

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO

27 March 1985

EXAMINER HEARING

IN THE MATTER OF:

Application of Metex Pipe & Supply	CASE
Company for an unorthodox oil well	8531
location, Eddy County, New Mexico.	

BEFORE: Michael E. Stogner, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation	Jeff Taylor
Division:	Attorney at Law
	Legal Counsel to the Division
	State Land Office Bldg.
	Santa Fe, New Mexico 87501

For Metex:	Joel Carson
	Attorney at Law
	LOSEE & CARSON P.A.
	P. O. Drawer 239
	Artesia, New Mexico 88210

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I N D E X

MIKE BOLING

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E X H I B I T S

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1  
2 MR. STOGNER: Call next case  
3 No. 8531.

4 MR. TAYLOR: The application of  
5 Metex Pipe & Supply Company for an unorthodox oil well  
6 location, Eddy County, New Mexico.

7 MR. STOGNER: We will now call  
8 for appearances in this matter.

9 MR. CARSON: Mr. Examiner, my  
10 name is Joel Carson, Losee and Carson P. A., Artesia, New  
11 Mexico, appearing for the applicant, and I have one  
12 witness.

13 MR. STOGNER: Will the witness  
14 please stand to be sworn?

15 Oh, are there any other appear-  
16 ances in this matter?

17 (Witness sworn.)

18 MIKE BOLING,  
19 being called as a witness and having been duly sworn upon  
20 his oath, testified as follows, to-wit:

21 DIRECT EXAMINATION

22 BY MR. CARSON:

23  
24 Q Would you state your name, please?

25 A Mike Boling.

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Q And by whom are you employed, Mr. Boling?

A Robert E. Boling Exploration Consultant,  
in Artesia.

Q Okay. And you're appearing here in support of this application by Metex Pipe & Supply, is that correct?

A That's correct.

Q Would you tell the Examiner a little bit about your educational background and experience?

A I received a B. S. degree in geology in 1973 from New Mexico Institute of Mining Technology.

From 1973 to 1981 I was employed by GSI, which is the geophysical subsidiary of Texas Instruments.

During that period of time I held various job responsibilities, both technical and managerial in nature, and performed those in several work locations both domestic and foreign.

From 1981 to 1983 I was employed by Phillips Petroleum Company as an exploration geophysicist, primarily responsible for our work in the Bering Sea Basins in offshore Alaska with secondary responsibilities for Phillips' interests in Prudhoe Bay, Beaufort Sea, and Cook Inlet.

From 1983 until present I've been employed as an exploration geologist by Robert E. Boling Exploration Consultant in Artesia, working primarily in Eddy and Lea Counties, New Mexico.

1  
2 MR. CARSON: Mr. Examiner, are  
3 the witness' qualifications acceptable?

4 MR. STOGNER: They are.

5 Q Mr. Boling, would you state the purpose  
6 of this application?

7 A Metex Pipe & Supply is seeking approval  
8 for an unorthodox well location located 2970 feet from the  
9 south line and 1270 feet from the west line of Section 4,  
10 Township 16 South, Range 31 East, North Square Lake  
11 Grayburg-San Andres Pool. This would be in Unit M of Sec-  
12 tion 4.

13 Q Mr. Boling, I'm going to refer you to  
14 what you have marked as Applicant's Exhibit A and ask you to  
15 explain that exhibit please.

16 A Exhibit A is a land map that shows in  
17 yellow acreage previously earned by Metex Pipe & Supply by  
18 drilling the wells indicated on the map, A and B, which are  
19 the No. 1 and No. 2 Ronadero Federal Wells.

20 The acreage marked in red is acreage to  
21 be earned by Metex by drilling the proposed well.

22 The proposed well location is marked as C  
23 on that map.

24 Q It's that little circle under C, isn't  
25 it?

26 A Yes, sir. The proposed location is the  
27 circle. And it is 50 feet from the quarter-quarter line,  
28 330 from the south quarter-quarter line.

1  
2 E and F are wells that are also marked on  
3 the map that are critical in subsequent exhibits.

4 Q Mr. Boling, in moving -- your request for  
5 an unorthodox location, you're moving unorthodoxly towards  
6 your own area, is that correct?

7 A That's correct.

8 Q I refer you to Applicant's Exhibit B and  
9 ask if you could identify that?

10 A Exhibit B is a structure map on top of  
11 the San Andres formation, which the formation that's immed-  
12 iately below the producing horizon in this area, which is  
13 the basal Grayburg sand designated as the Premier Sand.

14 This map shows again Wells A, B, C, D, E,  
15 and F.

16 Well C is located, we believe, based on  
17 the information the map shows, on the same structural con-  
18 tour as Well E, the O'Neal No. 1 Federal -- no, pardon me,  
19 the Trigg No. 7-4 Federal A.

20 This well is producing out of the Premier  
21 basal Grayburg sand, also, and we are attempting by propos-  
22 ing an unorthodox location to be at approximately the same  
23 structural contour.

24 Q Let me refer you to Applicant's Exhibit  
25 Number C and ask you to explain that exhibit.

26 A Exhibit C is an Isopach of the middle  
27 productive zone of the Premier Sand with apparent porosity  
28 greater than 10 percent.

1 This map overlays Exhibit B.

2 MR. STOGNER: Exhibit B or Ex-  
3 hibit D?

4 A B.

5 MR. CARSON: B.

6 MR. STOGNER: Okay.

7 A The structure map. In this general area  
8 the Premier Sand produces out of three distinct zones and  
9 has three distinct episodes of sand deposition.

10 The one that is critical to production in  
11 this particular portion of Section 4 is the middle zone and  
12 this is what the maps indicate.

13 Exhibit C shows that Well D, which is  
14 marked as a dry hole on this map, has approximately two feet  
15 of sand with 10 percent, or greater.

16 Well B, which is the No. 2 Ronadero Fed-  
17 eral has 8 feet.

18 We're proposing that by moving C, the  
19 proposed well location, within 50 feet of the quarter quar-  
20 ter line, we're enhancing our chances of drilling a well  
21 that's going to have more than 4 feet of gross pay in it,  
22 and we propose to move the Well C to the location that we  
23 have indicated to be closer to the known conditions that  
24 exist in the Ronadero No. 2, the well No. B as marked on the  
25 map.

Q Mr. Boling, were Applicant's Exhibits  
Number A, B, and C either prepared by you or under your

1 supervision?

2 A Yes, sir.

3 MR. CARSON: I'd like to move  
4 the introduction of those three exhibits, Mr. Examiner.

5 MR. STOGNER: Exhibits A, B,  
6 and C will be admitted into evidence at this time.

7 Q Mr. Boling, will the granting of this ap-  
8 plication prevent waste and protect correlative rights?

9 A Yes, sir.

10 Q In your professional opinion?

11 MR. CARSON: I have no further  
12 questions.

13 CROSS EXAMINATION

14 BY MR. STOGNER:

15 Q Mr. Boling, Lot 13, how many acres is  
16 that consisted of?

17 A 40.

18 Q That is a standard 40-acre quarter quar-  
19 ter section, I assume.

20 A Yes, sir.

21 Q Okay.

22 MR. STOGNER: I have no further  
23 questions of Mr. Boling.

24 Are there any other questions  
25 of this witness?

If not, he may be excused.



1  
2 Is there anything further in  
3 Case Number 8531?

4 There being none, this case  
5 will be taken under advisement.

6 (Hearing concluded.)  
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## C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY  
CERTIFY that the foregoing Transcript of Hearing before the  
Oil Conservation Division was reported by me; that the said  
transcript is a full, true, and correct record of the  
hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is  
a correct and true copy of the  
the transcript of the hearing of Case No. 8531  
heard on 27 March 1985

Robert E. Higgins, Examiner  
Oil Conservation Division

## NEW MEXICO OIL CONSERVATION COMMISSION

## EXAMINER HEARING

SANTA FE, NEW MEXICOHearing Date MARCH 27, 1985 Time: 8:00 A.M.

NAME	REPRESENTING	LOCATION
Joel Carson	Loxe & Carson P.A.	Artesia
MIKE BOLINS	Metax Pipe & Supply	Artesia
Karen Quinney	Kelladant Kelladon	Santa Fe
JAMES R POUNCEY	DAMSON OIL CORP	HOUSTON, TX
Paul Huber	Byram	Santa Fe
Jim Porcise	Hinkle Law Firm	Santa Fe
Randall Capps	Cavalcade Oil Corp	Lubbock
Les Clement	O.C.D.	Artesia
JOHN F. NANCE	EL PASO NATURAL GAS CO.	EL PASO, TX
H. H. Bobe Kendrick	El Paso Natural Gas Co	El Paso, TX
Dave Bonescu	YATES PETROLEUM CORPORATION	ARTESIA
Mr. Anderson	Texaco, Inc.	Denver, CO.
William L. Sam	Sampbell and Black P.A.	Santa Fe
F. Johnson	O & D	Santa Fe
W. T. Kelladon	Kelladon & Kelladon	Santa Fe
Ernest L. Padilla	Attorney at Law	Santa Fe
Tommy Sanders	GAS CO OF NM	Artesia
Linda M. Minter	- - -	-

## NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARINGSANTA FE, NEW MEXICOHearing Date MARCH 27, 1985 Time: 8:00 A.M.

NAME	REPRESENTING	LOCATION
Mike Hicks	Hicks Oil & Gas	Farminaton
Randy H. Patton	Yates Petroleum Corp	Artesia
Pam White	BLANCO ENGINEERING INC	ARTESIA, N.M.
Scott Hall	Campbell & Jack	SF
Frank Butler	Kellakin, Kellakin	SF
Gilbert P. Quintana	OCD	SF, Nm