

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMITTEE
Santa Fe, New Mexico
May 6, 1958

IN THE MATTER OF,

CASE 1438

TRANSCRIPT OF PROCEEDINGS

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

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NEW MEXICO OIL CONSERVATION COMMITTEE

MR. COOLEY: How do you spell your last name?

A B-U-N-C-H.

Q (By Mr. Christie) Have you ever testified before this body before?

A No, sir.

Q Would you please state briefly your qualifications as petroleum engineer, including your schooling?

A I graduated from the University of Oklahoma in 1950 with a B. S. degree in petroleum engineering. Since that time, I have been employed by the Lyons Oil Company and by Monsanto Chemical Company as Petroleum Engineer. Part of that time was in the staff office and the other as District Engineer.

Q Mr. Bunch, the lands involved in the application are situated in Township 30, North, Range 13 West, San Juan County, New Mexico, are those lands in the area where you are working for Monsanto?

A Yes, sir.

Q Does the Commission have any questions concerning the witness' qualifications as petroleum engineer?

MR. NUTTER: Mr. Bunch is qualified.

Q (By Mr. Christie) Would you state briefly what the application seeks in this case?

A Monsanto Chemical Company seeks an order authorizing an unorthodox gas well location for its Viersen Well No. 1 at a point

660 feet from the north and east lines of Section 19, Township 30 North, Range 13, West, San Juan County, New Mexico.

Q Is there any producing oil or gas well within one mile from the subject well?

A No, sir.

Q When was the well commenced, sir?

A The well was spudded October 31, 1957.

Q Were your forms filed with the Conservation Commission, your one twenty-eight, and so on?

A Form C-128 was filed on October 17, 1957.

Q Was it projected as an oil well or as a gas well at the time to this Commission?

A As an oil well.

Q What zone did you hope to get oil from?

A Possibly from the Dakota. There were several prospective zones. I believe the flat lands and point lookout and maybe even the Gallup are the possible zones in this area.

Q Were there showings of oil or gas encountered in the drilling operation and if so, where and at what depth?

A No oil showings were encountered. Gas showings were encountered in the point lookout formation at the approximate depth of the thirty-eight forty-one and thirty-nine thirteen and also gas showings were encountered in the Dakota at approximately a depth of six thousand feet.

Q Were any tests taken in the subject well in the formations?

A In the point lookout drill stem test number one was taken

at intervals of thirty-eight forty-one to thirty-nine thirteen. On the Dakota formation there were several drill stem tests from fifty-nine fifty-seven to sixty twenty-one, and drill stem tests number seven, sixty thirty-three to sixty-one fifty-five, drill stem test number seven, fifty-seven seventy-five to sixty fifty-five and drill stem test number nine, sixty-one fifty-six to sixty-two forty.

Q On the date of application, did you know the potential on the subject well?

A This well--the casing was set on this well on December 6, 1957. On December 10, 1957, the well was perforated fifty-nine seventy-four to sixty seventy. The interval was treated with a thousand gallons of mud and sand. On December 13, 1957, the well was treated with eighty thousand gallons of base oil and seventy thousand pounds of sand. The first official test we have had since then is December 24, 1957. It tested at four million, nine hundred, five thousand cubic feet of gas.

At the time of the test, the well had recovered fifteen hundred thirty five barrels for a total load of twenty-one twenty-one barrels. The rate of recovery at the time of this was four and a half barrels per hour. Since that time, the well has shut in and we are awaiting the designation of a gas connection.

Q Is there a pipeline near this lease?

A El Paso Natural Gas has a line in the vicinity of this well.

Q Upon your completion, did you file form C-104 filed for the Commission?

A Those forms were filed on April 29, 1958.

Q What acreage do you have for this well as a gas unit?

A The hundred and sixty acres on the northeast quarter of Section 19, will be designated to this well.

Q Who is the owner of the lease on that land?

A Monsanto owns the lease.

MR. CHRISTIE: No further questions.

We would like to have this map marked as Exhibit One. I will have the witness identify it before I finish.

Q (By Mr. Christie) I hand you what has been marked Applicant's Exhibit One and if you will, please identify it.

A This is a map of the location of our Viersen Well Number One. It shows the well located six hundred sixty feet from the north and east limits of Section 19. It shows that the hundred and sixty acres in the northwest quarter of that section will be designated to this well.

MR. CHRISTIE: That is all I have.

MR. NUFFER: Any questions of the witness?

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Bunch, where did you complete this well?

A It was completed in the Dakota formation on perforations of fifty- nine seventy-four to sixty seven . The upper zone--I might elaborate here a little, at the time we set the casing on that well, the D. V. 2 was running the string and stems back of the pipe back of the point lookout.

Q When you drilled this well or spudded it, what was the nearest petroleum that you know of in the area?

A I couldn't give you that answer.

Q Do you know whether it was an oil or gas well?

A No sir, I don't.

Q It was probably gas, though, wasn't it?

A Well, I am sure that in the Dakota, there's gas wells, yes sir.

Q To locate me geographically, which direction and how far is this from the Gallup pool or any other known pool that you know of?

A Well, right offhand, I couldn't give you that answer. I don't have a bigger map to show the relationship of this well from any other well that we have in that area.

Q It is near the Gallup pool somewhere, isn't it?

A I think that is true.

Q Which direction is it from Farmington and how far?

A I am trying to see if one of these forms doesn't give a-- if I am not mistaken, this well is within about fifteen miles south and east of Farmington. I will verify that later if that is permissible.

Q South and east?

A Yes sir, I have seen the general overall map of operations in that area and I believe Farmington --

Q You stated that you had several potential zones, the Dakota being the one you completed in and point lookout being another. Can you tell me how far you were from the nearest point lookout well?

A No sir, I do not have that information available. The drilling location and everything was worked out by geologists and the actual drilling and completion of the well was handled by

our office.

Q Do you know where the nearest point lookout was or gas well?

A No, sir.

Q What do you know about the fruit wells?

A I don't know any thing on productive possibilities of any effect or nearby wells. There would be no offset or nearby wells.

Q I think that you will discover when you look that information up that the nearest well in any of these formations was a gas well. Now, I am wondering if you are aware of the fact that if you had moved this location a hundred and thirty feet it would have been an orthodox location for either oil or gas?

A In other words, you are saying you could move it --

A A hundred and thirty feet.

A Nine hundred and ninety from the north and east lines.

Q Seven ninety from the north and seven ninety from the east on the information filed here?

A That is right, according to the rules.

Q Is there any reason why you couldn't drill this well there?

A To my knowledge, there is not.

Q No topographic --

A No topographic.

Q In the future, don't you think it would be a good practice to do that in a questionable area?

A I certainly do.

Q It would save you a hearing, wouldn't it?

(No response).

MR. UTZ: That's all I have.

MR. NUTTER: If not, he may be excused.

MR. CHRISTIE: That's all the applicant has.

(Witness excused).

MR. NUTTER: Does anyone have anything further they wish to offer in Case 1428?

(No response).

MR. NUTTER: The case will be taken under advisement.

C E R T I F I C A T E

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, 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 in in stenotype 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.

WITNESS my Hand and Seal this 8th day of May, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jerry Martinez
Notary Public

My commission expires:
January 24, 1962

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1438 heard by me on 5-6, 1958.
[Signature], Examiner
New Mexico Oil Conservation Commission