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BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

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TRANSCRIPT OF PROCEEDINGS

CASE NO. 674

Regular Hearing

March 18, 1954

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico
March 18, 1954

IN THE MATTER OF:

The application of El Paso Natural Gas
Company for approval of the San Juan
29-7 Unit Agreement embracing 22,500.14
acres of land, more or less, in Rio
Arriba County, New Mexico, as described:

Case No. 674

TRANSCRIPT OF PROCEEDINGS

FOSTER MORRELL

having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. YOST:

Q Will you please state your name for the record?

A Foster Morrell.

Q What is your profession and occupation?

A Employment consultant.

Q You have testified before this Commission and your qualifications have been recognized?

A I have done so.

Q Will you please state to the Commission the basic facts surrounding this San Juan 29-7 Unit as to the area that is embraced and the Fee land, State land, Federal land and other pertinent facts?

A The San Juan comprises all of Township 29, North, Range 7 West, Rio Arriba County, New Mexico. The unit comprises a total of 22,500.14 acres of which 20,573.80 are Federal lands, representing

77.98 percent of the area, state lands total 2,558.22 acres representing 11.36 percent of the total area, fee patented lands total 2400 acres representing 10.66 percent of the total area.

Q Now, is this unit agreement the same basic unit agreement that has been in these township units which have been submitted to this Commission recently?

A It is essentially the same.

Q What development has taken place on the unit at the present time?

A To date, 27 wells within the unit area.

Q How many of these wells are located on State land?

A Three of a total of eight possible locations have been completed on State lands.

Q There are three wells now completed?

A That is correct.

Q Are any of the intervening drill blocks that must be drilled within a year located on state lands?

A There is one intervening drill block.

Q That must be drilled within a year?

A Yes.

Q Now, what percentage of the working units have joined the unit agreement?

A Three percent of the working units have signed, or agreed to sign, as of this date. Efforts are being made to obtain the committment of the other seven percent of available lands.

Q In your opinion, would this proposed unit permit the conservation of oil and gas in the State of New Mexico?

A It would.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO

Q Would it tend to prevent the waste?

A It would.

Q And would it protect the correlative rights of the land owners?

A It would do that also.

Q Have you made a sketch or plat, which is marked as Exhibit One, showing the unit area?

A I have.

MR. YOST: We would offer the sketch, Mr. Spurrier, which you now have, as Exhibit One.

MR. SPURRIER: Without objection, it will be admitted.

Q The unit agreement has been filed with the Commissioner of Public Lands?

A It has.

MR. YOST: That is all.

MR. SPURRIER: Are there any questions of the witness? If not, the witness may be excused. Does anyone have anything further in the case? If not, we will take the case under advisement and go on to Case 687.

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STATE OF NEW MEXICO)
 : ss.
COUNTY OF BERNALILLO)

I, HELEN PURCELL, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF, I have affixed my hand and notarial seal this 25th day of March, 1954.

ADA DEARNLEY & ASSOCIATES
COURT REPORTERS
ROOM 105-106, EL CORTEZ BLDG.
PHONES 7-9645 AND 5-9546
ALBUQUERQUE, NEW MEXICO


Notary Public, Court Reporter

My commission expires
December 18, 1957