

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
November 17, 1954

IN THE MATTER OF:

CASE NO. 780 - Regular Hearing

TRANSCRIPT OF PROCEEDINGS

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
November 17, 1954

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IN THE MATTER OF: )

Section (d) of the October 1954 nomen- )  
clature case for Southeastern New Mexico )  
was continued to this date to permit )  
further study relating to extension of the )  
vertical limits of the Teas Pool as previ- )  
ously advertised (to include all of the )  
Yates and Seven Rivers formations). )  
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Case No. 780  
(Cont'd.)

BEFORE:

Honorable Edwin L. Mechem  
Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 780.

S. J. STANLEY,

called as a witness, having been previously duly sworn, testified  
as follows:

DIRECT EXAMINATION

By MR. YOST:

Q State your name, please.

A S. J. Stanley.

Q You have been previously sworn, is that correct?

A That is correct.

Q You are an engineer with the Oil Conservation Commission  
of New Mexico?

A Yes, sir.

Q You are acquainted with Case 780?

A Yes, sir, I am.

Q Do you have any recommendations to make in that case?

A I recommend that the Yates and Seven Rivers be incorporated as one producing zone within the defined limits of the Teas Pool.

Q Do you care to elaborate on your reason for the recommendation?

A The reason for that particular recommendation is the fact that that particular pool has incorporated the Yates and Seven Rivers, and the particular development of that said pool. It is the usual occurrence in that particular field that a Yates producer may not be a Seven Rivers producer in that area. In other words, it has been found in that particular area that the Yates zone, due to the geology of that particular zone, may be non-productive, and the operator deepens his well to the Seven Rivers zone, and thereby, makes a commercial producer, and I believe that it is not feasible to drill two wells on a particular 40-acre spacing, to incorporate the Yates on one hand and the Seven Rivers on the other. That is the consensus of all the operators in that particular area. Geological studies have proved that point and I believe that it is a matter of conservation, and a matter of economics to incorporate the two zones as defined vertically in that particular field.

MR. YOST: That is all. (Off the record.)

MR. MACEY: We will go back on the record and make a statement for the record as to what you think we ought to do with the case.

A. I believe we should continue the case for further study until next month.

MR. MACEY: The case will be continued to December. The hearing is adjourned.

