

CASE 2743: Application of PAN AMER.  
for creation of TUBB GAS POOL and  
approval of non-standard gas unit.

Case No.

2743

petition, Transcript,  
and Exhibits, Etc.

DRAFT

JMD/gar

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. 2743

Order No. R- 2425-A

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR THE CREATION OF A TUBB  
GAS POOL, FOR APPROVAL OF A NON-STANDARD  
GAS UNIT, AND FOR SPECIAL POOL RULES,  
LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 12, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Ute ~~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 March day of February, 1964, the Commission, a quorum being present, having considered the ~~applicant's testimony,~~ the record, ~~and the recommendations of the Examiner,~~ and the recommendations of the Examiner, 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-2425 dated February 13, 1963, temporary special Rules and Regulations were promulgated for the Fowler-Tubb Gas Pool.

(3) That pursuant to the provisions of Order No. R-2425, this case was reopened to allow the operators in the subject pool to appear and show cause why the Fowler-Tubb Gas Pool should not be developed on 160-acre spacing units.

(4) That the evidence establishes that one well in the Fowler-Tubb Gas Pool can efficiently and economically drain and develop 320 acres.

(5) That to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2425 should be continued in full force and effect until further order of the Commission.

(6) That the special Rules and Regulations promulgated by Order No. R-2425 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Fowler-Tubb Gas Pool promulgated by Order No. R-2425 are hereby continued in full force and effect until further order of the Commission.

(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.

DRAFT

JMD/esr  
February 5, 1963

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. 2743

Order No. R-2425

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR THE CREATION OF A TUBB  
GAS POOL, FOR APPROVAL OF A NON-STANDARD  
GAS UNIT, AND FOR ~~XXXXXX~~ TEMPORARY SPECIAL *pool*  
RULES, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
January 23, 1963, 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        day of February, 1963, 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, Pan American Petroleum Corporation,  
seeks the creation of a new pool for Tubb production and the  
promulgation of temporary special rules and regulations governing  
said pool *including a provision* ~~to provide~~ for 320-acre spacing units.

(3) That a new gas pool for Tubb production should be  
created and designated the Fowler-Tubb Gas Pool. This pool was  
discovered by the Pan American-South Mattix Unit Well No. 14,  
located 1980 feet from the South line and 1980 feet from the  
West line of Section 15, Township 24 South, Range 37 East,  
NMPM, Lea County, New Mexico. *The* This well was completed *July 16, 1962;*  
The top of the perforations is at 5936 feet.

(4) That the applicant further seeks approval of a non-  
standard ~~gas production~~ unit comprising the NE/4, E/2 NW/4, and

the N/2 SE/4 of Section 22, Township 24 South, Range 37 East, NMPM, Fowler-Tubb Gas Pool, Lea County, New Mexico.

(5) That temporary special rules and regulations establishing 320-acre spacing units should be promulgated for the subject pool in order to prevent the possibility of economic loss <sup>resulting</sup> ~~being~~ <sup>from</sup> ~~caused by~~ the drilling of unnecessary wells and in order to allow the operators in the subject pool to gather information concerning the <sup>reservoir characteristics of the pool.</sup> ~~area that can be efficiently and economically drained by one well.~~

(6) That <sup>the</sup> ~~temporary~~ special rules and regulations should provide for <sup>limited</sup> ~~fixed~~ well locations in order to assure orderly development of the pool and protect correlative rights.

(7) That <sup>the</sup> ~~temporary~~ special rules and regulations ~~for the~~ ~~Fowler-Tubb Gas Pool~~ should be established for a one-year period and that during this one-year period all operators in the subject pool should gather all available information relative to drainage and recoverable reserves.

(8) That <sup>the proposed</sup> ~~a non-standard gas proration unit comprising the NE/4, E/2 NW/4, and the N/2 SE/4 of Section 22, Township 24 South, Range 37 East, NMPM, Fowler-Tubb Gas Pool, Lea County, New Mexico,~~ should be approved <sup>and dedicated to The Pan American South Matix</sup> ~~located in unit B of said Section 22.~~

<sup>Unit well no 3,</sup> (9) That this case should be reopened at an examiner hearing in February, 1964, at which time the operators in the subject pool should appear and show cause why the Fowler-Tubb Gas Pool should not be developed on 160-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as a gas pool for Tubb production is hereby created and designated the Fowler-Tubb Gas Pool, consisting of the following-described area:

Township 24 South, Range 37 East, NMPM  
Section 15; All

(2) That ~~temporary~~ special rules and regulations for the Fowler-Tubb Gas Pool are hereby promulgated as follows, effective March 1, 1963.

SPECIAL RULES AND REGULATIONS  
FOR THE  
FOWLER-TUBB GAS POOL

RULE 1. Each well completed or recompleted in the Fowler-Tubb Gas Pool or in the Tubb formation within one mile of the Fowler-Tubb Gas Pool, and not nearer to or within the limits of another designated Tubb pool shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. (a) Each well completed or recompleted in the Fowler-Tubb Gas Pool shall be located on a ~~tract consisting~~ <sup>standard unit</sup> ~~of approximately 320 acres, more or less, and comprising any two S/2, E/2, or 1/2 of a single governmental section, contiguous quarter sections of a single governmental section, being a legal subdivision (half section) of the United States Public Lands Survey.~~ <sup>Consisting of the N/2, containing</sup>

Rule 3 (b) The Secretary-Director <sup>may</sup> ~~shall have authority~~ <sup>the requirements of</sup> to grant an exception to Rule 2(a) without notice and hearing <sup>when</sup> ~~where~~ an application has been filed <sup>for a non-standard unit and the</sup> ~~in due form and where the~~ <sup>unit is necessitated by</sup> unorthodox size or shape of the ~~tract is due to~~ a variation in the legal subdivision of the United States Public Lands Survey, <sup>or</sup> ~~or is necessitated by the recompletion of a well previously completed in another formation, or where~~ the following facts exist and the following provisions are complied with:

(a) The non-standard unit consists of contiguous quarter-quarter sections or lots <sup>that are contiguous by a common bordering side.</sup>

(b) The non-standard unit lies wholly within a single governmental section <sup>and contains less acreage than a standard unit.</sup>

(3) The entire non-standard unit may reasonably be presumed to be productive of gas from the Fowler-Tubb Gas Pool.

(c) (d) (4) The applicant presents written consent in the form of waivers from all offset operators and from all operator

owning interests in the section in which any part of the non-standard unit is situated and which acreage is not included in said non-standard unit.

(d)(5) In lieu of Paragraph (b)(c) of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if, after a period of 30 days, no such operator has entered an objection to the formation of such non-standard unit.

RULE 24 Each well completed or recompleted in the Fowler-Tubb Gas Pool shall be located ~~within 150 feet of the center of~~ *no nearer than 990 feet to the outer boundary of the quarter section and no nearer than 330 feet to any governmental quarter-quarter section line.*

RULE 25 The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed unorthodox location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

*It is Further Ordered:*

(D3) That a non-standard ~~gas proration~~ unit comprising the NE/4, E/2 NW/4, and N/2 SE/4 of Section 22, Township 24 South, Range 37 East, NMPM, Fowler-Tubb Gas Pool, Lea County, New Mexico, is hereby approved ~~and provided however, that this non-standard unit shall be~~ dedicated to the Pan American-South Mattix Unit Well

No. 3, located in Unit B of said Section 22, ~~in the Tubb formation~~ *shall not be effective until* ~~and a Form C-128 showing the dedication of acreage~~ *has been* filed with the ~~District Office~~ *Hobbs* ~~District No. 1, Oil Conservation Commission, Hobbs, New Mexico.~~ *on or before March 1, 1963.*



(2) That any well presently drilling to or completed in the Tubb formation within the Fowler-Tubb Gas Pool or within one mile of the Fowler-Tubb Gas Pool that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of Rule 4.

(5) That this case shall be reopened at an examiner hearing in February, 1964, at which time the operators in the subject pool may appear and show cause why the Fowler-Tubb Gas Pool should not be developed on 160-acre spacing units.

(4) 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.

*Presented by operator, notifying the  
Holtz District Office in writing of the  
name and location of the well on or  
before March 1, 1963.*

*shall  
notify*

# CONTINENTAL OIL COMPANY

P. O. BOX 1377  
ROSWELL, NEW MEXICO

WM. A. MEAD  
DIVISION SUPERINTENDENT  
OF PRODUCTION  
NEW MEXICO DIVISION

January 17, 1963

825 PETROLEUM BUILDING  
TELEPHONE: MAIN 2-4202

*file  
Case 2743*

New Mexico Oil Conservation Commission (3)  
P. O. Box 871  
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Re: CASES NO. 2742, 2743,  
AND 2744

Continental Oil Company is a working interest owner in the South Mattix Unit and, as such, is interested in Cases No. 2742, 2743 and 2744 which appear on the docket for hearing January 23, 1963.

Normally, Continental Oil Company favors uniform spacing between wells when field rules are considered. In the present case, however, it is recognized that many locations in the Fowler area will be developed by plug back recompletions or dual completions of existing wells. Such a situation must invariably result in non-uniform locations, so that if well locations are specified on a uniform pattern in the field rules many exceptions requiring hearings would be required. In the light of this situation, Continental Oil Company urges the Commission to establish field rules granting 80-acre spacing in the Blinbry, 320-acre spacing in the Tubb and Paddock and allowing flexibility of well locations so that existing wells can be utilized wherever possible in developing these reservoirs.

In regard to the non-standard gas proration units requested in Cases 2743 and 2744, Continental Oil Company urges that the proposed units be approved. The proposed units comprise the reasonably proven productive area of the Tubb and Paddock Gas pools underlying the South Mattix Unit in Section 22, T24S, R37E.

Yours very truly,

*W. A. Mead*

VTL-bm

cc: RGP, JRP

Pan American Petroleum Corp., P. O. Box 268, Lubbock, Texas

**ATLANTIC**

**THE ATLANTIC REFINING COMPANY**  
INCORPORATED - 1870  
**PETROLEUM PRODUCTS**

7-111 CFSB 111 000

1963 JAN 15 PM 1 32

DOMESTIC PRODUCING DEPARTMENT  
NEW MEXICO DISTRICT

BOONE MACAULAY, DISTRICT MANAGER  
R. F. CHAMPION, DISTRICT LANDMAN  
W. T. EASTES, DISTRICT GEOPHYSICIST  
E. R. DOUGLAS, DISTRICT GEOLOGIST  
A. D. KLOXIN, DISTRICT DRILLING & PROD. SUP'T.  
W. P. TOMLINSON, DISTRICT ENGINEER  
B. R. WARE, ADMINISTRATIVE SUPERVISOR

MAILING ADDRESS  
P. O. BOX 1978  
ROSWELL, NEW MEXICO

January 15, 1963

*W.P. Tomlinson*

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

ATTENTION: Mr. A. L. Porter

Re: Case No. 2743: Application  
of Pan American for Creation  
of Tubb Gas Pool and Temporary  
Pool Rules, Fowler Area

Gentlemen:

In Case No. 2743 scheduled for hearing by a Commission examiner on January 23, 1963, Pan American Petroleum Corporation will propose creation of a Tubb gas pool in the Fowler area, the establishment of temporary pool rules, and will seek establishment of a nonstandard gas proration unit in exception to the proposed rules. We have reviewed the proposed rules and the need for the nonstandard proration unit and are in accord with these requests. As a working-interest owner in the South Mattix Unit, we therefore recommend adoption of the proposed rules and granting of the nonstandard gas proration unit. We believe these matters are in the interest of conservation and will protect correlative rights.

Yours very truly,

*W. P. Tomlinson*

W. P. Tomlinson

pam

## PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 268  
Lubbock, Texas  
December 17, 1962

File: JET-4470-986.510.1

Subject: Application for Temporary Rules  
And Approval of a Non-Standard  
Proration Unit - Undesignated  
Tubb Gas Pool, Section 15 & 22,  
T-24-S, R-37-E, Lea County,  
New Mexico

*Case 2743*

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

Dear Sir,

Pan American Petroleum Corporation respectfully requests that a hearing be docketed to consider its application for adoption of temporary rules for the Undesignated Tubb Gas Pool located in Sections 15 and 22, T-24-S, R-37-E, Lea County, New Mexico, and to designate this field as the Fowler-Tubb Gas Pool.

In our opinion, the information available to date regarding this field indicates the necessity for, and we plan to request, the following temporary rules: (1) 320-acre well spacing; (2) all wells drilled or recompleted in the field subsequent to the effective date of the rules to be located no closer than 660' to any outer boundary of the 320-acre proration unit; and (3) optional proration units to consist of either the N/2, S/2, E/2, or W/2 of a governmental section.

At the present time the subject field contains one producing gas well, Pan American's South Mattix Unit No. 14, and we plan to recomplete in the immediate future the South Mattix Unit No. 3 to the Tubb Formation. In our opinion, the establishment of the above rules on a temporary basis will be in the interest of conservation and protection of correlative rights.

In regard to the above discussed planned recompletion of our South Mattix Unit No. 3, it is respectfully requested that the notice of hearing be sufficiently broad to allow consideration of our request for a non-standard proration unit under the above requested field rules for Well No. 3 to consist of the NE/4, E/2 of the NW/4, and the N/2 of the SE/4 of Section 22, T-24-S, R-37-E. Pan American is the operator of the South Mattix Unit, and because of the unit outline in the vicinity of Well No. 3, the above requested non-standard unit for this well will allow utilization of acreage within the larger South Mattix Unit.

Yours very truly,

*Neil S. Whitmore*  
Neil S. Whitmore

JTR/dp

*[Signature]*

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 23, 1963

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

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

CASE 2729: (Continued)

Application of Scanlon-Shepard for a waterflood project, Chaco Wash Oil Pool, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to inject water into the Mesaverde formation through certain wells in Sections 21, 22, 27 and 28, Township 20 North, Range 9 West, McKinley County, New Mexico.

CASE 2731: Application of Texaco, Inc., for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its State of New Mexico "O" NCT-1 Well No. 12, located in Unit J of Section 36, Township 17 South, Range 34 East, as a dual completion (tubingless) to produce oil from the Glorieta and Blinberry formations, Lea County, New Mexico.

CASE 2732: Application of Sinclair Oil & Gas Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Mahaffey-Federal (ARC) Well No. 1 located in Unit C of Section 14, Township 20 South, Range 33 East, Lea County, New Mexico, to produce Bone Springs oil and Pennsylvanian gas through parallel strings of tubing.

CASE 2733: Application of Charles B. Read for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 48.99-acre non-standard oil proration unit in an undesignated Delaware pool consisting of Lots 4 and 5 of Section 31, Township 26 South, Range 32 East, Lea County, New Mexico.

CASE 2734: Application of Aztec Oil & Gas Company for approval of a unit agreement, Lea and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Aztec-Robinson Waterflood Unit, comprising approximately 682 acres of State and Federal Lands in the E/2 SE/4 and SW/4 SE/4 of Section 36, Township 16 South, Range 31 East, the SW/4 SE/4 of Section 30, the W/2, W/2 E/2 and SE/4 SE/4 of Section 31, Township 16 South, Range 32 East Lea and Eddy Counties, New Mexico.

CASE 2735: Application of Amerada Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its State BT "G" Well No. 2 located in Unit P, Section 27, Township 12 South, Range 33 East, Hightower Field, Lea County, New Mexico, in such a manner as to dispose of produced salt water into the Pennsylvanian formation.

- CASE 2736: Application of Gulf Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 120-acre non-standard gas proration unit in the Blinebry Gas Pool, comprising the N/2 SW/4 and SE/4 NW/4 of Section 31, Township 22 South, Range 38 East, Lea County, New Mexico, said unit to be dedicated to the Scarborough Estate Well No. 4 located in Unit F of Section 31.
- CASE 2737: Application of Gulf Oil Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special pool rules for the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico, including provisions for 640-acre spacing therein.
- CASE 2738: Application of BCO, Inc. for a no-flare exception, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the no-flare provisions of Order No. R-2267 for its Campos Well No. 1-10 located in Unit J of Section 10, Township 23 North, Range 7 West, Lybrook-Gallup Pool, Rio Arriba County, New Mexico.
- CASE 2739: Application of Socony Mobil Oil Company, Inc., to create a new pool for Abo production, and for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for Abo production in Section 26, Township 17 South, Range 34 East, Lea County, New Mexico, and the establishment of temporary special pool rules therefor, including a provision for 80-acre spacing units.
- CASE 2740: Application of Socony Mobil Oil Company, Inc., for temporary special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of temporary special pool rules for the Vacuum-Wolfcamp Pool in Section 26, Township 17 South, Range 34 East, Lea County, New Mexico, including a provision for 80-acre spacing units.
- CASE 2741: Application of Socony Mobil Oil Company, Inc., for temporary special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of temporary special pool rules for the Vacuum-Devonian Pool in Section 26, Township 17 South, Range 34 East, Lea County, New Mexico, including a provision for 80-acre spacing units.
- CASE 2742: Application of Pan American Petroleum Corporation for special temporary pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of temporary special pool rules for the Fowler-Blinebry Oil Pool, Lea County, New Mexico, including a provision for 80-acre proration units.
- CASE 2743: Application of Pan American Petroleum Corporation for the creation of a Tubb Gas Pool, for approval of a non-standard gas unit, and for special temporary pool rules. Applicant, in the above-styled cause, seeks the creation of a new Tubb gas pool, and the establishment of temporary special pool rules therefor, Lea County, New Mexico, including a provision for 320-acre spacing units. Applicant further seeks establishment of a non-standard unit in said pool, comprising the NE/4, E/2 NW/4, and the N/2 SE/4 of Section 22, Township 24 South, Range 37 East.

CASE 2744: Application of Pan American Petroleum Corporation for special pool rules and approval of a non-standard gas unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of temporary special pool rules for the Fowler-Paddock Gas Pool, Lea County, New Mexico, including a provision for 320-acre spacing units. Applicant further seeks establishment of a non-standard unit in said pool, comprising the NE/4, E/2 NW/4, and the N/2 SE/4 of Section 22, Township 24 South, Range 37 East.

Case 2743,

Heard. 1-23-63

Rec. 1-28-63

1. Grant Pan. Am. temporary 1 yr. spacing  
320 Acre in the Fowler - Dubb Gas Pool.

2. The Fowler - Dubb - Gas Pool  
should be created to include:

24S - 37E.

Sec. 15 - 14, 11,

3. Use Order B-1839 for a Guide,  
Page 97, Sec. 2. Bylaws.

4. Grant a NSP for the Dubb zone  
consisting of 24S-37E, sec. 22 NE 1/4,  
E 1/2 NW 1/4, N 1/2 SE 1/4. to be effective if +  
when the area is proven to be productive

5. The discovery well for the pool is  
Pan Am's - S. Maddis Unit #14,  
1080/S, 1080/W Line 15-24-37. Top perfor.  
at 5936. The production factor  
would be 2.33 for 88 Ac. Unit.

Thos. H.



GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER

P. O. BOX 871  
SANTA FE

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

February 14, 1963

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

Re:

Case No. 2742  
2743  
and  
2744  
Order No. R-2424, R-2425, & R-2426  
Applicant:  
Pan American Petroleum Corp.

DOCKET MAILED

Date 2-10-64

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

lr/

Carbon copy of order also sent to:

Hobbs OCC       x      

Artesia OCC           

Astec OCC           

OTHER Mr. Bill Kastler

## PAN AMERICAN PETROLEUM CORPORATION

P. O. Box 268  
Lubbock, Texas  
December 17, 1962

File: JBT-4467-986.510.1

Subject: Application for Adoption of  
Field Rules - Fowler-Paddock,  
Fowler-Blinebry, and  
Undesignated Tubb Pools  
Lea County, New Mexico

*Case 2743*

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

Dear Sir,

Attached are letters whereby we request that hearings be docketed to consider our application for rules for the Fowler-Paddock, Fowler-Blinebry, and an Undesignated Tubb Pool in the Fowler Area, Lea County, New Mexico. It would be appreciated if all three of these hearings can be included on the same docket.

Also attached is a map showing ownership in the area of the subject fields.

Yours very truly,

*Neil S. Whitmore*

Neil S. Whitmore  
District Superintendent

JTR/dp

Attachments

cc: All Working Interest Owners

*J*  
DOCKET MAILED

Date 2-10-64

*J*

DOCKET MAILED

Date 1-11-63

*J*

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 (4-00)

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

LA142 DA261 =L

D HSF166 PD=FAX HOUSTON TEX 21 140P CST=

1963 JAN 21 PM 1 17

NEW MEXICO OIL CONSERVATION COM=

SANTAFE NMEX=

ATTN MR A L PORTER JR

I STANDARD OIL COMPANY OF TEXAS, A DIVISION OF CALIFORNIA OIL COMPANY, CONCURS IN PAN AMERICAN PETROLEUM CORPORATIONS PROPOSALS IN CASE 2743, APPLICATION FOR TEMPORARY SPECIAL POOL RULES AND NONSTANDARD GAS UNIT IN THE FOWLER (TUBB) POOL, LEA COUNTY, NEW MEXICO, SET FOR HEARING JANUARY 23, 1963.

I AS OWNER OF LEASEHOLD INTERESTS IN THE AREA, WE RESPECTFULLY RECOMMEND APPROVAL OF THIS APPLICATION=

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 (4-00)

SYMBOLS

DL=Day Letter  
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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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L RWA006 PD=ROSWELL NMEX 18 820A MST=

NEW MEXICO OIL CONSERVATION COMMISSION=

ATTN A L PORTER SANTA FE NMEX=

REGARDING CASE 2743 FOWLER TUBB GAS

AS AN INTEREST OWNER IN FOWLER TUBBS GAS POOL WE SUPPORT PAN AMERICAN REQUEST FOR ADOPTION OF PRESENT TEMPORARY RULES OF ORDER R2425 AS PERMANENT RULE= VAN CAMMACK ATLANTIC REFINING CO=

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.

WE RESPECTFULLY RECOMMEND APPROVAL OF PAN AMERICAN'S REQUESTS=

C N SEGNAIR CHIEF ENGINEER STANDARD OIL CO OF TEXAS=

=2742 2743 2744 19 1964=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Name  
Address  
Remarks:

Ph.

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

# WESTERN UNION TELEGRAM (15).

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.

LA101 DB221

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D HSB374 PD=FAX HOUSTON TEX 20 205P CST=  
NEW MEXICO OIL CONSERVATION COMMISSION=  
SANTA FE NMEX=

ATTN: MR. A. L. PORTER, JR.

¶ STANDARD OIL COMPANY OF TEXAS, A DIVISION OF THE CALIFORNIA OIL COMPANY, CONCURS IN PAN AMERICAN PETROLEUM CORPORATION'S PROPOSALS IN CASES 2742, 2743, AND 2744, REOPENED FOR HEARING FEBRUARY 19, 1964, TO REVIEW TEMPORARY FIELD RULES IN THE FOWLER-BLINEBRY, FOWLER-TUBB, AND FOWLER-PADDOCK POOLS, LEA COUNTY, NEW MEXICO.

¶ AS OWNER OF LEASEHOLD INTERESTS IN THE AREA,

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

6	5	4	3	2	1
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31	32	33	34	35	36

T ..... R ..... State  
or County .....

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 19, 1964

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

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

- CASE 2991: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Dwight L. Smith and all other interested parties to appear and show cause why the Walker Well No. 1, located 2290 feet from the South line and 500 feet from the East line of Section 21, Township 15 South, Range 11 East, Otero County, New Mexico, should not be plugged in accordance with a Commission-approved plugging program.
- CASE 2992: Application of Consolidated Oil & Gas, Inc., for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location of their Hoyt Well No. 3-5, located 1850 feet from the North line and 110 feet from the West line of Section 5, Township 26 North, Range 4 West, Blanco Me averde Pool, Rio Arriba County, New Mexico.
- CASE 2993: Application of Sinclair Oil & Gas Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Southwest Jal Unit Area comprising 6401 acres, more or less, of State, Federal and fee lands in Townships 25 and 26 South, Range 36 East, Lea County, New Mexico.
- CASE 2994: Application of Skelly Oil Company for a pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in the Gallup formation underlying its Navajo "P" and "M" leases in Sections 25, 26, 33, 34, 35, and 36, Township 32 North, Range 17 West, Many Rocks-Gallup Oil Pool, San Juan County, New Mexico. Initial injection will be through applicant's Navajo "P" Well No. 6 located in Unit P of said Section 35. Applicant further seeks the promulgation of special rules governing the operation of said project.
- CASE 2995: Application of Deane H. Stoltz for two non-standard oil proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 80-acre non-standard oil proration units in the North Bagley-Upper Pennsylvanian Pool, Lea County, New Mexico, the first to comprise the SE<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> and NE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> of Section 22, Township 11 South, Range 33 East, to be dedicated to a well completed in the SE<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> of Section 22; the second to comprise the SW<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> and the NW<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> of

CASE 2995: said Section 22 to be dedicated to a well to be re-entered  
(Cont.) in the SW/4 NE/4 of said Section 22.

CASE 2984: (Continued from the February 5th Examiner Hearing)

Application of The Pure Oil Company and Continental Carbon Company to utilize natural gas in a carbon black plant, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to utilize approximately 7 million cubic feet of Morrow gas per day in the Continental Carbon Company carbon black plant near Eunice, New Mexico, said gas to be produced from The Pure Oil Company Wilson Deep Unit Well No. 1, located in the SE/4 NW/4 of Section 13, Township 21 South, Range 34 East, Lea County, New Mexico.

CASE 2996: Application of Nearburg & Ingram for the creation of a new gas pool and for special temporary pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for San Andres production in Sections 10, 11, 12, 13, 14 and 15, Township 8 South, Range 37 East, Roosevelt County, New Mexico, and for the establishment of temporary rules therefor, including provisions for 320 acre spacing.

CASE 2739: (Reopened)

In the matter of Case No. 2739 being reopened pursuant to the provisions of Order No. R-2421, which order established temporary 80-acre proration units for the North Vacuum-Abo Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre proration units.

CASE 2740: (Reopened)

In the matter of Case No. 2740 being reopened pursuant to the provisions of Order No. R-2422, which order established temporary 80-acre proration units for the Vacuum-Wolfcamp Oil Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre proration units.

CASE 2741: (Reopened)

In the matter of Case No. 2741 being reopened pursuant to the provisions of Order No. R-2423, which order established temporary 80-acre proration units for the Vacuum-Devonian Oil Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre proration units.

CASE 2742: (Reopened)

In the matter of Case No. 2742 being reopened pursuant to the provisions of Order No. R-2424, which order established temporary 80-acre oil proration units for the Fowler-Blinebry Oil Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 40-acre proration units.

CASE 2743: (Reopened)

In the matter of Case No. 2743 being reopened pursuant to the provisions of Order No. R-2425, which order established temporary 320-acre spacing units for the Fowler-Tubb Gas Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre spacing units.

CASE 2744: (Reopened)

In the matter of Case No. 2744 being reopened pursuant to the provisions of Order No. R-2426, which order established temporary 320-acre spacing units for the Fowler-Paddock Gas Pool, Lea County, New Mexico, for a period of one year. All interested parties may appear and show cause why said pool should not be developed on 160-acre spacing units.

CASE 2997: Application of Socony Mobil Oil Company, Inc., for the abolishment of an existing pool and the creation of two new oil pools, and for special temporary pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for lower Pennsylvanian production in Section 26, Township 17 South, Range 34 East, Lea County, New Mexico, and for the establishment of temporary rules therefor, including provisions for 80-acre units and for the establishment of a gas-oil ratio limitation of 6000 cubic feet of gas per barrel of oil produced. Said pool would be created by the abolishment of the Vacuum-Pennsylvanian Pool in Township 17 South, Range 34 East, and the subsequent creation of the Vacuum Upper Pennsylvanian and Vacuum Lower Pennsylvanian Pools.

CASE 2998: Application of Tenneco Oil Company for a gas well-water injection well, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Central Totah Unit Well No. 24 located in Unit O of Section 11, Township 28 North, Range 13 West, San Juan County, New Mexico, to produce gas from the Basin-Dakota Gas Pool through 1 1/2 inch tubing and to inject water into the Gallup formation, Totah-Gallup Oil Pool, through 2 1/16 inch tubing with separation of the zones by a packer set at 5766 feet.

CASE 2999: Application of Phillips Petroleum Company for two non-standard oil proration units, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of an 80-acre non-standard oil proration unit for each of two pools, the Vacuum Wolfcamp Pool and the North Vacuum Abo Pool, said units to comprise the NW/4 SW/4 and the SW/4 NW/4 of Section 31, Township 17 South, Range 35 East, Lea County, New Mexico, to be dedicated to applicant's Santa Fe Well No. 87, located 2310 feet from the South line and 660 feet from the West line of said Section 31.

CASE 3000: Application of Franklin, Aston & Fair Inc. for the creation of a San Andres Gas Pool and for special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new San Andres Gas Pool comprising all or portions of Sections 22, 23, 25, 26, 27 and 28, Township 7 South, Range 35 East, and the establishment of special pool rules, including 320 acre spacing and fixed well locations, Roosevelt County, New Mexico.

CASE 2979: (Continued from February 5, 1964, Examiner Hearing)

Application of Pan American Petroleum Corporation for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Abo formation through its U.S.A. Malco Refineries 'G' Well No. 13, located 2302 feet from the South line and 1650 feet from the West line of Section 10, Township 18 South, Range 27 East, Empire Abo Pool, Eddy County, New Mexico.



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. 2743  
Order No. R-2425  
NOMENCLATURE

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR THE CREATION OF A TUBB  
GAS POOL, FOR APPROVAL OF A NON-STANDARD  
GAS UNIT, AND FOR SPECIAL POOL RULES,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 23, 1963, 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 13th day of February, 1963, 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, Pan American Petroleum Corporation, seeks the creation of a new pool for Tubb production and the promulgation of temporary special rules and regulations governing said pool, including a provision for 320-acre spacing units.

(3) That a new gas pool for Tubb production should be created and designated the Fowler-Tubb Gas Pool. This pool was discovered by the Pan American South Mattix Unit Well No. 14, located 1980 feet from the South line and 1980 feet from the West line of Section 15, Township 24 South, Range 37 East, NMPN, Lea County, New Mexico. The well was completed July 16, 1962; the top of the perforations is at 5936 feet.

(4) That the applicant further seeks approval of a non-standard unit comprising the NE/4, E/2 NW/4, and the N/2 SE/4 of Section 22, Township 24 South, Range 37 East, NMPN, Fowler-Tubb Gas Pool, Lea County, New Mexico.

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CASE No. 2743  
Order No. R-2425

(5) That temporary special rules and regulations establishing 320-acre spacing units should be promulgated for the subject pool in order to prevent the possibility of economic loss resulting from the drilling of unnecessary wells and in order to allow the operators in the subject pool to gather information concerning the reservoir characteristics of the pool.

(6) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(7) That the temporary special rules and regulations should be established for a one-year period and that during this one-year period all operators in the subject pool should gather all available information relative to drainage and recoverable reserves.

(8) That the proposed non-standard unit should be approved and dedicated to the Pan American South Mattix Unit Well No. 3, located in Unit B of said Section 22.

(9) That this case should be reopened at an examiner hearing in February, 1964, at which time the operators in the subject pool should appear and show cause why the Fowler-Tubb Gas Pool should not be developed on 160-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as a gas pool for Tubb production is hereby created and designated the Fowler-Tubb Gas Pool, consisting of the following-described area:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 15: All

(2) That special rules and regulations for the Fowler-Tubb Gas pool are hereby promulgated as follows, effective March 1, 1963.

SPECIAL RULES AND REGULATIONS  
FOR THE  
FOWLER-TUBB GAS POOL

RULE 1. Each well completed or recompleted in the Fowler-Tubb Gas Pool or in the Tubb formation within one mile of the Fowler-Tubb Gas Pool, and not nearer to or within the limits of another designated Tubb pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the Fowler-Tubb Gas Pool shall be located on a standard unit containing 320 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a single governmental section.

RULE 3. The Secretary-Director may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit and the unorthodox size or shape of the unit is necessitated by a variation in the legal subdivision of the United States Public Lands Survey, or the following facts exist and the following provisions are complied with:

- (a) The non-standard unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.
- (b) The non-standard unit lies wholly within a single governmental section and contains less acreage than a standard unit.
- (c) The applicant presents written consent in the form of waivers from all offset operators and from all operators owning interests in the section in which any part of the non-standard unit is situated and which acreage is not included in said non-standard unit.
- (d) In lieu of Paragraph (c) of this rule, the applicant may furnish proof of the fact that all of the aforesaid operators were notified by registered or certified mail of his intent to form such non-standard unit. The Secretary-Director may approve the application if, after a period of 30 days, no such operator has entered an objection to the formation of such non-standard unit.

RULE 4. Each well completed or recompleted in the Fowler-Tubb Gas Pool shall be located no nearer than 990 feet to the outer boundary of the quarter section and no nearer than 330 feet to any governmental quarter-quarter section line.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed unorthodox location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection

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CASE NO. 2743  
Order No. N-2425

to the unorthodox location within 20 days after the Secretary-Director has received the application.

IT IS FURTHER ORDERED:

(1) That a non-standard unit comprising the NE/4, E/2 NW/4, and the N/2 SE/4 of Section 22, Township 24 South, Range 37 East, NMPM, Fowler-Tubb Gas Pool, Lea County, New Mexico, is hereby approved and dedicated to the Pan American South Mattix Unit Well No. 3, located in Unit B of said Section 22. The operator shall file a Form C-128 showing the dedication of acreage with the Hobbs District Office on or before March 1, 1963.

(2) That any well presently drilling to or completed in the Tubb Formation within the Fowler-Tubb Gas Pool or within one mile of the Fowler-Tubb Gas Pool that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of Rule 4. The operator shall notify the Hobbs District Office in writing of the name and location of the well on or before March 1, 1963.

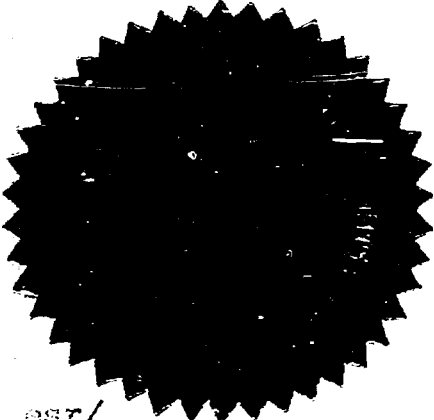
(3) That any operator desiring to dedicate 320-acres to a well presently drilling or completed in the Fowler-Tubb Gas Pool shall file a new Form C-128 with the Commission on or before March 1, 1963.

(4) That this case shall be reopened at an examiner hearing in February, 1964, at which time the operators in the subject pool may appear and show cause why the Fowler-Tubb Gas Pool should not be developed on 160-acre spacing units.

(5) 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

  
JACK H. CAMPBELL, Chairman

E. S. WALKER, Member

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

OSR/

Case 2748

Heard 2-19-64

Rec. 2-24-64

1. Grant Pam Ann a permanent  
320 Ac Order for R-2425, Fowler  
- Inlt - Gas Pool.

Shurtliff.

GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



LAND COMMISSIONER  
E. B. JOHNNY WALKER  
MEMBER

P. O. BOX 871  
SANTA FE

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

March 13, 1964

Mr. Paul Cooter  
Atwood & Malone  
Attorneys at Law  
Box 700  
Roswell, New Mexico

Re: Case No. <sup>2742</sup>2743  
Order No. ~~R-2424-A~~, R-2425-A, &  
Applicant: R-2426-A  
~~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 handwritten signature in cursive script that reads "A. L. Porter, Jr.".

A. L. PORTER, Jr.  
Secretary-Director

lr/

Carbon copy of order also sent to:

Hobbs OCC       

Artesia OCC       

Astec OCC       

OTHER Mr. Ben Jacobs

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. 2743  
Order No. R-2425-A

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR THE CREATION OF A TUBB  
GAS POOL, FOR APPROVAL OF A NON-STANDARD  
GAS UNIT, AND FOR SPECIAL POOL RULES,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on  
February 19, 1964, at Santa Fe, New Mexico, before Examiner  
Elvis A. Utz.

NOW, on this 13th day of March, 1964, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, 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-2425 dated February 13, 1963,  
temporary Special Rules and Regulations were promulgated for the  
Fowler-Tubb Gas Pool.

(3) That pursuant to the provisions of Order No. R-2425,  
this case was reopened to allow the operators in the subject pool  
to appear and show cause why the Fowler-Tubb Gas Pool should  
not be developed on 160-acre spacing units.

(4) That the evidence establishes that one well in the  
Fowler-Tubb Gas Pool can efficiently and economically drain  
and develop 320 acres.

(5) That to prevent the economic loss caused by the drill-  
ing of unnecessary wells, to avoid the augmentation of risk  
arising from the drilling of an excessive number of wells, to  
prevent reduced recovery which might result from the drilling of

-2-

CASE No. 2743

Order No. R-2425-A

too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2425 should be continued in full force and effect until further order of the Commission.

(6) That the Special Rules and Regulations promulgated by Order No. R-2425 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

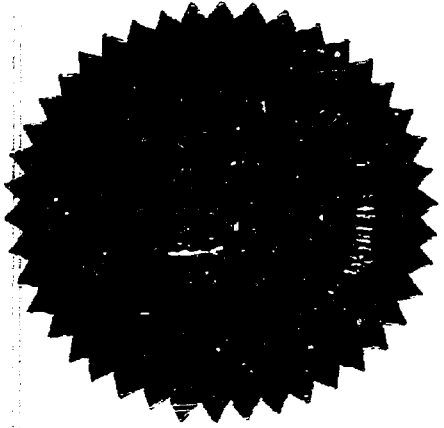
IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Fowler-Tubb Gas Pool promulgated by Order No. R-2425 are hereby continued in full force and effect until further order of the Commission.

(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

  
*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*E. S. Walker*  
E. S. WALKER, Member

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

esr/



**DEARNLEY-MEIER REPORTING SERVICE, Inc.**

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PHONE 325-1182

SANTA FE, N. M.  
PHONE 183-3971

ALBUQUERQUE, N. M.  
PHONE 243-6691

PAGE 1

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
February 19, 1964

EXAMINER HEARING

IN THE MATTER OF:

Case No. 2742 being reopened pursuant to the  
provisions of Order No. R-2424, Lea County,  
New Mexico; and  
Case No. 2743 being reopened pursuant to the  
provisions of Order No. R-2425, Lea County,  
New Mexico; and  
Case No. 2744 being reopened pursuant to the  
provisions of Order No. R-2426, Lea  
County, New Mexico.

Case No. 2742, 2743  
and 2744

BEFORE: ELVIS A. UTZ, EXAMINER

TRANSCRIPT OF HEARING

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
February 19, 1964.

EXAMINER HEARING

-----  
IN THE MATTER OF: )  
)  
)

Case No. 2742 being reopened pursuant )  
to the provisions of Order No. R-2424, )  
Lea County, New Mexico; and )  
Case No. 2743 being reopened pursuant )  
to the provisions of Order No. R-2425, )  
Lea County, New Mexico; and )  
Case No. 2744 being reopened pursuant )  
to the provisions of Order No. R-2426, )  
Lea County, New Mexico. )  
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CASE NOS. 2742, 2743  
and 2744

BEFORE: ELVIS A. UTZ: EXAMINER

TRANSCRIPT OF HEARING

MR. UTZ: Case 2742.

MR. DURRETT: In the matter of Case No. 2742 being  
reopened pursuant to the provisions of Order No. R-2424, which  
order established temporary 80-acre oil proration units for the  
Fowler-Blinebry Oil Pool, Lea County, New Mexico, for a period of  
one year.

MR. COOTER: Paul Cooter of Atwood and Malone, appearing  
for Pan American. Mr. Examiner, for the taking of testimony, we  
would ask that Cases 2742, 43 and 44 be consolidated. They were



in the original hearing.

MR. UTZ: Cases 2742, 43 and 44 are all pertaining to the Fowler-Blinebry, Tubb and Paddock area and will be consolidated for the purposes of testimony and separate orders will be written.

MR. COOTER: We have one witness, Mr. Rogers.

(Witness sworn)

MR. UTZ: Are there other appearances in this case?

MR. JACOBS: Ronald Jacobs for Skelly Oil Company.

MR. UTZ: Are there other appearances in these cases?

JAMES T. ROGERS,

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

DIRECT EXAMINATION

BY MR. COOTER:

Q Would you state your name, please?

A James Turner Rogers.

Q And by whom are you employed and in what capacity?

A I am employed by Pan American Petroleum Corporation as Petroleum Engineer in the Lubbock District Office.

Q Mr. Rogers, have you previously testified before the Oil Conservation Commission?

A Yes, sir.

Q First, I will direct your attention to what has been

marked as - -



DEARNLEY, MEIER, WILKINS and CROWNOVER

General Court Reporting Service

Suite 1120 Simms Building

Albuquerque, New Mexico

Phone 243-6691

PAGE 4

MR. COOTER: Before proceeding, may I first state the position of Pan American in all three cases? It might be a help.

In Case Number 2743, the Fowler-Tubb Gas Pool, Pan American is asking that the temporary rules be continued. In Cases 2742 and 2744, Pan American is requesting that the temporary rules be made permanent.

MR. UTZ: All right, sir.

Q (By Mr. Cooter) Now, Mr. Rogers, directing your attention to Exhibit Number One, would you please tell the Examiner what that is?

A Exhibit Number One - - I would like to add here that I have got these Number 1-R to distinguish them from the numbering system we used at the initial cases. We had some 15 exhibits, and they are numbered numerically. I have got six and all of these have an "R" after them to stand for "reopen", I suppose. Exhibit Number One-R is a base map of the Fowler area. The dark blue line represents the boundary of the South Mattix Unit, which is operated by Pan American. We have shown on here all the wells completed in the various formations in this area. They are color coded to indicate the zone or zones of completion. The zones of interest here, of course, are the Paddock, Blinebry and Tubb. The Paddock is colored light blue, the Blinebry in orange and the Tubb is colored in brown. Also on this exhibit, we have a trace of a cross section which will be introduced as a later exhibit.



Q I next direct your attention to Exhibit Two-R and ask you to discuss that with the Examiner?

A Exhibit 2-R is a tabulation of the production data showing the production of all the water and gas for the month of November, 1963, for all of the wells completed in the subject formation. Also, we have shown on here the status of the wells and the accumulative recovery of either oil or gas, depending on the well, as of December 1, 1963.

Q Would you please relate and discuss Exhibit 3-R?

A Exhibit 3-R is a cross section, AA prime, the trace of which is shown on Exhibit One. This cross section runs from the South Mattix Unit Well Number Six through a number of key wells in the unit, ending with the Gulf Plains Knight Well Number Two, located down in Section 23.

Q Has this exhibit been previously presented to the Oil Conservation Commission?

A Yes, sir, this exhibit was presented in this identical form at the NNOCC Case 2974, which was held last month, which was actually on January 22nd. That was the case of the approval of a triple completion of the South Mattix Unit Number 16.

In addition, this cross section is almost identical as presented in the initial subject hearing as Exhibit Number Three, except that we have added the South Mattix Number 16 well to the cross section. It was completed since the prior hearing. This Number 16 is only - - the only new well drilled in the subject



formations.

Q The original hearing to which you refer is January 23, 1963, which established the temporary rules?

A That's correct.

Q All right. Mr. Rogers, would you please next turn your attention to Exhibit Four-R and discuss that with the Examiner?

A Exhibit Four-R is very similar to the Exhibit Number 1-R. It is the same base map, except on this exhibit, we have shown the pertinent bottom hole pressure data obtained on the wells in this area, completed in the subject formations. Again, this is color coded using the same coloring system as in Exhibit One, with the Paddock shown to be light blue, the Blinbry as orange and the Tubb in brown. The pressures are underlined by a colored line to indicate which zone or which formation they represent in the subject wells.

Q Now, your attention is directed next to Exhibit Five-R, would you please discuss that with the Examiner?

A Exhibit 5-R is a supplemental exhibit to the hearing last year that we have shown here pertinent data on the wells completed in these formations since the last hearing. This same data was given on each of the completions last year, and as I said, this just supplements that data. The pertinent data on the wells are shown in the order that we will discuss them, as we go through the case.

Q Mr. Rogers, Pan American is requesting a continuation of



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the temporary rules in the Fowler-Tubb Gas Pool. For how long a period does Pan American request the continuation of this and why is a continuation asked for?

A We are asking for a continuation in the Tubb, or Fowler Tubb Gas Pool, due to the fact that we have only three months production from this field, and only one bottom hole pressure obtained to date. We were delayed in getting a gas connection, and essentially, we are at a stage of production of sales you might call it, we expected to be at eight to ten months ago. For that reason, we feel that we do not have enough data and we would like to have it continued for a period of one year to 18 months. We are giving a range here because we are coming back next month. We have scheduled a hearing, or requested a hearing be docketed, for temporary field rules for the Lower Paddock Gas, which is a separate one from being heard here today. If granted, we would like to have the Fowler-Tubb reopened at the same time as the Fowler-Lower Paddock, so anywhere in the range of a year and a year and a half, we feel that we would have sufficient data to support the other requests.

Q How many wells have been completed in this pool since the previous hearing?

A Since the previous hearing, we have completed the South Mattix Unit Wells Numbers 3 and 16, or two wells in the Tubb formation.

Q All right. Refer to the exhibits and discuss the data



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thus far obtained on the Fowler-Tubb Gas Pool.

A As shown by our Exhibit Number 2-R, the tabulation of production, we have had produced, as of the first of December, only approximately 25 million cubic feet of gas. You can also note here that the first month on production was November of '63, and that the November production is the accumulative recovery to December first. Since that time, we have produced two or three times that much gas, which is still a very small volume of gas. We have only obtained one bottom pressure in the Tubb. It is shown on Exhibit Number 4-R, the pressure map. That pressure is initial pressure obtained on the discovery well in the Fowler-Tubb Pool, South Mattix Unit Number 14, located in the Northeast Quarter of the Southwest Quarter of Section 15, and the pressure is 2618 PSI, obtained on October 2, 1962. After completing Number 14 in the Tubb, it was shut in. We have subsequently completed the South Mattix Unit Well Number Three. Number Three is located down in the Northwest of the Northeast of Section 22, and also have completed the South Mattix Number 16, which is located in the Southwest of the Southeast of 15, in the Tubb. This Number 16 is still shut in awaiting a pipeline connection. Number Three was placed on production and produced only a small amount of gas, as shown by Exhibit 2-R, produced only 2,000 MCF during November of '63. This well is currently shut in and equipment has been pulled for repairs, and expected to be back on the line shortly.

We plan to obtain bottom hole pressure on the South Mattix





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Wells Three and 16 as soon as we can obtain them. The reserves or economics of development in the Tubb were presented at the hearings last year and the reserves were shown as Exhibit Number Ten in the previous hearing, whereby we showed that on 160 acre spacing, we could expect a pay out of 35 months and return on the investment of 1.2. On 320 acre spacing, we would expect pay out of 17 and a half months and return on the investment of 3.66. These reserves and economics now appear to us to be somewhat optimistic due to the apparent low capacity of the South Mattix Unit Number Three well in the Tubb. This well did not perform as well as we expected it to and we are somewhat concerned now about our economics. Even under the reserves as presented with our poor volume, it is essentially unchanged this year. The minimum reserves for Pan American to develop were not met by the 160 acre economics presented. I might add here that one reason we were delayed in obtaining a gas sales contract, we had a contract, or have one in existence, for the east half of Section 15, which is New Mexico Federal Unit acreage. That was under a general contract that would apply to the Tubb. Our discovery well, the Number 14 well, was located in the West Half, and that section did not fall in that contract. We negotiated for some months to obtain a contract on the Number 14 with the same minimum take clause in the contract we had in the East Half of 15. The only thing we could get was a ratable clause, and in some cases, a less favorable minimum take. So, we decided we would wait until we completed



Number 16 in the Tubb and it would fall under the minimum take clause of the current contract, the ratable take clause would force the remaining minimum takes in the field to be equal to the one in the East Half of 15. This minimum take clause we have is based strictly on acreage, and the minimum take is 550 MCF per day on 160 acres as opposed to 1100 MCF on 320, so that the drilling of additional wells, or you might say wells, on 160 acre spacing would not result in any increase in gas sales from the field.

Q Mr. Rogers, being in the initial phases of production, do you believe additional time is needed to support any request for permanent rules?

A Yes, sir, I do.

Q Mr. Examiner, this completes our testimony on this phase, this particular case, 2743. Do you have any questions before proceeding?

MR. UTZ: Do you intend to run any interference tests in this Tubb zone in this field, or what type of data do you intend to gather within the next 12 or 18 months that you are requesting?

A We don't intend to run any interference tests as you normally think of a normal, or prolonged test. We intend to periodic bottom hole pressure and compare with that accumulative recoveries from the well. Essentially, the same day - -

MR. UTZ: Then, you would base your rate of recovery on calculation?

A Yes, sir.



MR. UTZ: Are there any other questions? You may proceed.

Q (By Mr. Cooter) Mr. Rogers, Pan American is requesting that the temporary rules in the Fowler-Paddock Gas Pool, being Case Number 2744, be adopted as the permanent rules. What is Pan American offering in support of this request?

A I would like to again refer to Exhibit 4-R, the pressure map, on which we show the pertinent bottom hole pressure data obtained in the Paddock Gas zone. These pressures are all underlined by light blue, as presented at last year's hearing. The initial pressure in the Paddock has been taken to be 2,000 PSI, as determined on drillstem test run in 1949 in the South Mattix Unit Well Number One. This well is located in the Northwest of the Southeast of Section 15.

The first completion in the Paddock was in South Mattix Number 10 in the Southeast Quarter of the Northeast Quarter of Section 15. On initial completion in this well, we recorded an initial bottom hole pressure of 1930 PSI. This 1930 is less than the initial field pressure that we have taken as 2,000, as obtained on DST. The reason we felt that the 2,000 was more representative, as we stated last year, in the difficulty in completing Number Ten, and the fact that Number Ten, or in Well Number Ten, we were unsuccessful in obtaining built up or static pressures within reasonable shut in times. This is further shown by the low pressure of this well run in August of '62, and in



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January of '64, of fourteen two PSI and thirteen and four PSI respectively.

In completing Number Ten, as we stated last year, we perforated at the, or near the water-oil contact or gas-water contact in the Paddock and the well made- - waterlogged up, and required swabbing several times to get it flowing back and finally went and squeezed it off and reperforated at the top of the original perforated interval, but stayed as far from the water as we felt we could. After that, we could not get good pressure data. We were afraid to stimulate the well with any large volume treatment because of communicating again with the water. So, in effect, this well, we don't consider it representative. As a matter of fact, we have drilled and completed the South Mattix Unit Number 16, located also in the East Half of 15, to be a replacement well for Number Ten. We feel we are going to disconnect Number Ten after - - from the Paddock and connect Number 16 and assign the East Half of Section 15 to 16.

Going on down chronologically, we completed the South Mattix Unit Number 11 as a second well, and 5-18-61, a little over a year after completing Number Ten, we recorded initial pressure of 1876 PSI in 11. This pressure is 124 pounds less than the original pool pressure of 2,000 PSI. This initial pressure recorded in Number 11 is subject to question. As You can see in August of '62, we got a bomb pressure of this well of 1925 PSI, which indicates a pressure build up. Obviously one of these pressures



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are in error. We, of course, reviewed our bottom hole pressure data obtained from the field and can find nothing wrong as far as arithmetic is concerned or calculations, so anything we did to try to justify one or the other of the pressures would be speculation. The latest pressure obtained in this well Number 11 was on January 23, of '64, measured a pressure of 1821 PSI. The distance from Well Number Ten to Well Number Eleven is some five thousand, six hundred feet. The low pressure measured in Number 11- - by low, I mean less than the original pool pressure, indicates that Number 11 had been drained to some extent by production from Number Ten. If we assume that well could drain a radius of 5600 feet, it would drain 3,200 acres.

Going to the next completion, the South Mattix Number 14, which is in the Northeast of the Southwest Quarter of Section 15 in the Paddock and recorded on October 7, 1962 a pressure of 1876 PSI. This pressure is again some 120 or 24 pounds less than the original pool pressure, and indicated drainage at this, or in this vicinity by production from both wells, Number Ten and Number 11. Little over a year later, then, we completed the South Mattix 16 in the Paddock. This well also had a pressure of 124 pounds less than the initial pool pressure. All of these pressures are bomb pressure, bomb measured bottom hole pressures, with the exception of those shown for Well Number 14. These are extrapolated surface pressures, as we have discussed last year. We have plastic coated tubing in the Paddock, as Paddock gas is



sour. We have preferred thus far not to run instruments in that tubing and chance damage to the internal lining. This is a dry gas. We have little or no distillate production. Consequently, extrapolation or extrapolating the surface shut in pressures would be expected to yield fairly reasonable value.

MR. UTZ: You have no liquids in the hole?

A No, sir. On all of these bomb pressures, we have never obtained a liquid level. We have always had gas to the bottom depth.

Going further with this, if you will refer back to Exhibit Number Two, we have had a considerable amount of production from the Paddock, relatively speaking. We have, as you can see here, three wells or four wells that have actually produced from the Paddock, three of them within the South Mattix Unit area, 10, 11 and 14 and also Gulf has the Gulf Plains Knight Number Three completed as a Paddock gas well.

Q (By Mr. Cooter) Okay. Would you now state what is shown by Pan American's Exhibit Number 6-R?

A Exhibit 6-R is a calculation of the ultimate gas recovery anticipated or expected or shown to be present in the Paddock based on pressure accumulative performance to today, utilizing three pressures in the calculation, 2,000 PSI, the pressure on January 1, 1964 of 1818 PSI, and this 1818 is an average of three wells completed in the Paddock in the South Mattix Unit, wells Numbers 11, 14 and 16. I did not use the



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pressure on South Mattix Number Ten. They are not representative. Using a gas material balance, which is the equation essentially of a straight line plot of gas accumulative versus pressures over permeability factor, we come up with an ultimate gas recovery factor of twelve billion eight hundred million cubic feet.

On Exhibit 14 of the case last year, we presented pool volume reserves, which are unchanged. They were based on log calculations of 8.75 million cubic feet per acre, utilizing this pool volume reserve number and dividing it into the ultimate pool gas recovery as shown as the material gas balance, we have a total acreage represented of 1460 acres with four completions, all on 320 acre spacing. This includes the Gulf well. This results in an average acreage per well of 365 acres, which indicates positively that the current completions in this Paddock zone are capable of draining at least 320 acres.

The reserves shown by the pressure accumulative data are very nearly the same as calculated by pool volume. If they had been exactly the same, the acres per well would have come out to be exactly 320. Either the ultimate gas recovery of twelve billion eight hundred million or our value of 8.75 MCF per acre as determined by pool volume is slightly in error. We have an increase actually shown in reserves by pressure performance of about 14% over the reserves that we have previously shown by pool volume. This slight increase does not essentially change our economics of development in this zone.



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Q What are the economics of development on 160 acres versus 320 acre spacing for this pool?

A We presented the economics of the Paddock development on 160 versus 320 as Exhibit 15 in our previous hearing last year and as I have stated, they are essentially unchanged from our comments then.

Q Well, in addition to the border line reserves for economic development on 160 acre spacing, what is the primary reason Pan American prefers the development on 320 acre pool basis?

A Again, in the Fowler-Paddock as in the Fowler-Tubb we discussed a few minutes ago, we have a gas contract with minimum take rate based on acreage, 550 MCF minimum take per day per well of 160 acre spacing and 1100 MCF per day for each well for 320 acre spacing. Historically, from the Paddock, we have sold gas at a minimum take rate, and unless there was some change or increase in the demands in the future, development on 160 acre spacing would not result in any increased gas sales. Based on this, our economics on 160 versus 320, you might say really is outdated, that essentially there is no pay out on wells on 160. We can't increase the gas rate.

Q Do you have any further testimony to offer on the Fowler Paddock Gas Pool?

A No, sir.

MR. COOTER: That completes our testimony on this case.

MR. UTZ: Are there questions of the witness?





MR. DURRETT: Yes, sir, I have a question.

CROSS EXAMINATION

BY MR. DURRETT:

Q Mr. Rogers, the minimum take contract that you are speaking of or contracts that you are speaking of, were entered into voluntarily by the operators, were they not?

A Yes, sir, they were.

Q So, if you cannot increase your gas sales by drilling additional wells, it is strictly because it is the way the operators contracted to do business?

A Yes, sir, that is right.

Q Also, along that same line, don't you feel that the Commission should be extremely cautious in letting its decision be influenced by whether, or not there is a certain type of a contract in the area on gas takes; in connection with that, don't you think that the Commission should be much more concerned with the area that can be efficiently and economically drained and very little concerned with the contracts that have been made in the area for takes of gas?

A Yes, sir, I do. We offer this knowledge, you might say, the fact of this minimum take strictly as a supplemental to economic data. We certainly consider our pressure data as proof of the communication would be much more important from the standpoint of the Commission's decision.



MR. DURRETT: Thank you.

CROSS EXAMINATION

BY MR. UTZ:

Q Do you know when the Gulf Plains Knight Number Three was completed?

A Yes, sir, I can get it here. It was- - There is a pertinent data sheet on that well attached to Exhibit Number 13 of the initial hearing. The completion date on that well was 4-24-62 and it was connected to sales in December of '62, so it was shut in for eight months prior to being connected. I have no pressure data on that well at all.

Q When was your Number 11 connected?

A Again, referring to the same exhibit, 11 was connected in March of '61.

Q What is the initial potential or ability to produce of the Number 11 and the Number Three, Plains Knight Number Three; are they about the same size well?

A All right. The South Mattix 11 had a calculated absolute open flow of two million one hundred thousand. The South Mattix 14 had a calculated absolute open flow of eight million. I don't have a calculated open flow on the Gulf well. However, I have a test on it, indicating that it flowed 366 MCF per day on a 15/64ths inch choke, with a flowing tubing pressure of 360 PSI. I am not



familiar with what Gulf has done to that well recently, however, I have noticed in the last couple of months there production has jumped up over a million a day. So, apparently, they are making close to 11 MCF. I would assume they have performed some work on this well, because it was low capacity.

Q They have the same purchaser as you?

A Yes, sir. Referring to this minimum take, I don't know that they have this minimum take in this contract, but I am sure they have a ratable take, which would essentially put them in the same place or on the same basis.

Q This newer well has produced more than any other Paddock well in the field, correct?

A The Gulf well?

Q Yes, sir.

A No, sir. Referring to Exhibit Two-R, last column on accumulative, to December it has produced less than any other well. The largest production has been from our Number 11. The second largest is our Number ten and our Number--

Q This is just for one month?

A You might notice in that month there they average about a million and a half a day out of that Gulf well. Obviously, it is a better well than that test I gave you awhile ago.

Q Yes, sir. And then, the sum and substance of your testimony here regarding the radius of drainage is pressure drop versus reserves in production calculated; is that correct?



A That and the fact that as we subsequently completed wells in the Paddock, we had pressures less than initial indicating that those, vicinity of those wells had been drained previously.

Q Except for one pressure which you were not able to explain?

A Yes, sir. Either one of those pressures are less than initial pool pressure, so if we average them or take either one of them, we still possibly indicate, or do indicate that some drainage had occurred. The 1925 is still 75 pounds less than original because- - of course, it was also taken a year later.

Q This initial pool pressure was taken on DST in 1949?

A Yes, sir.

Q Do you have any opinion as to how accurate that pressure might have been?

A No, sir, I don't. In answer to that, I would say that the initial pressure could be somewhere between 1930 and 2,000, actually. On Number Ten we produced that well and tested it prior to obtaining that initial pressure and then, the subsequent history on the failure to get a build up, we just feel the 1930 was too low. We had nothing else to go on. Even with the one drillstem test, even if we use 1930 as the initial pressure, that is the second highest pressure we have recorded. So, as you can see, that every pressure after that was still less than that, would still indicate the same thing that the 2,000 does, but not quite as large a magnitude.



Q Would you agree that many DST pressures are not within the realm of accuracy?

A Yes, sir.

Q For this type of study?

A Yes, sir.

MR. UTZ: Are there other questions of the witness?

You may proceed.

REDIRECT EXAMINATION

BY MR. COOTER:

Q Mr. Rogers, Pan American is requesting permanent field rules in the Fowler-Blinebry Oil Pool identical to the temporary rules. What data do you have in support of this request?

A I don't want to wear you out on Exhibit 4-R, but I will refer back to it. I have the pressure shown on here also for the Blinebry. They are again essentially showing the same thing here as we have completed a couple of wells in this field. We have recorded lower pressures. The initial completion in the Fowler-Blinebry Pool was the Gulf Plains Knight Well Number Two, which is located down in Section 23. We have no pressure information on it. And as stated last year, it is a low capacity marginal producer. Referring to Exhibit Number 2-R, the Gulf well has accumulative recovery of only 30,000 barrels. That well is approximately ten years old. Whereas, our Number 14 in the neighborhood of two years old has recovered 32,000 barrels. So,



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with no other information than this, just- -

Our first completion was the Number 14 well in the Northeast Quarter of the Southwest Quarter of Section 15. In this well, we recorded an initial pressure of 2241 PSI, on October 4, 1962. After producing this well for - - well, to the day, one year, we completed the South Mattix Unit Number Three well in the Blinebry. This Number Three is located in the Northwest Quarter of the Northeast Quarter of Section 22. This initial pressure in the South Mattix Number Three, on October 4, 1963 was recorded as 1996 PSI. This is some 245 pounds less than the initial pressure recorded in Number 14. As a matter of interest, all of these pressures are at a common datum for each formation. The distance from Number 14 to Number Three is about 3,000 feet, and with a circle with a radius of 3,000 feet, 650 acres certainly is in excess of 80 acres for drainage.

The next completion in the Blinebry was our South Mattix Number 11. This was an existing Ellenburger well in the - - that we dualled in the Blinebry, located in the Northwest Quarter of the Southeast Quarter of Section 15. We have a pressure anomaly here that all we can do is speculate. The initial pressure in this well is 2295 PSI, on November 7, 1963. This is 54 pounds greater than what we previously thought was initial pressure of the reservoir. If we refer back to our Exhibit Number Three, a cross section through this area, the third well from the left on the cross section is the South Mattix Unit Number One well, which



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recorded the high pressure. The Blinebry zone is essentially in the center of the cross section there. If you notice right immediately below the top of the Blinebry pay, we have a section of ten to eleven feet in thickness indicating very good porosity. This was what we had initially considered the main Blinebry pay zone. It was essentially to lead us to perforate Number 14 in the Blinebry. The log to the left of the Number One well is the Number 14 well. This well is completed in that upper, or high porosity Blinebry pay, along with other lower intervals. When we got to the number One, we didn't perforate that top, higher pay zone, and by that time, we were getting concerned about high GORs and subsequent allowable penalties in the Fowler-Blinebry Pool, and we hesitated to perforate at the top. We don't know if this has anything to do with our pressure recorded in Number One being higher. We feel that Number 14 is probably drained, or has received a large percentage of its production from that upper zone. we didn't complete in the Number One. We think we would have possibly recorded a low pressure in Number One had we been perforating in this zone. As I said, this is strictly speculation. I would like to call your attention to the 4th well from your right, South Mattix Unit Number 16. We attempted a Blinebry completion in this well. This well is one of the highest structural wells in the area. We certainly anticipated a good Blinebry completion and we got a dry hole. If you notice on that log, upper pay interval is not present in that well. This is a



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sonic log, whereas the other logs are neutron, which has lead us to believe- - But, nevertheless, we could not make a well on Number 16.

Referring back now to Exhibit 4-R, the pressure map, there is another interesting observation we can make on these pressures were respect to Well Number One and Well Number 14 in this so-called anomaly. We are concerned about that pressure in Number One and two months later, on January 13, 1964, we bombed again and got a pressure of 2065 PSI. This is a decrease in a two month period of 230 PSI. During that period of time, production from Number One was approximately 4,000 barrels of oil, so that we had a production during that period, that two months, from that well of about 17 and a half percent PSI drop in pressure. We go right to the direct offset, Number 14, we have a drop in pressure over almost two years, October '62 to January of '64, little in excess of one year, 2241 down to 1735, or 506 PSI. During that period of time, this well produced in excess of 30,000 barrels of oil and recovered about 69 barrels of oil per PSI drop in pressure. We have recovered 69 barrels of oil for every pound. In the Number One we have a recovery of 17 barrels of oil. This leads me to suspect that the pressure in Number One, referring to this initial pressure of 2295, was probably an erroneous pressure. Unfortunately, the well was placed back on production before the chart was interpreted on the bomb and we couldn't rebomb it to check it. That is all we can offer in explanation for this.





In summing this pressure data then, the rapid decrease in one during that two months period of time, and even more important the low pressure, or lower than initial pressure, recorded on initial completion of the South Mattix Unit Number Three, indicates that we are effectively draining that Blinebry zone.

The economics of development in the Blinebry were very poor as presented in Exhibit Six last year for 40 acres. We had a 25 month pay out and return on investment of only 0.62. This is far from meeting Pan American's minimum requirement. Our economics now are apparently much worse than this, as evidenced by failure to complete Number 16. It was high structurally, and as I had said, we anticipated a completion there and we couldn't make a well. We now feel that the Blinebry will be economical only as a zone for dual or multiple completion, or salvage zone in a well that is currently completed at a greater depth. We doubt very seriously we will be drilling to the Blinebry. We have only drilled one new well in the area since last year. That was Number 16, and it was a triple completion.

Q Does that complete your testimony on the Fowler-Blinebry or do you have other evidence to offer?

A Yes, sir, that completes my testimony.

Q Were all of these exhibits, being marked One through Six, either prepared by you or at your direction and request?

A Yes, sir, they were.



MR. COOTER: We offer Exhibits One through Six into evidence, Mr. Examiner, and that completes our direct testimony on this case.

MR. UTZ: Without objection, Exhibits One through Six, that is, 1-R through 6-R, will be accepted into the record of this case. Are there questions of the witness?

RECROSS EXAMINATION

BY MR. UTZ:

Q In the Paddock zone as in the Blinebry zone, you have resorted to time pressure points- - Well, you didn't actually calculate your reserves versus pressure drop on this radius of drainage?

A No, sir. This being oil reserves, we didn't have the necessary data to perform that type of calculation.

Q Just your pressure drop versus production is basically your proof of drainage?

A Yes, sir, plus the lower pressure on Number Three, indicating drainage at that location.

Q Now, the Tubb zone is a gas zone, is it not?

A Yes, sir.

Q The other two are oil zones?

A No, sir, the Paddock is a gas, also.

Q The Paddock is also a gas?

A Tubb and Paddock are both gas.



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MR. UTZ: Any further questions of the witness? The witness may be excused. Statements to be made in this case?

MR. JACOBS: Skelly Oil Company, as an interest owner in the area concurs in the recommendations of Pan American for permanent 80 acre spacing for the Blinebry, temporary 320 for the Tubb and permanent 320 for the Paddock.

MR. UTZ: Are there other statements?

MR. DURRETT: If the Examiner please, the Commission has received telegrams from Delhi-Taylor, Atlantic Refining Company and Continental Oil Company stating that they support Pan American's application and requests in these cases.

MR. UTZ: Other statements? The case will be taken under advisement.

\* \* \* \*

STATE OF NEW MEXICO

COUNTY OF BERNALILLO

I, ROY D. WILKINS, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill, and ability.

WITNESS my Hand and Seal of Office, this 28th day of February, 1964.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2742-43044 heard by me on Feb 19, 1964.

My Commission Expires:

September 6, 1967

Examiner  
New Mexico Oil Conservation Commission



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REPORT TO  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
January 23, 1965

EXAMINER: H. J. [unclear]

IN THE MATTER OF:

Application of [unclear] Corporation for approval of temporary pool rules, Lea County, New Mexico. Applicant seeks the establishment of temporary pool rules for the Fowler-Paddock Gas Pool, Lea County, New Mexico, including a provision for spacing units.

Case 274

Applicant, [unclear] Corporation for the creation of a Two Gas Pool, for approval of temporary pool rules, and for special temporary pool rules. Applicant, in the [unclear] pool, seeks the creation of a new Two Gas Pool, and the establishment of temporary pool rules therefor, Lea County, New Mexico, including a provision for spacing units. Applicant further seeks establishment of a non-standard gas unit, comprising the NE/4, E/4 NW/4, and SW/4 of Section 1, Township 24 North, Range 37, East.

Case 275

Application of Pan American Petroleum Corporation for approval of a non-standard gas unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of temporary special pool rules for the Fowler-Paddock Gas Pool, Lea County, New Mexico, including a provision for spacing units. Applicant further seeks establishment of a non-standard gas unit, said pool, comprising the NE/4, E/4 NW/4, and SW/4 of Section 1, Township 24 North, Range 37, East.

Case 276



BEFORE:

Olivia A. Ortiz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order, please. Before proceeding with the docket there have been some changes. I will call the docket for you if you want to take notes of it. We will take Case 2742, 2743, 2744 first, and then Case 2738 fourth. We will take Case 2741.

MR. DUKES: Application of Pan American Petroleum Corporation for and for temporary pool rules, San County, New Mexico.

MR. BURTON: May it please the Examiner, for Pan American Corporation, Guy Beall. With the Examiner's permission I would like to consolidate, only for purposes of testimony and the record, Cases 2742 and 2743 and 2744. All three of these cases relate to a formation that is on a common structural feature. They have other items in common, and I believe that we can save time by consolidating these three cases.

MR. UTZ: There will be no testimony in all three cases that will be common to all three.

MR. BURTON: Yes, there is, and the evidence that is common to all three cases.

MR. UTZ: For the purposes of testimony only, Cases 2742, 43, 44 will be consolidated, however, Case 2738



separate orders written on each case.

MR. BUELL: Also, Mr. Examiner, with your permission we would like to, in our testimony, cover them in the order that they are numbered, 2742 relating to Blinebry; 2743 relating to the Tubb; and 2744 relating to the Paddock formation.

MR. UTZ: That will be all right.

MR. BUELL: We have one witness, Mr. Rogers, who has not been sworn.

(Witness sworn.)

MR. UTZ: Are there any other appearances to appear in any of these three cases?

JAMES TURNER ROGERS

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

DIRECT EXAMINATION

BY MR. BUELL:

Q Will you state your complete name, by whom you are employed, in what capacity and at what location, please?

A James Turner Rogers; employed by Pan American Petroleum Corporation in Lubbock as a reservoir engineer.

Q You testified at a prior Commission hearing and your qualifications as a petroleum engineer are a matter of record, are they not?

A Yes, sir.



MR. BUELL: As our Exhibit Number 1, Mr. Examiner, it is a brochure containing pertinent factual data on the Blinebry formation. Also included in this brochure are pertinent completion data on the wells completed in this formation. We won't attempt to cover each and every item in this brochure in our testimony, but we will cover the more important phases.

(Whereupon, Applicant's Exhibits 1 and 2 were marked for identification.)

Q (By Mr. Duell) In connection with the Blinebry formation, I wish you would look at what has been marked Pan American's Exhibit Number 2, and state for the record what that exhibit reflects.

A It is a structural map, contoured on top of the Blinebry marker. It reflects a symmetrical anticlinal structure with a northwest-southeast trend and a pay closure of approximately 150 feet.

Q At the present time how many wells are completed in and producing from the Blinebry Oil Pool?

A There are two wells completed in this pool now.

Q How have you designated them on Exhibit 2?

A These are designated by the orange triangles.

Q What is the significance of the area on Exhibit 2 that's outlined in the solid blue line?

A That's the unit boundary of the South Mattix Unit operated by Pan American.



Q This formation and the other formations which are the subject matter of this consolidated hearing, they're all in a multi-pay area, are they not?

A Yes, sir.

Q The conventional blue dots that show up on this exhibit, as well as others, simply relate to wells that are completed in other formations on this same structural feature, is that correct?

A Yes, sir, that's right.

(Whereupon, Applicant's Exhibit No. 3 was marked for identification.)

Q I wish you would look at Exhibit Number 3, it's the exhibit over here behind the Examiner, and state for the record what that exhibit reflects?

A Exhibit 3 is a cross section through six wells in the Fowler area. We have shown on this the correlation of the top of each of the three subject formations here today, the Paddock, Blinebry and Tubb formations. This cross section runs from Pan American's South Mattix Well Number 6 to Gulf Plains Knight Number 2 Well.

Q There's an insert and the surface trace of the cross section is shown on the insert?

A Yes, sir, it is.

Q With respect to the Blinebry formation, what does this cross section reveal, Mr. Rogers?

A The main point of interest here in the Blinebry is this





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water permeable pay interval in our South Matrix Unit 11.  
This interval is the well shown on 1st pay, and it is corre-  
lated through the South Matrix Unit Number 1, South Matrix Unit  
Number 3. So we can see a certain interval in South Matrix Unit 1,  
although we don't have much evidence to be a pay section. There  
little evidence of it in all these wells shown on

Q With reference to the well shown in the King's Number 1 well,  
actually that well is located in the southeastern extremity of  
the reservoir, is it not?

A Yes, sir, it is.

Q It's on the edge, yes, correct?

A Yes.

Q Based on the fact that the well shown on the map is on the  
as reflector is just a little bit higher than the separator  
that the geologic interpretation is that the well is located in  
this reservoir because the separator is there.

A Yes, sir, it is. It appears here that we have favorable  
structure and a good permeability of the well in the pay section.  
The correlation of the well appears to be a good correlation of 20  
acres and we have an apparent correlation of 1000 feet in the well.

(The well shown on the map is the well shown on the map.)

Q Would you now show the well shown on the map?

Exhibit Number 1, the well shown on the map is the well shown on the map.

A Exhibit Number 1, the well shown on the map is the well shown on the map.



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from the wells in the subject fields, for the month of October, 1962 and accumulative recovery for the same wells. In the Blinebry we have two wells presently completed and producing, the Gulf Plains Knight Number 2 and the South Mattix Unit Number 14. The Gulf Well had recovered a cumulative, as of November 1, 1962, of 27,000 barrels. The South Mattix recovered approximately 3,000.

Q For a total reservoir cumulative of approximately 30,000 barrels?

A Yes, sir.

Q When was this Blinebry Oil Pool first discovered, Mr. Rogers, do you recall?

A Yes, sir, this field was discovered by Gulf with their Plain's Knight Number 2 in 1954.

Q So we've known it was there for about nine years, but as of this time there are only two wells completed in this reservoir?

A Yes, sir.

(Whereupon, Applicant's Exhibit No. 5 was marked for identification.)

Q Would you look now at what has been marked as our Exhibit Number 5 and state what that exhibit reflects for the record?

A Exhibit 5 reports a reserve data summary of the values used to arrive at core volume reserves for the Blinebry in the vicinity of our South Mattix Number 14. These data indicate an ultimate recovery of 1,375 barrels per acre, based on solution



gas drive.

Q Mr. Rogers, I see we refer to the data on Exhibit 5 more or less as average data for the reservoir, but let me ask you this; from which well did you use data, principally, in making your pore volume calculation?

A From the South Mattix Well Number 14, our present completion.

Q Looking back at Exhibit 2, it's obvious that that well is in the better portion of this Blinberry reservoir?

A Yes, sir.

Q Still looking at that exhibit, Exhibit 2 and to the Gulf well down at the southeastern end which is on the edge of the field, do you feel that that Gulf well would have the same magnitude of reserves as you show on your Exhibit 5?

A No, the Gulf well, based on the current decline has an approximate recovery of 39,000 barrels.

Q So its reserves in that portion of the pool are not anywhere near 1,375 barrels per acre?

A No, sir.

Q In looking at your reserves as set out on Exhibit 5 we could certainly say that they are optimistic reserves and that in all probabilities wells outside of the better portion of the reservoir will not have that magnitude of reserve?

A That's right.



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(Whereupon, Applicant's Exhibit No. 6 was marked for identification.)

Q Go now to your Exhibit 6 and state for the record what that exhibit reflects.

A Exhibit 6 is an economic comparison of development on 40 acres versus 80 acres, based on the reserve data presented in Exhibit 5.

Q You have all data on Exhibit 6 which are necessary to make a complete economic evaluation of 40's and 80's, but in the interest of time, and since the exhibit is more or less self explanatory, would you just briefly, for the record, summarize the comparison of 40-acre development versus 80-acre development?

A Yes, sir. On 40 acres the profit per well is \$43,450.00, with an investment of \$70,000.00, pay out of 25 months and a return on investment of .62. For 80-acre development we would have a profit per well of \$168,400.00, requiring a 13-month pay out, with 2.4 return on investment.

Q Based on these data, in your opinion would development to a density of 40 acres in this Blinbry formation be economic?

A No, sir, it would not.

Q Do you feel that development on 80 acres would be an economic venture?

A Yes, sir.

Q So then, solely from an economic standpoint, 80-acre development should be adopted for this Blinbry Oil Pool?

A Yes, sir, it should.

(Whereupon, Applicant's Exhibit No. 7 was marked for identification.)

Q Now, go to what has been marked as Exhibit Number 7. What is that exhibit?

A Exhibit 7 is a list, or group of rules, proposed rules for this pool.

Q You are recommending at this time that only temporary rules be adopted for the Fowler-Blinckey oil Pool?

A Yes, sir, I am.

Q Now, with respect to those rules again in the interest of time, let's don't read them word for word, but would you just briefly summarize them? Would you summarize Rule 1?

A Rule 1 defines the limits covered by those rules as being wells completed in the Fowler-Blinckey Pool, or within one mile of the pool, unless the well is in another designated field.

Q Now, Rule 2?

A Rule 2 defines a standard proration unit as being 79-81 acres composed of either the north half, south half or east half or west half of a single governmental quarter section.

Q Now, with regard to your Rule 3, the well spacing or well location rule, are you making two recommendations to the Commission in that regard?

A Yes, sir, we have two proposals for Rule 3.

Q Would you summarize your first proposal?



A The first proposal provides for wells to be drilled or completed in the Fowler-Blinebry Pool within 150 feet of the center of a quarter-quarter section. It grants an exception to this location for wells currently drilled to or through the subject formation or existing location or existing well bores.

Q Could we summarize that it provides for rigid spacing with a "grandfather" clause that excepts wells now completed in, or wells that have penetrated the Blinebry and later on may be re-completed in the Blinebry?

A Yes, that's correct.

Q What is your alternative proposal?

A The alternative proposal provides that any well projected or completed in this pool shall be located no nearer than 330 feet from an outer boundary line.

Q Could we summarize that is a flexible well spacing rule?

A Yes, sir.

Q This is a multi-pay area, Mr. Rogers, would you anticipate that quite a few of the ultimate completions in this formation will be recompletions from wells that are now completed at a deeper depth?

A Yes, sir.

Q Would you also anticipate that some new wells will have to be drilled to fully develop this Blinebry formation?

A Yes, sir.

~~Q Do you feel that the adoption of either of your proposed~~



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Rules 3, will avoid numerous unnecessary unorthodox well location hearings?

A Yes, sir, I do.

Q What is your Rule 4, Mr. Rogers?

A Rule 4 provides for administrative approval of non-standard proration units due to variation in legal sub-division with notice and waiver of offset operators, and also provides for the allocation of allowables on an acreage basis.

Q That's a rule that's common to many of the pools that the Commission has adopted rules for?

A Yes.

Q Again in the interest of saving unnecessary hearings. What about Rule 5?

A Rule 5 states that the proportional factor for allowable purposes shall be 2.33 for the 80-acre spacing and also that if an operator has more than one well on any 80-acre proration unit that he can produce his allowable in any proportion from the wells.

Q Again that's a common rule for oil pools where the Commission has adopted 80-acres.

A Yes.

Q Hasn't the Commission recently adopted 80-acre unit Rules for a Blinbry formation in the Southeast New Mexico?

A Yes, sir, in the Oil Center Blinbry Pool.

Q Do you have anything else you would care to present at



this time with respect to the Blinebry portion of this consolidated hearing?

A No, sir.

MR. BUELL: Mr. Examiner, would you care to ask any questions now with regard to the Blinebry, or would you like for us to go through all of them and then ask all questions?

MR. UTZ: I think it might be well to have cross examination after each pool.

MR. BUELL: That's all we have in the way of direct on the Blinebry.

CROSS EXAMINATION

BY MR. UTZ:

Q This is a designated pool at the present time, is it not?

A Yes, sir.

Q The discovery well was between five and six thousand feet?

A Yes, sir.

Q Do you have any permeabilities on your South Mattix Number 14?

A No, sir, we do not have any core data at all.

Q You didn't take a microlog either?

A No, sir.

Q Do you have any idea what the permeabilities are?

A No, sir, I don't. I might add on that that the initial





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potential on our Number 14 was 144 barrels per day, flowing with 400 pound tubing pressure, which would indicate to me that we have good permeability.

Q In regard to your Exhibit 6, this double asterisk on your net income column --

A Yes, sir.

Q I note that you are charging off \$125.00 a month per well for operating costs.

A Yes, sir.

Q Does that include the estimated work-over, or not?

A No, sir, it does not.

Q That's just for operating costs?

A Just for operating costs.

Q These are flowing wells?

A Well, the Gulf wells on pump and our wells flow.

Q Is this an estimate for a flowing or a pump?

A This is estimated for the average between a flowing well and a pumping well over the respective life of the field, in order to arrive at economics based on ultimate recovery. I would say here we range from a hundred to one hundred fifty from flowing to pumping status.

Q Do you have any idea how many wells are now drilled in the Fowler-Blinbry Pool that are as close as 330 feet from the proration boundary, 80-acre boundary?

A No, sir, I haven't counted them. I believe we can



arrive at a figure pretty quick. On 330 locations, we have two wells on the South Mattix Unit, and apparently Gulf has two wells on their acreage. I'm assuming it has this because the map shows all the wells in this field.

Q That would be five wells to the best of your knowledge that would be drilled 330 on the 80-acre unit boundary?

A Yes, sir.

Q Under your first proposed Rule 3, these five wells would receive the so-called "grandfather" clause permit?

A Yes, sir.

Q All other wells would be drilled then within 150 feet of the center of either 40-acre tract?

A That's right.

Q Referring to your Exhibit 3, I note that this Number 14 Well is the second well from the left, is it not?

A Yes, sir.

Q I note that you have perforations through the probably upper two-thirds of the Blinbry zone; no perforations in the lower third of the Blinbry zone. Is it your opinion that this zone below the perforations is impermeable enough to prevent vertical migration from the Tubb to the Blinbry?

A Yes, sir. I don't think we'll have any vertical migration. Our Tubb completion in that well is a gas well. Right now we have a thousand to one gas oil ratio on that Blinbry well. I ~~certainly don't anticipate any problems.~~



Q It's highly unlikely since the Tubb is a gas producer.

A Right.

MR. UTZ: Any other questions of the witness?

CROSS EXAMINATION

BY MR. KASTLER:

Q I would like to ask Mr. Rogers to please read his proposed Rule Number 3.

A All right.

Q Number 3.

A Do you want both Number 38?

Q Yes, the proposal as he has offered it.

A The first one that was given awhile ago for Rule 3, each well projected to or completed in the Fowler-Blinebry Pool shall be located within 150 feet of the center of the quarter-quarter section in the 80-acre unit. Any well that was drilling or completed in the Fowler-Blinebry at the date of this order is granted the -- from a deeper formation, on the date of this

order, is granted a similar exception when being completed into the Blinebry.

Q Now, your alternate?

A Alternate, each well projected or completed in the Fowler-Blinebry shall be located no nearer than 330 feet to the outer boundary of the proration unit.

Q Are you offering either of these rules, or stating a preference of Pan American for either of these rules, or simply



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offering it to the Commission to pick the rule that it finds most suitable?

A We are offering it to the Commission to pick the one most suitable. They are equally recommended.

MR. BUELL: Let me say this on behalf of Pan American. Pan American would recommend the more flexible spacing rule which is the second Rule 3 in that exhibit, Mr. Examiner, as an engineer might have a different recommendation, but that is the one that Pan American would prefer. Do you agree with Pan American, Mr. Rogers?

A Yes, I agree with Pan American.

MR. UTZ: Are you testifying that you agree with management?

A I am testifying that I would.

MR. KASTLER: That's all.

MR. BUELL: We feel that either rule will avoid a lot of unnecessary hearings.

MR. UTZ: Are there any other questions? You may proceed.

MR. BUELL: Mr. Examiner, Exhibit Number 8 is a brochure on the Tubb formation, similar to the brochure on the Blinbry, and we give it to you simply as a codification of factual data.

(Whereupon, Applicant's Exhibit 8 was marked for identification.)



DIRECT EXAMINATION

BY MR. BUELL:

Q Directing your attention back to the location now, Mr. Rogers, the well's primary name is the gas pool presently designated by the Commission.

A Yes, sir.

Q Would you tell me then what is the pool name for this Tubb gas pool?

A We recommend that it be classified as the Fowler-Tubb Gas Pool.

Q That would correspond to the other pool designation as on this common structure and would conclusion as far as pool names are concerned?

A Yes, sir.

(whereupon, Applicant's Exhibit A-1 was asked for identification.)

Q Would you look now at what has been marked as Exhibit Number 9 and state for the record what that exhibit reflected?

A Exhibit Number 9 is a structure it was contacted on top of the Tubb in the Fowler area. Again this is very similar to the one we were looking at in the Blachry. It's an asymmetrical anti-cline structure and northward-southward. Again we have a pay closure within the pool.

Q How many wells are currently located in the Tubb Gas Pool at this time?



A One well.

Q How have you shown it on this exhibit?

A By the brown triangle.

Q Is it producing as of this minute?

A No sir, it's shut in.

Q You expect a connection shortly, and the opportunity to produce, market and sell gas from the Tubb formation?

A Yes, sir, we do.

Q Again is the South Mattix Unit designated by heavy blue checkered line to show the area of the unit?

A Yes, sir.

Q Let's go back to exhibit 3 now, Mr. Rogers, and describe for the record what that exhibit reveals with regard to this Tubb gas formation?

A Again Exhibit 3 is this cross section. As with the Blinbry we can correlate our pay intervals in the Tubb through the wells represented by this cross section. Again we get to the Gulf Plains Knight Number 2. We have what appears to be a poor development of pay.

Q Again you are getting with that well on the southeastern extremity of the reservoir?

A Yes, sir.

Q All right. Now, with regard to the Tubb, based on your sub-surface evaluation of this formation, do you feel that the geological opportunity exists for one well completed in this



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reservoir to the south of the main reservoir.

A: The main reservoir is the same as apparent. Again we have the same quantity of pay and we should be able to get the same results.

Q: Now, if you have the same results, then the flow of this main reservoir is the same as the flow of the main reservoir.

A: Yes, the main reservoir is the same as the calculated open flow of the main reservoir.

(The main reservoir is the same as the calculated open flow of the main reservoir.)

Q: Look at your main reservoir, which is number 10, and state for the record, whether or not it is a main reservoir.

A: Exhibit 1 is a summary of the data to arrive at pore volume reserves for the main reservoir. These data show the ultimate gas reserves are 7.6 million cubic feet per acre, with an ultimate condensate reserve of 100 barrels per acre.

(The main reservoir is the same as the calculated open flow of the main reservoir.)

Q: Now, go back to the main reservoir, which is number 10.

A: Exhibit 1 is a summary of the data to arrive at pore volume reserves for the main reservoir. These data show the ultimate gas reserves are 7.6 million cubic feet per acre, with an ultimate condensate reserve of 100 barrels per acre.

A: The main reservoir is the same as the calculated open flow of the main reservoir.



compared to 320-acre development.

A On 160-acre development we would have a profit per well of \$95,300.00. Based on an investment of 30,000, we have a 35-month pay out and 1.2 return on investment; for 320-acres, profit \$292,600.00, pay out 17 and a half months, return on investment of 3.66.

Q In your opinion, do these data reveal that it would be uneconomical to develop this well as pool on 160-acre spacing?

A Yes, sir, they do.

Q Do you feel that development on 320-acre spacing would be economical?

A Yes, sir.

Q So, again, as was the case with the Blinbry, from an economic standpoint, well, not the case with the Blinbry because that was oil on 80. Again from an economic standpoint this pool should be developed to a density of not greater than 320 acres?

A Yes, sir.

(Whereupon, Applicant's Exhibit No. 12 was marked for identification.)

Q Would you look now at Exhibit 12?

MR. BUELL: Let me state here, Exhibit 12 contains the pool rules that we are recommending for what we will call the Fowler-Tubb Gas Pool. We will recommend identical rules for Fowler-Paddock Gas Pool, since this Fowler Gas Pool was already designated by the Commission, we used that nomenclature in these





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rules so that we could have a pool name in the rules, but we will recommend identical rules for the Tubb and the Paddock.

Q (By Mr. Buehl) What is your Rule 1, on Exhibit 12?

A Again Rule 1 defines the limits as covered by the rules as being wells completed in the sub-formation, or within one mile of the limits, if not in another designated pool.

Q All right, Rule 2?

A Rule 2 defines a proration unit as being composed of 316 to 324 acres of any two contiguous quarter sections.

Q With respect to Rule 3, the well location rule, or well spacing rule, are you making the identical recommendation for these two gas pools that you made for the Blinebry?

A Yes. We have two proposals.

Q One of your proposed Rule 3 is more or less rigid spacing with a grandfather clause, and your alternate rule is straight 330 foot, or flexible well location?

A Yes, sir.

Q Again, let me ask you this, with respect to both the Paddock and the Tubb, do you anticipate with regard to these two reservoirs, that many of the ultimate completions in these zones will be recompletions from deeper wells?

A Yes, sir, we do.

Q What is your Rule 4?

A Rule 4 provides for administrative approval of non-

standard proration units, comprising less than 320 acres, and also



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states that the acreage factor assigned to any such non-standard unit shall bear the same ratio to a standard acreage factor in the Fowler-Paddock gas pool as the acreage in such non-standard unit bears to the 320 acres.

Q It's a common rule in gas pools that have rules?

A Yes, sir.

Q What is your recommended rule 5?

A Rule 5 states that in the event of subsequent proration, that the acreage factor, or allowable should be based on acreage factors.

Q You are not recommending that this pool be prorated at this time, but in the event it is ultimately prorated, you wish to get on the record that you would recommend one hundred percent acreage allocation?

A Yes, sir.

Q In addition to our pool designation request and our temporary request for pool rules, which you have just covered, we are also requesting at this hearing a non-standard Tubb gas unit, are we not?

A Yes, sir, we are.

Q Would you go back to Exhibit Number 9, which is your structure map of the Tubb, and would you state for the record the acreage that we are asking to be included in this non-standard unit? Come over here, and as you describe this acreage would you outline in red on the Examiner's copy of Exhibit 9 this



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proposed non-standard unit:

A We are proposing the 320-acre non-standard unit be comprised of the northeast quarter and the east -- Excuse me, the north half of the southeast quarter, and the east half of the northwest quarter of Section 22.

Q And you are now outlining on the official copy of Exhibit Number 2 the outline of this non-standard unit?

A Yes, sir.

Q It has 320 acres in it, does it not?

A Yes, sir, it does.

Q So, it's non-standard solely from the standpoint of shape?

A Yes.

Q Why is Pan American requesting a non-standard unit for this particular area?

A We are requesting this non-standard unit strictly as a matter of convenience and simplicity in accounting procedures for the operators in South Mattix Unit. By adopting this unit we can include 320 acres within the South Mattix Unit boundary.

Q And to have a standard unit you would have to analogize South Mattix Unit acreage with acreage outside the South Mattix Unit?

A Yes, sir, that's right.

Q Do you fear that the granting of the non-standard unit

would set off a chain reaction that might result in subsequent



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requests for a... in the...?

A No, sir.

Q Now, when you saw that question, I noticed immediately that it was referring to a tract owned by Sinclair, it appears to be...? What would happen if Sinclair would drill a... well on the... tract?

A I don't... that they would, considering the structural position of the... If they did we would negotiate with them on the... matter.

Q Based on the... you have now, you don't anticipate Sinclair drilling to the...?

A No, sir.

Q Now the... does all the other acreage that... unit, is the ownership in that acreage... the acreage immediately adjacent to it in the unit?

A Yes, sir, it is.

Q Do you... on the... conditions that exist, ... in any way be harmed by the approval of the...?

A No, sir, it isn't.

Q Do you... as you... at this time, with respect to the...?

A No, sir.



tion with regard to the well, Mr. Schumaker.

CROSS EXAMINATION

BY MR. UFF:

Q Referring to your Exhibit number 9, the well which was drilled to test the water power in Section 22, was that a dry hole in all formations, or how deep was it?

A Are you referring here to well number 12?

Q Yes, I am referring to number 12.

A That well was drilled by the Allenburger, and to my knowledge it was not tested, or I am not tested then I am sure it was dry in all formations. I have produced 100 percent water from the Allenburger, and at that time, I think that was in 1954, if I'm not mistaken, and at that time we were not looking at these shallow pays, but I can't say whether it was tested or not.

Q And the same question with reference to the well in the northwest of the northwest of the same section.

A I'm not familiar with that well. From the total depth here, 10800 feet, it was an Allenburger projection, but as to what it showed in their pays, I don't know. I might add here, as we had run similar tests in the field, I doubt seriously we would have obtained any conclusive answer. The logs historically gives poor show on drilling test. It requires stimulation for production.

Q In your opinion it's quite unusual as to whether that



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is productive in the tub zone or not?

A Yes, sir. Strictly based on its structural location, I would expect that it would be.

Q Now, you recommended that the pool be named the Fowler-Tubb Pool. Did you have any recommendation as to the horizontal limit?

A No, sir. I didn't have one ready.

Q First, how much of the well drilled to the tub zone on the unit? Did you get any production, a non-standard?

A No, sir. We are currently completing the South Mattix Unit Well Number 3, which is in Unit 2 of Section 22. That well is presently completed in the upper section, and has reached the economic limit, and upon consulting the law, or approval, we plan to recomplete that in the tub.

MR. BUELL: With regard to horizontal limits, Mr. Examiner, this is an unusual situation, in that we have one well completed in the formation, and we have data available to us on the deeper level, we have a better record and data than you normally have on a well with a tub zone.

Q (by Mr. Bue) The well of your Exhibit Number 3, which is marked on the map, did you have any opinion as to the tub zone productive?

A Yes, sir.

Q As judged from your own observations?

A Yes, sir. I would expect it to be productive.



at the time he drilled that well, but based on the completion now we have in Number 14, I feel certain that it would be productive from the top. I think that's probably a real good example there of the type of information we obtained on Drillstem testing this particular well.

Q With reference to your Exhibit Number 11, again I ask if the operating costs of #10 well include work-over costs?

A No, sir, it doesn't.

Q And #10 well, would it be the same if it were a single completion, or does that include the single completion?

A This #10 well applies to a single completion as to all of these economics.

Q Then the Number 14 well is one of the discovery well on this pool that you are recommending?

A Yes, sir.

Q Do you have available the top of the perforations?

A They will be on the production well data sheet attached to the brochure, which is Exhibit Number 6. The top of the perforations are 5,936 feet.

MR. UZZI: Are there other questions of the witness?

MR. DU: Yes, sir, I have a question.

BY MR. DUKREFF:

Q Mr. Rogers, on this discovery well, what day was that completed, do you have a day or date?

A The completion date I have here is July 16, 1962.



think it was a little after that; this is a triple completion, by the way, the Foster 14, and it was sometime after that that we ran packer 14, and we ran it on production.

Q Now, did you start July 15, 1961 for the actual completion day?

A Yes.

Q For the purpose of direct testimony, let me ask you this question, on the 15th of July, 1961, the proposed, which was the name of the well, was it?

A That's correct, that's right.

MR. DUBOIS: That's all, thank you.

MR. BUELL: Are there any other questions? You may proceed.

MR. DUBOIS: We will now go to the exhibit, the third and last formation involved in this protracted hearing, and our Exhibit 13 again is a brochure of geological actual data with the pertinent well completion information, Exhibit.

(Exhibit 13, Exhibitor's Exhibit 13, was marked for identification.)

# DIRECT EXAMINATION

BY MR. BUELL:

Q With respect to the Peddock, Mr. Rogers, I wish you would go now to the insert map on Exhibit number 3, and state for the record what that insert map reflects.

A The insert map on that exhibit is a structure map, contoured on top of the Peddock. There, as in the other two forma-





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tion, we have a very good example with a north-south-southeast trend, as opposed to the face of closure.

Q Now, the gas reservoir is current in the Padlock Gas Field.

A It is a very good example, as indicated by red circles.

Q Are there any other gas reservoirs completed in this reservoir?

A Yes, sir.

Q Again, the trend is from east to west outlined with a dashed heavy blue line.

A Yes, sir.

Q All right, and on the map, if you go up to the cross section position of the Padlock Gas Field, for the record, that this cross section reveals, with respect to the Padlock formation?

A Again we have a similar correlation in the Padlock as we do in the other formations. We have a correlation in the South Martin Unit Field 14. We have a correlation of the similar zones throughout this area. Again, when we get to the end of Knight Number 2, we have indicated a poor gas development.

Q Is there anything else you would point out of this cross section that's different or the same as compared to the other two? Does it have a gas reservoir, or does the other two did not?

A Yes, sir, it has a gas reservoir, and it has a gas contact.



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at well 1, and the fact that it was verified in the El American State 'D' T and U well, located in Unit 'D' of section 16, which produced water from the 1600' and was not successfully completed.

Q It was only well 1 that it encountered the Redock formation. Does the gate-water contact?

A Yes, sir.

Q With regard to the Redock, from a sub-surface standpoint, do you feel here that the geological opportunity exists for one well in this reservoir to drain in excess of 320 acres?

A Yes, sir. Again structurally we have no indications of barriers or anything else that would prohibit drainage in excess of 320 acres.

Q Would you go back to Exhibit Number 1 and state what that exhibit reflects production data-wise for the Redock formation?

A On Exhibit 1 we have listed two of the four completions in this field. This exhibit reports cumulative production and recovery, as of November 1, 1962, and at that time there were only two wells completed, the North Market Unit 14 and the Gulf Plains Knight Well Number 3, with both completed in the Redock after November 1, 1962. At that time -- You'll have to forgive me, I couldn't find my exhibit.

Q Has your Exhibit Number 1?

A Yes, I am looking for it. I have it assigned to

another one. As of November we had a cumulative recovery of



500,000 BOP (100 million) and working capital, 2, and cumulative from 1964, 100,000 BOP (20 million) and BOP.

(Whereupon, Applicant's Exhibit No. 14 was marked for identification.)

What's your go-to for similar lit? What does it reflect?

4. Edwin, it is a tabulation summarizing reserve data for the Padock, it indicates an ultimate gas reserve of 3.75 million cubic feet per acre. The Padock gas is dry gas and has no distillate reserves.

(whereupon, Applicant's Exhibit No. 11 was marked for identification.)

Q. Look now at what the lower part of our exhibit 15. What does that reflect?

A. Initial 100 acre development on 100 acres versus 320 acres. As far as economics are concerned, for 100 acres, development show a profit per well of \$23,000.00; 31 month payout, 1.55 return on investment. In 320-acre spacing, \$265,500.00 profit, 118 month payout and 1.17 return on investment.

Q With respect to the reserves you calculated and reflected on Exhibit 14 and were used in Exhibit 15, what did you contemplate as the ultimate processing conditions in this Ludeock gas formation when you arrived at your reserve calculation?

a. These readings are based strictly on a volumetric type reservoir.

[illegible]

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reserves would be substantially reduced, would they not?

A Yes, sir, they could.

Q And similarly, if your reserves would be reduced, it would adversely affect your economics both with regard to 160s and 320s?

A Yes, sir.

Q So can we say then in looking at Exhibit 14 and 15 that we may be looking at what are optimistic reserves and what are optimistic economics?

A Yes, sir; I think we are.

Q Regardless of that, do these possibly optimistic reserves show that you can develop the Faddock to a density of 160 on an economical basis?

A No, sir.

Q What about 320s?

A Yes, sir.

Q Now, with respect to the other formations, we've had few completions, two in one, one in the other; not too much production from the Stinchy and none from the Faddock. Have you had sufficient production from this reservoir that you have been able to obtain pressures that would show to you, as a reservoir engineer, that in addition to the geological opportunity for drainage, you have what might be considered as actual, physical proof of drainage?

A Yes, sir, we do.



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Q Could you briefly, very briefly state for the record what these pressure data reflect?

A I'll refer back to Exhibit Number 13, the brochure on the Fowler-Paddock, to the section entitled: Performance Data, original bottom hole pressure in the Paddock of 2,000 PSI, as determined in stimulation testing the South Mattix Well Number 10. The most recent pressure on the South Mattix Number 11 is 1,925 pounds. This well is located down in Section 22. South Mattix Unit Well Number 10, the most recent pressure on it is 1,402 PSI. Now then, South Mattix 10 we have had considerable difficulty there in obtaining pressure build-up, due to wellbore damage associated with squeeze cementing the initial perforations in that well. That well was perforated in a larger interval than the present interval, although it included the present interval and we had water production; we squeezed the entire interval and re-perforated in the same zone at the top, so we had wellbore damage that we can't correct by stimulation due to the possibility of again bringing in water.

Q The pressures on that well are non-representative, you mentioned them because you got them and wanted to give our Commission everything you had?

A That's right. Now, the later recent completion, the South Mattix Number 14, we had a shut-in surface pressure on that well, taken in conjunction with our leakage tests, and by extrapolating the surface pressure to the bottom point for the



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A ...  
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Q ...  
... pressure, at that time what was the ...  
... to Number 14?

A ...  
... at that time was ...  
Well Number 10.

Q ...

A ...

Q ...

WE HAVE ...



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A 1997 study by the American Psychological Association found that people who are not developing a relationship with a partner are more likely to experience depression, and the same may be true for people who are not developing a relationship with a pet.

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7) When an employee is injured on the job, the employer should:





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communication, and the fact that the Blincoy pay.

A Yes, sir, and there were none.

Q That would be part of your reason for believing so, the fact that you had heard in the lower Padlock would be part of your reason for believing so.

A Yes, sir.

Q I noticed you already got rules for the Fowler-Padlock, did I remember correctly on that.

A Yes, sir.

Q Those rules --

A I say your honor, no rules on it, it's a designated --  
Mr. DUBOIS: We are recommending the identical rules.

It's a designated gas pool, but it has no rules.

MR. UZZI: Are there other questions of the witness? The witness may be excused. Are there any other statements in this case?

MR. RASTBACH: Bill Kessler, appearing on behalf of Gulf Oil Corporation. Gulf Oil Corporation concurs with Pan American's application for 60-acre spacing in the Fowler-Padlock Oil Pool, and for 320-acre spacing in the Fowler-Padlock Gas Pool, and wish to state for preference for the 60-acre spacing rules. It is Gulf's opinion that existing well spacing is as much as an operator to make his well operations more in the light of practical consideration than otherwise. Therefore, we ask that



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Q Now, the Paddock and the Blindery pay.

A Yes, sir, I believe there was none.

Q That would be part of your reason for believing so, the fact that you had water in the Lower Paddock would be part of your reason for believing so?

A Yes, sir.

Q I believe you already saw rules for the Fowler-Paddock, if I remember correctly in that.

A Yes, sir.

Q Those rules --

A I say your pardon, no rules at all, it's a designated --

Mr. DUBIN: All are forms having the identical rules.

It's a designated gas pool, but it has no rules.

Mr. UZZ: Are there other questions of the witness? The witness may be excused. Are there any other statements in this case?

Mr. BASTEN: Bill Kestler, appearing on behalf of Gulf Oil Corporation. Gulf Oil Corporation concurs with Pan American's application for 80-acre spacing in the Fowler-Blindery Oil Pool, and for 320-acre spacing in the Fowler-Paddock gas pools, and wish to state its preference for the more flexible spacing rules. It is Gulf's opinion that flexible well spacing rules enable an operator to make his well completion plans in the light of practical consideration rather than having to contend with needless



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RECEIVED

The first cable telegram received on January 21st, 1931, reads as follows: "The Standard Oil Company of Texas, a Division of Gulf Refining Company, is interested in the American Petroleum Corporation's proposals to amend the application for temporary special pool rules in the Eastern-Guadalupe Pool, Dea County, New Mexico, set for hearing January 23, 1931, as owner of leasehold interest in the area of consideration." Signed by C. W. Segger, Chief Engineer, Standard Oil Company of Texas.

The second cable telegram from the Atlantic Refining Company, received by the Commission on January 21st, reads as follows: "As a working interest owner in the Santa Matias Unit operated by Pan American, we urge the Commission to adopt the special rules proposed by Pan American for the Eastern-Guadalupe Oil Pool. We have reviewed the proposed rules and believe they will prevent waste and protect correlative rights for all parties concerned. This case is scheduled for hearing on January 24, 1931 before a Commission Examiner." Signed by J. C. Johnson.

We also have received a radio teletype letter from Continental Oil Company. This was received on January 21st by the Commission, and it reads as follows: "Continental Oil Company is a working interest owner in the Santa Matias Unit and as such is interested in this matter. It is our policy to support the application for hearing January 23, 1931, before the Commission." Signed by J. C. Johnson.



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engineers and geologists when field rules are concerned. In the present case, however, it is recognized that many locations in the Fowler-Blairstown area are being plugged back recompletions of existing wells. Such a situation must inevitably result in some locations, so that if well locations are approved under uniform rules in the field rules, many exceptions requiring separate action are required. In the light of this situation, recommended by the company, the Commission to establish field rules presented before meeting in the Blainery; 320-acre in the Fowler-Blairstown area allowing flexibility of well locations so that existing wells can be utilized wherever possible in developing these reservoirs.

In regard to the proposed field rules, the company has requested in Cases 2743 and 2744, Continental Oil Company, that the proposed rules be approved. The proposed rules comprise the reasonably proven productive area of the Fowler-Blairstown Gas Pool underlying the Fowler-Blairstown unit in Section 24, Township 26 South, Range 37 East. This letter is signed by H. A. Reed.

We have received a letter from DeWitt Taylor Oil Corporation, received on January, 1950. It reads as follows: "This is to advise you of DeWitt Taylor's survey of the American's request for establishment of temporary special rules in the Fowler-Blairstown, Fowler-Tubb and Fowler-Blairstown fields. It is our understanding that these rules will allow the same locations and permit plugging of existing wells and recompletions of existing wells in the Fowler-Blairstown area."



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For the reasons stated above, the Commission will, for both  
the proposed and existing fields, we support the request to  
operate the proposed well in the southeast quarter of the northeast  
quarter of section 36, township 34 north and north field of the southeast  
quarter of section 36, township 34 north, range 37 east. This  
lease is owned by J. D. A. Davidson.

Mr. HILL: I am in a little bit of a quandary as to your  
 reply, which I believe you have given of that rule in the pro-  
 vision laid out along a line against a pattern, that would not be as  
 difficult as pointing out the fact if you were required to drill in a  
 certain quarter of the yard, while in the other water, you have an  
 8,000 foot target area with a circular target marking pattern-

MR. BULL: Yes, sir, it is less expensive than the other recommended rule.

But, Ullrich and his colleagues believe that as some pool rules are?

101. The following are the names of the persons who have been designated:

Stable, high-quality, and consistent data are essential for the success of any research project. The following table provides a summary of the data collection process, including the methods used, the sources of data, and the quality of the data collected.

1. *Staphylococcus aureus* (ATCC 12228) and *Staphylococcus epidermidis* (ATCC 12228) were used as reference strains.

11. *What other same word pairs work with the 10-same rules for the 11-same?*

Mr. [redacted] the general rule, as regards Mr. Blinbery would require that [redacted] would be [redacted] of either [redacted] [redacted] [redacted]



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... that is not as rigid as if you were required  
to do it in the same manner track.  
... track  
... just wanted to clear that up, get it  
in the record. The case will be taken under  
advice.

STATE OF NEW MEXICO )  
COUNTY OF BERNALILLO )

I, ADA DEARNLEY, Court Reporter, do hereby certify that the  
foregoing and attached transcript of proceedings before the New  
Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a  
true and correct record to the best of my knowledge, skill and  
ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal  
this 13th day of February, 1963.

*Ada Dearnley*  
Court Reporter

My Commission Expires  
June 12, 1963

I do hereby certify that the foregoing is  
a true and correct record of the proceedings in  
the New Mexico Oil Conservation Commission  
held on the 13th day of February, 1963.  
*James A. [Signature]*  
Examiner  
New Mexico Oil Conservation Commission

