

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 6, 1971

EXAMINER HEARING

IN THE MATTER OF:

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Case No. 3786 being reopened pursuant )  
to the provisions of Order No. R-3437-A, )  
which Order extended for a period of 18 )  
months the special rules and regulations )  
for the North Paduca-Delaware Pool, Lea ) Case No.  
County, New Mexico. All interested per- ) 3786  
sons may appear and show cause why the ) (Reopened)  
gas-liquid ratio limitation of 3,000 cubic )  
feet of gas per barrel of liquid hydro- )  
carbons should not be reduced, and why )  
the special rules and regulations should )  
not be discontinued. )  
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BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING



I N D E XPAGEE. D. McCARTER

Direct Examination by Mr. Bateman  
Cross Examination by Mr. Nutter

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E X H I B I T SMARKEDOFFERED AND  
ADMITTED

Applicant's Exhibits Nos. 1 & 2

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1 MR. HATCH: This is Case No. 3786, reopened, in  
2 the matter of Case No. 3786 being reopened pursuant to the  
3 provisions of Order No. R-3437-A, which Order extended for  
4 a period of 18 months the special rules and regulations for  
5 the North Paduca-Delaware Pool, Lea County, New Mexico.

6 MR. BATEMAN: I am Ken Bateman; I am an attorney  
7 associated with White, Gilbert, Koch and Kelly of Santa  
8 Fe, and I am appearing for Texaco, the original applicant  
9 in this case. I have one witness, E. D. McCarter.

10 E. D. McCARTER

11 called as a witness, having been first duly sworn, was  
12 examined and testified as follows:

13 DIRECT EXAMINATION

14 BY MR. BATEMAN:

15 Q Mr. McCarter, have you previously appeared be-  
16 fore the Commission and had your qualifications entered  
17 as a matter of record?

18 A I have.

19 Q Are you personally familiar with the are in  
20 question in this case, Case No. 3786?

21 A I am.

22 Q As a matter of chronology, would you say the  
23 original application was heard before this Commission  
24 on June 5, 1968, and that temporary rules were issued  
25 in Order No. R-3437-A?

1 A Yes.

2 Q And a second hearing was held on June 9th, 1969,  
3 and I believe you were present at that time?

4 A I was present, but I did not give testimony.

5 Q But you were present?

6 A I was present.

7 Q An order at that hearing was issued on July 17th,  
8 1969. Would you review for the Commission the developments,  
9 if any, that have taken place since that date in July of  
10 1969?

11 A Since July of 1969 there have been no new wells  
12 drilled in the North Paduca-Delaware Pool. The only change  
13 which has occurred since that time is in Well No. 70, which  
14 is Unit L of Section 34.

15 (Whereupon, Exhibits Nos. 1 and 2  
16 were marked for identification.)

17 THE WITNESS: It has been reclassified from gas  
18 to oil.

19 BY MR. BATEMAN:

20 Q What is the classification of a gas well under  
21 the rules?

22 A Under the rules an existing well is classified  
23 as a gas well with GOR in excess of 30,000-to-1, and well  
24 No. 70 was a perforated deeper into the pay section, and it  
25 is now completed from Sub C depth of minus 1291.

1 Q Have there been any further changes?

2 A No, no other changes in the pool.

3 Q Well, at this point, what would Texaco's recom-  
4 mendations be on pool rules?

5 A Texaco would recommend at this time that Rule  
6 No. 6, the rule covering the extension, concerning the gas-  
7 liquid ratio limitation of 3,000 cubic feet of gas per bar-  
8 rel of liquid hydrocarbons. Although the well in the field  
9 did not commence producing gas, these wells are not capabel  
10 of producing gas and, therefore, the rule is no longer  
11 needed. As to the remaining rules, Texaco would recom-  
12 mend they're being adopted as the permanent rules for the  
13 pool.

14 Q The deletion of Rule No. 6 would, in effect, cause  
15 the limiting ratio to be reduced to 2,000, is that correct?

16 A That is correct.

17 Q If you will refer to Exhibit No. 2, which is a  
18 copy of Form C-116, would you give us the latest data from  
19 the well?

20 A Exhibit No. 2 is a copy of the latest Texaco data  
21 on Well No. 69, which is currently pumping 17 barrels of  
22 oil per day during the period of testing. The gas-oil  
23 ratio is 2588. Well No. 70 is currently pumping 11 barrels  
24 per day and 18 gallons of water per day, and the gas-oil  
25 ratio is 4453. Well No. 72 in Section No. 32 is shut in

1 and it is not capable of producing at the present time. Well  
2 No. 73, which is in Section 32, Township 25 south, is flow-  
3 ing at 81 MCF of gas per day with no liquid hydrocarbons or  
4 water production.

5 Q Is Well No. 72 dry?

6 A It is dry, gas, and therefore the necessity for  
7 the retention of the gas rules and the oil rules. We will  
8 probably work over Well No. 72, and I could give a date  
9 now, but it would depend on the operator or how Texaco  
10 will be spending money. It is not very perspective for  
11 work-over because the gas from this pool is now being  
12 produced through a compressor, it does have to be com-  
13 pressed to 650 pounds.

14 Q And all of the produced gas in the pool is being  
15 sold at that point?

16 A The casing, it was sold to Phillips.

17 Q Do you have anything further to add?

18 A No, I do not.

19 Q Were Exhibits Nos. 1 and 2 prepared by you  
20 or under your direction?

21 A They were.

22 MR. BATEMAN: I offer Exhibits No. 1 and 2  
23 at this time.

24 MR. NUTTER: Exhibits No. 1 and 2 will be  
25 admitted into evidence.

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1 BY MR. NUTTER:

2 Q Mr. McCarter, you are proposing that rules be  
3 continued in the Delaware Pool?

4 A That is correct.

5 MR. NUTTER: Is there anything further of Mr.  
6 McCarter?

7 MR. BATEMAN: No.

8 MR. NUTTER: If there is nothing further, we  
9 will take this matter under advisement.

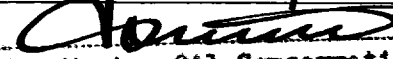
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12 STATE OF NEW MEXICO )  
13 ) SS  
14 COUNTY OF SANTA FE )

15 I, RICHARD L. NYE, a Court Reporter, do hereby certify  
16 that the foregoing and attached Transcript of Hearing  
17 before the New Mexico Oil Conservation Commission was  
18 reported by me, and the same is a true and correct record  
19 of the said proceedings, to the best of my knowledge,  
20 skill and ability.

21   
22 RICHARD L. NYE, Court Reporter

23 I do hereby certify that the foregoing is  
24 a complete record of the proceedings in  
the summary hearing of Case No. 3786,  
25 held by me on 1/6, 1972.

, Chairman  
New Mexico Oil Conservation Commission