

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEWMEXICO

CASE 330:

By terms of Order R-128 this case was continued to this date from a special hearing on December 18, 1951. It is concerned with Stanolind's petition relating to proration of natural gas in the Blanco-Mesaverde gas pool, San Juan County. A year's extension was given so that evidence might be compiled with reference to interim production experience in the pool.

TRANSCRIPT OF HEARING

December 16, 1952

BEFORE: Hon. Ed. Mechem, Governor and Chairman
Hon. Guy Shepard, Land Commissioner and Member
Hon. R. R. Spurrier, Director and Member

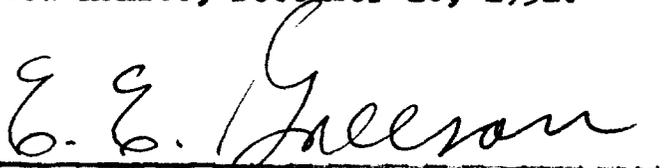
STATE OF NEW MEXICO

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COUNTY OF BERNALILLO

I HEREBY CERTIFY That the within transcript of hearing in the above-styled case before the Oil Conservation Commission of the State of New Mexico is a true record of the same to the best of my knowledge, skill, and ability.

DONE at Albuquerque, New Mexico, December 20, 1952.



E. E. Greeson
Reporter

MR. SPURRIER: The next case on the docket is Case 330.

MR. SMITH: I am J. K. Smith of Stanolind Oil & Gas Company.

This matter came on for hearing last December and was continued for a year for the purpose of compiling intermin production experience in the pool. We feel our application and evidence offered last December were adequate to justify the promulgation by the commission of proration rules in the Blanco Mesaverde Pool. However, there has been no significant change in the production history out there since last December. And I understand a committee has been studying the feasibility and the type of test to be taken to determine the potential of the wells. I am not familiar with that particular phase of the activity, that is so far as the committee's program is concerned. But we have nothing to suggest at this time and suggest that the Commission postpone the hearing to a further date.

I believe that Mr. Hollis of El Paso Natural has some information concerning the progress the committee has made on the taking of these potential tests.

Is he here?

MR. HOLLIS: Yes.

MR. SPURRIER: Mr. Hollis.

MR. HOLLIS: This testing committee at Farmington is a subcommittee under the New Mexico Oil & Gas Engineering Committee. And we feel within the last two or three months has made quite a bit of progress toward arriving at a basis for a standard testing procedure. We have what the companies have accumulated, test data which they have turned over to this engineering committee. This data is being compiled and shortly this committee will submit a letter to the management of each operator in the Basin. If the management approves this testing procedure, the committee will ask for a hearing from the State. And at that time the data and the testing procedure will be presented.

We think we have some good information and I would say probably the latter part of the first quarter of '53 we will be able to ask for a hearing.

MR. SPURRIER: Thank you.

MR. SMITH: I would like to suggest to the Commission that the hearing be continued until the August hearing 1953. I believe by that time we may have more significant production data to give than we do at this time. I am inclined to think any information at this time may be misleading. Some of the wells have just been completed and I think evidence at this time would be premature.

MR. SPURRIER: Anyone else have a comment in this case?

MR. DAVIS: My name is Quilman Davis, representing the Southern Union Gas Company.

We would like to recommend also this hearing in Case No. 330 be postponed until August the 18th.

MR. NEAL: My name is Caswell Neal of the Three States Natural. We also recommend postponement.

MR. JONES: I represent the Delhi Oil Corporation. We concur in this request for postponement until the August hearing.

MR. HOWELL: I represent the El Paso Natural Gas Company. We also concur in the request for a postponement until the August hearing.

MR. SPURRIER: Anyone else?

MR. PARSONS: My name is Critchell Parsons, representing the Beaver-Lodge Oil Corporation. We also concur.

1b MR. SPURRIER: Is there any objection to Stanolind's motion for continuance to the August hearing? The case will be continued to the August hearing.

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