

CASE 2474: Application of PAN AM.  
for a non-standard gas production  
unit - San Juan County, N. M.

-asa//o.

2474

plication, Transcript,  
all 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. 2474  
Order No. R-2167-A

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR A SIX-MONTH EXTENSION  
OF THE EFFECTIVENESS OF ORDER NO. R-  
2167, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 11, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 17th day of July, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 by Order No. R-2167, entered in Case No. 2474 on January 17, 1962, a 163-acre non-standard gas proration unit in the Basin-Dakota Gas Pool was established consisting of the N/2 NE/4, 68 acres in the S/2 NE/4, and 15 acres in the E/2 NE/4 SE/4, all in Section 14, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

(3) That said non-standard gas proration unit is dedicated to the Roberts Well No. 1, located 1190 feet from the North line and 820 feet from the East line of said Section 14, which well has been completed in the Basin-Dakota Gas Pool but to date has not been connected to a gas gathering facility.

(4) That during the period that Order No. R-2167 has been in effect, Pan American Petroleum Corporation has endeavored to obtain the agreement of all mineral interests in the N/2 of said Section 14 to the formation of a standard 320-acre gas proration unit; that all working interests in the E/2 of said Section 14 have agreed to form a 320-acre unit with the exception of

-2-

CASE No. 2474  
Order No. R-2167-A

J. J. Redfern, Jr., and associates who are the owners of interest in a portion of the SW/4 SE/4 of said Section 14.

(5) That the applicant, Pan American Petroleum Corporation, seeks a six-month extension of the effectiveness of Order No. R-2167 continuing in effect the 163-acre non-standard gas proration unit established by that order.

(6) That in order to protect the correlative rights of all mineral interest owners in the E/2 of said Section 14, a three-month extension of Order No. R-2167 should be granted, during which time all reasonable efforts should be made to form a standard 320-acre unit either on a voluntary basis or by means of compulsory pooling.

IT IS THEREFORE ORDERED:

(1) That the 163-acre non-standard gas proration unit established by Order No. R-2167, entered in Case No. 2474 on January 17, 1962, is hereby continued in effect for a period of three months in addition to the six-month period authorized by said order and shall terminate ipso facto on October 17, 1962.

(2) That prior to October 17, 1962, all reasonable efforts shall be made to form a standard 320-acre unit comprising the E/2 of said Section 14 either on a voluntary basis or by means of compulsory pooling.

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



*Edwin L. Mechem*

EDWIN L. MECHEM, Chairman

*E. S. Walker*

E. S. WALKER, Member

*A. L. Porter, Jr.*

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

esr/

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 671  
SANTA FE

July 17, 1962

Mr. Guy Buell  
Pan American Petroleum Corporation  
P. O. Box 1410  
Fort Worth, Texas

Re: Case No. 2474  
Order No. R-2167-A  
Applicant:  
Pan American Petroleum Corporation

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.  
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC   x  

Artesia OCC       

Aztec OCC   x  

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. 2474  
Order No. R-2167

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR A 163-ACRE NON-STANDARD  
GAS PRORATION UNIT, SAN JUAN COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 4, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 17th day of January, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Pan American Petroleum Corporation, is the owner and operator of the N/2 NE/4, 68 acres in the S/2 NE/4, and 15 acres in the E/2 NE/4 SE/4, all in Section 14, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes that a 163-acre non-standard gas proration unit in the Basin-Dakota Gas Pool consisting of the above-described acreage be established.

(4) That the applicant proposes to dedicate said 163-acre non-standard gas proration unit to a well to be located 1190 feet from the North line and 820 feet from the East line of said Section 14.

(5) That the proposed non-standard gas proration unit should be established for a period of six months and should terminate automatically at the end of such period.

-2-

CASE No. 2474  
Order No. R-2167

IT IS THEREFORE ORDERED:

(1) That a 163-acre non-standard gas proration unit in the Basin-Dakota Gas Pool is hereby established, consisting of the N/2 NE/4, 68 acres in the S/2 NE/4, and 15 acres in the E/2 NE/4 SE/4, all in Section 14, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico; said unit to be dedicated to a well to be located 1190 feet from the North line and 820 feet from the East line of said Section 14.

PROVIDED HOWEVER, That the subject non-standard gas proration unit shall be authorized for a period of six months from the date of this order and shall terminate ipso facto at the end of such period.

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

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

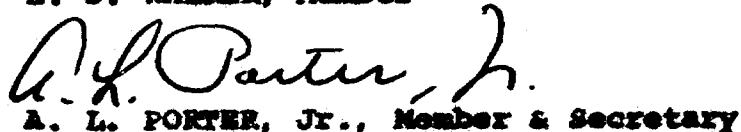
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



esr/

*247*

# PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 480, Farmington, New Mexico  
December 14, 1961

File: N-707-986.510.1

Subject: Application of Pan American  
Petroleum Corporation for a  
163-Acre Non-Standard Gas  
Proration Unit, Basin Dakota Pool  
E/2 Section 14, T-29-N, R-13-W

Mr. A. L. Porter, Jr. (3)  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Dear Sir:

Pan American Petroleum Corporation hereby makes application for a hearing to consider the formation of a 163-acre Non-Standard Gas Proration Unit in the Basin Dakota Pool containing 163 acres and consisting of contiguous Pan American acreage in the E/2 Section 14, T-29-N, R-13-W, San Juan County, New Mexico. The acreage to be included in the non-standard proration unit is described as follows:

The N/2 NE/4, 68 acres out of the S/2 NE/4,  
and 15 acres out of the E/2 NE/4 SE/4, all  
in Section 14, T-29-N, R-13-W.

It is respectfully requested that this matter be set for hearing at the next Examiner Hearing of the Commission.

Yours very truly,

PAN AMERICAN PETROLEUM CORPORATION

*T. M. Curtis*  
T. M. Curtis  
District Superintendent

GWE:en

*Booked  
Mailed  
12/26/61*



ATWOOD & MALONE  
LAWYERS

JEFF D. ATWOOD (1883-1960)  
ROSS L. MALONE  
CHARLES F. MALONE  
RUSSELL D. MANN  
PAUL A. COOTER  
BOB F. TURNER

P. O. DRAWER 700  
TELEPHONE MAIN 2-6221  
ROSWELL PETROLEUM BUILDING  
ROSWELL, NEW MEXICO

DECEMBER  
28th  
1961

Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

Re: Case No. 2474

Gentlemen:

We enclose our Entry of Appearance in the  
captioned case.

Very truly yours,

ATWOOD & MALONE

By: 

P  
C

\*

v  
Encls.

Cc: Harry O. Hickman, Esquire  
Legal Department  
Pan American Petroleum Corporation  
Oil and Gas Building  
Fort Worth, Texas

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
PAN AMERICAN PETROLEUM CORPORATION  
FOR A NON-STANDARD GAS PRORATION UNIT  
IN THE BASIN-DAKOTA GAS POOL, SECTION  
14, TOWNSHIP 29 NORTH, RANGE 13 WEST,  
N. M. P. M., SAN JUAN COUNTY, NEW MEXICO.

No. 2474

ENTRY OF APPEARANCE

The undersigned, Atwood & Malone, of Roswell, New Mexico,  
a firm of attorneys, all of whose members are duly licensed to practice  
law in the State of New Mexico, hereby enters its appearance in the  
above styled and numbered cause as co-counsel with Guy Buell, Esquire,  
of Fort Worth, Texas, for Pan American Petroleum Corporation,  
Petitioner.

DATED at Roswell, New Mexico, this 28th day of December,  
1961.

ATWOOD & MALONE

By 

Post Office Drawer 700  
Roswell, New Mexico

No. 1-62

SUPPLEMENTAL DOCKET - EXAMINER HEARING - THURSDAY, JANUARY 4, 1962

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

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

CASE 2474:      Application of Pan American Petroleum Corporation for a  
non-standard gas proration unit, San Juan County, New Mexico.  
Applicant, in the above-styled cause, seeks the establishment  
of a 163-acre non-standard gas proration unit in the Basin-  
Dakota Gas Pool, comprising the N/2 NE/4, 68 acres in the  
S/2 NE/4 and 15 acres in the E/2 NE/4 SE/4, all in Section  
14, Township 29 North, Range 13 West, San Juan County, New  
Mexico.

CLASS OF SERVICE  
This is a fast message  
unless its deferred char-  
acter is indicated by the  
proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-00)

SYMBOLS  
DL=Day Letter  
NL=Night Letter  
LT=International  
Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination.

LA096 BC191

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D MDA106 PD=FAX MIDLAND TEX 3 143P CST=  
NEW MEXICO OIL CONSERVATION COMMISSION=  
BOX 871 SANTA FE NMEX=

REF CASE NO 2474.

TEXACO HAS BEEN NOTIFIED BY PAN AMERICAN PETROLEUM  
CORPORATION THAT THEY WILL SEEK A SIX MONTH TEMPORARY  
ORDER FOR THE ESTABLISHMENT OF A 163 ACRE NON-STANDARD  
GAS PRORATION UNIT TO BE LOCATED IN THE E/2 SECTION  
14, T=29=N, R=13=W, SAN JUAN COUNTY, NEW MEXICO. TEXACO  
HOLDS A 10 ACRE LEASE LOCATED IN THE SW/4 SW/4 NE/4 SAID

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS

DL=Day Letter  
NL=Night Letter  
LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

SECTION 14. • TEXACO BELIEVES THAT A MORMAL 320 ACRE  
GAS UNIT SHOULD BE FORMED AND, TEHEREFORE, WOULD  
NORMALLY OBJECT TO THE FORMATION OF A NON=STANDARD  
UNIT, HOWEVER, IN VIEW OF THE FACT THAT PAN AMERICAN  
IS SEEKING ONLY A TEMPORARY ORDER AND IS CURRENTLY  
ATTEMPTING TO FORM A NORMAL UNIT WE DO NOT OBJECT=  
TEXACO INC R M BISCHOFF ASSISTANT DIVISION  
MANAGER==

163 E/2 14 T=29=N R=13=W SW/4 SW/4 NE/4 14 320.==

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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

June 21, 1962

Mr. Guy Buell  
Attorney  
Pan American Petroleum Corporation  
P. O. Box 1410  
Fort Worth, Texas

Re: Case No. 2474,  
Order No. R-2167

Dear Guy:

Order No. R-2167, entered in Case No. 2474 on January 17, 1962, established a 163-acre non-standard gas proration unit in the Basin-Dakota Gas Pool and limited the effectiveness of the order to a six-month period.

Since the order will expire on July 17, 1962, I thought it best to call your attention to the situation and to ask you for a report on the present status of the well and unit.

Very truly yours,

RICHARD S. MORRIS  
Attorney

RSM/esr

C  
O  
P  
Y

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

January 17, 1962

Re: CASE NO. 2474  
ORDER NO. R-2167

Mr. Guy Buell  
Pan American Petroleum Corporation  
Box 1410  
Fort Worth, Texas

APPLICANT:  
Pan American Petroleum Corp.

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 x

OTHER

**CLASS OF SERVICE**  
This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

**SYMBOLS**  
DL=Day Letter  
NL=Night Letter  
LT=International Letter Telegram

W. P. MARSHALL, PRESIDENT

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

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A L PORTER, JR NEW MEXICO OIL CONSERVATION COMMISSION

PO BOX 871 SANTA FE NMEX=

AS A RESULT OF CAS NO 2474, THE NNOCC ISSUED ORDER NO. R-2167 APPROVING A 163 ACRE NON-STANDARD UNIT IN THE BASIN DAKOTA GAS POOL FOR A TEMPORARY PERIOD OF SIX MONTHS. PAN AMERICAN IS THE OWNER AND OPERATOR OF SUCH UNIT WHICH CONSISTS OF THE N/2 NE/4, 68 ACRES IN THE S/2 NE/4, AND 15 ACRES IN THE E/2 NE/4 SE/4, ALL IN SECTION 14, T-29-N, R-13-W, SAN JUAN COUNTY, NEW MEXICO. PAN AMERICAN REQUESTS THAT A HEARING BE DOCKETED AT THE EARLIEST POSSIBLE TIME TO CONSIDER A SIX MONTHS EXTENSION

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE



**CLASS OF SERVICE**  
This is a fast message  
unless its deferred char-  
acter is indicated by the  
proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

**SYMBOLS**  
DL=Day Letter  
NL=Night Letter  
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Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

OF SUCH ORDER=

KENNETH J BARR PAN AMERICAN PETR CORP==

1962 JUN 29 AM 9 8 42

MAIN OFFICE OCC

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

**Memo**

*From*

RICHARD S. MORRIS  
GENERAL COUNSEL

*To*

*File*

*Case 2474*

## PAN AMERICAN PETROLEUM CORPORATION

REFERENCE:

6-29 1962

MAIN OFFICE 000  
MEMORANDUMMR. Dick Morris

1962 JUL 11 AM 8:20

Roberts non-Standard  
Gas Unit, Basin Dakota  
Pan American

Since Rule 1203 states that applications for hearings must be in triplicate, I am sending you 2 additional copies of our wire on the above subject. Thanks for the efforts you made in getting this set for hearing. I'm sorry to hear that you are leaving NMCC. Hope to see you if they ever let me get back out there for a visit

George Ford

TWX

(2)  
MR. A. L. PORTER, JR.  
SECRETARY-DIRECTOR  
NEW MEXICO OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

FORT WORTH, TEXAS  
JUNE 29, 1962  
7:55 A.M.  
FILE: 986.510.1

AS A RESULT OF CASE NO. 2474, THE NMOCC ISSUED ORDER NO. R-2167 APPROVING  
A 163 ACRE NON-STANDARD UNIT IN THE BASIN DAKOTA GAS POOL FOR A TEMPORARY

PERIOD OF SIX MONTHS. PAN AMERICAN IS THE OWNER AND OPERATOR OF SUCH  
UNIT WHICH CONSISTS OF THE N/2 NE/4, 68 ACRES IN THE S/2 NE/4, and 15

ACRES IN THE E/2 NE/4 SE/4, ALL IN SECTION 14, T-29-N, R-13-W, SAN JUAN  
COUNTY, NEW MEXICO. PAN AMERICAN REQUESTS THAT A HEARING BE DOCKETED

AT THE EARLIEST POSSIBLE TIME TO CONSIDER A ~~SIX~~ SIX MONTHS EXTENSION OF  
SUCH ORDER.

KENNETH J. BARR

GHF:ts

bcc: Mr. C. G. Condra  
Mr. F. L. Nabors

TX

(2)  
MR. A. L. PORTER, JR.  
SECRETARY-DIRECTOR  
NEW MEXICO OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

FORT WORTH, TEXAS  
JUNE 29, 1962  
7:55 A.M.  
FILE: 986.510.1

AS A RESULT OF CASE NO. 2474, THE NMCC ISSUED ORDER NO. R-2167 APPROVING  
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PERIOD OF SIX MONTHS. PAN AMERICAN IS THE OWNER AND OPERATOR OF SUCH  
UNIT WHICH CONSISTS OF THE N/2 NE/4, 68 ACRES IN THE S/2 NE/4, and 15

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COUNTY, NEW MEXICO. PAN AMERICAN REQUESTS THAT A HEARING BE DOCKETED

AT THE EARLIEST POSSIBLE TIME TO CONSIDER A ~~X~~ SIX MONTHS EXTENSION OF  
SUCH ORDER.

KENNETH J. BARR

GHF:ts

bcc: Mr. C. G. Condra  
Mr. F. L. Nabors

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico

January 4, 1962

EXAMINER HEARING

DEARNLEY-MEIER REPORTING SERVICE, Inc.

EDMUNDS, N. M.  
PHONE 100-1000

ALBUQUERQUE, N. M.  
PHONE 243-6691

IN THE MATTER OF:

Application of Pan American Petroleum Corpora-  
tion for a non-standard gas proration unit, San  
Juan County, New Mexico. Applicant, in the  
above-styled cause, seeks the establishment of  
a 163-acre non-standard gas proration unit in  
the Basin-Dakota Gas Pool, comprising the N/2  
NE/4, 68 acres in the S/2 NE/4 and 15 acres  
in the E/2 NE/4 SE/4, all in Section 14, Town-  
ship 29 North, Range 13 West, San Juan County,  
New Mexico.

CASE NO.  
2474

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

EXAMINER NUTTER: We will call Case No. 2474.

MR. MORRIS: Application of Pan American Petroleum Corp-  
oration for a non-standard gas proration unit, San Juan County,  
New Mexico.

MR. BUELL: For Pan American, Guy Buell. We have one  
witness, Mr. Rundell.

(Witness sworn.)

DANIEL J. RUNDELL,

called as a witness, having been first duly sworn on oath, was



examined and testified as follows:

DIRECT EXAMINATION

BY MR. BUELL:

Q Mr. Rundell, do you have your written testimony?

A No, sir.

Q Will you talk fast, then. Mr. Rundell, would you state your complete name, by whom you are employed, in what capacity and at what location?

A Daniel J. Rundell. I am employed by Pan American Petroleum Corporation located in Farmington, New Mexico. I am employed as a petroleum engineer.

Q Where did you go to school?

A Tulsa University.

Q What is your basic degree?

A I received a B.S. degree in petroleum engineering.

Q What have you done since graduation?

A I graduated in 1957 and at that time I was employed by Pan American and have served for Pan American since that time in various capacities as a petroleum engineer.

MR. BUELL: Are his qualifications accepted?

EXAMINER NUTTER: Yes, sir, please proceed.

(Applicant's Exhibit No. 1  
marked.)

Q (by Mr. Buell) Would you look now, Mr. Rundell, at what has been made Pan American's Exhibit No. 1 in this case.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325.1182

ALBUQUERQUE, N. M.  
PHONE 243.6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6691

Would you state for the record what that exhibit reflects?

A Exhibit 1 is a location map showing a portion of the San Juan Basin. In the center of this exhibit is Section 14, Township 29 North, Range 13 West. The East half of this section is colored in green and will ultimately be a standard 320-acre proration unit in the Basin-Dakota Field.

Q And the proposed 163-acre unit, is the East half of Section 14, which is colored in green?

A Yes.

Q Mr. Rundell, in your opinion will all of the acreage in Section 14 be productive of gas from the Basin-Dakota formation?

A Yes, I think it will. On Exhibit 1, also colored in red, we have the Dakota wells surrounding this half section. It is my opinion that Section 14 will also be productive.

(Applicant's Exhibit No. 2 marked.)

Q (by Mr. Buell) Looking now at Pan American's Exhibit No. 2, Mr. Rundall, will you briefly state what that exhibit reflects?

A Exhibit 2 is a detailed map showing the East half of Section 14, Township 29 North, Range 13 West, and it shows specifically the ownership of the various tracts within this half section.

Q How have you designated Exhibit 2 for the proposed





DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1192

ALBUQUERQUE, N. M.  
PHONE 243-6691

163-acre non-standard unit?

A The 163-acre non-standard unit is shown in red.

Q Would you describe the acreage that that unit is composed of for the record?

A Yes, sir. The acreage is composed of the North half of the Northeast quarter and the South half of the Northeast, 68 acres out of the South half of the Northeast quarter, 15 acres out of the East half of the Northeast quarter, Southeast quarter, all of Section 14.

Q How many separate Pan American leases are involved in this 163 non-standard unit?

A It will be six separate tracts within this 163-acre non-standard unit.

Q Would you state for the record the leases involved and the amount of acreage of each lease?

A In this non-standard unit, first there is a seven-acre tract, the J. C. McCray lease. There is a 57-acre tract, the Virgie Roberts lease; 16 acres for the E. J. Strawn lease; there is a 24-acre tract, the Arthur Corey lease; 14 acres for the M. K. Berry lease; and 15 acres of the J. C. Churchill lease.

Q Does Exhibit 2 also show the proposed well location?

A Yes, sir, it certainly does.

Q Would you locate it briefly for the record, please?

A It is located in the North half of the Northeast quarter, as shown by the blue circle. This location is 1190 feet



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6691

From the North line, 320 feet from the East line of Section 14.

Q Let's look now at the acreage in the East half of Section 14 that is not within your proposed 163-acre non-standard unit. How many separate tracts are there in the East half of Section 14 not in our non-standard unit?

A Fifteen separate tracts in the East half of Section 14 that is not within the 163-acre non-standard unit.

Q Some of these fifteen are leased and some unleased at this time?

A Yes, sir. The leased tracts are shown in color and are as follows: Texaco, yellow; Redfern has two leases colored in orange; Pan American is colored in blue.

Q With respect to these leased tracts in this half section, have the operators holding these leases been advised of our plans at this Hearing today?

A Yes.

Q Would you anticipate any difficulty whatsoever in bringing those four leased tracts in a voluntary standard 320-acre unit?

A No, sir.

Q With respect to the unleased tracts in the East half of Section 14, how many are there?

A There are eleven unleased tracts in the main portion of Section 14.

Q What is the status of those unleased tracts? Is Pan



## DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182ALBUQUERQUE, N. M.  
PHONE 243-6691

American making any effort to obtain leases on the?

A Yes, sir.

Q All the tracts except the John D. Tinnin lease, one-half acre, all the tracts have been promised to Pan American for lease?

A Yes, sir.

Q Did you make a check with the land department people in Pan American who have been discussing leasing the Tinnin tract?

A Yes. They are now discussing leasing their property and there is no indication that it will not lease.

Q Your land man was optimistic?

A Yes, he was.

Q As I interpret your testimony, Mr. Rundell, it appears that a standard voluntary 320-acre unit could be formed in this East half in a very short period of time. Is that interpretation correct?

A Yes, sir, I think so.

Q Why, then, is Pan American asking the Commission to approve 163-acre non-standard unit?

A Our J. C. McCray lease expires February 18, 1962. Although we can probably form a standard unit in a short time, we have to be drilling on that lease, we would have to be drilling by February 17, 1962. For this reason, we are requesting a non-standard unit so we can go ahead and drill the well.



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Q It is incumbent on a prudent operator to do everything necessary to protect and perpetuate a lease?

A Yes.

Q Let me ask you this, Mr. Randall: If this non-standard unit is not approved by the Commission and our lease does expire, we have another unleased tract in this East half of Section 14?

A Yes, sir, we will.

Q We don't want to leave the impression in the record that Pan American has suddenly awakened and discovered this expiration date. We have been working on this unit for some time?

A Yes, sir, we have.

Q Is Section 14 near the town limits of the Town of Farmington?

A Very close to the city limits.

Q Has it been Pan American's experience that in the area of town site development, where you have many tracts, small tracts unleased, and with production practically proven, is it exceedingly difficult to obtain leases on small tracts?

A Yes, sir, they are very small indeed, probably in the nature of half an acre or thereabouts and it takes a long time to lease up a lot of these acres.

Q It is time consuming?

A Yes, sir.

Q As things stand now, it appears that in the very near



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future that Mr. Rundell will have leases on all the released tracts?

A Yes.

Q In view of the imminence, Mr. Rundell, of a standard unit being formed, what is your recommendation to the Commission with respect to the type of order you would like to see them issue in this case?

A I would recommend the Commission issue a six-month temporary order approving the 163-acre non-standard unit pending the completion of the voluntary standard 320-acre unit.

Q Mr. Rundell, about how long does it take to drill a well to the Basin-Dakota Gas Pool in this area?

A Approximately two weeks.

Q Under those conditions, the possibility exists that for a short interim period of time there might be production from the well under a non-standard unit basis?

A Yes, sir.

Q Assuming that such production does occur, will the correlative rights of all the owners of interest in the East half of Section 14 be protected?

A Yes, sir, under the rules in effect, the correlative rights of these people will be protected.

Q Mr. Rundell, are you familiar with any similar order similar to the one you have requested that the Commission issued in the past?



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A Yes, sir. The Commission had approved a similar order on the application of Texaco in Case No. 2329. As a result of that case, Order R-2043, approving a 160-acre non-standard unit on a six-months temporary basis was issued.

Q You are recommending a similar order approving our proposed non-standard unit in this case?

A Yes.

Q Do you have anything you'd like to add, Mr. Rundell?

A No, sir.

MR. BUEHL: That's all we have at this time. May I formally offer our Exhibits 1 and 2.

EXAMINER NUTTER: Applicant's Exhibits 1 and 2 will be admitted in evidence.

Does anyone have any questions of Mr. Rundell?

MR. MORRIS: Yes.

CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Rundell, would you amplify your statement that correlative rights would not be impaired under the present pro-ration rule?

A The allowable assigned to a Dakota well would be based on acreage and deliverability and, in this case, having only a 163-acre unit, it would be decreased by that amount as compared with a 320-acre unit.

Q Can you see any objection in making it a 320-acre unit



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if it is retroactive to the date of establishment of the non-standard unit?

MR. BUEHL: I can see a lot of legal implications here, Mr. Morris. It would be my recommendation and my urging to the Commission not to include such a retroactive provision. It might prove harmful rather than helpful in ultimately forming the standard unit.

MR. MORRIS: That's all I have.

CROSS EXAMINATION

BY EXAMINER NUTTER:

Q Mr. Rundell, I notice one small tract here that doesn't have any description on it. Who does it belong to?

A That belongs to I. K. and R. Westbrook. That date line indicates some kind of separation between them and that whole section belongs to these people.

Q Actually, this is one tract, from the blue area over to this other thing -- what is that, a road?

A An irrigation ditch.

Q You do have the minerals under the irrigation ditch?

A Yes, sir, in the top portion we do.

EXAMINER NUTTER: Are there any further questions of Mr. Rundell?

If not, the witness may be excused.

(Witness excused.)

EXAMINER NUTTER: Does anyone have anything they wish



to offer in Case No. 2474?

MR. MORRIS: The Commission is in receipt of a telegram from R. M. Bischoff, assistant division manager, Texaco, Inc. "Reference Case No. 2474. Texaco has been notified by Pan American Petroleum Corporation that they will seek a six-month temporary order for the establishment of a 163-acre non-standard gas proration unit to be located in the East half of Section 14, Township 29 North, Range 13 West, San Juan County, New Mexico. Texaco holds a 10-acre lease located in the Southwest quarter Southwest quarter, Northeast quarter said Section 14. Texaco believes that a normal 320-acre gas unit should be formed and, therefore, would normally object to the formation of a non-standard unit; however, in view of the fact that Pan American is seeking only a temporary order and is currently attempting to form a normal unit, we do not object."

EXAMINER NUTTER: We will take the case under advisement.

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COUNTY OF SAN JUAN ) ss.

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 of Case No. 2474, heard by me on 1-4, 1962.

*A. J. Jarama*, Examiner  
New Mexico Oil Conservation Commission



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# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS

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A L PORTER JR, NEW MEXICO OIL CONSERVATION COMMISSION=  
STATE LAND OFFICE BLDG SANTA FE NMEX=

RE CASE #2474 (REOPENED) HEARING JULY 11, 1962 ON PAN  
AMERICAN APPLICATION FOR EXTENSION OF TEMPORARY 163-ACRE  
NONE STANDARD GAS PRORATION UNIT IN SECTION 14-T29N-R13W

BASIN-DAKOTA GAS POOL, SAN JUAN COUNTY, NEW MEXICO.

TEXACO HAS NO OBJECTION TO A SIX-MONTH EXTENSION OF

ORDER NO R=2167=

ROY WHISENHUNT TEXACO INC=

=#2474 11 1962 163- 14-T29N-R13W R=2167..

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
July 11, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Pan American Petroleum Corpora-  
tion for a six-month extension of the effective-  
ness of Order No. R-2167, San Juan County, New  
Mexico. Applicant, in the above-styled cause,  
seeks a six-month extension of the effectiveness  
of Order No. R-2167, which established a temporary  
163-acre non-standard gas proration unit in  
Section 14, Township 29 North, Range 13 West,  
Basin-Dakota Gas Pool, San Juan County, New  
Mexico.

CASE NUMBER  
2474  
(Reopened)

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: The hearing will come to order, please. Case  
2474 Reopened.

MR. MORRIS: Application of Pan American Petroleum Corpora-  
tion for a six-month extension of the effectiveness of Order Number  
R-2167, San Juan County, New Mexico.

MR. BUELL: For Pan American, Guy Buell. We have one wit-  
ness, Mr. Rundell, please, to be sworn.

(Witness sworn).

MR. BUELL: Mr. Examiner, as you probably recall, the first  
portion of this case was held back in January of this year, I

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think January 4, 1962, with two exhibits and at that time two exhibits were introduced. Exhibit Number 1 was a map of the general area and the section in question, and then the Exhibit 2 was a detailed ownership plat on the east half of Section 14, Township 29 North, Range 13 West, which is the half section in question.

JERRY RUNDELL,

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

DIRECT EXAMINATION

BY MR. BUELL:

Q Mr. Rundell, will you briefly state your complete name, by whom you are employed, and in what capacity?

A Jerry Rundell. I am employed as a petroleum engineer by Pan American Petroleum Corporation, and I am stationed in Farmington.

Q Mr. Rundell, you testified at a previous Commission hearing, and your qualifications are a matter of public record?

A Yes, sir.

Q Will you briefly look at what has been identified as Pan American's Exhibit Number 3 and state for the record what you know about that?

A Exhibit Number 3 is very similar to Exhibit Number 1. The difference being that this Exhibit 3 shows a slightly different lease boundary variation on some of the leases. Also, this Exhibit shows leases in red on our present 163 acres.



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Q Mr. Rundell, you said "similar to 1." You meant Pan American's Exhibit 2?

A Yes.

Q Would you briefly point out for the Examiner the difference between Exhibit 3 and Exhibit 2?

A Exhibit Number 3 is slightly different in the I. K. Westbrook lease. In that lease, there is a small tract up in the northwest corner which is bounded by the I. K. Westbrook. Also, below it are some company leases, that is, number 2 Chile Knights, which is another lease that we have.

Q So those two or three ownership portions are complications that have been encountered in the interim six months, since we were last here?

A That's correct.

Q So, while there were eleven leased tracts, in truth and in fact at that time, there were thirteen leased tracts?

A Yes, sir, that is correct.

Q All right, sir. What is the significance of the area enclosed in red?

A The area enclosed in red is our present 163 acres, non-standard unit as made by order number 2167.

Q Mr. Rundell, order R-2167, which you just mentioned, gives us some six months forward for this non-standard tract. Did I personally, back in January, and did our land people deal intimately with this acreage, that within six months we could voluntarily



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form this standard 320-acre unit?

A Yes, sir. We **were** confident that within the six months, we could form a voluntary standard 320-acre unit.

Q It is pretty obvious we have not been successful?

A That's correct.

Q We are here today asking for a six-months' extension of order R-2167. In that connection, it might be well to report to the Commission on our progress in assembling the standard unit, the progress that we have made in the past six months, so let me direct your attention to our Exhibit Number 4 and briefly ask you to state what that exhibit reflects?

A Exhibit Number 4 is the same as Exhibit Number 2, only that it does show colored in green, that Pan American has leased all of the thirteen remaining leases.

Q So, the ~~thirteen~~ unleased tracts have now been leased by Pan American?

A Yes, sir.

Q And they are now available for becoming a part of a standard unit?

A Yes, sir, that's correct.

Q Of course, the acreage colored in red on Exhibit 4, which is the present approved agreement, not non-standard unit, that is in fact available in the lease and is to be used in the standard agreement?

A Right.



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Q The north half of the east half of Section 14 reflected on your Exhibit Number 2 in yellow is owned by Texas Company, and it is available also? So, we have Texas Company committed to the standard unit?

A Right. Texas Company has committed that tract to the standard unit.

Q What about it?

A It is the back tract. It is Pan American acreage that we had on that prior hearing, but contiguous with the other acreage.

Q But it is available to be leased to a standard unit?

A Yes.

Q That only leaves the two portions colored in orange, Mr. Rundell. Who owns the orange tracts, operates the two orange tracts?

A Redfern and his group of associates.

Q Since all of the others are available and ready to be leased for a standard unit, it is obvious that these two tracts are the ones that are keeping us from forming a standard unit at this time?

A Yes, sir. That's correct.

Q In view of that, Mr. Rundell and the termination of this temporary six-months' order, let me ask you whether the Pan American Company would ask that those two tracts be force pooled and then formed into a standard unit?

A In the past, Mr. Redfern and Pan American have had many



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business dealings, and he has always been very amiable, and I hesitate to recommend forced pooling because of that reason.

Q Have you, in the past, also found Redfern to be a reasonable as well as a responsible man?

A Yes, sir.

Q Are negotiations with Redfern voluntarily continuing?

A Yes, sir.

Q Negotiations are in progress now?

A Yes.

Q Let's make the record clear. Redfern is a detriment to the formation of a standard unit?

A Yes, sir, he is.

Q The rub, or where we have not been able to get together, has been in the detailing on the coming agreement?

A Yes, sir. Some of the detail, we are in disagreement about.

Q Do you feel that there is a good chance should the Commission extend that order for another six months, that these two tracts could voluntarily be formed into a standard unit?

A They probably will be brought into a standard unit.

Q Certainly, with another six months, Mr. Rundell, we will at least by then know finally, one way or the other?

A Yes, sir. Within six months, we will know if Mr. Redfern will complete his tracts or if he will not we will apply for a pooling order.





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Q What necessitated the arrangement for the non-standard unit?

A Our original lease was the early J.C. McRae lease, the preliminary diagram of which was submitted February 18th, 1962.

Q In the interim period since the January 4 hearing, has a Dakota well been drilled?

A In Exhibit Number 4 in the north half, the Vergie Roberts lease, we have completed a Dakota well.

Q What kind of a well? How did it come in, Mr. Rundell?

A 2,080 M.C.F. per day.

Q Is that about normal for a Dakota well in this immediate area?

A Yes, sir. I would say it is.

Q In the primary area, primarily in which the McRae lease was spudded?

A Yes, sir.

Q Do you feel if the Commission should extend the terms of order R-2167 for an additional six months, as we request, that the correlative rights of all owners of interest in this east side and the half of Section 14, as well as owners of interest in the area around this section, would be protected?

A Yes, sir. I think they would.

Q Can you see any way that the extension of this order would violate the correlative rights of Dakota owners of interest in the area?



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A No.

Q Do you recall, Mr. Rundell, when order R-2167 will expire by its own terms?

A It was to expire July 17th, 1962.

Q Do you have anything else that you would care to add at this time, Mr. Rundell?

A No.

MR. BUELL: Mr. Examiner, that is all we have. We would like to formally offer Pan American's Exhibits 3 and 4.

MR. NUTTER: Pan American's Exhibits 3 and 4 will be admitted in evidence, there being no objections. Are there any other questions?

(Whereupon, Applicant's Exhibits 3 and 4 admitted in evidence).

MR. MORRIS: Yes.

MR. NUTTER: Mr. Morris.

CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Rundell, what is the monthly allowable of your well in this unit?

A This well is presently not connected.

Q It's not connected?

A No.

Q Has it ever produced at all?

A Not into a pipe line, no, sir.



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Q Do you have prospects of having the well connected in the near future?

A There is a possibility that it could be connected in the near future.

Q Would you amplify those remarks?

A Well, we don't, not at the present time, have a marketing arrangement, and we are also looking for a marketing arrangement and request, if we find one, it will be put into the pipe line; however, I don't know exactly what the status is as far as that goes.

MR. BUELL: I might add, in addition, Mr. Morris, that this Dakota acreage would be sold to another person who would negotiate a market for it. There are two possibilities for a market. Number one: our own negotiations; and two: a market through the purchaser's negotiations.

Q (By Mr. Morris) How far are you away from a pipe line, should you decide to get a hookup, Mr. Rundell?

A I don't know exactly where the nearest line is; however, wells are located all around this well, and it is probably not more than a half a mile, probably.

Q Then, if for one reason or another, the well might be hooked up and gas sold, it could be done in a short time?

A Yes, sir.

Q It's easy for me to see how correlative rights could be protected by the additional period of time here, so long as the



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well remains shut in. If the well should be connected, correlative rights could be on a continuation of the 163 acres range for another six months.

A I am satisfied that production of the allowables, based on the Dakota field, are made of the 25 percent of the market. Since this has a 163 acre range, its allowable would be decided from a standard unit by that much.

Q But any production from the well, Mr. Rundell, would leave that much less gas in the reservoir available to the well which would ultimately be split among all interest owners in this area, would it not?

A Would you repeat the question, please?

Q There is only so much gas in the reservoir that is recoverable by so much pay?

A Yes.

Q Even if this well produced with the decided allowable in production for its acreage, it would leave only so much left to be split among the owners of interest in this 320 acres when the standard unit is eventually formed. Would that be a fair statement?

A Yes, sir. That's correct.

Q And if that's correct, any production from this well on a 163-acre unit would amount to a violation of correlative rights?

A The fact remains, though, that gas would be coming from beneath the acreage which is on this particular 163-acre unit, and



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also, I would like to point out that Dakota wells have a long life of production, in the range of 20 or more years, and that any amount of gas taken out within a six-month period probably would not be very much of this well's reserve.

Q So, correlative rights might be violated but not very much?

A The gas would still come from beneath the acreage, and insofar as that goes, that is probably right. They might be violated just a trifle, but that is the way the rule works.

Q Could you give me any estimate as to how soon you think you might be able to bring Mr. Redfern into the unit on a voluntary basis?

A We certainly think that if he will come in at all, we are sure he will be in within six months. At the end of a six-months period, we will know whether he will or whether he will not come into the unit.

Q You are negotiating, presently in the process of negotiating with him?

A Yes, sir, we are.

Q Why should it take six months, rather than one month?

A It may take one month and then again it may take longer. I don't know exactly what the status of the negotiations are at the present time; however, it could be immediately, or it might be longer, depending on how far along we were.

Q If the Commission granted you a one-month extension of



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that order, or a two-month extension, for you to, let's say, a two-month extension, after a period of one month remained, it would be possible for Pan American to bring a forced pooling action to the Commission, is it not?

A That's correct. At this particular time, we do not want to recommend such a measure.

MR. MORRIS: I believe that's all I have. Thank you.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Rundell, as I understand it, Exhibit Number 2 is the ownership plat map that you exhibited at the January hearing?

A Yes, sir, that's correct.

Q Exhibit Number 3 is the same map, except with a couple of corrections made on it for leases that you found existed that weren't exhibited on Exhibit Number 2. Then Exhibit Number 4 brings Exhibit Number 3 up to date and shows the acreage that Pan American has acquired since the hearing in January?

A Yes, sir. It does.

Q How many working interest orders exist in this 320-acre unit?

A There are one, two, three, four, five - - I believe there would be six.

Q Now, you have Pan American, referring to Exhibit Number 4, Pan American owns the red acreage, the Texas Company then owns the yellow acreage. Redfern owns the orange, the Redfern group,



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because there were about four or five in it?

A Yes, sir.

Q That is, is there any other production owned by other working interest owners? There are no other tracts that have a divided interest?

A No.

Q The green acreage is under lease by Pan American?

A Yes, sir. We have leased the green acreage since the last hearing.

Q And the blue is under lease to Pan American?

A Yes, sir.

Q And the Texas Company is agreeable to forming a unit?

A Yes, sir. They have committed their acreage for a unit. Actually, the 163-acre non-standard unit comprising everything except the orange acreage as requested.

MR. BUELL: We thought, in view of the fact that the well was not connected, order R-2167 described the current 163-acre tract feasible and practical just to extend the terms of order R-2167, without involving the non-standard unit.

Q (By Mr. Nutter) Unequivocally, can you state that the blue acreage and the green will be dedicated to the well?

A Yes, sir, I can.

Q Who owns this parcel of land, Mr. Rundell, along the southeast quarter of the south half of this unit?

A Number 211921?

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Q 211871, sir. A. R. Smith, et al, what company is that that owns that lease?

A I don't know what it is. It's just - - it's a fee land

Q Do you see the A. R. Smith lease?

A Yes.

Q Who is the working interest owner?

A Pan American is the working interest owner.

Q P-a-m-a-e-r, that's Pan American?

A Yes, I see your point.

Q That is a wholly-owned subsidiary of Pan American?

A Yes.

MR. NUTTER: No further questions. Does anyone have any further questions?

RE-DIRECT EXAMINATION

BY MR. BUELL:

Q Mr. Rundell, the basin Dakota allocation formula is equitable, so that correlative rights from this 163-acre well, if it should be connected and produced, would be protected?

A That's correct, yes, sir.

Q Well, let's just assume, rather than being a 163-acre unit, it was a 160 acres, so exactly half of the standard unit.

A Yes.

Q Assuming that the standard unit well is acceptable as our well on 160 acres, would not our well have exactly half the allowable of the 320-acre well?





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A Yes, sir.

Q Correlative rights are being protected on the 320 acres, so that they would be protected on the 160?

A Yes, sir.

Q By the same token, if we had a 640-acre unit, the complete 640-acre unit would be showing the same allowable?

A Yes, sir.

MR. BUELL: That's all I wanted to bring out.

MR. NUTTER: Are there any further questions? If not, the witness may be excused. Is there anything further?

MR. BUELL: I would like to call to the attention of the Commission that on July 17 this order expires. I would like to thank the Commission for setting this hearing at the time they set it.

MR. NUTTER: Does anyone have anything further in case number 2474?

MR. MORRIS: The Commission has received a telegram from Texas Company, Incorporated, reference 2474 (reopened), "Hearing July 11th, 1962, on Pan American's application for extension of a temporary 163-acre gas proration unit in Section 14, Township 29 North, Range 13 West, San Juan County, New Mexico. The Texas Company has not had or has no objections."

MR. NUTTER: Does anyone else have anything else then to offer in this case? If not, Pan American's request will be taken under advisement. We will recess this hearing until 1:30.



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(Whereupon, the hearing was resumed at 1:30 P. M.)

\* \* \* \* \*

STATE OF NEW MEXICO )  
 ) SS  
COUNTY OF BERNALILLO)

I, MICHAEL RICE, a 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.

Michael Rice  
Notary Public

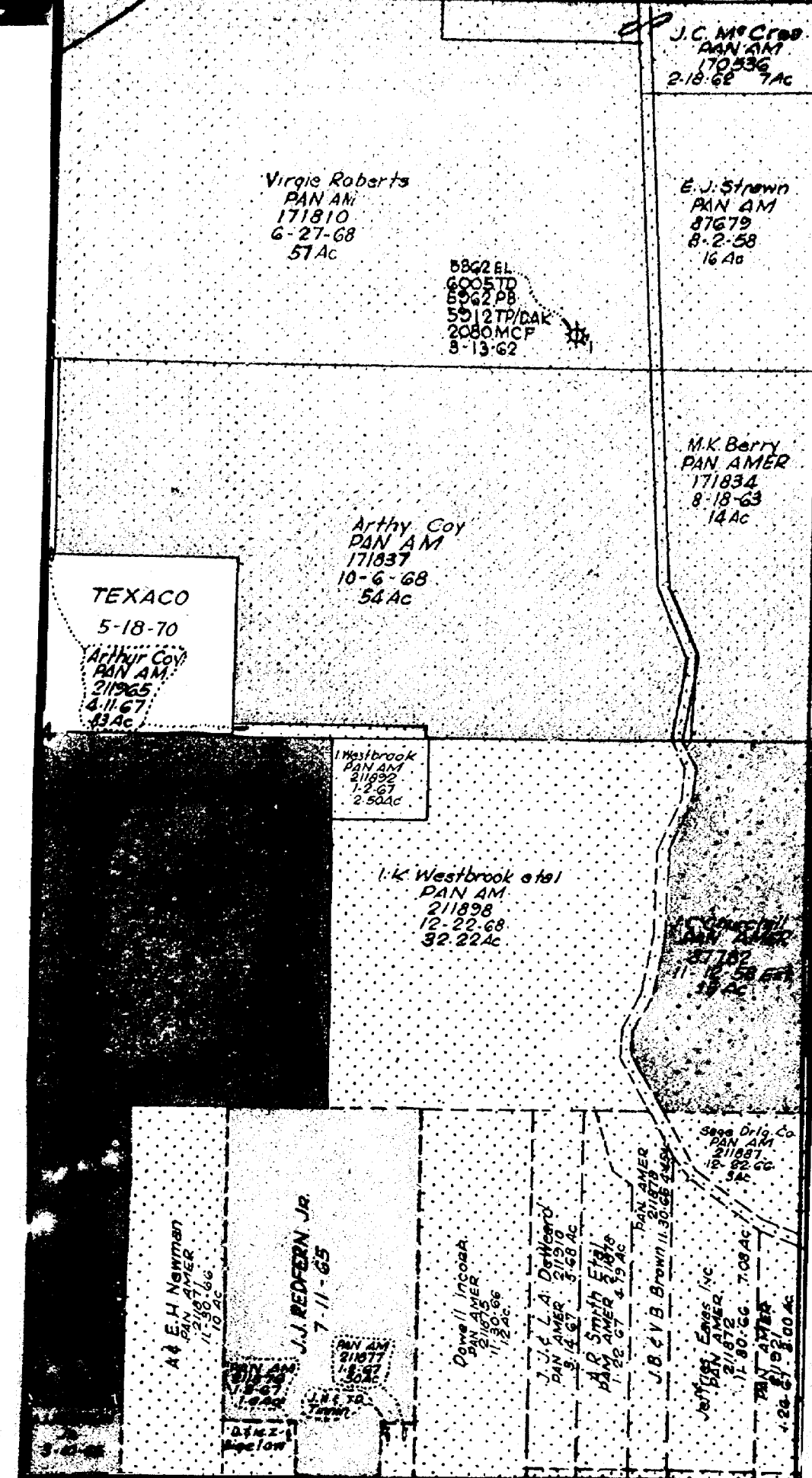
My commission expires:

May 11, 1966

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's hearing of Case No. 2474 heard by me on July 11, 1961.

[Signature], Examiner  
New Mexico Fish Conservation Commission





PAN AMERICAN PETROLEUM CORPORATION  
Farmington, New Mexico

**DETAIL MAP**  
E/2 SEC. 14 - T29N - R13W  
SAN JUAN COUNTY, NEW MEX.

SCALE 1" = 500'

LEGEND



NON-STANDARD UNIT

BEFORE EXAMINER NUTTE

OIL CONSERVATION COMMISSION

EXHIBIT NO. 3

CASE NO. 2474 (7-11-62)

J.C. McCree  
PAN AM  
170536  
2-18-62 7Ac

Virgie Roberts  
PAN AM  
171810  
6-27-68  
57Ac

E.J. Strawn  
PAN AM  
87679  
8-2-58  
16Ac

5362 EL  
6005 TD  
5962 PB  
5912 TP/DAK  
2080 MCF  
3-13-62

M.K. Berry  
PAN AMER  
171834  
8-18-63  
14Ac

Arthy Coy  
PAN AM  
171837  
10-6-68  
54Ac

TEXACO  
5-18-70

Arthur Coy  
PAN AM  
211965  
4-11-67  
43Ac

Westbrook  
PAN AM  
211992  
1-2-67  
2.80Ac

L.K. Westbrook et al  
PAN AM  
211898  
12-22-68  
32.22Ac

W.C. Churchill  
PAN AMER  
211782  
12-22-68 Ext  
15Ac

A.E. Newman  
PAN AMER  
211871  
11-30-66  
18Ac

J.J. REDFERN JR  
7-11-65

PAN AM  
211877  
1-3-67  
1.8Ac

PAN AM  
211877  
1-3-67  
1.30Ac

J.N. T.B.  
Tanner

Dewell Incobal  
PAN AMER  
211875  
11-30-66  
1.2Ac

J.C. L.A. DeWard  
PAN AMER  
211878  
11-30-66  
1.5Ac

J.B. Smith et al  
PAN AMER  
211879  
11-30-66  
1.5Ac

J.B. & V.B. Brown  
PAN AMER  
211879  
11-30-66  
1.5Ac

Sage Oil Co  
PAN AM  
211887  
12-22-66  
3Ac

W.C. Churchill  
PAN AMER  
211782  
12-22-68 Ext  
15Ac

J.B. & V.B. Brown  
PAN AMER  
211879  
11-30-66  
1.5Ac

PAN AMERICAN PETROLEUM CORPORATION

Formington, New Mexico

## DETAIL MAP

E/2 SEC. 14 - T29N - R13W  
SAN JUAN COUNTY, NEW MEX.

SCALE 1"=500'

LEGEND

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION



NON-STANDARD UNIT EXHIBIT NO. 4

CASE NO. 2474 (7-11-62)