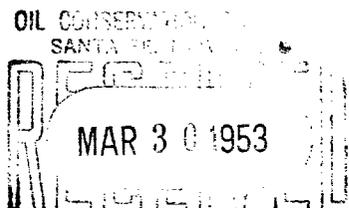


BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico
March 17, 1953

TRANSCRIPT OF HEARING
CASE NO. 498



E. E. GREESON
ADA DEARNLEY
COURT REPORTERS
BOX 1302
PHONES 5-9422 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Santa Fe, New Mexico.

March 17, 1953

In the Matter of:)

Application of El Paso Natural Gas Company)
for approval of the San Juan 32-9 Unit Area)
embracing 34,654.41 acres, more or less, in)
Twps. 31 and 32 North, Rges. 9 and 10 West,)
San Juan County.)

Case No. 498

TRANSCRIPT OF HEARING

(Notice of Publication read by Mr. Graham.)

MR. WEBB: William G. Webb, representing El Paso Natural Gas Company. Would you please swear Mr. Foster Morrell in this case?

FOSTER MORRELL,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. WEBB:

Q If it please the Commission, Mr. Morrell, would you describe the area of the proposed unit agreement?

A The proposed San Juan 32-9 Unit Agreement embraces all of Sections 2 through 10, inclusive, Section 15 through 18, inclusive, and Township 31 North, Range 9 West, all of Sections 1 and 2 and all of Sections 11 through 14, inclusive, in Township 31 North, Range 10 West. All of Sections 7 through 36, Township 32 North, 9 West. All of Sections 11 through 14, all of Sections 23 through 26, inclusive, and all of Sections 35 and 36 in Town-

ship 32, North Range 10 West, embracing a total of 34,654.41 acres, more or less of lands in San Juan County, New Mexico.

Q Of this total of 34,654.41 acres, what portion of that total is made up of State lands?

A State lands total 3,403.88 acres. I beg your pardon, 4,483.68, or 12.94 percent of the acreage of the unit.

Q What portion is comprised of patented lands?

A Patented lands total 1,281.05 acres, representing 3.69 percent.

Q At the present time, Mr. Morrell, what portion of these lands have been committed working interest, what portion of these lands has been committed to the Unit Agreement?

A For State lands, 75 percent, fee lands, 87 percent and federal lands 83 percent.

Q Would you further describe the unit area that is by any units which it may be bounded on by the North, South, East or West?

A To the east of the San Juan 32-9 Unit is the approved outstanding and effective 32-81 Unit, to the south is the Blanco Development Contract No. 1 and to the west, Blanco Development Contract No. 2, to the north is the Colorado State Line.

Q Are you familiar with the unit agreement in all of its terms and provisions?

A I am.

Q Does it substantially conform with the Unit agreements heretofore approved by the Commission?

A It does.

Q Does it substantially conform with the requirements that

the United States Geological Survey requires of Unit Agreements involving Federal land?

A That is correct.

Q In your opinion, Mr. Morrell, does this agreement, or will this agreement tend to promote the conservation of natural gas resources in the State of New Mexico and tend to prevent waste?

A It will, in my opinion.

MR. WEBB: Are there any further questions by the Commission?

MR. SPURRIER: Are there any questions, if not the witness may be excused.

(Witness excused.)

MR. SPURRIER: Does anyone have a comment in this case? If not the case will be taken under advisement. Without objection, the Exhibits will be received in evidence.

STATE OF NEW MEXICO)
 : SS.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, hereby certify that the above and foregoing transcript of proceedings in Case No. 498, taken before the Oil Conservation Commission on March 17, 1953, at Santa Fe, New Mexico, is a true and correct record.

Dated in Albuquerque, New Mexico, this 24th day of March, 1953.


Notary Public

My Commission Expires:
June 19, 1955.