

BEFORE THE
OIL CONSERVATION COMMISSION, STATE OF NEW MEXICO.
AT SANTA FE, NEW MEXICO

IN THE MATTER OF:

Oil Conservation Commission's
application for an order for the
following described creations
of new pools, consolidations or
extensions of existing pools
in San Juan and Rio Arriba
Counties:

CASE NO. 363

- (a) New pool: Dogie Canyon-Pictured Cliffs pool for Pictured Cliffs production (in T. 26 No, R. 6 W, Rio Arriba)
- (b) New pool: South Blanco-Pictured Cliffs pool for Pictured Cliffs production (in T. 26 No., R. 7 W. Rio Arriba)
- (c) Consolidation of West Kutz-Pictured Cliffs pool and South Kutz-Pictured Cliffs pool into a pool to be known as the West Kutz-Pictured Cliffs pool, and extension of existing boundaries to include legally advertised acreage in Townships 26, 27, 28 and 29 North, Ranges 10, 11, 12 and 13 West
- (d) Extension of Blanco Mesaverde pool (T. 26, 27, 29, 30 and 31 North, Ranges 7, 8 and 9 West
- (e) Extension of Aztec-Pictured Cliffs pool (T.29 and 30 North, Ranges 10 and 11 West)

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E L V I S A . U T Z ,

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. WHITE:

Q In your official capacity have you had occasion to make a study of the extensions and new creations as set forth in Case 363?

A Yes, I have.

Q Give the result of your studies, your recommendations and conclusions.

A I have prepared here a plat showing the new extensions which I would be glad to offer as an exhibit rather than to read the descriptions, whatever the Commission desires.

MR. SPURRIER: I think that would be best and if you disagree with any of these advertisements, I would take that up, otherwise, let them stand.

A I have listed here two or three disagreements.

MR. SPURRIER: All right.

A In regard to the Blanco-Mesaverde.

MR. SPURRIER: Paragraph which?

A D, Paragraph D, 30 N. 7 W, we have advertised Sections 5, 6, 7 and 8 on the basis of extending the pool one mile beyond productive wells. These sections should not be included. While there is very little question but that it will be eventually productive, but on the basis of present production, I would not recommend they be included. 31 N, 8 W, there is a little

confusion in regard to Order R-129. This Order included Sections 25, 26, 35 and 36. There is no producing wells to support this extension.

MR. SPURRIER: That was, I think, a typographical error in the order.

A Possibly was. In regard to the Stanolind application, Paragraph F, extensions of Fulcher Kutz 27 N, 9 W, Section 17, South half of 18, were advertised and are already a part of that pool under Order R-42. Under the same Paragraph, or under the same Order R-42, the following is also included as a part of the pool. 28 N, 10 W, SE $\frac{1}{4}$ of Section 25 and the NE $\frac{1}{4}$ of Section 26. That is already designated.

MR. GRAHAM: What is your recommendation on that, Mr. Utz?

A My recommendation is not to include these parts that I have just given as part of the pool, on the Blanco. My recommendation can hardly be a recommendation on the Fulcher Kutz since they are already a part of the pool. I am merely correcting a part of the advertisement. That is all I have.

MR. SPURRIER: Any comment? Mr. Davis.

MR. DAVIS: Quilman Davis representing Southern Union Gas Company. We notice that under section, subsection C of the order, I mean of the case, it is proposed to put Sections 22 and 26 of 2813 within the boundaries of the pool. We have had some rather sad experiences over there. We have two dry holes on those two sections. To the Pictured Cliffs formation, of which

this is to become a part of the Fulcher Kutz Pool, and we don't think that is necessary that it be included in that. Those wells being located, one of them in the NW $\frac{1}{4}$ of Section 22 and the other one being in the SW $\frac{1}{4}$ of Section 27. In addition to that Section 35 is proposed to be a part of the boundaries of the pool and then the Gallegos Canyon unit Benson and^{Montin} as operators has eliminated the entire section of 35 as part of the participating area of the entire unit which they consider to be a known producing structure. That has been eliminated from the participating area which covers practically all of the Gallegos Unit itself, Section 35. We feel that particular section 22 and 27 should not be included and perhaps 35 should not.

MR. SPURRIER: Any other comment?

MR. REED: Justin Reed with Seth and Montgomery for Benson and Montin . Our Client has asked us to request of the Commission at this time that it defer action on that part of this case under subsection C, insofar as the advertisement includes lands within the Gallegos Canyon unit for which our client is the operator and for Sections 22 and 27 just commented upon by the man just previous. Our client feels that they have sufficient data at this time and would like an opportunity to gather further data and present it to the Commission concerning the structure and possible existence of a separate pool in the area embraced within the Gallegos Canyon Unit. In order that part can be clear to you, I would like to submit a plat of the Gallegos Canyon Unit at this time, so that it will be told

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which is within that unit, what part of the advertisement is within the unit. Benson and Montin inform us that they will be prepared to submit evidence on that in the May hearing, if it could be postponed until then.

MR. SPURRIER: Any other comment?

MR. UTZ: Mr. Davis, this was Township 29 North, 13 West that you referred to, wasn't it?

MR. DAVIS: Yes.

MR. UTZ: I have a producing gas well in the southwest of 27.

MR. DAVIS: It is a non-commercial well.

MR. SPURRIER: Mr. Arno.

MR. ARNO: That is Pennsylvanian Petroleum Company No. 1. It is a commercial well.

MR. DAVIS: I am thinking about --

MR. SPURRIER: (Interrupting) Somebody says you are in the wrong township.

(Off the record.)

MR. UTZ: That is all I have.

MR. SPURRIER: Any other question?

MR. UTZ: That question would bear clarification, however, in regard to Section 22 and 27.

MR. SPURRIER: If not, the case will be taken under advisement.

That is the final case for today but I would like to remind you that Case 360 comes on tomorrow at 10 o'clock.

STATE OF NEW MEXICO)
 : SS.
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public and Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings in Case No. 363, before the Oil Conservation Commission, State of New Mexico, at Santa Fe, taken on April 15, 1952, is a true and correct record to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 24th day of April, 1952.



REPORTER

My Commission Expires:

June 19, 1955.

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