

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

MAIN OFFICE 000

1959 JAN 25 AM 8 30

IN THE MATTER OF:

Case No. 1516

TRANSCRIPT OF HEARING

JANUARY 7, 1959

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

-----:
IN THE MATTER OF: :

Case 1516 Application of El Paso Natural Gas Company :
for two non-standard gas proration units and :
for the approval of one unorthodox gas well :
location. Applicant, in the above-styled :
cause, seeks an order establishing a 120- :
acre non-standard gas proration unit in the :
Jalmat Gas Pool consisting of the N/2 SW/4 :
of Section 4, Township 25 South, Range 37 :
East, said unit to be dedicated to the :
Applicant's Wells Federal No. 3 Well loca- :
ted 1980 feet from the South and West lines :
of said Section 4. Applicant further seeks :
the establishment of a 200-acre non-standard :
gas proration unit in the Jalmat Gas Pool :
consisting of the SE/4 SW/4 of Section 4 and :
the NW/4 of Section 9, Township 25 South, :
Range 37 East, Lea County, New Mexico, said :
unit to be dedicated to the applicant's :
Wells Federal No. 11 Well located 430 feet :
from the South line and 2317 feet from the :
West line of said Section 4. Applicant :
further seeks approval of the unorthodox :
gas well location of the said Wells Federal :
No. 11 Well. :

-----:
Mabry Hall
Santa Fe, New Mexico
January 7, 1959

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. SETH: We have a very short case, could we proceed
before we go to lunch?

MR. UTZ: Perhaps we'd better adjourn for lunch now.

MR. WHITWORTH: Garrett Whitworth of El Paso Natural Gas

Company. We have Mr. Oliver Seth as our resident Counsel and we would rather not have him unduly detained from his office and have to come back after lunch. May I suggest that this is a short case and can be dismissed now?

MR. UTZ: The next case will be 1516.

MR. PAYNE: Case 1516, "Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location."

MR. WHITWORTH: For the record, Garrett C. Whitworth, El Paso Natural Gas, but Mr. Oliver Seth is our resident Counsel. We have one witness, Mr. David Rainey.

(Witness sworn in).

(Whereupon, the documents were marked as Applicant's Exhibits One and Two for identification).

DAVID H. RAINEY

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

DIRECT EXAMINATION

BY MR. WHITWORTH:

Q Will you state your name, please?

A David H. Rainey.

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

A I am employed by the El Paso Natural Gas Company in an administrative position in the Proration Department in El Paso, Texas.

Q Have you previously been qualified to testify as an expert witness before this Commission?

A Yes sir, I have.

Q Are you familiar with El Paso Natural Gas Company's application in this case?

A Yes sir, I am.

Q What does El Paso Natural Gas Company seek by this application?

A El Paso seeks the approval of two non-standard proration units, one in our Wells Federal Number 3 Well located in the northeast quarter of the southwest quarter of Section 4, Township 25 South, Range 37 East, and another non-standard proration unit for the Wells Federal Number 11 Well located in the southeast quarter of the southwest quarter of Section 4, Township 25 South, Range 37 East, and for an unorthodox location for the Wells Federal Number 11.

Q Do you have a plat showing the location of these two wells?

A Yes, I do and it has been marked as Exhibit One. The proposed proration unit for our Wells Federal Number 3 is to consist of the north half of the southwest, and the southwest of the southwest of Township--of Section 4, Township 25 South, Range 37 East. This well is located 660 feet from the north and east lines of the southwest quarter of that section. And the unit for the Wells Federal Number 11 is to consist of the southeast quarter

of the southwest quarter of Section 4 and the northwest quarter of Section 9, Township 25 South, Range 37 East, Lea County, New Mexico.

Q Who is the owner of these two wells?

A El Paso Natural Gas Company.

Q Has the Wells Federal Number 11 Well been communitized?

A Yes sir, it has been communitized by a communitization agreement dated November 20, 1958 and communitized by the interests of all the working interest owners and the overriding royalty interest owners. I might point out that both of our leases are Federal leases.

Q Do you have a copy of this communitization agreement?

A Yes sir, this communitization agreement has been marked as El Paso's Exhibit Number Two.

Q Now, what is the proposed gas proration unit to be dedicated to the Wells Federal Number 11 Well?

A As I previously stated, it will be the southeast quarter of the southwest quarter of Section 4 and the northwest quarter of Section 9, Township 25 South, Range 37 East, Lea County, New Mexico in the Jalmat Gas Pool.

Q And you previously stated the one for the Wells Federal Number 3, is that right?

A Yes sir, and I might point out now that we will also need to have cancelled the current non-standard proration Order Number 369 on the Wells Federal Number 3 which granted the entire

southwest quarter of Section 4 as the dedicated unit for that well.

MR. UTZ: Was that an order or DC?

A An NSP order, administrative order.

MR. UTZ: Go ahead.

Q (By Mr. Whitworth) This well was approved as a non-standard unit in that location that you stated?

A Yes, sir.

Q Now, the proposed units that we have proposed by this application are non-standard units, is that correct?

A Yes sir, the spacing is standard spacing in the Jalmat Gas Pool and they are 640-acre units. Lesser acreage are considered are non-standard units, but the necessity for this hearing in this particular case is that the proposed unit for the Wells Federal Number 11 lies in portions of two sections.

Q Now, this Wells Federal Number 11 Well is your unorthodox location?

A Yes sir, it was originally drilled by the Olson Oil Company as an oil well, or proposed oil well and gas was encountered in the well. I don't believe I have given the location of this well previously, but it's 23, 17, and the well is 430 feet from the south line of Section 4, 25 South, 37 East.

Q Was that the Olson Oil Company or the Jal Oil Company?

A It may have been drilled by the Jal Oil Company. I was Jal Oil Company, I'll correct myself on that.

Q And was it drilled as a gas well or as an oil well?

A Well, it was proposed to be an oil well and the location of this well is a standard location for an oil well.

Q Is it a gas well or an oil well?

A It is now a gas well. There was no fluid produced from the well, but that is what they intended to do.

Q What is the production of gas?

A The well has not yet been produced. The initial potential was taken on the thing in April, 1958, and it showed an absolute open flow of 10,000,000 cubic feet per day.

Q In what formation was this well completed?

A The Wells Federal Number 11 and the Wells Federal Number 3 are both completed within the designated producing interval of the Jalmat Gas Pool.

Q To your knowledge, will the granting of the application prevent waste?

A Yes sir, specifically for the reason that if the application is not granted, it would be necessary to plug the Wells Federal Number 11 because we have all of that acreage dedicated to Number 3.

Q Will the granting of such application violate correlative rights, to your knowledge?

A No, sir.

Q Do you know of any interested party in this case other than those that signed the communitization agreement, El Paso's Exhibit Number Two?

A No, sir.

Q Were the two exhibits, El Paso's Exhibits One and Two, prepared under your direction or supervision?

A The plat, El Paso's Exhibit Number One, was prepared from a sketch which I personally made and the communitization agreement was prepared by our Land Department.

MR. WHITWORTH: We ask that the two exhibits be admitted.

MR. UTZ: Without objection, Exhibits One and Two will be admitted.

Q (By Mr. Whitworth) Do you have anything further that you would like to add to your testimony?

A No sir, I believe not.

MR. WHITWORTH: That's all I have.

MR. UTZ: Are there questions of the witness?

Mr. Rainey, do you know whether or not the Number 11 had a non-standard location approval when it was drilled as an oil well?

A It was my understanding that that location was a standard location for an oil well.

MR. UTZ: You think that 323.4 feet here would be standard acreage?

A To my knowledge, it did not have any specific unorthodox location approved on it, Mr. Utz. I can't state definitely, I don't know.

MR. UTZ: Any other questions of the witness?

MR. FISCHER: On the back of this agreement, is this the Indiana Petroleum Company or Indian?

A No sir, it's Indian Petroleum Company.

MR. UTZ: Any other questions?

MR. WHITWORTH: I have one question. When was this Wells Federal Number 11 Well completed?

A This well was spudded in October, 1957 and was completed in December--just a moment and I can get the exact date--completed December 15, 1957. At that time, as I stated before, it was completed as a gas well, and under working agreements between us and Olson and the Jal Oil Company, they tendered the well to us as a gas completion and the time involved since completion has been taken up with consultation with Olson and the Jal Oil Company and us and in executing this communitization agreement.

MR. UTZ: The Jal Oil Company actually drilled the well?

A Yes, sir.

MR. UTZ: Are there other questions?

If not, the witness may be excused.

Excuse me, I had one more question. How about the unit to the south of this proposed unit?

A There's no Jalmat wells completed at the present time in the southwest quarter of Section 9 or in the southeast quarter of Section 8. However, there are additional Jalmat wells completed south of that. This is essentially in the heart of the south end of the Jalmat field.

MR. UTZ: These other wells would be in --

A Would be in Sections 15 and 16.

MR. UTZ: That's right. In other words, most of these units are surrounded by Jalmat completions?

A Yes sir, I think there's no doubt that the entire unit would be productive of gas from the Jalmat Pool.

MR. UTZ: The witness may be excused.

(Witness excused).

MR. UTZ: Are there any other statements to be made in this case?

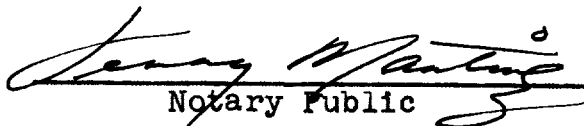
If not, the case will be taken under advisement.

The hearing is adjourned.

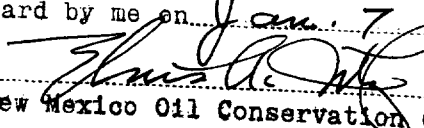
STATE OF NEW MEXICO)
 : ss
 COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, 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 by me and contains a true and correct record of said hearing, to the best of my knowledge, skill and ability.

DATED this 22nd day of January, 1959, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


 Notary Public

My Commission Expires:
 January 24, 1962

I do hereby certify that the foregoing is
 a complete record of the proceedings in
 the Examiner hearing of Case No. 1516,
 heard by me on Jan. 7, 1959.

 Examiner
 New Mexico Oil Conservation Commission

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1516

TRANSCRIPT OF HEARING

NOVEMBER 19, 1958

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
NOVEMBER 19, 1958

IN THE MATTER OF: :

CASE NO. 1516 Application of El Paso Natural Gas Company: :
for two non-standard gas proration units :
and for the approval of one unorthodox gas: :
well location. Applicant, in the above- :
styled cause, seeks an order establishing :
a 120-acre non-standard gas proration unit: :
in the Jalmat Gas Pool consisting of the :
N/2 SW/4 and the SW/4 Sw/4 of Section 4, :
Township 25 South, Range 37 East, said :
unit to be dedicated to the applicant's :
Wells Federal No. 3 Well located 1980 :
feet from the South and West lines of :
said Section 4. Applicant further seeks :
the establishment of a 200-acre non- :
standard gas proration unit in the Jalmat :
Gas Pool consisting of the SE/4 SW/4 of :
Section 4 and the NW/4 of Section 9, :
Township 25 South, Range 37 East, Lea :
County, New Mexico, said unit to be :
dedicated to the applicant's Wells :
Federal No. 11 Well located 430 feet :
from the South line and 2317 feet from :
the West line of said Section 4. Appli- :
cant further seeks approval of the un- :
orthodox gas well location of the said :
Wells Federal No. 11 Well. :

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order, please. We
have a continued case which is to be continued again that I would
like to take up at the present time and the next case will be
Case 1557.

MR. PAYNE: Case 1516, "Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location."

Mr. Examiner, we have received a request from El Paso to continue this case until the first examiner hearing in January and I so move at this time.

MR. UTZ: Is there objection to the continuance of this case until the first examiner hearing in January? This is not listed on the docket, it is a continued case from last month. Without objection, the case will be continued until the first examiner hearing in January.

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Hearing was reported by me in Stenotype at the time and place aforesaid; that the same was reduced to typewritten transcript by me and contains a true and correct record of said proceedings, to the best of my knowledge, skill and ability.

DATED this 26th day of November, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Jerry Martinez
Notary Public

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 1516, heard by me on *Nov. 19* 19*58*.

My Commission Expires:
January 24, 1962

W. H. H. H. Examiner
New Mexico Oil Conservation Commission

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

IN THE MATTER OF:

Case No. 1516

TRANSCRIPT OF HEARING

October 22, 1958

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
Phone CHapel 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
October 22, 1958

IN THE MATTER OF:

Application of El Paso Natural Gas Company for :
two non-standard gas proration units and for the: :
approval of one unorthodox gas well location. :
Applicant, in the above-styled cause, seeks an :
order establishing a 120-acre non-standard gas :
proration unit in the Jalmat Gas Pool consisting: :
of the N/2 SW/4 and the SW/4 SW/4 of Section 4, :
Township 25 South, Range 37 East, said unit to :
be dedicated to the applicant's Wells Federal :Case 1516
No. 3 Well located 1980 feet from the South and :
West lines of said Section 4. Applicant further:
seeks the establishment of a 200-acre non- :
standard gas proration unit in the Jalmat Gas :
Pool consisting of the SE/4 SW/4 of Section 4 :
and the NW/4 of Section 9, Township 25 South, :
Range 37 East, Lea County, New Mexico, said :
unit to be dedicated to the applicant's Wells :
Federal No. 11 Well located 430 feet from the :
South line and 2317 feet from the West line of :
said Section 4. Applicant further seeks appro- :
val of the unorthodox gas well location of the :
said Wells Federal No. 11 Well. :
-----:

Mabry Hall
Santa Fe, New Mexico

BEFORE:

Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING

MR. UTZ: The hearing will come to order, please.

We have three continued cases this morning which we will
take up first and dispose of them and follow the docket in order.
The first case on the docket will be Case 1516.

MR. PAYNE: "Application of El Paso Natural Gas Company

for two non-standard gas proration units and for the approval of one unorthodox gas well location."

Mr. Examiner, we received a letter from El Paso Natural Gas Company requesting that this case be continued until the next examiner hearing in November. Since your next scheduled hearing is November 19, I move that this be continued until that date, November 19.

MR. UTZ: Is there objection to the continuance of Case 1516?

(No response).

MR. UTZ: If not, the case will be continued November 19 before me.

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, JERRY MARTINEZ, 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 that the same is a true and correct record, to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 23rd day of October, 1958,
in the City of Albuquerque, County of Bernalillo, State of New
Mexico.

Leary M. McIntire
Notary Public

My Commission Expires:
January 24, 1962

I do hereby certify that the foregoing is
a true and correct copy of the original
that was on file in the office of the
New Mexico Oil Conservation Commission
New Mexico Oil Conservation Commission

El Paso Natural Gas Company

El Paso, Texas

October 17, 1958

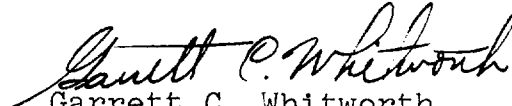
Mr. A. L. Porter, Director
New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Case No. 1516, Application of EPNG
for two Non-standard Gas Proration
Units and one Unorthodox Well Loca-
tion in Sections 4 and 9, Township
25 South, Range 37 East, Lea County,
New Mexico.

Dear Mr. Porter:

The captioned case which was originally scheduled for October 2, 1958, was continued until October 22, 1958, in order to allow time to effect communitization of the leases involved. It has become apparent that this communitization will not be concluded prior to the October 22 examiner hearing and it is, therefore, requested that this case be further continued and set for hearing at an examiner hearing in November.

Yours very truly,


Garrett C. Whitworth
Attorney

GCW:hsw

DOCKET: EXAMINER HEARING OCTOBER 22, 1958

Oil Conservation Commission 9 a.m. Mabry Hall, State Capitol, Santa Fe

The following cases will be heard before Elvis A. Utz, Examiner:

- CASE 962: Application of Humble Oil & Refining Company for the amendment of a unit agreement. Applicant, in the above-styled cause, seeks an order amending the South Four Lakes Unit Agreement approved by Order R-710 to enlarge the unit area to include the N/2 SW/4 of Section 1, Township 12 South, Range 34 East, Lea County, New Mexico.
- CASE 1527: Application of Tennessee Gas Transmission Company for permission to commingle the oil produced from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced from its State A. A. Kemnitz "B" Well No. 5, located in the SW/4 NW/4 of Section 25, Township 16 South, Range 33 East, Lea County, New Mexico, from the Kemnitz-Wolfcamp Pool and an undesignated Pennsylvanian (Cisco) pool. Applicant proposes to separately meter the production from each zone prior to commingling.
- CASE 1528: Application of Tennessee Gas Transmission Company to commingle the production from two separate oil pools from three of its state leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the oil produced from the Kemnitz-Wolfcamp and Kemnitz-Cisco Pools from the wells on its State "B", State "C" and State "D" Leases located in Sections 21 and 28, Township 16 South, Range 34 East, Lea County, New Mexico.
- CASE 1529: Application of Kersey & Company for permission to commingle production from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from the Grayburg-Jackson Pool and the Fren Pool from two wells located on the SE/4 SW/4 of Section 16, Township 17 South, Range 31 East, Eddy County, New Mexico. Applicant does not propose to meter the production from each pool.
- CASE 1530: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its E-M-E SWD Well No. A-32 to be located 1320 feet from the North and East lines of Section 32, Township 21 South, Range 36 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water into the San Andres formation in the interval from 4250 feet to 4600 feet.

- CASE 1531: Application of Rice Engineering & Operating, Inc. for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through Amerada Petroleum Corporation's Adkins Well No. 2, located 990 feet from the South line and 330 feet from the West line of Section 5, Township 20 South, Range 37 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water into the San Andres formation in the interval from 4490 feet to 4950 feet.
- CASE 1532: Application of Sunray Mid-Continent Oil Company for an order authorizing a salt water disposal well. Applicant, in the above-styled cause, seeks an order authorizing the disposal of produced salt water through its Hobbs "G" Well No. 1, located 1980 feet from the North and West lines of Section 36, Township 9 South, Range 33 East, Lea County, New Mexico. Applicant proposes to inject the produced salt water through the well bore into the Pennsylvanian formation in the interval from 9834 feet to 9865 feet.
- CASE 1533: Application of El Paso Natural Gas Products Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its Frontier No. 1-B Well, located 890 feet from the South line and 890 feet from the East line of Section 9, Township 27 North, Range 11 West, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from an undesignated Dakota gas pool through parallel strings of tubing.
- CASE 1534: Application of Zapata Petroleum Corporation for permission to commingle production from nine non-contiguous state leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from nine separate state leases in the Vacuum Pool, all in Townships 17 and 18 South, Range 35 East, Lea County, New Mexico.
- CASE 1535: Application of Carper Drilling Company for permission to commingle the oil produced from two separate oil pools. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from three wells completed in the Corbin Pool and one well completed in the Maljamar Pool, all on its Wyatt lease in Sections 33 and 34, Township 17 South, Range 33 East, and Section 5, Township 18 South, Range 33 East, Lea County, New Mexico, and to ascertain the production from each well by means of periodic tests.
- CASE 1536: Application of Shell Oil Company for permission to commingle the oil produced from four separate leases. Applicant, in the above-styled cause, seeks an order authorizing it to commingle the production from four separate state leases in Sections 8 and 9, Township 16 South, Range 34 East, Hume-Queen Pool, Lea County, New Mexico.

CASE 1537: Application of Pure Oil Company for a dual completion. Applicant, in the above-styled cause, seeks an order authorizing it to dually complete its South Vacuum Unit No. 2-35 Well, located 1980 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 35 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the South Vacuum-Devonian Pool and gas from an undesignated McKee gas pool through parallel strings of tubing.

CASE 1538: Application of Aztec Oil & Gas Company for the assignment of minimum allowables to certain gas wells in the Fulcher Kutz-Pictured Cliffs Gas Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order assigning minimum allowables to the following described gas wells in the Fulcher Kutz-Pictured Cliffs Gas Pool in order to prevent premature abandonment of said wells:

Cozzens No. 3 and No. 4 Wells, both in Section 20, Township 29 North, Range 11 West;
Hart No. 1 Well, Section 11, Township 29 North, Range 12 West;
Holder No. 1 Well, Section 29, Township 30 North, Range 12 West;
Cornell No. 3 and No. 4 Wells, both in Section 12, Township 29 North, Range 12 West;

all in San Juan County, New Mexico.

CASE 1539: Application of T. J. Sivley for an exception to the casing requirements for the potash-oil area in Eddy and Lea Counties, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing an exception to the casing requirements for the potash-oil area as set forth in Order R-111-A for its Federal-Silver No. 1, an exploratory well to be located 1980 feet from the South and East lines of Section 28, Township 20 South, Range 34 East, Lea County, New Mexico. Applicant proposes to drill with cable tools to the Yates formation. The casing program of applicant is as follows:

13-3/8" Casing in top of red bed at approximately 70 feet.

10-3/4" Casing as cave string to about 700 feet.

8-5/8" Casing, this being the water shutoff string to approximately 1250', but in any event below water.

5-1/2" Casing to be set at a point selected by operator above pay zone expected to be encountered at 3625', but in no event to exceed a depth greater than 600 feet below the base of salt.

That the applicant should be permitted to pull all casing except the 5-1/2" production string in the event that commercial oil or gas is found.

CASE 1540: Application of E. P. Campbell for an exception to Rule 505 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order granting an exception to Rule 505 of the Commission Rules and Regulations and assigning an allowable proportional factor of 1.33 for the oil pool in the Abo formation discovered by applicant's Cockerham No. 1 Well, NE/4 NE/4 Section 34, Township 18 South, Range 26 East, Eddy County, New Mexico, even though the depth of the casing shoe is 4205 feet. The top of the Abo pay is at approximately 5280 feet in the above-described well.

CONTINUED CASE

CASE 1516: Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location. Applicant, in the above-styled cause, seeks an order establishing a 120-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the N/2 SW/4 and the SW/4 SW/4 of Section 4, Township 25 South, Range 37 East, said unit to be dedicated to the applicant's Wells Federal No. 3 Well located 1980 feet from the South and West lines of said Section 4. Applicant further seeks the establishment of a 200-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the SE/4 SW/4 of Section 4 and the NW/4 of Section 9, Township 25 South, Range 37 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Wells Federal No. 11 Well located 430 feet from the South line and 2317 feet from the West line of said Section 4. Applicant further seeks approval of the unorthodox gas well location of the said Wells Federal No. 11 Well.

El Paso Natural Gas Company

El Paso, Texas

September 26, 1958

Mr. A. L. Porter
Director, New Mexico Oil Conservation
Commission
P. O. Box 871
Santa Fe, New Mexico

Re: Case No. 1516, Application
of EPNG for two Non-standard
Gas Proration Units and One
Unorthodox Well Location in
Sections 4 and 9, Township 25
South, Range 37 East, Lea
County, New Mexico.

Dear Mr. Porter:

It has recently been discovered that more than one lease is involved in the captioned application, and the lands and leases should be communitized prior to a hearing on this matter. This case has been set for an examiner hearing on October 2, 1958.

El Paso Natural Gas Company requests that this case be continued until the first examiner hearing in November in order that said communitization can be accomplished prior to the hearing.

Yours very truly,


Garrett C. Whitworth
Attorney

GCW:bp

MAIN OFFICE OCC

AM 8:16

IN THE MATTER OF:

CASE 1516

1958 OCT 10

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

TRANSCRIPT OF HEARING

OCTOBER 2, 1958

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
OCTOBER 2, 1958

: IN THE MATTER OF: :
: :
: :
CASE 1516 Application of El Paso Natural Gas Company :
for two non-standard gas proration units and: :
for the approval of one unorthodox gas well :
location. Applicant, in the above-styled :
cause, seeks an order establishing a 120- :
acre non-standard gas proration unit in the :
Jalmat Gas Pool consisting of the N/2 SW/4 :
and the SW/4 SW/4 of Section 4, Township 25 :
South, Range 37 East, said unit to be dedi- :
cated to the applicant's Wells Federal No.3 :
Well located 1980 feet from the South and :
West lines of said Section 4. Applicant :
further seeks the establishment of a 200- :
acre non-standard gas proration unit in the :
Jalmat Gas Pool consisting of the SE/4 SW/4 :
of Section 4 and the NW/4 of Section 9, Town- :
ship 25 South, Range 37 East, Lea County, New: :
Mexico, said unit to be dedicated to the ap- :
plicant's Wells Federal No. 11 Well located :
430 feet from the South line and 2317 feet :
from the West line of said Section 4. Ap- :
plicant further seeks approval of the unor- :
thodox gas well location of the said Wells :
Federal No. 11 Well. :
: :

BEFORE:

Mr. 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: The next case will be Case 1516.

MR. COOLEY: Case 1516. Application of El Paso Natural Gas Company for two non-standard gas proration units and for the approval of one unorthodox gas well location.

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Mr. Examiner, we have a letter from Garrett C. Whitworth, attorney for El Paso Natural Gas Company, requesting that Case 1516 be continued to the first Examiner Hearing to be set in November of 1958. The applicant, El Paso Natural Gas Company, has no objection to any Examiner who might be set to hear this case. Is there anyone here present who objects to the continuance of this case before any Examiner for the first Examiner Hearing set in the month of November, 1958?

MR. UTZ: I believe the next Examiner Hearing will be October the 22nd, or the first part of November. If there is no objection, the case will be continued until the next Examiner Hearing, which hearing may be before myself or Mr. Nutter, I am not sure which.

MR. COOLEY: Mr. Examiner, is that tentatively set for October 22nd?

MR. UTZ: Yes, it is.

C E R T I F I C A T E

STATE OF NEW MEXICO)
 : ss
COUNTY OF BERNALILLO)

I, J. A. TRUJILLO, Notary Public 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 stenotype and reduced to typewritten transcript by me and/or 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, the 9th day of October, 1958, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

J. A. Trujillo
Notary Public

My Commission Expires:
October 5, 1960.

I do hereby certify that the foregoing is a complete and correct copy of the findings in the case of 1516,
No. 10-2 58.
Wm. H. [Signature]
New Mexico Oil Conservation Commission