

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

11 May 1988

EXAMINER HEARING

IN THE MATTER OF:

Application of Hixon Development Com- CASE
pany for compulsory pooling, Rio Ar- 9377
riba County, New Mexico.

BEFORE: David R. Catanach, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Division: Charles E. Roybal
Attorney at Law
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

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MR. CATANACH: Call next Case
Number 9377.

MR. ROYBAL: Case 9377.
Application of Hixon Development Company for compulsory
pooling, Rio Arriba County, New Mexico.

MR. CATANACH: The applicant
has requested that this case also be continued to the May
25th, 1988 hearing.

(Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division (Commission) was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's office of Case No. 9377 heard by me on May 11 1988.
David R. Catanack, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

25 May 1988

EXAMINER HEARING

IN THE MATTER OF:

Application of Hixon Development Com- CASE
pany for compulsory pooling, Rio 9377
Arriba County, New Mexico.

BEFORE: Michael E. Stogner, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Division: Charles E. Roybal
Attorney at Law
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant: Tommy Roberts
Attorney at Law
P.O. Box 129
Farmington, New Mexico 87499

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MR. STOGNER: Let's call next Case Number 9377.

MR. ROYBAL: Case 9377. Application of Hixon Development Company for compulsory pooling, Rio Arriba County, New Mexico.

MR. STOGNER: Call for appearances.

MR. ROBERTS: Mr. Examiner, my name is Tommy Roberts. I'm an attorney in Farmington, New Mexico.

I'm appearing on behalf of the applicant, Hixon Development Company.

I have one witness to be sworn.

MR. STOGNER: Are there any other appearances?

Mr. Roberts, is your witness the same one that appeared in the last case, No. 9369?

MR. ROBERTS: Yes.

MR. STOGNER: Let the record reflect that Mr. Corbett was previously sworn and had his credentials accepted in the previous case, Number 9369.

Mr. Roberts.

MR. ROBERTS: Mr. Examiner, if you don't mind, I'd like to again give a brief introductory

1 statement.

2 MR. STOGNER: Please do.

3 MR. ROBERTS: The Tapacitos No.
4 2 Well, which is the well we're dealing with in this appli-
5 cation, was drilled on a standard 320-acre spacing unit in
6 accordance with existing pool rules applicable to the Gav-
7 ilan Mancos Oil Pool.

8 Commission Order No. R-7407-E
9 changed the standard spacing in the pool to 640 acres with
10 the flexibility to drill an infill well.

11 That order excepted and exemp-
12 ted existing spacing units from the provisions of the new
13 spacing rule.

14 In this case all working inter-
15 est owners have agreed to the reformation of the existing
16 unit to a 640-acre spacing unit. The owners of the overrid-
17 ing royalty interest under oil and gas leases covering lands
18 in Section 25 have not indicated concurrence in the reforma-
19 tion, and because the immediate result of the spacing unit
20 reformation will be the dilution of revenue interests, Hixon
21 Development Company believes it is necessary to establish in
22 the record that the reformation of a spacing unit will be in
23 the best interest of conservation, will allow the parties to
24 avoid the drilling of unnecessary wells, and will result in
25 the protection of correlative rights of all interest owners

1 in the section, we believe that a hearing on the reformation
2 question affords an opportunity to all interest owners to
3 appear and submit evidence in support of any objection to
4 the action which the Oil Conservation Division is requested
5 to take in this matter.

6 I would -- with that, Mr. Exam-
7 iner, I would begin my questioning of Mr. Corbett.

8 MR. STOGNER: Before we do, Mr.
9 Roberts, one little thing that needs to be cleared up.

10 In the advertisement we showed
11 that the (unclear) is presently dedicated to the south half,
12 which, of course, it is not, it is dedicated to the west
13 half, an error on my part.

14 In looking through the
15 advertisement, this would not affect the call of the hearing
16 and so we'll therefore let it slide and go ahead and hear
17 your case today and take it under advisement.

18 MR. ROBERTS: I concur with
19 that.

20 MR. STOGNER: Mr. Roberts.

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JOHN CORBETT,

23 being called as a witness and having been previously sworn
24 upon his oath, testified as follows, to-wit:

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DIRECT EXAMINATION

BY MR. ROBERTS:

Q Mr. Corbett, refer to the exhibit package which you have marked as Exhibit Number One and would you explain the format of that exhibit package?

A This is a package consisting of five sections.

Section one is items consisting of maps showing Section 25, the section in question, an area map and some summaries of the ownership.

Section two is pressure and production data from the Gavilan Mancos Pool used in modeling my economic analyses of the proration units.

Section three are economic projections for working interest owners for working interest ownership in the well.

Section four is economic analyses for overriding royalty interests in Section 25.

Section five is our evidence of notification of interest owners in Section 25, 26 North, Range 2 West.

Q Mr. Corbett, as a preliminary matter, I believe you've indicated that Item No. 10 is not relative to this particular well in this particular application and is

1 it your request that that item be deleted from the exhibit
2 package?

3 A Item number 10 has been removed from the
4 package and should be crossed out in the table of contents.

5 Q As a result of that deletion there are 20
6 items in the exhibit package instead of 21, is that correct?

7 A That's correct.

8 Q Would you refer to Item number 1 please
9 and identify it, explain its significance to this applica-
10 tion?

11 A Item number 1 is an area map showing the
12 Section 25, Range 2 West, Township 26 North, in Rio Arriba
13 County, New Mexico. The west half of the section is a pro-
14 raiton unit dedicated to the Tapacitos Well No. 2. It's
15 been highlighted in green.

16 Also shown on the map are a number of
17 wells. The pressure data from these wells is included later
18 in the (unclear).

19 Q When was the well spudded and when was it
20 completed?

21 A The Tapacitos No. 2 was completed in May
22 of 1984. It was drilled in early 1984.

23 Q In what formation was the well completed?

24 A In Gavilan Mancos.

25 Q And what is its current status?

1 A It's a pumping oil well at this time.

2 Q And who operates the well?

3 A Hixon Development Company has operated
4 the well since May of 1987. Prior to that the well was
5 drilled and completed by Dugan Production Corporation.

6 Q What is the cumulative oil and gas pro-
7 duction --

8 A Beg pardon, that's incorrect. The well
9 was originally drilled by Southland Royalty, abandoned by
10 them and purchased and brought into production by Dugan Pro-
11 duction Corporation in May of '84.

12 Q What is the cumulative oil and gas pro-
13 duction from the well?

14 A The well has produced 31,000 barrels of
15 oil, approximately 48,000 MCF.

16 Q Refer to Item No. 2. Identify that par-
17 ticular item.

18 A Item No. 2 shows the leases and their
19 ownership in Section 25.

20 Lease No. NM 7993 is owned by Hixon
21 Development Company 60 percent; 40 percent by Dugan Produc-
22 tion Corporation, and there's a 7-1/2 percent overriding
23 royalty interest that belongs to Billie Robinson. It's a
24 Federal lease with a 12-1/2 percent royalty rate.

25 The entire northeast quarter of this sec-
tion, the record title owner is Southland Royalty Company,

1 100 percent working interest. Southland's interests are
2 operated by Meridian Oil.

3 Virgil Hartquist owns 5 percent over-
4 riding royalty interest that's reflected on this as an NRI.
5 That's incorrect. There should be an overriding royalty.

6 That quarter section is Lease No. NM
7 31577. It's a Federal lease with a 12-1/2 percent royalty
8 (inaudible).

9 Q Refer to Item No. 3 and identify that ex-
10 hibit and explain its significance to this application.

11 A Item No. 3 is an interest ownership sum-
12 mary showing the working interest in the west half proration
13 unit and the revenue interests and the overriding interests
14 in the west half. It also shows working interest, revenue
15 interest, and royalty interest in the east half should that
16 be made into one proration unit.

17 And finally it shows a 640-acre proration
18 unit which is what we're proposing and it illustrates the
19 dilution of interests going from 320-acre proration units to
20 a 640-acre proration unit.

21 Q Briefly describe the nature of the agree-
22 ment entered into among the working interest owners in Sec-
23 tion 25, with respect to the reformation of the existing
24 spacing unit.

25 A The agreement will bring in Meridian Oil.

1 They'll, after reforming the proration unit, own 25 percent
2 of the well, which will be proportionate to their ownership
3 in the acreage, on leases contributing to the well.

4 We have agreed to sell them 25 percent
5 interest in the well at its present value.

6 Q Have the owners of the overriding royalty
7 interest and the royalty interest within the section been
8 notified of the proposed reformation?

9 A We've contacted Billie Robinson. We've
10 made two attempts to contact Virgin Hartquist. Neither one
11 of those attempts were successful.

12 Q Were the efforts made to contact those
13 individuals, efforts to obtain concurrence of those owners
14 with the proposed reformation?

15 A Yes, they were.

16 Q And would you describe for the Examiner
17 what response you received from Billie Robinson?

18 A We sought her approval in writing to re-
19 form the proration unit. She's declined to approve.

20 Q She's declined to what?

21 A To approve. She verbally protested our
22 reformation of the proration unit.

23 Q Refer to Item Number 4, please, identify
24 it; explain it's significance to this application.

25 A Item Number 4 is a graph of pressures

1 from the Gavilan Pool. The Tapacitos Well No. 2, the Wild-
2 fire No. 1, Tapacitos No. 4, and the Canada Ojitos No. 29,
3 all of these wells are shown on the area map.

4 The significance of this graph is that it
5 shows that the wells are declining uniformly, that the area
6 encompassed by these wells, or encompassing these wells, is
7 being drained efficiently by the wells in the area.

8 Q What is the source of the data that
9 you've used in this graph?

10 A The pool pressure came from Dwight's Pet-
11 roleum Information.

12 The Tapacitos Well No. 2 pressure was
13 provided by Hixon Development.

14 Tapacitos No. 4 is from data from Hixon
15 Development, and data acquired by Dugan Production Corpora-
16 tion before Hixon Development bought into the well.

17 Data from the Wildfire No. 1 was acquired
18 by Sun for the New Mexico Oil Conservation Division.

19 Data from the Canada Ojitos Unit No. 29
20 was acquired by Benson-Montin-Greer as part of the New Mexi-
21 co Oil Conservation Division.

22 Q Mr. Corbett, would you state again what
23 conclusions you've drawn from the data illustrated on that
24 particular item of the exhibit?

25 A The conclusion is that because the area

1 encompassing these wells isn't draining -- being drained ef-
2 ficiently, additional wells on 640 acres are probably not
3 necessary and one well is certainly capable of draining 640
4 acres.

5 Q Mr. Corbett, refer to what have been
6 labeled as Item Nos. 5 through 9, if you will, and go
7 through each of those items and explain their significance
8 to this application.

9 A Item 5 shows cumulative production from
10 the wells shown on the previous graph and their pressures as
11 of February, 1988.

12 The significance of that is that even
13 though certain wells aren't producing, withdrawing a lot of
14 oil, they are being drained from wells at a distance and
15 suggest the areal extent of drainage for one well in this
16 area is very large.

17 Item No. 6 is a production history for
18 the Gavilan Mancos Oil Pool. This is input data that was
19 used in modeling projections for declines for economic ana-
20 lyses for reformation of our proration unit.

21 Item No. 7 is a graph of the data presen-
22 ted in Item No. 6. It illustrates the decline in oil pro-
23 duction and some increasing gas production for the Gavilan
24 Mancos Oil Pool, and these curves can be compared to the re-
25 gression analysis following in Items 8 and 9.

1 Item No. 8 is a graph of oil production
2 and a regression analysis. I believe in the table of con-
3 tents -- oh, I'm sorry. This is a regression analysis of
4 the historical data so that I can see that my projected pro-
5 duction declines are accurate and the significance of this
6 is that the Gavilan Mancos oil production is declining at
7 36.6 percent annually.

8 Item No. 9 is a regression analysis for
9 gas production from the Gavilan Mancos that shows that his-
10 torically gas production is increasing at 26.16 percent per
11 year.

12 Q Refer to Item No. 11, identify it.

13 A Item No. 11 is input data for a one-well
14 scenario with one well draining all of Section 25. There is
15 -- an important point to note here is that we don't feel
16 that Tapacitos No. 2 is necessarily efficiently draining
17 Section Number 25. We feel that this is because of wellbore
18 problems.

19 The well was originally drilled to the
20 Dakota by Southland Royalty and completed in the Dakota.
21 They moved up-hole and bypassed the Mancos. They attempted
22 to complete in the Mesaverde and the Pictured Cliffs.

23 The well was finally completed by Dugan
24 Production but its production rates don't indicate that it's
25 adequately draining Section 25.

1 Our well testing has shown that this is
2 probably a problem with the wellbore and not actually a
3 problem of transmissibility in this section.

4 Q What specific evidence do you have that
5 allow you to be suspect of the integrity of the wellbore?

6 A Referring back to the production graph
7 and the production versus pressure curve, you can see that
8 other wells that are in pressure communication with the well
9 have much higher recoveries. That would seem to indicate
10 that some of this oil is being drained by wells outside of
11 Section 25.

12 Q Mr. Corbett, would you identify the
13 variables that you've utilized in your economic evaluation
14 for this scenario of one well draining Section 25?

15 A The price of oil and gas are per current
16 postings. Under capital investments you'll see \$600,000,
17 which would be a replacement well for the Tapacitos 2.

18 We then propose to have that well spaced
19 on 640 acres and draining the entire section.

20 Based on what we believe a reasonable
21 production rate for that well would be, and a 36.6 percent
22 pool decline, one well draining all of Section 25 should
23 have recoverable reserves of approximately 60,000 barrels of
24 oil and 1.8 billion cubic feet of gas.

25 Q What proportion of the calculated

1 remaining recoverable reserves would you allocate to the
2 west half of Section 25?

3 A We feel that 50 percent of those reserves
4 are attributable to the west half of the section and 50 per-
5 cent of those would be attributable to the east half of the
6 section.

7 Q Turn to Item No. 12, identify that item
8 and explain its significance.

9 A This item is an economic analysis for a
10 one-well case. The significance of this is that it shows a
11 present value of one well draining 640 acres to be
12 \$1,174,221.

13 Q And is that the present value of
14 recoverable reserves attributable to 100 percent working
15 interest and an 80 percent net revenue interest?

16 A That's correct.

17 Q Refer to Item No. 13, please, identify
18 that item.

19 A Item No. 13 is input data where one well
20 would be drilled to replace the existing Tapacitos 2 on a
21 320-acre proration unit in the west half of the section and
22 a second well would be drilled on a 320-acre proration unit
23 in the east half of Section 25.

24 Again, this is for a 100 percent working
25 interest and 80 percent net revenue interest. The reserves

1 under Section 25 aren't changed from the one-well scenario.

2 Q Basically, are the -- is the source of
3 the input data for this scenario the same as the source of
4 the input data for the first scenario that you have presen-
5 ted?

6 A Yes, it is.

7 Q Refer to Item No. 14, please.

8 A Item No. 14 is an economic evaluation of
9 Section 25, given the drilling of two new wells to drain two
10 320-acre proration units in that section.

11 The significance of this is that the re-
12 serves are similar to the one-well case, although slightly
13 less, again because you can operate one 20-barrel a day well
14 where you may not be able to -- it may be too costly to
15 operate two 10-barrel a day wells.

16 Because there would be two wells draining
17 the section, there's some economic benefit in draining the
18 section more quickly because of the time value of money.
19 The primary importance of this sheet is a 10 percent dis-
20 counted cash flow that is \$415,019.

21 Q Refer to Item No. 15; explain what it il-
22 lustrates.

23 A Item No. 15 is a direct comparison of the
24 one-well scenario and the two-well scenario in Section 25.
25 The production revenue is decreased by some \$90,000 because

1 of the added operating cost. The wells are uneconomic
2 sooner.

3 The operating expenses are increased and
4 there is an additional \$600,000 for drilling a second well
5 on the east half of the section. Because you have two wells
6 draining the section, it's drained faster and given the time
7 value of money you see a benefit of \$72,000, but the
8 difference in present value between the two is \$759,202,
9 which would be economic waste if we were forced to drill a
10 second well on a 320-acre proration unit.

11 Q Would it be your conclusion, then, that
12 the drilling of a second well on a 320-acre spacing would be
13 an uneconomical venture for those parties responsible for
14 the cost of that well?

15 A Yes, it would.

16 Q In your opinion would prudent investors
17 elect to drill a second well given those economics?

18 A No, they wouldn't.

19 Q In your opinion, Mr. Corbett, would the
20 existence of a second well in this section result in the in-
21 creased recovery of reserves?

22 A No, it would not.

23 Q Refer to Item Nos. 16, 17, 18, 19, and 20
24 in the exhibit package and discuss the contents of those
25 particular items.

1 A These are economic scenarios similar to
2 those done for the 100 percent working interest - 80 percent
3 net revenue interest, but the calculations were done for Ms.
4 Robinson's 7.5 percent overriding royalty interest.

5 The input data is the same in every case
6 with the exception of the interest. They show that with one
7 well draining the section the present value of her interest
8 is \$136,943.

9 With two wells draining the section her
10 interest has a value of \$134,512. The difference is because
11 of a loss in production revenue because the two wells won't
12 recover the same reserves that the one well would.

13 There's no change in operating expenses
14 and drilling costs. There's some benefit because of the
15 time value of money but she has a net loss in a two-well
16 scenario with two 320-acre proration units of \$2,431.

17 Q Do you have an opinion as to the impact
18 of reformation on economics for an overriding royalty inter-
19 est owner not participating in the existing spacing unit but
20 who would participate in a reformed spacing unit, and give
21 particular attention to the interest of Virgil Hartquist,
22 which I believe is a 5 percent overriding royalty interest
23 in the northeast quarter of Section 25.

24 A In that case, because a prudent operator
25 would not drill a second well in the east half of Section
25, Mr. Hartquist's override won't become productive unless

1 the proration unit is reformed from 320 to 640 acres.

2 Q In your opinion would the reformation of
3 the existing spacing unit have any adverse economic impact
4 on the royalty interest owner under the leases covering the
5 land in Section 25?

6 A No, it won't, because the royalty rate is
7 consistent throughout the section.

8 Q Do you propose an effective date for the
9 order which you request be issued by the Oil Conservation
10 Division?

11 A We're proposing that the effective date
12 of this order be April 1st, 1988.

13 Q And what is the basis for that proposal?

14 A That's based on our agreement with
15 Meridian to purchase their 25 percent of the Tapacitos 2.

16 Q Mr. Corbett, now refer to Item 21 and
17 explain that exhibit.

18 A This exhibit is evidence of our
19 notification of all the working, overriding, and royalty in-
20 terests in Section 25.

21 Q Have all interest owners received
22 notification of this hearing?

23 A With the exception of Virgil Hartquist,
24 whom we tried to contact both in Charlotte, North Carolina,
25 and Chicago, Illinois, all of the interest owners have been

1 contacted.

2 MR. ROBERTS: Mr. Examiner,
3 we'd like the record to reflect that there are return
4 receipts or evidence of undeliverability of the
5 correspondence to Mr. Harquist, attached at this point, ad-
6 dressed to him in Chicago, Illinois, and I wonder if we
7 might just ask that that be noted for the record in Case
8 Number 9369.

9 MR. STOGNER: In Case Number
10 9369 would the information sent out with that correspondence
11 involve both of these wells today?

12 A Yes, sir.

13 MR. STOGNER: Do you have a
14 copy of that letter that was sent to him?

15 A A copy has been provided to the
16 Conservation Division. I don't have a copy of it with me.

17 MR. STOGNER: Was that
18 submitted at the time of the hearing, I mean at the time you
19 made the application?

20 A Yes, it was.

21 MR. STOGNER: Do you remember
22 what the data of the letter was?

23 A The return receipts are dated 4-21-88.

24 MR. ROBERTS: Mr. Examiner, it
25 may be just as simple for us to go ahead and supplement the

1 record in each case with the appropriate correspondence.

2 MR. STOGNER: Since we didn't
3 -- since we didn't consolidate the cases, if you'll just
4 give me a copy of the Charlotte letter, that should suffice.

5 Q Mr. Corbett, in your opinion will the
6 granting of this application result in the prevention of
7 both economic and physical waste, result in the protection
8 of correlative rights, and be in the best interest of con-
9 servation?

10 A Yes, it will.

11 Q Were the separate items comprising Exhi-
12 bit Number One, which you've identified as Items 1 through
13 21, either prepared by you or at your direction and under
14 your supervision?

15 A Yes, they were.

16 MR. ROBERTS: Mr. Examiner, I'd
17 move the admission of Exhibit Number One, which consists of
18 actually 20 exhibits.

19 MR. STOGNER: Exhibit One with
20 all of its items will be admitted into evidence at this
21 time.

22 MR. ROBERTS: We have no other
23 questions.

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CROSS EXAMINATION

3 BY MR. STOGNER:

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Q Mr. Corbett, you can straighten me out on an issue here.

6

7

8

9

In your testimony you said that the Tapacitos Well No. 2 in your opinion is not draining this total 640 acres because of a problem with the wellbore, is that correct?

10

A

That's correct.

11

Q

12

Does Hixon propose to do some workover to get this wellbore in order where it will drain 640 acres?

13

A

14

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16

We're evaluating that. The well, because it had been completed in the Dakota, the Mesaverde, and the Pictured Cliff, has a number of perforations in it above where we would hope to be refracing the well.

17

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Also the well has 4-1/2 inch casing and we would be needing to frac down tubing and that could present some problems. We may be better off simply to drill a new well.

21

Q

22

So you're proposing to drill another well regardless, is that correct?

23

A

24

25

Another well may be necessary. We're still evaluating the potential for stimulating the well but barring that, we would end up drilling a new well in that

1 proration unit.

2 Q In the proposed 640-acre proration unit.

3 A We'd like to do it on 640 acres. If --
4 if we don't get a 640-acre proration unit, then it would
5 probably be necessary on 320.

6 Q But in your opinion what -- what kind of
7 acreage is this Tapacitos Well No. 2 draining presently?

8 A I'm reluctant to say how big of an area
9 it's draining. Based on its reserves it's draining an area
10 -- it's recovery is approximately half of that from the
11 Tapacitos No. 4, so you can assume that if Tapacitos No. 4
12 is draining the full section that this may be draining
13 approximately 320 acres.

14 MR. STOGNER: I have no further
15 questions of this witness.

16 Are there any other questions
17 of Mr. Corbett?

18 MR. ROYBAL: Mr. Hearing
19 Officer, just one follow-up question on the question you
20 just asked.

21

22 CROSS EXAMINATION

23 BY MR. ROYBAL:

24 Q And that is, Mr. Corbett, you did state
25 that you felt that a second well would not affect the amount

1 of production from Section 25, is that correct?

2 A A second well won't necessarily increase
3 the recoverable oil under Section 25.

4 Q I guess I'm --

5 A I think a second well is needed to re-
6 cover either -- okay, the oil that has yet to be recovered
7 under Section 25 could be recovered either by replacing the
8 Tapacitos No. 2 with a viable wellbore or by -- on 640 ac-
9 res, or by replacing it on its 320 and drilling a second
10 well in the east half of the section on that 320.

11 I think either scenario will have a com-
12 parable recovery, the difference being \$600,000 in addi-
13 tional drilling and completion costs for the second well.

14 Q Thank you.

15 MR. STOGNER: Are there any
16 other questions of this witness?

17 If not, he may be excused.

18 Anything further in Case Number
19 9377?

20 MR. ROBERTS: No, Mr. Examiner.

21 MR. STOGNER: The case will be
22 taken under advisement.

23

24 (Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division (Commission) was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. _____ heard by me on _____ 19 ____:

_____, Examiner
Oil Conservation Division