

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
MAY 4, 1961

EXAMINER HEARING

IN THE MATTER OF:

Application of V. S. Welch for an
unorthodox oil well location.

Case 2262

BEFORE THE
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EXAMINER HEARING

IN THE MATTER OF: :
: :
: :

CASE 2262 Application of V. S. Welch for an unortho- :
dox oil well location. Applicant, in the: :
above-styled cause, seeks approval of an :
unorthodox oil well location in the Culwin-: :
Yates Pool for a well to be drilled at a :
point 330 feet from the South line and 2390: :
feet from the West line of Section 29, Town-: :
ship 13 South, Range 31 East, Eddy County, :
New Mexico. :
: :

BEFORE:

Daniel S. Mutter, 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. MUTTER: We will call next Case 2262.

MR. MORRIS: Case 2262. Application of V. S. Welch for
an unorthodox oil well location.

MR. WATSON: Neal B. Watson of the firm of Watson & Wat-
son, Artesia, New Mexico, representing Mr. V. S. Welch and the ap-
plicant, Mr. V. V. Welch.

(Witness sworn)

V. S. WELCH,

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

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follows:

DIRECT EXAMINATION

BY MR. WATSON:

Q State your name, please.

A V. S. Welch.

Q You are the applicant in this case for an unorthodox well location in the southeast quarter of the southwest quarter of Section 29, Township 13 South, Range 31 East?

A Yes, sir.

Q What leasehold interest do you own in that Section?

A One-half interest.

Q What portion of the Section?

A The south half of Section 29.

Q What production do you now have on that lease?

A We have seven wells on that lease.

Q And from what formations are they producing?

A Two of them are producing. No. 1 and 2 are producing from the Queen or the upper Grayburg, and 3, 4, 5 and 6 are producing from the Yates.

Q Where are the Yates wells located that you have in the south half of Section 29?

A One is located in the north, our No. 4 is located in the northeast of the southwest, and No. 5 is in the northwest of the southwest. No. 6 is in the northwest of the southeast, and No. 7 is in the southwest of the southeast.

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Q With reference to the south half of the south half of Section 29, in Township 18 South, Range 31 East, what development has been done there with respect to the Yates Wells, Yates producing wells?

A In the --

Q In the south half of the south half?

A You mean in the north half; in the north half of 32?

Q No. I wanted to get the situation with reference to the south half of the south half of your tract.

A Yes. Well No. 1 "A", which is in the southwest of the southwest, is producing from the Grayburg or Queen, lower Queen. No. 2 is producing from the Grayburg, or lower Queen. The other wells are producing from the Yates.

Q Now, in the north half of the north half of Section 32, Township 18 South, Range 31 East, what Yates production has been developed in that area?

A Well, there's Yates wells in the northwest of the northwest, in the northeast of the northwest, in the northwest of the northeast, and in the northeast of the northeast, and in the southwest of the northeast. Those are all producing from both the Yates and the Queen.

Q Applicant seeks an unorthodox location for a Yates test 330 feet north of the South line, and 250 feet west of the East line of the southwest quarter of Section 29, as shown on your Exhibit attached to your application. What are your reasons, Mr. Welch,



practical.

Q Do you have any other reasons, Mr. Welch, such as any installations in the area which make it necessary to drill this well at this unorthodox location?

A Well, I would like to drill it where I could get an oil well. The object of drilling these wells is to produce oil. I could move west 330 feet, keep 330 from my offset, but I have got a dry hole over there that had no Yates at all, and I don't want to run toward that. There's a pipeline that runs just west of the No. 2 Well, and I would have to move across that to get a location, and I just don't want to move toward the dry hole.

Q You say the offset acreage to the east where you will be 250 feet from the line, that is a part of your same lease and is under the same ownership, is it not?

A Oh, yes.

MR. WATSON: That's all I have. Do you have any questions?

MR. MORRIS: Yes, sir.

MR. NUTTER: Mr. Morris.

CROSS-EXAMINATION

BY MR. MORRIS:

Q Mr. Welch, what reasons do you have for not wishing to move your well to the north?

A Well, it should be an offset location. I would expect to drill an offset to my neighbors. The other wells there, or the



other well just southeast of it is 330 feet from our line, and it's an awfully good Yates well.

Q You could drill at an orthodox location, however, if you moved to the north, is that correct?

A Oh, yes, sure.

Q And the reason, then --

A Well, there's two reasons for that. Our tank battery sets to the north. Of course, I could drill any place to the north or west there, but it wouldn't be an offset well.

Q You do feel --

A I want to get as close to a good well as I can.

Q You do feel that the entire 40-acre tract, being the southeast of the southwest quarter of 18, you feel that the whole 40 acres, however, is productive of oil from the Yates, don't you?

A Oh, no. I have no reason to think so.

Q You'll be in the position, Mr. Welch, of dedicating the entire 40 acres to that well when you get it drilled, and you are aware, are you not, that you can only dedicate productive acreage to a well?

A Well, I don't know that it's not productive. I do know that we didn't get any Yates in the well offsetting it.

Q For purposes of dedication, you would presume it all to be productive, though, would you not?

A Naturally, of course. I would hope so.

Q Mr. Welch, referring to your Well No. 4 in the northeast

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of the southwest, is that a good well in the Yates?

A Yes.

Q How about your Well No. 5 in the northwest of the southwest, that is a good well in the Yates?

A Right.

MR. MORRIS: Thank you. I have no further questions.

BY MR. NUTTER:

Q Mr. Welch, how wide is this pipeline right-of-way that runs by there?

A I couldn't answer that, I don't know.

Q How far west would you have to move to clear your No. 2 Well, plus the right-of-way?

A I couldn't answer that to the foot, but I would have to move at least 150 foot, perhaps more, I don't know. I haven't measured it off, but I know just from looking at it that I would have to be on the other side of the right-of-way.

Q The only direction that you are seeking an unorthodox location is to move approximately 80 feet closer to the east line of that southwest quarter --

A That's right.

Q -- which is crowding acreage owned by yourself and Mr. Iverson?

A That's right.

MR. NUTTER: Any further questions of Mr. Welch?

MR. WATSON: That's all we have.

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MR. NUTTER: Do you have anything further, Mr. Watson?

MR. WATSON: No, sir.

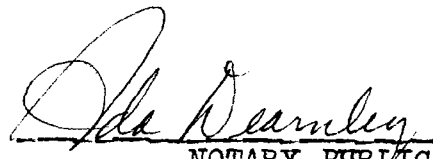
MR. NUTTER: Does anyone have anything to offer in Case 2262? We will take the case under advisement.

** ** *

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, 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 machine shorthand 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.

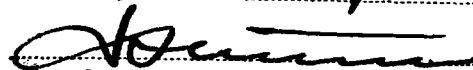
WITNESS my Hand and Seal this, the 6th day of May, 1961, in the City of Albuquerque, County of Bernalillo, State of New Mexico.


NOTARY PUBLIC

My Commission expires:

June 19, 1963

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 2262 heard by me on 5-4, 1961.

, Examiner.
New Mexico Oil Conservation Commission

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