

CASE 2004: Application of LA PLATA  
for establishment of a 345.59 acre non-  
standard gas proration unit.

Case No.

2004

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Application, Transcript,  
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 2004  
Order No. R-1714

APPLICATION OF LA PLATA GATHERING  
SYSTEM, INC., FOR A 345.59-ACRE  
NON-STANDARD GAS PRORATION UNIT  
IN THE BLANCO-MESAVERDE GAS POOL,  
RIO ARriba COUNTY, NEW MEXICO,  
AND FOR AN UNORTHODOX GAS WELL  
LOCATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 6, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 7th day of July, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, La Plata Gathering System, Inc., is the owner and operator of partial Sections 30 and 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.
- (3) That said partial Sections 30 and 31 contain 174.41 acres and 171.18 acres respectively, together containing 345.59 acres.
- (4) That the applicant proposes that the above-described partial Sections 30 and 31 be established as a non-standard gas proration unit in the Blanco-Mesaverde Gas Pool.
- (5) That the applicant further proposes to locate a gas well 990 feet from the North line and 713 feet from the East line of said Section 31 on an unorthodox location, to which well the proposed 345.59-acre non-standard gas proration unit would be dedicated.

-2-

CASE No. 2004  
Order No. R-1714

(6) That the proposed unorthodox location is necessitated by a variation in the U. S. Public Land Survey.

(7) That the above-described 345.59-acre tract can reasonably be presumed to be productive of gas from the Blanco-Mesaverde Gas Pool.

(8) That establishment of the above-described non-standard gas proration unit and approval of the proposed unorthodox gas well location will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 345.59-acre non-standard gas proration unit in the Blanco-Mesaverde Gas Pool consisting of partial Sections 30 and 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to a gas well located on an unorthodox location in the Blanco-Mesaverde Pool at a point 990 feet from the North line and 713 feet from the East line of Section 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, which location is hereby approved.

(2) That the said gas well be and the same is hereby assigned an acreage factor for allowable purposes in the proportion that the acreage in the non-standard gas proration unit bears to the acreage in a standard gas proration unit in the Blanco-Mesaverde Gas Pool, subject to the provisions of the Special Rules and Regulations for said Pool.

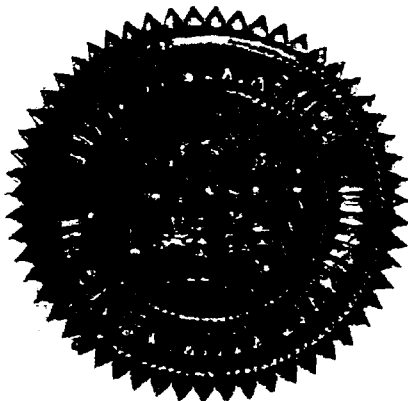
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John Burroughs*  
JOHN BURROUGHS, Chairman

*Murray E. Morgan*  
MURRAY E. MORGAN, Member

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



esr/

DOMESTIC SERVICE	
Check the class of service desired; otherwise this message will be sent as a full rate telegram	
FULL RATE TELEGRAM	
DAY LETTER	<input checked="" type="checkbox"/>
NIGHT LETTER	

# WESTERN UNION

1206 10-51

W. P. MARSHALL, PRESIDENT

INTERNATIONAL SERVICE	
Check the class of service desired; otherwise the message will be sent at the full rate	
FULL RATE	
LETTER TELEGRAM	
SHIP RADIOGRAM	

NO. WDS.-CL. OF SVC.	PD. OR COLL.	CASH NO.	CHARGE TO THE ACCOUNT OF	TIME FILED
	<b>COLLECT</b>			<b>4:20 P. M.</b>

Send the following message, subject to the terms on back hereof, which are hereby agreed to

JULY 7, 1960

MR. BILL WEBB  
1900 MERCANTILE DALLAS BUILDING  
DALLAS 1, TEXAS

ORDER R-1714, IN CASE 2004 APPROVED THIS DATE.

A. L. PORTER, JR.,  
SECRETARY-DIRECTOR  
OIL CONSERVATION COMMISSION

## ALL MESSAGES TAKEN BY THIS COMPANY ARE SUBJECT TO THE FOLLOWING TERMS:

To guard against mistakes or delays, the sender of a message should order it repeated, that is, telegraphed back to the originating office for comparison. For this, one-half the unrepeatable message rate is charged in addition. Unless otherwise indicated on its face, this is an unrepeatable message and paid for as such, in consideration whereof it is agreed between the sender of the message and the Telegraph Company as follows:

1. The Telegraph Company shall not be liable for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the unrepeatable message rate beyond the sum of five hundred dollars; nor for mistakes or delays in the transmission or delivery, or for non-delivery, of any message received for transmission at the repeated message rate beyond the sum of five thousand dollars, unless specially valued; nor in any case for delays arising from unavoidable interruption in the working of its lines.

2. In any event the Telegraph Company shall not be liable for damages for mistakes or delays in the transmission or delivery, or for the non-delivery, of any message, whether caused by the negligence of its servants or otherwise, beyond the actual loss, not exceeding in any event the sum of five thousand dollars, at which amount the sender of each message represents that the message is valued, unless a greater value is stated in writing by the sender thereof at the time the message is tendered for transmission, and unless the repeated message rate is paid or agreed to be paid and an additional charge equal to one-tenth of one per cent of the amount by which such valuation shall exceed five thousand dollars.

3. The Telegraph Company is hereby made the agent of the sender, without liability, to forward this message over the lines of any other company when necessary to reach its destination.

4. Except as otherwise indicated in connection with the listing of individual places in the filed tariffs of the Telegraph Company, the amount paid for the transmission of a domestic telegram or an incoming cable or radio message covers its delivery within the following limits: In cities or towns of 5,000 or more inhabitants where the Telegraph Company has an office which, as shown by the filed tariffs of the Telegraph Company, is not operated through the agency of a railroad company, within two miles of any open main or branch office of the Telegraph Company; in cities or towns of 5,000 or more inhabitants where, as shown by the filed tariffs of the Telegraph Company, the telegraph service is performed through the agency of a railroad company, within one mile of the telegraph office; in cities or towns of less than 5,000 inhabitants in which an office of the Telegraph Company is located, within one-half mile of the telegraph office. Beyond the limits above specified the Telegraph Company does not undertake to make delivery but will endeavor to arrange for delivery as the agent of the sender, with the understanding that the sender authorizes the collection of any additional charge from the addressee and agrees to pay such additional charge if it is not collected from the addressee. There will be no additional charge for deliveries made by telephone within the corporate limits of any city or town in which an office of the Telegraph Company is located.

5. No responsibility attaches to the Telegraph Company concerning messages until the same are accepted at one of its transmitting offices; and if a message is sent to such office by one of the Telegraph Company's messengers, he acts for that purpose as the agent of the sender.

6. The Telegraph Company will not be liable for damages or statutory penalties when the claim is not presented in writing to the Telegraph Company, (a) within ninety days after the message is filed with the Telegraph Company for transmission in the case of a message between points within the United States (except in the case of an intrastate message in Texas) or between a point in the United States on the one hand and a point in Alaska, Canada, Mexico, or St. Pierre-Miquelon Islands on the other hand, or between a point in the United States and a ship at sea or in the air, (b) within 95 days after the cause of action, if any, shall have accrued in the case of an intrastate message in Texas, and (c) within 180 days after the message is filed with the Telegraph Company for transmission in the case of a message between a point in the United States and a foreign or overseas point other than the points specified above in this paragraph; provided, however, that this condition shall not apply to claims for damages or overcharges within the purview of Section 415 of the Communications Act of 1934, as amended.

7. It is agreed that in any action by the Telegraph Company to recover the tolls for any message or messages the prompt and correct transmission and delivery thereof shall be presumed, subject to rebuttal by competent evidence.

8. Special terms governing the transmission of messages according to their classes, as enumerated below, shall apply to messages in each of such respective classes in addition to all the foregoing terms.

9. No employee of the Telegraph Company is authorized to vary the foregoing.

5-52

## CLASSES OF SERVICE

### DOMESTIC SERVICES

#### FULL RATE TELEGRAM

A full rate expedited service.

#### DAY LETTER (DL)

A deferred service at lower than the full rate

#### NIGHT LETTER (NL)

Accepted up to 2 A. M. for delivery not earlier than the following morning at rates substantially lower than the full rate telegram or day letter rates.

### INTERNATIONAL SERVICES

#### FULL RATE (FR)

The standard fast service at full rates. May be written in any language that can be expressed in Roman letters, or in secret language. A minimum charge for 5 words applies.

#### LETTER TELEGRAM (LT)

Overnight plain language messages. Minimum charge for 22 words applies.

#### SHIP RADIOGRAM

A service to and from ships at sea. Plain or secret language may be used. Minimum charge for 5 words applies.

State of New Mexico  
Oil Conservation Commission

P. O. BOX 871  
SANTA FE

Mr. Oliver Seth  
Seth & Montgomery  
Box 828  
Santa Fe, New Mexico

## La Plata Gathering System

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

**A. L. PORTER, Jr.,  
Secretary-Director**

**Carbon copy of order also sent to:**

**Other** \_\_\_\_\_

OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

Date 8-7-60

CASE 2004 Hearing Date 8-6-60

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

Grant La Plata's Lathum Co. request for  
a month's Blanco M.V. Gas preservation  
unit consisting of Partial sections  
30 & 31 - 32 N - 5 W. 34 5.59 Acres.

This is caused by a survey correction.  
~~and if one lot was omitted the count would~~  
~~be farther from 320 that it is at 345.59.~~

*[Signature]*




## 1940 MERCANTILE DALLAS BUILDING

June 6, 1960

MAIN OFFICE 000  
JUN 10 1967

With best wishes, I am

  
William G. Webb  
Vice President

1894

No. 18-60

DOCKET: EXAMINER HEARING JULY 6, 1960

Oil Conservation Commission - 9 a.m., State Corporation Commission Hearing Room, Basement, Capitol Building, Santa Fe, New Mexico.

The following cases will be heard before Elvis A. Utz, Examiner, or Oliver E. Payne, Attorney, as alternate Examiner:

CASE 2002: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Skelly State "D" Well No. 3, located 2310 feet from the South line and 660 feet from the East line of Section 1, Township 20 South, Range 36 East, Lea County, New Mexico, with injection to be in the lower San Andres formation with the injection interval from 4,450 feet to 4,950 feet.

CASE 2003: Application of El Paso Natural Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Warren Well No. 1-A (PM) located in Unit K, Section 25, Township 28 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool and the production of gas from the Blanco Mesaverde Pool through the casing-tubing annulus and 2 inch tubing respectively.

CASE 2004: Application of La Plata Gathering System, Inc., for the establishment of a 345.59 acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool, Rio Arriba County, New Mexico, and for an unorthodox gas well location. Applicant, in the above-styled cause, seeks the establishment of a 345.59 acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool, consisting of all of partial Sections 30 and 31, Township 32 North, Range 5 West, Rio Arriba County, New Mexico. Applicant proposes to dedicate said unit to a well to be drilled on an unorthodox location 990 feet from the North line and 713 feet from the East line of said Section 31.

CASE 2005: Application of Argo Oil Corporation for an order force-pooling the interests in a 160-acre non-standard gas proration unit in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests within the vertical limits of the Jalmat Gas Pool in a 160-acre non-standard gas proration unit consisting of the E/2 NE/4 of Section 21 and the W/2 NW/4 of Section 22, both in Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 2006:

Application of Pan American Petroleum Corporation for an extension of the no-flare exception granted by Order No. R-1451. Applicant, in the above-styled cause, seeks an extension of the one-year exception to the no-flare provision of the rules for the Otero Gallup Oil Pool, Rio Arriba County, New Mexico, for its Jicarilla 35 Well No. 1, which exception was granted by Order R-1451.

CASE 2007:

Application of Otto Reynolds and John R. Yarbrough for the promulgation of special rules governing gas wells drilled in the Bloomfield-Farmington Oil Pool. Applicant, in the above-styled cause, seeks an order promulgating special rules governing, among other things, the definition, spacing and location of gas wells in the Bloomfield-Farmington Oil Pool, San Juan County, New Mexico. Applicant further seeks approval of unorthodox gas well locations for three wells in said pool.

CASE 2008:

Application of Gulf Oil Corporation for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Lea-State "CR" (NCT-A) Well No. 3, located 3300 feet from the South line and 1980 feet from the West line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, with injection to be in the lower Wolf-camp formation in the interval from 9,911 feet to 10,200 feet.

CASE 2009:

Application of Gulf Oil Corporation for a 200-acre non-standard gas proration unit and for an order force-pooling the interests therein. Applicant, in the above-styled cause, seeks the establishment of a 200-acre non-standard gas proration unit in the Blinebry Gas Pool, consisting of the SW/4 and the SW/4 SE/4 of Section 23, Township 22 South, Range 37 East, Lea County, New Mexico, to be dedicated to the O. I. Boyd Well No. 3, located 1980 feet from the South and West lines of said Section 23. Applicant further seeks an order force-pooling the interests of those in said non-standard gas proration unit who have gas rights within the vertical limits of the Blinebry Gas Pool, including the following named persons or parties who have not consented to the pooling agreement:

W. B. Trammel; Mrs. Carrie Gidwitz; Harry L. Jones and Isabel Jones; Heirs, Devisees and Personal Representatives of William T. Pitt, Deceased; Peter M. Smith; Adam F. Arnold; Cranfill Fowler; George W. Clark; Charles W. Hastings; John E. McConnell, Jr.; Lionel L. Shatford; Ernest O. Knapp, J. Paul Knapp, Gertrude K. Schrecengost, Mildred K. Stoneburner,

Evelyn Neel, and Maude S. Knapp, Jointly; Robert R. McKee; and all other persons or parties owning oil and gas interests in the SW/4 and SW/4 SE/4 of Section 23, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 2010:

Application of Sinclair Oil & Gas Company for permission to commingle production from two separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the Empire-Abo Pool production from its M. Yates "B" Lease consisting of the S/2, NE/4, S/2 NW/4 and the NE/4 NW/4, with such production from a portion of its State Eddy 32 lease consisting of the NW/4 NW/4 of Section 34 and the SE/4 NW/4 of Section 32, all in Township 17 South, Range 28 East, Eddy County, New Mexico, after separately metering the production from one lease only.

CASE 2011

Application of Socony Mobil Oil Company for a "slim-hole" oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its E. O. Carson Well No. 22, located 1880 feet from the South line and 660 feet from the West line of Section 28, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Paddock Pool and the production of oil from the Wantz-Abo Pool using parallel strings of 2 7/8 inch tubing cemented in a common well-bore.

CASE 2012:

Application of Max Pray for the creation of a new oil pool for Devonian production and for the promulgation of special rules and regulations for said pool. Applicant, in the above-styled cause, seeks an order creating a new oil pool for Devonian production consisting of the W/2 of Section 27, E/2 of Section 28, NE/4 of Section 33 and the NW/4 of Section 34, Township 12 South, Range 37 East, Lea County, New Mexico. Applicant further seeks the promulgation of special rules and regulations governing said pool including a provision for temporary 80-acre oil proration units

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
LA PLATA GATHERING SYSTEM, INC.,  
FOR THE ESTABLISHMENT OF A 345.59  
ACRE NON-STANDARD GAS UNIT IN THE  
BLANCO-MESAVERDE GAS POOL,  
RIO ARriba COUNTY, NEW MEXICO, AND  
FOR AN UNORTHODOX GAS WELL LOCATION

CASE NUMBER

100-201-0-01-07

100-201-0-01-07

TO THE HONORABLE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO:

Comes now LA PLATA GATHERING SYSTEM, INC., as Unit Operator of the San Juan 32-5 Unit Area, and respectfully requests an exception to Rule 104 for a non-standard gas proration unit in the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico, consisting of all of Sections 30 and 31, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico, and for an unorthodox location for a well to be drilled to the Mesaverde Formation at a location nine hundred ninety feet (990') from the North line, seven hundred thirteen feet (713') from the East line, and seven hundred thirteen feet (713') from the West line of Section 31, Township 32 North, Range 5 West, and, for cause, would show as follows:

I

The subject non-standard gas proration unit is necessitated by a variation in the legal subdivision of the United States Public Land Surveys for both Sections 30 and 31 in Township 32 North, Range 5 West, Section 30 comprising Lots 1, 2, 3, and 4 thereof, containing a total of 174.41 acres, and Section 31 comprising Lots 1, 2, 3, and 4 thereof, containing a total of 171.18 acres, or an aggregate of 345.59 acres.

II

In order for the owners of the oil and gas leases covering Sections 30 and 31, Township 32 North, Range 5 West, to recover and secure their equitable share of the natural gas which may underlie said sections, it is necessary that an exception be granted to the applicable provisions of Rule 104 of the rules and regulations of the New Mexico Oil Conservation Commission.

III

Applicant would further show that, due to the size of said Section 31, it is physically impossible to locate a well in such section seven hundred ninety feet (790') from the outer boundaries thereof.

IV

Attached hereto as Exhibit "A" is a Plat of the subject sections, which likewise illustrates the offsetting leases and development thereon.

V

Applicant would respectfully show that the approval of the subject application will neither cause waste nor impair correlative rights.

Premises considered, the undersigned, as Operator of the San Juan 32-5 Unit Area, respectfully requests an exception to the applicable provisions of Rule 104 of the Commission's regulations in order to provide for a non-standard gas proration unit in the Blanco-Mesaverde Gas Pool and for an unorthodox gas well location as aforesaid.

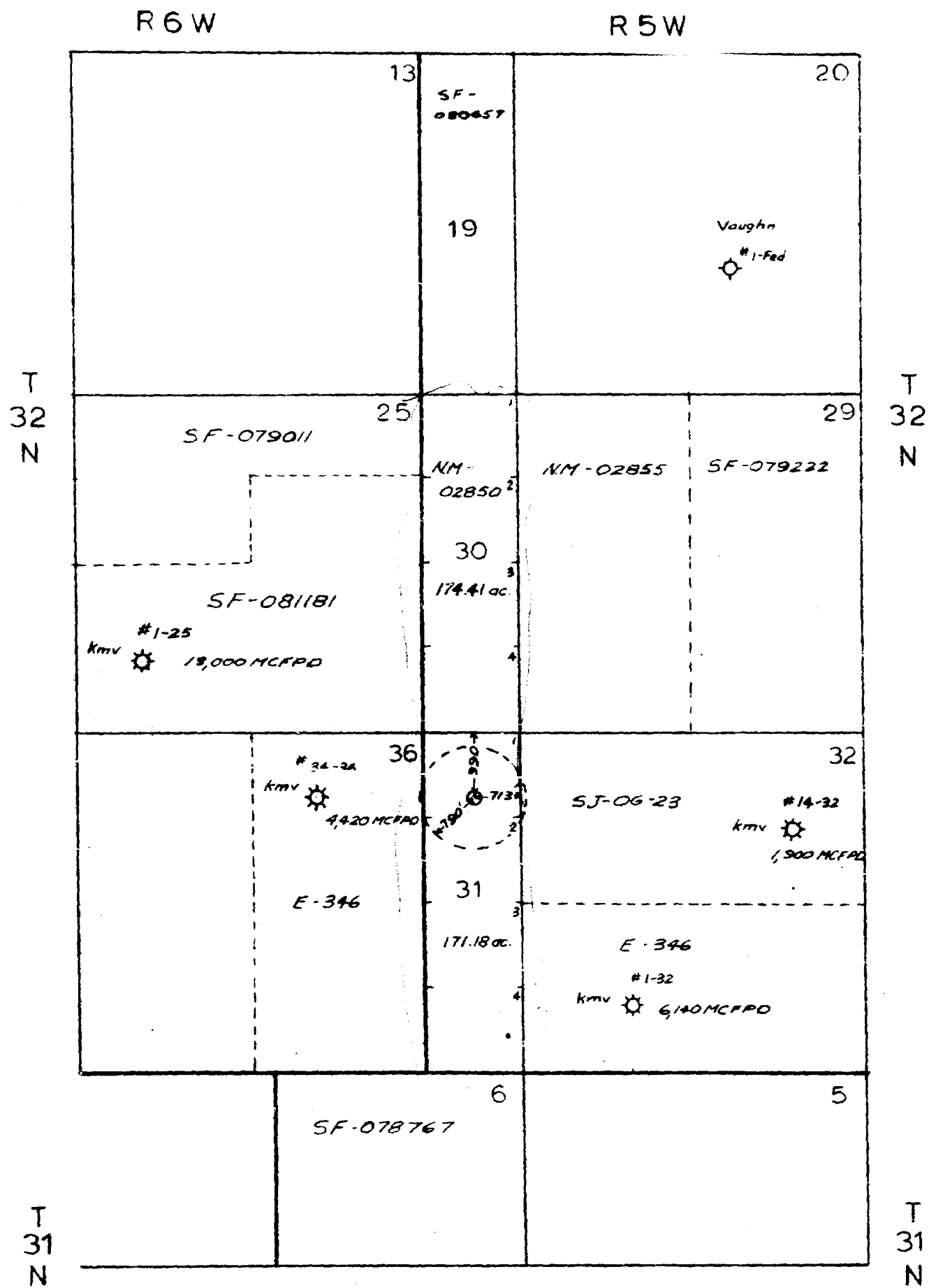
Respectfully submitted,

LA PLATA GATHERING SYSTEM, INC.

By

  
Vice President

# EXHIBIT "A"



RIO ARriba COUNTY, NEW MEXICO

scale: 1"=2000'





DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CM 3-6691

ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
in the  
STATE CORPORATION COMMISSION  
HEARING ROOM, BASEMENT  
CAPITOL BUILDING  
Santa Fe, New Mexico  
July 6, 1960

EXAMINER HEARING

IN THE MATTER OF:

Application of La Plata Gathering System, Inc., for the establishment of a 345.59 acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool, Rio Arriba County, New Mexico, and for an unorthodox gas well location. Applicant, in the above-styled cause, seeks the establishment of a 345.59 acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool, consisting of all of partial Sections 30 and 31, Township 32 North, Range 5 West, Rio Arriba County, New Mexico. Applicant proposes to dedicate said unit to a well to be drilled on an unorthodox location 990 feet from the North line and 713 feet from the East line of said Section 31.

Case 2004

BEFORE:

Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

Mr. UTZ: Case 2004.

Mr. PAYNE: Application of La Plata Gathering System, Inc., for the establishment of a 345.59 acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool, Rio Arriba County, New Mexico, and for an unorthodox gas well location.



MR. SETH: I am Oliver Seth, and I am appearing for the Applicant, and Mr. Webb, who will also appear, will put on the case. We have one witness, Mr. J. P. Morris.

(Witness sworn.)

MR. UTZ: Mr. Webb, do you have Exhibits in this case?

MR. WEBB: Yes, sir, one.

MR. UTZ: I wonder if you will mark that Exhibit now.

MR. WEBB: Yes.

MR. UTZ: You may proceed.

J. P. MORRIS

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

DIRECT EXAMINATION

BY MR. WEBB:

Q By whom are you employed?

A La Plata Gathering System, of Dallas.

Q In what capacity?

A As geologist.

Q Have you ever testified before this Commission before?

A No, sir, I haven't.

Q What is your professional background, beginning first with your educational background?

A I graduated in 1951 from Mississippi State University with a B. S. Degree in Petroleum Geology.

Q By whom were you employed subsequent to that time?



A Standard Oil Company of Texas, from 1951 to 1959. July of 1959, at which time I was employed by Woodward, Woodward, Turner and Webb, and then I was employed by La Plata Gathering System.

Q What capacity, during those periods?

A Geologist, exploration geologist and production geologist.

Q Are you generally familiar with the geological area or the geology of the San Juan Basin of New Mexico?

A Yes.

MR. WEBB: Are the witness' qualifications acceptable?

MR. UTZ: Yes, sir, they are.

Q (BY MR. WEBB) Mr. Morris, would you tell the Commission what has been proposed by the La Plata Gathering System in this case?

A Well, we propose to put together Sections 31 and 30 in Township 32 North, Range 5 West, as a drilling unit. To drill the Mesaverde Well to the base of the Point Lookout.

Q Are those two Sections presently unitized or communitized?

A Yes, sir, they're in the San Juan 32-5 unit.

Q What is, if you can describe to the Commission, the area extent of those two Sections?

A Exhibit A, there, is Section 30 and it consists of 174.41 acres, and Section 31 consists of 171.18 acres, a total of 345.59 acres, which is a non-standard gas prorated unit.



Q Would there be any other manner in which the gas would not be in the Mesaverde formation that might be referred by communitization, unitizing this association with any other adjacent acreage?

A No.

Q Your application also calls for non-standard or an unorthodox location and the well would be only 713 feet from the East Line of Section 31. Why must that well be 713 feet from the East Line rather than 790?

A Because the distance from the East Line to the West Line of that narrow section of 31 is 1400, and the North end of Section 31 is 1428.9 feet, and to the South end it's 1413.05 feet.

Q It would be impossible to drill a well in Section 31 and have it 790 feet from the boundary line?

A That is right.

Q In your opinion, Mr. Morris, will the drilling of this well prevent waste and protect correlative rights to parties involved?

A Yes, sir, it would.

MR. WEBB: That is all.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Morris, are you familiar with the surrounding units to the Mesaverde units?

A Yes, sir.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

Q And, in Section 32, how is that dedicated, North 1/2 and South 1/2?

A Yes.

Q In Section 36?

A That is East 1/2 and West 1/2.

Q In Section 25?

A I believe, I am not sure about that one. I believe it is East 1/2 and West 1/2.

Q Was there a well on the East 1/2?

A Of 25?

Q Yes, sir.

A No.

Q Well, then it probably isn't dedicated, is it?

A No, sir.

Q In Section 29?

A No wells on Section 29.

Q Is that a standard Section, 640 acre Section?

A I assume it is, I don't know if it is or not. I think all of these Sections in that Township Range are standard except the ones along the West edge, 19, 30 and 31.

Q It's inside the Section, so chances are it's standard?

A Yes, sir.

Q And, Section 20 has no wells except the dry hole of No. 1 Federal, what was that dry in?

A In the Pictured Cliff.



Q How many more of these Sections do you have between this area and the State line?

A Four more, three more counting--well, there are six in all that whole line.

Q Does your 32-5 go to the Colorado line?

A Yes.

Q Have you given any thought to how you are going to divide those particular Sections up?

A No.

Q What is the southern-most boundary of your 32-5 unit?

A This dark heavy line, Section South 1/2 of Township 32 North, Range 5 West, over to Section 35, then it drops down and takes in Section 1 and 2 and 31 North and 5 West.

Q In this immediate area, however, the southern boundary is the South edge of 32?

A Yes, sir.

Q Do you think the Mesaverde will be productive all the way to the Colorado line?

A No, sir.

Q Would that be why you weren't concerned about these other units? In other words, the point I am trying to make, if it is going to be productive it would seem to me we should get all these units in one hearing so as not to divide them up.

A The one well in the North in Section 10, 32 N., 5 W. They did get some gas out of the Mesaverde, it's shedding out in



that area right there.

Q How much acreage is included in Lot 1 of Section 30?

A Lot 1, Section 30, I can give it to you approximately. It's approximately 42 acres. In Lots 1, 2 and 3 and 4 in 31 they range from 43 to 47.

Q Does Section 25 in the 32-5 unit?

A Yes, sir.

Q La Plata is the operator of the unit?

A Yes.

Q Does La Plata have any intention of drilling a hole in the N. E. 1/4?

A Yes, sir.

Q In the near future?

A We have a location staked in the area now.

MR. UTZ: Any other questions of the witness?

Q (BY MR. PAYNE) Mr. Morris, you say there is six of these partial Sections going up to the Colorado line?

A Yes.

Q So that if the Mesaverde is productive you can dedicate to these partial Sections to each of three wells?

A Yes.

Q The same thing in the Dakota, if you subsequently drill on the Dakota?

A That is right.

Q Now, your location is not crowding anybody, is it?



A I don't believe it is.

Q You are the operator of all the surrounding acreage?

A Yes.

MR. PAYNE: Thank you.

Q (BY MR. UTZ) Are there any other partial Sections, such as this, in your 32-5 unit?

A The only ones are in 31 North, the North end of the Sections to the north. They're a small 640. In Section 1 and 2 and 31 North, 5 West, a short section there also.

MR. UTZ: Any other questions of the witness? If not, the witness may be excused.

(Witness excused.)

MR. UTZ: Any statements in this case? If there are none, the case will be taken under advisement.

\*\*\*





I N D E X

WITNESS:

J. P. MORRIS

Direct examination by Mr. Webb  
Cross examination by Mr. Utz

PAGE:

2  
4

E X H I B I T S

<u>Number</u>	<u>Exhibit</u>	<u>Marked for Identification</u>	<u>Offered</u>	<u>Received</u>
Appl 1		2		



DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

PAGE 10

STATE OF NEW MEXICO     )  
                                  )   ss  
COUNTY OF BERNALILLO   )

I, LEWELLYN NELSON, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing was reported by me in Stenotype, and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 17 of July, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

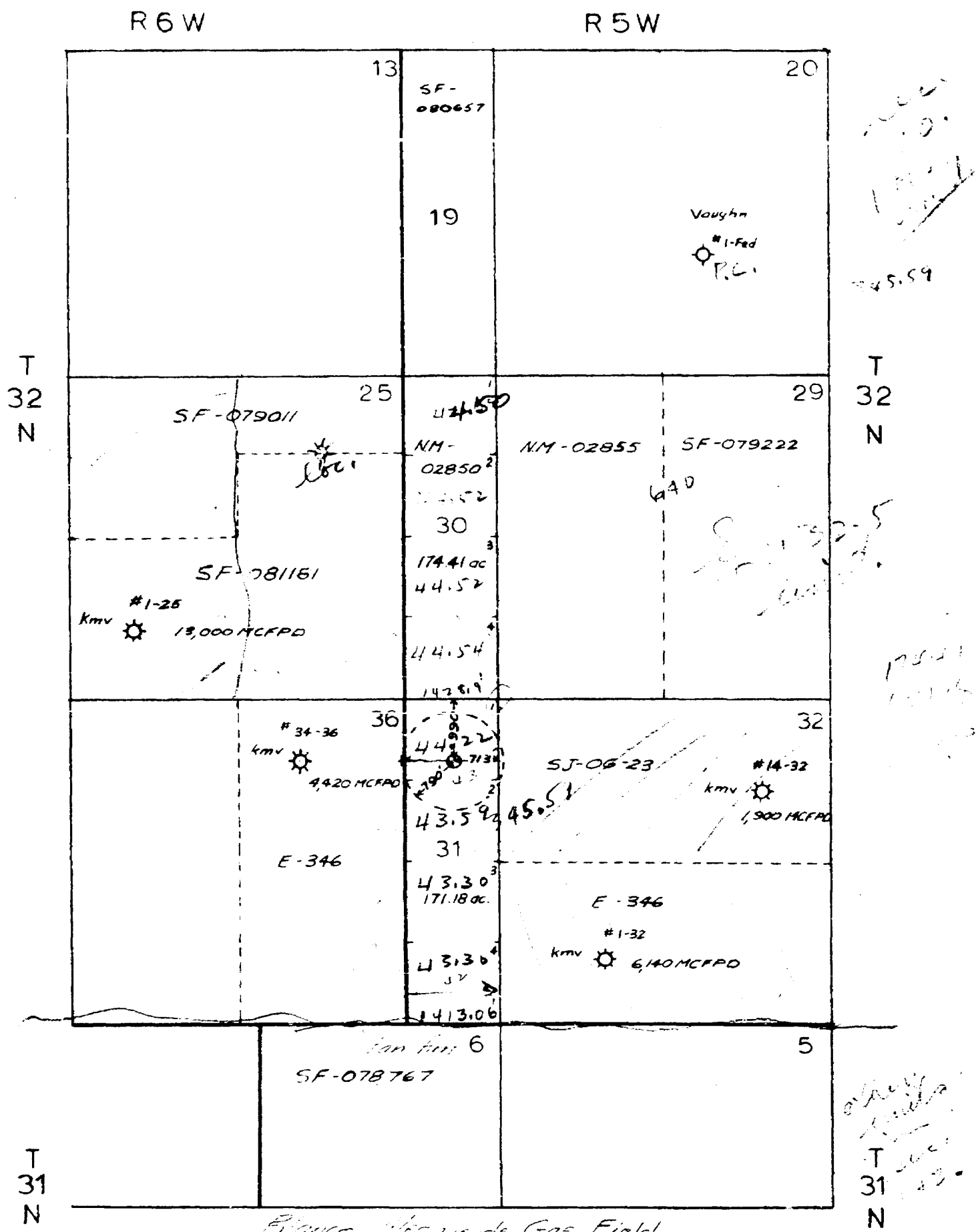
*Lewellyn Nelson*  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
June 14, 1964

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's hearing of Case No. 2004 heard by me on July 6, 1960.  
*[Signature]*  
\_\_\_\_\_  
Examiner  
New Mexico Oil Conservation Commission



# EXHIBIT "A"



Aug 6, 1964 #1  
Case 2082