

BEFORE THE  
**Oil Conservation Commission**  
~~XXXXXXXXXXXXXXXXXXXX~~  
Hobbs, New Mexico  
October 17, 1955  
Examiner Hearing

IN THE MATTER OF:

CASE NO. 967

**TRANSCRIPT OF PROCEEDINGS**

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 3-6691  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
Hobbs, New Mexico  
October 17, 1955

IN THE MATTER OF:

Application of Continental Oil Company  
for approval of a 320 acre non-standard  
gas proration unit in the Eumont Gas Pool  
to consist of W/2 W/2 Section 26 and E/2  
E/2 Section 27, Township 20 South, Range  
37 East, Lea County, New Mexico, and to  
be dedicated to applicant's Sophia Meyer  
B-26 Well No. 1 located 2363' FSL and 0'  
FWL of Section 26.

Case No. 967

BEFORE:

Warren W. Mankin, Examiner

TRANSCRIPT OF HEARING

HEARING EXAMINER MANKIN: We will now hear Case 967.

MR. KELLAHIN: If the Commission please, J. C. Kellahin,  
appearing for Continental Oil Company in its application for a 320  
acre non-standard unit in the Eumont Gas Pool. Our witness will  
be Mr. E. V. Boynton.

E. V. BOYNTON,

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

DIRECT EXAMINATION

By MR. KELLAHIN:

Q Will you state your name, please?

A E. V. Boynton.

Q By whom are you employed, Mr. Boynton?

A Continental Oil Company.

Q In what position?

A Petroleum Engineer.

Q Have you testified before the New Mexico Oil Conservation Commission as a petroleum engineer and had your qualifications accepted as an expert witness?

A Yes, sir, I have.

MR. KELLAHIN: Are the witness' qualifications acceptable?

HEARING EXAMINER MANKIN: They are acceptable.

Q Mr. Boynton, are you familiar with Continental's application in Case 967?

A Yes, sir.

Q Would you state what that covers?

A This covers an application by Continental Oil Company to the Commission for a 320 acre non-standard proration unit consisting of the west half of the west half of Section 26, Township 20 South, Range 37 East, and the east half of the east half of Section 27, the same township, same range.

Q Have you prepared a plat showing the area involved in this application, Mr. Boynton?

A We have.

(Marked Continental Oil Company Exhibits  
Nos. 1 through 6, for identification.)

Q Referring to Exhibit Number 1, will you state what that shows?

A This is a plat showing the footage location of the well with respect to the section lines, and our Meyer "B" Lease, which is outlined in red. I believe you have a copy of that one.

HEARING EXAMINER MANKIN: You made that Exhibit 1?

A Exhibit 1, yes.

Q Now, you say the Meyer "B" Lease is outlined in red. Is all of the proposed unit located within the outer boundaries of that lease, Mr. Boynton.

A Yes, it is.

Q I noticed it would leave some of the "B" Lease within Section 26 out of the proposed unit. What do you propose to do with that?

A We have a Meyer A-26 Well, which was originally completed. We propose to communitize the remaining B Meyer 26 acres with the Meyer A-26 and assign that entire unit to the Meyer A-26 No. 1 Well.

Q Would you state what the location of the well is, Mr. Boynton?

A The well is located 2363 feet from the south line, and zero feet from the west line of Section 26, Township 20 South, Range 37 East.

Q Has that location been approved by the Oil Conservation Commission?

A It has.

MR. KELLAHIN: If the Commission please, I would like to call your attention to Case No. 627, Order No. R-412, whereby the location of the well involved in this unit was approved by the Commission.

Q Now, referring to Exhibit Number 2, Mr. Boynton, will you state what that shows?

A This is an ownership map, a plat. Among other things it has the structure drawn on top of the Yates Formation, and it also has the present proration unit assigned to the Meyer B-26 No. 1 Well.

Q How is that unit shown, Mr. Boynton?

A It is shown by a solid red line.

Q Yes, sir.

A It also has the proposed unit as shown by a dotted line, red line. In addition, it has the offset wells producing from the same pool as the Meyer B-26 No. 1 is. These wells are circled in green and the unit assigned to the wells are outlined in green, solid green.

Q Are each of these wells circled in green producing from the vertical limits of the Jalmat Formation?

A Yes, sir, they are, to the best of my knowledge.

Q I mean, Eumont Pool.

A Yes, sir.

Q Now, are Continental's properties within these areas shown on Exhibit Number 2?

A Yes, sir, they are.

Q How are they marked?

A They are cross-hatched.

Q All of the cross-hatched acreage on Exhibit Number 2 is Continental acreage?

A Continental acreage, yes, sir.

Q Now, referring to the wells circled in green, Mr. Boynton, would you point out the areas of production in relation to the proposed unit? What I mean, is there production from the Eumont Pool to the south of the proposed unit?

A This Meyer B-26 No. 1 Well is almost entirely surrounded by nearby wells to the northwest, the nearest well is some, more or less, one mile distant.

Q Referring to the well northwest of the Meyer B-26 No. 1,

would you state how that well is located in relation to the structure, as compared to the well within the unit?

A I believe this well is a little bit higher than our well, structurally. However, I believe that our entire acreage, the unit that we are proposing can reasonably be assumed to be productive of gas. As a matter of fact, we have proposed a well in the northeast quarter of the northwest quarter of the Section 27 for the development of that quarter section.

Q Now, I notice there is a heavy dashed line appearing on Exhibit No. 2, what does that show?

A That is the outline of the Sophia Meyer Unit.

Q Does all of the proposed unit lie within the boundaries of the Sophia Meyer Unit?

A It does, yes.

Q Referring to Exhibit Number 3, Mr. Boynton, would you state what that is?

A This is a reproduction of the radio-active log on the well, showing the tops of the formations, various formations. It also shows the producing interval of the well. When the well was completed it was drilled down into the Grayburg Formation, but during August of 1955 we plugged the well back to a depth of 3670 feet so that now the well is open from 2815 feet, which includes a portion of the Yates Formation down to the Seven Rivers, the Queen and the Penrose, which is a portion of the Queen Formation.

Q Would you state what zones are opened in the well at the present time?

A Yates, Seven Rivers and Queen.

Q Are all the areas, all the zones open within this well within

the vertical limits of the Eumont Gas Pool as presently defined?

A Yes, sir, they are, yes, sir, they are.

Q Now, when was the well completed, Mr. Boynton?

A This well was initially completed February the 21, 1929 at a total depth of 3,840 feet -- 3,915, pardon me.

Q Would you tell the Examiner how the well was cased?

A It had eight and 5/8 inch casing set at 2,815 feet and produced from the open hole of 2815 to 3915 until it was plugged back.

Q Now, have you made a test on this well, Mr. Boynton?

A We have, yes, sir.

Q Referring to Exhibit Number 4, would you state what that is?

A That is a calculated openflow potential test taken on the well August 22, 1955, after we plugged it out of the Grayburg Formation. It shows the well to be capable of producing 5,500 MCF per day at zero bottom hole pressure and have a deliverability of 3870 MCF per day at 600 pounds.

Q What would the deliverability be at 150 pounds?

A At 150 pounds the well would produce 5400 MCF per day.

Q Where was the shut-in pressure on that well?

A One thousand eighty-eight and two tenths pounds.

Q Does the well produce any liquids?

A No, sir, it does not.

Q Do the sheets attached to the Exhibit Number 4 show the method of calculating the deliverability and openflow potential?

A Yes, we have both the data calculated from the actual well data and also a graphical solution for deliverability and potential.

Q Based on the tests which were made on this well, is it, in your opinion, capable of producing an allowable for a 320-acre unit, if such unit is assigned to the well?

A Yes, sir, it is.

Q Now, referring back to Exhibit Number 2, Mr. Boynton, you referred to the present unit, would you state what that acreage is covered by?

A The present non-standard proration unit consists of the southwest quarter of Section 26, Township 20 South, Range 37 East.

Q Is there another unit involved within the proposed area at the present time?

A In the proposed area, yes, there is. The Mapenza Company has assigned to their Phillips Hopper Number 1, the southeast quarter of Section 27, which includes 80 acres of the proposed location.

MR. KELLAHIN: If the Commission Examiner please, at this time I ask that the Examiner take notice of the Commission's records, whereby Mapenza Oil Company, by letter dated October 13, 1955 requested that the unit just mentioned by Mr. Boynton be dissolved, and by a formal application applies for approval of an non-standard gas proration unit consisting of the west half of the east half of Section 27, Township 20 South, Range 37 East. And by administrative action of the Commission, an application likewise is dated October 13, 1955; for the convenience of the Examiner, the two letters and the application are attached to our exhibit, marked as Exhibits 5 and 6, and we ask that the Commission take notice of its own records as to the correctness and validity of those two exhibits. If the Commission please, at this time we would like to

offer in evidence, Exhibits 1 through 6, inclusive, in Case 967.

HEARING EXAMINER MANKIN: Is there any objection to the entering of these exhibits 1 through 6 in evidence? If not, they will be so entered.

Q Mr. Boynton, I am not sure, I think you answered the question already, but for the record, in your opinion, based on your study of that area, a well located as the well is located in this unit, and developed on the acreage assigned thereto --

A Yes, sir, I believe --

Q Is it your opinion that all of the acreage which we seek to have assigned may be reasonably be presumed to be productive of gas?

A It is, yes, sir.

Q Do you have anything to add to your testimony, Mr. Boynton?

A No, sir, I don't.

By HEARING EXAMINER MANKIN: Mr. Boynton, this well was previously approved for an unorthodox location, being on the section line, and at that time was entered for a unit number. I presume you still want to keep that same unit designation, which I believe is TL position, or TL Unit in Section 26?

A That is correct, we placed the well in the unit in Section 26 at the time the location was approved.

Q And you still want that?

A That will be satisfactory.

Q Will be satisfactory to continue in that same unit in Section 26, for identification purposes and schedule purposes?

A Yes, sir.

Q That is all right?

A Yes, sir.

HEARING EXAMINER MANKIN: All right. Any questions of the witness? If not, the witness may be excused.

(Witness excused.)

HEARING EXAMINER MANKIN: Have you any others?

MR. KELLAHIN: No other witnesses, that is all in Case 967.

HEARING EXAMINER MANKIN: Anyone have a statement to make in Case 967? If not we will take the case under advisement.

STATE OF NEW MEXICO )  
                                  : SS  
COUNTY OF BERNALILLO )

I, AMADO TRUJILLO, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Commission Examiner at Hobbs, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 30th day of October, 1955.

Amado Trujillo  
Court Reporter

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

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