

BEFORE THE
OIL CONSERVATION COMMISSION
HOBBS, NEW MEXICO
JULY 25, 1956

: : : : :
IN THE MATTER OF: : : : : :
: : : : :

CASE 1113: Application of Continental Oil Company for approval :
of a nonstandard gas proration unit in the Eumont :
Gas Pool in exception to Rule 5 (a) of the Special Rules and :
Regulations for the Eumont Gas Pool as set forth in Order R- :
520. Applicant, in the above-styled cause, seeks an order :
authorizing a 480 acre non-standard gas proration unit in the :
Eumont Gas Pool consisting of the E/2 of the E/2 of Section :
14 and W/2 of Section 13, Township 21 South, Range 36 East, :
Lea County, New Mexico; said unit to be dedicated to appli- :
cant's Lockhart "B-14" No. 4 Well located 1980 feet from the :
North line and 660 feet from the East line of said Section 14. :
: : : : :

BEFORE:

Mr. Daniel S. Nutter, Examiner.

P R O C E E D I N G S

MR. NUTTER: The next case is Case 1113.

MR. GUNLEY: Application of Continental Oil Company for ap-
proval of a non-standard gas proration unit in the Eumont Gas Pool
in exception to Rule 5 (a) of the Special Rules and Regulations for
the Eumont Gas Pool as set forth in Order R-520.

E. V. BOYNTON,

a witness on behalf of the applicant, having been first duly sworn
on oath, testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q State your name, please. A E. V. Boynton.

Q You are the same Mr. Boynton that testified in the last case?

A Yes, sir.

MR. KELLAHIN: Are the witness' qualifications acceptable?

MR. NUTTER: They are.

Q Mr. Boynton, are you familiar with the application which has been filed in behalf of Continental Oil Company in Case 1113?

A Yes, sir.

Q What is proposed to be done in this application?

A To form a 430 acre gas proration unit consisting of the E/2 of the E/2 of Section 14 and the W/2 of Section 13 of T21S, R36E.

Q Now, what well would that acreage then be attributed to?

A It would be assigned to Well No. 4.

Q What type well is that at the present time?

A It's an oil well.

Q And what formation does it produce from?

A Grayburg.

Q And is that in the Eunice Pool? A Yes, sir.

Q What do you propose to do with the well in the event this application is approved?

A Right now we don't know just exactly how we will complete our gas well; we recently fracked this No. 4 Well in the Grayburg Formation, and after the fracture treatment, the well went from shut-in status to 15 barrels of oil and 98 barrels of water per day; at present, nine barrels of oil and 65 barrels of water, and with addi-

tional testing, we can determine whether it will be advisable to plug it back, or dual complete it.

Q Have you prepared an exhibit showing the proposed unit and the offsetting ownership?

A I have an offset structure plat.

Q Is that marked as Exhibit No. 1, Case 1113?

A Yes, sir.

Q What does that show, Mr. Boynton?

A It shows the structure contoured on top of the Yates Formation, also the proposed unit outlined in red with the well in question encircled in red, and also shows offsetting and nearby gas wells encircled in green, with the unit assigned to those wells outlined in green.

Q Now, referring to the offsetting wells, where do they stand in regard to the structure as compared to the Lockhart "B-14" Well No. 4?

A Well, some are higher and some are lower in structure.

Q Which ones are lower in structure?

A The Gulf State No. 3 is considerably lower structure than this.

Q And is the productivity of gas from the Eumont Gas Pool?

A It is, yes.

Q Along that basis, is it reasonable to assume that the acreage you want to dedicate to this well is productive of gas from the Eumont Gas Pool?

A It is.

Q In the event you find the Grayburg to be productive as a result of your fracture treatment, we understand, then, that you propose to dual, or make application to dual? A Yes.

Q Otherwise, what would you do?

A Plug the well back to the Eumont.

Q Is there a log available on this well?

A No, sir.

Q Do you have any data available on the deliverability?

A No, sir, I do not.

Q In your opinion, will there be adequate deliverability to produce a 480 acre allowable if it is completed in the Eumont?

A I believe so.

Q On what do you base that?

A On modern completion methods and offset production.

Q Are the offsetting wells of such high deliverability to indicate that this well will make a 480 acre allowable?

A Yes, sir.

Q Was Exhibit 1 prepared under your direction and supervision?

A It was.

MR. KELLAHIN: We offer in evidence Exhibit No. 1.

MR. NUTTER: If there is no objection, it will be received.

MR. KELLAHIN: That is all the questions we have.

BY MR. NUTTER:

Q Now, Mr. Boynton, Gulf's well to the southwest of your proposed well, what is the name and number of that well where we find

it on the proration schedule?

A I don't know. I have a schedule here.

Q I believe this is connected to the Permian Basin Pipeline Company, isn't it? Do you know the initial potential on that Gulf well?

A No, sir, I don't.

Q What are these three wells that are located on your proposed 430 acre proration unit? What are those wells completed in?

A Grayburg.

Q They are all Grayburg wells? A Yes, sir.

MR. NUTTER: Does anyone else have any questions of the witness?

BY MR. GURLEY:

Q Did you notify all of the offset operators on this?

A Yes, sir.

Q Did you have any objections at all from them, or receive any?

A No, sir.

MR. NUTTER: Does anyone else have any statements they wish to make in connection with this case?

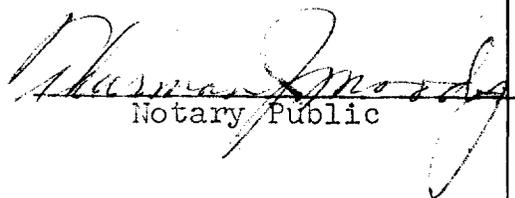
If not, we will take the case under advisement.

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STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, THURMAN J. MOODY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico was reported by me in stenotype and reduced to typewritten transcript by me and/or under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS MY HAND AND SEAL, this, the 7th day of August, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


Notary Public

My Commission Expires:
April 3, 1960.