

CASE 2292: Application of HUMBLE
for permission to take interferen-
ce tests & transfer allowables.

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Application, Transcript,
and Exhibits, Etc.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2292
Order No. E-1993

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR PERMISSION TO TAKE INTER-
FERENCE TESTS AND TRANSFER ALLOWABLES
IN THE CHA CHA-GALLUP OIL POOL, SAN
JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 24, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 8th day of June, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Humble Oil & Refining Company, seeks permission to take interference tests in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico by shutting in its Navajo Tribe "L" Well No. 4, located in the SW/4 SE/4 of Section 26, Township 29 North, Range 14 West, and transferring its allowable to other wells on the same basic lease in such a manner that no well will produce more than 125 per cent of its monthly allowable.
- (3) That the applicant seeks permission to take interference tests in order to gather reservoir data in the Cha Cha-Gallup Oil Pool.
- (4) That permission should be granted on such terms and conditions as will insure accurate results of such interference tests.

-2-

CASE No. 2292
Order No. R-1993

IT IS THEREFORE ORDERED:

(1) That the applicant, Humble Oil & Refining Company, is hereby authorized to take interference tests in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico, by shutting in its Navajo Tribe "L" Well No. 4, located in the SW/4 SE/4 of Section 26, Township 29 North, Range 14 West, and transferring its allowable to other wells on the same basic lease in such a manner that no well will produce more than 125 per cent of its monthly allowable.

(2) That all interference tests involving the transfer of allowables shall be taken in accordance with the following provisions:

(a) The flowing bottom hole pressure of each well offsetting the control well which is to be used in the determination of drainage radius and efficiency shall be taken within 36 hours after the static bottom hole pressure is taken on the control well.

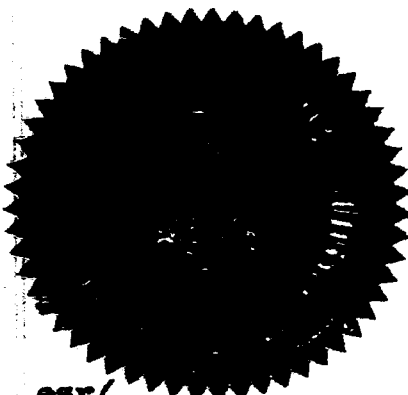
(b) In the event static bottom hole pressures are taken on the flowing wells, in addition to flowing bottom hole pressures, the pressure shall be taken at approximately 24, 48, and 72 hours after shut-in in order to obtain comparable build-up points.

(3) That the allowable transfer shall be effective commencing June 1, 1961.

(4) That all interference tests shall be completed by November 1, 1961, provided, however, that extensions of time in three-month increments may be granted administratively by the Secretary-Director of the Commission for good cause shown.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



esr/

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER



STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

June 8, 1961

Mr. Howard Bratton
Harvey, Dow & Minkie
Box 10
Roswell, New Mexico

Re: CASE NO. 2292 and 2293
ORDER NO. R-1993 and R-1994
APPLICANT:
Humble & Great Western

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

lr/

Carbon copy of order also sent to:

Hobbs OOC X
Artesia OOC
Aztec OOC

OTHER _____

Case 2292

Heard 5-24-61

Rec. 6-5-61

1. Approve Humble's request for interference tests in the Chalk Hills oil Pool as requested.
2. The Contract well shall be operated Navajo Tract # 4, SWSE sec. 26, 29N-14W.
- (3) Allowable may be transferred to other wells on this lease in equal parts.
4. The well shall produce at a rate in excess of 125% of allowable.
5. Use R-1861 as a guide, particularly Rule. (1), (2) + (3)

?

Glenn D. Hill

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

February 21, 1961

Mr. Glenn King
Pan American Petroleum Corporation
Oil & Gas Building
Fort Worth, Texas

Re: Case No. 2166
Order No. R-1861

Dear Sir:

Order No. R-1861 provides that "(a) The flowing bottom hole pressure of each well offsetting the control well shall be taken within 36 hours after the static bottom hole pressure is taken on the control well."

The Commission's intention in this regard is that only such offset wells as will be used in a determination of drainage radius and efficiency must be tested in such manner.

Very truly yours,

A. L. FOSTER, Jr.,
Secretary-Director

ALP/OED/eez

cc: Mr. Elvis Ute
Oil Conservation Commission
Santa Fe, New Mexico

Mr. Emory Arnold
Oil Conservation Commission
Astor, New Mexico

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 2166
Order No. R-1861

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR PERMISSION TO TAKE
INTERFERENCE TESTS AND TRANSFER ALLOW-
ABLES IN THE CHA CHA-GALLUP OIL POOL,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 25, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 2nd day of February, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Pan American Petroleum Corporation, seeks permission to take interference tests in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico, by shutting in its Navajo Tribal "E" Well No. 3, located in the NE/4 SW/4 of Section 21, Township 29 North, Range 14 West, and transferring the allowable of said well in approximately equal parts to the other five wells on its Navajo "E" Lease.

(3) That the applicant seeks permission to take interference tests in order to gather reservoir data in the Cha Cha-Gallup Oil Pool.

(4) That permission should be granted on such terms and conditions as will insure accurate results of such interference tests.

-2-
CASE No. 2166
Order No. R-1861

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, be and the same is hereby authorized to take interference tests in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico, by shutting in its Navajo Tribal "E" Well No. 3, located in the NE/4 SW/4 of Section 21, Township 29 North, Range 14 West, and transferring the allowable of said well in approximately equal parts to the other five wells on its Navajo "E" Lease. All interference tests involving the transfer of allowables shall be taken in accordance with the following provisions:

(a) The flowing bottom hole pressure of each well offsetting the control well shall be taken within 36 hours after the static bottom hole pressure is taken on the control well.

(b) In the event static bottom hole pressures are taken on the flowing wells, in addition to flowing bottom hole pressures, the pressures shall be taken at approximately 24, 48 and 72 hours after shut-in in order to obtain comparable build-up points.

(2) That the allowable transfer shall be effective commencing February 1, 1961.

(3) That all interference tests shall be completed by August 1, 1961, provided, however, that extensions of time in three-month increments may be granted administratively by the Secretary-Director of the Commission for good cause shown.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

esr/

which is to be used in the determination of drainage radius & efficiency

SUGGESTED EXAMINATION IN CASE NO. 2292
 DIRECT EXAMINATION BY LAWYER
 HUMBLE APPLICATION FOR INTERFERENCE TEST AND
 ALLOWABLE TRANSFER - CHA CHA GALLUP POOL
 HEARING SCHEDULED FOR MAY 24, 1961

Q. What is the nature of your request?

A. We are asking permission to conduct an interference test on our Navajo Tribe of Indians "L" lease. This requires that we be permitted to transfer the allowable from an observation well to the other wells on the lease.

Q. What is the purpose of running an interference test?

A. The proposed test will furnish data relative to the efficiency of drainage and oil recovery in Cha Cha Pool.

Q. Will you describe the test procedure you propose to follow.

A. Humble's "L" lease is shown on Exhibit 1. We plan to shut in a selected observation well, "L" No. 4, and its four offset wells for 72 hours in order to approach stabilized reservoir conditions around the observation well. Immediately upon shut-in, a 72-hour BHP bomb will be run in the "L" No. 4. Seventy-two hours following shut-in, the offset wells will be opened and routed through test facilities, and a second 72-hour BHP bomb will be run in the observation well. When the second 72-hour pressure bomb is pulled, a third will be run, after which single point pressure readings will be taken at weekly intervals until conclusive data regarding inter-well interference is collected. The allowable for the observation well will be transferred in approximate equal parts to those other wells on the lease which have an excess producing capacity.

Q. What is the producing rate and accumulated production from the "L" lease?

A. During April the lease averaged 1,767 BOPD from 10 wells, including 4,096 barrels make-up. Cumulative production to the end of April was 208,353 barrels. (April net allowable was 1,711 barrels/day.)

Cum. Bbls 5-1-61

L-1	30,433
L-2	29,497
L-3	26,499
L-4	28,591
L-5	23,458
L-6	21,667
L-7	16,436
L-8	15,806
L-9	12,966
L-10	3,000
	208,353

Q. What is the producing GOR for the "L" lease?

A. The initial producing GOR averaged approximately 700 Scf/STB. Current producing GOR is approximately 900 (first week of May).

Q. What is the BHP under the "L" lease?

A. The original BHP was 1560 psig at +400' datum. At the end of April the pressure was 1440 psig at +400'. (1415) for NW Unit area.)

Q. Is all production from the same source of supply?

A. Yes, all wells are productive from the Gallup formation.

Q. Will an increased production rate damage the reservoir or in any way violate conservation?

A. No sir.

Q. Will this application in any way violate correlative rights?

A. No sir.

Q. Have all offset operators been notified by registered mail of Humble's intent in this matter?

A. Yes, sir.

112292

LAW OFFICES
HERVEY, DOW & HINKLE

HINKLE BUILDING

POSWELL, NEW MEXICO

April 24, 1961

TELEPHONE MAIN 2-6510
RMT OFFICE BOX 10

J. M. HERVEY 1874-1953
HIRAM M. DOW
CLARENCE E. HINKLE
W. E. BONDURANT, JR.
GEORGE H. HUNTER, JR.
HOWARD C. BRATTON
S. B. CHRISTY, IV
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD

Mr. A. L. Porter
Junior Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 1721
Santa Fe, New Mexico

Dear Mr. Porter:

Humble Oil & Refining Company hereby makes application for permission to take interference tests and transfer allowables in the Cha Cha Gallup Oil Pool, San Juan County, New Mexico.

Humble desires to conduct interference tests by shutting in its Navajo Tribe "L" No. 4 well located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 26, Twp. 29 N., Rge. 14 W., N.M.P.M., and transferring its allowable to other wells on the lease.

It is proposed to transfer the allowable of the control well in approximate equal parts to the other wells located on the lease, there being twelve other wells on the lease. However, it is possible that during certain months of the test it might be necessary to produce the allowable in proportions which would not be approximately equal, but under no circumstance would any well be produced at more than 125% of its basic allowable for any month.

Humble proposes to make periodic bottom hole pressure measurements at the control well. Humble does not propose to take static or flowing bottom hole pressure of the other wells on the lease.

Humble requests that the permission to transfer allowables be granted effective June 1, 1961, and continuing through September 30, 1961.

It is requested that this application be set down for hearing at an Examiner hearing in May 1961, so that if the application is granted permission can be made effective June 1, 1961.

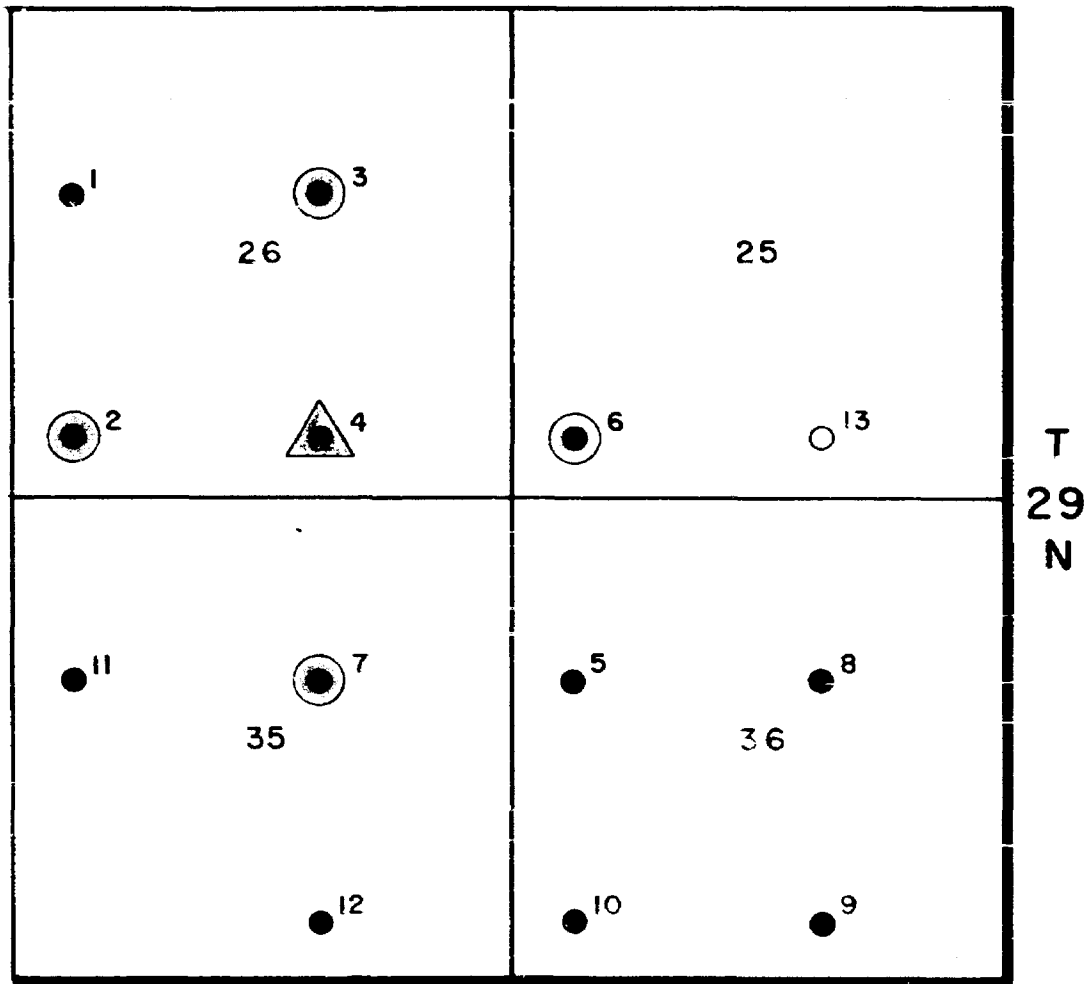
Very truly yours,

HERVEY, DOW & HINKLE

Howard C. Bratton
Howard C. Bratton

*Booked
mailed
HCB:lm*

HUMBLE OIL & REF. CO.
NAVAJO TRIBAL L LEASE
CHA CHA GALLUP POOL
SAN JUAN CO., NEW MEXICO



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— LEGEND —



OBSERVATION WELL



OBSERVATION OFFSETS

BEFORE EXAMINE
OIL CONSERVATION COM.
EXHIBIT NO. 1
CASE NO. 2292

EXHIBIT No. 1

HUMBLE OIL & REFINING COMPANY

~~CENTRAL DIVISION~~

P. O. Box 3082
Durango, Colorado
May 16, 1961

Pan American Petroleum Corp.
P. O. Box 1410
Fort Worth, Texas
Attn: Mr. Robert G. Hiltz

Elliott, Inc.
P. O. Box 5669
Roswell, New Mexico
Attn: Mr. Frank O. Elliott

El Paso Natural Gas Products Co.
P. O. Box 1161
El Paso, Texas
Attn: Mr. H. L. Ayers

Tenneco Oil Company
P. O. Box 1714
Durango, Colorado
Attn: Mr. L. B. Plumb

Aspen Drilling Company
P. O. Box 2060
Farmington, New Mexico
Attn: Mr. W. R. Johnston

Gentlemen:

Attached is a copy of an application made by Humble Oil and Refining Company to the New Mexico Oil Conservation Commission for permission to conduct interference tests in the Cha Cha Gallup Pool. An Examiner Hearing is scheduled for May 24, 1961, in Santa Fe, New Mexico. The application is self-explanatory.

Please consider this as fulfillment of our obligation to notify interested parties of the Hearing.

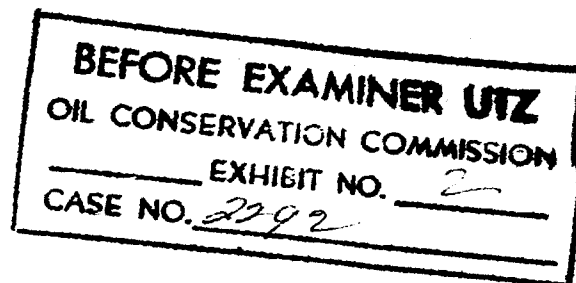
Very truly yours,

B. M. Bradley

B. M. Bradley
Production Superintendent
Durango District

HMB:JF:MGF/jal
Attach.

cc: Mr. R. S. Frazier



BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
May 24, 1961

EXAMINER HEARING

IN THE MATTER OF:

CASE 2292

TRANSCRIPT OF HEARING

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
May 24, 1961

EXAMINER HEARING

IN THE MATTER OF: :

CASE 2292 Application of Humble Oil & Refining Company :
for permission to take interference tests and :
transfer allowables in the Cha Cha-Gallup Oil :
Pool, San Juan County, New Mexico. Applicant, :
in the above-styled cause, seeks permission to :
take interference tests in the Cha Cha-Gallup :
Oil Pool, San Juan County, New Mexico, by shut- :
ting in its Navajo Tribe "L" Well No. 4, :
located in the SW/4 SE/4 of Section 26, Town- :
ship 29 North, Range 14 West, and transferring :
its allowable to other wells on the same basic :
lease in such a manner that no well will pro- :
duce more than 125% of its monthly allowable. :

BEFORE:

Elvis A. Utz, Examiner.

T R A N S C R I P T O F P R O C E E D I N G S

MR. UTZ: We will call Case No. 2292.

MR. MORRIS: Application of Humble Oil & Refining Company
for permission to take interference tests and transfer allowables
in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico.

MR. BRATTON: Howard Bratton appearing for the Applicant,
Humble Oil & Refining Company. We have one witness and I ask that
he be sworn.

(Witness sworn.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CN 3-4491

ALBUQUERQUE, NEW MEXICO



MR. UTZ: Are there any other appearances in this case?

You may proceed.

H. JAMES FLATT,

called as a witness, having been first duly sworn, was examined, and testified as follows:

DIRECT EXAMINATION

BY MR. BRATTON:

Q Will you state your name, by whom you are employed and in what capacity?

A H. James Flatt, I am employed by Humble Oil & Refining Company as District Engineer, Durango, Colorado.

Q Will you state briefly your educational and professional background?

A I was graduated from the University of Colorado in 1952 with a B.S. degree in civil engineering. Since that time I have worked with Humble Oil and 1957 I was made District Engineer and am now in that present capacity.

Q Are you familiar with the area in question in Case 2292?

A I am.

MR. BRATTON: Are the witness's qualifications acceptable?

MR. UTZ: Yes, they are.

Q (By Mr. Bratton) What is the nature of your request in this case, Mr. Flatt?

A In Case No. 2292, Humble is seeking permission to take interference tests and transfer allowables in the Cha Cha-Gallup

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



Pool, San Juan County, New Mexico.

Q For what purpose?

A The purpose of these tests are to study the drainage efficiency in the subject area.

Q What is the manner of your proposed test? What procedures do you want to follow?

A If you will refer to Exhibit 1, you'll see a plat which includes the Humble L Lease in the Cha Cha-Gallup Pool. Five wells have special notations. L-4 in Section 26 is considered an operation well. The four direct offset wells; 2, 3, and 7, colored in yellow, will be considered observation offsets. Our purpose is to shut in well L-4 and observe pressure while producing the other wells on the lease. Initially, all five wells, including 2, 3, 4, 6, and 7, will be shut in for seventy-two hours to approach stabilized reservoir conditions. Subsequent to this, L-4 will remain shut in while the other four wells, 2, 3, 6, and 7, will be returned to their normal producing status.

Immediately upon shutting in of Well No. 4, the seventy-two-hour pressure record will be run in the observation well. Following the three-day shut in, two subsequent three-day pressure measurements will be taken in L-4 well. After this, weekly tests or a single point test will be made until adequate interference is established. During the testing, the allowable from L-4 will be transferred to the other wells on the lease. However, at no time will any well produce in excess of 125% of its allowable. When

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PHONE CN 3-6691

ALBUQUERQUE, NEW MEXICO



interference is established on the well, BHP on the direct offset will be made.

MR. UTZ: At what point will that be?

A When positive interference is established in the L-4 well. We anticipate this will be probably two weeks after the tests start.

MR. UTZ: You will take BHP tests?

THE WITNESS: Yes, sir.

Q (By Mr. Bratton) This pool is on a temporary 80-acre spacing?

A It's under a temporary 80-acre spacing order. It has been drilled on 160. We feel that these tests will provide evidence supporting the requested spacing in this particular area.

Q This will supplement other interference tests conducted in other areas of the pool?

A That is correct. There are two other tests, one being conducted by Benson-Montin-Greer, and one by Pan Am which will bracket the Humble proposed test. We feel this will give us a better aerial coverage to have the tests on the L lease.

Q In your L lease, what are the producing rates of the wells in the cumulative production?

A During April, the L lease averaged 1,767 barrels oil per day from ten producing wells. This number includes 4,096 barrels make-up oil. Cumulative production to the end of April was 208,353 barrels. Cumulative by wells are as follows: L-1, 30,433; L-2,

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PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



29,497; L-3, 26,499; L-4, 28,591; L-5, 23,458; L-6, 21,667; L-7, 16,436; L-8, 15,806; L-9, 12,966; L-10, 3,000.

Q Mr. Flatt, I see that Wells L-11 and 12 shown on the plat that you have not listed them. Are those wells capable of making their top allowable at this point?

A Both Wells 11 and 12 are not given cumulative listing because they were not completed until May. They were not producing during April. Neither well is capable of producing its full allowable of 164 barrel per well per day. L-11 on open choke test did 55 barrels of oil per day pumping. L-12 on open choke test did 44 barrels oil per day pumping. However, the remaining ten wells on the lease can't produce in excess of daily allowable.

Q You will have no problem in transferring your allowable to the other nine wells that will be producing?

A No, sir.

Q What is the producing GOR for the L lease?

A The producing GOR from L lease was approximately 700 standard cubic feet SPB. Current production GOR is estimated at approximately 900 standard cubic feet for the first week in May.

Q And what is the BHP?

A From the L lease, 1,560 psig plus 4 foot datum. At the end of April we anticipated this pressure was approximately 1,440 psig at the same datum.

Q These wells are all producing from the Gallup formation?

A Yes, sir.

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Q In your opinion, would the transfer of this allowable and the increased production rate result in any damage to the reservoir?

A No, sir.

Q Would it result in any violation of correlative rights?

A No, sir.

Q Did you notify all of the offset operators of your application in this case?

A Yes.

Q Do you feel the granting of this allowable is essential to obtain information in connection with the hearing in October?

A We feel very strongly so. Already, very satisfactory interference has been noted. The Benson, Montin, Greer test has registered over two hundred pounds draw down over a period of several months. At last report, Pan Am advised that they have already received some twenty pounds draw down on the interference test on their E Lease. We feel that Pan Am test was a wide spacing test; hence, we feel additional interference testing will very forcibly support wide spacing in this area.

Q Mr. Flatt, when would you like to commence interference testing?

A As soon as possible, especially in view of the schedule of the October show cause hearing. Field work may take up to -- we plan approximately a month -- it could go into a second month -- we will need additional time to process data and so forth.

Q Is there anything further you care to state in connection

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PHONE CH 3-6691

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with this application?

A No, sir.

Q Did you prepare Exhibit Number 1?

A Yes, sir.

MR. BRATTON: We offer Exhibit 1 in evidence and we have no further direct examination.

MR. UTZ: Without objection, Exhibit 1 will be entered into the record.

MR. UTZ:

Q Mr. Flatt, the manner in which you intend to show the efficiency of the drainage on this will be by the taking of pressure on the offset wells to show the pressure between the producing well and the shut in well?

A Part of it. Primarily, of course, we simply want to establish pressure communication. This will indicate resevoir continuity and formation permeability. The second thing we are looking for is the rate of interference. This last question is a qualitative. It will give us a field for the extensive factures in the resevoir, the point being if you have extensive factures, in effect, this will eliminate storage capacity and you will get rapid and significant interference early. The third thing that we hope to develop would be enough permanent field data to calculate and plot pressure in the formation which would have a bearing on draining efficiency ultimately and in that respect, the interference plus the test pressure on the producing well will have a direct bearing,

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PHONE CH 1-6691

ALBUQUERQUE, NEW MEXICO



PHONE CN 3-6691

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

Q Do you think you will be able to take the ~~oil~~ to 200 barrels?

A Yes, sir.

MR. UTZ: Are there any other questions of the witness?

MR. MORRIS: Yes.

MR. MORRIS:

Q Mr. Flatt, did you say anything in your direct testimony regarding 125% limitation?

A I did.

Q I missed that.

A At no time would we produce in excess of -- n.u.l. in excess of 125% allowable.

Q Who owns the offset acreage in the area to the west and to the south?

A According to my lease map, El Paso owns Section 27 and 34 which is the acreage located to the west of Humble L lease in 29 North, 14 West. To the east of Section 36, Section 31, 29 North, 13 West, the ownership map shows Tennessee Gas. Incidentally, the map I have is probably not too accurate as far as acreage ownership is concerned. Section 30 also located to the east of Humble's L lease, 29 North, 13 West -- we show as owned by Aztec and apparently Elliott has a piece of this lease. The acreage to the south of Section 36 -- I believe this is Section 7, 29 North, 13 West, is currently owned by Aspen Drilling and relates to the cause you heard this morning.



Q According to your lease plat, all of the offset owners have been notified of this application?

A According to our map, that's correct.

Q Have you received any objections from any of your offset operators?

A No, sir.

MR. MORRIS: That's all I have; thank you.

MR. UTZ: Are there any other questions?

THE WITNESS: I can give you the operators who were notified to this application by letter: Pan American, El Paso, Aspen Drilling, Elliott and Tenaco.

MR. UTZ: Would you mind giving us that letter as a matter of record?

THE WITNESS: Yes, sir.

MR. BRATTON:

Q Exhibit No. 2 is a copy of the letter which was addressed to all the named addressees in connection with this hearing?

A Yes, sir.

Q And you received no objection from any of them?

A No, sir.

MR. BRATTON: We would like Exhibit 2 admitted in evidence.

MR. UTZ: Exhibit No. 2 will be entered into the record.

Are there any other statements in this case?

The witness may be excused.

(Witness excused.)

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE (214) 3-4691

ALBUQUERQUE, NEW MEXICO



STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

I, THOMAS F. HORNE, Court Reporter, 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 me in machine shorthand 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, 12th day of June 1961, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Thomas F. Horne
NOTARY PUBLIC

My Commission expires:
May 4, 1965

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of case No. 2292, heard by me on May 24, 1961.

Thomas F. Horne
Examiner
New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

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