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1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
September 13, 1972

EXAMINER HEARING

IN THE MATTER OF:)

IN THE MATTER OF CASE 4577)
being reopened pursuant to the)
provisions of Order No. R-4181.)

(Second Calling))

CASE NO. 4577

(Second Calling)

BEFORE: *Daniel*
Richard S. Nutter
Examiner

TRANSCRIPT OF HEARING

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This is essential for ensuring the integrity of the financial statements and for providing a clear audit trail. The records should be kept up-to-date and should be accessible to all relevant parties.

2. The second part of the document outlines the procedures for the monthly financial review. This involves a thorough examination of the accounts and a comparison of the actual results with the budgeted figures. Any variances should be identified and explained, and appropriate corrective actions should be taken.

3. The third part of the document describes the process of preparing the quarterly financial statements. This includes the consolidation of the data from all departments and the preparation of the balance sheet, income statement, and cash flow statement. The statements should be reviewed and approved by the appropriate authority before being issued.

4. The fourth part of the document discusses the annual financial review. This is a comprehensive examination of the company's performance over the entire year. It involves a detailed analysis of the financial statements and a comparison with the previous year's results. The findings should be used to inform the strategic planning process for the following year.

5. The fifth part of the document provides a summary of the key points discussed in the document. It emphasizes the importance of maintaining accurate records, conducting regular reviews, and preparing reliable financial statements. It also highlights the need for transparency and accountability in all financial transactions.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. This is essential for ensuring the integrity of the financial statements and for providing a clear audit trail. The records should be kept up-to-date and should be accessible to all relevant parties.

1 MR. NUTTER: Case Number 4577, called again,
2 which is the matter of Case 4577 reopened pursuant to the
3 provisions of Order Number R-4181.

4 For the record, I would like to say that the
5 original Applicant has requested that the Case be dismissed.
6 We will make a recommendation that the case be dismissed
7 and that the pool revert to 40 acre spacing.

8 Hearing is adjourned.
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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
September 13, 1972

EXAMINER HEARING

IN THE MATTER OF:)
)
)
Case 4577 being reopened pursuant)
to the provisions of Order No. R-4181,)
which order established special rules)
and regulations for the Parkway-)
Wolfcamp Pool, Eddy County, New Mexico.)
)
)

CASE NO. 4577

BEFORE: Daniel S. Nutter
Examiner

TRANSCRIPT OF HEARING

1 MR. HATCH: Case 4577: In the matter of Case
2 4577 being reopened pursuant to the provisions of Order No.
3 R-4181, which order established special rules and regulations
4 for the Parkway-Wolfcamp Pool, Eddy County, New Mexico,
5 including a provision for 160 acre spacing units.

6 MR. NUTTER: Is there an appearance in Case 4577?

7 (No response.)

8 MR. NUTTER: We'll call the Case again at the
9 conclusion of the docket.

10 Case Number 4811.
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1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is essential for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent and reliable data collection processes to support informed decision-making.

3. The third part of the document focuses on the role of technology in modern data management. It discusses how advanced software solutions can streamline data collection, storage, and analysis, leading to more efficient and accurate results.

4. The fourth part of the document addresses the challenges associated with data management, such as data quality, security, and privacy. It provides strategies to mitigate these risks and ensure the integrity and confidentiality of the organization's data.

5. The fifth part of the document concludes by summarizing the key findings and recommendations. It stresses the importance of ongoing monitoring and evaluation to ensure that the data management processes remain effective and aligned with the organization's goals.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 11, 1971

Examiner Hearing

IN THE MATTER OF:)

Application of Petroleum)
Corporation for the creation)
of a new pool, special rules)
therefor, and discovery allow-)
able, Eddy County, New Mexico.)

) Case No. 4577
)
)

BEFORE: DANIEL S. NUTTER, EXAMINER

TRANSCRIPT OF HEARING



1 MR. NUTTER: Case 4577.

2 MR. HATCH: Case 4577. Application of Petroleum
3 Corporation for the creation of a new pool, special rules
4 therefor, and discovery allowable, Eddy County, New Mexico.

5 MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox
6 and Eaton representing the Petroleum Corporation.
7 We have one witness, Mr. Hal Dean which we would like
8 to have sworn.

9 (Witness sworn)

10 (Whereupon, Applicant's Exhibits 1 through 5 were marked
11 for identification.)

12 HAL DEAN

13 having being duly sworn testified as follows:

14 DIRECT EXAMINATION

15 BY MR. HINKLE:

16 Q State your name, your residence and by whom you are
17 employed.

18 A Hal Dean, Midland, Texas. I am employed by The Petroleum
19 Corporation.

20 Q What is your position with The Petroleum Corporation?

21 A I am a Consulting Geologist.

22 Q Are you familiar with the application which has been filed
23 in this case?

24 A Yes, I am.

25 Q What is the Petroleum Corporation seeking to accomplish?

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- 1 A We seek to create a new oil pool producing from the
2 Wolf-camp formation and our Petco State well number 2
3 located in section 26, T19 south, range 29 east, Eddy
4 County, New Mexico, and ask for special rules providing
5 for 160 acre spacing and proration units.
6 In addition we request the assignment of an oil discovery
7 allowable to this well.
- 8 Q Are you a graduate geologist?
- 9 A Yes, sir.
- 10 Q Have you previously testified before the commission.
- 11 A Yes, I have.
- 12 Q Are your qualifications as a Petroleum Geologist a matter
13 of record with the commission?
- 14 A Yes, sir.
- 15 MR. HINKLE: Are the qualifications acceptable?
- 16 MR. NUTTER: Yes, they are.
- 17 Q (Mr. Hinkle continuing) Have you made a study of this
18 particular pool and of the wells that have been drilled
19 and are you familiar with them?
- 20 A Yes, I am.
- 21 Q Have you prepared, or has there been prepared under your
22 direct supervision, exhibits for introduction into this
23 case
- 24 A Yes, sir, there have been.
- 25 Q Refer to exhibit number 1 and explain what this is and what

1 it shows.

2 A Exhibit number 1 is a land plat of the area of interest,
3 which shows the location of the subject well.
4 It is pointed to by the arrow. It is located in the
5 Southeast quarter of the Southwest quarter of section 26.
6 The acreage of which the Petroleum Corporation owns an
7 interest is indicated colored in yellow.
8 The ownership of adjacent lands, to the best of our
9 knowledge is also indicated on this map.

10 Q Now, refer to exhibit number two and explain what
11 this shows.

12 A Exhibit number 2 is a map designed to show the producing
13 formations in the area adjacent to the Petco State number
14 two Wolf-camp completion.
15 At the bottom of the page there is a legend showing
16 the different producing intervals. The nearest producing
17 well is a Petroleum Corporation number one Petco State
18 located 1 and one-half miles East, completed in the stratum
19 formation at approximate depth of 10,600 feet.
20 The closest producing well outside of the number one Petco
21 State is the H. L. Brown Yates Federal located approximately
22 2 and one-half miles east of the number two Petco State,
23 producing from the Morrow formation.

24 Q Does the Sun Ray well in section 32 also produce from the
25 Morrow?

- 1 A The Sun Ray also--well also produces from the Totco
2 Morrow section, but it has been plugged and abandoned.
- 3 Q Your number 1 Petroleum Corporation Petco State number
4 one was a discovery in section 26?
- 5 A Yes, sir. That was a -- discovery well for the Parkway
6 pool, producing from the straun formation.
- 7 Q And special pool rules have been adopted for that area?
- 8 A Yes, sir.
- 9 Q Now, refer to exhibit number 3 and explain that to the
10 commission.
- 11 A Exhibit number 3 is a structure map drawn on the top of
12 the Wolf-camp formation.
13 It shows the number 2 well, number 2 Petco State is
14 approximately 75 feet higher structurally on the top of
15 the straun formation, which was the original objective
16 in our number 2 well was dense, and it was not productive.
17 For this reason, we have plugged back and completed in the
18 Wolf-camp formation average depth of about 9600 feet.
19 This structure map shows a -- an east dipping Morrow
20 climb.
21 There is a change in strike in vicinity of this particular
22 area of interest.
- 23 Q Now, you have a log of the well which is exhibit five,
24 and the history of the well and the production will be
25 explained a little later.

1 Do you have any further comments with respect to exhibit
2 three?

3 A No, sir.

4 Q Refer to exhibit 4 and explain this.

5 A Exhibit 4 is a cross section of electrical log drawn from
6 the Sun Ray number 1 mid-continental well on the west,
7 in an easterly direction through the Petco State number
8 two well.

9 In terminating on the east with the Petco State number 1
10 well in the Sun Ray well, the Wolf-camp zone was not tested.
11 It was present at approximate depth of 9260.

12 However, no drill stem test or production data, testing
13 data had been recorded on this particular well.

14 As we go to the east, you can see that there is considerable
15 change in structure. It is an east dip, and the Wolf-camp
16 zone, which we have completed in was present from depths
17 of 9622 -- pardon me. From 9616 to 9654.

18 The zone was approximately--had approximately 32 feet of
19 crystalline limestone which was porous, had an average
20 porosity of 5%.

21 As we go in an easterly direction, the correlation in the
22 number 1 Petco State, this same zone, was present, but
23 was dense and no shows were recorded in this number one
24 Petco State.

25 The trap is definitely a stratigraphic in nature, being

1 limited from our well control in the northwest and the
2 south and the east direction.

3 Q If you will refer to exhibit 5, which is the well log,
4 and we only have two copies, explain exhibit 5.

5 A Exhibit number 5 is a copy of the Schlumberger Borehole
6 compensated sonic log, gamma ray.

7 On the 5-inch scale, the top of the Wolf-camp section
8 as you see there, is at 9616. The base of the Wolf-camp
9 section is at 9654.

10 The well was perforated from a depth of 9622 to 9646.

11 The well flowed on a 2464 in choke at the rate of 810
12 barrels of oil, 1,001,200 mcf gas per day, a tubing
13 pressure of 320 pounds at the surface, a gas/oil ratio
14 of 1485 to 1, oil of 49 gravity.

15 The treatment after perforation was 500 gallons of acid.
16 The well is presently shut in.

17 Q What about your number 1 well? Is it being produced at
18 the present time?

19 A Yes, it is being produced at the present time from a
20 straun formation.

21 Q Have you gas connections for that well, the number 1?

22 A No, we do not have at this time, but we are anticipating
23 one.

24 Q Do you have a gas connection or anticipate a gas connection
25 for this number 2 well?

- 1 A Yes, sir.
- 2 Q Do you have any idea how long it might be before the
3 well might be connected?
- 4 A Approximately -- we hope fully within a 30-day period.
- 5 Q And you will be producing both oil and gas from that?
- 6 A Yes, sir.
- 7 Q So you really have no production history on this well
8 at the present time.
- 9 A No, sir, we do not.
- 10 Q What is your recommendation to the commission with
11 respect to the establishment of pool rules?
- 12 A We request that we obtain 160 acre spacing with 160
13 acre proration units, and that we be given a discovery
14 allowable for this well.
- 15 Q You are asking for a temporary field rule--
- 16 A Yes, sir.
- 17 Q --for a year?
- 18 A Yes, sir.
- 19 Q And what is the object of the temporary field rules?
- 20 A Well, from our exhibit number 1 of the land plat, there
21 is considerable acreage in which we have an interest in and
22 we would like to observe the production of this well, and
23 then proceed to develop it, or at least hold acreage.
- 24 Q Do you have reason to believe that one well will effectively
25 and efficiently drain as much as a hundred sixty acres or

1 more?

2 A We are hopeful that it will do that.

3 Q This will give you an opportunity to observe the
4 production and possibility of other wells being drilled?

5 A Drilled in the area by ourselves and possibly other oper-
6 aters.

7 Q So at the end of the year you should have additional
8 information to determine that depth?

9 A Yes, sir.

10 Q What discovery allowable are you seeking?

11 A Discovery allowable of approximately 48,110 barrels to
12 this particular well.

13 Q And have you filed a form which is required by the
14 commission regulation for this discovery allowable?

15 A Yes, we have.

16 Q In your opinion this is a new discovery, distinct from
17 the straun discovery in the number 1 well?

18 A Yes, sir.

19 Q There is no communication between the two?

20 A No.

21 MR. HINKLE: We would like to offer in evidence
22 exhibits 1 through 5.

23 MR. NUTTER: Applicant's exhibits 1 through 5 will
24 be admitted in evidence.

25 MR. HINKLE: Do you have anything else you would

1 Q What is the rate of production on that straun well?

2 A Well, it is producing approximately 20 barrels of oil
3 and about 300 barrels of water and gas is around 500 mcf
4 per day.

5 We are hopeful that this second well we are moving up --

6 Q And have you made a calculation as to what the allowable
7 would be under 160 acres spacing for this Wolf-camp well?

8 A No. I have not, sir.

9 Q Or what the rate of gas production would be?

10 A No. I think that it is approximately 400 barrels a day.
11 The gas ratio thereof 1500 to 1 would be closer.

12 MR. NUTTER: Are there any further questions of Mr.
13 Dean? He may be excused.

14 (Witness excused)

15 MR. NUTTER: Do you have anything further, Mr. Hinkle?

16 MR. HINKLE: That's all.

17 MR. NUTTER: Does anyone have anything they wish to
18 offer in case 4577?

19 Take the case under advisement.
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1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that proper record-keeping is essential for transparency and accountability, particularly in financial reporting and compliance with regulatory requirements. The text notes that incomplete or inconsistent records can lead to significant legal and financial consequences for the organization.

2. The second section addresses the challenges associated with data management and storage. As organizations continue to generate vast amounts of data, ensuring its security, integrity, and availability becomes a critical task. The document highlights the need for robust data governance policies, including regular backups, access controls, and disaster recovery plans, to mitigate the risks of data loss or unauthorized access.

3. The third part of the document focuses on the role of technology in streamlining operations and improving efficiency. It discusses the adoption of cloud-based solutions, automation tools, and data analytics platforms. These technologies are shown to enhance productivity, reduce manual errors, and provide valuable insights into organizational performance. However, the text also cautions against over-reliance on technology and stresses the importance of proper implementation and staff training.

4. The final section discusses the importance of continuous improvement and innovation. It encourages organizations to regularly evaluate their processes, identify areas for optimization, and embrace new technologies and methodologies. The document concludes by stating that a commitment to ongoing learning and adaptation is key to long-term success in a rapidly changing business environment.

10/10/2024

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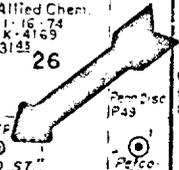
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I N D E X

<u>WITNESS</u>		<u>PAGE</u>
HAL DEAN		2
Direct Examination by Mr. Hinkle		2
Cross-Examination by Mr. Nutter		10
<u>EXHIBIT</u>	<u>MARKED</u>	<u>OFFERED AND ADMITTED</u>
Applicant's 1 through 5	2	9

EXHIBIT "A"

Grid of numbered cells (1-36) containing names, addresses, phone numbers, and company affiliations. Includes names like Harold Kersty, Anadarko, Bell Pet., Superior, and various company names like Petro Corp., Allied Chem., and Yates Fed.



BURTON

4577