

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.
PHONE 325-1182ALBUQUERQUE, N. M.
PHONE 243-6691BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

July 26, 1962

EXAMINER HEARING

IN THE MATTER OF:

Application of Southwest Production Com-
pany for compulsory pooling, San Juan
County, New Mexico. Applicant, in the
above-styled cause, seeks an order force-
pooling all mineral interests in a gas
proration unit comprising the E/2 of
Section 9, Township 30 North, Range 11
West, Basin-Dakota Gas Pool, San Juan
County, New Mexico.

CASE NO.
2610

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF PROCEEDINGS

EXAMINER UTZ: Case No. 2610

MR. DURRETT: Application of Southwest Production Com-
pany for compulsory pooling, San Juan County, New Mexico.

MR. VERITY: George L. Verity for the Applicant.

EXAMINER UTZ: Let the record show that Mr. Jones has
previously been sworn.

JACK D. JONES,

called as a witness, having been previously duly sworn on oath,
was examined and testified as follows:

DIRECT EXAMINATION

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BY MR. VERITY:

Q Will you state your name, please?

A Jack D. Jones.

Q Are you the same Jack D. Jones who testified in the two previous cases?

A Yes, sir.

Q Mr. Jones, are you familiar in detail with the land situation in the East half of Section 9, 30 North, 11 West, San Juan County, New Mexico?

A Yes, sir.

Q Is this tract also within the, or partially within the town of Aztec?

A It is, yes, it is.

Q Has Southwest Production Company drilled and completed a well into the Dakota formation on this half section?

A Yes, we have. The map I had prepared on it has disappeared somewhere along the way, so if you want to take these footages down, it's the Fay Burdett well, which is located 1520 feet from the North line and 1450 feet from the East line of Section 9.

Q That's 1350?

A Fourteen.

Q -- of Section 9, Township 30 North, Range 11 West.

EXAMINER UTZ: Give me those footages again.

A 1520 from the North and 1450 from the East.



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EXAMINER UTZ: Section 9 and --

A Section 9 and 30, 11.

EXAMINER UTZ: And that's spelled Fay Burdett? F-a-y-e?

A F-a-y, I have it.

EXAMINER UTZ: B-u-r-d-e-t-t?

A Yes, E.

MR. VERITY: Put the E on the wrong word.

A The well was spudded on April 29th, 1962, and completed on June 11th, 1962. with an IP of 1927 MCF. It has not yet been put on production.

Q (by Mr. Verity) Can you tell us whether or not you have made an effort to form a 100 percent unit of the East half of Section 9?

A Yes, sir, we have. We have contacted all the owners of lands in the area either personally or by mail.

Q Have you been successful in forming such unit?

A No, sir.

Q How much acreage does Southwest Production hold in the 320 acres?

A They own approximately 275 acres.

Q How many people own the remaining acreage in this unit, I believe 46.8315?

A There are, I believe we list a hundred parties, some of whom are estates. I believe there's somewhere in the nature of 140 individual parties involved.



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Q And you have made an effort, either by personal contact or through the mail, to contact each one of these parties?

A Yes, sir.

Q Would the same situation obtain on this well that you testified did on the two previous wells, regarding risk factor incurred in the drilling of it?

A Yes, sir.

Q And do you have the same opinion in regard to a proper allowable for monthly operation cost?

A Yes, sir.

Q Do you have an opinion as to whether or not the granting of this application will prevent waste and protect the correlative rights of the parties?

A I believe it definitely will.

MR. VERITY: That's all we have.

A There is one other problem of description also involved in this.

MR. VERITY: Yes, we have some description problems which are all related to the requirements of forced pooling. Some of the surveys and calls in the town of Aztec are overlapping and probably have vacancies in them, and for this reason it makes it a somewhat confused picture, so if we are going to develop, it is necessary to have a forced pooling order.

A This map shows in red the area that we have not leased or that is involved.



Q Is this the East half of 9?

A Yes, it also includes some acreage in the West half of 9. It's a blown-up map of the portion of the city of Aztec which we are leasing.

MR. VERITY: Would you like to have this in the record?

(Whereupon Applicant's
Exhibit No. 1 marked
for identification)

A Part of these lands, approximately in the center of the map, where it says Alpha Investment Company. These lands are leased. We then hold them under lease, but there is a description problem involved in this which a subsequent map will outline.

MR. VERITY: That's all we have.

EXAMINER UTZ: Exhibit No. 1 will be entered into the
record of this case. (Whereupon Applicant's
Exhibit No. 1 admitted
in evidence.)

CROSS EXAMINATION

BY EXAMINER UTZ:

Q Was the Fay Burdett well to be designated as the No. 1 well?

A I believe it is Fay Burdett No. 1.

For the record, in the South half of 5, the Rhoda Abrams well is definitely No. 1, as we are currently drilling Rhoda Abrams No. 2 well in Section 5.

Q Will this well be located --

A That well on that map, one north of the -- no, it's just south of the Hampton arroyo there.



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Q -- to be in an undeveloped area of Aztec?

A Yes, sir, that's a farming area there, and we have complied with the city ordinances in locating and drilling and completing the well.

EXAMINER UTZ: Are there any other questions?

The case will be taken under advisement. Proceed to Case 2611.

* * * *



STATE OF NEW MEXICO)
) ss.
 COUNTY OF BERNALILLO)

I, MARIANNA MEIER, NOTARY PUBLIC in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached transcript of proceedings was reported by me in stenotype and that the same was reduced to typewritten transcript under my personal supervision and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

Marianna Meier
 NOTARY PUBLIC

My Commission Expires:

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2610, heard by me on *July 26* 19*62*.

Shirley H. H., Examiner
 New Mexico Oil Conservation Commission

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