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## MARK WILSON

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MR. STOGNER: Call next Case  
Number 8688.

MR. TAYLOR: The application of  
Rio Pecos Corporation for compulsory pooling, Eddy County,  
New Mexico.

MR. STOGNER: Call for appear-  
ances?

MR. KELLAHIN: If the Examiner  
please, I'm Tom Kellahin of Santa Fe, New Mexico, appearing  
on behalf of the applicant and I have two witnesses to be  
sworn.

MR. STOGNER: Are there any  
other appearances?

Will the witnesses please stand  
and be sworn?

(Witnesses sworn.)

ROGER ELLIOTT,  
being called as a witness and being duly sworn upon his  
oath, testified as follows, to-wit:

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DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Mr. Elliott, for the record would you please state your name and occupation?

A My name is Roger Elliott. I'm a petroleum landman.

Q Mr. Elliott, by whom are you employed and in what capacity?

A I'm employed by Rio Pecos Corporation as a petroleum landman.

Q As a petroleum landman have you previously testified before the Oil Conservation Division?

A I have.

Q And pursuant to this employment have you made a study of the petroleum land matters surrounding this application for compulsory pooling?

A Yes, I have.

MR. KELLAHIN: We tender Mr. Elliott as an expert petroleum landman.

MR. STOGNER: Mr. Elliott is so qualified as an expert petroleum landman.

Q Mr. Elliott, let me direct your attention to Exhibit Number One. Using that exhibit would you identify for us the spacing and proration unit that's the sub

1 ject of this hearing?

2 A This first exhibit represents the land  
3 plat of the area in question. We are -- the west half of  
4 Section 26 is the suggested proration unit for a well that's  
5 located in Township 17 South, Range 30 East, comprising ap-  
6 proximately 320 acres.

7 Q The west half of Section 26 would consti-  
8 tute a standard sized proration unit for wells drilled from  
9 the top of the Wolfcamp to the base of the Morrow?

10 A That's correct.

11 Q And are those -- does that interval con-  
12 stitute all of the proposed targets for this well?

13 A Yes, it does.

14 Q Within that area have you made an inves-  
15 tigation to determine the names and addresses and interests  
16 of the various working interest owners?

17 A Yes, I have.

18 Q When did you commence your effort, Mr.  
19 Elliott, to put together on a voluntary basis a west half  
20 proration and spacing unit for the drilling of this well?

21 A By my letter dated January 16th, 1985,  
22 which is Exhibit Number Two; that was my initial proposal  
23 letter asking for voluntary cooperation in drilling this  
24 Morrow test.

25 Q Would you refer to the attachments to Ex

1 hibit Number Two and identify for us which attachment item-  
2 izes the various ownership and interest percentages within  
3 the unit?

4 A If you'll please refer to Exhibit A of my  
5 letter dated January 16th, 1985, which represents a break-  
6 down of parties, net acres, and percent of the unit that is  
7 proposed here.

8 Q At the time you commenced your efforts to  
9 put together a voluntary unit, what was the percentage that  
10 Rio Pecos Corporation held in the unit?

11 A 3.125 percent.

12 Q To the best of your knowledge, informa-  
13 tion, and belief, Mr. Elliott, does this list constitute a  
14 correct tabulation of the owners for this interest?

15 A Yes, it does.

16 Q When we have identified the Malone, et  
17 al interest, would you describe for the Examiner what is in-  
18 tended by that designation?

19 A The Malone interest is now -- was an es-  
20 tate of the Atwood heirs, which are now divided by nine in-  
21 dividuals. So besides this list you have an additional nine  
22 entities that are a potential participant in this proposed  
23 well.

24 Q All right, sir.

25 Following the January 16th, '85 letter,

1 Exhibit Number Two, when is the next correspondence that  
2 you've generated to the working interest owners? When was  
3 that issued?

4 A Okay, my Exhibit Number Three, which is  
5 my letter dated May 30th, 1985, represents a follow-up let-  
6 ter to all the parties concerned, once again asking them to  
7 cooperate in some fashion, either by participation or farm-  
8 out, to drill this proposed test.

9 Q Does the tabulation of names, percent-  
10 ages, and the column indicating decision, does that repre-  
11 sent information that you compiled from your own knowledge?

12 A Yes, I did.

13 Q All right. What is represented, then,  
14 by the entries under the decision column?

15 A Okay, the body of the letter represents  
16 again the name of the potential participants, percent of the  
17 unit, and decisions, if any, on what they're going to do  
18 with this proposed well.

19 Q When you include the entries by the indi-  
20 viduals, the entries showing either farmout or participa-  
21 tion, when those interests are added to the Rio Pecos  
22 interest, what interest does Rio Pecos have?

23 A Approximately 84 percent, to my best  
24 knowledge.

25 Q All right, sir, what then is the next

1 correspondence you had with the working interest owners?

2 A Okay. Exhibit Number Four represents  
3 correspondence relating to the Leila B. Phares estate. We  
4 have investigated on numerous occasions trying to locate any  
5 heirs that she may have had, which we failed to do so.

6 Also, Franklin Aston Phares, who operates  
7 that particular lease has made a diligent effort to locate  
8 that lady and heirs, which they have failed to do so also,  
9 so by letter dated March 31st, 1985, Franklin Aston Phares  
10 decided that they could not find any heirs and sent this  
11 letter, along with a check to the State of New Mexico,  
12 whereby they think the interest has escheated to the State  
13 of New Mexico.

14 Q What interest does the estate of Leila  
15 Phares have in the spacing and proration unit?

16 A Approximately .375 percent.

17 Q Directing your attention to Exhibit Five,  
18 now, Mr. Elliott, would you identify what you're doing with  
19 this correspondence?

20 A By letter dated August 21st, 1985, I sent  
21 this cover letter along with the August 20th, 1985 letter,  
22 again asking Frances J. Weller Trust and Weller Energy to  
23 either participate or farmout to our proposed Morrow test.

24 Q When we look at the bottom of Exhibit  
25

1 Number Three, which is the May 30th letter, there is an en-  
2 try on the bottom of that letter, says F. Weller, et al,  
3 2.34375, no decision?

4 A Correct, at that time.

5 Q Does Exhibit Five represent your efforts  
6 to get that interest committed to the unit?

7 A Yes, it does.

8 Q What is the current status of that ef-  
9 fort?

10 A By letter dated August 16th, 1985, Mr.  
11 Weller sent Mr. Kellahin some correspondence indicating he  
12 would cooperate by farming out to us in this proposed test.

13 Q Has Mr. Weller proposed terms to you and  
14 Rio Pecos, Mr. Elliott, which are acceptable at this time?

15 A No, not yet.

16 Q What is the nature of the difference be-  
17 tween the two proposals?

18 A Oh, approximately 7.33 percent, approxi-  
19 mately.

20 Q Are you continuing to discuss and nego-  
21 tiate with the Weller interest their voluntary participation  
22 in the unit?

23 A Yes, we are.

24 Q In the event you are unsuccessful to con-  
25 clude that voluntary participation, do you desire that this

1  
2 pooling order cover their interest?

3 A Yes, we do.

4 Q All right. Let's go now to Exhibit  
5 Number Six in the package of documents identified as Six.

6 What are you attempting to do with this  
7 correspondence?

8 A Okay. By my letter dated August 20th,  
9 1985, I have asked once again Anadarko Production Company to  
10 again consider either participation or farming out to our  
11 proposed test in Section 26.

12 Q Attached to the letter is a subsequent  
13 tabulation. Would you describe and identify that for us?

14 A This tabulation represents numerous tele-  
15 phone calls I've had with three different individuals at  
16 Anadarko about the proposed Morrow test.

17 Q As of today, Mr. Elliott, what is the  
18 current status of the negotiations with Anadarko?

19 A We have learned as of yesterday that they  
20 have elected to participate in this proposed test.

21 Q In the event Anadarko fails to execute  
22 the appropriate operating agreements and AFE's, do you de-  
23 sire that this pooling order cover their interest?

24 A Yes, we do.

25 Q Okay, let's go now to Exhibit Seven and  
have you identify Exhibit Seven and the attachments to that

1 exhibit.

2           A           Exhibit Number Seven, dated August 1st,  
3 1985, is my cover letter sent to the participating parties  
4 and the attachments are the AFE, Authority for Expenditure,  
5 and the model form operating agreement covering the west  
6 half of Section 26.

7           Q           Let me direct you once again to Exhibit  
8 Number Three, which is the May 30th letter. If you'll turn  
9 to the second page and look at the last entry for the estate  
10 of Leila Phares, is that an interest for which you desire  
11 this pooling to order to cover?

12           A           Yes, we do.

13           Q           All right, and when we look at the first  
14 page, you've identified the Weller interest to be covered by  
15 the orders, the Anadarko to be covered. That leaves the top  
16 three entries representing companies or individuals that  
17 we've not yet discussed.

18           A           Correct.

19           Q           With regards to this pooling order, Mr.  
20 Elliott, would you identify as to each of those individuals  
21 or companies what your desire is with regards to this forced  
22 pooling order?

23           A           As to Belnorth Petroleum Corporation,  
24 they have decided in the Midland District to farmout to this  
25 proposed test.

1           Q           Have you received the actual farmout  
2 documents as of now?

3           A           We have received their letter verifying  
4 their decision.

5           Q           Are you satisfied as a petroleum landman  
6 that the pooling order need not cover the Belnorth interest  
7 at this time?

8           A           Yes, we do.

9           Q           All right. With regard to T. B. Knox,  
10 Mr. Elliott, what is your desire concerning the pooling or-  
11 der?

12          A           We wish to have also T. B. Knox, et al,  
13 and Phillips Oil Company to be included in the forced pool-  
14 ing order.

15          Q           In the event their preliminary indica-  
16 tions to you fall through and they don't participate?

17          A           That's correct.

18          Q           Currently they have indicated to you what,  
19 sir?

20          A           They both have indicated they would sup-  
21 port our test in some fashion, be it by participation or  
22 farmout.

23          Q           In the event they do not, you would give  
24 them the opportunity to participate pursuant to the regula-  
25 tions and rules set forth in a pooling order?

1           A           Yes, we would.

2           Q           All right, let's go now to the AFE. Was  
3 this AFE prepared by you or compiled by employees of Rio  
4 Pecos under your supervision and control?

5           A           Yes, it was.

6           Q           Would you describe for us generally what  
7 information was used to make this AFE?

8           A           If you'll refer back to the land plat,  
9 Exhibit Number One, Rio Pecos Corporation has been a parti-  
10 cipant in four Morrow tests drilled in Township 18 South,  
11 Range 30 East, being two wells in Section 3, two wells in  
12 Section 8, that were drilled to the same depth as proposed  
13 by this AFE.

14                       Based on those wells and AFE we compiled  
15 an AFE that represents a figure that we think would repre-  
16 sent the true cost in drilling this well.

17           Q           Let's turn now, sir, to the second at-  
18 tachment to the August 1st letter, which is the model form  
19 operating agreement. Would you describe for us generally  
20 the form used for this operating agreement?

21           A           This form here is a standard AAPL Form  
22 610, 1977 operating agreement, covering the west half of  
23 Section 26, Township 17 South, Range 30 east.

24           Q           Is this a form that has been modified to  
25 be consistent with the custom and practice of Rio Pecos Cor

1 poration in such agreements?

2 A Yes, it has.

3 Q Would you turn now, sir, to that portion  
4 of the operating agreement that contains the COPAS instruc-  
5 tions and the overhead charges?

6 Have you found that page?

7 A Yes.

8 Q All right. Would you identify for us,  
9 Mr. Elliott, what you propose Rio Pecos assess in this pool-  
10 ing order as overhead charges while drilling and producing?

11 A We recommend that the drilling well rate  
12 will be \$4,600 and the producing well rate be \$460.

13 Q In terms of what is charged currently in  
14 the immediate area for these types of charges, in your opin-  
15 ion are they fair and reasonable?

16 A We believe so.

17 Q Are they consistent with charges other  
18 operators make to you and others for similar wells?

19 A Yes, they are.

20 Q Do you have a recommendation to the Exa-  
21 miner as to when you propose to commence this well?

22 A We propose to commence this well on or  
23 before December 31st, 1985.

24 Q Do you seek provisions in the pooling or-  
25 der that will allow this order to stay in effect until that

1 time?

2 A Yes, we do.

3 Q Are Exhibits One through Seven documents  
4 from Rio Pecos' file that are under your direct control and  
5 supervision or correspondence that you have generated and  
6 drafted over your signature?

7 A Yes, they are.

8 MR. KELLAHIN: We move the  
9 introduction of Exhibits One through Seven.

10 MR. STOGNER: Exhibits One  
11 through Seven will be admitted into evidence.

12

13 CROSS EXAMINATION

14 BY MR. STOGNER:

15 Q Mr. Elliott, on Exhibit Number Three  
16 what's the status of the F. B. Jackson, Jr.?

17 A He has elected to farmout to us for this  
18 proposed test.

19 Q Have you got the paperwork on that?

20 A We have sent the paperwork for his execu-  
21 tion approximately two weeks ago.

22 Q Okay. Do you wish him to be -- or that  
23 party to be a part of the forced pooling?

24 A Yes, I would include that.

25 MR. STOGNER: Are there any

1 other questions of this witness?

2

3

CROSS EXAMINATION

4

BY MR. TAYLOR:

5

Q

Would you go over again on Exhibit Three  
6 the interest that you want to force pool? Or whichever ex-  
7 hibit --

8

A

Okay.

9

Q

-- you choose to look at.

10

A

We'd like to have included in the forced  
11 pooling order the names of T. B. Know, et al, Phillips Oil  
12 Company, Mr. F. B. Jackson, Jr., and the Estate of Leila  
13 Phares.

14

Q

Okay. Who's --

15

MR. KELLAHIN: I'm sorry, that

16

answer is not complete yet, I don't think. Just a minute,  
17 please.

18

A

Oh, excuse me, and Anadarko Production  
19 Company and Mr. F. Weller, et al.

20

Q

Okay. Do you know who is the trustee or  
21 whatever of the Estate of Leila Phares?

22

A

Okay, based on our investigation and  
23 Franklin Aston Phares investigation, it appeared like the  
24 Franklin Aston Phares, Limited company operated that parti-  
25 cular lease and basically accumulated the funds that she de-

1 served for production under that -- under those two base  
2 leases.

3 Q So that, so the person -- the people that  
4 you're actually trying to force pool are the trustees who  
5 are the partnership? I thought that had expired.

6 A There is no trustees. There's no heirs.  
7 We cannot find any people to represent her estate.

8 Q This letter in here, I don't -- my exhi-  
9 bits aren't numbered -- to the State of New Mexico, Taxation  
10 and Rev, have they answered you saying whether they think  
11 that the estate has escheated to them?

12 A As far as my conversations with the State  
13 of New Mexico, they claim that maybe it doesn't escheat the  
14 State for approximately 23 years. There is a statute of  
15 limitations, or something, 23 years, 27 years. He said it  
16 would not escheat the State until that time.

17 Q So there must still be a trustee, or  
18 something. No?

19 A Not that I could find.

20 Q Okay. I was just wondering if we could  
21 force pool the State but I guess maybe we ought to --

22 A That was my question. That's why I  
23 talked to this gentleman here; he didn't think so, so I  
24 said, well --

25 Q Have you talked to the Land Office to see

1 if they claim receipt of land?

2 A No, I haven't.

3 Q Is Tax and Rev -- are they the ones res-  
4 ponsible for it?

5 A It appears like at this time, right.

6 Q Okay. Thank you.

7 MR. STOGNER: Is there any fur-  
8 ther questions of this witness?

9 If not, he may be excused.

10 Mr. Kellahin?

11 MR. KELLAHIN: I have one more  
12 witness, Mr. Stogner.

13

14 MARK WILSON,

15 being called as a witness and being duly sworn upon his  
16 oath, testified as follows, to-wit:

17

18 DIRECT EXAMINATION

19 BY MR. KELLAHIN:

20 Q Mr. Wilson, will you please state your  
21 name and occupation?

22 A Okay. Mark Wilson; petroleum geologist.

23 Q Mr. Wilson, have you previously testified  
24 before the Division as a petroleum geologist?

25 A Several times.

1 Q And have you prepared for discussion to-  
2 day certain geologic exhibits in this case?

3 A Yes, three.

4 MR. KELLAHIN: We tender Mr.  
5 Wilson as an expert petroleum geologist, Mr. Stogner.

6 MR. STOGNER: He is so quali-  
7 fied.

8 Q Mr. Wilson, let me direct your attention  
9 first of all to Exhibit Number Eight, which I believe is a  
10 structure map, would you identify that for us?

11 A Okay. This is a structure map on the  
12 base of the Lower Strawn Limestone or the top of the Atoka  
13 Series.

14 Q Is this a structure map that you have  
15 prepared?

16 A Yes.

17 Q Would you --

18 A Yeah, contour interval is 100 feet the  
19 scale is one inch to 4000 feet.

20 This structure map also shows the drill  
21 site of our proposed well there in Section 26.

22 Q How has the drill site been identified on  
23 the exhibit?

24 A Okay, it's shown in red at 2310 feet from  
25 the north line, 660 feet from the west line of Section 26,

1 17 South, 30 East, and the spacing unit to be dedicated to  
2 the well is shown with the blue outline.

3 To the southwest of there about a mile,  
4 shown with a green dot, is another well there that I'm going  
5 to show you a log on in just a minute. That's the Anadarko  
6 Arnold No. 1, which contains the sand which is the principal  
7 objective of our well.

8 Q Would you identify the Anadarko well in  
9 terms of its subsurface depth?

10 A Okay. It's in -- I'll identify it by  
11 section first. It's in Section 34 of Township 17 South,  
12 Range 30 East, and on this map the datum is at -6984.

13 I want to discuss the structure here,  
14 too, with regard to how it will influence the Morrow channel  
15 sand which I will point out later.

16 Up in 16 South, 30 East, which is in the  
17 northwest corner of the map, I show two anticlinal struc-  
18 tures. The one on the east, or to the right, is the Henshaw  
19 Field Structure, and then the one to the west is an unnamed  
20 structure, but between is a very prominent syncline.

21 Okay. Now, coming down to 17 South, 30  
22 East, in the area, immediate area there where we're going to  
23 drill the well, there is another structure in the Cedar Lake  
24 area, and then to the west of that, in the west part of 17  
25 South, 30 East, is a structure there where the Anderson

1 Field is, and again between these two structures is a promi-  
2 nent syncline, and I will get back to that when I go to the  
3 Morrow Isopach.

4                   These structures are, oh, originally,  
5 early Pennsylvanian in age. There's been some rejuvenation  
6 here in the late Pennsylvanian, but this is the -- about the  
7 westernmost early Pennsylvanian axis as you come out of Lea  
8 County. West of here the structures are principally late  
9 Pennsylvanian in age and there is some Devonian production  
10 to the north of this in the Lucky Lake Field and also down  
11 in the Shugart Field, which is also in this trend.

12                   This is important in that when we have an  
13 early Pennsylvanian structure you'll have thinning in the  
14 Morrow section and your -- the trends are going to be con-  
15 trolled principally by the structural configuration.

16                   Q           Let's turn now to Exhibit Number Two, Mr.  
17 Wilson, and have you describe for us the log section portion  
18 for the Anadarko well.

19                   A           Okay. This is a portion of the CNL/FDC  
20 log on the Anadarko Arnold Federal Well, which is shown with  
21 the green dot there in Section 34, and it contains the and  
22 which is our principal objective in our well. It's shown  
23 there in yellow and it's labeled as being channel, CH, 47  
24 feet thick.

25                   This is principally just a Morrow sec-

1 tion. The top of the Morrow is shown there with a brown  
2 line and the Upper Morrow, which we call the A Zone, the top  
3 fo the Upper Morrow is the green line and the top of the B  
4 Zone is a red line, and, of course, down near the bottom of  
5 the log there is the top of the Chester, the upper -- the  
6 upper cycle of the Mississippian, which we call the Chester/  
7 Austin cycle.

8 I will be showing you next an Isopach map  
9 which will be from -- which will be of the Lower Morrow,  
10 from the top of the B Zone down to the top of the Chester,  
11 and I show you the basal part of the Morrow because we're  
12 doing the alluvial valley situation and of course the sand  
13 is contained in the Lower Morrow.

14 Q Before you leave the log section, Mr.  
15 Wilson, can you tell us what has been the quality of that  
16 Anadarko well?

17 A This is an extremely good well. You can  
18 see there was -- had a calculated initial open flow of 33-  
19 million and since it went on the line it's been producing  
20 about 3-million a day; it's capable of producing quite a bit  
21 more than that but there are market limitations. But it's  
22 averaged, I'd say, around 3-million a day since it went on  
23 the line in 1982.

24 Q Let's go now to Exhibit Number Three,  
25 which is the Isopach.

1           A           As I said previously, this is an Isopach  
2 of the Lower Morrow from the top of the B Zone down to the  
3 top of the Chester, which is an erosional unconformity, and  
4 I have colored in yellow on this map the axis of the thick,  
5 which would be the axis of this alluvial valley in which  
6 this channel sand was deposited, and you can see that it has  
7 a northeast/southwest trend and that that trend conforms  
8 rather well with where the syncline was in that first exhi-  
9 bit that I presented (not clearly understood.)

10                       Also on this map I have put on the dates  
11 of completion of the wells which have been drilled since the  
12 discovery well, this Anadarko well, trying to find this  
13 channel sand, and this is towards getting at what are the  
14 odds of us finding it up here on the drill site that we pro-  
15 posed.

16                       The first well that attempted to find the  
17 sand was a well drilled by General American in Section 27.  
18 It's immediately north of the green dot there on the -- on  
19 this Isopach, and, of course, the discovery well was com-  
20 pleted in February of 1982 and this well was completed in --  
21 on June the 10th, 1982, and they did not find that sand or  
22 any other sand. It was a dry hole in the Morrow.

23                       The next attempt was a well that we were  
24 in on in Section 3. This is one immediately south, and that  
25 well was drilled by Holly Energy and completed 3-8-84.

1                   We didn't find the channel sand there but  
2 we found another channel sand which was a little bit higher  
3 and we completed that well and it's recently gone on the  
4 line.

5                   Then there was a school of thought that  
6 said, well, the channel is going northwest/southeast, and so  
7 the next well that was drilled for it was drilled by Phil-  
8 lips over in Section 35; in other words, to the east, and  
9 they found a rather thin section of Lower Morrow, 105 feet  
10 compared to 184 in the discovery well, and found themselves,  
11 we think, on the east bank.

12                   Well, the next thing that happened was a  
13 well which Belnorth drilled in the south part of Section 3  
14 and at that point I think people were thinking, well, we  
15 need to go east of the Holly Well, so they drilled their  
16 well down in the southeast part of Section 3.

17                   That well was completed in February,  
18 1985. It was completed in the Delaware Sand. Again it was  
19 thin and it looks as if they ended up on the east bank  
20 again.

21                   At this point we were pretty well con-  
22 vinced that it didn't run north/south and it didn't run  
23 northwest/southeast, but ARCO still thought it did, so they  
24 went over and drilled a well in Section 2. That's the most  
25 recent well that's been drilled for this thing. That well

1 was completed in May of this year, May 10th.

2                   They did make the Morrow gas well that's  
3 in the high part of the Morrow in thin sand, and they also  
4 found a thin Lower Morrow, which indicates it is also on the  
5 east bank.

6                   So looking around at the record, we have  
7 one well that was successful, the discovery well, and there  
8 have been five other wells drilled looking for the sand and  
9 we have had the pleasure of participating in those two in  
10 Section 3, and so we feel that probably where we propose to  
11 drill now up in the west part of 26, that the odds are pro-  
12 bably no better than they have been. We think that maybe  
13 one chance in four of coming up with the sand and this sit-  
14 uation in here is pretty well analogous to what happened  
15 some years back over in 17, 27 in Section 29.

16                   There's a historical Morrow well, the  
17 PanAmerican 1 "AB" that's supposed to have about 40-million  
18 gas reserves. There's a circle of wells drilled all around  
19 it and nobody's ever found that channel again

20                   And this circle is nearly complete. I  
21 hope we don't complete it with another dry one. But I think  
22 the odds on it are probably about one in four.

23                   Q                   Do you have an opinion based upon your  
24 study, Mr. Wilson, as to what risk factor you would recom-  
25 mend the Examiner include in this pooling order?

1           A           Well, I would, of course, prefer, what I  
2 stated was something that would account for a one in four  
3 shot. I think probably the limitations are such that if we  
4 can't get that, I would say we would need to get our money  
5 back and twice again.

6           Q           The statutory maximum is that money back  
7 plus 200 percent.

8           A           200 percent.

9           Q           In your opinion does the risk involved in  
10 drilling this well justify that risk factor?

11          A           I think it certainly does.

12          Q           Were Exhibits One and Three prepared by  
13 you?

14          A           Yes.

15          Q           And the log section, Exhibit Two, has  
16 been analyzed and studied by you.

17          A           Sure.

18                       MR. KELLAHIN: We move the in-  
19 troduction of Exhibits One, Two, and Three.

20                       MR. STOGNER: I believe you  
21 mean Eight, Nine, and Ten.

22                       MR. KELLAHIN: I'm sorry,  
23 that's right, Eight, Nine, and Ten.

24                       MR. STOGNER: Eight, Nine, and  
25 Ten will be admitted into evidence at this time.

1 MR. KELLAHIN: That concludes  
2 our examination of Mr. Wilson.

3

4

## CROSS EXAMINATION

5 BY MR. STOGNER:

6 Q Mr. Wilson --

7 A Yes, sir.

8 Q -- what's your proposed location?

9 A Okay, it's in -- to state it fully, in  
10 Section 26, Township 17 South, Range 30 East, 2310 feet  
11 from the north line and 660 feet from the west line.

12 Q Okay, sir, thank you.

13 MR. STOGNER: I have no further  
14 questions of this witness.

15 Does anybody else have any  
16 further questions of Mr. Wilson?

17 MR. KELLAHIN: No, sir.

18 MR. STOGNER: If not, he may be  
19 excused.

20 Anything further in Case 8688?

21 If not, this case will be taken  
22 under advisement.

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(Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division (Commission) was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

SWB

I do hereby certify that the foregoing is a correct record of the proceedings in the Examiner hearing of Case No. 8688 heard by me on 28 August 1985  
Michael S. James, Examiner  
Oil Conservation Division