

CASE 3744: Application of LLOYD
B. TAYLOR FOR PRESSURE TESTS,
SAN JUAN COUNTY, NEW MEXICO.

Case No.

3744

Application, Transcript,
Small Exhibits, Etc.

Case 3744

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. 3805
Order No. R-3473

APPLICATION OF BENSON-MONTIN-GREER
DRILLING CORPORATION AND LLOYD B.
TAYLOR FOR PRESSURE INTERFERENCE
TESTS AND BACK ALLOWABLE, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 24, 1968,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of August, 1968, 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-3399, dated April 9, 1968, Lloyd
B. Taylor was authorized to shut in his Vic Walker Well No. 1,
located in Unit C of Section 6, Township 31 North, Range 13 West,
NMPM, La Plata-Gallup Oil Pool, San Juan County, New Mexico, for
a maximum of 60 days beginning March 8, 1968, in order to conduct
pressure build-up tests.

(3) That said Order No. R-3399 also authorized the operator
to accumulate underproduction accruing to said well during the
period the well was shut in and to produce said underproduction
at a later date.

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CASE No. 3805

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(4) That the Secretary-Director of the Commission, by letter dated May 24, 1968, granted the operator of the aforesaid well, Lloyd B. Taylor, an additional 60 days during which the well could be shut in to conduct said tests and an additional 180 days in which to make up said accumulated underproduction.

(5) That the applicants, Benson-Montin-Greer Drilling Corporation and Lloyd B. Taylor, seek authority to extend for an additional 60-day period from July 8, 1968, the shut-in test period authorized for said Vic Walker Well No. 1 and to also extend the back allowable make-up period for said well.

(6) That the applicants further seek authority to drill three additional La Plata oil wells in Section 6 of Township 31 North, Range 13 West, and Sections 31 and 32, Township 32 North, Range 13 West, and to shut said wells in immediately after recovery of load oil and the establishment of initial potentials for a period of up to 180 days for the purpose of conducting pressure interference tests, and to make up the production lost during said test period at a later date.

(7) That the applicants further seek a provision for administrative extension of the shut-in test periods and the make-up periods.

(8) That approval of the subject application will afford the operators an opportunity to more thoroughly complete the gathering of information concerning reservoir characteristics and extent of the La Plata-Gallup Oil Pool, will be in the interest of conservation, and will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That applicant Lloyd B. Taylor is hereby authorized to continue to shut in the Vic Walker Well No. 1, located in Unit C of Section 6, Township 31 North, Range 13 West, NMPM, La Plata-Gallup Oil Pool, San Juan County, New Mexico, for an additional 60-day period from July 8, 1968, in order to complete pressure build-up tests on said well.

(2) That the operator of said Vic Walker Well No. 1 is hereby authorized to accumulate underproduction accruing to said well during the period the well is shut in and produce said underproduction at a later date, provided however, that said underproduction shall be produced only by the subject well, and

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CASE No. 3805

Order No. R-3473

provided further, that said underproduction shall be produced within 540 days after placing the well back on production.

(3) That applicant Benson-Montin-Greer Drilling Corporation is hereby authorized to drill three La Plata oil wells, one each, in Section 6 of Township 31 North, Range 13 West, and Sections 31 and 32, Township 32 North, Range 13 West, NMPM, La Plata-Gallup Oil Pool, San Juan County, New Mexico, and to shut in each of said wells for a maximum of 180 days beginning immediately after recovery of load oil and the establishment of initial potential as to each well.

(4) That applicant Benson-Montin-Greer Drilling Corporation is hereby authorized to accumulate underproduction accruing to each of said wells during the period each of said wells is shut in and to produce said underproduction at a later date, provided however, that said underproduction shall be produced only by the well incurring said underproduction, and provided further, that said underproduction shall be produced within 180 days after placing the well incurring said underproduction back on production.

(5) That the Secretary-Director of the Commission, upon proper application, may approve extensions of time during which the subject wells, those operated by Benson-Montin-Greer Drilling Corporation and/or Lloyd B. Taylor, may be shut in to conduct pressure build-up tests and/or to make up accumulated underproduction.

(6) That to obtain administrative approval for said extensions of time, the operator or operators shall submit to the Secretary-Director of the Commission an application for such extension setting forth the facts and circumstances justifying same. In addition, the applicant or applicants shall furnish proof that all operators of proration or spacing units offsetting the unit or units upon which the subject well or wells are located have been notified of the application or applications. (This notification to offset operators shall consist of the same information that is furnished to the Commission.)

(7) That the provisions of Rule 502, Sections I, II, III, and IV of the Rules and Regulations of the Commission are hereby suspended for the subject wells for the duration of the aforesaid make-up periods.

(8) That Order No. R-3399, dated April 9, 1968, is hereby superseded.

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CASE No. 3805

Order No. R-3473

(9) 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 B. HAYS, Member

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

S E A L

esr/

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

May 24, 1968

Burr & Cooley
Attorneys at Law
Suite 152 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Mr. William J. Cooley

Gentlemen:

Reference is made to your letter of May 6, 1968 seeking an extension to the pressure build-up tests currently being conducted on the Lloyd B. Taylor Vic Walker Well No. 1 located in Unit C of Section 6, Township 31 North, Range 13 West, La Plata-Gallup Oil Pool, San Juan County, New Mexico, under authority granted by Commission Order No. R-3399.

It is our understanding that in order to obtain a true static reservoir pressure and to obtain a representative bottom-hole sample, the subject well may have to remain shut in possibly until July 8, 1968.

Pursuant to the authority granted me by Order No. R-3399, Lloyd B. Taylor is hereby authorized to shut in the subject well for pressure build-up tests and bottom-hole sampling from March 8, 1968, through July 8, 1968, and to produce the underproduction incurred during said shut-in period, in addition to the well's regular allowable, during the 360-day period following conclusion of the tests on July 8. If the operator does not utilize the entire 120-day shut-in period authorized, the make-up period shall be determined on the basis of three make-up days for each shut-in day.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSN/ir

cc: Mr. Emery Arnold
Oil Conservation Commission
Aztec, New Mexico

BURR & COOLEY
ATTORNEYS AND COUNSELORS AT LAW
SUITE 152 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO
87401

JOEL B. BURR, JR.
WM. J. COOLEY

May 6, 1968

TELEPHONE 325-1702
AREA CODE 505

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico

Re: Case No. 3744, Order No. R-3399

1968 MAY 7 AM 8 32

Gentlemen:

Reference is made to the Application of Lloyd B. Taylor for Pressure Build-up Test in San Juan County, New Mexico, in Case No. 3744, out of which you issued Order No. R-3399.

This is to advise that the subject well is, as of the date hereof, continuing to reflect a pressure build-up, which of course reflects that the purpose of this test has not as yet been accomplished, i.e. to ascertain the static reservoir pressure. Mr. Taylor is also desirous of obtaining a bottom hole sample which will require a period of time to condition the well.

Accordingly, you are hereby requested, under authority of Order No. R-3399, to grant administrative approval for the continuation of the subject pressure build-up test until July 8, 1968, which will also allow time to obtain a bottom hole sample from the subject well. You are further requested to grant administrative authority for an extension of time in which to make up the underproduction incurred as a result of this test to a period of 360 days.

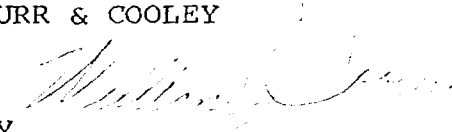
The information obtained from the continuation of the above referenced test and the contemplated bottom hole sample will be in the interest of conservation, prevent waste, and protect correlative rights.

All offset operators have been advised of this request by sending them a copy hereof.

Very truly yours,

BURR & COOLEY

By


William J. Cooley

GOVERNOR
DAVID F. CARGO
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

P. O. BOX 2088
SANTA FE

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

April 9, 1968

Mr. William J. Cooley
Burr & Cooley
Attorneys at Law
152 Petroleum Center Building
Farmington, New Mexico

Re: Case No. 3744
Order No. R-3399
Applicant:
LLOYD TAYLOR

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, reading "A. L. Porter, Jr.", written over the typed name.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC

Aztec OCC X

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 3744
Order No. R-3399

APPLICATION OF LLOYD B. TAYLOR
FOR PRESSURE TESTS, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 3, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 9th day of April, 1968, 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, Lloyd B. Taylor, seeks authority to shut in his Vic Walker Well No. 1, located in Unit C of Section 6, Township 31 North, Range 13 West, NMPM, La Plata-Gallup Oil Pool, San Juan County, New Mexico, to conduct pressure build-up tests, and to make up production lost during said tests at a later date.

(3) That it is anticipated the subject well will be shut in for a maximum of 60 days beginning March 8, 1968.

(4) That approval of the subject application will afford the operator an opportunity to gather valuable information concerning reservoir characteristics and extent of the La Plata-Gallup Oil Pool, will be in the interest of conservation, and will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Lloyd B. Taylor, is hereby authorized to shut in his Vic Walker Well No. 1, located in Unit C of Section 6,

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CASE No. 3744

Order No. R-3399

Township 31 North, Range 13 West, NNPM, La Plata-Gallup Oil Pool, San Juan County, New Mexico, for a maximum of 60 days beginning March 8, 1968, in order to conduct pressure build-up tests.

(2) That the operator of the subject well is hereby authorized to accumulate underproduction accruing to said well during the period the well is shut in and produce said underproduction at a later date, provided however, that said underproduction shall be produced only by the subject well, and provided further, that said underproduction shall be produced within 180 days after placing the well back on production.

(3) That the Secretary-Director of the Commission, upon proper application, may approve extensions of time during which the subject well may be shut in to conduct pressure build-up tests and/or to make up accumulated underproduction.

(4) That to obtain administrative approval for said extensions of time, the operator shall submit to the Secretary-Director of the Commission an application for such extensions setting forth the facts and circumstances justifying same. In addition, the applicant shall furnish proof that all operators of proration or spacing units offsetting the unit upon which the subject well is located have been notified of the application. (This notification to offset operators shall consist of the same information that is furnished to the Commission.)

(5) That the provisions of Rule 502, Sections I, II, III, and IV of the Rules and Regulations of the Commission, are hereby suspended for the subject well for the duration of the aforesaid make-up period.

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

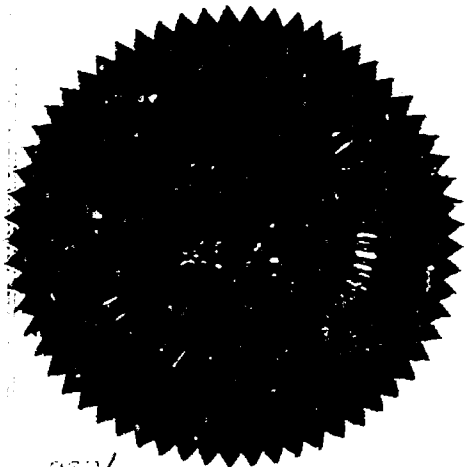
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CUNEO, Chairman

GUYTON B. HAYS, Member

H. L. FORSTER, Jr., Member & Secretary



ccn/

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN RE: THE APPLICATION OF -

LLOYD TAYLOR

for an Order authorizing him
to make up allowables lost as
a result of conducting a
Pressure Build-up Test in the
La Plata-Gallup Oil Pool in
San Juan County, New Mexico

Case 3744

1968 MAR 15 AM 8 28

APPLICATION

Comes now the applicant, Lloyd Taylor, by and through his
attorneys Burr & Cooley, 152 Petroleum Center Building, Farmington,
New Mexico, and respectfully makes application to the Commission
as follows:

1. That applicant is the owner and operator of the Vic
Walker #1 well located in Unit C of Section 6, Township 31 North,
Range 13 West, N.M.P.M., San Juan County, New Mexico.
2. That said well is capable of producing from and is
completed in the La Plata Gallup Oil Pool.
3. That applicant deems it necessary, in order to develop
additional data concerning the characteristics of the La Plata
Gallup Oil Pool, to conduct a Pressure Build-up Test on the
above described well. That such test was in fact instituted on
March 8, 1968, and that it has been continuously conducted since
that date. That it is anticipated that it will be necessary to
carry on said test through all or most of the month of March, 1968,
and possibly even through the month of April, 1968.

DOCKET MAILED

Date *3/22/68*

4. That applicant should be allowed a reasonable opportunity to make up the allowable production which he has or may hereafter lose as a result of conducting the aforesaid pressure build-up test for a period of at least six (6) months from and after the termination of said test.

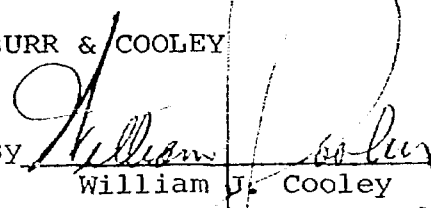
5. That the relief requested above will result in the prevention of waste and the protection of the correlative rights of any offset operator, or other operator in the La Plata Gallup Oil Pool.

WHEREFORE, Applicant respectfully requests the Commission to set this Application down for hearing before an examiner at the earliest possible date and after having considered the evidence adduced at such hearing, that the relief requested above be granted in full, and that such other and further relief be granted as may seem just and proper to the Commission under the circumstances.

Respectfully submitted,

BURR & COOLEY

BY


William J. Cooley
Attorneys for Lloyd Taylor
152 Petroleum Center Building
Farmington, New Mexico

Case 3744

Heard 4-3-68

Rec. 4-3-68

1 The Lloyd B. Taylor #1-V in Taylor-
rent C-6-31 N. 13W, should be granted
permission to make up lost allowable
accrued during a pressure build up
test being conducted at this time.

~~Grant~~ Grant Taylor permission make
up accrued allowable during the ~~60~~ 60 day
period following completion of the Build
up test. The date of Accruals should
begin March 8, 1968 and continue
until the well is put on production.



DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 3, 1968

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, of Daniel S. Nutter, Alternate Examiner:

CASE 3741: Application of Signal Oil and Gas Company to directionally drill, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill the J. C. Williamson T.P. State Well No. 1 located 2126 feet from the South line and 1887 feet from the East line of Section 1, Township 16 South, Range 38 East, Lea County, New Mexico. Said well was drilled to a total depth of 13,140 feet and plugged back to 10,000 feet. Applicant proposes to set a whipstock at 10,310 feet and directionally drill to a depth of approximately 13,000 feet and to bottom said well in the Devonian formation at a point 2,160 feet from the South line and 1,250 feet from the East line of said Section 1.

CASE 3742: Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formation through its State "C" NCT-2 Well No. 7 located in Unit G of Section 19, Township 20 South, Range 37 East, Eunice Pool, Lea County, New Mexico.

CASE 3743: Application of Benson-Montin-Greer Drilling Corporation for a pressure maintenance project, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in the West Puerto Chiquito-Gallup Oil Pool by the injection of gas into the Niobrara member of the Mancos shale through one well located in Unit K of Section 13, Township 25 North, Range 1 West, Rio Arriba County, New Mexico. Applicant further seeks the promulgation of special rules for said project, including provision for future expansion, gas injection credit, and transfer of allowables.

CASE 3744: Application of Lloyd B. Taylor for pressure tests, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to shut in his Vic Walker Well No. 1 located in Unit C of Section 6, Township 31 North, Range 13 West, La Plata-Gallup Oil Pool, San Juan County, New Mexico, to conduct pressure build-up tests, and to make up production lost during said tests at a later date.

CASE 3472: (Reopened)

In the matter of Case No. 3472 being reopened pursuant to the provisions of Order No. R-3136, which order established 80-acre spacing units for the Shoe Bar-Pennsylvanian Oil Pool, Lea County, New Mexico, for a period of eighteen months. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
April 3, 1968
EXAMINER HEARING

IN THE MATTER OF:

Application of Lloyd B. Taylor for
pressure tests, San Juan County,
New Mexico.

Case 3744

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: Case 3744.

MR. HATCH: Case 3744. Application of Lloyd B. Taylor for pressure tests, San Juan County, New Mexico.

MR. COOLEY: William J. Cooley, Farmington, New Mexico appearing on behalf of the Applicant. We have one witness to testify on behalf of Mr. Taylor we would like to have sworn, Mr. Greer.

MR. UTZ: Let the record show that is the same Mr. Greer who was sworn in the previous case.

ALBERT R. GREER

called as a witness, having been previously sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. COOLEY:

Q State your name, please.

A Albert R. Greer.

Q Mr. Greer, are you here to testify on behalf of the Applicant, Mr. Taylor?

A Mr. Taylor has authorized me to speak on his behalf, yes, sir.

Q Have you prepared a plat which shows the location of Mr. Taylor's well?

A Yes, sir.

(Whereupon, Applicant's Exhibit
A marked for identification)

Q I hand you what has been marked as Applicant's Exhibit A and ask you if this is the plat to which you refer?

A Yes, sir.

Q What does this plat reflect?

A This plat shows the location of Mr. Taylor's well which is the subject of this case, with respect to the location of the nearest producing field which is the La Plata-Gallup Field and outline of this La Plata-Gallup field as now designated by the Conservation Commission, shown outlined in blue. Mr. Taylor's well is colored in red.

Q How many wells have been completed in the La Plata-Gallup pool?

A One producing well has been completed in the pool to the date of Mr. Taylor's well.

Q Has another well been drilled through the formation?

A Yes, sir. There have been three wells, three additional wells drilled through the formation which produces in the one well in the pool; two of the wells were projected to that formation only and have been plugged, but

never produced. One well in the southeast quarter of Section 5 was drilled through the formation with air and completed in the Dakota Formation as a marginal gas well in the Dakota.

Q What --

MR. UTZ: Let me get this straight here. Nomenclature down here shows that as a Pennsylvania gas well.

A That's a Dakota well. It's a mistake. I hope it's the only mistake on the plat.

MR. UTZ: You may proceed.

Q (By Mr. Cooley) Has Mr. Taylor shut in the well shown on the plat, Exhibit A?

A Yes, sir, Mr. Taylor's well, the Number 1 Vic Walker, drilled in Unit C of Section 6, was completed in February, shut in in early March to obtain a bottom hole pressure buildup.

Q Were production tests taken on this well?

A The well was produced for a few days and we have a record of the production.

Q In your opinion, is this well capable of producing top allowable or better for the La Plata-Gallup pool?

A I believe that is best answered by stating

what the well did in February. It was completed February 18th, had twelve days' allowable at 94 barrels a day, which would be 1,128 barrels. Mr. Taylor's record shows it produced 1,200 barrels during that time which indicates was over produced 72 barrels. Then in March in the first eight days it produced 653 barrels. I believe it was down part of the time for mechanical problem. It appears at this time that it is capable of producing the allowable of 94 barrels per day.

Q What is the purpose of shutting in this well, on the part of Mr. Taylor?

A The purpose was to determine the bottom hole pressure buildup.

Q And has that been accomplished to date?

A It's in the process of being taken at this time.

Q In your opinion, has this well made a complete buildup or is it still building up?

A No, sir, it's still building up. In fact, pressures have not been run and the fluid level was still rising which indicates the pressure is not yet stabilized.

Q Are fluid level measurements, in your opinion, an accurate method of determining pressure buildups?

A Yes, sir, they are an accurate method of

determining the change in pressure or the rate of pressure buildup, although, of course, they can't be used for making exact determination of the absolute pressure, they will let us know when the well is stabilized.

Q Of what value does Mr. Taylor feel that this information will be to him?

A Well, for one thing, it's important to Mr. Taylor to confirm that his well has pressures which would indicate that it should be in the same Gallup pool as the present producing well. He feels this is particularly important in view of all the dry holes that have been drilled around the producing well and he would prefer that a new pool not be established for his well, but that he be included in the other pool and presumably, this is where his well should be at this time, with the information we have, this is what we would recommend.

Q What relief does Mr. Taylor seek with respect to the allowable that he has and is currently and will in the future lose as a result of conducting this pressure buildup test?

A Mr. Taylor has lost allowable in the month of March and will, of course, continue losing allowable until the well is put back on production and he would like the

right to make up this back allowable or to make up this allowable that is currently being lost after the well is put on production.

Q Is there any time limit after which the well is put on production within which Mr. Taylor would propose to make up this back allowable?

A I believe Mr. Taylor asked for six months, a period of six months in which to attempt to make up the back allowable after the well is put on production.

Q Do you feel that the information which will be obtained from this test will in some way add to the knowledge of the reservoir and the area?

A Yes, sir.

Q In view of this, do you feel that the granting of this application will prevent waste and protect correlative rights?

A Yes, sir.

Q Was Exhibit A in this case prepared by you or under your supervision?

A Yes, sir, including the mistake.

MR. COOLEY: We will offer Exhibit A.

MR. UTZ: Exhibit A will be taken into the record of this case.

(Whereupon, Applicant's Exhibit A was offered and admitted in evidence.)

MR. COOLEY: That's all.

CROSS EXAMINATION

BY MR. UTZ:

Q How much has the well produced to date now?

A Mr. Taylor's records show in February it produced 1,200 barrels and that in March it produced 653 barrels, that would be a total of 1,853 barrels of new oil produced from the well, according to Mr. Taylor's records.

Q And after producing 1,853 barrels it hasn't stabilized in thirty days?

A No, sir, it's still building up.

Q Maybe I am missing something somewhere, but if this well can only produce, its allowable is 94 barrels, it can produce approximately 100 barrels?

A It was producing about a hundred to 110 barrels a day with the size pumping equipment that was on the well. Mr. Taylor believes the well is capable of producing rates in excess of this and if permission is granted to recover lost allowable, he will install a bigger pumping unit in an effort to obtain it.

Q In other words, it's the excess producing

capacity over 94 barrels that he really wants to make up?

A Yes, sir.

Q Do you have any opinion as to how long this well will be shut in?

A I would think a maximum of sixty days.

Q What day in March was it shut in?

A March 8th. Perhaps I should add that one of the reasons it has taken so long for the pressure to stabilize is, the pressure is obviously low and, of course, the compressibility is high and this is one of the things that contributes to the longer period of time, although we have not measured the pressure, we can tell from the fluid level, something on the order of two or three hundred pounds, that would be a comparatively low pressure.

MR. UTZ: Are there other questions? Witness may be excused.

(Witness excused)

MR. UTZ: Any statements? Case will be taken under advisement.

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, KAY EMBREE, 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 18th day of April, 1968.

Kay Embree
 NOTARY PUBLIC

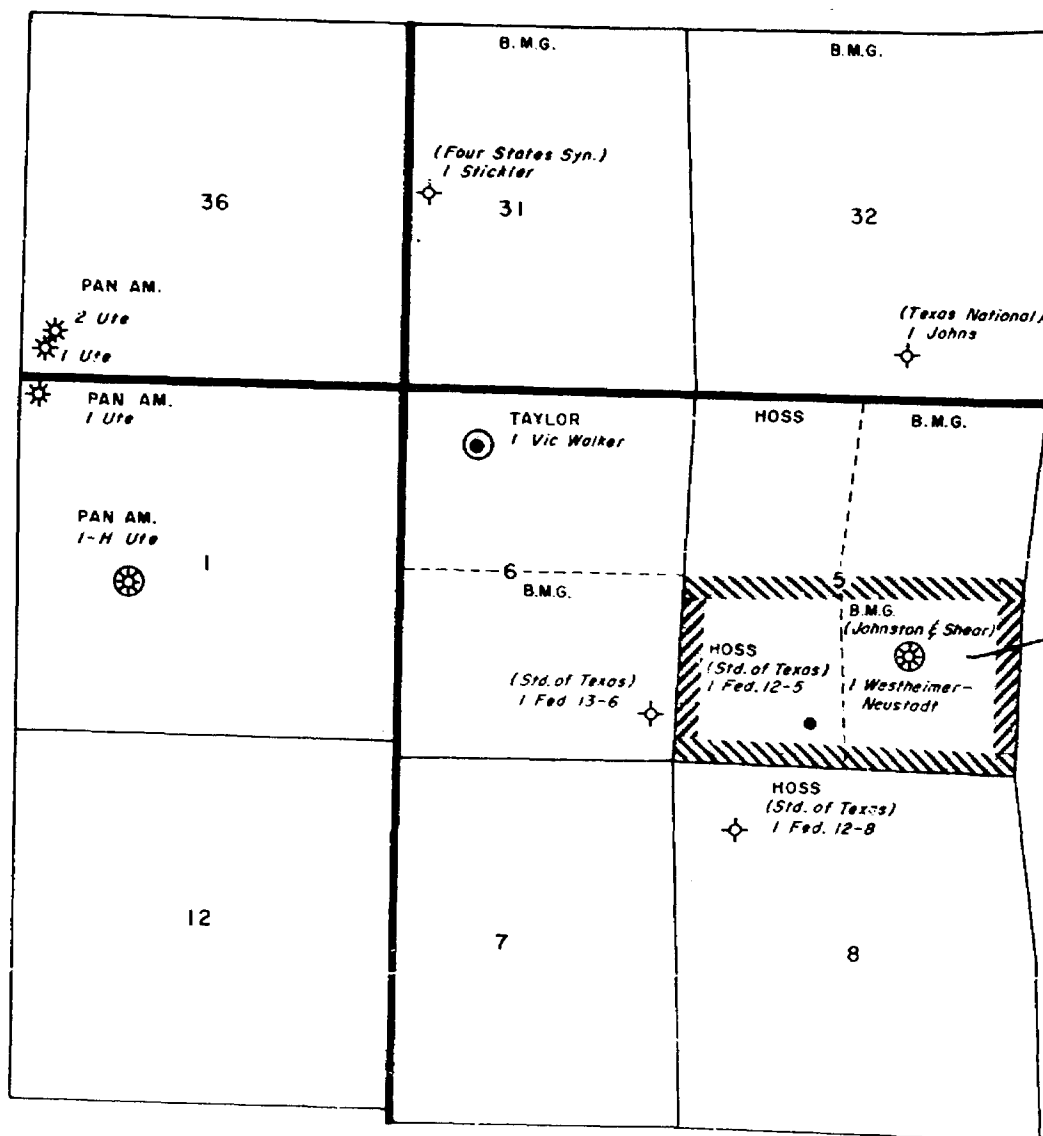
My Commission Expires:

November 19, 1971

I hereby certify that the foregoing is
 a true and correct copy of the transcript in
 the case of the hearing of Case No. 3244
 and was on Apr. 3, 1968.
Thos. L. McRae, Examiner
 New Mexico Oil Conservation Commission

PLAT OF LA PLATA - GALLUP POOL & VICINITY

SHOWING LOCATION OF
LLOYD B. TAYLOR - #1 VIC WALKER
March 22, 1968



is a
Dakota well
rather than
Penn well

LEGEND

- ✱ DAKOTA GAS WELL
- GALLUP OIL WELL
- ⊗ PENNSYLVANIAN GAS WELL
- ✧ P. & A. WELL

////// LA PLATA - GALLUP POOL BOUNDARY

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 1
CASE NO. 3744



Vertical
Rough Sketch of Well 1016
Unit
La Plata-Gp Oil Pool
pressure tests

T31N
R13W