	CASE 3536: Application of TENNECO
•	for two unorthodox gas well loca-
	tions, San Juan & Rio Arriba.



APP/ICATION,
TYANSCHIPTS,
SMAIL Exhibits
ETC.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

CASE No. 3536 Order No. R-3202

APPLICATION OF TENNECO CIL COMPANY FOR TWO UNORTHODOX GAS WELL LOCA-TIONS, SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 8, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of March, 1967, 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 the applicant, Tenneco Oil Company, seeks approval of unorthodox gas well locations in the Blanco-Mesaverde Gas Pool for its following-described wells:
 - Dawson Federal Well No. 1, located 835 feet from the North line and 1150 feet from the West line of Section 26, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, and
 - Jicarilla "C" Well No. 8, located 1850 feet from the North line and 790 feet from the West line of Section 13, Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.
- (3) That the subject wells were originally projected to the Dakota formation and were drilled at standard locations for the Basin-Dakota Gas Pool.

-2-CASE No. 3536 Order No. R-3202

- (4) That approval of the subject application should result in the recovery of otherwise unrecoverable gas as the applicant proposes to dually complete the subject wells in the Basin-Dakota Gas Pool and the Blanco-Mesaverde Gas Pool, and the geological conditions in the area will not justify single completion in the Blanco-Mesaverde Gas Pool.
- (5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Blanco-Mesaverde Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tenneco Oil Company, is hereby authorized unorthodox gas well locations in the Blanco-Mesaverde Gas Pool for its following-described wells:

Dawson Federal Well No. 1, located 835 feet from the North line and 1150 feet from the West line of Section 26, Township 27 North, Range & West, NMPM, San Juan County, New Mexico, and

Jicarilla "C" Well No. 8, located 1850 feet from the North line and 790 feet from the West line of Section 13, Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

(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

DAVID F. CARGO, Chairman

GUYTON P. HAYS, Wember

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

SEAL

esr/

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO

Cace 3536

LEGAL DIVISION PHONE 827-2741

February 10, 1967



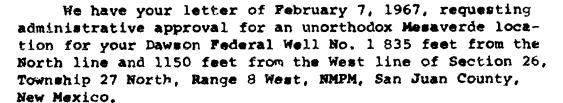


Tenneco Oil Company
P. O. Box 1714
Durango, Colorado 81302

Attention: Mr. Robert E. Siverson



Gentlemen:





The Commission rules do not provide for administrative approval for an unorthodox location in an off-pattern quarter-quarter section. Please advise if you desire a hearing concerning this application.

Very truly yours,

GRORGE M, HATCH Attorney

GMH/esr

cc: Oil Conservation Commission - Aztec

.... ILED

Date 2-34-67

TENNECO OIL COMPANY & Major Component of Tenneco Inc.

P O. BOX 1714 • 835 SECOND AVENUE • DURANGO, COLORADO 81302



February 7, 1967

7.5

New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico Case 3536

Re: Unorthodox Mesaverde Location Dawson Federal No. 1

835 FNL, 1150 FWL Sec. 26, T-27-N, R-8-W San Juan County, New Mexico

Gentlemen:

Request Administrative Approval for unorthodox location on the above well.

This is a Dual Basin Dakota and Blanco Mesaverde well. It was drilled primarily as a single Basin Dakota well and was drilled on a standard Dakota location. However, topographical reasons in the Southwestern quarter of this section also prevented staking a standard Mesaverde location in this quarter without undue difficulties.

All offset operators will be furnished a copy of this request.

Very truly yours,

TENNECO OIL COMPANY

Robert E. Siverson

District Production Superintendent

HCN/mkw Attachment/Plat

cc: New Mexico Oil Conservation Commission - Aztec R & G Drilling. Farmington Great Lakes Natural Gas Corp, Los Angeles, Calif. Sinclair O & G, Denver John A. Egan, Farmington

GOVERNOR DAVID F. CARGO CHAIRMAN

State of New Mexico Bil Conservation Commission

LAND COMMISSIONER GUYTON B. HAYS MEMBER



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

Mr. Booker Kelly White, Gilbert, Koch & Kelly Attorneys at Law Post Office Box 787 Santa Fe, New Mexico Re: Case No. 3536
Order No. R-3202
Applicant:

TENNECO OIL COMPANY

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

ALP/ir	
Carbon copy	of order also sent to:
Hobbs OCC_	×
Artesia OCC_	
Aztec OCC	<u>x</u>
Other	

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 2992 Order No. R-2663

APPLICATION OF CONSOLIDATED OIL & GAS, INC., FOR AN UNORTHODOX LOCATION, RIO ARRIBA 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 1500 1

- (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, Consolidated Oil & Gas, Inc., seeks an exception to the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to complete its Hoyt Well No. 3-5 at an unorthodox location 1850 feet from the North line and 1130 feet from the West line of Section 5, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.
- (3) That approval of the subject application should result in recovery of otherwise unrecoverable gas as the applicant proposes to dually complete the subject well in the Tapacito-Pictured Cliffs Gas Pool and the Blanco-Mesaverde Gas Pool and the geological conditions in the area will not justify a single completion in the Blanco-Mesaverde Gas Pool.
- (4) That approval of the application will prevent waste and protect correlative rights.

-2-CASE No. 2992 Order No. R-2663

IT IS THEREFORE ORDERED:

- (1) That the applicant, Consolidated Oil & Gas, Inc., is hereby granted an exception to the well location requirements of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool and is hereby authorized to complete its Hoyt Well No. 3-5 at an unorthodox location 1850 feet from the North line and 1130 feet from the West line of Section 5, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.
- (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, Chairman

E. S. WALKER, Momber

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

S B A L

-2-Examiner Hearing March 8, 1967

CASE 3536:

Application of Tenneco Oil Company for two unorthodox gas well locations, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox Blanco-Mesaverde Gas Pool location of its Dawson Federal Well No. 1, located 835 feet from the North line and 1150 feet from the West line of Section 26, Township 27 North, Range 8 West, San Juan County, and its Jicarilla "C" Well No. 8, located 1850 feet from the North line and 790 feet from the West line of Section 13, Township 26 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 3206 (Reopened)

In the matter of Case No. 3206 being reopened pursuant to the provisions of Order No. R-2874-A which continued the special rules and regulations for the High Plains-Pennsylvanian Pool, Lea County, New Mexico, for an additional year. All interested parties may appear and show cause why the pool should not be developed on 80-acre or 40-acre spacing units.

CASE 3537:

Application of Texaco Inc. for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Bisti Lower-Gallup Oil Pool by the injection of water into the Lower Gallup formation through its Northeast Bisti Unit Well No. 3 located in Unit O of Section 15, Township 25 North, Range 11 West, San Juan County, New Mexico.

Termes - unertholog location called in by Plumb on Z/K

unortholog Mesavede location

1850' FNL See 13 26 N 5W

190' FWC

Rio Acriba Canaty

Adicate W/2 of Section

thought they were out of the MU projected will as a Wakota test.

THE DEPOSITIONS, REAKINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 8, 1967

EXAMINER HEARING

IN THE MATTER OF:

Application of Tenneco Oil Company)
for two unorthodox gas well)
locations, San Juan and Rio Arriba)
Counties, New Mexico.

) Case No. 3536

BEFORE: DANIEL S. NUTTER, Examiner

TRANSCRIPT OF HEARING



dearnley-meier reporting service, inc.

1120 SIMMS BLDG. • P.O. 80X 1092 • PHONE 243-6691 • ALBJGJUERQUE, NEW MEKICO 87101

MR. NUTTER: Call Case 3536.

MR. HATCH: Application of Tenneco Oil Company for two unorthodox gas well locations, San Juan and Rio Arriba Counties, New Mexico.

MR. KELLY: Booker Kelly, White, Gilbert, Koch and Kelly, on behalf of the Applicants. I have one witness and ask that he be sworn.

(Witness sworn.)

(Whereupon, Applicant's Exhibits 1 through 4 marked for identification.)

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

DIRECT EXAMINATION

BY MR. KELLY:

- Q Would you state your name, position, and employer, please?
- A My name is Jack Willock. I am Petroleum Engineer with Tenneco Oil Company in Durango, Colorado.
- Q Have your qualifications as an expert Petroleum Engineer been made a matter of public record before this Commission?
 - A Yes, sir, they have.
 - Would you briefly state what Tenneco seeks by this



dearnley-meier reporting serice,

120

91 • ALBUQUERCIU ● PHONE 243-6691 PHONE 256-1294 ●



Tenneco seeks to gain Conservation Commission approval of two unorthodox well locations to produce the Mesaverde sand in the one well, Jicarilla "C" 8 Well in the northwest of Section 13, Township 36 North, 5 West, Rio Arriba, New Mexico. The other well is the Dawson Federal Well Number 1, Section 26, Township 27 North, Range 8 West, San Juan County, New Mexico.

Taking the Jicarilla Well first, would you refer to Exhibit 1 and locate the well on it and state to the Examiner what the orthodox location would have been?

The "C" Number 8 Well, the Jicarilla "C" Number 8 Well is located in the northwest quarter of Section 13, for a standard location. It would need to be located in the northeast quarter of that.

What zone is that well completed in, and what is the present status?

It's dually completed in the Dakota and the Mesaverde, Mesaverde sands, and there has been no production other than test production.

- Is it on a standard location for the Dakota?
- Yes, sir, it is.
- What zone was Tenneco after when they drilled this well?
 - We were seeking a Dakota completion when we drilled



dearnley-meier reporting cervice, inc.

20 SIMMS BLDG. • P.O. BOX 1992 • PHONE 243-6691 • ALBU-JUERQUE, NEW MEXICO 87101
05 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQ: ERQUE, NEW MEXICO 87108

the well. It was our feeling that we should drill the well on the west half of Section 13, which would be a standard Dakota location. Since it was a dry hole in Section 18, in the east half of Section 18, Township 26 North, Range 4 West, we were trying to stay as far away as possible from that dry hole.

Accordingly, we intend to drill another well in the next two or three weeks, intend to start another well in the next two or three weeks in the southwest corner of Section 13, which will be, if we find Mesaverde productive, it will go to the Dakota but it will be a standard Mesaverde location down there.

Q Now, what led you to believe that the Mesaverde would not be productive?

A Well, we didn't think the Mesaverde would be economical when we drilled the "C"14 Well and "C" 8 Well in Section 13. We had already completed the "C" 4 and 5 Wells in Section 24. The "C" 5 Well was never capable of producing.

MR. NUTTER: Mr. Willock, for convenience in following your testimony here, would you explain what the symbols on these wells mean?

A Yes, sir. The quadrant from 3:00 o'clock to 6:00 o'clock is completion in the Mesaverde; the quadrant from 9:00 o'clock to 12:00 o'clock is the completion in the Dakota.



dearnley-meier faporting service, inc.

1126 SIMMS BIDG. • P.O. 30X 1092 • PHONE 243-6-91 • A.BUQUERQUE, NEW MEXICO 87101 1205 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALE JQUERQUE, NEW MEXICO 87108 Accordingly, the one from noon till 3:00 would be a Pictured Cliff and from 6:00 to 9:00 would be in the Gallup, if we'd had one. I think this is fairly standard among operators in that part of the country.

MR. NUTTER: So, your "C" Number 8 has from 9:00 to noon, which is Dakota and 3:00 to 6:00 which is Mesaverde, so that's the dual completion?

A Yes, sir. The "C" 5 Well, we attempted completion in the Mesaverde and it never has flowed, so we're going to have to abandon that well. The "C" 4 Well has absolute open flow of 2308 mcf per day, but it makes water and we don't think that's going to be an economical completion. So, both of these wells were drilled before the "C" 6 and the "C" 8, and we had no real hopes for Mesaverde completion when we drilled these two wells, the "C" 6 and "C" 8.

Q (By Mr. Kelly) You say the "C" 6 is also completed in the Mesaverde?

A That's correct.

Q Does that look like it's going to be a pretty good well?

A I think so. I think it will be a good Mesaverde completion. We don't have a State test completed on it yet.

MR. KELLY: Mr. Examiner, this came up in preparation for this case. Actually, we have an additional well that will



SPECIALIZING IN:

• ALBUQUERQUE, NEW MEXICO 8710; ALBUQUERQUE, NEW MEXICO 87108

5.MM3 BIDG. • P.O. BOX 1092 • PHONE 243-669' F RST NATIONAL BANK EAST • PHONE 256-1294 '

require a non-standard location approval, depending on the thoughts of the Commission. We could present testimony at this time on that well also, and republish, or if you would prefer, we would just come in on a separate application.

MR. NUTTER: I think it would be preferable to come in on a separate application.

MR. KELLY: All right.

- (By Mr. Kelly) In other words, all of the adjoining production, or adjoining wells that have penetrated to the Mesaverde have not shown that the Mesaverde was not productive, is that correct?
 - Well, not economical.
 - Yes.
 - Α Right.
 - Who are the offset operators on the "C" 8 Well? Q
- The only offsets to the unit will be owned by Tenneco, Conoco and Atlantic Combine. Offset acreage to the north is owned by Southern Union and to the east by Southern Union, but there is no production established there.
- Now, is this Well Number "C" 8 in an established Mesaverde Field?
- It's in the extreme southeast part of the Basin and is not in the regular established field. By being off pattern, it won't interrupt any drainage patterns or anything like





that of other operators.

- Q Is it fair to say that the reason that you didn't choose a pattern that would have been orthodox for both Dukota and Mesaverde is due to basically two factors, trying to stay as far away as possible from the dry hole in the Basin Dakota, and also because you really weren't considering Mesaverde due to your prior drilling history?
 - A That's correct.
- Q Now, go on to what has been marked Exhibit 2 and explain that to the Examiner.
- A Exhibit 2 is a log section showing gamma-ray and resistivity log of Jicarilla "C" 8 Well. You'll notice the long section from just below 5400, about 5440 or 50 down to 62, approximately 6250 is all Mesaverde sand. The uppermost portion is good sand, that's the Cliff House Section, and a very small interval in the Point Lookout, just above 6100 feet. The reason I entered this exhibit was to show you this isn't a large productive section here, and as such, we couldn't expect a real good Mesaverde well when we started drilling the Jicarilla "C" Number 8.
- Q Have you previously received permission by administrative approval to dual complete these wells?
 - A Yes, sir.

MR. KELLY: We have a diagrammatic sketch, if you wish,



1120 SIMMS BIDG. • P.O. BOX 1072 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87101
1205 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO 87108

1

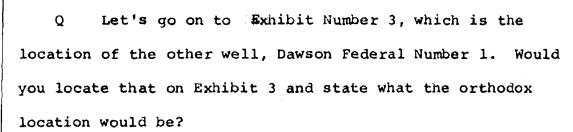
Mr. Examiner.

MR. NUTTER: No, that's not part of this case.

- Q (By Mr. Kelly) How would you rate your completion in the Mesaverde in this well?
- A I would say it's good. We haven't completed our test but we think our absolute open flow will be in the neighborhood of 4300 mcf per day.
 - Q How much did it cost to dually complete?
 - A In the neighborhood, or approximately \$25,000.00.
 - Q How about a single completion?
- A A single well drilled to the Mesaverde in this area would cost approximately \$60,000.00.
- Q Based on the information you have now, could you recommend to your company, if this application were to be denied, a single completion be made?
- A I don't think so. We need more history from the two wells that have been drilled that look decent. The others in the area haven't been good, the one that we attempted to produce in the past.
- Q Would there be any question in your mind about recommending, if you hadn't gotten this test in the Mesaverde, about drilling a Mesaverde well in this area?
- A There would be no doubt that we would drill a Mesaverde well.



1120 SIMMS BIDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87101 1205 FIRST NATIONAL BAHK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO 87108



A The Dawson Federal Number 1 is located in the northwest quarter of Section 26, Township 27 North, Range 8 West. An orthodox location would be one in the southwest quarter of Section 26, rather than northwest.

Q Who are your offset operators in this well?

A Offset operators on all sides with production from the Mesaverde sand is R and G Drilling. I might state at this time that Great Lakes has evidently been bought out by R and G Drilling Company to the north. Production to the east and to the south.

Q And your symbols in this Exhibit are the same as Exhibit 1?

A Yes, sir, the symbols indicating here completion, are the same as previously presented in other exhibits.

Q In your opinion, what wells, if any, would be possibly affected by your unorthodox location?

A Only the one to the north, R and G Morrow Number 46 would be the only one. I might state here that the Morrow R and G Myron Number 42 in the southwest of 22 has produced 392,000,000 cubic feet and has deliverability of 385 mcf a day



earnley-meier reporting service.

The R and G Drilling Number 46 in the southwest of Section 23 has produced 82,000,000 and is now shut-in. The R and G Drilling Hammond 43 in the northeast of 26 has produced 330,000,000, has a deliverability of 136 mcf per day, and the R and G Drilling Number 47 Well in the southwest of Section 35 has a cumulative of 99,000,000 and deliverability of 66 mcf a day,

These wells have been producing since the late 50's, that is a period of six to eight years, and according to our cost to drill, it would require approximately six hundred million to pay out drilling a Mesaverde well. By our standards, all of these wells have been uneconomical so far.

- None of them paid out yet, have they?
- I don't think so.
- So, actually your spacing -- The well that your Q spacing location might be crowding is presently shut-in, can't produce?
 - That's right. A
 - How about the present status of Tenneco's Dawson Well?
- It is completed in the Dawson Sand and Mesaverde Sand.
 - Is it producing through either sand? Q
 - No, it's shut-in. A
 - Based on your testimony, would you say that the history



dearnieng-moior reporting service, inc.

1120 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE NEW MEXICO 87101 1205 FIRST NATIONAL BANK EAST • PHONE 256-1294 • A BUQUERQUE, NEW MEXICO 87108 of the Mesaverde in this area, is also pretty poor?

- A I would say it's very poor, yes.
- Q Now, in this case, could you have picked a location that would have been orthodox even if you had been going for Mesaverde, that would have been orthodox for both zones?
- A It would have been extremely difficult to do. We sent the surveyor out to speciour location in the southwest quarter and he called us and told us that he thought the terrain looked too rough to him, so we moved the location from orthodox because of terrain and we go from the bottom part of Largo Canyon up on top of the mesa right there on that.

MR. KELLY: Let's mark this as Exhibit 5.

(Whereupon, Applicant's Exhibit 5 marked for identification.)

- Q (By Mr. Kelly) Why don't you go over and locate that?
- A This is a topographic map and prepared by the USGS; here is the location of our well, down in the canyon, and these are forty foot contours up in here. We would have to come up in here for a standard location at the southwest quarter.

MR. NUTTER: There is a Well Number 6 in the southwest quarter?

A Yes, sir, there is. The road going up there is very



narrow and it's a shallow well, and the location was not near large enough for us to put another well on.

- Q (By Mr. Kelly) How would you get to that well if you were to use that location?
- A There's a possibility we could come up on top and go on around and gotten in the very south edge of it, but that again would be expensive, hauling and transportation, moving the rig in and out, and moving water for use on the well.
- Q Is it your testimony that it was Tenneco's intention, when this well was spudded in, to go for the Dakota?
 - A Yes, sir.
- Q Referring to what is marked Exhibit Number 4, would you discuss that?
- and resistivity logs of the entire Mesaverde Section, beginning with the Cliff House Section up at the top, just approximately 3720 feet, continuing down to the Mancos shale at 4600. This again, is a 900 foot section of sand with only the portion of the Point Lookout productive. It again indicates that we don't have long productive intervals out there. We weren't expecting big sand depth.
- Q What kind of well do you think this application well will be in both zones?
 - A I think we will have a good well. We haven't tested



dearniey-meier tagenting service, inc.

 the Dakota yet but it flowed pretty good, and the Dawson
Federal had a deliverability of approximately 3400 mcf per day
in the Mesaverde Sand.

- Q Would you be able to recommend to your company that this Mesaverde Zone be completed singly if the application were to be denied?
 - A You mean to drill another well?
 - Q Yes.
- A Again, I think we need performance before we could actually justify the drilling of a well. Our potential was good out here, but the other wells that have been completed for an extended period of time haven't been good.
- Q Are your cost estimates about \$60,000.00, the same for this well?
 - A Yes.
- Q Would the difficult location cause, assuming a single new drilling, would it cause the price to go up considerably?
 - A Yes, it would, sure would.
- Q Can you state what the standard practice of operators in the San Juan Basin, as far as going for Dakota completion is it standard to test the Mesaverda on the way down?
- A Well, you go through the Mesaverde. You have to drill through the Mesaverde section before you get to the Dakota and if it looks good, certainly consider testing it after the



dearnley-meier regarting

Dakota is completed.

- In your opinion, would the granting of this application have any adverse affect on other operators' correlative rights?
 - I don't think so.
- Do you feel that the granting of this application will tend to prevent waste by insuring that gas otherwise left in place will be produced?
 - Yes, sir.
- Were Exhibits 1 through 4 prepared by you or under your supervision?
 - Yes, sir.

MR. KELLY: Exhibit 5 is the topographic map. I move the introduction of Exhibits 1 through 5.

MR. NUTTER: Tenneco's Exhibits 1 through 5 will be admitted in evidence.

> (Whereupon, Applicant's Exhibits 1 through 5 offered and admitted in evidence.)

MR. KELLY: That's all we have on direct.

MR. NUTTER: Any questions of Mr. Willock?

Mr. Willock, I have no questions to ask you; however, I would like to make this statement for the record in this case. I believe that the Mesaverde Pool, as a whole, has been developed on a uniform pattern with the wells prescribed to be in the northeast quarter and the southeast. The pattern



SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATE MENTS, EXPERT TESTIMONY, DAILY COPY, CONVEN

dearnley-meler

120 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6/11 • ALBUQUERQUE, NEW MEXICO 8710; 205 FIRST NATIONAL BANK EAST • PHONE 256-129.1 • ALBUQUERQUE, NEW MEXICO 87108 has been followed almost completely uniformly in the development of the pool, which has an excess of a thousand wells.

For a company to start a program of projecting wells to the Dakota formation and asking for completion of a well in the Mesaverde, when it is off pattern, is a dangerous practice, particularly as to the uniformity in two respects; in the first place, the Commission might deny such an application and in the second place, I think any offset operator has full that the allowable rights to come in and ask for a well so drilled to be reduced. There is no question in either of these particular cases but I would like to point out to Tenneco this danger.

Are there any questions of Mr. Willock? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further?

MR. KELLY: No, I don't.

MR. NUTTER: Does anyone have anything they wish to offer in Case 3536? We will take the case under advisement.



I N D E X

WITNESS

PAGE

JACK WILLOCK

Direct Examination by Mr. Kelly

2

EXHIBITS

NUMBER	MARKED FOR IDENTIFICATION	OFFERED	ADMITTED
App. Ex. 1-4	2	14	14
5	13	14	14



SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATE MENTS, EXPERT TESTIMONY, BAILY COPY, CONVENTIONS

1120 SIMMS BLDG. O P.O. BOX 1092 O PHONE 243. .691 O ALBUQUERQUE, NEW MEXICO 87101 1205 FIRST NATIONAL BANK EAST O PHONE 256-1274 O ALBUQUERQUE, NEW MEXICO 87108

dearnley-meier reporting sorvice, 180.

SPECIALIZING IN: DEPOSITIONS, MEARINGS, S'ATE MENTS. EXPERT TESTIMONY, DAILY COPY, CONVENTIONS 1120 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6-91 • ALBUQUERQUE, NEW MEXICO 87101 1205 FIRST NATIONAL BANK EAST • PHONE 256-1294 • ALBUQUERQUE, NEW MEXICO 87108

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, 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 this 10th day of March, 1967.

Jan Denenley NOTARY PUBLIC

My Commission Expires
June 19, 1967



I do hereby partity that the foregoing is a complete conord of the proceedings in the Economic nearing of open to.

New Mexico Oil Conservation Commission

