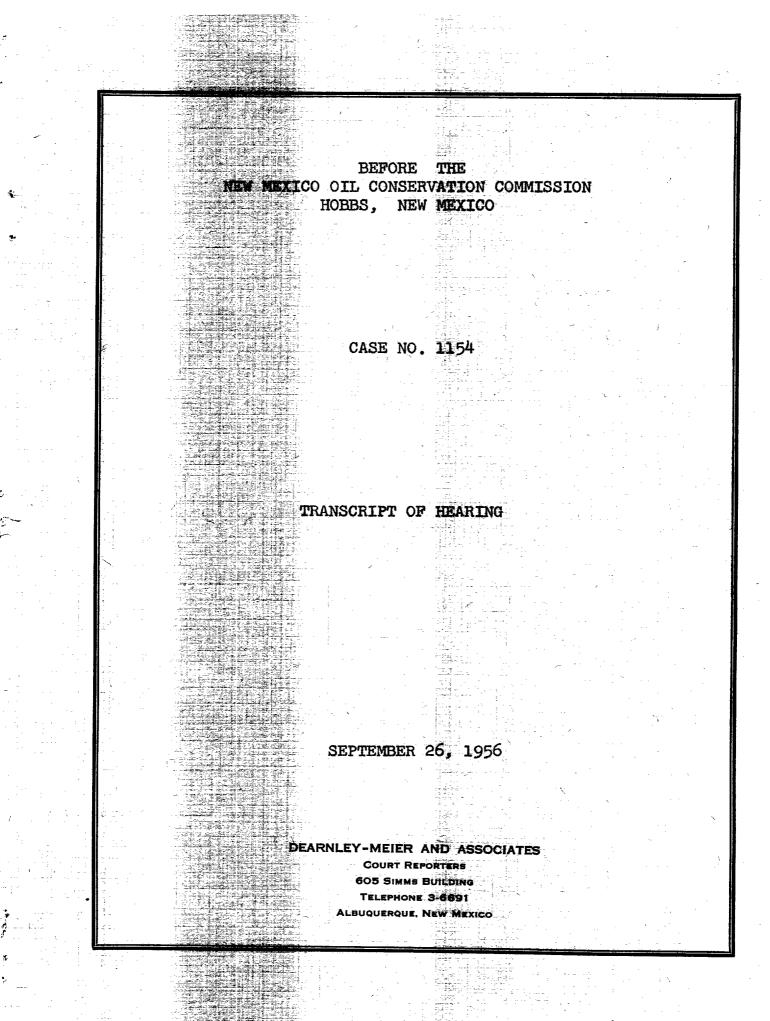
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2 BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION HOBBS, NEW MEXICO SEPTEMBER 26, 1956 IN THE MATTER OF: : 1 CASE NO. 1154: Application of Continental Oil Company for : an order establishing a 480-acre non-standard : gas proration unit in the Eumont Gas Pool in exception to Rule 5 (a) of the Special Rules : and Regulations for said pool as set forth in : Order R-520. Applicant, in the above-styled cause, seeks an order establishing a 480-acre : non-standard gas proration unit in the Eumont : Gas Pool comprising the W/2 Section 14 and E/2 E/2 Section 15, Township 20 South, Range 37 East, Lea County, New Mexico. Said unit to: be dedicated to applicant's Skaggs "B-14" Well: No. 1 located 1980 feet from the South line and 560 feet from the West line of said Sec-: tion 14. BFFORE: Daniel S. Nutter, Examiner. <u>T R A N S C R I P T</u> <u>OF PROCEEDINGS</u> MR. NUTTER: Next case is Case 1154. MR. KELLAHIN: I would like to use Mr. E. V. Boynton in this case. and I would like the record to show that he has previously been sworn. MR. NUTTER: It will so show. V. <u>EOYNTON</u> Ε. called as a witness, having been first duly sworn on oath, testified as follows: DIRECT EXAMINATION BY MR. KELLAHIN: \bigcirc State your name, please. A E. V. Boynton. DEARNLEY-MEIER & ASSOCIATES INCORPORATED GENERAL LAW REPORTERS ALBUQUERQUE - SANTA FE 3-6691 2-1869

Q You are the same Mr. E. V. Boynton who testified in Case 1153?
A Yes.

Q Are you familiar with the case in 1154?

A Yes.

Q What is proposed in that application?

A Case 1154 proposes an enlargement of the present proration unit now assigned to our Skaggs "B-14" No. 1 gas well to include the E/2 of the E/2 of Section 15, thereby forming a 480-acre gas proration unit.

Q What is the status, Mr. Boynton, of the W/2 of the E/2 of Section 15?

A We have proposed to assign that to our Britt "B-15" No. 3 gas well.

Q There is a case pending on that at the present time?

A There is, yes, sir.

© Now, referring to Exhibit No. 1, will you state what that is?

A Again, Exhibit No. 1 is an ownership plat on which has been drawn contours on top of the Yates formation, it shows the present proration unit assigned to Skaggs "B-14" No. 1, to be outlined in green, it shows the proposed proration unit to be outlined in red, and the subject gas well is encircled in red, it also shows offset proration unit outlined in yellow and offset gas wells encircled in yellow. Again, the cross hatched area is Continental Oil Company leases, operated leases.

Q Are the units offsetting the proposed unit operated by Con-

tinental?

A Most of them are, yes.

Q Now, what are the contours on that Exhibit?

A Those contours show the structure in the area as contoured on top of the Yates formation at twenty-five foot contour intervals.

C And referring to Exhibit No. 2, would you state what that is?

A Exhibit No. 2 is Welex radio active log of Skaggs "B-14" No.1, it shows the interval open for production in the subject well and also pertinent formation tops. It illustrates that this well is producing from the Penrose or lower Queen formation.

Q Referring to what has been marked for identification as $\mathbb{T}x$ hibit No. 3, state what that is, please.

A Exhibit No. 3 is a calculated open flow potential on the Skaggs "B-14" No. 1 as taken on June the 20th, 1956, it shows that the open flow potential of the well would be 9,115,000 MCF per day, that is deliverability at 600 pounds would be 6,400,000 MCF per day Again we have this illustrated by close up. .

Q Is the close up attached to the Txhibit?

A It is.

Q Based on your information and the contours, the radio active log, other information, may all the acreage here be presumed to be productive of gas?

A Yes, this area here is relatively flat, we could assume that the entire acreage is productive of gas to the extent that we intend development to the east and also to the south of the subject well. Q And will the well, Skaggs "B-14" No. 1 located as its effectively drain and recover gas from that area?

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A Yes, it will.

Q Now, is there any other well to which the acreage proposed to be dedicated, is that any other well which it could be dedicated to? A No, there isn't.

Q Do you have anything you care to add?

A No, unless you have some more questions.

MR. KELLAHIN: That is all the questions we have.

QUESTIONS BY MR. NUTTER:

- A Yes.
 - Q It was fairly recently completed? A Yes.
 - Q And you received the 320 acres approved on an NSP?

A I assume that has been granted, it is a recent thing, but I believe it has been granted.

- Q Does it presently have a connection?
- A To El Paso Natural Gas, yes.

MR. NUTTER: Does anyone have any questions of the witness? MR. REEDER: Is this common lease ownership?

A Yes, it is.

- Q (By Mr. Reeder.) There will be no probability of --
- A That entire acreage is within the Southeast Monument Unit.

MR. NUTTER: Does anyone have any statements they wish to make in this case, if not, --

MR. KELLAHIN: I would like at this time to offer in evidence Exhibits 1 through 3 inclusive.

MR. NUTTER: Without objection the Exhibits will be received, the witness may be excused, and we will take the case under advisement.

(Witness excused.)

STATE OF NEW MEXICO) : ss COUNTY OF BERNALILLO)

I, THURMAN J. MOODY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript by me and/or under my personal supervision; that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal, this, the 19th day of October, 1956, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Notary Public

My Commission Expires: April 3, 1960. À

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