

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

IN THE MATTER OF:

CASE NO. 1693

TRANSCRIPT OF HEARING

June 24, 1959

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

I N D E X

<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>
CARL M. HOUSER	4	12	

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO

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IN THE MATTER OF: )

Application of Amerada Petroleum )  
Corporation for three non-standard )  
oil proration units. Applicant, )  
in the above-styled cause, seeks )  
an order establishing three 43.7 )  
acre non-standard oil proration )  
units for Mississippian production )  
in the SE/4 of Section 11, Township )  
13 South, Range 13 East, Lea County, )  
New Mexico. Applicant further seeks )  
approval of one unorthodox oil well )  
location. )  
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CASE NO.  
1693

BEFORE:

ELVIS A. UTZ, Examiner.

TRANSCRIPT OF PROCEEDINGS

MR. UTZ: Next case will be 1693.

MR. PAYNE: Case 1693. Application of Amerada  
Petroleum Corporation for three non-standard oil proration units.

MR. FOX: Robert Fox of Kellahin and Fox representing  
the applicant. We will have one witness, Mr. Examiner.

(Witness sworn.)

CARL M. HOUSER

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

DIRECT EXAMINATION

BY MR. FOX:

Q Would you state your name, please?

A Carl M. Houser.

MR. UTZ: Would you spell that, please?

A H-o-u-s-e-r.

MR. UTZ: And the first name is what?

A Carl M.

Q (By Mr. Fox) By whom are you employed, Mr. Houser?

A I am employed by Amerada Petroleum Corporation.

Q In what position?

A Gaines District, Seminole, Texas.

Q Have you previously testified for the Oil Conservation Commission, and had your qualifications as an expert engineer been accepted?

A I have.

Q Are the witness' qualifications acceptable?

MR. UTZ: Yes, they are.

Q (By Mr. Fox) Mr. Houser, are you familiar with the application in Case 1693?

A Yes, sir, I am.

Q Would you state briefly what is proposed?

A We seek to establish three non-standard proration units of 43.69 acres for Mississippian production in the southeast

quarter of Section 11, Township 13, Range 38 East, Lea County, New Mexico. We also seek approval of one unorthodox well location.

Q Now, referring to what has been marked as Exhibit No. 1, would you state what that shows?

A Exhibit No. 1 shows the boundaries of the L. W. Ward lease. In this exhibit the red is the boundaries of the lease. The internal boundaries are shown in green of 43.69 acres.

Q Now, Mr. Houser, is the ownership under that lease common throughout?

A Yes, sir, it is.

Q And is Amerada the operator of the entire area?

A Yes, sir, they are operator of the unit there shown in the dash lines.

Q Do you know whether those units as outlined on Exhibit 1 have been approved for production from any other formations?

A Yes, sir, they have. They have been approved for production from the Devonian and also at Wolfcamp.

Q And the units are identical to the units previously approved by this commission?

A Yes, sir, they are.

Q Now, what is the status of the Well No. 2?

A Well No. 2 is presently a dual completion. It is producing in the Devonian and the Mississippian.

Q What is the status of the other well on the lease?

A Well 1 is a Devonian producer. Well No. 3 is also a Devonian producer. Wells 4 and 5 are also.

Q Do you have any indication that the other wells should be dedicated to Well No. 2?

A Yes, sir. From drill stem tests taken from the drilling of the 1 and 3 wells to the Devonian formation as of that data, it indicated that possible Mississippian production can be attained.

Q What is the present status of the acreage dedication to the Well No. 2?

A At the present time there is 25.89 acres dedicated to Well No. 2 given at a lap of 115 barrels per day.

Q Is it part of your application that you would want your allowable adjusted to the actual acreage dedicated to the wells in the event these units are approved, is that correct?

A That's correct.

Q Now, the application also includes approval of an unorthodox well location for your Well No. 2. Would it be possible to drill a well on that unit as an orthodox location?

A No, it would not, sir, because the adjustment of the acreage for the state lines.

Q Was the location approved for Devonian production?

A Yes, sir, it was.

Q Do you have any information on drainage, Mr. Houser?

A We could possibly have drainage across the state line there. Our Weems No. 7 is producing from the Mississippian. From the Devonian, Weems 5, which is a twin to No. 7, the permeability is 19 million bores and the porosity is 7.1 per cent.

Q In your opinion have the wells located on the units as proposed in this application effectively and economically drained the area to be dedicated to them?

A That's correct, Sir.

Q And in your opinion is the approval of this application in the interests of conservation and the prevention of waste?

A Yes, sir.

Q And would it protect the correlative rights of the owner involved?

A It would, Sir.

Q Was Exhibit No. 1 prepared by you or under your direction and supervision?

A Yes, sir, it was.

MR. FOX: At this time we would like to offer in evidence Exhibit No. 1.

MR. UTZ: Without objection it will be admitted into evidence.

MR. FOX: That's all we have, Mr. Utz.

## QUESTIONS BY MR. UTZ:

Q      Nr. Houser, do you know -- well, first let me ask this. The three proposed units are not legal subdivisions, are they not?

A      No, sir.

Q      Do you know the actual dimensions of your three proposed units?

A      The actual dimensions there would be approximately 1442 on the east -- I mean on the west units there. North and south units are 1320.

Q      The unit in which your No. 3 well is located, what would be the dimensions of that unit?

A      The run would be 1442, approximately, and 1322 north.

Q      The north line would be 1442?

A      No, sir, the east line would be 1442 and starting at the middle of the section and going south would be 1320 on the north unit. It would be 1442 running to the east.

Q      Supposing I give you Exhibit No. 1 and you put the dimensions on it?

MR. PAYNE: And also the well locations, footage descriptions from the two closest boundary lines.

A      I have a certified plat. It was drawn by John W. West July 2, 1953. It would help if you would care to see that?

Q      (By Mr. Utz) It shows the dimensions?



A Yes, it does. It shows the dimensions from which this was taken.

Q In other words, your east unit, the one that borders the State of Texas, would be 866.58 feet wide at the north end?

A Yes.

Q 819.06 at the south end?

A That's for the standard location.

Q And 2640 long, that's the actual dimensions of your 43. odd acres that you want to dedicate?

A Yes, sir. Now, when you move over on your 1442 there that will cut down your dimensions shown on this certified plat, that 866, because you would have 1320 coming off of that. May I see the exhibit then, and I will mark it and show you what I am referring to.

Q We want the actual dimensions of the unit you are asking us for so that we can properly describe it.

A Okay.

Q And your actual, the east unit would be 741 wide?

A Yes, sir.

Q And 787 at the south end, 2640 long. That will contain 43. some odd acres?

A 43.69.

Q And your 1442 --

A 3.69 acres also in both the north and south units

of the west half of the four sections.

Q This is 1442 on this line also?

A No, that is 1320.

Q So each of these will be 1320 by 1442?

A That's correct. That is, to the nearest foot.

Q Do I have the proper locations for the No. 1 and No. 3 wells, north and west lines?

A Yes. The No. 1 well is located 660 feet from the south line and 660 feet from the west line of the Southeast quarter of Section 11. Well No. 3 is located 1982.75 feet from the south line, 1544.70 feet from the east line of Section 11. 1514.7.

Q Say that again.

A Well No. 3, 1514.7.

Q Okay. On your No. 3 well, I believe your No. 1 well from the quarter section, did you not, as far as the east-west?

A Yes, 660 feet from the south line, 660 feet from the west.

Q How far is it from the east line?

Q I would just have to calculate that out there, sir, because that location there shows 660. The bottom of the east line there would be 2139.06 feet from the bottom; but as you throw up your section line there it will make a little bit of difference there because it's -- from the bottom of the section line, there

would be 2139.06.

Q I don't believe I have the dimensions. Is the dimensions of the south-west unit 1442 wide? You've got 1320 on this one.

A Well, you asked for the location of the well.

Q I know, but I'm trying to check your calculations at the moment. Is this dimension here 1442?

A Yes, for the unit, that's correct, sir.

Q And this dimension 787?

A Correct.

Q And that is the total width of this quarter section?

A That's correct, sir.

Q That's 2229 I get would be the width of the quarter section. The well is 660 to the east line of that quarter section, isn't it?

A That's correct.

Q Which would be 1569 from the east line of that section. Does that check with you?

A I got 1579.

Q The width of the quarter section on the south side is the 229, does that check with you? Are you trying to calculate now from the west line of the section or from the east line?

A I'm trying to calculate from the east line.

Q This base line from here to here is 1442?

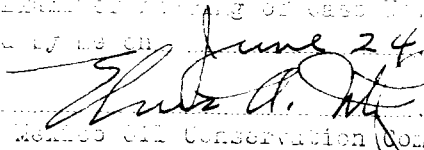
STATE OF NEW MEXICO     )  
                                   )     ss  
 COUNTY OF BERNALILLO    )

I, Ned A. Greenig, 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 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                    day of July, 1959,  
 in the City of Albuquerque, County of Bernalillo, State of New Mexico.

NOTARY PUBLIC

My Commission Expires:  
 May 5, 1963

I do hereby certify that the foregoing is  
 a complete record of the proceedings in  
 the Matter of Hearing on Case No. 1693,  
 heard by me on June 24, 1959.  
  
 Examiner  
 New Mexico Oil Conservation Commission