

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 6, 1961

EXAMINER HEARING

Case 2321

TRANSCRIPT OF HEARING

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BEFORE:

Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We will call Case Number 2321. This is a case which does not appear on the docket. It is an application for an unorthodox location in the Cha Cha-Gallup Oil Pool, San Juan County, New Mexico.

MR. FEDERICI: William Federici, of Seth, Montgomery, Federici and Andrews, Santa Fe, New Mexico.

I have one witness, Al Greer of Farmington and here he is.

(Witness sworn.)

A L G R E E R, called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. FEDERICI:

Q Will you state your name and residence?

A Albert Greer, Farmington.

Q By whom are you employed?

A Benson-Montin-Greer Drilling Corporation.



Q What is your capacity? How do you serve in that organization?

A Vice President.

Q Have you previously testified before the Commission?

A Yes, sir.

MR. FEDERICI: I ask the Examiner if his qualifications are satisfactory.

MR. NUTTER: Yes. You may proceed.

Q (By Mr. Federici) Are you acquainted with the application of Benson-Montin-Greer Drilling Corporation in this case?

A Yes.

Q Are you in charge of the operations covered by this case?

A Yes.

Q I refer you to what has been marked Applicant's Exhibit 1 and will you explain the Exhibit to the Examiner.

A This Exhibit is a plat showing the proposed location of a well to test the Gallup formation in the Cha Cha Pool, northwest quarter of Section 15, Township 28 North, Range 13 West. The plat shows the footage location and also a little sketch of the terrain indicating the cliffs and shows the location to be on top of the cliffs and there is rough terrain in the north 40 acres, in the north 40 acres, which is the northwest quarter of the northwest quarter of Section 15.

The logical spot for the well would in the center of



that 40 acre tract, but because of the expense of building road down through the normal location, we are requesting that it be placed at the footage as shown on the plat.

The normal location would be 650 feet from the north and west quarter, Section 15. From the north and west section line of Section. Instead, we have it 1200 feet from the north line and 900 feet from the west line.

Q What would be the additional cost of locating it down into the canyon?

A I'd guess about \$20,000. It is pretty rough country.

Q Would you state who owns the northwest quarter of Section 15?

A Benson-Montin-Greer Corporation is the operator in the northwest quarter.

Q In what 40 acre portion would the location be?

A The northwest quarter of the northwest quarter.

Q Would the well be in a 40 acre area according to the pattern spacing and allowable which has been set and permitted by the Oil Conservation Commission?

A Yes. At present, we are drilling the northwest and southeast quarter of each quarter section. Actually, by the field rule, we should put the well in the southwest quarter of the northwest quarter and come within the rules and not need an unorthodox location approval. However, we are trying our best to stay with the voluntary pattern and therefore would prefer to



be in the present 40 acre tract even though it is a little bit off center.

Q Have you received any objections to the proposed application?

A We have not.

MR. FEDERICI: We offer in evidence Applicant's Exhibit 1.

MR. NUTTER: Applicant's Exhibit 1 will be entered in evidence.

MR. FEDERICI: That will be all.

MR. NUTTER: Are there any questions of Mr. Greer?

MR. MORRIS: Yes, sir.

CROSS EXAMINATION

BY MR. MORRIS:

Q Mr. Greer, I take it that you're planning to dedicate the west half of the northwest quarter to the well?

A We haven't given any thought to it. Let's see -- I believe we're allowed to choose either one, aren't we? We don't have to make that decision now, I'd rather postpone it.

Q Let me ask you this: If you did dedicate the west half of the northwest quarter, then would you plan -- where would you plan to put a well if you have plans, in the east half of the northwest quarter?

A Our logical spot would be in the southwest, southeast quarter of the northwest quarter which would be the logical spot.



I believe it would be best to allocate the north half to that well.

Q If you allocated the north half of the northwest quarter, then you have the south half of the northwest quarter and you would still locate a well in the southeast of the northwest?

A I believe we would unless some of the other operators started off pattern drilling in which case, then, we could -- we might find it necessary to do the same thing ourselves. Until somebody else does it, we couldn't do it.

Q According to the patterns which you say have been voluntary, you would drill the other well in this quarter section near the center of the southeast quarter of the northwest quarter?

A That's correct.

Q Will your plans in any way be affected by the unorthodox location you are proposing here today?

A I think not. Actually, we're in hopes of unitizing and water flooding this field. We really had in mind delaying the drilling of the next well until that is accomplished. It might be just for practical purposes of efficient water flooding. We might need another unorthodox location, but that would be the only reason, and if we don't have to drill it before the field is unitized, it might be advantageous.

Q In any event, Mr. Greer, your unorthodox location is crowding your own acreage in both directions?



A That's true.

MR. MORRIS: Thank you, sir.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Greer, are there any other wells drilled at the present in this pool in Section 15?

A There are, I believe, four wells. I believe they are in the south half of 15 which have been drilled on the diagonal 80 acre plan in the northwest of the southeast quarter. I believe four quarters are in the south half.

Q Now, I presume, then, that you have taken battery tests on top of the mesa rather than down in the canyon?

A That's right.

Q If you were to locate a well in the bottom, you'd have to have -- you'd have to come up the wall of the canyon?

A Yes. In addition to the cost of the road.

Q And your pumpers main activities are on top of the mesa rather than in the bottom of the canyon?

A Yes.

Q What is the height of the cliffs?

A I would estimate about 400 to 600 feet.

MR. NUTTER: Are there any further questions of Mr. Greer?

He may be excused.

(Witness excused.)

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MR. NUTTER: Do you have anything further to offer in this case?

MR. FEDERICI: Nothing further.

MR. NUTTER: Does anyone have anything they wish to offer in case 2321?

The case will be taken under advisement.

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ALBUQUERQUE, NEW MEXICO

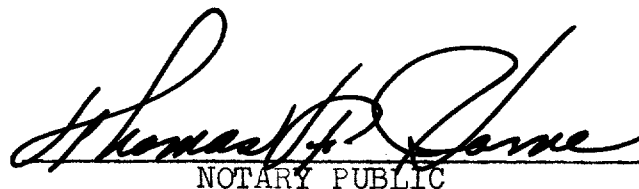


C E R T I F I C A T E

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, THOMAS F. HORNE, 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 under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

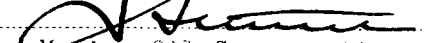
WITNESS my Hand and Seal, this, the 11th day of July, 1961, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


 NOTARY PUBLIC

My commission expires:

May 4, 1965

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2321, heard by me on 7/6, 1961.

, Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

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ALBUQUERQUE, NEW MEXICO

