

BEFORE THE
OIL CONSERVATION COMMISSION
Roswell, New Mexico
April 16, 1958

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TRAIN OFFICE CCC

IN THE MATTER OF:

Case No. 1424

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE - SANTE FE
3-6691 2-2211

BEFORE THE
OIL CONSERVATION COMMISSION
Roswell, New Mexico
April 16, 1958

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 IN THE MATTER OF: :
 :
 CASE NO. 1424 Application of Humble Oil and Refining :
 Company for an unorthodox well location: :
 Applicant, in the above-styled cause, :
 seeks an order authorizing an unortho- :
 dox oil well location for its Federal- :
 North Kirtland Unit Well No. 1 at a :
 point 1230 feet from the North line and: :
 998 feet from the East line of Section :
 19, Township 30 North, Range 14 West, :
 San Juan County, New Mexico, said well :
 to be drilled as a wildcat to the Da- :
 kota formation. :
 ----- :

BEFORE:

Mr. A. L. Porter
Mr. Murray Morgan
Honorable Edwin L. Mechem

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: We will consider next Case No. 1424.

MR. COOLEY: Application of Humble Oil and Refining
Company for an unorthodox well location.

MR. BRATTON: I am Howard Bratton of Hervey, Dow &
Hinkle, Roswell, New Mexico, representing Humble Oil & Refining
Company. We have one witness in this case and ask that he be sworn.

(Witness sworn)

HOMER A. WEEKS

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

DIRECT EXAMINATION

BY MR. BRATTON:

Q Will you state your name, position and experience, sir?

A Homer A. Weeks. I graduated from the University of Oklahoma with a B. S. degree in Civil Engineering in 1948. Since that time I have worked for Humble Oil & Refining Company. For the last year I have worked at Framington up until April the 1st of this year when I was transferred to Snyder, Texas.

Q Are you familiar with the area included in this application?

A Yes.

Q Did you stake that location as the district engineer at Farmington?

A Yes, sir.

MR. BRATTON: Are the witness' qualifications acceptable?

MR. PORTER: Yes, sir, they are.

Q Referring to what has been marked Humble's Exhibit No. 1, will you explain what that is and what it shows, Mr. Weeks?

A Humble's Exhibit No. 1 is a map showing Section 19 of Township 30 North, Range 14 West, with the topography of the northeast quarter shown. The portion around the location in that area is dominated by three levels of a mesa. The highest level is shaded red, the next level is shaded green, and the lowest level of the mesa is shaded yellow. The difference in the elevation represented here is approximately 25 feet, and it's another forty

or fifty feet from the lower mesa down to the bottom of the wash, to the south of that mesa. Also shown on this map is the called location, which was 990 feet from the north and east lines and also the location as constructed, which was 240 feet south of the called location.

Q The projected well is a Dakota test?

A Yes, sir.

Q And you hope for oil production?

A Yes.

Q Could be gas production?

A Yes.

Q Does Exhibit No. 1 show the lease ownership in the area?

A Well, it shows all of this acreage as Humble's. Actually, the northeast quarter is an assignment to Humble, and Humble has the rest of the area, all except that in section -- a portion of 24 and 25. Humble has an option on the rest of that acreage.

Q It is all out of the same basic lease and Humble has exercised the option on the northeast quarter and holds the remainder of the acreage under option?

A That is correct.

Q So that royalty is common throughout the entire area shown in the map?

A Most of it.

Q Except in 24 and 25?

A Yes.

Q And the overriding royalty would be the same?

A Yes.

Q Referring to the Exhibits which have been marked Exhibits 2, 3 and 4, will you explain what they are and what they show?

A Exhibit 2 is a picture of the location and the area looking southeast. The three levels of the mesa are defined and the location prepared, which is circled on the right, is on the lower elevation mesa, and the other two levels are clearly visible on Exhibits 2 and 3. Picture 3 was taken looking in a northeasterly direction approximately the same distance from the location. Exhibit 4 is a closeup picture of the location, and it was taken primarily to show the rock that is in that and that would be encountered if the location were made in its called location. That is 990 feet out of the corner.

Q If the location were made in the called location of 990 feet out of the corner, could a satisfactory location be made?

A Well, economically, if a location were made there, it would be a small location, smaller than we would normally like to use. Anyway, we build it, it would necessitate having the working pits and the reserve pits in a wash and completely blocking the wash.

Q For topographic reasons, then, the proposed location is the closest feasible location to the called location?

A Well, it's the most feasible location in that 40 acres.

Q Where is the nearest production to this area?

A There are two, I think, shallow gas wells that are shut in approximately two miles south. There is a Dakota gas well, I believe, to the best of my knowledge, approximately six miles east and there is another gas well approximately six miles or five miles west, and in the Verde Gallup Field, the closest well unit is approximately five miles north or a little northwest.

Q So, Mr. Weeks, for topographic reasons, a satisfactory location could not be made in the called location?

A That is correct.

Q And the ownership of the working interest, royalty, and overriding royalty within a half a mile in either direction is common?

A Yes.

Q Was Exhibit No. 1 made by you or under your direction?

A Yes.

Q And Exhibits 2, 3 and 4 are pictorial representations of areas as you have explained them?

A Yes, sir.

Q I would like to introduce Humble's Exhibits 1 through 4.

MR. PORTER: Without objection they will be admitted.

Any questions?

CROSS EXAMINATION

BY MR. NUTTER:

Q In the event Humble drills Well No. 1 and obtains oil and the pool is spaced on the 40-acre state-wide pattern, would it be possible for Humble to drill a standard location in the southeast quarter of the northeast quarter?

A In the southeast quarter of the northeast?

Q Yes, sir.

A It will be very difficult and it will be extremely expensive, more expensive than would be, of course, in an oil field.

Q If you were to drill an oil well in the southeast quarter of the northeast quarter, could it be a standard location?

A You mean a 660?

Q No, sir.

A Within 330 of the line?

Q Yes, sir.

A I am sure we could find some place within that square that we could build a location, yes, sir. I hope so. It's an extremely rough area. I don't imagine that it would be taken as the original called locations were given.

Q What I was wondering, if this should turn out to be an oil well, it's only 90 feet from the south line of the 40 acres in which it is situated, isn't it? I was just wondering if this is going to require, moving a well down 90 feet from the south end of the southeast quarter in the northeast quarter, if this would be a chain reaction that would be followed, or if you could build a standard location to offset the well.

A I wouldn't know about that until I try to stake the location.

Q Have you shown the complete topography in the northeast section?

A Well, of course, it is concentrated mostly where the location is, but as you can see the topography as shown for the whole quarter section. Of course, I have more definite information on this immediate area because that is where we were trying to put our location. The other is from aerial photographs and from the field notes of the surveyor who surveyed the lines and then that portion that I traversed when I was staking the location.

MR. NUTTER: Thank you.

A Is that sufficient?

MR. NUTTER: Yes, sir.

QUESTIONS BY MR. UTZ:

Q In your opinion, are you more likely to get a gas well here than an oil well?

A I am a civil engineer, not a geologist.

Q What does your geologist say?

A According to what they turned in, I guess they think they are going to get oil.

Q I believe you testified the nearest Dakota production was gas?

A Well, as far as I know, there is a Dakota gas well six miles east. Now, as far as the Verde Gallup Field, like I say, it

is a little closer to the north where they got Dakota production.

I don't guess anybody knows because they stopped at the Gallup.

MR. PORTER: Anyone else have a question of the witness? The witness may be excused.

(Witness excused)

MR. PORTER: Any further testimony to be presented in this case? Any statements? We will take the case under advisement.

