

CASE 2412: Application of VAL R.
REESE for an unorthodox gas well
location and non-standard gas unit.

-asa//o.

241

plication, Transcript,

and 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. 2412
Order No. R-2110

APPLICATION OF VAL R. REESE
& ASSOCIATES, INC., FOR A NON-
STANDARD GAS PRORATION UNIT
AND FOR AN UNORTHODOX GAS WELL
LOCATION, RIO ARRIBA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 25, 1961, 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 1214 of the Commission Rules and Regulations.

NOW, on this 1st day of November, 1961, 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, Val R. Reese & Associates, Inc., is the owner and operator of the NE/4 of Section 9, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.
- (3) That the applicant seeks the establishment of a 152.02-acre non-standard gas proration unit in an undesignated Gallup pool consisting of the NE/4 of said Section 9, resulting from a deviation in the United States Public Land Survey.
- (4) That the applicant further seeks permission to dedicate the above-described 152.02-acre unit to its Benn Well No. 1-9, located at an unorthodox location 2210 feet from the North line and 330 feet from the East line of said Section 9.
- (5) That the said Benn Well No. 1-9 was staked and drilled as a Gallup oil well, but the evidence at hand to date indicates it was completed as a Gallup gas well.

-2-

CASE No. 2412
Order No. N-2110

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 152.02-acre non-standard gas proration unit in an undesignated Gallup pool is hereby established comprising the NE/4 of Section 9, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

(2) That the acreage factor for allowable purposes assigned to the above-described 152.02-acre non-standard gas proration unit shall bear the same ratio to a standard acreage factor as the acreage in said unit bears to 160 acres.

(3) That the applicant, Val R. Reese & Associates, Inc., is hereby authorized to dedicate the above-described 152.02-acre non-standard gas proration unit to its Benn Well No. 1-9, located at an unorthodox location 2210 feet from the North line and 330 feet from the East line of said Section 9.

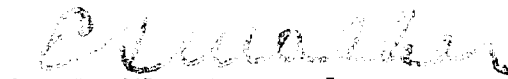
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



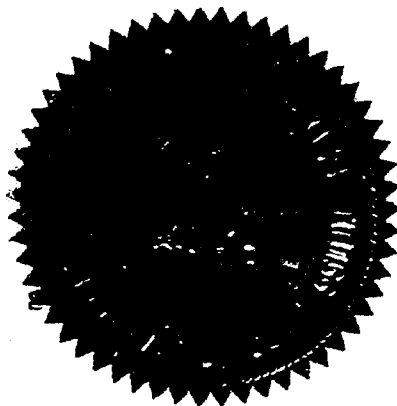
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



esr/

State of New Mexico
Oil Conservation Commission



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

November 1, 1961

Re: Case No. 2412
Order No. R-2110
Applicant:
Val R. Reese & Associates, Inc.

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

A. L. Porter, Jr.

Carbon copy of order also sent to:

OTHER _____

OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Date 10/27/61

CASE 2412

Hearing Date 9am 10/25
DSN @ SF

My recommendations for an order in the above numbered cases are as follows:

Enter an order approving non-std
location for Val R. Reese & Assoc., Inc
Huerfano well no 1-9, 2210 from N line
and 330' FEL 9 23N 7W

Find that:

Well was ^{staked} drilled ~~as~~ as a
gallup oil well and, so far as
can be determined at this
time, is instead a Gallup gas
well.

Also approve non-std gas unit
comprising 152.02 acres, being the
NE 1/4 of said Sec 9. This is the
result of a deviation ⁱⁿ the U.S. Public
Land Survey.

Sam H. Hume
Examiner

No. 29-61

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 25, 1961

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, as alternate examiner:

Cases 2413 through 2420 will not be heard before 1:00 P.M.

CASE 2403:

In the matter of the hearing called by the Oil Conservation Commission to permit Henry W. Etz, Jr. and all interested parties to appear and show cause why the Rice Andrews Well No. 1, located in Unit C, Section 14, Township 14 South, Range 25 East, Chaves County, New Mexico, should not be replugged in accordance with a Commission-approved plugging program.

CASE 2404:

Application of Continental Oil Company for a 272.38-acre non-standard gas proration unit, Lea County, New Mexico. Applicant in the above-styled cause, seeks the establishment of a 272.38-acre non-standard gas proration unit in the Eumont Gas Pool, comprising Lots 2, 3, 4, 5, 6, 7 and 8 of Section 1, Township 21 South, Range 36 East, Lea County, New Mexico; said unit is to be dedicated to the State F-1 Well No. 6, located 660 feet from the North and West lines of said Section 1.

CASE 2405:

Application of Amerada Petroleum Corporation for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Ida Wimberly Well No. 11, located in the NW/4 SW/4 of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, as a dual completion in the Justis-Paddock and Justis-Blainebry Pools, with the production of oil from the Paddock zone to be through a tapered string of tubing of 2 3/8-inch and 2 1/16-inch diameter and the production of oil from the Blainebry zone to be through a tapered string of tubing of 2 3/8-inch and 1-inch diameter.

- CASE 2406: Application of Shell Oil Company for an exception to Rule 502-I, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 502-I to increase from 25 percent to 100 percent the daily production tolerance applicable to all of its wells located in the Hobbs, Eunice-Monument, Vacuum-Abo and Vacuum-San Andres Pools, Lea County, New Mexico.
- CASE 2407: Application of Shell Oil Company for approval of the Cabezon Unit Agreement, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cabezon Unit Agreement embracing 22,743 acres, more or less, of State, fee and Federal lands in Townships 16 and 17 North, Ranges 2, 3 and 4 West, Sandoval County, New Mexico.
- CASE 2408: Application of Texaco, Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its V. M. Henderson Well No. 6, located in Unit C, Section 30, Township 21 South, Range 37 East, Lea County, New Mexico, as a triple completion adjacent to the Paddock, Blinebry, and Drinkard Pools, with production of oil from the Paddock and Drinkard zones to be through parallel strings of 2 1/16-inch tubing and the production of gas from the Blinebry Gas Pool to be through the tubing-casing annulus.
- CASE 2409: Application of Texaco Inc. for a quintuple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its G. L. Erwin "b" NCT-2 Well No. 2, located in Unit J, Section 35, Township 24 South, Range 37 East, Lea County, New Mexico, as a quintuple completion (tubingless) in undesignated Ellenburger, McKee, Fusselman, Siluro-Devonian and Drinkard pools, with the production of oil from the McKee, Fusselman, Siluro-Devonian and Drinkard zones to be through parallel strings of 2 3/8-inch tubing and the production of oil from the Ellenburger-zone to be through a string of 2 7/8-inch tubing, all strings of tubing to be cemented in a common well bore.
- CASE 2410: Application of Ilondo Oil & Gas Company for permission to directionally drill and for an unorthodox bottom hole location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to directionally drill a well in Section 26, Township 17 South, Range 28 East, Eddy County,

CASE 2410: (Cont.)

New Mexico, the surface location to be 2310 feet from the North line and 1980 feet from the East line of said Section 26 and the bottom hole location to be in the Empire-Abo Pool at a situs 2540 feet from the North line and 1980 feet from the East line of said Section 26.

CASE 2411:

Application of Socony Mobil Oil Company, Inc., for an exception to Rule 303 (a), Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 303 (a) to permit the commingling of the production from the Anderson Ranch-Devonian and the Anderson Ranch-Wolfcamp Pools on its New Mexico "S" lease, which includes Lot 2 of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico. Applicant proposes to meter the production from one pool only, and to allocate production to the other pool according to the subtraction method; the API gravity of the Anderson Ranch-Devonian crude is greater than 45°.

CASE 2412:

Application of Val R. Reese & Associates, Inc., for an unorthodox gas well location and a non-standard gas unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to locate its Benn Well No. 1-9 at an unorthodox gas well location in an undesignated Gallup pool, 2210 feet from the North line and 330 feet from the East line of Section 9, Township 23 North, Range 7 West, Rio Arriba County, New Mexico, said well to be dedicated to a 152.02-acre non-standard gas unit comprising the NE/4 of said Section 9.

The following cases will not be heard before 1:00 P.M.

CASE 2413:

Application of Aspen Crude Purchasing Company for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the Totah-Gallup Oil Pool for a well to be drilled 1190 feet from the South line and 2210 feet from the East line of Section 11, Township 28 North, Range 13 West, San Juan County, New Mexico.

CASE 2414:

Application of Southwest Production Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox

Docket No. 29-61

CASE 2414: (Cont.)

gas well location in an undesignated Mesaverde pool for a well located 2360 feet from the South line and 830 feet from the West line of Section 26, Township 30 North, Range 12 West, San Juan County, New Mexico. Said well is to serve as the unit well for a 160-acre gas proration unit comprising the SW/4 of said Section 26.

CASE 2415:

Application of Southwest Production Company for an order pooling all mineral interests in the Basin-Dakota Gas Pool in the E/2 of Section 14, Township 30 North, Range 12 West, San Juan County, New Mexico. Interested parties include the unknown heirs of Abas Hassan, deceased, the unknown heirs of D. M. Longstreet, deceased, and Robert E., Alice L., and Samuel Glenn Goodwin, and/or their unknown heirs.

CASE 2416:

Application of Southwest Production Company for an order pooling all mineral interests in an undesignated Mesaverde gas pool in the E/2 of Section 22, Township 30 North, Range 12 West, San Juan County, New Mexico.

CASE 2417:

Application of Scanlon Engineering Company for an order fixing the spacing of wells, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks an order fixing the spacing of wells producing from the Mesaverde formation in Sections 21, 22 and 27, all in Township 20 North, Range 9 West, McKinley County, New Mexico. Applicant recommends the establishment of two and one-half acre well spacing.

CASE 2418:

Application of Humble Oil & Refining Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its State BM Well No. 1, located in Unit I, Section 2, Township 25 South, Range 37 East, Lea County, New Mexico, as a dual completion (Tubingless) in undesignated Fusselman and Ellenburger pools, with the production of oil from the Fusselman zone through 2 7/8-inch casing and the production of oil from the Ellenburger zone through 2 3/8-inch casing cemented in a common well bore.

CASE 2419:

Application of Leonard Oil Company for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its Federal Ginsberg Well No. 11, located in Unit E, of Section 31, Township 25 South, Range 38 East, Lea County, New Mexico, as a triple completion (conventional) in the Justis Blinbry Pool, in an undesignated

CASE 2419: (Cont.)

Tubb Pool and in the Justis Fusselman Pool, with production of oil from the Tubb and Fusselman zones to be through parallel strings of 2 3/8-inch tubing and the production of oil from the Blinebry zone through a string of 2 1/16-inch tubing.

CASE 2420:

Application of Zapata Petroleum Corporation for authority to inject water into the Maljamar Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to inject water into the Maljamar Pool (Grayburg and San Andres formations) through eight wells located in Sections 17, 18 and 19, all in Township 17 South, Range 33 East, Lea County, New Mexico, for the purpose of secondary recovery.

200-4472

OIL CONSERVATION COMMISSION

P. O. BOX 871
SANTA FE, NEW MEXICO

October 5, 1961

CO
P
Y

Val R. Reese & Associates, Inc.
Lobby of the Simms Building
Albuquerque, New Mexico

Attention: Mr. Morris B. Jones

Gentlemen:

Your application for administrative approval of an unorthodox gas well location for your Benn Well No. 1-9 has been set for public hearing before one of the Commission's examiners on October 25, 1961.

Upon a review of Rule 104 of the Commission's Rules and Regulations, particularly that part of the rule pertaining to reclassified wells in San Juan, Rio Arriba and Sandoval Counties, it appears that your application is not eligible for administrative approval.

Very truly yours,

RICHARD S. MORRIS
Attorney

RSM/esr

10/10/61

24/12

NSU 273
wait
25-2

VAL R. REESE & ASSOCIATES, Inc.

CONSULTING GEOLOGISTS

PHONE 243-3569

ALBUQUERQUE, NEW MEXICO

September 7, 1961

LOBBY OF SIMMS BUILDING

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention: Mr. Richard Morris

Dear Sir:

Val R. Reese & Associates, Inc. requests administrative approval of an unorthodox gas well location for their 1-9 Benn well located 2210' fnl and 330' fel, Section 9, T-23N, R-7W, in an undesignated field in Rio Arriba County, New Mexico.

This well, as shown on the attached Form C-128, is located 330' from the quarter section line. This well was drilled as an oil well since the surrounding wells in this area are oil producers. The attached Form C-116 shows that this well has a GOR of 72,920 cubic feet per bbl. which puts it well above the gas well classification.

On the attached Form C-128 the NE/4 of Section 9 will be dedicated to this well to conform to the acreage requirements for a gas well. The dedicated acreage will amount of 152.02 acres. This unorthodox acreage unit is required because of the unorthodox size and shape of this Section as determined by surveys.

All offset operators have been sent a copy of this letter and the attached forms.

Very truly yours,

Morris B. Jones
Morris B. Jones

MBJ:mm
Encl.

24/12

OIL CONSERVATION COMMISSION
1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO

September 1, 1961

Val A. Reese & Associates
Lobby: Sims Building
Albuquerque, New Mexico

Re: Val A. Reese #1-9 Perm
330/E line; 2210/N line
Section 9-23N-7W

Attn: Mr. Morris B. Jones

Dear Mr. Jones:

We have received Form O-216 and revised Form O-128 pertaining to the above well along with the request for re-classification from oil well to gas well.

This well is not spaced in conformance with Rule 104, Paragraph 2 of the New Mexico Oil Commission Rules and Regulations which states that a gas well in District #3 shall be located a minimum of 792 feet from the quarter-section line. It also appears that the well is not eligible for administrative approval because of the fact that the reason for the unorthodox location was not topography. Therefore, before this well can be classified and produced as a gas well it will be necessary that application for a non-standard location be filed with Mr. A. L. Porter, Jr., Secretary-Director of the Commission so that the matter may be set for hearing.

In the meantime I would suggest that you produce the well as an oil well, using a limiting gas-oil ratio of 2,000 cubic feet per barrel of oil.

Yours very truly

Emery C. Arnold
Supervisor, District #3

ECA:ks

cc: Mr. A. L. Porter
OCC, Santa Fe, N.M.

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
October 25, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Val R. Reese & Associates, Inc., for an unorthodox gas well location and a non-standard gas unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks permission to locate its Benn Well No. 1-9 at an unorthodox gas well location in an undesig-nated Gallup pool, 2210 feet from the North line and 330 feet from the East line of Section 9, Township 23 North, Range 7 West, Rio Arriba County, New Mexico, said well to be dedicated to a 152.02-acre non-standard gas unit comprising the NE/4 of said Section 9.

CASE NO.
2412

BEFORE: Dan S. Nutter, Examiner.

TRANSCRIPT OF HEARING

EXAMINER NUTTER: We'll call Case No. 2412.

MR. ERREBO: Burns H. Errebo, Modrall, Seymour, Sperling, Harris & Roehl, appearing on behalf of the Applicant.

We have one witness.

MORRIS JONES

called as a witness by and on behalf of the Applicant, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. ERREBO:

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

Q State your name, occupation and where you live.

A Morris Jones, consulting petroleum engineer, Albuquerque, New Mexico.

Q Mr. Jones, have you previously testified before this Commission as an engineer and were your qualifications as such accepted?

A Yes, I have. They were accepted.

Q Are you familiar with the lease Benn Well No. 1 which is the subject of this application?

A Yes, I am.

Q Have you prepared or caused to be prepared a plat showing the location of this well and the acreage which you propose to assign to it?

A Yes, this is our Exhibit No. 1.

Q Will you refer to the Exhibit and state what that shows.

A This is a location plat, a general plat showing the location of the Benn, Val R. Reese Associates' Benn No. 1-9 Well and the acreage proposed to be dedicated to it designated as a gas well. It also shows the surrounding wells that were drilled prior to the Benn Well in this undesignated Gallup area.

Q Are those all oil wells?

A Yes, all of these wells are oil wells, completed in the Gallup zone.

Q What does it show with regard to the Escrito-Devil's Fork area?



DEARNLEY-MEIER REPORTING SERVICE, Inc.
 FARMINGTON, N. M.
 PHONE 325-1162

A Actually this well is about three miles - - three or four miles south of the west boundary of the Escrito and Devil's Fork pool.

Q Did you say south and west?

A Yes.

Q I notice you have 150.2 acres. It appears to represent a quarter section. Is that an odd section at that point?

A Yes. The survey in that area gives sections that are not full 40-acre sections and the unorthodox area is the basis of a legal survey.

Q This well, then, was drilled at a regular oil location under rule 104B-1 of the Commission's rules and regulations, is that correct?

A That's correct. It had standard spacing for oil well in an undesignated area.

Q Is that reflected by your Exhibit 2?

A Yes, sir. Exhibits 2 and 2A are copies of a notice of intention to drill and the survey plat showing this location.

Q Is that form C-128 of this Commission?

A Yes.

Q The well is not completed as a well in the Gallup formation?

A That's correct.

Q And is shown as a gas well on your plat?

A Yes, that is correct.

ALBUQUERQUE, N. M.
 PHONE 243-6091



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

Q On what basis do you label it as a gas well?

A The production from this well is primarily gas and the gas well designation is based upon a GOR test filed on C-116 with the State on August 25. That gives us a GOR of 72,920 cubic feet per barrel.

Q Is this Exhibit No. 3?

A Yes.

Q Was that the initial GOR or a subsequent GOR?

A That was the initial GOR taken on the well.

Q Have you had occasion to take the GOR for any reason since this report was filed?

A It has not been produced since this GOR was filed.

Q How much oil was produced during these tests?

A 13.7 barrels during the twenty-four hour test.

Q Have you made a determination as to what the production of oil and gas would be from this well?

A On an undesignated area, with 160 acres and a penalty ratio of 2,000, it would be approximately two barrels per day of oil to stay within the penalty ratio of gas.

Q Do you feel this well should be classified and treated as a gas well?

A Yes, because of the high ratio GOR ratio on this well.

Q Do you feel the ratio will go up or down?

A Of course, most Gallup wells have a tendency to increase their GOR over the life of the well.



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691

Q What has been the nature of your experience with Gallup production in the San Juan Basin?

A Several completions in the Devil's Fork and the Escrito undesignated areas and Gallup completions in the Jicarilla Reservation.

Q You make your living working on wells and working as a petroleum engineer in the San Juan Basin?

A Yes.

Q This well as presently located does not come within the rules for gas wells in an undesignated area?

A That's correct.

Q The spacing on standard oil well locations are 330 in the rule for gas wells in an undesignated area. I believe that yours are 660 or 7590, but you say falls short of the gas well location. Actually, it's no closer than 790 feet according to the rules for a gas well? That is, to the unit line?

A Yes.

Q Do you have anything further to add at this time, Mr. Jones?

A Well, Exhibit 4 is a survey plat that was submitted, a copy of form C-128 that was submitted to the State on August 30th with the designated acreage for the gas well shown with each quarter of the quarter section, with the acreage shown on it to determine whether there was 152.02 acres and how that was arrived at.



DEARNLEY-MEIER REPORTING SERVICE, Inc.
FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6191

Q Do you have anything further?

A No.

MR. ERREBO: That's all we have, Mr. Examiner.

EXAMINER NUTTER: Are there any questions of Mr. Jones?

EXAMINATION

BY MR. MORRIS:

Q Mr. Jones, the Commission took the liberty of noticing this case for a non-standard unit even though you could have obtained administrative approval for it. The unorthodoxness of the unit is due to deviation in the public land survey, is it not?

A Yes, that's correct.

MR. MORRIS: That's all I have; thank you.

EXAMINATION

BY EXAMINER NUTTER:

Q This well was drilled at a standard location for an oil well?

A Yes.

EXAMINER NUTTER: Are there any other questions of Mr. Jones?

REDIRECT EXAMINATION

BY MR. ERREBO:

Q I believe you testified previously did you not, Mr. Jones, that there were no other gas wells in the vicinity of this well as shown on the map at the time you located and drilled the



well?

A That's correct.

MR. ERREBO: That's all.

EXAMINER NUTTER: Are there any other questions of Mr. Jones?

If not, he may be excused.

Do you have anything further in this case?

MR. ERREGO: You prepared these Exhibits, did you not or they were prepared under your supervision?

THE WITNESS: Yes.

MR. ERREBO: We offer Exhibits 1 through 4 in evidence.

EXAMINER NUTTER: Exhibits 1 through 4 will be admitted in evidence.

Is there anything further to offer in this case?

If not, the case will be taken under advisement.

(Witness excused.)

EXAMINER NUTTER: We will recess the hearing.

(Hearing recessed.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182

ALBUQUERQUE, N. M.
PHONE 243-6691



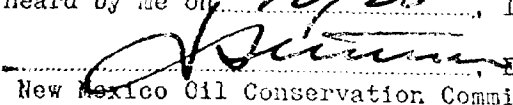
STATE OF NEW MEXICO)
) SS
 COUNTY OF SAN JUAN)

I, THOMAS F. HORNE, Court Reporter, in and for the County of San Juan, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in machine shorthand and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.


 Notary Public

My Commission expires:

October 2, 1965.

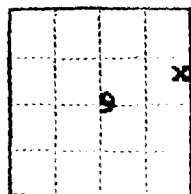
I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2412 heard by me on 10/25, 1961.

 Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
 PHONE 325-1182

ALBUQUERQUE, N. M.
 PHONE 243-6691





(SUBMIT IN TRIPLICATE)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYLand Office **Santa Fe**
Lease No. **NM 080273**
Unit

SUNDRY NOTICES AND REPORTS ON WELLS

NOTICE OF INTENTION TO DRILL	<input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF WATER SHUT-OFF
NOTICE OF INTENTION TO CHANGE PLANS		SUBSEQUENT REPORT OF SHOOTING OR ACIDIZING
NOTICE OF INTENTION TO TEST WATER SHUT-OFF		SUBSEQUENT REPORT OF ALTERING CASING
NOTICE OF INTENTION TO RE-DRILL OR REPAIR WELL		SUBSEQUENT REPORT OF RE-DRILLING OR REPAIR
NOTICE OF INTENTION TO SHOOT OR ACIDIZE		SUBSEQUENT REPORT OF ABANDONMENT
NOTICE OF INTENTION TO PULL OR ALTER CASING		SUPPLEMENTARY WELL HISTORY
NOTICE OF INTENTION TO ABANDON WELL		

(INDICATE ABOVE BY CHECK MARK NATURE OF REPORT, NOTICE, OR OTHER DATA)

July 11, 1961

Benn
Well No. **1-9** is located **2210** ft. from **N** line and **330** ft. from **E** line of sec. **9**
SE NE Sec. 9 **23N** **7W** **NMPM**
(1/4 Sec. and Sec. No.) (Twp.) (Range) (Meridian)
Undesignated **Rio Arriba** **New Mexico**
(Field) (County or Subdivision) (State or Territory)
Ungr. Grnd.
The elevation of the ~~ground surface~~ above sea level is **7228** ft.

DETAILS OF WORK

(State names of and expected depths to objective sands; show sizes, weights, and lengths of proposed casings; indicate mudding jobs, cementing points, and all other important proposed work)

A 12-1/2" hole will be drilled to approximately 200' & 8-5/8" csg. cemented to surface with 125 sxs. of cement. A 7-7/8" hole will be drilled to approximately 5950' & 4-1/2" csg. will be run to total depth & cemented with 150 sxs. of cement. Gallup will be perforated & SWF & well completed.

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	2
CASE NO.	2412

I understand that this plan of work must receive approval in writing by the Geological Survey before operations may be commenced.

Company **Val R. Reese & Associates, Inc.**Address **Lobby of Simms Building****Albuquerque, New Mexico**By **Morris B. Jones**Title **Engineer**

"EXHIBIT #2-A"

NEW MEXICO OIL CONSERVATION COMMISSION
Well Location and Acreage Dedication Plat

Date **July 11, 1961**

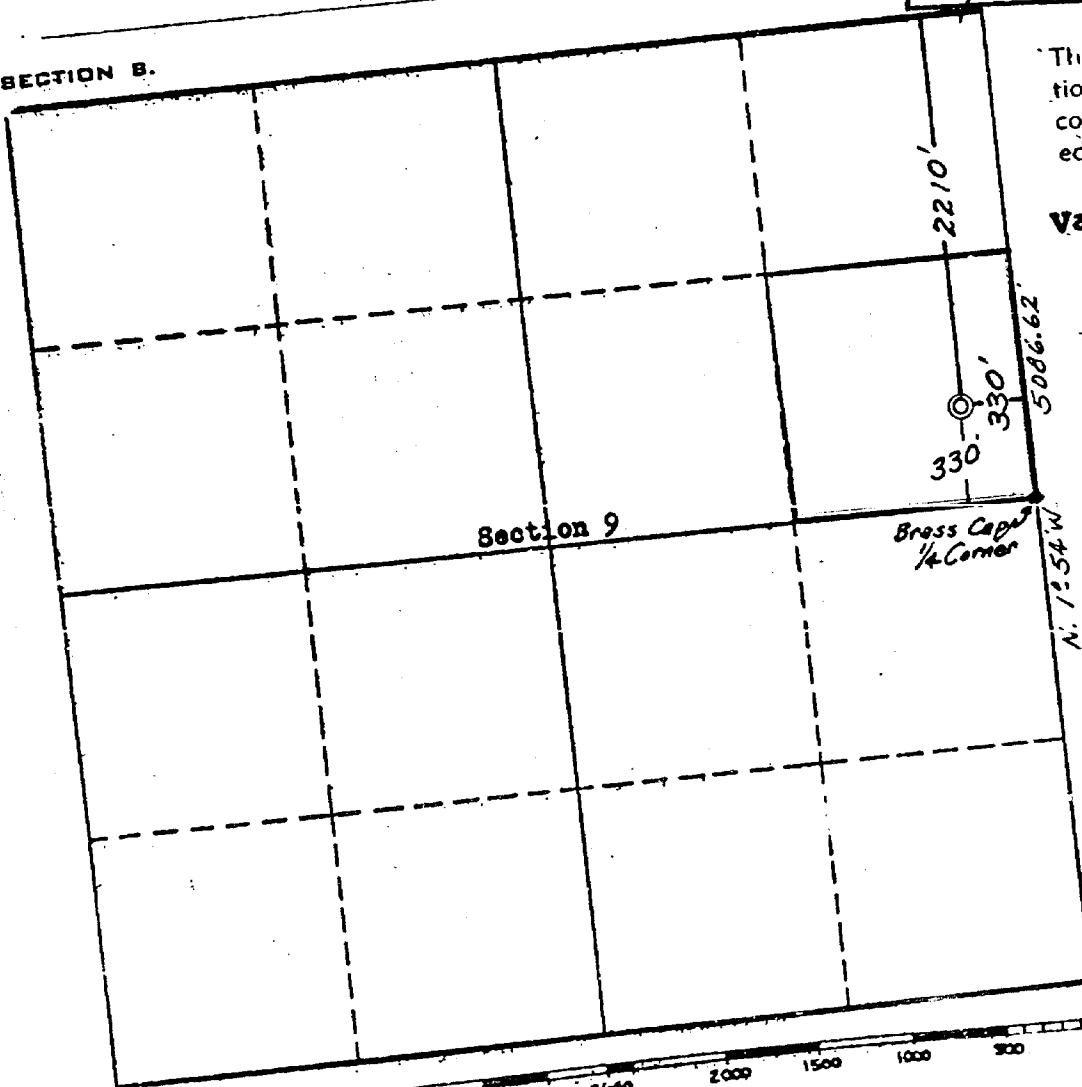
SECTION A.

Operator **Val R. Reese and Associates** Lease **Benn** Township **23 North** Range **7 West** NMPM
Well No. **1-9** Unit Letter **H** Section **9** Line **330** Feet From **East** Line
Located **2210** Feet From **North** Dedicated Acreage **37.98** Acres
County **Rio Arriba** G. L. Elevation **7228** Pool **Undesignated**
Name of Producing Formation **Gallup**

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below? Yes ☒ No ☐
2. If the answer to question One is "No," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes ☐ No ☐ If answer is "Yes," Type of Consolidation _____
3. If the answer to question Two is "No," list all the owners and their respective interests below:
OWNER _____

LAND DESCRIPTION
BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. **2-A**
CASE NO. **2412**

SECTION B.



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Val R. Reese & Assoc., Inc.
(OPERATOR)

Original Signed by
MORRIS B. JONES
Morris B. Jones
Lobby, Simms Bldg.
Albuquerque, New Mexico
(ADDRESS)

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or my superior and that the same is true and correct to the best of my knowledge.

Date Surveyed **July 7, 1961**
Four States Engineering Co.
FARMINGTON, NEW MEXICO

C. L. Poter
REGISTERED ENGINEER OR
LAND SURVEYOR

Certificate No. **3084**

"EXHIBIT #3"

Form C- 116
Revised 12/1/54

NEW MEXICO OIL CONSERVATION COMMISSION

GAS-OIL RATIO REPORT

OPERATOR **Val R. Reese & Assoc., Inc.** POOL **Undesignated**
ADDRESS **Lobby Sims Bldg., Albuquerque, NM** MONTH OF **August**, 19 **61**
SCHEDULED TEST..... COMPLETION TEST..... SPECIAL TEST **X**..... (Check One)
(See Instructions on Reverse Side)

Lease	Well No.	Date of Test	Producing Method	Choke Size	Test Hours	Daily Allowable Bbls.	Production During Test			GOR Cu. Ft. Per Bbl.
							Water Bbls.	Oil Bbls.	Gas MCF	
Benn	1-9	25	F	18/64	24	Oil Allow.	0	13.7	999	72,920

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 2
CASE NO. 2412

CLASSIFICATION CHANGE: Oil Well to Gas Well

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60 degrees F. Specific gravity base will be 0.60.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission. In accordance with Rule 301 and Appropriate Pool Rules.

(I certify that the information given is true and complete to the best of my knowledge.)

Date **August 28, 1961** **Val R. Reese & Associates, Inc.**
Company

By **Morris B. Jones**
Engineer

Title

"EXHIBIT #4"

Form C-128
Revised 5/1/57

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date August 30, 1961

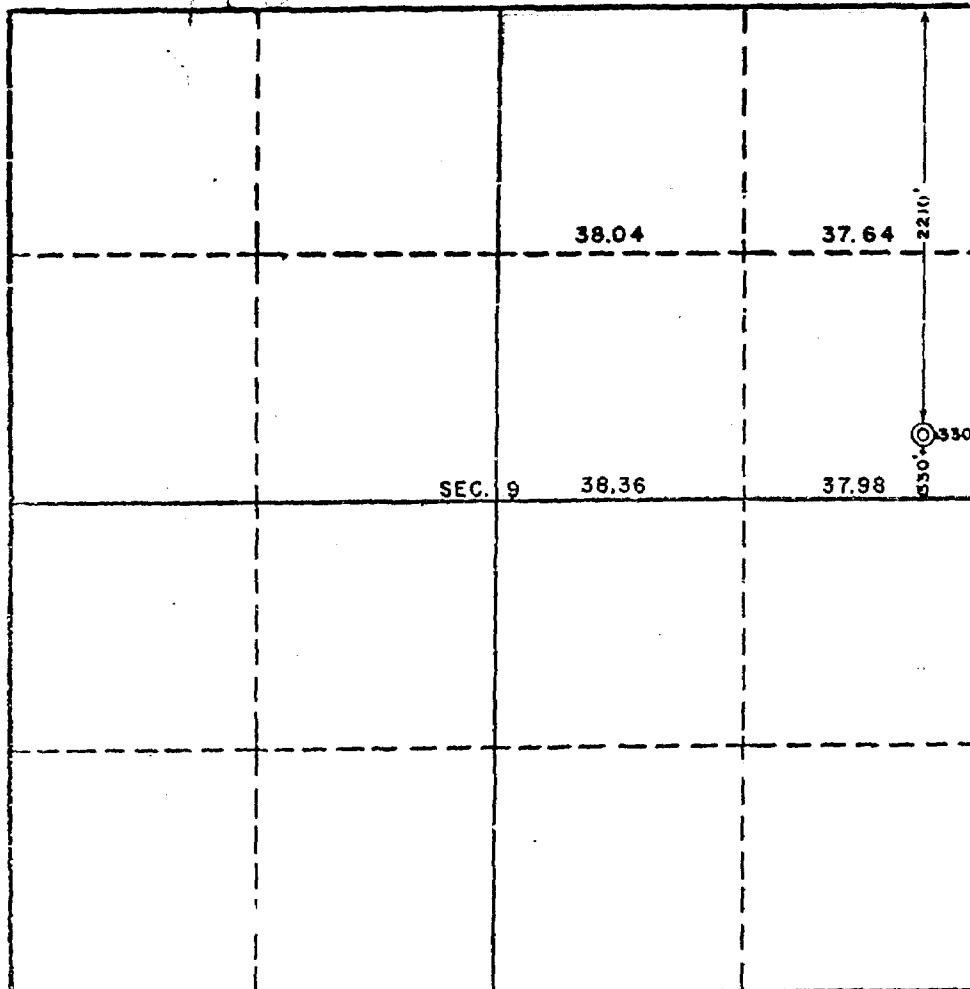
Operator Val R. Reese & Assoc., Inc. Lease Benn
Well No. 1-9 Unit Letter H Section 9 Township 23 North Range 7 West NMPM
Located 2210 Feet From North Line, 330 Feet From East Line
County Rio Arriba G. L. Elevation 7228 Dedicated Acreage 152.02 Acres
Name of Producing Formation Gallup Pool Undesignated

1. Is the Operator the only owner* in the dedicated acreage outlined on the plat below?
Yes X No .
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes No . If answer is "yes,"
Type of Consolidation
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Val R. Reese & Assoc., Inc.
(Operator)

Morris B. Jones
(Representative)
Lobby of Simms Building
Albuquerque, New Mexico
Address

This is to certify that the well location shown on the plat in Section B was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.
Date Surveyed

Ernest V. Echohawk
Registered Land Surveyor.

Certificate No.