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STATE OF NEW MEXICO

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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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OIL CONSERVATION DIVISION

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EXAMINER HEARING

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IN THE MATTER OF:

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Application of Yates

Case No. 9725

12

Petroleum Corporation for

13

an unorthodox gas well

14

location, Chaves County, New Mexico

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TRANSCRIPT OF PROCEEDINGS

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BEFORE: MICHAEL E. STOGNER, EXAMINER

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STATE LAND OFFICE BUILDING

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SANTA FE, NEW MEXICO

25

October 18, 1989

1 HEARING EXAMINER: On The fifth page, I'll
2 call Case No. 9725, which is the application of Yates
3 Petroleum Corporation for an unorthodox gas well
4 location, Chaves County, New Mexico.

5 At the Applicant's request, this case will
6 be continued to the examiner's hearing scheduled for
7 November 1, 1989.

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CERTIFICATE OF REPORTER

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I, Deborah O'Bine, Certified Shorthand Reporter and Notary Public, HEREBY CERTIFY that the foregoing transcript of proceedings before the Oil Conservation Division was reported by me; that I caused my notes to be transcribed under my personal supervision; and that the foregoing is a true and accurate record of the proceedings.

I FURTHER CERTIFY that I am not a relative or employee of any of the parties or attorneys involved in this matter and that I have no personal interest in the final disposition of this matter.

WITNESS MY HAND AND SEAL November 13, 1989.

Deborah O'Bine
DEBORAH O'BINE
CSR No. 127

My commission expires: August 10, 1990

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 9725, heard by me on 18 October 1989.

Michael R. Rogers, Examiner
Oil Conservation Division

1 STATE OF NEW MEXICO
2 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
3 OIL CONSERVATION DIVISION
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7 EXAMINER HEARING
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9 IN THE MATTER OF:
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12 Application of Yates Petroleum Case 9725
13 Corporation for an unorthodox gas
14 well location, Chaves County, New Mexico.
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19 TRANSCRIPT OF PROCEEDINGS
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21 BEFORE: VICTOR T. LYON~~A~~, EXAMINER 5
22

23 STATE LAND OFFICE BUILDING

24 SANTA FE, NEW MEXICO

25 November 1, 1989

CUMBRE COURT REPORTING
(505) 984-2244

ORIGINAL

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I N D E X

Appearances	2
CY COWEN	
Direct Examination by Mr. Vandiver	5
Examination by Mr. Stovall	12
Examination by Hearing Examiner	15
Further Examination by Mr. Stovall	16
LESLIE BENTZ	
Direct Examination by Mr. Vandiver	17
Examination by Hearing Examiner	23
Certificate of Reporter	27

1
2
3
4
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6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

E X H I B I T S

Admitted

(Cowen)

1. Map	12
2. Chronological Record	12
3. Letter, 7/18/89	12

(Bentz)

4. Abo - Net Sand Map	23
5. Isopach Map - Finley Sand	23
6. Ultimate Recovery Map	23
7. Cross-Section A-A'	23
8. Cross-Section B-B'	23

1 HEARING EXAMINER: Next we'll call Case
2 9725.

3 Case 9725, application of Yates Petroleum
4 Corporation for an unorthodox well location, Chaves
5 County, New Mexico.

6 Call for appearances.

7 MR. VANDIVER: Mr. Examiner, my name is
8 David Vandiver of the firm of Fisk & Vandiver of
9 Artesia, appearing on behalf of the Applicant, Yates
10 Petroleum Corporation. And I have two witnesses who
11 have both been previously sworn this morning.

12 HEARING EXAMINER: I guess we won't need to
13 swear them again.

14 You may proceed.

15 Are there other appearances in this case?
16 I guess there are none.

17 MR. VANDIVER: May I proceed, Mr. Examiner?

18 HEARING EXAMINER: Yes.

19 DIRECTION EXAMINATION

20 BY MR. VANDIVER

21 Q. State your name and your occupation and by
22 whom you're employed, please.

23 A. My name is Cy Cowen. I'm a landman for
24 Yates Petroleum Corporation of Artesia, New Mexico.

25 Q. And Mr. Cowen, you have previously been

1 sworn, testified as a petroleum landman this morning,
2 and had your qualifications accepted in cases 9794 and
3 and 9795; is that not correct?

4 A. That's correct.

5 Q. Are you familiar with the title to the land
6 surrounding Yates Petroleum Corporation's proposed Red
7 Rock "NB" Federal No. 2 Well?

8 A. Yes, I am.

9 Q. Mr. Cowen, briefly summarize the purpose of
10 Yates's application in Case No. 9725.

11 A. Yates Petroleum is seeking approval of an
12 unorthodox location for the Red Rock "NB" Federal
13 No. 2 Well, which would be located in Section 28,
14 Township 6 South, Range 25 East, so that we can test
15 the Abo formation.

16 Q. Now, if you would identify the plat that's
17 been marked for identification as Applicant's Exhibit
18 No. 1 and describe for the Examiner the information
19 contained in that exhibit.

20 A. Exhibit No. 1 is a land plat. Outlined in
21 yellow is lease acreage owned by Yates Petroleum
22 Corporation surrounding the Red Rock "NB" Federal
23 No. 2 location.

24 The proposed well is shown by the red dot
25 in Section 28 in the Southwest 1/4. The proposed

1 location would be 330 feet from the south line and
2 1980 feet from the west line. And the proration unit
3 of 160 acres is outlined in red.

4 This plat also shows in the South 1/2 of
5 Section 29 acreage which was owned by Mesa Petroleum,
6 which has been currently purchased by Yates Petroleum
7 Corporation. That is why it is also in yellow.

8 Q. So anything shown on this map that says
9 Mesa Petroleum is now owned by Yates Petroleum
10 Corporation; is that correct?

11 A. That is correct.

12 Q. This well, this proposed well, will be an
13 Abo gas well?

14 A. That is correct.

15 Q. Now, if I could ask you to refer to
16 Applicant Exhibit No. 2 in this case and describe the
17 various instruments contained in that packet.

18 A. Exhibit 2, on page 1 is a chronological
19 record of events leading up to and the choosing of
20 this particular location for this well. This record
21 was kept by Mr. Clifton May, which is a permit agent
22 for Yates Petroleum Corporation.

23 Page 2 of Exhibit 2 is a topographic map of
24 the proposed Red Rock "NB" Federal No. 2 location. In
25 Section 28 -- I'd like to direct your attention to the

1 South 1/2 of that section -- our first choice for
2 location is labeled as location No. 1. This first
3 location was 1980 from the east, and 660 from the
4 south line.

5 This location fell in a major drainage. We
6 moved the location to the Southwest 1/4, and that
7 location was 1980 from the south line, and 660 feet
8 from -- excuse me. That location was 1980 from the
9 west line, 660 feet from the south line.

10 That location, after it was staked by our
11 surveyor, was also in the drainage, therefore, we
12 chose location No. 3, which is 330 from the south
13 line, and 1980 feet from the west line.

14 Q. What else is contained in Exhibit 2,
15 Mr. Cowen?

16 A. The next page is a letter, Yates Petroleum,
17 discussing the possibility of rotating the pad for the
18 well due to topography.

19 Then we have a Cultural Resources Report
20 for the Red Rock "NB" Federal No. 2 and the access
21 road. And this was written by the Agency for
22 Conservation Archaeology at Eastern New Mexico
23 University.

24 Q. Is there a problem with artifacts in the
25 area?

1 A. The archaeologist found an arc site which
2 would have been right on the southeast corner of our
3 location, our drill site location. Therefore, they
4 recommended that we tilt the location to the westerly
5 direction so that we would not interfere would the
6 archeology.

7 Q. Have you come up with a plan that is
8 acceptable to the Bureau of Land Management for
9 protecting both the archaeological site and the
10 drainage --

11 A. Yes, we have.

12 Q. -- known as Fivemile Draw?

13 A. Yes, we have. We're just waiting for
14 official approval from them. But we do have verbal
15 approval.

16 Q. If I could refer you to Applicant's Exhibit
17 No. 3 and ask you to describe the documents contained
18 in that exhibit.

19 A. Exhibit No. 3 is a letter dated July 18,
20 1989, to the Oil Conservation Division, to the
21 attention of Mr. William LeMay, concerning a
22 non-standard location for the Red Rock "NB" Federal
23 No. 2 location in Section 28, Township 6 South, Range
24 25 East.

25 This is letter is from Mr. Clifton May,

1 asking the Oil Conservation Division to allow us to
2 have a non-standard location due to topology, and we
3 are asking for an administrative approval on this.

4 Q. What else is contained in that exhibit?

5 A. We have some certified return receipt
6 cards, quick letter that notes the offset operators as
7 being Mesa Operating Limited Partnership in Amarillo,
8 and that Yates Petroleum has all the other offsetting
9 leases.

10 On the next page is an Exhibit A showing --
11 it's a land plat showing Exhibit A, and outlining in
12 dotted lines Section 28, showing the proposed
13 non-standard location.

14 Q. That plat was submitted along with the
15 application for administrative approval of the
16 unorthodox location?

17 A. That is correct. All these pages have been
18 submitted under the same letterhead.

19 On the next page is a topo map showing --
20 on the far right-hand side of the page it shows the
21 actual topography in where the new well -- the
22 proposed unorthodox well is located there in the
23 Southwest 1/4, and also to the right of that it shows
24 where the original location was proposed in
25 relationship to the Fivemile Draw area.

1 Q. What else is contained in that packet
2 that's marked as Exhibit 1?

3 A. On the next page is a well location and
4 acreage dedication plat for this well. And it shows
5 in the Southwest 1/4 that lease number NM-11593 is
6 dedicated to this particular well, the 160 acres. And
7 it shows the well location as 330 from the south line
8 and 1980 feet from the west line. And this was turned
9 in by Mr. Clifton May.

10 Q. What else?

11 A. I believe the last page is a letter dated
12 July 18, 1989, from Yates Petroleum Corporation to
13 Mesa Operating Limited Partnership in Amarillo, Texas,
14 regarding a non-standard location for the Red Rock
15 "NB" Federal No. 2 well.

16 This letter is asking Mesa if they do not
17 have any problems with this unorthodox location. This
18 is actually a letter of waiver to Mesa. And this
19 waiver was sign by Mr. Richard W. Petrie, the land
20 manager at Mesa Operating, and it was dated July 21st,
21 1989.

22 Q. And that's no longer pertinent because
23 Yates has acquired Mesa's interest?

24 A. That's correct.

25 Q. But that was the only offsetting operator

1 other than Yates?

2 A. At the time it was; that is correct.

3 Q. Mr. Cowen, were Exhibits 1 through 3 either
4 prepared by you or under your direction or
5 supervision, or are they taken from records kept in
6 the ordinary course of business by Yates Petroleum
7 Corporation?

8 A. Yes, they were.

9 MR. VANDIVER: Mr. Examiner, I would move
10 the admission of Applicant's Exhibits 1, 2, and 3 in
11 this case, and I have no further questions of this
12 witness.

13 HEARING EXAMINER: Is there objection?

14 They will be admitted.

15 MR. STOVALL: Mr. Cowen, excuse me. I
16 would like to ask you a few questions with respect to
17 this application.

18 EXAMINATION

19 BY MR. STOVALL:

20 Q. If I'm not mistaken, you're looking at a
21 Southwest 1/4 dedication; is that correct?

22 A. That's correct.

23 Q. It is a 160-acre proration unit?

24 A. That is correct. For the Abo in Chaves
25 County.

1 Q. And what are the distance requirements? Is
2 it 660 from the quarter section lines?

3 A. That's correct.

4 Q. When I look at location No. 1 on your
5 Exhibit No. 1 -- excuse me -- Exhibit No. 2, the
6 second page of Exhibit No. 2, that was in Southeast
7 1/4; is that correct?

8 A. Yes, sir, that is correct. That was the
9 initial location, was in the Southeast 1/4.

10 Q. So that was would have been a Southeast 1/4
11 unit rather than a Southwest 1/4 unit?

12 A. That is correct.

13 Q. Now, looking at your application in your
14 request, you based your request upon topographic
15 reasons is that -- your original administrative
16 approval you based on topographic reasons; is that
17 correct?

18 A. Yes, sir.

19 Q. Is there any place else, any other standard
20 location, which based upon surface considerations,
21 could be drilled by Yates? Are you aware? Did you
22 check all of the legal locations within that Southwest
23 1/4?

24 A. In the Southwest or the Southeast?

25 Q. You are now dedicating the Southwest 1/4 to

1 the well. So we're only now concerned with the
2 Southwest 1/4. If you want to go back to the
3 Southeast, we have look at a different application.

4 A. Would you mind asking the question again,
5 please.

6 Q. My question is, the spacing requirements
7 for the well are that the well be located at least 660
8 feet from the quarter section boundaries; is that not
9 correct?

10 A. That's correct.

11 Q. Which leaves a square, in effect, within
12 the quarter section, a square window in which you
13 could drill a well in a legal location; correct?

14 A. Yes, sir.

15 Q. Did Yates survey the entire area in that
16 square and condemn all of the locations possible
17 within that drilling window, based upon topographic
18 conditions, or was it -- let me state it in the
19 alternative. Was it Yates' desire to stay in the
20 Southeast 1/4 of the Southwest for geological reasons?

21 MR. VANDIVER: Mr. Examiner, I have a
22 geologist to testify in this case that might be better
23 suited to answer that question than Mr. Cowen.

24 HEARING EXAMINER: The witness has
25 testified as to the survey which was made for the

1 location. I think that if he knows, he should answer.

2 MR. VANDIVER: All right.

3 THE WITNESS: I am not sure if they looked
4 for any other locations in that Southwest 1/4. I
5 believe they had their sights set in that Southeast
6 part.

7 Q. (BY MR. STOVALL) It's your understanding --
8 and I understand you're not a geologist and you're not
9 testifying as to the geology -- but it is your
10 understanding that the exploration people at Yates did
11 not express any interest in going to any of the other
12 areas in that quarter section; is that correct?

13 A. That is correct. That interest was not
14 indicated to me.

15 MR. STOVALL: I have no further questions
16 of this witness on that subject matter, but I will
17 want to talk to the geologist about that.

18 HEARING EXAMINER: That is all your
19 questions?

20 MR. STOVALL: That's all my questions.

21 EXAMINATION

22 BY HEARING EXAMINER:

23 Q. Mr. Cowen, on your location No. 1 -- this
24 is referring to your section sheet in Exhibit 2 -- it
25 does not appear that that location is down into that

1 draw.

2 A. Mr. Examiner, this is a xerox of a xerox of
3 a xerox, and, therefore, it didn't come out really
4 clear on what the actual topography looked like. Our
5 permit agent was out on location and after the
6 original location was staked there in the Southeast
7 1/4 and it was his impression that this would not be
8 approved by the BLM, because it was so close to or in
9 the Fivemile Draw area. Because Fivemile Draw is a
10 major drainage through there.

11 Q. And the location in the Southwest of the
12 Southwest appears to be well outside the draw; would
13 you agree to that?

14 A. Yes, sir, there would -- yes, sir.

15 Q. And it also looks like the Northwest of the --
16 the Northeast of the Southwest would be outside the
17 draw. Would you agree to that?

18 A. Yes, sir.

19 HEARING EXAMINER: Anybody else have any
20 questions?

21 MR. STOVALL: Let me ask one more just to
22 follow up and close on this issue.

23 FURTHER EXAMINATION

24 BY MR. STOVALL:

25 Q. Mr. Cowen, do you know whether Yates on a

1 surface matters only, surveyed either the Southwest of
2 the Southwest or the Northeast of the Southwest?

3 A. I do not believe those were surveyed.

4 HEARING EXAMINER: The witness may be
5 excused.

6 THE WITNESS: Thank you.

7 HEARING EXAMINER: Call your next witness.

8 DIRECT EXAMINATION

9 BY MR. VANDIVER:

10 Q. Ms. Bentz, state your name, your
11 occupation, and by whom you're employed, please.

12 A. My name is Leslie Bentz. I'm employed as a
13 petroleum geologist by Yates Petroleum Corporation,
14 Artesia, New Mexico.

15 Q. And you were previously sworn and testified
16 in Cases Nos. 9794 and 9795 this morning and had your
17 qualifications as a petroleum geologist were accepted,
18 were they not?

19 A. Yes, they were.

20 Q. Have you made a study of the available
21 geological data in the area surrounding the proposed
22 Red Rock "NB" Federal No. 2 Well?

23 A. Yes, I have.

24 Q. Did you pick the location for the Red Rock
25 "NB" Federal No. 2 Well?

1 A. Yes, I did. All three of them.

2 MR. VANDIVER: Is the witness qualified,
3 Mr. Examiner?

4 HEARING EXAMINER: Yes.

5 Q. (BY MR. VANDIVER) Would you refer back to
6 Exhibit 3 that's been admitted into evidence in this
7 case and review the circumstances surrounding the
8 changes of the location?

9 A. Okay. As you would notice the date on the
10 first page, we started trying to get a well drilled in
11 area back in July of this year. We did choose an
12 orthodox location in the Southeast. The BLM will not
13 permit us to drill that because of drainage problems,
14 so we picked an alternative location in the Southwest
15 1/4 of that section.

16 Again, we fell into Fivemile Draw, so we
17 had to choose another location because of topography.
18 To stay as close as we could to our original location,
19 which is already our second choice to begin with, we
20 moved 330 feet from the line. As you notice, there is
21 an arc site. We're putting up a berm to protect that
22 arc site and also for drainage purpose.

23 If it was up to BLM, they want us to go
24 further unorthodox. Yes, there are other locations
25 that could be drilled surfacely, in there, but I don't

1 see much point in drilling a well if it's probably
2 going to be a dry hole.

3 We have gone out of our way to try to drill
4 an orthodox location, and this is a 4,000 foot Abo
5 well. The economics are already marginal at best, and
6 this is three months and we still can't drill the
7 well. If we can't get this unorthodox location, we
8 just won't drill it.

9 Q. If I could refer you to what's been marked
10 for identification as Applicant's Exhibit 4 in this
11 case and ask you to identify that and describe the
12 information contained in that exhibit.

13 A. Exhibit No. 4 is a map of the net sand, Abo
14 Sands. Abo was deposited in fluvial channels. The
15 channels are very narrow. They meander. The typical
16 channel there is a half mile wide. It meanders up to
17 a half a mile, so it's very easy to miss your primary
18 objectives.

19 It shows probably the best location we
20 could drill is back in the Southeast 1/4. We cannot
21 drill that because of the draw. So we moved over to
22 an orthodox location in the Southwest. The location
23 is nearly as good but probably not quite as good. And
24 then we were forced to move 330 from the south,
25 because of the draw.

1 If we have to move this -- if you move it
2 over in the western part of that proration unit, there
3 is a good chance you're going to drill a dry hole or a
4 noncommercial well. We're increasing the risk to a
5 point if we have to -- because we have very little
6 well control up to the north -- that if we have to
7 move it up to the Northeast of that Southwest 1/4, we
8 probably will not drill the well from some period of
9 time.

10 I think we can -- if I could move on to the
11 next exhibit.

12 Q. Identify Applicant's Exhibit 5.

13 A. Exhibit No. 5 shows one particular channel
14 that we are trying to penetrate. And if you will
15 notice, the well in the Northeast 1/4 of Section 33
16 penetrated 18 feet of that. The next real good
17 control that we have that penetrated that channel is
18 up in Section 20, up in the Northwest 1/4 of Section
19 20. So we're pretty much -- if you look at the dry
20 hole in Section 28 and also the gas well in the
21 Northwest 1/4 of Section 33, we're basically trying to
22 thread a needle through there.

23 Q. All right.

24 A. If you could refer to cross-section A-A',
25 which is Exhibit No. 7. It points out the Finley

1 Channel Sand, which is our primarily target. Shows
2 the well up in the Northwest 1/4 of Section 20. The
3 Geneva comes down through the Finley, which is in the
4 Northeast 1/4 of Section 33, on down to the Powers,
5 which is in the Southeast 1/4 of Section 33.

6 Now, if you refer to section cross-section
7 B-B'.

8 Q. Which is marked as Exhibit 8?

9 A. Exhibit 8. This cross-section illustrates
10 the two wells that this well will be located. The
11 Powers 10-Y, which is located in the Northwest 1/4 of
12 Section 33, is a poor noncommercial producer. There
13 are hints of the Finley Channel in that well bore, but
14 it does not produce.

15 If you move on to the Red Rock Federal
16 No. 1, which is located in the Southeast 1/4 of
17 Section 28, you will notice that the well was plugged
18 and abandoned. Again, you see what may be a channel
19 edge there, but it is nonproductive in that well. So
20 we have probably less than a half-mile window to
21 locate that sand. And I feel like that we're probably
22 getting a little close to the edge of it as it is.

23 Q. You haven't identified Applicant's Exhibit
24 No. 6. what is that exhibit?

25 A. Yes. If we could go back to Exhibit No. 6.

1 It shows the estimated ultimate recovery of the wells
2 in that area. It shows that in the western part of
3 Section 33, which would be equivalent location in the
4 western part of 28, that the wells are noncommercial
5 wells. The ultimate recovery is the number on the
6 top. And if you look at the bottom, in parentheses,
7 that is what the cumulative production is through
8 1988.

9 Q. Anything else with regard to the exhibits?

10 A. No.

11 Q. Ms. Bentz, in your opinion, is your
12 proposed location, 330 feet from the south line, and
13 1980 feet from the west line of the Section 28, the
14 best available location for an Abo gas well in this
15 particular spacing unit, Southwest 1/4 of Section 28?

16 A. Yes, it is.

17 Q. And in your opinion, what's the probable
18 result if the well should be moved to the west into
19 the Southwest 1/4 Southwest 1/4 or to the north, into
20 the Northeast 1/4 Southwest 1/4 Section 28?

21 A. Well, if you move to the west of Section
22 28, you're likely to drill a well that is either a dry
23 hole or noncommercial. If we must move this location
24 to the north, we're increasing our risk to the point
25 this we won't drill the well right now.

1 Q. All of acreage surrounding the proposed
2 well within a mile is owned by Yates Petroleum
3 Corporation, so you're not harming anyone's
4 correlative rights?

5 A. No, we're not.

6 Q. In the your opinion, will the granting of
7 Yates's application in this case be in the interest of
8 conservation of oil and gas, the prevention of waste
9 and the protection of correlative rights?

10 A. Yes, it is.

11 Q. Were Exhibits 4 through 8 prepared by you
12 or under your direction or supervision?

13 A. Yes, they were.

14 MR. VANDIVER: Mr. Examiner, I would move
15 admission of Applicant's Exhibits 4 through 8 in this
16 case, and that concludes my examination of this
17 witness.

18 HEARING EXAMINER: Is there objection?

19 Exhibits 4 through 8 will be admitted.

20 EXAMINATION

21 BY HEARING EXAMINER:

22 Q. Ms. Bentz, on your Exhibits 7 and 8, have
23 you shown all of the prospective sands or identified
24 sands in this pool on those exhibits, or were you just
25 highlighting the one channel sand that you're --

1 A. We were just highlighting the one channel
2 sand. There are some additional sands in the well
3 bore, but they are of extremely poor quality, and we
4 feel like if we don't penetrate the Finley Sand, we
5 probably will have a noncommercial well.

6 Q. I understand these sands come and go, and
7 that they are quite erratic.

8 It would appear, particularly from your
9 Exhibit 4, that conditions north of your location
10 No. 1 might be prospective. Have you given
11 consideration to moving north from that location?

12 A. If you notice, we don't have any control to
13 the north. We've postulated, and it's easy to draw a
14 straight line through there at the moment, but these
15 channels are known to meander. And we feel like that
16 if we have to jump up there and, basically, wildcat in
17 Section 28, we won't drill that well right now. The
18 economics are such in the Abo, that, you know, your
19 risk, if we get up there, we feel like it would be
20 prohibitive.

21 Q. I see. This location is in the Pecos Slope
22 Abo Pool.

23 A. Yes, it is.

24 Q. And that pool is not a prorated gas pool,
25 is it?

1 A. No, it's not.

2 Q. When an operator crowds a line and does not
3 look at alternative locations that are standard
4 locations, it says to me that he considers all of his
5 his acreage not to be productive, and --

6 A. Well, in this case that's not the case. If
7 you're familiar with the Pecos Slope, you will know
8 it's very rugged terrain. We commonly have many
9 topographic problems out there. There are many
10 archaeological sites. By the time you through this in
11 considerations, unorthodox locations 330 off the line
12 are common. They have always been administratively
13 approved in the past, and I think if you will go back
14 and look, that it's a rather routine thing in the
15 Pecos Slope.

16 Q. Well, isn't as routine as it used to be.

17 A. Well, I realize that, and it's getting to
18 be a point when it takes three months to get a well
19 that barely, you know, justifies, economically, to
20 drill that, we probably are not going to be able to
21 devote the manpower and the kind of hours that it
22 takes to prepare these. We have been to nearly every
23 governmental agency in southeast New Mexico to get the
24 well drilled.

25 HEARING EXAMINER: I understand your

1 problem.

2 I believe that's all I have. Is there
3 anything else to go onto the record?

4 MR. VANDIVER: No, sir.

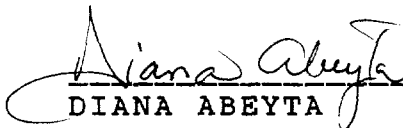
5 HEARING EXAMINER: The witness may be
6 excused. We'll take the case under advisement.

7 MR. STOVALL: Mr. Examiner, I think
8 probably this would be an appropriate time to take a
9 break, but before we do, I would like to have a brief
10 discussion off the record with the Yates people and
11 whoever else is in the room to let you the know where
12 we are on this.

13 HEARING EXAMINER: We'll take a 15-minute
14 break.

15
16
17 I do hereby certify that the foregoing is
18 a complete record of the proceedings in
19 the Examiner hearing of Case No. 97-55,
heard by me on November 1, 1984.

20 Victor J. Lynn, Examiner
21 Oil Conservation Division
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2 CERTIFICATE OF REPORTER
34 STATE OF NEW MEXICO)
5) ss.
6 COUNTY OF SANTA FE)7 I, Diana Abeyta, Certified Shorthand
8 Reporter and Notary Public, HEREBY CERTIFY that the
9 foregoing transcript of proceedings before the Oil
10 Conservation Division was reported by me; that I
11 caused my notes to be transcribed under my personal
12 supervision; and that the foregoing is a true and
13 accurate record of the proceedings.14 I FURTHER CERTIFY that I am not a relative
15 or employee of any of the parties or attorneys
16 involved in this matter and that I have no personal
17 interest in the final disposition of this matter.
1819 WITNESS MY HAND AND SEAL January 3, 1990.
2021
22 
23 DIANA ABEYTA
CSR No. 26724 My commission expires: May 7, 1993
25