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1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

January 5, 1966

EXAMINER HEARING

IN THE MATTER OF:)

In the matter of Case No. 3152 being re-)
opened pursuant to the provisions of Order)
No. R-2821, which order established 80-)
acre spacing units for the Osudo-Wolfcamp)
Pool, Lea County, New Mexico, for a period)
of one year.)

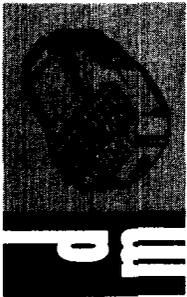
Case No. 3152

In the matter of Case No. 3153 being re-)
opened pursuant to the provisions of Order)
No. R-2822, which order established 80-)
acre spacing units for the Osudo-Strawn)
Pool, Lea County, New Mexico, for a period)
of one year. -----)

Case No. 3153

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING



MR. NUTTER: We will call next Case 3152.

MR. DURRETT: In the matter of Case No. 3152 being reopened pursuant to the provisions of Order No. R-2821, which order established 80-acre spacing units for the Osudo-Wolfcamp Pool, Lea County, New Mexico, for a period of one year.

MR. NUTTER: And Case 3153.

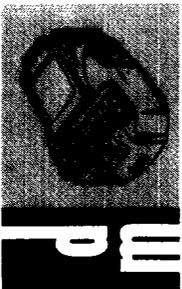
MR. DURRETT: In the matter of Case No. 3153 being reopened pursuant to the provisions of Order No. R-2822, which order established 80-acre spacing units for the Osudo-Strawn Pool, Lea County, New Mexico, for a period of one year.

MR. NUTTER: Are there any appearances on behalf of anyone concerned with Cases 3152 and 53?

MR. KELLAHIN: Jason Kellahin. I would like to enter an appearance on behalf of Amerada Petroleum Corporation. We will not have any testimony to offer, however.

MR. NUTTER: The original applicant in these cases was Jake Hammon. Is there an appearance for Jake Hammon in these cases? Mr. Kellahin.

MR. KELLAHIN: If the Examiner please, the situation as to this Case 3152, the Osudo-Wolfcamp Pool, apparently development has been completed with the drilling of four wells and the performance data on these wells indicate that none of them will pay out. Amerada's well is probably the best well in the field and will ultimately recover according to



our estimates approximately 55,000 barrels, so even 80-acre spacing on this basis would not be economic.

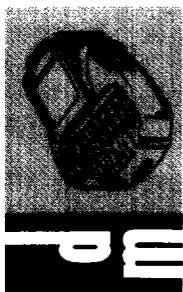
The well at the present time is on the pump and it is making the 80-acre allowable. It is capable of making slightly on the income, Amerada does ask in the interest of the economic factors involved that the 80-acre proration unit be continued in effect.

MR. NUTTER: To your knowledge there are no further drilling operations contemplated?

MR. KELLAHIN: None are contemplated, and insofar as Amerada knows, none of the other operators contemplate any further drilling either.

MR. NUTTER: Any other appearance to be made in either of these cases?

MR. DURRETT: Mr. Examiner, I might state for the record at this time that the Commission has received a letter from the British American Oil Producing Company which I will read in part. One paragraph reads, "We have no basis for supporting continuation of 80-acre spacing unit. No further development in these two pools is anticipated since the Strawn and Wolfcamp production are producing formations in the area of our leases are definitely non-commercial. If an interested party appears requesting continuation of the spacing



provisions we will have no objection to their request."

MR. NUTTER: Thank you. Anything further in Case 3152 or 3153? We will take the cases under advisement.

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me; and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

Witness my Hand and Seal this 12th day of January, 1966.

Ada Dearnley

NOTARY PUBLIC

My Commission Expires:

June 19, 1967.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3152-3153 heard by me on 1/5, 1966.

Joey, Examiner
New Mexico Oil Conservation Commission

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