

BEFORE THE
Oil Conservation Commission
SANTA FE, NEW MEXICO
August 15, 1956

IN THE MATTER OF:

CASE NO. 1128

TRANSCRIPT OF PROCEEDINGS

DEARNLEY-MEIER AND ASSOCIATES
COURT REPORTERS
605 SIMMS BUILDING
TELEPHONE 3-6691
ALBUQUERQUE, NEW MEXICO

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 15, 1956

IN THE MATTER OF:

Application of the New Mexico Oil Conservation Commission on its own motion for the establishment of six non-standard drilling and proration units in the Aztec-Pictured Cliffs Gas Pool, San Juan County, New Mexico, in exception to Rules 2, 3 and 6 (A) of the Special Rules and Regulations for said pool as set out in Order R-565-C. Applicant, in the above-styled cause, seeks an order authorizing the creation of the following non-standard drilling and proration units in the Aztec-Pictured Cliffs Gas Pool, San Juan County, New Mexico.

Case 1128

- (1) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 9: W/2 E/2 and W/2
Containing 204.04 acres
 - (2) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 9: E/2E/2
Section 10: W/2
Containing 203.67 acres
 - (3) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 10: E/2
Section 11: W/2 W/2
Containing 201.82 acres
 - (4) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 11: E/2 W/2 and E/2
Containing 200.63 acres
 - (5) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 12: W/2 and W/2 E/2
Containing 201.64 acres
 - (6) TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 12: E/2 E/2
- TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM
Section 7: W/2
Containing 214.32 acres

Subject application is made to compensate for the variations in the legal sub-divisions of the U. S. Public Lands Survey in said Township 28.

BEFORE: Honorable John F. Simms, Jr.
Mr. E. S. (Johnny) Walker
Mr. A. L. Porter, Jr.

TRANSCRIPT OF HEARING

(Mr. Jack Gurley, attorney for the Oil Conservation Commission, read the title of the within case.)

MR. WOODWARD: John A. Woodward for El Paso Natural Gas Company, El Paso. We have some testimony for El Paso Natural Gas Company.

MR. WALKER: I will swear the witnesses.

(Witnesses sworn by Mr. Walker.)

T. W. BITTICK

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

DIRECT EXAMINATION

By MR. WOODWARD:

Q Mr. Bittick, will you state your name please?

A T. W. Bittick.

Q Where do you live, Mr. Bittick?

A Farmington, New Mexico.

Q By whom are you employed, and in what capacity?

A I am employed by El Paso Natural Gas Company as Division Land Man for the San Juan Division.

Q Have you previously testified before this Commission in your capacity as Division Land Man?

A Yes sir, I have.

MR. PORTER: His qualifications are acceptable.

Q Mr. Bittick, are you familiar with the application in Case 1128?

A Yes sir, I am.

Q Are you familiar with El Paso Natural Gas Company's Exhibit A?

A Yes, sir.

Q. Will you state what that Exhibit shows please?

A Exhibit A shows the acreage covered by the Application in Case 1128 and has colored in red the previous spacing unit set up by the Commission's order R-628 and colored in green the spacing units requested in this Application now before the Commission.

Q The units in green are then the proration and drilling units that are presently recommended in this application?

A Yes, sir, they are.

Q Is all of the acreage colored in green within 1 mile of the area limit of the Aztec Pool?

A No sir, I don't believe the 6th unit, covering the West half of Section 7 and the East half East half of Section 12 would be within one mile.

Q But all the rest of it is?

A Yes sir, I believe so.

Q Exhibit A shows acreage content of the West half and the west half of the East half of Section 12 to be 201.41 acres, is that correct?

A I believe it is, based on the U. S. G. S. Survey Plat, and I believe it is in conflict with the Application as stated, but I believe it is probably a typographical error. The application calls for 201.4 acres and I believe it is 201.44.

Q Whatever the acreage is, it is the West half and the East

half West half of Section 12 that is proposed as a non-standard proration unit, is that correct?

A That is correct.

Q As Division Land Man working in this area, do you have any recommendations with respect to this Application.

A Yes sir. I would recommend that the spacing units as set out in the Application be established for the reason that the Commission has already, by order R-628, set up similar units to the first of the proposed units and it would be impossible to obtain 160 acre spacing units in these short sections due to the fact that they are not regular 640 acre sections.

Q Approximately how much acreage is there in these short sections?

A About 300 acres.

Q Then a quarter section does not contain 160 acres?

A That is correct.

Q Your recommendation then is that this pattern for the disposition of the acreage in these short sections along the north line of Township 28, Range 9 West be adopted.

A Yes sir, that would be my recommendation.

MR. WOODWARD: We have no further testimony.

MR. PORTER: Does anyone have any questions of Mr. Bittick?

CROSS EXAMINATION

By MR. UTZ

Q Mr. Bittick, the Pictured-Cliff Well in the west half of Section 11, Township 28 North, Range 9 West, what is the name of that well, do you have that?

A The Johnston #1.

Q That's the El Paso Johnston #1?

A Yes, sir.

Q And how far will that well be from the unit line, the units you have set out here?

A I don't have the footage location on that, Mr. Utz.

Q Well, it will not be less than 330 will it?

A Yes sir, I believe it will be.

Q Is the working interest and royalty interest in this unit-- you haven't specified the unit numbers on your exhibit have you?

A No, sir.

Q Necessarily the units you apply for in the East half of Section 10 and the West half of the West half of Section 11 and the unit applied for in the West 3/4 of Section 11, the East 3/4--are the working and royalty interests the same?

A Yes sir, they are.

Q In this application are you asking for proration units to be made of these as well as drilling units?

A Yes, sir.

Q And do you believe that the units as applied for here are reasonably productive of gas in the Pictured-Cliff formation?

A Well, some of that remains to be seen.

MR. WOODWARD: Mr. Bittick is offered as an expert in land and ownership problems and is not testifying of course as a geologist. This is wildcat territory and the disposition of acreage is actually for the state-wide rule concerning the 160 acres to be used until you get the geological information, at which time I assume another look at this matter would be taken. However, if you would like his non-expert advice as to whether this is productive or not, I'm sure

he will be glad to give it.

MR. UTZ: In other words, some of these may not be pro-rationed units, they may be drilling units. You wouldn't want dry acreage dedicated to a well. That is the point I was trying to bring out.

MR. PORTER: Does anyone else have a question of Mr. Bittick? If not, Mr. Bittick may be excused.

MR. WOODWARD: I would like to offer El Paso's Exhibit A.

MR. PORTER: Without objection, Exhibit A will be received. The case will be taken under advisement

STATE OF NEW MEXICO)
: SS
COUNTY OF SANTA FE)

I, Dorothy B. Myers, Court Reporter, do hereby certify the foregoing and attached transcript of proceedings before the Oil Conservation Commission for the State of New Mexico was reported by me in shorthand and reduced to typewritten transcript by me and/or under my personal supervision, and that same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my hand and seal this 12 day of Sept, 1956.

Dorothy B. Myers
Court Reporter