

CASE 2434: Application of AMERADA
for a dual of its State DA Well #1,
and for 160-acre non-standard unit.

-asa//o.

2-434

dictation, Transcript,
all Exhibits, Etc.

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

December 14, 1961

Re: Case No. 2434
Order No. R-2134
Applicant:

Amerada Petroleum Corporation

Mr. Jason Kellahin
Kellahin & Fox
Box 1713
Santa Fe, New Mexico

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

OTHER

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. 2434
Order No. R-2134

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR A DUAL COMPLETION
AND A 160-ACRE NON-STANDARD GAS
PRORATION UNIT, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 29, 1961, at Santa Fe, New Mexico, before Daniel S. Mutter, 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 13th day of December, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Mutter, 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, Amerada Petroleum Corporation, is the owner and operator of the N/2 S/2 of Section 16, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to complete the State DA Well No. 1 located in Unit L of said Section 16 as a dual completion (conventional) in such a manner as to permit the production of oil from the Drinkard Pool through a string of 2 3/8-inch tubing and the production of gas from the Fumont Gas Pool through the tubing-casing annulus, separation of zones to be with a packer.

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Case No. 2434
Order No. R-2134

(4) That the applicant further proposes to establish a 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 S/2 of said Section 16, said unit to be dedicated to the above-described State DA Well No. 1.

(5) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amerada Petroleum Corporation, is hereby authorized to complete its State DA Well No. 1 located in Unit 1 of Section 16, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) in such a manner as to permit the production of oil from the Drinkard Pool through a string of 2 3/8-inch tubing and the production of gas from the Eumont Gas Pool through the tubing-casing annulus, separation of zones to be with a packer.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with Rule 112-A of the Commission Rules and Regulations.

PROVIDED FURTHER, That the operator shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Drinkard Pool and at such other times as the Secretary-Director of the Commission may prescribe.

(2) That a 160-acre non-standard gas proration unit in the Eumont Gas Pool is hereby established comprising the N/2 S/2 of said Section 16.

(3) That the allowable to be assigned to the above-described 160-acre non-standard gas proration unit shall bear the same ratio to a standard allowable as the acreage in said unit bears to the acreage in a standard gas proration unit in the Eumont Gas Pool.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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Case No. 2434
Order No. R-2134

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



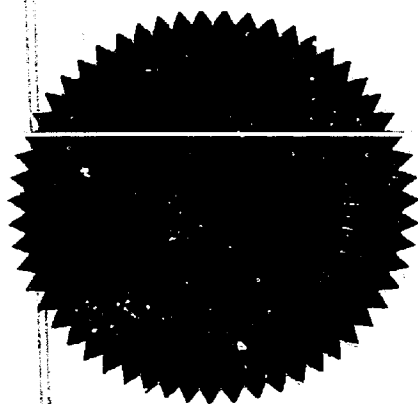
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



ix/

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 29, 1961

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, as alternate examiner:

Cases listed on this docket after Case 2444 will not be heard before 1 P.M.

CASE 2434: Application of Amerada Petroleum Corporation for a dual completion and a 160-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its State DA well No. 1 located in Unit L, Section 16, Township 21 South, Range 37 East, Lea County, New Mexico, as a dual completion (conventional) in the Eumont Gas Pool and the Drinkard Pool, with the production of oil from the Drinkard zone to be through a string of 2 3/8-inch tubing and the production of gas from the Eumont zone to be through the tubing-casing annulus. Applicant further seeks the establishment of a 160-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the N/2 S/2 of said Section 16, said unit to be dedicated to said State DA Well No. 1.

CASE 2435: Application of Cities Service Oil Company for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Hodges "B" Well No. 3, located in Unit L of Section 1, Township 25 South, Range 37 East, Lea County, New Mexico, as a triple completion (conventional) in undesignated Blinebry and Drinkard pools and in the Fusselman formation adjacent to the North Justis-Fusselman pool, with the production of oil from the Blinebry and Drinkard zones to be through parallel strings of 2 1/16-inch tubing and the production of oil from the Fusselman zone to be through a parallel string of 2 3/8-inch tubing.

CASE 2436: Application of Hudson & Hudson for two unorthodox oil well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of two unorthodox oil well locations in the Maljamar Pool, one well to be located within 100 feet and not less than 25 feet of the Southeast corner of Unit J, Section 24, Township 17 South, Range 31 East, Eddy County, New Mexico, and one well to be located within 100 feet and not less than 25 feet of the Northwest corner of Unit O in said Section 24.

CASE 2437: Application of J. C. Williamson for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Westates-Federal Well No. 6, located in Unit D of Section 1, Township 25 South, Range 37 East, Lea County, New Mexico, as a dual completion (conventional) in the McKee and Ellenburger formations with the production of oil from both zones to be through parallel strings of 2 3/8-inch tubing.

CASE 2438: Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its V. M. Henderson Well No. 6, located in Unit C of Section 30, Township 21 South, Range 37 East, Lea County, New Mexico, as a triple completion in the Paddock, Blinebry Gas, and Drinkard Pools with the production of oil from the Drinkard formation to be through a tapered string of tubing of 2 1/16-inch and 1 1/4-inch diameter and from the Paddock formation to be through a parallel string of 2 1/16-inch tubing and the production of gas from the Blinebry formation to be through the tubing-casing annulus.

CASE 2421: (Cont.)
Application of Texaco Inc. for approval of a unit agreement and for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Northeast Caprock (Queen) Unit Agreement, covering 1360 acres, more or less, in Township 12 South, Range 32 East, Caprock Queen Pool, Lea County, New Mexico. Applicant further seeks authority to institute a unit-wide waterflood by the injection of water into the Queen formation through 19 wells located within said unit.

CASE 2439: Application of Sunray Mid-Continent Oil Company for a 67.04-acre non-standard oil proration unit and an unorthodox well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of 67.04-acre non-standard oil proration unit in the Totah-Gallup Oil Pool, comprising Lots 2, 3 and 4 of Section 14, Township 29 North, Range 14 West, San Juan County, New Mexico, said unit to be dedicated to a well to be located at an unorthodox location 330 feet from the North line and 2510 feet from the West line of said Section 14.

Decket No. 32-61

CASE 2440:

Application of Socony Mobil Oil Company for permission to transfer allowables, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to shut-in the Boulder-Apache Well No. 12-14, located in Section 14, Township 28 North, Range 1 West, Boulder-Mancos Oil Pool, Rio Arriba County, New Mexico, and transfer its allowable to the Boulder-Apache Well No. 23-14 located in said Section 14 for the purpose of conducting interference tests.

CASE 2441:

Application of Water Flood Associated, Inc., for a waterflood project in the Maljamar and Robinson Pools, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a waterflood project in the Maljamar and Robinson Pools in portions of Sections 5, 6 and 7, all in Township 17 South, Range 32 East, Lea County, New Mexico.

CASE 2442:

Application of El Paso Natural Gas Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Mescalero Ridge Unit Well No. 1, located in Unit D of Section 21, Township 19 South, Range 34 East, Lea County, New Mexico, as a dual completion (conventional) in the Bone Springs and Morrow formations, with the production of oil from the Bone Springs zone to be through a string of 2 3/8-inch tubing and the production of gas from the Morrow zone to be through a parallel string of 2 1/16-inch tubing.

CASE 2443:

Application of Gulf Oil Corporation for an 80-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of an 80-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the E/2 NE/4 of Section 34, Township 19 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the J. W. Smith Well No. 2, located 660 feet from the North and East lines of said Section 34.

The following cases will not be heard before 1 P.M.

CASE 2444:

Application of Aztec Oil & Gas Company for an exception to Rule 309-A, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 309-A to permit the Totah-Gallup oil production from three wells on

applicant's Ilagood Federal Lease, located in Section 19, Township 29 North, Range 13 West, San Juan County, New Mexico, to be transported prior to measurement on said lease to applicant's Smith "C" Lease, located in Section 18, Township 29 North, Range 13 West.

CASE 2445:

Application of Southwest Production Company for an order extending the Flora Vista-Mesaverde Pool, San Juan County, New Mexico, and establishing special rules and regulations in said pool. Applicant, in the above-styled cause, seeks an order extending the Flora Vista-Mesaverde Pool to include Sections 22, 23, 26 and 27, all in Township 30 North, Range 12 West, San Juan County, New Mexico, and establishing special rules and regulations including a provision for 320-acre spacing units in said pool.

CASE 2446:

Application of Southwest Production Company for an order pooling all mineral interests in the Basin-Dakota Gas Pool in the E/2 of Section 22, Township 30 North, Range 12 West, San Juan County, New Mexico. Interested parties include Roy Rector and O. G. Shelby, both of Flora Vista, New Mexico, and Myron T. Dale, address unknown.

CASE 2416:

(Cont.)

Application of Southwest Production Company for an order pooling all mineral interests in an undesignated Mesaverde gas pool in the E/2 of Section 22, Township 30 North, Range 12 West, San Juan County, New Mexico.

CASE 2447:

Application of Humble Oil & Refining Company for approval of a pressure maintenance project in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project in the Cha Cha-Gallup Oil Pool by the injection of water into certain wells located on the Navajo Indian Reservation in Sections 13 through 29 and 33 through 36, Township 29 North, Range 14 West, San Juan County, New Mexico. Applicant further seeks the promulgation of special rules and regulations governing said project.

CASE 2448:

Application of Pan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project on its C. J. Holder,

~~5~~
Docket No. 32-61

State Holder Oil Unit, State "CA", State Oil Unit and Gallegos Canyon Unit Leases, San Juan County, New Mexico, in the Cha Cha-Gallup Oil Pool with water injection initially to be through five wells located in Sections 8 and 16, Township 28 North, Range 13 West, and Section 23, Township 28 North, Range 12 West, and requests adoption of special rules to govern the operation of said project.

CASE 2449:

Application of Pan American Petroleum Corporation for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks permission to institute a pressure maintenance project on its Navajo Tribal "H" and Gallegos Canyon Unit Leases, San Juan County, New Mexico, in the Totah-Gallup Oil Pool with water injection initially to be through five wells located in Section 35, Township 29 North, Range 13 West, Section 12, Township 28 North, Range 13 West, and Sections 13 and 24, Township 29 North, Range 14 West, and requests adoption of special rules to govern the operation of said project.

November 6, 1961

IN THE MATTER OF THE APPLICATION OF
AMERADA PETROLEUM CORPORATION FOR AN
ORDER PERMITTING THE DUAL COMPLETION
OF ITS STATE DA WELL NO. 1, LOCATED
IN UNIT L, SECTION 16-T21S-R37E, AND
FOR A 160 ACRE NON-STANDARD GAS PRO-
RATION UNIT IN THE EUMONT POOL, CON-
SISTING OF THE N/2 of S/2, SECTION
16-T21S-R37E, LEA COUNTY, NEW MEXICO.

CASE NO. 2434

A P P L I C A T I O N

Applicant, Amerada Petroleum Corporation, states that:

1. Applicant is the owner and operator of the State DA Lease consisting of the N/2 of S/2, Section 16, T21S-R37E, Lea County, New Mexico.
2. The State DA Lease currently has five wells drilled, with completions as follows: four Drinkard oil, one Blinebry gas, one Tubb gas and one Hare oil.
3. Applicant proposes the dual completion of its State DA No. 1, located in Unit L, Section 16-T21S-R37E, as a Eumont Gas over Drinkard Oil well.
4. Applicant proposes the creation of a 160 acre non-standard gas proration unit consisting of the N/2 of S/2, Section 16-T21S-R37E. This acreage to be dedicated to the Eumont completion in the State DA No. 1 well.
5. An Application for Dual Completion Form, Schematic Diagram of Dual Completion and Plat of Area are attached.

Applicant requests that these matters be set for hearing before an examiner, that notice of the hearing be given as required by law and that, after notice and hearing, the Commission enter an order authorizing the proposed dual completion and non-standard gas proration unit.

Respectfully submitted,

AMERADA PETROLEUM CORPORATION

By Jason W. Kellahin
KELLAHIN & FOX
P. O. Box 1713
Santa Fe, New Mexico
Attorneys for Applicant

*Procket
15/11/61
11/16/61*

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Case
2434 7-3-58

APPLICATION FOR DUAL COMPLETION

Field Name	Eumont & Drinkard		County	Lea	Date	November 3, 1961
Operator	Amerada Petroleum Corporation		Lease	State DA	Well No.	1
Location of Well	Unit	Section	Township	Range		
	L	16	21S	37#		

1. Has the New Mexico Oil Conservation Commission heretofore authorized the dual completion of a well in these same pools or in the same zones within one mile of the subject well? YES _____ NO X
2. If answer is yes, identify one such instance: Order No. _____; Operator, Lease, and Well No.:

3. The following facts are submitted:	Upper Zone	Lower Zone
a. Name of reservoir	Eumont (Gas)	Drinkard (Oil)
b. Top and Bottom of Pay Section (Perforations)	3550' to 3574'	6505' to 6590', 6605' to 6618', 6625' to 6630 & 6635' to 6649'.
c. Type of production (Oil or Gas)	Gas	Oil
d. Method of Production (Flowing or Artificial Lift)	Flowing.	Flowing.

4. The following are attached. (Please mark YES or NO)

Yes a. Diagrammatic Sketch of the Dual Completion, showing all casing strings, including size and setting, top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.

Yes b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.

No c. Waivers consenting to such dual completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application. *

No d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed, it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Continental Oil Company, 825 Petroleum Building, Roswell, New Mexico

Gulf Oil Corporation, P. O. Drawer 669, Roswell, New Mexico

Pan American Petroleum Corporation, P. O. Box 68, Hobbs, New Mexico

Shell Oil Company, P. O. Box 845, Roswell, New Mexico

Sunray-Mid-Continent Oil Company, 326 Petroleum Life Building, Midland, Texas

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES _____ NO X. If answer is yes, give date of such notification _____.

CERTIFICATE: I, the undersigned, state that I am the District Superintendent of the AMERADA PETROLEUM CORP. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

D. C. Capps

Signature

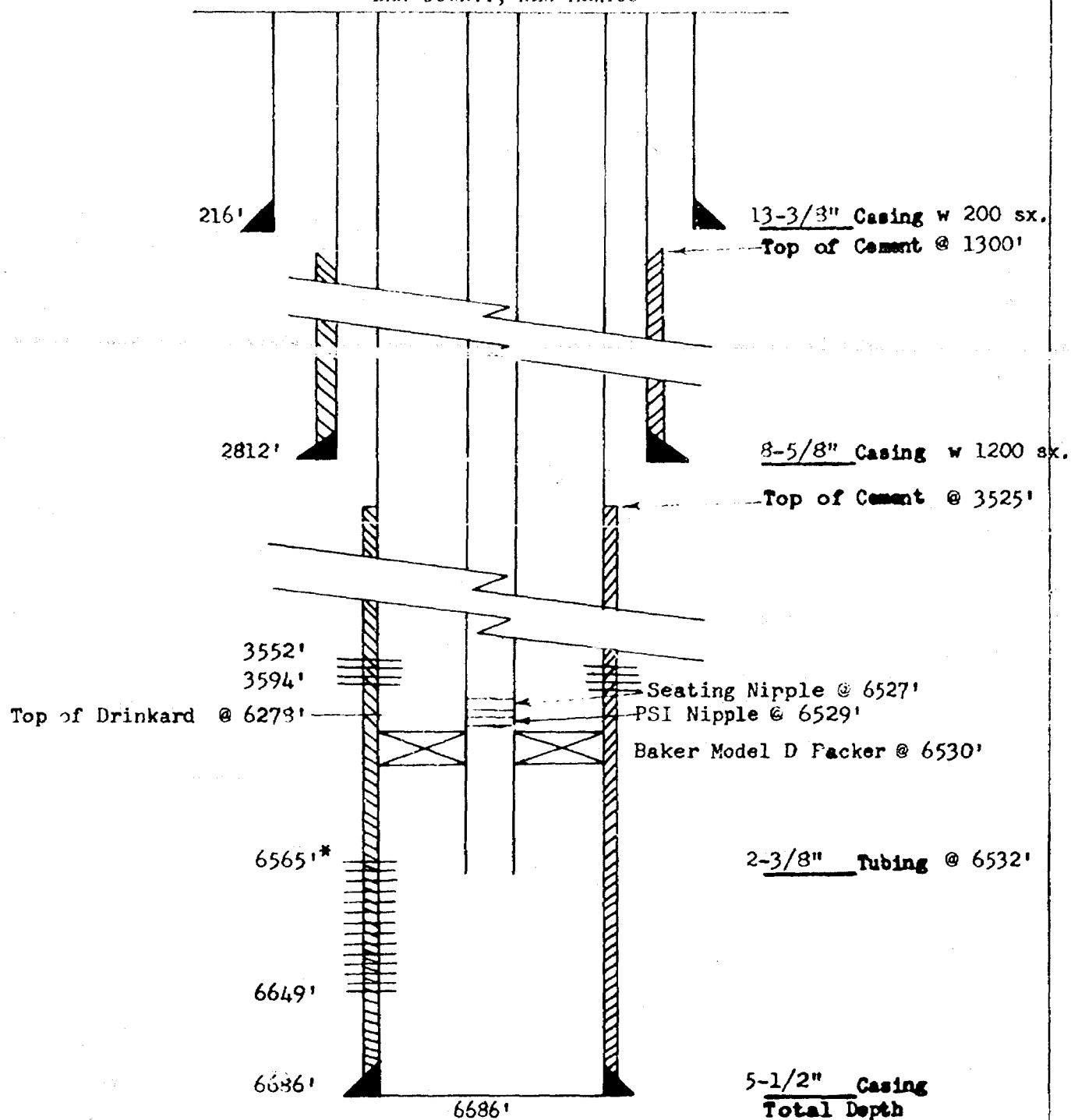
- * Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.
- NOTE: If the proposed dual completion will result in an unorthodox well location and/or a non-standard perforation unit in either or both of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

SCHEMATIC DIAGRAM

STATE DA No. 1

UNIT L, SEC. 16-T21S-R37E

LEA COUNTY, NEW MEXICO



AMERADA PETROLEUM CORPORATION

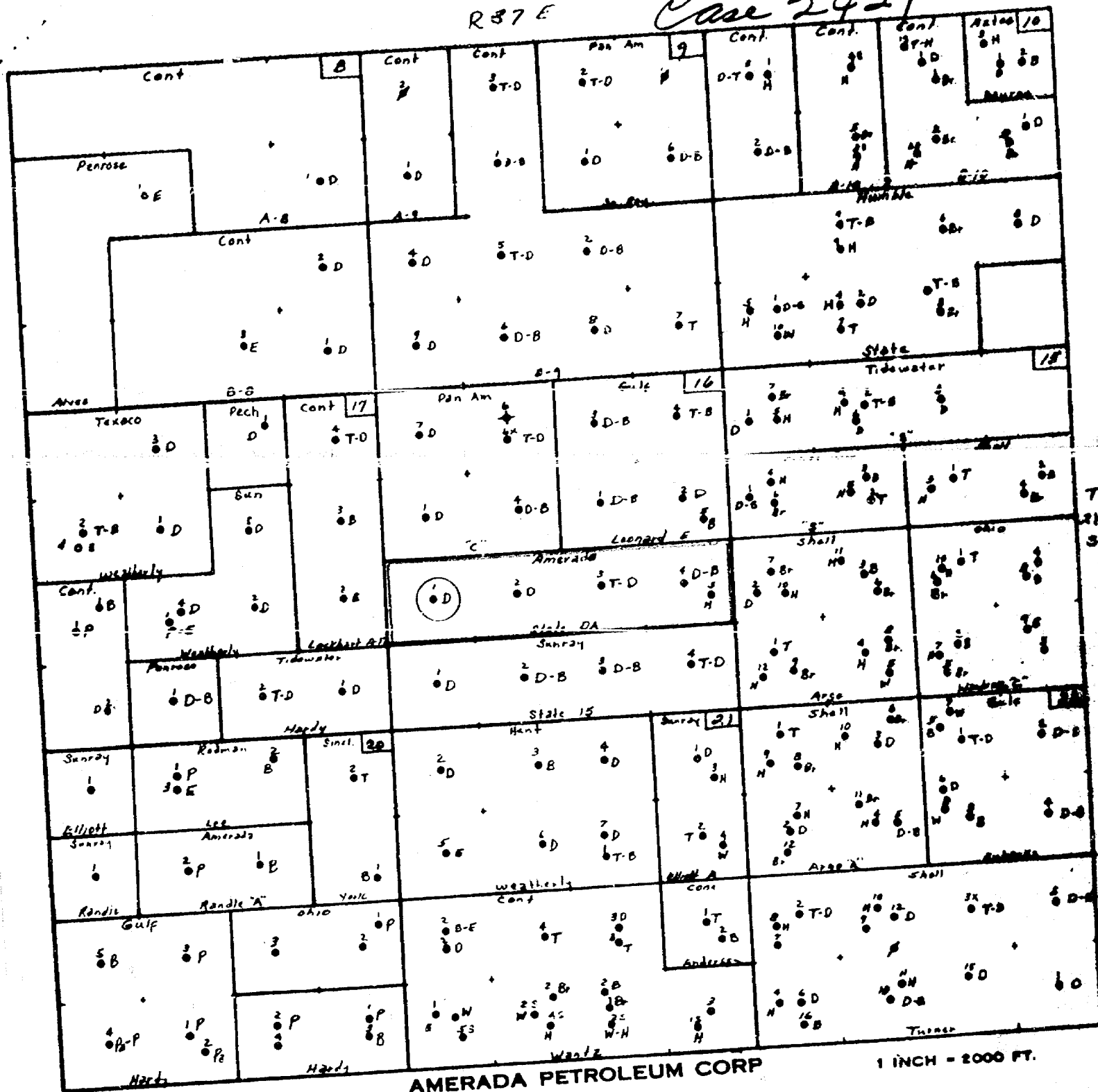
* Actual Perforated Intervals
as follows:

6565' to 6590'
6605' to 6618'
6625' to 6630' & 6635' to 6649'.

Case 2434

R37E

Case 2434



E - Eumont
 P - Penrose Swells
 B - Blinberry
 T - Tubbs
 D - Drinkard
 W - Wentz Abo
 H - Hare
 Br - Brunson
 Pa - Paddock

FIELD Eumont
 STATE New Mexico
 COUNTY Lea

[illegible]

1 INCH = 2000 FT.

E - Eumont
P - Penrose Swelling
B - Blinney
T - Tubbs
D - Drinkard
W - Wente Abo
H - Hare
Br - Brunson
Pa - Paddeck

has prod
from Dr since
1937. new
propos to dual
as Everett
+ Dr oil,

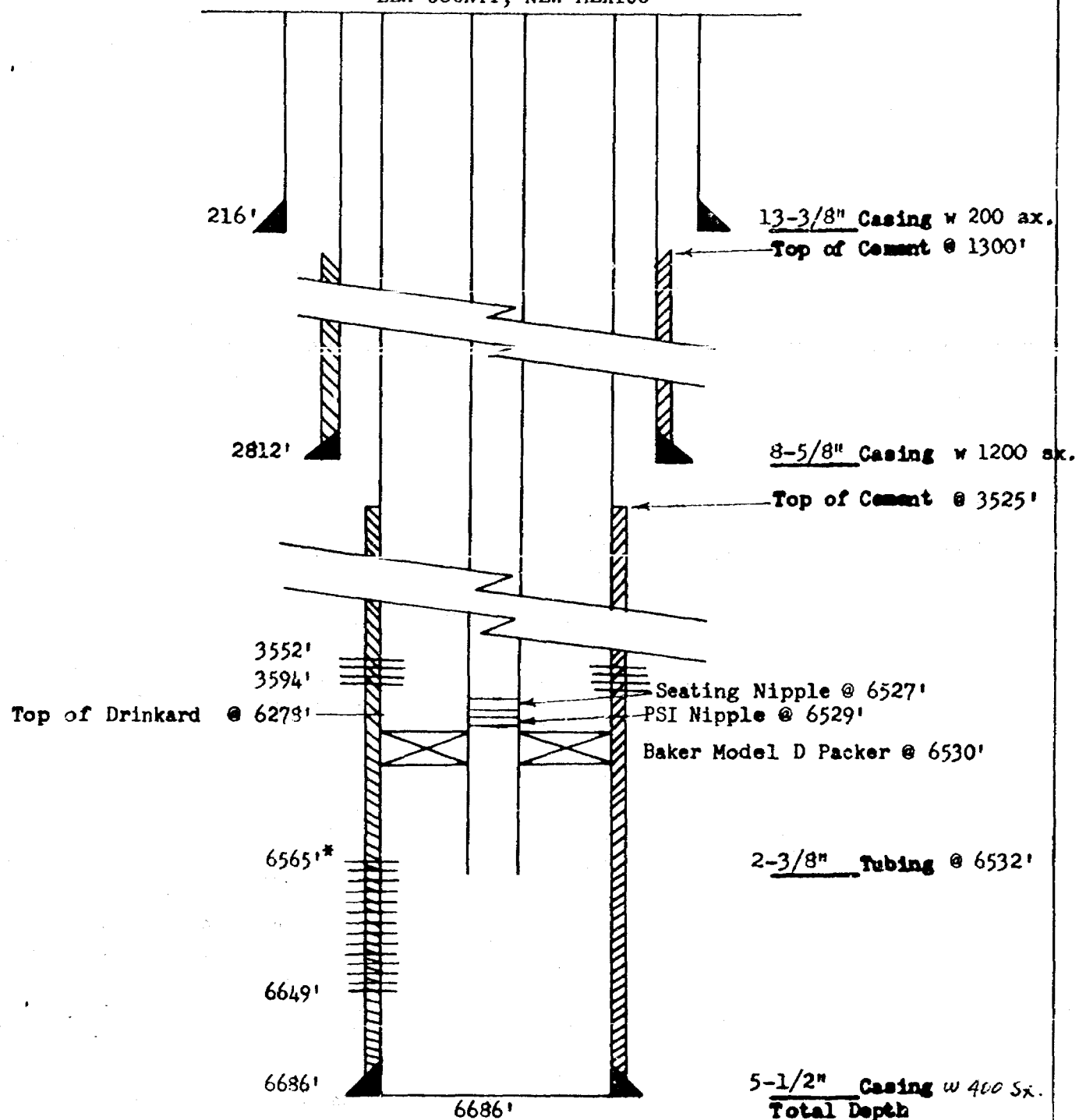
Ex No. 1

FIELD Eumont
STATE New Mexico
COUNTY Lea

SCHEMATIC DIAGRAM

STATE DA No. 1

UNIT L, SEC. 16-T21S-R37E
LEA COUNTY, NEW MEXICO



AMERADA PETROLEUM CORPORATION

* Actual Perforated Intervals
as follows:

6565' to 6590'
6605' to 6618'
6625' to 6630' & 6635' to 6649'.

Amerada
Case No. 2434
Ex No. 2

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

November 29, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Amerada Petroleum Corporation for a dual completion and a 160-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its State DA Well No. 1 located in Unit L, Section 16, Township 21 South, Range 37 East, Lea County, New Mexico, as a dual completion (conventional) in the Eumont Gas Pool and the Drinkard Pool, with the production of oil from the Drinkard zone to be through a string of 2 3/8-inch tubing and the production of gas from the Eumont zone to be through the tubing-casing annulus. Applicant further seeks the establishment of a 160-acre non-standard gas proration unit in the Eumont Gas Pool, comprising the N/2 S/2 of said Section 16, said unit to be dedicated to said State DA Well No. 1.

CASE NO.
2434

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

EXAMINER NUTTER: The Hearing will come to order, please.

We will call Case No. 2434.

MR. WHITFIELD: Application of Amerada Petroleum Corporation for dual completion and a 160-acre non-standard gas proration unit, Lea County, New Mexico.

MR. KELLAHIN: Jason Kellahin, Kellahin & Fox, representing the Applicant. We will have one witness, Mr. Snyder.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARRINGTON, N. M.
PHONE 325-1162

ALBUQUERQUE, N. M.
PHONE 243-6691

A. E. SNYDER,

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A A. E. Snyder.

Q By whom are you employed and in what position?

A I am employed by the Amerada Petroleum Corporation as a district engineer in Hobbs, New Mexico.

Q Mr. Snyder, have you testified before the Oil Conservation Commission and made your qualifications a matter of record?

A Yes, sir.

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

EXAMINER NUTTER: Yes, sir.

Q (by Mr. Kellahin) Are you familiar with the application of Amerada in Case No. 2434?

A Yes, sir.

Q Will you state briefly what is proposed in this application?

A Briefly, this application covers the oil well that was completed in 1947, our State DA No. 1 located in Unit L, Section 16, Township 21 South, Range 37 East. This well has produced from the Drinkard zone for some 14 years and Amerada is asking permission



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FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

to dually complete the well in the Eumont Gas Zone and we are asking for a 160-acre non-standard gas proration unit for the Eumont zone.

(Applicant's Exhibit 1
marked.)

Q (by Mr. Kellahin) Referring to Exhibit 1, would you discuss the information shown on that exhibit?

A Exhibit 1 is a map of the area showing all the wells surrounding this particular lease, showing their completed zones. The lease in question, Amerada's State DA lease, is outlined in red. It comprises the North half of the South half of Section 16, Township 21 South, Range 37 East. The location of Well No. 1 is also outlined in red.

(Applicant's Exhibit 2
marked.)

Q (by Mr. Kellahin) Referring to Exhibit 2, would you discuss the information on that exhibit?

A Exhibit 2 is a schematic diagram of the proposed installation in this dually-completed well. It shows all of the casing strings that have been set, the amount of cement used, the top of the cement, where known, the perforations at 3552 to 3594 in the Eumont zone and the zone that's been selectively perforated from 6565 to 6649 in the Drinkard oil zone.

Q This well has already been dually completed, Mr. Snyder?

A Yes, sir.



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PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

Q Is it being produced at the present time?

A No.

Q Is the Drinkard zone being produced?

A Yes, sir.

Q And the Eumont zone is not being produced?

A That's right.

Q Have you run any tests on the Eumont zone?

A Yes. We potentialled the Eumont gas zone about a month ago and have shut the well in since then.

(Applicant's Exhibit 3 marked.)

Q Referring to Exhibit No. 3, would you discuss the information shown on that exhibit?

A Exhibit No. 3 is an electric log of the State DA No. 1 well. On this log I have marked the top of the Pembrose sand at 3565. The Pembrose sand is in the base of the Queen, which is part of the Eumont producing interval. It shows the perforations from 3552 to 3594. On down near the bottom of the plat we have marked the top of the Drinkard at 6278 and show the Drinkard perforated interval from 6565 to 6649.

Q Do those perforations include a zone aside from the Drinkard in other pools? Is there any zone perforated that is not included in the Drinkard?

A I don't understand your question.

Q Is the Tubb zone shown on there?



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ALBUQUERQUE, N. M.
PHONE 243-6691

A No, not the Tube, on this.

(Applicant's Exhibit No. 4
marked.)

Q (by Mr. Kellahin) Referring to Exhibit No. 4, would you discuss the information shown on that exhibit?

A Exhibit 4 is a west-east cross section, crossing the Amerada State DA lease. Well No. 1, being the well in question, is on the left and the Pembrose sand is shown colored in red all the way across the 160-acre lease. You will notice that the thickness of the sand is just about the same all the way across and on the extreme right, which would be No. 4 well, on the east end of the lease, we have 28 feet of sand there. The sand is not quite as good on the east as it is on the west. However, calculations indicate that it does have porosity. The permeable tops on the Penrose sands are also marked on the log, showing a slight dip in an easterly direction.

Q Do you have a structure map showing this area, too?

A Yes, sir.

(Applicant's Exhibit No. 5
marked.)

A Exhibit No. 5 is a structure map contoured on top of the Pembrose sand. It shows the Amerada State DA lease outlined in red with the tops of the sand in the various wells shown. The purpose of this particular exhibit is to show that the area is relatively flat and that there are other wells producing from the



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PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

Eumont zone.

Q Can you point out some of the other wells on there?

A Yes. The Sharmer-Horne-Currie No. 1 in Section 6, Township 21 South, 37 East, has a red arrow toward it. The top of the Penrose is at a sub-C depth of 118 and the Amerada State DA No. 5 located in Unit I, Section 16, Township 21 South, Range 37 East, the sub-C depth there is 121, so our entire lease -- from this we could conclude that the entire lease would be gas productive. It should not be in the water zone.

Q On the basis of the information available to you and the exhibits 4 and 5, in your opinion, is all of the area productive of gas in the Eumont zone?

A Yes, sir.

Q Do you have anything further to add, Mr. Snyder?

A No, I believe not.

Q Were Exhibits 1 through 5 prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: I'd like to offer in evidence Exhibits 1 through 5.

MR. NUTTER: Exhibits 1 through 5 will be entered into evidence.

MR. KELLAHIN: That's all we have.

MR. NUTTER: Are there any questions of Mr. Snyder?

CROSS EXAMINATION



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PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

BY MR. MORRIS:

Q Mr. Snyder, did you point out the other Eumont wells in this area?

A I didn't designate these any particular way except they have an E by them on this exhibit.

Q Are there any Eumont wells immediately offsetting the proposed proration unit? I see one of Continental's immediately to the west.

A That's the only direct offset to the lease.

Q Then, the South half of the South half of Section 16 has not been established as a non-standard unit in the Eumont, has it?

A No, sir.

Q Do you know whether or not Sunray, who owns the South half of the South half of that section, has any plans to dually complete any of its wells in the Eumont?

A They are dually completing this No. 1 which is a direct south offset. Our management and their management have discussed this together forming a 320-acre non-standard unit. So far, they haven't reached an agreement on it.

Q Sunray has not voiced any opposition to the formation of the unit as you have proposed it today?

A No, sir.

MR. MORRIS: I believe that's all.

CROSS EXAMINATION



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BY MR. NUTTER:

Q Are there any Eumont gas wells in Exhibit 1 or Exhibit 5?

A Yes, sir. The Eumont gas well that you just mentioned in Section 17 directly west is an offset to our wells.

Q That would be Continental's Lockhart A 17 No. 2?

A Yes, sir.

Q That's a gas well?

A Yes, sir. In Section 21, the Hunt Weatherly No. 5 in the Southwest Northwest of Section 21 is a Eumont gas well. Then, in the Northwest Southwest Continental's Wantz No. 2 is a Eumont gas well and also their No. 1 in the Southwest Southwest of Section 21 is a Eumont gas well.

Q Are there any Eumont oil wells in the neighborhood?

A I don't believe there are, sir.

Q What does your No. 2 well produce from?

A It is a Drinkard oil well.

Q How about the No. 3?

A Number 3 is a Tubb gas well and a Drinkard oil well dualled.

Q How about No. 4?

A That is a Drinkard oil well and a Blinebry oil well. No. 5 is a Hare oil pool.

Q None of these are producing from the Eumont?

A No, sir.

Q You mentioned that this well had been potentialled about



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a month ago. What was that potential, Mr. Snyder?

A Flow potential was 1,618,000 cubic feet per day.

Q How about liquids?

A No liquids.

Q Absolute open flow?

A Yes, sir.

MR. NUTTER: Are there any further questions of Mr. Snyder?

He may be excused.

(Witness excused.)

Does anyone have anything they wish to offer in Case No. 2434? The case will be taken under advisement.

* * * *



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ALBUQUERQUE, N. M.
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STATE OF NEW MEXICO)
) ss.
COUNTY OF SAN JUAN)

I, THOMAS F. HORNE, NOTARY PUBLIC in and for the County of San Juan, 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.

Thomas F. Horne
NOTARY PUBLIC

My Commission Expires:

October 2, 1965

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing on Case No. 2434, heard by me on 11/29, 1961.

[Signature] Examiner
New Mexico Oil Conservation Commission



NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING - DANIEL S. NUTTER

SANTA FE, NEW MEXICOREGISTERHEARING DATE NOVEMBER 29, 1961 TIME: 9 A.M.

NAME:	REPRESENTING:	LOCATION:
Jason Kellahan	Kellahan & Co.	Santa Fe
Paul D. Felling	Pearson School Oil Co.	Midland Texas
Garry Hudson	El Paso Natural Gas Co.	El Paso, Tex.
W. B. Perry		
Burns H. Errebo	Modahl et al	Albuquerque
A. E. Snyder	Amerada Petroleum	Hobbs
W. B. Perry	Amerada Petr	Hobbs
JOE A. COLEMAN	J. C. WILLIAMSON	HOBBS
Donett Whitworth	El Paso Nat. Gas	El Paso.
Pete Jester	OCC	Santa Fe, N.M.
E. J. Wotter	Citrus Service Petr Co.	Hobbs
J. E. ROBINSON, Jr.	TEVACO INC	MIDLAND
One Buschaff		
Ralph L. Gray	Hudson & Hudson	Artesia, N.M.
J. H. Hoover	Gulf Oil Corp	Roswell N.M.
WV Kastler		
H. C. Potts	Water Flood Associates, Inc.	Artesia N.M.
F. Norman Stanguff	El Paso Natural Gas Co.	El Paso.

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING - DANIEL S. NUTTER

SANTA FE, NEW MEXICOREGISTERHEARING DATE NOVEMBER 29, 1961 TIME: 9 A.M.

NAME:	DEEDS/INTERESTS:	LOCATION:
E. W. Pearce	Sunray	Denver
N. E. Proctor	"	"
E. H. Ramsey	"	Farmington
Prentiss W. Holt	Aztec	Dallas
Don H. Means	Aztec Oil & Gas Co	Farmington, N. Mex
Kenneth A. Swanson	Aztec	Dallas
Walter Wolf	Navajo Tribe	Window Rock, Ariz
P. M. Barry	Mobil Oil Co	Durango, Colo.
R. C. Mills	" " "	" "
Van Thompson	Aztec oil	Dallas
G. W. H. H. H.	Benson Mosaic Lumber	Farmington
V. W. K. K. K.	Southwest Prod. Co.	Farmington
Jack D. Jones	Southwest Prod. Co.	" "

