

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

In the matter of the application of)
El Paso Natural Gas Company, a Delaware)
Corporation, for approval of the San Juan)
30-6 Unit Agreement embracing 30,845.18) CASE NO. 493
acres of land, more or less, in Township)
30 north, Ranges 6 and 7 west, Rio Arriba)
County, New Mexico.)

TRANSCRIPT OF HEARING

HELD AT THE

OFFICES OF THE OIL CONSERVATION COMMISSION

FEBRUARY 24, 1953

PROCEEDINGS TRANSCRIBED FROM ELECTRONIC
TAPE RECORDER BY AGNES COOMBS, COURT REPORTER

P R O C E E D I N G S

SECRETARY SPURRIER: We will move on to Case 493. Mr. Howell.

MR. HOWELL: Ben R. Howell, appearing for El Paso Natural Gas Company.

Will you be sworn, Mr. Morrell? (Mr. Morrell is duly sworn by Secretary Spurrier.)

DIRECT EXAMINATION BY MR. HOWELL:

Q. Will you state your name for the record?

A. Foster Morrell.

Q. I expect Mr. Morrell's qualifications are on file with the Commission aren't they?

MR. SPURRIER: They are.

DIRECT EXAMINATION RESUMED BY MR. HOWELL:

Q. Mr. Morrell, will you state, with regard to the proposed San Juan 30-6 Unit, the area which it covers, the acreage, how much is federal, state and fee land, and the boundaries--what other units bound it on each side?

A. The San Juan 30-6 Unit Area embraces land in T-30-N, R-6 and 7-W, embracing a total of thirty thousand eight hundred and forty-five point fifteen acres (30,845.15 acres) of which twenty-five thousand six hundred and fifty point fifteen acres (25,650.15 acres) are federal land; three thousand one hundred and ten point twenty four acres (3,110.24 acres) are state land; and two thousand o eighty-four, point seventy-six (2,084.76) acres are patented land. The percentages of these lands are as follows: Federal lands 83.16 acres; state lands 10.09%; and patented lands 6.76%. The San Juan 30-6 Unit is bound on the north by the San Juan 31-6 Unit, on the northwest by the northeast Blanco Unit, on the west by the Blanco Development Contract, on the south by the proposed

29-7 Unit and also by the 29-6 Unit, on the east by the 30-N-5 Unit. Of the units that I have referred to the 31-6, the northeast Blanco, the 29-6 and 30-5 units have been approved.

Q. Are you familiar with the proposed 30-6 Unit Agreement?

A. I am.

Q. Does it contain essentially the same provisions as contained in the township form here, of units that lie to the north and east and south of this area?

A. It does.

Q. Do you recall how many wells are now productive on this area?

A. There are now thirteen wells completed to the Mesa Verde formation, and one well completed to the Fruitland formation, productive of gas—of natural gas.

Q. And what are the drilling requirements under the Unit?

A. There are seven obligation tests to be drilled to the Mesa Verde formation.

Q. How many of those have been drilled?

A. One of those obligation wells has been completed, four are now drilling.

Q. About what approximate percentage of working interests have joined this Unit Agreement.

A. Approximately ninety per cent (90%).of the working interests have been committed to date.

Q. In your opinion, does this Unit Agreement, or will it promote the conservation of oil and gas and the better utilization of reservoir energy by providing for orderly development over the life of the reservoir?

A. In my opinion, it will.

Q. And under this proposed operation, will the State of New Mexico receive its fair share of recoverable oil or gas in place under the lines?

A. It will.

Q. In your opinion, is this Agreement, in other respects, for the best interests of the State of New Mexico with reference to state lines therein?

A. In my opinion, it is.

MR. HOWELL: We have here copy of a letter from the State Land Commissioner acknowledging receipt of the Agreement, and offer it as Exhibit 1.

MR. SPURRIER: Without objection it will be received. (Mr. Spurrier marks it Exhibit 1, Case 493.)

MR. HOWELL: We have filed with both the Commissioner and the Commission copies of the proposed Agreement, and we request permission to file, when we have completed circulation of the signed agreements, a signed copy for the Commission. At this time we are still circulating the copies.

MR. SPURRIER: Without objection it will be permitted.

MR. HOWELL: I think that's all we have.

MR. SPURRIER: Are there any questions of the witness? (No response.)
If not, the witness may be excused. Do you have another witness?

MR. HOWELL: No. Just Mr. Morrell.

MR. SPURRIER: Are there any comments in the case--any other comments? (No response.) If not, that completes the case and the meeting is adjourned.

(Time 9:40 A.M.)

C E R T I F I C A T E

I, Agnes Coombs, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission, State of New Mexico, in the matter of Case No. 493, San Juan 30-6 Unit Area, taken at the Offices of the Oil Conservation Commission, Santa Fe, New Mexico, February 24, 1953, is a true and correct record of all said proceedings.

Dated at Santa Fe, New Mexico, this 26th day of February, 1953.

Agnes Coombs
Reporter