



NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

Santa Fe, NEW MEXICO

Hearing Date SEPTEMBER 30, 1970 TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
E. M. PRINGLE	ATLANTIC Richfield Co.	Roswell, N.M.
H. E. COBB JR	ROBERT L. PARKER TRUST	TULSA, OKLA
James E. Hinkle	Atl-Rich-Union Int.	Roswell, N.M.
HOWARD PERDUE	+ Coastal States.	Midland, Texas.
Donald B. Wells	UNION TEXAS PETROLEUM	Midland Texas
James L. Mackey	UNION TEXAS PETROLEUM	Midland Texas
Jack E. Brown	Stoltz, Wagner & Brown	Midland, Tex.
Jack W. Grouse	Coastal States	Midland, Tex.
W. D. ELLIOTT	Coastal States	Corpus Christ, TEX
Nina S. Callahan	RW Byram & Co.	Santa Fe
Gayle Butts	Blackrock Oil Co	Midland, Texas
Jason Kellahin	Kellahin & Fox	Santa Fe
Gary S. Wecho	D.I. Development Co of Texas	Amarillo, Tex
Ray Leach	" " " "	" "
J. T. Paulmier	Oil Development Co of Texas	Amarillo, Tex
David H. Callahan	MWJ Producing Co.	Midland, Tex
C. Ken Williams	MWJ Producing Co	Midland, TX

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SANTA FE, NEW MEXICO

Hearing Date SEPTEMBER 30, 1970 TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
<i>R. J. Mottis</i>	<i>CITIES SERVICE OIL CO.</i>	<i>MIDLAND-</i>
<i>Gordon G. Maccum</i>	<i>State Land Office</i>	
<i>Ralph L. Gray</i>	<i>Wm A + Ed. R. Hudson</i>	<i>Artesia</i>
<i>Edward R. Hudson, Jr</i>	<i>"</i>	<i>Ft. Worth, Tex.</i>

MR. NUTTER: The hearing will come to order, please. The first case this morning will be Case Number 4416.

MR. HATCH: Case 4416. Application of Robert L. Parker Trust for a waterflood project, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox and Eaton, Roswell. I would like to enter an appearance for Mr. Robert L. Parker.

Mr. Examiner, in this particular case, Mr. Cobb came in this morning and found out that he would have to be associated with an attorney and asked me to enter an appearance for him. I am not familiar with his case, but I think he has it pretty well organized and will be able to go ahead with it.

He has just himself as a witness and several -- one exhibit which is in several parts here which we have had marked as Exhibit 1 and then the parts are referred to by letter.

Would you be sworn?

(Witness sworn.)

(Whereupon, Exhibit 1 was marked for identification.)

H. E. COBB, JR.

having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HINKLE:

Q State your name, your residence and by whom you are employed.

A My name is H. E. Cobb, Jr. I am a consulting petroleum engineer operating my own consulting firm under the name of H. E. Cobb, Jr. and Associates in Tulsa, Oklahoma.

Q Have you previously testified before the New Mexico Oil Conservation Commission?

A No, sir, I have not.

Q Are you a graduate petroleum engineer?

A Yes, sir.

Q State briefly your educational background and experience as a petroleum engineer.

A Yes, sir. I was graduated from the Oklahoma State University in January of 1949 with a degree in mechanical engineering with a petroleum production option which involved an additional thirty hours of work associated with petroleum and reservoir engineering.

I did graduate level work at the University of Tulsa; did not acquire a graduate level degree but accumulated twenty-five hours of graduate work in reservoir engineering. I went to work by the -- for the Deep Rock Oil Corporation and worked two years for them as an evaluation engineer in their general office in Tulsa.

I was recalled into active duty in the Navy in 1951 and served two years as a gunnery officer on a destroyer returning to Deep Rock in 1953 and moved to Wichita Falls, Texas, where I was field engineer and later district engineer over their Texas operations.

With the sale of Deep Rock properties to General American, I became district engineer for General American in Abilene, Texas, in 1954, returning to Deep Rock as chief engineer in 1955. Since that time I have progressed from chief engineer to general superintendent and eventually production manager for that company which eventually changed its name to Crescent Oil and Gas Corporation, until they moved their offices to Dallas in June of 1963, at which time I became a consulting engineer.

Q Have you been employed by Robert L. Parker Trust in this case?

A Yes, sir.

Q Have you made a study of the Langlie Mattix Woolworth Unit?

A Yes, sir, I have.

Q And of the Parker Trust Property?

A Yes, sir.

Q Have you prepared or has there been prepared under your direction certain exhibits for introduction in this case?

A Yes, sir.

Q Refer to Exhibit Number One and in your own words go ahead and put on your case as you have planned.

A Yes, sir. I would like to relate to the Commission a little history on the project, if I may. Mr. Parker owns the 160 acre producing lease located in the Southwest of Section 35 of 24 South, 37 East, in Lea County, New Mexico, which is a direct offset to the Langlie Mattix Woolworth Unit operated by Amerada Petroleum Corporation.

Q Is that shown on Exhibit "B"?

A Yes, sir, this is shown on the plat "B" on Exhibit 1 that we have introduced. Amerada commenced operating this waterflood unit in 1963, in April, and in May of 1965 a very significant response was noted to a double five spot injection pattern and since that time, they have

expanded the operation.

Production in the unit area has increased from 150 barrels a day to over 1200 barrels a day. Amerada approached Mr. Parker with the idea of exchanging injection wells across the unit line and this is the purpose I appear before the Commission this morning is to gain approval of this Commission to cooperate with Amerada.

Q Did you originally file this as an application for administrative approval?

A Yes, sir, I did, and we were informed that in this case a hearing would be necessary.

Q And the first page of Exhibit 1 constitutes the application which you filed?

A Yes, sir. Page one is the information that was filed with the Commission setting out our proposed injection rate, location of the well, the plat showing the injection well and Mr. Parker's lease, a log of the well and a diagrammatic sketch of the proposed mechanical hook-up.

The plat is -- incidentally, I might add that the distribution of this material is shown in Exhibit 1 on the page marked "A".

Q In other words, you gave notice to the offset owners --

A Yes, sir, I did.

Q -- and they are listed on "A"?

A Yes, sir.

Q Okay.

A Marked "B" is the plat which, incidentally, was prepared by Amerada and adapted for our purpose by my staff showing the outline of the Woolworth Unit as well as some other waterfloods in the area and Mr. Parker's lease is shown outlined in red with an arrow pointing to the proposed injection well.

In Exhibit 1 labeled "C" is a well log **cable** tool record of the original drilling of this well when it was drilled in 1938. Mr. Parker has owned this well since that time.

Labeled "D" in Exhibit 1 is a diagrammatic sketch of the mechanical hook-up proposed for this injection well in which it's illustrated that tubing and packer will be used to inject into this zone.

Q You propose to use **plastic**-lined tubing?

A Yes, sir, we do.

Q Have a **gauge** on the annulus --

A Yes, sir.

Q -- pressure gauge?

A Right. Labeled "L" is our letter to Mr. Brown at the U. S. Geological Survey District Office in Hobbs in which we filed the required form 9-331 with them and state our intention to cooperate with Amerada in this flood.

Labeled "F" is this form filled out which we mailed to them.

Q This was filed with the U. S. G. S.?

A Yes, sir. Labeled "G" in Exhibit 1 is a return letter from Mr. Brown of the U. S. G. S. stating their satisfaction with our proposed operation and attached to it and labeled "H" is the approved form in which the only notation they make is that approval of the New Mexico Oil Conservation Commission is required. That's what I am here for today.

Labeled "I" in Exhibit 1 is a letter from Amerada in which they state their approval of this operation. I would like to state very briefly that this project came about through our cooperation with Amerada after we had exhausted efforts to perform our own cooperative unit with other operators outside of their Woolworth Unit.

Texaco has notified me that they are in agreement with our plan here and they inject water into a well

immediately north of this tract.

Q In your opinion, will this project be in the interest of conservation and prevention of waste?

A Yes, sir. In my opinion it will.

Q And will tend to protect correlative rights?

A Yes, sir.

MR. HINKLE: We would like to offer in evidence Exhibit 1.

MR. NUTTER: Exhibit 1 of the Applicant will be admitted in evidence.

MR. HINKLE: Is that all you have to present?

THE WITNESS: That's all I have; yes, sir.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Cobb, here on this Parker 160 acre lease you are going to have an injection well in the Northwest corner and then you will have the two producing wells. Is there any porosity or any indication that another well should be drilled in the Southeast corner of that 160 acre tract?

A Very likely we will drill an additional well in that.

Q Which would be an injection well --

A Yes, sir.

Q -- to back up the --

A That's right. Noticing that plat, the wells with the triangles are injection wells and immediately north of Mr. Parker's Erwin tract is the Texaco Friso Number 6, which commenced injection about a year ago and as developments occur that indicate the economic **feasibility** of it, it's our intention to expand to the full extent of the lease.

Q I see.

MR. NUTTER: Are there any further questions of Mr. Cobb? He may be excused.

(Witness excused).

MR. NUTTER: Do you have anything further, Mr. Hinkle?

MR. HINKLE: That's all.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 4416?

MR. HATCH: The Commission has received a letter from Amerada Hess Corporation in favor of the application.

MR. NUTTER: Thank you.

If there's nothing further, we will take the case under advisement.

I N D E X

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STATE OF NEW MEXICO )  
 ) ss  
COUNTY OF BERNALILLO )

I, GLENDA BURKS, Court Reporter in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

Glenda Burks  
Court Reporter

I do hereby certify that the foregoing is a complete record of the hearing of the Bernalillo hearing of case No. 4414 heard by me on 9/30, 1970.  
Glenda Burks  
New Mexico Oil Conservation Commission

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
September 16, 1970

EXAMINER HEARING

IN THE MATTER OF:

Application of Robert L. Parker  
Trust for a waterflood project,  
Lea County, New Mexico.

CASE 4416

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING



MR. NUTTER: Case 4416.

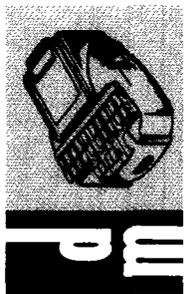
MR. HATCH: Case 4416, continued from the September 2nd, 1970 Examiner Hearing, Application of Robert L. Parker Trust for a waterflood project, Lea County, New Mexico. This Applicant in this case requested it be continued to September 30th.

MR. NUTTER: Case 4416 will be continued to the Examiner Hearing which will be held at this same place on September 30, 1970 at 9:00 o'clock A.M.

dearnley-meier

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
State Land Office Building  
Santa Fe, New Mexico  
September 2, 1970

EXAMINER HEARING

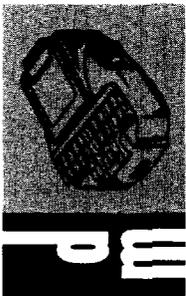
IN THE MATTER OF:

Case No. 4416

Application of Robert L. Parker Trust  
for a waterflood project, Lea County,  
New Mexico.

BEFORE: ELVIS A. UTZ, Examiner

TRANSCRIPT OF HEARING



MR. UTZ: We have four continued cases which we will take up first. Case No. 4416.

MR. HATCH: Application of Robert L. Parker Trust for a waterflood project, Lea County, New Mexico. Applicant in the above styled cause seeks authority to institute a cooperative waterflood project in the Langlie-Mattix Pool on its George L. Erwin Lease by the injection of water through its Erwin Well No. 2 located in Unit L of Section 35, Township 24 South, Range 37 East, Lea County, New Mexico.

We have received a request the case be continued to September 16, 1970.

MR. UTZ: Case No. 4416 will be continued to September 16, 1970.

MR. HATCH: I assume at that time it would be 9:30 on September 16th.

MR. UTZ: That is what the docket says.

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

I, Peter A. Lumia, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Peter A. Lumia  
Peter A. Lumia, C.S.R.

I do hereby certify that this is a complete record of the proceedings of the Bernalillo hearing of Case No. 4416 heard by me on 9-20-70.  
[Signature]  
New Mexico Oil Conservation Commission