

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

TRANSCRIPT OF HEARING

Cases No. 642
643, 644, 646
647 & 648

(Consolidated)

January 20, 1954
Regular Hearing

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

January 20, 1954

In the Matter of:

Amerada's application for approval of 160 acre
unorthodox gas proration unit in the Blinbry
Gas Pool: N/2 S/2 16-21S-37E

Amerada's application for approval of a 160 acre
unorthodox gas proration unit in the Tubb Gas
Pool: N/2 S/2 16-21S-37E

Amerada's application for approval of a 160 acre
unorthodox gas proration unit in the Eumont Gas
Pool: N/2 N/2 9-20S-37E

Cases No. 642, 643,
644, 646, 647 & 648
(Consolidated)

Amerada's application for approval of a 160 acre
unorthodox gas proration unit in the Eumont Gas
Pool: W/2 W/2 12-20S-36E

Amerada's application for approval of a 160 acre
unorthodox gas proration unit in the Eumont Gas
Pool: E/2 NW/4 and W/2 NE/4 12-20S-36E

Amerada's application for approval of a 160 acre
unorthodox gas proration unit in the Eumont Gas
Pool: E/2 SW/4 and W/2 SE/4 12-20S-36E

(Notice of Publication read by Mr. Graham)

MR. SPURRIER: We will hear Cases 642, 643, 644, 646, 647 and
648 at this time.

W. G. A B B O T T

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. WOODWARD:

Q Mr. Abbott, would you state your name and where you live?

A W. G. Abbott, with Amerada Petroleum Corporation, at Monument,

New Mexico.

Q In what capacity are you employed, Mr. Abbott?

A I am District Engineer.

Q Are you familiar with Amerada's operations in Lea County, New Mexico?

A Yes, I am.

Q Have you previously testified before this Commission as a petroleum engineer?

A Yes, sir.

MR. WOODWARD: Are his qualifications acceptable?

MR. SPURRIER: They are.

Q Mr. Abbott, I hand you what has been marked as Exhibit A in Case 642, will you tell what it is, please?

A This is a plat showing our unorthodox unit, it consists of the north half of the south half of Section 16, Township 21 South, Range 37 East.

Q Will you point out Amerada's ownership on that map?

A Yes, we own this north half of the south half of the section.

Q Which is the proposed unit?

A Yes, sir.

Q Will you identify the unit well on the proposed unorthodox unit?

A Yes, sir, our well is the State D-A4, which is located in the northeast quarter of the southeast quarter of this section.

Q In what common source or sources has this well been completed?

A This well was originally drilled to the Drinkard Zone and recently it was dual completed to the Blindery Gas Zone.

Q Have Form C104 and 110 been filed with the required plat for the proposed unit well?

A Yes, sir.

Q Mr. Abbott, I hand you what has been marked as Exhibit B. Will you tell what it is, please?

A Exhibit B is a letter to the offset operators in this section in which it states if there are any objections they will contact us prior to the hearing.

Q Mr. Abbott, was that addressed to the offset operators to the unit or to all operators in the section?

A That is all operators in the section.

MR. WOODWARD: We ask that Exhibits A and B be submitted and received in evidence.

MR. SPURRIER: Without objection they will be admitted.

MR. WOODWARD: The applicant's next case is 643.

Q Mr. Abbott, I hand you what has been marked as Exhibit A in Case 643, will you tell what it is, please?

A This Exhibit is a plat showing our unorthodox proration unit, consisting of the north half of the south half of Section 16, Township 21 South, Range 37 East.

Q Will you identify the area under lease to Amerada in that section?

A Yes, this is the same area that was taken in at the previous hearing, or previous case. It is the north half of the south half of the section.

Q You stated that this well has been completed, or proposed to complete this well in more than one common source?

A Yes, this is a Drinkard Well and we are going to dual complete that in the Tubb Base Pay.

Q When was approval for dual completion of this well granted?

A Well, let's see, it was received November 13, 1953.

Q Was notice of this application of this case sent to the same operators in the section?

A Yes, sir.

Q Applicants next case is 644. I hand you what has been marked as Exhibit A in Case 644, will you tell what it is?

A This proposed unorthodox unit consists of the north half of the north half of Section 9, Township 20 South, Range 37 East.

Q Is Amerada's ownership the same as the area covered by the proposed unit?

A Yes, sir.

Q Will you identify the unit well on this proposed unit?

A The well is located in the center of the northwest quarter of the northwest quarter of the section.

Q In what common source, or sources has this well been completed?

A It is completed now in the Eumont Oil Pay and we propose to dual complete this in the Eumont Gas Pay Queen Seven Rivers Gas Pay.

Q Has approval for these dual completions been granted heretofore by the Commission?

A Yes, sir.

Q When was that approval granted?

A I don't believe I have the date on that, Mr. Woodward.

Q Well, we will withdraw the question. Mr. Abbott, I hand you what has been marked Exhibit B in Case 644, will you tell what it is,

please?

A This is a letter to all the other operators in this section, proposing our application for unorthodox gas unit.

MR. WOODWARD: We offer Exhibits A and B in evidence.

MR. SPURRIER: Without objection they will be admitted.

MR. EVERETT: Mr. W. H. Everett, representing the Ohio Oil Company, Houston, Texas. My company is the operator of the south half of the north half of this section involved in application in Case No. 644. We urge the Commission to approve the application, we did not have an opportunity to answer the letter you just referred to, Even though it might appear what we call a long 160 we think it is appropriate in this case as we think similar applications to the south might be appropriate as concerns our company.

MR. SELINGER: On behalf of Skelly Company, who owns the entire south half of Section 9, we have no objections to granting of the exception to Amerada, nor of the granting of any exception to the Ohio Company.

MR. WOODWARD: We, of course, have no objection to any unorthodox unit. We recognize any time you are asking for unorthodox unit as to shape that contains 160 acres it is going to leave one other in that tract. I might make this general statement, with respect to all our applications, we are, of course, in sympathy with a formation of a second, necessary second unorthodox unit.

Q The next case is 646, Mr. Abbott, and I hand you what has been marked Exhibit A in Case 646, will you tell what it is, please?

A Yes, sir, this is a plat showing our proposed unorthodox unit. This unit consists of the west half of the west half of Section 12,

Township 20 South, Range 36 East.

Q Will you identify the unit well on this proposed unit?

A Yes, sir, this well is located in the center of the northwest quarter of the northwest quarter, Section 12.

MR. WOODWARD: Exhibit A is offered in evidence.

A This Exhibit B is a letter to the remaining operators in this section who like our proposal for the unorthodox gas proration unit.

Q Will you describe the area of Amerada's ownership in that unit?

A Yes, sir, we have the, the west half of the section. You just want this one unit?

Q Just Amerada's total ownership in that section.

A We have the entire west half of the section and also the west half of the east half of this Section 12.

MR. WOODWARD: Exhibit B is offered in evidence.

MR. SPURRIER: Without objection they will both be received.

Q Mr. Abbott, when was this proposed unit well completed as a gas well?

A This well was completed, recompleted as a gas well, December 19, 1952.

Q Had Forms C104 and 110 been filed with the required plat for these proposed unit wells?

A Yes, sir.

Q The next case is 647. I hand you what has been marked as Exhibit A in Case 647, will you tell what it is?

A Yes, sir, this is a plat showing our proposed proration unit consisting of the east half of the northwest quarter and the west half of the northeast quarter, Section 12, Township 20 South, Range

36 East.

Q This is the same section as involved in the previous case?

A Yes, sir, absolutely.

Q Will you identify the unit well on the proposed unit?

A Yes, we propose to dual complete our No. 1 Well on this unit. It is located in the northwest quarter of the northeast quarter of the section.

Q When was approval for completing this well, dually completing it as a gas well, granted?

A I don't believe I have that date.

Q We will withdraw that one. Mr. Abbott, was notice sent to the same operators within this section that notice was sent to in Case 646?

A Yes, sir, it was, Sunray Oil Company.

MR. WOODWARD: Exhibit A in Case 647 is offered in evidence.

MR. SPURRIER: Without objection it will be received.

Q The next Case is 648. Mr. Abbott, I hand you what has been marked as Exhibit A in Case 648, will you tell what it is?

A This Exhibit shows our location of this unorthodox gas production unit. It consists of the east half of the southwest quarter and the west half of the southeast quarter, Section 12, Township 20 South, Range 36 East.

Q This is the same section as involved in the two previous cases?

A Yes, sir.

Q To your knowledge, notice was sent to the other operators in the section?

A Yes, sir.

Q Will you identify the unit well on this proposed unit?

A The well we propose to dually complete is our No. 1 Byrd Well, which is located in the northeast quarter of the southwest quarter, Section 12, Township 20 South, Range 36 East.

Q Has approval heretofore been granted for dually completing this well?

A Yes, sir, we received the permit November 13, 1953.

MR. WOODWARD: Exhibit A in Case 648 is submitted in evidence.

Q Mr. Abbott, with respect to all of these applications which have been consolidated, in your opinion is it practical to communitize portions of the acreage covered by these applications with other lands to form orthodox proration units, or form proration units consisting of a quarter section legal subdivision?

A No, sir, it would not be practical.

Q Would the granting of these applications interfere, in your opinion, with the establishment of four 160 acre proration units in each of the sections in which they are located?

A No, sir.

Q It will not interfere?

A It will not interfere.

Q In your opinion will the granting of these applications tend to increase average well density in any of these sections?

A No, sir, it will not.

Q In your opinion will the granting of these applications in any manner cause waste or prejudice the correlative rights of any interested person in these fields?

A No, sir.

MR. WOODWARD: That is all.

MR. SPURRIER: Anyone have a question of the witness? If not the witness may be excused. Anyone have further comment in these cases? If not we will take the cases under advisement and move on to Case 599.

(Witness excused)

STATE OF NEW MEXICO)
)
COUNTY OF BERNALILLO)

I HEREBY CERTIFY that the foregoing and attached transcript of hearing on the consolidation of Cases 642, 643, 644, 646, 647 and 648, before the Oil Conservation Commission, State of New Mexico, at Santa Fe, on January 20, 1954, is a true and correct record of the same to the best of my knowledge, skill and ability.

DATED at Albuquerque, New Mexico, this 26th day of January, 1954.


REPORTER

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO