently proposed and for the designation of certain wells for pressure build-up tests in various Pictured Cliffs gas pools in the San Juan Basin of New Mexico. It is requested that the call of the hearing be made broad enough to permit the transfer of allowables from wells that are shut-in during such tests, or, at the election of the operator involved, to permit the accumulation of underproduction without cancellation for such a well, and to provide that the Commission by Administrative Order hereafter may approve such additional or alternate test wells subsequently designated and the transfer of allowables or the accumulation of under-production without cancellation from such wells.

All such tests shall be conducted in accordance with applicable procedures prescribed by the Commission and such additional regulations the Commission may consider pertinent. It is intended that arrangements be made that all pressure measurements may be witnessed by a representative of the Commission.

Operators participating in the initial tests for this study include the following:

Stanolind Oil & Gas Company
Humble Oil & Refining Company
Amerada Petroleum Corporation
Superior Oil Company
El Paso Natural Gas Company
Southern Union Gas Company
Benson-Montin-Greer

Representatives of these operators will be prepared to present testimony at such hearing as to their particular test wells and other relevent data desired by the Commission.

Sincerely yours,

Foster Morrell

Foster Morrell

FM/as

Enclosures:
Letter dated August 20, 1956, from
El Paso Natural Gas Company
Letter dated August 23, 1956, from
Stanolind Oil & Gas Company

El Paso Natural Gas Company

El Paso, Texas

August 20, 1956

Mr. Foster Morrell
P. O. Box 933
Roswell, New Mexico

Re: A Hearing to be called for Commission authorization for Communication Tests in various Pictured Cliffs Pools in the San Juan Basin, New Mexico

Dear Mr. Morrell:

This is your authorization to petition the New Mexico Oil Conservation Commission on behalf of the El Paso Natural Gas Company to call a Hearing on their own motion, for consideration and approval of communication tests in various Pictured Cliffs Pools in the San Juan Basin of New Mexico.

It is considered unnecessary that you request the call of the Hearing to be specific as it pertains to individual well names. It is believed appropriate that we furnish to the Commission at the time of the Hearing the names of the wells that will be effected by such communication tests. The call of the Hearing should be broad enough to permit the transfer of allowables from wells that are shut-in during tests, or should the Operator elect, the accumulation of under-production without cancellation for such a well.

Yours very truly,

F. NORMAN WOODRUFF
Gas Proration Engineer

PNW:mgs
CC: New Mexico Oil Conservation Commission

FORM 470 1-56

STANOLIND OIL AND GAS COMPANY

Roswell, New Mexico
August 23, 1956

File: B-24-986.510

Subject: Communication Test
Pictured Cliffs Fields
San Juan Basin

Mr. Foster Morrell
Nickson Hotel Building
Roswell, New Mexico

Dear Sir:

Reference is to our conversation on August 22, 1956, concerning your proposal to file an application with NMOCC for a hearing to be called on NMOCC's motion to establish a procedure for shutting in Pictured Cliffs wells and transferring allowables or non-cancellation of allowables during communication tests.

Stanolind Oil and Gas Company as an Operator in the San Juan Basin is co-operating with other Operators in taking communication tests in various Pictured Cliffs gas fields and joins with the other Operators in asking the Commission to call a hearing on its own motion to establish procedures for the transfer of allowables or non-cancellation of allowables for wells involved in the test programs and providing for administrative approval for future wells involved in these tests.

In the preparation of your application to NMOCC, it is desired that Stanolind's joinder in the request for a hearing be worded exactly as in the above paragraph.

Yours very truly,

STANOLIND OIL AND GAS COMPANY

C. L. Kelley
District Superintendent

JWB/ms

OF Upton 11/21/56

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(1)

Date 11-9-56

CASE 1147 Hearing Date 9-13-56

My recommendations for an order in the above numbered cases are as follows:

The application should be approved as follows:

Findings:

(a) That the information obtained from the subject "Pressure Build-up" tests and "Communication" tests will be beneficial to the Commission in the performance of its duties.

(b) That the transfer of allowables among wells involved in the tests which are on the same basic lease as the "shut-in" wells is practical and reasonable.

(c) That the underage and overage balancing provisions of Rules 11 and 12 of Order R-565-C and 566-D should be suspended on all wells involved in the subject tests for the duration of the tests, except as specifically ~~ordered~~ covered herein.

X

Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(2)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

Order:

X (1) That the following "Communitization" tests ~~application is hereby~~ be and the same are hereby approved and ~~transfer and non-commingling allowable~~ subject to the provisions of this order.

Aztec - Pictured Cliffs Pool
Test # AC1-2 - El Paso, operator

Shut-in wells

El Paso - Ludwick #2
SESE 19-30N-10W

Transfer wells

~~El Paso - Schumacher #4~~
~~SESE 18-30N-10W~~

~~El Paso - Schumacher #5~~
~~SESW 18-30N-10W~~

El Paso - Ludwick #6
NWSW 19-30N-10W

~~El Paso - Setter #1-A~~
SW NW 30-30N-10W

~~El Paso~~ - Setter #2-A
NENE 30-30N-10W

El Paso - Ludwick #1
NWNW 29-30N-10W

~~El Paso~~ - Stewart #2
~~SWSW 30-30N-10W~~

Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(3)

Date _____

CASE _____ Hearing Date _____

My recommendations for an order in the above numbered cases are as follows:

Ballard - Pictured Cliffs Pool

Test # BCR - 4 - El Paso, Operator

Shut-in well

El Paso - McConnell # 4
NESW - 24 - R6N - 9W

~~Transfer~~ ~~Producing~~ wells

El Paso - McConnell # 6
~~El Paso - Thompson # B~~
~~SWNE 24 - 26N - 9W~~
NENE 25 - 26N - 9W

El Paso - McConnell # 5
NENW 24 - 26N - 9W

~~Stanolind~~

South Blanco - Pictured Cliffs Pool

Test # SBC1-8 — Southern Union, Operator

Shut-in well

Humble - Jicarilla # "J" 7
NWNW 8 - 24N - 5W

~~Transfer~~ ~~Producing~~ wells

Humble - Jicarilla "J" # 1
NWNW 5 - 24N - 5W

Humble - Jicarilla "J" # 2
SWSW 5 - 24N - 5W

Humble - Jicarilla "J" # 3
SWNW 6 - 24N - 6W

Humble - Jicarilla "J" 4
SESE 6 - 24N - 5W

Humble - Jicarilla "J" # 5
NWNW 7 - 24N - 5W

Humble - Jicarilla "J" # 6
SESE 7 - 24N - 5W

~~Humble - Jicarilla "J" 8~~
SESE 8 - 24N - 5W

Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(4)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

S. Blanco (cont)

Dest SBC 2-9 - ~~El Paso~~ Southern Union - operator

Shut-in well
El Paso - Jicarilla # 2-E
SWSE 19 - 25N - 4W

Transfer wells
El Paso - Jicarilla # 1-E
SENE 19 - 25N - 4W

El Paso - Jicarilla # 3-E
~~SESW~~ ~~SWNE~~ # 8 - 25N - 4W
El Paso - Jicarilla # 2
SENW 20 - 25N - 4W

West Kutz - Pictured Cliffs Pool.

Dest # WKC 1-10 - Stanolind, operator

Shut-in well
Stanolind - GCU # 44
SWSW 35 - 29N - 13W

Transfer wells
Stanolind - GCU # 5
SENE 13 - 28N - 13W
Stanolind - GCU # 21
SWSW 18 - 28N - 12W
Stanolind - GCU # 42
SESW 12 - 28N - 13W
Stanolind - GCU # 66
SWNE 35 - 29N - 13W

Shut-in wells

Dest WKGZ-11, Stanolind, operator

Stanolind - GCU # 15
~~SENE~~ 21 - 28N - 12W
SENE

Transfer wells
Stanolind - GCU # 6
NWSW 22 - 28N - 12W
Stanolind - GCU # 17
NENE 28 - 28N - 12W
Stanolind - GCU # 33
SWSW 21 - 28N - 12W

Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(5)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

West Kutz - P.C. (cont'd)

Dept # WKC 3-12 - Stanolind, operator

Shut-in well
Stanolind - LCU #7
NE NE 30-28N-12W

transfer wells
Stanolind - LCU. #19
SE NE 20-28N-12W
Stanolind - LCU. #35
NE SW 20-28N-12W
Stanolind - LCU. #36
SE NE 19-28N-12W
Stanolind - LCU #71
SW SW 31-28N-12W
Stanolind - LCU. #72
SW NE 36-28N-13W

Dept WKC 4-13 - Stanolind, operator

Shut-in well.
Stanolind - LCU #31
SW NW 34-28N-12W

transfer wells.
Stanolind - LCU #4
SW NE 34-28N-12W
Stanolind - LCU #10
NE SW 33-28N-12W
Stanolind - LCU #12
NE NE 33-28N-12W
Stanolind - LCU #24
NW SE 34-28N-12W

_____
Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(6)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

2(X) That the following "communications" tests and participating wells ~~are approved and~~ are in Non-Prorated pools and shall be subject to the and Non-Cancellation provisions of this order in the event the pools in which these wells are located should become prorated before the completion of the subject tests.

Canyon Largo - Pictured Cliffs Pool 3-27
Dept # C&C 1-5 - Benson-Montin, operator 1-30

Shut-in well
Superior - Slagel # 2-19
~~NW SE~~ SE SE 19 - 25N - 6W

Transfer wells
Superior - Slagel # 1-20
NW NW 20 - 25N - 6W
Superior - Slagel # 1-19
NW NW 19 - 25N - 6W
Superior - Lightner # 2-29
SW SE 29 - 25N - 7W
Superior - Anabeth Phillips # 1-30
NW NW 30 - 25N - 6W
Superior - Anabeth Phillips # 2-30
SE SE 30 - 25N - 6W
Superior - Anabeth Phillips # 1-29
NW NW 29 - 25W - 6W

_____
Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(7)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

Otero Pictured Cliffs Pool

Dest # OC 1-6 — El Paso, operator

Shut-in well.
Abraham Jicarilla #9
NE SW 28-24N-5W

No Dumpline wells
~~Abraham Jicarilla #11~~
~~NE NW 33-24N-5W~~
~~Abraham Jicarilla #8~~
~~SE NE 33-24N-5W~~

Dest # OC 2-7 — El Paso, operator

Amerada-Jicarilla #2-B
SE SE 20-24N-5W

Amerada-Jicarilla #1-B
SE NW 20-24N-5W

Amerada-Jicarilla #5-B
NW NW 29-24N-5W

Amerada-Jicarilla #6-B
SE SE 29-24N-5W

(Insert ①)

(X3) That the ~~Four~~ following "connications" test ~~tests~~ which ~~was~~ was approved by NMOCC order R-794, April 18, 1956, shall be subject to the temporary and non-cancellation provisions of this order in the event the Jalisco-Pictured Cliffs Pool in which these wells are located should become ~~subject~~ nominated before the completion of the subject tests.

Staff Member

Insert (1)

Amerada - Jicarilla B-B
NW NW 19 - 24N - 5W

Amerada - Jicarilla 4-B
SE SE 19 - 24N - 5W

Amerada - Jicarilla 7-B
NW NW 30 - 24N - 5W

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(8)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

#3 (3) cont)

Tapacito - Pictured Cliffs Pool. 31

Test # TC 1-1 — Southern Union, operator 32

Shut-in well
Southern Union - Jicarilla # 2-E
NE SW 15-26N-4W

Transfer wells
Southern Union - Jicarilla # 3-E
NW NE 15-26N-4W
Southern Union - Jicarilla # 1-E
~~NW SW~~ 16-26N-4W
NW SE
Southern Union - Jicarilla # 4-E
NE NE 22-26N-4W

#5

5. (~~3~~) (4) That the following "Pressure Build-up" ~~tests~~ and participating wells are approved and subject to the transfer and non-cancellation provisions of this order.

Aztec - Pictured Cliffs Pool 31
Test # ABU 1-1 — El Paso, operator 32

Shut-in well
El Paso - Murphy 1-D
SW SE 27-30N-11W

Transfer wells.
El Paso - Murphy 1-C
NE NE 27-30N-11W
El Paso - Murphy 1-E
NE NE 34-30N-11W
El Paso - Murphy 2-E
NE NW 34-30N-11W

Staff Member

(6) That the following "communications" test is approved and shall not be subject to the "transfer and non-cancellation provisions of this order" until the test was completed before the pool was prorated. 23

Ballard - Pictured Cliffs.
Test # BC 1-3 - Benson-Montin 31
Shut-in well. operator
Benson Montin - Fowler #1
NE NW 13 - 25 N - 8 W

4

Duart (2)

Amerada - Jicarilla #6-B
SESE 29-24N-5W

Amerada - Jicarilla #3-B
NWNW 19-24N-5W

Amerada - Jicarilla 4-B
SESE 19-24N-5W

Amerada - Jicarilla 7-B
NWNW 30-24N-5W.

(6)

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(9)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

Aztec-P.C. (cont)

Test # BU 5-5 — El Paso, operator

Shut-in well
El Paso - Storey 2-B
SWSW 10-30N-11W

No Transfer wells.
~~El Paso - Storey 1-B~~
~~SE NE 11-30N-11W~~

Ballard - Pictured Cliffs Pool

Test # BBU 1-6 = El Paso, operator

Shut-in well
El Paso-Ballard 1-10
SWSW 10-26N-9W

Transfer wells
El Paso-Ballard 2-10
SESE 10-26N-9W

(6.) Grant 2

That the following "Pressure Build-up" tests and participating wells are in a non-prorated pool and shall be subject to the transfer and non-cancellation provisions of this order in the event the pool in which these wells are located should become prorated before the completion of the subject tests.

Otero - Pictured Cliffs Pool

Test # OBU 1-7 — El Paso, operator

Shut-in well
Amerada-Jicarilla 8-B
SESE 30-24N-5W

Transfer wells
Amerada-Jicarilla #1-B
SENE 20-24N-5W

Amerada-Jicarilla #5-B
NWNW 29-24N-5W

Staff Member

(Grant (2))

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(10)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

7. ~~(7)~~ That the following "Pressure Build up" tests are hereby approved. These ~~tests~~ tests shall not be subject to the transfer and non-cancellation provisions of this order.

Aztec-Pictured Cliffs Pool

Dept # ABU 2-2 - Stanolind, operator
Shut-in wells
Stanolind - Lickens Gas Unit "B" #1
SW SW 24 - 29N - 10W

~~Stan~~ Dept # ABU 3 - 3 - Stanolind, operator
Shut-in well
Stanolind - Abraham Gas Unit #1
SW SE 26 - 29N - 10W

Dept # ABU 5-5 - Stanolind, operator
Shut-in well
Stanolind - Abraham Gas unit "A" #1
NE SE 26 - 29N - 10W

South Blanco - Pictured Cliffs Pool
Dept # SBBU 1-8 - Stanolind, operator
Shut-in well.
Stanolind - Jicarilla 1-155
NW NW 20 - 26N - ~~5W~~

Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(11)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

~~5.~~ (~~4~~) That the wells ~~mentioned~~ listed in each test ~~of~~ paragraph~~s~~ ~~(a), (b), and (c)~~ above shall be allowed to transfer and distribute the allowables assigned ~~the~~ S.I. wells among the wells in each ~~test~~ that are located on the same basin lease as the "Shut-in" well for ~~that~~ test. The allowable subject to transfer shall ~~be only~~ ~~is~~ that amount accrued during the ~~period~~ ~~course~~ of the ~~the~~ test for which the well would have normally received ~~an~~ allowable in accordance ~~with~~ the applicable proration order.

Any well which is not connected to a transportation facility at the beginning of the test shall have ~~its~~ allowable begin on the date of connection or, in the case of a "shut-in" well, on the date which the well would have delivered gas into a transportation facility as determined by an affidavit from the gas purchaser.

~~6. (5)~~ That the wells listed ~~in~~ in paragraphs (a) ~~thru (f)~~ shall have the ~~proration~~ 6 month proration period following the proration period in which the test is completed in which to bring the wells into balance. ~~(Each Member~~ age or under age accrued before the beginning of the test as well

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(12)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

as that which is accrued during the test, and after the transfer, shall be made up during ~~the~~ said period.

11. (f) That the provisions of NMOCC order 333 C&D shall be effective on all "shut-in" wells on the date of first delivery into a transportation facility following the completion of said tests.

~~(g)~~ (g) That the transfer and distribution of allowables shall be made by the commission following the receipt and approval of ~~the~~ all Deliverability tests for the wells involved in such transfer, or following the completion of the "commingling" or "resume build-ups" tests; whichever date is later. The operator shall notify the Commission of the ~~the~~ manner in which he desires the transfer of allowables on his wells at this time.

~~(h)~~ (h) That the Commission ~~be and the same is hereby authorized to~~ designated administratively approve the ~~change~~ omission of wells to participate in any of the tests listed in this order, provided that no well shall be designated as transfer well which is not on the same basic lease as the "Shut-in" well.

12.

Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(13)

Date_____

CASE_____ Hearing Date_____

My recommendations for an order in the above numbered cases are as follows:

~~(4)~~ 13. That in order to establish the ~~beginning~~ starting date of any "C" or "BU" test listed in this order the operator shall notify the Santa Fe and Aztec Offices of the commission at the time the well is shut-in and padlocked, which shall be the starting date of the "communitization" or ~~"Build~~ "pressure build-up" tests. Provided, that any test started before the date of this order on which the operator can provide sufficient data to prove that the well has not been flowed to the air or produced in any manner may have the starting date of the test begin as of the date of the shut-in of the test well or the date which the data presented to the commission shows the well to have been definitely shut-in.

_____
Staff Member

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(14)

Date ____________________

CASE ____________________ Hearing Date ____________________

My recommendations for an order in the above numbered cases are as follows:

14. That the "shut-in" well on all tests listed in this order shall be padlocked in such a manner so as to definitely prevent the opening of any valve except during the taking of the pressure readings.

15. That a schedule of pressure reading dates shall be submitted to the Commission's Aztec and Santa Fe offices at the time the test well is shut-in or immediately on receipt of this order, whichever date is later. Any revision to be made in this schedule shall be made at least 72 hours prior to the scheduled pressure reading date.

16. That the results of all pressure readings shall be filed with the Commission's Aztec and Santa Fe offices not later than 15 days after the readings are taken. This data shall be filed on [illegible] allowable Committee's form C.

Staff Member ____________________

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

(15)

Date_____

CASE_____ Hearing Date_____

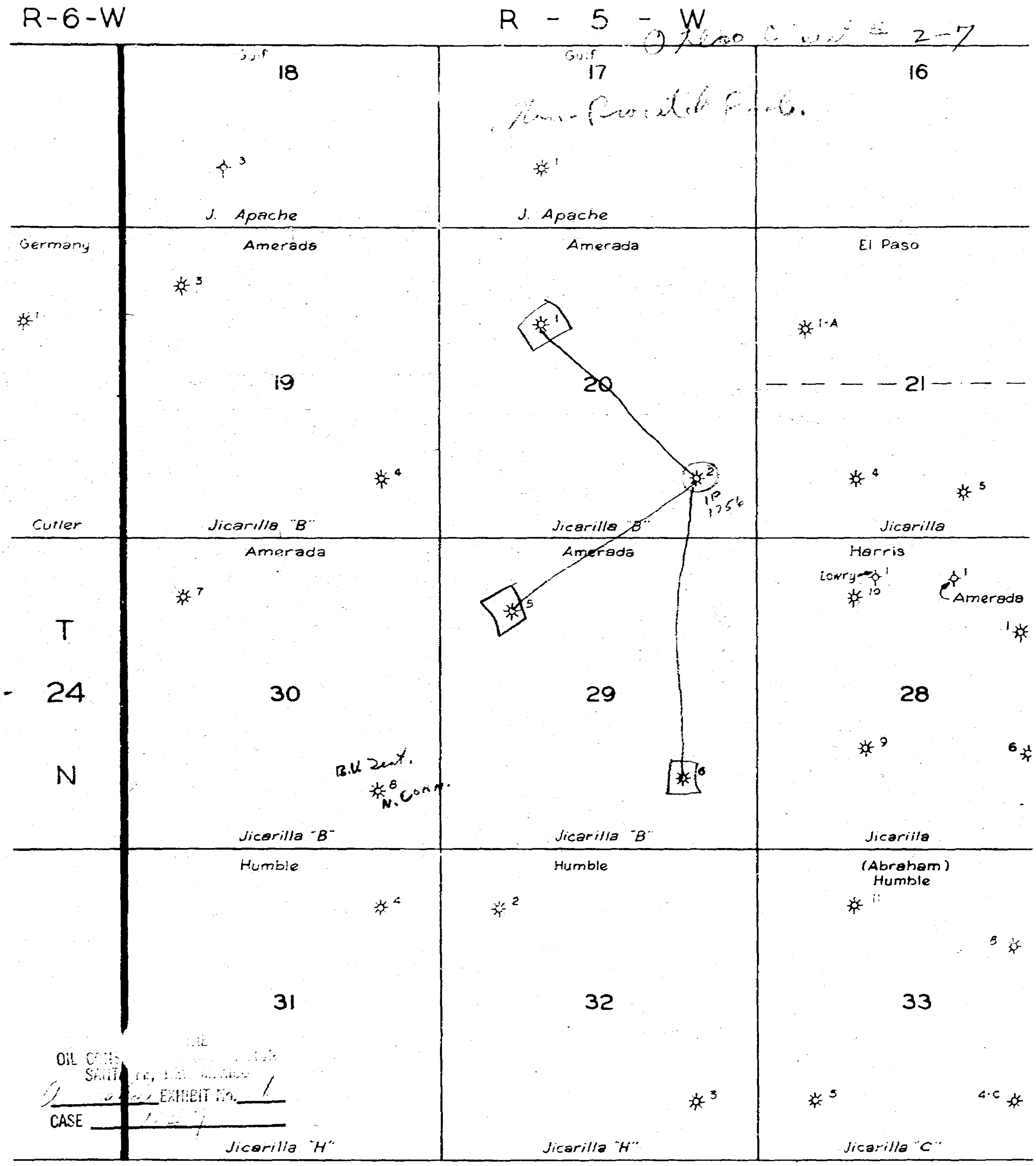
My recommendations for an order in the above numbered cases are as follows:

~~(1)~~ 17. That immediately ~~after~~ receipt of this order all operators participating in subject tests ~~shall~~ file with the Commissioners Santa Fe Office: (1) San Juan Allowable Committee's form A listing the test well and all offset wells. (2) ~~or Plat~~ ~~a 2" to the mile scale~~ ~~plat of all wells~~ a 2" to the mile scale, plat showing the test well, all offset wells, and lease ownerships.

Operators who filed this data at the hearing of this case shall not be required to refile.

Staff Member

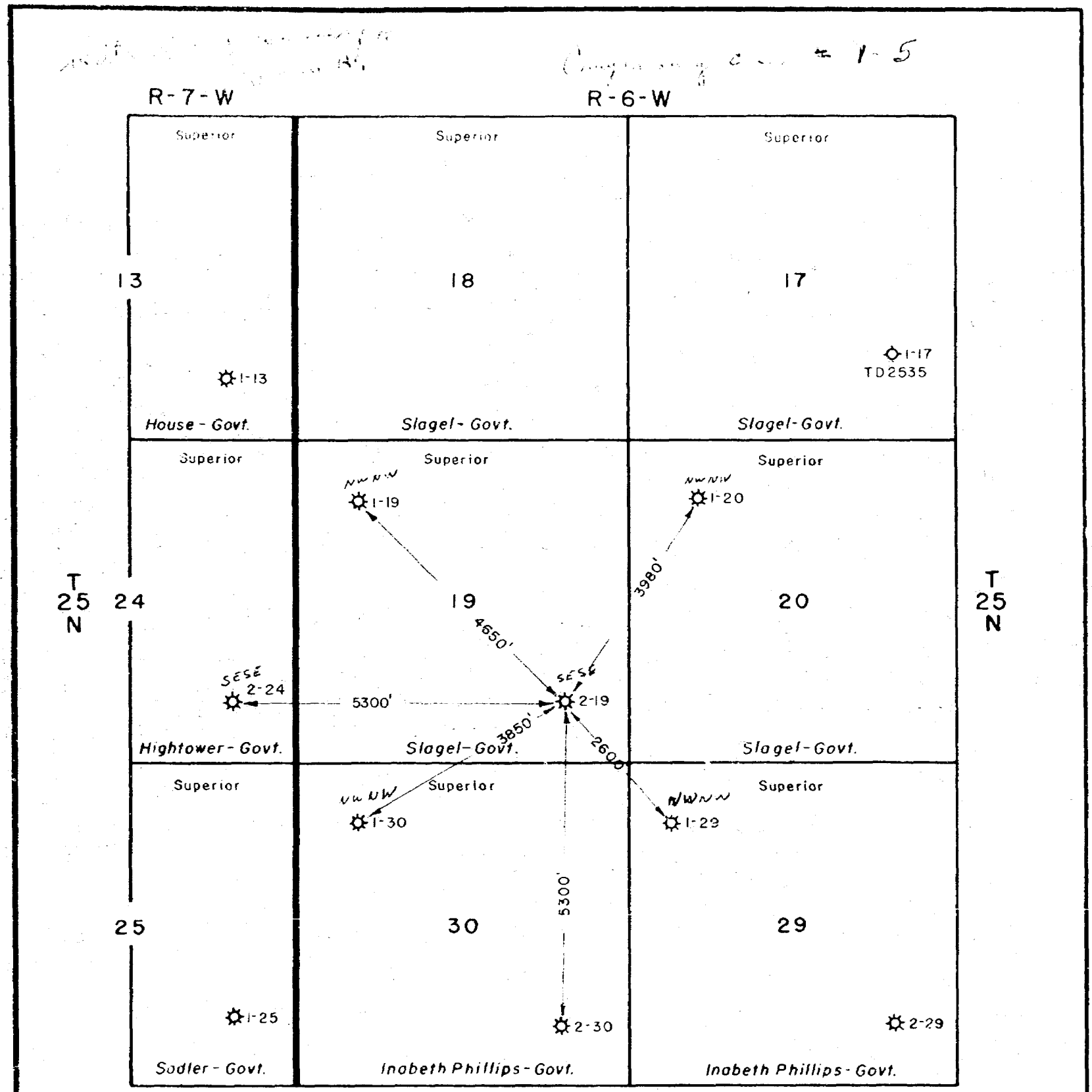
9:30 11/21/56



JICARILLA - APACHE AREA

RIO ARRIBA CO., NEW MEXICO

SCALE : 1 IN. = 2000 FT.



CANYON LARGO UNIT AREA
RIO ARRIBA COUNTY, NEW MEXICO

Scale: 1" = 2000'

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT No. 1
CASE

SAN JUAN GAS ALLOWABLE COMMITTEE

EXHIBIT 1 CASE NO. 1147

Wells Selected for Interference Tests	Operator to Conduct Interference Tests
Aztec Pool	
El Paso Well No. 2 Ludwick SE/4 SE/4 Sec. 19, T-30N, R-10W	El Paso
Ballard Pool	
Benson-Montin Well No. 1 Foster NE/4 NW/4 Sec. 13, T-25N, R-8W	Benson-Montin
El Paso Well No. 4 McConnel NE/4 SW/4 Sec. 24, T-26N, R-9W	El Paso
Canyon Largo Pool	
Superior Well No. 2-19 Slagel SE/4 SE/4 Sec. 19, T-25N, R-6W	Benson-Montin
Otero Pool	
Abraham Well No. 9 Jicarilla NE/4 SW/4 Sec. 28, T-24N, R-5W	El Paso
Amerada Well No. 2-B Jicarilla SE/4 SE/4 Sec. 20, T-24N, R-5W	El Paso
South Blanco Pool	
Humble Well No. 7 Jicarilla NW/4 NW/4 Sec. 8, T-25N, R-5W	Southern Union
El Paso Well No. 2-E Jicarilla SW/4 SE/4 Sec. 19, T-25N, R-4W	Southern Union
Tapacito Pool	
Southern Union Well No. 2-E Jicarilla NE/4 SW/4 Sec. 15, T-26N, R-4W	Southern Union (to conduct test under OCC Order R-794)

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
SJGAC EXHIBIT No. 1
CASE 1147

Exhibit 1

West Kutz Pool

Stanolind No. 44 Gallegos Canyon Unit
SW/4 SW/4 Sec. 35, T-29N, R-13W — Stanolind

Stanolind No. 18 Gallegos Canyon Unit
NE/4 NE/4 Sec. 21, T-28N, R-12W — Stanolind

Stanolind No. 74 Gallegos Canyon Unit
NE/4 NE/4 Sec. 30, T-28N, R-12W — Stanolind

Stanlind No. 31 Gallegos Canyon Unit
SW/4 NW/4 Sec. 34, T-28N, R-12W — Stanolind

SAN JUAN GAS ALLOWABLE COMMITTEE

EXHIBIT 2 CASE NO. 1147

Wells Selected for Pressure Build-up Tests	Operator to Conduct Pressure Build-up Tests
Aztec Pool	
El Paso Well No. 1-D Murphy SW/4 SE/4 Sec. 27, T-30N, R-11W	El Paso Aztec BU 1-1
Stanolind Well No. 1 Likens Gas Unit "B" SE/4 SE/4 Sec. 24, T-29N, R-10W	Stanolind Aztec BU 2-2
Stanolind Well No. 1 Abrahams Gas Unit SW/4 SW/4 Sec. 24, T-29N, R-10W	Stanolind Aztec BU 3-3
Stanolind Well No. 1 Abrahams Gas Unit "A" NE/4 SE/4 Sec. 26, T-29N, R-10W	Stanolind Aztec BU 4-4
El Paso Well No. 2-B Storey NE/4 SW/4 Sec. 11, T-30N, R-11W	El Paso Aztec BU 5-5
Ballard Pool	
El Paso Well No. 1-10 Ballard SW/4 SW/4 Sec. 10, T-26N, R-9W	El Paso Ballard BU 1-6
Otero Pool	
Amerada Well No. 8-B Jicarilla SE/4 SE/4 Sec. 30, T-24N, R-5W	El Paso Otero BU 1-7
South Blanco Pool	
Stanolind Well No. 1-155 Jicarilla NW/4 NW/4 Sec. 20, T-26N, R-5W	Stanolind S. Blanco BU 1-8

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
SJGAC Exhibit No. 2
Case No. 1147

FORM A

Exhibit 3
Case No. 1147

SAN JUAN GAS ALLOWABLE COMMITTEE

TEST WELL DATA - _____ - PICTURED CLIFFS POOL

Report Dated: _____

NATURE OF TEST: INTERFERENCE / PRESSURE BUILD UP (cross out one)

TEST WELL: Operator: _____ Well Name & No. _____
Location: ____fr. ____, ____fr. ____lines, ____¼ ____¼ Sec. ____T. ____N., R. ____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____ MCF, 3 hrs. ___ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____

NE OFFSET: Operator: _____ Well Name & No. _____
Location: ____fr. ____, ____fr. ____lines, ____¼ ____¼ Sec. ____T. ____N., R. ____W., NMPM
TD: _____ Casing: _____ Tubing _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____

N OFFSET: Operator: _____ Well Name & No. _____
Location: ____fr. ____, ____fr. ____lines, ____¼ ____¼ Sec. ____T. ____N., R. ____W., NMPM
TD: _____ Casing _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date tested: _____

NW OFFSET: Operator: _____ Well Name & No. _____
Location: ____fr. ____, ____fr. ____lines, ____¼ ____¼ Sec. ____T. ____N., R. ____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I. P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____

W OFFSET: Operator: _____ Well Name & No. _____
Location: ____fr. ____, ____fr. ____lines, ____¼ ____¼ Sec. ____T. ____N., R. ____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date tested: _____

SJC-AC

Form A
San Juan Gas Allowable Committee
Test Well Data

SW OFFSET: Operator:_____ Well Name & No._____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD:_____ Casing:_____ Tubing:_____
Completed:_____ First Delivery:_____
Pay Zone: Open Hole Interval:_____ or Perforations:_____
Stimulation:_____
SIPC:_____ SIPT:_____ Days SI:_____
I.P. Test:_____MCF, 3 hrs.____ choke:_____MCF AOF thru tubing or casing
Current Deliverability:_____MCF, Date tested:_____

S OFFSET: Operator:_____ Well Name & No._____
Location: ____fr.____, ____fr.____lines,____¼____¼ Sec.____T.____N., R.____W., NMPM
TD:_____ Casing:_____ Tubing:_____
Completed:_____ First Delivery:_____
Pay Zone: Open Hole Interval: _____ or Perforations:_____
Stimulation:_____
SIPC:_____ SIPT:_____ Days SI:_____
I.P. Test:_____MCF, 3 hrs.____ Choke:_____MCF AOF thru tubing or casing
Current Deliverability:_____MCF, Date tested:_____

SE OFFSET: Operator:_____ Well Name & No._____
Location: ____fr.____, ____fr.____lines,____¼____¼ Sec.____T.____N., R.____W., NMPM
TD:_____ Casing:_____ Tubing:_____
Completed:_____ First Delivery:_____
Pay Zone: Open Hole Interval:_____ or Perforations:_____
Stimulation:_____
SIPC:_____ SIPT:_____ Days SI:_____
I.P. Test:_____MCF, 3 hrs. _____ Choke:___MCF AOF thru tubing or casing
Current Deliverability:_____MCF, Date Tested:_____

E. OFFSET: Operator:_____ Well Name & No._____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD:_____ Casing:_____ Tubing:_____
Completed:_____ First Delivery_____
Pay Zone: Open Hole Interval:_____ or Perforations:_____
Stimulation:_____
SIPC:_____ SIPT:_____ Days SI:_____
I.P. Test:_____MCF, 3 hrs.____ Choke:_____MCF AOF thru tubing or casing
Current Deliverability:_____MCF, Date tested:_____

Exhibit 4
Case No. 1147

FORM B

SAN JUAN GAS ALLOWABLE COMMITTEE

MONTHLY REPORT OF TESTS

_____ PICTURED CLIFFS POOL Report Dated: _____

NATURE OF TEST: INTERFERENCE / PRESSURE BUILD UP (cross out one)

TEST WELL: Operator: _____ Well Name & No. _____

Location: _____fr.____, ____fr.____lines, ____¼____¼ Sec.__T.__N., R.___ W., NMPM

PRESSURE TESTS:

DATE	SIPC	SIPT	OCC WITNESS	REMARKS

(Following for use only on Interference Tests)

PRODUCTION FROM OFFSET WELLS DURING _____

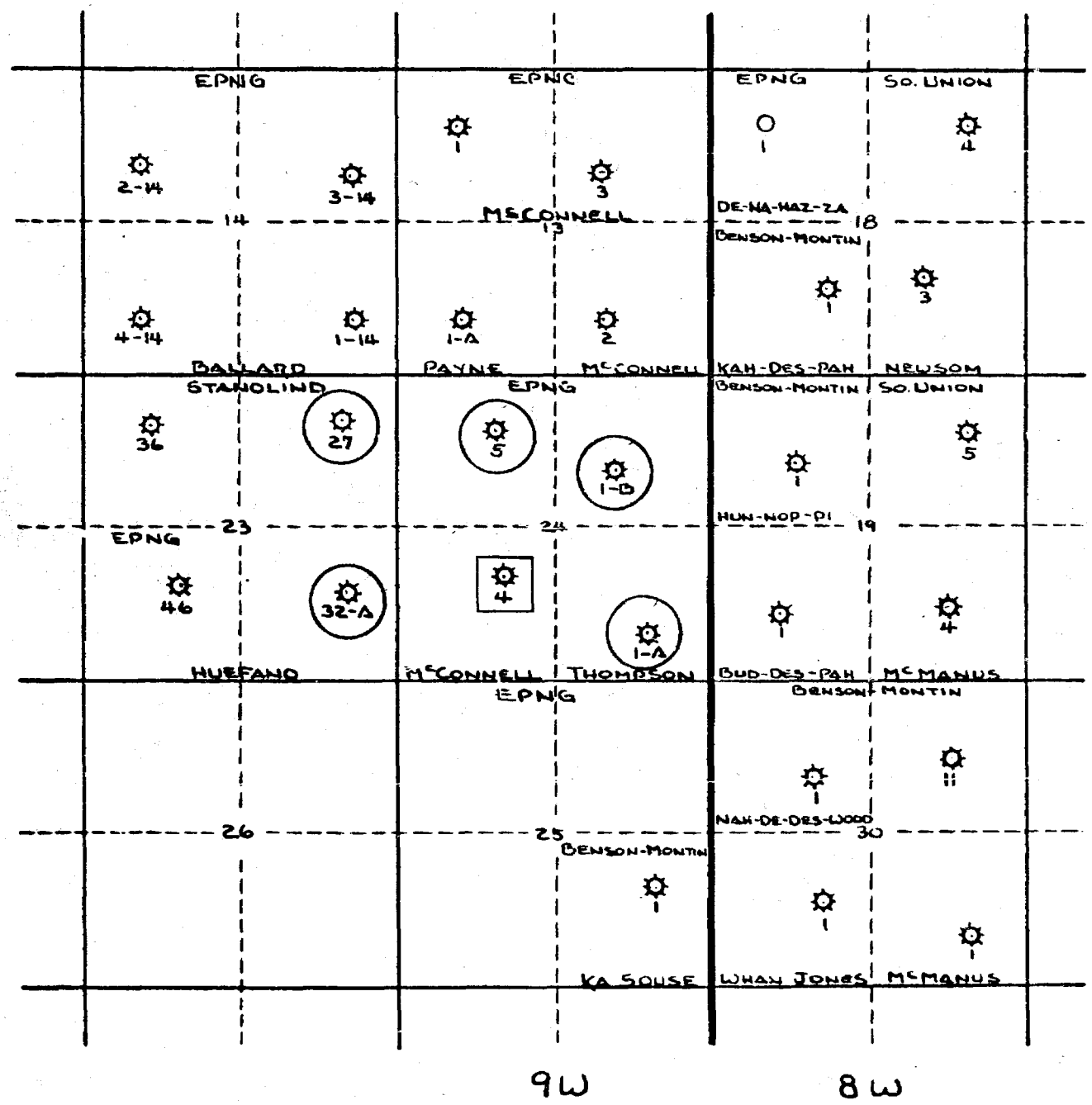
OFFSET WELLS	WELL NAME & NO.	MONTHLY MCF	REMARKS
NE			
N			
NW			
W			
SW			
S			
SE			
E			

Total _____

Note: All Pressure Tests made with Dead Weight Tester

SAN JUAN COUNTY NEW MEXICO

TOWNSHIP 26N RANGE 8W-9W



CASE

FORM A

SAN JUAN GAS ALLOWABLE COMMITTEE

TEST WELL DATA - Ballard - PICTURED CLIFFS POOL

Report Dated: 9-10-56

NATURE OF TEST: INTERFERENCE (cross out one)
~~PRESSURE BUILD UP~~

TEST WELL: Operator: EPNG Well Name & No. McConnell #4
Location: 1800' fr. S, 1800' fr. W lines, NE ¼ SW ¼ Sec. 24 T. 26 N., R. 9 W., NMPM
TD: 2058 c/o 2050 Casing: 5-1/2", 15.5 # @ 2058 Tubing: 2", 4.7# @ 1975
Completed: May 29, 1956 First Delivery: Shut in since potential
Pay Zone: Open Hole Interval: or Perforations: 1972 to 2046
Stimulation: Sand Water Frac
SIPC: 646 SIPT: 646 Days SI: 7
I.P. Test: AOF 15,438 MCF, 3 hrs. Choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 2315 (Est) MCF, Date Tested: 5-29-56 (Not tied-in)

NE OFFSET: Operator: EPNG Well Name & No. Thompson 1-B
Location: 1650' fr. N, 1650' fr. E lines, SW ¼ NE ¼ Sec. 24 T. 26 N., R. 9 W., NMPM
TD: 2012 c/o 1990 Casing: 5-1/2, 15.5# @ 2012 Tubing 1-1/2", 2.3# @ 1953
Completed: May 25, 1956 First Delivery: May 31, 1956
Pay Zone: Open Hole Interval: or Perforations: 1932 to 1990
Stimulation: Shot
SIPC: 625 SIPT: 625 Days SI: 10
I.P. Test: AOF 12,281 MCF, 3 hrs. Choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 1674 MCF, Date Tested: 1956

N OFFSET: Operator: EPNG Well Name & No. McConnell #5
Location: 1090 fr. N, 1650 fr. W lines, NE ¼ NW ¼ Sec. 24 T. 26 N., R. 9 W., NMPM
TD: 2082 Casing 5-1/2 15.5 2,082 Tubing: 1-1/2", 2.3# @ 1972
Completed: Aug 31, 1956 First Delivery: Not tied in
Pay Zone: Open Hole Interval: or Perforations: ~~1996 to 2008~~ ~~2014 to 2048~~
Stimulation: Sand water Frac
SIPC: 617 SIPT: 617 Days SI: 7
I.P. Test: 4369 MCF, 3 hrs. Choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: Not tied in MCF, Date tested: Sept. 7, 1956
AOF 6195

NW OFFSET: Operator: Stanolind Well Name & No. Huerfano Unit #27
Location: 790 fr. N, 790 fr. E lines, NE ¼ NE ¼ Sec. 23 T. 26 N., R. 9 W., NMPM
TD: 2062 Casing: 5-1/2, 14# @ 2012 Tubing: 1-1/2", 2.4# @ 1978
Completed: Dec. 8, 1954 First Delivery: Dec. 6, 1955
Pay Zone: Open Hole Interval: 2012 to 2062 or Perforations:
Stimulation: Sand Oil Frac
SIPC: 643 SIPT: 643 Days SI: 3
I. P. Test: AOF 1808 MCF, 3 hrs. Choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 471 MCF, Date Tested: 1955

W OFFSET: Operator: Stanolind Well Name & No. Huerfano Unit 32-A
Location: 1555 fr. S, 850 fr. E lines, NE ¼ SE ¼ Sec. 23 T. 26 N., R. 9 W., NMPM
TD: 2095 Casing: 5-1/2", 14# @ 2049 Tubing: 1", 1.68# @ 2072
Completed: Dec. 21, 1955 First Delivery: Jan. 5, 1956
Pay Zone: Open Hole Interval: 2049 to 2095 or Perforations:
Stimulation: Sand Oil Fr
SIPC: 611 Days SI: 7
I. P. Test: AOF 3060 MCF, 3 hrs. Choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 467 MCF, Date tested: 1956

CASE

Form A
San Juan Gas Allowable Committee
Test Well Data
Page 2

SW OFFSET: Operator: None Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs.____ choke:_____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

S OFFSET: Operator: None Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs.____ Choke:_____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

and East
SE OFFSET: Operator: EPNG Well Name & No. Thompson 1-A
Location: 845 fr. S, 1100 fr. E lines, SE ¼ SE ¼ Sec. 24 T. 26 N., R. 9 W., NMPM
TD: 1990 Casing: 5-1/2", 15.5# @ 1904 Tubing: 1", 1.68# @ 1956
Completed: Sept. 17, 1955 First Delivery: Feb. 23, 1956
Pay Zone: Open Hole Interval: 1904 to 1990 or Perforations: _____
Stimulation: Sand Water Frac
SIPC: 627 SIPT: 627 Days SI: 11
I.P. Test: AOF 13, 153 MCF, 3 hrs. _____ Choke:___MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 2228 MCF, Date Tested: 1956

NONE
E. OFFSET: Operator: _____ Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs.____ Choke:_____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

FORM B

SAN JUAN GAS ALLOWABLE COMMITTEE

MONTHLY REPORT OF TESTS

BALLARD PICTURED CLIFFS POOL Report Dated: June 1956

NATURE OF TEST: INTERFERENCE (cross out one)

TEST WELL: Operator: El Paso Natural Gas Well Name & No. McConnell #4

Location: 1800' fr. S, and fr. W lines, NE ¼ SW ¼ Sec. 24 T. 26 N., R. 9 W., NMPM

PRESSURE TESTS: All pressures PSIG

DATE	SIPC	SIPT	OCC WITNESS	REMARKS
6-5-56	646	646		Initial recorded WHP

(Following for use only on Interference Tests)

PRODUCTION FROM OFFSET WELLS DURING

OFFSET WELLS	WELL NAME & NO.	MONTHLY MCF	REMARKS
NE	Thompson #1-B	76,449	
N	McConnell #5	N/C	
NW	Huerfano #27	13,024	
W	Huerfano #32	13,774	
SW	None		
S	None		
SE) E)	Thompson #1-A	27,513	
	Total	130,760	

Note: All Pressure Tests made with Dead Weight Tester

FORM B

SAN JUAN GAS ALLOWABLE COMMITTEE

MONTHLY REPORT OF TESTS

BALLARD PICTURED CLIFFS POOL Report Dated: July 1956

NATURE OF TEST: INTERFERENCE ~~PRESSURE BUILD UP~~ (cross out one)

TEST WELL: Operator: El Paso Natural Gas Well Name & No. McConnell #14

Location: 1800' fr. S, and fr. W lines, NE ¼ SW ¼ Sec. 24 T. 26 N., R. 9 W., NMPM

PRESSURE TESTS: All Pressures PSIG

DATE	SIPC	SIPT	OCC WITNESS	REMARKS
7-16-56	638	638		
7-23-56	636.5	636.5		
7-30-56	635.5	635.5		
7-30-56	Well blown for 2 min. to check for liquids. Shut-in @ 631 PSIG and built up to 634.5 PSIG in 30 minutes			
7-31-56	635	635		

(Following for use only on Interference Tests)

PRODUCTION FROM OFFSET WELLS DURING

OFFSET WELLS	WELL NAME & NO.	MONTHLY MCF	REMARKS
NE	Thompson 1-B	50,821	
N	McConnell #5	N/C	
NW	Huerfano #27	7,059	
W	Huerfano #32	6,548	
SW	None		
S	None		
SE) E)	Thompson #1-A	44,755	
	Total	109,183	

Note: All Pressure Tests made with Dead Weight Tester

FORM B

SAN JUAN GAS ALLOWABLE COMMITTEE

MONTHLY REPORT OF TESTS

BALLARD PICTURED CLIFFS POOL Report Dated: August 1956

NATURE OF TEST: INTERFERENCE (cross out one)

TEST WELL: Operator: El Paso Natural Gas Co. Well Name & No. McConnell #4

Location: 1800' fr. S, and fr. W lines, NE ¼ SW ¼ Sec. 24 T. 26N., R. 9 W., NMPM

PRESSURE TESTS: All Pressures PSIG

DATE	SIPC	SIPT	OCC WITNESS	REMARKS
8-7-56	634.5	634.5		
8-21-56	631.7	631.8		
8-27-56	630.3	630.3		

Changed to 0.10 pound increment deadweight August 14.
Note: Agrees with old deadweight plus or minus 0.50 pound

(Following for use only on Interference Tests)

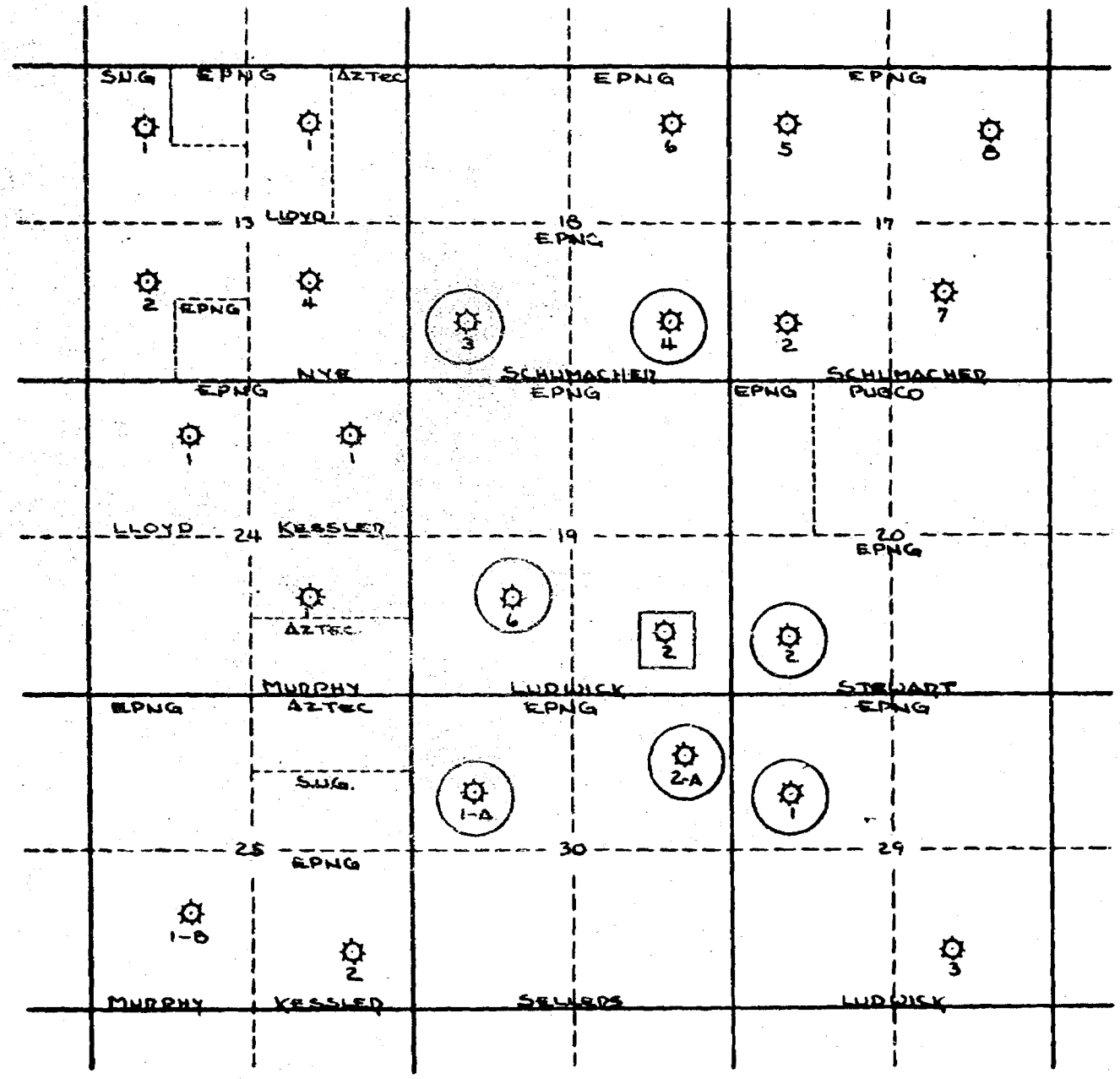
PRODUCTION FROM OFFSET WELLS DURING

OFFSET WELLS	WELL NAME & NO.	MONTHLY MCF	REMARKS
NE	Thompson 1-B	13,817	
N	McConnell #5	N/C	
NW	Huerfano #27	2,963	
W	Huerfano #32	3,859	
SW	None		
S	None		
SE) E)	Thompson #1-A	15,692	
	Total	36,331	

Note: All Pressure Tests made with Dead Weight Tester

SAN JUAN COUNTY NEW MEXICO

TOWNSHIP 30N RANGE 10W-11W



FORM A

SAN JUAN GAS ALLOWABLE COMMITTEE

TEST WELL DATA - Aztec - PICTURED CLIFFS POOL

Report Dated: 9-10-56

NATURE OF TEST: INTERFERENCE (cross out one)
~~PRESSURE BUILD UP~~

TEST WELL: Operator: EPNG Well Name & No. Ludwick #2
Location: 1040' fr. S, 1090 fr. E lines, SE ¼ SE ¼ Sec. 19 T. 30 N., R. 10 W., NMPM
TD: 2795' Casing: 5-1/2", 14# @ 2646 Tubing: 1", 1.7# @ 2709
Completed: Oct. 10, 1951 First Delivery: June 9, 1952
Pay Zone: Open Hole Interval: 2659 to 2795 or Perforations:
Stimulation: Shot
SIPC: 653 SIPT: 653 Days SI: 3
I.P. Test: AOF 2830 MCF, 3 hrs. ___ Choke: ___ MCF AOF thru tubing-or-casing
Current Deliverability: 310 MCF, Date Tested: 1956

NE OFFSET: Operator: None Well Name & No.
Location: ___ fr. ___, ___ fr. ___ lines, ___ ¼ ___ ¼ Sec. ___ T. ___ N., R. ___ W., NMPM
TD: Casing: Tubing
Completed: First Delivery:
Pay Zone: Open Hole Interval: or Perforations:
Stimulation:
SIPC: SIPT: Days SI:
I.P. Test: MCF, 3 hrs. ___ Choke: MCF AOF thru tubing or casing
Current Deliverability: MCF, Date Tested:

N OFFSET: Operator: EPNG Well Name & No. Schumacher #4
Location: 990 fr. S, 990 fr. E lines, SE ¼ SE ¼ Sec. 18 T. 30 N., R. 10 W., NMPM
TD: 3057 Casing 5-1/2", 15.5#@ 2922 Tubing: 1", 1.68# @ 3036
Completed: Jan. 8, 1953 First Delivery: Jun 8, 1953
Pay Zone: Open Hole Interval: 2928 to 3057 or Perforations:
Stimulation: Shot
SIPC: 610 SIPT: 610 Days SI: 7
I.P. Test: AOF 362 MCF, 3 hrs. ___ Choke: ___ MCF AOF thru tubing or casing
Current Deliverability: 23 MCF, Date tested: 1956

NW OFFSET: Operator: EPNG Well Name & No. Schumacher #3
Location: 990' fr. S, 1650' fr. W lines, SE ¼ SW ¼ Sec. 18 T. 30 N., R. 10 W., NMPM
TD: 2920 Casing: 5-1/2", 15.5 # @2822 Tubing: 1", 1.68# @ 2896
Completed: Nov. 4, 1952 First Delivery: June 8, 1953
Pay Zone: Open Hole Interval: 2836 to 2920 or Perforations:
Stimulation: Shot
SIPC: 646 SIPT: 646 Days SI: 15
I. P. Test: AOF 396 MCF, 3 hrs. ___ Choke: ___ MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 47 MCF, Date Tested: 1956

W OFFSET: Operator: EPNG Well Name & No. Ludwick #6
Location: 1650' fr. S, 990' fr. W lines, NW ¼ SW ¼ Sec. 19 T. 30 N., R. 10 W., NMPM
TD: 2740' Casing: 5-1/2", 15.5# @2682 Tubing: 1", 1.68# @ 2731
Completed: Mar. 3, 1955 First Delivery: Mar. 24, 1955
Pay Zone: Open Hole Interval: 2681 to 2740 or perforations:
Stimulation: Sand Oil Frac
SIPC: 613 SIPT: 613 Days SI: 7
I.P. Test: AOF 5190 MCF, 3 hrs. ___ Choke: ___ MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 391 MCF, Date tested: 1956

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Form A
San Juan Gas Allowable Committee
Test Well Data
Page 2

SW OFFSET: Operator: EPNG Well Name & No. Sellers #1-A
Location: 1650' fr. N, 990' fr. W lines, SW ¼ NW ¼ Sec. 30 T. 30 N., R. 10 W., NMPM
TD: 2609 Casing: 5-1/2", 15.5# @ 2551 Tubing: 1", 1.68# @ 2609
Completed: Feb. 26, 1955 First Delivery: Mar. 24, 1955
Pay Zone: Open Hole Interval: 2551 to 2609 or Perforations:
Stimulation: Sand Water Frac
SIPC: 649 SIPT: 649 Days SI: 9
I.P. Test: AOF 3937 MCF, 3 hrs. choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 399 MCF, Date tested: 1956

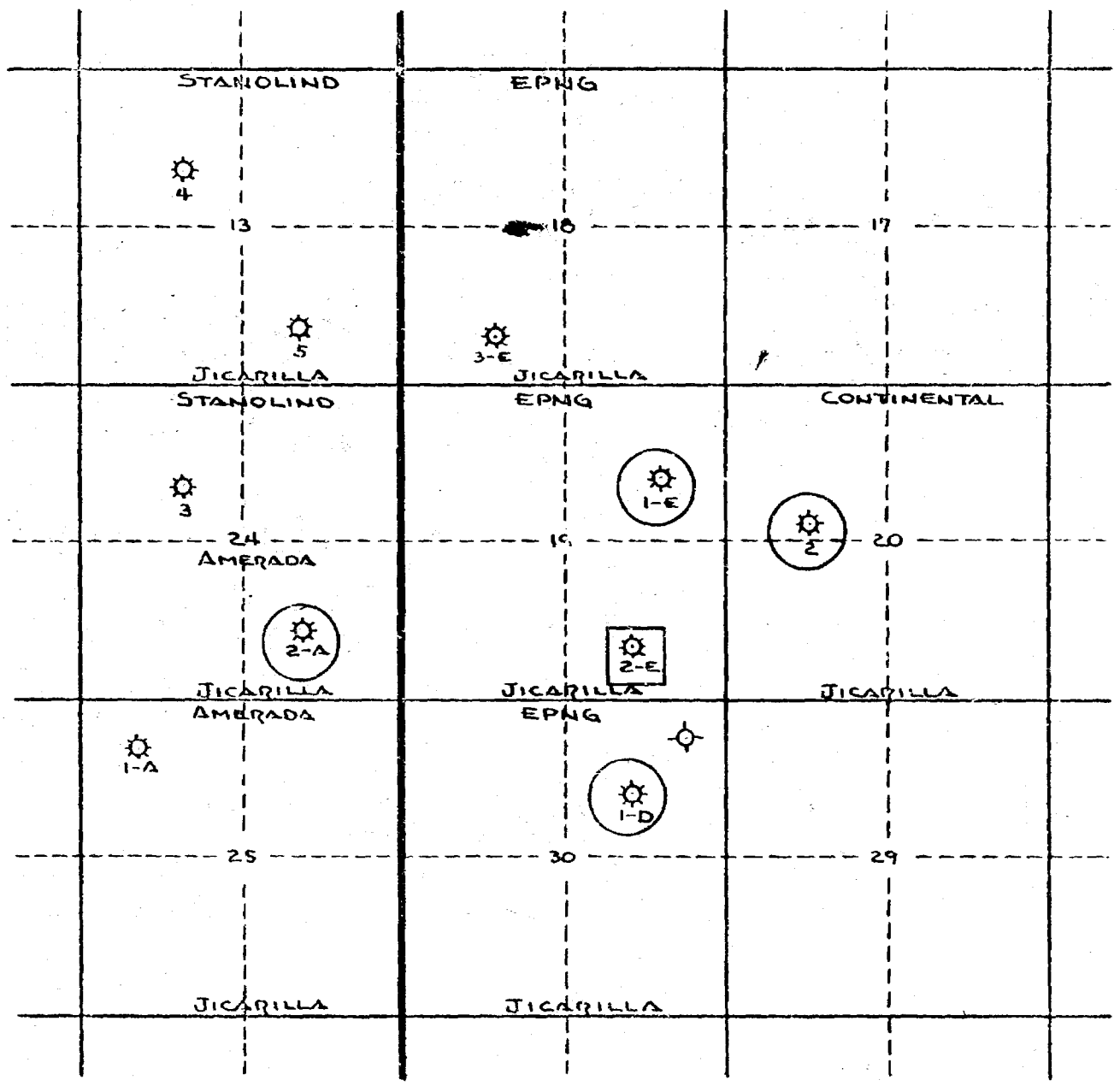
S OFFSET: Operator: EPNG Well Name & No. Sellers #2-A
Location: 990' fr. N, 790' fr. E lines, NE ¼ NE ¼ Sec. 30 T. 30 N., R. 10 W., NMPM
TD: 2700 Casing: 5-1/2", 14# @ 2575 Tubing: 1", 1.7# @2605
Completed: Oct. 9, 1951 First Delivery: Dec. 27, 1953
Pay Zone: Open Hole Interval: 2590 to 2790 or Perforations:
Stimulation: Shot
SIPC: 651 SIPT: 651 Days SI: 3
I.P. Test: AOF 1450 MCF, 3 hrs. Choke: MCF AOF thru tubing ~~or casing~~
Current Deliverability: 254 MCF, Date tested: 1956

SE OFFSET: Operator: EPNG Well Name & No. Ludwick #1
Location: 1050' fr. N, 915' fr. W lines, NW ¼ NW ¼ Sec. 29 T. 30 N., R. 10 W., NMPM
TD: 2700' Casing: 5-1/2", 14.15# @ 2521 Tubing: 1" @ 2604
Completed: June 26, 1951 First Delivery: June 9, 1952
Pay Zone: Open Hole Interval: 2533' to 2648' or Perforations:
Stimulation: Shot
SIPC: 606 SIPT: 605 Days SI: 3
I.P. Test: AOF-1500 MCF, 3 hrs. Choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 425 MCF, Date Tested: 1956

E. OFFSET: Operator: EPNG Well Name & No. Stewart #2
Location: 990' fr. S, 1056fr. W lines, SW ¼ SW ¼ Sec. 20 T. 30 N., R. 10 W., NMPM
TD: 2741' Casing: 5-1/2", 14# @ 2640 Tubing: 1-", 1.7# @ 2709
Completed: Sept. 21, 1951 First Delivery June 9, 1952
Pay Zone: Open Hole Interval: 2741 to 2658 or Perforations:
Stimulation: Shot
SIPC: 632 SIPT: 632 Days SI: 3
I.P. Test: AOF 1005 MCF, 3 hrs. Choke: MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 104 MCF, Date tested: 1956

RIO ARRIBA COUNTY NEW MEXICO

TOWNSHIP 25N RANGE 4W-5W



FORM A

SAN JUAN GAS ALLOWABLE COMMITTEE

TEST WELL DATA - South Blanco - PICTURED CLIFFS POOL

Report Dated: 9-10-56

NATURE OF TEST: INTERFERENCE (cross out one)

~~PRESSURE BUILD UP~~

TEST WELL: Operator: EPNG Well Name & No. Jicarilla 2-E
Location: 890 fr. S, 1550 fr. E lines, SW ¼ SE ¼ Sec. 19 T. 25 N., R. 4 W., NMPM
TD: 3660 Casing: 5-1/2" 15.5# @ 3660 Tubing: 2" 4.7# @ 3558
Completed: 5-18-56 First Delivery: None
Pay Zone: Open Hole Interval: _____ or Perforations: 3572 to 3632
Stimulation: Sand Water Frac
SIPC: 1023 SIPT: 1023 Days SI: 14
I.P. Test: AOF 13,144 MCF, 3 hrs. 3/4" Choke: 4960 MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: 5-18-56 (not tied in)

NE OFFSET: Operator: EPNG (Continental) Well Name & No. Jicarilla #2
Location: 2310 fr. N, 1363 fr. W lines, SE ¼ NW ¼ Sec. 20 T. 25 N., R. 4 W., NMPM
TD: 3395 Casing: 7 5/8 @ 3349 Tubing 2 3/8" @ 3356
Completed: 11-8-54 First Delivery: _____
Pay Zone: Open Hole Interval: 3349 - 3395 or Perforations: _____
Stimulation: Sand Oil Frac
SIPC: 999 SIPT: 999 Days SI: _____
I.P. Test: 3156 MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: 11-8-54

N OFFSET: Operator: EPNG Well Name & No. Jicarilla 1-E
Location: 1580 fr. N, 1040 fr. E lines, SE ¼ NE ¼ Sec. 19 T. 25 N., R. 4 W., NMPM
TD: 3715 Casing 5-1/2" 15.5# @ 3715 Tubing: 2" 4.7# @ 3637
Completed: 5-3-56 First Delivery: Not tied in
Pay Zone: Open Hole Interval: _____ or Perforations: 3646 to 3688
Stimulation: Sand Water Frac
SIPC: 1025 SIPT: 1025 Days SI: 10
I.P. Test: AOF 17,680 MCF, 3 hrs. 3/4" Choke: 5420 MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date tested: _____

NW OFFSET: Operator: None Well Name & No. _____
Location: ____ fr. ____, ____ fr. ____ lines, ____ ¼ ____ ¼ Sec. ____ T. ____ N., R. ____ W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I. P. Test: _____ MCF, 3 hrs. ____ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____

W OFFSET: Operator: Amerada Well Name & No. Jicarilla 2-A
Location: 1650 fr. S, 1650 fr. E lines, NW ¼ SE ¼ Sec. 24 T. 25 N., R. 5 W., NMPM
TD: 4075 Casing: 5 1/2 @ 4062 Tubing: 2" @ 3981
Completed: 6-6-56 First Delivery: _____
Pay Zone: Open Hole Interval: _____ or perforations: 3132-3148
Stimulation: Sand Water Frac
SIPC: 919 SIPT: 919 PC Days SI: 15
I.P. Test: 1540 MCF, 3 hrs. 3/4" Choke: 1519 MCF AOF thru tubing or casing
Current Deliverability: 231 Est. MCF, Date tested: (Not tied in)

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San Juan Gas Allowable Committee
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SW OFFSET: Operator: None Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs.____ choke: _____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

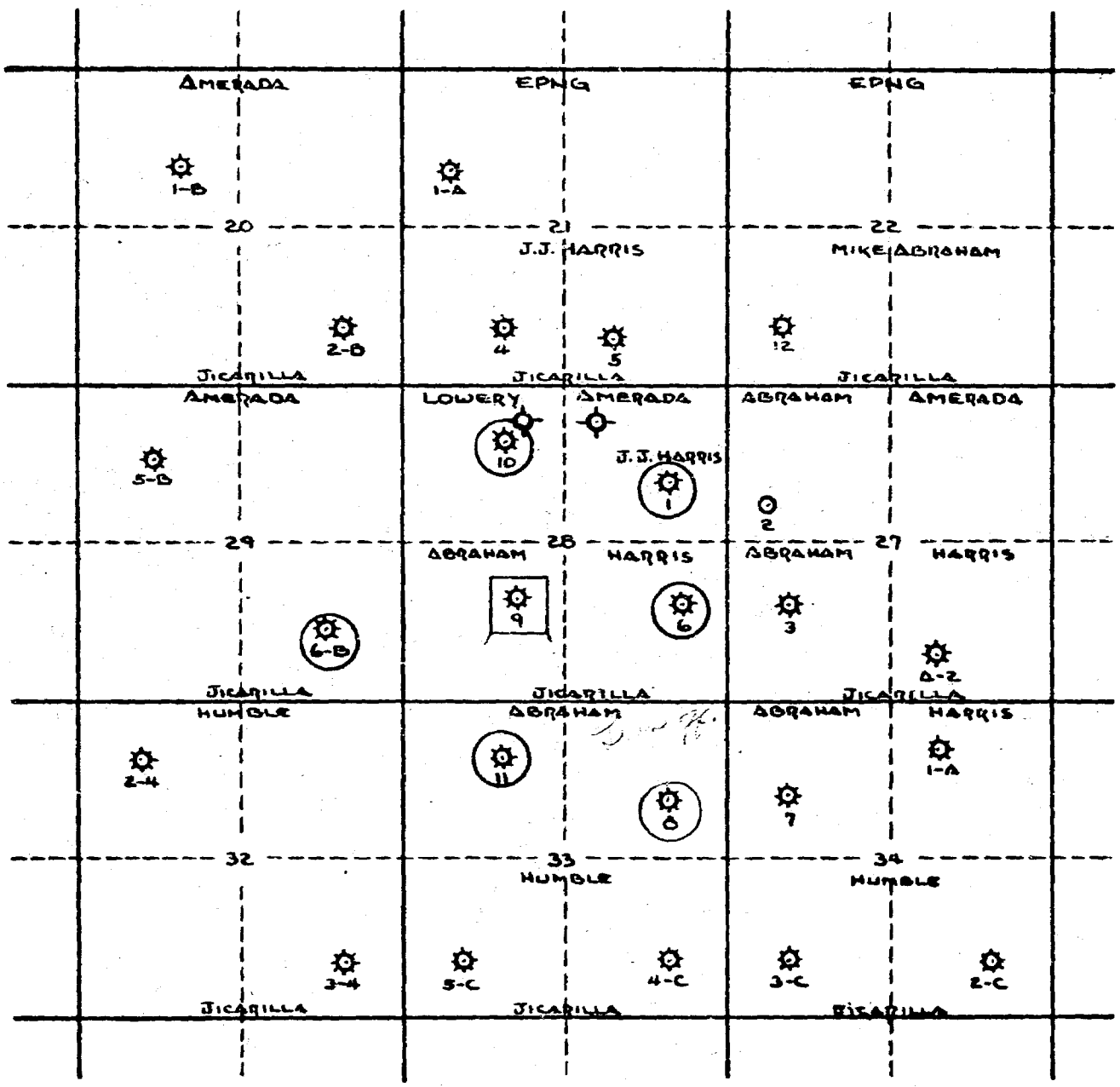
S OFFSET: Operato: EPNG Well Name & No. Jicarilla 1-D
Location: 1550 fr. N, 1500 fr. E lines, SW ¼ NE ¼ Sec. 30 T. 25 N., R. 4 W., NMPM
TD: 3340 c/o 3260 Casing: 5-1/2" 15.5# @3281 Tubing: 2" 4.7# 3219 -
Completed: 5--24-56 First Delivery: Not tied in
Pay Zone: Open Hole Interval: _____ or Perforations: 3217 to 3242
Stimulation: Sand Water Frac
SIPC: 1024 SIPT: 1024 Days SI: 18
I.P. Test: AOF 8,515 MCF, 3 hrs. 3/4" Choke: 4578 MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: 5-24-56

SE OFFSET: Operator: None Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs. _____ Choke: ___MCF AOF thru tubing or casing
Current Deliverability: ___ _____MCF, Date Tested: _____

E. OFFSET: Operator: None Well Name & No. _____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I.P. Test: _____MCF, 3 hrs.____ Choke: _____MCF AOF thru tubing or casing
Current Deliverability: _____MCF, Date tested: _____

RIO ARRIBA COUNTY NEW MEXICO

TOWNSHIP 24N RANGE 5W



FORM A

SAN JUAN GAS ALLOWABLE COMMITTEE

TEST WELL DATA - OTERO - PICTURED CLIFFS POOL

Report Dated: 9-10-56

NATURE OF TEST: INTERFERENCE (cross out one)

~~XXXXXXXXXXXXXXXX~~

TEST WELL: Operator: Mike Abraham Well Name & No. Jicarilla #9
Location: 1720' fr. S, 1845' fr. W lines, NE ¼ SW ¼ Sec. 28 T. 24 N., R. 5 W., NMPM
TD: 2310' Casing: 5 1/2 @ 2310' Tubing: 1", 1.68# @ 2184'
Completed: November 1, 1955 First Delivery: March 9, 1956
Pay Zone: Open Hole Interval: _____ or Perforations: 2190 to 2260
Stimulation: Sand-Water Frac.
SIPC: 723 SIPT: 723 Days SI: 7
I.P. Test: AOF 1030 MCF, 3 hrs. ___ Choke: _____ MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 155 (Est) MCF, Date Tested: 11-1-55

NE OFFSET: Operator: J. J. Harris Well Name & No. Jicarilla #1
Location: 1600 fr. N, 940' fr. E lines, SE ¼ NE ¼ Sec. 28 T. 24 N., R. 5 W., NMPM
TD: 2270' Casing: 5 1/2" @ 2218' Tubing 2" @ 2218'
Completed: March 2, 1955 First Delivery: May 31, 1955
Pay Zone: Open Hole Interval: 2218' to 2270' or Perforations: _____
Stimulation: Sand-Oil Frac
SIPC: 726 SIPT: 726 Days SI: 9
I.P. Test: AOF - 3848 MCF, 3 hrs. ___ Choke: _____ MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 399 MCF, Date Tested: 1955

N OFFSET: Operator: Mike Abraham Well Name & No. Jicarilla #10
Location: 999 fr. N, 1650 fr. W lines, NE ¼ NW ¼ Sec. 28 T. 24 N., R. 5 W., NMPM
TD: 2340' Casing 5 1/2" @ 2340' Tubing: 1", 1.68# @ 2286'
Completed: November 22, 1955 First Delivery: March 9, 1956
Pay Zone: Open Hole Interval: _____ or Perforations: 2256' 2338'
Stimulation: Sand-Water Frac.
SIPC: 653 SIPT: 653 Days SI: 9
I.P. Test: AOF - 2237 MCF, 3 hrs. ___ Choke: _____ MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 336 (Est) MCF, Date tested: 11-22-55

- None -

NW OFFSET: Operator: _____ Well Name & No. _____
Location: ___ fr. ___, ___ fr. ___ lines, ___ ¼ ___ ¼ Sec. ___ T. ___ N., R. ___ W., NMPM
TD: _____ Casing: _____ Tubing: _____
Completed: _____ First Delivery: _____
Pay Zone: Open Hole Interval: _____ or Perforations: _____
Stimulation: _____
SIPC: _____ SIPT: _____ Days SI: _____
I. P. Test: _____ MCF, 3 hrs. ___ Choke: _____ MCF AOF thru tubing or casing
Current Deliverability: _____ MCF, Date Tested: _____

SW &
W OFFSET: Operator: Amerada Well Name & No. Jicarilla Apache #6-B
Location: 1220' fr. S, 1220 fr. E lines, SE ¼ SE ¼ Sec. 29 T. 24 N., R. 5 W., NMPM
TD: 2200 Casing: 5 1/2" @ 2176' Tubing: 1" @ 2184'
Completed: November 8, 1955 First Delivery: June 4, 1955
Pay Zone: Open Hole Interval: 2176' to 2200' or perforations: _____
Stimulation: Sand-Water Frac.
SIPC: 735 SIPT: 735 Days SI: 7
I.P. Test: AOF - 16,481 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 2172 (Est) MCF, Date tested: 2-14-56

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- None -

SW OFFSET: Operator:_____ Well Name & No._____
Location: ____fr.____, ____fr.____lines, ____¼ ____¼ Sec.____T.____N., R.____W., NMPM
TD:_____ Casing:_____ Tubing:_____
Completed:_____ First Delivery:_____
Pay Zone: Open Hole Interval:_____ or Perforations:_____
Stimulation:_____
SIPC:_____ SIPT:_____ Days SI:_____
I.P. Test:_____MCF, 3 hrs.____ choke:_____MCF AOF thru tubing or casing
Current Deliverability:_____MCF, Date tested:_____

S OFFSET: Operator: Mike Abraham Well Name & No. Jicarilla #11
Location: 915' fr. N, 1635 fr. W lines, NE ¼ NW ¼ Sec. 33 T. 24 N., R. 5 W., NMPM
TD: 2332' Casing: 5 1/2" @ 2316' Tubing: 2" @ 2250
Completed: November 28, 1955 First Delivery: March 14, 1956
Pay Zone: Open Hole Interval: _____ or Perforations: 2164 to 2238
Stimulation: Sand-Water Frac.
SIPC: 708 SIPT: 708 Days SI: 7
I.P. Test: AOF - 5906 MCF, 3 hrs.____ Choke:____MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 886 (Est.) MCF, Date tested: 11-28-55

SE OFFSET: Operator: Abraham Well Name & No. Jicarilla #8
Location: 1650 fr. N, 990 fr. E lines, SE ¼ NE ¼ Sec. 33 T. 24 N., R. 5 W., NMPM
TD: 2304 Casing:_____ Tubing:_____
Completed: 10-25-55 First Delivery: 3-9-56
Pay Zone: Open Hole Interval:_____ or Perforations: 2192 - 2222
Stimulation: Sand Water Frac 2250 - 2268
SIPC: 730 SIPT: 730 Days SI: 7
I.P. Test: AOF 4653 MCF 3 hrs. _____ Choke:____MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 698 (Est) MCF, Date Tested: 10-25-55

E. OFFSET: Operator: J. J. Harris Well Name & No. Jicarilla #6
Location: 1650' fr. S, 990' fr. E lines, NE ¼ SE ¼ Sec. 28 T. 24 N., R. 5 W., NMPM
TD: 2219' Casing: 5 1/2" @ 2183 Tubing: 2", 4.7# @ 2203
Completed: May 18, 1955 First Delivery June 5, 1955
Pay Zone: Open Hole Interval: 2183 to 2219' or Perforations:_____
Stimulation: Sand-Oil Frac.
SIPC. 719 SIPT: 719 Days SI: 12
I.P. Test: AOF - 5727 MCF, 3 hrs.____ Choke:_____MCF AOF thru ~~tubing or~~ casing
Current Deliverability: 736 MCF, Date tested: 1955

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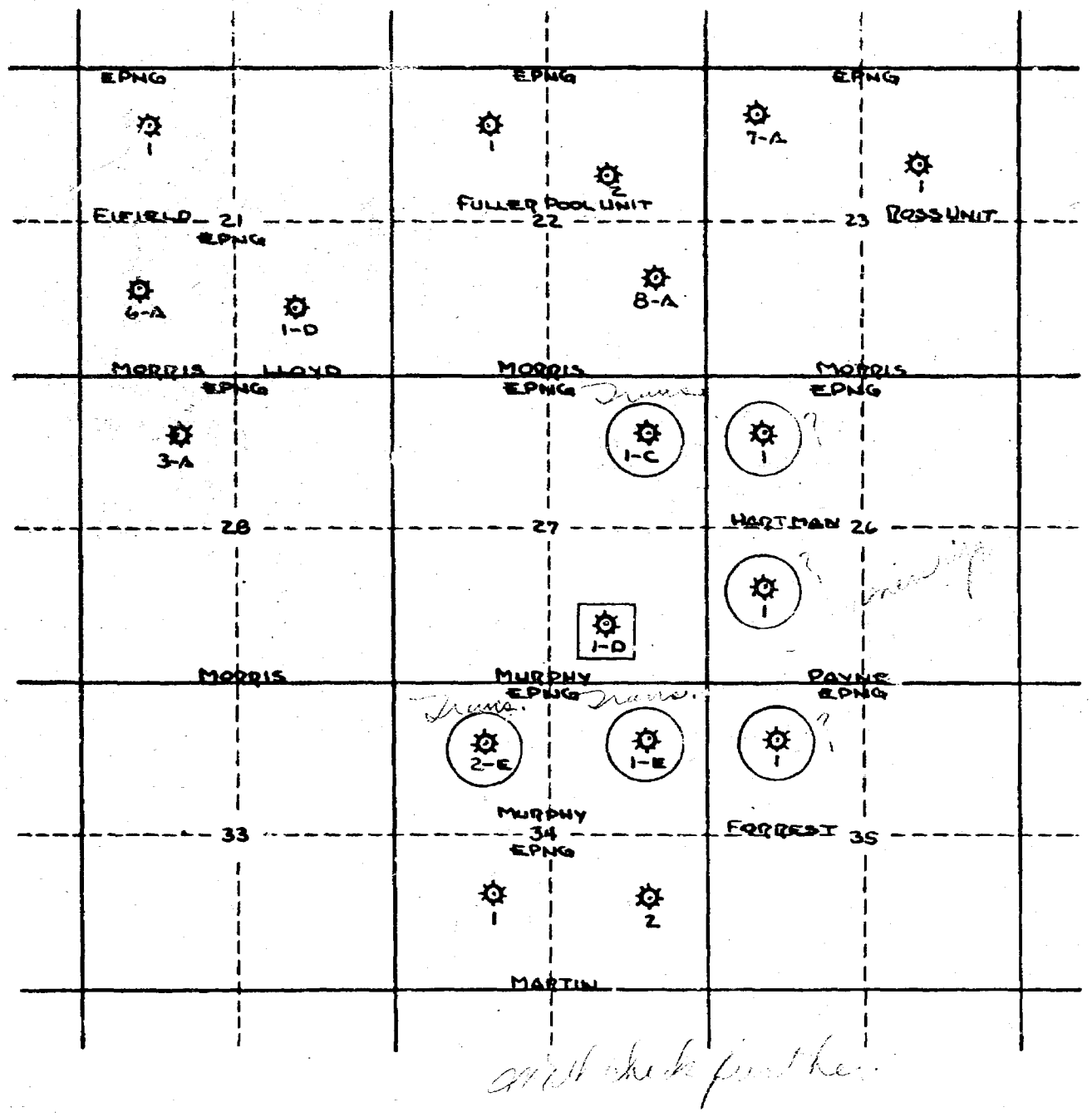
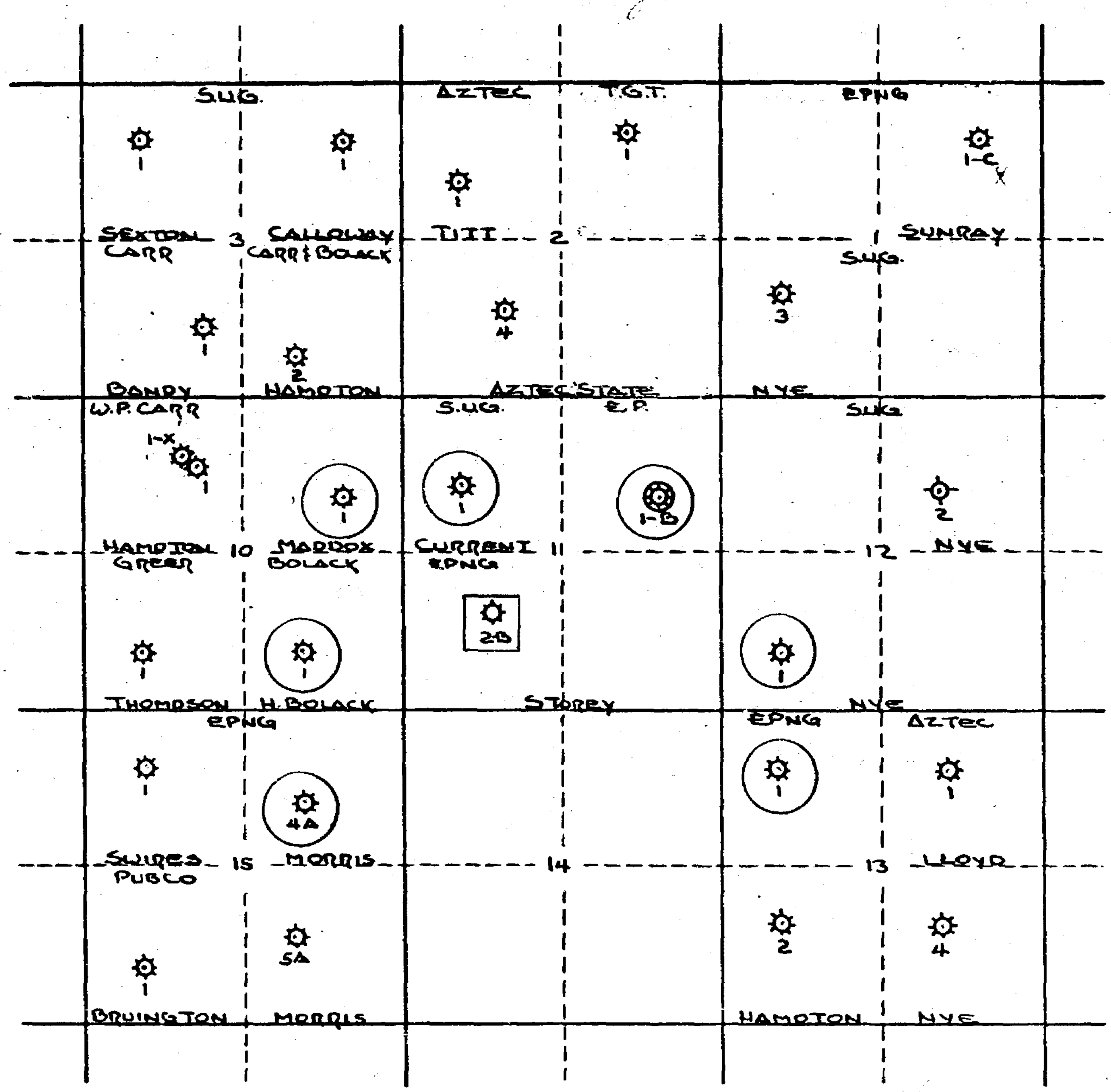
SAN JUAN COUNTY NEW MEXICO

TOWNSHIP 30N RANGE 11W



SAN JUAN COUNTY NEW MEXICO

TOWNSHIP 30N RANGE 11W



E.P.N.G.

SAN JUAN COUNTY NEW MEXICO

TOWNSHIP 26N RANGE 9W