

CASE 2391: Application of CONTINENTAL  
for a 320-acre non-standard gas pro-  
duction unit. (Lynn B-25 Well No. 2)

Case No.

2391

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Application, Transcript,  
and Exhibits, Etc.

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

October 16, 1961

Mr. Jason Kallahin  
Kallahin & Fox  
Box 1713  
Santa Fe, New Mexico

Re: Case No. 2390 and 2391  
Order No. R-2087 and R-2088  
Applicant:  
Continental Oil Company

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

ir/

Carbon copy of order also sent to:

Hobbs OCC   x  

Artesia OCC       

Aztec OCC       

OTHER

**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. 2391  
Order No. R-2088**

**APPLICATION OF CONTINENTAL OIL  
COMPANY FOR A 320-ACRE NON-  
STANDARD GAS PRORATION UNIT,  
LEA COUNTY, NEW MEXICO.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on October 4, 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 1714 of the Commission Rules and Regulations.

NOW, on this 13th day of October, 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, Continental Oil Company, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 25, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, said unit to be dedicated to the Lynn B-25 Well No. 2, located 990 feet from the South line and 990 feet from the West line of said Section 25.
- (3) That the Lynn B-25 Well No. 1 located in the SE/4 of said Section 25 has been assigned to a 160-acre non-standard gas proration unit, the total acreage of which is to be included in the proposed 320-acre non-standard gas proration unit.
- (4) That the said Lynn B-25 Well No. 1 should be shut-in upon the establishment of the 320-acre non-standard gas proration unit and the production status of said well should be charged to said 320-acre non-standard gas proration unit.
- (5) That the proposed 320-acre non-standard gas proration unit is presumed to be productive of gas from the Jalmat Gas Pool.

-2-

CASE No. 2391  
Order No. R-2088

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 25, Township 23 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established. Said unit is to be dedicated to the Lynn B-25 Well No. 2, located 990 feet from the South line and 990 feet from the West line of said Section 25.

PROVIDED HOWEVER, That the Lynn B-25 Well No. 1 located in the SE/4 of said Section 25 shall be shut-in and the production status of said Lynn B-25 Well No. 1 shall be charged to the 320-acre non-standard gas proration unit.

(2) That the acreage factor for allowable purposes assigned to the above-described 320-acre non-standard gas proration unit shall bear the same ratio to a standard acreage factor as the acreage in said unit bears to the acreage in a standard gas proration unit in the Jalmat Gas Pool.

(3) That the effective date of this order shall be November 1, 1961.


(4) 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.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



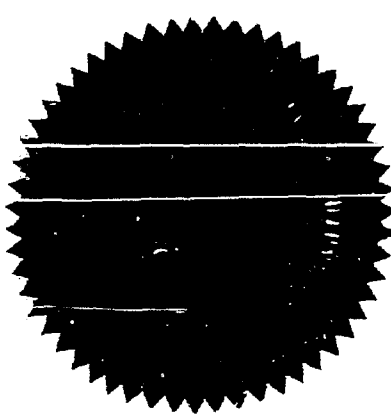
EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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



esr/

Case 2391

Heard. 10-4-61

Rec. 10-5-61

1. Grant Cont. request to form ~~new~~  
~~new~~ expanded unit consisting of  
320 A. ~~The unit~~ The unit to include  
the SW/4 now dedicated to the Lynn  
B-25 #2 as well as the SE/4 now  
dedicated to the Lynn B-25 #1 well.  
The #1 well is to be S.D. and the S/2  
sec. 25-235-36 E to be dedicated to  
the #2 well.

2. The status of the #1 well now  
dedicated to the SE/4 shall be changed  
to the new unit. ~~and~~ and  
shall be effective 11-1-61

James A. W.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 4, 1961

9:00 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM  
STATE LAND OFFICE BUILDING ----- SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, as alternate examiner:

CONTINUED CASE

CASE 2367: Application of Skelly Oil Company for an unorthodox gas proration unit in the Jalmat Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, consisting of the NE/4, NW/4 SE/4, N/2 SW/4 and SW/4 SW/4 of Section 17, Township 23 South, Range 37 East, Lea County, New Mexico; said unit is to be dedicated to the E. L. Steeler Well No. 7, located 1980 feet from the South line and 660 feet from the West line of said Section 17.

NEW CASES

CASE 2388: In the matter of the hearing called by the Oil Conservation Commission to permit Juan J. (John J.) Moya and all interested parties to appear and show cause why the Jones Well No. 1, located 1650 feet from the South line and 990 feet from the East line of Section 7, Township 30 North, Range 11 West, San Juan County, New Mexico, should not be plugged.

CASE 2389: Application of Shell Oil Company for approval of the Cabezon Unit Agreement, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cabezon Unit Agreement embracing lands in Townships 16 and 17 North, Ranges 2, 3 and 4 West, Rio Arriba County, New Mexico.

CASE 2390: Application of Continental Oil Company for a 320-acre non-Standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 7, Township 23 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the Stevens B-7 Well No. 1, located 990 feet from the South and West lines of said Section 7.

CASE 2391: Application of Continental Oil Company for a 320-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the S/2 of Section 25, Township 23 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the Lynn B-25 Well No. 2, located 990 feet from the South and West lines of said Section 25.

CASE 2392: Application of Continental Oil Company for a 240-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 240-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the NW/4 and W/2 NE/4 of Section 23, Township 22 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the Meyer B-23 Well No. 3, located 1980 feet from the North line and 660 feet from the West line of said Section 23.

CASE 2393: Application of Continental Oil Company for a 240-acre non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 240-acre non-standard gas proration unit in the Jalmat Gas Pool, comprising the SE/4 and E/2 NE/4 of Section 23, Township 22 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the Meyer B-23 Well No. 2, located 990 feet from the South line and 1650 feet from the East line of said Section 23.

CASE 2394: Application of Hondo Oil & Gas Company for permission to directionally drill, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks permission to directionally drill a well to be located 2310 feet from the North line and 1980 feet from the East line of Section 26, Township 17 South, Range 28 East, Eddy County, New Mexico.

CASE 2395: Application of Nash, Windfohr & Brown for the establishment of a limiting gas-oil ratio in the Jackson-Abo Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a limiting gas-oil ratio of 4000: 1 in the Jackson-Abo Pool in Township 17 South, Range 30 East, Eddy County, New Mexico.



- CASE 2396: Application of C. W. Trainer for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to locate his Hobbs Well No. 1 at an unorthodox oil well location in the Hobbs Pool, 2545 feet from the North line and 1184 feet from the East line of Section 34, Township 18 South, Range 38 East, Lea County, New Mexico.
- CASE 2397: Application of Reading and Bates, Inc. for a temporary exception to Rule 107 (d), Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a temporary exception to Rule 107 (d) to permit the production of oil from its Simms Federal Well No. 1 located in Section 34, Township 18 South, Range 30 East, North Benson Queen Pool, Eddy County, New Mexico, without installing tubing.
- CASE 2398: Application of Ford Chapman for a 42.35-acre non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a 42.35-acre non-standard oil proration unit in an undesignated Delaware pool comprising Lot 12, Section 34 and Lot 9, Section 35, all in Township 26 South, Range 29 East, Eddy County, New Mexico, said unit to be dedicated to the Curtis Hankamer Gulf-Federal Pipkin No. 1 Well, located 330 feet from the South line and 605 feet from the East line of said Section 34.
- CASE 2399: Application of Texaco Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the Paduca-Delaware Pool for its Cotton Draw Unit Well No. 54, located 1980 feet from the North line and 2339 feet from the East line of Section 28, Township 25 South, Range 32 East, Lea County, New Mexico.
- CASE 2400: Application of Texaco Inc. for a triple completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permission to complete its C. H. Weir "A" Well No. 7, located in Unit L, Section 12, Township 20 South, Range 37 East, Lea County, New Mexico, as a triple completion in the Eumont Gas, Skaggs-Glorieta, and Skaggs-Drinkard Pools, with production of oil from the Drinkard and Glorieta zones to be through parallel strings of 2 3/8 inch tubing and the production of gas from the Eumont Gas Pool through the tubing-casing annulus.

64-391  
Roswell, New Mexico

SEP 11 1961

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Attention of Mr. A. L. Porter, Secretary-Director

Subject: Application of Continental Oil Company  
for Enlargement of a 160-acre to a 320-  
acre Non-standard Gas Proration Unit for  
its Lynn B-25 No. 2 in Section 25,  
T-23S, R-36E, NMN, Jalmat Gas Pool,  
Lea County, New Mexico

Gentlemen:

Continental Oil Company respectfully requests administrative approval under the provisions of Rule 5(c) of the General Rules and Regulations for Prorated Gas Pools of Southeast New Mexico of Order No. R-1670 for the enlargement of the presently approved 160-acre unit to a 320-acre non-standard gas proration unit consisting of the S/2 of Section 25, Township 23 South, Range 36 East, for its Lynn B-25 No. 2 well located 990 feet from the South and West lines of Section 25, Township 23 South, Range 36 East, NMN, Lea County, New Mexico, in the Jalmat Gas Pool.

In support of this request we should like to point out that the proposed unit conforms with the requirements of said Rule 5(c) in all respects as follows:

1. Said proposed unit consists of less than 640 acres.
2. Said proposed non-standard gas proration unit consists of contiguous quarter-quarter sections.
3. Said proposed non-standard gas proration unit lies wholly within a single governmental section.
4. The entire proposed non-standard gas proration unit may be reasonably presumed to be productive of gas from the Jalmat Pool.
5. The length or width of said unit does not exceed 5,280 feet.
6. Copies of this application have been furnished this date by registered mail to all offset operators and all operators within 1,500 feet of said well, as required by the provisions of said Rule 5(c).

A plat is attached hereto showing to the best of our knowledge and belief the proposed unit, the location of the No. 2 well and other wells on the lease, offset wells and ownership thereof.

Said well was completed on March 4, 1948, and therefore is eligible for the tolerance permitted in Rule 5(b) of the special pool rules for the Jalmat Pool of Order No. R-1670.

64-391  
9/14/61

The granting of this application is in the interest of preventing waste and the protection of correlative rights.

In view of the facts set out herein it is respectfully requested that the Commission enter an order approving the non-standard gas proration unit for Continental Oil Company's Lynn E-25 No. 2 well as described above.

*W. A. Mead*  
W. A. MEAD  
Division Superintendent  
of Production  
New Mexico Division

STATE OF NEW MEXICO )  
COUNTY OF CHAVES ) SS.

W. A. Mead, upon being duly sworn, deposes and says that he is the Division Superintendent of Production for Continental Oil Company, and as such is authorized to file the foregoing application; that he has read said application and knows the contents thereof, and that the statements therein are true, as he is credibly informed and believes.

*W. A. Mead*  
(Signature)

Subscribed and sworn to before me this 11<sup>th</sup> day of

September, 1961.

*Louis B. Houston*

My Commission Expires:

5-25-64

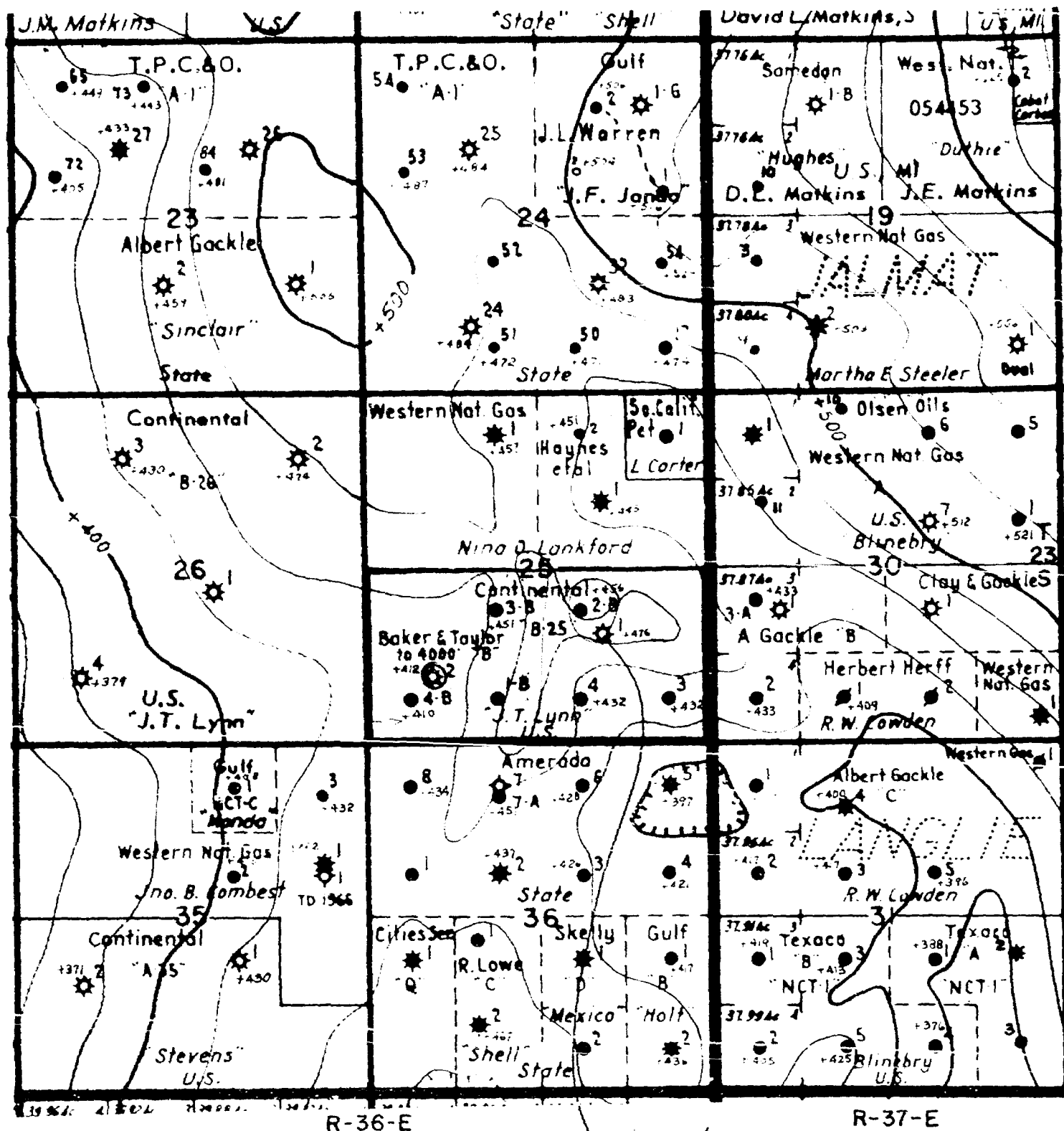
Copies to: NMOCG-3  
RGP - 1  
EGD - 1  
JEP - 1  
File - 1

Copies by registered mail to:

Western Natural Gas Company  
832 Midland Tower  
Midland, Texas

Amerada Petroleum Corp.  
Engr. Dept.  
Drawer D  
Monument, New Mexico

Haynes & V.T. Drilling Co.  
1725 N. Grant  
Odessa, Texas



CONTINENTAL OIL COMPANY  
STRUCTURE PLAT  
CONTOURED ON YATES MARKER

Lynn B-25 No. 2 ○ *u/p 28-4-67*

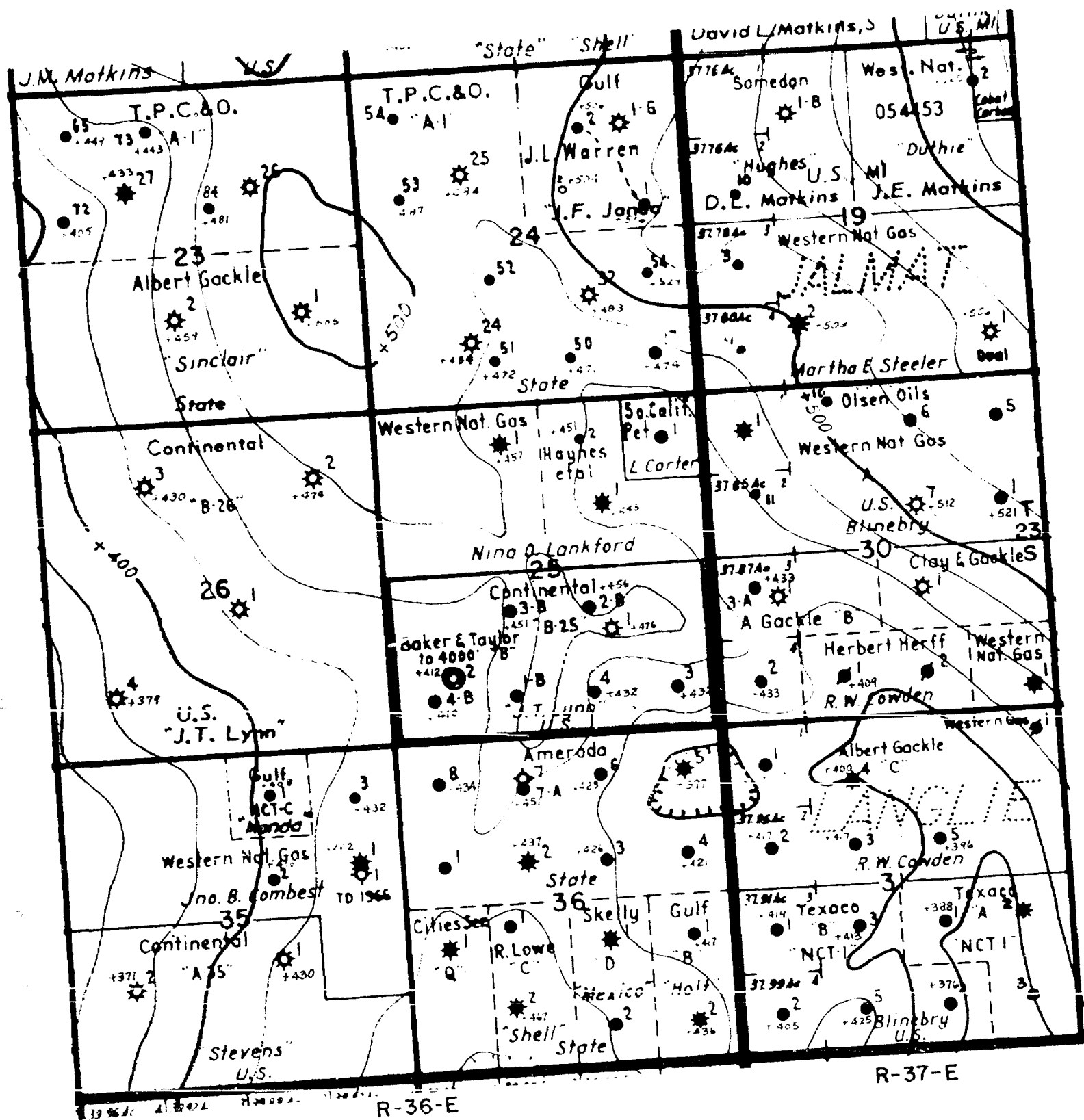
Scale: 1" = 2,000'

Proposed Gas Proration Unit —

Contour Interval: 25'

*2.391*





BEFORE EXAMINER UTZ  
 OIL CONSERVATION COMMISSION STRUCTURE PLAT  
 EXHIBIT NO. 2  
 CASE NO. 2391  
 CONTINENTAL OIL COMPANY  
 CONTOURED ON YATES MARKER

Lynn B-25 No. 2 ○

Proposed Gas Proration Unit —

Scale: 1" = 2,000'

Contour Interval: 25'

RECEIVED  
EDWICE DIST. OFFICE  
MAY 25 1961

NEW MEXICO OIL CONSERVATION COMMISSION  
One-point Back Pressure Test for Gas Well  
(Deliverability)

HOEBS OFFICE REC C-122-C

4-1-51

1961 MAY 16 AM 10:11

Subject Formation Yates & Seven Rivers County  
Annual Special Date of test 4-20-51  
Continental Oil Company Lease Lynn B-25 Well No. 2  
Sec. 25 Twp. 29 Rge. 36 Purchaser El Paso Natural Gas Company  
5-1/2" I.D. 5.012 Set at 2776 Perf. O.H. 2776 To 3350  
2-3/8" I.D. 1.995 Set at 3272 Perf. = 31 2120 Bar. Press. 13.2  
From 2776 To 3350 3272 x 0.648 = 31 2120  
Flowing Thru: Casing Tubing I Type Well Single  
Single- Bradenhead-G.G. or G.O. Dual

Started		Taken		Duration Hours	Type Taps	Line Size	Orifice Size	Static Press.	Differ- ential	Flow Temp.
Date	time	Date	time							
5-1-61	10:30 AM	5-2-61	10:30 AM	24	FLG	4"	1.750	539	35.40	68°
	PM		PM							

FLOW CALCULATIONS								Rate of Flow MCF/Da. @ 15.025 psia
Static Pressure P <sub>r</sub>	Differ- ential h <sub>w</sub>	Meter Extension $\sqrt{P_r h_w}$	24-Hour Coeff- icient	Gravity Factor F <sub>g</sub>	Temp. Factor F <sub>t</sub>	Compress- ibility F <sub>pv</sub>		
552.2	35.40	139.41	19.27	.9622	.9924	1.053		2,709

SHUT-IN DATA								FLOW DATA	
Shut-in		Press. Taken		Duration Hours	Wellhead Pressure (P <sub>c</sub> ) psia		W.H. Working Pressure (P <sub>w</sub> ) and (P <sub>t</sub> ) psia		
Date	Time	Date	Time		Tubing	Casing	Tubing	Casing	
5-2-61	10:30 AM	5-3-61		24	679.2	679.2	563.2	632.2	
		5-4-61	10:30 AM	48	679.2	679.2			
	PM	5-5-61	PM	72	681.2	681.2			

FRICTION CALCULATIONS (if necessary)

P<sub>w</sub> Measured

DELIVERABILITY CALCULATIONS

$$P_w = 632.2 \quad P_c = 681.2 \quad P_w + P_c = 1313.4$$

$$1 - \frac{P_w}{P_c} = 0.0719 \quad 1 + \frac{P_w}{P_c} = 1.0719 \quad \left(1 - \frac{P_w}{P_c}\right) \left(1 + \frac{P_w}{P_c}\right) = M = 0.1386$$

$$.36 + M = 2.597 \quad \text{Log } 0.114472 \quad x(n) = 0.583$$

SUMMARY  
P<sub>c</sub> = 681.2 psia  
Q = 2,709 MCF/Da.  
P<sub>w</sub> = 632.2 psia  
P<sub>d</sub> = 545.0 psia  
D = 4.726 <sup>4 72</sup> MCF/Da.

Log Q = 3.432809

Log D = 3.674446

Antilog = 4.725.5

COMPANY Continental Oil Company  
ADDRESS Box 68, Dunlap, New Mexico  
AGENT and TITLE Dist. Supt.  
WITNESSED  
COMPANY

REMARKS

MMOCC-3 JPM WAM FILE

BEFORE THE OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

CASE NO. 2391

IN THE MATTER OF: Application of Continental Oil Company  
for a 320-acre non-standard gas proration  
unit, Lea County, New Mexico.

TRANSCRIPT OF HEARING

OCTOBER 4, 1961

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CN 3-6691

ALBUQUERQUE, NEW MEXICO





BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
October 4, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of Continental Oil Company  
for a 320-acre non-standard gas proration  
unit, Lea County, New Mexico. Applicant  
in the above-styled cause seeks the estab-  
lishment of a 320-acre non-standard gas  
proration unit in the Jalmat Gas Pool,  
comprising the S $\frac{1}{2}$  of Section 25, Township  
23 South, Ranch 36 East, Lea County, New  
Mexico, said unit to be dedicated to the  
Lynn B-25 Well No. 2, located 990 feet from  
the south and west lines of said Section 25.)

CASE NO.  
2391

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

EXAMINER UTZ: We call Case No. 2391

MR. MORRIS: Application of Continental Oil Company  
for a 320-acre non-standard gas proration unit, Lea County, New  
Mexico.

MR. KELLAHIN: May the record show the same appear-  
ances as in the previous case and let the record show the wit-  
ness has been sworn in the previous case.

EXAMINER UTZ: Yes, the record will show that.

VICTOR T. LYON,

called as a witness, having been first duly sworn on oath, was

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6691



examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Lyon, you are the same Mr. Lyon who testified in Case No. 2390?

A Yes, I am.

Q Are you familiar with the Application of Continental Oil Company in Case No. 2391?

A Yes, I am.

Q Would you state what's proposed in this Application?

A Yes, in Case No. 2391, the application of Continental Oil Company is for the enlargement to 320 acres of the presently approved 160-acre unit for its 11-B 25 Well No. 2 located in Section 25, Township 23 South, Range 36 East.

Q Do you have a plat showing the location and ownership of the acreage involved here?

A Yes, sir. Exhibit No. 1 is a location - ownership plat showing 11-B 25 lease well producing thereon and the offsetting leases and wells producing on those leases.

The lease consists as shown outlined in red of the  $S\frac{1}{2}$  of Section 25, Township 23 South, Range 36 East. The No. 2 well which this acreage is proposed to be allocated is circled in red. The Jalmat wells producing in this area are shown circled in green and the acreage allocated to them is shown outlined in green.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6601



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1112

ALBUQUERQUE, N. M.  
PHONE 243-6691

There may be a mistake on the unit in Section 26. If it is shown on your copy as one unit, it is incorrect.

The N $\frac{1}{2}$  of Section 26 is allocated to Well No. 3, the S $\frac{1}{2}$  to Well No. 1. Otherwise, I believe it is correct.

Q The exhibit also shows the present proration units in the area?

A Yes.

Q Referring to Exhibit 2, would you identify and discuss the information on that exhibit?

A Exhibit No. 2 is a structure plat showing the configurations of the structure contoured on top of the Yates formation in the area of 11-B 25 Lease. The proposed proration unit is outlined in red consisting of the S $\frac{1}{2}$  of Section 25, and the proposed unit well is shown circled in red.

Q On the basis of the structure plat and the information obtained in surrounding wells, in your opinion is all of the acreage you propose to dedicate productive of gas from the Yates formation?

A Yes, sir. The acreage which we propose to add is currently allocated to Well No. 1 and the unit as shown on Exhibit No. 1 is completely surrounded by acreage which is allocated to the Jalmat gas wells.

Q Do you have deliverability tests on Well No. 2?

A Yes, sir. Exhibit No. 3 is a photostatic copy of the form C 122C showing the deliverability test conducted during



the period of April 28 thru May 5, 1961 on this well. It shows the deliverability as 80% of a shut-in pressure, 4,725 MCF per day.

Q Do you know what the deliverability is on the No. 1 Well?

A The No. 1?

Q Yes, sir.

A Let's see. Yes, sir; it is 480 MCF per day.

Q Do you know the current status of these two wells on proration schedules?

A I am sorry, I have not familiarized myself with that.

Q On the basis of the deliverability tests will the 11-B 25 Well No. 2 be capable of making its allowable for the figures 320-acre unit?

A Yes, sir.

Q Is the unit normal in all respects with the exception of the well location?

A Yes, it is.

Q And that is the reason for this Application?

A That is correct.

Q In your opinion will a well so located impair the correlative rights of the offset operators?

A No, sir; I believe not. The normal location for such a unit would be 980 feet from the well and the acreage to the West is owned by Continental Oil Company and is actually a part

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6691



DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6601

of the same basic lease.

Q Is the ownership of the proposed unit common throughout?

A Yes, it is.

Q In your opinion, would reallocation of this acreage to the No. 2 Well be in the interest of protecting correlative rights of the ownership under this lease?

A Yes, sir, I believe it would.

Q Were Exhibits 1, 2, and 3 prepared by you or under your supervision?

A They were.

MR. KELLAHIN: We offer in evidence Exhibits 1, 2, and 3 in Case No. 2391.

EXAMINER UTZ: Without objection Applicant's Exhibits 1, 2, and 3 will be entered into the record of this case.

MR. KELLAHIN: That's all I have.

CROSS EXAMINATION

BY MR. UTZ:

Q Would you say that the figure 28,000,400 under production in the No. 2 Well was due to curtailment from El Paso as in the previous case?

A Yes, sir. I feel certain that it is. It has demonstrated its ability to produce large volume of gas.

Q Do you understand that the status of the unit being added to No. 2 Well will go into unit status?



A Yes, I feel that it is proper that it should.

Q What do you propose to do with the No. 1 Well?

A Shut it in.

EXAMINER UTZ: Are there any other questions of the witness?

The witness may be excused.

\* \* \* \* \*

STATE OF NEW MEXICO )  
COUNTY OF SAN JUAN ) ss.

I, THOMAS F. HORNE, Notary Public in and for the County of San Juan, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing 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.

DATED this 28 day of October, 1961, in the City of Farmington, County of San Juan, State of New Mexico.

*Thomas F. Horne*  
Notary Public

My commission expires: I do hereby certify that the foregoing is a complete and correct transcript of the hearing held on the 28th day of October, 1961, at Farmington, New Mexico.

10-2-65

*Oct. 4 23 91*  
*Thomas F. Horne*

DEARNLEY-MEIER REPORTING SERVICE, Inc.

FARMINGTON, N. M.  
PHONE 325-1182

ALBUQUERQUE, N. M.  
PHONE 243-6691