

CASE 1768: Application of T. F.  
HODGE for rededication of acreage  
assigned 3 oil wells on Mary E.  
Wills Lease - Lea Co.

Case No.

1768

Application, Transcript,  
Small Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 1768  
Order No. R-1514

APPLICATION OF T. F. HODGE FOR  
THREE NON-STANDARD OIL PRORATION  
UNITS AND ONE UNOBTAINED OIL WELL  
LOCATION IN THE JALMAT GAS POOL,  
LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 1939, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 121a of the Commission Rules and Regulations.

Now, on this 2<sup>nd</sup> day of October, 1939, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, T. F. Hodge, is the owner and operator of Lots 1, 2, 3, and 4 in Section 33, Township 26 South, Range 27 East, N.M.P., Lea County, New Mexico.

(3) That the applicant proposes the establishment of three 40-acre non-standard oil proration units in the Jalmat Gas Pool which together comprise a portion of the above-described acreage and which are more particularly described below:

(a) Proposed proration unit no. 1 consists of the following-described 40-acre tract: Beginning at the Southwest corner of said Section 33; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning.

-2-

Case No. 1760

Order No. K-1814

(b) Proposed proration unit no. 2 consists of the following-described 40-acre tract: Beginning at the Southeast corner of proposed proration unit no. 1; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning.

(c) Proposed proration unit no. 3 consists of the following-described 40-acre tract: Beginning at the Southeast corner of proposed proration unit no. 2; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning.

(4) That the applicant proposes to dedicate the above-described proration units respectively to wells drilled at the following-described locations:

(a) A well located 660 feet from the South line and 660 feet from the West line of said Section 33.

(b) A well located 660 feet from the South line and 1980 feet from the West line of said Section 33.

(c) A well located 660 feet from the South line and 1980 feet from the East line of said Section 33, which location is unorthodox if the proposed unit is approved.

(5) That since proposed proration unit no. 3 includes a dry hole drilled to the same common source of supply for which the non-standard units are sought, the entire 40-acre tract proposed as the proration unit cannot reasonably be presumed to be productive of oil from the Jalnet Gas Pool.

(6) That proration unit no. 3 should be limited to a 35.7-acre tract described as follows:

Beginning at the Southeast corner of proposed proration unit no. 2; thence North 1095 feet; thence East 1420 feet; then South 1095 feet; thence West 1420 feet back to the point of beginning.

-3-

Case No. 1768  
Order No. A-1314

(7) That approval of the subject application as modified by finding no. 6 will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 40-acre non-standard oil proration unit in the Jalmat Gas Pool, Lea County, New Mexico, comprising the following-described acreage be and the same is hereby established:

Beginning at the Southwest corner of Section 33, Township 26 South, Range 37 East, N.M.P., Lea County, New Mexico; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1095 feet back to the point of beginning. Said unit is to be dedicated to a well located 660 feet from the South line and 660 feet from the West line of said Section 33.

(2) That a 40-acre non-standard oil proration unit in the Jalmat Gas Pool comprising the following-described acreage be and the same is hereby established:

Beginning at the southeast corner of the proration unit described in paragraph 1; thence North 1095 feet; thence East 1595 feet; thence South 1095 feet; thence West 1595 feet back to the point of beginning. Said unit is to be dedicated to a well located 660 feet from the South line and 1980 feet from the West line of said Section 33.

(3) That a 33.7-acre non-standard oil proration unit in the Jalmat Gas Pool comprising the following-described acreage be and the same is hereby established:

Beginning at the Southeast corner of the proration unit described in paragraph 2; thence North 1095 feet; thence East 1420 feet; thence South 1095 feet; thence West 1420 feet back to the point of beginning. Said unit is to be dedicated to a well located 660 feet from the South line and 1960 feet from the East line of said Section 33.

-4-  
Case No. 1760  
Order No. R-1514

(4) That the allowable assigned to the 35.7-acre non-standard oil proration unit described in the preceding paragraph shall bear the same ratio to a standard allowable in the same common source of supply as the acreage in the non-standard oil proration unit bears to the acreage in a standard oil proration unit in the same common source of supply.

(5) That the effective date of this order is November 1, 1939.

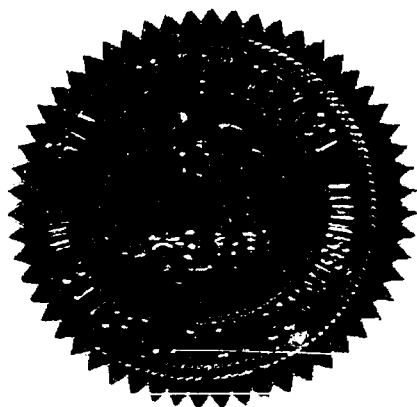
DONE at Santa Fe, New Mexico on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John Burroughs*  
JOHN BURROUGHS, Chairman

*Murray E. Morgan*  
MURRAY E. MORGAN, Member

*A. L. Porter, Jr.*  
A. L. PORTER, Jr., Member & Secretary



lcr/

OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

October 27, 1959

Mr. Kirk Newman  
Atwood & Malone  
P. O. Box 867  
Roswell, New Mexico

Dear Mr. Newman:

On behalf of your client, T. F. Hodge, we enclose  
two copies of Order No. R-1514 issued by the Oil  
Conservation Commission on October 26, 1959 in Case  
No. 1768.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

lr/

Enclosures: (2)

DOCKET: EXAMINER HEARING SEPTEMBER 30, 1959

Oil Conservation Commission - 9 a.m., Mabry Hall, State Capitol, Santa Fe, New Mexico

The following cases will be heard before Daniel S. Nutter, Examiner, or A. L. Porter, Jr., Secretary-Director.

CONTINUED CASE

CASE 1739: Application of Shell Oil Company for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Henshaw Deep Unit Agreement comprising 4824 acres, more or less, of Federal and State lands in Township 16 South, Ranges 30 and 31 East, Eddy County, New Mexico.

NEW CASES

CASE 1760: Application of The Atlantic Refining Company for an automatic custody transfer system and for permission to produce more than 16 wells into a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing it to install an automatic custody transfer system to handle the production from all Horseshoe-Gallup oil wells on its Navajo "B" Lease comprising certain acreage in Township 31 North, Range 16 West, San Juan County, New Mexico.

CASE 1761: Application of Stanton Oil Company, Ltd., for a pilot water flood project. Applicant, in the above-styled cause, seeks an order authorizing it to institute a pilot water flood project in the Turkey Track Pool in Eddy County, New Mexico, by the injection of water into the Queen formation through four wells located in Section 34, Township 18 South, Range 29 East.

CASE 1762: Application of Newmont Oil Company for an unorthodox water injection well location. Applicant, in the above-styled cause, seeks an order authorizing it to reopen and utilize for water injection a well located on an unorthodox location at a point 1620 feet from the North line and 1020 feet from the West line of Section 32, Township 16 South, Range 31 East, Square Lake Pool, Eddy County, New Mexico.

CASE 1763: Application of Southwestern Hydrocarbon Company for an order abolishing the Sawyer-San Andres and South Sawyer-San Andres Oil Pools in Lea County, New Mexico, and creating the Sawyer-San Andres Gas Pool; or in the alternative for an order extending the horizontal limits of the South Sawyer-San Andres Oil Pool to include the NE/4 of Section 6, the N/2 of Section 5 and the NW/4 of Section 4, Township 10 South, Range 38 East, Lea County, New Mexico, and removing all gas-oil ratio limitations for wells in said pool; or in the alternative for an order combining the Sawyer-San Andres and the South Sawyer-San Andres Oil Pools, as well as the intervening acreage, and removing all gas-oil ratio limitations for such pool.

CASE 1764: Application of Standard Oil Company of Texas for an unorthodox gas well location. Applicant, in the above-styled cause, seeks an order authorizing an unorthodox gas well location in the Atoka-Pennsylvanina Gas Pool, at a point 1850 feet from the South line and 1650 feet from the East line of Section 14, Township 18 South, Range 26 East, Eddy County, New Mexico.



- CASE 1765: Application of The Ohio Oil Company for a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water into the Lower San Andres formation through its State B-4286 "A" Well No. 2, located in Unit F, Section 2, Township 17 South, Range 36 East, Lea County, New Mexico. The proposed injection interval is from 5725 feet to 5968 feet.
- CASE 1766: Application of Northwest Production Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its "S" Well No. 16-2, located in the SW/4 SW/4 of Section 2, Township 24 North, Range 4 West, Rio Arriba County, New Mexico, in such a manner as to produce oil from an undesignated Gallup oil pool and to produce oil from an undesignated Dakota oil pool through parallel strings of tubing.
- CASE 1767: Application of El Paso Natural Gas Products Company for permission to produce more than 16 wells in a common tank battery. Applicant, in the above-styled cause, seeks an order authorizing the production of a maximum of 35 wells in the Horseshoe-Gallup Oil Pool into a common tank battery. Said wells are located on applicant's Horseshoe Ute Lease comprising portions of Sections 27, 28, 33 and 34, Township 31 North, Range 16 West, San Juan County, New Mexico.
- CASE 1768: Application of T. F. Hodge for the rededication of acreage assigned to three oil wells in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order rededicating the acreage assigned to three oil wells on his Mary E. Wills Lease, Section 33, Township 26 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico. Applicant proposes to dedicate 40 acres to each of the three wells, said 40-acre units not to comprise a quarter-quarter section or legal subdivision.
- CASE 1769: Application of Pan American Petroleum Corporation for approval of a unit agreement. Applicant, in the above-styled cause, seeks an order approving its Northeast Hogback Unit Agreement, comprising 10,572 acres, more or less, in Township 30 North, Range 16 West, San Juan County, New Mexico.
- CASE 1770: Application of Pan American Petroleum Corporation for approval of a lease automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the automatic custody transfer of oil produced from its Lois Wengerd Lease in Sections 23 and 24, Township 12 South, Range 37 East, Gladiola-Devonian Pool, Lea County, New Mexico.
- CASE 1771: Application of Pan American Petroleum Corporation for approval of a lease automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the automatic custody transfer of oil produced from its USA Malco Refinery "F" Lease, Section 1, Township 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico.
- CASE 1772: Application of Pan American Petroleum Corporation for approval of an automatic custody transfer system for four state leases in the Empire-Abo Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order amending Order No. R-1292 to provide for automatic custody transfer of oil commingled thereunder.

- CASE 1773: Application of Pan American Petroleum Corporation for approval of two automatic custody transfer systems for seven federal leases in the Empire-Abo Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order amending Order No. R-1399 to provide for automatic custody transfer of oil produced into the two commingled tank batteries authorized therein.
- CASE 1774: Application of Continental Oil Company for a non-standard gas unit. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas unit in an undesignated Tubb gas pool consisting of the E/2 NW/4 and the W/2 NE/4 of Section 15, Township 20 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Britt B-15 No. 10 Well, located in the SW/4 NE/4 of said Section 15.
- CASE 1775: Application of Continental Oil Company for a non-standard gas unit. Applicant, in the above-styled cause, seeks the establishment of a 160-acre non-standard gas unit in an undesignated Tubb gas pool consisting of the E/2 SE/4 of Section 15 and the W/2 SW/4 of Section 14, all in Township 20 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's SEMU Well No. 70, located in the NW/4 SW/4 of said Section 15.
- CASE 1776: Application of Continental Oil Company for an exception to the overproduction shut-in provisions of Order R-520, as amended by Order R-967, for nine wells in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing the following-described wells in the Jalmat Gas Pool to compensate for their overproduced status without being completely shut-in in order to prevent possible waste:  
Ascarate D-24 Well No. 1, Unit J, Section 24, T-25-S, R-36-E, Danciger A-8 Well No. 2, Unit P, Section 8, T-23-S, R-36-E, Jack A-20 Well No. 4, Unit G, Section 20, T-24-S, R-37-E, Jack A-29 Well No. 3, Unit H, Section 29, T-24-S, R-37-E, Meyer A-29 Well No. 1, Unit O, Section 29, T-22-S, R-36-E, Meyer B-28 Well No. 1, Unit E, Section 28, T-22-S, R-36-E, State A-32 Well No. 4, Unit F, Section 32, T-22-S, R-36-E, Stevens A-34 Well No. 1, Unit E, Section 34, T-23-S, R-36-E, Wells B-1 Well No. 1, Unit A, Section 1, T-25-S, R-36-E, all in Lea County, New Mexico.
- CASE 1777: Application of El Paso Natural Gas Company for an exception to the overproduction shut-in provisions of Order R-520, as amended by Order R-967, for two wells in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing its E. J. Wells Lease Well No. 13, Unit L, Section 5, and its Wells B-4 Lease Well No. 1, Unit D, Section 4, both in Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to compensate for their overproduced status without being completely shut-in in order to prevent possible waste.
- CASE 1778: Application of Olsen Oils, Inc., for an exception to the overproduction shut-in provisions of Order R-520, as amended by Order R-967, for four wells in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing the following-described wells in the Jalmat Gas Pool to compensate for their overproduced status without being completely shut-in in order to prevent possible waste:  
Cooper B Well No. 2, NE/4 NW/4 of Section 14, T-24-S, R-36-E, Myers B Well No. 1, SE/4 NW/4 of Section 13, T-24-S, R-36-E, S. R. Cooper Well No. 1, SE/4 NE/4 of Section 23, T-24-S, R-36-E, Winningham Well No. 3, NE/4 SE/4 of Section 30, T-25-S, R-37-E, all in Lea County, New Mexico.

- CASE 1779: Application of Jal Oil Company for an exception to the overproduction shut-in provisions of Order R-520, as amended by Order R-967, for four wells in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing the following-described wells in the Jalmat Gas Pool to compensate for their overproduced status without being completely shut-in in order to prevent possible waste:
- Legal Well No. 2, NE/4 SE/4 of Section 21,  
Dyer Well No. 3, SE/4 NE/4 of Section 31,  
Jenkins Well No. 2, NE/4 SW/4 of Section 29,  
Ropollo Well No. 1, SW/4 NW/4 of Section 28,  
all in Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 1780: Application of Husky Oil Company for an exception to the overproduction shut-in provisions of Order R-520, as amended by Order R-967, for one well in the Jalmat Gas Pool. Applicant, in the above-styled cause, seeks an order allowing its Montecito Woolworth Well No. 2, Unit M, Section 33, Township 24 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, to compensate for its overproduced status without being completely shut-in in order to prevent possible waste.
- CASE 1781: Application of Texaco, Inc. for permission to continue producing an over-produced Jalmat gas well at a lesser rate. Applicant, in the above-styled cause, seeks an order authorizing it to produce its C. C. Fristoe (b) NCT-4 Well No. 2, Unit M, Section 31, Township 24 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, at a maximum rate of 2500 MCF per month for lease use until over production has been compensated for.

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

1201

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

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DAN NUTTER=

OIL CONSERVATION COMMISSION SANTA FE NMEX:

=DURING THE TESTIMONY SEPTEMBER 30TH OF CASE #1768,  
APPLICATION OF T. F. HODGE FOR THE REDUCTION OF AGREAGE  
ASSIGNED TO THE THREE OIL WELLS IN THE JALMAT GAS POOL,  
I INADVERTENTLY STATED THE LEASE IN THIS CASE WAS A  
STATE LEASE. PLEASE CORRECT MY TESTIMONY TO SHOW IT IS  
A FEDERAL LEASE=

K K AMTNT==

:30 #1768 •

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

T. F. HODGE  
OIL PRODUCER  
1113 CONTINENTAL BANK BUILDING  
FORT WORTH 2, TEXAS

August 24, 1959

Oil Conservation Commission  
Box 871  
Santa Fe, New Mexico

Re: Application to Alter Proration Units,  
Exception to Rule 104, T. F. Hodge -  
Mary E. Wills Federal Lease, Sec. 33,  
T-26-S, R-37-E, Lea County, New Mexico

Gentlemen:

Attached you will find a plat showing the T. F. Hodge - Wills Federal Lease in Section 33, T-26-S, R-37-E, Lea County. Operator has six producing wells on this lease.

Wells 3, 6, and 7 are set up on forty-acre units and are allocated an allowable accordingly. Wells 1, 2, and 4 are set up on thirty-three acre units and the allowable is penalized in accordance with the acreage shortage. The short units were necessarily created since the south half of the north half of Section 33 contains only 132 acres.

Since Well No. 5, located in the southeast corner of the section, was a dry hole and since no more development is contemplated, Operator respectfully requests the units under Wells 1, 2, and 4 be rearranged to allow forty-acre units. Each unit can be extended eastward a distance sufficient to allow each well a forty-acre unit. The attached plat shows the proposed altered units in red.

Operator respectfully requests that this application be set for hearing at the earliest convenient date.

Yours very truly,

T. F. HODGE

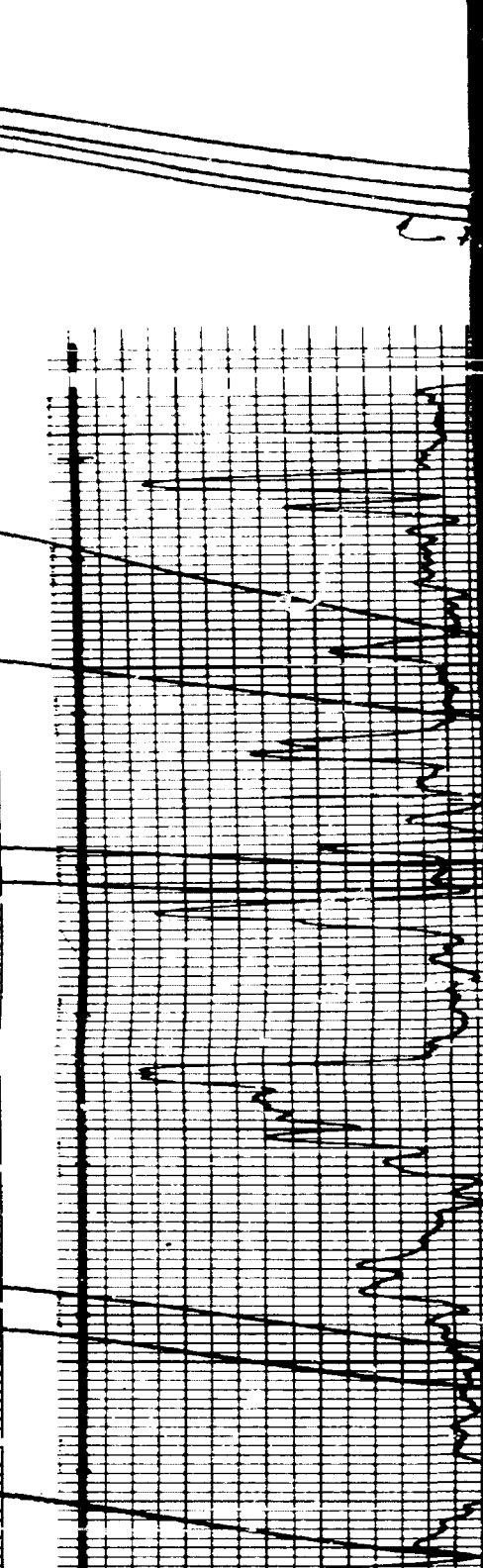
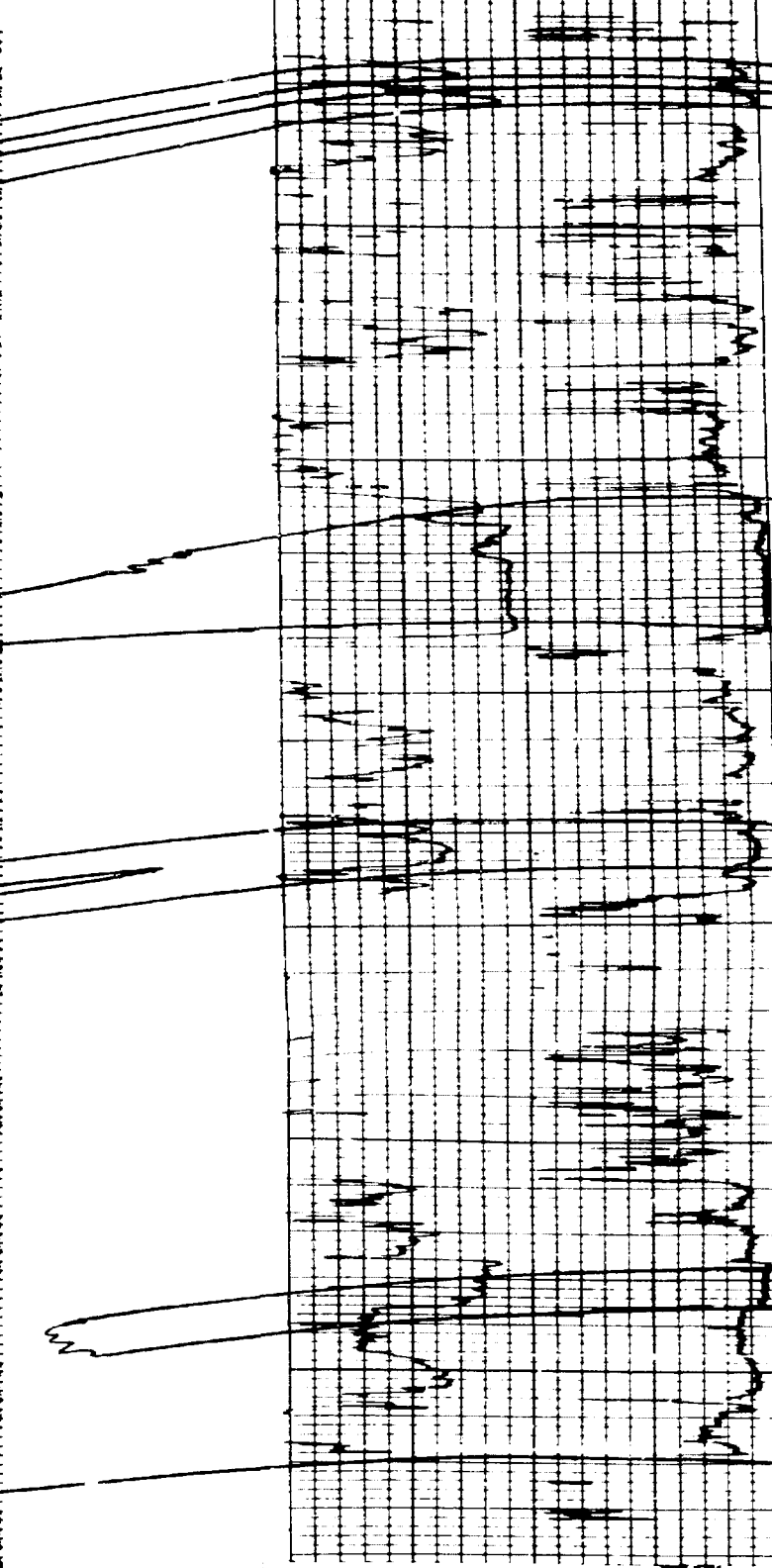
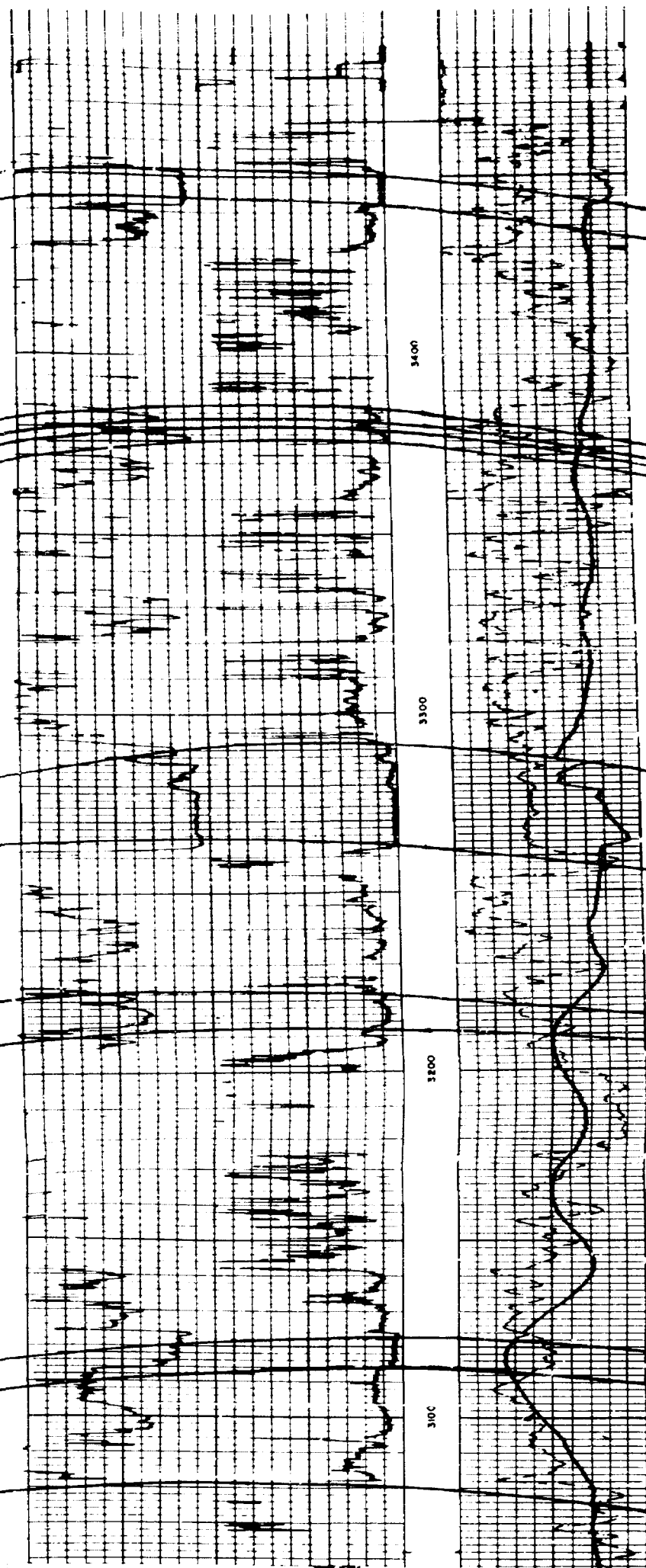
*Leroy Gideon*

Leroy Gideon

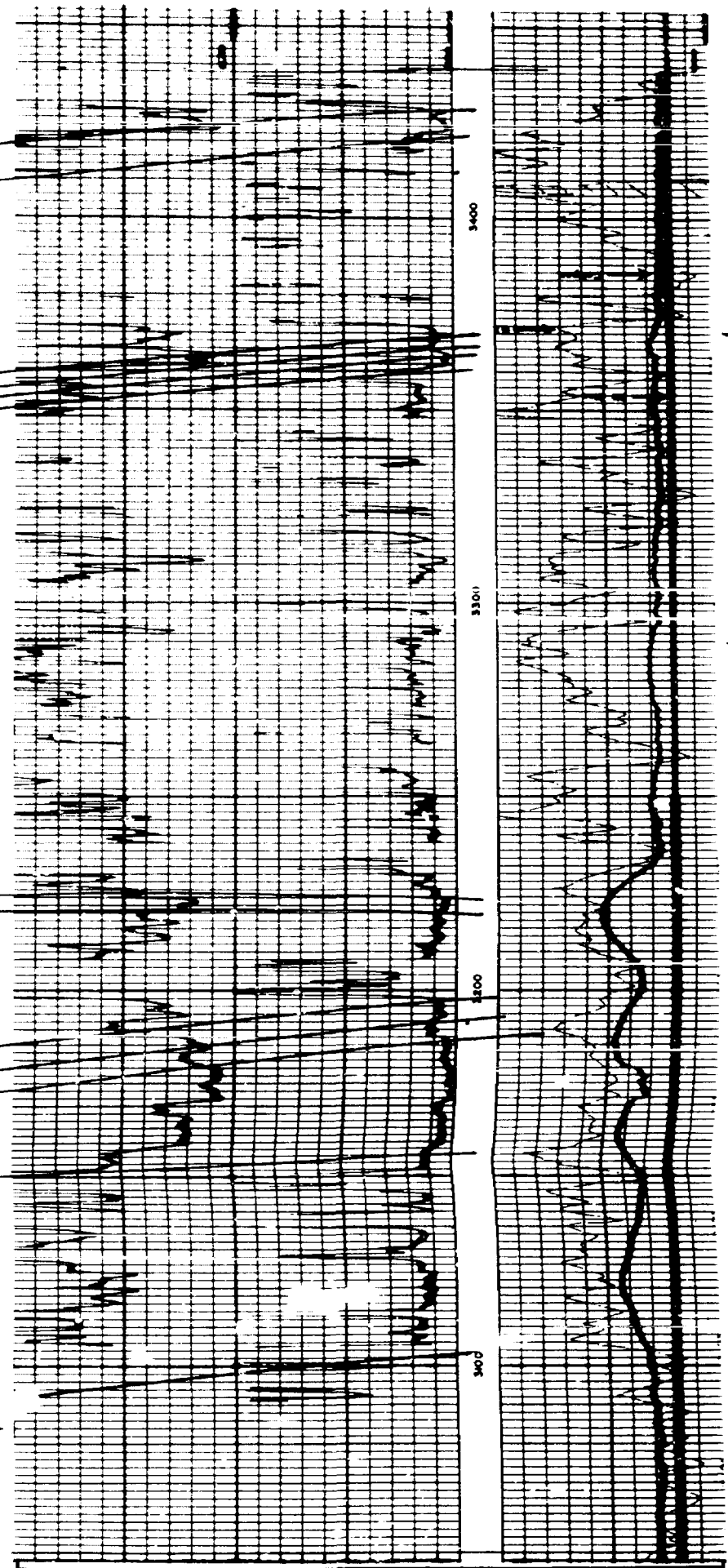
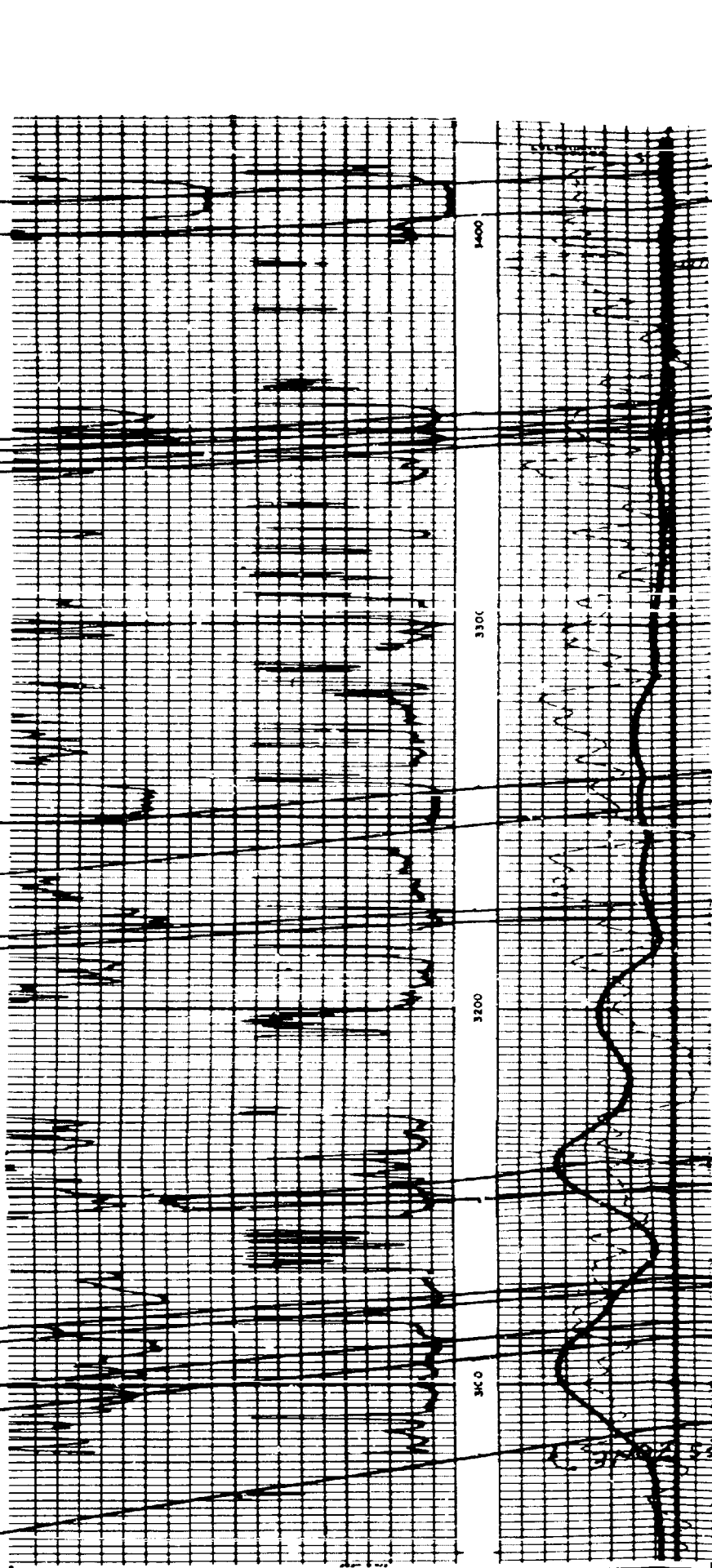
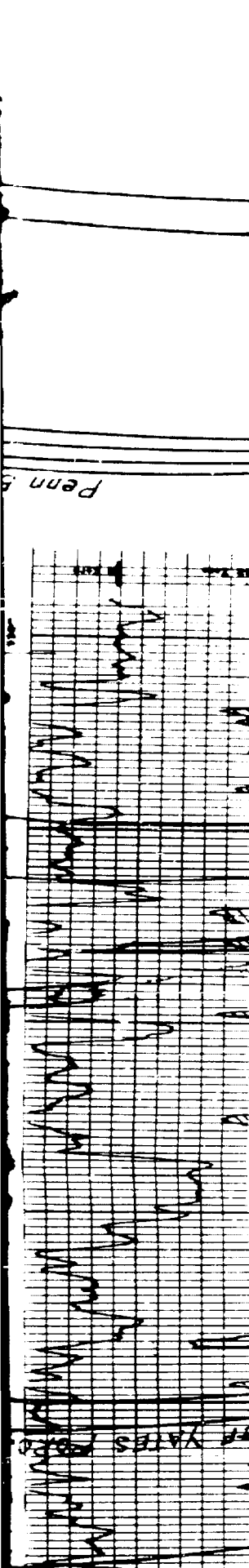
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enclosure

*Received  
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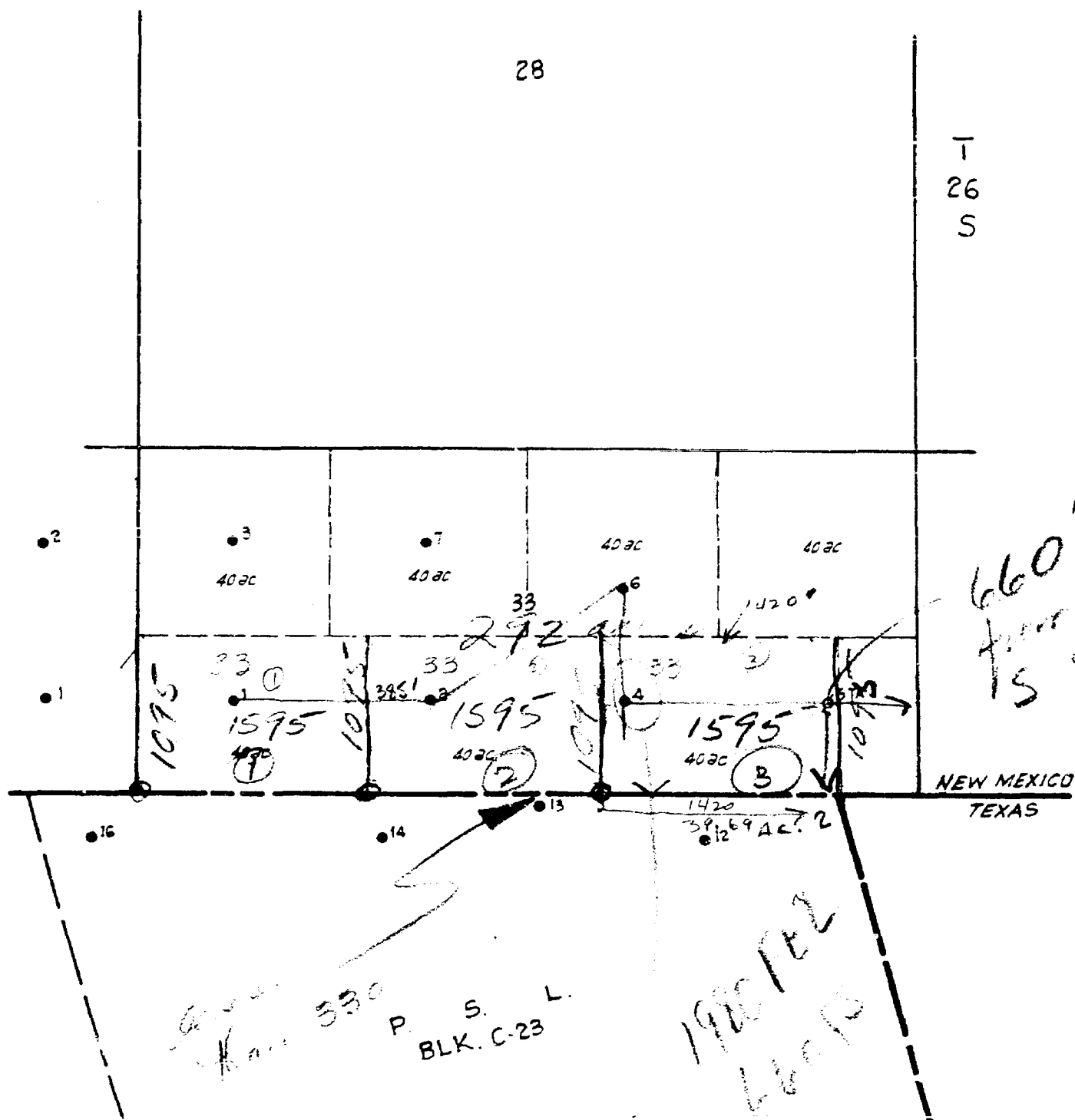




R-37-E

28

T  
26  
S





T.F. HODGE  
WILLS-FEDERAL 292 Ac.  
JAL-MAT FIELD  
LEA CO. N.MEX.

$$\begin{array}{r} 115.7 \\ \hline \end{array}$$

385

7.4  
6  
300  
317  
110

$$\begin{array}{r} 1045 \times 1420 = \\ \hline 43560 \end{array}$$

$$\begin{array}{r} 1554900 \\ \hline 43560 \end{array}$$

35.69

1320  
1430

$$\begin{array}{r} 1095 \times 1595 = 40.09 \\ \hline 43560 \end{array}$$

$$1045 \times 1420 = 35.7$$

$$\begin{array}{r} 5280 \\ 060 \\ \hline 4620 \end{array}$$

$$\begin{array}{r} 1515 \\ 1515 \\ \hline 4600 \end{array}$$

43,560

1,563,900

$$\begin{array}{r} 1045 \\ 1420 \\ \hline 2190 \\ 4476 \\ \hline 1095 \\ \hline 1,563,900 \end{array}$$

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
SEPTEMBER 30, 1959.

IN THE MATTER OF:

Application of T. F. Hodge for the rededication  
of acreage assigned to three oil wells in the  
Jalmat Gas Pool. Applicant, in the above-styled  
cause, seeks an order rededicating the acreage  
assigned to three oil wells on his Mary E. Wills  
Lease, Section 33, Township 26 South, Range 37  
East, Jalmat Gas Pool, Lea County, New Mexico.  
Applicant proposes to dedicate 40 acres to each  
of the three wells, said 40-acre units not to  
comprise a quarter-quarter section or legal  
subdivision.

CASE NO.  
1768

BEFORE:

Daniel S. Nutter, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. NUTTER: Next case on the docket is 1768.

MR. PAYNE: Case Number 1768. Application of T. F.  
Hodge for the rededication of acreage assigned to three oil wells  
in the Jalmat Gas Pool.

MR. NEWMAN: Kirk Newman of Atwood and Malone, Roswell,  
New Mexico, appearing for the applicant. We have one witness.

(Witness sworn.)

\*\*\*\*\*

K. K. A M I N I, a witness, called by and on behalf of the Appli-  
cant, being first duly sworn, was examined and testified  
as follows:



DIRECT EXAMINATION

BY MR. NEWMAN:

Q State your name.

A My name is K. K. Amini, I'm a Petroleum Engineer with T. F. Hodge.

Q Mr. Amini, have you previously testified before this Commission?

A No, sir.

Q Will you state briefly your educational qualifications?

A I'm a Petroleum Engineer, I graduated from University of Kansas, June 1959; I worked for Sunray Oil Corporation until 1954, then with Delhi Oil for another year, and for the past four years I have been Petroleum Engineer and Managing Superintendent for T. F. Hodge.

MR. NEWMAN: Are his qualifications accepted?

MR. NUTTER: Yes, sir.

Q (By Mr. Newman) Would you refer to what has been marked as Applicant's Exhibit 1, and state what that exhibit is?

A This is a plat of Section 33, Township 26 South, Range 37 East, and consists of 292 acres.

Q Does the entire section have only 292 acres? Is it a short section?

A Yes, sir, small short section, 292 acres, and we have drilled, as of today, we have drilled seven wells on this lease, and we have three wells that have actually 40-acre units assigned



to it, and the other three, those three wells as are indicated, we are applying for a 40-acre unit for those three wells.

Q What is the size in acres of a regular quarter-quarter section those wells are located on?

A Well, Numbers 1, 2 and 4, they are each 40-acre units.

Q And the three wells on the lower tier are on how many acre unit?

A All three of them are 40-acre units.

Q Those three are on 33-acre units, are they not?

A Yes. This application is to enlarge those units to 40-acres.

Q Does your plat show all of the offset wells to this acreage, producing from this formation?

A Yes, sir, it does.

Q And the wells are producing from it?

A They are producing from the Yates sand, which is lenticular-wise sand lenses, which are virgin and they haven't been drained and completed in different sections, as indicated in the cross section.

Q Is it true that the south boundary line of this lease is the State of Texas?

A Yes, sir, it is.

Q And who is the royalty owner, mineral owner, under this reservoir?

A The State of New Mexico.



Q Is the working interest ownership of the entire section there common?

A Yes, it is.

Q Would you refer to what has been marked as the Applicant's Exhibit Number 2, the cross section, and state what that exhibit shows, and state which wells are included?

A This cross section is an East-West cross section -- I mean, West to East, I'm sorry, through wells Number 1, Number 2, Number 6, Number 4, and Number 5 wells, it is more or less a schematic cross section showing the producing permeable horizons encountered in these wells.

Q Would you state what the yellow markings are?

A These cross sections are made from a marker setting log, showing the porosity, or log sand sections, and all of these sand sections are saturated with water, except those covered by the yellow streaks are water-bearing formation, and at the present time the Willis-Federal Number 1 produced above 3000, all the sand sections perforated in well Number 1. Well Number 2, 6 and 4 are producing from a sand section between intervals of 3250 to about 3270, that massive sand section; and Well Number 4 actually encounters the thickest zone that is encountered in this section, and after perforating the well, after treatment, the well flowed. We know that these wells are visual zones and disconnected from the Eastwise part of Jalmat Field in this field. Well Number 5, which up to date is a temporary abandoned well, encountered the



same band, but only about three and a half to four feet is developed sand. We temporarily abandoned the well, we did not, you know, pipe in the well on Number 5, but more or less the remnant of that sand is present in that well, it actually does not show and it wasn't well developed.

Q Is the nature of the sand body encountered in your well Number 4, which offsets the well temporarily abandoned, such as you consider that the oil in that area of that well would be drained, if the one that wasn't completed would be drained by Number 4?

A We certainly do, because this sand as indicated on the log, it has over 25.4 percent porosity, and it indicates that that well will drain more than 40-acres, that took no treatments, actually it was a dry well; recently we just fracked it.

Q Mr. Amini, our Exhibit Number 1, shows that we have offset wells on the Texas side of this pool, are those wells completed in the same formation?

A Yes, sir, well Number 12, 13, 14, are completed in that section.

Q And in your opinion, are they producing out of the same reservoir, same common source of supply?

A They definitely are, well Number 13 apparently is not a hundred fifty feet from our lease line.

Q On the basis of the short unit allowable for 33-acres assigned to this well, what is the approximate comparison of the



producing rate from your wells, and the wells on the Texas side?

A Wells on the Texas side are drilled on a 20-acre spacing pattern, and they are designated as wells in like field, and they are capacity allowable wells, and they produce 55 barrels a day for 50 days; they are prorated units, and they are only producing 33 barrels a day for 30 days, they are three or four times more.

MR. NUTTER: They produce 33 barrels a day?

A No, I'm sorry, they are prorated, but on that basis, produce as 33-acre units.

MR. NUTTER: How much is your actual allowable on these wells 2, 3, and 4?

A Offhand, I couldn't say, but it is on the same ratio, 33/40 of the allowable.

Q (By Mr. Newman) Could your Number 5 well which is temporarily abandoned, be completed satisfactorily?

A Yes, it could, but I believe that as soon as, or later its production would be curtailed and dropped, and it wouldn't have been commercial. That is the reason that we chose not to run pipe on that well.

Q Is it your opinion that all of your acreage which will be allotted to, especially Number 4 -- do you consider that all of that acreage would be productive of oil, and if the application is granted on 40-acres, assigned to each well?

A To the best of my knowledge, I definitely believe



it is productive, since well Number 5, besides sand alone, we got two other stringers that are in that Number 6, which is a good well, and I believe that probably most of the 40-acre unit assigned, Well Number 4 should be productive of oil.

Q And your opinion is that Well Number 4 drains the entire 40-acre unit as outlined in your Exhibit 1?

A Yes, sir.

Q Were these exhibits prepared by you, under your direction?

A It was prepared by myself, yes, sir.

MR. NEWMAN: That's all.

MR. NUTTER: Any questions of Mr. Amini?

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Amini, this well here in Texas, how far is that from the New Mexico line?

A Apparently it is less -- well, it could be 330, but when you drive by, it just looks a lot shorter than that to me; I think the plat is actually correct.

Q Is this plat drawn to scale? What fraction of an inch is that from the State line?

A I would say it was a hundred seventy-five feet.

Q Are they permitted to drill a location like this without a hearing, or was this location granted as a result of the hearing?





A No, they had a hearing on that, probably the surveyor has made a mistake, it should be 330 feet.

Q These other wells are located 330 feet from the State line?

A Yes, sir, definitely; more than 330.

Q Who is the owner of that; owner in Texas?

A Doctor Dunn drilled those wells.

Q Now, Mr. Amini, if the Commission should authorize these units that you have requested here, and they would have to be described, how would you describe them?

A The first one would be the West 40 acres of that particular section, however, I think those are probably designated 1, 2, 3 and 4, West 40 acres, and then it would be the East 40 of the West 80, and East 40 of the West 120, that is the way you do it in Texas all the time; that is the way you describe it.

Q You have no footage description?

A They are 1595 feet wide, calculated, actually.

Q You mean from the West line of Section 33, to the dotted line in between line number 1 and 2 is 1595 feet --

A Yes, sir.

Q -- from that dotted line to the next dotted line?

A 1595 feet.

Q From the next --

A 1595 feet.

Q In other words, you have three lines cutting ahead



and parallel, and they are 1595 feet apart?

A Yes, sir, they are 1595 feet.

Q And all the lines are 1595 feet long?

A Yes, sir.

Q How much actual show of oil did you have in the Number 5 Well, Mr. Amini?

A We had -- it was kind of shady, but we had three and a half to four feet of pay.

Q Did you take a drill stem test on this?

A No, sir, we did not.

Q And the well did not produce any oil at all then?

A No, we did not run pipe on this well; on the upper section we had 8 feet, and 8 feet on the lower zone.

Q How do you know you had any saturation on that?

A Well, we cored that too.

Q You did core?

A Yes, sir.

Q Do you have an analysis of that core?

A That section was not analyzed; when it was, as I understand it, it was shady.

Q You did not have the core analyzed?

A We analyzed the upper sections.

Q The two sections you analyzed, do they have any oil?

A Eight or nine millidarcies.

Q Any saturation?



A 15 or 16 percent oil.

Q On each of the two sections?

A Yes, sir.

MR. NUTTER: Any further questions of Mr. Amini?

QUESTIONS BY MR. FAINE:

Q What are you supposed to do with the acreage that is left here to the East of your unit, proposed unit for your Number 4 well?

A Well, that 12 acres that you are talking about --

Q Is that what it is, 12 acres?

A Yes, sir. At this time, we are just going to leave it idle until the time we flood, and we will probably drill another well.

Q Do you have any present plans to drill a well on the East of your Number 6 well?

A Yes, we probably will drill it.

Q Will you drill it on the State line and dedicate 52 acres?

A Yes, sir.

MR. NUTTER: Any further questions of Mr. Amini? He may be excused. Does anyone have any further witnesses to offer in 1768? Do you wish to offer your exhibits?

MR. NEWMAN: We offer Exhibits 1 and 2.

MR. NUTTER: Without objection, it will be entered in evidence. We will take the case under advisement.



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

I, G. R. GONZALEZ, Court Reporter, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript by me and/or under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the 10th day of November, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

*G. R. Gonzalez*

G. R. GONZALEZ, Court Reporter.

I do hereby certify that the foregoing is a complete record of the proceedings in the Oil Conservation Commission Case No. 1748, heard by me on 9-30, 1959.

*[Signature]*, Examiner  
 New Mexico Oil Conservation Commission

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ALBUQUERQUE, NEW MEXICO



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