

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 24, 1964

EXAMINER HEARING

IN THE MATTER OF:

Application of Newmont Oil Company
for a buffer zone, Eddy County, New Mexico.

CASE NO. 3148

BEFORE: DANIEL S. NUTTER, EXAMINER

TRANSCRIPT OF HEARING

MR. NUTTER: Call Case 3148.

MR. DURRETT: Application of Newmont Oil Company
for a buffer zone, Eddy County, New Mexico.

MR. RUSSELL: John F. Russell appearing on behalf of
the Applicant and I have one witness, will you stand and be sworn.

MR. DURRETT: Let the record show that he has been
sworn in the previous case.

CHARLES SEELY

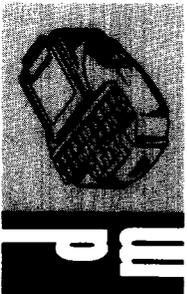
called as a witness herein, having been previously sworn, was
examined and testified as follows:

DIRECT EXAMINATION

dearnley-meier
TRANSCRIBING SERVICE, INC.

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BY MR. RUSSELL:

Q Your name is Charles Seely and have you previously qualified to give testimony before this Commission?

A That's correct.

Q And you work for Newmont Oil Company?

A That's correct.

Q The Applicant in Case Number 3148?

A I am.

Q Will you please explain what the Applicant seeks by this application?

A Requesting a buffered zone type treatment on allowable acreage shown on Exhibit Number One, the acreage in red is the area that we are requesting this buffer zone treatment. The acreage shown in blue is in the present Newmont Waterflood Project.

Q And the area outlined in red, are those for which you request the buffer zone treatment?

A That's correct.

Q And you are the operator of the flood as outlined in blue which has previously been approved by the Commission, is that correct?

A That's right.

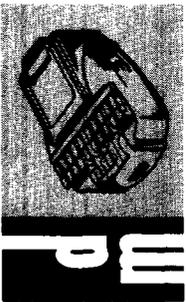
Q All right. Now, I will refer you to Exhibit Number 2 and ask you what that is?

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A This is a production plan curve for the wells that are outlined in red and, as you can see, most of the wells were drilled and completed in 1960 and there has been a decline there, or there was a decline from the latter part of 1961 down through the middle of 1963 and the middle of 1964. As you can see, there has been an increase in production which this can be attributed to offset water injection.

Q In other words, all five wells shown within the buffered zone received responses from the offsetting injection wells?

A Not all of the wells, all of the wells as shown in the red with the exception of well number 3 which is presently making around two or three barrels of oil per day.

Q But the other four have received responses?

A That is correct.

Q And there is no proposal at this time to convert any of the wells in the buffer zone to injection wells, is that correct?

A That's correct.

Q Now, under Paragraph 9 of Order Number 1110 as entered in Case Number 2607, did it provide that any future expansion of the waterflood shown in blue should be considered for inclusion in a buffer zone to be created around the project?

A Yes, it did.

Q In your opinion will the inclusion or request of acreage within the buffer zone and being given buffer zone treatment prevent waste and protect correlative rights?

A Yes.

Q Do you have anything further that you would like to mention to the Examiner in connection with this application?

A No.

MR. RUSSELL: I have no further questions.

MR. NUTTER: Are there any questions of Mr. Seely?

CROSS-EXAMINATION

BY MR. NUTTER:

Q What is the maximum rate that any of these wells is producing at this time?

A We have one well that's producing right at 37 barrels per day, this Number 6 well.

Q In Section 34?

A In Section 34, it would be the Southeast of the Northwest.

Q And it's capable of producing normal top allowable at this time?

A Yes.

Q And I presume that the productive capacity of the well is coming up?

A Well, it is coming up, in fact, all of the wells are increasing. As you can see, it's beginning to level off somewhat,



but it's still increasing somewhat.

Q And in effect, this is the capacity allowable for these five 40 acres, correct?

A Yes.

MR. RUSSELL: At this time I would ask that Applicant's Exhibits 1 and 2 be admitted into evidence.

MR. NUTTER: Exhibits 1 and 2 will be admitted into evidence.

(Whereupon, Applicant's Exhibits 1 and 2 entered in evidence.)

MR. NUTTER: Do you have any questions, Mr. Durrett?

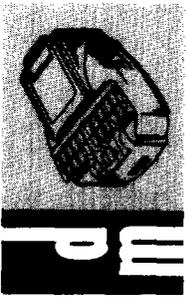
MR. DURRETT: I have nothing.

MR. NUTTER: We will take it under advisement.

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STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

I, JOHN ORFANIDES, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission Examiner at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

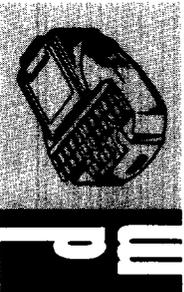
John Orfanides
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3148, heard by me on 11/24, 1964.

[Signature]
Examiner
New Mexico Oil Conservation Commission

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<u>NUMBER</u>	<u>MARKED FOR IDENTIFICATION</u>	<u>OFFERED</u>	<u>ADMITTED</u>
Echibit 1	3	6	6
Exhibit 2	3	6	6

